

**CITY OF FERNDALE – HUMBOLDT COUNTY CALIFORNIA – U.S.A.
AGENDA – REGULAR MEETING**

Location:	City Hall VIA ZOOM	Date:	December 21, 2022
		Time:	7:00 PM
		Posted:	December 15, 2022

This meeting is being held in accordance with the Brown Act as currently in effect under the State Emergency Services Act, the Governor’s Emergency Declaration related to COVID-19, and the Governor’s Executive Order N-29-20 issued on March 17, 2020 that allows attendance by members of the City Council, City staff, and the public by teleconference, videoconference, or both.

We are strongly recommending that comments for this meeting be submitted prior to the meeting. Comments should be submitted to cityclerk@ci.ferndale.ca.us by 4:00pm on Wednesday, December 21, 2022, please be sure to put “Public Comment “in the subject line. All comments received by 4pm will be read into the record (limit to 5 minutes) during the regular meeting. To provide public comment during the meeting, you will need to join the Zoom meeting.

Join Zoom Meeting

<https://us02web.zoom.us/j/88310823995?pwd=YURVMTJiWEZlc3AzaUM4dDhzVWl5UT09>

Or go to Zoom.us and input the following info when prompted:

Meeting ID: 883 1082 3995

Passcode: 375175

You may also dial in using your telephone by using either number: **(Use *6 to mute and unmute and use *9 to raise and lower hand to comment and ask questions during the meeting)**

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

Meeting ID: 883 1082 3995

Passcode: 375175

1. CALL MEETING TO ORDER – Mayor
2. PLEDGE ALLEGIANCE TO THE FLAG
3. ROLL CALL – Mayor Hindley; Councilman Avis; Councilman Lund; Councilman Ostler; and Councilman Smith. **Council-Elect:** Mayor-Elect Cady; Council Elect Fisk-Becker; Council-Elect Jorgensen
4. REPORT OUT OF CLOSED SESSION – None
5. SEATING OF MAYOR AND CITY COUNCIL MEMBERS
 - a. Resolution 2022-28 Declaring the Certified Results of the Ferndale Municipal Election..... Page 4
 - b. Comments from Outgoing Mayor/Councilmember
 - c. City Clerk Statement - Oaths of Office were recited and taken prior to tonight’s meeting. Oaths are available for viewing at the City Clerk’s Office.
 - d. Seating of Incoming Council
 - e. Comments from Incoming Mayor/Councilmembers
6. MODIFICATIONS TO THE AGENDA
7. STUDY SESSION – None
8. PUBLIC COMMENT. (This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction. Items requiring Council action not listed on this agenda may be placed on the next regular agenda for consideration,

unless a finding is made by at least 2/3rds of the Council that the item came up after the agenda was posted and is of an urgent nature requiring immediate action. This portion of the meeting will be approximately 30 minutes’ total for all speakers, with each speaker given no more than five minutes.)

9. CONSENT CALENDAR. (All matters listed under this category are considered to be routine by the City Council and will be enacted by one motion. Unless a specific request is made by a Council Member, staff or the public, the Consent Calendar will not be read. There will be no separate discussion of these items. However, if discussion is required, that item will be removed from the Consent Calendar and considered separately under “Call Items.”)
 - a. Approval of Minutes of the November 16, 2022 Regular City Council Meeting..... Page 12
 - b. Acceptance of Checkbook Register for November 1-30, 2022..... Page 16
 - c. Acceptance of Financial Statements for November 1-30, 2022..... Page 19
 - d. Acceptance of Financial Statements for October 1-31, 2022..... Page 41
 - e. Acceptance of Audited Financial Statements for FY21-22 Page 63
10. CALL ITEMS REMOVED FROM CONSENT CALENDAR
11. PRESENTATION
12. PUBLIC HEARING
13. BUSINESS
 - a. Authorizing of Resolutions and Agreements to Implement Measure N, the Transactions and Use Tax Measure Approved by Ferndale Voters Page 73
 - b. Resolution 2022-31 Establishing City Council Meeting Schedule for 2023 Page 101
 - c. Resolution 2022-32 Designating Authorized Signatories on the City’s Bank Account Page 103
 - d. COVID-19 Update and Discussion..... Page 105
 - i. Reconfirm Existence of Local Emergency
 - ii. Reconfirm findings from Resolution 2021-21 to continue the use of Virtual Meetings **OR** Adopt Resolution 2022-27 Resuming In-Person Meetings.
14. CORRESPONDENCE NONE
15. COMMENTS FROM THE COUNCIL
16. REPORTS
 - a. City Manager Report Page 119
 - b. Commission and Committee Reports – No Minutes Submitted
 - c. Minutes from Joint Power Authorities (JPAs) and Reports
 - i. Humboldt County Association of Governments (Oct 2022)..... Page 130
 - ii. Humboldt Waste Management (Oct 2022) Page 133
 - iii. Redwood Coast Energy Authority (Oct & Nov 2022)..... Page 137
17. ADJOURN

**This notice is posted in compliance with Government Code §54954.2.
 The next Regular Meeting of the Ferndale City Council will be held on
 TBD.**

Section 1

CALL MEETING TO ORDER

Section 2

PLEDGE ALLEGIANCE

Section 3

ROLL CALL

Section 4

CLOSED SESSION REPORT OUT

Section 5

CEREMONIAL: Seating of New Council

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Meeting Date:	December 21, 2022	Agenda Item Number	5.a
Agenda Item Title:	Resolution 2022-28 Declaring the Certified Results of the Ferndale Municipal Election held on November 8, 2022		
Presented By:	City Manager		
Type of Item:	<input checked="" type="checkbox"/> Action	<input type="checkbox"/> Discussion	<input type="checkbox"/> Information
Type of Action:	<input type="checkbox"/> No Action	<input checked="" type="checkbox"/> Voice Vote	<input type="checkbox"/> Roll Call Vote

RECOMMENDATION:

Adopt Resolution 2022-28 Declaring the certified results of the Ferndale Municipal Election held November 8, 2022.

BACKGROUND:

The County of Humboldt Elections and Voter Registration Office has certified the November 8, 2022, Ferndale Municipal Election and has issued a Final Canvass, which is attached as Exhibit A to Resolution 2022-28.

The three candidates running for the office of Mayor (one available seat) received the following number of votes:

CANDIDATE	VOTES
Stephen Avis	297
Randall J Cady	376
Cory Stephen Nunes	81

The four candidates running for the office of Councilmember (two available seats) received the following number of votes:

CANDIDATE	VOTES
Stuart Altschuler	317
Brenda Vait	213
Jennifer Fisk-Becker	455
Alan "Skip" Jorgensen	441

Additionally, with respect to Measure N, the vote totals are as follows:

MEASURE N	VOTES IN FAVOR	VOTES AGAINST
	438	316

ATTACHMENT:

Resolution 2022-28 Certification of Election

RESOLUTION 2022-28**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FERNDALE DECLARING THE RESULTS OF A MUNICIPAL ELECTION HELD NOVEMBER 8, 2022**

WHEREAS, a general Municipal Election was held in the City of Ferndale on Tuesday, November 8, 2022; and

WHEREAS, notice of said election was published, election officers appointed, supplies furnished and that in all respects the election was held and conducted, and the votes thereof received and canvassed and the returns thereof made and declared in the time, form and manner as required by the General Laws of the State of California governing election for general law cities and charter cities where the charter is silent on elections; and

WHEREAS, the County Elections Department canvassed the returns of the election and has certified the results to this City Council, the results were received by the City Clerk, attached and made a part hereof as "Exhibit A".

NOW, THEREFORE, the City Council of the City of Ferndale does resolve, declare, determine and order as follows:

That the whole number of ballots cast in the City was 780.

That the names of the persons voted for at the election for Mayor, Member of City Council, and the Measure voted for at the election are as follows:

Mayor:

- Stephen Avis
- Randall J. Cady
- Cory Stephen Nunes

Council:

- Stuart Altschuler
- Brenda Vait
- Jennifer Fisk-Becker
- Alan "Skip" Jorgensen

Measure:

- Measure N

That the number of votes given in the City to each of the persons above named for the respective office for which the persons were candidates and the votes for and against Measure N are listed in "*Exhibit A*" attached.

The City Council does declare and determine as follows:

- a. Randall J. Cady was elected as the Mayor of the City for the full term of two years;
- b. Jennifer Fisk-Becker was elected as Member of the City Council for the full term of four years;
- c. Alan "Skip" Jorgensen was elected as Member of the City Council for the full term of four years;
- d. More than 50% of the qualified electors of the City voted in favor of Measure R.

The City Clerk shall enter on the records of the City Council of the City of Ferndale, a statement of the result of the election (Exhibit A), showing: (1) The whole number of ballots cast in the City; (2) The names of the persons voted for; (3) For what office each person was voted for; (5) The total number of votes given for each person; (6) the total number of votes for and against Measure N.

That the City Clerk shall immediately make and deliver to each of the persons so elected a Certificate of Election signed by the City Clerk and authenticated; that the City Clerk shall also administer to each person elected the Oath of office prescribed in the Constitution of the State of California and shall have them subscribe to it and file it in the office of the City Clerk. Each and all of the persons so elected shall then be inducted into the respective office to which they have been elected.

That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Ferndale on December 21, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Don Hindley, Mayor

ATTEST:

Kristene Hall, City Clerk

EXHIBIT A – HUMBOLDT COUNTY CERTIFIED CANVASS

**Certificate of Results of Canvass
November 8, 2022
Statewide General Election
Measure N Ferndale Tax**

STATE OF CALIFORNIA }
 }
 } SS
COUNTY OF HUMBOLDT }

I, Kelly E. Sanders, Registrar of Voters of the County of Humboldt, do hereby certify that pursuant to the provisions of Section 15301 et al., of the California Elections Code, I did canvass the return of votes cast in the November 8, 2022, Statewide General Election, and that the Statement of Votes Cast to which this Certification is attached shows the total number of votes cast and the total number of votes cast for each candidate and/or measure in each respective precinct therein and that the totals for each candidate and/or measure are true and correct.

WITNESS MY HAND AND OFFICIAL SEAL this 6th Day of December, 2022.

KELLY E. SANDERS
REGISTRAR OF VOTERS

Signed: *Kelly E. Sanders*



**General Election 2022
Cumulative**

Humboldt County 2022 General Election

Run Time 8:33 AM
Run Date 12/06/2022

Humboldt County

STATEWIDE GENERAL ELECTION

11/8/2022

Official Results

Registered Voters
48741 of 84792 = 57.48%
Precincts Reporting
120 of 120 = 100.00%

FERNDALE CITY MAYOR 2-YR - Vote for ONE (1)

Precincts			Voters		
Counted	Total	Percent	Ballots	Registered	Percent
1	1	100.00%	780	1,062	73.45%

Choice	Party	Election Day		Vote by mail		Early Voting		Total	
STEPHEN AVIS		33	23.74%	264	42.93%	0	0.00%	297	39.39%
RANDALL J. CADY		84	60.43%	292	47.48%	0	0.00%	376	49.87%
CORY STEPHEN NUNES		22	15.83%	59	9.59%	0	0.00%	81	10.74%
Cast Votes:		139	100.00%	615	100.00%	0	0.00%	754	100.00%
Undervotes:		6		20		0		26	
Overvotes:		0		0		0		0	
Unqualified Write-ins:		0		0		0		0	

Measure N - Ferndale Tax

Precincts			Voters		
Counted	Total	Percent	Ballots	Registered	Percent
1	1	100.00%	780	1,062	73.45%

Choice	Party	Election Day		Vote by mail		Early Voting		Total	
Yes		94	66.67%	344	56.12%	0	0.00%	438	58.09%
No		47	33.33%	269	43.88%	0	0.00%	316	41.91%
Cast Votes:		141	100.00%	613	100.00%	0	0.00%	754	100.00%
Undervotes:		4		22		0		26	
Overvotes:		0		0		0		0	
Unqualified Write-ins:		0		0		0		0	

FERNDALE CITY COUNCILMEMBER - Vote for TWO (2)

Precincts			Voters		
Counted	Total	Percent	Ballots	Registered	Percent
1	1	100.00%	780	1,062	73.45%

Choice	Party	Election Day		Vote by mail		Early Voting		Total	
STUART ALTSCHULER		41	15.77%	276	23.67%	0	0.00%	317	22.23%
BRENDA VAIT		42	16.15%	171	14.67%	0	0.00%	213	14.94%
JENNIFER FISK-BECKER		89	34.23%	366	31.39%	0	0.00%	455	31.93%
ALAN "SKIP" JORGENSEN		88	33.85%	353	30.27%	0	0.00%	441	30.93%
Cast Votes:		260	100.00%	1,166	100.00%	0	0.00%	1,426	100.00%
Undervotes:		30		98		0		128	
Overvotes:		0		1		0		1	
Unqualified Write-ins:		0		4		0		4	

Section 6
MODIFICATIONS TO THE AGENDA

Section 7
STUDY SESSIONS

Section 8

PUBLIC COMMENT

This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction.

Items requiring Council action not listed on this agenda will be placed on the next regular agenda for consideration, unless a finding is made by at least 2/3rd of the Council (three of the five members) that the item came up after the agenda was posted and is of an urgent nature requiring immediate action.

This portion of the meeting will be approximately 30 minutes total for all speakers, with each speaker given no more than five minutes. Please state your name and address for the record. (This is optional.)

Section 9

CONSENT CALENDAR

All matters listed under this category are considered to be routine by the City Council and will be enacted by one motion.

Is there anyone on the Council, Staff or the public that would like to pull an item off the Consent Agenda for scrutiny? Those items will be considered separately under "Call Items."

City of Ferndale, Humboldt County, California, U.S.A.
DRAFT Minutes for City Council Meeting of November 16, 2022

Mayor Hindley called the Regular City Council Meeting to order at 7:00 pm via Zoom Video Conference. Those present did the flag salute. Present were Council Members Leonard Lund, Stephen Avis, Phillip Ostler, and Robin Smith, along with staff: City Manager Jay Parrish, Police Chief Ron Sligh, City Planner Michelle Nielsen, City Clerk Kristene Hall and Finance/Deputy City Clerk Lauren Boop.

Report out of Closed Session: None

Ceremonial: None

Modifications to the Agenda: None

Report out of Study Session: None

Public Comment: None

Consent Calendar: There were three items on the Consent Calendar for approval. There were no questions or comments from the Council or Public.

MOTION: to approve the consent calendar. **(Lund/Ostler) Unanimous**

Call Items Removed from Consent Calendar: None

Presentation: None

Public Hearing: None

Business:

Resolution 2022-26 Authorizing a 1-yr Extension of the Recology Franchise Agreement:

Recology representative Linda Wise was present to update the council. Wise stated the extension would allow the opportunity to negotiate a new agreement with improved provisions and updated collection services. Wise also added that the timing would also be in tandem with Fortuna and Rio Dell which would allow Ferndale to realize significant cost savings which could include attorney's fees for contracts and equipment costs being offset by Fortuna and Rio Dell. Wise also went over some of the new laws that the city will need to comply with and the additional benefits of by implementation of universal collection in tandem with Fortuna and Rio Dell. Wise also added that the extension also includes extra city can pickups during Ferndale festivities.

MOTION: to approve Resolution 2022-26 Authorizing a 1-yr Extension of the Recology Franchise Agreement **(Lund/Ostler) Unanimous**

Letter of Interest to Participate in a Regional Capacity with HWMA for Purpose of Organic Processing: City Manager Jay Parrish stated that this item is in regard to the new SB1383 regulations and trying to regionally, cities and county, to add a sorting facility at the HWMA instead of trucking it elsewhere. Parrish explained by regionally working together, it will save money and effort and place one organization in charge of this program. Councilman Avis asked

staff to explain Organics. Parrish explained the organics is food and greenery waste. Parrish added that the state is now mandating that be reduced. Parrish also stated that this letter was acknowledging the City's interest in joining regionally. Avis questioned how green waste and food waste would be handles separately. Recology. Inc representative Linda Wise stated that it will depend on the sorting facility and added that food waste and green waste are deposited in one can in many other cities. Wise added that this collection would also include soiled napkins, paper plates, etc. Councilman Ostler questioned Wise on if there were other communities or cities that were already implementing this. Wise stated that yes there are many communities that have implemented SB1383 and they are looking to them for direction and help. Avis questioned if this is implemented regionally, will any noncompliance fines be regional or assessed to individual jurisdictions. Eric Keller-Heckman from HWMA stated that fines could be given to individual jurisdictions for noncompliance. Keller-Heckman also added that this agenda item is for a letter from the council stating the City's willingness to work regionally and to allow a JPA agreement to be drawn up and altered to allow HWMA flow control over the city's material. **MOTION:** to approve Letter of Interest to Participate Regionally with HWMA for Purposes of Organic Processing. **(Smith/Avis) Unanimous**

Permanent Local Housing Allocation (PLHA) Grants Program: City Planner Michelle Nielsen gave a PowerPoint Presentation regarding the PLHA Program. Nielsen explained the grant program and went over the two housing assistance programs that the city could look into which include: 1. ADU rehabilitation and development, and 2. Accessibility modifications in lower income owner occupied homes. Nielsen also commented on the two biggest concerns for these programs which would be the cost to develop the housing programs and the new responsibilities the city would have to commit to. Nielsen also went over the 5-year allocation funds starting from 2019. Nielsen explained that the funds we would be applying for at this time would be the 2019 allocation. Nielsen also went over in detail the city responsibilities and which responsibilities that funds could be used for. Councilman Smith stated more information is needed before a decision could be made and suggested a study session. Smith questioned the City Manager if he had any information to include from other cities. City Manager Parrish stated he had reached out to other municipalities but is having trouble getting information. Parrish added that this could but a strain on city staff and more due diligence needs to be assessed. Parrish also explained that the focus on expanding the community is to focus on families with school age children. Parrish stated that this grant will assist with ADU development, but ADU's do not usually house families with children. Councilman Lund questioned if staff would be able to handle all the extra responsibilities this grant would entail. Parrish stated that our staff would not be able to take on this and we would have to hire someone. Councilman Avis commented that more information was needed and recommended a study session as well. A member of the public questioned if this was the first 5yr cycle or was there a previous grant cycle. Nielsen sated that this is the first 5-year cycle. Nielsen also stated this is a permanent program so there will be more 5-yr cycle but the way it is distributed could be changed. Nielsen also stated that some cities are delegating their funding to another city or county.

MOTION: to elect not to apply for the City's 2019 allocation, and to wait and apply in 2023 for the City's 2020 PLHA allocation and direct staff to rescind Resolution 2022-25 **(Smith/Ostler) Unanimous**

Review Expenditures List Submitted by Russ Park Committee and Amend the Per Capita Grant: City Manager Parrish explained that we had been over this a few times. Parrish explained that the Russ Park Committee would like the council to reconsider the Vault Restroom as well as look over the list of expenditures to use against the Russ Park donation fund. Mayor Hindley questioned what was being reduced to add funding for the vault restroom. Councilman Avis stated that the amount allocated for signage would be reduced. The council and Russ Park Committee chair discussed the list of expenditures submitted by the Russ Park Committee. Councilman Smith stated his support for the addition of the vault restroom and using any excess money toward it. Councilman Lund was in agreeance of using the \$12,500 requested to use for the vault restroom and not changing anything on the per capita grant other than that amount. Hindley expressed his concerns on spending the donation quickly, and council approval of specific items. Hindley expressed he did not want to approve every item at this time and would like it to be taken to the council when the item comes up. Parrish stated all items should be vetted by staff before approval is given. Parrish recommend that large items be brought forth as soon as possible so staff has time to do its due diligence on items to properly vet each item.

MOTION: to modify the Russ Park Per Capita Grant Application only by reducing the requested amount for Russ Park signage from \$31,000 to \$18,500 and add a Vault Restroom in the amount of \$12,500 with the provision that if any excess monies are left over after the Russ Park Per Capita Grant approved projects are completed, it be applied to any remaining balance of the Vault Restroom, with the final balance of the Vault Restroom to be paid by the Russ Park Donation Fund. **(Smith/Avis) 4-0-1** (Lund lost connection)

MOTION: to direct staff to establish the necessary expenditure and revenue accounts in the budget as required; authorize the Russ Park Committee to spend against the accounts for the items approved by the Council in accordance with established City policies; and direct staff to assist the Committee with the implementation of the anonymous donation expenditures for Russ Park when required and as appropriate.

(Avis/Smith) 4-1-0 (Hindley)

COVID 19 Update and Discussion: City Manager Parrish stated that it seems Covid will be here for a while and recommends we continue as we have been until the Governor or County rescinds the emergency. Councilman Smith went over some statistics. Smith also stated the importance of protecting yourself in an indoor setting. Councilman Avis stated he would like to continue the way it has been and give staff time to get the room ready and safe.

MOTION: to reconfirm the existence of the local emergency **and** reconfirm the findings of Resolution 2021-21 to continue the use of virtual meetings. **(Avis/Smith) Unanimous**

Correspondence: None

Council Comments: Councilman Avis thanked the individuals who ran for the office of City Council and Mayor. Avis also congratulated the incoming Mayor. Avis also thanked all the members he has served with over the last 4 years. Avis added that he has learned a lot and they have accomplished a lot as a council.

Councilman Smith thanked Lund and Ostler for being a diligent part of the Council and adding to his experience of being on the council. Smith also thanked City Manager Parrish for hanging in here especially during Covid. Smith also thanked the City Clerk Kristene Hall.

Councilman Lund stated it was a pleasure to work with Councilman Avis and Smith. Lund also thanked Mayor Hindley for all his work and knowledge.

Councilman Ostler stated it has been a pleasure to serve with everyone. Mayor Hindley stated it has been a pleasure to work with everyone and though we may not agree all the time, that is the way it should be. Hindley also added thanked staff and all their work to make the job easier.

City Manager Parrish stated it was an honor to work with all of you and staff tries to assist in all ways to make the councils job easier.

Reports:

City Managers Report: Parrish added that California Street Sewer Replacement had begun, and they had already done 500ft.

Other Reports: None

Mayor Hindley Adjourned the Meeting at 9:18 pm

Respectfully submitted

Kristene Hall
City Clerk

City of Ferndale
Bank Account Register

General Checking
November 1, 2022 - November 30, 2022

Date	Reference	Payee ID	Description	Checks/ Payments	Deposits/ Additions	Balance
			Beginning Balance			1,215,832.95
11/01/22		FIRST WEST	FIRST WESTERN EQUIPMENT FINANCE	950.45		1,214,882.50
11/01/22		JAY PARRISH	JAY PARRISH	400.00		1,214,482.50
11/01/22	56312	CITFO	CITY OF FORTUNA	3,216.66		1,211,265.84
11/01/22	56313	MIRRE	MIRANDA'S RESCUE	450.00		1,210,815.84
11/01/22	56314	VANESSA	VANESSA HUERTA	200.00		1,210,615.84
11/01/22	56317	ARNKE	ARNOLD C. KEMP	3,337.75		1,207,278.09
11/03/22		EXPERTPAY	EXPERTPAY.COM	138.46		1,207,139.63
11/03/22	1001		PARRISH, JAY D	2,709.01		1,204,430.62
11/03/22	1002		HALL, KRISTENE M	1,771.26		1,202,659.36
11/03/22	1003		BOOP, LAUREN	1,277.78		1,201,381.58
11/03/22	1004		SLIGH, RONALD B	2,023.22		1,199,358.36
11/03/22	1005		LINDGREN, ROBERT C	1,504.14		1,197,854.22
11/03/22	1006		FIELDER, CHARLES COSMAS	428.80		1,197,425.42
11/03/22	1007		MENDES, ALAN SCOTT	814.59		1,196,610.83
11/03/22	1008		CERVANTES, CESAR E	1,272.27		1,195,338.56
11/03/22	1009		GARDNER, TANNER W	1,429.72		1,193,908.84
11/03/22	1010		MCNEILL, LOGAN D	1,499.58		1,192,409.26
11/03/22	1011		NEWTON, TROY D	307.48		1,192,101.78
11/03/22	1012		COPPINI, STEVE L	2,621.61		1,189,480.17
11/03/22	1013		GARDNER, SHAWN C	1,349.58		1,188,130.59
11/03/22	1014		LIU, CARSON B	1,029.79		1,187,100.80
11/03/22	1015		HOPPIS, JOHNNY F	1,832.27		1,185,268.53
11/03/22	1016		SUTTON, DANIEL V	430.65		1,184,837.88
11/03/22	1017		GARDNER, HUNTER C	127.75		1,184,710.13
11/03/22	1018		RICHARDSON, DIANNA L	127.75		1,184,582.38
11/03/22	56294	CALCA	CIG	11,196.00		1,173,386.38
11/03/22	56316		FRANCESCHI, DAVID A	1,309.43		1,172,076.95
11/03/22	56318	FEPEA	FEPEA	72.50		1,172,004.45
11/03/22	56319	FRATB	FRANCHISE TAX BOARD	611.32		1,171,393.13
11/08/22		USTREASURY	UNITED STATES TREASURY	7,689.87		1,163,703.26
11/08/22		EDD	EMPLOYMENT DEVELOPMENT DEPT	1,392.66		1,162,310.60
11/08/22			110822STCAL		3,433.67	1,165,744.27
11/08/22	56320	ALTBU	ALTERNATIVE BUSINESS CONCEPTS	135.78		1,165,608.49
11/08/22	56321	BCDRAIN	BC DRAIN CARE	385.00		1,165,223.49
11/08/22	56322	CRYST	CRYSTAL SPRINGS BOTTLED WATER CO.	37.00		1,165,186.49
11/08/22	56323	MENSU	MENDES SUPPLY CO.	362.68		1,164,823.81
11/08/22	56324	MODR	MOBILE DIESEL REPAIR	327.50		1,164,496.31
11/08/22	56325	NILCO	NILSEN COMPANY	652.61		1,163,843.70
11/08/22	56326	NORCO	NORTH COAST LABORATORIES LTD.	70.00		1,163,773.70
11/08/22	56327	RECOLOGY	RECOLOGY	379.75		1,163,393.95
11/08/22	56328	REDFRONT	RED FRONT STORE	11.96		1,163,381.99
11/08/22	56329	SDRMA	SPECIAL DISTRICT RISK MGMT AUTHORITY	563.67		1,162,818.32
11/08/22	56330	SUP INSTALL	SUPERIOR INSTALLS	3,253.94		1,159,564.38
11/08/22	56331	FARSH	THE FARM SHOP	159.52		1,159,404.86
11/08/22	56332	MITCHELL	THE MITCHELL LAW FIRM, LLP	360.00		1,159,044.86
11/08/22	56333	TIPMO	TIPPLE MOTORS, INC.	160.83		1,158,884.03
11/08/22	56334	VALLU	VALLEY LUMBER	381.65		1,158,502.38
11/08/22	56335	VAPAC PETRO	VALLEY PACIFIC PETROLEUM SERVICES, INC.	4,225.80		1,154,276.58
11/08/22	56336	WAHCO	WAHLUND CONSTRUCTION	873.64		1,153,402.94
11/08/22	56337	WILSA	WILDWOOD SAW	75.90		1,153,327.04
11/08/22	56338	WYCKO	WYCKOFF'S	849.54		1,152,477.50
11/14/22	56339	SEQGA	BLUESTAR/SEQUOIA GAS COMPANY	533.50		1,151,944.00
11/14/22	56340	DEPJU	DEPARTMENT OF JUSTICE	35.00		1,151,909.00
11/14/22	56341	DOWNEYBRAND	DOWNEY BRAND	600.00		1,151,309.00
11/14/22	56342	EEL TRANS	EEL RIVER TRANSPORTATION & SALVAGE	92.23		1,151,216.77

City of Ferndale

Bank Account Register

General Checking
November 1, 2022 - November 30, 2022

Date	Reference	Payee ID	Description	Checks/ Payments	Deposits/ Additions	Balance
11/14/22	56344	Aesthetic	MATT KNOWLES	400.00		1,150,816.77
11/14/22	56345	ONTIV	ONTIVEROS & ASSOCIATES, INC.	2,462.50		1,148,354.27
11/14/22	56346	PPG1	PPG/ENNIS FLINT INC	5,396.31		1,142,957.96
11/14/22	56347	RON SLIGH	RON SLIGH	76.28		1,142,881.68
11/14/22	56348	VAPAC PETRO	VALLEY PACIFIC PETROLEUM SERVICES, INC.	2,034.44		1,140,847.24
11/14/22	56349	ONTIV	ONTIVEROS & ASSOCIATES, INC.	15,000.00		1,125,847.24
11/15/22	56350	NCUAQ	AQMD	885.35		1,124,961.89
11/15/22	56351	EDGMON	AYCOCK & EDGMON	1,725.00		1,123,236.89
11/15/22	56352	FDAC	FDAC EBA	9,130.24		1,114,106.65
11/15/22	56353	XYLEM	XYLEM WATER SOLUTIONS USA, INC.	5,563.80		1,108,542.85
11/17/22		EXPERTPAY	EXPERTPAY.COM	138.46		1,108,404.39
11/17/22	1001		PARRISH, JAY D	2,709.02		1,105,695.37
11/17/22	1002		KAYTIS-SLOCUM, NANCY S	134.13		1,105,561.24
11/17/22	1003		HALL, KRISTENE M	1,866.82		1,103,694.42
11/17/22	1004		BOOP, LAUREN	1,386.85		1,102,307.57
11/17/22	1005		ALAMEDA, RONAE MARY	255.50		1,102,052.07
11/17/22	1006		SLIGH, RONALD B	2,226.98		1,099,825.09
11/17/22	1007		LINDGREN, ROBERT C	1,679.59		1,098,145.50
11/17/22	1008		CERVANTES, CESAR E	1,648.67		1,096,496.83
11/17/22	1009		GARDNER, TANNER W	1,422.77		1,095,074.06
11/17/22	1010		MCNEILL, LOGAN D	1,471.72		1,093,602.34
11/17/22	1011		COPPINI, STEVE L	2,621.60		1,090,980.74
11/17/22	1012		GARDNER, SHAWN C	2,277.77		1,088,702.97
11/17/22	1013		LIU, CARSON B	813.69		1,087,889.28
11/17/22	1014		HOPPIS, JOHNNY F	2,041.25		1,085,848.03
11/17/22	1015		SUTTON, DANIEL V	261.98		1,085,586.05
11/17/22	1016		GARDNER, HUNTER C	158.91		1,085,427.14
11/17/22	1017		RICHARDSON, DIANNA L	194.83		1,085,232.31
11/17/22	56354		FRANCESCHI, DAVID A	1,309.43		1,083,922.88
11/17/22	56355	FEPEA	FEPEA	72.50		1,083,850.38
11/22/22		USTREASURY	UNITED STATES TREASURY	7,990.60		1,075,859.78
11/22/22		EDD	EMPLOYMENT DEVELOPMENT DEPT	1,518.24		1,074,341.54
11/22/22			110822STCAL		2,679.16	1,077,020.70
11/25/22			112522USBANKREWARD		91.84	1,077,112.54
11/25/22			112522STCAL		17,910.75	1,095,023.29
11/28/22	56356	ALAN MEN	ALAN MENDES	97.00		1,094,926.29
11/28/22	56357	CREATIVES	CREATIVE SERVICES OF NEW ENGLAND	306.95		1,094,619.34
11/28/22	56358	FOCUS	FOCUS INDUSTRIES MED LLC	120.00		1,094,499.34
11/28/22	56359	FRONT	FRONTIER	577.10		1,093,922.24
11/28/22	56360	HUMTE	HUMBOLDT TERMITE & PEST	52.00		1,093,870.24
11/28/22	56361	JJACPA	JJACPA, INC.	16,200.00		1,077,670.24
11/28/22	56362	MISLI	MISSION LINEN & UNIFORM SERVICE	21.58		1,077,648.66
11/28/22	56363	OPTIMUM	OPTIMUM	981.61		1,076,667.05
11/28/22	56364	PLANWEST	PLANWEST PARTNERS, INC.	9,245.00		1,067,422.05
11/28/22	56365	POREN	PORTLAND ENGINEERING, INC.	1,814.33		1,065,607.72
11/28/22	56366	STAPE	STAPLES CREDIT PLAN	104.86		1,065,502.86
11/28/22	56367	WELF(\$106)	WELLS FARGO FINANCIAL LEASING	106.46		1,065,396.40
11/28/22	56368	WELLS(\$206)	WELLS FARGO VENDOR FIN SERV	206.67		1,065,189.73
11/28/22	56369	DELOR	DEL ORO WATER CO., FDLE. DIST.	507.24		1,064,682.49
11/28/22	56370	EUROX	EUREKA OXYGEN COMPANY	763.15		1,063,919.34
11/30/22			113022DEPOSIT		82,775.46	1,146,694.80
11/30/22			113022USBANK		200.00	1,146,894.80
			Totals	<u>176,029.03</u>	<u>107,090.88</u>	<u>1,146,894.80</u>

Transaction count = 107

NOVEMBER 2022 Deposit Recap	11.08.22	11.22.22	11.25.22	11.29.22	11.30.22	11.30.22	TOTAL
RETAIL TAX				17,910.75			17,910.75
HIGHWAY USER TAX/VEHICLE LICENSE FEES	3,433.67	2,679.16					6,112.83
BUSINESS LIC						306.00	306.00
ANIMAL LIC						165.00	165.00
BUILDING RENTS						600.00	600.00
PERMITS						4,267.91	4,267.91
TOT						15,057.18	15,057.18
HEALTH INSPECTIONS						75.00	75.00
PLAN/ENG. REIMBURSEMENT						3,155.00	3,155.00
HCAOG - RSTP							-
PG&E DONATION						5,000.00	5,000.00
PARSAC - GRANT / OTHER							-
COUNTY OF HUMBOLDT-STREETS & ROADS							-
SEPTIC DUMPS / SEWER REVENUE						11,961.00	11,961.00
FRANCHSE FEES						7,466.95	7,466.95
HUMBOLDT CTY - COPS						17,632.06	17,632.06
DONATIONS							-
POLICE SERVICES						20.00	20.00
SMALL MISC			91.84		200.00	1,740.86	2,032.70
DRAINAGE FEES						328.50	328.50
COUNTY OF HUMBOLDT-PROPERTY TAXES							-
COUNTY OF HUMBOLDT-SEWER							-
COUNTY OF HUMBOLDT-INTEREST INCOME							-
STATE - CAL TRANS - STREET SWEEP							-
HCAOG - REAP						15,000.00	15,000.00
	3,433.67	2,679.16	91.84	17,910.75	200.00	82,775.46	107,090.88

City of Ferndale
Balance Sheet
Fund 10 - General Fund
As of November 30, 2022

Assets

Current Assets	
Cash	\$ 770,688.65
Restricted Cash	15,150.00
Accounts Receivable	<u>46,449.67</u>
 Total Current Assets	 <u>832,288.32</u>
 Total Assets	 <u><u>\$ 832,288.32</u></u>

Liabilities and Fund Balance

Current Liabilities	
Accounts Payable	\$ 24,811.20
Accrued Liabilities	3,347.04
Other Current Liabilities	<u>279,193.31</u>
 Total Current Liabilities	 <u>307,351.55</u>
 Total Liabilities	 <u>307,351.55</u>
Fund Balance	
Retained Earnings	<u>524,936.77</u>
 Total Fund Balance	 <u>524,936.77</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 832,288.32</u></u>

City of Ferndale
 Balance Sheet
 Fund 22-Gas Tax
 As of November 30, 2022

Assets

Current Assets	
Cash	\$ <u>(18,117.28)</u>
Total Current Assets	<u>(18,117.28)</u>
Total Assets	<u>\$ <u>(18,117.28)</u></u>

Liabilities and Fund Balance

Current Liabilities	
Total Current Liabilities	\$ <u>0.00</u>
Total Liabilities	<u>0.00</u>
Fund Balance	
Retained Earnings	<u>(18,117.28)</u>
Total Fund Balance	<u>(18,117.28)</u>
Total Liabilities and Fund Balance	<u>\$ <u>(18,117.28)</u></u>

City of Ferndale
Balance Sheet
Fund 23 - RSTP Fund
As of November 30, 2022

Assets

Current Assets	
Cash	\$ <u>6,292.42</u>
Total Current Assets	<u>6,292.42</u>
Total Assets	<u><u>\$ 6,292.42</u></u>

Liabilities and Fund Balance

Current Liabilities	
Total Current Liabilities	\$ <u>0.00</u>
Total Liabilities	<u>0.00</u>
Fund Balance	
Retained Earnings	<u>6,292.42</u>
Total Fund Balance	<u>6,292.42</u>
Total Liabilities and Fund Balance	<u><u>\$ 6,292.42</u></u>

City of Ferndale
Balance Sheet
Fund 24 - Transportation Development Act
As of November 30, 2022

Assets

Current Assets	
Cash	\$ <u>210,079.65</u>
Total Current Assets	<u>210,079.65</u>
Total Non Current Assets	<u> </u>
Total Assets	<u><u>\$ 210,079.65</u></u>

Liabilities and Fund Balance

Current Liabilities	
Total Current Liabilities	\$ <u>0.00</u>
Fund Balance	
Retained Earnings	<u>210,079.65</u>
Total Fund Balance	<u>210,079.65</u>
Total Liabilities and Fund Balance	<u><u>\$ 210,079.65</u></u>

City of Ferndale
Balance Sheet
Fund 26 - Drainage Fund
As of November 30, 2022

Assets

Current Assets	
Cash	\$ <u>(19,428.73)</u>
Total Current Assets	<u>(19,428.73)</u>
Total Assets	<u>\$ <u>(19,428.73)</u></u>

Liabilities and Fund Balance

Current Liabilities	
Total Current Liabilities	\$ <u>0.00</u>
Total Liabilities	<u>0.00</u>
Fund Balance	
Retained Earnings	<u>(19,428.73)</u>
Total Fund Balance	<u>(19,428.73)</u>
Total Liabilities and Fund Balance	<u>\$ <u>(19,428.73)</u></u>

City of Ferndale
Balance Sheet
Fund 25 - Integrated Waste Mgt
As of November 30, 2022

Assets

Current Assets	
Cash	\$ <u>48,186.22</u>
Total Current Assets	<u>48,186.22</u>
Total Assets	<u>\$ 48,186.22</u>

Liabilities and Fund Balance

Current Liabilities	
Total Current Liabilities	\$ <u>0.00</u>
Total Liabilities	<u>0.00</u>
Fund Balance	
Retained Earnings	<u>48,186.22</u>
Total Fund Balance	<u>48,186.22</u>
Total Liabilities and Fund Balance	<u>\$ 48,186.22</u>

**City of Ferndale
Balance Sheet
Fund -30 - Sewer
As of November 30, 2022**

Assets

Current Assets	
Cash	\$ <u>694,766.36</u>
Total Current Assets	<u>694,766.36</u>
Property and Equipment	
Vehicles	42,332.05
Equipment	103,708.55
Sewer system	13,459,674.06
Energy Savings Project Improvements	9,823.00
Less Accumulated Depreciation	<u>(3,617,097.14)</u>
Net Property and Equipment	<u>9,998,440.52</u>
Total Assets	<u>\$ <u>10,693,206.88</u></u>

Liabilities and Fund Balance

Current Liabilities	
Interest Payable	\$ 40,147.40
Other Current Liabilities	<u>163,375.00</u>
Total Current Liabilities	<u>203,522.40</u>
Long-Term Liabilities	
Notes Payable USDA	<u>4,057,000.00</u>
Total Long-Term Liabilities	<u>4,057,000.00</u>
Total Liabilities	<u>4,260,522.40</u>
Fund Balance	
Other Equity	6,649,092.60
Retained Earnings	<u>(216,408.12)</u>
Total Fund Balance	<u>6,432,684.48</u>
Total Liabilities and Fund Balance	<u>\$ <u>10,693,206.88</u></u>

City of Ferndale
Balance Sheet
GASB 34 ASSETS AND LIABILITIES
As of November 30, 2022

Assets

Property and Equipment	
Buildings and improvements	\$ 479,444.72
Vehicles	181,365.86
Equipment	215,846.19
Roadways	10,782,034.50
Sidewalks	180,800.00
Streetlights	31,684.18
Land	131,000.00
Less Accumulated Depreciation	<u>(10,902,914.64)</u>
Net Property and Equipment	<u>1,099,260.81</u>
Total Assets	<u>\$ 1,099,260.81</u>

Liabilities and Fund Balance

Long-Term Liabilities	
Accrued Vacation/Sick pay	\$ 62,115.59
Notes payable-current	2,249.16
Capital leases payable	<u>7,405.82</u>
Total Long-Term Liabilities	<u>71,770.57</u>
Fund Balance	
Other Equity	1,718,440.75
Retained Earnings	<u>(690,950.51)</u>
Total Fund Balance	<u>1,027,490.24</u>
Total Liabilities and Fund Balance	<u>\$ 1,099,260.81</u>

**City of Ferndale
Income Statement
Fund 10 - General Fund**

	1 Month Ended November 30, 2022 Actual	5 Months Ended November 30, 2022 Actual	FY 2022/2023 Budget	Over/(Under) Budget
REVENUES				
Revenues - Taxes				
10014102 Property tax-secured	\$ 0.00	\$ 0.00	\$ 156,259.61	\$ (156,259.61)
10014104 Property tax-unsecured	0.00	0.00	9,011.52	(9,011.52)
10014106 Property tax-prior	0.00	0.00	52.00	(52.00)
10014107 Supplemental role	0.00	0.00	320.00	(320.00)
10014110 Sales and use tax	0.00	56,439.08	165,000.00	(108,560.92)
10014111 Trash franchise	0.00	3,543.82	7,000.00	(3,456.18)
10014112 PG&E franchise	0.00	0.00	14,000.00	(14,000.00)
10014114 Cable franchise	0.00	5,509.49	12,000.00	(6,490.51)
10014116 Business license tax	306.00	5,184.25	11,457.72	(6,273.47)
10014118 Real Property Transfer tax	0.00	0.00	8,732.97	(8,732.97)
10014120 Transient lodging tax	0.00	85,504.82	154,584.32	(69,079.50)
10014121 TOT Humboldt Lodging Authority	0.00	11,486.46	24,850.80	(13,364.34)
Total Revenue - Taxes	\$ 306.00	\$ 167,667.92	\$ 563,268.94	\$ (395,601.02)
Revenues - Licenses and Permits				
10024132 Construction permits	\$ 3,767.91	\$ 12,170.63	\$ 0.00	\$ 12,170.63
10024164 Health protection	200.00	1,978.68	3,200.00	(1,221.32)
10024166 Encroachment permits	0.00	400.00	350.00	50.00
10024278 Animal license fees	165.00	1,285.00	1,400.00	(115.00)
Total Revenue - Licenses and Permits	\$ 4,132.91	\$ 15,834.31	\$ 4,950.00	\$ 10,884.31
Revenues - Use of Money and Property				
10044182 Interest	\$ 0.00	\$ 2,240.03	\$ 16,650.00	\$ (14,409.97)
10044285 Bocce ball revenue	0.00	50.00	0.00	50.00
10044297 Town Hall Rent	250.00	1,245.00	1,500.00	(255.00)
10044297.1 Community Center rents	50.00	850.00	600.00	250.00
Total Revenue -Use of Money and Property	\$ 300.00	\$ 4,385.03	\$ 18,750.00	\$ (14,364.97)
Revenues - Fines				
10034283 Court fines	\$ 0.00	\$ 0.00	\$ 3,114.71	\$ (3,114.71)
Total Revenue - Fines	\$ 0.00	\$ 0.00	\$ 3,114.71	\$ (3,114.71)
Revenues - Intergovernmental				
10054204 Motor vehicle in-lieu tax	\$ 0.00	\$ 3,521.01	\$ 95,555.11	\$ (92,034.10)
10054222 Home owners prop. tax relief	0.00	0.00	1,069.05	(1,069.05)
10054286 Street sweeping	0.00	9,367.68	19,364.00	(9,996.32)
10054289 RMRA	0.00	7,840.53	22,525.68	(14,685.15)
10054290 Peace off. stds. & trng.	0.00	3,708.03	0.00	3,708.03
10054300 Public safety 1/2 cent	0.00	0.00	3,903.42	(3,903.42)
10054310 COPs Program	0.00	92,682.18	185,000.00	(92,317.82)
Total Revenue - Intergovernmental	\$ 0.00	\$ 117,119.43	\$ 327,417.26	\$ (210,297.83)

No Assurance is Provided

No Disclosures are Provided

**City of Ferndale
Income Statement
Fund 10 - General Fund**

	1 Month Ended November 30, 2022 Actual	5 Months Ended November 30, 2022 Actual	FY 2022/2023 Budget	Over/(Under) Budget
Revenues - Fees for Service				
10084271 Parking fees	\$ 25.35	\$ 207.02	\$ 0.00	\$ 207.02
10084287.2 Developer reimbursed fees	0.00	8,032.50	0.00	8,032.50
10084287.3 Reimbursed Fees Planning	0.00	0.00	1,500.00	(1,500.00)
10084287.9 CAP reimbursement grant: RCEA	0.00	(330.00)	0.00	(330.00)
10084291 Special police services	20.00	490.00	4,000.00	(3,510.00)
10084298 Fair racing revenue	<u>1,695.51</u>	<u>1,954.93</u>	<u>2,140.50</u>	<u>(185.57)</u>
Total Revenue - Fees for Service	\$ <u>1,740.86</u>	\$ <u>10,354.45</u>	\$ <u>7,640.50</u>	\$ <u>2,713.95</u>
Revenues - Other Revenue				
10094284 Donations - Library	\$ 0.00	\$ 0.00	\$ 19,300.72	\$ (19,300.72)
10094284.1 Donations - City	5,000.00	20,000.00	5,000.00	15,000.00
10094307 Miscellaneous	1,000.00	24,698.44	5,271.94	19,426.50
10094311 Utilities - Little League park	<u>0.00</u>	<u>200.00</u>	<u>200.00</u>	<u>0.00</u>
Total Revenue - Other Revenue	\$ <u>6,000.00</u>	\$ <u>44,898.44</u>	\$ <u>29,772.66</u>	\$ <u>15,125.78</u>
TOTAL REVENUES	\$ <u>12,479.77</u>	\$ <u>360,259.58</u>	\$ <u>954,914.07</u>	\$ <u>(594,654.49)</u>

**City of Ferndale
Income Statement
Fund 10 - General Fund**

	1 Month Ended November 30, 2022 Actual	5 Months Ended November 30, 2022 Actual	FY 2022/2023 Budget	Over/(Under) Budget
EXPENDITURES				
Expenditures - City Council				
10115012 Office expense	\$ 0.00	\$ 0.00	\$ 200.00	\$ (200.00)
10115013 Advertising	0.00	0.00	1,800.00	(1,800.00)
10115044 Meetings and dues	0.00	0.00	1,350.00	(1,350.00)
10115045 LAFCO fees	<u>0.00</u>	<u>0.00</u>	<u>675.00</u>	<u>(675.00)</u>
Total Expenditures - City Council	\$ 0.00	\$ 0.00	\$ 4,025.00	\$ (4,025.00)
Expenditures City Manager				
10105002 Salary - permanent	\$ 2,665.46	\$ 23,128.90	\$ 34,651.00	\$ (11,522.10)
10105006 Payroll taxes	203.33	1,766.45	2,798.32	(1,031.87)
10105007 Medical/Dental/Vision insurance	699.23	3,496.15	8,703.02	(5,206.87)
10105009 Workers comp. insurance	0.00	2,757.14	2,147.06	610.08
10105010 Deferred retirement	0.00	896.68	2,546.31	(1,649.63)
10105061 Liability Insurance	<u>0.00</u>	<u>0.00</u>	<u>2,425.02</u>	<u>(2,425.02)</u>
Total expenditures -City Manager	\$ 3,568.02	\$ 32,045.32	\$ 53,270.73	\$ (21,225.41)
Expenditures - City Clerk				
10125002 Salary - permanent	\$ 6,661.15	\$ 31,983.85	\$ 89,346.24	\$ (57,362.39)
10125006 Payroll taxes	525.71	2,530.90	8,269.96	(5,739.06)
10125007 Medical/Dental/Vision insurance	1,100.63	5,503.15	13,766.96	(8,263.81)
10125009 Workers comp. insurance	0.00	6,627.21	5,160.77	1,466.44
10125010 Deferred retirement	0.00	798.45	6,468.95	(5,670.50)
10125012 Office expense	1,185.98	2,290.75	5,000.00	(2,709.25)
10125022 IT support	311.00	3,150.21	5,000.00	(1,849.79)
10125044 Meetings and dues	0.00	126.90	1,200.00	(1,073.10)
10125061 Liability Insurance	0.00	0.00	5,000.00	(5,000.00)
10125099 Miscellaneous	<u>0.00</u>	<u>13,284.89</u>	<u>0.00</u>	<u>13,284.89</u>
Total Expenditures -City Clerk	\$ 9,784.47	\$ 66,296.31	\$ 139,212.88	\$ (72,916.57)

**City of Ferndale
Income Statement
Fund 10 - General Fund**

	1 Month Ended November 30, 2022 Actual	5 Months Ended November 30, 2022 Actual	FY 2022/2023 Budget	Over/(Under) Budget
Expenditures - City Attorney				
10145052 Professional services	\$ 960.00	\$ 10,101.50	\$ 10,000.00	\$ 101.50
Total Expenditures - City Attorney	\$ 960.00	\$ 10,101.50	\$ 10,000.00	\$ 101.50
Expenditures - Government Buildings				
10155002 Salary - permanent	\$ 280.00	\$ 1,336.00	\$ 2,995.36	\$ (1,659.36)
10155006 Payroll taxes	36.82	175.68	456.35	(280.67)
10155009 Workers comp. insurance	0.00	265.50	200.00	65.50
10155012 Office expense	0.00	512.19	1,000.00	(487.81)
10155020 Building and ground maint.	481.20	10,262.29	13,000.00	(2,737.71)
10155024 Special department supply	46.18	208.85	0.00	208.85
10155030 Trash service	128.09	277.49	450.00	(172.51)
10155031 Gas	461.86	1,502.43	9,500.00	(7,997.57)
10155032 Utilities	0.00	789.51	2,000.00	(1,210.49)
10155033 Water	53.51	4,174.70	4,635.00	(460.30)
10155034 Telephone/internet	433.55	2,144.15	5,000.00	(2,855.85)
10155061 Liability Insurance	0.00	0.00	200.00	(200.00)
10155063 Building and Property Insurance	3,539.00	3,539.00	3,400.00	139.00
Total Expenditures - Government Buildings	\$ 5,460.21	\$ 25,187.79	\$ 42,836.71	\$ (17,648.92)
Expenditures - Non departmental				
10165015 Property tax admin. fees	\$ 0.00	\$ 0.00	\$ 2,649.37	\$ (2,649.37)
10165054 Audit and accounting	16,200.00	16,200.00	20,500.00	(4,300.00)
10165054.1 Accounting services	0.00	7,417.00	13,090.00	(5,673.00)
10165055 Contractual services	0.00	180.00	720.00	(540.00)
10165061 Liability Insurance	0.00	0.00	1,000.00	(1,000.00)
10165078 Copy machine expense	342.45	1,722.19	4,680.00	(2,957.81)
10165099 Miscellaneous	0.00	699.05	2,500.00	(1,800.95)
10165200 Car allowance	400.00	2,000.00	4,800.00	(2,800.00)
Total Expenditures - Nondepartmental	\$ 16,942.45	\$ 28,218.24	\$ 49,939.37	\$ (21,721.13)
Expenditures - Community Promotion				
10175020 Building and ground maint.	\$ 0.00	\$ 95.73	\$ 500.00	\$ (404.27)
10175028 Public restroom	21.58	2,553.89	2,100.00	453.89
10175032 Utilities	0.00	148.83	435.92	(287.09)
10175033 Water	104.11	1,028.81	1,533.50	(504.69)
10175072 Chamber of commerce	0.00	15,532.34	31,064.70	(15,532.36)
10175072.1 Donation - Visitors & Conv.	0.00	0.00	1,500.00	(1,500.00)
10175072.3 TOT 2% HLA QTRLY	0.00	9,428.74	28,012.58	(18,583.84)
Total Expenditures - Community Promotion	\$ 125.69	\$ 28,788.34	\$ 65,146.70	\$ (36,358.36)

**City of Ferndale
Income Statement
Fund 10 - General Fund**

	1 Month Ended November 30, 2022 Actual	5 Months Ended November 30, 2022 Actual	FY 2022/2023 Budget	Over/(Under) Budget
Expenditures - Police				
10215002 Salary - permanent	\$ 20,743.52	\$ 95,122.10	\$ 256,648.44	\$ (161,526.34)
10215004 Salary - reserve	1,428.91	10,534.62	28,471.03	(17,936.41)
10215005 Salary - overtime	852.53	5,165.67	14,607.52	(9,441.85)
10215006 Payroll taxes	1,793.08	8,816.94	27,567.11	(18,750.17)
10215007 Medical/Dental/Vision insurance	3,065.38	15,326.90	27,115.55	(11,788.65)
10215009 Workers comp. insurance	0.00	23,986.15	37,212.61	(13,226.46)
10215010 Deferred retirement	0.00	4,820.06	12,471.48	(7,651.42)
10215012 Office expense	80.09	545.74	2,000.00	(1,454.26)
10215014 Vehicle expense	1,270.15	11,328.10	8,500.00	2,828.10
10215016 Fuel	906.86	8,014.52	20,858.81	(12,844.29)
10215020 Building and ground maint.	251.17	4,461.02	5,000.00	(538.98)
10215022 IT support	145.00	3,408.00	6,000.00	(2,592.00)
10215024 Special department supply	522.87	4,823.43	10,000.00	(5,176.57)
10215026 Uniform expense	0.00	0.00	1,000.00	(1,000.00)
10215026.1 Uniform allowance	0.00	3,000.00	3,000.00	0.00
10215029 Water/sewer	52.94	1,217.83	1,857.24	(639.41)
10215032 Utilities	0.00	0.46	1,695.01	(1,694.55)
10215034 Telephone/internet	461.21	2,322.52	5,555.75	(3,233.23)
10215035 Dispatch service	3,286.66	16,153.30	38,600.00	(22,446.70)
10215044 Meetings and dues	0.00	15.00	1,000.00	(985.00)
10215048 Training	0.00	600.00	2,500.00	(1,900.00)
10215051 Physical exams	0.00	0.00	900.00	(900.00)
10215052 Professional services	35.00	105.00	1,000.00	(895.00)
10215061 Liability Insurance	0.00	0.00	21,096.05	(21,096.05)
10215063 Building and Property Insurance	968.00	968.00	1,100.00	(132.00)
10215078 Copy machine expense	106.46	532.30	1,500.00	(967.70)
10215088 Equipment repair other	0.00	0.00	1,000.00	(1,000.00)
10215098 Background expense	0.00	0.00	1,000.00	(1,000.00)
10215201 Lexipol services	0.00	0.00	2,500.00	(2,500.00)
Total Expenditures - Police	\$ 35,969.83	\$ 221,267.66	\$ 541,756.60	\$ (320,488.94)
Expenditures - Animal Control				
10225096 Animal control	\$ 450.00	\$ 2,346.00	\$ 5,500.00	\$ (3,154.00)
Total Expenditures - Animal Control	\$ 450.00	\$ 2,346.00	\$ 5,500.00	\$ (3,154.00)
Expenditures - Health				
10245052 Professional services	\$ 200.00	\$ 1,000.00	\$ 2,400.00	\$ (1,400.00)
Total Expenditures - Health	\$ 200.00	\$ 1,000.00	\$ 2,400.00	\$ (1,400.00)

**City of Ferndale
Income Statement
Fund 10 - General Fund**

	1 Month Ended November 30, 2022 Actual	5 Months Ended November 30, 2022 Actual	FY 2022/2023 Budget	Over/(Under) Budget
Expenditures - Streets and Roads				
10315002 Salary - permanent	\$ 1,602.08	\$ 7,827.84	\$ 24,647.90	\$ (16,820.06)
10315006 Payroll taxes	119.10	581.54	2,101.88	(1,520.34)
10315007 Medical/Dental/Vision insurance	425.52	2,127.60	5,263.65	(3,136.05)
10315009 Workers comp. insurance	0.00	1,539.81	1,200.00	339.81
10315010 Deferred retirement	0.00	372.17	1,523.88	(1,151.71)
10315011 Bldg/property insurance	504.00	504.00	589.57	(85.57)
10315014 Vehicle expense	1,500.94	4,700.73	12,566.00	(7,865.27)
10315020 Building and ground maint.	0.00	0.00	3,000.00	(3,000.00)
10315021 Street maintenance	11,984.31	11,984.31	8,500.00	3,484.31
10315024 Special department supply	694.83	1,374.59	1,000.00	374.59
10315026.1 Uniform allowance	0.00	0.00	300.00	(300.00)
10315034 Telephone/internet	81.34	407.86	930.00	(522.14)
10315055 Contractual services	0.00	0.00	550.00	(550.00)
10315061 Liability Insurance	0.00	0.00	1,354.32	(1,354.32)
10315088 Equipment repair other	0.00	20.59	500.00	(479.41)
Total Expenditures - Streets and Roads	<u>\$ 16,912.12</u>	<u>\$ 31,441.04</u>	<u>\$ 64,027.20</u>	<u>\$ (32,586.16)</u>
Expenditures - Planning				
10415052 Professional services	\$ 0.00	\$ 15,740.00	\$ 27,104.74	\$ (11,364.74)
10415053 Reimbursable Fees	0.00	21,400.00	4,859.75	16,540.25
10415055 Contractual services	0.00	1,000.00	15,191.00	(14,191.00)
10415059 Special Planning Projects	0.00	9,695.00	9,752.50	(57.50)
10415620 LRSP PROJECTS	0.00	40.00	332.50	(292.50)
10415630 CLIMATE ACTION PLAN	0.00	0.00	1,516.25	(1,516.25)
Total Expenditures - Planning	<u>\$ 0.00</u>	<u>\$ 47,875.00</u>	<u>\$ 58,756.74</u>	<u>\$ (10,881.74)</u>
Expenditures - City engineer				
10425052 Professional services	\$ 0.00	\$ 3,912.50	\$ 0.00	\$ 3,912.50
Total Expenditures - City engineer	<u>\$ 0.00</u>	<u>\$ 3,912.50</u>	<u>\$ 0.00</u>	<u>\$ 3,912.50</u>
Expenditures - Building Regulation				
10435024 Special department supply	\$ 0.00	\$ 1,695.03	\$ 0.00	\$ 1,695.03
10435052 Professional services	3,539.35	9,364.75	0.00	9,364.75
Total Expenditures - Building Regulation	<u>\$ 3,539.35</u>	<u>\$ 11,059.78</u>	<u>\$ 0.00</u>	<u>\$ 11,059.78</u>

**City of Ferndale
Income Statement
Fund 10 - General Fund**

	1 Month Ended November 30, 2022 Actual	5 Months Ended November 30, 2022 Actual	FY 2022/2023 Budget	Over/(Under) Budget
Expenditures - Library				
10615002 Salary - permanent	\$ 500.50	\$ 1,438.50	\$ 3,301.46	\$ (1,862.96)
10615006 Payroll taxes	65.81	189.16	457.25	(268.09)
10615009 Workers comp. insurance	0.00	443.18	351.82	91.36
10615020 Building and ground maint.	7,007.24	15,226.79	600.00	14,626.79
10615024 Special department supply	0.00	0.00	2,000.00	(2,000.00)
10615031 Gas	1,010.06	1,010.06	5,082.62	(4,072.56)
10615032 Utilities	0.00	503.16	1,625.23	(1,122.07)
10615033 Water	46.15	228.22	544.46	(316.24)
10615034 Telephone/internet	145.56	729.78	1,638.63	(908.85)
10615061 Liability Insurance	0.00	0.00	389.80	(389.80)
10615063 Building and Property Insurance	<u>1,354.00</u>	<u>1,354.00</u>	<u>1,573.43</u>	<u>(219.43)</u>
Total Expenditures - Library	<u>\$ 10,129.32</u>	<u>\$ 21,122.85</u>	<u>\$ 17,564.70</u>	<u>\$ 3,558.15</u>
Expenditures - Parks				
10625002 Salary - permanent	\$ 555.98	\$ 2,691.66	\$ 6,752.75	\$ (4,061.09)
10625006 Payroll taxes	59.84	288.58	769.56	(480.98)
10625007 Medical/Dental/Vision insurance	63.75	318.75	792.15	(473.40)
10625009 Workers comp. insurance	0.00	550.95	429.04	121.91
10625010 Deferred retirement	0.00	64.38	238.57	(174.19)
10625020 Building and ground maint.	0.00	2,058.86	4,500.00	(2,441.14)
10625024 Special department supply	0.00	0.00	400.00	(400.00)
10625032 Utilities	0.00	399.45	942.33	(542.88)
10625033 Water	110.73	691.44	2,730.47	(2,039.03)
10625061 Liability Insurance	0.00	0.00	484.59	(484.59)
10625065 Russ Park expenditures	<u>0.00</u>	<u>0.00</u>	<u>1,500.00</u>	<u>(1,500.00)</u>
Total Expenditures - Parks	<u>\$ 790.30</u>	<u>\$ 7,064.07</u>	<u>\$ 19,539.46</u>	<u>\$ (12,475.39)</u>
Expenditures -Community Center				
10635020 Building and ground maint.	\$ 113.83	\$ 278.63	\$ 1,500.00	\$ (1,221.37)
10635063 Building and Property Insurance	<u>2,803.00</u>	<u>2,803.00</u>	<u>3,162.92</u>	<u>(359.92)</u>
Total Expenditures -Community center	<u>\$ 2,916.83</u>	<u>\$ 3,081.63</u>	<u>\$ 4,662.92</u>	<u>\$ (1,581.29)</u>
TOTAL EXPENDITURES	<u>\$ 107,748.59</u>	<u>\$ 540,808.03</u>	<u>\$ 1,078,639.01</u>	<u>\$ (537,830.98)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (95,268.82)</u>	<u>\$ (180,548.45)</u>	<u>\$ (123,724.94)</u>	<u>\$ (56,823.51)</u>

City of Ferndale
STATEMENT OF REVENUES AND EXPENDITURES
FUND 22 - GAS TAX

	1 Month Ended November 30, 2022 Actual	5 Months Ended November 30, 2022 Actual	FY2022/2023 Budget	Over/(Under) Budget
Revenues				
22314210.1 Gas tax (2105)	\$ 0.00	\$ 2,024.58	\$ 8,057.69	\$ (6,033.11)
22314210.2 Gas tax (2106)	0.00	2,587.36	10,329.87	(7,742.51)
22314210.3 Gas tax (2107)	0.00	2,802.76	10,248.50	(7,445.74)
22314210.4 Gas tax (2107.5)	0.00	1,000.00	1,030.00	(30.00)
22314210.5 Gas Tax (2103)	0.00	3,295.70	10,969.50	(7,673.80)
Total Revenue	<u>0.00</u>	<u>11,710.40</u>	<u>40,635.56</u>	<u>(28,925.16)</u>
EXPENDITURES				
22315002 Salary - permanent	2,050.61	10,050.17	22,106.80	(12,056.63)
22315006 Payroll taxes	156.95	769.06	1,899.24	(1,130.18)
22315007 Medical/Dental/Vision insurance	446.94	2,234.70	5,445.83	(3,211.13)
22315009 Workers comp. insurance	0.00	1,730.86	1,347.86	383.00
22315010 Deferred retirement	0.00	414.27	1,600.20	(1,185.93)
22315057 Street signs	0.00	0.00	500.00	(500.00)
22315058 Street lighting	1,167.71	5,915.02	13,787.00	(7,871.98)
22315061 Liability Insurance	0.00	0.00	1,522.36	(1,522.36)
TOTAL EXPENDITURES	<u>3,822.21</u>	<u>21,114.08</u>	<u>48,209.29</u>	<u>(27,095.21)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (3,822.21)</u>	<u>\$ (9,403.68)</u>	<u>\$ (7,573.73)</u>	<u>\$ (1,829.95)</u>

City of Ferndale
STATEMENT OF REVENUES AND EXPENDITURES
FUND 23 - RSTP

	1 Month Ended November 30, 2022 Actual	5 Months Ended November 30, 2022 Actual	FY2022/2023 Budget	Over/(Under) Budget
Revenues				
23314211 RSTP Revenue	\$ 0.00	\$ 0.00	\$ 10,500.00	\$ (10,500.00)
Total Revenue	<u>0.00</u>	<u>0.00</u>	<u>10,500.00</u>	<u>(10,500.00)</u>
EXPENDITURES				
23315002 Salary - permanent	447.20	2,197.32	6,161.12	(3,963.80)
23315006 Payroll taxes	34.30	168.40	512.87	(344.47)
23315007 Medical/Dental/Vision insurance	117.31	586.55	4,123.60	(3,537.05)
23315009 Workers comp. insurance	0.00	487.63	379.71	107.92
23315010 Deferred retirement	0.00	120.96	0.00	120.96
23315061 Liability Insurance	0.00	0.00	428.89	(428.89)
TOTAL EXPENDITURES	<u>598.81</u>	<u>3,560.86</u>	<u>11,606.19</u>	<u>(8,045.33)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (598.81)</u>	<u>\$ (3,560.86)</u>	<u>\$ (1,106.19)</u>	<u>\$ (2,454.67)</u>

City of Ferndale
STATEMENT OF REVENUES AND EXPENDITURES
FUND 24 - TRANSPORTATION DEVELOPMENT ACT

	1 Month Ended November 30, 2022 Actual	5 Months Ended November 30, 2022 Actual	FY2022/2023 Budget	Over/(Under) Budget
Revenues				
24314231 Transportation devel. act	\$ 0.00	\$ 15,000.00	\$ 65,847.00	\$ (50,847.00)
Total Revenue	<u>0.00</u>	<u>15,000.00</u>	<u>65,847.00</u>	<u>(50,847.00)</u>
EXPENDITURES				
24315002 Salary - permanent	1,258.83	6,150.91	21,502.01	(15,351.10)
24315006 Payroll taxes	96.65	471.92	1,836.71	(1,364.79)
24315007 Medical/Dental/Vision insurance	426.83	2,134.15	5,182.24	(3,048.09)
24315009 Workers comp. insurance	0.00	1,752.91	1,411.51	341.40
24315010 Deferred retirement	0.00	406.02	1,692.62	(1,286.60)
24315014 Vehicle expense	0.00	159.52	250.00	(90.48)
24315016 Fuel	598.87	3,949.13	12,351.15	(8,402.02)
24315020 Building and ground maint.	0.00	0.00	500.00	(500.00)
24315021 Street maintenance	0.00	0.00	750.00	(750.00)
24315024 Special department supply	0.00	454.08	561.24	(107.16)
24315032 Utilities	0.00	882.43	3,153.51	(2,271.08)
24315033 Water	59.22	312.42	879.90	(567.48)
24315034 Telephone/internet	81.35	407.86	1,015.84	(607.98)
24315061 Liability Insurance	0.00	0.00	1,541.75	(1,541.75)
TOTAL EXPENDITURES	<u>2,521.75</u>	<u>17,081.35</u>	<u>52,628.48</u>	<u>(35,547.13)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (2,521.75)</u>	<u>\$ (2,081.35)</u>	<u>\$ 13,218.52</u>	<u>\$ (15,299.87)</u>

City of Ferndale
STATEMENT OF REVENUES AND EXPENDITURES
FUND 26 - DRAINAGE FUND

FY2022/2023	1 Month Ended November 30, 2022	5 Months Ended November 30, 2022	FY2022/2023	Over/(Under)
	Actual	Actual	Budget	Budget
Revenues				
26314230 Drainage fund	\$ 328.50	\$ 392.50	\$ 4,500.00	\$ (4,107.50)
26314240 Drainage district fees	0.00	0.00	20,761.81	(20,761.81)
Total Revenue	<u>328.50</u>	<u>392.50</u>	<u>25,261.81</u>	<u>(24,869.31)</u>
EXPENDITURES				
26315002 Salary - permanent	686.85	3,359.13	9,571.55	(6,212.42)
26315006 Payroll taxes	52.66	257.38	812.45	(555.07)
26315007 Medical/Dental/Vision insurance	181.25	906.25	2,452.83	(1,546.58)
26315009 Workers comp. insurance	0.00	1,481.95	1,154.03	327.92
26315010 Deferred retirement	0.00	168.19	688.65	(520.46)
26315019 Creek maintenance	0.00	0.00	1,500.00	(1,500.00)
26315024 Special department supply	0.00	0.00	396.84	(396.84)
26315052 Professional services	0.00	2,175.00	2,484.36	(309.36)
26315061 Liability Insurance	0.00	0.00	1,303.45	(1,303.45)
26315194 Interest expense	0.00	2,260.06	2,260.00	0.06
TOTAL EXPENDITURES	<u>920.76</u>	<u>10,607.96</u>	<u>22,624.16</u>	<u>(12,016.20)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (592.26)</u>	<u>\$ (10,215.46)</u>	<u>\$ 2,637.65</u>	<u>\$ (12,853.11)</u>

City of Ferndale
STATEMENT OF REVENUES AND EXPENDITURES
FUND 25 - INTEGRATED WASTE MANAGEMENT

	1 Month Ended November 30, 2022 Actual	5 Months Ended November 30, 2022 Actual	FY2022/2023 Budget	Over/(Under) Budget
Revenues				
25314288 Tipping fee (int. waste mgt.)	\$ 0.00	\$ 0.00	\$ 4,200.00	\$ (4,200.00)
25314600 Recycling grant	<u>0.00</u>	<u>0.00</u>	<u>5,000.00</u>	<u>(5,000.00)</u>
Total Revenue	<u>0.00</u>	<u>0.00</u>	<u>9,200.00</u>	<u>(9,200.00)</u>
EXPENDITURES				
25315002 Salary - permanent	403.86	2,019.30	5,424.60	(3,405.30)
25315006 Payroll taxes	30.80	154.00	428.95	(274.95)
25315007 Medical/Dental/Vision insurance	105.94	529.70	1,285.44	(755.74)
25315009 Workers comp. insurance	0.00	417.75	325.32	92.43
25315010 Deferred retirement	0.00	135.86	640.29	(504.43)
25315055 Contractual services	0.00	3,000.00	0.00	3,000.00
25315061 Liability Insurance	0.00	0.00	367.44	(367.44)
25315600 Recycling grant expenditures	<u>0.00</u>	<u>18.31</u>	<u>69.22</u>	<u>(50.91)</u>
TOTAL EXPENDITURES	<u>540.60</u>	<u>6,274.92</u>	<u>8,541.26</u>	<u>(2,266.34)</u>
 REVENUES OVER (UNDER) EXPENDITURES	 <u>\$ (540.60)</u>	 <u>\$ (6,274.92)</u>	 <u>\$ 658.74</u>	 <u>\$ (6,933.66)</u>

City of Ferndale
INCOME STATEMENT
FUND 30 - SEWER FUND

	1 Month Ended November 30, 2022 Actual	5 Months Ended November 30, 2022 Actual	FY2022/2023 Budget	Over/(Under) Budget
Revenues				
30514274 Sewer service charge	\$ 0.00	\$ (2,544.68)	\$ 911,876.08	\$ (914,420.76)
30514275 Sewer connection fees	0.00	0.00	20,797.84	(20,797.84)
30514303 Septic discharge	<u>6,984.00</u>	<u>39,953.00</u>	<u>107,845.33</u>	<u>(67,892.33)</u>
Total Revenue	<u>6,984.00</u>	<u>37,408.32</u>	<u>1,040,519.25</u>	<u>(1,003,110.93)</u>
EXPENSES				
30515002 Salary - permanent	21,842.86	106,743.33	278,403.14	(171,659.81)
30515005 Salary - overtime	309.28	2,164.96	7,932.11	(5,767.15)
30515006 Payroll taxes	1,776.09	8,634.47	24,400.72	(15,766.25)
30515007 Medical/Dental/Vision insurance	4,089.68	20,448.40	49,347.67	(28,899.27)
30515009 Workers comp. insurance	0.00	19,710.96	15,349.48	4,361.48
30515010 Deferred retirement	0.00	4,854.34	17,948.59	(13,094.25)
30515012 Office expense	104.86	839.49	1,236.00	(396.51)
30515014 Vehicle expense	0.00	573.43	618.00	(44.57)
30515016 Fuel	205.32	1,353.97	4,243.32	(2,889.35)
30515021 Street maintenance	0.00	1,900.00	0.00	1,900.00
30515024 Special department supply	711.69	1,997.66	1,030.00	967.66
30515030 Trash service	960.10	2,216.26	7,000.00	(4,783.74)
30515032 Utilities	0.00	24,298.72	79,411.24	(55,112.52)
30515033 Water	80.58	1,580.56	2,432.33	(851.77)
30515034 Telephone/internet	577.10	2,790.35	6,496.30	(3,705.95)
30515044 Meetings and dues	0.00	675.00	670.00	5.00
30515048 Training	0.00	0.00	300.00	(300.00)
30515050 IT Support	110.00	410.00	2,000.00	(1,590.00)
30515052 Professional services	0.00	0.00	960.00	(960.00)
30515055 Contractual services	0.00	0.00	8,100.00	(8,100.00)
30515063 Building and Property Insurance	2,028.00	2,028.00	1,910.00	118.00
30515092 Permits	0.00	0.00	13,500.00	(13,500.00)
30515099 Miscellaneous	0.00	0.00	2,500.00	(2,500.00)
30515121 Sewer plant maintenance	7,544.67	21,103.34	50,000.00	(28,896.66)
30515122 Sewer line maintenance	1,270.35	1,270.35	59,000.00	(57,729.65)
30515124 Sewer outflow repair	0.00	266.03	0.00	266.03
30515130 Ultra Violet Lights	0.00	0.00	1,000.00	(1,000.00)
30515157 Testing and monitoring	525.00	3,116.96	16,149.37	(13,032.41)
30515160 Postage & Shipping	0.00	0.00	600.00	(600.00)
30515162 Insurance	0.00	0.00	17,336.66	(17,336.66)
30515190 USDA loan	<u>0.00</u>	<u>147,176.87</u>	<u>194,000.00</u>	<u>(46,823.13)</u>
TOTAL EXPENSES	<u>42,135.58</u>	<u>376,153.45</u>	<u>863,874.93</u>	<u>(487,721.48)</u>
NET INCOME (LOSS)	<u>\$ (35,151.58)</u>	<u>\$ (338,745.13)</u>	<u>\$ 176,644.32</u>	<u>\$ (515,389.45)</u>

**City of Ferndale
Cash Balances**

As of November 30, 2022

Cash Balances

Current Assets	
General Fund	\$ 770,688.65
Restricted Cash	15,150.00
Park	100,000.00
Gas Tax	(18,117.28)
RSTF	6,292.42
TDA	210,079.65
IWM	48,186.22
Drainage	(19,428.73)
Sewer	<u>694,766.36</u>
Total	<u>\$ 1,807,617.29</u>
Checking	\$ 1,146,904.80
LAIF	660,562.49
Petty cash	<u>150.00</u>
Total	<u>\$ 1,807,617.29</u>

City of Ferndale
Balance Sheet
Fund 10 - General Fund
As of October 31, 2022

Assets

Current Assets	
Cash	\$ 820,543.54
Restricted Cash	15,150.00
Accounts Receivable	<u>47,109.67</u>
 Total Current Assets	 <u>882,803.21</u>
 Total Assets	 <u>\$ 882,803.21</u>

Liabilities and Fund Balance

Current Liabilities	
Accounts Payable	\$ 11,075.60
Accrued Liabilities	3,171.27
Other Current Liabilities	<u>279,072.57</u>
 Total Current Liabilities	 <u>293,319.44</u>
 Total Liabilities	 <u>293,319.44</u>
Fund Balance	
Retained Earnings	<u>589,483.77</u>
 Total Fund Balance	 <u>589,483.77</u>
 Total Liabilities and Fund Balance	 <u>\$ 882,803.21</u>

City of Ferndale
Balance Sheet
Fund 22-Gas Tax
As of October 31, 2022

Assets

Current Assets	
Cash	\$ <u>(17,728.74)</u>
Total Current Assets	<u>(17,728.74)</u>
Total Assets	<u>\$ <u>(17,728.74)</u></u>

Liabilities and Fund Balance

Current Liabilities	
Total Current Liabilities	\$ <u>0.00</u>
Total Liabilities	<u>0.00</u>
Fund Balance	
Retained Earnings	<u>(17,728.74)</u>
Total Fund Balance	<u>(17,728.74)</u>
Total Liabilities and Fund Balance	<u>\$ <u>(17,728.74)</u></u>

City of Ferndale
Balance Sheet
Fund 23 - RSTP Fund
As of October 31, 2022

Assets

Current Assets	
Cash	\$ <u>6,891.23</u>
Total Current Assets	<u>6,891.23</u>
Total Assets	<u><u>\$ 6,891.23</u></u>

Liabilities and Fund Balance

Current Liabilities	
Total Current Liabilities	\$ <u>0.00</u>
Total Liabilities	<u>0.00</u>
Fund Balance	
Retained Earnings	<u>6,891.23</u>
Total Fund Balance	<u>6,891.23</u>
Total Liabilities and Fund Balance	<u><u>\$ 6,891.23</u></u>

City of Ferndale
Balance Sheet
Fund 24 - Transportation Development Act
As of October 31, 2022

Assets

Current Assets	
Cash	\$ <u>197,601.40</u>
Total Current Assets	<u>197,601.40</u>
Total Non Current Assets	<u> </u>
Total Assets	<u><u>\$ 197,601.40</u></u>

Liabilities and Fund Balance

Current Liabilities	
Total Current Liabilities	\$ <u>0.00</u>
Fund Balance	
Retained Earnings	<u>197,601.40</u>
Total Fund Balance	<u>197,601.40</u>
Total Liabilities and Fund Balance	<u><u>\$ 197,601.40</u></u>

City of Ferndale
Balance Sheet
Fund 26 - Drainage Fund
As of October 31, 2022

Assets

Current Assets	
Cash	\$ <u>(18,836.47)</u>
Total Current Assets	<u>(18,836.47)</u>
Total Assets	<u>\$ <u>(18,836.47)</u></u>

Liabilities and Fund Balance

Current Liabilities	
Total Current Liabilities	\$ <u>0.00</u>
Total Liabilities	<u>0.00</u>
Fund Balance	
Retained Earnings	<u>(18,836.47)</u>
Total Fund Balance	<u>(18,836.47)</u>
Total Liabilities and Fund Balance	<u>\$ <u>(18,836.47)</u></u>

City of Ferndale
Balance Sheet
Fund 25 - Integrated Waste Mgt
As of October 31, 2022

Assets

Current Assets	
Cash	\$ <u>48,726.82</u>
Total Current Assets	<u>48,726.82</u>
Total Assets	<u>\$ 48,726.82</u>

Liabilities and Fund Balance

Current Liabilities	
Total Current Liabilities	\$ <u>0.00</u>
Total Liabilities	<u>0.00</u>
Fund Balance	
Retained Earnings	<u>48,726.82</u>
Total Fund Balance	<u>48,726.82</u>
Total Liabilities and Fund Balance	<u>\$ 48,726.82</u>

City of Ferndale
Balance Sheet
Fund -30 - Sewer
As of October 31, 2022

Assets

Current Assets	
Cash	\$ 723,300.94
Total Current Assets	<u>723,300.94</u>
Property and Equipment	
Vehicles	42,332.05
Equipment	103,708.55
Sewer system	13,459,674.06
Energy Savings Project Improvements	9,823.00
Less Accumulated Depreciation	<u>(3,617,097.14)</u>
Net Property and Equipment	<u>9,998,440.52</u>
Total Assets	<u>\$ 10,721,741.46</u>

Liabilities and Fund Balance

Current Liabilities	
Interest Payable	\$ 40,147.40
Other Current Liabilities	<u>163,375.00</u>
Total Current Liabilities	<u>203,522.40</u>
Long-Term Liabilities	
Notes Payable USDA	<u>4,057,000.00</u>
Total Long-Term Liabilities	<u>4,057,000.00</u>
Total Liabilities	<u>4,260,522.40</u>
Fund Balance	
Other Equity	6,649,092.60
Retained Earnings	<u>(187,873.54)</u>
Total Fund Balance	<u>6,461,219.06</u>
Total Liabilities and Fund Balance	<u>\$ 10,721,741.46</u>

City of Ferndale
Balance Sheet
GASB 34 ASSETS AND LIABILITIES
As of October 31, 2022

Assets

Property and Equipment	
Buildings and improvements	\$ 479,444.72
Vehicles	181,365.86
Equipment	215,846.19
Roadways	10,782,034.50
Sidewalks	180,800.00
Streetlights	31,684.18
Land	131,000.00
Less Accumulated Depreciation	<u>(10,902,914.64)</u>
Net Property and Equipment	<u>1,099,260.81</u>
 Total Assets	 <u>\$ 1,099,260.81</u>

Liabilities and Fund Balance

Long-Term Liabilities	
Accrued Vacation/Sick pay	\$ 62,115.59
Notes payable-current	2,249.16
Capital leases payable	<u>7,405.82</u>
Total Long-Term Liabilities	<u>71,770.57</u>
Fund Balance	
Other Equity	1,718,440.75
Retained Earnings	<u>(690,950.51)</u>
Total Fund Balance	<u>1,027,490.24</u>
Total Liabilities and Fund Balance	<u>\$ 1,099,260.81</u>

**City of Ferndale
Income Statement
Fund 10 - General Fund**

	1 Month Ended October 31, 2022	4 Months Ended October 31, 2022	FY 2022/2023 Budget	Over/(Under) Budget
	Actual	Actual	Budget	Budget
REVENUES				
Revenues - Taxes				
10014102 Property tax-secured	\$ 0.00	\$ 0.00	\$ 156,259.61	\$ (156,259.61)
10014104 Property tax-unsecured	0.00	0.00	9,011.52	(9,011.52)
10014106 Property tax-prior	0.00	0.00	52.00	(52.00)
10014107 Supplemental role	0.00	0.00	320.00	(320.00)
10014110 Sales and use tax	0.00	38,528.33	165,000.00	(126,471.67)
10014111 Trash franchise	0.00	1,586.36	7,000.00	(5,413.64)
10014112 PG&E franchise	0.00	0.00	14,000.00	(14,000.00)
10014114 Cable franchise	0.00	0.00	12,000.00	(12,000.00)
10014116 Business license tax	215.00	4,878.25	11,457.72	(6,579.47)
10014118 Real Property Transfer tax	0.00	0.00	8,732.97	(8,732.97)
10014120 Transient lodging tax	50.67	72,324.07	154,584.32	(82,260.25)
10014121 TOT Humboldt Lodging Authority	0.00	9,610.03	24,850.80	(15,240.77)
Total Revenue - Taxes	\$ 265.67	\$ 126,927.04	\$ 563,268.94	\$ (436,341.90)
Revenues - Licenses and Permits				
10024132 Construction permits	\$ 695.78	\$ 8,402.72	\$ 0.00	\$ 8,402.72
10024164 Health protection	0.00	1,678.68	3,200.00	(1,521.32)
10024166 Encroachment permits	0.00	400.00	350.00	50.00
10024278 Animal license fees	145.00	1,120.00	1,400.00	(280.00)
Total Revenue - Licenses and Permits	\$ 840.78	\$ 11,601.40	\$ 4,950.00	\$ 6,651.40
Revenues - Use of Money and Property				
10044182 Interest	\$ 0.00	\$ 2,240.03	\$ 16,650.00	\$ (14,409.97)
10044285 Bocce ball revenue	0.00	50.00	0.00	50.00
10044297 Town Hall Rent	295.00	995.00	1,500.00	(505.00)
10044297.1 Community Center rents	50.00	800.00	600.00	200.00
Total Revenue -Use of Money and Property	\$ 345.00	\$ 4,085.03	\$ 18,750.00	\$ (14,664.97)
Revenues - Fines				
10034283 Court fines	\$ 0.00	\$ 0.00	\$ 3,114.71	\$ (3,114.71)
Total Revenue - Fines	\$ 0.00	\$ 0.00	\$ 3,114.71	\$ (3,114.71)
Revenues - Intergovernmental				
10054204 Motor vehicle in-lieu tax	\$ 0.00	\$ 3,521.01	\$ 95,555.11	\$ (92,034.10)
10054222 Home owners prop. tax relief	0.00	0.00	1,069.05	(1,069.05)
10054286 Street sweeping	0.00	9,367.68	19,364.00	(9,996.32)
10054289 RMRA	0.00	5,161.37	22,525.68	(17,364.31)
10054290 Peace off. stds. & trng.	0.00	3,708.03	0.00	3,708.03
10054300 Public safety 1/2 cent	0.00	0.00	3,903.42	(3,903.42)
10054310 COPs Program	0.00	75,050.12	185,000.00	(109,949.88)
Total Revenue - Intergovernmental	\$ 0.00	\$ 96,808.21	\$ 327,417.26	\$ (230,609.05)

**City of Ferndale
Income Statement
Fund 10 - General Fund**

	1 Month Ended October 31, 2022	4 Months Ended October 31, 2022	FY 2022/2023	Over/(Under)
	Actual	Actual	Budget	Budget
Revenues - Fees for Service				
10084271 Parking fees	\$ 108.55	\$ 181.67	\$ 0.00	\$ 181.67
10084287.2 Developer reimbursed fees	0.00	7,382.50	0.00	7,382.50
10084287.3 Reimbursed Fees Planning	0.00	0.00	1,500.00	(1,500.00)
10084287.9 CAP reimbursement grant: RCEA	0.00	(330.00)	0.00	(330.00)
10084291 Special police services	155.00	470.00	4,000.00	(3,530.00)
10084298 Fair racing revenue	44.12	259.42	2,140.50	(1,881.08)
Total Revenue - Fees for Service	\$ 307.67	\$ 7,963.59	\$ 7,640.50	\$ 323.09
Revenues - Other Revenue				
10094284 Donations - Library	\$ 0.00	\$ 0.00	\$ 19,300.72	\$ (19,300.72)
10094284.1 Donations - City	0.00	15,000.00	5,000.00	10,000.00
10094307 Miscellaneous	20,300.00	23,606.60	5,271.94	18,334.66
10094311 Utilities - Little League park	0.00	200.00	200.00	0.00
Total Revenue - Other Revenue	\$ 20,300.00	\$ 38,806.60	\$ 29,772.66	\$ 9,033.94
TOTAL REVENUES	\$ 22,059.12	\$ 286,191.87	\$ 954,914.07	\$ (668,722.20)

**City of Ferndale
Income Statement
Fund 10 - General Fund**

	1 Month Ended October 31, 2022	4 Months Ended October 31, 2022	FY 2022/2023 Budget	Over/(Under) Budget
	Actual	Actual	Budget	Budget
EXPENDITURES				
Expenditures - City Council				
10115012 Office expense	\$ 0.00	\$ 0.00	\$ 200.00	\$ (200.00)
10115013 Advertising	0.00	0.00	1,800.00	(1,800.00)
10115044 Meetings and dues	0.00	0.00	1,350.00	(1,350.00)
10115045 LAFCO fees	<u>0.00</u>	<u>0.00</u>	<u>675.00</u>	<u>(675.00)</u>
Total Expenditures - City Council	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 4,025.00</u>	<u>\$ (4,025.00)</u>
Expenditures City Manager				
10105002 Salary - permanent	\$ 2,665.46	\$ 20,463.44	\$ 34,651.00	\$ (14,187.56)
10105006 Payroll taxes	203.33	1,563.12	2,798.32	(1,235.20)
10105007 Medical/Dental/Vision insurance	699.23	2,796.92	8,703.02	(5,906.10)
10105009 Workers comp. insurance	425.19	2,757.14	2,147.06	610.08
10105010 Deferred retirement	0.00	896.68	2,546.31	(1,649.63)
10105061 Liability Insurance	<u>0.00</u>	<u>0.00</u>	<u>2,425.02</u>	<u>(2,425.02)</u>
Total expenditures -City Manager	<u>\$ 3,993.21</u>	<u>\$ 28,477.30</u>	<u>\$ 53,270.73</u>	<u>\$ (24,793.43)</u>
Expenditures - City Clerk				
10125002 Salary - permanent	\$ 6,447.52	\$ 25,322.70	\$ 89,346.24	\$ (64,023.54)
10125006 Payroll taxes	508.03	2,005.19	8,269.96	(6,264.77)
10125007 Medical/Dental/Vision insurance	1,100.63	4,402.52	13,766.96	(9,364.44)
10125009 Workers comp. insurance	1,022.01	6,627.21	5,160.77	1,466.44
10125010 Deferred retirement	0.00	798.45	6,468.95	(5,670.50)
10125012 Office expense	828.20	1,104.77	5,000.00	(3,895.23)
10125022 IT support	1,353.25	2,839.21	5,000.00	(2,160.79)
10125044 Meetings and dues	0.00	126.90	1,200.00	(1,073.10)
10125061 Liability Insurance	0.00	0.00	5,000.00	(5,000.00)
10125099 Miscellaneous	<u>0.00</u>	<u>13,284.89</u>	<u>0.00</u>	<u>13,284.89</u>
Total Expenditures -City Clerk	<u>\$ 11,259.64</u>	<u>\$ 56,511.84</u>	<u>\$ 139,212.88</u>	<u>\$ (82,701.04)</u>

**City of Ferndale
Income Statement
Fund 10 - General Fund**

	1 Month Ended October 31, 2022	4 Months Ended October 31, 2022	FY 2022/2023 Budget	Over/(Under) Budget
	Actual	Actual	Budget	Budget
Expenditures - City Attorney				
10145052 Professional services	\$ 360.00	\$ 9,141.50	\$ 10,000.00	\$ (858.50)
Total Expenditures - City Attorney	\$ 360.00	\$ 9,141.50	\$ 10,000.00	\$ (858.50)
Expenditures - Government Buildings				
10155002 Salary - permanent	\$ 280.00	\$ 1,056.00	\$ 2,995.36	\$ (1,939.36)
10155006 Payroll taxes	36.82	138.86	456.35	(317.49)
10155009 Workers comp. insurance	40.94	265.50	200.00	65.50
10155012 Office expense	0.00	512.19	1,000.00	(487.81)
10155020 Building and ground maint.	1,208.78	9,688.86	13,000.00	(3,311.14)
10155024 Special department supply	147.60	162.67	0.00	162.67
10155030 Trash service	37.35	149.40	450.00	(300.60)
10155031 Gas	342.07	1,040.57	9,500.00	(8,459.43)
10155032 Utilities	143.55	789.51	2,000.00	(1,210.49)
10155033 Water	3,976.58	4,121.19	4,635.00	(513.81)
10155034 Telephone/internet	406.15	1,710.60	5,000.00	(3,289.40)
10155061 Liability Insurance	0.00	0.00	200.00	(200.00)
10155063 Building and Property Insurance	0.00	0.00	3,400.00	(3,400.00)
Total Expenditures - Government Buildings	\$ 6,619.84	\$ 19,635.35	\$ 42,836.71	\$ (23,201.36)
Expenditures - Non departmental				
10165015 Property tax admin. fees	\$ 0.00	\$ 0.00	\$ 2,649.37	\$ (2,649.37)
10165054 Audit and accounting	0.00	0.00	20,500.00	(20,500.00)
10165054.1 Accounting services	0.00	5,692.00	13,090.00	(7,398.00)
10165055 Contractual services	0.00	180.00	720.00	(540.00)
10165061 Liability Insurance	0.00	0.00	1,000.00	(1,000.00)
10165078 Copy machine expense	348.65	1,379.74	4,680.00	(3,300.26)
10165099 Miscellaneous	199.25	699.05	2,500.00	(1,800.95)
10165200 Car allowance	400.00	1,600.00	4,800.00	(3,200.00)
Total Expenditures - Nondepartmental	\$ 947.90	\$ 9,550.79	\$ 49,939.37	\$ (40,388.58)
Expenditures - Community Promotion				
10175020 Building and ground maint.	\$ 95.73	\$ 95.73	\$ 500.00	\$ (404.27)
10175028 Public restroom	384.26	2,532.31	2,100.00	432.31
10175032 Utilities	(17.25)	148.83	435.92	(287.09)
10175033 Water	136.90	924.70	1,533.50	(608.80)
10175072 Chamber of commerce	7,766.17	15,532.34	31,064.70	(15,532.36)
10175072.1 Donation - Visitors & Conv.	0.00	0.00	1,500.00	(1,500.00)
10175072.3 TOT 2% HLA QTRLY	0.00	9,428.74	28,012.58	(18,583.84)
Total Expenditures - Community Promotion	\$ 8,365.81	\$ 28,662.65	\$ 65,146.70	\$ (36,484.05)

**City of Ferndale
Income Statement
Fund 10 - General Fund**

	1 Month Ended October 31, 2022	4 Months Ended October 31, 2022	FY 2022/2023 Budget	Over/(Under) Budget
	Actual	Actual	Budget	Budget
Expenditures - Police				
10215002 Salary - permanent	\$ 19,185.62	\$ 74,378.58	\$ 256,648.44	\$ (182,269.86)
10215004 Salary - reserve	676.10	9,105.71	28,471.03	(19,365.32)
10215005 Salary - overtime	431.55	4,313.14	14,607.52	(10,294.38)
10215006 Payroll taxes	1,612.79	7,023.86	27,567.11	(20,543.25)
10215007 Medical/Dental/Vision insurance	3,065.38	12,261.52	27,115.55	(14,854.03)
10215009 Workers comp. insurance	3,698.99	23,986.15	37,212.61	(13,226.46)
10215010 Deferred retirement	0.00	4,820.06	12,471.48	(7,651.42)
10215012 Office expense	37.00	465.65	2,000.00	(1,534.35)
10215014 Vehicle expense	4,646.88	10,057.95	8,500.00	1,557.95
10215016 Fuel	2,239.67	5,073.22	20,858.81	(15,785.59)
10215020 Building and ground maint.	380.58	4,209.85	5,000.00	(790.15)
10215022 IT support	30.00	3,263.00	6,000.00	(2,737.00)
10215024 Special department supply	258.60	3,993.61	10,000.00	(6,006.39)
10215026 Uniform expense	0.00	0.00	1,000.00	(1,000.00)
10215026.1 Uniform allowance	0.00	3,000.00	3,000.00	0.00
10215029 Water/sewer	959.98	1,164.89	1,857.24	(692.35)
10215032 Utilities	(29.44)	0.46	1,695.01	(1,694.55)
10215034 Telephone/internet	488.61	1,861.31	5,555.75	(3,694.44)
10215035 Dispatch service	3,216.66	12,866.64	38,600.00	(25,733.36)
10215044 Meetings and dues	0.00	15.00	1,000.00	(985.00)
10215048 Training	500.00	600.00	2,500.00	(1,900.00)
10215051 Physical exams	0.00	0.00	900.00	(900.00)
10215052 Professional services	0.00	70.00	1,000.00	(930.00)
10215061 Liability Insurance	0.00	0.00	21,096.05	(21,096.05)
10215063 Building and Property Insurance	0.00	0.00	1,100.00	(1,100.00)
10215078 Copy machine expense	106.46	425.84	1,500.00	(1,074.16)
10215088 Equipment repair other	0.00	0.00	1,000.00	(1,000.00)
10215098 Background expense	0.00	0.00	1,000.00	(1,000.00)
10215201 Lexipol services	0.00	0.00	2,500.00	(2,500.00)
Total Expenditures - Police	\$ 41,505.43	\$ 182,956.44	\$ 541,756.60	\$ (358,800.16)
Expenditures - Animal Control				
10225096 Animal control	\$ 450.00	\$ 1,896.00	\$ 5,500.00	\$ (3,604.00)
Total Expenditures - Animal Control	\$ 450.00	\$ 1,896.00	\$ 5,500.00	\$ (3,604.00)
Expenditures - Health				
10245052 Professional services	\$ 200.00	\$ 800.00	\$ 2,400.00	\$ (1,600.00)
Total Expenditures - Health	\$ 200.00	\$ 800.00	\$ 2,400.00	\$ (1,600.00)

**City of Ferndale
Income Statement
Fund 10 - General Fund**

	1 Month Ended October 31, 2022	4 Months Ended October 31, 2022	FY 2022/2023 Budget	Over/(Under) Budget
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Expenditures - Streets and Roads				
10315002 Salary - permanent	\$ 1,546.24	\$ 6,225.76	\$ 24,647.90	\$ (18,422.14)
10315006 Payroll taxes	114.83	462.44	2,101.88	(1,639.44)
10315007 Medical/Dental/Vision insurance	425.52	1,702.08	5,263.65	(3,561.57)
10315009 Workers comp. insurance	237.46	1,539.81	1,200.00	339.81
10315010 Deferred retirement	0.00	372.17	1,523.88	(1,151.71)
10315011 Bldg/property insurance	0.00	0.00	589.57	(589.57)
10315014 Vehicle expense	0.00	3,199.79	12,566.00	(9,366.21)
10315020 Building and ground maint.	0.00	0.00	3,000.00	(3,000.00)
10315021 Street maintenance	0.00	0.00	8,500.00	(8,500.00)
10315024 Special department supply	0.00	679.76	1,000.00	(320.24)
10315026.1 Uniform allowance	0.00	0.00	300.00	(300.00)
10315034 Telephone/internet	81.34	326.52	930.00	(603.48)
10315055 Contractual services	0.00	0.00	550.00	(550.00)
10315061 Liability Insurance	0.00	0.00	1,354.32	(1,354.32)
10315088 Equipment repair other	<u>20.59</u>	<u>20.59</u>	<u>500.00</u>	<u>(479.41)</u>
Total Expenditures - Streets and Roads	<u>\$ 2,425.98</u>	<u>\$ 14,528.92</u>	<u>\$ 64,027.20</u>	<u>\$ (49,498.28)</u>
Expenditures - Planning				
10415052 Professional services	\$ 0.00	\$ 9,035.00	\$ 27,104.74	\$ (18,069.74)
10415053 Reimbursable Fees	0.00	5,175.00	4,859.75	315.25
10415055 Contractual services	0.00	550.00	15,191.00	(14,641.00)
10415059 Special Planning Projects	0.00	7,725.00	9,752.50	(2,027.50)
10415620 LRSP PROJECTS	0.00	40.00	332.50	(292.50)
10415630 CLIMATE ACTION PLAN	<u>0.00</u>	<u>0.00</u>	<u>1,516.25</u>	<u>(1,516.25)</u>
Total Expenditures - Planning	<u>\$ 0.00</u>	<u>\$ 22,525.00</u>	<u>\$ 58,756.74</u>	<u>\$ (36,231.74)</u>
Expenditures - City engineer				
10425052 Professional services	<u>\$ 0.00</u>	<u>\$ 2,555.00</u>	<u>\$ 0.00</u>	<u>\$ 2,555.00</u>
Total Expenditures - City engineer	<u>\$ 0.00</u>	<u>\$ 2,555.00</u>	<u>\$ 0.00</u>	<u>\$ 2,555.00</u>
Expenditures - Building Regulation				
10435024 Special department supply	\$ 0.00	\$ 1,695.03	\$ 0.00	\$ 1,695.03
10435052 Professional services	<u>0.00</u>	<u>5,825.40</u>	<u>0.00</u>	<u>5,825.40</u>
Total Expenditures - Building Regulation	<u>\$ 0.00</u>	<u>\$ 7,520.43</u>	<u>\$ 0.00</u>	<u>\$ 7,520.43</u>

**City of Ferndale
Income Statement
Fund 10 - General Fund**

	1 Month Ended October 31, 2022	4 Months Ended October 31, 2022	FY 2022/2023 Budget	Over/(Under) Budget
	Actual	Actual	Budget	Budget
Expenditures - Library				
10615002 Salary - permanent	\$ 280.00	\$ 938.00	\$ 3,301.46	\$ (2,363.46)
10615006 Payroll taxes	36.82	123.35	457.25	(333.90)
10615009 Workers comp. insurance	68.34	443.18	351.82	91.36
10615020 Building and ground maint.	6,200.00	8,219.55	600.00	7,619.55
10615024 Special department supply	0.00	0.00	2,000.00	(2,000.00)
10615031 Gas	0.00	0.00	5,082.62	(5,082.62)
10615032 Utilities	64.10	503.16	1,625.23	(1,122.07)
10615033 Water	45.03	182.07	544.46	(362.39)
10615034 Telephone/internet	145.56	584.22	1,638.63	(1,054.41)
10615061 Liability Insurance	0.00	0.00	389.80	(389.80)
10615063 Building and Property Insurance	0.00	0.00	1,573.43	(1,573.43)
Total Expenditures - Library	\$ 6,839.85	\$ 10,993.53	\$ 17,564.70	\$ (6,571.17)
Expenditures - Parks				
10625002 Salary - permanent	\$ 515.40	\$ 2,135.68	\$ 6,752.75	\$ (4,617.07)
10625006 Payroll taxes	54.80	228.74	769.56	(540.82)
10625007 Medical/Dental/Vision insurance	63.75	255.00	792.15	(537.15)
10625009 Workers comp. insurance	84.96	550.95	429.04	121.91
10625010 Deferred retirement	0.00	64.38	238.57	(174.19)
10625020 Building and ground maint.	191.99	2,058.86	4,500.00	(2,441.14)
10625024 Special department supply	0.00	0.00	400.00	(400.00)
10625032 Utilities	85.64	399.45	942.33	(542.88)
10625033 Water	171.86	580.71	2,730.47	(2,149.76)
10625061 Liability Insurance	0.00	0.00	484.59	(484.59)
10625065 Russ Park expenditures	0.00	0.00	1,500.00	(1,500.00)
Total Expenditures - Parks	\$ 1,168.40	\$ 6,273.77	\$ 19,539.46	\$ (13,265.69)
Expenditures -Community Center				
10635020 Building and ground maint.	\$ 152.96	\$ 164.80	\$ 1,500.00	\$ (1,335.20)
10635063 Building and Property Insurance	0.00	0.00	3,162.92	(3,162.92)
Total Expenditures -Community center	\$ 152.96	\$ 164.80	\$ 4,662.92	\$ (4,498.12)
TOTAL EXPENDITURES	\$ 84,289.02	\$ 402,193.32	\$ 1,078,639.01	\$ (676,445.69)
REVENUES OVER (UNDER) EXPENDITURES	\$ (62,229.90)	\$ (116,001.45)	\$ (123,724.94)	\$ 7,723.49

City of Ferndale
STATEMENT OF REVENUES AND EXPENDITURES
FUND 22 - GAS TAX

	1 Month Ended October 31, 2022 Actual	4 Months Ended October 31, 2022 Actual	FY2022/2023 Budget	Over/(Under) Budget
Revenues				
22314210.1 Gas tax (2105)	\$ 0.00	\$ 1,307.04	\$ 8,057.69	\$ (6,750.65)
22314210.2 Gas tax (2106)	0.00	1,699.93	10,329.87	(8,629.94)
22314210.3 Gas tax (2107)	0.00	1,818.47	10,248.50	(8,430.03)
22314210.4 Gas tax (2107.5)	0.00	1,000.00	1,030.00	(30.00)
22314210.5 Gas Tax (2103)	0.00	2,451.29	10,969.50	(8,518.21)
Total Revenue	<u>0.00</u>	<u>8,276.73</u>	<u>40,635.56</u>	<u>(32,358.83)</u>
EXPENDITURES				
22315002 Salary - permanent	1,989.18	7,999.56	22,106.80	(14,107.24)
22315006 Payroll taxes	152.29	612.11	1,899.24	(1,287.13)
22315007 Medical/Dental/Vision insurance	446.94	1,787.76	5,445.83	(3,658.07)
22315009 Workers comp. insurance	266.92	1,730.86	1,347.86	383.00
22315010 Deferred retirement	0.00	414.27	1,600.20	(1,185.93)
22315057 Street signs	0.00	0.00	500.00	(500.00)
22315058 Street lighting	1,123.28	4,747.31	13,787.00	(9,039.69)
22315061 Liability Insurance	0.00	0.00	1,522.36	(1,522.36)
TOTAL EXPENDITURES	<u>3,978.61</u>	<u>17,291.87</u>	<u>48,209.29</u>	<u>(30,917.42)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (3,978.61)</u>	<u>\$ (9,015.14)</u>	<u>\$ (7,573.73)</u>	<u>\$ (1,441.41)</u>

City of Ferndale
STATEMENT OF REVENUES AND EXPENDITURES
FUND 23 - RSTP

	1 Month Ended October 31, 2022 <u>Actual</u>	4 Months Ended October 31, 2022 <u>Actual</u>	FY2022/2023 <u>Budget</u>	Over/(Under) <u>Budget</u>
Revenues				
23314211 RSTP Revenue	\$ 0.00	\$ 0.00	\$ 10,500.00	\$ (10,500.00)
Total Revenue	<u>0.00</u>	<u>0.00</u>	<u>10,500.00</u>	<u>(10,500.00)</u>
EXPENDITURES				
23315002 Salary - permanent	436.00	1,750.12	6,161.12	(4,411.00)
23315006 Payroll taxes	33.49	134.10	512.87	(378.77)
23315007 Medical/Dental/Vision insurance	117.31	469.24	4,123.60	(3,654.36)
23315009 Workers comp. insurance	75.20	487.63	379.71	107.92
23315010 Deferred retirement	0.00	120.96	0.00	120.96
23315061 Liability Insurance	0.00	0.00	428.89	(428.89)
TOTAL EXPENDITURES	<u>662.00</u>	<u>2,962.05</u>	<u>11,606.19</u>	<u>(8,644.14)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (662.00)</u>	<u>\$ (2,962.05)</u>	<u>\$ (1,106.19)</u>	<u>\$ (1,855.86)</u>

City of Ferndale
STATEMENT OF REVENUES AND EXPENDITURES
FUND 24 - TRANSPORTATION DEVELOPMENT ACT

	1 Month Ended October 31, 2022 <u>Actual</u>	4 Months Ended October 31, 2022 <u>Actual</u>	FY2022/2023 <u>Budget</u>	Over/(Under) <u>Budget</u>
Revenues				
24314231 Transportation devel. act	\$ 0.00	\$ 0.00	\$ 65,847.00	\$ (65,847.00)
Total Revenue	<u>0.00</u>	<u>0.00</u>	<u>65,847.00</u>	<u>(65,847.00)</u>
EXPENDITURES				
24315002 Salary - permanent	1,216.90	4,892.08	21,502.01	(16,609.93)
24315006 Payroll taxes	93.61	375.27	1,836.71	(1,461.44)
24315007 Medical/Dental/Vision insurance	426.83	1,707.32	5,182.24	(3,474.92)
24315009 Workers comp. insurance	270.32	1,752.91	1,411.51	341.40
24315010 Deferred retirement	0.00	406.02	1,692.62	(1,286.60)
24315014 Vehicle expense	159.52	159.52	250.00	(90.48)
24315016 Fuel	1,479.03	3,350.26	12,351.15	(9,000.89)
24315020 Building and ground maint.	0.00	0.00	500.00	(500.00)
24315021 Street maintenance	0.00	0.00	750.00	(750.00)
24315024 Special department supply	0.00	454.08	561.24	(107.16)
24315032 Utilities	162.51	882.43	3,153.51	(2,271.08)
24315033 Water	55.23	253.20	879.90	(626.70)
24315034 Telephone/internet	81.35	326.51	1,015.84	(689.33)
24315061 Liability Insurance	0.00	0.00	1,541.75	(1,541.75)
TOTAL EXPENDITURES	<u>3,945.30</u>	<u>14,559.60</u>	<u>52,628.48</u>	<u>(38,068.88)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (3,945.30)</u>	<u>\$ (14,559.60)</u>	<u>\$ 13,218.52</u>	<u>\$ (27,778.12)</u>

City of Ferndale
STATEMENT OF REVENUES AND EXPENDITURES
FUND 26 - DRAINAGE FUND

FY2022/2023	1 Month Ended October 31, 2022 Actual	4 Months Ended October 31, 2022 Actual	FY2022/2023 Budget	Over/(Under) Budget
Revenues				
26314230 Drainage fund	\$ 64.00	\$ 64.00	\$ 4,500.00	\$ (4,436.00)
26314240 Drainage district fees	0.00	0.00	20,761.81	(20,761.81)
Total Revenue	<u>64.00</u>	<u>64.00</u>	<u>25,261.81</u>	<u>(25,197.81)</u>
EXPENDITURES				
26315002 Salary - permanent	664.50	2,672.28	9,571.55	(6,899.27)
26315006 Payroll taxes	50.99	204.72	812.45	(607.73)
26315007 Medical/Dental/Vision insurance	181.25	725.00	2,452.83	(1,727.83)
26315009 Workers comp. insurance	228.54	1,481.95	1,154.03	327.92
26315010 Deferred retirement	0.00	168.19	688.65	(520.46)
26315019 Creek maintenance	0.00	0.00	1,500.00	(1,500.00)
26315024 Special department supply	0.00	0.00	396.84	(396.84)
26315052 Professional services	1,300.00	2,175.00	2,484.36	(309.36)
26315061 Liability Insurance	0.00	0.00	1,303.45	(1,303.45)
26315194 Interest expense	0.00	2,260.06	2,260.00	0.06
TOTAL EXPENDITURES	<u>2,425.28</u>	<u>9,687.20</u>	<u>22,624.16</u>	<u>(12,936.96)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (2,361.28)</u>	<u>\$ (9,623.20)</u>	<u>\$ 2,637.65</u>	<u>\$ (12,260.85)</u>

City of Ferndale
STATEMENT OF REVENUES AND EXPENDITURES
FUND 25 - INTEGRATED WASTE MANAGEMENT

	1 Month Ended October 31, 2022 Actual	4 Months Ended October 31, 2022 Actual	FY2022/2023 Budget	Over/(Under) Budget
Revenues				
25314288 Tipping fee (int. waste mgt.)	\$ 0.00	\$ 0.00	\$ 4,200.00	\$ (4,200.00)
25314600 Recycling grant	0.00	0.00	5,000.00	(5,000.00)
Total Revenue	<u>0.00</u>	<u>0.00</u>	<u>9,200.00</u>	<u>(9,200.00)</u>
EXPENDITURES				
25315002 Salary - permanent	403.86	1,615.44	5,424.60	(3,809.16)
25315006 Payroll taxes	30.80	123.20	428.95	(305.75)
25315007 Medical/Dental/Vision insurance	105.94	423.76	1,285.44	(861.68)
25315009 Workers comp. insurance	64.42	417.75	325.32	92.43
25315010 Deferred retirement	0.00	135.86	640.29	(504.43)
25315055 Contractual services	0.00	3,000.00	0.00	3,000.00
25315061 Liability Insurance	0.00	0.00	367.44	(367.44)
25315600 Recycling grant expenditures	0.00	18.31	69.22	(50.91)
TOTAL EXPENDITURES	<u>605.02</u>	<u>5,734.32</u>	<u>8,541.26</u>	<u>(2,806.94)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (605.02)</u>	<u>\$ (5,734.32)</u>	<u>\$ 658.74</u>	<u>\$ (6,393.06)</u>

City of Ferndale
INCOME STATEMENT
FUND 30 - SEWER FUND

	1 Month Ended October 31, 2022 Actual	4 Months Ended October 31, 2022 Actual	FY2022/2023 Budget	Over/(Under) Budget
Revenues				
30514274 Sewer service charge	\$ 0.00	\$ (2,544.68)	\$ 911,876.08	\$ (914,420.76)
30514275 Sewer connection fees	0.00	0.00	20,797.84	(20,797.84)
30514303 Septic discharge	0.00	26,352.00	107,845.33	(81,493.33)
Total Revenue	<u>0.00</u>	<u>23,807.32</u>	<u>1,040,519.25</u>	<u>(1,016,711.93)</u>
EXPENSES				
30515002 Salary - permanent	21,530.80	84,900.47	278,403.14	(193,502.67)
30515005 Salary - overtime	309.28	1,855.68	7,932.11	(6,076.43)
30515006 Payroll taxes	1,687.48	6,858.38	24,400.72	(17,542.34)
30515007 Medical/Dental/Vision insurance	4,089.68	16,358.72	49,347.67	(32,988.95)
30515009 Workers comp. insurance	3,039.71	19,710.96	15,349.48	4,361.48
30515010 Deferred retirement	0.00	4,854.34	17,948.59	(13,094.25)
30515012 Office expense	177.55	734.63	1,236.00	(501.37)
30515014 Vehicle expense	0.00	573.43	618.00	(44.57)
30515016 Fuel	507.10	1,148.65	4,243.32	(3,094.67)
30515021 Street maintenance	1,900.00	1,900.00	0.00	1,900.00
30515024 Special department supply	223.95	1,285.97	1,030.00	255.97
30515030 Trash service	313.54	1,256.16	7,000.00	(5,743.84)
30515032 Utilities	6,001.40	24,298.72	79,411.24	(55,112.52)
30515033 Water	1,256.88	1,499.98	2,432.33	(932.35)
30515034 Telephone/internet	553.95	2,213.25	6,496.30	(4,283.05)
30515044 Meetings and dues	0.00	675.00	670.00	5.00
30515048 Training	0.00	0.00	300.00	(300.00)
30515050 IT Support	50.00	300.00	2,000.00	(1,700.00)
30515052 Professional services	0.00	0.00	960.00	(960.00)
30515055 Contractual services	0.00	0.00	8,100.00	(8,100.00)
30515063 Building and Property Insurance	0.00	0.00	1,910.00	(1,910.00)
30515092 Permits	0.00	0.00	13,500.00	(13,500.00)
30515099 Miscellaneous	0.00	0.00	2,500.00	(2,500.00)
30515121 Sewer plant maintenance	3,244.82	13,558.67	50,000.00	(36,441.33)
30515122 Sewer line maintenance	0.00	0.00	59,000.00	(59,000.00)
30515124 Sewer outflow repair	0.00	266.03	0.00	266.03
30515130 Ultra Violet Lights	0.00	0.00	1,000.00	(1,000.00)
30515157 Testing and monitoring	1,066.96	2,591.96	16,149.37	(13,557.41)
30515160 Postage & Shipping	0.00	0.00	600.00	(600.00)
30515162 Insurance	0.00	0.00	17,336.66	(17,336.66)
30515190 USDA loan	0.00	147,176.87	194,000.00	(46,823.13)
TOTAL EXPENSES	<u>45,953.10</u>	<u>334,017.87</u>	<u>863,874.93</u>	<u>(529,857.06)</u>
NET INCOME (LOSS)	<u>\$ (45,953.10)</u>	<u>\$ (310,210.55)</u>	<u>\$ 176,644.32</u>	<u>\$ (486,854.87)</u>

City of Ferndale
Cash Balances

As of October 31, 2022

Cash Balances

Current Assets	
General Fund	\$ 820,543.54
Restricted Cash	15,150.00
Park	100,000.00
Gas Tax	(17,728.74)
RSTF	6,891.23
TDA	197,601.40
IWM	48,726.82
Drainage	(18,836.47)
Sewer	<u>723,300.94</u>
Total	<u>\$ 1,875,648.72</u>
Checking	\$ 1,214,936.23
LAIIF	660,562.49
Petty cash	<u>150.00</u>
Total	<u>\$ 1,875,648.72</u>

Meeting Date:	December 21, 2022	Agenda Item Number	9.e			
Agenda Item Title	Acceptance of Audited Financial Statements for FY 2021-22					
Presented By:	City Manager					
Type of Item:	<input checked="" type="checkbox"/>	Action	<input type="checkbox"/>	Discussion	<input type="checkbox"/>	Information
Action Required:	<input type="checkbox"/>	No Action	<input type="checkbox"/>	Voice Vote	<input checked="" type="checkbox"/>	Roll Call Vote

RECOMMENDATION

Approve the City of Ferndale Audited Financial Statements for FY 2021-22.

BACKGROUND:

The City has all financial transactions audited every year. This audit reviews how the city conducts business. It also ensures that the city's transactions were done properly and in compliance with all state and federal laws and follow standard accounting procedures.

The Certified Public Accountant firm of JJCPA, Inc. did an independent audit report on the City's Financial Statements for the fiscal year ending June 30, 2022.

After the adoption of the Audited Financial Statements, the statements are sent to various agencies and lending institutions including the State of California, REMIF, and the agencies with which the City currently has outstanding loans.

FISCAL IMPACT:

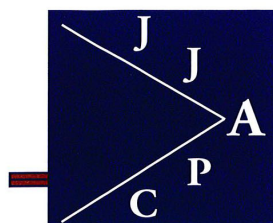
None

ANY PUBLIC MEMBER MAY REQUEST A HARD OR ELECTRONIC COPY OF THE AUDITED FINANCIAL STATEMENTS FOR FY2021-22. THEY ARE ALSO AVAILABLE FOR VIEWING, DOWNLOADING, OR PRINTING ON OUR WEBSITE.

CITY OF FERNDALE

**COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE AND
COMMUNICATION OF INTERNAL CONTROL RELATED MATTERS**

JUNE 30, 2022



JJACPA, Inc.

A Professional Accounting Services Corp.

November 3, 2022

City Council
City of Ferndale
Ferndale, California

We have audited the financial statements of City of Ferndale (City) as of and for the year ended June 30, 2022 and have issued our report thereon dated November 3, 2022. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated February 9, 2022, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm has complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during fiscal year ended June 30, 2022. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are useful lives of capital assets ("useful lives").

Management's estimate of the useful lives is based on experience with and observation of capital assets, by category (e.g. infrastructure) as well as industry standards, when applicable (i.e. buildings). We evaluated the key factors and assumptions used to develop the useful lives and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City's financial statements relate to commitments and contingencies.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. Reclassifications were required for accounts receivable in the amount of \$189,918 and accounts payable of \$26,619 were required to report amounts on a fund basis in the financial statements as amounts in the City's general ledger were included in General Fund amounts.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated November 3, 2022.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Findings or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the City, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the entity's auditors.

Communication of Internal Control Related Matters

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

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

Very truly yours,

Joseph J. Arch

JOSEPH J ARCH, CPA
President/CEO
JJACPA, INC.



November 3, 2022

JJACPA, Inc.
7080 Donlon Way, Suite 204
Dublin, CA 94568

This representation letter is provided in connection with your audit of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information, and the budgetary comparison information for the City of Ferndale, California (City) as of June 30, 2022 and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the City in conformity with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of November 3, 2022:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated July 22, 2022 for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for 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.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

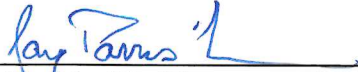
- The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
 - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
 - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statements.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The City has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which the City is contingently liable.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
- The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.

- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

To the best of our knowledge and belief, no events have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements, other than those already disclosed.



Jay Parrish, City Manager



Lauren Boop, Financial Manager

Section 10

CALL ITEMS

*These are items pulled from the consent agenda
for discussion and a separate motion.*

Section 11

PRESENTATION

Section 12

PUBLIC HEARING

Section 13

BUSINESS

Meeting Date:	December 21, 2022	Agenda Item Number	13.a
Agenda Item Title:	Authorizing the Resolutions and Agreements to Implement Measure N, the Transactions and Use Tax Measure Approved by a Majority of Ferndale Voters on November 8, 2022		
Presented By:	City Manager		
Type of Item:	<input checked="" type="checkbox"/> Action	<input type="checkbox"/> Discussion	<input type="checkbox"/> Information
Type of Action:	<input type="checkbox"/> No Action	<input type="checkbox"/> Voice Vote	<input checked="" type="checkbox"/> Roll Call Vote

RECOMMENDATION

1. Adopt Resolution 2022-29 Authorizing the City Manager to Execute Agreements with the California Department of Tax and Fee Administration (CDTFA) for the Implementation of a Local Transactions and Use Tax.
2. Adopt Resolution 2022-30 Authorizing the Examination of Transaction (Sales) and Use Tax Records.

BACKGROUND:

At the City Council meeting on August 3, 2020, the City Council approved Resolution No. 2022-08 to place a three-quarters cents (3/4¢) transactions and use tax ("sales tax") measure on the November 8, 2022, ballot. On November 8, 2022, the majority of Ferndale voters passed the City's Measure N (the City of Ferndale's Transactions and Use Tax Ordinance 2022-03).

The City Council certified the final election results for Measure N at tonight's meeting. The sales tax will become operative on April 1, 2023, and will remain in effect until March 31, 2031, and would expire automatically, unless extended by the voters. Measure N provides that prior to the operative date of the sales tax, the City shall contract with the CDTFA to perform all functions incident to the administration and operation of the transactions and use tax ordinance. Once the resolutions are approved by the City Council and agreements executed, the CDTFA will be able to implement the sales tax on behalf of the City.

In order to implement the sales tax with the CDTFA, the City must execute the CDTFA agreement package and pertinent forms. Part of CDFTA agreement package can be handled by staff administratively, but the following items must be approved by the City Council including:

1. Resolution 2022-29 authorizing the City Manager to execute a Preparatory Agreement and Administrative Agreement with CDTFA to implement Measure N, the local sales tax on behalf of the City. (Attachment A)

Exhibit A: A Preparatory Agreement with the CDTFA that describes the work needed to prepare to administer and operate the sales tax, and associated costs.

The CDTFA's costs for preparatory work include costs of developing procedures, programming for data processing, developing, and adopting appropriate regulations, designing and printing forms, developing instructions for CDTFA's staff and for taxpayers, and other appropriate and necessary preparatory costs to administer the sales tax ordinance, including direct and indirect preparatory costs specified by Government Code section 11256. The preparatory costs cannot exceed \$175,000 pursuant to Revenue and Taxation Code section 7272.

Exhibit B: The Administrative Agreement with the CDTFA to implement Measure N, the local sales tax. The Administrative Agreement authorizes CDTFA to exclusively perform all functions incident to the administration and operation of the City's transactions and use tax ordinance in accordance with applicable laws and regulations. CDTFA will collect and transmit the sales tax to the City on a periodic basis, but at least twice per quarter while the tax is in effect. The City will pay CDTFA the costs to administer the sales tax, which CDTFA will deduct from collected tax revenues.

2. Resolution 2022-30 authorizing specific City Staff (specifically, City Manager, City Clerk, and Finance Manager), to examine the confidential transactions and use tax records of the CDTFA pertaining to the sales tax collected for the City pursuant to Revenue and Taxation Code section 7056. (Attachment B)

FISCAL IMPACT:

None

ATTACHMENTS:

1. Resolution 2022-29
2. Resolution 2022-30

ATTACHMENT A – RESOLUTION 2022-29

RESOLUTION NO. 2022-29

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FERNDALE
AUTHORIZING THE CITY MANAGER TO EXECUTE AGREEMENTS WITH THE
CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION FOR
IMPLEMENTATION OF A LOCAL TRANSACTIONS AND USE TAX.**

WHEREAS, on June 15, 2022, the City Council approved Ordinance No. 2022-03 providing for a local transactions and use tax, subject to approval by the voters; and

WHEREAS, the California Department of Tax and Fee Administration (Department) administers and collects the transactions and use taxes for all applicable jurisdictions within the state; and

WHEREAS, the Department will be responsible to administer and collect the transactions and use tax for the City; and

WHEREAS, the Department requires that the City enter into a “Preparatory Agreement” and an “Administration Agreement” prior to implementation of said taxes, and

WHEREAS, the Department requires that the City Council authorize the agreements;

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Ferndale that the “Preparatory Agreement” attached as **Exhibit A** and the “Administrative Agreement” attached as **Exhibit B** are hereby approved and the City Manager is hereby authorized to execute each agreement.

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Ferndale held on December 21, 2022, by the following vote, to wit:

AYES: _____

NOES: _____

ABSENT: _____

DATED: _____

ATTEST: (s) _____
Kristene Hall, City Clerk

(s) _____
Randall Cady, Mayor

EXHIBIT A – PREPARATORY AGREEMENT

**AGREEMENT FOR PREPARATION TO ADMINISTER AND OPERATE
CITY'S TRANSACTIONS AND USE TAX ORDINANCE**

In order to prepare to administer a transactions and use tax ordinance adopted in accordance with the provision of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code, the City of Ferndale, hereinafter called *City*, and the CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION, hereinafter called *Department*, do agree as follows:

1. The Department agrees to enter into work to prepare to administer and operate a transactions and use tax in conformity with Part 1.6 of Division 2 of the Revenue and Taxation Code which has been approved by a majority of the electors of the City and whose ordinance has been adopted by the City.

2. City agrees to pay to the Department at the times and in the amounts hereinafter specified all of the Department's costs for preparatory work necessary to administer the City's transactions and use tax ordinance. The Department's costs for preparatory work include costs of developing procedures, programming for data processing, developing and adopting appropriate regulations, designing and printing forms, developing instructions for the Department's staff and for taxpayers, and other appropriate and necessary preparatory costs to administer a transactions and use tax ordinance. These costs shall include both direct and indirect costs as specified in Section 11256 of the Government Code.

3. Preparatory costs may be accounted for in a manner which conforms to the internal accounting and personnel records currently maintained by the Department. The billings for costs may be presented in summary form. Detailed records of preparatory costs will be retained for audit and verification by the City.

4. Any dispute as to the amount of preparatory costs incurred by the Department shall be referred to the State Director of Finance for resolution, and the Director's decision shall be final.

5. Preparatory costs incurred by the Department shall be billed by the Department periodically, with the final billing within a reasonable time after the operative date of the ordinance. City shall pay to the Department the amount of such costs on or before the last day of the next succeeding month following the month when the billing is received.

6. The amount to be paid by City for the Department's preparatory costs shall not exceed one hundred seventy-five thousand dollars (\$175,000) (Revenue and Taxation Code Section 7272.)

7. Communications and notices may be sent by first class United States mail. Communications and notices to be sent to the Department shall be addressed to:

California Department of Tax and Fee Administration
P.O. Box 942879 MIC: 27
Sacramento, California 94279-0027

Attention: Administrator
Local Revenue Branch

Communications and notices to be sent to City shall be addressed to:

City of Ferndale
POB 1095
Ferndale, CA 95536

8. The date of this agreement is the date on which it is approved by the Department of General Services. This agreement shall continue in effect until the preparatory work necessary to administer City's transactions and use tax ordinance has been completed and the Department has received all payments due from City under the terms of this agreement.

CITY OF FERNDALE

CALIFORNIA DEPARTMENT OF TAX
AND FEE ADMINISTRATION

By _____
(Signature)

By _____
Administrator
Local Revenue Branch

Jay Parrish
(Typed Name)

City Manager
(Title)

EXHIBIT B – ADMINISTRATIVE AGREEMENT

**AGREEMENT FOR STATE ADMINISTRATION
OF CITY TRANSACTIONS AND USE TAXES**

The City Council of the City of Ferndale has adopted, and the voters of the City of Ferndale (hereafter called “City” or “District”) have approved by the required majority vote, the City of Ferndale Transactions and Use Tax Ordinance (hereafter called “Ordinance”), a copy of which is attached hereto. To carry out the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code and the Ordinance, the California State Department of Tax and Fee Administration, (hereinafter called the “Department”) and the City do agree as follows:

**ARTICLE I
DEFINITIONS**

Unless the context requires otherwise, wherever the following terms appear in the Agreement, they shall be interpreted to mean the following:

1. "District taxes" shall mean the transactions and use taxes, penalties, and interest imposed under an ordinance specifically authorized by Revenue and Taxation code Sections 7261 and 7262, and in compliance with Part 1.6, Division 2 of the Revenue and Taxation Code.

2. "City Ordinance" shall mean the City's Transactions and Use Tax Ordinance referred to above and attached hereto, Ordinance No. 2022-03, as amended from time to time, or as deemed to be amended from time to time pursuant to Revenue and Taxation Code Section 7262.2.

**ARTICLE II
ADMINISTRATION AND COLLECTION
OF CITY TAXES**

A. Administration. The Department and City agree that the Department shall perform exclusively all functions incident to the administration and operation of the City Ordinance.

B. Other Applicable Laws. City agrees that all provisions of law applicable to the administration and operation of the Department Sales and Use Tax Law which are not inconsistent with Part 1.6 of Division 2 of the Revenue and Taxation Code shall be applicable to the administration and operation of the City Ordinance. City agrees that money collected pursuant to the City Ordinance may be deposited into the State Treasury to the credit of the Retail Sales Tax Fund and may be drawn from that Fund for any authorized purpose, including making refunds, compensating and reimbursing the Department pursuant to Article IV of this Agreement, and transmitting to City the amount to which City is entitled.

C. Transmittal of money.

1. For the period during which the tax is in effect, and except as otherwise provided herein, all district taxes collected under the provisions of the City Ordinance shall be transmitted to City periodically as promptly as feasible, but not less often than twice in each calendar quarter.

2. For periods subsequent to the expiration date of the tax whether by City's self-imposed limits or by final judgment of any court of the State of California holding that City's ordinance is invalid or void, all district taxes collected under the provisions of the City Ordinance shall be transmitted to City not less than once in each calendar quarter.

3. Transmittals may be made by mail or electronic funds transfer to an account of the City designated and authorized by the City. A statement shall be furnished at least quarterly indicating the amounts withheld pursuant to Article IV of this Agreement.

D. Rules. The Department shall prescribe and adopt such rules and regulations as in its judgment are necessary or desirable for the administration and operation of the City Ordinance and the distribution of the district taxes collected thereunder.

E. Preference. Unless the payor instructs otherwise, and except as otherwise provided in this Agreement, the Department shall give no preference in applying money received for state sales and use taxes, state-administered local sales and use taxes, and district transactions and use taxes owed by a taxpayer, but shall apply moneys collected to the satisfaction of the claims of the State, cities, counties, cities and counties, redevelopment agencies, other districts, and City as their interests appear.

F. Security. The Department agrees that any security which it hereafter requires to be furnished by taxpayers under the State Sales and Use Tax Law will be upon such terms that it also will be available for the payment of the claims of City for district taxes owing to it as its interest appears. The Department shall not be required to change the terms of any security now held by it, and City shall not participate in any security now held by the Department.

G. Records of the Department.

When requested by resolution of the legislative body of the City under section 7056 of the Revenue and Taxation Code, the Department agrees to permit authorized personnel of the City to examine the records of the Department, including the name, address, and account number of each seller holding a seller's permit with a registered business location in the City, pertaining to the ascertainment of transactions and use taxes collected for the City. Information obtained by the City from examination of the Department's records shall be used by the City only for purposes related to the collection of transactions and use taxes by the Department pursuant to this Agreement.

H. Annexation. City agrees that the Department shall not be required to give effect to an annexation, for the purpose of collecting, allocating, and distributing District transactions and use taxes, earlier than the first day of the calendar quarter which commences not less than two months after notice to the Department. The notice shall include the name of the county or counties annexed to the extended City boundary. In the event the City shall annex an area, the boundaries of which are not coterminous with a county or counties, the notice shall include a description of the area annexed and two maps of the City showing the area annexed and the location address of the property nearest to the extended City boundary on each side of every street or road crossing the boundary.

ARTICLE III

ALLOCATION OF TAX

A. Allocation. In the administration of the Department's contracts with all districts that impose transactions and use taxes imposed under ordinances, which comply with Part 1.6 of Division 2 of the Revenue and Taxation Code:

1. Any payment not identified as being in payment of liability owing to a designated district or districts may be apportioned among the districts as their interest appear, or, in the discretion

of the Department, to all districts with which the Department has contracted using ratios reflected by the distribution of district taxes collected from all taxpayers.

2. All district taxes collected as a result of determinations or billings made by the Department, and all amounts refunded or credited may be distributed or charged to the respective districts in the same ratio as the taxpayer's self-declared district taxes for the period for which the determination, billing, refund or credit applies.

B. Vehicles, Vessels, and Aircraft. For the purpose of allocating use tax with respect to vehicles, vessels, or aircraft, the address of the registered owner appearing on the application for registration or on the certificate of ownership may be used by the Department in determining the place of use.

ARTICLE IV COMPENSATION

The City agrees to pay to the Department as the State's cost of administering the City Ordinance such amount as is provided for by law. Such amounts shall be deducted from the taxes collected by the Department for the City.

ARTICLE V MISCELLANEOUS PROVISIONS

A. Communications. Communications and notices may be sent by first class United States mail to the addresses listed below, or to such other addresses as the parties may from time to time designate. A notification is complete when deposited in the mail.

Communications and notices to be sent to the Department shall be addressed to:

California State Department of Tax and Fee Administration
P.O. Box 942879
Sacramento, California 94279-0027

Attention: Administrator
Local Revenue Branch

Communications and notices to be sent to the City shall be addressed to:

City of Ferndale
POB 1095
Ferndale, CA 95536

Unless otherwise directed, transmittals of payment of District transactions and use taxes will be sent to the address above.

B. Term. The date of this Agreement is the date on which it is approved by the Department of General Services. The Agreement shall take effect on April 1, 2023. This Agreement shall continue until December 31 next following the expiration date of the City Ordinance, and shall thereafter be renewed automatically from year to year until the Department completes all work necessary to the administration of the City Ordinance and has received and disbursed all payments due under that Ordinance.

C. Notice of Repeal of Ordinance. City shall give the Department written notice of the repeal of the City Ordinance not less than 110 days prior to the operative date of the repeal.

ARTICLE VI
ADMINISTRATION OF TAXES IF THE
ORDINANCE IS CHALLENGED AS BEING INVALID

A. Impoundment of funds.

1. When a legal action is begun challenging the validity of the imposition of the tax, the City shall deposit in an interest-bearing escrow account, any proceeds transmitted to it under Article II. C., until a court of competent jurisdiction renders a final and non-appealable judgment that the tax is valid.

2. If the tax is determined to be unconstitutional or otherwise invalid, the City shall transmit to the Department the moneys retained in escrow, including any accumulated interest, within ten days of the judgment of the trial court in the litigation awarding costs and fees becoming final and non-appealable.

B. Costs of administration. Should a final judgment be entered in any court of the State of California, holding that City's Ordinance is invalid or void, and requiring a rebate or refund to taxpayers of any taxes collected under the terms of this Agreement, the parties mutually agree that:

1. Department may retain all payments made by City to Department to prepare to administer the City Ordinance.

2. City will pay to Department and allow Department to retain Department's cost of administering the City Ordinance in the amounts set forth in Article IV of this Agreement.

3. City will pay to Department or to the State of California the amount of any taxes plus interest and penalties, if any, that Department or the State of California may be required to rebate or refund to taxpayers.

4. City will pay to Department its costs for rebating or refunding such taxes, interest, or penalties. Department's costs shall include its additional cost for developing procedures for processing

the rebates or refunds, its costs of actually making these refunds, designing and printing forms, and developing instructions for Department's staff for use in making these rebates or refunds and any other costs incurred by Department which are reasonably appropriate or necessary to make those rebates or refunds. These costs shall include Department's direct and indirect costs as specified by Section 11256 of the Government Code.

5. Costs may be accounted for in a manner, which conforms to the internal accounting, and personnel records currently maintained by the Department. The billings for such costs may be presented in summary form. Detailed records will be retained for audit and verification by City.

6. Any dispute as to the amount of costs incurred by Department in refunding taxes shall be referred to the State Director of Finance for resolution and the Director's decision shall be final.

7. Costs incurred by Department in connection with such refunds shall be billed by Department on or before the 25th day of the second month following the month in which the judgment of a court of the State of California holding City's Ordinance invalid or void becomes final. Thereafter Department shall bill City on or before the 25th of each month for all costs incurred by Department for the preceding calendar month. City shall pay to Department the amount of such costs on or before the last day of the succeeding month and shall pay to Department the total amount of taxes, interest, and penalties refunded or paid to taxpayers, together with Department costs incurred in making those refunds.

CITY OF FERNDALE

CALIFORNIA STATE DEPARTMENT OF
TAX AND FEE ADMINISTRATION

By _____
(Signature)

By _____
Administrator
Local Revenue Branch

Jay Parrish
(Typed Name)

City Manager
(Title)

ATTACHMENT: ORDINANCE 2022-03

ORDINANCE NO. 2022-03**AN ORDINANCE OF THE PEOPLE OF THE CITY OF FERNDALE
APPROVING AND AUTHORIZING A TRANSACTIONS AND USE TAX TO BE
ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE
ADMINISTRATION TO PROVIDE SUPPLEMENTAL FUNDING FOR POLICE AND
ESSENTIAL SERVICES WITHIN THE CITY OF FERNDALE**

WHEREAS, the City of Ferndale ("City") does not now—and historically has not—levied a local sales tax in excess of the State-wide base sales tax;

WHEREAS, the tax revenue generated by the State-wide sales tax within the City is not controlled by the City, but is controlled and expended by the State, with only a small percentage actually returning to our community;

WHEREAS, Parts 1.6 and 1.7 of Division 2 of the Revenue and Taxation Code authorize the City to impose a retail transaction and use tax in the incorporated territory of the City for general purposes at a rate of 0.125% (or any multiple thereof);

WHEREAS, a locally-enacted sales tax measure would protect and maintain the City's essential services because the money is legally required to stay in our community and cannot be taken by the State, providing locally controlled funds for local services;

WHEREAS, the City desires to impose such a tax for the purpose of funding local public safety services at a rate of three-quarters percent (0.75%) on the sale of tangible personal property and the storage, use, or other consumption of such property. The tax revenue would be collected by the California Department of Tax and Fee Administration and remitted to the City;

WHEREAS, the City Council has determined that the most prudent, reasonable, and financially responsible action it can take to preserve the fiscal stability of the City and to protect vital services in our City is to place before the voters a ballot measure to approve the local tax measure and to recommend its adoption to the voters; and

WHEREAS, the tax, if approved by a majority of the voters, would be authorized until March 31, 2031, and would then expire automatically, unless extended by the voters.

**NOW, THEREFORE, THE PEOPLE OF THE CITY OF FERNDALE ORDAIN
AS FOLLOWS:****ARTICLE 1: FERNDALE POLICE AND ESSENTIAL SERVICES TRANSACTION
AND USE (SALES) TAX**

§1.01 Title: This ordinance shall be known as the "Ferndale Police and Essential Services Transactions and Use (Sales) Tax Ordinance." The City of Ferndale hereinafter shall be called "City." This ordinance shall be applicable in the incorporated territory of the city.

- §1.02** Operative Date: “Operative date” means the first day of the first calendar quarter commencing more than 110 days after the effective date, as determined in section 2.03 of this ordinance.
- §1.03** Purpose: This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:
- 1.03.01 To impose a retail transaction and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this tax ordinance, which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.
- 1.03.02 To adopt a retail transaction and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the state of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.
- 1.03.03 To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collection of the California state sales and use taxes.
- 1.03.04 To adopt a retail transaction and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provision of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.
- §1.04** Contract with State: Prior to the operative date, the City shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the California Department of Tax and Fee Administration prior to operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

- §1.05** Transactions tax rate: For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of three-quarters percent (0.75%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.
- §1.06** Place of Sale: For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from sales include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the state or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.
- §1.07** Use tax rate: An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of three-quarters percent (0.75%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.
- §1.08** Adoption of provisions of state law: Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provision of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.
- §1.09** Limitations on adoption of state law and collection of use taxes: In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:
- 1.09.01 Wherever the state of California is named or referred to as the taxing agency, the name of this City shall be substituted therefor. However, the substitution shall not be made when:
- a. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Treasury, or the Constitution of the State of California.
- b. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee

thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this Ordinance.

- c. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:
 - i. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;
 - ii. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.
- d. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

1.09.02 The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

§1.10 Permit Not Required: If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

§1.11 Exemptions and Exclusions:

1.11.01 There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

1.11.02 There are exempted from the computation of the amount of transactions tax the gross receipts from:

- a. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.
- b. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:
 - i. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and
 - ii. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.
- c. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
- d. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.
- e. For the purposes of subparagraphs (c) and (d) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has

the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

- 1.11.03 There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this City of tangible personal property:
- a. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.
 - b. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.
 - c. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
 - d. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.
 - e. For the purposes of subparagraphs (c) and (d) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
 - f. Except as provided in subparagraph (g), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either

directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

- g. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

- 1.11.04 Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

§1.12 Amendments: All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

§1.13 Enjoining Collection Forbidden: No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

§1.14 Independent annual audit: Annually the City Council retains an independent auditor to conduct an audit of and provide audited financial statements for all the City's financial activities. The auditor shall include an accounting of the revenue received from the tax and expenditures thereof in the audited financial statements. The auditor's report shall be presented to the City Council and made available to the public.

§1.15 Amendments of Ordinance – Rescission of tax:

- 1.15.01 The following amendments to this ordinance must be approved by the voters of the City of Ferndale:
- a. increasing the tax rate or revising the methodology for calculating the tax such that a tax increase would result;
 - b. imposing the tax on transactions and uses not previously subject to the tax (unless such amendment occurs automatically by operation of section 1.12 of this ordinance); or
 - c. extending the tax beyond the termination date set forth in section 1.16 of this ordinance.
- 1.15.02 Except as provided in subsection 1.15.01 of this ordinance or as prohibited by law, the City Council may amend this ordinance without submitting the amendment to the voters for approval.
- 1.15.03 The City Council may, with a four-fifths vote of the entire Council, rescind the ordinance codified in this ordinance and terminate the tax at any time and without voter approval.

§1.16 Termination of Tax: The authority to levy the tax imposed by this ordinance shall expire March 31, 2031, unless sooner repealed by the City Council or by the voters.

ARTICLE 2: GENERAL PROVISIONS

- §2.01** Approval by Voters: The qualified votes of the City of Ferndale hereby approve and adopt this ordinance.
- §2.02** Severability: If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.
- §2.03** Effective Date: This ordinance relates to the levying and collecting of the City transactions and use taxes. If this ordinance is approved by the City of Ferndale electorate as outlined above, then this ordinance shall become effective ten (10) days following the date the vote is declared by the City Council in accordance with Elections Code Section 9217.
- §2.04** Compliance with CEQA. The action to adopt this ordinance involves the establishment of a retail transactions and use tax and does not involve any commitment to any specific project that may result in a potentially significant

impact on the environment and thus is not a "project" subject to the requirements of the California Environmental Quality Act (Public Resources Code Section 21000, et seq.) (CEQA) pursuant to CEQA Guidelines Section 15378 (b)(4); additionally, it can be seen with certainty that there is no possibility the adoption and implementation' of this ordinance may have a significant effect on the environment, and accordingly the adoption of this ordinance is exempt from the provisions of CEQA pursuant to the "general rule" at CEQA Guidelines Section 15061(b)(3).

§2.05 Publication: Upon approval by the voters, the City Clerk shall certify to the passage and adoption of this ordinance and shall cause it to be published according to law and transmitted to the California Department of Tax and Fee Administration.

INTRODUCED, PASSED, AND SUBMITTED TO THE VOTERS FOR ADOPTION by the City Council of the City of Ferndale on the 15th day of June, 2022, **by at least a two-thirds vote** of the City Council, as follows:

AYES: 5
NOES: 0
ABSENT: 0
ABSTAIN: 0


Don Hindley, Mayor

ATTEST:



Kristene Hall, City Clerk

Approved As To Form:



Ryan Plotz, City Attorney

ATTACHMENT B – RESOLUTION 2022-30

RESOLUTION 2022-30**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FERNDALE AUTHORIZING
EXAMINATION OF
SALES OR TRANSACTIONS AND USE TAXES RECORDS**

WHEREAS, pursuant to Ordinance Number 2022-03 of the City of Ferndale (“City”), and Revenue and Taxation Code section 7270, the City entered into a contract with the California Department of Tax and Fee Administration (“Department”) to perform all functions incident to the administration and collection of transactions and use taxes; and

WHEREAS, the City Council deems it desirable and necessary for authorized officers, employees and representatives of the City to examine confidential sales or transactions and use tax records of the Department pertaining to transactions and use taxes collected by the Department for the City pursuant to that contract; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Department records, and Section 7056.5 of the California Revenue and Taxation Code establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales or transactions and use tax records of the Department;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FERNDALE HEREBY RESOLVES AS FOLLOWS:

Section 1. That the City Manager, Finance Manager, City Clerk, or other officer or employee of the District designated in writing by the City Manager to the California Department of Tax and Fee Administration is hereby appointed to represent the District with authority to examine sales or transactions and use tax records of the Department pertaining to transactions and use taxes collected for the District by the Department pursuant to the contract between the District and the Department.

Section 2.

The information obtained by examination of Department records shall be used only for purposes related to the collection of District transactions and use taxes by the Department pursuant to that contract.

Section 3.

That this resolution supercedes all prior resolutions of the City Council adopted pursuant to subdivision (b) of Revenue and Taxation Code section 7056.

Introduced, approved and adopted this 21st day of December 2022.

ATTEST: (s) _____
Randall Cady, Mayor

I, Kristene Hall, City Clerk of the City of Ferndale, California, DO HEREBY CERTIFY that the foregoing resolution was duly introduced, approved and adopted by the Board of the District, City of Ferndale, at a regular meeting of said Board held on the 21st day of December, 2022, by the following roll-call vote:

Ayes: (Names of Board Members)

Noes: (Names of Board Members)

Absent: (Names of Board Members)

(s) _____
Clerk

Meeting Date:	December 21, 2022	Agenda Item Number	13.b
Agenda Item Title:	Resolution No. 2022-31 Establishing City Council Meeting Schedule from January 2023 through December 2023		
Presented By:	City Manager		
Type of Item:	<input checked="" type="checkbox"/> Action	<input type="checkbox"/> Discussion	<input type="checkbox"/> Information
Type of Action:	<input type="checkbox"/> No Action	<input type="checkbox"/> Voice Vote	<input checked="" type="checkbox"/> Roll Call Vote

RECOMMENDATION

Approve Resolution No. 2022-31 Establishing City Council Meeting Schedule from January 2023 through December 2023.

BACKGROUND:

The City must, by resolution, confirm its meeting schedule each year. Currently, the City Council conducts its Regular Meetings on the third Wednesday of the month at 7 p.m. Staff is recommending changing the meeting time to 6:00 p.m. making the meetings a little earlier.

The location of any in person meetings will be at City Hall, 834 Main Street, Ferndale.

FISCAL IMPACT:

None

ATTACHMENT

1. Resolution 2022-31

RESOLUTION NO. 2022-31**A RESOLUTION OF THE FERNDALE CITY COUNCIL ESTABLISHING THE MEETING SCHEDULE FOR THE FERNDALE CITY COUNCIL FOR JANUARY 2023 THROUGH DECEMBER 2023**

WHEREAS, Ordinance 06-03 establishes that the meeting schedule of the City Council shall be set by resolution; and

WHEREAS, the City Council of the City of Ferndale desires to hold the meetings on the third Wednesday of the month at ___ p.m., located at City Hall, 834 Main Street, Ferndale; and

WHEREAS, If the third Wednesday falls on a legal holiday, the meeting shall be held on the next business day, Thursday, per Government Code 36808/GC 54954 at the same hour; and

WHEREAS, the City Council of the City of Ferndale desires to adopt a meeting schedule.

NOW, THEREFORE BE IT RESOLVED, by the Ferndale City Council, that the City Council shall meet on the following dates in 2023:

Wednesday, January 18, 2023
 Wednesday, February 15, 2023
 Wednesday, March 15, 2023
 Wednesday, April 19, 2023
 Wednesday, May 17, 2023
 Wednesday, June 21, 2023

Wednesday, July 19, 2023
 Wednesday, August 16, 2023
 Wednesday, September 20, 2023
 Wednesday, October 18, 2023
 Wednesday, November 15, 2023
 Wednesday, December 20, 2023

PASSED AND ADOPTED by the City Council of the City of Ferndale on December 21, 2022 by the following vote:

Ayes:
 Noes:
 Abstain:
 Absent:

 Randall Cady, Mayor

Attest:

 Kristene Hall, City Clerk

Meeting Date:	December 21, 2022	Agenda Item Number	13.c
Agenda Item Title:	Resolution 2022-32 Designating Authorized Signatories on the City's Bank Account		
Presented By:	City Manager		
Type of Item:	<input checked="" type="checkbox"/> Action	<input type="checkbox"/> Discussion	<input type="checkbox"/> Information
Action Required:	<input type="checkbox"/> No Action	<input type="checkbox"/> Voice Vote	<input checked="" type="checkbox"/> Roll Call Vote

RECOMMENDATION

Approve Resolution 2022-32 Designating Authorized Signatories on the City's Tri Counties Bank Account

DISCUSSION:

Approval of Resolution 2022-32 will authorize signatories on checks for the City's account at Tri Counties Bank. In keeping with established City policy for the operating account, two signatures will be required. In the past, signers on the checking account have consisted of the current Mayor, one Councilmember, the City Manager, and the Police Chief. Adding newly elected mayor, Randall Cady, and councilman, Leonard Lund, will replace the missing signatories that have left office. Tri Counties Bank requires record of this by resolution to make the changes.

FINANCIAL IMPACT:

None

ATTACHMENT:

Resolution 2022-32

RESOLUTION NO. 2022-32

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FERNDALE
DESIGNATING AUTHORIZED SIGNATORIES ON THE CITY’S BANK ACCOUNT**

WHEREAS, the City of Ferndale finds it necessary to maintain a checking account in order to conduct its routine financial business; and

WHEREAS, the City maintains a checking account with Tri Counties Bank and has authorized individuals as signatories on said accounts; and

WHEREAS, with new Councilmembers, it is necessary to change authorized signatories on said account in accordance with this Resolution.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Ferndale that:

Section 1. The City Council hereby designates the following authorized signatories on the City’s bank account at Tri Counties Bank:

- Mayor: Randall Cady
- Councilmember: Leonard Lund
- City Manager: Jay Parrish
- Police Chief: Ron Sligh

Section 2. In accordance with current city policy and practices, checks require the signature of any two authorized signatories

Section 3. This Resolution shall take effect upon its approval by the City Council.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Ferndale on December 21, 2022, by the following vote:

- Ayes:
- Noes:
- Absent:
- Abstain:

Randall Cady, Mayor

Attest:

Kristene Hall, City Clerk

Meeting Date:	December 21, 2022	Agenda Item Number	13. d
Agenda Item Title	COVID-19 Update, Reconfirm Existence of Local Emergency, Reconfirm Resolution 2021-21 Findings and Continue Virtual Meetings; OR Adopt Resolution 2022-27 Declaring the Need to Discontinue Meeting Remotely and Return to In-Person Meetings		
Presented By:	City Manager		
Type of Item:	X	Action	Discussion Information
Action Required:		No Action	Voice Vote X Roll Call Vote

RECOMMENDATION:

It is recommended that the Council reconfirm the Existence of a Local Emergency related to the Coronavirus (COVID-19) pandemic.

The Council also has one of two Choices:

- (a) To reconfirm the findings in Resolution 2021-21 to continue with the ability to conduct city meetings via Zoom (virtual meetings) for an additional 30 days.
- (b) To adopt Resolution 2022-27 Declaring the Need to Discontinue Conducting City Council, Commission, and Committee Meetings Remotely and Return to In-Person meetings.

DISCUSSION:

The Humboldt County Health Officer’s and the California Governor’s Emergency Declaration are still in place. Mask mandates have all been lifted as well as social distancing guidelines, although it is still recommended that individuals mask and social distance in indoor spaces. The latest data from the CDC reported the COVID-19 community levels for Humboldt County as “Low” risk which means that people should only wear masks based on personal preference and their own level of risk.

Since last reported at the November 16, 2022, Council Meeting, there has been 714 new cases and 1 death reported between November 10, 2022, and December 14, 2022. Health officials remain confident that vaccination and booster shots can lessen the impacts of Covid19 and its variants, including hospitalizations and deaths. A total of 91,991 individuals, or approximately 68% of the county’s total population, have been fully vaccinated as of Tuesday, December 12, 2022.

Bivalent boosters are now available for children six months and older. Last week the U.S. Food and Drug Administration approved the use of both the Moderna and Pfizer bivalent doses.

Children 6 months through 5 years of age who received the original monovalent Moderna COVID-19 vaccine are now eligible to receive a single booster of the updated bivalent Moderna vaccine two months after completing a primary series with the monovalent Moderna vaccine.

Children 6 months through 4 years of age who have not yet begun their three-dose primary series of the Pfizer COVID-19 vaccine or have not yet received the third dose of their primary series will now receive the updated bivalent Pfizer COVID-19 vaccine as the third dose in their primary series following two doses of the original monovalent Pfizer COVID-19 vaccine.

However, children 6 months through 4 years of age who have already completed their three-dose primary series with the original monovalent Pfizer COVID-19 vaccine are not eligible for a booster dose of an updated bivalent vaccine at this time. Children in this age group who already completed their primary series are expected to have protection against the most serious outcomes from the currently circulating omicron variant.

To learn more or to book an appointment, talk to your child's health care provider. Scheduling for 6 months through 5 years old bivalent boosters will be posted at MyTurn.ca.gov soon.

OptumServe continues to offer rapid antigen testing and PCR testing services at the Wharfinger Building in Eureka six days a week. Walk-ins will receive only rapid antigen testing unless the attendee specifically states they require a PCR test. Appointments for antigen testing can be made by calling 888-634-1123. Wharfinger testing runs Sunday through Friday from 7 a.m. to 7 p.m. and is closed from 11 a.m. to noon and 4 to 5 p.m.

Additionally, flu testing is now available at the OptumServe COVID-19 sites at the Wharfinger, as well as McKinleyville, Trinidad and Arcata. For a list of OptumServe COVID-19 and flu testing locations and schedules, visit humboldt.gov/testregistration.

Public Health is reminding residents that one of the best ways to ensure a safe and healthy holiday season is to get a bivalent booster. The new bivalents reduce the likelihood of becoming infected with the Omicron variants and also reduce the chances of hospitalization and death should one become infected. Because boosters can take up to two weeks after vaccination for full protection, residents planning to attend holiday get-togethers should get a booster now.

OPTIONS FOR MEETINGS:

Below are two options the Council may choose from.

Option 1 is to reconfirm the findings that will allow us to continue to use the zoom platform. By choosing this option, the city will still be able to use the relaxed Brown Act rules under AB361 (please see chart on page following the staff report). The council may still direct staff to be available in the council chambers for any members that would like to meet in the council chambers during the meeting. This also allows staff to continue to use the zoom platform for Commission and Committee meetings to protect the health and safety as staff is always working on a skeleton crew. This also requires the city to continue the use of zoom for the public to attend.

Option 2 is to discontinue the use of virtual meetings and to return to in-person meetings. This option will allow the city to go back to meeting in person and back to business as usual. This Council, Commissions, and Committees, will be required to conform to the Brown Act Rules and will not be able to utilize the AB361. The Council can vote to direct staff to use the zoom platform as a convenience for the public to still take advantage of.

OPTION 1: RECONFIRM FINDINGS IN RESOLUTION 2021-21 AND CONTINUE VIRTUAL MEETINGS

On September 19th, Governor Newsom signed AB 361, amending the Brown Act effective October 1, 2021 until January 1, 2024. AB 361 allows a public entity to conduct a meeting without complying with the teleconferencing requirements of the Brown Act under specific circumstances. At the October 20, 2021 Council Meeting, the council approved and adopted Resolution 2021-21 which contained the following findings:

1. That the Council has reconsidered the circumstances of the previously declared and existing state of emergency arising from the COVID-19 pandemic;
2. That the state of emergency continues to directly impact the ability of the members of the Council to meet safely in person, and further those local officials continue to impose or recommend measures to promote social distancing;
3. That the Council may continue to conduct public meetings in accordance with Government Code section 54953(e);
4. That the Council will reconsider the above findings within 30-days of this Resolution.

Choosing this option would still allow those Councilmembers who are comfortable with meeting in person the ability to meet in the Council Chambers while also allowing members who may have health risks the ability to still meet using the Zoom platform. This option would also limit exposure to staff by continuing to use the virtual meeting option for Commission and Committee Meetings. Staff has the equipment to run a meeting that allows use of the Council Chambers while also running Zoom. A 180-degree webcam will be set up on the dais that will allow any councilmember not in attendance and the public to view the council in chambers. The zoom video feed will be projected onto the projector screen. Staff has been able to have this equipment ready for future meetings if a member of the Council feels unsafe in returning. With feedback issues that happen when multiple parties use zoom in close proximity, the City Clerk will be the only person to be able to use Zoom in the council chambers and will control the zoom part of the meeting.

These finding need to be reconfirmed every 30 days in order to continue the use of virtual meetings. The council may discuss the use of in-person meetings once all of the Council is not at risk to the COVID-19 virus.

OPTION 2: RESOLUTION 2022-22 – DECLARING THE NEED TO DISCONTINUE THE USE OF REMOTE MEETINGS AND RETURN TO IN-PERSON MEETINGS.

The Council has the option of rescinding Resolution 2021-21 and adopting Resolution 2022-27 which would allow the Council, Commission, and Committees to return to in-Person meetings. **By choosing this option, the Council, Commissions, and Committees would need to return to the full Brown Act requirements. These requirements would include all official members meeting in person in the Council Chambers.** If a member would like to teleconference in, the requirement would be to post on the agenda the address of where the member is teleconferencing from, to post an additional notice at the said location, and it would need to be made available to the public as well at the time of the meeting. **We would still have the ability to use zoom for the public making it a hybrid style meeting, but the hybrid and zoom would only apply to the public.**

If the Council chooses to adopt Resolution 2022-27, the following findings will need to be approved:

1. The City Council has reconsidered the State of Emergency; and

2. The State of Local Emergency does not continue to directly impact the ability of the City Council and its Commissions and Committees, as well as staff and members of the public from meeting in person; and
3. The State and County of Humboldt no longer have social distancing guidelines but urges all unvaccinated individuals in public spaces to maintain social distancing, and the City can maintain those social distancing requirements; and
4. City Council, Commissions, and Committees will resume as in person/hybrid meetings while ensuring the health and safety of the public, staff, councilmembers, commissioners, and committee members in their respective meeting location.

If adopted, the use of In-Person meetings will resume at the January 18, 2023, City Council Meeting.

Council can choose to review these findings in 30 days and reconfirm the use of in-person meetings. Staff will be sure to include an option to return to Zoom meetings at the October meeting if meeting in/person becomes unsafe to the public, councilmembers, or staff. A special meeting can be held as well if the need arises.

BUDGET/FISCAL IMPACT:

While there will be costs associated with City's emergency response to COVID-19, continuation of the proclamation of a Local Emergency by the City Council has no direct cost impact. However, it may enable potential external sources for reimbursement to costs associated with the City's emergency response.

ATTACHMENTS:

1. Brown Act Vs AB361 Chart
2. Emergency Proclamation
3. Resolution 2021-21
4. Resolution 2022-27

Comparison of Public Meeting requirements (Brown Act vs. AB 361)

Brown Act Requirement	Requirement Under AB 361
<p>If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency.</p>	<p>Agendas not required to be posted at all teleconference locations. Meeting must still be conducted in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency.</p>
<p>If the legislative body of a local agency elects to use teleconferencing, each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public.</p>	<p>Agendas are not required to identify each teleconference location in the meeting notice/agenda. Local agencies are not required to make each teleconference location accessible to the public.</p>
<p>If the legislative body of a local agency elects to use teleconferencing during the teleconferenced meeting, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction.</p>	<p>No requirement to have a quorum of board members participate from within the territorial bounds of the local agency's jurisdiction.</p>
<p>If the legislative body of a local agency elects to use teleconferencing, the agenda shall provide an opportunity for members of the public to address the legislative body directly at each teleconference location.</p>	<p>In each instance in which notice of the time of the teleconferenced meeting is given or the agenda for the meeting is posted, the legislative body shall also give notice of the manner by which members of the public may access the meeting and offer public comment. The agenda shall identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option. In the event of a disruption which prevents the local agency from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored</p>



PROCLAMATION
OF THE
CITY OF FERNDALE CONFIRMING THE EXISTENCE OF A
LOCAL EMERGENCY

MARCH 23, 2020

(BY THE CITY MANAGER, DIRECTOR OF EMERGENCY SERVICES)

WHEREAS, Ordinance 267 of the City of Ferndale empowers the City Manager as Director of Emergency Services to proclaim the existence or threatened existence of a local emergency when circumstances described therein exist; and

WHEREAS, the City of Ferndale Emergency Operations Plan adopted by Resolution 04-30, states that if conditions of extreme peril to the safety of persons and property within the territorial limits of the City of Ferndale exists, a local emergency can be declared; and

WHEREAS, International, State, and Local health and government authorities are responding to an outbreak of respiratory disease caused by a novel coronavirus named “SARSCoV-2” and the disease it causes has been named “coronavirus disease 2019” abbreviated COVID-19, (“COVID-19”), first detected in December 2019; and

WHEREAS, the State of California has worked in close collaboration with the national Centers for Disease Control and Prevention (CDC), the United States Health and Human Services Agency, and local health departments since December 2019 to monitor and plan for the potential spread of COVID-19 to the United States; and

WHEREAS, the CDC considers the COVID-19 virus to be a very serious public health threat with outcomes ranging from mild sickness to severe respiratory illness and death, and that certain populations face elevated risk with widespread transmission of COVID-19 translating into large numbers of people needing medical care at the same time thereby creating a public calamity in which other infrastructures may also be affected; and

WHEREAS, on January 31, 2020, the U.S. Department of Health and Human Services declared a Public Health Emergency to aid the nation's local healthcare communities in responding to COVID-19; and

WHEREAS, on March 11, 2020 with 114 countries reporting 118,000 individuals as having contracted the COVID-19 virus, the World Health Organization (WHO) officially declared COVID-19 a global pandemic; and

WHEREAS, on March 11, 2020, Humboldt County Health Officer declared a Local Health Emergency in response to the COVID-19 outbreak in California and beyond; and

WHEREAS, on March 12, 2020, California Governor Newsom issued Executive Order N-25-20 requiring all residents to heed any orders and guidance of state and local health officials, including the imposition of social distancing measures to control the spread of COVID-19; and

WHEREAS, on March 19, 2020, Humboldt County Health Officer issued an order directing all individuals living in Humboldt County to shelter in their residences except to provide or receive certain essential services or engage in essential activities, to cease all non-essential travel, and further ordering all non-essential businesses to cease operations at physical locations; and

WHEREAS, on March 19, 2020, Governor Newsom issued Executive Order N-33-20 directing all forty-million California residents to stay at home indefinitely except for workers in the 16 critical infrastructure sectors identified by the Department of Homeland Security Cybersecurity and Infrastructure Security Agency (CISA) who are required to maintain continuity of operations for these vital systems and facilities; and

WHEREAS, if COVID-19 spreads in California at a rate comparable to the rate of spread in other countries, the number of persons requiring medical care may exceed locally available resources; and

WHEREAS, controlling or slowing epidemic and disease outbreaks through implementation of the State and County COVID-19 response orders and through following CDC Guidelines will help to limit the spread of infection within our communities, and most importantly within local healthcare delivery systems; and

WHEREAS, State agencies and political sub-divisions have statutory authority to take numerous actions to protect the public health, safety and welfare, including: providing extraordinary services through mutual aid consistent with agreements (Govt. Code §§ 8631, 8632), the costs of which shall constitute a legal charge against the State when approved by the Governor (Govt. Code §8633); and promulgating orders and regulations necessary to provide for the protection of life and property, including the imposition of curfews within designated boundaries where necessary to preserve the public order and safety (Govt. Code §8634); and

WHEREAS, the purpose of a Local Emergency Proclamation is to provide extraordinary police powers, immunity from emergency actions, to authorize issuance of orders and regulations, and activate pre-established emergency provisions; and

WHEREAS, a Local Emergency Proclamation can be a prerequisite for requesting State or Federal assistance; and

WHEREAS, the City Manager as Director of Emergency Services of the City of Ferndale does hereby find:

That conditions of Local Emergency and extreme peril to the safety of persons and property have arisen within the City of Ferndale, caused by the COVID-19 pandemic and associated response and that the City Council of the City of Ferndale is not in session and cannot immediately be called into session; and

The Proclamation of a Local Emergency will allow the City of Ferndale to access extraordinary police powers and resources as may be necessary to best protect the public health, safety and welfare during the COVID-19 pandemic.

NOW, THEREFORE, I HEREBY PROCLAIM that effective immediately and until further notice, a Local Emergency now exists throughout Ferndale as a result of the circumstances described above; and

IT IS FURTHER PROCLAIMED AND ORDERED that all City Officers and employees shall take all steps requested by the City Manager to prevent the spread of COVID-19, to prevent or alleviate harmful impacts from the disease, and to qualify for Federal Emergency Management Agency and other state and federal relief as may be available to reimburse the City for the expenses it incurs in addressing this emergency; and

BE IT FURTHER PROCLAIMED AND ORDERED that during the existence of said Local Emergency the powers, functions, and duties of the emergency organization of this City as outlined in the Emergency Operations Plan shall be in place.

BE IT FURTHER ORDERED that this proclamation of a Local Emergency shall take effect immediately and shall be subject to ratification by the City Council within seven days of the date written below.

Dated: 3/23/2020

By: _____


Jay Parrish
City Manager/ Director of Emergency Services
City of Ferndale

RESOLUTION NO. 2021-21**A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF FERNDALE MAKING FINDINGS PURSUANT TO GOVERNMENT CODE SECTION 54953, AS AMENDED BY ASSEMBLY BILL 361, AND AUTHORIZING THE CONTINUED USE OF VIRTUAL MEETINGS**

WHEREAS, as a result of the COVID-19 pandemic, the Governor issued Executive Order Nos. N-08-21, N-25-20 and N-29-20, which suspended certain provisions of the Ralph M. Brown Act to allow legislative bodies to conduct public meetings without strict compliance with the teleconferencing provisions of the Brown Act;

WHEREAS, Assembly Bill 361, which was signed into law on September 17, 2021, amended Government Code section 54953, to provide relief from the teleconferencing provisions of the Brown Act under certain circumstances provided the legislative body makes certain findings;

WHEREAS, as a result of the COVID-19 pandemic, the Governor proclaimed a state of emergency on March 4, 2020, in accordance with the section 8625 of the California Emergency Services Act, and the state of emergency remains in effect;

WHEREAS, as a result of the COVID-19 pandemic, the Humboldt County Health Officer has imposed and has recommended measures to promote social distancing as more particularly set forth in his August 6, 2021, Order, among other prior orders and guidance;

NOW, THEREFORE, the City Council does hereby find and resolve as follows:

1. That the Council has reconsidered the circumstances of the previously declared and existing state of emergency arising from the COVID-19 pandemic;
2. That the state of emergency continues to directly impact the ability of the members of the Council to meet safely in person, and further those local officials continue to impose or recommend measures to promote social distancing;
3. That the Council may continue to conduct public meetings in accordance with Government Code section 54953(e);
4. That the Council will reconsider the above findings within 30-days of this Resolution.

PASSED AND ADOPTED on this 20th day of October, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Don Hindley, Mayor

Kristene Hall, City Clerk

RESOLUTION 2022-27**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FERNDALE DECLARING THE NEED TO DISCONTINUE CONDUCTING CITY COUNCIL AND COMMISSION MEETINGS REMOTELY DURING DECLARED STATE OF EMERGENCY PURSUANT TO GOVERNMENT CODE SECTION 54953 (AB361) RESCINDING RESOLUTION 2021-21**

WHEREAS, on March 4, 2020, Governor Newsom declared a State of Emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments and help the State prepare for a broader spread of COVID-19; and

WHEREAS, on March 17, 2020, in response to the COVID-19 pandemic, Governor Newsom issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act in order to allow local legislative bodies to conduct meetings telephonically or by other means; and

WHEREAS, as a result of Executive Order N-29-20, staff set up Zoom meetings for all City Council, Commission, and Committee Meetings; and

WHEREAS, on March 30, 2020, the City Council adopted Resolution 2020-06 declaring a Local Emergency due to the COVID-19 pandemic; and

WHEREAS, on June 11, 2021, Governor Newsom issued Executive Order N-08-21, which placed an end date of September 30, 2021 for agencies throughout the state and requiring local agencies to observe the usual Brown Act requirements as they existed prior to the issuance of the Executive Order; and

WHEREAS, after issuing Executive Order N-08-21, the Delta Variant emerged causing a spike in COVID-19 cases throughout the state; and

WHEREAS, on September 16, 2021, Governor Newsom signed AB 361, which allows cities to continue to meet remotely during proclaimed states of emergency under modified Brown Act requirements that are similar but not identical to the previous Brown Act Orders under N-29-20, and

WHEREAS, on October 20, 2021, the City Council adopted Resolution 2021-21 declaring the need for virtual City Council, Commission, and Committee Meetings during declared State of Emergency pursuant to Government Code 54953 (AB 361); and

WHEREAS, AB 361 provides that, if the state of emergency remains active for more than 30 days, a local agency must make certain findings by majority vote every 30 days to continue using the bill's exemption to the Brown Act teleconferencing rules; and

WHEREAS, the City Council, to date, has reconfirmed the findings on Resolution 2021-21 extending the use of virtual meetings; and

WHEREAS, the City Council has reviewed the findings and determined that it can now safely return to in person meetings for the City Council, Commission, and Committees.

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Ferndale declares the following:

- a) The City Council has reconsidered the State of Emergency; and
- b) The State of Local Emergency does not continue to directly impact the ability of the City Council and its Commissions and Committees, as well as staff and members of the public from meeting in person; and
- c) The State and County of Humboldt no longer have social distancing guidelines but urges all unvaccinated individuals in public spaces to maintain social distancing, and the City can maintain those social distancing requirements; and
- d) City Council, Commissions, and Committees will resume as in person meetings while ensuring the health and safety of the public, staff, councilmembers, commissioners, and committee members in their respective meeting location.

PASSED, APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF FERNDALE on the 21st Day of December 2022 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Randall Cady, Mayor

Attest:

Kristene Hall, City Clerk

Section 14

CORRESPONDENCE

Correspondence Files are available for review at City Hall during regular business hours, Monday through Thursday, 9am to 4pm.

Section 15
COMMENTS FROM THE COUNCIL

Section 16
REPORTS

City Manager's Report
Commissions and Committee Reports
Minutes from JPAs and Reports

City Managers Report for December 2022 City Council Meeting

CITY MANAGER (Reporting November 10, 2022 – December 14, 2022)

- Emergency Covid-19:
 - Because we have a number of councilmembers that have compromised immune systems it does not look like we will be able to have physical meetings with our council and public until the emergency situation is no longer extended. The zoom meetings will continue and at least we are able to meet and carry on the City's business.
- Congratulations to the new council and mayor and thank you to the council that have been with us for 4 years and represented the city well.

Key milestones and information to date:

Ferndale Library Data Cabling Installation: I received a confirmation that the City will be eligible to get and upgrade to our optic cable system along with general details of the proposed data cabling and equipment installation at the library. The work will be done by Stewart Communications, and the drilling will be done by County Building Maintenance at the direction of County IT. Grant for this is \$3,132.35 total cost includes Labor, materials and taxes needed to install. All work carries a five-year warranty on parts and labor. The labor is billed out at the prevailing wages rate per California state Labor Code Section 1771.

- California Street is almost done. The Collection system is all hooked up and all that is left is the ditch finalization and a couple of improvements to the road and road paving to the approach section that needed the tweak to the design to give more room for traffic to go farther around the corner for safety reasons.
- Public Works Supervisor: Staff is still trying to get grant to raise lagoon and Brett of GHD is still hopeful that we may have funding to accomplish that in fall. The Chief Wastewater Operator and I have had several meetings to discuss raising the lagoon by a couple feet to further increase the ability of our lagoon's capacity and reduce the chance of overflow during severe rain events. Although the last few years we have not had serious rain events and seem to be in a drought cycle, we are aware that at some point we will get back to weather as usual and that the raising of the berm could give us a day or two more protection from possible overflowing our lagoon. We have had a number of conversations and discussions with RWQCB representatives that have already approved a project to accomplish this strategy and so are hopeful that they will see the benefit. Sept 9th, we received notice from engineer that our scope of work for raising the wastewater lagoon berm was approved and funded to the 30% level with CEQA. This is typically followed by the completed funding for construction.
 - We have had numerous conversations with a non-profit Technical Assistance committee that we received a grant to help us tweak our Prop 1 grant so that we can hopefully be successful in capturing our stormwater flow in the Arlington and County Fairgrounds area. This is moving forward also, and I was told that they should be notified soon that they want to discuss the stormwater project with me.
 - Public Works. We have received the Master Drainage Plan that we have been working on for the last few years. Most of this MDP was paid through the SB2 grant from the state.

- Our City Engineer and Planwest did a lot of work on this and will help us prioritize drainage projects that will be supported by an updated MDP for grant applications that may materialize in the future if there is funding put into improving infrastructure by the federal and state government. The Drainage Committee has had a couple of meetings to go over the Master Drainage Plan and at some point, in the near future, we would like to have a study session with the council so that we can develop prioritized projects to improve our drainage throughout the city. The council approved this at the last meeting.
- The Chief Wastewater Operator and I met with Regional Water Quality Control Board to go over a request to support us in raising our berm at our lagoon and to let us incorporate our California Street sewer collection replacement project to include into a compliance aspect to let the infractions RWQCB has assessed the city with for the last 5 years, which is the regular timeline they look at. That is normal for a wastewater facility in our area considering the weather and rainfall, or lack of it. The negotiations went well, and we feel like we will come up with a project they can support to include some fine and some inclusion in a project. Last month RWQCB sent us a letter saying that we could use the California Street sewer replacement project to comply for any violations going back to 2016. Remember that we have been working on this project and just finished the engineering and design and have gone out to bid. Mercer -Frasier won the bid award and they have signed the bid for that. Paul and I will go over that September 14th and then I will sign and we will be ready for Mercer-Frasier to get started. We are estimating that they will complete the construction task in approximately a week or so. This project is approved by RWQCB as compliant to be included as eligible to count toward enforcement assessment against city. RWQCB has also recognized that the project is on hold until Mercer-Frasier can obtain the culverts that are in short supply due to the supply problem nation-wide.
 - Engineer interaction: We continue to work with our city Engineer to explore drainage improvements with an emphasis on easements and a strategy on drainage flow to Salt River through city and county properties.
 - Submitted a Per Capita Grant December 31st. We have had a number of meetings on this and a study session. The Parks are long term projects, and both need constant attention and improvements and both need to have development strategies that unites our town and parks into the best experience as possible for our citizens and visitors that come from all over the world. The council will have an opportunity to choose between a number of elements and anything over the Per Capita grant we will be obligated to pay for ourselves. The last meeting council picked the individual per capita projects in Russ Park and Firemen's Park while trying to stay under the approved \$177,000 limit. Some items were replaced due to non-coverage with the present funding. This was originally a pretty straight forward grant with a list from staff of a pretty stable number of improvements that was developed from previous administrations that combined many long-standing projects that former councils have been working on for many years. Back in 2006 the City had been working with the Silva family to try and find an agreeable MOU that would continue access to the back side of Russ Park through and across the Silva's property by using their private road for about a quarter mile and going up an identified draw up to a location where the city had a Kiosk and a trail that connected to the Russ Park Trail System. Although the City had the legal right to traverse across Silva property, it was not an ideal situation for either party. We spent years trying to find a better agreement to manage the maintenance of the trail, and that was agreeable with the property owner, who had animals and various ranching responsibilities he needed to

consider in order to ensure the health and safety of his animals, as well as the hikers that may be present at any time. Both of us had insurance and risk management needs, and unusual government and legal issues to navigate. Russ Park is 100% in the city limits; the Silva property is 100% in the county. Our risk Management situation covers properties outside the City if we own the said property and does not normally cover property that is not owned that is outside the city limits. We have come up with a number of solutions to this situation and have come close to inking a deal when this Per Capita grant came up and complimented the desire of former councilmembers to develop the backside of Russ Park to connect our downtown with Firemen's Park, then to go up Eugene to Russ Park. At this point it does not look like the present council wants to use the Per Capita grant to work on that connection between the two Parks. Staff still feels like the future of Russ Park would be a safer place to promote an entrance with a parking lot that did not have the blind corners and uneven ground that was limited as to the number of visitors. Staff will continue to search for grants to help us accomplish the ecotourism aspects of the backside of Russ Park. We recently received a possible donation that might help us increase improvements to Russ Park that may not have the restrictions that the Per Capita grant requires that excluded us from having as part of that project. Another donor has come forward that may allow us to develop the Eugene Street connection to Russ Park and we will be working on that soon. Staff is trying to work with state to get bathroom facility included in Per Capita Grant.

- Weekly training bulletin from ERMA.net. This is an online training program sponsored by our Risk Management Authority. Working on getting our employees compliant with AB 1825 and SB 1343 both of these are regarding the prevention of Harassment, Discrimination and Retaliation. If you are a councilmember that has not completed your mandated training. Please contact City Clerk for direction to on-line services for this training. New Covid -19
- I have put most of my free time to working on grants of one thing or another. Mostly they are concerned with drainage and our sewer collection system. In these efforts I interact with property owners, City staff, our engineer, Planwest, the Fair Association representatives, the Chamber, and of course the County representatives and a number of outside engineering vendors and construction companies. Although we are trying to solve drainage problems for the most part we are also showing and improving our ability to work together to make a safer more efficient our organization that needs to communicate with these other organizations and agencies to improve our chances to get grants. Collaboration and cooperation with regional agencies can be the difference between getting a grant or not. Many of these efforts have great potential to solve or improve our long-term infrastructure problems with drainage and our aging and deferred sewer collection system. We are hoping to see some of these identified problems addressed with actual construction projects in the near future with low match and high impact.
- Employee meetings and personnel issues. Although this is not something I report on, know that it is an important part of managing the city, and I donate a significant portion of my day in interacting with our employees and almost all our workload and accomplishments are a derivative of the collaboration between more than one person. I am proud of the commitment and responsibility that our employees show every day in service given for the citizens of this town. The city manager is responsible for making sure that each employee and professional consultant is accomplishing their workload in a way that gives the best service to the city in an admirable and satisfactory way. Included in this is a Covid-19 requirement from OSHA that has to do with reducing the spread of Covid-19 and gives guidelines to employers and

employees on the rules that we have to follow during the pandemic. These guidelines tell us how we handle positive tests for the virus as well as our conduct as we do our jobs.

- From time to time there may be questions a Council member might have regarding some development or new building construction and they may wonder how to address the situation to find out if indeed the proper action is being followed. The city hires employees and contractors that are qualified as to what they do for the city. This is true of our planner, attorney, engineer, wastewater employees, and building inspector. Should any council member request documentation on some project or development we will try to provide any information that we have that is available to the public. There are real estate or development processes that might not have gone through a procedure or process that is not available until it is final. While we will provide you publicly available documents, please keep in mind that, depending on the nature of the project, that the plans or other documents were likely already reviewed and approved by the appropriate professional retained by the city and approved through the Planning Commission. Further, if a Council member desires to provide direction to staff on any issue, the member may request an appropriate action (or discussion) item to be placed on a Council agenda and to make a motion. A member may also request that the City Engineer or the appropriate personnel be invited to appear and present on issues within that professional's jurisdiction.
- Undergrounding Project: PG&E is working on the engineering of the Francis Street Rule 20a project. PG&E; still in engineering. Talked with Lizette Burtis our PG&E representative and she said that Francis Street is not yet in design. That will be the next step. As of December 8, 2021, Lizette from PG&E stated they have everything they need from us. We are still in this situation although I have made headway in locations for transformers and easements for them. I once again have confirmation from PG&E that our project is still active and we are not in danger of them stopping it, but they did say that because of the fires they are moving projects back a year.
- Solar array construction: Both the Police and Wastewater solar arrays have been finished and should be turned on and functioning and hopefully reducing the amount of our energy bill. We are utilizing the solar array at the police station and the solar array and tesla battery at Wastewater Facility and should be seeing reductions in energy usage. We are still waiting on PG&E for selling back to them any extra production of excess production. Still, we should see savings from the installation of the solar panels at the police station as well as the wastewater facility.
- Drainage Meetings: The Drainage committee was focused on evaluation of some easements through town, the master drainage plan, grants that may include drainage improvements on the westside of town, the conceptual design in the southside of eastside drainage, such as Schley, Washington, and Grant Avenue section of town, and merging finally with the eastside drainage. Planwest has given update on Master Drainage Plan that is included in a state SB2 grant that was approved. In addition, the city was approved for an additional \$65,000 that is also being included in Land Use planning. The Prop 1 grant and the prop 68 grant for the improvements at the fairgrounds had drainage as important components. Both of these grants were focused on the Arlington 5th Street and fairgrounds drainage areas, and both would help to solve or improve the capacity of that drainage as it makes its way out of town and eventually to the Salt River. In a recent email from Darla, she says that they found out that funding for the stormwater project is highly likely. The next step is that the State board would like to meet with us, however they not be able to do so until November. In reviewing the work, the TA committee, Darla noticed that they did not go through

completion of the CEQA Categorical Exemption as they didn't know that we would get a CE, which is much less TA budget than as IS/MND. Darla has asked if we can complete the CEQA, public process, file, etc. She will let me know if they get the budget to pick this back up.

- Going back a few years we received a grant for about \$500,000 to do a study of our Energy consumption, which benefited the WWTF by also getting a construction improvement that included improvements on how we run our plant, a solar array agreement that RCEA helped us with, and a battery agreement with Tesla, that is supposed to save costs to the city. There was a composting element that may reduce the amount of slug we produce through our plant, and one of the big results from the study was success in collection system improvements around town from a grant that we recently received what should be one of last steps of approval on for that grant. This is a 5.6 million grant that mainly replaces some of our oldest collection system pipes which is mainly vitrified clay pipes. It also will be rerouting the Shaw Street sewer collection system to gravity flow to the west, instead of flowing under Francis Creek will flow toward and down 5th Street to our WWTF. Because of inflation expectations we are asking for more funds, and we have recently requested more funding to consider that project.
- Finance: Lauren proving to be a quick learner and that catches on fast. We have spent considerable time considering how we can compliantly use any Covid-19 funds to replenish funds that were depleted for covid related costs such as salary needs that were affected employees taking time off due to quarantining. Also, there are infrastructure projects that may comply as to appropriate uses. Staff will be scheduling a study session to get council input as to proposed projects.
- Staff meeting regarding street inspection by staff as to potholes, weeds, sidewalk condition and street sweeping schedule. Individual pothole complaints, from time to time, we do get pothole complaints, and these go to Public Works that fill potholes in a prioritized way. I think that the community and city have worked hard to get the city streets and roads and the city in general looking pretty good, but this is an on-going project.
- Interaction with Chief of Police on the sponsoring of the CERT program. We have a great team of community members, and they are trained up. Waiting for a trailer that was supplied and granted for the CERT team. This CERT team contains some of the towns proven leaders and will be a great help during natural disasters and other emergencies we experience in the future.
- Meetings and discussions with Linda Wise from Recology about our solid waste franchise agreement. We will probably have another request of the council to extend our current agreement one more year. We will most likely have her give a presentation next month and ask for action on that item.
- California Street Sewer replacement is underway, and the engineer is doing design, engineering, and planning. Paul may be giving a short update on the project. Remember that this is a grant project that will replace culvert of some of our oldest pipe that may be leaking storm water into our wastewater system. This might be a significant improvement. We are excited to see how much we have improved our I&I by replacing this remainder of the California collection system as it is some of our oldest pipe. We went out to bid on California street project on July 5th and the bid opening will be August 5th at 3:00 pm, and we are happy to announce that Mercer Fraser was the low bid and will start that work soon.

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- CAP (Climate Action Plan): As of June 7th, all the city councils and county have given clearance to begin drafting the EIR. Similarly, the BOS wants us to refine the CAP and use the EIR to address the following.
 1. Cap needs to address complexities of Rural Living and not preclude development or maintenance of property.
 2. Evaluate benefit of Carbon Credits and Carbon Offsets.
 3. EIR needs to evaluate inclusion of Industrial Point Sources Emissions. There needs to be a strong explanation of why they should or should not be included.
 4. Need to address the inadequacies of the P&GE electrical grid, with contingencies if the grid cannot be improved.
 5. Need to coordinate CAP with other regional plans to the maximum extent feasible need to incentivize exceeding expectations.

STAFF REPORTING NOVEMBER 2022

CITY CLERK ACTIVITY

Meetings

- Meetings with City Manager regarding work activities and council agenda.
- Attended:
 - City Council Regular Meeting 11/16/2022
 - City Council Special Meeting 11/01/2022
- Wrote agenda items and compiled packets for:
 - Regular City Council Meeting 11/16/2022
 - Began agenda compilation for City Council Meeting 12/21/2022
- Transcribed, drafted meeting minutes and uploaded meeting videos for all above listed meetings.
- Posted all meeting agendas and public notices on the City Hall and Post Office bulletin boards, and on the City Website.
- Uploaded meeting packets to City Website.
- Correspondence with City Planner and Engineer regarding projects
- Had monthly performance review with City Manager

Projects

- Assisted the public via telephone and email, answering questions and information requests.
- On-going communications with contract Engineers and City Planner about agenda items before the City Council, Planning Commission, and Drainage Meetings.
- Processed Business License Renewals and Dog License Renewals.
- Continued Election Material and Assistance
- Calculated and collected fees for building permits and sent applications to Arnie to be checked
- Numerous call Building Inspector to review plans and finals on projects
- Sent and received emails daily.
- Pick up and distribute City correspondence.
- Organized and filed paperwork.
- Filed approved Minutes
- Inventoried and ordered office supplies
- Processed checks, created revenue spreadsheet and deposit checks into the bank.
- Responded to Public Records Act requests.
- Maintained minute, resolution, ordinance, and agenda binders.
- Contacted Mayor re: upcoming agenda
- Read weekly ERMA bulletins
- Sent Building Permit reports to Assessor's office and Construction Industry Research Board.

FINANCE OFFICER ACTIVITY

Tasks:

Answered phones and assisted citizens at City Hall
Processed Payroll/Payroll Tax Payments
Processed Accounts Payable

Processed Accounts Receivable
Reconciled Monthly Debits and Credits in accounting software
Delivered and received mail and email correspondence
Reviewed ERMA and HR bulletins
Provided necessary documents to Kris for City Council Meeting
Provided necessary documents to Stacey for month end
Billed building projects for reimbursement
Assisted the City Manager in the application and reporting for various grants
Assisted Ferndale Tech with upgrading of IT Systems
Updated notes in Finance Clerk Duties Manual on all new tasks and duties learned
Assisted JJACPA and Aycock and Edgmon with audit process for FY 21/22
Entered month end deposits and reconciled bank account.

CITY PLANNER ACTIVITY

General Planning Services

Task 1 Response to Public Information Request

- Responding to public question about permitting and regulatory requirements for development.
- Email response from public about application of zoning and options for up-zoning.
- Phone call with City about Pre-App deposit for prospective project.
- Phone call w/ County staff about their proposed competitive REAP application and County's effort to form a regional housing trust fund.

Task 2 CEQA Compliance - No actions.

Task 3 Community Planning – Reporting, Other Planning Activities

- Coordinated City planning activities including updating tracking sheets for planner activities, funding mechanisms, and applications.
- Correspondence including emails and phone calls with City Manager, Clerk, and Finance Manager, and Engineer.

Task 4 Meetings & Hearings, and Materials:

- Planning Commission – Participated in November 2 PC meeting.
- Drainage Committee – no meeting.
- City Council – Prepared Permanent Local Housing Allocation grant application and monthly City Planner staff reports and attended November 16, 2022 meeting.
- City Manager & City Clerk – meetings, calls, emails, research.
- HCAOG Technical Advisory Committee (TAC) – attended 11/3/2022 meeting.
- HCAOG REAP Local Planners Coordination Meeting – attended 11/9/2022 meeting. Read through meeting materials emailed by HCAOG prior to meeting.
- Climate Action Plan: No actions.

Task 5 GIS Mapping – No action.

Task 6 Grant Writing/Funding Coordination

- Coordination meetings on various city grants and activities
- Regional Early Action Planning Grant (REAP) – Internal coordination and w/ City and HCAOG on preparation of request for reimbursement (RFR), prepared adopted 2022 DMPU as deliverable for REAP grant; prepared REAP Final Closeout report and sent to HCAOG rep.; coordination w/ HCAOG and City on finalization of City's REAP grant and RFR.

- SB 2 Gen Admin. – Coordination with City on completion of HCD agreement amendment for extension; assembled documents and submitted to HCD (via email).
- Permanent Local Housing Allocation (PLHA) – Emails to City of Rio Dell requesting assistance for subject matter expert; phone call with w/ Humboldt County staffer who is an experienced housing assistance manager regarding how to launch and administer housing assistance programs; typed up notes from contacts w/ Humboldt County & City of Rio Dell. Emails with HCD requesting technical assistance. Internal coordination and with City. Phone mtg w/ City Manager about November 16, 2022, CC meeting; preparing November 16, 2022, CC staff report on PLHA agenda item; and coordination w/ City on PLHA staff report. Internal coordination and with City re HCD responses re use of funding, also emails to summarizing HCD input. In preparation for filing PLHA application (before November 16, 2022, CC meeting) created account to access HCD application portal and prepared program income reuse plan; drafting PLHA grant application; uploaded completed application components to HCD portal. Prepared PowerPoint for 11/15 CC meeting. Presented PLHA agenda item to CC on November 16, 2022.
- Caltrans Local Road Safety Plan (LRSP) Grant – Reviewed collected data and information and began to draft LRSP document template and identify additional data needs.

Planning Applications and Pre-Application Consultations

- SD-1826: Raymond (formerly Cream City and Budwig PM) – Review and comment on Land Use Element update designation options for property.
- Sears Pre-App – Review and comment on Land Use Element update designation options for property.
- N. Ludwig pre-Pre-App [Part 2] – Phone call w/ property owner (Nate) about possible revised development proposal; researched code requirements and possible options, internal discussion about regulatory requirements and options.

General Plan Review/ Transportation Reporting

- Prepared and revised general plan land use mapping options including online web map.
- Local Streets and Roads Reporting – Coordination with City staff on reporting requirements.

SB 2 Grant Projects

- Land Use Element Update – Continued review and comment on internal draft document and mapping; participated in internal coordination meeting on draft updates.
- Zoning Amendments – No actions.
- ADU Plans – No actions.
- Drainage Master Plan – DMPU Map Appendix: trying to figure out how these can be compressed in order to be posted on City's website.

Per Capita Park Projects

- No action.

WASTEWATER OPERATIONS

- Monthly samples prepared and sent to North Coast Labs
- Operators perform lab tests daily to measure efficiency of plant
- Begin winter discharge to Salt River/Francis Creek
- Cleared multiple backups at public bathrooms; repair scheduled and performed on broken main line
- Monthly eSMR (electronic State Monthly Report) prepared and submitted
- Met with Mercer Fraser engineer regarding California St. project

- Monthly no spill verification report completed on CIWQS website
- Walk through at fairgrounds to assist with pump station and line locate
- Front gate chain oiled each Monday
- Set up toxicity sampling dates
- Inspect manholes throughout town weekly
- Ship load of sludge to Medford
- Weekly maintenance performed on UV banks
- Backup at hotel on Ocean Ave. cleared Thanksgiving Day
- Dewater for total of 10 hours. Sludge dried at old site
- Burn brush pile at old site
- Backup at public bathrooms cleared
- California St. project completed
- Lateral inspection 778 Main St.
- Backup on Tennyson Ave. cleared
- Backup on Eugene St. cleared
- Maintenance on filters, clean nozzles
- Compressor valve to air dryer replaced
- Operators cleaned walls and catwalk
- Removal of duck weed from clarifiers on weekly basis
- Billed RotoRooter, Steve's Septic and Wyckoff a total of \$7,049 for the month of October. 31 total dumps for total of 39,160 gallons.
- Total flow through the plant in November was 7.9 MGD. Of that, .237 MGD was pumped to retention pond. Average discharge to Francis Creek was .25 MGD.

PUBLIC WORKS

- Continued with monthly and daily duties. Such as, cleaning and maintenance of city's bathrooms, mowing of city's owned properties, cleaning of storm drains, keeping streets clear of debris and the maintenance of city's facilities.
- Assisted Sewer Dept with sewer blockage at Main st bathrooms.
- Town and Country Heating and Refrigeration came and replaced heater at library.
- Put up U.S flags and military flags Veterans Day.
- Patched potholes around town.
- Eureka Oxygen came and serviced fire extinguishers for city owned buildings and vehicles.
- Cleaned skylights at Main St bathrooms.
- Went to Eureka and bought 24 new traffic cones for city supply.
- Decorated City Hall streetlights with Christmas decorations.
- Weekly safety meeting with Public Works Supervisor.
- Set out cones on the corner of Van Ness and California to mark construction project.
- Cleaned up shop for Christmas tree lighting.
- Repaired Cub Cadet lawn mower.
- Took Public Works truck in to Tipples for repair.
- Repaired Public Works back gate.
- Owsley Electric came and replaced ballast at Library front room.
- Keeping city storm drains clear for rainstorms.

POLICE DEPARTMENT

Chief Sligh received his POST Executive Certificate.

Chief Sligh & Sgt Lindgren participated in a Zoom Training on current county procedures when handling 5150 W&I-Psychiatric Detentions.

The department investigated an Embezzlement that occurred at the Humboldt County Fairgrounds. The department arrested the Fair's bookkeeper. After consulting with the FBI and the Humboldt County DA, it was determined that the FBI would handle the case Federally.

CERT: Members had their monthly meeting and three new applicants attending the meeting. The final touches to the CERT Trailers electrical system were completed.

Police Statistics – November 2022

SERIOUS CRIMES	Number	Cleared
Homicide	0	
Rape (Attempted)	0	
Robbery	0	
Larceny	3	1
Assault	1	
Burglary	0	
Vehicle Theft	0	
TOTAL	4	
SECONDARY CRIMES	3	
Calls for Service	228	
Reports Written	13	
Traffic Citations	2	
Other Citations	0	
Parking Citations	0	
Warnings	6	
ARRESTS	3	
AGENCY ASSISTS	14	
TRAFFIC COLLISIONS	2	



HUMBOLDT COUNTY ASSOCIATION OF GOVERNMENTS
Regional Transportation Planning Agency
Humboldt County Local Transportation Authority
Service Authority for Freeway Emergencies

611 I Street, Suite B
 Eureka, CA 95501
 (707) 444-8208
 www.hcaog.net

BOARD OF DIRECTORS
MEETING RECORD

Hybrid Meeting
 (Pursuant to Assembly Bill No. 361 and Resolution 21-24)
 October 20, 2022, 4:00 p.m.
 Eureka City Hall, Council Chambers
 531 K Street, Eureka CA 95501

Present:

Councilmember Mike Johnson (Chair)	City of Fortuna
Supervisor Mike Wilson	County of Humboldt
Mayor Adelene Jones	City of Blue Lake
Mayor Stacy Atkins-Salazar	City of Arcata
Councilmember Stephen Avis	City of Ferndale

Policy Advisory Committee Member:

Tatiana Ahlstrand	Caltrans District 1
Natalie Arroyo	Humboldt Transit Authority

Absent:

Councilmember Gordon Johnson	City of Rio Dell
Councilmember Jack West	City of Trinidad
Mayor Susan Seaman (Vice Chair)	City of Eureka

Staff:

Beth Burks	Executive Director
Debbie Egger	Fiscal Administrative Officer
Oona Smith	Senior Regional Transportation Planner
Stevie Luther	Associate Regional Transportation Planner

Due to lack of quorum, Item 3 was heard prior to meeting being called to order.

3. Presentation

a. Highway 101 Eureka Arcata Corridor Project

Executive Director Burks provided an update on the Highway 101 Eureka Arcata Corridor Project noting that bid openings came in under the engineers estimate. The project is scheduled to begin construction in Spring of 2023. Once a firm construction schedule is launched a public outreach campaign will be begin.

b. COREHUB North Coast Offshore Wind Community Benefit Network Presentation

Amy Jester, Humboldt Area Foundation and Wild Rivers Community Foundation Director of Policy, Advocacy & Civic Leadership provided a PowerPoint presentation on the CORE Hub and the Offshore Wind Community Benefits Network. The Offshore Wind Community Benefits Network is a collective of Tribal Nations, leaders, organizations, and governments advocating for offshore wind workforce development and community benefits. Staff was directed to return to the Board so that the Board could consider support for the Community Benefits Network.

Public Comments

Colin Fiske

1. Call to Order/Roll Call

Chair Mike Johnson called the meeting of October 20, 2022 to order at 4:40 p.m.

2. Adjournment of the HCAOG Board; Convening of the Policy Advisory Committee (PAC)

The PAC convened to include representation from Caltrans and the Humboldt Transit Authority.

4. Public Participation on Non-Agenda Items**5. Consent Calendar**

Motion was made (Wilson/Jones) to approve the following consent items with a noted correction to show Mayor Atkins-Salazar as being absent from the August 18 meeting.

- a. Assembly Bill 361 Findings to allow remote meetings for the HCAOG Board and Advisory Committees.
- b. Approval of Meeting Record September 15, 2022
- c. Adopt Resolution 22-24 approving revisions to the HCAOG Personnel Policies Handbook.
- d. Approve contracting with Colantuono, Highsmith, Whatley, PC for Legal Services.
- e. Adopt Resolution 22-25 approving the Humboldt Transit Authority FY 22-23 LTF Claim.

Motion carried unanimously.

Public Comment on Item 5d:

Conor Harkins

6. Items Removed from the Consent Calendar

None

7. Action Items

None

8. Informational Items**9. Reconvening of the HCAOG Board**

Motion was made (Jones/Avis) to reconvene as the HCAOG Board and approve the PAC recommendations.

Motion carried unanimously.

10. HCAOG Staff and Board/PAC Member Reports**a. HCAOG Executive Director's Report**

Executive Director Burks reported on the following:

- The annual unmet transit needs process is underway. Associate Regional Planner Stevie Luther has been attending hearings throughout the county. Anyone wishing to make comments on unmet transit needs can find the survey on the HCAOG website (hcaog.net).

- The Transit Development Plan Update has also been initiated. The consultant is currently holding stakeholder interviews. HCAOG will be supplementing the stakeholder scope with HCAOG staff resources to enhance the public engagement opportunities.
- The Pavement Management Plan drafts have been issued with great involvement from TAC members.
- Redwood Region Economic Development has requested a presentation at their Board meeting, I will be sharing HCAOG's goals and policies that are in the regional transportation plan and REAP updates.
- SAFE update: The California Highway Patrol is continuing patrols on Highways 96 and 36. HCAOG has received encroachment permits from Caltrans for the ADA improvements on the call boxes.

b. Caltrans Report

Tatiana Ahlstrand reported on the following:

- Last Chance Grade: The project remains on schedule and on budget. Noting a thank you to Councilmember Gordon Johnson for his support and continued involvement on the Last Chance Grade project.
- Clean California: Willow Creek has a dump day scheduled for Nov 5th, Rio Dell and Scotia will have dump days scheduled sometime in February 2023. Caltrans is looking for community groups that are interested in partnering in the statewide community clean up, clean up kits will be provided.
- Working with City of Eureka to get the utility boxes painted along 101. Clean California cycle 2 will be announced in November.
- Highway 299 at US 101 North Off-Ramp project is currently in design and is expected to begin construction in the summer of 2023.

c. Board/PAC Member Reports**Adjournment**

The meeting adjourned at 4:53 p.m.

Respectfully submitted,
Debbie Egger
Fiscal Administrative Officer



BOARD OF DIRECTORS

Meredith Matthews, City of Arcata,
 Elaine Hogan, City of Blue Lake, **Vice Chair**
 Leslie Castellano, City of Eureka, **Chair**
 Robin Smith, City of Ferndale
 Frank Wilson, City of Rio Dell
 Steve Madrone, County of Humboldt

Minutes

Thursday, October 10, 2022 at 5:30 PM
Zoom Video Conference Meeting

Present: Meredith Matthews, Frank Wilson, Leslie Castellano, Robin Smith, Steve Madrone
 Absent: Elaine Hogan
 Staff: Jill Duffy, Eric Keller-Heckman, Loral Uber, Tony Heacock
 Legal Counsel: Nancy Diamond

1. Call to Order and Roll Call at 5:30 PM

Chairperson Castellano called the meeting to order at 5:30 PM. A quorum was present and acting.

2. Consent Calendar

- a. Approve Minutes from the September 8 2022, HWMA Board of Directors Meeting
- b. Approve Resolution 2023-04 "A Resolution of the Humboldt Waste Management Authority Authorizing Remote Teleconference Meetings of the Legislative Bodies of the Humboldt Waste Management Authority Pursuant to Brown Act Provisions Due to A State of Emergency"
- c. Approve Resolution Number 2023-05 Adopting a Conflict of Interest Code for HWMA in Compliance with California Government Code Section 87300
- d. Approve California Integrated Waste Management AB 939 Service Agreement with the County of Humboldt.
- e. Approve California Integrated Waste Management AB 939 Service Agreement with the City of Rio Dell.
- f. Approve Amendment No. 2 to extend Services Agreement with Nancy Diamond for Legal Services.

Chairperson Castellano opened the floor to public comment regarding the Consent Calendar. No public comment was received.

Chairperson Castellano closed the floor to public comment.

Motion: **Director Matthews** moved and **Director Smith** seconded the motion to approve the Consent Calendar.

Action: Approve the Motion as made by **Director Matthews** and seconded by **Director Smith**

Ayes: Unanimous

Noes: None

Absent: **Director Hogan, Director Madrone**

3. Oral and Written Communications

Chairperson Castellano opened the floor to public comment regarding items not on the agenda. No comment was received.

Chairperson Castellano closed the floor to public comment.

4. Board to Affirm Approval of the Fiscal Year 2022/23 Budget and Approve Resolution 2023-06 “To Ratify Resolution 2023-01 - A Resolution Of The Humboldt Waste Management Authority For The Amendment Of Integrated Waste Management Fees”

Chairperson Castellano opened the floor for public comment. No public comment was received.

Motion: **Director Matthews** moved and **Director Madrome** seconded the motion to ratify the resolution.
Action: Approve the Motion as made by **Director Matthews** and seconded by **Director Madrone**.
Ayes: Unanimous
Noes: None
Absent: **Director Hogan**

5. Approve Golder Associates Project Addendum Dated July 25, 2022 for Fiscal Year 2022/23

Tony Heacock responded to questions from board members regarding the current performance and satisfaction with Golder Associates.

Chairperson Castellano opened the floor to public comment. No comment was received.

Chairperson Castellano closed the floor to public comment.

Motion: **Director Matthews** moved and **Director Smith** seconded the motion to approve the Project Addendum.
Action: Approve the Motion as made by **Director Matthews** and seconded by **Director Smith**
Ayes: Unanimous
Noes: None
Absent: **Director Hogan**

6. Receive 1) Humboldt County Edible Food Recovery Study and 2) SB 1383: Compliance Road Map Plan prepared by Edgar & Associates; Take Direction as Appropriate

Executive Director Keller-Heckman summarized current progress on the initial compliance road map plan, revisions submitted, and significant issues that were not able to be resolved without fundamental alterations to the document. The board discussed causes for issues and utility of the road map in light of outstanding issues.

Evan Edgar of Edgar and Associates spoke to the board about the process of developing the Road Map, rationale, and challenges.

Chairperson Castellano opened the floor to public comment. No comment was received.

Chairperson Castellano closed the floor to public comment.

Motion: **Director Matthews** moved and **Director Smith** seconded the motion to approve the amended document for distribution.

Action: Approve the Motion as made by **Director Matthews** and seconded by **Director Smith**

Ayes: Unanimous

Noes: None

Absent: **Director Hogan**

7. Consider Multi-Step Process For SB 1383 Organics Processing Regionalization Development

Executive Director Keller-Heckman gave a presentation on compliance challenges and potential solutions, including pros and cons of various methods for securing flow control. He summarized actions by HWMA and the Board to date and outlined suggested next steps. **Executive Director Keller-Heckman** and **Nancy Diamond** responded to questions from board members regarding the differences between methods of securing flow control, projected timelines for each option, and logistics related to reopening the Eureka Recycling Center.

Chairperson Castellano opened the floor to public comment. Robin Praszker, City of Eureka briefly commented on communication between the City of Eureka and CalRecycle. She expressed Local Task Force support for collection and processing at HWMA and expressed concerns about possible backtracking in the proposed action steps. Evan Edgar of Edgar & Associates encouraged the Board to follow the existing compliance road map. Emily Benvie, City of Arcata addressed the board about practical challenges to following the existing road map, including difficulties securing funding and additional time needed for permitting and compliance activities. Tom Mattson urged the Board to prioritize short-term actions such as pilot programs or out-of-county processing to comply with CalRecycle requirements.

Chairperson Castellano closed the floor to public comment.

The Board discussed options for obtaining flow control. **Operations Director Duffy** summarized history of Authority activities relating to SB 1383 and expressed strong support for securing organics material flow control via the joint powers agreement.

Motion: **Director Matthews** moved and **Director Smith** seconded the motion to express interest in regionalization and secure flow control through existing joint powers agreement.

Action: Approve the Motion as made by **Director Matthews** and seconded by **Director Smith**

Ayes: Unanimous

Noes: None

Absent: **Director Hogan**

Motion: **Director Wilson** moved and **Director Matthews** seconded the motion to examine the reopening of the Eureka Recycling Center for the purpose of receiving self-haul source separated materials, and examine cost and plans for improvements to amend the Transfer Processing Report permit..

Action: Approve the Motion as made by **Director Wilson** and seconded by **Director Matthews**
Ayes: Unanimous
Noes: None
Absent: **Director Hogan**

Motion: **Director Matthews** moved and **Director Wilson** seconded the motion to schedule a joint meeting with the Local Task Force

Action: Approve the Motion as made by **Director Matthews** and seconded by **Director Smith**
Ayes: Unanimous
Noes: None
Absent: **Director Hogan**

8. Standing Item: Recycling Update

Executive Director Keller-Heckman informed the board that there were no updates aside from those covered in previous agenda items.

9. Standing Item: Board Member reports

No board member reports at this time.

10. Standing Item: Executive Director's report

Executive Director Keller-Heckman had no further updates.

11. Adjourn

Chairperson Castellano adjourned the meeting at 7:50 PM



Redwood Coast Energy Authority
633 3rd Street, Eureka, CA 95501
Phone: (707) 269-1700 Toll-Free (800) 931-7232 Fax: (707) 269-1777
E-mail: info@redwoodenergy.org Web: www.redwoodenergy.org

BOARD OF DIRECTORS DRAFT MEETING MINUTES

October 27, 2022 - Thursday, 3:30 p.m.

Notice of this meeting was posted on October 22, 2022. Chair Stephen Avis called a regular meeting of the Board of Directors of the Redwood Coast Energy Authority to order on the above date at 3:34 p.m., stating that the teleconference meeting was being conducted pursuant to the AB 361 Brown Act open public meeting law revisions signed into law on September 16, 2021, and Governor Newsom's State of Emergency Proclamation of March 4, 2020. Chair Avis asked Vice Chair Chris Curran to continue facilitating the meeting, and Vice Chair Curran stated that the posted agenda contained public teleconference meeting participation instructions.

PRESENT: Chair Stephen Avis, Scott Bauer, Rex Bohn (arrived 3:38 p.m., left 5:00 p.m.), Vice Chair Chris Curran, Mike Losey, Sarah Schaefer, Jack Tuttle, Frank Wilson, Sheri Woo. ABSENT: None. STAFF AND OTHERS PRESENT: Regulatory and Legislative Policy Manager Aisha Cissna; General Counsel Nancy Diamond; Power Resources Director Richard Engel; Senior Power Resources Manager Jocelyn Gwynn; Executive Director Matthew Marshall; Administrative Specialist Meredith Matthews; Power Resources Specialist Colin Mateer; Board Clerk Lori Taketa; Deputy Executive Director Eileen Verbeck.

ORAL COMMUNICATIONS

Member of the public Wendy Ring expressed support for community solar and expressed hope that RCEA take advantage of AB 2316 and the Inflation Reduction Act to help public and nonprofit entities build solar facilities for reduced cost to further energy justice and local, renewable energy.

Executive Director Marshall congratulated Chair Avis on being honored by the American Planning Association for outstanding contributions to professional planning.

Member of the public Walt Paniak thanked RCEA for offering REpower+, a carbon-free energy service to customers.

Vice Chair Curran closed the oral communications portion of the meeting.

CONSENT CALENDAR

- 3.1 Approve Minutes of September 22, 2022, Board Meeting.
- 3.2 Approve Disbursements Report.
- 3.3 Accept Financial Reports.
- 3.4 Accept Legislative Quarterly Report.
- 3.5 Extend Resolution No. 2022-6 Ratifying Governor Newsom's March 4, 2020, State of Emergency Proclamation and Authorizing Remote Teleconference Meetings of

RCEA's Legislative Bodies, for the period October 27, 2022, through November 25, 2022, pursuant to Brown Act revisions of AB 361.

Neither directors nor members of the public requested items be removed from the consent calendar.

M/S: Losey, Schaefer: Approve consent calendar items.

The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Bohn, Curran, Losey, Schaefer, Tuttle, Wilson, Woo. Noes: None. Absent: None. Abstain: None.

Vice Chair Curran confirmed there was a Community Choice Energy quorum.

OLD CCE BUSINESS

5.1. Integrated Resource Plan Power Portfolio Approval

Power Resources Director Engel clarified that the Board-supported, diversified scenario preserves the diversified energy portfolio recommended by RCEA's strategic plan. Its biomass energy could be sourced from lower-emissions projects after the Humboldt Sawmill Company contract ends in 2031. The Integrated Resource Plan (IRP) process, a biennial planning exercise, was described. Staff will engage the Community Advisory Committee and community to offer input during the next 2-year cycle, and staff will incorporate the input under Board direction within regulatory boundaries. Aspects of the preferred portfolio were reviewed, including its share of new resource building, emissions, and criteria pollutants.

The Humboldt-Del Norte County Medical Society submitted written comment calling on the RCEA Board and the Humboldt County Board of Supervisors to move forward on the RePower Humboldt strategic plan to end biomass incineration and to commit to not expand, initiate or renew biomass combustion contracts.

Member of the public Diane Ryerson submitted written comment opposing biomass combustion for electricity due to greenhouse gas and particulate emissions.

Member of the public Wendy Ring asked RCEA to prioritize clean energy and health over local energy, stated her opposition to biomass energy in RCEA's portfolio due to significant climate and public health impacts, and stated that more climate beneficial uses of mill waste currently exist.

Dan Chandler of 350 Humboldt supported non-combustion biomass uses, opposed RCEA's contract extension with Humboldt Sawmill Company due to global warming impacts and expressed frustration that RCEA did not purchase existing solar power in lieu of extending the HSC contract. Mr. Chandler also submitted written comment for 350 Humboldt opposing an IRP submission that includes a biomass contract extension and supporting the prioritization of reducing greenhouse gas emissions over local and new renewable energy.

Member of the public Martha Walden opposes inclusion of biomass energy in RCEA's IRP preferred portfolio, does not consider biomass energy to be part of RCEA's promise to supply 100% clean and renewable energy by 2025, and stated that the public is looking to RCEA for maximum leadership to address the dire climate change emergency.

Member of the public Joanne McGarry asked RCEA to prioritize energy conservation while waiting for clean, renewable energy sources. Ms. McGarry opposed biomass energy and supported a local, decentralized energy system.

Nancy Ihara requested submission of portfolio two or four to the CPUC due to biomass energy's negative climate impacts and in the context of international global disasters.

A member of the public named Ellen opposed biomass' inclusion in the IRP portfolio and stated that it was misleading to market renewables while promoting an energy source that is as damaging as coal.

Member of the public Jesse Noell requested that RCEA analyze biomass' health and climate change costs and help avoid those costs by helping people and community groups install rooftop solar on parking lots and public buildings. Mr. Noell requested a thermometer graphic showing battery storage growth and reduction of health impacts at the Board's next meeting.

Member of the public Walt Paniak supported the least cost option portfolio, expressed concern that HSC's biomass power is too expensive, and supported applying savings from not purchasing biomass energy toward more microgrids for first responder locations in rural areas. Mr. Paniak also submitted written comment supporting the least cost option.

Vice Chair Curran closed the public comment period.

The directors asked for clarification about how local renewable energy purchases affect the actual electrons used locally. The directors discussed the importance of public education about the local, renewable energy by 2030 goal; the need to reconsider the strategic plan's emphasis on locally-sourced energy; and the importance of HSC's resource adequacy in meeting state mandates in a very competitive resource adequacy market. There was interest in receiving more information about biomass' local health impacts from the medical community and asking staff to plan a transition away from biomass combustion energy.

Staff noted that RCEA's contract with HSC gives the agency some leverage to request plant improvements. Changes in the energy market have made HSC's electricity and renewable energy products competitively priced. Staff clarified that RCEA is not financially subsidizing local biomass energy now.

M/S: Bohn, Bauer:

Adopt Resolution No. 2022-8 Approving the 2022 Integrated Resource Plan Portfolio.

Delegate Authority to the Executive Director to Approve the Final Integrated Resource Plan for Submission to the California Public Utilities Commission.

The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Bohn, Curran, Losey, Schaefer, Tuttle, Wilson. Noes: None. Absent: None. Abstain: None. Non-Voting: Woo.

OLD BUSINESS

7.1. Racial Justice Plan Progress Update

Deputy Executive Director Verbeck recapped the reasons why RCEA drafted its Racial Justice Plan and progress made on drafting and implementing the plan.

The directors discussed the Yurok tribe's request to join RCEA in a non-voting capacity like the Humboldt Bay Municipal Water District's. The directors expressed appreciation for staff work on the plan.

There were no responses from the public to Vice Chair Curran's invitation for comment and the public comment period was closed.

M/S: Avis, Schaefer:

Accept Racial Justice Plan progress report.

Adopt Racial Justice Plan.

The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Curran, Losey, Schaefer, Tuttle, Wilson, Woo. Noes: None. Absent: Bohn. Abstain: None.

NEW CCE BUSINESS

8.1 Rural Regional Energy Network Regulatory and Legal Services Agreement with PefferLegal

Demand-Side Management Director Kullmann reported on the proposed Rural REN, which will deliver energy efficiency programs more effectively to rural and hard-to-reach areas statewide, the program's extended approval process timeline and the need to change legal counsel during the project's development stage.

There were no responses from the public to Vice Chair Curran's invitation for comment and the public comment period was closed.

M/S: Woo, Losey: Authorize the Executive Director to execute a Legal Services Agreement with PefferLegal for RuralREN regulatory support and legal services through December 2023 for a not to exceed value of \$90,000, subject to sufficient budgetary allocations and pending RCEA General Counsel review.

The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Curran, Losey, Schaefer, Tuttle, Wilson, Woo. Noes: None. Absent: Bohn. Abstain: None.

8.2 PG&E Southern Humboldt Transmission Issues (Information only.)

Executive Director Marshall provided background information on Humboldt County's electrical grid infrastructure and described the constriction issues facing areas in Southern Humboldt. Grid constrictions are limiting electrical load and economic growth in Fortuna and Rio Dell. The 43 new customers in areas served by PG&E's Garberville 1102 circuit including Phillipsville, Shelter Cove, Whitethorn, Briceland, Ettersberg, Honeydew and Petrolia, will not be able to increase electrical load without \$300 million in distribution system upgrades. Other parts of the local electrical grid are also unable to support increased loads. These areas include Fields Landing, southeast Eureka's Walnut Drive, Arcata up to Fickle Hill including Sunnybrae and Cal Poly Humboldt, areas served by the Hoopa substation including Weitchpec down the Klamath River to Pecwan and up to Soames Bar. Executive Director

Marshall described ways RCEA could deploy distributed resources such as battery storage in the Eel River Valley area to lessen constriction issues while PG&E upgrades infrastructure, and other ways to help provide service in remote affected areas. Transmission upgrades to export offshore wind may also improve transmission-level issues through parts of southern Humboldt County.

The directors expressed frustration and disappointment in PG&E and the infrastructure limitations and reiterated that the CPUC is responsible for ensuring that PG&E meets its obligations as a utility. Staff was encouraged to continue pressing PG&E for information through the CPUC.

There were no responses from the public to Vice Chair Curran's invitation for comment and the public comment period was closed.

8.3 Memorandum of Understanding with the California Fishermen's Resiliency Association

Executive Director Marshall described RCEA outreach efforts with local fishermen since offshore wind was identified as a Community Choice Energy goal in 2016. RCEA and the Humboldt Fishermen's Marketing Association signed a memorandum of understanding in 2018 to work together for the coexistence of offshore wind and the commercial fishery. RCEA provided the Association with a \$20,000 grant to hire a consultant who helped the group establish a nonprofit Fishermen's Resiliency Association to act as a single point of offshore wind negotiation with fishing port associations from San Francisco north to Crescent City. The Fishermen's Resiliency Association memorandum of understanding will allow RCEA to engage with these port associations through a single entity. The intention is to work with fishermen to engage with developers so the offshore wind and fishing industries can coexist.

The directors praised the organization and Board for the forethought to work closely with the local fishing community. A request was made for more direct wording on page three above the Governing Law section, replacing the word "necessarily." General Counsel Diamond agreed to address the language in question.

No member of the public commented on this report. Vice Chair Curran closed the comment period.

M/S: Losey, Woo: Approve a Memorandum of Understanding between the California Fishermen's Resiliency Association and RCEA with the addition of the requested language change, if any, by RCEA Legal Counsel, and authorize the Executive Director to execute the agreement contingent on final review and approval by RCEA Legal Counsel.

The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Curran, Losey, Schaefer, Tuttle, Wilson, Woo. Noes: None. Absent: Bohn. Abstain: None.

STAFF REPORTS

9.1. Executive Director's Report

Executive Director Marshall described the December 6 Bureau of Ocean Energy Management offshore wind lease auction process. Developers may win up to one of five California lease areas, two of which are off the Humboldt County coastline. While RCEA and its partners are competing for a lease, RCEA will work with any successful developers locally.

The Humboldt Bay Harbor, Recreation and Conservation District selected Crowley Wind Services to develop the harbor infrastructure as part of a future west coast offshore wind hub. RCEA provided the Harbor District with \$50,000 to develop plans and pursue port development funding.

No member of the public commented on this report. Vice Chair Curran closed the comment period.

CLOSED SESSION

There was no public comment regarding closed session items:

11.1 Conference with real property negotiators pursuant to Government Code § 54956.8 in re: APNs 001-141-005 and 001-141-006; RCEA negotiator: Executive Director; Owner's negotiating party: Wells Commercial; Under negotiation: price and terms.

11.2 Public Employee Performance Evaluation, pursuant to Government Code Section 54957(b)(1): Executive Director.

The directors adjourned to closed session at 6:05 p.m. The Board reconvened from closed session at 6:28 p.m. Executive Director Marshall stated there was nothing to report from closed session and adjourned the meeting at 6:28 p.m.

Lori Taketa
Clerk of the Board



Redwood Coast Energy Authority

633 3rd Street, Eureka, CA 95501

Phone: (707) 269-1700 Toll-Free (800) 931-7232 Fax: (707) 269-1777

E-mail: info@redwoodenergy.org Web: www.redwoodenergy.org

BOARD OF DIRECTORS DRAFT MEETING MINUTES

November 17, 2022 - Thursday, 3:30 p.m.

Notice of this meeting was posted on November 10, 2022. Vice Chair Chris Curran called a regular meeting of the Board of Directors of the Redwood Coast Energy Authority to order on the above date at 3:38 p.m., stating that the teleconference meeting was being conducted pursuant to the AB 361 Brown Act open public meeting law revisions signed into law on September 16, 2021, and Governor Newsom's State of Emergency Proclamation of March 4, 2020. Vice Chair Curran stated that the posted agenda contained public teleconference meeting participation instructions.

PRESENT: Chair Stephen Avis (arrived 3:54 p.m.), Scott Bauer (arrived 4:04 p.m.), Vice Chair Chris Curran, Michelle Fuller (Humboldt Bay Municipal Water District Alternate Director), Mike Losey, Sarah Schaefer, Frank Wilson. ABSENT: Rex Bohn, Jack Tuttle, Sheri Woo (HBMWD Director). STAFF AND OTHERS PRESENT: General Counsel Nancy Diamond; Power Resources Director Richard Engel; Senior Power Resources Manager Jocelyn Gwynn; The Energy Authority Account Services Manager Jaclyn Harr, Executive Director Matthew Marshall; Power Resources Specialist Colin Mateer; Board Clerk Lori Taketa; Deputy Executive Director Eileen Verbeck.

ORAL COMMUNICATIONS

Community Advisory Committee member Larry Goldberg, who stated that he was speaking as a community member and solar energy professional and not as a CAC representative, requested that the Board assign staff to investigate microgrids as a supplemental distributed power source around the county in lieu of upgrading PG&E transmission infrastructure to address the county's limited electrical capacity issues. Mr. Goldberg described microgrids as a first step toward creating a distributed power network around the county.

Vice Chair Curran closed the oral communications portion of the meeting.

CONSENT CALENDAR

- 3.1 Approve Minutes of October 27, 2022, Board Meeting.
- 3.2 Approve Disbursements Report.
- 3.3 Accept Financial Reports.
- 3.4 Approve Resolution 2022-9, A Resolution of the Board of Directors of the Redwood Coast Energy Authority Approving Amendment No. 1 to a Behind the Retail Meter Capacity Storage Agreement with Swell VPP Fund 2021-I LLC.
- 3.5 Accept Quarterly Budget Report (Q1).

Neither directors nor members of the public requested that items be removed from the consent calendar.

M/S: Losey, Schaefer: Approve consent calendar items.

The motion passed with a unanimous roll call vote. Ayes: Curran, Fuller, Losey, Schaefer, Wilson. Noes: None. Absent: Avis, Bauer, Bohn, Tuttle. Abstain: None.

There was no quorum to conduct Community Choice Energy business.

OLD BUSINESS

7.1. Brown Act Open Meeting Law Changes and Meeting Options

Deputy Executive Director Verbeck reported on Assembly Bill 2449 which outlines ways for governing agency members to remotely participate in meetings, and RCEA public meeting options before and after the Governor's state of emergency ends on February 28, 2023. The directors supported conducting in-person and virtual hybrid meetings after the state of emergency ends and televising RCEA Board meetings on Access Humboldt if the expense was reasonable.

There were no responses from the public to Vice Chair Curran's invitation for comment and the public comment period was closed. Chair Avis joined the meeting during this discussion.

M/S: Wilson, Losey: Continue to conduct fully virtual meetings until February 28, 2023. Adopt Resolution No. 2022-6 Ratifying Governor Newsom's March 4, 2020, State of Emergency Proclamation and Authorizing Remote Teleconference Meetings of RCEA's Legislative Bodies, for the period November 17, 2022, through December 15, 2022, pursuant to Brown Act revisions of AB 361.

The motion passed with a unanimous roll call vote. Ayes: Avis, Curran, Fuller, Losey, Schaefer, Wilson. Noes: None. Absent: Bauer, Bohn, Tuttle. Abstain: None.

STAFF REPORTS

9.1. Executive Director's Report

Offshore wind outreach activities with CORE Hub will increase following the Bureau of Ocean Energy Management lease auction on December 6. Federal and state Inflation Reduction Act funding will increase customer program and public agency opportunities. RCEA is compiling information to share with member agencies and the public on how to access these funds.

Director Bauer joined the meeting. Executive Director Marshall confirmed there was a Community Choice Energy quorum.

OLD CCE BUSINESS

5.1. Energy Risk Management Quarterly Report

The Energy Authority Client Services Manager Jaclyn Harr reported on financial drivers affecting updated revenue forecasts for the next two years. The presented revenue projections reflected PG&E rates which are expected to be updated in December and go into effect by March or April. RCEA's customer generation rates continue to be set at 0.5% less than PG&E's rates, which are expected to rise by 3%. The power charge indifference adjustment (PCIA), a charge RCEA customers pay to make PG&E whole for power procured on RCEA's customers' behalf before they left PG&E, has been extremely volatile over the past two years and is expected to swing to a low point due to high energy prices, giving RCEA customers a small bill credit. Power costs, especially during peak summer months, are projected to increase. RCEA is about 90% hedged from extreme price increases in 2023 by

long-term power contracts and is less well-hedged in 2024. RCEA's historic and projected cash reserve balance and the effect of volatile global energy markets on the agency's ability to maintain a cash reserve were described. It is anticipated that RCEA will reach its target reserve level of \$35 million in November 2023. Ms. Harr suggested reconsidering RCEA's rate discount relative to PG&E rates no sooner than 2024, to give the agency time to build reserves while market conditions are favorable. Reserves allow for more stable rates for RCEA customers during market and PCIA swings as well as providing RCEA the ability to invest in above-market costs of advanced renewable energy projects such as microgrids and offshore wind.

The Directors discussed the CPUC regulatory process around PG&E rate setting, how advocacy groups monitor the process and how RCEA can have some independence from energy prices and related PCIA volatility through reserve building.

There were no responses from the public to Vice Chair Curran's invitation for comment and the public comment period was closed.

M/S: Avis, Schaefer: Accept Energy Risk Management Quarterly Report.

The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Curran, Losey, Schaefer, Wilson. Noes: None. Absent: Bohn, Tuttle. Abstain: None. Non-Voting: Fuller.

FUTURE AGENDA ITEMS

Chair Avis stated that as he was not re-elected to the Ferndale City Council he is resigning from the RCEA Board. He thanked the RCEA Board and staff and reaffirmed his interest in wind power. Executive Director Marshall thanked Chair Avis on behalf of staff for his efforts while on RCEA's Board and expressed hope that the Chair would remain engaged in energy efforts as an RCEA customer and community member. Staff was asked to draft summarized instructions on remote meeting participation and additional materials on current projects to orient new Board directors. Staff encouraged orientation session attendance.

CLOSED SESSION

Staff stated there was nothing new to report to the Board in closed session regarding:

- 11.1** Conference with real property negotiators pursuant to Government Code § 54956.8 in re: APNs 001-141-005 and 001-141-006; RCEA negotiator: Executive Director; Owner's negotiating party: Wells Commercial; Under negotiation: price and terms.

There was no public comment regarding closed session item:

- 11.2.** Public Employee Performance Evaluation, pursuant to Government Code Section 54957(b)(1): Executive Director.

The directors adjourned to closed session at 4:40 p.m. to discuss item 11.2. The Board reconvened from closed session at 5:11 p.m. Executive Director Matthews stated there was nothing to report from closed session and adjourned the meeting at 5:12 p.m.

Section 17

ADJOURN