



**AGENDA**  
**CITY COUNCIL/SUCCESSOR AGENCY/STANTON HOUSING AUTHORITY**  
**JOINT REGULAR MEETING**  
**STANTON CITY HALL, 7800 KATELLA AVENUE, STANTON, CA**  
**TUESDAY, MARCH 9, 2021 - 6:30 P.M.**

**SAFETY ALERT – NOTICE REGARDING COVID-19**

The President, Governor, and the City of Stanton have declared a State of Emergency as a result of the threat of COVID-19 (aka the “Coronavirus”). The Governor also issued Executive Order N-25-20 that directs Californians to follow public health directives including cancelling all large gatherings. Governor Newsom also issued Executive Order N-29-20 which lifts the strict adherence to the Brown Act regarding teleconferencing requirements and allows local legislative bodies to hold their meetings without complying with the normal requirements of in-person public participation. Pursuant to the provisions of the Governor’s Executive Orders N-25-20 and N-29-20 the March 9, 2021, Joint Regular City Council Meeting will be held telephonically.

The health and well-being of our residents is the top priority for the City of Stanton, and you are urged to take all appropriate health safety precautions. To that end, out of an abundance of caution the City of Stanton is eliminating in-person public participation. Members of the public wishing to access the meeting will be able to do so telephonically.

**In order to join the meeting via telephone please follow the steps below:**

1. Dial the following phone number +1 (669) 900-9128 US (San Jose).
2. Dial in the following **Meeting ID: (847 6175 1137)** to be connected to the meeting.

**ANY MEMBER OF THE PUBLIC WISHING TO PROVIDE PUBLIC COMMENT FOR ANY ITEM ON THE AGENDA MAY DO SO AS FOLLOWS:**

E-Mail your comments to [pvazquez@ci.stanton.ca.us](mailto:pvazquez@ci.stanton.ca.us) with the subject line “PUBLIC COMMENT ITEM #” (*insert the item number relevant to your comment*). Comments received no later than 5:00 p.m. before the meeting (*Tuesday, March 9, 2021*) will be compiled, provided to the City Council, and made available to the public before the start of the meeting. Staff will not read e-mailed comments at the meeting. However, the official record will include all e-mailed comments received until the close of the meeting.

The Stanton City Council and staff thank you for your continued patience and cooperation during these unprecedented times. Should you have any questions related to participation in the City Council Meeting, please contact the City Clerk’s Office at (714) 890-4245.

***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](http://www.ci.stanton.ca.us).*

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

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

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

## **7. PLEDGE OF ALLEGIANCE**

**City Clerk, Ms. Patricia A. Vazquez requests authority of the Mayor and City Council to hear New Business Item 12A out of order.**

- CITY COUNCIL APPOINTMENTS TO FILL THREE VACANCIES ON THE STANTON PUBLIC SAFETY COMMITTEE FOR TERMS COINCIDING WITH THE CITY COUNCIL ELECTION.

## **8. SPECIAL PRESENTATIONS AND AWARDS**

- Townsend Public Affairs State and Federal Legislative report and update.

## **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 February 12, 2021 – February 25, 2021, in the amount of \$510,303.02.

#### **9C. APPROVAL OF MINUTES**

City Council/Agency/Authority Board approve Minutes of Regular Joint Meeting – February 23, 2021.

#### **9D. JANUARY 2021 INVESTMENT REPORT**

The Investment Report as of January 31, 2021, has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

##### **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 Investment Report for the month of January 2021.

#### **9E. JANUARY 2021 INVESTMENT REPORT (SUCCESSOR AGENCY)**

The Investment Report as of January 31, 2021, has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

##### **RECOMMENDED ACTION:**

1. Successor Agency 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 Investment Report for the month of January 2021.

#### **9F. COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR 2019-20 AND RELATED AUDIT REPORTS**

Each year the City issues a Comprehensive Annual Financial Report (CAFR), which summarizes the financial activity of a local government for a given fiscal year in accordance with financial statement presentation requirements prescribed by government accounting standards (Attachment A). The CAFR is accompanied by an opinion from the City's audit firm. The audit firm's opinion on the City's 2019-20 CAFR is a clean opinion, with no exceptions, modifications, or qualifications.

##### **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 Comprehensive Annual Financial Report (CAFR), and related audit reports.

#### **9G. CONTRACT EXTENSION FOR INCO REALTY**

Requested is the authorization to allow the City Manager to extend the professional services agreement with Inco Realty for brokerage services associated with the sale of the Housing Authority asset located at 7455 Katella Avenue, Stanton.

##### **RECOMMENDED ACTION:**

1. City Council declare 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. Approve the fourth contract amendment for Inco Realty; and
3. Authorize the City Manager to bind the City of Stanton Housing Authority and Inco Realty in a contract to continue providing brokerage services associated with the sale of the Housing Authority asset located 7455 Katella Avenue, Stanton.

#### **9H. INFORMATION TECHNOLOGY SUPPORT SERVICES AGREEMENT WITH SCIENTIA CONSULTING GROUP**

Requested is authorization to allow the City Manager to enter a professional services agreement with Scientia Consulting Group to provide Information Technology Support Services.

##### **RECOMMENDED ACTION:**

1. City Council and Authority Board declare 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. Authorize the City Manager to approve the professional services agreement with Scientia Consulting Group to provide Information Technology Support Services.

**END OF CONSENT CALENDAR**

**10. PUBLIC HEARINGS**                      **None.**

**11. UNFINISHED BUSINESS**              **None.**

**12. NEW BUSINESS**

**12A. CITY COUNCIL APPOINTMENTS TO FILL THREE VACANCIES ON THE STANTON PUBLIC SAFETY COMMITTEE FOR TERMS COINCIDING WITH THE CITY COUNCIL ELECTION**

The Council Member holding the seat corresponding to that numbered seat on the Stanton Public Safety Committee shall be responsible for appointment of one Committee Member, 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.

**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. Conduct an interview with each applicant; and
3. Make appointments to fill seats #1-Taylor, #4-Warren, and #5-Van on the Stanton Public Safety Committee.

### **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 or on a particular item may do so by submitting their comments via E-Mail to [pvazquez@ci.stanton.ca.us](mailto:pvazquez@ci.stanton.ca.us) with the subject line "PUBLIC COMMENT ITEM #" (*insert the item number relevant to your comment*) or "PUBLIC COMMENT NON-AGENDA ITEM #". Comments received by 5:00 p.m. will be compiled, provided to the City Council, and made available to the public before the start of the meeting. Staff will not read e-mailed comments at the meeting. However, the official record will include all e-mailed comments received until the close of the meeting.

### **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.

**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 4<sup>th</sup> day of March, 2021.

s/ Patricia A. Vazquez, City Clerk/Secretary

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**CITY OF STANTON  
ACCOUNTS PAYABLE REGISTER**

February 12, 2021 - February 25, 2021

Electronic Transaction Nos.	1340 - 1347	\$	124,201.30
Check Nos.	133456 - 133504	\$	386,101.72

TOTAL	\$	510,303.02
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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

## Accounts Payable

## Checks by Date - Detail by Check Number

User: mbannigan  
 Printed: 3/1/2021 2:16 PM



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
1340	GOL1321 February 11	GOLDEN STATE WATER COMPANY Nov 19-Jan 20 Water Services Park January 21	02/12/2021	133.16
Total for Check Number 1340:				133.16
1341	GOL1321 February 16 February 16 February 16	GOLDEN STATE WATER COMPANY Nov 24-Jan 25 Water Services Median January 2 Nov 24-Jan 25 Water Services Park January 26 Nov 24-Jan 25 Water Services Building January	02/17/2021	2,373.24 1,455.66 749.97
Total for Check Number 1341:				4,578.87
1342	APP15086 F46E586-0026	APPLEDORE, INC Regional CBO-Data Integration:Outreach grid 7/	02/17/2021	33,793.61
Total for Check Number 1342:				33,793.61
1343	EDD1067 2/13/2021 2/13/2021	EDD State Unemployment State Tax Withholding	02/19/2021	825.20 4,925.74
Total for Check Number 1343:				5,750.94
1344	CAS680 PPE 2/13/2021 PPE 2/13/2021 PPE 2/13/2021 PPE 2/13/2021 PPE 2/13/2021 PPE 2/13/2021 PPE 2/13/2021 PPE 2/13/2021 PPE 2/13/2021 PPE 2/13/2021	CA ST PERS 103 PERS-Employee New T3 PPE 2/13/2021 PERS-(PERS Buy Back) T1 PPE 2/13/2021 PERS-City's Share New T3 PPE 2/13/2021 PERS-Survivor (Employee) T1 PPE 2/13/2021 PERS-Employee's Share T1 PPE 2/13/2021 PERS-Survivor New T3 PPE 2/13/2021 PERS-City's Share T1 PPE 2/13/2021 PERS-Survivor Classic T2 PPE 2/13/2021 PERS-Employee Classic T2 PPE 2/13/2021 PERS-City's Share Classic T2 PPE 2/13/2021	02/19/2021	4,664.82 162.67 5,343.45 9.30 1,827.06 24.18 2,879.18 5.58 1,879.68 2,361.42
Total for Check Number 1344:				19,157.34
1345	INT1569 2/13/2021 2/13/2021 2/13/2021	INTERNAL REVENUE SERVICE (FD) Federal Tax Withholding (ME) Medicare-City Share (MC) Medicare-Employee Share	02/19/2021	14,949.04 2,014.24 2,014.24
Total for Check Number 1345:				18,977.52
1346	GOL1321 February 18 February 18 February 18	GOLDEN STATE WATER COMPANY Nov 25-Jan 27 Water Services Housing Authorit; Nov 30-Jan 27 Water Services Housing Authorit; Sept 25-Jan 27 Water Services Park January 02	02/19/2021	2,787.00 573.01 265.82
Total for Check Number 1346:				3,625.83

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Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
1347	CAS683	CA ST PERS-HEALTH BENEFIT	02/25/2021	
	Mar-21	February 21 Adm Services Health Ins		105.59
	Mar-21	February 21 Deduction Health Ins- City Share		29,954.02
	Mar-21	February 21 Retiree Insurance		3,655.00
	Mar-21	February 21 Deduction Health Ins-Employee		4,469.42
Total for Check Number 1347:				38,184.03
133456	AFL187	AFLAC-FLEX ONE	02/25/2021	
	455802	February 21 Employee (Disability Ins)		91.11
	455802	February 21 Employee (Aflac)		266.90
	455802	February 21 Life Ins (Employee Share)		38.00
Total for Check Number 133456:				396.01
133457	ATT377	AT&T	02/25/2021	
	2/22/2021	Corporatate Yard Jan		443.51
Total for Check Number 133457:				443.51
133458	BAN15964	BANG THE TABLE USA LLC	02/25/2021	
	0536	EQ Essentials		1,500.00
	0536	EngagementIQ/Onboarding		2,500.00
	0536	Engagement HQ/Annual License Subscription		13,000.00
Total for Check Number 133458:				17,000.00
133459	BEA14942	BEAR ELECTRICAL SOLUTIONS, INC	02/25/2021	
	12130	Traffic Signal Response-Jan		3,048.00
	12179	Maintenance Service-Jan		1,045.00
Total for Check Number 133459:				4,093.00
133460	BES12575	BEST BEST & KRIEGER LLP	02/25/2021	
	894559	General Fees thru 12-31-2020		13,954.80
	894560	Code Enforcement Fees thru 12-31-2020		1,122.99
	894561	General Fees thru 12-31-2020		80.00
	894561	DFN 20-0111 Fees thru 12-31-2020 (Superking)		280.00
	894561	DFN 17-0100 Fees thru 12-31-2020 (Frontier)		6,934.00
	894561	Brookfield Fees thru 12-31-2020		5,932.00
	894562	DFN 19-0114 Fees thru 12-31-2020 (Bonanni-TI		1,641.30
	894563	DFN 20-0103 Fees thru 12-31-2020 (Bonanni 2.		680.00
	894564	General Fees thru 12-31-2020		55.20
	894565	DFN 19-0121 Fees thru 11-30-2020 (Tina/Pacifi		690.00
	894566	SHA Fees thru 12-31-2020		938.40
	894568	DFN 20-0101 Fees thru 12-31-2020 (Habitat for		764.50
	894569	DFN 19-0111 Fees thru 12-31-2020 (KB Homes		2,677.20
	894570	General Fees thru 12-31-2020		303.60
Total for Check Number 133460:				36,053.99
133461	BOY500	BOYS & GIRLS CLUB OF STANTON	02/25/2021	
	202104	Stanton-Focus Area #1-Jan 2021		4,469.00
Total for Check Number 133461:				4,469.00
133462	BOY13501	BOYS & GIRLS CLUBS OF GARDEN GI	02/25/2021	
	Dec-20	Contractual Services (FaCT) Invoice for Boys &		4,026.45
Total for Check Number 133462:				4,026.45
133463	BOY15369	BOYS & GIRLS CLUBS OF GREATER A	02/25/2021	

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Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	January-21	Cypress/Anaheim CBO Focus Area #1-Jan 2021		10,179.00
		Total for Check Number 133463:		10,179.00
133464	C3O13388 127631 128058 128059	C3 TECHNOLOGY SERVICES IT SVCS/Server Monitoring 2-1-2021 to 2-28-21 CH/Sharp Copier/Toner/Maintenance 12-9-2020 FRC/Sharp Copier/Toner/Maintenance 11-9-2021	02/25/2021	3,290.00 102.34 27.90
		Total for Check Number 133464:		3,420.24
133465	CAS685 SL210452	CA ST TRANSPORTATION DEPT City of Stanton's portion of Signals & Lighting u	02/25/2021	5,333.02
		Total for Check Number 133465:		5,333.02
133466	CHA735 62093 62094	CHARLES ABBOTT ASSOCIATES, INC Inspection Services Jan-21/Bldg/Safety Predevelopment Review/Jan-21	02/25/2021	170,248.15 936.00
		Total for Check Number 133466:		171,184.15
133467	BRE515 ASIT000978	CITY OF BREA City Web Hosting Fee Jan 2021	02/25/2021	50.00
		Total for Check Number 133467:		50.00
133468	CLI14334 957006179	CLIMATEC, LLC SUSP Renewal for SCP gate	02/25/2021	320.00
		Total for Check Number 133468:		320.00
133469	CON13243 74133	CONTINENTAL CHEMICAL & SANITAI Janitorial Supplies	02/25/2021	702.52
		Total for Check Number 133469:		702.52
133470	CSU14679 AR170859	CSU FULLERTON ASC Regional-Evaluation Services to Support AB 97	02/25/2021	6,921.52
		Total for Check Number 133470:		6,921.52
133471	CYP925 71743	CYPRESS ENGRAVING Nameplates & Name badge: MPT G.Taylor/CA 1	02/25/2021	44.04
		Total for Check Number 133471:		44.04
133472	DEN15594 2863 2863 2918 2918	DE NOVO PLANNING GROUP Admin Draft Housing Element Community Engagement Admin Draft Housing Element Community Engagement	02/25/2021	3,380.00 4,230.00 520.00 1,180.00
		Total for Check Number 133472:		9,310.00
133473	EMP1089 Progress Pay#4	EMPIRE PIPE CLEANING AND EQUIP Catch Basin Cleaning and Hotspot Cleaning	02/25/2021	2,212.50
		Total for Check Number 133473:		2,212.50
133474	FED1155 7-261-29068	FEDEX Overnight to the Nguyen Family (HB)	02/25/2021	32.92



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Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for Check Number 133474:				32.92
133475	FRI13695 Dec-20	FRIENDLY CENTER, INC Contractual Services (FaCT) Invoices for Friend	02/25/2021	3,904.09
Total for Check Number 133475:				3,904.09
133476	GOL1321 2/17/2021	GOLDEN STATE WATER COMPANY Water Svc/Tina-Pacific 11/25/20-01/27/21	02/25/2021	2,148.07
Total for Check Number 133476:				2,148.07
133477	HDL13965 SIN006553	HDL SOFTWARE, LLC Payment Services December 2020	02/25/2021	1,577.20
Total for Check Number 133477:				1,577.20
133478	ICM1540 PPE 2/13/2021	ICMA RETIREMENT TRUST #302393 PPE 2/13/21-ICMA #302393	02/25/2021	4,135.00
Total for Check Number 133478:				4,135.00
133479	INT1579 Dec-20	INTERVAL HOUSE (FaCT) Invoice for Interval House	02/25/2021	1,513.00
Total for Check Number 133479:				1,513.00
133480	HUN12150 STA1MS412012	JOHN L. HUNTER & ASSOCIATES, INC NPDES-Dec 2020	02/25/2021	4,340.00
Total for Check Number 133480:				4,340.00
133481	KTG15871 0156707	KTGY GROUP, INC Prep 2020 Town Center Specific Plan/Nov 12 - J	02/25/2021	20,592.97
Total for Check Number 133481:				20,592.97
133482	KUS12361 35268	KUSTOM IMPRINTS Staff Polo Shirts	02/25/2021	698.74
Total for Check Number 133482:				698.74
133483	MER13172 2210733	MERRIMAC ENERGY GROUP Provide gasoline & Diesel for fueling station @	02/25/2021	7,054.56
Total for Check Number 133483:				7,054.56
133484	OCI15259 4047	OC IMPRINTS Re-stock on staff polos and jackets	02/25/2021	654.58
Total for Check Number 133484:				654.58
133485	PAC14962 2247 2251	PACIFIC DECORATING COMPANY Changing of Banners to Holiday Removal of Holiday Decorations	02/25/2021	4,240.00 1,980.00
Total for Check Number 133485:				6,220.00
133486	PHA12971 47387	PARS DEC2020/PARS/Administrator Services	02/25/2021	459.47

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Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for Check Number 133486:				459.47
133487	FUL14661 013121-7	PATHWAYS OF HOPE Regional CBO-Focus Area #3-Jan	02/25/2021	6,070.55
Total for Check Number 133487:				6,070.55
133488	PET14941 14493714	PETS BEST Pet Insurance February 2021	02/25/2021	124.92
Total for Check Number 133488:				124.92
133489	PYR12632 162378	PYRO-COMM SYSTEMS INC. Quarterly Monitoring Fees-Fire Alarm @ Sheriff	02/25/2021	135.00
Total for Check Number 133489:				135.00
133490	SCS13184 214694	S.C. SIGNS & SUPPLIES LLC New LED stop sign & pole for NE corner of San	02/25/2021	1,729.13
Total for Check Number 133490:				1,729.13
133491	SOC2734 02/08/21 02/08/21 02/11/21 02/17/2021 02/18/21	SO CAL EDISON Electric Service-SCP Jan Stanton District Light Jan Electric Service-Building Jan Electric Svc/TinaPacific 01/07/21-02/05/21 Electric Service-Parks Jan	02/25/2021	1,721.89 7,174.47 5,752.14 319.02 749.38
Total for Check Number 133491:				15,716.90
133492	SOC12606 482735 483959 483960	SO CAL INDUSTRIES Fence installation @ 8910-8920 Pacific for a yea Fence Rental @ 10562 Bell Street for Feb Fence rental for Magnolia and Tina Way Feb	02/25/2021	2,061.34 59.11 603.27
Total for Check Number 133492:				2,723.72
133493	BCN14064 132043837	SOLEX - FUSION LAN Lines for City Hall/FRC/Corp Yard/SCP B	02/25/2021	2,591.62
Total for Check Number 133493:				2,591.62
133494	WAT13601 23474	SOUTHLAND AUTOMOTIVE WORKS Replace tire on dump trailer	02/25/2021	97.30
Total for Check Number 133494:				97.30
133495	SPA15432 4096775 012921	SPARKLETTS Jan-21/Breakroom Water Delivery	02/25/2021	79.84
Total for Check Number 133495:				79.84
133496	SPE14381 0012363020121	SPECTRUM Spectrum TV 2-01-2021 to 2-28-2021	02/25/2021	293.06
Total for Check Number 133496:				293.06
133497	STA12282 6000593538 6000593539 6000607518	STANLEY CONVERGENT SECURITY S Service call-resolve com failure @ City Yard Service call-reset zones @ City Yard Service call-upgrade to cell communicator @ Ci	02/25/2021	261.00 261.00 261.00

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Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for Check Number 133497:				783.00
133498	TRU13167 650161626	TRULY NOLEN OF AMERICA INC Monthly pest spraying for Jan	02/25/2021	160.00
Total for Check Number 133498:				160.00
133499	VAN13002 9387	VAN RY MAINTENANCE Community Center floor cleaning for Council M	02/25/2021	225.00
Total for Check Number 133499:				225.00
133500	VEN13764 0154886-IN 0154886-IN 0154886-IN 0154886-IN 0154886-IN 0154886-IN 2502190-IN	VENCO WESTERN INC Street landscape maintenance-Feb Norm Ross baseball field-Feb Stanton Central Park-Feb Building landscape maintenance-Feb Median landscape maintenance-Feb Park landscape maintenance-Feb Annual backflow testing	02/25/2021	1,490.00 900.00 4,592.00 1,298.00 7,939.00 4,685.00 4,106.40
Total for Check Number 133500:				25,010.40
133501	VIS3077 2021-840975-00 2021-841025-00 2021-845516-00	VISTA PAINT CORP Graffiti Supplies for Feb Graffiti Supplies for Feb Graffiti Supplies for Feb	02/25/2021	46.65 25.64 63.44
Total for Check Number 133501:				135.73
133502	WGZ1000 21-01-282	W.G. ZIMMERMAN ENGINEERING, INC Plan checks for Jan 2021	02/25/2021	420.00
Total for Check Number 133502:				420.00
133503	WAG13143 INV2584186 INV2584186	WAGEWORKS Jan 2021/Compliance Fee Jan 2021/Administration Fee	02/25/2021	50.00 66.00
Total for Check Number 133503:				116.00
133504	WHE15524 27900903-30-12	WHENTOWORK, INC Membership renewal for online scheduling for C	02/25/2021	200.00
Total for Check Number 133504:				200.00
Report Total (57 checks):				510,303.02

**DRAFT**

MINUTES OF THE CITY COUNCIL / SUCCESSOR AGENCY / HOUSING AUTHORITY  
OF THE CITY OF STANTON  
JOINT REGULAR MEETING FEBRUARY 23, 2021

**1. CALL TO ORDER / CLOSED SESSION**

The City Council / Successor Agency / Housing Authority meeting was called to order at 6:00 p.m. by Mayor / Chairman Shawver.

**2. ROLL CALL**

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

Absent: None.

Excused: Council/Agency/Authority Member Ramirez and Council/Agency/Authority Member Warren.

**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 6:01 p.m. for discussion regarding:

**4A. 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**

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

The City Attorney / Agency Counsel reported that the Stanton City Council / Successor Agency / Housing Authority met in closed session from 6:01 to 6:23 p.m.

The City Attorney / Agency Counsel reported that there was no reportable action.

# DRAFT

## 6. ROLL CALL

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

Absent: None.

Excused: Council/Agency/Authority Member Ramirez and Council/Agency/Authority Member Warren.

## 7. PLEDGE OF ALLEGIANCE

Led by Mr. Jarad L. Hildenbrand, City Manager.

## 8. SPECIAL PRESENTATIONS AND AWARDS None.

City Clerk, Ms. Patricia A. Vazquez requested authority of the Mayor and City Council to hear New Business Item 12A out of order. The Mayor and City Council authorized the request.

## 12A. CITY COUNCIL APPOINTMENTS TO FILL FOUR VACANCIES ON THE STANTON PARKS, RECREATION AND COMMUNITY SERVICES COMMISSION FOR TERMS COINCIDING WITH THE CITY COUNCIL ELECTION

The Council Member holding the seat corresponding to that numbered seat on the Stanton Parks, Recreation and Community Services Commission shall be responsible for appointment of one Commissioner, 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.

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

## DRAFT

2. The City Council conducted interviews with the following Parks, Recreation and Community Services Commission applicants; and
  - Mr. Tien Do
  - Ms. Dezi Ledesma
  - Mr. DeWayne A. Normand
  - Ms. Nhung Bach Thuy Pham
  - Mr. John Warren
3. The City Council made appointments to fill seats #3-Ramirez, #4-Warren, #5-Van, and #6-Mayor's Appointment on the Stanton Parks, Recreation and Community Services Commission as follows:

### **Seat #3 (Ramirez):**

Motion/Second: Shawver/Taylor

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

Motion unanimously carried:

Mr. John Warren was appointed to fill Seat #3 (Ramirez) on the Stanton Parks, Recreation and Community Services Commission.

### **Seat #4 (Warren):**

Motion/Second: Taylor/Shawver

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

Motion unanimously carried:

Mr. DeWayne A. Normand was appointed to fill Seat #4 (Warren) on the Stanton Parks, Recreation and Community Services Commission.

## **DRAFT**

### **Seat #5 (Van):**

Motion/Second: Van/Shawver

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

Motion unanimously carried:

Ms. Dezi Ledesma was appointed to fill Seat #5 (Van) on the Stanton Parks, Recreation and Community Services Commission.

### **Seat #6 (Mayor's Appointment):**

Motion/Second: Shawver/Taylor

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

Motion unanimously carried:

Ms. Nhung Bach Thuy Pham was appointed to fill Seat #6 (Mayor's Appointment) on the Stanton Parks, Recreation and Community Services Commission.

## **9. CONSENT CALENDAR**

Motion/Second: Taylor/Van

ROLL CALL VOTE:	Council/Agency/Authority Member Ramirez	EXCUSED
	Council/Agency/Authority Member Van	AYE
	Council/Agency/Authority Member Warren	EXCUSED
	Mayor Pro Tem/Vice Chairman Taylor	AYE
	Mayor/Chairman Shawver	AYE

Motion unanimously carried:

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## **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**

The City Council approved demand warrants dated January 29, 2021 – February 11, 2021, in the amount of \$2,116,171.27.

**9C. APPROVAL OF MINUTES**

1. The City Council approved Minutes of Special Meeting – February 9, 2021; and
2. The City Council/Agency/Authority Board approved Minutes of Regular Joint Meeting – February 9, 2021.

**9D. DECEMBER 2020 INVESTMENT REPORT**

The Investment Report as of December 31, 2020, 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 December 2020.

**9E. DECEMBER 2020 GENERAL FUND REVENUE AND EXPENDITURE REPORT AND STATUS OF CAPITAL IMPROVEMENT PROGRAM**

The Revenue and Expenditure Report for the month ended December 31, 2020, has been provided to the City Manager in accordance with Stanton Municipal Code Section 2.20.080 (D) and is being provided to City Council. This report includes information for both the City's General Fund and the Housing Authority Fund. In addition, staff has provided a status of the City's Capital Improvement Projects (CIP) as of December 31, 2020.



## **DRAFT**

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 and Housing Authority Fund's December 2020 Revenue and Expenditure Report and Status of Capital Improvement Projects for the month ended December 31, 2020.

### **9F. ACCEPTANCE OF THE FY19/20 CITY BUILDINGS ABATEMENT AND DEMOLITION PROJECT BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA**

The FY 19/20 City Buildings Abatement and Demolition Project has been completed in accordance with the plans and specifications. The final construction cost for the project was \$95,848.00. The City Engineer, in his judgment, certifies that the work was satisfactorily completed as of February 23, 2021 and recommends that the City Council accept the completed work performed on this project.

The original construction contract cost for the FY 19/20 City Buildings Abatement and Demolition Project was for \$95,848.00.

1. The City Council declared this project categorically exempt under 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. Accepted the completion of improvements for the FY 19/20 City Buildings Abatement and Demolition Project, as certified by the City Engineer, and affixed the date of February 23, 2021 as the date of completion of all work on this project; and
3. Approved the final construction contract amount of \$95,848.00 with AMPCO Contracting, Inc. and
4. Directed the City Clerk within ten (10) days from the date of acceptance to file the Notice of Completion with the County Recorder of the County of Orange; and
5. Directed City staff, upon expiration of Directs City staff, upon expiration of the thirty-five (35) days from the filing of the "Notice of Completion," to make the retention payment to AMPCO Contracting, Inc. in the amount of \$4,792.40.

## **DRAFT**

### **9G. RESOLUTION AUTHORIZING STAFF TO APPLY FOR THE STATEWIDE PARK DEVELOPMENT AND COMMUNITY REVITALIZATION PROGRAM GRANT FUNDS - ROUND 4**

To approve and submit an application for grant funding for the Norm Ross Sports Complex Renovation Project.

1. The City Council declared that the project is exempt from California Environmental Quality Act ("CEQA") under Section 15378(b)(4) — The creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment; and
2. Approved Resolution No. 2021-05, entitled:

**“RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, APPROVING THE APPLICATION FOR STATEWIDE PARK DEVELOPMENT AND COMMUNITY REVITALIZATION PROGRAM GRANT FUNDS”;** and

3. Authorized the City Manager or designee to apply for subject grants.

### **9H. APPROVAL OF CONTRACT WITH FLOCK SAFETY**

On January 26, 2021 the City Council approved the leasing of an additional 26 cameras from Flock Safety. The attached contract memorializes this approval.

1. The City Council declared this action is not a project per CEQA; and
2. Approved the contract with Flock Safety for 26 Automatic License Plate Readings cameras.

### **9I. APPROVE WAIVING PENALTIES FOR 2021 BUSINESS LICENSES IN RESPONSE TO THE COVID-19 CRISIS**

City business licenses are valid for one calendar year (from January 1 through December 31). Each year all businesses are required to renew their business licenses annually by January 31<sup>st</sup> of the new calendar year. Businesses who had a business license in 2020 were required to submit their business license renewal form and pay their required fees by January 31, 2021. Section 5.04.350 of the City's Municipal Code assesses a 10% penalty for each month the business license fee is not paid until such fee and accumulated penalty is paid, provided that the accumulated penalty does not exceed the amount of the license fee that is due. In addition, to business license renewals, penalties are assessed for businesses that fail to obtain a business license prior to opening for business. Staff is requesting City Council approval to waive all penalty assessments for all 2021 business

# DRAFT

licenses in response to the COVID-19 pandemic.

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. Approved waiving all penalties for all 2021 business licenses.

## END OF CONSENT CALENDAR

10. PUBLIC HEARINGS          None.
11. UNFINISHED BUSINESS          None.
12. NEW BUSINESS

This item was heard out of order.

~~12A. CITY COUNCIL APPOINTMENTS TO FILL FOUR VACANCIES ON THE STANTON PARKS, RECREATION AND COMMUNITY SERVICES COMMISSION FOR TERMS COINCIDING WITH THE CITY COUNCIL ELECTION~~

12B. ADOPTION OF RESOLUTION NO. 2021-04 APPROVING THE THIRD AMENDMENT TO THE AMENDED AND RESTATED EXCLUSIVE FRANCHISE AGREEMENT WITH CR&R, WHICH PROVIDES FOR CHANGES IN CART SERVICE AND CHARGES FOR RESIDENTIAL AND COMMERCIAL CUSTOMERS

On February 9, 2021 the City Council approved the addition of a recyclable cart to residential service and changes in the residential and commercial rates. This contract amendment includes these changes.

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

Motion/Second:                  Shawver/Taylor

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

Motion unanimously carried:

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1. The City Council declared that the project is categorically exempt from the California Environmental Quality Act ("CEQA") under Section 15308 – Action by regulatory agencies for protection of the environment; and
2. Adopted Resolution Number 2021-04 approving the Third Amendment to the Amended and Restated Exclusive Franchise Agreement for an Integrated Waste Management System with CR&R to provide for the Separate Collection/Disposal of Organic Materials, entitled:

**"RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, APPROVING THE THIRD AMENDMENT TO THE AMENDED AND RESTATED EXCLUSIVE FRANCHISE AGREEMENT FOR AN INTEGRATED WASTE MANAGEMENT SYSTEM".**

**13. ORAL COMMUNICATIONS – PUBLIC** None.

**14. WRITTEN COMMUNICATIONS** None.

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

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

The City Council expressed their gratitude and appreciation to the applicants who have applied for the City's open commission seats and asked that the applicants stay involved and consider participation within our city via future commission openings, special events, and City programming.

**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**

Mr. Jarad L. Hildenbrand, City Manager reported on the upcoming Town Center Specific Plan Phase II outreach.

# DRAFT

## 17A. 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

- Captain Cruz Alday provided the City Council with an update on their current operations.

## 18. ADJOURNMENT

in honor and memory of Mr. Rigoberto Ramirez, Sr.  
Motion/Second: Shawver/  
Motion carried at 8:13 p.m.

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MAYOR/CHAIRMAN

ATTEST:

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CITY CLERK/SECRETARY

# CITY OF STANTON

## REPORT TO THE CITY COUNCIL

**TO:** Honorable Mayor and Members of the City Council

**DATE:** March 9, 2021

**SUBJECT: JANUARY 2021 INVESTMENT REPORT**

### REPORT IN BRIEF:

The Investment Report as of January 31, 2021, has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

### RECOMMENDED ACTIONS:

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 Investment Report for the month of January 2021.

### BACKGROUND:

Changes in the City's cash and investment balances for the month of January are summarized below:

	<u>Beginning Balance</u>	<u>Net Change</u>	<u>Ending Balance</u>
Cash and Investment Accounts (Pooled-All Funds)	\$ 51,635,049.35	\$ (2,018,265.08)	\$ 49,616,784.27
Cash (Non-Pooled)	4,405,158.59	(9,440.38)	4,395,718.21
Total Cash and Investments	<u>\$ 56,040,207.94</u>	<u>\$ (2,027,705.46)</u>	<u>\$ 54,012,502.48</u>

Between December 31, 2020, and January 31, 2021, the City's total cash and investments decreased by \$2.0 million. The largest expenditure during the month of January was the \$5.3 million in refunds issued to cannabis business applicants.

The attached reports summarize the City investments and deposit balances as of January 31, 2021. The City's cash and investment balances by fund type are presented in Attachment A. A summary of the City's investment portfolio is included as Attachment B. The detail of the City's investments by type are shown in Attachment C.

## ANALYSIS:

The monthly cash and investment report provides a summary of the cash and investment accounts held by the City as of the end of that month. In order to manage its cash and investments, the City combines cash resources from all funds into a single pool consisting of a variety of accounts and securities. The balance in the pooled cash account includes cash and certain liquid investments that are available to meet the City's current cash needs. Cash in excess of the City's current cash needs is invested in interest-bearing investments with various maturities.

Detailed information regarding the securities contained in the City's investment portfolio is provided in Attachments B and C. As of January 31, 2021, City investments consisted of the following:

	Market Value at January 31, 2021	Average Interest Rate	Percentage of Portfolio Invested by Type	Maximum Percentage of Portfolio Permitted by Investment Policy	In Compliance?
Local Agency Investment Fund (LAIF)	\$ 22,877,984.23	0.46%	53.14%	100.00%	Yes
California Asset Management Program (CAMP)	6,248,943.49	0.39%	14.52%	100.00%	Yes
Negotiable Certificates of Deposit	9,755,646.81	2.37%	22.66%	30.00%	Yes
Municipal Bonds	4,167,051.50	2.22%	9.68%	100.00%	Yes
Total Investments	<u>\$ 43,049,626.03</u>		<u>100.00%</u>		

As of January 31, 2021, the average purchase yield to maturity earned on the City's total investment portfolio was 1.00%, which is above the benchmark LAIF return of 0.46%. The weighted average maturity of the City's was approximately 203 days (approximately 6.5 months) as of January 31, 2021, which is in compliance with the City's investment policy restriction of 3.5 years.

## FISCAL IMPACT:

All deposits and investments have been made in accordance with the City's Fiscal Year 2020-21 Investment Policy. The portfolio will allow the City to meet its expenditure requirements for the next six months. Staff remains confident that the investment portfolio is currently positioned to remain secure and sufficiently liquid.

The City Treasurer controls a \$43.0 million portfolio, with \$13.9 million in investments held in a safekeeping account with Bank of the West.

## ENVIRONMENTAL IMPACT :

None.

## LEGAL REVIEW:

None.

**PUBLIC NOTIFICATION :**

Through the normal agenda posting process.

**STRATEGIC PLAN OBJECTIVE ADDRESSED**

4. Ensure Fiscal Stability and Efficiency in Governance

Prepared by:

Approved by:

/s/ Michelle Bannigan

/s/ Jarad L. Hildenbrand

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Michelle Bannigan, CPA  
Finance Director

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Jarad L. Hildenbrand  
City Manager

**Attachments:**

- A. Cash and Investment Balances by Fund
- B. Investments Portfolio Summary
- C. Investment Portfolio Detail



**CITY OF STANTON  
CASH AND INVESTMENTS REPORT  
MONTH ENDED JANUARY 31, 2021**

Fund/ Account No.	Fund/Account Name	Beginning Balance	Increases	Decreases	Ending Balance
101-various	General Fund	\$ 20,217,886.21	\$ 9,476,078.01	\$ (11,993,233.75)	\$ 17,700,730.47
102-111101	General Fund (Transactions & Use Tax)	2,721,853.65	328,697.15	(515,646.75)	2,534,904.05
210-111101	Certified Access Specialists (CASP) Program	40,639.03	-	-	40,639.03
211-111101	Gas Tax Fund	506,128.77	-	(28,297.45)	477,831.32
215-111101	Road Maintenance and Rehabilitation act (RMRA) Fund	104,400.55	67,351.02	-	171,751.57
220-111101	Measure M Fund	280,432.09	74,526.44	-	354,958.53
222-111101	Community Development Block Grant (CDBG) Fund	230,103.87	-	(93,045.00)	137,058.87
223-111101	Protective Services Fund	-	10,011.75	(10,011.75)	-
224-111101	Lighting Maintenance 1919 Act Fund	500,833.79	12,367.63	(11,548.17)	501,653.25
225-111101	Lighting/Median Maintenance 1972 Act Fund	899,159.05	8,423.38	(26,301.13)	881,281.30
226-111101	Air Quality Improvement Fund	243,623.41	-	-	243,623.41
240-111101	Supplemental Law Enforcement Grant Fund (Fiscal Year 2016/17)	4,512.65	-	-	4,512.65
242-111101	Supplemental Law Enforcement Grant Fund (current)	474,677.68	23,443.39	(7,799.17)	490,321.90
250-111101	Families and Communities Together (FaCT) Grant Fund	(2,909.76)	2,062.50	(13,148.84)	(13,996.10)
251-111101	Senior Transportation Fund	42,645.33	5,204.28	(1,187.86)	46,661.75
255-111101	CalGRIP Grant Fund (Fiscal Year 2014/15)	31,848.44	-	-	31,848.44
256-111101	CARES Fund	53,426.81	128,000.00	(178,138.07)	3,288.74
261-111101	Street Impact Fees Fund	59,543.14	-	-	59,543.14
262-111101	Traffic Signal Impact Fees Fund	44,756.36	-	-	44,756.36
263-111101	Community Center Impact Fees Fund	141,535.53	-	-	141,535.53
264-111101	Police Services Impact Fees Fund	128,101.66	-	-	128,101.66
271-111101	Public Safety Task Force Fund	315,394.25	-	(30,061.00)	285,333.25
280-111101	Stanton Central Park Maintenance Fund	(61,202.71)	50,000.00	(6,528.00)	(17,730.71)
285-various	Stanton Housing Authority Fund	13,016,959.48	195,559.37	(53,095.13)	13,159,423.72
305-111101	Capital Projects Fund	176,754.22	-	-	176,754.22
310-111101	Park and Recreation Facilities Fund	2,930,621.14	-	-	2,930,621.14
501-111101	Sewer Maintenance Fund	5,006,107.10	777,473.42	(65,251.91)	5,718,328.61
502-111101	Sewer Capital Improvement Fund	15,908.26	38,590.70	-	54,498.96
602-111101	Workers' Compensation Fund	281,185.74	-	(368.58)	280,817.16
603-111101	Liability Risk Management Fund	126,687.38	-	-	126,687.38
604-111101	Employee Benefits Fund	336,788.83	-	(48,182.70)	288,606.13
605-111101	Fleet Maintenance Fund	495,941.98	8,367.76	(3,222.34)	501,087.40
801-111101	City Trust Fund	363,623.41	36,615.56	(69,444.19)	330,794.78
901-111101	North Orange County Public Safety Task Force (NOCPTF) Trust Fund	1,907,082.01	-	(106,525.65)	1,800,556.36
<b>Total Pooled Cash and Investments<sup>(1)</sup></b>		<b>\$ 51,635,049.35</b>	<b>\$ 11,242,772.36</b>	<b>\$ (13,261,037.44)</b>	<b>\$ 49,616,784.27</b>
<b>Less: Investments<sup>(1)</sup></b>		<b>\$ (48,693,334.87)</b>	<b>\$ (42,427.70)</b>	<b>\$ 5,686,136.55</b>	<b>\$ (43,049,626.02)</b>
<b>Cash - Bank of the West General Checking Account</b>		<b>\$ 2,941,714.48</b>	<b>\$ 11,200,344.66</b>	<b>\$ (7,574,900.89)</b>	<b>\$ 6,567,158.25</b>

**CITY OF STANTON  
CASH AND INVESTMENTS REPORT  
MONTH ENDED JANUARY 31, 2021**

Fund/ Account No.	Fund/Account Name	Beginning Balance	Increases	Decreases	Ending Balance
<b><u>CASH-NON-POOLED</u></b>					
101-111103	Payroll Account	\$ -	\$ 213,094.21	\$ (212,727.91)	\$ 366.30
801/101-111107	Website Account	4,380.00	-	-	4,380.00
101-111109	Flexible Spending/AFLAC	4,873.27	-	(360.00)	4,513.27
101-111505	Petty Cash	1,100.00	-	-	1,100.00
604-111404	Cash with Fiscal Agent (PARS) <sup>(2)</sup>	4,394,805.32	-	(9,446,680)	4,385,358.64
	<b>Total Cash-Non-Pooled</b>	<b>\$ 4,405,158.59</b>	<b>\$ 213,094.21</b>	<b>\$ (222,534.59)</b>	<b>\$ 4,395,718.21</b>
<b><u>INVESTMENTS</u></b>					
	POOLED ALL FUNDS	\$ 48,693,334.87	\$ 42,427.70	\$ (5,686,136.55)	\$ 43,049,626.02
	<b>Total Investments <sup>(3)</sup></b>	<b>\$ 48,693,334.87</b>	<b>\$ 42,427.70</b>	<b>\$ (5,686,136.55)</b>	<b>\$ 43,049,626.02</b>
	<b>TOTAL CASH AND INVESTMENTS</b>	<b>\$ 56,040,207.94</b>	<b>\$ 11,455,866.57</b>	<b>\$ (13,483,572.03)</b>	<b>\$ 54,012,502.48</b>

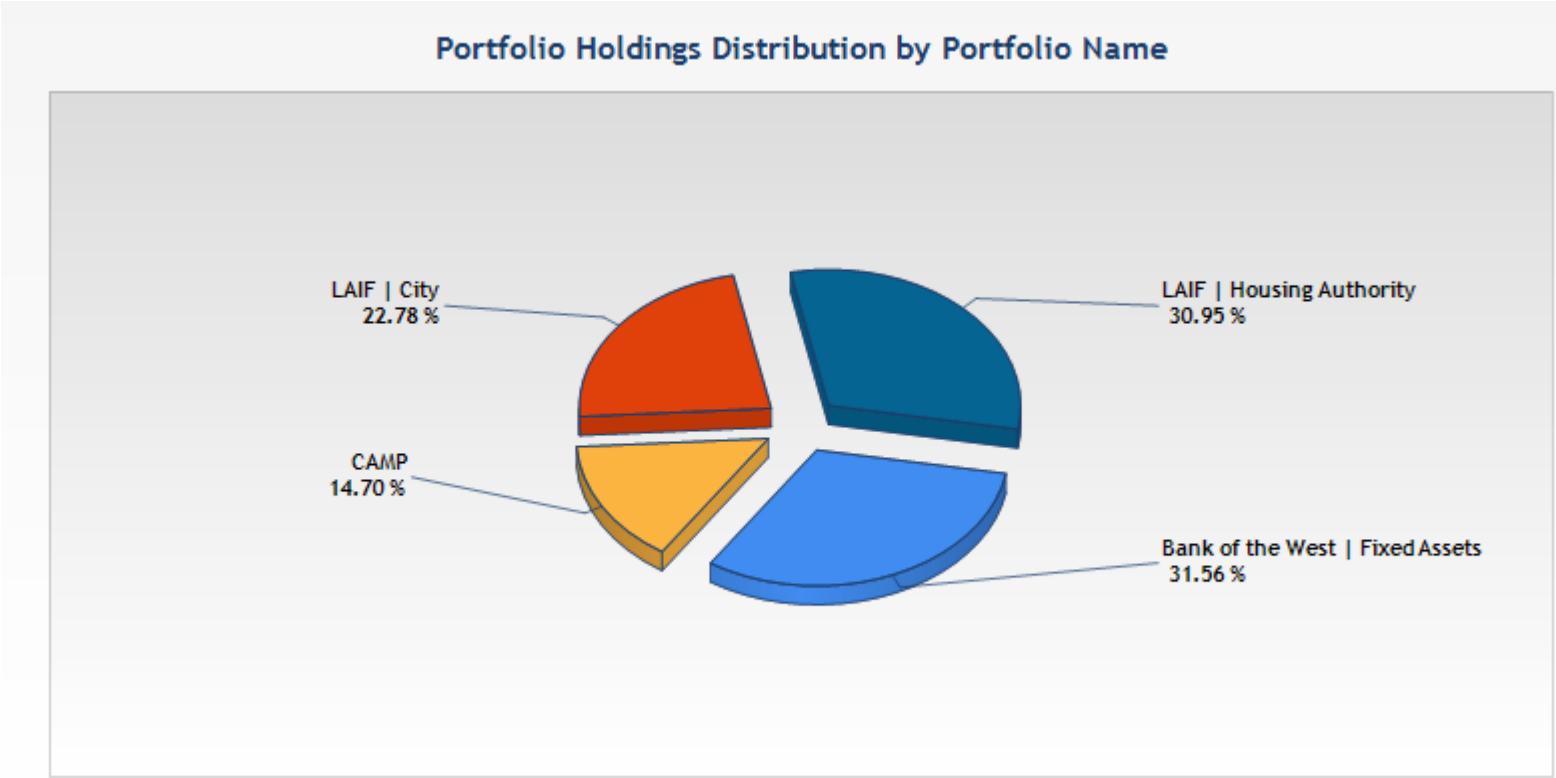
**Notes:**

<sup>(1)</sup> - Pooled cash includes: City's Bank of the West general checking and safekeeping accounts, the City's Local Agency Investment Fund (LAIF) account, the Housing Authority's LAIF account, the California Asset Management Program (CAMP) account, and the Public Agency Retirement Services (PARS) account.

<sup>(2)</sup> - The Public Agency Retirement Services (PARS) account is an irrevocable trust that can be used for pension and other post employment benefits only. This fund is excluded from the compliance requirements set forth in the City's investment policy.

<sup>(3)</sup> - The Portfolio Summary Report and Holdings by Security Type are included in Attachments B and C, respectively.

City of Stanton  
 Distribution  
 Group By: Portfolio Name  
 Average By: Face Amount/Shares  
 Portfolio / Report Group: All Portfolios  
 As of: 1/31/2021



Portfolio Name	Face Amount/Shares	YTM @ Cost	Cost Value	Days To Maturity	% of Portfolio	Market Value	Book Value	Duration To Maturity
Bank of the West   Fixed Assets	13,412,000.00	2.321	13,454,665.15	641	31.56	13,922,698.31	13,423,721.65	1.70
CAMP	6,248,943.49	0.120	6,248,943.49	1	14.70	6,248,943.49	6,248,943.49	0.00
LAIF   City	9,681,962.06	0.458	9,681,962.06	1	22.78	9,700,008.56	9,681,962.06	0.00
LAIF   Housing Authority	13,153,458.54	0.458	13,153,458.54	1	30.95	13,177,975.67	13,153,458.54	0.00
<b>TOTAL / AVERAGE</b>	<b>42,496,364.09</b>	<b>0.996</b>	<b>42,539,029.24</b>	<b>203</b>	<b>100</b>	<b>43,049,626.03</b>	<b>42,508,085.74</b>	<b>0.54</b>

City of Stanton  
Portfolio Holdings  
Investment Portfolio | by Security Sector  
Report Format: By Transaction  
Group By: Security Sector  
Average By: Face Amount / Shares  
Portfolio / Report Group: All Portfolios  
As of 1/31/2021

Description	CUSIP/Ticker	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio
<b>Certificate Of Deposit</b>											
Abacus Federal Savings NY 1.95 7/21/2021	00257TAY2	7/21/2017	1.950	249,000.00	249,000.00	249,000.00	251,295.78	7/21/2021	171	133.03	0.59
Allegiance Bank TX 2.65 2/14/2023	01748DBB1	4/11/2019	2.650	249,000.00	249,000.00	249,000.00	261,890.73	2/14/2023	744	307.33	0.59
American Eagle Bank IL 2.1 5/23/2022	02554BCN9	6/9/2017	2.100	150,000.00	150,000.00	150,000.00	154,008.00	5/23/2022	477	69.04	0.35
American Express UT 2.35 8/8/2022	02587DV47	8/8/2017	2.350	247,000.00	247,000.00	247,000.00	255,237.45	8/8/2022	554	2,798.88	0.58
American Express UT 2.4 8/29/2022	02587CFU9	8/29/2017	2.400	247,000.00	247,000.00	247,000.00	255,714.16	8/29/2022	575	2,468.65	0.58
Bank Hapoalim NY 2.9 3/25/2024	06251AW48	4/24/2019	2.900	250,000.00	250,000.00	250,000.00	271,102.50	3/25/2024	1,149	2,542.47	0.59
Bank of New England NH 2.65 5/23/2024	06426KBE7	5/23/2019	2.650	249,000.00	249,000.00	249,000.00	268,937.43	5/23/2024	1,208	144.62	0.59
Barclays Bank DE 2 7/12/2021	06740KKC0	7/12/2017	2.000	247,000.00	247,000.00	247,000.00	249,213.12	7/12/2021	162	257.15	0.58
BMW Bank UT 1.95 3/10/2021	05580AGQ1	3/10/2017	1.950	248,000.00	248,000.00	248,000.00	248,520.80	3/10/2021	38	1,894.65	0.58
Capital One Bank VA 2.35 3/15/2022	140420Z52	3/15/2017	2.350	248,000.00	248,000.00	248,000.00	254,376.08	3/15/2022	408	2,203.46	0.58
Capital One VA 2.3 7/19/2022	14042RGN5	7/19/2017	2.300	247,000.00	247,000.00	247,000.00	255,071.96	7/19/2022	534	186.77	0.58
Comenity Capital Bank UT 2 6/30/2021	20033AUK0	6/30/2017	2.000	249,000.00	249,000.00	249,000.00	251,054.25	6/30/2021	150	13.64	0.59
Cornerstone Community Bank CA 2.6 5/17/2024	219240BY3	5/17/2019	2.600	249,000.00	249,000.00	249,000.00	268,441.92	5/17/2024	1,202	248.32	0.59
EagleBank MD 2.65 4/28/2023	27002YEL6	4/30/2019	2.650	249,000.00	249,000.00	249,000.00	263,085.93	4/28/2023	817	18.08	0.59
Evansville Teachers FCU IN 2.25 7/22/2024	299547AV1	7/22/2019	2.250	249,000.00	249,000.00	249,000.00	266,315.46	7/22/2024	1,268	138.14	0.59
First Technology FCU CA 3.35 9/27/2023	33715LCJ7	9/27/2018	3.350	240,000.00	240,000.00	240,000.00	260,299.20	9/27/2023	969	88.11	0.56
First Tier Bank NE 1.95 8/23/2024	33766LAJ7	8/23/2019	1.950	249,000.00	249,000.00	249,000.00	264,007.23	8/23/2024	1,300	106.42	0.59
Goldman Sachs Bank NY 2.35 6/21/2022	38148PKX4	6/21/2017	2.350	247,000.00	247,000.00	247,000.00	254,834.84	6/21/2022	506	652.01	0.58
Greenstate FCU IA 1.95 2/28/2023	39573LAF5	8/28/2019	1.950	249,000.00	249,000.00	249,000.00	258,491.88	2/28/2023	758	39.91	0.59
Healthcare Systems FCU VA 2.65 4/25/2024	42228LAD3	4/25/2019	2.650	246,000.00	246,000.00	246,000.00	265,274.10	4/25/2024	1,180	1,750.31	0.58
Horizon Bank NE 1.7 8/29/2023	44042TBQ6	7/29/2019	2.101	249,000.00	245,090.70	246,537.04	262,072.50	8/29/2023	940	23.19	0.59

Description	CUSIP/Ticker	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio
I&C Bank of China, NY 2.15 4/12/2022	45581EAC5	8/15/2019	2.104	247,000.00	247,296.40	247,133.09	253,197.23	4/12/2022	436	276.44	0.58
Main Street Bank VA 2.6 4/26/2024	56065GAG3	4/26/2019	2.600	249,000.00	249,000.00	249,000.00	268,148.10	4/26/2024	1,181	88.68	0.59
MB Financial Bank IL 1.9 7/21/2021	55266CVW3	7/21/2017	1.900	249,000.00	249,000.00	249,000.00	251,236.02	7/21/2021	171	129.62	0.59
McGregor TX 2.3 6/28/2024	32112UDA6	7/12/2019	2.200	249,000.00	250,170.30	249,803.01	268,793.01	6/28/2024	1,244	47.07	0.59
Medallion Bank UT 2 4/6/2021	58403B6F8	4/6/2017	2.000	249,000.00	249,000.00	249,000.00	249,916.32	4/6/2021	65	341.10	0.59
Merrick Bank UT 2.6 8/23/2023	59013J7P8	4/23/2019	2.600	249,000.00	249,000.00	249,000.00	264,579.93	8/23/2023	934	141.90	0.59
Morgan Stanley NY 3.1 2/7/2024	61760AVJ5	2/7/2019	3.100	246,000.00	246,000.00	246,000.00	267,507.78	2/7/2024	1,102	3,698.09	0.58
Morgan Stanley UT 3.1 2/7/2024	61690UDW7	2/7/2019	3.100	246,000.00	246,000.00	246,000.00	267,507.78	2/7/2024	1,102	3,698.09	0.58
Mountain America CU UT 3 3/27/2023	62384RAF3	4/9/2019	2.840	249,000.00	250,494.00	249,809.94	264,472.86	3/27/2023	785	81.86	0.59
Raymond James Bank FL 2 8/23/2024	75472RAE1	8/23/2019	2.000	247,000.00	247,000.00	247,000.00	262,318.94	8/23/2024	1,300	2,179.01	0.58
Sallie Mae Bank UT 2.3 8/2/2022	795450B61	8/2/2017	2.300	248,000.00	248,000.00	248,000.00	256,295.60	8/2/2022	548	2,844.19	0.58
State Bank India NY 2.35 3/14/2022	8562846V1	3/14/2017	2.350	248,000.00	248,000.00	248,000.00	254,361.20	3/14/2022	407	2,219.43	0.58
Synchrony Bank UT 2.4 5/19/2022	87165EL96	5/19/2017	2.400	247,000.00	247,000.00	247,000.00	254,498.92	5/19/2022	473	1,185.60	0.58
Third Federal Savings OH 2 7/28/2021	88413QBN7	7/28/2017	2.000	248,000.00	248,000.00	248,000.00	250,440.32	7/28/2021	178	40.77	0.58
TIAA FSB FL 2.1 7/29/2022	87270LCM3	7/29/2019	2.100	247,000.00	247,000.00	247,000.00	254,476.69	7/29/2022	544	28.42	0.58
University of Iowa CU IA 3.05 5/15/2023	91435LAG2	4/25/2019	2.919	248,000.00	249,240.00	248,698.28	264,573.84	5/15/2023	834	621.70	0.58
Washington Federal Bank WA 1.95 8/28/2024	938828BN9	8/28/2019	1.950	249,000.00	249,000.00	249,000.00	264,076.95	8/28/2024	1,305	39.91	0.59
<b>Sub Total / Average Certificate Of Deposit</b>			<b>2.368</b>	<b>9,322,000.00</b>	<b>9,322,291.40</b>	<b>9,321,981.36</b>	<b>9,755,646.81</b>		<b>732</b>	<b>33,746.06</b>	<b>21.94</b>
<b>Local Government Investment Pool</b>											
CAMP LGIP	CAMP3001	2/29/2020	0.120	6,248,943.49	6,248,943.49	6,248,943.49	6,248,943.49	N/A	1		14.70
LAIF   City LGIP	LAIFCITY0895	2/29/2020	0.458	9,681,962.06	9,681,962.06	9,681,962.06	9,700,008.56	N/A	1		22.78
LAIF   Housing Authority LGIP	LAIFHA0004	2/29/2020	0.458	13,153,458.54	13,153,458.54	13,153,458.54	13,177,975.67	N/A	1		30.95
<b>Sub Total / Average Local Government Investment Pool</b>			<b>0.385</b>	<b>29,084,364.09</b>	<b>29,084,364.09</b>	<b>29,084,364.09</b>	<b>29,126,927.72</b>		<b>1</b>	<b>0.00</b>	<b>68.44</b>
<b>Municipal</b>											
Arvin Community CA 2.5 3/1/2023	043288AK5	8/8/2019	2.350	275,000.00	276,399.75	275,816.61	282,370.00	3/1/2023	759	2,864.58	0.65
California Housing CA 2.512 8/1/2021-21	13034PZH3	7/24/2017	2.315	350,000.00	352,625.00	350,325.22	353,150.00	8/1/2021	182	4,396.00	0.82
California Housing CA 2.512 8/1/2021-21	13034PZH3	8/18/2017	2.222	255,000.00	257,776.95	255,350.00	257,295.00	8/1/2021	182	3,202.80	0.60
Fort Bragg CA 1.871 8/1/2024	347028JZ6	9/18/2019	1.750	205,000.00	206,150.05	205,826.17	212,648.55	8/1/2024	1,278	1,917.78	0.48

Description	CUSIP/Ticker	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio
Guadalupe Community CA 2.25 8/1/2021-21	400559AD2	1/8/2018	2.545	225,000.00	222,750.00	224,685.24	226,028.25	8/1/2021	182	2,531.25	0.53
Los Angeles County CA 2.5 9/1/2021	54465AHP0	6/26/2017	2.080	400,000.00	406,684.00	400,931.74	405,124.00	9/1/2021	213	4,166.67	0.94
Oceanside Pension CA 3.25 8/15/2021	675371AX6	8/15/2017	2.034	280,000.00	293,013.00	281,745.75	284,242.00	8/15/2021	196	4,196.11	0.66
Pomona CA 2.416 4/1/2021-21	73208MCX4	6/29/2017	2.249	500,000.00	503,000.00	500,131.20	501,110.00	4/1/2021	60	4,026.67	1.18
Riverside Pension CA 2.5 6/1/2022	769036BB9	6/20/2017	2.251	500,000.00	505,800.00	501,559.93	512,125.00	6/1/2022	486	2,083.33	1.18
Riverside Pension CA 2.5 6/1/2022	769036BB9	7/24/2017	2.401	240,000.00	241,080.00	240,296.04	245,820.00	6/1/2022	486	1,000.00	0.56
Riverside Pension CA 2.75 6/1/2024	769036BD5	8/28/2019	2.030	250,000.00	258,120.00	255,682.60	263,705.00	6/1/2024	1,217	1,145.83	0.59
Stockton CA 2.5 9/1/2023	861403AU7	5/1/2019	2.600	250,000.00	248,975.00	249,389.79	259,862.50	9/1/2023	943	2,604.17	0.59
Yorba Linda CA 2 9/1/2021	986176AQ8	8/24/2017	2.000	360,000.00	360,000.00	360,000.00	363,571.20	9/1/2021	213	3,000.00	0.85
<b>Sub Total / Average Municipal</b>			<b>2.215</b>	<b>4,090,000.00</b>	<b>4,132,373.75</b>	<b>4,101,740.29</b>	<b>4,167,051.50</b>		<b>432</b>	<b>37,135.19</b>	<b>9.62</b>
<b>Total / Average</b>			<b>0.996</b>	<b>42,496,364.09</b>	<b>42,539,029.24</b>	<b>42,508,085.74</b>	<b>43,049,626.03</b>		<b>203</b>	<b>70,881.25</b>	<b>100</b>

# **CITY OF STANTON**

## **REPORT TO THE SUCCESSOR AGENCY TO THE STANTON REDEVELOPMENT AGENCY**

**TO:** Honorable Chairman and Members of the Successor Agency

**DATE:** March 9, 2021

**SUBJECT: JANUARY 2021 INVESTMENT REPORT (SUCCESSOR AGENCY)**

### **REPORT IN BRIEF:**

The Investment Report as of January 31, 2021, has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

### **RECOMMENDED ACTIONS:**

1. Successor Agency 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 Investment Report for the month of January 2021.

### **BACKGROUND:**

The attached reports summarize the Successor Agency investments and deposit balances as of January 2021. During the month of January, the Successor Agency transferred \$2.1 million of redevelopment property tax trust fund monies from the Bank of the West checking account to the U.S. Bank fiscal agent accounts for each bond issue. The fiscal agent (U.S. Bank) will hold the funds until the semi-annual principal and interest payments are due. The Agency's cash and investment balances by fund are presented in Attachment A. The Agency's investments and deposits are included as Attachment B.

### **ANALYSIS:**

The Agency's share of the City's investment in the State Treasurer's Local Agency Investment Fund (LAIF) continues to be available on demand. The effective yield on LAIF for the month of January 2021 was 0.46%.

The Agency's investments are shown on Attachment B and have a weighted investment yield of 0.46%, which is equal the benchmark LAIF return of 0.46%, as the entire portfolio (excluding funds held with the bond fiscal agents) represents the Successor Agency's portion of LAIF and Bank of the West funds invested by the City.

With a completely liquid portfolio, the weighted average maturity of the Agency's investments at January 31, 2021, is 1 day. LAIF's average maturity at January 31, 2021, is approximately 188 days.

**FISCAL IMPACT:**

All deposits and investments have been made in accordance with the City's Fiscal Year 2020-21 Investment Policy.

The portfolio will allow the Agency to meet its expenditure requirements for the next six months.

**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:

Approved by:

/s/ Michelle Bannigan

/s/ Jarad L. Hildenbrand

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Michelle Bannigan, CPA  
Finance Director

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Jarad L. Hildenbrand  
City Manager

**Attachments:**

- A. Cash and Investment Balances by Fund
- B. Investments and Deposits



**SUCCESSOR AGENCY TO THE STANTON REDEVELOPMENT AGENCY  
CASH AND INVESTMENTS REPORT  
MONTH ENDED JANUARY 31, 2021**

Fund/ Account No.	Fund/Account Name	Beginning Balance	Increases	Decreases	Ending Balance
<b><u>CASH-POOLED</u></b>					
712-111101	Redevelopment Obligation Retirement Fund	\$ 5,505,725.67	\$ -	\$ (2,066,594.03)	\$ 3,439,131.64
	<b>Total Cash-Pooled <sup>(1)</sup></b>	<b>\$ 5,505,725.67</b>	<b>\$ -</b>	<b>\$ (2,066,594.03)</b>	<b>\$ 3,439,131.64</b>
<b><u>CASH-RESTRICTED (with Fiscal Agent)</u></b>					
712-111423	2016 Tax Allocation Bonds, Series A and B	\$ 31.81	\$ 828,005.69	\$ -	\$ 828,037.50
712-111425	2016 Tax Allocation Bonds, Series C and D	42.91	1,235,838.34	-	1,235,881.25
712-111426	2020 Tax Allocation Refunding Bonds, Series A	2,391.97	0.01	-	2,391.98
	<b>Total Cash-Restricted (with Fiscal Agent)</b>	<b>\$ 2,466.69</b>	<b>\$ 2,063,844.04</b>	<b>\$ -</b>	<b>\$ 2,066,310.73</b>
	<b>TOTAL CASH AND INVESTMENTS</b>	<b>\$ 5,508,192.36</b>	<b>\$ 2,063,844.04</b>	<b>\$ (2,066,594.03)</b>	<b>\$ 5,505,442.37</b>

Note:

<sup>(1)</sup> - Includes the Successor Agency's share of the City's Bank of the West checking account and Local Agency Investment Fund (LAIF)

**SUCCESSOR AGENCY TO THE STANTON REDEVELOPMENT AGENCY  
INVESTMENTS AND DEPOSITS  
MONTH ENDED JANUARY 31, 2021**

Investment Type	Institution	Issuer/ Broker		Date of Maturity	Interest Rate		Cost	Market Value	MV Source
LAIF and BOW General Acct	State of California/ BOW	State of California		On Demand	0.46%	N/A	\$ 3,439,132	\$ 3,439,132	LAIF

**Total Cash Investments and Deposits**

1	0.46%
Weighted Average	Weighted Average
Maturity (days)	Yield

\$ 3,439,132	\$ 3,439,132
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Bond Funds Held by Trustees:

Investment Type	Institution	Issuer/ Broker	CUSIP Number	Date of Maturity		Interest Rate	Par Value	Cost	Market Value	MV Source
<b>2016 Series A and B</b>										
Debt Service:										
Cash Equivalents	US Bank Money Market	US Bank	9AMMF05B2	On Demand		0.02%	\$ 828,036	\$ 828,036	\$ 828,036	US Bank
Principal:										
Cash Equivalent	US Bank Money Market	US Bank	9AMMF05B2	On Demand		0.02%	1	1	1	US Bank

Total 2016 Series A and B

\$ 828,037 \$ 828,037

Investment Type	Institution	Issuer/ Broker	CUSIP Number	Date of Maturity		Interest Rate	Par Value	Cost	Market Value	MV Source
<b>2016 Series C and D</b>										
Debt Service:										
Cash Equivalent	US Bank Money Market	US Bank	9AMMF05B2	On Demand		0.02%	\$ 1,235,880	\$ 1,235,880	\$ 1,235,880	US Bank
Principal:										
Cash Equivalent	US Bank Money Market	US Bank	9AMMF05B2	On Demand		0.02%	1	1	1	US Bank

Total 2016 Series C and D

\$ 1,235,881 \$ 1,235,881

Investment Type	Institution	Issuer/ Broker	CUSIP Number	Date of Maturity		Interest Rate	Par Value	Cost	Market Value	MV Source
<b>2020 Tax Allocation Refunding Bonds</b>										
Cost of Issuance:										
Cash Equivalent	US Bank Money Market	US Bank	9AMMF05B2	On Demand		0.02%	\$ 603	\$ 603	\$ 603	US Bank
Interest:										
Cash Equivalent	US Bank Money Market	US Bank	9AMMF05B2	On Demand		0.02%	1,789	1,789	1,789	US Bank

Total 2010 Tax Allocation Bonds (Tax-Exempt)

\$ 2,392 \$ 2,392

**Total Bond Fund Investments and Deposits (3)**

**\$ 2,066,310 \$ 2,066,310**

**TOTAL - ALL CASH AND INVESTMENTS**

**\$5,505,442 \$5,505,442**

Notes:

- (1) - There have been no exceptions to the Investment Policy.
- (2) - The Successor Agency is able to meet its expenditure requirements for the next six months.
- (3) - Restricted Bond Funds are held by the fiscal agent.

## CITY OF STANTON

### REPORT TO THE CITY COUNCIL

**TO:** Honorable Mayor and Members of the City Council

**DATE:** March 9, 2021

**SUBJECT: COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR 2019-20 AND RELATED AUDIT REPORTS**

#### **REPORT IN BRIEF:**

Each year the City issues a Comprehensive Annual Financial Report (CAFR), which summarizes the financial activity of a local government for a given fiscal year in accordance with financial statement presentation requirements prescribed by government accounting standards (Attachment A). The CAFR is accompanied by an opinion from the City's audit firm. The audit firm's opinion on the City's 2019-20 CAFR is a clean opinion, with no exceptions, modifications, or qualifications.

#### **RECOMMENDED ACTIONS:**

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 Comprehensive Annual Financial Report (CAFR), and related audit reports.

#### **ANALYSIS/JUSTIFICATION:**

A CAFR is organized into three sections: the introductory section, the financial section, and the statistical section. The introductory section includes a letter of transmittal that provides an overview of the City. The financial section includes the audit opinion, management's discussion and analysis, government-wide financial statements, notes to the financial statements, and supplementary schedules. Management's discussion and analysis provides narrative information as well as an overview and analysis of the City's financial statements. The statistical section provides operational and demographic statistics and ten years of selected financial data.

### Government-wide Financial Statements

The government-wide financial statements that are included in the CAFR provide the reader with an opportunity to ascertain the financial status of all funds and activities of the City in a single consolidated presentation. As of June 30, 2020, the City held \$158.3 million in assets. Those assets consisted of cash and investments (\$51.3 million), capital assets (\$102.4 million), and receivables and prepaid expenses (\$4.6 million).

The government-wide financial statements also display the obligations of the City that represent claims against those assets. As of June 30, 2020, the City owed \$9.8 million consisting of short-term obligations (\$2.2 million), long-term obligations (\$1.4 million), the City's unfunded pension liability for employee service rendered to date (\$6.1 million), and the City's unfunded liability for retiree medical benefits for employee service rendered to date (\$0.1 million).

The government-wide financial statements also report a consolidation of all revenues and expenses of the City. On a consolidated basis, City revenues exceeded expenses by \$6.7 million. \$3.4 million of the increase is attributed to the receipt of \$3.4 million in housing bond proceeds from the Successor Agency to the Stanton Redevelopment Agency due to the Successor Agency's approved Last and Final Recognized Obligation Payment Schedule in January 2020.

Fiduciary funds are funds held on behalf of other parties. These funds (North Orange County Public Safety Task Force Fund and the Successor Agency to the Stanton Redevelopment Agency Fund) are excluded from the government-wide financial statements.

### Fund Financial Statements

Local governments typically receive funding from multiple sources, some of which is restricted to specific uses and some of which is unrestricted. As a result, local governments establish separate funds to segregate the resources that are restricted for specific programs and activities. The fund financial statements that are contained in the CAFR display the financial activity of major funds in separate columns so that the reader can ascertain the revenues, expenditures, and remaining unspent fund balance of each of those major funds.

One of the City's major funds is the General Fund. The General Fund is the primary operating fund of the City that pays for much of the City's day to day operating expenditures. The General Fund (Funds 101 and 102) accounts for the unrestricted resources for the City, the spending of which can be directed by city Council toward any lawful public use. As of June 30, 2020, the General Fund's spendable fund balance was \$20.5 million. Of this amount, \$124,000 was set aside for expenditures that were budgeted in Fiscal Year 2019-20 that were delayed and will be spent in Fiscal Year 2020-21 and \$14.2 million represents

reserves set aside by the City Council with the adoption of Resolution No. 2020-27 for certain contingencies such as: economic uncertainty, emergency equipment and maintenance, emergency disaster, and capital improvements. After accounting for those amounts, there was \$6.2 million in the General Fund's fund balance available for appropriation.

### Related Audit Reports

In addition to the audit firm's opinion on the fair presentation of the City's financial statements, audit firms are required to provide certain related audit communications whenever they perform an audit of local government financial statements. Those related audit communications are included as Attachments B through D to this agenda report. The content of these required audit communications is described below:

- Audit Process and Conclusions (Attachment B) – This report communicates the inherent limitations of the audit process, assumptions that underlie the financial reporting process for all local governments and identifies any material misstatements or difficulties that were detected in the performance of the audit. For Fiscal Year 2019-20, this report is a clean report with no such matters noted.
- Internal Control and Compliance (Attachment C) – This report communicates to City Council any significant deficiencies in internal control or material instances of noncompliance with laws and regulations that were noted during the course of the audit. For Fiscal Year 2019-20, this report is a clean report with no such matters noted.
- Article XIII B Limit on Appropriations (Gann Limit) (Attachment D) – This report communicates the audit firm's testing of the City's computation of the statutory appropriation limit (Gann Limit). No exceptions were noted in this report and the City is well within the constraints of the statutory limit provided by state law.

### **FISCAL IMPACT:**

Not applicable.

### **ENVIRONMENTAL IMPACT:**

This action is not a project per the California Environmental Quality Act.

### **LEGAL REVIEW:**

Not applicable.

**PUBLIC NOTIFICATION:**

Through the regular agenda posting process.

**STRATEGIC PLAN OBJECTIVE ADDRESSED:**

4. Ensure Fiscal Stability and Efficiency in Governance

Reviewed by:

Approved by:

/s/ Michelle Bannigan

Jarad L. Hildenbrand

---

Michelle Bannigan, CPA  
Finance Director

---

Jarad L. Hildenbrand  
City Manager

**Attachments:**

- A. Comprehensive Annual Financial Report
- B. Audit Process and Conclusions
- C. Internal Control and Compliance
- D. Article XIIIB Limit on Appropriations (Gann Limit)



"Community Pride and Forward Vision"

Stanton Central Park



## Comprehensive Annual Financial Report Year Ended June 30, 2020

7800 Katella Avenue, Stanton, CA 90680

[www.ci.stanton.ca.us](http://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, 2020**

**Prepared by the Finance Department**

**CITY OF STANTON, CALIFORNIA**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2020**  
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February 19, 2021

**To the Honorable Mayor, Members of the City Council, and Citizens of Stanton:**

It is a pleasure to present the Fiscal Year 2019-20 Comprehensive Annual Financial Report (CAFR) for the City of Stanton. These financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards. Responsibility for the accuracy of the data, the completeness and reliability of the presentation, including all disclosures, rests with City management.

To provide sufficient reliable information for the preparation of the City's financial statements, City staff has established a comprehensive internal control framework designed to minimize the risk of error or misstatement and the risk of loss, theft, or misuse of City assets. Because the cost of internal controls should not exceed their benefits, the City's internal controls have been designed to provide reasonable, rather than an absolute, assurance that the financial statements will be free from material misstatement.

The City's financial statements have been audited by Clifton Larson Allen LLP, certified public accountants. The independent audit firm concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion ("clean opinion") on the City's financial statements for the fiscal year ended June 30, 2020. This means, in the auditors' opinion, the City's financial statements fairly present the City's financial position in accordance with generally accepted accounting principles.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides narrative information, 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 Stanton**

Stanton is a general law City incorporated in 1956. It occupies a land area of 3.1 square miles and serves a population of approximately 39,077. The City is located in the northwestern portion of Orange County, approximately 23 miles southeast of the City of Los Angeles. It has easy freeway access and is within 12 miles of: Disneyland, Anaheim Stadium, Knotts Berry Farm, Huntington Beach and the John Wayne and Long Beach airports. State Highway 39, Beach Boulevard, runs through the center of the City.



7800 Katella Avenue  
Stanton, CA 90680



P | (714) 379-9222  
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stanton@ci.stanton.ca.us  
www.ci.stanton.ca.us

The City is governed under the Council-Manager form of government, with a five-member City Council. The City Council is elected on a non-partisan basis with staggered four-year terms. Elections are held in November on even-numbered years. The Mayor is elected at-large and the four City Council members are elected by voters in their districts. The Mayor Pro Tem position is selected annually by a majority vote of the City Council members. The City Council appoints the City Manager to carry out the policies and direction of the City Council, oversee the day-to-day operations of the City, and appoint the heads of the various City departments.

The City provides a range of municipal services that includes public works, planning, zoning, building, sewer services, parks and recreation, code enforcement, and parking control. Stanton is a “contract city”, and contracts with other governmental entities, private firms, and individuals to provide some of these services. Police services are provided by the Orange County Sheriff’s Department. Fire services are provided by the Orange County Fire Authority. Water services are provided by Golden State Water Company.

The City is financially accountable for the Stanton Housing Authority (Housing Authority). Therefore, the Housing Authority’s activities are included in these financial statements. Additional information on the Housing Authority can be found in Note 1 to the basic financial statements. The former Stanton Redevelopment Agency The former Stanton Redevelopment Agency (Redevelopment Agency) was dissolved on February 1, 2012. Upon the dissolution of the Redevelopment Agency, its assets and liabilities were transferred to the Successor Agency to the Stanton Redevelopment Agency (Successor Agency). The City is obligated to report the resources and activities of the Successor Agency in a separate private purpose trust fund, which is also included in these financial statements. All uses of the resources of the Successor Agency must be approved by an independent Oversight Board comprised of members appointed by various taxing entities, and the California Department of Finance (“DOF”). Additional information for the Successor Agency can be found in Note 14 to the basic financial statements.

The City uses an annual budget, which the City Council adopts prior to the beginning of every other fiscal year, to manage its finances. The budget is organized by fund (e.g. General Fund), department (e.g. public safety), and division (e.g., law enforcement services). The City Manager can authorize appropriation transfers in the operating and capital budget within the same fund without limitation. Any revisions between funds must be approved by the City Council. The Successor Agency does not adopt a budget because its expenses are restricted to enforceable obligations approved by the DOF. Payments associated with these enforceable obligations are approved annually by the DOF through the submission of a Recognized Obligation Payment Schedule (ROPS), unless DOF has approved a Last and Final ROPS. The DOF approved the Successor Agency’s Last and Final ROPS on January 2, 2020. The DOF approved Amendment No. 1 to the Last and Final ROPS on December 17, 2020. Therefore, the Successor Agency’s annual expenses are limited to the amounts identified on the Amended Last and Final ROPS.

State law mandates that Stanton can only raise local tax rates with voter approval. Use and regulatory fees must also follow procedures set forth in State law and must not exceed the estimated reasonable cost of providing services. Fees require approval by the City Council; or fees in excess of reasonable cost require voter approval.

### **Pandemic**

On March 19, 2020, California Governor Gavin Newsom issued Executive Order N-33-20 (Stay at Home Order), which ordered all individuals within the State to stay home or at their place of residence, except

as needed to maintain continuity of operation of federal critical infrastructure sectors, including essential services of government. Prior to COVID-19, national, state, and local economies were expected to maintain economic growth, and there were no indications of slowing. However, in just a matter of weeks the unemployment rate in California peaked at 16.4% in April 2020. Thereafter, California's labor market regained some momentum as business restrictions were loosened, resulting in an unemployment rate of 9.3% as of October 2020; however, the State's unemployment rate remains elevated related to the nation as a whole, which had a rate of 6.9% as of October 2020. As a result of the stay-at-home order, local government revenues were expected to be severely impacted. In response to the stay-at-home order, the immediate shut-down of all City facilities to the public, and the immediate shut-down of many local businesses, the City froze spending on expenditures such as merit increases for staff, hiring new employees, and deferring the purchase of equipment and supplies. Overall, the City fared reasonably well from a financial perspective. Revenue losses were not as extreme as projected at the start of the pandemic, and conservative spending in combination with Coronavirus Aid, Relief, and Economic Security (CARES) Act federal funding, resulted in actual General Fund revenues exceeding the final budget and actual expenditures less than the final budget for the fiscal year ended June 30, 2020.

### **Local Economy**

Over the last five years, property values and personal income levels within the City have steadily increased in order to support the level of municipal services and facilities that are needed by the community. The assessed valuation of property in the City has grown 47.6% since fiscal year 2010-11 (ten years ago). During the recession, the City experienced a decline in assessed valuation in fiscal years 2009-10 and 2010-11 and flat growth in fiscal years 2011-12 and 2012-13. However, the City's assessed valuation has been consistently increasing since fiscal year 2013-14. In fiscal year 2019-20, the City's assessed valuation increased 6.3%, and in fiscal year 2020-21, it increased 5.9%.

Stanton is home to approximately 3,000 businesses. Major industries include restaurants, and general retail businesses. Stanton's unemployment rate has traditionally been below State and national levels. The three largest employers in the City are: Rowntree Gardens, Home Depot and Great Scott Tree Service. The City's largest employer with 320 employees, Rowntree Gardens, is a non-profit senior living community that provides a full range of services to its members, such as: memory care, assisted living, independent living, skilled nursing, therapy services, and home care. The Home Depot, the City's second largest employer with 150 employees, is the world's largest home improvement retailer with nearly 400,000 associates working in its more than 2,200 stores located through the United States of America and Mexico. Great Scott Tree Service, the City's third largest employer with approximately 146 employees, provides safe, quality tree care services to municipalities, commercial businesses, and homeowners associations.

The City's diverse sales tax base is comprised of a number of companies. The City's Top 100 sales tax producers include various industries such as: gasoline service stations, restaurants, and general retail businesses. These top sales tax producers generate approximately 92% of the City's total annual sales tax revenue. Additionally, in November 2014, the City's voters approved a one-cent transaction and use tax (the Stanton 9-1-1 Public Safety and Essential City Services Protective Measure). The City's Top 100 sales tax producers also generate approximately 68% of the City's total annual transaction and use tax revenue. The City also receives transient occupancy tax from its ten local motels. In November 2019, the City's voters approved Measure B, which increased the tax rate from 8% to 12%. Overall, the City's fiscal year 2019-20 transient occupancy tax revenue was higher by 6%, as compared to the previous year.



The City's tax base is well diversified, with total tax revenue representing 78% of the City's total General Fund revenues. Property tax revenue (which includes property tax received in-lieu of motor vehicle fees) represents 35% of total tax revenues. Sales tax and transaction and use tax revenues represents 46% of total tax revenues. The remainder of the tax base (franchise taxes, transient occupancy taxes, utility user taxes, and business license taxes) contributes another 13% of tax revenues to the General Fund. Total tax revenue increased 4% from fiscal year 2018-19.

Although fiscal year 2019-20 has not significantly impacted the City's General Fund revenues negatively, the pandemic is still continuing through 2021, which will continue to disrupt our economy.

#### **Other Relevant Financial Information**

The City Council established a General Fund reserve policy in 2017 and has updated the policy annually since that time. The risk-based policy sets aside funds the following reserves of the City's General Fund to ensure the continued financial stability of the City:

- Emergency equipment and maintenance - \$250,000;
- Emergency disaster contingency - \$2,500,000
- Capital improvement - \$7,324,410; and
- Economic uncertainty - \$4,100,0000.

With the exception of the economic uncertainty reserve (which is included in unassigned fund balance in accordance with governmental accounting standards), these reserves are reported in the General Fund's committed fund balance in the accompanying financial statements.

In addition, the City held \$3.9 million in an irrevocable trust account held by Public Agency Retirement Services as of June 30, 2020. These funds are restricted for pension and other post-employment benefit expenses only and are reported as restricted net position in the Employee Benefits Internal Service Fund.

#### **Summary of Current Year Accomplishments**

Major projects completed during fiscal year 2019-20 include:

- Completed special election on November 5, 2019, for the approval of a new cannabis business tax and increasing the City's transient occupancy tax rate from 8% to 12%;
- Approved an Ordinance adopting regulations, zoning standards, and fees related to commercial cannabis businesses;
- Obtained approval from the California Department of Finance for the Successor Agency's Last and Final Recognized Payment Obligation Schedule (ROPS);
- Acquired 6 properties for the Tina-Pacific affordable housing project;

- Purchased 11870 Beach Boulevard for public purposes;
- Completed Fiscal Year 2019-20 City Hall Carpet and Linoleum Project;
- Completed evaluation of liability insurance coverage programs;
- Completed the Fiscal Year 2019-20 Street Resurfacing Project,
- Complete the Cerritos Avenue Street Widening Project;
- Completed the Fiscal Year 2019-20 Sewer Condition Improvement Project,
- Initiated 2021 Housing and Safety Element Update;
- Approved a development agreement with Bonnani Development for a mixed-use project consisting of 300 apartment homes, 6,313 of commercial space, and a 6-story parking structure;
- Approved a development agreement with KB Homes for residential project consisting of 40 single family detached homes;
- Approved agreement with Quality Management Group to provide property management services for the Tina-Pacific neighborhood;
- Automated the building permit process with software purchased with State grant funds;
- Implemented the Stanton Small Business Relief Grant Program funded by Coronavirus Relief Funds; and
- Adopted a debt management policy

#### **Future Work Plan Initiatives**

City work plan goals for fiscal year 2020-21 include the following:

- Create a new five-year strategic plan;
- Refinance the Successor Agency's 2010 Tax Allocation Bonds;
- Complete migration to Microsoft Office 365;
- Implement new budget software platform;
- Implement employee self-service portal to automatic certain payroll and human resources functions;
- Enforce City's anti-camping regulations;
- Redesign the City's website;

- Re-establish the City's Citizens' Academy
- Complete approvals of cannabis permit applications
- Completed the Fiscal Year 2020-21 City-wide Slurry Seal Project,
- Completed the Fiscal Year 2020-21 Sewer Replacement Project,
- Complete 2021 Housing and Safety Element Update;
- Complete 2020 Town Center Specific Plan;
- Complete Proposition 218 process to implement changes to CR&R charges;
- Complete cost allocation plan and City-wide user fee study; and
- Continue work on marketing and sale of Tina Pacific Neighborhood.

#### **Acknowledgements**

We would like to thank the members of the City Council for their leadership and the City's Senior Staff for their commitment to maintaining the highest standards of professionalism in managing the City's operations and finances. Also, the preparation of this report would not have been possible without the dedicated services of the entire staff of the City's Finance Department, as well as the City's independent auditors, Clifton Larson Allen LLP.

**Respectfully submitted,**



**Jarad Hildenbrand**  
City Manager



**Michelle Bannigan, CPA**  
Finance Director/City Treasurer



Government Finance Officers Association

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Presented to

**City of Stanton  
California**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

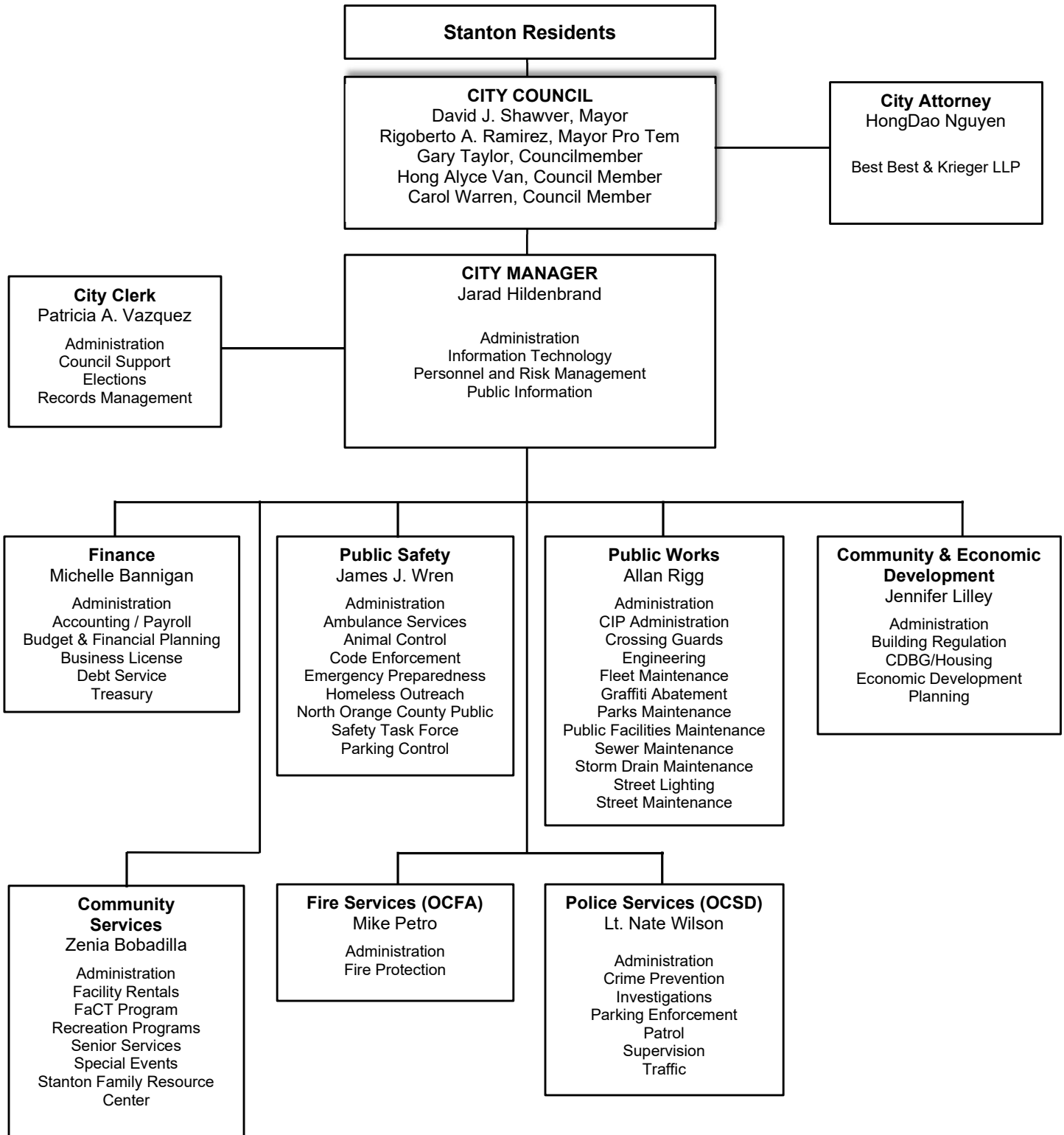
June 30, 2019

*Christopher P. Morrell*

Executive Director/CEO

**CITY OF STANTON**  
Organizational Structure  
as of June 30, 2020

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**CITY OF STANTON**

List of Principal Officials  
as of June 30, 2020

---

City Manager.....Jarad Hildenbrand  
City Clerk.....Patricia A. Vazquez  
Community & Economic Development Director .....Jennifer Lilley  
Community Services Director.....Zenia Bobadilla  
Finance Director/City Treasurer.....Michelle Bannigan  
Public Safety Services Director .....James J. Wren  
Public Works Director/City Engineer.....Allan Rigg  
City Attorney (Best, Best & Krieger LLP).....HongDao Nguyen  
Chief of Police Services (O.C. Sheriff Department).....Lt. Nate Wilson  
Orange County Fire Authority Division Chief .....Mike Petro

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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, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **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, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *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 schedule of changes in the net other post-employment benefit (OPEB) liability (asset) and related ratios, and the budgetary comparison schedules for the General Fund and Major Special Revenue Funds, 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 Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 our 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 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 do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 19, 2021, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Irvine, California  
February 19, 2021

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Stanton (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2020. Please read it in conjunction with the accompanying transmittal letter at the front of this report, and the basic financial statements, which follow this section.

### FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at June 30, 2020, by \$149.8 million. This amount is referred to as the net position of the City. Of this amount, \$21.9 million is unrestricted net position and may be used to meet the City's ongoing obligations to citizens and creditors.
- During fiscal year 2019-20, the City's overall net position increased by \$6.7 million primarily as the result of \$3.4 million of housing bond proceeds received from the Successor Agency to the Stanton Redevelopment Agency (Successor Agency) and additional revenues received associated with increased development activity in the City during fiscal year 2019-20.
- The City's total long-term liabilities, which includes net pension liability, decreased by \$3.3 million, or 30.6% during the fiscal year ended June 30, 2020, to a total outstanding amount of \$7.6 million, primarily as a result of the City paying down the unfunded actuarial liability for the California Employees Retirement System (CalPERS) safety plan during the prior fiscal year.
- As of June 30, 2020, the City's governmental funds (the General Fund, Special Revenue, Debt Service and Capital Projects funds) reported combined ending fund balances of \$43.5 million. Governmental fund expenditures and other financing uses exceeded revenues and other financing sources by \$4.2 million during fiscal year 2019-20. Of the \$43.5 million combined ending fund balances at June 30, 2020, \$10.2 million is categorized as unassigned, \$0.4 million is categorized as assigned, \$10.1 million is categorized as committed, \$22.6 million is categorized as restricted, and \$0.2 is categorized as non-spendable. More detailed information regarding these amounts can be found in Note 13 in the Notes to Basic Financial Statements.
- The combined \$10.4 million of assigned and unassigned fund balance of the General Fund represented 41.1% of total General Fund revenues including transfers in.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also consists of supplementary information in addition to the basic financial statements.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. There are two government-wide financial statements: the Statement of Net Position and the Statement of Activities. They present information for the government as a whole and present a longer-term view of the City's finances. These two statements help to answer the question: "Is the City as a whole better off or worse off as a result of this year's activities?"

The *Statement of Net Position* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, community development, public works and culture and recreation. The business-type activities of the City include sewer activities.

**Government-wide financial statements.** The government-wide financial statements include not only the City itself (known as the *primary government*), but also the Stanton Housing Authority ("Housing Authority"), a legally separate entity. The Housing Authority functions for all practical purposes as an integral part of the City, and therefore, is included in the accompanying financial statements as a part of the primary government as a blended component unit.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances on spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains various individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the: General Fund, Housing Authority Fund, and CARES Act Fund, all of which are considered major funds. Data from other governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these other governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual budget for certain governmental and proprietary funds. Annual appropriations are approved prior to the beginning of the year. A budgetary comparison schedule has been provided for each of the governmental funds for which a budget was adopted to demonstrate compliance with this budget. The definition of the General Fund for purposes of these audited financial statements is different than for budgetary purposes. For budgeting purposes, the Transaction and Use Tax Fund is separated from the General Fund: However, this fund has been combined into the General Fund for these financial statements.

**Proprietary funds.** The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its sewer operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its workers' compensation insurance activities, liability/risk management activities, employee benefits activities, and fleet maintenance activities.

Proprietary funds provide the same type of informational data as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sewer operations, which is considered to be a major fund of the City. Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

**Fiduciary funds.** Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City utilizes two private-purpose trust funds to account for the assets, liabilities, and activities of the Successor Agency to the dissolved Stanton Redevelopment Agency and the North Orange County Public Safety Task Force. In addition, the City reports an agency fund, which is used to account for various deposits being held on behalf of others.

**Notes to Basic Financial Statements.** The notes 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 budgetary policies and supplementary information on the City's defined benefit plans.

The combining statements referred to earlier in connection with other governmental funds and internal service funds are presented immediately following the required supplementary information as supplementary information. The City's supplementary information section also presents budgetary schedules for individual governmental funds and combining statements for the fiduciary funds.

## FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities by \$149.8 million as of June 30, 2020. In comparison, net position was \$143.1 million as of June 30, 2019.

The largest portion of the City's net position at June 30, 2020, (\$101.3 million or 67.6% of total net position), reflects its investment in capital assets (e.g., land, infrastructure, buildings, improvements, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional \$26.5 million of the City's net position is restricted net position, representing resources that are subject to external restrictions or enabling legislation on how they may be used. The breakdown of restricted net positions by functions is as follows: 1) low and moderate income housing projects (\$16.7 million); 2) public safety for restricted grants and fees (\$0.6 million); 3) community development for restricted grants and fees (\$0.3 million); 4) public works for restricted grants and fees (\$2.8 million); 5) culture and recreation for restricted grants and fees (\$2.2 million); and 6) pension benefits (\$3.9 million).

The remaining \$22.0 million is unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors. Unrestricted net position increased \$1.0 million, or 4.7%, from June 30, 2019.

A summary of the government-wide *Statement of Net Position* follows:

CITY OF STANTON NET POSITION AT YEAR END							
	Governmental Activities		Business-type Activities		Totals		
	2020	2019	2020	2019	2020	2019	%
Current and other assets	\$ 51,314,552	\$ 51,544,228	\$4,611,934	\$4,247,686	\$ 55,926,486	\$ 55,791,914	0.2%
Capital assets, net	97,443,574	88,077,568	4,964,679	5,107,553	102,408,253	93,185,121	9.9%
<b>Total assets</b>	<b>148,758,126</b>	<b>139,621,796</b>	<b>9,576,613</b>	<b>9,355,239</b>	<b>158,334,739</b>	<b>148,977,035</b>	<b>6.3%</b>
<b>Deferred outflows of resources</b>	<b>1,887,674</b>	<b>7,470,757</b>	<b>40,263</b>	<b>40,617</b>	<b>1,927,937</b>	<b>7,511,374</b>	<b>-74.3%</b>
Long-term liabilities	7,393,455	10,756,973	181,923	165,158	7,575,378	10,922,131	-30.6%
Other liabilities	2,189,596	1,473,978	57,318	42,781	2,246,914	1,516,759	48.1%
<b>Total liabilities</b>	<b>9,583,051</b>	<b>12,230,951</b>	<b>239,241</b>	<b>207,939</b>	<b>9,822,292</b>	<b>12,438,890</b>	<b>-21.0%</b>
<b>Deferred inflows of resources</b>	<b>591,717</b>	<b>922,939</b>	<b>13,995</b>	<b>16,045</b>	<b>605,712</b>	<b>938,984</b>	<b>-35.5%</b>
Net position:							
Net investment in capital assets	96,374,328	88,077,568	4,964,679	5,107,553	101,339,007	93,185,121	8.8%
Restricted	26,553,724	28,968,376	-	-	26,553,724	28,968,376	-8.3%
Unrestricted	17,542,980	16,892,719	4,398,961	4,064,319	21,941,941	20,957,038	4.7%
<b>Total net position</b>	<b>\$140,471,032</b>	<b>\$133,938,663</b>	<b>\$9,363,640</b>	<b>\$9,171,872</b>	<b>\$149,834,672</b>	<b>\$143,110,535</b>	<b>4.7%</b>

At the end of the current fiscal year, the City's overall net position increased by \$6.7 million primarily as the result of \$3.4 million of housing bond proceeds received from the Successor Agency and additional revenues received associated with increased development activity in the City during fiscal year 2019-20. The fiscal year 2019-20 governmental activities resulted in an increase in net position of \$6.5 million. The fiscal year 2019-20 business type activities resulted in an increase in net position of \$0.2 million. Additional information has been provided below for a more detailed discussion of the City's governmental activities and business-type activities.

A summary of the government-wide *Statement of Activities* follows:

CITY OF STANTON CHANGE IN NET POSITION							
	Governmental Activities		Business-type Activities		Totals		
	2020	2019	2020	2019	2020	2019	% Change
<b>Revenues:</b>							
Program Revenues:							
Charges for services	\$ 7,656,824	\$ 6,123,409	\$ 886,978	\$ 860,717	\$ 8,543,802	\$ 6,984,126	22.3%
Operating grants and contributions	4,655,790	3,586,655	-	-	4,655,790	3,586,655	29.8%
Capital grants and contributions	3,423,482	-	-	-	3,423,482	-	100.0%
General revenues:							
Taxes:							
Property taxes	6,816,387	6,433,535	147,159	131,641	6,963,546	6,565,176	6.1%
Sales taxes	4,278,141	4,327,842	-	-	4,278,141	4,327,842	-1.1%
Transaction and use taxes	4,537,734	4,057,037	-	-	4,537,734	4,057,037	11.8%
Transient occupancy taxes	512,492	483,233	-	-	512,492	483,233	6.1%
Franchise taxes	1,055,791	1,026,619	-	-	1,055,791	1,026,619	2.8%
Utility user taxes	1,791,516	1,850,880	-	-	1,791,516	1,850,880	-3.2%
Other taxes	364,751	433,541	-	-	364,751	433,541	-15.9%
Investment earnings, unrestricted	1,167,877	1,325,735	167,573	78,818	1,335,450	1,404,553	-4.9%
Miscellaneous	272,563	413,900	7,900	-	280,463	413,900	-32.2%
<b>Total revenues</b>	<b>36,533,348</b>	<b>30,062,386</b>	<b>1,209,610</b>	<b>1,071,176</b>	<b>37,742,958</b>	<b>31,133,562</b>	<b>21.2%</b>
<b>Expenses:</b>							
General government	3,739,756	1,666,776	-	-	3,739,756	1,666,776	124.4%
Public safety	18,712,309	21,730,025	-	-	18,712,309	21,730,025	-13.9%
Community development	3,000,334	1,235,126	-	-	3,000,334	1,235,126	142.9%
Public works	2,404,139	1,299,051	-	-	2,404,139	1,299,051	85.1%
Culture and recreation	2,120,218	1,181,246	-	-	2,120,218	1,181,246	79.5%
Health and welfare	-	16,795	-	-	-	16,795	-100.0%
Interest on long-term debt	24,223	-	-	-	24,223	-	100.0%
Sewer enterprise	-	-	1,017,842	745,280	1,017,842	745,280	36.6%
<b>Total expenses</b>	<b>30,000,979</b>	<b>27,129,019</b>	<b>1,017,842</b>	<b>745,280</b>	<b>31,018,821</b>	<b>27,874,299</b>	<b>11.3%</b>
<b>Increase (decrease) in net position before special item</b>	<b>6,532,369</b>	<b>2,933,367</b>	<b>191,768</b>	<b>325,896</b>	<b>6,724,137</b>	<b>3,259,263</b>	<b>106.3%</b>
Special item	-	2,080,000	-	-	-	2,080,000	-100.0%
<b>Change in Net Position</b>	<b>6,532,369</b>	<b>5,013,367</b>	<b>191,768</b>	<b>325,896</b>	<b>6,724,137</b>	<b>5,339,263</b>	<b>25.9%</b>
Net position, beginning of year	133,938,663	128,925,296	9,171,872	8,845,976	143,110,535	137,771,272	3.9%
<b>Net position, end of year</b>	<b>\$ 140,471,032</b>	<b>\$ 133,938,663</b>	<b>\$ 9,363,640</b>	<b>\$ 9,171,872</b>	<b>\$ 149,834,672</b>	<b>\$ 143,110,535</b>	<b>4.7%</b>

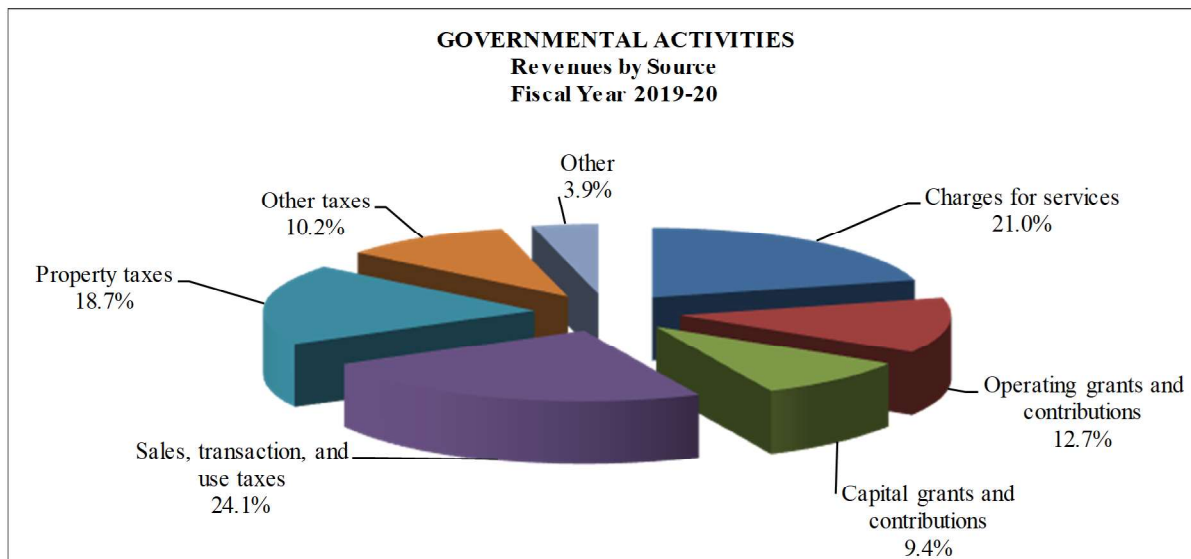
### Governmental activities

During the current fiscal year, The City's net position for governmental activities increased by \$6.5 million from the prior fiscal year, primarily as the result of increased development-related revenues and housing bond proceeds from the Successor Agency. The following table summarizes and presents governmental activities revenue by source and percentages for the fiscal year ended June 30, 2020, along with the percentage changes from the prior year:



**GOVERNMENTAL ACTIVITIES**  
**Revenues by Source**

<b>FUNCTION</b>	<b>Fiscal Year 2019-20</b>	<b>Percent of Total</b>	<b>Increase (Decrease) From 2018-19</b>	<b>Percent Increase (Decrease)</b>
Charges for services	\$ 7,656,824	21.0%	\$ 1,533,415	25.0%
Operating grants and contributions	4,655,790	12.7%	1,069,135	29.8%
Capital grants and contributions	3,423,482	9.4%	3,423,482	100.0%
Sales, transaction, and use taxes	8,815,875	24.1%	430,996	5.1%
Property taxes	6,816,387	18.7%	382,852	6.0%
Other taxes	3,724,550	10.2%	(69,723)	-1.8%
Other	1,440,440	3.9%	(299,195)	-17.2%
<b>TOTAL REVENUES</b>	<b>\$ 36,533,348</b>	<b>100.0%</b>	<b>\$ 6,470,962</b>	<b>21.5%</b>

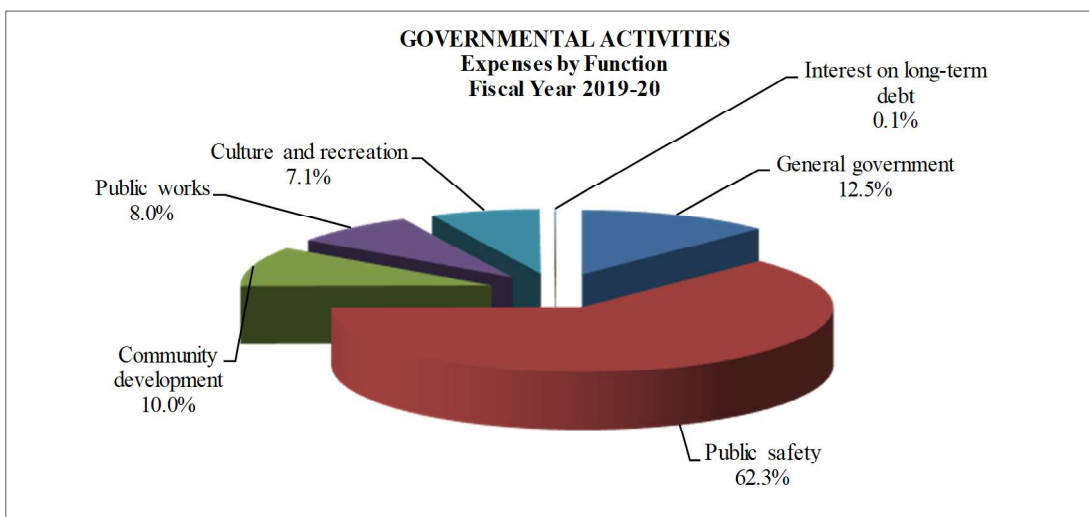


Revenues increased \$6.5 million, or 21.5%, from the prior year. Capital contributions and grants increased by \$3.4 million, or 100.0%, in fiscal year 2019-20. The California Department of Finance's approval of the Successor Agency's Last and Final Recognized Payment Obligation Schedule (ROPS) during fiscal year 2019-20 permitted the Successor Agency to transfer \$3.4 million in housing bond proceeds to the City. Charges for services increased by \$1.5 million, or 25.0%, in fiscal year 2019-20 due to fees collected for the Brookfield Village Way residential development project. Operating grants and contributions increased by \$1.1 million, or 29.8%, in fiscal year 2019-20 due to fees collected for the Brookfield Village Way residential development project. Sales and transaction and use taxes increased \$430,996, or 5.1%, due to increased retail sales in quick service restaurants and increased online sales activity. Property taxes increased \$382,852, or 6.0%, due to increases in the City's assessed valuation. Other revenue sources decreased \$299,195, or 17.2%, primarily due to a loss in revenue from rental activity due to the closure of City parks and facilities as a result of the COVID-19 pandemic as well as interest from loans to the Successor Agency of the Stanton Redevelopment Agency that was received in the prior fiscal year.

The cost of all governmental activities during fiscal year 2019-20 was \$30.0 million. The following table summarizes and presents governmental activities expenses by function and percentages for the fiscal year ended June 30, 2020, along with the percentage changes from the prior year.

**GOVERNMENTAL ACTIVITIES**  
**Expenses by Function**

<b>FUNCTION</b>	<b>Fiscal Year 2019-20</b>	<b>Percent of Total</b>	<b>Increase (Decrease) From 2018-19</b>	<b>Percent Increase (Decrease)</b>
General government	\$ 3,739,756	12.5%	\$ 2,072,980	124.4%
Public safety	18,712,309	62.3%	(3,017,716)	-13.9%
Community development	3,000,334	10.0%	1,765,208	142.9%
Public works	2,404,139	8.0%	1,105,088	85.1%
Culture and recreation	2,120,218	7.1%	938,972	79.5%
Health and welfare	-	0.0%	(16,795)	-100.0%
Interest on long-term debt	24,223	0.1%	24,223	100.0%
<b>TOTAL EXPENSES</b>	<b>\$ 30,000,979</b>	<b>100.0%</b>	<b>\$ 2,871,960</b>	<b>10.6%</b>



Governmental activities expenses increased by \$2.8 million, or 10.6%, from the previous fiscal year. Public safety expenses decreased by \$3.0 million, or 13.9% from last year due to the pay down of the City's safety pension plan in fiscal year 2018-19. The increases in expenses in the general government, community development, public works, and culture and recreation functions is due to the increase in overall pension expense during fiscal year 2019-20.

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

### ***Governmental funds:***

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spending* resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary spending as this category of fund balance represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Council.

At June 30, 2020, the City's governmental funds reported combined fund balances of \$43.5 million. Approximately, \$10.2 million consists of unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is either nonspendable, restricted, committed or assigned to indicate that it is: 1) not in spendable form (\$146,069), 2) legally required to be spent on specific uses or maintained intact

through a federal, state or local law or contractual obligation (\$22.6 million), 3) committed for a specific purpose by City Council resolution (\$10.1 million), or 4) assigned for a particular purpose (\$444,674). Refer to Note 13 in the Notes to Basic Financial Statements for more detailed information regarding nonspendable, restricted, committed, assigned, and unassigned fund balances.

**General Fund.** The General Fund is the City's chief operating fund. As of June 30, 2020, the total fund balance of the General Fund was \$20.6 million, a decrease of \$1.7 million, or 7.6%, from the previous year, primarily due to the transfer of the funds restricted for pension benefits (\$3.7 million) to the Employee Benefits Internal Service Fund

	<u>2020</u>	<u>2019</u>	<u>\$ Change</u>	<u>% Change</u>
Nonspendable	\$ 146,069	\$ 1,806,958	\$ (1,660,889)	-91.9%
Restricted	-	3,735,741	(3,735,741)	-100.0%
Committed	10,074,410	9,161,735	912,675	-100.0%
Assigned	123,935	-	123,935	100.0%
Unassigned - contingency reserve	10,277,670	7,609,177	2,668,493	35.1%
<b>Total</b>	<b>\$ 20,622,084</b>	<b>\$ 22,313,611</b>	<b>\$ (1,691,527)</b>	<b>-7.6%</b>

The City's committed fund balance includes reserves for: emergency equipment maintenance (\$250,000); emergency disaster contingency (\$2.5 million); and capital improvement (\$7.3 million).

The City's discretionary fund balance (assigned and unassigned amounts) includes a \$4.1 million reserve for economic uncertainty. The City's discretionary fund balance at June 30, 2020, was \$10.4 million, or 50.4% of total General Fund balance.

Additional information on the City's General Fund balance can be found in Note 13 in the Notes to the Basic Financial Statements.

**Housing Authority Special Revenue Fund.** As of June 30, 2020, the Housing Authority Special Revenue Fund reported a restricted fund balance of \$16.8 million, which represents a decrease of \$3.8 million, or 18.6%, from the prior fiscal year, primarily due to the acquisition of properties for the Tina Pacific affordable housing project.

**CARES Act Special Revenue Fund.** The CARES Act Special Revenue Fund is a new fund created in fiscal year 2019-20 to record the program revenues and expenditures related to federal, state, and county funding received for the Coronavirus Relief Fund in response to the COVID-19 pandemic. As of June 30, 2020, the fund reported a deficit fund balance of \$9,220, which will be replenished when grant reimbursements are received in fiscal year 2020-21.

#### **Proprietary Funds:**

The proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail. The City operates one business-type activity for sewer operations.

**Sewer Enterprise Fund.** The Sewer Enterprise Fund's unrestricted net position at the end of fiscal year 2019-20 was \$4.4 million June 30, 2020, an increase of \$334,642, or 8.23%, from the previous year. The Sewer Enterprise Fund's total revenues increased by \$138,434, or 12.9% from the prior fiscal year due to: the 3.5% increase in sewer service charges; increased property tax revenue due to the City's increase in assessed valuation, and additional interest income due to the performance of the City's investment portfolio. Expenses in the Sewer Enterprise Fund increased by \$272,562, or 36.6%, from the prior fiscal year due to more sewer improvements completed during the current fiscal year.

**Internal Service Funds.** As of June 30, 2020, the Internal Service Funds reported total unrestricted net position deficit of \$3.7 million, a decrease of \$5.2 million, or 347.0%, from the previous year. During fiscal year 2019-20, the City's net pension liability were recorded in the Employee Benefits Internal Service Fund to offset the \$3.7 million in cash and investments that are restricted for pension.

## GENERAL FUND BUDGETARY HIGHLIGHTS

In preparing the budget, the City attempts to estimate its revenues using realistic, but conservative, methods so as to budget its expenditure appropriations and activities in a prudent manner. As a result, the City Council adopts budget adjustments during the course of the fiscal year to reflect both changed priorities and availability of revenues to allow for the expansion of existing programs, if required.

For the year ended June 30, 2020, the General Fund reported a net decrease in fund balance of \$1.7 million. Actual revenues exceeded final budgeted amounts by \$2.2 million, or 9.8% primarily due to increases in licenses, fees, and permits, intergovernmental revenues, charges for services, and interest income. Licenses, fees, and permits exceeded the budget by \$640,766, or 130.4%, primarily due to more building permits issued during the current fiscal year than was anticipated and the public benefit fees received from developers, which are not budgeted by the City. Intergovernmental revenues exceeded the final budget by \$331,188, or 132.7%, primarily due to shared revenue received from the County of Orange per the City's waste disposal agreement. Charges for services exceeded the City's final budget by \$340,006, or 16.6%, due to more engineering and plan check fees collected than anticipated. Interest income exceeded the final budget by \$744,835, or 372.4%, due to the City's investment portfolio performing better than expected. Expenditures were less than final budgeted amounts by \$1.1 million, or 4.5%, primarily due to the COVID-19 pandemic. The City implemented a spending freeze between April and June 2020, which restricted employee merit increases, filling vacant positions, and restricted purchases to items essential for day-to-day City business only. In addition, the City Council appropriated \$500,000 to fund the City's response to the COVID-19 pandemic when grant funding was uncertain. By the end of the fiscal year, the City secured grant funding from the County and the State, therefore the appropriation made by the City Council was not utilized.

## CAPITAL ASSET AND LONG-TERM LIABILITIES

### Capital Assets

#### CAPITAL ASSETS (Net of Depreciation)

	Governmental Activities		Business-type Activities		Totals		
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>Change</u>
Land	\$ 48,979,556	\$ 40,675,364	\$ -	\$ -	\$ 48,979,556	\$ 40,675,364	20.4%
Construction in progress	12,500	1,079,262	-	-	12,500	1,079,262	-98.8%
Buildings and improvements	30,435,527	31,208,723	-	-	30,435,527	31,208,723	-2.5%
Equipment	67,671	124,273	-	-	67,671	124,273	-45.5%
Vehicles	250,988	196,712	-	-	250,988	196,712	27.6%
Sanitary plant	-	-	4,493,194	4,622,974	4,493,194	4,622,974	-2.8%
General plant	-	-	471,485	484,579	471,485	484,579	-2.7%
Infrastructure	17,697,332	14,793,234	-	-	17,697,332	14,793,234	19.6%
<b>Totals</b>	<b>\$ 97,443,574</b>	<b>\$ 88,077,568</b>	<b>\$ 4,964,679</b>	<b>\$ 5,107,553</b>	<b>\$ 102,408,253</b>	<b>\$ 93,185,121</b>	<b>9.9%</b>

Total capital assets increased \$9.2 million, or 9.9% from the prior fiscal year. Governmental activities capital assets increased by \$9.4 million, or 10.6%. Land increased by \$8.3 million, or 20.4%, due to the purchase of various properties for the Tina Pacific affordable housing project as well as the purchase of property located on Beach Boulevard. Infrastructure increased by \$2.9 million, or 19.6%, due to the completion of the Cerritos Avenue Widening Project and Fiscal Year 2018/19 Citywide Street Reconstruction Project during fiscal year 2019-20. Capital assets for business-type activities decreased by \$142,874, or 2.8%, from the prior year due to the annual depreciation of assets. Additional information on the City's capital assets can be found in Note 4 in the Notes to the Basic Financial Statements.

### Long-Term Liabilities

As of June 30, 2020, the City had total long-term liabilities outstanding of \$7.6 million. Total long-term liabilities decreased by \$3.3 million, or 30.6% during fiscal year 2019-20. The City's net pension liability decreased by \$4.6 million, or 43.8%, because the City made an additional contribution in fiscal year 2018-19 to the safety pension plan. During fiscal year 2019-20, the City entered into a capital lease agreement with Bank of the West for \$1.1 million to fund the purchase of streetlights from Southern California Edison. Additional information on the City's long-term liabilities can be found in Note 7 in the Notes to the Basic Financial Statements.

#### LONG-TERM LIABILITIES

	Governmental Activities		Business-type Activities		Totals		%
	2020	2019	2020	2019	2020	2019	Change
Net pension liability	\$ 5,870,689	\$ 10,473,058	\$ 178,909	\$ 162,396	\$ 6,049,598	\$ 10,635,454	-43.1%
Other post-employment benefits	125,301	-	-	-	125,301	-	100.0%
Capital lease	1,069,246	-	-	-	1,069,246	-	100.0%
Compensated absences	261,668	224,919	3,014	2,765	264,682	227,684	16.2%
Claims payable	66,551	58,996	-	-	66,551	58,996	12.8%
<b>Totals</b>	<b>\$ 7,393,455</b>	<b>\$ 10,756,973</b>	<b>\$ 181,923</b>	<b>\$ 165,161</b>	<b>\$ 7,575,378</b>	<b>\$ 10,922,134</b>	<b>-30.6%</b>

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Local governments throughout the State of California are challenged with funding increasing costs of operations with constrained resources. The City maintains a conservative approach to budgeting revenues and expenditures. Management takes an active role in monitoring the application of the budget during the fiscal year to apply any necessary changes to projected revenues as well as appropriated expenditures. The budget for fiscal year 2020-21 was projected reductions in certain revenues due to the COVID-19 pandemic. Consequently, the General Fund budget was balanced with the use of \$797,875 in reserves.

### REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Finance Director 7800 Katella Avenue, Stanton, California 90680.

**BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**



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	Primary Government		
	Governmental Activities	Business-Type Activity	Total
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Cash and investments	\$ 42,834,363	\$ 4,586,756	\$ 47,421,119
Restricted cash and investments held in pension trust	3,860,442	-	3,860,442
Receivables	2,195,619	25,178	2,220,797
Due from other governments	1,106,079	-	1,106,079
Prepaid items	47,745	-	47,745
Notes and loans receivable	1,270,304	-	1,270,304
Capital assets:			
Not being depreciated	48,992,056	-	48,992,056
Being depreciated (net of accumulated depreciation)	48,451,518	4,964,679	53,416,197
<b>Total assets</b>	<b>148,758,126</b>	<b>9,576,613</b>	<b>158,334,739</b>
Deferred amount from OPEB	450,566	-	450,566
Deferred amount from pension plans	1,437,108	40,263	1,477,371
<b>Total deferred outflows of resources</b>	<b>1,887,674</b>	<b>40,263</b>	<b>1,927,937</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>			
Accounts payable	1,169,114	54,258	1,223,372
Accrued liabilities	154,720	3,060	157,780
Deposits	17,050	-	17,050
Unearned revenue	839,395	-	839,395
Interest payable	9,317	-	9,317
Long-term liabilities:			
Due within one year	244,353	647	245,000
Due in more than one year			
Other long-term liabilities	1,153,112	2,367	1,155,479
Net pension liability	5,870,689	178,909	6,049,598
Other post-employment benefits (OPEB) liability	125,301	-	125,301
<b>Total liabilities</b>	<b>9,583,051</b>	<b>239,241</b>	<b>9,822,292</b>
Deferred amount from OPEB	13,268	-	13,268
Deferred amount from pension plans	578,449	13,995	592,444
<b>Total deferred inflows of resources</b>	<b>591,717</b>	<b>13,995</b>	<b>605,712</b>
<b>NET POSITION</b>			
Net investment in capital assets	96,374,328	4,964,679	101,339,007
Restricted for:			
Low- and moderate-income housing	16,761,383	-	16,761,383
Public safety	613,576	-	613,576
Community development	297,271	-	297,271
Public works	2,798,536	-	2,798,536
Culture and recreation	2,222,516	-	2,222,516
Pension benefits	3,860,442	-	3,860,442
Unrestricted	17,542,980	4,398,961	21,941,941
<b>Total net position</b>	<b>\$ 140,471,032</b>	<b>\$ 9,363,640</b>	<b>\$ 149,834,672</b>

See accompanying notes to basic financial statements.

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities:</b>				
General government	\$ 3,739,756	\$ 359,865	\$ 79,401	\$ -
Public safety	18,712,309	1,899,756	1,716,032	-
Community development	3,000,334	3,908,877	9,698	3,377,369
Public works	2,404,139	59,849	2,481,917	46,113
Culture and recreation	2,120,218	1,428,477	368,742	-
Interest on long-term debt	24,223	-	-	-
<b>Total governmental activities</b>	<b>30,000,979</b>	<b>7,656,824</b>	<b>4,655,790</b>	<b>3,423,482</b>
<b>Business-type activity:</b>				
Sewer enterprise	1,017,842	886,978	-	-
<b>Total</b>	<b>\$ 31,018,821</b>	<b>\$ 8,543,802</b>	<b>\$ 4,655,790</b>	<b>\$ 3,423,482</b>

**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**

**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
\$ (3,300,490)	\$ -	\$ (3,300,490)
(15,096,521)	-	(15,096,521)
4,295,610	-	4,295,610
183,740	-	183,740
(322,999)	-	(322,999)
(24,223)	-	(24,223)
(14,264,883)	-	(14,264,883)
-	(130,864)	(130,864)
(14,264,883)	(130,864)	(14,395,747)
6,816,387	147,159	6,963,546
4,278,141	-	4,278,141
4,537,734	-	4,537,734
512,492	-	512,492
1,055,791	-	1,055,791
1,791,516	-	1,791,516
364,751	-	364,751
1,167,877	167,573	1,335,450
272,563	7,900	280,463
20,797,252	322,632	21,119,884
6,532,369	191,768	6,724,137
133,938,663	9,171,872	143,110,535
\$ 140,471,032	\$ 9,363,640	\$ 149,834,672

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**FUND FINANCIAL STATEMENTS**

		Special Revenue Funds		
		General	Housing Authority	CARES Act
ASSETS				
Cash and investments	\$	19,255,205	\$ 15,593,692	\$ 537,181
Receivables:				
Accounts		170,508	3,550	-
Interest		97,129	51,070	202
Taxes		1,834,216	-	-
Prepaid items		43,765	-	-
Due from other funds		26,875	-	-
Due from other governments		215,935	-	312,698
Notes and loans receivable		102,304	1,168,000	-
<b>Total assets</b>	<b>\$</b>	<b>21,745,937</b>	<b>\$ 16,816,312</b>	<b>\$ 850,081</b>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$	938,549	\$ 34,149	\$ 15,348
Accrued liabilities		130,439	3,730	4,558
Deposits		-	17,050	-
Unearned revenue		-	-	839,395
Due to other funds		-	-	-
<b>Total liabilities</b>		<b>1,068,988</b>	<b>54,929</b>	<b>859,301</b>
Deferred Inflows of Resources:				
Unavailable revenues		54,865	-	-
<b>Total liabilities and deferred inflows of resources</b>		<b>1,123,853</b>	<b>54,929</b>	<b>859,301</b>
Fund Balances:				
Nonspendable		146,069	-	-
Restricted		-	16,761,383	-
Committed		10,074,410	-	-
Assigned		123,935	-	-
Unassigned		10,277,670	-	(9,220)
<b>Total fund balances</b>		<b>20,622,084</b>	<b>16,761,383</b>	<b>(9,220)</b>
<b>Total liabilities and fund balances</b>	<b>\$</b>	<b>21,745,937</b>	<b>\$ 16,816,312</b>	<b>\$ 850,081</b>

Other Governmental Funds	Total Governmental Funds
\$ 6,079,428	\$ 41,465,506
-	174,058
14,550	162,951
17,304	1,851,520
-	43,765
-	26,875
319,766	848,399
-	1,270,304
<u>\$ 6,431,048</u>	<u>\$ 45,843,378</u>
\$ 168,792	\$ 1,156,838
15,246	153,973
-	17,050
-	839,395
26,875	26,875
<u>210,913</u>	<u>2,194,131</u>
<u>56,727</u>	<u>111,592</u>
<u>267,640</u>	<u>2,305,723</u>
-	146,069
5,875,172	22,636,555
-	10,074,410
320,739	444,674
(32,503)	10,235,947
<u>6,163,408</u>	<u>43,537,655</u>
<u>\$ 6,431,048</u>	<u>\$ 45,843,378</u>



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City of Stanton  
Reconciliation of the Governmental Funds Balance Sheet  
to the Government-Wide Statement of Net Position  
June 30, 2020

ATTACHMENT A - Page 43 of 198

Fund balances - total governmental funds		\$ 43,537,655	
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	\$ 133,080,890		
Accumulated depreciation	<u>(35,637,316)</u>		
		97,443,574	
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.			
Lease payable		(1,069,246)	
OPEB related debt applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Deferred outflows of resources and deferred inflows of resources related to OPEB are only reported in the Statement of Net Position as the changes in these amounts effects only the government-wide statements for governmental activities.			
Deferred outflows of resources - OPEB related	450,566		
Deferred inflows of resources - OPEB related	(13,268)		
Net OPEB liability	<u>(125,301)</u>		
		311,997	
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.			
		144,777	
Accrued interest payable for the current portion of interest due on long-term liabilities has not been reported in the governmental funds.			
		(9,317)	
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.			
		<u>111,592</u>	
<b>Net position of governmental activities</b>		<u><u>\$ 140,471,032</u></u>	

City of Stanton  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2020

ATTACHMENT A - Page 44 of 198

	Special Revenue Funds		
	General	Housing Authority	CARES Act
<b>REVENUES:</b>			
Taxes and assessments	\$ 19,320,173	\$ -	\$ -
Licenses and permits	1,132,116	-	-
Intergovernmental	580,712	-	407,493
Charges for services	2,387,016	-	-
Fines and forfeitures	411,644	-	-
Interest income	944,835	422,084	2,705
Rental income	83,917	553,759	-
Miscellaneous	39,906	12,733	-
Contribution from Successor Agency	-	3,377,369	-
<b>Total revenues</b>	<u>24,900,319</u>	<u>4,365,945</u>	<u>410,198</u>
<b>EXPENDITURES:</b>			
Current:			
General government	2,608,693	-	97,500
Public safety	16,442,975	-	321,918
Community development	1,537,183	766,628	-
Public works	519,900	1,750	-
Culture and recreation	1,142,151	-	-
Capital outlay	907,748	7,416,420	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total expenditures</b>	<u>23,158,650</u>	<u>8,184,798</u>	<u>419,418</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,741,669</u>	<u>(3,818,853)</u>	<u>(9,220)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Proceeds from long-term debt	-	-	-
Transfers in	383,484	-	-
Transfers out	(3,816,680)	-	-
<b>Total other financing sources (uses)</b>	<u>(3,433,196)</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(1,691,527)</u>	<u>(3,818,853)</u>	<u>(9,220)</u>
<b>FUND BALANCES:</b>			
Beginning of year	<u>22,313,611</u>	<u>20,580,236</u>	<u>-</u>
End of year	<u>\$ 20,622,084</u>	<u>\$ 16,761,383</u>	<u>\$ (9,220)</u>

See accompanying notes to basic financial statements.

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Other Governmental Funds	Total Governmental Funds
\$ 1,847,201	\$ 21,167,374
-	1,132,116
2,474,577	3,462,782
2,057,640	4,444,656
-	411,644
195,510	1,565,134
-	637,676
158,578	211,217
-	3,377,369
<u>6,733,506</u>	<u>36,409,968</u>
-	2,706,193
1,258,368	18,023,261
-	2,303,811
955,835	1,477,485
461,281	1,603,432
3,505,354	11,829,522
55,754	55,754
14,906	14,906
<u>6,251,498</u>	<u>38,014,364</u>
<u>482,008</u>	<u>(1,604,396)</u>
1,125,000	1,125,000
221,139	604,623
<u>(523,684)</u>	<u>(4,340,364)</u>
<u>822,455</u>	<u>(2,610,741)</u>
1,304,463	(4,215,137)
<u>4,858,945</u>	<u>47,752,792</u>
<u>\$ 6,163,408</u>	<u>\$ 43,537,655</u>

See accompanying notes to basic financial statements.

**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, 2020**

Net change in fund balances - total governmental funds	\$ (4,215,137)
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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	\$ 11,822,047	
Depreciation expense	(2,046,173)	
Disposition of capital assets	<u>(409,868)</u>	
		9,366,006

The issuance of long term debt provides current financial resources to governmental  
funds, while the repayment of the principal of long-term debt consumes the current  
financial resources of governmental funds. Neither transaction, however, has any  
effect on net position.

Issuance of long-term debt	(1,125,000)	
Principal payments	<u>55,754</u>	
		(1,069,246)

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 and deferred inflows of resources.

(29,832)

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. This includes the  
impact of moving the pension amounts in the internal service fund.

2,555,320

Accrued interest for long-term debt. This is the net change in accrued  
interest for the current period.

(9,317)

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.

(65,425)

**Change in net position of governmental activities**

\$ 6,532,369

**PROPRIETARY FUND FINANCIAL STATEMENTS**

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	Business-Type Activity Sewer Enterprise Fund	Governmental Activities Internal Service Funds
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		
Current assets:		
Cash and investments	\$ 4,586,756	\$ 1,368,857
Restricted cash and investments held in pension trust	-	3,860,442
Receivables:		
Accounts Receivable	-	3,275
Interest	12,427	3,815
Taxes	12,751	-
Prepays	-	3,980
Due from other governments	-	257,680
Total current assets	4,611,934	5,498,049
Noncurrent assets:		
Capital assets:		
Being depreciated, net	4,964,679	-
Total noncurrent assets	4,964,679	-
<b>Total assets</b>	<b>9,576,613</b>	<b>5,498,049</b>
Deferred Outflows of Resources:		
Deferred amount from pension plans	40,263	1,437,108
<b>Total deferred outflows of resources</b>	<b>40,263</b>	<b>1,437,108</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>		
Current liabilities:		
Accounts payable	54,258	12,276
Accrued liabilities	3,060	747
Claims and judgments payable	-	60,117
Compensated absences payable	647	70,502
Total current liabilities	57,965	143,642
Noncurrent liabilities:		
Claims and judgments payable	-	6,434
Compensated absences payable	2,367	191,166
Net pension liability	178,909	5,870,689
Total noncurrent liabilities	181,276	6,068,289
<b>Total liabilities</b>	<b>239,241</b>	<b>6,211,931</b>
Deferred Inflows of Resources:		
Deferred amounts from pension plans	13,995	578,449
<b>Total deferred inflows of resources</b>	<b>13,995</b>	<b>578,449</b>
<b>NET POSITION</b>		
Net investment in capital assets	4,964,679	-
Restricted for pension benefits	-	3,860,442
Unrestricted	4,398,961	(3,715,665)
<b>Total net position</b>	<b>\$ 9,363,640</b>	<b>\$ 144,777</b>

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, 2020

ATTACHMENT A - Page 50 of 198

	Business-Type Activity Sewer Enterprise Fund	Governmental Activities Internal Service Funds
<b>OPERATING REVENUES:</b>		
Charges for services	\$ 886,978	\$ 959,902
<b>Total operating revenue</b>	<u>886,978</u>	<u>959,902</u>
<b>OPERATING EXPENSES:</b>		
Equipment maintenance and operation	414,513	52,973
Depreciation	142,874	-
Administrative and personnel services	221,890	5,680,756
Insurance premiums and claims	4,237	478,300
Contractual services	234,328	32,101
<b>Total operating expenses</b>	<u>1,017,842</u>	<u>6,244,130</u>
<b>OPERATING LOSS</b>	<u>(130,864)</u>	<u>(5,284,228)</u>
<b>NONOPERATING REVENUES:</b>		
Property taxes	147,159	-
Interest income	167,573	181,213
Gain on sale of capital assets	7,900	7,592
<b>Total nonoperating revenues</b>	<u>322,632</u>	<u>188,805</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<u>191,768</u>	<u>(5,095,423)</u>
<b>TRANSFERS:</b>		
Transfers in	-	3,735,741
<b>Total transfers</b>	<u>-</u>	<u>3,735,741</u>
<b>CHANGES IN NET POSITION</b>	<u>191,768</u>	<u>(1,359,682)</u>
<b>NET POSITION:</b>		
Beginning of the year	<u>9,171,872</u>	<u>1,504,459</u>
End of the year	<u>\$ 9,363,640</u>	<u>\$ 144,777</u>

See accompanying notes to basic financial statements.

City of Stanton  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2020

ATTACHMENT A - Page 51 of 198

	Business-Type Activity Sewer Enterprise Fund	Governmental Activities Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers	\$ 886,978	\$ 1,095,052
Cash paid to other suppliers of goods or services	(639,756)	(548,720)
Cash paid to employees for salaries and wages	(205,606)	(631,713)
<b>Net cash provided by (used in) operating activities</b>	<b>41,616</b>	<b>(85,381)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Cash received from other funds	-	3,735,741
Cash received from property taxes	147,886	-
<b>Net cash provided by noncapital financing activities</b>	<b>147,886</b>	<b>3,735,741</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Proceeds from sale of capital assets	7,900	7,592
<b>Net cash provided by capital and related financing activities</b>	<b>7,900</b>	<b>7,592</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest income received	157,957	178,176
<b>Net cash provided by investing activities</b>	<b>157,957</b>	<b>178,176</b>
<b>Net increase in cash and cash equivalents</b>	<b>355,359</b>	<b>3,836,128</b>
<b>CASH AND CASH EQUIVALENTS:</b>		
Beginning of the year	4,231,397	1,393,171
End of the year	<u>\$ 4,586,756</u>	<u>\$ 5,229,299</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>		
Operating loss	\$ (130,864)	\$ (5,284,228)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation expense	142,874	-
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
(Increase) decrease in accounts receivable	-	(3,275)
(Increase) decrease in prepaid expenses	-	(3,980)
(Increase) decrease in due from other governments	-	138,425
(Increase) decrease in deferred outflows of resources from pension plans	354	(1,437,108)
Increase (decrease) in accounts payable	13,322	11,081
Increase (decrease) in accrued liabilities	1,218	262
Increase (decrease) in claims and judgments payable	-	7,718
Increase (decrease) in compensated absences payable	249	36,586
Increase (decrease) in net pension liability	16,513	5,870,689
Increase (decrease) in deferred inflows of resources from pension plans	(2,050)	578,449
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 41,616</b>	<b>\$ (85,381)</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION:</b>		
Cash and investments	\$ 4,586,756	\$ 1,368,857
Restricted cash and investments held in pension trust	-	3,860,442
<b>Total cash and cash equivalents</b>	<b>\$ 4,586,756</b>	<b>\$ 5,229,299</b>

See accompanying notes to basic financial statements.

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**FIDUCIARY FUND FINANCIAL STATEMENTS**

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	Private-Purpose Trust Funds	City Trust Agency Fund
<b>ASSETS AND DEFERRED OUTFLOW OF RESOURCES</b>		
Current assets:		
Cash and investments	\$ 2,876,419	\$ 300,059
Accounts receivable	-	40,578
Interest receivable	3,856	-
Due from other governments	36,750	-
Restricted assets:		
Cash held by fiscal agent	4,296,361	-
<b>Total assets</b>	<u>7,213,386</u>	<u>\$ 340,637</u>
Deferred outflow of resources:		
Deferred amount on refunding	8,434,255	
<b>Total deferred outflow of resources</b>	<u>8,434,255</u>	
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	\$ 486,411	\$ -
Accrued liabilities	2,265	-
Interest payable	191,645	-
Deposits payable	-	340,637
Bonds payable - current portion	2,610,000	-
<b>Total current liabilities</b>	<u>3,290,321</u>	<u>340,637</u>
Long-term liabilities:		
Bonds payable	59,222,625	-
<b>Total long-term liabilities</b>	<u>59,222,625</u>	<u>-</u>
<b>Total liabilities</b>	<u>62,512,946</u>	<u>\$ 340,637</u>
<b>NET POSITION</b>		
Held in trust:		
Restricted for private purposes		
Successor Agency to the Stanton Redevelopment Agency	\$ (47,170,123)	
NOCPTF	304,818	
<b>Total Net Position</b>	<u>\$ (46,865,305)</u>	

City of Stanton  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended June 30, 2020

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	Private-Purpose Trust Funds
<b>ADDITIONS:</b>	
Taxes	\$ 5,200,395
Intergovernmental	5,401,210
Investment income	26,636
<b>Total additions</b>	<b>10,628,241</b>
<b>DEDUCTIONS:</b>	
Urban development	182,510
Contractual services	17,863
Public safety	5,258,302
Contribution to Housing Authority	3,377,369
Interest and fiscal charges	2,963,554
<b>Total deductions</b>	<b>11,799,598</b>
<b>Change in net position</b>	<b>(1,171,357)</b>
<b>NET POSITION:</b>	
Beginning of Year	(45,693,948)
End of Year	<u>\$ (46,865,305)</u>

See accompanying notes to basic financial statements.

**NOTES TO BASIC FINANCIAL STATEMENTS**



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**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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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 issues separate financial statements that can be obtained at City Hall.

**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 activity incorporates data from the government’s enterprise fund. 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 balance, 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 Coronavirus Aid, Relief, and Economic Security ("CARES") Act Special Revenue Fund is used to account for revenues and expenditures made for the CARES Act funds received from the County and State to respond to COVID-19.

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.

**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.

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

**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.

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).

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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

**D. Measurement Focus and Basis of Accounting (Continued)**

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**

**GASB Current-Year Standards**

In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authority Guidance*, which was effective immediately. This statement provides temporary relief to governments and other stakeholders in light of the coronavirus (COVID-19) pandemic and postpones the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. Paragraph 4 of this statement requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution other post-employment benefit (OPEB) plan or an other employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform. Paragraph 5 of this statement also requires that the financial burden criterion in paragraph 7 of Statement No. 84, *Fiduciary Activities*, be applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67, *Financial Reporting for Pension Plans*, or paragraph 3 of Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, respectively.

The requirements of these paragraphs did not impact the City.

## 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. The City is currently evaluating the potential impact of these statements:

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and post-employment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements.

This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval or condition is required to be taken or met by the beneficiary to release the assets. The requirements of this statement are effective for reporting periods beginning after December 15, 2019, and early application is encouraged.

In June 2017, the GASB issued Statement No. 87, *Leases*. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset for leases with a term of more than 12 months. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about a government's leasing activities. For leases with a term of 12 months or less, lessees and lessors should recognize short-term lease payments as outflows of resources or inflows of resources, respectively, based on the payment provisions of the lease contract. The requirements of this statement are effective for reporting periods beginning after June 15, 2021, and early application is encouraged.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. This statement addresses practice issues that have been identified during the implementation and application of certain GASB statements. This statement addresses a variety of topics, including issues related to leases, fiduciary activities, measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition, reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers, reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature and terminology used to refer to derivative instruments.

The requirements of this statement are effective as follows:

- The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries and terminology used to refer to derivative instruments are effective upon issuance.
- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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

**E. New Accounting Pronouncements (Continued)**

**Pending Accounting Standards (Continued)**

- The requirements related to application of Statement 84 to post-employment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021.
- The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021.

In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. This statement requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan, depending on whether the plan meets the definition of a pension plan, and clarifies that Statement 84, as amended, should be applied to all arrangements organized under Internal Revenue Code Section 457 to determine whether those arrangements should be reported as fiduciary activities.

This statement supersedes the remaining provisions of Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, as amended, regarding investment valuation requirements for Section 457 plans. As a result, investments of all Section 457 plans should be measured as of the end of the plan's reporting period in all circumstances. The requirements of this statement are effective for fiscal years beginning after June 15, 2021. Earlier application of these requirements is encouraged and permitted.

**F. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) 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 outflows from pensions and OPEB resulting from changes in assumptions and differences between actual and expected experience. 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 and OPEB through the plans.
- Deferred outflow 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.



**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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**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 reports 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 and OPEB, 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 and OPEB through the plans.
- Deferred inflows from pensions resulting from changes in assumptions and 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 expecting remaining service lives of all employees that are provided with pensions through the plans.
- Deferred inflow related to pensions and OPEB resulting from the net differences in projected and actual earnings on investments of the pension and OPEB plans' fiduciary net position. These amounts are amortized over five years.

**G. Assets, Liabilities, Fund Balance and Net Position**

**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.

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 (in relation to the amortized cost of that portfolio).

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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

**G. Assets, Liabilities, Fund Balance and Net Position (Continued)**

**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.

**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.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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

**G. Assets, Liabilities, Fund Balance and Net Position (Continued)**

**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 and capital-related payables that are attributed to the acquisition, construction, or improvement of the 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.

**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.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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

**G. Assets, Liabilities, Fund Balance and Net Position (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 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, 2020.

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, 2020.

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 \$7,324,410 as of June 30, 2020.

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.

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.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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

**G. Assets, Liabilities, Fund Balance and Net Position (Continued)**

**Fund Balances (Continued)**

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.

An economic uncertainty 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 \$4,100,000 as of June 30, 2020.

**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

**H. 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.

**I. 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.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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

**J. 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.

**K. Post-Employment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the net OPEB liability 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.

**L. 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, deferred outflows of resources, liabilities, deferred inflows of resources 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 liability 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, 2020:

Major Fund:	
CARES Act Special Revenue Fund	\$ (9,220)
Other Governmental Fund:	
Stanton Central Park Maintenance Special Revenue Fund	(32,503)
Internal Service Fund:	
Employee Benefits	(1,153,292)

The CARES Act Special Revenue Fund deficit will be eliminated with future receipts from the County and State CARES Act funds. The Stanton Central Park Maintenance Special Revenue Fund will be eliminated with a future transfer from the General Fund. The Employee Benefits Internal Service Fund has a deficit due to the long-term net pension liability and corresponding deferred outflows and inflows of resources and will be funded through future year charges to City funds.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**B. Excess of Expenditures over Appropriations**

The following funds reported expenditures exceeding appropriations at June 30, 2020:

	Final Budget	Actual	Variance with Final Budget
Other Governmental Funds:			
Lighting and Median Maintenance			
Special Revenue Fund	\$ 1,787,831	\$ 2,702,533	\$ (914,702)
PSTF Special Revenue Fund	638,442	649,866	(11,424)

**3. CASH AND INVESTMENTS**

**Cash and Investments**

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

	Government-Wide Statement of Net Position	Fiduciary Statement of Net Position	Total
Unrestricted assets:			
Cash and investments:			
City	\$ 47,421,119	\$ -	\$ 47,421,119
Private-purpose trust funds	-	2,876,419	2,876,419
Agency fund	-	300,059	300,059
Restricted assets:			
Cash and investments held in pension trust:			
City	3,860,442	-	3,860,442
Cash and investments with fiscal agents:			
Private-purpose trust funds	-	4,296,361	4,296,361
Total cash and investments	<u>\$ 51,281,561</u>	<u>\$ 7,472,839</u>	<u>\$ 58,754,400</u>

Cash and investments at June 30, 2020, consisted of the following:

Cash in hand	\$ 1,100
Deposits with financial institutions	8,402,172
Investments	<u>50,351,128</u>
Total cash and investments	<u>\$ 58,754,400</u>

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**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 trustee. 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
Certificate of Deposit Placement Service (CDARS) and 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

\* 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, 2020**

**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, 2020:

Investment Type	Remaining Maturity (in Years)					Total
	12 Months or Less	13 to 24 Months	25 to 36 Months	37 to 48 Months	49 to 60 Months	
Local Agency Investment Fund (LAIF)	\$ 25,681,294	\$ -	\$ -	\$ -	\$ -	\$ 25,681,294
California Asset Management Program (CAMP)	1,244,480	-	-	-	-	1,244,480
United States (U.S.) Government Sponsored Agency Securities:						
Federal Agricultural Mortgage Corporation (FAMC)	-	-	-	-	1,000,760	1,000,760
Federal Farm Credit Bank (FFCB)	-	-	-	-	1,000,410	1,000,410
Negotiable Certificates of Deposit	1,504,504	2,451,697	2,612,499	2,951,335	1,801,913	11,321,948
Municipal Bonds	1,445,666	2,649,889	282,882	515,630	209,094	5,103,161
Held by Fiscal Agents:						
Local Agency Investment Fund (LAIF)	1,138,633	-	-	-	-	1,138,633
Pension Trust - Public Agency Retirement Services	3,860,442	-	-	-	-	3,860,442
	<u>\$ 34,875,019</u>	<u>\$ 5,101,586</u>	<u>\$ 2,895,381</u>	<u>\$ 3,466,965</u>	<u>\$ 4,012,177</u>	<u>\$ 50,351,128</u>

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**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 and Moody's as of year-end for each investment type:

Investment Type	Total as of June 30, 2020	Minimum Legal Rating	S&P Rating	Moody's Rating
Local Agency Investment Fund (LAIF)	\$ 25,681,294	None	Not Rated	Not Rated
California Asset Management Program (CAMP)	1,244,480	None	AAAm	Not Rated
United States (U.S.) Government Sponsored Agency Securities:				
Federal Agricultural Mortgage Corporation (FAMC)	1,000,760	None	AA+	Aaa
Federal Farm Credit Bank (FFCB)	1,000,410	None	AA+	Aaa
Negotiable Certificates of Deposit	11,321,948	A/A2	Not Rated	Not Rated
Municipal Bonds	491,976	A	A	Not Rated
Municipal Bonds	756,690	A	A-	Not Rated
Municipal Bonds	731,301	A	A+	Not Rated
Municipal Bonds	615,086	A	AA	Aa3
Municipal Bonds	1,014,673	A	AA	Not Rated
Municipal Bonds	766,729	A	AA-	Not Rated
Municipal Bonds	286,059	A	AA+	Not Rated
Municipal Bonds	440,647	A	Not Rated	Not Rated
Held by Fiscal Agents:				
Local Agency Investment Fund (LAIF)	1,138,633	None	Not Rated	Not Rated
Pension Trust-Public Agency Retirement Services	3,860,442	None	Not Rated	Not Rated
Total investments	<u>\$ 50,351,128</u>			

**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.

### **3. CASH AND INVESTMENTS (CONTINUED)**

#### **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.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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**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
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 current income and moderate capital appreciation. 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% - 20% 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.

Negotiable certificates of deposit, United States Government-Sponsored Agency Securities, and Municipal Bonds classified in level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**3. CASH AND INVESTMENTS (CONTINUED)**

**Fair Value Measurements (Continued)**

The City has the following recurring fair value measurements as of June 30, 2020:

	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total
United States (U.S.) Government- Sponsored Agency Securities:				
FAMC	\$ -	\$ 1,000,760	\$ -	\$ 1,000,760
FFCB	-	1,000,410	-	1,000,410
Negotiable Certificates of Deposit		11,321,948		11,321,948
Municipal Bonds	-	5,103,161	-	5,103,161
Total Leveled Investments	<u>\$ -</u>	<u>\$ 18,426,279</u>	<u>\$ -</u>	18,426,279
Investments Not Subject to Fair Value Hierarchy:				
Local Agency Investment Fund (LAIF)				25,681,294
California Asset Management Program (CAMP)				1,244,480
Held by Fiscal Agents:				
Local Agency Investment Fund (LAIF)				1,138,633
Pension Trust - Public Agency Retirement Services				3,860,442
Total Investment Portfolio				<u>\$ 50,351,128</u>

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**4. CAPITAL ASSETS**

A summary of changes in governmental activities - capital assets at June 30, 2020, is as follows:

**Governmental Activities**

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
Capital assets, not being depreciated:				
Land	\$ 40,675,364	\$ 8,304,192	\$ -	\$ 48,979,556
Construction in progress	1,079,262	12,500	(1,079,262)	12,500
Total capital assets, not being depreciated	41,754,626	8,316,692	(1,079,262)	48,992,056
Capital assets, being depreciated:				
Buildings and improvements	39,525,988	60,000	(100,759)	39,485,229
Equipment	858,478	-	-	858,478
Vehicles	796,463	125,267	(71,902)	849,828
Infrastructure	39,778,205	3,989,482	(687,448)	43,080,239
Total capital assets, being depreciated	80,959,134	4,174,749	(860,109)	84,273,774
Less accumulated depreciation for:				
Buildings and improvements	(8,317,265)	(833,196)	100,759	(9,049,702)
Equipment	(734,205)	(56,602)	-	(790,807)
Vehicles	(599,751)	(70,991)	71,902	(598,840)
Infrastructure	(24,984,971)	(1,085,384)	687,448	(25,382,907)
Total accumulated depreciation	(34,636,192)	(2,046,173)	860,109	(35,822,256)
Total capital assets, being depreciated, net	46,322,942	2,128,576	-	48,451,518
Total governmental activities capital assets, net	<u>\$ 88,077,568</u>	<u>\$ 10,445,268</u>	<u>\$ (1,079,262)</u>	<u>\$ 97,443,574</u>

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

General government	\$ 613,851
Public safety	409,235
Community development	409,235
Public works	306,926
Culture and recreation	306,926
Total depreciation expense - governmental activities	<u>\$ 2,046,173</u>

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**4. CAPITAL ASSETS (CONTINUED)**

**Business-Type Activity**

A summary of changes in the business-type activity - capital assets at June 30, 2020, is as follows:

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
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	7,416,835	-	(162,099)	7,254,736
Less accumulated depreciation for:				
Sanitary plant	(1,976,922)	(129,780)	-	(2,106,702)
General plant	(170,261)	(13,094)	-	(183,355)
Vehicles	(162,099)	-	162,099	-
Total accumulated depreciation	(2,309,282)	(142,874)	162,099	(2,290,057)
Business-type activity capital assets, net	<u>\$ 5,107,553</u>	<u>\$ (142,874)</u>	<u>\$ -</u>	<u>\$ 4,964,679</u>

Depreciation expense of \$142,874 was charged to the sewer function/program.

**5. INTERFUND TRANSACTIONS**

**Due To and Due From**

The composition of interfund balances as of June 30, 2020, is as follows:

Receivable Fund	Payable Fund	Amount
Major Governmental Funds:	Other Governmental Funds:	
General Fund	Stanton Central Park Maintenance	
	Special Revenue Fund	<u>\$ 26,875</u>

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

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**5. INTERFUND TRANSACTIONS (CONTINUED)**

**Interfund Transfers**

The composition of interfund transfers for the year ended June 30, 2020, is as follows:

Transfers In	Transfers Out	Amount
General Fund	Other Governmental Funds (1)	\$ 383,484
Other Governmental Funds	Other Governmental Funds (2)	140,200
Other Governmental Funds	General Fund (3)	80,939
Internal Service Fund	General Fund (4)	3,735,741
		<u>\$ 4,340,364</u>

During the fiscal year ended June 30, 2020, interfund transfers were made for the following purposes: (1) to provide the General Fund with funding for fire protection services and the senior nutrition program; (2) to fund the Cerritos Avenue Widening Project; (3) to provide funding to the Families and Communities Together (FaCT) Grant Special Revenue Fund for expenditures exceeding the amount funded by the grant; and (4) to transfer the Section 115 trust fund monies to the Employee Benefits Internal Service Fund.

**6. NOTES AND LOANS RECEIVABLE**

The notes and loans receivable balance at June 30, 2020, was as follows:

Stanton Accessible Apartments Construction	\$ 375,688
Housing	99,625
First-Time Home Buyer	40,000
Housing rehabilitation	1,128,000
Employee computer	2,679
Allowance for doubtful accounts	(375,688)
	<u>\$ 1,270,304</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, 2020, was \$375,688, with an allowance for the forgivable amount of \$375,688.

Housing loans receivable of \$99,625 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, 2020, was \$40,000.



**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**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, 2020, 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, 2020, was \$2,679.

**7. LONG-TERM LIABILITIES**

The following is a summary of long-term liability transactions as of June 30, 2020:

**Governmental Activities**

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020	Due Within One Year	Due in More Than One Year
Lease payable - direct borrowing	\$ -	\$ 1,125,000	\$ (55,754)	\$ 1,069,246	\$ 113,734	\$ 955,512
Claims payable	58,996	19,700	(12,145)	66,551	60,117	6,434
Compensated absences	224,919	146,696	(109,947)	261,668	70,502	191,166
Total governmental activities long-term liabilities	<u>\$ 283,915</u>	<u>\$ 1,291,396</u>	<u>\$ (177,846)</u>	<u>\$ 1,397,465</u>	<u>\$ 244,353</u>	<u>\$ 1,153,112</u>

Lease Payable - Direct Borrowing

On September 4, 2019, the City entered into a lease purchase agreement (lease agreement) with Bank of the West to purchase electric streetlights totaling \$1,125,000. The rental term commenced on March 1, 2020 and terminates on September 1, 2028. Base rental payments are to be paid by the City on each March 1 and September 1 in the amount of \$70,660 and consist of principal and interest at a rate of 2.65%. Bank of the West has a first priority security interest in the electric streetlights as security for the loan. This liability is being liquidated from the Other Government Fund Lighting and Maintenance Special Revenue Fund.

As of June 30, 2020, \$1,125,000 of this borrowing in addition to \$888,711 of Other Government Fund Lighting and Maintenance Special Revenue Fund has been expended to purchase the electric streetlights. The asset cost and accumulated depreciation for the corresponding assets for which funds have been spent is \$2,013,711 and \$46,360, respectively. The balance outstanding on the lease payable at June 30, 2020, was \$1,069,246.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**7. LONG-TERM LIABILITIES (CONTINUED)**

**Governmental Activities (Continued)**

Lease Payable - Direct Borrowing (Continued)

Future debt service principal and interest payments on the lease payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 113,734	\$ 27,587	\$ 141,321
2022	116,768	24,553	141,321
2023	119,883	21,438	141,321
2024	123,081	18,240	141,321
2025	126,364	14,957	141,321
2026 - 2029	469,416	25,205	494,621
Total	<u>\$ 1,069,246</u>	<u>\$ 131,980</u>	<u>\$ 1,201,226</u>

Claims Payable

The amount of claims payable for governmental activities at June 30, 2020, was \$66,551. 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 \$261,668 at June 30, 2020. This liability is being liquidated in the Employee Benefits Internal Service Fund.

**Business-Type Activity**

The following is a summary of long-term debt transactions of the business-type activity as of June 30, 2020:

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020	Due Within One Year	Due in More Than One Year
Compensated absences	<u>\$ 2,765</u>	<u>\$ 1,582</u>	<u>\$ (1,333)</u>	<u>\$ 3,014</u>	<u>\$ 647</u>	<u>\$ 2,367</u>

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 \$3,014 at June 30, 2020.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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**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, 2020, 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.

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 - \$250,000	\$250,000 - 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
Property - Flood	\$0 - \$100,000	\$100,000 - \$2,500,000 per claim
Auto Physical Damage:		
All Vehicles	\$0 - \$2,500	\$2,500 - \$100,000,000 per claim
Fire Trucks over \$200,000	\$0 - \$10,000	\$10,000 - \$100,000,000 per claim
Crime	\$0 - \$2,500	\$2,500 - \$3,000,000 per claim
		\$50,000 - \$2,000,000 per claim
Cyber Liability	\$0 - \$50,000	(\$250,000 Privacy Notification Costs)
Deadly Weapon Response	\$0 - \$10,000	\$10,000 - \$500,000 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, 2020, the amount of these liabilities was \$66,551. This liability is the City's best estimate based on available information.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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**8. RISK MANAGEMENT (CONTINUED)**

**Claims Activity (Continued)**

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 2019-2020.

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
2019	\$ 55,827	\$ 30,959	\$ (27,790)	\$ 58,996
2020	58,996	19,700	(12,145)	66,551

**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 \$37,125 to the City of Anaheim for the fiscal year ended June 30, 2020.

**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, 2020, the City paid \$4,756,752 to the Fire Authority.

No determination has been made as to each participant's proportionate share of fund equity as of June 30, 2020. 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.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**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. PEPRAs 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.

The plans' provisions and benefits in effect at the measurement date ended June 30, 2019, are summarized as follows:

	Miscellaneous		
	Tier I On or Prior to August 27, 2011	Tier II After August 27, 2011	Tier III - PEPRAs 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	9.409%	7.634%	6.842%
Payment of unfunded liability	\$ 255,184	\$ 935	\$ 1,593

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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**11. RETIREMENT PLANS (CONTINUED)**

A. General Information about the Pension Plans (Continued)

**Benefits Provided (Continued)**

	Safety
	Closed
Hire date	
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	\$ 559,861

(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.

**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.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
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**11. RETIREMENT PLANS (CONTINUED)**

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

The City's balances for the miscellaneous and safety plans are shown in the Statement of Net Position as follows:

	Governmental Activities	Business-Type Activity	Total
Deferred Outflows of Resources:			
Miscellaneous Plan	\$ 1,214,057	\$ 40,263	\$ 1,254,320
Safety Plan	223,051	-	223,051
Total Deferred Outflows of Resources	<u>\$ 1,437,108</u>	<u>\$ 40,263</u>	<u>\$ 1,477,371</u>
Deferred Inflows of Resources:			
Miscellaneous Plan	\$ (421,988)	\$ (13,995)	\$ (435,983)
Safety Plan	(156,461)	-	(156,461)
Total Deferred Inflows of Resources	<u>\$ (578,449)</u>	<u>\$ (13,995)</u>	<u>\$ (592,444)</u>
Net Pension Liability:			
Miscellaneous Plan	\$ (5,394,616)	\$ (178,909)	\$ (5,573,525)
Safety Plan	(476,073)	-	(476,073)
Total Net Pension Liability	<u>\$ (5,870,689)</u>	<u>\$ (178,909)</u>	<u>\$ (6,049,598)</u>
Pension Expense:			
Miscellaneous Plan	\$ 1,028,899	\$ 34,123	\$ 1,063,022
Safety Plan	650,267	-	650,267
Total Pension Expense	<u>\$ 1,679,166</u>	<u>\$ 34,123</u>	<u>\$ 1,713,289</u>

As of June 30, 2020, the City reported net pension liabilities for its proportionate shares of the net pension liability of each plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 5,573,525
Safety	476,073
Total Net Pension Liability	<u>\$ 6,049,598</u>

The City's net pension liability for each plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the plans is measured as of June 30, 2019, and the total pension liability for each plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018, rolled forward to June 30, 2019, using standard update procedures. The City's 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.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**11. RETIREMENT PLANS (CONTINUED)**

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

The City's proportionate share of the net pension liability for each plan as of the measurement date ended June 30, 2018 and 2019, was as follows:

	<u>Miscellaneous</u>	<u>Safety</u>
Proportion - June 30, 2018	0.13424%	0.09504%
Proportion - June 30, 2019	0.13918%	0.00763%
Change - Increase (Decrease)	0.00494%	-0.08741%

At June 30, 2020, 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	\$ 601,444	\$ -
Differences between actual and expected experience	387,105	(29,993)
Change in assumptions	265,771	(94,214)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	(214,335)
Net differences between projected and actual earnings on plan investments	-	(97,441)
Total	<u>\$ 1,254,320</u>	<u>\$ (435,983)</u>



**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**11. RETIREMENT PLANS (CONTINUED)**

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

	Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 31,083	\$ -
Change in assumptions	19,513	(3,808)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	172,455	(146,104)
Net differences between projected and actual earnings on plan investments	-	(6,549)
Total	<u>\$ 223,051</u>	<u>\$ (156,461)</u>

The amount of \$601,444 in the miscellaneous plan, which is 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, 2021. 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
2021	\$ 272,658	\$ (38,002)
2022	(99,465)	48,585
2023	24,009	54,732
2024	19,691	1,275
2025	-	-
Thereafter	-	-

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
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**11. RETIREMENT PLANS (CONTINUED)**

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

**Actuarial Assumptions**

The total pension liability for the June 30, 2019, measurement period was determined by an actuarial valuation as of June 30, 2018, with update procedures used to roll forward the total pension liability to June 30, 2019. The total pension liability was based on the following assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2018	June 30, 2018
Measurement Date	June 30, 2019	June 30, 2019
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.

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates includes 15 years of projected mortality improvement

(2) using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

(3) The less of contract COLA or 2.50% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.50% thereafter.

**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.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**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 (Continued)**

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

Asset Class (a)	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.

**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.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
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**11. RETIREMENT PLANS (CONTINUED)**

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

**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	\$ 8,719,825	\$ 2,893,239
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 5,573,525	\$ 476,073
1% Increase	8.15%	8.15%
Net Pension Liability (Asset)	\$ 2,976,476	\$ (1,505,624)

**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, 2020, the City had no outstanding amount of contributions to the pension plans required for the year ended June 30, 2020.

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

**A. General Information about the OPEB Plan**

The City provides post-retirement medical benefits to retirees under CalPERS and the California Public Employees Medical and Hospital Care Act (PEMHCA). The City has entered into an agreement with California Employers' Retiree Benefit Trust (CERBT) to prefund the City's net OPEB liability. The program is an agent multiple-employer defined benefit health-care plan that provides health-care insurance for eligible retirees. 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. The plan issues a publicly available financial report that includes financial statements and required supplementary information for the plan. Those reports may be obtained by writing or calling the plans at the following address or telephone number: CalPERS Member Services Division; P.O. Box 942704, Sacramento, CA 94229-2704; 1-888-225-7377.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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

A. General Information about the OPEB Plan

**Employees Covered**

As of the measurement date of June 30, 2019, the following current and former employees were covered by the benefit terms under the plan:

Inactive employees or beneficiaries currently receiving benefits	20
Active employees	<u>33</u>
Total	<u>53</u>

**Contributions**

Contribution requirements are established by City policy and may be amended by the City Council through negotiations with the respective unions. The City contributes the greater of \$215 per month or the PEMHCA minimum. The PEMHCA minimum was \$136 and \$139 for 2019 and 2020, respectively. For the fiscal year ended June 30, 2020, the City did not make any contributions to the plan. The fiduciary net position of the plan was utilized to meet the contribution requirements.

B. Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2019. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

**Actuarial Assumptions**

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and applied to all periods including the measurement, unless otherwise specified:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
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

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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

**B. Net OPEB Liability (Asset) (Continued)**

**Actuarial Assumptions (Continued)**

The actuarial assumptions used in the June 30, 2019 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:

<u>Asset Class</u>	<u>Percentage of Portfolio</u>	<u>Long-Term Expected Real Rate of Return</u>
All equities	40.00%	7.795%
All fixed income	43.00%	4.500%
Real estate investment trusts	8.00%	7.500%
All commodities	4.00%	7.795%
Treasury inflation protected securities	5.00%	3.250%
Total	<u>100.00%</u>	

**Discount Rate**

The discount rate used to measure the total OPEB liability was 6.50%. This is the expected long-term rate of return on City assets using investment strategy 2 within CERBT. The rate used for a funded plan is the real rate of return expected for plan assets plus long-term inflation assumption. This method was used to determine the discount rate assuming that the City's contributions will be made on an ad hoc basis, but in an amount sufficient to fully fund the obligation over a period not to exceed 29 years. 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.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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

C. Changes in the Net OPEB Liability

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

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
<b>Balance at June 30, 2018</b> <b>(Measurement Date)</b>	<u>\$ 529,034</u>	<u>\$ 881,101</u>	<u>\$ (352,067)</u>
<b>Changes in the Year:</b>			
Service cost	11,308	-	11,308
Interest on the total OPEB liability	33,517	-	33,517
Differences between actual and expected experience	124,860	-	124,860
Changes in assumptions	353,544	-	353,544
Net investment income		60,321	(60,321)
Administrative expenses	-	(189)	189
Actual benefit payments	(52,347)	(52,347)	-
Actual minus expected benefit payments	<u>14,271</u>	<u>-</u>	<u>14,271</u>
<b>Net Changes</b>	<u>485,153</u>	<u>7,785</u>	<u>477,368</u>
<b>Balance at June 30, 2019</b> <b>(Measurement Date)</b>	<u><u>\$ 1,014,187</u></u>	<u><u>\$ 888,886</u></u>	<u><u>\$ 125,301</u></u>

**Change of Assumptions**

The implicit rate subsidy that includes using the claims costs or age-adjusted premiums approximating claims costs to determine the plan's liability was utilized for the measurement date June 30, 2019 and was not included in previous valuations.

**Change of Benefit Terms**

There was no change of benefit terms.

**Subsequent Events**

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

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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

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

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

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

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Net OPEB Liability	\$ 233,391	\$ 125,301	\$ 35,209

**Sensitivity of the Net OPEB Liability to Changes in Health-Care Cost Trend Rates**

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using health-care cost trend rates that are one percentage point lower or one percentage point higher 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	\$ 92,818	\$ 125,301	\$ 161,924

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

For the year ended June 30, 2020, the City recognized OPEB expense of \$29,832. At June 30, 2020, 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
Differences between actual and expected experience	\$ 127,239	\$ (10,068)
Change in assumptions	323,327	-
Net differences between projected and actual earnings on OPEB plan investments	-	(3,200)
Total	\$ 450,566	\$ (13,268)



**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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**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
2021	\$ 40,382
2022	40,382
2023	40,382
2024	40,178
2025	41,131
Thereafter	234,843

E. Payable to the OPEB Plan

At June 30, 2020, the City had no outstanding amount of contributions to the OPEB plan as required for the year ended June 30, 2020.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
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**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, 2020, were as follows:

	General Fund	Housing Authority Special Revenue Fund	CARES Act Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>					
Prepaid items	\$ 43,765	\$ -	\$ -	\$ -	\$ 43,765
Notes and loans receivable	102,304	-	-	-	102,304
Total nonspendable	<u>146,069</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>146,069</u>
<b>Restricted for:</b>					
Low- and moderate-income housing	-	16,761,383	-	-	16,761,383
Parks projects	-	-	-	2,034,478	2,034,478
Street lighting and median maintenance	-	-	-	1,322,458	1,322,458
Streets and roads maintenance and capital projects	-	-	-	1,209,661	1,209,661
Public safety program	-	-	-	412,338	412,338
Housing rehabilitation projects for low- and moderate-income persons	-	-	-	260,643	260,643
Pollution remediation	-	-	-	229,948	229,948
New community center	-	-	-	114,313	114,313
New police services facility	-	-	-	103,463	103,463
Fire protection	-	-	-	41,048	41,048
Senior mobility program	-	-	-	37,001	37,001
Gang prevention program	-	-	-	36,724	36,724
Traffic signal projects	-	-	-	36,469	36,469
Disability access program	-	-	-	36,628	36,628
Total restricted	<u>-</u>	<u>16,761,383</u>	<u>-</u>	<u>5,875,172</u>	<u>22,636,555</u>
<b>Committed for:</b>					
Emergency equipment and maintenance	250,000	-	-	-	250,000
Emergency disaster contingency	2,500,000	-	-	-	2,500,000
Capital improvement	7,324,410	-	-	-	7,324,410
Total committed	<u>10,074,410</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,074,410</u>
<b>Assigned for:</b>					
Capital improvement projects	-	-	-	320,739	320,739
Housing and safety element plan update	74,065	-	-	-	74,065
Building permit software	47,500	-	-	-	47,500
Other purposes	2,370	-	-	-	2,370
Total assigned	<u>123,935</u>	<u>-</u>	<u>-</u>	<u>320,739</u>	<u>444,674</u>
<b>Unassigned for:</b>					
Economic uncertainty	4,100,000	-	-	-	4,100,000
Unassigned	6,177,670	-	(9,220)	(32,503)	6,135,947
Total unassigned	<u>10,277,670</u>	<u>-</u>	<u>(9,220)</u>	<u>(32,503)</u>	<u>10,235,947</u>
Total fund balances	<u>\$ 20,622,084</u>	<u>\$ 16,761,383</u>	<u>\$ (9,220)</u>	<u>\$ 6,163,408</u>	<u>\$ 43,537,655</u>

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
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**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, 2020, were as follows:

	Balance at July 1, 2020	Additions	Deletions	Balance at June 30, 2020	Due Within One Year	Due in More Than One Year
Bonds payable:						
Tax allocation bonds (TAB)						
2010 Series A	\$ 11,510,000	\$ -	\$ (425,000)	\$ 11,085,000	\$ 440,000	\$ 10,645,000
Add: Bond premium	1,450	-	(70)	1,380	-	1,380
TAB, 2016 Series A	6,500,000	-	(340,000)	6,160,000	355,000	5,805,000
Add: Bond premium	458,442	-	(30,563)	427,879	-	427,879
TAB, 2016 Series B	12,040,000	-	(645,000)	11,395,000	660,000	10,735,000
Less: Issuance discounts	(78,571)	-	5,238	(73,333)	-	(73,333)
TAB, 2016 Series C	9,695,000	-	-	9,695,000	-	9,695,000
Add: Bond premium	752,082	-	(35,813)	716,269	-	716,269
TAB, 2016 Series D	24,010,000	-	(1,135,000)	22,875,000	1,155,000	21,720,000
Less: Issuance discounts	(472,049)	-	22,479	(449,570)	-	(449,570)
Total bonds payable	<u>\$ 64,416,354</u>	<u>\$ -</u>	<u>\$ (2,583,729)</u>	<u>\$ 61,832,625</u>	<u>\$ 2,610,000</u>	<u>\$ 59,222,625</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, 2035. 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. See pledged revenues disclosure later in this note. 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, 2020, this reserve was fully funded with a balance of \$1,135,000.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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**14. SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Long-Term Liabilities (Continued)**

Tax Allocation Bonds, 2010 Series A (Continued)

The outstanding balance of the bonds was \$11,085,000 at June 30, 2020.

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

Year Ending June 30,	Principal	Interest	Total
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	740,000	372,794	1,112,794
2026-2030	4,190,000	1,377,350	5,567,350
2031-2035	3,390,000	524,081	3,914,081
2036	685,000	15,841	700,841
Total	<u>\$ 11,085,000</u>	<u>\$ 4,018,341</u>	<u>\$ 15,103,341</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. See pledged revenues disclosure later in this note. 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 \$6,160,000 at June 30, 2020.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**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
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	310,000	170,025	480,025
2026-2030	1,810,000	597,875	2,407,875
2031-2035	2,170,000	239,581	2,409,581
2036	470,000	7,244	477,244
Total	<u>\$ 6,160,000</u>	<u>\$ 1,822,775</u>	<u>\$ 7,982,775</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. See pledged revenues disclosure later in this note. 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 \$11,395,000 at June 30, 2020.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**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
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	595,000	333,578	928,578
2026-2030	3,290,000	1,333,788	4,623,788
2031-2035	4,005,000	609,522	4,614,522
2036	900,000	18,563	918,563
Total	<u>\$ 11,395,000</u>	<u>\$ 3,807,689</u>	<u>\$ 15,202,689</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. See pledged revenues disclosure later in this note. 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, 2020.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**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
2021	\$ -	\$ 484,750	\$ 484,750
2022	-	484,750	484,750
2023	-	484,750	484,750
2024	-	484,750	484,750
2025	-	484,750	484,750
2026 - 2030	-	2,423,750	2,423,750
2031 - 2035	-	2,423,750	2,423,750
2036 - 2040	7,560,000	1,691,000	9,251,000
2041	2,135,000	53,375	2,188,375
Total	<u>\$ 9,695,000</u>	<u>\$ 9,015,625</u>	<u>\$ 18,710,625</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. See pledged revenues disclosure later in this note. 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 \$22,875,000 at June 30, 2020.

**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**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
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	1,280,000	687,175	1,967,175
2026-2030	7,075,000	2,722,875	9,797,875
2031-2035	5,615,000	1,412,044	7,027,044
2036-2040	3,400,000	522,962	3,922,962
2041	725,000	15,406	740,406
Total	<u>\$ 22,875,000</u>	<u>\$ 8,459,450</u>	<u>\$ 31,334,450</u>

Issuance Discount

The following is a summary of bond issuance discounts at June 30, 2020:

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
2016B Tax Allocation Bonds	\$ (78,571)	-	\$ 5,238	\$ (73,333)
2016D Tax Allocation Bonds	(472,049)	-	22,479	(449,570)
Total	<u>\$ (550,620)</u>	<u>\$ -</u>	<u>\$ 27,717</u>	<u>\$ (522,903)</u>

Amortization for the year ended June 30, 2020, was \$27,717.

Issuance Premium

The following is a summary of bond issuance premiums at June 30, 2020:

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
2010 Tax Allocation Bonds	\$ 1,450	\$ -	\$ (70)	\$ 1,380
2016A Tax Allocation Bonds	458,442	-	(30,563)	427,879
2016C Tax Allocation Bonds	752,082	-	(35,813)	716,269
Total	<u>\$ 1,211,974</u>	<u>\$ -</u>	<u>\$ (66,446)</u>	<u>\$ 1,145,528</u>

Amortization for the year ended June 30, 2020, was \$66,446.



**CITY OF STANTON**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**14. SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Long-Term Liabilities (Continued)**

Pledged Revenues

The bonds payable are secured by a pledge of RPTTF monies. Pledged revenues and the covered debt service are as follows for the year ended June 30, 2020:

RPTTF Pledged Revenues	<u>\$ 5,200,395</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2010A Tax Allocation Bonds	\$ 425,000	\$ 476,419	\$ 901,419
2016A Tax Allocation Bonds	340,000	228,875	568,875
2016B Tax Allocation Bonds	645,000	417,400	1,062,400
2016C Tax Allocation Bonds	-	484,750	484,750
2016D Tax Allocation Bonds	<u>1,135,000</u>	<u>844,350</u>	<u>1,979,350</u>
Total	<u>\$ 2,545,000</u>	<u>\$ 2,451,794</u>	<u>\$ 4,996,794</u>

**Contribution to Housing Authority**

As of June 30, 2020, the State Department of Finance approved the Successor Agency's last and final recognized obligation payment schedule ("ROPS"). As a result, the remaining 2011 Housing bond proceeds of \$3.4 million were transferred by the Successor Agency to the Authority. These funds were used by the Authority to purchase a number of land parcels for the Tina Way and Pacific Avenue area in accordance with the original bond issuance.

**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.

**15. CONTINGENT LIABILITIES (CONTINUED)**

**COVID-19**

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of an outbreak of a new strain of coronavirus (the “COVID-19 outbreak”) and the risks that is posed to the international community as the virus spread globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic based on the rapid increase in exposure globally.

The City’s operations are heavily dependent on the ability to raise sales taxes, property taxes and transient occupancy taxes and assess business licenses, developer fees and construction permits. Additionally, access to grants and contracts from federal, state, and local governments may decrease or may not be available depending on appropriations. The outbreak may have a continued adverse impact on economic and market conditions, triggering a period of global economic slowdown. This situation is expected to depress the tax bases and other areas in which the City received revenue during fiscal year 2021. The outbreak could also have other potential impacts, including disruptions or restrictions on employees’ ability to work. As such, this may hinder the liability for the City to meet the needs of its constituents. The City cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time; however, if the pandemic continues, it may have an effect on the City’s results of future operations and financial position in fiscal year 2021.

**16. SUBSEQUENT EVENT**

In August 2020, the Successor Agency issued 2020A Tax Allocation Refunding Bonds in the amount of \$7,935,000 to refund the 2010A Tax Allocation Bonds that had an outstanding principal balance as of June 30, 2020 of \$11,085,000. The bonds bear interest at a rate of 4% that is payable on a semi-annual basis beginning June 1, 2021. Principal is payable December 1 of each year beginning June 1, 2021. The bonds mature on December 1, 2035.

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**REQUIRED SUPPLEMENTARY INFORMATION  
(UNAUDITED)**

	Miscellaneous
Fiscal year ended	June 30, 2020
Measurement period	June 30, 2019
Plan's proportion of the net pension liability	0.13918%
Plan's proportionate share of the net pension liability	\$ 5,573,525
Plan's covered payroll	\$ 2,544,215
Plan's proportionate share of the net pension liability as a percentage of covered payroll	219.07%
Plan's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability	75.26%

## 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.

From fiscal year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

\* - Fiscal year 2015 was the 1st year of implementation, therefore only six years are shown.

## Schedule of Proportionate Share of the Net Pension Liability - CalPERS Miscellaneous Pension Plan (Continued)

Last Ten Fiscal Years\*

Fiscal year ended	Miscellaneous				
	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	0.13424%	0.13038%	0.12626%	0.11916%	0.14740%
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 covered payroll	191.30%	234.86%	209.15%	166.10%	193.29%
Plan's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability	75.26%	73.31%	74.06%	82.31%	80.06%

## 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.

From fiscal year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

\* - Fiscal year 2015 was the 1st year of implementation, therefore only six years are shown.

	Miscellaneous
Fiscal year ended	June 30, 2020
Contractually required contribution (actuarially determined)	\$ 601,444
Contributions in relation to the actuarially determined contributions	(601,444)
Contribution deficiency (excess)	\$ -
Covered payroll	\$ 2,740,004
Contributions as a percentage of covered payroll	21.95%

Notes to Schedule:

Valuation Date 6/30/2017

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial cost method	Entry age
Amortization method	(1)
Asset valuation method	Fair Value

Inflation	2.625%
Salary increases	(2)

Investment rate of return	7.25% (3)
Retirement age	(4)
Mortality	(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 are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

\* - Fiscal year 2015 was the 1st year of implementation, therefore only six years are shown.

Fiscal year ended	Miscellaneous				
	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
----------------	-----------	-----------	-----------	-----------	-----------

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Fair Value	Fair Value	Fair Value	Fair 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 are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

\* - Fiscal year 2015 was the 1st year of implementation, therefore only six years are shown.



## Schedule of Proportionate Share of the Net Pension Liability - CalPERS Safety Pension Plan

Last Ten Fiscal Years\*

	Safety
Fiscal year ended	June 30, 2020
Measurement period	June 30, 2019
Plan's proportion of the net pension liability	0.00763%
Plan's proportionate share of the net pension liability	\$ 476,073
Plan's covered payroll	\$ -
Plan's proportionate share of the net pension liability as a percentage of covered payroll	0.00%
Plan's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability	75.26%

## 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.

From fiscal year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

\* - Fiscal year 2015 was the 1st year of implementation, therefore only six years are shown.

## Schedule of Proportionate Share of the Net Pension Liability - CalPERS Safety Pension Plan (Continued)

Last Ten Fiscal Years\*

Fiscal year ended	Safety				
	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	0.09504%	0.09231%	0.09501%	0.09572%	0.08756%
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 covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability	75.26%	73.31%	74.06%	78.40%	81.42%

## 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.

From fiscal year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

\* - Fiscal year 2015 was the 1st year of implementation, therefore only six years are shown.

	Safety
Fiscal year ended	June 30, 2020
Contractually required contribution (actuarially determined)	\$ -
Contributions in relation to the actuarially determined contributions	-
Contribution deficiency (excess)	\$ -
Covered payroll	\$ -
Contributions as a percentage of covered payroll	0.00%

Notes to Schedule:

Valuation Date 6/30/2017

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial cost method	Entry age
Amortization method	(1)
Asset valuation method	Fair Value

Inflation	2.625%
Salary increases	(2)

Investment rate of return	7.25% (3)
Retirement age	(4)
Mortality	(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 are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

\* - Fiscal year 2015 was the 1st year of implementation, therefore only six years are shown.

Fiscal year ended	Safety				
	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution (actuarially determined)	\$ 559,861	\$ 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)	<u>\$ (4,980,681)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered 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
<b>Methods and Assumptions Used to Determine Contribution Rates:</b>					
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Fair Value	Fair Value	Fair Value	Fair 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 are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

\* - Fiscal year 2015 was the 1st year of implementation, therefore only six years are shown.

**Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios**  
**Last Ten Fiscal Years\***

Fiscal year ended	6/30/2020	6/30/2019	6/30/2018
Measurement date	6/30/2019	6/30/2018	6/30/2017
Total OPEB Liability:			
Service cost	\$ 11,308	\$ 11,005	\$ 10,710
Interest on total OPEB liability	33,517	33,513	33,968
Differences between expected and actual experience	124,860	-	-
Changes in assumptions	353,544	-	-
Benefit payments, including refunds of employee contributions	(52,347)	(51,136)	(52,812)
Actual minus expected benefit payments	14,271	-	-
Net Change in Total OPEB Liability	485,153	(6,618)	(8,134)
Total OPEB Liability - Beginning of Year	529,034	535,652	543,786
Total OPEB Liability - End of Year (a)	1,014,187	529,034	535,652
Plan Fiduciary Net Position:			
Contributions - employer	-	-	52,812
Net investment income	60,321	54,438	59,303
Administrative expenses	(189)	(1,623)	(432)
Benefit payments, including refunds of employee contributions	(52,347)	(51,136)	(52,812)
Net Change in Plan Fiduciary Net Position	7,785	1,679	58,871
Plan Fiduciary Net Position - Beginning of Year	881,101	879,422	820,551
Plan Fiduciary Net Position - End of Year (b)	888,886	881,101	879,422
Net OPEB Liability (Asset) - Ending (a)-(b)	\$ 125,301	\$ (352,067)	\$ (343,770)
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	87.65%	166.55%	164.18%
Covered - employee payroll	\$ 2,544,215	\$ 2,644,646	\$ 2,188,343
Net OPEB liability (asset) as percentage of covered - employee payroll	4.92%	-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 for the measurement dates June 30, 2017 and 2018.

The following were the significant changes in assumptions for the measurement date June 30, 2019:

The implicit rate subsidy that includes using the claims costs or age-adjusted premiums approximating claims costs to determine the plan's liability was utilized for the measurement date June 30, 2019 and was not included in previous valuations.

\* Fiscal year 2018 was the first year of implementation and therefore only three years are shown.

City of Stanton  
 Budgetary Comparison Schedule  
 General Fund  
 For the Year Ended June 30, 2020

ATTACHMENT A - Page 119 of 198

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes and assessments	\$ 19,139,800	\$ 19,139,800	\$ 19,320,173	\$ 180,373
Licenses and permits	491,350	491,350	1,132,116	640,766
Intergovernmental	189,524	249,524	580,712	331,188
Charges for services	2,047,010	2,047,010	2,387,016	340,006
Fines and forfeitures	468,900	468,900	411,644	(57,256)
Interest income	200,000	200,000	944,835	744,835
Rental income	77,768	77,768	83,917	6,149
Miscellaneous	2,000	2,000	39,906	37,906
<b>Total revenues</b>	<u>22,616,352</u>	<u>22,676,352</u>	<u>24,900,319</u>	<u>2,223,967</u>
<b>EXPENDITURES:</b>				
Current:				
General government	2,582,386	3,199,461	2,608,693	590,768
Public safety	16,747,136	16,747,136	16,442,975	304,161
Community development	1,483,632	1,494,632	1,537,183	(42,551)
Public works	571,189	561,453	519,900	41,553
Culture and recreation	1,179,180	1,277,607	1,142,151	135,456
Capital outlay	-	960,000	907,748	52,252
<b>Total expenditures</b>	<u>22,563,523</u>	<u>24,240,289</u>	<u>23,158,650</u>	<u>1,081,639</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>52,829</u>	<u>(1,563,937)</u>	<u>1,741,669</u>	<u>3,305,606</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	380,000	380,000	383,484	3,484
Transfers out	(76,000)	(3,811,740)	(3,816,680)	(4,940)
<b>Total other financing sources (uses)</b>	<u>304,000</u>	<u>(3,431,740)</u>	<u>(3,433,196)</u>	<u>(1,456)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 356,829</u>	<u>\$ (4,995,677)</u>	<u>(1,691,527)</u>	<u>\$ 3,304,150</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>22,313,611</u>	
End of year			<u>\$ 20,622,084</u>	

City of Stanton  
 Budgetary Comparison Schedule  
 Housing Authority Special Revenue Fund  
 For the Year Ended June 30, 2020

ATTACHMENT A - Page 120 of 198

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Interest income	\$ 200,000	\$ 200,000	\$ 422,084	\$ 222,084
Rental income	420,000	420,000	553,759	133,759
Gain from sale of land held for resale	-	-	-	-
Miscellaneous	5,500	5,500	12,733	7,233
Contribution from Successor Agency	-	-	3,377,369	3,377,369
<b>Total revenues</b>	<u>625,500</u>	<u>625,500</u>	<u>4,365,945</u>	<u>3,740,445</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	797,799	807,799	774,103	33,696
Public works	-	-	1,750	(1,750)
Capital outlay	<u>17,500,000</u>	<u>17,500,000</u>	<u>7,408,945</u>	<u>10,091,055</u>
<b>Total expenditures</b>	<u>18,297,799</u>	<u>18,307,799</u>	<u>8,184,798</u>	<u>10,123,001</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (17,672,299)</u>	<u>\$ (17,682,299)</u>	(3,818,853)	<u>\$ 13,863,446</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>20,580,236</u>	
End of year			<u>\$ 16,761,383</u>	

**CITY OF STANTON****Note to Required Supplementary Information****June 30, 2020**

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***1. BUDGET AND BUDGETARY ACCOUNTING***

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 2.08.050, to prepare and submit to the City Council the annual 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 CARES Act Special Revenue Major Fund and the following other Governmental Funds: CalGRIP Grant Special Revenue Fund and Certified Access Specialist Program (CASP) Special Revenue Fund.



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**SUPPLEMENTARY INFORMATION**

## 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.

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

***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.

***Families and Communities Together (FaCT) 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.

***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.

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

***Certified Access Specialist Program (CASP)*** - To account for the state-mandated \$4 fee that is required by Senate Bill 1186 to be collected with each business license issued by the City in order to fund certified access specialist programs.

**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.

	Special Revenue Funds		
	Gas Tax	Protective Services	Lighting and Median Maintenance
<b>ASSETS</b>			
Cash and investments	\$ 179,594	\$ 34,306	\$ 1,364,244
Receivables:			
Interest	397	-	3,806
Taxes	-	8,055	9,249
Due from other governments	79,531		-
<b>Total assets</b>	<b>\$ 259,522</b>	<b>\$ 42,361</b>	<b>\$ 1,377,299</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 34,605	\$ 1,313	\$ 54,841
Accrued liabilities	7,550	-	-
Due to other funds	-	-	-
<b>Total liabilities</b>	<b>42,155</b>	<b>1,313</b>	<b>54,841</b>
Deferred Inflows of Resources:			
Unavailable revenues	-	-	-
<b>Total liabilities and deferred inflows of resources</b>	<b>42,155</b>	<b>1,313</b>	<b>54,841</b>
Fund Balances (Deficits):			
Restricted	217,367	41,048	1,322,458
Assigned	-	-	-
Unassigned	-	-	-
<b>Total fund balances (deficits)</b>	<b>217,367</b>	<b>41,048</b>	<b>1,322,458</b>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<b>\$ 259,522</b>	<b>\$ 42,361</b>	<b>\$ 1,377,299</b>

Special Revenue Funds (Continued)					
Supplemental Law Enforcement Program	Air Quality Improvement Program	FaCT Grant	CalGRIP Grant	Senior Transportation	Measure M
\$ 411,288	\$ 217,068	\$ 38,648	\$ 36,615	\$ 33,654	\$ 474,544
1,050	578	-	109	-	650
-	-	-	-	-	-
56,727	12,302		-	4,189	63,056
<u>\$ 469,065</u>	<u>\$ 229,948</u>	<u>\$ 38,648</u>	<u>\$ 36,724</u>	<u>\$ 37,843</u>	<u>\$ 538,250</u>
\$ -	\$ -	\$ 31,794	\$ -	\$ -	\$ -
-	-	6,854	-	842	-
-	-	-	-	-	-
-	-	38,648	-	842	-
56,727	-	-	-	-	-
56,727	-	38,648	-	842	-
412,338	229,948	-	36,724	37,001	538,250
-	-	-	-	-	-
-	-	-	-	-	-
412,338	229,948	-	36,724	37,001	538,250
<u>\$ 469,065</u>	<u>\$ 229,948</u>	<u>\$ 38,648</u>	<u>\$ 36,724</u>	<u>\$ 37,843</u>	<u>\$ 538,250</u>

Special Revenue Funds (Continued)			
	PSTF	Development Impact Fees	RMRA
<b>ASSETS</b>			
Cash and investments	\$ 40,611	\$ 276,101	\$ 326,407
Receivables:			
Interest	-	1,013	807
Taxes	-	-	-
Due from other governments	-	-	103,961
<b>Total assets</b>	<u>\$ 40,611</u>	<u>\$ 277,114</u>	<u>\$ 431,175</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 40,611	\$ -	\$ -
Accrued liabilities	-	-	-
Due to other funds	-	-	-
<b>Total liabilities</b>	<u>40,611</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:			
Unavailable revenues	-	-	-
<b>Total liabilities and deferred inflows of resources</b>	<u>40,611</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficits):			
Restricted	-	277,114	431,175
Assigned	-	-	-
Unassigned	-	-	-
<b>Total fund balances (deficits)</b>	<u>-</u>	<u>277,114</u>	<u>431,175</u>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<u>\$ 40,611</u>	<u>\$ 277,114</u>	<u>\$ 431,175</u>

Special Revenue Funds (Continued)			Capital Projects Funds		Total Other Governmental Funds
Stanton Central Park Maintenance	CDBG	CASP	Capital Improvements	Park and Recreation Facilities	
\$ -	\$ 259,920	\$ 36,628	\$ 319,638	\$ 2,030,162	\$ 6,079,428
-	723	-	1,101	4,316	14,550
-	-	-	-	-	17,304
-	-	-	-	-	319,766
<u>\$ -</u>	<u>\$ 260,643</u>	<u>\$ 36,628</u>	<u>\$ 320,739</u>	<u>\$ 2,034,478</u>	<u>\$ 6,431,048</u>
\$ 5,628	\$ -	\$ -	\$ -	\$ -	\$ 168,792
-	-	-	-	-	15,246
26,875	-	-	-	-	26,875
<u>32,503</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>210,913</u>
-	-	-	-	-	56,727
<u>32,503</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>267,640</u>
-	260,643	36,628	-	2,034,478	5,875,172
-	-	-	320,739	-	320,739
(32,503)	-	-	-	-	(32,503)
<u>(32,503)</u>	<u>260,643</u>	<u>36,628</u>	<u>320,739</u>	<u>2,034,478</u>	<u>6,163,408</u>
<u>\$ -</u>	<u>\$ 260,643</u>	<u>\$ 36,628</u>	<u>\$ 320,739</u>	<u>\$ 2,034,478</u>	<u>\$ 6,431,048</u>



## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

## Other Governmental Funds

For the Year Ended June 30, 2020

	Special Revenue Funds		
	Gas Tax	Protective Services	Lighting and Median Maintenance
<b>REVENUES:</b>			
Taxes and assessments	\$ 593,351	\$ -	\$ 573,058
Intergovernmental	325,455	-	1,141
Charges for services	-	382,220	205,075
Interest income	5,329	-	51,457
Miscellaneous	-	-	103,320
<b>Total revenues</b>	<b>924,135</b>	<b>382,220</b>	<b>934,051</b>
<b>EXPENDITURES:</b>			
Current:			
Public safety	-	6,138	618,162
Public works	905,530	-	-
Culture and recreation	-	-	-
Capital outlay	127,298	-	2,013,711
Debt service:			
Principal retirement	-	-	55,754
Interest and fiscal charges	-	-	14,906
<b>Total expenditures</b>	<b>1,032,828</b>	<b>6,138</b>	<b>2,702,533</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(108,693)</b>	<b>376,082</b>	<b>(1,768,482)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Proceeds from long-term debt	-	-	1,125,000
Transfers in	140,200	-	-
Transfers out	-	(380,000)	-
<b>Total other financing sources (uses)</b>	<b>140,200</b>	<b>(380,000)</b>	<b>1,125,000</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>31,507</b>	<b>(3,918)</b>	<b>(643,482)</b>
<b>FUND BALANCES (DEFICITS):</b>			
Beginning of year	185,860	44,966	1,965,940
End of year	<u>\$ 217,367</u>	<u>\$ 41,048</u>	<u>\$ 1,322,458</u>

Special Revenue Funds (Continued)					
Supplemental Law Enforcement Program	Air Quality Improvement Program	FaCT Grant	CalGRIP Grant	Senior Transportation	Measure M
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
442,927	49,707	291,943	-	46,113	683,958
-	-	-	-	-	-
14,080	7,744	-	1,456	-	8,721
-	5,258	-	-	-	-
457,007	62,709	291,943	1,456	46,113	692,679
14,359	-	-	2,251	-	-
-	2,130	-	-	-	1,340
-	-	358,817	-	15,179	-
30,310	61,747	-	-	-	550,000
-	-	-	-	-	-
-	-	-	-	-	-
44,669	63,877	358,817	2,251	15,179	551,340
412,338	(1,168)	(66,874)	(795)	30,934	141,339
-	-	-	-	-	-
-	-	80,939	-	-	-
-	-	-	-	(3,484)	-
-	-	80,939	-	(3,484)	-
412,338	(1,168)	14,065	(795)	27,450	141,339
-	231,116	(14,065)	37,519	9,551	396,911
\$ 412,338	\$ 229,948	\$ -	\$ 36,724	\$ 37,001	\$ 538,250

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances, Continued

## Other Governmental Funds

For the Year Ended June 30, 2020

	Special Revenue Funds (Continued)		
	PSTF	Development Impact Fees	RMRA
<b>REVENUES:</b>			
Taxes and assessments	\$ -	\$ -	\$ 680,792
Intergovernmental	633,333	-	-
Charges for services	-	142,034	-
Interest income	-	13,570	10,815
Miscellaneous	-	-	-
<b>Total revenues</b>	<u>633,333</u>	<u>155,604</u>	<u>691,607</u>
<b>EXPENDITURES:</b>			
Current:			
Public safety	617,458	-	-
Public works	-	-	-
Culture and recreation	-	-	-
Capital outlay	32,408	-	629,880
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total expenditures</b>	<u>649,866</u>	<u>-</u>	<u>629,880</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(16,533)</u>	<u>155,604</u>	<u>61,727</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Proceeds from long-term debt	-	-	-
Transfers in	-	-	-
Transfers out	-	(140,200)	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(140,200)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(16,533)</u>	<u>15,404</u>	<u>61,727</u>
<b>FUND BALANCES (DEFICITS):</b>			
Beginning of year	<u>16,533</u>	<u>261,710</u>	<u>369,448</u>
End of year	<u>\$ -</u>	<u>\$ 277,114</u>	<u>\$ 431,175</u>

Special Revenue Funds (Continued)			Capital Projects Funds		Total Other Governmental Funds
Stanton Central Park Maintenance	CDBG	CASP	Capital Improvements	Park and Recreation Facilities	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,847,201
-	-	-	-	-	2,474,577
-	-	36,628	-	1,291,683	2,057,640
-	9,698	-	14,764	57,876	195,510
50,000	-	-	-	-	158,578
50,000	9,698	36,628	14,764	1,349,559	6,733,506
-	-	-	-	-	1,258,368
-	-	-	46,835	-	955,835
67,321	-	-	-	19,964	461,281
-	-	-	60,000	-	3,505,354
-	-	-	-	-	55,754
-	-	-	-	-	14,906
67,321	-	-	106,835	19,964	6,251,498
(17,321)	9,698	36,628	(92,071)	1,329,595	482,008
-	-	-	-	-	1,125,000
-	-	-	-	-	221,139
-	-	-	-	-	(523,684)
-	-	-	-	-	822,455
(17,321)	9,698	36,628	(92,071)	1,329,595	1,304,463
(15,182)	250,945	-	412,810	704,883	4,858,945
<u>\$ (32,503)</u>	<u>\$ 260,643</u>	<u>\$ 36,628</u>	<u>\$ 320,739</u>	<u>\$ 2,034,478</u>	<u>\$ 6,163,408</u>

## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

## Gas Tax Special Revenue Fund

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes and assessments	\$ 661,388	\$ 661,388	\$ 593,351	\$ (68,037)
Intergovernmental	381,138	381,138	325,455	(55,683)
Interest income	10,000	10,000	5,329	(4,671)
<b>Total revenues</b>	<u>1,052,526</u>	<u>1,052,526</u>	<u>924,135</u>	<u>(128,391)</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	1,179,241	1,365,709	905,530	460,179
Capital outlay	<u>127,298</u>	<u>127,298</u>	<u>127,298</u>	<u>-</u>
<b>Total expenditures</b>	<u>1,306,539</u>	<u>1,493,007</u>	<u>1,032,828</u>	<u>460,179</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(254,013)</u>	<u>(440,481)</u>	<u>(108,693)</u>	<u>331,788</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	-	140,200	140,200	-
<b>Total other financing sources</b>	<u>-</u>	<u>140,200</u>	<u>140,200</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (254,013)</u>	<u>\$ (300,281)</u>	<u>31,507</u>	<u>\$ 331,788</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>185,860</u>	
End of year			<u>\$ 217,367</u>	

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

## Protective Services Special Revenue Fund

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Charges for services	\$ 380,000	\$ 380,000	\$ 382,220	\$ 2,220
<b>Total revenues</b>	<u>380,000</u>	<u>380,000</u>	<u>382,220</u>	<u>2,220</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	<u>3,750</u>	<u>6,375</u>	<u>6,138</u>	<u>237</u>
<b>Total expenditures</b>	<u>3,750</u>	<u>6,375</u>	<u>6,138</u>	<u>237</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>376,250</u>	<u>373,625</u>	<u>376,082</u>	<u>2,457</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	<u>(380,000)</u>	<u>(380,000)</u>	<u>(380,000)</u>	<u>-</u>
<b>Total other financing uses</b>	<u>(380,000)</u>	<u>(380,000)</u>	<u>(380,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (3,750)</u>	<u>\$ (6,375)</u>	<u>(3,918)</u>	<u>\$ 2,457</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>44,966</u>	
End of year			<u>\$ 41,048</u>	

## 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, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes and assessments	\$ 544,084	\$ 544,084	\$ 573,058	\$ 28,974
Intergovernmental	1,400	1,400	1,141	(259)
Charges for services	197,000	197,000	205,075	8,075
Interest income	25,000	25,000	51,457	26,457
Miscellaneous	-	-	103,320	103,320
<b>Total revenues</b>	<u>767,484</u>	<u>767,484</u>	<u>934,051</u>	<u>166,567</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	830,740	847,141	618,162	228,979
Capital outlay	800,000	940,690	2,013,711	(1,073,021)
Debt service:				
Principal retirement	-	-	55,754	(55,754)
Interest and fiscal charges	-	-	14,906	(14,906)
<b>Total expenditures</b>	<u>1,630,740</u>	<u>1,787,831</u>	<u>2,702,533</u>	<u>(914,702)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (863,256)</u>	<u>\$ (1,020,347)</u>	<u>(1,768,482)</u>	<u>\$ (748,135)</u>
<b>OTHER FINANCING SOURCES:</b>				
Proceeds from long-term debt	-	-	1,125,000	1,125,000
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>1,125,000</u>	<u>1,125,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (863,256)</u>	<u>\$ (1,020,347)</u>	<u>(643,482)</u>	<u>\$ 376,865</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>1,965,940</u>	
End of year			<u>\$ 1,322,458</u>	

## 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, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Intergovernmental	\$ 250,000	\$ 250,000	\$ 442,927	\$ 192,927
Interest income	-	-	14,080	14,080
<b>Total revenues</b>	<u>250,000</u>	<u>250,000</u>	<u>457,007</u>	<u>207,007</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	250,000	250,000	14,359	235,641
Capital outlay	-	30,310	30,310	-
<b>Total expenditures</b>	<u>250,000</u>	<u>280,310</u>	<u>44,669</u>	<u>235,641</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ (30,310)</u>	412,338	<u>\$ 442,648</u>
<b>FUND BALANCE:</b>				
Beginning of year			-	
End of year			<u>\$ 412,338</u>	



## 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, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Intergovernmental	\$ 50,000	\$ 50,000	\$ 49,707	\$ (293)
Interest income	-	-	7,744	7,744
Miscellaneous	-	-	5,258	5,258
<b>Total revenues</b>	<u>50,000</u>	<u>50,000</u>	<u>62,709</u>	<u>12,709</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	3,800	3,800	2,130	1,670
Capital outlay	<u>100,000</u>	<u>100,000</u>	<u>61,747</u>	<u>38,253</u>
<b>Total expenditures</b>	<u>103,800</u>	<u>103,800</u>	<u>63,877</u>	<u>39,923</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (53,800)</u>	<u>\$ (53,800)</u>	(1,168)	<u>\$ 52,632</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>231,116</u>	
End of year			<u>\$ 229,948</u>	

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

## Families and Communities Together (FaCT) Grant Special Revenue Fund

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Intergovernmental	\$ 300,000	\$ 300,000	\$ 291,943	\$ (8,057)
<b>Total revenues</b>	<u>300,000</u>	<u>300,000</u>	<u>291,943</u>	<u>(8,057)</u>
<b>EXPENDITURES:</b>				
Current:				
Culture and recreation	<u>375,676</u>	<u>375,676</u>	<u>358,817</u>	<u>16,859</u>
<b>Total expenditures</b>	<u>375,676</u>	<u>375,676</u>	<u>358,817</u>	<u>16,859</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(75,676)</u>	<u>(75,676)</u>	<u>(66,874)</u>	<u>8,802</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	<u>76,000</u>	<u>76,000</u>	<u>80,939</u>	<u>4,939</u>
<b>Total other financing sources</b>	<u>76,000</u>	<u>76,000</u>	<u>80,939</u>	<u>4,939</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 324</u>	<u>\$ 324</u>	<u>14,065</u>	<u>\$ 13,741</u>
<b>FUND BALANCE (DEFICIT):</b>				
Beginning of year			<u>(14,065)</u>	
End of year			<u>\$ -</u>	

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

## Senior Transportation Special Revenue Fund

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Intergovernmental	\$ 52,000	\$ 52,000	\$ 46,113	\$ (5,887)
<b>Total revenues</b>	<u>52,000</u>	<u>52,000</u>	<u>46,113</u>	<u>(5,887)</u>
<b>EXPENDITURES:</b>				
Current:				
Culture and recreation	<u>52,707</u>	<u>52,707</u>	<u>15,179</u>	<u>37,528</u>
<b>Total expenditures</b>	<u>52,707</u>	<u>52,707</u>	<u>15,179</u>	<u>37,528</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(707)</u>	<u>(707)</u>	<u>30,934</u>	<u>31,641</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	<u>-</u>	<u>-</u>	<u>(3,484)</u>	<u>(3,484)</u>
<b>Total other financing uses</b>	<u>-</u>	<u>-</u>	<u>(3,484)</u>	<u>(3,484)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (707)</u>	<u>\$ (707)</u>	<u>27,450</u>	<u>\$ 28,157</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>9,551</u>	
End of year			<u>\$ 37,001</u>	

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

## Measure M Special Revenue Fund

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Intergovernmental	\$ 500,000	\$ 500,000	\$ 683,958	\$ 183,958
Interest income	10,000	10,000	8,721	(1,279)
<b>Total revenues</b>	<u>510,000</u>	<u>510,000</u>	<u>692,679</u>	<u>182,679</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	-	4,458	1,340	3,118
Capital outlay	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>	<u>-</u>
<b>Total expenditures</b>	<u>550,000</u>	<u>554,458</u>	<u>551,340</u>	<u>3,118</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (40,000)</u>	<u>\$ (44,458)</u>	141,339	<u>\$ 185,797</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>396,911</u>	
End of year			<u>\$ 538,250</u>	

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

## Public Safety Task Force (PSTF) Special Revenue Fund

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Intergovernmental	\$ 633,333	\$ 633,333	\$ 633,333	\$ -
<b>Total revenues</b>	<u>633,333</u>	<u>633,333</u>	<u>633,333</u>	<u>-</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	600,925	606,034	617,458	(11,424)
Capital outlay	<u>32,408</u>	<u>32,408</u>	<u>32,408</u>	<u>-</u>
<b>Total expenditures</b>	<u>633,333</u>	<u>638,442</u>	<u>649,866</u>	<u>(11,424)</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>\$ -</u>	<u>\$ (5,109)</u>	(16,533)	<u>\$ (11,424)</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>16,533</u>	
End of year			<u>\$ -</u>	

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

## Development Impact Fees Special Revenue Fund

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Charges for services	\$ 407,012	\$ 407,012	\$ 142,034	\$ (264,978)
Interest income	-	-	13,570	13,570
<b>Total revenues</b>	<u>\$ 407,012</u>	<u>\$ 407,012</u>	155,604	<u>\$ (251,408)</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	-	(140,200)	(140,200)	-
<b>Total other financing uses</b>	<u>-</u>	<u>(140,200)</u>	<u>(140,200)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 407,012</u>	<u>\$ 266,812</u>	15,404	<u>\$ (251,408)</u>
<b>FUND BALANCE:</b>				
Beginning of year			261,710	
End of year			<u>\$ 277,114</u>	

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

## Road Maintenance and Rehabilitation Account (RMRA) Special Revenue Fund

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Intergovernmental	\$ 653,293	\$ 653,293	\$ 680,792	\$ 27,499
Interest income	-	-	10,815	10,815
<b>Total revenues</b>	<u>653,293</u>	<u>653,293</u>	<u>691,607</u>	<u>38,314</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>650,000</u>	<u>696,192</u>	<u>629,880</u>	<u>66,312</u>
<b>Total expenditures</b>	<u>650,000</u>	<u>696,192</u>	<u>629,880</u>	<u>66,312</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ 3,293</u>	<u>\$ (42,899)</u>	<u>61,727</u>	<u>\$ 104,626</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>369,448</u>	
End of year			<u>\$ 431,175</u>	

## 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, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Miscellaneous	\$ 75,000	\$ 75,000	\$ 50,000	\$ (25,000)
<b>Total revenues</b>	<u>75,000</u>	<u>75,000</u>	<u>50,000</u>	<u>(25,000)</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	<u>68,000</u>	<u>68,000</u>	<u>67,321</u>	<u>679</u>
<b>Total expenditures</b>	<u>68,000</u>	<u>68,000</u>	<u>67,321</u>	<u>679</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>7,000</u>	<u>7,000</u>	<u>(17,321)</u>	<u>(24,321)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 7,000</u>	<u>\$ 7,000</u>	<u>(17,321)</u>	<u>\$ (24,321)</u>
<b>FUND BALANCE (DEFICIT):</b>				
Beginning of year			<u>(15,182)</u>	
End of year			<u>\$ (32,503)</u>	



## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

## Community Development Block Grant (CDBG) Special Revenue Fund

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Intergovernmental	\$ 100,000	\$ 100,000	\$ -	\$ (100,000)
Interest income	3,000	3,000	9,698	6,698
<b>Total revenues</b>	<u>103,000</u>	<u>103,000</u>	<u>9,698</u>	<u>(93,302)</u>
<b>EXPENDITURES</b>				
Capital outlay	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>
<b>Total expenditures</b>	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (47,000)</u>	<u>\$ (47,000)</u>	9,698	<u>\$ 56,698</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>250,945</u>	
End of year			<u>\$ 260,643</u>	

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

## Capital Improvements Capital Projects Fund

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Interest income	\$ 10,000	\$ 10,000	\$ 14,764	\$ 4,764
<b>Total revenues</b>	<u>10,000</u>	<u>10,000</u>	<u>14,764</u>	<u>4,764</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	75,000	75,000	46,835	28,165
Capital outlay	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>-</u>
<b>Total expenditures</b>	<u>135,000</u>	<u>135,000</u>	<u>106,835</u>	<u>28,165</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (125,000)</u>	<u>\$ (125,000)</u>	(92,071)	<u>\$ 32,929</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>412,810</u>	
End of year			<u>\$ 320,739</u>	

## 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, 2020

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES:</b>				
Charges for services	\$ 3,908,588	\$ 3,908,588	\$ 1,291,683	\$ (2,616,905)
Interest income	-	-	57,876	57,876
<b>Total revenues</b>	<u>3,908,588</u>	<u>3,908,588</u>	<u>1,349,559</u>	<u>(2,559,029)</u>
<b>EXPENDITURES:</b>				
Current:				
Culture and recreation	<u>300,000</u>	<u>300,000</u>	<u>19,964</u>	<u>280,036</u>
<b>Total expenditures</b>	<u>300,000</u>	<u>300,000</u>	<u>19,964</u>	<u>280,036</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ 3,608,588</u>	<u>\$ 3,608,588</u>	<u>1,329,595</u>	<u>\$ (2,278,993)</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>704,883</u>	
End of year			<u>\$ 2,034,478</u>	

**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.

	Workers' Compensation	Liability/ Risk Management
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		
Current assets:		
Cash and investments	\$ 466,154	\$ 170,818
Restricted cash and investments held in pension trust	-	-
Receivables:		
Accounts Receivable	-	-
Interest	1,387	410
Prepays	-	-
Due from other governments	243,561	14,119
<b>Total assets</b>	<b>711,102</b>	<b>185,347</b>
Deferred Outflows of Resources:		
Deferred amount from pension plans	-	-
<b>Total deferred outflows of resources</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>		
Current liabilities:		
Account payable	-	-
Accrued liabilities	-	-
Claims and judgments payable	27,808	32,309
Compensated absences payable	-	-
<b>Total current liabilities</b>	<b>27,808</b>	<b>32,309</b>
Noncurrent liabilities:		
Claims and judgments payable	4,819	1,615
Compensated absences payable	-	-
Net pension liability	-	-
<b>Total noncurrent liabilities</b>	<b>4,819</b>	<b>1,615</b>
<b>Total liabilities</b>	<b>32,627</b>	<b>33,924</b>
Deferred Inflows of Resources:		
Deferred amounts from pension plans	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>
<b>NET POSITION</b>		
Restricted for pension benefits	-	-
Unrestricted	678,475	151,423
<b>Total net position</b>	<b>\$ 678,475</b>	<b>\$ 151,423</b>

Employee Benefits	Fleet Maintenance	Total
\$ 255,672	\$ 476,213	\$ 1,368,857
3,860,442	-	3,860,442
-	3,275	3,275
681	1,337	3,815
3,980	-	3,980
-	-	257,680
4,120,775	480,825	5,498,049
1,437,108	-	1,437,108
1,437,108	-	1,437,108
1,378	10,898	12,276
-	747	747
-	-	60,117
69,493	1,009	70,502
70,871	12,654	143,642
-	-	6,434
191,166	-	191,166
5,870,689	-	5,870,689
6,061,855	-	6,068,289
6,132,726	12,654	6,211,931
578,449	-	578,449
578,449	-	578,449
3,860,442	-	3,860,442
(5,013,734)	468,171	(3,715,665)
\$ (1,153,292)	\$ 468,171	\$ 144,777

	Workers' Compensation	Liability/ Risk Management
<b>OPERATING REVENUES:</b>		
Charges for services	\$ 145,843	\$ 172,852
<b>Total operating revenues</b>	<u>145,843</u>	<u>172,852</u>
<b>OPERATING EXPENSES:</b>		
Equipment maintenance and operation	-	-
Administrative and personnel services	-	-
Insurance premiums and claims	265,059	212,034
Contractual services	<u>12,500</u>	<u>12,500</u>
<b>Total operating expenses</b>	<u>277,559</u>	<u>224,534</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(131,716)</u>	<u>(51,682)</u>
<b>NONOPERATING REVENUES:</b>		
Interest income	18,597	10,857
Gain on sale of capital assets	<u>-</u>	<u>-</u>
<b>Total nonoperating revenues</b>	<u>18,597</u>	<u>10,857</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<u>(113,119)</u>	<u>(40,825)</u>
<b>TRANSFERS:</b>		
Transfers in	<u>-</u>	<u>-</u>
<b>Total transfers</b>	<u>-</u>	<u>-</u>
<b>CHANGES IN NET POSITION</b>	<u>(113,119)</u>	<u>(40,825)</u>
<b>NET POSITION:</b>		
Beginning of year	<u>791,594</u>	<u>192,248</u>
End of year	<u>\$ 678,475</u>	<u>\$ 151,423</u>

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Employee Benefits	Fleet Maintenance	Total
\$ 526,518	\$ 114,689	\$ 959,902
526,518	114,689	959,902
-	52,973	52,973
5,645,999	34,757	5,680,756
-	1,207	478,300
7,101	-	32,101
5,653,100	88,937	6,244,130
(5,126,582)	25,752	(5,284,228)
133,838	17,921	181,213
-	7,592	7,592
133,838	25,513	188,805
(4,992,744)	51,265	(5,095,423)
3,735,741	-	3,735,741
3,735,741	-	3,735,741
(1,257,003)	51,265	(1,359,682)
103,711	416,906	1,504,459
\$ (1,153,292)	\$ 468,171	\$ 144,777



	Workers' Compensation	Liability/ Risk Management
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers	\$ 278,917	\$ 178,203
Cash paid to other suppliers of goods or services	(289,704)	(204,835)
Cash paid to employees for salaries and wages	-	-
Net cash provided by (used in) operating activities	(10,787)	(26,632)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Cash received from other funds	-	-
Net cash provided by noncapital financing activities	-	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Proceeds from sale of capital assets	-	-
Net cash provided by capital and related financing activities	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest income received	17,481	10,539
Net cash provided by investing activities	17,481	10,539
Net increase (decrease) in cash and cash equivalents	6,694	(16,093)
<b>CASH AND CASH EQUIVALENTS:</b>		
Beginning of the year	459,460	186,911
End of the year	\$ 466,154	\$ 170,818
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ (131,716)	\$ (51,682)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	-	-
(Increase) decrease in prepaid expenses	-	-
(Increase) decrease in due from other governments	133,074	5,351
(Increase) decrease in deferred outflows of resources from pension plans	-	-
Increase (decrease) in accounts payable	-	-
Increase (decrease) in accrued liabilities	-	-
Increase (decrease) in claims and judgments payable	(11,981)	19,699
Increase (decrease) in compensated absences payable	(164)	-
Increase (decrease) in net pension liability	-	-
Increase (decrease) in deferred inflows of resources from pension plans	-	-
Net cash provided by (used in) operating activities	\$ (10,787)	\$ (26,632)
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION:</b>		
Cash and investments	\$ 466,154	\$ 170,818
Restricted cash and investments held in pension trust	-	-
Total cash and cash equivalents	\$ 466,154	\$ 170,818

Employee Benefits	Fleet Maintenance	Total
\$ 526,518	\$ 111,414	\$ 1,095,052
(10,721)	(43,460)	(548,720)
(597,517)	(34,196)	(631,713)
(81,720)	33,758	(85,381)
3,735,741	-	3,735,741
3,735,741	-	3,735,741
-	7,592	7,592
-	7,592	7,592
133,349	16,807	178,176
133,349	16,807	178,176
3,787,370	58,157	3,836,128
328,744	418,056	1,393,171
\$ 4,116,114	\$ 476,213	\$ 5,229,299
\$ (5,126,582)	\$ 25,752	\$ (5,284,228)
-	(3,275)	(3,275)
(3,980)	-	(3,980)
-	-	138,425
(1,437,108)	-	(1,437,108)
361	10,720	11,081
-	262	262
-	-	7,718
36,451	299	36,586
5,870,689	-	5,870,689
578,449	-	578,449
\$ (81,720)	\$ 33,758	\$ (85,381)
\$ 255,672	\$ 476,213	\$ 1,368,857
3,860,442	-	3,860,442
\$ 4,116,114	\$ 476,213	\$ 5,229,299

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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.

	Successor Agency to the Stanton Redevelopment Agency Private-Purpose Trust Fund	NOCPTF Private-Purpose Trust Fund	Total
<b>ASSETS AND DEFERRED OUTFLOW OF RESOURCES</b>			
Current assets:			
Cash and investments	\$ 2,126,190	\$ 750,229	\$ 2,876,419
Interest receivable	3,856	-	3,856
Due from other governments	-	36,750	36,750
Restricted assets:			
Cash held by fiscal agent	4,296,361	-	4,296,361
<b>Total assets</b>	<u>6,426,407</u>	<u>786,979</u>	<u>7,213,386</u>
Deferred outflow of resources:			
Deferred amount on refunding	8,434,255	-	8,434,255
<b>Total deferred outflow of resources</b>	<u>8,434,255</u>	<u>-</u>	<u>8,434,255</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 4,250	\$ 482,161	\$ 486,411
Accrued liabilities	2,265	-	2,265
Interest payable	191,645	-	191,645
Bonds payable - current portion	2,610,000	-	2,610,000
Total current liabilities	<u>2,808,160</u>	<u>482,161</u>	<u>3,290,321</u>
Long-term liabilities:			
Bonds payable	59,222,625	-	59,222,625
Total long-term liabilities	<u>59,222,625</u>	<u>-</u>	<u>59,222,625</u>
<b>Total liabilities</b>	<u>62,030,785</u>	<u>482,161</u>	<u>62,512,946</u>
<b>NET POSITION</b>			
Restricted for private purposes	<u>\$ (47,170,123)</u>	<u>\$ 304,818</u>	<u>\$ (46,865,305)</u>

City of Stanton  
Statement of Changes in Net Position  
All Private-Purpose Trust Funds  
For the Year Ended June 30, 2020

ATTACHMENT A - Page 159 of 198

	Successor Agency to the Stanton Redevelopment Agency Private-Purpose Trust Fund	NOCPTF Private-Purpose Trust Fund	Total
<b>ADDITIONS:</b>			
Taxes	\$ 5,200,395	\$ -	\$ 5,200,395
Intergovernmental	-	5,401,210	5,401,210
Investment income	26,636	-	26,636
<b>Total additions</b>	<u>5,227,031</u>	<u>5,401,210</u>	<u>10,628,241</u>
<b>DEDUCTIONS:</b>			
Community development	182,510	-	182,510
Contractual services	17,863	-	17,863
Public safety	-	5,258,302	5,258,302
Contribution to Housing Authority	3,377,369	-	3,377,369
Interest and fiscal charges	2,963,554	-	2,963,554
<b>Total deductions</b>	<u>6,541,296</u>	<u>5,258,302</u>	<u>11,799,598</u>
<b>Change in net position</b>	(1,314,265)	142,908	(1,171,357)
<b>NET POSITION:</b>			
Beginning of Year	<u>(45,855,858)</u>	<u>161,910</u>	<u>(45,693,948)</u>
End of Year	<u>\$ (47,170,123)</u>	<u>\$ 304,818</u>	<u>\$ (46,865,305)</u>

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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.



	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
<b>City Trust Agency Fund</b>				
<b>ASSETS:</b>				
Cash and investments	\$ 382,671	\$ 575,922	\$ (658,534)	\$ 300,059
Accounts receivable	-	41,008	(430)	40,578
<b>Total assets</b>	<u>\$ 382,671</u>	<u>\$ 616,930</u>	<u>\$ (658,964)</u>	<u>\$ 340,637</u>
<b>LIABILITIES:</b>				
Deposits payable	<u>\$ 382,671</u>	<u>\$ 616,930</u>	<u>\$ (658,964)</u>	<u>\$ 340,637</u>

**CITY OF STANTON**  
**STATISTICAL SECTION (UNAUDITED)**  
**June 30, 2020**

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.

**Contents****Page**

**Financial Trends** - *These schedules contain information to help the reader to understand how the City's financial performance and well-being have changed over time.*

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**Demographic and Economic Information** - *These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.*

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**Operating Information** - *These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.*

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18	Capital Asset Statistics by Function	180

**CITY OF STANTON**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year			
	2010-11	2011-12	2012-13	2013-14
Governmental activities:				
Investment in capital assets	\$ 30,303,477	\$ 93,573,202	\$ 92,494,864	\$ 87,225,759
Restricted	49,511,685	18,909,154	20,919,037	22,114,070
Unrestricted	10,339,493	25,969,301	22,506,002	22,726,068
Total governmental activities net position	90,154,655	138,451,657	135,919,903	132,065,897
Business-type activities:				
Investment in capital assets	5,640,395	5,506,126	5,371,857	5,238,330
Unrestricted	1,520,957	1,560,732	1,816,176	2,308,704
Total business-type activities net position	7,161,352	7,066,858	7,188,033	7,547,034
Primary government:				
Investment in capital assets	35,943,872	99,079,328	97,866,721	92,464,089
Restricted	49,511,685	18,909,154	20,919,037	22,114,070
Unrestricted	11,860,450	27,530,033	24,322,178	25,034,772
Total primary government net position	\$ 97,316,007	\$ 145,518,515	\$ 143,107,936	\$ 139,612,931

Fiscal Year					
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
\$ 79,209,329	\$ 88,342,750	\$ 87,079,003	\$ 88,374,103	\$ 88,077,568	\$ 96,374,328
20,219,980	19,166,303	23,062,147	27,536,678	28,086,476	26,553,724
14,875,639	15,861,417	12,719,777	13,014,515	17,774,619	17,542,980
114,304,948	123,370,470	122,860,927	128,925,296	133,938,663	140,471,032
5,135,853	5,003,312	4,877,897	5,250,434	5,107,553	4,964,679
2,604,629	3,216,884	3,666,352	3,595,542	4,064,319	4,398,961
7,740,482	8,220,196	8,544,249	8,845,976	9,171,872	9,363,640
84,345,182	93,346,062	91,956,900	93,624,537	93,185,121	101,339,007
20,219,980	19,166,303	23,062,147	27,536,678	28,086,476	26,553,724
17,480,268	19,078,301	16,386,129	16,610,057	21,838,938	21,941,941
\$ 122,045,430	\$ 131,590,666	\$ 131,405,176	\$ 137,771,272	\$ 143,110,535	\$ 149,834,672

**City of Stanton****Changes in Net Position-Expenses and Program Revenues****Last Ten Fiscal Years****(accrual basis of accounting)**

	Fiscal Year			
	2010-11*	2011-12*	2012-13*	2013-14*
Expenses:				
Governmental activities:				
General government	\$ 1,081,252	\$ 2,277,269	\$ 2,852,594	\$ 2,976,011
Public safety	12,744,191	12,494,004	11,425,129	12,390,690
Community development	8,063,096	3,766,930	2,032,838	1,818,001
Health and welfare	19,505	2,132	2,826	4,265
Public works	3,975,867	2,557,660	2,895,834	2,358,073
Culture and recreation	2,241,411	1,731,743	1,410,745	1,198,807
Interest and fiscal charges	2,844,199	3,378,862	-	-
Transfer of land to successor agency	-	-	-	10,192,858
Total governmental activities expenses	30,969,521	26,208,600	20,619,966	30,938,705
Business-type activities:				
Sewer	730,605	834,862	854,630	709,880
Total business-type activities expenses	730,605	834,862	854,630	709,880
Total primary government expenses	31,700,126	27,043,462	21,474,596	31,648,585
Program revenues:				
Governmental activities:				
Charges for services:				
General government	107,630	119,455	70,950	433,374
Public safety	1,006,527	904,419	895,826	882,480
Community development	934,764	959,624	1,009,732	1,240,666
Public works	-	19,560	-	14,966
Culture and recreation	234,392	141,360	109,456	448,528
Operating grants and contributions	1,956,567	2,510,694	2,760,472	2,960,253
Capital grants and contributions	2,214,326	-	-	316,226
Total governmental activities program revenues	6,454,206	4,655,112	4,846,436	6,296,493
Business-type activities:				
Charges for services:				
Sewer	528,779	656,860	819,274	955,372
Total business-type activities program revenues	528,779	656,860	819,274	955,372
Total primary government program revenues	6,982,985	5,311,972	5,665,710	7,251,865
Net revenues (expenses)				
Governmental activities	(24,515,315)	(21,553,488)	(15,773,530)	(24,642,212)
Business activities	(201,826)	(178,002)	(35,356)	245,492
Total net revenues (expenses)	(24,717,141)	(21,731,490)	(15,808,886)	(24,396,720)

Note:

\* Certain amounts presented in the prior year financial statements have been reclassified in order to be consistent

Source: City Finance Department

Fiscal Year					
2014-15*	2015-16*	2016-17*	2017-18*	2018-19*	2019-20
\$ 3,043,005	\$ 3,468,099	\$ 3,726,949	\$ 3,135,756	\$ 1,666,776	\$ 3,739,756
13,460,725	15,831,683	16,162,642	17,294,863	21,730,025	18,712,309
1,709,355	1,747,416	2,083,114	4,746,591	1,235,126	3,000,334
3,476	3,512	67,305	37,250	16,795	-
1,762,185	1,235,617	1,598,743	1,870,833	1,299,051	2,404,139
1,162,126	1,592,769	2,030,052	1,933,953	1,181,246	2,120,218
-	-	-	-	-	24,223
-	-	-	-	-	-
21,140,872	23,879,096	25,668,805	29,019,246	27,129,019	30,000,979
709,496	544,829	694,930	690,736	745,280	1,017,842
709,496	544,829	694,930	690,736	745,280	1,017,842
21,850,368	24,423,925	26,363,735	29,709,982	27,874,299	31,018,821
458,286	488,128	527,561	345,485	487,870	359,865
896,383	913,203	1,375,973	1,751,036	1,754,200	1,899,756
1,254,023	1,198,820	1,244,909	2,116,525	3,283,119	3,908,877
11,608	10,032	-	47,389	48,076	59,849
417,748	357,585	95,746	571,210	550,144	1,428,477
3,058,470	2,961,296	2,876,853	3,383,242	3,586,655	4,655,790
294,210	2,350,764	-	1,353,727	-	3,423,482
6,390,728	8,279,828	6,121,042	9,568,614	9,710,064	15,736,096
945,360	917,453	892,789	816,850	860,717	886,978
945,360	917,453	892,789	816,850	860,717	886,978
7,336,088	9,197,281	7,013,831	10,385,464	10,570,781	16,623,074
(14,750,144)	(15,599,268)	(19,547,763)	(19,450,632)	(17,418,955)	(14,264,883)
235,864	372,624	197,859	126,114	115,437	(130,864)
(14,514,280)	(15,226,644)	(19,349,904)	(19,324,518)	(17,303,518)	(14,395,747)

t with the current year's presentation.

**City of Stanton****Changes in Net Position-General Revenues****Last Ten Fiscal Years****(accrual basis of accounting)**

	Fiscal Year			
	2010-11	2011-12	2012-13	2013-14
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Property taxes	\$ 12,547,610	\$ 8,070,432	\$ 5,307,800	\$ 5,613,269
Sales taxes	3,091,571	3,579,392	3,683,199	3,925,839
Transactions and use taxes	-	-	-	-
Transient occupancy taxes	326,316	357,092	341,838	323,938
Franchise taxes	932,977	932,916	996,947	1,031,034
Utility users taxes	2,123,881	2,083,748	2,110,373	2,189,068
Other taxes	3,393,549	3,311,436	413,750	308,544
Investment earnings, unrestricted	986,415	435,891	111,367	199,807
Miscellaneous	437,603	553,650	719,734	744,002
Gain on sale of capital assets	-	-	-	-
Extraordinary item <sup>(1)</sup>	-	50,525,933	(443,232)	-
Special item <sup>(2)</sup>	-	-	-	-
Total governmental activities	23,839,922	69,850,490	13,241,776	14,335,501
Business-type activities:				
Taxes:				
Property taxes	45,345	41,784	148,107	105,749
Investment earnings	20,065	13,729	8,424	7,760
Miscellaneous	287,176	27,995	-	-
Total business-type activities	352,586	83,508	156,531	113,509
Total primary government	24,192,508	69,933,998	13,398,307	14,449,010
Changes in net position				
Governmental activities	(675,393)	48,297,002	(2,531,754)	(10,306,711)
Business-type activities	150,760	(94,494)	121,175	359,001
Total primary government	\$ (524,633)	\$ 48,202,508	\$ (2,410,579)	\$ (9,947,710)

**Notes:**

<sup>(1)</sup> FY 15/16 extraordinary gain relates to payment of bond proceeds to the City from the Successor Agency for building Stanton Central Park.

<sup>(2)</sup> 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.

\* Certain amounts presented in the prior year financial statements have been reclassified in order to be consistent with the current year's presentation.

Source: City Finance Department

Fiscal Year					
2014-15	2015-16	2016-17	2017-18	2018-19*	2019-20
\$ 5,314,329	\$ 5,507,417	\$ 5,435,415	\$ 6,071,733	\$ 6,433,535	\$ 6,816,387
4,012,917	4,169,215	4,152,378	4,204,519	4,327,842	4,278,141
792,300	3,591,594	4,105,593	4,122,756	4,057,037	4,537,734
375,876	437,676	512,550	514,102	483,233	512,492
964,450	1,011,630	992,798	1,088,226	1,026,619	1,055,791
2,177,807	2,015,948	1,980,854	1,986,236	1,850,880	1,791,516
413,999	487,593	461,745	524,570	433,541	364,751
132,205	227,705	119,772	135,059	1,325,735	1,167,877
725,215	714,613	1,277,115	649,678	413,900	272,563
475,282	-	-	6,000,100	-	-
-	6,501,399	-	-	-	-
(3,393,141)	-	-	-	2,080,000	-
11,991,239	24,664,790	19,038,220	25,296,979	22,432,322	20,797,252
90,282	90,532	99,852	124,950	131,641	147,159
10,430	16,558	26,342	50,663	78,818	167,573
-	-	-	-	-	7,900
100,712	107,090	126,194	175,613	210,459	322,632
12,091,951	24,771,880	19,164,414	25,472,592	22,642,781	21,119,884
(2,758,905)	9,065,522	(509,543)	5,846,347	5,013,367	6,532,369
336,576	479,714	324,053	301,727	325,896	191,768
\$ (2,422,329)	\$ 9,545,236	\$ (185,490)	\$ 6,148,074	\$ 5,339,263	\$ 6,724,137



**City of Stanton****Fund Balances of Governmental Funds****Last Ten Fiscal Years****(modified accrual basis of accounting)**

	Fiscal Year			
	2010-11*	2011-12*	2012-13*	2013-14*
General Fund:				
Nonspendable	\$ 9,260,140	\$ 2,247,340	\$ 8,971,880	\$ 8,379,173
Restricted	-	-	-	-
Committed	3,889,757	3,911,481	3,720,465	3,965,209
Assigned	2,780,440	50,193	31,772	38,751
Unassigned	12,468,010	14,413,187	6,313,207	8,181,723
Total General Fund	<u>\$ 28,398,347</u>	<u>\$ 20,622,201</u>	<u>\$ 19,037,324</u>	<u>\$ 20,564,856</u>
All other governmental funds:				
Nonspendable	\$ -	\$ 9,022,935	\$ 10,065,582	\$ -
Restricted	49,511,685	9,886,219	10,514,621	22,118,786
Committed	488,210	510,721	-	-
Assigned	1,741,257	1,616,912	1,451,877	683,276
Unassigned	(4,454,858)	(54,284)	(392,307)	(51,385)
Total all other governmental funds	<u>\$ 47,286,294</u>	<u>\$ 20,982,503</u>	<u>\$ 21,639,773</u>	<u>\$ 22,750,677</u>

Note:

\* Certain amounts presented in the prior year financial statements have been reclassified in order to be consi

Source: City Finance Department

Fiscal Year					
2014-15*	2015-16*	2016-17*	2017-18*	2018-19*	2019-20
\$ 6,730,051	\$ 5,398,081	\$ 3,992,852	\$ 1,387,690	\$ 1,806,958	\$ 146,069
-	-	3,065,186	3,501,556	3,735,741	-
4,317,883	4,677,019	11,150,000	12,022,695	13,261,735	10,074,410
-	7,200	-	-	-	123,935
9,391,105	11,811,587	4,566,919	5,895,617	3,509,177	10,277,670
<u>\$ 20,439,039</u>	<u>\$ 21,893,887</u>	<u>\$ 22,774,957</u>	<u>\$ 22,807,558</u>	<u>\$ 22,313,611</u>	<u>\$ 20,622,084</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20,232,644	19,166,303	19,996,961	24,035,122	24,350,735	22,636,555
-	-	-	-	-	-
756,521	790,528	682,470	908,996	1,117,693	320,739
(526,651)	(790,292)	(303,957)	(27,464)	(29,247)	(41,723)
<u>\$ 20,462,514</u>	<u>\$ 19,166,539</u>	<u>\$ 20,375,474</u>	<u>\$ 24,916,654</u>	<u>\$ 25,439,181</u>	<u>\$ 22,915,571</u>

istent with the current year's presentation.

## City of Stanton

## Changes in Fund Balances of Governmental Funds

## Last Ten Fiscal Years

## (modified accrual basis of accounting)

	Fiscal Year				
	2010-11*	2011-12*	2012-13*	2013-14*	2014-15*
Revenues:					
Taxes and assessments	\$ 19,626,114	\$ 15,247,661	\$ 13,469,674	\$ 14,062,751	\$ 14,730,740
Licenses and permits	863,403	865,687	917,431	419,298	417,780
Intergovernmental	7,482,746	5,684,978	2,843,557	2,765,837	1,916,432
Charges for services*	309,508	245,904	206,303	2,363,378	2,349,520
Fines and forfeitures	436,153	329,492	320,222	279,542	292,505
Interest income	986,416	428,230	272,502	202,857	195,526
Rental income	381,214	497,439	700,878	700,811	706,265
Gain on sale of land held for resale	-	-	-	-	-
Miscellaneous	208,574	198,047	113,528	55,883	17,955
Contribution from Successor Agency	-	-	-	-	-
Total Revenues	30,294,128	23,497,438	18,844,095	20,850,357	20,626,723
Expenditures:					
Current:					
General government	398,456	1,444,457	2,189,685	2,461,666	2,615,927
Public safety	12,299,028	12,516,221	10,983,189	12,047,794	13,176,004
Community development	7,617,933	3,211,789	1,590,898	1,475,104	1,424,634
Highways and streets	2,634,613	2,141,304	2,564,379	2,098,897	1,548,644
Culture and recreation	1,907,540	1,315,387	1,079,290	921,302	948,585
Health and welfare	19,505	2,132	2,826	4,265	3,476
Capital outlay	16,868,944	9,073,926	918,203	475,187	1,131,626
Debt Service:					
Bond issuance costs	2,243,450	-	-	-	-
Principal	2,875,000	680,000	-	-	-
Interest and fiscal charges	2,350,620	2,935,018	-	-	-
Total Expenditures	49,215,089	33,320,234	19,328,470	19,484,215	20,848,896
Excess (Deficiency) of Revenues Over (Under Expenditures)	(18,920,961)	(9,822,796)	(484,375)	1,366,142	(222,173)
Other financing sources (Uses):					
Proceeds from long-term debt	53,090,000	-	-	-	-
Transfers in	18,671,360	11,781,909	710,030	1,884,218	624,942
Transfers out	(17,871,360)	(11,781,909)	(710,030)	(611,924)	(824,942)
Total other financing sources (uses)	53,890,000	-	-	1,272,294	(200,000)
Net change in fund balance before special/extraordinary item	34,969,039	(9,822,796)	(484,375)	2,638,436	(422,173)
Special/Extraordinary items <sup>(1)</sup>	-	(24,257,141)	(443,232)	-	(2,082,812)
Net change in fund balances	\$ 34,969,039	\$ (34,079,937)	\$ (927,607)	\$ 2,638,436	\$ (2,504,985)
Debt service as a percentage of noncapital expenditures	16.2%	14.9%	0%	0%	0%

## Notes:

\* Certain amounts presented in the prior year financial statements have been reclassified in order to be consistent with the current year's presentation.

<sup>(1)</sup> Reinstatement of advance to Successor Agency

Source: City Finance Department

Fiscal Year				
2015-16*	2016-17*	2017-18*	2018-19*	2019-20*
\$ 17,838,271	\$ 18,697,469	\$ 19,821,063	\$ 20,541,371	\$ 21,167,374
357,381	321,935	664,964	714,474	1,132,116
4,844,423	2,772,489	2,691,518	1,815,443	3,462,782
2,361,663	2,190,769	3,182,541	3,438,846	4,444,656
296,607	360,662	460,794	410,443	411,644
227,707	119,771	116,130	2,026,619	1,565,134
619,977	605,377	589,631	624,406	637,676
-	-	6,000,100	-	-
71,754	684,711	70,083	286,946	211,217
-	-	-	-	3,377,369
26,617,783	25,753,183	33,596,824	29,858,548	36,409,968
2,900,169	2,879,492	2,535,059	2,605,958	2,706,193
15,453,062	15,597,673	16,894,400	22,350,545	18,023,261
1,368,795	1,518,145	4,346,128	1,855,646	2,303,811
951,650	1,175,017	1,570,486	1,714,628	1,477,485
1,331,178	1,606,326	1,760,921	1,646,637	1,603,432
3,512	67,305	37,250	16,795	-
10,951,943	819,220	1,878,799	1,719,759	11,829,522
-	-	-	-	-
-	-	-	-	55,754
-	-	-	-	14,906
32,960,309	23,663,178	29,023,043	31,909,968	38,014,364
(6,342,526)	2,090,005	4,573,781	(2,051,420)	(1,604,396)
-	-	-	-	1,125,000
599,348	633,550	828,000	757,400	604,623
(599,348)	(633,550)	(828,000)	(757,400)	(4,340,364)
-	-	-	-	(2,610,741)
(6,342,526)	2,090,005	4,573,781	(2,051,420)	(4,215,137)
6,501,399	-	-	2,080,000	-
\$ 158,873	\$ 2,090,005	\$ 4,573,781	\$ 28,580	\$ (4,215,137)
0%	0%	0%	0%	0.2%

**City of Stanton****Assessed Value and Estimated Actual Value of Taxable Property****Last Ten Fiscal Years****(amounts expressed in thousands)**

Fiscal Year Ended June 30	City				Redevelopment Agency <sup>(2)</sup>		
	SBE			Taxable Assessed Value <sup>(1)</sup>			Taxable Assessed Value
	Secured	Unsecured	Nonunitary		Secured	Unsecured	
2011	\$ 1,950,395	\$ 89,534	\$ 661	\$ 2,040,590	\$ 1,925,722	\$ 90,920	\$ 2,016,642
2012	1,980,529	82,103	661	2,063,293	1,956,093	81,961	2,038,054
2013	2,000,075	72,992	684	2,073,751	1,975,423	72,869	2,048,292
2014	2,071,296	74,078	684	2,146,058	2,039,488	72,219	2,111,707
2015	2,214,413	83,904	684	2,299,001	2,179,143	83,691	2,262,834
2016	2,350,787	81,734	684	2,433,205	2,309,529	82,056	2,391,585
2017	2,479,654	85,974	684	2,566,312	1,569,439	20,147	1,589,586
2018	2,602,487	75,735	684	2,678,906	1,677,650	7,246	1,684,896
2019	2,747,552	85,798	1,255	2,834,605	1,816,986	17,805	1,834,791
2020	2,921,963	91,619	1,255	3,014,837	1,988,330	23,148	2,011,478

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.

<sup>(1)</sup> City amounts include the Redevelopment Agency assessed values.

<sup>(2)</sup> The State of California dissolved Redevelopment Agencies effective January 31, 2012.

Sources: Orange County Auditor-Controller  
HdL, Coren & Cone

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**City of Stanton**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
**(Rate per \$100 of assessed value)**

	Fiscal Year				
	2010-11	2011-12	2012-13	2013-14	2014-15
Basic Levy <sup>(1)</sup>	1.00000	1.00000	1.00000	1.00000	1.00000
Overlapping Rates <sup>(2)</sup> :					
Anaheim Union High School District	0.02745	0.02678	0.02858	0.02620	0.02412
Coast Community College District	0.01750	0.01754	0.01881	0.02899	0.03015
Garden Grove Unified School District	0.03308	0.02483	0.03135	0.03703	0.04148
Huntington Beach High School District	0.03014	0.00000	0.00000	0.00000	0.00000
Magnolia Elementary School District	0.02067	0.02326	0.02493	0.02737	0.02497
Metropolitan Water District	0.00370	0.00370	0.00350	0.00350	0.00350
North Orange County					
Community College District	0.01758	0.01742	0.01902	0.01704	0.01758
Savanna School District	0.02660	0.02767	0.05976	0.05557	0.05443
Westminster Elementary	0.02073	0.00000	0.00000	0.00000	0.00000
Total Direct and Overlapping Tax Rates	1.19745	1.14120	1.18595	1.19570	1.19623
City's Share of 1% Levy Per Prop 13 <sup>(3)</sup>	0.10940	0.10940	0.10940	0.10940	0.10940
Redevelopment Rate <sup>(4)</sup>	1.00370	1.00370	0.00000	0.00000	0.00000
Total Direct Rate <sup>(5)</sup>	0.58137	0.58707	0.58962	0.13707	0.13703

Notes:

<sup>(1)</sup> In 1978, the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% fixed amount. This 1% is shared by all taxing agencies for which the subject property resides within.

<sup>(2)</sup> Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

<sup>(3)</sup> The City's share of the 1% levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. The ERAF portion of the City's levy has been subtracted where known.

<sup>(4)</sup> The Redevelopment Rate is based on the largest RDA tax rate area and only includes rates(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only in incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012-13 and years thereafter.

<sup>(5)</sup> Total Direct Rate is the weighted average of all individual direct rates applied by the City/Agency preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013-14, the Total Direct Rate no longer includes revenues derived from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during fiscal year 2012-13. For the purposes of this report, residual revenue is assumed to be distributed to City/Agency in the same proportions as general fund revenue.

Fiscal Year				
2015-16	2016-17	2017-18	2018-19	2019-20
1.00000	1.00000	1.00000	1.00000	1.00000
0.04948	0.04259	0.02211	0.04244	0.03968
0.03092	0.03116	0.03145	0.03052	0.03100
0.04656	0.04487	0.07454	0.06848	0.06922
0.00000	0.00000	0.00000	0.00000	0.00000
0.02349	0.02552	0.02849	0.02859	0.02722
0.00350	0.00350	0.00350	0.00350	0.00350
0.03043	0.02885	0.02927	0.02829	0.02409
0.05501	0.05948	0.06115	0.06086	0.06132
0.00000	0.00000	0.00000	0.00000	0.00000
1.23939	1.23597	1.25051	1.26268	1.25603
0.10940	0.10940	0.13645	0.13645	0.13645
0.00000	0.00000	0.00000	0.00000	0.00000
0.13701	0.13698	0.13695	0.13994	0.13991



**City of Stanton**  
**Principal Property Tax Payers**  
**Current Year and Nine Years Ago**

Taxpayer	2019-20 Assessed Valuation			2010-11 Assessed Valuation		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Secured Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
CR&R, Inc.	\$ 53,113,772	1	1.76%	\$ 32,713,578	1	1.60%
Briarwood Square LP	43,956,706	2	1.46%	-	-	-
Arrowhead Apt. Invest LLC	30,014,180	3	1.00%	19,500,000	4	0.96%
12131 Beach Boulevard Owner LLC	23,009,160	4	0.76%	-	-	-
Garden Terrace MHC LLC	21,012,125	5	0.70%	-	-	-
Stanton Capital	19,632,348	6	0.65%	-	-	-
Icon Owner Pool 1 LA Business Parks LLC	18,867,275	7	0.63%	-	-	-
Continental Gardens LP	18,250,667	8	0.61%	15,772,054	6	0.77%
Thomas Thongyan Nguyen Trust	15,999,261	9	0.53%	-	-	-
Gilbert R. Shuman Trust	14,446,809	10	0.48%	11,013,337	9	0.54%
Faircrest, Inc.	-	-	-	12,265,859	7	0.60%
Walton CWCA Hoover 52 LLC	-	-	-	18,496,315	5	0.91%
Shapell Commercial and Industrial	-	-	-	21,841,693	3	1.07%
CP Briarwood LLC	-	-	-	27,516,177	2	1.35%
Mideb Nominees, Inc.	-	-	-	12,034,392	8	0.59%
Katella 111 Partners LLC	-	-	-	10,014,704	10	0.49%
Total Top 10 Taxpayers	<u>\$ 258,302,303</u>		<u>8.57%</u>	<u>\$ 181,168,109</u>		<u>8.88%</u>

**City of Stanton**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

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<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Collected Amount</u>	<u>Percent of Levy<sup>(1)</sup></u>
2011	\$ 1,000,716	\$ 1,000,716	100%
2012	1,000,828	1,000,828	100%
2013	1,011,984	1,011,984	100%
2014	1,014,799	1,014,799	100%
2015	1,028,726	1,028,726	100%
2016	1,039,132	1,039,132	100%
2017	1,059,114	1,059,114	100%
2018	1,070,983	1,070,983	100%
2019	1,075,724	1,075,724	100%
2020	1,079,894	1,079,894	100%

Note:

<sup>(1)</sup> 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.

**City of Stanton****Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years**


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Fiscal Year	Tax Allocation Bonds <sup>(1)</sup>	Capital Lease	Total Primary Government	% of Personal Income <sup>(2)</sup>	Per Capita <sup>(2)</sup>
2010-11	\$ 76,709,420	\$ -	\$ 76,709,420	10.09%	\$ 1,927
2011-12	-	-	-	0.00%	-
2012-13	-	-	-	0.00%	-
2013-14	-	-	-	0.00%	-
2014-15	-	-	-	0.00%	-
2015-16	-	-	-	0.00%	-
2016-17	-	-	-	0.00%	-
2017-18	-	-	-	0.00%	-
2018-19	-	-	-	0.00%	-
2019-20	-	1,069,246	1,069,246	0.00%	-

Notes:

Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

<sup>(1)</sup> The Stanton Redevelopment Agency was dissolved on February 1, 2012. As a result, the tax allocation bonds are not debt of the primary government.

<sup>(2)</sup> Refer to the Schedule of Demographic and Economic Statistics for personal income and population data.

## City of Stanton

## Computation of Direct and Overlapping Bonded Debt

June 30, 2020

2019-20 Assessed Valuation	\$ 3,014,836,696		
	Total Debt		City's Share of
	6/30/20	% Applicable <sup>(1)</sup>	Debt 6/30/20
<b>OVERLAPPING TAX AND ASSESSMENT DEBT:</b>			
Metropolitan Water District	\$ 37,300,000	0.097%	\$ 36,181
Coast Community College District	908,050,757	0.445%	4,040,826
North Orange County Joint Community College District	284,769,001	1.696%	4,829,682
Anaheim Union High School District	283,473,955	3.105%	8,801,866
Garden Grove Unified School District	403,257,300	5.419%	21,852,513
Savanna School District	20,788,305	15.016%	3,121,572
Magnolia School District	40,077,633	32.476%	13,015,612
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 55,698,252
<b>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</b>			
Orange County General Fund Obligations	\$ 386,745,000	0.482%	\$ 1,864,111
Orange County Pension Obligations	466,863,754	0.482%	2,250,283
Orange County Board of Education Certificates of Participation	12,930,000	0.482%	62,323
Coast Community College District Certificates of Participation	2,600,000	0.445%	11,570
Anaheim Union High School District Certificates of Participation	32,400,000	3.105%	1,006,020
Magnolia School District Certificates of Participation	14,143,525	15.016%	2,123,792
North Orange County Regional Occupation Program Certificates of Participation	8,950,000	1.099%	98,361
<b>City of Stanton Capital Lease Obligations</b>	<b>1,069,246</b>	<b>100.000%</b>	<b>1,069,246</b>
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 8,485,706
<b>OVERLAPPING TAX INCREMENT DEBT (Successor Agency)</b>	61,210,000	100.000%	61,210,000
<b>TOTAL DIRECT DEBT</b>			<b>\$ 1,069,246</b>
<b>TOTAL OVERLAPPING DEBT</b>			<b>124,324,712</b>
<b>COMBINED TOTAL DEBT</b>			<b>\$ 125,393,958 <sup>(2)</sup></b>

<sup>(1)</sup> The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the City divided by the district's total taxable assessed value.

<sup>(2)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations. Qualified Zone Academy Bonds are included based on principal due at maturity.

Ratios to 2019-20 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.85%
<b>Total Direct Debt (\$1,125,000)</b>	<b>0.04%</b>
Total Combined Debt	4.16%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$2,011,478,456):

Total Overlapping Tax Increment Debt	3.04%
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Source: California Municipal Statistics, Inc.

**City of Stanton**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

	Fiscal Year			
	2010-11	2011-12	2012-13	2013-14
Assessed valuation	\$ 2,040,590,536	\$ 2,063,292,635	\$ 2,073,751,661	\$ 2,146,057,305
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	510,147,634	515,823,159	518,437,915	536,514,326
Debt limit percentage	15%	15%	15%	15%
Debt limit	76,522,145	77,373,474	77,765,687	80,477,149
Total net debt applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 76,522,145</u>	<u>\$ 77,373,474</u>	<u>\$ 77,765,687</u>	<u>\$ 80,477,149</u>
Total net debt applicable to limit as percentage of debt limit	0%	0%	0%	0%

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments.

Fiscal Year					
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
\$ 2,299,000,205	\$ 2,433,204,888	\$ 2,566,311,820	\$ 2,678,905,775	\$ 2,834,604,233	\$ 3,014,836,696
25%	25%	25%	25%	25%	25%
574,750,051	608,301,222	641,577,955	669,726,444	708,651,058	753,709,174
15%	15%	15%	15%	15%	15%
86,212,508	91,245,183	96,236,693	100,458,967	106,297,659	113,056,376
-	-	-	-	-	-
\$ 86,212,508	\$ 91,245,183	\$ 96,236,693	\$ 100,458,967	\$ 106,297,659	\$ 113,056,376
0%	0%	0%	0%	0%	0%

**City of Stanton**  
**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**

Fiscal Year	Tax Increment	1993 Tax Allocation Refunding Bonds		Tax Allocation Bonds, 2005 Series A		Tax Allocation Bonds, 2005 Series B	
		Debt Service		Debt Service <sup>(1)</sup>		Debt Service <sup>(1)</sup>	
		Principal	Interest	Principal	Interest	Principal	Interest
2010-11	\$ 10,994,664	\$ -	\$ -	\$ 235,000	\$ 782,740	\$ 175,000	\$ 387,532
2011-12	10,989,535	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-
2013-14	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-
2018-19	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-

Note:

<sup>(1)</sup> The liabilities for these outstanding bonds were transferred to the Successor Agency to the Stanton Redevelopment Agency on February 1, 2012, and are no longer debt of the primary government.

Tax Allocation Bonds, 2010 Series A		Tax Allocation Bonds, 2011 Series A		Tax Allocation Bonds, 2011 Series B		Coverage
Debt Service <sup>(1)</sup>		Debt Service (1)		Debt Service (1)		
Principal	Interest	Principal	Interest	Principal	Interest	
\$ 270,000	\$ 1,189,883	\$ -	\$ 985,292	\$ -	\$ 786,591	228.48%
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-



**City of Stanton**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

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Calendar Year	Population	Median Age	Median Housing Price	Total Personal Income (in thousands)	Per Capital Personal Income	Unemployment Rate
2010	39,799	32.5	\$ 305,000	\$ 759,882	\$ 19,093	15.2%
2011	38,498	33.9	289,500	776,659	20,174	13.9%
2012	38,764	32.7	270,000	784,118	20,228	9.3%
2013	38,963	33.6	345,000	779,377	20,003	8.2%
2014	38,954	33.7	383,000	757,616	19,449	7.2%
2015	39,751	34.3	430,000	725,662	18,255	5.9%
2016	39,611	33.5	412,500	729,707	18,421	5.3%
2017	39,470	34.4	450,000	747,172	18,930	4.1%
2018	39,307	34.5	525,000	781,143	19,872	3.2%
2019	39,077	34.5	520,000	825,807	21,132	3.1%

**City of Stanton**  
**Principal Employers**  
**Current Year and Nine Years Ago**

Employer	2019-20			2010-11		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Rowntree Gardens (formerly Quaker Gardens)	320	1	1.72%	-	-	-
Home Depot	150	2	0.81%	126	3	0.66%
Super King Market	128	3	0.69%	-	-	-
CR Transfer Inc.	122	4	0.66%	204	2	1.07%
Great Scott Tree Service, Inc.	112	5	0.60%	-	-	-
All Metals Processing of Orange County, LLC	105	6	0.56%	125	4	0.66%
Adventure City	105	6	0.56%	124	5	0.65%
Custom Pipe & Fabrication Inc.	104	7	0.56%	75	6	0.39%
Walmart Market #4134	93	8	0.50%	-	-	-
Food 4 Less	68	9	0.37%	68	7	0.36%
White Bottle, Inc.	65	10	0.35%	-	-	-
Sam's Club	-	-	-	275	1	1.45%
Cameron Welding Supply	-	-	-	65	8	0.34%
Primus Inc.	-	-	-	58	9	0.31%
Acapulco Restaurants	-	-	-	51	10	0.27%
Total Top 10 Employers	<u>1,372</u>		<u>7.38%</u>	<u>1,171</u>		<u>6.16%</u>
Total City Labor Force	<u>18,600</u>			<u>19,000</u>		

Source: City business license database

Fiscal Year 2010-11 Comprehensive Annual Financial Report  
Employment Development Department (for City Labor Force data)

**City of Stanton****Full-Time Equivalent City Employees by Department  
Last Ten Fiscal Years**

Department	Fiscal Year				
	2010-11	2011-12	2012-13	2013-14	2014-15
Administration	5.50	4.00	4.00	4.00	4.00
Community Development <sup>(1)</sup>	11.30	7.50	7.50	7.50	7.50
Community Services	14.00	4.00	3.00	3.00	3.00
Finance	5.50	4.00	4.00	4.00	4.00
Public Safety <sup>(1)</sup>	0.00	0.00	0.00	0.00	0.00
Public Works	9.91	6.50	6.50	6.50	6.50
Total	46.21	26.00	25.00	25.00	25.00

Note:

<sup>(1)</sup> Code Enforcement and Parking Control were transferred to the Public Safety Department in Fiscal Year 2018-19.

Source: City Finance Department

Fiscal Year				
2015-16	2016-17	2017-18	2018-19	2019-20
4.00	4.50	4.50	4.50	4.50
8.50	8.50	9.00	6.00	6.00
6.00	6.00	6.00	16.00	16.00
5.00	5.13	5.25	6.75	6.75
0.00	0.00	0.50	8.00	9.00
6.00	6.38	6.75	8.75	8.75
29.50	30.51	32.00	50.00	51.00

**City of Stanton**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

Department	Fiscal Year				
	2010-11	2011-12	2012-13	2013-14	2014-15
City Council					
Public Meetings held	34	28	27	31	39
Ordinances adopted	8	14	16	10	7
Resolutions adopted	61	41	33	51	47
City Attorney					
Ordinances prepared	30	17	11	10	7
Resolutions prepared	61	44	5	51	47
Contracts prepared	n/a	n/a	n/a	50	75
City Clerk					
Public Meetings held	50	28	27	36	39
Ordinances processed and published	4	14	16	10	7
Resolutions processed and published	36	41	33	51	47
Public Records Requests processed	76	127	189	217	301
Contracts Processed	216	175	204	50	75
City Manager					
Letters written	54	41	63	31	35
Memos written	22	42	34	30	28
City Council meetings attended	34	28	26	31	39
Finance					
Cash Receipts processed <sup>1</sup>	6,894	6,858	6,356	7,001	7,572
Warrants processed	2,653	2,131	6,356	2,219	2,333
Payroll checks processed	1,680	1,603	1,106	1,365	1,141
Journal entries processed	246	316	255	252	296
Audit adjustments	1	-	-	-	-
Business licenses processed	1,450	1,590	1,497	1,788	1,974
Police Services					
Cases assigned to general crime investigators	n/a	1,535	1464	1283	1,421
Directed enforcement shifts deployed each week	n/a	4	4	1.5	3
Average response time in minutes to emergency life threatening calls	n/a	5:48	3:28	3:53	4:03
Shifts of traffic enforcement in high accident and residential areas per week	n/a	-	-	0.17	1
Schools receiving school programs	n/a	4	2	2	2

Fiscal Year				
2015-16	2016-17	2017-18	2018-19	2019-20
35	37	36	34	37
13	14	12	8	14
46	41	48	39	60
13	15	12	8	14
46	41	48	39	60
86	88	90	84	90
35	37	36	34	37
13	14	12	8	14
46	41	48	39	60
300	278	280	159	170
86	88	90	84	90
42	44	30	30	38
61	58	40	36	32
35	36	35	34	37
8,961	10,260	6,854	5,512	5,690
2,490	2,559	2,462	2,405	2,182
1,613	1,769	1,819	1,800	1,804
247	281	234	287	344
-	-	-	-	-
2,197	2,946	3,304	3,126	2,649
835	1,582	964	737	856
5	5	5	5	5
3:50	4:03	4:05	4:21	3:50
4	4	4	4	4
1	n/a	n/a	n/a	n/a

**City of Stanton****Operating Indicators by Function (Continued)****Last Ten Fiscal Years**

Department	Fiscal Year				
	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Fire Protection</b>					
Paramedic calls responded to	n/a	1,994	2,141	2,283	2,540
Fire calls responded to	n/a	52	55	38	41
Other calls responded to	n/a	628	682	558	532
Fire inspections made	n/a	231	224	485	505
Students receiving fire safety education programs	n/a	380	140	145	175
Adults receiving fire safety education programs	n/a	1,044	50	60	75
Plan checks completed	n/a	45	45	57	48
<b>Planning</b>					
Administrative permits	3	7	6	5	5
Preliminary plan review	-	-	1	-	3
Entitlements	9	35	8	11	13
Environmental	12	29	11	16	13
Home Occupation permits	14	24	19	27	17
Land divisions	3	4	1	3	1
Landscape plan check	-	5	2	2	-
Sign permits	21	21	25	42	48
Plan Checks (Over-the-Counter)	10	40	38	31	74
<b>Building</b>					
Building plan reviews	34	38	61	148	108
Building permits	274	244	211	283	314
Electrical permits	90	90	114	197	229
Mechanical permits	97	68	70	119	132
Plumbing permits	74	90	112	139	134
Inspections for compliance <sup>(1)</sup>	129	153	7	-	-
<b>Parking Control</b>					
Citations	6,677	6,118	6,478	6,335	6,361
Vehicles towed	105	137	217	242	220
<b>Engineering</b>					
Value of capital projects initiated	\$2.6M	\$5.7M	\$1.6M	\$0.9M	\$11M
Engineering plan checks	10	12	14	15	17
Permits issued	94	98	106	111	95
Value of competitive grants obtained	\$9.1M	\$1.0M	\$0.4M	\$0.4M	\$0.1M
Capital project administered	8	7	7	4	7
<b>Public Facilities</b>					
Service requests	100	125	205	199	232
Unscheduled repairs	130	115	62	60	171

Fiscal Year				
2015-16	2016-17	2017-18	2018-19	2019-20
2,659	2,192	2,627	2,794	6,307
54	37	42	55	222
699	1042	611	494	647
602	524	612	674	15
490	370	200	250	4
220	240	456	250	4
51	72	83	87	n/a
7	4	7	6	5
3	2	6	1	5
29	29	32	18	35
26	29	21	12	1
50	21	117	11	26
5	4	6	3	6
4	-	3	6	3
23	26	32	25	27
68	70	147	93	103
101	101	138	94	82
264	254	368	358	450
233	214	242	239	307
120	112	145	156	219
150	124	194	174	275
-	-	-	-	-
6,843	8,039	8,049	7,937	5,765
299	440	574	451	347
\$1M	\$1M	\$2.6M	\$3.0M	\$3.2M
7	7	10	8	15
132	132	135	204	102
\$0.3M	\$0.3M	\$0.2M	-	-
3	3	7	7	8
87	277	504	475	682
68	92	73	64	173



**City of Stanton****Operating Indicators by Function (Continued)****Last Ten Fiscal Years**

Department	Fiscal Year				
	2010-11	2011-12	2012-13	2013-14	2014-15
Buildings/Grounds Maintenance					
No. of service requests	72	103	68	70	112
HVAC service calls	2	2	16	14	7
Parks Maintenance					
Service requests	27	20	43	65	112
Unscheduled repairs	72	62	3	10	8
Street Maintenance					
Potholes repaired	73	67	10	17	15
Service requests	260	325	109	799	815
Tonnage of asphalt placed	3	5	6	6	8
Storm drain inlets cleaned	147	177	183	183	183
Service calls for drainage issues	6	1	2	6	2
Community Services					
Senior clients served	2,450	2,500	2,400	2,800	2,425
Commission meetings	11	8	0	0	11
After school program participation	750	750	150	312	210
Info & referral inquiries answered	2,200	2,200	2,200	2,250	2,210
Sports facility usage	8,000	8,000	8,000	7,000	1,500

Notes:

n/a - Information is not available.

<sup>(1)</sup> In Fiscal Year 2012-13, the business license process was trimmed, removing the requirement of investigations for compliance.

Source: City Finance Department

Fiscal Year				
2015-16	2016-17	2017-18	2018-19	2019-20
57	64	64	120	189
4	3	3	13	17
61	72	226	229	478
25	17	32	68	83
10	43	14	35	66
201	227	702	698	872
6	6	6	3	2.5
183	183	183	183	183
1	3	3	5	16
2,450	2,600	3,600	4,000	8,271
10	9	9	9	7
220	250	133	115	318
2,230	2,500	2,051	2,216	1,945
3,120	13,760	15,080	12,600	12,417

**City of Stanton**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

Function	Fiscal Year				
	2010-11	2011-12	2012-13	2013-14	2014-15
Public Works					
Streets (miles)	44	44	44	44	44
Alleys (square feet)	326,000	326,000	326,000	326,000	326,000
Curbs and gutters (linear feet)	439,736	439,736	439,736	439,736	439,736
Sidewalks (square feet)	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
Traffic signals	20	15	15	15	15
Storm drain system (linear feet)	26,889	26,889	26,889	26,889	26,889
Parks and Recreation					
Parks	8	8	8	8	8
Community Center	2	2	2	2	2
Library					
Branch	1	1	1	1	1
Sewer					
Sewer lines (miles)	40	40	40	40	40

Source: City Finance Department

Fiscal Year				
2015-16	2016-17	2017-18	2018-19	2019-20
44	44	44	44	44
326,000	326,000	326,000	324,185	324,185
441,200	441,200	441,200	441,200	441,445
2,341,000	2,341,000	2,341,000	2,341,000	2,343,100
1,295	1,295	1,295	1,295	1,295
16	16	16	16	16
26,889	26,889	26,889	26,889	26,889
9	9	9	9	9
3	3	3	3	3
1	1	1	1	1
40.5	40.5	40.5	40.5	40.5

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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, 2020. 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 12, 2020, and our letter on planning matters dated June 18, 2020. 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 2019-2020. 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. 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.

**Significant Audit Findings (Continued)***Qualitative Aspects of Accounting Practices (Continued)*

- b. The Other Post-Employment Benefit Plan (OPEB) expense, net OPEB liability, 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-party actuary.
- c. 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 determined that the effects of the following uncorrected adjustment is immaterial to the financial statements taken as a whole: an entry to reduce beginning governmental activities net position and governmental activities public works expenses by \$409,868 due to the expensing of capital projects that were capitalized in the prior year, but did not meet the capitalization threshold in the City's capitalization policy. As a result of our audit related testwork, we proposed no significant corrections to the financial statements.

*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 February 19, 2021.

*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.

**Other Matters**

We applied certain limited procedures to management's discussion and analysis, the schedules 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. 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.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

Irvine, California

February 19, 2021



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, 2020, 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 February 19, 2021.

**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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".**CliftonLarsonAllen LLP**

Irvine, California  
February 19, 2021

**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, 2020**



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, 2020. These procedures, which were agreed to by the City of Stanton, California and the League of California Cities (as presented in the League publication entitled "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. 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, 2020 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.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Appropriations Limit Worksheet No. 6. Accordingly, we do not express such an opinion or conclusion. 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 entitled "Article XIII B Appropriations Limitation 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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Irvine, California  
February 19, 2021

## CITY OF STANTON

## APPROPRIATIONS LIMIT WORKSHEET NO. 6

For the year ended June 30, 2020

Appropriations limit for fiscal year ended June 30, 2019 (Note 2) \$ 57,741,640

Adjustment factors for the fiscal year ended June 30, 2020 (Note 2):

	<u>Inflation Factor (Note 3)</u>	<u>Population Factor (Note 4)</u>	<u>Combined Factor</u>	
	1.03850000	1.0029000	1.04151165	<u>x 0.04151165</u>
Adjustment for inflation and population				2,396,951
Other adjustments (Note 5)				<u>-</u>
Total adjustments				<u>2,396,951</u>
Appropriations limit for fiscal year ended June 30, 2020				<u>\$ 60,138,591</u>

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, 2020

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 2019-2020 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 2019-2020 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, 2020.



## CITY OF STANTON

### REPORT TO HOUSING AUTHORITY

**TO:** Honorable Mayor and Members of the City Council

**DATE:** March 9, 2021

**SUBJECT: CONTRACT EXTENSION FOR INCO REALTY**

#### **REPORT IN BRIEF:**

Requested is the authorization to allow the City Manager to extend the professional services agreement with Inco Realty for brokerage services associated with the sale of the Housing Authority asset located at 7455 Katella Avenue, Stanton.

#### **RECOMMENDED ACTION:**

1. City Council declare 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. Approve the fourth contract amendment for Inco Realty; and
3. Authorize the City Manager to bind the City of Stanton Housing Authority and Inco Realty in a contract to continue providing brokerage services associated with the sale of the Housing Authority asset located 7455 Katella Avenue, Stanton.

#### **DISCUSSION:**

In the summer of 2016, the City saw a significant increase in the number of inquiries for the purchase of the Housing Authority owned property at 7455 Katella Ave. In addition, the adjacent property owners placed their properties on the market, creating an opportunity for a project to be developed including the Housing Authority property. To assist staff in managing the inquiries and negotiations with the sale of the property, the City contracted with Inco Realty to provide brokerage services.

The contract has renewed several times over the years and expired on March 5, 2021. At this time, Inco has requested an extension until March 5, 2022, under the same terms and conditions, to complete the services associated with the sale of 7455 Katella to KB Home Coastal for the development of a residential project.

**FISCAL IMPACT:**

The 6% brokerage fees would be paid from the revenues generated by the sale of real property.

**ENVIRONMENTAL IMPACT:**

In accordance with the requirements of the CEQA, this project has been determined to be not a project under Section 15061(b)(3).

**LEGAL REVIEW:**

None.

**STRATEGIC PLAN OBJECTIVE(S) ADDRESSED:**

6 – Maintain and Promote a Responsive, High Quality and Transparent Government.

**PUBLIC NOTIFICATION:**

Public notice for this item was made through the regular agenda process.

Prepared By:

Approved by:

/s/ Jason Huynh

/s/ Jarad L. Hildenbrand

\_\_\_\_\_  
Jason Huynh  
Management Intern

\_\_\_\_\_  
Jarad L. Hildenbrand  
City Manager

Attachment:

A. Inco Realty Contract Extension

# Attachment: A

## CITY OF STANTON HOUSING AUTHORITY

### FOURTH AMENDMENT TO AGREEMENT FOR BROKERAGE SERVICES

#### 1. PARTIES AND DATE.

This Fourth Amendment to the Agreement for BROKERAGE Services (“Third Amendment”) is entered into on the \_\_\_\_ day of \_\_\_\_\_, 2021, by and between the City of Stanton Housing Authority (hereinafter referred to as the “City”) and INCO REALTY, INC. (hereinafter referred to as the “Consultant”). City and Consultant are sometimes collectively referred to herein as the “Parties.”

#### 2. RECITALS.

2.1 Agreement. The Parties entered into that certain Agreement for Brokerage Services dated September 6, 2016 (“Agreement”).

2.2 First Amendment. The Parties entered into a First Amendment to that certain Agreement on November 28, 2017 which amended the term and the rate for the Consultant Services.

2.3 Second Amendment. The Parties entered into a Second Amendment on March 5, 2019 in order to renew the Agreement for an additional one-year term.

2.4 Third Amendment. The Parties entered into a Third Amendment on August 25, 2020 in order to renew the Agreement for an additional one-year term.

2.5 Fourth Amendment. The Parties now desire to amend the Agreement in order to renew the Agreement for an additional one-year term.

#### 3. TERMS.

3.1 Term. Pursuant to Section 3.1.2 of the Agreement, the City hereby exercises the option to renew the Agreement and extend the term of the Agreement for one year from March 5, 2021 to March 5, 2022, unless earlier terminated as provided in the Agreement.

3.2 Scope of Services. The Agreement is hereby amended to include the scope of services set forth in Exhibit “A,” attached hereto and incorporated herein by reference.

3.3 Compensation. The total compensation for the Services provided shall not exceed **six percent (6%) brokerage fee based on the final sales price of the subject property**. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under the agreement at the rates set forth in Exhibit “B” attached hereto.

3.4 Declaration of Political Contributions. Prior to the City’s approval of this Amendment, Consultant shall submit to City a statement in writing declaring any political

contributions of money, in-kind services, or loan made to any member of the City Council within the previous twelve-month period by the Consultant and all of Consultant's employees, including any employee(s) that Consultant intends to assign to perform the Services described in this Agreement.

3.5 Remaining Provisions of Agreement. Except as otherwise specifically set forth in this Fourth Amendment, the remaining provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Fourth Amendment to the Agreement on this \_\_\_\_ day of \_\_\_\_\_ 2021.

**CITY OF STANTON**

**INCO REALTY**

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Jarad L. Hildenbrand  
City Manager/Executive Director

---

Bill Townsend  
President

**ATTEST:**

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Patricia A. Vazquez  
City Clerk / Secretary

**APPROVED AS TO FORM:**

---

HongDao Nguyen  
City Attorney / Authority Counsel

**EXHIBIT “A”**  
**TO THIRD AMENDMENT TO**  
**AGREEMENT FOR BROKERAGE SERVICES**

**SCOPE OF SERVICES**

- Provide brokerage services associated with the sale of the Housing Authority owned property at 7455 Katella Ave. to achieve the sale of the property for the appraised value of \$810,000.
- Upon sale of the property, Jerome Ristrom, designated broker for the transaction, will receive a 6% brokerage fee based on the final sales price of the subject property.

**EXHIBIT “B”**  
**TO THIRD AMENDMENT TO**  
**AGREEMENT FOR BROKERAGE SERVICES**  
**COMPENSATION**

- Upon sale of the property, Jerome Ristrom, designated broker for the transaction, will receive a 6% brokerage fee based on the final sales price of the subject property.

## CITY OF STANTON

### REPORT TO CITY COUNCIL

**TO:** Honorable Mayor and Members of the City Council

**DATE:** March 9, 2021

**SUBJECT: INFORMATION TECHNOLOGY SUPPORT SERVICES AGREEMENT  
WITH SCIENTIA CONSULTING GROUP**

#### **REPORT IN BRIEF:**

Requested is authorization to allow the City Manager to enter a professional services agreement with Scientia Consulting Group to provide Information Technology Support Services.

#### **RECOMMENDED ACTION:**

1. City Council and Authority Board declare 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. Authorize the City Manager to approve the professional services agreement with Scientia Consulting Group to provide Information Technology Support Services.

#### **BACKGROUND:**

Since 2017 the City has been contracting with C3 Technology Services ("C3") to provide Comprehensive Information Technology ("IT") services. Through its current contract, the City receives unlimited help desk support (including field visits, as necessary) at a fixed monthly cost of \$3,290.00, for an annual cost of \$39,480.00. The City's contract with C3 has expired and the agreement is in month-to-month status. Due to the evolving needs of our IT department, the City is interested in contracting with a firm that specializes in municipal IT services.

Scientia Consulting Group ("Scientia") was established in 2006 and specializes in providing municipal IT services to clients in the Los Angeles and Orange County regions. Scientia understands the intricacies of local government agencies and has expertise in strategic planning and oversight, hardware and desktop support, network administration, server administration, applications, data backup management, and security protocols.

Scientia recognizes the critical need to maintain constant “up-time” and ensures critical services are available to ensure continuity of government. Scientia’s current municipal clients include the cities of Laguna Beach, Alhambra, Los Alamitos, and La Palma.

## **ANALYSIS/JUSTIFICATION:**

In addition to experience supplying IT support to municipal governments, Scientia has experience providing IT support to emergency dispatch departments, including police and fire departments. Their past projects include Laserfiche deployment, migration to Microsoft Office 365, next-generation firewall configuration and management, citywide closed-circuit video surveillance network solutions, network infrastructure upgrades, and network equipment consolidation.

The proposed IT services contract with Scientia is for five years and consists of 8 hours per week of on-site IT support at a first-year cost of \$34,560. Essentially, Scientia will serve as the City’s Director of Information Technology with staff support provided by the City’s IT Specialist. Scientia offers additional services for large, special projects that may need additional resources than just the on-site IT support, such as deployment of a large number of desktop computers, server installs and emergency work. Much of this work will be administered through side letter agreements.

The proposed professional services agreement serves three main purposes. First, the agreement authorizes Scientia to conduct an initial assessment of the City’s IT infrastructure, using additional key resources in order to increase the success of the “hand-off” process from C3. Through an onsite analysis, system scans, and the remote use of host-based monitoring and reporting tools, Scientia will obtain a full picture of the City’s IT environment. This baseline snapshot will include hardware and software inventories, network infrastructure setups, and interconnection details.

Second, the agreement will authorize Scientia to interview organizational stakeholders to document historical challenges and current operations, as well as discuss departmental objectives requiring IT solutions and support.

Third, Scientia will utilize the baseline snapshot and stakeholder discussion takeaways to produce and deliver a comprehensive report that includes both short-term corrective measures and long-term solutions targeting optimal IT operations to meet organizational objectives. This report will help develop a guide for system management services and supporting documentation for an IT Master Plan. The report will also enable Scientia and City leadership to develop Project Plans and Outlines (PPOs) to meet goals set in the IT Master Plan.



**FISCAL IMPACT:**

The City of La Palma recently issued a Request for Proposals for IT support services and the City proposes to piggyback from La Palma's process. The new client Engagement and Transition (E&T) fee of \$6,462 is a one-time assessment and is in addition to the Monthly ongoing Commitment Rate of \$2,880 for Year 1. Funding will be paid from the Information Technology Budget – 101-1510-608145. Future allocations will be included in the City's budget.

**ENVIRONMENTAL IMPACT:**

In accordance with the requirements of the CEQA, this project has been determined to be exempt under Section 15061(b)(3).

**LEGAL REVIEW:**

None.

**STRATEGIC PLAN OBJECTIVE(S) ADDRESSED:**

- 3. Provide a quality infrastructure
- 4. Ensure fiscal stability and efficiency in governance
- 6. Maintain and promote a responsive, high-quality, and transparent government

**PUBLIC NOTIFICATION:**

Public notice for this item was made through the regular agenda process.

Prepared By:

Approved by:

/s/ Jason Huynh

/s/ Jarad L. Hildenbrand

\_\_\_\_\_  
Jason Huynh  
Management Intern

\_\_\_\_\_  
Jarad L. Hildenbrand  
City Manager

Attachment:

- A. Professional Services Agreement – SCG
- B. Consultants Proposal

**CITY OF STANTON  
PROFESSIONAL SERVICES AGREEMENT  
FOR  
IT MANAGEMENT AND SUPPORT SERVICES**

**1. PARTIES AND DATE.**

This Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the City of Stanton, a municipal organization organized under the laws of the State of California with its principal place of business at 7800 Katella Avenue, Stanton, California 90680 (“City”) and **Scientia Consulting Group, Inc.** with its principal place of business at 4368 East La Palma Avenue, Anaheim, CA 92807 (“Consultant”). City and Consultant are sometimes individually referred to herein as “Party” and collectively as “Parties.”

**2. RECITALS.**

**2.1 Consultant.**

Consultant desires to perform and assume responsibility for the provision of professional **Information Technology Management and Support Services** consultant services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing professional **Information Technology Management and Support Services** consultant services to public clients, is licensed in the State of California, and is familiar with the plans of City.

**2.2 Project.**

City desires to engage Consultant to render such services for Information Technology Management and Support Services (“Project”) as set forth in this Agreement.

**3. TERMS.**

**3.1 Scope of Services and Term.**

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional Information Technology Management and Support Service consultant services necessary for the Project (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from the effective date to June 30, 2026, unless earlier terminated as provided herein. The City Manager shall have the unilateral option, at its sole discretion, to renew this Agreement annually for no more than two additional one-year terms. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

## **3.2 Responsibilities of Consultant.**

**3.2.1 Independent Contractors, Control and Payment of Subordinates; Independent Contractor.** The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Consultant shall complete, execute, and submit to City a Request for Taxpayer Identification Number and Certification (IRS Form W-9) prior to commencement of any Services under this Agreement. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of City and shall at all times be under Consultant's exclusive direction and control. Neither City, nor any of its officials, officers, directors, employees or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

**3.2.2 Schedule of Services.** Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "A" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, City shall respond to Consultant's submittals in a timely manner. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

**3.2.3 Conformance to Applicable Requirements.** All work prepared by Consultant shall be subject to the approval of City.

**3.2.4 Substitution of Key Personnel.** Consultant has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the City. The key personnel for performance of this Agreement are as follows: Tony White, Account Manager.

**3.2.5 City's Representative.** The City hereby designates the City Manager, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. The City Manager hereby designates Steve Martin, IT Specialist, as

the City's contact for the implementation of the Services hereunder. Consultant shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates Tony White, Account Manager, or his or her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold City, its officials, directors, officers, employees, agents and volunteers free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence Work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section.

3.2.10.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder and without limiting the indemnity provisions of the Agreement, the Consultant in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement, the following policies of insurance. If the existing policies do not meet the Insurance Requirements set forth herein, Consultant agrees to amend, supplement or endorse the policies to do so.

- (a) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office “occurrence” form CG 0001, with minimum limits of at least \$1,000,000 per occurrence, and if written with an aggregate, the aggregate shall be double the per occurrence limit. Defense costs shall be paid in addition to the limits.

The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to the Agreement.

- (b) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering “Any Auto” (Symbol 1) with minimum limits of \$1,000,000 each accident.
- (c) Consultant/Contractor shall procure and maintain Cyber Security and Privacy Liability insurance with limits of \$1,000,000 per occurrence/loss, \$2,000,000 aggregate which shall include the following coverage:
  - a. Liability arising from the theft, dissemination and/or use of confidential or personally identifiable information; including credit monitoring and regulatory fines arising from such theft, dissemination or use of the confidential information.
  - b. Network security liability arising from the unauthorized use of, access to, or tampering with computer systems, including hacker or denial of service attacks.
  - c. Liability arising from the failure of technology products (software) required under the contract for Consultant

to properly perform the services intended.

d. Electronic Media Liability arising from personal injury, plagiarism or misappropriation of ideas, domain name infringement or improper deep-linking or framing, and infringement or violation of intellectual property rights.

e. Liability arising from the failure to render professional services.

(d) Cyber Technology Errors and Omissions insurance with limits of \$1,000,000 per occurrence/loss, \$2,000,000 aggregate which shall include the following coverage:

a. Liability arising from the theft, dissemination and/or use of confidential or personally identifiable information, including credit monitoring and regulatory fines arising from such theft, dissemination or use of the confidential information.

b. Network security liability arising from the unauthorized use of, access to, or tampering with computer systems.

c. Liability arising from the failure of technology products (software) required under the contract for Consultant to properly perform the services intended.

d. Claims alleging the failure of computer security that result in the transmission of malicious code, deletion, destruction or alteration of data, or the denial of service.

e. Electronic Media Liability arising from personal injury, plagiarism or misappropriation of ideas, domain name infringement or improper deep-linking or framing, and infringement or violation of intellectual property rights.

f. Liability arising from the rendering, or failure to render, professional services

(e) Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

3.2.10.3 Endorsements. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval.

- (a) The policy or policies of insurance required by Section 3.2.10.2 (a) Commercial General Liability and (c) Contractor's Pollution Liability shall be endorsed to provide the following:

- (1) Additional Insured: The City, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement.

Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Consultant; or (4) contain any other exclusions contrary to the Agreement.

- (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

- (b) The policy or policies of insurance required by Section 3.2.10.2 (b) Automobile Liability and (d) Professional Liability shall be endorsed to provide the following:

- (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

- (c) The policy or policies of insurance required by Section 3.2.10.2 (e) Workers' Compensation shall be endorsed to provide the following:

- (1) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the indemnified parties.
- (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

3.2.10.4 Primary and Non-Contributing Insurance. All insurance coverages shall be primary and any other insurance, deductible, or self-insurance maintained by the indemnified parties shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

3.2.10.5 Waiver of Subrogation. Required insurance coverages shall not prohibit Consultant from waiving the right of subrogation prior to a loss. Consultant shall waive all subrogation rights against the indemnified parties. Policies shall contain or be endorsed to contain such provisions.

3.2.10.6 Deductible. Any deductible or self-insured retention must be approved in writing by the City and shall protect the indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

3.2.10.7 Evidence of Insurance. The Consultant, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates and endorsements on forms approved by the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

3.2.10.8 Failure to Maintain Coverage. Consultant agrees to suspend and cease all operations hereunder during such period of time as the required insurance coverage is not in effect and evidence of insurance has not been furnished to the City. The City shall have the right to withhold any payment due Consultant until Consultant has fully complied with the insurance provisions of this Agreement.

In the event that the Consultant's operations are suspended for failure to maintain required insurance coverage, the Consultant shall not be entitled to an extension of time for completion of the Services because of production lost during suspension.

3.2.10.9 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

3.2.10.10 Insurance for Subconsultants. All Subconsultants shall be included as additional insureds under the Consultant's policies, or the Consultant shall be responsible for causing Subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City as an Additional Insured to the Subconsultant's policies.

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work



and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subconsultants, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

### **3.3 Fees and Payments.**

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "A" attached hereto and incorporated herein by reference. The total compensation for Engagement and Transition shall not exceed Six Thousand Four Hundred and Sixty-Two Dollars (\$6,462) ("Total Compensation") without written approval of City's City Manager. The monthly ongoing Commitment Rate for 8 hours of on-site support per week is \$2,800 Year 1, \$2,996 Year 2, \$3,116 Year 3, \$3,241 Year 4, and \$3,371 Year 5. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

#### **3.3.2 Payment of Compensation.**

Consultant shall submit to City a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from the City.

3.3.5 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available

to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Consultant shall therefore comply with such Labor Code sections to the fullest extent required by law. Consultant shall defend, indemnify and hold the City, its elected officials, officers, employees, agents and volunteers free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

### **3.4 Accounting Records.**

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

### **3.5 General Provisions.**

#### **3.5.1 Termination of Agreement.**

3.5.1.1 Grounds for Termination. City may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to City, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Consultant:

Scientia Consulting Group, Inc  
4368 East La Palma Ave  
Anaheim, CA 92807  
Attn: Tony White

City:

City of Stanton  
7800 Katella Avenue  
Stanton, CA 90680  
Attn: City Manager

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

### 3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

3.5.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.5.3.3 Confidential Information. The City shall refrain from releasing Consultant's proprietary information ("Proprietary Information") unless the City's legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction, in which case the City shall notify Consultant of its intention to release Proprietary Information. Consultant shall have five (5) working days after receipt of the Release Notice to give City written notice of Consultant's objection to the City's release of Proprietary Information. Consultant shall indemnify, defend and hold harmless the City, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. City shall not release the Proprietary Information after receipt of the Objection Notice unless either: (1) Consultant fails to fully indemnify, defend (with City's choice of legal counsel), and hold City harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that City release such information.

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.5 Attorney's Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

#### 3.5.6 Indemnification.

To the fullest extent permitted by law, Consultant shall defend (with counsel of City's choosing), indemnify and hold the City, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorneys fees and other related costs and expenses. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Consultant or the City, its officials, officers, employees, agents or volunteers.

If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

3.5.7 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties.

3.5.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Orange County.

3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

**3.6 City's Right to Employ Other Consultants**. City reserves right to employ other consultants in connection with this Project.

**3.7 Successors and Assigns**. This Agreement shall be binding on the successors and assigns of the parties.

**3.8 Assignment or Transfer**. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

**3.9 Construction; References; Captions**. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants of Consultant, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

**3.10 Amendment; Modification**. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

**3.11 Waiver**. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

**3.12 No Third Party Beneficiaries**. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

**3.13 Invalidity; Severability**. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

**3.14 Prohibited Interests.** Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

**3.15 Equal Opportunity Employment.** Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

**3.16 Labor Certification.** By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

**3.17 Authority to Enter Agreement.** Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

**3.18 Counterparts.** This Agreement may be signed in counterparts, each of which shall constitute an original.

**3.19 Declaration of Political Contributions.** Consultant shall, throughout the term of this Agreement, submit to City an annual statement in writing declaring any political contributions of money, in-kind services, or loan made to any member of the City Council within the previous twelve-month period by the Consultant and all of Consultant's employees, including any employee(s) that Consultant intends to assign to perform the Services described in this Agreement.

**3.20 Subcontracting.**

**3.20.1 Prior Approval Required.** Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

*[Signatures on following page.]*



IN WITNESS WHEREOF, the parties have executed this Professional Services Agreement  
on this \_\_\_\_ day of \_\_\_\_\_, 201\_\_.

CITY OF STANTON

[INSERT NAME OF CONSULTANT]

By: \_\_\_\_\_  
Jarad L. Hildenbrand  
City Manager

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

[If Corporation, TWO SIGNATURES,  
President **OR** Vice President **AND** Secretary,  
**AND** CORPORATE SEAL OF  
CONSULTANT REQUIRED]

**ATTEST:**

By: \_\_\_\_\_  
Patricia A. Vazquez  
City Clerk

By: \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Best Best & Krieger LLP  
City Attorney



**EXHIBIT “A”**  
**SCOPE OF SERVICES**

CONSULTANT PROPOSAL DATED FEBRUARY 2021



*Scientia Est Potentia - Knowledge is Power*

**CITY OF STANTON**  
**For**  
**INFORMATION TECHNOLOGY SUPPORT SERVICES**

Submitted by:  
Phil Danie (Phil@Scientiacg.com)  
Scientia Consulting Group, Inc.  
4368 East La Palma Avenue  
Anaheim, CA 92807  
(877) 444-3108

February 2021

February 22, 2021

City of Stanton  
Attn: Jarad Hildenbrand  
Regarding: Information Technology Support Services  
7800 Katella Ave  
Stanton, CA 90680

Jarad Hildenbrand:

On behalf of Scientia Consulting Group, I would like to take this opportunity to thank you for allowing us to present you with a proposal to provide Information Technology Support Services for the City of Stanton. This proposal intends to describe a concise service offering that will enable Stanton to gain a thorough understanding of the capabilities of Scientia Consulting Group. This response includes our goal to provide requisite IT services capable of meeting existing, future and third-party technologies supporting the mission of the City of Stanton.

At Scientia Consulting Group, we are committed to providing the best comprehensive suite of services to our clients with honest, ethical, and practical recommendations.

We guarantee this proposal will remain valid for a period of 90 days from the date of submittal. If we can be of further assistance to you, or you have follow-up questions, please don't hesitate to contact me.

Thank you again for your time, and please know the Scientia Consulting Group looks forward to a partnership with the City of Stanton.

Sincerely,



Phil Danie  
Chief Executive Officer  
Scientia Consulting Group  
4368 East La Palma Avenue  
Anaheim, CA 92807  
(877) 444-3108

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## Proposal Section 1: Introduction & Company Profile

Scientia Consulting Group (SCG), founded in 2006, is an Orange County-headquartered corporation located in Anaheim, California. We provide professional Information Technology (IT) services to neighboring Los Angeles and Orange County municipal entities. We understand City government purchasing regulations and the resources needed to provide full-service IT support to municipalities. We are on call 24-hours a day, 7-days a week, and our organization is committed to providing the outstanding services expected by our clients.

Services provided range from routine O&M to specialized planning and management of mission-critical functions and data-center operations. The scope of staffing levels range from *supplemented IT support*, wherein SCG provides part-time/full-time consultants to supplement municipal IT staff as needed, to *full service IT support*, wherein SCG provides full-time consultants to lead IT operations. For special projects, SCG can supplement city IT staff with highly skilled engineers (networking, database management, project management, software development) as required.

In either scenario, SCG maintains permanent staff as needed to guarantee service level agreements in place with our clients, and we have a list of proven sub-contractors on hand when needed for larger and short-term engagements.

Because we focus on the public sector, we maintain a thorough understanding of rules, regulations, and governances specifically in place for Public Safety. Our municipal clients trust us with highly sensitive data, and as technology professionals it is our responsibility to ensure our client's infrastructure, end-points, users and platforms are maintained and managed according to State and Federal (Department of Justice) standards.

All SCG IT employees have been working in the public sector for many years, all are fully vetted and backgrounded, and those identified to participate in the City project have held leadership positions within municipalities or federal institutions.

We pride ourselves on building long-term relationships with public sector management and take our role as technology experts seriously. We maintain proficiency on commonly used platforms and services and keep current with technology trends without losing sight of operational functionality.

Within our response we have highlighted services we provide to similar sized municipalities along with examples of innovations we have found to improve the functionality, quality of experience, and efficiency of internal and external users, community and visitors.

We would appreciate an opportunity to meet with leadership at the City of Stanton, to further present some of the team from Scientia Consulting Group, and to answer in detail any specific questions you might have regarding this proposal, any of the services we provide.

## Proposal Section 2: Qualifications

### Proposed Staffing and Project Organization

SCG will dedicate an account manager to the City of Stanton, who will coordinate the various aspects of the IT services and assessment. The proposed account manager, a seasoned retired law enforcement professional, has managed similar projects for other municipal clients. In support of the account manager will be additional SCG IT professionals, with specific expertise in information security, data stability and disaster recovery, organizational management of technology services, deployment and scalability of licensed software and hardware/software and infrastructure support.

### Experience

SCG derives experience from working as IT specialists in the public sector for the past 17 years. Over that time, our municipal clients have engaged SCG to provide on-site and remote IT support services and to conduct law enforcement technology plans. SCG has developed short and long-range project plans and provided valuable insight into budgeting and procurement. By example, SCG has produced multi-year IT master plans for the City of Alhambra, West Covina Police Department, and Laguna Beach Police Department. Refer to past performance narratives of relevant work performed for similar organizations.

### Education and Credentials

The educational backgrounds of key personnel assigned to this project include, at a minimum, undergraduate degrees from accredited institutions. Professional and relevant experience of key personnel ranges from five to over twenty years of municipal technology support. Select personnel possesses and maintain industry certifications from Microsoft, CompTIA, and the International Information Systems Security Certification Consortium (ISC<sup>2</sup>). Additionally, personnel maintains professional affiliations with local and national level public safety organizations. Detailed professional biographies are available upon request.

In general, each SCG IT professional has experience related to municipal government operations. Our experience also encompasses large-scale project management, deployments of organizational hardware/software solutions meeting enterprise needs (CAD/RMS/mobile), managing single site/multi-site networking and switching infrastructure (experience with CJIS/DOJ policies/standards) and troubleshooting and daily maintenance for end-user productivity. SCG is a California Corporation licensed and insured to provide professional services to municipalities within the State of California. We also are proud of our employee onboarding process, which includes a full (civilian law enforcement) background check, which is necessary as SCG manages secure, non-public data, for many public safety entities throughout Southern California.

**Key personnel at SCG**

SCG Information Security: **Jason Hennessey** – Responsible for the technical review and documentation of InfoSec practices, procedures, and policies.

SCG Technology/Licensing: **Phil Danie** – Responsible for the technical review of licensed products, hardware/software platforms, backbone, performance, and operational stability.

SCG Account Manager: **Tony White** – Responsible for the organization, management, and deliverable of a City Information Technology plan and services proposal.

**Key personnel statement**

The key SCG personnel identified above will be available to participate and add respective value, to the City of Stanton throughout the course of the engagement.

**Key personnel qualifications**

Name: **Jason Hennessey**

Responsibilities: Technical platform and security lead, supervisor of contract IT personnel, with special emphasis on information security matters.

Qualifications/Bio: Mr. Hennessey's professional background includes 20 years of computer system management for privately-held firms, publicly-held Fortune 500 & 100 firms, and the United States Government. Mr. Hennessey holds a Bachelor of Science degree in Computer Information Systems, the globally recognized CISSP® (Certified Information Systems Security Professional) credential, industry certifications from Microsoft® and CompTIA®. Before joining SCG, Mr. Hennessey served as an Information System Security Officer (ISSO) for the United States Drug Enforcement Administration (DEA) where he managed the information security program for the DEA's El Paso Intelligence Center. Having spent more than ten years supporting the public sector, Mr. Hennessey maintains an active security clearance and has completed numerous training sessions regarding information security governance, common government/workplace policies, and anti-discrimination practices.

Name: **Phil Danie**

Responsibilities: Chief Executive Officer of SCG, Director of Engineering, Lead Technical Resource.

Qualifications/Bio: Mr. Danie has been involved in Orange County Public Safety technology since 2000 when he worked as a technical resource for the Orange County Sheriff Department. He is the principal of several Orange County technology businesses, specializing in Information Technology Management, Software engineering and development, and Technology Consulting.

Name: **Tony White**

Responsibilities: V.P Sales and Marketing, Project Management, Client Services Lead.

Qualifications/Bio: Mr. White's professional background includes software development and product management, project management, implementation, and training and he was a law enforcement professional for fifteen years. Mr. White will be the Account Manager on this project and will oversee all aspects of the contract.

**Subcontractors**

SCG does not intend to commission sub-contractors to provide IT services to the City of Stanton. Any deviation from this will be coordinated with the City in advance.



## Proposal Section 3: Past Performance Narratives & References

SCG provides a comprehensive suite of IT management services to municipalities within Los Angeles and Orange counties. The scope of services provided range from routine O&M to specialized planning and management of mission-critical functions and data-center operations. The scope of staffing levels range from *supplemented IT support*, wherein SCG provides part-time/full-time consultants to supplement municipal IT staff as needed, to *full service IT support*, wherein SCG provides full-time consultants to lead IT operations. SCG is a leader in IT project management with a demonstrated history of providing quality solutions within time and budgetary constraints as detailed in the performance narratives below.

### City of Laguna Beach | 2007 - Present

SCG provides annual IT support for the Police Department, Fire Department, and Marine Safety. A sampling of projects includes; CAD/RMS system deployment, dispatch center remodel, 911 phone system replacement, Emergency Operations Center setup, network infrastructure upgrades, computer deployments, and mobile video system replacement. One notable project was an extensive Citywide closed-circuit video surveillance solution utilizing secure WiFi and fixed network assets, with all feeds channeled to highly responsive back-end storage and retrieval solution. The result provides the local police and fire departments with high definition, pan-tilt-zoom (PTZ) cameras with the ability to monitor, record and provide video evidence for the downtown and rural fire hazard areas around the City perimeter.

### West Cities Police Communications (West-Comm) | 2007 - Present

SCG is the project manager, technology implementation team and IT support services provider for a multi-year project at West-Comm, a Joint Powers Authority (JPA) in Orange County servicing the Cities of Cypress, Los Alamitos, and Seal Beach. West-Comm, with the assistance of SCG, replaced the CAD/RMS and Mobile software used by the JPA and the three City entities. In addition to managing the relationship between the JPA members and the external vendors involved, SCG is responsible for the design, implementation, and support of a replacement backbone data communications platform. This project includes the use of a Multiprotocol Label Switching (MPLS) network connecting numerous sites, management of client endpoints, and management of infrastructure devices to include switches, routers, and firewalls.

### City of Los Alamitos | 2011 - Present

SCG provides annual IT support for all City departments. A sampling of projects include CAD/RMS installation, configuration, and deployment; city-wide WIFI deployment, migration from physical to virtualized server environment; implemented Veeam virtual backup solution; Dell EqualLogic and EMC SAN implementation; LaserFiche deployment; VOIP implementation; emergency operations center (EOC) upgrades; Incode finance software upgrades; migration to Exchange Online.

### **City of Alhambra | 2012 - Present**

SCG provides annual IT support for all City departments. A sampling of Police Department projects includes SCG's conversion of desktop computers to a virtual desktop infrastructure (VDI), configuration and management of the virtualized server environment on VMware platforms, migration from on-premises Microsoft Exchange to Microsoft Office 365, and next-generation firewall configuration and management. At the City's Library, SCG developed appropriate-use policies and ongoing management platforms for publicly-accessible computer workstations used by citizens at the public library. The library project was designed in conjunction with library officials to create a sophisticated set of Group Policy Objects (GPO) within a Microsoft Windows Server environment. The GPOs strictly manage the devices and enable library and City officials to ensure the usage of these computer workstations adhere to organizational policies. SCG has also upgraded key library software (EnvisionWare, Horizon, etc.) and completed the Corporation for Education Network Initiatives in California (CENIC) project.

### **City of West Covina | 2012 - Present**

SCG provides annual IT support for the Police department. A sampling of projects includes a network communications upgrade from dedicated T1s to VPNs and point-to-point wireless resulting in reduced telco expenditures. A network equipment consolidation project is resulting in reduced recurring maintenance and licensing costs. A firewall upgrade project that included the implementation of Palo Alto application-layer firewalls and resulted in enhanced network traffic visibility and INFOSEC features. Following these projects, SCG was asked to improve desktop reliability and reduce replacement costs. This was achieved by implementing VDI using VMware Horizon and Dell thin clients.

### **Public Agency References**

1. City of Laguna Beach  
505 Forest Avenue, Laguna Beach, CA  
Kristen Berry – Support Services Manager (Police Department)  
Phone: (949) 497-0701 | Email: [kberry@lagunabeachCity.net](mailto:kberry@lagunabeachCity.net)
2. West Cities Police Communications  
911 Seal Beach Blvd, Seal Beach, CA 90740  
Kasandra Bowden – Police Communications Director & JPA Secretary  
Phone: (562) 594-7243 | Email: [kbowen@west-comm.org](mailto:kbowen@west-comm.org)
3. City of Los Alamitos  
3191 Katella Ave, Los Alamitos, CA 90720  
Sean Connolly – Police Captain  
Phone: (562) 431-2255, x 420 | Email: [choward@cityoflosalamitos.org](mailto:choward@cityoflosalamitos.org)

4. Alhambra Police Department  
211 S. First St., *Alhambra*, CA 91801  
May Ung – Support Services Manager  
Phone: (626) 570-5183 | Email: [mung@alhambrapd.org](mailto:mung@alhambrapd.org)
  
5. West Covina Police Department/West Covina Service Group  
1444 West Garvey Avenue, West Covina, CA  
Travis Tibbetts – Police Lieutenant  
Phone: (626) 939-8684 | Email: [ttibbetts@wcpd.org](mailto:ttibbetts@wcpd.org)

## Proposal Section 4: Work Plan

Examples of SCG's available services are grouped and summarized as follows:

### IT Management Services

- Strategic planning and oversight
- Project management
- Procurement guidance
- Improve the effectiveness and efficiency of current resources

### IT Support Services

- Desktop support
- Network administration
- Server administration
- Email administration
- Virus/Spam protection
- Data backup management

In addition to management and support services, SCG can assist in the development of a technology roadmap. It would be our goal to provide the City a complete technology review to include; an IT Strategic Plan, IT Gap Analysis, IT personnel structure for management of services and recommendations specifically for law enforcement technologies.

As an established managed service provider specializing in municipal and public safety IT operations, SCG begins each new client engagement with a three-step approach designed to identify the current state of an organization's IT operations, develop an agreed-upon desired state, and a gap analysis to identify a path to transition from the current to the desired state.

1. SCG personnel will perform a comprehensive assessment of the current state of the environment. This assessment includes, but is not limited to, system scans, deployment of host-based monitoring and reporting tools, and hands-on inspection of infrastructure devices. The resulting baseline snapshot includes an inventory of computer hardware including virtualized assets, software including version details, and network infrastructure devices and interconnection details.
2. The SCG Account Manager, along with key SCG personnel, will interview organizational stakeholders to document historical challenges, current operations, and discuss departmental objectives requiring IT solutions and support.
3. SCG will produce and deliver a comprehensive report for the City of Stanton management that includes the baseline snapshot information, summary of stakeholder

discussions, and recommendations for short-term corrective measures and long-term solutions targeting optimal IT operations to meet organizational objectives.

In summary, this report will help develop a guide for the requested system management services and supporting documentation for an IT Master Plan. Note that these recommendations may also include reduction/increase in specific hardware/software platforms, modifications to currently employed technologies, and augmentation/training for staff. All recommendations are substantiated with information gathered throughout the assessment.

This report will enable SCG management and the City leadership to develop a project plan and outline (PPO). This PPO will be the baseline for the overall project engagement and will identify resources required from both sides throughout the engagement. Specific milestones are identified through which stakeholders can assess project progress, take action to mitigate identified issues needing immediate attention, and manage change orders as necessary. Note that initial corrective measures will prioritize the decommissioning of unsupported platforms as a security measure.

### **Information Technology Service Management**

Maintenance and support services, along with helpdesk problem resolution services, will be logged and tracked in SCG's information technology service management (ITSM) platform used to support helpdesk operations. Client access to this platform is available to enable full visibility into the workload and response times.

SCG's ITSM platform enables administrators to efficiently and securely manage large enterprises, streamlining functions such as desktop support, system patching, and inventory collection. Moreover, the platform also serves as a continuous monitoring and alerting system that automatically alerts administrators to problems, often before the user is aware.

### **Innovative Solutions**

Examples of other innovative solutions SCG's IT service division has deployed at other cities include:

- Virtual Desktop Infrastructure (VDI) – As many municipal clients have already adopted VMware virtualization for server operating systems, VDI “thin client” technology may be a natural progression towards streamlined desktop management, minimization of help desk support calls, and reduction of long-term asset refresh expenditures.
- Cloud Computing – leverage potential cost-saving aspects of converting portions of the client's IT environment to cloud computing technologies, leveraging advancements made by Microsoft in Office 365 and SharePoint back-end office platforms.
- Wireless technologies – evaluate existing point-to-point wireless technologies versus

private telephone lines for site-to-site connectivity.

- Virtual Private Network (VPN) – estimate potential cost-saving aspects of converting any existing T1 or private circuits to VPNs across lower-cost internet service providers.
- Disaster recovery – design and implement enhanced back-up and disaster recovery processes to include a hybrid platform (local storage combined with cloud computing).
- End of life – assess and migrate/decommission/upgrade and end-of-life hardware/software to improve resiliency and security posture.
- Network enhancements – evaluate the benefits of migrating server infrastructure to a 10Gb network if not already in place.
- Virtualization migration/upgrades – virtualize EOL physical servers and upgrade existing virtualization environments to current versions to better leverage fault-tolerant features for critical services.

Although SCG is highly experienced in deploying innovative solutions, technology is not deployed for technology's sake, but rather to provide enhanced citizen service, save operational costs or to provide measurable productivity enhancements for employees.

Although the examples of innovative technologies provided above have been successful for other SCG municipal clients, a thorough evaluation of the City's working environment will reveal which innovations are appropriate for the City.

It is an important distinction to understand, SCG does not recommend technology platforms for consideration or purchase based on reciprocity. We use the technology we recommend at client locations simply because it may be the best-suited product at the time. SCG does NOT resell or distribute technology platforms but will assist our clients by sourcing multiple bids/quotes when requested.

With our understanding of the City's current needs, we believe SCG and Stanton are a good match. More specifically, by leveraging our skillsets and experience in virtualization tools, secure cloud computing and advanced Microsoft platforms we can assist the City with ongoing IT support and maintenance, along with a thorough information technology assessment. We are open to provide short and long-term IT planning, project management, implementation and deployment of advanced computing technologies, while simultaneously assisting the City in building an infrastructure suited for growth and sustainability into the future.

## Proposal Section 5: Proposal Costs and Rates

New client **Engagement and Transition (E&T)** fee of **\$6,462** is a one-time assessment and is in addition to the **Monthly ongoing Commitment Rate** of **\$2,880**. The E&T fee enables SCG to apply additional key resources for the first month of a new client engagement contract as described in **Section 4: Work Plan**. This one-time fee in our experience increases the success of the “hand-off” process from an existing IT solution provider to SCG.

Engagement and Transition fee (one-time): **\$6,462**

Monthly ongoing Commitment Rate: **\$2,880(8 hours per week)**

Extended Commitment Rate year-over-year:

Year 1 (2021)	Year 2 (2022)	Year 3 (2023)	Year 4 (2024)	Year 5 (2025)
\$2,880	\$2,996	\$3,116	\$3,241	\$3,371

### 1. Hourly Rate:

The monthly cost proposal table above was prepared using a combination of the resources identified below.

Technician (Level 1)	\$67.00
Technician (Level 2)	\$76.50
Project Manager	\$114.25
System Engineer	\$119.50
Software Developer	\$121.75
SQL DBA	\$121.75
Network Engineer	\$130.00

### 2. Hours/Days when Normal Service is Available:

Normal service is available Monday through Friday, 7:30 am to 5:30 pm. We will provide services as required by the RFP, additional days for special projects or meetings, to be agreed upon by both parties. We also understand the need for emergency service 24 hours a day, 7 days a week, and there is no additional rate for such services. The same hourly rates apply to any time of day, or day of the week, including holidays and declared emergencies. SCG is prepared to meet the 30-minute remote standby support time for emergency calls outside of normal hours.

### 3. Travel/Trip Charges (if any):

None

**4. Rate(s) for After Hours Work:**

The same hourly rates apply to any time of day, or day of the week, including holidays and declared emergencies.

**5. Rate(s) on Weekends and Holidays:**

Same as above.

**6. Any alternate pricing structures (such as a block of hours):**

Hours may be purchased as a block for specified projects

**7. A monthly payment schedule anticipated which to include the agreed-upon scope of work hours and if applicable, any additional agreed upon contract hourly work for that period. The rates above fixed for five (5) years.**

**Submitted By:**

Signature:

Phillip Danie

Printed/Typed Name:

Phil Danie

Title:

CEO

Date:

February 22, 2021



## Contact Sheet

SCG Information Security: **Jason Hennessey** – [Jason@Scientiacg.com](mailto:Jason@Scientiacg.com) 877-444-3108

SCG Technology/Licensing: **Phil Danie** – [Phil@Scientiacg.com](mailto:Phil@Scientiacg.com) 877-444-3108

SCG Account Manager: **Tony White** – [Tony@Scientiacg.com](mailto:Tony@Scientiacg.com) 877-444-3108

## CITY OF STANTON

### REPORT TO THE CITY COUNCIL

**TO:** Honorable Mayor and Members of the City Council

**DATE:** March 9, 2021

**SUBJECT: CITY COUNCIL APPOINTMENTS TO FILL THREE VACANCIES ON THE STANTON PUBLIC SAFETY COMMITTEE FOR TERMS COINCIDING WITH THE CITY COUNCIL ELECTION**

#### **REPORT IN BRIEF:**

The Council Member holding the seat corresponding to that numbered seat on the Stanton Public Safety Committee shall be responsible for appointment of one Committee Member, 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.

#### **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. Conduct an interview with each applicant; and
3. Make appointments to fill seats #1-Taylor, #4-Warren, and #5-Van on the Stanton Public Safety Committee.

#### **BACKGROUND AND ANALYSIS:**

The Stanton Public Safety Committee consists of five members who meet once every three months. As part of the strategic plan, the Stanton Public Safety Committee aligns the City with its core goal of "Providing a Safe Community". The purpose of this committee is to foster and maintain effective interaction with law enforcement, fire services, emergency medical services and emergency preparedness

**FISCAL IMPACT:**

The Public Safety Committee shall consist of five members serving in a non-paid and voluntary position.

**ENVIRONMENTAL IMPACT:**

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).

**LEGAL REVIEW:**

None.

**PUBLIC NOTIFICATION:**

Notification through the normal agenda process.

**STRATEGIC PLAN OBJECTIVE ADDRESSED:**

Objective1: Provide a save community.

Objective 5: Provide a high quality of life.

Objective 6: Maintain and promote a responsive, high quality and transparent government.

Prepared By:

Approved by:

/s/ Patricia A. Vazquez

/s/ Jarad L. Hildenbrand

---

Patricia A. Vazquez  
City Clerk

---

Jarad L. Hildenbrand  
City Manager

Attachments:

A. Commission Applications – Stanton Public Safety Committee

# Attachment: A



7800 Katella Avenue  
Stanton, California 90680

## COMMITTEE APPLICATION

*Application to be considered for the following Committee:*  
Stanton Public Safety Committee

The City of Stanton requests information from community members who are interested in serving on a City Committee. This request does not constitute an appointment as such appointments are made by the City Council.

*Please Note:*

- 1. Information provided on this form is public information and is subject to disclosure and/or distribution; and*
- 2. To qualify for an appointment, you must be a registered voter in the City of Stanton and you must reside within the City limits.*

Name: Jose Ortega

Residence Address: [REDACTED]

Resident of Stanton Since: [REDACTED] 2015

Home Phone: [REDACTED] Cell Phone: [REDACTED]

E-Mail: [REDACTED]

Registered Voter in the City of Stanton (will be verified through the OCROV): ☒ YES ☐ NO

Previous Service on any Committee/Commission/Board:

☐ YES

☒ NO

If Yes, Which Committee: \_\_\_\_\_ When: \_\_\_\_\_

Are you available to attend evening meeting:

☒ YES

☐ NO

Do you presently contract any services or are you otherwise employed by the City:

☐ YES ☒ NO

If so, what is the nature of the contract or employment:

Please give a brief statement as to why you are interested in serving on the committee chosen and describe how your qualifications and skills would benefit the Committee:

I'm intrested in joining the committee because I want to try to better the city where I live in. I work full time for the County of Orange. I enjoy helping the people that are truly in need.

Have you participated in any community service projects or civic activities? If yes, please list:

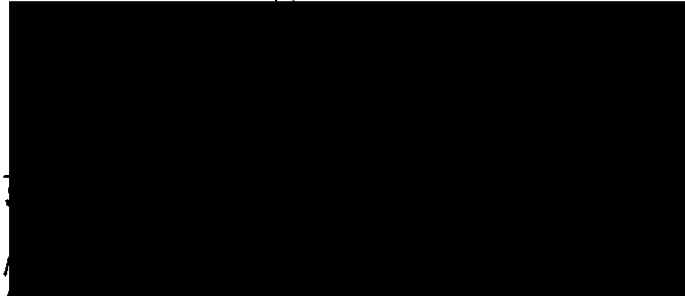
I have completed the city of Stanton's Citizen's academy.

Please describe your educational background and list any professional or vocational licenses/certificates.

I'm enrolled at Cypress College taking Courses in behavioral Health. Last year I earn my Certificate in human Services Generalist

Certification:

I certify that the above information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.



1/12/2021  
Date

ACCOMMODATION TO PARTICIPATE IN THE APPLICATION AND SELECTION PROCESS MUST INFORM THE CITY OF STANTON AT THE TIME THIS APPLICATION IS SUBMITTED. INDIVIDUALS NEEDING SUCH ACCOMMODATIONS MUST DOCUMENT THE NEED FOR SUCH ACCOMMODATION INCLUDING THE TYPE AND EXTENT OF ACCOMMODATIONS NEEDED TO COMPLETE THE APPLICATION FORM, PARTICIPATE IN THE SELECTION PROCESS OR PERFORM THE VOLUNTEER DUTIES/JOB FOR WHICH THEY ARE APPLYING.



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Name: Jeffrey Jones

Residence Address: [REDACTED]

Resident of Stanton Since: 2008

Home Phone: [REDACTED]

Cell Phone:                     

E-Mail: [REDACTED]

Registered Voter in the City of Stanton *(will be verified through the OCROV):*

☒ YES

☐ NO

Previous Service on any Committee/Commission/Board: ☐ YES ☒ NO

If Yes, Which Committee: \_\_\_\_\_ When: \_\_\_\_\_

Are you available to attend evening meeting: ☒ YES ☐ NO

Do you presently contract any services or are you otherwise employed by the City:  
☐ YES ☒ NO

If so, what is the nature of the contract or employment:

---

Please give a brief statement as to why you are interested in serving on the committee chosen and describe how your qualifications and skills would benefit the Committee:

I am a United States Coast Guard veteran and retired Deputy Sheriff. I believe my education, law enforcement background and training can provide a unique perspective that would contribute to making Stanton the safest and best little city in the OC.

Have you participated in any community service projects or civic activities? If yes, please list:

I serve on the "Crosspointe Village" Board of Directors. Crosspointe Village is Stanton's largest gated community consisting of 495 homes. I am also a retired member of the Association of Orange County Deputy Sheriff's which represents the deputies currently serving the City of Stanton's Police Services Division.

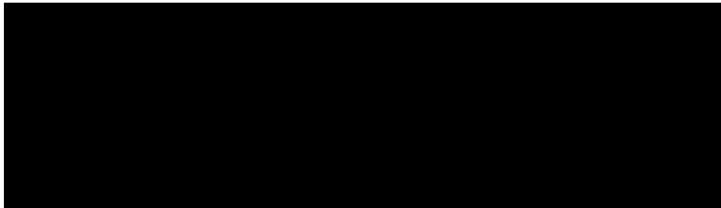


Please describe your educational background and list any professional or vocational licenses/certificates.

I hold a Bachelor's of Arts degree in Criminal Justice from the California State University at Fullerton, an Advanced Certificate from the California Commission on Peace Officer Standards and Training and a "Zoning Inspector" certification from the International Code Council.

Certification:

I certify that the above information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.



01/12/2021

Date

*INDIVIDUALS WITH DISABILITIES REQUIRING ANY ACCOMMODATION TO PARTICIPATE IN THE APPLICATION AND SELECTION PROCESS MUST INFORM THE CITY OF STANTON AT THE TIME THIS APPLICATION IS SUBMITTED. INDIVIDUALS NEEDING SUCH ACCOMMODATIONS MUST DOCUMENT THE NEED FOR SUCH ACCOMMODATION INCLUDING THE TYPE AND EXTENT OF ACCOMMODATIONS NEEDED TO COMPLETE THE APPLICATION FORM, PARTICIPATE IN THE SELECTION PROCESS OR PERFORM THE VOLUNTEER DUTIES/JOB FOR WHICH THEY ARE APPLYING.*



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Name: VICTOR H. CARDONA

Residence Address: [REDACTED]

Resident of Stanton Since: 2000

Home Phone: \_\_\_\_\_ Cell Phone: [REDACTED]

E-Mail: [REDACTED]

Registered Voter in the City of Stanton (will be verified through the OCROV): ☒ YES ☐ NO

Committee Application

Previous Service on any Committee/Commission/Board: ☐ YES ☒ NO

If Yes, Which Committee: \_\_\_\_\_ When: \_\_\_\_\_

Are you available to attend evening meeting: ☒ YES ☐ NO

Do you presently contract any services or are you otherwise employed by the City:  
☐ YES ☒ NO

If so, what is the nature of the contract or employment:

---

Please give a brief statement as to why you are interested in serving on the committee chosen and describe how your qualifications and skills would benefit the Committee:

*I WOULD LIKE TO MAKE OUR COMMUNITY A BETTER PLACE TO LIVE AND VISIT.*

*I HAVE OVER 30 YRS OF LIFES SKILLS AND EDUCATION IN LAW ENFORCEMENT, SECURITY AS WELL AS COMMUNITY INVOLVEMENT.*

Have you participated in any community service projects or civic activities? If yes, please list:

*STANTON CITIZENS ACADEMY*

*M.B.            / /            / /*

*ORANGE COUNTY PROBATION DEPT.*

*VOLUNTEERS IN PROBATION*

Please describe your educational background and list any professional or vocational licenses/certificates.

BACHELOR'S DEGREE IN CRIMINAL JUSTICE  
ORANGE COUNTY PROBATION  
CITIZENS ACADEMY

Certification:

I certify that the above information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.



Signature

12-22-20  
Date

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Name: Catherine Cueva

Residence Address: [REDACTED]

Resident of Stanton Since: 2001

Home Phone: [REDACTED] Cell Phone: [REDACTED]

E-Mail: [REDACTED]

Registered Voter in the City of Stanton (will be verified through the OCROV): ☒ YES ☐ NO

Previous Service on any Committee/Commission/Board: ☐ YES ☒ NO

If Yes, Which Committee: \_\_\_\_\_ When: \_\_\_\_\_

Are you available to attend evening meeting: ☒ YES ☐ NO

Do you presently contract any services or are you otherwise employed by the City:  
☐ YES ☒ NO

If so, what is the nature of the contract or employment:

---

Please give a brief statement as to why you are interested in serving on the committee chosen and describe how your qualifications and skills would benefit the Committee:

I believe that homelessness is not an unsolvable issue, and that we must be more proactive in getting people off the streets. I am a part of my school's ASBN chapter, where we advocate for student basic needs such as housing and battling food insecurity. In addition, I will also be on the #RealCollege team where we focus on similar issues. One of my strengths is researching, which I can use to study programs and implementations from other cities that could prove to be successful in Stanton.

Have you participated in any community service projects or civic activities? If yes, please list:

- Advocates for Students Basic Needs (Cypress College Chapter)
- We Give Thanks (food drive)

Please describe your educational background and list any professional or vocational licenses/certificates.

I recieved my high school diploma from Pacifica High School, and I am a current student at Cypress College. After this semester I am planning on graduating with an Associate's Degree. in Political Science, and transferring to a 4-year university.

Certification:

I certify that the above information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.

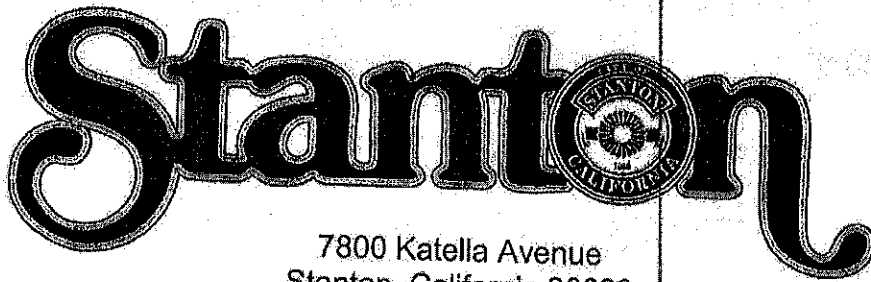


Signature

13 January 2021

Date

INDIVIDUALS WITH DISABILITIES REQUIRING ANY ACCOMMODATION TO PARTICIPATE IN THE APPLICATION AND SELECTION PROCESS MUST INFORM THE CITY OF STANTON AT THE TIME THIS APPLICATION IS SUBMITTED. INDIVIDUALS NEEDING SUCH ACCOMMODATIONS MUST DOCUMENT THE NEED FOR SUCH ACCOMMODATION INCLUDING THE TYPE AND EXTENT OF ACCOMMODATIONS NEEDED TO COMPLETE THE APPLICATION FORM, PARTICIPATE IN THE SELECTION PROCESS OR PERFORM THE VOLUNTEER DUTIES/JOB FOR WHICH THEY ARE APPLYING.



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Name: Trent R Dennis Jr.

Residence Address: [REDACTED]

Resident of Stanton Since: 2017

Home Phone: [REDACTED]

Cell Phone: [REDACTED]

E-Mail [REDACTED]

Registered Voter in the City of Stanton (will be verified through the OCROV):

☒ YES

☐ NO



Committee Application

Previous Service on any Committee/Commission/Board: ☐ YES ☒ NO

If Yes, Which Committee: \_\_\_\_\_ When: \_\_\_\_\_

Are you available to attend evening meeting: ☒ YES ☐ NO

Do you presently contract any services or are you otherwise employed by the City:  
☐ YES ☒ NO

If so, what is the nature of the contract or employment:

---

Please give a brief statement as to why you are interested in serving on the committee chosen and describe how your qualifications and skills would benefit the Committee:

I have always had the desire to more active in the community in which I live in and I believe this to be the perfect opportunity to do so.

I believe my prior military service and professional background in management will afford me the opportunity to be an asset amongst any team. I'm proven to be an effective communicator, leader, and task driven operator.

Have you participated in any community service projects or civic activities? If yes, please list:

No I have not.

Committee Application

Please describe your educational background and list any professional or vocational licenses/certificates.

B.S. In Business Information Systems  
OSHA Certified  
Certified in Strategic Management  
Certified in Hospitality Management

Certification:

I certify that the above information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.

1/14/2021

Signature

Date

INDIVIDUALS REQUESTING ANY ACCOMMODATION TO PARTICIPATE IN THE  
APPLICATION PROCESS MUST INFORM THE CITY OF STANTON AT THE TIME THIS  
APPLICATION IS SUBMITTED. INDIVIDUALS NEEDING SUCH ACCOMMODATIONS MUST DOCUMENT  
THE NEED FOR SUCH ACCOMMODATION INCLUDING THE TYPE AND EXTENT OF ACCOMMODATIONS  
NEEDED TO COMPLETE THE APPLICATION FORM, PARTICIPATE IN THE SELECTION PROCESS OR  
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Name: JAMES M. JOY

Residence Address: [REDACTED]

Resident of Stanton Since: 2016

Home Phone: [REDACTED] Cell Phone: [REDACTED]

E-Mail: [REDACTED]

Registered Voter in the City of Stanton (will be verified through the OCROV): ☒ YES ☐ NO

Committee Application

Previous Service on any Committee/Commission/Board: ☐ YES ☒ NO

If Yes, Which Committee: \_\_\_\_\_ When: \_\_\_\_\_

Are you available to attend evening meeting: ☒ YES ☐ NO

Do you presently contract any services or are you otherwise employed by the City:  
☐ YES ☒ NO

If so, what is the nature of the contract or employment:

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Please give a brief statement as to why you are interested in serving on the committee chosen and describe how your qualifications and skills would benefit the Committee:

AS A STANTON RESIDENT I AM CONCERNED WITH  
PUBLIC SAFETY AND BELIEVE THAT MAINTAINING  
PUBLIC SAFETY AND IMPROVING IT ARE ONE OF  
THE KEYS TO IMPROVING THE STANTON COMMUNITY.

Have you participated in any community service projects or civic activities? If yes, please list:

No

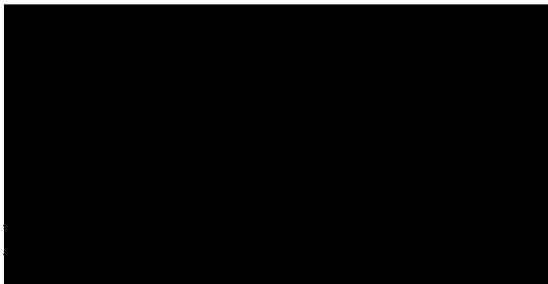
Committee Application

Please describe your educational background and list any professional or vocational licenses/certificates.

- BACHELORS DEGREE - NUCLEAR ENGINEERING 1980 - UNIVERSITY OF MICHIGAN
- REGISTERED ALCOHOL AND DRUG TECHNICIAN (COUNSELOR) 2016 - 2018

Certification:

I certify that the above information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.



\_\_\_\_\_  
Date 1/11/2021

NEEDING ANY ACCOMMODATION TO PARTICIPATE IN THE SELECTION PROCESS, MUST INFORM THE CITY OF STANTON AT THE TIME THIS APPLICATION IS SUBMITTED. INDIVIDUALS NEEDING SUCH ACCOMMODATIONS MUST DOCUMENT SUCH NEEDS IN WRITING, INCLUDING THE TYPE AND EXTENT OF ACCOMMODATIONS NEEDED TO COMPLETE THE APPLICATION FORM, PARTICIPATE IN THE SELECTION PROCESS OR PERFORM THE VOLUNTEER DUTIES/JOB FOR WHICH THEY ARE APPLYING.



7800 Katella Avenue  
Stanton, California 90680

## COMMITTEE APPLICATION

*Application to be considered for the following Committee:*  
Stanton Public Safety Committee

The City of Stanton requests information from community members who are interested in serving on a City Committee. This request does not constitute an appointment as such appointments are made by the City Council.

*Please Note:*

- 1. Information provided on this form is public information and is subject to disclosure and/or distribution; and*
- 2. To qualify for an appointment, you must be a registered voter in the City of Stanton and you must reside within the City limits.*

Name: Douglas Makino

Residence Address: [REDACTED]

Resident of Stanton Since: 1985

Home Phone: [REDACTED]

Cell Phone: [REDACTED]

E-Mail: [REDACTED]

Registered Voter in the City of Stanton (will be verified through the OCROV):

☒ YES

☐ NO

Committee Application

Previous Service on any Committee/Commission/Board: ☒ YES ☐ NO

If Yes, Which Committee: Public Safety When: 2020 - present

Are you available to attend evening meeting: ☒ YES ☐ NO

Do you presently contract any services or are you otherwise employed by the City:  
☐ YES ☒ NO

If so, what is the nature of the contract or employment:

N/A

Please give a brief statement as to why you are interested in serving on the committee chosen and describe how your qualifications and skills would benefit the Committee:

Serving on the public safety committee has been rewarding and informative. It has given me a greater understanding of the public safety challenges the city faces and the strategies used to mitigate them. Although this committee is young, it has shown itself to be motivated and committed. I wish to carry on the work we have started by continuing to provide my time and perspective.

Have you participated in any community service projects or civic activities? If yes, please list:

I have been a member of the Public Safety Committee since 2020. I completed the Stanton Citizens Academy in 2019. I currently attend as many of the various city meetings and functions as my schedule will allow.

Committee Application

Please describe your educational background and list any professional or vocational licenses/certificates.

I attended Cypress College and completed my associate degree and transferred to the University of California Los Angeles where I completed a Bachelor of Arts in History. During my time there I focused on the history of science and technology.

Certification:

I certify that the above information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.



01/13/2021

Date

INDIVIDUALS WITH DISABILITIES REQUIRING ANY ACCOMMODATION TO PARTICIPATE IN THE APPLICATION AND SELECTION PROCESS MUST INFORM THE CITY OF STANTON AT THE TIME THIS APPLICATION IS SUBMITTED. INDIVIDUALS NEEDING SUCH ACCOMMODATIONS MUST DOCUMENT THE NEED FOR SUCH ACCOMMODATION INCLUDING THE TYPE AND EXTENT OF ACCOMMODATIONS NEEDED TO COMPLETE THE APPLICATION FORM, PARTICIPATE IN THE SELECTION PROCESS OR PERFORM THE VOLUNTEER DUTIES/JOB FOR WHICH THEY ARE APPLYING.