



AGENDA
CITY COUNCIL/SUCCESSOR AGENCY/STANTON HOUSING AUTHORITY
JOINT REGULAR MEETING
STANTON CITY HALL, 7800 KATELLA AVENUE, STANTON, CA
TUESDAY, DECEMBER 10, 2019 - 6:30 P.M.

In compliance with the Americans With Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (714) 890-4245. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.

The City Council agenda and supporting documentation is made available for public review and inspection during normal business hours in the Office of the City Clerk, 7800 Katella Avenue, Stanton California 90680 immediately following distribution of the agenda packet to a majority of the City Council. Packet delivery typically takes place on Thursday afternoons prior to the regularly scheduled meeting on Tuesday. The agenda packet is also available for review and inspection on the city's website at www.ci.stanton.ca.us, at the public counter at City Hall in the public access binder, and at the Stanton Library (information desk) 7850 Katella Avenue, Stanton, California 90680.

- 1. CLOSED SESSION (6:00 PM)**

- 2. ROLL CALL** Council / Authority Member Taylor
Council / Authority Member Van
Council / Authority Member Warren
Mayor Pro Tem / Vice Chairman Ramirez
Mayor / Chairman Shawver

- 3. PUBLIC COMMENT ON CLOSED SESSION ITEMS**

Closed Session may convene to consider matters of purchase / sale of real property (G.C. §54956.8), pending litigation (G.C. §54956.9(a)), potential litigation (G.C. §54956.9(b)) or personnel items (G.C. §54957.6). Records not available for public inspection.

4. CLOSED SESSION

**4A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
(Pursuant to Government Code Section 54956.8)**

Property: 11870 Beach Boulevard, Stanton, CA (APN 131-241-21)

Negotiating Parties: Jarad L. Hildenbrand, City Manager, City of Stanton
Alkhoul Hassan, Owner

Under Negotiation: Instruction to negotiator will concern price and terms of payment.

5. CALL TO ORDER / SUCCESSOR AGENCY / STANTON HOUSING AUTHORITY MEETING

- 6. ROLL CALL** Agency Member Taylor
Agency Member Van
Agency Member Warren
Vice Chairman Ramirez
Chairman Shawver

7. PLEDGE OF ALLEGIANCE

- 8. SPECIAL PRESENTATIONS AND AWARDS** None.

9. CONSENT CALENDAR

All items on the Consent Calendar may be acted on simultaneously, unless a Council/Board Member requests separate discussion and/or action.

CONSENT CALENDAR

- 9A. MOTION TO APPROVE THE READING BY TITLE OF ALL ORDINANCES AND RESOLUTIONS. SAID ORDINANCES AND RESOLUTIONS THAT APPEAR ON THE PUBLIC AGENDA SHALL BE READ BY TITLE ONLY AND FURTHER READING WAIVED**

RECOMMENDED ACTION:

City Council/Agency Board/Authority Board waive reading of Ordinances and Resolutions.

- 9B. APPROVAL OF WARRANTS**

City Council approve demand warrants dated November 20, 2019 and November 27, 2019, in the amount of \$1,314,723.49; and

- 9C. APPROVAL OF MINUTES**

1. City Council approve Minutes of Special Meeting – November 12, 2019; and
2. City Council/Agency/Authority Board approve Minutes of Regular Joint Meeting – November 12, 2019; and
3. City Council/Agency/Authority Board approve Minutes of Regular Joint Meeting – November 26, 2019.

- 9D. ANNUAL AUDIT REPORTS FOR FISCAL YEAR 2018-19**

Attached is the Comprehensive Annual Financial Report (CAFR) for the City of Stanton for the fiscal year ended June 30, 2019. This report includes all funds and entities that are within the control of the City. The independent firm of White Nelson Diehl Evans LLP, Certified Public Accountants and Consultants (WNDE), has conducted an independent audit of the financial statements of the City included in the CAFR and has issued an “unqualified” opinion thereon.

Three additional reports and letters required by governmental auditing standards were issued by the auditors and are submitted herewith. All three cite no significant instances of noncompliance or other exceptions.

RECOMMENDED ACTION:

1. City Council find that these items are not subject to the California Environmental Quality Act (“CEQA”) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378(b)(4) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly); and
2. Receive and file the Comprehensive Annual Financial Report for fiscal year ended June 30, 2019, the Report on Internal Controls Over Financial Reporting and On Compliance and Other Matters, the Auditor’s Communication With Those Charged With Governance, and the Report on Agreed-Upon Procedures Applied to Appropriation Limit Worksheet for the Year Ended June 30, 2019.

9E. NOVEMBER 2019 GENERAL FUND REVENUE AND EXPENDITURE REPORT

The monthly General Fund Revenue and Expenditure Report as of November 2019 has been provided to the City Manager in accordance with Stanton Municipal Code Section 2.20.080 (D)1 and is being provided to City Council.

RECOMMENDED ACTION:

1. City Council find that this item is not subject to California Environmental Quality Act (“CEQA”) pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Receive and file the General Fund Revenue and Expenditure Report as of November 2019.

9F. APPROVAL OF CONTRACT WITH COUNTY OF ORANGE TO PROVIDE MUNICIPAL SERVICES

The County of Orange performs various Municipal Services for cities within Orange County. Staff believes that contracting with the County of Orange for a variety of services, generally within the Public Works field, will result in cheaper prices and a greater depth of resources in the event of an emergency.

RECOMMENDED ACTION:

1. City Council declare this project to be categorically exempt under the California Environmental Quality Act, Class 1, Section 15301c; and
2. Approve the contract with the County of Orange for Municipal Services.

9G. RESOLUTION NO. 2019-56 OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, APPROVING FINAL PARCEL MAP NO. 2018-122 FOR THE PROPERTY LOCATED AT 7181 KERMORE LANE

The final parcel map for the development located at 7181 Kermore Lane has been completed and reviewed by all required departments and agencies. This final parcel map is in compliance with the City's General Plan and zoning land use designations.

RECOMMENDED ACTION:

1. City Council find that the adoption of the resolution is categorically exempt under Section 15332, Class 32 (In-Fill Development Projects); and
2. Adopt Resolution No. 2019-56 approving Final Parcel Map No. 2018-122, entitled:

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, APPROVING FINAL PARCEL MAP NO. 2018-122 FOR THE PROPERTY LOCATED AT 7181 KERMORE LANE”; and
3. Find that the recordation of Final Parcel Map No. 2018-122 will not be in violation of any of the provisions of Section 66474, 66474.1, and 66474.2 of the Subdivision Map Act; and
4. Find that the proposed subdivision, together with the provisions for its design and improvement, is consistent with the general plan required by Article 5 (commencing with Section 65300) of Chapter 3 of Division 1 of the Government Code, and any specific plan adopted pursuant to Article 8 (commencing with Section 65450) of Chapter 3 of Division 1 of the Government Code.

END OF CONSENT CALENDAR

10. PUBLIC HEARINGS

10A. AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, IN ACCORDANCE WITH GOVERNMENT CODE SECTIONS 36937 AND 65858 EXTENDING A TEMPORARY MORATORIUM ON THE ESTABLISHMENT OF MASSAGE BUSINESSES FOR 12 MONTHS PENDING STUDY AND THE PREPARATION OF AN UPDATE TO THE CITY'S MUNICIPAL AND ZONING CODE

Due to the continuing enforcement issues related to massage establishments, the City Council is asked to consider extension of the interim urgency ordinance to temporarily prohibit the establishment of such businesses. The interim urgency ordinance provides the City sufficient time to proceed with proactive enforcement, study the continuing impacts of these establishments, and to develop new municipal and zoning code regulations. The length of the extension on the moratorium is 12 months.

RECOMMENDED ACTION:

1. City Council declare that the project is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15378 of the State of California Environmental Quality Act ("CEQA") Guidelines, because it has no potential for resulting in physical change in the environment, directly or indirectly. The City Council further finds, under Title 14 of the California Code of Regulations, section 15061(b)(3) that this interim urgency ordinance is nonetheless exempt from the requirements of CEQA. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and
2. Receive and file the 10-day action report for the conclusion of the previous 10 month and 15 day moratorium; and
3. Adopt Urgency Ordinance No. 1096, entitled:

"AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, ENACTED PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTIONS 36937 AND 65858, EXTENDING A TEMPORARY MORATORIUM ON THE ESTABLISHMENT OF MASSAGE BUSINESSES FOR 12 MONTHS PENDING STUDY AND THE PREPARATION OF AN UPDATE TO THE CITY'S MUNICIPAL AND ZONING CODE."

ROLL CALL VOTE: Council Member Taylor
Council Member Van
Council Member Warren
Mayor Pro Tem Ramirez
Mayor Shawver

11. UNFINISHED BUSINESS **None.**

12. NEW BUSINESS

12A. RESTRUCTURE OF THE PUBLIC SAFETY COMMITTEE

Based on issues caused by the original format of the Public Safety Committee, there were a number of cancellations due to the lack of a quorum. The proposed reduction in the number of Public Safety Committee members to five combined with the elimination of participation restrictions will lead to a reduction in the number of meetings cancelled due to lack of a quorum.

RECOMMENDED ACTION:

1. City Council find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5)(Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Approve the revised format of the Public Safety Committee.

12B. NOTICE OF INTENT TO WITHDRAW MEMBERSHIP FROM THE PUBLIC ENTITY RISK MANAGEMENT AUTHORITY

The City engaged Bickmore, a professional risk advisor, to identify and evaluate available pool and commercial alternatives for various liability insurance coverage programs. Following the findings report, this report requests City Council approval to provide the Public Entity Risk Management Authority (PERMA) with a Notice of Intent to Withdraw Membership and authorization to engage in a formal application process with prospective alternate Joint Power Authorities (JPAs).

RECOMMENDED ACTION:

1. City Council declare that this project is exempt from the California Environmental Quality Act ("CEQA") under Section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and
2. Authorize the City Manager to Issue a Notice of Intent to Withdraw Membership from the Public Entity Risk Management Authority insurance coverage programs; and
3. Authorize the City Manager to engage in a formal application process with prospective alternate JPAs to obtain firm pricing and coverage terms for a potential coverage effective date of July 1, 2020.

12C. FINANCE DIRECTOR EMPLOYMENT AGREEMENT

For consideration is the employment agreement with Michelle Bannigan for Finance Director.

RECOMMENDED ACTION:

1. City Council find that this item is exempt from the California Environmental Quality Act ("CEQA") under Section 15378(b)(2) – continuing administrative or maintenance activities, such as purchases for supplies, personnel-related actions, general policy and procedure making; and
2. Authorize the City Manager to execute an employment agreement on behalf of the City with Ms. Michelle Bannigan.

13. ORAL COMMUNICATIONS - PUBLIC

At this time members of the public may address the City Council/Successor Agency/Stanton Housing Authority regarding any items within the subject matter jurisdiction of the City Council/Successor Agency/Stanton Housing Authority, provided that NO action may be taken on non-agenda items.

- Members of the public wishing to address the Council/Agency/Authority during Oral Communications-Public or on a particular item are requested to fill out a REQUEST TO SPEAK form and submit it to the City Clerk. Request to speak forms must be turned in prior to Oral Communications-Public.
- When the Mayor/Chairman calls you to the microphone, please state your Name, slowly and clearly, for the record. A speaker's comments shall be limited to a three (3) minute aggregate time period on Oral Communications and Agenda Items. Speakers are then to return to their seats and no further comments will be permitted.
- Remarks from those seated or standing in the back of chambers will not be permitted. All those wishing to speak including Council/Agency/Authority and Staff need to be recognized by the Mayor/Chairman before speaking.

14. WRITTEN COMMUNICATIONS **None.**

15. MAYOR/CHAIRMAN COUNCIL/AGENCY/AUTHORITY INITIATED BUSINESS

15A. COMMITTEE REPORTS/ COUNCIL/AGENCY/AUTHORITY ANNOUNCEMENTS

At this time Council/Agency/Authority Members may report on items not specifically described on the agenda which are of interest to the community provided no discussion or action may be taken except to provide staff direction to report back or to place the item on a future agenda.

15B. COUNCIL/AGENCY/AUTHORITY INITIATED ITEMS FOR A FUTURE MEETING

At this time Council/Agency/Authority Members may place an item on a future agenda.

15C. COUNCIL/AGENCY/AUTHORITY INITIATED ITEMS FOR A FUTURE STUDY SESSION

At this time Council/Agency/Authority Members may place an item on a future study session agenda.

Currently Scheduled: **None.**

15D. REORGANIZATION OF CITY COUNCIL

Annually, the City Council elects a Mayor Pro Tem.

RECOMMENDED ACTION:

The City Clerk will accept nominations for Mayor Pro Tem.

16. ITEMS FROM CITY ATTORNEY/AGENCY COUNSEL/AUTHORITY COUNSEL

17. ITEMS FROM CITY MANAGER/EXECUTIVE DIRECTOR

17A. ORANGE COUNTY FIRE AUTHORITY

At this time the Orange County Fire Authority will provide the City Council with an update on their current operations.

18. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California, the foregoing agenda was posted at the Post Office, Stanton Community Services Center and City Hall, not less than 72 hours prior to the meeting. Dated this 5th day of December, 2019.

s/ Patricia A. Vazquez, City Clerk/Secretary

Item: 9B

CITY OF STANTON ACCOUNTS PAYABLE REGISTER

November 20, 2019

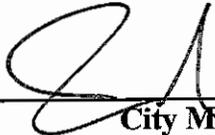
\$219,707.28

November 27, 2019

\$1,095,016.21

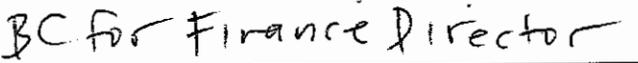
\$1,314,723.49

Demands listed on the attached registers conform to the City of Stanton Annual Budget as approved by the City Council.



City Manager

Demands listed on the attached registers are accurate and funds are available for payment thereof.



Finance Director

MINUTES OF THE CITY COUNCIL OF THE CITY OF STANTON
SPECIAL MEETING NOVEMBER 12, 2019

1. CALL TO ORDER

The meeting was called to order at 5:00 p.m. by Mayor Pro Tem Ramirez.

2. PLEDGE OF ALLEGIANCE

Led by Mayor Pro Tem Rigoberto A. Ramirez.

3. ROLL CALL

Present: Council Member Taylor, Council Member Van, Council Member Warren, and Mayor Pro Tem Ramirez.

Absent: None.

Excused: Mayor Shawver.

4. CLOSED SESSION

5. PUBLIC COMMENT ON CLOSED SESSION ITEMS None.

6. CLOSED SESSION

The members of the Stanton City Council of the City of Stanton proceeded to closed session at 5:00 p.m. for discussion regarding:

6A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
(Pursuant to Government Code Section 54956.8)

- Property: 8830 Tina Way, Stanton, CA (APN 126-481-01)
- 8840 Tina Way, Stanton, CA (APN 126-481-02)
- 8850 Tina Way, Stanton, CA (APN 126-481-03)
- 8860 Tina Way, Stanton, CA (APN 126-481-04)
- 8870 Tina Way, Stanton, CA (APN 126-481-05)
- 8880 Tina Way, Stanton, CA (APN 126-481-06)
- 8900 Tina Way, Stanton, CA (APN 126-481-08)
- 8910 Tina Way, Stanton, CA (APN 126-481-09)
- 8920 Tina Way, Stanton, CA (APN 126-481-10)
- 8921 Pacific Avenue, Stanton, CA (APN 126-481-21)
- 8961 Pacific Avenue, Stanton, CA (APN 126-481-17)
- 8971 Pacific Avenue, Stanton, CA (APN 126-481-16)
- 8890 Pacific Avenue, Stanton, CA (APN 126-482-07)
- 8900 Pacific Avenue, Stanton, CA (APN 126-482-08)

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8960 Pacific Avenue, Stanton, CA (APN 126-482-14)

Negotiating Parties: Jarad L. Hildenbrand, City Manager, City of Stanton
Trachy Family Trust, Owner
Steven W. Reiss Trust, Owner
Jennie Trust, Owner
Trang Trust, Owner
Binh Ngoc Nguyen and Phuong Thi Pham, Owner
Triple Star Company, LLC, Owner
8900 Tina Way, Owner
Zichuan Li and Ying Zheng, Owner
Binh Ngoc Nguyen and Phuong Thi Pham, Owner
Sky Nguyen, Owner
Binh Ngoc Nguyen and Phuong Thi Pham, Owner
Steven W. Reiss Trust, Owner
Ngoc Trieu and Andy Pham, Owner
Pacific Wu Investments, LLC, Owner
David M. Cook and Daphne Chakran, Owner

Under Negotiation: Instruction to negotiator will concern price and terms of payment.

6B. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code Section 54956.9 (d)
(2)

Number of Potential Cases: 1

7. CALL TO ORDER / SPECIAL CITY COUNCIL MEETING

The meeting was called to order at 6:00 p.m. by Mayor Pro Tem Ramirez.

The City Council reconvened in open session at 6:00 p.m.

The City Attorney reported that the Stanton City Council met in closed session from 5:00 to 6:00 p.m.

The City Attorney reported that there was no reportable action.

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8. **ADJOURNMENT** Motion/Second: Ramirez/
Motion carried at 6:00 p.m.

MAYOR

ATTEST:

CITY CLERK

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MINUTES OF THE CITY COUNCIL / SUCCESSOR AGENCY / HOUSING AUTHORITY
OF THE CITY OF STANTON
JOINT REGULAR MEETING NOVEMBER 12, 2019

1. CALL TO ORDER / CLOSED SESSION

The City Council / Housing Authority meeting was called to order at 6:00 p.m. by Mayor Pro Tem/Vice Chairman Ramirez.

2. ROLL CALL

Present: Council/Authority Member Taylor, Council/Authority Member Van, Council/Authority Member Warren, and Mayor Pro Tem/Vice Chairman Ramirez.

Absent: None.

Excused: Mayor/Chairman Shawver.

3. PUBLIC COMMENT ON CLOSED SESSION ITEMS None.

4. CLOSED SESSION

The members of the Stanton City Council/Stanton Housing Authority of the City of Stanton proceeded to closed session at 6:00 p.m. for discussion regarding:

**4A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
(Pursuant to Government Code Section 54956.8)**

Property: 8830 Tina Way, Stanton, CA (APN 126-481-01)
8840 Tina Way, Stanton, CA (APN 126-481-02)
8850 Tina Way, Stanton, CA (APN 126-481-03)
8860 Tina Way, Stanton, CA (APN 126-481-04)
8870 Tina Way, Stanton, CA (APN 126-481-05)
8880 Tina Way, Stanton, CA (APN 126-481-06)
8900 Tina Way, Stanton, CA (APN 126-481-08)
8910 Tina Way, Stanton, CA (APN 126-481-09)
8920 Tina Way, Stanton, CA (APN 126-481-10)
8921 Pacific Avenue, Stanton, CA (APN 126-481-21)
8961 Pacific Avenue, Stanton, CA (APN 126-481-17)
8971 Pacific Avenue, Stanton, CA (APN 126-481-16)
8890 Pacific Avenue, Stanton, CA (APN 126-482-07)
8900 Pacific Avenue, Stanton, CA (APN 126-482-08)
8960 Pacific Avenue, Stanton, CA (APN 126-482-14)

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Negotiating Parties: Jarad L. Hildenbrand, City Manager, City of Stanton
Trachy Family Trust, Owner
Steven W. Reiss Trust, Owner
Jennie Trust, Owner
Trang Trust, Owner
Binh Ngoc Nguyen and Phuong Thi Pham, Owner
Triple Star Company, LLC, Owner
8900 Tina Way, Owner
Zichuan Li and Ying Zheng, Owner
Binh Ngoc Nguyen and Phuong Thi Pham, Owner
Sky Nguyen, Owner
Binh Ngoc Nguyen and Phuong Thi Pham, Owner
Steven W. Reiss Trust, Owner
Ngoc Trieu and Andy Pham, Owner
Pacific Wu Investments, LLC, Owner
David M. Cook and Daphne Chakran, Owner

Under Negotiation: Instruction to negotiator will concern price and terms of payment.

4B. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code Section 54956.9 (d) (2)

Number of Potential Cases: 1

5. CALL TO ORDER / SUCCESSOR AGENCY / STANTON HOUSING AUTHORITY MEETING

Mayor/Chairman Shawver arrived at 6:00 PM.

The meetings were called to order at 6:31 p.m. by Chairman Shawver.

The City Attorney reported that the Stanton City Council met in closed session from 6:00 to 6:30 p.m.

The City Attorney reported that there was no reportable action.

6. ROLL CALL

Present: Agency Member Taylor, Agency Member Van, Agency Member Warren, Vice Chairman Ramirez, and Chairman Shawver.

Absent: None.

Excused: None.

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7. PLEDGE OF ALLEGIANCE

Led by Ms. Amy Stonich, Contract City Planner.

8. SPECIAL PRESENTATIONS AND AWARDS

Mayor Shawver presented a proclamation and proclaimed November 10, 2019 through November 16, 2019 to be National Nurse Practitioner Week in the City of Stanton.

9. CONSENT CALENDAR

Council Member Warren requested to pull and table consent calendar item 9F for discussion at a future City Council meeting.

Motion/Second: Ramirez/Warren
Motion unanimously carried by the following vote:

AYES: 5 (Ramirez, Shawver, Taylor, Van, and Warren)
NOES: None
ABSTAIN: None
ABSENT: None

The City Council/Agency Board/Authority Board approved the following Consent Calendar items:

CONSENT CALENDAR

9A. MOTION TO APPROVE THE READING BY TITLE OF ALL ORDINANCES AND RESOLUTIONS. SAID ORDINANCES AND RESOLUTIONS THAT APPEAR ON THE PUBLIC AGENDA SHALL BE READ BY TITLE ONLY AND FURTHER READING WAIVED

The City Council/Agency Board/Authority Board waived reading of Ordinances and Resolutions.

9B. APPROVAL OF WARRANTS

1. The City Council approved demand warrants dated October 16, 2019 and October 24, 2019, in the amount of \$439,249.00; and
2. The City Council approved demand warrants dated October 30, 2019 and November 6, 2019, in the amount of \$1,605,938.29.

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9C. APPROVAL OF MINUTES

1. The City Council approved Minutes of Special Meeting – October 8, 2019; and
2. The City Council/Agency/Authority Board approved Minutes of Regular Joint Meeting – October 8, 2019; and
3. The City Council/Agency/Authority Board approved Minutes of Regular Joint Meeting – October 22, 2019.

9D. CERTIFICATE OF COMPLETION FOR THE STANTON PLAZA COMMERCIAL BUILDING LOCATED AT 11382 BEACH BOULEVARD

The attached Certificate of Completion for the commercial building located in Stanton Plaza is being presented to the City Council for review and approval.

1. The City Council declared that the project is exempt from the California Environmental Quality Act (“CEQA”) under Section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.; and
2. Adopted Resolution No. 2019-49 approving the Certificate of Completion for Stanton Plaza, entitled:

“A RESOLUTION OF CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, APPROVING CERTIFICATE OF COMPLETION FOR THE STANTON PLAZA COMMERCIAL BUILDING LOCATED AT 11382 BEACH BOULEVARD”.

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9E. RESOLUTION AMENDING THE POSITION CLASSIFICATION MANUAL

The attached Resolution makes changes to the Position Classification Manual by adding the job classification of Human Resources/Risk Management Analyst, deleting the job classifications of Grants Administrator and Human Resources Specialist, revising the Assistant to the City Manager classification, converting a part-time Facilities Maintenance Worker I position to full-time and adding a full-time Maintenance Worker I position.

1. The City Council declared that this project is exempt from the California Environmental Quality Act ("CEQA") under Section 15378(b)(2) – continuing administrative or maintenance activities, such as purchases for supplies, personnel-related actions, general policy or procedure making; and
2. Adopted Resolution No. 2019-48 amending the Position Classification Manual, entitled:

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, AMENDING THE POSITION CLASSIFICATION MANUAL”.

~~9F. AWARD OF CONTRACT FOR PROFESSIONAL CROSSING GUARD SERVICES TO ALL CITY MANAGEMENT SERVICES BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA~~

~~Staff solicited Proposals to provide crossing guard services for the local Stanton schools. Two proposals were received and evaluated. Based on this qualifications-based selection process, staff recommends awarding the contract to All City Management Services. The cost for completing these services is a maximum amount of \$121,590.~~

~~RECOMMENDED ACTION:~~

- ~~1. City Council declare this project to be categorically exempt under the California Environmental Quality Act, Class 1, Section 15301 (c); and~~
- ~~2. Award a contract for professional crossing guard services to All City Management Services to provide crossing guard services for a maximum contract amount of \$121,590; and~~
- ~~3. Authorize the City Manager to bind the City of Stanton and All City Management Services in a three-year contract to provide professional crossing guard services.~~

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9G. AUTHORIZATION TO PURCHASE TWO NEW HONDA PLUG-IN CLARITYS

The city has two 2012 Ford Escapes which function as “pool” cars for city staff. Both cars have experienced significant mechanical issues with one recently breaking down on the freeway. Staff would like to replace both cars with new Honda Hybrid Claritys. Funding for both vehicles is available from restricted funding from the South Coast Air Quality Management District (SCAQMD).

1. The City Council declared that the purchase of two vehicles is not a project per the California Environmental Quality Act; and
2. Approved the purchase of two Honda Hybrid Claritys in the amount of \$31,274.32 each; and
3. Authorized the City Manager to execute the purchase of both vehicles.

END OF CONSENT CALENDAR

10. PUBLIC HEARINGS

10A. CONSIDERATION OF ORDINANCE NO. 1095 AMENDING THE MUNICIPAL CODE SECTION 1.10.020 REGARDING ADVERTISEMENTS OF ILLEGAL ACTIVITY; SECTION 9.16.020 REGARDING PUBLIC NUISANCES; CHAPTER 9.48 REGARDING GRAFFITI; SECTION 9.94.010 REGARDING TRESSPASS; AND SECTION 10.08.010 REGARDING ON-STREET PARKING; AND ADDING CHAPTER 5.67 TO TITLE 5 OF THE STANTON MUNICIPAL CODE RELATING TO TOBACCO RETAILER REGISTRATION

As part of a periodic review of the Stanton Municipal Code, a series of updates are recommended to address various issues throughout the city. The issues addressed in Ordinance No. 1095 include prohibiting the advertisement of unlawful activity, a Tobacco Retailer Registration program as well as updated provisions related to graffiti, trespassing and parking requirements.

Staff report by Mr. James J. Wren, Public Safety Services Director.

The public hearing was opened.

No one appearing to speak, the public hearing was closed.

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Motion/Second: Van/Warren

ROLL CALL VOTE:	Council Member Taylor	AYE
	Council Member Van	AYE
	Council Member Warren	AYE
	Mayor Pro Tem Ramirez	AYE
	Mayor Shawver	AYE

Motion unanimously carried:

1. The City Council conducted a public hearing; and
2. Declared that the project is not subject to CEQA in accordance with Section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where is can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and
3. Introduced Ordinance No. 1095 including the following changes/additions: "increase feet away from any building or outdoor play area related to a school or a day care center, as defined in Health and Safety Code section 1596.76 from 300 to 500" and include the following definition/word/phrases "synthetic nicotine", entitled:

"AN ORDINANCE NO. 1095 AMENDING THE MUNICIPAL CODE SECTION 1.10.020 REGARDING ADVERTISEMENTS OF ILLEGAL ACTIVITY; SECTION 9.16.020 REGARDING PUBLIC NUISANCES; CHAPTER 9.48 REGARDING GRAFFITI; SECTION 9.94.010 REGARDING TRESSPASS; AND SECTION 10.08.010 REGARDING ON-STREET PARKING; AND ADDING CHAPTER 5.67 TO TITLE 5 OF THE STANTON MUNICIPAL CODE RELATING TO TOBACCO RETAILER REGISTRATION"; and

4. Set said Ordinance for adoption at the November 26, 2019 meeting.

10B. CERTIFICATION OF THE FINAL EIR FOR THE TINA-PACIFIC NEIGHBORHOOD DEVELOPMENT PLAN PROJECT, A 10.27-ACRE SITE LOCATED AT THE INTERSECTION OF MAGNOLIA AVENUE AND PACIFIC AVENUE

For the last six years, the City has been working with Related California to develop a 161-unit multi-family affordable housing development in the Tina-Pacific Neighborhood. Before City Council for consideration is the Final Environmental Impact Report (EIR) for this development plan project.

Staff report by Ms. Amy Stonich, Contract City Planner.

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The public hearing was opened.

No one appearing to speak, the public hearing was closed.

The City Council questioned staff regarding development phases, gardening opportunities, fencing, and requested elevations of the proposed project.

Motion/Second: Ramirez/Warren
Motion unanimously carried by the following vote:

AYES: 5 (Ramirez, Shawver, Taylor, Van, and Warren)

NOES: None

ABSTAIN: None

ABSENT: None

1. The City Council conducted a public hearing; and
2. Adopted Resolution No. 2019-47 – A resolution certifying Environmental Impact Report (SCH#2019039134) for the Tina-Pacific Neighborhood Development Plan, entitled:

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT (SCH #2019039134), AND ADOPTING THE MITIGATION MONITORING AND REPORTING PROGRAM FOR THE TINA-PACIFIC NEIGHBORHOOD DEVELOPMENT PLAN PROJECT”.

- 10C. RESOLUTION OF NECESSITY OF THE CITY COUNCIL OF THE CITY OF STANTON FOR THE ACQUISITION BY EMINENT DOMAIN, TO ACQUIRE A FEE INTEREST IN CERTAIN REAL PROPERTY GENERALLY LOCATED IN THE NORTHEAST QUADRANT OF THE CITY, TO THE WEST OF THE INTERSECTION OF MAGNOLIA AVENUE AND PACIFIC AVENUE, AND MORE SPECIFICALLY, IS A 10.27 ACRE AREA BOUNDED BY TINA WAY TO THE NORTH, MAGNOLIA AVENUE TO THE EAST, AN ALLEYWAY SOUTH OF PACIFIC TO THE SOUTH, AND SHERRILL STREET TO THE WEST, MORE PARTICULARLY DESCRIBED AS ASSESSOR PARCEL NOS. 126-481-01; 126-481-02; 126-481-03; 126-481-04; 126-481-05; 126-481-06; 126-481-08; 126-481-09; 126-481-10; 126-481-21; 126-481-17; 126-481-16; 126-482-07; 126-482-08; AND 126-482-14, FOR THE CONSTRUCTION OF A 161-UNIT MULTI-FAMILY AFFORDABLE HOUSING DEVELOPMENT, AND MAY INCLUDE A PRESCHOOL AND ADDITIONAL RECREATIONAL FACILITIES, IN THE CITY OF STANTON, ORANGE COUNTY, CALIFORNIA**

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The City of Stanton is considering a proposed resolution of necessity to initiate condemnation proceedings to acquire a fee interest in certain real property generally located in the northeast quadrant of the City, to the west of the intersection of Magnolia Avenue and Pacific Avenue, and more specifically, is a 10.27 acre area bounded by Tina Way to the north, Magnolia Avenue to the east, an alleyway south of Pacific to the south, and Sherrill Street to the west, more particularly described as Assessor Parcel Nos. 126-481-01; 126-481-02; 126-481-03; 126-481-04; 126-481-05; 126-481-06; 126-481-08; 126-481-09; 126-481-10; 126-481-21; 126-481-17; 126-481-16; 126-482-07; 126-482-08; and 126-482-14, for the construction of a 161-unit multi-family affordable housing development, and may include a preschool and additional recreational facilities, in Stanton, as further identified in Exhibit A attached to the Resolution of Necessity submitted herewith.

Mayor Shawver opened the hearing.

Mayor Shawver requested that counsel explain the nature and scope of the hearing.

- Ms. Esther Lim, Best, Best & Krieger explained the nature and scope of the hearing to the City Council.

Mayor Shawver called upon the City Clerk for proof of mailing of a notice of hearing.

- Ms. Patricia A. Vazquez, City Clerk confirmed and provided for the record that a notice of this hearing had been sent to the affected property owners.

Mayor Shawver called upon staff for a report on how the real property to be acquired relates to the City's purposes.

- Ms. Amy Stonich, Contract City Planner provided the City Council with a report explain the project.

Mayor Shawver called for the City Clerk to note all written objections, protests, and requests to be heard which have been filed, received, read and considered.

- Ms. Patricia A. Vazquez, City Clerk reported that the City received one written objection and one notice on intent to attend the hearing.

Mayor Shawver called upon all persons with an interest in the property who wished to be heard.

- There were no interested persons in attendance.

Mayor Shawver called upon all other persons who wished to be heard.

- There were no interested persons in attendance.

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Mayor Shawver closed the hearing.

Motion/Second: Warren/Ramirez
Motion unanimously carried by the following vote:

AYES: 5 (Ramirez, Shawver, Taylor, Van, and Warren)
NOES: None
ABSTAIN: None
ABSENT: None

1. The City Council conducted a public hearing; and
2. Declared that the action is a project exempt from the California Environmental Quality Act ("CEQA") under sections 15060(c)(3) and 15378(b); and
3. Approved Resolution No. 2019-50, making certain findings pursuant section 37350.5 of the California Government Code, adopting the resolution of necessity to initiate condemnation proceedings to acquire a fee interest in certain real property generally located in the northeast quadrant of the City, to the west of the intersection of Magnolia Avenue and Pacific Avenue, and more specifically, is a 10.27 acre site bounded by Tina way to the north, Magnolia Avenue to the east, an alleyway south of Pacific to the south, and Sherrill Street to the west, more particularly described as Assessor Parcel Nos. 126-481-01; 126-481-02; 126-481-03; 126-481-04; 126-481-05; 126-481-06; 126-481-08; 126-481-09; 126-481-10; 126-481-21; 126-481-17; 126-481-16; 126-482-07; 126-482-08; and 126-482-14, for the construction of a 161-unit multi-family affordable housing development, and may also include a preschool and additional recreational facilities, in the City of Stanton, California, entitled:

“RESOLUTION OF NECESSITY OF THE CITY COUNCIL OF THE CITY OF STANTON FOR THE ACQUISITION BY EMINENT DOMAIN OF A FEE INTEREST IN CERTAIN REAL PROPERTY GENERALLY LOCATED IN THE NORTHEAST QUADRANT OF THE CITY, TO THE WEST OF THE INTERSECTION OF MAGNOLIA AVENUE AND PACIFIC AVENUE, AND MORE SPECIFICALLY, THE 10.27 ACRE AREA BOUNDED BY TINA WAY TO THE NORTH, MAGNOLIA AVENUE TO THE EAST, AN ALLEYWAY SOUTH OF PACIFIC TO THE SOUTH, AND SHERRILL STREET TO THE WEST, MORE PARTICULARLY DESCRIBED AS ASSESSOR PARCEL NOS. 126-481-01; 126-481-02; 126-481-03; 126-481-04; 126-481-05; 126-481-06; 126-481-08; 126-481-09; 126-481-10; 126-481-21; 126-481-17; 126-481-16; 126-482-07; 126-482-08; 126-482-14, FOR THE CONSTRUCTION OF A 161-UNIT MULTI-FAMILY AFFORDABLE HOUSING DEVELOPMENT, AND MAY INCLUDE A PRESCHOOL AND ADDITIONAL RECREATIONAL FACILITIES, IN THE CITY OF STANTON, ORANGE COUNTY, CALIFORNIA”; and

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4. Authorized legal counsel to initiate eminent domain proceedings to acquire the property described herein, as necessary for the Project, as detailed in the resolution.

11. UNFINISHED BUSINESS

11A. APPROVAL OF ORDINANCE NO. 1094

This Ordinance was introduced at the regular City Council meeting of October 22, 2019.

Staff report by Ms. Patricia A. Vazquez, City Clerk.

Motion/Second: Taylor/Van

ROLL CALL VOTE:	Council Member Taylor	AYE
	Council Member Van	AYE
	Council Member Warren	AYE
	Mayor Pro Tem Ramirez	AYE
	Mayor Shawver	AYE

Motion unanimously carried:

1. The City Clerk read the title of Ordinance No. 1094, entitled:

“AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA AMENDING DIVISION I OF TITLE 16 OF THE STANTON MUNICIPAL CODE PERTAINING TO THE ADOPTION OF THE 2019 EDITION OF THE CALIFORNIA BUILDING STANDARDS CODE, CONSISTING OF THE CALIFORNIA BUILDING CODE, THE CALIFORNIA RESIDENTIAL CODE, THE CALIFORNIA PLUMBING CODE, THE CALIFORNIA MECHANICAL CODE, THE CALIFORNIA ELECTRICAL CODE, THE CALIFORNIA FIRE CODE, THE CALIFORNIA ADMINISTRATIVE CODE, THE CALIFORNIA GREEN BUILDING STANDARDS CODE, THE CALIFORNIA EXISTING BUILDING CODE, THE CALIFORNIA ENERGY CODE, THE CALIFORNIA HISTORICAL BUILDING CODE, AND THE CALIFORNIA REFERENCED STANDARDS CODE; THE INTERNATIONAL SWIMMING POOL AND SPA CODE; AND THE INTERNATIONAL PROPERTY MAINTENANCE CODE, WITH AMENDMENTS THERETO, AND MAKING FINDINGS IN SUPPORT THEREOF”; and

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2. The City Council declared that Ordinance No. 1094 is not subject to CEQA in accordance with Section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and
3. Adopted Ordinance No. 1094.

12. NEW BUSINESS

12A. COMMUNITY SERVICES DIRECTOR EMPLOYMENT AGREEMENT

For consideration is the employment agreement with Zenia Bobadilla for Community Services Director.

Staff report by Ms. Patricia A. Vazquez, City Clerk.

Motion/Second: Van/Taylor

Motion unanimously carried by the following vote:

AYES: 5 (Ramirez, Shawver, Taylor, Van, and Warren)

NOES: None

ABSTAIN: None

ABSENT: None

1. The City Council finds that this item is exempt from the California Environmental Quality Act ("CEQA") under Section 15378(b)(2) – continuing administrative or maintenance activities, such as purchases for supplies, personnel-related actions, general policy and procedure making, and
2. Authorized the City Manager to execute an employment agreement on behalf of the City with Ms. Zenia Bobadilla.

13. ORAL COMMUNICATIONS – PUBLIC None.

14. WRITTEN COMMUNICATIONS

Number of written communication received: 1

The City Council received and filed the information.

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15. MAYOR/CHAIRMAN/COUNCIL/AGENCY/AUTHORITY INITIATED BUSINESS

15A. COMMITTEE REPORTS/COUNCIL/AGENCY/AUTHORITY ANNOUNCEMENTS

- Council Member Van reported on the upcoming Stanton Community Foundation's 6th Annual Charity Shootout event, which is scheduled to be held on November 15, 2019.
- Mayor Pro Tem Ramirez reported on his attendance at the Stanton Raising Canes' Restaurant grand opening event, which was held on November 12, 2019.
- Council Member Warren reported on the upcoming Meet on Beach event, which is scheduled to be held on November 17, 2019 from 10:00 AM – 2:00 PM.
- Mayor Pro Tem Ramirez requested that staff ensure that recycling facilities are properly tracking and completing required paperwork for those utilizing said recycling facilities.

15B. COUNCIL/AGENCY/AUTHORITY INITIATED ITEMS FOR A FUTURE COUNCIL MEETING

None.

15C. COUNCIL/AGENCY/AUTHORITY INITIATED ITEMS FOR A FUTURE STUDY SESSION

None.

16. ITEMS FROM CITY ATTORNEY/AGENCY COUNSEL/AUTHORITY COUNSEL

None.

17. ITEMS FROM CITY MANAGER/EXECUTIVE DIRECTOR

None.

17A. ORANGE COUNTY FIRE AUTHORITY

At this time the Orange County Fire Authority will provide the City Council with an update on their current operations.

- Fire Division Chief Sean Maule provided the City Council with an update on their current operations.

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Mayor Shawver reported on Harry's Cafe 24th Annual Thanksgiving Dinner for those in need of a hot meal on Thanksgiving Day, which will be held at the Harry's Cafe located on Katella Avenue, Stanton, CA 90680.

18. **ADJOURNMENT** Motion/Second: Shawver/
Motion carried at 7:48 p.m.

MAYOR/CHAIRMAN

ATTEST:

CITY CLERK/SECRETARY

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MINUTES OF THE CITY COUNCIL / SUCCESSOR AGENCY / HOUSING AUTHORITY
OF THE CITY OF STANTON
JOINT REGULAR MEETING NOVEMBER 26, 2019

1. **CLOSED SESSION** None.
2. **CALL TO ORDER CITY COUNCIL / SUCCESSOR AGENCY / STANTON HOUSING AUTHORITY MEETING**

The meetings were called to order at 6:30 p.m. by Mayor / Chairman Shawver.

3. **PLEDGE OF ALLEGIANCE**

Led by Father Michael St. Paul.

4. **ROLL CALL**

Present: Council / Agency / Authority Member Ramirez, Council / Agency / Authority Member Van, Council / Agency / Authority Member Warren, and Mayor / Chairman Shawver.

Absent: None.

Excused: Council / Agency / Authority Member Taylor.

5. **SPECIAL PRESENTATIONS AND AWARDS**

Mayor Shawver and the City Council presented a Certificate in Memoriam honoring the life of Ms. Marilyn Patricia St. Paul.

6. **CONSENT CALENDAR**

Motion/Second: Ramirez/Warren

Motion unanimously carried by the following vote:

AYES: 4 (Ramirez, Shawver, Van, and Warren)

NOES: None

ABSTAIN: None

ABSENT: 1 (Taylor)

The City Council/Agency Board/Authority Board approved the following Consent Calendar items:

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CONSENT CALENDAR

6A. MOTION TO APPROVE THE READING BY TITLE OF ALL ORDINANCES AND RESOLUTIONS. SAID ORDINANCES AND RESOLUTIONS THAT APPEAR ON THE PUBLIC AGENDA SHALL BE READ BY TITLE ONLY AND FURTHER READING WAIVED

The City Council/Agency Board/Authority Board waived reading of Ordinances and Resolutions.

6B. APPROVAL OF WARRANTS

The City Council approved demand warrants dated November 14, 2019, in the amount of \$336,606.89.

6C. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, RECITING THE FACT OF THE SPECIAL MUNICIPAL ELECTION HELD ON NOVEMBER 5, 2019 DECLARING THE RESULT AND SUCH OTHER MATTERS AS PROVIDED BY LAW

A Special Municipal Election was held and conducted in the City of Stanton, California, on Tuesday, November 5, 2019, as required by law. Pursuant to Resolution No. 2019-30 and Resolution No. 2019-31 adopted on July 23, 2019 and Resolution No. 2019-34 adopted on August 5, 2019, the County Election Department canvassed the returns of the election and has certified the results.

1. The City Council hereby finds and determines that the ballot measure relates to organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment, and therefore is not a project within the meaning of the California Environmental Quality Act ("CEQA") and the State CEQA Guidelines, section 15378(b)(5); and
2. Approved Resolution No. 2019-52; entitled:

"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, RECITING THE FACT OF THE SPECIAL MUNICIPAL ELECTION HELD ON NOVEMBER 5, 2019 DECLARING THE RESULT AND SUCH OTHER MATTERS AS PROVIDED BY LAW."

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6D. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, SETTING THE START DATE THAT THE MEASURE B INCREASED TRANSIENT OCCUPANCY (HOTEL) TAX RATE WILL BE COLLECTED

On November 5, 2019, the voters approved Measure B, and on November 26, 2019, the City Council adopted a resolution declaring the elections results for Measure B. By strict application of the Elections Code, the TOT rate increase will become effective on transient occupancies starting December 6, 2019. To facilitate a smoother transition for the implementation of Measure B, the City Council desires to set the collection start date for the increased TOT rate as January 1, 2020.

1. The City Council hereby finds and determines that this resolution relates to organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment, and therefore is not a project within the meaning of the California Environmental Quality Act ("CEQA") and the State CEQA Guidelines, section 15378(b)(5); and
2. Approved Resolution No. 2019-55; entitled:

"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, SETTING THE START DATE THAT THE MEASURE B INCREASED TRANSIENT OCCUPANCY (HOTEL) TAX RATE WILL BE COLLECTED."

6E. OCTOBER 2019 INVESTMENT REPORT

The Investment Report as of October 31, 2019 has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

1. The City Council finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Received and filed the Investment Report for the month of October 2019.

6F. OCTOBER 2019 INVESTMENT REPORT (SUCCESSOR AGENCY)

The Investment Report as of October 31, 2019 has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

1. The Successor Agency finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Received and filed the Investment Report for the month of October 2019.

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6G. OCTOBER 2019 GENERAL FUND REVENUE AND EXPENDITURE REPORT

The monthly General Fund Revenue and Expenditure Report as of October 2019 has been provided to the City Manager in accordance with Stanton Municipal Code Section 2.20.080 (D)1 and is being provided to City Council.

1. The City Council finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Received and filed the General Fund Revenue and Expenditure Report as of October 2019.

6H. RESOLUTION CLASSIFYING AND FIXING COMPENSATION RANGES FOR POSITIONS IN THE CITY SERVICE

The attached Resolution makes changes to the Position Classification Manual by modifying the salary range for the position of Intern, Park Ranger and Recreation Leader.

1. The City Council declared that this project is exempt from the California Environmental Quality Act ("CEQA") under Section 15378(b)(2) – continuing administrative or maintenance activities, such as purchases for supplies, personnel-related actions, general policy or procedure making; and
2. Adopted Resolution No. 2019-53 amending the Monthly Salary Schedule for City employees, entitled:

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, CLASSIFYING AND FIXING COMPENSATION RANGES FOR POSITIONS IN THE CITY SERVICE.”

6I. APPROVE AND ADOPT AN ANNUAL EXPENDITURE REPORT TO ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA) TO ACCOUNT FOR M2 FUNDS, DEVELOPER/TRAFFIC IMPACT FEES, AND FUNDS EXPENDED BY THE CITY TO SATISFY MAINTENANCE OF EFFORT REQUIREMENTS

The Measure M2 ordinance requires local agencies to adopt and submit an expenditure report to the Orange County Transportation Authority each year. The expenditure report has been prepared and is being presented to Council for adoption and submission to the OCTA.

1. The City Council finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060 (c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines,

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California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly; and

2. Adopted Resolution No. 2019-51 approving the 2018-19 Measure M2 expenditure report and direct staff to submit the report to the OCTA, entitled:

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON CONCERNING THE MEASURE M2 EXPENDITURE REPORT FOR THE CITY OF STANTON.”

6J. AWARD OF A PROFESSIONAL SERVICES AGREEMENT FOR THE DESIGN OF THE FY 20/21 SLURRY AND RECONSTRUCTION PROJECT TO TAIT & ASSOCIATES

The FY 20/21 Slurry and Reconstruction Project will improve infrastructure throughout the City of Stanton. Staff recommends that the firm TAIT & Associates be retained for the design services of this project.

1. The City Council approved a Professional Services Agreement with TAIT & Associates for design support and development of plans for the FY 20/21 Slurry and Reconstruction Project the maximum contract sum of \$85,240; and
2. Authorized the City Manager to bind the City of Stanton and TAIT & Associates in a contract to provide these services; and
3. Declared that the project is exempt from the California Environmental Quality Act (“CEQA”) under Section 15301(c) – Existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities.

END OF CONSENT CALENDAR

7. PUBLIC HEARINGS

7A. RESOLUTION OF NECESSITY OF THE CITY COUNCIL OF THE CITY OF STANTON FOR THE ACQUISITION BY EMINENT DOMAIN, TO ACQUIRE A FEE INTEREST IN CERTAIN REAL PROPERTY LOCATED ON THE SOUTH SIDE OF TINA WAY, EAST OF SHERRILL STREET, IN STANTON, ORANGE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS ASSESSOR PARCEL NO. 126-481-04, FOR THE CONSTRUCTION OF A 161-UNIT MULTI-FAMILY AFFORDABLE HOUSING DEVELOPMENT, AND MAY INCLUDE A PRESCHOOL AND ADDITIONAL RECREATIONAL FACILITIES, IN THE CITY OF STANTON, ORANGE COUNTY, CALIFORNIA

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The City of Stanton is considering a proposed resolution of necessity to initiate condemnation proceedings to acquire a fee interest in certain real property located on the south side of Tina Way, east of Sherrill Street, in Stanton, Orange County, California, more particularly described as Assessor Parcel No. 126-481-04, for the construction of a 161-unit multi-family affordable housing development, and may include a preschool and additional recreational facilities, in Stanton, as further identified in Exhibit A attached to the Resolution of Necessity submitted herewith.

Mayor Shawver opened the hearing.

Mayor Shawver requested that counsel explain the nature and scope of the hearing.

- Ms. Esther Lim, Best, Best & Krieger explained the nature and scope of the hearing to the City Council.

Mayor Shawver called upon the City Clerk for proof of mailing of a notice of hearing.

- Ms. Patricia A. Vazquez, City Clerk confirmed and provided for the record that a notice of this hearing had been sent to the affected property owners.

Mayor Shawver called upon staff for a report on how the real property to be acquired relates to the City's purposes.

- Mr. Jarad L. Hildenbrand, City Manager provided the City Council with a report explain the project.

Mayor Shawver called for the City Clerk to note all written objections, protests, and requests to be heard which have been filed, received, read and considered.

- Ms. Patricia A. Vazquez, City Clerk reported that the City received one written objection and one notice on intent to attend the hearing.

Mayor Shawver called upon all persons with an interest in the property who wished to be heard.

- There were no interested persons in attendance.

Mayor Shawver called upon all other persons who wished to be heard.

- Mr. R. Joshua Collins spoke in favor of the proposed resolution of necessity.

Mayor Shawver closed the hearing.

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Motion/Second: Ramirez/Warren
Motion unanimously carried by the following vote:

AYES: 4 (Ramirez, Shawver, Van, and Warren)
NOES: None
ABSTAIN: None
ABSENT: 1 (Taylor)

1. The City Council conducted a public hearing; and
2. Declared that the action is a project exempt from the California Environmental Quality Act ("CEQA") under sections 15060(c)(3) and 15378(b); and
3. Approved Resolution No. 2019-54, making certain findings pursuant section 37350.5 of the California Government Code, adopting the resolution of necessity to initiate condemnation proceedings to acquire a fee interest in certain real property located on the south side of Tina Way, east of Sherrill Street, in Stanton, Orange County, California, more particularly described as assessor parcel no. 126-481-04, for the construction of a 161-unit multi-family affordable housing development, and may also include a preschool and additional recreational facilities, in the City of Stanton, California, entitled:

“RESOLUTION OF NECESSITY OF THE CITY COUNCIL OF THE CITY OF STANTON FOR THE ACQUISITION BY EMINENT DOMAIN OF A FEE INTEREST IN CERTAIN REAL PROPERTY LOCATED ON THE SOUTH SIDE OF TINA WAY, EAST OF SHERRILL STREET, IN STANTON, ORANGE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS ASSESSOR PARCEL NO. 126-481-04, FOR THE CONSTRUCTION OF A 161-UNIT MULTI-FAMILY AFFORDABLE HOUSING DEVELOPMENT, AND MAY INCLUDE A PRESCHOOL AND ADDITIONAL RECREATIONAL FACILITIES, IN THE CITY OF STANTON, ORANGE COUNTY, CALIFORNIA”; and

4. Authorized legal counsel to initiate eminent domain proceedings to acquire the property described herein, as necessary for the Project, as detailed in the resolution.

8. UNFINISHED BUSINESS

8A. APPROVAL OF ORDINANCE NO. 1095

This Ordinance was introduced at the regular City Council meeting of November 12, 2019.

Staff report by Ms. Patricia A. Vazquez, City Clerk.

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Motion/Second: Van/Warren

ROLL CALL VOTE:	Council Member Taylor	EXCUSED
	Council Member Van	AYE
	Council Member Warren	AYE
	Mayor Pro Tem Ramirez	AYE
	Mayor Shawver	AYE

Motion unanimously carried:

1. The City Clerk read the title of Ordinance No. 1095, entitled:

“AN ORDINANCE NO. 1095 AMENDING THE MUNICIPAL CODE SECTION 1.10.020 REGARDING ADVERTISEMENTS OF ILLEGAL ACTIVITY; SECTION 9.16.020 REGARDING PUBLIC NUISANCES; CHAPTER 9.48 REGARDING GRAFFITI; SECTION 9.94.010 REGARDING TRESSPASS; AND SECTION 10.08.010 REGARDING ON-STREET PARKING; AND ADDING CHAPTER 5.67 TO TITLE 5 OF THE STANTON MUNICIPAL CODE RELATING TO TOBACCO RETAILER REGISTRATION”; and

2. The City Council declared that the project is not subject to CEQA in accordance with Section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and
3. Adopted Ordinance No. 1095.

9. NEW BUSINESS

9A. CITY COUNCIL APPOINTMENT TO FILL ONE VACANCY ON THE STANTON PARKS, RECREATION AND COMMUNITY SERVICES COMMISSION FOR TERM COINCIDING WITH THE CITY COUNCIL ELECTION

The Council Member holding the seat corresponding to that numbered seat on the Parks, Recreation and Community Services Commission shall be responsible for appointment of one Commissioner (who shall be a qualified elector of the City), with majority approval of the City Council. The terms of office shall coincide with the term of office of the Council Member or Mayor who made the appointment. Section 2.06.030 of the Stanton Municipal Code requires the submission of applications and interviews prior to appointment to any position. Section 2.06.030 also provides that the City Council, by majority vote, may waive to the requirement interview persons previously appointed by the City Council and who are requesting re-appointment to another term.

Staff report by Ms. Patricia A. Vazquez, City Clerk.

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1. The City Council finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5)(Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. The City Council conducted interviews with the following Parks, Recreation and Community Services Commission applicants:
 - Mr. Jeffrey Jones
 - Mr. Jesus Prieto
 - Ms. Hoang Hanni Phan

Motion/Second: Shawver/Van

Motion unanimously carried by the following vote:

AYES: 4 (Ramirez, Shawver, Van, and Warren)

NOES: None

ABSTAIN: None

ABSENT: 1 (Taylor)

Ms. Hoang Hanni Phan was appointed to fill Seat #7-Mayor's Appointment on the Stanton Parks, Recreation and Community Services Commission.

9B. REVIEW OF POTENTIAL MODIFICATIONS TO STANTON PARK TO DETER ILLEGAL ACTIVITY

Stanton Park is located south of City Hall and has become heavily utilized by people using drugs, drinking alcohol, urinating, and defecating. These actions are causing the Code Enforcement Department, Sheriff's Department, and Public Works Department to spend an inordinate amount of time at the park. Staff is proposing a variety of physical changes to the park to deter these activities.

Staff report by Mr. Allan Rigg, Public Works Director/City Engineer.

The City Council questioned staff regarding individually fencing each picnic shelter, removable panels, who would be responsible for removal of said fencing/panels for rentals, current staff time each day on maintenance/cleaning of each picnic shelter, cost to rebuild a picnic shelter, repurposing the picnic tables, concerns with pushing the issues further down to the next picnic shelters, request that the City work with Southern California Edison to assist in fencing the property as a whole, rental history of each picnic shelter, cost to fence in each picnic shelter, temporary testing with fenced/paneled in picnic shelters, hiring of private security, and research public/private partnership opportunities to assist in offsetting costs.

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- Mr. John Warren, Chairman, Parks, Recreation and Community Services Commission spoke regarding the existing plan for renovations to the Norm Ross Sports Complex and noted that removal of the two aforementioned picnic shelters can be incorporated into the renovation plans.

Motion to remove the two picnic shelters nearest Beach Boulevard and the entrance of the storm drain channel.

Motion/Second: Ramirez/Warren
Motion failed by the following vote:

AYES: 2 (Ramirez and Warren)
NOES: 2 (Shawver and Van)
ABSTAIN: None
ABSENT: 1 (Taylor)

The City Council directed staff to bring this item to the Parks, Recreation and Community Services Commission for discussion for improvements to Stanton Park.

9C. REVIEW OF PROPOSED ANGLED PARKING ON MAIN STREET FROM BEACH BOULEVARD TO FERN AVENUE

Parking on city streets continues to be a struggle for many of our residents and businesses. A business owner on Main Street has suggested that additional parking could be gained by implementing angled parking on Main Street between Beach Boulevard and Fern Avenue. The City's Traffic Engineering consultant has reviewed the suggestion and has prepared a report for the Council's review.

Staff report by Mr. Allan Rigg, Public Works Director/City Engineer.

- Ms. Amber Shore, resident, spoke in favor of the proposed angled parking.

Motion/Second: Warren/Ramirez
Motion unanimously carried by the following vote:

AYES: 4 (Ramirez, Shawver, Van, and Warren)
NOES: None
ABSTAIN: None
ABSENT: 1 (Taylor)

1. The City Council declared this project to be categorically exempt under the California Environmental Quality Act, Class 1, Section 15301c; and
2. Directed staff to proceed with the implementation of angled parking on Main Street from Beach Boulevard to Fern Avenue.

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10. ORAL COMMUNICATIONS – PUBLIC

- Mr. R. Joshua Collins, advocated for Stanton's homeless population and their need for shelter and services and spoke specifically for Mr. Joel Rookey. Mr. Collins stated that Mr. Rookey was approached by the Orange County Sheriff's Department and was not offered any type of support services and was ticketed for being in possession of a shopping cart. Mr. Collins requested that the City assist Mr. Rookey in obtaining services, shelter, and assistance with the aforementioned "shopping cart" citation.
- Mr. Robert Lewis, resident, requested clarification on the Stanton Park picnic shelter results and provided the City Council with ideas/suggestions for improvements to said picnic shelters.
- Mr. John Warren, Chairman, Parks, Recreation and Community Services Commission, spoke regarding the various avenues that the Parks, Recreation and Community Services Commission can approach this given task.

11. WRITTEN COMMUNICATIONS None.

12. MAYOR/CHAIRMAN/COUNCIL/AGENCY/AUTHORITY INITIATED BUSINESS

12A. COMMITTEE REPORTS/COUNCIL/AGENCY/AUTHORITY ANNOUNCEMENTS

- Council Member Warren reported on her and Mayor Pro Tem Ramirez's attendance at the NAIOP SoCal 2019 UCLA vs. USC Real Estate Challenge, which was held on November 21, 2019.
- Mayor Shawver reported on Harry's Cafe 24th Annual Thanksgiving Dinner for those in need of a hot meal on Thanksgiving Day, which will be held at the Harry's Cafe located on Katella Avenue, Stanton, CA 90680.
- Ms. Zenia Bobadilla, Community Services Director reported on the upcoming Christmas Tree Lighting Ceremony, which is scheduled to be held on December 5, 2019 at Stanton City Hall and Civic Center.
- Ms. Zenia Bobadilla, Community Services Director reported on the Meet on Beach event, which was held on November 17, 2019.
- Mayor Shawver requested a yearly plan of where the City's monies are being allocated for the City's streets.

12B. COUNCIL/AGENCY/AUTHORITY INITIATED ITEMS FOR A FUTURE COUNCIL MEETING

- Council Member Warren requested to agendaize discussion regarding creating / drafting an ordinance that addresses blighted and vacant properties.

DRAFT

12C. COUNCIL/AGENCY/AUTHORITY INITIATED ITEMS FOR A FUTURE STUDY SESSION

None.

13. ITEMS FROM CITY ATTORNEY/AGENCY COUNSEL/AUTHORITY COUNSEL

None.

14. ITEMS FROM CITY MANAGER/EXECUTIVE DIRECTOR

14A. ORANGE COUNTY SHERIFF'S DEPARTMENT

At this time the Orange County Sheriff's Department will provide the City Council with an update on their current operations.

- Lieutenant Nate L. Wilson provided the City Council with an update on their current operations.

15. **ADJOURNMENT** in honor and memory of Mr. Walter K. Bowman
Motion/Second: Shawver/
Motion carried at 8:24 p.m.

MAYOR/CHAIRMAN

ATTEST:

CITY CLERK/SECRETARY

CITY OF STANTON

REPORT TO THE CITY COUNCIL

TO: Honorable Mayor and Members of the City Council

DATE: December 10, 2019

SUBJECT: ANNUAL AUDIT REPORTS FOR FISCAL YEAR 2018-19

REPORT IN BRIEF:

Attached is the Comprehensive Annual Financial Report (CAFR) for the City of Stanton for the fiscal year ended June 30, 2019. This report includes all funds and entities that are within the control of the City. The independent firm of White Nelson Diehl Evans LLP, Certified Public Accountants and Consultants (WNDE), has conducted an independent audit of the financial statements of the City included in the CAFR and has issued an "unqualified" opinion thereon.

Three additional reports and letters required by governmental auditing standards were issued by the auditors and are submitted herewith. All three cite no significant instances of noncompliance or other exceptions.

RECOMMENDED ACTION:

1. City Council find that these items are not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378(b)(4) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly).
2. Receive and file the Comprehensive Annual Financial Report for fiscal year ended June 30, 2019, the Report on Internal Controls Over Financial Reporting and On Compliance and Other Matters, the Auditor's Communication With Those Charged With Governance, and the Report on Agreed-Upon Procedures Applied to Appropriation Limit Worksheet for the Year Ended June 30, 2019.

BACKGROUND:

The CAFR has been prepared by the staff of the Administrative Services Department in conformity with generally accepted accounting principles. This report includes all funds and entities that are within the control of the City. The activity of the Successor Agency to the Stanton Redevelopment Agency is included in the report within a private-purpose trust fund.

The report is organized in three sections: 1) the Introductory Section, which includes the letter of transmittal, the City's organizational chart and a list of principal officials for the fiscal year ended June 30, 2019; 2) the Financial Section, which includes the independent auditor's report, management's discussion and analysis, the basic financial statements, and supplementary information; and 3) the Statistical Section, which includes information on financial trends, revenue and debt capacity, and demographic, economic and operating information for multiple years. To gain an initial understanding of the report, the reader is directed to the letter of transmittal and management's discussion and analysis.

The firm of White Nelson Diehl Evans LLP, Certified Public Accountants and Consultants (WNDE), has conducted an independent audit of the financial statements of the City of Stanton for the fiscal year ended June 30, 2019 and has issued an "unqualified" opinion thereon. An "unqualified" opinion is the highest rating possible and means that the auditors believe the financial statements of the City fairly present, in all material respects, the financial position and the changes in financial position and cash flows for the City for the year ended June 30, 2019, in conformance with generally accepted accounting principles.

In addition to their reports on the City's financial statements, the independent auditors have also issued three other required reports and letters to the City Council: a Report on Internal Controls Over Financial Reporting and On Compliance and Other Matters, an auditor communication letter and a report on agreed-upon procedures relating to the calculation of the City's appropriations limit for the year ended June 30, 2019. The first report indicates that they discovered no deficiencies in internal controls that they considered to be material weaknesses or significant deficiencies.

The second letter is a direct communication between the auditors and the governing body and advises the City Council of certain significant matters related to the audit, such as the most sensitive estimates and disclosures included in the financial statements, as well as whether they encountered any difficulties in dealing with management or had any disagreements with management. The auditors noted no such difficulties or disagreements during the course of their audit.

The third additional item is the Report on Agreed-Upon Procedures Applied to Appropriation Limit Worksheet for the Year Ended June 30, 2019. The auditors noted no issues in reviewing staff's calculation of the appropriations limit for fiscal year 2018/19.

The reports and statements described above are hereby presented for City Council review and consideration.

ANALYSIS/JUSTIFICATION:

None

FISCAL IMPACT:

None

ENVIRONMENTAL IMPACT:

None

PUBLIC NOTIFICATION:

Through the regular agenda process.

STRATEGIC PLAN OBJECTIVE ADDRESSED:

- 4. Ensure Fiscal Stability and Efficiency in Government

Prepared by:

Approved by:

BC for Finance Director
Bing Courtney, Accounting Manager
For Finance Director


Jarad L. Hildenbrand
City Manager

Attachments:

- A. Comprehensive Annual Financial Report for the Year Ended June 30, 2019
- B. Report on Internal Controls Over Financial Reporting and On Compliance and Other Matters
- C. Auditor's Communication With Those Charged With Governance
- D. Report on Agreed-Upon Procedures Applied to Appropriation Limit Worksheet for the Year Ended June 30, 2019

A COPY OF THE

“Comprehensive Annual Financial Report for the
Year Ended June 30 2019”

“Report on Internal Controls Over Financial
Reporting
and On Compliance and Other Matters”

“Auditor’s Communication With Those Charged
With Governance”

&

“Report on Agreed-Upon Procedures Applied to
Appropriation Limit Worksheet for the Year Ended
June 30, 2019”



Comprehensive Annual Financial Report

Year ended June 30, 2019

City of Stanton, California
7800 Katella Avenue

www.ci.stanton.ca.us

CITY OF STANTON, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
WITH REPORT ON AUDIT
BY INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS
For the Year Ended June 30, 2019

Prepared by the Administrative Services Department

CITY OF STANTON, CALIFORNIA
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2019
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November 27, 2019

City of Stanton
Stanton, California

David J. Shawver
Mayor

Honorable Mayor and Members of the City Council:

Rigoberto A. Ramirez
Mayor Pro Tem

City Staff are pleased to present to you the Comprehensive Annual Financial Report (CAFR) for the City of Stanton (City) for the fiscal year ended June 30, 2019. This report is intended to update the City Council and the residents of Stanton on the status of the City's financial position and results of operations for the past fiscal year and has been prepared in compliance with all requirements of the Governmental Accounting Standards Board (GASB).

Gary Taylor
Council Member

Hong Alyce Van
Council Member

Carol Warren
Council Member

Jarad Hildenbrand
City Manager

Management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, the City of Stanton has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally-accepted accounting principles ("GAAP"). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects, and is reported in a manner designed to present fairly the financial position, and results of operations of the various activities of the City of Stanton. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report represents the culmination of all budgeting and accounting activities of the City during the fiscal year 2018-19. The report is presented in three sections: Introductory, Financial and Statistical. There has been no significant change in the City's fiscal policies that impact the current year financial statements.

Each year, the City's financial statements are audited by an independent, certified public accounting firm. White Nelson Diehl Evans, Inc, Certified Public Accountants performed the audit for the fiscal year ended June 30, 2019. Their audit included a review of the City's accounting systems, internal controls and other audit procedures sufficient to enable them to render an opinion on the City's financial statements. For the fiscal year ended June 30, 2019, the City's financial statements received an unqualified opinion. Their report is included on page 1 of this CAFR.

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Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY OF STANTON

The City of Stanton was incorporated in June, 1956 under the general laws of the State of California, and operates under a Council-Manager form of government. The City Council is comprised of five members elected at large on a staggered basis for a term of four years. The City Manager is appointed by the City Council and has the responsibility of administering municipal services in accordance with the policies and annual budget adopted by the City Council.

The City comprises 3.1 square miles in area and has 39,470 residents. Stanton is located in central Orange County, just 23 miles southeast of downtown Los Angeles. It has easy freeway access and is within 12 miles of Disneyland, Anaheim Stadium, Knott's Berry Farm, Huntington Beach and the John Wayne and Long Beach Airports. State Highway 39, Beach Boulevard, runs through the center of the City.

Stanton provides a broad range of municipal services to its citizens, including planning, zoning and building safety, code enforcement, parking control, recreation and community services, engineering, public works, streets and park maintenance, street sweeping, graffiti abatement and general administration. Police and fire services are provided by contracts with the Orange County Sheriff's Department and Orange County Fire Authority, respectively. The public library located in Stanton is a part of the Orange County Library System.

This report combines the financial activities of the City of Stanton, the primary government and the Housing Authority of the City of Stanton, a blended component unit. The resources and activities of the Successor Agency to the City of Stanton Redevelopment Agency are reported in a separate Private-Purpose Trust Fund, which is also included in these financial statements. Additional information on all three of these legally separate entities can be found in Note 1 to the basic financial statements and additional information on the dissolution of the Redevelopment Agency can be found in Note 14.

During the fiscal year under audit, the City implemented Governmental Accounting Standards Board (GASB) Statements No. 83 and 88. The implementation of these statements did not significantly impact the City.

The City adopts an annual budget prepared on the modified accrual basis for all of its governmental funds. The City Manager is required, under City Code Section 2.08.50, to prepare and submit to the City Council the annual budget and administer it after adoption. Legally, expenditures cannot exceed total appropriations at the fund level. Any revisions between funds must be approved by the City Council. The City also maintains an encumbrance system. As purchase orders are issued, corresponding amounts of appropriations are reserved so budgets may not be overspent. Unexpended and unencumbered appropriations lapse at fiscal year end. Encumbrances outstanding at the fiscal year end are carried into the following budgetary year for continued funding.

ECONOMIC CONDITION AND OUTLOOK

Federal, State and County economic indicators. The U.S. economy (GDP) grew at a 1.9% real (after inflation) annual rate during 2019's initial third quarter report, according to the Bureau of Economic Analysis. The second quarter saw a 2.0% growth. This rate mainly reflects the increase in consumer spending, residential investment, government spending and exports. The American

economy remains more or less on the same trajectory since the recovery began more than nine years ago: modest but consistent growth. During that time, yearly growth has been remarkably steady – in the range of 1.75% to 3.50%. This same slow but steady growth is expected for the coming year. Although the Leading Economic Index declined for the second consecutive month in September 2019, the index was still positive at 111.9. The Labor Department reported that employers in the U.S. added 128,000 jobs in October 2019. Real average hourly earnings increased by 1.2% in October 2019 over the same month last year. In addition, the reported unemployment rate for the country was little changed at 3.6%. According to the Conference Board, confidence among U.S. consumers measured by the Consumer Confidence Index is at 125.9 as of October 2019. This reflects a decline from 126.3 in September 2019.

For California, the seasonally adjusted unemployment rate for October 2019 was 3.9%. For Orange County, the September 2019 unemployment rate was 2.4%, down from 3.0% in August. The Orange County median housing price in September 2019, based on the California Association of Realtors data, was \$830,000, which is an increase of 0.6% from September 2018.

Local economy. For Stanton, signs are pointing to continued growth. Home prices should continue to rise. According to the Southern California Association of Governments, the median home price in Stanton in 2018 neared its 2006 pre-recession peak of \$435,000. Over the past five years, the median home price in Stanton has risen an average 7% per year. The total taxable assessed value of property within the City rose 4.3% in 2018. The total number of jobs in Stanton in 2017, the latest year available, rose to a new peak level of 9,227. Sales tax revenues, which amounts to 39% of all City revenues, are expected to increase by 7% in FY 19/20 over the original FY 18/19 budget amount.

The City's staff continued to utilize the City's financial and human resources in the most efficient manner possible, and allocated these resources toward projects and programs designed to accomplish the goals and objectives identified in the Strategic Plan and in the budget document. Both of these documents were prepared with the input and guidance of the City Council and subsequently adopted by the same body.

FY 19/20 Budget. The FY 19/20 Budget for the City is balanced. Current year revenues are more than sufficient to fund current year operating expenditures. And with the exception of the major capital improvement spending planned for the Housing Authority, current year revenues are also more than sufficient to fund planned capital improvement spending. Except for the planned Housing Authority capital spending, total reserves for the City are expected to increase by \$3.0 million during FY 19/20. The FY 19/20 Budget is also structurally balanced, which means that one-time revenues are not being used to finance ongoing expenditures.

The approval by local voters in 2014 of the one-cent transaction and use tax (the Stanton 9-1-1 Public Safety and Essential City Services Protection Measure) has had a major positive impact on the financial condition and outlook for the City. This revenue source is expected to generate \$4.3 million, or 19% of total City revenues, in FY 19/20. However, the growth in annual public safety contract costs is expected to continue to outpace the growth in annual revenues.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

10-Year General Fund Forecast. The City maintains a 10-year financial forecast for the General Fund. The most recent update was prepared in 2019 and is included in the FY 19/20 Budget document.

This forecast assumes an annual growth rate for most individual General Fund revenue sources, including the one-cent transaction and use tax for public safety and essential City services, of between 1% and 3%. Annual expenditure growth is projected at between 0% and 2%, depending on the particular item, except for public safety costs. Over the past four years, the average annual increase in the Orange County Sheriff's Department (OCS) contract costs for law enforcement services has been 8%. In the forecast, an annual growth rate for OCS contract costs is estimated at 5%. For fire services, the past four years have seen an average annual increase of 5% in the cash contribution paid to the Orange County Fire Authority. The forecast uses an assumed average annual increase of 4.5%. With these assumptions, the average annual growth in total General Fund expenditures over the 10-year period is 3.9% compared to the average annual growth in total General Fund revenues of 2.2%. As a result, the fund balance would be gradually drawn down. The FY 19/20 projected fund balance level of \$20.1 million (restricted, committed and unassigned fund balance combined) would decline to just \$1.4 million by FY 29/30. While this most recent forecast paints a challenging scenario, this is just a forecast. In the years ahead, the City Council will have many opportunities to take the necessary actions to control the overall growth rate in City expenditures to conform to available resources.

Major Initiatives

New developments throughout the City have led to significant improvements in the City's image, public safety and have spurred new businesses into Stanton. Some recent projects include the redevelopment of the Village Center, where In-N-Out and Raising Canes have recently opened their doors. The remaining shopping center, 22 & BEACH, will be home to a public market with over twenty restaurants and is anticipated to open in the Spring of 2020. The residential component of the project, Lantana & Beach, which formerly housed the DMV office, is currently under construction with 208 townhomes anticipated at full build out. Across Beach Boulevard from this development, at the intersection of Beach Boulevard and Stanford Avenue, a 300-unit amenitized apartment project is currently being proposed. The amount of development occurring in the Southern Gateway has significantly improved the feel and look when entering the City.

In the northern portion of the City, KB Homes has submitted an application to build a 40-unit townhome development located near the intersection of Katella and Western Avenues. Near the intersection of Magnolia and Pacific Avenues, the redevelopment of the Tina Pacific neighborhood is still underway with the most recent progress being the City Council approval of the Environmental Impact Report for the project. The developer has recently submitted a preliminary plan review to the City with full entitlements anticipated to be submitted by early 2020. Construction of the 161 affordable housing units is anticipated to begin during summer of 2021.

RELEVANT FINANCIAL POLICIES

General Fund Reserve Policy. The City Council established a General Fund reserve policy in 2017 and has updated the policy annually since that time. The policy plays a prominent role in the development each year of the City's budget. It is a risk-based policy that requires certain resources

be set aside for various contingencies the City may experience. The policy calls for the establishment of five reserve accounts, four of which (economic uncertainty, emergency equipment maintenance, emergency disaster contingency and capital improvement) are reported as committed fund balance and the fifth (pension stabilization) as restricted fund balance. Funds deposited in the pension stabilization reserve are set aside in a separate trust account and can only be spent on pension-related costs. The other four reserve accounts, while they are earmarked for specific purposes, can be modified by the City Council. At June 30, 2019, all five reserve accounts are funded at or above policy levels. The policy calls for the economic uncertainty reserve to be at a level of 17% of General Fund expenditures. Total unrestricted fund balance (the four reserve accounts plus the unassigned fund balance) at June 30, 2019 was equivalent to 63% of General Fund expenditures.

Investment Policy. The City's investment policy is updated annually. The most recent update was approved by the City Council in June 2019. The City diversifies the investment portfolio to avoid incurring unreasonable risks, both credit and interest rate risk, inherent in over-investing in specific instruments, individual financial institutions or maturities. The City constrains the portfolio further than the California Government Code to reduce credit risk in the marketplace. Except for cash in certain restricted and special funds, the City consolidates cash balances from all City and Successor Agency funds to maximize investment earnings and allocates interest among the funds based on average cash balances. The FY 19/20 Budget anticipates a total of \$510,000 in investment income for the year, which represents 1.5% of total estimated revenues.

SPENDING LIMITATION

The voters of California, during a special election in 1979, approved Proposition 4 (the "Gann Initiative") which was incorporated into Article XIII-B of the California State Constitution. It restricted, in any given fiscal year, the total amount of appropriations allowed from the "proceeds of taxes." Each year, the governing body of local jurisdictions must establish, by resolution, an Appropriations Limit for the following year. If a city ends the fiscal year having more appropriations from the proceeds of taxes than the Limit allows, it must return the excess to the taxpayers within two years (either by reducing taxes levied or fees charged). The City's 2018-19 Appropriations Limit was \$57,741,640 and the City's actual appropriations subject to the limit were well within the legal requirement.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Stanton for its comprehensive annual financial report for the fiscal year ended June 30, 2018. In order to be awarded a Certificate of Achievement, a city must publish an easily readable and efficiently organized comprehensive annual report, which also satisfies both generally accepted accounting principles and all applicable legal requirements.

A Certificate of Achievement is valid for only one year. We believe this comprehensive annual financial report (CAFR) continues to meet the high award program standards. We are submitting it to the GFOA to determine its eligibility for 2018-19.

ACKNOWLEDGEMENTS

The preparation of this comprehensive annual financial report was made possible by the dedicated staff of the Administrative Services Department and the City Manager's Office, and the cooperation and assistance of the City's auditors, White Nelson Diehl Evans, Inc., Certified Public Accountants. Each member of this team has my sincere appreciation. I also extend our thanks and appreciation to the members of the Stanton City Council for their encouragement and support in conducting the financial operations of the City in a responsible manner.

Respectfully submitted,



Jarad L. Hildenbrand
City Manager

City of Stanton

Principal Officials

Members of the City Council for 2018-19

Mayor	David J. Shawver
Mayor Pro Tem	Rigoberto A. Ramirez
Council Member	Gary Taylor
Council Member	Hong Alyce Van
Council Member	Carol Warren

Administrative Staff

City Manager	Jarad L. Hildenbrand
City Attorney	Matthew “Mal” Richardson
Assistant City Manager/City Treasurer	Stephen M. Parker, CPA
City Clerk	Patricia A. Vazquez
Community & Economic Development Director	Kelly Hart
Public Safety Services Director	James J. Wren
Public Works Director/City Engineer	Allan Rigg
Community Services Manager	Zenia Bobadilla
O.C. Fire Authority Division Chief	Shane Sherwood
O.C. Sheriff Department Lieutenant	Nathan L. Wilson



Government Finance Officers Association

Certificate of
Achievement
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**City of Stanton
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

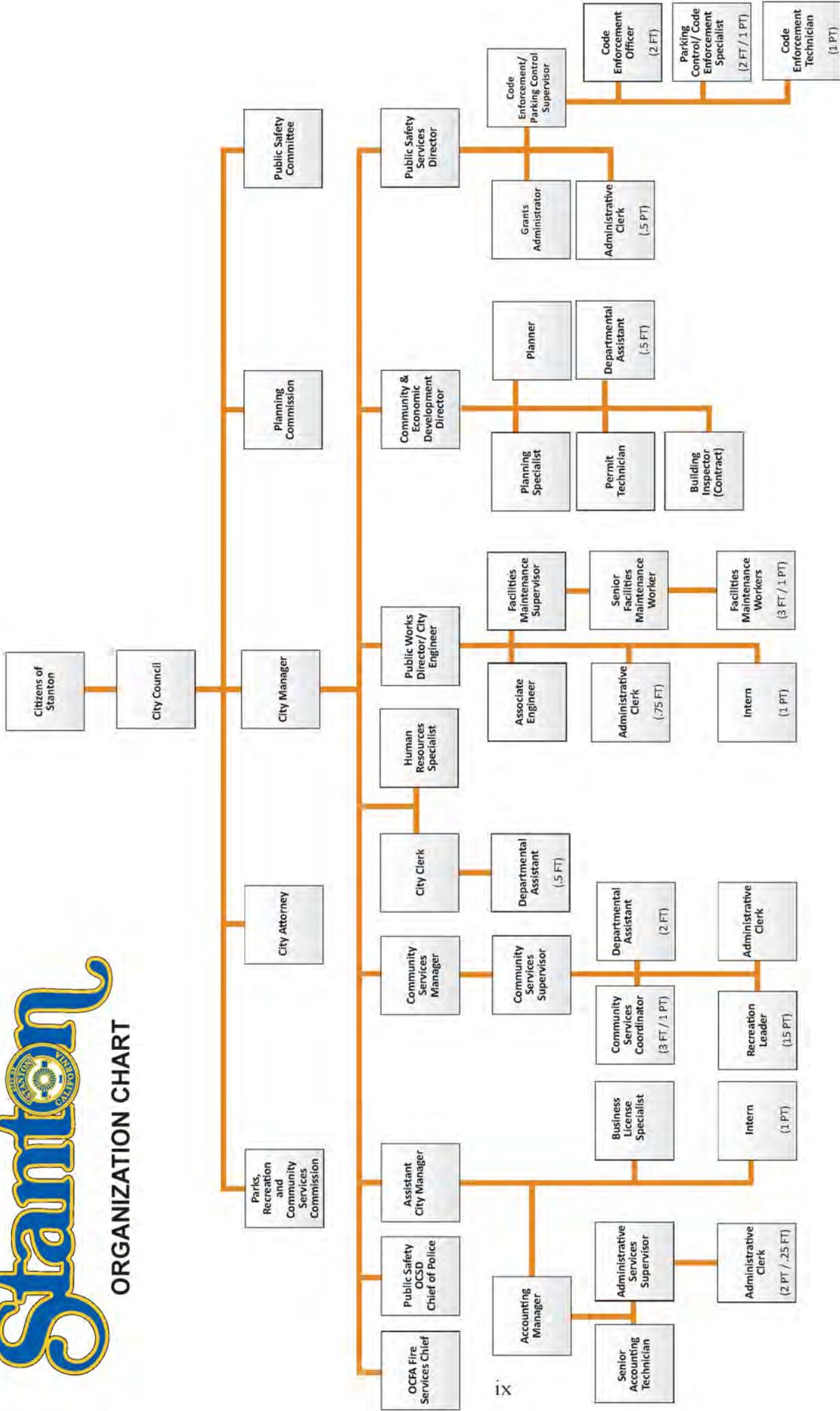
June 30, 2018

Christopher P. Morrill

Executive Director/CEO



ORGANIZATION CHART



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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of the City of Stanton (the City) as of and for the year ended June 30, 2019, and the related notes to the basic 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.

Auditors' 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 auditors' 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 auditors consider 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 activity, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2019, 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

Report on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of proportionate share of the net pension liability and the schedules of contributions for the CalPERS miscellaneous and safety pension plans, the schedules of changes in the net other post-employment benefit (OPEB) asset and related ratios, the schedules of contributions - OPEB, and the budgetary comparison schedules for the General Fund, Housing Authority Special Revenue Fund, and Gas Tax Special Revenue Fund, identified as Required Supplementary Information (RSI) in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI 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 the audit of the basic financial statements. We do not express an opinion or provide any assurance on the RSI 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's basic financial statements. The introductory section, the combining and individual fund financial statements and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules (supplementary information), as listed in the table of contents, 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2019, on our consideration of the City'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 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's internal control over financial reporting and compliance.

White Nelson Shield Evans LLP

Irvine, California
November 26, 2019

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City of Stanton
Management's Discussion and Analysis
June 30, 2019

This discussion and analysis of the City of Stanton's (City) financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2019. Please read it in conjunction with the accompanying transmittal letter, the basic financial statements and the accompanying notes to those financial statements.

USING THIS ANNUAL REPORT

This Comprehensive Annual Financial Report consists of three parts:

1. The Introductory Section, which includes the transmittal letter and general information
2. The Financial Section, which includes Management's Discussion and Analysis as well as:
 - The Basic Financial Statements, which include the government-wide and fund financial statements
 - Notes to these financial statements
 - Required supplementary information
 - Combining statements and budgetary comparison schedules
3. The Statistical Section

FINANCIAL HIGHLIGHTS

- The net position of the City at the end of FY 18/19 was \$143.1 million. Net position is the amount by which total assets and deferred outflows of the City exceed total liabilities and deferred inflows. Of this amount, \$21.8 million represents unrestricted net position and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's net position increased by \$5.3 million during the past year. Governmental activities revenues exceeded expenses on a government-wide basis by \$5.0 million. There was an increase in net position of \$0.3 million in business-type activities.
- As of the close of the fiscal year, the City's governmental funds (the General Fund, plus Special Revenue and Capital Projects funds) reported combined ending fund balances of \$47.8 million, an increase of \$0.03 million as compared to the prior year.
- At June 30, 2019, the total fund balance of the General Fund was \$22.3 million. The \$3 million unassigned portion represents 13% of total General Fund expenditures, the total unrestricted portion of \$16.8 million (committed, assigned and unassigned components combined) represents 63% of total General Fund expenditures, and total fund balance represents 84% of total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the City of Stanton and the Stanton Housing Authority, using the integrated approach as prescribed by GASB Statement No. 34. The Successor Agency to the City of Stanton Redevelopment Agency is reported as a Private Purpose Trust Fund within these financial statements.

Government-wide Financial Statements

The government-wide financial statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities separately. These statements include all assets of the City (including infrastructure) and deferred outflows of resources, as well as all liabilities (including long-term debt) and deferred inflows of resources. Additionally, certain eliminations have occurred as prescribed by GASB Statement No. 34 in regards to inter-fund activity, payables and receivables.

The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities. These statements include *all* assets, deferred outflows of resources, liabilities and deferred inflows of resources of the City using the *accrual basis of accounting*, which is similar to the accounting 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 or paid.

These two statements report the City's net position and changes in them. Net position is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, which is one way to measure the City's financial health, or *financial position*. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the City's property tax base and the condition of the City's roads.

In the Statement of Net Position and Statement of Activities, we distinguish the City's functions that are principally supported by taxes and intergovernmental revenues (governmental activities), from other functions that are intended to recover all or a portion of their costs through user fees and charges for business-type activities. The activities of these two distinctions are as follows:

Governmental activities – Most of the City's basic services are reported in this category, including the General Government, Public Safety, Urban Development, Highways and Streets and Culture and Recreation. Property sales and transactions and use taxes, utility and other user fees, vehicle license fees, franchise fees, interest income, and state and federal grants finance these activities.

Business-type activities – The City charges a fee to customers to cover all, or most of the cost, of certain services it provides. The City's sewer system is reported in this category.

Fund Financial Statements

Fund financial statements include statements for each of the three categories of activities; governmental, business-type and fiduciary. The governmental activities are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The business-type activities are prepared using the economic resources measurement focus and the accrual basis of accounting. The fiduciary activities are agency funds, which only report a balance sheet and do not have a measurement focus, and a private purpose trust fund, which is prepared using the economic resources measurement focus and the accrual basis of accounting is used to account for the activities of the Successor Agency to the Stanton Redevelopment Agency. Reconciliations of the fund financial statements to the government-wide financial statements are provided to explain the differences created by the integrated approach.

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law and bond covenants. However, management establishes many other funds, to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other funding sources.

Governmental Funds – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation schedule following each governmental fund financial statement.

Proprietary Funds – When the City charges customers for the service it provides, whether to outside customers or to other units of the City, these services are generally reported in Proprietary Funds. Proprietary Funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position. In fact, the City's Enterprise Fund is the same as the business-type activities reported in the government-wide statements but provides more detail and additional information, such as cash flows. The City uses internal service funds (the other component of Proprietary Funds) to report activities that provide supplies and services for the City's other programs and activities such as the City's self insurance, fleet maintenance and equipment replacement funds. The Internal Service Funds are reported with governmental activities in the government-wide financial statements.

Fiduciary Funds – the City is the trustee, or *fiduciary*, for certain funds held on behalf of other agencies. The City’s fiduciary activities are reported in a separate Statement of Fiduciary Net Position. We exclude these activities from the City’s other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in this fund are used for their intended purposes.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City’s progress in funding its obligation to provide pension benefits to its employees, and a budgetary comparison schedule for the General Fund, the Housing Authority Special Revenue Fund, and the Supplemental Law Enforcement Program Fund. Other supplementary information, including the combining statements and individual fund statements and schedules, are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, the net position for the City totaled \$143.1 million at June 30, 2019. This represents an increase of \$5.3 million from June 30, 2018.

Net position consists of three categories: net investment in capital assets, restricted and unrestricted. The largest portion of the City’s net position, approximately \$93.2 million, is the City’s investment in capital assets such as land, buildings, machinery and equipment. These assets are used to provide services to the citizens of the City of Stanton; therefore, they are not available for future spending. (It should be noted that the City’s investment in capital assets are not reported net of related debt, as the City has no outstanding debt. All bonds related to the City are actually in the name of the Successor Agency to the Stanton Redevelopment Agency and are reported on the Statement of Fiduciary Net Position in the Private-Purpose Trust Fund.) There was a \$0.4 million decline in the investment in capital assets category from the prior year. This was due to depreciation expense in excess of net capital asset additions.

Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 51,544,228	\$ 51,217,845	\$ 4,247,686	\$ 3,764,713	\$ 55,791,914	\$ 54,982,558
Capital assets	88,074,568	88,374,103	5,107,553	5,250,434	93,182,121	93,624,537
Total assets	139,618,796	139,591,948	9,355,239	9,015,147	148,974,035	148,607,095
Total deferred outflows of resources	7,470,757	2,938,386	40,617	47,737	7,511,374	2,986,123
Long-term liabilities outstanding	10,756,973	10,781,393	165,161	167,331	10,922,134	10,948,724
Other liabilities	1,473,987	1,440,371	42,778	27,741	1,516,765	1,468,112
Total liabilities	12,230,960	12,221,764	207,939	195,072	12,438,899	12,416,836
Total deferred inflows of resources	922,939	1,383,274	16,045	21,836	938,984	1,405,110
Investment in capital assets	88,077,568	88,374,103	5,107,553	5,250,434	93,185,121	93,624,537
Restricted	28,086,476	27,536,678	-	-	28,086,476	27,536,678
Unrestricted	17,774,619	13,014,515	4,064,319	3,595,542	21,838,938	16,610,057
Total net position	\$ 133,938,663	\$ 128,925,296	\$ 9,171,872	\$ 8,845,976	\$ 143,110,535	\$ 137,771,272

The restricted net position totaled \$21.8 million at June 30, 2019, representing resources subject to external restrictions on how they may be used. Restricted net position increased by \$0.6 million during FY 18/19. The largest increases occurred in restricted net position related to low and moderate income housing, pension benefits and lighting and landscape maintenance, and the largest decrease was for street maintenance. The increase of \$1.0 million for low and moderate income housing was due to both greater interest income as well as the reinstatement this year of an advance from the General Fund to the Successor Agency to the Stanton Redevelopment Agency that had been disallowed in FY 17/18, and 20% of which must go towards low and moderate income housing. The increase in restricted net position of \$0.2 million for pension benefits was the result of more funds being set aside for future pension costs in the City's Section 115 trust. And the increase of \$0.1 million related to lighting and landscape maintenance was attributable to revenues exceeding expenditures in the City's Lighting and Median Maintenance Special Revenue Fund. The restricted net position for street maintenance decreased by \$0.9 million due to two factors: higher expenditures of gas tax and Measure M funds for street-related work and Measure M funds that were withheld by the Orange County Transportation Authority in FY 18/19 as a result of disallowed expenditures in FY 17/18.

The unrestricted net position increased by \$5.2 million to \$21.8 million at June 30, 2019. Unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

The City is able to report positive balances in all three categories of net position, for both the government as a whole, as well as for its separate governmental and business-type activities. The same condition also held true for the prior fiscal year. The City's overall net position increase of \$5.3 million for the fiscal year is discussed in the following sections for governmental activities and business-type activities.

Changes in Net Position

Following is a summary of activities for the years ended June 30, 2019 and 2018:

	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 5,076,822	\$ 4,831,645	\$ 860,717	\$ 816,850	\$ 5,937,539	\$ 5,648,495
Operating grants and contributions	3,453,514	3,383,242	-	-	3,453,514	3,383,242
Capital grants and contributions	-	1,353,727	-	-	-	1,353,727
General revenues:						
Property taxes	6,433,535	6,071,733	131,641	124,950	6,565,176	6,196,683
Sales taxes	4,327,842	4,204,519	-	-	4,327,842	4,204,519
Transactions and use taxes	4,057,037	4,122,756	-	-	4,057,037	4,122,756
Transient occupancy taxes	483,233	514,102	-	-	483,233	514,102
Franchise taxes	1,026,619	1,088,226	-	-	1,026,619	1,088,226
Other taxes	2,284,421	2,510,806	-	-	2,284,421	2,510,806
Investment earnings	2,057,918	135,059	78,818	50,663	2,136,736	185,722
Other	861,445	6,649,778	-	-	861,445	6,649,778
Total Revenues	30,062,386	34,865,593	1,071,176	992,463	31,133,562	35,858,056
Expenses:						
General government	1,666,776	3,135,756	-	-	1,666,776	3,135,756
Public safety	21,730,025	17,294,863	-	-	21,730,025	17,294,863
Urban development	1,235,126	4,746,591	-	-	1,235,126	4,746,591
Health and welfare	16,795	37,250	-	-	16,795	37,250
Highways and streets	1,299,051	1,870,833	-	-	1,299,051	1,870,833
Culture and recreation	1,181,246	1,933,953	-	-	1,181,246	1,933,953
Transfer of land to successor agency	-	-	-	-	-	-
Sewer	-	-	745,280	690,736	745,280	690,736
Total Expenses	27,129,019	29,019,246	745,280	690,736	27,874,299	29,709,982
Increase in net position before special item	2,933,367	5,846,347	325,896	301,727	3,259,263	6,148,074
Special item	2,080,000	-	-	-	2,080,000	-
Increase/decrease in net position	5,013,367	5,846,347	325,896	301,727	5,339,263	6,148,074
Net position - beginning of year	128,925,296	123,078,949	8,845,976	8,544,249	137,771,272	131,623,198
Net position - end of year	\$ 133,938,663	\$ 128,925,296	\$ 9,171,872	\$ 8,845,976	\$ 143,110,535	\$ 137,771,272

Governmental Activities

Overall, governmental activities increased the City's net position by \$5.0 million in FY 18/19. There were several factors that contributed to this change.

Revenues for governmental activities totaled \$30.1 million in FY 18/19, which was \$4.8 million lower than in FY 17/18. The largest contribution to the difference was a one-time gain from sale of land of \$6.0 million in FY 17/18. There were also no capital grants and contributions this year, compared to \$1.4 million last year. There was a \$2.0 million increase in investment earnings. This was the result of both an increase in interest income received, as well as positive adjustments in investment market values as required by Governmental Accounting Standards Board Statement No. 31. Property taxes increased by \$0.3 million primarily due to an increase in property tax revenue in lieu of vehicle license fees revenue.

Governmental activities expenses were \$27.1 million in FY 18/19, a decrease of \$1.9 million from FY 17/18. The one increase was in public safety, which increased by \$4.4 million due mostly to the pay down of the unfunded liability for the safety pension program. Urban development expenses declined by \$3.5 million, due primarily to increased costs in the Housing Authority Fund in FY 17/18 for special departmental costs relating to the sale of the Strawberry Field. The declines in general government, culture and recreation and highways and streets expenses this year were all due to reduced pension-related expenses.

Net position was also increased this year by a special item of \$2.1 million. This special item was the result of the previously mentioned reinstatement this year by the State of California of an advance from the General Fund to the Successor Agency to the Stanton Redevelopment Agency that had been disallowed in FY 17/18.

Business-type Activities

The City has one business-type activity, sewer maintenance. The net position for business-type activities increased by \$0.3 million in FY 18/19. Revenues totaled approximately \$1.1 million, an increase of \$0.1 million over FY 17/18. The increase in charges for services revenue was to both new construction, which resulted in an increase in new service hook-ups, and a sewer user fee rate increase. Investment earnings were up as a result of greater interest income received by the City in general. Expenses were approximately \$0.7 million, about \$54,000 more than last year. The increase can be attributed to higher closed circuit tv and line cleaning expenses as well as an increase in allocated costs, offset in part by a decrease in sewer improvement costs.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental funds. The focus of the City of Stanton's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Stanton's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary spending at the end of the fiscal year. Approximately \$3.5 million of the total \$47.8 million governmental funds fund balance constitutes fund balance that is available for spending at the government's discretion. The remainder of fund balances (\$44.3 million) is either nonspendable, or restricted, committed, or assigned for a variety of purposes. From the previous fiscal year to the current year, there was only a relatively small increase of \$29,000 in total fund balances for the governmental funds.

General Fund. The General Fund is the chief operating fund of the City of Stanton. At the end of the fiscal year, the total fund balance of the General Fund was \$22.3 million. Of this amount, \$3.5 million is unassigned, \$13.3 million is committed, \$3.7 million is restricted and \$1.8 million is nonspendable. The committed fund balance of \$13.3 million consists of four separate reserves established by City Council policy for the following purposes: economic uncertainty of \$4.6 million, representing 17% of General Fund expenditures; emergency equipment and maintenance of \$0.25 million; emergency disaster contingency of \$2.5 million; and capital improvements of \$5.9 million. The \$3.7 million restricted fund balance represents funds legally restricted in a separate trust for future pension cost stabilization.

As a measure of the General Fund's fiscal strength, it is useful to compare unassigned, unrestricted (committed and unassigned combined) and total fund balance amounts to total fund expenditures. At June 30, 2019, unassigned fund balance of the General Fund represents 13% of total General Fund expenditures, unrestricted fund balance represents 63% of total General Fund expenditures, and total fund balance represents 84% of total General Fund expenditures.

The total General Fund balance decreased by \$0.5 million during FY 18/19. The fund balance went from \$22.8 million at June 30, 2018 to \$22.3 million as of June 30, 2019. The \$0.5 million decrease was due to expenditures exceeding revenues by \$2.7 million, which was offset in part by transfers in from other funds exceeding transfers out by \$0.6 million and the \$1.7 million impact on the General Fund of the special item, the previously mentioned reinstatement of the advance from the City to the Successor Agency of the Stanton Redevelopment Agency. Last year, expenditures exceeded revenues by just under \$0.4 million and there was a net gain in transfers of \$0.4 million for a total net gain of \$33,000. For FY 18/19, General Fund revenues were up \$2.0 million this year over the prior year, while expenditures increased \$4.4 million.

The major differences in the General Fund revenues from 2017-18 to 2018-19 are as follows:

- Interest income increased by \$1.5 million in FY 18/19. This can be primarily attributed to an increase in interest income received, as well as the \$0.8 million adjustment in investment market values as required by Governmental Accounting Standards Board Statement No. 31.
- Charges for services increased by \$0.2 million due primarily to higher solid waste impact fees and indirect cost reimbursement.
- Miscellaneous revenue increased by \$0.2 million as a result of greater legal settlement revenue and solid waste revenue sharing with the County of Orange this year.
- Taxes and assessment revenue was up by \$0.1 million. Property, sales and transactions and use tax revenues combined were up by \$0.4 million, while franchise, business license and utility users tax revenue was down by a combined \$0.3 million.

The major differences in the General Fund expenditures from 2017-18 to 2018-19 are as follows:

- Public safety increased by \$5.8 million. The pay down of the unfunded liability for the safety pension program was in the amount of \$5.0 million. The balance of the increase was due to higher law enforcement and fire protection costs.
- Urban development decreased by \$1.5 million this year, due primarily to the write off of the City's advance to the Successor Agency of the Stanton Redevelopment Agency that was denied by the State in FY 17/18.

Absent the \$0.8 million impact of the market value adjustment for City investments this year and the \$5.0 million one-time contribution to reduce the unfunded safety pension liability, General Fund revenues would have exceeded expenditures by \$1.5 million and the net change in fund balance would have been a positive \$3.7 million.

Housing Authority Fund. The Housing Authority fund balance increased by almost \$1.0 million to \$20.6 million. This is due to revenues exceeding expenditures by \$0.5 million and the \$0.4 million impact in this fund of the previously mentioned reinstatement of the advance from the City to the Successor Agency of the Stanton Redevelopment Agency.

Revenues in this fund were \$5.6 million lower than in FY 17/18. In FY 17/18, there was a one-time gain of \$6.0 million as a result of sale of the Strawberry Field property. In addition, interest income was up this year just over \$0.4 million for the same reasons noted for the General Fund interest income increase. Expenditures in this fund for urban development were \$1.0 million lower in FY 18/19, due to expenses associated with the sale of the Strawberry Field property as well as the writeoff of the housing portion of the denied advance from the City to the Successor Agency of the Stanton Redevelopment Authority that both occurred in FY 17/18.

Supplemental Law Enforcement Program Fund. The City maintains no fund balance in this fund. Revenue from this State funding program for front-line public safety personnel is treated as unearned until expended, and there were no expenditures in FY 18/19. Additional unearned revenue was received this year in the amount \$152,000, for a total unearned revenue balance of \$287,000 at June 30, 2019.

Proprietary Funds. The City of Stanton's proprietary funds consist of the Sewer Enterprise Fund and four internal service funds. The Sewer Enterprise Fund presents the same type of information found in the business-type activities in the government-wide financial statements, but in more detail. Internal service fund information is not included in the government-wide statements.

Sewer Enterprise Fund. The Sewer Enterprise Fund financial statements present additional detail in terms of operating vs non-operating income as well as additional detail of expenses. Operating revenues were just under \$0.9 million, with operating expenses of approximately \$0.7 million, for a net operating income of \$0.1 million, virtually the same as for FY 17/18. Non-operating income of \$0.2 million resulted in net income of \$0.3 million, which was \$24,000 more than in FY 17/18.

All of the fund's expenses were operating expenses this year, and as noted earlier, they were up \$54,000 over last year for the reasons previously described. The increase were in depreciation, administrative and personnel services and contractual services. Equipment maintenance and operating expenses were slightly lower this year.

Internal Service Funds. Unrestricted net position in the Internal Service Funds at the end of the year amounted to \$1.5 million. The unrestricted net position increased by \$36,000 this year. Operating income was only \$1,000, with non-operating income of \$35,000. Operating revenues for the combined internal service funds were up \$40,000 this year. This was the result of increased charges to City departments for liability insurance and unfunded pension liability costs, offset to some degree by reduced charges for workers compensation coverage. Operating expenses were up \$120,000, primarily due to the \$110,000 increase in administrative and personnel services.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, there were adjustments to both the estimated revenues and appropriations in the General Fund to more closely reflect actual amounts received and expended. Per City policy, increases to total General Fund appropriations for the year were approved by the City Council.

The adopted General Fund budget for FY 18/19 included estimated revenues of \$21.6 million and was amended during the year by an additional \$0.6 million for a total of \$22.2 million. Actual revenues were nearly \$24.0 million. The major variances between the final budget and actual revenues are accounted for in the following accounts:

- Interest income came in \$1.2 million more than final estimates. The market value adjustments required by GASB Statement No. 31 was the primary cause for this variance.
- Charges for services revenue exceeded its final budget amount by \$0.2 million, due to higher than anticipated development-related activity and indirect cost reimbursements.
- Taxes and assessments revenue came in over budget by \$0.1 million, which can be attributed to actual residual property tax revenue exceeding final estimate by \$0.3 million, offset somewhat by lower than anticipated sales, utility users, transient occupancy and business license tax revenues.
- Licenses and permits revenue was over budget by \$0.1 million due primarily to higher than anticipated development-related activity.

The adopted appropriations budget for the General Fund totaled \$22.2 million. Amendments during the year equaled \$5.4 million, for a final appropriations budget of \$27.6 million. Actual expenditures were \$26.7 million, or \$0.9 million less than the final budget. All functional areas came in under budget.

- General government was under budget by \$0.2 million due mostly to salary savings from vacancies.
- Public safety came in under budget by \$0.3 million as a result of savings on the law enforcement contract.
- Urban development expenditures were less than budget by \$0.2 million in the areas of business relations, building and code enforcement.
- Culture and recreation came in less than budget by \$0.1 million due to lower than anticipated personnel and utility costs.

CAPITAL ASSETS

The capital assets of the City are those longer-life assets used in the performance of the City's functions and include: land, buildings and improvements, machinery and equipment, park facilities, and roads and highways.

Governmental Accounting Standards Board (GASB) Statement No. 34 allows for governmental agencies to either depreciate their infrastructure assets or to use a modified approach to maintain an inventory of such assets. The City has elected the depreciation method, and utilizes straight-line depreciation. Estimated useful lives for capital assets range from 5 to 50 years, depending on type of asset. Depreciation on capital assets is recognized in the government-wide financial statements and in the proprietary fund statements.

At June 30, 2019, net capital assets of the governmental activities totaled \$88.1 million, and the net capital assets of the business-type activities totaled \$5.1 million. Capital assets related to governmental activities had deletions exceeding additions of \$0.3 million during FY 18/19 and capital assets related to business-type activities decreased by \$0.1 million.

Major capital asset events during the current fiscal year included the following:

- The City Hall Accessibility project was completed and added to capital assets in the amount of \$1.2 million, \$954,000 of which had been construction in progress at June 30, 2018.
- Two new vehicles were added totaling \$155,000.
- A new traffic signal was added to infrastructure in the amount of \$151,000.
- Construction in progress was incurred in the amount of \$1.1 million for the Residential and Arterial Street Rehabilitation project.
- Depreciation for the year totaled \$2.1 million.

Additional information on the City's capital assets can be found in Note 4 on pages 60-61 of this report.

DEBT ADMINISTRATION

Long-term liabilities of the City at June 30, 2019 totaled \$10.9 million and consists of the net pension liability, claims payable and compensated absences. All remaining debt issuances were Redevelopment Agency-related and were transferred to the Successor Agency in FY 11/12.

The net pension liability is allocated to both governmental activities and business-type activities in the government-wide statement of net position. During the current fiscal year net pension liability decreased by \$20,000. The total liability of \$10.6 million consists of:

- \$5.0 million for the Miscellaneous Plan
- \$5.6 million for the Safety Plan, which is closed as no safety employee has been employed by Stanton since the 1980's.

Additional information on the net pension liability can be found in Note 11 on pages 66-72, as well as in the required supplementary information on pages 89-92.

The liabilities associated with estimated claims payable are categorized as governmental activities in the government-wide financial statements and recorded in the Liability/Risk Management and the Workers' Compensation internal service funds. Liabilities for compensated absences (accrued employee vacation and compensatory leaves) are categorized as both governmental and business-type activities in the government-wide financial statements and recorded in the Sewer Enterprise Fund and Employee Benefits and Fleet Maintenance internal service funds. During the current fiscal year, the estimated claims liability increased minimally, from \$56,000 to \$59,000. Compensated absence liabilities decreased by \$11,000, from \$237,000 to \$228,000, as more leave was taken and/or paid off than was earned.

Additional information on the City's long-term liabilities can be found in Note 7 on page 63-64 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET, TAX RATES AND FEE LEVELS

The FY 19/20 budget was adopted in June 2019. For the fifth consecutive year, the City's reserves were not be required to balance the budget, due to Stanton voters approving the Stanton 9-1-1 Public Safety and Essential City Services Protection Measure, a one-cent transaction and use tax in the November 2014 election. The FY 19/20 budget is also a structurally balanced budget, not requiring the use of one-time revenues in order to cover ongoing expenditures.

The FY 19/20 budget was based on an outlook of slower economic growth. General Fund revenues for FY 19/20, including transfers from other funds, are currently expected to be \$22.6 million, \$0.8 million or 3.6% more than the FY 18/19 original budget. The key assumptions in the General Fund revenue forecast for FY 19/20 are:

1. While the California housing market has seen steady growth, it is expected to slow. Existing business growth is slowing; however, major developments at the intersection of Beach and Garden Grove boulevards and others point to continued growth for Stanton.
2. Property Tax revenue is expected to increase by \$0.5 million or 8.8% in FY 19/20 compared the FY 18/19 original budget. This estimate is based on information from our property tax consultant, HdL Companies, who forecast a 2.0% growth on tax increment and a 5.0 % increase in Property Tax-In-Lieu revenue. The City's Successor Agency consultant, Harrell & Co. Advisors, projects a 45% increase in Other Property Tax revenue. This increase is due to more residual property tax increment being distributed to the City after recognized obligations of the Successor Agency to the Stanton Redevelopment Agency are paid.
3. Sales Tax revenue is expected to increase 7.0% while Transactions and Use Tax revenue is expected to increase 6.0% compared to the FY 18/19 original budget, according to estimates from HdL, the City's sales and transaction tax consultants. The increase is primarily due to revenues from the development at the Beach and Garden Grove intersection.
4. Utility Users Tax receipts are expected to decrease by 4.0% compared to the FY 17/18 original budget. Telephone revenues have followed the trend of the last few years and have decreased the most.

General Fund expenditure appropriations, including transfers to other funds, for FY 19/20 total \$22.6 million. This represents an increase of \$0.4 million or 2.0% from the FY 18/19 original budget. The primary cause of the expenditure increase is increasing Orange County Sheriff's Department and Orange County Fire Authority contract costs. These contract costs are expected to increase by \$440,000 and \$260,000, respectively. These costs are partially offset by lower pension costs in FY 19/20 resulting from the City Council approving the payoff of the unfunded safety pension liability in FY 18/19. Other expenditure increases are in the areas of enhanced staffing for parking control and code enforcement and costs associated with development activity.

Detailed information about the economic analysis, revenue assumptions, and other budgetary processes utilized in the annual budget preparation can be obtained from the FY 19/20 City Budget document available through the Administrative Services Department or on the City's website at www.ci.stanton.ca.us.

CONTACTING CITY MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report, or need any additional financial information, contact the City's Administrative Services Department at 7800 Katella Avenue, Stanton, California, 90680.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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City of Stanton
Statement of Net Position
June 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activity	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Cash and investments	\$ 41,142,527	\$ 4,231,397	\$ 45,373,924
Receivables	2,516,460	16,289	2,532,749
Due from other governments	396,105	-	396,105
Notes and loans receivable	1,269,478	-	1,269,478
Advance to successor agency	2,131,850	-	2,131,850
Other post-employment benefits (OPEB) asset	352,067	-	352,067
Restricted assets:			
Cash held by fiscal agent	3,735,741	-	3,735,741
Capital assets:			
Not being depreciated	41,754,626	-	41,754,626
Being depreciated (net of accumulated depreciation)	46,322,942	5,107,553	51,430,495
Total assets	139,621,796	9,355,239	148,977,035
Deferred amount from OPEB	808	-	808
Deferred amount from pension plans	7,469,949	40,617	7,510,566
Total deferred outflows of resources	7,470,757	40,617	7,511,374
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Accounts payable	1,086,579	40,936	1,127,515
Accrued liabilities	100,478	1,842	102,320
Unearned revenue	286,921	-	286,921
Long-term liabilities:			
Due within one year	127,048	727	127,775
Due in more than one year			
Net pension liability	10,473,058	162,396	10,635,454
Other long-term liabilities	156,867	2,038	158,905
Total liabilities	12,230,951	207,939	12,438,890
Deferred amount from OPEB	11,046	-	11,046
Deferred amount from pension plans	911,893	16,045	927,938
Total deferred inflows of resources	922,939	16,045	938,984
NET POSITION			
Net investment in capital assets	88,077,568	5,107,553	93,185,121
Restricted for:			
Low- and moderate-income housing	20,580,236	-	20,580,236
Street maintenance	1,339,021	-	1,339,021
Community development	71,075	-	71,075
Public safety program	163,347	-	163,347
Lighting and landscape maintenance	1,965,940	-	1,965,940
Pollution remediation	231,116	-	231,116
Pension benefits	3,735,741	-	3,735,741
Unrestricted	17,774,619	4,064,319	21,838,938
Total net position	\$ 133,938,663	\$ 9,171,872	\$ 143,110,535

See accompanying notes to basic financial statements.

City of Stanton
Statement of Activities
For the Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 1,666,776	\$ 487,870	\$ 27,574	\$ -
Public safety	21,730,025	1,753,074	790,247	-
Urban development	1,235,126	2,251,170	14,080	-
Highways and streets	1,299,051	45,876	2,176,561	-
Culture and recreation	1,181,246	538,832	393,857	-
Health and welfare	16,795	-	51,195	-
Total governmental activities	27,129,019	5,076,822	3,453,514	-
Business-type activity:				
Sewer enterprise	745,280	860,717	-	-
Total	\$ 27,874,299	\$ 5,937,539	\$ 3,453,514	\$ -

General revenues:

- Taxes:
 - Property taxes
 - Sales taxes
 - Transactions and use taxes
 - Transient occupancy taxes
 - Franchise taxes
 - Utility user taxes
 - Other taxes
- Investment earnings
- Miscellaneous

Total general revenues

Change in net position before special item

Special Item:

- Reinstatement of advance to the Successor Agency

Changes in net position

Net position - Beginning of Year

Net position - End of Year

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activity	Total
\$ (1,151,332)	\$ -	\$ (1,151,332)
(19,186,704)	-	(19,186,704)
1,030,124	-	1,030,124
923,386	-	923,386
(248,557)	-	(248,557)
34,400	-	34,400
(18,598,683)	-	(18,598,683)
-	115,437	115,437
(18,598,683)	115,437	(18,483,246)
6,433,535	131,641	6,565,176
4,327,842	-	4,327,842
4,057,037	-	4,057,037
483,233	-	483,233
1,026,619	-	1,026,619
1,850,880	-	1,850,880
433,541	-	433,541
2,057,918	78,818	2,136,736
861,445	-	861,445
21,532,050	210,459	21,742,509
2,933,367	325,896	3,259,263
2,080,000	-	2,080,000
5,013,367	325,896	5,339,263
128,925,296	8,845,976	137,771,272
<u>\$ 133,938,663</u>	<u>\$ 9,171,872</u>	<u>\$ 143,110,535</u>

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FUND FINANCIAL STATEMENTS

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City of Stanton
Balance Sheet
Governmental Funds
June 30, 2019

	Special Revenue Funds				Total Governmental Funds
	General	Housing Authority	Supplemental Law Enforcement Program	Other Governmental Funds	
ASSETS					
Cash and investments	\$ 15,732,777	\$ 18,946,620	\$ 286,791	\$ 4,783,168	\$ 39,749,356
Cash held by fiscal agent	3,735,741	-	-	-	3,735,741
Receivables:					
Accounts	211,695	-	-	192,194	403,889
Interest	11,388	113,610	130	3,220	128,348
Taxes	1,764,998	-	-	207,059	1,972,057
Grants	-	-	-	11,388	11,388
Prepaid items	-	-	-	-	-
Due from other funds	-	-	-	15,182	15,182
Due from other governments	-	-	-	-	-
Notes and loans receivable	101,478	1,168,000	-	-	1,269,478
Advance to successor agency	1,705,480	426,370	-	-	2,131,850
Total assets	\$ 23,263,557	\$ 20,654,600	\$ 286,921	\$ 5,212,211	\$ 49,417,289
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 865,684	\$ 71,122	\$ -	\$ 148,578	\$ 1,085,384
Accrued liabilities	84,262	3,242	-	12,489	99,993
Unearned revenue	-	-	286,921	-	286,921
Due to other funds	-	-	-	15,182	15,182
Total liabilities	949,946	74,364	286,921	176,249	1,487,480
Deferred Inflows of Resources:					
Unavailable revenues	-	-	-	177,017	177,017
Total liabilities and deferred inflows of resources	949,946	74,364	286,921	353,266	1,664,497
Fund Balances:					
Nonspendable	1,806,958	-	-	-	1,806,958
Restricted	3,735,741	20,580,236	-	3,770,499	28,086,476
Committed	13,261,735	-	-	-	13,261,735
Assigned	-	-	-	1,117,693	1,117,693
Unassigned	3,509,177	-	-	(29,247)	3,479,930
Total fund balances	22,313,611	20,580,236	-	4,858,945	47,752,792
Total liabilities and fund balances	\$ 23,263,557	\$ 20,654,600	\$ 286,921	\$ 5,212,211	\$ 49,417,289

City of Stanton
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2019

Fund balances - total governmental funds \$ 47,752,792

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.

Capital assets	\$ 122,481,760	
Accumulated depreciation	<u>(34,404,192)</u>	
		88,077,568

Pension-related debt applicable to the City's governmental activities is not due and payable in the current period and accordingly is not reported as fund liabilities. Deferred outflows of resources and deferred inflows of resources related to pensions are only reported in the statement of net position as the changes in these amounts affect only the government-wide statements for governmental activities.

Deferred outflows of resources	7,469,949	
Deferred inflows of resources	(911,893)	
Pension liability	<u>(10,473,058)</u>	
		(3,915,002)

OPEB-related debt applicable to the City's governmental activities is not due and payable in the current period and accordingly is not reported as fund liabilities. Deferred outflows of resources related to OPEB are only reported in the statement of net position, as the changes in these amounts affect only the government-wide statements for governmental activities.

Deferred outflows of resources	808	
Deferred inflows of resources	(11,046)	
Net OPEB asset	<u>352,067</u>	
		341,829

Internal service funds are used by management to charge the costs of activities involved in rendering services to departments within the City. The assets and liabilities of the internal service funds are included in the statement of net position.

1,504,459

Certain revenues in the governmental funds are deferred inflows of resources because they are not collected within the prescribed time period after year-end. However, these revenues are included in the government-wide statements.

177,017

Net position of governmental activities

\$ 133,938,663

City of Stanton
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue Funds				Total Governmental Funds
	General	Housing Authority	Supplemental Law Enforcement Program	Other Governmental Funds	
REVENUES:					
Taxes and assessments	\$ 18,587,872	\$ -	\$ -	\$ 1,953,499	\$ 20,541,371
Licenses and permits	714,474	-	-	-	714,474
Intergovernmental	213,779	-	-	1,601,664	1,815,443
Charges for services	2,287,491	-	-	1,151,355	3,438,846
Fines and forfeitures	410,443	-	-	-	410,443
Interest income	1,367,013	554,404	-	105,202	2,026,619
Rental income	146,859	477,547	-	-	624,406
Miscellaneous	223,116	8,119	-	55,711	286,946
Total revenues	23,951,047	1,040,070	-	4,867,431	29,858,548
EXPENDITURES:					
Current:					
General government	2,605,958	-	-	-	2,605,958
Public safety	21,045,792	-	-	1,304,753	22,350,545
Urban development	1,351,099	504,547	-	-	1,855,646
Highways and streets	513,569	-	-	1,201,059	1,714,628
Culture and recreation	1,169,641	-	-	476,996	1,646,637
Health and welfare	-	-	-	16,795	16,795
Capital outlay	10,435	-	-	1,709,324	1,719,759
Total expenditures	26,696,494	504,547	-	4,708,927	31,909,968
EXCESS OF REVENUES OVER EXPENDITURES	(2,745,447)	535,523	-	158,504	(2,051,420)
OTHER FINANCING SOURCES (USES):					
Transfers in	640,000	-	-	117,400	757,400
Transfers out	(52,500)	-	-	(704,900)	(757,400)
Total other financing sources (uses)	587,500	-	-	(587,500)	-
Net change in fund balances before special item	(2,157,947)	535,523	-	(428,996)	(2,051,420)
SPECIAL ITEM:					
Reinstatement of advance to Successor Agency	1,664,000	416,000	-	-	2,080,000
Net change in fund balances	(493,947)	951,523	-	(428,996)	28,580
FUND BALANCES:					
Beginning of year	22,807,558	19,628,713	-	5,287,941	47,724,212
End of year	\$ 22,313,611	\$ 20,580,236	\$ -	\$ 4,858,945	\$ 47,752,792

See accompanying notes to basic financial statements.

City of Stanton
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Government-wide Statement of Activities
For the Year Ended June 30, 2019

Net change in fund balances - total governmental funds \$ 28,580

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation and retirements in the current period.

Capital asset purchases	\$ 1,719,760	
Depreciation expense	(1,916,872)	
Disposition of capital assets	<u>(49,814)</u>	(246,926)

Pension expense reported in the governmental funds includes the annual required contributions. In the statement of activities, pension expense includes the change in the net pension liability and related change in pension amounts for deferred outflows of resources and deferred inflows of resources. 5,071,506

OPEB expense reported in the governmental funds includes the actuarial determined contributions. In the statement of activities, OPEB expense includes the change in the net OPEB liability (asset) and related change in OPEB amounts for deferred outflows of resources. (53,077)

Internal service funds are used by management to charge the costs of activities involved in rendering services to departments within the City. The net income is reported with governmental activities. The assets and liabilities of the internal service funds are included in the statement of net position. 36,267

Certain revenues in the governmental funds are unavailable revenues because they are not collected within the prescribed time period after year-end. However, the revenues are included in the government-wide statements. 177,017

Change in net position of governmental activities \$ 5,013,367

PROPRIETARY FUND FINANCIAL STATEMENTS

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City of Stanton
Statement of Net Position
Proprietary Funds
June 30, 2019

	Business-Type Activity	Governmental Activities
	Sewer Enterprise Fund	Internal Service Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current assets:		
Cash and investments	\$ 4,231,397	\$ 1,393,171
Receivables:		
Interest	2,811	778
Taxes	13,478	-
Due from other governments	-	396,105
Total current assets	<u>4,247,686</u>	<u>1,790,054</u>
Noncurrent assets:		
Capital assets:		
Being depreciated, net	5,107,553	-
Total noncurrent assets	<u>5,107,553</u>	<u>-</u>
Total assets	<u>9,355,239</u>	<u>1,790,054</u>
Deferred Outflows of Resources:		
Deferred amount from pension plans	40,617	-
Total deferred outflows of resources	<u>40,617</u>	<u>-</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
Current liabilities:		
Accounts payable	40,936	1,195
Accrued liabilities	1,842	485
Claims and judgments payable	-	53,427
Compensated absences payable	727	73,621
Total current liabilities	<u>43,505</u>	<u>128,728</u>
Noncurrent liabilities:		
Claims and judgments payable	-	5,570
Compensated absences payable	2,038	151,297
Net pension liability	162,396	-
Total noncurrent liabilities	<u>164,434</u>	<u>156,867</u>
Total liabilities	<u>207,939</u>	<u>285,595</u>
Deferred Inflows of Resources:		
Deferred amounts from pension plans	16,045	-
Total deferred inflows of resources	<u>16,045</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	5,107,553	-
Unrestricted	4,064,319	1,504,459
Total net position	<u>\$ 9,171,872</u>	<u>\$ 1,504,459</u>

See accompanying notes to basic financial statements.

City of Stanton
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2019

	Business-Type Activity	Governmental Activities
	Sewer Enterprise Fund	Internal Service Funds
OPERATING REVENUES:		
Charges for services	\$ 860,717	\$ 827,758
Total operating revenue	860,717	827,758
OPERATING EXPENSES:		
Equipment maintenance and operation	147,138	52,954
Depreciation	142,881	4,961
Administrative and personnel services	217,188	524,429
Insurance premiums	2,854	236,259
Contractual services	235,219	8,109
Total operating expenses	745,280	826,712
OPERATING INCOME	115,437	1,046
NONOPERATING REVENUES:		
Property taxes	131,641	-
Interest income	78,818	26,821
Gain on sale of capital assets	-	8,400
Total nonoperating revenues	210,459	35,221
CHANGES IN NET POSITION	325,896	36,267
NET POSITION:		
Beginning of the year	8,845,976	1,468,192
End of the year	\$ 9,171,872	\$ 1,504,459

See accompanying notes to basic financial statements.

City of Stanton
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2019

	Business-Type Activity	Governmental Activities
	Sewer Enterprise Fund	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 860,717	\$ 793,661
Cash paid to other suppliers of goods or services	(370,102)	(291,051)
Cash paid to employees for salaries and wages	(218,101)	(534,743)
Net cash provided by (used in) operating activities	272,514	(32,133)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Cash received from property taxes	130,593	-
Net cash provided by noncapital financing activities	130,593	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from sale of capital assets	-	48,650
Net cash provided by capital and related financing activities	-	48,650
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income received	79,368	27,313
Net cash provided by investing activities	79,368	27,313
Net increase in cash and cash equivalents	482,475	43,830
CASH AND CASH EQUIVALENTS:		
Beginning of the year	3,748,922	1,349,341
End of the year	\$ 4,231,397	\$ 1,393,171
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Operating income	\$ 115,437	\$ 1,046
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	142,881	4,961
Loss on sale of capital assets	-	4,397
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
(Increase) decrease in due from other governments	-	(34,097)
(Increase) decrease in deferred outflows of resources from pension plans	7,120	-
Increase (decrease) in accounts payable	15,107	(1,295)
Increase (decrease) in accrued liabilities	(70)	(152)
Increase (decrease) in claims and judgments payable	-	3,170
Increase (decrease) in compensated absences payable	415	(10,163)
Increase (decrease) in net pension liability	(2,585)	-
Increase (decrease) in deferred inflows of resources from pension plans	(5,791)	-
Net cash provided by (used in) operating activities	\$ 272,514	\$ (32,133)

See accompanying notes to basic financial statements.

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FIDUCIARY FUND FINANCIAL STATEMENTS

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City of Stanton
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2019

	Private-Purpose Trust Funds	City Trust Agency Fund
ASSETS AND DEFERRED OUTFLOW OF RESOURCES		
Current assets:		
Cash and investments	\$ 10,259,271	\$ 382,671
Interest receivable	13,653	-
Restricted assets:		
Cash held by fiscal agent	2,213,140	-
Total assets	<u>12,486,064</u>	<u>\$ 382,671</u>
Deferred outflow of resources:		
Deferred amount on refunding	8,983,089	
Total deferred outflow of resources	<u>8,983,089</u>	
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 416,118	\$ -
Accrued liabilities	1,889	-
Interest payable	196,890	-
Deposits payable	-	382,671
Bonds payable - current portion	2,545,000	-
Total current liabilities	<u>3,159,897</u>	<u>382,671</u>
Long-term liabilities:		
Advance from the City of Stanton	2,131,850	-
Bonds payable	61,871,354	-
Total long-term liabilities	<u>64,003,204</u>	<u>-</u>
Total liabilities	<u>67,163,101</u>	<u>\$ 382,671</u>
NET POSITION		
Held in trust:		
Restricted for private purposes		
Successor Agency to the Stanton Redevelopment Agency	\$ (45,855,858)	
NOCPTF	161,910	
Total Net Position	<u>\$ (45,693,948)</u>	

See accompanying notes to basic financial statements.

City of Stanton
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2019

	Private-Purpose Trust Funds
ADDITIONS:	
Taxes	\$ 5,697,795
Intergovernmental	5,195,383
Investment income	259,942
Total additions	<u>11,153,120</u>
DEDUCTIONS:	
Urban development	283,518
Contractual services	16,089
Public safety	5,369,857
Interest and fiscal charges	3,265,574
Total deductions	<u>8,935,038</u>
Change in net position, before special item	<u>2,218,082</u>
SPECIAL ITEM:	
City loan advance payment and interest	(2,080,000)
NET POSITION:	
Beginning of Year	<u>(45,832,030)</u>
End of Year	<u><u>\$ (45,693,948)</u></u>

See accompanying notes to basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Stanton, California (the City), have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant City accounting policies are described below.

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information about the reporting government as a whole, except for its fiduciary activities. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from discretely presented component units for which the primary government is financially accountable. The City has no discretely presented component units.

B. Description of Reporting Entity

The City was incorporated under the general laws of the State of California and enjoys all rights and privileges pertaining to such “general law” cities.

The Housing Authority of the City of Stanton (Housing Authority), a blended component unit, was formed on March 22, 2011, to facilitate the retention and use of transferred properties from the former Redevelopment Agency consistent with the redevelopment plan and for the purposes of ongoing maintenance of completed development projects.

Although the Housing Authority is legally separate from the City, its financial operations are the responsibility of the City. In addition, the City Council has a continuing accountability for fiscal matters of the Housing Authority. Since the City Council acts as the Board of Directors and is able to impose its will on the Housing Authority, the City is considered to be the primary government and the Housing Authority is a component unit of the City. Additionally, since the governing bodies of the City and the Housing Authority are the same, the financial statements of the City and the component unit are blended. For presentation within the financial statements of the governmental reporting entity, the transactions between the Housing Authority and the City are reported as interfund transactions. The Housing Authority’s financial data and activity are presented as a Special Revenue Fund. The Housing Authority does not issue separate financial statements.

C. Basis of Presentation

Government-Wide Financial Statements

While separate government-wide financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds and internal service funds, while the business-type activities incorporate data from the government’s enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded in the government-wide financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are charges between the government's sewer functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate financial statements for the government's governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. Fiduciary statements even though excluded from the government-wide financial statements, represent private-purpose trust funds and agency funds.

The City reports the following major governmental funds:

The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law, or contractual agreement to some other fund, are accounted for in this fund. General operating expenses not paid through other funds are paid from this fund.

The Housing Authority Special Revenue Fund is used to account for the accumulated resources received from the former Redevelopment Agency's Low and Moderate Income Housing Special Revenue Fund, rental income, and expenses related to low- and moderate-income housing.

The Supplemental Law Enforcement Program Special Revenue Fund is used to account for revenues and expenditures related to funding received under the State Citizens Option for Public Safety (COPS) program.

The City reports the following major enterprise fund:

The Sewer Fund is used to account for the operations of the City's sewer system.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

Additionally, the City reports the following fund types:

Governmental Funds

The Special Revenue Funds are used to account for the revenues derived from specific revenue sources, which are usually required by law or administrative regulation to be accounted for in separate funds.

The Capital Projects Funds are used to account for financial resources segregated for the development, construction, and improvement of City facilities.

Proprietary Funds

The Internal Service Funds are used to account for the financing of services provided by the following departments to other departments of the City on a cost-reimbursement basis:

- Workers' Compensation
- Liability/Risk Management
- Employee Benefits
- Fleet Maintenance

Fiduciary Funds

The Private-Purpose Trust Funds are used to account for the activities of the Successor Agency to the Stanton Redevelopment Agency and North Orange County Public Safety Task Force Fund.

The City Trust Agency Fund is used to account for assets held by the City as an agent for individuals, private businesses, and other governmental agencies. These assets include refundable and expendable cash deposits and retentions withheld pending satisfactory project completion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

Interfund Transactions

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

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

D. Measurement Focus and Basis of Accounting

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and private-purpose trust fund financial statements. Under the economic resources measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with their activity are included on their statement of net position. Operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenue from property taxes is recognized in the fiscal year that the taxes are levied and collected within 60 days from the end of the fiscal year. Grants and similar items are recognized as revenues as soon as the eligibility requirements imposed by the provider have been satisfied. Unbilled receivables are recorded as revenues when services are provided.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the current financial resources measurement focus, only current assets, current liabilities, and deferred inflows of resources are generally included on their balance sheets. The reported fund balance is considered to be a measure of available spendable resources.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Measurement Focus and Basis of Accounting (Continued)

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period. Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus.

Revenues are recognized as soon as they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, except for principal and interest on general long-term liabilities, 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. Issuance of long-term debt and acquisition of capital leases are reported as other financing sources.

Property taxes, sales tax, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue (within 60 days of year-end). Amounts owed to the City, which are not available, are recorded as receivables and deferred inflows of resources. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City's fiduciary funds consist of private-purpose trust funds, which are reported using the economic resources measurement focus, and an agency fund, which has no measurement focus, but utilizes the accrual basis for reporting its assets and liabilities.

E. New Accounting Pronouncements

Current-Year Standards

GASB 83 - *Certain Asset Retirement Obligations*, effective for periods beginning after June 15, 2018, and did not impact the City.

GASB 88 - *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, effective for periods beginning after June 15, 2018, and did not significantly impact the City.

GASB 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for periods beginning after December 15, 2019, and was early implemented by the City in fiscal year 2018-19. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in an enterprise fund. Accounting changes adopted to conform to this provision for this statement should be applied prospectively. There was no material impact on the City's financial statements resulting from the implementation of GASB 89.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. New Accounting Pronouncements (Continued)

Pending Accounting Standards

GASB has issued the following statements, which may impact the City's financial reporting requirements in the future:

- GASB 84 - *Fiduciary Activities*, effective for periods beginning after December 15, 2018.
- GASB 87 - *Leases*, effective for periods beginning after December 15, 2019.
- GASB 90 - *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*, effective for periods beginning after December 15, 2018.
- GASB 91 - *Conduit Debt Obligations*, effective for periods beginning after December 15, 2020.

F. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has the following items that qualify for reporting in this category:

- Deferred outflow related to pensions equal to employer contributions made after the measurement date of the net pension liability.
- Deferred outflow related to pensions and OPEB resulting from the difference in projected and actual earnings on investments of the pension and OPEB plans' fiduciary net position. These amounts are amortized over five years.
- Deferred outflow from pensions resulting from changes in assumptions. This amount is amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.
- Deferred outflow related to pensions for differences between actual and expected experiences. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Deferred Outflows/Inflows of Resources (Continued)

- Deferred loss on refunding reported in the statement of fiduciary net position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the life of the refunding debt, which ranges from 14 to 24 years.

In addition to liabilities, the statement of net position and governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category:

- Deferred inflow related to pensions for differences between actual and expected experiences. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.
- Deferred inflow from pensions and OPEB resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average expected remaining service lives of all employees that are provided with pensions and OPEB through the plans.
- Deferred inflow related to pension plans for the changes in proportion and differences between the employer's contributions and the employer's proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions through the plans.

G. Net Position Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the City's practice to consider restricted - net position to have been depleted before unrestricted - net position is applied.

H. Assets, Liabilities, and Net Position or Equity

Cash and Investments

The City considers all highly liquid investments, with a maturity of three months or less when purchased, to be cash equivalents. In addition, cash invested in the City's cash management pool is considered to be cash equivalents. For purposes of the statement of cash flows of the proprietary fund types, cash and cash equivalents include all investments, as the City operates an internal cash management pool that maintains the general characteristics of a demand deposit account.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Assets, Liabilities, and Net Position or Equity (Continued)

Cash and Investments (Continued)

Investments are reported in the accompanying financial statements at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments that are not traded on a market, such as investments in external pools, are valued based on the stated fair value represented by the external pool.

Receivables and Payables

Property, sales, use, and utility user taxes related to the current fiscal year are accrued as revenue and accounts receivable and are considered available if received within 60 days of year-end. Federal and state grants are considered receivable and accrued as revenue when reimbursable costs are incurred under the accrual basis of accounting in the government-wide statement of net position. The amount recognized as revenue, under the modified accrual basis of accounting, is limited to the amount that is deemed measurable and collectible. Loans extended from other funds are recorded as loans receivable.

Activity between funds, which is representative of lending/borrowing arrangements outstanding at the end of the fiscal year, is referred to as either due to/from other funds or advances to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Acquired assets are recorded at historical cost or estimated historical cost. Donated assets are valued at the acquisition value of the assets on the date on which they were contributed. The costs of normal maintenance and repairs that do not add value to the assets or materially extend the life are not capitalized. Capital assets are defined as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year with the exception of land, structures and improvements, and infrastructure, which have a threshold of \$50,000.

Depreciation is charged to operations using the straight-line method of depreciation over the estimated useful lives of the assets as follows:

Structures and improvements	20 - 50 years
Equipment and vehicles	5 - 20 years
Infrastructure	20 - 50 years

Compensated Absences Payable

Employees can carry forward up to 360 hours of earned, but unused, vacation leave. Upon termination, the City is obligated to compensate employees the earned, but unused, vacation time. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Assets, Liabilities, and Net Position or Equity (Continued)

Claims and Judgments

The City records a liability for claims, judgments, and litigation when it is probable that a liability has been incurred at year-end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated. City management believes that the aggregate accrual is adequate to cover such losses, including amounts for incurred but not reported claims. Estimated claims payables are recorded in the Workers' Compensation and Liability/Risk Management Internal Service Funds as appropriate.

Property Taxes

The assessment, levy, and collection of property taxes are the responsibility of the County of Orange (the County). The City receives property taxes pursuant to an arrangement with the County known as the Teeter Plan, whereby the County assumes responsibility for the collection of delinquent taxes and pays the full allocation to the City. The City records property taxes as revenue when received from the County, except at year-end, when property taxes received within 60 days are accrued as revenue.

Property taxes are assessed and collected according to the following property tax calendar:

Lien Date:	January 1
Levy Date:	July 1 to June 30
Due Dates:	November 1 - First installment March 1 - Second installment
Collection Dates:	December 10 - First installment April 10 - Second installment

Net Position

The governmental and business-type activities in the government-wide financial statements and proprietary funds utilize a net position presentation. Net position is classified in the following categories:

Net investment in capital assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets. The City has no debt related to capital assets.

Restricted net position - This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted net position - This amount is all net position that does not meet the definition of net investment in capital assets or restricted net position.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Assets, Liabilities, and Net Position or Equity (Continued)

Fund Balances

The fund balances reported on the fund statements consist of the following categories:

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted - This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed - This classification includes amounts for which the use of such amounts is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body, and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City, and the adoption of a formal resolution prior to the end of the fiscal year is required to establish a fund balance commitment. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of resolution) to remove or revise the limitation.

An economic emergency reserve has been established through a resolution approved by the City Council. This reserve is calculated as 16.67% (rounded to the next \$100,000) of the General Fund operating expenditures. The reserve may be used to mitigate annual budget revenue shortfalls as a protection from a fluctuating economy, including financial hardship or downturns in the economy. If used or if the City's annual operating budget grows, this reserve will be replenished with future year-end operating surpluses. This economic emergency reserve has a balance of \$4,600,000 as of June 30, 2019.

An emergency equipment and maintenance reserve has been established through a resolution approved by the City Council. The reserve is calculated at \$250,000. The reserve may be used to provide funding for nonscheduled capital asset repair and replacement. If used, this reserve will be replenished with future year-end operating surpluses. This emergency equipment and maintenance reserve has a balance of \$250,000 as of June 30, 2019.

An emergency disaster contingency reserve has been established through a resolution approved by the City Council. The reserve is calculated at \$2,500,000. The reserve may be used to mitigate costs of unforeseeable emergencies, such as natural disasters, catastrophic events, or any situation requiring the declaration of an emergency as defined by Stanton Municipal Code Section 2.56.050.C. If used, this reserve will be replenished with future year-end operating surpluses. This emergency disaster contingency reserve has a balance of \$2,500,000 as of June 30, 2019.

A capital improvement reserve has been established through a resolution approved by the City Council. This reserve may be used for key infrastructure and capital improvement projects and to provide capital repair and replacement funding. This capital improvement reserve has a balance of \$5,911,735 as of June 30, 2019.

Assigned - This classification includes amounts to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Assets, Liabilities, and Net Position or Equity (Continued)

Fund Balances (Continued)

Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City Council has authorized the Administrative Services Director for that purpose. The Administrative Services Director determines the assigned amount based on encumbrances and any future budget deficits.

Unassigned - This classification includes the residual balance for the government's general fund and includes all spendable amounts not contained in other classifications. In other funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted.

Spending Policy

When expenditures are incurred for purposes for which all restricted, committed, assigned, and unassigned fund balances are available, the City's policy is to apply in the following order, except for instances wherein an ordinance specifies the fund balance:

- Restricted
- Committed
- Assigned
- Unassigned

I. Program Revenues

Amounts reported as program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

J. Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. 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 the City's California Public Employees' Retirement System (CalPERS) 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.

L. Post-Employment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability (asset) and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, the City's OPEB plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the statement of net position date and reported amounts of revenues and expenses during the reporting period.

Estimates are used to determine depreciation expense, the allowance for doubtful accounts, net pension liability and corresponding deferred outflows of resources and deferred inflows of resources, net OPEB assets and corresponding deferred outflows of resources and deferred inflows of resources, and certain liabilities. Actual results may differ from those estimates.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Balances

The following funds had deficit fund balances at June 30, 2019:

Other Governmental Funds:

FaCT Park and Recreation Grant Fund	\$(14,065)
Stanton Central Park Maintenance Special Revenue Fund	\$(15,182)

The FaCT Park and Recreation Grant Fund will be eliminated with a future transfer from the General Fund.

The Stanton Central Park Maintenance Special Revenue Fund will be eliminated with a future transfer from the General Fund.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

B. Excess of Expenditures over Appropriations

The following funds reported expenditures exceeding appropriations at June 30, 2019:

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Other Governmental Funds:			
FaCT Park and Recreation Grant			
Special Revenue Fund	\$ 338,877	\$ 362,436	\$ (23,559)

3. CASH AND INVESTMENTS

Cash and Investments

Cash and investments as of June 30, 2019, were classified in the accompanying financial statements as follows:

Cash in hand	\$ 1,100
Deposits with financial institutions	1,268,082
Cash and cash equivalents with fiscal agent	1,076,197
Investments	54,746,684
Investments with fiscal agent	<u>4,872,684</u>
Total cash and investments	<u>\$ 61,964,747</u>

Cash and investments at June 30, 2019, consisted of the following:

Cash in hand	\$ 1,100
Deposits with financial institutions	1,268,082
Cash and cash equivalents with fiscal agent	1,076,197
Investments	54,746,684
Investments with fiscal agent	<u>4,872,684</u>
Total cash and investments	<u>\$ 61,964,747</u>

3. CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by the City's Investment Policy

The City's Investment Policy is reviewed and adopted by the City Council each year. Regarding allowable investment types, the investment policy is more conservative and restrictive than the investment vehicles authorized by Section 53600.5 of the California Government Code. Investment vehicles not specifically mentioned in the City's investment policy are not authorized unless the policy is amended by the City Council or is approved as part of the provisions of the bond indentures. This table does not address investments of debt proceeds held by bond trustees that are governed by provisions of the debt agreements. This table also does not address investments of the pension trust through Public Agency Retirement Services' (PARS) pooled trust, that are governed by the agreement between the City and the trustees. Investments are limited to the following:

Investment Types Authorized by State Law or the City's Investment Policy	Maximum Maturity*	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
United States Treasury Notes	5 years	100%	None
United States Government-Sponsored Agency Securities:			
Federal Home Loan Banks (FHLB)	5 years	100%	25%
Fannie Mae (FNMA)	5 years	100%	25%
Federal Home Loan Mortgage Corp. (FHLMC)	5 years	100%	25%
Federal Farm Credit Banks (FFCB)	5 years	100%	25%
All Other	5 years	100%	25%
Local Agency Securities	5 years	100%	5%
Collateralized Time Deposits (Non-Negotiable Certificates of Deposit)	5 years	20%	None
Banker's Acceptances	180 days	40%	5%
Commercial Paper	270 days	25%	5%
Medium-Term Corporate Notes	5 years	30%	5%
Local Agency Investment Fund (LAIF)	N/A	100%	None
Negotiable Certificates of Deposit	5 years	30%	5%
Money Market Mutual Funds	N/A	20%	None
Asset-Backed and Mortgage-Backed Securities	5 years	20%	5%
Supranational	5 years	30%	10%
Local Government Investment Pools	N/A	100%	None
Certificate of Deposit Placement Service (CDARS)	5 years	30%	None

* Excluding amounts held by bond trustees that are not subject to California Government Code restrictions.

N/A - Not Applicable

CITY OF STANTON
Notes to Basic Financial Statements
June 30, 2019

3. CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City manages its exposure to interest rate risk by purchasing a combination of shorter 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 values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity as of June 30, 2019:

Investment Type	Remaining Maturity (in Years)					Total
	1 Year or Less	1 to 2 Years	2 to 3 Years	3 to 4 Years	4 to 5 Years	
LAIF	\$ 22,788,830	\$ -	\$ -	\$ -	\$ -	\$ 22,788,830
Medium-Term Notes	374,664	2,025,448	967,628	1,551,033	1,686,244	6,605,017
Negotiable Certificates of Deposit	496,611	2,227,733	3,366,317	2,493,304	2,244,092	10,828,057
California Asset Management Program (CAMP)	5,211,929	-	-	-	-	5,211,929
United States Government- Sponsored Agency Securities:						
FHLB	200,120	781,276	287,844	1,000,370	-	2,269,610
FNMA	198,980	775,447	200,358	-	-	1,174,785
FHLMC	-	-	197,156	-	-	197,156
Municipal Bonds	626,640	1,692,625	2,631,152	-	249,685	5,200,102
Asset-Backed and Mortgage- Backed Securities	-	-	471,198	-	-	471,198
Investments with fiscal agent:						
LAIF	1,136,943	-	-	-	-	1,136,943
Pension Trust - PARS Pooled Trust	3,735,741	-	-	-	-	3,735,741
	<u>\$ 34,770,458</u>	<u>\$ 7,502,529</u>	<u>\$ 8,121,653</u>	<u>\$ 5,044,707</u>	<u>\$ 4,180,021</u>	<u>\$ 59,619,368</u>

CITY OF STANTON
Notes to Basic Financial Statements
June 30, 2019

3. CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Credit Risk

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

Investment Type	Total as of June 30, 2019	Minimum Legal Rating	Minimum		Not Rated
			Aaa	Other	
LAIF	\$ 22,788,830	N/A	\$ -	\$ -	\$ 22,788,830
Medium-Term Notes	6,605,017	A/A2	84,277	6,520,740	-
Negotiable Certificates of Deposit	10,828,057	A/A2	-	-	10,828,057
CAMP	5,211,929	N/A	-	5,211,929	-
United States Government- Sponsored Agency Securities:					
FHLB	2,269,610	N/A	2,269,610	-	-
FNMA	1,174,785	N/A	1,174,785	-	-
FHLMC	197,156	N/A	197,156	-	-
Municipal Bonds	5,200,102	A	-	5,200,102	-
Asset-Backed and Mortgage-Backed Securities	471,198	AA/Aa2	-	471,198	-
Investments with fiscal agent:					
LAIF	1,136,943	N/A	-	-	1,136,943
Pension Trust - PARS Pooled Trust	3,735,741	N/A	-	-	3,735,741
Total	\$ 59,619,368		\$ 3,725,828	\$ 17,403,969	\$ 38,489,571

N/A - Not Applicable

The actual ratings for the "Other" category above are as follows:

Investment Type	AAA	AA+	AA	AA-	A+	A	A-	Total
Medium-Term Notes	\$ -	\$ 627,311	\$ 100,277	\$ 1,679,157	\$ 1,426,636	\$ 1,001,115	\$ 1,686,244	\$ 6,520,740
CAMP	5,211,929	-	-	-	-	-	-	5,211,929
Municipal Bonds	-	286,384	3,274,965	762,428	-	876,325	-	5,200,102
Asset-Backed and Mortgage-Backed Securities	-	471,198	-	-	-	-	-	471,198
Total	\$ 5,211,929	\$ 1,384,893	\$ 3,375,242	\$ 2,441,585	\$ 1,426,636	\$ 1,877,440	\$ 1,686,244	\$ 17,403,969

3. *CASH AND INVESTMENTS (CONTINUED)*

Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one nongovernment sponsored issuer (other than external investment pools) that represent 5 % or more of total City 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 (e.g., 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 law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Any deposits in excess of depository insurance limits at the end of the year are collateralized by securities held at the depository financial institution's trust department.

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF.

Investment in California Asset Management Program (CAMP)

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

3. *CASH AND INVESTMENTS (CONTINUED)*

Cash and Investments - Pension Trust

The City established a trust account with the Public Agency Retirement Services (PARS) to hold assets that are legally restricted for use in funding future contributions to the City's pension plan. The pension trust's specific cash and investments are managed by a third-party portfolio manager under guidelines approved by the City.

Those guidelines are as follows:

Risk Tolerance:	Moderate high
Risk Management:	The portfolio is constructed to control risk through four layers of diversification - asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value growth), managers, and securities. Disciplined mutual fund selection and monitoring process help to drive return potential while reducing portfolio risk.
Investment Objective:	To provide growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important.
Strategic Ranges:	0% - 10% Cash 40% - 60% Fixed income 40% - 60% Equity

Fair Value Measurements

The City categorizes its fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are quoted price of similar assets in active markets, and Level 3 inputs are significant unobservable inputs.

CITY OF STANTON
Notes to Basic Financial Statements
June 30, 2019

3. CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued)

The City has the following recurring fair value measurements as of June 30, 2019:

	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total
Medium-Term Notes	\$ -	\$ 6,605,017	\$ -	\$ 6,605,017
Negotiable Certificates of Deposit	-	10,828,057	-	10,828,057
United States Government- Sponsored Agency Securities:				
FHLB	-	2,269,610	-	2,269,610
FNMA	-	1,174,785	-	1,174,785
FHLMC	-	197,156	-	197,156
Asset-Backed and Mortgage-Backed Securities	-	471,198	-	471,198
Municipal Bonds	-	5,200,102	-	5,200,102
Total Leveled Investments	\$ -	\$ 26,745,925	\$ -	26,745,925
Investments Not Subject to Fair Value Hierarchy:				
LAIF				22,788,830
CAMP				5,211,929
Investments with Fiscal Agent:				
LAIF				1,136,943
Pension Trust				3,735,741
Total Investment Portfolio				\$ 59,619,368

CITY OF STANTON
Notes to Basic Financial Statements
June 30, 2019

4. CAPITAL ASSETS

A summary of changes in governmental activities - capital assets at June 30, 2019, is as follows:

Governmental Activities

	Balance at July 1, 2018	Additions	Deletions	Balance at June 30, 2019
Capital assets, not being depreciated:				
Land	\$ 40,675,364	\$ -	\$ -	\$ 40,675,364
Construction in progress	954,524	1,079,262	(954,524)	1,079,262
Total capital assets, not being depreciated	<u>41,629,888</u>	<u>1,079,262</u>	<u>(954,524)</u>	<u>41,754,626</u>
Capital assets, being depreciated:				
Buildings and improvements	39,115,514	410,474	-	39,525,988
Equipment	1,229,561	10,436	(381,519)	858,478
Vehicles	802,232	154,640	(160,409)	796,463
Infrastructure	38,849,305	1,019,472	(90,572)	39,778,205
Total capital assets, being depreciated	<u>79,996,612</u>	<u>1,595,022</u>	<u>(632,500)</u>	<u>80,959,134</u>
Less accumulated depreciation for:				
Buildings and improvements	(7,499,205)	(818,060)	-	(8,317,265)
Equipment	(1,060,340)	(55,384)	381,519	(734,205)
Vehicles	(667,553)	(47,960)	115,762	(599,751)
Infrastructure	(24,025,299)	(1,000,429)	40,757	(24,984,971)
Total accumulated depreciation	<u>(33,252,397)</u>	<u>(1,921,833)</u>	<u>538,038</u>	<u>(34,636,192)</u>
Total capital assets, being depreciated, net	<u>46,744,215</u>	<u>(326,811)</u>	<u>(94,462)</u>	<u>46,322,942</u>
Total governmental activities capital assets, net	<u>\$ 88,374,103</u>	<u>\$ 752,451</u>	<u>\$ (1,048,986)</u>	<u>\$ 88,077,568</u>

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

General government	\$ 576,549
Public safety	384,367
Urban development	384,367
Highways and streets	288,275
Culture and recreation	<u>288,275</u>
Total depreciation expense - governmental activities	<u>\$ 1,921,833</u>

CITY OF STANTON
Notes to Basic Financial Statements
June 30, 2019

4. CAPITAL ASSETS (CONTINUED)

Business-Type Activity

A summary of changes in the business-type activity - capital assets at June 30, 2019, is as follows:

	Balance at July 1, 2018	Additions	Deletions	Balance at June 30, 2019
Capital assets, being depreciated:				
Sanitary plant	\$ 6,599,896	\$ -	\$ -	\$ 6,599,896
General plant	654,840	-	-	654,840
Vehicles	162,099	-	-	162,099
Total capital assets, being depreciated	<u>7,416,835</u>	<u>-</u>	<u>-</u>	<u>7,416,835</u>
Less accumulated depreciation for:				
Sanitary plant	(1,847,138)	(129,784)	-	(1,976,922)
General plant	(157,164)	(13,097)	-	(170,261)
Vehicles	(162,099)	-	-	(162,099)
Total accumulated depreciation	<u>(2,166,401)</u>	<u>(142,881)</u>	<u>-</u>	<u>(2,309,282)</u>
Business-type activity capital assets, net	<u>\$ 5,250,434</u>	<u>\$ (142,881)</u>	<u>\$ -</u>	<u>\$ 5,107,553</u>

Depreciation expense of \$142,881 was charged to the sewer function/program.

5. INTERFUND TRANSACTIONS

Due To and Due From

The composition of interfund balances as of June 30, 2019, is as follows:

Receivable Fund	Payable Fund	Amount
Other Governmental Funds:	Other Governmental Funds:	
Capital Improvements	Stanton Central Park Maintenance	
Capital Projects Fund	Special Revenue Fund	<u>\$ 15,182</u>

The outstanding balance between funds results mainly from interfund borrowings to cover operating deficits.

5. *INTERFUND TRANSACTIONS (CONTINUED)*

Interfund Transfers

The composition of interfund transfers for the year ended June 30, 2019, is as follows:

Transfers In	Transfers Out	Amount
General Fund	Other Governmental Funds (1)	\$ 640,000
Other Governmental Funds	Other Governmental Funds (1)	64,900
Other Governmental Funds	General Fund (2)	52,500
		<u>\$ 757,400</u>

Transfers are used to (1) transfer reimbursements of allowable expenditures and administrative costs in accordance with budgetary authorization, and (2) transfer funds to cover grant funding deficiency in Stanton Central Park Maintenance and FaCT Park and Recreation Grant Special Revenue Funds.

6. *NOTES AND LOANS RECEIVABLE*

The notes and loans receivable balance at June 30, 2019, was as follows:

Stanton Accessible Apartments Construction	\$ 367,941
Housing	98,155
First-Time Home Buyer	40,000
Housing rehabilitation	1,128,000
Employee computer	3,323
Allowance for doubtful accounts	<u>(367,941)</u>
	<u>\$ 1,269,478</u>

In November 2004, the former Redevelopment Agency entered into a Residual Receipts Promissory Note with Stanton Accessible Apartments Construction. Under the terms of the agreement, the former Redevelopment Agency loaned \$258,261 to Stanton Accessible Apartments Construction. The note commenced on May 5, 2005, and bears interest at 3% per year. The note was transferred to the Housing Authority on February 1, 2012. The total amount outstanding, including accrued interest at June 30, 2019, was \$367,941, with an allowance for the forgivable amount of \$367,941.

Housing loans receivable of \$98,155 consists of various low-interest home loans made to low-income families and funded from small cities housing monies.

The First Time Home Buyer Assistance Program, or HOMES, was created by the former Redevelopment Agency in order to help existing and new residents purchase their first home. The HOMES program provides up to \$40,000 in down payment assistance for eligible first time home buyers of low to moderate income. Assistance is in the form of a 45 year loan with interest and payments deferred for the first 10 years of the loan. The HOMES loan is secured by a second trust deed in conjunction with a first mortgage offered by a participating lender. The loan was transferred to the Housing Authority on February 1, 2012. The total amount outstanding at June 30, 2019, was \$40,000.

6. NOTES AND LOANS RECEIVABLE (CONTINUED)

The Housing Rehabilitation Loan Program offers loans of up to \$50,000 for newer homes and up to \$75,000 for pre-1960 homes to low- and moderate-income households. The purpose of the program is to assist Stanton’s homeowners with addressing code violations and eliminating blighted, unsafe, unsanitary, and deteriorating living conditions. The loans are interest free with deferred payments until the property is sold, refinanced, or a change in title occurs. The loans were transferred to the Housing Authority on February 1, 2012. The total amount outstanding at June 30, 2019, was \$1,128,000.

Employees have the opportunity to purchase a personal computer with an interest-free two-year loan from the City. Full-time employees, who have completed the one-year probationary period, or part-time employees, who have been employed with the City for over one year, are eligible to participate in this program. The total amount outstanding at June 30, 2019, was \$3,323.

7. LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions as of June 30, 2019:

Governmental Activities

	Balance at July 1, 2018	Additions	Deletions	Balance at June 30, 2019	Due Within One Year	Due in More Than One Year
Claims payable	\$ 55,827	\$ 30,959	\$ (27,790)	\$ 58,996	\$ 53,427	\$ 5,569
Compensated absences	235,082	129,326	(139,489)	224,919	73,621	151,298
Total governmental activities long-term liabilities	<u>\$ 290,909</u>	<u>\$ 160,285</u>	<u>\$ (167,279)</u>	<u>\$ 283,915</u>	<u>\$ 127,048</u>	<u>\$ 156,867</u>

Claims Payable

The amount of claims payable for governmental activities at June 30, 2019, was \$58,996. This liability is being liquidated in the Workers’ Compensation and Liability/Risk Management Internal Service Funds.

Compensated Absences

The City’s liability for vested and unpaid compensated absences (accrued vacation and compensation time pay) in the governmental activities has been accrued and amounted to \$224,919 at June 30, 2019. This liability is being liquidated in the internal service funds.

7. LONG-TERM LIABILITIES (CONTINUED)

Business-Type Activity

The following is a summary of long-term debt transactions of the business-type activity as of June 30, 2019:

	Balance at July 1, 2018	Additions	Deletions	Balance at June 30, 2019	Due Within One Year	Due in More Than One Year
Compensated absences	\$ 2,350	\$ 1,709	\$ (1,294)	\$ 2,765	\$ 727	\$ 2,038

In proprietary funds, the liability for vested and unpaid compensated absences (accrued vacation and compensation time pay) is reported in the sewer enterprise fund as the benefits are vested and earned. The compensated absences accrued in the sewer enterprise fund amounted to \$2,765 at June 30, 2019.

8. RISK MANAGEMENT

Coverage

The City retains a level of risk for both general liability and workers' compensation.

General Liability - The City is self-insured for the first \$25,000 on each general liability claim against the City. Insurance coverage in excess of the self-insured amount is provided by the Public Entity Risk Management Authority (PERMA), a public entity risk pool consisting of cities and other public agencies in Southern California established under the provisions of California Government Code Section 65000 et seq.

Effective December 10, 1986, the City became a member of PERMA. PERMA is governed by a board consisting of one councilor board member appointed by each of the 31 member agencies. The board meets three times per year and elects an executive committee to supervise and conduct PERMA affairs. PERMA maintains a staff headed by a general manager to implement the policies of the board.

PERMA provides risk coverage for its members through the pooling of risks and purchased insurance. The City pays an annual premium to the pool for its excess general liability insurance coverage. The coverage extends to workers' compensation and employer's liability, employment practices liability, and property, and auto physical damage. PERMA has published its own financial report for the year ended June 30, 2019, of which the most recent available can be obtained from PERMA, 36-951 Cook Street, Suite 100, Palm Desert, CA 92211.

As a member of PERMA, any losses in excess of PERMA's self-insured amount of up to \$50,000,000 are shared by all participating members.

8. RISK MANAGEMENT (CONTINUED)

Coverage (Continued)

Listed below is the allocation of risk coverage for the City:

Area of Risk	City	
	Self-Insurance	PERMA
General Liability	\$0 - \$25,000	\$25,000 - \$50,000,000 per claim
Workers' Compensation	\$0 - \$50,000	\$50,000 - Statutory limits
Employment Practices Liability	\$0 - \$25,000	\$25,000 - \$1,000,000 per claim
Property	\$0 - \$5,000	\$5,000 - \$100,000,000 per claim
Auto Physical Damage	\$0 - \$10,000	\$10,000 - \$100,000,000 per claim
Crime	\$0 - \$2,500	\$2,500 - \$3,000,000 per claim
Cyber Liability	\$0 - \$50,000	\$50,000 - \$2,000,000 per claim

Claims Activity

Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. At June 30, 2019, the amount of these liabilities was \$58,996. This liability is the City's best estimate based on available information.

During the past three fiscal (claims) years, none of the above programs for protection have experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2018-2019.

A summary of the changes in claims liabilities for the past two fiscal years is as follows:

Year Ended June 30,	Claims Payable July 1	Fiscal Year Claims and Changes in Estimates	Claims Payments	Claims Payable June 30
2018	\$ 16,630	\$ 55,478	\$ (16,281)	\$ 55,827
2019	55,827	30,959	(27,790)	58,996

9. COMMITMENTS

On September 15, 1994, the former Redevelopment Agency entered into a Revenue Sharing Agreement with the City of Anaheim related to the development and operation of an automobile recycling facility by Pick Your Part. The location of the project is equally split between the cities of Stanton and Anaheim. All sales tax revenue for the project is collected in Stanton. Additionally, the City receives a recycling fee equal to \$5 per automobile recycled by Pick Your Part at the project site. Under the terms of the agreement, the City of Anaheim will be compensated so as to mitigate the environmental impacts under CEQA associated with the project. Sales tax revenue generated by the project has been determined to be an appropriate measure of the impacts associated with the project. The City will pay to the City of Anaheim a portion of the recycling fee revenue equal to one-half of the sales tax revenue received by the City for the project on a calendar-year basis. In accordance with the agreement, the City has made payments totaling \$33,007 to the City of Anaheim for the fiscal year ended June 30, 2019.

10. ORANGE COUNTY FIRE AUTHORITY - JOINT VENTURE

In January 1995, the City entered into a joint powers agreement with 18 other cities and the County to create the Orange County Fire Authority (Fire Authority). The purpose of the Fire Authority is to provide for mutual fire protection, prevention and suppression services, and related and incidental services including, but not limited to, emergency medical and transport services, as well as providing facilities and personnel for such services. The Fire Authority's governing board consists of one representative from each member city and two from the County. The operations of the Fire Authority are funded with structural fire fees collected by the County through the property tax roll or with cash contributions based on the Fire Authority's annual budget. The City pays a cash contribution each year to the Fire Authority. The County pays all structural fire fees it collects to the Fire Authority. During the fiscal year ended June 30, 2019, the City paid \$4,495,940 to the Fire Authority.

No determination has been made as to each participant's proportionate share of fund equity as of June 30, 2019. Upon dissolution of the Fire Authority, all surplus money and property of the Fire Authority will be conveyed or distributed to each member in proportion to all funds provided to the Fire Authority by that member or by the County on behalf of that member during its membership. Complete financial statements may be obtained from the Orange County Fire Authority, 1 Fire Authority Road, Irvine, CA 92602.

11. RETIREMENT PLANS

A. General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the City's separate Safety and Miscellaneous (all other) Employee Pension Plans which are cost-sharing multiple-employer defined benefit pension plans administered by CalPERS. Benefit provisions under the plans are established by state statute and City 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 who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 to 62 with statutorily reduced benefits. For employees hired into a plan with the 1.5% at 65 formula, eligibility for service retirement is age 55 with at least 5 years of services. PEPR miscellaneous members become eligible for service retirement upon attainment of age 52 with at least five years of service. All members are eligible for nonduty disability benefits after five 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. Safety members can receive a special death benefit if the member dies while actively employed and the death is job related. Fire members may receive the alternate death benefit in lieu of the Basic Death Benefit or the 1957 Survivor Benefit if the member dies while actively employed and has at least 20 years of total CalPERS service. The cost of living adjustments for each plan are applied as specified by the California Public Employees' Retirement Law.

11. RETIREMENT PLANS (CONTINUED)

A. General Information about the Pension Plans (Continued)

Benefits Provided (Continued)

The plans' provisions and benefits in effect at the June 30, 2018, measurement date, are summarized as follows:

	Miscellaneous		
	Tier I On or Prior to August 27, 2011	Tier II After August 27, 2011	Tier III - PEPRA On or After January 1, 2013
Hire date			
Benefit formula	2%@55	2%@60	2%@62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 67	50 - 67	52 - 67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.092% to 2.418%	1.0% to 2.5%
Required employee contribution rates	6.896%	6.900%	6.250%
Required employer contribution rates:			
Normal cost rate	8.921%	7.200%	6.533%
Payment of unfunded liability	\$ 195,122	\$ -	\$ 541
		Safety	
Hire date		Closed	
Benefit formula		1/2%@55	
Benefit vesting schedule		5 years of service	
Benefit payments		monthly for life	
Retirement age		50 - 65	
Monthly benefits, as a % of eligible compensation		1.783% to 2.5%	
Required employee contribution rates (1)		0%	
Required employer contribution		\$ 469,366	

(1) The City currently outsources the safety function to the County. There are no members of the safety plan that are active employees of the City. Therefore, there are no required employee contribution rates. Instead, the required employer contribution is a dollar amount provided by CalPERS.

11. RETIREMENT PLANS (CONTINUED)

A. General Information about the Pension Plans (Continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS's annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. City contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contributions requirements are classified as plan member contributions.

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

As of June 30, 2019, the City reported net pension liabilities for its proportionate shares of the net pension liability of each plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 5,059,084
Safety	<u>5,576,370</u>
Total Net Pension Liability	<u>\$ 10,635,454</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, 2018, 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, 2017, rolled forward to June 30, 2018, using standard update procedures. The City's proportionate share 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 the measurement date ended June 30, 2017 and 2018, was as follows:

	<u>Miscellaneous</u>	<u>Safety</u>
Proportion - June 30, 2016	0.13038%	0.09231%
Proportion - June 30, 2017	0.13424%	0.09504%
Change - Increase (Decrease)	0.00386%	0.00272%

11. RETIREMENT PLANS (CONTINUED)

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

For the year ended June 30, 2019, the City recognized pension expense of \$937,226. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Miscellaneous</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 469,444	\$ -
Differences between actual and expected experience	194,108	(66,054)
Change in assumptions	576,751	(141,351)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	(292,434)
Net differences between projected and actual earnings on plan investments	25,011	-
Total	<u>\$ 1,265,314</u>	<u>\$ (499,839)</u>

	<u>Safety</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 5,540,542	\$ -
Differences between actual and expected experience	119,817	(454)
Change in assumptions	547,139	(73,819)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	(353,826)
Net differences between projected and actual earnings on plan investments	37,754	-
Total	<u>\$ 6,245,252</u>	<u>\$ (428,099)</u>

11. RETIREMENT PLANS (CONTINUED)

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

Amounts of \$469,444 in the miscellaneous plan and \$5,540,542 in the safety plan, which are reported as deferred outflows of resources related to contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2020. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	Miscellaneous	Safety
2020	\$ 341,496	\$ 302,592
2021	178,005	169,258
2022	(177,965)	(156,615)
2023	(45,505)	(38,624)
2024	-	-
Thereafter	-	-

Actuarial Assumptions

The total pension liability for the June 30, 2018, measurement period was determined by an actuarial valuation as of June 30, 2017, with update procedures used to roll forward the total pension liability to June 30, 2018. The total pension liability was based on the following assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2017	June 30, 2017
Measurement Date	June 30, 2018	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Salary Increase	(1)	(4)
Mortality Rate Table	(2)	(2)
Post-Retirement Benefit Increase	(3)	(3)

- (1) Varies by entry age and service.
- (2) The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using the 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.
- (3) Contract cost of living adjustments of up to 2.00% until purchasing power protection allowance floor on purchasing power applies, 2.50% thereafter.
- (4) The plan has no active members; therefore, there is no salary increase.

11. RETIREMENT PLANS (CONTINUED)

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

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+ 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.

The expected real rates of return by asset class are as follows:

Asset Class	Assumed Asset Allocation	Real Return Years 1 - 10 (b)	Real Return Years 11+ (c)
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

(a) In the CalPERS CAFR, fixed income is included in global debt securities; liquidity is included in short-term investments; and inflation assets are included in both global equity securities and global debt securities.

(b) An expected inflation of 2.0% was used for this period.

(c) An expected inflation of 2.92% was used for this period.

11. RETIREMENT PLANS (CONTINUED)

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

Discount Rate

The discount rate used to measure the total pension liability 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.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City’s proportionate share of the net pension liability for 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 one percentage point lower or one percentage point higher than the current rate:

	<u>Miscellaneous</u>	<u>Safety</u>
1% Decrease	6.15%	6.15%
Net Pension Liability	\$ 8,034,006	\$ 8,002,789
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 5,059,084	\$ 5,576,370
1% Increase	8.15%	8.15%
Net Pension Liability	\$ 2,603,335	\$ 3,588,354

Pension Plans Fiduciary Net Position

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

C. Payable to the Pension Plans

At June 30, 2019, the City had no outstanding amount of contributions to the pension plans required for the year ended June 30, 2019.

12. OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

A. General Information about the OPEB Plan

The City provides post-retirement medical benefits to retirees through the California Public Employees Medical and Hospital Care Act (PEMHCA) and managed through the California Employers' Retiree Benefit Trust (CERBT). The program is an agent multiple-employer defined benefit health-care plan that provides health-care insurance for eligible retirees. The City contributes the greater of \$215 per month or the PEMHCA minimum. The PEMHCA minimum was \$218 and \$136 for 2018 and 2019, respectively. To be eligible for post-retirement benefits, employees must complete at least five years of continuous service and be a minimum of 50 years of age. A separate financial report is not prepared for the plan.

Employees Covered

As of the measurement date of June 30, 2018, the following current and former employees were covered by the benefit terms under the plan:

Inactive employees or beneficiaries currently receiving benefits	15
Active employees	<u>31</u>
Total	<u>46</u>

Contributions

Contribution requirements are established by City policy and may be amended by the City Council. The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2019, the City did not make any contributions to the plan.

B. Net OPEB Liability (Asset)

The City's net OPEB liability (asset) was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation dated June 30, 2017, rolled forward to June 30, 2018, using standard update procedures. A summary of the principal assumptions and methods used to determine the total OPEB liability (asset) is shown below.

12. OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

B. Net OPEB Liability (Asset) (Continued)

Actuarial Assumptions

The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions and applied to all periods including the measurement, unless otherwise specified:

Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Actuarial Cost Method	Entry-age normal cost method, level percent of pay
Actuarial Assumptions:	
Discount Rate	6.50%
Inflation	2.75%
Projected Salary Increase	2.75% per year
Expected Long-Term Investment Rate of Return	6.50%
Health-Care Cost Trend Rates	4.00% per year
Preretirement Turnover	Derived from 2009 CalPERS turnover for miscellaneous employees
Mortality	Derived from 2014 CalPERS active mortality for miscellaneous employees and 2014 CalPERS mortality for retired safety employees

The actuarial assumptions used in the June 30, 2017 valuation were based on a standard set of assumptions the actuary has used for similar valuations, modified as appropriate for the City.

Long-Term Expected Rate of Return

The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. The asset class percentages are taken from the current composition of CERBT, and the expected yields are taken from a recent CalPERS publication for the pension fund:

Asset Class	New Strategic Allocation	Long-Term Expected Real Rate of Return
US large cap	40.00%	7.80%
US small cap	10.00%	7.80%
Long-term corporate bonds	18.00%	5.30%
Long-term government bonds	6.00%	4.50%
Treasury inflation protected securities	15.00%	7.80%
US real estate	8.00%	7.80%
All commodities	3.00%	7.80%
Total	100.00%	

12. OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

B. Net OPEB Liability (Asset) (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 6.50%. The rate used for a funded plan is the real rate of return expected for plan assets plus long-term inflation assumption. For an unfunded plan, the discount rate is based on an index of 20-year general obligation municipal bonds. For partially funded plans, the discount rate is a blend of the funded and unfunded rates. This method was used to determine the discount rate assuming that the City's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on the plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability (asset).

C. Changes in the Net OPEB Liability (Asset)

The changes in the net OPEB liability (asset) are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2017			
(Measurement Date)	\$ 535,652	\$ 879,422	\$ (343,770)
Changes in the Year:			
Service cost	11,005	-	11,005
Interest on the total OPEB liability	33,513	-	33,513
Net expected investment income		54,438	(54,438)
Administrative expenses	-	(1,623)	1,623
Expected benefit payments	(39,112)	(39,112)	-
Actual minus expected benefit payments	(12,024)	(12,024)	-
Net Changes	(6,618)	1,679	(8,297)
Balance at June 30, 2018			
(Measurement Date)	\$ 529,034	\$ 881,101	\$ (352,067)

Change of Assumptions

There was no change of assumptions.

Change of Benefit Terms

There was no change of benefit terms.

12. OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

C. Changes in the Net OPEB Liability (Asset) (Continued)

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the net OPEB liability (asset) of the City, as well as what the City's net OPEB liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current discount rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Net OPEB Liability (Asset)	\$ (288,936)	\$ (352,067)	\$ (404,687)

Sensitivity of the Net OPEB Liability (Asset) to Changes in Health-Care Cost Trend Rates

The following presents the net OPEB liability (asset) of the City, as well as what the City's net OPEB liability (asset) would be if it were calculated using health-care cost trend rates that are one percentage point lower (3.00%) or one percentage point higher (5.00%) than the current health-care cost trend rates:

	1% Decrease (3.00%)	Current Health-Care Cost Trend Rates (4.00%)	1% Increase (5.00%)
Net OPEB Liability	\$ (392,455)	\$ (352,067)	\$ (302,574)

D. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the City recognized OPEB expense of \$(10,083). At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ -	\$ -
Differences between actual and expected experience	-	(11,046)
Change in assumptions	-	-
Differences between projected and actual earnings	808	-
Total	\$ 808	\$ (11,046)

12. OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

D. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows and deferred inflows of resources will be recognized as OPEB expense as follows:

Year Ending June 30,	Amount
2020	\$ (776)
2021	(776)
2022	(776)
2023	(776)
2024	(978)
Thereafter	(6,156)

E. Payable to the OPEB Plan

At June 30, 2019, the City had no outstanding amount of contributions to the OPEB plan as required for the year ended June 30, 2019.

CITY OF STANTON
Notes to Basic Financial Statements
June 30, 2019

13. CLASSIFICATION OF FUND BALANCES

The City has adopted the provisions of GASB Statement No. 54, *Fund Balance and Governmental Fund Type Definitions*. GASB 54 establishes fund balance classifications based largely upon the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The governmental funds statements conform to this classification. The various fund balance classifications established as of June 30, 2019, were as follows:

	General Fund	Housing Authority Special Revenue Fund	Supplemental Law Enforcement Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid items	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and loans receivable	101,478	-	-	-	101,478
Advance to Successor Agency	1,705,480	-	-	-	1,705,480
Total nonspendable	1,806,958	-	-	-	1,806,958
Restricted:					
Pension benefits	3,735,741	-	-	-	3,735,741
Low- and moderate- income housing	-	20,580,236	-	-	20,580,236
Street maintenance	-	-	-	1,339,021	1,339,021
Community development	-	-	-	71,075	71,075
Public safety program	-	-	-	163,347	163,347
Lighting and landscape maintenance	-	-	-	1,965,940	1,965,940
Pollution remediation	-	-	-	231,116	231,116
Total restricted	3,735,741	20,580,236	-	3,770,499	28,086,476
Committed:					
Economic emergency	4,600,000	-	-	-	4,600,000
Emergency equipment and maintenance	250,000	-	-	-	250,000
Emergency disaster contingency	2,500,000	-	-	-	2,500,000
Capital improvement	5,911,735	-	-	-	5,911,735
Total committed	13,261,735	-	-	-	13,261,735
Assigned:					
Capital improvement projects	-	-	-	1,117,693	1,117,693
Unassigned	3,509,177	-	-	(29,247)	3,479,930
Total fund balances	\$ 22,313,611	\$ 20,580,236	\$ -	\$ 4,858,945	\$ 47,752,792

14. SUCCESSOR AGENCY DISCLOSURES

The assets and liabilities of the former Redevelopment Agency (Agency) were transferred to the Successor Agency to the City of Stanton Redevelopment Agency on February 1, 2012, as a result of the dissolution of the Agency. The City is acting in a fiduciary capacity for the assets and liabilities. Disclosures related to notes receivable and long-term liabilities are stated below:

Long-Term Liabilities

Long-term liability transactions for the year ended June 30, 2019, were as follows:

	Balance at July 1, 2018	Additions	Deletions	Balance at June 30, 2019	Due Within One Year	Due in More Than One Year
Bonds payable:						
Direct Borrowings:						
Tax allocation bonds (TAB),						
2010 Series A	\$ 11,920,000	\$ -	\$ (410,000)	\$ 11,510,000	\$ 425,000	\$ 11,085,000
Add: Bond premium	1,519	-	(69)	1,450	-	1,450
TAB, 2016 Series A	6,830,000	-	(330,000)	6,500,000	340,000	6,160,000
Add: Bond premium	489,005	-	(30,563)	458,442	-	458,442
TAB, 2016 Series B	12,680,000	-	(640,000)	12,040,000	645,000	11,395,000
Less: Issuance discounts	(83,809)	-	5,238	(78,571)	-	(78,571)
TAB, 2016 Series C	9,695,000	-	-	9,695,000	-	9,695,000
Add: Bond premium	787,895	-	(35,813)	752,082	-	752,082
TAB, 2016 Series D	25,125,000	-	(1,115,000)	24,010,000	1,135,000	22,875,000
Less: Issuance discounts	(494,528)	-	22,479	(472,049)	-	(472,049)
Total bonds payable	<u>\$ 66,950,082</u>	<u>\$ -</u>	<u>\$ (2,533,728)</u>	<u>\$ 64,416,354</u>	<u>\$ 2,545,000</u>	<u>\$ 61,871,354</u>

Tax Allocation Bonds, 2010 Series A

On October 28, 2010, the Agency issued Tax Allocation Bonds, 2010 Series A, in the amount of \$25,280,000. The purpose of the bonds was to refinance certain outstanding obligations of the Agency, finance public facilities, capitalize a portion of interest with respect to the bonds, satisfy the reserve requirement of the bonds, and provide for the costs of issuing the bonds.

The bonds bear interest rates between 2.00% to 5.00%, are due June 1 and December 1 of each year, and mature December 1, 2040. The bonds maturing on or after December 1, 2021, are subject to optional redemption prior to maturity at the option of the Agency on any date on or after December 1, 2020, as a whole or in part at a redemption price equal to the principal amount of bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium. The bonds are subject to mandatory sinking account redemption in amounts ranging from \$565,000 to \$2,095,000 as outlined in the official statements.

Tax revenues are pledged for the payment of principal and interest on the bonds until the bonds and any parity debt have been paid or until monies have been set aside irrevocably for that purpose. A reserve account has been established to be held by the trustee to further secure the timely payment of principal and interest on the bonds. The amount required to be maintained by the trustee for the bonds is \$1,118,419. At June 30, 2019, this reserve was fully funded with a balance of \$1,135,000.

14. SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-Term Liabilities (Continued)

Tax Allocation Bonds, 2010 Series A (Continued)

The outstanding balance of the bonds was \$11,510,000 at June 30, 2019.

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 425,000	\$ 476,419	\$ 901,419
2021	440,000	459,119	899,119
2022	450,000	442,163	892,163
2023	475,000	425,100	900,100
2024	715,000	401,894	1,116,894
2025 - 2029	4,025,000	1,546,006	5,571,006
2030 - 2034	3,640,000	681,391	4,321,391
2035 - 2039	1,340,000	62,668	1,402,668
Total	<u>\$ 11,510,000</u>	<u>\$ 4,494,760</u>	<u>\$ 16,004,760</u>

Tax Allocation Refunding Bonds, 2016 Series A

On February 2, 2016, the Agency issued Tax Allocation Refunding Bonds, 2016 Series A, in the amount of \$7,115,000. The purpose of the bonds was to refinance certain outstanding obligations of the Agency and provide for the costs of issuing the bonds.

The bonds bear interest rates between 2.00% to 5.00%, are due June 1 and December 1 of each year, and mature December 1, 2035. The bonds maturing on or after December 1, 2027, are subject to optional redemption prior to maturity at the option of the Agency on any date on or after December 1, 2027, as a whole or in part at a redemption price equal to the principal amount of bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

Tax revenues are pledged for the payment of principal and interest on the bonds until the bonds and any parity debt have been paid or until monies have been set aside irrevocably for that purpose. With the issuance of the bonds, a municipal bond insurance policy was issued, which guarantees the scheduled payment of principal and interest on the bonds when due. This insurance policy serves as the reserve account.

The outstanding balance of the bonds was \$6,500,000 at June 30, 2019.

14. SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-Term Liabilities (Continued)

Tax Allocation Refunding Bonds, 2016 Series A (Continued)

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 340,000	\$ 228,875	\$ 568,875
2021	355,000	218,525	573,525
2022	365,000	207,675	572,675
2023	380,000	196,575	576,575
2024	300,000	185,275	485,275
2025 - 2029	1,720,000	682,625	2,402,625
2030 - 2034	2,110,000	303,269	2,413,269
2035 - 2039	930,000	28,931	958,931
Total	<u>\$ 6,500,000</u>	<u>\$ 2,051,750</u>	<u>\$ 8,551,750</u>

Taxable Tax Allocation Refunding Bonds, 2016 Series B

On February 2, 2016, the Agency issued Taxable Tax Allocation Refunding Bonds, 2016 Series B, in the amount of \$13,220,000. The purpose of the bonds was to refinance certain outstanding obligations of the Agency and provide for the costs of issuing the bonds.

The bonds bear interest rates between 1.00% to 3.50%, are due June 1 and December 1 of each year, and mature December 1, 2035. The bonds maturing on or after December 1, 2027, are subject to optional redemption prior to maturity at the option of the Agency on any date on or after December 1, 2027, as a whole or in part at a redemption price equal to the principal amount of bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium. The bonds are subject to mandatory sinking account redemption in amounts ranging from \$655,000 to \$900,000 as outlined in the official statements.

Tax revenues are pledged for the payment of principal and interest on the bonds until the bonds and any parity debt have been paid or until monies have been set aside irrevocably for that purpose. With the issuance of the Bonds, a municipal bond insurance policy was issued, which guarantees the scheduled payment of principal and interest on the bonds when due. This insurance policy serves as the reserve account.

The outstanding balance of the bonds was \$12,040,000 at June 30, 2019.

14. SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-Term Liabilities (Continued)

Taxable Tax Allocation Refunding Bonds, 2016 Series B (Continued)

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 645,000	\$ 417,400	\$ 1,062,400
2021	660,000	403,525	1,063,525
2022	680,000	387,600	1,067,600
2023	690,000	369,613	1,059,613
2024	575,000	351,500	926,500
2025 - 2029	3,175,000	1,452,722	4,627,722
2030 - 2034	3,850,000	769,200	4,619,200
2035 - 2039	1,765,000	73,528	1,838,528
Total	<u>\$ 12,040,000</u>	<u>\$ 4,225,088</u>	<u>\$ 16,265,088</u>

Tax Allocation Refunding Bonds, 2016 Series C

On December 15, 2016, the Agency issued Tax Allocation Refunding Bonds, 2016 Series C, in the amount of \$10,030,000. The purpose of the bonds was to refinance certain outstanding obligations of the Agency and provide for the costs of issuing the bonds. The 2010 Series A have been partially paid off as of June 30, 2019. As a result of the refinancing, the Agency had an economic loss of \$635,185 (difference between the present value of the debt service payments on the old and new debt less existing reserve fund applied toward the refunding) and an aggregate increase in debt service of \$368,688.

The bonds bear interest rates between 2.00% to 5.00%, are due June 1 and December 1 of each year, and mature December 1, 2040. The bonds maturing on or after December 1, 2026, are subject to optional redemption prior to maturity at the option of the Agency on any date on or after December 1, 2026, as a whole or in part at a redemption price equal to the principal amount of bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

Tax revenues are pledged for the payment of principal and interest on the bonds until the bonds and any parity debt have been paid or until monies have been set-aside irrevocably for that purpose. With the issuance of the bonds, a municipal bond insurance policy was issued, which guarantees the scheduled payment of principal and interest on the bonds when due. This insurance policy serves as the reserve account.

The outstanding balance of the bonds was \$9,695,000 at June 30, 2019.

14. SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-Term Liabilities (Continued)

Taxable Tax Allocation Refunding Bonds, 2016 Series C (Continued)

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ -	\$ 484,750	\$ 484,750
2021	-	484,750	484,750
2022	-	484,750	484,750
2023	-	484,750	484,750
2024	-	484,750	484,750
2025 - 2029	-	2,423,750	2,423,750
2030 - 2034	-	2,423,750	2,423,750
2035 - 2039	5,530,000	2,018,250	7,548,250
2040 - 2044	4,165,000	210,875	4,375,875
Total	<u>\$ 9,695,000</u>	<u>\$ 9,500,375</u>	<u>\$ 19,195,375</u>

Tax Allocation Refunding Bonds, 2016 Series D

On December 15, 2016, the Agency issued Tax Allocation Refunding Bonds, 2016 Series D, in the amount of \$26,080,000. The purpose of the bonds was to refinance certain outstanding obligations of the Agency and provide for the costs of issuing the bonds.

The bonds bear interest rates between 2.00% to 5.00%, are due June 1 and December 1 of each year, and mature December 1, 2040. The bonds maturing on or after December 1, 2026, are subject to optional redemption prior to maturity at the option of the Agency on any date on or after December 1, 2026, as a whole or in part at a redemption price equal to the principal amount of bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

Tax revenues are pledged for the payment of principal and interest on the bonds until the bonds and any parity debt have been paid or until monies have been set aside irrevocably for that purpose. With the issuance of the bonds, a municipal bond insurance policy was issued, which guarantees the scheduled payment of principal and interest on the bonds when due. This insurance policy serves as the reserve account.

The outstanding balance of the bonds was \$24,010,000 at June 30, 2019.

14. SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-Term Liabilities (Continued)

Taxable Tax Allocation Refunding Bonds, 2016 Series D (Continued)

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 1,135,000	\$ 844,350	\$ 1,979,350
2021	1,155,000	820,006	1,975,006
2022	1,180,000	792,263	1,972,263
2023	1,205,000	760,944	1,965,944
2024	1,240,000	725,775	1,965,775
2025 - 2029	6,835,000	2,977,075	9,812,075
2030 - 2034	6,070,000	1,647,075	7,717,075
2035 - 2039	3,770,000	675,325	4,445,325
2040 - 2044	1,420,000	60,987	1,480,987
Total	<u>\$ 24,010,000</u>	<u>\$ 9,303,800</u>	<u>\$ 33,313,800</u>

Issuance Discount

The following is a summary of bond issuance discounts at June 30, 2019:

	Balance at July 1, 2018	Additions	Deletions	Balance at June 30, 2019
2016B Tax Allocation Bonds	\$ (83,809)	-	\$ 5,238	\$ (78,571)
2016D Tax Allocation Bonds	(494,528)	-	22,479	(472,049)
Total	<u>\$ (578,337)</u>	<u>\$ -</u>	<u>\$ 27,717</u>	<u>\$ (550,620)</u>

Amortization for the year ended June 30, 2019, was \$27,717.

Issuance Premium

The following is a summary of bond issuance premiums at June 30, 2019:

	Balance at July 1, 2018	Additions	Deletions	Balance at June 30, 2019
2010 Tax Allocation Bonds	\$ 1,519	\$ -	\$ (69)	\$ 1,450
2016A Tax Allocation Bonds	489,005	-	(30,563)	458,442
2016C Tax Allocation Bonds	787,895	-	(35,813)	752,082
Total	<u>\$ 1,278,419</u>	<u>\$ -</u>	<u>\$ (66,445)</u>	<u>\$ 1,211,974</u>

Amortization for the year ended June 30, 2019, was \$66,445.

14. SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Advances

The composition of advances for the year ended June 30, 2019, is as follows:

<u>Advances To Other Funds</u>	<u>Advances From Other Funds</u>	<u>Amount</u>
Successor Agency to the Stanton Redevelopment Agency	General Fund	\$ 1,705,480
	Housing Authority Special Revenue Fund	426,370
		<u>\$ 2,131,850</u>

The General Fund made several advances totaling \$8,586,029 to the Successor Agency to the Stanton Redevelopment Agency.

First, a loan of \$4,500,000 was made for purposes of carrying out activities of the Former Redevelopment Project Area. During the fiscal year ended June 30, 2018, \$2,080,000 was disallowed by the Department of Finance and the balance of the loan was written off. After several meet and confer with Department of Finance, the City was able to provide documents and was able to satisfy the Department of Finance regarding the validity of the loan, therefore the loan was reinstated at during the fiscal year and was reported as a special item. The outstanding balance at June 30, 2019, including accrued interest was \$2,131,850. As required by law, 20% of the loan repayments from the Successor Agency are transferred to the Housing Authority, which serves as the Low and Moderate Income Housing Asset Fund.

Second, a loan of \$4,086,029 was made for the purposes of paying the SERAF payment required by the state. The interest portion of the advance was calculated using the LAIF rate effective for the corresponding years. The outstanding balance was paid off during fiscal year ended June 30, 2019.

15. CONTINGENT LIABILITIES

Lawsuits

The City is a defendant in certain legal actions arising in the normal course of operations. In the opinion of management and legal counsel, any liability resulting from these actions will not result in a material adverse effect on the City's financial position.

Federal and State Grant Programs

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

Other Matters

As of June 30, 2019, in the opinion of City management, there were no additional outstanding matters that would have a significant effect on the financial position of the funds of the City.

16. SUBSEQUENT EVENTS

Events occurring after June 30, 2019, have been evaluated for possible adjustments to the financial statements or disclosure as of November 26, 2019, which is the date these financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

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City of Stanton
Schedule of Proportionate Share of the Net Pension Liability - CalPERS Miscellaneous Pension Plan
Last Ten Fiscal Years*

Fiscal year ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2016
Measurement period	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Plan's proportion of the net pension liability	0.05250%	0.05182%	0.05069%	0.04763%	0.05854%
Plan's proportionate share of the net pension liability	\$ 5,059,084	\$ 5,139,562	\$ 4,386,167	\$ 3,269,137	\$ 3,642,924
Plan's covered - payroll	\$ 2,644,646	\$ 2,188,343	\$ 2,097,117	\$ 1,968,200	\$ 1,884,740
Plan's proportionate share of the net pension liability as a percentage of its covered - payroll	191.30%	234.86%	209.15%	166.10%	193.29%
Plan's fiduciary net position as a percentage of the Plan's total pension liability	75.26%	73.31%	74.06%	82.31%	80.06%
Plan's proportionate share of aggregate employer contributions	\$ 645,003	\$ 602,135	\$ 558,959	\$ 526,247	\$ 395,410

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2015 to June 30, 2016

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2019:

There were no significant changes in assumptions.

* Fiscal year 2015 was the first year of implementation and therefore five years are shown.

City of Stanton
Schedule of Contributions - CalPERS Miscellaneous Pension Plan
Last Ten Fiscal Years*

Fiscal year ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution (actuarially determined)	\$ 469,444	\$ 402,799	\$ 327,584	\$ 288,043	\$ 745,208
Contributions in relation to the actuarially determined contributions	(469,444)	(402,799)	(327,584)	(288,043)	(745,208)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered - payroll	\$ 2,544,215	\$ 2,644,646	\$ 2,188,343	\$ 2,097,117	\$ 1,968,200
Contributions as a percentage of covered - payroll	18.45%	15.23%	14.97%	13.74%	37.86%

Notes to Schedule:

Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
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Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age				
Amortization method	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Market Value	Market Value	Market Value	Market Value	15 Year Smoothed Market Method
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases	(2)	(2)	(2)	(2)	(2)
Investment rate of return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

- (1) Level percentage of payroll, closed
- (2) Depending on age, service, and type of employment
- (3) Net of pension plan investment expense, including inflation
- (4) 50 for all plans with exception of 52 for Miscellaneous 2% @62
- (5) Mortality assumptions based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board

* Fiscal year 2015 was the first year of implementation and therefore only five years are shown.

City of Stanton
Schedule of Proportionate Share of the Net Pension Liability - CalPERS Safety Pension Plan
Last Ten Fiscal Years*

Fiscal year ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Measurement period	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Plan's proportion of the net pension liability	0.05787%	0.05562%	0.00569%	0.05746%	0.05278%
Plan's proportionate share of the net pension liability	\$ 5,576,370	\$ 5,515,903	\$ 4,920,618	\$ 3,944,111	\$ 3,284,432
Plan's covered - payroll	\$ -	\$ -	\$ -	\$ -	\$ -
Plan's proportionate share of the net pension liability as a percentage of its covered - payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan's fiduciary net position as a percentage of the Plan's total pension liability	75.26%	73.31%	74.06%	78.40%	81.42%
Plan's proportionate share of aggregate employer contributions	\$ 507,280	\$ 429,168	\$ 432,732	\$ 460,716	\$ 407,441

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2015 to June 30, 2016

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2019:

There were no significant changes in assumptions.

* Fiscal year 2015 was the first year of implementation and therefore five years are shown.

City of Stanton
Schedule of Contributions - CalPERS Safety Pension Plan
Last Ten Fiscal Years*

Fiscal year ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution (actuarially determined)	\$ 5,540,542	\$ 469,366	\$ 226,818	\$ 188,537	\$ 157,551
Contributions in relation to the actuarially determined contributions	(5,540,542)	(469,366)	(226,818)	(188,537)	(157,551)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered - employee payroll	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered - employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
----------------	-----------	-----------	-----------	-----------	-----------

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age				
Amortization method	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Market Value	Market Value	Market Value	Market Value	15 Year Smoothed Market Method
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases	(2)	(2)	(2)	(2)	(2)
Investment rate of return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

- (1) Level percentage of payroll, closed
- (2) Depending on age, service, and type of employment
- (3) Net of pension plan investment expense, including inflation
- (4) 50 for all plans with exception of 52 for Miscellaneous 2% @62
- (5) Mortality assumptions based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board

* Fiscal year 2015 was the first year of implementation and therefore only five years are shown.

City of Stanton
Schedule of Changes in the Net OPEB Liability and Related Ratios
Last Ten Fiscal Years*

Measurement date	6/30/2018	6/30/2017
Total OPEB Liability:		
Service cost	\$ 11,005	\$ 10,710
Interest on total OPEB liability	33,513	33,968
Benefit payments, including refunds of	(51,136)	(52,812)
Net Change in Total OPEB Liability	(6,618)	(8,134)
Total OPEB Liability - Beginning of Year	535,652	543,786
Total OPEB Liability - End of Year (a)	529,034	535,652
Plan Fiduciary Net Position:		
Contributions - employer	-	52,812
Net investment income	54,438	59,303
Administrative expenses	(1,623)	(432)
Benefit payments	(51,136)	(52,812)
Net Change in Plan Fiduciary Net Position	1,679	58,871
Plan Fiduciary Net Position - Beginning of Year	879,422	820,551
Plan Fiduciary Net Position - End of Year (b)	881,101	879,422
Net OPEB Liability (Asset) - Ending (a)-(b)	\$ (352,067)	\$ (343,770)
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	166.55%	164.18%
Covered - employee payroll	\$ 2,644,646	\$ 2,188,343
Net OPEB liability (asset) as percentage of covered - employee payroll	-13.31%	-15.71%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

There were no significant changes in assumptions.

* Fiscal year 2018 was the first year of implementation and therefore only two years are shown

City of Stanton
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES:				
Taxes and assessments	\$ 17,984,140	\$ 18,444,140	\$ 18,587,872	\$ 143,732
Licenses and permits	479,725	616,825	714,474	97,649
Intergovernmental	189,800	194,800	213,779	18,979
Charges for services	1,991,830	2,055,530	2,287,491	231,961
Fines and forfeitures	415,500	410,500	410,443	(57)
Interest income	150,000	150,000	1,367,013	1,217,013
Rental income	91,200	77,700	146,859	69,159
Miscellaneous	257,000	257,000	223,116	(33,884)
Total revenues	21,559,195	22,206,495	23,951,047	1,744,552
EXPENDITURES:				
Current:				
General government	2,664,492	2,817,915	2,605,958	211,957
Public safety	16,367,639	21,336,246	21,045,792	290,454
Urban development	1,303,883	1,548,658	1,351,099	197,559
Highways and streets	530,272	526,547	513,569	12,978
Culture and recreation	1,303,718	1,317,918	1,169,641	148,277
Capital outlay	-	10,435	10,435	-
Total expenditures	22,170,004	27,557,719	26,696,494	861,225
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(610,809)	(5,351,224)	(2,745,447)	2,605,777
OTHER FINANCING SOURCES (USES):				
Transfers in	640,000	640,000	640,000	-
Transfers out	(25,000)	(52,500)	(52,500)	-
Total other financing sources (uses)	615,000	587,500	587,500	-
NET CHANGE IN FUND BALANCE	4,191	(4,763,724)	(2,157,947)	2,605,777
SPECIAL ITEM:				
Reinstatement of advance to Successor Agency	-	-	1,664,000	1,664,000
NET CHANGE IN FUND BALANCE	\$ 4,191	\$ (4,763,724)	(493,947)	\$ 4,269,777
FUND BALANCE:				
Beginning of year			22,807,558	
End of year			\$ 22,313,611	

City of Stanton
Budgetary Comparison Schedule
Housing Authority Special Revenue Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Interest income	\$ 100,000	\$ 100,000	\$ 554,404	\$ 454,404
Rental income	450,000	450,000	477,547	27,547
Miscellaneous	6,000	6,000	8,119	2,119
Total revenues	<u>556,000</u>	<u>556,000</u>	<u>1,040,070</u>	<u>484,070</u>
EXPENDITURES:				
Current:				
Urban development	640,504	640,504	504,547	135,957
Capital outlay	5,000,000	5,000,000	-	5,000,000
Total expenditures	<u>5,640,504</u>	<u>5,640,504</u>	<u>504,547</u>	<u>5,135,957</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(5,084,504)</u>	<u>(5,084,504)</u>	<u>535,523</u>	<u>5,620,027</u>
NET CHANGE IN FUND BALANCE	<u>(5,084,504)</u>	<u>(5,084,504)</u>	<u>535,523</u>	<u>5,620,027</u>
SPECIAL ITEM:				
Reinstatement of advance to Successor Agency	-	-	416,000	416,000
NET CHANGE IN FUND BALANCE	<u>\$ (5,084,504)</u>	<u>\$ (5,084,504)</u>	<u>951,523</u>	<u>\$ 6,036,027</u>
FUND BALANCE:				
Beginning of year			<u>19,628,713</u>	
End of year			<u>\$ 20,580,236</u>	

City of Stanton
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Supplemental Law Enforcement Program Special Revenue Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 200,000	\$ 200,000	\$ -	\$ (200,000)
EXPENDITURES:				
Current:				
Public Safety	200,000	200,000	-	200,000
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE:				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

1. BUDGET AND BUDGETARY ACCOUNTING

The City adopts a biannual budget prepared on the modified accrual basis for all of its governmental funds. The City Manager is required, under City Code Section 2.08.050, to prepare and submit to the City Council the biannual budget of the City and administer it after adoption. Legally, expenditures may not exceed total appropriations at the fund level. The City Manager is authorized to transfer budgeted amounts within the accounts of any fund; however, any revisions between funds must be approved by the City Council. Prior-year appropriations lapse, unless they are encumbered at year-end, and reappropriated through the formal budget process.

The budgetary information shown for revenues and expenditures represent the original adopted budget adjusted for any changes made by the City Council or City Manager.

The City did not adopt a budget for the CalGRIP Grant Special Revenue Fund.

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SUPPLEMENTARY INFORMATION

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DESCRIPTION OF OTHER GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Gas Tax - To account for the receipts and expenditures of money apportioned under the Streets and Highways Code Sections 2103, 2105, 2106, 2017, and 2017.5 of the State of California. These funds are earmarked for maintenance, rehabilitation or improvement of public streets.

Protective Services - To account for a special tax approved by the voters in August 1985 for fire protection and prevention services.

Lighting and Median Maintenance - To account for benefit assessments levied under the 1919 Act Stanton Municipal Lighting District and the Stanton Lighting and Landscaping District No. 1 (Landscaping and Lighting Act of 1972) for street lighting and landscaping maintenance within the City.

Air Quality Improvement Program - To account for the City's share of additional motor vehicle registration fees, imposed by the South Coast Air Quality Management District, to finance the implementation of mobile source emission reduction programs and the provisions of the California Clean Air Act.

FaCT Park and Recreation Grant - To account for revenues and expenditures related to funding received by the County of Orange, through the federal government, for the Family Preservation and Support Program (FaCT).

CalGRIP Grant - To account for revenues and expenditures related to funding received by the Board of State and Community Corrections (BSCC) for the California Gang Reduction, Intervention and Prevention (CalGRIP) Program.

Senior Transportation - To account for the City's share of funds identified as 1% of Renewed Measure M (M2) net sales tax revenue to be allocated to all local jurisdictions based upon the City's respective percentage of senior population for the entire County of Orange.

Measure M - To account for funds received by the City as a result of the voter-approved ballot measure in 1990 and extended by voter approval in 2006 to increase sales tax by ½ percent in Orange County to fund transportation projects.

Public Safety Task Force (PSTF) - To account for funds used for the purpose of violence prevention and intervention activities.

Development Impact Fees - To account for street, traffic signal, community center, and police services impact fees.

Road Maintenance and Rehabilitation Account (RMRA) - To account for the receipts and expenditures of Road Maintenance and Rehabilitation Account (RMRA) funds resulting from the Road Repair and Accountability Act of 2017 (SB1). Funds are restricted for maintenance, rehabilitation or improvement of streets, freeways, bridges and other transit related improvements.

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**DESCRIPTION OF OTHER GOVERNMENTAL FUNDS
(CONTINUED)**

SPECIAL REVENUE FUNDS (CONTINUED)

Stanton Central Park Maintenance - To account for donations received for maintenance of the central park.

Community Development - To account for grants requiring segregated fund accounting, such as the Community Development Block Grant program.

CAPITAL PROJECTS FUNDS

Capital Improvements - To account for financial resources segregated for the acquisition of major general City capital facilities, other than those financed by Proprietary or Special Revenue Funds.

Park and Recreation Facilities - To account for the financial resources segregated for park or recreational purposes, pursuant to Stanton Municipal Code Section 19.42.090.

City of Stanton
Combining Balance Sheet
Other Governmental Funds
June 30, 2019

	Special Revenue Funds	
	Gas Tax	Protective Services
ASSETS		
Cash and investments	\$ 130,259	\$ 38,977
Receivables:		
Accounts	-	-
Interest	209	-
Taxes	64,566	5,989
Grants	-	-
Due from other funds	-	-
Total assets	\$ 195,034	\$ 44,966
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 1,800	\$ -
Accrued liabilities	7,374	-
Due to other funds	-	-
Total liabilities	9,174	-
Deferred Inflows of Resources:		
Unavailable revenues	-	-
Total liabilities and deferred inflows of resources	9,174	-
Fund Balances (Deficits):		
Restricted	185,860	44,966
Assigned	-	-
Unassigned	-	-
Total fund balances (deficits)	185,860	44,966
Total liabilities and fund balances	\$ 195,034	\$ 44,966

Special Revenue Funds (Continued)					
Lighting and Median Maintenance	Air Quality Improvement Program	FaCT Park and Recreation Grant	CalGRIP Grant	Senior Transportation	Measure M
\$ 1,999,352	\$ 217,735	\$ 18,160	\$ 37,498	\$ 8,083	\$ 396,521
-	13,274	-	-	12,851	166,069
1,310	107	-	21	4	390
7,326	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,007,988</u>	<u>\$ 231,116</u>	<u>\$ 18,160</u>	<u>\$ 37,519</u>	<u>\$ 20,938</u>	<u>\$ 562,980</u>
\$ 42,048	\$ -	\$ 28,017	\$ -	\$ -	\$ -
-	-	4,208	-	439	-
-	-	-	-	-	-
<u>42,048</u>	<u>-</u>	<u>32,225</u>	<u>-</u>	<u>439</u>	<u>-</u>
-	-	-	-	10,948	166,069
<u>42,048</u>	<u>-</u>	<u>32,225</u>	<u>-</u>	<u>11,387</u>	<u>166,069</u>
1,965,940	231,116	-	37,519	9,551	396,911
-	-	-	-	-	-
-	-	(14,065)	-	-	-
<u>1,965,940</u>	<u>231,116</u>	<u>(14,065)</u>	<u>37,519</u>	<u>9,551</u>	<u>396,911</u>
<u>\$ 2,007,988</u>	<u>\$ 231,116</u>	<u>\$ 18,160</u>	<u>\$ 37,519</u>	<u>\$ 20,938</u>	<u>\$ 562,980</u>

City of Stanton
Combining Balance Sheet, Continued
Other Governmental Funds
June 30, 2019

	Special Revenue Funds (Continued)	
	PSTF	Development Impact Fees
ASSETS		
Cash and investments	\$ 53,599	\$ 261,577
Receivables:		
Accounts	-	-
Interest	126	133
Taxes	-	-
Grants	-	-
Due from other funds	-	-
Total assets	\$ 53,725	\$ 261,710
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 36,724	\$ -
Accrued liabilities	468	-
Due to other funds	-	-
Total liabilities	37,192	-
Deferred Inflows of Resources:		
Unavailable revenues	-	-
Total liabilities and deferred inflows of resources	37,192	-
Fund Balances (Deficits):		
Restricted	16,533	261,710
Assigned	-	-
Unassigned	-	-
Total fund balances (deficits)	16,533	261,710
Total liabilities and fund balances	\$ 53,725	\$ 261,710

Special Revenue Funds (Continued)			Capital Projects Funds		Total Other Governmental Funds
RMRA	Stanton Central Park Maintenance	Community Development	Capital Improvements	Park and Recreation Facilities	
\$ 279,154	\$ -	\$ 240,312	\$ 397,350	\$ 704,591	\$ 4,783,168
-	-	-	-	-	192,194
217	-	133	278	292	3,220
129,178	-	-	-	-	207,059
-	-	11,388	-	-	11,388
-	-	-	15,182	-	15,182
<u>\$ 408,549</u>	<u>\$ -</u>	<u>\$ 251,833</u>	<u>\$ 412,810</u>	<u>\$ 704,883</u>	<u>\$ 5,212,211</u>
\$ 39,101	\$ -	\$ 888	\$ -	\$ -	\$ 148,578
-	-	-	-	-	12,489
-	15,182	-	-	-	15,182
<u>39,101</u>	<u>15,182</u>	<u>888</u>	<u>-</u>	<u>-</u>	<u>176,249</u>
-	-	-	-	-	177,017
<u>39,101</u>	<u>15,182</u>	<u>888</u>	<u>-</u>	<u>-</u>	<u>353,266</u>
369,448	-	250,945	-	-	3,770,499
-	-	-	412,810	704,883	1,117,693
-	(15,182)	-	-	-	(29,247)
<u>369,448</u>	<u>(15,182)</u>	<u>250,945</u>	<u>412,810</u>	<u>704,883</u>	<u>4,858,945</u>
<u>\$ 408,549</u>	<u>\$ -</u>	<u>\$ 251,833</u>	<u>\$ 412,810</u>	<u>\$ 704,883</u>	<u>\$ 5,212,211</u>

City of Stanton
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue Funds	
	Gas Tax	Protective Services
REVENUES:		
Taxes and assessments	\$ 638,561	\$ -
Intergovernmental	205,910	-
Charges for services	-	381,371
Interest income	7,220	-
Miscellaneous	-	-
Total revenues	851,691	381,371
EXPENDITURES:		
Current:		
Public safety	-	1,250
Highways and streets	958,803	-
Culture and recreation	-	-
Health and welfare	-	-
Capital outlay	446,675	-
Total expenditures	1,405,478	1,250
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(553,787)	380,121
OTHER FINANCING SOURCES (USES):		
Transfers in	-	-
Transfers out	(260,000)	(380,000)
Total other financing sources (uses)	(260,000)	(380,000)
NET CHANGE IN FUND BALANCES	(813,787)	121
FUND BALANCES (DEFICITS):		
Beginning of year	999,647	44,845
End of year	\$ 185,860	\$ 44,966

Special Revenue Funds (Continued)					
Lighting and Median Maintenance	Air Quality Improvement Program	FaCT Park and Recreation Grant	CalGRIP Grant	Senior Transportation	Measure M
\$ 541,619	\$ -	\$ -	\$ -	\$ -	\$ -
1,214	51,195	294,943	-	37,966	363,023
204,090	-	-	-	-	-
36,538	3,683	-	3,505	129	13,450
-	5,711	-	-	-	-
<u>783,461</u>	<u>60,589</u>	<u>294,943</u>	<u>3,505</u>	<u>38,095</u>	<u>376,473</u>
674,441	-	-	-	-	-
-	-	-	-	-	2,543
-	-	362,436	-	45,562	-
-	2,715	-	-	-	-
-	-	-	-	-	652,277
<u>674,441</u>	<u>2,715</u>	<u>362,436</u>	<u>-</u>	<u>45,562</u>	<u>654,820</u>
<u>109,020</u>	<u>57,874</u>	<u>(67,493)</u>	<u>3,505</u>	<u>(7,467)</u>	<u>(278,347)</u>
-	-	25,000	-	-	-
-	-	-	-	-	-
-	-	25,000	-	-	-
<u>109,020</u>	<u>57,874</u>	<u>(42,493)</u>	<u>3,505</u>	<u>(7,467)</u>	<u>(278,347)</u>
<u>1,856,920</u>	<u>173,242</u>	<u>28,428</u>	<u>34,014</u>	<u>17,018</u>	<u>675,258</u>
<u>\$ 1,965,940</u>	<u>\$ 231,116</u>	<u>\$ (14,065)</u>	<u>\$ 37,519</u>	<u>\$ 9,551</u>	<u>\$ 396,911</u>

City of Stanton
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances, Continued
Other Governmental Funds
For the Year Ended June 30, 2019

	<u>Special Revenue Funds (Continued)</u>	
	<u>PSTF</u>	<u>Development Impact Fees</u>
REVENUES:		
Taxes and assessments	\$ -	\$ -
Intergovernmental	633,333	-
Charges for services	-	117,394
Interest income	4,348	4,570
Miscellaneous	-	-
	<u>-</u>	<u>-</u>
Total revenues	<u>637,681</u>	<u>121,964</u>
EXPENDITURES:		
Current:		
Public safety	629,062	-
Highways and streets	-	-
Culture and recreation	-	-
Health and welfare	-	-
Capital outlay	-	-
	<u>-</u>	<u>-</u>
Total expenditures	<u>629,062</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>8,619</u>	<u>121,964</u>
OTHER FINANCING SOURCES (USES):		
Transfers in	-	-
Transfers out	-	-
	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	8,619	121,964
FUND BALANCES (DEFICITS):		
Beginning of year	<u>7,914</u>	<u>139,746</u>
End of year	<u>\$ 16,533</u>	<u>\$ 261,710</u>

Special Revenue Funds (Continued)			Capital Projects Funds		Total Other Governmental Funds
RMRA	Stanton Central Park Maintenance	Community Development	Capital Improvements	Park and Recreation Facilities	
\$ 773,319	\$ -	\$ -	\$ -	\$ -	\$ 1,953,499
-	-	14,080	-	-	1,601,664
-	-	-	-	448,500	1,151,355
7,496	-	4,604	9,591	10,068	105,202
-	50,000	-	-	-	55,711
<u>780,815</u>	<u>50,000</u>	<u>18,684</u>	<u>9,591</u>	<u>458,568</u>	<u>4,867,431</u>
-	-	-	-	-	1,304,753
167,418	-	-	72,295	-	1,201,059
-	65,218	-	-	3,780	476,996
-	-	14,080	-	-	16,795
<u>426,985</u>	<u>-</u>	<u>-</u>	<u>183,387</u>	<u>-</u>	<u>1,709,324</u>
<u>594,403</u>	<u>65,218</u>	<u>14,080</u>	<u>255,682</u>	<u>3,780</u>	<u>4,708,927</u>
<u>186,412</u>	<u>(15,218)</u>	<u>4,604</u>	<u>(246,091)</u>	<u>454,788</u>	<u>158,504</u>
-	27,500	-	64,900	-	117,400
-	-	-	-	(64,900)	(704,900)
-	<u>27,500</u>	-	<u>64,900</u>	<u>(64,900)</u>	<u>(587,500)</u>
186,412	12,282	4,604	(181,191)	389,888	(428,996)
<u>183,036</u>	<u>(27,464)</u>	<u>246,341</u>	<u>594,001</u>	<u>314,995</u>	<u>5,287,941</u>
<u>\$ 369,448</u>	<u>\$ (15,182)</u>	<u>\$ 250,945</u>	<u>\$ 412,810</u>	<u>\$ 704,883</u>	<u>\$ 4,858,945</u>

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Gas Tax Special Revenue Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Taxes and assessments	\$ 677,371	\$ 665,365	\$ 638,561	\$ (26,804)
Intergovernmental	196,624	184,520	205,910	21,390
Interest income	10,000	10,000	7,220	(2,780)
Total revenues	<u>883,995</u>	<u>859,885</u>	<u>851,691</u>	<u>(8,194)</u>
EXPENDITURES:				
Current:				
Highway and streets	823,550	816,770	958,803	(142,033)
Capital outlay	380,000	652,535	446,675	205,860
Total expenditures	<u>1,203,550</u>	<u>1,469,305</u>	<u>1,405,478</u>	<u>63,827</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(319,555)</u>	<u>(609,420)</u>	<u>(553,787)</u>	<u>55,633</u>
OTHER FINANCING USES:				
Transfers out	(260,000)	(260,000)	(260,000)	-
Total other financing uses	<u>(260,000)</u>	<u>(260,000)</u>	<u>(260,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (579,555)</u>	<u>\$ (869,420)</u>	<u>(813,787)</u>	<u>\$ 55,633</u>
FUND BALANCE:				
Beginning of year			<u>999,647</u>	
End of year			<u>\$ 185,860</u>	

City of Stanton
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Protective Services Special Revenue Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Charges for services	\$ 380,000	\$ 380,000	\$ 381,371	\$ 1,371
Total revenues	<u>380,000</u>	<u>380,000</u>	<u>381,371</u>	<u>1,371</u>
EXPENDITURES:				
Current:				
Public safety	3,750	3,750	1,250	2,500
Total expenditures	<u>3,750</u>	<u>3,750</u>	<u>1,250</u>	<u>2,500</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>376,250</u>	<u>376,250</u>	<u>380,121</u>	<u>3,871</u>
OTHER FINANCING USES:				
Transfers out	(380,000)	(380,000)	(380,000)	-
Total other financing uses	<u>(380,000)</u>	<u>(380,000)</u>	<u>(380,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (3,750)</u>	<u>\$ (3,750)</u>	121	<u>\$ 3,871</u>
FUND BALANCE:				
Beginning of year			<u>44,845</u>	
End of year			<u>\$ 44,966</u>	

City of Stanton
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Lighting and Median Maintenance Special Revenue Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Taxes and assessments	\$ 454,760	\$ 454,760	\$ 541,619	\$ 86,859
Intergovernmental	1,400	1,400	1,214	(186)
Charges for services	195,000	195,000	204,090	9,090
Interest income	15,000	15,000	36,538	21,538
Total revenues	<u>666,160</u>	<u>666,160</u>	<u>783,461</u>	<u>117,301</u>
EXPENDITURES:				
Current:				
Public safety	1,626,001	1,640,403	674,441	965,962
Total expenditures	<u>1,626,001</u>	<u>1,640,403</u>	<u>674,441</u>	<u>965,962</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (959,841)</u>	<u>\$ (974,243)</u>	109,020	<u>\$ 1,083,263</u>
FUND BALANCE:				
Beginning of year			<u>1,856,920</u>	
End of year			<u>\$ 1,965,940</u>	

City of Stanton
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Air Quality Improvement Program Special Revenue Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 50,000	\$ 50,000	\$ 51,195	\$ 1,195
Interest income	-	-	3,683	3,683
Miscellaneous	-	-	5,711	5,711
Total revenues	50,000	50,000	60,589	10,589
EXPENDITURES:				
Current:				
Health and welfare	4,150	4,150	2,715	1,435
Total expenditures	4,150	4,150	2,715	1,435
EXCESS OF REVENUES OVER EXPENDITURES	\$ 45,850	\$ 45,850	57,874	\$ 12,024
FUND BALANCE:				
Beginning of year			173,242	
End of year			\$ 231,116	

City of Stanton
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
FaCT Park and Recreation Grant Special Revenue Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 300,000	\$ 300,000	\$ 294,943	\$ (5,057)
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>294,943</u>	<u>(5,057)</u>
EXPENDITURES:				
Current:				
Culture and recreation	338,877	338,877	362,436	(23,559)
Total expenditures	<u>338,877</u>	<u>338,877</u>	<u>362,436</u>	<u>(23,559)</u>
EXCESS OF REVENUES UNDER EXPENDITURES	<u>(38,877)</u>	<u>(38,877)</u>	<u>(67,493)</u>	<u>(28,616)</u>
OTHER FINANCING SOURCES:				
Transfers in	25,000	25,000	25,000	-
Total other financing sources	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (13,877)</u>	<u>\$ (13,877)</u>	<u>(42,493)</u>	<u>\$ (28,616)</u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>28,428</u>	
End of year			<u>\$ (14,065)</u>	

City of Stanton
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Senior Transportation Special Revenue Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 35,000	\$ 35,000	\$ 37,966	\$ 2,966
Interest income	-	-	129	129
Total revenues	35,000	35,000	38,095	3,095
EXPENDITURES:				
Current:				
Culture and recreation	67,203	50,203	45,562	4,641
Total expenditures	67,203	50,203	45,562	4,641
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (32,203)	\$ (15,203)	(7,467)	\$ 7,736
FUND BALANCE:				
Beginning of year			17,018	
End of year			\$ 9,551	

City of Stanton
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Measure M Special Revenue Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 500,000	\$ 500,000	\$ 363,023	\$ (136,977)
Interest income	10,000	10,000	13,450	3,450
Total revenues	510,000	510,000	376,473	(133,527)
EXPENDITURES:				
Current:				
Highway and streets	-	-	2,543	(2,543)
Capital outlay	650,000	683,532	652,277	31,255
Total expenditures	650,000	683,532	654,820	28,712
EXCESS OF REVENUES UNDER EXPENDITURES	\$ (140,000)	\$ (173,532)	(278,347)	\$ (104,815)
FUND BALANCE:				
Beginning of year			675,258	
End of year			\$ 396,911	

City of Stanton
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
PSTF Special Revenue Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 633,333	\$ 633,333	\$ 633,333	\$ -
Interest income	-	-	4,348	4,348
Total revenues	633,333	633,333	637,681	4,348
EXPENDITURES:				
Current:				
Public safety	633,333	633,333	629,062	4,271
Total expenditures	633,333	633,333	629,062	4,271
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ -	8,619	\$ 8,619
FUND BALANCE:				
Beginning of year			7,914	
End of year			\$ 16,533	

City of Stanton
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Development Impact Fees Special Revenue Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Charges for services	\$ 42,067	\$ 42,067	\$ 117,394	\$ 75,327
Interest income	-	-	4,570	4,570
Total revenues	<u>\$ 42,067</u>	<u>\$ 42,067</u>	121,964	<u>\$ 79,897</u>
FUND BALANCE:				
Beginning of year			<u>139,746</u>	
End of year			<u>\$ 261,710</u>	

City of Stanton
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Road Maintenance and Rehabilitation Account Special Revenue Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 662,772	\$ 625,876	\$ 773,319	\$ 147,443
Interest income	-	-	7,496	7,496
Total revenues	<u>662,772</u>	<u>625,876</u>	<u>780,815</u>	<u>154,939</u>
EXPENDITURES:				
Current:				
Highway and streets	167,418	167,418	167,418	-
Capital outlay	<u>726,650</u>	<u>626,650</u>	<u>426,985</u>	<u>199,665</u>
Total expenditures	<u>894,068</u>	<u>794,068</u>	<u>594,403</u>	<u>199,665</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (231,296)</u>	<u>\$ (168,192)</u>	<u>186,412</u>	<u>\$ 354,604</u>
NET CHANGE IN FUND BALANCE	<u>\$ (231,296)</u>	<u>\$ (168,192)</u>	<u>186,412</u>	<u>\$ 354,604</u>
FUND BALANCE:				
Beginning of year			<u>183,036</u>	
End of year			<u>\$ 369,448</u>	

City of Stanton
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Stanton Central Park Maintenance Special Revenue Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Miscellaneous	\$ 75,000	\$ 75,000	\$ 50,000	\$ (25,000)
Total revenues	<u>75,000</u>	<u>75,000</u>	<u>50,000</u>	<u>(25,000)</u>
EXPENDITURES				
Current:				
Culture and recreation	60,000	68,000	65,218	2,782
Total expenditures	<u>60,000</u>	<u>68,000</u>	<u>65,218</u>	<u>2,782</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>15,000</u>	<u>7,000</u>	<u>(15,218)</u>	<u>(22,218)</u>
OTHER FINANCING SOURCES:				
Transfers in	-	27,500	27,500	-
Total other financing sources	<u>-</u>	<u>27,500</u>	<u>27,500</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 15,000</u>	<u>\$ 34,500</u>	12,282	<u>\$ (22,218)</u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>(27,464)</u>	
End of year			<u>\$ (15,182)</u>	

City of Stanton
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Community Development Special Revenue Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 14,080	\$ (85,920)
Interest income	2,000	2,000	4,604	2,604
Total revenues	102,000	102,000	18,684	(83,316)
EXPENDITURES				
Current:				
Capital outlay	100,000	180,000	14,080	165,920
Total expenditures	100,000	180,000	14,080	165,920
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 2,000	\$ (78,000)	4,604	\$ 82,604
FUND BALANCE:				
Beginning of year			246,341	
End of year			\$ 250,945	

City of Stanton
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Improvements Capital Projects Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Interest income	\$ 4,000	\$ 4,000	\$ 9,591	\$ 5,591
Miscellaneous	-	-	-	-
Total revenues	4,000	4,000	9,591	5,591
EXPENDITURES:				
Current:				
Highways and streets	195,000	195,000	72,295	122,705
Capital outlay	-	233,387	183,387	50,000
Total expenditures	195,000	428,387	255,682	172,705
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (191,000)	\$ (424,387)	(246,091)	\$ 178,296
OTHER FINANCING SOURCES:				
Transfers in	60,000	64,900	64,900	-
NET CHANGE IN FUND BALANCE	\$ (131,000)	\$ (359,487)	(181,191)	\$ 178,296
FUND BALANCE:				
Beginning of year			594,001	
End of year			\$ 412,810	

City of Stanton
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Park and Recreation Facilities Capital Projects Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Charges for services	\$ 346,363	\$ 346,363	\$ 448,500	\$ 102,137
Interest income	-	-	10,068	10,068
Total revenues	<u>346,363</u>	<u>346,363</u>	<u>458,568</u>	<u>112,205</u>
EXPENDITURES:				
Current:				
Culture and recreation	300,000	300,000	3,780	296,220
Total expenditures	<u>300,000</u>	<u>300,000</u>	<u>3,780</u>	<u>296,220</u>
EXCESS OF REVENUES OVER EXPENDITURES	46,363.00	46,363.00	454,788.00	408,425.00
OTHER FINANCING SOURCES:				
Transfers out	(60,000)	(64,900)	(64,900)	-
NET CHANGE IN FUND BALANCE	<u>\$ (13,637)</u>	<u>\$ (18,537)</u>	389,888	<u>\$ 408,425</u>
FUND BALANCE (DEFICIT):				
Beginning of year			314,995	
End of year			<u>\$ 704,883</u>	

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DESCRIPTION OF INTERNAL SERVICE FUNDS

Workers' Compensation - To account for the City's workers' compensation insurance, including claims, legal, and other expenses.

Liability/Risk Management - To account for the City's general liability insurance, including claims, legal, and other expenses.

Employee Benefits - To account for the employee benefits costs, including vacation, sick, and holiday hours.

Fleet Maintenance - To account for costs related to operations and fleet maintenance for the City's vehicles.

City of Stanton
Combining Statement of Net Position
All Internal Service Funds
June 30, 2019

	Workers' Compensation	Liability/ Risk Management
ASSETS		
Cash and investments	\$ 459,460	\$ 186,911
Receivables:		
Interest	271	92
Due from other governments	376,635	19,470
Total assets	836,366	206,473
LIABILITIES		
Current liabilities:		
Account payable	-	-
Accrued liabilities	-	-
Claims and judgments payable	39,879	13,548
Compensated absences payable	-	-
Total current liabilities	39,879	13,548
Noncurrent liabilities:		
Claims and judgments payable	4,893	677
Compensated absences payable	-	-
Total noncurrent liabilities	4,893	677
Total liabilities	44,772	14,225
NET POSITION		
Unrestricted	791,594	192,248
Total net position	\$ 791,594	\$ 192,248

<u>Employee Benefits</u>	<u>Fleet Maintenance</u>	<u>Total</u>
\$ 328,744	\$ 418,056	\$ 1,393,171
192	223	778
-	-	396,105
<u>328,936</u>	<u>418,279</u>	<u>1,790,054</u>
1,017	178	1,195
-	485	485
-	-	53,427
<u>72,911</u>	<u>710</u>	<u>73,621</u>
<u>73,928</u>	<u>1,373</u>	<u>128,728</u>
-	-	5,570
<u>151,297</u>	<u>-</u>	<u>151,297</u>
<u>151,297</u>	<u>-</u>	<u>156,867</u>
<u>225,225</u>	<u>1,373</u>	<u>285,595</u>
<u>103,711</u>	<u>416,906</u>	<u>1,504,459</u>
<u>\$ 103,711</u>	<u>\$ 416,906</u>	<u>\$ 1,504,459</u>

City of Stanton
Combining Statement of Revenues, Expenses, and Changes in Net Position
All Internal Service Funds
For the Year Ended June 30, 2019

	Workers' Compensation	Liability/ Risk Management
OPERATING REVENUES:		
Charges for services	\$ 141,002	\$ 122,002
Total operating revenues	<u>141,002</u>	<u>122,002</u>
OPERATING EXPENSES:		
Equipment maintenance and operation	-	-
Depreciation	-	-
Administrative and personnel services	-	-
Insurance premiums	136,797	98,570
Contractual services	-	-
Total operating expenses	<u>136,797</u>	<u>98,570</u>
OPERATING INCOME (LOSS)	<u>4,205</u>	<u>23,432</u>
NONOPERATING REVENUES:		
Interest income	9,343	3,185
Gain on sale of capital assets	-	-
Total nonoperating revenues	<u>9,343</u>	<u>3,185</u>
CHANGES IN NET POSITION	13,548	26,617
NET POSITION:		
Beginning of year	<u>778,046</u>	<u>165,631</u>
End of year	<u>\$ 791,594</u>	<u>\$ 192,248</u>

Employee Benefits	Fleet Maintenance	Total
\$ 443,073	\$ 121,681	\$ 827,758
443,073	121,681	827,758
-	52,954	52,954
-	4,961	4,961
488,029	36,400	524,429
-	892	236,259
8,109	-	8,109
496,138	95,207	826,712
(53,065)	26,474	1,046
6,609	7,684	26,821
-	8,400	8,400
6,609	16,084	35,221
(46,456)	42,558	36,267
150,167	374,348	1,468,192
\$ 103,711	\$ 416,906	\$ 1,504,459

City of Stanton
Combining Statement of Cash Flows
All Internal Service Funds
For the Year Ended June 30, 2019

	Workers' Compensation	Liability/ Risk Management
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 122,108	\$ 106,799
Cash paid to other suppliers of goods or services	(121,602)	(110,595)
Cash paid to employees for salaries and wages	-	-
Net cash provided by (used in) operating activities	506	(3,796)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from sale of capital assets	-	-
Net cash provided by capital and related financing activities	-	-
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income received	9,480	3,231
Net cash provided by investing activities	9,480	3,231
Net increase (decrease) in cash and cash equivalents	9,986	(565)
CASH AND CASH EQUIVALENTS:		
Beginning of the year	449,474	187,476
End of the year	<u>\$ 459,460</u>	<u>\$ 186,911</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Operating income (loss)	\$ 4,205	\$ 23,432
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation expense	-	-
Loss on sale of capital assets	-	-
Changes in assets and liabilities:		
(Increase) decrease in due from other governments	(18,894)	(15,203)
Increase (decrease) in accounts payable	-	-
Increase (decrease) in accrued liabilities	-	-
Increase (decrease) in claims and judgments payable	15,195	(12,025)
Increase (decrease) in compensated absences payable	-	-
Net cash provided by (used in) operating activities	\$ 506	\$ (3,796)

Employee Benefits	Fleet Maintenance	Total
\$ 443,073	\$ 121,681	\$ 793,661
(8,076)	(50,778)	(291,051)
(497,688)	(37,055)	(534,743)
(62,691)	33,848	(32,133)
-	48,650	48,650
-	48,650	48,650
6,790	7,812	27,313
6,790	7,812	27,313
(55,901)	90,310	43,830
384,645	327,746	1,349,341
<u>\$ 328,744</u>	<u>\$ 418,056</u>	<u>\$ 1,393,171</u>
\$ (53,065)	\$ 26,474	\$ 1,046
-	4,961	4,961
-	4,397	4,397
-	-	(34,097)
34	(1,329)	(1,295)
-	(152)	(152)
-	-	3,170
(9,660)	(503)	(10,163)
<u>\$ (62,691)</u>	<u>\$ 33,848</u>	<u>\$ (32,133)</u>

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DESCRIPTION OF PRIVATE-PURPOSE TRUST FUNDS

Successor Agency to the Stanton Redevelopment Agency - To account for the receipt of property tax revenues pursuant to the Dissolution Act and the value of assets transferred from the Former Redevelopment Agency. The fund accounts for the expenses incurred during the reporting year pursuant to the Recognized Obligation Payment Schedules (ROPS) approved by the State Department of Finance under the Dissolution Act (Assembly Bill 26 - Section 34177).

North Orange County Public Safety Task Force Fund (NOCPTF) - To account for activities with other governmental agencies related to the North Orange County Public Safety Task Force to address youth violence prevention and intervention in K-12 schools, promote and enhance successful re-entry of offenders into the community, and address homeless outreach and intervention efforts.

City of Stanton
Combining Statement of Net Position
All Private-Purpose Trust Funds
June 30, 2019

	Successor Agency to the Stanton Redevelopment Agency Private-Purpose Trust Fund	NOCPTF Private-Purpose Trust Fund	Total
ASSETS AND DEFERRED OUTFLOW OF RESOURCES			
Current assets:			
Cash and investments	\$ 9,682,125	\$ 577,146	\$ 10,259,271
Interest receivable	12,771	882	13,653
Restricted assets:			
Cash held by fiscal agent	2,213,140	-	2,213,140
Total assets	11,908,036	578,028	12,486,064
Deferred outflow of resources:			
Deferred amount on refunding	8,983,089	-	8,983,089
Total deferred outflow of resources	8,983,089	-	8,983,089
LIABILITIES			
Current liabilities:			
Accounts payable	\$ -	\$ 416,118	\$ 416,118
Accrued liabilities	1,889	-	1,889
Interest payable	196,890	-	196,890
Bonds payable - current portion	2,545,000	-	2,545,000
Total current liabilities	2,743,779	416,118	3,159,897
Long-term liabilities:			
Advance from the City of Stanton	2,131,850	-	2,131,850
Bonds payable	61,871,354	-	61,871,354
Total long-term liabilities	64,003,204	-	64,003,204
Total liabilities	66,746,983	\$ 416,118	\$ 67,163,101
NET POSITION			
Restricted for private purposes	\$ (45,855,858)	\$ 161,910	\$ (45,693,948)

City of Stanton
Statement of Changes in Net Position
All Private-Purpose Trust Funds
For the Year Ended June 30, 2019

	Successor Agency to the Stanton Redevelopment Agency Private-Purpose Trust Fund	NOCPTF Private-Purpose Trust Fund	Total
ADDITIONS:			
Taxes	\$ 5,697,795	\$ -	\$ 5,697,795
Intergovernmental	-	5,195,383	5,195,383
Investment income	229,495	30,447	259,942
Total additions	5,927,290	5,225,830	11,153,120
DEDUCTIONS:			
Urban development	283,518	-	283,518
Contractual services	16,089	-	16,089
Public safety	-	5,369,857	5,369,857
Interest and fiscal charges	3,265,574	-	3,265,574
Total deductions	3,565,181	5,369,857	8,935,038
Change in net position, before special item	2,362,109	(144,027)	2,218,082
SPECIAL ITEM:			
City loan advance payment and interest	(2,080,000)	-	(2,080,000)
NET POSITION:			
Beginning of Year	(46,137,967)	305,937	(45,832,030)
End of Year	\$ (45,855,858)	\$ 161,910	\$ (45,693,948)

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DESCRIPTION OF AGENCY FUND

City Trust - To account for assets held by the City as an agent for individuals, private businesses, and other governmental agencies. These assets include refundable and expendable cash deposits and retentions withheld pending satisfactory project completion.

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City of Stanton
Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended June 30, 2019

	Balance at July 1, 2018	Additions	Deletions	Balance at June 30, 2019
City Trust Agency Fund				
ASSETS:				
Cash and investments	\$ 339,781	\$ 412,791	\$ (369,901)	\$ 382,671
LIABILITIES:				
Deposits payable	\$ 339,781	\$ 412,791	\$ (369,901)	\$ 382,671

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CITY OF STANTON
STATISTICAL SECTION (UNAUDITED)
June 30, 2019

This section of the City of Stanton’s Comprehensive Annual Financial Report (CAFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health. The statistical information presented herein is un-audited.

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18 Capital Asset Statistics by Function	167

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City of Stanton
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2019	2018	2017	2016	2015
Governmental activities:					
Investment in capital assets	\$88,077,568	\$88,374,103	\$87,079,003	\$88,342,750	\$79,209,329
Restricted	28,086,476	27,536,678	23,062,147	19,166,303	20,219,980
Unrestricted	17,774,619	13,014,515	12,719,777	15,861,417	14,875,639
Total governmental activities net position	133,938,663	128,939,709	122,860,927	123,370,470	114,304,948
Business-type activities:					
Investment in capital assets	5,107,553	5,250,434	4,877,897	5,003,312	5,135,853
Unrestricted	4,064,319	3,595,542	3,666,352	3,216,884	2,604,629
Total business-type activities net position	9,171,872	8,845,976	8,544,249	8,220,196	7,740,482
Primary government:					
Investment in capital assets	93,185,121	93,624,537	91,956,900	93,346,062	84,345,182
Restricted	28,086,476	27,536,678	23,062,147	19,166,303	20,219,980
Unrestricted	21,838,938	16,610,057	16,386,129	19,078,301	17,480,268
Total primary government net position	\$143,110,535	\$137,771,272	\$131,405,176	\$131,590,666	\$122,045,430
	Fiscal Year				
	2014	2013	2012	2011	2010
Governmental activities:					
Investment in capital assets	\$80,773,054	\$92,494,864	\$ 93,573,202	\$ 30,303,477	\$ 43,595,961
Restricted	28,566,775	20,919,037	18,909,154	49,511,685	18,911,631
Unrestricted	22,726,068	22,506,002	25,969,301	10,339,493	28,322,456
Total governmental activities net position	132,065,897	135,919,903	138,451,657	90,154,655	90,830,048
Business-type activities:					
Investment in capital assets	5,238,330	5,371,857	5,640,395	5,774,663	5,900,631
Unrestricted	2,308,704	1,816,176	1,520,957	1,235,929	2,676,942
Total business-type activities net position	7,547,034	7,188,033	7,161,352	7,010,592	8,577,573
Primary government:					
Investment in capital assets	86,011,384	97,866,721	35,943,872	49,370,624	39,516,703
Restricted	28,566,775	20,919,037	49,511,685	18,911,631	27,040,539
Unrestricted	25,034,772	24,322,178	11,860,450	29,558,385	34,786,512
Total primary government net position	\$139,612,931	\$ 143,107,936	\$ 97,316,007	\$ 97,840,640	\$ 101,343,754

Source: City of Stanton Administrative Services Department

City of Stanton
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses:										
Governmental activities:										
General government	\$ 1,666,776	\$ 3,135,756	\$ 3,726,949	\$ 3,468,099	\$ 3,043,005	\$ 2,976,011	\$ 2,852,594	\$ 2,277,269	\$ 1,081,252	\$ 2,054,843
Public safety	21,730,025	17,294,863	16,162,642	15,831,683	13,460,725	12,390,690	11,425,129	12,494,004	12,744,191	13,644,863
Urban development	1,235,126	4,746,591	2,083,114	1,747,416	1,709,355	1,818,001	2,032,838	3,766,930	8,063,096	10,326,473
Health and welfare	16,795	37,250	67,305	3,512	3,476	4,265	2,826	2,132	19,505	6,449
Highways and streets	1,299,051	1,870,833	1,598,743	1,235,617	1,762,185	2,358,073	2,895,834	2,557,660	3,975,867	2,644,691
Culture and recreation	1,181,246	1,933,953	2,030,052	1,592,769	1,162,126	1,198,807	1,410,745	1,731,743	2,241,411	1,797,910
Interest and fiscal charges	-	-	-	-	-	-	-	3,378,862	2,844,199	1,795,494
Transfer of land to successor agency	-	-	-	-	-	10,192,858	-	-	-	-
Total governmental activities expenses	27,129,019	29,019,246	25,668,805	23,879,096	21,140,872	30,938,705	20,619,966	26,208,600	30,969,521	32,270,723
Business-type activities:										
Sewer	745,230	690,736	694,930	544,829	709,496	709,880	854,630	834,862	730,605	2,286,645
Total business-type activities expenses	745,230	690,736	694,930	544,829	709,496	709,880	854,630	834,862	730,605	2,286,645
Total primary government expenses	27,874,299	29,709,982	26,363,735	24,423,925	21,850,368	31,648,585	21,474,596	27,043,462	31,700,126	34,557,368
Program revenues:										
Governmental activities:										
Charges for services:										
General government	487,870	345,485	527,561	488,128	458,286	433,374	70,950	119,455	107,630	59,840
Public safety	1,753,074	1,751,036	1,375,973	913,203	896,383	882,480	895,826	904,419	1,006,527	996,993
Urban development	2,251,170	2,116,525	1,244,909	1,198,820	1,254,023	1,240,666	1,009,732	959,624	934,764	586,328
Highways and streets	45,876	47,389	-	10,032	11,608	14,966	-	19,560	-	-
Culture and recreation	538,832	571,210	95,746	357,585	417,748	448,528	109,456	141,360	234,392	341,811
Operating grants and contributions	3,453,514	3,383,242	2,876,853	2,961,296	3,058,470	2,960,253	2,760,472	2,510,694	1,956,567	1,716,419
Capital grants and contributions	-	1,353,727	-	2,350,764	294,210	316,226	-	-	2,214,326	2,061,904
Total governmental activities program revenues	8,530,336	9,568,614	6,121,042	8,279,828	6,390,728	6,296,493	4,846,436	4,655,112	6,454,206	5,763,295
Business-type activities:										
Charges for services:										
Sewer	860,717	816,850	892,789	917,453	945,360	955,372	819,274	656,860	528,779	397,400
Total business-type activities program revenues	860,717	816,850	892,789	917,453	945,360	955,372	819,274	656,860	528,779	397,400
Total primary government program revenues	9,391,053	10,385,464	7,013,831	9,197,281	7,336,088	7,251,865	5,665,710	5,311,972	6,982,985	6,160,695
Net revenues (expenses)										
Governmental activities	(18,598,683)	(19,450,632)	(19,547,763)	(15,599,268)	(14,750,144)	(24,642,212)	(15,773,530)	(21,553,488)	(24,515,315)	(26,507,428)
Business activities	115,437	126,114	197,859	372,624	235,864	245,492	(35,356)	(178,002)	(201,826)	(1,889,245)
Total net revenues (expenses)	(18,483,246)	(19,324,518)	(19,349,904)	(15,226,644)	(14,514,280)	(24,396,720)	(15,808,886)	(21,731,490)	(24,717,141)	(28,396,673)

City of Stanton
Changes in Net Position Continued
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Property taxes	\$ 6,433,535	\$ 6,071,733	\$ 5,435,415	\$ 5,507,417	\$ 5,314,329	\$ 5,613,269	\$ 5,307,800	\$ 8,070,432	\$ 12,547,610	\$ 12,600,300
Sales taxes	4,327,842	4,204,519	4,152,378	4,169,215	4,012,917	3,925,839	3,683,199	3,579,392	3,091,571	3,079,791
Transactions and use taxes	4,057,037	4,122,756	4,105,593	3,591,594	792,300	-	-	-	-	-
Transient occupancy taxes	483,233	514,102	512,550	437,676	375,876	323,938	341,838	357,092	326,316	289,855
Franchise taxes	1,026,619	1,088,226	992,798	1,011,630	964,450	1,031,034	996,947	932,916	932,977	721,326
Other taxes	2,294,421	2,510,806	2,442,599	2,503,541	2,591,806	2,497,612	2,524,123	5,395,184	5,517,430	5,570,791
Investment earnings	2,057,918	135,059	119,772	227,705	132,205	199,807	111,367	435,891	986,415	1,937,904
Miscellaneous	861,445	649,678	1,277,115	714,613	725,215	744,002	719,734	553,650	437,603	371,328
Gain on sale of capital assets	-	6,000,100	-	-	475,282	-	-	-	-	-
Extraordinary item ¹	-	-	-	6,501,399	-	-	(443,232)	50,525,933	-	-
Special item ²	2,080,000	-	-	-	(3,393,141)	-	-	-	-	-
Total governmental activities	23,612,050	25,296,979	19,038,220	24,664,790	11,991,239	14,335,501	13,241,776	69,850,490	23,839,922	24,571,295
Business-type activities:										
Taxes:										
Property taxes	131,641	124,950	99,852	90,532	90,282	105,749	148,107	41,784	45,345	42,402
Investment earnings	78,818	50,663	26,342	16,558	10,430	7,760	8,424	13,729	20,065	61,123
Miscellaneous	-	-	-	-	-	-	-	27,995	287,176	218,739
Total business-type activities	210,459	175,613	126,194	107,090	100,712	113,509	156,531	83,508	352,586	322,264
Total primary government	23,822,509	25,472,592	19,164,414	24,771,880	12,091,951	14,449,010	13,398,307	69,933,998	24,192,508	24,893,559
Changes in net position:										
Governmental activities	5,013,367	5,846,347	(509,543)	9,065,522	(2,758,905)	(10,306,711)	(2,531,754)	48,297,002	(675,393)	(1,936,133)
Business-type activities	325,896	301,727	324,053	479,714	336,576	359,001	121,175	(94,494)	150,760	(1,566,981)
Total primary government	\$ 5,339,263	\$ 6,148,074	\$ (185,490)	\$ 9,545,236	\$ (2,422,329)	\$ (9,947,710)	\$ (2,410,579)	\$ 48,202,508	\$ (524,633)	\$ (3,503,114)

¹ FY 15/16 extraordinary gain relates to payment of bond proceeds to the City from the Successor Agency for building Stanton Central Park.

² FY 18/19 special item relates to reinstatement of a General Fund loan to the Successor Agency; FY 14/15 special item relates to write-down of land held for resale by Housing Authority to net realizable value.

Source: City of Stanton Administrative Services Department

City of Stanton
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year								
	2019	2018	2017	2016	2015	2014	2013	2012	2011
Post-GASB 54:									
General Fund:									
Nonspendable	\$ 1,806,958	\$ 1,387,690	\$ 3,992,852	\$ 5,398,081	\$ 6,730,051	\$ 8,379,173	\$ 8,971,880	\$ 2,247,340	\$ 9,260,140
Restricted	3,735,741	3,501,556	3,065,186	-	-	-	-	-	-
Committed	13,261,735	12,022,695	11,150,000	4,677,019	4,317,883	3,965,209	3,720,465	3,911,481	3,889,757
Assigned	-	-	-	7,200	-	38,751	31,772	50,193	2,780,440
Unassigned	3,509,177	5,895,617	4,566,919	11,811,587	9,391,105	8,181,723	6,313,207	14,413,187	12,468,010
Total general fund	\$ 22,313,611	\$ 22,807,558	\$ 22,774,957	\$ 21,893,887	\$ 20,439,039	\$ 20,564,856	\$ 19,037,324	\$ 20,622,201	\$ 28,398,347
All other governmental funds:									
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,065,582	\$ 9,022,935	\$ -
Restricted	24,350,735	24,035,122	19,996,961	19,166,303	20,232,644	22,118,786	10,514,621	9,886,219	49,511,685
Committed	-	-	-	-	-	-	-	510,721	488,210
Assigned	1,117,693	908,996	682,470	790,528	756,521	683,276	1,451,877	1,616,912	1,741,257
Unassigned	(29,247)	(27,464)	(303,957)	(790,292)	(526,651)	(51,385)	(392,307)	(54,284)	(4,454,858)
Total all other governmental funds	\$ 25,439,181	\$ 24,916,654	\$ 20,375,474	\$ 19,166,539	\$ 20,462,514	\$ 22,750,677	\$ 21,639,773	\$ 20,982,503	\$ 47,286,294
Pre-GASB 54:									
	Fiscal Year								
	2010								
General Fund									
Reserved	\$ 12,526,117								
Unreserved/Undesignated	10,034,896								
Total general fund	\$ 22,561,013								
All other governmental funds:									
Reserved	\$ 25,984,719								
Unreserved, reported in									
Special revenue funds	3,893,787								
Capital projects funds	(11,723,917)								
Total all other governmental funds	\$ 18,154,589								

Source: City of Stanton Administrative Services Department

City of Stanton
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues:										
Taxes and assessments	\$ 20,541,371	\$ 19,821,063	\$ 18,697,469	\$ 17,838,271	\$ 14,730,740	\$ 14,062,751	\$ 13,469,674	\$ 15,247,661	\$ 19,626,114	\$ 19,451,299
Licenses and permits	714,474	664,964	321,935	357,381	417,780	419,298	917,431	965,687	963,403	455,820
Intergovernmental	1,815,443	2,691,518	2,772,489	4,844,423	1,916,432	2,765,837	2,843,557	5,684,978	7,482,746	7,150,779
Charges for services*	3,438,846	3,182,541	2,190,769	2,361,663	2,349,520	2,363,378	206,303	245,904	309,508	454,143
Fines and forfeitures	410,443	460,794	360,662	296,607	292,505	279,542	320,222	329,492	436,153	430,763
Interest income	2,026,619	116,130	119,771	227,707	195,526	202,857	272,502	428,230	986,416	1,937,907
Rental income	624,406	589,631	605,377	619,977	706,265	700,811	700,878	497,439	381,214	240,702
Gain on sale of land held for resale	-	6,000,100	-	-	-	-	-	-	-	-
Miscellaneous	286,946	70,083	684,711	71,754	17,955	55,883	113,528	198,047	208,574	396,780
Total Revenues	29,858,548	33,596,824	25,753,183	26,617,783	20,626,723	20,850,357	18,844,095	23,497,438	30,294,128	30,518,193
Expenditures:										
Current										
General government	2,605,958	2,535,059	2,879,492	2,900,169	2,615,927	2,461,666	2,189,685	1,444,457	398,456	1,486,629
Public safety	22,350,545	16,894,400	15,597,673	15,453,062	13,176,004	12,047,794	10,983,189	12,516,221	12,299,028	12,274,703
Urban development	1,855,646	4,346,128	1,518,145	1,368,795	1,424,634	1,475,104	1,590,898	3,211,729	7,617,933	10,256,694
Highways and streets	1,714,628	1,570,486	1,175,017	951,650	1,548,644	2,098,897	2,564,379	2,141,304	2,634,613	2,034,407
Culture and recreation	1,646,637	1,760,921	1,606,326	1,331,178	948,585	921,302	1,079,290	1,315,387	1,907,540	1,745,576
Health and welfare	16,795	37,250	67,305	3,512	3,476	4,265	2,826	2,132	19,505	6,449
Capital outlay	1,719,759	1,878,799	819,220	10,951,943	1,131,626	475,187	918,203	9,073,926	16,868,944	11,416,633
Debt Service:										
Bond issuance costs	-	-	-	-	-	-	-	-	2,243,450	-
Principal	-	-	-	-	-	-	-	680,000	2,875,000	615,000
Interest and fiscal charges	-	-	-	-	-	-	-	2,935,018	2,350,620	1,755,972
Total Expenditures	31,909,968	29,023,043	23,663,178	32,960,209	20,848,896	19,484,215	19,328,470	33,320,234	49,215,089	41,592,063
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,051,420)	4,573,781	2,090,005	(6,342,526)	(222,173)	1,366,142	(484,375)	(9,822,796)	(18,920,961)	(11,073,870)
Other financing sources (Uses):										
Bond issuance	-	-	-	-	-	-	-	-	53,090,000	-
Transfers in	757,400	828,000	633,550	599,348	624,942	1,884,218	710,030	11,781,909	18,671,360	8,758,337
Transfers out	(757,400)	(828,000)	(633,550)	(599,348)	(824,942)	(611,924)	(710,030)	(11,781,909)	(17,871,360)	(7,301,337)
Total other financing sources (use)	-	-	-	-	(200,000)	1,272,294	-	-	53,890,000	1,457,000
Net change in fund balance before special/extraordinary item	(2,051,420)	4,573,781	2,090,005	(6,342,526)	(422,173)	2,638,436	(484,375)	(9,822,796)	34,969,039	(9,616,870)
Special/Extraordinary items*	2,080,000	-	-	6,501,399	(2,082,812)	-	(443,232)	(24,257,141)	-	-
Net change in fund balances	\$ 25,580	\$ 4,573,781	\$ 2,090,005	\$ 158,873	\$ (2,504,985)	\$ 2,638,436	\$ (927,607)	\$ (34,079,937)	\$ 34,969,039	\$ (9,616,870)
Debt service as a percentage of noncapital expenditures	0%	0%	0%	0%	0%	0%	0%	15%	16%	8%

*Reinstatement of advance to Successor Agency
Source: City of Stanton Administrative Services Department

City of Stanton
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	City			Redevelopment Agency		
	Secured	Unsecured	Taxable	Secured	Unsecured	Taxable
			Assessed Value			Assessed Value
2019	\$2,747,548,972	\$87,665,298	\$2,835,214,270	\$2,682,761,197	\$87,143,644	\$2,769,904,841
2018	2,602,484,237	76,702,120	2,679,186,357	2,539,379,074	76,585,027	2,615,964,101
2017	2,479,654,413	89,598,270	2,569,252,683	2,431,851,749	89,485,994	2,521,337,743
2016	2,350,406,319	82,176,135	2,432,582,454	2,309,528,686	82,055,870	2,391,584,556
2015	2,212,719,526	84,104,331	2,296,823,857	2,179,143,316	83,691,209	2,262,834,525
2014	2,071,295,894	72,290,061	2,143,585,955	2,039,488,139	72,218,843	2,111,706,982
2013	2,000,759,287	72,992,374	2,073,751,661	1,975,422,515	72,869,486	2,048,292,001
2012	1,981,189,883	82,102,752	2,063,292,635	1,956,092,939	81,960,877	2,038,053,816
2011	1,951,058,258	91,053,614	2,042,111,872	1,925,722,388	90,919,529	2,016,641,917
2010	1,972,305,106	98,510,249	2,070,815,355	1,947,585,036	98,429,354	2,046,014,390

NOTES:

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of the property may be increased by an inflation factor (limited to a maximum of 2%). With few exceptions, property is only reassessed at the time it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

City amounts include the Redevelopment Agency assessed values

The City of Stanton and the Stanton Redevelopment Agency do not have any direct tax rates

Source: County of Orange Auditor-Controller

City of Stanton
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Rate per \$100 of assessed value)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Overlapping Rates:										
County Bonds	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
County Flood	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Metropolitan Water District	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00370	0.00370	0.00430
Savanna School District	0.06086	0.06115	0.05948	0.05501	0.05443	0.05557	0.05976	0.02767	0.02660	0.00000
Anaheim Union High School District	0.04244	0.02211	0.04259	0.04948	0.02412	0.02620	0.02858	0.02678	0.02745	0.02363
Garden Grove Unified School District	0.06848	0.07454	0.04487	0.04656	0.04148	0.03703	0.03135	0.02483	0.03308	0.00000
North Orange County										
Community College District	0.03052	0.02927	0.02885	0.03043	0.01758	0.01704	0.01902	0.01742	0.01758	0.01493
Magnolia Elementary School District	0.02859	0.02849	0.02562	0.02349	0.02497	0.02737	0.02493	0.02326	0.02067	0.01998
Coast Community College District	0.02402	0.03145	0.03116	0.03092	0.03015	0.02899	0.01881	0.01754	0.01750	0.01472
Total	<u>0.25841</u>	<u>0.25051</u>	<u>0.23607</u>	<u>0.23939</u>	<u>0.19623</u>	<u>0.19570</u>	<u>0.18595</u>	<u>0.14120</u>	<u>0.14658</u>	<u>0.07756</u>

The City of Stanton and the Stanton Redevelopment Agency do not have any direct tax rates

Source: California Municipal Statistics, Inc.

City of Stanton
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2018-2019		2010-2011	
	Assessed Valuation		Assessed Valuation	
	Secured Assessed Value	Percent of Total City Secured Assessed Value	Secured Assessed Value	Percent of Total City Secured Assessed Value
CR&R, Inc.	\$ 50,083,442	1.92%	\$ 10,975,330	0.56%
Briarwood Square LP	43,094,810	1.66%	27,162,084	1.39%
Arrowhead Apt. Invest LLC	29,425,669	1.13%	19,500,000	1.00%
Shapell SoCal Rental Properties LLC	25,231,583	0.97%	11,844,519	0.61%
Stanton Capital	19,247,400	0.74%	-	-
Icon Owner Pool 1 LA Business Parks LLC	18,497,329	0.71%	-	-
Continental Gardens LP	17,892,812	0.69%	15,772,054	0.81%
Thoman Thongyan Nguyen Trust	15,685,550	0.60%	-	-
Gilbert R. Shuman Trust	15,263,442	0.59%	12,219,321	0.63%
Mideb Nominees, Inc.	14,055,590	0.54%	12,034,392	0.62%
Faircrest, Inc.	13,870,509	0.53%	12,226,495	0.63%
G6 Hospitality Property LLC	12,730,635	0.49%	-	-
Plaza Woods LLC	12,699,000	0.49%	-	-
8080 Bever Place-Negba LLC	12,128,230	0.47%	7,000,000	0.36%
Stanton Land LLC	10,773,698	0.41%	-	-
Stattford Anaheim LLC	9,964,813	0.38%	-	-
Mana Investment Co.	9,490,693	0.36%	8,407,507	0.43%
Sompop Mannil	9,368,167	0.36%	-	-
7050 Katella Avenue LLC	8,793,373	0.34%	-	-
Extra Space Properties 112 LLC	8,660,975	0.33%	-	-
Playa Galleria Shopping Center LLC	-	-	9,213,509	0.47%
Walton CWCA Hoover 52 LLC	-	-	18,496,315	0.95%
Taylor Morrison California LLC	-	-	-	-
Shapell Industries, Inc.	-	-	9,997,174	0.51%
Katella 111 Partners LLC	-	-	10,014,704	0.51%
Stanton 111 Partners LLC	-	-	-	-
Muth Holdings	-	-	9,107,987	0.47%
Westgate Villa Apartments Ltd.	-	-	8,814,217	0.45%
William J. Wade	-	-	6,076,253	0.31%
Stanton Marketplace	-	-	5,951,220	0.31%
Park Plaza Apts. LLC	-	-	7,570,584	0.39%
Chun Yue Yen	-	-	6,513,113	0.33%
	<u>\$ 356,957,720</u>	<u>13.72%</u>	<u>\$ 228,896,778</u>	<u>11.74%</u>

\$2,602,484,237

Source: California Municipal Statistics, Inc.; Hinderliter de Llamas & Associates

City of Stanton
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected Amount	Percent of Levy (1)
2019	\$ 1,075,724	\$ 1,075,724	100%
2018	\$ 1,070,983	\$ 1,070,983	100%
2017	1,059,114	1,059,114	100%
2016	1,039,132	1,039,132	100%
2015	1,028,726	1,028,726	100%
2014	1,014,799	1,014,799	100%
2013	1,011,984	1,011,984	100%
2012	1,000,828	1,000,828	100%
2011	1,000,716	1,000,716	100%
2010	1,092,222	1,092,222	100%

(1) Beginning with FY 1994-95, the City of Stanton elected the Teeter Plan for property tax distribution in which the City receives the entire secured levy in the current fiscal year, whether paid or not and the County retains the penalties and interest on delinquent taxes.

Source: County of Orange, Auditor-Controller

City of Stanton
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	2011 Tax Allocation Bonds Series A	2011 Tax Allocation Bonds Series B	2010 Tax Allocation Bonds Series A	2005 Tax Allocation Bonds Series A	2005 Tax Allocation Bonds Series B	1993 Tax Allocation Refunding Bonds	Countywide Revenue Bonds	Total Primary Government ¹	Percentage of Personal Income	Debt Per Capita
2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
2018	-	-	-	-	-	-	-	-	0.00%	-
2017	-	-	-	-	-	-	-	-	0.00%	-
2016	-	-	-	-	-	-	-	-	0.00%	-
2015	-	-	-	-	-	-	-	-	0.00%	-
2014	-	-	-	-	-	-	-	-	0.00%	-
2013	-	-	-	-	-	-	-	-	0.00%	-
2012	-	-	-	-	-	-	-	-	0.00%	-
2011	14,838,831	12,080,145	25,283,645	15,356,469	9,150,330	-	-	76,709,420	3.98%	2,008.84
2010	-	-	-	14,995,271	8,969,446	2,480,000	-	26,444,717	1.36%	664.46

Sources:

Personal Income - Regional Information System, Bureau of Economic Analysis, U.S. Department of Commerce
 Santa Ana- Anaheim-Irvine, CA Metropolitan Division
 City of Stanton, Administrative Services Department

¹ As of February 1, 2012, tax allocation bond liabilities were transferred to the Successor Agency to the City of Stanton Redevelopment Agency

City of Stanton
Direct and Overlapping Debt
As of June 30, 2019

	Percentage Applicable	Outstanding Debt 6/30/2019 ¹	Estimated Share of Overlapping Debt
Overlapping Tax and Assessment Debt:			
Metropolitan Water District	0.096%	\$ 48,050,000	\$ 46,128
Coast Community College District	0.412%	754,064,504	3,106,746
North Orange County Joint Community College District	1.714%	320,459,001	5,492,667
Anaheim Union High School District	3.159%	194,563,955	6,146,275
Garden Grove Unified School District	5.250%	396,190,160	20,799,983
Savanna School District	32.244%	40,872,319	13,178,871
Magnolia School District	15.106%	21,323,305	3,221,098
Total Overlapping Tax and Assessment Debt		1,775,523,244	51,991,768
Overlapping General Fund Debt:			
Orange County General Fund Obligations	0.479%	388,720,000	1,861,969
Orange County Pension Obligations	0.479%	407,629,239	1,952,544
Orange County Board of Education Certificates of Participation	0.479%	13,490,000	64,617
Coast Community College District Certificates of Participation	0.412%	2,950,000	12,154
Anaheim Union High School District Certificates of Participation	3.159%	33,060,000	1,044,365
Magnolia School District Certificates of Participation	15.106%	14,831,359	2,240,425
North Orange County Regional Occupation Program Certificates of Participation	1.107%	9,290,000	102,840
Total Gross Overlapping General Fund Debt		869,970,598	7,278,914
Less: MWDOC Water Facilities Corp (100% self-supporting)		-	-
Total Net Overlapping General Fund Debt		869,970,598	7,278,914
Total Overlapping Debt		2,645,493,842	59,270,682
Successor Agency to the Stanton Redevelopment Agency Direct Debt		63,755,000	63,755,000
Total Direct and Overlapping Debt		\$ 2,709,248,842	\$ 123,025,682

(1) Overlapping debt excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

City of Stanton
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year					
	2019	2018	2017	2016	2015	2014
Debt limit	\$ 106,320,535	\$ 100,469,488	\$ 96,346,976	\$ 91,221,842	\$ 86,156,541	\$ 79,285,119
Total net debt applicable to limit	-	-	-	-	-	-
Legal debt margin	\$ 106,320,535	\$ 100,469,488	\$ 96,346,976	\$ 91,221,842	\$ 86,156,541	\$ 79,285,119
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Debt Limit Calculation:						
Assessed value	\$ 2,835,214,270	\$ 2,679,186,357	\$ 2,569,252,683	\$ 2,432,582,454	\$ 2,297,507,749	\$ 2,114,269,847
Debt limit percentage	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
Debt limit	\$ 106,320,535	\$ 100,469,488	\$ 96,346,976	\$ 91,221,842	\$ 86,156,541	\$ 79,285,119

Note:
Under state finance law, the City of Stanton's outstanding general obligation debt should not exceed 3.75 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds

Source: City of Stanton, Administrative Services Department.

					Fiscal Year				
2013		2012		2011		2010		2009	
\$	77,765,687	\$	77,373,474	\$	76,579,195	\$	77,655,576	\$	82,342,038
	-		-		-		-		-
\$	77,765,687	\$	77,373,474	\$	76,579,195	\$	77,655,576	\$	82,342,038
	0.00%		0.00%		0.00%		0.00%		0.00%
\$	2,073,751,661	\$	2,063,292,635	\$	2,042,111,872	\$	2,070,815,355	\$	2,195,787,669
	3.75%		3.75%		3.75%		3.75%		3.75%
\$	77,765,687	\$	77,373,474	\$	76,579,195	\$	77,655,576	\$	82,342,038

City of Stanton
Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year Ended June 30	Tax Increment	1993 Tax Allocation Refunding Bonds		Tax Allocation Bonds, 2005 Series A		Tax Allocation Bonds, 2005 Series B	
		Debt Service		Debt Service (1)		Debt Service (1)	
		Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-
2012	10,989,535	-	-	-	-	-	-
2011	10,994,664	-	-	235,000	782,740	175,000	387,532
2010	11,390,416	240,000	141,700	225,000	792,640	170,000	393,482

The liabilities for these outstanding bonds were transferred to the Successor Agency to the Stanton Redevelopment Agency on February 1, 2012

Source: City of Stanton Administrative Services Department, Bond Official Statements

Tax Allocation Bonds, 2010 Series A		Tax Allocation Bonds, 2011 Series A		Tax Allocation Bonds, 2011 Series B		Coverage
Debt Service (1)		Debt Service (1)		Debt Service (1)		
Principal	Interest	Principal	Interest	Principal	Interest	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
270,000	1,189,883	-	985,292	-	786,591	2.28
-	-	-	-	-	-	5.80

City of Stanton
Demographic and Economic Statistics
Last Ten Calendar Years

Fiscal Year	Population	Housing Units	Orange County Unemployment Rate	Total Personal Income In thousands	Per Capita Personal Income ¹	Personal Income Percent Change from Preceding Period
2019	39,307	11,393	3.0%	Not Available	Not Available	Not Available
2018	39,470	11,379	3.2%	Not Available	Not Available	Not Available
2017	39,500	11,377	3.9%	2,373,437	\$ 60,087	3.1%
2016	39,378	11,355	4.5%	2,294,202	58,261	2.7%
2015	39,233	11,323	4.8%	2,226,434	56,749	8.7%
2014	39,079	11,299	6.0%	2,039,963	52,201	5.4%
2013	38,997	11,296	7.2%	1,930,702	49,509	-1.6%
2012	38,642	11,276	8.5%	1,945,122	50,337	6.5%
2011	38,348	11,300	9.4%	1,813,247	47,284	5.7%
2010	38,186	11,283	9.5%	1,707,563	44,717	3.4%
2009	39,480	11,199	7.0%	1,707,313	43,245	-4.4%

Sources:

Population and Housing Units - California Department of Finance; 2010 U.S. Census Bureau
<http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-5/>

Unemployment Rate - State of California, Employment Development Department
 Orange County information as City of Stanton information is not available
<http://www.labormarketinfo.edd.ca.gov/>

Personal Income and Per Capital Personal Income - Regional Information System, Bureau of Economic Analysis, U.S. Department of Commerce
 Los Angeles-Long Beach-Anaheim, CA (Metropolitan Statistical Area) (City of Stanton information is not available)
<http://www.bea.gov/regional/>

¹ - Prior to 2011, Orange County data was used

Price and Population Information - State of California, Department of Finance - 2014-2015 data

City of Stanton
Principal Employers
Current and Nine Years Prior

Employer	Number of Employees	Number of Employees
	2019	2011
Rowntree Gardens (formerly Quaker Gardens)	320	n/a
Home Depot	150	126
Great ScottTree Service	146	n/a
All Metals Processing	130	125
Super King Market	128	n/a
CR Transfer Inc.	122	n/a
USS Cal Builders	120	n/a
Adventure City	113	124
Custom Pipe & Coupling	91	75
Wal-Mart Market #4134	80	n/a
City of Stanton	68	41
Food 4 Less	60	68
In-N-Out	50	n/a
Martinic Engineering Inc.	50	n/a
Park Ave.	50	50
Orco Block	46	50
Paramount Dental Studio Inc.	45	n/a
White Bottle, Inc.	45	n/a
McDonald's Restaurant	42	n/a
Cameron Welding Supply	34	65
Del Taco	33	n/a

Source: City of Stanton, Administrative Services Department
 Business License and City Budget

The City does not track total employment within the City limits

n/a - not available

City of Stanton
Full-time and Part-time City Employees by Function
Last Ten Fiscal Years

Department	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
City Council	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
City Manager	3.0	4.0	2.5	2.5	2.5	3.0	3.0	3.0	3.5	3.5
City Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0
Administrative Services	5.5	6.5	6.8	6.3	6.3	5.3	5.0	5.0	5.5	5.5
Community Development	3.5	4.0	9.5	8.5	8.5	7.5	7.5	7.5	10.5	10.5
Parks and Recreation (Full-Time)	7.0	5.0	6.0	6.0	6.0	4.5	3.5	3.5	7.0	7.0
Public Safety	8.5	6.0	-	-	-	-	-	-	-	-
Public Works	9.0	9.0	8.3	7.8	7.0	7.0	6.8	6.8	9.0	10.5
Redevelopment Services	-	-	-	-	-	-	-	-	2.0	2.0
Total	40.0	38.0	36.6	34.6	33.8	30.8	29.3	29.3	42.0	43.5

NOTE:

City Attorney, Police and Fire are contracted services

Council members and part-time employees are counted as 1/2 of a full-time employee

Source: City of Stanton Budget documents

City of Stanton
Operating Indicators by Function
Last Ten Fiscal Years

Department	Fiscal Year										
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
City Council											
Public Meetings held	34	36	37	35	39	31	27	28	34	50	48
Ordinances adopted	8	12	14	13	7	10	16	14	8	4	9
Resolutions adopted	39	48	41	46	47	51	33	41	61	36	35
City Attorney											
Ordinances prepared	8	12	15	13	7	10	11	17	30	4	9
Resolutions prepared	39	48	41	46	47	51	5	44	61	36	35
Contracts prepared	84	90	88	86	75	50	n/a	n/a	n/a	n/a	n/a
City Clerk											
Public Meetings held	34	36	37	35	39	36	27	28	50	50	48
Ordinances processed and published	8	12	14	13	7	10	16	14	4	4	9
Resolutions processed and published	39	48	41	46	47	51	33	41	36	36	35
Public Records Requests processed	159	280	278	300	301	217	189	127	76	55	45
Contracts Processed	84	90	88	86	75	50	204	175	216	48	-
City Manager											
Letters written	30	30	44	42	35	31	63	41	54	73	40
Memos written	36	40	58	61	28	30	34	42	22	63	65
City Council meetings	34	35	36	35	39	31	26	28	34	50	48
Administrative Services											
Cash Receipts processed ¹	5,512	6,854	10,260	8,961	7,572	7,001	6,356	6,858	6,894	6,760	7,127
Warrants processed	2,405	2,462	2,559	2,490	2,333	2,219	6,356	2,131	2,653	2,571	2,720
Manual warrants processed	-	-	-	-	-	-	-	-	-	-	-
Payroll checks processed	1,800	1,819	1,769	1,613	1,141	1,365	1,106	1,603	1,680	1,709	1,787
Journal entries processed	287	234	281	247	296	252	255	316	246	245	249
Audit adjustments	-	-	-	-	-	-	-	-	1	-	-
Business licenses processed	3,126	3,304	2,946	2,197	1,974	1,788	1,497	1,590	1,450	1,493	1,519
Parking citation refunds	23	28	27	14	12	22	23	21	38	55	53

City of Stanton
Operating Indicators by Function, Continued
Last Ten Fiscal Years

Department	Fiscal Year										
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Police Services											
Cases assigned to general crime investigators	737	964	1,582	835	1,421	1283	1464	1,535	n/a	n/a	n/a
Directed enforcement shifts deployed each week	5	5	5	5	3	1.5	4	4	n/a	n/a	n/a
Average response time in minutes to emergency life threatening calls	4:21	4:05	4:03	3:50	4:03	3:53	3:28	5:48	n/a	n/a	n/a
Shifts of traffic enforcement in high accident and residential areas per week	4	4	4	4	1	0.17	0	0	n/a	n/a	n/a
Schools receiving school programs	n/a	n/a	n/a	1	2	2	2	4	n/a	n/a	n/a
Fire Protection											
Paramedic calls responded to	2,794	2,627	2,192	2,659	2,540	2,283	2,141	1,994	n/a	1,681	n/a
Fire calls responded to	55	42	37	54	41	38	55	52	n/a	49	n/a
Other calls responded to	494	611	1042	699	532	558	682	628	n/a	671	n/a
Fire inspections made	674	612	524	602	505	485	224	231	n/a	766	n/a
Students receiving fire safety education programs	250	200	370	490	175	145	140	380	n/a	43	n/a
Adults receiving fire safety education programs	250	456	240	220	75	60	50	1,044	n/a	n/a	n/a
Plan checks completed	87	83	72	51	48	57	45	45	n/a	80	n/a

City of Stanton
Operating Indicators by Function, Continued
Last Ten Fiscal Years

Department	Fiscal Year										
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Planning											
Administrative permits	6	7	4	7	5	5	6	7	3	5	10
Preliminary plan review	1	6	2	3	3	-	1	-	-	1	n/a
Entitlements	18	32	29	29	13	11	8	35	9	20	16
Environmental	12	21	29	26	13	16	11	29	12	16	21
Home Occupation permits	11	117	21	50	17	27	19	24	14	13	25
Land divisions	3	6	4	5	1	3	1	4	3	1	2
Landscape plan check	6	3	-	4	-	2	2	5	-	1	-
Sign permits	25	32	26	23	48	42	25	21	21	36	40
Plan Checks (Over-the-Counter)	93	147	70	68	74	31	38	40	10	n/a	n/a
Building											
Building plan reviews	94	138	101	101	108	148	61	38	34	42	35
Building permits	358	368	254	264	314	283	211	244	274	432	267
Electrical permits	239	242	214	233	229	197	114	90	90	142	141
Mechanical permits	156	145	112	120	132	119	70	68	97	110	80
Plumbing permits	174	194	124	150	134	139	112	90	74	119	158
Inspections for compliance ²	-	-	-	-	-	-	7	153	129	111	114
Parking Control											
Citations	7,937	8,049	8,039	6,843	6,361	6,335	6,478	6,118	6,677	8,434	8,597
Vehicles towed	451	574	440	299	220	242	217	137	105	118	274
Engineering											
Value of capital projects initiated	\$3.0M	\$2.6M	\$1M	\$1M	\$11M	\$0.9M	\$1.6M	\$5.7M	\$2.6M	\$6 M	\$12.2M
Engineering plan checks	8	10	7	7	17	15	14	12	10	10	18
Permits issued	204	135	132	132	95	111	106	98	94	110	160
Value of competitive grants obtained	-	\$0.2M	\$0.3M	\$0.3M	\$0.1M	\$0.4M	\$0.4M	\$1.0M	\$9.1M	\$1.0 M	\$6.0M
Capital project administered	7	7	3	3	7	4	7	7	8	10	18
Public Facilities											
Service requests	475	504	277	87	232	199	205	125	100	175	300
Unscheduled repairs	64	73	92	68	171	60	62	115	130	85	135
Buildings/Grounds Maintenance											
No. of service requests	120	64	64	57	112	70	68	103	72	50	n/a
HVAC service calls	13	3	3	4	7	14	16	2	2	1	n/a
Parks Maintenance											
Service requests	229	226	72	61	112	65	43	20	27	44	475
Unscheduled repairs	68	32	17	25	8	10	3	62	72	38	125

City of Stanton
Operating Indicators by Function, Continued
Last Ten Fiscal Years

Department	Fiscal Year										
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Street Maintenance											
Potholes repaired	35	14	43	10	15	17	10	67	73	80	71
Service requests	698	702	227	201	815	799	109	325	260	237	186
Tonnage of asphalt placed	3	6	6	6	8	6	6	5	3	6	4
Storm drain inlets cleaned	183	183	183	183	183	183	183	177	147	145	142
Service calls for drainage issues	5	3	3	1	2	6	2	1	6	20	10
Parks and Recreation											
Senior clients served	4,000	3,600	2,600	2,450	2,425	2,800	2,400	2,500	2,450	2,400	2,300
Commission meetings	9	9	9	10	11	0	0	8	11	11	11
After school program participation	115	133	250	220	210	312	150	750	750	600	560
Info & referral inquires answered	2,216	2,051	2,500	2,230	2,210	2,250	2,200	2,200	2,200	2,000	1,900
Sports facility usage	12,600	15,080	13,760	3,120	1,500	7,000	8,000	8,000	8,000	8,200	8,100
Foundation meetings	10	9	9	9	10	9	8	8	8	8	8

NOTES:

¹The total of cash receipts processed is made up of 6,340 cash receipts, plus an additional 3,263 business license transactions, and 657 online transactions.

²In fiscal year 2012-13 the business license process was trimmed, removing the requirement of Investigations for Compliance

Source: City Departments & budget documents

City of Stanton
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year										
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Public Works											
Streets (miles)	44	44	44	44	44	44	44	44	44	44	44
Alleys (square feet)	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000
Curbs and gutters (linear feet)	441,200	441,200	441,200	441,200	439,736	439,736	439,736	439,736	439,736	439,736	439,736
Sidewalks (square feet)	2,341,000	2,341,000	2,341,000	2,341,000	2,339,372	2,339,372	2,339,372	2,339,372	2,339,372	2,339,372	2,339,372
Streetlights	1,295	1,295	1,295	1,295	1,295	1,295	1,295	1,295	1,295	1,295	1,281
Traffic signals	16	16	16	15	15	15	15	15	20	20	20
Storm drain system (linear feet)	26,889	26,889	26,889	26,889	26,889	26,889	26,889	26,889	26,889	25,758	25,758
Parks and Recreation											
Parks	9	9	9	9	8	8	8	8	8	7	7
Community Center	3	3	3	3	2	2	2	2	2	2	1
Library											
Branch	1	1	1	1	1	1	1	1	1	1	1
Sewer											
Sewer lines (miles)	40.5	40.5	40.5	40	40	40	40	40	40	40	40

Source: City Budget Documents City Capital Asset List

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To the Honorable Mayor and
Members of the City Council
of the City of Stanton
Stanton, California

We have audited the financial statements of the governmental activities, business-type activity, each major fund, and aggregate remaining fund information of the City of Stanton (the City) as of and for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated May 10, 2019, and our letter on planning matters dated May 17, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year ended 2019. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the City's financial statements were as follows:

- a. Management's estimate that an allowance for doubtful accounts was not necessary, since all amounts are deemed collectable.

Significant Audit Findings (Continued)

Qualitative Aspects of Accounting Practices (Continued)

- b. Management's estimate of the fair value of investments is based on quoted prices in an active market. When quoted prices in active markets are not available, fair values are based on evaluated prices received by the City's asset manager from a third-party service provider.
- c. Management's estimate of the value of capital assets (infrastructure assets) is based on industry standards.
- d. The estimated useful lives of capital assets for depreciation purposes are based on industry standards.
- e. The annual required contributions, pension expense, net pension liability, and corresponding deferred outflows of resources and deferred inflows of resources for the City's public defined benefit plans with CalPERS are based on actuarial valuations provided by CalPERS.
- f. The OPEB expense, net OPEB liability (asset), and corresponding deferred outflows of resources and deferred inflows of resources for the City's OPEB plan are based on actuarial valuations provided by a third actuary. The actuary applied the Section 3.7.7(c)(4) of the ASOP No. 6, as revised, and determined age-adjusted rates are not necessary and therefore, the Implicit Rate Subsidy is not applicable in calculating the total projection of benefits payments.
- g. Management's estimate of the claims payable liabilities related to general liability and workers' compensation claims is based on estimates by the claims administrators.

We evaluated the key factors and assumptions used to develop these estimates in determining that they were reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were reported in Note 11 regarding the CalPERS defined benefit plans and Note 12 regarding the City's other post-employment benefits plan.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 26, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

The City hired a qualified actuary to evaluate the Net OPEB Liability as of the measurement date as required by GASB Statement No. 75. The Net OPEB Liability is calculated by actuaries using estimates and actuarial techniques from actuarial valuation as of June 30, 2017.

Other Matters

We applied certain limited procedures to management's discussion and analysis, the schedule of proportionate share of the net pension liability, the schedules of contributions for the CalPERS miscellaneous and safety pension plans, the schedule of changes in the net OPEB liability (asset) and related ratios and budgetary comparison schedules for the General Fund and Major Special Revenue Funds which are required supplementary information (RSI) that supplements the basic financial statements.

Other Matters (Continued)

Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual nonmajor fund financial statements and schedules (supplementary information), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information 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.

White Nelson Nick Evans LLP

Irvine, California
November 26, 2019

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and
Members of the City Council
of the City of Stanton
Stanton, 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 activity, each major fund, and the aggregate remaining fund information of the City of Stanton, California (the City), as of and for the year ended June 30, 2019, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 26, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City'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.

Compliance and Other Matters

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

White Nelson Diehl Evans LLP

Irvine, California
November 26, 2019

CITY OF STANTON, CALIFORNIA

APPROPRIATIONS LIMIT WORKSHEET NO. 6

WITH INDEPENDENT ACCOUNTANTS' REPORT
ON AGREED-UPON PROCEDURES
APPLIED TO APPROPRIATIONS LIMIT WORKSHEET NO. 6

FOR THE YEAR ENDED JUNE 30, 2019

INDEPENDENT ACCOUNTANTS' REPORT
ON AGREED-UPON PROCEDURES APPLIED
TO APPROPRIATIONS LIMIT WORKSHEET NO. 6

To the Honorable Mayor and
Members of the City Council
of the City of Stanton
Stanton, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit Worksheet No. 6 of the City of Stanton, California, for the year ended June 30, 2019. These procedures, which were agreed to by the City of Stanton, California, and the League of California Cities (as presented in the League publication titled "Article XIII-B Appropriations Limit Uniform Guidelines") were performed solely to assist the City of Stanton, California, in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. The City of Stanton's management is responsible for the Appropriations Limit Worksheet No. 6.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the 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 for any other purpose.

The procedures performed and our findings were as follows:

1. We obtained the completed Appropriations Limit Worksheet No. 6 for the year ended June 30, 2019, and compared the limit and annual adjustment factors included in that worksheet to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned worksheet to those that were selected by a recorded vote of the City Council.

No exceptions were noted as a result of our performing this procedure.

2. For the accompanying Appropriations Limit Worksheet No. 6, we added last year's limit to the total adjustments and compared the resulting amount to this year's limit. We also recalculated the adjustment factor and the adjustment for inflation and population and compared the results to the amounts on the Appropriations Limit Worksheet No. 6.

No exceptions were noted as a result of our performing this procedure.

3. We compared the prior year appropriations limit presented in the accompanying Appropriations Limit Worksheet No. 6 to the prior year appropriations limit adopted by the City Council for the prior year.

No exceptions were noted as a result of our performing this procedure.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the accompanying Appropriations Limit Worksheet No. 6. 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 the League publication titled "Article XIII-B Appropriations Limit Uniform Guidelines."

This report is intended solely for the information and use of the City Council and management of the City of Stanton, California, and is not intended to be, and should not be, used by anyone other than these specified parties.

White Nelson Nick Evans LLP

Irvine, California
November 26, 2019

CITY OF STANTON

APPROPRIATIONS LIMIT WORKSHEET NO. 6

For the year ended June 30, 2019

Appropriations limit for fiscal year ended June 30, 2018 (Note 2) \$ 55,315,861

Adjustment factors for the fiscal year ended June 30, 2019 (Note 2):

<u>Inflation Factor (Note 3)</u>	<u>Population Factor (Note 4)</u>	<u>Combined Factor</u>	
1.03670000	1.00690000	1.04385323	<u>x 0.04385323</u>

Adjustment for inflation and population 2,425,779
Other adjustments (Note 5) -

Total adjustments 2,425,779

Appropriations limit for fiscal year ended June 30, 2019 \$ 57,741,640

See accompanying notes to Appropriations Limit Worksheet No. 6.

CITY OF STANTON

NOTES TO APPROPRIATIONS LIMIT WORKSHEET NO. 6

For the year ended June 30, 2019

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.

2. METHOD OF CALCULATION

Under Section 10.5 of Article XIII B, for fiscal years beginning on or after July 1, 1990, the appropriations limit is required to be calculated based on the limit for the fiscal year 1986-87, and adjusted for the inflation and population factors discussed at Notes 3 and 4 below.

3. INFLATION FACTORS

A California governmental agency may adjust its appropriations limit by either the annual percentage change in the fourth quarter per capita personal income (which percentages are 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 of Stanton (the City) for fiscal year 2018-2019 represents the annual percentage change in the fourth quarter per capita personal income.

4. POPULATION FACTORS

A California governmental agency may adjust its appropriations limit by either the annual percentage change of the jurisdiction's own population or the annual percentage change in population in the county where the jurisdiction is located. The factor adopted by the City for fiscal year 2018-2019 represents the annual percentage change in population for the county in which City is located.

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 the year ended June 30, 2019.

CITY OF STANTON

REPORT TO THE CITY COUNCIL

TO: Honorable Mayor and City Council

DATE: December 10, 2019

SUBJECT: NOVEMBER 2019 GENERAL FUND REVENUE AND EXPENDITURE REPORT

REPORT IN BRIEF:

The monthly General Fund Revenue and Expenditure Report as of November 2019 has been provided to the City Manager in accordance with Stanton Municipal Code Section 2.20.080 (D)1 and is being provided to City Council.

RECOMMENDED ACTION:

1. City Council find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Receive and file the General Fund Revenue and Expenditure Report as of November 2019.

ANALYSIS:

The attached reports summarize the City revenue and expenditure balances for the General Fund as of November 2019. The reports include information for the month of November, on a year-to-date basis, the current fiscal year's budgeted balance and the year-to-date as a percentage of the budget. In addition, for comparison purposes, the year-to-date amount, final amount and a percentage of final for the previous fiscal year is included as well.

FISCAL IMPACT:

The City is on pace to continue the fiscal year materiality within the projections identified as the beginning balance in the 2019-20 Budget.

ENVIRONMENTAL IMPACT:

None.

LEGAL REVIEW:

None.

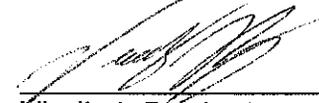
PUBLIC NOTIFICATION:

Through the agenda posting process.

STRATEGIC PLAN OBJECTIVE ADDRESSED

4. Ensure Fiscal Stability and Efficiency in Governance

Prepared by:



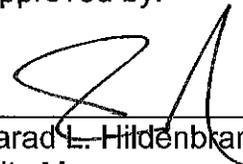
Vladimir Barrientos
Administrative Services Intern

Reviewed by:



Lauren J. Yoon
Business License Specialist

Approved by:



Jarad L. Hildenbrand
City Manager

Attachments:

- A. November 2019 General Fund Revenues
- B. November 2019 General Fund Expenses

City of Stanton
November 2019 General Fund Revenues (42% of year)

	Current Month	FY 19-20 Year to Date	Budget FY 19-20	Percent of Budget	FY 18-19 Year to Date	Total FY 18-19	Percent of Total
Property Tax	190,535	250,665	6,212,200	4.03%	290,598	6,104,860	4.76%
Sales and Use Tax	319,830	1,096,870	4,385,000	25.01%	1,134,395	4,327,842	26.14%
Transaction and Use Tax	414,352	1,185,374	4,332,000	27.37%	966,237	4,057,037	23.82%
Transient Occupancy Tax	32,597	127,110	520,000	24.44%	146,994	483,233	30.42%
Franchise Fees	51,049	226,994	1,041,000	21.81%	121,554	1,026,619	11.84%
Business Licenses	10,816	40,326	430,000	9.38%	112,677	414,595	27.18%
Utility Users Tax	148,284	620,783	1,870,000	34.21%	720,129	1,850,880	38.91%
Total Taxes	1,167,564	3,567,101	18,790,200	18.98%	3,489,605	18,265,067	19.11%
Intergovernmental	13,108	92,527	184,124	50.25%	61,987	207,911	29.81%
Total Intergovernmental	(13,108)	(92,527)	(184,124)	50.25%	(61,987)	(207,911)	29.81%
Charges for Services	(0)	140,000	140,000	100.00%	-	140,000	0.00%
Total Charges for Services	(0)	140,000	140,000	100.00%	-	140,000	0.00%
Fees and Permits	174,378	1,033,081	1,791,550	57.66%	716,968	2,102,176	34.11%
Development Fees	15,647	141,997	151,000	94.04%	79,003	183,259	43.11%
Community Services Fees	4,784	19,109	79,000	27.30%	63,841	144,514	44.18%
Total Fees and Permits	194,808	1,194,186	2,012,550	59.34%	859,812	2,429,948	35.38%
Fines and Forfeitures	41,238	184,091	468,000	39.26%	182,067	410,443	44.36%
Total Fines and Forfeitures	41,238	184,091	468,000	39.26%	182,067	410,443	44.36%
Investment Earnings	1,626	1,626	200,000	0.81%	200	1,367,014	0.01%
Rental Income	7,793	46,307	77,768	59.54%	52,970	146,859	36.07%
Total Use of Money and Property	9,419	47,933	277,768	17.26%	53,170	1,313,873	3.51%
Miscellaneous Revenue	22,040	314,290	387,810	81.04%	330,311	2,405,468	13.73%
Pass-thru Payment	-	-	355,000	0.00%	-	318,673	0.00%
Total Miscellaneous Revenue	22,040	314,290	742,810	42.31%	330,311	2,734,143	12.08%
Total Transfers In	31,666	158,333	380,000	41.67%	266,667	640,000	41.67%
Total Revenues and Transfers In	1,453,628	5,134,027	22,628,104	24.37%	5,119,645	25,025,564	19.75%
Less: Transfers in	(31,666)	(158,333)	(380,000)	41.67%	(266,667)	(640,000)	41.67%
Total Revenues	\$ 1,421,962	\$ 5,355,074	\$ 22,248,104	24.07%	\$ 4,852,978	\$ 25,285,564	19.19%

Administration
November 2019 General Fund Revenues (42% of year)

Account Number	Description	Category	FY 19/20			FY 18/19		
			Budget	YTD	% of Budget	Actual	YTD Bal	% of Actual
101	General Fund							
437100	Sale Of Publications	Fees & Permits	\$ (100.00)	\$ (29.40)	29.40%	\$ (95.50)	\$ (44.30)	46.39%
437110	Candidate Statements	Fees & Permits	\$ -	\$ -		\$ -	\$ -	
437130	Insurance Reimbursement	Fees & Permits	\$ -	\$ -		\$ -	\$ -	
437145	Sale Of Assets	Miscellaneous	\$ -	\$ -		\$ -	\$ -	
101	General Fund		\$ (100.00)	\$ (29.40)	29.40%	\$ (95.50)	\$ (44.30)	46.39%

Administrative Services
November 2019 General Fund Revenues (42% of year)

Account Number	Description	Category	FY 19/20			FY 18/19		
			Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
101	General Fund							
430100	Current Year-Secured/Unsecured	Tax	\$ (1,113,000.00)	\$ (201,421.97)	18.10%	\$ (1,095,861.35)	\$ (211,378.54)	19.29%
430105	Current Year-Unsecured	Tax	\$ -	\$ -		\$ -	\$ -	
430110	Property Tax-Prior Year	Tax	\$ -	\$ -		\$ (368.00)	\$ -	
430115	Property Tax-Supplemental	Tax	\$ (25,000.00)	\$ (3,748.05)	14.99%	\$ (30,694.24)	\$ (5,906.57)	19.24%
430120	Property Tax-Other	Tax	\$ (894,800.00)	\$ -	0.00%	\$ (913,871.87)	\$ -	0.00%
430121	Property Tax-In Lieu	Tax	\$ (4,060,000.00)	\$ -	0.00%	\$ (3,906,863.00)	\$ -	0.00%
430125	Property Tax-Public Utility	Tax	\$ (40,000.00)	\$ -	0.00%	\$ (43,707.09)	\$ -	0.00%
430130	Tax Administration Fees	Tax	\$ 5,000.00	\$ -	0.00%	\$ 4,817.00	\$ -	0.00%
430135	Homeowners Tax Relief	Tax	\$ (5,400.00)	\$ -	0.00%	\$ (5,868.49)	\$ -	0.00%
430140	Property Transfer Tax	Tax	\$ (80,000.00)	\$ (45,493.21)	56.87%	\$ (112,443.30)	\$ (73,313.31)	65.20%
430200	Sales And Use Tax	Tax	\$ (4,385,000.00)	\$ (1,096,870.46)	25.01%	\$ (4,327,841.80)	\$ (1,131,394.55)	26.14%
430300	Transient Occupancy Tax	Tax	\$ (520,000.00)	\$ (127,110.30)	24.44%	\$ (483,233.33)	\$ (146,993.80)	30.42%
430400	Pipeline	Tax	\$ -	\$ -		\$ -	\$ -	
430405	Cable Tv	Tax	\$ (225,000.00)	\$ (40,064.29)	17.81%	\$ (184,803.45)	\$ -	0.00%
430410	Electric	Tax	\$ (186,000.00)	\$ -	0.00%	\$ (195,245.43)	\$ -	0.00%
430415	Gas	Tax	\$ (50,000.00)	\$ -	0.00%	\$ (57,114.51)	\$ -	0.00%
430420	Refuse	Tax	\$ (500,000.00)	\$ (186,929.72)	37.39%	\$ (501,778.75)	\$ (121,554.45)	24.22%
430425	Water	Tax	\$ (80,000.00)	\$ -	0.00%	\$ (87,677.03)	\$ -	0.00%
430500	Business License Tax	Tax	\$ (200,000.00)	\$ (11,781.90)	5.89%	\$ (193,737.99)	\$ (48,116.10)	24.84%
430505	New/Moved Bus Lic Appl Rev	Tax	\$ (70,000.00)	\$ (20,996.00)	29.99%	\$ (61,040.50)	\$ (24,243.50)	39.72%
430510	Business Tax Renewal Process	Tax	\$ (160,000.00)	\$ (6,444.00)	4.03%	\$ (159,128.40)	\$ (36,991.00)	23.25%
430515	SB 1186	Tax	\$ -	\$ (1,103.90)		\$ (688.03)	\$ (3,326.70)	483.51%
430600	Util User Tax/Electricity	Tax	\$ (960,000.00)	\$ (371,393.41)	38.69%	\$ (945,724.78)	\$ (407,755.95)	43.12%
430605	Util User Tax/Telephone	Tax	\$ (300,000.00)	\$ (83,711.04)	27.90%	\$ (302,871.25)	\$ (114,521.12)	37.81%
430610	Util User Tax/Gas	Tax	\$ (200,000.00)	\$ (46,378.71)	23.19%	\$ (207,662.79)	\$ (45,097.38)	21.72%
430615	Util User Tax/Water	Tax	\$ (410,000.00)	\$ (138,279.37)	33.73%	\$ (394,621.05)	\$ (152,754.52)	38.71%
432135	Mandated Cost Reimbursement	Intergovernmental	\$ (24,000.00)	\$ (53,598.00)	223.33%	\$ (27,574.00)	\$ (24,114.00)	87.45%
432150	Motor Vehicle In Lieu	Intergovernmental	\$ -	\$ -		\$ (18,945.88)	\$ -	0.00%
432180	Public Safety Augment Tax	Intergovernmental	\$ (160,124.00)	\$ (38,929.38)	24.31%	\$ (161,390.67)	\$ (37,872.89)	23.47%
434100	General Fines	Fines & Forfeitures	\$ (500.00)	\$ (148.61)	29.72%	\$ 6,985.42	\$ 729.95	10.45%
434105	Motor Vehicle Fines	Fines & Forfeitures	\$ (140,000.00)	\$ (46,195.49)	33.00%	\$ (138,840.32)	\$ (54,783.99)	39.46%
434120	Administrative Citation	Fines & Forfeitures	\$ (5,000.00)	\$ (5,490.00)	109.80%	\$ (6,320.00)	\$ (2,960.00)	46.84%
435100	Interest Earned	Money & Property	\$ (200,000.00)	\$ (1,626.00)	0.81%	\$ (1,364,979.30)	\$ (200.00)	0.01%
435105	Interest On Tax Monies	Money & Property	\$ -	\$ -		\$ (2,034.48)	\$ -	0.00%
436100	Bus Shelter Site Rental	Money & Property	\$ -	\$ -		\$ -	\$ -	
436135	Pac Bell Mobile Svcs-Rent	Money & Property	\$ (20,268.48)	\$ (8,293.73)	40.92%	\$ (21,154.72)	\$ (8,130.80)	38.43%
437115	Recycling Fees	Fees & Permits	\$ (95,000.00)	\$ (21,965.00)	23.12%	\$ (91,888.50)	\$ (19,120.00)	20.81%
437125	Donations	Miscellaneous	\$ -	\$ -		\$ -	\$ -	
437135	Expense Reimbursement	Fees & Permits	\$ (20,000.00)	\$ -	0.00%	\$ (29,678.83)	\$ (726.24)	2.45%
437136	Indirect Cost Reimbursement	Fees & Permits	\$ (269,210.00)	\$ (134,604.89)	50.00%	\$ (395,980.77)	\$ (147,515.50)	37.25%
437195	Other Revenue	Miscellaneous	\$ (2,000.00)	\$ (157,690.83)	7884.54%	\$ (1,887,115.93)	\$ (162,904.99)	8.63%
439102	Transfer from 102	Transfer	\$ -	\$ -		\$ -	\$ -	
439201	Transfer From Recycling(210)	Transfer	\$ -	\$ -		\$ -	\$ -	
439211	Transfr From Gas Tx Fnd(211)	Transfer	\$ -	\$ -		\$ (260,000.00)	\$ (108,333.33)	41.67%
439220	Transfer from Measure M	Transfer	\$ -	\$ -		\$ -	\$ -	
439223	Transfer From Prot Svcs(505)	Transfer	\$ (380,000.00)	\$ (158,333.33)	41.67%	\$ (380,000.00)	\$ (158,333.33)	41.67%
439224	Transfer-Light Dist Fnd(521)	Transfer	\$ -	\$ -		\$ -	\$ -	
439225	Transfer-Light/Median(522)	Transfer	\$ -	\$ -		\$ -	\$ -	
439226	Transfer from Air Quality(226)	Transfer	\$ -	\$ -		\$ -	\$ -	
439250	Transfer From PaCT Grant	Transfer	\$ -	\$ -		\$ -	\$ -	
439285	Transfer fr Hsg Authority	Transfer	\$ -	\$ -		\$ -	\$ -	
439305	Transfer from Capital Projects	Transfer	\$ -	\$ -		\$ -	\$ -	
439310	Transfer from Park Imp	Transfer	\$ -	\$ -		\$ -	\$ -	
439401	Transfer From Debt Service Fnd	Transfer	\$ -	\$ -		\$ -	\$ -	
439501	Transfer From Sewer Fnd(601)	Transfer	\$ -	\$ -		\$ -	\$ -	
439602	Transfr from Worker's Comp	Transfer	\$ -	\$ -		\$ -	\$ -	
439603	Transfr from Liability Risk Mg	Transfer	\$ -	\$ -		\$ -	\$ -	
439605	Transfer from Fleet Maintenance	Transfer	\$ -	\$ -		\$ -	\$ -	
439606	Transfer fr Capital Asset Repl	Transfer	\$ -	\$ -		\$ -	\$ -	
439607	Trsfr fr Emergency Preparedness	Transfer	\$ -	\$ -		\$ -	\$ -	
439608	Transfer fr Bldg Maint	Transfer	\$ -	\$ -		\$ -	\$ -	
439609	Transfer fr Info Tech	Transfer	\$ -	\$ -		\$ -	\$ -	
439712	Trsfr Fr Redevel Obligation Reti	Transfer	\$ -	\$ -		\$ -	\$ -	
440100	Sra Tax Iner Pass Thru Alloc	Transfer	\$ (355,000.00)	\$ -	0.00%	\$ (328,674.88)	\$ -	0.00%
101	General Fund		\$ (16,130,302.48)	\$ (3,008,601.59)	18.65%	\$ (19,315,622.29)	\$ (3,247,612.62)	16.81%
102	Gen Fnd (Transaction & Use Tax							
430250	Transactions & Use Tax	Tax	\$ (4,331,000.00)	\$ (1,185,374.35)	27.37%	\$ (4,057,037.27)	\$ (966,257.28)	23.82%
102	Gen Fnd (Transaction & Use Tax		\$ (4,331,000.00)	\$ (1,185,374.35)	27.37%	\$ (4,057,037.27)	\$ (966,257.28)	23.82%

Public Safety - Wren
November 2019 General Fund Revenues (42% of year)

Account Number	Description	Category	FY 19/20			FY 18/19		
			Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
101	General Fund							
431185	Parking Permits	Fees & Permits	\$ (5,000.00)	\$ (7,320.00)		\$ (4,295.00)	\$ (1,895.00)	44.12%
431190	Towing Franchise Fee	Fees & Permits	\$ (20,000.00)	\$ (8,190.00)	40.95%	\$ (29,970.00)	\$ (10,890.00)	36.34%
432105	Abandoned Vehicles	Intergovernmental	\$ -	\$ -		\$ -	\$ -	
433100	Charges For Services	Intergovernmental	\$ (140,000.00)	\$ (139,999.98)	100.00%	\$ (139,999.98)	\$ -	0.00%
434110	Parking Citations	Fines & Forfeitures	\$ (245,000.00)	\$ (97,609.10)	39.84%	\$ (200,104.40)	\$ (95,558.00)	47.75%
434115	Dmv Parking Collections	Fines & Forfeitures	\$ (78,400.00)	\$ (34,648.00)	44.19%	\$ (72,164.00)	\$ (29,495.00)	40.87%
437105	Firework Services	Fees & Permits	\$ (1,500.00)	\$ -	0.00%	\$ (708.75)	\$ -	0.00%
101	General Fund		\$ (489,900.00)	\$ (287,767.08)	58.74%	\$ (447,242.13)	\$ (137,838.00)	30.82%

Public Works - Rigg
November 2019 General Fund Revenues (42% of year)

Account Number	Description	Category	FY 19/20			FY 18/19		
			Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
101	General Fund							
431125	Engineering Permits	Fees & Permits	\$ -	\$ -		\$ -	\$ -	
431130	Engineering Plan Check Fees	Fees & Permits	\$ (5,000.00)	\$ (6,910.00)	138.20%	\$ (8,085.00)	\$ (4,035.00)	
431135	Public Works Permits	Fees & Permits	\$ (40,000.00)	\$ (22,414.00)	56.04%	\$ (96,840.00)	\$ (37,540.00)	38.76%
431150	Grading Plan Review	Fees & Permits	\$ -	\$ -		\$ -	\$ -	
431155	Grading Permits	Fees & Permits	\$ -	\$ -		\$ -	\$ -	
431160	Solid Waste Impact Fees	Fees & Permits	\$ (1,150,000.00)	\$ (396,323.90)	34.46%	\$ (1,146,832.44)	\$ (290,334.19)	25.32%
431180	P/W Inspections	Fees & Permits	\$ -	\$ -		\$ -	\$ -	
432230	State Recycling Grant	Intergovernmental	\$ -	\$ -		\$ -	\$ -	
101	General Fund		\$ (1,195,000.00)	\$ (425,647.90)	35.62%	\$ (1,251,757.44)	\$ (331,909.19)	26.52%

Community Development
November 2019 General Fund Revenues (42% of year)

Account Number	Description	Category	FY 19/20			FY 18/19		
			Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
101	General Fund							
431100	Building Plan Check Fees	Fees & Permits	\$ (100,000.00)	\$ (43,477.95)	43.48%	\$ (136,964.63)	\$ (43,813.65)	31.99%
431105	Mechanical Permits	Fees & Permits	\$ (100,000.00)	\$ (85,690.00)	85.69%	\$ (118,922.00)	\$ (64,030.00)	53.84%
431110	Building Permits	Fees & Permits	\$ (260,000.00)	\$ (346,592.40)	133.30%	\$ (423,003.13)	\$ (201,834.10)	47.71%
431115	Plumbing Permits	Fees & Permits	\$ (35,000.00)	\$ (33,525.00)	95.79%	\$ (49,303.00)	\$ (23,949.00)	48.58%
431120	Electrical Permits	Fees & Permits	\$ (45,000.00)	\$ (59,633.00)	132.52%	\$ (51,895.00)	\$ (24,571.00)	47.35%
431140	S M I P - Commerical Fees	Fees & Permits	\$ (50.00)	\$ (153.34)	306.68%	\$ (417.71)	\$ (298.25)	71.40%
431145	S M I P-Residential Permits	Fees & Permits	\$ (200.00)	\$ (2,431.54)	1215.77%	\$ (118.00)	\$ (104.23)	88.33%
431146	SB 1473 Fee	Fees & Permits	\$ (300.00)	\$ (947.00)	315.67%	\$ (216.00)	\$ (150.70)	69.77%
431194	Massage Establishment Fee	Fees & Permits	\$ -	\$ -		\$ -	\$ -	
431195	Other Fees & Permits	Fees & Permits	\$ (31,000.00)	\$ (19,473.00)	62.82%	\$ (35,314.00)	\$ (13,523.00)	38.29%
432245	Planning Grants	Intergovernmental	\$ -	\$ -		\$ -	\$ -	
433150	Garbage Franchise Services	Intergovernmental	\$ -	\$ -		\$ -	\$ -	
433200	Conditional Use Permit	Fees & Permits	\$ (5,000.00)	\$ (8,535.00)	170.70%	\$ (19,685.00)	\$ (7,260.00)	36.88%
433205	Precise Plan Of Design	Fees & Permits	\$ (12,000.00)	\$ (15,370.00)	128.08%	\$ (21,719.46)	\$ (3,259.46)	15.01%
433210	Variance	Fees & Permits	\$ (24,000.00)	\$ -	0.00%	\$ (4,900.00)	\$ -	0.00%
433215	Provisional Use Permit	Fees & Permits	\$ -	\$ -		\$ -	\$ -	
433220	Preliminary Plan Review	Fees & Permits	\$ (18,000.00)	\$ (7,500.00)	41.67%	\$ (1,875.00)	\$ (1,875.00)	100.00%
433225	Environmental Services	Fees & Permits	\$ (500.00)	\$ (600.00)	120.00%	\$ (865.00)	\$ (340.00)	39.31%
433227	Foreclosure Registration	Fees & Permits	\$ (12,000.00)	\$ (5,067.00)	42.23%	\$ (11,483.00)	\$ (6,193.00)	53.93%
433230	Zoning Entitlements	Fees & Permits	\$ -	\$ (4,365.00)		\$ -	\$ (3,595.00)	
433235	Land Divisions	Fees & Permits	\$ (6,000.00)	\$ (4,035.00)	67.25%	\$ (7,765.00)	\$ -	0.00%
433240	Special Event Permits	Fees & Permits	\$ (700.00)	\$ (540.00)	77.14%	\$ (1,140.00)	\$ (465.00)	40.79%
433245	Sign/Ban/R/Gar Sa/Temp Use Per	Fees & Permits	\$ (6,400.00)	\$ (3,245.00)	50.70%	\$ (7,115.00)	\$ (3,675.00)	51.65%
433250	Ministerial Services	Fees & Permits	\$ (7,500.00)	\$ (7,215.00)		\$ (15,375.00)	\$ (6,080.00)	39.54%
433255	Document Reproduction	Fees & Permits	\$ -	\$ -		\$ -	\$ -	
433260	Landscape Plan Check	Fees & Permits	\$ (1,200.00)	\$ (975.00)	81.25%	\$ (1,950.00)	\$ (325.00)	16.67%
433265	Home Occupation/Use Permits	Fees & Permits	\$ -	\$ -		\$ -	\$ -	
433266	Massage Establishment License	Fees & Permits	\$ (2,700.00)	\$ -	0.00%	\$ (3,050.00)	\$ (3,124.00)	102.43%
433267	Donation Bin Permit	Fees & Permits	\$ -	\$ -		\$ -	\$ -	
433270	General Plan Maint Surcharge	Fees & Permits	\$ (5,000.00)	\$ (7,520.00)	150.40%	\$ (6,755.00)	\$ (3,080.00)	45.60%
433285	Other Developmental Fees	Fees & Permits	\$ (50,000.00)	\$ (77,029.65)	154.06%	\$ (79,581.40)	\$ (39,731.20)	49.93%
101	General Fund		\$ (722,550.00)	\$ (733,919.88)	101.57%	\$ (999,412.33)	\$ (451,276.59)	45.15%

Community Services - Bobadilla
November 2019 General Fund Revenues (42% of year)

Account Number	Description	Category	FY 19/20			FY 18/19		
			Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
101	General Fund							
433305	General Recreation Programs	Fees & Permits	\$ (39,000.00)	\$ (11,790.00)	30.23%	\$ (38,266.25)	\$ (14,867.50)	38.85%
433310	Rec Brochure Advertising Fee	Fees & Permits	\$ -	\$ -		\$ -	\$ -	
433315	Field Lighting/Nrsf	Fees & Permits	\$ (31,000.00)	\$ (7,218.50)	23.29%	\$ (19,911.00)	\$ (6,162.25)	30.95%
433320	Spec Event Participant Fee	Fees & Permits	\$ -	\$ (100.00)		\$ -	\$ -	
436115	Property Rental	Money & Property	\$ -	\$ -		\$ (4.00)	\$ -	0.00%
436125	Community Hall Rental	Money & Property	\$ (42,500.00)	\$ (31,133.00)	73.25%	\$ (89,339.00)	\$ (30,415.00)	34.04%
436126	SCP Building Rental	Money & Property	\$ -	\$ -		\$ (6,271.00)	\$ (4,035.00)	64.34%
436127	SCP Shelter Rental	Money & Property	\$ (15,000.00)	\$ (6,880.00)	45.87%	\$ (21,330.00)	\$ (7,270.00)	34.08%
436128	SCP Fields Rental	Money & Property	\$ -	\$ -		\$ (8,760.25)	\$ (3,119.50)	35.61%
436130	Mary Perez Site Lease	Money & Property	\$ -	\$ -		\$ -	\$ -	
101	General Fund		\$ (127,500.00)	\$ (57,121.50)	44.80%	\$ (183,881.50)	\$ (65,869.25)	35.82%

City of Stanton
November 2019 General Fund Expenses (42% of year)

	Current Month	FY 19-20 Year to Date	Budget FY 19-20	Percent of Budget	FY 18-19 Year to Date	Actual FY 18-19	Percent of Actual
1100 City Council	\$ 5,597	\$ 41,111	\$ 15,442	35.61%	\$ 42,600	\$ 116,403	38.59%
1200 City Attorney	25,016	65,931	260,000	25.36%	61,542	206,897	29.75%
1300 City Manager	22,623	15,828	294,455	39.34%	135,216	268,790	50.31%
1400 City Clerk	10,950	60,814	283,485	21.45%	53,844	213,512	25.22%
1400 Personnel/Risk Management	12,688	59,549	134,619	44.24%	99,539	174,049	57.19%
1430 Liability/Risk Management	(0)	8,124	89,000	9.13%	64,975	64,975	100.00%
	76,784	426,337	1,176,981	36.22%	457,717	1,038,625	44.07%
Administration							
1500 Administrative Services	55,449	291,599	847,673	34.40%	313,871	758,273	41.40%
1510 Information Technology	11,481	61,906	153,553	40.32%	53,200	131,217	40.54%
1600 Non-Dept (includes Transfers)	15,217	72,726	194,746	37.34%	120,655	386,160	31.24%
	82,247	426,231	1,195,972	35.64%	487,726	1,275,550	38.24%
Administrative Services							
2100 Law Enforcement	1,910,697	4,802,888	11,718,309	40.99%	3,984,154	13,662,151	29.16%
2200 Fire Protection	19,257	1,201,903	4,731,058	25.40%	1,407,779	7,163,749	19.65%
2520 Emergency Preparedness			4,500	0.00%			0.00%
4300 Parking Control	22,022	116,424	300,870	38.70%	69,756	187,999	37.10%
6200 Code Enforcement	47,044	209,018	500,421	41.49%	206,405	493,184	41.85%
	1,999,019	6,324,232	17,256,158	36.52%	5,668,094	21,507,084	26.35%
Public Safety							
3000 Engineering	8,423	54,150	137,968	39.25%	61,140	125,379	48.76%
3200 Public Facilities	30,974	158,680	368,904	43.01%	186,190	386,620	48.16%
3400 Parks Maintenance	27,829	154,384	411,955	37.48%	155,416	378,870	41.02%
3500 Street Maintenance	27,217	121,109	309,485	39.13%	109,348	303,195	36.07%
3600 Storm Drains	6,533	15,210	125,000	12.16%	11,394	84,994	13.41%
	100,976	503,563	1,353,311	37.21%	523,488	1,279,058	40.93%
Public Works							
4100 Planning	38,984	115,366	391,173	29.48%	108,831	281,411	38.67%
4200 Building Regulation	5,933	152,272	435,567	34.96%	206,818	482,578	42.86%
4400 Business Relations	818	7,354	153,469	4.73%	30,256	93,926	32.21%
	45,735	274,992	982,208	27.99%	345,905	857,915	40.32%
Community Development							
5100 Parks and Recreation	50,715	244,856	585,636	41.81%	210,178	575,872	36.50%
5200 Community Center	3,191	11,030	71,456	15.44%	10,761	35,274	30.51%
5300 Stanton Central Park	13,824	76,110	208,559	36.49%	67,732	179,621	37.17%
	67,730	331,996	865,651	38.35%	288,671	790,767	36.51%
Community Services							
Expenditures and Transfers Out							
	2,372,521	8,287,311	22,830,284	36.30%	7,771,601	26,748,999	29.05%
	(6,334)	(31,667)	(76,000)	41.67%	(10,417)	(52,500)	19.84%
TOTAL EXPENDITURES	\$ 2,366,187	\$ 8,255,644	\$ 22,754,284	36.28%	\$ 7,761,184	\$ 26,696,499	29.07%

Administration - Vasquez
November 2019 General Fund Expenses (42% of year)

Account Number	Description	FY 19-20			FY 18-19		
		Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
101							
1100	City Council						
501105	Salaries-Elected	\$ 52,199.00	\$ 21,070.75	40.37%	\$ 51,394.40	\$ 21,070.75	41.00%
501110	Salaries-Regular	\$ -	\$ -		\$ -	\$ -	
502105	Workers Comp Insurance	\$ -	\$ -		\$ -	\$ -	
502115	Unemployment Insurance	\$ -	\$ -		\$ -	\$ -	
502120	Medicare/Fica	\$ 1,472.97	\$ 305.37	20.73%	\$ 744.84	\$ 305.37	41.00%
602100	Special Dept Expense	\$ 9,500.00	\$ 3,464.44	36.47%	\$ 7,053.26	\$ 2,569.83	36.43%
602110	Office Expense	\$ 2,000.00	\$ 44.72	2.24%	\$ 1,060.08	\$ 362.96	34.24%
607100	Membership/Dues	\$ 37,139.00	\$ 13,369.39	36.00%	\$ 36,402.65	\$ 13,189.65	36.23%
607105	Mileage Reimbursement	\$ -	\$ -		\$ -	\$ -	
607110	Travel/Conference/Meetings	\$ 10,500.00	\$ 1,760.00	16.76%	\$ 8,739.49	\$ 1,194.00	13.66%
607115	Training	\$ -	\$ -		\$ -	\$ -	
608105	Professional Services	\$ -	\$ -		\$ -	\$ -	
609100	Special Events	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ -	\$ -		\$ -	\$ -	
612115	Liability Insurance Charge	\$ 2,631.00	\$ 1,096.25	41.67%	\$ 1,887.00	\$ 786.25	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ -	\$ -		\$ -	\$ -	
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
1100	City Council Total	\$ 115,441.97	\$ 41,110.92	35.61%	\$ 107,281.72	\$ 39,478.81	36.80%
1200	City Attorney						
501110	Salaries-Regular	\$ -	\$ -		\$ -	\$ -	
502100	Retirement	\$ -	\$ -		\$ -	\$ -	
502105	Workers Comp Insurance	\$ -	\$ -		\$ -	\$ -	
502110	Health/Life Insurance	\$ -	\$ -		\$ -	\$ -	
502115	Unemployment Insurance	\$ -	\$ -		\$ -	\$ -	
502120	Medicare/Fica	\$ -	\$ -		\$ -	\$ -	
602110	Office Expense	\$ -	\$ -		\$ 0.47	\$ 0.47	
608105	Professional Services	\$ 260,000.00	\$ 65,931.10	25.36%	\$ 206,896.29	\$ 61,541.76	29.75%
608180	Prosecution/Code Enforcement	\$ -	\$ -		\$ -	\$ -	
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
1200	City Attorney Total	\$ 260,000.00	\$ 65,931.10	25.36%	\$ 206,896.76	\$ 61,542.23	29.75%
1300	City Manager						
501110	Salaries-Regular	\$ 194,613.11	\$ 74,739.52	38.40%	\$ 125,367.63	\$ 67,375.65	53.74%
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
501120	Salaries-Part Time	\$ -	\$ -		\$ 53,021.03	\$ 22,436.36	
502100	Retirement	\$ 17,558.35	\$ 6,804.49	38.75%	\$ 15,018.36	\$ 9,339.56	62.19%
502105	Workers Comp Insurance	\$ 2,511.38	\$ 1,190.23	47.39%	\$ 2,995.52	\$ 1,248.13	41.67%
502110	Health/Life Insurance	\$ 21,767.66	\$ 8,239.73	37.85%	\$ 16,077.25	\$ 9,633.11	59.92%
502115	Unemployment Insurance	\$ 607.60	\$ 71.75	11.81%	\$ 326.45	\$ -	0.00%
502120	Medicare/Fica	\$ 3,071.37	\$ 1,081.33	35.21%	\$ 4,102.28	\$ 2,752.14	67.09%
602110	Office Expense	\$ 930.00	\$ 833.48	89.62%	\$ 578.60	\$ 206.06	35.61%
602120	Books/Periodicals	\$ -	\$ -		\$ -	\$ -	
603105	Equipment Maintenance	\$ -	\$ -		\$ -	\$ -	
604100	Communications	\$ -	\$ -		\$ -	\$ -	
607100	Membership/Dues	\$ 2,100.00	\$ 400.00	19.05%	\$ 1,800.00	\$ 1,800.00	100.00%
607110	Travel/Conference/Meetings	\$ 3,000.00	\$ 2,352.59	78.42%	\$ 2,173.60	\$ 705.00	32.43%
608105	Professional Services	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ 748.00	\$ 311.67	41.67%	\$ 7,646.00	\$ 3,185.83	41.67%
612115	Liability Insurance Charge	\$ 11,621.00	\$ 4,842.08	41.67%	\$ 8,464.00	\$ 3,526.67	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ 35,907.00	\$ 14,961.25	41.67%	\$ 31,219.00	\$ 13,007.92	41.67%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
1300	City Manager Total	\$ 294,435.47	\$ 115,828.12	39.34%	\$ 268,789.72	\$ 135,216.43	50.31%
1400	City Clerk						
501110	Salaries-Regular	\$ 83,642.85	\$ 32,991.99	39.44%	\$ 78,978.50	\$ 31,577.08	39.98%
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
501120	Salaries-Part Time	\$ -	\$ -		\$ -	\$ -	
502100	Retirement	\$ 14,322.16	\$ 5,681.49	39.67%	\$ 12,970.84	\$ 5,174.57	39.89%

Account Number	Description	FY 19-20			FY 18-19		
		Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
502105	Workers Comp Insurance	\$ 3,693.41	\$ 1,538.93	41.67%	\$ 3,702.44	\$ 1,542.68	41.67%
502110	Health/Life Insurance	\$ 14,623.27	\$ 5,589.70	38.22%	\$ 14,434.14	\$ 5,910.95	40.95%
502115	Unemployment Insurance	\$ 412.30	\$ -	0.00%	\$ 267.19	\$ -	0.00%
502120	Medicare/Fica	\$ 1,258.66	\$ 443.85	35.26%	\$ 1,093.19	\$ 422.99	38.69%
602110	Office Expense	\$ 2,500.00	\$ 348.56	13.94%	\$ 2,224.02	\$ 307.61	13.83%
602120	Books/Periodicals	\$ 100.00	\$ -	0.00%	\$ 57.11	\$ -	0.00%
603105	Equipment Maintenance	\$ 4,044.00	\$ 4,044.00	100.00%	\$ 4,044.00	\$ 4,044.00	100.00%
607100	Membership/Dues	\$ 350.00	\$ 210.00	60.00%	\$ 330.00	\$ 200.00	60.61%
607105	Mileage Reimbursement	\$ -	\$ -		\$ -	\$ -	
607110	Travel/Conference/Meetings	\$ 530.00	\$ 165.00	31.13%	\$ 36.00	\$ -	0.00%
607115	Training	\$ 650.00	\$ -	0.00%	\$ 426.20	\$ 223.00	52.32%
608100	Contractual Services	\$ -	\$ -		\$ -	\$ -	
608105	Professional Services	\$ 6,000.00	\$ 1,498.76	24.98%	\$ 2,481.01	\$ 1,441.06	58.08%
608125	Advertising/ Business Dev't	\$ -	\$ -		\$ -	\$ -	
608130	Temporary Help	\$ -	\$ -		\$ -	\$ -	
608140	Elections	\$ 133,500.00	\$ 603.48	0.45%	\$ 78,470.92	\$ (2,831.13)	-3.61%
612105	Vehicle Replacement Charge	\$ 618.00	\$ 515.00	83.33%	\$ 626.00	\$ 260.83	41.67%
612115	Liability Insurance Charge	\$ 4,215.00	\$ 1,756.25	41.67%	\$ 2,852.00	\$ 1,188.33	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ 13,025.00	\$ 5,427.08		\$ 10,518.00	\$ 4,382.50	41.67%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
1400	City Clerk Total	\$ 283,484.65	\$ 60,814.09	21.45%	\$ 213,511.56	\$ 53,844.48	25.22%
102							
1100	City Council						
607100	Membership/Dues	\$ -	\$ -	0.00%	\$ 3,121.00	\$ 3,121.00	0.00%
1100	City Council Total	\$ -	\$ -	0.00%	\$ 3,121.00	\$ 3,121.00	0.00%

Administration - Guzman
November 2019 General Fund Expenses (42% of year)

Account Number	Description	FY 19-20			FY 18-19		
		Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
101							
1410	Personnel/Risk Management						
501110	Salaries-Regular	\$ 74,195.00	\$ 29,119.29	39.25%	\$ 69,618.43	\$ 27,771.29	39.89%
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
502100	Retirement	\$ 5,098.70	\$ 2,034.01	39.89%	\$ 4,767.84	\$ 1,900.11	39.85%
502105	Workers Comp Insurance	\$ 706.40	\$ 294.33	41.67%	\$ 685.24	\$ 285.52	41.67%
502110	Health/Life Insurance	\$ 14,587.88	\$ 5,643.22	38.68%	\$ 14,531.25	\$ 5,928.37	40.80%
502115	Unemployment Insurance	\$ 434.00	\$ -	0.00%	\$ 287.00	\$ -	0.00%
502120	Medicare/Fica	\$ 1,379.87	\$ 426.84	30.93%	\$ 1,031.88	\$ 384.12	37.23%
602110	Office Expense	\$ 1,300.00	\$ 526.64	40.51%	\$ 1,836.79	\$ 546.68	29.76%
602120	Books/Periodicals	\$ -	\$ -		\$ -	\$ -	
603105	Equipment Maintenance	\$ -	\$ -		\$ -	\$ -	
607100	Membership/Dues	\$ 725.00	\$ 425.00	58.62%	\$ 725.00	\$ 425.00	58.62%
607105	Mileage Reimbursement	\$ -	\$ -		\$ -	\$ -	
607110	Travel/Conference/Meetings	\$ -	\$ -		\$ -	\$ -	
607115	Training	\$ 350.00	\$ -	0.00%	\$ -	\$ -	
608105	Professional Services	\$ 10,000.00	\$ 11,023.94	110.24%	\$ 57,780.70	\$ 49,586.08	85.82%
608125	Advertising/ Business Dev't	\$ 2,400.00	\$ 175.00	7.29%	\$ 3,342.21	\$ 1,892.79	56.63%
609125	Employee/Volunteer Recognitn	\$ 7,500.00	\$ 1,851.16	24.68%	\$ 7,024.49	\$ 5,645.16	80.36%
612105	Vehicle Replacement Charge	\$ 650.00	\$ 270.83	41.67%	\$ 626.00	\$ 260.83	41.67%
612115	Liability Insurance Charge	\$ 3,739.00	\$ 1,557.92	41.67%	\$ 2,515.00	\$ 1,047.92	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ 11,553.00	\$ 4,813.75	41.67%	\$ 9,277.00	\$ 3,865.42	41.67%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
1410	Personnel/Risk Management Total	\$ 134,618.85	\$ 59,549.30	44.24%	\$ 174,048.83	\$ 99,539.28	57.19%
1430	Liability/Risk Management						
606105	Insurance Premium	\$ 89,000.00	\$ 83,123.60	93.40%	\$ 64,975.00	\$ 64,975.00	100.00%
1430	Liability/Risk Management Total	\$ 89,000.00	\$ 83,123.60	93.40%	\$ 64,975.00	\$ 64,975.00	100.00%

Administrative Services
November 2019 General Fund Expenses (42% of year)

Account Number	Description	FY 19-20			FY 18-19		
		Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
101	Administrative Services						
1500	Administrative Services						
501110	Salaries-Regular	\$ 441,603.81	\$ 149,068.82	33.76%	\$ 429,399.70	\$ 178,679.89	41.61%
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
501120	Salaries-Part Time	\$ 55,107.23	\$ 20,936.95	37.99%	\$ 46,825.29	\$ 16,782.07	35.84%
502100	Retirement	\$ 54,700.72	\$ 19,875.83	36.34%	\$ 52,140.69	\$ 20,943.79	40.17%
502105	Workers Comp Insurance	\$ 4,712.52	\$ 1,963.55	41.67%	\$ 4,739.68	\$ 1,974.87	41.67%
502110	Health/Life Insurance	\$ 42,384.53	\$ 13,985.33	33.00%	\$ 39,356.17	\$ 14,350.36	36.46%
502115	Unemployment Insurance	\$ 3,341.80	\$ 44.69	1.34%	\$ 2,266.27	\$ 67.69	2.99%
502120	Medicare/Fica	\$ 7,032.79	\$ 2,937.42	41.77%	\$ 6,155.67	\$ 2,411.48	39.17%
602100	Special Dept Expense	\$ 19,000.00	\$ 5,214.97	27.45%	\$ 15,471.67	\$ 3,662.51	23.67%
602110	Office Expense	\$ 11,000.00	\$ 905.43	8.23%	\$ 9,672.84	\$ 2,884.77	29.82%
602120	Books/Periodicals	\$ -	\$ -		\$ -	\$ -	
603105	Equipment Maintenance	\$ -	\$ -		\$ -	\$ -	
607100	Membership/Dues	\$ 1,512.00	\$ 360.00	23.81%	\$ 1,262.00	\$ 1,262.00	100.00%
607105	Mileage Reimbursement	\$ 200.00	\$ -	0.00%	\$ 113.85	\$ -	0.00%
607110	Travel/Conference/Meetings	\$ 1,875.00	\$ 1,086.00	57.92%	\$ 1,950.98	\$ 1,014.00	51.97%
607115	Training	\$ 645.00	\$ 1,085.00	168.22%	\$ 470.00	\$ 445.00	94.68%
608100	Contractual Services	\$ -	\$ -		\$ -	\$ -	
608105	Professional Services	\$ 97,880.00	\$ 30,635.71	31.30%	\$ 58,914.29	\$ 32,550.15	55.25%
608130	Temporary Help	\$ -	\$ -		\$ -	\$ -	
608145	Information Technology	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ 1,300.00	\$ 541.67	41.67%	\$ 1,252.00	\$ 521.67	41.67%
612115	Liability Insurance Charge	\$ 25,032.00	\$ 10,430.00	41.67%	\$ 17,830.00	\$ 7,429.17	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ 77,346.00	\$ 32,227.50	41.67%	\$ 65,762.00	\$ 27,400.83	41.67%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
1500	Administrative Services Total	\$ 844,673.40	\$ 291,298.87	34.49%	\$ 753,583.10	\$ 312,380.24	41.45%
1510	Information Technology						
602113	Social Media	\$ 2,500.00	\$ 114.58	4.58%	\$ 2,557.10	\$ 193.37	7.56%
602140	Materials & Supplies	\$ 4,000.00	\$ 1,912.80	47.82%	\$ 5,626.32	\$ 2,300.54	40.89%
603105	Equipment Maintenance	\$ 43,055.13	\$ 32,084.04	74.52%	\$ 36,183.72	\$ 36,183.72	100.00%
608145	Information Technology	\$ 70,000.00	\$ 19,808.34	28.30%	\$ 45,717.81	\$ 14,522.33	31.77%
701105	Equipment-General	\$ 34,000.00	\$ 7,986.07	23.49%	\$ 41,132.04	\$ -	0.00%
1510	Information Technology Total	\$ 153,555.13	\$ 61,905.83	40.32%	\$ 131,216.99	\$ 53,199.96	40.54%
1600	Non-Departmental						
501130	Employee Compensation Adjust	\$ -	\$ -		\$ -	\$ -	
502110	Health/Life Insurance	\$ -	\$ -		\$ 39,795.85	\$ -	
502125	Leave Disbursals	\$ -	\$ -		\$ -	\$ -	
602100	Special Dept Expense	\$ 8,746.36	\$ 5,550.66	63.46%	\$ 6,366.31	\$ 2,763.57	43.41%
602110	Office Expense	\$ -	\$ -		\$ -	\$ -	
602115	Postage Clearing Account	\$ -	\$ 5,889.85		\$ (3,746.95)	\$ (939.55)	25.08%
602155	Community Promotion	\$ -	\$ -		\$ -	\$ -	
602165	Contingency Reserve	\$ -	\$ -		\$ -	\$ -	
603105	Equipment Maintenance	\$ 16,000.00	\$ 11,655.62	72.85%	\$ 14,202.05	\$ 4,534.18	31.93%
603125	Vehicle Maintenance	\$ -	\$ -		\$ -	\$ -	
604100	Communications	\$ 9,000.00	\$ 1,326.83	14.74%	\$ 7,517.78	\$ 2,221.39	29.55%
607115	Training	\$ 4,000.00	\$ (3,363.36)	-84.08%	\$ 10,464.18	\$ -	0.00%
608100	Contractual Services	\$ -	\$ -		\$ -	\$ -	
608105	Professional Services	\$ 48,000.00	\$ 20,000.00	41.67%	\$ 24,000.00	\$ 8,000.00	33.33%
608170	Animal Control Services	\$ -	\$ -		\$ 168,853.14	\$ 83,409.38	49.40%
608175	Crossing Guard Services	\$ -	\$ -		\$ -	\$ -	
610210	Business Relations Programs	\$ -	\$ -		\$ -	\$ -	
611105	Revenue Sharing-Anaheim/City	\$ 33,000.00	\$ -	0.00%	\$ 33,006.50	\$ -	0.00%
612105	Vehicle Replacement Charge	\$ -	\$ -		\$ -	\$ -	
612115	Liability Insurance Charge	\$ -	\$ -		\$ -	\$ -	
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	

Account Number	Description	FY 19-20		% of Budget	FY 18-19		% of Actual
		Budget	End Bal		Actual	YTD Bal	
800222	Transfer to CDBG	\$ -	\$ -		\$ -	\$ -	
800223	Transfer to Fire Emergency Fnd	\$ -	\$ -		\$ -	\$ -	
800250	Transfer to Fact Grant	\$ 76,000.00	\$ 31,666.67	41.67%	\$ 25,000.00	\$ 10,416.67	41.67%
800280	Transfer to SCP Maintenance	\$ -	\$ -		\$ 27,500.00	\$ -	0.00%
800285	Transfer To Housing Authority	\$ -	\$ -		\$ -	\$ -	
800305	Transfer To Capital Proj Fnd	\$ -	\$ -		\$ -	\$ -	
800401	Transfer To Debt Svc Fund	\$ -	\$ -		\$ -	\$ -	
800501	Transfer to Sewer Maintance	\$ -	\$ -		\$ -	\$ -	
800602	Transfer to Workers' Comp Fund	\$ -	\$ -		\$ -	\$ -	
800603	Trnsfr to Liability/Risk Mgmt	\$ -	\$ -		\$ -	\$ -	
800604	Trsfr To Emplee Benefit Resv	\$ -	\$ -		\$ -	\$ -	
800605	Transfer to Fleet Maintenance	\$ -	\$ -		\$ -	\$ -	
1600	Non-Departmental Total	\$ 194,746.36	\$ 72,726.27	37.34%	\$ 352,958.86	\$ 110,405.64	31.28%
102							
1500	Administrative Services						
608105	Professional Services	\$ 3,000.00	\$ 300.00	10.00%	\$ 4,590.29	\$ 1,490.73	32.48%
1500	Administrative Services Total	\$ 3,000.00	\$ 300.00	10.00%	\$ 4,590.29	\$ 1,490.73	32.48%
1600							
1600	Non-Departmental						
602100	Special Dept Expense	\$ -	\$ -		\$ -	\$ -	
608175	Crossing Guard Services	\$ -	\$ -		\$ 33,201.19	\$ 10,249.84	30.87%
800101	Transfer To General Fund	\$ -	\$ -		\$ -	\$ -	0.00%
1600	Non-Departmental Total	\$ -	\$ -		\$ 33,201.19	\$ 10,249.84	30.87%

Public Safety - Wren
November 2019 General Fund Expenses (42% of year)

Account Number	Description	FY 19-20			FY 18-19		
		Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
101							
1520	Emergency Services						
501110	Salaries-Regular	\$ -	\$ -		\$ -	\$ -	
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
501120	Salaries-Part Time	\$ -	\$ -		\$ -	\$ -	
502100	Retirement	\$ -	\$ -		\$ -	\$ -	
502105	Workers Comp Insurance	\$ -	\$ -		\$ -	\$ -	
502110	Health/Life Insurance	\$ -	\$ -		\$ -	\$ -	
502115	Unemployment Insurance	\$ -	\$ -		\$ -	\$ -	
502120	Medicare/Fica	\$ -	\$ -		\$ -	\$ -	
602100	Special Dept Expense	\$ -	\$ -		\$ -	\$ -	
602140	Materials & Supplies	\$ 2,500.00	\$ -	0.00%	\$ -	\$ -	
608100	Contractual Services	\$ 2,000.00	\$ -	0.00%	\$ -	\$ -	
1520	Emergency Services	\$ 4,500.00	\$ -	0.00%	\$ -	\$ -	
2100							
2100	Law Enforcement						
501110	Salaries-Regular	\$ 88,155.12	\$ 35,270.23	40.01%	\$ 87,287.78	\$ 35,270.23	40.41%
501120	Salaries-Part Time	\$ 19,880.66	\$ 8,106.21	40.77%	\$ 18,320.52	\$ 7,751.76	42.31%
502100	Retirement	\$ 6,100.42	\$ 2,919.49	47.86%	\$ 94,206.98	\$ 90,642.21	96.22%
502105	Workers Comp Insurance	\$ 1,037.21	\$ 432.18	41.67%	\$ 1,047.52	\$ 436.47	41.67%
502110	Health/Life Insurance	\$ 18,240.06	\$ 7,051.28	38.66%	\$ 18,177.69	\$ 7,421.21	40.83%
502115	Unemployment Insurance	\$ 868.00	\$ -	0.00%	\$ 573.98	\$ -	0.00%
502120	Medicare/Fica	\$ 1,757.77	\$ 661.01	37.61%	\$ 1,556.88	\$ 593.54	38.12%
602100	Special Dept Expense	\$ 4,500.00	\$ 823.46	18.30%	\$ 2,699.68	\$ 696.53	25.80%
602102	State CLEBP Expense	\$ -	\$ -		\$ -	\$ -	
602110	Office Expense	\$ 1,300.00	\$ 317.51	24.42%	\$ 673.30	\$ 125.03	0.00%
602145	Gas/Oil/Lube	\$ -	\$ -		\$ -	\$ -	
603105	Equipment Maintenance	\$ -	\$ -		\$ -	\$ -	
603110	Building Maintenance	\$ 18,500.00	\$ 6,673.76	36.07%	\$ 16,709.77	\$ 8,040.26	48.12%
604100	Communications	\$ 59,841.00	\$ 24,217.00	40.47%	\$ 52,402.02	\$ 12,158.00	23.20%
604105	Utilities	\$ 28,000.00	\$ 11,384.57	40.66%	\$ 25,598.47	\$ 12,943.41	50.56%
607100	Membership/Dues	\$ 4,772.00	\$ 4,678.00	98.03%	\$ 4,678.00	\$ 4,678.00	100.00%
607105	Mileage Reimbursement	\$ 2,400.00	\$ -	0.00%	\$ 1,310.62	\$ 425.77	32.49%
607110	Travel/Conference/Meetings	\$ 3,400.00	\$ -	0.00%	\$ 3,376.38	\$ 133.86	3.96%
607115	Training	\$ 700.00	\$ -	0.00%	\$ -	\$ -	
608100	Contractual Services	\$ -	\$ -		\$ -	\$ -	
608160	Sheriff Contract Services	\$ 8,057,576.00	\$ 3,357,348.35	41.67%	\$ 8,057,576.00	\$ 2,686,553.52	33.34%
608165	We Tip Reward Program	\$ -	\$ -		\$ -	\$ -	
608170	Animal Control Services	\$ 177,295.79	\$ 86,821.88	48.97%	\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ -	\$ -		\$ -	\$ -	
612115	Liability Insurance Charge	\$ 5,445.00	\$ 2,268.75	41.67%	\$ 3,844.00	\$ 1,601.67	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ 16,823.00	\$ 7,009.58	41.67%	\$ 14,177.00	\$ 5,907.08	41.67%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
701105	Equipment-General	\$ -	\$ -		\$ -	\$ -	
702100	Furniture-Office	\$ -	\$ -		\$ -	\$ -	
703100	Vehicle	\$ -	\$ -		\$ -	\$ -	
704100	Facility Improvements	\$ -	\$ -		\$ -	\$ -	
2100	Law Enforcement Total	\$ 8,516,592.03	\$ 3,555,983.26	41.75%	\$ 8,404,216.59	\$ 2,875,378.55	34.21%
2200							
2200	Fire Protection						
502100	Retirement	\$ -	\$ -		\$ 69,322.00	\$ 69,322.00	100.00%
608100	Contractual Services	\$ -	\$ -		\$ -	\$ -	
608185	Oe Fire Dept Contract	\$ 3,763,097.90	\$ 949,479.75	25.23%	\$ 3,759,384.00	\$ 949,130.75	25.25%
608190	Contractual Ambulance Svcs	\$ 5,000.00	\$ (29.25)	-0.59%	\$ 3,580.24	\$ 844.25	23.58%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
704100	Facility Improvements	\$ -	\$ -		\$ -	\$ -	
2200	Fire Protection Total	\$ 3,768,097.90	\$ 949,450.50	25.20%	\$ 3,832,286.24	\$ 1,019,297.00	26.60%

Account Number	Description	FY 19-20			FY 18-19		
		Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
4300	Parking Control						
501110	Salaries-Regular	\$ 113,928.00	\$ 45,009.43	39.51%	\$ 62,977.21	\$ 26,067.38	41.39%
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
501120	Salaries-Part Time	\$ 45,625.15	\$ 18,178.35	39.84%	\$ 25,181.66	\$ 8,437.96	33.51%
502100	Retirement	\$ 14,227.70	\$ 6,517.12	45.81%	\$ 19,052.79	\$ 1,522.74	7.99%
502105	Workers Comp Insurance	\$ 8,381.39	\$ 3,492.25	41.67%	\$ 4,883.84	\$ 2,441.92	50.00%
502110	Health/Life Insurance	\$ 13,111.38	\$ 4,750.53	36.23%	\$ 4,404.55	\$ 1,783.41	40.49%
502115	Unemployment Insurance	\$ 1,714.30	\$ 139.44	8.13%	\$ 796.02	\$ 88.81	11.16%
502120	Medicare/Fica	\$ 2,634.61	\$ 930.47	35.32%	\$ 1,346.07	\$ 511.74	38.02%
602110	Office Expense	\$ 13,500.00	\$ 4,050.90	30.01%	\$ 3,592.46	\$ 177.60	4.94%
602130	Clothing	\$ 1,000.00	\$ 142.17	14.22%	\$ 605.47	\$ 454.67	75.09%
603105	Equipment Maintenance	\$ -	\$ -		\$ -	\$ -	
604100	Communications	\$ 700.00	\$ 217.92	31.13%	\$ 654.06	\$ 218.22	33.36%
607100	Membership/Dues	\$ -	\$ -		\$ -	\$ -	
608105	Professional Services	\$ 20,000.00	\$ 6,279.01	31.40%	\$ 18,292.76	\$ 7,167.99	39.18%
612105	Vehicle Replacement Charge	\$ 4,189.00	\$ 1,745.42	41.67%	\$ 4,119.00	\$ 1,716.25	41.67%
612115	Liability Insurance Charge	\$ 8,041.00	\$ 3,350.42	41.67%	\$ 3,490.00	\$ 1,454.17	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ 24,845.00	\$ 10,352.08	41.67%	\$ 12,871.00	\$ 6,435.50	50.00%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
4300	Parking Control Total	\$ 271,897.53	\$ 105,155.51	38.67%	\$ 162,266.89	\$ 58,478.36	36.04%
6200	Code Enforcement						
501110	Salaries-Regular	\$ 152,366.56	\$ 60,081.97	39.43%	\$ 150,530.42	\$ 62,893.93	41.78%
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
501120	Salaries-Part Time	\$ -	\$ -		\$ -	\$ -	
502100	Retirement	\$ 26,111.26	\$ 10,167.07	38.94%	\$ 28,654.74	\$ 8,979.75	31.34%
502105	Workers Comp Insurance	\$ 7,676.78	\$ 3,198.66	41.67%	\$ 8,121.52	\$ 3,383.97	41.67%
502110	Health/Life Insurance	\$ 18,332.86	\$ 7,057.07	38.49%	\$ 18,484.31	\$ 7,670.11	41.50%
502115	Unemployment Insurance	\$ 846.30	\$ -	0.00%	\$ 559.63	\$ -	0.00%
502120	Medicare/Fica	\$ 2,257.50	\$ 876.78	38.84%	\$ 2,234.79	\$ 922.34	41.27%
602100	Special Dept Expense	\$ -	\$ -		\$ -	\$ -	
602110	Office Expense	\$ 2,500.00	\$ 1,306.45	52.26%	\$ 2,856.34	\$ 621.54	21.76%
602120	Books/Periodicals	\$ -	\$ -		\$ -	\$ -	
602160	Code Enforcement Equipment	\$ 1,000.00	\$ 800.90	80.09%	\$ 1,675.21	\$ -	0.00%
603105	Equipment Maintenance	\$ 100.00	\$ -	0.00%	\$ -	\$ -	
604100	Communications	\$ 800.00	\$ 570.23	71.28%	\$ 549.69	\$ 299.99	54.57%
607100	Membership/Dues	\$ 425.00	\$ 475.00	111.76%	\$ 425.00	\$ 86.00	20.24%
607105	Mileage Reimbursement	\$ 100.00	\$ -	0.00%	\$ -	\$ -	
607110	Travel/Conference/Meetings	\$ 1,000.00	\$ 466.79	46.68%	\$ 42.00	\$ 10.00	23.81%
607115	Training	\$ 1,000.00	\$ 341.00	34.10%	\$ 1,153.00	\$ 312.00	27.06%
608100	Contractual Services	\$ -	\$ 1,260.00		\$ -	\$ -	
608180	Prosecution/Code Enforcement	\$ 50,000.00	\$ 22,295.59	44.59%	\$ 65,036.88	\$ 33,510.98	51.53%
612105	Vehicle Replacement Charge	\$ 6,509.00	\$ 2,712.08	41.67%	\$ 6,402.00	\$ 2,667.50	41.67%
612115	Liability Insurance Charge	\$ 7,679.00	\$ 3,199.58	41.67%	\$ 5,724.00	\$ 2,385.00	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ 23,726.00	\$ 9,885.83	41.67%	\$ 21,112.00	\$ 8,796.67	41.67%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
800101	Transfer To General Fund	\$ -	\$ -		\$ -	\$ -	
6200	Code Enforcement Total	\$ 302,430.26	\$ 124,695.01	41.23%	\$ 313,561.53	\$ 132,539.77	42.27%
102							
2100	Law Enforcement						
501110	Salaries-Regular	\$ 36,639.40	\$ 14,062.31	38.38%	\$ 32,007.43	\$ 13,415.51	41.91%
502100	Retirement	\$ 2,779.01	\$ 1,097.98	39.51%	\$ 2,799,084.26	\$ 202,766.85	7.24%
502105	Workers Comp Insurance	\$ 338.36	\$ 140.98	41.67%	\$ 328.14	\$ 136.73	41.67%
502110	Health/Life Insurance	\$ 295.30	\$ 114.77	38.87%	\$ 1,307.74	\$ 1,133.46	86.67%
502115	Unemployment Insurance	\$ 108.50	\$ -	0.00%	\$ 71.74	\$ -	0.00%
502120	Medicare/Fica	\$ 574.42	\$ 218.10	37.97%	\$ 519.82	\$ 195.86	37.68%
602100	Special Dept Expense	\$ -	\$ -		\$ -	\$ -	
602110	Office Expense	\$ -	\$ -		\$ -	\$ -	
602120	Books/Periodicals	\$ -	\$ -		\$ -	\$ -	
602140	Materials & Supplies	\$ -	\$ -		\$ -	\$ -	

Account Number	Description	FY 19-20			FY 18-19		
		Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
603125	Vehicle Maintenance	\$ 5,000.00	\$ 1,753.00	35.06%	\$ 12,385.15	\$ 5,253.39	42.42%
604100	Communications	\$ -	\$ -		\$ -	\$ -	
607100	Membership/Dues	\$ -	\$ -		\$ -	\$ -	
607110	Travel/Conference/Meetings	\$ -	\$ -		\$ -	\$ -	
607115	Training	\$ -	\$ -		\$ -	\$ -	
608100	Contractual Services	\$ -	\$ -		\$ -	\$ -	
608105	Professional Services	\$ -	\$ -		\$ -	\$ -	
608160	Sheriff Contract Services	\$ 3,097,617.00	\$ 1,209,398.75	39.04%	\$ 2,396,362.85	\$ 879,262.80	36.69%
608175	Crossing Guard Services	\$ 40,530.00	\$ 12,687.25	31.30%	\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ 10,284.00	\$ 4,285.00	41.67%	\$ 10,114.00	\$ 4,214.17	41.67%
612115	Liability Insurance Charge	\$ 1,846.00	\$ 769.17	41.67%	\$ 1,227.00	\$ 511.25	41.67%
612125	Employee Benefits	\$ 5,705.00	\$ 2,377.08	41.67%	\$ 4,526.00	\$ 1,885.83	41.67%
2100	Law Enforcement Total	\$ 3,201,716.99	\$ 1,246,904.39	38.94%	\$ 5,257,934.13	\$ 1,108,775.85	21.09%
2200	Fire Protection						
501110	Salaries-Regular	\$ 7,327.88	\$ 2,812.50	38.38%	\$ 6,529.71	\$ 2,811.28	43.05%
502100	Retirement	\$ 555.80	\$ 219.55	39.50%	\$ 2,586,760.52	\$ 200,738.01	7.76%
502105	Workers Comp Insurance	\$ 67.67	\$ 33.84	50.01%	\$ 65.64	\$ 27.35	41.67%
502110	Health/Life Insurance	\$ 59.06	\$ 22.95	38.86%	\$ 281.29	\$ 246.43	87.61%
502115	Unemployment Insurance	\$ 21.70	\$ -	0.00%	\$ 14.37	\$ -	0.00%
502120	Medicare/Fica	\$ 114.88	\$ 43.64	37.99%	\$ 105.66	\$ 40.94	38.75%
602110	Office Expense	\$ -	\$ -		\$ -	\$ -	
602120	Books/Periodicals	\$ -	\$ -		\$ -	\$ -	
607100	Membership/Dues	\$ -	\$ -		\$ -	\$ -	
607110	Travel/Conference/Meetings	\$ -	\$ -		\$ -	\$ -	
607115	Training	\$ -	\$ -		\$ -	\$ -	
608105	Professional Services	\$ -	\$ -		\$ -	\$ -	
608185	Oc Fire Dept Contract	\$ 953,303.10	\$ 248,691.00	26.09%	\$ 736,556.00	\$ 184,139.00	25.00%
612105	Vehicle Replacement Charge	\$ -	\$ -		\$ -	\$ -	
612115	Liability Insurance Charge	\$ 369.00	\$ 153.75	41.67%	\$ 245.00	\$ 102.08	41.67%
612125	Employee Benefits	\$ 1,141.00	\$ 475.42	41.67%	\$ 905.00	\$ 377.08	41.67%
2200	Fire Protection Total	\$ 962,960.09	\$ 252,452.65	26.22%	\$ 3,331,463.19	\$ 388,482.18	11.66%
4300	Parking Control						
501110	Salaries-Regular	\$ 21,983.64	\$ 8,437.41	38.38%	\$ 19,460.90	\$ 8,305.71	42.68%
502100	Retirement	\$ 1,667.40	\$ 658.78	39.51%	\$ 1,440.95	\$ 611.53	42.44%
502105	Workers Comp Insurance	\$ 203.02	\$ 84.59	41.67%	\$ 196.88	\$ 82.03	41.67%
502110	Health/Life Insurance	\$ 177.18	\$ 68.85	38.86%	\$ 824.09	\$ 719.47	87.30%
502115	Unemployment Insurance	\$ 65.10	\$ -	0.00%	\$ 43.05	\$ -	0.00%
502120	Medicare/Fica	\$ 344.65	\$ 130.80	37.95%	\$ 315.50	\$ 121.12	38.39%
602110	Office Expense	\$ -	\$ -		\$ -	\$ -	
602120	Books/Periodicals	\$ -	\$ -		\$ -	\$ -	
607100	Membership/Dues	\$ -	\$ -		\$ -	\$ -	
607110	Travel/Conference/Meetings	\$ -	\$ -		\$ -	\$ -	
607115	Training	\$ -	\$ -		\$ -	\$ -	
608105	Professional Services	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ -	\$ -		\$ -	\$ -	
612115	Liability Insurance Charge	\$ 1,108.00	\$ 461.67	41.67%	\$ 736.00	\$ 306.67	41.67%
612125	Employee Benefits	\$ 3,423.00	\$ 1,426.25	41.67%	\$ 2,715.00	\$ 1,131.25	41.67%
4300	Parking Control Total	\$ 28,971.99	\$ 11,268.35	38.89%	\$ 25,732.37	\$ 11,277.78	43.83%
6200	Code Enforcement						
501110	Salaries-Regular	\$ 142,418.81	\$ 55,483.79	38.96%	\$ 129,364.18	\$ 52,283.06	40.42%
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
501120	Salaries-Part Time	\$ -	\$ -		\$ -	\$ -	
502100	Retirement	\$ 10,387.44	\$ 4,106.96	39.54%	\$ 9,210.20	\$ 3,713.94	40.32%
502105	Workers Comp Insurance	\$ 4,324.87	\$ 1,802.03	41.67%	\$ 4,311.96	\$ 1,796.65	41.67%
502110	Health/Life Insurance	\$ 9,703.54	\$ 3,866.97	39.85%	\$ 11,611.59	\$ 5,859.22	50.46%
502115	Unemployment Insurance	\$ 651.00	\$ -	0.00%	\$ 430.48	\$ -	0.00%
502120	Medicare/Fica	\$ 2,151.38	\$ 832.06	38.68%	\$ 1,987.58	\$ 761.30	38.30%
602160	Code Enforcement Equipmer	\$ -	\$ -		\$ 24.79	\$ -	0.00%
612105	Vehicle Replacement Charge	\$ -	\$ -		\$ -	\$ -	
612115	Liability Insurance Charge	\$ 7,177.00	\$ 2,990.42	41.67%	\$ 4,838.00	\$ 2,015.83	41.67%

Account Number	Description	FY 19-20			FY 18-19		
		Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
612125	Employee Benefits	\$ 22,177.00	\$ 9,240.42	41.67%	\$ 17,844.00	\$ 7,435.00	41.67%
6200	Code Enforcement Total	\$ 198,991.04	\$ 78,322.65	39.36%	\$ 179,622.78	\$ 73,865.00	41.12%

Public Works - Rigg
November 2019 General Fund Expenses (42% of year)

Account Number	Description	FY 19/20			FY 18/19		
		Budget	End Bal	% of Budget	Actual	YTD Balance	% of Actual
101							
3100	Engineering						
501110	Salaries-Regular	\$ 51,917.70	\$ 20,382.12	39.26%	\$ 49,611.62	\$ 19,951.65	40.22%
501115	Salaries-Overtime	\$ -	\$ 209.29		\$ 199.30	\$ 199.30	100.00%
501120	Salaries-Part Time	\$ -	\$ -		\$ -	\$ -	
502100	Retirement	\$ 3,584.54	\$ 1,410.40	39.35%	\$ 3,287.10	\$ 1,352.13	41.13%
502105	Workers Comp Insurance	\$ 2,220.36	\$ 925.15	41.67%	\$ 2,040.48	\$ 850.20	41.67%
502110	Health/Life Insurance	\$ 9,480.32	\$ 3,681.67	38.83%	\$ 9,453.51	\$ 3,857.73	40.81%
502115	Unemployment Insurance	\$ 282.10	\$ -	0.00%	\$ 186.55	\$ -	0.00%
502120	Medicare/Fica	\$ 778.83	\$ 292.40	37.54%	\$ 728.04	\$ 284.87	39.13%
602110	Office Expense	\$ 1,000.00	\$ 311.92	31.19%	\$ 1,093.35	\$ 332.02	30.37%
602120	Books/Periodicals	\$ -	\$ -		\$ -	\$ -	
602140	Materials & Supplies	\$ 3,000.00	\$ 807.53	26.92%	\$ 2,740.94	\$ 1,167.10	42.58%
603105	Equipment Maintenance	\$ -	\$ -		\$ -	\$ -	
604100	Communications	\$ -	\$ -		\$ -	\$ -	
607100	Membership/Dues	\$ 2,000.00	\$ -	0.00%	\$ 1,288.00	\$ 115.00	8.93%
607110	Travel/Conference/Meetings	\$ 1,200.00	\$ 60.00	5.00%	\$ 990.00	\$ 115.00	11.62%
607115	Training	\$ 500.00	\$ -	0.00%	\$ -	\$ -	
608100	Contractual Services	\$ -	\$ -		\$ -	\$ -	
608105	Professional Services	\$ 6,500.00	\$ -	0.00%	\$ 1,740.00	\$ 1,740.00	100.00%
608110	Engineering Services	\$ 30,000.00	\$ 19,116.25	63.72%	\$ 29,996.71	\$ 23,192.52	77.32%
608115	Inspection Services	\$ 4,000.00	\$ -	0.00%	\$ -	\$ -	
608120	Plan Checking Services	\$ 10,000.00	\$ 2,160.00	21.60%	\$ 13,327.55	\$ 4,358.80	32.71%
608130	Temporary Help	\$ -	\$ -		\$ -	\$ -	
608155	Storm Water Monitor Program	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ 804.00	\$ 335.00	41.67%	\$ 790.00	\$ 329.17	41.67%
612115	Liability Insurance Charge	\$ 2,616.00	\$ 1,090.00	41.67%	\$ 1,686.00	\$ 702.50	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ 8,084.00	\$ 3,368.33	41.67%	\$ 6,220.00	\$ 2,591.67	41.67%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
701100	Equipment-Office	\$ -	\$ -		\$ -	\$ -	
3100	Engineering Total	\$ 137,967.85	\$ 54,150.06	39.25%	\$ 125,379.15	\$ 61,139.65	48.76%
3200	Public Facilities						
501110	Salaries-Regular	\$ 42,940.80	\$ 17,096.90	39.82%	\$ 41,907.76	\$ 16,770.20	40.02%
501115	Salaries-Overtime	\$ -	\$ 60.15		\$ 199.83	\$ 161.89	81.01%
501120	Salaries-Part Time	\$ -	\$ -		\$ -	\$ -	
502100	Retirement	\$ 3,207.88	\$ 1,281.66	39.95%	\$ 2,992.98	\$ 1,213.65	40.55%
502105	Workers Comp Insurance	\$ 7,755.71	\$ 3,231.55	41.67%	\$ 6,969.14	\$ 2,903.81	41.67%
502110	Health/Life Insurance	\$ 7,644.56	\$ 2,967.78	38.82%	\$ 7,608.17	\$ 3,108.73	40.86%
502115	Unemployment Insurance	\$ 238.70	\$ -	0.00%	\$ 154.55	\$ -	0.00%
502120	Medicare/Fica	\$ 639.98	\$ 243.67	38.07%	\$ 611.38	\$ 239.12	39.11%
602100	Special Dept Expense	\$ 1,500.00	\$ 336.78	22.45%	\$ 725.64	\$ 14.11	1.94%
602110	Office Expense	\$ 200.00	\$ 18.62	9.31%	\$ 203.20	\$ 65.81	32.39%
602130	Clothing	\$ 3,500.00	\$ 1,838.38	52.53%	\$ 2,667.14	\$ 1,467.34	55.02%
602135	Safety Equipment	\$ 100.00	\$ 69.14	69.14%	\$ 67.45	\$ -	0.00%
602140	Materials & Supplies	\$ 2,500.00	\$ 637.03	25.48%	\$ 2,349.99	\$ 849.06	36.13%
603105	Equipment Maintenance	\$ -	\$ -		\$ -	\$ -	
603110	Building Maintenance	\$ 100,000.00	\$ 41,382.53	41.38%	\$ 125,625.83	\$ 74,142.16	59.02%
603115	Sprinkler System Maintenance	\$ -	\$ -		\$ -	\$ -	
604100	Communications	\$ 23,000.00	\$ 8,126.44	35.33%	\$ 25,372.39	\$ 6,992.81	27.56%
604105	Utilities	\$ 92,500.00	\$ 40,673.27	43.97%	\$ 85,405.53	\$ 37,717.32	44.16%
605105	Perez Site Lease	\$ -	\$ -		\$ -	\$ -	
607100	Membership/Dues	\$ -	\$ -		\$ -	\$ -	
607110	Travel/Conference/Meetings	\$ -	\$ -		\$ -	\$ -	
607115	Training	\$ -	\$ -		\$ -	\$ -	
608100	Contractual Services	\$ 52,000.00	\$ 19,184.74	36.89%	\$ 57,582.01	\$ 19,418.36	33.72%
608105	Professional Services	\$ -	\$ -		\$ -	\$ -	
608130	Temporary Help	\$ -	\$ -		\$ -	\$ -	
611110	Oc Sanitation Dist User Fee	\$ 18,000.00	\$ 16,041.74	89.12%	\$ 14,911.94	\$ 14,911.94	100.00%
612105	Vehicle Replacement Charge	\$ 4,325.00	\$ 1,802.08	41.67%	\$ 4,253.00	\$ 1,772.08	41.67%
612115	Liability Insurance Charge	\$ 2,164.00	\$ 901.67	41.67%	\$ 1,496.00	\$ 623.33	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ 6,687.00	\$ 2,786.25	41.67%	\$ 5,516.00	\$ 2,298.33	41.67%

Account Number	Description	FY 19/20			FY 18/19		
		Budget	End Bal	% of Budget	Actual	YTD Balance	% of Actual
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
3200	Public Facilities Total	\$ 368,903.63	\$ 158,680.38	43.01%	\$ 386,619.93	\$ 186,189.57	48.16%
3400	Parks Maintenance						
501110	Salaries-Regular	\$ 44,784.00	\$ 17,373.54	38.79%	\$ 42,972.09	\$ 18,118.57	42.16%
501115	Salaries-Overtime	\$ -	\$ 650.37		\$ 822.57	\$ 429.94	52.27%
501120	Salaries-Part Time	\$ 7,557.58	\$ 4,796.71	63.47%	\$ 8,206.69	\$ 2,897.15	35.30%
502100	Retirement	\$ 3,463.74	\$ 1,363.67	39.37%	\$ 3,699.23	\$ 1,832.18	49.53%
502105	Workers Comp Insurance	\$ 9,462.10	\$ 3,942.54	41.67%	\$ 10,992.62	\$ 4,580.26	41.67%
502110	Health/Life Insurance	\$ 6,401.38	\$ 2,435.33	38.04%	\$ 7,463.89	\$ 3,803.71	50.96%
502115	Unemployment Insurance	\$ 455.70	\$ -	0.00%	\$ 373.34	\$ 7.98	2.14%
502120	Medicare/Fica	\$ 829.34	\$ 330.66	39.87%	\$ 582.62	\$ 326.80	56.09%
602100	Special Dept Expense	\$ 8,000.00	\$ 4,896.07	61.20%	\$ 1,860.10	\$ 4,741.69	254.92%
602125	Small Tools	\$ -	\$ -		\$ -	\$ -	
603105	Equipment Maintenance	\$ 12,000.00	\$ 2,037.89	16.98%	\$ 6,977.96	\$ 1,164.86	16.69%
603115	Sprinkler System Maintenance	\$ -	\$ -		\$ -	\$ -	
604105	Utilities	\$ 188,000.00	\$ 63,298.79	33.67%	\$ 159,906.42	\$ 66,137.95	41.36%
608100	Contractual Services	\$ 115,000.00	\$ 46,152.43	40.13%	\$ 119,388.11	\$ 44,865.00	37.58%
612105	Vehicle Replacement Charge	\$ 5,265.00	\$ 2,632.50		\$ 5,179.00	\$ 2,157.92	41.67%
612115	Liability Insurance Charge	\$ 2,625.00	\$ 1,093.75	41.67%	\$ 2,228.00	\$ 928.33	41.67%
612125	Employee Benefits	\$ 8,111.00	\$ 3,379.58	41.67%	\$ 8,217.00	\$ 3,423.75	41.67%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
3400	Parks Maintenance Total	\$ 411,954.84	\$ 154,383.84	37.48%	\$ 378,869.64	\$ 155,416.09	41.02%
3500	Street Maintenance						
501110	Salaries-Regular	\$ 99,435.00	\$ 39,069.79	39.29%	\$ 94,698.94	\$ 39,668.16	41.89%
501115	Salaries-Overtime	\$ -	\$ 1,699.65		\$ 2,572.44	\$ 1,537.04	59.75%
501120	Salaries-Part Time	\$ 4,723.49	\$ 2,997.95	63.47%	\$ 5,129.21	\$ 1,810.74	35.30%
502100	Retirement	\$ 8,683.10	\$ 3,442.00	39.64%	\$ 8,739.06	\$ 4,016.64	45.96%
502105	Workers Comp Insurance	\$ 19,809.09	\$ 8,253.79	41.67%	\$ 19,462.84	\$ 8,109.52	41.67%
502110	Health/Life Insurance	\$ 17,005.54	\$ 6,463.35	38.01%	\$ 18,402.55	\$ 8,665.74	47.09%
502115	Unemployment Insurance	\$ 748.65	\$ -	0.00%	\$ 571.67	\$ 11.98	2.10%
502120	Medicare/Fica	\$ 1,564.16	\$ 621.73	39.75%	\$ 1,373.41	\$ 628.67	45.77%
602100	Special Dept Expense	\$ 2,787.00	\$ 2,786.56	99.98%	\$ 2,956.13	\$ -	0.00%
602125	Small Tools	\$ 5,000.00	\$ 156.57	3.13%	\$ 6,827.62	\$ 1,045.98	15.32%
602140	Materials & Supplies	\$ 67,000.00	\$ 22,006.53	32.85%	\$ 48,864.44	\$ 19,101.69	39.09%
603105	Equipment Maintenance	\$ 5,000.00	\$ 887.41	17.75%	\$ 1,187.90	\$ 682.07	57.42%
608100	Contractual Services	\$ 45,000.00	\$ 19,086.30	42.41%	\$ 63,010.01	\$ 11,820.16	18.76%
608105	Professional Services	\$ -	\$ -		\$ -	\$ -	
608130	Temporary Help	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ 11,521.00	\$ 4,800.42	41.67%	\$ 11,331.00	\$ 4,721.25	41.67%
612115	Liability Insurance Charge	\$ 5,186.00	\$ 2,160.83	41.67%	\$ 3,854.00	\$ 1,605.83	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ 16,022.00	\$ 6,675.83	41.67%	\$ 14,214.00	\$ 5,922.50	41.67%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
3500	Street Maintenance Total	\$ 309,485.03	\$ 121,108.72	39.13%	\$ 303,195.22	\$ 109,347.97	36.07%
3510	Street Improvement						
501110	Salaries-Regular	\$ -	\$ -		\$ -	\$ -	
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
501120	Salaries-Part Time	\$ -	\$ -		\$ -	\$ -	
502100	Retirement	\$ -	\$ -		\$ -	\$ -	
502105	Workers Comp Insurance	\$ -	\$ -		\$ -	\$ -	
502110	Health/Life Insurance	\$ -	\$ -		\$ -	\$ -	
502115	Unemployment Insurance	\$ -	\$ -		\$ -	\$ -	
502120	Medicare/Fica	\$ -	\$ -		\$ -	\$ -	
602100	Special Dept Expense	\$ -	\$ -		\$ -	\$ -	
602125	Small Tools	\$ -	\$ -		\$ -	\$ -	
602140	Materials & Supplies	\$ -	\$ -		\$ -	\$ -	
603105	Equipment Maintenance	\$ -	\$ -		\$ -	\$ -	
608100	Contractual Services	\$ -	\$ -		\$ -	\$ -	
608105	Professional Services	\$ -	\$ -		\$ -	\$ -	
608130	Temporary Help	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ -	\$ -		\$ -	\$ -	
612115	Liability Insurance Charge	\$ -	\$ -		\$ -	\$ -	
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ -	\$ -		\$ -	\$ -	
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	

Account Number	Description	FY 19/20			FY 18/19		
		Budget	End Bal	% of Budget	Actual	YTD Balance	% of Actual
3510	Street Improvement Total	\$ -	\$ -		\$ -	\$ -	
3600	Storm Drain Maintenance						
501110	Salaries-Regular	\$ -	\$ -		\$ -	\$ -	
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
502100	Retirement	\$ -	\$ -		\$ -	\$ -	
502105	Workers Comp Insurance	\$ -	\$ -		\$ -	\$ -	
502110	Health/Life Insurance	\$ -	\$ -		\$ -	\$ -	
502115	Unemployment Insurance	\$ -	\$ -		\$ -	\$ -	
502120	Medicare/Fica	\$ -	\$ -		\$ -	\$ -	
602100	Special Dept Expense	\$ -	\$ -		\$ -	\$ -	
602125	Small Tools	\$ -	\$ -		\$ -	\$ -	
602130	Clothing	\$ -	\$ -		\$ -	\$ -	
603100	Emergency Maint Services	\$ 5,000.00	\$ -	0.00%	\$ 200.64	\$ -	0.00%
603105	Equipment Maintenance	\$ -	\$ -		\$ -	\$ -	
603120	Minor Repairs	\$ -	\$ -		\$ -	\$ -	
604105	Utilities	\$ -	\$ -		\$ -	\$ -	
608100	Contractual Services	\$ -	\$ -		\$ -	\$ -	
608105	Professional Services	\$ -	\$ -		\$ -	\$ -	
608110	Engineering Services	\$ -	\$ -		\$ -	\$ -	
608115	Inspection Services	\$ -	\$ -		\$ -	\$ -	
608155	Storm Water Monitor Program	\$ 120,000.00	\$ 15,240.07	12.70%	\$ 84,793.37	\$ 11,394.30	13.44%
612105	Vehicle Replacement Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ -	\$ -		\$ -	\$ -	
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
730100	Cctv & Line Cleaning	\$ -	\$ -		\$ -	\$ -	
3600	Storm Drain Maintenance Total	\$ 125,000.00	\$ 15,240.07	12.19%	\$ 84,994.01	\$ 11,394.30	13.41%
6300	Graffiti Abatement						
501110	Salaries-Regular	\$ -	\$ -		\$ -	\$ -	
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
501120	Salaries-Part Time	\$ -	\$ -		\$ -	\$ -	
502100	Retirement	\$ -	\$ -		\$ -	\$ -	
502105	Workers Comp Insurance	\$ -	\$ -		\$ -	\$ -	
502110	Health/Life Insurance	\$ -	\$ -		\$ -	\$ -	
502115	Unemployment Insurance	\$ -	\$ -		\$ -	\$ -	
502120	Medicare/Fica	\$ -	\$ -		\$ -	\$ -	
602100	Special Dept Expense	\$ -	\$ -		\$ -	\$ -	
602125	Small Tools	\$ -	\$ -		\$ -	\$ -	
602140	Materials & Supplies	\$ -	\$ -		\$ -	\$ -	
603105	Equipment Maintenance	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ -	\$ -		\$ -	\$ -	
612115	Liability Insurance Charge	\$ -	\$ -		\$ -	\$ -	
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ -	\$ -		\$ -	\$ -	
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
701105	Equipment-General	\$ -	\$ -		\$ -	\$ -	
800101	Transfer To General Fund	\$ -	\$ -		\$ -	\$ -	
6300	Graffiti Abatement Total	\$ -	\$ -		\$ -	\$ -	

Community Development
November 2019 General Fund Expenses (42% of year)

Account Number	Description	FY 19/20			FY 18/19		
		Budget	End Bal	% of Budget	Actual	YTD Bal	% of Budget
101							
4100	Planning						
501110	Salaries-Regular	\$ 192,667.00	\$ 51,345.69	26.65%	\$ 148,484.90	\$ 63,089.05	42.49%
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
501120	Salaries-Part Time	\$ 13,631.79	\$ 4,549.07	33.37%	\$ 1,453.48	\$ -	0.00%
501125	Salaries-Appointed	\$ 8,999.90	\$ 3,669.19	40.77%	\$ 8,065.29	\$ 3,496.11	43.35%
502100	Retirement	\$ 20,935.05	\$ 4,984.73	23.81%	\$ 16,881.50	\$ 6,963.70	41.25%
502105	Workers Comp Insurance	\$ 2,057.12	\$ 857.13	41.67%	\$ 1,731.62	\$ 721.51	41.67%
502110	Health/Life Insurance	\$ 21,408.47	\$ 7,909.04	36.94%	\$ 21,692.16	\$ 8,588.28	39.59%
502115	Unemployment Insurance	\$ 1,388.80	\$ 329.58	23.73%	\$ 1,161.80	\$ 196.23	16.89%
502120	Medicare/Fica	\$ 4,159.94	\$ 911.03	21.90%	\$ 2,408.87	\$ 1,011.68	42.00%
602101	Proj Expense	\$ -	\$ -		\$ -	\$ -	
602110	Office Expense	\$ 1,500.00	\$ (90.17)	-6.01%	\$ 1,344.88	\$ 1,029.45	76.55%
602120	Books/Periodicals	\$ 800.00	\$ -	0.00%	\$ 352.34	\$ 352.34	100.00%
602170	Water Conservation Program	\$ -	\$ -		\$ -	\$ -	
603105	Equipment Maintenance	\$ -	\$ -		\$ -	\$ -	
604100	Communications	\$ -	\$ -		\$ -	\$ -	
607100	Membership/Dues	\$ 1,600.00	\$ 603.00	37.69%	\$ 1,413.00	\$ 413.00	29.23%
607110	Travel/Conference/Meetings	\$ 2,000.00	\$ 61.00	3.05%	\$ 174.00	\$ 159.00	91.38%
607115	Training	\$ 1,000.00	\$ -	0.00%	\$ -	\$ -	
608100	Contractual Services	\$ 4,000.00	\$ -	0.00%	\$ 2,625.00	\$ -	0.00%
608105	Professional Services	\$ 70,000.00	\$ 21,416.25	30.59%	\$ 42,990.00	\$ 10,047.50	23.37%
608106	ARRA - Professional Services	\$ -	\$ -		\$ -	\$ -	
608125	Advertising/ Business Dev't	\$ -	\$ -		\$ -	\$ -	
608130	Temporary Help	\$ -	\$ -		\$ -	\$ -	
608135	Microfilming	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ 650.00	\$ 270.83	41.67%	\$ 626.00	\$ 260.83	41.67%
612115	Liability Insurance Charge	\$ 10,850.00	\$ 4,520.83	41.67%	\$ 6,400.00	\$ 2,666.67	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ 33,525.00	\$ 13,968.75	41.67%	\$ 23,606.00	\$ 9,835.83	41.67%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
4100	Planning Total	\$ 391,173.07	\$ 115,305.96	29.48%	\$ 281,410.84	\$ 108,831.18	38.67%
4200	Building Regulation						
501110	Salaries-Regular	\$ 56,081.78	\$ 20,685.45	36.88%	\$ 39,903.73	\$ 9,611.08	24.09%
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
501120	Salaries-Part Time	\$ -	\$ -		\$ -	\$ -	
502100	Retirement	\$ 4,660.34	\$ 1,487.65	31.92%	\$ 4,072.30	\$ 1,524.67	37.44%
502105	Workers Comp Insurance	\$ 546.54	\$ 227.73	41.67%	\$ 537.72	\$ 224.05	41.67%
502110	Health/Life Insurance	\$ 8,507.43	\$ 3,471.82	40.81%	\$ 6,141.96	\$ 1,126.11	18.33%
502115	Unemployment Insurance	\$ 455.70	\$ -	0.00%	\$ 427.26	\$ -	0.00%
502120	Medicare/Fica	\$ 822.84	\$ 303.74	36.91%	\$ 712.34	\$ 249.00	34.96%
602100	Special Dept Expense	\$ -	\$ -		\$ -	\$ -	
602110	Office Expense	\$ 1,500.00	\$ 177.57	11.84%	\$ 1,788.04	\$ 326.93	18.28%
602120	Books/Periodicals	\$ 400.00	\$ 75.58	18.90%	\$ 79.88	\$ -	0.00%
603105	Equipment Maintenance	\$ -	\$ -		\$ -	\$ -	
607100	Membership/Dues	\$ -	\$ -		\$ 135.00	\$ -	0.00%
607105	Mileage Reimbursement	\$ -	\$ -		\$ -	\$ -	
607110	Travel/Conference/Meetings	\$ -	\$ -		\$ -	\$ -	
607115	Training	\$ 1,000.00	\$ 299.00	29.90%	\$ 100.00	\$ -	0.00%
608100	Contractual Services	\$ -	\$ -		\$ -	\$ -	
608115	Inspection Services	\$ 350,000.00	\$ 120,713.56	34.49%	\$ 418,807.41	\$ 189,642.40	45.28%
608120	Plan Checking Services	\$ -	\$ -		\$ -	\$ -	
608125	Advertising/ Business Dev't	\$ -	\$ -		\$ -	\$ -	
608135	Microfilming	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ 33.00	\$ 13.75	41.67%	\$ 31.00	\$ 12.92	41.67%
612115	Liability Insurance Charge	\$ 2,826.00	\$ 1,177.50	41.67%	\$ 2,099.00	\$ 874.58	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	

Account Number	Description	FY 19/20			FY 18/19		
		Budget	End Bal	% of Budget	Actual	YTD Bal	% of Budget
612125	Employee Benefits	\$ 8,733.00	\$ 3,638.75	41.67%	\$ 7,742.00	\$ 3,225.83	41.67%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
4200	Building Regulation Total	\$ 435,566.63	\$ 152,272.10	34.96%	\$ 482,577.64	\$ 206,817.57	42.86%
4400							
4400	Business Relations						
501110	Salaries-Regular	\$ -	\$ -		\$ -	\$ -	
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
502100	Retirement	\$ -	\$ -		\$ -	\$ -	
502105	Workers Comp Insurance	\$ -	\$ -		\$ -	\$ -	
502110	Health/Life Insurance	\$ -	\$ -		\$ -	\$ -	
502115	Unemployment Insurance	\$ -	\$ -		\$ -	\$ -	
502120	Medicare/Fica	\$ -	\$ -		\$ -	\$ -	
602110	Office Expense	\$ -	\$ -		\$ -	\$ -	
602120	Books/Periodicals	\$ -	\$ -		\$ -	\$ -	
607100	Membership/Dues	\$ -	\$ -		\$ -	\$ -	
607110	Travel/Conference/Meetings	\$ -	\$ -		\$ -	\$ -	
607115	Training	\$ -	\$ -		\$ -	\$ -	
608105	Professional Services	\$ -	\$ -		\$ -	\$ -	
608125	Advertising/ Business Dev't	\$ -	\$ -		\$ -	\$ -	
610210	Business Relations Programs	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ -	\$ -		\$ -	\$ -	
612115	Liability Insurance Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ -	\$ -		\$ -	\$ -	
4400	Business Relations	\$ -	\$ -		\$ -	\$ -	
102							
4400	Business Relations						
501110	Salaries-Regular	\$ 41,154.84	\$ 2,215.12	5.38%	\$ 37,842.71	\$ 15,050.14	39.77%
502100	Retirement	\$ 6,589.82	\$ 368.53	5.59%	\$ 6,013.28	\$ 2,378.79	39.56%
502105	Workers Comp Insurance	\$ 378.66	\$ 157.78	41.67%	\$ 811.32	\$ 338.05	41.67%
502110	Health/Life Insurance	\$ 494.76	\$ 29.90	6.04%	\$ 519.46	\$ 227.29	43.76%
502115	Unemployment Insurance	\$ 108.50	\$ -	0.00%	\$ 71.76	\$ -	0.00%
502120	Medicare/Fica	\$ 645.04	\$ 85.51	13.26%	\$ 617.39	\$ 226.86	36.75%
602110	Office Expense	\$ 1,500.00	\$ -	0.00%	\$ 1,115.54	\$ -	0.00%
602120	Books/Periodicals	\$ 400.00	\$ -	0.00%	\$ 99.00	\$ -	0.00%
607100	Membership/Dues	\$ 4,000.00	\$ 275.00	6.88%	\$ 768.00	\$ 570.00	74.22%
607110	Travel/Conference/Meetings	\$ 4,000.00	\$ 190.00	4.75%	\$ 880.00	\$ 130.00	14.77%
607115	Training	\$ 2,000.00	\$ -	0.00%	\$ -	\$ -	
608105	Professional Services	\$ 70,000.00	\$ -	0.00%	\$ 17,118.16	\$ 4,800.00	28.04%
608125	Advertising/ Business Dev't	\$ 15,000.00	\$ 200.00	1.33%	\$ 13,297.81	\$ 380.00	2.86%
610210	Business Relations Programs	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ 715.00	\$ 297.92	41.67%	\$ 689.00	\$ 287.08	41.67%
612115	Liability Insurance Charge	\$ 2,074.00	\$ 864.17	41.67%	\$ 3,004.00	\$ 1,251.67	41.67%
612125	Employee Benefits	\$ 6,408.00	\$ 2,670.00	41.67%	\$ 11,079.00	\$ 4,616.25	41.67%
4400	Business Relations	\$ 155,468.62	\$ 7,353.92	4.73%	\$ 93,926.43	\$ 30,256.13	32.21%

Community Service - Bobadilla
November 2019 General Fund Expenses (42% of year)

Account Number	Description	FY 19/20			FY 18/19		
		Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
101							
5100	Parks and Recreation						
501110	Salaries-Regular	\$ 318,560.24	\$ 120,793.52	37.92%	\$ 241,548.87	\$ 86,485.56	35.80%
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
501120	Salaries-Part Time	\$ 22,208.58	\$ 23,766.13	107.01%	\$ 39,338.98	\$ 17,696.24	44.98%
501125	Salaries-Appointed	\$ -	\$ -		\$ -	\$ -	
502100	Retirement	\$ 28,770.43	\$ 11,570.11	40.22%	\$ 21,839.03	\$ 8,527.40	39.05%
502105	Workers Comp Insurance	\$ 4,247.60	\$ 3,179.77	74.86%	\$ 5,268.06	\$ 2,195.03	41.67%
502110	Health/Life Insurance	\$ 43,530.73	\$ 15,371.31	35.31%	\$ 33,405.89	\$ 14,126.46	42.29%
502115	Unemployment Insurance	\$ 2,712.50	\$ 216.54	7.98%	\$ 2,485.69	\$ 520.90	20.96%
502120	Medicare/Fica	\$ 5,502.63	\$ 2,087.13	37.93%	\$ 4,065.51	\$ 1,506.41	37.05%
602100	Special Dept Expense	\$ 7,727.00	\$ 2,236.37	28.94%	\$ 9,127.54	\$ 2,568.33	28.14%
602101	Proj Expense	\$ -	\$ -		\$ -	\$ -	
602110	Office Expense	\$ 3,184.00	\$ 1,070.71	33.63%	\$ 2,981.64	\$ 1,054.57	35.37%
602150	Recreation Brochure Mailing	\$ 32,000.00	\$ 15,798.96	49.37%	\$ 31,929.43	\$ 7,261.26	22.74%
603105	Equipment Maintenance	\$ 200.00	\$ -	0.00%	\$ 157.05	\$ -	0.00%
603110	Building Maintenance	\$ 10,400.00	\$ 1,800.00	17.31%	\$ 5,175.00	\$ 1,800.00	34.78%
604100	Communications	\$ -	\$ -		\$ -	\$ -	
604105	Utilities	\$ -	\$ -		\$ -	\$ -	
604110	Street Lighting	\$ -	\$ -		\$ -	\$ -	
604115	Ross Field Lighting	\$ -	\$ -		\$ -	\$ -	
605100	Land Lease	\$ 3,520.00	\$ -	0.00%	\$ 9,276.58	\$ 5,785.58	62.37%
606100	Special Event Insurance	\$ -	\$ -		\$ 8,751.00	\$ 3,313.00	37.86%
607100	Membership/Dues	\$ 850.00	\$ 165.00	19.41%	\$ 360.00	\$ -	0.00%
607105	Mileage Reimbursement	\$ -	\$ -		\$ -	\$ -	
607110	Travel/Conference/Meetings	\$ -	\$ -		\$ -	\$ -	
607115	Training	\$ 1,500.00	\$ 1,525.00	101.67%	\$ 2,179.74	\$ 5.09	0.23%
608100	Contractual Services	\$ -	\$ -		\$ 24,553.37	\$ 6,885.44	28.04%
608105	Professional Services	\$ -	\$ -		\$ 5,038.41	\$ 5,038.41	100.00%
608130	Temporary Help	\$ -	\$ -		\$ -	\$ -	
608150	Contractual Recreation Progm	\$ 20,000.00	\$ 6,164.03	30.82%	\$ 19,921.00	\$ 7,058.80	35.43%
609100	Special Events	\$ 6,645.00	\$ 4,474.93	67.34%	\$ 15,510.60	\$ (97.64)	-0.63%
609115	Excursions	\$ 900.00	\$ 542.56	60.28%	\$ 962.08	\$ -	0.00%
609125	Employee/Volunteer Recognitn	\$ -	\$ -		\$ -	\$ -	
609200	Sr Citizen Program	\$ 2,500.00	\$ 51.54		\$ 16.00	\$ -	0.00%
609210	Youth Committee	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ 7,857.00	\$ 3,273.75	41.67%	\$ 7,721.00	\$ 3,217.08	41.67%
612115	Liability Insurance Charge	\$ 15,360.00	\$ 7,401.25	48.19%	\$ 12,536.00	\$ 5,223.33	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ 47,460.00	\$ 22,868.33	48.18%	\$ 46,238.00	\$ 19,265.83	41.67%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
702105	Furniture- General	\$ -	\$ -		\$ -	\$ -	
5100	Parks and Recreation Total	\$ 585,635.71	\$ 244,356.94	41.73%	\$ 550,386.47	\$ 199,437.09	36.24%
5200	Community Services Ctr (Beach)						
501110	Salaries-Regular	\$ -	\$ -		\$ -	\$ -	
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
501120	Salaries-Part Time	\$ 10,405.29	\$ 3,727.10	35.82%	\$ 9,080.91	\$ 3,539.37	38.98%
502100	Retirement	\$ -	\$ -		\$ -	\$ -	
502105	Workers Comp Insurance	\$ 537.79	\$ 224.08	41.67%	\$ 535.58	\$ 223.16	41.67%
502110	Health/Life Insurance	\$ -	\$ -		\$ -	\$ -	
502115	Unemployment Insurance	\$ 282.10	\$ -	0.00%	\$ 186.50	\$ -	0.00%
502120	Medicare/Fica	\$ 243.97	\$ 56.28	23.07%	\$ 137.38	\$ 53.58	39.00%
602100	Special Dept Expense	\$ 2,820.00	\$ 1,341.54	47.57%	\$ 3,858.01	\$ 1,043.57	27.05%
602110	Office Expense	\$ 2,000.00	\$ 408.20	20.41%	\$ 1,924.63	\$ 278.60	14.48%
602150	Recreation Brochure Mailing	\$ -	\$ -		\$ -	\$ -	
603105	Equipment Maintenance	\$ 200.00	\$ 22.63	11.32%	\$ 199.54	\$ -	0.00%

Account Number	Description	FY 19/20			FY 18/19		
		Budget	End Bal	% of Budget	Actual	YTD Bal	% of Actual
603110	Building Maintenance	\$ 42,200.00	\$ 1,801.40	4.27%	\$ 7,192.13	\$ 2,228.45	30.98%
604100	Communications	\$ -	\$ -		\$ -	\$ -	
604105	Utilities	\$ 10,200.00	\$ 2,379.31	23.33%	\$ 10,078.15	\$ 2,526.76	25.07%
606100	Special Event Insurance	\$ -	\$ -		\$ -	\$ -	
607100	Membership/Dues	\$ -	\$ -		\$ -	\$ -	
607105	Mileage Reimbursement	\$ -	\$ -		\$ -	\$ -	
607110	Travel/Conference/Meetings	\$ -	\$ -		\$ -	\$ -	
608100	Contractual Services	\$ -	\$ -		\$ -	\$ -	
608150	Contractual Recreation Progm	\$ -	\$ -		\$ -	\$ -	
609100	Special Events	\$ -	\$ -		\$ -	\$ -	
609125	Employee/Volunteer Recognitn	\$ -	\$ -		\$ -	\$ -	
609200	Sr Citizen Program	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ 423.00	\$ 176.25	41.67%	\$ 407.00	\$ 169.58	41.67%
612115	Liability Insurance Charge	\$ 524.00	\$ 218.33	41.67%	\$ 357.00	\$ 148.75	41.67%
612120	Workers' Compensation Charge	\$ -	\$ -		\$ -	\$ -	
612125	Employee Benefits	\$ 1,620.00	\$ 675.00	41.67%	\$ 1,317.00	\$ 548.75	41.67%
612200	Allocated Costs	\$ -	\$ -		\$ -	\$ -	
5200	Community Services Ctr (Beach)	\$ 71,456.15	\$ 11,030.13	15.44%	\$ 35,273.83	\$ 10,760.57	30.51%
5300	Stanton Central Park						
501110	Salaries-Regular	\$ 41,500.00	\$ 9,691.41	23.35%			
501120	Salaries-Part Time	\$ 113,654.00	\$ 49,730.33	43.76%	\$ 132,187.58	\$ 51,996.02	39.34%
502105	Workers Comp Insurance	\$ 7,106.94	\$ 2,961.23	41.67%	\$ 7,724.32	\$ 3,218.47	41.67%
502115	Unemployment Insurance	\$ 3,038.00	\$ 294.65	9.70%	\$ 2,494.59	\$ 164.58	6.60%
502120	Medicare/Fica	\$ 2,991.24	\$ 921.80	30.82%	\$ 1,975.62	\$ 772.70	39.11%
602100	Special Dept Expense	\$ 4,000.00	\$ 368.94	9.22%	\$ 3,854.95	\$ 328.73	8.53%
602110	Office Expense	\$ 2,000.00	\$ 73.96	3.70%	\$ 2,225.24	\$ -	0.00%
603105	Equipment Maintenance	\$ -	\$ -		\$ -	\$ -	
604105	Utilities	\$ 6,000.00	\$ 288.53	4.81%	\$ 5,361.65	\$ 1,335.89	24.92%
606100	Special Event Insurance	\$ -	\$ -		\$ -	\$ -	
608150	Contractual Recreation Progm	\$ -	\$ -		\$ -	\$ -	
609100	Special Events	\$ -	\$ -		\$ -	\$ -	
612105	Vehicle Replacement Charge	\$ -	\$ -		\$ -	\$ -	
612115	Liability Insurance Charge	\$ 6,912.00	\$ 2,880.00	41.67%	\$ 5,076.00	\$ 2,115.00	41.67%
612125	Employee Benefits	\$ 21,357.00	\$ 8,898.75	41.67%	\$ 18,721.00	\$ 7,800.42	41.67%
5300	Stanton Central Park	\$ 208,559.18	\$ 76,109.60	36.49%	\$ 179,620.95	\$ 67,731.80	37.71%
102							
5100	Parks and Recreation						
501115	Salaries-Overtime	\$ -	\$ -		\$ -	\$ -	
501120	Salaries-Part Time	\$ -	\$ 491.85		\$ 18,624.55	\$ 7,817.84	41.98%
502105	Workers Comp Insurance	\$ -	\$ -		\$ 1,460.06	\$ 608.36	41.67%
502110	Health/Life Insurance	\$ -	\$ -		\$ -	\$ -	
502115	Unemployment Insurance	\$ -	\$ -		\$ 748.19	\$ 375.27	50.16%
502120	Medicare/Fica	\$ -	\$ 7.13		\$ 269.99	\$ 113.33	41.98%
602140	Materials & Supplies	\$ -	\$ -		\$ -	\$ -	
612115	Liability Insurance Charge	\$ -	\$ -		\$ 935.00	\$ 389.58	41.67%
612125	Employee Benefits	\$ -	\$ -		\$ 3,448.00	\$ 1,436.67	41.67%
5100	Parks and Recreation	\$ -	\$ 498.98		\$ 25,485.79	\$ 10,741.05	42.15%

CITY OF STANTON

REPORT TO CITY COUNCIL

TO: Honorable Mayor and Members of the City Council

DATE: December 10, 2019

SUBJECT: APPROVAL OF CONTRACT WITH COUNTY OF ORANGE TO PROVIDE MUNICIPAL SERVICES

REPORT IN BRIEF:

The County of Orange performs various Municipal Services for cities within Orange County. Staff believes that contracting with the County of Orange for a variety of services, generally within the Public Works field, will result in cheaper prices and a greater depth of resources in the event of an emergency.

RECOMMENDED ACTION:

That the City Council:

1. Declare this project to be categorically exempt under the California Environmental Quality Act, Class 1, Section 15301c; and
2. Approve the attached contract with County of Orange for Municipal Services.

BACKGROUND:

Public Works functions in the City are performed with City staff and contractors. A recent sinkhole left staff in a precarious position as it could not be resolved with resources immediately available to staff. Contact was made with the County of Orange (County) to explore how they might help in future situations such as this.

ANALYSIS/JUSTIFICATION:

The County has provided the City with a contract to provide recurring, emergency, and urgent work. These are defined as follows:

- Recurring services are those performed on a routine, repetitive basis. This would include items such as concrete replacement, striping, and guardrail repair. This would allow staff to have these types of work done without a competitive bid process and at a cheaper price.

- Emergency work is for work done due to a declared emergency. This could include road and utility repairs due to an earthquake.
- Urgent work is for unforeseen work that is not due to an event that has been declared an emergency. This could include repair to a roadway that has collapsed.

Staff has estimated that a combination of work performed by the County would be \$100,000 annually. This would primarily consist of concrete sidewalk replacement, asphalt paving, striping, and guardrail repair. As the proposed term of the agreement is three years, the maximum amount per this contract is \$300,000. Urgent and emergency work could exceed this amount if these services are requested.

FISCAL IMPACT:

The cost of the County's contract is for work currently and typically budgeted by the City.

ENVIRONMENTAL IMPACT:

This project to be categorically exempt under the California Environmental Quality Act, Class 1, Section 15301c.

LEGAL REVIEW:

The City Attorney's office has reviewed the contract.

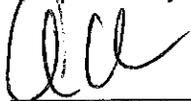
PUBLIC NOTIFICATION:

Notifications and advertisement were performed as prescribed by law.

STRATEGIC PLAN OBJECTIVE ADDRESSED:

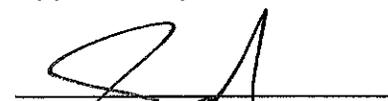
3 – Provide a high quality infrastructure

Prepared by:



Allan Rigg, P.E., AICP
Director of Public Works/City Engineer

Approved by:



Jarad Hildenbrand
City Manager

Attachment:

- 1) Cooperative Services Agreement

COOPERATIVE SERVICES AGREEMENT

BETWEEN

THE COUNTY OF ORANGE AND THE CITY OF STANTON

This AGREEMENT, made and entered into by and between the City of Stanton, a municipal corporation located within the County of Orange, State of California, hereinafter referred to as “AGENCY”, and the County of Orange, a political subdivision of the State of California, hereinafter referred to as “COUNTY”. AGENCY and COUNTY shall sometimes be referred to individually as “PARTY” or collectively as “PARTIES”.

RECITALS

WHEREAS, pursuant to California Government Code section 54981, the legislative body of any local agency may contract with any other local agency for the performance by the latter of municipal services or functions within the territory of the former, and

WHEREAS, such services or functions may include performance of public projects in accordance with California Public Contract Code section 22032(a), which provides that public projects of sixty thousand dollars (\$60,000) or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order.

WHEREAS, the PARTIES mutually desire to serve the citizens of Orange County by providing a safe environment and enhanced quality of life through improvements to, and maintenance of, public infrastructure; and

WHEREAS, AGENCY wishes to contract with COUNTY for the performance of various municipal services or functions as more specifically described in Attachment “A” herein referred to as “SERVICES”; and

WHEREAS, COUNTY is willing to provide these SERVICES to AGENCY in accordance with the terms, conditions and provisions of this AGREEMENT;

NOW, THEREFORE, AGENCY and COUNTY mutually agree as follows:

GENERAL PROVISIONS

SECTION I – PURPOSE AND DEFINITIONS

A. PURPOSE:

The PARTIES are entering into this AGREEMENT pursuant to authority granted by California Government Code § 54981 to establish the terms, conditions and provisions upon which AGENCY may request COUNTY to perform SERVICES on the AGENCY’s behalf, including but not limited to performance of public projects in accordance with California Public Contract Code § 22032(a). The COUNTY may use either COUNTY staff or contractors as the COUNTY deems appropriate. All COUNTY staff and contractors utilized to perform SERVICES will work under COUNTY’s direction and supervision.

B. DEFINITIONS

1. “AGENCY” shall mean the City of Stanton, a municipal corporation.
2. “AGENCY MANAGER” shall mean the AGENCY’s Public Works Director/City Engineer, or authorized designee.
3. “AGREEMENT CAPACITY” shall mean the maximum aggregate dollar value of all SERVICES that may be provided by COUNTY to AGENCY under this AGREEMENT.
4. “BILLING SCHEDULE” is the component of a WORK ORDER that describes the time and manner in which AGENCY shall pay COUNTY for SERVICES provided under that WORK ORDER.

5. "COUNTY" shall mean the County of Orange, a political subdivision of the State of California.
6. "COUNTY RESOURCES" shall mean the COUNTY personnel or contractors that may be used to provide AGENCY with SERVICES under this AGREEMENT. The COUNTY may utilize any combination of COUNTY staff or contractors as the COUNTY deems appropriate to provide the requested SERVICES.
7. "DIRECTOR" shall mean the Director, OC Public Works, or authorized designee.
8. "EFFECTIVE DATE" shall be the date that both PARTIES execute this AGREEMENT.
9. "EMERGENCY" for the limited purposes of this AGREEMENT, shall mean the following: (a) when the COUNTY's Chief Executive Officer determines that there is an immediate danger to life, safety and property of contracting AGENCY, its citizens, or the citizens of the COUNTY requiring the performance of EMERGENCY WORK; and/or (b) when the AGENCY's legislative body or authorized officer declares an emergency pursuant to the applicable provisions of the Government Code; and/or (c) when the COUNTY's Board of Supervisors or authorized COUNTY officer declares an emergency pursuant to Government Code section 8630, et seq.; and/or (d) when the State or Federal Government, or both, declare an emergency for the geographic area encompassing all or part of the AGENCY's jurisdiction.
10. "EMERGENCY WORK" is work or services that the AGENCY may require that occurs due to an EMERGENCY and exceeds the dollar value limits for ONE-TIME SERVICES.

11. A "JOB ORDER CONTRACT" is a COUNTY contract for the provision of repair, remodeling, or other repetitive work done according to unit prices pursuant to Public Contract Code section 20128.5.
12. "ONE-TIME SERVICES" are SERVICES provided by COUNTY under this AGREEMENT may be utilized for a specific project, including new construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any AGENCY-owned, leased, or operated facility, and the painting or repainting of any AGENCY-owned, leased, or operated facility. ONE-TIME SERVICES do not include work that is properly classified as RECURRING SERVICES.
13. "PARTY" or "PARTIES" shall mean either or collectively the AGENCY or COUNTY.
14. A "QUALIFIED VENDOR LIST" is a COUNTY-maintained list of potential contractors who may provide either services architecture or engineering services that was assembled by the COUNTY through the Request for Qualification process.
15. "RATE SHEET" shall mean the rate sheet for all SERVICES that COUNTY may provide under this AGREEMENT, prepared by the COUNTY upon execution of this AGREEMENT. The RATE SHEET, along with a brief description of the types of work that may be performed under this AGREEMENT, shall constitute Attachment "A" to this AGREEMENT.
16. "RECURRING SERVICES" are SERVICES that are performed on a routine, repetitive basis within a given time period.
17. "SCOPE OF WORK" is a detailed description of the SERVICES and the manner in which they will be provided.

18. "SERVICES" shall mean the routine, recurring services, or one-time projects, provided to AGENCY by COUNTY under the terms of this AGREEMENT, and shall more explicitly be defined in Attachment "A" hereto.
19. A "STOP WORK ORDER NOTICE" shall mean a written notice by the COUNTY to the AGENCY, immediately stopping or cancelling all or any part of a WORK ORDER.
20. "URGENT WORK" is unforeseen work that AGENCY may periodically require to be performed on an urgent, but is not an EMERGENCY, basis, which may exceed the dollar value limits applicable to ONE-TIME SERVICES. This URGENT WORK may include either provision of services, or the performance of repair work.
21. A "WORK ORDER" shall be a document created collaboratively by the AGENCY and COUNTY for the purpose of describing and ordering the time, manner and duration in which the COUNTY provides AGENCY with SERVICES under this AGREEMENT. A WORK ORDER shall consist of a SCOPE OF WORK, Estimated Timeline for performance of the SERVICES, Cost Estimate for performing the SERVICES, and BILLING SCHEDULE describing the time and manner in which AGENCY shall pay COUNTY for SERVICES provided thereunder. Once approved by the AGENCY MANAGER, a WORK ORDER shall incorporated into this AGREEMENT as an Exhibit to Attachment A.

SECTION II – ADMINISTRATION OF AGREEMENT

A. PARTIES' REPRESENTATIVES: AGENCY MANAGER shall be AGENCY's representative in all matters pertaining to this AGREEMENT and will act as liaison between AGENCY and COUNTY and coordinate the activities of AGENCY staff assigned to work with COUNTY staff to implement the terms of this AGREEMENT.

COUNTY'S DIRECTOR shall be authorized to act as COUNTY's representative in all matters pertaining to this AGREEMENT, and shall act as liaison between AGENCY and COUNTY and coordinate the activities of COUNTY staff assigned to work with AGENCY staff to implement the terms of this AGREEMENT.

B. PROVISION OF SERVICES:

The PARTIES agree that:

1. AGENCY may request COUNTY to provide SERVICES of the types described in Section III at any time; and
2. Subject to the availability of COUNTY RESOURCES and the limitations of Paragraph 4 herein below, COUNTY may provide SERVICES when requested by AGENCY; and
3. All COUNTY RESOURCES utilized to perform SERVICES will work under COUNTY's direction and supervision; and
4. If COUNTY RESOURCES are unavailable for whatever reason as determined by the DIRECTOR, or the DIRECTOR determines that provision of the SERVICES requested by AGENCY would not be in the COUNTY's best interest or would impair the COUNTY's ability to provide government services of any type in areas outside the AGENCY's jurisdiction, COUNTY may decline to provide the requested SERVICES at no penalty to the COUNTY.
5. If COUNTY agrees to provide SERVICES requested by AGENCY, COUNTY, in collaboration with AGENCY, will prepare a WORK ORDER for approval of AGENCY MANAGER. Upon approval by AGENCY MANAGER, an approved WORK ORDER shall become part of the AGREEMENT between the PARTIES as described in Section VII(C) herein; provided, however, WORK ORDERS may not materially change the terms this AGREEMENT or

any Attachments, but rather may only specify the times, manner and total cost particular SERVICES to be provided under this AGREEMENT.

Upon obtaining AGENCY's approval of a WORK ORDER, COUNTY will perform or cause to be performed the requested SERVICES and shall invoice the AGENCY in the manner described in Section III.

6. The COUNTY may, at any time, by written STOP WORK ORDER NOTICE to the AGENCY, immediately stop or cancel all or any part of a WORK ORDER, for a period of 90 days after the STOP WORK ORDER NOTICE is delivered to the AGENCY and for any further period to which the Parties may agree. Within a period of 90 days after a STOP WORK ORDER NOTICE is delivered to the AGENCY, or within any period to which the Parties shall have agreed, the COUNTY shall either:

- a. Cancel the STOP WORK ORDER NOTICE; or
- b. Cancel the WORK ORDER immediately in whole or in part in writing as soon as feasible.

C. AGREEMENT CAPACITY: The AGREEMENT CAPACITY shall be \$300,000.00. If the PARTIES agree to execute an Extension pursuant to Section VII(A) below, the PARTIES may further agree to increase the AGREEMENT CAPACITY by an amount not to exceed 15% of the original AGREEMENT CAPACITY.

SECTION III - SERVICES

A. WARRANTIES BY AGENCY: Agency warranties, promises and agrees as follows:

1. The SERVICES ordered by AGENCY and provided under this AGREEMENT do not violate the force account limits applicable to AGENCY.

2. The AGENCY will not order any SERVICES that would violate any statutory or contractual obligation of AGENCY.

B. DEFINITION OF SERVICES: The COUNTY may provide the following types of SERVICES to the AGENCY in the following manner:

1. RECURRING SERVICES: AGENCY may request, and COUNTY may provide, RECURRING SERVICES of the following types:

- a. Maintenance work as described in Public Contract Code section 22002(d)
- b. Architect or engineering services provided by COUNTY on-call contractors.

2. ONE-TIME SERVICES: AGENCY may request, and COUNTY may provide, ONE-TIME SERVICES.

C. LIMITS ON THE PROVISION OF SERVICES: SERVICES may be provided AGENCY in the following manner:

1. Delivery of RECURRING SERVICES: RECURRING SERVICES may be provided by COUNTY to AGENCY utilizing COUNTY personnel or contractors, except that (a) JOB ORDER CONTRACTS shall not be used to provide RECURRING SERVICES; (b) architect and engineering services can only be provided to AGENCY (i) using COUNTY contractors, and not COUNTY personnel, (ii) if such architect and engineering contractors agree in writing to provide to AGENCY all such contractual defense, indemnification and insurance provisions they are contractually obligated to provide to COUNTY, and (iii) if such architect and engineering contractors agree in writing to obtain and comply with all permits required by the applicable permitted authority; and (c) COUNTY shall not procure contracts for the sole benefit of AGENCY, but may use existing on-call contracts, provided, however, that

this limitation shall not prohibit the COUNTY from entering into a contract with a vendor on an active COUNTY QUALIFIED VENDOR LIST to provide SERVICES to AGENCY. The aggregate cost of RECURRING SERVICES provided to AGENCY may be in any amount up to the AGREEMENT CAPACITY.

2. Delivery of ONE-TIME SERVICES: ONE-TIME SERVICES may be provided by COUNTY to AGENCY utilizing COUNTY personnel or contractors, except that (a) JOB ORDER CONTRACTS shall not be used to provide ONE-TIME SERVICES; (b) architect and engineering services can only be provided to AGENCY (i) using COUNTY contractors, and not COUNTY personnel, (ii) if such architect and engineering contractors agree in writing to provide to AGENCY all such contractual defense, indemnification and insurance provisions they are contractually obligated to provide to COUNTY, and (iii) if such architect and engineering contractors agree in writing to obtain and comply with all permits required by the applicable permitted authority; (c) COUNTY shall not procure contracts for the sole benefit of AGENCY provided, however, that this limitation shall not prohibit the COUNTY from entering into a contract with a vendor on an active COUNTY QUALIFIED VENDOR LIST to provide SERVICES to AGENCY; and (d) the maximum value of ONE-TIME SERVICES for the performance of a public project, if applicable and as defined in Public Contract Code section 22002(c), shall not exceed the limits set forth in Public Contract Code section 22032(a) or \$60,000 per project, whichever is the greater. Neither COUNTY nor AGENCY shall use this AGREEMENT to engage in project splitting in violation of law, or in violation of applicable COUNTY or AGENCY policy.

D. ORDERING SERVICES: RECURRING SERVICES and ONE-TIME SERVICES may be ordered by the drafting of a WORK ORDER. The WORK ORDER, as part

of the SCOPE OF WORK, shall also memorialize the AGENCY's completion of any necessary environmental review, and shall specify which PARTY is responsible for obtaining necessary permits.

The PARTIES shall collaborate in the drafting of all WORK ORDER. No WORK ORDER shall be effective until signed by both the AGENCY MANAGER and DIRECTOR or designee. Once effective, WORK ORDERS shall amend and become part of this AGREEMENT, except that WORK ORDERS may not change the terms of the General Provisions or any Attachments. No WORK ORDER shall result in the expenditure of any funds or provision of any SERVICES that would exceed the AGREEMENT CAPACITY. No WORK ORDER shall have a period of performance that exceeds the TERM of this AGREEMENT.

E. COST OF SERVICES: Cost Estimates for SERVICES provided under this AGREEMENT shall be drafted according to the RATE SHEET prepared by COUNTY. The RATE SHEET shall be prepared and updated annually by the COUNTY, in the manner authorized by the COUNTY's Board of Supervisors, during the TERM of this AGREEMENT, and shall be made part of this AGREEMENT as Attachment "A" and incorporated herein by reference once prepared by the COUNTY and provided to AGENCY. The COUNTY may also provide SERVICES using contracts awarded by, or pursuant to the delegated authority of, the COUNTY's Board of Supervisors. In the event that the COUNTY provides SERVICES using these contracts, the cost shall be that set forth in the respective contract, plus the added rate set forth in the RATE SHEET for any COUNTY labor used in administering or procuring those contracts.

F. URGENT WORK: From time to time, AGENCY may require the COUNTY to provide URGENT WORK under this AGREEMENT.

1. URGENT WORK may only be performed when authorized by, and at the discretion and direction of, the COUNTY's Chief Executive Officer. URGENT WORK is defined as work that AGENCY demonstrates is necessary to prevent a potential threat to the life, safety, or property of the citizens of the County of Orange were such URGENT WORK not to be performed, but where such circumstances do not yet constitute an EMERGENCY as defined in this AGREEMENT.

2. URGENT WORK is limited to activities as the AGENCY and COUNTY agree are reasonably necessary to prevent an EMERGENCY (as defined in this AGREEMENT) from occurring. The scope of URGENT WORK that may be provided by any single WORK ORDER under this AGREEMENT shall only be that which is necessary to mitigate the potential threat of an EMERGENCY developing. Once the threat of an EMERGENCY developing is mitigated, any further repair work necessary for complete reconstruction of AGENCY facilities or property shall be delivered as ONE-TIME SERVICES or by separate contract.

3. URGENT WORK shall be ordered by WORK ORDER.

4. URGENT WORK may be delivered using JOB ORDER CONTRACTS; provided, however, that the total amount of URGENT WORK delivered by JOB ORDER CONTRACT shall not exceed the lesser of \$250,000 or the remaining amount of the AGREEMENT CAPACITY per WORK ORDER for URGENT WORK.

5. URGENT WORK shall be billed to AGENCY in the same manner as that of SERVICES provided under this AGREEMENT.

G. EMERGENCY WORK: From time to time, the AGENCY may require the performance of “EMERGENCY WORK”.

1. EMERGENCY WORK shall only be performed in the event of an Emergency.
2. EMERGENCY WORK shall be ordered by WORK ORDER.
3. EMERGENCY WORK may be performed either by COUNTY personnel or COUNTY contractors, or both, as is determined necessary by the DIRECTOR and the COUNTY’s Chief Executive Officer. EMERGENCY WORK may be performed by COUNTY JOB ORDER CONTRACT Contractors under existing COUNTY JOB ORDER CONTRACT.
4. EMERGENCY WORK shall be billed to AGENCY in the same manner as that of SERVICES provided under this AGREEMENT.
5. The scope of EMERGENCY WORK that may be provided under this AGREEMENT shall only be that which is necessary to mitigate the threat of the EMERGENCY to the health, safety and welfare of the citizens of the County of Orange, COUNTY-owned infrastructure or facilities, or infrastructure or facilities owned or operated by other public entities located within the County of Orange. Once the EMERGENCY is mitigated, any further repair work necessary for complete reconstruction of AGENCY facilities or property shall be delivered as ONE-TIME SERVICES or by separate contract.
6. The value of all EMERGENCY WORK provided under this AGREEMENT shall not exceed the AGREEMENT CAPACITY.

SECTION IV– BILLING AND INVOICING

COUNTY shall submit invoice(s) to AGENCY for SERVICES provided. The invoiced amount shall reflect the agreed upon costs and fees set in the manner authorized by the

COUNTY's Board of Supervisors or as set forth in a contractor awarded by, or pursuant to authority delegated by, the COUNTY's Board of Supervisors. All amounts invoiced to AGENCY shall reasonably reflect COUNTY's actual costs for providing those SERVICES to AGENCY in accordance with applicable COUNTY Revenue Policy.

AGENCY shall pay all invoices sent by COUNTY in the manner described in the relevant WORK ORDER. AGENCY assumes all risk of loss if payments are mailed. Payment shall be deemed complete when received by the COUNTY.

Notwithstanding any other provision of this AGREEMENT, this obligation of AGENCY to pay for SERVICES performed by the COUNTY shall remain in effect until such time as COUNTY has received all payment for the SERVICES it has performed.

SECTION V - DEFENSE AND INDEMNIFICATION

COUNTY agrees to indemnify, defend with counsel approved in writing by AGENCY, protect and hold harmless the AGENCY, its officers, elected or appointed officials, employees and volunteers from and against any and all claims, demands, losses, defense costs or expenses, or liability of any kind or nature which the AGENCY, its officers, elected or appointed officials, employees and volunteers may sustain or incur or which may be imposed upon them for injury to or death of persons or damage to property arising out of COUNTY's grossly negligent or willful wrongful acts in performing under the terms of this AGREEMENT. COUNTY shall defend, at its expense, including attorney fees, AGENCY, its officers, agents, employees, independent contractors and volunteers in any legal action or claim of any kind based upon such alleged acts or omissions. The COUNTY shall not be liable in any way or indemnify the

AGENCY, its officers, elected or appointed officials, employees and volunteers for AGENCY'S negligence or the negligence of AGENCY's officers, officials, employees or volunteers.

AGENCY agrees to indemnify, defend with counsel approved in writing by COUNTY, protect and hold harmless the COUNTY, its officers, elected or appointed officials, employees and volunteers from and against any and all claims, demands, losses, defense cost or expenses, or liability of any kind or nature which the COUNTY, its officers, elected or appointed officials, employees or volunteers may sustain or incur or which may be imposed upon them for injury to or death of persons or damage to property arising out of the AGENCY's negligent or wrongful acts in performing under the terms of this AGREEMENT. The AGENCY shall not be liable in any way or indemnify the COUNTY, its officers, elected or appointed officials, employees and volunteers for COUNTY's gross and willful negligence, or the gross and willful negligence of COUNTY's officers, elected or appointed officials, employees or volunteers. If judgment is entered against AGENCY and COUNTY by a court of competent jurisdiction because of the concurrent active negligence of AGENCY or COUNTY, AGENCY and COUNTY agree that liability will be apportioned as determined by the court. Neither PARTY shall request a jury apportionment.

Without limiting the foregoing, AGENCY indemnification also extends to COUNTY employees or agents serving as inspectors in the AGENCY whose duties include recurring inspection to identify maintenance and repair needs. The failure to identify a hazard not currently involved in maintenance or repair which results in claim shall not transfer responsibility for the hazard to the COUNTY. COUNTY responsibility includes maintenance and repair work in progress by COUNTY employees or contract work under COUNTY administration.

Each PARTY agrees to fully cooperate with the other and assist the other PARTY hereto in all matters relating to losses covered by the terms of this AGREEMENT, and more specifically but not being limited thereby, each PARTY will:

1. Give prompt notification of all occurrences covered or likely to be covered by Section V of this AGREEMENT;

2. If claim is made, or suit is brought against a PARTY on occurrences covered or likely to be covered by the terms hereof, such PARTY shall immediately forward every claim, demand, notice, summons or other process received by it to the other PARTY.

Either PARTY may, at its own expense, participate in the defense of any suit, or in the prosecution of any appeal affecting matters herein involved where the duty of defense or prosecution is imposed on the other PARTY, and where that other PARTY has consented to that participation.

SECTION VI – DISPUTE RESOLUTION

In the event that either PARTY contends that the other PARTY has failed to perform any of its obligations under this AGREEMENT, that PARTY shall, within ten (10) business days of becoming aware of the facts constituting that dispute, provide notice of the dispute to the other PARTY in the manner set forth in this AGREEMENT. Thereafter, the DIRECTOR and AGENCY MANAGER shall meet and confer in good faith to resolve any such dispute.

In no event shall either PARTY initiate any action in equity or at law prior to engaging in the meet and confer process described in this Section.

SECTION VII - MISCELLANEOUS PROVISIONS

A. TERM: The term of this AGREEMENT shall commence upon its EFFECTIVE DATE and shall remain in effect for three (3) years; until the AGREEMENT CAPACITY has been expended; or otherwise terminated by either PARTY. The PARTIES may mutually elect to extend this AGREEMENT by executing a one-year written extension (“Extension”).

B. TERMINATION: Either PARTY may at any time, for any reason, and with or without cause, terminate this AGREEMENT by serving upon the non-terminating PARTY, in the manner set forth in Section VII(D) herein, a written Notice of Termination at least thirty (30) days prior to the date of termination. The terminating PARTY shall not be obligated to provide any reason for exercising its right to terminate this AGREEMENT. If COUNTY initiates a Notice of Termination, that Notice shall include an invoice for all SERVICES that have not yet been invoiced to AGENCY. If AGENCY initiates a Notice of Termination, upon receipt of said Notice, County shall prepare and serve on AGENCY a final invoice for all SERVICES performed by COUNTY that have not yet been invoiced to AGENCY. AGENCY’S obligations under this AGREEMENT shall remain in effect until the COUNTY has received all payments for SERVICES previously performed.

C. ENTIRE AGREEMENT AND CONSTRUCTION: This AGREEMENT, any Attachments and any WORK ORDER issued under the provisions herein, constitutes the entire agreement between the PARTIES with respect to the matters provided for herein.

D. NOTICE: All notices or other communication provided for herein shall be in writing and shall be personally served or delivered by United States mail, registered or certified return receipt requested, postage prepaid, addressed as follows:

AGENCY:

Allan Rigg, Public Works Director/City Engineer

7800 Katella Avenue, Stanton, CA 90680

(714) 890-4203

ARigg@ci.stanton.ca.us

COUNTY:

Lori Hanson, City Contracts Manager

2301 N. Glassell Street, Orange, CA 92865

(714) 955-0231

Lori.Hanson@ocpw.ocgov.com

Any PARTY may, by notice to the others, designate a different address for notices that shall be substituted for that specified above. Any notice given as provided in this subparagraph shall be deemed to have been received, if personally served, as of the date and time of service, or if deposited in the mail as provided above, forty-eight (48) hours after deposit in the mail.

E. NON-ASSIGNMENT: This AGREEMENT shall not be assigned except by written amendment to this AGREEMENT.

F. EXECUTION IN COUNTERPARTS: This AGREEMENT may be executed in counterparts, each of which when executed and delivered shall be considered an original, and when taken together shall constitute a single document.

G. ATTORNEY'S FEES: In any action or proceeding brought to enforce or interpret any provision of this AGREEMENT, or where any provision hereof is validly asserted as a defense, each PARTY shall bear its own attorney's fees and costs.

H. AMENDMENTS: No alteration or variation of the terms of this AGREEMENT shall be valid unless made in writing and signed by the PARTIES hereto, and no oral understanding or AGREEMENT not incorporated herein shall be binding on any of the PARTIES hereto.

I. COMPLIANCE WITH APPLICABLE LAW: Each PARTY and their respective contractors shall at all times and in all respects comply with all applicable federal, state and local

laws, ordinances, regulations, and permits with respect to their performance of this AGREEMENT.

J. INTERPRETATION: This AGREEMENT shall be construed and enforced in accordance with California law. The PARTIES acknowledge that the PARTIES and their counsel have both reviewed and revised this AGREEMENT, that it is the product of the PARTIES' mutual drafting efforts, and that therefore the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting PARTY shall not be employed in the interpretation of this AGREEMENT or any exhibits or amendments hereto.

K. CALENDAR DAYS: Any reference to the word "day" or "days" shall mean calendar day or calendar days respectively, unless otherwise expressly provided.

L. FORCE MAJEURE: COUNTY shall not be assessed with damages or penalties for unsatisfactory performance during any delay in the performance of any work under this AGREEMENT caused by any act of God, war, civil disorder, employment strike or other cause beyond its reasonable control, provided COUNTY gives written notice of the cause of the delay to the AGENCY within 24 hours of the start for the delay.

M. SEVERABILITY: If any part of this AGREEMENT is held, determined or adjudicated to be illegal, void or unenforceable by a court of competent jurisdiction, the remainder of this AGREEMENT shall be given effect to the fullest extent reasonably possible.

N. AUTHORITY: The PARTIES represent and warrant that this AGREEMENT has been duly authorized and executed and constitutes the legally binding obligation of their respective organization or entity, enforceable in accordance with its terms.

O. PRECEDENCE: In the event there is a conflict in language between any component documents of this AGREEMENT, the conflict in language shall be resolved by treating the language of the General Provisions as controlling over the language of any Attachments and any WORK ORDERS; and the language of any Attachments as controlling over the language of any WORK ORDERS.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT on the dates following their respective signatures effective as of the date first above written:

COUNTY OF ORANGE (“COUNTY”)

CITY OF STANTON (“AGENCY”)

By: _____
Shane L. Silsby, Director
County of Orange, California

By: _____
Jarad Hildenbrand, City Manager
CITY OF STANTON

Date: _____

Date: _____

APPROVED AS TO FORM
OFFICE OF THE COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

APROVED AS TO FORM

By: _____
Deputy

By: _____
City Attorney

ATTACHMENT A
SCOPE OF SERVICES / RATE SHEET

Part 1. General Provisions

A. COUNTY Shall:

1. Provide municipal services or functions within the territory of the AGENCY on an as needed basis as requested by the AGENCY.
2. Perform services indicated in this Scope of Work by COUNTY employees, COUNTY contractors (competitively bid contracts), or a combination of the two depending on available services at the time the work is requested by the AGENCY. All COUNTY resources utilized to perform services will work under the COUNTY's direction and supervision.
3. Prepare a cost estimate and work order for review/approval of AGENCY prior to work being scheduled/performed. The work order will include a scope of work, estimated timeline for performance of the services, and cost estimate for performing the services.
4. Prepare general and specific work schedules. General schedules shall indicate work to be accomplished by COUNTY staff and/or contractors. Services are scheduled on a biweekly basis. Urgent or emergency services will be inserted and/or plugged into the current schedule depending on availability of resources and urgency of the request.
5. Prepare a work plan/budget for routine/recurring services provided to the AGENCY and will meet with the AGENCY periodically to discuss/update the work plan/budget.
6. Perform services requested by AGENCY utilizing COUNTY resources subject to availability and the limitations of Section B. Paragraph 4 of the Agreement.

B. AGENCY Shall:

1. Designate an official or designated employee that is authorized to act as their Responsible Party in all matters pertaining to the Agreement. The Responsible Party shall authorize services, review reports and invoices, and authorize payments. In the event there is a change in Responsible Party, the AGENCY shall submit written notice with the name of the new official or designated employee. Through the Agreement, the Director or his designee, as identified within this document, shall be the COUNTY's Responsible Party.
2. Request for Service: AGENCY shall contact the assigned COUNTY representative to request services. The Responsible Party shall provide details as to the service type requested, quantities, scope, and requested completion date. The Responsible Party shall notify the assigned COUNTY representative of priority service requests to be included within the following two-week work schedule.

3. AGENCY representative shall review cost estimates, work orders, and provide approval to COUNTY via signature on work orders.
4. Serve as liaison with individual homeowners, homeowners associations, citizen groups, and others concerning performance of work and levels of service provided under this Agreement.
5. Pay COUNTY for actual costs incurred to include all costs for labor, equipment, materials, contractor services/rates, and all applicable overhead and supervisory expenses in accordance with established COUNTY prices, rates, fees and charges at the time the work is performed.

C. Service Charges:

Services available within this document consist of the following identifiable types of cost:

1. Approved Work Plan Costs consist of an identifiable price for a specific maintenance or repair activity priced with a defined work unit. The price includes manpower and equipment only, materials will be billed at the actual material cost. Minimum quantities are required for some of the activities in an effort to provide the best possible pricing. Requests for less than minimum quantities specified may be charged on a time and materials basis. Work Plan costs for a specific fiscal year have been incorporated into this document and are part of the Agreement. These costs are subject to change during the term of the agreement should changes in prices occur which may include but not be limited to revised prices, rates and/or fees approved by the County's Board of Supervisors, union negotiated pay increases, equipment rate increases, or price increases by contractors.
2. Time and Materials Service Costs shall include all costs for COUNTY labor, equipment and materials, using actual number of man-hours and equipment-hours required (including travel time to and from project location), and actual contract(s) costs (using the actual cost of materials and staff time, including burden, overhead and indirect costs).

Specialty requests and additional items not listed in this document, including emergency response, shall be charged as time and materials service costs.

- D. Overtime:** For all time and materials services, overtime shall be available upon the Director's authorization and the AGENCY's approval only. From time to time, overtime may be directed by the AGENCY's official or designee to ensure field services are performed with minimal disruption to the general public. Overtime shall be calculated as 1.5 times the base hourly rate with overhead.
- E. Billing:** OC Public Works accounting shall compile an itemized invoice of monthly costs for services performed during the previous month and submit the invoice to the AGENCY. Within 30 days of receipt of the invoice, AGENCY shall pay the cost of services contained within the invoice or, within 10 days of receipt of invoice, provide COUNTY written notice of any disputed costs.

Part 2. Scope of Services and Rate Sheet

SERVICE	SCOPE/DESCRIPTION	UNIT	UNIT PRICE
Administrative Support	COUNTY will provide administrative support, which shall include but not be limited to generate work orders; schedule COUNTY crews and COUNTY contractor services to perform requested services; prepare cost estimates/cost outs; perform reconciliation of all charges for invoicing; prepare budget status reports; data input; and maintain inventories as needed.	Labor Hours	\$99.95
Maintenance Inspection/Contract Maintenance Support	COUNTY will provide maintenance inspection/contract maintenance support, which shall include but not be limited to maintenance inspection of AGENCY right of way as requested by AGENCY and inspection/oversight of COUNTY contractors providing various services and reviewing and approving completed work for invoicing.	Labor Hours	\$112.05
Supervision Support	COUNTY will provide supervision support, which shall include but not be limited to supervision of contractors and COUNTY staff in performing various services requested by the AGENCY.	Labor Hours	\$125.80
Job Order Contracting (JOC)	COUNTY will accomplish this task by utilizing COUNTY contracted JOC providers. COUNTY will provide Job Order Contracts for the provision of repair, remodeling, or other repetitive work done according to unit prices pursuant to Public Contract Code section 20128.5. Job Order Contracts shall not be used to provide recurring or one-time services.	Contractor Rates	Contractor Rates
Remove and Replace 4-Inch Sidewalk	<p>COUNTY will accomplish this task by utilizing COUNTY crews or via our contracted provider. COUNTY will evaluate the AGENCY's request and conduct an analysis of available staffing and cost analysis to complete the task utilizing the most cost effective method that meets the AGENCY's needs.</p> <p>The work includes repair of sidewalks by replacement of damaged or deteriorated sections. The job and work shall follow identified job standards, specifications, and industry requirements. Tree roots might interfere or have caused damage to sidewalk and may require restoration work. The AGENCY's ISA Certified Arborist/Landscape Inspectors shall be available at the request of the COUNTY to provide a report as to the advantages, disadvantages of tree roots shaving, pruning and/or removal. If the adjacent tree needs to be removed after all other measures have been exhausted and because most of or all of the supporting roots need to be removed, and the AGENCY agrees, then the tree</p>	<p>Square Feet</p> <p>Minimum Qty: 200 SF</p>	\$ 8.22

	removal pricing shall be used.		
Remove and Replace Curb & Gutter	<p>COUNTY will accomplish this task by utilizing COUNTY crews or via our contracted provider. COUNTY will evaluate the AGENCY's request and conduct an analysis of available staffing and cost analysis to complete the task utilizing the most cost effective method that meets the AGENCY's needs.</p> <p>The work includes repair of damaged or deteriorated concrete curb and gutter to ensure proper drainage flow including forms and concrete work. AC Slot Repair is additional costs. As directed, remove curb and gutter when sections are damaged, raised or lowered, and water flow is impaired or diverted. The job and work shall follow identified job standards, specifications, and industry requirements. Tree roots might interfere or have caused damage to curb and gutter and may require restoration work. The AGENCY's ISA Certified Arborist/Landscape Inspectors shall be available at the request of the COUNTY to provide a report as to the advantages, disadvantages of tree roots shaving, pruning and/or removal. If the adjacent tree needs to be removed after all other measures have been exhausted and because most of or all of the supporting roots need to be removed, and the AGENCY agrees, then the tree removal pricing shall be used.</p>	Linear Feet	\$ 46.00
White Striping	<p>COUNTY will accomplish this task by utilizing COUNTY crews.</p> <p>The work includes painting traffic lines to provide defined travel lanes and proper vehicle guidance. This includes painted stripes regardless of type or location and the placement of new striping as designated by the AGENCY. Striping shall occur on an as requested basis or on an agreed upon routine schedule. The job and work shall follow identified job standards, specifications, and industry requirements. Repainting of existing painting shall be done in one coat. Painting new striping shall be done with two coats of paint which application shall be separated by a minimum of seven calendar days. COUNTY utilizes water-based paint for all striping operations.</p>	Linear Feet Minimum Qty: 15,000 LF	\$ 0.28
Yellow Striping	<p>COUNTY will accomplish this task by utilizing COUNTY crews</p> <p>The work includes painting yellow traffic lines to provide defined travel lanes and proper vehicle guidance. This includes restriping of all existing yellow painted stripes regardless of type or location and the placement of new striping as requested by the AGENCY. Striping shall occur on an as requested basis or on an agreed upon routine schedule. The job and work shall follow identified job standards, specifications, and industry requirements. Repainting of existing painting shall be done in one coat. Painting new striping</p>	Linear Feet Minimum Qty: 15,000 LF	\$ 0.28

	shall be done with two coats of paint which application shall be separated by a minimum of seven calendar days. COUNTY utilizes water-based paint for all striping operations.		
Striping Layout	COUNTY will accomplish this task by utilizing COUNTY crews. The work includes the pre-marking of lane lines following construction activity or for the installation of new striping to provide a guide for striping operations as designated by the AGENCY. The job and work shall follow identified job standards, specifications, and industry requirements.	Linear Feet Minimum Qty: 2,000 LF	\$ 1.20
Stop Bars and Chevrons	COUNTY will accomplish this task by utilizing COUNTY crews. The work includes painting stop bars on the traveled portion of the highway to provide defined markings for vehicle and pedestrian control. This activity is for stop bars and chevrons only; crosswalks and standard markings are covered under separate activities. The job and work shall follow identified job standards, specifications, and industry requirements. This includes establishment of proper traffic control and painting or repainting all stop bars and chevrons on an as requested basis or on an agreed upon routine schedule as designated by the AGENCY. Repainting shall be done in one coat. New painting of stop bars and chevrons shall be done with two coats of paint which application shall be separated by a minimum of seven calendar days. All paint is water-based paint and shall be reflectorized.	Linear Feet Minimum Qty: 950 LF	\$ 1.72
White Crosswalks	COUNTY will accomplish this task by utilizing COUNTY crews. The work includes painting or refurbishing crosswalks on the traveled portion of the highway to provide defined markings for vehicle and pedestrian control. This includes the repainting of existing crosswalks on an as requested basis or on an agreed upon routine schedule as designated by the AGENCY. The job and work will follow identified job standards, specifications, and industry requirements. This includes establishment of proper traffic control and painting or repainting all white crosswalks. Repainting shall be done in one coat. New painting of crosswalks shall be done with two coats of paint, and application shall be separated by a minimum of seven calendar days. All paint is water-based paint and shall be reflectorized.	Linear Feet Minimum Qty: 1,000 LF	\$ 1.65
Yellow Crosswalks	COUNTY will accomplish this task by utilizing COUNTY crews. The work includes painting yellow crosswalks on the traveled portions of the highway to provide defined markings for vehicle and pedestrian control. This includes the repainting of existing crosswalks on an as requested basis or on an agreed upon routine	Linear Feet Minimum	\$ 1.65

	<p>schedule as designated by the AGENCY. The job and work shall follow identified job standards, specifications, and industry requirements. This includes establishment of proper traffic control and painting or repainting all yellow school crosswalks. Repainting shall be done in one coat. New painting of yellow crosswalks shall be done with two coats of paint which application shall be separated by a minimum of seven calendar days. All paint is water-based paint and shall be reflectorized.</p>	<p>Qty: 1,000 LF</p>	
<p>Paint Yellow Standard Legends</p>	<p>COUNTY will accomplish this task by utilizing COUNTY crews. The work includes painting yellow traffic markings on the traveled portion of the highway to provide defined markings for vehicle and pedestrian control. This includes the repainting of existing yellow standard legends on an as requested basis or on an agreed upon routine schedule as designated by the AGENCY. The job and work shall follow identified job standards, specifications, and industry requirements. All painting of Legends shall meet the size and shape of existing Legends. This includes establishment of proper traffic control and painting or repainting all yellow standard legends. Repainting of existing legends shall be in one coat. New painting of yellow standard legends shall be done with two coats of paint which application shall be separated by a minimum of seven calendar days. All paint is water-based paint and shall be reflectorized.</p>	<p>Each Letter</p> <p>Minimum Qty: 210 letters</p>	<p>\$ 7.70</p>
<p>Ladder Crosswalks</p>	<p>COUNTY will accomplish this task by utilizing COUNTY crews. The work includes the preparation, painting or refurbishing of ladder crosswalks on the traveled portion of the roadway to provide defined markings for vehicle and pedestrian control. This includes the repainting of existing ladder crosswalks on an as requested basis or on an agreed upon routine schedule as designated by the AGENCY. The job and work shall follow identified job standards, specifications, and industry requirements. This includes establishment of proper traffic control and painting or repainting all ladder crosswalks. Repainting shall be done in one coat. New painting of ladder crosswalks shall be done with two coats of paint which application shall be separated by a minimum of seven calendar days. All paint is water-based paint and shall be reflectorized.</p>	<p>Linear Feet</p> <p>Minimum Qty: 1,200 LF</p>	<p>\$ 1.38</p>
<p>Curb Paint</p>	<p>COUNTY will accomplish this task by utilizing COUNTY crews. The work includes the painting of curbs with various colors to enforce parking regulations on an as requested basis or on an agreed upon routine schedule as designated by the AGENCY. The curb surface shall be prepared by cleaning or scraping prior to applying paint. The application of appropriate curb paint shall be</p>	<p>Linear Feet</p> <p>Minimum Qty:</p>	<p>\$ 1.25</p>

	done with rollers or airless paint spray equipment. The job and work will follow identified job standards, specifications, and industry requirements. All curb paint utilized is water-based paint.	1,200 LF	
Paint White Standard Legends	COUNTY will accomplish this task by utilizing COUNTY crews. The work includes painting white traffic legends on the traveled portion of the highway to provide defined markings for vehicle and pedestrian control. This includes the repainting of existing white standard legends on an as requested basis or on an agreed upon routine schedule as designated by the AGENCY. The job and work shall follow identified job standards, specifications, and industry requirements. All painting of Legends shall meet the size and shape of existing Legends. This includes establishment of proper traffic control and painting or repainting all white standard legends. Repainting of existing legends shall be in one coat. New painting of white standard legends shall be done with two coats of paint which application shall be separated by a minimum of seven calendar days. All paint utilized is water-based paint.	Each Letter Minimum Qty: 210 letters	\$ 7.75
Remove and Replace Standard Traffic sign	COUNTY will accomplish this task by utilizing COUNTY crews. The work includes the removal and replacement of standard street signs. Removal and replacement includes the installation of a sign and proper disposal and recycling of materials. The signs shall be installed in accordance with the regular schedule of activities. The job and work shall follow identified job standards, specifications, and industry requirements.	Each Minimum Qty: 10 each	\$ 106.50
Guardrail Repair	COUNTY will accomplish this task by utilizing COUNTY crews or via our contracted providers. The work includes the temporary repair response, installation and final repair of structurally damaged guard or bridge rail sections and posts to prevent vehicle access. The job and work shall follow identified job standards, specifications, and industry requirements.	Linear Feet Minimum Qty: 20 LF	\$ 126.00
Emergency Repairs	COUNTY will accomplish this task by utilizing COUNTY crews and/or our contracted providers, to accomplish the emergency repairs as requested by the AGENCY, depending on availability of staff and/or contracted services at the time services are requested. The work includes all equipment including vehicles for inspector and responders, hand equipment and materials necessary to perform emergency repairs. The job and work shall follow identified job standards, specifications, and industry requirements. This is an on-call emergency activity that may occur during the daytime or nighttime.	Time & Materials	N/A

Extra Work	<p>This includes a variety of work items. COUNTY will perform extra work on a time and materials basis as requested by the AGENCY.</p> <p>This activity includes repairs, maintenance, installation or construction as requested by the AGENCY.</p>	Time & Materials	N/A
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CITY OF STANTON

REPORT TO CITY COUNCIL

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

DATE: DECEMBER 10, 2019

SUBJECT: RESOLUTION NO. 2019-56 OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, APPROVING FINAL PARCEL MAP NO. 2018-122 FOR THE PROPERTY LOCATED AT 7181 KERMORE LANE

REPORT IN BRIEF:

The final parcel map for the development located at 7181 Kermore Lane has been completed and reviewed by all required departments and agencies. This final parcel map is in compliance with the City's General Plan and zoning land use designations.

RECOMMENDED ACTION:

1. City Council find that the adoption of the resolution is categorically exempt under Section 15332, Class 32 (In-Fill Development Projects); and
2. Adopt Resolution No. 2019-56 approving Final Parcel Map No. 2018-122, entitled:

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, APPROVING FINAL PARCEL MAP NO. 2018-122 FOR THE PROPERTY LOCATED AT 7181 KERMORE LANE”; and

3. Find that the recordation of Final Parcel Map No. 2018-122 will not be in violation of any of the provisions of Section 66474, 66474.1, and 66474.2 of the Subdivision Map Act; and
4. Find that the proposed subdivision, together with the provisions for its design and improvement, is consistent with the general plan required by Article 5 (commencing with Section 65300) of Chapter 3 of Division 1 of the Government Code, and any specific plan adopted pursuant to Article 8 (commencing with Section 65450) of Chapter 3 of Division 1 of the Government Code.

BACKGROUND:

On March 6, 2019, the Planning Commission of the City of Stanton conditionally approved Tentative Parcel Map TM18-01, located at 7181 Kermore Lane. The property carries a General Plan designation of Medium Density Residential. The project would consist of the construction of four new single-family residential units. The final parcel map has been reviewed, and found to be in compliance with the City's general plan and

zoning land use designations.

ANALYSIS/JUSTIFICATION:

Recording of the final parcel map is required per Section 66426 of the Subdivision Map Act. The City Engineer has reviewed the Final Parcel Map No. 2018-122 and all associated documentation, and is satisfied that the final parcel map substantially complies with the City's general plan and zoning land use designations.

FISCAL IMPACT:

None.

ENVIRONMENTAL IMPACT:

In accordance with the requirements of the CEQA this project has been determined to be categorically exempt under Section 15332, Class 32 (In-Fill Development Projects).

LEGAL REVIEW:

None.

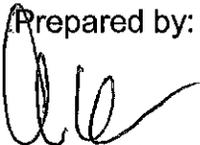
PUBLIC NOTIFICATION:

Notifications and advertisement were performed as prescribed by law.

STRATEGIC PLAN OBJECTIVE ADDRESSED:

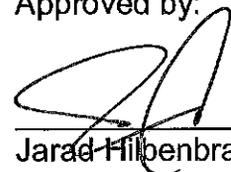
2 - Provide a Strong Local Economy

Prepared by:



Allan Rigg, P.E., AICP
Director of Public Works/City Engineer

Approved by:



Jared Hilbenbrand
City Manager

Attachment: Resolution No. 2019-56

RESOLUTION NO. 2019-56

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, APPROVING FINAL PARCEL MAP NO. 2018-122 FOR THE PROPERTY LOCATED AT 7181 KERMORE LANE

WHEREAS, on March 6, 2019 the Planning Commission of the City of Stanton conditionally approved Tentative Parcel Map 2018-01, located at 7181 Kermore Lane; and

WHEREAS, all necessary documentation associated with this subdivision have been reviewed by the City Engineer; and

WHEREAS, the final parcel map is substantially in compliance with the previously approved Tentative Parcel Map 2018-01; and

WHEREAS, the City Council has made the finding that none of the conditions for mandatory denial exist relative to the proposed subdivision, in accordance with Section 66474, 66474.1 and 66474.2 of the Subdivision Map Act; and

WHEREAS, the City Council finds that the proposed subdivision, together with the provisions for its design and improvement, is consistent with the general plan required by Article 5 (commencing with Section 65300) of Chapter 3 of Division 1 of the Government Code, or any specific plan adopted pursuant to Article 8 (commencing with Section) 65450) of Chapter 3 of Division 1 of the Government Code; and

WHEREAS, the City Council finds that final Parcel Map No. 2018-122 satisfies the provisions of the Subdivision Map Act, Stanton Municipal Code and the Conditions of Approval,

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Stanton, California, hereby approves final Parcel Map No. 2018-122.

ADOPTED, SIGNED AND APPROVED this 10th day of December 2019.

DAVID J. SHAWVER, MAYOR

APPROVED AS TO FORM:

MAL RICHARDSON, CITY ATTORNEY

ATTEST:

I, Patricia Vazquez, City Clerk of the City of Stanton, California DO HEREBY CERTIFY that the foregoing Resolution, being Resolution No. 2019-56 has been duly signed by the Mayor and attested by the City Clerk, all at a regular meeting of the Stanton City Council, held on December 10, 2019, and that the same was adopted, signed and approved by the following vote to wit:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

PATRICIA VAZQUEZ, CITY CLERK

CITY OF STANTON

REPORT TO CITY COUNCIL

TO: Honorable Mayor and Members of the City Council

DATE: December 10, 2019

SUBJECT: AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, IN ACCORDANCE WITH GOVERNMENT CODE SECTIONS 36937 AND 65858 EXTENDING A TEMPORARY MORATORIUM ON THE ESTABLISHMENT OF MASSAGE BUSINESSES FOR 12 MONTHS PENDING STUDY AND THE PREPARATION OF AN UPDATE TO THE CITY'S MUNICIPAL AND ZONING CODE

REPORT IN BRIEF:

Due to the continuing enforcement issues related to massage establishments, the City Council is asked to consider extension of the interim urgency ordinance to temporarily prohibit the establishment of such businesses. The interim urgency ordinance provides the City sufficient time to proceed with proactive enforcement, study the continuing impacts of these establishments, and to develop new municipal and zoning code regulations. The length of the extension on the moratorium is 12 months.

RECOMMENDED ACTION:

1. Declare that the project is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15378 of the State of California Environmental Quality Act ("CEQA") Guidelines, because it has no potential for resulting in physical change in the environment, directly or indirectly. The City Council further finds, under Title 14 of the California Code of Regulations, section 15061(b)(3) that this interim urgency ordinance is nonetheless exempt from the requirements of CEQA. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and
2. That the City Council receive and file the 10-day action report for the conclusion of the previous 10 month and 15 day moratorium; and
3. That the City Council adopt Urgency Ordinance No. 1096, entitled:

AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, ENACTED PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTIONS 36937 AND 65858, EXTENDING A TEMPORARY MORATORIUM ON THE ESTABLISHMENT OF MASSAGE BUSINESSES FOR 12 MONTHS

PENDING STUDY AND THE PREPARATION OF AN UPDATE TO THE CITY'S MUNICIPAL AND ZONING CODE

BACKGROUND:

On January 8, 2019, the City Council adopted Ordinance No. 1083, enacting a 45 moratorium, and on February 12, 2019, the City Council adopted Ordinance No. 1085, enacting a 10 month and 15 day moratorium on the establishment of new massage businesses.

Cities throughout California have dealt with massage establishments in their communities that are being used as fronts for illicit activity, including human trafficking and prostitution. In accordance with Assembly Bill 1147 (AB 1147), local agencies can impose reasonable zoning, business licensing, and health and safety requirements on massage establishments. This legislation allows the City to manage massage establishments "in the best interests of the individual community."

Stanton Municipal Code Chapter 5.16 and Section 20.400.190 enacts a comprehensive and reasonable permitting system to regulate massage establishments in the City. The massage establishment is required to obtain a Conditional Use Permit in order to locate a massage establishment in the City's Commercial General Zone and requires an operator to obtain a massage establishment permit in order to operate a massage establishment. Additionally, the City's regulatory system allows the City to impose conditions of approval upon a massage establishment to protect residents' health, safety, and welfare.

Despite the City's regulatory system, code enforcement and Sheriff's Department personnel continue to find violations of massage business regulations including unauthorized massage technicians and personnel, unsanitary facility conditions, engagement in human trafficking and prostitution activities. Since enactment of the moratorium, unlicensed establishments have been monitored and closed in response to illegal operations.

ANALYSIS/JUSTIFICATION:

Per Government Code Sections 36937 and 65858, the City Council may adopt an interim urgency ordinance to protect the public safety, health, and welfare from an event, occurrence, or set of circumstances. City staff, the Sheriff's Department, and the City Attorney's office are continuing to conduct research into the possible and likely impacts of further regulating massage establishments in the City in order to mitigate adverse public safety, health, and welfare impacts.

In order to continue studying the operation concerns of massage businesses in the City and draft new municipal and zoning code regulations, Interim Urgency Ordinance No. 1096 would extend an existing moratorium on the establishment of massage businesses in the City for an additional 12 months.

Government Code Section 36937 authorizes public agencies like the City to adopt ordinances that are immediately effective if they are to preserve the public peace, health or safety. Government Code Section 65858 also authorizes public agencies to adopt an interim urgency ordinance temporarily prohibiting land uses, which, if approved, may be in conflict with contemplated land use policies and regulations which the City is studying or intends to study. As described in this report, the City is considering the potential impacts of massage establishments and how to address the issues previously discussed through an amendment to the municipal and zoning code. In order for the urgency ordinance to be effective, four-fifths (4/5) of the City Council must approve the ordinance.

FISCAL IMPACT:

None.

ENVIRONMENTAL IMPACT:

In accordance with the requirements of CEQA, the project is exempt pursuant to Section 15378 and Section 15061(b)(3) of the California Environmental Quality Act.

PUBLIC NOTIFICATION:

Posted at three public places, and made public through the regular agenda process.

STRATEGIC PLAN:

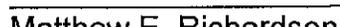
1 – Provide a Safe Community

Prepared By:



Amy Stonich, AICP
City Planner

Concurred By:



Matthew E. Richardson
City Attorney

Approved By:



Jarad Hildenbrand
City Manager

Attachments:

- A. Memorandum for the 10-day report on actions taken by city staff during the existing 10 month and 15-day moratorium
- B. Ordinance No. 1096



To: City Council
From: Amy Stonich, AICP, City Planner
Re: REPORT ON MEASURES TAKEN TO ALLEVIATE THE CONDITIONS WHICH LED TO THE ADOPTION OF ORDINANCE NO. 1083 AND 1085 ESTABLISHING A MORATORIUM ON NEW MASSAGE ESTABLISHMENTS

On January 8, 2019, the City Council adopted Ordinance No. 1083, enacting a 45 day moratorium and on February 12, 2019, the City Council adopted Ordinance No. 1085, enacting a 10 month and 15 day moratorium on the establishment of new massage establishments. This moratorium is set to expire on December 27, 2019.

At least ten (10) days prior to the expiration of the Ordinance or any extension, the City must issue a report on actions taken during the moratorium to alleviate the condition(s) which led to the adoption of the initial moratorium in the Ordinance. Violations and conditions violations include unauthorized massage technicians and personnel, unsanitary facility conditions, engagement in human trafficking and prostitution activities. These conditions still exist as of the date of this report despite the following proactive actions taken:

1. Compilation and review of all code related case files for existing massage establishments in the City to determine the types of violations of the existing regulations that have been documented to determine how to amend the regulations to address the ongoing violations;
2. Regular inspections of massage establishments and enforcement of regulations by code enforcement and Sheriff's Department personnel;
3. Issuance of warnings and arrests for violations of massage establishment regulations including unauthorized massage technicians and personnel, unsanitary facility conditions, engagement in human trafficking and prostitution activities;
4. Enforcement of business license and conditions of approval;
5. Working with the Sheriff's Department on best management practices to be incorporated into the ordinance to address ongoing violations;
6. Researching municipal codes for best practices utilized by local jurisdictions throughout the State relating to application of new massage establishments and the operators of the businesses;
7. Reviewing the City's current massage ordinance to determine how to amend the regulations and procedures; and
8. Prepared a proposed a 12 month moratorium on the establishment of new massage establishments.

In light of the complexity of this matter, the City requires additional time to study in-depth the issue related to massage establishments in the City to determine the best way to protect the public health, safety, and welfare. While this study is being conducted and potential new ordinances are being prepared, City staff believes that it is critical for the Council to extend the current moratorium for an additional 12 months.

ORDINANCE NO. 1096

AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, ENACTED PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTIONS 36937 AND 65858, EXTENDING A TEMPORARY MORATORIUM ON THE ESTABLISHMENT OF MASSAGE BUSINESSES FOR 12 MONTHS PENDING STUDY AND THE PREPARATION OF AN UPDATE TO THE CITY'S MUNICIPAL AND ZONING CODE

WHEREAS, pursuant to Cal. Const. Art. XI, Sec. 7 and under the City's general police powers, the City of Stanton ("City") is empowered and charged with responsibility for the health, safety, and welfare of its citizens;

WHEREAS, the City is authorized by State law, including, without limitation, Government Code Section 51030 et seq. and Business & Professions Code Section 16000 et seq. to regulate massage establishments;

WHEREAS, in 2014, Governor Jerry Brown signed Assembly Bill 1147 (AB 1147), which restored local agencies' ability to impose reasonable zoning, business licensing, and health and safety requirements on massage establishments;

WHEREAS, among other things, AB 1147 set forth the Legislature's intent that "broad control over land use in regulation of massage establishments be vested in local governments so that they may manage those establishments in the best interests of the individual community";

WHEREAS, in response to AB 1147, the City enacted a comprehensive and reasonable permitting scheme to regulate massage establishments in the City, as codified in Stanton Municipal Code Chapter 5.16 and Section 20.400.190. The City's regulatory scheme requires a massage establishment to obtain a Conditional Use Permit in order to locate a massage establishment in the City's Commercial General Zone and requires an operator to obtain a massage establishment permit in order to operate a massage establishment. Additionally, the City's regulatory scheme allows the City to impose conditions of approval upon a massage establishment to protect residents' health, safety, and welfare;

WHEREAS, despite the City's regulatory scheme, the City inspectors continue to find violations of its massage establishment regulations including unauthorized massage technicians and personnel, unsanitary facility conditions, including unauthorized massage technicians and personnel, unsanitary facility conditions, engagement in human trafficking and prostitution activities;

WHEREAS, despite the passage of AB 1147, cities throughout California have discovered that massage establishments in their communities are being used as fronts for illicit activity, including human trafficking and prostitution;

WHEREAS, the City Council is concerned about the public health and safety issues associated with massage establishments, including the illicit activity that continues to occur at massage establishments in the City and throughout the State and the City desires to revise its ordinances to better combat those health and safety risks;

WHEREAS, per Government Code Sections 36937 and 65858, the City Council adopted Interim Urgency Ordinance No. 1083 on January 8, 2019, and Ordinance No. 1085 on February 12, 2019, to protect the public safety, health, and welfare from the immediate public health and safety issues related to massage establishments, as described herein. The current moratorium is set to expire on December 27, 2019;

WHEREAS, City staff requires additional time to gather data about the adverse impacts of massage establishments and to research, study, and consider ways to possibly amend the City's regulatory process and the Stanton Municipal and Zoning Codes to reduce potential illegalities occurring at massage establishments; and

WHEREAS, as a result, the City Council desires to extend its temporary moratorium on the establishment of massage businesses in the City for an additional 12 months in accordance with Government Code section 65858.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

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

SECTION 2. The City Council finds that this Ordinance is not a project within the meaning of Section 15378 of the State of California Environmental Quality Act ("CEQA") Guidelines, because it has no potential for resulting in physical change in the environment, directly or indirectly. The City Council further finds, under Title 14 of the California Code of Regulations, section 15061(b)(3) that this interim urgency ordinance is nonetheless exempt from the requirements of CEQA. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

SECTION 3. Based on the staff report and written and oral public testimony at the public hearing on this matter, the City Council extends the temporary moratorium established by Ordinance No. 1096 for 12 months, as authorized by Government Code section 65858.

SECTION 4. During the time that this urgency ordinance is in effect, (1) no new massage establishment shall be established within the City, and (2) the City shall not approve or issue any use permit, license, variance, building permit, business license, or other applicable entitlement for the establishment of any new massage establishment or the enlargement of any existing massage establishment within the City.

SECTION 5. The City may continue to accept and process applications for uses prohibited by this moratorium if so required by State law. Any application received and processed during the moratorium shall be processed at the applicant's sole cost and risk with the understanding that no permit, license, approval or other entitlement for a massage establishment use may issue while this moratorium or any extension of it is in effect.

SECTION 6. This Ordinance is adopted under the provisions of Government Code Sections 36937 and 65858, and shall take effect immediately upon its passage by a four-fifths vote of the City Council. This Ordinance shall remain in effect for 12 months from its adoption, unless earlier repealed, terminated, or extended.

SECTION 7. No less than ten (10) days prior to the scheduled expiration of this Ordinance, staff shall issue a report to the City Council on the progress of its study and on determinations for how the City should proceed, insofar as conclusions have been drawn.

SECTION 8. If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The City Council hereby declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof.

[Signatures on following page]

SIGNATURE PAGE TO URGENCY ORDINANCE NO. 1096

PASSED, APPROVED, AND ADOPTED this 10th day of December, 2019.

DAVID J. SHAWVER, MAYOR

ATTEST:

PATRICIA A. VAZQUEZ, CITY CLERK

APPROVED AS TO FORM:

MATTHEW E. RICHARDSON, CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS.
CITY OF STANTON)

I, Patricia A. Vazquez, City Clerk of the City of Stanton, do hereby certify that the foregoing Ordinance No. 1096 was duly introduced and adopted at a regular meeting of the City Council on the 10th day of December 2019, by the following vote, to wit:

AYES: COUNCILMEMBERS: _____

NOES: COUNCILMEMBERS: _____

ABSENT: COUNCILMEMBERS: _____

ABSTAIN: COUNCILMEMBERS: _____

CITY CLERK, CITY OF STANTON

CITY OF STANTON

REPORT TO CITY COUNCIL

TO: Honorable Mayor and Members of the City Council

DATE: December 10, 2019

SUBJECT: RESTRUCTURE OF THE PUBLIC SAFETY COMMITTEE

REPORT IN BRIEF:

Based on issues caused by the original format of the Public Safety Committee, there were a number of cancellations due to the lack of a quorum. The proposed reduction in the number of Public Safety Committee members to five combined with the elimination of participation restrictions will lead to a reduction in the number of meetings cancelled due to lack of a quorum.

RECOMMENDED ACTION:

1. City Council find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5)(Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Approve the revised format of the Public Safety Committee.

BACKGROUND:

The Public Safety Committee acts in an advisory capacity on matters concerning public safety issues across the city. The Committee serves as a liaison between the public and City Council as well as providing input on topics such as law enforcement, crime prevention and emergency response. The Public Safety Committee meets quarterly and consists of Committee members, representatives from the Department of Public Safety, Orange County Sheriff's Department and the Orange County Fire Authority. These meetings are open to the public.

Based on issues caused by the original format of the Public Safety Committee, the following revisions are being recommended. The previous format consisted of six members from specifically identified elements of the community including two members of the business community, one from the Stanton Collaborative, one representing a school district that serves Stanton and two members of the community. Identifying committed members that meet the designated criteria has become particularly difficult. This fact combined with number of committee members currently being set at six has created a scenario where meetings are regularly cancelled due to the lack of a quorum.

Having six members on the committee requires that four are present to have a quorum, reducing the number of committee members to five would require three attendees from the committee be present to create a quorum.

ANALYSIS/JUSTIFICATION:

The proposed reduction in the number of Public Safety Committee members to five combined with the elimination of participation restrictions will lead to a reduction in the number of meetings cancelled due to lack of a quorum.

FISCAL IMPACT:

The Public Safety Committee shall consist of five members serving in a non-paid and voluntary position.

ENVIRONMENTAL IMPACT:

Not applicable.

LEGAL REVIEW:

None.

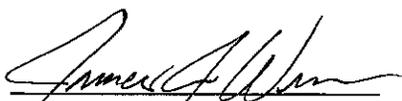
PUBLIC NOTIFICATION:

Notification through the normal agenda process.

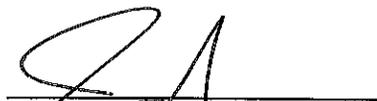
STRATEGIC PLAN COMPONENT ADDRESSED:

Objective1: Provide a save community.

Prepared By:


James J. Wren
Public Safety Director

Approved by:


Jarad L. Hildenbrand
City Manager

CITY OF STANTON

REPORT TO CITY COUNCIL

TO: Honorable Mayor and Members of the City Council

DATE: December 10, 2019

SUBJECT: NOTICE OF INTENT TO WITHDRAW MEMBERSHIP FROM THE PUBLIC ENTITY RISK MANAGEMENT AUTHORITY

REPORT IN BRIEF:

The City engaged Bickmore, a professional risk advisor, to identify and evaluate available pool and commercial alternatives for various liability insurance coverage programs. Following the findings report, this report requests City Council approval to provide the Public Entity Risk Management Authority (PERMA) with a Notice of Intent to Withdraw Membership and authorization to engage in a formal application process with prospective alternate Joint Power Authorities (JPAs).

RECOMMENDED ACTION:

1. City Council declare that this project is exempt from the California Environmental Quality Act ("CEQA") under Section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.
2. City Council authorize the City Manager to Issue a Notice of Intent to Withdraw Membership from the Public Entity Risk Management Authority insurance coverage programs.
3. City Council authorize the City Manager to engage in a formal application process with prospective alternate JPAs to obtain firm pricing and coverage terms for a potential coverage effective date of July 1, 2020.

BACKGROUND:

The City of Stanton has been of member of Public Entity Risk Management Authority (PERMA), an insurance Joint Powers Authority (JPA), since February 1, 1987. PERMA was created in 1985 for the purpose of jointly funding programs of insurance and is a statewide agency consisting of thirty-two public entity members. The following is a list of insurance programs the City obtains through PERMA as well as the 2018/19 and 2019/20 annual premium amounts:

Insurance Program	2018/19 Annual Premium	2019/20 Annual Premium
General Liability	\$115,799.00	\$164,187.00
Workers' Compensation	\$140,497.00	\$191,911.00
Property/Auto Physical Damage	\$25,929.00	\$33,041.00
Employment Practices Liability	\$15,538.00	\$16,443.00
Crime Coverage	\$1,936.00	\$1,936.00
Cyber Liability	\$567.00	\$567.00
Alliant Deadly Weapon Response Program	n/a	\$270.00
Total	\$300,266	\$408,355

In July 2019, City Council authorized the City Manager to engage Bickmore, a professional risk advisor, to identify and evaluate available pool and commercial alternatives for various liability insurance coverage programs. Given that the City incurred increases in all but two insurance program premiums the City undertook a project to review the cost of coverage under alternative insurance programs. Based on the cost of coverage analysis, the City expects to potentially save up to \$158,307. Article 19(c) of the PERMA JPA Agreement requires at least a six (6) months advance written notice of the intent to withdraw as a participant in a program at the end of a policy year for the program. The notice of intent to withdraw from PERMA should be submitted no later than January 1, 2020, and the planned date to withdraw would be effective July 1, 2020. The Notice of Intent to withdraw membership from PERMA can be found as Attachment 1. Should the City wish to rescind its Notice of Intent to withdraw its membership for FY2020-21, the City would need to do so no later than April 30, 2020.

ANALYSIS/JUSTIFICATION:

The analysis performed by Bickmore in the study led to several findings as follows:

- Three prospective alternate JPAs were identified using criteria for City-specific expertise, geographic location and jurisdictional experience, and conservative funding and self-insurance levels.
 - California State Association of Counties – Excess Insurance Authority (CSAC-EIA)
 - Public Agency Risk Sharing Authority of California (PARSAC)
 - California Joint Powers Insurance Authority (CJPIA)
- The City participates in a pool that does not delineate between members who have full police and fire in house from those that contract it out. All three prospective JPAs each rate their member participants with in-house fire and police separately from cities who contract out for such services.
- The City is the only Orange County member in PERMA, while the other three prospective pools have much larger Orange County city participants. In addition, over one-third of PERMA's participants are full service cities.
- PARSAC and CJPIA are strong financially as evidenced by strong balance sheet ratios, large surplus levels, and relatively low financial risk while CSAC-EIA shows higher balance sheet risk and lower surplus.
- All three prospective pools offer the same or similar services currently utilized by the City in addition to a robust listing of additional service offerings to its members.
- Premium contribution indications from PARSAC are 42% lower than the City's current PERMA contributions for general liability and workers' compensation or \$158,307 lower. CJPIA is 25% lower than the current contribution rate to PERMA (and at first dollar

coverage without a deductible). CSAC-EIA will not provide pricing until the City provides formal written notice to exit PERMA.

Attachment 2 titled "Review of Risk Financing Options" provides a detailed report on the study's analyses, findings, conclusions and recommendations. The study conducted by Bickmore led to two recommendations. The first is that the City should consider giving notice to PERMA on or before January 1, 2020, of its intent to exit the pool by June 30, 2020. The second recommendation is that the City should consider engaging in a formal application process with PARSAC and CJPIA to obtain firm pricing and coverage terms for a potential coverage effective date of July 1, 2020. Staff recommends proceeding with both recommendations. The second phase of the project which consists of the application process, procurement and analysis of formal quotes, coverage and service comparison, and best risk finance alternative determination will be completed by staff.

FISCAL IMPACT:

None.

ENVIRONMENTAL IMPACT:

None.

LEGAL REVIEW:

None.

PUBLIC NOTIFICATION:

Through the normal agenda process.

STRATEGIC PLAN OBJECTIVE ADDRESSED:

4. Ensure Fiscal Stability and Efficiency in Governance
6. Maintain and Promote a Responsive, High Quality and Transparent Government.

Prepared by:

Approved by:


Cynthia Guzman
HR/Risk Management Analyst


Jarad L. Hildenbrand
City Manager

Attachments:

1. Notice of Intent to Withdraw Membership from PERMA
2. Bickmore Review of Risk Financing Options



David J. Shawver
Mayor

Rigoberto A. Ramirez
Mayor Pro Tem

Gary Taylor
Council Member

Alyce Van
Council Member

Carol Warren
Council Member

Jarad L. Hildenbrand
City Manager

December 11, 2019

Scott Ellerbrock
General Manager
PERMA
36-951 Cook Street, Suite 101
Palm Desert, CA 92211

RE: City of Stanton Notice of Intent to Withdraw Membership

Dear Mr. Ellerbrock:

The City of Stanton is giving its Notice of Intent to withdraw its membership from the Public Entity Risk Management Authority (PERMA) in accordance with Article 19(c) of the PERMA JPA Agreement (the "Agreement") which states:

(c) Any member having completed three (3) years as a party to this Agreement may withdraw from its status as a participant in a program only at the end of a policy year for the program, and only if it gives the Authority at least six (6) months advance written notice of such action.

The City is in the process of reviewing an alternative option for insurance coverage and risk management services. The City of Stanton will review renewal options, and understands from PERMA staff that should the City wish to rescind its Notice of Intent to withdraw its membership for FY2020-21, that the City would need to do so no later than April 30, 2020.

If you have any questions or comments, please contact me at (714) 890-4277 or jhildenbrand@ci.stanton.ca.us.

Sincerely,

Jarad L. Hildenbrand
City Manager



Review of Risk Financing Options

City of Stanton

December 3, 2019



December 3, 2019

Mr. Jarad Hildenbrand
City Manager
City of Stanton
7800 Katella Avenue
Stanton, CA 90680

RE: Review of Risk Financing Options

Dear Mr. Hildenbrand,

Included with this letter is our draft report for the City of Stanton. As agreed, the items included in this report are:

- A Summary of City Stakeholder Interviews, Goals, and Objectives;
- Initial Analyses of Market Alternatives and Pool Financial Strength;
- Detailed Analysis of Our Recommended 'Short-List' Alternatives;
- Descriptions of Open Market Insurance Coverage Options;
- Transition Requirements and Commitment Periods;
- Cost and Cash Flow Implications; and
- Our Final Findings, Conclusions, and Recommendations.

We have enjoyed working with the City of Stanton. Please do not hesitate to contact us with any questions or to discuss further.

Sincerely,

A handwritten signature in blue ink that reads "Catherine Wells".

Catherine Wells, MBA, CPCU, ARM, CRIS
Vice President, Risk Management Consulting

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Appendices

A – Individuals Interviewed

B – JPA Member List

C – JPA Overview

I. Executive Summary

The City of Stanton (City) has participated in the Public Entity Risk Management Authority (PERMA) risk sharing and purchase of excess insurance programs (“pools”) since 1987. PERMA currently has 32 members, 22 of which are cities in Riverside, San Bernardino, and Imperial Counties. The City is the only member in PERMA within Orange County. PERMA offers a variety of insurance coverage including:

- Liability and Excess Liability;
- Workers’ Compensation;
- Property;
- Employment Practices Liability (EPL);
- Pollution Liability;
- Crime and Fiduciary Liability;
- Cyber Liability; and
- Special Event Liability.

The City participates in each of these insurance programs, as well as a broad range of related risk management support services and training programs.

A. Purpose and Structure of This Report

Bickmore has been retained by the City to evaluate risk financing alternatives to PERMA, including other JPAs and commercial insurance programs, in terms of program structure, insurance coverage, risk management services, and overall costs.

Our analysis includes an overview and summary of our interviews with City stakeholders, broad analyses of the marketplace and JPA alternatives, JPA financial strength analysis and services offered, and prospective JPA indications. This executive summary provides our findings, conclusions and recommendations from the analysis we conducted. From this final analysis, the City will be able to determine whether or not to engage into the next phase to solicit firm quotations from alternate JPAs for the 2020/2021 policy year.

B. Findings

Our analysis in performing this study has led to seven findings.

Three prospective alternate JPAs were identified using criteria for City-specific expertise, geographic location and jurisdictional experience, and conservative funding and self-insurance levels.

- California State Association of Counties - Excess Insurance Authority (CSAC-EIA).
- Public Agency Risk Sharing Authority of California (PARSAC).
- California Joint Powers Insurance Authority (CJPIA).

Traditional insurance is currently not an option for the City due to the high cost and restrictive coverage in the current insurance marketplace.

- Three of these prospective JPAs each rate their member participants with in-house fire and police separately from cities who contract out for such services.



- The City is the only Orange County member in PERMA, while the other three prospective pools have much larger Orange County city participants. In addition, over one-third of PERMA's participants are full service cities.
- Two of the three prospective JPAs are strong financially as evidenced by strong balance sheet ratios, large surplus levels, and relatively low financial risk. Only one prospective pool shows higher balance sheet risk and lower surplus which may lead to future member assessments in addition to regular member contributions.
- All three prospective pools offer the same or similar services currently utilized by the City in addition to a robust listing of additional service offerings to its members.
- The City must provide at least a six-month notice to PERMA of its intent to exit; however, it is unclear whether the City will have an opportunity 30 - 60 days prior to that exit date to rescind this notice.
- Premium contribution indications from PARSAC are 42% lower than the City's current PERMA contributions for general liability and workers' compensation or \$158,307 lower. CJPIA is 25% lower than the current contribution rate to PERMA (and at first dollar coverage without a deductible).

C. Conclusions

Our analysis in performing this study has led to four conclusions.

- The City may be paying a significant amount of workers' compensation contributions to PERMA due to their combined rating formula with cities that have in-house police and fire.
- The CSAC-EIA JPA option may not be the best fit for the City due to the pool's relative size, appetite for its members to assume large retention levels, and elevated balance sheet risk.
- The City may further reduce its cost of risk by considering CJPIA to insure its risks as this pool does not require its members to retain a deductible or self-insured retention for general liability or workers' compensation claims.
- Transitioning to a new JPA can be disruptive, at least in the short term.

D. Recommendations

Our analysis in performing this study has led to two recommendations.

- The City should consider giving notice to PERMA on or before January 1, 2020, of its intent to exit the pool by June 30, 2020, as long as a final decision to exit PERMA does not have to be made until 30 - 60 days prior to the coverage termination date of June 30, 2020.
- The City should consider engaging in a formal application process with PARSAC and CJPIA to obtain firm pricing and coverage terms for a potential coverage effective date of July 1, 2020. We recommend if the City chooses to move forward with this application process, they meet in person with each prospective JPA during that application process to confirm that the JPA is an appropriate fit.



II. City Stakeholder Interviews, Goals and Objectives, and Risk Profile

A. Stakeholder Interviews

The Bickmore team conducted five interviews with City stakeholders, ranging from the City Manager to the City Public Works Director. Each stakeholder was asked for their general opinion on the performance of the City’s risk management program and participation in PERMA. Additional detail from these interviews is included in this section of this report.

All city employees interviewed expressed no dissatisfaction with PERMA’s service or insurance premium rates charged for its annual pool participation, with the exception of general liability. City management did indicate they experienced a rate increase with general liability this past year. This might increase might be a direct result from more public claims involving slips and trips on City-owned sidewalks. It could also be attributed to participation in a pool with other city participants that do not contract out fire and policy. Thus, motivations for this study really center around conducting a full due diligence of available alternatives to PERMA, as well as other options currently available in the marketplace.

During the interviews we inquired as to how PERMA was performing as a pool and resource to the City relative to expectations. The interviews revealed mostly positive comments about PERMA, along with a few possible areas of opportunity.

Overview of Positive Remarks	Overview of Possible Opportunities
<ul style="list-style-type: none"> + Economics of group purchasing + Broad training available + Good working relationship with underwriter + Good maintenance policy for trees/trips & falls + Small claims handled well with limited assistance + Always seem to get money back each year 	<ul style="list-style-type: none"> - Services/training are not customized to the City - Outlayer in service area - Perception many pool participants do not contract out fire and police, thus City is surcharged.

B. Stakeholder Goals and Objectives

During the interviews, City leadership also provided their goals and objectives for this study.

- Explore alternative risk financing options for the City’s property and casualty risks.
- Determine if there is a non-public safety pool that would be a right fit from a financial and service perspective.
- Determine what is the best coverage for the City at the most cost-effective rate.

Emphasis has been put on these three areas in this study. The outcome of each of these goals and objectives are addressed in the Executive Summary at the beginning of this report.

C. Stakeholder Risk Profile

The City enjoys a rather low risk profile compared to other cities in California, evidenced by the following risk management practices.

- Solid contractual risk transfer system monitored by the City Clerk and outside Counsel.
- Contracted fire and police through Orange County.
- Annual robust sewer cleaning program along with a good sewer response system.
- Gas line operations contracted out.
- Oversight of cyber risks contracted out.
- Beach Boulevard – the main artery through the City is owned and managed by Caltrans.
- Consistent maintenance policy for managing tree limbs and sidewalk trip and fall hazards.
- Contracted out street sweeping, refuse, and landscape maintenance

These potential risks outlined above are minimized through a City-wide effective contractual risk transfer system whereby the City is named as an additional insured and covered for defense and indemnity. Further, whereas neighboring cities face major risks with inverse condemnation and fire risk, the City does not face these risks, further minimizing its risk to a major loss.



III. Overview of the JPA Marketplace

A. JPA Governing Code

California Government Code Sections 990 and 990.4 provide that a local government may self-insure, purchase insurance through an authorized insurer, purchase insurance through a surplus lines broker, or any combination thereof. Code Section 990.8 provides that two or more local public entities, by a joint power agreement, may provide insurance for any authorized purpose by any one or more of the methods specified in Section 990.4. A Joint Powers Authority (JPA) as defined under Code Section 6500 is distinct from its member entities and has its own governing body, usually comprised of delegates from the member agencies that form the JPA.

B. JPAs for Cities

The majority of California cities and towns participate in one or multiple of the approximately 20 joint powers authorities for insurance and risk management services. One of the most common types of JPAs is a risk financing authority that provides either a vehicle for sharing losses arising out of the risks of the members or a means to jointly purchase insurance. Often a JPA combines these two approaches, sharing risks up to a certain level then buying “excess” insurance for losses above that level. Participation is largely an economic decision in terms of reduced contribution expenses versus securing insurance individually in the open market. The JPAs do vary widely though both in terms of coverage programs and risk management services.

Of the nearly 100 insurance and risk management JPAs in California, less than 20 have exclusive (or even majority participation) by cities. The following are potential JPAs we considered when conducting this report.

ABAG PLAN (Association of Bay Area Governments PLAN)	ICRMA (Independent Cities Risk Management Authority)
ABAG SHARP (Association of Bay Area Governments)	LAWCX (Local Area Workers' Compensation Excess)
BCJPIA (Bay Cities Joint Powers Insurance Authority)	MPA (Municipal Pooling Authority)
BICEP (Big Independent Cities Excess Pool)	MIC (Municipal Insurance Cooperative)
CIPA (California Insurance Pool Authority)	NCCSIF (Northern California Cities Self Insurance Fund)
CJPIA (California Joint Powers Insurance Authority)	PARSAC (Public Agency Risk Sharing Authority of California)
CJPRMA (California Joint Powers Risk Management Authority)	PERMA (Public Entity Risk Management Authority)
CSJVRMA (Central San Joaquin Valley Risk Management Authority)	REMIF (Redwood Empire Municipal Insurance Fund)
EIA (Excess Insurance Authority - formerly CSAC-EIA)	SCORE (Small Cities Organized Risk Effort)
ERMAC (Exclusive Risk Management Authority of California)	YCPARMIA (Yolo County Public Agency RM Insurance Authority)
GSRMA (Golden State Risk Management Authority)	

Many on this list are geographically specific to areas outside of southern California. Additionally, there are a few that require self-insured retentions above \$250,000 per claim. The eligible JPAs based on City experience, geography, and retentions levels are highlighted below.

C. Recommended JPAs by Geography and Fit

During the course of our interviews, City stakeholders expressed an interest in obtaining customized risk management and training for their city as well as participating in a pool that has lesser population of membership with city-provided fire and police. These considerations, along with similar geographic and

risk tolerance criteria, resulted in a reduced list of three potential JPAs for the City’s review and consideration. These pools are highlighted in green in the chart below.

- Public Agency Risk Sharing Authority of California (PARSAC).
- California Association of Counties – Excess Insurance Authority (CSAC- EIA).
- California Joint Powers Insurance Authority (CJPIA).

	Geography	City Fit	Reason
ABAG PLAN (Association of Bay Area Governments PLAN)	N	No	Bay Area pool
ABAG SHARP (Association of Bay Area Governments)	N	No	Bay Area pool
BCJPIA (Bay Cities Joint Powers Insurance Authority)	N	No	Bay Area pool
BICEP (Big Independent Cities Excess Pool)	N	No	Large cities
CIPA (California Insurance Pool Authority)	N	No	Too small of pool
CJPIA (California Joint Powers Insurance Authority)	Y	Yes	So Cal; Some smaller cities; small retentions
CJPRMA (California Joint Powers Risk Management Authority)	Y	No	High retentions
CSJVRMA (Central San Joaquin Valley Risk Management Authority)	N	No	Focused on central valley risks
EIA (Excess Insurance Authority - formerly CSAC-EIA)	Y	Yes	CA-wide, capacity; pricing
Exclusive Risk Management Authority of California (ERMAC)	Y	No	Not a fit
GSRMA (Golden State Risk Management Authority)	Y	No	Too small
ICRMA (Independent Cities Risk Management Authority)	Y	No	Unhealthy financially
LAWCX (Local Area Workers’ Compensation Excess)	Y	No	High deductible
MPA (Municipal Pooling Authority)		No	Not a fit
MIC (Municipal Insurance Cooperative)	Y	No	Not a fit
NCCSIF (Northern California Cities Self Insurance Fund)	N	No	Nor Cal pool
PARSAC (Public Agency Risk Sharing Authority of California)	Y	Yes	Candidate
PERMA (Public Entity Risk Management Authority)	Y	Yes	Current Provider
REMIF (Redwood Empire Municipal Insurance Fund)	N	No	Nor Cal Pool
SCORE (Small Cities Organized Risk Effort)	Y	No	Too small
YCPARMIA (Yolo County Public Agency RM Insurance Authority)	N	No	Nor Cal Pool

Three other potential alternatives (ERMAC, ICRMA, MIC) were also reviewed by the Bickmore team. ERMAC, a small JPA with four cities spread throughout the state, is not recommended based on its very small group size, retentions starting in excess of \$100,000, and inability to provide a workers’ compensation option. ICRMA is not under further consideration after financial comparison and the potential for future financial distress and member assessments.

Note on MIC JPA: The Municipal Insurance Cooperative JPA (MIC) began in earnest in 2014 with the addition of the Municipal Services Authority JPA (MSA). Though experienced with southern California cities, as well as having retention in the target ranges, Bickmore does not recommend MIC for the short-list of alternatives until the group’s claims and loss history are more mature and net position substantially increases from its current small size.

Note on ERMAC: The Exclusive Risk Management Authority of California (ERMAC) was formed in 2003 by five municipal agencies. It has since reduced to four agencies spread throughout the State (Bay Area, Riverside, Central Valley, and Orange County) and is quite small in comparison to the other JPAs being considered. ERMAC provides liability coverage at SIRs starting at \$100,000+ and does not provide workers’ compensation as an option for members. For these collective reasons plus the limited public availability of financial information for review, we do not recommend ERMAC for the short-list of alternatives for the City.

The analysis contained in this report will focus on the identified potential pools, their capabilities, their services and overall “fit” for the City of Stanton.

Demographics

The table below shows member attributes for the four pools. Full Service cities are those that do not contract out for police and fire. Population estimates are from 2017.

Demographic	PERMA	PARSAC	CSAC-EIA	CIPIA
Number of Members	32	35	354	117
Number of Cities (#)	22	34	136	92
Number of Cities (%)	69%	97%	38%	79%
Number of Cities in OC	1 (Stanton)	2 (Rancho Santa Margarita, Placentia)	15	12
Other types of Members	Transits (4); Other Districts (6)	Fire (1)	Transits (19); Counties (55); Pools (10); Superior Courts (25) etc.	Transits (4); Other Districts (22)
Full Service Cities (#)	8	16	96	24
Full Service Cities (%)	36%	47%	71%	26%
Population (Total)	1,231,944	861,055	14,095,997	3,029,342
Population (Average)	55,997	25,325	103,647	32,928



As it is indicated from the chart above, CSAC-EIA has the highest number of members in its pool even though only 38% of them are cities. This is followed by CJPIA with 117 members and 79% of the membership being cities. PARSAC, on the other hand, has roughly the same number of members in its pool as PERMA with nearly all being cities (97%). PERMA has roughly 69% of its members as cities with the City of Stanton as its only member in Orange County. CSAC-EIA has the most diverse type of members in its pool portfolio with non-member cities being transit agencies, counties, superior courts and other municipalities.

As the table also indicates, CJPIA has the largest percentage of full-service police and fire members in their membership portfolio (71%). This is followed by PARSAC with 47% of its members comprising of full police and fire services and PERMA with 36%. The lowest percentage of participants with full police and fire full service is CJPIA with 26%. Finally, the table indicates both PARSAC and CJPIA tend to support smaller cities as the average population of their pool participants is 25,325 and 32,928 respectively. This is contrasted with PERMA's average pool participant population base of 55,997.

During our interviews, we learned the City participates in a pool that does not delineate between members who have full police and fire in house vs. cities that contract it out. Cities that contract out both police and fire usually have better loss experience and thus are a much more favorable risk to a risk pool. When the PERMA underwriters develop a rate for the City's risk exposures, it pools the entire experience of the risk pool that also has police and fire exposures. PERMA does not provide consideration how the City contractually transfers these risks to other parties, such as Orange County. Thus, the City may be paying a higher rate for participation in that risk pool that does not separate out contracted public safety risks from non-contracted cities.

With this being said, we reviewed how the other three prospective pools underwrite cities that contract out police and fire. Below are the results.

- **PARSAC:** Underwrites public safety risks (police and fire) separately. Full service cities that employ police and fire in house are rated separately from those that contract out. Thus, the loss experience from cities similar to The City of Stanton will be rated together and not pooled together with cities that do not contract out for these services.
- **CSAC-EIA:** Underwrites public safety risks with a high or low rating. For instance, if a city's payroll attributed to police and fire is less than 40% of their total payroll, that city obtains a lower rate than cities that have public safety payroll above this 40% threshold.
- **CJPIA:** Underwrites public safety separately. Pursuant to their November 8, 2018 finance committee agenda: "Police exposures are pooled separate within the liability programs and police and fire exposures are pooled separately within the workers' compensation programs that members without those exposures are not funding those exposures."

Given the City's expressed concerns over being rated in a pool together with cities that retain the public safety risks, the City may want to consider obtaining firm pricing and terms from these prospective cities.

D. Traditional Insurance

Cities and other large public entities that do not participate in JPAs generally fall into two categories: those large enough to maximize their own buying power (or completely self-insure) and those with complex exposures that cannot be addressed on a group basis. These entities may still elect to participate in JPAs for specific exposures or even move in and out of JPAs as the marketplace changes over time.



Though infrequent, there are instances where cities obtain private insurance for certain exposures. Options for the core lines of insurance, workers' compensation and liability specifically, are very limited with only a handful of insurers consistently providing coverage in the public agency sector. The California public entity workers' compensation market, for example, consists of six to seven insurance companies with SIR options starting at \$250,000 per claim.

Unfortunately for most cities and counties in California, options for primary liability and workers' compensation coverage are very limited outside of the available JPA programs. For liability there are only two to three insurers providing options, each starting with SIRs at \$500,000 or greater given recent hard market conditions. The number of potential insurers increases to five to six for workers' compensation, but they are also focused on providing options at the higher excess level. Property coverage can be obtained though, without the economies of scale that a pool provides, pricing is estimated at an increase of 30% or higher.

IV. Financial Analysis

A. JPA Financial Strength

Four JPAs were evaluated in terms of financial strength, using several ratios for analysis - two from a published source and two of our own. These measures provide an indication of liquidity and of ability of a JPA to pay losses even under adverse conditions. A self-insurance pool must always balance the need to be liquid and hold adequate reserves against the members' need to keep as much of their cash as possible for their own operations.

There are guidelines and rules for financial management of JPAs. PERMA plus three JPAs appear to operate within these guidelines although with different degrees of cautiousness. For comparison, PERMA was within all the recommended ranges of the financial tests. PARSAC and CJPIA were also within all recommend ranges, and are the most conservatively funded. CSAC-EIA financial test scores would appear to present modest potential for financial distress and possible future member assessments evidenced by several factors including large fluctuations in claim reserves and increases in current year claim obligations. Of the three JPAs on the City's short list, CSAC-EIA is the only one of the three that consistently increased its provision for current year claims.

The financial condition of a prospective pool is one of the most important factors to consider when evaluating prospective membership. Financial weakness can lead to undesirable consequences. At the least, weakness can lead to assessments imposed on the members to make up for past deficits. At the worst, financial weakness can lead to a collapse of a pool and unfunded liabilities placed on the members, ultimately defeating the functionality of a pool.

Pools should operate in a manner similar to an insurance company by setting aside sufficient reserves to cover expected losses. They should have a cushion to cover unforeseen circumstances due to changes in membership or adverse loss development and need substantial liquidity to cover irregularities in cash flow that can occur over a period of time.

We analyzed the comprehensive annual financial reports (CAFR) for PERMA and three of the recommended JPA pools: CSAC-EIA, PARSAC, and CJPIA. For comparison of financial strength, we identified various guidelines within the industry of self-insurance pools that recognize the unique character of these organizations. Several of the measurements came from outside sources,¹ while we developed two of our own.

The financial strength of insurance carriers is assessed by third party companies such as AM Best or S&P Global. The pools we reviewed are not rated by these third parties. However, California JPAs are reviewed for industry best practices by the California Association of Joint Powers Association (CAJPA – www.cajpa.org). Most pools reviewed have been Accredited with Excellence by CAJPA since 1989. This rating is based on an examination of the pool's finances, management, and operations in relation to JPA standards established by CAJPA's Accreditation Committee. Other pools reviewed have also achieved AGRiP Recognition, a distinction the Association of Governmental Risk Pools (AGRiP) awards to pools exceeding operational standards, as reviewed by a committee of peers.

¹ "Evaluating Group Risk Finance Programs," The Risk Report, Volume XXXII, No.4, December 2009, International Risk Management Institute, Dallas, Texas.



B. Net Member Contributions to Net Assets

This ratio measures the rate at which the pool is accepting risk in the form of member contributions against the pool's total surplus, or net assets. The ratio also measures whether the pool has sufficient assets to support contributions from its members. Net member premium contributions represent the annual amount of premium contributions from pool members less reinsurance costs and excess liability insurance. Ratios over 3:1 indicate the pool is accepting risk by collecting premiums at a higher rate than obligations that can be supported by its surplus. This can potentially cause the pool to have liquidity and solvency issues. The exhibit below shows the net member contributions to asset ratio for each of the pools reviewed.

Exhibit 1 – Net Member Contributions to Net Assets

MEASURE	FY '14	FY '15	FY '16	FY '17	FY '18	FY '19
CJPIA	0.68	0.68	0.70	0.75	0.95	n/a
EIA	1.10	1.26	1.16	1.38	1.74	n/a
PARSAC	0.36	0.35	0.40	0.37	0.36	n/a
PERMA	0.29	0.30	0.63	0.39	0.53	0.88

As the exhibit indicates, all prospective pools are well within industry guidelines of \$3.00 in member contributions to \$1.00 in net assets. CJPIA, PARSAC, and PERMA are accepting risk at a rate under \$1.00 for every \$1.00 in pool surplus. This indicates both are accepting risks well within a very conservative rate to its surplus level. Although CSAC - EIA's ratios are over 1.0 each year reviewed, they still exhibit enough surplus to support annual member contributions relative to industry guidelines.

C. Loss Reserves to Net Assets

The ratio of loss reserves to net assets measures the pool's total loss reserves against its total surplus, or net assets. Loss reserves consist of the pool's total outstanding current and long-term claim liabilities which include claim reserves, incurred but not reported, and unallocated loss adjustment expenses as represented on the pool's balance sheet each year. The ratio measures a pool's ability to withstand adverse loss development in a given year. Ratios approaching or exceeding a 4:1 relationship of claim liabilities to surplus indicate the pool may not have enough surplus to meet its claim liabilities and therefore may be prone to member assessments.

Exhibit 2 – Loss Reserves to Net Assets

MEASURE	FY '14	FY '15	FY '16	FY '17	FY '18	FY '19
CJPIA	1.63	1.67	1.68	1.79	1.71	n/a
EIA	3.52	3.75	3.71	4.37	5.01	n/a
PARSAC	0.63	0.71	0.70	0.64	0.71	n/a
PERMA	0.36	0.42	0.87	0.65	0.95	2.20

As the table indicates, CJPIA, PARSAC, and PERMA are well within industry guidelines as its claim liabilities are below the 4:1 industry guideline for each of the three years.

CSAC-EIA's relationship of claim liabilities to surplus were within industry guidelines in earlier years, although quickly approaching 4.0 starting in 2016. Note the most recent two years indicate the relationship of loss reserves to net assets went above industry standards, even though industry guidelines are only general benchmarks. Should this ratio climb further in future fiscal years, the pool could face some liquidity risk and the ability to withstand any adverse development without a special assessment to its members.

Even though CSAC-EIA's outstanding liabilities in relation to its net assets might be cause for concern, the general liability program is currently in the process of strengthening its equity position. In combination with member rate increases, CSAC-EIA has sold off older liability claims transferring a large portion of their liabilities to another insurance company. This strategy will strengthen the GL portfolio's equity position and will continue until June 2024.

D. Member Contributions to Claim Obligations

The relationship of net member contributions to current year losses measures whether the pool is obtaining adequate funding for its current claim obligations. A ratio of 100% means the pool is taking in \$1.00 in member premiums for every \$1.00 it has in current year claim obligations. A ratio above 100% suggests adequate funding for the current year, while a ratio of less than 100% suggests the pool may be drawing from prior year contributions to pay current claim obligations.

The relationship of current year claim obligations to total incurred for the year represents the relationship of current claim obligations to the total claim obligations reported on the JPA's income statement. A ratio of less than one indicates current year losses are a fraction of total incurred reported for the year with balance of total incurred coming from prior year losses.

The following sections present the analysis of this ratio for each of the four JPAs evaluated.

CJPIA

Exhibit 3 shows the relationship of CJPIA's net member pool contributions to total incurred as represented on its income statement for a given fiscal year. Total incurred includes a provision for current year losses and an adjustment for losses from prior years.

Exhibit 3 – CJPIA Member Contributions to Claim Obligations

MEASURE	FY '14	FY '15	FY '16	FY '17	FY '18
A. Net Contributions	67,512,014	67,652,357	74,165,681	93,484,910	97,699,484
B. Provision for Current Losses	50,873,000	50,760,000	49,368,000	53,918,000	54,527,000
C. Change in Prior Losses	2,910,686	-2,065,579	12,841,502	6,419,689	-1,071,347
D. Total Incurred	53,783,686	48,694,421	62,209,502	60,337,689	53,455,653
E. Net Contrib to Provision for Current	133%	133%	150%	173%	179%
F. Provision for Current Yr to Tot Incurred	95%	104%	79%	89%	102%

As the exhibit indicates, CJPIA's member contributions increased steadily between fiscal years 2014 and 2018. Some of the increases between FY'16 and FY'17 are attributable to increased rates in the workers' compensation program. CJPIA's total incurred experienced more fluctuation in that same five-year period. A 9% decrease from \$53.7 million in FY '14 to \$48.8 million in FY '15 was followed by a 27% increase to \$62.2 million in FY '16. This increase was attributable to an increase in claim reserves for prior year losses during 2016. Fortunately, for the most recent period reviewed, total incurred has decreased.

CJPIA is collecting member contributions at a faster rate than current year claim payouts with ratios ranging from 133% to 179%. Each year shows a relatively consistent relationship of member contributions to total loss obligations.

In FY '14, FY '16, and FY'17, CJPIA experienced an increase in loss reserves for its prior year claims, causing the ratio of current claims to total incurred drop below 100%. The 79% ratio in FY '16 indicates total losses from the current year were 79% of the total incurred for the year with the balance, or 21% arising from prior year losses. Large increases from prior year losses can potentially result in rate increases to members to make up for prior year loss obligations. This can especially impact new members who would potentially be assessed a rate increase for other members' losses from prior years. Fortunately, this ratio went above 100% in FY'18 evidencing loss reserves grew at a slower rate in the most recent period.

PARSAC

Exhibit 4 – PARSAC Member Contributions to Claim Obligations

MEASURE	FY '14	FY '15	FY '16	FY '17	FY '18
A. Net Contributions	7,619,433	6,881,987	8,422,310	9,142,114	9,279,507
B. Provision for Current Losses	3,882,102	3,931,104	5,108,094	4,969,021	5,195,675
C. Change in Prior Losses	2,404,714	203,305	-1,132,230	-1,135,515	-11,398
D. Total Incurred	6,286,816	4,134,409	3,975,864	3,833,506	5,184,277
E. Net Contrib to Provision	196%	175%	165%	184%	179%
F. Provision for Current Yr to Tot Incurred	62%	95%	128%	130%	100%

The exhibit above represents the relationship of PARSAC's net member contributions to current losses and to total incurred as represented on its financial statements for a given fiscal year. As the exhibit indicates, PARSAC's member contributions reduced by 10% from fiscal years 2014 to 2015, but increased by 22% between fiscal years 2015 and 2016. Since 2016, member contributions have continued to increase. Provision for current year losses increased very slightly (1%) between fiscal years 2014 and 2015, but jumped up 30% from fiscal year 2015 to fiscal year 2016. For fiscal years 2014 and 2015, PARSAC increased its losses from prior years by \$2.4 million and \$203,305 respectively. Provision for current year losses has remained fairly steady during the past three fiscal years reviewed.

However, in fiscal years 2016 and 2017 the pool dropped its provision for losses from prior years by \$1.1 million each year. This reduced the pool's total incurred obligations for the year to \$3.9 and \$3.8 million, a reduction of nearly 4% from the prior fiscal years.

PARSAC appears to be collecting contributions from its members at a faster rate than current year claim payouts, with ratios ranging from 196% to current year of 179%. This shows member contributions appear adequate to support the level of risk assumed by the pool. As the Exhibit also indicates, PARSAC increased its claim reserves from prior years during fiscal years 2014 and 2015. This loss development, on the other hand, did not affect the pool's ability to pay claims as net contributions to provision for current year losses was over 100% for all years reviewed.

The Exhibit also depicts the relationship of current year claim obligations to total incurred for the year. For fiscal years 2014 and 2015, PARSAC experienced an increase in loss reserves for its prior year claims, causing the ratio of current claims to total incurred drop below 100%. In the two following fiscal years, the ratio exceeded 100% showing vast improvement. The most recent year reviewed show a 100% ratio

despite the fluctuation in prior year claim reserves over the five years reviewed, the organization appears to have plenty of surplus and a conservative relationship of member contributions to losses incurred.

CSAC-EIA

Exhibit 5 shows the relationship of CSAC-EIA's net member pool contributions to total incurred as represented on its income statement for a given fiscal year. Total incurred includes a provision for current year losses and an adjustment for losses from prior years.

Exhibit 5 – CSAC-EIA Member Contributions to Claim Obligations

MEASURE	FY '14	FY '15	FY '16	FY '17	FY '18
A. Net Contributions	124,381,694	141,883,789	160,252,686	194,566,889	213,731,039
B. Provision for Current Losses	94,412,767	109,565,316	135,900,302	167,558,994	168,878,576
C. Change in Prior Losses	30,076,852	27,778,283	87,023,829	21,636,059	56,643,455
D. Total Incurred	124,489,619	137,343,599	222,924,131	189,195,053	225,522,031
E. Net Contrib to Provision	132%	129%	118%	116%	127%
F. Provision for Current Yr to Tot Incurred	76%	80%	61%	89%	75%

As the exhibit indicates, CSAC's member contributions increased 13% from fiscal year 2014 to fiscal year 2015 and 14% from fiscal year 2015 to fiscal year 2016. Member contributions since FY-16 have increased significantly evidencing additional market share along with rate increases amongst certain lines of insurance. Increases in total incurred, for the same two periods, is 10% and 62%, respectively. For all fiscal years reviewed; however, the relationship of member contributions to total incurred has been short which can lead to future member assessments.

The relationship of net member contributions to provisions for current losses measures whether the pool is accepting risk at a faster rate than the claims for a particular fiscal year. In all fiscal years, CSAC-EIA, fortunately, was collecting more member contributions than current year claim obligations. This rate has gradually decreased from \$1.32 of member contributions to \$1.00 of current claim liabilities in FY '14 to \$1.18 in FY '16 but increased to 127% in the most fiscal year reviewed.

The Exhibit also depicts the relationship of current year claim obligations to total incurred. In all fiscal years, this relationship is less than one indicating the pool is experiencing loss development from prior year claim reserves, especially in FY '16. This trend is moving unfavorable as increases from prior year claim obligations are increasing at a greater rate in the most recent fiscal years reviewed. Prior year claim reserve increases have fluctuated from \$30 million in 2014, \$27 million in 2015, jumped to \$87 million in 2016, reduced to \$21 million in 2017, then increased to \$56 million in the most recent period reviewed. Please note CSAC-EIA is one of the two pools examined that has adjusted upward the provision for prior year claim liabilities for each of the fiscal year periods reviewed.

PERMA

Exhibit 6 shows the relationship of PERMA's net member pool contributions to total incurred as represented on its income statement for a given fiscal year. Total incurred includes a provision for current year losses and an adjustment for losses from prior years.

Exhibit 6 – PERMA Member Contributions to Claim Obligations

MEASURE	FY '14	FY '15	FY '16	FY '17	FY '18	FY '19
A. Net Contributions	5,322,149	5,564,749	5,841,662	6,016,340	6,253,933	6,630,216
B. Provision for Current Losses	1,941,392	2,516,028	2,282,264	2,034,599	2,118,227	2,254,741
C. Change in Prior Losses	-271,720	290,317	594,247	4,134,561	4,054,880	8,318,336
D. Total Incurred	1,669,672	2,806,345	2,876,511	6,169,160	6,173,107	10,573,077
E. Net Contrib to Provision	274%	221%	256%	296%	295%	294%
F. Provision for Current Yr to Tot Incurred	116%	90%	79%	33%	34%	21%

The exhibit above represents the relationship of PERMA’s net member contributions to current losses and to total incurred as represented on its financial statements for a given fiscal year. As the Exhibit indicates net contributions to provision for current losses has gone from 274% in fiscal year 2014 to 294% in fiscal year 2018. Each year shows a relatively consistent relationship of member contributions to total loss obligations, and the fact all exceed 100% shows member contributions appear adequate enough to support the level of risk assumed by the pool.

The exhibit also depicts the relationship of current year claim obligations to total incurred for the year. For fiscal years 2015 and 2016, PERMA experienced an increase in loss reserves for its prior year claims, causing the ratio of current claims to total incurred drop below 100%. In fiscal year 2014 the relationship of current claim reserves to total claim reserves rose above 1.0 to 116% due to a reduction in the provision for prior year losses. Despite some fluctuation in prior year claim reserves, the organization appears to have plenty of surplus and a conservative relationship of member contributions to losses incurred, especially in more recent years.

E. Conclusions from Financial Analysis

In summary, all of the pools reviewed show an acceptable level of member contributions relative to their surplus level when considering an industry guideline of 3:1 (net member contributions relative to assets). Annual member contributions for the five most recent fiscal years exceed current year losses for three of the four pools reviewed, reflecting an adequate funding level. In addition, three of the four pools reviewed appear to be currently accepting risk at a conservative rate relative to their current level of surplus.

When reviewing each pool’s relationship of loss reserves to net assets, PARSAC, PERMA, and CJPIA showed a very good surplus level relative to short and long-term claim obligations. PARSAC and PERMA, in particular, produced exceptional results above industry guidelines for all five years reviewed. Although CSAC-EIA’s relationship of loss reserves to net assets fell within the acceptable range of 4.0 for earlier years reviewed, that relationship has surpassed the industry guidelines of 4.0 in the most recent two fiscal years reviewed. Fortunately, CSAC-EIA recently has restructured their loss portfolio which should produce more favorable ratios in coming fiscal years.

Measuring the relationship of member contributions to claim obligations, CJPIA, PARSAC, and PERMA yielded the best results. Strong ratios for all three years were observed for each of these pools indicating a healthy contribution rate from its members along with good surplus and a conservative approach to its financial health. In the case of CSAC-EIA, the relationship of member contributions to claim obligations in the most recent fiscal year is some cause for concern as the results were less than favorable. However, among the four pools reviewed, CSAC-EIA presents the most potential for financial distress and possible future member assessments. This pool experienced a major change in prior year losses along with a lower member contribution rate over loss levels.

V. Liability Coverage Program Comparison

All three alternate JPAs offer a liability package that provides protection for municipal liability exposures and provides a mechanism to pool and share risk with fellow members. The risk sharing is a relatively small portion of the total program limits; however, with excess insurance covering losses above a specific pooled amount. Usually excess insurance covers 90% or more of the total limit. CSAC-EIA retains 25% of its basic liability limit, PARSAC retains less than 3% of its basic limit, CJPIA retains 10% of its limits, and PERMA retains 2% of its limit. In dollars, those percentages (retentions) equate to \$5,000,000 each for CJPIA and CSAC-EIA, \$1,000,000 for PARSAC, and \$1,000,000 for PERMA.

Coverage provided is fairly similar among the JPAs and consists of general liability, public official liability, and auto liability. All three JPAs also offer employment practices liability protection, although CSAC-EIA includes the coverage within their liability Memoranda of Coverage (MOC), as does CJPIA, while PARSAC and PERMA provide it by facilitating its members participation in another pool that specializes in that type of protection (ERMA). It should be noted that EPL coverage is included in the liability programs for CJPIA and CSAC-EIA. For PARSAC and PERMA, EPL coverage is provided through a shared layer plus participation in the Employment Risk Management Authority (ERMA); in total providing lesser total coverage limits of \$1,000,000.

There are differences among the programs in terms of broadness of definitions, number and kind of exclusions, and approaches to drafting coverage terms. There are also unique features such as CJPIA's "city manager employment liability" coverage. No JPA has a clear and distinct advantage over another in terms of coverage. One of the unique characteristics of a JPA is that since it exists for the benefit of and at the pleasure of its members, JPAs tend to be liberal in coverage interpretation and can choose to cover almost anything they wish. Thus, even though an MOC may appear to exclude a type of coverage or may be silent, the JPA may choose to cover a claim where an insurer might deny it.

CJPIA currently offers the highest standard liability limit at \$50,000,000. CSAC-EIA's standard is \$25,000,000 but can provide options to match the CJPIA limit for modest premium increases. PARSAC's liability limit is \$35,000,000 and PERMA can offer up to \$50,000,000 in limits. While this is not an exhaustive review, several key areas of consideration for the City noted here.

It is important to note that CJPIA and PERMA each require participation in their liability program. PARSAC and CSAC-EIA do not have this requirement and the City could elect to participate in any one or more CSAC- EIA programs.

Liability risks are the most critical and difficult to insure for California public entities. The so-called "liability insurance crisis" of the 1970s, repeated in the 1980s, drove the formation of risk sharing pools in the public sector, especially in California. Although many JPAs also pool workers' compensation risks, liability pool participation is often the principal requirement for JPA membership and is the key factor in this analysis.

By statute, public entity risk sharing pools formed as joint powers authorities are not insurance companies. The documents the JPAs use for spelling out the protection available to members of the pool are not called insurance policies. Names for the coverage documents may vary, using such terms as "memorandum of coverage," "coverage contract," or similar terms. All three of the JPAs reviewed here use the term "memorandum of coverage," or "MOC."



Public entity liability insurance or group self-insurance documents usually will provide at least the following types of coverage:

- General liability, which would claims alleging bodily injury, property damage, personal injury, and advertising injury;
- Public official liability, covering errors and omissions made by public elected officials and member employees; and
- Auto liability covering bodily injury or property damage resulting from negligent operation of a motor vehicle.

Sometimes the “line” of coverage may not be spelled out in the coverage document. For example, some of the MOCs do not specifically mention “auto liability” as one of the types of protection provided, but the document will clearly indicate that unlike commercial general liability insurance, the MOC has no exclusion for bodily injury or property damage resulting from use or operation of a motor vehicle.

Each of the three pools offers a package of liability protection that includes the three basic types of coverage identified above, i.e., general liability, public official liability, and auto liability.

Both CJPIA and CSAC-EIA also include employment practices liability (EPL) covering such offenses as wrongful dismissal, failure to hire, failure to promote, breach of employment contract, various types of harassment and similar injury. PARSAC and PERMA do not include EPL in their memoranda, but arrange coverage through a separate pool called the “Employment-Risk Management Authority” or “ERMA.”

A. Liability Program Structures

CJPIA: CJPIA provides a \$50 million limit of liability coverage in its liability pool. The coverage consists of a \$5 million retained layer composed of pooled risks funded by member contributions. This is followed by two successive insured layers of \$5 million each that follow the CJPIA MOC. Above the MOC layers are three layers of excess insurance.

The CJPIA liability coverage program is structured more like a fully insured program than are the other pools reviewed with the exception of the CSAC-EIA Primary General Liability pool option. There is no deductible or self-insurance retention per se in the CJPIA pool. The member pays an advance deposit that is based on a combination of exposure units (payroll) and experience factors (loss history). There is a payroll-based surcharge if the member has police exposure.

CSAC-EIA: The California State Association of Counties Excess Insurance Authority, despite the name, has many different types of entities participating in its programs, either as a purchaser of excess pooled coverage, as a joint buyer of excess insurance, or as a pool participant in a public entity risk sharing pool.

CSAC-EIA has two liability programs called “General Liability I (GLI),” and “General Liability II (GLII).” 134 public entities participate in the GLI program. They include 47 cities and other public entity types like schools, special districts, and counties.

Self-insured retentions (SIRs) for each entity in the GLI program range from \$10,000 to \$2,000,000. Losses are pooled among the members within a \$5,000,000 risk sharing pool above the individual retentions. Excess insurance in two layers of \$10,000,000 and \$15,000,000 add protection of \$25,000,000 above the

retained \$5,000,000, bringing the total limit of the program to \$35,000,000. Additional limits can be purchased in \$25,000,000 layers up to \$100,000,000 if the individual member desires.

CSAC-EIA also offers a program called GLII that is designed for the larger members. The minimum SIR for the GLII program is \$1,000,000. We did not consider that program for the City of Stanton as a \$1,000,000 self-insured retention is too large for an organization of the City's size.

CSAC-EIA collects contributions on a prospective basis, meaning that initial deposits are expected to cover all losses and expenses for the period for which they are contributed. It is possible that an assessment could be declared; however, if deposits were to be inadequate because of adverse development. According to the CSAC-EIA representative with whom we corresponded, there have been no assessments going back to at least 1992/93.

The rating formula for the GLI pool caps losses at \$1 million. Losses above that level are 100% pooled up to the reinsurance level, at which point losses are paid by an insurer. The pool also uses credibility factors (i.e. application of different weights to data being used according to their relative predictive value) as do CJPIA, PARSAC, and PERMA. The GLI pool is generally funded to the 65% confidence level and uses a discount rate (expected rate of return on investments to offset some of the costs) which according to Board minutes results in an 80%+ effective confidence level.

PARSAC: PARSAC's liability coverage program begins with a pooled \$1,000,000 layer, less the individual member retention. Available retentions range from \$25,000 to \$750,000 (\$5,000 and \$10,000 available for EPL). The next layer of coverage is provided by CSAC-EIA in the form of a \$4,000,000 excess over PARSAC's \$1,000,000 pooled layer. This layer is obtained by participation as a group in the same GLI program identified above in the discussion of CSAC-EIA. An additional layer of \$20,000,000 in reinsurance lies above the CSAC-EIA GLI and another \$10,000,000 of excess insurance top off the program for a total of \$35,000,000 per occurrence and aggregate limits. The excess insurance layers are also arranged through CSAC-EIA. PARSAC participates as a single entity in the group purchase of excess insurance.

PARSAC's liability program acts as a pooled retention mechanism for smaller entities who thus are able to participate indirectly in the CSAC-EIA coverage program. Since most of the claim activity is well below \$1,000,000, PARSAC members can control much of their risk financing through their own pool and can be rated as a group rather than individually. They can also fund as they wish, within the pool-retained limit. As noted in the financial analysis section above, PARSAC is the most conservatively funded of the three insurance JPAs reviewed here. This is partly prompted the mix of high and low deductibles within the PARSAC pool, which theoretically can lead to greater volatility, which makes conservative funding appropriate.

In addition to providing a funding mechanism that allows control of most of the "action" layer, the pool offers services to its members such as training, loss control assistance, selection of service providers such as third-party claim administrators and more.

According to the staff, PARSAC is funded overall (all open years) well above the 95% confidence level in its liability pool. We understand that the PARSAC Board has decided to reduce current funding to the 80% confidence level which is still considered conservative. Many pools fund to the 75% confidence level or lower, including the other liability pools reviewed here.

PARSAC has a retrospective rating feature within its program and allows for assessments, but it is not used unless, due to adverse loss development, the funding for a given program year falls below the level required to maintain an 90% confidence level and a target equity goal of five times the pool self-insured

retention. In such cases, the pool could retrospectively charge the members, but has never done so. The formula also allows for return of member equity after the fifth year of history if the remaining equity exceeds the targeted funding level. Fifty percent of the excess equity can be returned after the fifth year, sixty percent after the sixth year and so on up to a 90% cap. However, the Board may choose to limit or forego a "dividend" if it decides to set aside contingency funds. For example, it could keep funds to offset adverse development in a different year. Over the years, PARSAC's retrospective adjustment has led to return of contributions to members (dividends) for most years of the program.

Unlike CJPIA and CSAC-EIA, PARSAC does not include employment practices liability within its MOC. Therefore, the pool facilitates its members participation in another pool especially designed for employment practices. The pool is called the Employment Risk Management Authority (ERMA). A member's participation in ERMA is similar to its participation in PARSAC. Risks are pooled by ERMA up to \$1,000,000 above each member's retention and losses above \$1,000,000 are covered in the CSAC-EIA GLI pool and the excess layers above it. For those smaller members that cannot or chose not to meet the \$25,000 minimum self-insured retention for ERMA participation, PARSAC pools the difference between an SIR of \$5,000 or \$10,000, depending on the member's choice, and the \$25,000 minimum SIR.

PERMA: PERMA's liability coverage program begins with a pooled \$1,000,000 layer, less the individual member retention. Available retentions range from \$0 to \$500,000. Layers of coverage above the pooled \$1,000,000 layer are provided by CSAC-EIA in the form of a \$4,000,000 excess over PERMA's \$1,000,000 pooled layer. This layer is obtained by participation as a group in the same GLI program identified above in the discussion of CSAC-EIA. An additional layer of \$45,000,000 in reinsurance lies above the CSAC-EIA GLI for a total of \$50,000,000 per occurrence and aggregate limits. The excess insurance layers are also arranged through CSAC-EIA. PERMA participates as a single entity in the group purchase of excess insurance.

PERMA's liability program, similar to PARSAC, acts as a pooled retention mechanism for smaller entities who participate indirectly in the CSAC-EIA coverage program. Since most claim activity is well below \$1,000,000, PERMA members can control much of their risk financing through their own pool and can be rated as a group rather than individually. Also PERMA, like PARSAC, is also conservatively funded according to the financial analysis conducted in this report.

Like PARSAC, PERMA also excludes employment practices liability within its MOC. Therefore, the pool facilitates its member's participation in ERMA which is designed for employment practices. Risks are pooled by ERMA up to \$1,000,000 above each member's retention (ranging from \$25,000 to \$500,000) and losses above \$1,000,000 are covered in the CSAC-EIA GLI pool and the excess layers above it.

VI. Workers' Compensation Coverage Program Comparison

Each alternate JPA option offers a pooled program that provides the statutorily required benefits specified in California workers' compensation law. As the benefits are statutorily determined, there is relatively little difference in the scope of coverage provided by the workers' compensation MOCs. For purposes of comparison we concluded that the differences between the workers' compensation MOCs are not sufficient to significantly impact a pool choice.

Workers' compensation benefits are defined by statute. The available extensions of coverage, of which there are few compared to other lines of insurance, are available from most of the sources for workers' compensation. In other words, there is little difference between pooled workers' compensation programs in terms of coverage because coverage is statutorily defined.

However, there are subtle differences between the memoranda of coverage. For example, CSAC-EIA affirmatively provides coverage for "maritime" exposures (injury to masters and crew of vessels) if no other coverage is available. CJPIA affirmatively excludes coverage for maritime plus any federal compensation or occupational disease law. PARSAC is silent on these matters, though PARSAC as a condition of coverage requires that actions seeking damages must be brought under California law. When we asked about the lack of exclusion; however, a PARSAC representative told us that if it is excluded, it is covered and that they have several agencies subject to the Jones Act, which is a federal statute.

Such subtle distinctions could be of some significance under certain circumstances that are probably unlikely. Nevertheless, for the vast majority of claim issues, coverage under each of the memoranda is likely to produce the same end result. In the final analysis, a joint powers authority can always elect to cover a claim and the JPA usually wants to protect its members.

A. Workers' Compensation Program Structure

CJPIA: CJPIA pools the first \$2,000,000 in its workers' compensation pool. Losses above the pooled retention are commercially insured. Costs are allocated among the members using a formula similar to the one used for the general liability program. Credibility weightings based on size apply and a member's losses are given 80% credibility and the remaining 20% is applied to payroll. Experience within two loss layers, one from \$0 to \$50,000 and a second from \$50,000 to \$100,000, is used to determine overall pool contribution. CJPIA, by contract with York Risk Services, handles workers' compensation claims from inception to closing. From the member's perspective, the program functions much like first dollar insurance.

CSAC-EIA: CSAC-EIA has two workers' compensation pools, the Primary Workers' Compensation (PWC) program and the Excess Workers' Compensation (EWC) program. The PWC pools the first \$10,000 of every occurrence among the members and then purchases a policy from ACE American Insurance Company which provides insurance to the PWC pool up to \$125,000 per occurrence. This combination gets the members of the PWC pool up to the minimum SIR (\$125,000) of the excess pool (EWC) where they are treated as a single entity and pooled together with other entities that take retentions up to \$5,000,000. This is the amount that the excess pool provides directly to its members through a combination of pooling, shared limits and reinsurance.

The EIA assumes all administrative responsibilities of the PWC Program, including:

- Claims administration;



- Annual actuarial study;
- Collection and analysis of loss data;
- Claims audits;
- SIP reporting and payment of fees; and
- Cost control services such as managed care, return-to-work programs, etc.

For coverage beyond the PWC up to the workers' compensation statutory limits, the PWC participates in the CSAC-EIA EWC program. The members that participate in the excess program outside of the PWC can select an SIR anywhere from \$125,000 per occurrence up to \$5,000,000 per occurrence, at which level they only participate as joint purchasers of excess insurance and do not pool any of their experience. Members with SIRs are expected to obtain an actuarial study every three years and claims audit every two years. The EIA provides subsidies to assist members with obtaining these services.

Combined, these programs present an intricate and unusual structure that combines many different types of risk financing including retention, pooling, quota sharing, reinsurance, excess insurance. Individual entity retentions range from \$0 to \$5,000,000. Like the CSAC-EIA liability pool, participants in this program include large and small entities, schools, counties, cities, special districts and JPAs. PARSAC and PERMA both participate in this program.

PARSAC: PARSAC pools the first \$500,000 of workers' compensation exposure over the member retentions ranging from \$0 to \$350,000. A layer from \$500,000 to \$5,000,000 is pooled into another JPA called the Local Agency Workers' Compensation Excess pool or "LAWCX" (pronounced "locks"). Above the pooled amount, LAWCX arranges coverage through the CSAC-EIA workers' compensation program with a reinsured layer from \$5,000,000 to \$50,000,000 insured by ACE American Insurance Company, and an excess layer above \$50,000,000 taking the protection up to statutory benefits. The last layer is insured by Liberty Insurance Corporation.

Thus, PARSAC participates in the excess workers' compensation program as part of another pool that participates in the CSAC-EIA EWC at the highest retention level, or in other words, as a participant only in the joint purchase of excess insurance.

PARSAC provides its members with proactive claim oversight by working closely with each city or town and their claims administrator. Members also have the option of participating directly in the PARSAC contract for claims administration services at a discounted group rate.

PARSAC has a dedicated workers' compensation unit located in its offices. The unit is composed of a dedicated Examiner, Claims Assistant, Nurse Advocate, and Medical Director who are employed through a third-party administrator.

PERMA: PERMA also pools the first \$500,000 of workers' compensation exposure over a slightly lower member retention range of \$50,000 to \$250,000. A layer from \$500,000 to \$5,000,000 is pooled into another JPA called the Local Agency Workers' Compensation Excess pool or "LAWCX" (pronounced "locks"). Above the pooled amount, LAWCX arranges coverage through the CSAC-EIA workers' compensation program with a reinsured layer from \$5,000,000 to \$50,000,000 insured by ACE American Insurance Company, and an excess layer above \$50,000,000 taking the protection up to statutory benefits.

Thus, PERMA participates in the excess workers' compensation program as part of another pool that participates in the CSAC-EIA EWC at the highest retention level, or in other words, as a participant only in the joint purchase of excess insurance.

PERMA also provides its members with proactive claim oversight by working closely with each member and their claims administrator.



VII. Property Coverage Program Comparison

Ultimately, all of the JPAs buy property insurance through programs developed by Alliant Insurance Services (Alliant). For CSAC-EIA and PARSAC, the concept involves developing a “manuscript” insurance policy geared toward public entities and then enlisting insurance protection from a broad combination of domestic and foreign insurers and syndicates at Lloyds of London. The core program is called the Public Entity Property Insurance Program or PEPIP. Each of the insurers in the program signs on to the coverage form and agrees to provide the coverage designed by Alliant, although there are a few exceptions and deviations among some of the insurers. The comprehensive offerings through PEPIP include all risk property, boiler and machinery, business income, builder’s risk, and more. Earthquake coverage is available on an optional basis similar to PERMA.

PERMA participates in the larger Alliant Property Insurance Program or APIP, of which PEPIP is the leading element. Essentially structured in the same manner as PEPIP, there are a few differences among the JPA offerings that are worth noting. Each pool has its own derivatives of the basic program with some distinguishing features.

CJPIA covers subsidence in its property program, which the other JPAs have varying degrees of coverage for. CJPIA has a \$30,000,000 sublimit on subsidence coverage and buildings above a certain value may receive an annual inspection provided by CJPIA. CSAC-EIA has an exclusion for subsidence in their MOC. While PERMA covers up to \$1,000,000 of subsidence in their pooled layer, they have an exclusion for subsidence in all excess layers. PARSAC’s MOC does not have an exclusion for subsidence but its excess layers have an exclusion for subsidence property damage (not bodily injury).

The PEPIP program (CSAC-EIA, PARSAC) covers all risks of loss and includes boiler and machinery. Unlike the other pools which buy insurance coverage directly, PEPIP pools a portion of the loss up to \$3,000,000 per occurrence and \$10,000,000 annual aggregate. Participants can choose from a range of deductibles from \$5,000 to \$150,000. The total program limit is approximately \$600,000,000 with options up to \$1,000,000,000. Appraisals are approximately every five years.

The APIP (PERMA) program limit is also in excess of \$600,000,000 and shared with other JPAs and individual members. The all risk deductible for PERMA members is \$5,000. Flood risk is included in the program unlike the other programs, though all options require an increased deductible for flood losses.

Each of the JPAs analyzed in this report obtains property insurance for members through a group purchase. The programs are more similar than dissimilar. That is partly because all three programs come from a common source.

For many years, the insurance broker now known as Alliant Insurance Services (Alliant), formerly Robert W. Driver, has developed and marketed a comprehensive property insurance program targeted toward public entities (Public Entity Property Insurance Program or “PEPIP”) and a few other industries such as health care systems (Hospital All Risk Property Program or “HARPP”).

According to Alliant, PEPIP is the world’s largest property insurance placement. The PEPIP program alone, not including some of the related programs, includes over 8,700 entities in 45 states with insured values of over \$350,000,000,000. Policy limits are up to \$1,000,000,000, although limits are shared in different insurance pools.

The comprehensive offerings through PEPIP include all risk property, earthquake, flood, boiler and machinery, business income, builder’s risk, and more.



Each of the pools analyzed has either the PEPPI program or a program with the same or similar combination of insurers and Lloyd's syndicates covering the risk. Some of the notable characteristics of each program are described below.

CJPIA: The property insurance program includes all-risk coverage for real and personal property, such as buildings, office furniture and equipment, fine art, contractor's equipment, mobile and unlicensed equipment, all other vehicles, property of others, and buildings under construction. CJPIA also covers subsidence with a \$30,000,000 sublimit. Primary coverage is provided by Lexington Insurance Company and reinsured by Lloyd's/Markel-Evanston.

Optional coverage is available for earthquake & flood, licensed emergency and non-emergency vehicles, and boiler & machinery. CJPIA works with Crawford Technical Services through its agreement with Alliant Insurance Services to investigate and respond to claims.

The program All Risk limit is \$500,000,000, shared by all members. Various sublimits apply with some of the major sublimit considerations shown below.

Sublimit	Coverage
\$50,000,000	Newly acquired property; property in course of construction; unnamed or temporary locations.
\$25,000,000	Newly acquired property per building; for all piers, docks, wharves and dams.
\$10,000,000	Flood for locations not scheduled for earthquake.

All participants in the property program are asked to keep their schedules current and to maintain their accuracy and to review current values listed for both property and vehicle schedules. The pool recommends that buildings be appraised every seven to ten years by a professional appraiser. Members can access their property schedules on an online system. CJPIA will provide annual inspection of buildings that exceed a certain value, if listed on the member's property schedule. The inspections are intended to evaluate these buildings for fire protection and engineering risk assessments.

Those members who participate in the boiler and machinery program are offered inspections of certain pressurized vessels. These inspections are mandated by the State of California. ChubbTravelers Insurance, the Authority's boiler and machinery insurance carrier, provides inspections at no cost and helps identify ways to prevent losses.

CSAC-EIA: The CSAC-EIA Property Program provides all risk coverage for physical damage to member's property or the property the member is responsible to insure. Boiler and machinery coverage is included. Flood and earthquake coverages are optional.

Insurance does not "attach" (begin to cover claims) until a \$3,000,000 per occurrence, \$10,000,000 annual aggregate limit has been paid from pooled funds of the members. Thus, unlike the other JPA programs, CSAC-EIA's property program includes pooled risk. CSAC-EIA's pool applies above the deductible selected by the individual members.

Available deductibles range from \$5,000 - \$150,000. Total program limit for all risk coverage is \$600,000,000. Flood is sublimited at \$300,000,000. An appraisal is provided every five years.



CSAC-EIA's 2019/20 property program structure is shown below (<https://www.csac-eia.org/coverages/property-casualty/property/>).

PARSAC: The PARSAC property program is a group purchased commercial insurance policy through PEPiP that is specifically designed for public entities. Members are afforded all-risk, replacement cost coverage with limits up to \$1,000,000,000 including automatic coverage for new acquisitions, auto physical damage, boiler and machinery, and course of construction. Optional coverage is available for earthquake and flood damage.

As is the case for CJPIA and CSAC-EIA, the primary property insurer is Lexington Insurance Company. There are multiple layers above the primary \$25 million and a long list of insurers and Lloyd's syndicates that provide the coverage by sharing layers or by providing coverage for a single layer up to the policy limit of \$1,000,000,000 for all risk coverage.

The program has multiple sublimits and optional coverage such as earthquake. Some of the sublimits are shown below.

Sublimit	Coverage
\$100,000,000	Business interruption; terrorism (separate aggregates apply).
\$50,000,000	Extra expense; errors and omissions; expediting expense.
\$25,000,000	Unnamed locations; builder's risk; ordinance; transit; off premises service interruption.
\$10,000,000	Flood for locations not scheduled for earthquake.

PERMA: The PERMA property program is part of the Alliant Property Insurance Program (APIP) of which PEPiP is the primary subset. The APIP program limit is also in excess of \$600,000,000 and shared with other JPAs and individual members. Members are afforded all-risk, replacement cost coverage for new acquisitions, auto physical damage, boiler and machinery, and course of construction. Optional coverage is available for earthquake and flood damage.

The all risk deductible for PERMA members is \$5,000. Flood risk is included in the program unlike the other programs, though all options require an increased flood deductible of \$100,000.

As with the other JPAs, there is a long list of insurers and Lloyd's syndicates that provide the coverage by sharing layers or by providing coverage for a single layer up to the policy limit for all risk coverage.

The program has multiple sublimits and optional coverage such as earthquake. Some of the sublimits are shown on the following page.



Sublimit	Coverage
\$100,000,000	Business interruption; terrorism (separate aggregates apply).
\$50,000,000	Extra expense; errors and omissions; expediting expense.
\$25,000,000	Unnamed locations; builder's risk; ordinance; transit; off premises service interruption.
\$2,500,000	Flood for locations not scheduled for earthquake.

VIII. Other Coverage Programs

A. Other Coverage Program Comparison

Each of the JPAs also offers the following programs:

- Cyber Liability;
- Special event coverage;
- Pollution; and
- Crime and fidelity bonds.

In addition, other coverages that may be unique to a particular entity are available in any of these programs, most often through Alliant. Generally, the cost of these programs is not high and we therefore have not made direct comparisons between the JPAs because of their commonality and low cost. In our opinion, the City could likely obtain any of the programs outlined here for comparable cost. Below we have listed the offerings as presented on the pool websites.

CJPIA: The CJPIA's insured programs represent commercial insurance programs, including property, earthquake, boiler & machinery, vehicle physical damage, pollution and remediation legal liability, crime, and special events. Member participation in the various commercial programs is very high, with over 85% participating in the property program, 65% participating in the pollution & remediation legal liability program, and nearly 80% participating in the special events and crime programs.

- Pollution and Remediation Legal Liability Program - Provides coverage for both first- and third-party damages, including certain types of cleanups, listed non-owned disposal sites, and above ground and underground storage tanks.
- Crime Program - Provides coverage for employee dishonesty, failure to faithfully perform duties, forgery, counterfeiting, theft, robbery, burglary, and computer fraud.
- Special Events Program - Provides liability insurance when member-owned premises are used for special events or short-term activities. Examples include weddings, art festivals, parades, block parties, yoga classes, and member sponsored events such as job fairs, carnivals, and swap meets.
- Vendors/Contractors Program - Developed to meet the needs of the Public Entity Sector in assuring that there is insurance coverage in place for those situations when the Public Entity enters into a contract with a Contractor or Vendor.

CSAC-EIA: Optional programs for CSAC-EIA include the list below.

- | | |
|--|---|
| • Aviation | • Personal Internet and Identity Coverage |
| • Bond/Crime and Faithful Performance | • Pollution Liability |
| • Catastrophic Inmate Medical | • Special Events |
| • Course of Construction | • Vendor/Contractors' Liability |
| • Optional Excess Liability | • Watercraft |
| • Owner Controlled Insurance Program (OCIP)
for construction projects | • Cyber Liability |



In addition to these programs, the EIA has a number of employee benefit programs available.

- Employee Assistance Program
- Life/Accidental Death & Dismemberment
- Long-Term Disability
- Personal Lines Insurance Program (PLIP)
- Vision

PARSAC: The following are highlights of additional coverage programs for PARSAC members.

- Bond Program - this Program provides up to \$1 million per occurrence for a cost of \$1,500 annually with a \$2,500 deductible. Coverage is provided for the following incidents:
 - Public Employee Dishonesty, including Faithful Performance of Duty;
 - Forgery or Alteration;
 - Theft, Disappearance and Destruction; and
 - Computer Fraud
- The Special Events Program - established to provide members with a method for transferring risk to individuals or groups using public facilities for events such as weddings, athletic events, fairs, or parades.
 - The relatively inexpensive cost of this insurance is calculated prior to the event and is passed through to the facility users. Members who participate in this Program can receive up to \$1,000 credit toward their annual Liability premium.
 - The Program provides up to \$5 million per occurrence limits and includes coverage for both public and private events.
 - Optional coverages (for additional premium) include: Athletic Participants, Instructors and Volunteers, Vendors, Exhibitors, and Concessionaires, and Liquor Liability. Liability limits are \$1,000,000 per occurrence, with optional excess limits up to \$4,000,000.
- Employee Benefits Program - Provides participating members with competitive pricing for Dental, Vision, Life and AD&D, and Long-Term Disability coverages.

PERMA: The following are highlights of additional coverage programs for PERMA members.

- Cyber Liability – coverage for information security information security & privacy liability, privacy notification costs, regulatory defense & penalties, website media content liability, cyber extortion, first party data protection & business interruption losses.
 - The program provides members with access to a breach response team consisting of privacy expert attorneys, forensic specialists to determine scope of breach, notification vendors, and credit monitoring services at preferred rates.



- Additional resources and sample best practices policies are available to members via Beazley's cyber portal – www.beazleybreacholutions.com.
- Crime - \$5,000,000 of limit with a \$2,500 per claim deductible
 - Public Employee Dishonesty, including Faithful Performance of Duty.
 - Forgery or Alteration.
 - Theft, Disappearance, and Destruction.
 - Computer Fraud.
- The Special Events Program - The program provides liability insurance when member-owned premises are used for special events or short-term activities. Examples include weddings, art festivals, parades, block parties, yoga classes, and member-sponsored events such as job fairs, carnivals, and swap meets. Members may choose to participate in either Alliant's or Merriwether & Williams's program. Contractors – The program provides an option for vendors/contractors who the public entity contracts for services with to obtain liability insurance. The premium is based on scope of work, length of contract, and contract value. Members may choose to participate in either Alliant's or Merriwether & Williams's program.
- Employee Benefits Program - Provides participating members with competitive pricing for Dental, Vision, Life and AD&D, and Long-Term Disability coverages.



IX. Services and Support

CJPIA, as well as PARSAC and PERMA, are considered primary pools. This means that they provide the primary layer of protection to their members. The pools' respective risk management services are designed to support this first layer of defense and many 'services' are mandatory for pool participation (e.g. site inspections). The types of services available can be broadly categorized as:

- Loss Prevention, Risk Control, Safety;
- Education and Training;
- Claims and Litigation Management/Oversight; and
- General Consulting and Contractual Risk Transfer.

For each JPA these services have been developed to support the broad membership base. This is a critical consideration that leads to selecting potential JPAs with city specific membership and corresponding services. In terms of customization, it is our opinion after the JPA interview process that all prospective pools are positioned to provide customization as requested by the City. This type of narrative discussion is by no means a guarantee of delivering tailored programs, but each alternate JPA was able to cite specific, credible, representative examples of personalized service.

CSAC-EIA on the other hand is largely considered an excess pool, meaning members are responsible for the first layer of protection and the pool is excess to those exposures. Services and resources are very similar to those available to the other JPA options. However, the City would need to request each service on an ad hoc basis and coordinate delivery. This "push" versus "pull" service model may seem like a nuance or very subtle distinction, but in practical application it is very important as the onus for support services obtained through CSAC-EIA would be on City personnel to identify necessary support and request assistance directly from JPA personnel. CSAC-EIA was also able to identify key areas of flexibility and customization.

The following matrix depicts the current services utilized by the City and compares those services to the similar services from the three prospective pools.

JPA Services Matrix

PERMA SERVICE	PARSAC	CSAC-EIA	CJPIA
<p>Risk Control Reimbursements PERMA members may be reimbursed for the actual expenses which they incur for workplace safety and/or risk control related expenses (e.g. trainings), to a maximum of \$3,000 per program year.</p>	<p>A Grant program reimburses members up to \$3,500 for purchases of training, equipment, or loss control services. Grants are awarded based on their potential impact on the member's risk management objectives.</p>	<p>An annual Risk Management Subsidy of \$1,000 per coverage can be used to cover any risk management or loss prevention related expenses and is available to members of the Workers' Compensation, Property and Liability programs. Also have a \$2,000 actuarial study subsidy.</p>	<p>Not aware of any grants or risk control related reimbursements.</p>

PERMA SERVICE	PARSAC	CSAC-EIA	CJPIA
<p>TargetSolutions PERMA members have access to the web-based training and risk management platform and use it to administer online, required trainings.</p>	<p>Members have access to TargetSolutions' suite of safety courses at no cost to the member.</p>	<p>CSAC-EIA also partners with TargetSolutions to deliver an online training and safety/risk management platform of services. Other online streaming trainings include (1) iTrainStation (another library or videos) and (2) EIAtv (24/7 access to on-demand webcasts).</p>	<p>CJPIA's E-Learning library has over 225 training videos accessible at any time. View the catalog here – https://cjpia.org/training/e-learning/</p>
<p>York Risk Services PERMA contracts with York Risk control services. Services used include: on-site training, on-site consultation, and the York website which has sample safety programs and streaming videos for tailgate safety meetings.</p>	<p>Similar services are provided by PARSAC's in-house staff who conduct customized regional, onsite and individual trainings, PARSAC's annual Academy, and their recently launched YouTube training channel, PARSAC tv. For more information on services, see www.parsac.org/services</p>	<p>Similar services are provided by EIA's field staff and partnerships with other 3rd party vendors. See their 2019 Risk Control Services Brochure – https://bit.ly/2Np7Va0</p>	<p>Similar services are provided by CJPIA's five regional risk managers, training academies, Loss Control Action Plan program and their E-Learning platform. You can view the training catalog and other information here – https://cjpia.org/training.</p>
<p>WeTip Anonymous crime tips nationwide. Optional program w/discounted rates, about 10 members participate.</p>	<p>Not aware of access to an anonymous crime tip hotline through JPA.</p>	<p>CSAC-EIA partners with a vendor that provides similar services. STOPit also provides an anonymous, incident reporting platform. See their website https://stopitsolutions.com</p>	<p>Not aware of access to an anonymous crime tip hotline through JPA.</p>
<p>Conferences PERMA pays for board members to attend risk management conferences – CAJPA or PARMA, including hotel, travel, gas and food expenses.</p>	<p>Attendance for more than one employee at risk management conferences (PARMA, CAJPA) can be reimbursed with grant funds, limited to \$3,500 per fiscal year.</p>	<p>Not aware of any conference-specific reimbursement in place other than use of annual risk management subsidy.</p>	<p>CJPIA's Educational Forum is a 2-day event for public agency officials study topics and issues relevant to local government. Registration is free for CJPIA members. 2019's version was held in Indian Wells, see forum's website for agenda and more information https://bit.ly/2NosGmd.</p>

In addition to the current services utilized by the City, the following represents some additional noteworthy services from PERMA and the three prospective pools.

PERMA

- Actuarial services for self-funded liability and workers' compensation program: Provides an estimate of outstanding liabilities and funding rates with self-insured retentions at no cost to the City.
- Disaster planning: For power generation, office space, technology, and satellite connection for phone and internet.

PARSAC

- Customized regional onsite or individual training other than safety training to include topics such as contractual risk transfer, return to work, ADA, and claims handling.
- Annual academy: A full day workshop that provides legal updates, lessons learned to reduce public entity risk, and workers' compensation and employment practices liability updates.
- Crisis communication training to manage communication with the public before a crisis strikes.
- Access to a contractual risk transfer manual to enhance risk transfer in contracts.
- Litigation management – to assist with assignment of counsel.
- Return-to-work assistance: letters, job descriptions, and various templates to run an effective program.

CSAC-EIA

- Consultants available to help with initiatives such as risk management, finance, human resources, risk control, and other skill sets to supplement the City.
- Crisis management - \$50,000 per incident.
- Actuarial study subsidy - \$2,000 for general liability and workers' compensation studies.
- Alliant support: property schedules, vendor certificate of insurance tracking, and certificate of insurance management.
- Crisis incident counseling (WC) following the death of a co-worker.
- Access to a contractual risk transfer manual.
- Legal advice on claims.
- Property appraisals.
- Access to reduced rate services.



CJPIA

- Sidewalk inspection and repair services.
- Workers' compensation cost containment and customized services.
- Regional risk managers located and available for consultation with the City.
- Employment practices liability management strategy and consultation.
- Root cause analysis support with plan of action.

X. Conditions and Requirements of Participation

A. Prospective JPA Participation

All risk financing JPAs have conditions and requirements for participation in the respective pools they manage. These conditions and requirements may be expressed in several document forms including a Joint Powers Agreement, a Memorandum of Understanding or some similar document. Such documents define the purpose of the JPA, its governance and powers delegated, the relationship of the members, accounting for expenses, and rules and requirements for participation in the JPA. The controlling document, whatever the form, also defines responsibilities of membership and terms of participation.

Most JPA participation agreements have several common requirements, such as:

- A minimum participation period, usually from one to three years;
- A withdrawal notice requirement, usually from 90 days to one year;
- Defined financial responsibilities for periods of participation, including an obligation to pay future assessments for prior years of participation even after withdrawal from the JPA;
- Terms for disposition of equities or fund balances remaining with the pool after departure, ranging from payout schedules to forfeiture of any balances remaining; and
- Terms for removing a member from a JPA or one of its programs.

In addition to the Joint Powers Agreements and Memoranda of Understanding, JPAs often have unwritten requirements for participation, withdrawal, and compliance with standards. Such requirements may be the result of governing board actions or rules and procedures adopted by the JPA. Some of the pertinent requirements for each of the JPAs are shown below.

CJPIA: The California JPIA, as authorized by its joint-powers agreement, operates as a membership organization. Public agencies with good loss experience and risk management efforts are welcome to apply for membership. Upon request of the legislative body of an interested public agency, California JPIA staff will visit the agency to explain the programs and procedures. To process the membership application, a \$1,000 fee is required. The fee is refundable if the agency is not admitted to membership. If admitted, the fee is applied toward the initial primary deposit.

CJPIA has a five-step underwriting process for prospective members:

1. Submittal of application through website;
2. Cost estimate using ten years of loss data, five years of payroll and IRS form 941;
3. Underwriting questionnaire and on-site risk management evaluation;
4. Underwriting Committee review and recommendation to Executive Committee; and
5. Executive Committee final membership determination.

CSAC-EIA: In addition to the completed application, the EIA requires the following information for underwriting and the Committee approval process:

- Ground-up loss history for ten years;
- Five-year historical payroll;
- Most recent claims audit (if available); and
- Loss prevention information.

As a condition of participation, CSAC-EIA requires:

- A claim audit every two years, one in the first year of membership, the cost of which is included in the administration charge;
- Actuarial studies every three years for the GLI and EWC programs – Members of GLI and EWC get a \$2,000 subsidy for each program each year that they can use towards that cost. Primary General Liability and Primary Workers' Compensation programs actuarial studies are included in the cost of the program;
- Members that withdraw from a program are not allowed to come back for three years; however, CSAC-EIA has a 60-day provisional notice of withdrawal requirement that may be revoked up to the day before the renewal of the program;
- When a member withdraws they give up rights to any dividends, but they can be assessed up to ten years after withdrawal; and
- Most members of GLI and EWC are typically required to contract with a TPA at their expense. The cost of TPAs is included in the program cost for members of the PGL and PWC programs.

Participation commitments vary between the primary liability and workers' compensation programs (PGL, PWC) and the excess programs (GLI, EWC). There is a three-year commitment required for participation in the primary programs. No minimum participation period is required for the excess programs other than on an annual basis. If a member withdraws mid-term they forfeit the premium for that year.

The application window for CSAC-EIA six months prior to coverage inception. Formal applications are submitted through Alliant Insurance Services, the insurance broker for the CSAC-EIA programs. Risk assessments are not required, nor is there an application fee.

PARSAC: There are several conditions for acceptance into the PARSAC programs.

- On site risk assessment of the city. (i.e. inspection of city facilities, sidewalks, etc.).
- Review major contracts to ensure proper risk transfer.
- Review financial statements.
- Review risk transfer policy/procedure.



- Interview department heads and review written program as respects OSHA compliance.
- Review claims handling procedures.
- Review updated loss runs.

As a condition of participation, PARSAC requires:

- Minimum three-year participation;
- Financial reserve three times its self-insured retention and the reserve should be reflected in the member's financial statements; and
- Withdrawal requires six month written notice (by December 31st each year).

If a member timely withdraws, they will be eligible for a return of equity when all years in which they participated have been closed. However, the member will still be subject to assessments if declared. For untimely withdrawal, a member loses its equity.

The application window for PARSAC programs is roughly six months in advance of bound coverage. There is a \$2,000 application fee which will be applied to the first year's contribution if the City joins. A formal risk assessment is required which will entail a two to three day visit to Stanton from JPA personnel.

The PARSAC management team also strongly recommends that the City attend one of their Board meetings (or other) prior to joining to determine if the group is an appropriate fit as well.

B. PERMA Withdrawal

PERMA: Because the City participate in PERMA and is considering withdrawing from participation, the withdrawal clause in the pool's MOU should be carefully reviewed. The following represents key provisions in PERMA's contract with the pool outlining withdrawal.

ARTICLE 19 CANCELLATION OR WITHDRAWAL

(a) A member organization may withdraw as a party to this Agreement upon thirty (30) days' advance written notice to the Authority if it has never become a participant in any insurance program pursuant to Article 14, or if it has withdrawn from all insurance programs in which it was a participant, pursuant to (c) below.

(b) The Board of Directors may:

(1) Cancel, for reasonable cause, any member organization from this Agreement and membership in the Authority, on a vote of two-thirds of the quorum of the Board members. Such action shall have the effect of canceling the member organization's participation in all insurance programs of the Authority as of the date that membership is canceled, subject to the notice provisions below. Joint Powers Agreement - Revised March 7, 2013 Page 12.

(2) Cancel any member organization's participation in an insurance program of the Authority, without canceling the member organization's membership in the Authority or participation in other programs, on a vote of two-thirds of the quorum of the Board members, plus a vote of two-thirds of the quorum of the members who represent member organizations participating in the program, subject to the



notice provisions below. The Board shall give ninety (90) days' advance written notice of the effective date of any cancellation under the foregoing provisions. Upon such effective date, the member organization shall be treated the same as if it had voluntarily withdrawn from this Agreement, or from the program, as the case may be.

(c) Any member having completed three (3) years as a party to this Agreement may withdraw from its status as a participant in a program only at the end of a policy year for the program, and only if it gives the Authority at least six (6) months advance written notice of such action.

The Authority may assess an early-withdrawal charge for any such member that withdraws from a program without providing six (6) months advance written notice. The early-withdrawal charge is to be determined in the discretion of the Executive Committee based upon all costs and damages resulting to the Authority because of the member's withdrawal on short notice. The early-withdrawal charge shall not exceed the withdrawing member's annual premium for the program from which it is withdrawing.

(d) A member organization which withdraws from all insurance programs of the Authority in which it was a participant and does not enter any program for a period of six (6) months thereafter shall be considered to have withdrawn as a party to this Agreement at the end of such period, and its membership in the Authority shall be automatically canceled as of that time, without action of the Board of Directors.

ARTICLE 20

EFFECT OF CANCELLATION OR WITHDRAWAL

(a) If a member organization withdraws from participation in an insurance program of the Authority or such participation is canceled, with or without cancellation of membership in the Authority, and such cancellation is effective before the end of the policy year for that program, the Authority shall promptly determine and return to the member organization the amount of any unearned premium payment from the member organization for the policy year, such amount to be computed on a pro rata basis from the effective date of cancellation. In addition, the Board of Directors may in its sole and absolute discretion determine and return to the member organization such fees, charges and pro rata share of assets as it may determine are due and owing to such member organization. Joint Powers Agreement - Revised March 7, 2013 Page 13.

(b) Except as provided in (a) above, a member organization which withdraws or is canceled from this Agreement and membership in the Authority, or from any program of the Authority, shall not be entitled to the return of any premium or other payment to the Authority, or of any property contributed to the Authority. However, in the event of termination of this Agreement, such member organization may share in the distribution of assets of the Authority to the extent provided in Article 21.

(c) Notwithstanding withdrawal or cancellation from any insurance program of the Authority, a member organization shall pay any premium charges which the Board of Directors determines are due from the member organization for losses and costs during the period in which the member organization was a participant in such program. Such charges may include any deficiency in a premium previously paid by the member organization, any premium surcharge assessed to the member organization and any additional amount of premium which the Board determines to be due from the member organization upon final disposition of all known or future claims arising from known or potential losses under the program during the organization's period of participation. Any such premium charges shall be payable by the organization within thirty (30) days of billing by the Authority. The liability of the Authority for incurred, but not reported, claims shall be governed by the particular insurance program provisions.



There are a couple of noteworthy provisions in PERMA's withdraw provisions for the City to consider:

- The City may withdraw from membership at the end of the policy year if they give six month's notice of such withdrawal or face an early withdrawal fee as assessed and determined solely by PERMA and;
- Even if the City provides timely notice of withdraw, they are still responsible for costs in that policy year which might be retroactive assessments for that policy year and prior year assessments.

C. A Word About Changing JPAs

Changing pools does not change obligations for prior claims and contributions to PERMA. Nor would it change future claims and losses. Only a risk management program designed to control risk and implemented within the City, can positively impact claims. Nevertheless, there are financial considerations associated with the basic underwriting approach used by a JPA. The City could likely reduce its total cost of risk (JPA contributions, premiums, claims under retention, risk management services) by over \$100,000 by changing JPAs on July 1, 2020. Such a change could entail changes to the City's approach to risk management in both the short-term and longer-term.

Changing JPA programs, and the underlying services and infrastructure attached to each program, could be disruptive internally in the short-term. The City's ability to navigate this transition without negative impacts on other operations may depend on allocation of resources within the City. Transitioning to another JPA could entail directly assuming some additional risk of loss in the form of a higher self-insured retention or deductible. Our indications are based on a self-insured retention of \$25,000 per occurrence in the liability program and \$250,000 in the workers' compensation program (with the exception of the CJPIA indication). With the City's prior loss history, this level of retention combined with the contribution estimates for the liability pools, would likely result in the "savings" indicated above. However, adverse loss experience could result in higher costs, while improved loss experience could increase the savings.

More than just reducing overhead, retaining risk has a powerful psychological impact on an organization. Seeing actual claim dollars go out, rather than just paying an annual premium, tends to foster better loss control within the entity.

"Fit" is equally important as financing and services when selecting a pool. Ultimately an entity pays its own losses plus a premium for smoothing losses over time. Therefore, there are other factors that must be considered when choosing a self-insurance pool, including service, personal attention to the needs of the member, financial strength, and a sense of partnership. These can only be determined by spending some time with the prospective JPA.

A new JPA will have to agree to accept the City. Applying to a JPA does not guarantee acceptance. In addition to a more thorough underwriting review than required to provide the indications we have used in this report, the prospective JPA will probably want to visit the City, inspect its facilities and meet with its management. Even if a favorable report goes back to the JPA governing body, the members may not wish to accept the City and could overrule the field report recommendation. With this being said, however, our initial review of City loss history, exposures, and basic information (i.e. payroll, property values) indicates that the City of Stanton will largely be viewed as a valuable new member to a prospective JPA.



XI. Cost Analysis and Cash Flow

A. Cost and Cash Flow

PERMA and each of the three alternate JPAs are on a program (policy) year of July 1 to June 30. PARSAC and CJPIA provided pricing indications for the 2019 – 2020 program year. “Indication” is a term used in the insurance industry to signify a best estimate based on variables known at the time the indication is made, but prior to a firm quotation. Custom and practice is to estimate conservatively so that the final quotation is at or lower than the indication. CSAC-EIA did not provide an indication because of an agreement they have with their JPA members of which PERMA is one. They won’t provide pricing information until the JPA member (i.e. Stanton) formally submits withdrawal notice from their current JPA.

The basis for pricing liability and workers’ compensation coverage is different among the three pools, making direct comparison to PERMA challenging. CJPIA does not allow members to take individual self-insured retentions (SIR) whereas CSAC-EIA, PARSAC, and PERMA make a range of retentions available to members. For liability, alternative program retentions begin at \$0 (fully insured) per occurrence for liability and increase up to \$500,000+. For workers’ compensation, the retention range is from \$5,000 to \$500,000+ per claim. The City must also account for cost incurred at each retention level which would increase the total program cost.

For all programs including PERMA, these are not final costs as each program can assess additional contribution to make up for worse than expected losses and each program can issue dividends if funds collected are more than needed. As the most conservatively funded, PARSAC and PERMA are in the best position to issue potential dividends going forward, while CSAC-EIA is more likely than the others to require assessments.

Cash Flow: With a self-insured retention (alternates), as opposed to a deductible, cash flow may improve as claims are paid out over time. In a fully insured program, losses affect renewal rates and the rates may retain the effect for several years. However, if the losses mount up significantly within the retained layer, a frequency problem, costs under a retention program can exceed the fully insured option for some time.

Apart from the possible greater fluctuation in loss payments possible with a higher SIR, another element of uncertainty with regard to cost and cash flow is the financial decision-making capacity of each JPA. In any given year, the governing body of a JPA can:

- Change the funding criteria to increase or decrease deposit contributions;
- Change funding confidence levels resulting in the JPA holding or releasing more funds;
- Assess additional contributions based on a perception of inadequate prior year funding;
- Restructure the allocation formula resulting in unfavorable changes to certain members;
- Decide to change structure resulting in pricing changes spread amongst the members;
- Use deposited funds for member services such as loss control training;
- Increase or decrease the amount of deposits spent on overhead and administration; or
- Do just about anything else with funds allowable under pool documents and state law.



As there are so many variables that affect the cost of participation, the City's solution is to understand the rating and allocation calculations and their equitability from the City's perspective, and to determine its level of confidence in the financial management of the JPA.

We have not attempted cost comparison for other programs such as property, crime, pollution, vendor programs, etc. for the same reasons we have not made coverage comparisons in the previous section: the programs are very similar from one JPA to another and the cost represents a relatively small portion of the total cost of risk to the City.

Based on indications from each of the prospective pools using similar deductibles, self-insured retentions, and comparable coverage, we have developed the following cost comparison to the City's 2019 – 2020 program year for the general liability and workers' compensation coverage. Note CJPIA does not offer retention options and CSAC-EIA will not provide pricing until the City provides formal written notice to exit PERMA.

Coverage	PERMA	PARSAC	CSAC-EIA	CJPIA
General Liability	\$164,187	\$151,641	N/A	\$194,700
Estimated Claims Administration Fees	Included Above (in-house admin.)	Included Above (in-house admin.)	N/A	Included Above
Estimated EPL Pool Contribution*	\$16,443	\$16,443	N/A	Included in Liability
Estimated Total	\$180,630	\$168,084	N/A	\$194,700
Retention	\$25,000	\$25,000	\$25,000	\$0

*PERMA and PARSAC utilize the ERMA pool to provide EPL coverage rather than within the liability program

Coverage	PERMA	PARSAC	CSAC-EIA	CJPIA
Workers' Compensation	\$191,911	\$46,150	N/A	\$84,700
Estimated Claims Administration Fees	Included Above	Included Above	N/A	Included Above
Estimated Total	\$191,911	\$46,150	N/A	\$84,700
Retention	\$250,000	\$250,000	N/A	\$0

As the table indicates, the City could save money on its liability and workers' compensation premiums by switching either to PARSAC or CJPIA, especially on its annual workers' compensation costs. PARSAC's indication for liability and workers' compensation is 42% lower than the currently contribution levels paid to PERMA or \$158,307 difference. For indications from CJPIA, contribution levels are 25% lower than PERMA. In fact, the overall total cost of risk might be lower with CJPIA as their program does not have a deductible or self-insured retention as it is first dollar coverage. The indicated savings between both prospective pools is mostly attributed to the workers' compensation costs. As indicated in a prior section of this report, this savings is mostly attributed to PARSAC and CJPIA separately rating cities with police and fire from those who contract out for those services.

Other Coverage: We have not attempted to get pricing on other coverages offered by the various pools, such as special event, pollution, etc. These coverages are a relatively small portion of the total cost of risk for the City. There are too many variables to attempt to obtain a point-by-point comparison without obtaining quotations. Further, many of these programs such as special event and contractor/artisan programs are from a single source and price variations would be minimal.

Appendix A

Individuals Interviewed

Individuals Interviewed

Jared L. Hildenbrand, City Manager, City of Stanton

Stephen M. Parker, Assistant City Manager, City of Stanton

Cynthia Guzman, Human Resources Specialist, City of Stanton

Trisha Vasquez, City Clerk, City of Stanton

Alan Rigg, Public Works Director, City of Stanton

Matthew Richardson, Outside Counsel for City of Stanton, BB&K (*attempted*)



Appendix B

JPA Member List

PERMA

MEMBER	COUNTY	POPULATION
1 Barstow	San Bernardino	24,248
2 Perris	Riverside	75,739
3 Westmorland	Imperial	2,302
4 Banning	Riverside	31,068
5 Blythe	Riverside	19,660
6 Cathedral City	Riverside	54,557
7 Coachella	Riverside	45,551
8 Desert Hot Springs	Riverside	29,111
9 Holtville	Imperial	6,255
10 Norco	Riverside	26,882
11 Rancho Mirage	Riverside	18,295
12 San Jacinto	Riverside	47,925
13 Stanton	Orange	39,611
14 SunLine Transit	n/a	0
15 Murrieta	Riverside	114,914
16 Adelanto	San Bernardino	34,273
17 March JPA	n/a	0
18 MD&MIWMA	n/a	0
19 VVEDA	n/a	0
20 VVTA	n/a	0
21 Palo Verde Valley Transit	n/a	0
22 Victorville	San Bernardino	123,565
23 IVECA	n/a	0
24 La Mesa	San Diego	60,286
25 Palm Springs Aerial Tramway	n/a	0
26 Moreno Valley	Riverside	206,750
27 Hesperia	San Bernardino	94,133
28 ICTC	n/a	0
29 Eastvale	Riverside	64,613
30 Canyon Lake	Riverside	10,891
31 Jurupa Valley	Riverside	101,315
32 Regional Training Center	n/a	0

PARSAC

MEMBER	COUNTY	POPULATION
1 Amador	Amador	193
2 Avalon	Los Angeles	3,718
3 Belvedere	Marin	2,172
4 Blue Lake	Humboldt	1,295
5 California City	Kern	14,248
6 Calimesa	Riverside	8,637
7 Calistoga	Napa	5,238
8 Citrus Heights	Sacramento	87,013
9 Clearlake	Lake	15,531
10 Coalinga	Fresno	16,982
11 Ferndale	Humboldt	1,445
12 Grass Valley	Nevada	12,859
13 Highland	San Bernardino	54,377
14 Menifee	Riverside	90,660
15 Nevada City	Nevada	3,208
16 Pacific Grove	Monterey	15,498
17 Placentia	Orange	52,268
18 Placerville	El Dorado	10,743
19 Plymouth	Amador	1,009
20 Point Arena	Mendocino	452
21 Rancho Cucamonga	San Bernardino	177,324
22 Rancho Cucamonga Fire	n/a	0
23 Rancho Santa Margarita	Orange	48,602
24 San Juan Bautista	San Benito	1,856
25 South Lake Tahoe	El Dorado	21,024
26 Tehama	Tehama	427
27 Trinidad	Humboldt	369
28 Truckee	Nevada	15,904
29 Twentynine Palms	San Bernardino	26,919
30 Watsonville	Santa Cruz	53,015
31 Wheatland	Yuba	3,509
32 Wildomar	Riverside	35,782
33 Yountville	Napa	2,935
34 Yucaipa	San Bernardino	54,324
35 Yucca Valley	San Bernardino	21,519

CJPIA

MEMBER	COUNTY	POPULATION	MEMBER	COUNTY	POPULATION
1 Agoura Hills	Los Angeles	21018	59 Lake Elsinore	Riverside	62092
2 Agoura Hills/Calabasas Community Center	n/a	0	60 Lake Forest	Orange	84931
3 Alhambra	Los Angeles	86922	61 Lakewood	Los Angeles	79272
4 Aliso Viejo	Orange	50312	62 LA-RICS	n/a	0
5 Apple Valley	San Bernardino	74701	63 Lawndale	Los Angeles	33365
6 Area E Disaster Management	n/a	0	64 Loma Linda	San Bernardino	24528
7 Arroyo Grande	San Luis Obispo	17736	65 Lomita	Los Angeles	20403
8 Artesia	Los Angeles	16816	66 Malibu	Los Angeles	12742
9 Atascadero	San Luis Obispo	30900	67 Mammoth Lakes	Mono	8002
10 Azusa	Los Angeles	49762	68 Midpeninsula Regional Open Space District	n/a	0
11 Bell Gardens	Los Angeles	42824	69 Mission Viejo	Orange	96718
12 Bellflower	Los Angeles	76657	70 Monrovia	Los Angeles	38514
13 Big Bear City Community Services District	n/a	0	71 Monterey Peninsula Regional Park District	n/a	0
14 Big Bear Fire Authority	n/a	0	72 Moorpark	Ventura	36828
15 Big Bear Lake	San Bernardino	5047	73 Morro Bay	San Luis Obispo	10762
16 Bishop	Inyo	3954	74 Mountain Area Regional Transportation Authority	n/a	0
17 Black Gold Cooperative Library System	n/a	0	75 Needles	San Bernardino	5044
18 Bradbury	Los Angeles	1107	76 Norwalk	Los Angeles	105526
19 Brawley	Imperial	26928	77 Ojai	Ventura	7553
20 Buellton	Santa Barbara	5129	78 Orange County Council of Governments	n/a	0
21 Calabasas	Los Angeles	24202	79 Palm Desert	Riverside	50740
22 Camarillo	Ventura	69623	80 Palos Verdes Estates	Los Angeles	13663
23 Carpinteria	Santa Barbara	13943	81 Palos Verdes Peninsula Transit Authority	n/a	0
24 Cerritos	Los Angeles	50039	82 Paramount	Los Angeles	55923
25 Chino Hills	San Bernardino	80676	83 Paso Robles	San Luis Obispo	31745
26 Claremont	Los Angeles	36225	84 Pismo Beach	San Luis Obispo	8247
27 Coachella Valley Association of Governments	n/a	0	85 Pomona Valley Transportation Authority	n/a	0
28 Coachella Valley Conservation Commission	n/a	0	86 Port Hueneme	Ventura	22808
29 Coastal Animal Services Authority	n/a	0	87 Poway	San Diego	50253
30 Commerce	Los Angeles	13064	88 Rancho Palos Verdes	Los Angeles	42884
31 Dana Point	Orange	33699	89 Rolling Hills	Los Angeles	1922
32 Desert Recreation District	n/a	0	90 Rolling Hills Estates	Los Angeles	8059
33 Diamond Bar	Los Angeles	57066	91 Rosemead	Los Angeles	54984
34 Duarte	Los Angeles	22033	92 San Clemente	Orange	65975
35 Eastern Sierra Transportation Authority	n/a	0	93 San Dimas	Los Angeles	34231
36 El Centro	Imperial	45628	94 San Gabriel	Los Angeles	41020
37 Fillmore	Ventura	15683	95 San Juan Capistrano	Orange	36262
38 Gateway Cities Council of Governments	n/a	0	96 San Luis Obispo	San Luis Obispo	46724
39 Goleta	Santa Barbara	31760	97 San Marcos	San Diego	94042
40 Grand Terrace	San Bernardino	12435	98 San Marino	Los Angeles	13467
41 Grover Beach	San Luis Obispo	13438	99 Santa Fe Springs	Los Angeles	18291
42 Guadalupe	Santa Barbara	7414	100 Santa Paula	Ventura	30654
43 Hawaiian Gardens	Los Angeles	14753	101 Seal Beach	Orange	24890
44 Hidden Hills	Los Angeles	1885	102 Seaside	Monterey	34165
45 Imperial	Imperial	18658	103 Seaside County Sanitation	n/a	0
46 Indian Wells	Riverside	5450	104 Sierra Madre	Los Angeles	11010
47 Indio	Riverside	88718	105 Signal Hill	Los Angeles	11609
48 Irwindale	Los Angeles	1423	106 Solvang	Santa Barbara	5593
49 La Canada Flintridge	Los Angeles	20497	107 South El Monte	Los Angeles	20862
50 La Habra Heights	Los Angeles	5463	108 Southeast Area Animal Control Authority	n/a	0
51 LA IMPACT	n/a	0	109 Southern California Association of Governments	n/a	0
52 La Mirada	Los Angeles	49434	110 Temple City	Los Angeles	36389
53 La Palma	Orange	15984	111 Ventura Port District	n/a	0
54 La Puente	Los Angeles	40455	112 Villa Park	Orange	5944
55 La Quinta	Riverside	40677	113 Walnut	Los Angeles	30134
56 La Verne	Los Angeles	33174	114 West Cities Police Communication Center	n/a	0
57 Laguna Niguel	Orange	66689	115 West Hollywood	Los Angeles	35882
58 Laguna Woods	Orange	16319	116 Westlake Village	Los Angeles	8370

CSAC-EIA

MEMBER	COUNTY	POPULATION
1 ACCEL	-	-
2 Alameda County	-	-
3 Alameda Health System	-	-
4 Alpine County	-	-
5 Amador County	-	-
6 Amador Transit	-	-
7 Bay Area Air Quality Management District	-	-
8 Bay Area Housing Authority RMA (BAHARMA)	-	-
9 Berkeley Unified School District	-	-
10 Butte County	-	-
11 Calaveras County	-	-
12 California Fair Services Authority	-	-
13 California Mental Health Services Authority	-	-
14 California State Legislature	-	-
15 California State University Risk Management Authority (CSURMA)	-	-
16 Campbell Union School District	-	-
17 Capitol Area Development Authority (CADA)	-	-
18 CAPRI	-	-
19 Casitas Municipal Water District	-	-
20 Catalina Island Medical Center	-	-
21 Central Contra Costa Sanitary District	-	-
22 Central County Fire Department	-	-
23 Central Region School Insurance Group (CRSIG)	-	-
24 Central Sierra Child Support Agency	-	-
25 Alameda	Alameda	79,928
26 American Canyon	Napa	20,570
27 Anaheim	Orange	358,546
28 Atascadero	San Luis Obispo	30,900
29 Atwater	Merced	30,406
30 Bakersfield	Kern	383,512
31 Baldwin Park	Los Angeles	75,537
32 Beaumont	Riverside	46,179
33 Bell	Los Angeles	36,408
34 Belmont	San Mateo	27,594
35 Berkeley	Alameda	121,238
36 Buena Park	Orange	83,884
37 Burlingame	San Mateo	30,148
38 Calabasas	Los Angeles	24,202
39 Calexico	Imperial	40,921
40 Capitola	Santa Cruz	10,162
41 Carmel	Monterey	3,842
42 Carson	Los Angeles	93,674
43 Chico	Butte	93,383
44 Chula Vista	San Diego	267,917
45 Clovis	Fresno	110,762
46 Concord	Contra Costa	128,370
47 Corona	Riverside	167,759
48 Coronado	San Diego	24,543
49 Costa Mesa	Orange	114,044
50 Covina	Los Angeles	49,011

MEMBER	COUNTY	POPULATION
51 Cupertino	Santa Clara	58,917
52 Cypress	Orange	49,655
53 Daly City	San Mateo	109,287
54 Del Mar	San Diego	4,297
55 Downey	Los Angeles	113,832
56 El Cajon	San Diego	102,803
57 El Centro	Imperial	45,628
58 El Monte	Los Angeles	114,268
59 Elk Grove	Sacramento	171,059
60 Encinitas	San Diego	62,288
61 Escalon	San Joaquin	7,205
62 Escondido	San Diego	151,492
63 Fairfield	Solano	114,157
64 Folsom	Sacramento	78,525
65 Fontana	San Bernardino	212,786
66 Fountain Valley	Orange	56,709
67 Fremont	Alameda	231,664
68 Galt	Sacramento	25,693
69 Garden Grove	Orange	176,277
70 Gardena	Los Angeles	60,721
71 Goleta	Santa Barbara	31,760
72 Hanford	Kings	55,645
73 Hawthorne	Los Angeles	87,662
74 Hayward	Alameda	161,040
75 Hemet	Riverside	81,868
76 Huntington Beach	Orange	197,574
77 Imperial Beach	San Diego	27,510
78 Ione	Amador	7,772
79 Irvine	Orange	267,086
80 Lancaster	Los Angeles	157,820
81 Lemon Grove	San Diego	26,795
82 Live Oak	Sutter	8,636
83 Livermore	Alameda	89,648
84 Lompoc	Santa Barbara	44,042
85 Los Alamitos	Orange	11,739
86 Los Altos	Santa Clara	31,402
87 Manhattan Beach	Los Angeles	35,488
88 Maywood	Los Angeles	28,016
89 Menlo Park	San Mateo	35,670
90 Merced	Merced	84,464
91 Mill Valley	Marin	14,910
92 Millbrae	San Mateo	23,168
93 Mission Viejo	Orange	96,718
94 Modesto	Stanislaus	215,080
95 Montebello	Los Angeles	63,917
96 Moreno Valley	Riverside	206,750
97 Murrieta	Riverside	114,914
98 Napa	Napa	80,628
99 National City	San Diego	61,210
100 Needles	San Bernardino	5,044
101 Newport Beach	Orange	84,915
102 Novato	Marin	54,522
103 Oakland	Alameda	426,074

MEMBER	COUNTY	POPULATION
104 Oceanside	San Diego	176,461
105 Oroville	Butte	18,037
106 Oxnard	Ventura	207,772
107 Pacifica	San Mateo	38,124
108 Palmdale	Los Angeles	158,605
109 Paso Robles	San Luis Obispo	31,745
110 Perris	Riverside	75,739
111 Pico Rivera	Los Angeles	64,046
112 Pleasanton	Alameda	75,916
113 Pomona	Los Angeles	155,306
114 Port Hueneme	Ventura	22,808
115 Rancho Cordova	Sacramento	73,872
116 Rancho Mirage	Riverside	18,295
117 Rancho Santa Margarita	Orange	48,602
118 Redding	Shasta	90,653
119 Redlands	San Bernardino	69,851
120 Redondo Beach	Los Angeles	68,907
121 Redwood City	San Mateo	85,601
122 Rialto	San Bernardino	106,528
123 Richmond	Contra Costa	111,785
124 Ridgecrest	Kern	28,349
125 Roseville	Placer	135,868
126 Sacramento	Sacramento	493,025
127 San Bernardino	San Bernardino	216,972
128 San Bruno	San Mateo	45,295
129 San Clemente	Orange	65,975
130 San Diego	San Diego	1,406,318
131 San Jacinto	Riverside	47,925
132 San Leandro	Alameda	88,274
133 San Mateo	San Mateo	103,426
134 San Ramon	Contra Costa	80,550
135 Santa Clara	Santa Clara	123,983
136 Santa Rosa	Sonoma	176,799
137 Santee	San Diego	57,100
138 Shafter	Kern	18,868
139 Simi Valley	Ventura	127,309
140 Solana Beach	San Diego	13,527
141 South Pasadena	Los Angeles	25,992
142 South San Francisco	San Mateo	65,451
143 Stanton	Orange	39,611
144 Stockton	San Joaquin	320,554
145 Sunnyvale	Santa Clara	149,831
146 Torrance	Los Angeles	147,101
147 Vacaville	Solano	98,456
148 Vallejo	Solano	118,280
149 Ventura	Ventura	109,275
150 Visalia	Tulare	133,151
151 Vista	San Diego	101,797
152 Walnut Creek	Contra Costa	70,974
153 Watsonville	Santa Cruz	53,015
154 West Covina	Los Angeles	107,813
155 West Sacramento	Yolo	53,163
156 Westminster	Orange	93,533

MEMBER	COUNTY	POPULATION
157 Whittier	Los Angeles	87,708
158 Yuba City	Sutter	67,445
159 Coachella Valley Association of Governments (CVAG)	—	—
160 Coast Community College District	—	—
161 Colusa County	—	—
162 Contra Costa County	—	—
163 Contra Costa County IHSS Public Authority	—	—
164 Council of San Benito County Governments	—	—
165 CSAC Excess Insurance Authority	—	—
166 CSRMA	—	—
167 Del Norte County	—	—
168 Del Norte IHSS Public Authority	—	—
169 Dublin San Ramon Services District	—	—
170 East Bay Regional Park District	—	—
171 East San Gabriel Valley ROP	—	—
172 El Dorado County	—	—
173 Evergreen School District	—	—
174 Exclusive Risk Management Authority of California (ERMCA)	—	—
175 Fairfield-Suisun Sewer District	—	—
176 First Five Contra Costa Children and Families Commission	—	—
177 First Five Sacramento Commission	—	—
178 Fresno County	—	—
179 Garvey School District	—	—
180 Glenn County	—	—
181 Gold Coast Transit District	—	—
182 Golden Empire Transit District	—	—
183 Great Basin Unified Air Pollution Control District	—	—
184 GSRMA	—	—
185 GSRMA JPA Administration	—	—
186 Housing Authority of the County of Monterey	—	—
187 Housing Authority of the County of Riverside	—	—
188 Humboldt County	—	—
189 Humboldt Transit Authority (HTA)	—	—
190 Huntington Beach Union High School District	—	—
191 Imperial County	—	—
192 Imperial County IHSS Public Authority	—	—
193 Inland Empire Health Plan	—	—
194 Inland Empire Utilities Agency	—	—
195 Inyo County	—	—
196 Irvine Ranch Water District	—	—
197 Kern County	—	—
198 Kern County Hospital Authority	—	—
199 Kern Health Systems	—	—
200 Kern IHSS Public Authority	—	—
201 Kings County	—	—
202 Kings County Area Public Transit Agency	—	—
203 Kings Waste & Recycling Authority	—	—
204 Lake County	—	—
205 Lake Elsinore Unified School District	—	—
206 Lassen County	—	—
207 Local Agency WC Excess JPA (LAWCX)	—	—
208 Long Beach Unified School District	—	—
209 Los Angeles County Development Authority (LACDA)	—	—

MEMBER	COUNTY	POPULATION
210 Los Angeles County Law Library	-	-
211 Los Angeles Unified School District Risk Management Authority (LAUSD RMA)	-	-
212 Madera County	-	-
213 Marin County	-	-
214 Marin County Transit District	-	-
215 Mariposa County	-	-
216 Mendocino Coast District Hospital	-	-
217 Mendocino County	-	-
218 Merced County	-	-
219 Military Department of the State of California	-	-
220 Modoc County	-	-
221 Mono County	-	-
222 Monterey Bay Area Self Insurance Authority (MBASIA)	-	-
223 Monterey County	-	-
224 Monterey County Water Resource Agency	-	-
225 Monterey Salinas Transit	-	-
226 Morongo Basin Transit Authority	-	-
227 Mountain Communities Healthcare District	-	-
228 Mt. Diablo Unified School District	-	-
229 Municipal Pooling Authority (MPA)	-	-
230 Napa County	-	-
231 Napa County In Home Supportive Services Public Authority	-	-
232 Napa Sanitation District	-	-
233 NCS DIA	-	-
234 Nevada County	-	-
235 Northern CA Cities Self Insurance Fund (NCCSIF)	-	-
236 Northern California Power Agency (NCPA)	-	-
237 Oakland Unified School District	-	-
238 Office of Community Investment and Infrastructure (OCII)	-	-
239 Omnitrans	-	-
240 Orange County	-	-
241 Orange County Fire Authority	-	-
242 Orange County Sanitation District	-	-
243 Orange County Transportation Authority	-	-
244 Otay Water District	-	-
245 Palo Verde Valley Health Care District Hospital	-	-
246 Pasadena USD	-	-
247 PASIS - San Diego	-	-
248 Placer County	-	-
249 Placer County Water Agency	-	-
250 Pleasant Hill Recreation and Park District	-	-
251 Plumas County	-	-
252 Port of Oakland	-	-
253 Public Agency Risk Sharing Authority of California (PARSAC)	-	-
254 Public Entity Risk Management Authority (PERMA)	-	-
255 Redondo Beach Unified School District	-	-
256 Riverside County	-	-
257 Riverside County IHSS Public Authority	-	-
258 Riverside Transit Agency	-	-
259 Sacramento - Yolo Mosquito and Vector Control District	-	-
260 Sacramento Area Flood Control Agency (SAFCA)	-	-
261 Sacramento County	-	-
262 Sacramento County Contracts	-	-

MEMBER	COUNTY	POPULATION
263 San Benito County	-	-
264 San Benito County IHSS Public Authority	-	-
265 San Bernardino County	-	-
266 San Bernardino Departments	-	-
267 San Bernardino IHSS Public Authority	-	-
268 San Bernardino Municipal Water Department	-	-
269 San Diego County	-	-
270 San Diego County IHSS Public Authority	-	-
271 San Diego County Water Authority	-	-
272 San Diego Housing Commission	-	-
273 San Diego Metropolitan Transit System	-	-
274 San Diego Unified School District	-	-
275 San Joaquin County	-	-
276 San Jose Unified School District	-	-
277 San Luis Obispo County	-	-
278 San Luis Obispo RTA (SLORTA)	-	-
279 San Mateo Consolidated Fire Department	-	-
280 San Mateo County Schools Insurance Group (SMCSIG)	-	-
281 Santa Barbara County	-	-
282 Santa Barbara Metropolitan Transit District	-	-
283 Santa Clara County	-	-
284 Santa Clara County Library District JPA	-	-
285 Santa Clara County Office of Education (SCCOE)	-	-
286 Santa Clara County Vector Control District	-	-
287 Santa Clara Housing Authority	-	-
288 Santa Cruz County	-	-
289 Santa Cruz County Fire Agencies Insurance Group	-	-
290 Santa Cruz Metro Transit District	-	-
291 Schools Excess Liability Fund (SELF)	-	-
292 Shasta County	-	-
293 Shasta IHSS Public Authority	-	-
294 Sierra County	-	-
295 SIRMA	-	-
296 Siskiyou County	-	-
297 Solano County	-	-
298 Solano Transportation Authority	-	-
299 Sonoma County	-	-
300 Sonoma County ERA	-	-
301 Sonoma Marin Area Rail Transit	-	-
302 South Bay Area Schools Insurance Authority	-	-
303 South Coast Air Quality Management District	-	-
304 South County Area Transit	-	-
305 Special District Risk Management Authority (SDRMA)	-	-
306 Stanislaus County	-	-
307 Superior Court of California, County of Alpine	-	-
308 Superior Court of California, County of Amador	-	-
309 Superior Court of California, County of Butte	-	-
310 Superior Court of California, County of Calaveras	-	-
311 Superior Court of California, County of Colusa	-	-
312 Superior Court of California, County of Contra Costa	-	-
313 Superior Court of California, County of Del Norte	-	-
314 Superior Court of California, County of El Dorado	-	-
315 Superior Court of California, County of Lake	-	-

MEMBER	COUNTY	POPULATION
316 Superior Court of California, County of Lassen	-	-
317 Superior Court of California, County of Merced	-	-
318 Superior Court of California, County of Orange	-	-
319 Superior Court of California, County of Placer	-	-
320 Superior Court of California, County of Riverside	-	-
321 Superior Court of California, County of San Benito	-	-
322 Superior Court of California, County of San Luis Obispo	-	-
323 Superior Court of California, County of Santa Barbara	-	-
324 Superior Court of California, County of Santa Cruz	-	-
325 Superior Court of California, County of Shasta	-	-
326 Superior Court of California, County of Sonoma	-	-
327 Superior Court of California, County of Stanislaus	-	-
328 Superior Court of California, County of Trinity	-	-
329 Superior Court of California, County of Tuolumne	-	-
330 Superior Court of California, County of Yolo	-	-
331 Superior Court of California, County of Yuba	-	-
332 Sutter County	-	-
333 Sutter IHSS Public Authority	-	-
334 Tahoe Transportation District	-	-
335 Tehama County	-	-
336 Torrance Unified School District	-	-
337 Town of Colma	San Mateo	1,506
338 Town of Yountville	Napa	2,935
339 Transportation Corridor Agencies	-	-
340 Trindel Insurance Fund	-	-
341 Trinity County	-	-
342 Tulare County	-	-
343 Tuolumne County	-	-
344 Tuolumne Park and Recreation District	-	-
345 Turlock Irrigation District	-	-
346 University of California, Hastings College of Law	-	-
347 Upland Unified School District	-	-
348 Ventura County	-	-
349 West San Gabriel Liab. & Prop. JPA	-	-
350 West San Gabriel WC JPA	-	-
351 Western Riverside Council of Governments (WRCOG)	-	-
352 Yolo County	-	-
353 Yolo PARMIA	-	-
354 Yuba County	-	-

Appendix C

JPA Overview

MEMBERSHIP/WITHDRAWAL	PERMA	PARSAC	CSAC-EIA	CIPIA
Application Fee		\$2,000 (credited to 1st invoice if join)		\$1,000 (credited to 1st invoice)
Members must be ...	Public Agencies	Cities, towns and public agencies providing municipal services	Any public entity or nonprofit	Public agencies
City Risk Manager Required?	No	No	No, but loss prevention must be approved by EIA before binding.	No
Can join anytime?	Program year start	Program year start	Program year start	Program year start / Immediately upon Exec Committee approval
Minimum Commitment	3 years	3 years	Varies	3 years
Misc. requirements	Requires voluntary revocation of certificate to self-insure and application of PERMA affiliate certificate to self-insure	Board approval. SIR. *The Executive Committee shall establish the initial SIR for each Liability or Workers' Compensation Program Participants and may require a different SIR for Program Participants from time to time, in its sole discretion*	Majority vote of Board or Exec Loss prevention approval Actuarial study in first year Claims audit conducted in first year	5-year *provisional membership* when a new member subject to retro adjustments if loss experience v. different than underwriting substantial; also subject to termination without cause; no refunds, dividends or distributions if terminated in period.
Notice of Withdrawal Required	6 months prior to end of FY in which member intends to withdraw, provided has been a member for 3 years	6 months prior to end of FY in which member intends to withdraw (Exec committee can make exceptions)	60 days notice	1 year written notice
Withdrawal Penalties	None - Early withdrawal charge (\$ determined by Exec Committee, not to exceed member premium) if notice less than 6 months.	None - A member submitting an untimely notice forgoes equity and is responsible for their portion of administrative fees for 3 program years.	None	None
Withdrawal Responsibilities (Effect of Cancellation)	Must pay any premium charges due for losses and costs during the period in which the member organization was a participant in program.	Retrospective Premium Adjustment credit shall remain with PARSAC until all Policy Year(s) in which they participated have been closed and reconciled.	Must pay premium charges due for losses and costs which were incurred during participation in any program and surcharges.	Must still contribute its share of deposits or funds to the program until all claims or other unpaid liabilities resolved
Entitled to Equity Interest?	Yes - Return unearned premium for the policy year (pro rata basis from the effective date of cancellation). Board may return fees, charges and pro rata share of assets as it may determine are due and owing to such member organization (includes surcharges). IBNR responsibility governed by program bylaws.	Yes - members entitled to equity on closed years provided they exited in a timely fashion. Equity returned after year closes.	No - not be entitled to the return of any premium or other payment to the Authority.	No - not entitled to any deposits or consideration, *no Member by withdrawing shall be entitled to payment or return of any deposits, contributions, consideration or property paid, or donated by the Member to the Authority, or to any distribution of assets.*

Item: 12C

CITY OF STANTON

REPORT TO THE CITY COUNCIL

TO: Honorable Mayor and Council Members

DATE: December 10, 2019

SUBJECT: FINANCE DIRECTOR EMPLOYMENT AGREEMENT

REPORT IN BRIEF:

For consideration is the employment agreement with Michelle Bannigan for Finance Director.

RECOMMENDED ACTIONS:

That the City Council:

1. Find that this item is exempt from the California Environmental Quality Act ("CEQA") under Section 15378(b)(2) – continuing administrative or maintenance activities, such as purchases for supplies, personnel-related actions, general policy and procedure making, and
2. Authorize City Manager to execute employment agreement on behalf of the City with Michelle Bannigan.

FISCAL IMPACT:

The total costs of the compensation packages being offered are included in the approved adopted budget.

ENVIRONMENTAL IMPACT:

In accordance with the requirements of the CEQA, this project has been determined to be exempt under Section 15378(b)(2).

LEGAL REVIEW:

The City Attorney's Office has reviewed the attached Employment Agreement.

PUBLIC NOTIFICATION:

Public notice for this item was made through the regular agenda process.

STRATEGIC PLAN OBJECTIVE ADDRESSED:

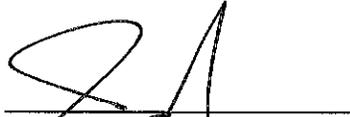
6. Maintain and Promote a Responsive, High Quality and Transparent Government

Prepared by:

Approved by:



Cynthia Guzman
HR/Risk Management Analyst



Jafar L. Hildenbrand
City Manager

Attachments:

A. Finance Director Employment Agreement

EMPLOYMENT AGREEMENT

This Employment Agreement (“Agreement”) is made and entered into effective as the 10th day of December 2019 between the CITY OF STANTON (“City”) and MICHELLE BANNIGAN (“Employee”) as follows:

WHEREAS, the City desires to employ the services of Employee as FINANCE DIRECTOR as provided by the Stanton Municipal Code; and

WHEREAS, Employee is familiar with the legal requirements, industry standards, responsibilities, the duties of the position; warrants that she has the skill and ability to serve in such position; and wishes to accept such employment on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants herein contained the parties hereto agree as follows:

1. Employment and Term. The City hereby agrees to employ Employee, and Employee accepts at will employment upon the terms and conditions set forth herein. The effective date of employment shall be January 6, 2020. The term of this Agreement shall be for three (3) years, unless sooner terminated or extended by the parties as set forth in this Agreement. In the event that the City Manager determines that the Employee is not to be reemployed upon expiration of this Agreement, Employee shall be given written notice thereof by the City at least two (2) months in advance of the expiration of the term of this Agreement. Should the City fail to give notice at least two (2) months prior to the end date of this Agreement, the Agreement shall be extended on the same terms for an additional period of one (1) year.

2. Duties and Obligations of Employee.

A. As of the date of this Agreement, the parties formalize the employment agreement for Employee’s work as FINANCE DIRECTOR (“Position”) and Employee’s job responsibilities as set forth in the relevant job description, attached as Exhibit “A.” Employee hereby agrees to perform the functions and duties of the Position as set forth in the applicable job description as may be amended in the City’s discretion from time to time, the City’s Municipal Code, ordinances, rules, regulations, and policies, and to perform such other duties and functions as the City Manager may assign. It is expressly understood that the terms of this Agreement, including those governing termination of employment, supersede any rights otherwise conferred by the City generally to its personnel.

B. Employee shall be under the day to day supervision and direction of the City Manager, shall be subject to any such other terms and conditions of employment as the City Manager may from time to time impose so long as not inconsistent with the provisions of this Agreement or law, and shall be expected to attend all City Council meetings unless directed otherwise by the City Manager.

C. Employee will focus her professional time, ability, and attention to City business during the term of this Agreement. Employee shall not engage in any other business duties or pursuits whatsoever or, directly or indirectly, render any services of a business, commercial, or professional nature to any other person or organization, whether for compensation or otherwise, without the prior consent of the City, except that:

(1) The expenditure of reasonable amounts of time, not in conflict with the City's needs and interests, for educational, charitable, community, and professional activities, shall not be deemed a breach of this Agreement and shall not require prior consent.

(2) This Agreement shall not be interpreted to prohibit Employee from making passive personal investments or conducting private business affairs off-duty if those activities do not materially interfere with the services required under this Agreement.

D. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other materials either created by or provided to Employee in connection with the performance of this Agreement shall be held confidential by Employee unless disclosed within the scope of his duties. Such materials shall not, without the prior written consent of the City, be used by Employee for any purposes other than the performance of her duties. Nor shall such materials be disclosed to any person or entity not connected with the performance of services under this Agreement, except as required by law.

3. Salary and Benefits,

A. *Salary.* City agrees to pay Employee for her services rendered pursuant hereto at the monthly base salary range Step "E," of Twelve Thousand, Three Hundred and Sixty-Five (\$12,365.00), payable in installments at the same time as other employees of the City. Following one (1) year of service, Employee shall be eligible for a merit review for advancement to the next step in the salary range. Thereafter, merit salary review dates shall fall upon the completion of twelve (12) months of service intervals, following the last salary review date. In addition, Employee shall be entitled to automatically receive any cost of living adjustment ("COLA") or other salary or fringe benefit increases provided to all general City employees.

B. *Comprehensive Leave.* In lieu of sick, vacation, administrative, or other paid leave, Employee is eligible to accrue up to a maximum of three hundred (300) hours of comprehensive leave each year of this Agreement. As of the date of this Agreement, Employee shall be granted 146 hours of comprehensive leave, representing the pro-rated amount for the partial year in 2019-20 beginning as of the date employment begins through June 30, 2020. Thereafter, on June 30, 2020, and on every June 30th thereafter during the term of this Agreement, Employee shall be paid at her then-current rate of pay for all accumulated comprehensive leave up to a maximum of One Hundred Eighty (180) hours. After any such pay out of comprehensive leave each year, any surplus accumulated comprehensive leave shall be carried forward to the following year. On July 1st of each year during the term of this Agreement, the total amount of comprehensive leave available to Employee shall be replenished to reach the maximum comprehensive leave accumulation limit of Three Hundred (300) hours.

C. *Automobile Allowance.* Upon proof of insurance coverage in an amount acceptable to the City, the City shall provide the Employee with a Three Hundred Dollar (\$300) monthly automobile allowance. Employee agrees to adhere to all laws, regulations, and City policies applicable to vehicles, driving, or traffic when operating his vehicle on City-related business.

D. *Cell Phone Allowance.* The City shall provide the Employee with a One Hundred Dollar (\$100) monthly cellular telephone allowance.

E. *Professional development.* Provided that Employee receives the prior approval of the City Manager, the City agrees to pay for approved professional dues and association memberships necessary for continued participation in approved organizations necessary for Employee's continued professional growth and advancement. Again, subject to prior approval by the City Manager, the City shall also pay for travel and subsistence expenses (as set out by applicable City policy) for approved professional or official travel, meetings, training, seminars, or similar functions.

F. *Other benefits.* All provisions of the City's Municipal Code, ordinances, rules, regulations, and policies relating to health, disability and life insurance; paid holidays; medical leaves, retirement and pension system contributions; and other fringe benefits and working conditions as they now exist or thereafter may be amended, which apply to all City employees, shall also apply to Employee, except as otherwise set forth in this Agreement.

4. At-Will Employment Status, Termination of Agreement.

A. *Nature of Employment.* The parties hereby expressly agree that the employment relationship created by the Agreement is "at will" and that Employee serves at the will and pleasure of the City Manager. Nothing in this Agreement, any Municipal Code, ordinance, resolution, statute, rule, or policy shall prevent, limit or otherwise interfere with the right of the City to terminate the services of Employee at any time without cause or right of notice, *Skelly* conference, hearing, appeal or grievance. Accordingly, Employee agrees that this Agreement sets forth the only terms and conditions applicable to the termination of her employment and that she hereby waives any rights he would otherwise have thereunder.

B. *By the Employee.* The Employee may terminate this Agreement upon written notice to the City Manager and shall endeavor to give thirty (30) days prior notice. The City shall have the option, in its complete discretion, to terminate the Employee any time prior to the end of such notice period, provided the City pays the Employee all compensation due and owing through the last day actually worked, plus an amount equal to the base salary the Employee would have earned through the remainder of the notice period. Thereafter, all the City's obligations under this Agreement shall cease.

C. *By the City, Without Cause.* At any time, and without prior notice, the City may terminate the Employee's employment for any reason, with or without cause. If the termination occurs within the first six (6) months of Employee's employment (the "Introductory Period"), the City shall not be obligated to provide any severance whatsoever regardless of whether cause exists

for the termination. However, in the event the City exercises its right under this provision to terminate employment without cause at any time following the Introductory Period, the City shall pay Employee all compensation due and owing through the last day actually worked, plus four (4) months of the Employee's salary as of the time of the termination *or* pursuant to the requirements of Government Code § 53260, an amount equivalent to the remainder of the term of this Agreement, whichever is less. The payment of such severance benefit shall be conditioned upon Employee executing a general release agreement containing a general release of all claims Employee may have against the City at the time of any such termination, in such form as may be reasonably required by Employer's attorney. Such severance benefit shall not be payable unless and until Employee executes such a general release and until expiration of all waiver and rescission rights as provided by law at the time of such termination. Failure by the Employee to satisfy her termination obligations pursuant to Section 4(E) shall nullify the City's obligation to provide severance payment pursuant to this Section. If Employee is convicted of a crime involving an abuse of her office or Position, whether before or after release from employment, Employee shall fully reimburse the City for any severance pay, paid leave salary disbursed pending an investigation, or legal criminal defense funds relevant to the crime paid for by the City.

D. *By the City, For Cause.* At any time, and without prior notice, the City may terminate Employee for Cause (as defined below). The City shall pay Employee all compensation then due and owing; thereafter, all of the City's obligations under this Agreement shall cease. Termination shall be for "cause" if Employee: (1) acts in bad faith and to the detriment of the City; (2) refuses or fails to act in accordance with any specific direction or order of the City; (3) exhibits in regard to her employment unfitness or unavailability for service, unsatisfactory performance, misconduct, dishonesty, habitual neglect, or incompetence; (4) is convicted of a crime involving dishonesty, breach of trust, or physical or emotional harm to any person; or (5) breaches any material term of this Agreement.

In addition, while the parties recognize that the following reasons will not constitute "fault" for purposes of termination, the following bases will terminate Employee's employment without severance as indicated in Section 4(c): (1) at such time Employee and City have mutually agreed to terminate the employment relationship; (2) upon death or permanent incapacity of Employee; (3) upon Employee's retirement; and (4) upon employee's prolonged unavailability, defined as any period of greater than five months for whatever reason. The parties agree that the definition of availability is not defined to alleviate legally protected leave or reasonable accommodation of disability.

E. *Termination for Other Reasons.* This Agreement shall automatically terminate, and the City shall not be obligated for any severance payment, upon the happening of any of the following events:

- a. Whenever Employee and the City shall mutually agree to termination in writing;
- b. Upon the death or permanent incapacity of Employee;
- c. Upon Employee's retirement: or
- d. Upon Employee's prolonged unavailability, defined as unavailability for a period greater than five (5) months for whatever reason.

10. Attorneys' Fees. In any legal action, arbitration, or other proceeding brought to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs.

11. Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of California. Venue shall be appropriate in the Superior Court of Orange County, California.

12. Interpretation. This Agreement shall be construed as a whole, according to its fair meaning, and not in favor of or against any party. By way of example and not in limitation, this Agreement shall not be construed in favor of the party receiving a benefit nor against the party responsible for any particular language in this Agreement. Captions are used for reference purposes only and should be ignored in the interpretation of the Agreement. Furthermore, no presumption for or against validity or as to any interpretation hereof, based upon the identity of the drafter shall be applicable in interpreting or enforcing this Agreement.

13. Conflict of Interest. The Employee agrees that she will abide with all applicable local State and Federal rules on conflicts of interest and receipt of gifts, including without limitation those rules found in the California Fair Political Practices Act and related regulations and those found in Government Code Sections 1090, *et seq.*

14. Acknowledgment. Employee acknowledges that she has had the opportunity to consult legal counsel in regard to this Agreement, that she has read and understands this Agreement, that she is fully aware of its legal effect, and that she has entered into it freely and voluntarily and based on his own judgment and not on any representations or promises other than those contained in this Agreement.

IN WITNESS WHEREOF, the City has caused this Agreement to be signed and duly executed by its Manager, and the Employee has signed and executed this Agreement as of the day and year first above written.

CITY:

ATTEST:

Jarad L. Hildenbrand, City Manager

Patricia A. Vazquez, City Clerk

APPROVED AS TO FORM:

EMPLOYEE:

Matthew E. Richardson, City Attorney

Michelle Bannigan

CITY OF STANTON

Job Title: **Finance Director**

Department: Community Services

Salary Range: 50

Reports to: City Manager

SUMMARY DESCRIPTION

The purpose of this position is to plan, direct, manage and oversee the activities and operations of the Finance Department including the City's finance, fiscal planning, internal controls, auditing, purchasing, fiscal data processing and central reception functions; to coordinate assigned activities with other City departments and outside agencies; to serve as City Treasurer and to provide highly responsible and complex administrative support to the City Manager and City Council.

ESSENTIAL DUTIES AND RESPONSIBILITIES

The following duties are normal for this position. These are not to be construed as exclusive or all-inclusive. Other duties may be required and assigned.

- Assume full management responsibility for all Finance Department services and activities including accounting, investments, fiscal planning, internal controls, auditing, payroll, revenue collections, licensing, purchasing, fiscal data processing and central reception functions and services.
- Manage the development and implementation of Finance Department goals, objective, policies and priorities for each assigned service area; establish within City policy, appropriate service and staffing levels; allocate resources accordingly.
- Continuously monitor and evaluate the efficiency and effectiveness of service delivery methods and procedures; assess and monitor work load, administrative and support systems and internal reporting relationships; identify opportunities for improvement; direct the implementation of changes.
- Review, develop, and modify accounting and control methods to improve existing procedures; ensure conformity to policy and increase effectiveness.
- Represent the Finance Department to other City departments, elected officials and outside agencies; explain and interpret Department programs, policies and activities; negotiate and resolve sensitive, significant and controversial issues.
- Select, train, motivate and evaluate department personnel; provide or coordinate staff training; work with employees to correct deficiencies; implement discipline and termination procedures.
- Plan, direct and coordinate the department's work plan; meet with staff to identify and resolve problems; assign projects and programmatic areas of responsibility; review and evaluate work methods and procedures.

- Manage and participate in the development and administration of the department budget; direct the forecast of additional funds needed for staffing, equipment, materials and supplies; direct the monitoring of and approve expenditures; direct the preparation of and implement budgetary adjustments as necessary.
- Plan, organize and coordinate the development of the City's annual operating and redevelopment budgets; coordinate the publishing of preliminary and final budget documents.
- Coordinate departmental activities with those of other departments and outside agencies and organizations; provide staff assistance to the City Manager and City Council; prepare and present staff reports and other necessary correspondence.
- Conduct a variety of organizational studies, investigations and operational studies; recommend modifications to departmental programs, policies and procedures as appropriate.
- Direct the preparation for the annual City audit; coordinate activities with financial auditors; provide information and assistance as necessary.
- Direct the preparation of financial reports as required by law; prepare various financial reports and analyses requested by the City Manager and City Council.
- Supervise and participate in the preparation of special studies, fiscal analyses and projections and the development of budgetary analyses.
- Serve as City Treasurer; invest and maintain records on City funds; prepare treasury reports and present related documentation to the City Council.
- Participate on a variety of boards and commissions; attend and participate in professional group meetings; stay abreast of new trends and innovations in the field of administrative services.
- Respond to and resolve difficult and sensitive inquiries and complaints.
- Perform related duties and responsibilities as assigned.

Additional Tasks and Responsibilities:

- Perform other duties as assigned.

KNOWLEDGE

- Basic knowledge of the operational characteristics, services and activities of a comprehensive administrative services program which includes financial management, treasury, and purchasing functions and services.
- Organization and management practices as applied to the development, analysis and evaluation of programs, policies and operational needs.
- Modern and complex principles and practices of program development and administration.
- Principles of financial administration including accounting, budgeting, auditing and treasury management.
- Advanced principles and practices of accounting, budgeting, auditing, treasury administration, capital financing as well as budget preparation and administration.

- Principles of supervision, training and performance evaluation.
 - Pertinent Federal, State and local laws, codes and regulations including those regarding financial administration of City government.
 - Techniques of program analysis, fiscal impact analysis and revenue forecasting.
 - Safe driving principles and practices.
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ABILITIES/SKILLS

- Operate modern office equipment including computer equipment.
 - Provide administrative and professional leadership and direction for the Finance Department.
 - Develop, implement and administer goals, objectives and procedures for providing effective and efficient administrative services.
 - Plan, organize, direct and coordinate the work of supervisory, professional and technical personnel; delegate authority and responsibility.
 - Select, supervise, train and evaluate staff.
 - Identify and respond to community, City Manager and City Council issues, concerns and needs.
 - Analyze problems, identify alternative solutions, project consequences of proposed actions and implement recommendations in support of goals.
 - Research, analyze and evaluate new service delivery methods, procedures and techniques.
 - Prepare and administer large and complex budgets; allocate limited resources in a cost-effective manner.
 - Prepare complex administrative and financial reports and analyses.
 - Develop, install and maintain sound accounting and financial reporting systems and procedures.
 - Analyze and interpret financial and accounting records.
 - Establish policy guidelines and control procedures for the City's treasury investment program.
 - Assess and evaluate data processing needs and evaluate computer hardware and software.
 - Utilize spreadsheet, word processing, financial management and database software applications and programs.
 - Interpret and apply Federal, State and local policies, procedures, laws and regulations.
 - Communicate clearly and concisely, both orally and in writing.
 - Pursue and obtain grants and other revenue sources for funding of services.
 - Provide high level of customer service.
 - Establish, maintain and foster positive and harmonious working relationships with those contacted in the course of work.
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EXPERIENCE/TRAINING/EDUCATION

Any combination of experience and training that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:

- Six years of responsible professional experience in finance and accounting including three years of administrative and supervisory experience.
- Equivalent to a Bachelor's degree from an accredited college or university with major course work in finance, accounting, public administration, business administration or a related field.

Desirable Qualifications:

Master's Degree and Certified Public Accountant Designation

LICENSE/CERTIFICATE

- Possession of, or ability to obtain an appropriate valid California driver's license.
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PHYSICAL ACTIVITIES AND REQUIREMENTS

- Ability to work in a standard office environment requiring prolonged sitting, standing, walking, reaching, twisting, turning, kneeling, bending, squatting, crouching and stooping in the performance of daily activities.
 - Movements frequently and regularly require using the wrists, hands and fingers to operate computers and office equipment.
 - Willingness to work variable hours including nights, weekends and/or holidays.
 - Ability to hear and convey detailed or important instructions or information verbally and accurately.
 - Average visual acuity to prepare and read documents.
 - Ability to communicate with both the public and co-workers in a clear and concise manner.
 - Ability to travel to different sites and locations.
 - May be exposed to outdoor conditions.
 - Adapt to standard office sounds generated by office equipment as well as standard noise levels resulting from communication with co-workers and the general public.
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The City of Stanton is an Equal Opportunity Employer. In compliance with the Americans with Disabilities Act, the City will provide reasonable accommodations to qualified individuals with disabilities and encourages both prospective and current employees to discuss potential accommodations with the employer.