AGENDA
MCFARLAND CITY COUNCIL
MCFARLAND SUCCESSOR AGENCY
MCFARLAND PUBLIC FINANCE AUTHORITY
MCFARLAND IMPROVEMENT AUTHORITY
MCFARLAND PARKING AUTHORITY
MCFARLAND USA FOUNDATION

REGULAR MEETING
CITY COUNCIL CHAMBERS **April 22, 2021**
103 W. SHERWOOD AVE, MCFARLAND, CA **6:00 PM**

<u>In Person Meeting</u>

<u>How to submit public comments:</u>

- If you have a comment, a statement or question, please submit these in writing to the City Clerk by mail at 401 W. Kern Ave, McFarland, CA 93250, or email at falvarado@mcfarlandcity.org. Such comments must be identified by adding the Agenda Item Number in the subject line of the email. Please include your name and address for the record. In the subject line, please provide "Public Comment Item #" (insert the item number relevant to your comment) or "Public Comment Non-Agenda Item". All public comments will be read into the record or compiled as part of the record.

- Speakers are limited to two (2) minutes.

<u>Americans with Disabilities Act:</u>

In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by the City, please contact the City Clerk's office, at (661) 792-3091 ext. 2135. Notification of at least 48 hours prior to the meeting, or time when services are needed, will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or services.

CALL TO ORDER: Mayor Sally Gonzalez

ROLL CALL:

Mayor/Chairman, Sally Gonzalez
Mayor Pro Tem, María T. Pérez
Council Member/Board Member, Eric Rodriguez
Council Member/Board Member, Saul Ayon
Council Member/Board Member, Ricardo Cano

INVOCATION

PLEDGE OF ALLEGIANCE

PRESENTATIONS, INTRODUCTIONS AND AWARDS

- Certificate of Recognition to Margarita Ortega –Recipient of the "Women of the Year Award" by Senator Melissa Hurtado, Requested by Mayor Pro-Tem María T. Pérez.

- Certificate of Recognition to Eve Henderson – Outstanding Volunteer Service to the McFarland Animal Community, Requested by Mayor Pro-Tem María T. Pérez.

PUBLIC COMMENT: The public may address the Council/Board Member on items, which do not appear on the agenda. Council/Board Members may respond briefly to statements made or questions posed. They may ask a question for clarification; may refer the item to staff for further study or for placement on a future agenda. **Speakers are limited to two minutes for each person. Please state your name and address for the record prior to making a presentation. Fifteen minutes total will be allowed for any one subject.**

CONSENT AGENDA: The Consent Agenda consists of items that in staff's opinion are routine and non-controversial. These items are approved in one motion unless a Council Member/Board Member removes a particular item.

1. Warrant Register for $ 212,456.27 from April 1, 2021 to April 13, 2021.

2. Approval of April 8, 2021 Minutes.

3. The McFarland Greater Chamber of Commerce is Requesting City Council Approve Waiving the Business License Fee of $84.00 and License Tax Fee of $25.00 for their Firework Stand, Located at Cen-Cal Auto & Truck Parts Parking Lot. (Municipal Code Section: 5.04.190- Waiver & 8.08.090 – License Tax).

4. The McFarland Lions Club is Requesting City Council Approve Waiving the Business License Fee of $84.00 and License Tax Fee of $25.00 for their Firework Stand, Located at Mi Rancho Lot (Municipal Code Section: 5.04.190- Waiver & 8.08.090 – License Tax).

PUBLIC HEARINGS

None

DEPARTMENTAL REPORTS

a. Administration
b. Police Department- March STAT's
c. Finance Department
d. Public Works Department
e. Community Development Department

ADMINISTRATIVE AGENDA

5. Report, Discussion, and Possible Approval of the City of McFarland's Audited Financial Statements for Fiscal Year Ending June 30, 2018.

6. Second Reading and Adoption of ***Ordinance No. 0001-2021,*** AN ORDINANCE OF THE CITY OF MCFARLAND REGARDING CITY MANAGER AND AMENDING TITLE 2, CHAPTER 2.16 OF THE MCFARLAND MUNICIPAL CODE TO REPEAL SECTIONS 2.16.120, 2.16.130, 2.16.140, 2.16.150, 2.16.160 2.16.160, 2.16.170, 2.16.180, 2.16.190, 2.16.200, 2.16.210, 2.16.220, 2.16.230, 2.16.240, 2.16.250, and 2.16.260, AND AMEND SECTIONS 2.16.010, 2.16.020, 2.16.020, 2.16.030, 2.16.040, 2.16.050, 2.16.060, 2.16.070, 2.16.080, 2.16.090, 2.16.100, AND 2.16.110 AS PART OF A NEW TITLE 2, CHAPTER 2.16 OF THE MCFARLAND MUNICIPAL CODE

7. Second Reading and Adoption of ***Ordinance No. 0002-2021***, AN ORDINANCE OF THE CITY OF MCFARLAND REGARDING CITY PERSONNEL SYSTEM AND AMENDING TITLE 2, CHAPTER 2.20 OF THE MCFARLAND MUNICIPAL CODE TO AMEND 2.20.010, 2.20.020, 2.20.030, 2.20.040, AND 2.20.050 AS PART OF A NEW TITLE 2, CHAPTER 2.20 OF THE MCFARLAND MUNICIPAL CODE

8. Report and Discussion of Employees Working a 9/80 Schedule (Employee Handbook Section 7.05 (C.2.3) Per Councilmember Cano's Request.

9. Report, Discuss and Possible Approval of Mr. Munguia's Request for City of McFarland to Hire a Contractor to Grade the Alley Adjacent to Munguia Heating A/C Business.

10. Report, Discussion, and Approval of ***Resolution No. 2021-0018*** A Resolution of the City Council of the City of McFarland, California, Adopting the Implementation of the City's Covid-19 Modified In-Person Meeting Protocols to Address the Covid-19 Pandemic Related to City Departments and City Commissions Meetings.

11. Report, Discussion, and Give Direction to City Staff to Provide a Report Pursuant to the Surplus Land Act, Showing Whether the Property is Surplus or Not, Real Property City-Owned (APN 060-050-24).

12. Report, Discussion, and Possible Approval of Water Balance and Use Area Management Plan Report for the City of McFarland Wastewater Treatment Facility, Real Property City-Owned (APN: 060-050-24).

13. Report, Discussion and Possible Approval of City Attorney's Request to Digitize the City's Legal Files and Records and Directing the City Manager, In Her Capacity as McFarland's Purchasing Agent, to Pay the Expense of Digitizing the City's Legal Files and Legal Documents.

REPORTS FROM CITY COUNCIL ON COMMITTEE/SPECIAL DISTRICT MEETINGS

a. Delano Mosquito Abatement District (DMAD) – Council Member Ricardo Cano
b. Kern Council of Governments (KCOG) – Mayor Sally Gonzalez or Alternate Mayor Pro Tem Maria T. Pérez
c. McFarland Tri-Agency Partners (MTAP) – Mayor Sally Gonzalez or Alternate Council Member Eric Rodriguez
d. Kern Economic Development Corp. (KEDC) – Mayor Sally Gonzalez
e. Kern County Association of Cities (KCAC)
f. Poso Creek IRWMP

COUNCIL STATEMENTS AND REPORTS

On their own initiative, Council Members may make a brief announcement or a brief report on their own activities. In addition, Council Members may ask a question of staff or the public for clarification on any matter, provide a reference to staff or other resources for information. Alternatively, request staff to report to the City Council at a later meeting concerning any matter. Furthermore, the City Council, or any member thereof, may take action to direct staff to place a matter of business on a future agenda.

CLOSED SESSION

CALL TO ORDER – CLOSED SESSION
ROLL CALL
PUBLIC COMMUNICATIONS: Public Comments on Closed Session Items Only
CLOSED SESSION – The Public May Not Participate in the Closed Session, Other Than by Submitting Public Comments on the Topics Listed Hereunder.

1. Approval of April 8, 2021 Closed Session Minutes.

2. PUBLIC EMPLOYMENT APPOINTMENT
   Title: Finance Director

ADJOURNMENT

This is to certify this agenda was posted at McFarland City Hall on April 16, 2021.

Francisca Alvarado

Francisca Alvarado, City Clerk

Next Meeting: Regular City Council May 13, 2021.

The City of McFarland does not discriminate based on disability and complies with the provisions of the Americans with Disabilities Act (ADA). If you need special assistance to participate in this meeting, please contact the City Clerk's Office at (661) 792-3091 at least 48 hours prior to the meeting to make reasonable arrangements to ensure accessibility to this meeting.

Expense Approval Report

City of McFarland, CA

By Vendor Name

Post Dates 4/1/2021 - 4/13/2021

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Vendor: A-C ELECTRIC COMPANY - A-C ELECTRIC COMPANY					
A-C ELECTRIC COMPANY	53028	04/01/2021	Inv - 53028	30-500-56410-0000-1	435.00
A-C ELECTRIC COMPANY	53220	04/01/2021	Inv 53220	30-500-56410-0000-1	905.00
			Vendor A-C ELECTRIC COMPANY - A-C ELECTRIC COMPANY Total:		**1,340.00**
Vendor: Advance Flow Measure - Advance Flow Measure					
Advance Flow Measure	INV0018390	04/01/2021	2021 Compliance @ WWTP	30-500-56410-0000-1	550.00
			Vendor Advance Flow Measure - Advance Flow Measure Total:		**550.00**
Vendor: American Fidelity - American Fidelity					
American Fidelity	2082947	04/01/2021	2082947 Claims September 20	01-115-50500-0000-1	47.01
American Fidelity	2082947	04/01/2021	2082947 Claims September 20	01-180-50500-0000-1	120.07
American Fidelity	2082947	04/01/2021	2082947 Claims September 20	30-500-50500-0000-1	55.21
American Fidelity	2082947	04/01/2021	2082947 Claims September 20	31-505-50500-0000-1	6.61
American Fidelity	2082947	04/01/2021	2082947 Claims September 20	32-510-50500-0000-1	55.22
American Fidelity	2084398	04/01/2021	2084398 Claims October 2020	01-115-50500-0000-1	50.40
American Fidelity	2084398	04/01/2021	2084398 Claims October 2020	01-180-50500-0000-1	132.60
American Fidelity	2084398	04/01/2021	2084398 Claims October 2020	30-500-50500-0000-1	58.80
American Fidelity	2084398	04/01/2021	2084398 Claims October 2020	32-510-50500-0000-1	58.80
American Fidelity	2084398	04/01/2021	2084398 Claims October 2020	34-520-50500-0000-1	34.39
American Fidelity	2084552	04/01/2021	2084552 Claims February 2020	01-180-50500-0000-1	81.36
American Fidelity	2084552	04/01/2021	2084552 Claims February 2020	34-520-50500-0000-1	88.36
American Fidelity	2086868	04/01/2021	2086868 Claims November 20	01-180-50500-0000-1	20.00
American Fidelity	2092130	04/01/2021	2092130 Claims January 2021	01-180-50500-0000-1	44.37
American Fidelity	2092130	04/01/2021	2092130 Claims January 2021	34-520-50500-0000-1	25.65
			Vendor American Fidelity - American Fidelity Total:		**878.85**
Vendor: Bc Laboratories - Bc Laboratories					
Bc Laboratories	B409132	04/01/2021	Inv B409132 Effluent/Influent	30-500-58200-0000-1	105.00
			Vendor Bc Laboratories - Bc Laboratories Total:		**105.00**
Vendor: BHT Engineering, Inc - BHT Engineering, Inc.					
BHT Engineering, Inc.	200-348	04/01/2021	Burger King Plan Check invoice	01-24550-8446-1	980.00
BHT Engineering, Inc.	20-0406	04/01/2021	Inv 20-0406 Davis Ave. Rehab-I	25-000-52960-8490-1	2,640.00
BHT Engineering, Inc.	21-0019	04/01/2021	Inv 21-0019 Davis Ave. Rehab.	25-000-52960-8490-1	4,295.00
BHT Engineering, Inc.	21-0051	04/01/2021	Inv - 21-0051 Davis Ave. Rahb.	25-000-52960-8490-1	4,097.50
BHT Engineering, Inc.	210067	04/01/2021	Inv 210067	25-000-52960-8470-1	1,037.50
BHT Engineering, Inc.	21-0068	04/01/2021	Inv 21-0068 SB1- W Kern Rehal	25-000-52960-8430-1	1,037.50
BHT Engineering, Inc.	21-0069	04/01/2021	Inv - 21-0069 EV Charging Stati	25-000-52910-8405-1	180.46
BHT Engineering, Inc.	21-0070	04/01/2021	Inv - 21-0070 Davis Ave. Reahb	25-000-52960-8490-1	11,142.50
			Vendor BHT Engineering, Inc - BHT Engineering, Inc. Total:		**25,410.46**
Vendor: WASCO VET - Brian L. Edick					
Brian L. Edick	INV0018394	04/01/2021	Invoice Feb 2021	26-110-53100-8520-1	335.00
			Vendor WASCO VET - Brian L. Edick Total:		**335.00**
Vendor: Business Card - Business Card					
Business Card	INV0018392	04/01/2021	5618 - 03/16/2021 Tequipmen	30-500-56410-0000-1	64.35
Business Card	INV0018399	04/01/2021	0272 Lara - FTO Training for Of	01-150-52000-0000-1	157.08
Business Card	INV0018400	04/01/2021	6879 Ceja - Feb. 2021 Docusigr	01-110-53200-0000-1	13.33
Business Card	INV0018400	04/01/2021	6879 Ceja - Feb. 2021 Docusigr	30-500-53200-0000-1	13.33
Business Card	INV0018400	04/01/2021	6879 Ceja - Feb. 2021 Docusigr	32-510-53200-0000-1	13.34
Business Card	INV0018401	04/01/2021	6879 Ceja - Feb. 2021 AT&T D	01-110-57800-0000-1	8.75
Business Card	INV0018401	04/01/2021	6879 Ceja - Feb. 2021 AT&T D	30-500-57800-0000-1	13.12
Business Card	INV0018401	04/01/2021	6879 Ceja - Feb. 2021 AT&T D	32-510-57800-0000-1	13.12
Business Card	INV0018402	04/01/2021	6879 Ceja - Inv. 40280142 Chie	01-150-55800-0000-1	25.73
Business Card	INV0018403	04/01/2021	6879 Ceja - Inv. 71590913 Mar	01-105-56000-0000-1	9.16
Business Card	INV0018403	04/01/2021	6879 Ceja - Inv. 71590913 Mar	01-115-56000-0000-1	9.16

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Business Card	INV0018403	04/01/2021	6879 Ceja - Inv. 71590913 Mar	01-140-56000-0000-1	9.16
Business Card	INV0018403	04/01/2021	6879 Ceja - Inv. 71590913 Mar	01-150-56000-0000-1	9.16
Business Card	INV0018403	04/01/2021	6879 Ceja - Inv. 71590913 Mar	01-155-56000-0000-1	9.22
Business Card	INV0018403	04/01/2021	6879 Ceja - Inv. 71590913 Mar	01-160-56000-0000-1	9.16
Business Card	INV0018403	04/01/2021	6879 Ceja - Inv. 71590913 Mar	01-165-56000-0000-1	9.16
Business Card	INV0018403	04/01/2021	6879 Ceja - Inv. 71590913 Mar	01-175-56000-0000-1	9.16
Business Card	INV0018403	04/01/2021	6879 Ceja - Inv. 71590913 Mar	01-180-56000-0000-1	9.16
Business Card	INV0018403	04/01/2021	6879 Ceja - Inv. 71590913 Mar	30-500-56000-0000-1	9.16
Business Card	INV0018403	04/01/2021	6879 Ceja - Inv. 71590913 Mar	31-505-56000-0000-1	9.16
Business Card	INV0018403	04/01/2021	6879 Ceja - Inv. 71590913 Mar	32-510-56000-0000-1	9.16
Business Card	INV0018404	04/01/2021	6879 Ceja - Feb. 2021 Ad on In	01-105-55800-0000-1	4.61
Business Card	INV0018404	04/01/2021	6879 Ceja - Feb. 2021 Ad on In	01-115-55800-0000-1	4.61
Business Card	INV0018404	04/01/2021	6879 Ceja - Feb. 2021 Ad on In	01-140-55800-0000-1	4.61
Business Card	INV0018404	04/01/2021	6879 Ceja - Feb. 2021 Ad on In	01-150-55800-0000-1	4.61
Business Card	INV0018404	04/01/2021	6879 Ceja - Feb. 2021 Ad on In	01-155-55800-0000-1	4.59
Business Card	INV0018404	04/01/2021	6879 Ceja - Feb. 2021 Ad on In	01-160-55800-0000-1	4.61
Business Card	INV0018404	04/01/2021	6879 Ceja - Feb. 2021 Ad on In	01-165-55800-0000-1	4.61
Business Card	INV0018404	04/01/2021	6879 Ceja - Feb. 2021 Ad on In	01-175-55800-0000-1	4.61
Business Card	INV0018404	04/01/2021	6879 Ceja - Feb. 2021 Ad on In	01-180-55800-0000-1	4.61
Business Card	INV0018404	04/01/2021	6879 Ceja - Feb. 2021 Ad on In	30-500-55800-0000-1	4.61
Business Card	INV0018404	04/01/2021	6879 Ceja - Feb. 2021 Ad on In	31-505-55800-0000-1	4.61
Business Card	INV0018404	04/01/2021	6879 Ceja - Feb. 2021 Ad on In	32-510-55800-0000-1	4.61
Business Card	INV0018405	04/01/2021	6880 Ceja - Feb. 2021 Ad on In	01-105-53200-0000-1	0.47
Business Card	INV0018405	04/01/2021	6881 Ceja - Feb. 2021 Ad on In	01-110-53200-0000-1	1.30
Business Card	INV0018405	04/01/2021	6882 Ceja - Feb. 2021 Ad on In	30-500-53200-0000-1	1.71
Business Card	INV0018405	04/01/2021	6883 Ceja - Feb. 2021 Ad on In	32-510-53200-0000-1	1.71
Business Card	INV0018406	04/01/2021	6879 Ceja - Inv. 77410458 Apri	01-105-56000-0000-1	9.16
Business Card	INV0018406	04/01/2021	6879 Ceja - Inv. 77410458 Apri	01-115-56000-0000-1	9.16
Business Card	INV0018406	04/01/2021	6879 Ceja - Inv. 77410458 Apri	01-140-56000-0000-1	9.16
Business Card	INV0018406	04/01/2021	6879 Ceja - Inv. 77410458 Apri	01-150-56000-0000-1	9.16
Business Card	INV0018406	04/01/2021	6879 Ceja - Inv. 77410458 Apri	01-155-56000-0000-1	9.22
Business Card	INV0018406	04/01/2021	6879 Ceja - Inv. 77410458 Apri	01-160-56000-0000-1	9.16
Business Card	INV0018406	04/01/2021	6879 Ceja - Inv. 77410458 Apri	01-165-56000-0000-1	9.16
Business Card	INV0018406	04/01/2021	6879 Ceja - Inv. 77410458 Apri	01-175-56000-0000-1	9.16
Business Card	INV0018406	04/01/2021	6879 Ceja - Inv. 77410458 Apri	01-180-56000-0000-1	9.16
Business Card	INV0018406	04/01/2021	6879 Ceja - Inv. 77410458 Apri	30-500-56000-0000-1	9.16
Business Card	INV0018406	04/01/2021	6879 Ceja - Inv. 77410458 Apri	31-505-56000-0000-1	9.16
Business Card	INV0018406	04/01/2021	6879 Ceja - Inv. 77410458 Apri	32-510-56000-0000-1	9.16
				Vendor Business Card - Business Card Total:	**602.60**
Vendor: Cannon - Cannon					
Cannon	74521	04/01/2021	Inv 74521 Prfessional Services (	30-500-52600-0000-1	133.75
Cannon	75308	04/01/2021	Inv 75308 services Thourhg Jan	30-500-52600-0000-1	280.00
Cannon	75723	04/01/2021	Inv 75723 Services through Fet	30-500-52600-0000-1	884.81
				Vendor Cannon - Cannon Total:	**1,298.56**
Vendor: Cintas - Cintas Corporation No.3					
Cintas Corporation No.3	4077743457	04/01/2021	Inv 4077743457	01-180-51800-0000-1	38.77
Cintas Corporation No.3	4077743457	04/01/2021	Inv 4077743457	30-500-51800-0000-1	50.70
Cintas Corporation No.3	4077743457	04/01/2021	Inv 4077743457	32-510-51800-0000-1	23.23
Cintas Corporation No.3	4078395049	04/01/2021	Inv 4078395049	01-180-51800-0000-1	38.77
Cintas Corporation No.3	4078395049	04/01/2021	Inv 4078395049	30-500-51800-0000-1	72.85
Cintas Corporation No.3	4078395049	04/01/2021	Inv 4078395049	32-510-51800-0000-1	81.27
				Vendor Cintas - Cintas Corporation No.3 Total:	**305.59**
Vendor: CITY OF WASCO - CITY OF WASCO					
CITY OF WASCO	INV0018389	04/01/2021	CNG Fuel Dec 2020 to Feb 202	01-165-54000-0000-1	139.24
CITY OF WASCO	INV0018389	04/01/2021	CNG Fuel Dec 2020 to Feb 202	30-500-54000-0000-1	604.10
CITY OF WASCO	INV0018389	04/01/2021	CNG Fuel Dec 2020 to Feb 202	32-510-54000-0000-1	92.72
				Vendor CITY OF WASCO - CITY OF WASCO Total:	**836.06**
Vendor: CSJVRMA - CSJVRMA					
CSJVRMA	INV0018408	04/01/2021	Inv RMA2021-0248 Interest & I	01-20400-0000-1	889.92

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
CSJVRMA	INV0018408	04/01/2021	Inv RMA2021-0248 Interest & I	20-20400-0000-1	9.98
CSJVRMA	INV0018408	04/01/2021	Inv RMA2021-0248 Interest & I	30-20400-0000-1	209.83
CSJVRMA	INV0018408	04/01/2021	Inv RMA2021-0248 Interest & I	31-20400-0000-1	13.94
CSJVRMA	INV0018408	04/01/2021	Inv RMA2021-0248 Interest & I	32-20400-0000-1	230.07
CSJVRMA	INV0018408	04/01/2021	Inv RMA2021-0248 Interest & I	34-20400-0000-1	13.26
				Vendor CSJVRMA - CSJVRMA Total:	**1,367.00**
Vendor: Cummins Pacific LLC - Cummins Pacific LLC					
Cummins Pacific LLC	Y8-2797	04/01/2021	Inv Y8-2797	30-500-56410-0000-1	4,163.02
				Vendor Cummins Pacific LLC - Cummins Pacific LLC Total:	**4,163.02**
Vendor: Dee Jaspar - Dee Jaspar					
Dee Jaspar	INV0018393	04/01/2021	professional services	01-24550-8446-1	154.00
				Vendor Dee Jaspar - Dee Jaspar Total:	**154.00**
Vendor: Delano Veterinary - Delano Veterinary					
Delano Veterinary	45168	04/01/2021	Invoice 45168	26-110-53100-8520-1	15.00
Delano Veterinary	45822	04/01/2021	Invoice 45822	26-110-53100-8520-1	15.00
Delano Veterinary	45826	04/01/2021	Invoice 45826	26-110-53100-8520-1	156.01
Delano Veterinary	46562	04/01/2021	Invoice 46562	26-110-53100-8520-1	15.00
Delano Veterinary	46766	04/01/2021	Invoice 46766	26-110-53100-8520-1	18.00
Delano Veterinary	46948	04/01/2021	Invoice 46948	26-110-53100-8520-1	30.00
Delano Veterinary	47042	04/01/2021	Invoice 47042	26-110-53100-8520-1	13.00
Delano Veterinary	47638	04/01/2021	Invoice 47638	01-155-51150-0000-1	15.00
Delano Veterinary	47869	04/01/2021	Invoice 47869	01-155-51150-0000-1	15.00
Delano Veterinary	6768	04/01/2021	Invoice 6768	26-110-53100-8520-1	89.62
				Vendor Delano Veterinary - Delano Veterinary Total:	**381.63**
Vendor: Draeger Safety - Draeger safety Diagnostics, Inc.					
Draeger safety Diagnostics, Inc	5951210004	04/01/2021	SUPPLIES - INV 5951210004	01-150-56800-0000-1	100.28
				Vendor Draeger Safety - Draeger safety Diagnostics, Inc. Total:	**100.28**
Vendor: Electric Motor Works - Electric Motor Works					
Electric Motor Works	105999	04/01/2021	Inv 105999	30-500-56410-0000-1	1,516.57
				Vendor Electric Motor Works - Electric Motor Works Total:	**1,516.57**
Vendor: Gregs Petroleum - Gregs Petroleum					
Gregs Petroleum	232858	04/01/2021	232858	01-150-54000-0000-1	590.39
Gregs Petroleum	232858	04/01/2021	232858	01-180-54000-0000-1	402.62
Gregs Petroleum	232858	04/01/2021	232858	32-510-54000-0000-1	204.83
Gregs Petroleum	238165	04/01/2021	238165	01-150-54000-0000-1	1,004.08
Gregs Petroleum	238165	04/01/2021	238165	01-175-54000-0000-1	20.25
Gregs Petroleum	238165	04/01/2021	238165	01-180-54000-0000-1	114.61
Gregs Petroleum	238165	04/01/2021	238165	20-200-54000-0000-1	12.87
Gregs Petroleum	238165	04/01/2021	238165	30-500-54000-0000-1	16.08
Gregs Petroleum	238165	04/01/2021	238165	32-510-54000-0000-1	16.08
Gregs Petroleum	238165	04/01/2021	238165	34-520-54000-0000-1	66.01
Gregs Petroleum	243459	04/01/2021	243459	01-150-54000-0000-1	796.34
Gregs Petroleum	243459	04/01/2021	243459	01-155-54000-0000-1	87.37
Gregs Petroleum	243459	04/01/2021	243459	01-180-54000-0000-1	91.23
Gregs Petroleum	243459	04/01/2021	243459	34-520-54000-0000-1	85.62
Gregs Petroleum	244233	04/01/2021	244233	01-150-54000-0000-1	1,342.05
Gregs Petroleum	244233	04/01/2021	244233 Diesel	01-180-54000-0000-1	149.55
Gregs Petroleum	244233	04/01/2021	244233	01-180-54000-0000-1	117.61
Gregs Petroleum	244233	04/01/2021	244233 Diesel	30-500-54000-0000-1	118.37
Gregs Petroleum	244233	04/01/2021	244233 Diesel	32-510-54000-0000-1	281.14
Gregs Petroleum	245235	04/01/2021	245235	01-150-54000-0000-1	823.29
Gregs Petroleum	245235	04/01/2021	245235	01-155-54000-0000-1	64.33
Gregs Petroleum	245235	04/01/2021	245235	01-175-54000-0000-1	15.62
Gregs Petroleum	245235	04/01/2021	245235	01-180-54000-0000-1	118.47
Gregs Petroleum	245235	04/01/2021	245235	20-200-54000-0000-1	9.93
Gregs Petroleum	245235	04/01/2021	245235	30-500-54000-0000-1	12.41
Gregs Petroleum	245235	04/01/2021	245235	32-510-54000-0000-1	12.41
Gregs Petroleum	245235	04/01/2021	245235	34-520-54000-0000-1	141.71

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Gregs Petroleum	245959	04/01/2021	245959	01-150-54000-0000-1	1,060.44
Gregs Petroleum	245959	04/01/2021	245959	01-155-54000-0000-1	119.48
Gregs Petroleum	245959	04/01/2021	245959	01-175-54000-0000-1	22.47
Gregs Petroleum	245959	04/01/2021	245959	01-180-54000-0000-1	153.05
Gregs Petroleum	245959	04/01/2021	245959	20-200-54000-0000-1	14.27
Gregs Petroleum	245959	04/01/2021	245959	30-500-54000-0000-1	17.84
Gregs Petroleum	245959	04/01/2021	245959	32-510-54000-0000-1	17.84
Gregs Petroleum	245959	04/01/2021	245959	34-520-54000-0000-1	95.17
Gregs Petroleum	247569	04/01/2021	247569	01-150-54000-0000-1	979.74
Gregs Petroleum	247569	04/01/2021	247569	01-155-54000-0000-1	80.31
Gregs Petroleum	247569	04/01/2021	247569	01-175-54000-0000-1	19.50
Gregs Petroleum	247569	04/01/2021	247569	01-180-54000-0000-1	166.08
Gregs Petroleum	247569	04/01/2021	247569	20-200-54000-0000-1	12.39
Gregs Petroleum	247569	04/01/2021	247569	30-500-54000-0000-1	15.49
Gregs Petroleum	247569	04/01/2021	247569	32-510-54000-0000-1	15.49
Gregs Petroleum	247569	04/01/2021	247569	34-520-54000-0000-1	186.44
Gregs Petroleum	248731	04/01/2021	248731	01-150-54000-0000-1	902.08
Gregs Petroleum	248731	04/01/2021	248731	01-155-54000-0000-1	113.61
Gregs Petroleum	248731	04/01/2021	248731 Diesel	01-180-54000-0000-1	163.96
Gregs Petroleum	248731	04/01/2021	248731 Diesel	30-500-54000-0000-1	454.39
Gregs Petroleum	248731	04/01/2021	248731	32-510-54000-0000-1	107.74
Gregs Petroleum	249528	04/01/2021	249528	01-150-54000-0000-1	1,029.11
Gregs Petroleum	249528	04/01/2021	249528	01-155-54000-0000-1	160.19
Gregs Petroleum	249528	04/01/2021	249528	32-510-54000-0000-1	151.90
Gregs Petroleum	249528	04/01/2021	249528	34-520-54000-0000-1	242.76
Gregs Petroleum	250385	04/01/2021	250385	01-150-54000-0000-1	1,489.12
Gregs Petroleum	250385	04/01/2021	250385	32-510-54000-0000-1	138.09
Gregs Petroleum	251111	04/01/2021	251111	01-150-54000-0000-1	961.39
Gregs Petroleum	251111	04/01/2021	251111	01-155-54000-0000-1	73.20
Gregs Petroleum	251111	04/01/2021	251111	01-180-54000-0000-1	102.85
Gregs Petroleum	251111	04/01/2021	251111	20-200-54000-0000-1	9.76
Gregs Petroleum	251111	04/01/2021	251111	30-500-54000-0000-1	12.20
Gregs Petroleum	251111	04/01/2021	251111	32-510-54000-0000-1	12.20
			Vendor Gregs Petroleum - Gregs Petroleum Total:		**15,815.82**
Vendor: Home Depot - Home Depot					
Home Depot	9062624	04/01/2021	Inv 9062624 03/04/21	01-180-56500-0000-1	130.99
Home Depot	9062624	04/01/2021	Inv 9062624 03/04/21	20-200-56700-0000-1	50.40
Home Depot	9104653	04/01/2021	ACO Operational Supplies 3/4/	01-155-57400-0000-1	144.74
			Vendor Home Depot - Home Depot Total:		**326.13**
Vendor: Irrigation Concepts - Irrigation Concepts					
Irrigation Concepts	43879	04/01/2021	Inv 43878	30-500-56410-0000-1	6,018.05
Irrigation Concepts	44039	04/01/2021	Inv 44039	32-510-57400-0000-1	34.77
			Vendor Irrigation Concepts - Irrigation Concepts Total:		**6,052.82**
Vendor: Jorge's Smog & Repai - Jorge's Smog & Repai					
Jorge's Smog & Repai	013546	04/01/2021	Inv - 013546	01-150-56410-0000-1	3,012.85
Jorge's Smog & Repai	013898	04/01/2021	Inv - 013898	01-150-56410-0000-1	80.00
Jorge's Smog & Repai	INV0018398	04/01/2021	Animal Control Vehicle Mainte	01-155-56600-0000-1	70.00
			Vendor Jorge's Smog & Repai - Jorge's Smog & Repai Total:		**3,162.85**
Vendor: Kenneth D. Schmidt - Kenneth D. Schmidt					
Kenneth D. Schmidt	INV0018391	04/01/2021	2020 4th Qtr Monitoring and A	30-500-52600-0000-1	1,141.03
			Vendor Kenneth D. Schmidt - Kenneth D. Schmidt Total:		**1,141.03**
Vendor: Liebert C. Whitmore - Liebert C. Whitmore					
Liebert C. Whitmore	1515954	04/01/2021	MC060-00001 Inv. 1515954 Ge	01-130-56100-0000-1	2,405.00
Liebert C. Whitmore	1515954	04/01/2021	MC060-00001 Inv. 1515954 Ge	01-150-56100-0000-1	259.00
			Vendor Liebert C. Whitmore - Liebert C. Whitmore Total:		**2,664.00**
Vendor: Mario Sanchez - Mario Sanchez					
Mario Sanchez	INV0018395	04/01/2021	03.11.2021 CC Mtg Agenda Tra	01-105-56000-0000-1	150.00
			Vendor Mario Sanchez - Mario Sanchez Total:		**150.00**

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Vendor: McFarland Tire - McFarland Tire					
McFarland Tire	INV0018397	04/01/2021	Tire Repair Ford Fusion	01-160-56600-0000-1	15.00
			Vendor McFarland Tire - McFarland Tire Total:		**15.00**
Vendor: Munguia - Munguia Heating & Air Conditioning					
Munguia Heating & Air Conditi	005266	04/01/2021	Inv 005266	01-190-56400-0000-1	4,200.00
			Vendor Munguia - Munguia Heating & Air Conditioning Total:		**4,200.00**
Vendor: Office Depot - Office Depot					
Office Depot	128907153001	04/01/2021	Inv 128907153001 Office Supp	01-180-57200-0000-1	9.33
Office Depot	128907153001	04/01/2021	Inv 128907153001 Office Supp	30-500-57200-0000-1	10.88
Office Depot	128907153001	04/01/2021	Inv 128907153001 Office Supp	32-510-57200-0000-1	10.88
Office Depot	144557380001	04/01/2021	Inv 144557380001	26-110-53100-8223-1	240.23
Office Depot	146442171001	04/01/2021	Printer invoice 146442171001	01-160-57200-0000-1	1,029.58
Office Depot	151851355001	04/01/2021	Inv 151851355001 Office Supp	01-180-57200-0000-1	17.09
Office Depot	151851355001	04/01/2021	Inv 151851355001 Office Supp	30-500-57200-0000-1	19.94
Office Depot	151851355001	04/01/2021	Inv 151851355001 Office Supp	32-510-57200-0000-1	19.93
Office Depot	1647794237	04/01/2021	Order# 1647794237-001	01-160-57200-0000-1	18.50
Office Depot	164792280	04/01/2021	Order# 164792280-001	01-140-57200-0000-1	400.00
Office Depot	164792280	04/01/2021	Order# 164792280-001	01-140-57400-0000-1	237.05
Office Depot	164794235	04/01/2021	Order # 164794235-001 Buildir	01-160-57200-0000-1	146.70
Office Depot	164794235	04/01/2021	Order # 164794235-001 Buildir	01-165-57400-0000-1	6.09
Office Depot	164794236	04/01/2021	Order# 164794236-001	01-160-57200-0000-1	461.06
			Vendor Office Depot - Office Depot Total:		**2,627.26**
Vendor: Quad Knopf - Quad Knopf					
Quad Knopf	107175	04/01/2021	Community Garden Invoice 10	25-000-52960-8425-1	4,765.20
Quad Knopf	107518	04/01/2021	Community Garden Invoice 10	25-000-52960-8425-1	1,339.56
			Vendor Quad Knopf - Quad Knopf Total:		**6,104.76**
Vendor: R&F Disposal - R&F Disposal					
R&F Disposal	INV0018413	04/05/2021	March 2021 R&F Disposal Garb	01-100-41300-0000-1	(4,114.99)
R&F Disposal	INV0018413	04/05/2021	March 2021 R&F Disposal Garb	31-505-42340-0000-1	(2,167.50)
R&F Disposal	INV0018413	04/05/2021	March 2021 R&F Disposal Garb	31-505-52400-0000-1	82,299.74
R&F Disposal	INV0018414	04/05/2021	March 2021 R&F Disposal Recy	31-505-52500-0000-1	11,351.38
			Vendor R&F Disposal - R&F Disposal Total:		**87,368.63**
Vendor: Raymond's Trophy - Raymond's Trophy					
Raymond's Trophy	76985	04/01/2021	Inv 76985 Sublimated Plates fo	01-105-55800-0000-1	55.78
Raymond's Trophy	76985	04/01/2021	Inv 76985 Sublimated Plates fo	01-140-55800-0000-1	20.00
			Vendor Raymond's Trophy - Raymond's Trophy Total:		**75.78**
Vendor: Revival Animal Healt - Revival Animal Health & Great Companions Inc.					
Revival Animal Health & Great	SO156026	04/01/2021	Order # SO156026	01-155-57400-0000-1	332.24
			Vendor Revival Animal Healt - Revival Animal Health & Great Companions Inc. Total:		**332.24**
Vendor: SC SITES Services - SC SITES Services					
SC SITES Services	INV0018409	04/01/2021	Repeater Rental April thru June	01-150-52200-0000-1	1,452.00
			Vendor SC SITES Services - SC SITES Services Total:		**1,452.00**
Vendor: SPD - SPD					
SPD	INV0018396	04/01/2021	CDBG CV1- COVID Decals/ Covi	26-110-53100-8540-1	2,056.75
			Vendor SPD - SPD Total:		**2,056.75**
Vendor: Supplyworks - Supplyworks Inc					
Supplyworks Inc	603901851	04/01/2021	Inv 603901851 Hand Soap	01-190-57400-0000-1	168.75
Supplyworks Inc	603901851	04/01/2021	Inv 603901851 Hand Soap	30-500-57400-0000-1	168.75
Supplyworks Inc	603901851	04/01/2021	Inv 603901851 Hand Soap	32-510-57400-0000-1	168.81
			Vendor Supplyworks - Supplyworks Inc Total:		**506.31**
Vendor: Bakersfield Cal. - The Bakersfield Californian					
The Bakersfield Californian	14727514	04/01/2021	Ad # 14727514	25-000-52960-8080-1	1,277.78
The Bakersfield Californian	14764504	04/01/2021	RFP Urban Water Managemen	01-140-55500-8500-1	149.48
The Bakersfield Californian	14769907	04/01/2021	AD #14769907 - RFQ Publicatic	26-110-53100-8530-1	75.87
			Vendor Bakersfield Cal. - The Bakersfield Californian Total:		**1,503.13**

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Vendor: THE BANCORP - THE BANCORP BANK					
THE BANCORP BANK	INV0018407	04/01/2021	Inv. 501378 FEBRUARY-2021 Le	01-150-58900-0000-1	7,227.09
			Vendor THE BANCORP - THE BANCORP BANK Total:		**7,227.09**
Vendor: Torpedo - Torpedo					
Torpedo	10309	04/01/2021	Inv 10309 Pest Control CH & Cl	01-185-52200-0000-1	100.00
Torpedo	10309	04/01/2021	Inv 10309 Pest Control CH & Cl	01-190-52200-0000-1	100.00
			Vendor Torpedo - Torpedo Total:		**200.00**
Vendor: Ultrex Business - Ultrex Business					
Ultrex Business	3199441	04/01/2021	Inv 3199441	01-150-52200-0000-1	579.75
Ultrex Business	3199442	04/01/2021	Inv 3199442	01-150-52200-0000-1	115.30
			Vendor Ultrex Business - Ultrex Business Total:		**695.05**
Vendor: United States Postal - United States Postal					
United States Postal	INV0018412	04/05/2021	Regular Billing Postage March :	30-500-55600-0000-1	666.66
United States Postal	INV0018412	04/05/2021	Regular Billing Postage March :	31-505-55600-0000-1	666.66
United States Postal	INV0018412	04/05/2021	Regular Billing Postage March :	32-510-55600-0000-1	666.68
			Vendor United States Postal - United States Postal Total:		**2,000.00**
Vendor: Vernon C. Sorenson - Vernon C. Sorenson					
Vernon C. Sorenson	00449068	04/01/2021	Inv 00449068-00 Andrrew Galv	01-150-56000-0000-1	602.00
Vernon C. Sorenson	00449496	04/01/2021	Inv 00449496 -00 Maria Morer	01-150-56000-0000-1	375.00
Vernon C. Sorenson	00449811	04/01/2021	Inv 00449811-00 Brianahi C De	01-150-56000-0000-1	215.00
Vernon C. Sorenson	00449873	04/01/2021	Inv 00449873-00 Britney L Skin	01-150-56000-0000-1	215.00
			Vendor Vernon C. Sorenson - Vernon C. Sorenson Total:		**1,407.00**
Vendor: Vizocom ICT LLC - Vizocom ICT LLC					
Vizocom ICT LLC	INV0018388	04/01/2021	CDBG CV1-PPE	26-110-53100-8540-1	26,028.00
			Vendor Vizocom ICT LLC - Vizocom ICT LLC Total:		**26,028.00**
			Grand Total:		**212,456.27**

Report Summary

Fund Summary

Fund	Payment Amount
01 - GENERAL FUND	36,999.69
20 - LIGHTING & LANDSCAPING-DISTRICT 1	119.60
25 - CAPITAL IMPROVEMENTS PROJECTS	31,813.00
26 - MISCELLANEOUS GRANTS	29,087.48
30 - SEWER	18,812.17
31 - REFUSE/RECYCLING	92,193.76
32 - WATER	2,451.20
34 - PUBLIC TRANSPORTATION	979.37
Grand Total:	**212,456.27**

Account Summary

Account Number	Account Name	Payment Amount
01-100-41300-0000-1	Franchise Fees	(4,114.99)
01-105-53200-0000-1	Dues & Subscriptions	0.47
01-105-55800-0000-1	Printing & Legal Notices	60.39
01-105-56000-0000-1	Professional Services - Otl	168.32
01-110-53200-0000-1	Dues & Subscriptions	14.63
01-110-57800-0000-1	Telephone & Communica	8.75
01-115-50500-0000-1	Health Insurance Premiur	97.41
01-115-55800-0000-1	Printing & Legal Notices	4.61
01-115-56000-0000-1	Professional Services - Otl	18.32
01-130-56100-0000-1	Legal Services	2,405.00
01-140-55500-8500-1	Special Studies/Master Pl	149.48
01-140-55800-0000-1	Printing & Legal Notices	24.61
01-140-56000-0000-1	Professional Services - Otl	18.32
01-140-57200-0000-1	Supplies - Office	400.00
01-140-57400-0000-1	Supplies - Operating	237.05
01-150-52000-0000-1	Conferences/Meetings/Tr	157.08
01-150-52200-0000-1	Contract Services	2,147.05
01-150-54000-0000-1	Fuel	10,978.03
01-150-55800-0000-1	Printing & Legal Notices	30.34
01-150-56000-0000-1	Professional Services - Otl	1,425.32
01-150-56100-0000-1	Legal Services	259.00
01-150-56410-0000-1	Repairs & Maintenance E	3,092.85
01-150-56800-0000-1	Safety Equipment	100.28
01-150-58900-0000-1	Debt Principal	7,227.09
01-155-51150-0000-1	Dog Clinic	30.00
01-155-54000-0000-1	Fuel	698.49
01-155-55800-0000-1	Printing & Legal Notices	4.59
01-155-56000-0000-1	Professional Services - Otl	18.44
01-155-56600-0000-1	Repairs & Maintenance - '	70.00
01-155-57400-0000-1	Supplies - Operating	476.98
01-160-55800-0000-1	Printing & Legal Notices	4.61
01-160-56000-0000-1	Professional Services	18.32
01-160-56600-0000-1	Repairs & Maintenance - '	15.00
01-160-57200-0000-1	Supplies - Office	1,655.84
01-165-54000-0000-1	Fuel	139.24
01-165-55800-0000-1	Printing & Legal Notices	4.61
01-165-56000-0000-1	Professional Services-Oth	18.32
01-165-57400-0000-1	Supplies - Operating	6.09
01-175-54000-0000-1	Fuel	77.84
01-175-55800-0000-1	Printing & Legal Notices	4.61
01-175-56000-0000-1	Professional Services	18.32
01-180-50500-0000-1	Health Insurance Premiur	398.40
01-180-51800-0000-1	Clothing Allowance	77.54
01-180-54000-0000-1	Fuel	1,580.03
01-180-55800-0000-1	Printing & Legal Notices	4.61

Account Summary

Account Number	Account Name	Payment Amount
01-180-56000-0000-1	Professional Services - Otl	18.32
01-180-56500-0000-1	Repairs/Maintenance Stre	130.99
01-180-57200-0000-1	Supplies - Office	26.42
01-185-52200-0000-1	Contract Services	100.00
01-190-52200-0000-1	Contract Services	100.00
01-190-56400-0000-1	Repairs & Maint - Build &	4,200.00
01-190-57400-0000-1	Supplies - Operating	168.75
01-20400-0000-1	Intergovernmental Payab	889.92
01-24550-8446-1	Development Deposits- B	1,134.00
20-200-54000-0000-1	Fuel	59.22
20-200-56700-0000-1	Repairs & Maintenance -	50.40
20-20400-0000-1	Intergovernmental Payab	9.98
25-000-52910-8405-1	Buildings & Improvement	180.46
25-000-52960-8080-1	Streets & Roads Capital	1,277.78
25-000-52960-8425-1	Streets & Roads Capital	6,104.76
25-000-52960-8430-1	Streets & Roads (Capital)	1,037.50
25-000-52960-8470-1	Streets & Roads (Capital)	1,037.50
25-000-52960-8490-1	Streets & Roads Capital Sl	22,175.00
26-110-53100-8223-1	Grant Expenditures- Coun	240.23
26-110-53100-8520-1	Grant Expenditures- Best	686.63
26-110-53100-8530-1	Grant Expenditures LSRP	75.87
26-110-53100-8540-1	Grant Expenditures - COV	28,084.75
30-20400-0000-1	Intergovernmental Payab	209.83
30-500-50500-0000-1	Health Insurance Premiur	114.01
30-500-51800-0000-1	Clothing Allowance	123.55
30-500-52600-0000-1	Contract Services - Sewer	2,439.59
30-500-53200-0000-1	Dues & Subscriptions	15.04
30-500-54000-0000-1	Fuel	1,250.88
30-500-55600-0000-1	Postage	666.66
30-500-55800-0000-1	Printing & Legal Notices	4.61
30-500-56000-0000-1	Professional Services - Otl	18.32
30-500-56410-0000-1	Repairs & Maintenance E	13,651.99
30-500-57200-0000-1	Supplies - Office	30.82
30-500-57400-0000-1	Supplies - Operating	168.75
30-500-57800-0000-1	Telephone & Communica	13.12
30-500-58200-0000-1	Water/Soil/Other Analysi	105.00
31-20400-0000-1	Intergovernmental Payab	13.94
31-505-42340-0000-1	Administration Fee	(2,167.50)
31-505-50500-0000-1	Health Insurance Premiur	6.61
31-505-52400-0000-1	Contract Services - Refuse	82,299.74
31-505-52500-0000-1	Contract Services - Recycl	11,351.38
31-505-55600-0000-1	Postage	666.66
31-505-55800-0000-1	Printing & Legal Notices	4.61
31-505-56000-0000-1	Professional Services - Otl	18.32
32-20400-0000-1	Intergovernmental Payab	230.07
32-510-50500-0000-1	Health Insurance Premiur	114.02
32-510-51800-0000-1	Clothing Allowance	104.50
32-510-53200-0000-1	Dues & Subscriptions	15.05
32-510-54000-0000-1	Fuel	1,050.44
32-510-55600-0000-1	Postage	666.68
32-510-55800-0000-1	Printing & Legal Notices	4.61
32-510-56000-0000-1	Professional Services - Otl	18.32
32-510-57200-0000-1	Supplies - Office	30.81
32-510-57400-0000-1	Supplies - Operating	203.58
32-510-57800-0000-1	Telephone & Communica	13.12
34-20400-0000-1	Intergovernmental Payab	13.26
34-520-50500-0000-1	Health Insurance Premiur	148.40
34-520-54000-0000-1	Fuel	817.71

Account Summary

Account Number	Account Name	Payment Amount
34-520-54000-0000-1	Fuel	
	Grand Total:	**212,456.27**

Project Account Summary

Project Account Key		Payment Amount
None		212,456.27
	Grand Total:	**212,456.27**

REGULAR CITY COUNCIL MINUTES
TELECONFERENCE/VIRTUAL MEETING
April 8, 2021

MCFARLAND CITY COUNCIL
MCFARLAND SUCCESSOR AGENCY
MCFARLAND PUBLIC FINANCE AUTHORITY
MCFARLAND IMPROVEMENT AUTHORITY
MCFARLAND PARKING AUTHORITY

CALL TO ORDER

Mayor Gonzalez called the meeting to order at 6:03 p.m.

ROLL CALL

Council Members Present: Gonzalez (Mayor) Rodriguez, Ayon, Cano

Council Members Absent: Pérez

OFFICIALS PRESENT

City Manager Lara, Chief of Police Williams, Interim City Attorney Hodges, City Clerk Alvarado, Public Works Director Gonzales, Acting Community Development Director Ronk, Accounting Supervisor Lara, HR Attorney Che Johnson

INVOCATION

Councilmember Cano

PLEDGE OF ALLEGIANCE

Council Member Rodriguez

PRESENTATIONS AND PROCLAMATIONS

None

PUBLIC COMMENTS

Margie Martinez 212 7th Street McFarland- Stated she had two concerns the first one being the house on Garzoli and W. Perkins. Mrs. Martinez told council that she witnessed someone taking items out of the house and leaving it on the floor. She informed that she sent pictures to David Couch's office and they told her they would get on it right away. She is asking the City to do something about the trash problem at that property and if possible, to contact the owner before it is too late.

Her second concern is the noise coming from the new house on Garzoli Ave she told council that two weekends in a row they had loud music until about 2:30 am. She also stated a little boy running across the street from that property almost got hit by a car. She asked if that property was part of the City or if it was part of the county because when she contacted the McFarland Police Department, she was told to contact Kern County Sheriff's Department. She would like the city to do something about the noise problem.

Mayor Gonzalez asked Public Works Director Gonzales if the property Mrs. Martinez was referring too was part of the city, he answered that it was annexed into the city therefore it is part of the city.

Councilmember Rodriguez asked Mr. Gonzales that if the property on Garzoli and W. Perkins with the trash problem that Mrs. Martinez mentioned was also part of the city? Mr. Gonzales responded that it was not part of the City.

Chief of Police Williams informed Mrs. Martinez that they would investigate the noise problem coming from the property she had mentioned and come up with a solution.

Ms. Henderson 609 W. Sherwood Ave – stated the noise is a problem all over town. She stated she has driven around town to take videos of the parties going on because its horribly loud. She has called the police department multiple times, she asked if anything can be done in that regard, she would greatly appreciate it.

Isabel Bravo (America Red Cross Board member)- Called in to inform the public on what the American Red Cross could do for our community. Ms. Bravo provided information a program they are offering called "Sound the Alarm" she stated it educates people on home safety. They also install smoke detectors in the home. She encouraged everyone to sign up to become a volunteer for the program to educate people on fire escape plans and safety. She stated that if interested she left more information on the program and how to register, with City Clerk Alvarado.

Councilmember Ayon- stated to Mrs. Martinez and Ms. Henderson that they are aware of the noise problem and the illegal firework problem. He said a full-time code enforcement officer position could help with those issues and help address those concerns.

Eve Henderson 609 W. Sherwood Ave McFarland- (Agenda Item # 12) stated that she supports the possibility of creating a new full time Animal Control position.

Public Comment Closed at 6:18 p.m.

CONSENT AGENDA

1. Motion was made by: Councilmember Rodriguez to approve the warrant register for $881,484.41 from March 16, 2021 through March 31, 2021; 2nd by: Councilmember Ayon
Vote: 4/0
Ayes: Rodriguez, Ayon, Cano, Mayor (Gonzalez)
Nays: None
Absent: Pérez
Abstentions: None

2. Motion was made by: Councilmember Rodriguez to approve Payroll Register for $ 154,021.01 for March 2021; 2nd by: Councilmember Ayon.
Vote: 3/0
Ayes: Rodriguez, Ayon, Cano
Nays: None
Absent: Pérez
Abstentions: Gonzalez (Mayor)
***Mayor Gonzalez recused herself from item #2 due to marriage.**

3. Motion was made by: Councilmember Rodriguez to approve minutes of Regular City Council Meeting of February 25, 2021; 2nd by: Councilmember Ayon.
Vote: 4/0
Ayes: Rodriguez, Ayon, Cano, Gonzalez (Mayor)
Nays: None
Absent: Pérez
Abstentions: None

4. Motion was made by Councilmember Ayon to table approval of Phantom Fireworks lease agreement to place a firework stand on city property located at the Southwest corner of East Sherwood Ave, 2nd by Councilmember Cano.
Vote: 4/0
Ayes: Ayon, Cano, Rodriguez, Gonzalez (Mayor)
Nays: None
Absent: Pérez
Abstentions: None
Tabled
Agenda Item No.4 Pulled by Councilmember Ayon.

PUBLIC HEARINGS

***City Clerk Alvarado stated that the resolution number on the agenda (*Resolution No. 2021-0012*) for the Unmet Public Transit Needs was incorrect the correct resolution number should read as follows: (*Resolution No. 2021-0017*) for the record.**

5. Mayor opened Public Hearing for ***Resolution No. 2021-0017*** a Resolution of the City Council of the City of McFarland Finding There Are No Unmet Public Transit Needs Which Can Reasonably be Met in the City of McFarland (2020/2021).

    a. Public Testimony- Opened at 6:25p.m.
    No comments were received.
    Closed at 6:26 p.m.

    b. Motion was made by: Councilmember Rodriguez to adopt ***Resolution No. 2021- 0017*** a Resolution of the City Council of McFarland Finding There Are No Unmet Public Transit Needs Which Can Reasonably be Met in the City of McFarland (2020/2021); 2nd by: Councilmember Ayon

Vote: 4/0
Ayes: Rodriguez, Ayon, Cano, Gonzalez (Mayor)
Nays: None
Absent: Pérez
Abstentions: None

Closed at 6:26 p.m.

DEPARTMENTAL REPORTS

a. **Administration –** City Manager Lara informed on the upcoming events that would take place during the weekend. One is a drive thru event outside of city hall to distribute PPE to those small businesses who applied for this grant. The distribution would be Saturday April 10, 2021 from 11 am to 1pm she encouraged all the business who have not applied yet to apply to receive their free 30-day supply of COVID – 19 protective equipment for their business. She also informed that the Lions Club would be holding a city clean up on Saturday April 10, 2021 from 8 am to 10 am and would be meeting in front of City hall. She also reminded the community of the free dial a ride services for any need around the city free of charge for the next 12 months. City Hall opened to the public half day from 1 to 5pm if you need to come in before call to make an appointment.

b. **Police Department –** Chief Williams introduced Officer Newhouse and stated he is a field training officer.
Officer Newhouse introduced himself and stated that he is happy to be here.

Chief Williams recognized one of his officers, Officer Galvan for his outstanding police work and stated he is very proud of him.

Mayor Gonzalez stated great job Officer Galvan.

Councilmember Ayon stated Officer Galvan is the kind of officer we need and what a good way to be proactive.

Office Galvan replied thank you.

Chief Williams- informed that the body worn cameras for the Officers came in and hopes to begin using them by the end of the month. He informed that the property room was reorganized. He informed that they would be having a drive thru coffee and donuts with a cop on Saturday April 24 from 8 am to 10 am in front of McFarland Police Department. In hopes to interact with the community.

c. **Public Works Department-** Public Works Director Gonzales stated that the EV Charging Station groundbreaking was a great turnout. He informed that concrete work has begun at the EV Charging Station and that they are currently working with Edison to get the electricity in.
He informed that the electrical panel at Villa Del Caribe was in and that they were in the process of planting grass.

Street department has been working on weed abatement and graffiti removal.

Water department working on leak repairs and meter change outs.

Transit department currently still offering free rides.

City clean up scheduled for May 1st from 9 am to 1 pm. He encouraged everyone to come out and volunteer and informed that any elderly person that needed help getting rid of trash could contact them and schedule a pickup and that they would be assisted.

In a prior meeting Mayor Pro-Tem asked whose responsibility the street behind Kern Ave Elementary School was if the City or the School District Mr. Gonzales informed that he had done some research and found it to be the Cites responsibility.

Councilmember Rodriguez asked Mr. Gonzalez if he was aware of the potholes and trash problems in our alleys.

Mr. Gonzales responded that the alleys were the responsibility of the property owner's half and half. They are ultimately responsible to maintain the alley.

City Manager Lara confirmed that the responsibility of the alleys is the property owners.

Mr. Gonzales stated that the alleys are a big part of the city clean up. City clean ups are typically every 6 months.

d. Community Development- Acting Community Development Director Ronk informed that they have upcoming meetings for Annexation 18 scheduled.
He informed they are moving forward with the City hall expansion.
He informed that the Planning Department has been working on updating the city's fence ordinance and working with potential developers.
Building has been working on plan checks and building inspections.
Code Enforcement working on daily routines and assisted with the PPE grant applications.
Animal control had 24 animal rescues this week.
Grants is attending meetings to obtain possible grants for water and working on Caltrans paperwork and invoices.

e. Finance Department- Accounting Supervisor Lara informed that with the remodel of the building during Covid some concerns have come up and that they are working to resolve the details.
He informed that staff is sending out flyers with resources that could help residents struggling to pay their utilities and address the nonpayment concerns.
Mayor Gonzalez asked Supervisor Lara about the credit card fee concern update.

Mr. Lara stated he is still working on meeting with other potential companies.

Mr. Rodriguez asked if we are currently shutting people off for nonpayment?

Mr. Lara responded no we are not, due to the pandemic.

Mr. Lara addressed landlord concerns about renters not paying their water bills.

ADMINISTRATIVE AGENDA

6. Motion was made by: Councilmember Rodriguez to table approval of the City of McFarland's Audited Financial Statements for fiscal year ending on June 30, 2018 to next regular council meeting of April 22, 2021; 2nd by: Councilmember Cano
Vote: 5/0
Ayes: Rodriguez, Cano, Ayon, Gonzalez (Mayor)
Nays: None
Absent: Pérez
Abstentions: None

*Rich Gonzalez Auditor from Clifton Larson Allen was not able to attend meeting.

*Ron Woods commented that it was his understanding that all the auditor did was confirm what was done inhouse it was not the auditor's responsibility to correct the mistakes made. they would then cretic and gave suggestions on how to improve the processes to make things smoother for a better audit process and accounting.

7. Motion was made by: Councilmember Ayon to approve ***Resolution No. 2021-0014***, a Resolution of the City Council of the City of McFarland Approving Urban Forestry Guidelines; 2nd by: Councilmember Cano
Vote: 4/0
Ayes: Ayon, Cano, Rodriguez, Gonzalez (Mayor)
Nays: None
Absent: Pérez
Abstentions: None

8. Motion was made by: Councilmember Ayon to approve ***Resolution No. 2021-0015***, a Resolution of the City Council of the City of McFarland Approving an Economic Strategy; 2nd by: Councilmember Cano
Vote: 4/0
Ayes: Ayon, Cano, Rodriguez, Gonzalez (Mayor)
Nays: None
Absent: Pérez
Abstentions: None

9. Motion was made by: Councilmember Rodriguez to approve ***Resolution No. 2021-0016***, a Resolution of the City Council of the City of McFarland Approving Urban Forestry Guidelines; 2nd by: Councilmember Cano

Vote: 4/0
Ayes: Rodriguez, Cano, Ayon, Gonzalez (Mayor)
Nays: None
Absent: Pérez
Abstentions: None

10. Motion was made by: Councilmember Ayon to approve ***Resolution No. 2021-0013*** adopting a list of projects for fiscal year 2021-2022 funded by SB: The Road and Repair and Accountability Act 2017; 2nd by: Councilmember Rodriguez
Vote: 5/0
Ayes: Ayon, Rodriguez, Cano, Pérez, Gonzalez (Mayor)
Nays: None
Absent: None
Abstentions: None

11. Motion was made by: Councilmember Ayon to approve second amendment agreement between the City of McFarland and San Joaquin Renewables LLC to extend the closing date of the agreement; 2nd by: Councilmember Cano
Vote: 5/0
Ayes: Ayon, Cano, Rodriguez, Pérez, Gonzalez (Mayor)
Nays: None
Absent: None
Abstentions: None

12. Motion was made by: Councilmember Ayon to approve the creation of a new full time Animal Control Officer Position and full time Code Enforcement Officer position requested by Councilmember Ayon; 2nd by Councilmember Rodriguez
Vote: 4/0
Ayes: Ayon, Rodriguez, Cano, Pérez, Gonzalez (Mayor)
Nays: None
Absent: None
Abstentions: None

Mayor Gonzalez asked Accounting Supervisor Lara if these two new positions would be sustainable?

Accounting Supervisor Lara replied yes. And requested COF be added

Eve Henderson 609 W. Sherwood Ave- Thanked everyone for doing all they can to make McFarland a safe place to live. Stated that since she became involved in 2012 with the McFarland Animal Shelter there has always been one full time and one part time Animal Control Officer, she stated that the situation is bigger than that and encouraged the Council to please give the manpower needed.

13. Motion was made by: Councilmember Rodriguez to table Councilmember Cano's request to possibly increase the number of mobile vendors ***Ordinance No 013-2011 section 5.44.020*** to future agenda; 2nd by: Councilmember Cano
Vote: 5/0
Ayes: Rodriguez, Cano, Ayon, Pérez, Gonzalez (Mayor)
Nays: None
Absent: None
Abstentions: None

Miguel Pantoja McFarland resident he has been trying to get a mobile vendor license for over 7 years now and has not been given the opportunity. He is asking for the opportunity to obtain a business license the right way.

14. Motion was made by: Councilmember Cano to table his request to possibly increase the number of garage sales in the City of McFarland ***Ordinance No. 306-2005 Section 5.48.030*** to future agenda; 2nd by: Mayor Pro-Tem Pérez
Vote: 5/0
Ayes: Cano, Pérez, Ayon, Rodriguez, Gonzalez (Mayor)
Nays: None
Absent: None
Abstentions: None

15. Motion was made by: Councilmember Cano to waive reading and place ***Ordinance No. 0001-2021*** on upcoming agenda for 2nd reading and adoption; 2nd by: Councilmember Ayon

Vote: 5/0
Ayes: Cano, Ayon, Rodriguez, Pérez, Gonzalez (Mayor)
Nays: None
Absent: None
Abstentions: None

16. Motion was made by: Mayor Pro-Tem Pérez to waive reading and place ***Ordinance No. 0002-2021*** on upcoming agenda for 2nd reading and adoption; 2nd by: Councilmember Rodriguez
Vote: 5/0
Ayes: Pérez, Rodriguez, Ayon, Cano, Gonzalez (Mayor)
Nays: None
Absent: None
Abstentions: None

***Mayor Pro-Tem Pérez joined the meeting at 7:48 p.m.**

Closed administrative agenda 8:08 p.m.

ORAL REPORTS FROM CITY COUNCIL ON COMMITTEES

a. Delano Mosquito Abatement District (DMAD) – Council Member Cano – Next meeting April 15, 2021.

b. Kern Council of Governments (KCOG) –

c. McFarland Tri-Agency Partners (MTAP) – No update.

d. Kern Economic Development Corporation (KEDC) – None to report

e. Kern County Association of Cities (KCAC) – None to report

f. Poso Creek IRWMP- Councilmember Ayon- Meeting of April 6, 2021 cancelled.

COUNCIL STATEMENTS

<u>Council Member Ayon-</u> Thanked the community for coming out to this meeting and encouraged them to continue. He also thanked the Attorney's and said we are moving forward.

<u>Mayor Pro-Tem Pérez-</u>. Thanked Eve Henderson for her concern with our animals. Thanked everyone who attended the meeting the city workers and the attorneys.

<u>Council Member Cano-</u> Asked the Community to reach out to them with any concerns they have. Appreciated everyone that come out and thanked city staff.

<u>Councilmember Rodriguez-</u> Thanked everyone for their comments. Appreciates everyone for helping them out moving in a transparent direction. Thanked the staff.

<u>Mayor Gonzalez-</u> Thanked the community for their comments and stated they will do their best to handle their concerns. Thanked city staff, and Chief Williams. Encouraged everyone to volunteer with the city clean up this weekend Saturday 8 am to 10 am.

Kitty Woods stated the audience cannot hear the council if they do not use their microphones, she encouraged them to use their microphones.

Resident at 31168 W. Sherwood stated that they do have a stray animal problem. Pet sheep killed by a stray animal.

***Motion to adjourn at 8:51 p.m.**

ADJOURNMENT

Meeting adjourned at 8:51 p.m.

____

Francisca Alvarado, City Clerk

CITY OF MCFARLAND

TO: Mayor and City Council

FROM: Maria Lara, City Manager

DATE: April 22, 2021

SUBJECT: 2021 Business License Fee Waiver Request Per McFarland Greater Chamber of Commerce.

BACKGROUND:

With fireworks sales being the only true fundraiser for most of the year, the McFarland Greater Chamber of Commerce is requesting council approve waiving the business license fee of $84.00 and License Tax Fee of $25.00 for their firework stand.

The Chamber firework booth is a fundraising event for McFarland High School Scholarships and community events (i.e. National Day of Prayer and Easter Egg Event).

RECOMMENDATION:
Staff recommends the City Council waive the business license fee and tax fee.

FISCAL IMPACT
$109.00 less to the General Fund.

ATTACHMENTS:

Application for Waiver of Business License Tax Form
Application for Business License
Municipal Code Section: 5.04.190-Waiver, and Chapter 8.08- Fireworks

CITY OF MCFARLAND
Application For Waiver Of Business License Tax

This application is only for Non-Profit Organizations. For more information, contact Finance Department at (661) 792-3091.

Organization Name: **McFarland Greater Chamber of Commerce**

Federal EIN #: 84-427483

Address: PO BOX 355

City: McFarland State: CA Zip Code 93250

Describe organization's purpose:

Local Non- Profit organization dedicated to the advancement and promotion of the economic growth within the McFarland **business community through advocacy, empowerment, education and networking.**

Describe type of activities performed. location of activities, and the hours activities will be performed:

Firework Booth- Sell fireworks at Cencal Auto & Truck Parts 99 W. Sherwood Ave (Parking Lot) from July 1, 2021 – July 5, 2021.
Operating Hours from 10:00am to 10:00pm. This booth is a fundraising event for McFarland **High School Scholarship Fund and Chamber community events (i.e. National Day of Prayer).**

List of Officers of the Organization:, Name, Title, Address and Phone Number

Juan Munguia, President munguiajuan67@yahoo.com (661) 586-7937

Luis Sarabia, Vice President lusarabiawfg@gmail.com (661) 586-3890

Joana Martinez, Treasurer Jmartinez@mcfarlandrpd.com (661) 747-4900

Alicia Conde, Secretary indian048@aol.com (661) 809-2476

Application Submitted By:

Name: Alicia Conde

Address: P.O. Box 355

City McFarland State CA Zip Code 93250

Phone # 661-809-2476 Fax # ________ Email: mcfarlandchamberofcommerce@gmail.com

Signature: Alicia Condé, Secretary-MGCC Date: April 14, 2021

Approved; ________ Denied ________

CITY OF MCFARLAND
401 W Kern Ave
McFarland, CA 93250 (661) 792-3091

Application for a NEW Business License

NAME OF BUSINESS: McFarland Greater Chamber of Commerce

MAILING ADDRESS: P.O. Box 355
CITY/STATE/ZIP: McFarland, CA 93250
MAIN PHONE #: 661 809-2476 OTHER #: 661 586-3890 (Luis Sarabia)

E-MAIL ADDRESS: mcfarlandchamberofcommerce@gmail.com

PHYSICAL LOCATION: 103 W. Sherwood Avenue
CITY/STATE/ZIP: McFarland, CA 93250

TYPE OF BUSINESS: Chamber of Commerce - Non Profit Organization
IF APPLICABLE:
OF APTS. OR RENTALS
COIN OP MACHINES
GROSS RECEIPTS $0.00 to $10,000.00

OWNER NAME: N/A

OWNER ADDRESS: N/A
CITY/STATE/ZIP:

BUSINESS/CONTRACTOR LICENSE #: N/A EXPIRES:

STANDARD LICENSE FEES:

BASE FEES	$ 15.00
SB-1379 FEES FOR THE STATE OF CALIFORNIA	$ 4.00
OTHER FEES DETERMINED BY TYPE OF BUSINESS OR GROSS RECEIPTS (see attached)	$
Total	**$**

OTHER FEES MAY APPLY DEPENDING ON YOUR BUSINESS TYPE

*****FORM MUST BE SIGNED AND DATED*****

I HEREBY DECLARE THAT THE INFORMATION CONTAINED IN THIS APPLICATION IS, TO THE BEST OF MY KNOWLEDTGE, ACCURATE.

PRINT NAME Alicia Conde TITLE Secretary, MGCC

SIGNATURE Alicia Conde DATE April 14, 2021

If you have employees, please submit a copy of your Workman's Compensation Insurance policy. If you do not have any employees, you must submit a declaration stating so.
Licenses may be applied for by mail or in person. City Hall is open from 8:00 am – 5:00 pm Monday through Thursday and every other Friday.

(A) Section 5.04.140 is hereby replaced with the following:

"A. Every person who commences, conducts, engages in or carries on any business listed hereinafter in this subsection shall pay a business license tax comprised of the base, annually, per event, daily, and / or tax plus the unit tax amount times the number of units calculated, respectively, for each such classification of business as hereinafter specified.

Base Fee on all Business License. $15.00

California State Fee on all business license. $4.00

Business Type	**Annually /Daily /Per Event/ Unit Tax Amount**
Administrative Office	$100 Annually
Apartments /Rental Property	$65.00 plus $5.00 for each after 4 units
Arts and / or Crafts Fair	$10.00 per booth /stall
Barber Shop / Beauty Salon	$65.00 per owner and non-employee operator
Billboard Structures within the city	$150.00 annually per structure
Christmas tree lot sales operations	$40.00 per day All structures and electrical permit requirements are inspected and approval by the building department and all Fire Code requirements approved by the Fire Department. Planning Department approval requirement.
Circus /Carnival	$450.00 for five (5) days or less
Commercial Solicitors /Peddlers	$60.00 per person, per day, $90.00 for background check and live scan required. All solicitors /peddlers must comply with the conditions described in Municipal Code 5.32
Curb Painters	$30.00 per day. Requirements: Obtain insurance in the amount of $100,000 for Public liability from an insurance company. Obtain a Surety Bond from a bonding company or insurance company in the amount of $500.00, or cash deposit in that amount can be made to the City of McFarland. The Permit must be in possession of the person performing the work and available for inspection on demand.
Exhibitions (i.e.: car show)	$10.00 per vehicle, per day
Family Child Care over 8 children	$100.00 annually plus Home Occupation Permit required and approved by the Planning Department and Permit from the state of California to operate. See Res. 2014-0201 for Fee.
Family Child Care of 8 or less children	Health & Safety Code Section 1597.45: No local jurisdiction shall impose any business license, fee or tax for the privilege of operating a small daycare home.
Farmers Market	$10.00 per booth /stall

Business Type	**Annually /Daily /Per Event/ Unit Tax Amount**
Food Vending Vehicles –MC 5.44	$200.00 Annually, $90.00 for background check required on owner /operator, $25.00 for each vehicle inspection, and live scan required on each owner /operator. Must present a valid Kern County Environmental Health Permit. Liability Insurance Required, see Municipal Code 5.44.060. Must comply with the additional conditions described in Municipal Code 5.32
Fortunetelling, Palmist, Clairvoyant	$500.00 annually, plus investigation filing fee of five hundred dollars, plus the fee charged by Department of Justice for fingerprint processing. Must comply with additional requirements in Municipal Code 5.28
Hotel, Motel, Lodging Houses	$65.00 annually, plus $5.00 per room after 4.
Ice Cream Vending Vehicle	$200.00 Annually, $90.00 for background check required on owner /operator, $25.00 for each vehicle inspection, and live scan required on each owner /operator. Must present a valid Kern County Environmental Health Permit. Liability Insurance Required see Municipal Code 5.44.060. Must comply with additional conditions described in Municipal Code 5.32
Itinerant Vendor	$60.00 per person, per day, $90.00 for background check and live scan required. All solicitors /peddlers/itinerant vendors must comply with the conditions described in Municipal Code 5.32
interpreter	$65.00 annually
Laundromats	$30.00 for the first machine, $10.00 for each additional machine per year. Maximum $200.00 annually.
Spas-Medi/Pedi	$65.00 per owner and non-employee operator
Taxi-Cab	$65.00 per vehicle. $90.00 for background check required on each owner /driver, $25.00 for each vehicle inspection, and live scan required on each owner /driver. Must also comply with all requirements stated in Municipal Code Section 5.52.
Duplicate (Lost or Damaged Business License)- MC 5.04-100	**$15.00**
Change Location of Business MC-5.04.090	**$15.00**

(B) Every person who engages in any business within the City except those businesses set forth in subsection A of this Section 5.04.140 shall pay an annual business tax based upon Gross Receipts at the rates to be calculated to the nearest cent as set forth below:

CITY OF MCFARLAND
LICENSE FEE SCHEDULE
ANNUAL GROSS RECEIPTS

Base Fee on all Business License. $15.00

California State Fee on all business license. $4.00

For the Sales and Service or the rendering of any service whatsoever.

FROM	TO	FEE DUE
ZERO	$30,000	$65.00
$30,001	$50,000	$75.00
$50,001	$75,000	$100.00
$75,001	$100,000	$125.00
$100,001	$175,000	$150.00
$175.001	$250,000	$175.00
$250,001	$500,000	$225.00
$500,001	$750,000	$300.00
$750,001	$1,000,000	$450.00
$1,000,001	$1,500,000	$500.00
$1,500,000	$2,000,000	$600.00
$2,000,001	$3,000,000	$700.00
$3,000,001	$4,000,000	$800.00
$4,000,001	$5,000,000	$900.00
$5,000,001	$10,000,000	$1,000.00
$10,000,001	and up	$2,000.00

Note: You may report your gross receipts on a calendar or fiscal basis as long as it is for a full year. Please report by the same method each year. If you have been doing business in the City of McFarland for less than twelve months, enter an estimate of your gross receipts for twelve months

C. The business license tax and Gross Receipts may be modified from time to time by City Council resolution.

5.04.190 - Waiver.

The licensing of any business, occupation or activity carried on wholly for the benefit of charitable purposes from which profit is not derived either directly or indirectly by any person, or to the conducting of any entertainment, dance, concert, exhibition or lecture on scientific, historical, literary, religious or moral subjects whenever the receipts from such entertainment, dance, concert, exhibition or lecture go to any church, school, or to any religious or benevolent purpose within the city, or to any federal, military, fraternal or local chamber of commerce within the city, may be waived by the city council provided an application is made therefor with the city clerk of the city at least ten days prior to a regular city council meeting.

(Ord. 117 §1, 1970: Ord. 7 §20, 1957)

(Ord. No. 005-2018, § 1(I), 6-14-18)

8.08.010 - Safe and sane fireworks—Period of sale.

Safe and sane fireworks, as defined by Section 12529 of the Health and Safety Code of the state may be sold and discharged within the city during the period beginning at twelve noon on the first day of July and ending on noon on the fifth day of July each year, pursuant to the provisions of this chapter and not otherwise.

(Ord. 226 §1(part), 1989: Ord. 139 §1, 1975)

- ## 5.04.190 - Waiver.

The licensing of any business, occupation or activity carried on wholly for the benefit of charitable purposes from which profit is not derived either directly or indirectly by any person, or to the conducting of any entertainment, dance, concert, exhibition or lecture on scientific, historical, literary, religious or moral subjects whenever the receipts from such entertainment, dance, concert, exhibition or lecture go to any church, school, or to any religious or benevolent purpose within the city, or to any federal, military, fraternal or local chamber of commerce within the city, may be waived by the city council provided an application is made therefor with the city clerk of the city at least ten days prior to a regular city council meeting.

(Ord. 117 §1, 1970: Ord. 7 §20, 1957)

(Ord. No. 005-2018, § 1(I), 6-14-18)

- ## Chapter 8.08 - FIREWORKS

  Sections:

- ### 8.08.010 - Safe and sane fireworks—Period of sale.

  Safe and sane fireworks, as defined by Section 12529 of the Health and Safety Code of the state may be sold and discharged within the city during the period beginning at twelve noon on the first day of July and ending on noon on the fifth day of July each year, pursuant to the provisions of this chapter and not otherwise.

  (Ord. 226 §1(part), 1989: Ord. 139 §1, 1975)

- ### 8.08.020 - License required.

  Except as provided in this chapter, no person shall offer for sale or sell at retail any fireworks of any kind in the city without having first applied for and received a license therefor.

  (Ord. 139 §2, 1975)

- ### 8.08.030 - Application for license.

  All applications for a license to sell fireworks shall:

  A.

  Be made in writing on the appropriate license application form provided by the city;

  B.

  Be made concurrently with application for permit to sell safe and sane fireworks issued by the fire department as required by the Uniform Fire Code of the city;

  C.

  Be made between the first day of April and the fifteenth day of May, except when the fifteenth falls on a Saturday or Sunday the next business day shall be determined to be the fifteenth;

  D.

  Set forth the proposed size and location of the fireworks stand applied for. The application shall clearly show that all applicable requirements of Section 8.08.070 are complied with. The stand must be located on private property in any commercial, industrial or manufacturing zone and the written permission of the owner of record or the lessee must accompany the application;

E.

Be accompanied by a three hundred thousand/five hundred thousand dollar public liability and a five hundred thousand dollar property damage insurance policy and products' liability insurance in the amount of five hundred thousand dollars designating the city and county, their officers and employees as additional insureds thereunder;

F.

Include a statement that the applicant agrees to comply strictly with the terms of any permit granted to it and furnish any additional information upon request of the city clerk.

(Ord. 226 §1(part), 1989: Ord. 139 §3, 1975)

- ## 8.08.040 - Prerequisites to issuance of license.

The following qualifications must be met by each applicant for a license:

A.

No license shall be issued to any person, firm or corporation except nonprofit associations or corporations organized primarily for civic betterment or youth activities.

B.

Each organization must have its principal and permanent meeting place in the corporate limits of the city, must maintain a bona fide membership of at least fifteen members, and must have been organized and established within the city's corporate limits for a minimum of one year preceding the filing of the application.

C.

No organization may receive more than one license for fireworks sale during any one calendar year. One license may be issued to two or more qualifying applicants as a joint venture. The maximum number of licenses which may be issued pursuant to this chapter shall not exceed one license for each three thousand residents of the city, or fraction thereof, based on the latest official roster, state census estimate.

(Ord. 139 §4, 1975)

- ## 8.08.050 - Selection of licensees—Granting or rejecting license.

If the number of applications exceed the number of licenses to be issued, the licensees during the preceding year shall have first priority for the available licenses, provided that each licensee retains the same participating organizations which operated under the license during the preceding year. Each participating organization shall be deemed to be a co-licensee and joint venturer with the licensee claiming first priority and shall have the same duties and liabilities under the license. If there are any additional licenses available, such additional licenses shall be granted by a drawing supervised by the city clerk. When no organization applying for the available license has the first priority, all licenses shall be granted by drawing as specified above. Applicants for such licenses shall be notified by the city clerk's office by mail within seven working days after the close of the application period of the granting or rejection of such application for a license.

(Ord. 139 §5, 1975)

- ## 8.08.060 - Operating of stand.

A.

No person other than the licensee organization shall operate the stand for which the license is issued, or share or otherwise participate in the profile of the operation of such stand.

B.

No person other than the individuals who are members of the organization, or the wives or husbands or adult children of such members shall sell or otherwise participate in the sale of fireworks at such stand.

C.

No person shall be paid any consideration for selling or otherwise participating in the sale of fireworks at such stand.

(Ord. 139 §6, 1975)

- ## 8.08.070 - Temporary fireworks stands.

All retail sales of "safe and sane" fireworks shall be permitted only from within a temporary fireworks stand, and sales from any other building or structure are prohibited. Temporary stands shall be subject to the following provisions:

A.

No fireworks stands shall be located within thirty feet of any other building nor within one hundred feet of any gasoline pump or gasoline storage or repair garage.

B.

Fireworks stands need not comply with the provisions of the building code of the city, provided, however, that all stands shall be erected under the supervision of the city manager, or whoever he may direct to act on his behalf, who shall require that stands be constructed in a manner that will reasonably insure the safety of attendants and patrons.

C.

No stand shall have a floor area in excess of three hundred square feet.

D.

Each stand shall have at least two exits, and each stand in excess of forty feet in length must have at least three exits spaced approximately equidistant apart; provided, however, that in no event shall the distance between exits exceed twenty-four feet.

E.

Each stand shall be provided with two 2A rated fire extinguishers, underwriter approved, properly serviced and tagged and easily accessible for use in case of fire.

(Ord. 226 §1(part), 1989: Ord. 139 §7, 1975; Ord. No. 002-2010, § 1, 2-11-10)

- **8.08.080 - General requirements.**

A.

All weeds and combustible material shall be cleared from the location of the stand including a distance of at least twenty feet surrounding the stand.

B.

"No Smoking" signs shall be prominently displayed on the fireworks stand.

C.

Each stand shall have an adult in attendance and in charge thereof while the fireworks are stored therein. No person under age eighteen shall be permitted in the stand. Sleeping or remaining in the stand after the close of business each day is forbidden.

D.

The sale of fireworks shall not begin before twelve noon on the first day of July and shall not continue after twelve noon on the fifth of July.

E.

All unsold fireworks and accompanying litter shall be removed from the location by five p.m. on the fifth day of July.

F.

The fireworks stand shall be removed from the temporary location by twelve noon on the fifteenth day of July and all accompanying litter shall be cleared from the location by said time and date.

G.

Prior to the issuance of a license, each applicant shall file with the city clerk a cash deposit or surety bond made payable to the city in the amount of fifty dollars to assure compliance with the provisions of this chapter, including but not limited to the removal of the stand and the cleaning of the site. In the event the licensee does not so comply or remove the stand, or clean the site in the manner required by the city manager, the city may do so, or cause the same to be done by other persons, and the reasonable cost thereof shall be a charge against the licensee and his surety and the deposit certificate or bond.

(Ord. 226 §1(part), 1989: Ord. 139 §8, 1975; Ord. No. 002-2010, § 1, 2-11-10)

- ## 8.08.090 - License tax.

The license tax for the selling of fireworks within the city shall be twenty-five dollars per year per stand, which fee must be paid at the time application for the stand is filed with the city clerk's office.

(Ord. 139 §9, 1975)

- ## 8.08.100 - Temporary sales tax permit required.

Organizations licensed for the selling of fireworks are required to obtain a temporary sales tax permit from the Regional Office of the State Board of Equalization.

(Ord. 139 §10, 1975)

- ## 8.08.110 - Display of license and sales tax permit.

Licenses to sell fireworks and temporary sales tax permits shall be displayed in a prominent place in the fireworks stand.

(Ord. 139 §11, 1975)

- ## 8.08.120 - Prohibitions on discharge.

It shall be unlawful for any person to ignite, explode, project or otherwise fire or use any fireworks, or permit the ignition, explosion or projection thereof, upon or over or onto the property of another without his consent, or to ignite, explode, project or otherwise fire or use any fireworks within ten feet of any residential, dwelling or other structure used as a place of habitation by human beings.

(Ord. 139 §12, 1975)

- ## 8.08.130 - Violation—Penalty.

Persons violating this chapter shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not to exceed five hundred dollars or by imprisonment in the city or county jail for a period not to exceed thirty days, or by both such fine and imprisonment. Further, the license shall be revoked.

(Ord. 139 §13, 1975)

8.06.040 - Violation—Penalty.

CITY OF MCFARLAND

TO: Mayor and City Council

FROM: Maria Lara, City Manager

DATE: April 22, 2021

SUBJECT: 2021 Business License Fee Waiver Request Per McFarland Lions Club

BACKGROUND:

With fireworks sales being the only true fundraiser for most of the year, the Lions Club is requesting council approve waiving the business license fee of $84.00 and License Tax Fee of $25.00 for their firework stand.

The Lion's firework booth is a fundraising event for projects for the community of McFarland.

RECOMMENDATION:

Staff recommends the City Council waive the business license fee and tax fee.

FISCAL IMPACT

$109.00 less to the General Fund.

ATTACHMENTS:

Application for Business License
Application for Waiver of Business License Tax Form
Municipal Code Section: 5.04.190-Waiver, and Chapter 8.08- Fireworks

<MASTER_TOP_BEGIN>

CITY OF MCFARLAND

401 W Kern Ave
McFarland, CA 93250 (661) 792-3091

Application for a NEW Business License

NAME OF BUSINESS: McFarland Lions Club

MAILING ADDRESS: P. O. Box 333
CITY/STATE/ZIP: McFarland, CA 93250
MAIN PHONE #: 661.428.9090 OTHER #: 661.792.6672

E-MAIL ADDRESS: 5759marti@gmail.com

PHYSICAL LOCATION: 5th Street & Perkins Ave on dirt lot
CITY/STATE/ZIP: McFarland, CA 93250

TYPE OF BUSINESS: Sale of Fireworks, 01 July thru 04 July 2021, TNT-Fireworks Booth
IF APPLICABLE:
OF APTS. OR RENTALS N/A
COIN OP MACHINES N/A
GROSS RECEIPTS N/A

OWNER NAME: McFarland Lions Club

OWNER ADDRESS: P. O. Box 333, McFarland, CA 93250
CITY/STATE/ZIP:

BUSINESS/CONTRACTOR
LICENSE #: N/A EXPIRES:

STANDARD LICENSE FEES:

BASE FEES	$ 15.00
SB-1379 FEES FOR THE STATE OF CALIFORNIA	$ 4.00
OTHER FEES DETERMINED BY TYPE OF BUSINESS OR GROSS RECEIPTS (see attached)	$
Total	**$**

OTHER FEES MAY APPLY DEPENDING ON YOUR BUSINESS TYPE

*****FORM MUST BE SIGNED AND DATED*****

I HEREBY DECLARE THAT THE INFORMATION CONTAINED IN THIS APPLICATION IS, TO THE BEST OF MY KNOWLEDTGE, ACCURATE.

PRINT NAME Marco A. Martinez TITLE Club Secretary

SIGNATURE Marco A. Martinez DATE 15 April 2021

If you have employees, please submit a copy of your Workman's Compensation Insurance policy. If you do not have any employees, you must submit a declaration stating so.
Licenses may be applied for by mail or in person. City Hall is open from 8:00 am – 5:00 pm Monday through Thursday and every other Friday.

(A) Section 5.04.140 is hereby replaced with the following:

"A. Every person who commences, conducts, engages in or carries on any business listed hereinafter in this subsection shall pay a business license tax comprised of the base, annually, per event, daily, and / or tax plus the unit tax amount times the number of units calculated, respectively, for each such classification of business as hereinafter specified.

Base Fee on all Business License. $15.00

California State Fee on all business license. $4.00

Business Type	**Annually /Daily /Per Event/ Unit Tax Amount**
Administrative Office	$100 Annually
Apartments /Rental Property	$65.00 plus $5.00 for each after 4 units
Arts and / or Crafts Fair	$10.00 per booth /stall
Barber Shop / Beauty Salon	$65.00 per owner and non-employee operator
Billboard Structures within the city	$150.00 annually per structure
Christmas tree lot sales operations	$40.00 per day All structures and electrical permit requirements are inspected and approval by the building department and all Fire Code requirements approved by the Fire Department. Planning Department approval requirement.
Circus /Carnival	$450.00 for five (5) days or less
Commercial Solicitors /Peddlers	$60.00 per person, per day, $90.00 for background check and live scan required. All solicitors /peddlers must comply with the conditions described in Municipal Code 5.32
Curb Painters	$30.00 per day. Requirements: Obtain insurance in the amount of $100,000 for Public liability from an insurance company. Obtain a Surety Bond from a bonding company or insurance company in the amount of $500.00, or cash deposit in that amount can be made to the City of McFarland**.** The Permit must be in possession of the person performing the work and available for inspection on demand.
Exhibitions (i.e.: car show)	$10.00 per vehicle, per day
Family Child Care over 8 children	$100.00 annually plus Home Occupation Permit required and approved by the Planning Department and Permit from the state of California to operate. See Res. 2014-0201 for Fee.
Family Child Care of 8 or less children	Health & Safety Code Section 1597.45: No local jurisdiction shall impose any business license, fee or tax for the privilege of operating a small daycare home.
Farmers Market	$10.00 per booth /stall

Business Type	Annually /Daily /Per Event/ Unit Tax Amount
Food Vending Vehicles –MC 5.44	$200.00 Annually, $90.00 for background check required on owner /operator, $25.00 for each vehicle inspection, and live scan required on each owner /operator. Must present a valid Kern County Environmental Health Permit. Liability Insurance Required, see Municipal Code 5.44.060. Must comply with the additional conditions described in Municipal Code 5.32
Fortunetelling, Palmist, Clairvoyant	$500.00 annually, plus investigation filing fee of five hundred dollars, plus the fee charged by Department of Justice for fingerprint processing. Must comply with additional requirements in Municipal Code 5.28
Hotel, Motel, Lodging Houses	$65.00 annually, plus $5.00 per room after 4.
Ice Cream Vending Vehicle	$200.00 Annually, $90.00 for background check required on owner /operator, $25.00 for each vehicle inspection, and live scan required on each owner /operator. Must present a valid Kern County Environmental Health Permit. Liability Insurance Required see Municipal Code 5.44.060. Must comply with additional conditions described in Municipal Code 5.32
Itinerant Vendor	$60.00 per person, per day, $90.00 for background check and live scan required. All solicitors /peddlers/itinerant vendors must comply with the conditions described in Municipal Code 5.32
interpreter	$65.00 annually
Laundromats	$30.00 for the first machine, $10.00 for each additional machine per year. Maximum $200.00 annually.
Spas-Medi/Pedi	$65.00 per owner and non-employee operator
Taxi-Cab	$65.00 per vehicle. $90.00 for background check required on each owner /driver, $25.00 for each vehicle inspection, and live scan required on each owner /driver. Must also comply with all requirements stated in Municipal Code Section 5.52.
Duplicate (Lost or Damaged Business License)- MC 5.04-100	**$15.00**
Change Location of Business MC-5.04.090	**$15.00**

(B) Every person who engages in any business within the City except those businesses set forth in subsection A of this Section 5.04.140 shall pay an annual business tax based upon Gross Receipts at the rates to be calculated to the nearest cent as set forth below:

CITY OF MCFARLAND
LICENSE FEE SCHEDULE
ANNUAL GROSS RECEIPTS

Base Fee on all Business License. $15.00

California State Fee on all business license. $4.00

For the Sales and Service or the rendering of any service whatsoever.

FROM	TO	FEE DUE
ZERO	$30,000	$65.00
$30,001	$50,000	$75.00
$50,001	$75,000	$100.00
$75,001	$100,000	$125.00
$100,001	$175,000	$150.00
$175.001	$250,000	$175.00
$250,001	$500,000	$225.00
$500,001	$750,000	$300.00
$750,001	$1,000,000	$450.00
$1,000,001	$1,500,000	$500.00
$1,500,000	$2,000,000	$600.00
$2,000,001	$3,000,000	$700.00
$3,000,001	$4,000,000	$800.00
$4,000,001	$5,000,000	$900.00
$5,000,001	$10,000,000	$1,000.00
$10,000,001	and up	$2,000.00

Note: You may report your gross receipts on a calendar or fiscal basis as long as it is for a full year. Please report by the same method each year. If you have been doing business in the City of McFarland for less than twelve months, enter an estimate of your gross receipts for twelve months

C. The business license tax and Gross Receipts may be modified from time to time by City Council resolution.

CITY OF MCFARLAND
Application for Waiver of Business License Tax

This application is only for Non-Profit Organizations. For more information, contact Francisca Alvarado falvarado@mcfarlandcity.org Administration Department at (661) 792-3091 ext 2135

Organization Name: McFarland Lions Club

Federal EIN #: 956133516

Address: P. O. Box 333

City: McFarland **State:** CA **Zip Code:** 93250

Describe organization's purpose:

Conduct service projects for the community of McFarland

Describe type of activities performed. location of activities, and the hours activities will be performed:

Firework sales from 01 July thru 04 July, located on W. Perkins Ave. and 5th Street on Mi Ranchito lot

List of Officers of the Organization: Name, Title, Address and Phone Number

Emilia D. Martinez, President, 212 7th Street, McFarland, 661.792.6672

Mike Elliott, Treasurer, 10104 Manhattean Dr, Bakersfield, 661.706.7050

Marco A. Martinez, Secretary, 212 7th Street, McFarland, 661.428.9090

Application Submitted By:

Name: Marco A. Martinez, Club Secretary

Address: 212 7th Street

City: McFarland **State:** CA **Zip Code: 93250** 93250

Phone #: 661.428.9090 **Fax #:** N/A **Email:** 5759marti@gmail.com

Signature: Marco A. Martinez **Date:** 14 April 2021

Approved; ____________ Denied____________

5.04.190 - Waiver.

The licensing of any business, occupation or activity carried on wholly for the benefit of charitable purposes from which profit is not derived either directly or indirectly by any person, or to the conducting of any entertainment, dance, concert, exhibition or lecture on scientific, historical, literary, religious or moral subjects whenever the receipts from such entertainment, dance, concert, exhibition or lecture go to any church, school, or to any religious or benevolent purpose within the city, or to any federal, military, fraternal or local chamber of commerce within the city, may be waived by the city council provided an application is made therefor with the city clerk of the city at least ten days prior to a regular city council meeting.

(Ord. 117 §1, 1970: Ord. 7 §20, 1957)

(Ord. No. 005-2018, § 1(I), 6-14-18)

8.08.010 - Safe and sane fireworks—Period of sale.

Safe and sane fireworks, as defined by Section 12529 of the Health and Safety Code of the state may be sold and discharged within the city during the period beginning at twelve noon on the first day of July and ending on noon on the fifth day of July each year, pursuant to the provisions of this chapter and not otherwise.

(Ord. 226 §1(part), 1989: Ord. 139 §1, 1975)

- **5.04.190 - Waiver.**

The licensing of any business, occupation or activity carried on wholly for the benefit of charitable purposes from which profit is not derived either directly or indirectly by any person, or to the conducting of any entertainment, dance, concert, exhibition or lecture on scientific, historical, literary, religious or moral subjects whenever the receipts from such entertainment, dance, concert, exhibition or lecture go to any church, school, or to any religious or benevolent purpose within the city, or to any federal, military, fraternal or local chamber of commerce within the city, may be waived by the city council provided an application is made therefor with the city clerk of the city at least ten days prior to a regular city council meeting.

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- ## Chapter 8.08 - FIREWORKS

  Sections:

- ### 8.08.010 - Safe and sane fireworks—Period of sale.

  Safe and sane fireworks, as defined by Section 12529 of the Health and Safety Code of the state may be sold and discharged within the city during the period beginning at twelve noon on the first day of July and ending on noon on the fifth day of July each year, pursuant to the provisions of this chapter and not otherwise.

  (Ord. 226 §1(part), 1989: Ord. 139 §1, 1975)

- ### 8.08.020 - License required.

  Except as provided in this chapter, no person shall offer for sale or sell at retail any fireworks of any kind in the city without having first applied for and received a license therefor.

  (Ord. 139 §2, 1975)

- ### 8.08.030 - Application for license.

  All applications for a license to sell fireworks shall:

  A.

  Be made in writing on the appropriate license application form provided by the city;

  B.

  Be made concurrently with application for permit to sell safe and sane fireworks issued by the fire department as required by the Uniform Fire Code of the city;

  C.

  Be made between the first day of April and the fifteenth day of May, except when the fifteenth falls on a Saturday or Sunday the next business day shall be determined to be the fifteenth;

  D.

  Set forth the proposed size and location of the fireworks stand applied for. The application shall clearly show that all applicable requirements of Section 8.08.070 are complied with. The stand must be located on private property in any commercial, industrial or manufacturing zone and the written permission of the owner of record or the lessee must accompany the application;

E.

Be accompanied by a three hundred thousand/five hundred thousand dollar public liability and a five hundred thousand dollar property damage insurance policy and products' liability insurance in the amount of five hundred thousand dollars designating the city and county, their officers and employees as additional insureds thereunder;

F.

Include a statement that the applicant agrees to comply strictly with the terms of any permit granted to it and furnish any additional information upon request of the city clerk.

(Ord. 226 §1(part), 1989: Ord. 139 §3, 1975)

- ## 8.08.040 - Prerequisites to issuance of license.

The following qualifications must be met by each applicant for a license:

A.

No license shall be issued to any person, firm or corporation except nonprofit associations or corporations organized primarily for civic betterment or youth activities.

B.

Each organization must have its principal and permanent meeting place in the corporate limits of the city, must maintain a bona fide membership of at least fifteen members, and must have been organized and established within the city's corporate limits for a minimum of one year preceding the filing of the application.

C.

No organization may receive more than one license for fireworks sale during any one calendar year. One license may be issued to two or more qualifying applicants as a joint venture. The maximum number of licenses which may be issued pursuant to this chapter shall not exceed one license for each three thousand residents of the city, or fraction thereof, based on the latest official roster, state census estimate.

(Ord. 139 §4, 1975)

- ## 8.08.050 - Selection of licensees—Granting or rejecting license.

If the number of applications exceed the number of licenses to be issued, the licensees during the preceding year shall have first priority for the available licenses, provided that each licensee retains the same participating organizations which operated under the license during the preceding year. Each participating organization shall be deemed to be a co-licensee and joint venturer with the licensee claiming first priority and shall have the same duties and liabilities under the license. If there are any additional licenses available, such additional licenses shall be granted by a drawing supervised by the city clerk. When no organization applying for the available license has the first priority, all licenses shall be granted by drawing as specified above. Applicants for such licenses shall be notified by the city clerk's office by mail within seven working days after the close of the application period of the granting or rejection of such application for a license.

(Ord. 139 §5, 1975)

- ## 8.08.060 - Operating of stand.

A.

No person other than the licensee organization shall operate the stand for which the license is issued, or share or otherwise participate in the profile of the operation of such stand.

B.

No person other than the individuals who are members of the organization, or the wives or husbands or adult children of such members shall sell or otherwise participate in the sale of fireworks at such stand.

C.

No person shall be paid any consideration for selling or otherwise participating in the sale of fireworks at such stand.

(Ord. 139 §6, 1975)

- ## 8.08.070 - Temporary fireworks stands.

All retail sales of "safe and sane" fireworks shall be permitted only from within a temporary fireworks stand, and sales from any other building or structure are prohibited. Temporary stands shall be subject to the following provisions:

A.

No fireworks stands shall be located within thirty feet of any other building nor within one hundred feet of any gasoline pump or gasoline storage or repair garage.

B.

Fireworks stands need not comply with the provisions of the building code of the city, provided, however, that all stands shall be erected under the supervision of the city manager, or whoever he may direct to act on his behalf, who shall require that stands be constructed in a manner that will reasonably insure the safety of attendants and patrons.

C.

No stand shall have a floor area in excess of three hundred square feet.

D.

Each stand shall have at least two exits, and each stand in excess of forty feet in length must have at least three exits spaced approximately equidistant apart; provided, however, that in no event shall the distance between exits exceed twenty-four feet.

E.

Each stand shall be provided with two 2A rated fire extinguishers, underwriter approved, properly serviced and tagged and easily accessible for use in case of fire.

(Ord. 226 §1(part), 1989: Ord. 139 §7, 1975; Ord. No. 002-2010, § 1, 2-11-10)

- **8.08.080 - General requirements.**

A.

All weeds and combustible material shall be cleared from the location of the stand including a distance of at least twenty feet surrounding the stand.

B.

"No Smoking" signs shall be prominently displayed on the fireworks stand.

C.

Each stand shall have an adult in attendance and in charge thereof while the fireworks are stored therein. No person under age eighteen shall be permitted in the stand. Sleeping or remaining in the stand after the close of business each day is forbidden.

D.

The sale of fireworks shall not begin before twelve noon on the first day of July and shall not continue after twelve noon on the fifth of July.

E.

All unsold fireworks and accompanying litter shall be removed from the location by five p.m. on the fifth day of July.

F.

The fireworks stand shall be removed from the temporary location by twelve noon on the fifteenth day of July and all accompanying litter shall be cleared from the location by said time and date.

G.

Prior to the issuance of a license, each applicant shall file with the city clerk a cash deposit or surety bond made payable to the city in the amount of fifty dollars to assure compliance with the provisions of this chapter, including but not limited to the removal of the stand and the cleaning of the site. In the event the licensee does not so comply or remove the stand, or clean the site in the manner required by the city manager, the city may do so, or cause the same to be done by other persons, and the reasonable cost thereof shall be a charge against the licensee and his surety and the deposit certificate or bond.

(Ord. 226 §1(part), 1989: Ord. 139 §8, 1975; Ord. No. 002-2010, § 1, 2-11-10)

- ## 8.08.090 - License tax.

The license tax for the selling of fireworks within the city shall be twenty-five dollars per year per stand, which fee must be paid at the time application for the stand is filed with the city clerk's office.

(Ord. 139 §9, 1975)

- ## 8.08.100 - Temporary sales tax permit required.

Organizations licensed for the selling of fireworks are required to obtain a temporary sales tax permit from the Regional Office of the State Board of Equalization.

(Ord. 139 §10, 1975)

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Licenses to sell fireworks and temporary sales tax permits shall be displayed in a prominent place in the fireworks stand.

(Ord. 139 §11, 1975)

- ## 8.08.120 - Prohibitions on discharge.

It shall be unlawful for any person to ignite, explode, project or otherwise fire or use any fireworks, or permit the ignition, explosion or projection thereof, upon or over or onto the property of another without his consent, or to ignite, explode, project or otherwise fire or use any fireworks within ten feet of any residential, dwelling or other structure used as a place of habitation by human beings.

(Ord. 139 §12, 1975)

- ## 8.08.130 - Violation—Penalty.

Persons violating this chapter shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not to exceed five hundred dollars or by imprisonment in the city or county jail for a period not to exceed thirty days, or by both such fine and imprisonment. Further, the license shall be revoked.

(Ord. 139 §13, 1975)

8.06.040 - Violation—Penalty.

MEMORANDUM

CITY OF MCFARLAND

To:	Honorable Mayor and City Council
From:	Maria Lara, City Manager Fernando R. Lara, Accounting Supervisor
Date:	April 22, 2021
Subject:	Report, Discussion and Possible Approval or the Audited Financial Statement for the period ending June 30, 2018 for the City of McFarland

RECOMMENDATION:

Staff recommends City Council accept the City of McFarland's Audited Financial Statements for the period ending June 30, 2018.

FINACIAL IMPACT:

There are no financial impacts.

DISCUSSION:

CliftonLarsonAllen LLP (CLA) has prepared the Audited Financial Statements for the period ending June 30, 2018. The report has been prepared in conformity with the accounting principles generally accepted in the United States of America.

The Audited Financial Statements for the period ending June 30, 2018 have been audited by CLA. Mr. Richard Gonzalez, CPA, or designee is presenting the Audited Financial Statements for the period ending June 30, 2018. City Staff is available to answer any questions from City Council.

ATTACHMENTS:

- CLA letter to Council
- City of McFarland Fiscal Year 2018 Audited Financial Statements
- City of McFarland Fiscal Year 2018 Single Audit Report

CliftonLarsonAllen LLP
CLAconnect.com

Honorable Mayor and Members of the City Council
City of McFarland
McFarland, 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 City of McFarland as of and for the year ended June 30, 2018, and have issued our report thereon dated March 5, 2021. Our report contains qualified opinions for the governmental activities, general fund, TDA-LTF fund and aggregate remaining fund information for lack of sufficient appropriate audit evidence on which to base an opinion on for receivables and related unavailable revenue and revenue account balances in governmental funds. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of McFarland are described in Note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2018.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus.

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. There were no accounting estimates affecting the financial statements which were particularly sensitive or required substantial judgments by management.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

- The disclosure of the prior period adjustments in Note 12 to the financial statements describes a restatement of the prior year financial statements related to unearned revenue.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties encountered in performing the audit

The completion of our audit was delayed for the following reasons:

- The City's year-end trial balance necessary to perform the audit of year-end balances was not closed for several weeks after contract was signed
- Year-end balances not agreeing to the source documents due to lack of reconciliations
- Heavy turnover in the finance department cause significant delays in obtaining information

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has determined that the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The following summarizes uncorrected misstatements of the financial statements:

- Record $116,192 adjustment to beginning capital assets as an expense instead of as a prior period adjustment.

Corrected misstatements

The following material misstatements detected as a result of audit procedures were corrected by management:

- Reduce unearned revenue in governmental funds by $2.7 million for revenues that should have been recognized in a prior year.

- Adjust ICE Administration revenues and expenditures by $3.8 million and $2.5 million, respectively for monthly activity not recorded in the proper period.

- Adjust both other financing sources: debt issuance and cash with fiscal agent in McFarland Improvement Authority fund by $4.5 million to record bond proceeds deposited into an external account established during the issuance of new debt.

Disagreements with management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated March 5, 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 entity’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Other audit findings or issues

The following describes findings or issues arising from the audit that are, in our professional judgment, significant and relevant to your oversight of the financial reporting process:

- We issued qualified opinions for certain governmental funds described in our independent auditors’ report related to receivables, unavailable revenue and revenue because we were unable to obtain sufficient appropriate audit evidence on which to base an opinion.

We have provided a separate report to you dated March 5, 2021, communicating internal control related matters identified during the audit.

Other information in documents containing audited financial statements

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management’s responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

With respect to the schedule of expenditures of federal awards (SEFA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA to determine that the SEFA complies with the requirements of the Uniform Guidance, the method of preparing it has not changed from the prior period or the reasons for such changes, and the SEFA is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated March 5, 2021.

With respect to the combining fund statements (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, 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 or the reasons for such changes, 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 have issued our report thereon dated March 5, 2021.

* * *

This communication is intended solely for the information and use of the Mayor and members of City Council and management of City of McFarland and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Roseville, California
March 5, 2021

CITY OF MCFARLAND

SINGLE AUDIT REPORT

YEAR ENDED JUNE 30, 2018

CITY OF MCFARLAND
SINGLE AUDIT REPORT
YEAR ENDED JUNE 30, 2018

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable City Council
of the City of McFarland
McFarland, 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 McFarland (City), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 5, 2021. Our report contains qualified opinions for the governmental activities, general fund, TDA-LTF fund and aggregate remaining fund information for lack of sufficient appropriate audit evidence on which to base an opinion on for receivables and related unavailable revenue and revenue account balances.

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 designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2018-001, 2018-002, 2018-003, 2018-004 and 2018-005 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Honorable City Council
of the City of McFarland

City's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Roseville, California
March 5, 2021

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

The Honorable City Council
of the City of McFarland
McFarland, California

Report on Compliance for Each Major Federal Program

We have audited the City of McFarland's (City) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget* (*OMB) Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2018. The City's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on it's major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 5, 2021, which contained qualified opinions on the governmental activities, general fund, TDA-LTF fund and the aggregate remaining fund information and unmodified opinions on the business-type activities, major and nonmajor enterprise funds and all major governmental funds other than the general fund and TDA-LTF fund. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Roseville, California
March 5, 2021

CITY OF MCFARLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Housing and Urban Development				
Passed through State of California Department of Housing and Community Development:				
Community Development Block Grants/Entitlement Grants	14.218	15-CDBG-10571	$ 1,079,408	$ -
Subtotal - CDBG Entitlement Grants Cluster			1,079,408	-
HOME Investment Partnerships (Outstanding Loans)	14.239		709,906	-
Total U.S. Department of Housing and Urban Development			1,789,314	-
U.S. Department of Interior				
Passed through State of California Department National Park Service				
Land and Water Conservation Fund	15.916	06-01793	78,709	-
Total U.S. Department of Justice			78,709	-
U.S. Department of Justice				
Direct Programs:				
COPS Universal Hiring Grant	16.710	2014UMWX0157	82,432	-
Total U.S. Department of Justice			82,432	-
U.S. Department of Transportation				
Passed through the State Department of Transportation:				
Highway Planning and Construction	20.205	STPL-5343(008)	74,186	-
Highway Planning and Construction	20.205	STPL-5343(010)	30,779	-
Highway Planning and Construction	20.205	ATPL-5343(009)	115,116	-
Highway Planning and Construction	20.205	H8-06-012	27,311	-
Subtotal - Highway Planning and Construction Cluster			247,392	-
Total U.S. Department of Transportation			247,392	-
U.S. Department of Homeland Security				
Passed through the State of California Office of Emergency Services (CALOES)				
Hazard Mitigation Grant	97.039	FEMA 440 DR CA	136,641	-
Total U.S. Department of Homeland Security			136,641	-
Total Expenditures of Federal Awards			$ 2,334,488	$ -

See accompanying Note to Schedule of Expenditures of Federal Awards.

CITY OF MCFARLAND
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2018

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs of the City of McFarland for the year ended June 30, 2018. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 CATALOG OF FEDERAL DOMESTIC (CFDA) NUMBERS

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2018 *Catalog of Federal Domestic Assistance*. When no CFDA number had been assigned to a program, the two-digit federal agency identifier and the federal contract number were used. When there was no federal contract number, the two-digit federal agency identifier and the word “unknown” were used.

NOTE 4 INDIRECT COST RATE

The City did not elect to use the 10 percent de minimis indirect cost rate as covered in 2 CFR §200.414.

NOTE 5 PASS-THROUGH ENTITIES’ IDENTIFYING NUMBER

When federal awards were received from a pass-through entity, the schedule of expenditures of federal awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the City determined that no identifying number is assigned for the program or the City was unable to obtain an identifying number from the pass-through entity.

NOTE 6 LOANS RECEIVABLE

The City offers property rehabilitation and first-time home buyer loans to eligible individuals as part of its Community Development Block Grant (CDBG) program. The loans do not have continuing compliance requirements and therefore the outstanding balances are not reflected on the Schedule of Expenditures of Federal Awards. No new loans were issued during the fiscal year ended June 30, 2018.

CITY OF MCFARLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2018

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Modified

2. Internal control over financial reporting:

   - Material weakness(es) identified? __x__ yes ____ no
   - Significant deficiency(ies) identified? ____ yes __x__ none reported

3. Noncompliance material to financial statements noted? ____ yes __x__ no

Federal Awards

1. Internal control over major federal programs:

   - Material weakness(es) identified? ____ yes __x__ no
   - Significant deficiency(ies) identified? ____ yes __x__ none reported

2. Type of auditors' report issued on compliance for major federal programs: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ____ yes __x__ no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
14.218	Community Development Block Grants/ Entitlement Grants

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

Auditee qualified as low-risk auditee? ____ yes __x__ no

Section II – Financial Statement Findings

2018 – 001

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: The City did not have adequate design of internal controls over significant processes such as performing monthly reconciliations.

Furthermore, this year's closing process was delayed because some important procedures were not performed on time while others were performed too early in the process. The results were delays in producing closing entries, trial balances, schedules, reconciliations, account analyses, and other financial reports needed by management and the auditors.

Criteria or specific requirement: A benefit of monthly reconciliations is that errors do not accumulate but can be identified and attributed to a particular period, which makes it easier to perform future reconciliations.

Context: Several accounts in the City's accounting system were not reconciled to supporting documentation.

Effect: Certain accounts were misstated at year end, requiring adjustment.

Cause: The City did not allocate sufficient resources to the accounting function.

Repeat Finding: Finding is a repeat finding from the prior year (2017-001)

Recommendation: We recommend the City establish procedures for reconciling the general ledger accounts for cash, receivables, accounts payable, capital assets and long-term debt to supporting documentation monthly. A benefit of monthly reconciliations is that errors do not accumulate but can be identified and attributed to a particular period, which makes it easier to perform future reconciliations.

We further recommend that the finance department prepare a year-end closing schedule and include all tasks that are necessary to close the year-end. Such a list should include, at a minimum, the following: a list of year-end tasks, due date of each task, and the responsible employee and management reviewer of each task.

Views of responsible officials: There is no disagreement with this finding.

2018 – 002

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: During our audit, we noted that the City did not properly record revenues and expenditures for ICE services performed during the period July 1, 2017 through June 30, 2018.

Criteria or specific requirement: Generally Accepted Accounting Principles (GAAP) requires that all revenues and expenditures be recorded in the proper accounting period.

Context: The revenue and expenditure accounts recorded in the City's ICE Administration Fund did not include all 12 months of activity.

Effect: Revenue and expenditure accounts in the ICE Administration Fund were materially misstated at year-end.

Cause: The City did not review the revenue and expenditure transactions recorded in the ICE Administration Fund to ensure all 12 months of activity were reflected in the fund.

Repeat Finding: Finding is not a repeat finding from the prior year.

Recommendation: We recommend the City establish procedures to ensure revenues and expenditures related to ICE administration are accurately recorded throughout the year, including reviewing all transactions for completeness prior to closing.

Views of responsible officials: There is no disagreement with this finding.

2018 – 003

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: During our audit, we noted the City did not record the activity for the bonds issued during the year, including the balance of the cash with fiscal agent at year-end and related activity such as the issuance of debt and payment of interest.

Criteria or specific requirement: All account balances of the City should be reflected in its accounting system to make financial reports generated by the system as meaningful as possible.

Context: Cash accounts of approximately $4.5 million at year end were excluded from the City's general ledger.

Effect: Several accounts related to the debt issuance were materially misstated at year-end.

Cause: All activity for the bonds is maintained in a separate fiscal agent account separate from the City's primary operating account.

Repeat Finding: Finding is not a repeat finding from the prior year.

Recommendation: We recommend the City establish procedures to summarize and record all transactions from the external fiscal agent account statements at least quarterly. These procedures should include reconciling the cash balances recorded in the general ledger to the monthly bank statements.

Views of responsible officials: There is no disagreement with this finding.

2018 – 004

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: During our audit we noted the City had recorded unearned revenues for grants in which the City had met all eligibility requirements. As a result, current and prior period adjustments were necessary to recognize revenue in the proper period.

Criteria or specific requirement: For voluntary nonexchange transactions and government-mandated nonexchange transactions (examples: certain grants, state, and federal mandates on local governments, etc.), revenues and expenditures should be recorded in the period when all eligibility requirements have been met.

Context: The City recorded a $2.7 million prior period adjustment to correct unearned revenue at the beginning of the year.

Effect: Revenue and restricted fund balance was materially misstated for the year ended June 30, 2017.

Cause: The City appeared to be trying to match revenue with project expenditures incurred instead of recording revenue and restricted fund balance when eligibility requirements were already met. There was no requirement that the City first incur allowable costs to qualify for the resources.

Repeat Finding: Finding is not a repeat finding from the prior year.

Recommendation: We recommend the City review its funding agreements to determine the proper timing of recognition based on the requirements of GASB Statement No. 33, Accounting *and Financial Reporting for Nonexchange Transactions*.

Management should reconcile grant revenue and receivables with expenditures to determine proper revenue recognition monthly.

Views of responsible officials: There is no disagreement with this finding.

2018 – 005

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: During our audit we noted there was a lack of supporting documentation relating to accounts receivable balances. It is likely that material misstatements exist within accounts receivable but CLA was unable to determine the quantitative impact to the financial statements.

Criteria or specific requirement: Amounts recorded in the financial statements should be supported by reconciled subsidiary records.

Context: CLA is unable to determine this amount resulting in a scope limitation and modified opinion. Our opinions on the governmental activities, major governmental funds and aggregate remaining fund information were qualified for this scope limitation.

Effect: Receivables, unavailable revenues and revenues could be understated or overstated, but due to lack of supporting documentation CLA is unable to determine this amount resulting in a scope limitation and modified opinions.

Cause: The City did not have procedures in place to reconcile year-end receivable and unavailable revenue balances to supporting documentation such as reimbursement claims and subsequent receipts.

In addition, the City's lack of timely preparation and submission of cost reimbursement claims has created additional complexities in recording and tracking receivables for its various projects.

Repeat Finding: Finding is not a repeat finding from the prior year.

Recommendation: To make the financial reports generated by the accounting system as meaningful as possible, the City should reconcile the general ledger accounts for accounts receivable, unavailable revenue and revenue to supporting documentation during the year-end close.

Views of responsible officials: There is no disagreement with this finding.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

CITY OF MCFARLAND

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2018

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CITY OF MCFARLAND
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YEAR ENDED JUNE 30, 2018

FINANCIAL SECTION

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of McFarland (City), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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.

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

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Qualified
Business-type Activities	Unmodified
General Fund	Qualified
TDA - LTF	Qualified
CalHOME	Unmodified
ICE Administration	Unmodified
McFarland Improvement Authority	Unmodified
Sewer	Unmodified
Refuse	Unmodified
Water	Unmodified
Aggregate Remaining Fund Information	Qualified

Basis for Qualified Opinion on Governmental Activities, General Fund, TDA – LTF Fund and the Aggregate Remaining Fund Information

We were unable to obtain sufficient appropriate audit evidence on which to base an opinion on for receivables and related unavailable revenue and revenue account balances in the governmental activities, General Fund, TDA – LTF Fund and the aggregate remaining fund information of the City. Consequently, we were unable to determine whether any adjustments to the amounts included in the governmental activities, General Fund, TDA – LTF Fund and the aggregate remaining fund information are necessary. The amount by which this departure would affect the assets, fund balance, net position, and revenues of the governmental activities, General Fund, TDA – LTF Fund and the aggregate remaining fund information has not been determined.

Qualified Opinion

In our opinion, except for the possible effects of the matter discussed in the "Basis for Qualified Opinion on Governmental Activities, General Fund, TDA – LTF Fund and the Aggregate Remaining Fund Information" paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, General Fund, TDA – LTF Fund and the aggregate remaining fund information of the City as of June 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major governmental fund other than the General Fund and the TDA-LTF fund, and the major and nonmajor enterprise funds of the City of McFarland, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 12 to the basic financial statements, prior period adjustments were recorded for the correction of errors in the prior year financial statements. Our opinions are 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 budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management's discussion and analysis, that accounting principles generally accepted in the United States of America require 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. Our opinion is not modified with respect to this omitted information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Roseville, California
March 5, 2021

BASIC FINANCIAL STATEMENTS

CITY OF MCFARLAND
GOVERNMENT-WIDE – STATEMENT OF NET POSITION
JUNE 30, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and Investments	$ 1,130,763	$ 196,875	$ 1,327,638
Cash with Fiscal Agents	4,589,319	681,425	5,270,744
Receivables:			
Accounts	113,403	402,523	515,926
Intergovernmental	9,369,288	60,905	9,430,193
Interest	-	1,816	1,816
Prepaid Costs	683,819	16	683,835
Internal Balances	1,291,981	(1,291,981)	-
Inventory	-	5,098	5,098
Loans Receivable	3,912,335	289,457	4,201,792
Land Held For Resale	446,593	-	446,593
Capital Assets:			
Nondepreciable	9,260,812	10,935,854	20,196,666
Depreciable, Net	19,175,782	8,481,519	27,657,301
Total Assets	49,974,095	19,763,507	69,737,602
LIABILITIES			
Accounts Payable	7,020,587	257,027	7,277,614
Accrued Liabilities	87,690	49,660	137,350
Interest Payable	57,913	77,006	134,919
Deposits Payable	17,690	8,285	25,975
Unearned Revenue	61,439	30,000	91,439
Long-Term Liabilities:			
Due Within One Year	327,942	165,000	492,942
Due in More than One Year	5,391,103	6,281,305	11,672,408
Total Liabilities	12,964,364	6,868,283	19,832,647
NET POSITION			
Net Investment in Capital Assets	27,370,739	13,683,798	41,054,537
Restricted for:			
Streets and Roads	247,466	-	247,466
Community Development	1,241,515	-	1,241,515
Capital Projects	1,654,155	-	1,654,155
Unrestricted	6,495,856	(788,574)	5,707,282
Total Net Position	$ 37,009,731	$ 12,895,224	$ 49,904,955

See accompanying Notes to Financial Statements.

CITY OF MCFARLAND
GOVERNMENT-WIDE – STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position — Primary Government		
Functions/Programs	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities:							
General Government	$ 1,368,873	$ 304,647	$ -	$ -	$ (1,064,226)	$ -	$ (1,064,226)
Public Safety	2,360,974	161,926	291,848	-	(1,907,200)	-	(1,907,200)
Public Works	1,460,797	5,217	792,792	1,605,921	943,133	-	943,133
Community Development	18,312,016	248,100	18,891,743	-	827,827	-	827,827
Interest on Long-Term Debt	295,533	-	-	-	(295,533)	-	(295,533)
Total Governmental Activities	23,798,193	719,890	19,976,383	1,605,921	(1,495,999)	-	(1,495,999)
Business-Type Activities:							
Sewer	1,633,346	1,673,851	-	-	-	40,505	40,505
Refuse	1,301,146	1,297,578	15,321	-	-	11,753	11,753
Water	1,340,564	1,216,735	-	-	-	(123,829)	(123,829)
Public Transportation	191,644	15,037	193,138	-	-	16,531	16,531
Total Business-Type Activities	4,466,700	4,203,201	208,459	-	-	(55,040)	(55,040)
Total Primary Government	$ 28,264,893	$ 4,923,091	$ 20,184,842	$ 1,605,921	(1,495,999)	(55,040)	(1,551,039)

	Governmental Activities	Business-Type Activities	Total
General Revenues:			
Taxes:			
Property Taxes	722,463	-	722,463
Sales and Use Taxes	340,210	-	340,210
Franchise Taxes	288,698	-	288,698
Intergovernmental, Unrestricted:			
Motor Vehicle In-Lieu Tax	1,488,467	-	1,488,467
Interest and Investment Earnings	26,708	12,307	39,015
Miscellaneous	59,731	790,866	850,597
Transfers	31,246	(31,246)	-
Total General Revenues and Transfers	2,957,523	771,927	3,729,450
CHANGE IN NET POSITION	1,461,524	716,887	2,178,411
Net Position - Beginning of Year, Restated	35,548,207	12,178,337	47,726,544
Net Position - End of Year	$ 37,009,731	$ 12,895,224	$ 49,904,955

See accompanying Notes to Financial Statements.

CITY OF MCFARLAND
GOVERNMENTAL FUNDS – BALANCE SHEET
JUNE 30, 2018

	General Fund	TDA - LTF	CalHOME	ICE Administration
ASSETS				
Cash and Investments	$ -	$ -	$ -	$ 1,159
Cash with Fiscal Agent	-	-	-	-
Receivables:				
Accounts	110,020	-	-	-
Intergovernmental	1,286,177	1,347,782	-	6,565,026
Interest	-	-	-	-
Prepaid Costs	283,298	-	-	-
Deposits with Others	400,521	-	-	-
Due from Other Funds	2,561,528	-	-	-
Advances to Other Funds	-	-	-	-
Loans Receivable	-	-	3,202,429	-
Land Held for Resale	446,593	-	-	-
Total Assets	$ 5,088,137	$ 1,347,782	$ 3,202,429	$ 6,566,185
LIABILITIES				
Accounts Payable	$ 346,343	$ -	$ -	$ 6,668,679
Accrued Liabilities	87,690	-	-	-
Deposits Payable	17,690	-	-	-
Due to Other Funds	-	1,377,414	13,952	-
Unearned Revenue	38,420	-	10,945	-
Total Liabilities	490,143	1,377,414	24,897	6,668,679
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	3,202,429	-
FUND BALANCES				
Nonspendable	729,891	-	-	-
Restricted	1,633,837	-	-	-
Assigned	-	-	-	-
Unassigned	2,234,266	(29,632)	(24,897)	(102,494)
Total Fund Balances	4,597,994	(29,632)	(24,897)	(102,494)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 5,088,137	$ 1,347,782	$ 3,202,429	$ 6,566,185

See accompanying Notes to Financial Statements.

CITY OF MCFARLAND
GOVERNMENTAL FUNDS – BALANCE SHEET (CONTINUED)
JUNE 30, 2018

McFarland Improvement Authority	Other Governmental Funds	Total
$ 20,318	$ 1,109,286	$ 1,130,763
4,589,319	-	4,589,319
-	3,383	113,403
-	170,303	9,369,288
-	-	-
-	-	283,298
-	-	400,521
-	315,144	2,876,672
-	-	-
-	709,906	3,912,335
-	-	446,593
$ 4,609,637	$ 2,308,022	$ 23,122,192
$ -	$ 5,565	$ 7,020,587
-	-	87,690
-	-	17,690
-	193,325	1,584,691
-	12,074	61,439
-	210,964	8,772,097
-	709,906	3,912,335
-	-	729,891
4,609,637	1,488,981	7,732,455
-	-	-
-	(101,829)	1,975,414
4,609,637	1,387,152	10,437,760
$ 4,609,637	$ 2,308,022	$ 23,122,192

See accompanying Notes to Financial Statements.

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CITY OF MCFARLAND
RECONCILIATION OF GOVERNMENTAL FUNDS – BALANCE SHEET TO GOVERNMENT-WIDE STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES
JUNE 30, 2018

Fund Balance - Total Governmental Funds	$ 10,437,760
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 governmental funds balance sheet.	28,436,594
Some of the City's revenue is not available to pay for current period expenditures, and therefore, are not reported in the governmental funds balance sheets.	3,912,335
Interest on long-term debt is recognized as it accrues, regardless of when it is due.	(57,913)
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Bonds Payable (net of unamortized premium)	(5,083,380)
Loans Payable	(472,978)
Capital Leases	(98,816)
Compensated Absences	(63,871)
Net Position of Governmental Activities	$ 37,009,731

See accompanying Notes to Financial Statements.

CITY OF MCFARLAND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	General Fund	TDA - LTF	CalHOME	ICE Administration
REVENUES				
Taxes	$ 2,712,400	$ -	$ -	$ -
Licenses and Permits	112,384	-	-	-
Fines and Forfeitures	71,051	-	-	-
Use of Money and Property	23,010	-	-	-
Intergovernmental Revenues	1,831,502	420,288	-	17,814,244
Charges for Services	301,385	-	-	-
Other Revenues	59,731	-	-	-
Total Revenues	5,111,463	420,288	-	17,814,244
EXPENDITURES				
Current:				
General Government	1,073,847	-	-	-
Public Safety	2,261,684	-	-	-
Public Works	637,321	-	-	-
Community Development	345,296	-	-	17,908,277
Debt Service:				
Principal	321,959	-	-	-
Interest and Fiscal Charges	9,131	-	-	-
Bond issuance costs	-	-	-	-
Capital Outlay	3,507,435	-	-	-
Total Expenditures	8,156,673	-	-	17,908,277
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,045,210)	420,288	-	(94,033)
OTHER FINANCING SOURCES (USES)				
Revenue bonds issued	-	-	-	-
Premium on revenue bonds issued	-	-	-	-
Transfers In	2,089,712	-	-	-
Transfers Out	-	(413,950)	-	-
Total Other Financing Sources (Uses)	2,089,712	(413,950)	-	-
NET CHANGE IN FUND BALANCES	(955,498)	6,338	-	(94,033)
Fund Balance - Beginning of Year, Restated	5,553,492	(35,970)	(24,897)	(8,461)
FUND BALANCES - END OF YEAR	$ 4,597,994	$ (29,632)	$ (24,897)	$ (102,494)

See accompanying Notes to Financial Statements.

CITY OF MCFARLAND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2018

McFarland Improvement Authority	Other Governmental Funds	Total
$ -	$ 127,438	$ 2,839,838
-	168,028	280,412
-	-	71,051
69,754	986	93,750
-	1,518,180	21,584,214
-	-	301,385
-	-	59,731
69,754	1,814,632	25,230,381
-	-	1,073,847
-	-	2,261,684
-	67,759	705,080
-	-	18,253,573
42,515	-	364,474
37,549	-	46,680
194,294	-	194,294
-	-	3,507,435
274,358	67,759	26,407,067
(204,604)	1,746,873	(1,176,686)
4,450,000	-	4,450,000
343,923	-	343,923
-	-	2,089,712
-	(1,644,516)	(2,058,466)
4,793,923	(1,644,516)	4,825,169
4,589,319	102,357	3,648,483
20,318	1,284,795	6,789,277
$ 4,609,637	$ 1,387,152	$ 10,437,760

See accompanying Notes to Financial Statements.

CITY OF MCFARLAND
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES – GOVERNMENTAL ACTIVITIES
YEAR ENDED JUNE 30, 2018

Net Change to Fund Balance - Total Governmental Funds	$ 3,648,483
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay 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.	
Expenditures for Capital Outlay	3,484,786
Less: Current Year Depreciation	(1,068,661)
Various Adjustments Affecting Capital Assets	(116,192)
Some revenues reported in the statement of activities will not be collected for several months after the County's year end and do not provide current financial resources and therefore, are not reported as revenues in the governmental funds.	(1,910)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal Payments	364,474
Issuance of Debt	(4,793,923)
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 the governmental funds.	
Change in Compensated Absences	(974)
Change in Accrued Interest Payable	(54,559)
Change in Net Position of Governmental Activities	$ 1,461,524

See accompanying Notes to Financial Statements.

CITY OF MCFARLAND
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

	Enterprise Funds				
				Nonmajor	
ASSETS	Sewer	Refuse	Water	Public Transportation	Total
Current Assets:					
Cash and Investments	$ -	$ 41,771	$ 155,104	$ -	$ 196,875
Cash with Fiscal Agent - Restricted	455,932	-	225,493	-	681,425
Receivables:					
Accounts	137,397	136,954	128,172	-	402,523
Intergovernmental	-	15,321	-	45,584	60,905
Interest	-	-	1,816	-	1,816
Prepaid Costs	-	-	-	16	16
Inventory	-	-	5,098	-	5,098
Notes Receivable	289,457	-	-	-	289,457
Total Current Assets	882,786	194,046	515,683	45,600	1,638,115
Noncurrent Assets:					
Capital Assets:					
Nondepreciable					
Land	1,120,000	-	160,063	-	1,280,063
Construction in Progress	6,245,082	-	3,410,709	-	9,655,791
Depreciable:					
Buildings, Equipment and Infrastructure	8,561,811	309,677	8,625,183	650,876	18,147,547
Accumulated Depreciation	(4,287,965)	(266,492)	(4,802,818)	(308,753)	(9,666,028)
Total Noncurrent Assets	11,638,928	43,185	7,393,137	342,123	19,417,373
Total Assets	12,521,714	237,231	7,908,820	387,723	21,055,488
LIABILITIES					
Current Liabilities:					
Accounts Payable	76,703	98,648	76,460	5,216	257,027
Accrued Liabilities	19,702	6,506	20,088	3,364	49,660
Interest Payable	51,594	-	25,412	-	77,006
Due to Other Funds	1,238,471	-	-	53,510	1,291,981
Deposits from Others	-	-	8,285	-	8,285
Unearned Revenue	-	10,000	20,000	-	30,000
Bonds Payable	110,550	-	54,450	-	165,000
Total Current Liabilities	1,497,020	115,154	204,695	62,090	1,878,959
Noncurrent Liabilities:					
Compensated Absences	16,323	5,243	8,770	969	31,305
Bonds Payable	4,164,517	-	2,085,483	-	6,250,000
Total Noncurrent Liabilities	4,180,840	5,243	2,094,253	969	6,281,305
Total Liabilities	5,677,860	120,397	2,298,948	63,059	8,160,264
NET POSITION					
Net Investment in Capital Assets	7,819,793	43,185	5,478,697	342,123	13,683,798
Unrestricted	(975,939)	73,649	131,175	(17,459)	(788,574)
Total Net Position	$ 6,843,854	$ 116,834	$ 5,609,872	$ 324,664	$ 12,895,224

See accompanying Notes to Financial Statements.

CITY OF MCFARLAND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2018

	Enterprise Funds				
				Nonmajor	
	Sewer	Refuse	Water	Public Transportation	Total
OPERATING REVENUES					
Charges for Services	$ 1,605,028	$ 1,297,578	$ 1,216,735	$ 15,037	$ 4,134,378
Other Revenue	68,823	-	-	-	68,823
Total Operating Revenues	1,673,851	1,297,578	1,216,735	15,037	4,203,201
OPERATING EXPENSES					
Salaries and Employee Benefits	557,366	199,949	499,126	114,371	1,370,812
Services and Supplies	270,387	1,081,153	53,859	25,929	1,431,328
Utilities	164,592	-	291,749	-	456,341
Franchise Fees	177,868	-	115,230	-	293,098
Depreciation	258,193	20,044	279,660	51,344	609,241
Total Operating Expenses	1,428,406	1,301,146	1,239,624	191,644	4,160,820
OPERATING INCOME (LOSS)	245,445	(3,568)	(22,889)	(176,607)	42,381
NONOPERATING REVENUES (EXPENSES)					
Grants	-	15,321	-	193,138	208,459
Gain on Disposal of Assets	-	-	790,866	-	790,866
Interest Income	9,122	355	2,830	-	12,307
Interest Expense	(204,940)	-	(100,940)	-	(305,880)
Total Nonoperating Revenues (Expenses)	(195,818)	15,676	692,756	193,138	705,752
INCOME (LOSS) BEFORE TRANSFERS	49,627	12,108	669,867	16,531	748,133
Transfers In	-	-	-	50,254	50,254
Transfers Out	(24,033)	(21,659)	(26,625)	(9,183)	(81,500)
CHANGE NET POSITION	25,594	(9,551)	643,242	57,602	716,887
Net Position - Beginning of Year	6,818,260	126,385	4,966,630	267,062	12,178,337
NET POSITION - END OF YEAR	$ 6,843,854	$ 116,834	$ 5,609,872	$ 324,664	$ 12,895,224

See accompanying Notes to Financial Statements.

CITY OF MCFARLAND
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2018

	Enterprise Funds				
				Nonmajor Public Transportation	
	Sewer	Refuse	Water		Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers	$ 1,709,551	$ 1,289,095	$ 1,173,786	$ (134,700)	$ 4,037,732
Payments to Suppliers	(697,708)	(1,109,346)	(496,906)	(115,333)	(2,419,293)
Payments to Employees	(556,334)	(198,010)	(535,049)	(27,587)	(1,316,980)
Net Cash Provided (Used) by Operating Activities	455,509	(18,261)	141,831	(277,620)	301,459
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Grant Proceeds	-	15,321	-	193,138	208,459
Loans from Oher Funds	224,836			53,510	278,346
Loan Payments to Other Funds	-	-	(1,362,939)	-	(1,362,939)
Transfers from Other Funds	-	-	-	50,254	50,254
Transfers to Other Funds	(24,033)	(21,659)	(26,625)	(9,183)	(81,500)
Net Cash Provided (Used) by Noncapital Financing Activities	200,803	(6,338)	(1,389,564)	287,719	(907,380)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Payments related to the Acquisition of Capital Assets	(59,388)	-	(289,175)	(177,715)	(526,278)
Insurance Proceeds from Asset Disposal	-	-	1,845,114	-	1,845,114
Principal Repayments Related to Capital Purposes	(110,550)	-	(54,450)	-	(165,000)
Interest Repayments Related to Capital Purposes	(204,940)	-	(100,940)	-	(305,880)
Net Cash Provided (Used) by Capital Related Financing Activities	(374,878)	-	1,400,549	(177,715)	847,956
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of Notes Receivable	(289,457)	-	-	-	(289,457)
Interest Earnings	77,945	355	2,830	-	81,130
Net Cash Provided (Used) by Investing Activities	(211,512)	355	2,830	-	(208,327)
Net Increase (Decrease) in Cash and Cash Equivalents	69,922	(24,244)	155,646	(167,616)	33,708
Cash and Cash Equivalents - Beginning of Year	454,833	66,015	224,951	167,616	913,415
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 524,755	$ 41,771	$ 380,597	$ -	$ 947,123
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	$ 245,445	$ (3,568)	$ (22,889)	$ (176,607)	$ 42,381
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:					
Depreciation	258,193	20,044	279,660	51,344	609,241
Decrease (Increase) in:					
Accounts Receivable	34,358	1,771	(71,973)	-	(35,844)
Due from Other Governments	1,342	(15,254)	739	(2,183)	(15,356)
Prepaid Costs	-	-	3,463	-	3,463
Deposits	-	-	8,285	-	8,285
Unearned Revenues	-	5,000	20,000	(147,554)	(122,554)
Increase (Decrease) in:					
Accounts Payable and Other Liabilities	(84,861)	(28,193)	(77,674)	(1,658)	(192,386)
Accrued Salaries	1,459	1,939	4,016	132	7,546
Compensated Absences	(427)	-	(1,796)	(1,094)	(3,317)
Net Cash Provided (Used) by Operating Activities	$ 455,509	$ (18,261)	$ 141,831	$ (277,620)	$ 301,459

See accompanying Notes to Financial Statements.

CITY OF MCFARLAND
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2018

	RDA Successor Agency
ASSETS	
Cash and Investments	$ 6,665
Taxes Receivable	-
Total Assets	6,665
LIABILITIES	
Unearned Revenue	7,121
Due to Other Governments	80,280
Total Liabilities	87,401
NET POSITION	
Held In Trust for Retirement of Obligations of the Former McFarland Redevelopment Agency	(80,736)
Total Net Position	$ (80,736)

See accompanying Notes to Financial Statements.

CITY OF MCFARLAND
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2018

	RDA Successor Agency
ADDITIONS	
Property Taxes	$ -
Interest Earnings	-
Total Additions	-
DEDUCTIONS	
Enforceable Obligations	-
Administration	-
Total Deductions	-
CHANGE IN NET POSITION	-
Net Position - Beginning of Year	(80,736)
NET POSITION - END OF YEAR	$ (80,736)

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of McFarland, California was incorporated on July 18, 1957. The City is a full-service city and operates under a Council – City Administration form of government, providing the following services: general government; public safety; public works; and recreation and development. The City is located in Kern County approximately 25 miles north of Bakersfield, the County government seat.

The City has defined its reporting entity in accordance with accounting principles generally accepted in the United States of America which provide guidance for determining which governmental activities, organizations, and functions should be included in the reporting entity. The Basic Financial Statements present information on the activities of the reporting entity, including all the fund types of the City.

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

Reporting for component units on the City's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the City's operations and, therefore, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

<u>Blended Component Units</u>

Parking Authority – The McFarland Parking Authority of the City of McFarland (the "Parking Authority") was formed by the City on April 12, 2012, by Resolution No. 2012-069, under Part 2 of Division 18 of the California Streets and Highways Code, Section 32650. The Parking Authority's legislative body is the City Council as Board of Directors of the Parking Authority. The fundamental aim of the Parking Authority is to purchase property and construct a public parking lot on that property. Separate financial statements are not available for the Authority.

Improvement Authority – On April 12, 2012, under Resolution No., 2012-070, the Parking Authority and the City entered into a Joint Exercise of Powers Agreement to create the McFarland Improvement Authority (the “improvement Authority”). The Improvement Authority’s legislative body is the City Council as Commissioners of the Improvement Authority. The fundamental aim of the Improvement Authority is to provide for the financing of capital improvements and working capital. The Improvement Authority issued bonds for the purpose of funding the purchase of land for and construction of a public parking facility. The Improvement Authority then leased the property to the City. The rent proceeds will be used by the Improvement Authority to service bond debt and maintain the parking facility. Separate financial statements are not available for the Authority.

McFarland Public Financing Corporation – On July 31, 2001, the City and the Successor Agency to the Former McFarland Redevelopment Agency entered into a Joint Exercise of Powers Agreement establishing the McFarland Public Financing Corporation (the “Corporation”) for the purpose of issuing its bonds to be used to provide financial assistance to the City, the Agency or any other public entity of the State of California. The City Council of McFarland is the governing body for the Corporation. The funds of the component unit are reported in the Special Revenues Funds and the Agency Fund. Separate financial statements are not available for the Corporation.

<u>Discretely Presented Component Units</u>

There are no component units of the City which meet the criteria for discrete presentation.

B. Basis of Presentation

<u>Government-Wide Financial Statements</u>

The statement of net position and statement of activities display information on all of the nonfiduciary activities of the City and its blended component units. These statements include the financial activities of the overall government, except fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the governmental and business-type activities of the City. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the City’s business-type activities and each function of the City’s governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Certain indirect costs, which cannot be identified and broken down are included in the program expense reported for individual functions and activities. Program revenues include 1) charges paid by the recipients of goods and services offered by the program, 2) operating grants and contributions and 3) capital grants and contributions. Taxes and other items not properly included among program revenues are presented instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis is placed on major funds within the governmental and proprietary categories, each is displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

The City reports the following major governmental funds:

- The General Fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General fund includes such activities as general government, public safety, public works, and recreation and development.
- The TDA-LTF Fund is used to accout for the City's share of the Transportation Development Allocation which is legally restricted for specific purposes, primarily street construction and maintenance and related street expenses. This fund also accounts for other State and Federal grant revenues related to street maintenance or construction.
- The CalHOME Fund is used to account for a CalHome Homeownership Project Development Program award.
- The ICE Administration Fund is used to account for ICE funds received.
- The McFarland Improvement Authority Fund is used to account for the activities of the McFarland Parking Authority and the McFarland Improvement Authority.

The City reports the following major proprietary funds:

- The Sewer Fund is used to account for the provisions of sewer service to the residents of the City. All activities necessary to provide such service are accounted for in this fund.
- The Refuse Fund is used to account for the collection and disposal of refuse within the City. All activities necessary to provide such service are accounted for in this fund.
- The Water Fund is used to account for the provisions of water service to residents of the City. All activities necessary to provide such service are accounted for in this fund.

The City reports the following additional fund types:

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

C. Basis of Accounting and Measurement Focus

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are considered susceptible to accrual and are accrued when their receipt occurs within 365 days after the end of the fiscal year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the various functions of the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Fiduciary funds include investment trust funds and agency funds. All trust funds are reported using the economic resources measurement focus and the accrual basis of accounting.

D. Cash and Investments

The City pools cash resources from all funds in order to facilitate the management of cash. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-baring accounts and other investments for varying terms.

In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures (Amendment of GASB Statement No. 3)*, certain disclosure requirements for deposits and investment risks were made in the following areas: Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentrations of Credit Risk.

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

The City has implemented GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools.* Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are not readily available. Interest earned on investments is allocated using the Local Agency Fund (LAIF) factor to selected funds by the City.

The City participates in an investment pool LAIF, which has invested a portion of the pooled funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the state of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to changes in interest rates.

Cash equivalents are considered amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the City and are presented as "Cash and Investments" in the accompanying basic financial statements.

E. Receivables

Receivables for governmental activities consist mainly of accounts, intergovernmental, and interest. Receivables for business-type activities consist mainly of user fees, intergovernmental, and interest earnings. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

F. Other Assets

Prepaid Costs

Payments made for services that will benefit future accounting periods are recorded as prepaid costs in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. Prepaid costs do not reflect current appropriable resources and thus, an equivalent portion of fund balance is reported as nonspendable.

Inventory

Inventory recorded by proprietary funds include supplies for the Water fund. Inventories are recorded as expenses at the time the inventory is consumed.

G. Loans Receivable

Loans receivable represent low interest notes and related accrued interest to finance multi-family and single family construction and rehabilitation projects, homebuyer assistance for low income families, as well as business start-up costs. Loan terms are 15 to 55 years with an interest rate at 0% to 5%. The primary source of funding for these loans comes from grants from the Community Development Block Grant (CDBG) program and Home Investment Partnerships (HOME) program. The CDBG and HOME grants contain monitoring requirements to ensure grant compliance. These requirements are reflected in the loan agreements.

H. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, traffic signals, drainage systems and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of more than $1,000 ($25,000 for infrastructure) and an estimated life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Capital assets used in operations are depreciated or amortized using the straight line method over the assets estimated useful life in the government-wide financial statements. The range of estimated useful lives by type of asset is as follows:

Depreciable Asset	Estimated Lives
Buildings	15 to 40 Years
Improvements Other Than Buildings	15 to 40 Years
Machinery and Equipment	5 to 20 Years
Infrastructure	20 to 50 Years

I. Property Tax

Secured property taxes are levied during September of each year for the fiscal year beginning with the preceding July 1 and ending the following June 30. They become a lien on real property on January 1 preceding the fiscal year for which taxes are levied. The Kern County Assessor establishes the value of the property on January 1. Taxes are payable in two installments on November 1 and February 1, and are delinquent if not paid by December 10 and April 10, respectively. In 1978, a state constitutional amendment (Proposition 13) provided that the tax rate be limited to 1% of market value, levied only by the County and shared with all other jurisdictions. Such limitation on the rate may only be increased through voter approval. The County collects property taxes and distributes them to taxing jurisdictions on the basis of the taxing jurisdiction's assessed valuations and on the tax rate for voter-approved debt.

J. Interfund Transactions

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”. Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not in spendable form.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and therefore are not eliminated in the process of preparing the government-wide statement of activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are reflected as expenditures or expenses in the reimbursing fund and reductions to expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

K. Unearned Revenue

Under the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. When assets are recognized in connection with a transaction before the earnings process is complete, those assets are offset by a corresponding liability for unearned revenue.

L. Compensated Absences

It is the City’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits up to certain limits. For governmental funds, compensated absences are recorded as current and noncurrent liabilities only on the government-wide financial statements. For proprietary funds, current and noncurrent liabilities for compensated absences are recorded in both the government wide financial statements and the fund financial statements. There is no liability for unpaid sick leave since the City does not pay such amounts when employees separate from service with the City.

M. Long-Term Obligations

In the government-wide financial statements and in the proprietary fund financial statements, 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 bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

N. Net Position

The government-wide and business-type activities fund financial statements utilize a net position presentation. Net position is categorized as follows:

- **Net Invested In Capital Assets** – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- **Restricted Net Position** – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – This category represents net position of the City, not restricted for any project or other purpose.

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

O. Fund Balance

Fund balances of the governmental funds are presented in the financial statements based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. Fund balances are classified as follows:

- **Nonspendable** – Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.
- **Restricted** – Amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- **Committed** – Amounts that are obligated to a specific purpose which are internally imposed by the government through formal action (Ordinances and Resolutions) at

the highest level of decision making authority (City Council). These commitments can only be overturned by a like action.

- **Assigned** – Amounts that are intended to be used for specific purposes that are considered neither restricted nor committed. Undesignated excess Fund Balances may be assigned by the City Council, City Manager, or Finance Director for specific purposes through the budget process or agenda items. The assigned designation may be reversed by the City Council at any public meeting.
- **Unassigned** – Residual positive fund balances within the General Fund, which have not been classified within the other above mentioned categories. Unassigned Fund Balances may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

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

The City does not have a formal minimum fund balance requirement.

P. Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 CASH AND INVESTMENTS

The City maintains a cash and investment pool for all funds. Certain restricted funds, which are held and invested by independent outside custodians through contractual agreements are not pooled.

Statement of Net Position:		
Cash and Investments	$	1,327,638
Cash and Investments with Fiscal Agents		5,270,744
Statement of Fiduciary Net Position:		
Cash and Investments		6,665
Total	$	6,605,047

Cash and investments as of June 30, 2018 consist of the following:

Deposits with Financial Institutions	$	992,819
Cash on Hand		3,000
Investments		5,609,228
Total	$	6,605,047

Deposits

At year end, the carrying amount of the City's cash deposits (including amounts in checking accounts and money market accounts) was $6,160,163 and the bank balance was $7,008,684. The difference between the bank balance and the carrying amount represents outstanding warrants and wire transfers and deposits in transit. In addition, the County had cash on hand of $3,000.

Custodial credit risk – In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City has no deposit policy for custodial credit risk.

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2017, all of the City's deposits with financial institutions in excess of federal depository insurance limits were held in fully collateralized accounts, as permitted by the California Government Code.

Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an Agent of Depository has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by

California Agents of Depository is considered to be held for, and in the name of, the local governmental agency.

Investments

The City had the following investments at June 30, 2018:

Investment Type	Fair Value	Maturity Date
State Treasurer's Investment Pool (LAIF)	$ 338,484	N/A
Local Government Revenue Bonds	-	3 Years
Held by Trustees:		
Cash and Short-term Investments	5,270,744	N/A
Total Investments	$ 5,609,228	

Interest rate risk – The City's exposure to interest rate risk is identified by the above weighted average maturities. The City has no investment policy for interest rate risk.

Credit rating risk – The City is required to disclose the credit quality ratings of investments in debt securities as issued by nationally recognized statistical rating organizations (NRSROs). At June 30, 2017, the Credit ratings for the money market funds, government bonds, and investment in LAIF was unavailable. The City has no investment policy for credit risk.

Concentration of credit risk – The City is required to disclose any investment in any one issuer that represents 5% or more of total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement. As such, the City has no concentration of credit risk that exceeds 5%. The City has no investment policy for concentration of credit risk.

Custodial credit risk – For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF). The City has no investment policy for custodial credit risk.

The table below identifies the investment types that are authorized for the City of McFarland by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that addresses investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Minimum Quality Requirements
Local Agency Bonds	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
State Obligations	5 Years	None	None
CA Local Agency Obligations	5 Years	None	None
U.S. Agency Obligations	5 Years	None	None
Bankers Acceptance	180 Days	40%	None
Commercial Paper - Select Agencies	270 Days	25%	A-1
Commercial Paper - Other Agencies	270 Days	40%	A-1
Negotiable Certificates of Deposit	5 Years	30%	None
CD Placement Service	5 Years	30%	None
Repurchase Agreements	1 Year	None	None
Reverse Repurchase Agreements	92 Days	20%	None
Medium-Term Notes	5 Years	30%	A
Mutual and Money Market Funds	N/A	20%	Multiple
Collateralized Bank Deposits	5 Years	None	None
Mortgage Pass-Through Securities	5 Years	20%	AA
Bank/Time Deposits	5 Years	None	None
County Pooled Investment Funds	N/A	None	None
Joint Powers Authority Pool	N/A	None	Multiple
Local Ageny Investment Fund (LAIF)	N/A	None	None

Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1: Quoted prices for identical investments in active markets;
Level 2: Observable inputs other than quoted market prices, and
Level 3: Unobservable inputs

The City's position in external investment pools is, in its self, regarded as a type of investment and looking through to the underlying investments of the pool is not appropriate. Therefore, the City's investment in external investment pools is not recognized in the three-tiered fair value hierarchy described above.

Investment in External Investment Pools

The City maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. At June 30, 2018, the County's investment in LAIF valued at amortized cost was $338,484 and is the same as the value of the pool shares. There are no restrictions on withdrawal of funds. The total amount invested by all public agencies in LAIF on that day was $88.82 billion. Of that amount, 97.33% is invested in non-derivative financial products and 2.67% in structured notes and asset-backed securities.

Restricted Investments with Fiscal Agents

Cash and investments at June 30, 2018 that are restricted by legal or contractual requirements are comprised of the following:

Governmental Activities:	
McFarland Improvement Authority	
Debt Service Reserves	$ 4,589,319
Business-type Activities:	
Sewer Fund:	
Debt Service Reserves	455,932
Water Fund:	
Debt Service Reserves	225,493
	681,425
Total Restricted Cash and Investments	$ 5,270,744

NOTE 3 CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2018 was as follows:

	Balance July 01, 2017	Additions	Retirements	Transfers/ Adjustments	Balance June 30, 2018
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	$ 493,248	$ 499,928	$ -	$ -	$ 993,176
Construction In Progress	6,592,716	2,242,057	-	(567,137)	8,267,636
Total Capital Assets, Not Being Depreciated	7,085,964	2,741,985	-	(567,137)	9,260,812
Capital Assets, Being Depreciated:					
Infrastructure	21,747,937	687,129	-	656,274	23,091,340
Machinery and Equipment	1,576,744	31,351	-	(231,917)	1,376,178
Vehicles	749,210	24,321	-	26,759	800,290
Total Capital Assets, Being Depreciated	24,073,891	742,801	-	451,116	25,267,808
Less Accumulated Depreciation for:					
Infrastructure	(3,938,867)	(773,577)	-	77,957	(4,634,487)
Machinery and Equipment	(1,076,673)	(145,262)	-	357,462	(864,473)
Vehicles	(7,654)	(149,822)	-	(435,590)	(593,066)
Total Accumulated Depreciation	(5,023,194)	(1,068,661)	-	(171)	(6,092,026)
Total Capital Assets, Being Depreciated, Net	19,050,697	(325,860)	-	450,945	19,175,782
Governmental Activities Capital Assets, Net	$ 26,136,661	$ 2,416,125	$ -	$ (116,192)	$ 28,436,594

	Balance July 01, 2017	Additions	Retirements	Transfers/ Adjustments	Balance June 30, 2018
Business-Type Activities					
Capital Assets, Not Being Depreciated:					
Land	$ 1,280,063	$ -	$ -	$ -	$ 1,280,063
Construction In Progress	9,442,151	213,640	-	-	9,655,791
Total Capital Assets, Not Being Depreciated	10,722,214	213,640	-	-	10,935,854
Capital Assets, Being Depreciated:					
Infrastructure	562,683	-	-	(3,322)	559,361
Buildings and Improvements	6,151,231	253,250	(1,579,495)	3,322	4,828,308
Machinery and Other	11,810,211	59,388	-	(95,317)	11,774,282
Vehicles	890,279	-	-	95,317	985,596
Total Capital Assets, Being Depreciated	19,414,404	312,638	(1,579,495)	-	18,147,547
Less Accumulated Depreciation for:					
Infrastructure	(182,622)	(13,984)	-	830	(195,776)
Buildings and Improvements	(2,310,473)	(190,687)	525,247	(830)	(1,976,743)
Machinery and Other	(6,676,210)	(338,925)	-	209,530	(6,805,605)
Vehicles	(412,729)	(65,645)	-	(209,530)	(687,904)
Total Accumulated Depreciation	(9,582,034)	(609,241)	525,247	-	(9,666,028)
Total Capital Assets, Being Depreciated, Net	9,832,370	(296,603)	(1,054,248)	-	8,481,519
Business-Type Activities Capital Assets, Net	$ 20,554,584	$ (82,963)	$ (1,054,248)	$ -	$ 19,417,373

Depreciation

Depreciation expense was charged to governmental functions as follows at June 30, 2018:

General Government	$ 155,211
Public Safety	99,290
Public Works	755,717
Community Development	58,443
Total Depreciation Expense - Governmental Functions	$ 1,068,661

Depreciation expense was charged to business-type functions as follows at June 30, 2018:

Solid Waste	$ 258,193
Refuse	20,044
Water	279,660
Public Transit	51,344
Total Depreciation Expense - Business Type Functions	$ 609,241

NOTE 4 INTERFUND TRANSACTIONS

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds. The following are due from and due to balances as of June 30, 2018:

	Due From Other Funds	Due To Other Funds
General Fund	$ 2,561,528	$ -
TDA - LTF	-	1,377,414
CalHOME	-	13,952
Sewer	-	1,238,471
Nonmajor Governmental Funds	315,144	193,325
Nonmajor Enterprise Funds	-	53,510
Total	$ 2,876,672	$ 2,876,672

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service and reallocations of special revenues. The following are the interfund transfer balances as of June 30, 2018:

	Transfer In	Transfer Out
General Fund	$ 2,089,712	$ -
TDA - LTF	-	413,950
Sewer	-	24,033
Refuse	-	21,659
Water	-	26,625
Nonmajor Governmental Funds	-	1,644,516
Nonmajor Enterprise Funds	50,254	9,183
Total	$ 2,139,966	$ 2,139,966

NOTE 5 UNEARNED/UNAVAILABLE REVENUE

Unearned revenue consists of moneys received where the City has not yet incurred the qualifying expenditures.

Deferred inflows of resources represents an acquisition of net position or fund balance that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has one transaction type that qualifies for reporting under this category: unavailable revenue. Unavailable revenue is only reported in the governmental funds balance sheet under the modified accrual basis of accounting.

At June 30, 2018, components of unearned and unavailable revenues were as follows:

	Unearned Revenue	Unavailable Revenue	Total
General Fund:			
Grant Revenue	$ 38,420	$ -	$ 38,420
CalHOME:			
Grant Revenue and Loans	10,945	3,202,429	3,213,374
Nonmajor Governmental Funds:			
Grant Revenue and Loans	12,074	709,906	721,980
Total Unearned/Unavailable Revenue	$ 61,439	$ 3,912,335	$ 3,973,774
Refuse:			
Grant Revenue	$ 10,000		
Water:			
Grant Revenue	20,000		
	$ 30,000		

NOTE 6 LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2018:

Type of Indebtedness	Balance July 1, 2017	Additions	Retirements	Balance June 30, 2018	Amounts Due Within One Year
Governmental Activities					
Revenue Bonds	$ 331,972	$ 4,450,000	$ (42,515)	$ 4,739,457	$ 43,041
Unamortized Premiums on Bonds	-	343,923	-	343,923	-
Notes Payable	697,040	-	(224,062)	472,978	232,247
Capital Leases	196,713	-	(97,897)	98,816	52,654
Compensated Absences	62,897	974	-	63,871	-
Total Governmental Activities	$ 1,288,622	$ 4,794,897	$ (364,474)	$ 5,719,045	$ 327,942
Business-Type Activities					
Revenue Bonds	$ 6,580,000	$ -	$ (165,000)	$ 6,415,000	$ 165,000
Compensated Absences	33,913	-	(2,608)	31,305	-
Total Business-Type Activities	$ 6,613,913	$ -	$ (167,608)	$ 6,446,305	$ 165,000

The capital lease liability is liquidated by lease payments made by the departments leasing the equipment. Compensated absences for the governmental activities are generally liquidated by the fund where the accrued liability occurred.

Individual issues of debt payable outstanding at June 30, 2018 are as follows:

Governmental Activities		
Revenue Bonds:		
Series 2014 Lease Revenue Bonds dated June 30, 2014 in the original amount of $436,900 at 1.233% interest; principal and interest payable each March 2 and September 2 until September 2, 2024 maturity. Bonds issued by the McFarland Improvement Authority and purchased by the Sewer Enterprise fund of the City are secured and payable solely by lease revenues.	$	289,457
Series 2017 Lease Revenue Bonds dated December 1, 2017 in the original amount of $4,450,000 at 3-4% interest; principal and interest payable each March 1 and September 1 until September 2, 2047 maturity. Bonds issued by the McFarland Improvement Authority.		4,450,000
Total Revenue Bonds		4,739,457
Notes Payable:		
Settlement agreement payable to the County of Kern dated November 17, 2009, in the amount of $2,059,303; principal and interest at 3.62% due each July 1 and December 1 through 2019.		472,978
Capital Leases:		
Lease/Purchase obligation payable to Government Leasing LLC dated May 15, 2015, in the amount of $249,257; monthly payments of $4,733 including interest at 5.5% payable through 2020. Secured by street sweeper.		98,816
Total Governmental Activities	$	5,311,251
Business-type Activities		
Revenue Bonds:		
Revenue Bonds dated September 21, 2010, in the original amount of $7,500,000 at .65% to 5% interest; payable semi-annually commencing April 1, 2011. Principal is due annually commencing October 1, 2011, with final payment due October 1, 2040. Secured by a pledge of water and wastewater net revenues.	$	6,415,000

The following are schedules of debt service requirements as of June 30, 2019:

Year Ending June 30	Governmental Activities: Revenue Bonds Principal	Revenue Bonds Interest	Note Payable Principal	Note Payable Interest
2019	$ 43,041	173,737	$ 232,247	$ 15,039
2020	43,573	173,205	240,731	6,555
2021	144,112	172,666		
2022	149,657	169,121		
2023	150,209	165,419		
2024 - 2028	653,865	771,802		
2029 - 2033	700,000	657,000		
2034 - 2038	845,000	506,400		
2039 - 2043	1,030,000	322,600		
2044 - 2047	980,000	100,000		
Total	$ 4,739,457	$ 3,211,950	$ 472,978	$ 21,594

Year Ending June 30	Business-type Activities: Revenue Bonds Principal	Revenue Bonds Interest
2019	$ 165,000	$ 301,384
2020	170,000	296,440
2021	180,000	290,833
2022	185,000	284,534
2023	190,000	277,213
2024 - 2028	1,090,000	1,246,638
2029 - 2033	1,380,000	943,250
2034 - 2038	1,765,000	551,875
2039 - 2043	1,290,000	98,750
Total	$ 6,415,000	$ 4,290,915

Pledged Revenues

The City has pledged certain sewer and water revenues for the repayment of long-term debt obligations.

NOTE 7 LEASES

Capital Leases

The City has entered into certain capital lease agreements under which the related equipment will become the property of the City when all terms of the lease agreements are met.

	Stated Interest Rate	Present Value of Remaining Payments at June 30, 2018
Governmental Activities	5.50%	$ 98,816

Structures, improvements, equipment, and related accumulated depreciation under capital lease are as follows at June 30, 2018:

	Governmental Activities
Equipment	$ 249,257
Less: Accumulated Depreciation	(149,554)
Net Value	$ 99,703

As of June 30, 2018, capital lease annual amortization is as follows:

Year Ending June 30	Governmental Activities
2019	$ 56,797
2020	47,341
Total Requirements	104,138
Less: Interest	(5,322)
Present Value of Remaining Payments	$ 98,816

NOTE 8 FUND BALANCES

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balances for all major and nonmajor governmental funds as of June 30, 2018 were distributed as follows:

	General	TDA - LTF	CalHOME	ICE Administration	McFarland Improvement Authority	Other Governmental Funds	Total
Nonspendable:							
Prepaid Costs	$ 283,298	$ -	$ -	$ -	$ -	$ -	$ 283,298
Land Held for Resale	446,593	-	-	-	-	-	446,593
Subtotal	729,891	-	-	-	-	-	729,891
Restricted for:							
Streets and Transportation	-	-	-	-	-	247,466	247,466
Impact Fees	-	-	-	-	-	1,241,515	1,241,515
Capital Projects	1,633,837	-	-	-	4,609,637	-	6,243,474
Subtotal	1,633,837	-	-	-	4,609,637	1,488,981	7,732,455
Assigned to:							
General	-	-	-	-	-	-	-
Unassigned	2,234,266	(29,632)	(24,897)	(102,494)	-	(101,829)	1,975,414
Total	$ 4,597,994	$ (29,632)	$ (24,897)	$ (102,494)	$ 4,609,637	$ 1,387,152	$ 10,437,760

NOTE 9 RETIREMENT PLAN

A. General Information about the Pension Plan

Plan Description

The City's defined contribution plan provides for retirement benefits to plan members and beneficiaries. The Plan is administrated by John Hancock Life Insure Company.

Funding Policy

The City contributions 10% of permanent employees' salaries who have at least three years of service. Vesting is at 33% per year over three years. In the event an employee terminates service prior to retirement, the employee is entitled to a refund of the employee's contributions plus interest plus the vested portion of the City's contributions. During the current year, the City was required to make contributions to the plan in the amount of $257,632

NOTE 10 RISK MANAGEMENT

The City maintains self-insurance programs for workers' compensation, general liability and auto liability.

The City is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets: errors and omissions; injuries to employees; and natural disasters.
The City maintains self-insurance programs for workers' compensation, general liability and auto liability.

For general liability and workers' compensation programs, the City is a member of the Central San Joaquin Valley Risk Management Authority (the RMA). The RMA is comprised of 55 member cities and special districts and is organized under a Joint Powers Agreement pursuant to the California Government Code. The purpose of the RMA is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage. Each member has a representative on the Board of Directors with officers of the RMA being elected annually by the Board Members.

General Liability – Annual deposits are paid by members and are adjusted retrospectively to cover costs. Each member has a specific self insured retention (SIR) level. The City of McFarland's SIR is $25,000. The city is responsible for the first $25,000 of each occurrence. The City does not share or pay for losses of other members with SIRs under $25,000. Specific coverage includes general and automobile liability, personal injury, errors and omissions, and certain other coverage. Claims from $25,000 to $1,000,000 are covered by a special pre-funded self-insurance pool maintained by the RMA. Claims from $1,000,000 to $4,000,000 are self-insured by the California Affiliated Risk Management Authorities (CARMA), a joint powers authority providing excess coverage to a membership consisting of six underlying joint powers authorities, representing approximately 175 cities and special districts. Claims from $4,000,000 to $29,000,000 are covered by Excess Comprehensive General Liability Policies.

Workers' Compensation – Annual deposits are paid by members and are adjusted retrospectively to cover costs. Each member has a specific self insured retention (SIR) level. The City of McFarland's SIR is $25,000 per occurrence. The City is responsible for the first $25,000 of each occurrence. The City does not share or pay for losses of other members with SIRs under $25,000. Losses between $25,000 and $500,000 are covered by a special pre-funded self-insurance pool maintained by the RMA. Claims from $500,000 to $5,000,000 are self-insured by the Local Agency Workers' Compensation Excess Joint Powers Authority which is a joint powers authority providing excess coverage to 36 members including cities, special districts, and joint powers authorities. Claims in excess of $5,000,000 are self-insured by the California State Association of Counties Excess Insurance Authority, another joint powers authority.

The audited financial information from CSJVRMA for the year ended June 30, 2018 is as follows:

Total Assets	$	110,234,633
Total Liabilities		92,209,231
Net Assets	$	18,025,402
Total Revenues	$	46,669,852
Total Expenses		46,619,021
Change in Net Position	$	50,831

Complete audited financial statements can be obtained from their office at 1750 Creekside Oaks Drive, Suite 200, Sacramento, California 95833.

NOTE 11 OTHER INFORMATION

Fund Deficits

The City has accumulated fund deficits in the following individual funds:

Governmental Funds:		
TDA-LTF	$	29,632
CDBG		14,462
CalHOME		24,897
HOME		87,367
ICE Administration		102,494
Fiduciary Fund:		
RDA Successor Agency		80,736

Commitments

The City has signed agreements to construct various capital improvements subsequent to June 30, 2018. The balance owed on the commitments at June 30, 2018 was approximately $ 1,982,163.

Contingencies

Federal and State Government Programs – The City participates in several federal and state grant programs. These programs are subject to audit and review by the grantor pursuant to grant provisions. Expenditures may be disallowed by the granting agencies that cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

The City is involved in several lawsuits. Due to the nature of the cases, The City's counsel is unable to estimate at this time the probability of favorable or unfavorable outcomes. Therefore, no provision has been made in the financial statements for a loss contingency.

Subsequent Events

Management has evaluated subsequent events through {DATE}, the date on which the financial statements were available to be issued.

NOTE 12 PRIOR PERIOD ADJUSTMENTS

The impact of the restatements on the fund balances / net position as previously reported is presented below:

	Government-Wide Statements	Governmental Funds	
	Governmental Activities	General	Nonmajor Governmental
Fund balance / net position, June 30, 2017, as previously reported	$ 32,817,542	$ 3,290,085	$ 817,537
Restatement:			
To recognize prior year revenues recorded as unearned revenue when the City had met all applicable eligibility requirements.	2,730,665	2,263,407	467,258
Fund balance / net position, June 30, 2017, as restated	$ 35,548,207	$ 5,553,492	$ 1,284,795

NOTE 13 SUBSEQUENT EVENT

On February 12, 2019, the McFarland Improvement Authority issued Series 2018 USDA lease revenue bonds in the amount of $844,700 for the construction of an animal shelter. The interest rate is 3.375 percent with the final maturity due in 2058.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

CITY OF MCFARLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes	$ 2,384,387	$ 2,384,387	$ 2,712,400	$ 328,013
Licenses and Permits	128,500	128,500	112,384	(16,116)
Fines and Forfeitures	71,000	71,000	71,051	51
Use of Money and Property	21,115	21,115	23,010	1,895
Intergovernmental Revenues	3,994,287	4,013,582	1,831,502	(2,182,080)
Charges for Services	295,500	599,692	301,385	(298,307)
Other Revenues	1,203,536	1,323,764	59,731	(1,264,033)
Total Revenues	8,098,325	8,542,040	5,111,463	(3,430,577)
EXPENDITURES				
Current:				
General Government	754,734	758,934	1,073,847	(314,913)
Public Safety	2,351,961	2,370,669	2,261,684	108,985
Public Works	851,123	858,091	637,321	220,770
Community Development	592,577	592,377	345,296	247,081
Debt Service:				
Principal	421,159	412,028	321,959	90,069
Interest and Other Charges	-	-	9,131	(9,131)
Capital Outlay	6,399,204	6,974,439	3,507,435	3,467,004
Total Expenditures	11,370,758	11,966,538	8,156,673	3,809,865
Excess of Revenues Over (Under) Expenditures	(3,272,433)	(3,424,498)	(3,045,210)	379,288
OTHER FINANCING SOURCES (USES)				
Transfers In	4,104,598	4,259,613	2,089,712	(2,169,901)
Transfers Out	(563,354)	(567,554)	-	567,554
Total Other Financing Sources (Uses)	3,541,244	3,692,059	2,089,712	(1,602,347)
NET CHANGE IN FUND BALANCES	268,811	267,561	(955,498)	(1,223,059)
Fund Balances - Beginning of Year	5,553,492	5,553,492	5,553,492	-
FUND BALANCES - END OF YEAR	$ 5,822,303	$ 5,821,053	$ 4,597,994	$ (1,223,059)

CITY OF MCFARLAND
BUDGETARY COMPARISON SCHEDULE
TDA - LTF - MAJOR SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Use of Money and Property	$ -	$ -	$ -	$ -
Intergovernmental Revenues	595,933	595,933	420,288	(175,645)
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total Revenues	595,933	595,933	420,288	(175,645)
Excess of Revenues Over (Under) Expenditures	595,933	595,933	420,288	(175,645)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(595,933)	(595,933)	(413,950)	181,983
Total Other Financing Sources (Uses)	(595,933)	(595,933)	(413,950)	181,983
NET CHANGE IN FUND BALANCES	-	-	6,338	6,338
Fund Balances - Beginning of Year	(35,970)	(35,970)	(35,970)	-
FUND BALANCES - END OF YEAR	$ (35,970)	$ (35,970)	$ (29,632)	$ 6,338

CITY OF MCFARLAND
BUDGETARY COMPARISON SCHEDULE
ICE ADMINISTRATION - MAJOR SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Use of Money and Property	$ -	$ -	$ -	$ -
Intergovernmental Revenues	12,000,000	12,000,000	17,814,244	5,814,244
Other Revenues	-	-	-	-
Total Revenues	12,000,000	12,000,000	17,814,244	5,814,244
EXPENDITURES				
Current:				
Community Development	12,000,000	12,000,000	17,908,277	(5,908,277)
Total Expenditures	12,000,000	12,000,000	17,908,277	(5,908,277)
NET CHANGE IN FUND BALANCES	-	-	(94,033)	(94,033)
Fund Balances - Beginning of Year	(8,461)	(8,461)	(8,461)	-
FUND BALANCES - END OF YEAR	$ (8,461)	$ (8,461)	$ (102,494)	$ (94,033)

CITY OF MCFARLAND
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

NOTE 1 APPROPRIATED BUDGET AND BUDGETARY CONTROL

The City Council is required to adopt an annual budget resolution by July 1 of each fiscal year for the General, Special Revenue, Debt Service and Capital Projects funds. The budgets are presented for reporting purposes on a budgetary basis consistent with accounting principles generally accepted in the United States of America. The McFarland Public Financing Corporation and the McFarland Parking Authority do not adopt budgets for their general funds.

The appropriated budget is prepared by fund, function, and department. The City Manager may make transfers of appropriations within a department and make transfers of appropriations between departments as long as there is no increase or decrease to the overall budget. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. Unexpended or unencumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations are reappropriated in the ensuing year's budget.

The City Council adopts budgets for the Enterprise funds. However, all Proprietary fund types are accounted for on a cost of service (net income), or "capital maintenance" measurement focus. As a result, budget comparisons are impractical. Additionally, the City is not legally mandated to report the results of operations for these Proprietary fund types on a budget comparison basis; therefore, budgetary data related to these funds has not been presented.

The City did not present a budgetary schedule for the CDBG Fund since this fund did not report a budget this year.

Expenditures exceeded budgetary appropriations for the year ended June 30, 2018 as follows:

Fund/Function	Final Budget	Actual Amount	Exceeded Budget
General Fund			
General Government	$ 758,934	$ 1,073,847	$ (314,913)

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COMBINING FUND STATEMENTS

CITY OF MCFARLAND
COMBINING BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

	Gas Tax	CDBG	HOME	Lighting & Landscape
ASSETS				
Cash and Investments	$ 38,254	$ -	$ -	$ 160,410
Receivables:				
Accounts	-	-	3,383	-
Intergovernmental	-	78,006	-	-
Due from Other Funds	-	-	-	-
Loans Receivable	-	-	709,906	-
Total Assets	$ 38,254	$ 78,006	$ 713,289	$ 160,410
LIABILITIES				
Accounts Payable	$ -	$ -	$ -	$ 5,565
Due to Other Funds	-	92,468	88,840	-
Unearned Revenue	-	-	1,910	-
Total Liabilities	-	92,468	90,750	5,565
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	709,906	-
FUND BALANCES				
Restricted	38,254	-	-	154,845
Unassigned	-	(14,462)	(87,367)	
Total Fund Balances	38,254	(14,462)	(87,367)	154,845
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 38,254	$ 78,006	$ 713,289	$ 160,410

CITY OF MCFARLAND
COMBINING BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2018

COPS	Development Impact	Miscellaneous Grants	Road Maint & Rehab	Total
$ -	$ 846,091	$ 10,164	$ 54,367	$ 1,109,286
-	-	-	-	3,383
12,017	80,280	-	-	170,303
-	315,144	-	-	315,144
-	-	-	-	709,906
$ 12,017	$ 1,241,515	$ 10,164	$ 54,367	$ 2,308,022
$ -	$ -	$ -	$ -	$ 5,565
12,017	-	-	-	193,325
-	-	10,164	-	12,074
12,017	-	10,164	-	210,964
-	-	-	-	709,906
-	1,241,515	-	54,367	1,488,981
-	-	-	-	(101,829)
-	1,241,515	-	54,367	1,387,152
$ 12,017	$ 1,241,515	$ 10,164	$ 54,367	$ 2,308,022

CITY OF MCFARLAND
COMBINING INCOME STATEMENT
GOVERNMENTAL FUNDS
YEAD ENDED JUNE 30, 2018

	Gas Tax	CDBG	HOME	Lighting & Landscape
REVENUES				
Taxes	$ -	$ -	$ -	$ 126,007
Licenses and Permits	-	-	-	-
Use of Money and Property	-	-	-	124
Intergovernmental Revenues	301,972	1,079,409	-	-
Total Revenues	301,972	1,079,409	-	126,131
EXPENDITURES				
Current:				
Public Works	-	-	-	67,759
Total Expenditures	-	-	-	67,759
Excess (Deficiency) of Revenues Over (Under) Expenditures	301,972	1,079,409	-	58,372
OTHER FINANCING SOURCES (USES)				
Transfers Out	(301,972)	(1,079,408)	-	-
Total Other Financing Sources (Uses)	(301,972)	(1,079,408)	-	-
NET CHANGE IN FUND BALANCES	-	1	-	58,372
Fund Balance - Beginning, Restated	38,254	(14,463)	(87,367)	96,473
FUND BALANCE - END OF YEAR	$ 38,254	$ (14,462)	$ (87,367)	$ 154,845

CITY OF MCFARLAND
COMBINING INCOME STATEMENT
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2018

COPS	Development Impact	Miscellaneous Grants	Road Maint & Rehab	Total
$ -	$ -	$ -	$ 1,431	$ 127,438
-	168,028	-	-	168,028
-	862	-	-	986
82,432	-	-	54,367	1,518,180
82,432	168,890	-	55,798	1,814,632
-	-	-	-	67,759
-	-	-	-	67,759
82,432	168,890	-	55,798	1,746,873
(82,432)	(179,273)	-	(1,431)	(1,644,516)
(82,432)	(179,273)	-	(1,431)	(1,644,516)
-	(10,383)	-	54,367	102,357
-	1,251,898	-	-	1,284,795
$ -	$ 1,241,515	$ -	$ 54,367	$ 1,387,152

ORDINANCE NO. 0001-2021

AN ORDINANCE OF THE CITY OF MCFARLAND REGARDING CITY MANAGER AND AMENDING TITLE 2, CHAPTER 2.16 OF THE MCFARLAND MUNICIPAL CODE TO REPEAL SECTIONS 2.16.120, 2.16.130, 2.16.140, 2.16.150, 2.16.160 2.16.160, 2.16.170, 2.16.180, 2.16.190, 2.16.200, 2.16.210, 2.16.220, 2.16.230, 2.16.240, 2.16.250, and 2.16.260, AND AMEND SECTIONS 2.16.010, 2.16.020, 2.16.020, 2.16.030, 2.16.040, 2.16.050, 2.16.060, 2.16.070, 2.16.080, 2.16.090, 2.16.100, AND 2.16.110 AS PART OF A NEW TITLE 2, CHAPTER 2.16 OF THE MCFARLAND MUNICIPAL CODE

Section 1. Recitals.

WHEREAS, The City of McFarland ("City") desires to amend, clarify and codify its Municipal Code Chapter related to the City Manager's authority, compensation, classification, rights and duties, and eligibility for such office;

WHEREAS, The Ordinance Amendment updates the Municipal Code to codify, the City Manager's authority, compensation, classification, rights, duties, obligations, and eligibility;

WHEREAS, Adoption of this Ordinance will provide uniform and comprehensive regulations and standards related to Chapter 2.16 and 2.20 of the McFarland Municipal Code.

WHEREAS, Adoption of this Ordinance is in furtherance of the City's goals and objectives while reducing the potentially negative impacts arising from incompatible Municipal Code Chapters.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MCFARLAND DOES ORDAIN AS FOLLOWS:

Section 2. The following Sections of the McFarland Municipal Code are deleted in their entirety:

2.16.120 - Powers and duties-Budget preparation.
2.16.130 - Powers and duties-Purchasing officer.
2.16.140 - Powers and duties-Investigations.
2.16.150 - Powers and duties-Franchises and permits.
2.16.160 - Powers and duties-Public buildings.
2.16.170 - Powers and duties-Hours of employment.
2.16.180 - Additional duties.
2.16.190 - Internal relations-Council/administrator relations.
2.16.200 - Internal relations-Departmental cooperation.
2.16.210 - Internal relations-Attendance at commission meetings.
2.16.220 - Removal.
2.16.230 - Removal-Hearing.
2.16.240 - Removal—Suspension pending hearing.
2.16.250 - Removal—Council discretion.
2.16.260 - Removal—Limitation on removal.

Section 3. Section 2.16.010 of the McFarland Municipal Code is hereby amended to read as follows:

2.16.010 – Office created.

The office of city manager is created and established. The city manager shall be appointed by the city council solely on the basis of their executive and administrative qualifications. They shall hold office as an at-will employee, at the pleasure of the city council, and shall receive such compensation as the council may provide. This office shall not be subject to the rules or regulations included in this city personnel ordinance or employee handbook. The city council and city manager may enter into an employment agreement to govern the terms of employment. Such employment agreement shall supersede any contrary provisions contained in this chapter.

Section 4. Section 2.16.020 of the McFarland Municipal Code is hereby amended to read as follows:

Section 2.16.020 – Administrative head.

The city manager shall be the administrative head of the city government under the direction and control of the city council, except as otherwise provided in this chapter. The city manager shall have authority over all other city department heads and employees, except the city attorney and the city finance director.

Section 5. Section 2.16.030 of the McFarland Municipal Code is hereby amended to read as follows:

Section 2.16.030 – Eligibility.

No member of the city council shall be eligible for appointment as city manager until one year has elapsed since the individual was a member of the city council.

Section 6. Section 2.16.040 of the McFarland Municipal Code is hereby amended to read as follows:

2.16.040 – Designation of administrator pro tempore/acting city manager.

The city manager shall designate a qualified city employee as an administrator pro tempore, by filing a written notice with the city clerk, to exercise the powers and perform the duties of city manager during the city manager's temporary absence or disability. If the city manager fails to designate a qualified city employee as administrator pro tempore and is temporarily absent or disabled, the city council may appoint a qualified city employee as an administrator pro tempore. If the city manager's absence or disability extends longer than a two-month period renders them unable to perform their job, the city council shall appoint a qualified city employee as acting city manager. The city manager shall resume their position upon the conclusion of their temporary absence or disability.

Section 7. Section 2.16.050 of the McFarland Municipal Code is hereby amended to read as follows:

2.16.050 – Compensation.

The city manager shall receive such compensation as determined by the city council.

Section 8. Section 2.16.060 of the McFarland Municipal Code is hereby amended to read as follows:

2.16.060 – Officers' duty to assist.

It shall be the duty of all subordinate officers, the elected officers, and the city finance director city finance director to assist the city manager in administering the affairs of the city efficiently, economically, and harmoniously.

Section 9. Section 2.16.070 of the McFarland Municipal Code is hereby amended to read as follows:

2.16.070 – Relations with city council.

The city council and its members shall deal with the administrative services of the city only through the city manager. The city manager shall take their orders and instructions from the city council as a body, and no individual councilmember shall give any orders or instructions to the city manager or their subordinates. When a decision has been made by the city council as a body, it shall be final and conclusive.

A. The city manager shall attend all meetings of the city council unless excused by the mayor or the city council.
B. The city manager may take part in council discussions, but may not vote. They shall have the power to appear and address the council or any of its boards or commissions at any meeting.

C. The city manager shall recommend to the city council such measures and ordinances for adoption as the city manager deems necessary. The city manager shall keep the city council fully advised at all times as to the financial condition and needs of the city, and shall make such reports as may be requested by the city council. The city manager may delegate such duties at their discretion and promptly notify the city council of these decisions.

D. The city manager may not create any new employment classifications without prior agreement from the city council.

<u>Section 10.</u> Section 2.16.080 of the McFarland Municipal Code is hereby amended to read as follows:

2.16.080 – Participation with commissions.

The city manager may be directed by the city council to attend meetings of the planning commission, and other commissions, boards, and committees created by the city council. The city manager shall cooperate with the members of all commissions, boards, or committees created by the city council.

<u>Section 11.</u> Section 2.16.090 of the McFarland Municipal Code is hereby amended to read as follows:

2.16.090 – Duties and powers.

The city manager shall be responsible for the efficient administration of all the affairs of the city which are under their control. The city manager has the authority to control, order, and give directions to all employees of the city, except the city attorney and the city finance director.

The city manager shall have the authority to properly perform any duty assigned to them by the city council or by other process of law. In addition to their general authority as administrative head, the city manager's duties and powers include, but are not limited to:

A. Enforcement of laws. The city manager shall enforce all laws of the state which pertain to the city and all laws and ordinances of the city. The city manager is also responsible for faithfully observing all franchises, contracts, permits, and privileges granted by the city. The city manager shall have the power to prescribe such rules and regulations as they shall deem necessary for the conduct of administrative agencies subject to their authority.

B. Employee appointment, dismissal, etc. The city manager shall appoint and promote, discipline, suspend, or dismiss any city employees, including department heads, except the city attorney and city finance director, and in compliance with this chapter and with the City's Employee Handbook. The city manager shall have the power to set aside any action taken by a department head and may supersede them in the functions of their position as department head, except as to acts and functions solely within the role of the city attorney or city finance director.

C. Delegation. The city manager shall have the power to direct any department, division, or bureau or perform the work for any other department, division, or bureau.

D. Personnel system. The city manager shall enforce the personnel system for employees of the city, except the city attorney and city finance director, and shall include the rules governing the personnel system in the employee handbook.

E. Administrative reorganization. The city manager shall recommend to the city council any reorganization of city offices, positions, or departments under the city manager's direction that will promote the efficient administration of the city's business. The city manager shall have the power to designate committees and the officers thereof as necessary for the proper consideration of administrative problems.

F. Investigation. The city manager shall investigate all complaints related to matters concerning the administration of the city government or services of public utilities in the city.

G. Designation of administrator pro tempore. The city manager shall designate a qualified city employee to serve as administrator pro tempore during any temporary absence or disability of the city manager.
H. Purchases and expenditures. The city manager shall be the purchasing officer for the city. The city manager shall verify that expenditures are submitted or recommended to the city council only after approval by the city manager or their authorized representative. The city manager or their authorized representative shall be responsible for the purchase of all supplies for all the departments or divisions of the city.
I. Public properties. The city manager shall supervise all public properties, buildings, and parks that are under the jurisdiction of the city council.
J. Annual Report. The city manager shall prepare and present to the city council an annual report of the city's affairs, including a summary of reports of department heads and all other reports the city council requests.
K. Annual Budget and salary report. The city manager shall prepare and submit to the council an annual budget and salary report for each ensuing fiscal year by May1, based upon estimates of the financial needs and resources of the city.
L. General services. The city manager shall provide for the proper administration and management of all other city affairs which are not otherwise reserved to the mayor and/or city council. The city manager shall perform all other duties as may be delegated to them by ordinance, resolution, or other action of the city council.

Section 12. Section 2.16.100 of the McFarland Municipal Code is hereby amended to read as follows:

2.16.100 – Removal.

Unless contradicted by a valid employment agreement, the status of the city manager is that of an at-will employee who serves at the discretion of the city council. Subject to Section 2.16.130, the city manager may be removed from office by a majority vote of the city council with or without cause for said removal.

Section 13. Section 2.16.110 of the McFarland Municipal Code is hereby amended to read as follows:

2.16.110 – Limitation on removal.

Notwithstanding the provisions of Section 2.16.100, the city manager shall not be removed from office, other than for misconduct in office, during a period of 90 days after any general municipal election held in the city during which a member of the city council is elected, or after a new city councilmember is appointed. After the expiration of this 90-day period, the provisions of Section 2.16.100 as to the removal of the city manager shall apply and be effective.

Section 14. The Amended Chapter 2.16 of the McFarland Municipal Code is set forth in Exhibit "A" to this Ordinance and incorporated herein by reference.

Section 15. **NOTICE.** The City clerk shall certify to the passage and adoption of this Ordinance and shall cause this Ordinance to be posted within 15 days after its passage, in accordance with Section 36933 of the Government Code.

Section 16. **Severability**. If any section, subsection, sentence, clause, phrase, or word of this Ordinance is, for any reason, deemed or held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, or preempted by legislative enactment, such decision or legislation shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of McFarland hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, or word thereof, regardless of the fact that any one or more sections, subsections, clauses, phrases, or word might subsequently be declared invalid or unconstitutional or preempted by subsequent legislation.

Section 17. **Effective Date**. This Ordinance shall take effect thirty days after its adoption pursuant to California Government Code section 36937.

Section 18. **Certification; Publication.** The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

INTRODUCED, PASSED AND ADOPTED at a regular meeting of the City Council of the City of McFarland, California on the __th day of April, 2021, by the following vote:

	Aye	Nae	Abstain	Absent
Sally Gonzalez				
Maria T. Perez				
Eric Rodriguez				
Saul Ayon				
Ricardo Cano				

____
Sally Gonzalez, Mayor

I hereby certify that the foregoing Ordinance was duly and regularly adopted by the City Council of the City of McFarland by a regular meeting thereof held on ___________, 201__.

ATTEST:

____
Francisca Alvarado, City Clerk

APPROVED AS TO FORM:

____
Nathan M. Hodges, City Attorney

EXHIBIT A
CHAPTER 2.16 – CITY MANAGER

2.16.010 – Office created.

The office of city manager is created and established. The city manager shall be appointed by the city council solely on the basis of their executive and administrative qualifications. They shall hold office as an at-will employee, at the pleasure of the city council, and shall receive such compensation as the council may provide. This office shall not be subject to the rules or regulations included in this city personnel ordinance or employee handbook. The city council and city manager may enter into an employment agreement to govern the terms of employment. Such employment agreement shall supersede any contrary provisions contained in this chapter.

2.16.020 – Administrative head.

The city manager shall be the administrative head of the city government under the direction and control of the city council, except as otherwise provided in this chapter. The city manager shall have authority over all other city department heads and employees, except the city attorney and the city finance director.

2.16.030 – Eligibility.

No member of the city council shall be eligible for appointment as city manager until one year has elapsed since the individual was a member of the city council.

2.16.040 – Designation of administrator pro tempore/acting city manager.

The city manager shall designate a qualified city employee as an administrator pro tempore, by filing a written notice with the city clerk, to exercise the powers and perform the duties of city manager during the city manager's temporary absence or disability. If the city manager fails to designate a qualified city employee as administrator pro tempore and is temporarily absent or disabled, the city council may appoint a qualified city employee as an administrator pro tempore. If the city manager's absence or disability ~~extends longer than a two-month period~~ renders them unable to perform their job, the city council shall appoint a qualified city employee as acting city manager. The city manager shall resume their position upon the conclusion of their temporary absence or disability.

2.16.050 – Compensation.

The city manager shall receive such compensation as determined by the city council.

2.16.060 – Officers' duty to assist.

It shall be the duty of all subordinate officers, the elected officers, and the city finance director city finance director to assist the city manager in administering the affairs of the city efficiently, economically, and harmoniously.

2.16.070 – Relations with city council.

The city council and its members shall deal with the administrative services of the city only through the city manager. The city manager shall take their orders and instructions from the city council as a body, and no individual councilmember shall give any orders or instructions to the city manager or their subordinates. When a decision has been made by the city council as a body, it shall be final and conclusive.

A. The city manager shall attend all meetings of the city council unless excused by the mayor or the city council.
B. The city manager may take part in council discussions, but may not vote. They shall have the power to appear and address the council or any of its boards or commissions at any meeting.
C. The city manager shall recommend to the city council such measures and ordinances for adoption as the city manager deems necessary. The city manager shall keep the city council fully advised at all times as to the financial condition and needs of the city, and shall make such reports as may be requested by the city council. The city manager may delegate such duties at their discretion and promptly notify the city council of these decisions.
D. The city manager may not create any new employment classifications without prior agreement from the city council.

2.16.080 – Participation with commissions.

The city manager may be directed by the city council to attend meetings of the planning commission, and other commissions, boards, and committees created by the city council. The city manager shall cooperate with the members of all commissions, boards, or committees created by the city council.

2.16.090 – Duties and powers.

The city manager shall be responsible for the efficient administration of all the affairs of the city which are under their control. The city manager has the authority to control, order, and give directions to all employees of the city, except the city attorney and the city finance director.

The city manager shall have the authority to properly perform any duty assigned to them by the city council or by other process of law. In addition to their general authority as administrative head, the city manager's duties and powers include, but are not limited to:

A. Enforcement of laws. The city manager shall enforce all laws of the state which pertain to the city and all laws and ordinances of the city. The city manager is also responsible for faithfully observing all franchises, contracts, permits, and privileges granted by the city. The city manager shall have the power to prescribe such rules and regulations as they shall deem necessary for the conduct of administrative agencies subject to their authority.
B. Employee appointment, dismissal, etc. The city manager shall appoint and promote, discipline, suspend, or dismiss any city employees, including department heads, except the city attorney and city finance director, and in compliance with this chapter and with the City's Employee Handbook. The city manager shall have the power to set aside any action taken by a department head and may supersede them in the functions of their position as

department head, except as to acts and functions solely within the role of the city attorney or city finance director.

C. Delegation. The city manager shall have the power to direct any department, division, or bureau or perform the work for any other department, division, or bureau.
D. Personnel system. The city manager shall enforce the personnel system for employees of the city, except the city attorney and city finance director, and shall include the rules governing the personnel system in the employee handbook.
E. Administrative reorganization. The city manager shall recommend to the city council any reorganization of city offices, positions, or departments under the city manager's direction that will promote the efficient administration of the city's business. The city manager shall have the power to designate committees and the officers thereof as necessary for the proper consideration of administrative problems.
F. Investigation. The city manager shall investigate all complaints related to matters concerning the administration of the city government or services of public utilities in the city.
G. Designation of administrator pro tempore. The city manager shall designate a qualified city employee to serve as administrator pro tempore during any temporary absence or disability of the city manager.
H. Purchases and expenditures. The city manager shall be the purchasing officer for the city. The city manager shall verify that expenditures are submitted or recommended to the city council only after approval by the city manager or their authorized representative. The city manager or their authorized representative shall be responsible for the purchase of all supplies for all the departments or divisions of the city.
I. Public properties. The city manager shall supervise all public properties, buildings, and parks that are under the jurisdiction of the city council.
J. Annual Report. The city manager shall prepare and present to the city council an annual report of the city's affairs, including a summary of reports of department heads and all other reports the city council requests.
K. Annual Budget and salary report. The city manager shall prepare and submit to the council an annual budget and salary report for each ensuing fiscal year by May1, based upon estimates of the financial needs and resources of the city.
L. General services. The city manager shall provide for the proper administration and management of all other city affairs which are not otherwise reserved to the mayor and/or city council. The city manager shall perform all other duties as may be delegated to them by ordinance, resolution, or other action of the city council.

2.16.100 – Removal.

Unless contradicted by a valid employment agreement, the status of the city manager is that of an at-will employee who serves at the discretion of the city council. Subject to Section 2.16.130, the city manager may be removed from office by a majority vote of the city council with or without cause for said removal.

2.16.110 – Limitation on removal.

Notwithstanding the provisions of Section 2.16.100, the city manager shall not be removed from office, other than for misconduct in office, during a period of 90 days after any general municipal election held in the city during which a member of the city council is elected, or after a new city councilmember is appointed. After the expiration of this 90-day period, the provisions of Section 2.16.100 as to the removal of the city manager shall apply and be effective.

ORDINANCE NO. 0002-2021

AN ORDINANCE OF THE CITY OF MCFARLAND REGARDING CITY PERSONNEL SYSTEM AND AMENDING TITLE 2, CHAPTER 2.20 OF THE MCFARLAND MUNICIPAL CODE TO AMEND 2.20.010, 2.20.020, 2.20.030, 2.20.040, AND 2.20.050 AS PART OF A NEW TITLE 2, CHAPTER 2.20 OF THE MCFARLAND MUNICIPAL CODE

Section 1. Recitals.

WHEREAS, The City of McFarland ("City") desires to amend, clarify and codify its Municipal Code Chapter related to the City Personnel System;

WHEREAS, The Ordinance Amendment updates the Municipal Code to codify City Personnel System;

WHEREAS, Adoption of this Ordinance will provide uniform and comprehensive regulations and standards related to Chapter 2.20 and 2.16 of the McFarland Municipal Code.

WHEREAS, Adoption of this Ordinance is in furtherance of the City's goals and objectives while reducing the potentially negative impacts arising from incompatible Municipal Code Chapters.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MCFARLAND DOES ORDAIN AS FOLLOWS:

Section 2. Section 2.20.010 of the McFarland Municipal Code is hereby amended to read as follows:

2.20.010 – Personnel system.

The city shall maintain a personnel system governing the employees of the city, except the city manager, the city attorney, and the city finance director, and the city council shall adopt rules and regulations contained in the employee handbook for the administration of the city's personnel system.

Section 3. Section 2.20.020 of the McFarland Municipal Code is hereby amended to read as follows:

2.20.020 – Adoption of employee handbook.

The city council shall adopt an employee handbook, including updates and amendments to the employee handbook, containing rules and regulations for the administration of the city's personnel system, including provisions regarding employee classification, applications for employment, examinations, eligibility lists, method of filling vacancies, personnel classification status, separation from the city, disciplinary actions, compensation, attendance, leaves, safety and health policies, and all other matters relating to the personnel system. The employee handbook, updates, and amendments shall be adopted by resolution of the city council.

Section 4. Section 2.20.030 of the McFarland Municipal Code is hereby amended to read as follows:

Section 2.20.030 – Personnel Officer.

The city manager shall be the city personnel officer. The city manager may delegate any of the powers and duties conferred upon them as personnel officer under this chapter to any other qualified employee of the city. The personnel officer shall:

A. Administer all the provisions of this chapter and the city's employee handbook;
B. Prepare and recommend to the city council revisions and amendments to the employee handbook. Revisions and amendments to the employee handbook shall become effective upon adoption by the city council;
C. Publish or post notices of tests for positions in the competitive service, receive the applications therefor, conduct and grade tests, certify a list of all persons eligible for appointment to the appropriate employment position.

Section 5. Section 2.20.040 of the McFarland Municipal Code is hereby amended to read as follows:

2.20.040 – Classified Service.

The provisions of this chapter and of the employee handbook shall apply to all offices, positions, and employments in the service of the city, except:

A. The city manager;
B. The city attorney;
C. The city finance director; and
D. The city engineer.

Section 6. Section 2.20.050 of the McFarland Municipal Code is hereby amended to read as follows:

2.20.050 – Appointment, promotion, demotion, dismissal, discharge, reduction in pay, and suspension.

The city manager shall have the right to appoint, promote, demote, dismiss, discharge, reduce in pay, or suspend without pay for thirty calendar days any city employee, except the city attorney and city finance director, in a manner consistent with this chapter and the employee handbook.

Section 7. The Amended Chapter 2.20 of the McFarland Municipal Code is set forth in Exhibit "A" to this Ordinance and incorporated herein by reference.

Section 8. **NOTICE.** The City clerk shall certify to the passage and adoption of this Ordinance and shall cause this Ordinance to be posted within 15 days after its passage, in accordance with Section 36933 of the Government Code.

Section 9. **Severability**. If any section, subsection, sentence, clause, phrase, or word of this Ordinance is, for any reason, deemed or held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, or preempted by legislative enactment, such decision or legislation shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of McFarland hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, or word thereof, regardless of the fact that any one or more sections, subsections, clauses, phrases, or word might subsequently be declared invalid or unconstitutional or preempted by subsequent legislation.

Section 10. **Effective Date**. This Ordinance shall take effect thirty days after its adoption pursuant to California Government Code section 36937.

Section 11. **Certification; Publication.** The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

INTRODUCED, PASSED AND ADOPTED at a regular meeting of the City Council of the City of McFarland, California on the __th day of April, 2021, by the following vote:

	Aye	Nae	Abstain	Absent
Sally Gonzalez				
Maria T. Perez				
Eric Rodriguez				
Saul Ayon				
Ricardo Cano				

____
Sally Gonzalez, Mayor

I hereby certify that the foregoing Ordinance was duly and regularly adopted by the City Council of the City of McFarland by a regular meeting thereof held on ___________, 201__.

ATTEST:

____
Francisca Alvarado, City Clerk

APPROVED AS TO FORM:

____
Nathan M. Hodges, City Attorney

<u>EXHIBIT A</u>

CHAPTER 2.20- CITY PERSONNEL SYSTEM

2.20.010 – Personnel system.

The city shall maintain a personnel system governing the employees of the city, except the city manager, the city attorney, and the city finance director, and the city council shall adopt rules and regulations contained in the employee handbook for the administration of the city's personnel system.

2.20.020 – Adoption of employee handbook.

The city council shall adopt an employee handbook, including updates and amendments to the employee handbook, containing rules and regulations for the administration of the city's personnel system, including provisions regarding employee classification, applications for employment, examinations, eligibility lists, method of filling vacancies, personnel classification status, separation from the city, disciplinary actions, compensation, attendance, leaves, safety and health policies, and all other matters relating to the personnel system. The employee handbook, updates, and amendments shall be adopted by resolution of the city council.

2.20.030 – Personnel officer.

The city manager shall be the city personnel officer. The city manager may delegate any of the powers and duties conferred upon them as personnel officer under this chapter to any other qualified employee of the city. The personnel officer shall:

A. Administer all the provisions of this chapter and the city's employee handbook;
B. Prepare and recommend to the city council revisions and amendments to the employee handbook. Revisions and amendments to the employee handbook shall become effective upon adoption by the city council;
C. Publish or post notices of tests for positions in the competitive service, receive the applications therefor, conduct and grade tests, certify a list of all persons eligible for appointment to the appropriate employment position.

2.20.040 – Classified Service.

The provisions of this chapter and of the employee handbook shall apply to all offices, positions, and employments in the service of the city, except:

A. The city manager;
B. The city attorney;
C. The city finance director; and
D. The city engineer.

2.20.050 – Appointment, promotion, demotion, dismissal, discharge, reduction in pay, and suspension.

The city manager shall have the right to appoint, promote, demote, dismiss, discharge, reduce in pay, or suspend without pay for thirty calendar days any city employee, except the city attorney and city finance director, in a manner consistent with this chapter and the employee handbook.

MEMORANDUM
CITY OF MCFARLAND

TO: Honorable Mayor and Council Members

FROM: Maria Lara, City Manager

DATE: April 13, 2021

SUBJECT: Report and Discussion of Employees Working a 9/80 Schedule (Employee Handbook Section 7.05 (C.2.3)).

DISCUSSION:

In November 2016, the City Council approved the 9/80 Work Schedule for city employees, and it was implemented on January 1, 2017. Employees assigned to a 9/80 schedule work four consecutive workdays of nine (9) hours each day, Monday thru Thursday, and one workday of eight (8) hours every other Friday with a corresponding day off on Friday in the following week (see example below):

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hrs.
Week 1	8:00-6:00	8:00-6:00	8:00-6:00	8:00-6:00	8:00-5:00	OFF	OFF	44
Week 2	8:00-6:00	8:00-6:00	8:00-6:00	8:00-6:00	OFF	OFF	OFF	36
Total Hours	**18**	**18**	**18**	**18**	**8**	**0**	**0**	**80**

In a continued effort to improve the employee benefit package and stay competitive against other cities that offer higher wages, CAL-PERS benefits, staff researched the 9/80 work schedule, and the goal of the city is to increase productivity and engagement and reward employees with more work-life balance.

Many city employees see the additional day off as a well-earned reward and relief during COVID-19 Pandemic. In turn, the extended weekend can improve morale, giving employees a more positive outlook on their duties. Employers with this schedule might see fewer sick days and vacation requests, allowing employees to use that time for doctor's appointments, vacations and or self-care.

Administration conducted a 9/80 survey with all staff except the Police Department. The Police Department was excluded from the survey because the Police Department has its own flex schedule. The employee survey (see attached) came back as 100% in favor of keeping the 9/80 work schedule.

Administration believes that a 9/80 work schedule improves the Cities benefit package, recruitment tool, and improve the ability of the city to compete against other cities that offer more competitive wages, flexible schedules and CAL-PERS such as (Arvin- 9/80 off-every other Friday, COVID 19 hybrid schedule (cohorts teleworking and $1/hour extra of hazard pay when in office/person) city hall is closed to public; Wasco- 9/80 off-every other Friday, and Delano with a 4/10 schedule, closed on all Friday’s).

Our mission is to collect, manage and safeguard public funds to provide community services to the constituents of McFarland and we strive to do this in the most efficient and effective manner possible.

Due to COVID-19 and operational efficiency, residents are encouraged to avoid in-person payments in our city hall office. Residents have various options to make payments when city hall is closed, such as 24-hour online payment, bill pay, mailed and drop-off in front city hall. Payments can be made by check/money order or credit card. ***A comparison of the past two years shows an increase of 89% in online payments made by residents.***

Additionally, a resident perk for the 9/80 schedule is that if their utility bill is due on the Friday they have until the following business workday to pay giving them an addition 72 hours to pay the bill.

RECOMMENDATION:
City staff recommends Council to continue the 9/80 work schedule for employees.

FISCAL IMPACT:
Increase operational costs for city hall on electricity bill, utilities, and fuel for city vehicles and equipment.

ATTACHMENT:
Exhibit A- Survey Summary

City of McFarland
Employee Survey
9/80 Schedule vs. 5/40 Schedule

Employee Name	9/80	5/40
Bobby Sharp	X	
Brianahi DeLeon	X	
Carla Vasquez	X	
Claudia Ceja	X	
Daniel Salgado	X	
Diana Garcia	X	
Fernando Lara	X	
Francisca Alvarado	X	
Gerardo Martinez	X	
Jenny Esparza	X	
Jesse Guerra	X	
Jose Medina	X	
Jose Munguia		
Josh Esquibel	X	
Larry Ronk III	X	
Leonel Vasquez	X	
Maria Gomez	X	
Mario Gonzales	X	
Octavio Gonzalez	X	
Oscar Maya	X	
Oscar Tellez	X	
Rezna Chavez	X	
Sarahrose Pena	X	
Violet Braudrick	X	

MEMORANDUM
CITY OF MCFARLAND

TO: Honorable Mayor and City Council

FROM: Maria Lara, City Manager
Mario Gonzales, Public Works Director

DATE: April 14, 2021

SUBJECT: Munguia Heating A/C Business Alley Grading Request

BACKGROUND:
Munguia Heating A/C is a locally owned business located on 555 2nd Street, McFarland, CA 93250. The owner, Mr. Juan Munguia is requesting the city assist with the alley grading, leveling and removal of excess groundwork (please attached photos). The prevailing cost for the city to hire a contractor to do this work is approximately $2,780.00. Non-Prevailing cost for Munguia Heating A/C to hire this contractor would be approximately $1,800.00. If approved, Mr. Munguia would pay for the installation of decomposed granite/pavement material to reduce flooding during the rain season and resurface the alley for a safer public use access. However, Mr. Munguia's proposal only address 2,750 sq ft of the alley way, not the complete alley.

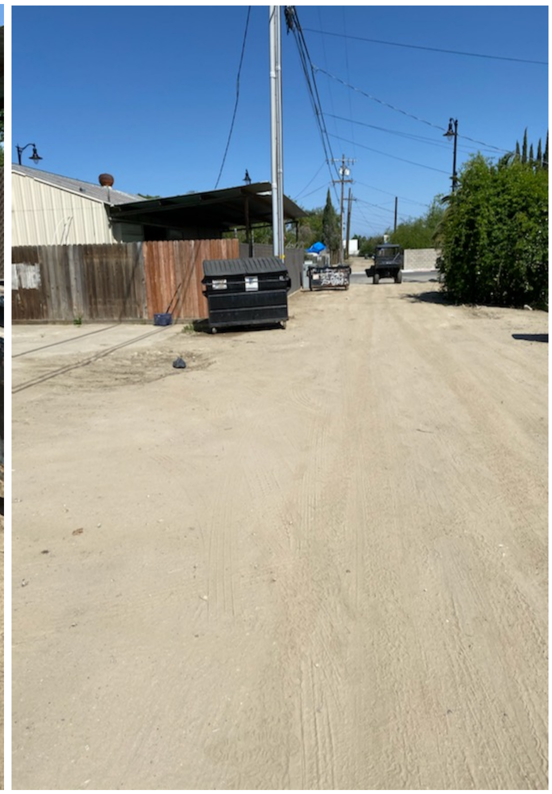
The alleys are the responsibility of the property owners to maintained up to center line of the alley, the City has a total of 55 alleys and nine (9) have been paved/improved by the property owners. The City allows residents to make these alley improvements with an encroachment permit and at their expense.

RECOMMENDATION:
Staff recommends the City Council give direction to staff on whether to approve or deny Munguia Heating A/C Business request for the city to hire a contractor to grade only 2,750 sq. ft of the alley.

FISCAL IMPACT:
This decision will impact the City's general fund in the amount of $2,780.00.

ATTACHMENTS:
Attachment 1 – Precision Grading & Paving Inc. Proposal
Attachment 2 -- Business License
Attachment 3- Alley Photos

ATTACHMENT 3
Alley Photos



Proposal Page No. ______ of ______ Pages

PRECISION GRADING & PAVING INC.

Asphalt Patching & Paving
W.B.E. CONTRACTOR
Lic. #1002747 C-12 Exp ________

P.O. Box 313
Bakersfield, CA 93302
Bus: 661-587-7330 * Fax: 661-587-7338

PROPOSAL SUBMITTED TO: CITY OF MC FARLAND	PHONE: 661-444-0813	DATE: 2-25-2021
STREET:	JOB NAME: ALLEY GRADING	
CITY, STATE AND ZIP CODE:	JOB LOCATION: MC FARLAND	
ARCHITECT: ATTN: MARIO / DATE OF PLANS:		JOB PHONE:

We hereby submit specifications and estimates for:

BID #1 SHALL INCLUDE: (NO PREVAILING WAGES)

1. (1) MOBILIZATION
2. GRADE HIGH SPOT IN ALLEY AS DIRECTED
3. EXPORT EXCESS MATERIAL

TOTAL BID #1 $ 1,800.00

BID #2 SHALL INCLUDE: (PREVAILING WAGES)

1. SAME AS ABOVE BUT WITH PREVAILING WAGES INCLUDED

TOTAL BID #2 $ 2,780.00

QUALIFICATIONS:

1. NO PERMITS, SURVEY OR TESTING
2. NO OVER EXCAVATION OF SUB GRADE INCLUDED
3. DRAINAGE WILL STILL BE A PROBLEM AS THE EXISTING GRADE OF CONCRETE PARKING AREA IS TO LOW TO ACHIEVE POSITIVE DRAINAGE TO THE EXISTING ROADS

We Propose hereby to furnish material and labor complete in accordance with above specifications, for the sum of:

AS NOTED ABOVE dollars ($ ________)

Payment to be made as follows:

NET DUE (10) TEN DAYS UPON INVOICE

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance.

Authorized Signature: DEANNA ANDERSON

Note: This proposal may be withdrawn by us if not accepted within 30 days.

Acceptance *of* Proposal

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature ____________

Date Of Acceptance ____________

Signature ____________

CITY OF MCFARLAND BUSINESS LICENSE

License No. 19108 **Expiration Date: 6/30/2021**

This License is non-transferable and **must be displayed in a conspicuous place.**

The person, firm, or corporation named below is granted this Business License pursuant to the provisions of the City of McFarland Municipal Code Title 5 "Business Taxes, Licenses & Regulations," and any amendments thereof. Issuance of license is not an endorsement, nor certification of compliance with other ordinances or laws.

Date Issued:	7/01/2019
Fee Paid:	$ 94.00
Type of License:	WARM AIR HVAC CONTRACTOR
Location:	555 2ND ST

MUNGUIA HEATING A/C
555 2ND ST
MCFARLAND CA 93250

Francisca Alvarado

Francisca Alvarado, City Clerk
City of McFarland

******FOLD RECEIPT INFORMATION PRIOR TO DISPLAYING******

---RECEIPT---

Fee Description		Fee Amount
BASE FEE ON BUS LIC		15.00
SB		4.00
GROSS >30K AND <50,001		75.00
	Penalties	0.00
	Interest	0.00
	Total Payments	94.00
	Outstanding Balance Owed, if Any	0.00

Your Business License Certificate for the period July 1, 2019 - June 30, 2021 is attached.

MEMORANDUM
CITY OF MCFARLAND

TO: Honorable Mayor and City Council

FROM: Maria Lara, City Manager

DATE: April 16, 2021

SUBJECT: Report, Discussion and Approve a Resolution adopting the implementation of the city's COVID-19 modified in-person meeting protocols to address the COVID-19 pandemic related to city department and city commission meetings

RECOMMENDATION:

Staff recommends the City Council approve Resolution No. 2021- 0018 **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND, CALIFORNIA, ADOPTING THE IMPLEMENTATION OF THE CITY'S COVID-19 MODIFIED IN-PERSON MEETING PROTOCOLS TO ADDRESS THE COVID-19 PANDEMIC RELATED TO CITY DEPARTMENT AND CITY COMMISSION MEETINGS**

BACKGROUND:

On March 4, 2020, California Governor Newsom issued a proclamation of a state of emergency for the State of California due to COVID-19 and on March 18, 2020 he issued executive order N-29-20 providing for the suspension of certain provisions of the Bagley-Keene Act and the Brown Act for the holding of public meetings to assist in combatting the spread of the COVID-19 virus.

On March 19, 2020, Governor Newsom issued executive order N-33-20 which ordered all individuals in the state "to stay home or at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors" in order to protect the public health. Since *March 19, 2020,* the City Council of the City of McFarland has been holding its city council meetings by teleconference and zoom.

On January 20, 2021, the City Council adopted a Covid-19 Prevention Program providing for a healthy and safe workplace for its employees as required under the California Occupational Safety and Health Act (Labor Code Sections 6300 et seq.) and associated regulations (8 California Code of Regulations Section 3205); and

On March 11, 2021, the City Council found it is safe to begin modified in-person city council meetings when implementing the following "Covid-19 Modified In-Person Meeting Protocols":

(a) in person public attendance will not be permitted until Kern County's Covid-19 Tier has moved from purple to red and thereafter only as allowed by the Federal Centers for Disease Control and Kern County Public Health Department guidelines,

(b) that until then public participation shall be through teleconference and zoom,

(c) installation of table acrylic guards at the council chambers between councilmembers and staff,

(d) 6 feet social distancing, (e) face masks to be provided and required, (f) hand sanitizer and disinfecting wipes on site,

(g) disinfecting the city council chambers prior to and after each use, and

(h) with temperature checks required at entry.

Staff finds recommends city council approve holding in-person City Committee Meetings, Planning Commission Meetings and Meetings of City Departments utilizing the Covid-19 Modified In-Person Meeting Protocols adopted in Resolution 2021-0010 until further order by the City Council.

FISCAL IMPACT:
None

ATTACHMENTS:
Attachment 1 – RESOLUTION

RESOLUTION NO. 2021-0018

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND, CALIFORNIA, ADOPTING THE IMPLEMENTATION OF THE CITY'S COVID-19 MODIFIED IN-PERSON MEETING PROTOCOLS TO ADDRESS THE COVID-19 PANDEMIC RELATED TO CITY DEPARTMENT AND CITY COMMISSION MEETINGS

WHEREAS, on March 4, 2020, California Governor Newsom issued a proclamation of a state of emergency for the State of California due to COVID-19 and on March 18, 2020 he issued executive order N-29-20 providing for the suspension of certain provisions of the Bagley-Keene Act and the Brown Act for the holding of public meetings to assist in combatting the spread of the COVID-19 virus; and

WHEREAS, on March 19, 2020, Governor Newsom issued executive order N-33-20 which ordered all individuals in the state "to stay home or at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors" in order to protect the public health; and

WHEREAS, since March 19, 2020 the City Council of the City of McFarland has been holding its city council meetings by teleconference and zoom; and

WHEREAS, on January 20, 2021, the City Council adopted a Covid-19 Prevention Program providing for a healthy and safe workplace for its employees as required under the California Occupational Safety and Health Act (Labor Code Sections 6300 et seq.) and associated regulations (8 California Code of Regulations Section 3205); and

WHEREAS, On March 11, 2021, the City Council found that it is safe to begin modified in-person city council meetings when implementing the following protocols, hereinafter referred to as "the Covid-19 Modified In-Person Meeting Protocols:"

(a) in person public attendance will not be permitted until Kern County's Covid-19 Tier has moved from purple to red and thereafter only as allowed by the Federal Centers for Disease Control and Kern County Public Health Department guidelines,
(b) that until then public participation shall be through teleconference and zoom,
(c) installation of table acrylic guards at the council chambers between councilmembers and staff,
(d) 6 feet social distancing,
(e) face masks to be provided and required,
(f) hand sanitizer and disinfecting wipes on site,
(g) disinfecting the city council chambers prior to and after each use, and
(h) with temperature checks required at entry.

And resolved, as stated in Resolution No 2021-0010, to approve the Covid-19 Modified In-Person Meeting Protocols and approve holding in person city council meetings utilizing the Covid-19 Modified In-Person Meeting Protocols until further order by the City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MCFARLAND as follows:

1. SECTION 1. That the foregoing findings and recitals are true and correct.

2. SECTION 2. That the City Council hereby approves holding in-person City Committee Meetings and Meetings of City Departments utilizing the Covid-19 Modified In-Person Meeting Protocols adopted in Resolution 2021-0010 until further order by the City Council.

3. SECTION 3. The City Clerk shall certify to the passage and adoption of this Resolution.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of McFarland on the ____ day of April, 2021 by the following vote:

	AYE	NO	ABSENT	ABSTAIN
Sally Gonzalez				
Maria T. Perez				
Eric Rodriguez				
Saul Ayon				
Ricardo Cano				

____
Sally Gonzalez, Mayor

ATTEST

____
Francisca Alvarado,
City Clerk

MEMORANDUM
CITY OF MCFARLAND

TO: Honorable Mayor and City Council

FROM: Maria Lara, City Manager

DATE: April 14, 2021

SUBJECT: Report and discussion of California Surplus Land Act for Real Property City-Owned (APN: 060-050-24).

RECOMMENDATION:

Staff recommends the City Council give direction to City staff to provide a report Pursuant to the Surplus Land Act, showing whether the property is surplus or not APN 060-050-24.

BACKGROUND:

The purpose of this staff report is to communicate the receipt of two (2) offers from Industrial Investors under the Surplus Land Act as amended by AB 1486, for the potential sale of approximately 159 acres of city-owned property located at 12941 Melcher Road McFarland, CA 93250, commonly referred to as the Wastewater Land.

Effective January 1, 2020, the Surplus Land Act ("SLA") as amended by AB 1486 includes, among other requirements, changing the existing, long-standing definition of "surplus land"; providing that land shall be declared either "surplus land" or "exempt surplus land" before a local agency may take any action to sell or lease land; and, adding a new limitation providing that an "agency's use" "shall not include commercial or industrial uses or activities, including nongovernmental retail, entertainment, or office development," or "property disposed of for the sole purpose of investment or generation or revenue." **The new AB 1486 legislation further added provisions prohibiting the City from negotiating any disposition of the property prior to compliance with the procedural requirements of the SLA.**

The California Surplus Land Act (Government Code section 54220, et seq.) currently requires local agencies, prior to disposing of property, declare the property surplus and to offer to sell or lease that property to certain entities for specified uses, including affordable housing, parks and recreation, and schools uses.

After making these preliminary offers, if the disposing agency receives notice of interest from one of the entities under the Act, the disposing agency and the responding entity must enter into negotiations to sell or lease the property for a period of at least 90 days - presumably unless, before that time expires, an agreement is reached, or the parties agree to terminate negotiations.

If no notice of interest is received or negotiations do not result in a disposition of the property, and the local agency subsequently disposes of the surplus land for development of 10 or more residential units, then not less than 15% of the total number of units developed on the site must be sold or rented as affordable housing.

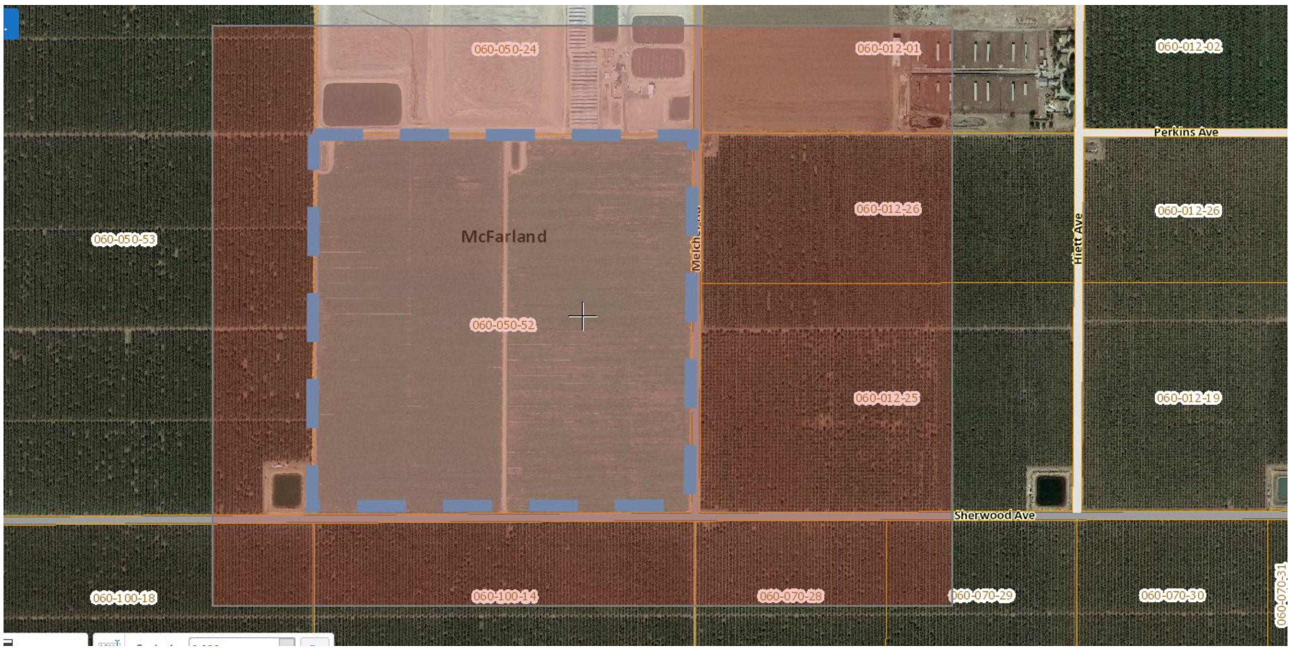
The City has not made a determination as to whether the property proposed to be sold is surplus property, or exempt surplus property. If the City determines that the property is surplus, the Act requires that before the City Council disposes of the Property or engages in negotiations to dispose of the Property, the City shall send a written notice of availability of the Property to the designated entities above. This has not been done. Although the failure of the City to comply with the Act would not invalidate the sale of the property, it could result in a significant penalty being imposed against the City.

Therefore, it is staff recommendation that prior to entering any negotiations related to the sale of this property the City make such determination. Although going through the above process will take more time and cost legal fees than simply negotiating the sale of the Property, it is necessary to limit the liability of the City should the Housing and Community Development Department become involved in this transaction.

FISCAL IMPACT:
Sewer Enterprise Fund: Legal Fees

ATTACHMENTS:
Exhibit A- Property Map

Attachment A



Map Source:
NAIP Aerial Photograph (2005)
Section 9, T26S R25E, MDB&M
*Note: All locations are approximate

SCALE
1 inch = 1,000 feet

TREATMENT, STORAGE, & DISPOSAL LAYOUT
ORDER NO. R5 - 2008 - 0072
GENERAL WASTE DISCHARGE REQUIREMENTS
FOR
CITY OF McFARLAND
WASTEWATER TREATMENT FACILITY
KERN COUNTY

ATTACHMENT B

MEMORANDUM
CITY OF MCFARLAND

TO: Honorable Mayor and City Council

FROM: Maria Lara, City Manager

DATE: April 14, 2021

SUBJECT: Report and Discussion and Possible Approval of **Water Balance and Use Area Management Plan Report for the City of McFarland Wastewater Treatment Facility,** Real Property City-Owned (APN: 060-050-24).

RECOMMENDATION:

Staff recommends that the City Council approve directing the City Manager, in her capacity as McFarland's purchasing agent, to pay the wastewater engineering fees to conduct a **Water Balance and Use Area Management Plan Report** to address the change in management of the effluent storage/percolation ponds and agricultural farmland owned by the city (APN: 060-050-24).

BACKGROUND:

The purpose of this staff report is to communicate the receipt of two (2) offers from Industrial Investors under Waste Discharge requirements ((WDR) Order R5-2008-0072), the city must provide a new technical Water Balance And Use Area Management Plan Report, if change in management of the effluent storage/percolation ponds and or use of the agricultural farmland.

A Use Area Management Plan is required thru the Waste Discharge requirements ((WDR) Order R5-2008-0072). Specifically, this report would be intended to give the City an indication to the possibility of selling 59 acres of the159-acre City owned farm that is used for effluent disposal by means of irrigating feed and fodder crops.

The City owns and operates a wastewater treatment facility (WWTF) for the treatment of domestic and commercial wastewater. The WWTF is on the northwest corner of Perkins Avenue and Melcher Avenue, about two miles west of the City. On April 25, 2008, the RWQCB adopted WDR Order No. R5-2008-0072 to regulate the WWTF. The WWTF consists of headworks with mechanical screening, two aeration lagoons, a settling pond, and two storage ponds. The City has been using final effluent to irrigate approximately 159 acres (primarily alfalfa) of City owned farmland.

With the possible removal of 60 acres of farmland effluent irrigation disposal, the proposed change in property will result different land use management plan and a revised water balance must be completed with only 100 acres in farm production. With a reduction in farmland more percolation is desired for the effluent disposal (i.e. Water Pond Recharge).

On September 20, 2019, a Water Balance and Use Area Management Plan Report for the City of McFarland Wastewater Treatment Facility was conducted for the removal of the 80 acres of farmland to the north of wastewater facility and it was determined that the City can manage the Use Area with 158 acres of feed and fodder farming with a large effluent disposal component thru percolation/evaporation in the ponds. This report has not been done for the 159 acres of farmland to the south of the wastewater facility.

On April 13, 2021, City Staff had a conference call with the city wastewater engineer, Amando Garza and the California Regional Water Quality Control Board (Region 5) – Fresno, to discuss the potential change of effluent irrigation disposal and it was made clear that the proposed change requires the City to submit an updated Water Balance and Use Area Management Report for approval.

Therefore, it is staff recommendation that prior to entering any negotiations related to the sale of this property the City conduct this report. Although going through the above process will take more time and cost engineering fees than simply negotiating the sale of the Property, it is necessary to limit the liability and ensure the wastewater plant will be sustainable for future development.

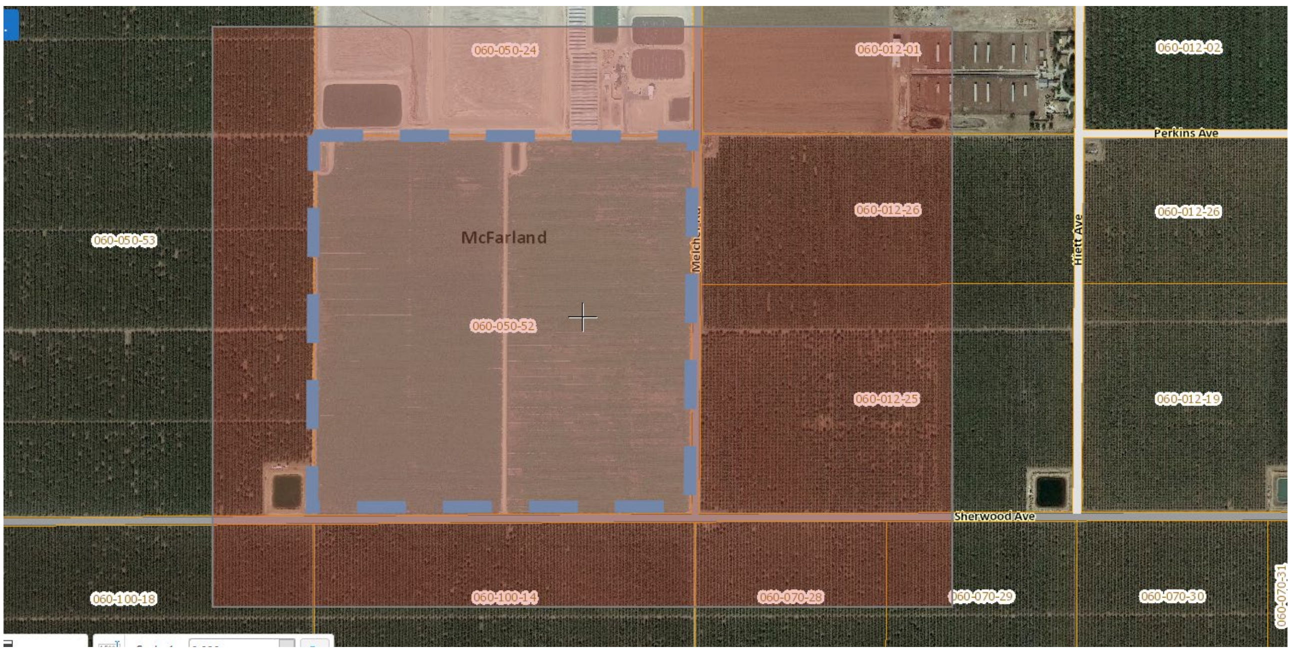
FISCAL IMPACT:

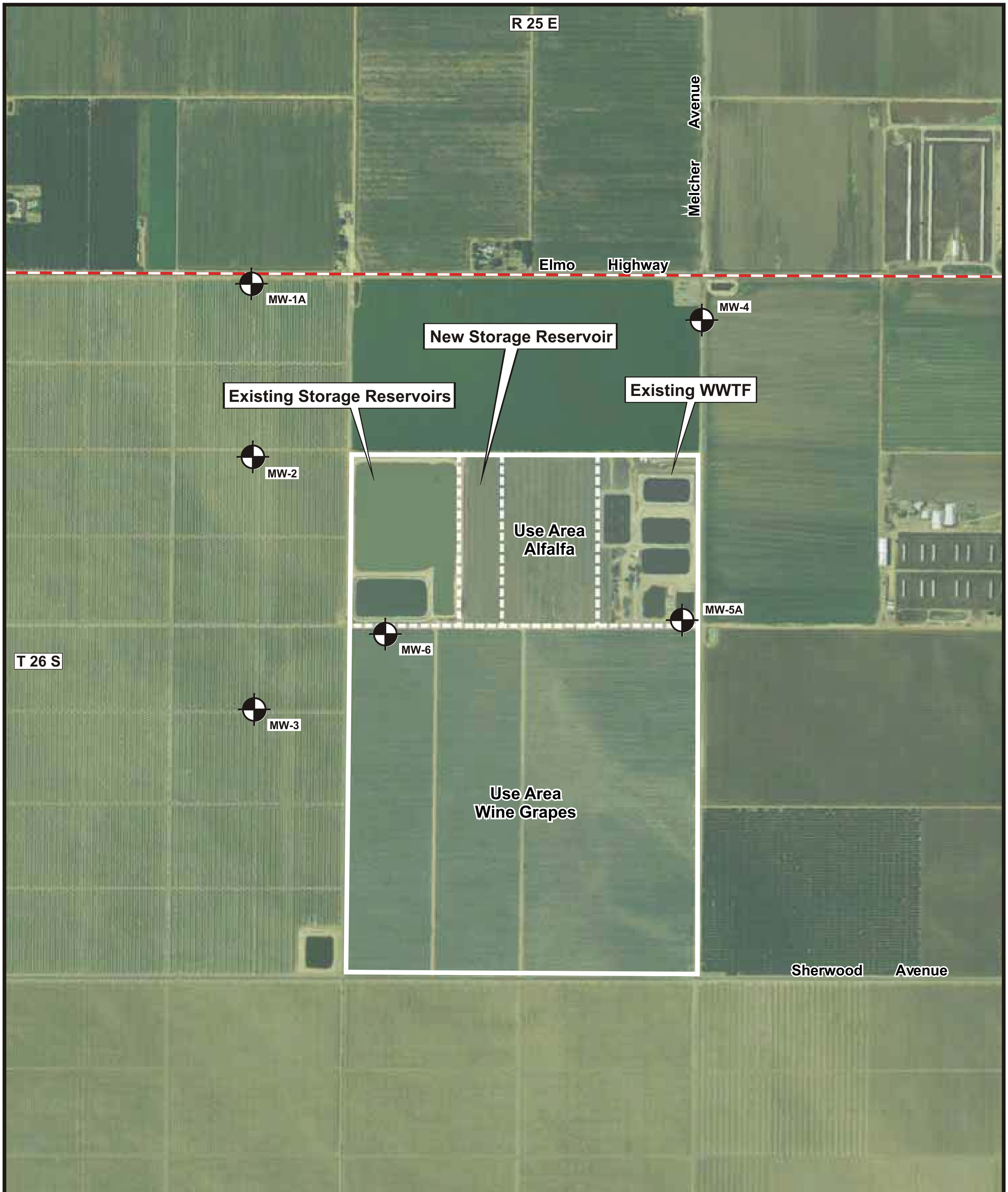
Sewer Enterprise Fund: Engineering Fee

ATTACHMENTS:

Exhibit A- Property Map

Attachment A





Map Source:
NAIP Aerial Photograph (2005)
Section 9, T26S R25E, MDB&M
*Note: All locations are approximate

SCALE
1 inch = 1,000 feet

TREATMENT, STORAGE, & DISPOSAL LAYOUT

ORDER NO. R5 - 2008 - 0072
GENERAL WASTE DISCHARGE REQUIREMENTS
FOR
CITY OF McFARLAND
WASTEWATER TREATMENT FACILITY
KERN COUNTY

ATTACHMENT B

CITY OF MCFARLAND
MEMORANDUM

TO: THE HONORABLE MAYOR, AND MEMBERS OF THE CITY COUNCIL

FROM: ___________________

DATE: APRIL 16, 2021

SUBJECT: DIGITAL STORAGE OF CITY LEGAL FILES AND DOCUMENTS

RECOMMENDATION:

Staff recommends that the City Council approve directing the City Manager, in her capacity as McFarland's purchasing agent, to pay the expense of digitizing the City's legal files and legal documents.

ANALYSIS:

The City of McFarland's legal files and legal documents have been transferred by former City Attorney Thomas Schroeter to Interim City Attorney, Nathan M. Hodges, Hodges Law Group. These legal files date back to 1994 and fill thirty-six (36) large document boxes.

Legal document storage requirements will increase in the future as the number of legal files and their paper contents continue to increase. Document storage space needs will also increase. Management of the documents will be difficult as the number of files and amount of paper in those files will continue to expand.

The City's legal records will require more storage space if the present and future legal paper records are maintained in their present physical state. Paper records may be digitized, managed, and permanently maintained thereby allowing these files to be destroyed pursuant to a properly drafted Ordinance. Ultimately, replacing a document record system that is maintained in secure cloud storage with digitized back-up files on hard drives will eliminate the need for physical space and there will be no need to manually copy documents for reference or review.

The scanning process must scan documents so that consistent clean images are stored. Properly scanned, the documents will include a searchable index for virtually each aspect of each document. This makes information retrieval quite efficient and very fast. Using this feature increases efficiency that ultimately decreases the cost of legal services because document retrieval is efficient and quick as compared to locating a paper file somewhere in the physical storage system.

Once the scanning system is in place, future files and documents can be added to digitization system at legal counsel's offices mostly without the need for vendor assistance. Thus, scanning documents in the future can be done on a routine basis as documents are generated by counsel or received from others. Scanning done on a routine basis (when document(s) are received or generated) is efficient and fast. Plus, as pointed out above, storage for future records will require little to no physical storage space.

The legal authority for incurring this cost is authorized by City of McFarland Municipal Code, Chapter 2.24. Specifically, 2.24.070 (H) states Certain purchases are not readily adaptable to the open market and bidding process. These purchases are generally for items where the competitive bid process is not applicable or where a check is required to accompany the order. The following purchases are exempt from the provisions set forth in this Section 2.24.070: Debt payments, services, advertisements and notices, attorney services, consultant services, courier/delivery/messenger services, fuel, insurance claims and premiums, medical payments, membership dues, payments to other governmental units, petty cash replenishment, property rentals, real property/easement acquisition, subscriptions trade circulars or books, travel expense/advances, utility payments and credit card purchases. Exemptions are limited to the foregoing except as otherwise described in this Chapter 2.24.

FISCAL IMPACT:

Not to exceed $10,000.00.