



**REGULAR MEETING AGENDA
OF THE
ARVIN CITY COUNCIL / SUCCESSOR AGENCY TO THE
ARVIN COMMUNITY REDEVELOPMENT AGENCY /
ARVIN HOUSING AUTHORITY / ARVIN PUBLIC
FINANCING AUTHORITY (VIA TELECONFERENCE)**

TUESDAY APRIL 28, 2020 6:00pm

(Regular Session will commence no earlier than 6:00pm. Closed Session will commence soon after Regular Session however, it is not open to the public.)

**CITY HALL COUNCIL CHAMBERS
200 CAMPUS DRIVE, ARVIN**

This meeting is compliant with the Governor’s Executive Order N-25-20 issued on March 4, 2020 and N-29-20 issued on March 18, 2020, allowing for a deviation of teleconference rules required by the Brown Act. The purpose of this is to provide a safe environment for staff and the public to conduct city business, while allowing for public participation. The meeting will be held by teleconference only. **The public may participate by calling:**

1-866-899-4679

Access Code 940-472-245#.

To join the meeting from your computer, tablet or smartphone click on the following link:

<https://global.gotomeeting.com/join/940472245>

The meeting agendas are available at: <https://www.arvin.org/government/clerk/meeting-agendas-minutes/documents-page/>

The city will accept comments on any items on the agenda, inclusive of closed session items, in writing, and in advance of the meeting, **up until Monday, April 13, 2020 at 3:00pm.** Comments may be mailed to City of Arvin, City Clerk’s Office, PO Box 548, Arvin, CA 93203 or emailed to cvela@arvin.org. In the subject line, please provide “PUBLIC COMMENT ITEM #” (insert the item number relevant to your comment) or “PUBLIC COMMENT NON-AGENDA ITEM”. All public comments will be provided to the City Council and may be read into the record or compiled as part of the record.

CALL TO ORDER

Mayor Jose Gurrola

PLEDGE OF ALLEGIANCE

INVOCATION

ROLL CALL

Jose Gurrola	Mayor
Jazmin Robles	Mayor Pro Tem
Gabriela Martinez	Councilmember
Olivia Trujillo	Councilmember
Mark S. Franetovich	Councilmember

PUBLIC COMMENTS:

The meetings of the City Council and all municipal entities, commissions, and boards (“the City”) are open to the public. At regularly scheduled meetings, members of the public may address the City on any item listed on the agenda, or on any non-listed matter over which the City has jurisdiction. At special or emergency meetings, members of the public may only address the City on items listed on the agenda. The City may request speakers to designate a spokesperson to provide public input on behalf of a group, based on the number of people requesting to speak and the business of the City.

In accordance with the Brown Act, all matters to be acted on by the City must be posted at least 72 hours prior to the City meeting. In cases of an emergency, or when a subject matter needs immediate action or comes to the attention of the City subsequent to the agenda being posted, upon making certain findings, the City may act on an item that was not on the posted agenda.

AGENDA STAFF REPORTS AND HANDOUTS:

Staff reports and other disclosable public records related to open session agenda items are available at City Hall, 200 Campus Drive, Arvin, CA 93203 during regular business hours.

CONDUCT IN THE CITY COUNCIL CHAMBERS:

Rules of Decorum for the Public

Members of the audience shall not engage in disorderly or boisterous conduct, including the utterance of loud, threatening or abusive language, clapping, whistling, stamping of feet or other acts which disturb, disrupt, impede or otherwise render the orderly conduct of the City meeting infeasible. A member of the audience engaging in any such conduct shall, at the discretion of the presiding officer or a majority of the City, be subject to ejection from the meeting per Gov. Code Sect. 54954.3(c).

Removal from the Council Chambers

Any person who commits the following acts in respect to a meeting of the City shall be removed from the Council Chambers per Gov. Code Sect. 54954.3(c).

- (a) Disorderly, contemptuous or insolent behavior toward the City or any member thereof, tending to interrupt the due and orderly course of said meeting;
- (b) A breach of the peace, boisterous conduct or violent disturbance, tending to interrupt the due and orderly course of said meeting;
- (c) Disobedience of any lawful order of the Mayor, which shall include an order to be seated or to refrain from addressing the City; and
- (d) Any other unlawful interference with the due and orderly course of said meeting.

AMERICANS with DISABILITIES ACT:

In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by the City, please contact the City Clerk’s office, (661) 854-3134. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

1. Approval of Agenda as To Form.

Motion _____ Second _____ Vote _____

Roll Call: CM Martinez ___ CM Trujillo ___ CM Franetovich ___ MPT Robles ___ Mayor Gurrola ___

2. PUBLIC COMMENTS

(This is the opportunity for the public to address the City Council on any matter on the agenda or any item of interest to the public that is within the subject matter jurisdiction of the City Council.)

3. CLOSED SESSION REPORT FROM REGULAR CITY COUNCIL MEETING OF APRIL 14, 2020. (City Attorney)

4. CONSENT AGENDA ITEM(S)

A. Approval of Demand Register(s) of April 10, 2020 – April 23, 2020.

B. Approval of Payroll Register(s) of April 17, 2020.

C. Approval of the Minutes of the Regular Meeting(s) of April 14, 2020.

D. Approval of A Resolution of the City Council of the City of Arvin Approving the Sale of Vehicles and Equipment Declared as Surplus.

Staff recommends approval of the Consent Agenda.

Motion _____ Second _____ Vote _____

Roll Call: CM Martinez ___ CM Trujillo ___ CM Franetovich ___ MPT Robles ___ Mayor Gurrola ___

5. PUBLIC HEARING ITEM(S)

A. Approval of the City Council to Exercise Discretion to Act As Planning Commission and Conduct A Public Hearing to Consider A Resolution of the Planning Commission of the City of Arvin, County of Kern, State of California, Recommending to the City Council the Approval of An Ordinance of the City Council of the City of Arvin Adopting Chapter 17.65 of Title 17 of the Arvin Municipal Code Pertaining to Hemp Activity and Related CEQA Determination. (Director of Administrative Services)

Staff recommends to open the hearing, allow for public testimony, close the hearing and approve the Resolution.

Motion _____ Second _____ Vote _____

Roll Call: CM Martinez ___ CM Trujillo ___ CM Franetovich ___ MPT Robles ___ Mayor Gurrola ___

B. A Public Hearing to Consider An Introduction of An Ordinance of the City Council of the City of Arvin Adding Chapter 17.65, of Title 17 Hemp to the City of Arvin Municipal Code (Director of Administrative Services)

Staff recommends the City Council consider introducing the Ordinance to be read by title only, open the hearing, allow for public testimony, close the hearing, waive first reading of the Ordinance, and approve the introduction of the Ordinance.

Motion _____ Second _____ Vote _____

Roll Call: CM Martinez ____ CM Trujillo ____ CM Franetovich ____ MPT Robles ____ Mayor Gurrola ____

6. ACTION ITEM(S)

A. Consideration and Acceptance of Annual Financial Audit for the Period Ending June 30, 2019 (Finance Director).

Staff recommends to accept and file the following reports:

1. Independent Auditors' Report and Basic Financial Statements for the Year Ended June 30, 2019.
2. 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 for the Year Ended June 30, 2018.

Motion _____ Second _____ Vote _____

Roll Call: CM Martinez ____ CM Trujillo ____ CM Franetovich ____ MPT Robles ____ Mayor Gurrola ____

B. Consideration and Approval of Strategic Plan of the City of Arvin. (Director of Administrative Services)

Staff recommends approval of Strategic Plan of the City of Arvin.

Motion _____ Second _____ Vote _____

Roll Call: CM Martinez ____ CM Trujillo ____ CM Franetovich ____ MPT Robles ____ Mayor Gurrola ____

C. Discussion and Action on Measures to Mitigate the Impacts of the COVID-19 (Coronavirus) Pandemic.

Staff recommends to discuss and take action as appropriate.

Motion _____ Second _____ Vote _____

Roll Call: CM Martinez ____ CM Trujillo ____ CM Franetovich ____ MPT Robles ____ Mayor Gurrola ____

7. STAFF REPORTS

- A. Updated Five Year General Fund Forecast (Finance Director)

8. COUNCIL MEMBER COMMENTS

9. CLOSED SESSION ITEM(S)

- A. Threats to Public Services or Facilities (Pursuant to Government Code section 54957(a).)
Consultation with: City Attorney and/or City Emergency or Critical Function Personnel.

10. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the Arvin City Council Chambers Bulletin Board not less than 72 hours prior to the meeting. Dated April 23, 2020.



Cecilia Vela, City Clerk

Edit List of Invoices - Detail w/GL

4.A.a

Date: 04/07/2020

Time: 12:17 pm

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City of Arvin

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount
51017	BLACKBURN OIL COMPANY LLC	03/31/2020	BOFA	FUEL USAGE MAR2020	
02-480	PO BOX 177	04/07/2020	N		7,376.50
	ARVIN	03/31/2020	N	N	0.00
	CA 93203	04/10/2020	0.00	N	0
	<Emailing Stub Disabled>	03/31/2020	A#2129 03.31.2020		7,376.50

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5080	FUEL EXPENSE		2,358.46	0.00
200-020-5080	FUEL EXPENSE		1,946.03	0.00
400-023-5080	FUEL EXPENSE		3,072.09	0.00
Distribution Total			7,376.58	0.00

Vendor Total: 7,376.50

51018	COMPLETE HARDWARE STORE	03/18/2020	BOFA	TOOLS FOR HOT BOX	
48-463	101 BEAR MOUNTAIN BLVD.	04/07/2020	N		14.92
	ARVIN	03/18/2020	N	N	0.00
	CA 93203	03/18/2020	0.00	N	0
	<Emailing Stub Disabled>	03/18/2020	305313		14.92

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-019-5094	SHOP SUPPLIES		14.92	0.00
Distribution Total			14.92	0.00

51019	COMPLETE HARDWARE STORE	03/17/2020	BOFA	SUPPLIES TO DILUTE WATER/BLI	
48-463	101 BEAR MOUNTAIN BLVD.	04/07/2020	N		17.30
	ARVIN	03/17/2020	N	N	0.00
	CA 93203	03/17/2020	0.00	N	0
	<Emailing Stub Disabled>	03/17/2020	305109		17.30

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-019-5094	SHOP SUPPLIES		17.30	0.00
Distribution Total			17.30	0.00

Vendor Total: 32.20

51020	DEWALT CORPORTATION	12/01/2019	BOFA	18-027 ARVIN PARK & RIDE	
48-835	1930 22ND STREET	04/07/2020	N	TASK 5: CONSTRUCTION STAKIN	2,846.00
	BAKERSFIELD	12/01/2019	N	N	0.00
	CA 93301	12/01/2019	0.00	N	0
	<Emailing Stub Disabled>	12/01/2019	1087636		2,846.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
405-063-5070	ENGINEERING SVC		2,846.09	0.00
Distribution Total			2,846.09	0.00

51021	DEWALT CORPORTATION	02/01/2020	BOFA	18-304 ARVIN URBAN GREENING	
48-835	1930 22ND STREET	04/07/2020	N	FINAL PS&E	512.50
	BAKERSFIELD	02/01/2020	N	N	0.00
	CA 93301	02/01/2020	0.00	N	0
	<Emailing Stub Disabled>	02/01/2020	1087800		512.50

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
302-072-5070	ENGINEERING SVC		512.50	0.00
Distribution Total			512.50	0.00

Attachment: Demand Registers of April 10, 2020 - April 23, 2020 (Demand Register(s) of April 10, 2020 - April 23, 2020.)

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Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2		Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check		Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discoun
	Email Address	Inv. Date	Invoice No.			Net Amount

Vendor Total: 3,358.50

51023	GRANITE CONSTRUCTION	03/11/2020	BOFA	3/4" CALTRANS 2AB- ST. REPAIR		161.80
07-700	P.O. BOX 742478	04/07/2020	N			0.00
	LOS ANGELES	03/11/2020	N	N		0.00
	CA 90074-2478	03/11/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/11/2020	1763118			161.80

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
200-020-5031	STRIPING/PAVING MATERIALS		161.80	0.00
Distribution Total			161.80	0.00

Vendor Total: 161.80

51027	JORGE DANIEL GUZMAN	04/07/2020	BOFA	REIMB DEPOSIT & FEES FOR		500.00
28-452	221 S. "A" STREET	04/07/2020	N	VET'S HALL EVENT 10.24.20 CXL		0.00
	ARVIN	04/07/2020	N	N		0.00
	CA 93203	04/07/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/07/2020	J. GUZMAN CR34569 & CR:			500.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-002-4072	RENT INCOME		150.00	0.00
100-002-0202	DEPOSITS PAYABLE		350.00	0.00
Distribution Total			500.00	0.00

Vendor Total: 500.00

51024	KERN MACHINERY	03/13/2020	BOFA	STIHL MSA200C REPAIRS		341.10
28-204	P.O BOX 80007	04/07/2020	N			0.00
	BAKERSFIELD	03/13/2020	N	N		0.00
	CA 93380	04/12/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/13/2020	101-741599			341.10

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-019-5008	MAINTENANCE - OTHER		341.10	0.00
Distribution Total			341.10	0.00

Vendor Total: 341.10

51025	OFFICE DEPOT	03/19/2020	BOFA	OFFICE SUPPLIES FOR PD		291.13
15-304	PO BOX 29248	04/07/2020	N			0.00
	PHOENIX	03/19/2020	N	N		0.00
	AZ 85038-9248	03/19/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/19/2020	461497861001			291.13

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5016	OFFICE SUPPLIES		291.13	0.00
Distribution Total			291.13	0.00

Vendor Total: 291.13

51022	PAWAN GILL	04/03/2020	BOFA	OCT2019 -JAN2020 TRAINING EXI		1,458.90
48-615		04/07/2020	N	REIMBURSMENT		0.00
		04/03/2020	N	N		0.00
		04/03/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/03/2020	P. GILL 04.03.20			1,458.90

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	Vendor Address	Pay. Date	PO Number	Hold?	Invoice Description Line 2
	City	Disc. Date	Req. No.	Sep. Ck.?	Use Description 1 On Check
Vendor No.	State/Province Zip/Postal	Due Date	Disc. %	1099?	Hand Check Number/Date
	Email Address	Inv. Date	Invoice No.		

Gross Amount
Taxes Withheld
Discoun
Net Amount

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-007-5021	TRAINING		1,458.96	0.00
Distribution Total			1,458.96	0.00

Vendor Total: 1,458.96

	SOUTH VALLEY ELECTRICAL	03/24/2020		BOFA	SMOTHERMAN PARK ELEC REPA	
	PO BOX 20789	04/07/2020		N		340.00
51026	BAKERSFIELD	03/24/2020		N	N	0.00
48-459	CA 93390	03/24/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/24/2020	4141			340.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-012-5008	MAINTENANCE - OTHER		340.00	0.00
Distribution Total			340.00	0.00

Vendor Total: 340.00

Grand Total: 13,860.30

Less Credit Memos: 0.00

Net Total: 13,860.30

Less Hand Check Total: 0.00

Outstanding Invoice Total: 13,860.30

Total Invoices: 11

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Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount
51067	ACC BUSINESS	03/27/2020	BOFA	INTERNET ACC 02.11.20-03.10.20	958.64
48-486	P.O. BOX 105306	04/16/2020	N		0.00
	ATLANTA	03/27/2020	N	N	0.00
	GA 30348-5306	03/27/2020	0.00	N	0
	<Emailing Stub Disabled>	03/27/2020	200713794		958.64

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5100	IT SYSTEMS SUPPORT		958.64	0.00
Distribution Total			958.64	0.00
			Vendor Total:	958.64

51075	ALLSTATE	03/30/2020	BOFA	POST TAX INS 03.30.20	217.43
01-452	P.O. BOX 650514	04/16/2020	N		0.00
	DALLAS	03/30/2020	N	N	0.00
	TX 75265-0514	03/30/2020	0.00	N	0
	<Emailing Stub Disabled>	03/30/2020	CASE 91936 03.30.20		217.43

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-000-0214	POST TAX DEDUCTIONS		217.43	0.00
Distribution Total			217.43	0.00
			Vendor Total:	217.43

51072	AMERICAN BUSINESS MACHINES	03/19/2020	BOFA	BASE RATE SVC + OVERAGE	1,016.49
01-520	P.O BOX 2737	04/16/2020	N	03.15.20 - 06.14.20	0.00
	BAKERSFIELD	03/19/2020	N	N	0.00
	CA 93303-2737	03/19/2020	0.00	N	0
	<Emailing Stub Disabled>	03/19/2020	508280		1,016.49

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5016	OFFICE SUPPLIES		404.80	0.00
400-023-5016	OFFICE SUPPLIES		611.69	0.00
Distribution Total			1,016.49	0.00
			Vendor Total:	1,016.49

51068	AT&T MOBILITY	03/22/2020	BOFA	M&I CELL PHONE SVC	187.25
01-803	PO BOX 6463	04/16/2020	N	02.23.20 - 03.22.20	0.00
	CAROL STREAM	03/22/2020	N	N	0.00
	IL 60197-6463	03/22/2020	0.00	N	0
	<Emailing Stub Disabled>	03/22/2020	287251442687X03282020		187.25

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-019-5056	TELEPHONE		187.25	0.00
Distribution Total			187.25	0.00
			Vendor Total:	187.25

51057	AT&T	03/12/2020	BOFA	9391033189 02.13.20 - 03.12.20	361.88
26-909	P.O. BOX 9011	04/16/2020	N		0.00
	CAROL STREAM	03/12/2020	N	N	0.00
	IL 60197	03/12/2020	0.00	N	0
	<Emailing Stub Disabled>	03/12/2020	14453854		361.88

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5056	TELEPHONE		36.19	0.00

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Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2		Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check		Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discoun
	Email Address	Inv. Date	Invoice No.			Net Amount

	TELEPHONE					72.38	0.00
100-014-5056	TELEPHONE					162.85	0.00
400-023-5056	TELEPHONE					36.19	0.00
100-009-5056	TELEPHONE					18.09	0.00
100-019-5056	TELEPHONE					18.09	0.00
100-002-5056	TELEPHONE					18.10	0.00
Distribution Total						361.89	0.00

	AT&T	03/13/2020		BOFA	9391056024 02.13.20 - 03.12.20		
	P.O. BOX 9011	04/16/2020		N			542.20
51058	CAROL STREAM	03/13/2020		N	N		0.00
26-909	IL 60197	03/13/2020	0.00	N	0		0.00
	<Emailing Stub Disabled>	03/13/2020	14455617				542.20

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5056	TELEPHONE		54.23	0.00
100-007-5056	TELEPHONE		108.46	0.00
100-014-5056	TELEPHONE		244.03	0.00
400-023-5056	TELEPHONE		54.23	0.00
100-009-5056	TELEPHONE		27.11	0.00
100-019-5056	TELEPHONE		27.11	0.00
100-002-5056	TELEPHONE		27.11	0.00
Distribution Total			542.28	0.00

Vendor Total: 904.10

	BRETT BARKER	02/27/2020		BOFA	EDUCATION REIMBURSEMENT		
		04/16/2020		N			3,274.40
51081		02/27/2020		N	N		0.00
28-243		02/27/2020	0.00	N	0		0.00
	<Emailing Stub Disabled>	02/27/2020	EDUCATION REIMBURSEM				3,274.40

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5007	Educational Reimbursement		3,274.47	0.00
Distribution Total			3,274.47	0.00

Vendor Total: 3,274.40

	C & T AUTOMOTIVE, INC	03/19/2020		BOFA	UNIT 265 REAR DIFFRNTL & AXLE		
	12312 MAIN STREET	04/16/2020		N			855.70
51066	LAMONT	03/19/2020		N	N		0.00
03-757	CA 93241	03/19/2020	0.00	N	0		0.00
	<Emailing Stub Disabled>	03/19/2020	900028042				855.70

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5012	MAINTENANCE - VEHICLE		855.76	0.00
Distribution Total			855.76	0.00

Vendor Total: 855.70

	CALIFORNIA DEPARTMENT OF TR	04/15/2020		BOFA	DIESEL FUEL TX RTN JAN-MAR20		
	MOTOR CARRIER OFFICE	04/16/2020		N			1,519.20
51062	SACRAMENTO	04/15/2020		N	N		0.00
19-820	CA 94279-6157	04/15/2020	0.00	N	0		0.00
	<Emailing Stub Disabled>	04/15/2020	A#57-425422				1,519.20

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
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Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount
	FUEL EXPENSE				297.96
400-023-5080	FUEL EXPENSE				1,221.24
	Distribution Total				1,519.20

Vendor Total: 1,519.20

51073	CSJVRMA	03/17/2020	BOFA	2019 - 2020 4TH QTR DEPOSITS	
03-750	C/O BICKMORE	04/16/2020	N		101,833.00
	SACRAMENTO	03/17/2020	N	N	0.00
	CA 95833	03/17/2020	0.00	N	0
	<Emailing Stub Disabled>	03/17/2020	RMA 2020-0323		101,833.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-000-0074	DEPOSITS-CSJVRMA		101,833.00	0.00
	Distribution Total		101,833.00	0.00

Vendor Total: 101,833.00

51044	DEWALT CORPORTATION	02/01/2020	BOFA	19-238 HAVEN DR. REHAB PHASE	
48-835	1930 22ND STREET	04/16/2020	N		1,762.50
	BAKERSFIELD	02/01/2020	N	N	0.00
	CA 93301	02/01/2020	0.00	N	0
	<Emailing Stub Disabled>	02/01/2020	1087795		1,762.50

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-007-5070	ENGINEERING SVC		1,762.50	0.00
	Distribution Total		1,762.50	0.00

Vendor Total: 1,762.50

51029	DIAMOND TECHNOLOGIES, INC	03/31/2020	BOFA	BACKUP CENTRIC PD MAR2020	
28-397	P.O BOX 660831	04/16/2020	N		719.60
	DALLAS	03/31/2020	N	N	0.00
	TX 75266-0831	03/31/2020	0.00	N	0
	<Emailing Stub Disabled>	03/31/2020	26180		719.60

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5100	IT SYSTEMS SUPPORT		719.60	0.00
	Distribution Total		719.60	0.00

51030	DIAMOND TECHNOLOGIES, INC	03/31/2020	BOFA	BACKUP CENTRIC ADMIN MAR20	
28-397	P.O BOX 660831	04/16/2020	N		772.00
	DALLAS	03/31/2020	N	N	0.00
	TX 75266-0831	03/31/2020	0.00	N	0
	<Emailing Stub Disabled>	03/31/2020	26179		772.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5100	IT SYSTEMS SUPPORT		386.01	0.00
100-007-5100	IT SYSTEMS SUPPORT		386.01	0.00
	Distribution Total		772.02	0.00

51031	DIAMOND TECHNOLOGIES, INC	03/31/2020	BOFA	SECURE CENTRIC FIREWLL APR:	
28-397	P.O BOX 660831	04/16/2020	N		2,210.00
	DALLAS	03/31/2020	N	N	0.00
	TX 75266-0831	03/31/2020	0.00	N	0
	<Emailing Stub Disabled>	03/31/2020	26181		2,210.00

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Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5100	IT SYSTEMS SUPPORT		736.67	0.00
100-007-5100	IT SYSTEMS SUPPORT		736.67	0.00
100-014-5100	IT SYSTEMS SUPPORT		736.66	0.00
Distribution Total			2,210.00	0.00

	DIAMOND TECHNOLOGIES, INC	03/31/2020		BOFA	OFFICE 365 BUS PREM MAR2020	
	P.O BOX 660831	04/16/2020		N		365.00
51032	DALLAS	03/31/2020		N	N	0.00
28-397	TX 75266-0831	03/31/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/31/2020	26182MS			<u>365.00</u>

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5100	IT SYSTEMS SUPPORT		365.00	0.00
Distribution Total			365.00	0.00

	DIAMOND TECHNOLOGIES, INC	04/06/2020		BOFA	DELL PWREDGE SERV LIC	
	P.O BOX 660831	04/16/2020		N	& EQUIP APR2020	3,786.80
51033	DALLAS	04/06/2020		N	N	0.00
28-397	TX 75266-0831	04/06/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/06/2020	26821199			<u>3,786.80</u>

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5100	IT SYSTEMS SUPPORT	DELL POWEREDGE SERVERS	1,404.92	0.00
100-001-5100	IT SYSTEMS SUPPORT	DELL COMPUTER EQUIP	178.27	0.00
100-014-5100	IT SYSTEMS SUPPORT	DELL SERVERS	2,203.67	0.00
Distribution Total			3,786.86	0.00

Vendor Total: 7,853.44

	GENERAL OFFICE	03/31/2020		BOFA	METER READING APD & COMM D	
	P.O BOX 2486	04/16/2020		N	03.03.20 - 03.31.20	321.78
51059	BAKERSFIELD	03/31/2020		N	N	0.00
07-250	CA 93303	03/31/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/31/2020	15618			<u>321.78</u>

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5054	CONTRACT SERVICES		149.92	0.00
100-007-5054	CONTRACT SERVICES		171.86	0.00
Distribution Total			321.78	0.00

Vendor Total: 321.78

	GOLDEN EMPIRE FLEET SERVICE	03/19/2020		BOFA	UNIT 110 COOLANT LEAK	
	P.O. BOX 2192	04/16/2020		N		1,932.36
51082	BAKERSFIELD	03/19/2020		N	N	0.00
07-592	CA 93303-2192	03/19/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/19/2020	59115			<u>1,932.36</u>

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5012	MAINTENANCE - VEHICLE		1,932.36	0.00
Distribution Total			1,932.36	0.00

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	City	Disc. Date	Req. No.	Use Description 1 On Check		Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discoun
	Email Address	Inv. Date	Invoice No.			Net Amount
51083	GOLDEN EMPIRE FLEET SERVICE	03/19/2020	BOFA	UNIT 211 AIR LEAK		291.14
07-592	P.O. BOX 2192	04/16/2020	N			0.00
	BAKERSFIELD	03/19/2020	N	N		0.00
	CA 93303-2192	03/19/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/19/2020	59290			291.14

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5012	MAINTENANCE - VEHICLE		291.14	0.00
Distribution Total			291.14	0.00

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2		
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2		Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check		Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discoun
	Email Address	Inv. Date	Invoice No.			Net Amount
51087	GOLDEN EMPIRE FLEET SERVICE	03/11/2020	BOFA	12 UNITS BLUE DEF 2.5		204.80
07-592	P.O. BOX 2192	04/16/2020	N			0.00
	BAKERSFIELD	03/11/2020	N	N		0.00
	CA 93303-2192	03/11/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/11/2020	58339			204.80

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5012	MAINTENANCE - VEHICLE		204.80	0.00
Distribution Total			204.80	0.00

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2		
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2		Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check		Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discoun
	Email Address	Inv. Date	Invoice No.			Net Amount
51088	GOLDEN EMPIRE FLEET SERVICE	03/12/2020	BOFA	UNIT 100 OIL SERVICE INSPECTI		206.53
07-592	P.O. BOX 2192	04/16/2020	N			0.00
	BAKERSFIELD	03/12/2020	N	N		0.00
	CA 93303-2192	03/12/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/12/2020	59243			206.53

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5012	MAINTENANCE - VEHICLE		206.53	0.00
Distribution Total			206.53	0.00

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2		
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2		Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check		Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discoun
	Email Address	Inv. Date	Invoice No.			Net Amount
51089	GOLDEN EMPIRE FLEET SERVICE	03/12/2020	BOFA	UNIT 110 SCHOOL BUS CERT 45C		234.73
07-592	P.O. BOX 2192	04/16/2020	N			0.00
	BAKERSFIELD	03/12/2020	N	N		0.00
	CA 93303-2192	03/12/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/12/2020	59237			234.73

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5012	MAINTENANCE - VEHICLE		234.73	0.00
Distribution Total			234.73	0.00

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Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2		Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check		Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discoun
	Email Address	Inv. Date	Invoice No.			Net Amount
51090	GOLDEN EMPIRE FLEET SERVICE	03/12/2020	BOFA	UNIT 211 SCHOOL BUS CERT 45C		236.01
07-592	P.O. BOX 2192	04/16/2020	N			0.00
	BAKERSFIELD	03/12/2020	N	N		0.00
	CA 93303-2192	03/12/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/12/2020	59234			236.01

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5012	MAINTENANCE - VEHICLE		236.01	0.00
Distribution Total			236.01	0.00

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Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2		Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check		Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discoun
	Email Address	Inv. Date	Invoice No.			Net Amount
51091	GOLDEN EMPIRE FLEET SERVICE	03/12/2020	BOFA	UNIT 209 SCHOOL BUS CERT 45C		231.73
07-592	P.O. BOX 2192	04/16/2020	N			0.00
	BAKERSFIELD	03/12/2020	N	N		0.00
	CA 93303-2192	03/12/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/12/2020	59235			231.73

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
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	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount

	MAINTENANCE - VEHICLE				231.73	0.00
	Distribution Total				231.73	0.00

51092	GOLDEN EMPIRE FLEET SERVICE	03/12/2020		BOFA	UNIT 207 SCHOOL BUS CERT 45C	
07-592	P.O. BOX 2192	04/16/2020		N		306.44
	BAKERSFIELD	03/12/2020		N	N	0.00
	CA 93303-2192	03/12/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/12/2020	59236			306.44

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5012	MAINTENANCE - VEHICLE		306.48	0.00
	Distribution Total		306.48	0.00

51093	GOLDEN EMPIRE FLEET SERVICE	03/12/2020		BOFA	UNIT 203 SCHOOL BUS CERT 45C	
07-592	P.O. BOX 2192	04/16/2020		N		303.44
	BAKERSFIELD	03/12/2020		N	N	0.00
	CA 93303-2192	03/12/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/12/2020	59340			303.44

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5012	MAINTENANCE - VEHICLE		303.48	0.00
	Distribution Total		303.48	0.00

Vendor Total: 3,947.21

51053	GRANITE CONSTRUCTION	03/25/2020		BOFA	3/8"CMACOLDMIX ST REPAIRS	
07-700	P.O. BOX 742478	04/16/2020		N		1,090.72
	LOS ANGELES	03/25/2020		N	N	0.00
	CA 90074-2478	03/25/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/25/2020	1768800			1,090.72

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
200-020-5031	STRIPING/PAVING MATERIALS		1,090.72	0.00
	Distribution Total		1,090.72	0.00

Vendor Total: 1,090.72

51060	HIGH DESERT WIRELESS BROAD	03/18/2020		BOFA	CROWN VIC DECOMMISSION	
08-340	1823 SABOVICH ST #84B	04/16/2020		N		950.00
	MOJAVE	03/18/2020		N	N	0.00
	CA 93501	03/18/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/18/2020	41099			950.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5012	MAINTENANCE - VEHICLE		950.00	0.00
	Distribution Total		950.00	0.00

51061	HIGH DESERT WIRELESS BROAD	03/18/2020		BOFA	TOYOTA HIGHLANDER DECOMMI	
08-340	1823 SABOVICH ST #84B	04/16/2020		N		950.00
	MOJAVE	03/18/2020		N	N	0.00
	CA 93501	03/18/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/18/2020	41100			950.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5012	MAINTENANCE - VEHICLE		950.00	0.00
	Distribution Total		950.00	0.00

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	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount

Vendor Total: 1,900.00

51047	HOME DEPOT PRO INSTITUTION	03/18/2020	BOFA	COA CLEANING SUPPLIES 03.18.:	795.44
	PO BOX 742440	04/16/2020	N		
48-531	LOS ANGELES	03/18/2020	N	N	0.00
	CA 90074-2440	03/18/2020	0.00	0	0.00
	<Emailing Stub Disabled>	03/18/2020	541869087		795.44

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-005-5008	MAINTENANCE - OTHER		79.55	0.00
100-001-5008	MAINTENANCE - OTHER		79.55	0.00
100-014-5008	MAINTENANCE - OTHER		159.09	0.00
400-023-5008	MAINTENANCE - OTHER		79.55	0.00
100-007-5008	MAINTENANCE - OTHER		79.55	0.00
100-009-5008	MAINTENANCE - OTHER		79.55	0.00
100-012-5008	MAINTENANCE - OTHER		79.55	0.00
100-002-5008	MAINTENANCE - OTHER		159.09	0.00
Distribution Total			795.48	0.00

Vendor Total: 795.44

51064	JIM BURKE FORD	03/27/2020	BOFA	UNIT 276 REPAIR EXHST LEAK	
	P.O BOX 2088	04/16/2020	N	AIR BAG LT MULTI POINT INSP	1,002.65
10-380	BAKERSFIELD	03/27/2020	N	N	0.00
	CA 93303-2088	04/26/2020	0.00	0	0.00
	<Emailing Stub Disabled>	03/27/2020	190816		1,002.65

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5012	MAINTENANCE - VEHICLE		1,002.65	0.00
Distribution Total			1,002.65	0.00

51065	JIM BURKE FORD	03/25/2020	BOFA	UNIT 282 WORKS SERVICE	
	P.O BOX 2088	04/16/2020	N		67.54
10-380	BAKERSFIELD	03/25/2020	N	N	0.00
	CA 93303-2088	04/24/2020	0.00	0	0.00
	<Emailing Stub Disabled>	03/25/2020	191300C		67.54

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5012	MAINTENANCE - VEHICLE		67.54	0.00
Distribution Total			67.54	0.00

Vendor Total: 1,070.14

51056	JTS CONSTRUCTION	02/27/2020	BOFA	PARK & RIDE PROJ APPLICATION	
	ATTN: STEVE BLACKWOOD	04/16/2020	N		48,152.13
48-541	BAKERSFIELD	02/27/2020	N	N	0.00
	CA 93384-1765	02/27/2020	0.00	0	0.00
	<Emailing Stub Disabled>	02/27/2020	PARK & RIDE PROJ APPLIK		48,152.13

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
405-063-5052	CAPITAL EXPENSE		48,152.13	0.00
Distribution Total			48,152.13	0.00

Vendor Total: 48,152.13

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Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount
51063	LOU'S GLOVES	03/23/2020	BOFA	NITRILE GLOVES	75.00
48-508	7700 WEST 79TH STREET	04/16/2020	N		0.00
	BRIDGEVIEW	03/23/2020	N	N	0.00
	IL 60455	03/23/2020	0.00	N	0
	<Emailing Stub Disabled>	03/23/2020	34331		75.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5040	SAFETY EQUIPMENT		75.00	0.00
Distribution Total			75.00	0.00

Vendor Total: 75.00

51045	LOWE'S	04/02/2020	BOFA	CLEANING SUPPLIES PD & TRAN	37.72
28-130	P.O. BOX 530954	04/16/2020	N		0.00
	ATLANTA	04/02/2020	N	N	0.00
	GA 30353-0954	04/02/2020	0.00	N	0
	<Emailing Stub Disabled>	04/02/2020	98007489176	04.02.20	37.72

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5008	MAINTENANCE - OTHER		18.86	0.00
400-023-5008	MAINTENANCE - OTHER		18.86	0.00
Distribution Total			37.72	0.00

Vendor Total: 37.72

51052	MOUNTAINSIDE DISPOSAL	04/01/2020	BOFA	LANDFILL FEES APR2020	162.12
13-585	8665 SO. UNION AVE	04/16/2020	N		0.00
	BAKERSFIELD	04/01/2020	Y	N	0.00
	CA 93307	04/01/2020	0.00	N	0
	<Emailing Stub Disabled>	04/01/2020	575268		162.12

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5107	REFUSE COSTS		162.12	0.00
Distribution Total			162.12	0.00

51080	MOUNTAINSIDE DISPOSAL	04/14/2020	BOFA	PROP TAX - JAN THRU MAR 2020	51,382.63
13-585	8665 SO. UNION AVE	04/16/2020	N		0.00
	BAKERSFIELD	04/14/2020	Y	N	0.00
	CA 93307	04/14/2020	0.00	N	0
	<Emailing Stub Disabled>	04/14/2020	PROP TAX - JAN THRU MA		51,382.63

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-000-0238	DUE TO MOUNTAINSIDE (PROP TAX)		51,382.63	0.00
Distribution Total			51,382.63	0.00

Vendor Total: 51,544.72

51049	OFFICE DEPOT	04/01/2020	BOFA	OFFICE SUPPLIES PD	17.88
15-304	PO BOX 29248	04/16/2020	N		0.00
	PHOENIX	04/01/2020	N	N	0.00
	AZ 85038-9248	04/01/2020	0.00	N	0
	<Emailing Stub Disabled>	04/01/2020	468441858001		17.88

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5016	OFFICE SUPPLIES		17.85	0.00

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	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discoun
	Email Address	Inv. Date	Invoice No.			Net Amount

Distribution Total						17.85	0.00
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51050	OFFICE DEPOT	03/31/2020		BOFA	OFFICE SUPPLIES PD		
15-304	PO BOX 29248	04/16/2020		N			224.92
	PHOENIX	03/31/2020		N	N		0.00
	AZ 85038-9248	03/31/2020	0.00	N	0		0.00
	<Emailing Stub Disabled>	03/31/2020	468439564001				224.92

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5016	OFFICE SUPPLIES		224.92	0.00
Distribution Total			224.92	0.00

51051	OFFICE DEPOT	04/06/2020		BOFA	OFFICE SUPPLIES PD		
15-304	PO BOX 29248	04/16/2020		N			129.89
	PHOENIX	04/06/2020		N	N		0.00
	AZ 85038-9248	04/06/2020	0.00	N	0		0.00
	<Emailing Stub Disabled>	04/06/2020	468439564002				129.89

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5016	OFFICE SUPPLIES		129.89	0.00
Distribution Total			129.89	0.00

Vendor Total: 372.61

51028	PETTY CASH-ELSA CARDOSO-GL	04/15/2020		BOFA	REPLENISH PETTY CASH 04.15.2		
28-199	200 CAMPUS DR	04/16/2020		N			152.53
	ARVIN	04/15/2020		N	N		0.00
	CA 93203	04/15/2020	0.00	N	0		0.00
	<Emailing Stub Disabled>	04/15/2020	REPLENISH PETTY CASH 04.15.2				152.53

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-007-5016	OFFICE SUPPLIES		41.74	0.00
100-012-5008	MAINTENANCE - OTHER		31.13	0.00
200-020-5016	OFFICE SUPPLIES		21.65	0.00
100-001-5026	POSTAGE		56.12	0.00
400-023-5012	MAINTENANCE - VEHICLE		3.56	0.00
100-001-5198	MISC EXPENSE		-1.67	0.00
Distribution Total			152.53	0.00

Vendor Total: 152.53

51048	PG & E	04/01/2020		BOFA	ELEC SVC 03.04.20 - 04.01.20		
16-004	BOX 997300	04/16/2020		N			328.10
	SACRAMENTO	04/01/2020		N	N		0.00
	CA 95899-7300	04/01/2020	0.00	N	0		0.00
	<Emailing Stub Disabled>	04/01/2020	8440977428-2 04.01.20				328.10

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
240-025-5060	UTILITIES EXPENSE		328.10	0.00
Distribution Total			328.10	0.00

Vendor Total: 328.10

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Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount
51046	PUBLIC WORKS COUNTY OF KEF	04/08/2020	BOFA	STSW & MUNI SVC & AC SVC	
16-951	PO BOX 845590	04/16/2020	N	FEB & MAR 2020	6,429.4
	LOS ANGELES	04/08/2020	N	N	0.00
	CA 90084-5590	04/08/2020	0.00	N	0
	<Emailing Stub Disabled>	04/08/2020	ARVIN 04.08.20		6,429.4

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5107	REFUSE COSTS		6,420.31	0.00
100-003-5054	CONTRACT SERVICES		9.10	0.00
Distribution Total			6,429.41	0.00
			Vendor Total:	6,429.4

51071	SO. CAL. GAS CO.	03/27/2020	BOFA	SVC 02.25.20 - 03.25.20	
19-597	P.O. BOX "C"	04/16/2020	N		557.71
	MONTEREY PARK	03/27/2020	Y	N	0.00
	CA 91756	03/27/2020	0.00	N	0
	<Emailing Stub Disabled>	03/27/2020	SVC 02.25.20 - 03.25.20		557.71

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-002-5060	UTILITIES EXPENSE		198.65	0.00
100-012-5060	UTILITIES EXPENSE		23.02	0.00
100-001-5060	UTILITIES EXPENSE		82.36	0.00
100-014-5060	UTILITIES EXPENSE		82.36	0.00
100-009-5060	UTILITIES EXPENSE		122.20	0.00
100-007-5060	UTILITIES EXPENSE		24.60	0.00
400-023-5060	UTILITIES EXPENSE		24.59	0.00
Distribution Total			557.78	0.00
			Vendor Total:	557.71

51078	SPECTRUM BUSINESS	04/02/2020	BOFA	SVC 04.01.20 - 04.30.20 CAMPUS	
02-581	PO BOX 7195	04/16/2020	N		285.00
	PASADENA	04/02/2020	N	N	0.00
	CA 91109-7195	04/02/2020	0.00	N	0
	<Emailing Stub Disabled>	04/02/2020	064070101040220		285.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5036	COMMUNICATIONS		79.85	0.00
100-007-5036	COMMUNICATIONS		53.73	0.00
100-014-5036	COMMUNICATIONS		79.85	0.00
400-023-5036	COMMUNICATIONS		22.03	0.00
100-019-5036	COMMUNICATIONS		49.57	0.00
Distribution Total			285.03	0.00

51079	SPECTRUM BUSINESS	03/30/2020	BOFA	SVC 03.29.20 - 04.28.20 M&I	
02-581	PO BOX 7195	04/16/2020	N		104.00
	PASADENA	03/30/2020	N	N	0.00
	CA 91109-7195	03/30/2020	0.00	N	0
	<Emailing Stub Disabled>	03/30/2020	069794801033020		104.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-019-5036	COMMUNICATIONS		104.00	0.00
Distribution Total			104.00	0.00
			Vendor Total:	389.00

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Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount
	STAPLES BUSINESS ADVANTAGE	03/20/2020	BOFA	OFFICE SUPPLIES CITY HALL	
	STAPLES BUSINESS CREDIT	04/16/2020	N		31.27
51034	ATLANTA	03/20/2020	N	N	0.00
19-812	GA 30348-5638	03/20/2020	0.00	N	0
	<Emailing Stub Disabled>	03/20/2020	O#7305750952-0-1		31.27

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5016	OFFICE SUPPLIES		31.27	0.00
Distribution Total			31.27	0.00

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount
	STAPLES BUSINESS ADVANTAGE	03/09/2020	BOFA	OFFICE SUPPLIES CITY HALL	
	STAPLES BUSINESS CREDIT	04/16/2020	N		23.69
51035	ATLANTA	03/09/2020	N	N	0.00
19-812	GA 30348-5638	03/09/2020	0.00	N	0
	<Emailing Stub Disabled>	03/09/2020	O#7305750952-0-2		23.69

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5016	OFFICE SUPPLIES		23.69	0.00
Distribution Total			23.69	0.00

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount
	STAPLES BUSINESS ADVANTAGE	02/25/2020	BOFA	OFFICE SUPPLIES PD	
	STAPLES BUSINESS CREDIT	04/16/2020	N		56.61
51036	ATLANTA	02/25/2020	N	N	0.00
19-812	GA 30348-5638	02/25/2020	0.00	N	0
	<Emailing Stub Disabled>	02/25/2020	O#7305081030-0-1		56.61

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5016	OFFICE SUPPLIES		56.61	0.00
Distribution Total			56.61	0.00

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount
	STAPLES BUSINESS ADVANTAGE	02/25/2020	BOFA	OFFICE SUPPLIES PD	
	STAPLES BUSINESS CREDIT	04/16/2020	N		24.88
51037	ATLANTA	02/25/2020	N	N	0.00
19-812	GA 30348-5638	02/25/2020	0.00	N	0
	<Emailing Stub Disabled>	02/25/2020	O#7305081030-0-2		24.88

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5016	OFFICE SUPPLIES		24.88	0.00
Distribution Total			24.88	0.00

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount
	STAPLES BUSINESS ADVANTAGE	03/17/2020	BOFA	OFFICE SUPPLIES TRANSIT	
	STAPLES BUSINESS CREDIT	04/16/2020	N		12.77
51038	ATLANTA	03/17/2020	N	N	0.00
19-812	GA 30348-5638	03/17/2020	0.00	N	0
	<Emailing Stub Disabled>	03/17/2020	O#7305867202-0-3		12.77

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5016	OFFICE SUPPLIES		12.77	0.00
Distribution Total			12.77	0.00

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount
	STAPLES BUSINESS ADVANTAGE	03/17/2020	BOFA	OFFICE SUPPLIES TRANSIT	
	STAPLES BUSINESS CREDIT	04/16/2020	N		150.90
51039	ATLANTA	03/17/2020	N	N	0.00
19-812	GA 30348-5638	03/17/2020	0.00	N	0
	<Emailing Stub Disabled>	03/17/2020	O#7305867202-0-2		150.90

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
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Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount

	OFFICE SUPPLIES				150.94	0.00
	Distribution Total				150.94	0.00

51040	STAPLES BUSINESS ADVANTAGE	03/20/2020		BOFA	OFFICE SUPPLIES TRANSIT	
19-812	STAPLES BUSINESS CREDIT	04/16/2020		N		283.60
	ATLANTA	03/20/2020		N	N	0.00
	GA 30348-5638	03/20/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/20/2020	O#7305867202-0-1			283.60

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5016	OFFICE SUPPLIES		283.60	0.00
Distribution Total			283.60	0.00

51041	STAPLES BUSINESS ADVANTAGE	02/25/2020		BOFA	OFFICE SUPPLIES COMM DEV	
19-812	STAPLES BUSINESS CREDIT	04/16/2020		N		66.79
	ATLANTA	02/25/2020		N	N	0.00
	GA 30348-5638	02/25/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	02/25/2020	O#7305110746-0-1			66.79

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-007-5016	OFFICE SUPPLIES		66.79	0.00
Distribution Total			66.79	0.00

51042	STAPLES BUSINESS ADVANTAGE	02/28/2020		BOFA	OFFICE SUPPLIES COMM DEV	
19-812	STAPLES BUSINESS CREDIT	04/16/2020		N		12.44
	ATLANTA	02/28/2020		N	N	0.00
	GA 30348-5638	02/28/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	02/28/2020	O#735110746-0-2			12.44

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-007-5016	OFFICE SUPPLIES		12.44	0.00
Distribution Total			12.44	0.00

51043	STAPLES BUSINESS ADVANTAGE	03/02/2020		BOFA	OFFICE SUPPLIES CITY HALL	
19-812	STAPLES BUSINESS CREDIT	04/16/2020		N		168.23
	ATLANTA	03/02/2020		N	N	0.00
	GA 30348-5638	03/02/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/02/2020	O#7305355141-0-1			168.23

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5016	OFFICE SUPPLIES		168.23	0.00
Distribution Total			168.23	0.00

Vendor Total: 831.20

51076	TEL-TEC SECURITY SYSTEMS	04/01/2020		BOFA	ADOBE CMLPX FIRE MONITORING	
20-278	5020 LISA MARIE COURT	04/16/2020		N	ARPIL 2020	55.00
	BAKERSFIELD	04/01/2020		N	N	0.00
	CA 93313	04/01/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/01/2020	697102			55.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-002-5077	OUTSIDE SERVICES		55.00	0.00
Distribution Total			55.00	0.00

Vendor Total: 55.00

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Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2		Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check		Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discoun
	Email Address	Inv. Date	Invoice No.			Net Amount
51074	VEOLIA WATER NA - MAINT-NOTE	03/10/2020	BOFA	OPER & MAINT WASTEWATER FE		
22-282	PO BOX 28895	04/16/2020	N			149,138.39
	CHICAGO	03/10/2020	N	N		0.00
	IL 60673-8895	03/10/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/10/2020	90232415			149,138.39

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
420-016-5110	VEOLIA OPERATING EXPENSES		127,848.68	0.00
420-016-5034	PROFESSIONAL SERVICES		21,289.71	0.00
Distribution Total			149,138.39	0.00

Vendor Total: 149,138.39

51054	VERIZON WIRELESS 609123961-1	03/25/2020	BOFA	02.26.20 - 03.25.20 CELL PH PD		
22-290	P.O. BOX 660108	04/16/2020	N			472.31
	DALLAS	03/25/2020	N	N		0.00
	TX 75266-0109	03/25/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/25/2020	9851271096			472.31

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5056	TELEPHONE		472.31	0.00
Distribution Total			472.31	0.00

Vendor Total: 472.31

51055	VERIZON WIRELESS 609123961-3	03/25/2020	BOFA	02.26.20 - 03.25.20 AIR CARDS		
22-289	PO BOX 660108	04/16/2020	N			646.17
	DALLAS	03/25/2020	N	N		0.00
	TX 75266-0108	03/25/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/25/2020	9851271097			646.17

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5056	TELEPHONE		646.17	0.00
Distribution Total			646.17	0.00

Vendor Total: 646.17

51077	VERIZON WIRELESS A#64202330	03/28/2020	BOFA	SVC 02.29.20 -03.28.20 TRANSIT		
28-292	PO BOX 660108	04/16/2020	N			120.18
	DALLAS	03/28/2020	N	N		0.00
	TX 75266-0108	03/28/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/28/2020	9851453117			120.18

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5056	TELEPHONE		120.18	0.00
Distribution Total			120.18	0.00

Vendor Total: 120.18

51069	WELLS FARGO LEASE PMTS	03/23/2020	BOFA	COPIER LEASE ARVIN PD		
23-201	PO BOX 10306	04/16/2020	N	SVC 03.18.20 - 04.17.20		183.86
	DES MOINES	03/23/2020	N	N		0.00
	IA 50306-0306	03/23/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/23/2020	5009739881			183.86

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5072	EQUIPMENT - LEASE		183.86	0.00

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Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Taxes Withheld
	City	Disc. Date	Req. No.	Use Description 1 On Check	Discoun
	State/Province Zip/Postal	Due Date	Disc. %	1099?	Hand Check Number/Date
	Email Address	Inv. Date	Invoice No.		Net Amount

Distribution Total					183.86	0.00
	WELLS FARGO LEASE PMTS	03/29/2020		BOFA	COPIER LEASE COMM DEV	
	PO BOX 10306	04/16/2020		N	SVC 03.24.20 - 04.23.20	121.16
51070	DES MOINES	03/29/2020		N	N	0.00
23-201	IA 50306-0306	03/29/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/29/2020	5009806900			121.16

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-007-5072	EQUIPMENT - LEASE		121.16	0.00
Distribution Total			121.16	0.00

Vendor Total: 305.00

Total Invoices: 63

Grand Total:	389,115.20
Less Credit Memos:	0.00
Net Total:	389,115.20
Less Hand Check Total:	0.00
Outstanding Invoice Total:	389,115.20

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Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount
51103	"ALL THAT LETTERING" SIGN CO.	03/27/2020	BOFA	UNIT 288 LETTERING NEW AC UN	
01-440	1231-A WASHINGTON STREET	04/20/2020	N		400.00
	BAKERSFIELD	03/27/2020	N	N	0.00
	CA 93305	03/27/2020	0.00	N	0
	<Emailing Stub Disabled>	03/27/2020	6005		400.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-003-5012	MAINTENANCE - VEHICLE		400.00	0.00
Distribution Total			400.00	0.00

Vendor Total: 400.00

51100	A1 BATTERY	03/25/2020	BOFA	UNIT 283 REPLACE BATTERY	
28-048	6630 ROSEDALE HWY	04/20/2020	N		102.35
	BAKERSFIELD	03/25/2020	N	N	0.00
	CA 93308	03/25/2020	0.00	N	0
	<Emailing Stub Disabled>	03/25/2020	74253		102.35

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5012	MAINTENANCE - VEHICLE		102.35	0.00
Distribution Total			102.35	0.00

51101	A1 BATTERY	03/27/2020	BOFA	UNIT 277 REPLACE BATTERY	
28-048	6630 ROSEDALE HWY	04/20/2020	N		102.35
	BAKERSFIELD	03/27/2020	N	N	0.00
	CA 93308	03/27/2020	0.00	N	0
	<Emailing Stub Disabled>	03/27/2020	74286		102.35

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-014-5012	MAINTENANCE - VEHICLE		102.35	0.00
Distribution Total			102.35	0.00

51102	A1 BATTERY	04/04/2020	BOFA	SECURITY GATE REPLCE BATTEI	
28-048	6630 ROSEDALE HWY	04/20/2020	N		23.76
	BAKERSFIELD	04/04/2020	N	N	0.00
	CA 93308	04/04/2020	0.00	N	0
	<Emailing Stub Disabled>	04/04/2020	74398		23.76

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-005-5008	MAINTENANCE - OTHER		23.76	0.00
Distribution Total			23.76	0.00

Vendor Total: 228.41

51098	AFLAC	04/11/2020	BOFA	SUPP INS APR2020	
01-025	ATTN: RPS	04/20/2020	N		145.62
	COLUMBUS	04/11/2020	N	N	0.00
	GA 31999	04/11/2020	0.00	N	0
	<Emailing Stub Disabled>	04/11/2020	314162		145.62

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-000-0217	AFLAC		145.62	0.00
Distribution Total			145.62	0.00

Vendor Total: 145.62

Attachment: Demand Registers of April 10, 2020 - April 23, 2020 (Demand Register(s) of April 10, 2020 - April 23, 2020.)

Edit List of Invoices - Detail w/GL

4.A.a

Date: 04/20/2020

Time: 4:06 pm

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City of Arvin

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount
	ARVIN POLICE OFFICERS	04/17/2020	BOFA	UNION DUES 04.03.20 & 04.17.20	
		04/20/2020	N		600.00
51099		04/17/2020	N	N	0.00
01-725		04/17/2020	0.00	N 0	0.00
	<Emailing Stub Disabled>	04/17/2020	UNION DUES 04.03.20 & 04		600.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-000-0206	UNION DUES PAYABLE		600.00	0.00
Distribution Total			600.00	0.00
			Vendor Total:	600.00

	CENTRAL CALIF. ASSOC. PUBLIC	04/17/2020	BOFA	COA UNION DUES 04.17.20	
	SEIU LOCAL 521	04/20/2020	N		717.30
51104	SAN FRANCISCO	04/17/2020	N	N	0.00
11-150	CA 94139-8826	04/17/2020	0.00	N 0	0.00
	<Emailing Stub Disabled>	04/17/2020	COA UNION DUES 04.17.20		717.30

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-000-0206	UNION DUES PAYABLE	UNION DUES	697.80	0.00
100-000-0206	UNION DUES PAYABLE	DONATION	19.50	0.00
Distribution Total			717.30	0.00
			Vendor Total:	717.30

	COLONIAL LIFE	03/24/2020	BOFA	SUPPLEMENTAL INS MAR20	
	PREMIUM PROCESSING	04/20/2020	N		753.46
51105	COLUMBIA	03/24/2020	N	N	0.00
03-505	SC 29202-0903	03/24/2020	0.00	N 0	0.00
	<Emailing Stub Disabled>	03/24/2020	5193602-0306136		753.46

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-000-0213	INSURANCE DEDUCTIONS		753.46	0.00
Distribution Total			753.46	0.00
			Vendor Total:	753.46

	COMPLETE HARDWARE STORE	04/02/2020	BOFA	TOOL TO REPAIR PHONE CONNE	
	101 BEAR MOUNTAIN BLVD.	04/20/2020	N		27.00
51106	ARVIN	04/02/2020	N	N	0.00
48-463	CA 93203	04/02/2020	0.00	N 0	0.00
	<Emailing Stub Disabled>	04/02/2020	308228		27.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-019-5008	MAINTENANCE - OTHER		27.05	0.00
Distribution Total			27.05	0.00
			Vendor Total:	27.05

	COPOWER	ID 903697	04/09/2020	BOFA	CHIRO SVC MAY2020	
	DEPT. 34604		04/20/2020	N		175.80
51107	SAN FRANCISCO		04/09/2020	N	N	0.00
27-067	CA 94139		04/09/2020	0.00	N 0	0.00
	<Emailing Stub Disabled>		04/09/2020	2010552		175.80

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5015	MEDICAL INSURANCE		27.74	0.00

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City of Arvin

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount

	MEDICAL INSURANCE				21.63	0.00
100-014-5015	MEDICAL INSURANCE				56.19	0.00
100-030-5015	MEDICAL INSURANCE				4.78	0.00
200-020-5015	MEDICAL INSURANCE				27.74	0.00
230-032-5015	MEDICAL INSURANCE				4.78	0.00
400-023-5015	MEDICAL INSURANCE				46.88	0.00
100-014-5015	MEDICAL INSURANCE				-13.87	0.00
Distribution Total					175.87	0.00

Vendor Total: 175.87

51108	GOLDEN EMPIRE FLEET SERVICE	03/12/2020	BOFA	DIESEL FUEL FOR GENERATOR		
	P.O. BOX 2192	04/20/2020	N	DELIVER 70 GALS 03.04.20		653.99
07-592	BAKERSFIELD	03/12/2020	N	N		0.00
	CA 93303-2192	03/12/2020	0.00	0		0.00
	<Emailing Stub Disabled>	03/12/2020	59374			653.99

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5080	FUEL EXPENSE		653.95	0.00
Distribution Total			653.95	0.00

51109	GOLDEN EMPIRE FLEET SERVICE	03/12/2020	BOFA	DIESEL FUEL FOR GENERATOR		
	P.O. BOX 2192	04/20/2020	N	DELIVER 55 GALS 03.10.20		354.00
07-592	BAKERSFIELD	03/12/2020	N	N		0.00
	CA 93303-2192	03/12/2020	0.00	0		0.00
	<Emailing Stub Disabled>	03/12/2020	59381			354.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5080	FUEL EXPENSE		354.04	0.00
Distribution Total			354.04	0.00

51110	GOLDEN EMPIRE FLEET SERVICE	03/12/2020	BOFA	DIESEL FUEL FOR GENERATOR		
	P.O. BOX 2192	04/20/2020	N	DELIVER 71 GALS 03.06.20		405.25
07-592	BAKERSFIELD	03/12/2020	N	N		0.00
	CA 93303-2192	03/12/2020	0.00	0		0.00
	<Emailing Stub Disabled>	03/12/2020	59380			405.25

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5080	FUEL EXPENSE		405.25	0.00
Distribution Total			405.25	0.00

51111	GOLDEN EMPIRE FLEET SERVICE	03/23/2020	BOFA	UNIT 203 REPAIR A/C		
	P.O. BOX 2192	04/20/2020	N			495.00
07-592	BAKERSFIELD	03/23/2020	N	N		0.00
	CA 93303-2192	03/23/2020	0.00	0		0.00
	<Emailing Stub Disabled>	03/23/2020	59203			495.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5012	MAINTENANCE - VEHICLE		495.01	0.00
Distribution Total			495.01	0.00

51112	GOLDEN EMPIRE FLEET SERVICE	03/26/2020	BOFA	SERVICE GENERATOR IN YARD		
	P.O. BOX 2192	04/20/2020	N			614.80
07-592	BAKERSFIELD	03/26/2020	N	N		0.00
	CA 93303-2192	03/26/2020	0.00	0		0.00
	<Emailing Stub Disabled>	03/26/2020	59502			614.80

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Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2		
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2		Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check		Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discoun
	Email Address	Inv. Date	Invoice No.			Net Amount

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5008	MAINTENANCE - OTHER		614.86	0.00
Distribution Total			614.86	0.00

Vendor Total: 2,523.1

51113	GRANICUS	03/28/2020		BOFA	IQM2 AGENDA & MINUTES	
07-703	DEPT CH-BOX 19634	04/20/2020		N	03.28.20 - 04.27.20	561.00
	PALATINE	03/28/2020		N	N	0.00
	IL 60055-9634	03/28/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/28/2020	124495			561.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5034	PROFESSIONAL SERVICES		561.00	0.00
Distribution Total			561.00	0.00

51114	GRANICUS	02/28/2020		BOFA	IQM2 AGENDA & MINUTES	
07-703	DEPT CH-BOX 19634	04/20/2020		N	02.28.20 - 03.27.20	561.00
	PALATINE	02/28/2020		N	N	0.00
	IL 60055-9634	02/28/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	02/28/2020	123573			561.00

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5034	PROFESSIONAL SERVICES		561.00	0.00
Distribution Total			561.00	0.00

Vendor Total: 1,122.00

51115	O'REILLY AUTOMOTIVE, INC	12/11/2019		BOFA	LICENSE PLATE FRAME RTN CRE	
28-249	PO BOX 9464	04/20/2020		N		-69.21
	SPRINGFIELD	12/11/2019		N	N	0.00
	MO 65801-9464	12/11/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	12/11/2019	4451-452260			-69.21

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5012	MAINTENANCE - VEHICLE		-69.26	0.00
Distribution Total			-69.26	0.00

51116	O'REILLY AUTOMOTIVE, INC	12/11/2019		BOFA	LICENSE PLATE FRAMES	
28-249	PO BOX 9464	04/20/2020		N		77.88
	SPRINGFIELD	12/11/2019		N	N	0.00
	MO 65801-9464	12/11/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	12/11/2019	4451-452247			77.88

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
400-023-5012	MAINTENANCE - VEHICLE		77.88	0.00
Distribution Total			77.88	0.00

51117	O'REILLY AUTOMOTIVE, INC	04/01/2020		BOFA	UNIT 315 LGHT CONNECTR FOR	
28-249	PO BOX 9464	04/20/2020		N		54.11
	SPRINGFIELD	04/01/2020		N	N	0.00
	MO 65801-9464	04/01/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/01/2020	4451-470846			54.11

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-019-5012	MAINTENANCE - VEHICLE		54.11	0.00

Attachment: Demand Registers of April 10, 2020 - April 23, 2020 (Demand Register(s) of April 10, 2020 - April 23, 2020.)

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City of Arvin

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2		
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2		Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check		Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discoun
	Email Address	Inv. Date	Invoice No.			Net Amount

Distribution Total	54.11	0.00
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51118	O'REILLY AUTOMOTIVE, INC	04/02/2020		BOFA	UNIT 315 SPLICE CONN 4 TLR LT	
	PO BOX 9464	04/20/2020		N		9.72
28-249	SPRINGFIELD	04/02/2020		N	N	0.00
	MO 65801-9464	04/02/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/02/2020	4451-470996			9.72

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-019-5012	MAINTENANCE - VEHICLE		9.72	0.00
Distribution Total			9.72	0.00

51119	O'REILLY AUTOMOTIVE, INC	04/06/2020		BOFA	UNIT 301 & 320 WIPER BLADES	
	PO BOX 9464	04/20/2020		N		33.95
28-249	SPRINGFIELD	04/06/2020		N	N	0.00
	MO 65801-9464	04/06/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/06/2020	4451-471607			33.95

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-019-5012	MAINTENANCE - VEHICLE		33.95	0.00
Distribution Total			33.95	0.00

51120	O'REILLY AUTOMOTIVE, INC	04/01/2020		BOFA	UNIT 315 STARTER & TIRE SEAL	
	PO BOX 9464	04/20/2020		N		218.47
28-249	SPRINGFIELD	04/01/2020		N	N	0.00
	MO 65801-9464	04/01/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/01/2020	4451-470822			218.47

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-019-5012	MAINTENANCE - VEHICLE		218.47	0.00
Distribution Total			218.47	0.00

Vendor Total: 324.87

51121	PG & E	04/14/2020		BOFA	ELEC SVC 03.13.20 - 04.13.20	
	BOX 997300	04/20/2020		N		11,076.87
16-004	SACRAMENTO	04/14/2020		N	N	0.00
	CA 95899-7300	04/14/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/14/2020	ELEC SVC 03.13.20 - 04.13.			11,076.87

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-002-5060	UTILITIES EXPENSE		51.77	0.00
100-014-5060	UTILITIES EXPENSE		1,286.82	0.00
100-001-5060	UTILITIES EXPENSE		662.91	0.00
100-014-5060	UTILITIES EXPENSE		121.61	0.00
100-001-5060	UTILITIES EXPENSE		62.64	0.00
100-009-5060	UTILITIES EXPENSE		220.03	0.00
100-012-5060	UTILITIES EXPENSE		699.91	0.00
420-016-5060	UTILITIES EXPENSE		54.87	0.00
100-019-5060	UTILITIES EXPENSE		119.71	0.00
200-020-5060	UTILITIES EXPENSE		3,952.17	0.00
240-025-5060	UTILITIES EXPENSE		3,271.16	0.00
242-027-5060	UTILITIES EXPENSE		437.94	0.00
100-007-5060	UTILITIES EXPENSE		10.51	0.00
400-023-5060	UTILITIES EXPENSE		20.51	0.00
100-005-5060	UTILITIES EXPENSE		104.33	0.00

Attachment: Demand Registers of April 10, 2020 - April 23, 2020 (Demand Register(s) of April 10, 2020 - April 23, 2020.)

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City of Arvin

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discoun
	Email Address	Inv. Date	Invoice No.		Net Amount

Distribution Total					11,076.89	0.00
					Vendor Total:	11,076.89

51122	PURCHASE POWER	04/12/2020		BOFA	POSTAGE 04.12.20	
16-391	P.O. BOX 371874	04/20/2020		N		503.50
	PITTSBURGH	04/12/2020		N	N	0.00
	PA 15250-7874	04/12/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/12/2020	A#8000-9000-0054-0157 04.			503.50

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-001-5026	POSTAGE		253.50	0.00
100-007-5026	POSTAGE		125.00	0.00
100-014-5026	POSTAGE		125.00	0.00
Distribution Total			503.50	0.00

Vendor Total: 503.50

51123	VANTAGE POINT TRANSFER AGE	04/17/2020		BOFA	457K 04.17.20	
26-912	C/O M&T BANK	04/20/2020		N		521.65
	BALTIMORE	04/17/2020		N	N	0.00
	MD 21264	04/17/2020	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/17/2020	457K 04.17.20			521.65

GL Number	Account Name	Distribution Line Description	Pay Amount	Relieve Amount
100-000-0211	457K DEDUCTIONS		521.65	0.00
Distribution Total			521.65	0.00

Vendor Total: 521.65

Grand Total:	19,189.00
Less Credit Memos:	-69.20
Net Total:	19,119.79
Less Hand Check Total:	0.00
Outstanding Invoice Total:	19,119.79

Total Invoices: 26

Attachment: Demand Registers of April 10, 2020 - April 23, 2020 (Demand Register(s) of April 10, 2020 - April 23, 2020.)

EARNINGS REPORT

4.B.a

Emp. Code Desc.: CITY OF ARVIN
 From 04/17/2020 to 04/17/20
 City of Arvin

Date: 4/23/2020
 Time: 9:20:18

Employee Name	Employee ID	1X COMP	2X CTO	ADJ CTYWK	ADLCO DEGRE	ADMLV DIFFL	ALLOW FH	BERV FTO	BNFT1 HOL	Other Tot:
		HP1X	INSUR	JURY	LONG	MILIT	MISC	PBD	PBD3	
		PBDCO	PDADL	PHALW	POST	PTO	REG	RETOT	RETRO	
		SICK	SSWEP	TRAIN	TUPGR	UAPEP	UNADV	URCL	VAC	
		VACCO	VACTO	WRKCO	TTD	COALV				
Grand Total:	Employee Count: 55	7,675.40	157.46	0.00	3,244.20	0.00	200.00	357.60	1,107.69	0.0
		0.00	705.43	490.49	438.48	176.40	0.00	0.00	4,386.32	129,727.4
		552.48	1,994.16	0.00	2,637.92	0.00	0.00	44.70	178.80	
		0.00	0.00	300.00	830.70	0.00	88,787.80	0.00	615.00	
		4,249.30	0.00	0.00	120.24	0.00	90.78	0.00	1,260.72	
		0.00	0.00	2,243.62	0.00	6,881.80				

COST REPORT

Emp. Code Desc.: CITY OF ARVIN
 From 04/17/2020 to 04/17/20
 City of Arvin

Date: 4/23/2020
 Time: 9:21:17

Employee Name	Employee ID	FUTA PER5E	MC PER6E	MC1 PER9E	PER1E PERS2	PER2D PERS3	PER2E PERS5	PER2M PERS6	PER3E PERS8	Other Tot:
		SS	SS1	SUTA						
Grand Total:	Employee Count: 55	0.00	1,644.07	314.35	0.00	1,432.93	0.00	1,023.28	1,205.80	0.0
		120.66	0.00	0.00	2,504.64	2,390.70	0.00	2,449.36	1,896.38	23,476.4
		6,912.36	1,581.89	0.00						

Attachment: Payroll Register of April 17, 2020 (Payroll Register(s) of April 17, 2020)

REGULAR MEETING MINUTES

ARVIN CITY COUNCIL / SUCCESSOR AGENCY TO THE ARVIN COMMUNITY REDEVELOPMENT AGENCY / ARVIN HOUSING AUTHORITY / ARVIN PUBLIC FINANCING AUTHORITY

APRIL 14, 2020

CALL TO ORDER @ 6:00PM

PLEDGE OF ALLEGIANCE

ROLL CALL: All present. CM Martinez arrived late during Agenda Item #1.

1. Approval of Agenda as To Form.

Motion to approve the Agenda.

Motion Mayor Gurrola Second CM Trujillo Vote 5-0

2. PUBLIC COMMENTS

(This is the opportunity for the public to address the City Council on any matter on the agenda or any item of interest to the public that is within the subject matter jurisdiction of the City Council.)

NONE

3. CONSENT AGENDA ITEM(S)

A. Approval of Demand Register(s) of March 07, 2020 – April 09, 2020.

B. Approval of Payroll Register(s) of March 20, 2020 and April 03, 2020.

C. Approval of the Minutes of the Special Meeting(s) of March 02, 2020 and March 17, 2020; and Regular Meeting(s) of March 10, 2020.

D. Approval of A Resolution of the City Council of the City of Arvin Consenting to the Submittal of A Grant Application and Application Documents to the California Department of Transportation for the Low Carbon Transit Operations Program (LCTOP); and Authorizing Related Actions for the Following Project: Arvin Electric Buses and Infrastructure Installation Project \$41,362.

Resolution No. 2020-14

E. Approval of A Resolution of the City Council of the City of Arvin to Approve the 2019 Housing Element Annual Progress Report.

Resolution No. 2020-15

F. Approval of Proclamation Proclaiming April 2020 as DMV / Donate Life Month in the City of Arvin.

- G. Approval of A Resolution of the City Council of the City of Arvin Authorizing Submittals of Grant Application(s) to the San Joaquin Valley Air Pollution Control District (SJVAPCD) for the “Remove II Public Transportation Subsidy” Program to Fund Transit Subsidies for the City of Arvin and Authorizing the City Manager, or His Designee, to Execute All Related Program Documents; and Authorizing Related Action.

Resolution No. 2020-16

- H. Approval of A Resolution of the City Council of the City of Arvin Approving the Engineer’s Report for Landscaping and Lighting Maintenance District No. 1.

Resolution No. 2020-17

- I. Approval of A Resolution of the City Council of the City of Arvin Declaring Intention to Levy and Collect Assessments Within Landscaping and Lighting Maintenance District No. 1 Commencing Fiscal Year 2020-2021 Pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code, and Appointing A Time and Place for Hearing Objections Thereto.

Resolution No. 2020-18

- J. Approval of A Resolution of the City Council of the City of Arvin Approving the Engineer’s Report for Landscaping and Lighting Maintenance District No. 2.

Resolution No. 2020-19

- K. Approval of A Resolution of the City Council of the City of Arvin Declaring Intention to Levy and Collect Assessments Within Landscaping and Lighting Maintenance District No. 2 Commencing Fiscal Year 2020-2021 Pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code, and Appointing A Time and Place for Hearing Objections Thereto.

Resolution No. 2020-20

- L. Approval of A Resolution of the City Council of the City of Arvin for the Acceptance of Improvements by LeOra LLC for Tract 6677 Phase 1, A Release of 90% of Security, and Retention of 10% of Security for Maintenance for A Period of One Year.

Resolution No. 2020-21

Staff recommends approval of the Consent Agenda.

Motion to approve Consent Agenda Items 3A – 3L.

Motion Mayor Gurrola Second CM Franetovich Vote 5-0

4. PUBLIC HEARING ITEM(S)

- A. Second and Final Public Hearing to Consider and Approve A Resolution of the City Council of the City of Arvin Approving Applications for Funding and the Execution of Grant Agreements and Any Amendments Thereto from the 2019-2020 Funding Year of the State Community Development Block Grant (CDBG) Program; and Authorizing Related Action. (Director of Administrative Services)

Staff recommends to open the hearing, allow for public testimony, close the hearing and approve the Resolution.

Hearing opened.

Public Testimony: The following projects were suggested by the members of the public and members of the City Council as the list of projects for the CDBG

Second Public Hearing:

- 1) **Street Improvements**
- 2) **Kovacevich Park - Recreation Facilities**
- 3) **Crosswalks throughout the City**
- 4) **Services - Traffic Control at Varsity and Campus During School Hours (Crossing Guard)**
- 5) **Traffic Light and Crosswalk at Walnut and Bear Mountain Blvd.**
- 6) **Dog Park**
- 7) **Walnut Street Reconstruction**
- 8) **South A Street Crosswalk**
- 9) **Crosswalk Study**
- 10) **Plumtree Street Reconstruction**
- 11) **Street Reconstruction of smaller Streets**
- 12) **Summer Jobs Program - Boy and Girls Club**
- 13) **Fair Housing Counseling and Credit Services**
- 14) **Economic Development - Businesses and Micro-Enterprise Loans**
- 15) **Sanitary Sewer in conjunction with street projects**

Hearing closed.

Motion to approve the Resolution.

Motion Mayor Gurrola Second MPT Robles Vote 5-0

5. ACTION ITEM(S)

A. Discussion and Action on Measures to Mitigate the Impacts of the COVID-19 (Coronavirus) Pandemic.

Staff recommends to discuss and take action as appropriate.

Motion to direct Staff to prepare memos related to housing evictions and rent control for the City Council to evaluate and considered in the future.

Vote 5-0 (Voice)

B. Direct Staff to Work with Local Food Bank to Provide Food Distribution to Arvin Residents. (Mayor Gurrola)

Staff recommends to discuss and take action as appropriate.

Motion to direct Staff to work with CAPK and other agencies involved to facilitate the process to provide food to Arvin residents.

Motion Mayor Gurrola Second CM Martinez Vote 5-0

- C. Consideration and Action of the Strategic Plan of the City of Arvin. (Director of Administrative Services)

Staff recommends consideration and action as appropriate.

Above Action Item 5C tabled to the following Regular City Council Meeting of April 28, 2020.

6. STAFF REPORTS

A. Five Year General Fund Forecast – Three Scenarios (Finance Director)

B. Monthly Financial Report – February 2020 (Finance Director)

7. COUNCIL MEMBER COMMENTS

8. CLOSED SESSION ITEM(S)

A. Threats to Public Services or Facilities (Pursuant to Government Code section 54957(a).)
Consultation with: City Attorney and/or City Emergency or Critical Function Personnel.

B. CONFERENCE WITH LABOR NEGOTIATORS (Pursuant to Government Code, § 54957.6):
City Negotiator: Jerry Breckinridge, City Manager and Pawan Gill, Director of Administrative Services
Employee Organizations: Arvin Police Officers Association (APOA) and Central California Association of Public Employees SEIU Local 521.

Closed Session Report by City Attorney: No reportable action.

9. ADJOURNED @ 9:05PM

Respectfully submitted,

Cecilia Vela, City Clerk



CITY OF ARVIN
Staff Report

Meeting Date: April 28, 2020

TO: City Council

FROM: Jerry Breckinridge, City Manager
Jerry Breckinridge, City Manager

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARVIN APPROVING THE SALE OF VEHICLES AND EQUIPMENT DECLARED AS SURPLUS

RECOMMENDATION

Staff recommends that the City Council declare the equipment listed below, titled as surplus items, as surplus and authorize its sale pursuant to the procedures set forth in Arvin Municipal Code section 3.08.110.

BACKGROUND

Arvin Municipal Code section 3.08.110 specifies that current department heads of the city shall submit reports showing surplus stock, materials and equipment. When it is found by the City Council that such materials owned by the City are not needed for use by any city department, the Council may declare such materials as surplus and authorize the sale thereof and proceeds from any such sale shall be deposited into City treasury.

Removal of these items from the City's public works yard and the City Hall complex would assist in providing additional space needed to store other items and with the general housekeeping and maintenance of the areas.

The following vehicles and equipment are to be sold as surplus in their current operational condition:

Unit	Make and Model	VIN #	License #	Miles
260	2008 Toyota Highlander	JTEEW41A382014229	1247553	105,222
266	2010 Ford Crown Victoria	2FABP7BVXAX115400	1294485	132,620

273	2011 Ford Crown Victoria	2FABP7BV4BX104832	1308501	111,772
1	2007 Grasshopper Lawn Mower 735 Big Block	Serial# 5818985		1391.6 hours
2	2013 John Deere Electric TE Gator 4x2	Product ID#: 1M0T145EEDM080271 DOM#: 032813		13.4 hours

If the City Council determines that these items are surplus and authorizes their sale, the Police Department intends to sell them at auction to the highest bidder.

FINANCIAL IMPACT

None. All proceeds to be deposited into city General Fund.

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARVIN APPROVING THE SALE OF VEHICLES AND EQUIPMENT DECLARED AS SURPLUS

WHEREAS, Arvin Municipal Code (AMC) Section 3.08.110 (Surplus property-Sale or other disposal) establishes a procedure to declare equipment surplus; and

WHEREAS, AMC Section 3.08.110 (A) states that all department heads of the city shall submit to the city council at such times, and in such form as may be prescribed, reports showing stock, materials, equipment and any real property on hand not then in use in said department. When a surplus of stock, materials, equipment, or real property exists in any department, the city council may transfer the same to any other department having a need for such stock or any portion thereof on approval of the city council or its designated official; and

WHEREAS, AMC Section 3.08.110 (B) states, when it is found by the city council that stock, materials, equipment, or real property exists which is not needed for use by any city department, the city council may authorize the sale thereof, and the proceeds from any such sale or sales shall be deposited in the city treasury; and

WHEREAS, AMC Section 3.08.110 (C) states, upon the city council's finding and authorization of the sale of surplus stock, materials, equipment, or real property, the city manager may take whatever steps necessary to obtain the highest price in exchange for the sale of the surplus stock, materials, equipment, or real property. The determination of the highest price that will be most favorable to the city will be made by the city manager, within his/her sole discretion. The city manager may thereafter enter into and complete the sale of the surplus stock, materials, equipment, or real property on behalf of the city; and

WHEREAS, the Arvin Maintenance and Infrastructure and Arvin Police Departments have found that the following vehicles and equipment are no longer in use and are surplus:

	Unit	Make / Model	Vin#	License#	Miles
1)	260	2008 Toyota Highlander	JTEEW41A382014229	1247553	105,222
2)	266	2010 Ford Crown Victoria	2FABP7BVXAX115400	1294485	132,620
3)	273	2011 Ford Crown Victoria	2FABP7BV4BX104832	1308501	111,772
4)	1	2007 Grasshopper Lawn Mower 735 Big Block	Serial# 5818985	N/A	1391.6 hours
5)	2	2013 John Deere Electric TE Gator 4x2	ID#: 1M0T145EEDM080271		13.4 hours

NOW, THEREFORE, the City Council of the City of Arvin, does hereby resolve as follows:

1. The above recitals are true and correct.

2. The City Council of the City of Arvin hereby declares the above-described vehicle is surplus and authorizes its sale by the city manager.

3. The City Council finds that this action is in the best interests of the City of Arvin.

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the City Council of the City of Arvin at a Regular Meeting thereof held on the 28th day of April, 2020 by the following vote:

ATTEST

CECILIA VELA, City Clerk

CITY OF ARVIN

By: _____
JOSE GURROLA, Mayor

APPROVED AS TO FORM:

By: _____
SHANNON L. CHAFFIN, City Attorney
Aleshire & Wynder, LLP

I, _____, City Clerk of the City of Arvin, California, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Resolution passed and adopted by the City Council of the City of Arvin on the date and by the vote indicated herein.

Year: 2007

Unit Manufacture: Grasshopper

Unit Model: 735 Big Block

Serial# 5818985

Hours: 1391.6

Value: \$500-\$700

Description: Engine turns on; however, push rod intake on left side of engine damaged. Rocker arm adjuster came apart; missing pieces. More than likely fell into the engine crankcase.





Attachment: Grasshopper 735 Big Block (Approve Sale of Vehicles & Equipment Declared as Surplus)



Attachment: Grasshopper 735 Big Block (Approve Sale of Vehicles & Equipment Declared as Surplus)



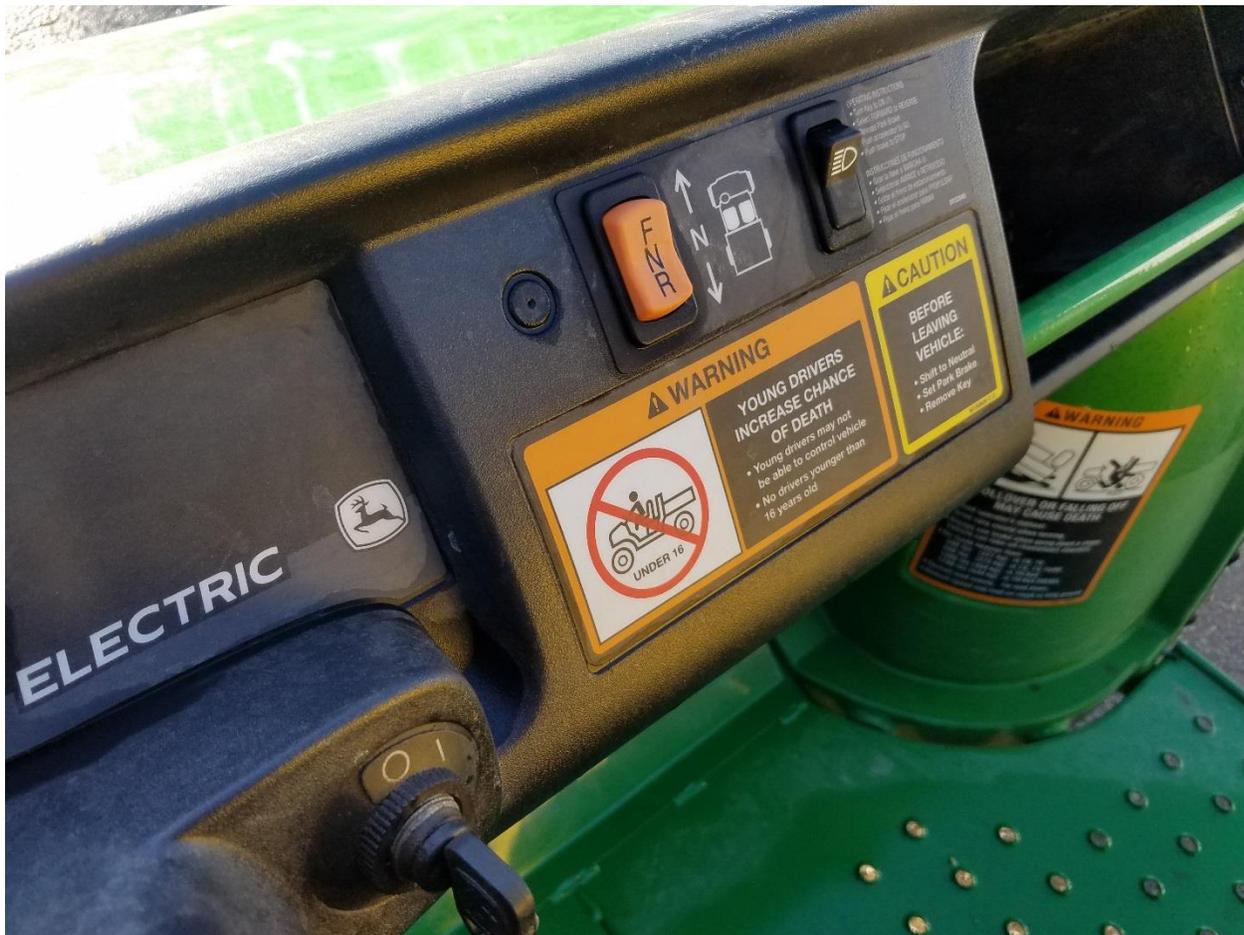
Attachment: Grasshopper 735 Big Block (Approve Sale of Vehicles & Equipment Declared as Surplus)



Attachment: Grasshopper 735 Big Block (Approve Sale of Vehicles & Equipment Declared as Surplus)

Year: 2013
Unit Manufacture: John Deere
Unit Model: ELECTRIC TE GATOR 4x2
Hours: 13.4
Product ID #: 1M0T145EEDM080271
DOM#: 032813
Value: \$500

Description: Like New, body is in tack, garage stored; however, it does run. The Onboard Charger does not function properly. It does not provide power to the batteries; therefore, batteries do not get charged.





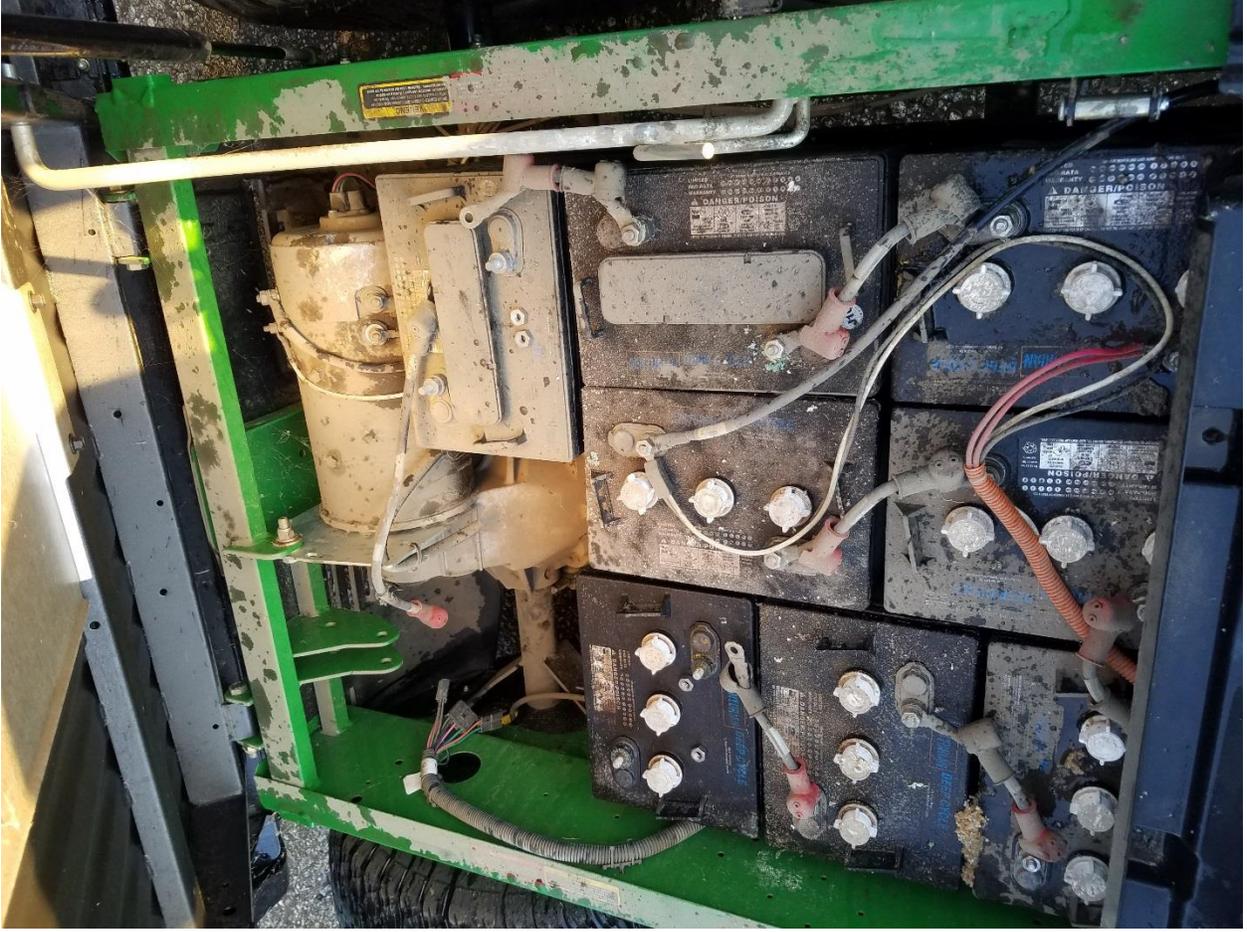
Attachment: John Deere Electric TE Gator (Approve Sale of Vehicles & Equipment Declared as Surplus)



Attachment: John Deere Electric TE Gator (Approve Sale of Vehicles & Equipment Declared as Surplus)



Attachment: John Deere Electric TE Gator (Approve Sale of Vehicles & Equipment Declared as Surplus)



Attachment: John Deere Electric TE Gator (Approve Sale of Vehicles & Equipment Declared as Surplus)



CITY OF ARVIN
Staff Report

Meeting Date: April 28, 2020

TO:	City Council
FROM:	Pawan Gill, Director of Administrative Services Jerry Breckinridge, City Manager
SUBJECT:	Approval of the City Council to Exercise Discretion to Act As Planning Commission and Conduct A Public Hearing to Consider A Resolution of the Planning Commission of the City of Arvin, County of Kern, State of California, Recommending to the City Council the Approval of An Ordinance of the City Council of the City of Arvin Adopting Chapter 17.65 of Title 17 of the Arvin Municipal Code Pertaining to Hemp Activity and Related CEQA Determination.

RECOMMENDATION:

Staff recommends the City Council exercise its discretion to act as Planning Commission if the Planning Commission is unable to hear the Hemp Ordinance hearing scheduled for April 27th, 2020.

Staff also recommends introducing the Ordinance to be read by title only, open the hearing, allow for public testimony, close the hearing, waive first reading of the Ordinance, and approve the introduction of the Ordinance.

BACKGROUND:

The Planning Commission hearing will be to assess these items for a recommendation to the City Council. The Planning Commission staff report and materials are incorporated to provide background on the proposal. Once a recommendation has been received by the City Council, it may choose to introduce the ordinances (“first reading”) at a public hearing. If the ordinances are introduced, the City Council may then enact the ordinances at a subsequent meeting (“second reading”). Planning commission staff report and materials are enclosed.

Municipal Code section 2.24.040 states:

2.24.040 - City Council as planning commission if lack of quorum

In the event that the Planning Commission cannot convene due to a lack of quorum and there is a business of the Planning Commission to be conducted, the City Council, in its sole discretion, can act as the Planning Commission.

At the time of the posting of this agenda, the Planning Commission is expected to hear this item on April 27th, 2020. If they are unable to do so, the City Council, sitting as the Planning Commission, will be requested to hear this item and make a recommendation to the City Council. If this item is heard by the Planning Commission on the 27th, this item will be pulled.

FINANCIAL IMPACT:

There is no financial impact as a result of the recommended action.

ATTACHMENTS:

An Ordinance of the City Council of the City of Arvin Adding Chapter 17.65, of Title 17 Hemp to the City of Arvin Municipal Code.

PowerPoint Presentations: The PowerPoint Presentations were provided by interested parties and not City staff, and are being provided as part of the Agenda packet to increase access in response to the constraints caused by COVID-19.



**CITY OF ARVIN
Planning Commission**

Special Meeting Date: April 27, 2020

TO: Arvin City Planning Commission

FROM: Jerry Breckinridge, City Manager

SUBJECT: Public Hearing – To consider an ordinance establishing Chapter 17.65, of Title 17 of the Arvin Municipal Code pertaining to hemp and the regulation of hemp activities in the City of Arvin.

RECOMMENDATION:

Approve a Resolution recommending the City Council approve a regulatory ordinance establishing Chapter 17.65, of Title 17 Hemp, which regulates hemp activities in the City of Arvin, including authorizing cultivation and manufacturing of hemp and/or hemp products for commercial and/or scientific/educational purposes and the recommendation to adopt an exemption pursuant to the California Environmental Quality Act.

BACKGROUND:

Pursuant to Article XI, Section 7, of the California Constitution, the City of Arvin (“City”) may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its citizens. Consistent with this, in November 1, 2016, the City of Arvin adopted Ordinance No. 436, amending Title 8 of the Arvin Municipal Code and adopting Chapter 8.29 pertaining to marijuana. The cannabis ordinance took effect thirty (30) days after its final passage and adoption and contingent upon passage of California Proposition 64. On or about November 8, 2016, California voters passed Proposition 64, to become law immediately; and on June 19, 2018, the City Council Adopted Ordinance No. 447, amending and renumbering Chapter 17.62 (“Commercial Cannabis Activity”) of Title 17 of the Arvin Municipal Code and thereby adding Chapter 17.64 (“Commercial Cannabis Activity”) to Title 17 of the Arvin Municipal Code, to establish certain regulations pertaining to commercial cannabis activity.

In December of 2018, the President of the United States signed into law the 2018 Federal Farm Bill, H.R. 2, P.L. 115-334, which removed industrial hemp from the federal list of controlled substances and authorized the U.S. Department of Agriculture to create quality control standards for hemp production, further giving states that desire to have primary regulatory authority over the production of hemp the ability to adopt their own state plans. A plan may include a reference to a law of the state regulating the production of hemp, to the extent consistent with federal law; and under California Food and Agriculture Code, section 81006, subdivisions (d)(3) and (5), the California Department of Food and Agriculture (“CDFA”) is required to establish regulations for sampling procedures and approved laboratories for sample testing of all hemp crops (except when grown by an established agricultural research institution) no more than thirty (30) days before harvest.

01159.0002/642749.1

PC Mtg – Staff Report Recommending Council Approve Hemp Ordinance

Page 1 of 3

In September 2018, SB 1409 was enacted, in which the definition of industrial hemp in Health and Safety Code, section 11018.5(a) was amended to delete the reference to its being a crop for fiber or oilseed production, and the Industrial Hemp Farming Act was also amended to its current form, including revising Food and Agriculture Code section 81006 to remove requirement for dense planting and restrictions against pruning, tending, or culling, in order to “remov[e] limitations on the manner in which industrial hemp may be grown and the uses for which it may be grown,” thereby “remov[ing] barriers to the growth of industrial hemp as an agricultural product, and for agricultural or academic research”.

Further, in June of 2019, the CDFA adopted emergency regulations, and in October of 2019 the CDFA revised those regulations, to establish timeframes, procedures, methods, and confirmation for industrial hemp sampling, laboratory testing, and destruction for industrial hemp cultivation and in June of 2019, the CDFA adopted emergency regulations, and in October of 2019 the CDFA revised those regulations, to establish timeframes, procedures, methods, and confirmation for industrial hemp sampling, laboratory testing, and destruction for industrial hemp cultivation; and CDFA found a pressing need for the swift establishment of regulations to prevent delay of the first industrial hemp harvest, and calculated that the absence of regulation could result in a potential direct loss of over \$43,000,000.00 to California farmers.

Additionally, industrial hemp, the extracts and derivatives from processing industrial hemp, and products manufactured with industrial hemp or its extracts and derivatives, may be useful and valuable to both producers and consumers, and therefore may serve as a source of economic development. Also, researching strains of industrial hemp plants, the methods for cultivating and processing industrial hemp, and the methods for manufacturing products using industrial hemp and its extracts and derivatives, is important for identifying and optimizing the beneficial uses and value of industrial hemp.

Industrial hemp strains grown for its cannabidiol oil properties (CBD oil) may be indistinguishable from the high THC cannabis strains used for medicinal and recreational purposes, and permitting industrial hemp cultivation without regulation of the acreage and location of industrial hemp plants may lead to the same type of odor and public safety issues facing cannabis operations in the City; and industrial hemp may serve as a host to mites and other insects, and currently registered pesticides may not always be effective in either addressing such mites and insects or preventing them from moving into other nearby crops, thus threatening the safety of those nearby crops. These concerns are address and regulated in the proposed hemp pronate.

Lastly, Industrial hemp is itself a useful and productive economic activity; and research and commercial activity relating to industrial hemp and its cultivation, processing, and manufacturing are not mutually exclusive activities, but can be and should be mutually supporting and reinforcing.

ENVIRONMENTAL REVIEW:

The proposed ordinance was assessed in accordance with the authority and criteria contained in CEQA, the State CEQA Guidelines (“CEQA Guidelines”), and the environment regulations of the City. The City Council finds and determines that the proposed ordinance is not a “project” for the purposes of CEQA and consistent with CEQA Guidelines section 15378, as it merely

updates existing administrative processes and will not result in direct or indirect physical changes in the environment as compared to the current baseline. Additionally, the City Council finds and determines for the same reasons that even if the proposed ordinance were a project for the purpose of CEQA, there is no possibility that the project may have a significant adverse effect on the environment pursuant to CEQA Guidelines, section 15061(b)(3). Therefore, the proposed ordinance is not subject to CEQA.

DISCUSSION:

The proposed ordinance establishes Chapter 17.65, of Title 17 and would regulate all hemp activities within the City, including authorizing cultivation and manufacturing of hemp and/or hemp products for commercial and/or scientific/educational purposes. Currently the City has no regulations in place to govern the cultivation or manufacturing of hemp products; and as such, potential cultivators and manufactures would only be subject to state regulations without any local control or enforcement mechanisms.

Specifically, the ordinance prohibits the cultivation or manufacturing of hemp and/or hemp products without first receiving a city issued permit or entering into a development agreement with the City. It puts in place regulations to provide clarity and encourage research and development projects and collaborations with both private corporations and public educational institutions. The ordinance also establishes regulations to govern the destruction of hemp being cultivated by research and development project such as an Established Agricultural Research Institution “EARI” or EARI affiliate. Lastly, the proposed ordinance establishes regulations governing the odor’s created during the manufacturing process; distances to residential zones; compliance with federal and state regulations; public nuisance abatement requirements; limitations on City liability; and enforcement options for the City, including a \$1,000.00 per violation administrative fine.

OPTIONS:

1. Approve the resolution as presented;
2. Approved the resolution with amendments from the commission;
3. Direct staff to prepare a resolution recommending the proposed Hemp ordinance be rejected by the City Council;
4. Give staff other direction.

RESOLUTION NO. _____**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF ARVIN, COUNTY OF KERN, STATE OF CALIFORNIA, RECOMMENDING TO THE CITY COUNCIL THE APPROVAL OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARVIN ADOPTING CHAPTER 17.65 OF TITLE 17 OF THE ARVIN MUNICIPAL CODE PERTAINING TO HEMP ACTIVITY AND RELATED CEQA DETERMINATION**

WHEREAS, Pursuant to Article XI, Section 7, of the California Constitution, the City of Arvin (“City”) may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its citizens; and

WHEREAS, on or about November 1, 2016, the City of Arvin adopted Ordinance No. 436, amending Title 8 of the Arvin Municipal Code and adopting Chapter 8.29 pertaining to marijuana, to take effect after thirty (30) days after its final passage and adoption and contingent upon passage of California Proposition 64; and

WHEREAS, on or about November 8, 2016, California voters passed Proposition 64, to become law immediately; and

WHEREAS, on or about January 1, 2017, The California Industrial Hemp Farming Act became effective, California Food and Agriculture Code sections 81000 et seq., authorizing certain activities of industrial hemp growers and established agricultural research institutions; and

WHEREAS, on or about November 21, 2017, the City Council adopted Ordinance No. 443, which added Chapter 17.62 “Commercial Cannabis Activity” to Title 17 of the Arvin Municipal Code; and

WHEREAS, on June 19, 2018, the City Council Adopted Ordinance No. 447, amending and renumbering Chapter 17.62 (“Commercial Cannabis Activity”) of Title 17 of the Arvin Municipal Code and thereby adding Chapter 17.64 (“Commercial Cannabis Activity”) to Title 17 of the Arvin Municipal Code, to establish certain regulations pertaining to commercial cannabis activity; and

WHEREAS, in December of 2018, the President of the United States signed into law the 2018 Federal Farm Bill, H.R. 2, P.L. 115-334, which removed industrial hemp from the federal list of controlled substances and authorized the U.S. Department of Agriculture to create quality control standards for hemp production, further giving states that desire to have primary regulatory authority over the production of hemp the ability to adopt their own state plans, which plan may include a reference to a law of the state regulating the production of hemp, to the extent consistent with federal law; and

WHEREAS, under California Food and Agriculture Code, section 81006, subdivisions (d)(3) and (5), the California Department of Food and Agriculture (“CDFA”) is required to establish regulations for sampling procedures and approved laboratories for sample testing of all

hemp crops (except when grown by an established agricultural research institution) no more than thirty (30) days before harvest; and

WHEREAS, in September 2018, SB 1409 was enacted, in which the definition of industrial hemp in Health and Safety Code, section 11018.5(a) was amended to delete the reference to its being a crop for fiber or oilseed production, and the Industrial Hemp Farming Act was also amended to its current form, including revising Food and Agriculture Code section 81006 to remove requirement for dense planting and restrictions against pruning, tending, or culling, in order to “remov[e] limitations on the manner in which industrial hemp may be grown and the uses for which it may be grown,” thereby “remov[ing] barriers to the growth of industrial hemp as an agricultural product, and for agricultural or academic research”; and

WHEREAS, in June of 2019, the CDFA adopted emergency regulations, and in October of 2019 the CDFA revised those regulations, to establish timeframes, procedures, methods, and confirmation for industrial hemp sampling, laboratory testing, and destruction for industrial hemp cultivation; and

WHEREAS, CDFA found a pressing need for the swift establishment of regulations to prevent delay of the first industrial hemp harvest, and calculated that the absence of regulation could result in a potential direct loss of over \$43,000,000.00 to California farmers; and

WHEREAS, industrial hemp, the extracts and derivatives from processing industrial hemp, and products manufactured with industrial hemp or its extracts and derivatives, may be useful and valuable to both producers and consumers, and therefore may serve as a source of economic development; and

WHEREAS, researching strains of industrial hemp plants, the methods for cultivating and processing industrial hemp, and the methods for manufacturing products using industrial hemp and its extracts and derivatives, is important for identifying and optimizing the beneficial uses and value of industrial hemp, and is itself a useful and productive economic activity; and

WHEREAS, research and commercial activity relating to industrial hemp and its cultivation, processing, and manufacturing are not mutually exclusive activities, but can be and should be mutually supporting and reinforcing; and

WHEREAS, industrial hemp strains grown for its cannabidiol oil properties (CBD oil) may be indistinguishable from the high THC cannabis strains used for medicinal and recreational purposes, and permitting industrial hemp cultivation without regulation of the acreage and location of industrial hemp plants may lead to the same type of odor and public safety issues facing cannabis operations in the City; and

WHEREAS, industrial hemp may serve as a host to mites and other insects, and currently registered pesticides may not always be effective in either addressing such mites and insects or preventing them from moving into other nearby crops, thus threatening the safety of those nearby crops; and

WHEREAS, on April 27, 2020 the City of Arvin Planning Commission (“Commission”) conducted a public hearing to consider the proposed ordinance, and after considering public testimony, the staff report and all submitted evidence to the support the ordinance, the

Commission recommended the City Council (“Council”) [approve/deny] the proposed ordinance; and

WHEREAS, the proposed ordinance is consistent with the General Plan and any applicable Specific Plan(s); and

WHEREAS, new Chapter 17.65 establishes hemp regulations within the City of Arvin; and

WHEREAS, in accordance with the California Environmental Quality Act (“CEQA”), and pursuant to CEQA Guideline, sections 15378 and 15061(b)(3), this activity is not a “project” subject to CEQA as it can be seen with certainty that there is no possibility that an activity may have a significant effect on the environment; and

WHEREAS, on April 27, 2020, the Planning Commission held a public hearing to receive oral and written testimony relative to the proposed amendments; and,

WHEREAS, the Planning Commission desires to recommend approval of the ordinances and associated findings under the California Environmental Quality Act (“CEQA”) to the City Council.

NOW, THEREFORE, BE IT RESOLVED, by the Planning Commission of the City of Arvin as follows:

Section 1: The Planning Commission has reviewed the project and recommends that the City Council adopt a finding that the attached ordinances will not create potentially significant environmental impacts pursuant to the California Environmental Quality Act (“CEQA”) because it can be seen with certainty that there is no possibility that it will have a significant effect on the environment. (CEQA Guidelines § 15061(b)(3).) It is also exempt because it consists of regulations and restrictions on activities to assure the maintenance, restoration, or enhancement of natural resources and the environment by prohibiting environmentally destructive components of unregulated hemp cultivation and related hemp activities. (CEQA Guidelines §§ 15307 and 15308.) Finally, no exceptions to the Categorical Exemptions are applicable under CEQA Guidelines section 15300.2.

Section 2. After reviewing the proposed zoning and specific plan amendments and considering all oral and written information regarding the text amendments, that the Planning Commission does recommend the City Council approve “AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARVIN ADOPTING CHAPTER 17.65 OF TITLE 17 OF THE ARVIN MUNICIPAL CODE PERTAINING TO COMMERCIAL HEMP ACTIVITIES” (*attached hereto as Attachment 1*).

Section 3. The Planning Commission Chairman of the City of Arvin is hereby authorized to affix his signature to this Resolution signifying its adoption by the Planning Commission. The Community Development Director is directed to forward this Resolution to the City Council with the recommendations of the Planning Commission.

/////

I HEREBY CERTIFY that the foregoing Resolution was passed and adopted by the Planning Commission of the City of Arvin at a special meeting thereof held on the 27th day of April 2020 by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

ATTEST:

CECILIA VELA, Secretary

ARVIN PLANNING COMMISSION

By: _____
GERARDO TINOCO, Chairperson

I, _____, Secretary of the Planning Commission of the City of Arvin, California, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Resolution passed and adopted by the Planning Commission of the City of Arvin on the date and by the vote indicated herein.

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARVIN
ADDING CHAPTER 17.65, OF TITLE 17 HEMP TO THE ARVIN
MUNICIPAL CODE**

WHEREAS, Pursuant to Article XI, Section 7, of the California Constitution, the City of Arvin (“City”) may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its citizens; and

WHEREAS, on or about November 1, 2016, the City of Arvin adopted Ordinance No. 436, amending Title 8 of the Arvin Municipal Code and adopting Chapter 8.29 pertaining to marijuana, to take effect after thirty (30) days after its final passage and adoption and contingent upon passage of California Proposition 64; and

WHEREAS, on or about November 8, 2016, California voters passed Proposition 64, to become law immediately; and

WHEREAS, on or about January 1, 2017, The California Industrial Hemp Farming Act became effective, California Food and Agriculture Code sections 81000 et seq., authorizing certain activities of industrial hemp growers and established agricultural research institutions; and

WHEREAS, on or about November 21, 2017, the City Council adopted Ordinance No. 443, which added Chapter 17.62 “Commercial Cannabis Activity” to Title 17 of the Arvin Municipal Code; and

WHEREAS, on June 19, 2018, the City Council Adopted Ordinance No. 447, amending and renumbering Chapter 17.62 (“Commercial Cannabis Activity”) of Title 17 of the Arvin Municipal Code and thereby adding Chapter 17.64 (“Commercial Cannabis Activity”) to Title 17 of the Arvin Municipal Code, to establish certain regulations pertaining to commercial cannabis activity; and

WHEREAS, in December of 2018, the President of the United States signed into law the 2018 Federal Farm Bill, H.R. 2, P.L. 115-334, which removed industrial hemp from the federal list of controlled substances and authorized the U.S. Department of Agriculture to create quality control standards for hemp production, further giving states that desire to have primary regulatory authority over the production of hemp the ability to adopt their own state plans, which plan may include a reference to a law of the state regulating the production of hemp, to the extent consistent with federal law; and

WHEREAS, under California Food and Agriculture Code, section 81006, subdivisions (d)(3) and (5), the California Department of Food and Agriculture (“CDFA”) is required to establish regulations for sampling procedures and approved laboratories for sample testing of all hemp crops (except when grown by an established agricultural research institution) no more than thirty (30) days before harvest; and

WHEREAS, in September 2018, SB 1409 was enacted, in which the definition of industrial hemp in Health and Safety Code, section 11018.5(a) was amended to delete the reference to its being a crop for fiber or oilseed production, and the Industrial Hemp Farming Act was also amended to its current form, including revising Food and Agriculture Code section 81006 to remove requirement for dense planting and restrictions against pruning, tending, or culling, in order to “remov[e] limitations on the manner in which industrial hemp may be grown and the uses for which it may be grown,” thereby “remov[ing] barriers to the growth of industrial hemp as an agricultural product, and for agricultural or academic research”; and

WHEREAS, in June of 2019, the CDFA adopted emergency regulations, and in October of 2019 the CDFA revised those regulations, to establish timeframes, procedures, methods, and confirmation for industrial hemp sampling, laboratory testing, and destruction for industrial hemp cultivation; and

WHEREAS, CDFA found a pressing need for the swift establishment of regulations to prevent delay of the first industrial hemp harvest, and calculated that the absence of regulation could result in a potential direct loss of over \$43,000,000.00 to California farmers; and

WHEREAS, industrial hemp, the extracts and derivatives from processing industrial hemp, and products manufactured with industrial hemp or its extracts and derivatives, may be useful and valuable to both producers and consumers, and therefore may serve as a source of economic development; and

WHEREAS, researching strains of industrial hemp plants, the methods for cultivating and processing industrial hemp, and the methods for manufacturing products using industrial hemp and its extracts and derivatives, is important for identifying and optimizing the beneficial uses and value of industrial hemp, and is itself a useful and productive economic activity; and

WHEREAS, research and commercial activity relating to industrial hemp and its cultivation, processing, and manufacturing are not mutually exclusive activities, but can be and should be mutually supporting and reinforcing; and

WHEREAS, industrial hemp strains grown for its cannabidiol oil properties (CBD oil) may be indistinguishable from the high THC cannabis strains used for medicinal and recreational purposes, and permitting industrial hemp cultivation without regulation of the acreage and location of industrial hemp plants may lead to the same type of odor and public safety issues facing cannabis operations in the City; and

WHEREAS, industrial hemp may serve as a host to mites and other insects, and currently registered pesticides may not always be effective in either addressing such mites and insects or preventing them from moving into other nearby crops, thus threatening the safety of those nearby crops; and

WHEREAS, on April 27, 2020 the City of Arvin Planning Commission (“Commission”) conducted a public hearing to consider the proposed ordinance, and after considering public

testimony, the staff report and all submitted evidence to the support the ordinance, the Commission recommended the City Council (“Council”) [approve/deny] the proposed ordinance; and

WHEREAS, the City Council finds this ordinance is reasonable and necessary for the preservation of the public peace, health and safety; and

WHEREAS, the proposed ordinance is consistent with the General Plan and any applicable Specific Plan(s); and

WHEREAS, new Chapter 17.65 establishes hemp regulations within the City of Arvin; and

WHEREAS, in accordance with the California Environmental Quality Act (“CEQA”), and pursuant to CEQA Guideline, sections 15378 and 15061(b)(3), this activity is not a “project” subject to CEQA as it can be seen with certainty that there is no possibility that an activity may have a significant effect on the environment; and

NOW THEREFORE, the City Council of the City of Arvin does hereby ordain as follows:

SECTION 1. The above recitals are incorporated hereby by reference.

SECTION 2. The City Council has reviewed the proposed ordinance and hereby finds that it is consistent with the General Plan and all applicable Specific Plan(s).

SECTION 3. The City Council, based upon its own independent judgement, finds that the proposed ordinance promotes and protects the health, safety, welfare and quality of life of the City of Arvin residents, including promoting affordable housing and economic development.

SECTION 4. The proposed ordinance was assessed in accordance with the authority and criteria contained in CEQA, the State CEQA Guidelines (“CEQA Guidelines”), and the environment regulations of the City. The City Council finds and determines that the proposed ordinance is not a “project” for the purposes of CEQA and consistent with CEQA Guidelines section 15378, as it merely updates existing administrative processes and will not result in direct or indirect physical changes in the environment as compared to the current baseline. Additionally, the City Council finds and determines for the same reasons that even if the proposed ordinance were a project for the purpose of CEQA, there is no possibility that the project may have a significant adverse effect on the environment pursuant to CEQA Guidelines, section 15061(b)(3). Therefore, the proposed ordinance is not subject to CEQA.

SECTION 5. Newly added Chapter 17.65, of Title 17, of the Arvin Municipal Code is added to read as follows:

Chapter 17.65 Hemp

Section 17.65.010 Policy.

It is the policy of the City to encourage responsible industrial hemp cultivation, processing, and manufacturing and to regulate such cultivation, processing, and manufacturing in a responsible

manner to promote economic development, protect the health, safety, and welfare of the residents of the City of Arvin and to enforce rules and regulations consistent with state law.

Section 17.65.020 Definitions.

When used in this chapter, the following words shall have the meaning ascribed to them as set forth herein. Any reference to California statutes includes any regulations promulgated thereunder and is deemed to include any successor or amended version of the referenced statute or regular provision.

- A. “City” means the City of Arvin, a municipal corporation.
- B. “City Council” means the governing body of the City.
- C. “City Manager” means the city manager of the City of Arvin, or the city manager’s authorized deputy, agent or representative.
- D. “Established agricultural research institution” or “EARI” has the same meaning as in section 81000 of the California Food and Agricultural Code.
- E. “EARI affiliate” means any person carrying out research pursuant to or for a research program of an EARI.
- F. “Hemp cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of hemp, including activities carried out by seed breeders which is authorized pursuant to state, federal or local statute.
- G. “Hemp processing” means any baling, bundling, or milling of industrial hemp, or the extraction or separation of any oils, fibers, or other derivatives of industrial hemp after harvesting.
- H. “Industrial Hemp” shall have the same meaning as in section 11018.5 of the California Health and Safety Code.
- I. “Person” means any individual, firm, partnership, joint venture, association corporation, limited liability company, estate, trust, activity trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.
- J. “Seed breeder” has the same meaning as in section 81000 of the California Food and Agricultural Code.

Section 17.65.030 Hemp Cultivation.

- A. Hemp cultivation shall be prohibited within all zones of the City of Arvin, whether conducted indoors or outdoors, unless you have first received a permit issued by the City or enter into a development agreement with the City authorizing the cultivation of hemp.
- B. Hemp cultivation by an EARI or EARI affiliate, including cultivation of Cannabis sativa L. plants as part of an EARI’s hemp research program, shall be permitted within the City of Arvin, provided that the EARI or EARI affiliate shall register with the City Manager the locations and nature of operations within the City of Arvin where such cultivation shall be conducted in advance of any such activity.
- C. An EARI or EARI affiliate may sell industrial hemp commercially, but only to the extent that the biomass so used is derived from crops that were sampled and tested consistent with the standards and procedures established pursuant to California

Food and Agriculture Code section 81006(d) and for which test results show THC levels equal to or less than three-tenths of 1 percent. The City Manager may establish rules and regulations relating to documenting and reporting the tests of any such biomass used by an EARI or EARI affiliate for commercial transactions.

- D. Except to the extent used or maintained by an EARI or EARI affiliate for research purposes, any *Cannabis sativa L.* plant cultivated with the intent of being industrial hemp that are tested and determined to have THC content in excess of three-tenths of 1 percent within 30 days of intended harvest shall be destroyed. For purposes of this requirement, transferring such a plant to a person authorized to conduct commercial cannabis activities under Chapter 17.64, for treatment and handling in accordance with the provisions of that Chapter 17.64, shall be deemed the destruction of the plant as industrial hemp provided the transfer is conducted in compliance with applicable state statutes and the Arvin Municipal Code. The City Manager may establish further rules and regulations relating to the process of destroying such plants, whether by means of transfer to permissible cannabis activities or otherwise, and documentation relating thereto.

Section 17.65.040 Hemp Processing.

- A. Hemp processing shall be prohibited within all zones of the City of Arvin, whether conducted indoors or outdoors, except to the extent such processing either is (i) conducted pursuant to a permit issued by the City of Arvin authorizing the processing of Hemp, or (ii) conducted pursuant to a development agreement with the City of Arvin.
- B. Hemp processing by an EARI or EARI affiliate, including processing of *Cannabis sativa L.* plants as part of an EARI's hemp research program, shall be permitted within the City of Arvin, provided that the EARI or EARI affiliate shall register with the City Manager the locations and nature of operations within the City of Arvin where such processing shall be conducted in advance of any such activity. Nothing in this subsection shall authorize an EARI or EARI affiliate to processing hemp without first receiving a permit or entering into a development agreement with the City of Arvin.
- C. An EARI or EARI affiliate may sell industrial hemp or extracts or derivatives of industrial hemp commercially, but only to the extent that the biomass so used is derived from crops that were sampled and tested consistent with the standards and procedures established pursuant to California Food and Agriculture Code section 81006(d) and for which test results show THC levels equal to or less than three-tenths of 1 percent. The City Manager may establish rules and regulations relating to documenting and reporting the tests of any such biomass used by an EARI or EARI affiliate for commercial transactions.

Section 17.65.050 Manufacturing of Hemp Products.

- A. The manufacturing of products using industrial hemp or extracts or derivatives of industrial hemp shall be prohibited, unless you have first received a permit issued by the City of Arvin authorizing hemp manufacturing or entered into a development agreement with the City of Arvin authorizing hemp manufacturing. Upon receiving a City of Arvin permit or entering into a development agreement, hemp manufacturing shall be authorized solely within the M-1, M-2, M-3, A-1, and A-2 zoning districts. Further, a conditional use permit shall be required prior to engaging in the manufacturing of industrial hemp products.
- B. Manufacturing of industrial hemp products by an EARI or EARI affiliate shall be permitted within the City of Arvin as part of an EARI research program, provided that the EARI or EARI affiliate shall register with the City Manager the locations and nature of operations within the City of Arvin where such manufacturing shall be conducted in advance of any such activity.
- C. An EARI or EARI affiliate may sell industrial hemp products commercially, but only to the extent that the biomass so used is derived from crops that were sampled and tested consistent with the standards and procedures established pursuant to California Food and Agriculture Code section 81006(d) and for which test results show THC levels equal to or less than three-tenths of 1 percent. The City Manager may establish rules and regulations relating to documenting and reporting the tests of any such biomass used by an EARI or EARI affiliate for commercial transactions.

Section 17.65.060 Hemp Regulations.

- A. Hemp cultivation, hemp processing, and manufacturing of hemp products within the City of Arvin shall comply with all applicable state, federal and City of Arvin regulations.
- B. Any hemp manufacturing facility shall not be located within 200' feet of a residential zoning districts.
- C. Odor Control.
 - (1) Odor control devices and techniques shall be incorporated in all industrial hemp manufacturing facilities to ensure that odors from hemp are not detectable off site. Industrial hemp manufacturing facility shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside is not detected outside of the facility, anywhere on an adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or

- within any other unit located inside the same building as the industrial hemp business.
- (2) In order to determine the existence of a violation of this chapter, the city may measure for hemp odor at the industrial hemp business with an approved field olfactometer device, including, but not limited to, a Nasal Ranger Field Olfactometer® or Scentometer®, according to the manufacturer's specifications and operating instructions. The threshold of detection (Dilutions to Threshold or D/T) will be determined in a sample of the ambient air after it is diluted with three equally sized samples of odor-free air. Two (2) samples or observations will be taken not less than fifteen minutes apart within a one (1) hour period. The two (2) samples will be taken at the building site of the industrial hemp business. If the threshold of detection is four (4) or greater, the industrial hemp business owner and/or the property owner will be issued a notice to abate public nuisance.
 - (3) Any notice to abate public nuisance pursuant to this Section shall include the following:
 - (i) The Arvin Municipal Code violation which constitutes the public nuisance;
 - (ii) The required remedy for abating the public nuisance; and
 - (iii) Provide a reasonable time period to abate the public nuisance, unless the public nuisance constitutes an immediate threat to public health, safety and welfare.

Failure to timely abate the public nuisance may result in the revocation of the conditional use permit, pursuant to the Arvin Municipal Code. An appeal of the notice to abate public nuisance shall be filed with the city clerk within ten (10) calendar days from the date upon the notice and shall provide the specific basis for granting the appeal. An untimely filed appeal shall constitute a waiver of the appeal of the notice. Further, the ten (10) day time period for filing an appeal shall be jurisdictional, and as such, an untimely appeal shall not be considered by the city.

- (4) Every person or entity owning, possessing, or having charge or control of real property within the city shall manage that property and control the environment thereon in a manner so as not to violate the provisions of this chapter, and the owner shall be liable for violations of the provisions of this chapter, regardless of any contract or agreement with any third party regarding the property.
- (5) Every occupant, lessee, or holder of any possessory interest in real property shall maintain the property in a manner so as not to violate the provisions of this chapter.
- (6) In addition to any regulations adopted by the City of Arvin, the city manager, or his/her designee, shall be authorized to establish any necessary

rules, regulations or standards governing the issuance or denial of an industrial hemp conditional use permit, the ongoing operation of an industrial hemp manufacturing facility, and the City's oversight, if the city manager determines the rule, regulation or standard to be necessary to carry out this chapter.

(i) Regulations issued by the city manager shall be published on the city's website. A copy of the regulations established by the city manager shall be filed with the city clerk.

(ii) Regulations promulgated by the city manager shall become effective upon the date of publication. Industrial hemp manufacturing shall follow all state and local laws and regulations, including, but not limited to, any rules, regulations or standards adopted by the city manager.

Section 17.65.070 Limitations on City's Liability.

To the fullest extent permitted by the law, any industrial hemp manufacturing facility shall execute an agreement indemnifying and holding harmless the City of Arvin, its employees, agents and contractors from any liability or claims arising from issuance of a conditional use permit, pursuant to this chapter, the Arvin Municipal Code or otherwise approving a conditional use permit for an industrial hemp manufacturing facility.

Section 17.65.080 Public Nuisance.

Each and every violation of the provisions of this chapter is hereby deemed unlawful and a public nuisance.

Section 17.65.090 Violation and Enforcement.

- A. Any person that violates any provision of this chapter shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes a violation thereof, and shall be penalized pursuant to this chapter and/or the provisions of the Arvin Municipal Code.
- B. Each and every violation of this chapter shall constitute a separate violation and shall be penalized pursuant to this chapter and/or the provisions of the Arvin Municipal Code.
- C. Any person who violates, causes, continues or permits another to violate the provisions of this chapter commits a misdemeanor and shall be punishable in accordance with the Arvin Municipal Code. The city may also pursue all applicable civil and administrative remedies, including, but not limited to, injunctive relief and administrative citations. Should a court of competent jurisdiction subsequently determine that the misdemeanor criminal penalty provision renders the provisions of this chapter, or the provisions of any chapter adopted by reference within the Arvin Municipal Code unlawful, the city intends that the misdemeanor provision be severable from the remaining penalty provisions and the city will only pursue criminal infraction penalties and/or non-criminal remedies for violations of this chapter.

- D. Each and every violation of the provisions of this chapter is hereby deemed unlawful and a public nuisance which may be abated by the city pursuant to the Arvin Municipal Code.
- E. The administrative citation penalty for all violations of this chapter, within a rolling twelve (12) month period shall be as follows: one thousand dollars (\$1,000.00) per violation.
- F. In addition to any other remedy or enforcement mechanism provided within this chapter or any other provision of the Arvin Municipal Code, the city may commence a civil action seeking any other relief or remedy available at law or in equity.
- G. The provisions of this chapter are complimentary, cumulative, supplementary, and additional to any other legal remedies available, whether found in the Arvin Municipal Code, state or federal laws, regulations, or case law.

Section 17.65.100 Severability.

The provisions of this chapter are hereby declared to be severable. If any provision, clause, word, sentence or paragraph of this chapter or the application thereof to any person or circumstances shall be held invalid, such invalidity shall not affect the other provisions or application of this chapter.

SECTION 6. This ordinance shall take effect and be in full force and effect from and after thirty (30) calendar days after its final passage and adoption. Within fifteen (15) calendar days after its adoption, the ordinance, or a summary of the ordinance, shall be published once in a newspaper of general circulation.

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I HEREBY CERTIFY that the foregoing Ordinance was introduced by the City Council of the City of Arvin after waiving reading, except by Title, at a regular meeting thereof held on the 28th day of April 2020, and adopted the Ordinance after the second reading at a regular meeting held on the _____ day of _____ 2020, by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

ATTEST

CECILIA VELA, City Clerk

CITY OF ARVIN

By: _____
JOSE GURROLA, Mayor

APPROVED AS TO FORM:

By: _____
SHANNON L. CHAFFIN, City Attorney
Aleshire & Wynder, LLP

I, _____, City Clerk of the City of Arvin, California, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Ordinance passed and adopted by the City Council of the City of Arvin on the date and by the vote indicated herein.

Industrial Hemp in Arvin

Hemp is *Misunderstood*

- ▶ People think that the hemp is all about flowers, and CBD oil. It isn't.
- ▶ There are over 100 cannabinoids in the hemp plant.
- ▶ The aromas are called terpenes, which are a natural pesticide.
- ▶ Hemp doesn't naturally look like what has been seen in Kern County.
 - ▶ Auto-flower - genetically modified to flower quickly
 - ▶ Feminized - genetically modified to produce only females
 - ▶ Dioecious- males + female plants
 - ▶ Genetic diversity = terpene diversity = resilience + efficacy

Hemp Requires Less Inputs

- ▶ It's a weed, and it isn't a very thirsty one.
- ▶ Hemp does not need pesticides or herbicides
- ▶ Cotton uses the most pesticides out of any crop in the world
 - ▶ Nine of the most commonly used pesticides are highly toxic

Hemp is good for soil health

- ▶ Hemp drops all of its leaves and pollen prior to flowering, leaving a layer of organic material to cover the soil and allow microorganisms to thrive
- ▶ You do not need to till the soil
 - ▶ Higher carbon storage
 - ▶ Higher microbial activity
 - ▶ Better water absorption
 - ▶ Less soil erosion

Hemp is a bio-accumulator

- ▶ Removes heavy metals, pesticides, herbicides, and salts
- ▶ High promise for application in phytoremediation projects
- ▶ Apothio seed bank + IP dedicated to cleaning marginal lands
- ▶ Multiple research partners committed to researching strains of bacillus and other micro-organisms that are capable of healing the microbiome

Hemp is good for bees

- ▶ Hemp is an excellent source of late season protein
- ▶ Hemp fields act as a “remediation” zone for bees



Hemp sequesters carbon better than any other plant

- ▶ One ton of cellulose = 1.5 units of carbon sequestered
- ▶ 63.2% cellulose (according to my data from long season crop in Arvin)
- ▶ With the right seeds, one acre sequesters about 16.6 tons of carbon dioxide



This 40 acre farm sequestered 663 tons of carbon. Apothio sequestered 8,494 tons of CO2 in spring 2019

There is an emerging market for carbon

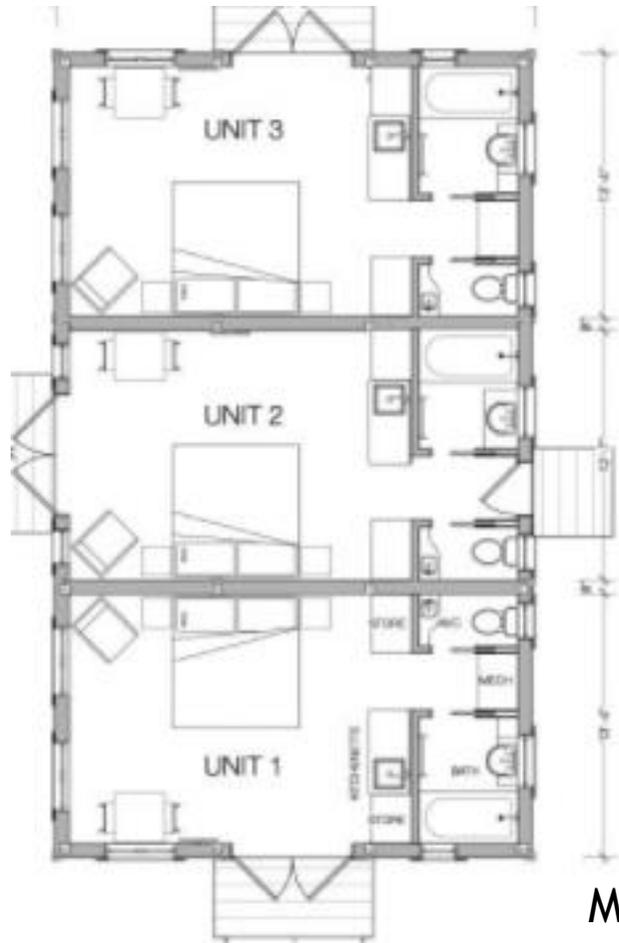
- ▶ Apothio is approved to get paid for sequestering carbon
- ▶ \$17 tax / ton in CA
- ▶ \$35 carbon credit / ton via industrial co-location
- ▶ LA just formally committed to reduce carbon in construction materials



Carbon credits will fuel the Hempcrete market



Hemp shows strong promise for a lot of sustainable building materials



DRAFT

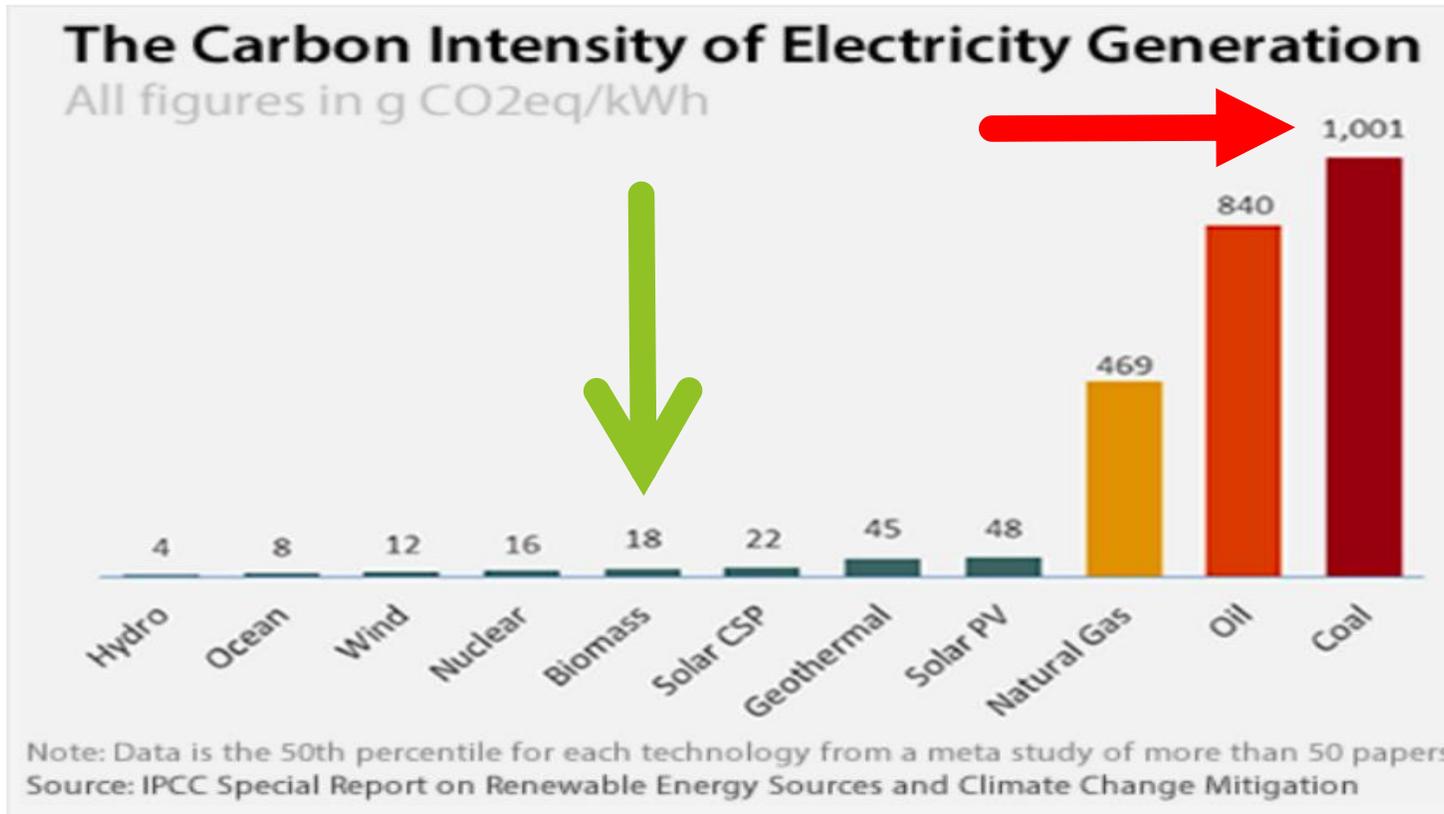
MODEL 4.3

ROW HOUSE

3 x 366 sq.ft. (1098)

Modular, durable, fireproof buildings

Hemp is a strong contender for production of renewable energy



Biomass is nearly carbon neutral

Hemp is about half as energy dense as coal



- High yielding pine are 38.7% as efficient
- 30x shorter investment horizon



BioCoal

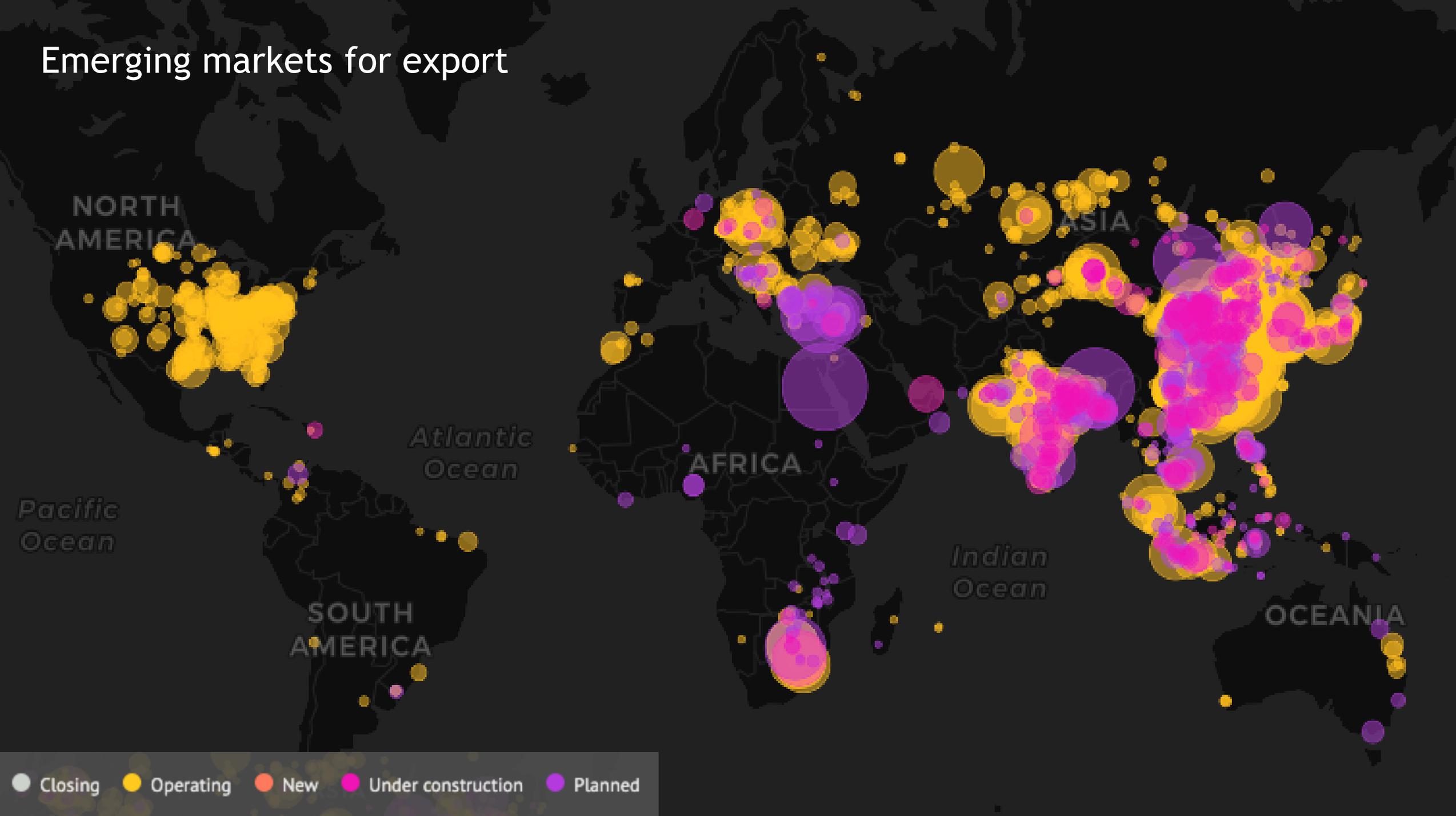
Biomass + heat + pressure + no O₂



1.18 acres of hemp = one ton of BioCoal

Plugs into 38% of global energy supply

Emerging markets for export



Hemp can make the fashion industry more sustainable

- ▶ Big brands are using hemp as a way to future proof their supply chains and transition out of cotton
- ▶ Water<Less Program at Levis
- ▶ Apothio is working with a research partner to develop a proprietary cellulosic fiber similar to viscose



Hemp makes sustainable & high quality paper

- ▶ The declaration of independence was written on hemp paper
- ▶ 1 acre of Hemp can produce as much paper as 4-10 acres of trees over a 20 year cycle
- ▶ Higher concentration (2-3 times more) cellulose than wood, the principal ingredient in paper.
- ▶ Hemp has lower lignin content than wood. This is advantageous as lignin must be removed from the pulp before it can be processed as paper.

Hemp can replace or supplement petroleum based plastics with biopolymers



Injection moldings for
PLA, ABS, HDPE, Polypropylene, and more

Hemp plastic isn't a new discovery



Hemp is food



Hemp grows really well in Arvin

- ▶ Unique climate
- ▶ Outperformed national averages by 10x
- ▶ Access to international markets
- ▶ Carbon credits in CA
- ▶ Exceptional human talent and infrastructure
 - ▶ Agriculture
 - ▶ Oil
 - ▶ Workforce

Arvin Community Initiatives Overview

An Opportunity for Arvin in Developing a
Community Centric Public Private Partnership

THE FLAGSHIP

INDUSTRIAL SYMBIOSIS

WORKFORCE DEVELOPMENT

A “SUSTAINABILITY FLAGSHIP” VIA INDUSTRIAL HEMP

A model location to showcase, educate, and research solutions
to existentially threatening sustainability challenges in the central valley

- Showcasing and researching novel sustainability concepts
- Completion of sustainability related grants
- Foster commercial adoption of sustainable farming practices
- Student hands on learning
- Showcase concepts to impact oriented investors

INDUSTRIAL HEMP FLAGSHIP CONCEPTS

- Integrated Pest Management and Terpenes – using hemp to reduce our reliance on pesticides & why diversity matters
- Seeds for Change – education on dioecious (male / female) plants and why they are so important
- Remediation – the role of plants & bacteria in removing heavy metals, pesticides, salts from water & soil
- Carbon Farming – showcasing how farmers can monetize creation of “carbon sinks” by utilizing sustainable cultivation techniques
- Green Energy – turning hemp biomass into carbon neutral combustible energy (replacement for coal)
- Bee Refuge – seasonal area for beekeepers to bring their bees to feast upon the male hemp pollen
- Aquaponic Farming – An Arvin-based joint venture with Canada

INTEGRATED PEST MANAGEMENT W/ TERPENES

- Terpenes are a profound “learned” defense system that are particularly strong in the hemp plant
- They were learned over thousands of years by being exposed to different environments / pests around the world
- Hemp doesn’t need pesticides. Terpenes provide the defense that pesticides would provide.
- Synthetic Pesticides are devastating to the environment. They kill our bees, are in our water, and our food.
- Co-planting or intercropping with hemp can not only improve farmer revenues, but decrease their reliance on harmful synthetic pesticides.

SEEDS FOR CHANGE

- Non-homogenized seeds express a massive array of unique terpenes. Thus, they provide the most resilient defense systems at scale.
- Dioecious seeds (yields both male & female plants) also create more resilient, healthy, and vigorous plantations. They prevent the need to till the soil, which creates long term storage systems for carbon, and creates an environment where soil biomes can be restored, which prevents soil erosion.
- Dioecious seeds prevent farmers from needing to buy seeds each year, or to re-plant their fields. Less GHG emissions, more profit.
- This natural, non-GMO way of farming is the cultural equivalent to traditional Mexican maize. It must be protected from the market forces of big ag. Feminized and homogenized seeds (what every other farmer in Kern uses) are the equivalent to Monsanto corn varieties.

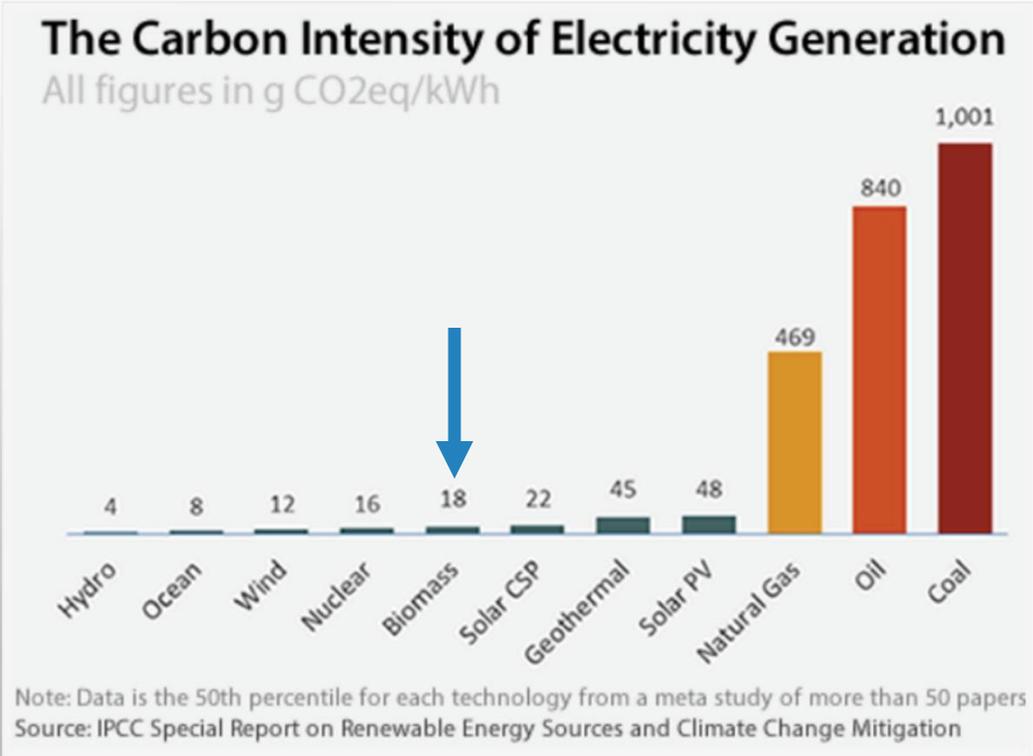
CARBON FARMING

- An Arvin Hemp Company (Apothio, LLC) is approved to sell the carbon that is stored in the soil to the state of California.
 - This Company's last hemp production removed enough CO₂ from the air for a year of 1,100 homes' CO₂ emissions.
- It is an emerging economy that can benefit farmers and the environment, and we plan to lead that path by converting farmers to carbon friendly, profitable, and sustainable land use.
- Hemp is known to be 50% more effective at sequestering carbon than any other plant.

SOIL & WATER REMEDIATION

- Intensive inputs in our modern farming methods have left us with dead soil whose top layers are slowly degrading, salinized, and contaminated. Over time, any of these risks can render farms unfarmable.
- Hemp drops its leaves upon maturity, leaving up to 0.5” of organic material on the ground.
- Groundwater in Kern County is contaminated with heavy metals and pesticides.
- Hemp is a wonderfully powerful phytoremediator. It pulls heavy metals and pesticides out of water and soil and stores it in the plant. One of Arvin’s Hemp Company’s (Apothio, LLC) has a U.S. patent pending surrounding water remediation and hemp. That technology will be developed here in Arvin.
- The same Arvin-based Hemp Company also is developing its U.S. patents surrounding aquaponics designs that can be used for water remediation, food, nutraceutical and pharmaceutical production in Arvin and around the globe.

GREEN ENERGY



- Hemp is a perfect crop to make BioCoal
- Carbon taxes have made coal very expensive
- BioCoal is "carbon neutral" (no carbon tax)
- Coal based infrastructure = 40% of energy supply globally
- Arvin is the perfect place to create this market and the jobs that come with it due to unique climate, existing infrastructure, and access to intl. markets in Asia via LA

BEE REFUGE

- Bees lack access to a protein source in the late season
- Hemp is able to provide bees access to this protein source through the entire winter-time.
- We would like to provide bee-keepers with a “refuge” to co-locate their hungry bees to feast upon our abundant supply of pollen.
- This location will allow us to raise awareness about the destruction of bee populations due to harmful uses of pesticides such as neo-nicotinoids and herbicides like Round Up.

ARVIN, CA

A dedicated area of the flagship to engage and educate the local community

- A community earned / owned vehicle to foster food sovereignty & wellness entrepreneurship
- Aquaponic wellness garden - students and residents can grow/access culturally sacred medicinal or culinary plants— cilantro, jalapeno, hibiscus, tomatoes, traditional corn, etc
- Prep station – local residents share access to cooking and cleaning supplies to host their own community dinners of 10 or more people
- Cultural showcase teaching about the three sisters & aquaponics (K-12+ students)
 - The history of the three sisters & aquaponics in Mexico (where it originated)
 - Interconnectedness of all plant and human life (how to achieve harmony amongst diversity)
 - The benefits of co-planting
 - Introduction to food sovereignty

INDUSTRIAL SYMBIOSIS

Concepts Overview (not at flagship)

ARVIN MUNICIPAL WATER TREATMENT

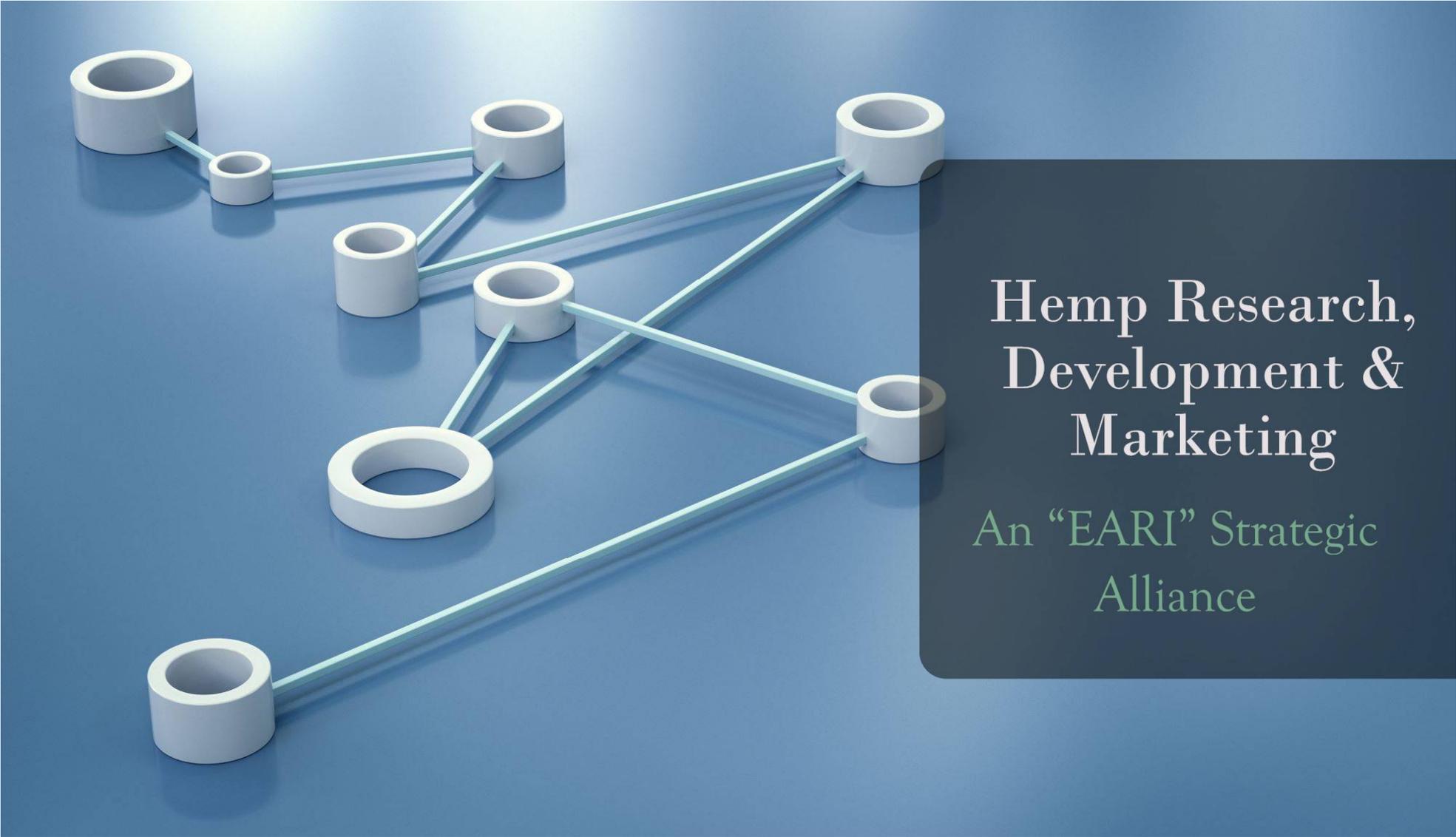
- Co-located industrial scale aquaponics systems with Arvin to help remove “hard to get” contaminants from municipal water supply (Arsenic, Boron, TCP, etc)
- This may include Green Members of the Gas & Oil Industry
- Development of genetics & biological strains to remove these contaminants

ENERGY COMPANIES LOCATED IN ARVIN

- Co-located industrial scale aquaponics systems with local energy industry partners to develop specific genetics that are particularly good at removing specific contaminants related to produced water (Arsenic, Boron, Chloride, Sodium)
- Energy partners utilize low intensity pyrolysis on hemp biomass (from remediation projects) to develop BioCoal – a carbon neutral drop-in replacement for coal derived from hemp
- Using Hemp Bio-Coal and/or Pyrolysis for the production of heat energy supporting annually sustainable food production in the colder climates.

THANK YOU

We appreciate your consideration to not only pioneer the cannabis industry with the Leadership and City of Arvin, but to work towards developing new models by which we can protect our planet, connect our community, and create meaningful, sustainable jobs for a green future.



Summary of Key Industrial Categories for Hemp



The Hemp
“EARI” IS the
Hub
for Arvin
Partnerships:
Key JV
Partners

- ◇ Multiple Partnership Categories, for example:
 - ◇ Ag Real Estate and Production JV,
 - ◇ Extraction and Manufacturing JV,
 - ◇ BioPharma JV,
 - ◇ Genetics & Production JV,
 - ◇ Sustainable Energy JV,
 - ◇ Clean Water JV, and
 - ◇ Fiber & Industrial Materials JV

Examples of Revenue Streams for the City of Arvin

- ◇ City of Arvin Hemp Revenue Streams:
 - ◇ Arvin Owned Ag Land Lease: Revenue Sharing
 - ◇ Taxable Hemp Categories:
 - ◇ Commercial Hemp Growers
 - ◇ Extraction and Manufacturing
 - ◇ Movement of “hot hemp” into the Cannabis System



CITY OF ARVIN
Staff Report

Meeting Date: April 28, 2020

TO:	City Council
FROM:	Pawan Gill, Director of Administrative Services Jerry Breckinridge, City Manager
SUBJECT:	AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARVIN ADDING CHAPTER 17.65, OF TITLE 17 HEMP TO THE ARVIN MUNICIPAL CODE

RECOMMENDATION:

Staff recommends introducing the Ordinance to be read by title only, open the hearing, allow for public testimony, close the hearing, waive first reading of the Ordinance, and approve the introduction of the Ordinance.

BACKGROUND:

One ordinance is being proposed. The ordinance will consist of a regulatory ordinance establishing Chapter 17.65, of Title 17 Hemp which regulates hemp activities in the City of Arvin, including authorizing cultivation and manufacturing of hemp and/or hemp products for commercial and/or scientific/educational purposes.

Additional information is incorporated from agenda item 4A.

FINANCIAL IMPACT:

There is no financial impact as a result of the recommended action.

ATTACHMENTS:

An Ordinance of the City Council of the City of Arvin Adding Chapter 17.65, of Title 17 Hemp to the City of Arvin Municipal Code.

PowerPoint Presentations: The PowerPoint Presentations were provided by interested parties and not City staff, and are being provided as part of the Agenda packet to increase access in response to the constraints caused by COVID-19.

ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARVIN ADDING CHAPTER 17.65, OF TITLE 17 HEMP TO THE ARVIN MUNICIPAL CODE

WHEREAS, Pursuant to Article XI, Section 7, of the California Constitution, the City of Arvin (“City”) may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its citizens; and

WHEREAS, on or about November 1, 2016, the City of Arvin adopted Ordinance No. 436, amending Title 8 of the Arvin Municipal Code and adopting Chapter 8.29 pertaining to marijuana, to take effect after thirty (30) days after its final passage and adoption and contingent upon passage of California Proposition 64; and

WHEREAS, on or about November 8, 2016, California voters passed Proposition 64, to become law immediately; and

WHEREAS, on or about January 1, 2017, The California Industrial Hemp Farming Act became effective, California Food and Agriculture Code sections 81000 et seq., authorizing certain activities of industrial hemp growers and established agricultural research institutions; and

WHEREAS, on or about November 21, 2017, the City Council adopted Ordinance No. 443, which added Chapter 17.62 “Commercial Cannabis Activity” to Title 17 of the Arvin Municipal Code; and

WHEREAS, on June 19, 2018, the City Council Adopted Ordinance No. 447, amending and renumbering Chapter 17.62 (“Commercial Cannabis Activity”) of Title 17 of the Arvin Municipal Code and thereby adding Chapter 17.64 (“Commercial Cannabis Activity”) to Title 17 of the Arvin Municipal Code, to establish certain regulations pertaining to commercial cannabis activity; and

WHEREAS, in December of 2018, the President of the United States signed into law the 2018 Federal Farm Bill, H.R. 2, P.L. 115-334, which removed industrial hemp from the federal list of controlled substances and authorized the U.S. Department of Agriculture to create quality control standards for hemp production, further giving states that desire to have primary regulatory authority over the production of hemp the ability to adopt their own state plans, which plan may include a reference to a law of the state regulating the production of hemp, to the extent consistent with federal law; and

WHEREAS, under California Food and Agriculture Code, section 81006, subdivisions (d)(3) and (5), the California Department of Food and Agriculture (“CDFA”) is required to establish regulations for sampling procedures and approved laboratories for sample testing of all hemp crops (except when grown by an established agricultural research institution) no more than thirty (30) days before harvest; and

WHEREAS, in September 2018, SB 1409 was enacted, in which the definition of industrial hemp in Health and Safety Code, section 11018.5(a) was amended to delete the reference to its being a crop for fiber or oilseed production, and the Industrial Hemp Farming Act was also amended to its current form, including revising Food and Agriculture Code section 81006 to remove requirement for dense planting and restrictions against pruning, tending, or culling, in order to “remov[e] limitations on the manner in which industrial hemp may be grown and the uses for which it may be grown,” thereby “remov[ing] barriers to the growth of industrial hemp as an agricultural product, and for agricultural or academic research”; and

WHEREAS, in June of 2019, the CDFA adopted emergency regulations, and in October of 2019 the CDFA revised those regulations, to establish timeframes, procedures, methods, and confirmation for industrial hemp sampling, laboratory testing, and destruction for industrial hemp cultivation; and

WHEREAS, CDFA found a pressing need for the swift establishment of regulations to prevent delay of the first industrial hemp harvest, and calculated that the absence of regulation could result in a potential direct loss of over \$43,000,000.00 to California farmers; and

WHEREAS, industrial hemp, the extracts and derivatives from processing industrial hemp, and products manufactured with industrial hemp or its extracts and derivatives, may be useful and valuable to both producers and consumers, and therefore may serve as a source of economic development; and

WHEREAS, researching strains of industrial hemp plants, the methods for cultivating and processing industrial hemp, and the methods for manufacturing products using industrial hemp and its extracts and derivatives, is important for identifying and optimizing the beneficial uses and value of industrial hemp, and is itself a useful and productive economic activity; and

WHEREAS, research and commercial activity relating to industrial hemp and its cultivation, processing, and manufacturing are not mutually exclusive activities, but can be and should be mutually supporting and reinforcing; and

WHEREAS, industrial hemp strains grown for its cannabidiol oil properties (CBD oil) may be indistinguishable from the high THC cannabis strains used for medicinal and recreational purposes, and permitting industrial hemp cultivation without regulation of the acreage and location of industrial hemp plants may lead to the same type of odor and public safety issues facing cannabis operations in the City; and

WHEREAS, industrial hemp may serve as a host to mites and other insects, and currently registered pesticides may not always be effective in either addressing such mites and insects or preventing them from moving into other nearby crops, thus threatening the safety of those nearby crops; and

WHEREAS, on April 27, 2020 the City of Arvin Planning Commission (“Commission”) conducted a public hearing to consider the proposed ordinance, and after considering public testimony, the staff report and all submitted evidence to the support the ordinance, the

Commission recommended the City Council (“Council”) [approve/deny] the proposed ordinance; and

WHEREAS, the City Council finds this ordinance is reasonable and necessary for the preservation of the public peace, health and safety; and

WHEREAS, the proposed ordinance is consistent with the General Plan and any applicable Specific Plan(s); and

WHEREAS, new Chapter 17.65 establishes hemp regulations within the City of Arvin; and

WHEREAS, in accordance with the California Environmental Quality Act (“CEQA”), and pursuant to CEQA Guideline, sections 15378 and 15061(b)(3), this activity is not a “project” subject to CEQA as it can be seen with certainty that there is no possibility that an activity may have a significant effect on the environment; and

NOW THEREFORE, the City Council of the City of Arvin does hereby ordain as follows:

SECTION 1. The above recitals are incorporated hereby by reference.

SECTION 2. The City Council has reviewed the proposed ordinance and hereby finds that it is consistent with the General Plan and all applicable Specific Plan(s).

SECTION 3. The City Council, based upon its own independent judgement, finds that the proposed ordinance promotes and protects the health, safety, welfare and quality of life of the City of Arvin residents, including promoting affordable housing and economic development.

SECTION 4. The proposed ordinance was assessed in accordance with the authority and criteria contained in CEQA, the State CEQA Guidelines (“CEQA Guidelines”), and the environment regulations of the City. The City Council finds and determines that the proposed ordinance is not a “project” for the purposes of CEQA and consistent with CEQA Guidelines section 15378, as it merely updates existing administrative processes and will not result in direct or indirect physical changes in the environment as compared to the current baseline. Additionally, the City Council finds and determines for the same reasons that even if the proposed ordinance were a project for the purpose of CEQA, there is no possibility that the project may have a significant adverse effect on the environment pursuant to CEQA Guidelines, section 15061(b)(3). Therefore, the proposed ordinance is not subject to CEQA.

SECTION 5. Newly added Chapter 17.65, of Title 17, of the Arvin Municipal Code is added to read as follows:

Chapter 17.65

Hemp

Section 17.65.010 Policy.

It is the policy of the City to encourage responsible industrial hemp cultivation, processing, and manufacturing and to regulate such cultivation, processing, and manufacturing in a responsible manner to promote economic development, protect the health, safety, and welfare of the residents of the City of Arvin and to enforce rules and regulations consistent with state law.

Section 17.65.020 Definitions.

When used in this chapter, the following words shall have the meaning ascribed to them as set forth herein. Any reference to California statutes includes any regulations promulgated thereunder and is deemed to include any successor or amended version of the referenced statute or regular provision.

- A. “City” means the City of Arvin, a municipal corporation.
- B. “City Council” means the governing body of the City.
- C. “City Manager” means the city manager of the City of Arvin, or the city manager’s authorized deputy, agent or representative.
- D. “Established agricultural research institution” or “EARI” has the same meaning as in section 81000 of the California Food and Agricultural Code.
- E. “EARI affiliate” means any person carrying out research pursuant to or for a research program of an EARI.
- F. “Hemp cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of hemp, including activities carried out by seed breeders which is authorized pursuant to state, federal or local statute.
- G. “Hemp processing” means any baling, bundling, or milling of industrial hemp, or the extraction or separation of any oils, fibers, or other derivatives of industrial hemp after harvesting.
- H. “Industrial Hemp” shall have the same meaning as in section 11018.5 of the California Health and Safety Code.
- I. “Person” means any individual, firm, partnership, joint venture, association corporation, limited liability company, estate, trust, activity trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.
- J. “Seed breeder” has the same meaning as in section 81000 of the California Food and Agricultural Code.

Section 17.65.030 Hemp Cultivation.

- A. Hemp cultivation shall be prohibited within all zones of the City of Arvin, whether conducted indoors or outdoors, unless you have first received a permit issued by the City or enter into a development agreement with the City authorizing the cultivation of hemp.
- B. Hemp cultivation by an EARI or EARI affiliate, including cultivation of Cannabis sativa L. plants as part of an EARI’s hemp research program, shall be permitted within the City of Arvin, provided that the EARI or EARI affiliate shall register

- with the City Manager the locations and nature of operations within the City of Arvin where such cultivation shall be conducted in advance of any such activity.
- C. An EARI or EARI affiliate may sell industrial hemp commercially, but only to the extent that the biomass so used is derived from crops that were sampled and tested consistent with the standards and procedures established pursuant to California Food and Agriculture Code section 81006(d) and for which test results show THC levels equal to or less than three-tenths of 1 percent. The City Manager may establish rules and regulations relating to documenting and reporting the tests of any such biomass used by an EARI or EARI affiliate for commercial transactions.
- D. Except to the extent used or maintained by an EARI or EARI affiliate for research purposes, any *Cannabis sativa L.* plant cultivated with the intent of being industrial hemp that are tested and determined to have THC content in excess of three-tenths of 1 percent within 30 days of intended harvest shall be destroyed. For purposes of this requirement, transferring such a plant to a person authorized to conduct commercial cannabis activities under Chapter 17.64, for treatment and handling in accordance with the provisions of that Chapter 17.64, shall be deemed the destruction of the plant as industrial hemp provided the transfer is conducted in compliance with applicable state statutes and the Arvin Municipal Code. The City Manager may establish further rules and regulations relating to the process of destroying such plants, whether by means of transfer to permissible cannabis activities or otherwise, and documentation relating thereto.

Section 17.65.040 Hemp Processing.

- A. Hemp processing shall be prohibited within all zones of the City of Arvin, whether conducted indoors or outdoors, except to the extent such processing either is (i) conducted pursuant to a permit issued by the City of Arvin authorizing the processing of Hemp, or (ii) conducted pursuant to a development agreement with the City of Arvin.
- B. Hemp processing by an EARI or EARI affiliate, including processing of *Cannabis sativa L.* plants as part of an EARI's hemp research program, shall be permitted within the City of Arvin, provided that the EARI or EARI affiliate shall register with the City Manager the locations and nature of operations within the City of Arvin where such processing shall be conducted in advance of any such activity. Nothing in this subsection shall authorize an EARI or EARI affiliate to process hemp without first receiving a permit or entering into a development agreement with the City of Arvin.
- C. An EARI or EARI affiliate may sell industrial hemp or extracts or derivatives of industrial hemp commercially, but only to the extent that the biomass so used is derived from crops that were sampled and tested consistent with the standards and procedures established pursuant to California Food and Agriculture Code section 81006(d) and for which test results show THC levels equal to or less than three-tenths of 1 percent. The City Manager may establish rules and regulations relating

to documenting and reporting the tests of any such biomass used by an EARI or EARI affiliate for commercial transactions.

Section 17.65.050 Manufacturing of Hemp Products.

- A. The manufacturing of products using industrial hemp or extracts or derivatives of industrial hemp shall be prohibited, unless you have first received a permit issued by the City of Arvin authorizing hemp manufacturing or entered into a development agreement with the City of Arvin authorizing hemp manufacturing. Upon receiving a City of Arvin permit or entering into a development agreement, hemp manufacturing shall be authorized solely within the M-1, M-2, M-3, A-1, and A-2 zoning districts. Further, a conditional use permit shall be required prior to engaging in the manufacturing of industrial hemp products.
- B. Manufacturing of industrial hemp products by an EARI or EARI affiliate shall be permitted within the City of Arvin as part of an EARI research program, provided that the EARI or EARI affiliate shall register with the City Manager the locations and nature of operations within the City of Arvin where such manufacturing shall be conducted in advance of any such activity.
- C. An EARI or EARI affiliate may sell industrial hemp products commercially, but only to the extent that the biomass so used is derived from crops that were sampled and tested consistent with the standards and procedures established pursuant to California Food and Agriculture Code section 81006(d) and for which test results show THC levels equal to or less than three-tenths of 1 percent. The City Manager may establish rules and regulations relating to documenting and reporting the tests of any such biomass used by an EARI or EARI affiliate for commercial transactions.

Section 17.65.060 Hemp Regulations.

- A. Hemp cultivation, hemp processing, and manufacturing of hemp products within the City of Arvin shall comply with all applicable state, federal and City of Arvin regulations.
- B. Any hemp manufacturing facility shall not be located within 200' feet of a residential zoning districts.
- C. Odor Control.
 - (1) Odor control devices and techniques shall be incorporated in all industrial hemp manufacturing facilities to ensure that odors from hemp are not detectable off site. Industrial hemp manufacturing facility shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside is not detected outside of the facility, anywhere on an adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby

areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the industrial hemp business.

- (2) In order to determine the existence of a violation of this chapter, the city may measure for hemp odor at the industrial hemp business with an approved field olfactometer device, including, but not limited to, a Nasal Ranger Field Olfactometer® or Scentometer®, according to the manufacturer's specifications and operating instructions. The threshold of detection (Dilutions to Threshold or D/T) will be determined in a sample of the ambient air after it is diluted with three equally sized samples of odor-free air. Two (2) samples or observations will be taken not less than fifteen minutes apart within a one (1) hour period. The two (2) samples will be taken at the building site of the industrial hemp business. If the threshold of detection is four (4) or greater, the industrial hemp business owner and/or the property owner will be issued a notice to abate public nuisance.
- (3) Any notice to abate public nuisance pursuant to this Section shall include the following:
 - (i) The Arvin Municipal Code violation which constitutes the public nuisance;
 - (ii) The required remedy for abating the public nuisance; and
 - (iii) Provide a reasonable time period to abate the public nuisance, unless the public nuisance constitutes an immediate threat to public health, safety and welfare.

Failure to timely abate the public nuisance may result in the revocation of the conditional use permit, pursuant to the Arvin Municipal Code. An appeal of the notice to abate public nuisance shall be filed with the city clerk within ten (10) calendar days from the date upon the notice and shall provide the specific basis for granting the appeal. An untimely filed appeal shall constitute a waiver of the appeal of the notice. Further, the ten (10) day time period for filing an appeal shall be jurisdictional, and as such, an untimely appeal shall not be considered by the city.

- (4) Every person or entity owning, possessing, or having charge or control of real property within the city shall manage that property and control the environment thereon in a manner so as not to violate the provisions of this chapter, and the owner shall be liable for violations of the provisions of this chapter, regardless of any contract or agreement with any third party regarding the property.
- (5) Every occupant, lessee, or holder of any possessory interest in real property shall maintain the property in a manner so as not to violate the provisions of this chapter.

- (6) In addition to any regulations adopted by the City of Arvin, the city manager, or his/her designee, shall be authorized to establish any necessary rules, regulations or standards governing the issuance or denial of an industrial hemp conditional use permit, the ongoing operation of an industrial hemp manufacturing facility, and the City's oversight, if the city manager determines the rule, regulation or standard to be necessary to carry out this chapter.
- (i) Regulations issued by the city manager shall be published on the city's website. A copy of the regulations established by the city manager shall be filed with the city clerk.
- (ii) Regulations promulgated by the city manager shall become effective upon the date of publication. Industrial hemp manufacturing shall follow all state and local laws and regulations, including, but not limited to, any rules, regulations or standards adopted by the city manager.

Section 17.65.070 Limitations on City's Liability.

To the fullest extent permitted by the law, any industrial hemp manufacturing facility shall execute an agreement indemnifying and holding harmless the City of Arvin, its employees, agents and contractors from any liability or claims arising from issuance of a conditional use permit, pursuant to this chapter, the Arvin Municipal Code or otherwise approving a conditional use permit for an industrial hemp manufacturing facility.

Section 17.65.080 Public Nuisance.

Each and every violation of the provisions of this chapter is hereby deemed unlawful and a public nuisance.

Section 17.65.090 Violation and Enforcement.

- A. Any person that violates any provision of this chapter shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes a violation thereof, and shall be penalized pursuant to this chapter and/or the provisions of the Arvin Municipal Code.
- B. Each and every violation of this chapter shall constitute a separate violation and shall be penalized pursuant to this chapter and/or the provisions of the Arvin Municipal Code.
- C. Any person who violates, causes, continues or permits another to violate the provisions of this chapter commits a misdemeanor and shall be punishable in accordance with the Arvin Municipal Code. The city may also pursue all applicable civil and administrative remedies, including, but not limited to, injunctive relief and administrative citations. Should a court of competent jurisdiction subsequently determine that the misdemeanor criminal penalty provision renders the provisions of this chapter, or the provisions of any chapter adopted by reference within the Arvin Municipal Code unlawful, the city intends that the misdemeanor provision be severable from the remaining penalty provisions and the city will only pursue criminal infraction penalties and/or non-criminal remedies for violations of this chapter.

- D. Each and every violation of the provisions of this chapter is hereby deemed unlawful and a public nuisance which may be abated by the city pursuant to the Arvin Municipal Code.
- E. The administrative citation penalty for all violations of this chapter, within a rolling twelve (12) month period shall be as follows: one thousand dollars (\$1,000.00) per violation.
- F. In addition to any other remedy or enforcement mechanism provided within this chapter or any other provision of the Arvin Municipal Code, the city may commence a civil action seeking any other relief or remedy available at law or in equity.
- G. The provisions of this chapter are complimentary, cumulative, supplementary, and additional to any other legal remedies available, whether found in the Arvin Municipal Code, state or federal laws, regulations, or case law.

Section 17.65.100 Severability.

The provisions of this chapter are hereby declared to be severable. If any provision, clause, word, sentence or paragraph of this chapter or the application thereof to any person or circumstances shall be held invalid, such invalidity shall not affect the other provisions or application of this chapter.

SECTION 6. This ordinance shall take effect and be in full force and effect from and after thirty (30) calendar days after its final passage and adoption. Within fifteen (15) calendar days after its adoption, the ordinance, or a summary of the ordinance, shall be published once in a newspaper of general circulation.

I HEREBY CERTIFY that the foregoing Ordinance was introduced by the City Council after waiving reading except by Title, at a Regular meeting thereof held on 28th day of April, 2020 and adopted the Ordinance after second reading at a regular meeting held on the [redacted] day of [redacted] 2020, by the following vote:

ATTEST

CECILIA VELA, City Clerk

CITY OF ARVIN

By: _____
JOSE GURROLA, Mayor

APPROVED AS TO FORM:

By: _____
SHANNON L. CHAFFIN, City Attorney
Aleshire & Wynder, LLP

I, _____, City Clerk of the City of Arvin, California, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Ordinance passed and adopted by the City Council of the City of Arvin on the date and by the vote indicated herein.



**CITY OF ARVIN
Planning Commission**

Special Meeting Date: April 27, 2020

TO: Arvin City Planning Commission

FROM: Jerry Breckinridge, City Manager

SUBJECT: Public Hearing – To consider an ordinance establishing Chapter 17.65, of Title 17 of the Arvin Municipal Code pertaining to hemp and the regulation of hemp activities in the City of Arvin.

RECOMMENDATION:

Approve a Resolution recommending the City Council approve a regulatory ordinance establishing Chapter 17.65, of Title 17 Hemp, which regulates hemp activities in the City of Arvin, including authorizing cultivation and manufacturing of hemp and/or hemp products for commercial and/or scientific/educational purposes and the recommendation to adopt an exemption pursuant to the California Environmental Quality Act.

BACKGROUND:

Pursuant to Article XI, Section 7, of the California Constitution, the City of Arvin (“City”) may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its citizens. Consistent with this, in November 1, 2016, the City of Arvin adopted Ordinance No. 436, amending Title 8 of the Arvin Municipal Code and adopting Chapter 8.29 pertaining to marijuana. The cannabis ordinance took effect thirty (30) days after its final passage and adoption and contingent upon passage of California Proposition 64. On or about November 8, 2016, California voters passed Proposition 64, to become law immediately; and on June 19, 2018, the City Council Adopted Ordinance No. 447, amending and renumbering Chapter 17.62 (“Commercial Cannabis Activity”) of Title 17 of the Arvin Municipal Code and thereby adding Chapter 17.64 (“Commercial Cannabis Activity”) to Title 17 of the Arvin Municipal Code, to establish certain regulations pertaining to commercial cannabis activity.

In December of 2018, the President of the United States signed into law the 2018 Federal Farm Bill, H.R. 2, P.L. 115-334, which removed industrial hemp from the federal list of controlled substances and authorized the U.S. Department of Agriculture to create quality control standards for hemp production, further giving states that desire to have primary regulatory authority over the production of hemp the ability to adopt their own state plans. A plan may include a reference to a law of the state regulating the production of hemp, to the extent consistent with federal law; and under California Food and Agriculture Code, section 81006, subdivisions (d)(3) and (5), the California Department of Food and Agriculture (“CDFA”) is required to establish regulations for sampling procedures and approved laboratories for sample testing of all hemp crops (except when grown by an established agricultural research institution) no more than thirty (30) days before harvest.

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PC Mtg – Staff Report Recommending Council Approve Hemp Ordinance

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In September 2018, SB 1409 was enacted, in which the definition of industrial hemp in Health and Safety Code, section 11018.5(a) was amended to delete the reference to its being a crop for fiber or oilseed production, and the Industrial Hemp Farming Act was also amended to its current form, including revising Food and Agriculture Code section 81006 to remove requirement for dense planting and restrictions against pruning, tending, or culling, in order to “remov[e] limitations on the manner in which industrial hemp may be grown and the uses for which it may be grown,” thereby “remov[ing] barriers to the growth of industrial hemp as an agricultural product, and for agricultural or academic research”.

Further, in June of 2019, the CDFA adopted emergency regulations, and in October of 2019 the CDFA revised those regulations, to establish timeframes, procedures, methods, and confirmation for industrial hemp sampling, laboratory testing, and destruction for industrial hemp cultivation and in June of 2019, the CDFA adopted emergency regulations, and in October of 2019 the CDFA revised those regulations, to establish timeframes, procedures, methods, and confirmation for industrial hemp sampling, laboratory testing, and destruction for industrial hemp cultivation; and CDFA found a pressing need for the swift establishment of regulations to prevent delay of the first industrial hemp harvest, and calculated that the absence of regulation could result in a potential direct loss of over \$43,000,000.00 to California farmers.

Additionally, industrial hemp, the extracts and derivatives from processing industrial hemp, and products manufactured with industrial hemp or its extracts and derivatives, may be useful and valuable to both producers and consumers, and therefore may serve as a source of economic development. Also, researching strains of industrial hemp plants, the methods for cultivating and processing industrial hemp, and the methods for manufacturing products using industrial hemp and its extracts and derivatives, is important for identifying and optimizing the beneficial uses and value of industrial hemp.

Industrial hemp strains grown for its cannabidiol oil properties (CBD oil) may be indistinguishable from the high THC cannabis strains used for medicinal and recreational purposes, and permitting industrial hemp cultivation without regulation of the acreage and location of industrial hemp plants may lead to the same type of odor and public safety issues facing cannabis operations in the City; and industrial hemp may serve as a host to mites and other insects, and currently registered pesticides may not always be effective in either addressing such mites and insects or preventing them from moving into other nearby crops, thus threatening the safety of those nearby crops. These concerns are address and regulated in the proposed hemp pronate.

Lastly, Industrial hemp is itself a useful and productive economic activity; and research and commercial activity relating to industrial hemp and its cultivation, processing, and manufacturing are not mutually exclusive activities, but can be and should be mutually supporting and reinforcing.

ENVIRONMENTAL REVIEW:

The proposed ordinance was assessed in accordance with the authority and criteria contained in CEQA, the State CEQA Guidelines (“CEQA Guidelines”), and the environment regulations of the City. The City Council finds and determines that the proposed ordinance is not a “project” for the purposes of CEQA and consistent with CEQA Guidelines section 15378, as it merely

updates existing administrative processes and will not result in direct or indirect physical changes in the environment as compared to the current baseline. Additionally, the City Council finds and determines for the same reasons that even if the proposed ordinance were a project for the purpose of CEQA, there is no possibility that the project may have a significant adverse effect on the environment pursuant to CEQA Guidelines, section 15061(b)(3). Therefore, the proposed ordinance is not subject to CEQA.

DISCUSSION:

The proposed ordinance establishes Chapter 17.65, of Title 17 and would regulate all hemp activities within the City, including authorizing cultivation and manufacturing of hemp and/or hemp products for commercial and/or scientific/educational purposes. Currently the City has no regulations in place to govern the cultivation or manufacturing of hemp products; and as such, potential cultivators and manufactures would only be subject to state regulations without any local control or enforcement mechanisms.

Specifically, the ordinance prohibits the cultivation or manufacturing of hemp and/or hemp products without first receiving a city issued permit or entering into a development agreement with the City. It puts in place regulations to provide clarity and encourage research and development projects and collaborations with both private corporations and public educational institutions. The ordinance also establishes regulations to govern the destruction of hemp being cultivated by research and development project such as an Established Agricultural Research Institution “EARI” or EARI affiliate. Lastly, the proposed ordinance establishes regulations governing the odor’s created during the manufacturing process; distances to residential zones; compliance with federal and state regulations; public nuisance abatement requirements; limitations on City liability; and enforcement options for the City, including a \$1,000.00 per violation administrative fine.

OPTIONS:

1. Approve the resolution as presented;
2. Approved the resolution with amendments from the commission;
3. Direct staff to prepare a resolution recommending the proposed Hemp ordinance be rejected by the City Council;
4. Give staff other direction.

RESOLUTION NO. _____**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF ARVIN, COUNTY OF KERN, STATE OF CALIFORNIA, RECOMMENDING TO THE CITY COUNCIL THE APPROVAL OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARVIN ADOPTING CHAPTER 17.65 OF TITLE 17 OF THE ARVIN MUNICIPAL CODE PERTAINING TO HEMP ACTIVITY AND RELATED CEQA DETERMINATION**

WHEREAS, Pursuant to Article XI, Section 7, of the California Constitution, the City of Arvin (“City”) may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its citizens; and

WHEREAS, on or about November 1, 2016, the City of Arvin adopted Ordinance No. 436, amending Title 8 of the Arvin Municipal Code and adopting Chapter 8.29 pertaining to marijuana, to take effect after thirty (30) days after its final passage and adoption and contingent upon passage of California Proposition 64; and

WHEREAS, on or about November 8, 2016, California voters passed Proposition 64, to become law immediately; and

WHEREAS, on or about January 1, 2017, The California Industrial Hemp Farming Act became effective, California Food and Agriculture Code sections 81000 et seq., authorizing certain activities of industrial hemp growers and established agricultural research institutions; and

WHEREAS, on or about November 21, 2017, the City Council adopted Ordinance No. 443, which added Chapter 17.62 “Commercial Cannabis Activity” to Title 17 of the Arvin Municipal Code; and

WHEREAS, on June 19, 2018, the City Council Adopted Ordinance No. 447, amending and renumbering Chapter 17.62 (“Commercial Cannabis Activity”) of Title 17 of the Arvin Municipal Code and thereby adding Chapter 17.64 (“Commercial Cannabis Activity”) to Title 17 of the Arvin Municipal Code, to establish certain regulations pertaining to commercial cannabis activity; and

WHEREAS, in December of 2018, the President of the United States signed into law the 2018 Federal Farm Bill, H.R. 2, P.L. 115-334, which removed industrial hemp from the federal list of controlled substances and authorized the U.S. Department of Agriculture to create quality control standards for hemp production, further giving states that desire to have primary regulatory authority over the production of hemp the ability to adopt their own state plans, which plan may include a reference to a law of the state regulating the production of hemp, to the extent consistent with federal law; and

WHEREAS, under California Food and Agriculture Code, section 81006, subdivisions (d)(3) and (5), the California Department of Food and Agriculture (“CDFA”) is required to establish regulations for sampling procedures and approved laboratories for sample testing of all

hemp crops (except when grown by an established agricultural research institution) no more than thirty (30) days before harvest; and

WHEREAS, in September 2018, SB 1409 was enacted, in which the definition of industrial hemp in Health and Safety Code, section 11018.5(a) was amended to delete the reference to its being a crop for fiber or oilseed production, and the Industrial Hemp Farming Act was also amended to its current form, including revising Food and Agriculture Code section 81006 to remove requirement for dense planting and restrictions against pruning, tending, or culling, in order to “remov[e] limitations on the manner in which industrial hemp may be grown and the uses for which it may be grown,” thereby “remov[ing] barriers to the growth of industrial hemp as an agricultural product, and for agricultural or academic research”; and

WHEREAS, in June of 2019, the CDFA adopted emergency regulations, and in October of 2019 the CDFA revised those regulations, to establish timeframes, procedures, methods, and confirmation for industrial hemp sampling, laboratory testing, and destruction for industrial hemp cultivation; and

WHEREAS, CDFA found a pressing need for the swift establishment of regulations to prevent delay of the first industrial hemp harvest, and calculated that the absence of regulation could result in a potential direct loss of over \$43,000,000.00 to California farmers; and

WHEREAS, industrial hemp, the extracts and derivatives from processing industrial hemp, and products manufactured with industrial hemp or its extracts and derivatives, may be useful and valuable to both producers and consumers, and therefore may serve as a source of economic development; and

WHEREAS, researching strains of industrial hemp plants, the methods for cultivating and processing industrial hemp, and the methods for manufacturing products using industrial hemp and its extracts and derivatives, is important for identifying and optimizing the beneficial uses and value of industrial hemp, and is itself a useful and productive economic activity; and

WHEREAS, research and commercial activity relating to industrial hemp and its cultivation, processing, and manufacturing are not mutually exclusive activities, but can be and should be mutually supporting and reinforcing; and

WHEREAS, industrial hemp strains grown for its cannabidiol oil properties (CBD oil) may be indistinguishable from the high THC cannabis strains used for medicinal and recreational purposes, and permitting industrial hemp cultivation without regulation of the acreage and location of industrial hemp plants may lead to the same type of odor and public safety issues facing cannabis operations in the City; and

WHEREAS, industrial hemp may serve as a host to mites and other insects, and currently registered pesticides may not always be effective in either addressing such mites and insects or preventing them from moving into other nearby crops, thus threatening the safety of those nearby crops; and

WHEREAS, on April 27, 2020 the City of Arvin Planning Commission (“Commission”) conducted a public hearing to consider the proposed ordinance, and after considering public testimony, the staff report and all submitted evidence to the support the ordinance, the

Commission recommended the City Council (“Council”) [approve/deny] the proposed ordinance; and

WHEREAS, the proposed ordinance is consistent with the General Plan and any applicable Specific Plan(s); and

WHEREAS, new Chapter 17.65 establishes hemp regulations within the City of Arvin; and

WHEREAS, in accordance with the California Environmental Quality Act (“CEQA”), and pursuant to CEQA Guideline, sections 15378 and 15061(b)(3), this activity is not a “project” subject to CEQA as it can be seen with certainty that there is no possibility that an activity may have a significant effect on the environment; and

WHEREAS, on April 27, 2020, the Planning Commission held a public hearing to receive oral and written testimony relative to the proposed amendments; and,

WHEREAS, the Planning Commission desires to recommend approval of the ordinances and associated findings under the California Environmental Quality Act (“CEQA”) to the City Council.

NOW, THEREFORE, BE IT RESOLVED, by the Planning Commission of the City of Arvin as follows:

Section 1: The Planning Commission has reviewed the project and recommends that the City Council adopt a finding that the attached ordinances will not create potentially significant environmental impacts pursuant to the California Environmental Quality Act (“CEQA”) because it can be seen with certainty that there is no possibility that it will have a significant effect on the environment. (CEQA Guidelines § 15061(b)(3).) It is also exempt because it consists of regulations and restrictions on activities to assure the maintenance, restoration, or enhancement of natural resources and the environment by prohibiting environmentally destructive components of unregulated hemp cultivation and related hemp activities. (CEQA Guidelines §§ 15307 and 15308.) Finally, no exceptions to the Categorical Exemptions are applicable under CEQA Guidelines section 15300.2.

Section 2. After reviewing the proposed zoning and specific plan amendments and considering all oral and written information regarding the text amendments, that the Planning Commission does recommend the City Council approve “AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARVIN ADOPTING CHAPTER 17.65 OF TITLE 17 OF THE ARVIN MUNICIPAL CODE PERTAINING TO COMMERCIAL HEMP ACTIVITIES” (*attached hereto as Attachment 1*).

Section 3. The Planning Commission Chairman of the City of Arvin is hereby authorized to affix his signature to this Resolution signifying its adoption by the Planning Commission. The Community Development Director is directed to forward this Resolution to the City Council with the recommendations of the Planning Commission.

/////

I HEREBY CERTIFY that the foregoing Resolution was passed and adopted by the Planning Commission of the City of Arvin at a special meeting thereof held on the 27th day of April 2020 by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

ATTEST:

CECILIA VELA, Secretary

ARVIN PLANNING COMMISSION

By: _____
GERARDO TINOCO, Chairperson

I, _____, Secretary of the Planning Commission of the City of Arvin, California, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Resolution passed and adopted by the Planning Commission of the City of Arvin on the date and by the vote indicated herein.

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARVIN
ADDING CHAPTER 17.65, OF TITLE 17 HEMP TO THE ARVIN
MUNICIPAL CODE**

WHEREAS, Pursuant to Article XI, Section 7, of the California Constitution, the City of Arvin (“City”) may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its citizens; and

WHEREAS, on or about November 1, 2016, the City of Arvin adopted Ordinance No. 436, amending Title 8 of the Arvin Municipal Code and adopting Chapter 8.29 pertaining to marijuana, to take effect after thirty (30) days after its final passage and adoption and contingent upon passage of California Proposition 64; and

WHEREAS, on or about November 8, 2016, California voters passed Proposition 64, to become law immediately; and

WHEREAS, on or about January 1, 2017, The California Industrial Hemp Farming Act became effective, California Food and Agriculture Code sections 81000 et seq., authorizing certain activities of industrial hemp growers and established agricultural research institutions; and

WHEREAS, on or about November 21, 2017, the City Council adopted Ordinance No. 443, which added Chapter 17.62 “Commercial Cannabis Activity” to Title 17 of the Arvin Municipal Code; and

WHEREAS, on June 19, 2018, the City Council Adopted Ordinance No. 447, amending and renumbering Chapter 17.62 (“Commercial Cannabis Activity”) of Title 17 of the Arvin Municipal Code and thereby adding Chapter 17.64 (“Commercial Cannabis Activity”) to Title 17 of the Arvin Municipal Code, to establish certain regulations pertaining to commercial cannabis activity; and

WHEREAS, in December of 2018, the President of the United States signed into law the 2018 Federal Farm Bill, H.R. 2, P.L. 115-334, which removed industrial hemp from the federal list of controlled substances and authorized the U.S. Department of Agriculture to create quality control standards for hemp production, further giving states that desire to have primary regulatory authority over the production of hemp the ability to adopt their own state plans, which plan may include a reference to a law of the state regulating the production of hemp, to the extent consistent with federal law; and

WHEREAS, under California Food and Agriculture Code, section 81006, subdivisions (d)(3) and (5), the California Department of Food and Agriculture (“CDFA”) is required to establish regulations for sampling procedures and approved laboratories for sample testing of all hemp crops (except when grown by an established agricultural research institution) no more than thirty (30) days before harvest; and

WHEREAS, in September 2018, SB 1409 was enacted, in which the definition of industrial hemp in Health and Safety Code, section 11018.5(a) was amended to delete the reference to its being a crop for fiber or oilseed production, and the Industrial Hemp Farming Act was also amended to its current form, including revising Food and Agriculture Code section 81006 to remove requirement for dense planting and restrictions against pruning, tending, or culling, in order to “remov[e] limitations on the manner in which industrial hemp may be grown and the uses for which it may be grown,” thereby “remov[ing] barriers to the growth of industrial hemp as an agricultural product, and for agricultural or academic research”; and

WHEREAS, in June of 2019, the CDFA adopted emergency regulations, and in October of 2019 the CDFA revised those regulations, to establish timeframes, procedures, methods, and confirmation for industrial hemp sampling, laboratory testing, and destruction for industrial hemp cultivation; and

WHEREAS, CDFA found a pressing need for the swift establishment of regulations to prevent delay of the first industrial hemp harvest, and calculated that the absence of regulation could result in a potential direct loss of over \$43,000,000.00 to California farmers; and

WHEREAS, industrial hemp, the extracts and derivatives from processing industrial hemp, and products manufactured with industrial hemp or its extracts and derivatives, may be useful and valuable to both producers and consumers, and therefore may serve as a source of economic development; and

WHEREAS, researching strains of industrial hemp plants, the methods for cultivating and processing industrial hemp, and the methods for manufacturing products using industrial hemp and its extracts and derivatives, is important for identifying and optimizing the beneficial uses and value of industrial hemp, and is itself a useful and productive economic activity; and

WHEREAS, research and commercial activity relating to industrial hemp and its cultivation, processing, and manufacturing are not mutually exclusive activities, but can be and should be mutually supporting and reinforcing; and

WHEREAS, industrial hemp strains grown for its cannabidiol oil properties (CBD oil) may be indistinguishable from the high THC cannabis strains used for medicinal and recreational purposes, and permitting industrial hemp cultivation without regulation of the acreage and location of industrial hemp plants may lead to the same type of odor and public safety issues facing cannabis operations in the City; and

WHEREAS, industrial hemp may serve as a host to mites and other insects, and currently registered pesticides may not always be effective in either addressing such mites and insects or preventing them from moving into other nearby crops, thus threatening the safety of those nearby crops; and

WHEREAS, on April 27, 2020 the City of Arvin Planning Commission (“Commission”) conducted a public hearing to consider the proposed ordinance, and after considering public

testimony, the staff report and all submitted evidence to the support the ordinance, the Commission recommended the City Council (“Council”) [approve/deny] the proposed ordinance; and

WHEREAS, the City Council finds this ordinance is reasonable and necessary for the preservation of the public peace, health and safety; and

WHEREAS, the proposed ordinance is consistent with the General Plan and any applicable Specific Plan(s); and

WHEREAS, new Chapter 17.65 establishes hemp regulations within the City of Arvin; and

WHEREAS, in accordance with the California Environmental Quality Act (“CEQA”), and pursuant to CEQA Guideline, sections 15378 and 15061(b)(3), this activity is not a “project” subject to CEQA as it can be seen with certainty that there is no possibility that an activity may have a significant effect on the environment; and

NOW THEREFORE, the City Council of the City of Arvin does hereby ordain as follows:

SECTION 1. The above recitals are incorporated hereby by reference.

SECTION 2. The City Council has reviewed the proposed ordinance and hereby finds that it is consistent with the General Plan and all applicable Specific Plan(s).

SECTION 3. The City Council, based upon its own independent judgement, finds that the proposed ordinance promotes and protects the health, safety, welfare and quality of life of the City of Arvin residents, including promoting affordable housing and economic development.

SECTION 4. The proposed ordinance was assessed in accordance with the authority and criteria contained in CEQA, the State CEQA Guidelines (“CEQA Guidelines”), and the environment regulations of the City. The City Council finds and determines that the proposed ordinance is not a “project” for the purposes of CEQA and consistent with CEQA Guidelines section 15378, as it merely updates existing administrative processes and will not result in direct or indirect physical changes in the environment as compared to the current baseline. Additionally, the City Council finds and determines for the same reasons that even if the proposed ordinance were a project for the purpose of CEQA, there is no possibility that the project may have a significant adverse effect on the environment pursuant to CEQA Guidelines, section 15061(b)(3). Therefore, the proposed ordinance is not subject to CEQA.

SECTION 5. Newly added Chapter 17.65, of Title 17, of the Arvin Municipal Code is added to read as follows:

Chapter 17.65 Hemp

Section 17.65.010 Policy.

It is the policy of the City to encourage responsible industrial hemp cultivation, processing, and manufacturing and to regulate such cultivation, processing, and manufacturing in a responsible

manner to promote economic development, protect the health, safety, and welfare of the residents of the City of Arvin and to enforce rules and regulations consistent with state law.

Section 17.65.020 Definitions.

When used in this chapter, the following words shall have the meaning ascribed to them as set forth herein. Any reference to California statutes includes any regulations promulgated thereunder and is deemed to include any successor or amended version of the referenced statute or regular provision.

- A. “City” means the City of Arvin, a municipal corporation.
- B. “City Council” means the governing body of the City.
- C. “City Manager” means the city manager of the City of Arvin, or the city manager’s authorized deputy, agent or representative.
- D. “Established agricultural research institution” or “EARI” has the same meaning as in section 81000 of the California Food and Agricultural Code.
- E. “EARI affiliate” means any person carrying out research pursuant to or for a research program of an EARI.
- F. “Hemp cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of hemp, including activities carried out by seed breeders which is authorized pursuant to state, federal or local statute.
- G. “Hemp processing” means any baling, bundling, or milling of industrial hemp, or the extraction or separation of any oils, fibers, or other derivatives of industrial hemp after harvesting.
- H. “Industrial Hemp” shall have the same meaning as in section 11018.5 of the California Health and Safety Code.
- I. “Person” means any individual, firm, partnership, joint venture, association corporation, limited liability company, estate, trust, activity trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.
- J. “Seed breeder” has the same meaning as in section 81000 of the California Food and Agricultural Code.

Section 17.65.030 Hemp Cultivation.

- A. Hemp cultivation shall be prohibited within all zones of the City of Arvin, whether conducted indoors or outdoors, unless you have first received a permit issued by the City or enter into a development agreement with the City authorizing the cultivation of hemp.
- B. Hemp cultivation by an EARI or EARI affiliate, including cultivation of Cannabis sativa L. plants as part of an EARI’s hemp research program, shall be permitted within the City of Arvin, provided that the EARI or EARI affiliate shall register with the City Manager the locations and nature of operations within the City of Arvin where such cultivation shall be conducted in advance of any such activity.
- C. An EARI or EARI affiliate may sell industrial hemp commercially, but only to the extent that the biomass so used is derived from crops that were sampled and tested consistent with the standards and procedures established pursuant to California

Food and Agriculture Code section 81006(d) and for which test results show THC levels equal to or less than three-tenths of 1 percent. The City Manager may establish rules and regulations relating to documenting and reporting the tests of any such biomass used by an EARI or EARI affiliate for commercial transactions.

- D. Except to the extent used or maintained by an EARI or EARI affiliate for research purposes, any Cannabis sativa L. plant cultivated with the intent of being industrial hemp that are tested and determined to have THC content in excess of three-tenths of 1 percent within 30 days of intended harvest shall be destroyed. For purposes of this requirement, transferring such a plant to a person authorized to conduct commercial cannabis activities under Chapter 17.64, for treatment and handling in accordance with the provisions of that Chapter 17.64, shall be deemed the destruction of the plant as industrial hemp provided the transfer is conducted in compliance with applicable state statutes and the Arvin Municipal Code. The City Manager may establish further rules and regulations relating to the process of destroying such plants, whether by means of transfer to permissible cannabis activities or otherwise, and documentation relating thereto.

Section 17.65.040 Hemp Processing.

- A. Hemp processing shall be prohibited within all zones of the City of Arvin, whether conducted indoors or outdoors, except to the extent such processing either is (i) conducted pursuant to a permit issued by the City of Arvin authorizing the processing of Hemp, or (ii) conducted pursuant to a development agreement with the City of Arvin.
- B. Hemp processing by an EARI or EARI affiliate, including processing of Cannabis sativa L. plants as part of an EARI's hemp research program, shall be permitted within the City of Arvin, provided that the EARI or EARI affiliate shall register with the City Manager the locations and nature of operations within the City of Arvin where such processing shall be conducted in advance of any such activity. Nothing in this subsection shall authorize an EARI or EARI affiliate to processing hemp without first receiving a permit or entering into a development agreement with the City of Arvin.
- C. An EARI or EARI affiliate may sell industrial hemp or extracts or derivatives of industrial hemp commercially, but only to the extent that the biomass so used is derived from crops that were sampled and tested consistent with the standards and procedures established pursuant to California Food and Agriculture Code section 81006(d) and for which test results show THC levels equal to or less than three-tenths of 1 percent. The City Manager may establish rules and regulations relating to documenting and reporting the tests of any such biomass used by an EARI or EARI affiliate for commercial transactions.

Section 17.65.050 Manufacturing of Hemp Products.

- A. The manufacturing of products using industrial hemp or extracts or derivatives of industrial hemp shall be prohibited, unless you have first received a permit issued by the City of Arvin authorizing hemp manufacturing or entered into a development agreement with the City of Arvin authorizing hemp manufacturing. Upon receiving a City of Arvin permit or entering into a development agreement, hemp manufacturing shall be authorized solely within the M-1, M-2, M-3, A-1, and A-2 zoning districts. Further, a conditional use permit shall be required prior to engaging in the manufacturing of industrial hemp products.
- B. Manufacturing of industrial hemp products by an EARI or EARI affiliate shall be permitted within the City of Arvin as part of an EARI research program, provided that the EARI or EARI affiliate shall register with the City Manager the locations and nature of operations within the City of Arvin where such manufacturing shall be conducted in advance of any such activity.
- C. An EARI or EARI affiliate may sell industrial hemp products commercially, but only to the extent that the biomass so used is derived from crops that were sampled and tested consistent with the standards and procedures established pursuant to California Food and Agriculture Code section 81006(d) and for which test results show THC levels equal to or less than three-tenths of 1 percent. The City Manager may establish rules and regulations relating to documenting and reporting the tests of any such biomass used by an EARI or EARI affiliate for commercial transactions.

Section 17.65.060 Hemp Regulations.

- A. Hemp cultivation, hemp processing, and manufacturing of hemp products within the City of Arvin shall comply with all applicable state, federal and City of Arvin regulations.
- B. Any hemp manufacturing facility shall not be located within 200' feet of a residential zoning districts.
- C. Odor Control.
 - (1) Odor control devices and techniques shall be incorporated in all industrial hemp manufacturing facilities to ensure that odors from hemp are not detectable off site. Industrial hemp manufacturing facility shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside is not detected outside of the facility, anywhere on an adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or

- within any other unit located inside the same building as the industrial hemp business.
- (2) In order to determine the existence of a violation of this chapter, the city may measure for hemp odor at the industrial hemp business with an approved field olfactometer device, including, but not limited to, a Nasal Ranger Field Olfactometer® or Scentometer®, according to the manufacturer's specifications and operating instructions. The threshold of detection (Dilutions to Threshold or D/T) will be determined in a sample of the ambient air after it is diluted with three equally sized samples of odor-free air. Two (2) samples or observations will be taken not less than fifteen minutes apart within a one (1) hour period. The two (2) samples will be taken at the building site of the industrial hemp business. If the threshold of detection is four (4) or greater, the industrial hemp business owner and/or the property owner will be issued a notice to abate public nuisance.
 - (3) Any notice to abate public nuisance pursuant to this Section shall include the following:
 - (i) The Arvin Municipal Code violation which constitutes the public nuisance;
 - (ii) The required remedy for abating the public nuisance; and
 - (iii) Provide a reasonable time period to abate the public nuisance, unless the public nuisance constitutes an immediate threat to public health, safety and welfare.

Failure to timely abate the public nuisance may result in the revocation of the conditional use permit, pursuant to the Arvin Municipal Code. An appeal of the notice to abate public nuisance shall be filed with the city clerk within ten (10) calendar days from the date upon the notice and shall provide the specific basis for granting the appeal. An untimely filed appeal shall constitute a waiver of the appeal of the notice. Further, the ten (10) day time period for filing an appeal shall be jurisdictional, and as such, an untimely appeal shall not be considered by the city.

- (4) Every person or entity owning, possessing, or having charge or control of real property within the city shall manage that property and control the environment thereon in a manner so as not to violate the provisions of this chapter, and the owner shall be liable for violations of the provisions of this chapter, regardless of any contract or agreement with any third party regarding the property.
- (5) Every occupant, lessee, or holder of any possessory interest in real property shall maintain the property in a manner so as not to violate the provisions of this chapter.
- (6) In addition to any regulations adopted by the City of Arvin, the city manager, or his/her designee, shall be authorized to establish any necessary

rules, regulations or standards governing the issuance or denial of an industrial hemp conditional use permit, the ongoing operation of an industrial hemp manufacturing facility, and the City's oversight, if the city manager determines the rule, regulation or standard to be necessary to carry out this chapter.

(i) Regulations issued by the city manager shall be published on the city's website. A copy of the regulations established by the city manager shall be filed with the city clerk.

(ii) Regulations promulgated by the city manager shall become effective upon the date of publication. Industrial hemp manufacturing shall follow all state and local laws and regulations, including, but not limited to, any rules, regulations or standards adopted by the city manager.

Section 17.65.070 Limitations on City's Liability.

To the fullest extent permitted by the law, any industrial hemp manufacturing facility shall execute an agreement indemnifying and holding harmless the City of Arvin, its employees, agents and contractors from any liability or claims arising from issuance of a conditional use permit, pursuant to this chapter, the Arvin Municipal Code or otherwise approving a conditional use permit for an industrial hemp manufacturing facility.

Section 17.65.080 Public Nuisance.

Each and every violation of the provisions of this chapter is hereby deemed unlawful and a public nuisance.

Section 17.65.090 Violation and Enforcement.

- A. Any person that violates any provision of this chapter shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes a violation thereof, and shall be penalized pursuant to this chapter and/or the provisions of the Arvin Municipal Code.
- B. Each and every violation of this chapter shall constitute a separate violation and shall be penalized pursuant to this chapter and/or the provisions of the Arvin Municipal Code.
- C. Any person who violates, causes, continues or permits another to violate the provisions of this chapter commits a misdemeanor and shall be punishable in accordance with the Arvin Municipal Code. The city may also pursue all applicable civil and administrative remedies, including, but not limited to, injunctive relief and administrative citations. Should a court of competent jurisdiction subsequently determine that the misdemeanor criminal penalty provision renders the provisions of this chapter, or the provisions of any chapter adopted by reference within the Arvin Municipal Code unlawful, the city intends that the misdemeanor provision be severable from the remaining penalty provisions and the city will only pursue criminal infraction penalties and/or non-criminal remedies for violations of this chapter.

- D. Each and every violation of the provisions of this chapter is hereby deemed unlawful and a public nuisance which may be abated by the city pursuant to the Arvin Municipal Code.
- E. The administrative citation penalty for all violations of this chapter, within a rolling twelve (12) month period shall be as follows: one thousand dollars (\$1,000.00) per violation.
- F. In addition to any other remedy or enforcement mechanism provided within this chapter or any other provision of the Arvin Municipal Code, the city may commence a civil action seeking any other relief or remedy available at law or in equity.
- G. The provisions of this chapter are complimentary, cumulative, supplementary, and additional to any other legal remedies available, whether found in the Arvin Municipal Code, state or federal laws, regulations, or case law.

Section 17.65.100 Severability.

The provisions of this chapter are hereby declared to be severable. If any provision, clause, word, sentence or paragraph of this chapter or the application thereof to any person or circumstances shall be held invalid, such invalidity shall not affect the other provisions or application of this chapter.

SECTION 6. This ordinance shall take effect and be in full force and effect from and after thirty (30) calendar days after its final passage and adoption. Within fifteen (15) calendar days after its adoption, the ordinance, or a summary of the ordinance, shall be published once in a newspaper of general circulation.

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I HEREBY CERTIFY that the foregoing Ordinance was introduced by the City Council of the City of Arvin after waiving reading, except by Title, at a regular meeting thereof held on the 28th day of April 2020, and adopted the Ordinance after the second reading at a regular meeting held on the _____ day of _____ 2020, by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

ATTEST

CECILIA VELA, City Clerk

CITY OF ARVIN

By: _____
JOSE GURROLA, Mayor

APPROVED AS TO FORM:

By: _____
SHANNON L. CHAFFIN, City Attorney
Aleshire & Wynder, LLP

I, _____, City Clerk of the City of Arvin, California, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Ordinance passed and adopted by the City Council of the City of Arvin on the date and by the vote indicated herein.

Industrial Hemp in Arvin

Hemp is *Misunderstood*

- ▶ People think that the hemp is all about flowers, and CBD oil. It isn't.
- ▶ There are over 100 cannabinoids in the hemp plant.
- ▶ The aromas are called terpenes, which are a natural pesticide.
- ▶ Hemp doesn't naturally look like what has been seen in Kern County.
 - ▶ Auto-flower - genetically modified to flower quickly
 - ▶ Feminized - genetically modified to produce only females
 - ▶ Dioecious- males + female plants
 - ▶ Genetic diversity = terpene diversity = resilience + efficacy

Hemp Requires Less Inputs

- ▶ It's a weed, and it isn't a very thirsty one.
- ▶ Hemp does not need pesticides or herbicides
- ▶ Cotton uses the most pesticides out of any crop in the world
 - ▶ Nine of the most commonly used pesticides are highly toxic

Hemp is good for soil health

- ▶ Hemp drops all of its leaves and pollen prior to flowering, leaving a layer of organic material to cover the soil and allow microorganisms to thrive
- ▶ You do not need to till the soil
 - ▶ Higher carbon storage
 - ▶ Higher microbial activity
 - ▶ Better water absorption
 - ▶ Less soil erosion

Hemp is a bio-accumulator

- ▶ Removes heavy metals, pesticides, herbicides, and salts
- ▶ High promise for application in phytoremediation projects
- ▶ Apothio seed bank + IP dedicated to cleaning marginal lands
- ▶ Multiple research partners committed to researching strains of bacillus and other micro-organisms that are capable of healing the microbiome

Hemp is good for bees

- ▶ Hemp is an excellent source of late season protein
- ▶ Hemp fields act as a “remediation” zone for bees



Hemp sequesters carbon better than any other plant

- ▶ One ton of cellulose = 1.5 units of carbon sequestered
- ▶ 63.2% cellulose (according to my data from long season crop in Arvin)
- ▶ With the right seeds, one acre sequesters about 16.6 tons of carbon dioxide



This 40 acre farm sequestered 663 tons of carbon. Apothio sequestered 8,494 tons of CO2 in spring 2019

There is an emerging market for carbon

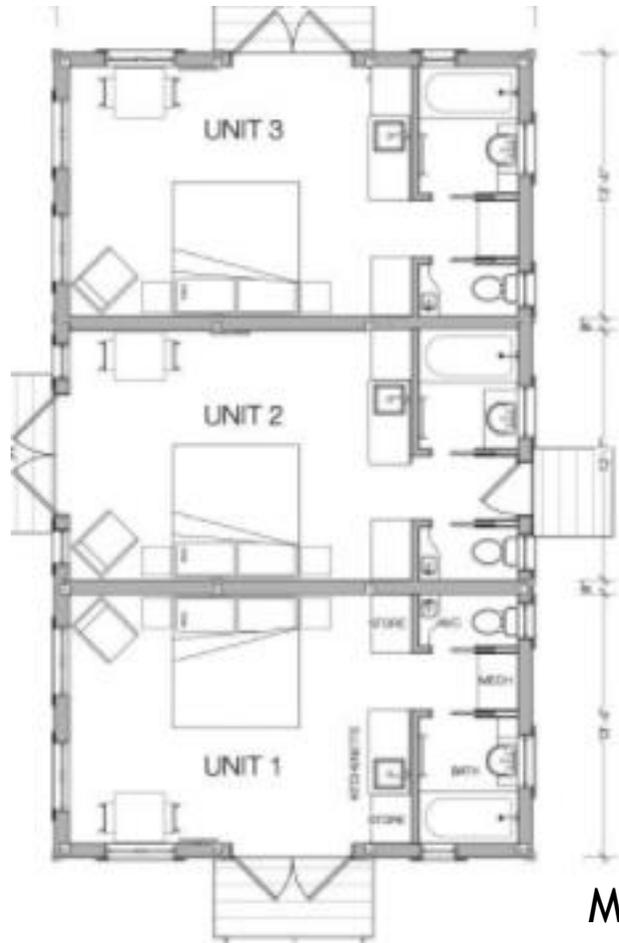
- ▶ Apothio is approved to get paid for sequestering carbon
- ▶ \$17 tax / ton in CA
- ▶ \$35 carbon credit / ton via industrial co-location
- ▶ LA just formally committed to reduce carbon in construction materials



Carbon credits will fuel the Hempcrete market



Hemp shows strong promise for a lot of sustainable building materials



DRAFT

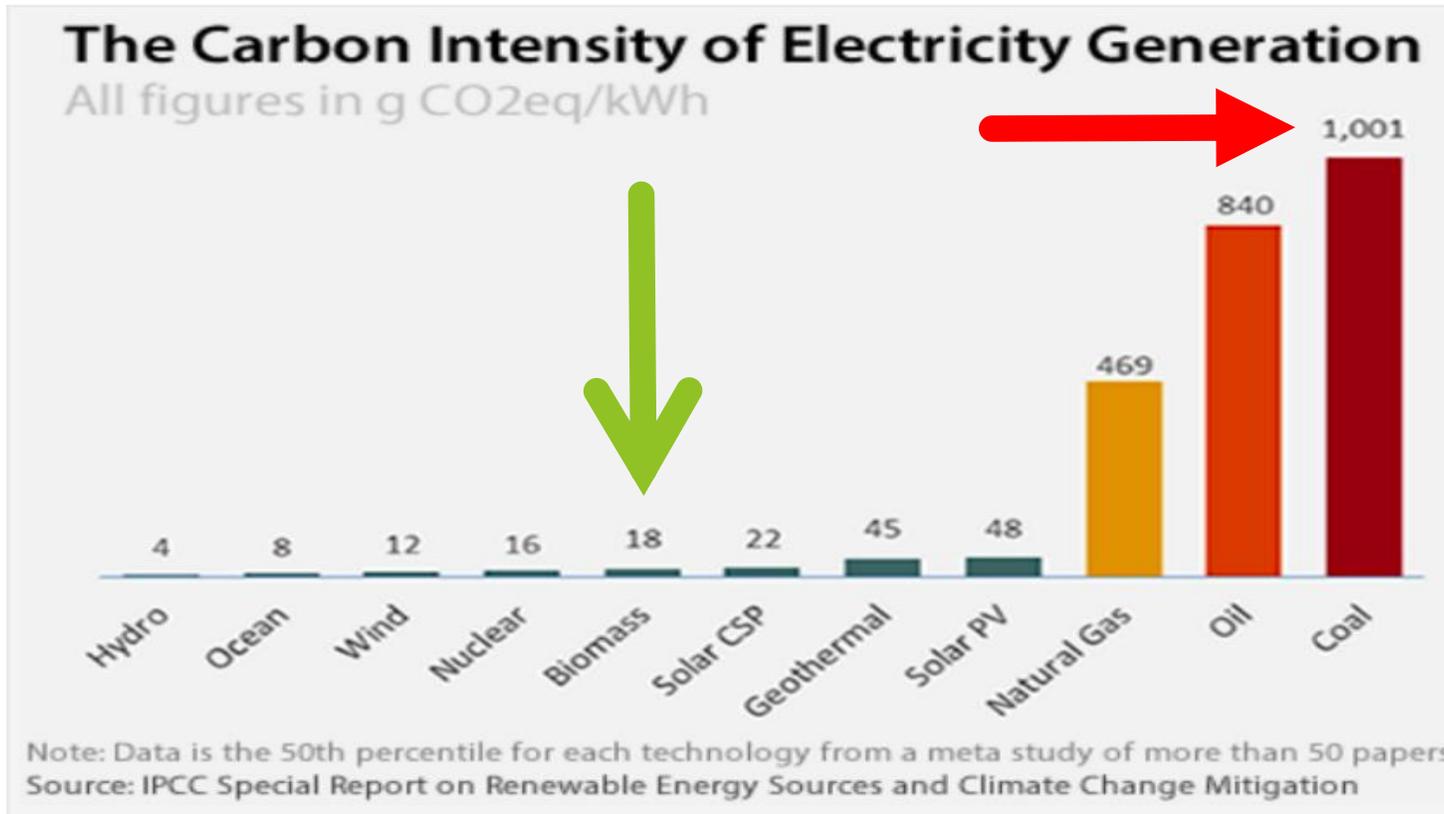
MODEL 4.3

ROW HOUSE

3 x 366 sq.ft. (1098)

Modular, durable, fireproof buildings

Hemp is a strong contender for production of renewable energy



Biomass is nearly carbon neutral

Hemp is about half as energy dense as coal



- High yielding pine are 38.7% as efficient
- 30x shorter investment horizon



BioCoal

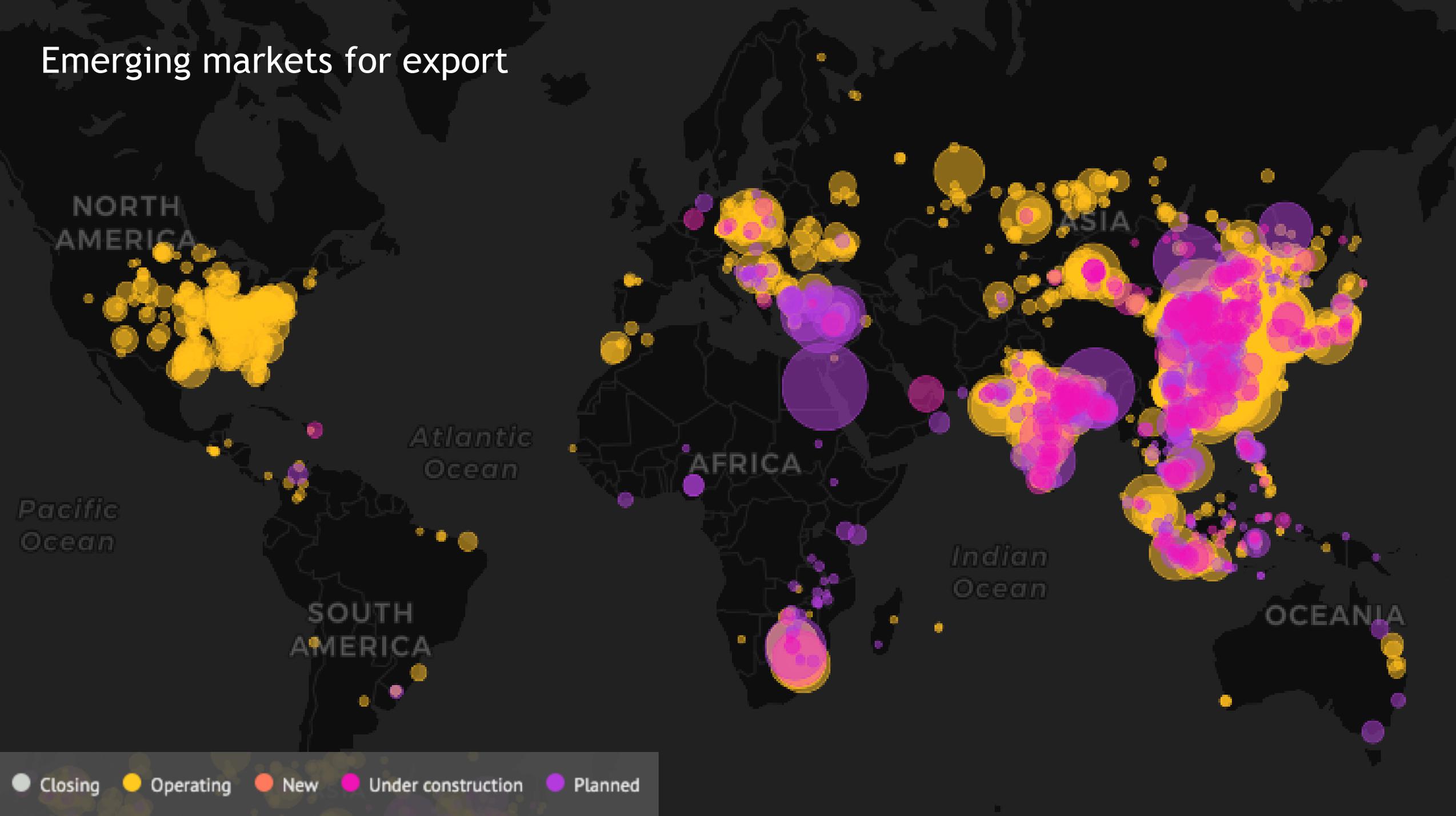
Biomass + heat + pressure + no O₂



1.18 acres of hemp = one ton of BioCoal

Plugs into 38% of global energy supply

Emerging markets for export



Hemp can make the fashion industry more sustainable

- ▶ Big brands are using hemp as a way to future proof their supply chains and transition out of cotton
- ▶ Water<Less Program at Levis
- ▶ Apothio is working with a research partner to develop a proprietary cellulosic fiber similar to viscose



Hemp makes sustainable & high quality paper

- ▶ The declaration of independence was written on hemp paper
- ▶ 1 acre of Hemp can produce as much paper as 4-10 acres of trees over a 20 year cycle
- ▶ Higher concentration (2-3 times more) cellulose than wood, the principal ingredient in paper.
- ▶ Hemp has lower lignin content than wood. This is advantageous as lignin must be removed from the pulp before it can be processed as paper.

Hemp can replace or supplement petroleum based plastics with biopolymers



Injection moldings for
PLA, ABS, HDPE, Polypropylene, and more

Hemp plastic isn't a new discovery



Hemp is food



Hemp grows really well in Arvin

- ▶ Unique climate
- ▶ Outperformed national averages by 10x
- ▶ Access to international markets
- ▶ Carbon credits in CA
- ▶ Exceptional human talent and infrastructure
 - ▶ Agriculture
 - ▶ Oil
 - ▶ Workforce

Arvin Community Initiatives Overview

An Opportunity for Arvin in Developing a
Community Centric Public Private Partnership

THE FLAGSHIP

INDUSTRIAL SYMBIOSIS

WORKFORCE DEVELOPMENT

A “SUSTAINABILITY FLAGSHIP” VIA INDUSTRIAL HEMP

A model location to showcase, educate, and research solutions
to existentially threatening sustainability challenges in the central valley

- Showcasing and researching novel sustainability concepts
- Completion of sustainability related grants
- Foster commercial adoption of sustainable farming practices
- Student hands on learning
- Showcase concepts to impact oriented investors

INDUSTRIAL HEMP FLAGSHIP CONCEPTS

- Integrated Pest Management and Terpenes – using hemp to reduce our reliance on pesticides & why diversity matters
- Seeds for Change – education on dioecious (male / female) plants and why they are so important
- Remediation – the role of plants & bacteria in removing heavy metals, pesticides, salts from water & soil
- Carbon Farming – showcasing how farmers can monetize creation of “carbon sinks” by utilizing sustainable cultivation techniques
- Green Energy – turning hemp biomass into carbon neutral combustible energy (replacement for coal)
- Bee Refuge – seasonal area for beekeepers to bring their bees to feast upon the male hemp pollen
- Aquaponic Farming – An Arvin-based joint venture with Canada

INTEGRATED PEST MANAGEMENT W/ TERPENES

- Terpenes are a profound “learned” defense system that are particularly strong in the hemp plant
- They were learned over thousands of years by being exposed to different environments / pests around the world
- Hemp doesn’t need pesticides. Terpenes provide the defense that pesticides would provide.
- Synthetic Pesticides are devastating to the environment. They kill our bees, are in our water, and our food.
- Co-planting or intercropping with hemp can not only improve farmer revenues, but decrease their reliance on harmful synthetic pesticides.

SEEDS FOR CHANGE

- Non-homogenized seeds express a massive array of unique terpenes. Thus, they provide the most resilient defense systems at scale.
- Dioecious seeds (yields both male & female plants) also create more resilient, healthy, and vigorous plantations. They prevent the need to till the soil, which creates long term storage systems for carbon, and creates an environment where soil biomes can be restored, which prevents soil erosion.
- Dioecious seeds prevent farmers from needing to buy seeds each year, or to re-plant their fields. Less GHG emissions, more profit.
- This natural, non-GMO way of farming is the cultural equivalent to traditional Mexican maize. It must be protected from the market forces of big ag. Feminized and homogenized seeds (what every other farmer in Kern uses) are the equivalent to Monsanto corn varieties.

CARBON FARMING

- An Arvin Hemp Company (Apothio, LLC) is approved to sell the carbon that is stored in the soil to the state of California.
 - This Company's last hemp production removed enough CO₂ from the air for a year of 1,100 homes' CO₂ emissions.
- It is an emerging economy that can benefit farmers and the environment, and we plan to lead that path by converting farmers to carbon friendly, profitable, and sustainable land use.
- Hemp is known to be 50% more effective at sequestering carbon than any other plant.

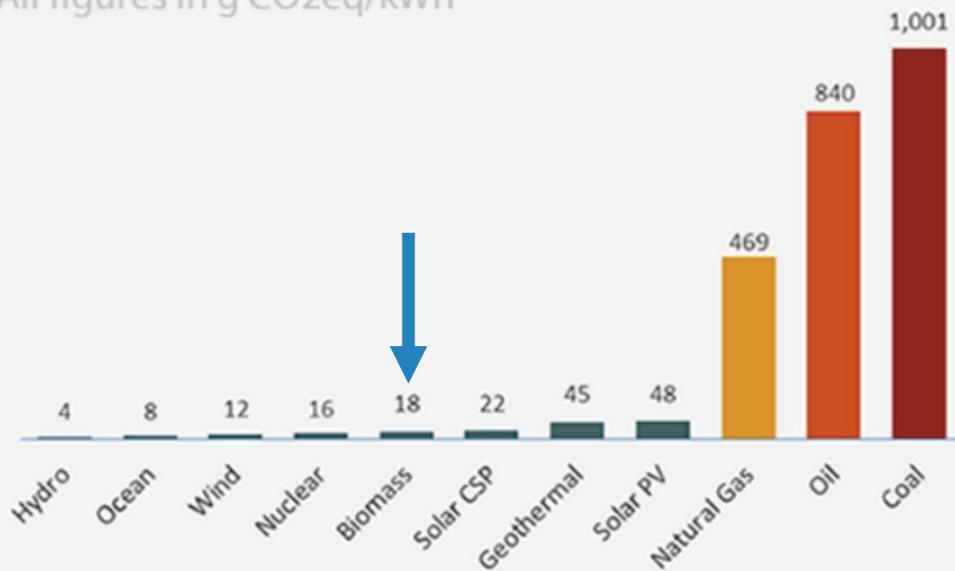
SOIL & WATER REMEDIATION

- Intensive inputs in our modern farming methods have left us with dead soil whose top layers are slowly degrading, salinized, and contaminated. Over time, any of these risks can render farms unfarmable.
- Hemp drops its leaves upon maturity, leaving up to 0.5” of organic material on the ground.
- Groundwater in Kern County is contaminated with heavy metals and pesticides.
- Hemp is a wonderfully powerful phytoremediator. It pulls heavy metals and pesticides out of water and soil and stores it in the plant. One of Arvin's Hemp Company's (Apothio, LLC) has a U.S. patent pending surrounding water remediation and hemp. That technology will be developed here in Arvin.
- The same Arvin-based Hemp Company also is developing its U.S. patents surrounding aquaponics designs that can be used for water remediation, food, nutraceutical and pharmaceutical production in Arvin and around the globe.

GREEN ENERGY

The Carbon Intensity of Electricity Generation

All figures in g CO₂eq/kWh



Note: Data is the 50th percentile for each technology from a meta study of more than 50 papers
 Source: IPCC Special Report on Renewable Energy Sources and Climate Change Mitigation

- Hemp is a perfect crop to make BioCoal
- Carbon taxes have made coal very expensive
- BioCoal is "carbon neutral" (no carbon tax)
- Coal based infrastructure = 40% of energy supply globally
- Arvin is the perfect place to create this market and the jobs that come with it due to unique climate, existing infrastructure, and access to intl. markets in Asia via LA

BEE REFUGE

- Bees lack access to a protein source in the late season
- Hemp is able to provide bees access to this protein source through the entire winter-time.
- We would like to provide bee-keepers with a “refuge” to co-locate their hungry bees to feast upon our abundant supply of pollen.
- This location will allow us to raise awareness about the destruction of bee populations due to harmful uses of pesticides such as neo-nicotinoids and herbicides like Round Up.

ARVIN, CA

A dedicated area of the flagship to engage and educate the local community

- A community earned / owned vehicle to foster food sovereignty & wellness entrepreneurship
- Aquaponic wellness garden - students and residents can grow/access culturally sacred medicinal or culinary plants— cilantro, jalapeno, hibiscus, tomatoes, traditional corn, etc
- Prep station – local residents share access to cooking and cleaning supplies to host their own community dinners of 10 or more people
- Cultural showcase teaching about the three sisters & aquaponics (K-12+ students)
 - The history of the three sisters & aquaponics in Mexico (where it originated)
 - Interconnectedness of all plant and human life (how to achieve harmony amongst diversity)
 - The benefits of co-planting
 - Introduction to food sovereignty

INDUSTRIAL SYMBIOSIS

Concepts Overview (not at flagship)

ARVIN MUNICIPAL WATER TREATMENT

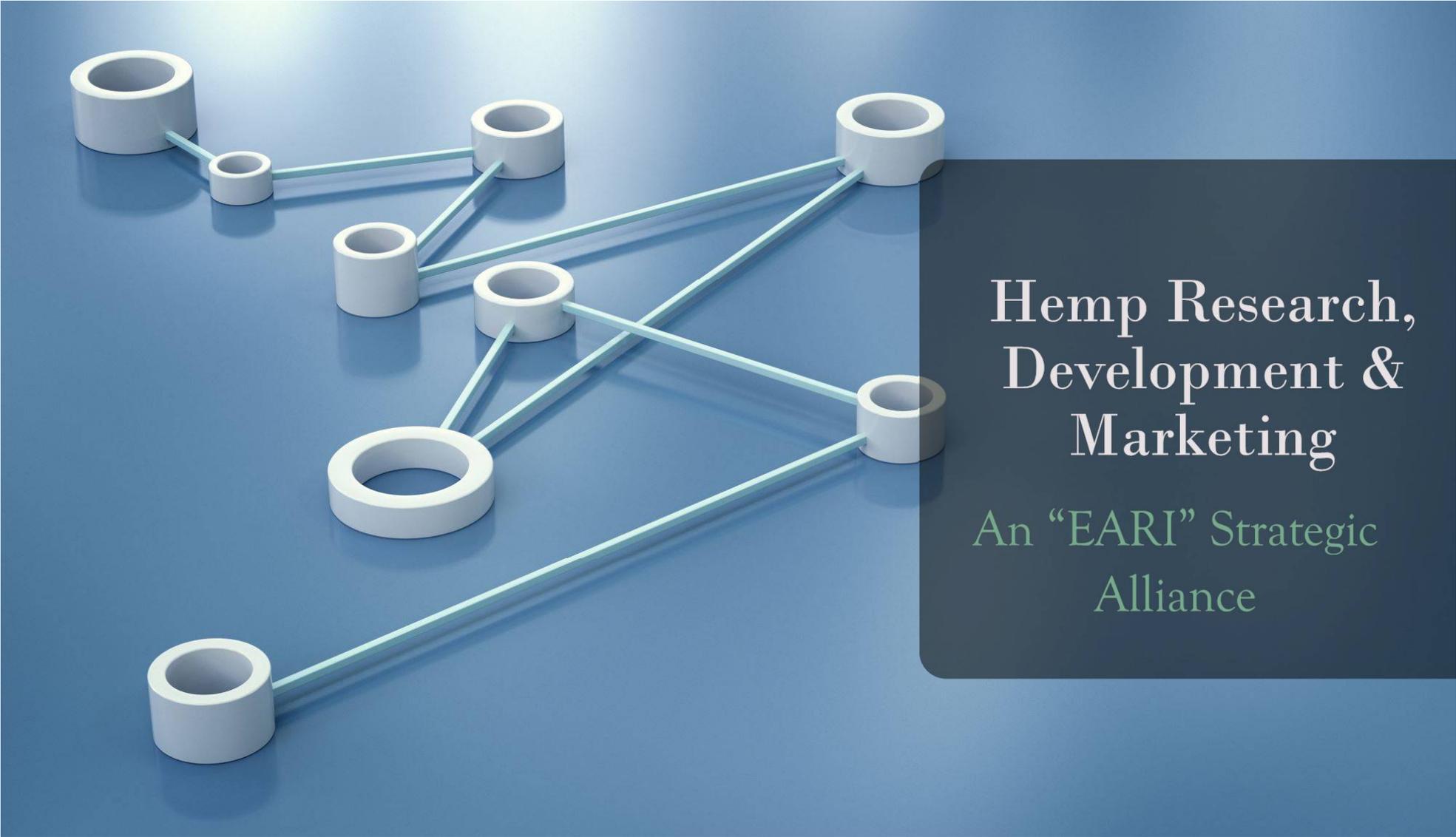
- Co-located industrial scale aquaponics systems with Arvin to help remove “hard to get” contaminants from municipal water supply (Arsenic, Boron, TCP, etc)
- This may include Green Members of the Gas & Oil Industry
- Development of genetics & biological strains to remove these contaminants

ENERGY COMPANIES LOCATED IN ARVIN

- Co-located industrial scale aquaponics systems with local energy industry partners to develop specific genetics that are particularly good at removing specific contaminants related to produced water (Arsenic, Boron, Chloride, Sodium)
- Energy partners utilize low intensity pyrolysis on hemp biomass (from remediation projects) to develop BioCoal – a carbon neutral drop-in replacement for coal derived from hemp
- Using Hemp Bio-Coal and/or Pyrolysis for the production of heat energy supporting annually sustainable food production in the colder climates.

THANK YOU

We appreciate your consideration to not only pioneer the cannabis industry with the Leadership and City of Arvin, but to work towards developing new models by which we can protect our planet, connect our community, and create meaningful, sustainable jobs for a green future.



Hemp Research, Development & Marketing

An "EARI" Strategic
Alliance

Summary of Key Industrial Categories for Hemp



The Hemp
“EARI” IS the
Hub
for Arvin
Partnerships:
Key JV
Partners

- ◇ Multiple Partnership Categories, for example:
 - ◇ Ag Real Estate and Production JV,
 - ◇ Extraction and Manufacturing JV,
 - ◇ BioPharma JV,
 - ◇ Genetics & Production JV,
 - ◇ Sustainable Energy JV,
 - ◇ Clean Water JV, and
 - ◇ Fiber & Industrial Materials JV

Examples of Revenue Streams for the City of Arvin

- ◇ City of Arvin Hemp Revenue Streams:
 - ◇ Arvin Owned Ag Land Lease: Revenue Sharing
 - ◇ Taxable Hemp Categories:
 - ◇ Commercial Hemp Growers
 - ◇ Extraction and Manufacturing
 - ◇ Movement of “hot hemp” into the Cannabis System



CITY OF ARVIN
Staff Report

Meeting Date: April 28, 2020

TO: City Council

FROM: Jeff Jones, Finance Director
Jerry Breckinridge, City Manager

SUBJECT: Consideration and Acceptance of Annual Financial Audit for the Period Ending June 30, 2019

Staff recommends to accept and file the following reports:

1. Independent Auditors' Report and Basic Financial Statements for the Year Ended June 30, 2019.
2. 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 for the Year Ended June 30, 2018.



To the Management
of the City of Arvin, California
Arvin, California

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Arvin, California, (the "City") for the year ended June 30, 2019 and have issued our report thereon dated March 27, 2020. We noted the following matters during our audit:

Active Transportation Program

There was no status update from prior year finding 2018-002 regarding audit conducted by California Department of Transportation ("Caltrans") for the City's Active Transportation Program project number ATPL-5370(027) – Sidewalk Improvements. We recommended the City work closely with Caltrans to develop the correction action plan and implement the correct action plan.

Bank Reconciliation

The bank reconciliation process was delayed significantly during the year ended June 30, 2019. The City prepared annual bank reconciliation to reconcile the entire fiscal year transactions. We recommended the City recruit and retain experienced staff in order to timely prepare the monthly bank reconciliations.

Repayment of Jewett Square Lease Financing Agreement

The City used Traffic Impact Fees Special Revenue Fund, Park Fees Special Revenue Fund, and Sanitation Enterprise Fund to pay for the Jewett Square Lease Financing Agreement principal and interest payments in the amounts of \$307,933, \$51,928, and \$81,077, respectively. We recommended the City evaluate the legality of using Sanitation Enterprise Fund to pay for debt service payments of the governmental activities.

Physical Inventory of Capital Assets and Land Held for Resale

The City, and as Successor Agency, has not performed physical inventory of all capital assets and properties held for resale on annual basis. We recommended the City departments work closely together to conduct physical inventory of all capital assets and properties held for resale to ensure all capital assets and properties held for resale are accounted for.

Restriction of Use

This information is intended solely for the use of the Management of the City and is not intended to be, and should not be, used by anyone other than the specific party.

The Pun Group, LLP

Santa Ana, California
March 27, 2020

200 E. Sandpointe Avenue, Suite 600, Santa Ana, California 92707
Tel: 949-777-8800 • Fax: 949-777-8850 • www.pungroup.com

City of Arvin

Arvin, California

**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***

For the Year Ended June 30, 2019



City of Arvin

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**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* 1**

Schedule of Findings and Responses:

Significant Deficiencies:

Finding 2019-001 – Untimely Transportation Development Enterprise Fund Reimbursement Processes 3



**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***

Independent Auditors' Report

Honorable Mayor and the Members of the City Council
of the City of Arvin
Arvin, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Arvin, California (the "City"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 27, 2020.

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 opinions 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as item 2019-001 that we consider to be significant deficiencies.

Honorable Mayor and the Members of the City Council
of the City of Arvin
Arvin, California
Page 2

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 matters that are required to be reported under *Government Auditing Standards*.

The City's Response to Findings

The City's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

The PwC Group, LLP

Santa Ana, California
March 27, 2020

City of Arvin
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

Finding 2019-001 Untimely Transportation Development Enterprise Fund Reimbursement Processes

Criteria:

The City is responsible for ensuring that the requests for reimbursement from third parties are performed timely in order to maximize their resources.

Condition:

The City has not been able to meet the funding requirements of Transportation Development Act, which has resulted in significant delays in receiving reimbursement. The City has funded the deficits of Transportation Development Enterprise Fund (the "Transportation Fund") from other City resources. As of June 30, 2019, \$505,057 has been advanced from the General Fund to cover the operating cash deficit of the Transportation Fund.

Cause:

The delay in receiving Transportation Development Act funding requirements for reimbursement was due to delay in timely financial statement closing process in the current and previous years. It caused delay in submitting the required audited financial statements to the Kern Council of Governments. The City also experienced turnover in various departments that resulted in delay in submitting reimbursement requests.

Effect or Potential Effect:

The City's cash and investments are the pivotal to the City's resource management and is impaired when reimbursement request are not timely submitted.

Recommendation:

We recommended the City recruit and retain experience staff in order to timely close the book, obtain and submit audited financial statements to Kern Council of Governments, and request reimbursements from the grantors for expenditures incurred.

View of Responsible Officials:

Management agrees with the recommendation and will strive to submit billings to Kern Council of Governments within 90 days after fiscal year end.

City of Arvin

Arvin, California

Independent Auditors' Report and Basic Financial Statements

For the Year Ended June 30, 2019

Prepared By
Finance Department
of the City of Arvin



City of Arvin
Basic Financial Statements
For the Year Ended June 30, 2019

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City of Arvin
Basic Financial Statements
For the Year Ended June 30, 2019

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and the Members of the City Council
of the City of Arvin
Arvin, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Arvin, California (the "City"), as of and for the year ended June 30, 2019, 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 of 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 auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

200 E. Sandpointe Avenue, Suite 600, Santa Ana, California 92707
Tel: 949-777-8800 • Fax: 949-777-8850 • www.pungroup.com

To the Honorable Mayor and the Members of the City Council
of the City of Arvin
Arvin, California
Page 2

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Schedules, the Schedules of the City’s Proportionate Share of Net Pension Liabilities and Related Ratios, and the Schedules of Contributions – Pensions on pages 71 through 77 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 Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management’s Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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, economical, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

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 Combining and Individual Nonmajor Fund Financial Statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

To the Honorable Mayor and the Members of the City Council
of the City of Arvin
Arvin, California
Page 3

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2020 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.

The PwC Group, LLP

Santa Ana, California
March 27, 2020

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Arvin
Statement of Net Position
June 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 3,045,998	\$ 2,193,220	\$ 5,239,218
Accounts receivables	948,790	803,542	1,752,332
Due from Successor Agency	154,865	-	154,865
Prepaid items	558,510	-	558,510
Internal balances	(390,295)	390,295	-
Total current assets	4,317,868	3,387,057	7,704,925
Noncurrent assets:			
Notes receivable - Successor Agency	574,008	-	574,008
Capital assets:			
Nondepreciable	2,251,590	1,408,784	3,660,374
Depreciable, net	25,292,162	5,639,162	30,931,324
Total capital assets	27,543,752	7,047,946	34,591,698
Total noncurrent assets	28,117,760	7,047,946	35,165,706
Total assets	32,435,628	10,435,003	42,870,631
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	871,889	90,806	962,695
Total deferred outflows of resources	871,889	90,806	962,695

City of Arvin
Statement of Net Position (Continued)
June 30, 2019

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
LIABILITIES			
Current liabilities:			
Accounts payable	267,664	670,050	937,714
Accrued payroll	371,351	6,326	377,677
Deposits	208,616	-	208,616
Unearned revenue	701,854	242,000	943,854
Interest payable	15,127	24,704	39,831
Compensated absences - due within one year	65,036	7,577	72,613
Long-term debt - due within one year	238,831	196,938	435,769
Total current liabilities	1,868,479	1,147,595	3,016,074
Noncurrent liabilities:			
Compensated absences - due in more than one year	260,146	30,306	290,452
Long-term debt - due in more than one year	4,285,000	3,830,808	8,115,808
Aggregate net pension liability	2,230,445	247,453	2,477,898
Total noncurrent liabilities	6,775,591	4,108,567	10,884,158
Total liabilities	8,644,070	5,256,162	13,900,232
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	126,652	20,259	146,911
Total deferred inflows of resources	126,652	20,259	146,911
NET POSITION			
Net investment in capital assets	23,019,921	3,020,200	26,040,121
Restricted:			
Transportation	74,077	-	74,077
Public safety	91,383	-	91,383
Public works	1,899,545	-	1,899,545
Planning/community development	281,075	-	281,075
Total restricted	2,346,080	-	2,346,080
Unrestricted	(829,206)	2,229,188	1,399,982
Total net position	\$ 24,536,795	\$ 5,249,388	\$ 29,786,183

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

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

Functions/Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:					
Governmental activities:					
General government	\$ 2,165,875	\$ 393,215	\$ 3,501	\$ -	\$ 396,716
Public safety	3,352,689	50,514	462,519	-	513,033
Public works	1,621,316	-	1,072,758	1,716,626	2,789,384
Community development	854,003	401,698	82,545	-	484,243
Interest and fiscal charges	90,890	-	-	-	-
Transit	-	-	-	55,351	55,351
Total governmental activities	8,084,773	845,427	1,621,323	1,771,977	4,238,727
Business-type activities:					
Transportation development	847,970	115,393	640,112	-	755,505
Sanitation	2,230,492	2,854,076	-	-	2,854,076
Total business-type activities	3,078,462	2,969,469	640,112	-	3,609,581
Total primary government	\$ 11,163,235	\$ 3,814,896	\$ 2,261,435	\$ 1,771,977	\$ 7,848,308

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Statement of Activities (Continued)
For the Year Ended June 30, 2019

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
Primary government:			
Governmental activities:			
General government	\$ (1,769,159)	\$ -	\$ (1,769,159)
Public safety	(2,839,656)	-	(2,839,656)
Public works	1,168,068	-	1,168,068
Community development	(369,760)	-	(369,760)
Interest and fiscal charges	(90,890)	-	(90,890)
Transit	55,351	-	55,351
Total governmental activities	(3,846,046)	-	(3,846,046)
Business-type activities:			
Transportation development	-	(92,465)	(92,465)
Sanitation	-	623,584	623,584
Total business-type activities	-	531,119	531,119
Total primary government	(3,846,046)	531,119	(3,314,927)
General Revenues and Transfers:			
General revenues:			
Taxes:			
Property taxes	259,161	-	259,161
Sales taxes	2,805,566	-	2,805,566
Franchise tax	431,690	-	431,690
Vehicle license fee in lieu tax	1,887,280	-	1,887,280
Other	2,200	-	2,200
Total taxes	5,385,897	-	5,385,897
Investment earnings	24,387	19,474	43,861
Revenue from use of property	49,949	-	49,949
Miscellaneous revenue	33,113	-	33,113
Transfers	81,077	(81,077)	-
Total general revenues and transfers	5,574,423	(61,603)	5,512,820
Change in net position	1,728,377	469,516	2,197,893
Net Position:			
Beginning of year, as restated (Note 13)	22,808,418	4,779,872	27,588,290
End of year	\$ 24,536,795	\$ 5,249,388	\$ 29,786,183

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

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FUND FINANCIAL STATEMENTS

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

General Fund - The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

Sycamore Road Flood Reduction Special Revenue Fund - Accounts for the grant received from the State Department of Water Resources to be used for building new infrastructure of sewer pipe to eliminate the flooding.

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City of Arvin
Balance Sheet
Governmental Funds
June 30, 2019

	Major Funds			Total Governmental Funds
	General	Sycamore Road Flood Reduction Special Revenue	Nonmajor Governmental Funds	
ASSETS				
Cash and investments	\$ 20,000	\$ -	\$ 3,025,998	\$ 3,045,998
Accounts receivables	519,629	-	429,161	948,790
Prepaid items and deposits	558,510	-	-	558,510
Due from other funds	1,093,554	-	-	1,093,554
Due from Successor Agency	154,865	-	-	154,865
Advances to Successor Agency	574,008	-	-	574,008
Total assets	\$ 2,920,566	\$ -	\$ 3,455,159	\$ 6,375,725
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 105,884	\$ -	\$ 161,780	\$ 267,664
Accrued payroll and benefits	318,442	-	52,909	371,351
Deposits payable	208,616	-	-	208,616
Due to other funds	895,352	-	588,497	1,483,849
Unearned revenue	-	-	701,854	701,854
Total liabilities	1,528,294	-	1,505,040	3,033,334
Deferred Inflows of Resources:				
Unavailable revenue	-	-	133,229	133,229
Total deferred inflows of resources	-	-	133,229	133,229
Fund Balances:				
Nonspendable	1,132,518	-	-	1,132,518
Restricted	-	-	2,346,080	2,346,080
Assigned	200,000	-	-	200,000
Unassigned (deficit)	59,754	-	(529,190)	(469,436)
Total fund balances	1,392,272	-	1,816,890	3,209,162
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,920,566	\$ -	\$ 3,455,159	\$ 6,375,725

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

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

Total Fund Balances - Total Governmental Funds	\$ 3,209,162
Amounts reported for Governmental Activities in the Statement of Net Position were different	
Capital Assets used in the governmental activities were not financial resources and therefore were not reported in the Governmental Funds Balance Sheet. Government-Wide Statement of Net Position	27,543,752
Interest is recognized when due, and therefore, interest payable is not reported in the governmental fund.	(15,127)
Long-term liabilities were not due and payable in the current period and therefore were not reported in the Governmental Funds Balance Sheet. Amount reported in Government-Wide Statement of Net Position	
Compensated absences - due within one year	(65,036)
Compensated absences - due in more than one year	(260,146)
Long-term debt - due within one year	(238,831)
Long-term debt - due in more than one year	(4,285,000)
Total long-term liabilities	(4,849,013)
Net pension liability is not due and payable in the current period and therefore is not reported in the governmental funds.	(2,230,445)
Pension related deferred outflows of resources are not reported in the governmental funds but are reported in the government-wide financial statements.	871,889
Pension related deferred inflows of resources are not reported in the governmental funds but are reported in government-wide financial statements	(126,652)
Revenues earned but not available to pay for current expenditures for governmental funds are reported as unavailable revenue in governmental funds but recognized as revenue in Government-Wide financial statements.	133,229
Net Position of Governmental Activities	\$ 24,536,795

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

	Major Funds			Total Governmental Funds
	General	Sycamore Road Flood Reduction Special Revenue	Nonmajor Governmental Funds	
REVENUES:				
Property taxes and special assessments	\$ 259,161	\$ -	\$ 117,126	\$ 376,287
Property tax in lieu of VLF	1,887,280	-	-	1,887,280
Sales tax	2,805,566	-	-	2,805,566
Franchise tax	431,690	-	-	431,690
Other taxes	2,200	-	-	2,200
Licenses, permits and fees	454,505	-	65,115	519,620
Fines, forfeitures and penalties	8,017	-	-	8,017
Investment income	13,158	-	11,229	24,387
Lease revenue	49,949	-	-	49,949
Intergovernmental	43,703	2,784,958	2,000,206	4,828,867
Charges for services	349,371	-	25,000	374,371
Other	56,027	-	16,353	72,380
Total revenues	6,360,627	2,784,958	2,235,029	11,380,614
EXPENDITURES:				
Current:				
General government	1,991,565	-	-	1,991,565
Public safety	2,855,326	-	275,973	3,131,299
Public works	373,021	-	573,755	946,776
Planning/community development	723,377	-	114,989	838,366
Capital outlay	-	1,665,363	550,946	2,216,309
Debt services:				
Principal retirement	46,418	-	180,000	226,418
Interest and fiscal charge	4,953	-	179,861	184,814
Total expenditures	5,994,660	1,665,363	1,875,524	9,535,547
REVENUE OVER (UNDER) EXPENDITURES	365,967	1,119,595	359,505	1,845,067
OTHER FINANCING SOURCES:				
Transfers in	-	-	81,077	81,077
Total other financing sources	-	-	81,077	81,077
NET CHANGE IN FUND BALANCES	365,967	1,119,595	440,582	1,926,144
FUND BALANCES:				
Beginning of year, as restated (Note 13)	1,026,305	(1,119,595)	1,376,308	1,283,018
End of year	<u>\$ 1,392,272</u>	<u>\$ -</u>	<u>\$ 1,816,890</u>	<u>\$ 3,209,162</u>

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

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

Net Change in Fund Balances - Total Governmental Funds \$ 1,926,144

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

Governmental funds reported capital outlay as expenditures. Capital outlay expenditures are included in the Statement of Revenues, Expenditures, and Changes in Fund Balances throughout various departments. However, in the Government-Wide Statement of Activities the cost of those assets was allocated over their estimated useful lives as depreciation expenses. This is the amount of capital assets recorded in the current period.

Capital outlay	\$ 2,216,309	
Less: noncapitalized current expenditures	<u>(84,675)</u>	<u>2,131,634</u>

Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources.		(848,903)
--	--	-----------

Long-term compensated absences expense was reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. Therefore, the changes in long-term compensated absences was not reported as an expenditure in the governmental funds.		(60,516)
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Pension expense, net of contribution made after measurement date in the amount of \$324,566, was reported as pension expense in the Government-Wide Financial Statements.		(91,783)
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Proceeds from long-term debt provided current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Repayment of long-term debt was an expenditure in the governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.

Principal retirement	226,418	
Interest accrual on notes payable and lease payable	<u>93,924</u>	<u>320,342</u>

Unavailable revenue is not recognized as revenue in the governmental funds since the revenue is not available to fund expenditures of the current year.		<u>(1,648,541)</u>
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Change in Net Position of Governmental Activities		<u><u>\$ 1,728,377</u></u>
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PROPRIETARY FUND FINANCIAL STATEMENTS

Transportation Development Enterprise Fund - accounts for financial activity related to the public transit services provided by the City.

Sanitation Enterprise Fund - accounts for the financial activity of the waste water services of the City. These services are provided through contracts with independent contractors.

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

	Major Funds		
	Enterprise Funds		
	Transportation Development	Sanitation	Total
ASSETS			
Current assets:			
Cash and investments	\$ -	\$ 2,193,220	\$ 2,193,220
Accounts receivable	803,542	-	803,542
Due from other funds	-	895,352	895,352
Total current assets	803,542	3,088,572	3,892,114
Noncurrent assets:			
Capital assets:			
Nondepreciable	-	1,408,784	1,408,784
Depreciable, net	5,625	5,633,537	5,639,162
Total capital assets	5,625	7,042,321	7,047,946
Total noncurrent assets	5,625	7,042,321	7,047,946
Total assets	809,167	10,130,893	10,940,060
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	90,806	-	90,806
Total deferred outflows of resources	90,806	-	90,806
LIABILITIES			
Current liabilities:			
Accounts payable	9,869	660,181	670,050
Accrued payroll and benefits	6,326	-	6,326
Unearned revenue	-	242,000	242,000
Interest payable	-	24,704	24,704
Due to other funds	505,057	-	505,057
Compensated absences - due within one year	7,577	-	7,577
Long-term debt - due within one year	-	196,938	196,938
Total current liabilities	528,829	1,123,823	1,652,652
Noncurrent liabilities:			
Compensated absences - due in more than one year	30,306	-	30,306
Long-term debt - due in more than one year	-	3,830,808	3,830,808
Aggregate net pension liability	247,453	-	247,453
Total noncurrent liabilities	277,759	3,830,808	4,108,567
Total liabilities	806,588	4,954,631	5,761,219
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	20,259	-	20,259
Total deferred inflows of resources	20,259	-	20,259
NET POSITION			
Net investment in capital assets	5,625	3,014,575	3,020,200
Unrestricted	67,501	2,161,687	2,229,188
Total net position	\$ 73,126	\$ 5,176,262	\$ 5,249,388

See accompanying Notes to the Basic Financial Statements.

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

	Major Funds		
	Enterprise Funds		
	Transportation Development	Sanitation	Total
OPERATING REVENUES:			
Charges for services	\$ 115,393	\$ 2,854,076	\$ 2,969,469
Total operating revenues	<u>115,393</u>	<u>2,854,076</u>	<u>2,969,469</u>
OPERATING EXPENSES:			
Salaries and benefits	520,055	34,913	554,968
Vehicle operations	176,010	-	176,010
Sanitation operations	-	1,624,404	1,624,404
General and administrative	144,718	137,691	282,409
Depreciation	7,187	281,155	288,342
Total operating expenses	<u>847,970</u>	<u>2,078,163</u>	<u>2,926,133</u>
OPERATING INCOME (LOSS)	<u>(732,577)</u>	<u>775,913</u>	<u>43,336</u>
NONOPERATING REVENUES (EXPENSES):			
Interest income	-	19,474	19,474
Interest expense	-	(152,329)	(152,329)
Intergovernmental	640,112	-	640,112
Total nonoperating revenues (expenses)	<u>640,112</u>	<u>(132,855)</u>	<u>507,257</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(92,465)</u>	<u>643,058</u>	<u>550,593</u>
TRANSFERS:			
Transfers out	-	(81,077)	(81,077)
Total transfers	<u>-</u>	<u>(81,077)</u>	<u>(81,077)</u>
CHANGE IN NET POSITION	<u>(92,465)</u>	<u>561,981</u>	<u>469,516</u>
NET POSITION:			
Beginning of year	165,591	4,614,281	4,779,872
End of year	<u>\$ 73,126</u>	<u>\$ 5,176,262</u>	<u>\$ 5,249,388</u>

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

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

	Major Funds		
	Enterprise Funds		
	Transportation Development	Sanitation	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 115,393	\$ 2,866,761	\$ 2,982,154
Cash payments to suppliers for goods and services	(354,201)	(1,243,868)	(1,598,069)
Cash payments to employees for services	(499,421)	(34,913)	(534,334)
Net cash provided by (used in) operating activities	(738,229)	1,587,980	849,751
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Subsidy from Local Transportation Fund	1,473,726	-	1,473,726
Cash received from other funds	-	234,848	234,848
Cash paid to other funds	(735,497)	(81,077)	(816,574)
Net cash provided by noncapital financing activities	738,229	153,771	892,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of assets	-	(666,276)	(666,276)
Principal payment	-	(189,885)	(189,885)
Interest paid	-	(153,493)	(153,493)
Net cash used in capital and related financing activities	-	(1,009,654)	(1,009,654)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	-	19,474	19,474
Net cash provided by investing activities	-	19,474	19,474
Net increase in cash and cash equivalents	-	751,571	751,571
CASH AND CASH EQUIVALENTS:			
Beginning of year	-	1,441,649	1,441,649
End of year	\$ -	\$ 2,193,220	\$ 2,193,220
RECONCILIATION TO STATEMENT OF NET POSITION:			
Cash and investments	\$ -	\$ 2,193,220	\$ 2,193,220
Total cash and cash equivalents	\$ -	\$ 2,193,220	\$ 2,193,220

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2019

	Major Funds		
	Enterprise Funds		
	Transportation Development	Sanitation	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating income (loss)	\$ (732,577)	\$ 775,913	\$ 43,336
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	7,187	281,155	288,342
Changes in operating assets and liabilities:			
Accounts receivable	-	12,685	12,685
Deferred outflows of resources related to pensions	(6,432)	-	(6,432)
Accounts payable	(33,473)	518,227	484,754
Accrued payroll	(2,120)	-	(2,120)
Accrued compensated absences	8,426	-	8,426
Aggregate net pension liability	14,547	-	14,547
Deferred inflows of resources related to pensions	6,213	-	6,213
Total adjustments	(5,652)	812,067	806,415
Net cash provided by (used in) operating activities	\$ (738,229)	\$ 1,587,980	\$ 849,751

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

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FIDUCIARY FUND FINANCIAL STATEMENTS

Successor Agency to the Arvin Community Redevelopment Agency Private-Purpose Trust Fund – This fund is used to account for monies received from the Kern County Auditor Controller for the repayment of the enforceable obligations of the former Arvin Community Redevelopment Agency. These funds are restricted for the sole purpose of payment of items on an approved Recognized Payment Obligation Schedule ("ROPS").

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

	Successor Agency to the Arvin Community Redevelopment Agency Private-Purpose Trust Fund
ASSETS	
Cash and investments	\$ 555,630
Cash and investments with fiscal agent	756,397
Land held for development	3,306,480
Capital assets:	
Depreciable, net	1,159,502
Total assets	<u>5,778,009</u>
LIABILITIES	
Accounts payable	5,065
Due to City of Arvin	154,865
Advances from City of Arvin	574,008
Interest Payable	145,125
Long-term debt:	
Due within one year	225,000
Due in more than one year	7,274,669
Total liabilities	<u>8,378,732</u>
NET POSITION (DEFICIT) HELD IN TRUST	
Unrestricted (deficit)	<u>\$ (2,600,723)</u>

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

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

	Successor Agency to the Arvin Community Redevelopment Agency Private-Purpose Trust Fund
ADDITIONS:	
Redevelopment Property Tax Trust Fund	\$ 910,383
DEDUCTIONS:	
Program expenses for redevelopment	16,800
Administrative expenses	117,538
Interest and fiscal agent expenses	617,203
Loss on disposal of projects	136,973
Loss on sale of properties, net	63,261
Depreciation expense	38,995
Total deductions	990,770
Net Change in net position	(80,387)
NET POSITION (DEFICIT):	
Beginning of year	(2,520,336)
End of year	\$ (2,600,723)

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

NOTES TO THE BASIC FINANCIAL STATEMENTS

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City of Arvin
Index to the Notes to the Basic Financial Statements
For the Year Ended June 30, 2019

NOTE	DESCRIPTION	PAGE
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City of Arvin
Notes to the Basic Financial Statements
For the Year Ended June 30, 2019

Note 1 – Reporting Entity and Summary of Significant Accounting Policies

A. Reporting Entity

The City of Arvin, California (the “City”) was incorporated December 21, 1960, as a general law city and as such draws its authority from the Constitution and laws of the State of California. The City has a council/manager form of government and is governed by a five-member elected council. The City Manager is appointed by the City Council. The City provides the following services: police, community services, street construction and maintenance, planning and zoning, street cleaning, transit, sanitation, and general administrative services.

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The primary criteria for including a potential component unit within the reporting entity are the governing body’s financial accountability and a financial benefit or burden relationship and whether it is misleading to exclude. A primary government is financially accountable and shares a financial benefit or burden relationship, if it appoints a voting majority of an organization’s governing body and it is able to impose its will on the organization, or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. A primary government may also be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government.

Arvin Joint Powers Financing Authority - The Arvin Joint Powers Financing Authority (“Authority”) was organized by the City and the Agency on October 6, 2005, under the laws of the State of California and operates pursuant to the Joint Exercise of Powers Act (Article 1, commencing with Section 6500, of Chapter 5, Division 7, Title 1 of the Government Code of the State).

B. Basis of Accounting and Measurement Focus

The basic financial statements of the City have been prepared in accordance with accounting principles generally accepted of the United States of America (“U.S. 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 accounts of the City are organized on the basis of funds, each of which is considered 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, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The City’s Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These financial statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Government-Wide Financial Statements (Continued)

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities and Changes in Net Position, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due from and to other funds
- Transfers in and out

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and aggregated non-major funds. An accompanying statement presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the Government-Wide Financial Statements. The City has presented all major funds that met the applicable criteria.

All governmental funds are accounted for on a spending or "*current financial resources*" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recorded when received in cash, except for that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Revenues from grants and other contributions are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Governmental Fund Financial Statements (Continued)

Unavailable revenues arise when potential revenues do not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unavailable and unearned revenues are removed from the Balance Sheet and revenues are recognized.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences.

The City reports the following major Governmental Funds:

General Fund - The General Fund is used to account for resources traditionally associated with government, which are not required legally, or by sound financial management to be accounted for in another fund.

Sycamore Road Flood Reduction Special Revenue Fund – Accounts for the grant received from the State Department of Water Resources to be used for building new infrastructure of sewer pipe to eliminate the flooding.

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows for each major Proprietary Fund.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. In these funds, receivables have been recorded as revenue and provisions have been made for uncollectible amounts.

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 proprietary funds are charges to customers for sales and services. Operating expenses for the proprietary funds include the costs 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.

The City reports the following major Proprietary Funds:

Transportation Development Enterprise Fund - accounts for financial activity related to the public transit services provided by the City.

Sanitation Enterprise Fund - accounts for the financial activity of the wastewater services of the City. These services are provided through contracts with independent contractors.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Fiduciary Fund Financial Statements

Fiduciary Fund Financial Statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The City's Fiduciary Funds represent the Private Purpose Trust Fund.

The City reports the following Private-Purpose Trust fund:

Successor Agency to the Arvin Community Redevelopment Agency Fund – accounts for monies received from the Kern County Auditor Controller for the repayment of the enforceable obligations of the former Arvin Community Redevelopment Agency. These funds are restricted for the sole purpose of payment of items on an approved Recognized Payment Obligation Schedule (“ROPS”).

C. Cash, Cash Equivalents and Investments

The City pools its available cash for investment purposes. The City’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. All cash and investments of proprietary funds are held in the City's investment pool. These cash pools have the general characteristics of a demand deposit account, therefore, all cash and investments in the proprietary funds are considered cash and cash equivalents for Statement of Cash Flows purposes.

Investments are reported at fair value (quoted market price or best available estimate thereof).

Certain disclosure requirements for Deposits and Investment Risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
 - Overall
 - Custodial Credit Risk
 - Concentrations of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (“LAIF”), which has invested a portion of the pool funds in Structured Notes and Asset-backed Securities. LAIF’s investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-backed Securities are subject to market risk as to change in interest rates.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

D. Cash and Investments with Fiscal Agents

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt.

E. Prepaid Items and Deposits

Certain payments to vendors applicable to future accounting periods are recorded as prepaid items and deposits. Prepaid items and deposits do not reflect current appropriable resources and, thus, an equivalent portion of fund balance is nonspendable.

F. Land Held for Development

The City acquired several parcels of land as part of its primary purpose to develop or redevelop properties. The City recorded these parcels as land held for development. These properties were transferred to the Successor Agency to the Arvin Community Redevelopment Agency (the “Successor Agency”) during the year ended June 30, 2014. Pursuant to the State law dissolving all redevelopment agencies, the Successor Agency has created, and the State has approved, a long range plan for the sale and disposition of all property previously held by the Arvin Community Redevelopment Agency. These properties are reported at the lower of cost or estimated net realizable value. At June 30, 2019, the carrying amount for land held for development was \$3,429,581.

G. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” or “advances to/from other funds” (i.e., the current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the Government-Wide Financial Statements as “internal balances.”

H. Capital Assets

Capital assets, which include land, buildings, improvements, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities in the Government-Wide Financial Statements. Capital assets are recorded at historical cost or estimated historical cost if actual cost is not available. Gifts or contributions of capital assets are recorded at fair market value when received. Donated capital assets are valued at their acquisition costs. City policy has set the capitalization threshold for reporting capital assets at \$5,000. Depreciation is recorded on a straight-line basis over the useful lives of the assets as follows:

Buildings and improvements	15-40 years
Vehicles	5 years
Machinery and equipment	5-20 years
Infrastructure	35-50 years

Gifts or contributions of capital assets are recorded at acquisition value when received. For all infrastructure systems, the City elected to use the Basic Approach for infrastructure reporting. The City defines infrastructure as capital assets that are stationary and have expected useful lives significantly in excess of most capital assets. The infrastructures include the street system, sewer collection and treatment system, park and recreation improvements, storm water conveyance system, and permanent monuments and signage.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

I. *Deferred Outflows and Inflows of Resources*

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods; therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources represent inflows of resources (acquisition of net position) that apply to future periods; therefore, are not recognized as revenue until that time.

J. *Unearned Revenue*

Unearned revenue is recognized for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues are prepaid charges for services and grants received but not yet earned.

K. *Compensated Absences*

Vested or accumulated vacation leave that is expected to be liquidated with expendable available resources is reported as an expenditure and related fund liability of the governmental fund responsible for payment. Amounts of vested or accumulated vacation leave and benefits that are not expected to be liquidated with expendable available resources are reported in the non-current portion of the obligations reported in the government-wide statement of net assets with corresponding changes in account balances reported as expenses in the statement of activities.

Vested or accumulated enterprise fund vacation leave and benefits are expensed with a corresponding fund liability for these unpaid accrued employee benefits. Vacation pay accruals generally do not exceed the amount earned for one year; however, an employee may accumulate up to a maximum of 320 hours of earned vacation time after which no further vacation accrues to the employee.

L. *Pensions*

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

The following timeframes are used for pension reporting:

Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Measurement Period	July 1, 2017 to June 30, 2018

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

L. Pensions (Continued)

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

M. Long-Term Debt

Government-Wide Financial Statements

Long-term debt and other long-term obligations are reported as liabilities in the appropriate activities.

Fund Financial Statements

The Governmental Fund Financial Statements do not present long-term liabilities. Consequently, long-term debt is shown as a reconciling item in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

Proprietary Fund and Fiduciary Fund Financial Statements use the same principles as those used in the Government-Wide Financial Statements.

N. Net Position

In the Government-Wide Financial Statements and the proprietary fund financial statements, net position is classified as follows:

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

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred outflows and inflows of resources related to those assets.

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

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

O. Fund Balances

In the governmental fund financial statements, fund balances are classified in the following categories:

Nonspendable – Nonspendable fund balances are items that cannot be spent because they are not in spendable form, such as prepaid items and inventories, items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed – Committed fund balances encompass the portion of net fund resources, the use of which 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. Adoption of a resolution by the City Council is required to commit resources or to rescind the commitment.

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. 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 City Manager and the Director of Finance for that purpose.

Unassigned – This amount is for any portion of the fund balances that do not fall into one of the above categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

P. Spending Policy

Government-Wide Financial Statements and the Proprietary Fund Financial Statements

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

Governmental Fund Financial Statements

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

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Q. Property Taxes

In 1978, a State constitutional amendment (Article XIII A) provided that the ad valorem real property tax rate be limited to 1% of market value and be levied only by the county and shared with all other jurisdictions. The County of Kern collects the property taxes and distributes them to taxing jurisdictions on the basis of the taxing jurisdictions' assessed valuations, subject to adjustments for voter-approved debt.

Lien Date	January 1
Levy Date	June 30
Due Date	November 1 and February 1
Collection Dates	December 10 and April 10

R. Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amount and disclosures. Accordingly, actual results could differ from those estimates.

S. Accounting Changes

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements (GASB 88)*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. See Note 6 for City's long-term debt disclosures.

Note 2 – Cash and Investments

The following is a summary of pooled cash and investments, including cash and investments with fiscal agents at June 30, 2019.

	Government-Wide Statement of Net Position			Fiduciary Funds	
	Governmental Activities	Business-Type Activities	Total	Statement of Net Position	Total
Cash and investments	\$ 3,045,998	\$ 2,193,220	\$ 5,239,218	\$ 555,630	\$ 5,794,848
Cash and investments with fiscal agents	-	-	-	756,397	756,397
Total	\$ 3,045,998	\$ 2,193,220	\$ 5,239,218	\$ 1,312,027	\$ 6,551,245

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

Demand Deposits	\$ 269,669
Investments	5,525,179
Cash and investments with fiscal agents	756,397
Total	\$ 6,551,245

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 2 – Cash and Investments (Continued)

A. Demand Deposits

At June 30, 2019, the carrying amount of the City's deposits was \$269,669 and the bank balances were \$1,350,696. The total bank balance was covered by federal depository insurance or by collateral held by the City's agent in the City's name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure a City's deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agency of Depository recognized by the State of California Department of Banking.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated on an accounting period basis to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

B. Investments

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

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer
Bankers' Acceptance	180 days	15%	10%
Commercial Paper	270 days	15%	10%
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Obligations	5 years	None	None
Medium Term Notes	2 years	15%	10%
Collateralized Bank Deposits	5 years	100%	None
Repurchase Agreements	1 year	15%	10%
Money Market Funds	N/A	20%	10%
Local Agency Investment Fund (LAIF)	N/A	None	\$50 Million**
Certificate of Deposits	5 years	30%	None
Kern County Pooled Investment Fund	None	None	None

* Excluding amounts held by bond trustee that are not subject to California Government Code restriction.

** Maximum is \$50 million per account.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 2 – Cash and Investments (Continued)

B. Investments (Continued)

Investments Authorized by Debt Agreements

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances	360 days	None	None
Commercial Paper	270 days	None	None
Money Market Funds	N/A	None	None
Investment Contracts	30 years	None	None
Certificates of Deposit	None	None	None
Repurchase Agreements	None	None	None
Mortgage Pass-Through Securities	None	None	None
State Bonds or Notes	None	None	None
Municipal Bonds or Notes	None	None	None

C. Risks Disclosures

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy provides that final maturities of securities cannot exceed five years. Specific maturities of investments depend on liquidity needs. At June 30, 2019, the City's investments had the following maturities:

Investment Type	Fair Value	Investment Maturities (In Years) 1 year or less
Local Agency Investment Fund ("LAIF")	\$ 5,071,074	\$ 5,071,074
Money Market Funds	133,576	133,576
Central San Joaquin Valley Risk Management Authority ("CSJVRMA") Investment Pool	320,529	320,529
Total	\$ 5,525,179	\$ 5,525,179

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. The City's investment policy provides that this risk be mitigated by investing in investment grade securities and by diversifying the investment portfolio. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investments had the following ratings:

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 2 – Cash and Investments (Continued)

C. Risks Disclosures (Continued)

Credit Risk (Continued)

Credit Quality Distribution for Securities
with Credit Exposure as a Percentage of Total Investments

Investment Type	Fair Value	Moody's Credit Rating	S&P's Credit Rating	% of Investments with Interest Rate Risk
Local Agency Investment Fund	\$ 5,071,074	Not Rated	Not Rated	92%
Money Market Funds	133,576	AAA	AAA	2%
Central San Joaquin Valley Risk Management Authority ("CSJVRMA") Investment Pool	320,529	Not Rated	Not Rated	6%
Total	\$ 5,525,179			100%

Custodial Credit Risk – For deposits, custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the City 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. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer), the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Concentration of Credit Risk – The City's investment policy contains limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer that represent 5% or more of total City's investments are as follows:

Issuer	Type of Investments	Amounts	Percent
Central San Joaquin Valley Risk Management Authority ("CSJVRMA") Investment Pool	External Investment Pool	\$ 320,529	5.8%

D. Investment in Local Agency Investment Fund

The City's investments with LAIF at June 30, 2019, included a small portion of the pooled funds invested in Structured Notes and Asset-Backed Securities. These investments may include the following:

Structured Notes – debt securities (other than asset-back securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities – generally mortgage-backed securities which entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 2 – Cash and Investments (Continued)

D. Investment in Local Agency Investment Fund (Continued)

As of June 30, 2019, the City had \$5,071,074 invested in LAIF, which had invested 1.77% of the pool investment funds in Structured Notes and Asset-Back Securities. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. The City's investment in LAIF is reported at amortized cost.

E. Investment in Central San Joaquin Valley Risk Management Authority Investment Pool

The City invested in an investment pool account with the Central San Joaquin Valley Risk Management Authority ("CSJVRMA"). At June 30, 2019, this account was valued at \$320,529. The City received an average yield of 3.16% for the fiscal year ended June 30, 2019 on this investment. The City's investment in CSJVRMA is reported at amortized cost.

F. Cash and Investment with Fiscal Agents

At June 30, 2019, cash and investments with fiscal agents were as follows:

		Funds Held By
Fiduciary Fund Financial Statements:		
Successor Agency Fund		
Tax Allocation Bonds 2005 Series	\$ 410,032	Wells Fargo Bank
Tax Allocation Bonds 2008 Series	346,365	Wells Fargo Bank
Total cash and investments with fiscal agents	\$ 756,397	

Note 3 – Interfund Balances and Transactions

Due to/Due from other funds

At June 30, 2019, the City had the following short-term interfund receivables and payables:

	Due from other funds		Total
	Governmental Funds	Proprietary Fund	
Due to other funds	General Fund	Sanitation	Total
Governmental Funds:			
General Fund	\$ -	\$ 895,352	\$ 895,352
Nonmajor Governmental Funds	588,497	-	588,497
Proprietary Fund:			
Transportation Development			
Enterprise Fund	505,057	-	505,057
Total	\$ 1,093,554	\$ 895,352	\$ 1,988,906

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 3 – Interfund Balances and Transactions (Continued)

Due to/Due from other funds (Continued)

Current interfund balances arise in the normal course of operations to cover cash shortages and are expected to be repaid by the end of the next fiscal year.

Transfers In/Out

For the year ended June 30, 2019, transfers in and out consisted of the followings:

		Transfers in
		Governmental Funds
		Nonmajor Governmental Fund
Transfers out		
Proprietary Fund:		
Sanitation Enterprise Fund	\$	81,077

With Council approval, resources may be transferred from one City fund to another. Transfers from Sanitation Enterprise Fund to Traffic Impact Fees Special Revenue Fund in the amount of \$81,077 were to provide funding for repayment of Jewett Square Lease Financing Agreement.

Note 4 – Interfund Transactions with the Successor Agency

Due from Successor Agency

During the year ended June 30, 2015, the Successor Agency borrowed \$569,076 from General Fund to pay its debt service obligations and maintain reserve requirements for 2005 and 2008 Tax Allocation Bonds. It is reported as due from Successor Agency under General Fund and due to the City of Arvin under Successor Agency. The amount will be repaid when the Successor Agency receives ROPS payments. The outstanding at June 30, 2019 is \$154,865.

Advances to Successor Agency

As of February 1, 2012, the Arvin Community Redevelopment Agency was dissolved as a result of Assembly Bill 1X 26 and the notes payable to the City were transferred to the Successor Agency. The notes are to be repaid to the City as part of the Successor Agency's Required Operating Payments Schedule ("ROPS"). The General Fund has loaned a cumulative amount of \$533,456 to the Successor Agency to fund operating expenses and bond payoffs. At June 30, 2019, total principal and interest outstanding was \$574,008. The portion of fund balance associated with amounts that have been disbursed to other funds in the form of long-term notes receivable have been classified as nonspendable unless the funds associated with repayment of the notes is otherwise restricted for specific purposes.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 5 – Capital Assets

A. Government-Wide Financial Statements

Summary of changes in capital assets for governmental activities for the year ended June 30, 2019 are as follows:

	Balance July 1, 2018	Additions	Deletions	Transfers	Balance June 30, 2019
Governmental Activities:					
Capital assets, not being depreciated					
Land	\$ 234,035	\$ -	\$ -	\$ -	\$ 234,035
Construction in progress	9,346,584	1,925,152	-	(9,254,181)	2,017,555
Total capital assets, not being depreciated	9,580,619	1,925,152	-	(9,254,181)	2,251,590
Capital assets, being depreciated					
Building and improvements	5,160,491	-	-	-	5,160,491
Machinery and equipment	1,599,891	103,649	-	-	1,703,540
Automotive equipment	2,166,250	-	-	-	2,166,250
Infrastructure	14,913,926	102,833	-	9,254,181	24,270,940
Total capital assets, being depreciated	23,840,558	206,482	-	9,254,181	33,301,221
Accumulated depreciation:					
Building and improvements	(2,418,145)	(131,272)	-	-	(2,549,417)
Machinery and equipment	(1,402,706)	(43,037)	-	-	(1,445,743)
Automotive equipment	(1,831,597)	(114,221)	-	-	(1,945,818)
Infrastructure	(1,507,708)	(560,373)	-	-	(2,068,081)
Total accumulated depreciation	(7,160,156)	(848,903)	-	-	(8,009,059)
Total capital assets, being depreciated, net	16,680,402	(642,421)	-	9,254,181	25,292,162
Total capital assets, net	<u>\$ 26,261,021</u>	<u>\$ 1,282,731</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,543,752</u>

Depreciation expense was charged to functions/programs as follows:

General government	\$ 112,241
Public safety	100,281
Public works	620,744
Community development	15,637
Total depreciation expenses	<u>\$ 848,903</u>

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 5 – Capital Assets (Continued)

B. Business-Type Financial Statements

Summary of changes in capital assets for business-type activities for the year ended June 30, 2019 are as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
Business-Type Activities:				
Capital assets, not being depreciated				
Land	\$ 910,053	\$ -	\$ -	\$ 910,053
Construction in progress	-	498,731	-	498,731
Total capital assets, not being depreciated	<u>910,053</u>	<u>498,731</u>	<u>-</u>	<u>1,408,784</u>
Capital assets, being depreciated				
Building and improvements	4,216,103	-	-	4,216,103
Machinery and equipment	127,090	-	-	127,090
Automotive equipment	909,156	-	(270,366)	638,790
Infrastructure	6,398,644	167,545	-	6,566,189
Total capital assets, being depreciated	<u>11,650,993</u>	<u>167,545</u>	<u>(270,366)</u>	<u>11,548,172</u>
Accumulated depreciation:				
Building and improvements	(2,295,275)	(102,982)	-	(2,398,257)
Machinery and equipment	(114,278)	(7,187)	-	(121,465)
Automotive equipment	(909,156)	-	270,366	(638,790)
Infrastructure	(2,572,325)	(178,173)	-	(2,750,498)
Total accumulated depreciation	<u>(5,891,034)</u>	<u>(288,342)</u>	<u>270,366</u>	<u>(5,909,010)</u>
Total capital assets, being depreciated, net	<u>5,759,959</u>	<u>(120,797)</u>	<u>-</u>	<u>5,639,162</u>
Total capital assets, net	<u>\$ 6,670,012</u>	<u>\$ 377,934</u>	<u>\$ -</u>	<u>\$ 7,047,946</u>

Depreciation expenses for business-type activities for the year ended June 30, 2019 are as follows:

Transportation Development	\$ 7,187
Sanitation	<u>281,155</u>
Total depreciation expenses	<u><u>\$ 288,342</u></u>

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 5 – Capital Assets (Continued)

C. Fiduciary Fund Financial Statements

Summary of changes in capital assets for fiduciary fund financial statements for the year ended June 30, 2019 are as follows:

	Balance July 1, 2018	Additions	Deletions	Transfers	Balance June 30, 2019
Fiduciary-Type Activities:					
Capital assets, not being depreciated					
Construction in progress	\$ 136,973	\$ -	\$ (136,973)		\$ -
Total capital assets, not being depreciated	136,973	-	(136,973)	-	-
Capital assets, being depreciated					
Building and improvements	460,540	-	-	-	460,540
Infrastructure	1,047,399	-	-	-	1,047,399
Vehicles	226,698	-	-	-	226,698
Total capital assets, being depreciated	1,734,637	-	-	-	1,734,637
Accumulated depreciation:					
Building and improvements	(126,307)	(12,380)	-	-	(138,687)
Infrastructure	(183,134)	(26,615)	-	-	(209,749)
Vehicles	(226,699)	-	-	-	(226,699)
Total accumulated depreciation	(536,140)	(38,995)	-	-	(575,135)
Total capital assets, being depreciated, net	1,198,497	(38,995)	-	-	1,159,502
Total capital assets, net	\$ 1,335,470	\$ (38,995)	\$ (136,973)	\$ -	\$ 1,159,502

Depreciation expenses for fiduciary activities for the year ended June 30, 2019 was \$38,995.

Note 6 – Long-Term Debt

A. Governmental Activities

Summary of changes in governmental activities long-term debt for the year ended June 30, 2019 are as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019	Amount Due Within One Year	Amount Due In More Than One Year
Jewett Square Lease Financing Agreement	\$ 4,655,000	\$ -	\$ (180,000)	\$ 4,475,000	\$ 190,000	\$ 4,285,000
Ford Motor Credit Company	95,249	-	(46,418)	48,831	48,831	-
Total	\$ 4,750,249	\$ -	\$ (226,418)	\$ 4,523,831	\$ 238,831	\$ 4,285,000

Jewett Square Lease Financing Agreement – Original Loan \$4,995,000

On December 9, 2015, the City executed a loan agreement with TPB Investments, Inc., a wholly owned subsidiary of Western Alliance Bank in the amount of \$4,995,000 relating to the facility lease for the Jewett Square. The term of the placement is 20 years, commencing on December 9, 2015 through December 1, 2035, at an interest rate of 3.94%.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 6 – Long-Term Debt (Continued)

A. Governmental Activities (Continued)

Jewett Square Lease Financing Agreement – Original Loan \$4,995,000 (Continued)

The annual debt service requirements on the lease financing agreement outstanding at June 30, 2019, were as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 190,000	\$ 176,315	\$ 366,315
2021	195,000	168,829	363,829
2022	205,000	161,146	366,146
2023	215,000	153,069	368,069
2024	220,000	144,598	364,598
2025-2029	1,250,000	585,090	1,835,090
2030-2034	1,510,000	318,943	1,828,943
2035-2036	690,000	40,976	730,976
Total	\$ 4,475,000	\$ 1,748,966	\$ 6,223,966

Ford Motor Credit Company – Original Loan \$190,744

On January 27, 2017, the City entered into a Master Equipment Lease-Purchase Agreement with Ford Motor Credit Company for the lease of four police vehicles. Payments are four consecutive annual in advance payment of \$51,371 each (including interest) with 5.20% interest ending January 27, 2020. The outstanding at June 30, 2019 was \$48,831.

The assets acquired through capital leases are as follows:

	Governmental Activities
Assets:	
Vehicles	\$ 190,744
Less: accumulated depreciation	(92,193)
Total	<u>\$ 98,551</u>

The annual debt service requirements outstanding at June 30, 2019, were as follows:

Fiscal Year	Governmental Activities
2020	\$ 51,371
Less amount representing interest	<u>2,540</u>
Present Value of Future Minimum Lease Payment	<u>\$ 48,831</u>

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 6 – Long-Term Debt (Continued)

B. Business-Type Activities

Summary of changes in business-type activities long-term debt for the year ended June 30, 2019 are as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019	Amount Due Within One Year	Amount Due In More Than One Year
2016 Wastewater Revenue Refunding Note	\$ 4,217,631	\$ -	\$ (189,885)	\$ 4,027,746	\$ 196,938	\$ 3,830,808
Total	\$ 4,217,631	\$ -	\$ (189,885)	\$ 4,027,746	\$ 196,938	\$ 3,830,808

2016 Wastewater Revenue Refunding Note – Original Issue \$4,472,712

On December 8, 2016, the City entered into an agreement with TPB Investments, Inc, a wholly owned subsidiary of Western Alliance Bank, an Arizona Corporation in the amount of \$4,472,712 for the purpose of refinancing outstanding obligations of the City relating to the wastewater treatment plant. TPB Investments, Inc is entitled to recover its equity, initially \$4,472,712, in the contract over 17 years. Payments amortizing this equity in the sum of \$28,612 per month are made by the City resulting in an implicit interest rate of approximately 3.68% per annum. The outstanding at June 30, 2019 was \$4,027,746.

The annual debt service requirements on the agreement outstanding at June 30, 2019, were as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 196,938	\$ 146,442	\$ 343,380
2021	204,252	139,129	343,381
2022	211,839	131,544	343,383
2023	219,707	123,677	343,384
2024	227,867	115,518	343,385
2025-2029	1,272,750	444,199	1,716,949
2030-2034	1,527,332	189,659	1,716,991
2035	167,061	3,074	170,135
Total	\$ 4,027,746	\$ 1,293,242	\$ 5,320,988

C. Fiduciary Funds

Summary of changes in fiduciary funds long-term debt for the year ended June 30, 2019 are as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019	Amount Due Within One Year	Amount Due In More Than One Year
2005 Tax Allocation Bonds	\$ 4,715,000	\$ -	\$ (170,000)	\$ 4,545,000	\$ 175,000	\$ 4,370,000
2008 Tax Allocation Bonds	3,210,000	-	(45,000)	3,165,000	50,000	3,115,000
Total Tax Allocation Bonds	7,925,000	-	(215,000)	7,710,000	225,000	7,485,000
Less deferred amounts:						
Bond discounts	(222,543)	-	12,212	(210,331)	-	(210,331)
Total deferred amounts	(222,543)	-	12,212	(210,331)	-	(210,331)
Total	\$ 7,702,457	\$ -	\$ (202,788)	\$ 7,499,669	\$ 225,000	\$ 7,274,669

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 6 – Long-Term Debt (Continued)

C. Fiduciary Funds (Continued)

2005 Tax Allocation Bonds – Original Issue \$6,250,000

On October 6, 2005, the Redevelopment Agency issued Tax Allocation Bonds with a face value of \$6,250,000, at a combined original issue discount and underwriter's discount of \$251,088. Issuance costs of \$78,360 were incurred. The bond discount is amortized ratably over the average 30-year life of the bond issue on a straight-line basis. The Bonds bear interest at the net average rate of 5.18% and are payable semi-annually maturing through September 1, 2035. Bonds outstanding at June 30, 2019 were \$4,545,000.

The annual debt service requirements on the loan outstanding at June 30, 2019, were as follows:

Year Ending June 30, 2019	Principal	Interest	Total
2020	\$ 175,000	\$ 226,038	\$ 401,038
2021	185,000	217,531	402,531
2022	195,000	208,263	403,263
2023	205,000	198,263	403,263
2024	215,000	187,763	402,763
2025-2029	1,235,000	761,891	1,996,891
2030-2034	1,585,000	403,722	1,988,722
2035-2036	750,000	38,949	788,949
Total	<u>\$ 4,545,000</u>	<u>\$ 2,242,420</u>	<u>\$ 6,787,420</u>

2008 Tax Allocation Bonds – Original Issue \$3,530,000

On August 7, 2008, the Redevelopment Agency issued Tax Allocation Bonds with a face value of \$3,530,000, at a combined original issue discount and underwriter's discount of \$115,250. Issuance costs of \$92,330 were incurred. The bond discount is amortized ratably over the average 30-year life of the bond issue on a straight-line basis. The Bonds bear interest ranging 5.00% to 6.5% and are payable semi-annually maturing through September 1, 2038. Bonds outstanding at June 30, 2019 were \$3,165,000.

The annual debt service requirements on the loan outstanding at June 30, 2019, were as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 50,000	\$ 203,850	\$ 253,850
2021	50,000	200,850	250,850
2022	55,000	197,438	252,438
2023	60,000	193,700	253,700
2024	60,000	189,800	249,800
2025-2029	375,000	881,563	1,256,563
2030-2034	515,000	737,913	1,252,913
2035-2039	2,000,000	417,625	2,417,625
Total	<u>\$ 3,165,000</u>	<u>\$ 3,022,739</u>	<u>\$ 6,187,739</u>

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 6 – Long-Term Debt (Continued)

C. Fiduciary Funds (Continued)

Pledged Revenues

The Successor Agency has pledged tax revenues to the repayment of the RDA's debts transferred to it on February 1, 2012 through the final maturity of the Bonds, or early retirement of the Bonds, whichever comes first.

Tax revenues consist of property tax revenues allocated to the Redevelopment Property Tax Trust Fund (RPTTF) for the Successor Agency that is maintained by the County of Kern Auditor and Controller. The amounts so allocated are those that would have been allocated to the RDA had the RDA not been dissolved. The Auditor and Controller (A&C) then distributes RPTTF revenues to the Successor Agency based on Recognized Obligation Payment Schedules (ROPS) as approved by the California State Department of Finance (DOF) and after deducting amounts for A&C administrative costs and amounts required to be paid under tax-sharing agreements unless the payment of such amounts has been subordinated to payment of debt services on the Bonds. Each ROPS covers a six-month period and includes the applicable debt service payments on the Bonds.

The RPTTF revenue distributed to the Successor Agency in fiscal year 2019 was \$910,383. Total debt service of all Tax Allocation Bonds paid was \$655,565, 72.0% of the RPTTF revenue received by the Successor Agency. For the next three fiscal years, annual principal and interest payments on the Tax Allocation Bonds are expected to average 100% of the RPTTF revenue available to be distributed to the Successor Agency.

Note 7 – Compensated Absences

Summary of changes in compensated absences for the year ended June 30, 2019, was as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019	Amount Due Within One Year	Amount Due in More Than One Year
Governmental Activities	\$ 264,666	\$ 137,885	\$ (77,369)	\$ 325,182	\$ 65,036	\$ 260,146
Business-Type Activities	29,457	20,002	(11,576)	37,883	7,577	30,306
Total	\$ 294,123	\$ 157,887	\$ (88,945)	\$ 363,065	\$ 72,613	\$ 290,452

The City's liability for vested and unpaid compensated absences (accrued vacation) has been accrued and totaled to \$325,182 for governmental activities and \$37,883 for business-type activities at June 30, 2019. Compensated absences are generally liquidated by the General Fund for the governmental activities and by Transportation Development Enterprise Fund for the business-type activities.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 8 – Retirement Plans

At June 30, 2019, net pension liabilities and related deferred outflows of resources and deferred inflows of resources are as follow:

Governmental Activities	Governmental Activities	Business-Type Activities	Total
Deferred outflows of resources:			
Pension contribution after measurement date			
Miscellaneous	\$ 146,130	\$ 34,138	\$ 180,268
Safety	178,436	-	178,436
Total pension contribution after measurement date	<u>324,566</u>	<u>34,138</u>	<u>358,704</u>
Change in assumption			
Miscellaneous	130,469	30,480	160,949
Safety	114,917	-	114,917
Total change in assumption	<u>245,386</u>	<u>30,480</u>	<u>275,866</u>
Difference between expected and actual experience			
Miscellaneous	43,910	10,258	54,168
Safety	25,165	-	25,165
Total difference between expected and actual experience	<u>69,075</u>	<u>10,258</u>	<u>79,333</u>
Difference between City's contribution and proportionate share of contribution			
Safety	9,868	-	9,868
Difference in projected and actual earnings on pension investments			
Miscellaneous	5,658	1,322	6,980
Safety	7,930	-	7,930
Total difference in projected and actual earnings on pension investments:	<u>13,588</u>	<u>1,322</u>	<u>14,910</u>
Adjustment due to difference in proportion			
Miscellaneous	62,531	14,608	77,139
Safety	146,875	-	146,875
Total adjustment due to difference in proportion	<u>209,406</u>	<u>14,608</u>	<u>224,014</u>
Total deferred outflows of resources	<u>\$ 871,889</u>	<u>\$ 90,806</u>	<u>\$ 962,695</u>
Net pension liabilities:			
Miscellaneous	\$ 1,059,234	\$ 247,453	\$ 1,306,687
Safety	1,171,211	-	1,171,211
Total net pension liabilities	<u>\$ 2,230,445</u>	<u>\$ 247,453</u>	<u>\$ 2,477,898</u>

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 8 – Retirement Plans (Continued)

<u>Governmental Activities</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Deferred inflows of resources:			
Change in assumption			
Miscellaneous	\$ 31,975	\$ 7,470	\$ 39,445
Safety	15,505	-	15,505
Total change in assumption	<u>47,480</u>	<u>7,470</u>	<u>54,950</u>
Difference between expected and actual experience			
Miscellaneous	14,943	3,491	18,434
Safety	97	-	97
Total difference between expected and actual experience	<u>15,040</u>	<u>3,491</u>	<u>18,531</u>
Difference between City's contribution and proportionate share of contribution			
Miscellaneous	39,802	9,298	49,100
Safety	22,343	-	22,343
Total difference between City's contribution and proportionate share of contribution	<u>62,145</u>	<u>9,298</u>	<u>71,443</u>
Adjustment due to difference in proportion			
Safety	1,987	-	1,987
Deferred inflows of resources:	<u>\$ 126,652</u>	<u>\$ 20,259</u>	<u>\$ 146,911</u>
Pension Expense			
Miscellaneous	\$ 150,012	\$ 48,466	\$ 198,478
Safety	266,337	-	266,337
Pension Expense	<u>\$ 416,349</u>	<u>\$ 48,466</u>	<u>\$ 464,815</u>

General Information about the Pension Plan

Plan Description

The City contributes to CalPERS, a cost-sharing multiple-employer defined benefit pension plan, for its miscellaneous and safety employees. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statute and City ordinance. Copies of CalPERS' annual financial report may be obtained from its website at <https://www.calpers.ca.gov/> under Forms and Publications.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 8 – Retirement Plans (Continued)

General Information about the Pension Plan (Continued)

Employees Covered by Benefit Terms

At valuation date of June 30, 2017, the following employees were covered by the benefit terms:

	Plans			
	Miscellaneous		Safety	
	Classic	PEPRA	Classic	PEPRA
Active employees	15	19	11	8
Transferred and terminated employees	39	4	37	4
Retired Employees and Beneficiaries	25	-	16	-
Total	79	23	64	12

Benefit Provided

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. A classic CalPERS member becomes eligible for Service Retirement upon attainment of age 55 with at least 5 years of credited service. Public Employee Pension Reform Act (PEPRA) miscellaneous members become eligible for service retirement upon attainment of age 62 with at least 5 years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the monthly average of the member's highest 36 full-time equivalent monthly pay.

Following are the benefit provisions for each plan:

- Miscellaneous Classic: 2.0% (at age 55) of the average final 36 months compensation
- Miscellaneous PEPRA: 2.0% (at age 62) of the average final 36 months compensation
- Safety Classic: 2.0% (at age 55) of the average final 36 months compensation
- Safety PEPRA: 2.0% (at age 57) of the average final 36 months compensation.

A participant is eligible for non-industrial disability retirement if he or she becomes disabled and has at least 5 years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by service. Industrial disability benefits are not offered to miscellaneous employees.

An employee's beneficiary may receive the basic death benefit if the employee dies while actively employed. The employee must be actively employed with the City to be eligible for this benefit. An employee's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the employee's accumulated contributions, where interest is currently credited at 7.5% per year, plus a lump sum in the amount of one month's salary for each completed year of current service, up to a maximum of six months' salary. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree's designated survivor(s), or to the retiree's estate.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 8 – Retirement Plans (Continued)

General Information about the Pension Plan (Continued)

Benefit Provided (Continued)

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance. Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2%.

Contributions

Section 20814(c) of the California Public Employees' Retirement Law ("PERL") requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The Public agency cost-sharing plans covered by the miscellaneous risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2018 (the measurement date), the contribution rates were as follows:

Measurement Period Ended June 30, 2018			
Plans	Active Employee Contribution Rate	Employer Contribution Rate	
Miscellaneous Classic	7.000%	8.418%	
Miscellaneous PEPR	6.250%	6.533%	
Safety Classic	7.000%	12.242%	
Safety PEPR	9.500%	9.513%	

Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2018 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2017 total pension liability. The June 30, 2018 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ¹	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.0% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

¹ The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 8 – Retirement Plans (Continued)

Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

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

<u>Asset Class¹</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1-10²</u>	<u>Real Return Years 11+³</u>
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%
	<u>100%</u>		

¹In the CalPERS' CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

²An expected inflation of 2.00% used for this period.

³An expected inflation of 2.92% 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 Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 8 – Retirement Plans (Continued)

Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

Sensitivity of the City's 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 of the Plan as of the measurement date, calculated using the discount rate of 7.15%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

Plans	Plan's Net Pension Liability		
	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Miscellaneous	\$ 2,098,902	\$ 1,306,687	\$ 652,727
Safety	\$ 1,778,068	\$ 1,171,211	\$ 674,000

Pension Plan Fiduciary Net Position

Detail information about the plan's fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS' website under Forms and Publications.

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the plan's proportionate share of the risk pool collective net pension liability over the measurement period:

	Increase (Decrease)		
	Plan Total Pension Liability	Plan Fiduciary Net Position	Plan Net Pension Liability/(Asset)
Miscellaneous Plan			
Balance at: 6/30/17 (Valuation date)	\$ 5,787,099	\$ 4,474,930	\$ 1,312,169
Balance at: 6/30/18 (Measurement date)	\$ 6,327,595	\$ 5,020,908	\$ 1,306,687
Net Changes during 2017-2018	\$ 540,496	\$ 545,978	\$ (5,482)
Safety Plan			
Balance at: 6/30/17 (Valuation date)	\$ 5,708,462	\$ 4,558,160	\$ 1,150,302
Balance at: 6/30/18 (Measurement date)	\$ 6,294,127	\$ 5,122,916	\$ 1,171,211
Net Changes during 2017-2018	\$ 585,665	\$ 564,756	\$ 20,909

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 8 – Retirement Plans (Continued)

Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool.

- (1) In determining a cost-sharing plan's proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2017). The risk pool's fiduciary net position ("FNP") subtracted from its total pension liability ("TPL") determines the net pension liability ("NPL") at the valuation date.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2018). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool's FNP at the measurement date denotes the aggregate risk pool's FNP at June 30, 2018 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2017-18).
- (3) The individual plan's TPL, FNP and NPL are also calculated at the valuation date. TPL is allocated based on the rate plan's share of the actuarial accrued liability. FNP is allocated based on the rate plan's share of the market value assets.
- (4) Two ratios are created by dividing the plan's individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool's total TPL and FNP, respectively.
- (5) The plan's TPL as of the Measurement Date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan's FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan's NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

Deferred outflows of resources, deferred inflows of resources, and pension expense are allocated based on the City's share of contribution during the measurement period.

The City's proportionate share of the net pension liability was as follows:

	Plans	
	Miscellaneous	Safety
June 30, 2017	0.013231%	0.011599%
June 30, 2018	0.013560%	0.012154%
Change - Increase (Decrease)	0.000329%	0.000555%

For the year ended June 30, 2019, the City recognized pension expense in the amounts of \$198,478 and \$266,337 for the miscellaneous and safety plans, respectively.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 8 – Retirement Plans (Continued)

Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

Deferred Outflows and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Miscellaneous		
	Deferred outflows of resources	Deferred inflows of resources
Contribution made after measurement date	\$ 180,268	\$ -
Changes of assumptions	160,949	(39,445)
Difference between expected and actual experience	54,168	(18,434)
Difference between projected and actual earning on pension plan investments	6,980	-
Adjustment due to differences in proportions	77,139	-
Difference between City contributions and proportionate share of contributions	-	(49,100)
Total	<u>\$ 479,504</u>	<u>\$ (106,979)</u>
Safety		
	Deferred outflows of resources	Deferred inflows of resources
Contribution made after measurement date	\$ 178,436	\$ -
Changes of assumptions	114,917	(15,505)
Difference between expected and actual experience	25,165	(97)
Difference between projected and actual earning on pension plan investments	7,930	-
Adjustment due to differences in proportions	146,875	(1,987)
Difference between City contributions and proportionate share of contributions	9,868	(22,343)
Total	<u>\$ 483,191</u>	<u>\$ (39,932)</u>

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized over 5-years straight line. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period.

The expected average remaining service lifetime (“EARSL”) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the risk pool. The EARSL for risk pool for the 2017-18 measurement period is 3.8 years, which was obtained by dividing the total service years of 516,147 (the sum of remaining service lifetimes of the active employees) by 135,474 (the total number of participants: active, inactive, and retired).

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 8 – Retirement Plans (Continued)

Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Continued)

\$180,268 and \$178,436 reported as deferred outflows of resources related to pensions for miscellaneous plan and safety plan, respectively, resulting from the City's contributions made subsequent to the measurement date. Both will be recognized as a reduction of the collective net pension liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Period Year Ended June 30,	Deferred Outflows/ (Inflows) of Resources	
	Miscellaneous	Safety
2019	\$ 153,842	\$ 162,454
2020	89,022	113,946
2021	(37,908)	(3,463)
2022	(12,699)	(8,114)
	<u>\$ 192,257</u>	<u>\$ 264,823</u>

Note 9 – Risk Management and Self-Insurance

The City participates with other public entities in a joint venture under a joint powers agreement which establishes the Central San Joaquin Valley Risk Management Authority ("CSJVRMA"). The relationship between the City and CSJVRMA is such that CSJVRMA is not a component unit of the City for financial reporting purposes. All funds of the City, including the enterprise funds, are included in the above risk management and self-insurance program.

The City is covered for the first \$1,000,000 of each general liability claim and \$500,000 of each workers' compensation claim through the CSJVRMA. The City has the right to receive dividends or the obligation to pay assessments based on an estimated claims liabilities formula which, among other expenses, includes reported and incurred but not reported ("IBNR") claims, and charges the City's account for liability losses under \$25,000 and workers' compensation losses under \$50,000. The CSJVRMA participates in an excess pool which provides general liability coverage from \$1,000,000 to \$15,000,000 and workers' compensation coverage from \$500,000 to the statutory limit. The City has had no settlements which exceeded insurance coverage in the last ten fiscal years, and no changes in insurance coverage from the prior year. The City's deductible amount is included with the premiums.

The CSJVRMA is a consortium of fifty-four (54) cities in San Joaquin Valley, California. It was established under the provisions of California Government Code Section 6500 et seq. The CSJVRMA is governed by a Board of Directors, which meets 3 to 4 times per year, consisting of one member appointed by each member city. The day-to-day business is handled by a management group employed by CSJVRMA. At the termination of the joint powers agreement and after all claims has been settled, any excess or deficit will be divided among the cities in accordance with its governing documents. Financial statements for CSJVRMA can be obtained at 1750 Creekside Oaks Drive, Suite 200, Sacramento, California 95814.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 9 – Risk Management and Self-Insurance (Continued)

The audited financial position and results of operations for the CSJVRMA as of and for the year ended June 30, 2019, are presented below:

Total assets	\$ 128,442,162
Total liabilities	<u>\$ 109,661,346</u>
Total equities	<u>\$ 18,780,816</u>
Total revenues	<u>\$ 53,699,356</u>
Total expenses	<u>\$ 52,943,942</u>
Revenues over (under) expenses	<u>\$ 755,414</u>

Note 10 – Other Required Disclosures

A. Deficit Net Position/Fund Balance

At June 30, 2019, the following funds had deficit net position/fund balance:

Fund Type	Funds	Deficit
Special Revenue Fund	Community Development Block Grant	\$ (104,621)
Special Revenue Fund	Traffic HSIP Derby Signal Light	(11,625)
Special Revenue Fund	CalTrans	(60,213)
Special Revenue Fund	Water Element Grant	(16,912)
Capital Project Fund	Jewett Square Development	(246,331)
Capital Project Fund	Prop 68 Parks and Water	(525)
Capital Project Fund	TDA3 Digiorgio	(31,138)
Capital Project Fund	PD Plug in Vehicles 2017	(11,731)
Capital Project Fund	Urban Greening Pathway Greene	(24,318)
Capital Project Fund	Hazard Mitigation Planning	(1,177)
Capital Project Fund	FTA Low No Bus	(20,599)
Fiduciary Fund	Successor Agency Private Purpose Trust Fund	(2,600,723)

The City expects to eliminate the deficit for the special revenue funds and capital project funds through transfers from other funds and/or recognition of unavailable revenues in future years.

The Successor Agency Private Purpose Trust Fund deficit resulted from outstanding tax allocation bonds in excess of the total assets. The City expects the deficit to be repaid via future property tax increment.

At June 30, 2019, the City's Government-Wide Financial Statements had a deficit unrestricted net position for its governmental activities of \$(829,206), which was mainly due to the net pension liabilities in the amount of \$2,230,445.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 10 – Other Required Disclosures (Continued)

B. Expenditures in Excess of Appropriations

The following funds had expenditures in excess of appropriations:

Fund	Appropriations	Expenditures	Excess of Expenditures over Appropriations
Major Governmental Funds:			
General Fund			
Current:			
Public works	\$ 306,968	\$ 373,021	\$ (66,053)
Planning/community development	310,568	723,377	(412,809)
Debt services:			
Principal retirement	-	46,418	(46,418)
Interest and fiscal charge	-	4,953	(4,953)
Nonmajor Governmental Funds:			
COPS Program Special Revenue Fund			
Capital outlay	-	10,821	(10,821)
LLMD Special Revenue Fund			
Current:			
Public works	125,039	138,805	(13,766)
Federal Police Grant Special Revenue Fund			
Current:			
Public safety	24,000	95,514	(71,514)
Park Fees Special Revenue Fund			
Capital outlay	-	31,250	(31,250)
CalTrans Special Revenue Fund			
Current:			
Planning/community development	-	58,073	(58,073)
Traffic Impact Fees Special Revenue Fund			
Debt services:			
Principal retirement	113,472	154,026	(40,554)
Interest and fiscal charge	113,384	153,907	(40,523)
CalFire Urban Forestry Special Revenue Fund			
Current:			
Planning/community development	2,794	8,149	(5,355)
TDA3-Digiorgio Capital Project Fund			
Current:			
Planning/community development	-	11,222	(11,222)
Urban Greening/Pathways Capital Project Fund			
Current:			
Planning/community development	-	1,146	(1,146)
Capital outlay	-	23,172	(23,172)

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 11 – Classification of Fund Balances

At June 30, 2019, fund balances are classified as follows:

	Major Funds			Total
	General Fund	Sycamore Road Flood Reduction Special Revenue	Nonmajor Governmental Funds	
Nonspendable:				
Prepaid items and deposits	\$ 558,510	\$ -	\$ -	\$ 558,510
Advances to Successor Agency	574,008	-	-	574,008
Total nonspendable	1,132,518	-	-	1,132,518
Restricted:				
Traffic impact fees	-	-	525,442	525,442
TEA	-	-	74,077	74,077
COPS program	-	-	474	474
LLMD District	-	-	72,973	72,973
Traffic offenders law enforcement	-	-	16,079	16,079
Safe route to school	-	-	5,894	5,894
Park fees	-	-	276,881	276,881
AB109	-	-	22,817	22,817
RSTP	-	-	332,700	332,700
Non-transit transportation development	-	-	460,982	460,982
Asset forfeiture	-	-	41	41
PTMISEA Fence Grant	-	-	17,994	17,994
CalFire Urban Forestry	-	-	4,194	4,194
Federal Police Grant	-	-	26,972	26,972
Franklin St. project	-	-	9,732	9,732
Vehicle auto theft prevention	-	-	25,000	25,000
Road maintenance & rehab	-	-	473,828	473,828
Total restricted	-	-	2,346,080	2,346,080
Assigned*	200,000	-	-	200,000
Unassigned	59,754	-	(529,190)	(469,436)
Total fund balances	\$ 1,392,272	\$ -	\$ 1,816,890	\$ 3,209,162

* Assigned for legal contingency

Note 12 – Commitments and Contingencies

There are various claims and legal actions pending against the City for which no provision has been made in the accompanying general purpose financial statements. In the opinion of the City attorney and City management, liabilities arising from these claims and legal actions, if any, will not have an adverse material effect on the financial position of the City.

City of Arvin
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 13 – Prior Period Adjustments

The governmental fund balances were restated from \$1,089,771 to \$1,283,018 due to a correction of error from the Jewett Square Development Capital Project Fund (nonmajor governmental fund) related to the retention payables. This also resulted in the restatement of the governmental activities beginning net position from \$22,615,171 to \$22,808,418.

Note 14 – Subsequent Events

2019 Tax Allocation Refunding Bonds, Series A

In August 2019, the Successor Agency to the Arvin Community Redevelopment Agency (the “Successor Agency”) issued \$2,955,000 Tax Allocation Refunding Bonds, 2019 Series A and its \$4,045,000 Tax Allocation Refunding Bonds, 2019 Series B, to (a) refund two outstanding series of bonds payable from tax increment revenue generated in the Arvin Redevelopment Project Area, and (b) pay the costs of issuance of the 2019 Bonds, including premiums for the purchase of the 2019 Insurance Policy and the 2019 Reserve Policy.

Coronavirus Disease – 19 (COVID-19)

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of business in California. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings. Therefore, the City expects this matter to negatively impact its operating results. However, the related financial impact and duration cannot be reasonably estimated at this time.

The Short-Term Loan from the Sanitation Enterprise Fund to the City’s General Fund

On October 22, 2019, the City approved a short-term borrowing of up to \$2,900,000 from the Sanitation Enterprise Fund to the City’s General Fund to provide short-term cash shortfalls due to pending reimbursements from the grantor for the purchases of three electric buses. Upon receipt of the reimbursements, the Sanitation Enterprise Fund shall be promptly paid the short-term loan amount from the General Fund. The short-term loan shall be paid with interest at the rate received by LAIF.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

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City of Arvin
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	<i>General Fund</i>		Actual Amounts	Variance with Final Budget
	Budgeted Amounts			
	Original	Final		
REVENUES:				
Property taxes and special assessments	\$ 256,200	\$ 256,200	\$ 259,161	\$ 2,961
Property taxes in lieu of VLF	1,950,000	1,950,000	1,887,280	(62,720)
Sales tax	2,533,000	2,533,000	2,805,566	272,566
Franchise tax	445,000	445,000	431,690	(13,310)
Vehicle license tax	13,000	13,000	-	(13,000)
Other taxes	661	661	2,200	1,539
Licenses, permits and fees	643,927	639,277	454,505	(184,772)
Fines, forfeitures and penalties	8,213	8,213	8,017	(196)
Investment income	-	-	13,158	13,158
Lease revenue	53,662	53,662	49,949	(3,713)
Intergovernmental	209,587	39,351	43,703	4,352
Charges for current services	292,042	291,942	349,371	57,429
Other	5,402	5,402	56,027	50,625
Total revenues	6,410,694	6,235,708	6,360,627	124,919
EXPENDITURES:				
Current:				
General government	2,207,001	2,207,001	1,991,565	215,436
Public safety	3,510,857	3,425,146	2,855,326	569,820
Public works	306,968	306,968	373,021	(66,053)
Planning/community development	310,568	310,568	723,377	(412,809)
Capital outlay	5,515	5,515	-	5,515
Debt services:				
Principal retirement	-	-	46,418	(46,418)
Interest and fiscal charge	-	-	4,953	(4,953)
Total expenditures	6,340,909	6,255,198	5,994,660	260,538
NET CHANGE IN FUND BALANCE	\$ 69,785	\$ (19,490)	365,967	\$ 385,457
FUND BALANCE:				
Beginning of year			1,026,305	
End of year			<u>\$ 1,392,272</u>	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule (Continued)
For the Year Ended June 30, 2019

Sycamore Road Flood Reduction Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,980,658	\$ 1,980,658	\$ 2,784,958	\$ 804,300
EXPENDITURES:				
Capital outlay	1,980,658	1,980,658	1,665,363	315,295
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	1,119,595	<u>\$ 1,119,595</u>
FUND BALANCE:				
Beginning of year			(1,119,595)	
End of year			<u>\$ -</u>	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Required Supplementary Information (Unaudited)
Notes to the Budgetary Comparison Schedule
For the Year Ended June 30, 2019

Budgetary Information

The City uses the following procedures annually to establish the budget data reflected in the budgetary comparison schedules. The City Manager submits to the City Council a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. The City Council reviews the proposed budget at specially scheduled sessions, which are open to the public. The Council also conducts a public hearing on the proposed budget to obtain comments from interested persons.

Prior to July 1, the budget is legally adopted through passage of an ordinance. This budget is reported as Original Budget in the budgetary comparison schedules.

During the fiscal year, changes to the adopted budget may be authorized, as follows:

1. Items requiring City Council action - appropriation of fund balance reserves; transfers of appropriations between funds; appropriation of any non-departmental revenue; new interfund loans or advances; and creation of new capital projects or increases to existing capital projects.
2. Items delegated to the City Manager - transfers between departments within funds; appropriation of unbudgeted departmental revenues; and approval of transfers which increase salary and benefit appropriations.
3. Items delegated to department heads - allocation of departmental appropriations to line item level.

Formal budgetary integration is employed as a management tool for all funds. Annual budgets are legally adopted and amended as required for the general, special revenue and enterprise funds. Project length budgets are adopted for the capital projects funds. All budgets are prepared on a basis consistent with accounting principles generally accepted in the United States of America ("U.S. GAAP"), and budgetary comparisons for the information. A debt service payment schedule for the debt service funds is also approved as part of the budget process.

Budget amounts are reflected after all authorized amendments and revisions. This budget is reported as the Final Budget in the budgetary comparison schedules.

For each legally adopted operating budget, expenditures may not exceed budgeted appropriations at the activity level. The legal appropriation basis is at the level called "department." A "department" for legal appropriation purposes may be a single organization, or an entire department having multiple organizations within the same fund, or an entire fund.

For the year ended June 30, 2019, there were no adopted operating budgets for TEA Special Revenue Fund, Community Development Block Grant Special Revenue Fund, Traffic Offenders Special Revenue Fund, Safe Route to School Special Revenue Fund, RSTP Special Revenue Fund, Asset Forfeiture Special Revenue Fund, PTMISEA Fence Grant Special Revenue Fund, CalRecycle Grant Special Revenue Fund, Vehicle Auto Theft Special Revenue Fund, Water Element Grant Special Revenue Fund, Jewett Square Development Capital Project Fund, Prop 68 Parks and Water Capital Projects Fund, PD Plug In Vehicles 2017 Capital Projects Fund, Hazard Mitigation Planning Capital Projects Fund, and FTA-Low No Bus Capital Projects Fund.

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City of Arvin
Required Supplementary Information (Unaudited)
Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios
For the Year Ended June 30, 2019

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Miscellaneous Plans

Measurement Date	June 30, 2014 ¹	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
City Proportion of the Net Pension Liability	0.010823%	0.010827%	0.012526%	0.013231%	0.013560%
City's Proportionate Share of the net Pension Liability	\$ 673,435	\$ 743,178	\$ 1,083,876	\$ 1,312,169	\$ 1,306,687
City's Covered Payroll	\$ 1,205,541	\$ 1,278,371	\$ 1,311,081	\$ 1,703,094	\$ 1,451,236
City's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	<u>55.86%</u>	<u>58.13%</u>	<u>82.67%</u>	<u>77.05%</u>	<u>90.04%</u>
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	<u>84.57%</u>	<u>85.12%</u>	<u>79.32%</u>	<u>77.33%</u>	<u>79.35%</u>

California Public Employees' Retirement System ("CalPERS") - Safety Plans

Measurement Date	June 30, 2014 ¹	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
City Proportion of the Net Pension Liability	0.012158%	0.008872%	0.010974%	0.011599%	0.012154%
City's Proportionate Share of the net Pension Liability	\$ 756,538	\$ 608,986	\$ 949,593	\$ 1,150,302	\$ 1,171,211
City's Covered Payroll	\$ 1,170,125	\$ 1,148,898	\$ 1,259,532	\$ 1,339,763	\$ 1,251,991
City's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	<u>64.65%</u>	<u>53.01%</u>	<u>75.39%</u>	<u>85.86%</u>	<u>93.55%</u>
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	<u>82.68%</u>	<u>86.97%</u>	<u>81.34%</u>	<u>79.85%</u>	<u>81.39%</u>

¹ Historical information is presented only for measurement periods for which GASB 68 is applicable. Additional years' information will be displayed as it became available.

City of Arvin
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pensions
For the Year Ended June 30, 2019

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Miscellaneous Plan

Fiscal year	2013-14 ¹	2014-15	2015-16	2016-17	2017-18
Actuarially determined contribution	\$ 80,511	\$ 63,299	\$ 106,497	\$ 145,079	\$ 152,607
Contributions in relation to the actuarially determined contribution ²	(80,511)	(63,299)	(106,497)	(145,079)	(152,607)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll ³	\$1,205,541	\$1,278,371	\$1,311,081	\$1,703,094	\$1,451,236
Contributions as a percentage of covered payroll	6.68%	4.95%	8.12%	8.52%	10.52%

California Public Employees' Retirement System ("CalPERS") - Safety Plan

Fiscal year	2013-14 ¹	2014-15	2015-16	2016-17	2017-18
Actuarially determined contribution	\$ 143,373	\$ 128,424	\$ 158,695	\$ 171,887	\$ 185,795
Contributions in relation to the actuarially determined contribution ²	(143,373)	(128,424)	(158,695)	(171,887)	(185,795)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll ³	\$1,170,125	\$1,148,898	\$1,259,532	\$1,339,763	\$1,251,991
Contributions as a percentage of covered payroll	12.25%	11.18%	12.60%	12.83%	14.84%

¹ Historical information is presented only for measurement periods for which GASB 68 is applicable. Additional years' information will be displayed as it became available.

² Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

³ Payroll from prior year (\$1,451,236 for miscellaneous plan and \$1,251,991 for safety plan) was assumed to increase by the 3.00% payroll growth assumption.

Notes to Schedule:

Change in Benefit Terms: There were no changes in benefit terms.

Changes of Assumptions: In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial. In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.50 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.50 percent discount rate.

**City of Arvin
 Required Supplementary Information (Unaudited)
 Schedule of Contributions - Pensions (Continued)
 For the Year Ended June 30, 2019**

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Miscellaneous Plan

Fiscal year	2018-19
Actuarially determined contribution	\$ 180,268
Contributions in relation to the actuarially determined contribution ²	(180,268)
Contribution deficiency (excess)	\$ -
Covered payroll ³	\$ 1,494,773
Contributions as a percentage of covered payroll	12.06%

California Public Employees' Retirement System ("CalPERS") - Safety Plan

Fiscal year	2018-19
Actuarially determined contribution	\$ 178,436
Contributions in relation to the actuarially determined contribution ²	(178,436)
Contribution deficiency (excess)	\$ -
Covered payroll ³	\$ 1,289,551
Contributions as a percentage of covered payroll	13.84%

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds:

TEA Fund - Accounts for the grants received from the Transportation Enhancement Activities ("TEA") program restricted for design and construction of improvements which beautify or enhance the interface between transportation systems and adjacent communities. This funding requires matching City funds.

Community Development Block Grant Fund - Accounts for expenditures restricted for approved projects that have been funded by the U.S. Department of Housing and Urban Development Community Block Grant and passed through the County of Kern.

COPS Program Fund - Accounts for expenditures made with state grant monies authorized by California Assembly Bill 3229 for "front-line" police related activities for the Citizens' Option for Public Safety Program ("COPS").

LLMD Fund - Accounts for assessment money received from district property owners restricted for use for maintenance expenditures in the landscape and lighting maintenance district.

Traffic Offender Fund - Accounts for fees charged to release a vehicle that has been impounded by law enforcement officials and the restricted use of such proceeds by the City to help fund its law enforcement activities.

Traffic HSIP Derby Signal Light Fund - Accounts for the grant received from the California Department of Transportation to be used for improvement of the intersection of Derby and Bear Mountain Road with a Signal Light.

Transportation Development Act ("TDA") Non-Transit Fund - Accounts for sales tax monies received from Kern Council of Governments restricted for street and road improvements.

Federal Police Grant Fund - Separates and accounts for funds restricted for the base salary and fringe benefit costs associated with one officer funded by the U.S. Department of Justice COPS Grant.

Safe Route to School Fund - Accounts for the grant received from the California Department of Transportation to reconstruct and improve infrastructure along school routes.

Park Fees Fund - Separates and accounts for fees received from builders that have been specifically restricted for park improvements.

AB109 Fund - Accounts for the grants received related to the new prisoner redistribution.

State Gas Tax Fund - The State Gas Tax Fund is used to account for the City's share of gasoline taxes that are apportioned under Streets and Highways Code sections 2105, 2016, 2107, and 2107.5 of the State of California. These funds are restricted to activities and purchases that assist in the construction of and maintenance of local roads within the City limits.

RSTP Fund - Accounts for Regional Service Transportation Program ("RSTP") funding, which was created by Congress through the Intermodal Surface Transportation Efficiency Act of 1991 and renewed through the Transportation Equity Act for the 21st Century in 1998. RSTP funding is restricted for the City to address specific transportation issues. This funding requires matching City funds.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

Special Revenue Funds (Continued):

Asset Forfeiture Fund - This fund is used to account for revenues associated with the sale of assets seized from individuals convicted of drug related crimes. The expenditures of this fund must assist in drug abuse enforcement or education.

PTMISEA Fence Grant Fund - Separates and accounts for funds restricted for use to secure vehicles behind a fenced enclosure with limited access facilitated by electronic means.

CalTrans Fund - This fund is used to account for projects specifically focused on improving access, connectivity, walking, bicycling, and transit for all residents and workers in the City.

CalRecycle Grant Fund - This fund is used to account for CalRecycle Grant received for the purpose to motivate and encourage employees and residents to recycle.

Vehicle Auto Theft - This fund is used to account for specific expenses related to police. The funding is provided by the State in the amount of \$25,000 annually.

Road Maintenance & Rehab Fund - This fund is used to improve the conditions of the roads. The funding source is SB1 funding.

Traffic Impact Fees Fund - Separates and accounts for the fees received from builders that have been specifically restricted for traffic flow improvements.

Water Element Grant Fund - This fund is used to reduce energy consumption, conserve water, improve air and water quality.

CalFire Urban Forestry Fund - This fund is used to account for the planning and planting 303 trees around the City.

Capital Projects Funds:

Jewett Square Development Fund - Accounts for a private placement loan proceeds, designated for adding new infrastructure for Jewett Square which is a City's vacant property to attract new businesses to the City.

Franklin St. Project Fund - This fund is used to account for sidewalk and street improvements for Franklin Street.

Prop 68 Parks and Water Fund - Accounts for new park development or rehabilitation. Funding is provided by the State of California.

TDA3 Digiorgio Fund - This fund is used to account for the installation of new sidewalks, curbs, and gutter around South A Street and Langford and 14 bicycle racks and pads.

PD Plug In Vehicles 2017 Fund - This fund is used to account for the purchase of police department electric vehicles and installation of electric vehicle stations.

Urban Greening/Pathways Greene Fund - Accounts for construction of green park pathway and trees near 4th Street. Funding is provided by the State of California.

Hazard Mitigation Planning Fund - Accounts for rehabilitation and improvement of an existing pump. Funding is provided by the Federal Emergency Management Agency.

FTA-Low No Bus Fund - To account for Low Or No Emission Grant Program passed through CalTrans from Federal Transit Administration.

**City of Arvin
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019**

	Special Revenue			
	TEA	Community Development Block Grant	COPS Program	LLMD
ASSETS				
Cash and investments	\$ 74,077	\$ -	\$ 148,020	\$ 79,570
Accounts receivables	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items and deposits	-	-	-	-
Total assets	\$ 74,077	\$ -	\$ 148,020	\$ 79,570
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 10,821	\$ 5,451
Accrued payroll and benefits	-	-	16,778	1,146
Due to other funds	-	104,621	-	-
Unearned revenue	-	-	119,947	-
Total liabilities	-	104,621	147,546	6,597
Deferred Inflows of Resources:				
Unavailable revenue	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Restricted	74,077	-	474	72,973
Unassigned (deficit)	-	(104,621)	-	-
Total fund balances	74,077	(104,621)	474	72,973
Total liabilities, deferred inflows of resources, and fund balances	\$ 74,077	\$ -	\$ 148,020	\$ 79,570

(Continued)

City of Arvin
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2019

	Special Revenue			
	Traffic Offender	Traffic HSIP Derby Signal Light	TDA Non-Transit	Federal Police Grant
ASSETS				
Cash and investments	\$ 16,079	\$ -	\$ 460,972	\$ 523
Accounts receivables	-	11,625	10	35,596
Due from other funds	-	-	-	-
Prepaid items and deposits	-	-	-	-
Total assets	\$ 16,079	\$ 11,625	\$ 460,982	\$ 36,119
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll and benefits	-	-	-	9,147
Due to other funds	-	11,625	-	-
Unearned revenue	-	-	-	-
Total liabilities	-	11,625	-	9,147
Deferred Inflows of Resources:				
Unavailable revenue	-	11,625	-	-
Total deferred inflows of resources	-	11,625	-	-
Fund Balances:				
Restricted	16,079	-	460,982	26,972
Unassigned (deficit)	-	(11,625)	-	-
Total fund balances	16,079	(11,625)	460,982	26,972
Total liabilities, deferred inflows of resources, and fund balances	\$ 16,079	\$ 11,625	\$ 460,982	\$ 36,119

(Continued)

City of Arvin
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2019

	Special Revenue			
	Safe Route to School	Park Fees	AB109	State Gas Tax
ASSETS				
Cash and investments	\$ 135,068	\$ 296,881	\$ 56,548	\$ 30,375
Accounts receivables	-	4,000	-	-
Due from other funds	-	-	-	-
Prepaid items and deposits	-	-	-	-
Total assets	\$ 135,068	\$ 300,881	\$ 56,548	\$ 30,375
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 24,000	\$ -	\$ 4,537
Accrued payroll and benefits	-	-	-	25,838
Due to other funds	-	-	-	-
Unearned revenue	129,174	-	33,731	-
Total liabilities	129,174	24,000	33,731	30,375
Deferred Inflows of Resources:				
Unavailable revenue	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Restricted	5,894	276,881	22,817	-
Unassigned (deficit)	-	-	-	-
Total fund balances	5,894	276,881	22,817	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 135,068	\$ 300,881	\$ 56,548	\$ 30,375

(Continued)

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2019

	Special Revenue			
	RSTP	Asset Forfeiture	PTMISEA Fence Grant	CalTrans
ASSETS				
Cash and investments	\$ 332,700	\$ 10,795	\$ 188,242	\$ -
Accounts receivables	-	-	-	58,073
Due from other funds	-	-	-	-
Prepaid items and deposits	-	-	-	-
Total assets	\$ 332,700	\$ 10,795	\$ 188,242	\$ 58,073
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	22,502
Accrued payroll and benefits	-	-	-	-
Due to other funds	-	-	-	37,711
Unearned revenue	-	10,754	170,248	-
Total liabilities	-	10,754	170,248	60,213
Deferred Inflows of Resources:				
Unavailable revenue	-	-	-	58,073
Total deferred inflows of resources	-	-	-	58,073
Fund Balances:				
Restricted	332,700	41	17,994	-
Unassigned (deficit)	-	-	-	(60,213)
Total fund balances	332,700	41	17,994	(60,213)
Total liabilities, deferred inflows of resources, and fund balances	\$ 332,700	\$ 10,795	\$ 188,242	\$ 58,073

(Continued)

City of Arvin
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2019

	Special Revenue			
	CalRecycle Grant	Vehicle Auto Theft	Road Maintenance & Rehab	Traffic Impact Fees
ASSETS				
Cash and investments	\$ -	\$ 25,000	402,821	\$ 763,442
Accounts receivables	-	-	71,007	-
Due from other funds	-	-	-	-
Prepaid items and deposits	-	-	-	-
Total assets	\$ -	\$ 25,000	\$ 473,828	\$ 763,442
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	-	-	\$ -	\$ -
Accrued payroll and benefits	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	238,000
Total liabilities	-	-	-	238,000
Deferred Inflows of Resources:				
Unavailable revenue	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Restricted	-	25,000	473,828	525,442
Unassigned (deficit)	-	-	-	-
Total fund balances	-	25,000	473,828	525,442
Total liabilities, deferred inflows of resources, and fund balances	\$ -	\$ 25,000	\$ 473,828	\$ 763,442

(Continued)

City of Arvin
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2019

	Special Revenue		Capital Projects	
	Water Element Grant	CalFire Urban Forestry	Jewett Square Development	Franklin St. Project
ASSETS				
Cash and investments	\$ -	\$ 4,885	\$ -	\$ -
Accounts receivables	16,912	-	-	16,133
Due from other funds	-	-	-	-
Prepaid items and deposits	-	-	-	-
Total assets	\$ 16,912	\$ 4,885	\$ -	\$ 16,133
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	-	691	\$ 76,441	\$ -
Accrued payroll and benefits	-	-	-	-
Due to other funds	16,912	-	169,890	6,401
Unearned revenue	-	-	-	-
Total liabilities	16,912	691	246,331	6,401
Deferred Inflows of Resources:				
Unavailable revenue	16,912	-	-	-
Total deferred inflows of resources	16,912	-	-	-
Fund Balances:				
Restricted	-	4,194	-	9,732
Unassigned (deficit)	(16,912)	-	(246,331)	-
Total fund balances	(16,912)	4,194	(246,331)	9,732
Total liabilities, deferred inflows of resources, and fund balances	\$ 16,912	\$ 4,885	\$ -	\$ 16,133

(Continued)

City of Arvin
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2019

	Capital Projects			
	Prop 68 Parks and Water	TDA3 Digiorgio	PD Plug In Vehicles 2017	Urban Greening/ Pathways Greene
ASSETS				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Accounts receivables	525	132,600	36,586	24,318
Due from other funds	-	-	-	-
Prepaid items and deposits	-	-	-	-
Total assets	\$ 525	\$ 132,600	\$ 36,586	\$ 24,318
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 17,337
Accrued payroll and benefits	-	-	-	-
Due to other funds	525	163,738	48,317	6,981
Unearned revenue	-	-	-	-
Total liabilities	525	163,738	48,317	24,318
Deferred Inflows of Resources:				
Unavailable revenue	525	-	-	24,318
Total deferred inflows of resources	525	-	-	24,318
Fund Balances:				
Restricted	-	-	-	-
Unassigned (deficit)	(525)	(31,138)	(11,731)	(24,318)
Total fund balances	(525)	(31,138)	(11,731)	(24,318)
Total liabilities, deferred inflows of resources, and fund balances	\$ 525	\$ 132,600	\$ 36,586	\$ 24,318

(Continued)

City of Arvin
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2019

	Capital Projects		Total Nonmajor Governmental Funds
	Hazard Mitigation Planning	FTA Low No Bus	
ASSETS			
Cash and investments	\$ -	\$ -	\$ 3,025,998
Accounts receivables	1,177	20,599	429,161
Due from other funds	-	-	-
Prepaid items and deposits	-	-	-
Total assets	\$ 1,177	\$ 20,599	\$ 3,455,159
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 161,780
Accrued payroll and benefits	-	-	52,909
Due to other funds	1,177	20,599	588,497
Unearned revenue	-	-	701,854
Total liabilities	1,177	20,599	1,505,040
Deferred Inflows of Resources:			
Unavailable revenue	1,177	20,599	133,229
Total deferred inflows of resources	1,177	20,599	133,229
Fund Balances:			
Restricted	-	-	2,346,080
Unassigned (deficit)	(1,177)	(20,599)	(529,190)
Total fund balances	(1,177)	(20,599)	1,816,890
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,177	\$ 20,599	\$ 3,455,159

(Concluded)

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

	Special Revenue			
	TEA	Community Development Block Grant	COPS Program	LLMD
REVENUES:				
Property taxes and special assessments	\$ -	\$ -	\$ -	\$ 117,126
Licenses, permits and fees	-	-	-	-
Intergovernmental	-	98,474	191,280	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Other	-	5,131	-	-
Total revenues	<u>-</u>	<u>103,605</u>	<u>191,280</u>	<u>117,126</u>
EXPENDITURES:				
Current:				
Public safety	-	-	180,459	-
Public works	-	-	-	138,805
Planning/community development	-	-	-	-
Capital outlay	-	-	10,821	-
Debt services:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>191,280</u>	<u>138,805</u>
REVENUE OVER (UNDER) EXPENDITURES	<u>-</u>	<u>103,605</u>	<u>-</u>	<u>(21,679)</u>
OTHER FINANCING SOURCES:				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>-</u>	<u>103,605</u>	<u>-</u>	<u>(21,679)</u>
FUND BALANCES:				
Beginning of year, as restated (Note 13)	74,077	(208,226)	474	94,652
End of year	<u>\$ 74,077</u>	<u>\$ (104,621)</u>	<u>\$ 474</u>	<u>\$ 72,973</u>

(Continued)

City of Arvin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue			
	Traffic Offenders	Traffic HSIP Derby Signal Light	TDA Non-Transit	Federal Police Grant
REVENUES:				
Property taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	5,320	-	-	-
Intergovernmental	-	31,762	440,185	122,486
Investment income	-	-	-	-
Charges for services	-	-	-	-
Other	-	-	-	-
Total revenues	<u>5,320</u>	<u>31,762</u>	<u>440,185</u>	<u>122,486</u>
EXPENDITURES:				
Current:				
Public safety	-	-	-	95,514
Public works	-	-	-	-
Planning/community development	-	-	-	-
Capital outlay	-	17,624	-	-
Debt services:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>17,624</u>	<u>-</u>	<u>95,514</u>
REVENUE OVER (UNDER) EXPENDITURES	<u>5,320</u>	<u>14,138</u>	<u>440,185</u>	<u>26,972</u>
OTHER FINANCING SOURCES:				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	5,320	14,138	440,185	26,972
FUND BALANCES:				
Beginning of year, as restated (Note 13)	10,759	(25,763)	20,797	-
End of year	<u>\$ 16,079</u>	<u>\$ (11,625)</u>	<u>\$ 460,982</u>	<u>\$ 26,972</u>

(Continued)

City of Arvin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue			
	Safe Route to School	Park Fees	AB109	State Gas Tax
REVENUES:				
Property taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	59,795	-	-
Intergovernmental	-	-	481	434,950
Investment income	-	3,509	-	-
Charges for services	-	-	-	-
Other	-	-	11,052	-
Total revenues	<u>-</u>	<u>63,304</u>	<u>11,533</u>	<u>434,950</u>
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Public works	-	-	-	434,950
Planning/community development	-	-	-	-
Capital outlay	-	31,250	-	-
Debt services:				
Principal retirement	-	25,974	-	-
Interest and fiscal charges	-	25,954	-	-
Total expenditures	<u>-</u>	<u>83,178</u>	<u>-</u>	<u>434,950</u>
REVENUE OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(19,874)</u>	<u>11,533</u>	<u>-</u>
OTHER FINANCING SOURCES:				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>-</u>	<u>(19,874)</u>	<u>11,533</u>	<u>-</u>
FUND BALANCES:				
Beginning of year, as restated (Note 13)	5,894	296,755	11,284	-
End of year	<u>\$ 5,894</u>	<u>\$ 276,881</u>	<u>\$ 22,817</u>	<u>\$ -</u>

(Continued)

City of Arvin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue			
	RSTP	Asset Forfeiture	PTMISEA Fence Grant	CalTrans
REVENUES:				
Property taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	-	-	-
Intergovernmental	-	-	55,351	61
Investment income	-	-	-	-
Charges for services	-	-	-	-
Other	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>55,351</u>	<u>61</u>
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Public works	-	-	-	-
Planning/community development	-	-	-	58,073
Capital outlay	-	-	77,149	-
Debt services:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>77,149</u>	<u>58,073</u>
REVENUE OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>(21,798)</u>	<u>(58,012)</u>
OTHER FINANCING SOURCES:				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>-</u>	<u>-</u>	<u>(21,798)</u>	<u>(58,012)</u>
FUND BALANCES:				
Beginning of year, as restated (Note 13)	332,700	41	39,792	(2,201)
End of year	<u>\$ 332,700</u>	<u>\$ 41</u>	<u>\$ 17,994</u>	<u>\$ (60,213)</u>

(Continued)

City of Arvin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue			
	CalRecycle Grant	Vehicle Auto Theft	Road Maintenance & Rehab	Traffic Impact Fees
REVENUES:				
Property taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	-	-	-
Intergovernmental	-	-	397,866	-
Investment income	-	-	-	7,720
Charges for services	-	25,000	-	-
Other	170	-	-	-
Total revenues	170	25,000	397,866	7,720
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Public works	-	-	-	-
Planning/community development	-	-	-	-
Capital outlay	-	-	48,009	-
Debt services:				
Principal retirement	-	-	-	154,026
Interest and fiscal charges	-	-	-	153,907
Total expenditures	-	-	48,009	307,933
REVENUE OVER (UNDER) EXPENDITURES	170	25,000	349,857	(300,213)
OTHER FINANCING SOURCES:				
Transfers in	-	-	-	81,077
Total other financing sources	-	-	-	81,077
NET CHANGES IN FUND BALANCES	170	25,000	349,857	(219,136)
FUND BALANCES:				
Beginning of year, as restated (Note 13)	(170)	-	123,971	744,578
End of year	\$ -	\$ 25,000	\$ 473,828	\$ 525,442

(Continued)

City of Arvin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue		Capital Projects	
	Water Element Grant	CalFire Urban Forestry	Jewett Square Development	Franklin St. Project
REVENUES:				
Property taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	-	-	-
Intergovernmental	24,343	58,181	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Other	-	-	-	-
Total revenues	<u>24,343</u>	<u>58,181</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Public works	-	-	-	-
Planning/community development	34,255	8,149	-	-
Capital outlay	-	43,540	96,934	147
Debt services:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>34,255</u>	<u>51,689</u>	<u>96,934</u>	<u>147</u>
REVENUE OVER (UNDER) EXPENDITURES	<u>(9,912)</u>	<u>6,492</u>	<u>(96,934)</u>	<u>(147)</u>
OTHER FINANCING SOURCES:				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>(9,912)</u>	<u>6,492</u>	<u>(96,934)</u>	<u>(147)</u>
FUND BALANCES:				
Beginning of year, as restated (Note 13)	(7,000)	(2,298)	(149,397)	9,879
End of year	<u>\$ (16,912)</u>	<u>\$ 4,194</u>	<u>\$ (246,331)</u>	<u>\$ 9,732</u>

(Continued)

City of Arvin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	Capital Projects			
	Prop 68 Parks and Water	TDA3 Digiorgio	PD Plug In Vehicles 2017	Urban Greening/ Pathways Greene
REVENUES:				
Property taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	-	-	-
Intergovernmental	-	108,200	36,586	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Other	-	-	-	-
Total revenues	<u>-</u>	<u>108,200</u>	<u>36,586</u>	<u>-</u>
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Public works	-	-	-	-
Planning/community development	525	11,222	-	1,146
Capital outlay	-	126,502	55,641	23,172
Debt services:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>525</u>	<u>137,724</u>	<u>55,641</u>	<u>24,318</u>
REVENUE OVER (UNDER) EXPENDITURES	<u>(525)</u>	<u>(29,524)</u>	<u>(19,055)</u>	<u>(24,318)</u>
OTHER FINANCING SOURCES:				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>(525)</u>	<u>(29,524)</u>	<u>(19,055)</u>	<u>(24,318)</u>
FUND BALANCES:				
Beginning of year, as restated (Note 13)	-	(1,614)	7,324	-
End of year	<u>\$ (525)</u>	<u>\$ (31,138)</u>	<u>\$ (11,731)</u>	<u>\$ (24,318)</u>

(Continued)

City of Arvin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	Capital Projects		Total Nonmajor Governmental Funds
	Hazard Mitigation Planning	FTA Low No Bus	
REVENUES:			
Property taxes and special assessments	\$ -	\$ -	\$ 117,126
Licenses, permits and fees	-	-	65,115
Intergovernmental	-	-	2,000,206
Investment income	-	-	11,229
Charges for services	-	-	25,000
Other	-	-	16,353
Total revenues	<u>-</u>	<u>-</u>	<u>2,235,029</u>
EXPENDITURES:			
Current:			
Public safety	-	-	275,973
Public works	-	-	573,755
Planning/community development	1,177	442	114,989
Capital outlay	-	20,157	550,946
Debt services:			
Principal retirement	-	-	180,000
Interest and fiscal charges	-	-	179,861
Total expenditures	<u>1,177</u>	<u>20,599</u>	<u>1,875,524</u>
REVENUE OVER (UNDER) EXPENDITURES	<u>(1,177)</u>	<u>(20,599)</u>	<u>359,505</u>
OTHER FINANCING SOURCES:			
Transfers in	-	-	81,077
Total other financing sources	<u>-</u>	<u>-</u>	<u>81,077</u>
NET CHANGES IN FUND BALANCES	<u>(1,177)</u>	<u>(20,599)</u>	<u>440,582</u>
FUND BALANCES:			
Beginning of year, as restated (Note 13)	-	-	1,376,308
End of year	<u>\$ (1,177)</u>	<u>\$ (20,599)</u>	<u>\$ 1,816,890</u>

(Concluded)

City of Arvin
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
COPS Program Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 191,280	\$ 91,280
EXPENDITURES:				
Current:				
Public safety	187,250	187,250	180,459	6,791
Capital outlay	-	-	10,821	(10,821)
Total expenditures	<u>187,250</u>	<u>187,250</u>	<u>191,280</u>	<u>(4,030)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (87,250)</u>	<u>\$ (87,250)</u>	-	<u>\$ 87,250</u>
FUND BALANCE:				
Beginning of year			<u>474</u>	
End of year			<u>\$ 474</u>	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
LLMD Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Property taxes and special assessments	\$ 118,269	\$ 118,269	\$ 117,126	\$ (1,143)
EXPENDITURES:				
Current:				
Public works	125,039	125,039	138,805	(13,766)
NET CHANGE IN FUND BALANCE	<u>\$ (6,770)</u>	<u>\$ (6,770)</u>	(21,679)	<u>\$ (14,909)</u>
FUND BALANCE:				
Beginning of year			94,652	
End of year			<u>\$ 72,973</u>	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
Traffic HSIP Derby Signal Light Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 95,153	\$ 95,153	\$ 31,762	\$ (63,391)
EXPENDITURES:				
Capital outlay	95,153	95,153	17,624	77,529
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	14,138	<u>\$ 14,138</u>
FUND BALANCE:				
Beginning of year			(25,763)	
End of year			<u>\$ (11,625)</u>	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
TDA (Non-Transit) Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 759,559	\$ 759,559	\$ 440,185	\$ (319,374)
EXPENDITURES:				
Current:				
Public works	10,836	10,836	-	10,836
Capital outlay	681,113	681,113	-	681,113
Total expenditures	691,949	691,949	-	691,949
NET CHANGE IN FUND BALANCE	\$ 67,610	\$ 67,610	440,185	\$ 372,575
FUND BALANCE:				
Beginning of year			20,797	
End of year			<u>\$ 460,982</u>	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
Federal Police Grant Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 24,000	\$ 24,000	\$ 122,486	\$ 98,486
EXPENDITURES:				
Current:				
Public safety	24,000	24,000	95,514	(71,514)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	26,972	<u>\$ 26,972</u>
FUND BALANCE:				
Beginning of year			-	
End of year			<u>\$ 26,972</u>	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
Park Fees Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses, permits and fees	\$ 110,087	\$ 110,087	\$ 59,795	\$ (50,292)
Investment income	-	-	3,509	3,509
Total revenues	<u>110,087</u>	<u>110,087</u>	<u>63,304</u>	<u>(46,783)</u>
EXPENDITURES:				
Capital outlay	-	-	31,250	(31,250)
Debt services:				
Principal retirement	25,974	25,974	25,974	-
Interest and fiscal charges	25,954	25,954	25,954	-
Total expenditures	<u>51,928</u>	<u>51,928</u>	<u>83,178</u>	<u>(31,250)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 58,159</u>	<u>\$ 58,159</u>	(19,874)	<u>\$ (78,033)</u>
FUND BALANCE:				
Beginning of year			<u>296,755</u>	
End of year			<u>\$ 276,881</u>	

City of Arvin
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
AB 109 Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 6,670	\$ 6,670	\$ 481	\$ (6,189)
Other revenue	-	-	11,052	11,052
Total revenues	<u>6,670</u>	<u>6,670</u>	<u>11,533</u>	<u>4,863</u>
EXPENDITURES:				
Current:				
Public safety	<u>6,670</u>	<u>6,670</u>	<u>-</u>	<u>6,670</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	11,533	<u>\$ 11,533</u>
FUND BALANCE:				
Beginning of year			<u>11,284</u>	
End of year			<u>\$ 22,817</u>	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
State Gas Tax Special Revenue Fund
For the year ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Investment income	\$ 500	\$ 500	\$ -	\$ (500)
Intergovernmental	445,580	445,580	434,950	(10,630)
Total revenues	<u>446,080</u>	<u>446,080</u>	<u>434,950</u>	<u>(11,130)</u>
EXPENDITURES:				
Current:				
Public works	496,231	496,231	434,950	61,281
NET CHANGE IN FUND BALANCE	<u>\$ (50,151)</u>	<u>\$ (50,151)</u>	-	<u>\$ 50,151</u>
FUND BALANCE:				
Beginning of year			-	
End of year			<u>\$ -</u>	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
CalTrans Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 158,858	\$ 158,858	\$ 61	\$ (158,797)
EXPENDITURES:				
Current:				
Planning/community development	-	-	58,073	(58,073)
Capital outlay	158,858	158,858	-	158,858
Total expenditures	158,858	158,858	58,073	100,785
NET CHANGE IN FUND BALANCE	\$ -	\$ -	(58,012)	\$ (58,012)
FUND BALANCE:				
Beginning of year			(2,201)	
End of year			<u>\$ (60,213)</u>	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
Road Maintenance & Rehab Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 427,628	\$ 427,628	\$ 397,866	\$ (29,762)
EXPENDITURES:				
Capital outlay	427,628	427,628	48,009	379,619
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	349,857	<u>\$ 349,857</u>
FUND BALANCE:				
Beginning of year			123,971	
End of year			<u>\$ 473,828</u>	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses, permits and fees	\$ 71,249	\$ 71,249	\$ -	\$ (71,249)
Investment income	-	-	7,720	7,720
Total revenues	<u>71,249</u>	<u>71,249</u>	<u>7,720</u>	<u>(63,529)</u>
EXPENDITURES:				
Debt services:				
Principal retirement	113,472	113,472	154,026	(40,554)
Interest and fiscal charge	113,384	113,384	153,907	(40,523)
Total expenditures	<u>226,856</u>	<u>226,856</u>	<u>307,933</u>	<u>(81,077)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(155,607)</u>	<u>(155,607)</u>	<u>(300,213)</u>	<u>(144,606)</u>
OTHER FINANCING SOURCES:				
Transfers in	-	-	81,077	81,077
Total other financing sources	<u>-</u>	<u>-</u>	<u>81,077</u>	<u>81,077</u>
NET CHANGE IN FUND BALANCE	<u>\$ (155,607)</u>	<u>\$ (155,607)</u>	(219,136)	<u>\$ (63,529)</u>
FUND BALANCE:				
Beginning of year			744,578	
End of year			<u>\$ 525,442</u>	

City of Arvin
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
CalFire Urban Forestry Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 195,147	\$ 195,147	\$ 58,181	\$ (136,966)
EXPENDITURES:				
Current:				
Planning/community development	2,794	2,794	8,149	(5,355)
Capital outlay	192,353	192,353	43,540	148,813
Total expenditures	195,147	195,147	51,689	143,458
NET CHANGE IN FUND BALANCE	\$ -	\$ -	6,492	\$ 6,492
FUND BALANCE:				
Beginning of year			(2,298)	
End of year			\$ 4,194	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
Franklin St. Project Capital Project Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 502,636	\$ 502,636	\$ -	\$ (502,636)
EXPENDITURES:				
Capital outlay	502,636	502,636	147	502,489
NET CHANGE IN FUND BALANCE	\$ -	\$ -	(147)	\$ (147)
FUND BALANCE:				
Beginning of year			9,879	
End of year			<u>\$ 9,732</u>	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
TDA3-Digiorgio Capital Project Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 285,000	\$ 285,000	\$ 108,200	\$ (176,800)
EXPENDITURES:				
Current:				
Planning/community development	-	-	11,222	(11,222)
Capital outlay	285,000	285,000	126,502	158,498
Total expenditures	285,000	285,000	137,724	147,276
NET CHANGE IN FUND BALANCE	\$ -	\$ -	(29,524)	\$ (29,524)
FUND BALANCE:				
Beginning of year			(1,614)	
End of year			\$ (31,138)	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

City of Arvin
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
Urban Greening/Pathways Greene Capital Project Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 527,747	\$ 527,747	\$ -	\$ (527,747)
EXPENDITURES:				
Current:				
Planning/community development	-	-	1,146	(1,146)
Capital outlay	-	-	23,172	(23,172)
Total expenditures	-	-	24,318	(24,318)
NET CHANGE IN FUND BALANCE	\$ 527,747	\$ 527,747	(24,318)	\$ (552,065)
FUND BALANCE:				
Beginning of year			-	
End of year			\$ (24,318)	

Attachment: FY 18-19 Annual Audit Report_042820 (Fiscal Year 18/19 Annual Audit Report)

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CITY OF ARVIN Staff Report

Meeting Date: April 28, 2020

TO: City Council

FROM: Pawan Gill, Director of Administrative Services
Jerry Breckinridge, City Manager

SUBJECT: Consideration and Approval of the Strategic Plan of the City of Arvin

BACKGROUND:

The City of Arvin has embarked on a process to update and refresh its strategic plan. The goal of the plan is to ensure maximum alignment between the City's resources and activities with the City Council's policy direction, citywide organizational culture, employee and stakeholder interests, and customer service expectations.

In October of 2018, the City began developing an internal strategic plan. The strategic planning process engaged all levels of City staff and consisted of multiple, small group strategic planning sessions, interviews with the City's executive management team and incorporated stakeholder feedback. Employees and management conducted a SWOT analysis to identify organizational strengths, weaknesses, opportunities and threats. In August of 2019, the Council expanded on this analysis and began developing an external Citywide Strategic Plan to identify Council priorities. The Council Strategic planning process incorporated feedback from the internal strategic planning effort as well as feedback collected from previous community outreach events including public comments during council meetings, community townhalls ,etc. To ensure that the strategic plan reflects the values, priorities and vision of the Arvin Community, the Council held a public workshop at the Arvin community center on August 3rd, 2019. The City also hosted a community meeting on October 24th, 2019 to solicit input from Community members. After compiling all of this feedback, a draft strategic plan was presented during a workshop at the January 28th, 2020 council meeting.

The plan being presented today is for City Council consideration and adoption. This plan is intended to guide the City's vision and priorities for the next five years.

RECOMMENDATION:

Staff recommends approval of the Strategic Plan of the City of Arvin.

FISCAL IMPACT:

There is no fiscal impact caused by the update of the strategic plan.

City of Arvin

Presentation of Draft Strategic Plan

Strategic Planning Process

- ▶ Commenced in October of 2018 with a series of meetings for the development of an internal strategic plan with all City staff to solicit feedback regarding city operations. Meetings were held in groups of approximately 7-10 employees. Online survey methodology was made available for staff who could not participate in person.
- ▶ Conducted interviews with executive management team
- ▶ City Council Strategic Planning workshop – August 3rd, 2019
- ▶ Arvin Community meeting at Veteran’s Hall on 414 4th street which included residents - October 24th, 2019

S

- Small, hardworking agricultural community with hometown feel
- Young, vibrant community with rich culture and history
- New leadership is committed to bring about positive culture change
- Resilient city staff that continues to provide services despite limited resources, particularly in PD

W

- Limited resources hamper ability to serve community; animal control, code enforcement, infrastructure improvements
- Lack of community engagement and involvement
- Lack of adequate City staffing and facilities; Delivery of service has significant room for improvement; need for a focus on the customer experience
- High level of turnover in key leadership positions; vacuum of leadership over the years has resulted in inefficiencies and a lack of oversight

O

- Significant opportunities for economic development particularly in establishing a Cannabis industry and expanding retail development in the City
- Community profile makes us appealing for grant opportunities
- Opportunity for growth due to location, workforce and available land
- Opportunity to establish a cohesive and integrated PR strategy including effectively utilizing social media to enhance City's image

T

- Shifts in council has potential to significantly change policy direction and/or City priorities
- Limited timeframe to capitalize on establishing a strong cannabis industry within Arvin
- Negative perceptions/reputation of the City undermines organizational credibility
- Lack of strong tax base



**CITY OF
ARVIN**

Vision & Mission Statement

- ▶ Vision: Arvin is safe, healthy, vibrant and economically diverse with a sense of community and where quality of life is valued.
- ▶ Mission: Our mission is to provide responsive, quality service to our community; maintain an inclusive, accessible, safe, healthy, environmentally sound and culturally rich city; drive innovative solutions; provide opportunities by creating a partnerships between the community and its government through respectful governance; and do so in an economically sustainable manner.

1.) Identify priority and funding for infrastructure and facilities projects and begin expanding and improving to a level of service the community deserves.

- ▶ Priorities:
- ▶ Improve animal control and code enforcement throughout City
- ▶ Repair roads, curbs, gutters and street lighting
- ▶ Upgrade and maintain parks
- ▶ Identify and implement resources for revenues to build infrastructure to attract development, and for parks and recreation facilities maintenance, including creation of a nonprofit organization to raise funds
- ▶ Beautify downtown Arvin and other areas through the city

2.) Broaden the economic base to include new and diverse source of revenue to attain financial stability

Priorities:

- ▶ Enhance financial stability to account for needs of the City
- ▶ Pursue grant funding for economic development and to facilitate City improvements and provide City Council with regular updates on progress
- ▶ Create a business friendly environment and practices to facilitate growth and investment in the community

3.) Establish and implement economic development strategies that result in financial stability; a diversity of new businesses and high paying jobs; more housing, including affordable housing; and a diverse economy with innovative business sectors such as renewable energy resources.

Priorities:

- ▶ Adopt and implement economic development strategies and cultivate a diversity of businesses in the community enhance revenues
- ▶ Develop a business attraction, retention and expansion strategy
- ▶ Develop more jobs in Arvin, especially well-paying and professional jobs to attract local youth to stay or return to Arvin

4.) Enhance the quality of life by providing educational and recreational opportunities, and by being good environments stewards

Priorities:

- Invest in education and workforce development for the community by finding ways to increase offerings of adult education classes (i.e. ESL, GED; literacy), job training programs; professional development opportunities; and tutoring and college scholarships for youth and adults
- Develop community activities and events reflective of the culture and interests of the community that attracts families and enhance the sense of community
- Provide opportunities for recreational programming for adults and children (especially after-school activities and sports for children), including healthy living classes (e.g. Zumba, spin/cycle; nutrition classes)
- Establish a focus on environmental sustainability

5.) City administration is efficient, effective, transparent, and responsive in a timely manner.

- ▶ Enhance service delivery by updating city codes, ordinances, internal processes and policies and procedures
- ▶ Focus on customer service in all areas
- ▶ Increase staff's community outreach and engagement to include all aspects of the community
- ▶ Make more information available online

Develop a community oriented policing strategy to improve relations with the community and implement effective crime prevention and gang prevention efforts.

Priorities:

- ▶ Enhance gang prevention operations
- ▶ Establish and institute practices and policies to enhance the Police Department's partnership with the community
- ▶ Increase staff's community outreach and engagement to include all aspects of the community

City of Arvin - General Fund Analysis
 Five Year Projected Trend FY 21 to FY 25 - **COVID-19 Projection**
 Dollars in thousands (000)

Category	Approved	Estimated					Note
	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	
REVENUE:	6,353	6,353	6,353	6,607	6,871	7,146	#
less: FY 21 disaster sales tax (15%)		(414)					
less: FY 21 bldg permits (33%)		(139)					
Revised Revenue	6,353	5,800	6,353	6,607	6,871	7,146	
EXPENSES:							
Salaries and Benefits excl Health	3,666	3,685	3,740	3,796	3,853	3,911	a
Health Insurance	391	407	440	475	513	554	b
PERS Unfunded Liability	120	201	268	328	390	468	c
Leave Cash Payouts	-	60	61	62	63	64	
Kern County Fire Contract	624	658	694	732	773	815	d
General City Expenses	396	396	408	420	433	446	e
Professional Service Contracts	228	228	235	242	249	257	e
Maintenance	169	169	174	179	185	190	e
Legal	416	452	466	460	474	488	e
Information Technology	149	191	197	203	209	215	e
Info Tech - new system		40	41	42	44	45	e
Utilities	234	234	241	248	256	263	e
Jewett Square Loan Payment	-	-	-	227	278	278	f
Total General Fund Expenses	6,393	6,721	6,964	7,415	7,718	7,993	
NET SURPLUS / (DEFICIT)	(40)	(921)	(611)	(808)	(846)	(847)	

Attachment: Updated 5 year analysis (Updated Five Year General Fund Forecast)

Notes

- #. Revenue recovers FY 22, increases at 4% each year thereafter.
- a. Salaries and Benefits reflect 1.5% annual growth for merit/longevity. No COLA or other adjustments.
- b. Projected 8% increase each year. No increased contribution by employees.
- c. PERS unfunded liability - per PERS projections, including reduced returns of 1% on PERS investments.
- d. Kern County Fire Contract - assume continuation of 2010 agreement (5.5% annual increase).
- e. Estimate 0% per year inflation FY 21, 3% per year thereafter.
- f. Currently paid by Traffic impact fees and Park impact fees. Those funds will be mostly depleted by FY 23.

City of Arvin - General Fund Analysis
 Five Year Projected Trend FY 21 to FY 25

Disaster projection - 20% decrease sales tax FY 21

Dollars in thousands (000)

Category	Approved	Estimated					Note
	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	
REVENUE:	6,353	6,353	6,353	6,353	6,353	6,353	
less: FY 21 disaster sales tax (20%)		(553)					
Revised Revenue	6,353	5,800	6,353	6,353	6,353	6,353	
EXPENSES:							
Salaries and Benefits excl Health	3,666	3,685	3,740	3,796	3,853	3,911	a
Health Insurance	391	407	440	475	513	554	b
PERS Unfunded Liability	120	201	268	328	390	468	c
Leave Cash Payouts	-	60	61	62	63	64	
Kern County Fire Contract	624	658	694	732	773	815	d
General City Expenses	396	396	396	396	396	396	e
Professional Service Contracts	228	228	228	228	228	228	e
Maintenance	169	169	169	169	169	169	e
Legal	416	452	452	452	452	452	e
Information Technology	149	191	191	191	191	191	e
Info Tech - new system		40	40	40	40	40	e
Utilities	234	234	234	234	234	234	e
Jewett Square Loan Payment	-	-	-	227	278	278	f
Total General Fund Expenses	6,393	6,721	6,913	7,330	7,579	7,800	
NET SURPLUS / (DEFICIT)		(40)	(921)	(560)	(977)	(1,226)	(1,447)

Attachment: Updated 5 year analysis (Updated Five Year General Fund Forecast)

Notes

- a. Salaries and Benefits reflect 1.5% annual growth for merit/longevity. No COLA or other adjustments.
- b. Projected 8% increase each year. No increased contribution by employees.
- c. PERS unfunded liability - per PERS projections, including reduced returns of 1% on PERS investments.
- d. Kern County Fire Contract - assume continuation of 2010 agreement (5.5% annual increase).
- e. Estimate 0% per year inflation.
- f. Currently paid by Traffic impact fees and Park impact fees. Those funds will be mostly depleted by FY 23.