
Ripon City Council Meeting Notice & Agenda

CITY HALL, 259 NORTH WILMA, RIPON, CALIFORNIA

TUESDAY, OCTOBER 11, 2016 - 6:00 P.M.

REGULAR MEETING

You are now participating in the process of representative government. We welcome your interest and hope you will attend Ripon City Council meetings often. Democracy cannot endure without an informed electorate.

Ripon, as you probably know, has a council-administrator form of local government. Policies are set by the Council, who are elected by the people. These policies are carried out by the City Administrator, who is appointed by the Council. The Council decides what is to be done. The City Administrator, with the assistance of the City Staff, follows through.

REGULAR COUNCIL MEETINGS

The governing body meets at 6:00 P.M., on the second Tuesdays of the month, in the Council Chambers located in City Hall, 259 North Wilma, Ripon, California. A City Council meeting is the process of making and amending laws, developing policy and making decisions for governing your City by citizens who have been elected by you. With the exception of matters of personnel and pending litigation, or negotiations, the City Council takes action only in meetings open to the public.

The City Council follows a regular order of business during its meeting. The Council agenda is prepared in advance by the City Administrator and his staff. If you wish to place an item on the agenda for action, the information must be delivered to the City Administrator or staff eight (8) working days prior to the Council meeting. This date will be revised in case of holidays or special events. The information must be in writing (no phone calls), your name and address must be printed, and action desired must be clearly stated. Copies of the agenda are available at Ripon City Hall and online beginning on the Thursday prior to the meeting, or at the time of the scheduled meeting.

With the publication of this agenda, it is with the intent that each item on the agenda will be considered for a vote. Each Council Member present will cast a vote either for or against the motion under consideration, and the vote will be recorded in the minutes of the meeting. For example, the motion may be to approve, adopt, introduce, deny, fail, withdraw, table, or continue an item.

PUBLIC DISCUSSION

If you desire to speak before the Council on an item not on the agenda, please address "Mr. Mayor" and upon being recognized, come forward to the podium, and state your name and address before proceeding into your subject matter. State law prohibits the City Council from taking action on any item not on the agenda. While the City Council cannot always answer citizens concerns raised during the public discussion time, the City staff will be instructed, where appropriate, to either provide a response in the days following each Council meeting, or to place the issue on a subsequent meeting agenda for the City Council or one of its appointed commissions. No person shall speak for more than five minutes, and the total time allotted for discussion shall not exceed thirty minutes. Persons attending the meeting shall observe rules of propriety, decorum, and good conduct, and refrain from impertinent or slanderous remarks.

In Compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please call (209) 599-2108. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II).

CONSENT CALENDAR

Routine items are scheduled under the heading of Consent Calendar, which allows action to occur with a single motion. Any item can be pulled off the consent calendar for further discussion if Council so desires. The public may also, at this time, request that an item be pulled from the consent calendar for explanation and/or discussion.

PERSONNEL/EXECUTIVE SESSION

Matters of personnel and pending litigation, or negotiations are handled after the public meeting has been closed, in the Personnel/Executive Session, pursuant to Sections 54956.8 and 54957 of the Government Code. This session is closed to the public.

INFORMATION

Where can I find the agenda before a meeting?

Copies of the agenda are available at the front counter of the Administration Department at City Hall, 259 N. Wilma Avenue by 4:30 p.m. on Thursday before a regularly scheduled City Council meeting. The agenda can be viewed in the window box in front of City Hall, or online at www.cityofripon.org. Supplemental documents relating to specific agenda items are available for viewing at the Office of the City Clerk or online.

Can I get the agenda/minutes mailed to my home/business?

You can subscribe to agendas and minutes in January of each year. The annual subscription for both is \$60.00 per year. Subscription costs are not pro-rated should you wish to begin a subscription mid-year. If you would like to subscribe to the agenda/minutes, contact the City Clerk's office at 259 N. Wilma Avenue. Agendas are mailed on the Thursday before a meeting, and you will receive it on Monday or Tuesday (depending on postal service).

Can I receive the agenda by e-mail?

You may subscribe to the agenda at any time by e-mail – just go to the web site to register – www.cityofripon.org. Your subscription will begin immediately and you will receive it on the Thursday before the Regular Council meeting. Agendas sent by e-mail are free. Minutes are not e-mailed, but can be viewed on the City's web site.

How complete are the minutes?

The City of Ripon prepares **Synopsis Minutes**. These Minutes represent a summary of the actual comments made. Video CD or audio recordings are available for 90 days following a meeting or online for 2 weeks following a meeting at www.cityofripon.org. Contact the City Clerk's office to view/listen to these recordings at City Hall.

OTHER MEETINGS

<u>Agency</u>	<u>Day</u>	<u>Time</u>	<u>Place</u>
Historical Museum Commission	Third Monday	7:30 p.m.	Clarence Smit Memorial Museum
Planning Commission	The Monday following City Council	6:00 p.m.	Council Chambers
Recreation Commission	Second Wednesday	6:00 p.m.	City Hall Conference Room
Community & Youth Commission	Third Monday	7:00 p.m.	Police Department

Ripon City Council Agenda

TUESDAY, OCTOBER 11, 2016

REGULAR MEETING
6:00 P.M.

PLEDGE OF ALLEGIANCE:

INVOCATION:

ROLL CALL: Council Members Leo Zuber, Mark Winchell, Michael Restuccia, Vice Mayor Dean Uecker, Mayor Jake Parks.

OTHERS PRESENT: City Administrator Kevin Werner, City Attorney Tom Terpstra, Planning Director Ken Zuidervaart, Recreation Director Kye Stevens, Director of Public Works Ted Johnston, Police Chief Ed Ormonde, City Clerk Lisa Roos, Deputy City Clerk Tricia Raymond, Information Systems Technician Dan Brannon, (Others present will be recorded by secretary only.)

PUBLIC DISCUSSION: This time is provided to the public to address the City Council on items not on the agenda. If you desire to speak, please address "Mr. Mayor" and upon being recognized, come forward to the podium, and state your name and address before proceeding into your subject matter.

APPROVAL OF MINUTES: Approval of the minutes of the Regular Ripon City Council Meeting of September 13, 2016.

APPROVAL OF AGENDA AS POSTED (OR AMENDED): If anyone would like to provide public comment regarding an item on the Consent Calendar, please come forward to the podium at this time. The City Council may request to (1) pull an item from the Consent Calendar (2) withdraw an item; (3) add an Emergency items by a 4/5 vote. If the agenda is amended, vote to approve the amended agenda. If no changes are made, vote to approve the agenda as posted.

CONSENT CALENDAR

NOTES:

1. Income

p.25	A. STATE OF CALIFORNIA		
	Retail Sales Tax (2015 \$180,778.55)	\$252,966.74	
	Highway Users Tax (2015 \$24,032.88)	\$23,902.39	
	TOTAL		\$276,869.13
	B. CCATT HOLDINGS		
p.27	Acacia Avenue Cell Tower Lease		\$999.53
	C. T-MOBILE		
p.28	Cell Tower Lease - September		\$898.03
	D. WASTE MANAGEMENT		
p.29	Franchise Fee Payment – August 2016		\$1,919.00

2. Bills, Invoices, Payments

	A. PRICE PAIGE & COMPANY		
p.31	Audit Services		\$15,075.00
	Progress Payment – Invoice #10776		
	B. CENTRAL SAN JOAQUIN VALLEY RISK MANAGEMENT AUTHORITY		
p.32	2016-2017 2 nd Quarter Deposits		\$158,107.00
	C. SAN JOAQUIN REGIONAL TRANSIT DISTRICT		
p.33	Blossom Express Driver		\$1,407.60
	August Invoice #AR109802		
	D. BANC OF AMERICA LEASING		
p.34	Ripon Public Financing Authority		\$163,495.00
	2011 Waste Water Bonds		

CONSENT CALENDAR

NOTES:

2. Bills, Invoices, Payments, continued:

p. 36

E. UNION BANK

California Statewide Community Development Authority **\$382,011.22**
Water and Wastewater Revenue Bonds Series 2006C

F. UNION BANK

p. 37

California Statewide Community Development Authority **\$236,507.82**
Water Revenue Refunding Bonds Series 2012

G. GOODWIN CONSULTING GROUP, INC.

p. 38

Development Impact Fee Program Update

Progress Payments -

Invoice #8561 \$15,535.00

Invoice #8719 \$4,505.00

TOTAL \$20,040.00

H. TERPSTRA HENDERSON

p. 40

General Matters \$13,433.75

Police Matters \$3,375.00

Charter Communications \$343.75

Meadowood Development \$412.50

TOTAL \$17,565.00

3. Miscellaneous Items

Second Reading and Adoption

p. 49

A. ORDINANCE NO. 854

AN ORDINANCE OF THE CITY
COUNCIL OF THE CITY OF RIPON
ADDING CHAPTER 2.06 TO THE
MUNICIPAL CODE, ENTITLED
“CITY COUNCIL MEETINGS”

This ordinance adds Chapter 2.06 to Title 2,
Administration and Personnel, entitled “City
Council Meetings”.

B. SSJID ENCROACHMENT PERMIT AGREEMENT

p. 53

CNG Expansion & Bus Shelter
Project

Approve and authorize the Mayor to sign the
Encroachment Agreement with SSJID to
install improvements within the existing SSJID
easement as part of the CNG Expansion and
Bus Shelter Project.

CONSENT CALENDAR

NOTES:

3. Miscellaneous Items, continued:

p. 63

C. ECONOMIC DEVELOPMENT MANUAL

Goodwin Consulting Group
Scope of Work Change Order

Authorize the proposed scope of work and fee schedule for Goodwin Consulting Group, Inc. to prepare an Economic Development Manual. The purpose of the Manual is to identify the reasons for differences between Ripon's development impact fees and those of the cities surveyed.
(Cost not to exceed: \$9,800.00)

D. PROJECT IMPROVEMENT AGREEMENT

p. 66

Jimco Truck Stop

Approve the Jimco Truck Stop PIA, authorize the Mayor to sign the agreement, and direct staff to proceed.

E. AMERICAN PAVEMENT SYSTEMS

p. 69

Asphalt Rubber Cape Seal Project 2016
Change Order No. 1

Approve Change Order No. 1 in the amount of \$21,015.50 for additional work on failed sections of concrete valley gutters and asphalt concrete located on Main Street between Acacia Avenue and Industrial Avenue.

F. 2017 HEALTH AND WELFARE PLANS

p. 71

Approve providing the following health and welfare plans for calendar year 2017:

- Kaiser Healthcare
- CSAC Blue Shield Healthcare
- Assurant Dental
- Assurant Life Insurance
- Assurant Long Term Disability Insurance.

****END OF CONSENT CALENDAR****

4. **PUBLIC HEARINGS**

NOTES:

Council will take action on the following items at the conclusion of each Public Hearing.

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A. 2017 HEALTH AND WELFARE PLAN

RESOLUTION NO. __

RESOLUTION OF THE CITY
COUNCIL OF THE CITY OF RIPON
ADOPTING AN INCREASE IN THE
COST OF PROVIDING HEALTH
BENEFITS TO THE CITY
COUNCIL MEMBERS

As required by Ripon Municipal Code 2.04.010, prior to the City Council approving any increase in the cost of providing health benefits to City Council Members, the City Council may consider whether to accept said increase at a public meeting after public input.

Action: Approve the Resolution adopting an increase in cost of health benefits for calendar year 2017.

5. **RESOLUTIONS**

NOTES:

Note: Resolutions 5A through 5D can be taken as one item if no one from the public objects.

A. RESOLUTION NO. 16-__

p. 77

RESOLUTION OF THE CITY
COUNCIL OF THE CITY OF
RIPON ADOPTING AN INCREASE
IN THE COST OF PROVIDING
HEALTH BENEFITS TO THE
**ADMINISTRATIVE STAFF AND
NON-REPRESENTED POLICE
DEPARTMENT EMPLOYEES**

This resolution adopts an increase of health benefits for the City of Ripon administrative staff and non-represented police department employees.

B. RESOLUTION NO. 16-__

p. 79

RESOLUTION OF THE CITY
COUNCIL OF THE CITY OF
RIPON ADOPTING AMENDMENT
NO. 1 TO THE MEMORANDUM
OF UNDERSTANDING
FOR FISCAL YEARS 2016-17 and
2017-18 FOR ALL EMPLOYEES OF
THE CITY OF RIPON **POLICE
OFFICER'S ASSOCIATION**

This resolution adopts Amendment No. 1 of the 2016-2018 Memorandum of Understanding for all employees of the City of Ripon Police Officer's Association, which provides an increase of health benefits.

5. RESOLUTIONS, continued:

NOTES:

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C. RESOLUTION NO. 16-__
RESOLUTION OF THE CITY
COUNCIL OF THE CITY OF
RIPON ADOPTING AMENDMENT
NO. 1 TO THE MEMORANDUM
OF UNDERSTANDING FOR
FISCAL YEARS 2016-17 and 2017-
18 FOR ALL EMPLOYEES OF THE
CITY OF RIPON **POLICE
SERGEANT'S ASSOCIATION**

This resolution adopts Amendment No. 1 of the 2016-2018 Memorandum of Understanding for all employees of the City of Ripon Police Sergeant’s Association, which provides an increase of health benefits

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D. RESOLUTION NO. 16-__
RESOLUTION OF THE CITY
COUNCIL OF THE
CITY OF RIPON ADOPTING
AMENDMENT NO. 1 TO THE
MEMORANDUM OF
UNDERSTANDING
FOR FISCAL YEARS 2016-17 and
2017-18 FOR ALL
EMPLOYEES OF THE CITY OF
RIPON WORKING IN THE
CLASSIFICATION OF **PUBLIC
WORKS MAINTENANCE
AND PUBLIC WORKS
FOREMAN**

This resolution adopts Amendment No. 1 of the 2016-2018 Memorandum of Understanding for all Public Works Maintenance and Public Works Foreman employees, which provides an increase of health benefits.

6. ORDINANCES

NOTES:

First Reading and Introduction

p. 92

A. ORDINANCE NO. __
AN ORDINANCE OF THE CITY
COUNCIL OF THE CITY OF RIPON
REPEALING ORDINANCE NOS.
486, 763 AND 346

This ordinance repeals ordinances No. 486, 763 and 346 related to Chapter 5.28, entitled “Cable Communications”, Chapter 5.29 entitled “State Video Service Franchises” and Chapter 5.32 entitled “Cable Television Installation Requirements” in the Ripon Municipal Code.

6. ORDINANCES, continued:

NOTES:

First Reading and Introduction

p. 94

B. ORDINANCE NO. __

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIPON ADDING CHAPTER 5.48 AND AMENDING CHAPTER 5.40, SECTION 9.04.020 AND SECTION 9.23.040 OF THE RIPON MUNICIPAL CODE

The Ripon Municipal Code currently prohibits the consumption of alcohol within any public place, including streets, sidewalks, parking lots, and parks. The City Council established an alcohol committee that discussed possible changes to the municipal code as it relates to alcohol consumption:

- (1) Alcohol consumption as part of an organized performance-based event at Mistlin Sports Park amphitheater;
- (2) Downtown dining on Main Street between Stockton Avenue and Nourse Avenue that allows the consumption of alcohol;
- (3) Downtown community dining event once per year on Main Street between Stockton Avenue and Walnut Avenue that allows the consumption of alcohol.

City Council to consider changes to the Ripon Municipal Code that would provide for all, or any combination, of these possible changes discussed by the committee.

7. DISCUSSION ITEMS

NOTES:

A. FINANCIAL AUDITS - FISCAL YEAR 2015-2016

p. 111

Discussion/No Action

Price Paige & Company has completed the audit of the City of Ripon's Financial Statements and the Money Purchase Thrift Pension Plan for the fiscal year ending June 30, 2016. Resolutions will be brought forward in November for City Council acceptance.

B. STREET AND ROAD FINANCIAL REPORT - FISCAL YEAR 2015-2016

p. 180

Discussion/No Action

As requested by the City Council, Staff has prepared the Street and Road Financial Report for the Fiscal Year 2015-2016.

REPORTS

Department Heads:

City Council:

Adjournment:

Time:

I hereby certify the attached City Council agenda was posted 72 hours before the noted meeting:



Tricia Raymond, Deputy City Clerk

October 5, 2016
Date

Ripon City Council Minutes

TUESDAY, SEPTEMBER 13, 2016

CLOSED SESSION:
4:30 P.M.

CLOSED SESSION: The closed session meeting was called to order at 4:30 p.m.

PUBLIC DISCUSSION ON CLOSED SESSION MATTERS: No one from the public wished to speak at this time.

ROLL CALL: Council Members Leo Zuber, Mark Winchell, Michael Restuccia, Vice Mayor Dean Uecker. Absent: Mayor Jacob Parks.

OTHERS PRESENT: City Administrator Kevin Werner, City Clerk Lisa Roos, Planning Director Ken Zuidervaart, City Attorney Tom Terpstra, Alan Jeppson, Rick Fairbank.

IN THE MATTER OF:

(1) Personnel Negotiations pursuant to Section 54957.6 of the California Government Code.
Alan Jeppson and Rick Fairbank left at 5:25 p.m.

(2) Conference with legal counsel – Potential Litigation: Code Enforcement pursuant to Section 54956.9 of the California Government Code.

(3) Conference with legal counsel: Contract negotiations pursuant to Section 54956.8 of the California Government Code.

There being no further business, the meeting adjourned at 5:55 p.m.

REGULAR MEETING
6:00 P.M.

PLEDGE OF ALLEGIANCE: The meeting was called to order at 6:00 p.m. with Ripon Boy Scout Troop 414 leading the Pledge of Allegiance to the Flag.

INVOCATION: Pastor Ken Boonstra gave the invocation.

ROLL CALL: Council Members Leo Zuber, Mark Winchell, Michael Restuccia, Vice Mayor Dean Uecker.
Absent: Mayor Jacob Parks.

OTHERS PRESENT: City Administrator Kevin Werner, City Attorney Tom Terpstra, Planning Director Ken Zuidervaart, Recreation Director Kye Stevens, Director of Public Works Ted Johnston, Police Chief Ed Ormonde, City Clerk Lisa Roos, Deputy City Clerk Tricia Raymond, Information Systems Technician Dan Brannon, Colleen Medeiros, Connie Jorgensen, Daniel de Graaf, Jaime Fountain, Gaynl Trotter, Chris Crandall, Jeff Hutchison, Ripon Boy Scout Troop 414, Danielle Pierce, James Kelly, Roger Valdez, Lance Boullion.

PUBLIC DISCUSSION: No one from the public wished to speak at this time.

APPROVAL OF MINUTES: MOTION: MOVED/SECONDED (RESTUCCIA,WINCHELL) AND CARRIED BY A 4-0 (PARKS ABSENT) VOTE TO APPROVE THE MINUTES OF THE REGULAR RIPON CITY COUNCIL MEETING ON AUGUST 9, 2016.

APPROVAL OF AGENDA AS POSTED (OR AMENDED):

Resident Chris Crandall requested to speak on Consent Calendar Item 3A.

Crandall wanted to thank everyone involved in putting together the parking permit program. Crandall said the Ripon Bulletin wrote a story that he rebutted because it only had Council statements, none from the residents as to why the program was needed. The changes the parking permit program will provide to the Ripon Bluffs area is safety for the neighborhood, its residents and visitors. Crandall said the article stated there were potential concerns for fires, which are now controlled by an ordinance that prohibits any fires in parks. The parking permit program limits access and provides control, in turn making it a safe place. Crandall said if the parking permit program is considered for changes in the future he would like the neighborhoods to be advised.

Council Member Michael Restuccia requested Item 4C be pulled for discussion from the Consent Calendar.

Council Member Leo Zuber requested that Items 3A, 4G, 4H, and 4J be pulled for discussion from the Consent Calendar.

Engineering Supervisor James Pease requested that an Emergency Item be added to the Consent Calendar as Item 4K.

MOTION: MOVED/SECONDED (RESTUCCIA,WINCHELL) AND CARRIED BY A 4-0 (PARKS ABSENT) VOTE TO ADD AN EMERGENCY ITEM 4K TO THE CONSENT CALENDAR.

MOTION: MOVED/SECONDED (ZUBER,RESTUCCIA) AND CARRIED BY A 4-0 (PARKS ABSENT) VOTE TO APPROVE THE AGENDA AS AMENDED.

CONSENT CALENDAR**NOTES:****1. Income**

A. STATE OF CALIFORNIA

Retail Sales Tax (2015 \$284,800.00)	\$252,700.00	
Highway Users Tax (2015 \$26,274.15)	<u>\$30,909.20</u>	
TOTAL		\$283,609.20

B. CCATT HOLDINGS

Acacia Avenue Cell Tower Lease		\$999.53
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C. WASTE MANAGEMENT

Franchise fee payment – July 2016		\$1,938.87
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D. GILTON SOLID WASTE MANAGEMENT, INC.

Franchise Fess (quarter ending June 30, 2016)		\$5,450.83
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E. T-MOBILE

Cell Tower Lease – July	\$898.03	
Cell Tower Lease - August	<u>\$898.03</u>	
TOTAL		\$1,796.06

F. CHARTER COMMUNICATIONS

2 nd Quarter Franchise Fees (ending June 2016)		\$21,954.27
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2. Bills, Invoices, Payments

A. BANK OF STOCKTON

Semi-Annual Retirement Account		\$36,166.99
Administration fees for non-PERS employees		

B. GOODWIN CONSULTING GROUP, INC.

Development Impact Fee Program Update		\$9,450.00
Invoice #8617		

C. J.B. ANDERSON LAND USE PLANNING

SB5 Compliance		\$7,415.00
Progress Payment- Invoice #080116W19		

CONSENT CALENDAR:

NOTES:

2. Bills, Invoices, Payments, continued:

D. LIEBERT CASSIDY WHITMORE

Professional Services **\$1,007.50**
Invoice #1422462

E. CITY OF STOCKTON

Ripon Library Operating Costs 2016-2017 **\$22,220.00**
Invoice #382738

F. NATIONAL METER & AUTOMATION, INC.

Material Purchase – Water Meter Installation Project

Progress Payments –
Invoice #S1074622.001 \$552.96
Invoice# S1075275.001 \$60.21

TOTAL **\$613.17**

G. PRICE PAIGE & COMPANY

Audit Services **\$12,200.00**
Progress Payment - Invoice #10691

H. SAN JOAQUIN REGIONAL TRANSIT DISTRICT

Blossom Express Driver **\$1,254.46**
July Invoice #AR109735

I. STANTEC

Wastewater Discharge Permit **\$1,862.00**
Groundwater Monitoring – 2nd Quarter
Progress Payment – Invoice #1085749

J. TERPSTRA HENDERSON

Charter Communication \$275.00
General Matters \$16,832.00
Lowe Agreement \$1,031.25
Police Matters \$2,094.20

TOTAL **\$20,232.45**

CONSENT CALENDAR:

NOTES:

2. Bills, Invoices, Payments, continued:

K. G.M. CONSTRUCTION & DEVELOPERS, INC.

Water Meter Installation Project **\$49,844.13**
Progress Payment – Invoice #3694.11

L. TERRACON

CNG Expansion and Bus Shelter Project

Progress Payments –

Invoice #T805651 \$726.00

Invoice #T814222 \$2,400.00

TOTAL **\$3,126.00**

M. WGR SOUTHWEST, INC.

City Stormwater Permit Assistance **\$315.00**
Progress Payment – Invoice #18133

N. WOOD RODGERS

Well 5 & 12 Assessments & Design

Progress Payment – Invoice #446 \$2,790.00

Well 19 Assessment & Design

Progress Payment – Invoice #445 \$5,640.20

TOTAL **\$8,430.20**

3. Resolutions

A. RESOLUTION NO. 16-64

Item 3A was pulled for discussion

RESOLUTION OF THE CITY
COUNCIL OF THE CITY
OF RIPON SETTING THE SOUTH
MANLEY ROAD RESIDENTIAL
PARKING PERMIT PROGRAM
AREA

This resolution sets the 400 block of South
Manley Road as the South Manley Road
Residential Parking Permit Program area.

CONSENT CALENDAR, continued:

NOTES:

4. Miscellaneous Items

Second Reading and Adoption

A. ORDINANCE NO. 853

AN ORDINANCE AMENDING THE
RIPON MUNICIPAL CODE TITLE
8 AND TITLE 16 TO ADDRESS
THE REQUIREMENTS OF
CALIFORNIA SENATE BILL 5
(2007) AND ASSOCIATED
LEGISLATION RELATED TO
PROVISION OF 200-YEAR FLOOD
PROTECTION TO CALIFORNIA
URBAN AREAS

This ordinance amends Chapter 8 & 16 of the Ripon Municipal Code that addresses requirements of California Senate Bill 5 (2007) and associated legislation related to the 200-year flood protection plan of California urban areas.

B. RIVER ROAD/FULTON AVENUE INTERSECTION IMPROVEMENT PROJECT

CEQA Approval

Adopt the Negative Declaration for the River Road/Fulton Avenue Intersection Improvement Project and direct staff to file the Notice of Determination for the project.

C. INTERAGENCY AGREEMENT AMENDMENT *Item 4C was pulled for discussion*

Driver for the Ripon Transit Service

Approve the Third Amendment to the Interagency agreement with San Joaquin Regional Transit District for transportation services from July 1, 2016 through June 30, 2017 with a new rate of \$39.10.

D. CROWN CASTLE “CCATT”

Consent to Sublease

Approve the sublease by Crown Castle to Verizon Wireless and authorize the Mayor to sign the consent to sublease and the Property Owner Letter of Authorization for property located at 1214 South Acacia Avenue.

E. MUNICIPAL FINANCIAL SERVICES

Water, Sewer, and Garbage Rate
Analysis

Approve the proposal for Municipal Financial Services to perform a rate analysis for the water, sewer and garbage utilities for the period February 2017 – January 2018.

CONSENT CALENDAR:

NOTES:

4. Miscellaneous Items, continued:

F. SENIOR CENTER

Lucas Business Systems

Authorize the Mayor to sign the Lease agreement and other documents for the 60 month lease of a copier for the Ripon Senior Center.

G. AUDIO-VISUAL UPGRADES TO CITY COUNCIL CHAMBERS
Equipment Upgrades

Item 4G was pulled for discussion

Approve the audio-visual upgrades to the City Council Chambers in the amount of \$17,080.00 of one-time expense and an annual fee of \$14,920.00.

H. 2016 ASPHALT RUBBER CAPE SEAL CAPITAL PROJECT
American Pavement Systems

Item 4H was pulled for discussion

Staff is recommending that the City Council award the 2016 Asphalt Rubber Cape Seal Capital Project in the amount of \$599,656.63 to American Pavement Systems. The project includes (1) an asphalt rubber cape seal on various roadways surrounding Vermuelen Park and the Spring Creek area; (2) slurry seal on Main Street between Acacia Avenue and Industrial Avenue; and (3) pavement repair test sections on Mulholand Drive.

I. WELL 5 & 12 REHABILITATION PROJECT

Reject bids

Staff is recommending that the City Council reject all bids for the Well 5 & 12 Rehabilitation Project and authorize staff to proceed with re-bidding the project.

J. G.M. CONSTRUCTION & DEVELOPERS, INC.

Item 4J was pulled for discussion

Water Meter Installation Project

Accept the work completed by G.M. Construction & Developers, Inc. and authorize the filing of a Notice of Completion with the retention of (\$53,413.53) to be paid 35 days after recording.

CONSENT CALENDAR:

NOTES:

4. Miscellaneous Items, continued:

K. BASECAMP ENVIRONMENTAL

Item 4K Emergency Item Added

General Services Agreement

Authorize the Mayor to sign the general services agreement with Basecamp Environmental to provide environmental services for the River Road Intersection and Sidewalk Improvement Project.
(Cost not to exceed: \$22,000.00)

****END OF CONSENT CALENDAR****

MOTION: MOVED/SECONDED (ZUBER,RESTUCCIA) AND CARRIED BY A 4-0 (PARKS ABSENT) VOTE TO APPROVE THE CONSENT CALENDAR AS AMENDED.

Discussion on Item 3A

Council Member Zuber asked if this program was year around or part-year.

Chief Ormonde said the program is year around.

Discussion on Item 4C

Council Member Restuccia said he sits on the board for the San Joaquin Regional Transit District (SJRTD) and would like to be removed from voting on this item.

Zuber asked how long we have been paying SJRTD for a driver and what was the hourly rate before this amendment.

City Administrator Werner said SJRTD has been providing a driver for the Blossom Express since 2012-2013. The original hourly rate was \$55.00, which included maintenance plus the driver. We do not need the maintenance and that is why the hourly rate is coming down. SJRTD is looking to refund or credit the city the amount charged for maintenance over the past few years.

Discussion on Item 4G

Zuber said if the city is going to incur a \$15,000.00 a year cost for technology upgrades to Council Chambers then a cost breakdown should be calculated for the use of the facility and technology to address future rental agreements and pricing.

Discussion on Item 4H

Zuber asked if any maintenance would occur on Main Street before the Rubber Cape Seal was put down. There are many areas that need attention.

Engineering Supervisor Pease said areas of concern will be patched up before the Rubber Cape Seal project occurs. There will be a change order or another contractor that will correct the problem areas.

Discussion on Item 4J

Zuber said the total amount for the project is \$200,000.00 shy of the original contract amount. Zuber asked if savings were realized later on in the project.

Pease said there were some estimated costs that were lower than expected and some product not used. This created savings.

Restuccia asked how long the maintenance bonds stay in place.

Pease said there is a 1 year maintenance bond.

Discussion on Item 4K

Pease said staff is moving forward with the River Road Intersection and Sidewalk Installation project and while in meetings with Caltrans, staff was advised of additional environmental studies that need to take place. Environmental clearance is critical to secure funding for the project due to the accelerated timeline of the Active Transportation Program (ATP) which requires approval through the California Transportation Commission (CTC). The original approved funding for environmental studies was \$22,000.00, and an additional \$4,500.00 is needed to complete additional studies.

Zuber asked if this is widening River Road on the north side near Park View School and then adding traffic signals at the corner of River Road and Fulton Avenue.

Pease said yes.

MOTION: MOVED/SECONDED (ZUBER,RESTUCCIA) AND CARRIED BY A 4-0 (PARKS ABSENT) VOTE TO APPROVE ITEM 3A, 4C, 4G, 4H, 4J, AND 4K.

5. ORDINANCES

Notes:

First Reading and Introduction

A. ORDINANCE NO. 854

AN ORDINANCE OF THE CITY OF THE CITY COUNCIL OF THE CITY OF RIPON ADDING CHAPTER 2.06 TO THE MUNICIPAL CODE, ENTITLED "CITY COUNCIL MEETINGS"	This ordinance adds Chapter 2.06 to Title 2, Administration and Personnel, entitled "City Council Meetings".
--	--

City Attorney Terpstra said this ordinance adds Chapter 2.06, titled "City Council Meetings" to the Ripon Municipal Code. The rules are intended to create an atmosphere in which members of the City Council and its Commissions can conduct business efficiently, fairly and with full public participation. The rules are guided by 4 basic principles, as set forth in Rosenberg's Rules of Order.

Council Member Restuccia said he thought we were practicing this already.

Terpstra said the Council has been practicing correct procedures, but has not been codified.

MOTION: MOVED/SECONDED (RESTUCCIA, WINCHELL) AND CARRIED BY A 4-0 (PARKS ABSENT) VOTE TO WAIVE THE FIRST READING AND INTRODUCE ORDINANCE NO. 854.

6. DISCUSSION ITEMS

Notes:

A. FOURTH OF JULY RECAP

Discussion/No Action

Chamber of Commerce staff to report on the Fourth of July event.

Tamra Spade with the Ripon Chamber of Commerce said the Fourth of July event was successful and wanted to publicly thank all of the sponsors and the City of Ripon for their donations and help.

Spade said although it was a great event with few glitches, she doesn't know how the Chamber will host it moving forward, due to the lack of resources and man power.

Council Member Restuccia said there was a great turn out, but agrees there needs to be more volunteers.

Council Member Winchell asked how the event faired financially, did it make money or break even.

Spade said the event made a little money which will roll over to next year, but basically the Chamber broke even. Without the volunteers and resources, the event is tough to put on.

Vice Mayor Uecker thanked the Chamber of Commerce for putting on a great event and he hopes more people will volunteer and help in the upcoming years.

B. DEVELOPMENT FEE SCHEDULE COMPARISON

Discussion/No Action

City Council to provide direction on the recommended changes to the City of Ripon's Public Facility Financing Fees and provide direction on moving forward with amending the City of Ripon's AB1600 report pursuant to the fee updates.

Victor Irzyk from Goodwin Consulting Group said at the August City Council meeting Council requested more comparisons be provided for Office and Light Industrial fees.

Irzyk shared a PowerPoint presentation with comparisons of the latest version of proposed impact fees to the City's current fees. The latest fee comparison shows Ripon's fee total compared to surrounding cities and includes fee comparisons for seven sample Light Industrial projects.

Council Member Zuber said in the Light Industrial fee comparisons, Lathrop still has lower fees across the board and asked why that is. Zuber said there was conversation of Lathrop using Debt Financing, but we need to find the facts in order to explain to developers why there is a difference in costs.

Planning Director Zuidervaart said the goal tonight is to get direction on if the fees are good to move forward with and if so amend and update AB1600 report. Zuidervaart said staff is also requesting Goodwin Consulting Group put together a working document tool to help explain the difference in fees compared to other cities to prospective developers.

Council directed staff to move forward with the presented fees and agreed to have Goodwin Consulting Group create a tool for the Planning Department to use in showing fee comparisons to developers.

C. WATER CONSERVATION

Discussion/Action

Staff will provide an update on water conservation and the new State water conservation approach.

Public Works Director Ted Johnston shared a PowerPoint presentation on the current water conservation measures and efforts being taken to reduce water use in Ripon.

Johnston said the City has been operating under an adopted statewide water conservation order since April 2015 that required Ripon to achieve 33% water conservation. To date efforts like installing water meters, updating telemetry systems, rebates, and public outreach have resulted in an overall water conservation of 29.9%.

On May 18, 2016, the State Water Resources Control Board adopted a statewide water conservation approach that allows urban water suppliers to replace their prior state-assigned percentage target reduction with a localized “stress test” approach. In determining the City’s future water supply, staff used the decrease in groundwater levels during the recent drought conditions as an indicator for estimating future groundwater levels. In the last 3 years the groundwater levels have decreased on an average of one foot per year, assuming that the groundwater level rate of decrease remains the same, the City would still have a more than adequate water supply in the case of an additional three years of drought.

Johnston said staff is suggesting the City Council consider to either (1) continue with the current conservation standard of 33% (2) use 25% based on the State’s overall reduction goal, or (3) select another conservation standard that is appropriate for Ripon.

Council said all of the efforts put forth by the city, staff, and residents has been great in reducing water use by 29%, but believe 30% is a fair mandate and an attainable standard.

MOTION: MOVED/SECONDED (ZUBER,WINCHELL) AND CARRIED BY A 4-0 (PARKS ABSENT) VOTE TO MAINTAIN THE CURRENT WATER MEASURES AND RESTRICTIONS AND SET THE CONSERVATION STANDARD AT 30 PERCENT.

D. SUSTAINABLE GROUNDWATER MANAGEMENT ACT

Discussion/No Action

Staff will provide an update on the implementation of the Sustainable Groundwater Management Act and on-going discussions related to the formation of the Groundwater Sustainable Agency.

City Administrator Werner said in September 2014, Governor Brown signed a three-bill package known as the Sustainable Groundwater Management Act (SGMA). The legislation provides a framework for sustainable management of groundwater supplies by local authorities. SGMA requires all high-priority and medium-priority groundwater basins, as designated by the California Department of Water Resources, be managed by a Groundwater Sustainability Agency (GSA). A local public agency or

combination of local public agencies overlying a designated basin may elect to become a GSA if the agency (or agencies) has (or have) water supply, water management or land use responsibilities.

Werner said by June 30, 2017 local agencies are required to have created a GSA, or multiple GSAs, covering the entire groundwater basin. Within the Eastern San Joaquin County Groundwater Basin, which Ripon is located within, there are 22 eligible agencies that can form separate GSAs. In October 2015, SSJID (along with other agencies within the Basin) elected and filed to become a GSA within its service boundaries, which included the Cities of Ripon, Manteca, and Escalon.

Staff believes there are advantages to Ripon by participating in a GSA with SSJID, Escalon, and Manteca. Staff members from the respective agencies have been discussing how the GSA would be formed – either by way of a Joint Powers Agreement (JPA), a Memorandum of Agreement (MOA) or other legal agreement.

Werner said the cities and SSJID are planning to meet with elected representatives from each entity for initial feedback on the governance and then bring forward a proposal to each agency’s respective elected body for approval.

Council Member Restuccia asked if there will be costs associated with this agency.

Werner said there will be costs for consultants and the monitoring of the system.

E. LEASE OF MISTLIN BASEBALL FIELDS

Discussion/No Action

During the August City Council meeting a number of comments were provided regarding the lease of the Mistlin Baseball Fields. As requested by the City Council, staff has looked into these items and will report on the findings.

Recreation Director Stevens said at the August City Council meeting comments were made regarding the lease and operation of Mistlin Sports Park by TPR Baseball, so staff met with TPR Baseball and investigated the citizen concerns.

Stevens shared a PowerPoint presentation with background information on TPR Baseball and addressed the issues of signage, concessions, finances and field conditions.

Lance Boullion with TPR Baseball said they are the 5th largest company in field and tournament management in the United States. They value their relationship with the City of Ripon and are honored to lease Mistlin Sports Park.

Resident Colleen Medeiros said she first came to the City Council out of frustration when she was going to have to pay \$12.00 to enter Mistlin Sports Park to watch her son practice with her children. This led to her reaching out to the City to get answers.

Medeiros said she still has concerns with (1) who monitors cash flow at the park since there are no cash registers, (2) staff not being polite and lengthy bag searches, and (3) poor field conditions.

Boullion said they try to deter coaches from wanting to practice on tournament nights at Mistlin Sports Park, because of the cost to the parents to enter. In this particular case the coach was advised of the cost, but he still wanted to practice there.

Boullion said since they began leasing Mistlin Sports Park it’s been under construction and there is no storage for equipment, so unfortunately there are no cash registers. Boullion explained they pay the City

a flat rate to lease the facilities and a percentage of concessions. In regards to the field status, Boullion stated TPR Baseball often uses their own money and time to help manage fields.

Boullion said the staff is often younger teens getting paid minimum wage, but thorough bag checking is a strict policy in order to prevent outside drinks and food from coming in the park, with the exception of water.

Council Member Zuber said he wanted to clarify that between 3:30 p.m. to 5:00 p.m. there is public access to the fields at Mistlin Sports Park where they are not being used for tournaments. At this time the City Parks ordinance applies and no organized team events can be held.

Stevens said that is correct. It's for public use by non-organized groups. A typical example would be a father and son using the fields to practice throwing.

REPORTS

Department Heads: Police Chief Ormonde provided an update on the Fourth of July illegal fireworks responses and citations in accordance with the new ordinance.

Ormonde said 23 reports were filed between July 3 through July 5, 16 occurred on the Fourth of July. Six Citations were given, in which one went through the court system and the remaining ones are pending.

Public Works Director Johnston said on Saturday, October 8, 2016 the City will hold its City-Wide Yard Sale. Applications are located online or at City Hall.

Planning Director Zuidervaart said at the August City Council meeting a citizen spoke about an active code enforcement case, which is going through the code enforcement process at this time.

City Attorney Terpstra reported on the Closed Session that direction was given to staff and no reportable action was taken.

City Council: Vice Mayor Uecker said the Alcohol Ordinance Committee met and a proposal was provided to Council to review before the October meeting where it will be placed on the agenda for discussion and approval.

There being no further business, the meeting adjourned at 8:14 p.m.

(Signed) Jacob Parks
Mayor

ATTEST:

(Signed) Tricia Raymond
Deputy City Clerk

CONSENT CALENDAR

Income



STATE OF CALIFORNIA

DIRECT DEPOSIT NUMBER
99216618

DIRECT DEPOSIT ADVICE

The amount printed on the face of this advice was transmitted to an account at bank 121101037 from the RETAIL SALES TAX

1A

216618
CITY TREASURER
CITY OF RIPON
259 N WILMA AVE
RIPON
95366-3028

CA

09 | 23 | 16

DOLLARS	CENTS
\$**252966	.74

NOT NEGOTIABLE

39004

PAYEE IDENTIFICATION
NUMBER(S)

When changing accounts or financial institutions, notify your retirement system or agency accounting office immediately. Do not close your old account until you have received your first payment in your new account.



BETTY T. YEE
CALIFORNIA STATE CONTROLLER

STATE OF CALIFORNIA - BOARD OF EQUALIZATION STATEMENT OF BRADLEY-BURNS LOCAL TAX DISTRIBUTION

39004 DATE: 09/15/2016 FOR THE PERIODS SHOWN BELOW

PAYEE: CITY TREASURER
CITY OF RIPON

NET COLLECTIONS	2nd Qtr 16	690,712.26
COUNTY AMT (CITY RATE	100.00%)	0.00
IN-LIEU AMT		0.00

TOTAL DUE	2nd Qtr 16	690,712.26
PRIOR CREDITS		0.00
PRIOR ADVANCES	2nd Qtr 16	631,700.00-
ADJUSTED COST OF ADMIN		8,345.52-

BALANCE	2nd Qtr 16	50,666.74
CURRENT ADVANCE	Ju1 2016	202,300.00
TOTAL PAYMENT		252,966.74

CONTROLLER OF CALIFORNIA, STATE OF CALIFORNIA

P O BOX 942850, SACRAMENTO, CA 94250-0001

REMITTANCE ADVICE

1A

CLAIM SCHEDULE NUMBER: 1600069A

PAYMENT ISSUE DATE: 09/30/2016

RIPON CITY TREASURER
259 N WILMA AVE

RIPON

CA 95366

Financial Activity

Additional Description:
Highway Users Tax

HIGHWAY USERS TAX - Sections 2103, 2105, 2106 and 2107, Streets & Highways Code Fiscal Year: 2016

Collection Period: 08/24/2016 To 09/23/2016

Payment Calculations:

Population for all Cities	32768845
City Population	14724
City Per Capita Amount for Section 2105	0.54075038
City Per Capita Amount for Section 2107	0.73496333
HUT 2107.5	\$0.00
HUT 2103	\$0.00
HUT 2105	\$7,962.01
HUT 2106	\$5,118.78
HUT 2107	\$10,821.60
Gross Claim	\$23,902.39
Net Claim / Payment Amount	\$23,902.39
YTD Amount:	\$79,353.28

For assistance, please call: Nathalie Ortiz at (916) 324-1875

9/26/2016

342

26

CCATT HOLDINGS LLC
2000 CORPORATE DRIVE
CANONSBURG PA 15317
724-416-2000

JPMorgan Chase Bank, N.A.
DALLAS TX
32-61/1110

235814

NINE HUNDRED NINETY NINE AND 53/100*****

DATE 10/01/16

\$*****999.53

Pay To The Order Of
CITY OF RIPON
259 W WILMA AVE
RIPON CA 95366

750570

Real VP AND CONTROLLER
Denise Short, Asst Controller

VOID AFTER 180 DAYS

⑈ 235814 ⑈ ⑆ 111000614 ⑆ 581929721 ⑈

Check No 235814

Check Date 10/01/16

Stub 1 of 1

Description

Tower Lease #387779	10/01/16	845975	999.53	999.53
			<u>999.53</u>	<u>999.53</u>



T-MOBILE USA, INC.
 12920 SE 38TH STREET
 BELLEVUE, WA 98006
 (425) 378-4000

33934081C
 9/27/2016
 2000038774

Invoice Number	Inv. Date	Description	Deductions	Voucher	Amount Paid
W426910379	9/20/2016	SC07837A CPI-Base Rent	0.00	1102189106	898.03

DO NOT ACCEPT THIS CHECK UNLESS THE FACE FADES FROM BLACK TO RED WITH LOGO IN BACKGROUND. THE BACK OF THIS DOCUMENT HAS HEAT-SENSITIVE INK THAT CHANGES FROM ORANGE TO YELLOW.

T-Mobile T-MOBILE USA, INC.
 12920 SE 38th Street
 Bellevue, WA 98006
 (425) 378-4000

The Bank of New York Mellon
 Pittsburgh, PA
 60-160/433

3393408
 9/27/2016
 VID 2000038774

PAY **\$898.03**
EIGHT NINE EIGHT DOLLARS AND 03 CENTS

***\$898.03**

Eight Hundred Ninety Eight Dollars And 03 Cents

To The Order Of: **CITY OF RIPON**
 259 N WILMA AVE
 RIPON, CA 95366

VOID AFTER 180 DAYS
 THIS CHECK CLEARS THROUGH POSITIVE PAY

David [Signature]

28

⑈0003393408⑈ ⑆043301601⑆ 013⑈8430⑈



Waste Management
P.O. Box 3027
Houston, TX 77253

For inquiries, please call 1-866-834-2080, option 4.

1D

Check No. 0012763665

Doc Date	Invoice Number / Description	Original Amount	Discount Amount	Amount Paid
08/01/2016	HaulFee Ripon BU 51 Aug16 *AT* ATTACH ALL BACKUP HAULFEE RIPON BU 51 AUG16	1,919.00	0.00	1,919.00
Vendor Number 0000386801	Name City of Ripon			
Check Number 0012763665	Date 09/26/2016	Total Amount \$1,919.00	Discounts Taken \$0.00	Total Paid Amount \$1,919.00

THIS DOCUMENT HAS A COLORED BACKGROUND AND MICROPRINTING IN THE ENDORSEMENT SIGNATURE LINE. THE REVERSE SIDE OF THIS DOCUMENT HAS AN ARTIFICIAL WATERMARK.



Waste Management
P.O. Box 3027
Houston, TX 77253

VE

BANK OF AMERICA
COMMERCIAL DISBURSEMENT ACCOUNT
NORTHBROOK, IL

CHECK NO

0012763665

70-2328 / 719



Security features included. Details on back.

DATE: 09/26/2016

PAY EXACTLY

\$1,919.00***

PAY EXACTLY

****ONE THOUSAND NINE HUNDRED NINETEEN AND XX / 100 DOLLAR****

VOID AFTER 90 DAYS

Deanna Rankin

AUTHORIZED SIGNATURE

MP

AUTHORIZED SIGNATURE

MP

TO THE ORDER OF

CITY OF RIPON
259 N Wilma Ave
Ripon, CA 95366

CONSENT CALENDAR
Bills, Invoices, Payments

PRICE PAIGE & COMPANY

Accountancy Corporation

677 Scott Avenue

Clovis, CA 93612

Phone: (559) 299-9540

Fax: (559) 299-2344

Email: ppc@ppcpas.com

Website: www.ppcpas.com

Lisa Roos
City of Ripon
259 N. Wilma Avenue
Ripon, CA 95366

Invoice: 10776
Invoice Date: 08/31/16
Due Date: Due upon receipt
Client ID: RIPON

For professional services rendered:

Preliminary procedures and work in progress on audit for the City's pension plan financial statements for the year ended June 30, 2016.	4,685.00
Work in progress on audit of the City's financial statements for the year ended June 30, 2016.	10,390.00

	Invoice Total	\$15,075.00	12 9/8/16
	Beginning Balance	\$12,200.00	
	Invoices	15,075.00	
	Amount Due	\$27,275.00	

Please make checks payable to Price Paige & Company and record your invoice number on the check. A Finance Charge of 1.33% per month will be assessed on all unpaid invoices over 60 days.



**CENTRAL SAN JOAQUIN VALLEY
RISK MANAGEMENT AUTHORITY**

1750 Creekside Oaks Drive, Suite 200
Sacramento, CA 95833
800.541.4591
916.244.1199 Fax

INVOICE

Bill To
CITY OF RIPON 259 NORTH WILMA AVENUE RIPON, CA 95366

Customer # CRI090	Invoice # RMA-2017-0093
Invoice Date 09/16/2016	Delinquent Date 10/31/2016
Total Due	\$158,107.00

2016 / 2017 2ND QUARTER DEPOSITS

Description	Amount
Liability Program	45,350.00
Workers' Compensation Program	112,757.00
TOTAL AMOUNT DUE	\$158,107.00

*Please make check payable to CSJVRMA and remit payment to the above address.
Delinquent amounts shall be assessed a 1% penalty plus interest at the rate of 10% per annum.*

CSJVRMA ACCEPTS ELECTRONIC PAYMENTS
Log on to the CSJVRMA's website (www.csjvrma.org) under the "Members Only" Section then under "Forms and Sample Policies" Section to obtain the ACH/Wiring instructions.

INVOICE



**SAN JOAQUIN REGIONAL
TRANSIT DISTRICT**
 P.O. Box 201010
 Stockton, CA 95201
 Phone (209) 948-5566

Invoice Number: AR109802
 Customer Number: C01524
 Invoice Date: 08/31/16
 Terms: Due upon receipt
 Federal ID#: 94-1563999

To: CITY OF RIPON
 ATTN: BARBARA SHNEIDER
 259 N. WILMA AVENUE
 RIPON, CA 95366

Trans Date	Description	Quantity	Unit Cost	Amount
08/31/16	August 2016	36.0	39.10	1,407.60
			TAX	0.00
			Total Due	1,407.60

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

Please make checks payable to:

SAN JOAQUIN RTD
 P.O. Box 201010
 Stockton, CA 95201

Invoice Number: AR109802
 Customer Number: C01524
 Invoice Date: 08/31/16
 Total Amount Due \$ 1,407.60

Total Payment \$ _____

BANC OF AMERICA LEASING

IA - Interim Charge
IS - In Service
EX - Extension
1B - First Bill

Customer: RIPON, CA CITY OF
Customer Account #: 2275600

Page 3 of 3
Invoice #R45117
Billing Date 09/20/2016

Equipment Description		Equipment Location			Comments		Total	
Cust ID #	NBLC #	Start Date	Capitalized Cost	Status	Orig Term	Age	Interest Rate/ Factor	SN: Serial Number

2011 RIPON SEWER	7414770	07/13/11	RIPON SAN JOAQUIN CA 2,195,000.00	IS	171	063	7.448519		
Customer Grand Total							163,495.00	0.00	163,495.00

Grand Total 2,195,000.00 Units 1

Base Rent Due: 163,495.00





SEPTEMBER 08, 2016

CITY OF RIPON
ATTN: FINANCE DIRECTOR
259 N. WILMA AVENUE
RIPON CA 95366

RE: CITY OF RIPON WATER REVENUE REFUNDING
BONDS, SERIES 2012

RIPON2012

In accordance with the terms of the governing documents relating to the above referenced transaction, a debt service payment is due 10/01/2016.

The amount due is calculated as follows:

Interest Due: \$	36,509.38
Principal Due: \$	200,000.00
LOC Fees: \$	0.00
Issuer Fees: \$	0.00
Less Cash on Hand: \$	1.56

Amount Due By 9/26/16 \$ 236,507.82

Please remit payment on or before the due date in accordance with the governing documents.

By WIRE:
MUFG Union Bank, N.A.
ABA #122000496
Account: 37130196431 TRUSDG
FFC: 6712004401

By ACH:
MUFG Union Bank, N.A.
ABA #122000496
FFC: 6712004401

Payments remitted by check must be received 2 days prior to due date.

Payments received after 11:00AM EST on the payment date may not be processed in time to meet Depository Trust & Clearing Corporation ("DTCC") payment deadline requirements and may result in late fees/penalties assessed by DTCC and passed onto the issuer/obligor. Should you have any questions, please feel free to contact me.

Sincerely,

THADDEUS SMITH
Cash Officer
213-972-5675
THADDEUS.SMITH@UNIONBANK.COM

City of Ripon
 Attn: Mr. Ken Zuidervart
 259 North Wilma Avenue
 Ripon, CA 95366

INVOICE NO. 8561
 DATE 7/7/2016
 PROJECT NO. 2707
 CONTRACT/P.O.

PROJECT: City of Ripon
 DESCRIPTION: Impact Fee Program Update

DATE	CONSULTANT	DESCRIPTION	HOURS	RATE	AMOUNT
4/4/2016	VI	Reviewed documents in prep for meeting with city staff.	3	270.00	810.00
4/6/2016	KA	Attended meeting in Ripon with City staff.	3	170.00	510.00
4/6/2016	KA	Worked on fee comparison table.	2	170.00	340.00
4/6/2016	VI	Prep for meeting; attended meeting in Ripon with staff.	5.5	270.00	1,485.00
5/18/2016	CY	Coordinated w/Elizabeth re; call; coordinated with Vic regarding project files.	0.5	235.00	117.50
5/24/2016	CY	Prepared for and participated on call with city staff regarding fee update.	1.5	235.00	352.50
5/25/2016	CY	Reviewed report from Ken; discussed fee comparison with Ken; coordinated with Kevin on fee comparison.	2.5	235.00	587.50
5/27/2016	KA	Continued to compile data for fee comparison.	1.5	170.00	255.00
6/1/2016	KA	Continued to compile data for fee comparison..	3	170.00	510.00
6/2/2016	CY	Worked with Kevin on fee comparison.	0.75	235.00	176.25
6/7/2016	KA	Continued to work on fee comparison.	2.75	170.00	467.50
6/9/2016	KA	Continued to edit comparison table.	1.5	165.00	247.50
6/9/2016	CY	Began reviewing fee comparison tables; coordinated with Ken regarding general mitigation fees.	2	235.00	470.00
6/10/2016	CY	Continued review of fee comparison table formats; reviewed fee comparisons.	1.75	235.00	411.25
6/13/2016	CY	Continued check on fee comparisons; revised fee tables.	2	235.00	470.00
6/17/2016	CY	Coordinated with Elizabeth regarding fee assumptions; continued work on fee comparison.	2	235.00	470.00
6/20/2016	CY	Reviewed updated assumptions from Elizabeth; continued review of fee comparison; discussed comparison tables with Vic.	4	235.00	940.00
6/20/2016	VI	Reviewed impact fee comparison and met with Cindy to discuss.	2	270.00	540.00
6/21/2016	CY	Coordinated with Elizabeth regarding changes to fee comparison tables; revised fee comparison tables.	2.5	235.00	587.50
6/23/2016	CY	Prepared for and participated on call with City staff.	2	235.00	470.00
6/23/2016	VI	Conference call with City staff to discuss fee comparison.	1	270.00	270.00
6/24/2016	KA	Worked on getting information on fees from nearby cities.	1.5	170.00	255.00
6/24/2016	VI	Reviewed fee comparison and met with Kevin to discuss revisions.	3	270.00	810.00
6/27/2016	KA	Worked on Ripon fee comparison.	2.25	170.00	382.50
6/27/2016	VI	Met with Kevin to coordinate on creating presentation slides.	1	270.00	270.00
6/28/2016	KA	Worked on Ripon fee comparison tables, presentation, and research.	2	170.00	340.00
6/28/2016	VI	Reviewed updated fee comparison analysis; met with Kevin to discuss changes; worked on presentation.	2	270.00	540.00
6/29/2016	KA	Continued to work on Ripon presentation.	2.5	170.00	425.00
6/29/2016	VI	Continued to update the fee comparison analysis and worked on presentation.	2	270.00	540.00
6/30/2016	VI	Updated the fee comparison presentation per comments from city staff; finalized presentation; attended workshop to present results of fee comparison to City Council.	5.5	270.00	1,485.00
	VI	Victor Irzyk			
	CY	Cindy Yan			
	KA	Kevin Au			

Total Current Charges \$15,535.00

Thank You for Your Prompt Payment
 Please Remit Payment to:
 GOODWIN CONSULTING GROUP, INC.

555 University Avenue, Suite 280 - Sacramento, Ca. 95825
 Ph. 916-561-0890 Fax 916-561-0891
 www.goodwinconsultinggroup.net



City of Ripon
 Attn: Mr. Ken Zuidervaart
 259 North Wilma Avenue
 Ripon, CA 95366

INVOICE NO. 8719
 DATE 9/15/2016
 PROJECT NO. 2707
 CONTRACT/P.O.

PROJECT: City of Ripon

DESCRIPTION: Impact Fee Program Update

DATE	CONSULTANT	DESCRIPTION	HOURS	RATE	AMOUNT
8/1/2016	KA	Prepared Ripon presentation and tables.	1	170.00	170.00
8/1/2016	VI	Worked on Ripon analysis and presentation; call with Kevin.	2	270.00	540.00
8/2/2016	KA	Worked on editing presentation slides.	1	170.00	170.00
8/2/2016	VI	Reviewed the City's staff report and provided comments to Kevin.	0.5	270.00	135.00
8/8/2016	VI	Researched Kevin's questions and provided him with a reply.	1	270.00	270.00
8/9/2016	VI	Prepared presentation and attended city council meeting.	5	270.00	1,350.00
8/22/2016	KA	Worked on fee comparison.	2.5	170.00	425.00
8/24/2016	VI	Put together cost allocation factors and sent to Ken.	0.5	270.00	135.00
8/29/2016	KA	Worked on fee comparison.	0.75	170.00	127.50
8/30/2016	VI	Reviewed the light industrial fee comparison and met with associated to discuss.	1	270.00	270.00
8/31/2016	KA	Prepared Ripon fee tables.	1	170.00	170.00
8/31/2016	VI	Call with Kevin; reviewed the updated fee analysis; met with associated to discuss.	2	270.00	540.00
		Total Reimbursable Expenses			202.50
	VI	Victor Irzyk			
	KA	Kevin Au			

Total Current Charges \$4,505.00

Thank You for Your Prompt Payment
 Please Remit Payment to:
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TERPSTRA HENDERSON, A
Professional Corporation
578 N. Wilma Avenue, Suite A (209) 599-5003
Ripon, CA 95366
Federal ID# 20-8735125

INVOICE

14833

Invoice submitted to:
Kevin Werner
City of Ripon
259 North Wilma Avenue
Ripon, CA 95366

September 25, 2016

File #: 1084-003; Matter: General

Professional Services

			<u>Hrs/Rate</u>	<u>Amount</u>
8/26/2016	RAR	Draft project improvement agreement for Dillman property; Confer with T. Terpstra re same; Telephone call and email to K. Zuidervaart re same; Research re same.	0.50 195.00/hr	97.50
	RAR	Legal research re home occupation permit violation, burden of proof and code enforcement procedures; Telephone call to L. Forks re same.	1.40 195.00/hr	273.00
8/29/2016	RAR	Legal research re second dwelling unit terms and provisions, review Ripon Municipal Code re same; Draft Second Unit Dwelling Agreement.	2.20 195.00/hr	429.00
	RAR	Telephone call with L. Forks re code enforcement issues; Review municipal code re same.	0.30 195.00/hr	58.50
	RAR	Review and revise audit letter.	0.50 195.00/hr	97.50
8/30/2016	RAR	Draft memorandum re code enforcement issues; Review file re same; Telephone call with resident re same.	3.20 195.00/hr	624.00
	SLH	Strategy conference regarding stipulation for plea in abeyance.	0.20 240.00/hr	48.00
8/31/2016	RAR	Telephone call with K. Zuidervaart re sale of real property procedure; Review file re same; Telephone call to K. Zuidervaart re second unit dwelling agreement.	0.30 195.00/hr	58.50
	SLH	Conference regarding application of federal law to City ordinance.	0.10 240.00/hr	24.00
	MNB	Research creation of stormwater special district	0.70 195.00/hr	136.50

Kevin Werner

Page 2

			<u>Hrs/Rate</u>	<u>Amount</u>
9/1/2016	RAR	Telephone call with and email from K. Zuidervaart re agreement for second unit dwelling; Draft second unit dwelling agreement.	1.00 195.00/hr	195.00
	RAR	Telephone call with L. Forks re code enforcement issues.	0.20 195.00/hr	39.00
9/5/2016	RAR	Revisions to agreement for second unit dwelling; Email to T. Terpstra re same.	0.40 195.00/hr	78.00
9/6/2016	RAR	Meet with K. Zuidervaart and L. Forks re code enforcement issues; Revise memorandum to Council re same; Confer with T. Terpstra re same.	1.60 195.00/hr	312.00
	MNB	Legal Research regarding establishing a storm water special district	0.40 195.00/hr	78.00
	RAR	Review and revise second notice of violation for property maintenance issues; Telephone call and email to and from L. Forks re same.	0.30 195.00/hr	58.50
	THT	Review and revise second unit dwelling agreement for Dillman, meeting with client re TPR lease, golf course lease, security instrument, reconsideration agenda item, research on same	4.50 275.00/hr	1,237.50
	THT	Review Maintenance Bond, research process for submitting claim, discuss with James Pease, Kevin Werner	2.00 275.00/hr	550.00
9/7/2016	THT	Calls, emails to and from client, work on ordinance amending Chapter 2 of RMC, follow up with client on same	2.50 275.00/hr	687.50
	THT	Emails, calls to and from client, attorney for Benchmark re subdivision improvements, maintenance bond, advise client re same.	1.25 275.00/hr	343.75
9/8/2016	MNB	Researched stormwater district issue, discussed issue with T. Terpstra, left voicemail for J. Pease.	1.00 195.00/hr	195.00
	MNB	Legal Research regarding City's drone ordinance and state law compliance following passage of AB 2320	0.40 195.00/hr	78.00
	RAR	Telephone call with L. Forks re code enforcement issues.	0.20 195.00/hr	39.00
9/9/2016	RAR	Telephone call with L. Forks re code enforcement issues; Review email re same.	0.20 195.00/hr	39.00
	RAR	Review second notice of violation re property maintenance issues; Telephone calls to L. Forks and resident re same.	0.30 195.00/hr	58.50
9/12/2016	THT	Meeting at SSJID re SGMA. Work on language for MOA.	2.50 275.00/hr	687.50

Kevin Werner

Page 3

			<u>Hrs/Rate</u>	<u>Amount</u>
9/13/2016	SLH	Correspondence and conference regarding massage ordinance.	0.20 240.00/hr	48.00
	MNB	Legal Research regarding interagency intercept program and what debts may be included.	1.00 195.00/hr	195.00
	THT	Attend staff meeting and agenda review, calls, emails re agenda items, meet with client re commercial project in Ripon Gardens, attend Council meeting and closed session.	7.25 275.00/hr	1,993.75
9/14/2016	THT	Conference with Escalon attorney, call to Lupul's office; discuss SGMA process, GSA formation and related issues; research and review docs from Escalon	2.25 275.00/hr	618.75
	THT	Conference with Belair re Intercept program and eligibility.	0.50 275.00/hr	137.50
	MNB	Completed legal research regarding IICP permitted debt submission, discussed issue with T.T., drafted legal opinion to city on the issue	1.50 195.00/hr	292.50
	RAR	Emails to and from E. Ormonde re meeting and drafting of alcohol ordinance.	0.20 195.00/hr	39.00
	RAR	Telephone call to resident re second notice of violation; Confer with C. Arreola re same.	0.20 195.00/hr	39.00
9/15/2016	RAR	Email from co-counsel re ruling on Demurrer for wireless qui tam action; Review Ruling.	0.50 195.00/hr	97.50
9/16/2016	RAR	Telephone calls with L. Forks and resident re second notice of violations.	0.30 195.00/hr	58.50
9/19/2016	RAR	Meet with K. Zuidervaart and L. Forks re code enforcement issues.	0.60 195.00/hr	117.00
9/20/2016	RAR	Telephone calls to and from resident re second notice of violations; Telephone call with L. Forks re same.	0.30 195.00/hr	58.50
	THT	Calls to and from Jack Tone Golf, client re refinancing of debt, explore options, emails and calls re Stockton Avenue properties, easements and reservations in deed, discuss with Ruppel; emails and brief review of NUSA docs	2.75 275.00/hr	756.25
9/21/2016	RAR	Review and revise administrative citation for code enforcement violations; Research municipal code re same.	0.70 195.00/hr	136.50
	RAR	Review email and letter from co-counsel re waiver of conflicts for joint representation.	0.30 195.00/hr	58.50

Kevin Werner

Page 4

		<u>Hrs/Rate</u>	<u>Amount</u>
9/21/2016	THT Conference with client re Stockton Street property easement, review options, discuss Jimco site, discuss golf lease and proposed security instrument with client, conference with Ken re economic development project and fee reduction concepts	2.50 275.00/hr	687.50
9/22/2016	THT Draft ordinance repealing previous RMC chapters, follow up on several pending agenda items, work on PAL lease matter, email re planning matter.	3.00 275.00/hr	825.00
	RAR Meeting with K. Werner and E. Ormonde re alcohol ordinance revisions and re requirements for tracking and reporting changes in arrest status.	1.00 195.00/hr	195.00
9/23/2016	RAR Draft revised alcohol ordinances and permitting requirements; Research re same.	1.80 195.00/hr	351.00
9/25/2016	THT Calls to and from Ken re Jimco project and nexus for conditions; emails re same	0.75 275.00/hr	206.25
	For professional services rendered	<u>55.75</u>	<u>\$13,433.75</u>
	Previous balance		\$16,832.00
	Accounts receivable transactions		
9/19/2016	Payment - Thank You No. 54390		<u>(\$16,832.00)</u>
	Total payments and adjustments		<u>(\$16,832.00)</u>
	Balance due		<u><u>\$13,433.75</u></u>

TERPSTRA HENDERSON, A
Professional Corporation
578 N. Wilma Avenue, Suite A (209) 599-5003
Ripon, CA 95366
Federal ID# 20-8735125

INVOICE

14835

Invoice submitted to:
Kevin Werner
City of Ripon
259 North Wilma Avenue
Ripon, CA 95366
USA

September 25, 2016

File #: 1084-004; Matter: Police
Department Matters

Professional Services

			<u>Hrs/Rate</u>	<u>Amount</u>
8/26/2016	SLH	Draft letter revoking business license.	1.10 240.00/hr	264.00
8/29/2016	SLH	Conferences and correspondence regarding revocation of business license, procedures for going forward, procedures for responding to inquiries and issuance of citation for Code violations.	1.30 240.00/hr	312.00
9/2/2016	RAR	Attend Hearing on property maintenance, illegal structures, and inoperative vehicle violations.	2.50 195.00/hr	487.50
9/7/2016	RAR	Emails to and from E. Ormonde re fireworks violations status update.	0.20 195.00/hr	39.00
	SLH	Legal research, correspondence and conferences regarding CCW permit applications and response to subpoena for records.	1.70 240.00/hr	408.00
9/8/2016	SLH	Legal research, conferences and correspondence regarding record retention policy and response to subpoena.	0.30 240.00/hr	72.00
9/9/2016	THT	Conference with Henderson regarding CCW issue in light of 9th Circuit case, discuss public records issue with Henderson, research and advise re same	1.25 275.00/hr	343.75
	SLH	Legal research and correspondence regarding retention of recordings and response to subpoena.	0.80 240.00/hr	192.00
9/12/2016	SLH	Conferences and correspondence regarding response to subpoena.	0.20 240.00/hr	48.00
9/13/2016	SLH	Conferences with Garzoli and Brannon regarding response to subpoena. Draft subpoena.	0.70 240.00/hr	168.00

Kevin Werner

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		<u>Hrs/Rate</u>	<u>Amount</u>
9/14/2016	SLH Correspondence and conference with Brannon regarding declaration. Revise declaration. Correspondence with Garzoli regarding declaration.	0.70 240.00/hr	168.00
9/20/2016	SLH Conference and correspondence regarding interview process.	0.30 240.00/hr	72.00
9/21/2016	RAR Attend hearings of fireworks violations.	1.80 195.00/hr	351.00
9/22/2016	RAR Email and telephone call with E. Ormonde re requirements for tracking and reporting changes in arrest status; Review attachments re same.	0.60 195.00/hr	117.00
	RAR Telephone call with Judge K. Eagle re corrections to misdemeanor actions; Telephone call with E. Ormonde re same.	0.30 195.00/hr	58.50
9/23/2016	RAR Legal research re requirements for tracking and reporting changes in arrest status to DOJ and within agency records.	1.20 195.00/hr	234.00
	For professional services rendered	<u>14.95</u>	<u>\$3,334.75</u>
	Additional Charges :		
8/10/2016	FD To/Fr Manteca Court for Hearing.		8.05
8/17/2016	FD To/Fr Manteca Court for Hearing.		8.05
8/24/2016	FD To/Fr Manteca Court for Hearing.		8.05
9/2/2016	FD To/Fr Manteca Court for Hearing.		8.05
9/21/2016	FD To/Fr Manteca Court for Hearing.		8.05
	Total additional charges		<u>\$40.25</u>
	Total amount of this bill		<u>\$3,375.00</u>
	Previous balance		\$2,094.20
	Accounts receivable transactions		
9/19/2016	Payment - Thank You No. 54390		(<u>\$2,094.20</u>)
	Total payments and adjustments		(<u>\$2,094.20</u>)
	Balance due		<u><u>\$3,375.00</u></u>

TERPSTRA HENDERSON, A
Professional Corporation
578 N. Wilma Avenue, Suite A (209) 599-5003
Ripon, CA 95366
Federal ID# 20-8735125

INVOICE

14832

Invoice submitted to:
Kevin Werner
City of Ripon
259 N. Wilma Avenue
Ripon, CA 95366

September 25, 2016

File #: 1084-208; Matter: Charter
Communications 2015

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
9/25/2016 THT Emails to and from client, review new appellate court decision and impact on new ordinance	1.25 275.00/hr	343.75
For professional services rendered	<u>1.25</u>	<u>\$343.75</u>
Previous balance		\$275.00
Accounts receivable transactions		
9/19/2016 Payment - Thank You No. 54390		<u>(\$275.00)</u>
Total payments and adjustments		<u>(\$275.00)</u>
Balance due		<u><u>\$343.75</u></u>

TERPSTRA HENDERSON, A
Professional Corporation
578 N. Wilma Avenue, Suite A
Ripon, CA 95366
Federal ID# 20-8735125

(209) 599-5003

INVOICE

14834

Invoice submitted to:
Kevin Werner
City of Ripon
259 North Wilma Avenue
Ripon, CA 95366

September 25, 2016

File #: 1084-212; Matter: Meadowood

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
9/1/2016 THT Emails, review DA committee comments, work on letter to accompany comments, advise client re: incomplete application issues.	1.50 275.00/hr	412.50
For professional services rendered	<u>1.50</u>	<u>\$412.50</u>
Balance due		<u><u>\$412.50</u></u>

CONSENT CALENDAR
Miscellaneous Items

AN ORDINANCE ADDING CHAPTER 2.06 TO THE MUNICIPAL CODE, ENTITLED "CITY COUNCIL MEETINGS"

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RIPON, CALIFORNIA, ORDAINS that:

SECTION 1. AMENDMENT OF CODE.

Title 2 of the Ripon Municipal Code is hereby amended by adding Chapter 2.06 to read in full as follows:

CHAPTER 2.06 CITY COUNCIL MEETINGS

Sections:

- 2.06.010 Introduction-Statement of Purpose –Applicability**
- 2.06.020 Role of the Chair**
- 2.06.030 Basic Format for Agenda Item Discussion**
- 2.06.040 Reconsideration Policy**
- 2.06.050 Bringing Items Back for Further Consideration**

2.06.010 INTRODUCTION-STATEMENT OF PURPOSE-APPLICABILITY The following rules of procedure are hereby established for City Council meetings and meetings of Commissions established under the Ripon Municipal Code. These rules are intended to create an atmosphere in which the members of the City Council and its Commissions can conduct business efficiently, fairly and with full public participation. It is the duty of each member of the body and the Chair to maintain common courtesy and decorum in meetings. These rules are guided by 4 basic principles, as set forth in "Rosenburg's Rules of Order":

1. Rules should establish order.
2. Rules should be clear.
3. Rules should be user-friendly.
4. Rules should enforce the will of the majority, while protecting the rights of the minority.

2.06.020 ROLE OF THE CHAIR The Chair is responsible for applying the rules and procedures established in this Ordinance. Decisions by the Chair as to application of the rules are final, unless overruled by the majority of the City Council or Commission. (For purposes of these rules, the Mayor serves as the Chair of City Council meetings.) All questions or communications with staff or members of the public should be directed through the Chair. The Chair should take a less active role in debate and discussion, but retains full rights to do so. The Chair can make and second motions on any matter before the City Council or Commission.

2.06.030 BASIC FORMAT FOR AGENDA ITEM DISCUSSION Items to be discussed and decided by the City Council or Commission should ordinarily be handled by the Chair in the following basic format.

A. The Chair should clearly announce the agenda item by number, and should clearly state what the subject is. The Chair should also announce the format that will be followed. For example, if the item requires a public hearing, the Chair will explain the hearing procedure. At this point, individual Council members or Commissioners should disclose any contacts with proponents, opponents or members of the public as to the particular agenda item.

B. The Chair should ask for a report by the City Staff. Other staff members may also comment at this time, as appropriate. Staff may also provide its recommendation at this time.

C. The Chair should ask if any members of the City Council or Commission have questions or need clarification on the agenda item. Staff should be given a full opportunity to respond to these questions or requests for clarification.

D. The Chair should invite public testimony on the agenda item. If the agenda item requires a public hearing, the format should allow the applicant(s) to make an initial presentation, followed by speakers in favor of the item. Following proponents, opponents of the item are allowed to speak. Finally, the applicant will be allowed present rebuttal testimony. Rebuttal testimony should respond specifically to points raised by opponents, and should not introduce new subject matter. Under most circumstances, only one rebuttal speaker will be allowed, but the Chair retains discretion to allow additional rebuttal speakers. In addition, Council members or Commissioners, through the Chair, may ask questions or request clarification from any speaker at this time. At the conclusion of the public comments, the Chair should close the public hearing. The public hearing should only be re-opened to the extent it is necessary to clarify earlier testimony.

E. At the conclusion of the public hearing or public comment period, City Staff will summarize the testimony received, and will respond to the evidence or arguments raised. Staff will also review the findings necessary for approval or disapproval, and will reiterate its recommendation. Council members or Commissioners, through the Chair, may ask questions or request clarification from Staff at this time.

F. The Chair should invite a motion for action on the agenda item. If there is no second to a motion within a reasonable time, as determined by the Chair, the motion dies, and a new motion should be made. Where findings are required, the motion should specifically reference the required findings, as set forth in the Staff Report, and should indicate whether, and why, the required findings either can or cannot be made.

G. After a motion has been properly made and seconded, the Chair should invite discussion on the motion. Every Council member or Commissioner shall be permitted to speak, but it is not necessary for them to do so.

H. After a reasonable opportunity for discussion, the Chair should call for a vote on the motion. A majority of the City Council or the applicable Commission—that is, a minimum of three votes—is required to approve a motion. If a motion to approve an item fails to attain three votes for passage, another motion (either to deny the item, or continue to item to a date certain) should be made and acted upon.

I. The Chair should announce the result of the vote, and announce what action the City Council or Commission has taken. If there is a right of appeal, the Chair should explain the right of appeal, and the last date on which an appeal may be filed.

2.06.040 RECONSIDERATION POLICY

Reconsideration of a decision of the City Council is limited to the following situations and requires compliance with the following procedures.

A. When the City Council makes a final decision on any item other than quasi-adjudicatory actions (i.e. items involving licenses or permits) reconsideration of the City Council's decision may only be requested by a City Council member (including the Mayor) who voted with the majority in the decision. The request for reconsideration must be made at the same meeting or the regularly scheduled City Council meeting immediately following the meeting at which the decision was made. The City Clerk shall provide any necessary public notice(s) and schedule the matter for reconsideration at the next available meeting.

B. When the City Council makes a final decision on quasi-adjudicatory items (i.e. items involving licenses or permits), it is understood that state laws and/or regulations may govern the issue of 50

reconsideration. Otherwise, reconsideration of the City Council's decision may only be requested by a City Council member (including the Mayor) who voted with the majority in the decision. The request for reconsideration must be made at the same meeting at which the decision was made. The City Clerk shall provide any necessary public notice(s) and schedule the matter for reconsideration at the next available meeting.

2.06.050 BRINGING ITEMS BACK FOR FURTHER CONSIDERATION

In some cases, the Mayor or a City Council member may wish to bring back an item which has previously been decided for further consideration by the City Council. The purpose of this policy is to balance the need for robust debate and the ability to change based upon new information with the need for finality and certainty in the decision-making process.

A. Bringing Items Back to the Same City Council.

The Mayor or a City Council member may request that any item (other than quasi-adjudicatory items-i.e. items involving licenses or permits) previously decided by the same City Council (i.e. the membership of the City Council has not changed) be brought back for further deliberation and action. In such cases, the Mayor or City Council member must specify in writing any new information or changed circumstances that warrant bringing the item back to the City Council for further deliberation and action. The City Administrator would be responsible for putting together (or delegating, as necessary) a staff report as necessary. The Councilmember's written request may be an attachment to the staff report or may be provided as a stand alone attachment for the item.

B. Bringing Items Back-New City Council.

In any instance where one or more City Council members was not involved in the decision on any given item (other than quasi-adjudicatory items-i.e. items involving licenses or permits) previously decided by the City Council, the Mayor or any City Council member may request that the item be brought back to the City Council for further deliberation and action. In such cases, he/she must do so in writing, using a form to be provided by the City Clerk. The Mayor or a City Council member may announce his/her intent to place an item on an upcoming agenda at a City Council meeting, but the request must still be made using this procedure. The City Administrator would be responsible for putting together (or delegating, as necessary) a staff report as necessary. The Councilmember's written request may be an attachment to the staff report or may be provided as a stand alone attachment for the item.

SECTION 2. All ordinances or parts of ordinances in conflict herewith are hereby expressly repealed.

SECTION 3. This ordinance is not intended to and shall not be construed or given effect in a manner that imposes upon the city, or any officer or employee thereof, a mandatory duty of care towards persons or property within the city or outside of the city so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

SECTION 4. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be effective without the invalid provision or application, and to this end the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the validity of any particular portion thereof.

SECTION 5. This ordinance shall become effective thirty days after its final passage and shall be published at least once within fifteen days prior to its effective date in the Manteca Bulletin, the official newspaper of the City of Ripon.

The foregoing ordinance was introduced and the title thereof read at the regular meeting of the City 3A Council of the City of Ripon held on the ____ day of _____, 2016, and by majority vote of the council members present, further reading was waived.

On a motion by Councilperson _____, seconded by Councilperson _____, the foregoing ordinance was duly passed and adopted by the City Council of the City of Ripon at a regular meeting thereof held on this ____ day of _____, 2016, by the following vote,
TO WIT:

AYES:

NOES:

ABSENT:

ABSTAINING:

THE CITY OF RIPON,
A Municipal Corporation

By: _____
JACOB PARKS, Mayor

ATTEST:

LISA ROOS, City Clerk



MEMO

Engineering Department

TO: Honorable City Council

FROM: James Pease, Engineering Supervisor

SUBJECT: CNG Expansion & Bus Shelter Project – SSJID Encroachment Agreement

DATE: September 27, 2016

BACKGROUND

The Compressed Natural Gas (CNG) Expansion and Bus Shelter Project is moving forward and construction is currently underway. The completed project will expand onto the existing CNG Station to allow for slow fill capability and provide a shelter for the City Bus as well as other large City vehicles. This project is funded through two separate Proposition 1B grants; the Public Transportation Modernization, Improvement, and Service Enhancement Account and the Transit System Safety, Security & Disaster Response Account.

SSJID ENCROACHMENT AGREEMENT

The work also includes installing a driveway entrance and minor landscaping over an existing South San Joaquin Irrigation District (SSJID) Easement. An encroachment agreement must be executed in order to construct the improvements within the SSJID easement. I have attached the SSJID encroachment agreement; the document will be recorded once finalized.

RECOMMENDATION

Attached is the City Encroachment Agreement with the South San Joaquin Irrigation District to install improvements within the existing easement for the CNG Expansion and Bus Shelter Project. I am requesting Council approve the Agreement and authorize the Mayor to sign and for staff to proceed.

Attachments:

- City Encroachment Agreement

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

SOUTH SAN JOAQUIN IRRIGATION DISTRICT
P.O. Box 747
Ripon, CA 95366

CITY ENCROACHMENT AGREEMENT

This ENCROACHMENT AGREEMENT executed this ___ day of _____, 2016, by and between SOUTH SAN JOAQUIN IRRIGATION DISTRICT, a State Agency of the State of California, hereinafter referred to as "DISTRICT", and CITY OF RIPON, a Municipal Corporation, hereinafter referred to as "CITY", sets forth agreements as follows:

WITNESSETH:

WHEREAS, DISTRICT occupies easements and fee-owned lands for its irrigation and drainage facilities, and

WHEREAS, CITY desires to construct or have others construct public facilities within a portion of the property described in the attached **Exhibit "A"** (the "Subject Property") which is encumbered by all or a portion of DISTRICT's easement, and

WHEREAS, within the Subject Property CITY wishes to encroach upon the DISTRICT easement area of Lateral "U" with improvements as shown on plans approved by DISTRICT for the City of Ripon CNG Expansion and Bus Shelter, and

WHEREAS, DISTRICT is willing to permit said encroachments provided CITY indemnify and hold the DISTRICT harmless as herein below specified and provided CITY'S improvements are located, installed, operated, and maintained and plans thereof are approved as hereinafter specified. NOW, THEREFORE, it is agreed as follows:

1. Nature of Right Conferred. DISTRICT intends hereby to assent only to (a) an encroachment upon an easement or easements held by DISTRICT or (b) to confer a license

to CITY to encroach upon DISTRICT fee-owned lands, all subject to the terms hereof. Nothing in this Agreement constitutes a grant or other disposition of any land or interest in land which is owned or otherwise occupied by DISTRICT. It is understood that nothing in this Agreement shall be considered as a representation by DISTRICT of the authority to grant any interest in land over, across, or under any property owned or controlled by any person other than DISTRICT. Should DISTRICT's interest in Subject Property be by easement or right-of-way document, CITY shall obtain any further grants or consents from all others owning interest in the subject property underlying DISTRICT'S easement or right-of-way. It is further agreed that any right granted to CITY hereunder shall be inferior and subordinate to the rights of DISTRICT. Except as herein expressly permitted, CITY shall not place or permit to be placed on, in, across, under or through said easement or right-of-way any building, structure, explosive, manhole, well, guy wire, or any other obstruction, nor do or permit to be done, anything which may interfere with the full and exclusive enjoyment by DISTRICT of easements or rights-of-way owned by it. CITY shall not authorize or permit encroachment by others nor shall it utilize DISTRICT easement or right-of-way areas in any manner which may endanger, interfere, or make more expensive the proper use, maintenance and operation of any works or property of DISTRICT without first obtaining the written consent of DISTRICT.

2. Assignments and Sublicenses. CITY shall not, without the prior written consent of DISTRICT, assign or otherwise transfer any right created by this Agreement. CITY shall not authorize or permit others to utilize any facilities, structures, easements or right-of-way areas which are the subject matter of this Agreement in any way not expressly authorized by this Agreement.

3. Indemnity and Release. As a major inducement and consideration for the license and permission herein, CITY shall (a) indemnify and hold harmless and (b) release DISTRICT, its officers, agents and employees, against and from any and all loss, damage, claims, demands, actions, causes of action, penalties, costs and expenses of whatsoever nature, including court costs and attorney fees, which may result from property damage or injury to or death of any persons whomsoever including, but not by way of limitation,

officers, agents and employees of DISTRICT, or others, against and from damages to or loss or destruction of property whatsoever including, but not by way of limitation, damage to the levees, canals, appurtenant facilities, equipment or other property of DISTRICT in its care or custody, when such injury, death, loss, destruction or damage to, or arises because of:

- (a) The installation, construction, maintenance, repair, renewal, modification, reconstruction, relocation or removal of permitted CITY facilities or any part thereof; or
- (b) The prosecution of any work contemplated by this Agreement or the presence, operation or use of permitted CITY facilities.

This indemnity shall not extend to claims for damages arising out of the death of, or personal injury to, employees of DISTRICT to the extent that they are within the coverage of the Worker's Compensation Insurance carried by DISTRICT.

The foregoing release and indemnity shall be effective notwithstanding any assertion that DISTRICT or others indemnified and released were themselves negligent and that such negligence was a contributing cause of the damage or loss claimed.

4. Corrective Actions. CITY further agrees that the facilities of DISTRICT to which this encroachment applies will be left, following the encroachment, in as good or better condition than they were before this Agreement was entered into. In the event the General Manager of DISTRICT, in his sole discretion, determines that the facilities are not left in as good or better condition than before this Agreement was consummated, CITY agrees to take such corrective action as the General Manager of DISTRICT directs, at the sole expense of CITY and at no expense to DISTRICT. CITY agrees in the event that it fails to make corrections requested by the General Manager of DISTRICT, that DISTRICT may make such corrections at CITY'S expense, and CITY agrees to pay the cost of such corrections in full upon demand by DISTRICT.

5. Plans and Specifications: Construction.

- (a) All encroachments and structures constructed under this Agreement shall be erected within time frames established by DISTRICT and in accordance with plans and specifications and upon locations approved in advance by DISTRICT as herein provided and shall be erected in such a manner as not to obstruct in any manner the flow of water in the canals, laterals or drain ditches of DISTRICT or to make more expensive or to interfere in any manner whatsoever with the functions, construction, operation and maintenance of any part of the impacted irrigation and/or drainage works by DISTRICT.
- (b) CITY'S construction activities shall incorporate requirements noted on plans approved by DISTRICT. Further, final construction, including appurtenances and the layout and construction of same, shall be in accordance with plans approved in advance by DISTRICT and shall not be changed or altered without the express written consent of DISTRICT.
- (c) The CITY shall call DISTRICT Engineer at 249-4600 a minimum 48 hours prior to planned construction and shall coordinate all construction activities with the DISTRICT'S Water Superintendent. Further, routine inspections by DISTRICT of construction activities such as trenching, backfilling, compaction, concreting, etc., as specified within DISTRICT STANDARD (construction) SPECIFICATIONS.
- (d) When repairing, maintaining, constructing, and reconstructing CITY encroachments, CITY and/or its contractors shall comply with all applicable requirements of the Clean Air Act, as amended (U.S.C. 1857, et seq., as amended by Public Law 91-604), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq., as amended by Public Law 92-500), respectively, and all federal, state and local laws, regulations and guidelines issued thereunder. Further, when and if necessary prior to performing said operations, CITY and/or its contractors shall

comply with applicable requirements of OSHA, CAL-OSHA, State of California Department of Industrial Safety and Health Orders, Cal-Trans, and California Health and Welfare laws, regulations and guidelines issued thereunder. Without any limitations by the foregoing, CITY shall obey all other laws, rules and regulations in effect which are enacted by any federal, state or local agency having jurisdiction.

- (e) Construction in, on, or around DISTRICT works or facilities is prohibited during DISTRICT irrigation season and at other such times as the DISTRICT is providing irrigation or drainage service to its customers. Special variances may be requested by submitting such requests to DISTRICT Board of Directors.
- (f) All equipment, materials, and supplies used in the reconstruction and connection to DISTRICT facilities shall be new, unless otherwise specified. All equipment, materials, and supplies shall be produced in a good and workmanlike manner. The quality of all materials, processes, or articles shall be substantially equal, or better in every respect to that so indicated or specified, provided, however, that if the material, process, or article offered by the city is not, in the opinion of DISTRICT Engineer, equal or better in every respect to that specified, then CITY must furnish the material, process, or article specified or one that in the opinion of DISTRICT Engineer is substantially equal or better in every respect. The finished connecting encroachment and reconstructed DISTRICT facility including all materials, equipment, and supplies provided by CITY shall fully conform with all applicable state and federal safety laws, rules, regulations, and orders.
- (g) Upon completion of the encroachment permitted under this agreement, CITY shall deliver to DISTRICT, record drawings in a form acceptable to DISTRICT Engineer.

6. Ordinary Operation, Maintenance, Repair or Replacement.

- (a) Where necessary, and to the extent required to perform ordinary operation, maintenance, and reconstruction functions, DISTRICT may request, upon two (2) weeks notice, the removal or relocation of portions of CITY'S encroachments and CITY shall perform the required work at no cost to DISTRICT. For emergency purposes CITY shall remove encroachments immediately upon request by the DISTRICT. The repair and replacement of CITY encroachments following DISTRICT maintenance and reconstruction efforts shall be performed by CITY and at the expense of CITY.
- (b) CITY shall pay for all costs of repairs or replacement of DISTRICT facilities should it be determined by DISTRICT General Manager or DISTRICT Engineer that the CITY encroachment has caused leakage or damage to DISTRICT facility.
- (c) Should the encroachment involve a connection to a DISTRICT facility, CITY shall, during the construction and installation of the encroachment, assume the responsibility for managing and conveying storm drainage and miscellaneous incidental flows that may enter DISTRICT facilities upstream of and in the area of the connecting encroachment. All such work necessary to meet this requirement shall be at the expense of CITY.

7. Legal Action. In the event either party commences a legal action to enforce any of the terms and conditions of this Agreement, the prevailing party in said action shall be entitled to recover reasonable attorney's fees and costs incurred.

8. Conditions Precedent. CITY acknowledges that all of the foregoing constitute conditions precedent to DISTRICT granting the Agreement herein requested and understands that the Agreement would not have been granted in the absence of said conditions.

THIS AGREEMENT shall be binding upon both DISTRICT and CITY, their successors, heirs and assigns, however, DISTRICT reserves the right to terminate this Agreement upon 60 days' notice to the CITY should CITY fail to comply with any reasonable request of DISTRICT pertaining to the encroachment permitted under this Agreement. Should this occur CITY shall remove its encroachment prior to the end of the 60 day notice without cost or expense to DISTRICT.

IN WITNESS WHEREOF, DISTRICT and CITY have caused their names to be affixed.

IN WITNESS WHEREOF, DISTRICT and CITY have caused their names to be affixed.

SOUTH SAN JOAQUIN IRRIGATION DISTRICT
"DISTRICT"

By _____
Robert A. Holmes, President
Board of Directors

By _____
Peter M. Rietkerk, Secretary
Board of Directors

"CITY"

By: _____ Attest: _____

SIGNATURES MUST BE NOTARIZED AND DOCUMENT RECORDED

EXHIBIT "A"

Legal Description

THE EAST HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 SOUTH, RANGE 8 EAST, MOUNT DIABLO MERIDIAN.

EXCEPTING THEREFROM THAT PARCEL DESCRIBED AND RECORDED IN INSTRUMENT NUMBER 95033788.

ALSO EXCEPTING THEREFROM THAT PARCEL DESCRIBED AND RECORDED IN BOOK 66 OF OFFICIAL RECORDS AT PAGE 47.

AND EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

BEGINNING AT A POINT ON THE NORTH LINE OF SAID EAST HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER, SAID POINT BEING NORTH 89° 21' 11" WEST, 52.01 FEET FROM THE EAST QUARTER CORNER OF SAID SECTION 30; THENCE SOUTH 00° 32' 44" EAST, PARALLEL WITH THE EAST LINE OF SAID SECTION 30, A DISTANCE OF 462.62 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 347.00 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 91° 11' 03" AN ARC DISTANCE OF 552.24 FEET; THENCE NORTH 89° 21' 41" WEST A DISTANCE OF 842.70 FEET; THENCE NORTH 44° 57' 57" WEST, A DISTANCE OF 42.87 FEET; THENCE NORTH 00° 34' 13" WEST, PARALLEL WITH AND 41.29 FEET DISTANT PERPENDICULAR TO THE WEST LINE OF SAID EAST HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 30, A DISTANCE OF 750.41 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 252.00 FEET; THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 08° 21' 59", AN ARC DISTANCE OF 36.80 FEET TO SAID NORTH LINE OF THE EAST HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 30; THENCE SOUTH 89° 21' 11" EAST ALONG SAID NORTH LINE, A DISTANCE OF 1229.62 FEET TO THE POINT OF BEGINNING.

AND EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

BEGINNING AT A POINT ON THE NORTH LINE OF SAID EAST HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER, SAID POINT BEING NORTH 89° 21' 11" WEST, 52.01 FEET FROM THE EAST QUARTER CORNER OF SAID SECTION 30; THENCE SOUTH 00° 32' 44" EAST, PARALLEL WITH THE EAST LINE OF SAID SECTION 30, A DISTANCE OF 462.62 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE

NORTHWEST AND HAVING A RADIUS OF 347.00 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF $91^{\circ} 11' 03''$ AN ARC DISTANCE OF 552.24 FEET; THENCE NORTH $89^{\circ} 21' 41''$ WEST A DISTANCE OF 842.70 FEET; THENCE NORTH $44^{\circ} 57' 57''$ WEST, A DISTANCE OF 42.87 FEET; THENCE NORTH $00^{\circ} 34' 13''$ WEST, PARALLEL WITH AND 41.29 FEET DISTANT PERPENDICULAR TO THE WEST LINE OF SAID EAST HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 30, A DISTANCE OF 750.41 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 252.00 FEET; THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $06^{\circ} 24' 08''$, AN ARC DISTANCE OF 28.16 FEET, THENCE SOUTH $00^{\circ} 34' 13''$ EAST, PARALLEL WITH AND 40.00 FEET DISTANT PERPENDICULAR TO THE SAID WEST LINE OF THE EAST HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 30, A DISTANCE OF 910.52' TO THE NORTH LINE OF 30 FOOT WIDE S.S.J.I.D. EASEMENT, THENCE SOUTH $89^{\circ} 21' 41''$ ALONG SAID NORTH LINE, A DISTANCE OF 871.84 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 449.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $63^{\circ} 53' 14''$, AN ARC DISTANCE OF 500.65 FEET TO THE EAST LINE OF SAID SECTION 30, THENCE NORTH $00^{\circ} 32' 44''$ WEST ALONG SAID EAST LINE, A DISTANCE OF 667.45 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 30, THENCE NORTH $89^{\circ} 21' 11''$ WEST A DISTANCE OF 52.01 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED RESULTANT PARCEL BEING SUBJECT TO EASEMENTS GRANTED TO SOUTH SAN JOAQUIN IRRIGATION DISTRICT.



October 2, 2016

Mr. Ken Zuidervaart
City of Ripon
259 N. Wilma Ave.
Ripon, CA 95366

Dear Ken,

Goodwin Consulting Group, Inc. (GCG) proposes the following scope of work and fee schedule to provide the City of Ripon (City) with an Economic Development Manual (EDM). The EDM will include information regarding the various financing mechanisms used by cities in the Central Valley to fund municipal capital improvements. The cities to be included in the EDM are:

1. Lathrop
2. Manteca
3. Modesto
4. Riverbank
5. Tracy
6. Turlock

The purpose of the EDM is to provide a comparison of Ripon's development impact fees to those in the identified cities. For those cities with lower overall impact fees than Ripon, the EDM will identify the reason why their fees are lower than Ripon's fees. In many cases, the reason is that cities use other financing mechanisms to fund capital facilities. For example, cities may use community facilities districts (CFDs), assessment districts (ADs), or revenue bonds, backed by utility fees, to fund infrastructure. Cities may also condition development to construct facilities upfront and then reimburse the developers with future impact fees or through an area of benefit. GCG will research the financing mechanisms used in the comparison cities and summarize the results in the EDM. The following tasks will be provided by GCG.

Task 1 - Background Research

- GCG will compare Ripon's impact fees to the comparison cities' fees and coordinate with building and planning department personnel at the cities to determine why certain impact fees are lower than those in Ripon.
- For cities with multiple fee zones, such as Manteca and Lathrop, GCG will research each individual fee zone to determine what, if any, capital financing mechanism is used and

the type of facility that is being financed. In addition to CFDs, ADs, and revenue bond funding, GCG will also check for areas of benefit, any policies that would allow for waiving of impact fees, and any upfront funding requirements on development.

- GCG will review city websites for financing and policy documents that may provide additional information on citywide and specific plan fee areas and the facilities that are funded by the fees.

Task 2 - Economic Development Manual

GCG will prepare the EDM which will summarize the results of GCG research. The report will discuss the comparison cities fee programs, discuss separate fee zones within cities and identify any existing financing mechanisms or city policies that would lead to reducing their citywide or zonal impact fees. The report will allow Ripon city staff to understand why some comparison cities have lower impact fees than Ripon.

FEE SCHEDULE

A. Services

The fee for services set forth above will be \$9,800. This budget represents the maximum amount not to be exceeded. Additional consulting services beyond those included in the scope of services may be provided within the maximum budget if total hourly billings are less than the budget maximum. Alternatively, if the scope of work can be completed for less than the maximum budget, only the hours actually expended will be billed. Services will be billed on a time and materials basis using the hourly rates set forth in the table below.

TABLE 1
GCG HOURLY SERVICE RATES *

Managing Principal	\$280/Hour
Senior Principal	270/Hour
Principal	235/Hour
Senior Associate	190/Hour
Associate	180/Hour
Analyst	170/Hour
Research Assistant	90/Hour

** These rates are effective through May 2017 and will be adjusted for inflation thereafter.*

B. Expenses

GCG shall be reimbursed for direct expenses, including mileage, data purchases, courier, overnight delivery, and long-distance telephone expenses.

C. General Terms and Conditions

GCG will bill using the hourly rates set forth in Table 1 above. Monthly invoices will be presented to the City to provide details of services rendered and expenses incurred. At the City's request, services in addition to those identified in the scope of work may be provided based on the fee schedule shown in Table 1.

If you should have any questions or concerns regarding this, please feel free to contact me.

Sincerely yours,



Victor Irzyk
Senior Principal

PROJECT IMPROVEMENT AGREEMENT

THIS PROJECT IMPROVEMENT AGREEMENT (“Agreement”) is made and entered into this ____ day of October, 2016, by and between _____, a California Corporation (“DEVELOPER” and “OWNER”) and the CITY OF RIPON, a Municipal Corporation (“City”).

WITNESSETH

WHEREAS, Developer has previously filed with City the proposed Site Plan (SR 16-05), which has been approved administratively by the Director of Planning and Community Development (“Director”), subject to the installation of certain public improvements, and a condition of approval requiring the execution of a Project Improvement Agreement ; and

WHEREAS, Developer proposes to install required public improvements to serve the development approved and contemplated within the Site Plan; and

WHEREAS, Developer recognizes its responsibility to comply with the provisions of such ordinances, policies and development standards of the City, including, but not limited to, the utilities and infrastructure specified in the North Pointe Specific Plan.

NOW, THEREFORE, IT IS AGREED by and between Developer and City as follows:

1. **Installation of Improvements.** Developer agrees to timely construct and complete all required improvements set forth in the Conditions of Approval attached hereto as Exhibit “A” (the “Improvements”) all in accordance with improvement plans to be prepared by Developer’s engineers and approved by the Ripon City Engineer (the “Improvement Plans”).

In connection with the Improvements, Developer agrees at no cost to City to provide a set of construction Record Drawings to the City in an AutoCad v. 2007, or later, electronic format, prior to final acceptance of construction.

2. **Improvement Security.** Prior to constructing any of the Improvements, and prior to the issuance of any Building Permit pursuant to the Site Plan, Developer shall obtain and submit a Faithful Performance Improvement Bond in the amount of 100% of the estimated cost of the construction of and completion of the Improvements per a cost estimate to be prepared by Developer’s engineer and as approved by the Ripon City Engineer. In addition, at the same time, Developer shall obtain a Labor and Material Bond, in the amount of 100% of the estimated cost of the construction of and completion of the Improvements per a cost estimate to be prepared by Developer’s engineer and as approved by the Ripon City Engineer.

3. **Use of Improvement Security.** In the event that Developer shall fail to complete any of the Improvements enumerated above, or to complete any of the work, or any part thereof in accordance with the provisions of this Agreement, the Conditions of Approval of the Site Plan and the applicable Ordinances of the City of Ripon, or laws applying thereto, and the Plans therefore, within the timeframes spelled out in Exhibit “A” of this Agreement, the City, upon thirty (30) days prior written notice to Developer, shall have the immediate right to take over and complete the same, and shall have the further right to immediately call upon the guarantor, bank, or surety company of Developer for reimbursement of its costs, or to appropriate from the cash deposit or any other financial instrument made or given by Developer to City as a guarantee hereunder,

sufficient monies for complete reimbursement to the City of any and all reasonable costs which may be incurred by City in connection with the completion of any of the improvements or agreements, as hereinabove set forth. Any excess of such cash or other deposits or bond over and above all costs incurred by the City to complete the same, shall be refundable to Developer, or any applicable guarantor, bank or surety company. If the total amount of such costs of improvements expended by City exceeds the amount of any such cash or other deposit or bond previously posted by the Developer, the Developer and the Owner shall immediately become personally liable to City for any such additional sum, and shall immediately pay the excess cost to City upon written demand made therefore by City.

4. **Maintenance Bond.** Developer shall deliver to City at the time of the final acceptance by City of any of the improvements, a maintenance bond or bonds, or other satisfactory form of security, in the amount of ten percent (10%) of the amount of the Labor and Material bond, which shall continue in force for a period of one (1) year after completion and acceptance by City to guarantee City the satisfactory performance, functioning, and maintenance of the improvements constructed by Developer and accepted by City hereunder. The bond may be either in the form of a cash deposit, certified check, certificate of deposit, letter of credit payable to the City of Ripon, or other satisfactory evidence of financing, or a surety bond executed by a surety company authorized to transact business in the State of California and satisfactory in form to the City Attorney. Should any of the improvements constructed hereunder fail in any manner to properly function and perform, and require maintenance, repair, or rebuilding for any reason during the one (1) year period as set forth by the City Council for the continuance of the maintenance bond, and should Developer fail after thirty (30) days' written notice by City to immediately remedy and repair any such malfunction or defect, City shall have the immediate right to correct the deficiency and call upon the surety for reimbursement for any of the costs expended by City to properly maintain, repair, or rebuild the improvements, or shall have the absolute right to appropriate from any cash or other deposits of Developer hereunder sufficient sums for reimbursement to the City of any costs which the City may have expended in connection with the repair or maintenance of any of the improvements. Any excess of such cash or other deposits or bonds over all costs incurred by the City in connection with any repair, maintenance, or rebuilding shall be refunded to the Developer or any applicable guarantor, bank of Surety Company upon the expiration of the one (1) year period of maintenance as herein provided. If the total costs exceed the amount of such cash, deposits, or bonds, the Developer and the Owner shall become personally liable to the City for any such additional sum, and shall immediately pay such excess cost to City upon written demand by the City therefore.

Developer understands and acknowledges that until all of the Improvements have been completed and accepted by City, in its sole and absolute discretion, the City shall have no obligation to conduct a final inspection with respect to any development undertaken pursuant to the Site Plan.

5. **City Inspection and Approval.** The construction of all Improvements hereunder are at all times subject to the inspection and final approval of the Ripon City Engineer or any other designated inspector of City, including the final inspection thereof, and their decision shall be conclusive as to the satisfactory completion of the improvements.

6. **Extensions.** No extension of time or release of surety bond, cash, or other deposit shall be made except upon a certification of the Ripon City Engineer or other designated engineer of work, that the work performed and covered by this Agreement and guaranteed by the Faithful

Performance Improvement Bonds or any cash deposits required hereunder has been satisfactorily completed, approved, and finally accepted by the Ripon City Council.

7. **Recording Costs.** Developer shall pay for all costs of recording this Agreement with the San Joaquin County Recorder.

8. **Assignment.** It is agreed that, until completion of the required Improvements and final acceptance by City, Developer shall not have the right to transfer or assign this Agreement or to transfer or assign any right, title, and interest in any of the real property or the Improvements to be constructed thereon to any third person or persons, without first obtaining the prior written consent by City to any such transfer.

9. **Attorney’s Fees.** In the event it becomes necessary to enforce any of the provisions of this Agreement by Court action, the prevailing party shall be entitled to reasonable attorney’s fees as may be awarded by a Court of competent jurisdiction.

10. **Insurance.** In connection with the installation of the Improvements, Developer agrees to provide the City evidence showing the City listed as an additional insured by Developer’s insurance carrier, the general contractor’s and sub-contractor’s insurance carriers.

IN WITNESS WHEREOF, the parties have hereunder set their hand the day and year first above written.

“CITY”

CITY OF RIPON, A Municipal Coporation

By: _____
JACOB PARKS, Mayor

ATTEST

By: _____
LISA ROOS, City Clerk

“DEVELOPER”

By: _____
Kulwinder S. Johal
Gemco Ripon Trade Plaza, Inc.

By: _____
Kulwinder S. Johal
Subtera, LLC Member

“OWNER”

By: _____
Fred Bertetta, III
Olympian, J.V.



MEMO

Engineering Department

TO: Honorable City Council

FROM: James Pease, Engineering Supervisor

SUBJECT: Asphalt Rubber Cape Seal Project 2016 – Contract Change Order 1

DATE: October 3, 2016

The Contract for the Asphalt Rubber Cape Seal Project 2016 was awarded to American Pavement Systems, Inc. (APS) at the September 13, 2016 Council meeting for the amount of \$599,656. The project includes an asphalt rubber cape seal on various roadways surrounding Vermeulen Park and the Spring Creek areas as well as a slurry seal on Main Street between Acacia Avenue and Industrial Avenue.

There are several locations on Main Street between Acacia Avenue and Industrial Avenue where the concrete valley gutter and surrounding asphalt concrete has failed. Staff has requested a change order from American Pavement Systems to repair these failed sections. The attached change order to perform the work is for an amount of \$21,015.

FISCAL IMPACT

Original Contract Price:	\$	599,656
Total Cost of this Change Order (not to exceed):	\$	<u>21,015</u>
Revised Contract Price:	\$	620,671

STAFF RECOMMENDATION

I am requesting the City Council's approval to execute a contract amendment for the Asphalt Rubber Cape Seal 2016 project in the amount of \$21,015. The additional project cost is to be funded from the Street and Road fund.

Attachment

- Contract Change Order 1



MEMO

TO: Honorable City Council

FROM: Kevin Werner

SUBJECT: 2017 Health and Welfare Plan Renewals

DATE: October 5, 2016

Bohannon's Insurance Group has received renewal quotes for the calendar year 2017 city provided health and welfare plans. Below is a comparison of the 2016 health and welfare annual premium cost to the 2017 renewal quotes received.

Table 1
Annual Premium Renewal Summary

Plan	2016	2017	% Change
Kaiser Healthcare	\$704,473	\$745,043	+5.7%
CSAC Blue Shield Healthcare	\$542,134	\$561,912	+3.6%
Assurant Dental	\$113,089	\$121,008	+7.0%
MES Vision ^a	\$16,224	\$16,224	No change
ASH Chiropractic ^b	\$2,489	\$2,453	-1.4%
Lincoln Financial Life Insurance	\$6,168	\$6,630	+7.5%
Lincoln Financial Long-Term Disability	\$15,722	\$17,318	+10%
Total ^c	\$1,400,299	\$1,470,588	+5.0%

Note(s):

- Final year of rate guarantee period.
- Only available to employees participating in Kaiser. Employees participating in Blue Shield receive chiropractic coverage through Blue Shield.
- Does not include deductible reimbursement.

Assurant has also submitted a quote that not only included providing dental insurance, but also life and long-term disability insurance. This alternate quote reduced the original dental insurance quote provided by Assurant from \$121,008 to \$115,355 and offered life insurance at \$6,479 and long-term disability at \$15,408 for calendar year 2017. This provided a \$7,714 savings from the initial 2017 premium quotes shown in the table above.

As of January 1, 2015, the City and its' employees have agreed to share in premium increases above the currently defined maximum premium of \$1,760 and \$1,415 per month for Kaiser and Blue Shield participants, respectively. The following table summarizes the changes to the employee monthly premiums from 2016 to 2017.

Table 2
Summary of Monthly Premiums

CATEGORY	2016 PREMIUM ^b	2017 PREMIUM ^b	EMPLOYEE RESP.	CITY RESP.
Employees w/ Blue Shield Plan ^a				
Employee Only	\$606.64	\$627.60	\$0	\$627.60
Employee + Spouse	\$1,213.80	\$1,256.68	\$0	\$1,256.68
Employee + Children	n/a	n/a	n/a	n/a
Employee + Family	\$1,617.55	\$1,673.21	\$129.10	\$1,544.11
Employees w/ Kaiser Plan				
Employee Only	\$588.30	\$619.95	\$0	\$619.95
Employee + Spouse	\$1,282.59	\$1,352.05	\$0	\$1,352.05
Employee + Children	\$1,196.95	\$1,260.69	\$0	\$1,260.69
Employee + Family	\$1,783.79	\$1,879.27	\$59.63	\$1,819.64

Note(s):

- a. The maximum potential deductible reimbursement, as previously approved by the City Council, is not included. On a calendar year basis, employees using the Blue Shield plan are reimbursed for 100 percent of the Blue Shield plan healthcare deductible cost. Also, the City reimburses employees using the Blue Shield and co-insurance cost after the first \$2,000 is paid by the employee. The maximum reimbursement by the City is \$3,000 individual/\$8,000 family, per year.
- b. Includes healthcare, dental, vision, and chiropractic premiums.

FINANCIAL IMPACT

As previously mentioned, the health and welfare renewal quotes are based on a calendar year basis and the city budgets are on a fiscal year. The fiscal year 2016-17 budget includes \$1.53 million in health and welfare benefits. Based on the 2016 actual health and welfare premiums (first half of the fiscal year) and the 2017 quotes received (second half of the fiscal year), this represents a \$35,000 savings to the City's overall budget.

STAFF RECOMMENDATION

Staff is recommending the City Council approve the following health and welfare plans to be provided for calendar year 2017:

- Kaiser Healthcare
- CSAC Blue Shield Healthcare
- Assurant Dental
- ASH Chiropractic (only employees participating in Kaiser)
- Assurant Life Insurance
- Assurant Long-term Disability

PUBLIC HEARINGS

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
RIPON ADOPTING AN INCREASE IN THE COST OF PROVIDING HEALTH BENEFITS TO THE CITY COUNCIL
MEMBERS**

WHEREAS, pursuant to State law, each member of the City Council is entitled to receive health benefits at the same level, and including the same coverage, as City employees.

WHEREAS, the City Council of the City of Ripon is desirous of adopting an increase in the cost of providing health benefits for all employees, including of the City Council Members for Calendar Year 2017; and

WHEREAS, Section 2.04.010 of the Ripon Municipal Code requires prior to the City Council approving any increase in the cost of providing health benefits to City Council members, the City Council may consider whether to accept said increase at a public meeting after public input. Thereafter, the City Council may adopt a resolution approving said increase, or a portion of said increase.

WHEREAS, the following table summarizes the change to the cost of providing health benefits for each employee category for calendar year 2017

CATEGORY	2016 PREMIUM b	2017 PREMIUM b	EMPLOYEE RESPONSIBILITY	CITY RESPONSIBILITY
<u>Employees w/ Blue Shield</u> a				
Employee Only	\$606.64	\$627.60	\$0	\$627.60
Employee + Spouse	\$1,213.80	\$1,256.68	\$0	\$1,256.68
Employee + Children	n/a	n/a	n/a	n/a
Employee + Family	\$1,617.55	\$1,673.21	\$129.10	\$1,544.11
<u>Employees w/ Kaiser Plan</u>				
Employee Only	\$588.30	\$619.95	\$0	\$619.95
Employee + Spouse	\$1,282.59	\$1,352.05	\$0	\$1,352.05
Employee + Children	\$1,196.95	\$1,260.69	\$0	\$1,260.69
Employee + Family	\$1,783.79	\$1,879.27	\$59.63	\$1,819.64

Note(s):

- a. The maximum potential deductible reimbursement, as previously approved by the City Council, is not included.
- b. Includes healthcare, dental, vision, and chiropractic premiums.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ripon does hereby approve the increase in cost to provide the City Council Members health benefits for Calendar Year 2017 as described on the above table, and finds such increase to be consistent with the requirements of 2.04.010 of the Ripon Municipal Code.

IT IS FURTHER RESOLVED that the City Council of the City of Ripon does hereby authorize the reimbursement of 100 percent of the City Council Members Blue Shield Silver Plan healthcare deductible cost and co-insurance cost after \$2,000 is paid by the employee. In order to receive reimbursement, requests shall be submitted to the City no later than 12 months from the date of service as shown on the Explanation of Benefits.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Ripon this 11th day of October, 2016, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAINING:

THE CITY OF RIPON, A Municipal Corporation

By: _____
JACOB PARKS, Mayor

ATTEST:

LISA ROOS, City Clerk

RESOLUTIONS

RESOLUTION NO. 16-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
RIPON ADOPTING AN INCREASE IN THE COST OF PROVIDING HEALTH BENEFITS
TO THE ADMINISTRATIVE STAFF AND NON-REPRESENTED POLICE DEPARTMENT
EMPLOYEES

WHEREAS, the City Council of the City of Ripon is desirous of adopting an increase in the cost of providing health benefits for all employees of the City of Ripon Administrative Staff and Non-Represented Police Department employees (“Employees”) for Calendar Year 2017; and

WHEREAS, the following table summarizes the change to the cost of providing health benefits for each employee category for calendar year 2017:

CATEGORY	2016 PREMIUM b	2017 PREMIUM ^b	EMPLOYEE RESPONSIBILITY	CITY RESPONSIBILITY
<u>Employees w/ Blue Shield^a</u>				
Employee Only	\$606.64	\$627.60	\$0	\$627.60
Employee + Spouse	\$1,213.80	\$1,256.68	\$0	\$1,256.68
Employee + Children	n/a	n/a	n/a	n/a
Employee + Family	\$1,617.55	\$1,673.21	\$129.10	\$1,544.11
<u>Employees w/ Kaiser Plan</u>				
Employee Only	\$588.30	\$619.95	\$0	\$619.95
Employee + Spouse	\$1,282.59	\$1,352.05	\$0	\$1,352.05
Employee + Children	\$1,196.95	\$1,260.69	\$0	\$1,260.69
Employee + Family	\$1,783.79	\$1,879.27	\$59.63	\$1,819.64

Note(s):

- a. The maximum potential deductible reimbursement, as previously approved by the City Council, is not included.
- b. Includes healthcare, dental, vision, and chiropractic premiums.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ripon does hereby approve the increase in cost to provide the Administrative Staff and Non-Represented Police Department Employee health benefits for Calendar Year 2017 as described on the above table.

IT IS FURTHER RESOLVED that the City Council of the City of Ripon does hereby authorize the reimbursement of 100 percent of the Administrative Staff and Non-Represented Police Department Employee Blue Shield Silver Plan healthcare deductible cost and co-insurance cost after \$2,000 is paid by the employee. In order to receive reimbursement, requests shall be submitted to the City no later than 12 months from the date of service as shown on the Explanation of Benefits.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Ripon this 11th day of October, 2016, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAINING:

THE CITY OF RIPON, a Municipal Corporation

By: _____
JACOB PARKS, Mayor

ATTEST:

LISA ROOS, City Clerk

RESOLUTION NO. 16-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
RIPON ADOPTING AMENDMENT NO. 1 TO THE
MEMORANDUM OF UNDERSTANDING
FOR FISCAL YEARS 2016-17 and 2017-18 FOR ALL
EMPLOYEES OF THE CITY OF RIPON
POLICE OFFICER’S ASSOCIATION

WHEREAS, the City Council of the City of Ripon is desirous of adopting Amendment No. 1 to the Memorandum of Understanding for all employees of the City of Ripon Police Officer’s Association (RPOA) for Fiscal Years 2016-17 and 2017-18; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ripon does hereby adopt Amendment No. 1 attached hereto as Exhibit “A” to the Memorandum of Understanding for the period July 1, 2016 through June 30, 2018, filed with the City Clerk of the City of Ripon this 11th day of October, 2016, as the current compensation plan for the City of Ripon for these employees.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Ripon this 11th day of October, 2016, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAINING:

THE CITY OF RIPON, a Municipal Corporation

By: _____
JACOB PARKS, Mayor

ATTEST:

LISA ROOS, City Clerk

AMENDMENT #1 TO
MEMORANDUM OF UNDERSTANDING
July 1, 2016 through June 30, 2018

BETWEEN THE CITY OF RIPON
AND
RIPON POLICE OFFICERS' ASSOCIATION

On July 12, 2016, 2014, the City Council of the City of Ripon adopted Resolution No. 16-51, approving the 2016-2018 Memorandum of Understanding (MOU). The adjustments to wages, hours and conditions of employment that are set forth in this Amendment have been discussed by and between the bargaining representatives of the City of Ripon (hereinafter, "City") and the bargaining representatives of the Ripon Police Officers Association (hereinafter, "Association") and shall apply to all employees of the City working in the classifications of Patrol Officer.

The City and Association agree as follows:

ARTICLE IX –Wage Supplements, Section A.2 is hereby amended to read in full as follows:

The City agrees to reimburse Association employees for 100 percent of the Blue Shield Silver Plan healthcare deductible cost and Co-insurance cost after \$2,000 paid by the Association Employee through December 31, 2017. In order to receive reimbursement, requests shall be submitted to the City no later than 12 months from the date of service as shown on the Explanation of Benefits.

ARTICLE IX – Wage Supplements, Section A.3 is hereby amended to read in full as follows:

The City agrees to pay 50 percent of the premium increase above the current maximum monthly contribution of \$1,760 for Association employees enrolled with Kaiser Permanente and \$1,415 for Association employees enrolled with Blue Shield. ~~Actual amount shall be added by Sideletter when premiums are known.~~ Based on the actual 2017 renewal quotes received (see Attachment A), the Association Employees enrolled in the Blue Shield "Employee plus family" category, shall be responsible for \$129.10 per month of the employees share of the additional premium above the previously defined Blue Shield maximum for calendar year 2017. Association Employees enrolled in the Kaiser "Employee plus family" category shall be responsible for \$59.63 per month of the employee's share of the additional premium above the previously defined Kaiser maximum for calendar year 2017.

Except as amended herein, the 2016-2018 MOU and each term and condition contained therein shall remain unchanged and shall continue in full force and effect.

Signatories to the Amendment of the 2016-2018 Memorandum of Understanding between the City and the Association:

FOR RIPON POLICE OFFICERS' ASSOCIATION
Erik Boger
E. B. for *Scott King*
Scott King, POA President

FOR THE CITY OF RIPON
Kevin Werner
Kevin Werner, City Administrator

Date: _____

Date: 9/28/16

FOR RIPON POLICE OFFICERS' ASSOCIATION

Aaron Donato, Chief Negotiator

Date: _____

ATTACHMENT A

CATEGORY	2016 PREMIUM ^b	2017 PREMIUM ^b	EMPLOYEE RESPONSIBILITY	CITY RESPONSIBILITY
<u>Employees w/ Blue Shield Plan ^a</u>				
Employee Only	\$606.64	\$627.60	\$0	\$627.60
Employee + Spouse	\$1,213.80	\$1,256.68	\$0	\$1,256.68
Employee + Children	n/a	n/a	n/a	n/a
Employee + Family	\$1,617.55	\$1,673.21	\$129.10	\$1,544.11
<u>Employees w/ Kaiser Plan</u>				
Employee Only	\$588.30	\$619.95	\$0	\$619.95
Employee + Spouse	\$1,282.59	\$1,352.05	\$0	\$1,352.05
Employee + Children	\$1,196.95	\$1,260.69	\$0	\$1,260.69
Employee + Family	\$1,783.79	\$1,879.27	\$59.63	\$1,819.64

Note(s):

- a. The maximum potential deductible reimbursement, as previously approved by the City Council, is not included.
- b. Includes healthcare, dental, vision, and chiropractic premiums.

RESOLUTION NO. 16-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
RIPON ADOPTING AMENDMENT NO. 1 TO THE
MEMORANDUM OF UNDERSTANDING
FOR FISCAL YEARS 2016-17 and 2017-18 FOR ALL
EMPLOYEES OF THE CITY OF RIPON
POLICE SERGEANT'S ASSOCIATION

WHEREAS, the City Council of the City of Ripon is desirous of adopting Amendment No. 1 to the Memorandum of Understanding for all employees of the City of Ripon Sergeant’s Association (RSA) for Fiscal Years 2016-17 and 2017-18; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ripon does hereby adopt Amendment No. 1 attached hereto as Exhibit “A” to the Memorandum of Understanding for the period July 1, 2016 through June 30, 2018, filed with the City Clerk of the City of Ripon this 11th day of October, 2016, as the current compensation plan for the City of Ripon for these employees.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Ripon this 11th day of October, 2016, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAINING:

THE CITY OF RIPON, a Municipal Corporation

By: _____
JACOB PARKS, Mayor

ATTEST:

LISA ROOS, City Clerk

AMENDMENT #1 TO
MEMORANDUM OF UNDERSTANDING
July 1, 2016 through June 30, 2018

BETWEEN THE CITY OF RIPON
AND
RIPON SERGEANTS' ASSOCIATION

On July 12, 2016, the City Council of the City of Ripon adopted Resolution No. 16-52, approving the 2016-2018 Memorandum of Understanding (MOU). The adjustments to wages, hours and conditions of employment that are set forth in this Amendment have been discussed by and between the bargaining representatives of the City of Ripon (hereinafter, "City") and the bargaining representatives of the Ripon Sergeants' Association (hereinafter, "Association") and shall apply to all employees of the City working in the classification of Sergeant.

The City and Association agree as follows:

ARTICLE III – Wage Supplements, Section A.2 is hereby amended to read in full as follows:

The City agrees to reimburse Association employees for 100 percent of the Blue Shield Silver Plan healthcare deductible cost and Co-insurance cost after \$2,000 paid by the Association Employee through December 31, 2017. In order to receive reimbursement, requests shall be submitted to the City no later than 12 months from the date of service as shown on the Explanation of Benefits.

ARTICLE III – Wage Supplements, Section A.3 is hereby amended to read in full as follows:

The City agrees to pay 50 percent of the premium increase above the current maximum monthly contribution of \$1,760 for Association employees enrolled with Kaiser Permanente and \$1,415 for Association employees enrolled with Blue Shield. ~~Actual amount shall be added by Sideletter when premiums are known.~~ Based on the actual 2017 renewal quotes received (see Attachment A), the Association Employees enrolled in the Blue Shield "Employee plus family" category, shall be responsible for \$129.10 per month of the employees share of the additional premium above the previously defined Blue Shield maximum for calendar year 2017. Association Employees enrolled in the Kaiser "Employee plus family" category shall be responsible for \$59.63 per month of the employee's share of the additional premium above the previously defined Kaiser maximum for calendar year 2017.

Except as amended herein, the 2016-2018 MOU and each term and condition contained therein shall remain unchanged and shall continue in full force and effect.

Signatories to the Amendment of the 2016-2018 Memorandum of Understanding between the City and the Association:

FOR RIPON SERGEANTS'
ASSOCIATION



Stephen Meece, RSA

Date: 09-28-16

FOR THE CITY OF RIPON



Kevin Werner, City Administrator

Date: 9/28/16

ATTACHMENT A

CATEGORY	2016 PREMIUM ^b	2017 PREMIUM ^b	EMPLOYEE RESPONSIBILITY	CITY RESPONSIBILITY
<u>Employees w/ Blue Shield Plan ^a</u>				
Employee Only	\$606.64	\$627.60	\$0	\$627.60
Employee + Spouse	\$1,213.80	\$1,256.68	\$0	\$1,256.68
Employee + Children	n/a	n/a	n/a	n/a
Employee + Family	\$1,617.55	\$1,673.21	\$129.10	\$1,544.11
<u>Employees w/ Kaiser Plan</u>				
Employee Only	\$588.30	\$619.95	\$0	\$619.95
Employee + Spouse	\$1,282.59	\$1,352.05	\$0	\$1,352.05
Employee + Children	\$1,196.95	\$1,260.69	\$0	\$1,260.69
Employee + Family	\$1,783.79	\$1,879.27	\$59.63	\$1,819.64

Note(s):

- a. The maximum potential deductible reimbursement, as previously approved by the City Council, is not included.
- b. Includes healthcare, dental, vision, and chiropractic premiums.

RESOLUTION NO. 16-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIPON ADOPTING AMENDMENT NO. 1 TO THE MEMORANDUM OF UNDERSTANDING FOR FISCAL YEARS 2016-17 and 2017-18 FOR ALL EMPLOYEES OF THE CITY OF RIPON WORKING IN THE CLASSIFICATION OF PUBLIC WORKS MAINTENANCE AND PUBLIC WORKS FOREMAN

WHEREAS, the City Council of the City of Ripon is desirous of adopting Amendment No. 1 to the Memorandum of Understanding for all employees of the City working in the classification of Public Works Maintenance and Public Works Foreman for Fiscal Years 2016-17 and 2017-18; and,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ripon does hereby adopt Amendment No. 1 attached hereto as Exhibit "A" to the Memorandum of Understanding for the period July 1, 2016 through June 30, 2018, filed with the City Clerk of the City of Ripon on the 11th day of October, 2016, as the current compensation plan for the City of Ripon for these employees.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Ripon this 11th day of October, 2016, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAINING:

THE CITY OF RIPON, a Municipal Corporation

By: _____
JACOB PARKS, Mayor

ATTEST:

LISA ROOS, City Clerk

AMENDMENT #1 TO
MEMORANDUM OF UNDERSTANDING
 July 1, 2016 through June 30, 2018

BETWEEN THE CITY OF RIPON
 AND
 RIPON CITY EMPLOYEES' ASSOCIATION

On July 12, 2016, the City Council of the City of Ripon adopted Resolution No. 16-53, approving the 2016-2018 Memorandum of Understanding (MOU). The adjustments to wages, hours and conditions of employment that are set forth in this Amendment have been discussed by and between the bargaining representatives of the City of Ripon (hereinafter, "City") and the bargaining representatives of the Ripon City Employees' Association (hereinafter, "Association") and shall apply to all employees of the City working in the classifications of Public Works Maintenance and Public Works Foreman.

The City and Association agree as follows:

ARTICLE III – Wage Supplements, Section A.2 is hereby amended to read in full as follows:

The City agrees to reimburse Association employees for 100 percent of the Blue Shield Silver Plan healthcare deductible cost. Also, the City agrees to reimburse Association employees for Co-insurance cost after \$2,000-paid by the Association Employee through December 31, 2017. In order to receive reimbursement, requests shall be submitted to the City no later than 12 months from the date of service as shown on the Explanation of Benefits.

ARTICLE III – Wage Supplements, Section A.3 is hereby amended to read in full as follows:

The City agrees to pay 50 percent of the premium increase above the current maximum monthly contribution of \$1,760 for Association employees enrolled with Kaiser Permanente and \$1,415 for Association employees enrolled with Blue Shield. ~~Actual amount shall be added by Sideletter when premiums are known.~~ Based on the actual 2017 renewal quotes received (see Attachment A), the Association Employees enrolled in the Blue Shield "Employee plus family" category, shall be responsible for \$129.10 per month of the employees share of the additional premium above the previously defined Blue Shield maximum for calendar year 2017. Association Employees enrolled in the Kaiser "Employee plus family" category shall be responsible for \$59.63 per month of the employee's share of the additional premium above the previously defined Kaiser maximum for calendar year 2017.

Except as amended herein, the 2016-2018 MOU and each term and condition contained therein

shall remain unchanged and shall continue in full force and effect.

Signatories to the Amendment of the 2016-2018 Memorandum of Understanding between the City and the Association:

FOR RIPON CITY EMPLOYEES' ASSOCIATION



James Bell
President

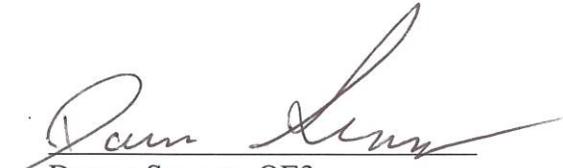
Date: 9-28-16

FOR THE CITY OF RIPON



Kevin Werner
City Administrator

Date: 9/28/16



Darren Semore, OE3
Representative

Date: 9-28-16



Jim Bodeson
Public Works Union Vice-President

Date: 9-28-16

ATTACHMENT A

CATEGORY	2016 PREMIUM ^b	2017 PREMIUM ^b	EMPLOYEE RESPONSIBILITY	CITY RESPONSIBILITY
<u>Employees w/ Blue Shield Plan ^a</u>				
Employee Only	\$606.64	\$627.60	\$0	\$627.60
Employee + Spouse	\$1,213.80	\$1,256.68	\$0	\$1,256.68
Employee + Children	n/a	n/a	n/a	n/a
Employee + Family	\$1,617.55	\$1,673.21	\$129.10	\$1,544.11
<u>Employees w/ Kaiser Plan</u>				
Employee Only	\$588.30	\$619.95	\$0	\$619.95
Employee + Spouse	\$1,282.59	\$1,352.05	\$0	\$1,352.05
Employee + Children	\$1,196.95	\$1,260.69	\$0	\$1,260.69
Employee + Family	\$1,783.79	\$1,879.27	\$59.63	\$1,819.64

Note(s):

- a. The maximum potential deductible reimbursement, as previously approved by the City Council, is not included.
- b. Includes healthcare, dental, vision, and chiropractic premiums.

ORDINANCES

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIPON REPEALING
ORDINANCE NOS. 486, 763 AND 346**

BE IT ORDAINED BY THE CITY OF COUNCIL OF THE CITY OF RIPON AS
FOLLOWS:

SECTION 1. REPEALING ORDINANCES

1. That Ordinance No. 486 Adding Chapter 5.28 to the Ripon Municipal Code, entitled “Cable Communications” is hereby repealed in its entirety.
2. That Ordinance No. 763 Adding Chapter 5.29 to the Ripon Municipal Code, entitled “State Video Service Franchises” is hereby repealed in its entirety.
3. That Ordinance No. 346 Adding Chapter 5.32 to the Ripon Municipal Code, entitled “Cable Television Installation Requirements” is hereby repealed in its entirety.

SECTION 2. NO MANDATORY DUTY OF CARE. This Ordinance is not intended to, and shall not be construed or given effect in a manner that imposes upon the City or any of its officers, agents, employees or volunteers, a mandatory duty of care towards persons and property, so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

SECTION 3. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this Chapter is for any reason held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Chapter. The City Council hereby declares that it would have passed the ordinance codified in this Chapter, and each and every section, subsection, sentence, clause or phrase not declared invalid or unconstitutional without regard to whether any portion of this Chapter would be subsequently declared invalid or unconstitutional.

SECTION 4. EFFECTIVE DATE. This ordinance shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

SECTION 6. PUBLICATION. At least two (2) days prior to its final adoption, copies of this ordinance shall be posted at City Hall and on the City of Ripon website, and a notice shall be published once in *The Manteca Bulletin*, the official newspaper of the City of Ripon, setting forth the title of this ordinance, the date of its introduction and the places where this ordinance is posted.

The foregoing ordinance was introduced at a regular meeting of the Council of the City of Ripon held on the _____, by Councilmember _____, who moved its introduction and passage to print, which motion being duly seconded by Councilmember _____, was upon roll call carried and ordered printed and published by the following vote:

AYES:
NOES:
ABSENT:
APPROVED:

JACOB PARKS, Mayor

ATTEST:
By

LISA ROOS, City Clerk



MEMO

TO: Honorable City Council

FROM: Kevin Werner

SUBJECT: Alcohol Ordinance Changes

DATE: October 5, 2016

The Ripon Municipal Code currently prohibits the consumption of alcohol within any public place, including streets, sidewalks, parking lots, and parks. The City Council has recently assembled a committee to review the current ordinance as it relates to alcohol consumption and consider possible changes. The committee has met and discussed three changes, for the City Council's consideration.

1. Provide for the consumption of alcohol at the Mistlin Sports Park Amphitheatre as part of an organized performance-based event sponsored by an approved Ripon Non-Profit Organization.
2. Provide for restaurants on Main Street between Stockton Avenue and Nourse Avenue to apply for a permit to set-up outdoor dining for the months of April-October in the parking spaces in front of the restaurant and be able to serve alcohol.
3. Provide for a downtown community dining event once a year on Main Street between Stockton Avenue and Walnut Avenue by an approved Ripon Non-Profit Organization where the consumption of alcoholic beverages would be permitted.

At the September City Council meeting, Vice Mayor Uecker reported out on the progress of the committee, including handing out a summary describing these possible changes that were discussed by the committee and that staff would be drafting changes to the current ordinance for the City Council's consideration.

CITY COUNCIL ACTION

Consider adding Chapter 5.48, amending Chapter 5.40, and amending Sections 9.04.020 and 9.23.040 of the Ripon Municipal Code to provide for any combination of changes, including (1) alcohol consumption as part of an organized performance-based event at the Mistlin Sports Amphitheatre, (2) downtown dining on Main Street between Stockton Avenue and Nourse Avenue and provide for the restaurants to be able to serve alcohol, and/or (3) downtown community dining event once per year on Main Street between Stockton Avenue and Walnut Avenue where the consumption of alcohol would be permitted.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIPON
 ADDING CHAPTER 5.48, AMENDING CHAPTER 5.40, AND AMENDING SECTION
 9.04.020 AND SECTION 9.23.040 OF THE RIPON MUNICIPAL CODE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RIPON AS FOLLOWS:

SECTION 1. Title 5 of the Ripon Municipal Code is hereby amended by adding Chapter 5.48 to read in full as follows:

Chapter 5.48
OUTDOOR DINING WITHIN A PUBLIC RIGHT-OF-WAY

Sections:

- 5.48.010 Purpose.**
- 5.48.020 Applicability.**
- 5.48.030 Outdoor dining.**
- 5.48.040 Suspension/Revocation.**
- 5.48.050 Penalty.**

5.48.010 Purpose.

The purpose of this chapter is to establish standards for outdoor dining activities that are permitted or conditionally permitted within a public right-of-way in the City. These provisions are standards and requirements to minimize the impacts of outdoor dining activities on surrounding properties and to protect the health, safety, and welfare of their occupants and of the general public.

5.48.020 Applicability.

Each activity covered by this chapter shall comply with the requirements of this chapter and any and all other applicable provisions of this title.

5.48.030 Outdoor dining.

Eating establishments located on Main Street between Stockton Avenue and Nourse Avenue shall locate, develop, and operate outdoor dining areas in compliance with the following standards:

- A. **Application Information.** The application shall be submitted no later than February 1st and include a scaled exhibit depicting the location of the Outdoor Dining area (including proposed structures and barriers, locations of tables and chairs, and existing structures on the parcel), be signed by one or more of the record owners of the parcel of property, and contain any other information required by the Director of Planning and Economic Development or his/her designee. Additionally, an electrical plan, when applicable, may

be required and shall include any lighting and electrical connection proposed including specification of fixtures, type and location. The application shall also state whether any alcohol will be sold or consumed in the area to be covered by the permit. The Director of Planning and Economic Development or his/her designee shall provide a copy of approved applications to the Police Department and Fire Department.

- B. Permitted Area of Use. Outdoor dining areas shall be limited to eating establishments located on Main Street between Stockton Avenue and Nourse Avenue and shall be confined to the parking spaces located directly in front of the eating establishment.
- C. Permitted Periods of Use. Use of a permitted outdoor dining area shall be limited to the months of April, May, June, July, August, September and October of any given year.
- D. Hours of Operation. Hours of operation shall be limited to the hours of operation of the associated eating establishment. However, no outdoor dining area shall be used after 9:00 p.m.
- E. Permits and Licenses. In addition to the annual outdoor dining permit and annual business license, the applicant shall also obtain approval from the San Joaquin County Environmental Health Division and the California Department of Public Health. As applicable, a current and valid liquor license issued by the California Department of Alcoholic Beverages Control is also required.
- F. Permit Not Deed or Easement. Permission to encroach upon a portion of a public right-of-way with tables and chairs granted through issuance of an outdoor dining permit under this chapter shall not constitute a deed or grant of an easement by the City.
- G. Minimum Clearance. The outdoor dining area may be located no further than the extent of the parking spaces located directly in front of the eating establishment. Additionally, a minimum of four feet of unobstructed sidewalk must remain available for pedestrians. For purposes of the minimum clear path, traffic signs, trees, tree grates and all similar obstacles shall constitute obstructions within the sidewalk area.
 - 1. No Obstructions. Minimum width of access opening shall be forty-four inches. No outdoor dining area shall obstruct any points of building ingress and/or egress.
 - 2. Vertical Clearance. Vertical clearance of seven feet shall be maintained.
- H. Design.
 - 1. No Permanent Attachments. No part of an outdoor dining area shall be permanently attached to the building, public right-of-way or sidewalk. Awnings or umbrellas may be used in conjunction with an outdoor dining area, although permanent shelters over an outdoor dining area are prohibited. Awnings shall be adequately secured, retractable, and shall comply with the Building Code.

2. **Barriers.** Barriers around outdoor dining areas are required, shall not exceed four feet in height and shall maintain at least 50% transparency to the outdoor elements. Barriers cannot block or enclose existing ingress or egress to a structure. Barriers shall be temporary, and may include moveable stanchions and similar items. All barriers must have at least one direct exit made by either providing a gap in the barrier, or with a door or gate that swings in the direction of egress travel equipped with panic hardware and having an operating force of no more than five pounds, or as otherwise required by accessibility regulations. Door or gate swing shall not intrude into any travel or related area. An outdoor dining area, where alcoholic beverages are consumed, must comply with barrier requirements as may be established by the California Department of Alcoholic Beverage Control.

3. **Design.** The design of all improvements and furniture shall be of a quality to sustain weather and wear, and shall be of commercial grade materials. The design shall also comply with all applicable codes, including Americans with Disability Act.
 - a. Furniture shall be of durable materials such as wrought iron, wood, steel, or cast aluminum. Tables shall be a size suitable for seating of two to four patrons. Plastic chairs and table and vinyl or plastic tablecloths are not permitted.
 - b. Planter boxes shall be of quality materials such as finished wood, precast concrete, terra cotta, or other pottery.
 - c. Umbrellas and awnings shall be solid color canvas. No generic advertising or signage is permitted.
 - d. Fencing/Screening shall be of durable materials such as wrought iron, wood, steel, or cast aluminum.

4. **Application Fee.** The appropriate application shall be accompanied by a nonrefundable application fee, indexed annually by the Consumer Price Index, of \$200.

I. Operation.

1. **Noise Limits.** No entertainment or use, operation, or playing of any musical instrument, loudspeaker, sound amplifier, or other machine for the production or reproduction of sound is permitted in the outdoor dining area.

2. **No Outdoor Cooking or Open Flames.** No electrical appliances, heating or cooking of food or open flames shall be allowed in the outdoor dining area. Use of portable heating devices may be permitted with approval from the Fire Marshal.

3. No Storage. No structure or enclosure to accommodate the serving or clean-up stations, storage of trash or garbage shall be erected or placed on, adjacent to, or separate from an outdoor dining area on the public sidewalk or right-of-way.
4. No Overnight Use. All umbrellas, tables, or chairs shall be removed from the outdoor dining area at the end of each business day. No storage in the public right-of-way shall be permitted.

J. Maintenance.

1. The permittee and the property owner shall maintain the outdoor dining area and the adjoining street, curb, gutter and sidewalk in a neat, clean and orderly condition at all times, regardless of the source of the refuse and litter.
2. Activities involving the outdoor dining area shall be conducted in a manner that does not interfere with pedestrians, parking or traffic.
3. If necessary, the permittee or the property owner shall clean the surface of the outdoor dining area and sidewalk by washing or buffing to remove any stains, marks, or discoloration and in accordance with prevailing stormwater and water quality regulations.
4. Furniture and appurtenances shall be kept clean and in good condition. Umbrellas shall be kept secure in windy conditions, and fire-treated.

K. Alcoholic Beverage Restrictions. The service of alcoholic beverages in an outdoor dining area shall be limited to a “bona fide public eating place” as defined by the California Business and Professions Code. Bona fide public eating places are licensed premises that are maintained in good faith and used for the regular service of meals to patrons. For any use involving alcoholic beverages in an outdoor dining area, the following standards shall apply:

1. The outdoor dining area operation must be duly licensed by the State Department of Alcoholic Beverage Control. The requirements and restrictions for the service of alcoholic beverages shall not be less than those required by the State Department of Alcoholic Beverage Control.
2. Use of alcoholic beverages in an outdoor dining area shall be limited to beer and wine.
3. For any use involving alcoholic beverages in an outdoor dining area, a security plan, and any additional information as the Director of Planning and Economic Development or his/her designee may reasonably require to evaluate the application, shall be submitted to the Director of Planning and Economic Development for review and approval by the Police Department.

4. Upon consultation with the Police Department, the Director of Planning and Economic Development has discretion to deny any application involving alcoholic beverages in an outdoor dining area for good cause or for any unlawful nuisance.

5.48.040 Suspension/Revocation.

An outdoor dining permit shall be subject to suspension or revocation by the Director of Planning and Economic Development. A permit may be suspended or revoked if any of the permit requirements or terms and conditions contained in this chapter are violated. A permit may be suspended or revoked if necessary to preserve and protect the health and welfare of the public.

5.48.050 Penalty.

Any person violating any provision of this chapter shall be guilty of an infraction, and may be prosecuted pursuant to the infraction provisions set forth in the Ripon Municipal Code Chapter 1.08. In the alternative, the Administrative Adjudication provisions of the Ripon Municipal Code Chapter 1.12 may be utilized.

SECTION 2. Chapter 5.40 of Title 5 of the Ripon Municipal Code is hereby amended to read in full as follows:

**Chapter 5.40
LICENSING AND REGULATIONS OF SPECIAL EVENTS**

Sections:

- 5.40.010 Special Event Defined.**
5.40.020 Prohibition.
5.40.030 Application for License and Fee.
5.40.040 Forwarding of Application to Special Event Review Committee.
5.40.050 Review of Application and Action.
5.40.060 Standards and Conditions.
5.40.070 Appeal to City Council.
5.40.080 Special Provisions Applicable to Almond Blossom Festival.
5.40.090 Special Provisions Applicable to Community Amphitheater Events.
5.40.100 Special Provisions Applicable to Downtown Community Dining Events.
5.40.110 Exemptions from Application.
5.40.120 Revocation.
5.40.130 Suspension of Operation.
5.40.140 Number of Participants.
5.40.150 Advertising Where Admission is to be By Ticket.
5.40.160 License Not Transferable.
5.40.170 Effect of Zoning and Business License Provisions.
5.40.180 Penalty.

5.40.010 Special Event Defined.

“Special Event” means: Category One – a temporary private or public event with less than 500 people contained indoors within an existing structure not already having an assembly occupancy permit or held out of doors on one site impacting such things as public services, police/fire/emergency services, street closure, sanitation, and/or requiring the impartation of such things as bleachers and portable toilets and requiring special circumstances, i.e., extra security, amplified sound, vendors, etc. Included in this definition are Halloween haunted houses, craft fairs, and the like, and block parties, business promotionals and the like. Exempt from this definition are private family events such as weddings, special parties, family reunions, and the like which are held at the family residential property; Category Two – a temporary private or public event with more than 500 people contained indoors within an existing structure not already having an assembly occupancy permit or held out of doors at one location requiring the impartation of bleachers, open air tents, large equipment, portable toilets, and the like, and/or impacting public services, such as public streets, police/fire emergency services. This definition includes events such as circus, carnival, business promotional, block parties, craft fairs, car shows and the like; or Category Three – a temporary private or public event held out of doors at more than one location requiring special circumstances i.e., amplified sound, road closure, trash containers, etc. and/or impacting police/fire/emergency services. This definition includes the annual Almond Blossom Festival, and Main Street Day, and any parade, music or dance festival, cultural or civic festival or similar activity.

5.40.020 Prohibition.

It shall be unlawful for any person, group or organization to, conduct any activity related to a special event as defined in Section 5.40.010 of this chapter without first procuring a special event license through the application process defined in Section 5.40.030 of this chapter.

5.40.030 Application for License and Fee.

Application for a license to conduct a special event shall be made in writing to and on forms prepared by the City Administrator and/or his/her designee.

The appropriate application shall be accompanied by a nonrefundable application fee, indexed annually by the Consumer Price Index, of one hundred dollars (\$100.00) for a special event as defined in Section 5.40.010, Category One; two hundred dollars (\$200.00) for a special event as defined in Section 5.40.010, Category Two; and three hundred dollars (\$300.00) for a special event as defined in Section 5.40.010, Category Three and shall include all of the information submittal requirements as specified on the appropriate special event application form.

5.40.040 Forwarding of Application to the Special Event Review Committee.

Upon receipt of a complete application and the application fee, City Administrator and/or his/her designee shall promptly forward the application to the Special Event Review Committee consisting of the Chief of Police, Director of Public Works, Fire Chief and any other impacted

department or agency who shall investigate the matter and report to the City Administrator within ten (10) working days with appropriate recommendations concerning the proposed event.

5.40.050 Review of Application and Action by City Administrator.

A. The City Administrator and/or his/her designee shall review recommendations of the Special Event Review Committee and within twenty (20) working days of the receipt of the application he shall either:

1. authorize the issuance of the license in accordance with the application;
2. deny the issuance of the license;
3. set conditions which must be met and/or security that such conditions shall be met prior to the issuance of the license; or
4. place on the next regular City Council agenda for Council review and final action.

He shall promptly give written notice of his decision to the applicant by mailing such notice to the mailing address submitted on the application. If he shall deny the license he shall specify in the notice the reasons for such denial.

B. The City Administrator shall not authorize the issuance of a license to any applicant if he or any person associated or connected with him as partner, director, officer, associate or manager has been convicted with the five (5) year period immediately preceding the date of the filing of the application in any court of competent jurisdiction, regardless of whether such person has been released from any resulting penalty or disability pursuant to Chapter 1 of Title 8 of the Penal Code, of

1. Any crime requiring registration under Section 290 of the Penal Code, or
2. Any violation of Chapter 7.5 (beginning with Section 311) of Title 9, Part 1 of the Penal Code, or
3. Any violation of Chapter 7.6 (beginning with Section 314) of Title 9, Part 1 of the Penal Code, or
4. Any violation of Paragraphs (a), (b), or (d) of Section 647 of the Penal Code, or
5. Any violation of Sections 315, 316, or 318 of the Penal Code, or
6. Any violation of any provision of Division 10 of the Health and Safety Code; or
7. Any offense involving the use of force and violence on the person of another, or
8. Any felony offense.

The legal effect of a plea of nolo contendere, for purposes of this Part, shall be the same as that of a plea of guilty.

C. If conditions are imposed by the City Administrator, the applicant shall furnish proof that all conditions have been met or that security has been given that they will be met before the City Administrator may issue the license.

5.40.060 Standards and Conditions.

No license shall be granted unless the City Administrator finds and determines that applicant has adopted a program and plans which he has the reasonable capability of carrying out which provide the necessary protection for the health, safety and general welfare of persons and property in the City, including spectators and participants, the City of Ripon itself, and owners of property adjoining the special event site, which are applicable to and listed on the appropriate special event application form. Applicant shall certify with signature on application that these conditions and terms, as specified on the application, have been read and agreed upon.

5.40.070 Appeal to City Council.

A. If the City Administrator denies the license, or if the applicant believes that any condition imposed by the City Administrator is a prerequisite to the issuance of the license is unjust or unreasonable, the applicant may appeal the decision of the City Administrator by filing a written notice of appeal with the City Clerk and one copy of such notice with the City Administrator. Such notice shall be filed not later than ten (10) days from the date of submission of the notice of the decision of the City Administrator. The notice of appeal shall specify the reasons or grounds for the appeal.

B. Upon receipt of a notice of appeal, the City Clerk shall file the notice with the City Council. At its next regular meeting the City Council shall set the appeal for a public hearing, to be held within ten (10) days of such meeting.

C. The City Council shall consider the documentary and testimonial evidence of witnesses presented at the public hearing, including all reports of investigation submitted to the City Administrator pursuant to Section 5.40.040 hereof. The Council may modify or reverse the decision of the City Administrator, or the portion thereof from which the appeal is made, only if it finds that there is no substantial evidence to justify such decision or portion thereof, provided, however, that the Council shall not waive any mandatory requirement of this Part.

D. The City Council shall render its decision on the appeal not later than the date of its next regular meeting after the day on which the public hearing is held. Upon rendition of the decision of the Council, the City Clerk shall promptly notify the applicant of such decision in writing at the address submitted in the application. The decision of the City Council shall be final and conclusive.

5.40.080 Special Provisions Applicable to Almond Blossom Festival.

The Ripon Chamber of Commerce is authorized as the exclusive operator of the annual Ripon Almond Blossom Festival. In coordinating and operating the annual Ripon Almond Blossom Festival, the Ripon Chamber of Commerce shall be subject to the provisions of this Chapter,

except that the City Administrator may, in his discretion, waive or modify some or all of the requirements of Section 5.40.060. In addition, the Ripon Chamber of Commerce shall be given authority to issue temporary vending permits to vendors of food and other goods during the Ripon Almond Blossom Festival. It shall be unlawful for any vendor of food or other goods (other than businesses licensed and existing within the City) to conduct any vending activities during the annual Almond Blossom Festival within the boundaries of the Community Center and Veteran's Park, or within 100 feet of the Almond Blossom Festival Parade Route, or on any property specified in any license issued pursuant to this Chapter, without first obtaining a temporary vending permit from the Ripon Chamber of Commerce. The Chamber of Commerce shall have the responsibility, with the cooperation of the Ripon Police Department, as available, for enforcement of the temporary vending permit requirements of this subsection. The Chamber of Commerce may charge a reasonable processing fee in connection with the issuance of temporary vending permits pursuant to this Chapter. The City shall incur no liability in connection with the issuance of temporary vending permits by the Chamber of Commerce.

5.40.090 Special Provisions Applicable to Community Amphitheater Events.

In coordinating and operating events at the community amphitheater located at the Mistlin Sports Park, applicants shall be subject to the provisions of this Chapter in addition to the following:

- A. **Event Scheduling.** No event shall be scheduled at the community amphitheater simultaneous with, combined with, or in conjunction with, any other event scheduled within the boundaries of the Mistlin Sports Park. The City Administrator and/or his/her designee will assist applicants in determining the availability of the community amphitheater for events that do not interfere with other scheduled events.
- B. **Alcoholic Beverage Restrictions.** The service of alcoholic beverages in the community amphitheater shall be limited to organizations that have completed the Ripon Non-Profit Agency Eligibility Application and have met those minimum requirements. For any use involving alcoholic beverages in the community amphitheater, the following standards shall apply:
 1. The approved Ripon Non-Profit organization must be duly licensed by the State Department of Alcoholic Beverage Control. The requirements and restrictions for the service of alcoholic beverages shall not be less than those required by the State Department of Alcoholic Beverage Control.
 2. Use of alcoholic beverages shall be limited to organized performance-based events where the primary focus shall be the performance and not the consumption of alcoholic beverages.
 3. Use of alcoholic beverages shall be limited to the confines of the community amphitheater and are strictly prohibited in any other area of Mistlin Sports Park, including, but not limited to, parking areas and adjacent streets.

4. Use of alcoholic beverages shall be limited to the hours of operation of the performance-based event. No use of alcoholic beverages shall be permitted before or after the event.
5. Use of alcoholic beverages in the community amphitheater shall be limited to beer and wine.
6. For any use involving alcoholic beverages, no patrons under the age of twenty-one (21) shall be permitted at the event.
7. For any use involving alcoholic beverages in the community amphitheater, a security plan providing private security personnel for the event, the number of which shall be determined at the time the special event permit is granted, a plan identifying the means by which the applicant shall prevent patrons from carrying outside alcoholic beverages into the event and control excessive consumption of alcoholic beverages during the event, and any additional information as the City Administrator or his/her designee may reasonably require to evaluate the application, shall be submitted to the City Administrator for review and approval by the Police Department.
8. Upon consultation with the Police Department, the City Administrator has discretion to deny any application involving alcoholic beverages in the community amphitheater for good cause or for any unlawful nuisance.

5.40.100 Special Provisions Applicable to Downtown Community Dining Events.

The operation of downtown community dining events shall be limited to once a year by an approved Ripon Non-Profit organization. In coordinating and operating downtown community dining events, applicants shall be subject to the provisions of this Chapter in addition to the following:

A. Applications.

1. Applications shall be submitted on or before February 1 of each calendar year to be considered for the downtown community dining event.
2. No organization shall submit more than one application. Submittals of more than one application shall be grounds for denial of all applications submitted by that organization.
3. Organizations, who have submitted applications meeting the minimum requirements of this chapter, shall be selected to hold downtown community dining events by lottery, which shall take place at a time and location determined by the City Administrator and/or his/her designee.

- B. **Event Scheduling.** No downtown community dining event shall be scheduled on a date and time that directly coincides with or conflicts with any other event, including, but not limited to, the Almond Blossom Festival or Main Street Day. The City Administrator and/or his/her designee will assist applicants in determining the availability of downtown community dining events that do not interfere with other scheduled events.
- C. **Event Location.** Downtown community dining events shall be limited to the Historical Downtown area of Main Street between Stockton Avenue and Walnut Avenue, except that the City Administrator may, at his discretion, modify the location of the event.
- D. **Vendors.** It shall be unlawful for any vendor of food or other goods (other than businesses licensed and existing within the City) to conduct any vending activities during the downtown community dining event, without first obtaining a temporary vending permit from the City of Ripon. The City of Ripon may charge a reasonable processing fee in connection with the issuance of temporary vending permits pursuant to this Chapter.
- E. **Alcoholic Beverage Restrictions.** The service of alcoholic beverages in downtown community dining events shall be limited to community-based organizations. For any use involving alcoholic beverages in downtown community dining events, the following standards shall apply:
1. The approved Ripon Non-Profit organization must be duly licensed by the State Department of Alcoholic Beverage Control. The requirements and restrictions for the service of alcoholic beverages shall not be less than those required by the State Department of Alcoholic Beverage Control.
 2. Use of alcoholic beverages shall be limited to organized dining events where the primary focus shall be the dining event and not the consumption of alcoholic beverages.
 3. Use of alcoholic beverages shall be limited to the confines of the location of the downtown community dining event and are strictly prohibited in any other area surrounding the event, including, but not limited to, parking areas and adjacent streets.
 4. Use of alcoholic beverages shall require a physical barrier (cones, barricades, delineators) between public space and the event to ensure public safety. A barrier plan shall be submitted to the City Administrator for review and approval by the Police Department.
 5. Use of alcoholic beverages shall be limited to the hours of operation of the downtown community dining event. No use of alcoholic beverages shall be permitted before or after the event.

6. Use of alcoholic beverages in the downtown community dining event shall be limited to beer and wine.
7. For any use involving alcoholic beverages, no patrons under the age of twenty-one (21) shall be permitted at the event.
8. For any use involving alcoholic beverages in the downtown community dining event, a security plan providing private security personnel for the event, the number of which shall be determined at the time the special event permit is granted, a plan identifying the means by which the applicant shall prevent patrons from carrying outside alcoholic beverages into the event and control excessive consumption of alcoholic beverages during the event, and any additional information as the City Administrator or his/her designee may reasonably require to evaluate the application, shall be submitted to the City Administrator for review and approval by the Police Department.
9. Upon consultation with the Police Department, the City Administrator has discretion to deny any application involving alcoholic beverages in a downtown community dining event for good cause or for any unlawful nuisance.

5.40.110 Exemptions from Application.

Any person or persons engaging in constitutionally protected speech, including, but not limited to, the distribution of printed materials, signs, campaign materials, and the like, shall be exempt from the application and licensing provisions of this ordinance.

5.40.120 Revocation.

The City Administrator shall have the right to revoke any license issued pursuant to this Part, not limited to but including the following causes:

- A. The licensee fails, neglects or refuses to fulfill any of the conditions imposed upon the granting of a license.
- B. Licensee fails, neglects or refuses to fulfill any of the provisions of the approved program or plans.
- C. The licensee knowingly permits the special event to be conducted in a disorderly manner or knowingly allows any person to remain on the premises while under the influence of intoxicating liquor or any narcotic or dangerous drug.
- D. The licensee violates, or attempts to violate, any law of the State and the provisions of this Part or any ordinance of the City.

E. The licensee has previously made a false, misleading, or fraudulent statement of material fact in the application for license or any other document required pursuant to this Chapter.

Written notice of such revocation shall be forwarded by the City Clerk to the Chief of Police and to the licensee at the address given in the application. Such revocation shall become effective immediately after ordered by the City Administrator.

5.40.130 Suspension of Operation.

The Chief of Police may suspend operation and close any special event prior to the expiration of the license granted under the provisions of this Chapter in the event of the occurrence of a riot, major disorder, or serious breach of the peace when, in his/her opinion, it becomes necessary to prevent injury to person or persons and/or damage of property.

5.40.140 Number of Participants.

If the City Administrator shall, as a condition of issuance of the license, impose a limit on the number of persons to be admitted to the special event and/or require that only holders of tickets shall be admitted to the premises on which the event to be held, it shall be unlawful for the licensee, or any agent or employees of the licensee:

a. to allow, permit, or suffer the entrance to the premises in which the special event is held, of any person who does not possess a ticket, except a peace officer or other public officer in the performance of his duties;

b. to sell, give or distribute a greater number of tickets than the number authorized by the City Administrator;

c. to allow, permit, or suffer the admission of any person to a special event if such admission would result in a greater number of persons present than authorized by the City Administrator.

5.40.150 Advertising Where Admission is to be By Ticket.

If the City Administrator shall require that admission to the special event shall be by ticket only, then it shall be unlawful for any person who advertises such event to neglect, refuse, or fail to cause the advertising to state that admission shall be by ticket only, or to make any statement which might imply any conclusion to the contrary.

5.40.160 License Not Transferable.

No license granted under the provisions of this Chapter shall be transferable to another licensee or removable to another location.

5.40.170 Effect of Zoning and Business License Provisions.

The use of land for a special event shall not be deemed to be in violation of any provisions of the Ripon Municipal Code restricting the use of land during such time as a license granted pursuant to this Chapter shall be in effect.

5.40.180 Penalty.

Any person violating any provision of this Chapter shall be guilty of an infraction, and may be prosecuted pursuant to the infraction provisions set forth in the Ripon Municipal Code Chapter 1.08. In the alternative, the Administrative Adjudication provisions of Ripon Municipal Code Chapter 1.12 may be utilized.

SECTION 3. Section 9.04.020 of Chapter 9.04 of Title 9 of the Ripon Municipal Code is hereby amended to read in full as follows:

Section 9.04.020 Open container prohibited where.

It is unlawful for any person to drink or consume, or have in his possession, an open container containing any alcoholic beverage or any intoxicating liquor, as defined in this chapter, in or upon any of the public places in the city, excepting restaurants and other commercial establishments where on-sale consumption is permitted by license of the state, including in designated areas approved for special events or outdoor dining with a valid permit for said purpose, or city locations where a special permit allowing the consumption of alcoholic beverages has been issued by the Chief of Police, described as follows:

- A. In or upon any public highway, street, way or alley;
- B. In or upon any public sidewalk;
- C. In or upon any public parking lot;
- D. Within fifty feet of any public highway, parking lot, alley, sidewalk, way or street, while on private property open to public view without the express permission of the owner, his agent or the person in lawful possession of the private property.
- E. In or upon any park in the City of Ripon.

SECTION 4. Section 9.23.040 of Chapter 9.23 of the Ripon Municipal Code is hereby amended to read in full as follows:

Section 9.23.040 Use of Drugs and Alcohol.

All parks are declared drug, alcohol, and gang free zones. Consistent with Section 9.04.020, alcoholic beverages are not permitted within any parks in the city, excepting designated areas where a special permit allowing the consumption of alcoholic beverages has been issued by the Chief of Police.

SECTION 5.

All ordinances or parts of ordinances in conflict herewith are hereby expressly repealed.

SECTION 6.

If any provision of this section or the application thereof to any Person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the chapter which can be effective without the invalid provision or application, and to this end the provisions of this section are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the validity of any particular portion thereof.

SECTION 7.

This ordinance shall become effective thirty (30) days after its final passage and shall be published at least once within fifteen (15) days prior to its effective date in the Manteca Bulletin, the official newspaper of the City of Ripon.

The foregoing ordinance was introduced and the title thereof read at the regular meeting of the City Council of the City of Ripon held on the ____ day of _____, 2016, and by majority vote of the council members present, further reading was waived.

On a motion by Councilperson _____, seconded by Councilperson _____, the foregoing ordinance was duly passed and adopted by the City Council of the City of Ripon at a regular meeting thereof held on this ____ day of _____, 2016, by the following vote, TO WIT:

- AYES:
- NOES:
- ABSENT:
- ABSTAINING:

THE CITY OF RIPON,
A municipal corporation

By: _____
JACOB PARKS, Mayor

ATTEST:

LISA ROOS, City Clerk

DISCUSSION ITEMS



MEMO

To: Honorable City Council
From: Lisa Roos
Date: September 29, 2016
Subject: City of Ripon Audited financial statements for the Fiscal Year End June 30, 2016

The audits for the City of Ripon and for the Money Purchase Thrift Pension Plan for the fiscal year ended June 30, 2016 were completed by Price Paige & Company.

As noted in the audit committee letters, there were no significant audit findings, no difficulties encountered between the auditors and staff, and no disagreements between management and the auditors.

It was another successful audit and I am happy to provide you with the attached Audited financial statements and independent auditor's reports.

No action is required at this time. Resolutions will be brought back in November for acceptance of the City of Ripon and the Money Purchase Thrift Pension Plan Financial Statements and the Independent Auditors Report for the fiscal year end June 30, 2016.



The Place to Be

September 12, 2016

To the City Council of the
City of Ripon, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ripon for the year ended June 30, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 3, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Ripon are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2016. We noted no transactions entered into by the City of Ripon during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the City's financial statements was:

Management's estimate of the indirect cost allocation is based on actual costs incurred in each fund. We evaluated the key factors and assumptions used to develop the indirect cost allocation in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

677 Scott Avenue
Clovis, CA 93612
tel 559.299.9540
fax 559.299.2344

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 12, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City of Ripon's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

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

Other Matters

We were engaged to report on the non-major governmental fund combining financial statements and additional information on the Successor Agency Trust fund, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the applicable financial reporting framework, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

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

Very truly yours,

Price Pugh & Company

**CITY OF RIPON
CALIFORNIA
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
JUNE 30, 2016**

JUNE 30, 2016

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying modified cash-basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ripon, California (City) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Managements Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1. This includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ripon, California, as of June 30, 2016, and the respective changes in modified cash basis financial position for the year then ended in accordance with the basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise the City of Ripon's basic financial statements. The management's discussion and analysis, combining nonmajor fund financial statements, and additional information of the Successor Agency Trust Fund are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements presented on pages 46 through 49 are the responsibility of management and were derived from, and relate to, the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Management's discussion and analysis on pages 3 through 11 and the additional information on the Successor Agency Trust Fund on pages 50 through 51 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on such information.

Price Pange & Company

Clovis, California
September 12, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

Our discussion and analysis of the City of Ripon's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2016, within the limitations of the City's modified cash basis of accounting. Please read this management's discussion and analysis in conjunction with the City's financial statements that begin on page 14.

FINANCIAL HIGHLIGHTS

- The City's assets exceeded its liabilities by \$13,814,310 (net position) for the fiscal year ended June 30, 2016. This compares favorably to the previous year's net position of \$11,523,505.
- Total net position is comprised of the following:
 - 1) Capital assets, net of related debt of (\$9,535,168). This represents debt recorded in the proprietary funds for capital assets. The City does not capitalize capital assets; therefore, this category solely reflects the debt.
 - 2) Restricted net position of \$4,639,653 represents the portion restricted for public safety, street construction and maintenance, assessment districts, and capital outlay.
 - 3) Unrestricted net position of \$18,709,825 represents the portion available to maintain the City's obligations to citizens and creditors.

USING THIS ANNUAL REPORT

This annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board, as applicable to the City's modified basis of accounting.

Report Components

This annual report consists of the following four parts:

- 1) *Government-Wide Financial Statements.* The Statement of Net Position and the Statement of Activities (on pages 14-15) provide information about the activities of the City government-wide (or as a whole) and present a longer-term view of the City's finances.
- 2) *Fund Financial Statements.* Fund financial statements (beginning on page 16) focus on the individual parts of the City government. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant (major) funds. For governmental activities, these statements tell how these services were financed in the short term, as well as what remains for future spending. For proprietary activities, these statements offer short-term and long-term financial information about the activities which the City operates like businesses, such as the water, sewer and refuse services.
- 3) *Notes to the Financial Statements.* The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.
- 4) *Supplementary Information.* The annual report includes optional financial information, such as management's discussion and analysis, combining statements for nonmajor funds (that are added together and shown in the fund financial statements in a single column) and additional information on the Successor Agency Trust Fund. This other supplementary financial information is provided to address certain specific needs of various users of the City's annual report.

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

Basis of Accounting

The City has elected to present its financial statements on a modified cash basis of accounting. This modified cash basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America. Basis of accounting is a reference to when financial events are recorded, such as the timing for recognizing revenues, expenses, and their related assets and liabilities. Under the City's modified cash basis of accounting, revenues and expenses and certain related assets, liabilities, and deferred inflows and outflows are recorded when they result from cash transactions or events.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected, and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid, and other accrued expenses and liabilities) are not recorded in these financial statements, with the exception of long-term liabilities arising from cash transactions. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event (such as donated assets and postemployment benefit obligations) are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value. Lastly, the City does not recognize its investment in capital assets in its statement of net position.

Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the modified cash basis of accounting.

Reporting the City as a Whole

The City's Reporting Entity Presentation

This annual report includes all activities for which the City of Ripon's City Council is fiscally responsible.

City management considered all potential component units for inclusion in the reporting entity by applying the criteria set forth in accounting principles generally accepted in the United States of America. The City concluded that there are not potential component units which should be included in the reporting entity.

The Government-Wide Statement of Net Position and the Statement of Activities

Management's analysis of the City as a whole begins on page 5. The government-wide financial statements are presented on pages 14 and 15. The Statement of Net Position and Statement of Activities report information about the City as a whole and its activities. These statements include all the City's assets, liabilities, and deferred inflows and outflows resulting from the use of the modified cash basis of accounting, as further defined in the notes to the financial statements.

These two statements report the City's net position and changes therein. Keeping in mind the limitation of the modified cash basis of accounting, the City's net position, the difference among assets, deferred outflows, liabilities, and deferred inflows is one way to measure the City's financial health or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Other nonfinancial factors should also be considered, such as changes in the City's sales tax base and the condition of the City's roads, to assess the overall health of the City.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

In the Statement of Net Position and Statement of Activities, the City is divided into two kinds of activities:

- 1) *Governmental activities.* Most of the City's basic services are reported here, including the general administration, police, streets, public works and recreation. Property taxes, sales and use taxes, charges for services, operating grants, and contributions finance most of these activities.
- 2) *Business-type activities.* The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water, sewer, and refuse service are reported here.

Reporting the City's Most Significant Funds

The Fund Financial Statements

Management's analysis of the City's major funds begins on page 16 and provides detailed information about the most significant funds, not the City as a whole. Some funds are required to be established by State law. However, the City Council establishes certain other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The City has three types of funds: governmental, proprietary and fiduciary.

- *Governmental Funds.* Most of the City's basic services are reported in governmental funds that focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds report the acquisition of capital assets and payments for debt principal as expenditures, not changes to asset and debt balances. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. The City uses the modified cash basis of accounting and, accordingly, there are no reconciling differences between the governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds. The City considers the General Fund, Special Revenue Fund, and Capital Improvement Fund to be its significant, or major, governmental funds. All other governmental funds are aggregated in a single column titled "Nonmajor Funds."
- *Proprietary Funds.* The City charges customers for the services it provides. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way all activities are reported in the Statement of Net Position and Statement of Activities. For example, principal payments on long-term debt are recorded as a reduction to the liability. The City's proprietary (enterprise) fund financial statements are essentially the same as the business-type activities we report in the government-wide financial statements. The City utilizes the modified cash basis of accounting and, accordingly, capital assets are not capitalized or depreciated. The City has three enterprise funds: Water, Sewer, and Refuse.
- *Fiduciary Funds.* Private Purpose Trust Funds are established to serve as the custodian for assets held in a trustee or agency capacity for others and, therefore, cannot be used to support the City's own programs. The City has one private purpose trust fund known as the Successor Agency Trust Fund which holds the assets and accounts for the activities related to the winding down of the former Redevelopment Agency.

A FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position – Modified Cash Basis

The City's combined net position resulting from modified cash basis transactions or events increased from \$11,523,505 to \$13,814,310 between fiscal years 2015 and 2016. Looking at the net position and net expenses of governmental and business-type activities separately, governmental activities had a larger increase than business-type activities.

CITY OF RIPON
CALIFORNIA

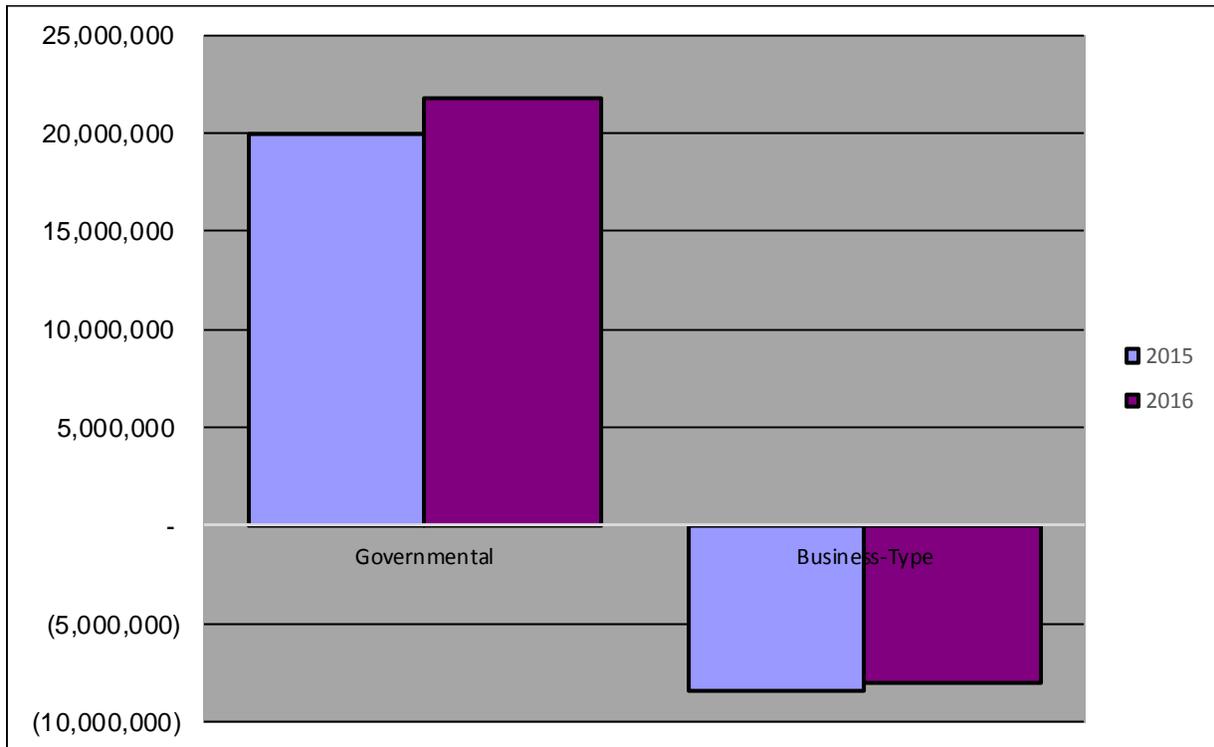
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<u>Total Percentage Change 2015-2016</u>
	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	
Cash and investments	\$ 20,982,819	\$ 22,789,375	\$ 1,704,384	\$ 1,572,164	\$ 22,687,203	\$ 24,361,539	7%
Cash and investments - restricted	980,862	1,073,587	839,134	839,832	1,819,996	1,913,419	5%
Total assets	<u>21,963,681</u>	<u>23,862,962</u>	<u>2,543,518</u>	<u>2,411,996</u>	<u>24,507,199</u>	<u>26,274,958</u>	7%
Long term liabilities							
Loan due to private-purpose trust funds	2,043,694	2,085,648	-	-	2,043,694	2,085,648	2%
Debt due within one year	-	-	565,000	580,000	565,000	580,000	3%
Debt due in more than one year	-	-	10,375,000	9,795,000	10,375,000	9,795,000	-6%
Total liabilities	<u>2,043,694</u>	<u>2,085,648</u>	<u>10,940,000</u>	<u>10,375,000</u>	<u>12,983,694</u>	<u>12,460,648</u>	-4%
Capital assets, net of related debt	-	-	(10,100,866)	(9,535,168)	(10,100,866)	(9,535,168)	-6%
Restricted for							
Public safety	81,704	88,557	-	-	81,704	88,557	8%
Street construction and maintenance	1,916,967	2,294,013	-	-	1,916,967	2,294,013	20%
Assessment districts	181,041	206,336	-	-	181,041	206,336	14%
Capital outlay	920,854	1,210,915	839,134	839,832	1,759,988	2,050,747	17%
Unrestricted	<u>16,819,421</u>	<u>17,977,493</u>	<u>865,250</u>	<u>732,332</u>	<u>17,684,671</u>	<u>18,709,825</u>	6%
Total net position	<u>\$ 19,919,987</u>	<u>\$ 21,777,314</u>	<u>\$ (8,396,482)</u>	<u>\$ (7,963,004)</u>	<u>\$ 11,523,505</u>	<u>\$ 13,814,310</u>	20%

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

The net position of the City's governmental activities increased 9.3 percent to \$21,777,314. However, \$3,799,821 of this amount is restricted regarding the purposes it can be used for. Consequently, unrestricted amounts showed \$17,977,493 at the end of this year.

Net Position – Modified Cash Basis



Changes from 2015 to 2016 reflect an increase of 19.9 percent in net position, an increase of 9.3 percent for governmental activities and 5.2 percent for business-type activities.

Changes in Net Position – Modified Cash Basis

For the year ended June 30, 2016, net position (resulting from modified cash basis transactions or events) changed as follows on page 8.

CITY OF RIPON
CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

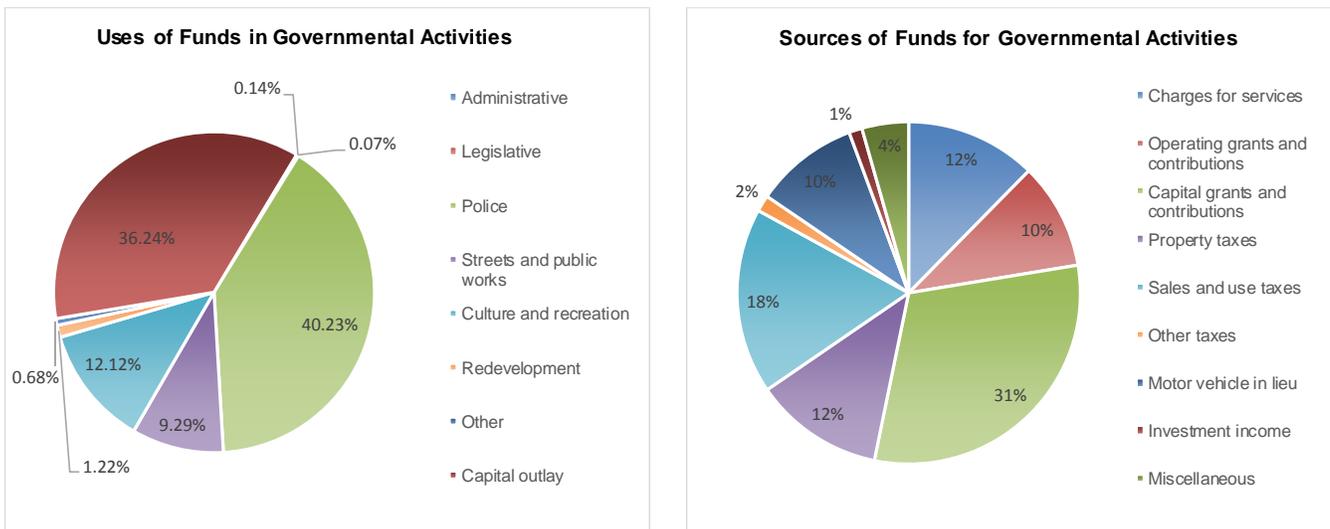
	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2015	2016	2015	2016	2015	2016	2015-2016
Revenues							
Program revenues							
Charges for services	\$ 2,332,698	\$ 1,693,753	\$ 5,313,905	\$ 5,303,316	\$ 7,646,603	\$ 6,997,069	-8%
Operating grants and contributions	2,287,612	1,382,151	-	-	2,287,612	1,382,151	-40%
Capital grants and contributions	1,505,349	4,234,090	-	1,244,489	1,505,349	5,478,579	264%
General revenues							
Taxes							
Property taxes	1,710,560	1,676,743	98,360	132,875	1,808,920	1,809,618	0%
Sales and use taxes	2,883,642	2,413,378	-	-	2,883,642	2,413,378	-16%
Other	170,780	212,386	-	-	170,780	212,386	24%
Motor vehicle in lieu	1,287,125	1,349,253	-	-	1,287,125	1,349,253	5%
Investment income	177,340	171,160	15,958	16,827	193,298	187,987	-3%
Miscellaneous	597,170	603,452	-	-	597,170	603,452	1%
Total revenue	<u>12,952,276</u>	<u>13,736,366</u>	<u>5,428,223</u>	<u>6,697,507</u>	<u>18,380,499</u>	<u>20,433,873</u>	11%
Expenditures							
Administrative	29,460	19,978	-	-	29,460	19,978	-32%
Legislative	3,189	10,052	-	-	3,189	10,052	215%
Police	5,272,068	5,577,600	-	-	5,272,068	5,577,600	6%
Streets and public works	1,286,448	1,287,984	-	-	1,286,448	1,287,984	0%
Culture and recreation	1,808,291	1,680,720	-	-	1,808,291	1,680,720	-7%
Redevelopment	182,326	168,944	-	-	182,326	168,944	-7%
Other	42,139	94,220	-	-	42,139	94,220	124%
Capital outlay	2,597,924	5,023,557	-	-	2,597,924	5,023,557	93%
Water	-	-	1,699,106	1,622,951	1,699,106	1,622,951	-4%
Sewer	-	-	1,173,844	1,098,272	1,173,844	1,098,272	-6%
Refuse	-	-	1,493,818	1,558,790	1,493,818	1,558,790	4%
Total expenditures	<u>11,221,845</u>	<u>13,863,055</u>	<u>4,366,768</u>	<u>4,280,013</u>	<u>15,588,613</u>	<u>18,143,068</u>	16%
Excess (deficiency) before transfers	1,730,431	(126,689)	1,061,455	2,417,494	2,791,886	2,290,805	-18%
Transfers	525,935	1,984,016	(525,935)	(1,984,016)	-	-	
Increase in net position	<u>\$ 2,256,366</u>	<u>\$ 1,857,327</u>	<u>\$ 535,520</u>	<u>\$ 433,478</u>	<u>\$ 2,791,886</u>	<u>\$ 2,290,805</u>	-18%

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

Governmental Activities

The Statement of Activities format is significantly different from a typical Statement of Revenues, Expenses and Changes in Fund Balance. Expenses are listed in the first column, with revenues from that particular program reported to the right. The result is net (expense) revenue. This type of format highlights the relative financial burden of each of the functions on the City's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants or contributions. All other governmental revenues are reported as general. It is important to note that all taxes are classified as general revenue, even if restricted for a specific purpose.

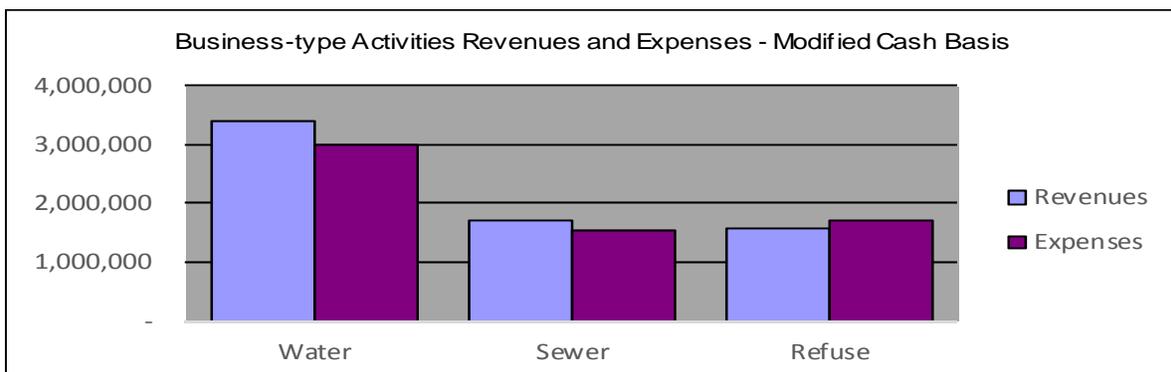
For the year ended June 30, 2016, the City's governmental activities sources and uses follow:



For the year ended June 30, 2016, total expenses for governmental activities resulting from modified cash basis transactions or events amounted to \$13,863,055. Of these total expenses, taxpayers and other general revenues funded only \$6,426,372, and those directly benefiting from the program funded \$5,616,241 from grants and other contributions, and \$1,693,753 from charges for services.

Business-Type Activities

The business-type activities' net revenue (expenses), before contributions and transfers, resulting from modified cash basis transactions or events follow: The water, sewer and refuse service activities reported net revenues (expenses) of \$954,910, \$247,777 and (\$29,682), respectively.



MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

A FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Certain funds experienced noteworthy changes from the prior year and are highlighted as follows:

Revenues:

- Streets & Public Works operating grants and contributions decreased by \$609,474, which relates to a decreased COG/LTF allotment received in fiscal year 2016, including a \$469,025 timing difference of fiscal year 2014 allotments being received in fiscal year 2015. An additional \$115,692 was due to less Highway User Tax received.
- Administrative capital grants and contributions increased \$509,920, which is primarily due to the collection of prior years' state mandated costs.
- Other operating grants and contributions decreased \$264,929, which is due to the previous fiscal year having an increased number of sales of homes that generated revenue from the repayments of the BMR and GAP+ loans.
- Capital outlay charges for services decreased \$571,214, of which \$225,640 is due to engineering fees and planning fees being collected in fiscal year 2015 for various development projects moving forward. In addition, \$328,139 was attributable to a one-time adjustment to the Jack Tone golf course capital improvements account during fiscal year 2015.
- Capital outlay capital grants and contributions increased \$2,253,104, which is due to more developer fees collected in fiscal year 2016 compared to fiscal year 2015. There were 58 more permits pulled in fiscal year 2016 than 2015. In addition, the City collected a number of 2015 deferred developer fees in fiscal year 2016
- Water capital grants and contributions increased by \$831,257, which is due to more development fees collected.
- Sewer capital grants and contributions increased by \$353,675, which is due to more development fees collected.

Expenditures:

- Capital Outlay expenditures increased \$2,385,646, which is primarily due to the Water Meter Installation Project.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets – Modified Cash Basis

The City does not capitalize capital assets.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

Long-Term Debt – Modified Cash Basis

At June 30, 2016, the City had \$12,460,648 in long-term debt arising from modified cash basis transactions or events, compared with \$12,983,694 at June 30, 2015. At June 30, 2016, the debt is related to business-type activities and a loan due to the Successor Agency Trust.

At June 30, 2016, the City's Private-Purpose Trust Fund had \$27,127,266 in long-term debt arising from the modified cash basis transactions or events, compared with \$27,887,266 at June 30, 2015. At June 30, 2016, all of the debt is related to redevelopment tax allocation bonds.

ECONOMIC OUTLOOK AND MAJOR INITIATIVES

The City's budget for the upcoming fiscal year ended June 30, 2017 is fairly consistent with the year ended June 30, 2016.

The City staffing levels for the year ending June 30, 2017 are planned to remain consistent with the year ended June 30, 2016.

The City's Successor Agency Trust Fund expects to continue to receive the \$250,000 administrative allowance for administering the winding-down of the Redevelopment Agency.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional information, please contact the City Clerk's Office at 259 N. Wilma Avenue, Ripon, California 95366, or telephone (209) 599-2108.

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BASIC FINANCIAL STATEMENTS

CITY OF RIPON
STATEMENT OF NET POSITION – MODIFIED CASH BASIS
JUNE 30, 2016

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 22,789,375	\$ 1,572,164	\$ 24,361,539
Cash and investments - restricted	<u>1,073,587</u>	<u>839,832</u>	<u>1,913,419</u>
Total assets	<u>23,862,962</u>	<u>2,411,996</u>	<u>26,274,958</u>
LIABILITIES			
Loan due to private-purpose trust funds	2,085,648	-	2,085,648
Long-term liabilities:			
Debt due within one year	-	580,000	580,000
Debt due in more than one year	<u>-</u>	<u>9,795,000</u>	<u>9,795,000</u>
Total liabilities	<u>2,085,648</u>	<u>10,375,000</u>	<u>12,460,648</u>
NET POSITION			
Capital assets, net of related debt	-	(9,535,168)	(9,535,168)
Restricted for:			
Public safety	88,557	-	88,557
Street construction and maintenance	2,294,013	-	2,294,013
Assessment districts	206,336	-	206,336
Capital outlay	1,210,915	839,832	2,050,747
Unrestricted	<u>17,977,493</u>	<u>732,332</u>	<u>18,709,825</u>
Total net position	<u>\$ 21,777,314</u>	<u>\$ (7,963,004)</u>	<u>\$ 13,814,310</u>

The accompanying notes are an integral part of this financial statement.

**CITY OF RIPON
STATEMENT OF ACTIVITIES – MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2016**

	Expenses			Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Direct	Indirect	Total	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs									
Governmental activities:									
Administrative	\$ 1,017,137	\$ (997,159)	\$ 19,978	\$ 272,515	\$ -	\$ 509,920	\$ 762,457	\$ -	\$ 762,457
Legislative	297,329	(287,277)	10,052	-	-	-	(10,052)	-	(10,052)
Police	4,778,611	798,989	5,577,600	368,703	120,666	-	(5,088,231)	-	(5,088,231)
Streets and public works	1,665,616	(377,632)	1,287,984	368,390	1,039,345	601,051	720,802	-	720,802
Culture and recreation	1,510,791	169,929	1,680,720	612,506	-	29,667	(1,038,547)	-	(1,038,547)
Redevelopment	168,944	-	168,944	-	-	-	(168,944)	-	(168,944)
Other	80,651	13,569	94,220	-	222,140	-	127,920	-	127,920
Capital outlay	4,966,554	57,003	5,023,557	71,639	-	3,093,452	(1,858,466)	-	(1,858,466)
Total governmental activities	14,485,633	(622,578)	13,863,055	1,693,753	1,382,151	4,234,090	(6,553,061)	-	(6,553,061)
Business-type activities:									
Water	1,389,226	233,725	1,622,951	2,568,476	-	831,257	-	1,776,782	1,776,782
Sewer	933,905	164,368	1,098,272	1,208,056	-	353,675	-	463,459	463,459
Refuse	1,334,305	224,485	1,558,790	1,526,784	-	59,557	-	27,551	27,551
Total business-type activities	3,657,436	622,578	4,280,013	5,303,316	-	1,244,489	-	2,267,792	2,267,792
Total primary government	\$ 18,143,069	\$ -	\$ 18,143,068	\$ 6,997,069	\$ 1,382,151	\$ 5,478,579	(6,553,061)	2,267,792	(4,285,269)
General revenues:									
Taxes:									
Property taxes							1,676,743	132,875	1,809,618
Sales and use taxes							2,413,378	-	2,413,378
Other							212,386	-	212,386
Motor vehicle in lieu							1,349,253	-	1,349,253
Investment income							171,160	16,827	187,987
Miscellaneous							603,452	-	603,452
Transfers							1,984,016	(1,984,016)	-
Total general revenues and transfers							8,410,388	(1,834,314)	6,576,074
Change in net position							1,857,327	433,478	2,290,805
Net position - beginning of year							19,919,987	(8,396,482)	11,523,505
Net position - end of year							\$ 21,777,314	\$ (7,963,004)	\$ 13,814,310

The accompanying notes are an integral part of this financial statement.

**CITY OF RIPON
BALANCE SHEET – MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2016**

7A

	General Fund	Special Revenue Fund	Capital Projects Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 12,929,391	\$ 709,590	\$ 7,461,450	\$ 1,688,944	\$ 22,789,375
Cash and investments - restricted	<u>88,557</u>	<u>-</u>	<u>767,531</u>	<u>217,499</u>	<u>1,073,587</u>
Total assets	<u>\$ 13,017,948</u>	<u>\$ 709,590</u>	<u>\$ 8,228,981</u>	<u>\$ 1,906,443</u>	<u>\$ 23,862,962</u>
LIABILITIES					
Loan due to private-purpose trust funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,085,648</u>	<u>\$ -</u>	<u>\$ 2,085,648</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>2,085,648</u>	<u>-</u>	<u>2,085,648</u>
FUND BALANCES					
Restricted for:					
Public safety	88,557	-	-	-	88,557
Street construction and maintenance	-	709,590	-	1,584,423	2,294,013
Assessment districts	-	-	-	206,336	206,336
Capital projects	-	-	966,507	244,408	1,210,915
Committed to:					
Capital projects	-	-	373,039	-	373,039
Assigned to:					
Capital projects	-	-	4,803,787	-	4,803,787
Subsequent year expenditures	5,562,908	-	-	-	5,562,908
Unassigned	<u>7,366,483</u>	<u>-</u>	<u>-</u>	<u>(128,724)</u>	<u>7,237,759</u>
Total fund balances	<u>13,017,948</u>	<u>709,590</u>	<u>6,143,333</u>	<u>1,906,443</u>	<u>21,777,314</u>
Total liabilities and fund balances	<u>\$ 13,017,948</u>	<u>\$ 709,590</u>	<u>\$ 8,228,981</u>	<u>\$ 1,906,443</u>	<u>\$ 23,862,962</u>

The accompanying notes are an integral part of this financial statement.

CITY OF RIPON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS – GOVERNMENTAL FUNDS
JUNE 30, 2016

7A

	General Fund	Special Revenue Fund	Capital Projects Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 5,744,568	\$ -	\$ -	\$ 353,017	\$ 6,097,585
Assessments	-	-	-	322,646	322,646
Licenses, permits and fees	3,030,264	29,667	1,046,464	-	4,106,395
Investment income	364,973	7,235	80,387	13,138	465,733
Intergovernmental revenue	14,381	550,950	-	745,901	1,311,232
Charges for services	845,338	-	-	2,597	847,935
Fines and forfeitures	203,026	-	-	-	203,026
Housing/loan program income	189,542	-	-	-	189,542
Contributions	3,861	-	-	-	3,861
Other	124,294	64,118	-	-	188,412
Total revenues	<u>10,520,247</u>	<u>651,970</u>	<u>1,126,851</u>	<u>1,437,299</u>	<u>13,736,367</u>
EXPENDITURES					
General government:					
Administration	1,017,137	-	-	-	1,017,137
Legislative	297,329	-	-	-	297,329
Public safety:					
Police	4,778,611	-	-	-	4,778,611
Streets and public works:					
Streets	-	529,563	-	42,142	571,705
Planning	339,683	-	-	-	339,683
Engineering	258,804	-	-	-	258,804
Building	225,335	-	-	-	225,335
Culture and recreation:					
Library	79,452	-	-	-	79,452
Parks and recreation	1,317,482	-	41,955	-	1,359,437
Community Center	71,903	-	-	-	71,903
Community development block grant	-	-	-	30,415	30,415
Special assessment districts	-	-	-	270,087	270,087
Successor agency administration	168,944	-	-	-	168,944
Allocation to other department costs	(821,029)	89,095	56,826	52,531	(622,577)
Other	80,651	-	-	-	80,651
Capital outlay	1,047	1,123,027	3,812,066	-	4,936,140
Total expenditures	<u>7,815,349</u>	<u>1,741,685</u>	<u>3,910,847</u>	<u>395,175</u>	<u>13,863,056</u>
Excess (deficiency) of revenues over expenditures	<u>2,704,898</u>	<u>(1,089,715)</u>	<u>(2,783,996)</u>	<u>1,042,124</u>	<u>(126,689)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	100,000	1,583,551	3,474,281	105,048	5,262,880
Operating transfers out	<u>(2,164,197)</u>	<u>(29,667)</u>	<u>-</u>	<u>(1,085,000)</u>	<u>(3,278,864)</u>
Total other financing sources (uses)	<u>(2,064,197)</u>	<u>1,553,884</u>	<u>3,474,281</u>	<u>(979,952)</u>	<u>1,984,016</u>
Net change in fund balances	<u>640,701</u>	<u>464,169</u>	<u>690,285</u>	<u>62,172</u>	<u>1,857,327</u>
Fund balances, beginning of year	12,377,247	245,421	5,453,048	1,844,271	19,919,987
Fund balances, end of year	<u>\$ 13,017,948</u>	<u>\$ 709,590</u>	<u>\$ 6,143,333</u>	<u>\$ 1,906,443</u>	<u>\$ 21,777,314</u>

The accompanying notes are an integral part of this financial statement.

CITY OF RIPON
STATEMENT OF NET POSITION – MODIFIED CASH BASIS
PROPRIETARY FUNDS
JUNE 30, 2016

7A

	Sewer Enterprise Fund	Water Enterprise Fund	Refuse Enterprise Fund	Total
ASSETS				
Current assets:				
Cash and investments	\$ 561,196	\$ 875,059	\$ 135,909	1,572,164
Cash and investments - restricted	<u>-</u>	<u>839,832</u>	<u>-</u>	<u>839,832</u>
Total assets	<u>561,196</u>	<u>1,714,891</u>	<u>135,909</u>	<u>2,411,996</u>
LIABILITIES				
Current liabilities:				
Current portion of bonds payable	130,000	450,000	-	580,000
Noncurrent liabilities:				
Noncurrent portion of bonds payable	<u>1,465,000</u>	<u>8,330,000</u>	<u>-</u>	<u>9,795,000</u>
Total liabilities	<u>1,595,000</u>	<u>8,780,000</u>	<u>-</u>	<u>10,375,000</u>
NET POSITION				
Capital assets, net of related debt	(1,595,000)	(7,940,168)	-	(9,535,168)
Restricted for capital assets	-	839,832	-	839,832
Unrestricted	<u>561,196</u>	<u>35,227</u>	<u>135,909</u>	<u>732,332</u>
Total net position	<u>\$ (1,033,804)</u>	<u>\$ (7,065,109)</u>	<u>\$ 135,909</u>	<u>\$ (7,963,004)</u>

The accompanying notes are an integral part of this financial statement.

CITY OF RIPON
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS – PROPRIETARY FUNDS
JUNE 30, 2016

7A

	Sewer Enterprise Fund	Water Enterprise Fund	Refuse Enterprise Fund	Total
Operating revenues:				
Charges for services:				
Water revenue	\$ -	\$ 2,568,475	\$ -	\$ 2,568,475
Sewer usage services	1,208,057	-	-	1,208,057
Refuse revenue	-	-	1,526,784	1,526,784
Total operating revenues	<u>1,208,057</u>	<u>2,568,475</u>	<u>1,526,784</u>	<u>5,303,316</u>
Operating expenses:				
Salaries and wages	307,638	367,787	449,285	1,124,710
Employee benefits	167,416	203,487	249,345	620,248
Professional services	95,776	485	9,306	105,567
Repairs and maintenance	103,042	91,676	128,749	323,467
Gas and oil	8,990	8,759	45,244	62,993
Utilities	123,990	310,369	2,618	436,977
Supplies	6,811	14,083	7,784	28,678
Conference expenses	4	4	29	37
Communications	1,773	2,437	2,077	6,287
Membership, dues, books, etc.	35,588	25,024	1,261	61,873
Postage	8,505	12,212	8,505	29,222
Refuse disposal	-	-	421,288	421,288
Other	4,757	9,219	8,814	22,790
Allocation of other department costs	164,367	233,725	224,485	622,577
Total operating expenses	<u>1,028,657</u>	<u>1,279,267</u>	<u>1,558,790</u>	<u>3,866,714</u>
Operating income	<u>179,400</u>	<u>1,289,208</u>	<u>(32,006)</u>	<u>1,436,602</u>
Nonoperating revenues (expenses):				
Property taxes	132,874	-	-	132,874
Interest revenue	5,118	9,386	2,324	16,828
Debt service - interest	(69,615)	(343,684)	-	(413,299)
Total nonoperating revenues (expenses)	<u>68,377</u>	<u>(334,298)</u>	<u>2,324</u>	<u>(263,597)</u>
Net income before contributions and transfers	<u>247,777</u>	<u>954,910</u>	<u>(29,682)</u>	<u>1,173,005</u>
Contributions/developer fees	353,675	831,257	59,557	1,244,489
Transfers in	-	-	-	-
Transfers out	(456,175)	(1,388,284)	(139,557)	(1,984,016)
Change in net position	145,277	397,883	(109,682)	433,478
Net position - beginning	<u>(1,179,081)</u>	<u>(7,462,992)</u>	<u>245,591</u>	<u>(8,396,482)</u>
Net position - ending	<u>\$ (1,033,804)</u>	<u>\$ (7,065,109)</u>	<u>\$ 135,909</u>	<u>\$ (7,963,004)</u>

The accompanying notes are an integral part of this financial statement.

CITY OF RIPON
STATEMENT OF FIDUCIARY NET POSITION – MODIFIED CASH BASIS
PRIVATE-PURPOSE TRUST FUNDS
JUNE 30, 2016

7A

	<u>Successor Agency Trust Fund</u>
ASSETS	
Cash and investments	\$ 1,034,395
Cash and investments - restricted	4,853,528
Loan due from capital projects fund	<u>2,085,648</u>
Total assets	<u>7,973,571</u>
LIABILITIES	
Due to State	1,297,266
Long-term liabilities:	
Debt due within one year	790,000
Debt due in more than one year	<u>25,040,000</u>
Total liabilities	<u>27,127,266</u>
NET POSITION	
Restricted for capital outlay	1,589,195
Restricted for debt service	1,967,066
Unrestricted	<u>(22,709,956)</u>
Total net position	<u>\$ (19,153,695)</u>

The accompanying notes are an integral part of this financial statement.

CITY OF RIPON
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – MODIFIED CASH BASIS
PRIVATE-PURPOSE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

7A

	Successor Agency Trust Fund
ADDITIONS	
Property taxes	\$ 2,555,948
Program income	619,741
Investment income	89,075
Total additions	3,264,764
DEDUCTIONS	
General operating	266,325
Debt service - interest	1,192,449
Total deductions	1,458,774
Change in net position	1,805,990
Total net position - beginning of year	(20,959,685)
Total net position - end of year	\$ (19,153,695)

The accompanying notes are an integral part of this financial statement.

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Ripon (the City) are presented on the modified cash basis of accounting. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Financial Reporting Entity

The City was incorporated on November 27, 1945, under the general laws of the State of California. The City operates under a Council-Manager form of government consisting of five elected council members including the Mayor and a city council appointed City Manager. The City provides the following services as authorized by its charter: public safety, sanitation, water utility, street maintenance, community development, library, parks and recreation, and general administrative services.

Individual Component Unit Disclosures

There are no entities which meet the Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 39 and GASB Statement No. 61 criteria for discrete disclosure within these basic financial statements.

Basis of Presentation

The government-wide financial statements (i.e. statement of net position and statement of activities) display information about the primary government (the City). These statements include the financial activities of the overall City government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct and indirect expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses are allocated to functions based on the relativity of direct expenses by department. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria.

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, liabilities, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

The General Fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds are used to account for the proceeds of the specified revenue sources that are either legally restricted to expenditures for specified purposes or designated to finance particular functions or activities of the City. The reporting entity includes the following special revenue fund, which is reported as a major fund.

Streets and Road Fund – Accounts for revenues and expenditures for streets and roads.

Capital Projects Funds are used to account for resources restricted or designated for the acquisition or construction of specific capital projects or items. The reporting entity includes the following capital projects fund, of which is reported as a major fund:

Capital Projects Fund – Accounts for contributions and specific revenues and transfers from other City funds and expenditures for various capital projects as the City Council may designate.

Proprietary Funds

Enterprise Funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the following enterprise funds, water, sewer, and refuse funds, all of which qualify as major funds.

Sewer Fund – Accounts for activities associated with operating and maintaining the City's sewer and surface drainage system. All activities necessary to provide such services are accounted for in this fund, including administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Proprietary Funds (Continued)

Water Fund – Accounts for the provision of water services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.

Refuse Fund – Accounts for the provision of refuse collection services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Contributions/developer fees are reported separately and represent capital contributions charged by the City. Operating expenses are those expenses essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

Fiduciary Funds

Private-Purpose Trust Funds are established to serve as the custodian for assets held in a trustee or agency capacity for others and, therefore, cannot be used to support the City's own programs. The reporting entity includes on private-purpose trust fund.

Successor Agency Trust Fund – Accounts for activities related to the winding down of the former Redevelopment Agency.

Measurement Focus

In the Government-Wide Statement of Net Position and Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus, as applied to the modified cash basis of accounting, is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. The operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), and financial position. All assets and liabilities (whether current or noncurrent, financial, or nonfinancial) associated with their activities are reported. Proprietary fund equity is classified as net position.

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Measurement Focus (Continued)

- c. The fiduciary fund utilizes and “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of additions, deductions, changes in net position, and financial position. All assets and liabilities (whether current or noncurrent, financial, or nonfinancial) associated with their activities are reported. Fiduciary fund equity is classified as net position.

Basis of Accounting

In the Government-Wide Statement of Net Position and Statement of Activities, and the fund financial statements, governmental and business-like activities are presented using a modified cash basis of accounting. This is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. The basis of accounting involves modification to the cash basis of accounting to report in the statement of net position cash transactions that result in an obligation that covers a period greater than the period in which the cash transaction occurred. Accordingly, long-term liabilities arising from cash transactions have been reported in the statement of net position.

This modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected, and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid, and other accrued expenses and liabilities) are not recorded in these financial statements, with the exception of long-term liabilities arising from cash transactions. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event (such as donated assets and postemployment benefit obligations) are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value. Lastly, the City does not recognize its investment in capital assets in its statement of net position.

If the City utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary and fiduciary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Cash, Cash Equivalents and Investments

For the purpose of financial reporting, “cash and cash equivalents” includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity date of three months or less. This also includes deposits with the State of California Local Agency Investment Fund (LAIF) and trust account investments in open-ended mutual fund shares.

Investments are stated at cost.

Restricted cash and investments includes proceeds from the 2012 refunding water revenue bonds and the 2006 water revenue bonds which are restricted for expansion of the wastewater treatment plant, upgrade of water facilities and for repayment of bonds. Additionally, proceeds from 2003, 2005 and 2007 tax allocation bonds are restricted for various capital projects and for payment of bonds. Restricted cash and investments also include proceeds from grants for which the funds have not been expended.

CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Long-term Debt

All long-term debt arising from cash basis transactions to be repaid from governmental and business-type resources is reported as liabilities in the government-wide financial statements.

Long-term debt arising from cash basis transactions of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as the treatment in the government-wide financial statements.

Equity Classification

Equity in the government-wide statements is classified as net position and displayed in three components:

- a. Capital assets net of related debt – Consists of the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvements of capital assets.
- b. Restricted – Consists of restricted assets reduced by liabilities with restriction constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or law through constitutional provisions or enabling legislation.
- c. Unrestricted – Net amount of assets and liabilities that are not scheduled in the determination of net investment in capital assets on the restricted component of net position.

It is the City's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components: nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – Amounts constrained regarding the use from restrictions externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or by restrictions imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts constrained regarding use for specific purposes pursuant to requirements imposed by formal action of the City's highest level of decision-making authority.

Assigned – Amounts constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The authority of assigning fund balance is expressed by the City Council, City manager or their designee as established in the City's Fund Balance Policy.

Unassigned – Amounts that have not been restricted, committed or assigned to specific purposes within the General fund. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Equity Classification (Continued)

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use, it is the City's policy to use committed resources first, then assigned, and then unassigned as they are needed.

Proprietary fund equity is classified the same as in the government-wide financial statements.

Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the Government-Wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Interfund activity, if any, within and among the governmental, proprietary, and fiduciary fund categories is reported as follows in the fund financial statements:

1. Interfund loans – Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
2. Interfund services – Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
3. Interfund reimbursements – Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund transfers – Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide statements as follows:

1. Internal balances – Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the Statement of Net Assets, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
2. Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the Government-Wide Statement of Activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers - Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting described in Note 1 used by the City requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Budgetary Accounting

The City does not adopt an appropriated budget and is not required to adopt such a budget by law. However, the City does adopt a nonappropriated budget annually which is approved by the City Council. The budget for all governmental and proprietary funds is on the cash basis of accounting.

Property Taxes

Property taxes in the State of California are administered for all local agencies at the county level, and consist of secured, unsecured, and utility tax rolls. The following is a summary of major policies and practices relating to property taxes.

Property valuations are established by the Assessor of the County of San Joaquin for the secured and unsecured property tax rolls; the utility property tax rolls are valued by the State Board of Equalization. Under the provisions of Article XIII A of the State Constitution (Proposition 13 adopted by voters on June 6, 1978) properties are assessed at 100% of full value. From this based of assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Tax levies are limited to 1% of full value which results in a tax rate of \$1.00 per \$100 assessed valuation, under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation.

Tax levy dates are attached annually on January 1 proceeding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property, as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

Tax collections are the responsibility of the county tax collector. Taxes and assessments on secured and utility rolls, which constitute a lien against the property, may be paid in two installments. The first is due on November 1 of the fiscal year and is delinquent if not paid by December 10. The second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the taxes become delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the county for late payments.

The County of San Joaquin levies bills and collects property taxes and special assessments for the City. Property taxes levied are recorded as revenue when received, in the fiscal year of the levy, due to the adoption of the "alternate method of property tax distribution", known as the Teeter Plan, by the City of Ripon and the County of San Joaquin. The Teeter Plan authorizes the Auditor/Controller of the County of San Joaquin to allocate 100 percent of the secured property taxes billed, but not yet paid. The County of San Joaquin remits tax monies to the City in three installments as follows:

- 50 percent remitted in December
- 45 percent remitted in April
- 5 percent remitted in June

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 – CASH AND INVESTMENTS

Cash and investments as of June 30, 2016 are classified in the accompanying financial statements as follows:

Statement of net position:

Governmental and proprietary funds:

Cash and investments	\$ 24,361,539
Cash and investments - restricted	<u>1,913,419</u>
	26,274,958

Fiduciary funds:

Cash and investments	1,034,395
Cash and investments - restricted	<u>4,853,528</u>
	5,887,923

Total cash and investments	<u><u>\$ 32,162,881</u></u>
----------------------------	-----------------------------

Cash and investments as of June 30, 2016 consist of the following:

Cash on hand	\$ 1,300
Deposits with financial institutions	221,887
Investments	<u>31,939,694</u>
	<u><u>\$ 32,162,881</u></u>

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as "cash and investments". California statutes authorize cities to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code Section 53600.

The Government Code and the City of Ripon Investment Policy allow investments in the following instruments:

Investment Type	Maximum Maturity	Authorized Limit %	Required Rating
Local Agency Bonds	5 years	None	None
U.S. Treasury Bills, Notes or Bonds	5 years	None	None
State Registered Warrants, Notes, or Bonds	5 years	None	None
Notes and Bonds of Other Local California Agencies	5 years	None	None
U.S. Agencies	5 years	None	None
Bankers Acceptances	180 days	40%	None
Prime Commercial Paper	270 days	15% or 30%	A1/P1
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase and Reverse Purchase Agreements	1 yr/92 days	None/20%	None
Medium Term Corporate Notes	5 years	30%	A
Money Market Mutual Funds	5 years	15%	2-AAA
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass-Through Securities	5 years	20%	AA
Local Agency Investment Fund (LAIF)	N/A	None	None
County Pooled Investment Funds	N/A	None	None
Funds Held Under the Terms of a Trust Indenture			
Indenture or Other Contract	*	*	*

* Such funds may be invested according to the provisions of those indentures or agreements.

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Total Cost	Fair Value	12 Months or Less	13-24 Months	25-36 Months	37-48 Months	49-60 Months	More than 60 Months
State Investment Pool	9,784,052	9,790,130	9,790,130	-	-	-	-	-
CSJV Pool	19,348,760	19,937,828	19,937,828	-	-	-	-	-
Held by Bond Trustees:								
Money Market Funds	2,435,144	2,435,144	2,435,144	-	-	-	-	-
Guaranteed Investment Contracts	<u>371,738</u>	<u>371,738</u>	<u>371,738</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 31,939,694</u>	<u>\$ 32,534,840</u>	<u>\$ 32,534,840</u>	<u>\$ -</u>				

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

Investment Type	Amount	Fair Value	Minimum Legal Rating	Exempt from Disclosure	Rating as of Fiscal Year-End			
					AAA	AA	A	Not Rated
State Investment Pool	9,784,052	9,790,130	N/A	-	-	-	-	9,790,130
CSJV Pool	19,348,760	19,937,828 *	N/A	-	-	-	-	19,937,828
Held by Bond Trustees:								
Money Market Funds	2,435,144	2,435,144	N/A	-	-	-	-	2,435,144
Guaranteed Investment Contracts	<u>371,738</u>	<u>371,738</u>	<u>N/A</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>371,738</u>
Total	<u>\$ 31,939,694</u>	<u>\$ 32,534,840</u>	<u>N/A</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,534,840</u>

* Average rating of portfolio AA/aa1

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in certain types of investments. The City's investments are concentrated in external investment pools which are not subject to investment limits.

Custodial credit risk for *deposits* is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial risk for deposits or investments, other than the following provisions for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2016, none of the City's deposits with financial institutions were in excess of federal depository insurance limits.

A description of the City's investments follows:

Investment in State Investment Pool

Although the City did not participate in any securities lending transactions or enter into any reverse repurchase agreements during the year, the City does have an investment in the California Local Agency Investment Fund (LAIF) with fair value in the amount of \$9,790,130. The total amount invested by all public agencies in the LAIF is \$75,368,904,612, of which 1.55% is invested in medium-term and short-term structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for the LAIF. The Board consists of five members as designated by state statute. The value of the pool shares in the LAIF, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the City's portion in the pool. Included in the LAIF's Investment Portfolio are United States Treasury and federal agency securities, International Bank for Reconstruction and Development federal agency floating rate debentures, bank notes, certificates of deposit, commercial paper, corporate floaters and bonds, time deposits, and California Assembly Bill 55 and State of California General Fund loans. Participant's equity in the LAIF is determined by the dollar amount at the participant's deposits, adjusted for withdrawals and distributed investment income. The State Treasurer's investment policy for the LAIF and separately issued financial statements for the LAIF are available at <http://www.treasurer.ca.gov/pmia-laif/>.

CSJV Pool

The City maintains an investment of \$19,348,760 in the Central San Joaquin Valley RMA Pool as of June 30, 2016. The total amount invested by all participants in the pool is \$78,386,906. The value of the pool shares which may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the City's portion in the pool. The fair value of the City's share of the pool is determined monthly and is \$19,937,828 as of June 30, 2016. The pool is not registered with the Securities Exchange Commission; however, it is managed by a registered investment advisor. Participation in the pool is voluntary. The pool's average maturity is 2.65 years and the average rating is AA+/Aa1. The pool consists of 68% Securities of U.S. Government Agencies and 22% U.S. Corporate Obligations and 10% other. The pool complies with the City's investment policy.

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Guaranteed Investment Contracts

The City invested \$371,738 (held by bond trustee) in a Guaranteed Investment Contract (GIC), yielding 3.31% annually and ends January 1, 2017. Interest is received semi-annually. The GIC was established as the reserve account for the Tax Allocation Bonds, Issue of 2003, which matures on November 1, 2032.

NOTE 3 – INTERFUND TRANSACTIONS

Interfund transactions consist of the following:

Transfers Between Funds

Resources may be transferred from one City fund to another with Council approval. The purpose of the majority of transfers is to reimburse a fund which has made an expenditure on behalf of another fund. Less often, a transfer may be made to open or close a fund.

Transfers between funds during the year ended June 30, 2016 were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General Fund	\$ 100,000	\$ 2,164,197
Capital Projects Fund	3,474,281	-
Major Special Revenue Fund:		
Streets and Roads	1,583,551	29,667
Major Proprietary Funds:		
Sewer Enterprise	-	456,175
Water Enterprise	-	1,388,284
Refuse Enterprise	-	139,557
Nonmajor Governmental Funds:		
Special Revenue Funds:		
2103 Fund	-	100,000
2105 Fund	-	100,000
2106 Fund	-	125,000
2107 Fund	-	235,000
Measure K	-	200,000
Country Woods	35,426	-
Farmland Maintenance	5,013	-
Main Street	64,609	-
COG/LTF	-	325,000
	<u> </u>	<u> </u>
Total interfund transfers	<u>\$ 5,262,880</u>	<u>\$ 5,262,880</u>

NOTE 3 – INTERFUND TRANSACTIONS (CONTINUED)

Transfers Between Funds (Continued)

In general, the City uses interfund transfers to:

- Transfer unrestricted revenues collected in the General Fund to help finance various programs and capital projects accounted for in other funds
- Transfer unrestricted revenues collected in the General Fund to help cover excess expenditures over revenues accounted for in other funds
- Fund operations (move revenues from the funds that collect them to the funds that statute or budget requires to expend them)
- Fund interdepartmental cost reimbursement
- Fund capital projects

The effect of the interfund activity has been eliminated from the government-wide financial statements.

Internal Balances

Internal balances represent the net interfund receivables and payables remaining after the elimination of all such balances within governmental, business-type activities and fiduciary funds.

NOTE 4 – LOAN DUE TO PRIVATE-PURPOSE TRUST FUND

In 2011, the City entered into a loan agreement between the Redevelopment Agency and the City of Ripon. The borrower shall repay the Redevelopment Agency, the principal sum of up to five million dollars (\$5,000,000) and pay interest on the outstanding balance of said sum at the rate of 0.4625% (the LAIF rate as of December 2010) for the first year. Thereafter, at the end of each calendar year, the interest rate may be reset according to the December LAIF rate (0.37% at December 2015). A minimum of fifty percent (50%) of all development impact (PFFP) paid in connection with building activity of the City of Ripon for the same calendar year shall be applied towards the loan. Only after the interest accrued for that calendar year has been paid, shall the outstanding balance be reduced. During the current year, the full payment of principal and interest outstanding was due as of February 1, 2016, however the City has not made this repayment and continues to work with the Department of Finance to settle the liability.

As of February 1, 2012, the Redevelopment Agency was dissolved and the assets and activities of the Redevelopment Agency were transferred to a private-purpose trust fund (Successor Agency Trust). (See Note 13.)

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 5 – LONG-TERM DEBT

The City incurs long-term debt to finance projects or purchase assets which will have useful lives equal to or greater than the related debt.

In governmental fund types, debt discounts and issuance costs are recognized in the current period. Debt discounts and issuance costs incurred by proprietary fund types have also been recorded in the period incurred in accordance with the modified cash basis of accounting.

Current Year Transactions and Balances

The City's debt issues and transactions are summarized below and discussed in further detail thereafter:

	Original Amount	Balance June 30, 2015	Additions	Reductions	Transfers	Balance June 30, 2016	Current Year
Business-Type Activity Debt <i>Enterprise long-term debt</i>							
2011 Refunding Revenue Bonds (Sewer)	\$ 2,195,000	\$ 1,720,000	\$ -	\$ 125,000	\$ -	\$ 1,595,000	\$ 130,000
2006 Revenue Bonds (Water)	7,845,000	6,250,000	-	240,000	-	6,010,000	250,000
2012 Refunding Revenue Bonds (Water)	<u>3,350,000</u>	<u>2,970,000</u>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>2,770,000</u>	<u>200,000</u>
	<u>\$ 13,390,000</u>	<u>\$ 10,940,000</u>	<u>\$ -</u>	<u>\$ 565,000</u>	<u>\$ -</u>	<u>\$ 10,375,000</u>	<u>\$ 580,000</u>

Revenue Bonds

Enterprise fund long-term debt outstanding as of June 30, 2016 consists of the following:

In 2011, the City entered into an Installment Purchase Agreement with Bank of America Leasing to refund the City's portion of the California Statewide Communities Development Authority Water and Wastewater Revenue Bonds (Pooled Financing Program) Series 1999A. The original borrowing was \$2,195,000. The bonds are secured by a pledge of net revenues of the Sewer Enterprise Fund. The Sewer Enterprise Fund is required to establish user fees and rates that will yield net revenues equal to at least 1.2 times the annual debt service. Principal payments are due annually on October 1. Interest payments are payable semi-annually on April 1 and October 1.

In August 2006, the City issued \$7,845,000 California Statewide Communities Development Authority Water Revenue Bonds Series 2006C. The bonds are secured by a pledge of net revenues of the Water Enterprise Fund. The Water Enterprise Fund is required to establish user fees and rates that will yield net revenues equal to at least 1.2 times the annual debt service. Principal payments are due annually on October 1. Interest payments are payable semi-annually on April 1 and October 1.

In September 2012, the City entered into an agreement with Union Bank, N.A. to refund the City's portion of the California Statewide Community Development Authority Water and Wastewater Revenue Bonds (Pooled Financing Agreement) Series 2002A. The original borrowing was \$3,350,000. The bonds are secured by a pledge of net revenues of the Water Enterprise Fund. The Water Enterprise Fund is required to establish user fees and rates that will yield net revenues equal to at least 1.2 times the annual debt service. Principal payments are due annually on October 1. Interest payments are payable semi-annually on April 1 and October 1.

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 5 – LONG-TERM DEBT (CONTINUED)

Revenue Bonds (Continued)

Debt Outstanding as of June 30, 2016 consists of the following:

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amounts Issued</u>	<u>Outstanding</u>
<u>Business-Type Activity Debt</u>				
Enterprise Fund Bonds				
2011 Refunding Wastewater Revenue				
Bonds (Sewer)				
Term Bonds	4.20%	October 1, 2025	\$ 2,195,000	\$ 1,595,000
2006 Revenue Bonds (Water)				
Serial Bonds	3.625%-4.30%	October 1, 2021	3,475,000	1,640,000
Term Bonds	4.50%	October 1, 2027	2,120,000	2,120,000
Term Bonds	4.50%	October 1, 2032	<u>2,250,000</u>	<u>2,250,000</u>
			<u>7,845,000</u>	<u>6,010,000</u>
2012 Refunding Revenue Bonds (Water)				
Serial Bonds	2.00%-3.375%	October 1, 2027	<u>3,350,000</u>	<u>2,770,000</u>
			<u>\$ 13,390,000</u>	<u>\$ 10,375,000</u>

Annual debt service requirements are shown below for all long-term debt:

<u>For the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2017	\$ 580,000	\$ 399,324
2018	600,000	379,916
2019	620,000	359,636
2020	650,000	338,464
2021	665,000	315,834
2022-2026	3,715,000	1,181,294
2027-2031	2,585,000	520,066
2032-2036	<u>960,000</u>	<u>65,250</u>
Total	<u>\$ 10,375,000</u>	<u>\$ 3,559,784</u>

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 6 – SITE LEASE

On October 11, 2006, the City entered into a lease-financing agreement with Municipal Finance Corporation to facilitate the purchase of street lighting. Municipal Finance Corporation assigned the lease to Westamerica Bank, which in turn leases the property to the City. Westamerica prepaid all rental payments totaling \$420,422 in November 2006.

Future minimum annual rental expense on the sublease with Westamerica Bank follows:

<u>Year Ending June 30,</u>		
2017	\$	39,147
2018		39,147
2019		39,147
2020		39,147
2021		39,147
2022		<u>39,147</u>
 Total	 \$	 <u>234,882</u>

Rental expense related to the site totaled \$39,147 for the year ended June 30, 2016.

NOTE 7 – NET POSITION AND FUND BALANCES

Net position and fund balances consist of the following:

Net Position

Net Position in the Government-Wide Financial Statements represents the excess of all the City's assets over all its liabilities, regardless of fund. Net Position is divided into three captions, described as follows:

Capital Assets, net of related debt – Describes the portion of net position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets. However, the City has not capitalized capital assets. Therefore, this caption reflects only the outstanding debt used to finance capital assets.

Restricted net position – Describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These include developer fees and intergovernmental revenue received for use on capital projects.

Unrestricted – Describes the portion of net position which is not restricted as to use.

Fund Balances

In the fund financial statements, fund balances represent the net current assets of each fund. Portions of a fund balance may be restricted.

Restrictions are placed by outside entities, such as other governments, which restrict the expenditures of the reserved funds to the purpose intended by the entity which provides the funds.

Restrictions for capital outlay are the portions of unspent bond proceeds reserved for capital projects, or unspent proceeds from grants from other governments.

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

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NOTE 7 – NET POSITION AND FUND BALANCES (CONTINUED)

Fund Balance and Net Position Deficits

Major Funds

The Sewer Enterprise Fund and the Water Enterprise Fund had net position (deficits) of \$1,033,804 and \$7,065,109, respectively, at June 30, 2016. These deficits are due to the City incurring costs in excess of revenues and are expected to be offset in the future from the receipts of revenues from charges for services and construction permits.

Nonmajor Funds

A deficit fund balance of \$10,437 exists in the Community Development Block Grant Fund. The deficit is due to the City incurring costs that have not been reimbursed as of June 30, 2016. The fund deficit is expected to be offset in the future from the receipt of grant revenue.

A deficit fund balance of \$118,287 exists in the Ripon Lighting Assessment District Fund. The deficit is due to the City incurring costs in advance of revenues. The fund deficit is expected to be offset in the future from the receipt of assessment revenue.

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS

Defined Contribution Plan

The City provides pension benefits for all of its permanent full-time employees, who completed six consecutive months of employment, through the City of Ripon Money Purchase Thrift Pension Plan (the Contribution Plan), a defined contribution plan, with the exception of public safety officers. On April 4, 1990, the public safety officers elected to participate in the California Public Employees Retirement System. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. As of June 30, 2016, there were 58 plan members. The Contribution Plan provisions and contribution requirements are established and may be amended by the City of Ripon City Council. The City contributes 10% of the total compensation of all participants who agree to contribute 5% of their compensation to the plan. The City entered into a Memorandum of Understanding with the Union representing its employees which requires the City to “pick up” the 5% employee contribution. All such contributions are designated as employee contributions and are fully vested. The Contribution Plan also allows additional employee contributions up to 6.6% of annual compensation, and the City will match such contributions at a 50% rate up to 3.3% of the qualified employee’s annual compensation.

The trust agreement provides that each participant directs the investments held in his/her individual account. Participants are immediately vested in their contributions plus actual earnings thereon. The City’s contributions for each employee and interest allocated to the employee’s account are fully vested after six years of continuous service. City contributions for, and interest forfeited by, employees who leave employment before six years of service are redistributed to all participants based on salary and vesting levels with the exception of the additional contributions up to 6.6% of annual compensation referenced above, which are immediately fully vested.

The City’s total payroll in fiscal year 2016 was \$5,832,107. The City’s contributions were calculated using the base salary amount of \$3,219,167 for employees participating in the City’s defined contribution plan. The total employee and employer contributions for the year ended June 30, 2016 were \$218,385 and \$482,875, respectively. The employee and employer contributions represented 6.78% and 15% of covered payroll, respectively.

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Defined Contribution Plan (Continued)

The Contribution Plan's investments are reported at fair value in the separately issued plan financial Statements. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective future fair values. Furthermore, although the Contribution Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs are from other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3 inputs are unobservable and have the lowest priority. The Contribution Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Contribution Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

Level 1 Fair Value Measurements

The fair value of registered investment companies is based on quoted net asset values of the shares held by the Plan at year-end.

The following tables set forth, by level within the fair value hierarchy, the Plan's investments at fair value as of June 30, 2016:

	<u>Fair Value</u>	<u>Fair Value Measurements Using Quoted Prices in Active Markets for Identical Assets (Level1)</u>
Cash and cash equivalents	\$ 3,632,199	\$ 3,632,199
U.S. Government securities	218,530	218,530
Corporate obligations	1,067,571	1,067,571
Mutual funds	3,085,831	3,085,831
Common and preferred stock	<u>1,742,543</u>	<u>1,742,543</u>
	<u>\$ 9,746,674</u>	<u>\$ 9,746,674</u>

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

California Public Employees Retirement System

Plan Descriptions – All public safety officers are eligible to participate in the City’s Safety Employee Pension Plan (the Plan), a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2016 are summarized as follows:

	Safety - Tier 1	
	Prior to	On or after
	<u>January 1, 2013</u>	<u>January 1, 2013</u>
Hire date		
Benefit formula	3% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	50 - 57
Monthly benefits, as a % of eligible compensation	3.000%	2.000% to 2.700%
Required employee contribution rates	9.000%	11.500%
Required employer contribution rates	17.557%	11.153%
	Safety - Tier 2	
	Prior to	On or after
	<u>January 1, 2013</u>	<u>January 1, 2013</u>
Hire date		
Benefit formula	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	2.400% to 3.000%	2.000% to 2.700%
Required employee contribution rates	9.000%	11.500%
Required employer contribution rates	15.627%	11.153%

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

California Public Employees Retirement System (Continued)

Contributions – Section 20814c of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2016, the contributions recognized as part of pension expense for each Plan were as follows:

	Safety
Contributions - employer	\$ 507,837
Contributions - employee (paid by employer)	-

NOTE 9 – DEFERRED COMPENSATION PLAN AND TRUST

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights (until paid or made available to the employee or other beneficiary) are solely the property and rights of the employees. Accordingly, the plan/trust assets have been excluded from the City’s reported assets.

NOTE 10 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, errors and omissions and injuries to employees. The City participates in a pooled liability program for general liability and workers compensation through the Central San Joaquin Valley Risk Management Authority (Authority). The pooled liability program is an insurance pool provided through the deposits of approximately 58 member cities. The Authority is not an insurance company and does not charge a premium for coverage. Audited financial statements are available from the Central San Joaquin Valley Risk Management Authority at 1750 Creekside Oaks Drive, Suite, 200, Sacramento, CA 95833.

General Liability

The liability coverage provided by the Authority is completely self-insured by its member cities and all losses and related costs are shared among the other member cities in the pool above the member City’s retained limit of \$50,000 for the fiscal year ended June 30, 2016. The Authority determines the amount of risk each member city brings to the pool and calculates a relative risk distribution factor. The unobligated balance of program years 2011 through 2015 is \$25,328 as of June 30, 2015 (most recent information). At the time the respective program year is closed, any surplus will be refunded to the City and net deficits will be billed to the City. The City financial statements are prepared on the modified cash basis of accounting and, accordingly, a liability for net fund deficits, if any, on open program years has not been recorded. Disbursements to the Authority for general liability coverage during the year ended June 30, 2016 were \$140,924.

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

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NOTE 10 – RISK MANAGEMENT (CONTINUED)

Workers' Compensation

The workers' compensation coverage is provided by the Authority through a pooling feature which requires the member cities to self-insure a portion of each claim. Sharing of the risk is accomplished by forming pooled layers above the member city's retained limit of \$50,000 for the fiscal year ended June 30, 2016. The unobligated balance is \$75,018 as of June 30, 2015 (most recent information). At the time the respective program year is closed any surplus will be refunded to the City and net deficits will be billed to the City. The Pooled Workers' Compensation Program participates in Local Agency Workers' Compensation Joint Powers Authority (LAWCX).

Members of LAWCX risk share the layer between \$2,000,000 and \$5,000,000 (most recent information). Effective July 1, 2003, LAWCX joined the California State Association of Counties Excess Insurance Authority (CSAC EIA), a joint powers authority comprised of a number of individual public entities and other joint power authorities. CSAC EIA provides coverage above \$5,000,000. The City's financial statements are prepared on the modified cash basis of accounting and, accordingly, a liability for net fund deficits, if any, on open program years has not been recorded. Disbursements to the Authority for workers' compensation coverage during the year ended June 30, 2016 were \$395,651.

NOTE 11 – CONTINGENCIES

Grant Program Involvement

In the normal course of operations, the City participates in various federal or state grant/loan programs from year to year. The grant/loan programs are often subject to additional audits by agents of the granting or loaning agency, the purpose of which is to ensure compliance with the specific conditions of the grant or loan. Any liability or reimbursement that may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

NOTE 12 – REVENUE LIMITATIONS IMPOSED BY CALIFORNIA PROPOSITION 218

Proposition 218, which was approved by the voters in November 1996, regulates the City's ability to impose, increase, and extend taxes, assessments and fees. Any new increased or extended taxes, assessments and fees subject to the provisions of Proposition 218, require voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes, assessments and fees are subject to the voter initiative process and may be rescinded in the future years by the voters.

NOTE 13 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Ripon that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local governments. On January 17, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City Resolution Number 12-7.

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

**NOTE 13 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY
(CONTINUED)**

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported as fiduciary funds (private-purpose trust funds) in the financial statements of the City.

Long-Term Debt

The Successor Agency's debt issues and transactions are summarized below and discussed in detail thereafter:

	<u>Original Amount</u>	<u>Balance June 30, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2016</u>	<u>Current</u>
Fiduciary Fund						
Former Redevelopment Agency of the City of Ripon						
2003 Tax Allocation Bonds	\$ 6,320,000	\$ 5,130,000	\$ -	\$ 130,000	\$ 5,000,000	\$ 135,000
2005 Tax Allocation Bonds	5,660,000	4,740,000	-	120,000	4,620,000	125,000
2007 Tax Allocation Refunding Bonds	<u>20,395,000</u>	<u>16,720,000</u>	<u>-</u>	<u>510,000</u>	<u>16,210,000</u>	<u>530,000</u>
	<u>\$ 32,375,000</u>	<u>\$ 26,590,000</u>	<u>\$ -</u>	<u>\$ 760,000</u>	<u>\$ 25,830,000</u>	<u>\$ 790,000</u>

Tax Allocation Bonds

In 2003, the Former Redevelopment Agency of the City of Ripon issued Tax Allocation Bonds in the amount of \$6,320,000 to finance redevelopment projects. Agency tax increment revenue is pledged for the repayment of these Bonds. Principal and interest are payable semi-annually each May 1 and November 1.

In 2005, the Former Redevelopment Agency of the City of Ripon issued Tax Allocation Bonds in the amount of \$5,660,000 to finance redevelopment projects. Agency tax increment revenue is pledged for the repayment of these Bonds. Principal and interest are payable semi-annually each May 1 and November 1.

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

**NOTE 13 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY
(CONTINUED)**

Tax Allocation Bonds (Continued)

In 2007, the Former Redevelopment Agency of the City of Ripon, Ripon Community Redevelopment Project issued Tax Allocation Bonds in the amount of \$20,395,000 to provide funds for certain redevelopment projects and to defease 2000 Tax Allocation Bonds. The bond issue included \$11,025,000 of serial bonds with interest rates ranging from 4% to 4.4% with maturities ranging from 2007 through 2027, \$4,300,000 of term bonds with an interest rate of 4.5% maturing in 2034 and \$5,070,000 of escrow term bonds with an interest rate of 4.5% maturing in 2034 and \$5,070,000 of escrow term bonds with an interest rate of 4.75% maturing in 2036. The bonds maturing on or after November 1, 2018 may be called before maturity and redeemed at the option of the Former Redevelopment Agency of the City of Ripon, in whole or in part from proceeds of refunding bonds or other available funds, on November 1, 2017 or on any date thereafter. The net proceeds of the 2007 Tax Allocation Refunding Bonds were \$19,581,738, after paying issuance costs of \$813,262. The Former Redevelopment Agency of the City of Ripon deposited \$10,066,703, representing a portion of net proceeds from the issuance of the 2007 Tax Allocation Refunding Bonds and \$806,580 representing funds held by trustee relating to the 2000 Tax Allocation Bonds into an irrevocable trust with an escrow agent for investment in U.S. government securities to defease the 2000 Tax Allocation Bonds. The funds deposited with the escrow agent were used to pay the principal and interest on the refunded bonds on November 1, 2010, at a redemption price equal to 102% of par.

Fiduciary Fund debt outstanding as of June 30, 2016 consists of the following:

<u>Fiduciary Fund</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amounts Issued</u>	<u>Outstanding</u>
Redevelopment Agency 2003				
Tax Allocation Bonds				
Serial Bonds	3.65%-4.55%	Nov. 1, 2020	\$ 2,060,000	\$ 740,000
Term Bonds	4.45%	Nov. 1, 2027	1,345,000	1,345,000
Term Bonds	4.75%	Nov. 1, 2032	2,915,000	2,915,000
			<u>6,320,000</u>	<u>5,000,000</u>
Redevelopment Agency 2005				
Tax Allocation Bonds				
Serial Bonds	3.50%-3.625%	Nov. 1, 2013	805,000	-
Term Bonds	3.00%	Nov. 1, 2017	485,000	250,000
Term Bonds	5.00%	Nov. 1, 2025	1,230,000	1,230,000
Term Bonds	4.75%	Nov. 1, 2035	3,140,000	3,140,000
			<u>5,660,000</u>	<u>4,620,000</u>
Redevelopment Agency 2007				
Tax Allocation Bonds				
Serial Bonds	4.00%-5.00%	Nov. 1, 2027	11,025,000	6,840,000
Term Bonds	4.50%	Nov. 1, 2034	4,300,000	4,300,000
Term Bonds	4.75%	Nov. 1, 2036	5,070,000	5,070,000
			<u>20,395,000</u>	<u>16,210,000</u>
			<u>\$ 32,375,000</u>	<u>\$ 25,830,000</u>

**CITY OF RIPON
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

**NOTE 13 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY
(CONTINUED)**

Annual debt service requirements are shown below for fiduciary fund long-term debt:

For the Year Ending June 30,	<u>Fiduciary Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2017	\$ 790,000	\$ 1,166,930
2018	815,000	1,133,183
2019	855,000	1,098,120
2020	890,000	1,060,861
2021	935,000	1,021,706
2022-2026	5,315,000	5,531,879
2027-2031	6,645,000	4,514,538
2032-2036	7,910,000	2,702,475
2037-2041	<u>1,675,000</u>	<u>401,466</u>
Total	<u>\$ 25,830,000</u>	<u>\$ 18,631,158</u>

NOTE 14 – SUBSEQUENT EVENTS

Management of the City has evaluated subsequent events through September 12, 2016, the date these financial statements were available to be issued, and has determined there were no material events requiring disclosure.

SUPPLEMENTARY INFORMATION

CITY OF RIPON
COMBINING BALANCE SHEET – MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

7A

	2103 Fund	2105 Fund	2106 Fund	2107 Fund	2107.5 Fund	Measure K	COG/LTF Fund	STA/BUS Fund
ASSETS								
Cash and investments	\$ 17,702	\$ 5,874	\$ 16,230	\$ 19,539	\$ 4,750	\$ 1,473,906	\$ 46,422	\$ 26,909
Cash and investments - restricted	-	-	-	-	-	-	-	217,499
Total assets	\$ 17,702	\$ 5,874	\$ 16,230	\$ 19,539	\$ 4,750	\$ 1,473,906	\$ 46,422	\$ 244,408
LIABILITIES								
Loan due to private-purpose trust funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-	-	-	-	-
FUND BALANCES								
Restricted for:								
Public safety	-	-	-	-	-	-	-	-
Street construction and maintenance	17,702	5,874	16,230	19,539	4,750	1,473,906	46,422	-
Assessment districts	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	244,408
Committed to:								
Capital projects	-	-	-	-	-	-	-	-
Assigned to:								
Subsequent year expenditures	-	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	17,702	5,874	16,230	19,539	4,750	1,473,906	46,422	244,408
Total liabilities and fund balances	\$ 17,702	\$ 5,874	\$ 16,230	\$ 19,539	\$ 4,750	\$ 1,473,906	\$ 46,422	\$ 244,408

**CITY OF RIPON
 COMBINING BALANCE SHEET – MODIFIED CASH BASIS
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2016**

CDBG	Dutch Meadows	Country Woods	Farmland Estates	Jacobs Landing	Carolina's Landscape	Boesch/ Kingery Assessment	Main Street Landscape	Cornerstone I	Ripon Lighting	Total Nonmajor Governmental Funds
\$ (10,437)	\$ -	\$ 14,612	\$ -	\$ 25,137	\$ 10,926	\$ 47,899	\$ -	\$ 107,762	\$ (118,287)	\$ 1,688,944
-	-	-	-	-	-	-	-	-	-	217,499
<u>\$ (10,437)</u>	<u>\$ -</u>	<u>\$ 14,612</u>	<u>\$ -</u>	<u>\$ 25,137</u>	<u>\$ 10,926</u>	<u>\$ 47,899</u>	<u>\$ -</u>	<u>\$ 107,762</u>	<u>\$ (118,287)</u>	<u>\$ 1,906,443</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	14,612	-	25,137	10,926	47,899	-	107,762	-	1,584,423
-	-	-	-	-	-	-	-	-	-	206,336
-	-	-	-	-	-	-	-	-	-	244,408
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
<u>(10,437)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(118,287)</u>	<u>(128,724)</u>
<u>(10,437)</u>	<u>-</u>	<u>14,612</u>	<u>-</u>	<u>25,137</u>	<u>10,926</u>	<u>47,899</u>	<u>-</u>	<u>107,762</u>	<u>(118,287)</u>	<u>1,906,443</u>
<u>\$ (10,437)</u>	<u>\$ -</u>	<u>\$ 14,612</u>	<u>\$ -</u>	<u>\$ 25,137</u>	<u>\$ 10,926</u>	<u>\$ 47,899</u>	<u>\$ -</u>	<u>\$ 107,762</u>	<u>\$ (118,287)</u>	<u>\$ 1,906,443</u>

CITY OF RIPON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

7A

	2103 Fund	2105 Fund	2106 Fund	2107 Fund	2107.5 Fund	Measure K	COG/LTF Fund	STA/BUS Fund
REVENUES								
Taxes	\$ 76,654	\$ 83,780	\$ 53,515	\$ 109,092	\$ 3,000	\$ -	\$ -	\$ -
Assessments	-	-	-	-	-	-	-	-
Licenses, permits and fees	-	-	-	-	-	-	-	-
Investment income	521	469	627	1,129	21	7,422	1,647	1,302
Intergovernmental revenue	-	-	-	-	-	300,000	360,000	53,304
Charges for services	-	-	-	-	-	-	-	2,597
Fines and forfeitures	-	-	-	-	-	-	-	-
Housing/loan program income	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	<u>77,175</u>	<u>84,249</u>	<u>54,142</u>	<u>110,221</u>	<u>3,021</u>	<u>307,422</u>	<u>361,647</u>	<u>57,203</u>
EXPENDITURES								
General government:								
Administration	-	-	-	-	-	-	-	-
Legislative	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Streets and public works:								
Streets	-	-	-	-	-	-	-	42,142
Planning	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-
Culture and recreation:								
Library	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Community Center	-	-	-	-	-	-	-	-
Community development block grant	-	-	-	-	-	-	-	-
Special assessment districts	-	-	-	-	-	-	-	-
Successor agency administration	-	-	-	-	-	-	-	-
Allocation to other department costs	-	-	-	-	-	-	-	7,090
Other	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,232</u>
Excess (deficiency) of revenues over expenditures	<u>77,175</u>	<u>84,249</u>	<u>54,142</u>	<u>110,221</u>	<u>3,021</u>	<u>307,422</u>	<u>361,647</u>	<u>7,971</u>
OTHER FINANCING SOURCES (USES)								
Operating transfers in	-	-	-	-	-	-	-	-
Operating transfers out	(100,000)	(100,000)	(125,000)	(235,000)	-	(200,000)	(325,000)	-
Total other financing sources (uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(125,000)</u>	<u>(235,000)</u>	<u>-</u>	<u>(200,000)</u>	<u>(325,000)</u>	<u>-</u>
Net change in fund balances	<u>(22,825)</u>	<u>(15,751)</u>	<u>(70,858)</u>	<u>(124,779)</u>	<u>3,021</u>	<u>107,422</u>	<u>36,647</u>	<u>7,971</u>
Fund balances, beginning of year,	<u>40,527</u>	<u>21,625</u>	<u>87,088</u>	<u>144,318</u>	<u>1,729</u>	<u>1,366,484</u>	<u>9,775</u>	<u>236,437</u>
Fund balances, end of year	<u>\$ 17,702</u>	<u>\$ 5,874</u>	<u>\$ 16,230</u>	<u>\$ 19,539</u>	<u>\$ 4,750</u>	<u>\$ 1,473,906</u>	<u>\$ 46,422</u>	<u>\$ 244,408</u>

**CITY OF RIPON
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES – MODIFIED CASH BASIS
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2016**

CDBG	Dutch Meadows	Country Woods	Farmland Estates	Jacobs Landing	Carolina's Landscape	Boesch/ Kingery Assessment	Main Street Landscape	Cornerstone I	Ripon Lighting	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,976	\$ 353,017
-	4,540	7,810	3,351	5,701	12,055	6,060	10,818	17,901	254,410	322,646
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	13,138
32,597	-	-	-	-	-	-	-	-	-	745,901
-	-	-	-	-	-	-	-	-	-	2,597
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
<u>32,597</u>	<u>4,540</u>	<u>7,810</u>	<u>3,351</u>	<u>5,701</u>	<u>12,055</u>	<u>6,060</u>	<u>10,818</u>	<u>17,901</u>	<u>281,386</u>	<u>1,437,299</u>
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	42,142
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
30,415	-	-	-	-	-	-	-	-	-	30,415
-	7,933	4,451	3,635	6,712	3,334	2,935	14,595	3,310	223,182	270,087
-	-	-	-	-	-	-	-	-	-	-
-	1,335	749	612	1,129	561	494	2,456	557	37,548	52,531
-	-	-	-	-	-	-	-	-	-	-
<u>30,415</u>	<u>9,268</u>	<u>5,200</u>	<u>4,247</u>	<u>7,841</u>	<u>3,895</u>	<u>3,429</u>	<u>17,051</u>	<u>3,867</u>	<u>260,730</u>	<u>395,175</u>
<u>2,182</u>	<u>(4,728)</u>	<u>2,610</u>	<u>(896)</u>	<u>(2,140)</u>	<u>8,160</u>	<u>2,631</u>	<u>(6,233)</u>	<u>14,034</u>	<u>20,656</u>	<u>1,042,124</u>
-	35,426	-	5,013	-	-	-	64,609	-	-	105,048
-	-	-	-	-	-	-	-	-	-	(1,085,000)
-	<u>35,426</u>	-	<u>5,013</u>	-	-	-	<u>64,609</u>	-	-	<u>(979,952)</u>
<u>2,182</u>	<u>30,698</u>	<u>2,610</u>	<u>4,117</u>	<u>(2,140)</u>	<u>8,160</u>	<u>2,631</u>	<u>58,376</u>	<u>14,034</u>	<u>20,656</u>	<u>62,172</u>
<u>(12,619)</u>	<u>(30,698)</u>	<u>12,002</u>	<u>(4,117)</u>	<u>27,277</u>	<u>2,766</u>	<u>45,268</u>	<u>(58,376)</u>	<u>93,728</u>	<u>(138,943)</u>	<u>1,844,271</u>
<u>\$ (10,437)</u>	<u>\$ -</u>	<u>\$ 14,612</u>	<u>\$ -</u>	<u>\$ 25,137</u>	<u>\$ 10,926</u>	<u>\$ 47,899</u>	<u>\$ -</u>	<u>\$ 107,762</u>	<u>\$ (118,287)</u>	<u>\$ 1,906,443</u>

**CITY OF RIPON
 ADDITIONAL INFORMATION ON THE
 SUCCESSOR AGENCY TRUST FUND**

The following information is presented to supplement the basic financial statements and provides additional information about the Successor Agency Trust Fund. The information includes: the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position in accordance with generally accepted accounting principles as of and for the year ended June 30, 2016. Accordingly, the fiduciary fund financial statements utilize the accrual basis of accounting. Also included in this section is a schedule of capital assets held by the Successor Agency Trust Fund. For additional information on the Successor Agency Trust Fund, refer to the notes to the City's basic financial statements.

**STATEMENT OF FIDUCIARY NET POSITION
 PRIVATE-PURPOSE TRUST FUND
 JUNE 30, 2016**

	<u>Successor Agency Trust Fund</u>
ASSETS	
Cash and investments	\$ 1,034,395
Cash and investments - restricted	4,853,528
Interest receivable	9,473
Loan due from capital projects fund	2,085,648
Capital assets, net of accumulated depreciation	<u>1,157,200</u>
Total assets	<u>9,140,244</u>
LIABILITIES	
Interest payable	192,308
Due to State	1,297,266
Long-term liabilities	
Debt due within one year	790,000
Debt due in more than one year	<u>25,040,000</u>
Total liabilities	<u>27,319,574</u>
NET POSITION	
Restricted for capital outlay	1,589,195
Restricted for debt service	1,967,066
Unrestricted	<u>(21,735,591)</u>
Total net position	<u>\$ (18,179,330)</u>

**CITY OF RIPON
 ADDITIONAL INFORMATION ON THE
 SUCCESSOR AGENCY TRUST FUND**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 PRIVATE-PURPOSE TRUST FUND
 FOR THE YEAR ENDED JUNE 30, 2016

	Successor Agency Trust Fund
Additions	
Investment income	\$ 68,126
Program income	619,741
Property taxes	2,555,948
Project cost reimbursements	-
Total additions	3,243,815
Deductions	
General operating	266,325
Debt service - interest	1,187,634
Total deductions	1,453,959
Change in net position	1,789,856
Total net position - beginning of year	(19,969,186)
Total net position - end of year	\$ (18,179,330)

Schedule of capital asset activity for the fiscal year ended June 30, 2016 is as follows:

	Beginning Balance	Acquisitions	Dispositions	Ending Balance
<u>Fiduciary Fund</u>				
Capital assets, not being depreciated				
Land	\$ 1,157,200	\$ -	\$ -	\$ 1,157,200



September 29, 2016

To the Honorable City Council
City of Ripon, California

We have audited the financial statements of City of Ripon Money Purchase Thrift Pension Plan (the Plan) for the year ended June 30, 2016, and have issued our report thereon dated September 29, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 3, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Ripon Money Purchase Thrift Pension Plan are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2016. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no such estimates affecting the financial statements.

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

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no such misstatements identified during the audit.

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Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 29, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

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

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the Government Code Section 7504 Rules and Regulations for Reporting and Disclosure. The method of preparing it has not changed from the prior period and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for use by The City of Ripon's Management and City Council, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Price Pange & Company

**CITY OF RIPON
MONEY PURCHASE THRIFT PENSION PLAN

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED
JUNE 30, 2016 AND 2015**

**CITY OF RIPON
MONEY PURCHASE THRIFT PENSION PLAN**

JUNE 30, 2016 AND 2015

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INDEPENDENT AUDITOR'S REPORT

To the Honorable City Council of the
City of Ripon
Ripon, California

Report on the Financial Statements

We have audited the accompanying financial statements of City of Ripon Money Purchase Thrift Pension Plan, which comprise the statement of net position available for benefits as of June 30, 2016 and 2015, and the related statement of changes in net position available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position available for benefits of City of Ripon Money Purchase Thrift Pension Plan as of June 30, 2016 and 2015, and the changes in its net position available for benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Required Supplementary Information*

Management has omitted the management discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Price Pange & Company

Clovis, California
September 29, 2016

**CITY OF RIPON MONEY PURCHASE THRIFT PENSION PLAN
STATEMENTS OF NET POSITION AVAILABLE FOR BENEFITS
JUNE 30, 2016 AND 2015**

7A

	<u>2016</u>	<u>2015</u>
Assets		
Cash and cash equivalents	3,632,199	2,687,814
U.S. government securities	218,530	208,426
Corporate obligations	1,067,571	1,278,208
Mutual funds	3,085,831	3,415,752
Common and preferred stocks	<u>1,742,543</u>	<u>1,606,266</u>
 Total investments	 9,746,674	 9,196,466
Receivables:		
Participant notes receivable	<u>343,356</u>	<u>313,123</u>
 Total assets	 10,090,030	 9,509,589
 Liabilities	 <u>-</u>	 <u>-</u>
 Net position available for benefits	 <u>\$ 10,090,030</u>	 <u>\$ 9,509,589</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF RIPON MONEY PURCHASE THRIFT PENSION PLAN
STATEMENTS OF CHANGES IN NET POSITION
AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**

7A

	<u>2016</u>	<u>2015</u>
Additions to net position attributed to:		
Investment income:		
Net appreciation (depreciation) in the fair value of investments	\$ (119,204)	\$ 98,956
Interest	17,710	14,061
Dividends	134,097	147,116
Contributions:		
Employer	394,727	393,611
Employee	<u>309,775</u>	<u>324,320</u>
Total additions	<u>737,105</u>	<u>978,064</u>
Deductions from net position attributed to:		
Benefits paid to participants	144,289	1,908,303
Administration	<u>12,375</u>	<u>21,578</u>
Total deductions	<u>156,664</u>	<u>1,929,881</u>
Change in net position	580,441	(951,817)
Net position available for benefits		
Beginning of year	<u>9,509,589</u>	<u>10,461,406</u>
End of year	<u>\$ 10,090,030</u>	<u>\$ 9,509,589</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF RIPON MONEY PURCHASE THRIFT PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015**

NOTE 1 – PLAN DESCRIPTION

The financial statements of the City of Ripon Money Purchase Thrift Pension Plan (the Plan), a single-employer defined contribution plan, have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to pension plans, and in accordance with the Plan agreement.

The following description of the Plan provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions. The Plan is sponsored by the City of Ripon, California (the City).

General

The Plan covers all permanent, full-time employees, excluding public safety employees, of the City who have completed six consecutive months of employment. As of June 30, 2016, there were 58 plan members. Plan provisions and contribution requirements are established and may be amended by the City Council of the City of Ripon. The Plan is subject to the provisions of Government Code Section 7504. The Plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) as ERISA does not apply to government sponsored plans. Under the Internal Revenue Code, the Plan meets the requirements of Section 401(a) and is exempt from federal income tax under Section 510(a).

The City has the right under the Plan provisions to terminate the Plan by delivering to the trustee and administrator written notice of such termination. In the event of plan termination, participants will become 100% vested in their accounts.

Employee Contributions

Eligible employees can elect to defer 5% of their compensation to the Plan. The Plan allows additional employee elective contributions up to 6.6% of annual compensation.

Employer Contributions

The City makes contributions to the Plan equal to 10% of the total compensation, excluding overtime, of all participants in the Plan under the mandatory provision and up to 3.3% of the qualified employee's annual compensation under the voluntary provision.

The City entered into a Memorandum of Understanding with the Union representing its employees which requires the City to "pick up" the 5% employee contribution referenced above. All such contributions are designated as employee contributions and are fully vested.

Participant Accounts

In accordance with the trust agreement, each member directs the investments held in his/her individual account. The participants' accounts are held by a corporation-administered trust fund.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the City contributions under the mandatory provision and earnings thereon is based on years of continuous service. A member is 100% vested after six years of credited service. Participants are fully vested in the City contributions under the voluntary provision and earnings thereon.

NOTE 1 – PLAN DESCRIPTION (Continued)

Payment of Benefits

Upon termination of service or attainment of earliest retirement age of 55, a participant may elect to receive the value of the account under one of the methods as described in the Plan.

The City contribution for, and interest forfeited by, employees who leave employment before six years of service are redistributed to all participants based on salary and vesting levels.

Participant Notes Receivable

The Plan provides for loans to participants which are secured by their vested account balances and can be no greater than the lesser of 50% of the participant's vested account balance or \$50,000. The loans are secured by the balance in the participant's account and bear interest at rates which are commensurate with local prevailing rates as determined by the Plan administrator. Principal and interest is paid ratably through payroll deductions.

Expenses

Plan administrator charges are paid by the City of Ripon. Investment related expenses are paid from the Plan assets.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value. Securities traded on national exchanges are valued at the last reported sales price. The Plan's investments are held in trust by Bank of Stockton.

Purchases and sales of securities are recorded on a trade-date basis. Interest and dividend income are recorded on the accrual basis.

Fair Market Value of Financial Instruments

Unless otherwise noted, the carrying value of financial instruments, including investments, receivables and liabilities, approximate fair value due to the short-term maturities of these instruments.

Notes Receivable from Participants

Loans to participants are reported at their unpaid balances plus any accrued but unpaid interest.

Payments of Benefits

Benefits are recorded when paid.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

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

Budgetary Accounting

The Plan does not utilize formal budget procedures and is not required to adopt such procedures by law. Accordingly, budgetary comparison information is not required or presented.

Reporting Entity

The Plan, governed by the Retirement Board, is considered an independent entity. Plan management considered all potential component units for inclusion in the reporting entity by applying the criteria set forth in accounting principles generally accepted in the United States of America. The Plan concluded that there were no potential component units which should be included in the reporting entity.

NOTE 3 – FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net position available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs are from other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

**CITY OF RIPON MONEY PURCHASE THRIFT PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015**

NOTE 3 – FAIR VALUE MEASUREMENTS (Continued)

Level 1 Fair Value Measurements

The fair value of registered investment companies is based on quoted net asset values of the shares held by the Plan at year-end.

The following tables set forth, by level within the fair value hierarchy, the Plan's investments at fair value as of June 30, 2016:

	<u>Fair Value</u>	<u>Fair Value Measurements Using Quoted Prices in Active Markets for Identical Assets (Level1)</u>
Cash and cash equivalents	\$ 3,632,199	\$ 3,632,199
U.S. Government securities	218,530	218,530
Corporate obligations	1,067,571	1,067,571
Mutual funds	3,085,831	3,085,831
Common and preferred stock	<u>1,742,543</u>	<u>1,742,543</u>
	<u>\$ 9,746,674</u>	<u>\$ 9,746,674</u>

The following tables set forth, by level within the fair value hierarchy, the Plan's investments at fair value as of June 30, 2015:

	<u>Fair Value</u>	<u>Fair Value Measurements Using Quoted Prices in Active Markets for Identical Assets (Level1)</u>
Cash and cash equivalents	\$ 2,687,814	\$ 2,687,814
U.S. Government securities	208,426	\$ 208,426
Corporate obligations	1,278,208	\$ 1,278,208
Mutual funds	3,415,752	\$ 3,415,752
Common and preferred stock	<u>1,606,266</u>	<u>\$ 1,606,266</u>
	<u>\$ 9,196,466</u>	<u>\$ 9,196,466</u>

**CITY OF RIPON MONEY PURCHASE THRIFT PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015**

NOTE 4 – INVESTMENTS

There were no investments in excess of 5% or more of the Plan's net position during the year ended June 30, 2016 and 2015.

Investment income results from each participant's self-directed account. Investment income by major asset category is provided in the trustee reports.

NOTE 5 – RISKS AND UNCERTAINTES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net position available for benefits.

NOTE 6 – SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through September 29, 2016, the date on which the financial statements were available to be issued. There were no subsequent events identified by management which would require disclosure in the financial statements.

Fiscal Year 2015-16 Street and Road Financial Report

The purpose of this report is to provide a summary of the City's street and road financial activity for FY 2015-16, as compared to the previous two years.

1.0 REVENUE SUMMARY

The primary sources of street and road revenue are received from state and local sources. The following table summarizes the last three years of revenue.

Table 1
Revenue Summary¹

Source	2013-14	2014-15	2015-16
Operating Revenue	1,247,106	1,240,967	1,114,069
Highway User Tax Account	475,470	443,589	328,808
Local Transportation Fund	451,601	492,795	477,838
Measure K Local Street Repairs	320,035	304,583	307,423
Capital Revenue	499,957	539,542	1,059,601
Grants	499,957	294,342	601,050
General Fund Surplus	-	90,200	310,679
City Parking Lot Surplus	-	155,000	147,872

1. Includes any interest earned during the fiscal year.

1.1 Highway User Tax Account (HUTA)

The State of California imposes excise taxes on diesel fuel and gasoline at the rate of \$0.13 per gallon and \$0.18 per gallon, respectively. These rates have been in place since 1994 and with the increasing cost of construction, the purchasing power of the gas tax revenue has gone down.

Taxes on fuel are transferred to the state HUTA to be expended by local jurisdictions for the following:

- Research, planning, administration, construction, improvement, maintenance, and operation of public streets and highways.
- Research, planning, administration, and construction for public mass transit systems.
- The payment of principal and interest on voter-approved bonds issued for the purposes specified above.

The significant downturn in HUTA revenue for FY 2014-15 and FY 2015-16 are largely due to falling gasoline prices and "true ups" under the fuel tax swap system. The sales tax swap is intended to be revenue neutral, however, the swap created certain revenue effects related to the timing and receipt of revenues. In particular, the law provides that the new excise tax created by the fuel tax swap be adjusted annually by the Board of Equalization to distribute an amount of revenue equal to what would have been provided prior to the swap. The result is that if taxable sales of gasoline fall more than the Board of Equalization anticipated in its rate setting, then a downward true up will compound a

downward trend in taxable sales in subsequent years. The reverse could also be true, but the current reality with vehicle transportation fuels is a reduction in demand and a downward trend in fuel prices.

1.2 Local Transportation Fund (LTF)

LTF is a source of transit and streets and roads funding available in San Joaquin County. Revenues to the LTF are derived from ¼ cent of the retail sales tax collected statewide. The ¼ cent is returned by the State Board of Equalization to each county according to the amount of tax collected in that county. The SJCOG is designated by the Transportation Development Act to administer the LTF in San Joaquin County, including adopting a revenue estimate and apportioning those revenues pursuant to the sequence stated in the Transportation Development Act.

As part of the apportionment of the LTF, the following are taken “off the top” before the remaining is distributed to the other claimants (by population) for transit and streets and roads purposes:

- SJCOG administrative fees (3%)
- County Auditor administrative fees
- Bicycle/pedestrian projects (2%)
- San Joaquin Regional Rail Commission (SJRR) operations and capital improvements

Historically the SJRR has received less than \$700,000 in LTF funding each year. In 2014, the SJRR requested \$4 million in LTF funds on an on-going basis. In February 2015, a compromise was negotiated that would provide \$1.3 million to the SJRR in FY 2015-16 as SJCOG worked with local agencies and transit operators on the FY 2016-17 apportionment. In June 2016, the SJCOG Board approved a larger apportionment of \$2.2 million to SJRR for FY 2016-17. The SJCOG Board has discussed the concept of an 11.5% maximum of LTF funds for SJRR, although it was not formally approved to allow additional time to explore other funding options. The larger share of LTF that is allocated to SJRR results in a reduction in LTF revenue available to the other jurisdictions, as the City experienced in FY 2015-16.

For jurisdictions whose population is less than 100,000, LTF can be used for either transit services or local streets and roads, as long as no unmet transit needs exist. Ripon currently utilizes the City’s entire LTF share to fund street and road maintenance.

1.3 Measure K Renewal Local Street Repairs

Cities and the County share thirty-five percent of the Measure K Renewal sales tax revenue for local street repairs, roadway safety and operations improvements, as determined by the local jurisdiction. The allocation is divided 50% to San Joaquin County and 50% to the incorporated cities. The city allocation is by population with a minimum of \$300,000 guaranteed to all jurisdictions. The San Joaquin Council of Governments reviews the allocation formula every three years to determine if the formula is operating in an equitable manner.

1.4 General Fund Surplus

When general fund monies are used for street and roads purposes, a jurisdiction must expend, on an annual basis, the same level not less than the jurisdictions three-year average of its annual expenditures

from its general fund during the prior three fiscal years, as reported to the State Controller¹. This is typically referred to as a jurisdiction's maintenance of effort. The maintenance of effort requirement of the general fund is a concern for most jurisdictions. Ripon has not used general fund revenue for street and road purposes because of this requirement and potential financial impacts to providing the public services that are funded through the general fund.

The Measure K Renewal ordinance does allow for certain one-time contributions to fund street and road projects that would not be calculated as part of the maintenance of effort. The ordinance allows a jurisdiction with extraordinary local discretionary fund expenditures during any fiscal year to subtract out those extraordinary expenses from its total expenditures. Examples of extraordinary expenditures include, but not limited to, Proposition 42 funding, assessment district contributions, development impact funds, redevelopment agency contributions, or other non-recurring contributions².

In April 2015, the Ripon City Council approved a general fund surplus policy. The purpose of this policy is to provide a new funding source dedicated to reconstructing the streets and roads in Ripon that have exceeded their useful life. This policy dictates that a minimum of 33% of the general fund surplus is allocated to future roadway reconstruction projects. This additional funding will be set aside in a separate fund and shown on the Treasurer's Report. All expenditures from the fund shall have prior approval from the City Council and the City will need to petition the San Joaquin Council of Governments for special consideration of utilizing this discretionary funding and not requiring it to be calculated as part of the City's minimum expenditure base as defined in Section 5.02.03 of the Measure K Renewal Ordinance.

1.5 Grants

The City pursues various grants to fund capital transportation projects. For FY 2015-16, the City received the following grant revenue:

Table 2
FY 2015-16 Grant Summary

Project	Description	Grant Source	Grant Amount
Main Street Enhancement	Architectural treatments and landscaping on Main Street	Transportation Enhancement	\$50,101
Ripona Safe Route to School	Sidewalks and handicap ramps along Milgeo, Stockton, Idaho and various other intersections around Ripona Elementary	Safe Route to School	\$20,953
Jack Tone Park & Ride Lot	A 55 lot park & ride lot with bicycle lockers and lighting on Jack Tone/Frontage near Highway 99	Congestion Mitigation and Air Quality	\$529,996

The grant revenue received in FY 2015-16 were all final reimbursements for previously completed projects.

¹ Pursuant to 5.02.01 of the Measure K Renewal Ordinance.

² Pursuant to 5.02.03(a) of the Measure K Renewal Ordinance.

2.0 EXPENSE SUMMARY

The table below summarizes the operating and capital expenses over the last three years.

Table 3
Expense Summary

Source	2013-14	2014-15	2015-16
Operating Expenses	672,344	608,803	596,959
Street & Road Maintenance	382,307	310,544	313,751
Landscape Maintenance	228,607	242,190	247,232
Engineering	50,680	38,482	22,827
Administration	10,750	17,587	13,149
Capital Street and Road Expenses ¹	492,777	768,470	1,151,382
Colony Road Overlay	29,163	-	-
Main Street Enhancement	345,333	50,901	20,021
Ripona Sidewalk	67,198	544	1,638
Jack Tone Park & Ride	51,083	665,349	47,229
Stockton Ave Improvements	-	51,676	286
Robert Ave Cape Seal/Main St	-	-	1,082,208

1. Includes the cost of construction, design, construction management, and any special inspections.

2.1 Street and Road Maintenance

The Public Works Department maintains the city streets and roads, including fixing potholes, filling cracks, replacing/repairing signs, and repairing sidewalks adjacent to public facilities³. The following table summarizes the quantity of street and road maintenance activities that were completed by the Public Works Department for FY 2015-16.

Table 4
FY 2015-16 Maintenance Summary

Activity	Quantity	Unit
Pothole Repairs	570	Each
Crack Filling	40,480	Lineal feet
Signs Replaced	20	Each
Sidewalks Repaired	21	Lineal feet

2.2 Landscape Maintenance

Throughout a number of streets and roads are landscaping areas that are not included in defined Landscaping Districts. These areas are maintained by the Public Works Department and the expenses are funded by street and road revenue. There are currently 4.8 miles of medians and landscaped areas adjacent to streets maintained by the Public Works Department.

2.3 Engineering

The Engineering Department is responsible for the design and construction management of capital street and road projects that require the city to hire a contractor. These projects typically include asphalt overlays, reconstruction of roads, or a cape seal project. Additionally, the City's engineering staff prepares the necessary street and road studies and maintains compliance with any grants received.

³ Sidewalks adjacent to private property is the responsibility of the property owner (RMC 12.16.040).

During FY 2015-16, the Engineering Department staff worked on the following street and road efforts:

- Design and construction management of the “Asphalt Rubber Cape Seal Project 2015” which included a reconstruction and overlay on Main Street and an asphalt rubber cape seal on Robert Avenue, Fourth Street, Seventh Street, and Vera Avenue.
- Prepare the city-wide Engineering and Traffic Survey in accordance with the California Vehicle Code to establish and justify the posted speed limits on the roadways in Ripon. The Engineering and Traffic Survey is required by State law to be updated as conditions change, or at least every 10 years in order for the Police Department to enforce speed limits. Staff analyzed current vehicle speed data, evaluated existing conditions, and reviewed the collision history to determine the appropriate speed limits. Details of the data and maps were created for each location to justify the posted speed limit.
- Processed the final grant reimbursement invoices for the Jack Tone Park & Ride, Ripona Safe Route to School, and Main Street Enhancement projects.
- Coordinate and track repairs of sidewalks adjacent to private property.

2.4 Administration

Each year the City’s Finance Officer is required to complete certain audits and reporting necessary to continue to receive street and road funding. For Fiscal Year 2015-16, the following was completed:

- Prepared the Transportation Development Act claim for LTF and State Transit Assistance Funds. This is submitted to SJCOG requesting LTF funds for the fiscal year.
- Assisted with the Transportation Development Act audit, including working with the auditors chosen by SJCOG to audit the dollars received from Transportation Development Act Funds.
- Assisted with the Street & Road Report submitted to the State Controller’s Office. This is prepared by Ripon’s auditors and tracks street revenue and expenditures for the fiscal year.
- Assisted the auditors with the annual government wide audit of which the Street Fund is considered a Major Fund.

2.5 Capital Street & Road Expenses

Capital street and road projects include any roadway reconstruction, overlay, or cape seal roadway projects where the City goes through a public bidding process to obtain a general contractor. These projects are funded by the difference between the annual operating revenue and expenses, along with grants and general fund surplus allocated by the City Council.

In 2012, the City received a State Transportation Improvement Program grant for the rehabilitation of Stockton Ave, between Second Street and Doak Boulevard. The project was programmed to be constructed in FY 2017-18 until the City was notified that due to the decline in the price of fuel and the corresponding revenue loss the California Transportation Commission de-funded the project as part of

the \$754 million statewide cut. At this point, the design has been placed on hold until the project is fully funded.