



CITY of CLOVIS

AGENDA • CITY COUNCIL MEETING

Council Chamber, 1033 Fifth Street, Clovis, CA 93612 (559) 324-2060
www.cityofclovis.com

December 6, 2021

6:00 PM

Council Chamber

In compliance with the Americans with Disabilities Act, if you need special assistance to access the City Council Chamber to participate at this meeting, please contact the City Clerk or General Services Director at (559) 324-2060 (TTY – 711). Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the Council Chamber.

The Clovis City Council meetings are open to the public at the physical address listed above. There are numerous ways to participate in the City Council meetings: you are able to attend in person; you may submit written comments as described below; you may participate by calling in by phone (see “Verbal Comments” below); and you may view the meeting which is webcast and accessed at www.cityofclovis.com/agendas.

Written Comments

- Members of the public are encouraged to submit written comments at: www.cityofclovis.com/agendas at least two (2) hours before the meeting (4:00 p.m.). You will be prompted to provide:

- Council Meeting Date
- Item Number
- Name
- Email
- Comment



- Please submit a separate form for each item you are commenting on.
- A copy of your written comment will be provided to the City Council noting the item number. If you wish to make a verbal comment, please see instructions below.
- Please be aware that any written comments received that do not specify a particular agenda item will be marked for the general public comment portion of the agenda.
- If a written comment is received after 4:00 p.m. on the day of the meeting, efforts will be made to provide the comment to the City Council during the meeting. However, staff cannot guarantee that written comments received after 4:00 p.m. will be provided to City Council during the meeting. All written comments received prior to the end of the meeting will be made part of the record of proceedings.

Verbal Comments

- If you wish to speak to the Council on an item by telephone, you should contact the City Clerk at (559) 324-2060 no later than 4:00 p.m. the day of the meeting.
- You will be asked to provide your name, phone number, and your email. You will be emailed instructions to log into Webex to participate in the meeting. Staff recommends participants log into the Webex at 5:30 p.m. the day of the meeting to perform an audio check.
- All callers will be placed on mute, and at the appropriate time for your comment your microphone will be unmuted.
- In order for everyone to be heard, please limit your comments to 5 minutes or less, or 10 minutes per topic

Webex Participation

- Reasonable efforts will be made to allow written and verbal comment from a participant communicating with the host of the virtual meeting. To do so, a participant will need to chat with the host and request to make a written or verbal comment. The host will make reasonable efforts to make written and verbal comments available to the City Council. Due to the new untested format of these meetings, the City cannot guarantee that these written and verbal comments initiated via chat will occur. Participants desiring to make a verbal comment via chat will need to ensure that they accessed the meeting with audio transmission capabilities.

CALL TO ORDER

FLAG SALUTE - Councilmember Ashbeck

ROLL CALL

PUBLIC COMMENTS - This is an opportunity for the members of the public to address the City Council on any matter within the City Council's jurisdiction that is not listed on the Agenda. In order for everyone to be heard, please limit your comments to 5 minutes or less, or 10 minutes per topic. Anyone wishing to be placed on the Agenda for a specific topic should contact the City Manager's office and submit correspondence at least 10 days before the desired date of appearance.

ORDINANCES AND RESOLUTIONS - With respect to the approval of resolutions and ordinances, the reading of the title shall be deemed a motion to waive a reading of the complete resolution or ordinance and unless there is a request by a Councilmember that the resolution or ordinance be read in full, further reading of the resolution or ordinance shall be deemed waived by unanimous consent of the Council.

CONSENT CALENDAR - Items considered routine in nature are to be placed upon the Consent Calendar. They will all be considered and voted upon in one vote as one item unless a Councilmember requests individual consideration. A Councilmember's vote in favor of the Consent Calendar is considered and recorded as a separate affirmative vote in favor of each action listed. Motions in favor of adoption of the Consent Calendar are deemed to include a motion to waive the reading of any ordinance or resolution on the Consent Calendar. For adoption of ordinances, only those that have received a unanimous vote upon introduction are considered Consent items.

1. Administration - Adopt – Ord. 21-08, R2021-008, A request to rezone approximately 0.34 acre of property from the C-2 (Community Commercial) Zone District to the P-F (Public Facilities) Zone District, associated with properties located at 2300 Minnewawa Avenue. (Vote: 5-0)
2. Administration - Adopt – Ord. 21-09, Amending Section 6.3.22 of Chapter 6.3 of Title 6 of the Clovis Municipal Code Relating to Street Sweeping Service and Charges. (Vote: 5-0)
3. Administration – Approval – Award the Request for Proposals to Zones, Inc. for the purchase of twenty (20) Mobile Data Computers.
4. Fire Department - Approval – Res. 21-____, Authorize submittal of an Emergency Vehicle Replacement Program grant application under the San Joaquin Valley Air Pollution Control District Public Benefit Grant Program and Authorize the City Manager to be the Contract Authority; and Approval – Res.21-____, Amending the 2021-2022 FY budget to reflect the grant pre-approval amount and remainder of Fire Engine purchase price and authorizing the sole-source purchase of the Fire Engine from Golden State Fire Apparatus in Sacramento, CA.
5. Fire – Approval – Res. 21-____, Amending the 2021-2022 FY Budget to allow for the purchase and implementation of the dispatch to dispatch software to be utilized by Public Safety.
6. General Services – Approval - Res. 21-____, Authorizing Amendments to the Records Supervisor Classification in the Police Department.
7. Planning and Development Services - Approval – Final Acceptance for Final Map for Tract 6114, located at the southwest area of Ashlan and Leonard Avenues (Two Creeks South, LP, (Wilson Homes)).
8. Planning and Development Services - Approval – Final Acceptance for Final Map for Tract 6120, located at the northeast area of Leonard and Barstow Avenues (BN 6120 LP, Bonadelle Neighborhoods).
9. Planning and Development Services - Approval – Res. 21-____, A request to authorize the City Manager to execute a consultant agreement between the City of Clovis and LSA for the preparation of an Environmental Impact Report (EIR) and related services covering approximately ±218 acres of property located South of E. Behymer Avenue, between the Enterprise Canal and N. Sunnyside Avenues. Wilson Premier Homes, Inc., applicant; Harbour & Associates, representative.
10. Public Utilities – Approval – Award Solid Waste Large Container Contract to Industrial Waste and Salvage (IWS).

PUBLIC HEARINGS - A public hearing is an open consideration within a regular or special meeting of the City Council, for which special notice has been given and may be required. When a public hearing is continued, noticing of the adjourned item is required as per Government Code 54955.1.

11. Consider Actions related to Annexation of Territory (Annexation #70, T6166 - SEC Gettysburg/Highland) to the City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services).
 - a. Consider Approval - Res. 21-____, A Resolution annexing territory (Annexation #70) (T6166 - SEC Gettysburg/Highland) to the City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services) and calling a special landowner election to annex territory (Annexation #70) to City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services).

b. Consider Approval - Res. 21-____, A Resolution of the City of Clovis declaring the results of a special landowner election and directing recording of the Notice of Special Tax Lien for City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services).

Staff: Jay Schengel, Finance Director
Recommendation: Approve

12. Consider Actions related to Annexation of Territory (Annexation #71, T6348 - NEC Willow/Nees, T6367 - SEC Nees/Armstrong) to the City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services).

a. Consider Approval - Res. 21-____, A Resolution annexing territory (Annexation #71) (T6348 - NEC Willow/Nees, T6367 - SEC Nees/Armstrong) to the City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services) and calling a special landowner election to annex territory (Annexation #71) to City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services).

b. Consider Approval - Res. 21-____, A Resolution of the City of Clovis declaring the results of a special landowner election and directing recording of the Notice of Special Tax Lien for City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services).

Staff: Jay Schengel, Finance Director
Recommendation: Approve

ADMINISTRATIVE ITEMS - Administrative Items are matters on the regular City Council Agenda other than Public Hearings.

13. Consider Approval - Res 21-____, Final Amendments to the 2020-21 Budget in conformance with the Budget Ordinance and Receive and File – Year end report for all funds as of June 30, 2021.

Staff: Jay Schengel, Finance Director
Recommendation: Approve

14. Consider Approval - 2020-21 Annual Comprehensive Financial Report.

Staff: Jay Schengel, Finance Director
Recommendation: Approve

15. Consider Approval – Res. 21-____, Amending the City’s FY 21-22 Position Allocation Plan by adding three (3) Police Officer Recruit/Lateral positions within the Police Department.

Staff: Luke Serpa, City Manager
Recommendation: Approve

COUNCIL ITEMS

- [16.](#) Consider Approval - Res. 21-____, Agreement for Professional Legal Services as City Attorney.

Staff: Luke Serpa, City Manager

Recommendation: Approve

- [17.](#) Consider Various Actions Associated with the Development of a Citizens' Advisory Committee to Evaluate the Police Department's Funding, Operations and Staffing Levels, and Report back on Recommendations on Services Provided, Efficiencies, Operations, and Funding:

a. Confirm / amend consensus direction provided to staff at the November 15, 2021 meeting;

b. Consider options regarding facilitating the 25 member Committee meetings through the process;

c. Approve the draft calendar for the Committee meeting timeline;

d. Receive and File an analysis of expenditures and staffing within the Police Department over the past fifteen years.

Staff: John Holt, Assistant City Manager

Recommendation: Approve and Provide Policy Direction

CITY MANAGER COMMENTS

18. COVID-19 Update.

COUNCIL COMMENTS

CLOSED SESSION - A "closed door" (not public) City Council meeting, allowed by State law, for consideration of pending legal matters and certain matters related to personnel and real estate transactions.

19. Government Code Section 54956.9(d)(1)
Conference with Legal Counsel - Existing Litigation
In Re: National Prescription Opiate Litigation; U.S. District Court, N.D. Ohio,
Eastern Division; Case No. Case No. 1:17-md-2804
20. Government Code Section 54956.9(d)(2)
Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation
One potential case

ADJOURNMENT

MEETINGS AND KEY ISSUES

Regular City Council Meetings are held at 6:00 P.M. in the Council Chamber. The following are future meeting dates:

Dec. 13, 2021 (Mon.)

Dec. 20, 2021 (Mon.) (To Be Cancelled)

Jan. 3, 2022 (Mon.) (To Be Cancelled)

Jan. 10, 2022 (Mon.)

Jan. 18, 2022 (Tue.)



CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Administration

DATE: December 6, 2021

SUBJECT: Administration - Adopt – Ord. 21-08, R2021-008, A request to rezone approximately 0.34 acre of property from the C-2 (Community Commercial) Zone District to the P-F (Public Facilities) Zone District, associated with properties located at 2300 Minnewawa Avenue. (Vote: 5-0)

ATTACHMENTS: None

This item was approved for introduction on November 15, 2021 with a unanimous vote.

Please direct questions to the City Manager's office at 559-324-2060.



CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Administration

DATE: December 6, 2021

SUBJECT: Administration - Adopt – Ord. 21-09, Amending Section 6.3.22 of Chapter 6.3 of Title 6 of the Clovis Municipal Code Relating to Street Sweeping Service and Charges. (Vote: 5-0)

ATTACHMENTS: None

This item was approved for introduction on November 15, 2021 with a unanimous vote.

Please direct questions to the City Manager's office at 559-324-2060.



CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council
 FROM: Administration
 DATE: December 6, 2021
 SUBJECT: Administration – Approval – Award the Request for Proposals to Zones, Inc. for the purchase of twenty (20) Mobile Data Computers.

ATTACHMENTS: None

CONFLICT OF INTEREST

None

RECOMMENDATION

For the City Council to Award the Request for Proposals to Zones, Inc. for the purchase of twenty (20) Mobile Data Computers in the amount of \$103,666.20 plus tax.

EXECUTIVE SUMMARY

Included in the 2021-2022 Budget are funds to purchase replacement Mobile Data Computers (MDCs). The MDCs are to provide connectivity with various applications used to provide needed information and to increase efficiencies or police officers to perform their jobs in the field.

Staff went out with a Request for Proposals (RFP) from vendors using the City's online bidding system on November 1, 2021 and received seven responses. Zones submitted the lowest priced proposal.

BACKGROUND

Every police vehicle is outfitted with Mobile Data Computers (MDC) to receive and send information on calls assigned to the officer.

In an effort to better serve the public by keeping officers on the street doing their duties, all MDCs are being standardized to a laptop configuration. This is consistent with what other public safety agencies across the nation have adopted. Utilizing laptop computers have helped achieve the following benefits:

- Reduced amount of down time.
- Easier to exchange laptops from one vehicle to the next.
- Repair costs have been greatly reduced.

- Has reduced cost of deployment.
- Allowed for consistent environmental conditions for computers.

Staff requested proposals from vendors using the City’s online bidding system on November 1, 2021. There were 399 vendors notified and staff received seven (7) responses.

The vendors were to provide pricing for the twenty MDCs, vehicle mounting docks, a five year warranty and shipping.

The pricing comparison is as follows:

Vendor	Units	Total
Zones, Inc.	20	\$103,666.20
Ingram Technologies LLC	20	\$105,040.00
Lehr Auto Electric	20	\$113,364.80
Hypertec USA Inc.	20	\$115,088.60
Planet Cellular Inc.	20	\$120,698.20
Howard Industries Inc	20	\$122,040.00
Ditta Enterprises LLC	20	\$154,500.00

Based on the above comparison, staff is recommending the purchase of twenty (20) Panasonic Toughbook laptops from Zones, Inc. for an amount of \$103,666.20 plus tax. Zones submitted the lowest priced responsible proposal including having the lowest per unit cost.

FISCAL IMPACT

There are sufficient funds allocated in the Information Technology Division budget for the purchase of these Panasonic Toughbook laptops.

REASON FOR RECOMMENDATION

The City has standardized on Panasonic Laptops for vehicles as they have proven to be very reliable and able to stand up to the rigors of the mobile work environment.

ACTIONS FOLLOWING APPROVAL

The City will purchase the budgeted Panasonic Laptops. As the Laptops arrive, they will be set up and installed in the vehicles for immediate use.

Prepared by: Jesse Velez, IT Deputy Director

Reviewed by: City Manager *JH*



CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Fire Department

DATE: December 6, 2021

SUBJECT: Fire Department - Approval – Res. 21-____, Authorize submittal of an Emergency Vehicle Replacement Program grant application under the San Joaquin Valley Air Pollution Control District Public Benefit Grant Program and Authorize the City Manager to be the Contract Authority; and Approval – Res.21-____, Amending the 2021-2022 FY budget to reflect the grant pre-approval amount and remainder of Fire Engine purchase price and authorizing the sole-source purchase of the Fire Engine from Golden State Fire Apparatus in Sacramento, CA.

ATTACHMENTS: 1. Res. 21-____
2. Res. 21-____
3. Golden State Fire Apparatus Quote

CONFLICT OF INTEREST

None.

RECOMMENDATION

Authorize Resolution No. 21-____, authorizing the submittal and acceptance for a grant from the SJVAPD in the amount of \$272,400 and authorize the City Manager to be Contract Authority.

Authorize Resolution No. 21-____, amending the Public Utilities Department budget to provide funding for the purchase of a Pierce Triple Combination Pumper Fire Apparatus and required firefighting equipment in a total amount of \$848,900 (\$811,806 for the engine and \$37,094 for required equipment).

Approval to waive the City's formal bidding requirements and authorize the sole source purchase of a Pierce Triple Combination Pumper Fire Apparatus from Golden State Fire Apparatus in Sacramento, CA in the amount of \$811,806 plus \$37,094 for necessary equipment for a total of \$848,900.

EXECUTIVE SUMMARY

Over the past couple of years, the Clovis Fire Department has been working with the San Joaquin Valley Air Pollution Control District to develop a brand-new grant opportunity for the

replacement of older highly polluting fire engines. As you are aware fire departments throughout the valley have had to keep their fire apparatus longer than originally planned. Many of these apparatuses are over 20 years old and add to the valley's air pollution. This new grant program is called the Emergency Vehicle Replacement Program (EVRP). The Emergency Vehicle Replacement Program provides incentive funds for the replacement of in-use diesel emergency vehicles as described in the California Vehicle Code 165, including pumper trucks, ladder trucks, water tenders and other diesel-powered emergency vehicles with the latest generation clean technology. The program terms require that the City provide a resolution from the Council authorizing the application and acceptance of the grant, identifying the individual authorized to submit the application as well as authorization to implement the new vehicle project.

The SJVAPD estimates the City's grant award to be \$272,400, which is approximately 32% of the total cost for a new fire engine. The City will be the first award recipient for this program and will be used as the pilot for this new program. This program will replace an engine the City acquired in 1996. The new apparatus will be purchased from Golden State Fire Apparatus in Sacramento, CA and the total cost for the engine and new equipment carried on it is \$848,900.

BACKGROUND

In September 2021, the Fire Department applied for an Emergency Vehicle Replacement Program (EVRP) grant through the San Joaquin Valley Air Pollution District. This grant program started in 2021 and we are the first city to be pre-approved for the grant. The criteria requires that a current vehicle owned and operated by the Department is replaced due to substantial repairs, fuel usage, and mileage. Once the grant is approved, the vehicle must be inspected by an inspector in the SJVAPCD's Compliance department. The contract term will be for 15 years, and the City is required to own and operate the vehicles as well as submit annual reports during the 15 years.

The Fire Department's standard for fleet replacement, which was adopted by the City of Clovis in the mid-1990's and has been incorporated into the Fire Department's accreditation plan that was approved by the Center for Public Safety Excellence, has been to use apparatus for twelve to fourteen years as front-line service and then place them in reserve for approximately six to eight years, and to receive a twenty-year service life for the fire apparatus. The City bought an engine in 1996 and it is now the oldest engine in the fleet.

The manufacturer of this apparatus (Pierce) remains consistent with the standard the Department established in 1996. Since that time, we have continued our efforts to standardize all the new fire apparatus chassis, engines, transmissions, and main fire pumps. This effort and approach has served to increase firefighter safety, reduce training time, and reduce fleet maintenance costs and required parts inventory. Therefore, we are requesting to sole source this purchase using Fire rescue GPO pricing.

FISCAL IMPACT

Obtaining a grant under this program greatly reduces the cost of acquiring the vehicle. The total cost of the new Pierce Engine and equipment is \$848,900. Applying the pre-approved \$272,400 grant funding award will reduce the amount being paid from the Fleet Capital budget to \$576,500,

a 32% decrease. The budget transfer will be from the General Fund to the Fleet Fund managed by Public Utilities.

REASON FOR RECOMMENDATION

This grant will allow the City to purchase a needed replacement vehicle at a reduced cost. Staff has evaluated the available equipment and has determined that the proposed equipment will meet the Department's needs.

ACTIONS FOLLOWING APPROVAL

A purchase order will be prepared for the City Manager's approval and sent to the vendor following the execution of an agreement with SJVAPCD securing the grant funding.

Prepared by: Anthony Gomes, Battalion Chief

Reviewed by: City Manager *JH*

RESOLUTION 21-__

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVIS
AUTHORIZING SUBMITTAL OF A GRANT APPLICATION UNDER THE SAN JOAQUIN
VALLEY AIR POLLUTION CONTROL DISTRICT (SJVAPCD) PUBLIC BENEFIT GRANT
PROGRAM AND AUTHORIZE THE CITY MANAGER TO BE THE CONTRACT AUTHORITY**

WHEREAS, The San Joaquin Valley Air Pollution Control District currently has a grant opportunity available called the Public Benefit Grant Program to fund the purchase of new electric, hybrid, or alternative fuel vehicles which will provide a direct benefit to Valley residents; and

WHEREAS, SJVAPCD procedures for administering grant programs require, among other things, an applicant’s governing body to declare by resolution certain authorizations related to the administration of the program; and

WHEREAS, the City Council determines that this grant program is necessary.

BE IT RESOLVED that the City of Clovis is authorized to submit an application to SJVAPCD for the Public Benefit Grant Program; and

BE IT RESOLVED that the City Manager, or his designee, is hereby authorized as Signature Authority to execute all documents necessary to implement and secure payment; and

NOW, THEREFORE, BE IT RESOLVED, that that this authorization is effective until rescinded by the Signature Authority or this governing body.

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on _____, 2021 by the following vote, to wit.

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

DATED:

Mayor

City Clerk

RESOLUTION 21-__

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVIS
APPROVING THE AMENDMENT OF 2021-2022 FY BUDGET AND AUTHORIZING THE
CITY MANAGER TO SIGN THE PURCHASE AGREEMENT AND RELATED DOCUMENTS**

WHEREAS, the City Council approved the 2021-2022 FY budget; and

WHEREAS, the Fire Department has been pre-approved to receive the San Joaquin Valley Air Pollution’s Emergency Vehicle Replacement Program grant in the amount of \$272,400 to replace one fire engine to service the City of Clovis; and

WHEREAS, the fire engine will cost \$789,500 and the necessary tools and equipment will cost \$59,400 for a total cost of \$848,900; and

WHEREAS, the San Joaquin Valley Air Pollution’s Emergency Vehicle Replacement Program grant will not cover the total cost of \$848,900 for a new fire engine and a transfer from the General Fund in the amount of \$576,500 is necessary to cover the additional cost; and

WHEREAS, the Fire Department is responsible for providing public safety utilizing the most effective and cost efficient tools possible; and

WHEREAS, the City Council finds that the expenditure is necessary.

NOW, THEREFORE, BE IT RESOLVED, that the City of Clovis amend the 2021-2022 FY Budget as provided in Attachment A to match the grant funding and cost balance.

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on _____, 2021 by the following vote, to wit.

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

DATED:

Mayor

City Clerk

SUMMARY OF REVENUES BY DEPARTMENT
2021-2022

Department		
Public Utilities		\$ 272,400
Total		<u><u>\$ 272,400</u></u>

SUMMARY OF REVENUES BY FUND
2021-2022

Fund		
Fleet		\$ 272,400
Total		<u><u>\$ 272,400</u></u>

SUMMARY OF EXPENDITURES BY DEPARTMENT
2021-2022

Department		
Public Utilities		\$ 848,900
Total		<u><u>\$ 848,900</u></u>

SUMMARY OF EXPENDITURES BY FUND
2021-2022

Fund		
Fleet		\$ 848,900
Total		<u><u>\$ 848,900</u></u>

SUMMARY OF TRANSFERS BY FUND
2020-2021

<u>Transfer In</u>		
Fund		
Fleet		\$ 576,500
Total		<u><u>\$ 576,500</u></u>

<u>Transfer Out</u>		
Fund		
General		\$ 576,500
Total		<u><u>\$ 576,500</u></u>



PROPOSAL PREPARED FOR
City of Clovis Fire Department
Pierce Manufacturing, Inc.
One (1) Velocity PUC Pumper
November 17, 2021

SALES CONSULTANT
Dewayne Young
Golden State Fire Apparatus, Inc.
7400 Reese Road
Sacramento, CA 95828
(209) 777-0650 Cell
dyoung@goldenstatefire.com

PARTS, SERVICE & SUPPORT
Golden State Emergency Vehicle Service, Inc.
7400 Reese Road
Sacramento, CA 95828
916.330.1638 Office
parts@goldenstatefire.com

PROPOSAL PREPARED FOR:

City of Clovis Fire Department
1033 Fifth Street
Clovis, CA 93612

Submitted Date:	November 17, 2021
Proposal Number:	31117-21
Expiration Date:	December 17, 2021
Sales Consultant:	Dewayne Young

We hereby propose and agree to furnish, after your acceptance of this proposal and the proper execution by the CITY OF CLOVIS FIRE DEPARTMENT, hereinafter called "Customer" and an officer of Golden State Fire Apparatus, Inc., hereinafter called "GSFA", the following fire apparatus and equipment, hereinafter called "Product":

#	Description	Unit Price
A	One (1) Pierce Manufacturing, Velocity PUC Pumper	818,334.41
B	Discount for same as HGAC / Fire Rescue GPO Pricing	(37,372.00)
C	Discount For 100% Pre-Payment at Time of Order	(29,125.28)
SUBTOTAL		751,837.13
7.975% State Sales Tax		59,959.01
California Tire Fee		10.50
GRAND TOTAL		811,806.65

PROPOSAL SUMMARY

This proposal includes the following items in accordance with the specifications hereto attached:

- Fire apparatus and equipment
- 100% performance bond
- Pre-delivery inspection/services by GSFA
- Delivery to GSFA service center in Sacramento
- Final delivery from service center to Customer
- Demonstration and familiarization of the Product

PRODUCT COMPLETION

Product shall be built in accordance with the specifications hereto attached, delays due to acts of God, strikes, war, or intentional conflict, failures to obtain chassis, materials, unusual weather conditions or other causes beyond GSFA's control not preventing, within approximately **480 to 540 CALENDAR DAYS** after receipt of this order and the acceptance thereof at our Sacramento, California office. Within thirty (30) calendar days after receipt of this order and acceptance thereof, GSFA shall submit to Customer a production schedule including tentative pre-construction conference, final inspection and final delivery dates.

DELIVERY LOCATION

Product shall be shipped in accordance with the specifications hereto attached and be delivered to you at **CLOVIS, CALIFORNIA**. Proof of insurance must be demonstrated by the Customer to GSFA prior to transferring of the Product(s).

ACCEPTING THIS PROPOSAL

In the event Customer wishes to purchase the Product described in this Proposal and the attached specifications, then, prior to the expiration date listed on page 2 of this Proposal, Customer shall sign and return this Proposal. Thereafter, GSFA and Customer will endeavor to enter into a purchase agreement incorporating this Proposal and including additional terms (a "Purchase Agreement"). If Customer returns a signed copy of this Proposal alone, GSFA will send Customer its form of Purchase Agreement for Customer's review and signature. **If Customer desires to use its standard form of purchase order as the Purchase Agreement, then Customer should return a signed copy of this Proposal along with a copy of such purchase order. All purchase orders shall be made out to GSFA.** GSFA will review such purchase order and contact the Customer regarding any required revisions. Only upon a full execution of a Purchase Agreement shall GSFA and Customer be obligated to purchase and sell the Product set forth in this Proposal.

TERMS AND CONDITIONS

The following Terms and Conditions are hereby made part of this Proposal:

- 1. Payment Terms, 100% Pre-Payment at Time of Order** – Customer shall pay the amount listed on page one of this Proposal, which includes: (i) the total price for the Product (the "Purchase Price"), (ii) the estimated state sales tax on the Product, and (iii) the California tire fee (together with the Purchase Price and estimated state sales tax, the "Grand Total") within fifteen (15) calendar days from the date on which the Purchase Agreement is fully executed. The proposed delivery timeframe for the Product, which is outlined on page one of this Proposal, shall not begin until full payment of the Grand Total is received. In the event Customer does not pay GSFA the Grand Total in the timeframe set forth in this Section 1, GSFA may, in its sole discretion, cancel the Purchase Agreement entered into between the parties.
- 2. Multiple Unit Purchase** – If the Purchase Price includes pricing for multiple units, the price stated on this Proposal shall only be valid if the quantity of Products being proposed are purchased at the same time, pursuant to the same Purchase Agreement.
- 3. Stock / Demo Units** – If applicable, any stock/demo units, including those identified by this Proposal, are available for sale on an as-is, first-come and first served-basis. Regardless of this Proposal, the first Customer to enter into a Purchase Agreement identifying any such stock/demo units shall obtain said units.
- 4. Order Changes** – The Customer may request that GSFA incorporate a change to the Product or the Specifications for the Product by delivering a written change order to GSFA, which shall include a description of the proposed change sufficient to permit GSFA to evaluate the feasibility of such change (a "Change Order"). GSFA will provide Customer a written response (a "Response") stating (i) whether GSFA will accommodate such Change Order (which GSFA may decide in its sole and absolute discretion) and (ii) the terms of the modification to the order, including any increase or decrease in the Purchase Price resulting from such Change Order, and any effect on production scheduling or Delivery resulting from such Change Order. Customer shall have seven (7) days after receipt of the Response to notify GSFA as to whether Customer desires to make the changes GSFA has approved in the Response. In the event Customer counter-signs GSFA's Response, Customer shall pay the increase (or be refunded the decrease) in the Purchase Price prior to final delivery to Customer location.

- 5. Force Majeure** – GSFA shall not be responsible nor deemed to be in default on account of delays in performance due to causes which are beyond GSFA's and manufacturer's control and which make GSFA's performance impracticable, including but not limited to wars, insurrections, strikes, riots, fires, storms, floods, other acts of nature, explosions, earthquakes, accidents, any act of government, delays in transportation, inability to obtain necessary labor supplies or manufacturing facilities, allocation regulations or orders affecting materials, equipment, facilities or completed products, failure to obtain any required license or certificates, acts of God or the public enemy or terrorism, failure of transportation, epidemics, quarantine restrictions, failure of vendors (due to causes similar to those within the scope of this clause) to perform their contracts or labor troubles causing cessation, slowdown, or interruption of work.
- 6. Cancellation/Termination** – In the event Customer and GSFA enter into a Purchase Agreement and Customer thereafter cancels or terminates the Purchase Agreement, GSFA will charge a cancellation fee as follows: (a) 10% of the Purchase Price after order is accepted and entered by GSFA; (b) 20% of the Purchase Price after completion of the pre-construction phase of the order process; and (c) 50% of the Purchase Price after the requisition of any materials or commencement of any manufacturing or assembly of the Product by either GSFA or the manufacturer of the Product. The tier of cancellation fee applicable to any cancellation shall be in the sole and absolute discretion of GSFA.
- 7. State Sales Tax** – Customer shall be responsible for the cost of state sales tax associated with, or attributable to the Product. The taxes owed by Customer for the Product is subject to adjustment for the applicable state sales tax rate in effect when the Product is delivered to the Customer. Therefore, the sales tax will be increased or decreased at the time of delivery if a change in the sales tax rate has occurred, in which case Customer shall pay GSFA (or be refunded by GSFA) the applicable change in sales tax.
- 8. Proposal Expiration** – After the Expiration Date shown on page one of this Proposal, Customer shall require GSFA's written consent to accept this Proposal.
- 9. Governing Law** – This Proposal is to be governed by and under the laws of the state of California.

Thank you for providing Golden State Fire Apparatus, Inc. with the opportunity to provide this proposal. If you have any questions regarding the options presented or need additional options, please contact me.

Sincerely,

I, _____ authorized representative of **CITY OF CLOVIS FIRE DEPARTMENT** agrees to purchase the proposed Product(s) and agree to the terms and conditions of this proposal and the specifications hereto attached.

Dewayne Young
Golden State Fire Apparatus, Inc.

SIGNATURE: _____

TITLE: _____ DATE: _____



CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Fire Department

DATE: December 6, 2021

SUBJECT: Fire – Approval – Res. 21-____, Amending the 2021-2022 FY Budget to allow for the purchase and implementation of the dispatch to dispatch software to be utilized by Public Safety.

ATTACHMENTS: 1. Res. 21-____

CONFLICT OF INTEREST

None.

RECOMMENDATION

For the City Council to approve a resolution amending the 2021-2022 FY Budget for the Fire Department to provide for the cost of CAD-to-CAD implementation.

EXECUTIVE SUMMARY

This past summer, the Fire Department brought forward a new three-year agreement for dispatch services by the County of Fresno. Questions were raised about call processing times and how they could possibly be reduced with limited costs. The time it takes for dispatchers to process an emergency request and dispatch the appropriate Fire/EMS unit has increased over the past decade. The first reason for this is how society has moved from the use of older landline phones to cellular devices. In the past, when calls were received from a landline, including pay phones and dialed 9-1-1, the exact address of your location along with the name on the bill automatically populated within dispatch. This does not occur when a person dials 9-1-1 with their cell phone. The dispatch center receives a latitude and longitude approximate location based off of GPS or cell towers, not an exact address. This means the dispatcher must obtain a location from the caller, which adds to the call processing and response times. As more people are concerned about privacy, they are starting to turn off their GPS location, so therefore it reverts to the closest cell phone tower.

This new technology enables citizens to be able to call 9-1-1 much faster than in the past, but now requires additional time for the dispatcher to get the exact location of the emergency, who is calling, and confirm the call back number. This on average takes 15 to 30 seconds. Unfortunately, right now this process happens twice to a caller who is reporting a fire or medical emergency. The reason for this is the call first goes to our primary public safety answering point

(PSAP), which is Clovis Police Department. Then the call is transferred to our secondary PSAP which is the Fresno County EMS Communication Center located in Clovis. This requires the Clovis PD dispatcher to ask those important initial questions and then when the call is transferred to EMS Communications, those same questions must be asked again regarding location and entered into the dispatch software. By providing a CAD-to-CAD link, this information will automatically come over when the call is transferred and populate between the two vendors' dispatch software. It should then result in a 12 to 30 second reduction in call processing time.

Effective emergency response begins with rapid assessment and dispatch of emergency calls. The National Fire Prevention Association (NFPA) and adopted standards for the Clovis Fire Department prescribe that the entire call taking process be completed within 1:20 seconds of call receipt and entered into the computer aided dispatch system (CAD). The reason for the 1:20 is to allow for proper professional questions and answering (Pro QA) based off of a software program. This enables the dispatch center to know if the responding units need to respond with lights and sirens, how many units to send, and provide lay person emergency care via the phone. The proposed CAD-CAD interface will improve efficiency by allowing information to immediately populate each CAD system so emergency response personnel are dispatched quicker and with a goal of achieving call processing within the 90 second standard.

BACKGROUND

In any emergency, seconds count. Recognizing that calls for fire, medical, hazardous materials and rescues regularly require coordination with outside agencies, Clovis Fire contracts with Fresno County Emergency Medical Services (EMS) for dispatching services. This agreement has proven highly effective given shared borders with neighboring entities and implementation of automatic aid agreements that ensure the closest unit available (regardless of jurisdiction) is sent to emergencies. Currently, this contract prescribes that all calls will be handled within 1:20 seconds of receipt. An audit of performance shows that compliance year to date generally runs between 1:30 – 1:47. As the primary PSAP, Clovis PD call takers and dispatchers capture essential information such as address, phone number, and general problem nature (i.e. cardiac arrest). In addition to capturing address information, additional time can be required in a scenario where the reporting party may be panicked, inaudible due to noise, or speak English as a second language. Further compounding call processing issues are cellular calls. Currently, when a 9-1-1 call is received from a cell phone, the address information may not be captured. Therefore, when a passerby who reports a fire, an accident, or some type of emergency on a cell phone, the dispatcher is often required to ask a series of questions to determine the correct location to dispatch the appropriate equipment. These 9-1-1 cell phone calls require extensive questioning to determine exact location and nature of the emergency so that the caller can be transferred to the appropriate secondary PSAP dispatch center (Fresno County EMS or CAL FIRE). As soon as the determination is made that the caller requires an EMS or Fire response, the call is transferred to the secondary PSAP where that same information has to be gathered a second time along with more details regarding the problem nature to ensure the right resources arrive.

In order to improve system-wide performance, the two respective CAD providers have developed an interface that will allow direct information sharing between dispatchers. In short, that means that information collected at the primary PSAP will automatically populate at the secondary dispatch, relieving the call taker and caller of repeating the same information. Based

upon preliminary data, we anticipate the CAD-to-CAD interface will improve call processing by 12 – 30 seconds per incident. In addition, the respective centers will be able to share notes and information allowing for improved resource management on incidents involving police, fire, and EMS. With over 10,000 calls/year, the CAD-to-CAD interface will improve service delivery by dispatching units faster which is essential as the City continues to grow.

FISCAL IMPACT

Total project cost is \$92,161. Of the total, each respective CAD vendor is responsible for half. As each vendor is already contracted in accordance with the City contracting and purchasing ordinance and must modify their own system to accomplish the interface, there is no option or requirement to bid the project scope.

REASON FOR RECOMMENDATION

The proposed CAD-to-CAD interface will improve efficiency by allowing information to immediately populate each CAD system so emergency response personnel are dispatched quicker and with a goal of achieving call processing in 90 seconds.

ACTIONS FOLLOWING APPROVAL

Process the budget transfer, authorize the contract for the implementation of the CAD-to-CAD interface, and complete the software integration between the two dispatch software vendors.

Prepared by: Chad Fitzgerald, Life Safety Enforcement Manager

Reviewed by: City Manager *JH*

RESOLUTION 21-__

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVIS
APPROVING THE AMENDMENT OF 2021-2022 FY BUDGET TO ALLOW FOR THE
PURCHASE OF CAD-TO-CAD SOFTWARE**

WHEREAS, the City Council approved the 2021-2022 FY budget; and

WHEREAS, the Fire Department has been working in coordination with the Police Department to implement CAD-to-CAD software, which should reduce call processing times between the primary and secondary Public Safety Answering Points (PSAP), and improve overall public safety service to the City of Clovis; and

WHEREAS, the Fire Department is responsible for providing public safety utilizing the most effective and cost efficient tools possible; and

WHEREAS, the software will cost \$92,162.00; and

WHEREAS, the City Council finds that the expenditure is necessary.

NOW, THEREFORE, BE IT RESOLVED, that the City of Clovis amend the 2021-2022 FY Budget as provided in Attachment A to match the grant funding and cost balance.

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on _____, 2021 by the following vote, to wit.

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

- DATED:

Mayor

City Clerk

SUMMARY OF EXPENDITURES BY DEPARTMENT
2021-2022

Department	
Fire Department	\$ 92,162
Total	\$ 92,162

SUMMARY OF EXPENDITURES BY FUND
2021-2022

Fund	
General	\$ 92,162
Total	\$ 92,162

SUMMARY OF TRANSFERS BY FUND
2020-2021

Transfer In

Fund	
Fire (64000-63307)	\$ 92,162
Total	\$ 92,162

Transfer Out

Fund	
General	\$ 92,162
Total	\$ 92,162



CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: General Services Department

DATE: December 6, 2021

SUBJECT: General Services – Approval - Res. 21-____, Authorizing Amendments to the Records Supervisor Classification in the Police Department.

ATTACHMENTS: 1. Resolution 21-____

CONFLICT OF INTEREST

None

RECOMMENDATION

For City Council to approve Resolution 21-____, authorizing amendments to the Records Supervisor classification in the Police Department.

EXECUTIVE SUMMARY

It is necessary to revise the Records Supervisor classification in order to update the education and experience sections of the classification, and make a few other minor changes. Modification of the City's Classification Plans requires the City Council's approval.

BACKGROUND

An analysis was conducted of the Records Supervisor classification in advance of an upcoming recruitment. The analysis revealed that the classification education and experience section needed to be updated to accurately depict the required qualifications necessary for the incumbent to be successful in the position. Other minor revisions to the classification are included in the update shown in Attachment A of Attachment 1.

FISCAL IMPACT

None

REASON FOR RECOMMENDATION

The Records Supervisor classification is recommended for revision in order to update the education and experience section to better suit the department's needs. The recommended changes to the City's Classification Plan require Council approval.

ACTIONS FOLLOWING APPROVAL

The City's Classification Plan will be updated to include the revised Records Supervisor classification.

Prepared by: Lori Shively, Personnel/Risk Manager

Reviewed by: City Manager *LS*

RESOLUTION 21-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVIS APPROVING AMENDMENTS TO THE CITY’S CLASSIFICATION PLAN FOR THE RECORDS SUPERVISOR CLASSIFICATION IN THE POLICE DEPARTMENT

The City Council of the City of Clovis resolves as follows:

WHEREAS, it has been determined that amendments to the classification, and updates to the education and experience sections of the Records Supervisor classification are necessary in order to recruit for this position; and,

WHEREAS, modification of the City’s Classification Plan requires authorization by the City Council.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Clovis that the City’s Classification Plan shall be modified to include the revised Records Supervisor Classification specification in Attachment A.

* * * * *

The foregoing Resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on December 6, 2021, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dated: December 6, 2021

Mayor

City Clerk

City of Clovis RECORDS SUPERVISOR

DEFINITION

Under direction, to organize and supervise the activities and operations of the Police Department's records function, including the preparation, processing, indexing, storage, retention and disposition of Police Department records; and the acceptance, proper storage and release of property and evidence stored in the Clovis Police Departments evidence room; and to perform related work as required.

CLASS CHARACTERISTICS

Positions in this classification are responsible for the supervision and operation of the Police Department's records, property and evidence functions and systems. Reporting to the Administrative Lieutenant **or Captain**, positions in this class have considerable independence in selecting work methods from a variety of standard methods or procedures. Instructions given by a supervisor generally do not provide all of the information needed to complete the assignment. Incumbents are expected to resolve most problems confronted through the application of judgment and precedent, referring to the supervisors only those which involve the establishment of new procedures or which involve solutions that are inconsistent with departmental procedures and policies.

EXAMPLES OF DUTIES

Supervises and directs the operation of the Police Department's Records, **works closely with** Property and Evidence ~~functions~~ to ensure efficiency and compliance with laws, policies and procedures; oversees the preparation, processing, data entry, microfilming, imaging, indexing, storage, retention and disposition of incident traffic and criminal reports, as well as arrest and criminal records and warrants; supervises the acceptance and proper storage and release of property and evidence; participates in and plans for long term storage of material; makes and implements recommendations for the use of and application of technology to store and access material; supervises assigned staff; plans, coordinates and supervises the work of the assigned work units and ensures that all department records are properly entered, maintained, distributed, secured, and filed in accordance with established policies and regulations; coordinates, supervises, evaluates and participates in the training of personnel; participates in establishing and monitoring employee performance objectives; prepares and presents employee performance reviews; provides or coordinates staff training; develops and updates operations training manuals; works with employees to correct deficiencies in performance; implements disciplinary procedures; serves as Custodian of Records for Police Department; coordinates the completion of department and state statistical reports; ensures that the required statistical information is provided to the Department of Justice as required; coordinates/monitors the scheduling of personnel on assigned shifts; answers questions from the public, concerning police record matters; investigates complaints/concerns pertaining to assigned areas of responsibility and personnel; oversees the acceptance and proper storage and release of evidence and property; participates in and plans for long term technology issues that relate to the records function as well as the property and evidence room; and performs related duties as assigned.

TYPICAL QUALIFICATIONS

LICENSE REQUIRED

- Possession of a valid and appropriate California Driver's License and a good driving record.

EDUCATION AND EXPERIENCE

Education:

- Graduation from an accredited college or university with a Bachelor's Degree in Business Administration, Public Administration, Information Services or related field.
- A Master's Degree is desirable.

Experience

- Five (5) ~~Three (3)~~ years of professional, administrative support or supervisory experience in a public or private business environment where the candidate has worked with records, computerized information systems, in an administrative capacity or in a law enforcement environment;
- Three (3) years of supervisory or management experience.

QUALIFICATIONS

Knowledge of:

- General principles and practices of supervision and training;
- Computer information systems, system networks, and services;
- Principles of public/police administration, organization, budgeting, and personnel management;
- Manual and automated records management systems;
- Principles governing records management;
- Local and state laws governing the release and distribution of law enforcement records.

Ability to:

- Apply legal requirements and standards relating to the maintenance and release of police department records information;
- Prepare a budget;
- Maintain current knowledge of computerized information systems, equipment and procedures utilized in the records management field;
- Assign, supervise, train and evaluate the work of subordinate personnel;
- Complete research and analysis, and prepare reports in a wide variety of system and administrative procedure assignments that relate to the records function;
- Develop and update retention schedules to meet legal requirements for records and evidence retention/destruction;
- Research and evaluate technology that relates to the records and evidence function;
- Develop and oversee evidence storage protocols and policies;
- Implement and maintain a police department criminal records program;

- Evaluate and recommend equipment and supply purchases;
- Learn and administer laws and regulations relating to confidentiality of police records;
- Maintain accurate documentation on imaging, indexing, storage and destruction of police department records;
- Establish and update policies relating to the police department records program;
- Prepare and compose correspondence, complex reports, resolutions, ordinances, contracts and other communications as they relate to the records function;
- Establish unit procedures and ensure compliance with unit and departmental policies and procedures;
- Establish and maintain effective working relationships;
- Communicate effectively, both orally and in writing;
- Perform related duties as required.

PHYSICAL DEMANDS AND WORKING CONDITIONS

- Work is primarily sedentary.
- Incumbent may be required to work various shifts.
- Incumbent may be required to travel within and out of City to attend meetings.



CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Planning and Development Services

DATE: December 6, 2021

SUBJECT: Planning and Development Services - Approval – Final Acceptance for Final Map for Tract 6114, located at the southwest area of Ashlan and Leonard Avenues (Two Creeks South, LP, (Wilson Homes)).

ATTACHMENTS: 1. Vicinity Map

CONFLICT OF INTEREST

None.

RECOMMENDATION

For the City Council to:

1. Accept the public improvements for Tract 6114, and authorize recording the Notice of Completion; and
2. Authorize the release of the Performance Surety immediately and then release of the Labor and Materials Surety ninety (90) days after the recordation of the Notice of Completion, (provided no liens have been filed) and release of Public Improvements Maintenance Surety upon the expiration of the one-year warranty period and provided any defective work has been repaired to the City's satisfaction.

EXECUTIVE SUMMARY

The owner, Two Creeks South, LP, (Wilson Homes), has requested final acceptance of the public improvements constructed or installed in conjunction with this tract. The public improvements include all those shown on the subdivision improvement plans approved by the City Engineer. The construction or installation of the public improvements is complete. The owner has requested final acceptance. Staff is recommending approval of their request.

All landscaping, including sidewalks along the side yards of lots have been constructed. The construction or installation of the public improvements including the culvert over Dog Creek is complete. The owner has requested final acceptance. Staff is recommending approval of their request.

FISCAL IMPACT

The cost for periodic routine maintenance, as well as repairs needed as the improvements deteriorate with age and usage, will be incorporated to the annual maintenance budget of the Public Utilities Department as these costs are identified.

REASON FOR RECOMMENDATION

The Subdivision Map Act requires that once construction of the required improvements has been completed in compliance with all codes, plans and specifications, and all other required documents have been completed and submitted, final acceptance is required and the appropriate sureties are released.

ACTIONS FOLLOWING APPROVAL

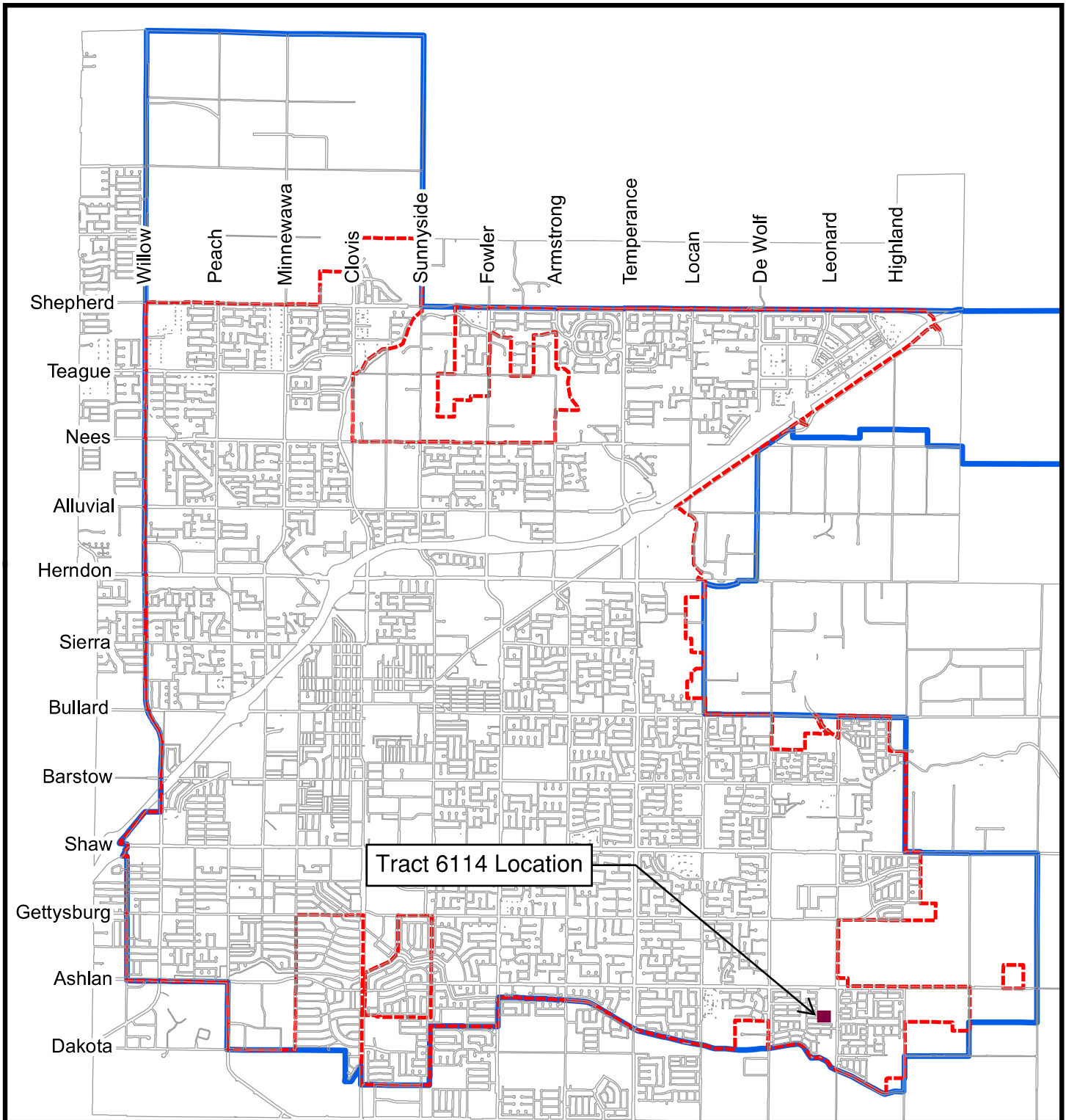
Record the Notice of Completion and release the Performance, Labor and Materials, and Maintenance Sureties as appropriate.

Prepared by: Christian Esquivias, Engineer II

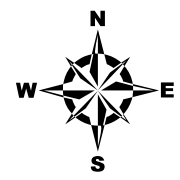
Reviewed by: City Manager *JA*

VICINITY MAP

Project - Tract 6114



ATTACHMENT 1





CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Planning and Development Services

DATE: December 6, 2021

SUBJECT: Planning and Development Services - Approval – Final Acceptance for Final Map for Tract 6120, located at the northeast area of Leonard and Barstow Avenues (BN 6120 LP, Bonadelle Neighborhoods).

ATTACHMENTS: 1. Vicinity Map

CONFLICT OF INTEREST

None.

RECOMMENDATION

For the City Council to:

1. Accept the public improvements for Tract 6120, and authorize recording the Notice of Completion; and
2. Authorize the release of the Performance Surety immediately and then release of the Labor and Materials Surety ninety (90) days after the recordation of the Notice of Completion, (provided no liens have been filed) and release of Public Improvements Maintenance Surety upon the expiration of the one-year warranty period and provided any defective work has been repaired to the City's satisfaction.

EXECUTIVE SUMMARY

The owner, BN 6120 LP, Bonadelle Neighborhoods, has requested final acceptance of the public improvements constructed or installed in conjunction with this tract. The public improvements include all those shown on the subdivision improvement plans approved by the City Engineer. The construction or installation of the public improvements is complete. The owner has requested final acceptance. Staff is recommending approval of their request.

All landscaping, including sidewalks along the side yards of lots, have been constructed. The construction or installation of the public improvements is complete. The owner has requested final acceptance. Staff is recommending approval of their request.

FISCAL IMPACT

The cost for periodic routine maintenance, as well as repairs needed as the improvements deteriorate with age and usage, will be incorporated to the annual maintenance budget of the Public Utilities Department as these costs are identified.

REASON FOR RECOMMENDATION

The Subdivision Map Act requires that once construction of the required improvements has been completed in compliance with all codes, plans and specifications, and all other required documents have been completed and submitted, final acceptance is required and the appropriate sureties are released.

ACTIONS FOLLOWING APPROVAL

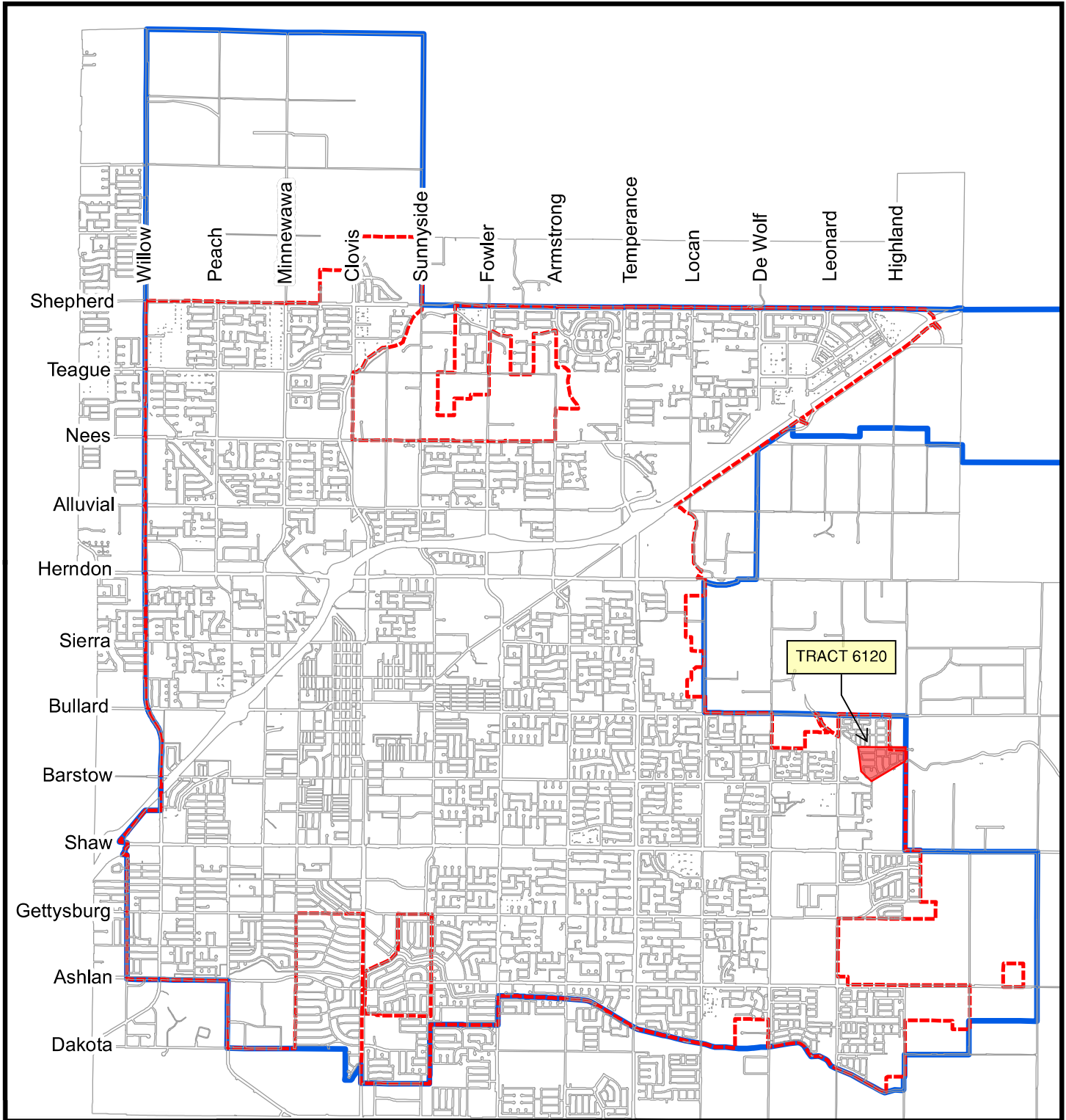
Record the Notice of Completion and release the Performance, Labor and Materials, and Maintenance Sureties as appropriate.

Prepared by: Tiffany Ljuba-Silguero, Engineer I

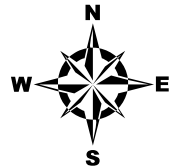
Reviewed by: City Manager *JH*

VICINITY MAP

Tract 6120



ATTACHMENT 1





CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Planning and Development Services

DATE: December 6, 2021

SUBJECT: Planning and Development Services - Approval – Res. 21-____, A request to authorize the City Manager to execute a consultant agreement between the City of Clovis and LSA for the preparation of an Environmental Impact Report (EIR) and related services covering approximately ±218 acres of property located South of E. Behymer Avenue, between the Enterprise Canal and N. Sunnyside Avenues. Wilson Premier Homes, Inc., applicant; Harbour & Associates, representative.

ATTACHMENTS: 1. Draft Resolution, EIR Consultant Agreement
2. LSA Proposal

CONFLICT OF INTEREST

None.

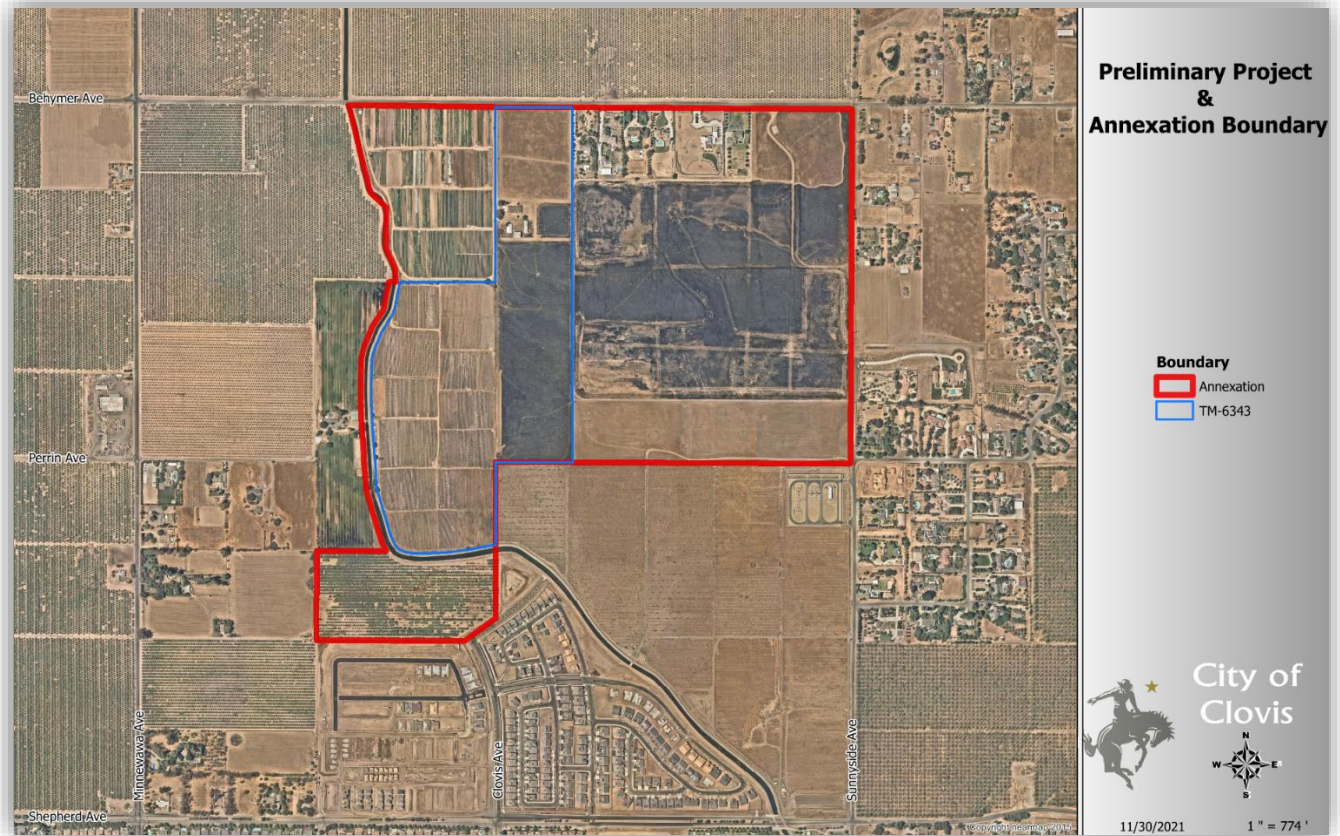
RECOMMENDATION

Staff recommends that the City Council approve the request authorizing the City Manager to execute a consultant agreement between the City of Clovis and LSA for the preparation of an Environmental Impact Report (EIR) and related services for the TM6343 project.

EXECUTIVE SUMMARY

Wilson Premier Homes, Inc. is proposing the development of a 590-lot subdivision on approximately 72 acres of properties generally located on the south side of Behymer Avenue, between the Enterprise Canal and Sunnyside Avenue. To meet requirements of the Local Agency Formation Commission (LAFCo) standards, the project will require the annexation of a greater area of approximately 218 acres of properties (see **Figure 1** below). In addition to the annexation, the project is associated with a general plan amendment, prezone, planned residential permit, and vesting tentative tract map. The proposed project will require the preparation of an Environmental Impact Report (EIR). Completion and certification of an EIR will achieve CEQA compliance for the project.

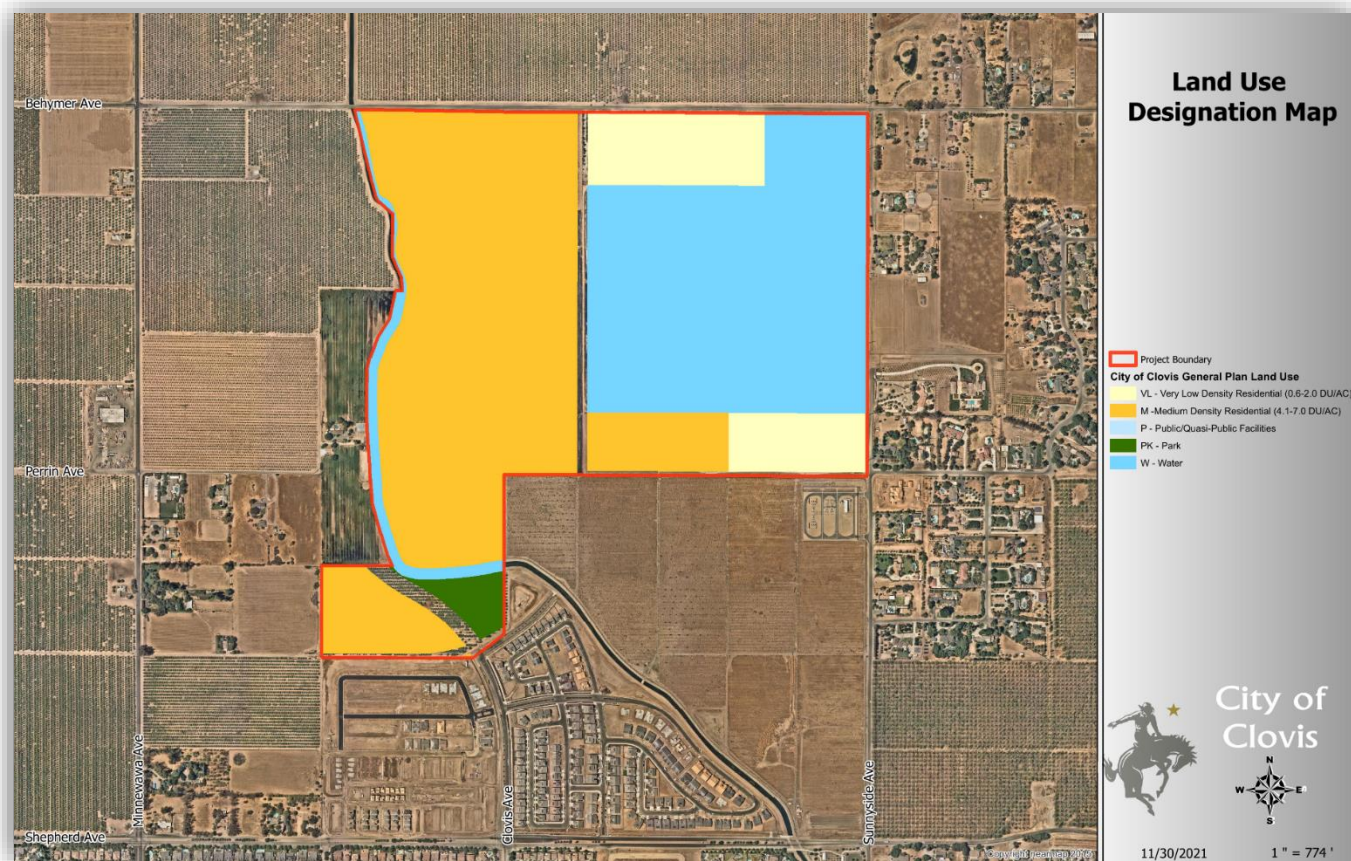
Figure 1
Preliminary Project and Annexation Boundary Map



BACKGROUND

The project area is located within the City's Sphere of Influence and Heritage Grove Master Planned area and is inclusive of several different designated land uses. Designated land uses within the project area include Medium Density Residential, Very Low Density Residential, and Water (FMFCD Basin) (See **Figure 2** below). The greater part of the project area is currently utilized as farmland, while the remaining portions include a basin belonging to the Fresno Metropolitan Flood Control District (FMFCD), and several large-lot, single-family residential properties. Staff and the applicant will participate in public outreach with the surrounding neighborhood to gain feedback regarding the proposed project and to request consent from owners whose properties will ultimately need to be included in the rezoning and annexation. Depending on the outcome of public outreach, the annexation boundary could be slightly modified.

Figure 2
Land Use Designation Map



PROPOSAL AND ANALYSIS

The following provides a summary of the EIR consultant selection process, followed by a recommendation by staff for a consultant.

Environmental Impact Report

The consultant was selected from the Master Service Agreement (MSA) list that was established for the Planning and Development Services (PDS) Department. The MSA was established through a competitive request for qualifications (RFQ) process, which resulted in a total of nine firms being pre-qualified to prepare EIRs. This process allows the City to negotiate a scope of work and cost from a single consultant, or request proposals from one or more firms. Following the guidelines for MSA consultant selection, PDS staff and the applicant were able to determine the most qualified firm from the list. As a result, the firm LSA was selected to provide a proposal for the environmental work that is to be completed for this project. Staff and the applicant concluded that LSA's current work and familiarity with this general area of the City make them uniquely qualified to perform the job. LSA submitted the draft scope of work on November 24, 2021 that is provided as **Attachment 2** of this staff report. Staff will continue to work with LSA and the applicant to appropriately refine the scope of work for final approval by the City Manager before the final contract is executed.

The anticipated timeline for completion of the EIR is approximately 12 months. Upon completion, staff would return to Council for certification of the EIR in January 2023.

The total estimated consultant cost for preparation of the EIR is **\$193,192**. This includes **\$175,592** for the cost of the EIR plus a 10% contingency of **\$17,600**. The contingency amount is to cover unforeseen changes and/or overages throughout the contract and allows administrative approval for use of those funds if needed. Lastly, the City imposes an administrative cost for time associated with managing the EIR process which is 15% of the cost of the EIR. Thus, **\$28,978.80** would be added to the cost of the EIR. In summary, the total cost of preparation of the EIR is **\$222,170.80** (\$193,192 + \$28,978.80). The entire cost of the EIR will be borne by the applicant (Wilson Premier Homes, Inc.). As the scope of work is refined for final approval, the estimates provided above may be adjusted accordingly. A separate agreement outlining the applicant's responsibilities for funding the agreement will be prepared and executed by Staff.

FISCAL IMPACT

The total cost of the EIR, related services and all other entitlements related to the proposed project, such as planning entitlement fees (general plan amendment, rezoning, tract maps, annexation, etc.) will be paid for by the applicant (Wilson Premier Homes, Inc.).

REASON FOR RECOMMENDATION

Staff is seeking City Council authorization for the City to enter into an agreement with LSA for the preparation of an EIR related to the project to include ±218 acres in the City's Heritage Grove Growth Area.

ACTIONS FOLLOWING APPROVAL

If directed by the City Council to proceed, the following would occur:

- Staff would finalize the consultant agreement with LSA for the preparation of the EIR and related services;
- Upon execution of the EIR consultant agreement, a public EIR scoping meeting would occur providing another opportunity for public input;
- Staff would work with the applicant on determining necessary entitlements (i.e., General Plan Amendment, Prezone, Tentative Tract Map, Site Plan Review).

Prepared by: Lily Cha, Associate Planner

Reviewed by: City Manager *[Signature]*

RESOLUTION 21-_____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVIS
AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSULTANT AGREEMENT
WITH LSA FOR THE PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT AND
RELATED SERVICES**

WHEREAS, Wilson Premier Homes, Inc., is proposing the development of a 590-lot single-family residential subdivision inclusive the annexation of a larger area within the Heritage Grove Growth Area (Northwest Urban Center); and

WHEREAS, the City requires assistance from an external consulting firm to assist with the preparation of an Environmental Impact Report and related services for purposes of analyzing potential environmental effects, related to the project and annexation area to include approximately 218 acres of land located south of Behymer Avenue, between the Enterprise Canal and N. Sunnyside Avenues, pursuant to the California Environmental Quality Act; and

WHEREAS, LSA was selected from the City’s Master Service Agreement list to perform these services based on their substantial experience with the preparation of Environmental Impact Reports and technical studies for similar projects.

NOW, THEREFORE, BE IT RESOLVED, that the City of Clovis Council approves the consultant agreement with LSA attached hereto as **Attachment A** addressing the preparation of an Environmental Impact Report and related services, and authorizes the City Manager to execute the consultant agreement with LSA.

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on December 6, 2021, by the following vote, to wit.

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

DATED: December 6, 2021

Mayor

City Clerk

ATTACHMENT A

CITY OF CLOVIS CONSULTANT SERVICE AGREEMENT

TM 6343

This Consultant Services Agreement ("Agreement") is entered into between the City of Clovis, a California general law city ("City") and LSA ("Consultant") with respect to the following recitals, which are a substantive part of this Agreement. This Agreement shall be effective on December 6, 2021 ("Effective Date").

RECITALS

- A. City desires to obtain environmental study services ("Services") for the TM6343 project ("Project") more fully described in **Exhibit A**, and, if applicable, as further set forth in the proposal from Consultant attached as **Exhibit B**, which are incorporated herein by reference.
- B. Consultant is engaged in the business of furnishing the Services and hereby warrants and represents that Consultant is qualified, experienced, and capable of performing the Services, and possesses any required licenses, certifications, security/bonding, and/or training necessary to perform the Services.
- C. City desires to retain Consultant, and Consultant desires to provide the City with the Services, on the terms and conditions as set forth in this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual agreements herein, City and Consultant agree as follows:

AGREEMENT

1. **Scope of Services.** Consultant shall perform the Services described in the Recitals and detailed in **Exhibits A & B**. Changes in the scope of Services, including the work performed and/or deliverables produced, shall be made in writing and particularly describe the changes in Services, including payment/costs and schedule/term, as applicable.
2. **Priority and Conflicts; Exclusions.** If the terms and requirements of this Agreement and/or **Exhibit A** conflict with **Exhibit B**, this Agreement and **Exhibit A** shall control. No contractual terms and/or conditions found in **Exhibit B** shall purport to waive, disclaim, or limit Consultant's liability, indemnification obligations, warranties, damages for breach or delay, or any security, bonding, or insurance requirements, and any such provisions shall have no force or effect with respect to this Agreement and the Services performed by Consultant.
3. **Term of Agreement; Commencement of Services; Schedule.** Consultant shall begin performing the Services on the Effective Date, unless otherwise instructed by City, and continue with the Services until satisfactorily completed, as determined by City. Consultant shall complete the Services not later than December 2022 ("Completion Date"), unless extended beyond this date by mutual consent of the Parties. This Agreement may be terminated prior to the Completion Date pursuant to Section 17 herein.

Consultant shall perform the Services according to the schedule set forth in **Exhibits A and/or B**, if applicable. If no schedule is set forth in **Exhibits A and/or B**, City and Consultant shall mutually agree on a schedule for performance of the Services and completion of any deliverables. The schedule shall be subject to modification based on the City's operational needs. City will notify Consultant in advance of any modification to the schedule.

4. **Payment for Services.** City shall pay Consultant for the Services performed pursuant to this Agreement according to the rate(s) stated in **Exhibit A** or in Consultant's Proposal, which is set forth in **Exhibit B**, as applicable. The total amount paid by City to Consultant shall not exceed the amount set forth in **Exhibit B**.

The foregoing is inclusive of all labor, equipment, materials, costs and expenses, taxes, and overhead. City shall pay Consultant for Services satisfactorily performed pursuant to this Agreement. Consultant shall submit monthly invoices to City containing detailed billing information regarding the Services provided and unless otherwise specified in **Exhibit A**, City shall tender payment to Consultant within thirty (30) days after receipt of invoice.

Consultant recognizes that the Project is being initiated by the development community, with the principal developer being Ricchiuti Properties ("Developer"). City will be entering into a contract with Ricchiuti Properties to fund most of the costs of the Services. Therefore, City's ability to pay Consultant for the Services will be dependent in substantial part on payment by the Developer.

After receipt of Consultant's monthly invoice, City shall apply funds from any Developer deposit made for the purposes of funding the Project and make payment to Consultant within thirty (30) days after receipt of invoice. If Developer funds on deposit are insufficient to cover the invoice, City shall take reasonable steps to ensure that payment to Consultant for its invoice is made to Consultant within sixty (60) days of submittal to the City; provided, however, the parties acknowledge and agree that payment to Consultant for the invoice shall not be due and payable from the City until such time as City has sufficient funds on deposit from Developer to pay such invoice amount.

Should the Developer decide to abandon the Project by not making further deposits to City, City and Developer will work cooperatively together to terminate the Services or otherwise negotiate amendments to this Agreement.

5. Independent Contractor Status. Consultant and its subcontractors shall perform the Services as independent contractors and not as officers, employees, agents or volunteers of City. Consultant is engaged in an independently established trade, occupation, or business to perform the Services required by this Agreement and is hereby retained to perform work that is outside the usual course of City's business. Consultant is free from the control and direction of City in connection with the manner of performance of the work. Nothing contained in this Agreement shall be deemed to create any contractual relationship between City and Consultant's employees or subcontractors, nor shall anything contained in this Agreement be deemed to give any third party, including but not limited to Consultant's employees or subcontractors, any claim or right of action against City.

6. Consultant Representations; Standard of Care; Compliance with Law. Consultant represents that Consultant and any subcontractors utilized by Consultant are and will be qualified in the field for which Services are being provided under this Agreement and Consultant and any subcontractors are now, and will be throughout their performance of the Services under this Agreement, properly licensed, certified, secured/bonded, trained, and/or otherwise qualified and authorized to perform the Services required and contemplated by this Agreement, as may be required by law. Consultant and its subcontractors shall utilize the standard of care and skill customarily exercised by members of their profession, shall use reasonable diligence and best judgment while performing the Services, and shall comply with all applicable laws, regulations, and industry standards. Consultant shall comply with all Labor Code requirements for public works projects if applicable to Consultant's work under this Agreement.

7. Identity of Subcontractors and Sub Consultants. Consultant shall, before commencing any work under this Agreement, provide to City in writing: (a) the identity of all subcontractors and sub-consultants (collectively referred to as "subcontractors"), if any, Consultant intends to utilize in Consultant's performance of this Agreement; and (b) a detailed description of the full scope of work to be provided by such subcontractors. Consultant shall only employ subcontractors pre-approved by City and in no event shall Consultant replace an approved subcontractor without the advance written permission of City, with the understanding that City's permission will not be unreasonably withheld. Notwithstanding any other provisions in this Agreement, Consultant shall be liable to City for the performance of Consultant's subcontractors.

8. Subcontractor Provisions. Consultant shall include in its written agreements with its subcontractors, if any, provisions which: (a) impose upon the subcontractors the obligation to provide to City the same insurance and indemnity obligations that Consultant owes to City; (b) make clear that City intends to rely upon the reports, opinions, conclusions and other work product prepared and performed by subcontractors for Consultant; and (c) entitle City to impose upon subcontractors the assignment rights found elsewhere in this Agreement.
9. Power to Act on Behalf of City. Consultant is not acting as an agent of City and shall not have any right, power, or authority to create any obligation, express or implied, or make representations on behalf of City except as may be expressly authorized in advance in writing from time to time by City and then only to the extent of such authorization.
10. Record Keeping; Reports. Consultant shall keep complete records showing the type of Services performed. Consultant shall be responsible and shall require its subcontractors to keep similar records. City shall be given reasonable access to the records of Consultant and its subcontractors for inspection and audit purposes. Consultant shall provide City with a working draft of all reports upon reasonable request by City and of all final reports prepared by Consultant under this Agreement.
11. Ownership and Inspection of Documents. All data, tests, reports, analyses, documents, records, conclusions, opinions, recommendations and other work product generated by or produced for Consultant or its subcontractors in connection with the Services, regardless of the medium, including physical drawings and materials recorded on computer discs or other electronic devices ("Work Product"), shall be and remain the property of City. City shall have the right to use, copy, modify, and reuse the Work Product as it sees fit. Upon City's request, Consultant shall make available for inspection and copying all such Work Product and all Work product shall be turned over to City promptly at City's request or upon termination of this Agreement, whichever occurs first. Consultant shall not release any Work Product to third parties without prior written approval of City. This obligation shall survive termination of this Agreement and shall survive for four (4) years from the date of expiration or termination of this Agreement.
12. Confidentiality. All Work Product prepared and performed by and on behalf of Consultant in connection with the Services performed pursuant to this Agreement shall be kept confidential and shall be disclosed only to City, unless otherwise provided by law or expressly authorized by City. Consultant shall not disclose or permit the disclosure of any confidential information acquired during performance of the Services, except to its agents, employees and subcontractors who need such confidential information in order to properly perform their duties relative to this Agreement. Consultant shall also require its subcontractors to be bound to these confidentiality provisions.
13. City Name and Logo. Consultant shall not use City's name or insignia, photographs relating to the City projects or work for which Consultant's services are rendered, or any publicity pertaining to the Consultant's Services under this Agreement in any magazine, trade paper, newspaper, television or radio production, internet website, social media, or other similar medium without the prior written consent of City.
14. Conflicts of Interest. Consultant warrants that neither Consultant nor any of its employees have an improper interest, present or contemplated, in the Services which would affect Consultant's or its employees' performance of the Services and the Work Product produced. Consultant further warrants that neither Consultant nor any of its employees have real property, business interests or income that will be affected by the Services. Consultant covenants that no person having any such interest, whether an employee or subcontractor shall perform the Services under this Agreement. During the performance of the Services, Consultant shall not employ or retain the services of any person who is employed by the City or a member of any City Board or Commission.

15. Non-liability of Officers and Employees. No officer or employee of City shall be personally liable to Consultant, or any successors in interest, in the event of a default or breach by City for any amount which may become due Consultant or its successor, or for any breach of any obligation under the terms of this Agreement.

16. City Right to Employ Other Consultants. Unless **Exhibit A** specifically provides that the Services City seeks pursuant to this Agreement are exclusive to Consultant, this Agreement and performance of the Services are non-exclusive and City reserves the right to employ other consultants in connection with the Services while this Agreement is in effect.

17. Termination of Agreement. This Agreement shall terminate as provided in Section 3, unless terminated earlier pursuant to the following:

a. Termination by City: For Convenience. City may at its discretion terminate this Agreement for convenience and without cause upon fourteen (14) days prior written notice to Consultant. Upon receipt of a termination notice pursuant to this subsection, Consultant shall promptly discontinue all Services affected, unless the notice directs otherwise.

b. Termination by City or Consultant: For Cause. Either party may terminate this Agreement upon ten (10) days prior written notice to the other party of a material breach, and a failure within that time period to cure or commence reasonable steps to cure the breach.

c. Compensation to Consultant Upon Termination. Consultant shall be paid compensation for Services satisfactorily performed prior to notice of termination. As to any phase partially performed but for which the applicable portion of Consultant's compensation has not become due, Consultant shall be paid the reasonable value of its Services provided. However, in no event shall such payment when added to any other payment due under the applicable part of the work exceed the total compensation of such part as specified Section 4. In the event of termination due to Consultant's failure to perform in accordance with the terms of this Agreement through no fault of City, City may withhold an amount that would otherwise be payable as an offset to City's damages caused by such failure.

d. Effect of Termination. Upon termination of this Agreement, Consultant shall: (i) promptly discontinue all Services affected, unless the notice of termination directs otherwise; and (ii) deliver or otherwise make available to the City, without additional compensation, all Work Product and/or deliverables accumulated by the Consultant in performing this Agreement, whether completed or in process. Consultant may not refuse to provide such Work Product for any reason whatsoever.

18. Insurance. Consultant shall satisfy the insurance requirements set forth in **Exhibit C**.

19. Indemnity and Defense. Consultant hereby agrees to indemnify, defend and hold the City, its officials, officers, employees, agents, and volunteers harmless from and against all claims, demands, causes of action, actions, damages, losses, expenses, and other liabilities, (including without limitation reasonable attorney fees and costs of litigation) of every nature arising out of or in connection with the alleged or actual acts, errors, omissions or negligence of Consultant or its subcontractors relating to the performance of Services described herein to the fullest extent permitted by law, unless the injuries or damages are the result of City's sole negligence or willful misconduct, subject to any limitations imposed by law. Consultant and City agree that said indemnity and defense obligations shall survive the expiration or termination of this Agreement for any items specified herein that arose or occurred during the term of this Agreement.

20. Taxes. Consultant agrees to pay all taxes, licenses, and fees levied or assessed by any governmental agency on Consultant incident to the performance of Services under this Agreement, and unemployment and workers' compensation insurance, social security, or any other taxes upon the wages of Consultant, its employees,

agents, and representatives. Consultant agrees to obtain and renew an annual business tax certificate from City and pay the applicable annual business registration tax to City during the term of this Agreement.

21. Assignment. Neither this Agreement nor any duties or obligations hereunder shall be assignable by Consultant without the prior written consent of City. In the event of an assignment to which City has consented, the assignee shall agree in writing to personally assume and perform the covenants, obligations, and agreements herein contained. In addition, Consultant shall not assign the payment of any monies due Consultant from City under the terms of this Agreement to any other individual, corporation or entity. City retains the right to pay any and all monies due Consultant directly to Consultant.

22. Form and Service of Notices. Any and all notices or other communications required or permitted by this Agreement or by law to be delivered to, served upon, or given to either party to this Agreement by the other party shall be in writing and shall be deemed properly delivered, served or given by one of the following methods:

- a. Personally delivered to the party to whom it is directed. Service shall be deemed the date of delivery.
- b. Delivered by e-mail to a known address of the party to whom it is directed provided the e-mail is accompanied by an acknowledgment of receipt by the other party. Service shall be deemed the date of acknowledgement.
- c. Delivery by a reliable overnight delivery service, ex., Federal Express, receipted, addressed to the addressees set forth below the signatories to this Agreement. Service shall be deemed the date of delivery.
- d. Delivery by deposit in the United States mail, first class, postage prepaid. Service shall be deemed delivered ninety-six (96) hours after deposit.

23. Entire Agreement. This Agreement, including the Exhibits and any other attachments, represents the entire Agreement between City and Consultant and supersedes all prior negotiations, representations or agreements, either written or oral with respect to the subject matter herein. This Agreement may be amended only by written instrument signed by both City and Consultant.

24. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

25. Authority. The signatories to this Agreement warrant and represent that they have the legal right, power, and authority to execute this Agreement and bind their respective entities. Evidence of Consultant's authority is attached as **Exhibit D**.

26. Severability. In the event any term or provision of this Agreement is declared to be invalid or illegal for any reason, this Agreement will remain in full force and effect and will be interpreted as though such invalid or illegal provision were not a part of this Agreement. The remaining provisions will be construed to preserve the intent and purpose of this Agreement and the parties will negotiate in good faith to modify any invalidated provisions to preserve each party's anticipated benefits.

27. Applicable Law and Interpretation and Venue. This Agreement shall be interpreted in accordance with the laws of the State of California. The language of all parts of this Agreement shall, in all cases, be construed as a whole, according to its fair meaning, and not strictly for or against either party. This Agreement is entered into by City and Consultant in the County of Fresno, California. Consultant shall perform the Services required under this Agreement in the County of Fresno, California. Thus, in the event of litigation, venue shall only lie with the appropriate state or federal court in Fresno County.

28. Amendments and Waiver. This Agreement shall not be modified or amended in any way, and no provision shall be waived, except in writing signed by the parties hereto. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision. Failure of either party to enforce any provision of this Agreement shall not constitute a waiver of the right to compel enforcement of the remaining provisions of this Agreement.

29. Third Party Beneficiaries. Nothing in this Agreement shall be construed to confer any rights upon any party not a signatory to this Agreement.

30. Execution in Counterparts. This Agreement may be executed in counterparts such that the signatures may appear on separate signature pages. A copy or an original, with all signatures appended together, shall be deemed a fully executed Agreement.

31. Alternative Dispute Resolution. If a dispute arises out of or relating to this Agreement, or the alleged breach thereof, and if said dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by non-binding mediation before resorting to litigation. The mediator shall be mutually selected by the parties, but in case of disagreement, the mediator shall be selected by lot from among two nominations provided by each party. All costs and fees required by the mediator shall be split equally by the parties, otherwise each party shall bear its own costs of mediation. If mediation fails to resolve the dispute within thirty (30) days, either party may pursue litigation to resolve the dispute.

Demand for mediation shall be in writing and delivered to the other party to this Agreement. A demand for mediation shall be made within reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for mediation be made after the date when institution of legal or equitable proceedings based on such a claim, dispute or other matter in question would be barred by California statutes of limitations.

32. Non-Discrimination. Consultant shall not discriminate on the basis of any protected class under federal or State law in the provision of the Services or with respect to any Consultant employees or applicants for employment. Consultant shall ensure that any subcontractors are bound to this provision. A protected class, includes, but is not necessarily limited to race, color, national origin, ancestry, religion, age, sex, sexual orientation, marital status, and disability.

33. Performance Requirements. Notwithstanding, and in addition to the provisions of, Section 17 of this Agreement, if the Services performed hereunder are not in conformity with the requirements of this Agreement and other pertinent documents, City shall have the right to require Consultant to correct the work in conformity with the requirements of this Agreement at no additional increase in the payment to Consultant. Consultant shall promptly correct the work rejected by City for failing to conform to the requirements of the Agreement. Remedy for non-compliance or non-performance shall commence within 24 hours of notice. City shall also have the right to require Consultant to take all necessary steps to ensure future performance of the Services in conformity with the requirements of this Agreement. In the event Consultant fails to correct the work or fails to take necessary steps to ensure future performance of the Services in conformity with the requirements of this Agreement, City shall have the right to immediately terminate this Agreement for default.

34. Licensing. Consultant shall maintain the following license throughout the performance of this Agreement: Class "C." Consultant shall also obtain and maintain a City of Clovis Business Tax Certificate prior to commencing performance of the Services.

35. Payment Bond. When required by applicable law, including Civil Code section 9550, prior to commencing any portion of the Services, the Consultant shall apply for and furnish City a payment bond for its portion of the Services which shall cover 100% payment for all obligations arising under the Agreement and guaranteeing the payment in full of all claims for labor performed and materials supplied for the Services. Only

bonds executed by admitted Surety insurers as defined in Code of Civil Procedure section 995.120 shall be accepted. The surety insurers must, unless otherwise agreed to by City in writing, at the time of issuance of the bonds, have a rating not lower than "A-" as rated by A.M. Best Company, Inc. or other independent rating companies. City reserves the right to approve or reject the surety insurers selected by Consultant and to require Consultant to obtain bonds from surety insurers satisfactory to City.

36. Performance Bond. Prior to commencing any portion of the Services, the Consultant shall apply for and furnish City a performance bond for its portion of the Services which shall cover 100% faithful performance of all obligations arising under the Agreement. Only bonds executed by admitted Surety insurers as defined in Code of Civil Procedure section 995.120 shall be accepted. The surety insurers must, unless otherwise agreed to by City in writing, at the time of issuance of the bonds, have a rating not lower than "A-" as rated by A.M. Best Company, Inc. or other independent rating companies. City reserves the right to approve or reject the surety insurers selected by Consultant and to require Consultant to obtain bonds from surety insurers satisfactory to City.

37. Delay Damages. Time is of the essence with respect to this Agreement and the Services performed by Consultant. Consultant's failure to timely complete the Services under this Agreement shall result in the assessment of delay damages at the rate of \$1,000.00 per day for each calendar day the Services remain unfinished beyond the Completion Date or Services remains incomplete beyond any phase or milestone identified in the schedule as being subject to Delay Damages. The actual occurrence of damages and the actual amount of the damages which City would suffer for such delayed completion of the Services are impracticable and extremely difficult to calculate. Damages which City would suffer in the event of such delay include, but are not limited to, loss of the use of the other contractor's work and the project, disruption of activities, costs of administration and supervision, and the incalculable inconvenience and loss suffered by the public. Accordingly, the parties agree that the amount set forth herein shall be presumed to be the amount of damages which City shall directly incur for each calendar day that completion of the Services are delayed.

38. Prevailing Wages; Apprenticeship. When the Services constitute a public work under the Labor Code, the Services shall be performed in accordance with the provisions of Section 1770 et seq. of the Labor Code of the State of California, and all other applicable provisions concerning public works projects, which are hereby incorporated by reference and made a part hereof. Consultant shall be responsible for the payment of prevailing wages in accordance with State and Federal law. Consultant shall further be responsible for ensuring any subcontractors comply with any requirements for the payment of prevailing wages in accordance with State and Federal law, if applicable. The Consultant and any subcontractor under the Consultant as a penalty to the Owner shall forfeit not more than Two Hundred Dollars (\$200.00) for each calendar day or portion thereof for each worker paid less than the stipulated prevailing rates for such work or craft in which such worker is employed. The difference between such stipulated prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the stipulated prevailing wage rate shall be paid to each worker by the Consultant. Consultant shall comply with all requirements and obligations relating to apprentices, apprenticeships, and/or apprenticeable crafts or trades, as applicable, including but not limited to Labor Code section 1775.5. Consultant shall register with the Department of Industrial Relations, if required.

Now, therefore, the City and Consultant have executed this Agreement on the date(s) set forth below.

CONSULTANT

CITY OF CLOVIS

By: _____

By: _____
Luke Serpa, City Manager

Date: _____

Date: _____

Party Identification and Contact Information:

Consultant

Company Name

Attn: Name

Title

Address

City, State

_____ [E-Mail Address]

_____ [Phone Number]

City of Clovis

Department Name

Attn: Name

Title

1033 Fifth Street

Clovis, CA 93612

_____ [E-Mail Address]

_____ [Phone Number]

ATTEST

Karey Cha, City Clerk

APPROVED AS TO FORM

Scott G. Cross, City Attorney

EXHIBIT A SCOPE OF WORK

EXHIBIT B

BUDGET AND TASK SCHEDULE

EXHIBIT C

INSURANCE REQUIREMENTS

Prior to commencement of the Services, Consultant shall take out and maintain at its own expense the insurance coverage required by this **Exhibit C**. Consultant shall cause any subcontractor with whom Consultant contracts for the performance of Services pursuant to this Agreement to take out and maintain equivalent insurance coverage. Said insurance shall be maintained at all times during Consultant's performance of Services under this Agreement, and for any additional period specified herein. All insurance shall be placed with insurance companies that are licensed and admitted to conduct business in the State of California and are rated at a minimum with an "A:VII" by A.M. Best Company, unless otherwise acceptable to the City.

a. Minimum Limits of Insurance. Consultant shall maintain the following types of insurance with limits no less than specified:

(i) Professional Liability Insurance (Errors and Omissions) in an amount not less than \$2,000,000.00 per occurrence or claim and \$2,000,000 in the aggregate. Said insurance shall be maintained for an additional period of five years following the earlier of completion of Consultant's Services under this Agreement or termination of this Agreement.

(ii) General Liability Insurance (including operations, products and completed operations coverages) in an amount not less than \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

(iii) Worker's Compensation Insurance as required by the State of California.

(iv) Automobile Liability Insurance in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

(v) Umbrella or Excess Liability. In the event Consultant purchases an Umbrella or Excess insurance policy(ies) to meet the "Minimum Limits of Insurance," this insurance policy(ies) shall "follow form" and afford no less coverage than the primary insurance policy(ies). In addition, such Umbrella or Excess insurance policy(ies) shall also apply on a primary and non-contributory basis for the benefit of the City, its officers, officials, employees, agents and volunteers.

If Consultant maintains higher limits than the minimums shown above, the City shall be entitled to coverage at the higher limits maintained.

b. Other Insurance Provisions. The general liability policy is to contain, or be endorsed to contain, the following provisions:

(i) The City, its officers, officials, employees, agents, and volunteers are to be covered as insured's with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Consultant; and with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33 or CG 20 38; and CG 20 37 forms if later revisions used).

(ii) For any claims related to the Services performed pursuant to this Agreement, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

(iii) Each insurance policy required by this section shall be endorsed to state that the City shall receive written notice at least thirty (30) days prior to the cancellation, non-renewal, or material modification of the coverages required herein.

(iv) Consultant grants to the City a waiver of any right to subrogation which any insurer of said Consultant may acquire against the City by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

(v) Any deductibles or self-insured retentions must be declared to and approved by the City of Clovis Risk Services. The City may require the Consultant to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

c. Evidence of Coverage. Consultant shall deliver to City written evidence of the above insurance coverages, including the required endorsements prior to commencing Services under this Agreement; and the production of such written evidence shall be an express condition precedent, notwithstanding anything to the contrary in this Agreement, to Consultant's right to be paid any compensation under this Agreement. City's failure, at any time, to object to Consultant's failure to provide the specified insurance or written evidence thereof (either as to the type or amount of such insurance), shall not be deemed a waiver of City's right to insist upon such insurance later.

d. Maintenance of Insurance. If Consultant fails to furnish and maintain the insurance required by this section, City may (but is not required to) purchase such insurance on behalf of Consultant, and the Consultant shall pay the cost thereof to City upon demand, and City shall furnish Consultant with any information needed to obtain such insurance. Moreover, at its discretion, City may pay for such insurance with funds otherwise due Consultant under this Agreement.

e. Subcontractors. If the Consultant should subcontract all or any portion of the work to be performed in this Agreement, the Consultant shall cover the subcontractor, and/or require each subcontractor to adhere to all the requirements contained herein. Similarly, any cancellation, lapse, reduction or change of subcontractor's insurance shall have the same impact as described above.

f. Special Risks or Circumstances. The City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

g. Indemnity and Defense. Except as otherwise expressly provided, the insurance requirements in this section shall not in any way limit, in either scope or amount, the indemnity and defense obligations separately owed by Consultant to City under this Agreement.

EXHIBIT D SIGNING AUTHORITY



November 24, 2021

Lily Cha, MPA
Associate Planner
City of Clovis, Planning Division
1033 Fifth Street
Clovis, CA 93612

Subject: Proposal for CEQA Services for Tract 6343

Ms. Cha:

LSA Associates, Inc. (LSA) is pleased to submit this proposal to provide environmental review services for the Tract 6343 Project (proposed project) for the City of Clovis (City), pursuant to the California Environmental Quality Act (CEQA).

We approach this project with a great deal of enthusiasm and are confident that we have the essential project management capabilities, strategic thinking skills, and experience to efficiently and effectively complete the required environmental review process and to assist staff through the public process.

Our scope of work will include the following features to ensure that the environmental review process is completed quickly and efficiently:

- Availability of LSA’s senior management team, Amy Fischer, Principal, and Kyle Simpson, Associate/Project Manager, who will see the project through from beginning to end;
- Commitment of LSA’s in-house experts for key issues of air quality/greenhouse gas emissions and transportation.
- Ability to work collaboratively with agencies and project applicants, and to communicate effectively with diverse audiences at public forums.

The following provides an overview of LSA’s approach to preparing the environmental documentation for the proposed project pursuant to the California Environmental Quality Act (CEQA).

PROJECT UNDERSTANDING

The project site, referred to as Tract 6343, is comprised of complete two parcels (Assessor’s Parcel Number [APN] 556-040-07 and 556-040-08), and a portion of a third parcel (APN 556-030-14, totaling approximately 72 acres. In addition to development of Tract 6343, the proposed project would include annexation of approximately 148 areas into the City. Tract 6343 is primarily used for agricultural production and includes one residential building with associated agricultural

outbuildings. The approximately 148-acre annexation area includes mostly agricultural and fallow fields, as well as six rural residential structures located along East Behymer Avenue. The project site is surrounded by agricultural uses to the west and north, rural residential uses to the east, and agricultural field and residential uses to the south. The Enterprise Canal is located directly adjacent to the project site, along the western boundary. The project site is within the City of Clovis Sphere of Influence and is currently within the Exclusive Agriculture, 20-Acre Minimum (AE20) zoning district in Fresno County.

The proposed project includes the construction of 590 single-family residential units with a density of 9.17 dwelling units per acre. Roadways would be constructed within the project site and would connect to the future extension of Barron Avenue to the east of the project site.

WORK PROGRAM APPROACH

Based on our discussions with City staff and review of project information, LSA will prepare the CEQA documentation in a phases. The following provides a summary of the two phases of work that will be completed by LSA.

- **Phase I – Technical Studies and Initial Study.** LSA in coordination with Argonaut Ecological Consulting, Inc. (Argonaut) will prepare technical studies related to Air Quality/Greenhouse Gas Emissions, Biological Resources, Cultural Resources, and Transportation.

Following completion of the technical studies, LSA will prepare an Initial Study and Notice of Preparation.

- **Phase II – Focused EIR.** Based on the information and findings included in the Initial Study, LSA will prepare a Focused EIR that includes only environmental resource topic areas that would result in potentially significant environmental impacts.

LSA believes that this approach to satisfying the requirements of CEQA is appropriate. Our proposed work program will provide for an adequate and legally-defensible environmental review effort, is detailed below.

The overarching goal in preparing the Focused EIR is for LSA to provide a legally-defensible and well-written document that is easy to understand not only for the public, but for City decision-makers, City staff, and responsible agencies.

To that end, LSA has developed an approach and scope of work designed to result in a comprehensive, legally-robust Focused EIR that meets the City's requirements. The Focused EIR and environmental review process, in general, will provide a comprehensive evaluation of the proposed project. Our scope of work is designed to achieve the following key objectives:

- Collaborate with the Project Applicant team and City to define the project for CEQA purposes, and craft a detailed project description that accurately reflects all elements of the proposed project including anticipated uses and requested project approvals.

- Prepare a Focused EIR that responds to and meets the specific requirements and interests of the diverse group of government agencies and organizations that are expected to review the Focused EIR and may be responsible for specific project approvals.
- Provide a rigorous, project-level analysis of the environmental effects of the proposed project to minimize subsequent environmental review.
- Create a Focused EIR that is accessible and relevant through thoughtful and concise writing and use of data-rich graphics.

This scope of work also includes the following assumptions:

- The City or Project Applicant will provide a Water Supply Assessment (WSA), or determination of adequate supply of potable water, or a hydrological analysis of the water required for operation of the project at full buildout.
- This scope of work does not include costs associated with printing or production of physical copies. All printed copies requested by the Project Applicant or City will be billed at-cost.
- This scope of work assumes that no project-level analysis would be conducted for the annexation area outside of Tract 6343.

SCOPE OF WORK

The scope of work for preparation of the CEQA documentation is detailed below. The proposed schedule is presented in Table A, below.

Phase I Technical Studies and Initial Study

Task 1: Kick-Off Meeting and Project Initiation

Following the notice to proceed, LSA will initiate the following subtasks to start the Focused EIR process as soon as possible.

1.1 Kick-Off Meeting and Site Visit

LSA will meet with the Project Applicant team and City staff to discuss expectations regarding the tasks to be undertaken as part of the environmental documentation effort for the proposed project. In this meeting, LSA will want to:

1. Confirm the proposed scope of work and expectations for use of any previously prepared technical materials or other background materials that may be available for the project site;
2. Discuss the significance criteria for each topic to be addressed in the Initial Study and Focused EIR.

3. Discuss the City's desired approach to involving the various City departments and the Project Applicant team during preparation of the Initial Study and Focused EIR (e.g., review of the administrative and screencheck drafts, communications, etc.); and
4. Discuss the desired schedule for the review process with the Project Applicant team and City.

Following the Kick-Off Meeting, Amy Fischer and Kyle Simpson will visit and photograph the project area and its surroundings to familiarize ourselves with the area, document existing conditions and site features, and confirm information provided by the Project Applicant team and City. We will encourage attendance by the Project Applicant team and City staff at our initial site visit to allow for sharing of observations.

1.2 Project Description

LSA will prepare a project description that details the purpose, phasing and physical elements of the proposed project. The project description will include a map showing the location and boundaries of the project area and a general description of the project's technical and environmental characteristics. LSA will work closely with City staff to ensure that the project description provides a level of detail appropriate for the Focused EIR. As a part of the project description, LSA will work with City staff to prepare a list of project objectives consistent with the City's goals for the proposed project.

The project description will also include a statement briefly describing the intended uses of the Focused EIR, including a list of agencies expected to use the Focused EIR, a list of permits and other approvals required to implement the proposed project and a list of related environmental review and consultation steps required by federal, State or local laws, regulations and policies. LSA will submit a draft of the project description to City staff for review and acceptance before the LSA team begins conducting any technical analyses.

Deliverable: Draft Project Description

Task 2: Technical Analyses

Based on our initial review of the proposed project, technical studies to address potential environmental impacts regarding air quality and greenhouse gas emissions and noise will be needed to adequately address these disciplines under CEQA. Following approval of the Draft Project Description, the technical analyses described below, will be conducted. As mentioned above, it is assumed that the City or Project Applicant team will provide LSA with a WSA or other documentation addressing the potential effect of the proposed project on water supply and groundwater.

2.1 Air Quality and Greenhouse Gases Analysis

Development activity associated with the proposed project could increase pollutant concentrations in Clovis through increased vehicle trips and building operations. Construction activities associated with development of the proposed project, including grading and ground disturbance, could increase concentrations of particulate matter. This increase could contribute to existing air pollution

in the San Joaquin Valley Air Basin. Therefore, LSA will prepare a stand-alone air quality analysis, which will be incorporated into the Initial Study Checklist.

Following the San Joaquin Valley Air Pollution Control District's (SJVAPCD) *Guide for Assessing and Mitigating Air Quality Impacts* (GAMAQI), LSA will identify existing air quality conditions and potential air quality impacts resulting from the development of the land uses proposed of Tract 6343. It is assumed that the additional annexation lands outside of Tract 6343 would not be developed as part of the project. As such, these areas will not be included in the project specific analysis. LSA will undertake the following subtasks:

- **Assess Project construction emissions.** Construction activities associated with the proposed project would generate increased particulate emissions associated with site preparation, grading, soil hauling, and other construction activities on the Project site. Construction equipment exhaust would also be a source of air pollution. LSA will calculate the regional construction emissions using the California Emissions Estimator Model (CalEEMod) for up to three phases.
- **Conduct construction Health Risk Assessment.** Based on the anticipated construction activity and the proximity of the nearby residential receptors, LSA will prepare a construction Health Risk Assessment (HRA) to identify any potentially significant health risk impacts resulting from construction of the proposed Project. The HRA will address all applicable City, SJVAPCD, and State requirements. The HRA will determine the increased cancer and noncancer health risks to nearby sensitive receptors (i.e., people living nearby) from exposure to toxic air contaminants (TACs) from construction-related sources.
- **Assess Project operation-period air quality impacts.** The proposed Project would generate new vehicular trips within the region. Regional emissions of criteria air pollutants associated with long-term operations from vehicle trips will be calculated with CalEEMod. In addition, emissions associated with stationary sources, such as on-site energy consumption and landscaping equipment, will be estimated.
- **Assess Project GHG emissions.** LSA will provide a quantitative assessment of GHG emissions associated with all relevant sources related to the proposed Project, including construction activities, new vehicle trips, energy consumption, water usage, and solid waste generation and disposal, using CalEEMod. Neither the City of Clovis nor the SJVAPCD have developed or adopted numeric greenhouse gas emissions significance thresholds. Therefore, the analysis will evaluate GHG emissions based on the project's consistency with applicable State reduction goals.
- **Identify mitigation measures.** LSA will identify, where necessary, practical mitigation measures to address any significant project or cumulative impacts. Mitigation measures designed to reduce the Project's short-term construction and long-term air quality and GHG impacts to the extent feasible will be identified. Mitigation measures established by the SJVAPCD for dust suppression will be identified to reduce construction impacts. Both an evaluation of the potential mitigation measures and a discussion of their effectiveness will be provided.

LSA will submit one digital copy of the draft Air Quality and GHG Technical Study to the City for review. Based on one set of comments, LSA will prepare a final Air Quality and GHG Technical Study.

2.2 Biological Resources Assessment

Argonaut will conduct a data review (wetlands, soils, and special-status species) for the entire annexation area. Argonaut will also conduct field review of Tract 6343. During the field work, Argonaut will observe the annexation lands from Tract 6343 and public roads, but no field surveys of the annexation lands outside Tract 6343 will be performed. A Biological Resource Assessment will be prepared detailing the results of the database review, field characterization of habitats present, and the potential presence for the site to support of sensitive habitats and sensitive species. The report will include assessment of any sensitive resources, including wetlands/aquatic habitat, general wildlife, special-status species, and nesting birds.

The Biological Resource Assessment Report will serve as the basis for evaluating biological resources under CEQA. An electronic report will be provided. Tasks included in this proposal include:

- Field review
- Database review
- Report Preparation (including mapping)

In addition, Argonaut will prepare a separate technical memorandum that discusses the additional annexation lands outside of Tract 6343 in terms of habitat characterization, the potential for the area to support special status species, and permits that may be needed if the land is developed in the future. This will be a programmatic characterization of the approximately 142-acre annexation area.

2.3 Cultural Resources Assessment

Argonaut will complete the following tasks to assess the potential impacts related to cultural resources in the annexation area and Tract 6343. The following tasks will be undertaken.

- A record search will be conducted through the South San Joaquin Valley Information Center (SSJVIC) of the California Historical Resources Information System (CHRIS) to identify previous surveys and recorded sites in or within 0.25 miles of the annexation area.
- Research will be undertaken on the overall annexation area utilizing all available sources to identify potential cultural resources concerns. Sources include old County maps, regional maps, topographic maps, County histories and other resources, most of which are available in our office or through on-line sources. This review will allow for the identification of potential prehistoric period site location, historic buildings and structures, historic sites, and associations with important people and events, wherever possible.
- The Tract 6343 lands totaling approximately 72 acres will be field surveyed, using complete coverage. Any sites found in the field will be recorded and photographed. Site forms will be completed for each prehistoric period and historic period sites located in the survey. Sites will

be analyzed for their significance, to the degree possible from surface evidence and historical information.

- A technical report will be prepared for the study, detailing the results of the records search and other research, results of the field survey efforts, conclusions and recommendations. The report will also include maps in a confidential appendix showing sites or potential sites of concern in the Annexation area outside the Tract 6343 lands.

2.4 Noise Analysis

LSA will conduct a project specific noise analysis technical memorandum for the proposed Tract 6343 project. The noise analysis will include the following components: 1) a description of existing noise conditions in and around the project site; 2) a quantitative assessment of noise impacts on sensitive receptors related to project construction and operation associated with the project; and if required, 3) the preparation of mitigation measures consistent with best practices. The findings of this analysis will be incorporated into a technical memorandum addressed to the City.

2.5 Transportation

The City has not yet established a formal update to their Transportation Impact Analysis (TIA) guidelines. However, for the purpose of this scope of work, the *Interim Transportation Impact Analysis Guidelines* (dated July 2020) has been used. The draft TIA guidelines require a TIA for project in the City to include a Vehicle Miles Traveled (VMT) Analysis (to fulfil CEQA requirements), as well as a Local Transportation Analysis (LTA). Based on the TIA guidelines, the following scope of work has been prepared:

2.5.1 Project VMT Analysis

The VMT analysis will calculate the project-generated VMT per capita using Fresno Council of Governments' (COG's) Activity-Based Model (ABM). LSA has been recently selected to be one of the official on-call consultants to run the Fresno COG ABM for projects throughout the County. This will be compared to Fresno County's VMT per capita. As per the City's guidelines, a significant project-generated VMT impact would occur if the project's VMT metrics under existing conditions exceed the existing countywide average. In case of a significant VMT impact, appropriate mitigation measures to offset the VMT impacts will be recommended based on discussion with City staff.

2.5.2 Local Transportation Analysis

The LTA for the proposed project will be prepared to meet the requirements established by the City of Clovis and the California Department of Transportation (Caltrans). The primary objective of the analysis will be to study and determine the potential traffic operational issues on the circulation system in the vicinity of the project site as a result of the proposed project. The LTA will address existing traffic conditions, future traffic forecasts, project-related operational deficiencies and improvements, and will be prepared for submittal to the City and Caltrans.

The project is anticipated to be built in one phase. Therefore, the following five scenarios will be analyzed:

- Existing Conditions;
- Existing Plus Project Conditions;
- Near-Term Plus Project Conditions;
- Cumulative Long-Range Without Project Conditions; and
- Cumulative Long-Range Plus Project Conditions.

Traffic conditions will be examined for the weekday a.m. and p.m. peak hour conditions for study intersections. The a.m. peak hour is defined as the one hour of highest traffic volumes occurring between 7:00 and 9:00 a.m. The p.m. peak hour is the one hour of highest traffic volumes occurring between 4:00 and 6:00 p.m.

Specific tasks to be performed during the preparation of the LTA are as follows:

- **Scoping Agreement Memorandum.** Prior to preparation of the LTA, LSA will prepare a scoping agreement memorandum for submittal to the City's Traffic Engineering Manager. This will enable the scope of work to be finalized at the outset of the project. Weekday a.m. and p.m. peak hour trip generation for the proposed project will be developed using rates from the Institute of Transportation Engineers (ITE) *Trip Generation Manual* (10th Edition) or other source approved by the City. Actual methodology for preparation of the trip generation and distribution will be developed in consultation with City staff. Upon completion of the memorandum, LSA will submit the analysis to the City to determine the scope for the LTA.
- **Coordination with City Staff.** Prior to preparation of the traffic study, LSA will consult with City staff to achieve the following:
 - Determine the appropriate study area;
 - Verify study area boundaries and analysis intersections;
 - Determine the appropriate near-term and cumulative long-range conditions to be examined in the traffic analysis;
 - Verify the acceptability of traffic analysis assumptions, such as the a.m. and p.m. peak hours, project trip generation, and trip distribution patterns; and
 - Identify any other traffic issues that will need to be addressed in the study.

As per the City's TIA guidelines, the LTA study area must include the following:

- Pedestrian, bicycle, and transit facilities within ½ mile distance from the project site boundary;
- All intersections that would provide direct access to the project;
- All signalized intersections within ½ mile of the project site boundary where the project would add 50 or more peak hour trips, and signalized intersections beyond ½ mile where the project would add 100 or more peak hour trips;
- All unsignalized intersections within ½ mile of the project site boundary where the project would add more than 50 peak hour trips;
- All freeway ramp intersections where a project would add 50 or more peak hour trips.

For the purposes of this scope and our understanding of the project, LSA will examine 12 intersections, up to 6 project driveways, and up to 12 roadway segments. In addition, it is assumed that up to 20 approved and pending projects will need to be included in the analysis. It is also assumed that the City will provide the list of approved and pending projects before the analysis is started. Prior to initiation of the LTA, LSA will prepare a detailed scoping letter for submittal to the City that shows the project trip generation, distribution, and assignment of project trips. The scoping letter will identify the final study area based on the project trip distribution and assignment.

If City staff requires additional intersections, additional roadway segments, or other operational issues that are not covered in this scope, it may be necessary to adjust the scope of work and budget.

- **Data Collection and Site Visit.** The following data will be required to prepare the traffic analysis for the proposed project:
 - *Site Visit.* LSA staff will visit the project site and gather information about lane geometrics, signal timing, signal phasing, roadway widths, etc.
 - *Existing Intersection Traffic Counts.* Existing intersection turn volumes for the a.m. and p.m. peak periods will be required to be collected at all study intersections. Due to the current constraints of collecting new traffic counts, LSA will contact counters to evaluate the option of gathering historic count data at all study intersection. The methodology of developing existing (2021) traffic count data will be finalized in consultation with City staff.
- **Existing Traffic Conditions.** Existing a.m. and p.m. peak hour traffic conditions and levels of service (LOS) will be assessed for the intersections identified for examination. Intersection LOS will be calculated using the appropriate *Highway Capacity Manual* 6th Edition (HCM 6) analysis methodologies using Synchro 10 software. As per the City's TIA guidelines, roadway segment LOS shall be determined using Florida tables.
- **Cumulative Long-Range without Project Traffic Conditions.** Traffic volumes for cumulative long-range without project conditions will be developed using the Fresno COG ABM. LSA has this

model in-house and will run it to obtain the required model plots. The methodology to develop future build-out year without project traffic volumes at study intersections will be consistent with the COG's procedures for post-processing of modeled traffic volumes. The resulting intersection and roadway segment LOS will be calculated using the previously discussed methodologies.

- **Near-Term Conditions Without Project Traffic Volumes.** Traffic volumes for near-term conditions will be developed by interpolating between existing and cumulative long-range conditions or by adding traffic volumes from a list of cumulative projects. Appropriate methodology for development of traffic volumes for near-term traffic conditions will be finalized based on discussion with City staff during the scoping agreement process.

It should be noted that the City's TIA guidelines does not require traffic conditions to be analyzed for this scenario. The volumes developed for this scenario will only be used for developing traffic volumes for the near term with project scenario.

- **Project Trip Characteristics and Changes to Traffic Patterns.** Weekday a.m. and p.m. peak hour trip generation for the project will be developed using rates from the ITE *Trip Generation Manual* (10th Edition) or other source approved by the City. Project trips will be distributed based on select zone runs developed using the Fresno COG ABM and in consultation with City staff. Actual methodology for preparation of the trip generation and distribution will be finalized with City staff during the scoping agreement process. The project trip assignment at study intersections will be obtained by multiplying the project trip distributions at the intersections with the project trip generation.
- **Existing, Near-Term, and Cumulative Long-Range with Project Traffic Conditions.** Effects of the project on traffic will be evaluated by adding the project trip assignment to the corresponding without project conditions. The resulting intersection and roadway segment LOS for each scenario will be calculated using the previously discussed methodologies.
- **Analysis of Traffic Operations and Recommended Circulation Improvements.** Intersection and roadway segment LOS without the project will be compared to the intersection and roadway segment LOS with the project for each of the analysis scenarios to determine operational deficiencies where applicable. Furthermore, necessary improvements will be recommended to offset these deficiencies. Improvements may include intersection turn lanes, signalization, and segment lane additions. The LOS with the proposed improvements will be calculated and summarized, along with a comparison of the LOS without improvements.
- **Signal Warrant Analysis.** Peak hour approach volumes for the study intersections will be examined to determine whether signalization may be warranted at an unsignalized study intersection per the criteria defined in the California supplement of the *Manual on Uniform Traffic Control Devices* (CA-MUTCD).
- **Intersection Queuing Analysis.** As per the City's TIA guidelines, an intersection queuing analysis is required to be conducted at all study area intersections. The queuing analysis will be prepared

using Synchro for signalized intersections and SimTraffic for unsignalized intersections. Improvements will be recommended if queuing deficiencies are observed at study intersections.

- **RTMF/Fair-Share Contributions.** LSA will evaluate whether the recommended improvements identified in the LTA are included as part of the Fresno COG Regional Transportation Mitigation Fee (RTMF) program or any other fee program. If it is determined that the improvement is not covered through any such fee program, the project's fair-share cost contribution will be calculated based on project traffic as a percentage of total growth from existing to cumulative long-range conditions.
- **Site Access and Circulation Analysis.** The City's TIA guidelines require a detailed site access and circulation analysis to be included in the TIA to address safe and acceptable traffic operations.
- **Meetings.** It is anticipated that LSA's Transportation Department staff will attend up to five meetings (including the kickoff meeting, scoping meeting, one meeting with City staff and/or applicant, and two public hearings) related to the processing of the proposed project. For purposes of this scope of work, it is assumed that all meetings will be attended virtually. Cost for attending all meetings is included within our budget. If LSA Transportation staff is required to attend additional meetings, a contract amendment may be required.
- **Work Products.** LSA will prepare a draft TIA report documenting VMT analysis results, LOS analysis methodologies, existing conditions, near-term, and cumulative long-range conditions, operational deficiencies, recommended improvements, and the project contribution to these improvements. The draft TIA will be submitted to the client for review and submittal to the City. This scope and budget includes one review/revision of the TIA to address City comments. Additional rounds of review/revision or provision of copies in excess of that stated in this proposal will require an amendment to this scope and cost estimate. Upon revision, the final report will be submitted to the City as an Adobe Acrobat PDF file.

Optional Task Freeway Analysis

Based on our understanding of the project, Caltrans will be reviewing the scoping letter as part of the scoping process. Caltrans has been requesting freeway mainline and ramp merge/diverge analysis for projects located in the vicinity of freeway facilities. Freeway analysis needs to be conducted under all analysis scenarios for the ramps where there are over 100 two-way peak hour trips, as well as the mainline segments adjacent to the ramps. Because of the proximity of the proposed project to State Route 168 (SR-168), it is anticipated that the project may be adding over 100 two-way peak hour trips at the freeway ramps. Therefore, a freeway analysis may be required to satisfy Caltrans requirements for preparation of the traffic analysis. It is anticipated that the analysis will include one interchange on SR-168. The analysis will be conducted using HCM 6 methodologies and the Highway Capacity Software (HCS). The cost for this optional task is \$4,900.

Deliverables

- Draft Air Quality and Greenhouse Gases Technical Memorandum
- Final Air Quality and Greenhouse Gases Technical Memorandum

- Draft Biological Resources Assessment
- Final Biological Resources Assessment
- Draft Cultural Resources Assessment
- Final Cultural Resources Assessment
- Draft Noise Analysis Technical Memorandum
- Final Noise Analysis Technical Memorandum
- Draft Transportation Impact Analysis
- Final Transportation Impact Analysis

Task 3: Initial Study and Notice of Preparation

LSA will prepare an Initial Study for release with the Notice of Preparation (NOP) to provide substantial evidence to support the preparation of an EIR that focuses on areas that could adversely affected by the proposed project. The analysis included in the Initial Study will be referenced and based on thorough analysis in order to address environmental topics and exclude further analysis in the Focused EIR. The following environmental topics will be evaluated in the Initial Study, consistent with the requirements of CEQA.

- | | |
|--------------------------------------|---------------------------------|
| • Aesthetics | • Land Use and Planning |
| • Agriculture and Forestry Resources | • Mineral Resources |
| • Air Quality | • Noise |
| • Biological Resources | • Population and Housing |
| • Cultural Resources | • Public Services |
| • Energy | • Recreation |
| • Geology and Soils | • Transportation |
| • Greenhouse Gas Emissions | • Tribal Cultural Resources |
| • Hazards and Hazardous Materials | • Utilities and Service Systems |
| • Hydrology and Water Quality | • Wildfire |

Based on the components of the proposed project, it is expected that several environmental topics will be addressed in the Initial Study and will not be included in the Focused EIR.

3.1 Administrative Draft Initial Study and Notice of Preparation

LSA will prepare an Administrative Draft Initial Study with figures and tables will be provided as appropriate to illustrate the project site, the proposed project and the study's findings.

The Administrative Draft Initial Study and NOP will be provided to City staff for review and comment. LSA will provide one electronic version in MS Word and PDF formats for review.

3.2 Screencheck Draft Initial Study and Notice of Preparation

Based on a single set of consolidated and non-contradictory comments from City staff, LSA will amend the Administrative Draft Initial Study and NOP, and will prepare a Screencheck Draft Initial Study and NOP for review. We have allotted time for responding to changes; however, if this task exceeds the cost allotted in the budget due to changes in project description or requests for

additional analysis that are not necessary to prepare a legally-adequate document, a budget adjustment may be required.

LSA will provide one electronic version in MS Word and PDF formats for review by City staff to verify that all requested changes have been made and all appendix materials, references, and final graphics are acceptable. LSA will also provide City staff with an electronic compare version of the Screencheck Draft. This version will show text changes made to the Administrative Draft Initial Study and NOP in underline and strikeout for City staff to more easily confirm that all comments and edits are fully incorporated into the Screencheck Draft Initial Study and NOP.

3.3 Public Review Initial Study and Notice of Preparation

LSA will make any minor necessary revisions to the Screencheck Draft Initial Study and NOP, and will prepare the public review Initial Study and NOP. LSA will provide one copy in PDF format for posting on the City's website. The City will be responsible for local distribution and noticing.

3.4 Public Scoping Meeting

Amy Fischer and Kyle Simpson will participate in a public EIR scoping meeting. LSA will develop materials for these meetings, including hand-outs which may include an overview of the objectives of CEQA, the Focused EIR process and schedule, and the topics to be addressed in the Focused EIR. If request, LSA would make a short presentation at the scoping meeting that outlines the project's environmental review requirements and process.

Deliverables

- Administrative Draft Initial Study and NOP
- Screencheck Draft Initial Study and NOP
- Public Review Initial Study and NOP
- Notice of Completion for State Clearinghouse

Task 4: Work Program Refinement

In response to public comments received on the NOP and the impact analyses completed under Task 2 and Task 3, it may be necessary to refine the work program. If it is determined that a Focused EIR is necessary to address potentially-significant impacts, and upon receipt and review of all of the comments received in response to the NOP and the scoping meeting, LSA will work with City staff to refine the scope of work and budget, if necessary. Work on Phase II, described below, will not commence until the work program has been confirmed.

Phase II Focused EIR

Task 5: Draft Focused EIR

5.1 Administrative Draft Focused EIR

LSA will prepare an Administrative Draft Focused EIR to address potential environmental effects not fully addressed in the Initial Study. It is expected that most environmental resource topic areas will

be fully addressed in the Initial Study, and will not be included in the Focused EIR. LSA assumes that the following environmental resource topic areas will be addressed in the Focused EIR:

- Air Quality
- Greenhouse Gas Emissions
- Transportation

As mentioned under Task 4, the list of environmental resource topic areas included in the Focused EIR will be confirmed prior to initiation of work under Phase II.

With each environmental topic included, each section will describe the current conditions of the project site and will include an impact analysis to evaluate the potential environmental effects resulting from implementation of the proposed project. Where relevant, impacts will be separately identified in terms of whether they would occur during the construction or operation periods. A set of feasible mitigation measures (as well as the residual impacts or effects of each measure) will be identified.

Each section will also include a discussion of cumulative impacts to address the potential impacts associated with the project in conjunction with other projects that are under-construction, approved, or reasonably foreseeable. The preferred methodology for conducting the cumulative impacts analysis will be developed and agreed upon during the early stages of the Focused EIR preparation.

The Focused EIR is expected to include the following components:

- | | |
|---|---|
| • Introduction | • CEQA-Required Assessment Conclusions |
| • Executive Summary | • List of Persons and Organizations Contacted |
| • Project Description | • Bibliography |
| • Setting, Impacts, and Mitigation Measures | • Technical Appendices |
| • Alternatives to the Proposed Project | |

One digital version (in both Word and PDF formats) of the Administrative Draft EIR will be submitted to City staff for review and comment. LSA can meet with staff, either in person or via teleconference, to discuss comments on the Administrative Draft EIR.

5.2 Screencheck Draft Focused EIR

Based on a single set of consolidated and non-contradictory comments from City staff, LSA will amend the Administrative Draft EIR and prepare a Screencheck Draft for final review. One digital version (Word and PDF formats) of the Screencheck Draft will be provided. A PDF compare version that shows changes between the two drafts in underline and strikethrough will also be provided for review by City staff to verify that all requested changes have been made and all appendix materials, references, and final graphics are acceptable.

We have allotted time for responding to changes; however, if this task exceeds the cost allotted in the budget due to changes in project description or requests for additional analysis that are not

necessary to prepare a legally adequate document, the additional cost would be billed on a time and materials basis (or use of contingency funds would be requested).

5.3 Public Review Draft Focused EIR

LSA will amend the Screencheck Draft EIR in response to a single set of consolidated and non-contradictory comments from City staff. Digital versions will be prepared in PDF formats and will be distributed to the City for website posting. As noted above, the LSA's proposed budget does not include an allocation for printing and delivery. Should printing be requested by the Project Applicant and City, LSA will bill production at cost.

Prior to publication of the Public Review Draft Focused EIR, LSA will prepare the Notice of Availability (NOA) and Notice of Completion (NOC). LSA will be responsible for electronic submittal of the Public Review Draft EIR to the State Clearinghouse. The City will be responsible for local distribution and noticing.

5.4 Draft Focused EIR Public Hearing

Amy Fischer and Kyle Simpson will be available to attend a public hearing regarding the Public Review Draft Focused EIR. The intent of the meeting will be to collect public comments on the analysis included in the Public Review Draft Focused EIR.

Deliverables

- Administrative Draft Focused EIR
- Screencheck Draft Focused EIR
- Public Review Draft Focused EIR
- Notice of Availability/Notice of Completion

Task 6: Final EIR

6.1 Administrative Draft Final EIR

The LSA team will formulate responses to written comments on the Public Review Draft Focused EIR, including review period comments received from the public and agencies. The Administrative Draft Final EIR will include: 1) a list of persons, organizations, and public agencies commenting on the Public Review Draft Focused EIR; 2) copies of written comments received; 3) responses to environmental comments raised in the review process; and 4) any necessary text, table or figure changes to the Public Review Draft Focused EIR. LSA will discuss the best approach to the responses document with the City following the close of the comment period.

Our budget estimate shows the level of professional effort assumed for this task (see Task 6.1 in the Cost Estimate, included separately). Should an unexpectedly large volume of comments be submitted (e.g., an organized letter-writing campaign by project opponents or a substantial package of comments by a law firm representing labor union interests), an adjustment in the budget (and/or use of contingency funds) to cover work beyond the assumed level would be needed. LSA will submit one

digital version (in MS Word and PDF formats) of the Administrative Draft Final EIR for review by City staff.

6.2 Screencheck Draft Final EIR

After review by City staff and transmittal of suggested revisions, LSA will amend the Administrative Draft Final EIR and prepare a Screencheck version for final review by City staff. One digital version (Word and PDF formats) of the Screencheck Draft will be provided. A PDF compare version that shows changes between the two drafts in underline and strikeout will also be provided for review by City staff to verify that all requested changes have been made.

6.3 Public Review Final EIR

After review by City staff and transmittal of suggested revisions, LSA will amend the Screencheck Draft Final EIR and prepare a Public Review version. Digital versions will also be prepared in PDF formats and will be distributed to the City for website posting. The Public Review Final EIR will be distributed to the public and commenting agencies a minimum of 10 days prior to the final public hearing on the Public Review Final EIR.

Deliverables

- Administrative Draft Final EIR, MS Word and PDF
- Screencheck Draft Final EIR, MS Word and PDF
- Public Review Final EIR
- Notice of Determination, MS Word and PDF

Task 7: Mitigation Monitoring and Reporting Program

LSA will prepare a Mitigation Monitoring and Reporting Program (MMRP), as described below.

7.1 Administrative Draft MMRP

LSA will a prepare a MMRP, which will identify responsibility for implementing and monitoring each mitigation measure, along with monitoring triggers and reporting frequency, subject to approval by the City. Monitoring will be dovetailed with existing processes of project development and review. LSA will submit the Administrative Draft MMRP to the City for review.

7.2 Screencheck Draft MMRP

After review by the City, LSA will amend the Administrative Draft MMRP and will prepare a Screencheck version for final review by the City. One digital version (Word and PDF formats) of the Screencheck Draft will be provided. A PDF compare version that shows changes between the two drafts in underline and strikeout will also be provided for review by the City to verify that all requested changes have been made.

7.3 Final MMRP

After review by the City, LSA will amend the Screencheck Draft MMRP and will prepare a final version. Digital versions will be prepared in Word and PDF formats.

Deliverables

- Administrative Draft MMRP
- Screencheck Draft MMRP
- Final MMRP

Task 8: EIR Certification Hearings

Amy and/or Kyle will attend up to two public hearings for certification of the Focused EIR, including hearings before the Planning Commission and City Council. Additional meetings can be added to the scope as additional services.

Upon project approval and certification of the Final EIR, LSA will prepare a Notice of Determination (NOD) for filing and distribution by the City.

Deliverable: Notice of Determination, MS Word and PDF

Task 9: Project Management and Meetings

Amy and Kyle will undertake a variety of general project management tasks throughout the process of preparing the Focused EIR and presenting it to decision-makers.

Amy will provide input on scope, budget, and scheduling of the project, and quality assurance for all work undertaken. She will review all in-house prepared text, tables, and graphics before these materials are presented to City staff as administrative review documents. She will be available for consultation on CEQA procedural matters as well as application of the CEQA Guidelines to this project.

Kyle will be in charge of day-to-day activities associated with the project. Project management tasks include regular client contact; schedule coordination; contract negotiation and management; and development of products. As Project Manager, Kyle will attend all meetings and maintain a project schedule. Kyle will monitor the project budget in light of progress in the project schedule and will communicate any potential deviations with City staff in a timely manner. He will also provide direction to all team members that will ensure an internally-consistent, coherent document.

Amy and Kyle, as well as other LSA staff, as appropriate, will be available to meet with the project team to gather information, review progress, discuss project alternatives, review preliminary findings, discuss staff comments, and offer input into any discussions on project modifications. The proposed cost estimate includes attendance by both Amy and Kyle at the project Kick-Off Meeting (Task 1.1), the EIR scoping meeting (Task 3.4), the Public Hearing for the Draft EIR (Task 5.4), and the EIR Certification Hearings (Task 8). In addition, we have budgeted (under this task) for attendance at up to four teleconference team meetings, the agendas and issues to be determined.

Schedule

The preliminary work schedule for preparation and completion of the environmental review process is shown in Table A. LSA will finalize the schedule, including deliverable dates with the Project Applicant team and City staff once we are authorized to proceed and once preliminary development plans and all requested background materials listed in this scope of work are provided. Please note that we are happy to work with the Project Applicant team and City staff to adapt the schedule to fit ongoing priorities and scheduling. In addition, we are happy to discuss with the Project Applicant team and City staff ways to streamline the overall schedule.

Table A: Preliminary Schedule

Milestone	Responsible Party	Duration ¹	Cumulative Weeks
Notice to Proceed	City	–	–
Project Start-Up Meeting	Project Applicant/ City/LSA	1 week	1
Draft Project Description ¹	LSA	2 weeks	3
Review of Draft Project Description	City	2 weeks	5
Prepare Administrative Draft Initial Study, NOP and Technical Analyses ²	LSA	8 weeks	13
Review Administrative Draft Initial Study, NOP and Technical Analyses	City	2 weeks	15
Prepare Screencheck Draft Initial Study and NOP	LSA	2 weeks	17
Review Screencheck Draft Initial Study and NOP	City	1 week	18
Prepare Public Review Initial Study and NOP	LSA	1 week	19
<i>30-Day Public Scoping Period</i>	–	<i>4 weeks</i>	<i>23</i>
Prepare Administrative Draft EIR	LSA	4 weeks	27
Review Administrative Draft EIR	City	2 weeks	29
Prepare Screencheck Draft EIR	LSA	2 weeks	31
Review Screencheck Draft EIR	City	1 weeks	32
Prepare Public Review Draft EIR	LSA	1 weeks	33
<i>45-Day Public Comment Period</i>	–	<i>6 weeks</i>	<i>39</i>
Prepare Administrative Draft Final EIR	LSA	3 weeks	42
Review Administrative Draft Final EIR	City	2 weeks	44
Prepare Screencheck Draft Final EIR and Draft MMRP	LSA	1 week	45
Review Screencheck Draft Final EIR and Draft MMRP	City	1 week	46
Prepare Public Review Final EIR and Final MMRP	LSA	1 week	47
EIR Certification Hearing(s)	City	>10 days	49

¹ Assumes that all requested project information and materials received within 1 day of start-up meeting

² The Project VMT Analysis would require 5 weeks to complete, and the LTA (Task 2.3.2) would require 20 weeks to complete. It is assumed that the LTA would be a component of the Focused EIR.

Budget

The estimated cost of the LSA team’s labor and direct expenses is \$175,592. We have also identified a contingency amount of 10 percent of the total budget (\$17,600). The amount would not be used without written authorization from the City. With the contingency amount, the total contract budget would be \$193,192. As you review the proposal and compare the work scope with the line-item budget, if you find that there are ways of economizing or believe that expansions are needed, we would be glad to discuss suggestions for modifying both scope and budget. This proposed scope of work and cost estimate is valid for 90 days from the date on Page 1. LSA assumes these services would be provided under our existing on-call Environmental Review Consultant Services Agreement with the City. LSA can begin work on the project following your authorization on the signature block below or by providing your own form of authorization.

Sincerely,

LSA Associates, Inc.



Amy Fischer
Principal



Kyle Simpson
Associate/Project Manager

Attachments:

- Table B: Cost Estimate for CEQA Services for Tract Map 6343

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Table B: Cost Estimate for CEQA Services for Tract 6343

11/24/2021		LSA										Total LSA Hours	Total LSA Fees
		Principal (Fischer)	Project Manager (Simpson)	Assistant Environmental Planner (Granda Bustamante)	Senior Planner (Carlucci)	Air Quality Specialist (Villavazo)	Principal, Transportation (Mukherjee)	Senior Transportation Engineer (Palakurthy)	Transportation Engineer/Planner	Assistant Transportation Engineer/Planner	Document Management, Graphics, and Production		
Billing Rate		\$240	\$175	\$85	\$140	\$140	\$220	\$175	\$130	\$105	\$125		
Phase I - Technical Studies and Initial Study													
Task 1	Kick-off Meeting and Project Initiation												
1.1	Kick-off Meeting and Site Visit	4.00	4.00	4.00								12.00	\$2,000.00
1.2	Project Description	2.00	8.00	12.00							4.00	26.00	\$3,400.00
Task 1 Kick-off Meeting and Project Initiation Subtotal		6.00	12.00	16.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	38.00	\$5,400.00
Task 2	Technical Analyses												
2.1	Air Quality and Greenhouse Gas Emissions Analysis	8.00	2.00		32.00	16.00						58.00	\$8,990.00
2.2	Biological Resources Assessment	2.00	4.00									6.00	\$1,180.00
2.3	Cultural Resources Assessment	2.00	4.00									6.00	\$1,180.00
2.4	Noise Impact Analysis	2.00			32.00							34.00	\$4,960.00
2.5	Traffic Impact Analysis						40.00	20.00	154.00	150.00	10.00	374.00	\$49,320.00
2.5.1	CEQA Transportation Assessment						8.00	16.00	16.00		2.00	42.00	\$6,890.00
2.5.2	Traffic Impact Study						32.00	4.00	138.00	150.00	8.00	332.00	\$42,430.00
Task 2 Technical Analyses Subtotal		14.00	10.00	0.00	64.00	16.00	40.00	20.00	154.00	150.00	10.00	478.00	\$65,630.00
Task 3	Initial Study and Notice of Preparation												
3.1	Administrative Draft Initial Study and Notice of Preparation	9.00	16.00	68.00	22.00						6.00	121.00	\$14,570.00
3.2	Screencheck Draft Initial Study and Notice of Preparation	2.00	6.00	8.00							2.00	18.00	\$2,460.00
3.3	Public Review Initial Study and Notice of Preparation	1.00	8.00	2.00							6.00	17.00	\$2,560.00
3.4	Public Scoping Meeting	2.00	8.00	4.00								14.00	\$2,220.00
Task 3 Initial Study and Notice of Preparation Subtotal		14.00	38.00	82.00	22.00	0.00	0.00	0.00	0.00	0.00	14.00	170.00	\$21,810.00
Task 4	Work Program Refinement												
4.1	Work Program Refinement	2.00	6.00	4.00								12.00	\$1,870.00
Task 4 Work Program Refinement Subtotal		2.00	6.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.00	\$1,870.00
Phase I Subtotal Labor		36.00	66.00	102.00	86.00	16.00	40.00	20.00	154.00	150.00	28.00	698.00	\$94,710.00
Phase II - Focused EIR													
Task 5	Draft EIR												
5.1	Administrative Draft Focused EIR	6.00	20.00	57.00	32.00						16.00	131.00	\$16,265.00
5.2	Screencheck Draft Focused EIR	2.00	20.00	40.00							2.00	64.00	\$7,630.00
5.3	Public Review Draft Focused EIR	2.00	10.00	16.00							6.00	34.00	\$4,340.00
Task 5 Draft EIR Subtotal		10.00	50.00	113.00	32.00	0.00	0.00	0.00	0.00	0.00	24.00	229.00	\$28,235.00
Task 6	Final EIR												
6.1	Administrative Draft Final EIR	8.00	20.00	32.00							8.00	68.00	\$9,140.00
6.2	Screencheck Draft Final EIR	2.00	16.00	20.00							2.00	40.00	\$5,230.00
6.3	Public Review Final EIR	1.00	8.00	8.00							6.00	23.00	\$3,070.00
Task 6 Final EIR Subtotal		11.00	44.00	60.00	0.00	0.00	0.00	0.00	0.00	0.00	16.00	131.00	\$17,440.00
Task 7	Mitigation Monitoring and Reporting Program												
7.1	Draft Mitigation Monitoring and Reporting Program	1.00	2.00	6.00							1.00	10.00	\$1,225.00
7.2	Screencheck Draft Mitigation Monitoring and Reporting Program	1.00	2.00	2.00							1.00	6.00	\$885.00
7.3	Final Mitigation Monitoring and Reporting Program	1.00	2.00	2.00							1.00	6.00	\$885.00
Task 7 Mitigation Monitoring and Reporting Program Subtotal		3.00	6.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	22.00	\$2,995.00
Task 8	EIR Certification Hearings												
8.1	Planning Commission Hearing	2.00	6.00									8.00	\$1,530.00
8.2	City Council Hearing	4.00	6.00									10.00	\$2,010.00
Task 8 EIR Certification Hearings Subtotal		6.00	12.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.00	\$3,540.00
Task 9	Project Management and Meetings												
9.1	Project Management and Meetings	10.00	30.00									40.00	\$7,650.00
Task 9 Project Management and Meetings Subtotal		10.00	30.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	40.00	\$7,650.00
Phase II Subtotal Labor		40.00	142.00	183.00	32.00	0.00	0.00	0.00	0.00	0.00	43.00	440.00	\$9,860.00
Subtotal Labor		76.00	208.00	285.00	118.00	16.00	40.00	20.00	154.00	150.00	71.00	1,138.00	\$154,570.00
Sub Consultants													
Argonaut Ecological, Inc.													\$16,522.00
Subtotal Sub Consultants													\$16,522.00
Reimbursable Expenses													
Misc. Office Administration													\$500.00
Traffic Counts													\$4,000.00
Subtotal Reimbursable Expenses													\$4,500.00
Total without Contingency													\$175,592.00
Contingency Budget													
Contingency Budget (10%)													\$17,600.00
Total with Contingency Budget													\$193,192.00

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CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Public Utilities Department

DATE: December 6, 2021

SUBJECT: Public Utilities – Approval – Award Solid Waste Large Container Contract to Industrial Waste and Salvage (IWS).

ATTACHMENTS: 1. Agreement

CONFLICT OF INTEREST

None.

RECOMMENDATION

For the City Council to award and authorize the City Manager to execute an agreement with Industrial Waste and Salvage (IWS) for large container hauling services within the City of Clovis through December 28, 2024.

EXECUTIVE SUMMARY

Staff received proposals from 2 companies – Industrial Waste and Salvage (IWS) and Mid Valley Disposal – on November 19, 2021. The proposals were scored on the following categories: (1) Service Capacity; (2) Experience; (3) Reliability; (4) Recycling Capability; (5) Local and State Permits; and (6) Cost. Both proposers are reputable companies that scored very similarly across all categories including cost, in which they were within 1% of each other in terms of annual expense. IWS's proposal was responsive and the cost is in line with the service projection. IWS has had this contract for 33 years and they have provided acceptable service at a competitive price. Staff is recommending that Council award the service to IWS.

BACKGROUND

Certain businesses utilize large refuse containers – including roll-off boxes, compactor boxes, and front-loading bins – due to the volume of waste that they produce. The City does not have the equipment to handle these large containers and the service is not part of the basic refuse service that the City provides to all properties, so it is contracted out.

A reason the City contracts these services rather than allowing the businesses to contract directly with the hauler is to ensure that as much of the waste as possible is recycled and diverted

away from landfill disposal. IWS has a recycling facility – Cedar Avenue Recycling and Transfer Station (CARTS) – that is able to contribute to the City’s waste diversion goal by sorting waste collected through this contract and reporting waste diversions to the City. The actual waste diversion rate varies from month to month; over the last few years, it has varied between 23% and 32%. Other reasons to contract the service include the desire to minimize the number of refuse trucks operating on the streets and alleys in the City, and to ensure that the service is provided by reputable entities to minimize the potential for public nuisances and illegal dumping.

IWS has been a very responsive contractor for the City of Clovis by providing clean bins to community events in a timely manner, servicing newly opened businesses’ compactor and roll-off container needs quickly and efficiently, and responding to service needs on short notice.

This contract was competitively bid in 2015 and IWS held the same costs for 3 years. In 2018, they requested a 30% increase. In lieu of that, City staff negotiated a 10% increase and a 3 year extension. The solicitation this year shows that both proposals from Mid Valley and IWS are requesting 51% more than the current contract in the overall contract cost. This cost increase is a result of recent inflation and additional service expenses as a result of the passage of SB 1383. The customers with front-load service will see a 53% increase and customers with dropbox or compactor service will see a 50% rate increase as a result of the proposed rates. Every 6 years, staff competitively rebids the contract; since 2003, staff has seen 46% and 58% increases over the 6-year periods. This solicitation pricing is consistent with that trend.

FISCAL IMPACT

There is no anticipated impact to the department budget as this is a pass-through service and the 10% City administration fee will cover City staff cost related to processing of the large container refuse service.


REASON FOR RECOMMENDATION

The Large Container Contract has been competitively bid. IWS’s proposal was responsive and the cost is in line with the service projection. IWS has been providing the service for the past 33 years with confirmed competitive pricing. Staff is recommending to award a 3 year contract to IWS.

ACTIONS FOLLOWING APPROVAL

The City Manager will execute the service agreement with IWS.

Prepared by: Glenn Eastes, Assistant Public Utilities Director

Approved by: City Manager 

**CITY OF CLOVIS
PUBLIC UTILITIES DEPARTMENT
LARGE CONTAINER SERVICE AGREEMENT**

This agreement made at the City of Clovis, California, by and between the City of Clovis, a municipal corporation, hereinafter referred to as the "Owner," and Industrial Waste and Salvage (IWS), hereinafter referred to as "Contractor."

WITNESSETH: That the Contractor and the Owner, for the consideration hereinafter named, agree as follows:

WHEREAS, the Owner has the need for large container refuse hauling and disposal services, for certain businesses in the City of Clovis; and

WHEREAS, the Contractor is qualified and willing to perform said services and is the successful bidders for these services.

NOW, THEREFORE, in consideration of the foregoing and of the covenants, conditions and promises hereinafter contained, the parties hereto agree as follows:

The Contractor agrees to furnish all labor and materials, including tools, implements and appliances required, and to perform all the work in a good and workmanlike manner, free from any and all liens and claims of mechanics, materialmen, subcontractors, artisans, machinists, teamsters, draymen and laborers required for the Furnishing Selected Commercial Refuse Disposal & Material Recovery Services ("Project") as described in the specifications therefore and other documents relating thereto.

The Contractor and the Owner agree that the Advertisement (Notice Inviting Proposals), the Contract Specifications, and the Proposal hereto attached, together with this agreement, form the contract, and they are as fully a part of the contract as if herein repeated. No part of said Specifications which is in conflict with any portion of this agreement shall be considered as any part of this agreement, but shall be utterly null and void.

The Owner agrees to pay the Contractor the current funds for the performance of the contract. Payment shall be shown in Proposal Form of attached Exhibit "A" as specified in this agreement. Contractor agrees to pay the Owner 10% administration fee and AB939 disposal fee.

ARTICLE 4. TERMINATION. Owner may terminate or suspend this Agreement as permitted in the Proposal Form and other Contract Documents.

ARTICLE 5. INDEMNITY AND INSURANCE. Contractor shall indemnify and hold harmless and covered as additional insured Owner and its officers, officials, employees, and agents as required below and in the Contract Documents, and shall provide insurance as follows:

ARTICLE 6. TERMINATION. If the Contractor should be adjudged a bankrupt, or if he makes a general assignment for the benefit of his creditors, or if a receiver should be appointed on account of his insolvency, or if he or any of his subcontractors should persistently violate any of the provisions of the contract, or if he should persistently disregard laws, ordinances or the instructions of the Engineer, then the Owner may, upon certificate of the Engineer when sufficient cause exists to justify such action, serve written notice upon the Contractor and his surety of its intention to terminate the contract, such notice to contain the reasons for such intention to terminate the contract, and unless within five (5) calendar days after the serving of such notice, such violations shall cease and satisfactory arrangements for correction thereof be made, the contract shall, upon the expiration of said five (5) calendar days, cease and

terminate. In the event of any such termination, the Owner shall immediately serve written notice thereof upon the surety and the Contractor, and the surety shall have the right to take over and perform the contract, provided, however, that if the surety within ten (10) calendar days after the serving upon it of notice of termination does not give Owner written notice of its intention to take over and perform the contract or does not commence performance thereof within the ten (10) calendar days stated above from the date of the serving of such notice, the Owner may take over the work and prosecute the same to completion by contract or by any other method it may deem advisable, for the account and at the expense of the Contractor, and the Contractor and his surety shall be liable to the Owner for any excess cost occasioned the Owner thereby, and in such event **the Owner may, without liability for so doing, take possession of and utilize in completing the work such materials, appliances, plans and other property belonging to the Contractor as may be on the site of the work and necessary therefore.** In such case the Contractor shall not be entitled to receive any further payment until the work is finished. If the unpaid balance of the contract price shall exceed the expenses of finishing the work, including compensation for additional managerial and administration services, such excess shall be paid the Contractor. If such expense shall exceed such unpaid balance, the Contractor shall pay the difference to the Owner. The expense incurred by the Owner, as herein provided, and damage incurred through the Contractor's default, shall be certified by the Engineer.

ARTICLE 7. TERM OF CONTRACT. The Contract was award December 31st 2021 for an initial three year term with an option to extend for an additional 3 year term upon mutual consent.

ARTICLE 8. REPORTING REQUIREMENTS. Contract agrees to report all waste and recycling tonnages associated with the hauling of debris through this contract in a timely manner. Contractor is responsible for all regulatory fees and fines that result from Contractor's failure to report waste and recycling tonnages in a timely manner. Contractor also adhere to, and follow, all state and local waste diversion and recycling rules and requirements.

ARTICLE 9. INDEMNITY AND INSURANCE. Contractor shall indemnify and hold harmless and covered as additional insured the Owner, County of Fresno, Local Agency and U.S. Department of Housing and Urban Development, and its officers, officials, employees, and agents from and against all claims, damages, losses and expenses including attorney fees arising out of the performance of the work described herein, caused in whole or part by any negligent act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the active negligence, sole negligence, or willful misconduct of the Owner. Owner shall provide insurance as follows:

A. Insurance Requirements For Contractors

With construction risks, Contractor shall, at its sole cost and expense, procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the

performance of the work hereunder by the Contractor, his agents, representatives, employees, or subcontractors.

B. Minimum Scope of Insurance

In addition to the requirements of the Standard Specifications and other contract documents, coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

C. Minimum Limits of Insurance

In addition to the requirements of the Standard Specifications and other contract documents, Contractor shall maintain limits no less than:

1. General Liability: \$5,000,000 per occurrence for bodily injury, personal injury, and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

D. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the Owner. At the option of the Owner, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Owner, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

E. Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The Owner, its officers, officials, employees, agents and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the contractor; premises owned, occupied or used by the Contractor; or automobiles owned, leased, hired, or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the Owner, its officers, officials, employees, agents or volunteers.
2. For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the Owner, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the Owner, its officers, officials, employees, agents or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
3. Any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the Owner, its officers, officials, employees, agents or volunteers.
4. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in

limits except after thirty (30) calendar days' prior written notice by certified mail, return receipt requested, has been given to the Owner.

6. During the course of the Contract, the Contractor is responsible for all damages, theft, or other losses in regards to materials, supplies or equipment to be used in the work.

F. Acceptability of Insurers

Insurance is to be placed with insurers acceptable to the City.

G. Verification of Coverage

Contractor shall furnish the Owner with original endorsements effecting coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the Owner before work commences. The Contractor's insurer shall provide complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications.

H. Subcontractors

Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated herein.

ARTICLE 10. BONDS. The Contractor shall forthwith furnish in triplicate, a faithful performance bond on the Owner's form in an amount equal of \$10,000 and materials bond in the amount of \$5,000, both to be written by a surety company acceptable to the Owner and in the form prescribe by law.

ARTICLE 11. ENTIRE AGREEMENT. The Contract constitutes the entire agreement between the parties relating to the Contract, and supersedes any prior or contemporaneous agreement between the parties, oral or written, including the Owner's award of the Project to Contractor, unless such agreement is expressly incorporated herein. The Owner makes no representations or warranties, express or implied, not specified in the Contract. The Contract is intended as the complete and exclusive statement of the parties' agreement pursuant to Code of Civil Procedure section 1856.

ARTICLE 12. EXECUTION OF OTHER DOCUMENTS. The parties to this Agreement shall cooperate fully in the execution of any and all other documents and in the completion of any additional actions that may be necessary or appropriate to give full force and effect to the terms and intent of the Contract.

ARTICLE 13. EXECUTION IN COUNTERPARTS. This Agreement may be executed in counterparts such that the signatures may appear on separate signature pages. A copy, or an original, with all signatures appended together, shall be deemed a fully executed Agreement.

ARTICLE 14. BINDING EFFECT. Contractor, by execution of this Agreement, acknowledges that Contractor has read this Agreement and the other Contract Documents, understands them, and agrees to be bound by their terms and conditions. The Contract shall inure to the benefit of and shall be binding upon the Contractor and the Owner and their respective successors and assigns.

ARTICLE 15. SEVERABILITY; GOVERNING LAW; CHOICE OF FORUM. If any provision of the Contract shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof. The Contract shall be governed by the laws of the State of California. Any action or proceeding seeking any relief under or with respect to this Agreement shall be brought solely in the Superior Court of the State of California for

CITY OF CLOVIS, PUD 21-23
Furnishing Selected Commercial Refuse Disposal and Materials Recovery Services

the County of Fresno, subject to transfer of venue under applicable State law.

ARTICLE 16. AMENDMENTS. The terms of the Contract shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written agreement signed by the parties and approved or ratified by the City Council.

ARTICLE 17. ASSIGNMENT OF CONTRACT. The Contractor shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior

written consent of the surety on the payment bond, the surety on the performance bond, and the Owner.

ARTICLE 18. WRITTEN NOTICE. Written notice shall be deemed to have been duly served if delivered in person to the individual or member of the firm or to an officer of the corporation for whom it was intended, or if delivered at or sent by registered or certified or overnight mail to the last business address known to the person who gives the notice.

IN WITNESS WHEREOF, they have executed this Agreement the _____ day of _____, 2021

("CONTRACTOR")

CITY OF CLOVIS

By _____
Authorized Representative and Title

By _____
Luke Serpa, City Manager

By _____
Karey Cha, City Clerk

Exhibit A

FRONT LOADER

Enter proposed rate for transportation, handling, disposal, materials recovery, and recycling, including container pickup and delivery.

4-Cubic Yard Bin

# Of Bins	1X Week	2X Week	3X Week	4X Week	5X Week	6X Week
1	\$ 145.61	\$ 284.55	\$ 430.16	\$ 575.77	\$ 721.38	\$ 866.99
2	\$ 286.41	\$ 559.49	\$ 845.90	\$ 1,132.31	\$ 1,418.73	\$ 1,705.14
3	\$ 427.28	\$ 834.56	\$ 1,261.84	\$ 1,689.12	\$ 2,116.41	\$ 2,543.69
4	\$ 568.12	\$ 1,116.23	\$ 1,684.35	\$ 2,252.47	\$ 2,820.59	\$ 3,388.71
5	\$ 708.96	\$ 1,391.23	\$ 2,100.19	\$ 2,809.15	\$ 3,518.11	\$ 4,227.06

6-Cubic Yard Bin

# Of Bins	1X Week	2X Week	3X Week	4X Week	5X Week	6X Week
1	\$ 218.41	\$ 428.50	\$ 646.91	\$ 865.33	\$ 1,083.74	\$ 1,302.16
2	\$ 432.06	\$ 847.45	\$ 1,279.51	\$ 1,711.57	\$ 2,143.62	\$ 2,575.68
3	\$ 645.70	\$ 1,266.41	\$ 1,912.10	\$ 2,557.80	\$ 3,203.50	\$ 3,849.20
4	\$ 826.04	\$ 1,618.76	\$ 2,444.80	\$ 3,270.84	\$ 4,096.88	\$ 4,922.92
5	\$ 1,072.98	\$ 2,104.31	\$ 3,177.29	\$ 4,250.28	\$ 5,323.26	\$ 6,396.24

SPECIALTY COMPACTORS

# Of Bins	1X Week	2X Week	3X Week	4X Week	5X Week	6X Week
1	\$ 255.36	\$ 510.71	\$ 766.07	\$ 1,021.42	\$ 1,276.78	\$ 1,532.13
2	\$ 510.71	\$ 1,021.42	\$ 1,532.13	\$ 2,042.84	\$ 2,553.56	\$ 3,064.27
3	\$ 766.07	\$ 1,532.13	\$ 2,298.20	\$ 3,064.27	\$ 3,830.33	\$ 4,596.40

COMPACTORS

Enter proposed rate per ton (tn) for transportation, disposal, materials recovery, and recycling and proposed rate per each (ea) for container, pickup, and delivery.

TONNAGE CHARGE	\$ <u>55.50</u> /tn
PULL CHARGE	\$ <u>277.50</u> /ea

Turn around Fee: \$ 32.76 per service call

DROP BOXES

Enter proposed rate per ton (tn) for transportation, disposal, materials recovery, and recycling and proposed rate per each (ea) for container, pickup, and delivery.

*TONNAGE CHARGE	\$ <u>55.50</u> /tn
*PULL CHARGE	\$ <u>277.50</u> /ea

***Industrial Waste & Salvage offers to negotiate an alternative rate proposal that includes a percentage reduction in rates while assuming responsibility for billing services. A franchise fee would be passed along to the City and billing reports would be provided quarterly or monthly, to meet specific needs.**

The prices quoted are complete for all of the work specified in the Specifications, including taxes, fees, and other applicable charges as may be required by law. Prices quoted are firm and not subject to change for a period of ninety (90) days.

INDUSTRIAL WASTE & SALVAGE

Company

3457 S CEDAR AVENUE
Address

FRESNO, CA 93725
City/State/Zip

559-233-1158
Phone

NOVEMBER 17, 2021
Date


Signature

PRESIDENT, CORPORATE DEVELOPMENT
Title

RICHARD CAGLIA

Print/Type Above Name



CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Finance Department

DATE: December 6, 2021

SUBJECT: Consider Actions related to Annexation of Territory (Annexation #70, T6166 - SEC Gettysburg/Highland) to the City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services).

a. Consider Approval - Res. 21-____, A Resolution annexing territory (Annexation #70) (T6166 - SEC Gettysburg/Highland) to the City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services) and calling a special landowner election to annex territory (Annexation #70) to City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services).

b. Consider Approval - Res. 21-____, A Resolution of the City of Clovis declaring the results of a special landowner election and directing recording of the Notice of Special Tax Lien for City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services).

Staff: Jay Schengel, Finance Director

Recommendation: Approve

ATTACHMENTS: 1. Resolution of Annexation
2. Resolution Declaring Results

CONFLICT OF INTEREST

None.

RECOMMENDATION

- That the Council hold a public hearing and approve actions related to the Annexation of Territory (Annexation #70) to Community Facilities District No. 2004-1.
- Consider Approval – Res. 21-____, A Resolution of annexation of territory (Annexation #70) to the Community Facilities District (City of Clovis Community Facilities District

No. 2004-1) and to authorize the levy of Special Taxes therein and submitting Levy of Special Taxes to Qualified Electors.

- Call for Special Election and have Clerk announce the vote.
- Consider Approval – Res. 21-____, A Resolution of the City Council of the City of Clovis Declaring the Results of the Special Annexation Election; Determining Validity of Prior Proceedings and Directing Recording of the Notice of Special Tax Lien (City of Clovis Community Facilities District No. 2004-1) (Police and Fire Services).

EXECUTIVE SUMMARY

Since the condition to establish a CFD was imposed on the developments being processed by the City, developments proceeding after March 8, 2004, must petition to be annexed to the existing CFD. Several property owners have submitted petitions to annex territory to the Community Facilities District 2004-1 and to include their property within the District as provided by the conditions of approval of the development entitlements.

To initiate the process for annexation of territory to a CFD, the Council approved a Resolution of Intention-Annexation #70 (ROI) to annex territory to the CFD on October 18, 2021. The ROI set a public hearing for December 6, 2021. The action today finalizes the annexation to the CFD.

BACKGROUND

Since the condition to establish a CFD was imposed on the developments being processed by the City, developments proceeding after March 8, 2004 must petition to be annexed to the existing CFD. Several property owners have submitted petitions to annex territory to the Community Facilities District 2004-1 and to include their property within the District as provided by the conditions of approval of the development entitlements.

To initiate the process for annexation of territory to a CFD, the Council approved a Resolution of Intention-Annexation #70 (ROI) to annex territory to the CFD. The ROI set a public hearing for December 6, 2021. The Rate and Method of Apportionment (RMA) referred to in the ROI is the same as adopted by the Council with the Resolution of Formation adopted March 8, 2004. RMA provides, among other things, definitions, identifies what properties will be taxed, and the maximum special tax.

The conditions as provided in the Rate and Method of Apportionment will apply to territory annexed to the Community Facilities Districts to provide funding for public safety operations in new growth areas. The major conditions include:

1. The maximum annual tax will be \$265.88 for single family residential and \$229.56 for multi-family residential.
2. The maximum tax will be increased by the Escalator Factor, which is the greater of the change in CPI or percentage change in population.
3. There will be a review not later than five years of inception of the CFD.
4. The annual tax will not apply to commercially zoned property.

5. The tax will apply only to that property for which a building permit is issued after January 1, 2004.
6. The costs of salary and benefit increases funded by the CFD will be limited to the Escalator Factor.

The purpose of the hearing is to take public comment on the annexation of territory to the CFD and to accept protests from any interested person within the proposed boundaries. If no property owner protests are received, the Council may take the initial actions to annex the territory to the CFD by approving a resolution on the annexation to the CFD and calling a special property owner election. Once the election is called, the City Clerk tabulates the ballots. If the property owners of two-thirds (2/3) of the property within the proposed boundaries vote in favor of the CFD, then the Council can take action to direct the recording of Notice of Special Tax Lien. A unanimous vote is required to have the election the same night as approval of the resolution of annexation. The recording of the Tax Lien is contingent upon the property being annexed to the City. The property included within the CFD is being processed for annexation to the City and the Local Agency Formation Commission has approved the annexations.

After the annexation is complete and the Notice of Tax Lien has been recorded, any final maps within the CFD may be recorded and construction permits for homes can be issued. One of the conditions of the CFD is that the tax will only be collected on those properties where a building permit for a residence has been issued.

FISCAL IMPACT

If approved, residential units built within the boundaries of the CFD will be assessed annually according to the conditions of the CFD formation and those assessments will be utilized to fund police and fire services.

REASON FOR RECOMMENDATION

All requirements for the annexation of territory to the CFD have been completed and the Council may take action to annex territory to the CFD.

ACTIONS FOLLOWING APPROVAL

After approval of the resolution directing the recordation of the Notice of Tax Lien, the lien will be recorded.

Prepared by: Steve Nourian, Senior Accounting Systems Technician

Reviewed by: City Manager *SN*

RESOLUTION NO. 21-**A RESOLUTION OF ANNEXATION OF TERRITORY TO COMMUNITY FACILITIES DISTRICT AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES THEREIN AND SUBMITTING LEVY OF SPECIAL TAXES TO QUALIFIED ELECTORS****CITY OF CLOVIS
Community Services District No. 2004-1
(Police and Fire Services)
Annexation No. 70**

RESOLVED by the City Council (the "Council") of the City of Clovis (the "City"), County of Fresno, State of California, that:

WHEREAS, this Council, on October 18, 2021, adopted A Resolution of Intention to Annex Territory to the Community Services District and to Authorize the Levy of Special Taxes Therein (the "Resolution of Intention") stating its intention to annex the territory to the City's Community Services District 2004-1 (the "District"), pursuant to Mello Roos Community Facilities Act of 1982, Sections 53311 and following of the California Government Code (the "Act"); and

WHEREAS, a copy of the Resolution of Intention, incorporating a description and map of the proposed boundaries of the territory to be annexed to the District and stating the services to be provided and the rate and method of apportionment of the special tax to be levied within the District to pay for the services for the District, is on file with the Clerk of the Council and the provisions thereof are fully incorporated herein by this reference as if fully set forth herein; and

WHEREAS, on the date hereof, this Council held a noticed public hearing as required by the Act and the Resolution of Intention relative to the proposed annexation of territory to the District; and

WHEREAS, at such hearing all interested persons desiring to be heard on all matters pertaining to the annexation of territory to the District and the levy of said special taxes within the area proposed to be annexed were heard and a full and fair hearing was held; and

WHEREAS, prior to the time fixed for said hearing, written protests had not been filed against the proposed annexation of territory to the District by (i) 50% or more of the registered voters, or six registered voters, whichever is more, residing in the existing District, or (ii) 50% or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be annexed to the District, or (iii) owners of one-half or more of the area of land in the territory proposed to be annexed to the District; and

WHEREAS, Annexation Map No. 70 to the District, has been filed with the City Clerk, which map shows the territory to be annexed in these proceedings, and a copy thereof is on file with the City Clerk.

ATTACHMENT 1

NOW, THEREFORE, IT IS HEREBY ORDERED,

1. All prior proceedings taken by this Council with respect to the District and the proposed annexation of territory thereto have been duly considered and are hereby determined to be valid and in conformity with the Act, and the District has been validly established pursuant to the Act.
2. The description and map of the boundaries of the territory to be annexed to District, as described in said Annexation Map No. 70 to the District on file with the Clerk are hereby finally approved, are incorporated herein by reference, and shall be included within the boundaries of the District, and said territory is hereby ordered annexed to the District, subject to voter approval of the levy of the special taxes therein as hereinafter provided.
3. The provisions of the Resolution of Intention and Resolution No. 21-113 adopted by this Council for the District on October 18, 2021 each as heretofore adopted by this Council are by this reference incorporated herein, as if fully set forth herein.
4. Pursuant to the provisions of the Act, the proposition of the levy of the special tax within the territory to be annexed to the District shall be submitted to the voters of the area to be annexed to the District at an election called therefore as hereinafter provided.
5. This Council hereby finds that fewer than 12 persons have been registered to vote within the territory proposed to be annexed to the District for each of the 90 days preceding the close of the hearing heretofore conducted and concluded by this Council for the purposes of these annexation proceedings. Accordingly, and pursuant to the Act, this Council finds that for purposes of these proceedings the qualified electors are the landowners within the territory proposed to be annexed to the District and that the vote shall be by said landowners, each having one vote for each acre or portion thereof such landowner owns in the territory proposed to be annexed to the District.
6. Pursuant to the Act, the election shall be conducted by mail ballot under Section 4000 of the California Elections Code. This Council hereby determines that paragraphs (a), (b), (c)(1), and (c)(3) of said Section 4000 are applicable to this election.
7. The Council hereby calls a special election to consider the measure described in the ballot referred to below, which election shall be held on December 6, 2021, in the regular meeting place of this Council, City Council Chambers, City Hall, 1033 5th Street, Clovis, California. This Council hereby further finds that the provision of the Act requiring a minimum of 90 days to elapse before said election is for the protection of voters and that the voters have waived such requirement and the date for the election herein specified is established accordingly.
8. The City Clerk is hereby appointed as the election official to conduct the election and shall cause to be provided to each landowner in the territory to be annexed to the District. The City Clerk shall accept the ballots of the qualified electors received prior to 5:00 o'clock p.m. on December 6, 2021, whether received by mail or by personal delivery.

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on December 6, 2021, by the following vote, to wit.

AYES:

NOES:

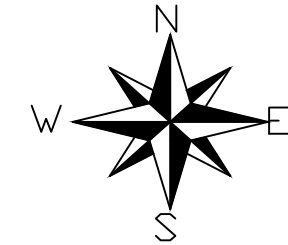
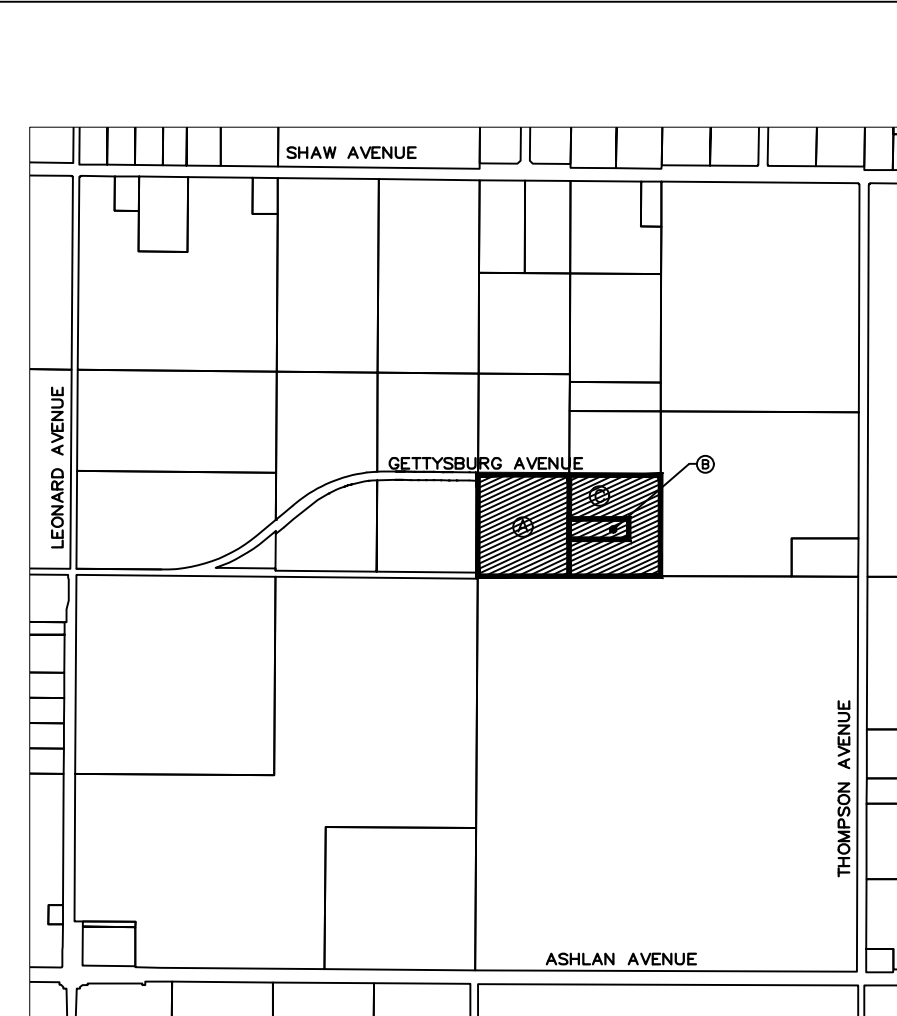
ABSENT:

ABSTAIN:

DATED: December 6, 2021

Mayor

City Clerk



- LEGEND**
- PARCEL
 - ANNEXATION BOUNDARY
 - (A) APN 571-011-04
 - (B) APN 571-011-05
 - (C) APN 571-011-06

FILED IN THE OFFICE OF THE CITY CLERK THIS ___ DAY OF
DECEMBER, 2021. I HEREBY CERTIFY THAT THE
 WITHIN MAP SHOWING PROPOSED BOUNDARIES OF
 ANNEXATION NO. 70 TO COMMUNITY FACILITIES DISTRICT NO.
 2004-1 (POLICE AND FIRE SERVICES), CITY OF CLOVIS,
 COUNTY OF FRESNO, STATE OF CALIFORNIA, WAS APPROVED
 BY THE CITY COUNCIL OF THE CITY OF CLOVIS AT A
 REGULAR MEETING THEREOF, HELD ON THE 6TH DAY OF
DECEMBER, 2021, BY ITS RESOLUTION NO. ___.

 JOHN HOLT
 CITY CLERK
 CITY OF CLOVIS

FILED THIS _____ DAY OF _____, 2021,
 AT THE HOUR OF _____ O'CLOCK _____ M. IN THE
 BOOK _____ PAGE _____ OF MAPS OF
 ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AND AS
 INSTRUMENT NO. _____ IN THE
 OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF
 FRESNO, STATE OF CALIFORNIA.

 PAUL A. DICTOS, C.P.A. BY: DEPUTY COUNTY RECORDER
 COUNTY ASSESSOR-RECORDER
 COUNTY OF FRESNO
 STATE OF CALIFORNIA

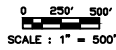
REFERENCE IS MADE TO THAT BOUNDARY MAP OF
 COMMUNITY FACILITIES DISTRICT NO 2004-1 (POLICE AND
 FIRE SERVICES) OF THE CITY OF CLOVIS RECORDED WITH THE
 FRESNO COUNTY RECORDER'S OFFICE ON FEBRUARY 19,
 2004, IN BOOK 40 OF MAPS OF ASSESSMENT AND
 COMMUNITY FACILITIES DISTRICTS, PAGE 57.

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL
 SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND
 DIMENSIONS AS SHOWN ON THE FRESNO COUNTY ASSESSORS
 MAPS FOR THOSE PARCELS LISTED.

THE FRESNO COUNTY ASSESSORS MAPS SHALL GOVERN FOR
 ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF
 SUCH LOTS OF PARCELS.

ANNEXATION MAP NO. 70

COMMUNITY FACILITIES DISTRICT NO. 2004-1
 (POLICE AND FIRE SERVICES)



CITY OF CLOVIS
 COUNTY OF FRESNO
 STATE OF CALIFORNIA

RESOLUTION NO. 21-**A RESOLUTION DECLARING RESULTS OF SPECIAL ANNEXATION ELECTION,
DETERMINING VALIDITY OF PRIOR PROCEEDINGS, AND DIRECTING
RECORDING OF AMENDED NOTICE OF SPECIAL TAX LIEN****CITY OF CLOVIS
Community Facilities District No. 2004-1
(Police and Fire Services)
Annexation No. 70**

RESOLVED by the City Council (the "Council") of the City of Clovis (the "City"), County of Fresno, State of California, that:

WHEREAS, in proceedings heretofore conducted by the Council pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), this Council has heretofore adopted a resolution calling a special election of the qualified landowner electors in the territory of land proposed to be annexed to Community Facilities District No. 2004-1 (Police and Fire Services) (the "CFD"); and

WHEREAS, pursuant to the terms of the resolution which is hereby incorporated herein by this reference, the special election has been held and the City Clerk has filed a Canvass of Votes Cast in Special Election, a copy of which is attached hereto as Attachment A of Attachment 2; and

WHEREAS, this Council has reviewed the Canvass and hereby approves it.

NOW, THEREFORE, IT IS HEREBY ORDERED as follows:

1. The issue presented at the special election was the levy of a special tax within the territory annexed to the CFD, to be levied in accordance with the formula heretofore approved by this Council as described in Resolution No. 21-113, a Resolution of Annexation of Territory to Community Facilities District, authorizing the Levy of a Special Tax and Submitting Levy of Tax to Qualified Electors, adopted December 6, 2021.
2. Pursuant to the Canvass on file with the City Clerk, the issue presented at the special election was approved by the landowners of the territory annexed to the CFD by more than two-thirds (2/3) of the landowners voting at the special election.
3. Pursuant to the voter approval, said annexed territory to the CFD is hereby declared to be fully annexed to and part of the CFD and this Council may levy special taxes therein as heretofore provided in these proceedings.

4. It is hereby found that all prior proceedings and actions taken by this Council pursuant to the CFD and the territory annexed thereto were valid and in conformity with the Act.

Within 15 days of the date hereof, the City Clerk shall execute and cause to be recorded in the office of the County Recorder of the County of Fresno, an amendment to the Notice of Special Tax Lien as required by Section 3117.5 of the California Streets and Highways Code.

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on December 6, 2021 by the following vote, to wit.

AYES:

NOES:

ABSENT:

ABSTAIN:

DATED: December 6, 2021

Mayor

City Clerk

**CITY OF CLOVIS
Community Facilities District No. 2004-1
(Police and Fire Services)
Annexation No. 70**

CANVASS AND STATEMENT OF RESULT OF ELECTION

I hereby certify that on this date, I canvassed the returns of the election held on this date, in the territory annexed to Community Facilities District No. 2004-1 (Police and Fire Services) of the City of Clovis which election is designated as the Special Tax Annexation Election, and the total number of ballots cast in the territory to be annexed and the total number of votes cast for and against the measure are as follows and the totals as shown for and against the measure are full, true and correct:

Qualified Landowner Votes	Votes Cast	YES	NO
--	-----------------------	------------	-----------

**City of Clovis
Community Facilities District No. 2004-1
(Police and Fire Services), Annexation No. 70
Special Tax Annexation Election,
December 6, 2021.**

BALLOT MEASURE: Shall the City of Clovis, by and for its Community Facilities District No. 2004-1 (Police and Fire Services) (the "CFD"), be authorized to levy special taxes within the territory annexed to the CFD pursuant to and as described in Resolution No. 21-___ of the City of Clovis, adopted by its Council on December 6, 2021?

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND this ____ day of _____ 2021.

CITY OF CLOVIS

By: _____
City Clerk



CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Finance Department

DATE: December 6, 2021

SUBJECT:1 Consider Actions related to Annexation of Territory (Annexation #71, T6348 - NEC Willow/Nees, T6367 - SEC Nees/Armstrong) to the City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services).

a. Consider Approval - Res. 21-___, A Resolution annexing territory (Annexation #71) (T6348 - NEC Willow/Nees, T6367 - SEC Nees/Armstrong) to the City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services) and calling a special landowner election to annex territory (Annexation #71) to City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services).

b. Consider Approval - Res. 21-___, A Resolution of the City of Clovis declaring the results of a special landowner election and directing recording of the Notice of Special Tax Lien for City of Clovis Community Facilities District No. 2004-1 (Police and Fire Services).

Staff: Jay Schengel, Finance Director

Recommendation: Approve

ATTACHMENTS: 1. Resolution of Annexation
2. Resolution Declaring Results

CONFLICT OF INTEREST

None.

RECOMMENDATION

- That the Council hold a public hearing and approve actions related to the Annexation of Territory (Annexation #71) to Community Facilities District No. 2004-1.
- Consider Approval – Res. 21-___, A Resolution of annexation of territory (Annexation #71) to the Community Facilities District (City of Clovis Community Facilities District

No. 2004-1) and to authorize the levy of Special Taxes therein and submitting Levy of Special Taxes to Qualified Electors.

- Call for Special Election and have Clerk announce the vote.
- Consider Approval – Res. 21-____, A Resolution of the City Council of the City of Clovis Declaring the Results of the Special Annexation Election; Determining Validity of Prior Proceedings and Directing Recording of the Notice of Special Tax Lien (City of Clovis Community Facilities District No. 2004-1) (Police and Fire Services).

EXECUTIVE SUMMARY

Since the condition to establish a CFD was imposed on the developments being processed by the City, developments proceeding after March 8, 2004, must petition to be annexed to the existing CFD. Several property owners have submitted petitions to annex territory to the Community Facilities District 2004-1 and to include their property within the District as provided by the conditions of approval of the development entitlements.

To initiate the process for annexation of territory to a CFD, the Council approved a Resolution of Intention-Annexation #71 (ROI) to annex territory to the CFD on October 18, 2021. The ROI set a public hearing for December 6, 2021. The action today finalizes the annexation to the CFD.

BACKGROUND

Since the condition to establish a CFD was imposed on the developments being processed by the City, developments proceeding after March 8, 2004 must petition to be annexed to the existing CFD. Several property owners have submitted petitions to annex territory to the Community Facilities District 2004-1 and to include their property within the District as provided by the conditions of approval of the development entitlements.

To initiate the process for annexation of territory to a CFD, the Council approved a Resolution of Intention-Annexation #71 (ROI) to annex territory to the CFD. The ROI set a public hearing for December 6, 2021. The Rate and Method of Apportionment (RMA) referred to in the ROI is the same as adopted by the Council with the Resolution of Formation adopted March 8, 2004. RMA provides, among other things, definitions, identifies what properties will be taxed, and the maximum special tax.

The conditions as provided in the Rate and Method of Apportionment will apply to territory annexed to the Community Facilities Districts to provide funding for public safety operations in new growth areas. The major conditions include:

1. The maximum annual tax will be \$265.88 for single family residential and \$229.56 for multi-family residential.
2. The maximum tax will be increased by the Escalator Factor, which is the greater of the change in CPI or percentage change in population.
3. There will be a review not later than five years of inception of the CFD.
4. The annual tax will not apply to commercially zoned property.

5. The tax will apply only to that property for which a building permit is issued after January 1, 2004.
6. The costs of salary and benefit increases funded by the CFD will be limited to the Escalator Factor.

The purpose of the hearing is to take public comment on the annexation of territory to the CFD and to accept protests from any interested person within the proposed boundaries. If no property owner protests are received, the Council may take the initial actions to annex the territory to the CFD by approving a resolution on the annexation to the CFD and calling a special property owner election. Once the election is called, the City Clerk tabulates the ballots. If the property owners of two-thirds (2/3) of the property within the proposed boundaries vote in favor of the CFD, then the Council can take action to direct the recording of Notice of Special Tax Lien. A unanimous vote is required to have the election the same night as approval of the resolution of annexation. The recording of the Tax Lien is contingent upon the property being annexed to the City. The property included within the CFD is being processed for annexation to the City and the Local Agency Formation Commission has approved the annexations.

After the annexation is complete and the Notice of Tax Lien has been recorded, any final maps within the CFD may be recorded and construction permits for homes can be issued. One of the conditions of the CFD is that the tax will only be collected on those properties where a building permit for a residence has been issued.

FISCAL IMPACT

If approved, residential units built within the boundaries of the CFD will be assessed annually according to the conditions of the CFD formation and those assessments will be utilized to fund police and fire services.

REASON FOR RECOMMENDATION

All requirements for the annexation of territory to the CFD have been completed and the Council may take action to annex territory to the CFD.

ACTIONS FOLLOWING APPROVAL

After approval of the resolution directing the recordation of the Notice of Tax Lien, the lien will be recorded.

Prepared by: Steve Nourian, Senior Accounting Systems Technician

Reviewed by: City Manager *SN*

RESOLUTION NO. 21-**A RESOLUTION OF ANNEXATION OF TERRITORY TO COMMUNITY FACILITIES DISTRICT AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES THEREIN AND SUBMITTING LEVY OF SPECIAL TAXES TO QUALIFIED ELECTORS****CITY OF CLOVIS
Community Services District No. 2004-1
(Police and Fire Services)
Annexation No. 71**

RESOLVED by the City Council (the "Council") of the City of Clovis (the "City"), County of Fresno, State of California, that:

WHEREAS, this Council, on October 18, 2021, adopted A Resolution of Intention to Annex Territory to the Community Services District and to Authorize the Levy of Special Taxes Therein (the "Resolution of Intention") stating its intention to annex the territory to the City's Community Services District 2004-1 (the "District"), pursuant to Mello Roos Community Facilities Act of 1982, Sections 53311 and following of the California Government Code (the "Act"); and

WHEREAS, a copy of the Resolution of Intention, incorporating a description and map of the proposed boundaries of the territory to be annexed to the District and stating the services to be provided and the rate and method of apportionment of the special tax to be levied within the District to pay for the services for the District, is on file with the Clerk of the Council and the provisions thereof are fully incorporated herein by this reference as if fully set forth herein; and

WHEREAS, on the date hereof, this Council held a noticed public hearing as required by the Act and the Resolution of Intention relative to the proposed annexation of territory to the District; and

WHEREAS, at such hearing all interested persons desiring to be heard on all matters pertaining to the annexation of territory to the District and the levy of said special taxes within the area proposed to be annexed were heard and a full and fair hearing was held; and

WHEREAS, prior to the time fixed for said hearing, written protests had not been filed against the proposed annexation of territory to the District by (i) 50% or more of the registered voters, or six registered voters, whichever is more, residing in the existing District, or (ii) 50% or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be annexed to the District, or (iii) owners of one-half or more of the area of land in the territory proposed to be annexed to the District; and

WHEREAS, Annexation Map No. 71 to the District, has been filed with the City Clerk, which map shows the territory to be annexed in these proceedings, and a copy thereof is on file with the City Clerk.

ATTACHMENT 1

NOW, THEREFORE, IT IS HEREBY ORDERED,

1. All prior proceedings taken by this Council with respect to the District and the proposed annexation of territory thereto have been duly considered and are hereby determined to be valid and in conformity with the Act, and the District has been validly established pursuant to the Act.
2. The description and map of the boundaries of the territory to be annexed to District, as described in said Annexation Map No. 71 to the District on file with the Clerk are hereby finally approved, are incorporated herein by reference, and shall be included within the boundaries of the District, and said territory is hereby ordered annexed to the District, subject to voter approval of the levy of the special taxes therein as hereinafter provided.
3. The provisions of the Resolution of Intention and Resolution No. 21-114 adopted by this Council for the District on October 18, 2021 each as heretofore adopted by this Council are by this reference incorporated herein, as if fully set forth herein.
4. Pursuant to the provisions of the Act, the proposition of the levy of the special tax within the territory to be annexed to the District shall be submitted to the voters of the area to be annexed to the District at an election called therefore as hereinafter provided.
5. This Council hereby finds that fewer than 12 persons have been registered to vote within the territory proposed to be annexed to the District for each of the 90 days preceding the close of the hearing heretofore conducted and concluded by this Council for the purposes of these annexation proceedings. Accordingly, and pursuant to the Act, this Council finds that for purposes of these proceedings the qualified electors are the landowners within the territory proposed to be annexed to the District and that the vote shall be by said landowners, each having one vote for each acre or portion thereof such landowner owns in the territory proposed to be annexed to the District.
6. Pursuant to the Act, the election shall be conducted by mail ballot under Section 4000 of the California Elections Code. This Council hereby determines that paragraphs (a), (b), (c)(1), and (c)(3) of said Section 4000 are applicable to this election.
7. The Council hereby calls a special election to consider the measure described in the ballot referred to below, which election shall be held on December 6, 2021, in the regular meeting place of this Council, City Council Chambers, City Hall, 1033 5th Street, Clovis, California. This Council hereby further finds that the provision of the Act requiring a minimum of 90 days to elapse before said election is for the protection of voters and that the voters have waived such requirement and the date for the election herein specified is established accordingly.
8. The City Clerk is hereby appointed as the election official to conduct the election and shall cause to be provided to each landowner in the territory to be annexed to the District. The City Clerk shall accept the ballots of the qualified electors received prior to 5:00 o'clock p.m. on December 6, 2021, whether received by mail or by personal delivery.

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on December 6, 2021, by the following vote, to wit.

AYES:

NOES:

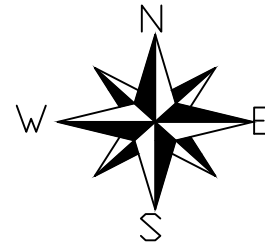
ABSENT:

ABSTAIN:

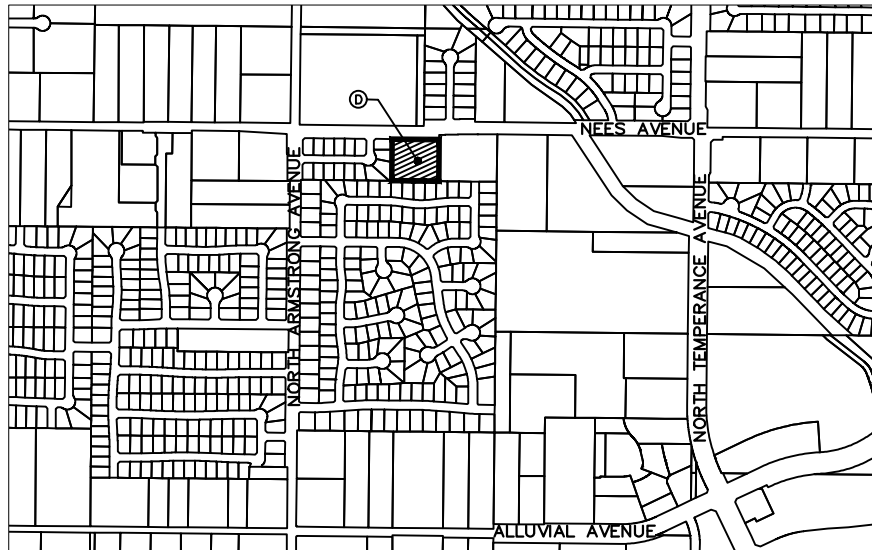
DATED: December 6, 2021

Mayor

City Clerk



- LEGEND
- PARCEL
 - ▬ ANNEXATION BOUNDARY
 - (A) APN 560-170-21
 - (B) APN 560-170-24
 - (C) APN 560-020-43
 - (D) APN 564-080-17



FILED IN THE OFFICE OF THE CITY CLERK THIS ___ DAY OF _____, 2021. I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF ANNEXATION NO. 71 TO COMMUNITY FACILITIES DISTRICT NO. 2004-1 (POLICE AND FIRE SERVICES), CITY OF CLOVIS, COUNTY OF FRESNO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF CLOVIS AT A REGULAR MEETING THEREOF, HELD ON THE ___ DAY OF _____, 2021, BY ITS RESOLUTION NO. ___-__.

 JOHN HOLT
 CITY CLERK
 CITY OF CLOVIS

FILED THIS _____ DAY OF _____, 2021, AT THE HOUR OF _____ O'CLOCK, __M. IN THE BOOK _____ PAGE _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AND AS INSTRUMENT NO. _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF FRESNO, STATE OF CALIFORNIA.

 PAUL A. DICTOS, C.P.A. BY: DEPUTY COUNTY RECORDER
 COUNTY ASSESSOR-RECORDER
 COUNTY OF FRESNO
 STATE OF CALIFORNIA

REFERENCE IS MADE TO THAT BOUNDARY MAP OF COMMUNITY FACILITIES DISTRICT NO 2004-1 (POLICE AND FIRE SERVICES) OF THE CITY OF CLOVIS RECORDED WITH THE FRESNO COUNTY RECORDER'S OFFICE ON FEBRUARY 19, 2004, IN BOOK 40 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, PAGE 57.

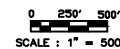
THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE FRESNO COUNTY ASSESSORS MAPS FOR THOSE PARCELS LISTED.

THE FRESNO COUNTY ASSESSORS MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OF PARCELS.

ANNEXATION MAP NO. 71

COMMUNITY FACILITIES DISTRICT NO. 2004-1
 (POLICE AND FIRE SERVICES)

CITY OF CLOVIS
 COUNTY OF FRESNO
 STATE OF CALIFORNIA



RESOLUTION NO. 21-**A RESOLUTION DECLARING RESULTS OF SPECIAL ANNEXATION ELECTION,
DETERMINING VALIDITY OF PRIOR PROCEEDINGS, AND DIRECTING
RECORDING OF AMENDED NOTICE OF SPECIAL TAX LIEN****CITY OF CLOVIS
Community Facilities District No. 2004-1
(Police and Fire Services)
Annexation No. 71**

RESOLVED by the City Council (the "Council") of the City of Clovis (the "City"), County of Fresno, State of California, that:

WHEREAS, in proceedings heretofore conducted by the Council pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), this Council has heretofore adopted a resolution calling a special election of the qualified landowner electors in the territory of land proposed to be annexed to Community Facilities District No. 2004-1 (Police and Fire Services) (the "CFD"); and

WHEREAS, pursuant to the terms of the resolution which is hereby incorporated herein by this reference, the special election has been held and the City Clerk has filed a Canvass of Votes Cast in Special Election, a copy of which is attached hereto as Attachment A of Attachment 2; and

WHEREAS, this Council has reviewed the Canvass and hereby approves it.

NOW, THEREFORE, IT IS HEREBY ORDERED as follows:

1. The issue presented at the special election was the levy of a special tax within the territory annexed to the CFD, to be levied in accordance with the formula heretofore approved by this Council as described in Resolution No. 21-114, a Resolution of Annexation of Territory to Community Facilities District, authorizing the Levy of a Special Tax and Submitting Levy of Tax to Qualified Electors, adopted December 6, 2021.
2. Pursuant to the Canvass on file with the City Clerk, the issue presented at the special election was approved by the landowners of the territory annexed to the CFD by more than two-thirds (2/3) of the landowners voting at the special election.
3. Pursuant to the voter approval, said annexed territory to the CFD is hereby declared to be fully annexed to and part of the CFD and this Council may levy special taxes therein as heretofore provided in these proceedings.

4. It is hereby found that all prior proceedings and actions taken by this Council pursuant to the CFD and the territory annexed thereto were valid and in conformity with the Act.

Within 15 days of the date hereof, the City Clerk shall execute and cause to be recorded in the office of the County Recorder of the County of Fresno, an amendment to the Notice of Special Tax Lien as required by Section 3117.5 of the California Streets and Highways Code.

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on December 6, 2021 by the following vote, to wit.

AYES:

NOES:

ABSENT:

ABSTAIN:

DATED: December 6, 2021

Mayor

City Clerk

**CITY OF CLOVIS
Community Facilities District No. 2004-1
(Police and Fire Services)
Annexation No. 71**

CANVASS AND STATEMENT OF RESULT OF ELECTION

I hereby certify that on this date, I canvassed the returns of the election held on this date, in the territory annexed to Community Facilities District No. 2004-1 (Police and Fire Services) of the City of Clovis which election is designated as the Special Tax Annexation Election, and the total number of ballots cast in the territory to be annexed and the total number of votes cast for and against the measure are as follows and the totals as shown for and against the measure are full, true and correct:

Qualified Landowner Votes	Votes Cast	YES	NO
--	-----------------------	------------	-----------

**City of Clovis
Community Facilities District No. 2004-1
(Police and Fire Services), Annexation No. 71
Special Tax Annexation Election,
December 6, 2021.**

BALLOT MEASURE: Shall the City of Clovis, by and for its Community Facilities District No. 2004-1 (Police and Fire Services) (the "CFD"), be authorized to levy special taxes within the territory annexed to the CFD pursuant to and as described in Resolution No. 21-___ of the City of Clovis, adopted by its Council on December 6, 2021?

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND this ____ day of _____ 2021.

CITY OF CLOVIS

By: _____
City Clerk



CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Finance Department

DATE: December 6, 2021

SUBJECT: Consider Approval - Res 21-____, Final Amendments to the 2020-21 Budget in conformance with the Budget Ordinance and Receive and File – Year end report for all funds as of June 30, 2021.

Staff: Jay Schengel, Finance Director

Recommendation: Approve

ATTACHMENTS: 1. Res. 21-____, Final Amendments to the 2020-21 Budget in conformance with the Budget Ordinance.

CONFLICT OF INTEREST

None.

RECOMMENDATION

That the Council approve Resolution 21-____, final amendments to the 2020-21 budget in conformance with the budget ordinance and receive and file the year end report for all funds as of June 30, 2021.

EXECUTIVE SUMMARY

During the preparation of the 2021-22 budget, estimates were made for 2020-21 revenues and expenditures to establish the estimated June 30, 2021 fund balances that are expected to be available for appropriation in the 2021-22 fiscal year. This report compares the variances between actual revenues and expenditures versus the estimates established during the budget process.

BACKGROUND

Each fiscal year, after the year end closing entries are completed, an analysis is prepared comparing actual fund balances against those projected during the budget process and presented to Council for adoption during the June 2021 budget hearings. The following is the summary of the actual results compared to estimates for the 2020-21 fiscal year end.

The basis for this report is different from the information presented in the Annual Comprehensive Financial Report (ACFR), which compares actual data against the Council approved budget, as amended from time to time during the year. The Council adopted budget, as amended, is normally higher than the estimated budget used during the budget process. All departments were within or close to their estimates to close.

General Fund

The “available for appropriation” General Fund balance at June 30, 2021 is \$1.3 million which is \$7.4 million less than projected during the preparation of the 2021-22 budget. Revenues were approximately \$12.1 million more than projected and expenditures were approximately \$0.7 million less than projected during the preparation of the 2021-22 budget. The additional unanticipated revenues and part of the budgeted “available for appropriation” fund balance was used to increase the emergency reserve more than budgeted and was transferred to other funds for various purchases and projects.

General Fund expenditures, when taking into account encumbrances and reappropriations, finished the year \$0.7 million or 1% lower than projected at the time of budget preparation, with most of the savings achieved in the Fire Department at \$0.3 million; the City Attorney at \$0.2 million; and the Police Department at \$0.2 million. The remaining departments were within their estimates prepared during the budget process. Savings in the Fire Department were mainly due to salary savings and savings in professional services and supplies. The savings in the other departments were due to savings in professional services and other services. Expenditures in the General Fund were originally budgeted to end the year at \$79.2 million and ended the year at \$78.5 million after accounting for encumbrances and reappropriations.

The expenditure savings in the General Fund is mostly related to one-time events and will not result in continued annual savings.

Revenues were estimated to end the year at \$84.4 million and ended the year at \$96.5 million which is \$12.1 million or 14% more than projected at the time of budget preparation. The increase was primarily due to sales tax that benefited from the accelerated increase in online sales due to the pandemic and funds received from the Federal government for economic relief against the impacts of Covid-19 in the form of the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the American Rescue Plan Act (ARPA).

Sales tax was estimated at \$24.8 million, anticipating the economic fallout of the Covid-19 pandemic. Sales tax came in \$2.7 million over budget due to the rapid increase in online sales that negated the anticipated fallout. In response to the Covid-19 pandemic, the Federal government passed two economic relief acts; CARES and ARPA, which provided \$8.6 million more funds not known at the time of budget preparation. Transient occupancy tax and real property transfer tax also came in higher than anticipated by \$0.8 million than budgeted. Property tax revenues did not decline due to Covid-19 in fiscal year 2020-21 and met its budgeted amount.

Under current Council policy, the emergency reserve was set at a minimum level with the goal to increase the amount as soon as possible. The City's General Fund Emergency Reserve is set at a minimum of 15% of budgeted expenditures, with the goal to reach a more prudent reserve of 25% of budgeted expenditures. The emergency reserve was increased from \$12.8 million to \$16.4 million, or 20.7% of 2020-21 budgeted expenditures at June 30, 2021 to meet the goal of increasing the reserve to 25%.

Enterprise Funds

This analysis is conducted for the enterprise operating funds and is prepared on a budgetary basis including encumbrances and reappropriations.

The Community Sanitation Fund, including Refuse and Street Cleaning activities, ended the 2020-21 fiscal year with an available balance of \$13.7 million. This balance is \$4 million more than originally anticipated mainly due to deferred capital expenditures.

The Sewer Enterprise Fund ended the 2020-21 fiscal year with an available balance of \$27 million which was \$3.4 million more than anticipated mainly due to savings in expenditures in services, materials, and supplies. Of the available balance, \$10 million of rate stabilization funds are included to assist with meeting bond covenants if necessary.

The Water Enterprise Fund finished the 2020-21 fiscal year with an ending available balance of \$21.3 million, which was \$8.5 million more than anticipated. Revenues were slightly more than anticipated but the difference is mainly attributable to the deferred interfund loan transfer to finance the construction of Fire Station #6.

The Transit Enterprise Fund ended the 2020-21 fiscal year with an available balance of \$0.1 million. This balance is close to what was originally anticipated during budget preparation.

The Planning and Development Services Enterprise Fund ended the 2020-21 fiscal year with an available balance of \$10 million which is close to what was anticipated because of slightly greater than expected revenues offset by a small increase in expenditures mainly in services, materials, and supplies.

Other Operating Funds

The Housing and Community Development Fund (HCD) took over the housing activities of the former Redevelopment Agency. The HCD Fund ended the 2020-21 fiscal year with a \$1.6 million balance which was \$0.7 million more than anticipated mainly due a deferral of project expenditures.

The internal service funds, which provide services primarily to other City operations and funds, ended the 2020-21 fiscal year as reported below:

- The Liability and Property Fund ended with a balance of \$2 million, which is close to what was projected.

- The Fleet Maintenance Fund ended with a balance of \$19.7 million which is \$10.4 million more than originally projected. The increase is mainly due to a one-time transfer from the General Fund to fund fleet replacement projects plus deferred equipment purchases.
- The Employee Benefits Fund ended with a balance of \$10.5 million which is \$1.2 million more than what was projected mainly due to retirement and workers compensation expenditure savings.
- The General Government Service Fund ended with a balance of \$34 million which is \$10.7 million more than anticipated. The variance is due to a one-time transfer from the General Fund to fund various capital projects.

Budget Resolution

The report is normally for information only; however, this year there is a need to make final budget adjustments to conform to the requirements of the Budget Ordinance. As indicated earlier, the above analysis was a comparison of actual results against the “Estimate to Close Budget” that was developed in conjunction with preparation of the 2021-22 budget. The following action contained in the attached Resolution is needed to bring the working budget into legal compliance.

The amounts listed below were analyzed against the Council approved budget as amended. All these overages were taken into account in the “Estimate to Close” budget.

<u>Fund</u>	
General – City Clerk.....	\$ 160,000
General – Fire Department	669,000

The City Clerk budget exceeded the budget due to unanticipated election costs and the Fire Department budget exceeded the budget due to out of county emergency response overtime expenses.

The amounts listed below were analyzed against the Council approved budget as amended. The differences in these transfers were analyzed and are appropriate as described.

<u>Additional Amount</u>	<u>From</u>	<u>To</u>	<u>Purpose</u>
\$ 11,000,000	General Fund	General Govt Svs	Various projects
955,300	General Fund	General Govt Svs	Fire Station #2 const. costs
6,040,000	General Fund	Fleet	Various purchases
50,000	General Govt Svs	Transit	Reimburse bus yard camera
400,000	General Govt Svs	Fleet	Various purchases

The budget amendment resolution includes the schedule of transfers to allow for transfers described above to be brought into budgetary compliance.

FISCAL IMPACT

The General Fund budget will be increased by \$829,000; \$160,000 for the City Clerk Department and \$669,000 for the Fire Department. The transfer amount of \$18,445,300 will bring the City into compliance with the adopted budget.

REASON FOR RECOMMENDATION

The budget report is a status report and no action is required; however, action is required by the Council to approve the Resolution amending the 2020-21 budget for expenditures and transfers.

ACTIONS FOLLOWING APPROVAL

The report will be filed and the budget amendment for expenditures and transfers will be posted.

Prepared by: Gina Daniels, Assistant Finance Director

Reviewed by: City Manager *JD*

RESOLUTION 21-__

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVIS
APPROVING FINAL AMENDMENTS TO THE FISCAL YEAR 2020-21 ANNUAL BUDGET
AMENDING THE SCHEDULE OF TRANSFERS AND EXPENDITURES BY DEPARTMENT
AND ASSIGNING GENERAL FUND UNALLOCATED FUND BALANCE TO THE
EMERGENCY RESERVE**

WHEREAS, the City Council adopted the fiscal year 2020-21 Annual Budget on June 1, 2020; and

WHEREAS, the annual audit has been completed and an analysis has been prepared of the actual results of the 2020-21 fiscal year end and there are two departments that exceeded the amended budget for 2020-21; and

WHEREAS, the adjustments are for unanticipated expenditures in those departments and the City Council finds that it is necessary to appropriate the funds for the budget amendments; and

WHEREAS, the working budget included transfers for loans from the sewer developer fund to the sewer service fund and from the water service fund to the water developer fund to cover debt service costs as sewer service fees and water developer fees exceeded estimates and those transfers may be increased and reversed respectively; and

WHEREAS, the Council finds it necessary to transfer funds to General Government Services for various projects including construction costs for Fire Station #2, to Fleet for various public safety purchases and to Transit for reimbursement of bus yard cameras; and

WHEREAS, the changes to the budgets for the General Fund are necessary to be in conformance with the City's Budget Ordinance; and

WHEREAS, there is additional revenue or available fund balance to make the appropriations and transfers; and

WHEREAS, the Council orders that the General Fund emergency reserve be increased to \$16,360,000.

NOW, THEREFORE, BE IT RESOLVED, that the City of Clovis approves the budget amendments as shown in Attachment A as the "Summary of Expenditures by Department", "Summary of Expenditures by Fund", and "Summary of Transfers".

Attachment 1

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on December 6, 2021 by the following vote, to wit.

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

- DATED:

Mayor

City Clerk

SUMMARY OF EXPENDITURES BY DEPARTMENT 2020-21

Department		
City Clerk	\$	160,000
Fire Department		<u>669,000</u>
Total	\$	<u><u>829,000</u></u>

SUMMARY OF EXPENDITURES BY FUND 2020-21

Fund		
General	\$	829,000
Total	\$	<u><u>829,000</u></u>

SUMMARY OF TRANSFERS BY FUND 2020-21

Transfer In

Fund		
General Government Services	\$	11,955,300
Transit		50,000
Fleet Maintenance		<u>6,440,000</u>
Total	\$	<u><u>18,445,300</u></u>

Transfer Out

Fund		
General Fund	\$	17,995,300
General Government Services		<u>450,000</u>
Total	\$	<u><u>18,445,300</u></u>

ATTACHMENT A



CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council
 FROM: Finance Department
 DATE: December 6, 2021
 SUBJECT: Consider Approval - 2020-21 Annual Comprehensive Financial Report

Staff: Jay Schengel, Finance Director

Recommendation: Approve

ATTACHMENTS: 1. 2020-21 Annual Comprehensive Financial Report (ACFR)
 2. Statement on Auditing Standards Letter

CONFLICT OF INTEREST

None.

RECOMMENDATION

That the Council receive and file the 2020-21 Annual Comprehensive Financial Report (ACFR).

EXECUTIVE SUMMARY

Financial reports are a primary objective source of information to most persons concerned about a government's financial condition. Taxpayers are interested in the amount of revenues and expenditures. Investors and bond-rating agencies are interested in the ability of a jurisdiction to meet its debt obligations. For the City Council, the financial reports provide an opportunity to determine compliance with budgetary appropriations as well as the status of the government's assets and liabilities and the financial condition of the City.

The City of Clovis' financial report was audited and received an unqualified opinion from The Pun Group LLP, a firm of independent, licensed certified public accountants, which means the financial statements for the fiscal year ending June 30, 2021 are free of material misstatement and are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP).

BACKGROUND

2020-21 Annual Comprehensive Financial Report - The Annual Comprehensive Financial Report (ACFR) has been prepared in conformance with the financial reporting model as prescribed by the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

Two Kinds of Financial Statements - Two distinct forms of information are provided in the basic financial statements:

Government-wide statements. These are consolidated financial statements for all of a city's operations on a full accrual basis of accounting. They are not presented on a fund basis; instead, fiscal operations are organized into two major activities: governmental and business-type. They will have a "net position" focus, and exclude interfund transactions (such as internal serviced funds) and fiduciary funds. Expenses (which may include allocated "indirect costs") are shown both gross and net of related revenues such as fees and grants (see page 31).

Fund statements. In meeting stewardship and accountability concerns, financial statements are also presented on a fund basis - but not using the same basis of accounting as the government-wide statements for governmental funds (see pages 32-43).

Because there are differences in the basis of accounting and scope of transactions, there are significant differences between these two financial statements - but they are not obvious. For this reason, a detailed reconciliation between them is required as part of the audited basic financial statements (see page 34).

Basic Financial Statements - The Annual Comprehensive Financial Report is presented in two sections: Introductory and Financial. The introductory section includes the transmittal letter, the City's organizational chart and a list of principal officials. The financial section includes: the independent auditors' report; management's discussion and analysis; the basic financial statements, which include the government-wide statements, fund financial information; required supplemental information; the combining and individual fund statements and schedules; schedules of revenues, expenditures and changes in fund balances-budget and actual; the various combining statements; the statistical section; the auditors' reports on the internal control structure and compliance with applicable laws and regulations; and the appropriations limit schedule. The Financial section normally includes the Single Audit section, but federal guidance for auditing the American Revenue Plan Act Program was not released timely enough to be able to issue with this year's ACFR. The Single Audit will be presented to Council separately before the annual due date of March 31, 2022.

The ACFR includes all funds of the City. In addition to the City's funds, the Clovis Successor Agency, a private purpose trust fund separate from the City, is reported in the ACFR.

The City's auditors, The Pun Group LLP, have audited the figures submitted in the ACFR and their opinion letter is included on pages 13 - 15. The auditors have prepared the Statement on Auditing Standards (SAS114) letter (attachment 2) that was submitted subsequent to the completion of the financial report.

This is the thirty-fourth year that the City's Finance Department has prepared the Annual Comprehensive Financial Report. The previous thirty-three reports prepared by the Finance Department (1987-88 through 2019-20) were submitted to the Government Finance Officers

Association (GFOA) for consideration of the GFOA Certificate of Achievement Program. The City subsequently received the Certificate of Achievement for Excellence in Financial Reporting presented by the GFOA for each of these years. We believe the report for 2020-21 continues to meet the requirements of the Certificate of Achievement Program and will be submitted to GFOA for review.

FISCAL IMPACT

This information provided in the Annual Comprehensive Financial Report is important to the Council, public, and financial institutions to affirm that the City's financial activity is accounted for in accordance with generally accepted accounting principles (GAAP). In addition, the ACFR includes all necessary disclosures to provide an understanding of the City's financial activities and fiscal condition.

REASON FOR RECOMMENDATION

The Annual Comprehensive Financial Report is formally being submitted to the Council.

ACTIONS FOLLOWING APPROVAL

After receipt by the Council, the ACFR will be distributed to interested parties, other agencies, financial institutions, bond-rating services, and copies will be made available for public review. In addition, the ACFR will be submitted to the Government Finance Officers Association (GFOA) for consideration of the GFOA Certificate of Achievement Program.

Prepared by: Gina Daniels, Assistant Finance Director

Reviewed by: City Manager *JH*

CITY OF
CLOVIS
CALIFORNIA



Annual
Comprehensive
Financial
Report

For the Fiscal Year ended
June 30, 2021

***ANNUAL COMPREHENSIVE
FINANCIAL REPORT***

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2021**

***CITY OF CLOVIS
CALIFORNIA***



JOSE FLORES, MAYOR

**LYNNE ASHBECK, MAYOR PRO-TEM
DREW BESSINGER, COUNCILMEMBER
VONG MOUANOUTOUA, COUNCILMEMBER
ROBERT WHALEN, COUNCILMEMBER**

LUKE SERPA, CITY MANAGER

Prepared by City of Clovis Finance Department

Jay Schengel, Finance Director

**CITY OF CLOVIS
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CITY *of* CLOVIS

1033 FIFTH STREET • CLOVIS, CA 93612

November 15, 2021

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

It is with pleasure that I present to you the City of Clovis Annual Comprehensive Financial Report (ACFR). This report has been formatted to comply with the financial reporting model as prescribed by the Governmental Accounting Standards Board (GASB). These statements have been audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed certified public accountants as required by State law. Pursuant to that requirement, we hereby issue the ACFR of the City of Clovis of the fiscal year ended June 30, 2021.

This report consists of management's representations concerning the finances of the City of Clovis. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management of the City of Clovis has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Clovis' financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City of Clovis' comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Clovis' financial statements have been audited by The Pun Group LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Clovis for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the City of Clovis' financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Clovis' MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Clovis, incorporated in 1912, as a general law City of the State of California, is located near the middle of the state in the San Joaquin Valley. The Central Valley is considered to be a national and world leader in the agricultural industry. The City of Clovis currently occupies over 25 square miles and serves a population of 121,834.

The City of Clovis operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and four other members. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with two council members elected in one election and three elected in another election, separated by two years. The mayor is selected from among the council members by the council members and serves a two-year term. All five members of the governing board are elected at large. The council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City's manager and attorney. The City manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments.

The City of Clovis provides a full range of services, including police and fire protection; the construction, maintenance, and cleaning of streets and other infrastructure; planning and development services; water service; refuse collection, disposal, and recycling services; sewer service; storm drainage; transit services; recreation activities and cultural events; and general administration.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriations to the City manager during the second week of March each year. The City manager uses these requests along with input from the council to develop a proposed budget. By the second Monday in May the proposed budget is presented to the City council for review. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30, the close of the City of Clovis' fiscal year. The appropriated budget is prepared by fund and department. The City manager may make transfers of appropriations between departments within a specific fund of up to \$5,000 and up to \$2,500 from reserves. Transfers in excess of those amounts require council action. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, the budget-to-actual comparison is presented on page 35 as part of the basic financial statements. For all other governmental funds with appropriated annual budgets, other than the general fund, this comparison is presented in the governmental fund subsection of this report, which starts on page 88.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Clovis operates.

Local economy. In March of 2020, it became apparent the spread of the novel coronavirus was going to severely disrupt the economy. This disruption did not spare the City of Clovis, but the severity of the impact has not been as deep as expected. The City has enjoyed higher than average retail sales when compared to other cities and the state, and significantly better occupancy at hotels than both forecasted and experienced elsewhere. Sales taxes had large increases from budgeted projections that were not expected due the accelerated pace of online sales in response to the pandemic. Building activity is continuing to beat the 10-year average and is expected to remain that way for the next year. While the City's unemployment rate spiked from 3.2% to 12.1% in June of 2020, the economy has been rebounding and showing strength despite numerous closure orders and an uncertain environment. In June of 2021 the City's unemployment decreased to 6.0%, which was lower than the Fresno County rate of 9.4%, the State of California average of 8.0%, and slightly less than the national average of 6.1%.

The City experienced a 2.2% growth in population in 2021 compared to the 10-year average growth rate of 2.3%. The City is seeing demand for retail space as a closed Pier 1 store was demolished to make way for a new restaurant and the City is working toward filling a few big box vacancies such as the recently closed Sears store at Sierra Vista Mall. In addition, one hotel was completed and one more is under construction. This will more than double the room count in the City in the next few years. Clovis Community Hospital continued construction on another bed tower building and recently completed additional medical offices and a heart and lung institute. This expansion continues to be one of the biggest job creation projects in Fresno County in recent years. Also, California Health Sciences University has completed its first building that will house a medical doctoral program near the hospital and has completed its first year of operations. The City is seeing a boost in office and industrial development with Cabinet Connections, a cabinet manufacturer, becoming fully operational in Clovis, along with many other small professional offices, such as an engineering consulting firm and industrial users developing in the City's business parks. The County of Fresno is continuing to move 2,000 employees into the City of Clovis including converting a vacant Costco store into class A office. This activity demonstrates the City is moving forward with job generation despite the pandemic and continues to grow.

Major employers include Costco with over 300 employees, Clovis Community Hospital with over 2,100 employees, Wawona Frozen Foods with over 500 employees, Anlin Industries with 400 employees and the largest employer, Clovis Unified School District with over 5,000 employees. Of the 34,231 total jobs in Clovis, 7,190 jobs are generated by the top ten employers. The City has a total labor-force of 55,000 with many Clovis residents employed outside of the City limits.

The expansion to the Dry Creek Industrial Park added 44 lots on 30 acres bringing the total park to approximately 64 lots on 60 acres. Demand has been high for the space in the park by professional and industrial users and is expected to add to employment growth in the City as buildings are now underway with many completed. The California Health Sciences University opened its permanent campus at the City's Central Valley Research and

Technology Park with plans for 2,000 students and several hundred employees. The School will offer additional areas of discipline as it expands. The City has sold 13 acres to an industrial developer and the developer has received entitlements to construct approximately 400,000 square feet of space and another industrial developer has received building permits to construct 400,000 of industrial space in the Clovis Industrial Park.

The City of Clovis is part of the Fresno/Clovis Metropolitan Area. This includes the City of Clovis, City of Fresno and developed areas of the County of Fresno in and around the cities of Clovis and Fresno. The population of Fresno County is 1,033,303 as of January 1, 2021. There are approximately 402,000 jobs in Fresno County. The county-wide unemployment rate is 9.4%, which is about the same as last year. Normally the area experiences higher unemployment rates than other counties since Fresno County has a high agricultural employment sector. The City of Clovis has an unemployment rate of 6.0% with 52,600 employed out of a workforce of 55,000.

Long-term financial planning. As part of the City of Clovis land use planning process, the City's completed General Plan is at the top of the City's land use regulation hierarchy. It is the foundation for most of the Council's budgeting decisions in terms of capital facilities, staffing, programs, utility infrastructure, and levels of service; it establishes a land use pattern for lands beyond the City limit; it provides the vision and guidance for capital improvements and the development of City infrastructure; and it is used to create development impact fees and provides the basis for environmental analysis of the growth of the City. The plan is intended to guide development for a period of ten years and will be the basis of the City's annual 5 year operating and capital forecast.

Part of the previous General Plan was the construction of a wastewater treatment plant to serve the needs of the new growth area. The plant is expected to accommodate growth through 2023 when construction of phase two of the facility is anticipated. The wastewater treatment plant creates approximately 2.4 million gallons of disinfected recycled water each day and distributes this water through a "purple pipe" distribution system for landscape irrigation throughout the east side of the City. The reuse of this water will help conserve and manage a limited water supply. The City also obtained long-term financing for the purchase of various fire vehicles, police vehicles and for the installation of LED lighting in City facilities. The City considers long-term financing appropriate to provide funding for larger Community Improvement Projects.

Also, to finance current growth, the City has in place a variety of user and developer fees to pay for streets, parks, water wells and lines, and sewer lines. The City reviews these fees on an annual basis to assure that the fee structure is in line with the cost of construction. The Water and Sewer Funds have approved annual increases of 3% into the future if necessary. The Community Sanitation Fund has approved annual increases of 4% into the future if needed. For fiscal year 2020/21, the City implemented a 3% increase in water rates, a 4% increase in recycling and green-waste rates and a 2% increase in refuse and disposal rates. The Sewer Fund will not have a rate increase and the \$7.30 bond surcharge will continue to be fully rebated.

Structurally Balanced Budget Policy. Prior to the economic recession, in fiscal year 2006/07, the City Council utilized the emergency reserve when budgetary demand for services exceeded available resources. However, with a decline in building activity beginning in the fall of 2007, the City Council acted quickly to cut costs and services to ensure a

balanced budget. Although it was necessary in 2007/08 to utilize additional funds from the emergency reserve, the efforts of the Council to develop a “structurally balanced budget” has paid off and the reserve has been rebuilt from 5.5% of expenditures in 2007/08 to 19.0% of the 2021/22 general fund budgeted expenditures. The Council is determined to maintain a structurally balanced budget where current estimated expenditures are within projected current revenues in order to provide budgetary stability for all operating budgets.

Assigned for Emergencies. The City currently has a policy to assign a portion of its fund balance for emergencies. These emergencies can range from major catastrophic incidents to significant economic downturns. The City Council annually considers an increase in the fund balance assigned for emergencies whenever there is unexpected or one-time revenue or expenditure savings are realized. The use of the assigned fund balance must be approved by 4/5ths of the Council.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Clovis for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. This was the thirty second consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA’s Distinguished Budget Presentation Award for its annual budget document dated July 1, 2021. In order to qualify for the Distinguished Budget Presentation Award, the governments’ budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report has been accomplished with the efficient and dedicated service of the City’s Finance Department. I would like to express my appreciation to everyone who assisted in its preparation, especially, Gina Daniels, Jeff Blanks, Susan Evans, Calvin Campbell, Elena Mendrin, Jose Reynoso and Jose Cortez.

Respectfully submitted,



Jay Schengel, CPA
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Clovis
California**

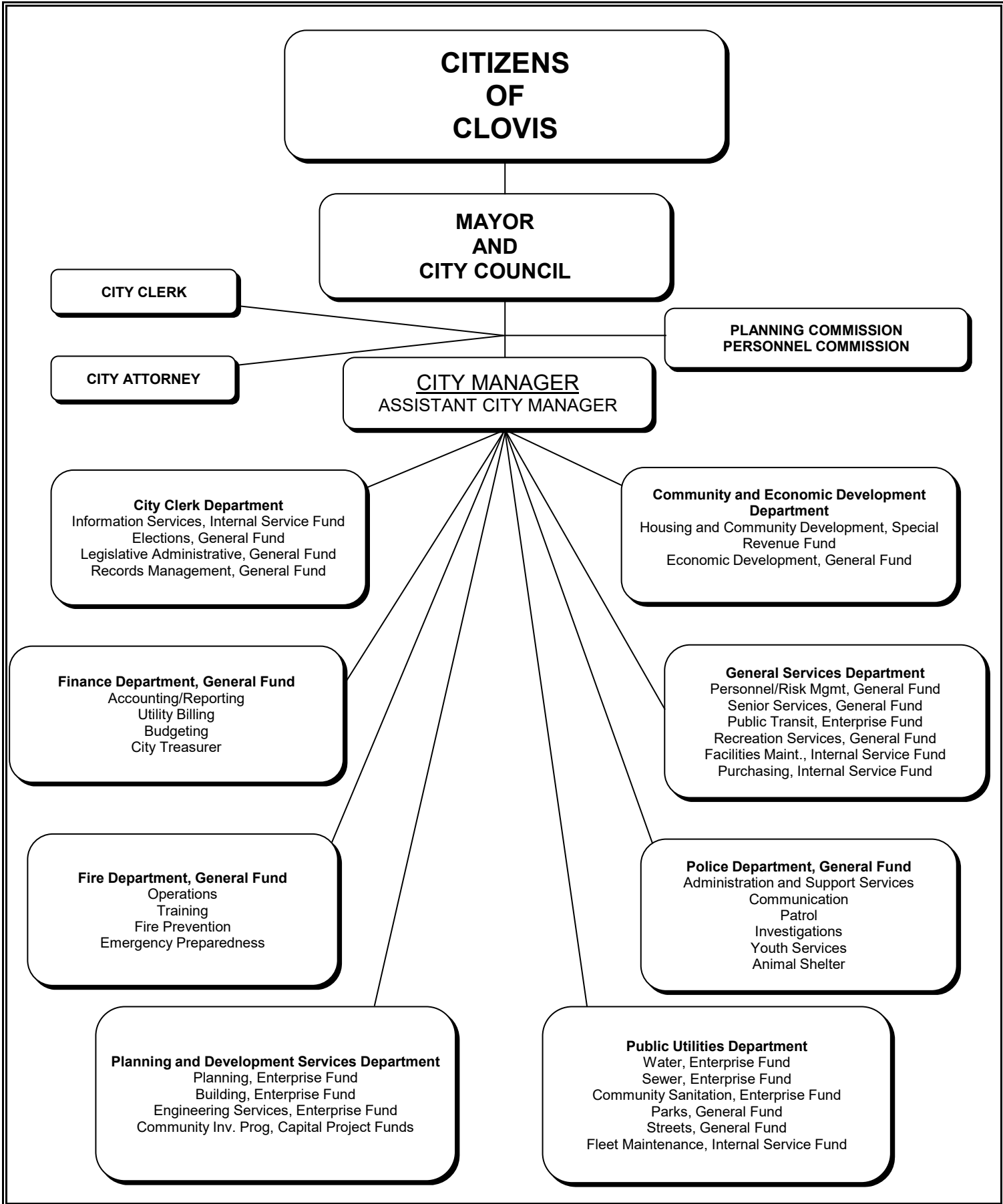
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

CITY OF CLOVIS ORGANIZATION CHAR



CITY OF CLOVIS
LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2021

<u>Title</u>	<u>Name</u>
<i>City Manager</i>	<i>Luke Serpa</i>
<i>Assistant City Manager/City Clerk</i>	<i>John Holt</i>
<i>Community & Economic Development Director</i>	<i>Andrew Hausssler</i>
<i>Finance Director/City Treasurer</i>	<i>Jay Schengel</i>
<i>Fire Chief</i>	<i>John Binaski</i>
<i>General Services Director</i>	<i>Shonna Halterman</i>
<i>Planning & Development Services Director</i>	<i>Renee Mathis</i>
<i>Police Chief</i>	<i>Curt Fleming</i>
<i>Public Utilities Director</i>	<i>Scott Redelfs</i>

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INDEPENDENT AUDITORS' REPORT

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

Report on 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 Clovis, California (the "City"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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, 2021, and the respective changes in financial position, and, where applicable, cash flows, and the respective budgetary comparison schedule for the General Fund, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Implementation of New GASB Pronouncements

As discussed in Note I.D.14 to the basic financial statements, the City implemented Governmental Accounting Standards Board (“GASB”) Statements No. 84, *Fiduciary Activities* and No. 87, *Leases* during the year. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis, the Budgetary Comparison Schedules, the Schedules of Changes in Net Pension Liability and Related Ratios, and the Schedule of Pension Contributions 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.

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

The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

To the Honorable Mayor and Members of City Council
of the City of Clovis
Clovis, California
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Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

San Diego, California
November 15, 2021

Management's Discussion and Analysis

This discussion and analysis of the City of Clovis' financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the accompanying transmittal letter, the basic financial statements and the accompanying notes to those financial statements.

Financial Highlights

The City's government-wide total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources (net position) at the close of the fiscal year by \$886 million, which is 4% more than 2020. Of this amount, \$76 million is in unrestricted net position, which is available to meet the City's ongoing commitments to citizens and creditors.

The City's General Fund, including Landscape Maintenance, Parking and Business Improvement (PBIA), and Supplemental Law Enforcement, ended the year with a fund balance of \$25 million, which represents a net increase of \$1 million from the previous year. The unassigned balance of \$1 million is available for carryover to fund future general fund expenditures.

During the year, previously approved rate increases of 4% were implemented for recycling and green waste programs along with a 2% increase in the refuse collection and disposal program. A 3% increase in the Water Fund was also implemented during the 2021 fiscal year. In addition, Council voted to rebate the full sewer bond surcharge of \$7.30 per month.

Overview of the Financial Statements

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

Reporting the City as a Whole

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

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

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

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

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

Business-type Activities: The City charges fees to customers to cover the costs of services provided. The City's utilities, water, sewer, community sanitation (refuse and street cleaning), planning and development services as well as public transit services are included here.

The government-wide financial statements can be found on pages 30-31 of this report.

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

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

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

The City of Clovis maintains seven individual governmental funds. Information is presented separately in the governmental funds' balance sheet and in the governmental funds' statement of revenues, expenditures, and changes in fund balances for the General Fund and the Local Transportation Fund, both of which are considered major funds. Data from the other five funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance to this budget. The basic governmental fund financial statements can be found on pages 32-35 of this report.

Proprietary funds. The City has two different types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to report the same functions represented as business-type activities in the government-wide financial statements. The City utilizes enterprise funds to account for those activities that are supported primarily by user charges to external users, and includes community sanitation, sewer disposal, water, transit and planning and development services. Internal service funds are used to account for activities that are supported by user charges primarily to the City's other programs and activities and include employee benefits, general services, self-insurance and fleet services. Because all these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the enterprise funds since they are all major funds. All the internal service funds are combined into a single, aggregated presentation in the fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found on pages 36-41 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefits of parties outside the city. Fiduciary funds are **not** reflected in the government-wide financial statements because the City cannot use these funds to finance its operations. The basic fiduciary fund financial statements can be found on pages 42-43 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund statements. The notes to the financial statements can be found on pages 44-79 of this report.

Government-wide Financial Analysis

Below is a table showing the City's net position for the fiscal year ended June 30, 2021, with comparative data for the fiscal year ended June 30, 2020.

City of Clovis' Net Position

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 171,950,453	\$ 130,467,241	\$ 160,003,046	\$ 155,706,120	\$ 331,953,499	\$ 286,173,361
Capital and intangible assets	628,742,037	607,938,513	280,992,880	284,178,463	909,734,917	892,116,976
Total assets	800,692,490	738,405,754	440,995,926	439,884,583	1,241,688,416	1,178,290,337
Deferred Outflows of Resources	22,366,889	21,375,842	5,471,646	5,136,458	27,838,535	26,512,300
Long-term liabilities outstanding	201,928,495	172,820,490	154,730,750	156,492,503	356,659,245	329,312,993
Other liabilities	14,550,064	10,483,166	8,402,477	10,821,450	22,952,541	21,304,616
Total liabilities	216,478,559	183,303,656	163,133,227	167,313,953	379,611,786	350,617,609
Deferred Inflows of Resources	656,105	1,989,139	3,283,535	2,773,768	3,939,640	4,762,907
Net Position:						
Net investment in capital assets	595,863,289	587,763,941	171,482,301	168,488,757	767,345,590	756,252,698
Restricted	42,460,018	38,522,175	14	493	42,460,032	38,522,668
Unrestricted	(32,398,592)	(51,797,315)	108,568,495	106,444,070	76,169,903	54,646,755
Total net position	\$ 605,924,715	\$ 574,488,801	\$ 280,050,810	\$ 274,933,320	\$ 885,975,525	\$ 849,422,121

As of June 30, 2021, the City's government-wide total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources (net position) by \$886 million. Governmental activities finished the year with a positive net position balance of \$606 million, an increase of \$31 million, or 5%, over 2020. Business-type activities finished the year with a positive balance of \$280 million, an increase of \$5 million, or 2%, over 2020. Net position, as noted earlier, may serve over time as a useful indicator of the City's health of financial position.

Of the total net position, \$767 million, or 87%, is the City's net investment in capital assets (e.g. land, buildings and improvements, machinery and equipment and the road network) less any related debt used to acquire those assets that is still outstanding. The City's investment in capital assets increased \$11 million, restricted net position increased by \$4 million and unrestricted net position increased by \$22 million, accounting for the increase in total net position of \$37 million. This is primarily due to the City's investment in the road network, buildings and related improvements, and machinery and equipment.

The majority of the City's long-term liabilities relate to the City's net pension liability and the acquisition of capital assets. Some of those assets include the City's corporation yard, fire stations, police vehicles and sewer and water infrastructure including the surface water treatment plant and the sewer treatment-water reuse facility. These capital assets are utilized to provide services to citizens and are not available for future spending. The repayment of the debt on these assets must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position is \$42 million, which represents 5% of the total net position. Restricted net position represents those resources that are subject to external restrictions on how they may be used. These restrictions are established by bond covenants or restrictions on the use of funds by state or federal regulations.

Unrestricted net position represents those resources which may be used to meet the City's ongoing commitments to citizens and creditors. Government-wide unrestricted net position is \$76 million, or 9% of the total net position, which is a 39% increase from the previous year. Governmental activities have a negative \$(32) million unrestricted net position, which is an increase of \$19 million compared to last year. Business-type activities have \$109 million in unrestricted net position, an increase of \$3 million, or 2%, compared to last year.

Governmental activities. Governmental activities account for \$606 million, or 68%, of the total Government-wide net position. This is an increase of \$31 million, or 5%, over June 30, 2020. Donated and constructed assets increased by \$13 million while the amounts available for debt service, street and road construction and community development increased by \$4 million. Additionally, the amount accumulated during the year for normal activities, unrestricted net position, increased by \$19 million.

The following lists key components of this increase:

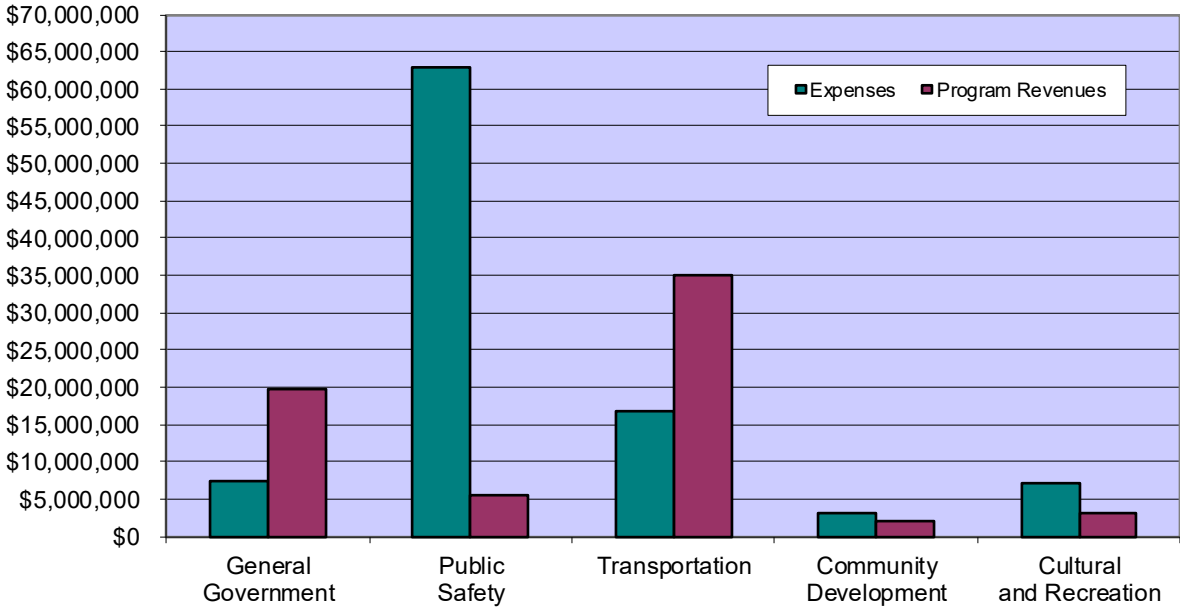
**City of Clovis'
Changes in Net Position**

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 31,686,043	\$ 28,166,526	\$ 82,126,743	\$ 81,770,047	\$ 113,812,786	\$ 109,936,573
Operating grants and contributions	12,466,179	762,540	4,495,790	4,542,409	16,961,969	5,304,949
Capital grants and contributions	21,005,130	23,438,840	2,652,346	2,102,274	23,657,476	25,541,114
General revenues:						
Property taxes	30,377,419	28,520,413			30,377,419	28,520,413
Sales taxes	27,526,307	22,393,757			27,526,307	22,393,757
Franchise Fees	2,599,469	6,008,671			2,599,469	6,008,671
Other taxes	3,538,141	2,743,490			3,538,141	2,743,490
Unrestricted investment earnings	456,414	3,037,361	55,898	4,898,573	512,312	7,935,934
Total revenues	129,655,102	115,071,598	89,330,777	93,313,303	218,985,879	208,384,901
Expenses:						
General government	7,426,034	7,436,381			7,426,034	7,436,381
Public safety	62,766,429	59,875,617			62,766,429	59,875,617
Transportation	16,632,292	18,884,463			16,632,292	18,884,463
Community development	2,994,634	285,557			2,994,634	285,557
Cultural and recreation	7,174,222	7,114,673			7,174,222	7,114,673
Interest and other charges	725,577	694,111			725,577	694,111
Community Sanitation			22,078,675	21,743,550	22,078,675	21,743,550
Sewer			19,541,438	19,465,478	19,541,438	19,465,478
Water			24,963,531	18,551,314	24,963,531	18,551,314
Transit			6,791,962	7,008,077	6,791,962	7,008,077
Planning & Development Services			11,337,681	11,662,063	11,337,681	11,662,063
Total expenses	97,719,188	94,290,802	84,713,287	78,430,482	182,432,475	172,721,284
Increase in net position before transfers	31,935,914	20,780,796	4,617,490	14,882,821	36,553,404	35,663,617
Transfers	(500,000)	(250,000)	500,000	250,000	0	0
Increase in net position	31,435,914	20,530,796	5,117,490	15,132,821	36,553,404	35,663,617
Net position-beginning	574,488,801	529,883,334	274,933,320	283,875,170	849,422,121	813,758,504
Prior period adjustments (Note V.F.)		24,074,671		(24,074,671)	0	0
Net position - ending	\$ 605,924,715	\$ 574,488,801	\$ 280,050,810	\$ 274,933,320	\$ 885,975,525	\$ 849,422,121

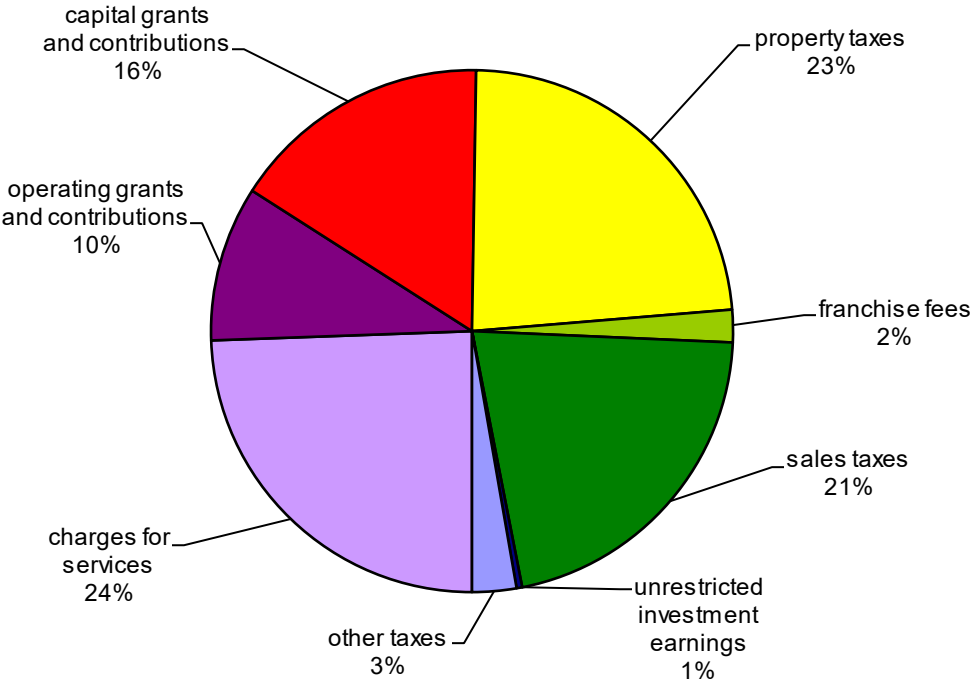
Total governmental revenues for the year were \$130 million, which is \$15 million, or 13%, more than in 2020. The majority of this increase is attributable to federal relief funding for Covid-19 and Sales taxes. Taxes, including property, sales, franchise fees, and other taxes, account for \$64 million, or 49%, of the City's governmental activities revenue and increased \$4 million, or 7%, from 2020. Property taxes increased by \$2 million due to higher property values and the shift of former redevelopment tax increment to the City. Sales taxes increased by \$5 million mainly due to the accelerated pace of online sales due to Covid-19. Other taxes had an increase of \$1 million due largely to an increase in Transient Occupancy Taxes.

Total governmental expenses for the year were \$98 million, an increase of \$4 million, or 4%, from 2020. Public Safety, which includes police and fire, accounts for \$63 million, or 64%, of the total governmental activities' expenses. Public Safety expenses increased \$3 million, or 5%, from 2020 primarily due to increases in salary and benefit costs and the increased costs of services, materials and supplies. Community development expenses increased from 2020. General government expenses were unchanged from 2020. Transportation expenses were \$17 million, a decrease by 12% when compared to 2020. Cultural and Recreation expenses were \$7 million, unchanged when compared to 2020.

Expenses and Program Revenues-Governmental Activities



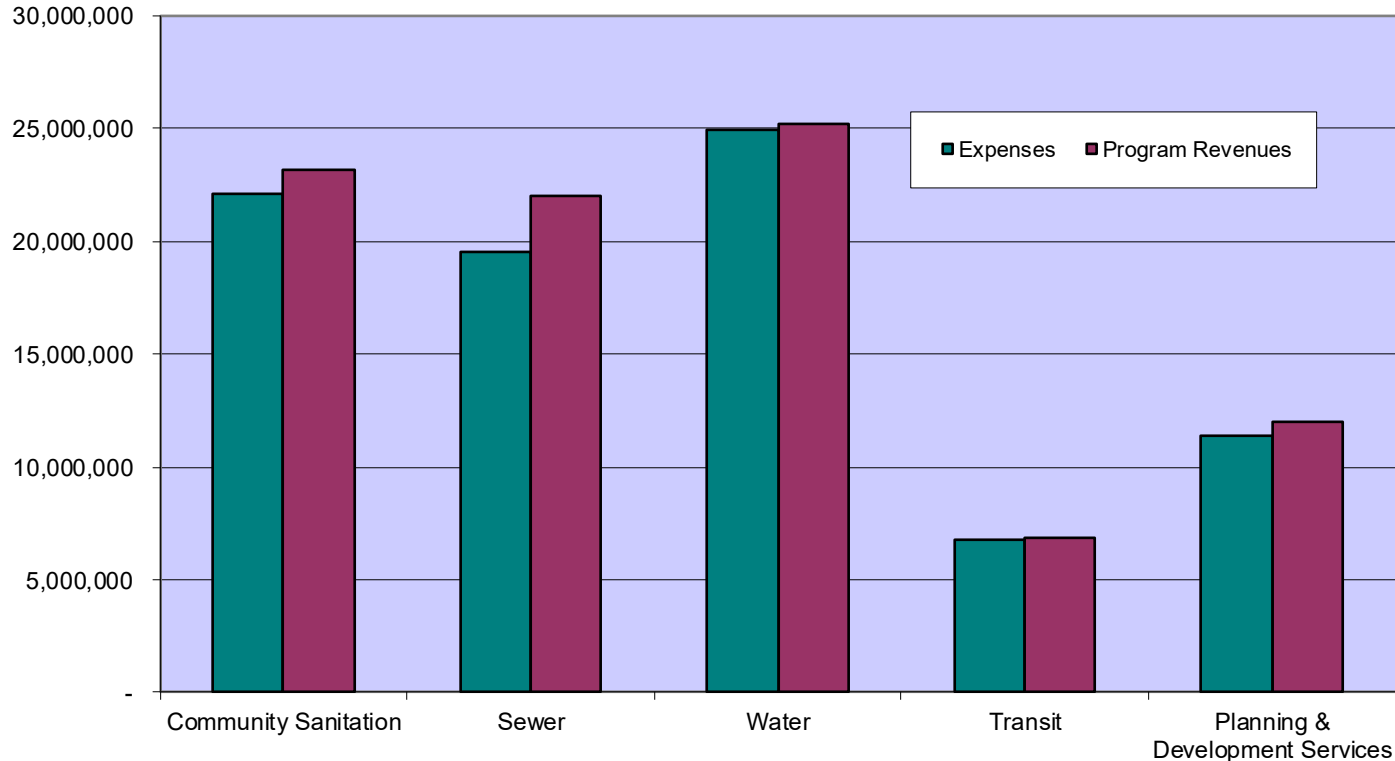
Revenues by Source-Governmental Activities



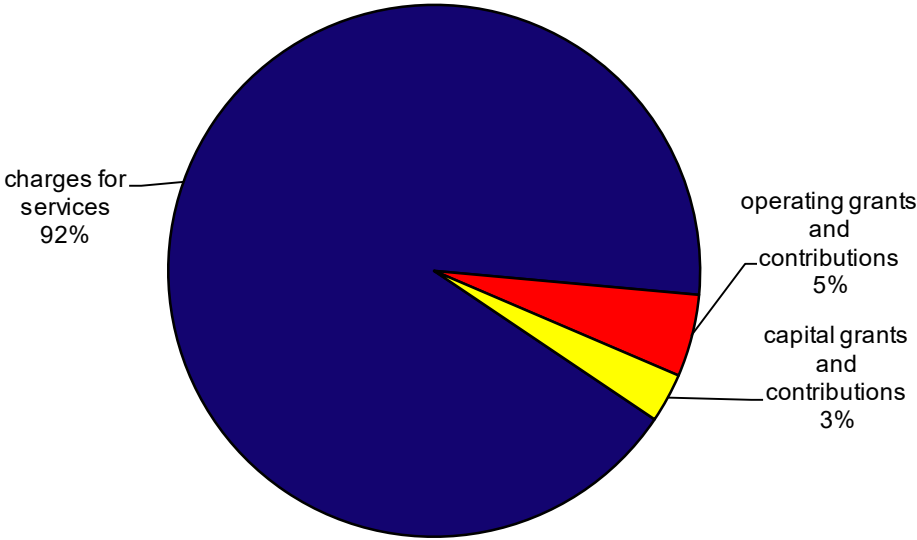
Program revenues that include charges for services and grants specific to certain programs were \$65 million, or 49% of the total governmental activity revenue. Much of the growth in program revenues, notably in General Government, resulted from Coronavirus Relief and American Rescue Plan Act funds, as well as the reclassification of business license revenues from general to program revenues. The amounts necessary to fully fund the governmental activity programs are made up of “general” revenues such as taxes, interest, and grants and contributions.

Business-type Activities. Business-type activities account for \$280 million, or 33% of the total Government-wide net position. This is an increase of \$5 million, or 2%, from June 30, 2020. The component, “Net Investment in Capital Assets” accounts for \$171 million, or 61% of the total net position, and is an increase of \$3 million from 2020. The amount of restricted net position represents less than 5% of the total net position. The amount of net position that is unrestricted, \$108 million, or 39%, decreased \$2 million from 2020. Charges for current services were \$82 million, or 92% of the total business-type activity revenue, and slightly increased from 2020. Grants and contributions of \$7 million represent \$3 million in contributions of sewer and water mains from developers and \$4 million in state transit assistance.

Expenses and Program Revenues-Business-type Activities



Revenues by Source-Business-type Activities



Included in charges for current services are development fees relating to the construction of capital improvements for sewer disposal and water operations. The revenues generated by these development fees are normally accumulated until such time as there are sufficient reserves to construct or acquire capital assets or to pay debt service on previously incurred debt. Debt service payments of principal are not considered a program expense and are, therefore, not reflected in this chart.

Financial Analysis of the City’s Funds

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

Governmental funds. Fund balance is defined in five categories: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balances cannot be spent because of their form. Restricted fund balance has limitations imposed externally by creditors, grantors, contributors, or laws and regulations of other governments. Committed fund balance has self-imposed limitations set in place prior to the end of the period. Assigned fund balance is the amount left available for appropriation at the City’s discretion within the fund’s purpose.

The City’s governmental funds ended the year with positive fund balances. The ending fund balance for all funds is \$62 million, which is an \$4 million increase from the previous year. Of the total fund balance, \$1 million or 2% is unassigned, which, within the limitations of the fund’s purpose, is available for spending at the City’s discretion. The remainder of the fund balance is not available for new spending because it is either in a form not able to be spent or has already been restricted, assigned or committed for the following: (in millions)

Capital Projects	\$20.6
Community Development	14.2
Debt service	0.4
Landscape Maintenance	6.5
Parking and Business Improvement	0.1
Law Enforcement	<0.1
Services materials and supplies	0.7
Capital Outlay	1.9
Emergencies	16.4

The general fund is the chief operating fund of the City. As of June 30, 2021, the *total* fund balance (including all categories) of the general fund was \$25 million, an increase of \$1.3 million from June 30, 2020. The total fund balance of \$25 million includes restricted balances of \$6.7 million, assigned balances of \$17 million, and an unassigned balance of \$1.3 million.

The general fund *restricted* balances of \$6.7 million increased by \$0.9 million over 2020 due to an increase in the amount restricted for the landscape maintenance. The *assigned* balance for unforeseen expenditures increased due to additional available funds being assigned, which represents 21.0% of the 2021 actual expenditures in order to reach the 20%-25% level established by Council policy. The *unassigned* fund balance decreased \$2.8 million when compared to June 30, 2020. The \$1.3 million unassigned portion is the amount carried over to offset the impact of revenue shortfall that may occur in the next year due to economic uncertainty.

Revenues exceeded expenditures by \$18.8 million excluding landscape maintenance where revenues exceeded expenditures by a little over \$0.7 million. The revenue category "Other taxes" came in over budgeted amounts by \$1.3 million, revenue "From other agencies" came in over budgeted amounts by \$12.5 million, "Property taxes" came in near the budgeted amount, "Franchise fees" came in \$0.6 million over budgeted amounts, "Sales taxes," came in over budget by \$8.9 million; "Licenses and permits" came in near the budgeted amount; and "Other revenues" came in over budget by \$0.3 million. "Sales taxes" significantly increased from budget due to the increase in online sales due to Covid-19 and the impact of AB147. The increase in "From other agencies" revenue primarily represents funds from the Coronavirus Aid, Relief, and Economic Security Act (CARES) and the American Rescue Plan Act (ARPA).

Several departments experienced expenditure savings including "Attorney", \$0.1 million, "Manager", \$0.1 million, "General Services", \$0.4 million, "Finance", \$0.2 million, "Police", \$0.3 million and "Public Utilities", \$0.5 million. Most of the expenditure savings in the departments were savings achieved by staffing vacancies, savings in services and supplies and postponed capital expenditures. Most savings attributed to "projects" that were not commenced before the end of the fiscal year are included in the "Assigned for Services, Materials and Supplies" or the "Assigned for Capital" amount and will be spent in the next fiscal year.

The local transportation fund, used to account for all street construction projects, incurred less than budgeted expenditures as a result of several large projects awarded towards the end of the fiscal year and limited staff resources. The ending fund balance of \$20.5 million is \$2.4 million more than June 30, 2020.

Proprietary funds. As indicated in the description of proprietary funds, there are two types of funds, enterprise and internal service funds. The City’s enterprise funds ended the year with positive unrestricted net position except for the Transit Fund. This deficit balance is attributable to the liability of CalPERS pension funds. This liability is long-term in nature, not requiring current resources, and is not being funded at this time.

All the internal service funds finished with positive unrestricted net position. The current liability for workers’ compensation claims is \$9.0 million. The City funds the current year workers’ compensation expenditures with charges to City programs. The City has also funded approximately \$2.5 million of the accrued liability through charges to City programs in prior years. The balance of the liability is of a long-term nature, not requiring current resources, and therefore has not been funded.

General Fund Budgetary Highlights

Throughout the fiscal year it was necessary to adjust the original General Fund budget. The Statement of Revenues, Expenditures, and Change in Fund Balance-Budget to Actual, General Fund, on page 35 shows the original budget and final budget. Below is a summary of the primary amendments:

- \$ 669,000 Fire Department - out of county emergency response overtime
- \$ 160,000 City Clerk - unanticipated election costs

Capital Assets and Debt Administration

Capital Assets. The City’s capital assets for its governmental and business-type activities as of June 30, 2021, amount to \$910 million (net of depreciation/amortization), an increase of \$18 million over 2020. Capital assets include land, buildings and improvements, machinery and equipment, and road network and intangible capacity rights for water and sewer.

Major capital asset additions this year include the following:

- Land \$ 8 million
- Road network improvements and land acquisitions \$ 6 million

During the year the City made improvements to various streets and received developer donated infrastructure. The sewer system improvements include the City’s share of capital projects for the Fresno-Clovis regional wastewater treatment plant. Additional information on the City’s capital assets can be found in note IV.E on pages 61-62.

CITY OF CLOVIS'
Capital Assets
 (net of depreciation)

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 264,065,286	\$ 258,271,675	\$ 37,937,477	\$ 37,884,361	\$ 302,002,763	\$ 296,156,036
Buildings and improvements	79,048,384	85,126,964	212,819,638	214,920,507	291,868,022	300,047,471
Right to use direct borrowings buildings	11,942,657				11,942,657	
Machinery and equipment	15,052,131	16,199,669	3,703,364	4,164,050	18,755,495	20,363,719
Right to use direct borrowings equipment	3,934,969				3,934,969	
Road network	254,698,610	248,340,205			254,698,610	248,340,205
Intangibles			26,532,401	27,209,545	26,532,401	27,209,545
Total	\$ 628,742,037	\$ 607,938,513	\$ 280,992,880	\$ 284,178,463	\$ 909,734,917	\$ 892,116,976

Long-term Debt. The City's long-term debt as of June 30, 2021, was \$141 million, with governmental activities accounting for \$33 million, or 23%, and business-type activities accounting for \$107 million, or 77%.

CITY OF CLOVIS'
Outstanding Bonds, Loans, Notes from Direct Borrowings and Contracts

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Loans payable	\$ 2,439,906	\$ 2,768,484			\$ 2,439,906	\$ 2,768,484
Notes from direct borrowings	16,494,902	17,406,088			16,494,902	17,406,088
Revenue bonds	13,943,940		\$ 104,255,562	\$ 109,265,726	118,199,502	109,265,726
Contracts payable			3,455,186	4,505,029	3,455,186	4,505,029
Total	\$ 32,878,748	\$ 20,174,572	\$ 107,710,748	\$ 113,770,755	\$ 140,589,496	\$ 133,945,327

General obligation debt are direct obligations of the City and are backed by the full faith and credit of the City requiring voter approval and may have a tax rate set to cover repayment. State statues limit the amount of general obligation debt to 15% of the City's total assessed valuation. The City of Clovis' debt limit is \$1.8 billion. The City currently has no general obligation debt outstanding. Detailed information on the City's long-term debt activity can be found in Note F. of the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The City is closely watching the national economy and keeping up with the state's budget issues and the impact these have on Clovis. During the budget development process for the 2021/22 fiscal year, the City was able to increase general fund expenditures by \$7 million compared to the estimated 2020/21 expenditures. The increase is largely due to funding previously frozen vacant positions due to the pandemic. Additionally, the increase is due to negotiated salary increases, increased costs to provide employee benefits and general price increases impacting the cost of services, and supplies.

Economic forecasts for the Central Valley and Fresno were severely impacted by the onset of the COVID-19 pandemic and related business closures. Some revenue categories did rebound greater than anticipated. Taxable sales were projected to decrease by nearly 19% compared to the previous year due to Covid-19, but due to the accelerated pace of online sales, sales tax significantly exceeded the budgeted amount by nearly \$9 million. While the City's unemployment rate spiked from 3.2% to 12.1% in June of 2020, the economy has

been rebounding and showing strength despite numerous closure orders and an uncertain environment. In June of 2021 the City's unemployment decreased to 6.0%, which was lower than the Fresno County rate of 9.4%, the State of California average of 8.0%, and slightly less than the national average of 6.1%.

The City is seeing demand for retail space as a closed Pier 1 store was demolished to make way for a new restaurant and the City is working toward filling a few big box vacancies such as the recently closed Sears store at Sierra Vista Mall. In addition, one hotel was completed and one more is under construction. This will more than double the room count in the City in the next few years. Clovis Community Hospital continued construction on another bed tower building and recently completed additional medical offices and a heart and lung institute. This expansion continues to be one of the biggest job creation projects in Fresno County in recent years. Also, California Health Sciences University has completed its first building that will house a medical doctoral program near the hospital and has completed its first year of operations. The City is seeing a boost in office and industrial development with Cabinet Connections, a cabinet manufacturer, becoming fully operational in Clovis, along with many other small professional offices, such as an engineering consulting firm and industrial users developing in the City's business parks. The County of Fresno is continuing to move 2,000 employees into the City of Clovis including converting a vacant Costco store into class A office. This activity demonstrates the City is moving forward with job generation despite the pandemic and continues to grow.

Total city-wide expenditures, excluding capital expenditures, were projected to increase approximately 7% due primarily to increased operational costs.

On June 30, 2021, the General Fund has an assigned fund balance of \$16.3 million, or 19% of 2021/22 budgeted expenditures set aside for unforeseen emergencies. The City continues to monitor the impacts of the COVID-19 pandemic on the economy and the City's budget and adjust its strategies to address those impacts.

The Council determined that it was necessary for the Community Sanitation Fund to implement a rate increase of 4% for the green waste and recycling programs and to implement a rate increase of 2% for the refuse collection and disposal program for the 2021/22 fiscal year. Furthermore, the Council determined that a 3% increase was necessary for the Water Fund. The Sewer Fund will not have a rate increase and the full \$7.30 bond surcharge will continue to be fully rebated.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City of Clovis' finances and to demonstrate the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Finance Director, City of Clovis, 1033 Fifth Street, Clovis, CA, 93612.

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City of Clovis
Statement of Net Position
June 30, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 156,765,257	\$ 139,908,349	\$ 296,673,606
Receivables	6,602,940	13,031,443	19,634,383
Internal balances	(4,784,050)	4,784,050	
Due from other governments	11,655,112	2,279,190	13,934,302
Inventories	856,000		856,000
Assets held for resale	253,956		253,956
Restricted assets:			
Cash and investments	601,238	14	601,252
Capital assets, not being depreciated	264,065,286	37,937,477	302,002,763
Capital assets (net of accumulated depreciation)	364,676,751	216,523,002	581,199,753
Intangible assets (net of accumulated amortization)		26,532,401	26,532,401
Total assets	<u>800,692,490</u>	<u>440,995,926</u>	<u>1,241,688,416</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related deferred outflows	22,366,889	5,330,918	27,697,807
Deferred loss on bond refunding		140,728	140,728
	<u>22,366,889</u>	<u>5,471,646</u>	<u>27,838,535</u>
LIABILITIES			
Accounts payable	6,841,186	4,011,960	10,853,146
Accrued payroll	2,991,003		2,991,003
Unearned revenue	4,717,875	4,390,517	9,108,392
Noncurrent liabilities:			
Due within one year	37,334,129	12,800,032	50,134,161
Due in more than one year	164,594,366	141,930,718	306,525,084
Total liabilities	<u>216,478,559</u>	<u>163,133,227</u>	<u>379,611,786</u>
DEFERRED INFLOWS OF RESOURCES			
Lease related deferred inflows	292,285	1,236,994	1,529,279
Pension related deferred inflows	363,820	105,983	469,803
Deferred gain on bond refunding		1,940,558	1,940,558
	<u>656,105</u>	<u>3,283,535</u>	<u>3,939,640</u>
NET POSITION			
Net investment in capital assets	595,863,289	171,482,301	767,345,590
Restricted for:			
Debt service	1,013,582	14	1,013,596
Streets and roads	20,551,326		20,551,326
Community development	14,426,895		14,426,895
Landscape maintenance	6,468,215		6,468,215
Unrestricted (deficit)	(32,398,592)	108,568,495	76,169,903
Total net position	<u>\$ 605,924,715</u>	<u>\$ 280,050,810</u>	<u>\$ 885,975,525</u>

The notes to the financial statements are an integral part of this statement.

City of Clovis
Statement of Activities
For the Year Ended June 30, 2021

Function/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary government:							
Governmental activities:							
General government	\$ 7,426,034	\$ 8,933,951	\$ 10,733,086		\$ 12,241,003	\$ 12,241,003	\$ 12,241,003
Public safety	62,766,429	4,215,817	235,234	\$ 1,012,397	(57,302,981)	(57,302,981)	(57,302,981)
Transportation	16,632,292	15,446,255		19,630,329	18,444,292	18,444,292	18,444,292
Community development	2,994,634	321,968	1,449,718	150,187	(1,072,761)	(1,072,761)	(1,072,761)
Cultural and recreation	7,174,222	2,768,052	48,141	212,217	(4,145,812)	(4,145,812)	(4,145,812)
Interest and other charges	725,577				(725,577)	(725,577)	(725,577)
Total governmental activities	97,719,188	31,686,043	12,466,179	21,005,130	(32,561,836)	0	(32,561,836)
Business-type activities:							
Community sanitation	22,078,675	23,165,408			\$ 1,086,733	1,086,733	1,086,733
Sewer disposal	19,541,438	21,006,886		1,005,456	2,470,904	2,470,904	2,470,904
Water	24,963,531	23,542,330		1,646,890	225,689	225,689	225,689
Transit	6,791,962	2,674,862	4,220,240		103,140	103,140	103,140
Planning & Development Services	11,337,681	11,737,257	275,550		675,126	675,126	675,126
Total business-type activities	84,713,287	82,126,743	4,495,790	2,652,346	4,561,592	4,561,592	4,561,592
Total primary government	\$ 182,432,475	\$ 113,812,786	\$ 16,961,969	\$ 23,657,476	(32,561,836)	(28,000,244)	(28,000,244)
General revenues:							
Property taxes					30,377,419	30,377,419	30,377,419
Sales taxes					27,526,307	27,526,307	27,526,307
Franchise Fees					2,599,469	2,599,469	2,599,469
Other taxes					3,538,141	3,538,141	3,538,141
Unrestricted investment earnings					456,414	456,414	456,414
Transfers					(500,000)	500,000	0
Total general revenues and transfers					63,997,750	63,997,750	63,997,750
Changes in net position					31,435,914	5,117,490	36,553,404
Net position-beginning					574,488,801	274,933,320	849,422,121
Net position-ending					\$ 605,924,715	\$ 280,050,810	\$ 885,975,525

AGENDA ITEM NO. 14.

The notes to the financial statements are an integral part of this statement.

**City of Clovis
Balance Sheet
Governmental Funds
June 30, 2021**

	Major Funds		Other Governmental Funds	Total Governmental Funds
	General	Local Transportation		
ASSETS				
Cash and investments	\$ 20,631,087	\$ 46,313,419	\$ 13,518,944	\$ 80,463,450
Cash with agents-restricted		24,000		24,000
Receivables	2,564,252	327,868	3,244,753	6,136,873
Due from other governments	6,361,289	5,124,007	161,758	11,647,054
Assets held for resale			253,956	253,956
Total assets	\$ 29,556,628	\$ 51,789,294	\$ 17,179,411	\$ 98,525,333
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,144,367	\$ 1,161,020	\$ 550,980	\$ 2,856,367
Accrued payroll	2,991,003			2,991,003
Due to other governments	26,852			26,852
Deposits and other liabilities	304,235	29,615,941	34,259	29,954,435
Unearned revenue	117,698	532,240		649,938
Total liabilities	4,584,155	31,309,201	585,239	36,478,595
Fund balances:				
Restricted for:				
Capital projects		20,480,093	71,233	20,551,326
Community development	31,270		14,215,095	14,246,365
Debt service			436,344	436,344
Landscape maintenance	6,468,215			6,468,215
Parking and business improvement	104,218			104,218
Law enforcement	76,312			76,312
Assigned for:				
Services, materials and supplies	651,500			651,500
Capital			1,871,500	1,871,500
Emergencies	16,360,000			16,360,000
Unassigned, reported in:				
General fund	1,280,958			1,280,958
Total fund balances	24,972,473	20,480,093	16,594,172	62,046,738
Total liabilities and fund balances	\$ 29,556,628	\$ 51,789,294	\$ 17,179,411	

Reconciliation of the Governmental Fund Balances to the Governmental Activities Net Position

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds. (Net of \$89,550,822 of internal service fund capital assets)	539,191,215
Internal service funds are used by management to charge the costs of fleet management, employee benefits, liability and property insurance and general services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. (Net of \$4,784,050 allocated to business-type activities)	104,225,150
Long-term liabilities, including compensated absences, and net pension liability, are not due and payable in the current period and therefore are not reported in the funds.	(99,538,388)
Net Position of Governmental Activities	\$ 605,924,715

The notes to the financial statements are an integral part of this statement.

City of Clovis
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

	Major Funds		Other Governmental Funds	Total Governmental Funds
	General	Local Transportation		
REVENUES				
Property taxes	\$ 30,377,419			\$30,377,419
Sales taxes	27,526,307			27,526,307
Business license/Franchise fee	6,360,691			6,360,691
Other taxes	3,538,141			3,538,141
Licenses and permits	804,977			804,977
Fines and forfeitures	150,920			150,920
Use of money and property	153,703	\$ 95,242	\$ 22,065	271,010
From other agencies	16,425,016	12,643,064	2,179,290	31,247,370
Charges for current services	5,918,828	154,621	1,980,985	8,054,434
Other revenues	6,150,313	2,957	20	6,153,290
Total revenue	97,406,315	12,895,884	4,182,360	114,484,559
EXPENDITURES				
Current:				
General government	7,576,845			7,576,845
Public safety	58,574,671			58,574,671
Transportation	4,481,127			4,481,127
Community development	35	370,824	2,629,017	2,999,876
Cultural and recreation	7,179,605			7,179,605
Capital outlays		10,182,759	529,320	10,712,079
Total expenditures	77,812,283	10,553,583	3,158,337	91,524,203
Excess (deficiency) of revenues over (under) expenditures	19,594,032	2,342,301	1,024,023	22,960,356
OTHER FINANCING SOURCES (USES)				
Transfers in				0
Transfers out	(18,295,300)		(150,000)	(18,445,300)
Total other financing sources (uses)	(18,295,300)	0	(150,000)	(18,445,300)
Net change in fund balances	1,298,732	2,342,301	874,023	4,515,056
Fund balances-beginning	23,673,741	18,137,792	15,720,149	57,531,682
Fund balances-ending	\$ 24,972,473	\$ 20,480,093	\$ 16,594,172	\$ 62,046,738

The notes to the financial statements are an integral part of this statement.

City of Clovis
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Government-Wide Statement of Activities
For the Year Ended June 30, 2021

Amounts reported for governmental activities in the statement of activities (page 31) are different because:

Net change in fund balances-total governmental funds (page 33)	\$ 4,515,056
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(1,422,810)
The net effect of donations and miscellaneous transactions involving capital assets (i.e., sales and trade-ins) is to increase net position.	14,983,320
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(7,949,287)
Internal service funds are used by management to charge the costs of fleet maintenance, employee benefits, liability and property insurance and general services to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. Net of \$2,646,755 allocated to business-type activities.	21,309,635
Change in net position of governmental activities (page 31)	<u>\$ 31,435,914</u>

The notes to the financial statements are an integral part of this statement.

City of Clovis
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Property taxes	\$ 30,381,000	\$ 30,381,000	\$ 30,377,419	\$ (3,581)
Sales taxes	18,582,000	18,582,000	27,526,307	8,944,307
Business license/Franchise fee	5,723,000	5,723,000	6,360,691	637,691
Other taxes	2,178,000	2,178,000	3,538,141	1,360,141
Licenses and permits	550,000	550,000	804,977	254,977
Fines and forfeitures	203,000	203,000	150,920	(52,080)
Use of money and property	140,400	140,400	153,703	13,303
From other agencies	3,580,400	3,913,299	16,425,016	12,511,717
Charges for current services	5,785,652	5,975,652	5,918,828	(56,824)
Other revenues	6,206,500	6,206,500	6,150,313	(56,187)
Total revenues	<u>73,329,952</u>	<u>73,852,851</u>	<u>97,406,315</u>	<u>23,553,464</u>
EXPENDITURES				
Council	355,200	355,200	334,183	21,017
Clerk	489,271	649,271	648,312	959
Attorney	966,000	966,000	894,489	71,511
Manager	1,990,669	1,990,669	1,846,832	143,837
General services	2,193,110	2,193,110	1,768,631	424,479
Finance/Treasurer	3,344,335	3,344,335	3,144,383	199,952
Police	39,631,360	40,020,102	39,683,619	336,483
Fire	17,751,353	18,891,552	18,891,054	498
Public utilities	10,836,156	11,123,156	10,600,780	522,376
Total expenditures	<u>77,557,454</u>	<u>79,533,395</u>	<u>77,812,283</u>	<u>1,721,112</u>
Excess (deficiency) of revenues over expenditures	(4,227,502)	(5,680,544)	19,594,032	25,274,576
OTHER FINANCING SOURCES (USES)				
Transfers In		57,000	0	(57,000)
Transfers Out	(550,000)	(607,000)	(18,295,300)	(17,688,300)
Total other financing sources (uses)	<u>(550,000)</u>	<u>(550,000)</u>	<u>(18,295,300)</u>	<u>(17,745,300)</u>
Net change in fund balance	(4,777,502)	(6,230,544)	1,298,732	7,529,276
Fund balance-beginning	23,673,741	23,673,741	23,673,741	
Fund balance-ending	<u>\$ 18,896,239</u>	<u>\$ 17,443,197</u>	<u>\$ 24,972,473</u>	<u>\$ 7,529,276</u>

The notes to the financial statements are an integral part of this statement.

**City of Clovis
Statement of Net Position
Proprietary Funds
June 30, 2021**

	Business-Type Activities-Enterprise Funds						Governmental Activities Internal Service Funds
	Major Enterprise Funds			Nonmajor			
	Community Sanitation	Sewer Disposal	Water	Planning & Development Services	Transit	Totals	
ASSETS							
Current assets:							
Cash and investments	\$ 16,025,852	\$ 40,720,553	\$ 64,071,029	\$ 16,953,421	\$ 2,137,494	\$ 139,908,349	\$ 76,301,807
Receivables	4,291,981	4,002,466	4,446,438	277,869	12,689	13,031,443	466,067
Due from other governments				256	2,278,934	2,279,190	8,058
Inventories						0	856,000
Total current assets	20,317,833	44,723,019	68,517,467	17,231,546	4,429,117	155,218,982	77,631,932
Noncurrent assets:							
Cash with fiscal agent-bond accounts		12	2			14	577,238
Total restricted assets	0	12	2	0	0	14	577,238
Capital assets:							
Land	19,076,813	4,687,370	14,173,294			37,937,477	8,872,400
Buildings and improvements	7,509,880	172,585,340	132,706,455			312,801,675	102,247,265
Machinery and equipment	3,113,606	839,517	1,707,806	55,081	5,911,296	11,627,306	55,400,362
Less accumulated depreciation	(3,431,573)	(56,776,487)	(43,408,251)	(36,043)	(4,253,625)	(107,905,979)	(76,969,205)
Total capital assets (net of accumulated depreciation)	26,268,726	121,335,740	105,179,304	19,038	1,657,671	254,460,479	89,550,822
Intangible assets		40,558,603	10,118,786			50,677,389	
Less accumulated amortization		(21,347,400)	(2,797,588)			(24,144,988)	
Total intangible assets (net of accumulated amortization)		19,211,203	7,321,198			26,532,401	
Total noncurrent assets	26,268,726	140,546,955	112,500,504	19,038	1,657,671	280,992,894	90,128,060
Total assets	46,586,559	185,269,974	181,017,971	17,250,584	6,086,788	436,211,876	167,759,992
DEFERRED OUTFLOWS OF RESOURCES							
Pension related deferred outflows	1,335,580	325,749	984,855	1,853,055	831,679	5,330,918	1,361,466
Deferred loss on bond refunding			140,728			140,728	0
Total deferred outflows of resources	1,335,580	325,749	1,125,583	1,853,055	831,679	5,471,646	1,361,466

	Business-Type Activities-Enterprise Funds					Governmental Activities Internal Service Funds
	Major Enterprise Funds			Nonmajor		
	Community Sanitation	Sewer Disposal	Water	Planning & Development Services	Transit	Totals
LIABILITIES						
Current liabilities:						
Accounts payable	680,975	2,034,385	1,151,279	69,382	75,392	4,011,413
Claims and judgments payable					0	0
Due to other governments					547	547
Accrued compensated absences	109,200	31,400	83,100	112,200	38,400	374,300
Deposits and other liabilities	600		3,162,261	3,688,259		6,851,120
Unearned revenue				339,204	4,051,313	4,390,517
Direct borrowings-current					0	0
Loans payable-current					0	0
Revenue bonds-current		2,320,000	2,155,000			4,475,000
Contracts payable-current		1,099,612				1,099,612
Total current liabilities	790,775	5,485,397	6,551,640	4,209,045	4,165,652	21,202,509
Noncurrent liabilities:						
Claims and judgments payable						0
Accrued compensated absences	329,054	94,475	250,520	337,886	115,847	1,127,782
Direct borrowings						0
Loans payable						0
Revenue bonds (net of discount/premium)		83,270,739	16,509,824			99,780,563
Contracts payable		2,355,574				2,355,574
Landfill closure	4,620,040					4,620,040
Net pension liability	8,753,073	2,020,330	6,314,296	11,568,695	5,390,365	34,046,759
Total noncurrent liabilities	13,702,167	87,741,118	23,074,640	11,906,581	5,506,212	141,930,718
Total liabilities	14,492,942	93,226,515	29,626,280	16,115,626	9,671,864	163,133,227
DEFERRED INFLOWS OF RESOURCES						
Lease related deferred inflows		671,208	565,786			1,236,994
Pension related deferred inflows	27,312	6,271	19,663	35,935	16,802	105,983
Deferred gain on bond refunding, net		1,940,558				1,940,558
Total deferred inflows of resources	27,312	2,618,037	585,449	35,935	16,802	3,283,535
NET POSITION						
Net investment in capital assets	26,268,726	49,560,460	93,976,406	19,038	1,657,671	171,482,301
Restricted for debt service		12	2			14
Unrestricted (deficit)	7,133,159	40,190,699	57,955,417	2,933,040	(4,427,870)	103,784,445
Total net position	\$33,401,885	\$ 89,751,171	\$ 151,931,825	\$ 2,952,078	\$ (2,770,199)	\$ 275,266,760
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds.						4,784,050
Net position of business-type activities						\$ 280,050,810

The notes to the financial statements are an integral part of this statement.

City of Clovis
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2021

	Business-Type Activities-Enterprise Funds				Governmental Activities Internal Service Funds	
	Major Enterprise Funds		Nonmajor			
	Community Sanitation	Sewer Disposal	Water	Planning & Development Services	Transit	Totals
Operating revenues:						
Charges for services	\$ 22,014,430	\$ 20,380,687	\$ 22,757,874	\$ 11,247,262		\$ 76,400,253
From other agencies	29,478			275,550		2,595,530
Other revenues	23,598	389,068	129,096			541,762
Total operating revenues	<u>22,067,506</u>	<u>20,769,755</u>	<u>22,886,970</u>	<u>11,522,812</u>	<u>2,290,502</u>	<u>79,537,545</u>
Operating expenses:						
Salaries and benefits	7,086,220	1,576,104	4,923,352	7,546,004	3,663,415	24,795,095
Services, materials and supplies	11,509,312	7,271,505	13,232,538	1,665,661	1,701,412	35,380,428
Administration	3,047,700	2,491,400	2,960,743	2,115,000	1,020,000	11,634,843
Depreciation/amortization	385,893	5,080,870	2,949,233	11,016	407,135	8,834,147
Total operating expenses	<u>22,029,125</u>	<u>16,419,879</u>	<u>24,065,866</u>	<u>11,337,681</u>	<u>6,791,962</u>	<u>80,644,513</u>
Operating income (loss)	<u>38,381</u>	<u>4,349,876</u>	<u>(1,178,896)</u>	<u>185,131</u>	<u>(4,501,460)</u>	<u>(1,106,968)</u>
Nonoperating revenues (expenses):						
Interest income		36,535		14,867	4,496	55,898
Interest expense	(49,550)	(3,121,559)	(897,665)			(4,068,774)
State transit funding			217,993		4,220,240	4,220,240
Legal settlement						217,993
Gain (loss) on sale of capital assets						0
Total nonoperating revenue (expense)	<u>(49,550)</u>	<u>(3,085,024)</u>	<u>(679,672)</u>	<u>14,867</u>	<u>4,224,736</u>	<u>425,357</u>
Income before contributions and transfers	<u>(11,169)</u>	<u>1,264,852</u>	<u>(1,858,568)</u>	<u>199,998</u>	<u>(276,724)</u>	<u>(681,611)</u>
Capital contributions		1,005,456	1,646,890			2,652,346
Transfers in	150,000			300,000	50,000	500,000
Transfer out						0
Changes in net position	<u>138,831</u>	<u>2,270,308</u>	<u>(211,678)</u>	<u>499,998</u>	<u>(226,724)</u>	<u>2,470,735</u>
Total net position-beginning	<u>33,263,054</u>	<u>87,480,863</u>	<u>152,143,503</u>	<u>2,452,080</u>	<u>(2,543,475)</u>	<u>85,052,810</u>
Total net position-ending	<u>\$ 33,401,885</u>	<u>\$ 89,751,171</u>	<u>\$ 151,931,825</u>	<u>\$ 2,952,078</u>	<u>\$ (2,770,199)</u>	<u>\$ 109,009,200</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						2,646,755
Change in net position of business-type activities (page 31)						<u>\$ 5,117,490</u>

AGENDA ITEM NO. 14.

The notes to the financial statements are an integral part of this statement.

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City of Clovis
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021

	Business-Type Activities-Enterprise Funds						Governmental Activities- Internal Service Funds
	Major Enterprise Funds			Nonmajor			
	Community Sanitation	Sewer Disposal	Water	Planning & Development Services	Transit	Totals	
CASH FLOW FROM OPERATING ACTIVITIES							
Receipts from customers and users	\$ 21,303,606	\$ 20,379,947	\$ 22,090,950	\$ 11,022,057	\$ (1,150,051)	\$ 73,646,509	\$ 55,994,410
Receipts for interfund services	(14,840,289)	(10,154,422)	(16,161,472)	(3,014,468)	(2,666,436)	(46,837,087)	(22,206,701)
Payments to suppliers	(6,525,107)	(1,455,657)	(4,539,765)	(7,012,451)	(3,348,519)	(22,881,499)	(18,926,204)
Payments to employees	53,076	389,067	347,088	275,551	2,290,501	3,355,283	3,504,182
Other revenues	(8,714)	9,158,935	1,736,801	1,270,689	(4,874,505)	7,283,206	18,365,687
Net cash provided/(used) by operating activities	150,000	0	19,850	300,000	50,000	500,000	19,240,300
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Transfers-in from other funds					4,430,124	4,456,234	(1,295,000)
Transfers-out to other funds					4,480,124	4,956,234	17,945,300
Transportation funding-State							
Net cash provided by noncapital financing activities							
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Acquisition and construction of capital assets	(93,257)	(905,710)	(1,804,318)		(192,932)	(2,996,217)	(13,049,824)
Principal paid on loans, bonds, and capital leases		(3,843,533)	(2,216,473)			(6,060,006)	(3,583,111)
Interest paid on loans, bonds and capital leases	(49,550)	(3,261,789)	(876,556)			(4,187,895)	(725,577)
Proceeds from capital leases						0	16,287,287
Proceeds from sale of capital assets						0	20,000
Net cash used by capital and related financing activities	(142,807)	(8,011,032)	(4,897,347)	0	(192,932)	(13,244,118)	(1,051,225)
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest and dividends on investments		36,535		14,868	4,496	55,899	187,225
Net cash provided/(used) by investing activities	0	36,535	0	14,868	4,496	55,899	187,225
Net change in cash and cash equivalents	(1,521)	1,184,438	(3,140,696)	1,591,817	(582,817)	(948,779)	35,446,987
Cash and cash equivalents-beginning of year	16,027,373	39,536,127	67,211,727	15,361,604	2,720,311	140,857,142	41,432,058
Cash and cash equivalents-end of year	\$ 16,025,852	\$ 40,720,565	\$ 64,071,031	\$ 16,953,421	\$ 2,137,494	\$ 139,908,363	\$ 76,879,045

AGENDA ITEM NO. 14.

Reconciliation of operating income (loss) to net cash provided/(used) by operating activities:

Operating income/(loss)	\$ 38,381	\$ 4,349,876	\$ (1,178,896)	\$ 185,131	\$ (4,501,460)	\$ (1,106,968)	\$ 6,554,260
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation/amortization expense	385,893	5,080,870	2,949,233	11,016	407,135	8,834,147	5,781,992
Landfill closure expense	335,400					335,400	
Legal settlement			217,993			217,993	
(Increase)/decrease in accounts receivable	(710,824)	(671,948)	(1,232,710)	(224,386)	4,924	(2,834,944)	(269,847)
(Increase)/decrease in due from other governments						0	53,359
(Increase)/decrease in inventories						0	(74,000)
(Increase)/decrease in deferred outflows - pension	(159,382)	(55,653)	(138,066)	(305,477)	(108,077)	(766,655)	(153,332)
(Increase)/decrease in prepaid items						0	1,434,396
Increase/(decrease) in accounts payable	(619,277)	(391,518)	(308,984)	1,623	54,975	(1,263,181)	2,616,554
Increase/(decrease) in due to other governments					(2,747)		
Increase/(decrease) in accrued compensated absences	90,144	21,034	55,214	(42,203)	29,752	153,941	15,818
Increase/(decrease) in unearned revenue				(819)	(1,152,228)	(1,153,047)	2,166,355
Increase/(decrease) in claims and judgments payable						0	(694,000)
Increase/(decrease) in deposits	600		340,792	764,571		1,105,963	
Increase/(decrease) in net pension liability	675,870	165,519	499,210	941,125	421,225	2,702,949	688,602
Increase/(decrease) in deferred inflows - lease		671,208	565,786			1,236,994	292,285
Increase/(decrease) in deferred inflows - pension	(45,519)	(10,453)	(32,771)	(59,892)	(28,004)	(176,639)	(46,755)
Total adjustments	(47,095)	4,809,059	2,915,697	1,085,558	(373,045)	8,390,174	11,811,427
Net cash provided/(used) by operating activities	\$ (8,714)	\$ 9,158,935	\$ 1,736,801	\$ 1,270,689	\$ (4,874,505)	\$ 7,283,206	\$ 18,365,687

Noncash investing, capital, and financing activities:

During the year the Sewer Disposal Fund, an enterprise fund, received \$1,005,456 in donated assets.
 During the year the Water Fund, an enterprise fund, received \$1,646,890 in donated assets.

The notes to the financial statements are an integral part of this statement.

City of Clovis
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	Redevelopment Successor Agency Private- Purpose Trust Fund	Custodial Funds
ASSETS		
Cash and investments	\$ 990,119	\$ 215,678
Cash with agent-restricted	1,066,781	
Receivables	380	1,386
Prepaid items	159,477	
Capital assets (net of accumulated depreciation)	10,820,721	
Total assets	13,037,478	217,064
 LIABILITIES		
Accounts payable	211,272	27,789
Deposits and other liabilities		474
Tax allocation bonds payable	11,131,851	
Total liabilities	11,343,123	28,263
 NET POSITION		
Restricted for:		
Held in trust for Redevelopment Successor Agency Fund	1,694,355	
Individuals, organizations, and other governments		188,801
Total net position	\$ 1,694,355	\$ 188,801

The notes to the financial statements are an integral part of this statement.

City of Clovis
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2021

	Redevelopment Successor Agency Private-Purpose Trust Fund	Custodial Funds
	<u> </u>	<u> </u>
ADDITIONS		
Property taxes	\$ 1,385,534	
Special assessment tax		\$ 62,291
Total additions	<u>1,385,534</u>	<u>62,291</u>
DEDUCTIONS		
Services, materials and supplies	10,000	
Administration	10,000	
Depreciation/amortization	76,333	
Interest and other fiscal charges	544,530	
Community development		90,255
Total deductions	<u>640,863</u>	<u>90,255</u>
Net increase (decrease) in fiduciary net position	744,671	(27,964)
Net position-beginning	949,684	216,765
Net position-ending	<u>\$ 1,694,355</u>	<u>\$ 188,801</u>

The notes to the financial statements are an integral part of this statement.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

I. Summary of significant accounting policies

A. Reporting entity

The City of Clovis, California (City) was incorporated on February 27, 1912 as a general law city of the State of California, and as such can exercise the powers specified by the constitution and laws of the State of California. The City is governed by an elected five-member City Council under the administration of an appointed City Manager. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended components units, although legally separate entities, are, in substance, part of the government's operations.

1. Blended component units

Although the following are legally separate from the City, they have been "blended" as though they are part of the City because the component unit's governing body is substantially the same as the City's and there is a financial benefit or burden relationship between the City and the component unit; management of the City has operational responsibilities for the component unit; and/or the component units provide services entirely, or almost entirely, to the City or otherwise exclusively, or almost exclusively, benefits the City, even though it does not provide services directly.

The Clovis Municipal Development Corporation (Corporation) was established by the Clovis City Council in January 1985 to handle the City's and the Clovis Community Development Agency's development of property. There were no assets, liabilities, equity or activity to report for the current or prior fiscal years.

The Clovis Public Financing Authority (Authority) was established by the Clovis City Council in July 1991 to facilitate the issuance of the City's debt. There were no assets, liabilities, equity or other activity to report for the current or prior fiscal years.

2. Fiduciary activities

The City presents its fiduciary activity information for assessing its accountability and financial reporting of the City in their role as fiduciaries. The definition of a "fiduciary" is a person or organization that acts on behalf of another person or persons to manage assets. Fiduciary responsibility refers to the obligation that one party has in relationship with another one to act entirely on the other party's behalf and best interest. It is considered to be the standard of highest care.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its components units. The effects of interfund activity have been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function of a segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The statement of net position reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources – This amount represents outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.
Deferred Inflows of Resources – This amount represents inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as a revenue until that time.

The government-wide and proprietary fund financial statements are reported using the “*economic resources*” measurement focus and the accrual basis of accounting. Fiduciary fund financial statements are reported using the accrual basis of accounting but do not have a measurement focus since custodial funds and private-purpose funds are the only fiduciary funds the City reports. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirement imposed by the provider have been met.

Governmental fund financial statements are reported using the “*current financial resources*” measurement focus and the modified accrual basis of accounting. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits and environmental obligations are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

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

The local transportation fund accounts for the City’s share of Transportation Development Act (SB 325) funds allocated by the State that are restricted to expenditures for capital street improvements and maintenance and for the deposits by developers for special street improvement projects.

The City reports the following major proprietary funds:

The community sanitation fund accounts for the activities of the City’s refuse collection and disposal operations, landfill operations and street sweeping operations.

The sewer disposal fund accounts for the activities of the City’s sanitary sewer system operations.

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Notes to Financial Statements
For the Year Ended June 30, 2021

The water fund accounts for the activities of the City's water production and distribution operations.

The planning and development services fund accounts for the activities of the City's engineering operations.

Additionally, the City reports the following fund types:

Internal service funds account for general liability and property damage insurance, fleet management services, retirement, workers' compensation, and health, unemployment and Medicare insurance, facility maintenance and enhancement, telecommunication and information technology, and other general services provided to other departments or agencies of the City on cost reimbursement bases.

Custodial funds account for assets held by the City for, certain special assessments collected and distributed on behalf of the districts.

Private-purpose trust funds are used to account for the assets of the former Clovis Community Development Agency during the wind down period.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. The exception to this general rule is payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the community sanitation enterprise fund, of the sewer enterprise fund, of the water enterprise fund and of the City's internal service funds are charges to customers for sales and services. The sewer enterprise fund and the water enterprise fund also recognize as operating revenue the portion of developer fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets: All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, liabilities, deferred outflows/inflows, and net position/fund balance

1. Cash and investments

The City maintains a cash and investment pool that is available for use by all funds. This pool utilizes investments authorized by the Government Code and is further defined by the City's investment policy that is reviewed annually by the City Council.

Highly liquid market investments with maturities of 1 year or less at the time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for the securities for which market quotations are readily available.

Authorized investments include deposits in the State of California administered Local Agency Investment Fund, insured certificates of deposits, collateralized certificates of deposits, commercial paper, bankers acceptances,

CITY OF CLOVIS
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For the Year Ended June 30, 2021

medium term notes, money market mutual funds and securities backed by the U.S. Government. All investments are stated at fair value.

Interest income earned as a result of pooling is distributed to the appropriate funds based on month end cash balances in each fund. Interest income from cash and investments with fiscal agents and deferred compensation is credited directly to the related fund.

For purposes of the statement of cash flows, the City considers short term and highly liquid investments (including restricted assets) to be cash and cash equivalents.

The City invests its excess cash principally in U.S. Government Securities, U.S. Treasuries and the State of California Local Agency Investment Fund (LAIF). Investments in the LAIF are available for withdrawal on demand.

The City is also required to deposit funds with fiscal agents under the provisions of Revenue Bonds, Contracts and/or Lease Agreements. These funds are invested by the fiscal agent in instruments generally more restrictive than the City's investment policy.

U.S. GAAP defines fair values, establishes a framework for measuring fair value and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded fair value in the Statement of Net Position/Balance Sheet, are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Levels of inputs are as follows:

Level 1 – Inputs are unadjusted, quoted prices for identical assets and liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1, that are observable for the assets or liabilities through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

2. Receivables

Billed but unpaid services provided to individuals or non-governmental entities are recorded as "receivables." Services provided to other governmental entities are recorded as "due from other governments." The City's utility enterprise funds include an estimated amount for services rendered but not yet billed as of June 30, 2021, determined by prorating the July 2021 bi-monthly billing.

The City has not experienced any material write-off of receivables; and therefore, an "allowance for bad debts" is not included on the City's balance sheet or statement of net position.

3. Interfund receivables/payables

During the course of operations, interfund receivables and payables transactions arise. These receivables and payables are classified as "due from other funds" or "due to other funds" on the fund financial statements. On the government-wide statement of net position, the "internal balances" represents the amounts receivable/payable between business-type activities and governmental activities. All other interfund transactions have been eliminated on the statement of net position.

4. Inventories

Inventories, consisting of fuel and vehicle parts, are valued at cost.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

5. Capital assets/intangible assets

Capital assets, which include property, plant, equipment, right to use and infrastructure assets (roadways), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000, and an estimated useful life of at least three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated acquisition value at the date donated. Intangible assets are valued at historical cost.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Intangible assets include the purchase of sewer capacity rights and water entitlement rights. The City purchased sewer capacity rights from the City of Fresno at the Fresno Regional Waste Water Treatment Plant. The total amount of \$40,558,603 is reported in the City's Sewer Disposal Enterprise Fund. The City purchased water entitlement rights from the Fresno Irrigation District for surface water. The total amount of \$10,118,786 reported in the City's Water Enterprise Fund.

Donated assets include developer donated land as well as the improvements on the land including streets, curbs and gutters, sidewalks, street lighting and landscaping. Included in the total amount of capital grants and contributions on the government-wide statement of activities is \$17,665,570 of developer donated assets.

Property, plant a equipment of the primary government is depreciated over the estimated useful lives using the straight-line method, half-year convention. Estimated useful lives are as follows:

Distribution Systems	50 years
Roadways	50
Buildings	20-40
Vehicles	5-20
Right to use	5-35
Other Equipment	3-10

Amortization of intangibles is computed over 40 years using the straight-line method, half-year convention. As the life of the rights have a life of 40 years.

6. Compensated absences

The liability for vested leave (vacation, compensated time off, holiday) earned but not used in governmental funds is expensed and established as a liability and is reported in the government-wide statement of net position in the governmental activities column. Vested leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue. No liability is recorded for non-vesting leave such as sick leave.

7. Long-term liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term liabilities and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts not withheld from the actual debt proceeds received are reported as debt service expenditures. Discounts withheld from the debt proceeds are reported as other financing uses.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

8. 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. Plan investments are reported at fair value. The following timeframes are used for pension plan reporting:

CalPERS

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

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.

9. Fund balances

In the fund financial statements, governmental funds report components of fund balance based on constraints on the specific purposes for which amounts can be spent. "Nonspendable" fund balance is not in a spendable form or has a requirement to maintain intact. "Restricted" fund balance has externally enforceable limitations on its use such as restrictions from outside parties such as creditors, grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. "Committed" fund balance is constrained by limits imposed by the government's highest level of decision-making and can only be removed or modified by a formal action by that authority. "Assigned" fund balance is limited by City Council, the City Manager or the designated department head as delegated by City Council. "Unassigned" fund balance is the residual net resources.

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 the 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.

The City will spend the funds restricted for their purpose within those funds first followed by assigned funds for their intended purposes prior to spending any unassigned funds. The City Council has established a target of a minimum unassigned fund balance for any operational fund is 10% of the budgeted expenditures with the goal for unassigned fund balance of up to 15% of budgeted expenditures unless capital borrowing or extraordinary fiscal conditions require higher levels of unassigned fund balance be maintained.

The local transportation fund is the City's only major special revenue fund. This fund accounts for the capital street projects paid for out of the City's share of Transportation Development Act (SB 325) funds allocated by the state, 1/2 cent sales tax for transportation, Special Gas Tax Select Street funds, and federal funding sources under the Federal Intermodal Surface Transportation Efficiency Act. In addition, funds are transferred from the Developer Trust Fund as reimbursements are made for developer-financed projects.

CITY OF CLOVIS
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10. Net Position

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

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt, net of deferred refunding, 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 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.

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

11. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

12. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position, and deferred amounts related to pension. The deferred charge on refunding resulted from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred amounts related to pension relate differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension related changes.

13. Leases

Lessee: The City has a policy to recognize a lease liability and a right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$10,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.

CITY OF CLOVIS
Notes to Financial Statements
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- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure any lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported as right to use along with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The City is a lessor for a leases of a building and land at four locations. The City recognizes a lease receivable and a deferred inflows of resources in both the government-wide and fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

14. Implementation of New GASB Pronouncements

The requirements of the following accounting standards are effective for the purpose of implementation, if applicable to the City, for the year ended June 30, 2021. The financial statements included herein apply the requirements and provisions of these statements, including necessary retroactive adjustments to financial statement classifications and presentations.

Implementation of New GASB Pronouncements for the Year Ended June 30, 2021

GASB Statement No. 84

In January 2017, GASB issued Statement No. 84, Fiduciary Activities. This Statement improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Application of this statement is effective for the City's fiscal year ending June 30, 2021.

As a result of this Statement, certain funds previously classified as "agency funds" have been reclassified and combined within the City's General Fund. The Senior Citizen Memorial, Payroll Tax and Withholdings, and Asset Forfeiture funds were all identified as not meeting the definition of a custodial fund; the assets, liabilities, fund balance, as well as revenue and expenditures therein have subsequently been combined with the General Fund. In addition, amounts previously classified as liabilities within the remaining custodial funds (Blackhorse Assessment, Temperance Barstow Assessment, and Shepherd Temperance Assessment) have been reclassified as beginning net position.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

GASB Statement No. 87

In June 2017, GASB issued Statement No. 87, Leases. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB Statement No. 90

In August 2018, GASB issued Statement No. 90, Majority Equity Interests - An Amendment of GASB Statements No. 14 and No. 61. This Statement improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. Application of this statement is effective for the City's fiscal year ending June 30, 2021.

GASB Statement No. 98

In October 2021, GASB issued Statement No. 98, The Annual Comprehensive Financial Report. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. Application of this statement is effective for the City's fiscal year ending December 15, 2021.

Upcoming Governmental Accounting Standards Implementation

GASB Statement No. 89

In June 2018, GASB issued Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Application of this statement is effective for the City's fiscal year ending June 30, 2022.

GASB Statement No. 91

In May 2019, GASB issued Statement No. 91, Conduit Debt Obligations. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Application of this statement is effective for the City's fiscal year ending June 30, 2023.

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Notes to Financial Statements
For the Year Ended June 30, 2021

GASB Statement No. 92

In January 2020, GASB issued Statement No. 92, Omnibus 2020. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Application of this statement is effective for the City's fiscal year ending June 30, 2022.

GASB Statement No. 93

In March 2020, GASB issued Statement No. 93, Replacement of Interbank Offered Rates. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. Application of this statement is effective for the City's fiscal year ending June 30, 2022.

GASB Statement No. 94

In March 2020, GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Application of this statement is effective for the City's fiscal year ending June 30, 2023.

GASB Statement No. 96

In May 2020, GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. Application of this statement is effective for The City's fiscal year ending June 30, 2023.

GASB Statement No. 97

In June 2020, GASB issued Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Application of this statement is effective for the City's fiscal year ending June 30, 2022.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

II. Reconciliation of government-wide and fund financial statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this (\$99,538,388) difference are as follows:

Pension related items of \$102,649,180 (net of \$7,651,712 reported in Internal Service Funds)	\$ 94,997,468
Accrued compensated absences of \$4,813,225 (net of \$272,305 reported in Internal Service Funds)	<u>4,540,920</u>
Net adjustment to reduce <i>fund balance-total governmental funds</i> to arrive at <i>net position-governmental activities</i>	<u><u>\$ 99,538,388</u></u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances-total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.”

The details of this \$1,422,810 difference are as follows:

Capital Outlay	\$ 10,712,079
Depreciation expense (net of \$5,781,992 reported in Internal Service Funds)	<u>(12,134,889)</u>
Net adjustment to decrease <i>net changes in fund balance-total governmental funds</i> to arrive at <i>changes in net position-governmental activities</i>	<u><u>\$ (1,422,810)</u></u>

Another element of that reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.” Donated capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.

The details of this \$10,712,079 difference are as follows:

General government capital asset additions	\$ 38,775,128
Internal service fund capital asset additions	(13,049,824)
Donated capital asset additions	<u>(15,013,225)</u>
Net capital outlay	<u><u>\$ 10,712,079</u></u>

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For the Year Ended June 30, 2021

Another element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this \$7,949,285 difference are as follows:

Pension related items (Net of \$488,515 reported in Internal Service Funds)	\$	7,589,602
Compensated absences (Net of \$15,818 reported in Internal Service Funds)		359,685
Net adjustment to decrease <i>net changes in fund balance-total governmental funds</i> to arrive at <i>changes in net position-governmental activities</i>	\$	7,949,287

III. Stewardship, compliance, and accountability

A. Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year-end.

On or before the second week of March of each year, all departments of the City submit request for appropriations to the City Manager so that a budget may be prepared. On or before the third Monday in May, the proposed budget is presented to the City council for review. The council holds public hearings and a final budget must be adopted no later than June 30.

The appropriated budget is prepared by fund and department. The City Manager may make transfers of appropriations between departments within a specific fund of up to \$5,000 and up to \$2,500 from any established reserves. Transfers in excess of those amounts require council action. No action is required at any level lower than the department level. The legal level of budgetary control is the department level. During the year, supplementary appropriations approved by the council were necessary for some departments.

B. Deficit fund equity

Government-Wide Financial Statements

At June 30, 2021, deficit unrestricted net position was reported for governmental activities in the amount of \$(32,398,592). The deficit is the result of reporting net pension liabilities of \$124,652,253 in the government-wide financial statements. City management believes the present cash aggregate position of the General Fund is adequate to meet current needs.

Proprietary Funds

The Transit Fund has a deficit net position of \$(2,770,199) as of June 30, 2021. The deficit is the result of reporting net pension liabilities of \$5,390,365 in the proprietary fund financial statements. City management believes the present cash aggregate position of the Transit Fund is adequate to meet current needs.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

IV. Detailed notes on all funds

A. Cash and investments

Cash and investments as of June 30, 2021 are classified in the accompanying financial statements as follows:

Primary Government:	
Cash and investments	\$ 296,673,606
Cash and investments - restricted	601,252
Fiduciary funds:	
Cash and investments	1,205,797
Cash and investments with agent - restricted	1,066,781
Total cash and investments	\$ 299,547,436

Fair value of cash and investments based on quoted market prices. The City categorizes its fair value measurements within the fair value hierarchy established by GASB Statement No. 72. This hierarchy recognizes three tiers, outlined as follows:

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and,
- Level 3: Investments reflect prices based upon unobservable sources.

The table below presents the fair value measurements of investments recognized in the accompany statements of net position at June 30, 2021:

	Fair Value	Measurement Input
Cash on hand	\$ 8,185	N/A
Deposit with financial institution	7,451,028	
Investments:		
Money Market Funds	66,437,811	N/A
Certificates of Deposit	9,735,000	N/A
Municipal Securities	5,900,000	N/A
U.S. Agency Securities	120,342,997	Level 2
Local Agency Investment Fund (LAIF)	74,304,273	N/A
Held by Bond Trustee:		
Money Market Funds	15,368,142	N/A
Total	\$ 299,547,436	

Investment securities classified in Level 2 of the fair value hierarchy are valued using prices determined by the use of matrix pricing techniques maintained by the pricing vendors for these securities. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

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 of Clovis by the California Government Code (or the City of Clovis investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City of Clovis 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 of Clovis, rather than the general provisions of the California Government Code or the City of Clovis' investment policy.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio or Amount*	Maximum Investment or One Issuer or Amount
U.S. Treasury Obligations	3 years	None	None
U.S. Agency Securities	3 years	None	None
Bankers Acceptances	180 days	30%	30%
Commercial Paper	270 days	15%	10%
Negotiable Certificates of Deposit	3 years	30%	Legal Limit
Repurchase Agreements	1 year	None	None
Medium-Term Notes	3 years	30%	None
Qualified Mutual Funds	N/A	\$2,000,000	\$2,000,000
Money Market Accounts	N/A	\$10,000,000	\$10,000,000
Local Agency Investment Fund (LAIF)	N/A	None	None

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

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

Disclosures Relating to Interest Rate Risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The City monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. The City investment policy states that no investment can have a maturity in excess of three years unless approved by the City Manager.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment or One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Bankers Acceptances	180 days	30%	30%
Commercial Paper	270 days	15%	10%
Qualified Mutual Funds	N/A	None	None
Money Market Accounts	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations. The City's investments do not include any investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above).

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

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

<u>Investment Type</u>	<u>Amount</u>	<u>Weighted Average Maturity (in years)</u>
Money Market Funds	\$ 66,437,811	N/A
Municipal Securities	5,900,000	1.15
Certificates of Deposit	9,735,000	1.45
U.S. Agency Securities	120,342,997	1.55
Local Agency Investment Fund (LAIF)	74,304,273	N/A
Held by Bond Trustee:		
Money Market Funds	<u>15,368,142</u>	N/A
Total	<u><u>\$ 292,088,223</u></u>	

Concentration of Credit Risk. The investment policy of the City contains no 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 (other than U.S. Treasury securities and external investment pools) that represent 5% or more of total City of Clovis' investments are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>	<u>Percent of Total Invested</u>
FFCB	Federal Agency Securities	\$ 36,960,000	33.0%
FHLMC	Federal Agency Securities	600,000	0.5%
FHLB	Federal Agency Securities	54,000,000	48.2%
FAMCMTN	Federal Agency Securities	20,500,000	18.3%

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

As of June 30, 2021, no City's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. In addition, as of June 30, 2021, no investments were held by the same broker dealer (counterparty) that was used by the City to purchase the securities.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

Disclosures Relating to Interest Rate Risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of year-end, the average life-month end maturity of the investments contained in the LAIF investment pool is approximately 191.

Investment in State Investment Pool. The City's investments with Local Agency Investment Fund (LAIF) at June 30, 2021 included a portion of the pooled funds invested in Structured Notes and Assets-Backed Securities. These investments included the following:

Structured Notes are debt securities (other than asset-backed 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, the bulk of which are mortgage-backed securities, 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.

As of June 30, 2021, the City had \$74,304,273 invested in LAIF, which had invested 1.10% of the pool investment funds in Structured Notes and Asset-Backed Securities and 1.21% of pool investment funds in Short-term Asset-Backed Commercial Paper.

The fair value of the City's position in the LAIF pool is the same as the value of the pool shares.

The Pooled Money Investment Board provides oversight to the State Treasurer's pooled investment program. The purpose of the board is to design and administer an effective cash management and investment program, using all monies flowing through the State Treasurer's Office bank accounts and keeping all available funds invested in a manner consistent with the goals of safety, liquidity, and yield. The Pooled Money Investment Board is comprised of the State Treasurer as chair, the State Controller, and the Director of Finance. The investment program is not registered with the Securities and Exchange Commission as an investment company.

The State Treasurer's Office reports its investments at fair value. The fair value of securities in the State Treasurer's pooled investment program generally is based on quoted market prices. The value of the deposits in the State Treasurer's pooled investment program, including the Local Agency Investment Fund, is equal to the dollars deposited in the program.

Certain funds have elected to participate in the pooled investment program even though they have the authority to make their own investments. Others may be required by legislation to participate in the program; as a result, the deposits of these funds or accounts may be considered involuntary. However, these funds or accounts are part of the State's reporting entity. The remaining participation in the pool, the Local Agency Investment Fund, is voluntary.

B. Property taxes

Secured property taxes become a lien on the property as of January 1 and are levied in two equal installments: the first due November 1 and delinquent on December 11, and the second due February 1 and delinquent April 11. Property taxes on unsecured property are due on the lien date of March 1 and become delinquent on September 1. The County of Fresno is responsible for the assessment, collection and apportionment for all jurisdictions within the County, including the City.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

C. Receivables

Receivables as of June 30, 2021 for the City's individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, are as follows:

	General	Local Transportation	Nonmajor & Other Funds	Total Governmental Funds	Internal Service Funds	Fiduciary Funds
Interest	\$ 53,506	\$ 80,618	\$ 23,235	\$ 157,359	\$ 80,268	\$ 745
Taxes	805,021			805,021		1,021
Loans		63,251	3,221,518	3,284,769	51,663	
Accounts	1,705,725	183,999		1,889,724	33,855	
Lease					300,281	
	<u>\$ 2,564,252</u>	<u>\$ 327,868</u>	<u>\$ 3,244,753</u>	<u>\$ 6,136,873</u>	<u>\$ 466,067</u>	<u>\$ 1,766</u>

	Community Sanitation	Sewer Disposal	Water	Planning & Development Services	Transit	Total Proprietary Funds
Interest	\$ 28,008	\$ 69,067	\$ 106,338	\$ 29,479	\$ 4,463	\$ 237,355
Loans		20,537	8,663			29,200
Accounts	4,263,973	3,217,914	3,742,835	248,390	8,226	11,481,338
Lease		694,948	588,602			1,283,550
	<u>\$ 4,291,981</u>	<u>\$ 4,002,466</u>	<u>\$ 4,446,438</u>	<u>\$ 277,869</u>	<u>\$ 12,689</u>	<u>\$ 13,031,443</u>

Lease receivables consists of agreements with cellular network companies and PG&E for the right to use land at various locations throughout the City. The terms of these arrangements range from 6 to 23 years and the interest rate on these is calculated at the City's fiscal year 2021 borrowing rate of 2.475%.

D. Interfund receivables, payables and transfers

Interfund balances for the purpose of the government-wide financial statements have been eliminated. The composition of interfund balances in the fund level statements as of June 30, 2021, is as follows:

Interfund transfers:

Transfers In	Transfers Out	Purpose	Amount
Enterprise Fund	Capital Project Fund	development capital cost	\$ 150,000
Internal Service Fund	General Fund	fleet replacement costs	6,040,000
General Services	Enterprise Fund	capital project	50,000
Internal Service Fund	General Fund	capital projects	11,000,000
Internal Service Fund	General Fund	Fire Station #2	955,300
Enterprise Fund	General Fund	operating cost	300,000
	Total transfers		<u>\$ 18,495,300</u>

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

E. Capital assets and intangible assets

Summary of change in capital assets for the year ended June 30, 2021 was as follows:

	Beginning Balance	Additions	Retirements/ Adjustments	Ending Balance
Government activities:				
Capital assets, not being depreciated:				
Land	\$ 256,061,675	\$ 8,003,611		\$ 264,065,286
Capital assets, being depreciated:				
Buildings and improvements	120,459,778	7,593,187		128,052,965
Right to use direct borrowings buildings	17,879,458			17,879,458
Machinery and equipment	47,360,092	3,557,157	(1,050,221)	49,867,028
Right to use direct borrowings equipment	6,118,716	2,340,000		8,458,716
Road network	386,927,480	17,281,173		404,208,653
Total capital assets being depreciated	578,745,524	30,771,517	(1,050,221)	608,466,820
Less accumulated depreciation for				
Buildings and improvements	(45,682,935)	(3,321,646)		(49,004,581)
Right-to-use leased buildings	(5,319,337)	(617,464)		(5,936,801)
Machinery and equipment	(33,298,942)	(2,511,453)	995,498	(34,814,897)
Right-to-use leased equipment	(3,980,197)	(543,550)		(4,523,747)
Road network	(138,587,275)	(10,922,768)		(149,510,043)
Total accumulated depreciation	(226,868,686)	(17,916,881)	995,498	(243,790,069)
Total capital assets, being depreciated, net	351,876,838	12,854,636	(54,723)	364,676,751
Governmental activities capital assets, net	\$ 607,938,513	\$ 20,858,247	\$ (54,723)	\$ 628,742,037
	Beginning Balance	Additions	Retirements	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 37,884,361	\$ 53,116		\$ 37,937,477
Capital assets, being depreciated:				
Buildings and improvements	308,212,272	4,589,403		312,801,675
Machinery and equipment	11,309,939	317,367		11,627,306
Total capital assets being depreciated	319,522,211	4,906,770		324,428,981
Less accumulated depreciation for				
Buildings and improvements	(93,291,765)	(6,690,272)		(99,982,037)
Machinery and equipment	(7,145,889)	(778,053)		(7,923,942)
Total accumulated depreciation	(100,437,654)	(7,468,325)		(107,905,979)
Total capital assets, being depreciated, net	219,084,557	(2,561,555)		216,523,002
Intangible assets, being amortized	49,988,711	688,678		50,677,389
Less accumulated amortization	(22,779,166)	(1,365,822)		(24,144,988)
Business-type activities intangible assets, net	27,209,545	(677,144)		26,532,401
Business-type activities capital assets, net	\$ 284,178,463	\$ (3,185,583)	\$ 0	\$ 280,992,880

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

Depreciation/amortization expense was charged to functions as follows:

Governmental activities depreciation expense:	
General government	\$ 64,923
Public safety	53,097
Transportation	11,006,646
Community Development	58,506
Cultural and recreation	951,717
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the asset	5,781,992
Total governmental activities depreciation expense	\$ 17,916,881
Business-type activities depreciation/amortization:	
Community Sanitation	\$ 385,893
Sewer Disposal	5,080,870
Water	2,949,233
Planning & Development Services	11,016
Transit	407,135
Total business-type activities depreciation/amortization expense	\$ 8,834,147

Donated assets to governmental activities consisted of \$15,013,225 of which the majority is donated to the City by developers for streets. Donated assets to business-type activities consisted of \$2,652,345, which represents sewer and water infrastructure donated by developers.

Fiduciary funds capital assets

	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 9,087,336			\$ 9,087,336
Capital assets, being depreciated:				
Buildings and improvements	2,687,521			2,687,521
Total capital assets being depreciated	2,687,521			2,687,521
Less accumulated depreciation for				
Buildings and improvements	(877,803)	\$ (76,333)		(954,136)
Total accumulated depreciation	(877,803)	(76,333)		(954,136)
Total capital assets, being depreciated, net	1,809,718	(76,333)		1,733,385
Fiduciary funds capital assets, net	\$ 10,897,054	\$ (76,333)	\$ 0	\$ 10,820,721

Depreciation expense for the year ended June 30, 2021 was \$76,333.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

F. Long-term liabilities

Summary of changes in long-term liabilities for the year ended June 30, 2021 was as follows:

				Classification		
	Balance 7/1/2020	Additions	Reductions	Balance 6/30/2021	Due in One Year	Due in more than One Year
Governmental Activities:						
Revenue bonds	\$ 0	\$ 13,355,000	\$ 0	\$ 13,355,000	\$ 150,000	\$ 13,205,000
Less deferred amounts:						
(Discounts)/premiums		592,287	(3,347)	588,940		588,940
Total bonds payable	0	13,947,287	(3,347)	13,943,940	150,000	13,793,940
Loans payable	2,768,484		(328,578)	2,439,906	269,483	2,170,423
Direct borrowings	17,406,088	2,340,000	(3,251,186)	16,494,902	2,660,775	13,834,127
Deposits & other liabilities	24,478,430	21,418,347	(15,390,506)	30,506,271	30,506,271	
Claims and judgments	9,772,000	2,172,341	(2,866,341)	9,078,000	2,548,000	6,530,000
Compensated absences	4,437,722	2,318,133	(1,942,630)	4,813,225	1,199,600	3,613,625
Net pension liability	113,957,766	10,694,487		124,652,253		124,652,253
Total governmental activities	<u>\$ 172,820,490</u>	<u>\$ 52,890,595</u>	<u>\$ (23,782,588)</u>	<u>\$ 201,928,497</u>	<u>\$ 37,334,129</u>	<u>\$ 164,594,368</u>

				Classification		
	Balance 7/1/2020	Additions	Reductions	Balance 6/30/2021	Due in One Year	Due in more than One Year
Business-Type Activities:						
Revenue bonds	\$ 98,010,000		\$ (4,260,000)	\$ 93,750,000	\$ 4,475,000	\$ 89,275,000
Less deferred amounts:						
(Discounts)/premiums	11,255,726		(750,164)	10,505,562		10,505,562
Total bonds payable	109,265,726		(5,010,164)	104,255,562	4,475,000	99,780,562
Contracts payable	4,505,029		(1,049,843)	3,455,186	1,099,612	2,355,574
Landfill closure	4,284,640	\$ 335,400		4,620,040		4,620,040
Compensated absences	1,348,141	1,036,432	(882,489)	1,502,084	374,300	1,127,784
Deposits & other liabilities	5,745,157	1,946,491	(840,528)	6,851,120	6,851,120	
Net pension liability	31,343,810	2,702,949		34,046,759		34,046,759
Total business-type activities	<u>\$ 156,492,503</u>	<u>\$ 6,021,272</u>	<u>\$ (7,783,024)</u>	<u>\$ 154,730,751</u>	<u>\$ 12,800,032</u>	<u>\$ 141,930,719</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end \$272,305 of internal service funds compensated absences are included in the above amounts. Included in deposits and other liabilities in business-type activities are utility customer deposits of \$2,859,378 and miscellaneous deposits and other liabilities of \$3,991,742. For the governmental activities, accrued compensated absences are generally liquidated by the general fund. In addition, in prior years the employee benefit fund has been used to liquidate pension liabilities.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

Governmental activities long-term debt

1. Revenue bonds

The City issues revenue bonds to provide funds for the acquisition and construction of major capital facilities. The current bond outstanding has a maturity of 30 years.

In April 2021, the City issued landmark square revenue bonds in the amount of \$13,355,000. The net proceeds of \$13,824,812 (after the original issue premium of \$592,287 and payment of \$247,287 in underwriting fees, insurance, and other issuance costs) from the bonds will be used to construct the senior center as part of the Landmark Square project. The bonds have interest rates varying from 2.50% to 4.00% and the final payment is scheduled for November 2051. The revenue bonds contain an acceleration clause that allows the bondholders to accelerate payment of the entire principal amount to become immediately due if default in payment occurs.

Revenue bonds at June 30, 2021, consisted of the following:

	Balance		Reductions	Balance		Classification	
	7/1/2020	Additions		6/30/2021	Due in One Year	Due in more than One Year	
2021 landmark square	\$ 0	\$ 13,355,000	\$ 0	\$ 13,355,000	\$ 150,000	\$ 13,205,000	
Total revenue bonds	\$ 0	\$ 13,355,000	\$ 0	\$ 13,355,000	\$ 150,000	\$ 13,205,000	

The annual debt service requirements for the revenue bonds outstanding at June 30, 2021, are as follows:

Year ending June 30,	Revenue Bonds		Total
	Principal	Interest	
2022	\$ 150,000	\$ 402,000	\$ 552,000
2023	280,000	376,300	656,300
2024	285,000	366,400	651,400
2025	300,000	354,700	654,700
2026	310,000	342,500	652,500
2027-2031	1,755,000	1,511,600	3,266,600
2032-2036	2,105,000	1,161,800	3,266,800
2037-2041	2,410,000	855,919	3,265,919
2042-2046	2,705,000	553,794	3,258,794
2047-2051	3,055,000	194,938	3,249,938
Total	\$ 13,355,000	\$ 6,119,951	\$ 19,474,951

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

2. Loans payable

The City issues loans to provide funds for improvements at various City buildings. The loans have maturities ranging from 8 to 16 years. Loans payable at June 30, 2021, are as follows:

	Original Borrowing	Interest Rates	Final Maturity	Outstanding at Year-end
Governmental Activities				
R&T park loan payable	\$ 720,000	3.06%	2021	\$ 0
2011 energy loan payable	466,715	3.00%	2022	394,600
2012 energy loan payable	34,157	0.00%	2024	11,386
2014 energy loan payable	32,414	1.00%	2022	24,431
2016 energy loan payable	89,729	0.00%	2025	70,502
2019 energy loan payable	1,741,854	1.00%	2035	1,633,658
2020 energy loan payable	157,550	0.00%	2030	141,109
2020 energy loan payable	195,011	0.00%	2026	164,220
 Total loans payable				\$ 2,439,906

The annual debt service requirements for the loans payable outstanding at June 30, 2021, are as follows:

Governmental Activities

Year ending June 30,	Loans Payable		
	Principal	Interest	Total
2022	\$ 269,483	\$ 27,576	\$ 297,059
2023	261,521	24,153	285,674
2024	264,966	20,707	285,673
2025	253,886	17,091	270,977
2026	244,652	13,506	258,158
2027-2031	655,125	40,777	695,902
2032-2036	490,273	11,111	501,384
 Total	\$ 2,439,906	\$ 154,921	\$ 2,594,827

The following is an analysis of the assets acquired with the proceeds as of June 30, 2021:

Buildings and improvements	\$ 2,446,360
Less accumulated depreciation	(833,633)
 Total	\$ 1,612,727

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

3. Notes from Direct Borrowings

The City issues notes from direct borrowings to provide funds for the acquisition of public safety vehicles and governmental buildings. The maturity dates range from 5 to 35 years. The City Clovis also recognizes a intangible right to use direct borrowing assets. The City of Clovis recognizes right to use direct borrowings with an initial, individual value of \$10,000 or more.

During the current fiscal year, the City issued a direct borrowing note in the amount of \$2,340,000. The note pays principal and interest semiannually in December 5 and June 5, at an interest rate of 1.71%. The proceeds from the note are being used for the purchase of 21 police vehicles and one fire truck.

Notes from direct borrowings at June 30, 2021, are as follows:

	Original Borrowing	Interest Rates	Final Maturity	Outstanding at Year-end
Governmental Activities				
2014 corp yard	\$ 14,377,528	3.10%	2027	\$ 6,952,131
2007 fire station #1	6,090,000	4.00%	2022	265,802
2011 solar project	2,454,100	4.95%	2031	1,521,210
2011 fire truck	625,411	3.36%	2021	0
2013 animal shelter	3,000,000	4.00%	2034	2,006,056
2014 safety vehicles	1,795,000	1.86%	2024	226,098
2014 CAD dispatch	531,000	2.97%	2021	0 *
2015 network & AV	400,000	1.72%	2021	0 *
2015 PD/fire comm tower	1,810,000	2.35%	2026	866,897
2015 solar project	2,000,000	3.48%	2035	1,579,464
2016 safety vehicles	1,460,000	1.00%-3.00%	2026	233,492
2018 safety vehicles	573,000	3.00%	2023	239,484 *
2019 safety vehicles	1,125,000	3.23%	2023	585,017 *
2021 safety vehicles	2,340,000	1.71%	2030	2,019,251
				\$ 16,494,902
Total direct borrowings				\$ 16,494,902

*Note: These direct borrowings contain a provision that in an event of default, outstanding amounts become immediately due if the City is unable to make payment.

The debt service requirements for the City notes from direct borrowings are as follows:

Year ending June 30,	Direct Borrowings		Total
	Principal	Interest	
2022	\$ 2,660,775	\$ 504,096	\$ 3,164,871
2023	2,463,283	427,221	2,890,504
2024	2,293,400	354,353	2,647,753
2025	2,155,176	288,254	2,443,430
2026	1,903,589	224,134	2,127,723
2027-2031	4,125,395	493,157	4,618,552
2032-2036	893,284	64,089	957,373
Total	\$ 16,494,902	\$ 2,355,304	\$ 18,850,206

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

The following is an analysis of the land, structures, and equipment of the direct borrowings as of June 30, 2021:

Land, structures and equipment	\$	2,057,359
Less accumulated depreciation		<u>(565,774)</u>
 Total	 \$	 <u><u>1,491,585</u></u>

Business-type activities long-term debt

1. Revenue bonds

The City issues revenue bonds to provide funds for the acquisition and construction of major capital facilities. The revenue bonds have maturities of 14-20 years.

Revenue bonds at June 30, 2021, consisted of the following:

	Original Borrowing	Interest Rates	Final Maturity	Outstanding at Year-end
Governmental Activities				
2013 wastewater revenue refunding bonds	\$ 12,500,000	2.00%-5.00%	2028	\$ 9,000,000
2015 wastewater revenue refunding bonds	21,600,000	2.00%-3.75%	2035	20,805,000
2017 wastewater revenue refunding bonds	50,710,000	2.00%-5.00%	2038	46,390,000
2014 water revenue refunding bonds	31,810,000	2.00%-4.25%	2028	<u>17,555,000</u>
 Total revenue bonds				 <u><u>\$ 93,750,000</u></u>

The annual debt service requirements for the revenue bonds outstanding at June 30, 2021, are as follows:

Business-Type Activities:

Year ending June 30,	Revenue Bonds			Total
	Principal	Interest		
2022	\$ 4,475,000	\$ 4,443,394	\$ 8,918,394	
2023	4,695,000	4,217,767	8,912,767	
2024	4,940,000	3,979,894	8,919,894	
2025	6,040,000	3,709,144	9,749,144	
2026	7,205,000	3,384,369	10,589,369	
2027-2031	28,190,000	11,794,202	39,984,202	
2032-2036	21,625,000	6,423,216	28,048,216	
2037-2041	16,580,000	1,271,000	17,851,000	
 Total	 <u><u>\$ 93,750,000</u></u>	 <u><u>\$ 39,222,986</u></u>	 <u><u>\$ 132,972,986</u></u>	

The following is an analysis of the improvements made with the proceeds of these bonds through June 30, 2021:

Land, structures and equipment	\$	140,291,752
Less accumulated depreciation		<u>(47,624,931)</u>
 Total	 \$	 <u><u>92,666,821</u></u>

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

2013 wastewater revenue refunding bonds

In July 2013, The City issued wastewater revenue refunding bonds in the amount of \$12,500,000. The net proceeds of \$12,698,281 (after the original issue premium of \$596,726 and payment of \$398,445 in underwriting fees, insurance, and other issuance costs) from the bonds were used to refund the \$13,745,000 aggregate principal amount outstanding on the City's 1998 wastewater bonds. The aggregate debt service payments of the new debt are \$2,519,935 less than the old debt. The bonds have interest rates varying from 2.00% to 5.00% and the final payment is scheduled for August 2028. The issuance of the new debt and refunding of the old debt resulted in an economic gain (the difference between the net present value of the old debt and new debt service payments) of approximately \$644,000. The wastewater revenue refunding bonds contain an acceleration clause that allows the bondholders to accelerate payment of the entire principal amount to become immediately due if default in payment occurs.

2015 wastewater revenue refunding bonds

In August 2015, The City refinanced the 2005 wastewater revenue bonds and issued 2015 wastewater revenue bonds in the amount of \$21,600,000. The net proceeds of \$22,881,723 (after the original issue premium of \$1,652,032 and payment of \$370,309 in underwriting fees, insurance, and other issuance costs) from the bonds were used to refund the \$24,885,000 aggregate principal amount outstanding on the City's 2005 wastewater bonds. The aggregate debt service payments of the new debt are \$10,852,200 less than the old debt. The bonds have interest rates varying from 2.0% to 3.75% and the final payment is scheduled for August 2035. The issuance of the new debt and refunding of the old debt resulted in an economic gain (the difference between the net present value of the old debt and new debt service payments) of approximately \$4,410,265. The wastewater revenue bonds contain an acceleration clause that allows the bondholders to accelerate payment of the entire principal amount to become immediately due if default in payment occurs.

2017 wastewater revenue refunding bonds

In August 2017, The City refinanced the 2007 wastewater revenue bonds and issued 2017 wastewater revenue bonds in the amount of \$50,710,000. The net proceeds of \$59,836,790 (after the original issue premium of \$9,687,427 and payment of \$560,637 in underwriting fees, insurance, and other issuance costs) from the bonds were used to refund the \$59,620,000 aggregate principal amount outstanding on the City's 2007 wastewater bonds. The aggregate debt service payments of the new debt are \$18,669,931 less than the old debt. The bonds have interest rates varying from 2.0% to 5.0% and the final payment is scheduled for August 2038. The issuance of the new debt and refunding of the old debt resulted in an economic gain (the difference between the net present value of the old debt and new debt service payments) of approximately \$8,750,978. The wastewater revenue bonds contain an acceleration clause that allows the bondholders to accelerate payment of the entire principal amount to become immediately due if default in payment occurs.

2014 water refunding revenue refunding bond

In July 2013, The City issued water revenue refunding bonds in the amount of \$31,810,000. The net proceeds of \$33,780,909 (after the original issue premium of \$2,427,739 and payment of \$456,830 in underwriting fees, insurance, and other issuance costs) from the bonds were used to refund the \$33,895,000 aggregate principal amount outstanding on the City's 2003 water revenue bonds. The aggregate debt service payments of the new debt are \$4,614,844 less than the old debt. The bonds have interest rates varying from 2.0% to 4.25% and the final payment is scheduled for March 2038. The issuance of the new debt and refunding of the old debt resulted in an economic gain (the difference between the present value of the old debt and new debt service payments) of approximately \$2,651,000. The wastewater revenue bonds contain an acceleration clause that allows the bondholders to accelerate payment of the entire principal amount to become immediately due if default in payment occurs.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

2. Contracts payable

The City enters into contracts to provide funds to provide sewer services. The City has currently entered into one contract and the contract has a maturity of 30 years.

Contracts payable at June 30, 2021, consisted of the following:

	Original Borrowing	Interest Rates	Final Maturity	Outstanding at Year-end
Business-type Activities				
1993 wastewater renovation	\$ 12,423,873	3.50%-6.25%	2024	\$ 3,455,186
Total revenue bonds				\$ 3,455,186

1993 wastewater renovation

The City has entered into a contract with the City of Fresno to purchase capacity rights in the form of participation in the cost of sewer system improvements. These improvements include the renovation and expansion of the Fresno Clovis Regional Wastewater Treatment Plant. The 1993 contract is for the City's share of the 1993 renovation of the Fresno Clovis Regional Wastewater Treatment Plant. The underlying City of Fresno 1993 Revenue Bonds on which the City of Clovis' contract payable amount is based have interest rates varying from 3.50%-6.25% and the final payments are scheduled for September 2023. The City's \$12,423,873 share of the renovation is capitalized as an intangible asset in the Sewer Disposal Fund, an enterprise fund, as disclosed in Note I. D. 5.

The 1993 waste water renovation contract debt service requirements to maturity are as follows:

Enterprise Activities:

	Contracts Payable		
	Principal	Interest	Total
Year ending June 30,			
2022	\$ 1,099,612	\$ 132,117	\$ 1,231,729
2023	1,151,729	80,087	1,231,816
2024	1,203,845	27,087	1,230,932
Total	\$ 3,455,186	\$ 239,291	\$ 3,694,477

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

Fiduciary funds long-term debt

1. Tax allocation bonds payable

2008 Tax allocation bonds

The former Clovis Community Development Agency issued tax allocation bonds in the amount of \$19,100,000 in April 2008. The interest rates on the 2008 tax allocation bonds vary from 3.00% to 4.75% and the final payment is scheduled for August 2037. Bonds outstanding at January 31, 2012 were \$17,445,000 and were transferred to the Successor Agency on February 1, 2012 due to the dissolution of the Agency. The balance outstanding at June 30, 2021 is \$12,065,000 and is held in the City's Redevelopment Successor Agency Private-purpose Trust Fund.

Tax allocation bonds at June 30, 2021, consisted of the following:

				Classification		
	Balance 7/1/2020	Additions	Reductions	Balance 6/30/2021	Due in One Year	Due in more than One Year
2008 tax allocation bonds	\$ 12,065,000		\$ (805,000)	\$ 11,260,000	\$ 845,000	\$ 10,415,000
Less (discounts) on bonds	(136,117)		7,968	(128,149)		(128,149)
Total tax allocation bonds	\$ 11,928,883	\$ 0	\$ (797,032)	\$ 11,131,851	\$ 845,000	\$ 10,286,851

The annual debt service requirements for the tax allocation bonds outstanding at June 30, 2021, are as follows:

Fiduciary Activities:

Year ending June 30,	Tax Allocation Bonds		
	Principal	Interest	Total
2022	\$ 845,000	\$ 498,951	\$ 1,343,951
2023	880,000	461,001	1,341,001
2024	915,000	421,511	1,336,511
2025	960,000	379,181	1,339,181
2026	995,000	333,972	1,328,972
2027-2031	4,730,000	937,000	5,667,000
2032-2036	1,320,000	308,750	1,628,750
2037-2038	615,000	29,569	644,569
Total	\$ 11,260,000	\$ 3,369,935	\$ 14,629,935

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Notes to Financial Statements
For the Year Ended June 30, 2021

G. Landfill closure

The City has recorded liabilities for landfill closure, post-closure maintenance and for landfill corrective action in the Community Sanitation Fund, an enterprise fund. The State of California performs an annual analysis to determine estimated total cost of the landfill closure, post-closure care costs, total capacity and remaining life. The City's landfill closure liability, based on landfill capacity used to date, is recorded based on the information provided by their analysis. The landfill corrective action liability is based on the estimated cost of known or reasonably foreseeable corrective action that may be required at the facility.

The City is currently estimating at June 30, 2021 that the capacity of the landfill used is approximately 36%, the estimated remaining life is approximately 36 years and the estimated remaining cost to be recognized is \$18,589,319. The estimated capacity remaining is 6,307,931 cubic yards and the estimated landfill closure liability is \$4,620,040. The current estimated cost of known and/or reasonably foreseeable corrective action is \$2,518,807 and the City currently has \$1,000,000 set aside for this purpose. These estimates are based on a closure and post-closure maintenance plan and corrective action plan. The estimates have been adjusted for inflation and other factors such as technology and laws and regulations.

H. Pension Plans

General Information about the Pension Plan

Plan Description

The City contributes to the California Public Employees' Retirement System (CalPERS), an agent multiple-employer public employee defined benefit pension plan. 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. A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2020 Annual Actuarial Valuation Report. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

Benefit Provided

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. A classic miscellaneous member becomes eligible for Service Retirement upon attainment of age 55 with at least 5 years of credited service. PEPRAs miscellaneous members become eligible for service retirement upon attainment of age 62 with at least 5 years of service. A classic safety member becomes eligible for Service Retirement upon attainment of age 50 with at least 5 years of credited service. PEPRAs safety members become eligible for service retirement upon attainment of age 57 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 or 12 consecutive months' full-time equivalent monthly pay. Retirement benefits for classic miscellaneous employees are calculated as 2.7% of the average final 12 months compensation. Retirement benefits for PEPRAs miscellaneous employees are calculated as 2% of the highest average annual compensation over a three-year period. Retirement benefits for classic safety employees are calculated as 3% of the average highest 12 months compensation. Retirement benefits for PEPRAs safety employees are calculated as 2.7% of the average highest 36 months compensation.

Participants are eligible for non-industrial disability retirement if they become disabled and have 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 percent of final compensation, multiplied by service. Industrial disability benefits are not offered to miscellaneous employees. The City provides industrial disability retirement benefits to safety employees. The industrial disability retirement benefit is a monthly allowance equal to 50 percent of highest compensation.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

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 7.375 percent 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.

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 by 2 percent applied to the original retirement allowance.

Employees Covered by Benefit Terms

At June 30, 2020, the measurement date, the following employees were covered by the benefit terms:

Employee information

	Plans	
	Miscellaneous	Safety
Active employees	472	156
Transferred and terminated employees	672	64
Retired Employees and Beneficiaries	325	189
Total	1,469	409

Contributions

For the measurement period ended June 30, 2020, contributions were as follows:

	Miscellaneous	Safety	Aggregate Total
Contributions - employer	\$ 4,995,682	\$ 6,966,114	\$ 11,961,796

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 actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions for the measurement period were as follows:

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2020, the total pension liability was determined by rolling forward the June 30, 2019 total pension liability. The June 30, 2020 total pension liability was based on the following actuarial methods and assumptions:

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.25% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Discount Rate

In Fiscal Year 2016-17, the financial reporting discount rate was lowered from 7.65 percent to 7.15 percent. In December 2016, the CalPERS Board approved lowering the funding discount rate from 7.50 percent to 7.00 percent, which is to be phased-in over a three-year period (7.50 percent to 7.375 percent, 7.375 percent to 7.25 percent, and 7.25 percent to 7.00 percent) beginning with the June 30, 2016, valuation reports. The funding discount rate includes a 15 basis-point reduction for administrative expenses, and the remaining decrease is consistent with the change in the financial reporting discount rate.

Long-term Expected Real Rates of Return by Asset Class

The table below reflects long-term expected real rates of return by asset class. The rates of return were calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class ¹	Assumed Asset Allocation	Real Return Years 1 - 10 ²	Real Return Years 11+ ³
Global Equity	50.00%	4.80%	5.98%
Global 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 Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%

¹ In the Basic Financial Statements, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

² An expected inflation of 2.00% used for this period.

³ An expected inflation of 2.92% used for this period.

Pension Expense

The Net Pension Expense for the year ended June 30, 2021 is itemized as follows:

	Net Pension Expense
Miscellaneous Plan	\$ 3,601,448
Safety Plan	6,236,326
	\$ 9,837,774

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period.

Miscellaneous Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2019 (Valuation Date)	\$ 217,859,813	\$ 155,197,259	\$ 62,662,554
Changes Recognized for the Measurement Period:			
Service Cost	5,253,785		5,253,785
Interest on the total pension liability	15,572,381		15,572,381
Differences between expected and actual experience	1,939,655		1,939,655
Contributions from the employer		4,995,682	(4,995,682)
Contributions from employees		4,832,063	(4,832,063)
Net investment income		7,851,765	(7,851,765)
Benefit payments, including refunds of employee contributions	(9,261,642)	(9,261,642)	0
Administrative expense		(218,790)	218,790
Net Changes during July 1, 2019 to June 30, 2020	\$ 13,504,179	\$ 8,199,078	\$ 5,305,101
Balance at June 30, 2020 (Measurement Date)	\$ 231,363,992	\$ 163,396,337	\$ 67,967,655

Safety Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2019 (Valuation Date)	\$ 230,531,566	\$ 147,892,544	\$ 82,639,022
Changes Recognized for the Measurement Period:			
Service Cost	5,692,902		5,692,902
Interest on the total pension liability	16,528,674		16,528,674
Differences between expected and actual experience	3,334,764		3,334,764
Contributions from the employer		6,966,114	(6,966,114)
Contributions from employees		3,314,861	(3,314,861)
Net investment income		7,391,522	(7,391,522)
Benefit payments, including refunds of employee contributions	(11,085,026)	(11,085,026)	0
Administrative expense		(208,492)	208,492
Net Changes during July 1, 2019 to June 30, 2020	\$ 14,471,314	\$ 6,378,979	\$ 8,092,335
Balance at June 30, 2020 (Measurement Date)	\$ 245,002,880	\$ 154,271,523	\$ 90,731,357

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

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

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1%	Current Discount	Discount Rate + 1%
	(6.15%)	Rate (7.15%)	(8.15%)
Miscellaneous Plan	\$ 99,373,740	\$ 67,967,655	\$ 41,975,090
Safety Plan	\$ 124,560,442	\$ 90,731,357	\$ 62,895,127
Aggragate Total	\$ 223,934,182	\$ 158,699,012	\$ 104,870,217

Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in the separately issued CalPERS financial report.

Deferred Outflows and Deferred Inflows of Resources Related to Pensions

Deferred Outflows of Resources

	Deferred employer pension contributions made after measurement date	Changes in assumptions	Investment earnings less than expected earnings	Differences between actual versus expected experience	Total pension-related deferred outflows
Miscellaneous Plan	\$ 5,805,693		\$ 1,296,027	\$ 3,373,678	\$ 10,475,398
Safety Plan	7,861,821	\$ 2,548,070	1,220,076	5,592,446	17,222,413
Total	\$ 13,667,514	\$ 2,548,070	\$ 2,516,103	\$ 8,966,124	\$ 27,697,811

Deferred Inflows of Resources

	Changes in assumptions	Total pension-related deferred inflows
Miscellaneous Plan	\$ 211,882	\$ 211,882
Safety Plan	257,921	257,921
Total	\$ 469,803	\$ 469,803

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

Amortization of deferred outflows/(inflows) of resources

Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Measurement Period Ended June 30	Deferred Outflows/(Inflows) of Resources	
	Miscellaneous Plan	Safety Plan
2021	\$ 1,084,048	\$ 3,639,117
2022	1,608,426	2,224,004
2023	1,117,312	2,056,393
2024	648,036	1,183,157
	\$ 4,457,822	\$ 9,102,671

Payable to Pension Plan

At June 30, 2021, the City reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2021.

I. Tax Abatements

The City has not entered into any tax abatement agreements as of June 30, 2021. However, the County of Fresno (County) has provided certain tax abatements that affect the property tax revenues of the City.

The County provides property tax abatements through the California Land Conservation (Williamson) Act of 1965. The program enrolls land in Williamson Act or Farmland Security Zone contracts within established agricultural preserves, whereby the land is restricted to agricultural or qualified recreational uses in exchange for reduced property tax assessments. The Williamson Act Program is administered according to the statute and the County’s Interim Program Guidelines adopted by the County’s Board of Supervisors. The County’s Assessor administers the property tax reduction that parcels enrolled in the program receive. Parcels enrolled in the Williamson Act Program are assessed for property tax purposes at a rate consistent with their actual use, rather than the market value of the property. The minimum contract term for the Williamson Act is ten years and for the Farmland Security Zone is twenty years. Both, the Williamson Act and the Farmland Security Zone contracts automatically renew until a notice of non-renewal or a certificate of cancellation is recorded. Under the non-renewal process, the annual tax assessment gradually increases over a defined period of time until the assessment reflects the market value of the property. Under the cancellation process, a onetime cancellation fee is assessed based upon a certain percentage of the unrestricted, current fair market value of the property.

For the fiscal year ended June 30, 2021, the County’s Williamson Act Program tax abatements were \$50,439,819. The City’s affected portion of property tax revenues (approximately 1.9%) is, therefore, \$958,357.

V. Other information

A. Self insurance

The City is self-insured for general liability, automobile liability, workers' compensation, group dental and group vision programs. The City is responsible for all claims up to \$2,000 per occurrence for automobile liability, \$5,000 per occurrence for property, \$250,000 per occurrence for workers' compensation, and \$100,000 per occurrence on general liability. The dental and vision programs have no individual per occurrence stop-loss and no aggregate annual stop-loss. Excess insurance for all amounts in excess of the self-insured retention in the workers' compensation program is purchased from Local Agency Workers' Compensation Excess JPA (LAWCX). Consistent with the LAWCX Memorandum of Coverage, LAWCX provides coverage for the City above its self-insured retention of \$250,000 up to \$5,000,000. LAWCX purchases excess insurance which covers the pool for losses from \$5,000,000 to statutory limits.

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

The City is a member of the Central San Joaquin Valley Risk Management Authority (RMA) for the purpose of pooling general liability coverage under a retrospectively rated Memorandum of Coverage. Deposit premiums to the RMA are based on actuarially determined claims costs, including incurred but not reported claims, and expenses. Premiums are accrued based on the ultimate cost determined by the experience to date of the pool's member cities. The risk pool covers the City above its self-insured retention of \$100,000 up to \$1,000,000. The Authority purchases excess insurance which covers the pool for losses from \$1,000,001 to \$29,000,000. Pool Members may receive rebates when declared by RMA or, in the event excess liability claims against RMA exceed available resources, may be required to make additional contributions through a retrospective adjustment process.

The City accounts for the self-insurance programs in the Self-Insurance Fund and Employee Benefits Fund, both internal service funds. Charges to user departments are reported as interfund transactions.

Incurred but not reported claims have been accrued as a liability for the workers' compensation and dental programs as required in the amount of \$4,424,700 based on previous claims experience and actuarial studies.

There were no reductions in insurance coverage from the prior year and there were no settlements that exceeded insurance coverage for the past three fiscal years. Following is a reconciliation of the changes in the City's aggregate liabilities for claims for the current and prior fiscal year:

	Workers' Compensation	Dental	Total
Balance, 06/30/19	\$ 9,614,000	\$ 48,000	\$ 9,662,000
Claims provision	3,170,723	213,609	3,384,332
Claims paid	(3,060,723)	(213,609)	(3,274,332)
Balance, 06/30/20	9,724,000	48,000	9,772,000
Claims provision	1,853,615	318,726	2,172,341
Claims paid	(2,547,615)	(318,726)	(2,866,341)
Balance, 06/30/21	\$ 9,030,000	\$ 48,000	\$ 9,078,000

B. Deferred compensation

The City has established a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan, available to all full time employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts deferred under the plan and all income attributable to those amounts are solely the property and rights of the plan participants.

Semi-monthly the City forwards all contributions to the plan administrator, the ICMA Retirement Corporation. Plan participants may choose from investment options which are managed by the plan trustee. The City has no liability for losses under the plan. As of January 1, 1998 ICMA Retirement Corporation amended the agreement with the City to comply with IRC Section 457 regulations. The assets and related liabilities are not reported on the City's financial statements in accordance with Governmental Accounting Standards Board Statement No. 32 - "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans."

CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2021

C. Postretirement benefits

1of service the opportunity to continue enrollment in the City's health insurance program until age 65. The retirees have the same choice of insurance plans as those of current employees. The retirees are pooled together separately from the active employee pool and pay the full cost of the insurance premiums without cost to the City.

D. Contingent liabilities

The City participates in a number of federally assisted grant programs, including those from the U.S. Department of Housing and Urban Development, U.S. Department of Justice, U.S. Department of Transportation, U.S. Department of Labor, U.S. Department of Health and Human Services and the U.S. Department of Homeland Security. Receipts from these grant programs are subject to audit to determine if the monies were expended in accordance with the appropriate statutes, grant terms and regulations. The City believes no significant liabilities will result.

Although the outcome of other lawsuits and claims is not determinable, it is the opinion of the City Attorney that the resolution of these matters will not have a material adverse effect on the financial condition of the City.

E. Subsequent events

As part of its budget process, the U.S. Department of Treasury allocated \$17,291,176 of American Rescue Plan Act (ARPA) Funds to the City. Allocations to the City started in May 2021 for \$8,645,588. Further, the Department of Treasury will allocate the second tranche of \$8,645,588 in ARPA funding to the City in May 2022.

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REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in Net Pension Liability and Related Ratios

California Public Employees' Retirement System (CalPERS) - Miscellaneous Plan
 Last Ten Fiscal Years⁴

Measurement period	2019-20	2018-19	2017-18	2016-17
Total pension liability				
Service Cost	\$ 5,253,785	\$ 5,057,577	\$ 4,786,244	\$ 4,581,081
Interest on the total pension liability	15,572,381	14,655,898	13,670,020	12,863,057
Changes of assumptions			(1,271,290)	10,936,836
Difference between expected and actual experience	1,939,655	3,417,850	2,414,711	812,258
Benefit pmts, including refunds of employee contributions	(9,261,642)	(8,604,933)	(7,837,606)	(6,970,312)
Net change in total pension liability	13,504,179	14,526,392	11,762,079	22,222,920
Total pension liability - beginning	217,859,813	203,333,421	191,571,342	169,348,422
Total pension liability - ending (a)	<u>\$ 231,363,992</u>	<u>\$ 217,859,813</u>	<u>\$ 203,333,421</u>	<u>\$ 191,571,342</u>
Plan fiduciary net position				
Contributions - employer	\$ 4,995,682	\$ 4,051,371	\$ 3,326,932	\$ 3,204,896
Contributions - employee	4,832,063	4,994,620	4,295,547	4,080,143
Net investment income	7,851,765	9,653,940	11,445,035	13,602,008
Benefit pmts, including refunds of employee contributions	(9,261,642)	(8,604,933)	(7,837,606)	(6,970,312)
Net Plan to plan resource movement			(337)	
Administrative expense	(218,790)	(103,622)	(209,719)	(178,420)
Other miscellaneous income/(expense) ¹		337	(398,260)	
Net change in fiduciary net position	8,199,078	9,991,713	10,621,592	13,738,315
Plan fiduciary net position - beginning ²	155,197,259	145,205,546	134,583,954	120,845,639
Plan fiduciary net position - ending (b)	<u>\$ 163,396,337</u>	<u>\$ 155,197,259</u>	<u>\$ 145,205,546</u>	<u>\$ 134,583,954</u>
Plan net pension liability - ending (a) - (b)	<u>\$ 67,967,655</u>	<u>\$ 62,662,554</u>	<u>\$ 58,127,875</u>	<u>\$ 56,987,388</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>70.62%</u>	<u>71.24%</u>	<u>71.41%</u>	<u>70.25%</u>
Covered payroll ³	<u>\$ 30,228,914</u>	<u>\$ 28,646,712</u>	<u>\$ 26,661,340</u>	<u>\$ 25,396,835</u>
Plan net pension liability as a % of covered payroll	<u>224.84%</u>	<u>218.74%</u>	<u>218.02%</u>	<u>224.39%</u>

¹ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

² Includes any beginning of year adjustment

³ Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-20; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

⁴ This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2019 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2019 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: None in 2019 or 2020. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was 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 7.5 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 7.5 percent discount rate.

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in Net Pension Liability and Related Ratios

California Public Employees' Retirement System (CalPERS) - Miscellaneous Plan
 Last Ten Fiscal Years⁴

Measurement period	2015-16	2014-15	2013-14
Total pension liability			
Service Cost	\$ 4,019,807	\$ 3,839,364	\$ 3,770,553
Interest on the total pension liability	12,118,925	11,339,870	10,627,308
Changes of assumptions		(2,825,475)	
Difference between expected and actual experience	898,210	265,438	
Benefit pmts, including refunds of employee contributions	(6,395,433)	(5,572,456)	(5,099,721)
Net change in total pension liability	10,641,509	7,046,741	9,298,140
Total pension liability - beginning	158,706,913	151,660,172	142,362,032
Total pension liability - ending (a)	<u>\$ 169,348,422</u>	<u>\$ 158,706,913</u>	<u>\$ 151,660,172</u>
Plan fiduciary net position			
Contributions - employer	\$ 2,918,817	\$ 3,275,626	\$ 3,096,889
Contributions - employee	4,002,625	3,097,353	2,553,852
Net investment income	705,624	2,655,292	17,261,431
Benefit pmts, including refunds of employee contributions	(6,395,433)	(5,572,456)	(5,099,721)
Net Plan to plan resource movement			
Administrative expense	(72,943)	(134,636)	
Other miscellaneous income/(expense) ¹			
Net change in fiduciary net position	1,158,690	3,321,179	17,812,451
Plan fiduciary net position - beginning ²	119,686,949	116,365,770	98,553,319
Plan fiduciary net position - ending (b)	<u>\$ 120,845,639</u>	<u>\$ 119,686,949</u>	<u>\$ 116,365,770</u>
Plan net pension liability - ending (a) - (b)	<u>\$ 48,502,783</u>	<u>\$ 39,019,964</u>	<u>\$ 35,294,402</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>71.36%</u>	<u>75.41%</u>	<u>76.73%</u>
Covered payroll ³	<u>\$ 24,405,359</u>	<u>\$ 22,815,330</u>	<u>\$ 21,224,617</u>
Plan net pension liability as a % of covered payroll	<u>198.74%</u>	<u>171.03%</u>	<u>166.29%</u>

¹ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

² Includes any beginning of year adjustment

³ Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-20; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

⁴ This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2019 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2019 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: None in 2019 or 2020. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was 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 7.5 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 7.5 percent discount rate.

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in Net Pension Liability and Related Ratios, Continued

California Public Employees' Retirement System (CalPERS) - Safety Plan
 Last Ten Fiscal Years⁴

Measurement period	2019-20	2018-19	2017-18	2016-17
Total pension liability				
Service Cost	\$ 5,692,902	\$ 5,508,075	\$ 5,400,076	\$ 5,070,624
Interest on the total pension liability	16,528,674	15,548,223	14,583,496	13,834,596
Changes of assumptions			(626,378)	11,813,770
Difference between expected and actual experience	3,334,764	3,526,827	1,258,478	1,747,504
Benefit pmts, including refunds of employee contributions	(11,085,026)	(10,456,706)	(9,686,731)	(8,769,084)
Net change in total pension liability	14,471,314	14,126,419	10,928,941	23,697,410
Total pension liability - beginning	230,531,566	216,405,147	205,476,206	181,778,796
Total pension liability - ending (a)	<u>\$ 245,002,880</u>	<u>\$ 230,531,566</u>	<u>\$ 216,405,147</u>	<u>\$ 205,476,206</u>
Plan fiduciary net position				
Contributions - employer	\$ 6,966,114	\$ 5,912,775	\$ 5,062,611	\$ 4,872,316
Contributions - employee	3,314,861	3,219,394	3,107,991	2,967,546
Net investment income	7,391,522	9,280,425	11,067,806	13,334,234
Benefit pmts, including refunds of employee contributions	(11,085,026)	(10,456,706)	(9,686,731)	(8,769,084)
Net Plan to plan resource movement			(325)	
Administrative expense	(208,492)	(99,933)	(204,254)	(175,470)
Other miscellaneous income/(expense) ¹		325	(387,882)	
Net change in fiduciary net position	6,378,979	7,856,280	8,959,216	12,229,542
Plan fiduciary net position - beginning ²	147,892,544	140,036,264	131,077,048	118,847,506
Plan fiduciary net position - ending (b)	<u>\$ 154,271,523</u>	<u>\$ 147,892,544</u>	<u>\$ 140,036,264</u>	<u>\$ 131,077,048</u>
Plan net pension liability - ending (a) - (b)	<u>\$ 90,731,357</u>	<u>\$ 82,639,022</u>	<u>\$ 76,368,883</u>	<u>\$ 74,399,158</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>62.97%</u>	<u>64.15%</u>	<u>64.71%</u>	<u>63.79%</u>
Covered payroll ³	<u>\$ 19,148,678</u>	<u>\$ 18,354,740</u>	<u>\$ 17,992,455</u>	<u>\$ 16,912,791</u>
Plan net pension liability as a % of covered payroll	<u>473.83%</u>	<u>450.23%</u>	<u>424.45%</u>	<u>439.90%</u>

¹ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

² Includes any beginning of year adjustment

³ Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-20; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

⁴ This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2019 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2019 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: None in 2019 or 2020. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was 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 7.5 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 7.5 percent discount rate.

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in Net Pension Liability and Related Ratios, Continued

California Public Employees' Retirement System (CalPERS) - Safety Plan
 Last Ten Fiscal Years⁴

Measurement period	2015-16	2014-15	2013-14
Total pension liability			
Service Cost	\$ 4,128,912	\$ 3,953,791	\$ 3,803,175
Interest on the total pension liability	13,060,555	12,319,585	11,633,302
Changes of assumptions		(3,070,074)	
Difference between expected and actual experience	1,309,944	936,342	
Benefit pmts, including refunds of employee contributions	(8,144,855)	(7,825,158)	(7,071,659)
Net change in total pension liability	10,354,556	6,314,486	8,364,818
Total pension liability - beginning	171,424,240	165,109,754	156,744,936
Total pension liability - ending (a)	<u>\$ 181,778,796</u>	<u>\$ 171,424,240</u>	<u>\$ 165,109,754</u>
Plan fiduciary net position			
Contributions - employer	\$ 4,263,677	\$ 4,110,362	\$ 3,752,858
Contributions - employee	2,806,615	2,157,404	1,915,171
Net investment income	611,274	2,616,436	17,731,050
Benefit pmts, including refunds of employee contributions	(8,144,855)	(7,825,158)	(7,071,659)
Net Plan to plan resource movement			
Administrative expense	(72,758)	(134,357)	
Other miscellaneous income/(expense) ¹			
Net change in fiduciary net position	(536,047)	924,687	16,327,420
Plan fiduciary net position - beginning ²	119,383,553	118,458,866	102,131,446
Plan fiduciary net position - ending (b)	<u>\$ 118,847,506</u>	<u>\$ 119,383,553</u>	<u>\$ 118,458,866</u>
Plan net pension liability - ending (a) - (b)	<u>\$ 62,931,290</u>	<u>\$ 52,040,687</u>	<u>\$ 46,650,888</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>65.38%</u>	<u>69.64%</u>	<u>71.75%</u>
Covered payroll ³	<u>\$ 15,361,676</u>	<u>\$ 14,732,611</u>	<u>\$ 13,667,214</u>
Plan net pension liability as a % of covered payroll	<u>409.66%</u>	<u>353.23%</u>	<u>341.33%</u>

¹ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

² Includes any beginning of year adjustment

³ Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-20; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

⁴ This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2019 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2019 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: None in 2019 or 2020. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was 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 7.5 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 7.5 percent discount rate.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Pension Contributions

California Public Employees' Retirement System (CalPERS) - Miscellaneous Plan

Last Ten Fiscal Years⁴

	2020-21 ¹	2019-20 ¹	2018-19 ¹	2017-18 ¹	2016-17 ¹
Actuarially determined contribution ²	\$ 5,805,693	\$ 4,995,682	\$ 4,051,371	\$ 3,326,932	\$ 3,204,896
Contributions to actuarially determined contribution ²	<u>(5,805,693)</u>	<u>(4,995,682)</u>	<u>(4,051,371)</u>	<u>(3,326,932)</u>	<u>(3,204,896)</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered payroll ³	\$ 31,135,781	\$ 30,228,914	\$ 28,646,712	\$ 26,661,340	\$ 25,396,835
Contributions as a percentage of covered payroll ³	18.65%	16.53%	14.14%	12.48%	12.62%
	2015-16 ¹	2014-15 ¹	2013-14 ¹		
Actuarially determined contribution ²	\$ 2,918,817	\$ 3,275,626	\$ 3,096,889		
Contributions to actuarially determined contribution ²	<u>(2,918,817)</u>	<u>(3,275,626)</u>	<u>(3,096,889)</u>		
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>		
Covered payroll ³	\$ 24,405,359	\$ 22,815,330	\$ 21,224,617		
Contributions as a percentage of covered payroll ³	11.96%	14.36%	14.59%		

¹ As prescribed in GASB 68, paragraph 46, the information presented in the Schedule of Plan Contributions should also be presented as of the employer's most recent fiscal year-end. The employer is responsible for determining this information as prescribed by the standard as this data is not available to CalPERS.

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 Includes one year's payroll growth using 2.75 percent payroll assumption for fiscal year ended June 30, 2018; 3.00 percent payroll assumption for fiscal years ended June 30, 2014-17.

⁴ This schedule is intended to show information for 10 years. Additional years will be displayed as they become available. Valuation Date:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2019-20 were derived from the June 30, 2017 funding valuation report.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method/Period	For details, see June 30, 2017 Funding Valuation Report
Asset valuation method	Market Value of Assets. For details, see June 30, 2017 Funding Valuation Report.
Inflation	2.63%
Salary increases	Varies by Entry Age and Service
Payroll Growth	2.88%
Investment rate of return	7.25%, net of pension plan investment & admin exps; includes inflation.
Retirement age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Pension Contributions, Continued

California Public Employees' Retirement System (CalPERS) – Safety Plan

	Last Ten Fiscal Years ⁴				
	2020-21 ¹	2019-20 ¹	2018-19 ¹	2017-18 ¹	2016-17 ¹
Actuarially determined contribution ²	\$ 7,861,821	\$ 6,966,114	\$ 5,912,775	\$ 5,062,611	\$ 4,872,316
Contributions to actuarially determined contribution ²	(7,861,821)	(6,966,114)	(5,912,775)	(5,062,611)	(4,872,316)
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered payroll ³	\$ 19,723,138	\$ 19,148,678	\$ 18,354,740	\$ 17,992,455	\$ 16,912,791
Contributions as a percentage of covered payroll ³	39.86%	36.38%	31.91%	28.14%	28.81%
	2015-16 ¹	2014-15 ¹	2013-14 ¹		
Actuarially determined contribution ²	\$ 4,263,677	\$ 4,110,362	\$ 3,752,858		
Contributions to actuarially determined contribution ²	(4,263,677)	(4,110,362)	(3,752,858)		
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0		
Covered payroll ³	\$ 15,361,676	\$ 14,732,611	\$ 13,667,214		
Contributions as a percentage of covered payroll ³	27.76%	27.90%	27.46%		

¹ As prescribed in GASB 68, paragraph 46, the information presented in the Schedule of Plan Contributions should also be presented as of the employer's most recent fiscal year-end. The employer is responsible for determining this information as prescribed by the standard as this data is not available to CalPERS.

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 Includes one year's payroll growth using 2.75 percent payroll assumption for fiscal year ended June 30, 2018; 3.00 percent payroll assumption for fiscal years ended June 30, 2014-17.

⁴ This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Valuation Date:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2019-20 were derived from the June 30, 2017 funding valuation report.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method/Period	For details, see June 30, 2017 Funding Valuation Report
Asset valuation method	Market Value of Assets. For details, see June 30, 2017 Funding Valuation Report.
Inflation	2.625%
Salary increases	Varies by Entry Age and Service
Payroll Growth	2.785%
Investment rate of return	7.25%, net of pension plan investment & admin exps; includes inflation.
Retirement age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

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Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted for particular purposes.

Off Highway Use Fund - This fund is used to account for the revenue received from the off-highway users fee since the fee can only be used for off-road facilities.

Housing & Community Development Fund - This fund is used to account for the revenue and expenses for the Community Development Block Grant operational activities.

Community Facilities District 2020-1 Fund (Dry Creek Preserve Sewer Facilities and Services) - This fund is used to collect funds to finance all costs associated with the maintenance and operation of certain temporary public sewer facilities and the eventual replacement of those temporary facilities with permanent public sewer facilities.

Debt Service Funds

The debt service fund is used to account for the accumulation of resources and payment of bond principal and interest when the government is obligated in some manner for the payment.

1976 Fire and Sewer Bond Fund - This fund is used to account for the proceeds of the 1976 Fire and Sewer Bond sale and the annual debt service.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Park and Recreation Improvement Fund - This fund is used to account for capital improvements for parks, including acquisition of property. Revenues come from developer fees and grants.

Refuse Equipment Reserve Fund - This fund is used to account for the revenue generated by developer fees for the acquisition of equipment for refuse collection and disposal.

City of Clovis
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

AGENDA ITEM NO. 14.

	Special Revenue			Total
	Off Highway Use	Housing & Comm Development	Community Facilities District 2020-1	
ASSETS				
Cash and investments	\$ 71,110	\$ 1,366,777	\$ 52,272	\$ 1,490,159
Receivables	123	3,224,131	120	3,224,374
Due from other governments				0
Assets held for resale		253,956		253,956
Total assets	\$ 71,233	\$ 4,844,864	\$ 52,392	\$ 4,968,489
LIABILITIES				
Accounts payable		\$ 414,893		\$ 414,893
Deposits and other liabilities			\$ 25,059	25,059
Total Liabilities	\$ 0	414,893	25,059	439,952
FUND BALANCES				
Restricted for:				
Capital projects	71,233			71,233
Community development		4,429,971	27,333	4,457,304
Debt service				0
Assigned for:				
Capital				
Total fund balances	71,233	4,429,971	27,333	4,528,537
Total liabilities and fund balances	\$ 71,233	\$ 4,844,864	\$ 52,392	\$ 4,968,489

**City of Clovis
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021**

Debt Service		Capital Projects		Total Nonmajor Governmental Funds
1976 Fire and Sewer	Park and Recreation	Refuse Equipment	Total	
\$ 435,508	\$ 9,887,741	\$ 1,705,536	\$11,593,277	\$ 13,518,944
836	16,621	2,922	19,543	3,244,753
	161,758		161,758	161,758
			0	253,956
<u>\$ 436,344</u>	<u>\$ 10,066,120</u>	<u>\$ 1,708,458</u>	<u>\$11,774,578</u>	<u>\$ 17,179,411</u>
	\$ 136,087		\$ 136,087	\$ 550,980
	9,200		9,200	34,259
<u>\$ 0</u>	<u>145,287</u>	<u>\$ 0</u>	<u>145,287</u>	<u>585,239</u>
			0	71,233
436,344	8,049,333	1,708,458	9,757,791	14,215,095
			0	436,344
	1,871,500		1,871,500	1,871,500
<u>436,344</u>	<u>9,920,833</u>	<u>1,708,458</u>	<u>11,629,291</u>	<u>16,594,172</u>
<u>\$ 436,344</u>	<u>\$ 10,066,120</u>	<u>\$ 1,708,458</u>	<u>\$11,774,578</u>	<u>\$ 17,179,411</u>

City of Clovis
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Special Revenue			Total
	Off Highway Use	Housing & Comm Development	Community Facilities District 2020-1	
REVENUES				
Use of money and property				\$ 0
From other agencies		\$ 1,599,905	\$ 33,033	1,632,938
Charges for current services			4,750	4,750
Other revenues		20		20
Total revenue	<u>0</u>	<u>1,599,925</u>	<u>37,783</u>	<u>1,637,708</u>
EXPENDITURES				
Current:				
Community development	35	2,628,447		2,628,482
Capital outlays			10,450	10,450
Total expenditures	<u>35</u>	<u>2,628,447</u>	<u>10,450</u>	<u>2,638,932</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(35)</u>	<u>(1,028,522)</u>	<u>27,333</u>	<u>(1,001,224)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out				0
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balances	(35)	(1,028,522)	27,333	(1,001,224)
Fund balances-beginning	71,268	5,458,493		5,529,761
Fund balances-ending	<u>\$ 71,233</u>	<u>\$ 4,429,971</u>	<u>\$ 27,333</u>	<u>\$ 4,528,537</u>

City of Clovis
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Debt Service	Capital Projects		Total Nonmajor Governmental Funds	
1976 Fire and Sewer	Park and Recreation	Refuse Equipment	Total	
	\$ 19,724	\$ 2,341	\$ 22,065	\$ 22,065
	546,352		546,352	2,179,290
	1,615,287	360,948	1,976,235	1,980,985
			0	20
0	2,181,363	363,289	2,544,652	4,182,360
535				2,629,017
	518,870		518,870	529,320
535	518,870	0	518,870	3,158,337
(535)	1,662,493	363,289	2,025,782	1,024,023
		(150,000)	(150,000)	(150,000)
0	0	(150,000)	(150,000)	(150,000)
(535)	1,662,493	213,289	1,875,782	874,023
436,879	8,258,340	1,495,169	9,753,509	15,720,149
\$ 436,344	\$ 9,920,833	\$ 1,708,458	\$ 11,629,291	\$ 16,594,172

City of Clovis
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Local Transportation Capital Projects Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUE				
Use of money and property	\$ 0	\$ 0	\$ 95,242	\$ 95,242
From other agencies	23,933,600	23,933,600	12,643,064	(11,290,536)
Charges for services	5,341,000	5,341,000	154,621	(5,186,379)
Other revenues	0	0	2,957	2,957
Total revenues	29,274,600	29,274,600	12,895,884	(16,378,716)
EXPENDITURES				
Capital Outlay	40,017,827	51,045,827	10,182,759	40,863,068
Total expenditures	40,017,827	51,045,827	10,182,759	40,863,068
Excess (deficiency) of revenues over expenditures	(10,743,227)	(21,771,227)	2,713,125	24,484,352
Fund balance-beginning	18,137,792	18,137,792	18,137,792	
Fund balance-ending	\$ 7,394,565	\$ (3,633,435)	\$ 20,850,917	\$ 24,484,352

City of Clovis

**Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Off Highway Use Special Revenue Fund
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUE				
Use of money and property	\$ 0	\$ 0	\$ 0	\$ 0
Total revenues	0	0	0	0
EXPENDITURES				
Community development	0	0	35	(35)
Total expenditures	0	0	35	(35)
Excess (deficiency) of revenues over expenditures	0	0	(35)	35
Fund balance-beginning	71,268	71,268	71,268	
Fund balance-ending	\$ 71,268	\$ 71,268	\$ 71,233	\$ 35

City of Clovis
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Housing and Community Development Special Revenue Fund
For the Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
From other agencies	\$ 1,395,000	\$ 2,097,534	\$ 1,599,905	\$ (497,629)
Other revenues	0	0	20	20
Total revenues	<u>1,395,000</u>	<u>2,097,534</u>	<u>1,599,925</u>	<u>(497,609)</u>
EXPENDITURES				
Community development	2,775,695	3,938,229	2,628,447	1,309,782
Total expenditures	<u>2,775,695</u>	<u>3,938,229</u>	<u>2,628,447</u>	<u>1,309,782</u>
Excess (deficiency) of revenues over expenditures	(1,380,695)	(1,840,695)	(1,028,522)	812,173
Fund balance-beginning	5,458,493	5,458,493	5,458,493	
Fund balance-ending	<u><u>\$ 4,077,798</u></u>	<u><u>\$ 3,617,798</u></u>	<u><u>\$ 4,429,971</u></u>	<u><u>\$ 812,173</u></u>

City of Clovis
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Community Housing District 2020-1 Special Revenue Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUE				
From other agencies	\$ 0	\$ 0	\$ 33,033	\$ 33,033
Charges for current services	0	0	4,750	4,750
Total revenues	0	0	37,783	37,783
EXPENDITURES				
Community development	0	0	10,450	(10,450)
Total expenditures	0	0	10,450	(10,450)
Excess (deficiency) of revenues over expenditures	0	0	27,333	27,333
Fund balance-beginning	0	0	0	
Fund balance-ending	\$ 0	\$ 0	\$ 27,333	\$ 27,333

City of Clovis

Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
 1976 Fire and Sewer Debt Service Fund
 For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUE				
Use of money and property	\$ 0	\$ 0	\$ 0	\$ 0
Total revenues	0	0	0	0
EXPENDITURES				
Total expenditures	0	0	535	(535)
Excess (deficiency) of revenues over expenditures	0	0	(535)	535
Fund balance-beginning	436,879	436,879	436,879	
Fund balance-ending	\$ 436,879	\$ 436,879	\$ 436,344	\$ 535

City of Clovis
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Park and Recreation Capital Project Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUE				
Use of money and property	\$ 0	\$ 0	\$ 19,724	\$ 19,724
From other agencies	306,700	306,700	546,352	239,652
Charges for current services	1,885,000	1,885,000	1,615,287	(269,713)
Total revenues	2,191,700	2,191,700	2,181,363	(10,337)
EXPENDITURES				
Capital outlays	1,922,729	3,251,729	518,870	2,732,859
Total expenditures	1,922,729	3,251,729	518,870	2,732,859
Excess (deficiency) of revenues over expenditures	268,971	(1,060,029)	1,662,493	2,722,522
Fund balance-beginning	8,258,340	8,258,340	8,258,340	
Fund balance-ending	\$ 8,527,311	\$ 7,198,311	\$ 9,920,833	\$ 2,722,522

City of Clovis
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Refuse Equipment Capital Project Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUE				
Use of money and property	\$ 0	\$ 0	\$ 2,341	\$ 2,341
Charges for current services	0	0	360,948	360,948
Total revenues	0	0	363,289	363,289
EXPENDITURES				
Total expenditures	0	0	0	0
Excess (deficiency) of revenues over expenditures	0	0	363,289	363,289
OTHER FINANCING SOURCES (USES)				
Transfers Out	0	0	(150,000)	(150,000)
Total other financing sources (uses)	0	0	(150,000)	(150,000)
Net change in fund balance	0	0	213,289	213,289
Fund balance-beginning	1,495,169	1,495,169	1,495,169	
Fund balance-ending	\$ 1,495,169	\$ 1,495,169	\$ 1,708,458	\$ 213,289

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department of the agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Self Insurance Fund - This fund is used to account for the cost of general liability and property damage insurance. It is funded by a charge to all operating departments.

Fleet Fund - This fund is used to account for rental charges to all operating departments for maintenance and replacement cost for equipment and vehicles.

Employee Benefit Fund - This fund is used to account for the cost of employee benefits including retirement, workers' compensation, health insurance, unemployment insurance and medicare insurance. It is funded by a charge to all operating departments.

General Services - This fund is used to account for the centralized support provided to other departments and for government facility enhancements and acquisitions.

City of Clovis
Combining Statement of Net Position
Internal Service Funds
June 30, 2021

AGENDA ITEM NO. 14.

	Self Insurance	Fleet	Employee Benefits	General Services	Total
ASSETS					
Current assets:					
Cash and investments	\$ 2,013,228	\$ 19,375,607	\$ 13,222,746	\$ 41,690,226	\$ 76,301,807
Receivables	3,216	23,310	103,783	335,758	466,067
Due from other governments				8,058	8,058
Inventories		856,000			856,000
Total current assets	2,016,444	20,254,917	13,326,529	42,034,042	77,631,932
Noncurrent assets:					
Restricted cash and investments:					
Cash with fiscal agent-bond accounts				577,238	577,238
Total restricted assets	0	0	0	577,238	577,238
Capital assets:					
Land				8,872,400	8,872,400
Buildings and improvements		940,271		101,306,994	102,247,265
Machinery and equipment		46,437,171		8,963,191	55,400,362
Less accumulated depreciation		(28,958,484)		(48,010,721)	(76,969,205)
Total capital assets (net of accumulated depreciation)	0	18,418,958	0	71,131,864	89,550,822
Total noncurrent assets	0	18,418,958	0	71,709,102	90,128,060
Total assets	2,016,444	38,673,875	13,326,529	113,743,144	167,759,992
DEFERRED OUTFLOW OF RESOURCES					
Pension related deferred outflows	52,444	467,980	112,729	728,313	1,361,466
Total deferred outflows of resources	52,444	467,980	112,729	728,313	1,361,466
LIABILITIES					
Current liabilities:					
Accounts payable	26,980	483,278	212,015	3,235,694	3,957,967
Claims and judgements payable			2,548,000		2,548,000
Accrued compensated absences		23,600	4,600	39,700	67,900
Deposits and other liabilities				551,838	551,838
Unearned revenue				4,067,937	4,067,937
Direct borrowings-current		791,329		1,869,445	2,660,774
Loans payable-current				269,482	269,482
Revenue bonds-current				150,000	150,000
Total current liabilities	26,980	1,298,207	2,764,615	10,184,096	14,273,898
Noncurrent liabilities:					
Claims and judgements payable			6,530,000		6,530,000
Accrued compensated absences		71,081	13,811	119,513	204,405
Direct borrowings		2,512,013		11,322,115	13,834,128
Loans payable				2,170,423	2,170,423
Revenue bonds (net of discount/premium)				13,793,941	13,793,941
Net pension liability	346,105	3,013,089	696,453	4,929,477	8,985,124
Total noncurrent liabilities	346,105	5,596,183	7,240,264	32,335,469	45,518,021
Total liabilities	373,085	6,894,390	10,004,879	42,519,565	59,791,919
DEFERRED INFLOW OF RESOURCES					
Lease deferred inflows				292,285	292,285
Pension deferred inflows	1,081	9,386	2,161	15,426	28,054
Total deferred inflow of resources	1,081	9,386	2,161	307,711	320,339
NET POSITION					
Net investment in capital assets		15,115,616		41,556,458	56,672,074
Restricted for debt service				577,238	577,238
Unrestricted (deficit)	1,694,722	17,122,463	3,432,218	29,510,485	51,759,888
Total net position	\$ 1,694,722	\$ 32,238,079	\$ 3,432,218	\$ 71,644,181	\$ 109,009,200

City of Clovis

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2021**

	Self Insurance	Fleet	Employee Benefits	General Services	Total
Operating revenues:					
Charges for services	\$2,706,200	\$10,013,362	\$ 29,028,440	\$12,349,900	\$ 54,097,902
From other agencies	1,096		1,096	1,489,243	1,491,435
Other revenues	120,062			1,547,039	1,667,101
Total operating revenues	<u>2,827,358</u>	<u>10,013,362</u>	<u>29,029,536</u>	<u>15,386,182</u>	<u>57,256,438</u>
Operating expenses:					
Salaries and benefits	207,065	2,094,489	14,071,729	3,057,254	19,430,537
Services, materials and supplies	2,739,100	2,752,457	12,524,514	5,991,305	24,007,376
Administration	47,700	1,002,000	77,500	355,073	1,482,273
Depreciation		2,686,381		3,095,611	5,781,992
Total operating expenses	<u>2,993,865</u>	<u>8,535,327</u>	<u>26,673,743</u>	<u>12,499,243</u>	<u>50,702,178</u>
Operating income (loss)	<u>(166,507)</u>	<u>1,478,035</u>	<u>2,355,793</u>	<u>2,886,939</u>	<u>6,554,260</u>
Nonoperating revenues (expenses):					
Interest income	(1,612)	9,345	5,600	173,892	187,225
Interest expense		(90,518)		(635,059)	(725,577)
Gain (loss) on sale of capital assets		(34,723)			(34,723)
Total nonoperating revenue (expense)	<u>(1,612)</u>	<u>(115,896)</u>	<u>5,600</u>	<u>(461,167)</u>	<u>(573,075)</u>
Income before contributions and transfers	(168,119)	1,362,139	2,361,393	2,425,772	5,981,185
Capital contributions		29,905			29,905
Transfers in		7,285,000		11,955,300	19,240,300
Transfer out				(1,295,000)	(1,295,000)
Changes in net position	<u>(168,119)</u>	<u>8,677,044</u>	<u>2,361,393</u>	<u>13,086,072</u>	<u>23,956,390</u>
Total net position-beginning	<u>1,862,841</u>	<u>23,561,035</u>	<u>1,070,825</u>	<u>58,558,109</u>	<u>85,052,810</u>
Total net position-ending	<u>\$1,694,722</u>	<u>\$32,238,079</u>	<u>\$ 3,432,218</u>	<u>\$71,644,181</u>	<u>\$109,009,200</u>

City of Clovis
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2021

	Self Insurance	Fleet	Employee Benefits	General Services	Total
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts for interfund services	\$ 2,728,789	\$ 10,022,320	\$ 29,008,257	\$ 14,235,044	\$ 55,994,410
Payments to suppliers	(2,761,311)	(2,470,896)	(13,315,695)	(3,658,799)	(22,206,701)
Payments to employees	(188,247)	(1,925,706)	(14,033,713)	(2,778,538)	(18,926,204)
Other operating revenues	121,159		54,933	3,328,090	3,504,182
Net cash provided/(used) by operating activities	<u>(99,610)</u>	<u>5,625,718</u>	<u>1,713,782</u>	<u>11,125,797</u>	<u>18,365,687</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers-in from other funds		7,285,000		11,955,300	19,240,300
Transfers-out to other funds				(1,295,000)	(1,295,000)
Net cash provided by noncapital financing activities	<u>0</u>	<u>7,285,000</u>	<u>0</u>	<u>10,660,300</u>	<u>17,945,300</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets		(5,838,202)		(7,211,622)	(13,049,824)
Principal paid on bonds, loans, and direct borrowings		(1,057,359)		(2,525,752)	(3,583,111)
Interest paid on bonds, loans, and direct borrowings		(90,518)		(635,059)	(725,577)
Proceeds from bonds, loans, and direct borrowings		2,340,000		13,947,287	16,287,287
Proceeds from sale of property and equipment		20,000			20,000
Net cash provided/(used) by capital and related financing activities	<u>0</u>	<u>(4,626,079)</u>	<u>0</u>	<u>3,574,854</u>	<u>(1,051,225)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends on investments	(1,612)	9,345	5,600	173,892	187,225
Net cash provided/(used) by investing activities	<u>(1,612)</u>	<u>9,345</u>	<u>5,600</u>	<u>173,892</u>	<u>187,225</u>
Net change in cash and cash equivalents	(101,222)	8,293,984	1,719,382	25,534,843	35,446,987
Cash and cash equivalents-beginning of year	2,114,450	11,081,623	11,503,364	16,732,621	41,432,058
Cash and cash equivalents-end of year	<u>\$ 2,013,228</u>	<u>\$ 19,375,607</u>	<u>\$ 13,222,746</u>	<u>\$ 42,267,464</u>	<u>\$ 76,879,045</u>

Reconciliation of operating income/(loss) to net cash provided/(used) by operating activities:

Operating income/(loss)	\$ (166,507)	\$ 1,478,035	\$ 2,355,793	\$ 2,886,939	\$ 6,554,260
Adjustments to reconcile operating income to net cash provided/(used) by operating activities:					
Depreciation/amortization expense		2,686,381		3,095,611	5,781,992
(Increase)/decrease in accounts receivable	22,589	8,958	(20,183)	(281,211)	(269,847)
(Increase)/decrease in due from other governments			53,838	(479)	53,359
(Increase)/decrease in inventories		(74,000)			(74,000)
(Increase)/decrease in deferred outflows - pension	(5,907)	(63,748)	(19,655)	(64,022)	(153,332)
(Increase)/decrease in prepaid items		1,301,896		132,500	1,434,396
Increase/(decrease) in accounts payable	25,490	55,665	(19,682)	2,555,081	2,616,554
Increase/(decrease) in accrued compensated absences		11,037	3,978	803	15,818
Increase/(decrease) in unearned revenue				2,166,355	2,166,355
Increase/(decrease) in claims and judgments payable			(694,000)		(694,000)
Increase/(decrease) in net pension liability	26,526	237,138	57,295	367,643	688,602
Increase/(decrease) in deferred inflows - lease				292,285	292,285
Increase/(decrease) in deferred inflows - pension	(1,801)	(15,644)	(3,602)	(25,708)	(46,755)
Total adjustments	<u>66,897</u>	<u>4,147,683</u>	<u>(642,011)</u>	<u>8,238,858</u>	<u>11,811,427</u>
Net cash provided/(used) by operating activities	<u>\$ (99,610)</u>	<u>\$ 5,625,718</u>	<u>\$ 1,713,782</u>	<u>\$ 11,125,797</u>	<u>\$ 18,365,687</u>

Noncash investing, capital, and financing activities:

During the year the Fleet Maintenance Fund, an internal service fund, received \$29,905 in donated assets.

Fiduciary Funds

Custodial Funds are used to account for assets held by the government for individuals, private organizations, other governments and/or other funds.

Blackhorse Assessment Fund - This fund is used to account for revenue and expenditures related to the maintenance within the Blackhorse III (95-1) Assessment District such as streets, curb & gutter, street lighting, sidewalks and gates.

Temperance/Barstow Assessment Fund - This fund is used to account for the receipts and disbursements of the Temperance Barstow Assessment District.

Shepherd/Temperance Assessment Fund - This fund is used to account for the receipts and disbursements of the Shepherd Temperance Assessment District.

City of Clovis
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2021

	Custodial Funds			Total
	Blackhorse Assessment	Temperance Barstow Assessment	Shepherd Temperance Assessment	
ASSETS				
Cash and investments	\$ 133,413	\$ 76,486	\$ 5,779	\$ 215,678
Receivables	1,240	131	15	1,386
Total assets	134,653	76,617	5,794	217,064
LIABILITIES				
Accounts payable	27,789			27,789
Deposits and other liabilities			474	474
Total liabilities	27,789	0	474	28,263
NET POSITION				
Restricted for:				
Individuals, organizations, and other governments	106,864	76,617	5,320	188,801
Total net position	\$ 106,864	\$ 76,617	\$ 5,320	\$ 188,801

City of Clovis
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2021

	Custodial Funds			Total
	Blackhorse Assessment	Temperance Barstow Assessment	Shepherd Temperance Assessment	
ADDITIONS				
Special assessments tax	\$ 62,291			\$ 62,291
Total additions	62,291	0	0	62,291
DEDUCTIONS				
Community development	90,141	114		90,255
Total deductions	90,141	114	0	90,255
Change in net position	(27,850)	(114)		(27,964)
Net position-Beginning	134,714	76,731	5,320	216,765
Net position-Ending	\$ 106,864	\$ 76,617	\$ 5,320	\$ 188,801

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Statistical Section

This part of the City of Clovis' Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

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Statistical Section

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<p>Financial Trends</p> <p style="padding-left: 40px;">These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</p>	109
<p>Revenue Capacity</p> <p style="padding-left: 40px;">These schedules contain information to help the reader assess the governments' most significant local revenue source, the property tax.</p>	117
<p>Debt Capacity</p> <p style="padding-left: 40px;">These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</p>	121
<p>Demographic and Economic Information</p> <p style="padding-left: 40px;">These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</p>	127
<p>Operating Information</p> <p style="padding-left: 40px;">These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</p>	130

CITY OF CLOVIS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

(accrual basis of accounting)
(in thousands)

Fiscal Year Ended June 30,

	2012	2013	2014	2015*	2016	2017	2018	2019	2020	2021
Governmental activities:										
Net investment in capital assets	\$ 469,871	\$ 481,729	\$ 490,722	\$ 509,567	\$ 523,881	\$ 524,625	\$ 533,810	\$ 562,740	\$ 587,764	\$ 595,863
Restricted	21,302	19,810	24,266	23,997	25,843	20,681	27,826	33,325	38,522	42,460
Unrestricted	13,688	16,070	21,548	(67,159)	(67,081)	(54,927)	(63,435)	(66,182)	(51,797)	(32,398)
Total net position	\$ 504,861	\$ 517,609	\$ 536,536	\$ 466,405	\$ 482,643	\$ 490,379	\$ 498,201	\$ 529,883	\$ 574,489	\$ 605,925
Business-type activities:										
Net investment in capital assets	\$ 125,253	\$ 130,123	\$ 132,872	\$ 137,520	\$ 142,658	\$ 147,265	\$ 153,013	\$ 162,938	\$ 168,489	\$ 171,482
Restricted	5,292	4,794	3,365	3,377	906	953	25	1		
Unrestricted	38,660	51,584	60,855	72,977	82,271	103,531	108,299	120,937	106,444	108,569
Total net position	\$ 169,205	\$ 186,501	\$ 197,092	\$ 213,874	\$ 225,835	\$ 251,749	\$ 261,337	\$ 283,876	\$ 274,933	\$ 280,051
Total Primary government:										
Net investment in capital assets	\$ 595,124	\$ 611,852	\$ 623,594	\$ 647,087	\$ 666,540	\$ 671,890	\$ 686,823	\$ 725,678	\$ 756,253	\$ 767,345
Restricted	26,594	24,604	27,631	27,374	26,748	21,634	27,851	33,326	38,522	42,460
Unrestricted	52,348	67,654	82,403	5,818	15,190	48,604	44,864	54,755	54,647	76,171
Total net position	\$ 674,066	\$ 704,110	\$ 733,628	\$ 680,279	\$ 708,478	\$ 742,128	\$ 759,538	\$ 813,759	\$ 849,422	\$ 885,976

*It should be noted that, due to the implementation of GASB 68 in fiscal year 2015, unrestricted net position in the Governmental Activities area was severely impacted, which is why the amount decreased by approximately \$88 million in one fiscal year (and remains negative through the current fiscal year)

CITY OF CLOVIS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(in thousands)

For the Fiscal Year Ended June 30,

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Governmental activities:										
General government	\$ 4,952	\$ 5,948	\$ 5,642	\$ 5,587	\$ 5,577	\$ 6,218	\$ 6,481	\$ 7,730	\$ 7,436	\$ 7,426
Public safety	35,185	37,106	38,736	39,460	42,027	46,258	54,529	55,860	59,876	62,766
Transportation	10,803	11,160	11,251	12,686	12,232	13,307	14,057	14,883	18,884	16,632
Community development	8,925	930	310	909	637	1,742	1,984	751	286	2,995
Cultural and recreation	5,435	5,790	6,370	6,272	6,196	6,703	7,212	8,118	7,115	7,174
Interest and other charges					925	886	805	755	694	726
Special assessment										
Total governmental activities expenses	65,300	60,934	62,309	64,914	67,593	75,114	85,068	88,097	94,291	97,719
Business-type activities:										
Refuse	13,617	14,057	14,857	15,654	16,207	16,574	18,502	20,205	21,744	22,079
Sewer	18,207	17,555	19,883	18,011	18,553	18,235	18,862	18,738	19,465	19,541
Water	14,114	14,587	13,626	14,486	14,487	15,604	16,807	17,463	18,551	24,963
Transit	4,419	4,749	4,946	4,884	5,016	5,098	6,280	6,961	7,008	6,792
Planning & Development Services		6,826	7,226	7,558	7,780	8,555	9,410	10,443	11,662	11,338
Street Cleaning										
Total business-type activities expenses	50,357	57,774	60,538	60,592	62,044	64,066	69,861	73,810	78,430	84,713
Total primary government expenses	115,657	118,708	122,847	125,506	129,637	139,180	154,929	161,907	172,721	182,432
Program revenues:										
Governmental activities:										
Charges for services:										
General Government	3,224	4,271	4,378	4,995	4,875	4,640	4,497	5,137	5,069	8,934
Public Safety	2,071	1,700	2,195	2,209	2,521	2,079	3,414	3,268	2,524	4,216
Transportation	8,586	6,818	9,916	6,788	6,061	7,411	7,901	15,897	17,192	15,446
Community development	7,961	578	352	1,231	301	865	307	456	935	2,000
Cultural and recreation	4,025	4,509	5,901	4,909	5,540	5,653	6,010	4,638	2,447	2,000
Special assessment										
Operating grants and contributions	1,963	1,100	527	639	737	630	381	393	763	12,000
Capital grants and contributions	22,262	15,859	15,292	20,516	16,638	11,537	18,216	32,241	23,439	21,000
Total governmental activities program revenues	50,092	34,835	38,561	41,287	36,673	32,815	40,726	62,030	52,369	65,000

AGENDA ITEM NO. 14.

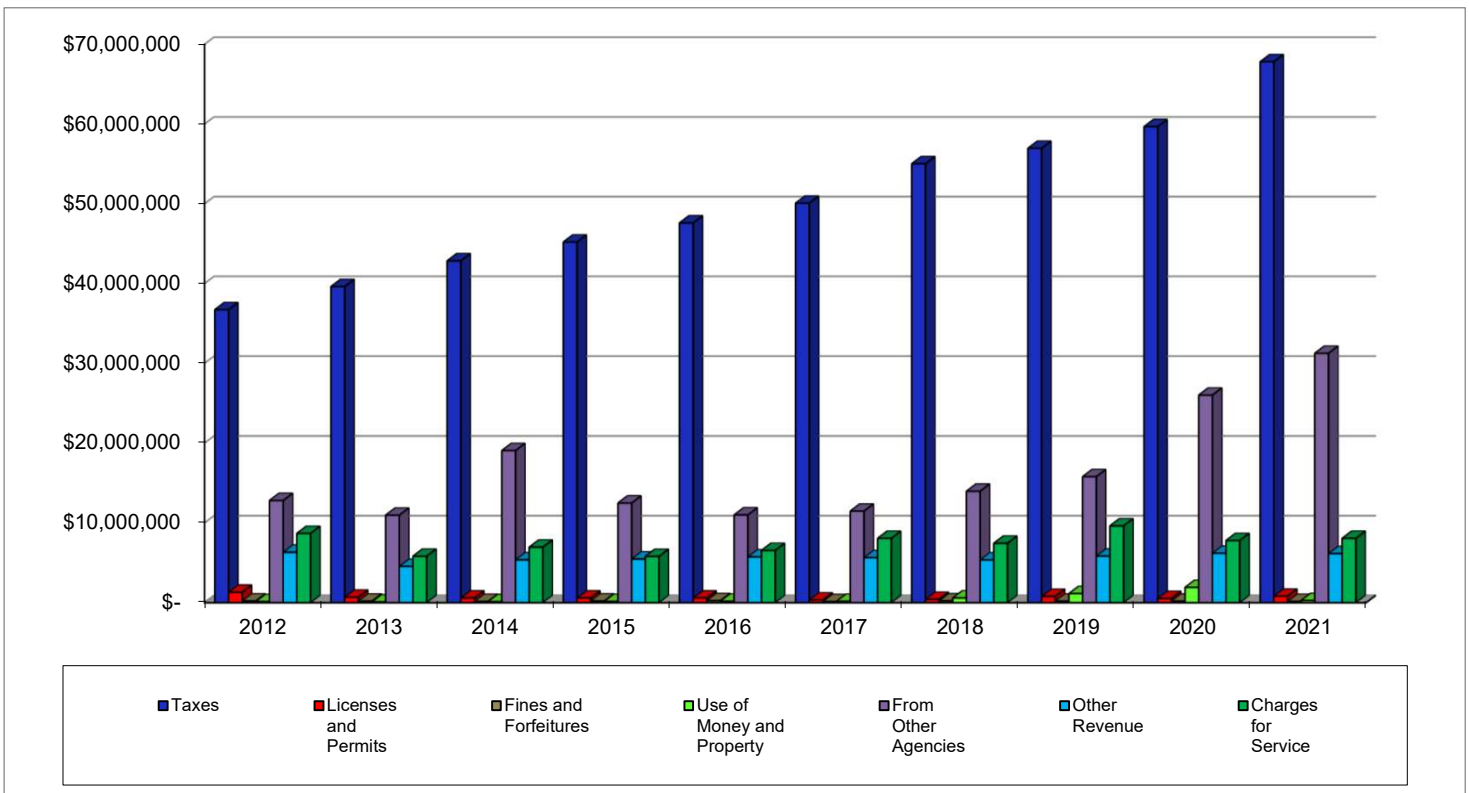
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-type activities:										
Charges for services:										
Community Sanitation	16,576	17,784	17,240	17,608	17,692	18,083	19,235	20,022	21,116	23,166
Sewer	16,295	18,340	18,130	21,974	21,167	18,942	21,214	21,281	24,673	21,007
Water	16,550	21,243	18,580	19,050	16,599	34,174	20,923	26,115	22,032	23,542
Transit	3,950	4,361	1,473	1,541	1,608	1,597	1,692	1,729	1,920	2,675
Planning & Development Services		7,720	8,630	8,159	8,807	9,619	9,828	10,522	12,029	11,737
Operating grants and contributions	48	102	2,879	4,247	4,056	4,464	4,590	5,463	4,542	4,496
Capital grants and contributions	4,829	4,639	3,535	4,059	2,721	1,935	2,854	7,302	2,102	2,652
Total business-type activities	58,248	74,189	70,467	76,638	72,650	88,814	80,336	92,434	88,414	89,275
program revenues										
Total primary government	108,340	109,024	109,028	117,925	109,323	121,629	121,062	154,464	140,783	154,432
program revenues										
Net revenues (expenses):	(15,208)	(26,099)	(23,748)	(23,627)	(30,920)	(42,299)	(44,342)	(26,067)	(41,922)	(32,562)
Governmental activities	7,891	16,415	9,929	16,047	10,606	24,748	10,475	18,624	9,984	4,562
Business-type activities	(7,317)	(9,684)	(13,819)	(7,580)	(20,314)	(17,551)	(33,867)	(7,443)	(31,938)	(28,000)
Total net revenues (expenses)										
General revenues and other changes in net position										
Governmental activities:										
Taxes:										
Property taxes	15,294	17,961	19,159	19,842	20,649	22,392	24,833	26,668	28,520	30,378
Sales tax	13,853	15,049	16,923	18,039	19,120	19,676	20,432	21,597	22,394	27,526
Franchise Fees	4,184	4,386	4,664	4,984	5,271	5,300	6,891	5,789	6,009	2,600
Other taxes	1,740	1,935	2,097	2,327	2,551	2,705	2,871	2,896	2,743	3,538
Grants and contributions not restricted	190	175	131	172	183	178	186	504	3,037	456
Unrestricted investment earnings	148	61	138	163	234	272	566	1,476	(250)	(500)
Transfers	727	(720)	(437)	(461)	(850)	(488)	(507)	(1,180)		
Total governmental activities	36,136	38,847	42,675	45,067	47,159	50,035	55,272	57,750	62,453	63,998
Business-type activities:										
Unrestricted investment earnings	195	161	224	274	506	679	1,442	2,734	4,899	56
Transfers	(727)	720	437	461	850	488	507	1,180	250	500
Total business-type activities	(532)	881	661	735	1,356	1,167	1,949	3,914	5,149	556
Total primary government	35,604	39,728	43,336	45,802	48,515	51,202	57,221	61,664	67,602	64,554
Extraordinary Item-Dissolution of CCDA	(2,257)									
Changes in net position	18,671	12,748	18,927	21,441	16,240	7,736	10,930	31,683	20,531	31
Governmental activities	7,359	17,296	10,590	16,782	11,961	25,915	12,424	22,538	15,133	5
Business-type activities	\$ 26,030	\$ 30,044	\$ 29,517	\$ 38,223	\$ 28,201	\$ 33,651	\$ 23,354	\$ 54,221	\$ 35,664	\$ 36
Total primary government										

AGENDA ITEM NO. 14.

CITY OF CLOVIS GENERAL GOVERNMENT REVENUES BY SOURCE LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Taxes	Licenses and Permits	Fines and Forfeitures	Use of Money and Property	From Other Agencies	Charges for Service	Other Revenue	Total
2012	\$ 36,715,550	\$ 1,305,849	\$ 208,227	\$ 125,071	\$ 12,799,825	\$ 8,676,798	\$ 6,318,419	\$ 66,149,739
2013	39,611,753	688,001	192,636	83,549	10,963,343	5,819,507	4,554,963	61,913,752
2014	42,837,215	593,886	148,495	122,725	19,056,135	6,945,717	5,368,776	75,072,949
2015	45,191,980	583,060	207,358	144,328	12,484,156	5,794,337	5,469,201	69,874,420
2016	47,591,661	584,412	253,841	170,213	10,990,248	6,544,320	5,730,691	71,865,386
2017	50,072,582	330,336	140,193	173,524	11,473,015	8,060,073	5,634,697	75,884,420
2018	55,019,558	412,460	227,831	585,707	13,962,855	7,442,164	5,358,986	83,009,561
2019	56,949,844	778,319	195,146	1,134,952	15,787,432	9,620,602	5,831,451	90,297,746
2020	59,666,331	526,291	188,334	1,914,715	26,007,449	7,788,344	6,185,944	102,277,408
2021	67,802,558	804,977	150,920	271,010	31,247,370	8,054,434	6,153,290	114,484,559

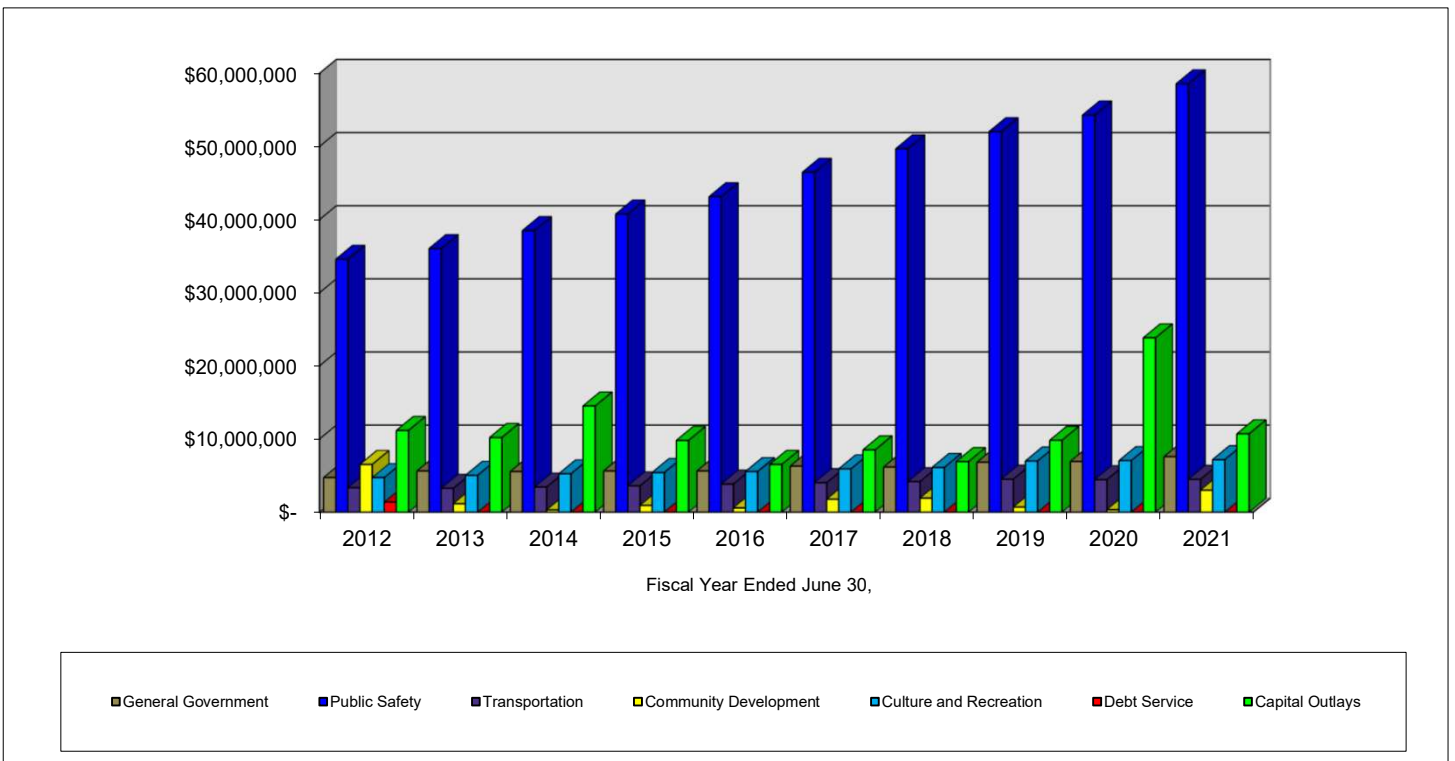
Note: Includes all governmental fund types (General, Special Revenue, Debt Service and Capital Projects Funds).



CITY OF CLOVIS GENERAL GOVERNMENT EXPENDITURES BY FUNCTION LAST TEN FISCAL YEARS

<u>Fiscal Year Ended June 30.</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Transportation</u>	<u>Community Development</u>	<u>Culture and Recreation</u>	<u>Debt Service</u>	<u>Capital Outlays</u>	<u>Total</u>
2012	\$ 4,726,595	\$ 34,576,576	\$ 3,333,681	\$ 6,514,706	\$ 4,719,477	\$ 1,364,378	\$ 11,167,421	\$ 66,402,834
2013	5,620,526	36,043,170	3,256,789	1,150,395	5,024,870	0	10,205,465	61,301,215
2014	5,546,340	38,498,881	3,430,068	302,091	5,235,028	0	14,510,295	67,522,703
2015	5,622,192	40,767,185	3,595,841	917,702	5,409,366	0	9,800,799	66,113,085
2016	5,620,922	43,136,838	3,828,619	577,483	5,541,908	0	6,523,827	65,229,597
2017	6,287,114	46,476,211	4,032,061	1,757,867	5,914,052	0	8,516,678	72,983,983
2018	6,163,620	49,688,800	4,169,509	1,913,909	6,108,769	0	6,907,009	74,951,616
2019	6,818,113	52,034,209	4,506,493	686,251	6,993,547	0	9,818,090	80,856,703
2020	6,930,929	54,300,092	4,438,270	330,247	7,040,642	0	23,836,451	96,876,631
2021	7,576,845	58,574,671	4,481,127	2,999,876	7,179,605	0	10,712,079	91,524,203

Notes: Includes all governmental fund types (General, Special Revenue, Debt Service and Capital Projects Funds).



CITY OF CLOVIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,				
	2012	2013	2014	2015	2016
Revenues:					
Property taxes	\$ 16,653,534	\$ 17,961,308	\$ 19,159,555	\$ 19,842,732	\$ 20,649,898
Sales taxes	14,076,648	15,284,968	16,916,615	18,037,581	19,119,633
Business license/Franchise	4,183,484	4,331,760	4,664,123	4,929,246	5,271,321
Other taxes	1,801,884	2,033,716	2,096,922	2,382,421	2,550,809
Licenses and permits	1,305,849	688,001	593,886	583,060	584,412
Fines and forfeitures	208,227	192,636	148,495	207,358	253,841
Use of money and property	125,071	83,549	122,725	144,328	170,213
From other agencies	12,799,825	10,963,343	19,056,135	12,484,156	10,990,248
Charges for current services	8,676,798	5,819,507	6,945,717	5,794,337	6,544,320
Other revenues	6,318,419	4,554,963	5,368,776	5,469,201	5,730,691
Total revenues	<u>66,149,739</u>	<u>61,913,751</u>	<u>75,072,949</u>	<u>69,874,420</u>	<u>71,865,386</u>
Expenditures					
Current:					
General government	4,726,595	5,620,526	5,546,340	5,622,192	5,620,922
Public safety	34,576,576	36,043,170	38,498,881	40,767,185	43,136,838
Transportation	3,333,681	3,256,789	3,430,068	3,595,841	3,828,619
Community development	6,514,706	1,150,395	302,091	917,702	577,483
Cultural and recreation	4,719,477	5,024,870	5,235,028	5,409,366	5,541,908
Debt service:					
Principal	575,000				
Interest and fiscal charges	789,378				
Bond issue costs					
Capital outlays	9,465,085	9,966,973	14,510,295	9,800,799	6,523,827
Total expenditures	<u>64,700,498</u>	<u>61,062,723</u>	<u>67,522,703</u>	<u>66,113,085</u>	<u>65,229,597</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,449,241</u>	<u>851,028</u>	<u>7,550,246</u>	<u>3,761,335</u>	<u>6,635,789</u>
Other financing sources (uses):					
Transfers in	1,531,696	30,000	18,995		
Transfers out	(1,599,696)	(1,265,000)	(1,256,080)	(1,211,000)	(4,050,000)
Total other financing sources (uses)	<u>(68,000)</u>	<u>(1,235,000)</u>	<u>(1,237,085)</u>	<u>(1,211,000)</u>	<u>(4,050,000)</u>
Extraordinary item-Dissolution of CCDA	(11,551,717)				
Net change in Fund balances	<u>\$ (10,170,476)</u>	<u>\$ (383,972)</u>	<u>\$ 6,313,161</u>	<u>\$ 2,550,335</u>	<u>\$ 2,585,789</u>
Debt service as a percentage of noncapital expenditures	2.5%	0.0%	0.0%	0.0%	0.0%

CITY OF CLOVIS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,				
	2017	2018	2019	2020	2021
Property taxes	\$ 22,391,753	\$ 24,832,576	\$ 26,667,913	\$ 28,520,413	\$ 30,377,419
Sales taxes	19,675,483	20,425,341	21,597,179	22,393,757	27,526,307
Business license/Franchise	5,300,062	6,891,105	5,788,765	6,008,671	6,360,691
Other taxes	2,705,284	2,870,536	2,895,987	2,743,490	3,538,141
Licenses and permits	330,336	412,460	778,319	526,291	804,977
Fines and forfeitures	140,193	227,831	195,146	188,334	150,920
Use of money and property	173,524	585,707	1,134,952	1,914,715	271,010
From other agencies	11,473,015	13,962,855	15,787,432	26,007,449	31,247,370
Charges for current services	8,060,073	7,442,164	9,620,602	7,788,344	8,054,434
Other revenues	5,634,697	5,358,986	5,831,451	6,185,944	6,153,290
Total revenues	75,884,420	83,009,561	90,297,746	102,277,408	114,484,559
Current:					
General government	6,287,114	6,163,620	6,818,113	6,930,929	7,576,845
Public safety	46,476,211	49,688,800	52,034,209	54,300,092	58,574,671
Transportation	4,032,061	4,169,509	4,506,493	4,438,270	4,481,127
Community development	1,757,867	1,913,909	686,251	330,247	2,999,876
Cultural and recreation	5,914,052	6,108,769	6,993,547	7,040,642	7,179,605
Debt service:					
Principal					
Interest and fiscal charges					
Bond issue costs					
Capital outlays	8,516,678	6,907,009	9,818,090	23,836,451	10,712,079
Total expenditures	72,983,983	74,951,616	80,856,703	96,876,631	91,524,203
Excess (deficiency) of revenues over (under) expenditures	2,900,437	8,057,945	9,441,043	5,400,777	22,960,356
Transfers in			156,000	454,000	
Transfers out	(3,188,000)	(506,700)	(1,975,000)	(3,110,000)	(18,445,300)
Total other financing sources (uses)	(3,188,000)	(506,700)	(1,819,000)	(2,656,000)	(18,445,300)
Extraordinary item-Dissolution of CCDA					
Net change in Fund balances	\$ (287,563)	\$ 7,551,245	\$ 7,622,043	\$ 2,744,777	\$ 4,515,056
	0.0%	0.0%	0.0%	0.0%	0.0%

CITY OF CLOVIS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

General Fund

Fiscal Year Ended June 30,	Nonspendable	Restricted	Assigned	Unassigned	Total
2012	\$ 855,000	\$ 2,767,463	\$ 7,208,000	\$ 556,206	\$ 11,386,669
2013	855,000	2,383,432	7,883,000	1,135,539	12,256,971
2014	855,000	2,188,316	9,451,000	1,611,802	14,106,118
2015	855,000	2,368,439	10,000,000	3,702,156	16,925,595
2016		2,738,023	11,779,000	2,925,095	17,442,118
2017		3,189,504	12,152,000	708,019	16,049,523
2018		4,309,112	12,424,000	3,618,238	20,351,350
2019		4,960,824	13,512,000	4,433,151	22,905,975
2020		5,811,491	13,748,000	4,114,250	23,673,741
2021		6,680,015	17,011,500	1,280,958	24,972,473

All Other Governmental Funds

Fiscal Year Ended June 30,	Nonspendable	Restricted	Assigned	Unassigned	Total
2012	\$ 6,850,436	\$ 10,683,943	\$ 3,261,970		\$ 20,796,349
2013	7,155,675	8,795,952	3,351,955		19,303,582
2014	6,762,061	8,115,950	8,889,586		23,767,597
2015	6,865,628	6,349,429	10,283,400		23,498,457
2016		16,002,504	4,423,900		20,426,404
2017	7,528,473	18,886,282	258,000		26,672,755
2018		26,555,512	258,000		26,813,512
2019		27,613,930	4,267,000		31,880,930
2020		32,145,941	1,712,000		33,857,941
2021		35,202,765	1,871,500		37,074,265

**CITY OF CLOVIS
 ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY
 LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Real Property		Personal Property		Exemptions	Net		Total
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Homeowners	Assessed	Estimated Actual	Direct Tax Rate
2012	\$ 7,133,083,317	\$ 7,133,083,317	\$ 205,900,352	\$ 205,900,352	\$ 104,273,160	\$ 7,234,710,509	\$ 7,338,983,669	0%
2013	7,024,285,314	7,024,285,314	201,775,479	201,775,479	101,603,300	7,124,457,493	7,226,060,793	0%
2014	7,507,886,552	7,507,886,552	198,810,435	198,810,435	103,378,700	7,603,318,287	7,706,696,987	0%
2015	8,158,612,400	8,158,612,400	204,592,938	204,592,938	101,969,400	8,261,235,938	8,363,205,338	0%
2016	8,696,361,855	8,696,361,855	213,125,102	213,125,102	100,450,200	8,809,036,757	8,909,486,957	0%
2017	9,179,714,485	9,179,714,485	214,596,488	214,596,488	99,120,700	9,295,190,273	9,394,310,973	0%
2018	10,033,990,678	10,033,990,678	221,666,625	221,666,625	97,686,900	10,157,970,403	10,255,657,303	0%
2019	10,593,683,186	10,593,683,186	212,862,653	212,862,653	96,576,100	10,709,969,739	10,806,545,839	0%
2020	11,401,543,797	11,401,543,797	213,768,044	213,768,044	96,322,900	11,518,988,941	11,615,311,841	0%
2021	12,221,160,827	12,221,160,827	235,685,766	235,685,766	96,035,100	12,360,811,493	12,456,846,593	0%

Note: Effective fiscal year 1981-82 and fiscal years thereafter, assessed value is 100% of market value.
 The rate applied to the assessed value for county wide property tax is 1%.

Source: Fresno County Auditor Controller/Treasurer Tax Collector FY2020-21 Tax Rate Book

**CITY OF CLOVIS
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENT
LAST TEN FISCAL YEARS**

<u>Fiscal Year Ended June 30,</u>	<u>City of Clovis</u>	<u>Clovis Unified School District Bond</u>	<u>State Center General Obligation Bond</u>	<u>County Wide</u>	<u>Total</u>
2012	0.000000	0.155352	0.007070	1.000000	1.162422
2013	0.000000	0.155350	0.009358	1.000000	1.164708
2014	0.000000	0.155350	0.009602	1.000000	1.164952
2015	0.000000	0.155346	0.009308	1.000000	1.164654
2016	0.000000	0.155350	0.008064	1.000000	1.163414
2017	0.000000	0.155350	0.008480	1.000000	1.163830
2018	0.000000	0.398998	0.025934	1.000000	1.424932
2019	0.000000	0.155350	0.022966	1.000000	1.178316
2020	0.000000	0.155352	0.025786	1.000000	1.181138
2021	0.000000	0.155356	0.025672	1.000000	1.181028

Note: The basis for the tax rates is per \$100 assessed valuation.

Source: Fresno County Auditor Controller/Treasurer Tax Collector FY2020-21 Tax Rate Book

**CITY OF CLOVIS
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND TEN YEARS AGO**

Taxpayer	2021			2012		
	Taxable Assessed Value (1)	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value (1)	Rank	Percent of Total City Taxable Assessed Value
Fresno Community Hospital & Med CTR	\$ 96,917	1	0.78%	\$ 116,037	1	1.59%
Rlo LLC	45,900	2	0.37%			
Prindiville Dennis Trustee	42,703	3	0.35%	43,739	3	0.60%
Ltc West Inc	36,081	4	0.29%			
Copper Beech Townhome Communities	31,000	5	0.25%	19,520	6	0.27%
Winterfell Yosemite Gardens L P	27,609	6	0.22%			
Clovis-Herndon Center II LLC	27,574	7	0.22%			
Wal-Mart Real Estate Business Trust	26,975	8	0.22%			
Landvalue 37 LLC	25,609	9	0.21%			
GSF Sunnyside Clovis Investors L P	24,846	10	0.20%			
BRE Throne Clovis Commons LLC				32,350	4	0.44%
Pelco				78,512	2	1.07%
Anlin Industries				20,248	5	0.28%
Brown Garold C Family LTD Partnership				16,951	9	0.23%
Vons Companies Inc						
Kaiser Foundation Health Plan Inc				17,229	7	0.24%
Burgess Smith & Wathen Parnership VII				15,532	10	0.21%
Winco Foods LLC				17,081	8	0.23%
	<u>\$ 385,214</u>		<u>3.11%</u>	<u>\$ 377,199</u>		<u>5.16%</u>

(1) Amounts in thousands

Source: City of Clovis-GIS
Fresno County Assessor

**CITY OF CLOVIS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections₁	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Current Delinquent Taxes	Ratio of Current Delinquent Taxes to Total Tax Levy₂
2012	\$ 9,176,983	\$ 8,787,604	95.8	\$ 298,162	\$ 9,085,766	99.0	\$ 185,100	2.017
2013	9,209,497	8,867,999	96.3	270,584	9,138,583	99.2	150,299	1.632
2014	9,957,414	9,627,588	96.7	216,607	9,844,195	98.9	148,664	1.493
2015	10,824,263	10,592,809	97.9	202,176	10,794,985	99.7	155,869	1.440
2016	11,475,064	11,371,562	99.1	111,527	11,483,089	100.1	159,503	1.390
2017	12,116,560	11,966,405	98.8	160,797	12,127,202	100.1	169,390	1.398
2018	13,366,204	13,159,337	98.5	268,359	13,427,695	100.5	187,528	1.403
2019	14,248,564	13,928,737	97.8	138,109	14,066,846	98.7	196,915	1.382
2020	14,932,240	14,428,282	96.6	196,398	14,624,680	97.9	244,291	1.636
2021	16,131,046	15,784,387	97.9	325,023	16,109,409	99.9	231,803	1.437

- Notes:
- Amounts include only General Fund tax collections.
 - ₁ Includes prior year delinquent tax collections.
 - ₂ The ratio of current delinquent taxes represents the Fresno County wide rate as the County of Fresno is unable to provide the City of Clovis' delinquent tax ratio.

Sources: Fresno County Assessor's Office
Fresno County Auditor Controller

**CITY OF CLOVIS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Tax Allocation Bonds (1)	Special Assessment Bonds (1)	Lease Revenue Bonds (1)	Revenue Bonds (1)	Capital Leases (1)	Loans/Contracts Payable (1)	Notes/Direct Placements Payable (1)	Total	Debt Per AV	Debt Per Capita
Governmental Activities										
2012	\$ 0	\$ 0	\$ 0	\$ 14,447,032	\$ 10,099,702	\$ 2,343,196	\$ 0	\$ 26,889,930	\$ 0.004	\$ 273
2013	0	0	0	13,786,231	11,740,045	2,198,243	0	27,724,519	0.004	277
2014	0	0	0	0	26,255,248	2,120,278	0	28,375,526	0.004	278
2015	0	0	0	0	23,655,822	1,805,112	0	25,460,934	0.003	244
2016	0	0	0	0	26,850,329	1,724,379	0	28,574,708	0.004	274
2017	0	0	0	0	24,154,921	1,480,623	0	25,635,544	0.003	231
2018	0	0	0	0	22,066,356	1,195,510	0	23,261,866	0.002	204
2019	0	0	0	0	11,284,736	2,745,885	8,997,833	23,028,454	0.002	197
2020	0	0	0	0	9,413,689	2,768,483	7,992,401	20,174,573	0.002	169
2021	0	0	0	13,943,941	0	2,439,906	16,494,902	32,878,749	0.003	270
Business-type Activities										
2012	\$ 0	\$ 0	\$ 0	\$ 149,682,848	\$ 0	\$ 11,181,113	\$ 0	\$ 160,863,961	\$ 0.023	\$ 1,631
2013	0	0	0	146,013,411	0	10,503,598	0	156,517,009	0.022	1,565
2014	0	0	0	141,888,294	0	9,783,356	0	151,671,650	0.020	1,484
2015	0	0	0	137,462,213	0	9,018,510	0	146,480,723	0.018	1,404
2016	0	0	0	130,540,195	0	8,205,774	0	138,745,969	0.017	1,330
2017	0	0	0	125,639,953	0	7,350,311	0	132,990,264	0.014	1,201
2018	0	0	0	118,831,052	0	6,449,775	0	125,280,827	0.012	1,100
2019	0	0	0	114,115,888	0	5,502,287	0	119,618,175	0.011	1,022
2020	0	0	0	109,265,725	0	4,505,030	0	113,770,755	0.010	955
2021	0	0	0	104,255,563	0	3,455,186	0	107,710,749	0.010	884
Total Primary Government										
2012	\$ 0	\$ 0	\$ 0	\$ 164,129,880	\$ 10,099,702	\$ 13,524,309	\$ 0	\$ 187,753,891	\$ 0.026	\$ 1,904
2013	0	0	0	159,799,642	11,740,045	12,701,841	0	184,241,528	0.026	1,843
2014	0	0	0	141,888,294	26,255,248	11,903,634	0	180,047,176	0.024	1,762
2015	0	0	0	137,462,213	23,655,822	10,823,622	0	171,941,657	0.021	1,648
2016	0	0	0	130,540,195	26,850,329	9,930,153	0	167,320,677	0.021	1,604
2017	0	0	0	125,639,953	24,154,921	8,830,934	0	158,625,808	0.017	1,432
2018	0	0	0	118,831,052	22,066,356	7,645,285	0	148,542,693	0.015	1,304
2019	0	0	0	114,115,888	11,284,736	8,248,172	8,997,833	142,646,629	0.013	1,219
2020	0	0	0	109,265,725	9,413,689	7,273,513	7,992,401	133,945,328	0.012	1,124
2021	0	0	0	118,199,504	0	5,895,092	16,494,902	140,589,498	0.013	1,154

(1) Presented net of original issuance discounts and premiums
Source: City of Clovis Finance Department

CITY OF CLOVIS
RATIO OF NET GENERAL OBLIGATION BONDED DEBT
TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITAL
LAST TEN FISCAL YEARS

Fiscal Year	Ended	Estimated	Assessed	Gross Bonded	Less Debt	Net	Ratio of Net	Net
Ended	Population	Valuation	Debt (1)	Service Fund	Bonded Debt	Bonded Debt to	Assessed Value	Bonded Debt
June 30,						Assessed Value		Per Capita
2012	\$ 98,611	\$ 7,133,083,317	\$ 0	\$ 0	\$ 0	0.00%	\$ 0	
2013	99,983	7,024,285,314	0	0	0	0.00%	0	
2014	102,188	7,507,886,552	0	0	0	0.00%	0	
2015	104,339	8,158,612,400	0	0	0	0.00%	0	
2016	108,039	8,696,361,855	0	0	0	0.00%	0	
2017	110,762	9,179,714,485	0	0	0	0.00%	0	
2018	113,883	10,157,970,403	0	0	0	0.00%	0	
2019	117,003	10,709,969,739	0	0	0	0.00%	0	
2020	119,175	11,518,988,941	0	0	0	0.00%	0	
2021	121,834	12,360,811,493	0	0	0	0.00%	0	

(1) Amount does not include special assessment bonds.

Source: Fresno County Auditor Controller/Treasurer Tax Collector

CITY OF CLOVIS
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL OBLIGATION BONDED DEBT
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures (1)</u>	<u>Ratio of Debt Service to General Government Expenditures</u>
2012	\$ 0	\$ 0	\$ 0	\$ 66,402,834	0.0
2013	0	0	0	61,301,215	0.0
2014	0	0	0	67,522,703	0.0
2015	0	0	0	66,113,085	0.0
2016	0	0	0	65,229,597	0.0
2017	0	0	0	72,983,983	0.0
2018	0	0	0	74,951,616	0.0
2019	0	0	0	80,856,703	0.0
2020	0	0	0	96,876,631	0.0
2021	0	0	0	91,524,203	0.0

(1) Includes all governmental fund types (General, Special Revenue, Debt Service and Capital Projects Funds).

CITY OF CLOVIS
COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2021

2020-2021 Assessed Valuation: \$ 12,456,846,593

<u>Direct and Overlapping Debt:</u>	<u>% Applicable*</u>	<u>Debt</u>
Direct Debt:		
City of Clovis Direct Borrowings	100.00%	\$ 16,494,902
City of Clovis Revenue Bonds	100.00%	13,943,940
City of Clovis Loans Payable	100.00%	2,439,906
Total Net Direct Debt		<u>32,878,748</u>
Total Net Direct and Direct Bonded Debt		<u>\$ 32,878,748</u>
Overlapping Bonded Debt:		
Fresno County General Fund Obligations	14.238%	\$ 4,136,851
Fresno County Pension Obligations	14.238%	30,719,367
State Center Community College District	13.054%	44,777,178
Clovis Unified School District	42.047%	163,311,804
Clovis Unified School District General Fund Obligations	42.047%	7,911,143
Clovis Memorial District General Fund Obligations	44.934%	1,559,210
Fresno Unified School District	2.180%	15,104,311
Fresno Unified School District General Fund Obligations	2.180%	136,468
Sanger Unified School District	0.733%	1,822,198
Sanger Unified School District General Fund Obligations	0.733%	282,315
Total Gross Overlapping Bonded Debt		<u>269,760,845</u>
Overlapping Tax Increment Debt:		
Total Gross Overlapping Tax Increment Debt	100.00%	<u>11,260,000</u>
Total Gross Overlapping Debt		<u>\$ 281,020,845</u>
Total Net Direct and Overlapping Bonded Debt		<u>\$ 313,899,593 (1)</u>

(1) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratios to Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.26%
Total Direct and Direct Bonded Debt	0.26%
Combined Total Debt	2.52%

Ratios to Redevelopment Incremental Valuation \$965,205,583

Total Overlapping Tax Increment Debt	1.17%
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Share of Authorized and Unsold Bonds:

City of Clovis	\$ 2,000,000
	Hasn't changed since 1995.

Source: California Municipal Statistics & City of Clovis

*The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the City divided by the district's total assessed value.

**CITY OF CLOVIS
COMPUTATION OF LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit As a Percentage of Debt Limit
2012	\$ 1,100,847,550	0	\$ 1,100,847,550	0
2013	1,083,909,119	0	1,083,909,119	0
2014	1,156,004,548	0	1,156,004,548	0
2015	1,254,480,801	0	1,254,480,801	0
2016	1,336,423,044	0	1,336,423,044	0
2017	1,409,146,646	0	1,409,146,646	0
2018	1,538,348,595	0	1,538,348,595	0
2019	1,620,981,876	0	1,620,981,876	0
2020	1,742,296,776	0	1,742,296,776	0
2021	1,868,526,989	0	1,868,526,989	0

LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR 2019

Assessed Valuations:

Assessed Value	\$	12,360,811,493
Add back exempt property		96,035,100

Total Assessed Value	\$	<u>12,456,846,593</u>
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Legal Debt Margin:

Debt Limitation-15 percent of total assessed value	\$	1,868,526,989
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Debt applicable to Limitation:

Total bonded debt	\$	0
Less: Amount in debt service funds available for payment of principal		<u>0</u>

Total debt applicable to Limitation		<u>0</u>
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Legal Debt Margin:	\$	<u>1,868,526,989</u>
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**CITY OF CLOVIS
REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS**

REFUSE DISPOSAL FUND

Fiscal Year Ended <u>June 30,</u>	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
2012	\$ 16,515,045	\$ 11,747,301	\$ 4,767,744	\$ 540,000	\$ 235,299	\$ 775,299	6.15
2013	16,584,300	12,478,604	4,105,696	565,000	207,260	772,260	5.32
2014	16,106,761	13,524,511	2,582,250	595,000	177,763	772,763	3.34
2015	16,612,320	14,612,658	1,999,662	625,000	146,765	771,765	2.59
2016	16,684,608	15,578,895	1,105,713	655,000	114,268	769,268	1.44
2017	16,883,872	15,600,372	1,283,500	690,000	80,063	770,063	1.67
2018	18,030,852	16,042,168	1,988,684	725,000	12,511	737,511	2.70
2019	19,172,744	18,301,846	870,898	0	0	0	N/A
2020	19,786,605	19,599,590	187,015	0	0	0	N/A
2021	20,538,541	19,990,095	548,446	0	0	0	N/A

SEWER SERVICE FUND

Fiscal Year Ended <u>June 30,</u>	Gross Revenues (4)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
2012	\$ 16,378,861	\$ 7,806,516	\$ 8,572,345	\$ 1,385,000	\$ 5,162,329	\$ 6,547,329	1.31
2013	18,420,785	7,329,635	11,091,150	1,440,000	5,081,716	6,521,716	1.70
2014	18,219,581	8,360,501	9,859,080	1,345,000	4,902,681	6,247,681	1.58
2015	22,072,796	8,248,142	13,824,654	1,870,000	4,801,933	6,671,933	2.07
2016	21,366,761	8,813,564	12,553,197	1,930,000	4,575,379	6,505,379	1.93
2017	19,205,582	9,069,315	10,136,267	1,480,000	2,837,163	4,317,163	2.35
2018	21,721,290	9,450,348	12,270,942	2,185,000	4,006,507	6,191,507	1.98
2019	22,175,017	10,126,785	12,048,232	2,075,000	3,806,133	5,881,133	2.05
2020	25,862,697	11,165,176	14,697,521	2,135,000	3,749,252	5,884,252	2.50
2021	20,806,290	11,339,009	9,467,281	2,210,000	3,688,531	5,898,531	1.61

WATER SERVICE FUND

Fiscal Year Ended <u>June 30,</u>	Gross Revenues (4)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
2012	\$ 16,645,199	\$ 9,953,181	\$ 6,692,018	\$ 1,495,000	\$ 1,733,364	\$ 3,228,364	2.07
2013	22,908,215	10,460,126	12,448,089	1,555,000	1,676,634	3,231,634	3.85
2014	19,996,964	10,730,310	9,266,654	1,455,000	1,454,062	2,909,062	3.19
2015	19,133,751	10,860,381	8,273,370	1,630,000	1,367,074	2,997,074	2.76
2016	16,769,010	10,955,394	5,813,616	1,685,000	1,301,145	2,986,145	1.95
2017	18,717,047	11,977,373	6,739,674	1,755,000	1,232,816	2,987,816	2.26
2018	21,537,742	12,618,522	8,919,220	1,825,000	1,161,688	2,986,688	2.99
2019	27,118,081	13,346,057	13,772,024	1,890,000	1,087,826	2,977,826	4.62
2020	23,939,392	14,798,151	9,141,241	1,965,000	1,011,231	2,976,231	3.07
2021	22,776,199	21,116,633	1,659,566	2,050,000	958,688	3,008,688	0.55

- (1) Total revenues, including interest.
- (2) Total operating expenses exclusive of depreciation.
- (3) Includes principal and interest of revenue bonds only. It does not include the other debt reported in the refuse and sewer funds.
- (4) Total revenues, including interest and capital contributed by developers. The amount contributed by developers is available for payment of annual debt service and is therefore included in gross revenue for the purposes of this schedule.

Note: This schedule does not represent legal bond covenants.

**CITY OF CLOVIS
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	City Population	% Change	City Unemployment Rate	Fresno County Population	City Population as % of County Population	Fresno County Unemployment Rate
2012	98,611	1.43	11.70	945,711	10.43	15.20
2013	99,983	1.39	10.00	952,166	10.50	12.30
2014	102,188	2.21	8.50	964,040	10.60	10.40
2015	104,339	2.10	7.50	972,297	10.73	9.30
2016	108,039	3.55	7.20	984,541	10.97	9.30
2017	110,762	2.52	5.80	995,975	11.12	8.10
2018	113,883	2.82	4.40	1,007,229	11.31	7.60
2019	117,003	2.74	4.10	1,018,241	11.49	7.00
2020	119,175	1.86	12.10	1,023,358	11.65	14.60
2021	121,834	2.23	6.40	1,033,303	11.79	9.30

Sources: County of Fresno
Labor market Info EDD

Note: Per capita income and total personal income information not available.

**CITY OF CLOVIS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

Employer	2021			2012		
	Number of Employees	Rank	Percent of Total Employment*	Number of Employees	Rank	Percent of Total Employment*
Clovis Unified School District	5,084	1	9.11%	5,343	1	12.28%
Clovis Community Hospital	2,180	2	3.91%	1,110	3	2.55%
City of Clovis	542	4	0.97%	698	4	1.60%
Wal-Mart	620	3	1.11%	335	7	0.77%
Wawona Frozen Foods	540	5	0.97%	455	5	1.05%
Anlin Industries	400	6	0.72%	0		0.00%
Costco	354	7	0.63%	227	9	0.52%
Target	325	8	0.58%	436	6	1.00%
Savemart	234	9	0.42%	273	8	0.63%
Lowe's	200	10	0.36%	0		0.00%
Pelco	0	0	0.00%	1,205	2	2.77%
Von's	0	0	0.00%	213	10	0.49%

* "Total Employment" as used above represents the total employment of all employers located within City limits based on a projection for June 2021.

Source: Employment Development Department or employer provided

**CITY OF CLOVIS
FULL-TIME CITY EMPLOYEES
LAST TEN FISCAL YEARS**

<u>Function</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Governmental Activities</u>										
General Government	38,050	39,050	43,150	41,850	43,850	44,850	46,850	46,650	47,100	47,100
Public Safety										
Police	148,000	152,000	156,000	163,000	168,000	175,000	175,000	176,000	179,000	180,000
Fire	64,500	66,000	66,000	66,000	66,000	67,000	67,000	67,000	67,000	73,000
Transportation	13,800	14,800	14,800	14,950	13,950	14,000	14,040	14,140	16,140	16,140
Community Development	40,000	0,500	0,400	1,000	1,000	1,000	1,000	0,850	0,850	0,850
Culture & Recreation	28,100	23,100	24,700	24,200	26,000	25,750	26,630	26,630	26,680	27,680
Internal Service	26,525	26,525	27,525	29,225	30,225	31,225	31,235	30,435	32,835	32,835
Total Governmental Activities	358,975	321,975	332,575	339,225	349,025	358,825	361,755	361,705	369,605	377,605
<u>Business-Type Activities</u>										
Refuse	41,860	41,860	42,560	44,310	44,310	43,960	45,060	49,060	51,160	51,410
Sewer	11,250	11,250	11,250	11,250	11,250	11,250	12,230	12,780	13,030	13,280
Water	34,600	34,600	34,300	34,300	35,300	36,850	37,890	39,040	40,040	41,540
Street Cleaning	4,790	4,790	4,790	6,790	6,790	6,790	6,740	6,740	6,740	6,740
Transit	22,525	22,525	22,525	24,125	25,325	25,325	25,325	25,325	25,425	27,425
Planning & Dev Services*	37,000	37,000	43,000	45,000	45,000	45,000	47,000	53,350	56,000	55,000
Total Business-Type Activities	115,025	152,025	158,425	165,775	167,975	169,175	174,245	186,295	192,395	195,395
Total Full-Time Employees	474,000	474,000	491,000	505,000	517,000	528,000	536,000	548,000	562,000	573,000

Source: City of Clovis

Notes: Decimals represent the portions of employees performing duties in two or more functions.
Internal Service Functions have been included in Governmental Activities.

*The Planning and Development Services Fund was created beginning July 1, 2012. Employees in this business-type activity were formerly in the governmental activities.

AGENDA ITEM NO. 14.

**CITY OF CLOVIS
CAPITAL ASSET STATISTICS
BY FUNCTION
LAST TEN FISCAL YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Fire stations	5	5	5	5	5	5	5	5	5	5
Public utilities:										
Streets (miles)	362	369	380	384	391	410	415	419	421	427
Streetlights	9,576	9,587	10,308	10,461	10,479	11,022	11,088	11,692	11,702	11,700
Cultural and recreation:										
Parks	55	58	59	62	63	64	66	67	69	72
Community centers	1	1	1	1	1	1	1	1	1	1
Water:										
Water mains (miles)	484	490	499	508	514	521	535	546	555	573
Sewer										
Sanitary sewers (miles)	358	361	367	373	379	385	396	405	413	426

Source: City of Clovis

**CITY OF CLOVIS
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police:										
Arrests	4,612	4,936	5,135	4,046	4,326	4,145	3,868	3,718	3,189	3,332
Parking citations issued	513	972	1,343	954	982	1,369	1,245	1,307	1,086	746
Fire:										
Number of emergency calls	8,945	9,958	8,290	10,098	10,069	9,661	9,974	10,399	10,662	10,274
Parks and recreation:										
Number of recreation classes	93	94	95	119	130	138	151	169	18	40
Number of facility rentals	13	13	13	32	32	32	48	68	25	20
Water:										
New connections	282	793	779	636	837	936	1,067	1,068	855	1,193
Average daily consumption (thousands of gallons)	22,453	23,917	23,840	20,684	16,883	19,083	20,849	19,929	21,682	22,939
Sewer:										
New connections	425	667	721	639	509	801	1,170	1,037	830	902
Average daily sewage treatment (thousands of gallons)	6,996	6,914	6,949	6,862	6,543	6,776	6,928	7,618	7,630	7,886

Source: City of Clovis

**CITY OF CLOVIS
BUILDING PERMIT VALUATIONS
LAST TEN YEARS**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Valuation (in Thousands) *										
Residential	\$ 99,027	\$ 129,013	\$ 212,867	\$ 232,729	\$ 193,461	\$ 265,411	\$ 322,495	\$ 236,922	\$ 303,533	\$ 357,447
Non-residential	41,730	40,709	27,434	18,558	40,127	44,613	31,892	111,915	82,164	32,095
Total	\$ 155,097	\$ 196,675	\$ 315,967	\$ 323,641	\$ 311,769	\$ 320,472	\$ 365,519	\$ 368,131	\$ 385,697	\$ 389,542

New Dwelling Units *										
Single Family	376	522	703	794	697	925	1,046	848	884	1,148
Multiple Family	100	23	189	117	0	58	304	0	228	90
Total	476	545	892	911	697	983	1,350	848	1,112	1,238

* Prior Fiscal Year information updated to properly reflect historical quantities and values.

Source: City of Clovis Building Department

CITY OF CLOVIS
MISCELLANEOUS STATISTICS
June 30, 2021

Date of Incorporation	February 27, 1912
Form of Government	Council/Manager
Number of Employees (full-time and part-time)	542
Area (square miles)	25.91
Miles of Streets	427
Number of Street Lights	11,700
Fire Protection:	
Number of Stations	5
Number of Firefighters and Officers	70
Police Protection:	
Number of Police Officers and Other Sworn Personnel	98
Water Department:	
Number of Water Services	38,940
Miles of Water Mains	573
Sewers:	
Miles of Sanitary Sewers	426

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**REPORT ON COMPLIANCE AND OTHER MATTERS
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF THE FINANCIAL
STATEMENTS IN RELATION TO THE LOCAL TRANSPORTATION PURPOSE FUNDS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Independent Auditors' Report

To the Honorable Mayor and Members of City Council
of the City of Clovis
Clovis, 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 Clovis, California (the "City"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 15, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting ("internal control") as a basis for determining 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 City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, including the requirements of the California Public Utilities Code Section 142257 regulations as it applies to Local Transportation Purpose Funds noncompliance, with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with such 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 that are required to be reported herein under the California Public Utilities Code Section 142257 regulations as applies to Local Transportation Purpose Funds and *Government Auditing Standards*.

Restriction on Use

This report is intended for the information of the management, City Council, and officials of applicable federal and state awarding agencies, and is not intended to be and should not be used by anyone other than these specified parties.

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

San Diego, California
November 15, 2021

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures enumerated below to the accompanying Appropriations Limit Schedule of the City of Clovis, California (City) for the year ended June 30, 2021. The City is responsible for the Appropriations Limit Schedule.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting the requirements of Section 1.5 of Article XIII-B of the California Constitution. The League of California Cities (as presented in the publication entitled Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution) has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. We obtained the completed worksheets used by the City to calculate its appropriations limit for the year ended June 30, 2021, and determined that the limit and annual calculation factors were adopted by resolution of City Council. We also determined that the population and inflation options were selected by a recorded vote of the City Council.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit Schedule, we added the prior year's limit to the total adjustments, and agreed the resulting amount to the current year's limit.

Finding: No exceptions were noted as a result of our procedures.

3. We agreed the current year information presented in the accompanying Appropriations Limit Schedule to corresponding information in worksheets used by the City.

Finding: No exceptions were noted as a result of our procedures.

4. We agreed the appropriations limit presented in the accompanying Appropriations Limit Schedule to the appropriations limit adopted by the City Council.

Finding: No exceptions were noted as a result of our procedures.

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

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respective on the accompanying Appropriation Limit Schedule. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

The PwC Group, LLP

San Diego, California
November 15, 2021

City of Clovis
Appropriations Limit Schedule
For the Year Ended June 30, 2021

	<u>Amount</u>	<u>Source</u>
A. Appropriations Limit FY 2020	\$ 297,053,411	Prior year
B. Calculation Factors:		
1) Population increase %	1.0220	State Department of Finance
2) Inflation increase %	1.0679	City Building Department
3) Total adjustment %	<u>1.0914</u>	(B1*B2)
C. Annual Adjustment Increase	27,148,840	[A*(B3-1)]
D. Other Adjustments:		
1) Loss responsibility (-)	-	N/A
2) Transfer to private (-)	-	N/A
3) Transfer to fees (-)	-	N/A
4) Assumed responsibility (+)	-	N/A
E. Total Adjustments	<u>27,148,840</u>	(C+D)
F. Appropriations Limit FY 2021	<u><u>\$ 324,202,251</u></u>	(A+E)

City of Clovis
Notes to Appropriations Limit Schedule
For the Year Ended June 30, 2021

Note 1 – Purpose of Limited Procedures Review

Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), California governmental agencies are restricted as to the amount of annual appropriations from proceeds of taxes. Effective for years beginning on or after July 1, 1990, under Section 1.5 of Article XIII B, the annual calculation of the appropriations limit is subject to a limited procedures review in connection with the annual audit.

Note 2 – Method of Calculation

Under Section 10.5 of Article XIII B, for fiscal years beginning on or after July 1, 1990, the appropriations limit is required to be calculated based on the limit for the fiscal year 1986-87, adjusted for the inflation and population factors discussed in Notes 3 and 4 below.

Note 3 – Population Factors

A California governmental agency may use as its population factor either the annual percentage change of the jurisdiction's own population or the annual percentage change in population of the county where the jurisdiction is located. The factor adopted by the City for fiscal year 2021 represents the annual percentage change in population for the City.

Note 4 – Inflation Factors

A California governmental agency may use as its inflation factor either the annual percentage change in the 4th quarter per capita personal income (which percentage is supplied by the State Department of Finance) or the percentage change in the local assessment roll from the preceding year due to the change of local nonresidential construction. The factor adopted by the City for fiscal year 2021 represents the annual percentage change in the local assessment roll from the preceding year due to the change in local nonresidential construction.

Note 5 – Other Adjustments

A California government agency may be required to adjust its appropriations limit when certain events occur, such as the transfer of responsibility for municipal services to, or from, another government agency or private entity. The City had no such adjustments for fiscal year 2021.

November 15, 2021

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Clovis (the “City”) for the year ended June 30, 2021, and have issued our report thereon dated November 15, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the scope and timing of our audit. We have communicated such information in our letter to you dated June 21, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the basic financial statements.

New Accounting Standards

GASB Statement No. 84

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities* (GASB Statement No. 84), to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement establishes criteria for identifying fiduciary activities of all state and local governments. It also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Application of this statement did have an effect on the City’s financial statements for the fiscal year ending June 30, 2021.

GASB Statement No. 87

In June 2017, GASB issued Statement No. 87, *Leases* (GASB Statement No. 87), to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. Application of this statement did have an effect on the City’s financial statements for the fiscal year ending June 30, 2021.

GASB Statement No. 90

In August 2018, GASB issued Statement No. 90, *Majority Equity Interests – an Amendment of GASB Statements No. 14 and No. 61* (GASB Statement No. 90), to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This statement requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Application of this statement did not have a material effect on the City’s financial statements for the fiscal year ending June 30, 2021.

GASB Statement No. 98

In October 2021, GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. Application of this statement is effective for the City's fiscal year ending December 15, 2021. Application of this statement did not have a material effect on the City’s financial statements for the fiscal year ending June 30, 2021.

No other new accounting policies were adopted and the application of existing policies was not changed during 2021. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. As part of our audit, we evaluated the key factors and assumptions used to develop the accounting estimates described above and in determining that it is reasonable in relation to the financial statements taken as a whole.

The most sensitive estimates affecting the City’s financial statements were:

- Investments valuation
- Depreciation on capital assets
- Landfill post-closure obligation
- Claims payable
- Net pension liability

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Note I – Summary of Significant Accounting Policies
- Note II – Reconciliation of Government-Wide and Fund Financial Statements
- Note III – Stewardship, Compliance, and Accountability
- Note IV-H – Pension Plans

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 15, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information in Documents Containing Audited Financial Statements

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. We applied certain limited procedures to the MD&A, Budgetary Comparison Schedules for General Fund and Major Special Revenue Funds, the Schedules of Changes of in Net Pension Liability and Related Ratios for CalPERS, and the Schedules of Pension Contributions for CalPERS, which are RSI that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Combining and Individual Fund Financial Statements and the Budgetary Comparison Schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Introductory and Statistical Sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the City Council and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



San Diego, California



CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Administration

DATE: December 6, 2021

SUBJECT: Consider Approval – Res. 21-____, Amending the City's FY 21-22 Position Allocation Plan by adding three (3) Police Officer Recruit/Lateral positions within the Police Department.

Staff: Luke Serpa, City Manager

Recommendation: Approve

ATTACHMENTS: 1. Res. 21- Position Allocation Plan

CONFLICT OF INTEREST

None

RECOMMENDATION

For Council to approve Resolution 21-____; Amending the City's FY 21-22 Position Allocation Plan by adding three (3) Police Officer Recruit/Lateral positions within the Police Department.

EXECUTIVE SUMMARY

Currently the Police Department is authorized for seventy-five (75) Police Officer Recruit/Lateral positions. It is recommended that the City's Position Allocation Plan be amended to add three (3) additional Police Officer Recruit/Lateral positions. Council approval is required for changes to the Position Allocation Plan.

BACKGROUND

The Police Department has recently evaluated the work assignments in the department and has determined that it is necessary to add three (3) additional Police Officer Recruit/Lateral positions. This will more efficiently support the current needs of the department. The request for the additional officers is due to pending retirements and staff that is not on full-duty due to work related injuries. The desired change results in the need to modify the City's Position Allocation Plan which requires Council approval.

FISCAL IMPACT

The fiscal impact of salary and benefits for the remainder of FY 21-22 is approximately an additional \$201,621. There are adequate funds in the Police Department budget to cover the costs of these positions.

REASON FOR RECOMMENDATION

The addition of three (3) Police Officer positions will better support the current staffing needs of the Police Department. The change must be reflected in the authorized FY 21-22 Police Department position allocation. Modification of the Position Allocation Plan requires Council Approval.

ACTIONS FOLLOWING APPROVAL

The position allocation for the Police Department will be modified as noted in Attachment A of Attachment 1. The position vacancies will be filled through a current eligible list.

Prepared by: Lori Shively, Personnel/Risk Manager

Reviewed by: City Manager *JS*

RESOLUTION 21-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVIS
APPROVING AMENDMENTS TO THE CITY'S FY 2021-2022
POSITION ALLOCATION PLAN

The City Council of the City of Clovis resolves as follows:

WHEREAS, the FY 2021-2022 Position Allocation Plan in the Police Department was approved as part of the FY 2021-2022 City budget adoption process; and

WHEREAS, a review of the staffing needs of the City indicates that the addition of three (3) Police Officer Recruit/Lateral positions is necessary in order to provide support to the other officers and better serve the needs of the department and the community; and

WHEREAS, amending the City's adopted FY 2021-2022 Position Allocation Plan requires City Council authorization.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Clovis that the City's FY 2021-2022 Position Allocation Plan shall be amended as noted in Attachment A of Attachment 1 attached.

* * * * *

The foregoing Resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on December 6, 2021 by the following vote to wit:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

DATED: December 6, 2021

Mayor

City Clerk

POSITION ALLOCATION ADJUSTMENT BY DEPARTMENT FY 2021-2022

DEPARTMENT	NUMBER OF POSITIONS
Police Department	
Add: Police Officer Recruit/Lateral;	3.0



CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council
 FROM: Administration
 DATE: December 6, 2021
 SUBJECT: Consider Approval - Res. 21-____, Agreement for Professional Legal Services as City Attorney

Staff: Luke Serpa, City Manager
Recommendation: Approve

ATTACHMENTS: 1. Draft Resolution (and Agreement)
 2. Correspondence from City Attorney Scott Cross

CONFLICT OF INTEREST

None

RECOMMENDATION

Staff recommends that the City Council approve the Resolution and Agreement (Attachment 1) for professional legal services as City Attorney and authorize the Mayor to execute the agreement.

EXECUTIVE SUMMARY

The firm of Lozano Smith has provided legal services as City Attorney under contract with the City of Clovis since August 1992. Scott Cross was appointed as City Attorney in 2020. Mr. Cross is requesting a three-year renewal of that Agreement, increasing the attorney's hourly rate from \$210/hour to \$220/hour year one (2022), \$230/hour in year two (2023), and \$235 in year three (2024). The firm is also requesting to no longer have a flat fee for Council meetings (currently \$650), but rather charge at the applicable hourly rate. (Please see correspondence from Mr. Cross as Attachment 2.) The paralegal and law clerk rate will increase from \$110.00/hour to \$115.00/hour in years one and two (2022 and 2023), and \$120/hour in year three (2024). This would be the thirteenth renewal of the Agreement since first entered. The last renewal was approved in December 2018.

Staff is recommending approval due to a variety of reasons including the following:

- 1) The institutional knowledge of City operations and history Lozano-Smith brings to the table.
- 2) Recurring training the firm provides including ethical training, management training, and training on new laws as they become effective, etc.
- 3) Proposed hourly rates are substantially below what other firms are charging for municipal clients as well as other non-municipal public agency clients.
- 4) Lozano Smith is a full service firm able to handle most of the City's legal service needs, including litigation.
- 5) Due to the broad range of municipal expertise Lozano Smith has, the City rarely needs to contract out for specialized legal services where the rates can be significantly higher.

BACKGROUND

The firm of Lozano Smith has provided legal services as City Attorney under contract with the City of Clovis since August 1992. Scott Cross was appointed as City Attorney beginning in 2020 after having served as Assistant City Attorney for years. Mr. Cross is now requesting a three-year renewal of that Agreement. This would be the thirteenth renewal of the Agreement since 1992. The last renewal was approved in 2018.

FISCAL IMPACT

The current billable hourly rate is \$210 per hour. Mr. Cross is requesting a three-year renewal of that Agreement, increasing the attorney's hourly rate from \$210/hour to \$220/hour year one (2022), \$230/hour in year two (2023), and \$235 in year three (2024). The firm is also requesting to no longer have a flat fee for Council meetings (currently \$650), but rather charge at the applicable hourly rate. The paralegal and law clerk rate will increase from \$110.00/hour to \$115.00/hour in years one and two (2022 and 2023), and \$120/hour in year three (2024). This contract amendment will result in less than a 4.0% annual increase over the three-year period which equates to approximately \$40,000 annual increase using the prior two-year actual data as a comparative.

REASON FOR RECOMMENDATION

The requested amendment is reasonable. The changes made in recent years to utilize paralegal services where appropriate have been cost-effective. The City currently pays from \$250.00 per hour to \$550.00 per hour for special legal counsel outside of the City Attorney's contract for work such as worker's compensation defense, insurance defense, water law, toxic tort law, and pension/retirement law.

The general performance and conduct of business by the City Attorney and the firm have been accomplished in a timely and cost-effective manner. More expensive specialized legal services outside the City Attorney's contract have been used very sparingly and are supervised by the City Attorney. Business conduct has been straightforward with the City's best interests considered and presented. Our experience has been that all business has been accomplished in a competent and ethical manner and is well respected in the legal community.

ACTIONS FOLLOWING APPROVAL

If approved, staff will proceed with execution and filing of the Agreement and the City Manager will provide administration and performance review of the City Attorney services and any other action as directed by the City Council.

Prepared by: John Holt, Assistant City Manager

Submitted by: Luke Serpa, City Manager *LS*

RESOLUTION 21-

**A RESOLUTION OF THE CITY COUNCIL
APPROVING THE AGREEMENT FOR
PROFESSIONAL LEGAL SERVICES AS CITY ATTORNEY**

The City Council of the City of Clovis resolves as follows:

WHEREAS, the City Council of the City of Clovis has determined that it is necessary for the efficient operation of the affairs of the City to appoint a City Attorney; and

WHEREAS, the City Council entered into agreement effective on August 1, 1992, with the firm of Lozano Smith, a professional corporation, to provide professional legal services as City Attorney; and

WHEREAS, the City Attorney has provided legal services to the City of Clovis for more than 29 years pursuant to the terms of the original agreement entered into on August 1, 1992, as renewed from time to time, and after this passage of time, City Attorney and City of Clovis have determined that it is necessary and desirable to make certain changes to the existing agreement.

NOW THEREFORE, the City Council of the City of Clovis hereby resolves, determines, and orders that Attachment A, "Agreement for Professional Legal Services as City Attorney," be approved and that the Mayor shall be authorized to execute such agreement to become effective on January 1, 2022.

* * * * *

The foregoing Resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on December 6, 2021, by the following vote to wit:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Dated: December 6, 2021

Mayor

City Clerk

Attachment 1



**AGREEMENT FOR
PROFESSIONAL LEGAL SERVICES
AS CITY ATTORNEY**

THIS AGREEMENT is made and entered into, effective January 1, 2022, between the CITY OF CLOVIS, a municipal corporation (hereinafter referred to as “City”) and LOZANO SMITH, a limited liability partnership (hereinafter referred to as “Attorney”). The term “City” shall also include all boards, commissions, and other bodies of the City.

1. SCOPE OF WORK AND DUTIES

The City Council appoints Scott G. Cross as City Attorney and hires Lozano Smith as its City Attorney to render such legal services as are customarily rendered by a City Attorney, including attending meetings of the City Council, Planning Commission, and other boards and bodies of the City, and its affiliated agencies, as directed by the City. Representation shall include, but not necessarily be limited to, drafting and reviewing ordinances, resolutions and City agreements, and consulting with or advising City staff on legal issues that arise within their areas of operation, and generally advising the City Council and City staff concerning the legal affairs of the City.

Attorney, as a full-service law firm, is prepared to, and will, provide representation to City in all of its legal affairs, including, but not limited to, municipal law, tort defense, labor representation, criminal prosecution, redevelopment, finance, franchising, contract representation and other matters, except where conflicts exist or where the City Council may otherwise direct. Attorney shall represent the City in initiating and defending all litigation unless otherwise directed by the City Council.

All of these duties shall be performed, as directed by the City Council, and Attorney will keep the City Council and the City Manager informed as to the progress and status of all pending matters. All legal services can be authorized only by the City Council or the City Manager. Attorney will manage and control the delivery of legal services in a competent, professional, and cost-effective manner. Where appropriate, Attorney may from time to time recommend the use of special counsel. In that event, Attorney shall coordinate the work of special counsel. Notwithstanding the foregoing, it is expressly understood that Attorney shall not be responsible for any pending litigation matter(s) until Attorney has specifically appeared in the matter as attorneys of record on behalf of City.

The scope of work and duties under this Agreement shall not include representation of the City as Bond Counsel. In the event City desires that Attorney act as Bond Counsel, and Attorney so agrees, City and Attorney shall enter into a separate Bond Counsel Agreement setting forth

Attorney's duties and compensation for such Bond Counsel services. City and Attorney may agree that such compensation shall be on a contingent fee basis.

2. CITY DUTIES

City agrees to provide such information, assistance, cooperation, and access to books, records, and other information, as is necessary for Attorney to effectively render its professional services under this Agreement. City further agrees to abide by this Agreement, and to pay in a timely manner for Attorney's bills for fees, costs, and expenses.

3. LEGAL FEES, BILLING PRACTICES, AND PERSONNEL

City shall compensate Attorney for legal services provided within the scope of work and duties as follows:

Attorney Services

- From January 1, 2022 through December 31, 2022, City shall pay to Attorney \$220.00 per hour for attorney services, inclusive of attendance at City Council meetings.
- From January 1, 2023 through December 31, 2023, City shall pay to Attorney \$230.00 per hour for attorney services, inclusive of attendance at City Council meetings.
- From January 1, 2024 through December 31, 2024, City shall pay to Attorney \$235.00 per hour for attorney services, inclusive of attendance at City Council meetings.

Law Clerks and Paralegals

- From January 1, 2022 through December 31, 2023, City shall pay to Attorney \$115.00 per hour for law clerk and paralegal services.
- From January 1, 2024 through December 31, 2024, City shall pay to Attorney \$120.00 per hour for law clerk and paralegal services.

In addition to paying legal fees, City shall reimburse Attorney for customary and reasonable costs and expenses incurred by Attorney in the course of providing legal services to City. Costs will include, but are not limited to, all third party expenses, duplicating, long distance telephone, postage charges, delivery charges, computerized legal research, facsimile charges, and filing fees. Attorney shall not, however, charge City for travel time and mileage to and from its offices to City for regular meetings with City Council or staff.

Attorney shall render to City a statement for fees for services and costs incurred every calendar month. City shall pay Attorney's statement within thirty (30) days after issuance of each statement. Each statement shall clearly indicate the basis of the fees, including the working attorney, hours worked, hourly rate (or flat meeting rate) and a brief description of the work performed, and a description of costs charged.

The City Attorney will exercise discretion to use whichever attorneys, paralegals and staff that he determines best suited to the rendering of legal services in a competent and economically efficient manner.

4. THIRD PARTY COSTS AND EXPENSES

Attorney may determine it necessary or appropriate to use one or more outside investigators, consultants, or experts in rendering the legal services required (particularly if a matter goes into litigation). Upon advance City Manager approval and proper documentation, City shall pay directly or reimburse Attorney for directly incurred out-of-pocket disbursements, costs, and expenses of providing said services.

5. INDEPENDENT CONTRACTOR/LAWFUL PERFORMANCE

Attorney shall perform all legal services required under this Agreement as an independent contractor. Attorney shall fully comply with the provisions of law regarding performance of this Agreement, including but not limited to, laws regarding licensure, professional canons of ethics and conflict of interest statutes, rules and regulations. Attorney must certify and comply with the following: (1) that Attorney has no ethical or legal conflicts which would in general disqualify Attorney from representing the City; (2) that Attorney will refrain from initiating any legal action against City (or their respective officers, agents and employees in their official capacity as such) by way of complaint or cross-complaint during the term of this Agreement or any services rendered pursuant thereto, whichever later occurs; and (3) that Attorney will promptly disclose upon knowledge or discovery of any specific facts which would or could potentially disqualify Attorney from representing City pursuant to this Agreement.

6. HOLD HARMLESS

Attorney agrees to protect indemnify and save harmless against all claims, demands and causes of action by Attorney's employees or third parties on account of personal injuries or death or on account of property damages arising out of the work to be performed by Attorney hereunder and resulting from the negligent acts or omissions of Attorney, Attorney's agents, employees or subcontractors.

7. INSURANCE

Attorney shall procure and maintain, at his sole cost and expense, comprehensive general liability and property damage insurance, including automobile and excess liability insurance, and professional liability insurance against all claims for injuries against persons or damages to property resulting from Attorney's negligent acts or omissions arising out of or related to Attorney's performance under this Agreement. The minimum amount of such insurance shall be \$1,000,000. Attorney shall also carry Workers' Compensation Insurance in accordance with applicable laws of the State of California. Such coverage shall be maintained in effect during the term of this Agreement and shall not be subject to reduction in coverage below the limits established, nor shall the insurance be canceled or terminated without thirty (30) days, prior written notice to the City. A certificate evidencing the foregoing, and naming the City as an additional insured, shall be delivered to and approved by the City prior to commencement of services pursuant to this Agreement.

8. TERM, DISCHARGE, AND WITHDRAWAL

This Agreement shall continue in effect until December 31, 2021. City may discharge Attorney at any time. Attorney may withdraw from City’s representation at any time, to the extent permitted by law, and the rules of Professional Conduct, upon at least thirty (30) days written notice. Upon notice of discharge or withdrawal Attorney shall deliver all documents and records of the City to the City and assist to the fullest extent possible in the orderly transition of all pending matters to City’s new counsel.

9. NOTICE

Any notice required by law or by this Agreement shall be deemed delivered upon personal delivery or when deposited in the United States Mail, postage prepaid, and addressed as described below or to any subsequently noticed change or address, whichever applies:

City Council
 CITY OF CLOVIS
 1033 Fifth Street
 Clovis, CA 93612

Scott G. Cross, Esq.
 LOZANO SMITH
 7404 North Spalding Avenue
 Fresno, CA 93720

10. EFFECTIVE DATE

This Agreement shall be effective January 1, 2022.

11. ASSIGNMENT

This Agreement shall not be assigned by Attorney without prior written consent of the City.

12. MAKING OF AGREEMENT

No member of Attorney who is a public official has participated in his/her official capacity with the City or the Agency in the discussion, negotiation or making of this Agreement, nor has any member of Attorney advised the City Council/Agency Board, any member thereof, or any member of the City or Agency’s staff with regard to this Agreement. Neither the City nor the Agency has sought any advice from any member of the Attorney firm with regard to this Agreement and understands that such advice cannot and will not be provided to the City or the Agency by any member of the Attorney firm.

13. CONSENT TO ELECTRONIC COMMUNICATIONS

In order to maximize efficiency, Attorney intends to use technology to facilitate its representation of City. Such technology may include, but is not limited to, email, document transfers by computer, cellular telephones, and use of mobile computing devices. The use of such technology may place City confidences and privileges at risk. While Attorney has reasonable safeguards in place to guard against any breach of confidentiality, Attorney cannot guarantee that such information will not be accessed by persons not entitled to access such information and there

is a risk of accidental disclosure. Knowing the foregoing, City nevertheless consents to the use of technology.

14. SUPERSESION

This Agreement supersedes any and all prior agreements or amendments thereto entered into for City Attorney services between City and Attorney.

CITY

ATTEST:

CITY OF CLOVIS

By: _____
Jose Flores, Mayor

By: _____
Karey Cha, City Clerk

Date: _____

Date: _____

ATTORNEY

LOZANO SMITH

By: *Karen M Rezendes*
Karen M. Rezendes, Managing Partner

Date: 11/9/2021

Scott G. Cross
Attorney at Law

E-mail: scross@lozanosmith.com

November 10, 2021

Luke Serpa, City Manager
City of Clovis
1033 Fifth Street
Clovis, CA 93612

Re: City Attorney Legal Services Agreement Renewal

Dear Luke:

It is time to renew the City Attorney agreement for legal services as the current agreement between Lozano Smith and the City expires on December 31, 2021.

Similar to previous agreements, we are proposing a three year agreement. The hourly rates for all attorneys in year one (2022) will be \$220.00, in year two (2023) \$230.00, and in year three (2024) \$235.00. The new rates reflect an initial \$10.00 increase to the current \$210.00 hourly rate in year one, followed by a \$10.00 increase in year two, and a \$5.00 increase in year three. Together, the increases over the term of the new agreement will average less than 4.0% each year. The paralegal and law clerk rate will increase slightly from the current \$110.00 per hour to \$115.00 per hour for the first two years, and then increase to \$120.00 per hour in year three. As always, the proposed agreement provides that we will not charge the City for travel time or mileage to/from our office to the City for regular meetings with the City Council and with staff.

Unlike previous agreements, we are not proposing an increased flat fee for attending City Council meetings. Primarily for administrative purposes for our billing department we have begun moving away from flat fees for meetings with many other city and public agency clients. The current flat meeting rate of \$650.00 for Clovis the past three years has often resulted in the City paying more than if we had billed at the applicable hourly rate of \$200.00-\$210.00 during the term. We anticipate the City may see a cost savings by paying the hourly rate for attending Council meetings rather than an increased flat rate (as the length of Council meetings often are less than 3.25 hours rather than longer).

As you can understand, this modest increase over three years is necessary to help address the increasing cost of doing business in California. Even with the rate increases, the rates for Clovis will remain substantially below what we are charging new municipal clients as well as our other non-municipal public agency clients. Those rates currently range from \$250.00 to \$325.00 per hour and higher in some instances. In addition, as the City knows, Lozano Smith is a full service firm

Limited Liability Partnership

7404 N. Spalding Avenue Fresno, California 93720-3370 Tel 559-431-5600 Fax 559-261-9366

Attachment 2

Luke Serpa, City Manager
City of Clovis
November 10, 2021
Page 2

able to handle almost all of the City's legal service needs, including litigation. Because of the range of municipal expertise Lozano Smith has, the City has rarely needed to retain outside counsel at much higher rates to handle "specialized" matters. Our litigation experts, some with over 25 years of experience, have represented the City and will continue to do so at the same proposed reduced rates.

We value our long term relationship with the City for the past nearly 30 years, and look forward to continuing that relationship.

Enclosed is the agreement for legal services for 2022-2024. Please present this letter and the new agreement to the City Council for their consideration during the December 6, 2021 meeting.

As always, we appreciate the opportunity to continue to serve the City of Clovis.

Sincerely,

LOZANO SMITH



Scott G. Cross

SGC/sps

Encl: Agreement for Professional Legal Services

cc: John Holt, Assistant City Manager



CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Administration

DATE: December 6, 2021

SUBJECT: Consider Various Actions Associated with the Development of a Citizens' Advisory Committee to Evaluate the Police Department's Funding, Operations and Staffing Levels, and Report back on Recommendations on Services Provided, Efficiencies, Operations, and Funding:

- a. Confirm / amend consensus direction provided to staff at the November 15, 2021 meeting;
- b. Consider options regarding facilitating the 25 member Committee meetings through the process;
- c. Approve the draft calendar for the Committee meeting timeline;
- d. Receive and File an analysis of expenditures and staffing within the Police Department over the past fifteen years.

Staff: John Holt, Assistant City Manager

Recommendation: Approve and Provide Policy Direction

ATTACHMENTS:

1. November 15, 2021 Staff Report on request from former City of Clovis Police Chief Matt Basgall to discuss creating a Citizens' Advisory Committee for the purpose of evaluating police officer staffing.
2. November 13, 2007 Staff Report to Council

CONFLICT OF INTEREST

None

RECOMMENDATION

For the City Council to consider various actions associated with the development of a Citizens' Advisory Committee to evaluate the Police Department's funding, operations and staffing levels, and report back to Council on Recommendations on Services Provided, Efficiencies, Operations, and Funding:

- a. Confirm / amend consensus direction provided to staff at the November 15, 2021 meeting;
- b. Consider options regarding facilitating the 25 member Committee meetings through the process;
- c. Approve the draft calendar for the Committee meeting timeline;
- d. Receive and File an analysis of expenditures and staffing within the Police Department over the past fifteen years.

EXECUTIVE SUMMARY

On November 8, 2021, Police Chief Curt Fleming presented a State of the Department update to the City Council. Chief Fleming summarized the findings of a Police Resource Allocation Study (Study) by Etico Solutions, Inc. which is a staffing study that was recently completed. The last staffing study was completed in 2006.

On November 15, 2021, the Council considered a request from former Police Chief Matt Basgall to discuss creating a Citizens' Advisory Committee for the purpose of evaluating police officer staffing (see Attachment 1). There was significant discussion at that meeting regarding the Committee and how it would be created, facilitated, the focus, and scope. During that discussion, there were four specific areas that were discussed that staff is now returning to expand the discussion and confirm direction. Below staff has summarized (or will summarize at the meeting of December 6, 2021) the following four areas:

- a. Consensus direction provided to staff at the November 15, 2021 meeting.
- b. Options regarding facilitating the 25 member Committee through the process.
- c. Draft calendar for the Committee meeting timeline.
- d. An analysis of expenditures and staffing within the Police Department over the past fifteen years.

BACKGROUND

On November 8, 2021, Police Chief Curt Fleming presented a State of the Department update to the City Council. Chief Fleming summarized the findings of a Police Resource Allocation Study (Study) by Etico Solutions, Inc. which is a staffing study that was recently completed. The last staffing study was completed in 2006. The Study found that the department initially needs 18 to 22 additional officers to get to staffing levels in the Patrol Division (Patrol) to be sufficient so that Patrol officers can meet industry recommended standards of 50% of a shift to be available for proactive policing matters. Chief Fleming also noted that the City population has risen significantly over the fifteen year period and the number of officers budgeted is four less than in 2006 (110 then and 106 now). Chief Fleming indicated that the Police Department has eliminated several proactive units since 2006, including the gang, narcotics, mounted and bike units in an effort to staff the Patrol Division.

On November 15, 2021, the Council considered a request from former City of Clovis Police Chief Matt Basgall to discuss creating a Citizens' Advisory Committee for the purpose of evaluating police officer staffing. There was significant discussion at that meeting regarding the Committee and how it would be created, facilitated, the focus, and scope. During that discussion there were four specific areas that were discussed that staff is now returning to expand the discussion and confirm direction.

A - Confirm / amend consensus direction provided to staff at the November 15, 2021 meeting.

On November 15, 2021, the Council considered a request from former City of Clovis Police Chief Matt Basgall to discuss creating a Citizens' Advisory Committee for the purpose of evaluating police officer staffing. Significant discussion and feedback was provided to staff that evening regarding the request. Staff would like to confirm the consensus of the Council as follows:

1. Form the committee.
2. The makeup of the committee would be 25 members with each Council Member nominating 5 members each.
3. The scope of the Committee analysis would be staffing of the entire Police Department (compared to the Etico Solutions study which focused solely on Patrol staffing).
4. Review and report expenditures and staffing within the Police Department over the past fifteen years.
5. Consider what it is going to take to stay the "Safest City in the Valley".
6. Report back on the required timeline should a tax measure be considered to be placed on the November 2022 ballot.

In reviewing the audio of the meeting, staff would like to confirm two items that were discussed but unclear if there was a consensus as follows:

1. What is the consensus of Council participation on the committee? Will Council participate or not? And if so, in what capacity/frequency?
2. Unclear if Committee members would be required to live / work / own property in the City.
3. Council indicated they were interested in having members of the general public involved in the process, outside of the selected committee members. What type of involvement/participation would Council want from residents, not appointed to the committee, to have?

B - Consider options regarding facilitating the 25 member Committee through the process.

Staff is recommending that City Council consider how the Committee meetings will be facilitated. Facilitating a group of 25 members is going to be challenging. A partial list of options that Council may consider are as follows:

1. Hire an independent outside facilitator. Staff has done some research and has not been able to identify anyone who could act as a facilitator for this type of committee.
2. Select a chair and vice chair for the Committee and have those members act as facilitators.
3. Direct staff to facilitate.

C - Approve the draft calendar for the Committee meeting timeline.

Council was very clear that the Committee being formed was not a “sales tax committee”. That being said, one of the recommendations that the Committee could come back with is a need for additional revenues for the Police Department to add additional sworn officers. Should that be a recommendation, Council directed staff to look into calendar deadlines that would have to be met for the November 2022 to add a tax measure to the ballot.

For election purposes, the November 8, 2022, election is considered a statewide election. When a city calls for an election on a municipal proposition, such as a local tax measure, to be held on the same date and consolidated with a statewide election, the City Council must approve a resolution calling for the election; requesting the municipal election be consolidated with the statewide election; and include the exact form of the question/proposition as it would appear on the ballot. The approved resolution must be filed/submitted with the county at least 88 days prior to the date of the election. The different types of taxes (sales tax, parcel tax, transient occupancy tax, etc.) and whether the tax is general or special does not impact this 88-day deadline. Along with the approval of the resolution, an ordinance imposing the proposed tax (subject to voter approval) is introduced.

Looking ahead at the calendar of City Council meeting dates, Monday, August 8, 2022, is 92 days before the November 8, 2022 election. The resolution calling for the election and approving the ballot measure text would need to be approved no later than August 8, 2022, and then the approved resolution submitted to the Fresno County Clerk/Registrar of Voters no later than Friday, August 12, 2022, to get the measure on the November 8, 2022 ballot. Staff would recommend an earlier date for Council consideration to allow some flexibility should additional time be needed. An earlier Council meeting date could be selected, but August 8, 2022 is the last possible Council meeting date to qualify for the November 8 election. Please recall that Council traditionally goes on recess in August and conducts only the first meeting, which would be August 1, 2022.

Possible calendar for the Committee may be as follows:

- January – April 2022 – two meetings per month on the 2nd and 4th Wednesdays for a total of 8 meetings.
- May 2022 Committee reports back to Council on results of analysis and recommendations.
- June 2022 – Town hall meeting(s) for Council to consider results of analysis and recommendations.
- July 2022 – If Council direction is to place a tax measure on the ballot, there are other administrative matters and deadlines the City Attorney and City Clerk will need to complete with regard to preparing and submitting an impartial analysis and a synopsis of the measure and handling any arguments in favor or against the measure so that they all get sent to the County Clerk/Registrar in time to be included in the voter pamphlet.
- August 8, 2022 – deadline.

D - Receive and File an update on expenditures and staffing within the Police Department over the past fifteen years.

The Finance Department is in the process of completing an analysis of expenditures and staffing in the Police Department between 2005/06 and 2019/20. A copy will be provided to City Council at the meeting on Monday, December 6, 2021.

Attachment 2 is the staff report that went to Council on November 13, 2007 that summarizes the recommendations provided to Council by the Committee. The report is provided as background information for Council for what a similar Committee analyzed between 2007 and 2008.

Ideally, Council would provide the names of their five candidates in time to have the Committee approved by Council at the December 13, 2021 meeting. Staff is currently recommending cancelling the Council meeting of December 20, 2021 as it falls on the week of a holiday. Should we not have the Committee formed until January, it could possibly delay when the Committee could begin to meet.

The venue of where the Committee meetings will be held needs to be determined and how they are conducted. The size and technical configuration of the Council Chamber is not conducive to a 25 member Committee to participate and allow for video broadcasting, such as Council Meetings are done today. One alternative that staff is considering is to select a venue such as the Emergency Operations Center (EOC) or the Senior Center, and have CMAC broadcast the meeting. The meetings would be open to the public. The video broadcasting would not allow for what we have in the Council Chambers today via Webex and two-way communication. Residents who wanted to participate in the meetings would be required to attend.

FISCAL IMPACT

At this point there is no significant impact on the budget in reviewing what is being considered in this report. If Council directs staff to find an outside facilitator, there will be costs incurred. Additionally, if the City uses CMAC to broadcast the video, there will be costs incurred.

REASON FOR RECOMMENDATION

At the November 15, 2021 Council meeting, Council provided direction to return to Council regarding the development of a Citizens' Advisory Committee to provide an analysis of expenditures and staffing within the Police Department over the past fifteen years.

ACTIONS FOLLOWING APPROVAL

Staff will implement Council direction.

Prepared by: John Holt, Assistant City Manager

Reviewed by: City Manager 



CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Administration

DATE: November 15, 2021

SUBJECT: Consider – A request from Matt Basgall for the City Council to Create a Citizens Advisory Committee for the Purpose of Evaluating Police Officer Staffing.

Staff: Luke Serpa, City Manager

Recommendation: Consider request and provide direction.

ATTACHMENTS: 1. Letter from Matt Basgall

CONFLICT OF INTEREST

None

RECOMMENDATION

For the City Council to provide direction to staff based on the request from Matt Basgall. If the direction is to form a committee staff would be looking for direction on the number and criteria to be used for selecting membership, as well as the scope of the committee's work and expected timeline.

EXECUTIVE SUMMARY

Staff is in receipt of a request to the Clovis City Council from former City of Clovis Police Chief Matt Basgall. The request is for the City Council to discuss creating a citizens advisory committee for the purpose of evaluating police officer staffing.

BACKGROUND

As detailed in the Police Department Staffing Study that was presented to Council on November 8, the number of sworn officers that is currently funded is well below the Department's goals. Due to the limitations on staffing, the Police Department has had to reduce or eliminate various services. In response to this situation, former Police Chief and current Clovis resident, Matt Basgall, has submitted a letter requesting that Council establish a Citizen's Advisory Committee to analyze the staffing needs for the Police Department, to provide feedback to the Council regarding what the citizens of Clovis expect from the Department, and to examine funding options to meet those expectations.

A similar Citizens Advisory Committee was established by the Clovis City Council in 2007. For reference, the following is a brief background on that process and outcome: Between April and June 2007 the City Council conducted workshops on future funding for services for Police, Fire, Street Maintenance, and Park Maintenance. By June 2007 the City Council had appointed 15 members (three each) of the public to participate on a Citizens Advisory Committee to evaluate future funding for services for Police, Fire, Street Maintenance, and Park Maintenance. The Committee met twice monthly from June through September 2007. As part of the process the city also retained a consultant to evaluate the benefits of the 1999 Measure A sales tax override and to prepare a survey to gauge the public support for a potential sales tax measure to follow the 1999 Measure A. In December 2008 the Clovis City Council adopted Ordinance 08-27 to enact a one cent sales tax for ten years and a three quarters of a cent thereafter for restoration and protection of essential city services and calling a March 2009 election for the voters to consider. The measure was a general tax and as such required a simple majority for adoption. The measure failed 68% to 32%.

Staff is currently seeking direction from Council regarding the potential establishment of Citizens Advisory Committee as requested by Matt Basgall. If Council decides to establish such a committee, specific direction would be needed regarding the make-up of the committee, the scope of the analyses that they will conduct, and the timeline for providing feedback to Council.

FISCAL IMPACT

At this point in the discussion there is no fiscal impact. Depending on Council's direction, there could be costs for additional studies or surveys to support the committee's work. The cost of any such studies would be expected to be similar in magnitude to the recently completed staffing study, and funding is available for studies of that order.

REASON FOR RECOMMENDATION

Staff is in receipt of a request to the Clovis City Council from former City of Clovis Police Chief Matt Basgall. The request is for the City Council to discuss creating a citizens advisory committee for the purpose of evaluating police officer staffing.

ACTIONS FOLLOWING APPROVAL

Staff will implement Council direction.

Prepared by: John Holt, Assistant City Manager

Reviewed by: City Manager LS

TO: Clovis City Council
FROM: Matthew Basgall
DATE: September 22, 2021
SUBJECT: Citizen Advisory Committee

This is a request to discuss a citizens advisory committee for the purpose of police officer staffing levels in the City of Clovis. The Clovis Police Department has been working understaffed since the recession of 2008. Over the past 13 years Clovis PD has seen a significant increase in both residents, businesses and hotels. In 2007-2008 the Clovis Police Department was authorized to be at 116 officers and a commitment to keep officers at a ratio of 1.3 officers per 1000 residents. As a result of the recession Clovis PD was cut to 91 officers. Currently the authorized number is 109. With a population of approximately 125,000 this gives a ratio of .87 officers per 1000 residents.

Since the Police Department relies solely on the general fund the staffing is at the mercy of those revenues. Over the past 13 years we have seen a recession, increase in retirement costs and COVID dramatically impact the police departments ability to grow with the city. The question is what will be the next thing that impacts the city and public safety.

Clovis Police Department has always prided itself on its community support and being a full-service department. With the current environment these commitments are strained and becoming unreasonable to meet. The Police Department relies on volunteers for muni-code enforcement. However with COVID many volunteers have chosen to not return to the PD.

GOALS OF COMMITTEE

Analyze staffing needs for the Police Department

- 1) Provide feedback to the City Council
- 2) Establish what the citizens of Clovis want and expect from Clovis PD
- 3) Examine funding options

QUESTIONS FOR COUNCIL:

- 1) Does the council want to participate in a workshop
- 2) Does council want to appoint members onto the committee
- 3) How many persons should be involved in the process

Clovis Police Department is in process of having a study completed to examine the needs of the department, which will be provided to the Council. The Clovis Police Officers Association has agreed to fund a survey to be sent to the citizens of Clovis that will address the hard questions. What are the citizens willing to pay for safety. What are they willing to give up and what do they want from their police department.



AGENDA ITEM NO:

1A

City Manager:

- CITY OF CLOVIS - REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Administration

DATE: November 13, 2007

SUBJECT: Consider Report and Recommendations from the Citizens' Advisory Committee for Future Funding of City Services.

ATTACHMENTS: (A) Report from the Citizens' Advisory Committee for Future Funding of City Services

CONFLICT OF INTEREST

None.

RECOMMENDATION

1. Accept the report and recommendations of the Citizens' Advisory Committee for Future Funding of City Services.
2. Schedule a follow up report for the December 3, 2007, Council meeting to review additional information provided by staff and related to future funding of city operations..
3. Re-establish a Council subcommittee to work with staff on selecting a firm to provide survey information related to the implementation of Measure A, the sales tax override, which provided funding for Fire and Police facilities.

EXECUTIVE SUMMARY

At the City Council meetings of April 6, 2007, and May 7, 2007, the City Council reviewed information related to the funding of City services including Fire, Police, Parks, and Streets. In May 2007, the City Council appointed a Citizens' Advisory Committee for Future Funding of City Services. The Committee met eight times and concluded their work on September 27, 2007. In the initial phases of the Committee's work, each City service (Police, Fire, Parks, and Streets) presented information to the Committee to

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help them gain an understanding of how the various services are delivered, where funding for the services comes from, and the impacts funding has on levels of service and service delivery.

The Committee members took the initiative to prepare the report with the input and oversight of all of the members. The Committee's final report of their work and recommendations is included as Attachment A.

BACKGROUND

As a portion of the Committee's report, the Committee prioritized their recommendations in terms of funding services. In a majority decision, the Committee recommended that a one-quarter cent sales tax override be imposed, after the current three-tenths cent sales tax override is terminated, with direction that such tax have a seven year sunset, and that the City should use part of this additional revenue to increase park funding.

The Committee made additional recommendations for the City Council's consideration and a majority of the Committee members recommended:

1. That the City Council should establish utility assessment districts for all property owners to cover the cost of street lighting, which would in turn free up additional general fund revenue that could be used for other priorities such as public safety, parks, or streets.;
2. That the City Council should establish landscape maintenance districts for all property owners to cover the cost of landscaping for the whole city, which would in turn free up additional general fund revenue that could be used for other priorities;
3. That the City Council take more action to enact tighten their belt; and
4. That the City Council should be more frugal on spending for capital projects.

The principal recommendations dealing with the potential to use sales tax override funding and special districts (lighting and landscaping) on a citywide basis will be discussed, along with the most current City financial information that staff is compiling, at the December 3, 2007, Council meeting.

In addition to the Committee work, the City Council also gave the staff direction to seek firms that could assist the City in reporting to the citizens about the progress made on completing projects funded by Measure A. Based on information available in late Spring 2007, staff circulated a Request for Proposals (RFP) for public relations informational material and citizen opinion survey work, and received four proposals.

However, as the Committee proceeded, it became apparent that the City might wish to consider additional sampling based on recommendations made by the Committee in their final report. The four firms were advised that, while their services were still under consideration, the nature of the task was likely to change and the City would contact them with a request to update and/or modify their proposals based on information,

suggestions, and recommendations from the citizens' committee. In reviewing this material and providing an updated request for proposals, it would be useful if the Council could re-confirm a subcommittee to work with staff.

FISCAL IMPACT

Depending upon Council direction, a one-quarter of one percent sales tax override would provide approximately \$3.9 million annually for streets, parks and public safety services. If approved, a citywide Lighting District would generate approximately \$1.3 million annually and a citywide Landscape Maintenance District would generate approximately \$1.5 million annually, all depending on the scope of services included in the respective district. These estimates are based upon maintaining the status quo. If increased levels of service are desired, the estimate for district charges would need to be increased.

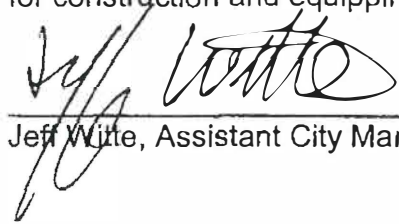
REASON FOR RECOMMENDATION

Council should consider the report and recommendations of the Citizens' Committee and provide staff with further direction.

ACTIONS FOLLOWING APPROVAL

1. Staff will provide additional financial information related to the Committee's recommendations and any subsequent requests for information from the City Council for review and discussion at the Council meeting of December 3, 2007.
2. Working with a Council sub-committee, staff will seek updated proposals from the firms that responded to the Request for Proposals. The work would include the measurement of public opinion related to the feasibility of the Committee's recommendations, gauge the public's existing knowledge of Measure A, and develop and distribute materials explaining how Measure A was used for construction and equipping of new public safety facilities.

Submitted by:



Jeff White, Assistant City Manager

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ATTACHMENT A



CITY OF CLOVIS MEMORANDUM

TO: Mayor and City Council

FROM: Citizen's Advisory Committee on Future Funding of City Services

DATE: November 13, 2007

SUBJECT: Report and Recommendations from the Citizen's Advisory Committee on Future Funding of City Services

This will serve as the report to the Clovis City Council from the Citizen's Advisory Committee on Future Funding of City Services (the "Committee"). The objectives of the Committee included the following:

1. review goals and objectives related to public safety (police and fire), streets and parks maintenance,
2. review future plans associated with staffing levels and capital expenses related to these functions,
3. make recommendations to the City Council related to priority of goals, objectives and future plans for services and improvements, and
4. review existing method of funding these functions and make recommendations on any funding alternatives that should be considered.

The Committee met approximately every other week for four months, hearing presentations on the current funding and future needs related to public safety, streets, and parks maintenance. The last several meetings were devoted entirely to discussing the issues and formulating recommendations.

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At our first meeting, Mayor Whalen encouraged us to "think outside the box." The Committee endeavored to do so and spent a great deal of time examining all facets of the question, without settling on one solution because it seemed easy. While the primary recommendation of the Committee may not be an "outside the box" solution, the Committee is also providing community feedback in an "outside the box" form, specifically the list of additional proposals, for use by the City Council in considering the broader implications of the current funding crisis. The Committee is providing the City Council with one recommendation, a statement of priorities, and a list of additional proposals.

RECOMMENDATION

The Committee recommends that (1) a one-quarter cent sales tax override be imposed after the current three-tenths sales tax override expires, (2) this one-quarter cent sales tax override sunset after seven (7) years, and (3) the City use part of this additional revenue to increase park funding.

Eight (8) members of the Committee voted in favor of this recommendation, four (4) voted against it, one (1) abstained, and two (2) were absent.

STATEMENT OF PRIORITIES FOR ADDITIONAL RESOURCES

To give the City Council a sense of the community, the Committee asked itself the following question: Which of the three functions (streets, public safety, and parks) do you believe has the most need for immediate action/resources, or do you believe that the needs are equally urgent? Following is a tally of the Committee members' response to that question:

<u>Function</u>	<u>No.</u>
Streets	9
Public Safety (Police and Fire)	3
Landscape and Parks	0
Equal	1

LIST OF ADDITIONAL PROPOSALS

To give the City Council further information as to the feelings of the community, the Committee identified several proposals that were discussed at various meetings and each of the Committee members stated whether they were in favor, against or had no opinion as to each of the proposals. Following is that list of proposals. (Two Committee members were absent from this meeting.)

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Proposals

	<u>For</u>	<u>Against</u>	<u>No Opinion</u>
The City Council should consider a bond measure as a way to jumpstart funding for streets and parks	5	8	
The City Council should implement a 12-24 month hiring freeze across all departments, effective immediately	6	7	
The City Council should reduce employee benefits across all departments.	5	8	
The City Council should establish utility assessment districts to cover the cost of lighting, which would free up additional general fund revenue.	9	3	1
The City Council should establish landscape management districts to cover the cost of landscaping for the whole city to free up additional general fund revenue.	10	3	
The City Council should take more action to reduce its expenses, i.e., "belt-tightening."	10		3
The City Council should be more frugal on capital projects.	11	2	

Respectfully submitted,

Citizens' Advisory Committee on Future Funding of City Services