



(ACT) – ACTION NEEDED
(INF) – INFORMATION ONLY
(DIS) – DISCRETIONARY

A G E N D A

REGULAR MEETING OF THE CITY COUNCIL
NEEDLES PUBLIC UTILITY AUTHORITY
HOUSING AUTHORITY OF THE CITY OF NEEDLES
CITY OF NEEDLES, CALIFORNIA
TUESDAY, MAY 23, 2023
COUNCIL EXECUTIVE SESSION – **5:30 P.M.**
CITY COUNCIL MEETING – **6:00 P.M.**
CITY COUNCIL CHAMBERS
1111 BAILEY AVENUE, NEEDLES

**THE 5:00 P.M. PORTION OF THE CITY COUNCIL MEETING WILL BE RECESSED
BY THE CITY CLERK TO 5:30 P.M.**

**THE PUBLIC MAY ATTEND VIA TEAMS AND MAY SUBMIT ANY COMMENTS IN WRITING
PRIOR TO NOON ON THE DAY OF THE MEETING BY EMAILING djones@cityofneedles.com**

**TO JOIN THE LIVE TEAMS MEETING log into the City of Needles website at
www.cityofneedles.com to access the agenda and [Click here to join the meeting](#)**

If asked, enter the following: Meeting ID: 831 094 883#

OR listen in and participate by calling Teams: 1-323-488-2227 - Meeting ID: 831 094 883#

The meetings are being recorded

CALL TO ORDER
ROLL CALL

PUBLIC COMMENTS PERTAINING TO THE EXECUTIVE SESSION ITEMS (A three-minute time
limit per person has been established.)

RECESS TO EXECUTIVE SESSION

- a) COUNCIL: Conference with Real Property Negotiators Pursuant to Government Code
Section 54956.8. Property: 950 Front Street Suite A-25, Needles CA. Agency Negotiator: City
Manager Rick Daniels or his designee. Negotiating Parties: City of Needles as potential lessor
and the News West Publishing as potential lessee. Under Negotiation: Price and terms

EXECUTIVE SESSION – Report by City Attorney

ROLL CALL (Previously Taken)
INVOCATION
PLEDGE OF ALLEGIANCE
APPROVAL OF AGENDA
CONFLICT OF INTEREST
CORRESPONDENCE
INTRODUCTIONS
CITY ATTORNEY Parliamentary procedures

RECESS THE CITY COUNCIL MEETING AND CONVENE A JOINT CITY COUNCIL / NPUA / HOUSING AUTHORITY (HACN) MEETING

As a courtesy to those in attendance, we would ask that cell phones be turned off or set in their silent mode. Thank you.

PUBLIC APPEARANCE – Persons wishing to address the City Council / NPUA / HACN on subjects other than those scheduled are requested to do so at this time. When called by the Mayor, please announce your name and address for the record. In order to conduct a timely meeting, a three-minute time limit per person has been established by Municipal Code Section 2-18. Amendments to the California Government Code Section 54950 prohibits the City Council from taking action on a specific item until it appears on the agenda.

INTERVIEWS

- 1) Interviews to appoint members to the Needles Housing Commission (ACT)

PRESENTATION

(A ten-minute time limit per presentation has been established per Municipal Code Section 2-18.)

- 2) NPUA: Presentation to accept and file the NPUA audit report for fiscal year ending June 30, 2022 completed by Burger & Comer, P.C. (ACT)
- 3) NPUA / COUNCIL / HACN WORKSHOP: Direction to proceed with the Fiscal Year ending June 30, 2024 budget process and schedule the matter for a public hearing and action on June 13, 2023 (ACT)

HACN / COUNCIL CONSENT CALENDAR

All matters listed on the HACN / Council Consent Calendar are considered to be routine and will be enacted by one motion in the form listed. The Mayor or any member of the City Council / Board may pull an item from the Consent Calendar for discussion. Prior to action, a member of the public may address the City Council / Board on matters scheduled on the Consent Calendar. A three-minute time limit per person applies. **Recommended Action:** Approve Items 4 through 6 on the Consent Calendar by affirmative roll call vote. (ACT)

- 4) HACN / COUNCIL: Waive the reading and adopt Resolution 2023-1-HACN and approve the Schedule of Allowances for Tenant Purchased Utilities for the Housing Choice Voucher Program (Section 8) for Single Family and Apartment/Duplex & Row-House Dwellings effective August 1, 2023
- 5) HACN / COUNCIL: Waive the reading and adopt Resolution 2023-2-HACN and approve the Schedule of Utility Allowances for the Public Housing Program effective August 1, 2023
- 6) HACN / COUNCIL: Accept and File the Housing Authority of the City of Needles Financial Statements and Independent Auditors' Report for the Fiscal Year that ended June 30, 2021 prepared by Smith Marion & Co.

ADJOURN THE JOINT COUNCIL / NPUA / HACN BOARD OF COMMISSIONERS MEETING AND RECONVENE THE CITY COUNCIL MEETING

CALL TO ORDER (Roll Call previously taken)

PUBLIC COMMENTS PERTAINING TO THE COUNCIL ITEMS (A three-minute time limit per person has been established.)

CONSENT CALENDAR: All matters listed on the Consent Calendar are considered to be routine and will be enacted by one motion in the form listed. The Mayor or any member of the City Council may pull an item from the Consent Calendar for discussion. Prior to Council action, a member of the public may address the City Council on matters scheduled on the Consent Calendar. A three-minute time limit per person applies. **Recommended Action:** Approve Items 7 through 11 on the Consent Calendar by affirmative roll call vote. (ACT)

- 7) Approve the warrants register through May 23, 2023
- 8) Approve the minutes of May 9, 2023
- 9) Accept the Notice of Completion for work completed by Pacific Tide Construction for the Purchase and Installation of Shade Structures Over Spectator Seating at Nikki Bunch and Duke Watkins Park projects
- 10) Waive the reading and adopt Ordinance No. 661-AC amending Section 13-33(d) of the Needles Municipal Code to erect stop signs at the southwest and northeast corners of Vine and "R" Streets (2nd reading – adopt)
- 11) Waive the reading and adopt Resolution No 2023-32 approving an amendment to Resolution No. 2022-62 amending the use permit between the City of Needles and County of San Bernardino for the City-owned property located at 1111 Bailey Avenue

End of Consent

Regular Items

- 12) Provide direction on Resolution No. 2023-31 Approving the Application for the Land and Water Conservation Fund for JoJo Garcia Complex for shade structures at Franz Flowers Field OR Duke Watkins Park for two Pickleball Courts (ACT)
- 13) Provide staff direction regarding the City Charter established Council Compensation (ACT)

CITY ATTORNEYS REPORT

CITY CLERK REPORT

CITY MANAGERS REPORT

COUNCIL REQUESTS

Councilmember Campbell
Councilmember McCorkle
Vice Mayor Merritt
Councilmember Pogue
Councilmember Belt
Councilmember Longbrake
Mayor Jernigan

ADJOURNMENT

**INTERNET ACCESS TO CITY COUNCIL AGENDAS AND STAFF REPORT MATERIAL
IS AVAILABLE PRIOR TO CITY COUNCIL MEETINGS AT**

<http://www.cityofneedles.com>

Posted May 19, 2023

SB 343-DOCUMENTS RELATED TO OPEN SESSION AGENDAS -- Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the City Clerk's Office, 817 Third Street, Needles, CA 92363.

In compliance with the American with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (760) 326-2113 ext 145. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-104 ADA Title II).

I hereby certify, under penalty of perjury under the laws of the State of California that the foregoing Agenda was posted at the front entrance of City Hall not less than 72 hours prior to the meeting.

Dated this 19th day of May 2023

Dale Jones, CMC, City Clerk



City of Needles, California

Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☒ HACN ☒ Regular ☐ Special

Meeting Date: May 23, 2023

Title: Needles Housing Commission

Background: The City Council adopted Ordinance No. 660 creating the Needles Housing Commission (see Exhibit A). The Housing Commission shall consist of five (5) members who shall be qualified electors of the City. Two (2) of the members shall be appointed as tenants of the Authority and one (1) of the tenant appointments shall be over sixty-two (62) years of age if the Authority has tenants over that age. Each member of the Housing Commission shall serve a four (4) year term and shall otherwise be subject to the terms of membership pursuant to section 902 of the City Charter.

Regular meeting days of the Housing Commission shall be determined by resolution of the Housing Commission, except that the Housing Commission shall meet at least once each month. As set forth in section 904 of the City Charter, all proceedings shall be open to the public.

The Housing Commission shall have the power and be required to review and make recommendations on all matters to come before the Authority prior to Authority action, except emergency matters and matters which the Housing Commission, by resolution, excludes from the Housing Commission's review.

A notice of vacancy was published in the Needles Desert Star and at this time two applications have been received. Any other interested party may come to the council meeting to express their interest.

Frances Clark qualifies as the over 62 years of age Tenant

Tamera Kissell qualifies as Tenant

Fiscal Impact: None

Recommendation:

Appoint _____ over sixty-two (62) years Tenant with a term to expire December 31, 2026

Appoint _____ Tenant with a term to expire December 31, 2027

Appoint _____ At Large with a term to expire December 31, 2027

Appoint _____ At Large with a term to expire December 31, 2026

Appoint _____ At Large with a term to expire December 31, 2025

Submitted By: City Clerk

City Management Review:

Renee Torrance

Date: 5/19/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 1

Exhibit "A"
to Ordinance Number 660-AC

Article IX. HOUSING COMMISSION

- 2-40 Housing authority established.
- 2-41 Housing commission, created.
- 2-42 Members.
- 2-43 Appointments.
- 2-44 Term.
- 2-45 Vacancies.
- 2-46 Regular meetings.
- 2-47 Duties.
- 2-48 Procedures for review and recommendation—Further functions.
- 2-49 Records.
- 2-50 Organization.
- 2-51 Compensation and reimbursement.

2-40 Housing authority established.

As provided in California Housing Authorities Law ("Law"), Health and Safety Code sections 34200 et seq., since 1951, there has been a housing authority in the City of Needles ("City") known as the Needles Housing Authority ("Authority"). In 1952, the City by resolution, declared that there was a need for a housing authority in the City because (a) insanitary or unsafe inhabited dwelling accommodations existed in the City, and/or (b) there was a shortage of safe and sanitary dwelling accommodations in the City available to persons of low income at rentals they could afford, pursuant to California Health and Safety Code section 34242. Pursuant to resolution adopted on February 14, 2023, the City Council ("City Council") of the City declared itself to be the Commissioners of the Authority pursuant to the Law.

2-41 Housing commission, created.

Pursuant to section 34291 of the Law, a governing body of a city which has declared itself to be the commissioners of a housing authority may, by ordinance, create a housing commission. A housing commission is created and established. Such housing commission may be known and referred to as the "Needles Housing Commission" or the "Housing Commission."

2-42 Members.

The Housing Commission shall consist of five (5) members who shall be qualified electors of the City. Two (2) of the members shall be appointed as tenants of the Authority and one (1) of the tenant appointments shall be over sixty-two (62) years of age if the Authority has tenants over that age. If a tenant appointment to the Housing Commission ceases to be a tenant of the Authority, he or she shall be disqualified from being a member and another tenant of the Authority shall be appointed by the City Council to the remainder of the unexpired term. The successor to a tenant appointment shall be a tenant of the Authority.

2-43 Appointments.

The members of the Housing Commission shall be appointed by the Council pursuant to section 900 of the City Charter, as may be amended from time to time.

2-44 Term.

Each member of the Housing Commission shall serve a four (4) year term and shall otherwise be subject to the terms of membership pursuant to section 902 of the City Charter.

2-45 Vacancies.

Vacancies on the Housing Commission shall be filled by appointment by the City Council pursuant to section 905 of the City Charter.

2-46 Regular meetings.

Regular meeting days of the Housing Commission shall be determined by resolution of the Housing Commission, except that the Housing Commission shall meet at least once each month. As set forth in section 904 of the City Charter, all proceedings shall be open to the public.

2-47 Duties.

The Housing Commission shall have the power and be required to review and make recommendations on all matters to come before the Authority prior to Authority action, except emergency matters and matters which the Housing Commission, by resolution, excludes from the Housing Commission's review.

2-48 Procedures for review and recommendation—Further functions.

Before a matter is acted upon by the Authority, the matter shall be submitted to the Housing Commission for its review and recommendation. Within thirty (30) days after a matter is submitted to the Housing Commission for its review and recommendation, the Housing Commission shall make and file its report thereon with the Authority. If the Housing Commission does not report upon the matter within thirty(30) days after its submission by the Authority, the Housing Commission shall be deemed to have waived its review and recommendations concerning the matter and the Authority may thereafter approve the matter without the report of the Housing Commission. From time to time, the City Council may, by ordinance or resolution, amend the procedures set forth in this section or provide for additional procedures for review and recommendation, and for further functions of the Housing Commission.

2-49 Records.

Accurate and permanent records of the acts of the Housing Commission shall be kept, and such records shall have the same status as records of other administrative departments of the City.

2-50 Organization.

The Housing Commission shall elect one of its members as chairperson and such election shall be held as soon as practicable after each new term commences. The Housing Commission shall adopt such rules and regulations as it deems necessary to provide for its other officers and their method of selection, and for other matters relative to its work and administration. Minutes, resolutions and official records of the Housing Commission shall be filed with the City Clerk.

2-51 Compensation and reimbursement.

Members of The Housing Commission shall serve without compensation for their services as such, but may receive reimbursement for necessary traveling and other expenses incurred on official duty when such expenditures have received authorization by the City Council.

CITY OF NEEDLES
City Clerk's Office
817 Third Street
Needles, Ca 92363

BOARD, COMMISSION AND/OR COMMITTEE APPLICATION

Applicant Name: Frances Clark

Address: _____

Daytime Phone Number: _____ Cell _____

Home Phone Number: _____ Email _____

Position(s) applied for: Needles Housing Authority Commission

Special comments and/or interests: As a senior citizen with limited mobility, I have a different perspective than a parent with young children. I also raised two children as a single parent. I can understand both sides of the housing situation in Needles.

Background and qualifications: I have lived in the Needles Housing Authority complex for almost seven years. I have lived in Needles for 12 years. I have a college degree and have retired from Quality Control in the food industry. I can be detail oriented while still looking out for the big picture.

You must be a registered voter in the City of Needles to qualify for appointment.

Signature Frances Clark Date 4/25/2023

(Please return to the above address)

Yes- 65 CD 212087 5-14-23 CC

CITY OF NEEDLES
City Clerk's Office
817 Third Street
Needles, Ca 92363

BOARD, COMMISSION AND/OR COMMITTEE APPLICATION

Applicant Name: Tamera (Tami) Kissell

Address: _____

Daytime Phone Number: _____ Cell _____

Home Phone Number: _____ Email _____

Position(s) applied for: Commissioner Housing Auth.
For Needles.

Special comments and/or interests: _____

Background and qualifications: Have been on the Board
for 20 yrs. I also live in the Housing
Authority for I believe 23 yrs.

You must be a registered voter in the City of Needles to qualify for appointment.

Signature Tamera Kissell Date 4/19/23
(Please return to the above address)

Yes - \$ 36N861002 5-A all



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☒ NPUA ☐ SARDA ☒ Regular ☐ Special

Meeting Date: May 23, 2023

Title: Presentation by Burger & Comer, P.C. of the NPUA audit report for the fiscal year ended June 30, 2022

Background: The fiscal year 2021/22 NPUA audit report has been completed by Burger & Comer, P.C. The audit report will be presented via teleconference by Dave Burger who is the engagement partner.

Attached are the 2022 Audit Results Presentation materials, and audit report for the fiscal year ended June 30, 2022.

Fiscal Impact: None.

Recommendation: Accept and file the NPUA fiscal year ended June 30, 2022 audit report completed by Burger & Comer, P.C.

Submitted By: Barbara DiLeo, Sr. Accountant

City Management Review: Rick

Date: 5/1/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 2

Presentation of 2022 Audit Results
Needles Public Utility Authority



BURGER & COMER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

**To the Members of the Commission of the
Needles Public Utility Authority**

We are pleased to present this report related to our audit of the financial statements of Needles Public Utility Authority (NPUA) as of and for the year ended June 30, 2022. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for NPUA's financial reporting process, as well as other matters that we believe may be of interest to you. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

This report is intended solely for the information and use of the Members of the Commission and management, and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to NPUA.

BURGER & COMER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Scope of the Engagement

Financial Statement Audit
of
Needles Public Utility Authority (NPUA),
a component unit of the City of Needles

in accordance with
Government Auditing Standards

BURGER & COMER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

- Scope of Engagement
- Summary of Audit Results
- Communication to those Charged with Governance

BURGER & COMER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

NPUA 2022 Audit Results

Significant Changes

Significant Adjustments

BURGER & COMER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

UNMODIFIED OPINION

- Audit performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*
- The financial statements fairly present, in all material respects, NPUA's:
 - Financial position
 - Results of operations
 - Changes in net position
 - Cash flows
- Burger & Comer, P.C. assisted in the preparation and word processing of the financial statements; NPUA management reviews, approves, and accepts responsibility for those financial statements

BURGER & COMER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Report on Internal Controls and Compliance in accordance with *Government Auditing Standards*

- Material weakness and significant deficiencies – none noted
- Noncompliance material to financial statements – none noted

BURGER & COMER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Significant Audit Areas

Assets	Liabilities	Expenses
Cash and receivables	▪ Accounts payable and accrued expenses	Electric power purchased Personnel costs
Capital and intangible assets	▪ Purchase obligation and bonds payable	Interest expense
There were no significant adjustments.	There were no significant adjustments.	There were no significant adjustments.

BURGER & COMER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Significant Adjustments

- The only significant adjustments were related to the pension liability and the OPEB (Other Post Employment Benefits) liability. The figures are the result of an actuarial valuation, which is recorded by the City of Needles, with a portion allocated to NPUA

BURGER & COMER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

**Required Communications to Those Charged with Governance
under Statement on Auditing Standards No. 114**

BURGER & COMER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Elements of Required Communications

- Management has primary responsibility for the accounting principles used, including their consistency, application, clarity and completeness.
- No significant accounting pronouncements were adopted during the year ended June 30, 2022
- We are not aware of any consultations by management with other accountants about accounting or auditing matters.
- We did not encounter any difficulties with management while performing our audit procedures that require the attention of the Utility Board.
- We encountered no disagreements with management on financial accounting and reporting matters as it relates to the current year financial statements.
- NPUA's significant accounting policies are appropriate, and that management has applied its policies consistently with prior period in all material respects.
- No significant or unusual transactions or accounting policies in controversial or emerging areas for which there is lack of authoritative guidance or consensus were identified.
- No significant deficiencies or material weaknesses were identified.
- No irregularities, fraud or illegal acts or that would cause a material misstatement of the financial statements, came to our attention as a result of our audit procedures.
- All audit adjustments that we proposed were recorded.



**NEEDLES PUBLIC UTILITY AUTHORITY
(A Component Unit of the City of Needles)**

Audited Financial Statements

As of and for the Year Ended June 30, 2022

(With Independent Auditor's Report Thereon)

NEEDLES PUBLIC UTILITY AUTHORITY

Financial Statements June 30, 2022

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Independent Auditor's Report

Members of the Commission of the
Needles Public Utility Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Needles Public Utility Authority (the Authority), a component unit of the City of Needles, California, as of and for the year ended June 30, 2022, and the related notes to financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2022, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Needles Public Utility Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Needles Public Utility Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Needles Public Utility Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Needles Public Utility Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 8 be presented to supplement the basic financial statements. . Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Needles Public Utility Authority's basic financial statements. The accompanying combining schedules of net position, revenues, expenses and changes in net position and cash flows, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules of net position, revenues, expenses and changes in net position and cash flows are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2023 on our consideration of the Needles Public Utility Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Needles Public Utility Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Needles Public Utility Authority's internal control over financial reporting and compliance.

Brynn # Comm, P.C.

Saipan, MP
March 24, 2023

NEEDLES PUBLIC UTILITY AUTHORITY MANAGEMENT'S DISCUSSION AND ANALYSIS

As Management of the Needles Public Utility Authority (the Authority), we offer readers of the Authority's Financial Statements this narrative overview and analysis of the Authority's financial performance during the fiscal year ended June 30, 2022. Please read it in conjunction with the Authority's Financial Statements, which follow this section.

Financial Highlights

- The total net position increased \$705 thousand in 2022.
- Operating revenues increased \$3,193 thousand in 2022.
- Operating expenses (excluding depreciation) increased \$5,485 thousand in 2022.

Overview of the Financial Statements

This annual report includes the management's discussion and analysis report, the independent auditors' report, the Authority's basic financial statements, and the supplementary schedules. The financial statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The Authority's financial statements report information using accounting methods like those used by private sector companies. These statements offer both short-term and long-term financial information about its activities. The Statement of Net Position includes all the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and provides information about the nature and amount of investments in resources (assets), and the obligations to creditors (liabilities). It also provides the basis for evaluation of the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority.

All the revenues and expenses for the year are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This Statement measures the success of the Authority's operations over the past two years and can be used to determine whether the Authority has successfully recovered its costs, through its fees and other charges, profitability, and creditworthiness.

The final required financial statement is the Statement of Cash Flows. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities, and provides answers to such questions as sources of cash coming in, what expenditures cash was used for, and the change in the cash balance during the reporting periods.

Financial Analysis of the Authority

One of the most important questions asked about the Authority's finances is "Is the Authority, as a whole, better off, or worse off as a result of the year's activities?". The Statement of Net Position, and the Statement of Revenues, Expenses and Changes in Net Position will help answer this question. These two statements report the net assets of the Authority, and changes in them.

One can think of these changes as indicators of whether the financial health is improving or deteriorating. However, one should also consider other factors, such as changes in the economy, population growth, and if there is any new governmental legislation.

We begin our analysis with a summary of the Authority's Statement of Net Position.

June 30, 2022

Condensed Statement of Net Position
(000's)

	<u>2022</u>	<u>2021</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
Assets				
Current and other assets	\$ 18,087	\$ 17,402	\$ 685	3.94%
Capital assets	<u>19,041</u>	<u>19,433</u>	<u>(392)</u>	-2.02%
Total assets	<u>37,128</u>	<u>36,835</u>	<u>293</u>	0.80%
 Deferred outflows of resources	<u>510</u>	<u>370</u>	<u>140</u>	37.84%
 Liabilities				
Long-term debt	20,462	21,495	(1,033)	-4.81%
Other liabilities	<u>4,766</u>	<u>4,854</u>	<u>(88)</u>	-1.81%
Total liabilities	<u>25,228</u>	<u>26,349</u>	<u>(1,121)</u>	-4.25%
 Deferred inflows of resources	<u>963</u>	<u>113</u>	<u>850</u>	752.21%
 Net Position				
Net investment in capital and intangible assets	-	-	-	0.00%
Restricted for debt service	9,879	10,865	(986)	-9.08%
Unrestricted (deficit)	<u>1,568</u>	<u>(123)</u>	<u>1,691</u>	-1374.80%
Total net position	\$ <u>11,447</u>	\$ <u>10,742</u>	\$ <u>705</u>	6.56%

Condensed Statement of Revenues, Expenses, and Changes in Net Position
(000's)

	<u>2022</u>	<u>2021</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
Revenues				
Operating revenues	\$ 17,346	\$ 14,153	\$ 3,193	22.56%
Nonoperating revenues	<u>12</u>	<u>552</u>	<u>(540)</u>	-97.83%
Total revenues	<u>17,358</u>	<u>14,705</u>	<u>2,653</u>	18.04%
 Expenses				
Depreciation	1,352	1,257	95	7.56%
Other operating expenses	14,537	9,052	5,485	60.59%
Nonoperating expenses	<u>1,336</u>	<u>1,342</u>	<u>(6)</u>	-0.45%
Total expenses	<u>17,225</u>	<u>11,651</u>	<u>5,574</u>	47.84%
 Income before operating transfers	132	3,054	(2,922)	-95.68%
 Capital contributions	1,328	3,707	(2,379)	-64.18%
 Transfers	<u>(755)</u>	<u>(1,847)</u>	<u>1,092</u>	-59.12%
 Changes in net position	705	4,914	(4,209)	-85.65%
Prior period adj-amort water rights	-	1,065	(1,065)	-100.00%
Net position at beginning of year	<u>10,742</u>	<u>4,763</u>	<u>5,979</u>	125.53%
Net position at end of year	\$ <u>11,447</u>	\$ <u>10,742</u>	\$ <u>705</u>	6.56%

The \$705 thousand increase in total net position in 2022, versus an increase of \$5,979 thousand in 2021, reflects the combination of increase in operating revenues and expenses and decrease in transfers. The higher operating revenues in 2022 were due to increased consumption and usage from FY 2022.

While the Statements of Net Position show the changes in financial position, the Statements of Revenues, Expenses and Changes in Net Position provide answers as to the nature of and source of these changes.

Capital Assets (in 000's)

	<u>2022</u>	<u>2021</u>	Dollar <u>Change</u>	Percent <u>Change</u>
Costs				
Land	\$ 3,199	\$ 3,199	\$ -	0.00%
Utility plant	41,489	41,207	282	0.68%
Construction in progress	742	167	575	344.31%
Total costs	45,430	44,573	857	
Accumulated depreciation	26,389	25,141	1,248	4.96%
Net capital assets	\$ 19,041	\$ 19,432	\$ (391)	-2.01%

The Authority's Capital Plan for the ensuing 10 years includes various capital and deferred maintenance projects, which include, but are not limited to the following:

ELECTRIC DEPARTMENT

- Cure Farms substation.
- Electric circuit reliability program.
- Advanced Metering Infrastructure (AMI) project.
- Wire trailer
- Mohave Line rehabilitation
- Park Moabi Line Upgrade
- Street light LED phase out program
- Double bucket truck
- South Hwy 95 Substation (cemetery site)
- Eagle Pass to Cemetery site Line Upgrade
- 230kv line

WATER DEPARTMENT

- Well No. 11 Treatment
- 1.5 MG of reservoir capacity
- Water services replacement – third year street paving
- Water services replacement – fourth year street paving
- Water services replacement – fifth year street paving
- Replace deteriorating pipe in Monterey & Arizona Avenues
- Replace deteriorating pipe in Chesney's subdivision
- Replace deteriorating pipe in Coronado Street area
- Replace deteriorating pipe in Chestnut Street area
- Replace deteriorating pipe in Casa Linda Street area
- Replace deteriorating pipe in River Road area
- L Street booster

- Main replacement and upgrade pipe size on Lilly Hill + Booster
- AMI meters
- Backup generator at well site 15
- Golf course maintenance yard main distribution manifold
- Jet Vac / Trailer
- Main replacement at Verde Shores
- Extension into North Needles

WASTEWATER DEPARTMENT

- Railroad crossing at Bazoobuth
- Plant grit separator
- Upsize deficient sewer lines on T Street to Front Street
- Upsize deficient sewer lines on 15 blocks of Front Street
- Jet Vac trailer
- Mini excavator & tilt trailer
- Upsize effluent pump
- North Needles sewer line extension
- Manhole rehab program (ongoing)
- Manhole replacement and upsize project

Long Term Debt

Total indebtedness (all liabilities) outstanding at June 30, 2022, and 2021 amounted to \$25.2 million and \$26.3 million, respectively. The decrease in total liabilities was due to payments of debt and lower OPEB and pension-related liabilities. More detailed information about the Authority's long-term liabilities is presented in Note 6 of the financial statements.

Economic Factors and Power Rates

The Authority's cost for electricity is dependent upon the open market prices. Since 2008 the Authority has been purchasing its power from Western Area Power Administration (WAPA), and energy costs decreased substantially because of this contract, from their peak in 2006 and 2007. In January 2014, the City, on behalf of the Authority, entered into Amendment No. 5 to Contract No. 00-DSR-11223 among United States Department of Energy Western Area Power Administration Desert Southwest Service Region ("WAPA"), Parker-Davis Project, SLCA Integrated Projects, Boulder Canyon Project and Yuma County Water Users' Association and Wellton-Mohawk Irrigation and Drainage District and Eastern Arizona Preference Pooling Association and City of Needles, California for Aggregated Energy Services ("AES") (through WAPA) that accommodates aggregation of all member resources (hydroelectric and thermal electric) subject to transmission arrangements. There is an opportunity for Needles to receive excess Wellton-Mohawk Irrigation and Drainage District Federal Energy Services ("FES") hydro at a pre-negotiated cost, based on the FES rate (exchanges cannot be made at a rate greater than the FES rate). Those hydro deliveries will be deemed "specified" resources and will not be subject to Cap and Trade penalties.

AES (through WAPA) accommodates aggregation of all member resources (hydroelectric and thermal electric) subject to transmission arrangements. There is an opportunity for Needles to receive excess Wellton – Mohawk Irrigation and Drainage District Federal Energy Services (“FES”) hydro at a pre-negotiated cost, based on the FES rate (exchanges cannot be made at a rate greater than the FES Rate). Those hydro deliveries will be deemed “specified” resources and will not be subject to Cap and Trade penalties.

Implementation of New Accounting Pronouncements

During the fiscal year ended June 30, 2022, the Authority considered but was not required to implement various Statements issued by the Governmental Accounting Standards Board (GASB), including Statements through GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*.

The effective dates of many of the Statements were delayed with the issuance of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

The Authority has not yet evaluated whether the recent Statements will have a material impact on the Authority’s financial statements.

Contacting the Authority's Financial Manager

This financial report is designed to provide our customers and creditors with a generalized overview of the Authority's finances, and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report, or if additional financial information is needed, please contact the Needles Public Utility Authority, Director of Finance, 817 Third Street, Needles, California 92363.

NEEDLES PUBLIC UTILITY AUTHORITY
(A Component Unit of the City of Needles)

Statement of Net Position
June 30, 2022

ASSETS

Current assets:

Cash and cash equivalents	\$ 9,879,534
Receivables, net	3,215,298
Due from City of Needles	792,655
Materials and supplies inventory	<u>763,724</u>
Total current assets	<u>14,651,211</u>

Noncurrent assets:

Right of use assets	125,124
Prepayment of purchase obligation	871,110
Capital assets, net of accumulated depreciation	19,040,920
Intangible assets, net of accumulated amortization	<u>2,439,190</u>
Total noncurrent assets	<u>22,476,344</u>

Total assets	<u>37,127,555</u>
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Deferred outflows of resources:

Deferred outflows related to pensions	472,352
Deferred outflows related to OPEB	<u>38,098</u>
Total deferred outflows of resources	<u>510,450</u>

LIABILITIES AND NET POSITION

Current liabilities:

Lease liabilities	126,274
Accounts payable and other current liabilities	170,324
Due to the City of Needles	28,745
Compensated absences	268,713
Customer deposits	2,447,428
Accrued interest payable	174,970
Current portion of bonds and notes payable	<u>1,074,236</u>
Total current liabilities	<u>4,290,690</u>

Noncurrent liabilities:

Net pension liability	969,701
Net OPEB liability	580,486
Bonds and notes payable, net of current portion	<u>19,387,495</u>
Total noncurrent liabilities	<u>20,937,682</u>

Total liabilities	<u>25,228,372</u>
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Deferred inflows of resources:

Deferred inflows related to pensions	<u>962,544</u>
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Net position:

Restricted for debt service	9,879,534
Unrestricted	<u>1,567,555</u>
Total net position	<u>\$ 11,447,089</u>

See accompanying notes to financial statements.

NEEDLES PUBLIC UTILITY AUTHORITY

(A Component Unit of the City of Needles)

Statement of Revenues, Expenses and Changes in Net Position
Year ended June 30, 2022

Operating revenues:	
Sales of electricity	\$ 11,078,124
Sales of water	3,604,199
Charges for wastewater system use	1,929,708
Other revenues	<u>733,993</u>
Total operating revenues	<u>17,346,024</u>
Operating expenses:	
Operations and maintenance	7,410,868
Electric power purchased	6,406,613
Depreciation and amortization	1,351,882
City franchise fee	<u>720,454</u>
Total operating expenses	<u>15,889,817</u>
Operating income	1,456,207
Nonoperating revenues (expenses):	
Interest expense	(1,335,945)
Interest and investment revenue	<u>11,941</u>
Net nonoperating expense	<u>(1,324,004)</u>
Income before contributions and transfers	132,203
Capital contributions	1,328,236
Operating transfers:	
Transfers to City of Needles	<u>(755,505)</u>
Change in net position	704,934
Net position at beginning of year	<u>10,742,155</u>
Net position at end of year	\$ <u><u>11,447,089</u></u>

See accompanying notes to financial statements.

NEEDLES PUBLIC UTILITY AUTHORITY
(A Component Unit of the City of Needles)

Statement of Cash Flows
Year ended June 30, 2022

Cash flows from operating activities:	
Receipts from customers	\$ 15,933,222
Payments to City of Needles:	
Suppliers and other costs	(11,467,891)
Employee compensation and related costs	<u>(2,709,706)</u>
Net cash provided by operating activities	<u>1,755,625</u>
Cash flows from capital and related financing activities:	
Capital contributions	1,328,235
Purchases of capital assets	(940,688)
Principal paid on capital debt	(1,032,878)
Interest paid on capital debt	(1,351,927)
Net transfers for asset replacement reserves	<u>(755,505)</u>
Net cash used in capital and related financing activities	<u>(2,752,763)</u>
Cash flows from investing activities	
Interest and investment income collected	<u>11,941</u>
Net cash provided by investing activities	<u>11,941</u>
Change in cash and cash equivalents	(985,197)
Cash and cash equivalents at beginning of year	<u>10,864,731</u>
Cash and cash equivalents at end of year	\$ <u>9,879,534</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	1,456,207
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	1,351,882
Changes in operating assets and liabilities:	
Receivables	(1,280,417)
Due from City of Needles	(222,525)
Materials and supplies inventory	(59,883)
Deferred outflows of resources	(140,921)
Accounts payable and other current liabilities	38,940
Due to the City of Needles	28,745
Compensated absences	15,063
Customer deposits	(132,385)
Net pension liability	(390,151)
Net OPEB liability	241,756
Deferred inflows of resources	<u>849,314</u>
Net cash provided by operating activities	\$ <u>1,755,624</u>

See accompanying notes to financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Needles Public Utility Authority (the Authority) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Authority are described below:

Reporting Entity

The Authority was formed by a Joint Powers Agreement, entered into on June 6, 1997, between the City of Needles, California (City) and the Redevelopment Agency of the City of Needles (Agency). Pursuant to the provisions of ABX126, the Agency was dissolved effective February 1, 2012. The City currently serves as the successor agency to the former redevelopment agency that is responsible for revenue collection, maintaining the bond reserves, disposing of excess property and fulfilling the remaining obligations of the dissolved Agency.

The Authority was formed for the purpose of acquiring and operating the City's water, sewer and electrical enterprises. The Authority is governed by a Commission, the members of which are also members of the City Council. The Authority has no employees; its day-to-day activities and operations are performed by City employees under a management agreement with the City. The Authority is a component unit of the City.

Basis of Accounting and Measurement Focus

The Authority is considered to be an enterprise fund, which is a proprietary fund type. Proprietary funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income and capital maintenance.

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The Authority uses the full accrual basis of accounting. Under this basis, revenues are recorded when earned and expenses are recorded when incurred, even though actual payment or receipt may not occur until after the period ends.

The Authority's financial statements are presented in accordance with the provisions of GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* as amended by GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Statement No. 63 established standards for external financial reporting for all state and local governmental entities. It requires the classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Basis of Accounting and Measurement Focus (continued)

- Net investment in capital and intangible assets – This component of net position consists of capital and intangible assets, including restricted capital and intangible assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those capital assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- Restricted – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net position – This category consists of that component of net position that does not meet the definition of restricted or net investment in capital assets.

Implementation of New Accounting Pronouncements

During the year ended June 30, 2022, the Authority considered the following Governmental Accounting Standards Board (GASB) statements:

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. GASB Statement No. 87 has been implemented. Management does not believe that the implementation of this statement will have a material effect on the Authority's financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Implementation of New Accounting Pronouncements, continued

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the end of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. This Statement was to be effective for the fiscal year ended June 30, 2020 but was delayed for one year with the issuance of GASB Statement No. 95 as discussed below. The implementation of this statement did not have a material effect on the Authority's financial statements.

GASB Statement No. 90, *Majority Equity Interest, an Amendment of GASB Statements No. 16 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment.

A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition. This Statement was to be effective for the fiscal year ended June 30, 2020 but was delayed for one year with the issuance of GASB Statement No. 95 as discussed below. The implementation of this statement did not have a material effect on the Authority's financial statements.

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Implementation of New Accounting Pronouncements, continued

In May 2019, GASB issued Statement No. 91 *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosure. GASB Statement No. 91 will be effective for the fiscal year ending June 30, 2023.

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. More comparable reporting will improve the usefulness of information for users of state and local government financial statements.

This Statement addresses a variety of topics and includes specific provisions about leases; reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other than postemployment benefit (OPEB) plan; applicability of Statement No. 73 and 84 to postemployment benefits, measurements of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature and terminology used to refer to derivative instruments. GASB Statement No. 92 is effective for the fiscal year ending June 30, 2022. Management does not believe that the implementation of this statement had a material effect on the Authority's financial statements.

In April 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates (IBOR)*. The primary objective of the Statement is to address the accounting and financial reporting implications of the replacement of IBOR. GASB Statement No. 93 is effective for the fiscal year ending June 30, 2022. Management does not believe that the implementation of this statement had a material effect on the Authority's financial statements.

In March 2020, GASB issued Statement No. 94, *Public-private and Public-public Partnership Arrangements (PPPs)*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). GASB Statement No. 94 will be effective for the fiscal year ending June 30, 2023.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Implementation of New Accounting Pronouncements, continued

In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic.

The effective dates of certain provisions contained in the following pronouncements are postponed by one year:

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*
- Implementation Guide No. 2018-1, *Implementation Guidance Update—2018*
- Implementation Guide No. 2019-1, *Implementation Guidance Update—2019*
- Implementation Guide No. 2019-2, *Fiduciary Activities*.

The effective dates of the following pronouncements are postponed by 18 months:

- *Statement No. 87, Leases*
- *Implementation Guide No. 2019-3, Leases*.

In May 2020, GASB issued Statement No. 96, *Subscription-based Information Technology Arrangements* (SBITAs). This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. GASB Statement No. 96 will be effective for fiscal years beginning after June 15, 2022.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Implementation of New Accounting Pronouncements, continued

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. GASB Statement No. 97 is effective for fiscal years beginning after June 15, 2021. Management does not believe the implementation of this statement had a material impact on the Authority's financial statements.

In October 2021, GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*. This statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replaces instances of comprehensive annual financial report and its acronym. This statement is effective for fiscal years ending after December 15, 2021. Management does not believe the implementation of this statement had a material impact on the Authority's financial statements.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Implementation of New Accounting Pronouncements, continued

In October 2021, GASB issued Statement No. 100, *Accounting Changes and Error Corrections*—an amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement is effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

In October 2021, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

The Authority is currently evaluating whether or not the above listed new GASB pronouncements with effective dates after the year ended June 30, 2022 will have a significant impact on its financial statements

Pension

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pension, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS.

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The City allocates about 41.57% of the net pension liability and pension-related transactions to the Authority based on its share in the pension contribution for the year ended June 30, 2022.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in banks, money market accounts and deposits with the Local Agency Investment Fund (LAIF), and also certificates of deposit and U.S. Treasury bills with maturities of less than 90 days when purchased. It also includes money market accounts in deposits held by the bond trustee that are not restricted.

Inventories

Inventories are recorded at average cost, which approximates net realizable value. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expense at the time individual inventory items are consumed rather than when purchased.

Capital Assets

Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000 and with an estimated useful life in excess of one year.

Capital assets of the Authority are recorded at either their historical cost or at an allocation of the utility plant purchase price, based on appraisal values at January 1, 1997. Donated assets are valued at their estimated fair value on the date donated. Depreciation for all exhaustible capital assets is charged as an expense against operations.

The provision for depreciation is computed using the straight-line method over estimated useful lives of the assets as follows:

Buildings	20 - 40 years
Improvements	20 - 40 years
Plant	15 - 30 years
Equipment	3 - 10 years

Net interest costs during construction periods were capitalized for assets acquired by the issuance of long-term debt through the year ended June 30, 2020, but with the implementation of GASB Statement No. 89 during the year ended June 30, 2022 are charged to expense. Major additions and betterments are capitalized while expenditures for maintenance and repairs that do not add value to the assets and materially extend asset lives are charged to operations as incurred.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position

Deposits

Customer deposits represent deposits held by the Authority as collateral in the event of non-payment for service rendered.

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement Nos. 63 and 65, the Authority recognizes deferred outflows and inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period.

Revenues and Expenses

Revenue Recognition

Charges for electricity, water and sewer use are recorded as billed to customers on a monthly cycle billing basis. At the end of each month, unbilled revenues are accrued for each cycle based on the most recent cycle billings.

Operating and Non-Operating Revenues and Expenses

Revenues and expenses are distinguished between operating and nonoperating items. The Authority defines operating revenues to be exchange transactions where a product or service is furnished and a charge collected therefrom, while operating expenses are all of the costs incurred in delivering those products or services including depreciation on capital assets. Nonoperating revenues and expenses are generally non-exchange transactions and those transactions that are capital and non-capital related financing activities or investing activities.

Compensated Absences

As discussed in Note 11, the Authority has a management agreement with the City concerning employees and their compensation.

All earned vacation, holiday, compensatory time off, and a portion of accumulated sick leave of the City's employees payable upon termination or retirement are accrued. The liability is accrued for a portion of the sick leave balances of all employees who are currently eligible to receive a payment for sick leave upon termination, as well as for those expected to become eligible. As of June 30, 2022, the total estimated liability for all compensated absences, including sick leave, was \$268,713.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Amortization

Canal construction cost sharing is amortized using the straight-line method over 40 years. Effective July 1, 2004, the Authority discontinued amortizing its Water Rights intangible asset, as this asset has an indeterminate life and has value. Water Rights are tested annually for impairment under GASB 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. If it is determined that the asset has been impaired, the book value will be adjusted to reflect the reduced fair value of the rights. Accumulated amortization on Water Rights amounted to \$490,688 prior to July 1, 2004.

NOTE 2 CASH AND INVESTMENTS

The indenture for the 2016 Revenue Refunding Bonds (Note 6) requires the establishment of special funds to be held and administered by trustees and by the Authority. As of and for the year ended June 30, 2022, investments and cash held by trustees and by the Authority in these funds and accounts are as follows:

Custodian:	
Local Agency Investment Fund	\$ 2,969,794
Bank	<u>6,909,740</u>
	\$ <u>9,879,534</u>
Special funds balances:	
Operating funds	\$ 5,609,846
Electric asset replacement reserve	2,869,716
Utility rate stabilization fund	699,972
PCA balances	<u>700,000</u>
	\$ <u>9,879,534</u>

The Authority, periodically during the year, maintained bank balances in excess of federally insured limits.

Statutes authorize the Authority to invest in obligations of U.S. Government agencies and U.S. Government securities, certificates of deposit, municipal securities and the Local Agency Investment Fund of the State of California. Investments are stated at fair value.

NOTE 2 CASH AND INVESTMENTS, continued

Investment in State Investment Pool

The Authority is a voluntary participant in LAIF that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the Authority's investment in this pool is reported in the accompanying financial statements at amounts based upon the Authority's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio).

The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. At June 30, 2022, the total fair value of LAIF, including accrued interest was approximately \$232 billion. The fair value of the Authority's investment in the pool is \$2,969,794 as of June 30, 2022. LAIF's and the Authority's exposure to risk (credit, market, or legal) is not currently available.

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Authority's investment in LAIF as of June 30, 2022 is reported at the Agency's pro-rata share of the amortized cost provided by LAIF for the entire LAIF portfolio. This valuation amount which approximates fair value, is not categorized under the fair value hierarchy.

NOTE 3 ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2022 consist of the following:

	<u>Electric</u>	<u>Water</u>	<u>AAC</u>	<u>Wastewater</u>	<u>Total</u>
Accounts receivable	\$2,772,367	479,153	19,749	339,154	3,610,423
Allowance for doubtful accounts	<u>(251,788)</u>	<u>(53,598)</u>	<u>-</u>	<u>(89,739)</u>	<u>(395,125)</u>
Net receivables	<u>\$2,520,579</u>	<u>425,555</u>	<u>19,749</u>	<u>249,415</u>	<u>3,215,298</u>

NOTE 4 CAPITAL ASSETS

Changes in capital assets for the year ended June 30, 2022 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers/ Deductions</u>	<u>Ending Balance</u>
Nondepreciable assets:				
Land	\$ 3,199,100	-	(-)	3,199,100
Construction in progress	<u>167,403</u>	<u>575,004</u>	<u>-</u>	<u>742,407</u>
	3,366,503	575,004	(-)	3,941,507
Depreciable assets:				
Utility plant	41,206,965	282,035	-	41,489,000
Accumulated depreciation	<u>(25,140,714)</u>	<u>(1,248,873)</u>	<u>-</u>	<u>(26,389,587)</u>
	<u>16,066,251</u>	<u>(966,838)</u>	<u>-</u>	<u>15,099,413</u>
Capital assets, net	\$ <u>19,432,754</u>	<u>(391,834)</u>	<u>-</u>	<u>19,040,920</u>

NOTE 5 INTANGIBLE ASSETS

Changes in the intangible assets for the year ended June 30, 2022 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers/ Deductions</u>	<u>Ending Balance</u>
Cost:				
Water rights	\$ 2,662,807	-	-	2,662,807
Canal construction cost sharing	<u>728,366</u>	<u>-</u>	<u>-</u>	<u>728,366</u>
	3,391,173	-	-	3,391,173
Accumulated amortization:				
Water rights	(1,622,379)	-	1,131,692	(490,687)
Canal construction cost sharing	<u>(443,086)</u>	<u>(18,209)</u>	<u>-</u>	<u>(461,296)</u>
	<u>(2,065,465)</u>	<u>(18,209)</u>	<u>1,131,692</u>	<u>(951,983)</u>
Capital assets, net	\$ <u>1,325,708</u>	<u>(18,209)</u>	<u>1,113,612</u>	<u>2,439,190</u>

NOTE 6 LONG-TERM DEBT

Long-term debt consists of the following:

- 2016 Revenue Refunding Bonds, interest at 3.86% payable each February 1st and August 1st – principal redemptions in varying annual amounts that are due through February 2031.
- Purchase Obligation due to the City, \$685,300 payable each February 1st, including interest imputed at 6.714% through February 2012. Starting February 2013, the annual payment was reduced to \$673,036 as a result of the \$400,000 prepayments made in 2012. The annual payment was further reduced to \$666,983 in fiscal year 2016 as a result of the additional prepayment made in 2013 amounting to \$350,000.

NOTE 6 LONG-TERM DEBT, continued

Long-term liability activity for the year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Revenue Bonds	\$ 11,872,583	-	(993,600)	10,878,983	1,032,323
Purchase Obligation	<u>9,622,026</u>	<u>-</u>	<u>(39,277)</u>	<u>9,582,749</u>	<u>41,914</u>
	\$ <u>21,494,609</u>	<u>-</u>	<u>(1,032,877)</u>	<u>20,461,732</u>	<u>1,074,237</u>

Annual maturities of long-term debt are as follows:

<u>Year Ending June 30</u>	<u>Revenue Refunding Bonds</u>	<u>Purchase Obligation</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,032,323	41,914	1,053,448	2,127,685
2024	1,072,556	44,728	1,010,401	2,127,685
2025	1,114,355	47,731	965,598	2,127,684
2026	1,157,784	50,936	918,964	2,127,684
2027	1,202,907	54,356	870,423	2,127,686
2028-2032	5,299,058	331,676	3,565,307	9,196,041
2033-2037	-	459,008	2,967,492	3,426,500
2038-2042	-	635,225	2,791,275	3,426,500
2043-2047	-	879,093	2,547,407	3,426,500
2048-2052	-	1,216,583	2,209,917	3,426,500
2053-2057	-	1,683,638	1,742,862	3,426,500
2058-2062	-	2,329,999	1,096,501	3,426,500
2063-2065	<u>-</u>	<u>1,807,862</u>	<u>248,013</u>	<u>2,055,875</u>
Total	\$ <u>10,878,983</u>	<u>9,582,749</u>	<u>21,987,608</u>	<u>42,449,340</u>

The varying long-term debt installment payments are to be made from various Authority revenues (all as defined in the applicable agreements) which are irrevocably pledged to such payments, as follows: net independent utility revenues for the 2016 Revenue Refunding Bonds; and, surplus revenues for the Purchase Obligation.

If an event of default shall have occurred and be continuing and if requested by the bond owner of a majority in aggregate principal amount of outstanding bonds, the Trustee shall exercise one or more of such available remedies as the Trustee as directed by the bond owner. All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of the Indenture shall be applied by the Trustee in order upon presentation of the bonds.

During the years ended June 30, 2013, 2012 and 2010, the Authority made additional payments amounting to \$350,000, \$400,000, and \$250,000, respectively, on the Purchase Obligation (shown in the noncurrent assets in the Statements of Net Position).

NOTE 6 LONG-TERM DEBT, continued

Any future payments less than \$685,300 (annual debt service stated in the Purchase Obligation) will decrease the amount of the prepaid balance. The Authority reduced the annual payments to \$666,432 in 2019 which resulted in the reduction of the prepayment balance by \$18,868 in 2020. There was no reduction of the annual payment for the year ended June 20, 2022 and therefore no decrease in the prepaid balance.

Upon payment in full of all indebtedness of the Authority, title to the water, sewer, and electrical enterprises (Enterprises) shall automatically revert to the City.

NOTE 7 Leases

NPUA leased five vehicles from a car rental company in 2022. The interest rates on the leases are disclosed on the table below. The interest rates vary from 2.62% to 5.80%. The lease terms are five years.

Describe	Date	Payment Terms	Payment Amount	Interest Rate	Total Lease Liability	Current Year Additional Outflows	Balance 30-Jun-22
Vehicle 23JSN6	Jul-21	5 years	\$485	2.73%	\$22,896	-	\$17,636
Vehicle 23MS7Z	Jul-21	5 years	\$465	2.82%	\$22,325	-	\$17,385
Vehicle 23JSN5	Jul-21	5 years	\$490	2.72%	\$23,118	-	\$17,806
Vehicle 23MS7J	Jul-21	5 years	\$724	2.62%	\$36,206	-	\$28,371
Vehicle 254JCC	Jun-22	5 years	\$880	5.80%	<u>\$45,735</u>	-	<u>\$45,076</u>
Total Lease Agreements					<u>\$150,280</u>		<u>\$126,274</u>

Annual requirements to amortize the lease and related interest are as follows:

Year Ending 30-Jun	Principal	Interest
2022	\$ 24,006	\$ 2,764
2023	\$ 32,111	\$ 4,303
2024	\$ 33,255	\$ 3,160
2025	\$ 34,445	\$ 1,970
2026	\$ 17,059	\$ 894
2027	<u>\$ 9,404</u>	<u>\$ 275</u>
	<u>\$ 150,280</u>	<u>\$ 13,366</u>

NOTE 8 RETIREMENT PLAN

General Information about the Pension Plans

Plan Description

All qualified permanent and probationary employees are eligible to participate in the City of Needles' Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit pension plan administered by 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 plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Classic participants (defined as eligible participants prior to January 1, 2013) are required to contribute 8% of their annual covered salary. New participants (defined as eligible employees brought into CalPERS membership for the first time on or after January 1, 2013) contribute at least half the normal cost rate as determined by CalPERS. The City contributes the remaining amounts necessary to fund the benefits for its employees, using the actuarial basis adopted by the CalPERS Board of Administration.

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. Classic 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.

With the implementation of GASB Statement No. 68, the City allocates about 41.57% of the City's net pension liability and pension-related transactions to the Authority based on its share in the pension contribution for the year ended June 30, 2022.

Amounts allocated in fiscal year 2021-22 were as follows:

Net pension liability	\$ 969,701
Deferred outflows of resources	472,352
Deferred inflows of resources	962,544
Pension expense	333,779

Please refer to the City's audited financial statements for the fiscal year ended June 30, 2022 for more information about the City's retirement plan required note disclosures and supplementary information in accordance with GASB Statement No. 68.

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

In addition to providing pension benefits, the City provides certain health care benefits for retired employees. Classified and unclassified employees retiring after 20 or more years of service and after having reached age 58 or older are provided medical insurance coverage until the retiree becomes eligible for Medicare. Classified employees hired after July 1, 2007 and retiring at age 55 or later with 20 or more years of service are paid \$300 per month for medical insurance coverage until the retiree becomes eligible for Medicare.

Contributions and Funding Policy

The contribution requirements of the City are established and may be amended by the City Council. While GASB Statement 75 requires that the liability for all postemployment benefits be measured, it does not require that an agency “pre-fund” the accrued liability. The City pays for the postemployment healthcare cost on a “pay-as-you-go” basis. The provisions of GASB Statement 75 determine the amount that must be presented as an annual expense and accrued liability on the City’s financial statements.

Net OPEB Liability

The Authority’s net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021.

With the implementation of GASB Statement No. 75, the City allocates about 37.37% of the City’s net OPEB liability and related transactions to the Authority based on its share in the contribution for the year ended June 30, 2022. Amounts allocated in fiscal year 2021-22 were as follows:

Net OPEB liability	\$ 580,486
Deferred outflows of resources	38,098
OPEB expense	226,219

Please refer to the City’s audited financial statements for the fiscal year ended June 30, 2022 for more information about the City’s OPEB plan required note disclosures and supplementary information in accordance with GASB Statement No. 75.

NOTE 10 ASSET REPLACEMENT FUNDS

The Authority transfers certain amounts to the City to fund future replacement of existing property and equipment and other capital expenditure requirements of the Authority. For the year ended June 30, 2022, the Authority transferred \$678,552 to the City for deposit to the asset replacement funds.

At June 30, 2022, the following asset replacement funds are under the control and custody of the City and are recorded in the City's accounting records as restricted funds (less usage):

Water	\$	1,307,911
Wastewater		280,985
Electric		<u>1,354,824</u>
	\$	<u>2,943,720</u>

NOTE 11 COMMITMENTS AND CONTINGENCIES

The Authority is considered a transmission and generation dependent electric utility, and, therefore, completely dependent on others for supply and transmission of energy to the City's electric system.

The Authority receives a hydroelectric allotment from the Parker-Davis Dam. The Authority's rate structure is designed to allocate the hydroelectric allotment equally among all customers, giving 395 KWH per customer per month in winter months and 740 KWH per customer per month in summer months. The actual cost of power is analyzed every month and if a Power Cost Adjustment (PCA) is required, it is to be put into effect the following month. If the PCA has gone down, then a credit is to be calculated by KWH per bill. The new rate structure is put into place every October.

In 2008, the Authority partnered with the United States Department of Energy Western Area Power Administration (WAPA) for management of energy costs. This partnership was effective April 1, 2008 and has allowed the Authority greater flexibility in the power purchase market. Through WAPA the Authority is able to procure long term power supply contracts, and limit risks in the spot market.

NOTE 12 RELATED PARTY TRANSACTIONS

Section 1202 of the Needles Municipal Code states, "Each utility shall be operated as a separate unit and all accounting respecting such utility shall be on that basis. All personal services of officers or employees and all costs incurred for the joint benefit of any such utility and any other office, department or agency of the city shall be prorated between them.

NOTE 12 **RELATED PARTY TRANSACTIONS, continued**

Charges shall be made by the utility for all service, property or other things of value supplied or rendered by it to any other office, department or agency of the city.”

The City acts as the manager and operator of the Authority’s Enterprises under a Management Agreement. The City receives a management fee equal to its actual costs and direct overhead incurred in connection with the management and operation of the Enterprises.

Such costs include, but are not limited to, salaries, insurance and retirement benefits of City employees providing services to the Enterprises. Each July 1, the Management Agreement is extended for one year, unless either party notifies the other that it does not intend to extend the term of the Agreement. Total payments made to the City for operating the Enterprises for the year ended June 30, 2022 amounted to \$14,128,998. This amount includes payment of Fair Share Allocation (FSA) and purchases of electric power and capital assets.

In exchange for the City providing rights of way and rights of access to all real property owned by the City and necessary for the Authority to operate the Enterprises, the City collected an annual franchise fee from the Authority. The amount of the franchise fee was determined by the City, the payment of which is subordinate to the Authority’s annual debt service. In August 2010, the Authority’s Board approved the increase in franchise fee from 5% of gross revenues to 7.5% of gross revenues for two years, and then 5% thereafter. In November 2012, the voters of the City of Needles approved Measure T eliminating 2.5% of the franchise fee that the City of Needles charges the Authority and established a utility user tax of up to 2.5% to be applied to electric, water and sewer charges. In FY 17 the City underwent a study to determine the utilities’ actual usage of rights of way and rights of access to all real property owned by the City. After the study the City eliminated the franchise fee and created the Fair Share Allocation (FSA). The FSA and utility user tax amounted to \$1,054,119 for the year ended June 30, 2022.

In connection with the City’s 1997 sale of the Enterprises to the Authority, the Authority’s remaining unpaid purchase obligation to the City is payable annually, each February 1, through 2065. Payments are payable solely from Surplus Revenues (as defined). Purchase obligation payments amounted to \$685,300 for the year ended June 30, 2022, which included interest amounting to \$646,023. The unpaid purchase obligation is included in the bonds and note payable account in the Statement of Net Position.

NOTE 13 **RISK MANAGEMENT**

The Authority is subject to various risks in the normal course of operations. The Authority, as a component unit of the City, protects itself against such risks by the City’s participation in the California Joint Powers Insurance Authority (CJPIA), a joint power agency (risk-sharing pool) that provides an independently managed, self-insurance program for member cities.

NOTE 13 RISK MANAGEMENT, continued

The City contributes its pro rata share of anticipated losses to a pool administered by CJPIA. Should actual losses among participants exceed anticipated losses, the City will be assessed its pro rata share of that deficiency. Conversely, if the actual losses are less than anticipated, the City will be refunded its pro rata share of the excess.

The Authority's allocated share of the City's contributions to CJPIA is included in the operations and maintenance expenses paid to the City under the management agreement discussed in Note 11.

NOTE 14 SUBSEQUENT EVENTS

The Authority has evaluated events subsequent to June 30, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through March 24, 2023, the date on which the financial statements were available to be issued.

NEEDLES PUBLIC UTILITY AUTHORITY
(A Component Unit of the City of Needles)
Combining Schedule of Net Position
June 30, 2022

	WATER				
			All American		
	Electric	Water	Canal	Wastewater	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 8,308,778	897,575	-	673,181	9,879,534
Receivables, net	2,520,579	425,555	19,749	249,415	3,215,298
Due from City of Needles	286,177	199,439	150,076	156,963	792,655
Due from other funds	573,011	-	195,718	-	768,729
Materials and supplies inventory	705,741	24,868	-	33,115	763,724
Total current assets	12,394,286	1,547,437	365,543	1,112,674	15,419,940
Noncurrent assets:					
Right of use assets	90,550	17,401	-	17,173	125,124
Prepayment of purchase obligation	409,422	191,644	-	270,044	871,110
Capital assets, net of accumulated depreciation	10,540,991	3,982,359	-	4,517,570	19,040,920
Intangible assets, net of accumulated amortization	-	2,172,119	-	267,071	2,439,190
Total noncurrent assets	11,040,963	6,363,523	-	5,071,858	22,476,344
Total assets	23,435,249	7,910,960	365,543	6,184,532	37,896,284
Deferred outflows of resources:					
Deferred outflows related to pensions	283,411	127,535	9,447	51,959	472,352
Deferred outflows related to OPEB	22,859	10,286	762	4,191	38,098
Total deferred outflows of resources	306,270	137,821	10,209	56,150	510,450
LIABILITIES AND NET POSITION					
Current liabilities:					
Lease liabilities	91,253	17,385	-	17,636	126,274
Accounts payable and other current liabilities	122,633	20,098	7,154	20,439	170,324
Due to the City of Needles	28,745	-	-	-	28,745
Due to other funds	-	554,839	-	213,890	768,729
Compensated absences	176,535	57,296	2,539	32,343	268,713
Customer deposits	2,383,978	63,450	-	-	2,447,428
Accrued interest payable	82,236	38,493	-	54,241	174,970
Current portion of bonds and notes payable	504,891	236,332	-	333,013	1,074,236
Total current liabilities	3,390,271	987,893	9,693	671,562	5,059,419
Noncurrent liabilities:					
Net pension liability	581,821	261,819	19,394	106,667	969,701
Net OPEB liability	348,292	156,731	11,610	63,853	580,486
Bonds and notes payable, net of current portion	9,112,123	4,265,249	-	6,010,123	19,387,495
Total noncurrent liabilities	10,042,236	4,683,799	31,004	6,180,643	20,937,682
Total liabilities	13,432,507	5,671,692	40,697	6,852,205	25,997,101
Deferred inflows of resources:					
Deferred inflows related to pension	577,526	259,887	19,251	105,880	962,544
Net position:					
Restricted for debt service	8,308,778	897,575	-	673,181	9,879,534
Unrestricted	1,422,708	1,219,627	315,804	(1,390,584)	1,567,555
Total net position	\$ 9,731,486	2,117,202	315,804	(717,403)	11,447,089

See independent auditor's report.

NEEDLES PUBLIC UTILITY AUTHORITY
(A Component Unit of the City of Needles)

Combining Schedule of Revenues, Expenses and Changes in Net Position
Year ended June 30, 2022

		Water			
		All American			
	Electric	Water	Canal	Wastewater	Total
Operating revenues:					
Sales of electricity	\$ 11,078,124	-	-	-	11,078,124
Sales of water	-	2,628,699	975,500	-	3,604,199
Charges for wastewater system use	-	-	-	1,929,708	1,929,708
Other revenues	671,779	62,214	-	-	733,993
Total operating revenues	11,749,903	2,690,913	975,500	1,929,708	17,346,024
Operating expenses:					
Electric power purchased	6,406,613	-	-	-	6,406,613
Salaries and benefits	1,363,372	982,354	66,850	312,193	2,724,769
Depreciation and amortization	543,905	358,619	18,209	431,149	1,351,882
City franchise fee	489,514	145,017	-	85,923	720,454
Supplies	659,352	92,909	1,722	21,797	775,780
Administrative and management	533,257	312,130	14,184	167,678	1,027,249
Power and utilities	51,803	164,604	27	133,459	349,893
Contractual services	114,295	144,763	813,982	433,149	1,506,189
Maintenance and operations	92,058	13,799	-	34,953	140,810
Insurance	257,343	25,831	-	32,639	315,813
Conservation/solar rebates	94,104	870	-	-	94,974
Miscellaneous	321,751	61,041	1,894	90,705	475,391
Total operating expenses	10,927,367	2,301,937	916,868	1,743,645	15,889,817
Operating income	822,536	388,976	58,632	186,063	1,456,207
Nonoperating revenues (expenses);					
Interest expense	(627,894)	(293,908)	-	(414,143)	(1,335,945)
Interest and investment revenue	5,612	2,627	-	3,702	11,941
Net nonoperating expense	(622,282)	(291,281)	-	(410,441)	(1,324,004)
Income before contributions and transfers	200,254	97,695	58,632	(224,378)	132,203
Capital contributions	187,198	807,416	-	333,622	1,328,236
Operating transfers					
Transfers to City of Needles	(507,540)	(160,888)	-	(87,077)	(755,505)
Change in net position	(120,088)	744,223	58,632	22,167	704,934
Net position at beginning of year	9,851,574	1,372,979	257,172	(739,570)	10,742,155
Net position at end of year	\$ 9,731,486	2,117,202	315,804	(717,403)	11,447,089

See independent auditor's report.

NEEDLES PUBLIC UTILITY AUTHORITY
(A Component Unit of the City of Needles)

Combining Schedule of Cash Flows
Year ended June 30, 2022

	<u>WATER</u>				
	<u>Electric</u>	<u>Water</u>	<u>All American Canal</u>	<u>Wastewater</u>	<u>Total</u>
Cash flows from operating activities:					
Receipts from customers	\$ 10,446,901	2,641,139	965,625	1,879,557	15,933,222
Payments to City of Needles:					
Suppliers and other costs	(8,328,510)	(1,173,711)	(880,775)	(1,084,895)	(11,467,891)
Employee compensation and related costs	(1,352,240)	(981,663)	(66,641)	(309,162)	(2,709,706)
Net cash provided by operating activities	<u>766,151</u>	<u>485,765</u>	<u>18,209</u>	<u>485,500</u>	<u>1,755,625</u>
Cash flows from capital and related financing activities:					
Capital contributions	187,198	807,414	-	333,623	1,328,235
Purchases of capital assets	(95,858)	(735,919)	(18,209)	(90,702)	(940,688)
Principal paid on capital debt	(485,452)	(227,233)	-	(320,193)	(1,032,878)
Interest paid on capital debt	(635,406)	(297,424)	-	(419,097)	(1,351,927)
Net transfers for asset replacement reserves	(507,540)	(160,888)	-	(87,077)	(755,505)
Net cash used in capital and related financing activities	<u>(1,537,058)</u>	<u>(614,050)</u>	<u>(18,209)</u>	<u>(583,446)</u>	<u>(2,752,763)</u>
Cash flows from investing activities:					
Interest and investment income collected	<u>5,612</u>	<u>2,627</u>	<u>-</u>	<u>3,702</u>	<u>11,941</u>
Net cash provided by investing activities	<u>5,612</u>	<u>2,627</u>	<u>-</u>	<u>3,702</u>	<u>11,941</u>
Change in cash and cash equivalents	(765,295)	(125,658)	-	(94,244)	(985,197)
Cash and cash equivalents at beginning of year	<u>9,074,073</u>	<u>1,023,233</u>	<u>-</u>	<u>767,425</u>	<u>10,864,731</u>
Cash and cash equivalents at end of year	<u>\$ 8,308,778</u>	<u>897,575</u>	<u>-</u>	<u>673,181</u>	<u>9,879,534</u>
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	822,536	388,976	58,632	186,063	1,456,207
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	543,905	358,619	18,209	431,149	1,351,882
Changes in operating assets and liabilities:					
Receivables	(1,170,617)	(49,774)	(9,875)	(50,151)	(1,280,417)
Due from City of Needles	283,953	(199,439)	(150,076)	(156,963)	(222,525)
Due from other funds	75,693	-	88,274	-	163,967
Materials and supplies inventory	(60,847)	3	-	961	(59,883)
Deferred outflows of resources	(84,553)	(38,048)	(2,818)	(15,502)	(140,921)
Accounts payable and other current liabilities	28,037	4,595	1,636	4,672	38,940
Due to the City of Needles	28,745	-	-	-	28,745
Due to other funds	-	(169,106)	-	5,139	(163,967)
Compensated absences	11,132	691	209	3,031	15,063
Customer deposits	(132,385)	-	-	-	(132,385)
Net pension liability	(234,090)	(105,341)	(7,803)	(42,917)	(390,151)
Net OPEB liability	145,054	65,274	4,835	26,593	241,756
Deferred inflows of resources	<u>509,588</u>	<u>229,315</u>	<u>16,986</u>	<u>93,425</u>	<u>849,314</u>
Net cash provided by operating activities	<u>\$ 766,151</u>	<u>485,765</u>	<u>18,209</u>	<u>485,500</u>	<u>1,755,625</u>

See independent auditor's report.

**Report of Independent Auditors on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Members of the Commission of the Needles Public Utility Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Needles Public Utility Authority (the Authority), a component unit of the City of Needles, California, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 24, 2023.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Bryce A. Comm, P.C.

March 24, 2023
Saipan, MP



City of Needles, California
Request for City Council Action

☒ CITY COUNCIL ☒ NPUA ☐ SARDA ☒ NHA ☒ Regular ☐ Special

Meeting Date: May 23, 2023

Title: BUDGET WORKSHOP:
Presentation and discussion of the City Manager's Proposed Budgets for the City of Needles, Cemetery, grant funds, Sanitation, Golf Course, Internal Service Funds, Transit Funds, Successor Agency to the Needles Redevelopment Agency, Housing (HACN), and NPUA for the fiscal year ending 06/30/24.

Background: The City Manager, Director of Finance and Department Managers developed the budget as required by the City Charter. The Proposed Budgets were reviewed by the Council Budget Committee on May 15, 2023.

General Fund Version 2 is attached. The second page of the General Fund budget lists the major changes in the General Fund. Included across department budgets are an estimated 10% increase in healthcare costs, a contractual 2% increase for salaries and related costs, salary increases and related costs for Year 3 of the Pay and Class study. For Public Works, Year 4 of the Pavement Project is included in the operating budget for \$2,362,000.

A list of capital projects for FY 24-29 that will improve efficiency or level of services, or enhance the community's visual condition is also included.

The projected cash reserves for June 30, 2024 are \$1,132,566 which is approximately 10.5% of operating revenue.

The Utility Board discussed the attached NPUA draft preliminary budget at their May 16, 2023 meeting, and recommended the budget for NPUA approval. The NPUA budget is also attached for review.

Once Council has reviewed the proposed budget and provided direction, a public hearing will be scheduled for June 13, 2023. As per City Charter Section 1105, the budget shall be adopted on or before June 30 each year.

Fiscal Impact: See attached spreadsheets.

Recommendation: Direction to proceed with the Budget process and schedule the matter for a public hearing and action on June 13, 2023 for the fiscal year ending June 30, 2024.

Submitted By: Barbara DiLeo, Sr. Accountant

City Management Review: Patricia R. RD **Date:** 5-17-23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 3

SUM-GF-24

Base Level Comparison - GENERAL FUND		FY 24	DRAFT	
			Revenues	Operating Expenses
Base level from mid-year approved budget FY 23		11,657,452	10,380,433	
<u>Revenue Increases / (Decreases)</u>				
Property Tax		130,000		9.5% projected increase from last year
Documentary transfer tax		(7,000)		FY 23 under-realized; adjust
Sales & Use taxes		(25,000)		FY 23 under-realized; adjust
1/2 Cent Public Safety		10,000		13% projected increase from last year
Transient Occupancy tax		160,000		17% increase projected from increase in travel and hotel rooms
Dispensary business tax		(300,000)		FY 23 under-realized; adjust
Cultivation business tax		(100,000)		FY 23 under-realized; adjust
Utility users tax		12,000		Increased due to COLA increase to base rates
Business license fees		7,000		Anticipated increase due to enforcement
Planning		6,500		Increase in site plan development review revenues
Building & Safety		35,000		Increase in plan check and bldg permit fees
Engineering		(3,500)		Decrease in Transportation permits
Code Enforcement		26,000		Increase in Cannabis compliance and abatement
Interest Earnings		(9,000)		Overestimated in FY 23
Property Rentals		51,000		New lease with Sheriff's office at Chamber
Transfer from Gas Tax		(7,000)		New projections
Transfer from RDA		(41,447)		FY 23 had land sale
Needles Utility Purch Pmt		(18,714)		Lower pymt due to pro-payment
General Gov't Services		25,200		Increase in Fair Share Allocation
Aquatics		100		Increase in pass sales
Jack Smith Park		15,500		Increase in launch passes
Recreation		3,500		Increase in property rentals and concessions
		(29,861)		
<u>Departments</u>				
City Attorney			5,000	Lower legal fees in FY 23
City Manager			11,084	Employee allocation changes
Finance			90,891	Employee allocation changes plus Pay & Class increases and pay increases per contract & associated p/r costs
Finance			20,000	Increase in legal fees for ongoing matters
Finance			16,000	Increase in audit fees; \$10K Cannabis, \$6K City
Finance			6,100	Increase in payroll and bank fees
Finance			4,600	Increase in allocable internal service costs
Finance			3,400	Increase in professional services

Base Level Comparison - GENERAL FUND		FY 24	DRAFT	
		Revenues	Operating Expenses	
	Mayor / Council / Clerk		31,318	Employee allocation changes plus Pay & Class increases and pay increases per contract & associated p/r costs
	Mayor / Council / Clerk		8,677	Increase in memberships, subscriptions and insurance costs
	Mayor / Council / Clerk		(12,000)	Higher amount of travel in FY 23
	Planning / Zoning		23,454	Pay & Class increases and pay increases per contract & associated p/r costs
	Planning / Zoning		2,203	Increase in allocable internal service costs and insurance
	Planning / Zoning		1,900	Increase in supplies and advertising
	Engineering		73,535	Pay increases per contract & associated p/r costs plus Project Manager partial year in FY 23
	Engineering		2,578	Increase in allocable internal service costs and insurance
	Engineering		1,945	Increase in training and travel
	Community Promotions		12,980	Increase due to full year pymt for Visitor's Center
	Community Promotions		11,300	Increase in economic development consulting from FY 23
	Community Promotions		(12,600)	Decrease in economic development grants
	Senior Center		1,800	Increases in utilities and insurance
	Senior Center		945	Pay increases per contract & associated p/r costs
	Police (Sheriff contract)		165,338	Increase in contract for base level continuation
	Police (Sheriff contract)		(1,095)	Decrease in PERS unfunded liability & vehicle fuel
	Animal Shelter / Control		21,802	Pay & Class increases and pay increases per contract & associated p/r costs
	Animal Shelter / Control		4,130	Increase in maint, supplies and fuel
	Animal Shelter / Control		2,171	Increase in spay/neuter, vet, and insurance
	Building & Safety		(57,296)	Pay increases per contract & associated p/r costs less amount allocated for Building Inspector position removed
	Building & Safety		(64,000)	Reduction in consulting services
	Code Enforcement		55,000	Additional legal cost
	Code Enforcement		46,903	Pay & Class increases and pay increases per contract & associated p/r costs
	Code Enforcement		6,000	Increase in abatement costs

Base Level Comparison - GENERAL FUND		FY 24	DRAFT	
			Revenues	Operating Expenses
	Public Works			53,395
	Public Works			9,323
	Public Works			2,928
	Public Works			(96,446)
	Sanitation			8,297
	Sanitation			2,570
	Aquatics			42,649
	Aquatics			2,480
	Aquatics			1,967
	Parks / Buildings / Grounds			42,649
	Parks / Buildings / Grounds			31,607
	Parks / Buildings / Grounds			11,500
	Parks / Buildings / Grounds			8,250
	Parks / Buildings / Grounds			4,001
	Jack Smith Park Marina			5,443
	Jack Smith Park Marina			880
	Recreation			9,201
	Recreation			2,312
	Recreation			(71,947)
	Transfers to Golf			(92,850)
	Transfers to Other			(74,522)
	FY 23 draft budget v.3		11,627,591	10,768,183
	Increase / (decrease) from mid-year		(29,861)	387,750

<u>OPTIONS LIST:</u>			<i>DRAFT</i>
FY 24			
GENERAL	48,078	ANIMAL CONTROL - Change current part time Animal Control Officer to full time	
FUND			
	92,577	PARKS - Additional MCWI due to more park maintenance due to improvements	
	28,000	PARKS - Lease of 2 pickup trucks	
	20,318	RECREATION - Replace garage doors at dance studio	
	188,973	Total for GENERAL FUND	

[illegible]

CAPITAL IMPROVEMENT PLAN		DRAFT	
FY 2024 - FY 2029			
	(in priority order as identified by dept. managers)		
ANIMAL SHELTER		Cost Estimate	Funding Source
1.	Kennel area upgrades	3,000	donations
2.	Build additional storage	5,000-10,000	donations
3.	Shelter building add restrooms	20,000	?
AQUATICS			
1.	Re-plaster main pool	150,000	?
2.	Seam dismantle and repair on slide	50,000	?
Either/or	3. Replace microprocessor for automatic main pool filter (new system)	20,000	?
Either/or	4. Install valves & gauges for manual filter operation	10,000	?
5.	Concrete under slide area	5,000-10,000	?
JACK SMITH PARK MARINA			
1.	Bollards / cable along south side of River Rd. (Dike Rd.)	110,000	?
2.	Improvements to restrooms on no. side of parking lot	20,000	?
PARKS / BUILDINGS / GROUNDS			
* 1.	Duke Watkins Park improvements	3,965,400	CA Dept. of Parks & Recreation
* 2.	Jack Smith Park improvements	196,287	CA Dept. of Parks & Rec./CalRecycle
* 3.	Marina Park, First Beach improvements	2,179,702	CalTrans
* 4.	Bleacher shade structures for Nikki Bunch and Ed Perry	150,000	NUSD
5.	Bleachers for Duke Watkins	20,000	?
6.	Mower	30,000	?
7.	Fleet - Lease 2 pickups	100,000	?
8.	200 tons of rock to landscape grounds near pool/park	6,500	?
9.	New parking lot behind Nikki Bunch / Franz fields (28k sf)	105,000	?
10.	River walk design	5,000	?
11.	Aquatics Center improvements	7,400,000	?
PUBLIC WORKS			
1.	New asphalt truck	250,000	?
2.	New dump truck	75,000	?
3.	Shade structures for equipment	150,000	?
4.	North K Railroad underpass flood prevention	200,000	?
5.	Fourth Year Paving Replacement - FY 24	2,966,776	?
6.	City yard rehab. / asphalt repave	180,000	?
General Fund Total (estimate)		18,382,665	

CAPITAL IMPROVEMENT PLAN			DRAFT	
FY 2024 - FY 2029				
	(in priority order as identified by dept. managers)			
		Cost Estimate		Funding Source
CEMETERY				
1.	New mower	25,000		General Fund Budgeted
2.	Solar shade cover at maintenance yard	100,000		?
3.	New irrigation system within Cemetery & future site	400,000		?
4.	Automated cemetery records (incl. cost of data input)	10,000		?
5.	Pioneer Cemetery security & hillside stabilization	125,000		?
6.	Install new well on grounds for irrigation	850,000		?
7.	Use of reclaimed water (in lieu of new well)	1,200,000		?
	Cemetery Total (estimate)	2,710,000		
GOLF COURSE MAINTENANCE				
* 1.	Golf Irrigation System	715,538		Bureau of Reclamation grant
2.	Approach mower	15,000		?
3.	Pro Gator (topdress, etc.)	15,000		?
4.	Greens mower	15,000		?
5.	Tractor with backhoe	27,500		?
6.	Pave Golf Maintenance yard	122,800		?
7.	Level & pave cart path	50,000		
	Golf Total (estimate)	245,300		
	Grand Total	21,337,965		
* Pending funding				

[illegible]

[illegible]



CITY OF NEEDLES
FINANCE DEPARTMENT
817 THIRD STREET
NEEDLES, CA 92363

Question: What is an INTERNAL SERVICE FUND?

Explanation: There are certain activities that effect the entire City, but are charged to an Internal Service Fund.

The Internal Service Funds are as follows:

<u>NAME OF FUND:</u>	<u>PURPOSE OF FUND:</u>
<i>Utility Business Office</i>	The operation of billing and collecting utility payments, banking, and General Fund and Golf Course cash deposits.
<i>Management Info. Systems</i>	Computer operations and maintenance, WIFI, website, cloud and network services.
<i>Central Purchasing</i>	Purchasing of general supplies for City Hall and all City and NPUA departments.
<i>Fleet Maintenance</i>	Maintaining all City-owned and NPUA-owned vehicles, trucks, and heavy equipment.
<i>Vehicle Replacement Fund</i>	Based on the existing fleet of vehicles, a "savings account" is increased each year to use for future replacement of vehicles. It is based on an average life of six years per vehicle.

As expenditures occur, they are charged to the appropriate Internal Service Fund.

A monthly allocation is made to all departments of the City and NPUA to cover the expenses of each Internal Service Fund. This allocation is based on the particular department's percentage of usage of that fund.

Base Level Comparison		FY 2024	
		Revenues	Operating Expenses
WATER			
	Base level from mid-year approved budget FY 23	2,912,242	1,989,949
	<u>Increases</u>		
	Increase in rates - 5% COLA to base	144,058	
	Add Sr Water Operator position		121,643
	Pay increases per contract, & associated p/r costs		51,597
	Increase in professional/consulting services and insurance		29,351
	Increase in allocable internal service costs		13,840
	Increase in reservoir repairs & maint		5,000
	<u>Decreases</u>		
	Decrease in legal fees (RBV)		(50,000)
	FY 24 draft budget v.1	3,056,300	2,161,380
	Increase / (decrease)	144,058	171,431
WASTEWATER			
	Base level from mid-year approved budget FY 23	2,129,342	1,300,945
	<u>Increases</u>		
	Increase in rates - 5% COLA to base	39,000	
	Pay increases per contract, & associated p/r costs		31,425
	Increase in professional/consulting services and insurance		20,524
	Electric utility increase		15,000
	Increase in repair costs		7,713
	Increase in allocable internal service costs		5,221
	<u>Decreases</u>		
	Decrease in legal fees (RBV)		(68,000)
	FY 24 draft budget v.1	2,168,342	1,312,828
	Increase / (decrease)	39,000	11,883
ELECTRIC			
	Base level from mid-year approved budget FY 23	14,268,000	12,410,209
	<u>Increases</u>		
	Increase in rates - 5% COLA to base	200,000	
	Pay increases per contract, & associated p/r costs		187,951
	Increase in allocable internal service costs		66,088
	Increase in professional/consulting services and insurance		51,269
	Vehicle replacement contribution reinstated		20,000
	Increase in repairs		6,544
	<u>Decreases</u>		
	FY 24 draft budget v.1	14,468,000	12,742,061
	Increase / (decrease)	200,000	331,852

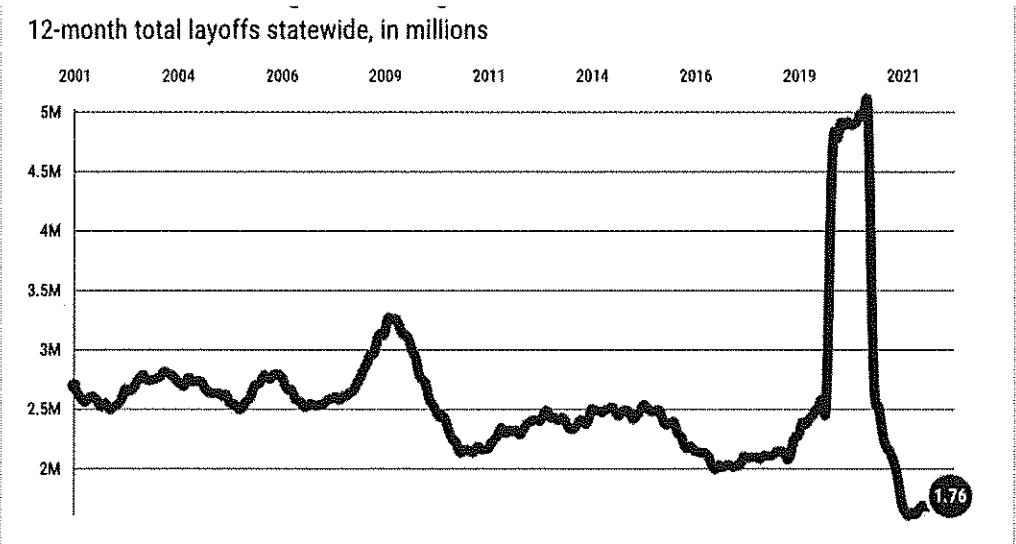
CAPITAL IMPROVEMENT PLAN - NPUA				
FY 2024 - FY 2029				
		(in priority order as identified by dept. managers)	Cost Estimate	Funding Source
WATER DEPT.				
	1.	Well No. 11 Treatment	7,449,918	State Water Resources Control Board
	2.	L Street and Lilly Hill Booster Station	3,492,554	State Water Resources Control Board
	3.	Replace Deteriorating Pipe in Monterey & Arizona Avenues	546,770	State Water Resources Control Board
	4.	Replace Deteriorating Pipe in River Road	639,860	State Water Resources Control Board
	5.	Backup generator at well site 15 for power outage	312,000	State Water Resources Control Board
	6.	Golf course maintenance yard main distribution manifold	1,079,133	State Water Resources Control Board
	7.	AMI-automated metering infrastructure	1,203,097	BOR / Coronavirus Local Fiscal Recovery Funds / Asset replacement
	8.	Jet Vac / Trailer	150,000	Asset replacement funds
	9.	Construct 1.5 Million Gallon Water Reservoir	2,380,000	State Water Resources Control Board
	10.	Main replacement in the Vista Street area & new services	1,300,000	Asset replacement funds
	11.	Replace Deteriorating Pipe in Chestnut Street	195,165	Asset replacement funds
	12.	Replace Deteriorating Pipe in Chesney's Subdivision (Housing)	416,637	Asset replacement funds
	13.	Replace Deteriorating Pipe in Coronado Street area	1,381,668	Asset replacement funds
	14.	Replace Deteriorating Pipe in Casa Linda Street area	530,589	Asset replacement funds
	15.	Main replacement at Verde Shores under the pond and Chesney development (Fire line into Verde Shores)	400,000	Asset replacement funds
	16.	Fire hydrant replacements	15,000	Asset replacement funds
	17.	Extension into North Needles	8,400,000	DIF / Privately funded
		Water Department Total (estimate)	29,892,391	
WASTEWATER DEPT.				
	1.	Railroad crossing at Bazoobuth lift station	170,000	Asset replacement funds
	2.	Upsize effluent pump	20,000	Asset replacement funds
	3.	Mini excavator & tilt trailer	120,000	Asset replacement funds
	4.	Jet Vac / Trailer	150,000	Asset replacement funds
	5.	Plant grit separator	300,000	Asset replacement funds
	6.	Upsize deficient sewer lines on 15 blocks of Front St.	1,484,724	Asset replacement funds
	7.	Upsize deficient sewer lines from T St. to Front St.	885,145	Asset replacement funds
	8.	North Needles sewer line extension (engineering only)	72,000	Privately funded
	9.	Manhole rehab program (ongoing)	150,000	Asset replacement funds
	10.	North Needles sewer line extension	3,500,000	DIF / Privately funded
	11.	Manhole replacement and upsize project	1,660,920	Asset replacement funds
		Wastewater Department Total (estimate)	8,512,789	
ELECTRIC DEPT.				
	1.	AMI-automated metering infrastructure	2,200,000	Asset replacement funds
	2.	Electric circuit reliability program (pole replacement)	800,000	Asset replacement funds
	3.	Construction of South Hwy 95 Substation (cemetery site)	3,200,000	Developer funded
	4.	Upgrade power lines feeding Park Moabi	3,000,000	Developer funded
	5.	Wire trailer	30,000	Asset replacement funds
	6.	Mohave line rehabilitation	4,500,000	Developer funded
	7.	Eagle Pass to Cemetery site	2,000,000	Developer funded
	8.	Cure Farms substation (behind Needles Town Center)	1,100,000	Developer funded
	9.	230kv line	30,000,000	Developer funded
	10.	Street light LED phase out program	30,000	Asset replacement funds
	11.	Double bucket truck	360,000	Asset replacement / Vehicle replacement
		Electric Department Total (estimate)	47,220,000	

NEWS > HOUSING • Opinion Columnist

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California layoffs jump 60% to 27-month high

911,000 job openings – lowest since March 2021



California layoffs, 12-months (Chart by Flourish)

By **JONATHAN LANSNER** | jlansner@scng.com | Orange County Register

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The jump in workers' involuntary departures to the fastest pace since December 2020 was found in my trusty spreadsheet's review of the federal government's monthly Job Openings and Labor Turnover Survey. The report, dubbed "JOLTS" by economists, tracks what's moving the job market.

March's layoffs are nowhere near the historic 1.5 million cuts of March 2020 amid coronavirus lockdowns. However, it's a noteworthy spike that follows months of high-profile job cuts, notably in California's technology industries and several eye-catching bank failures.

The bump in worker discharges is also a warning signal that the Federal Reserve's year-long attempt attempts to cool an overheated economy with soaring interest rates are making bosses antsy.

California's March layoffs are 25% larger than the monthly average in pre-pandemic 2015-19, what's considered a healthy economic period. And they're 7% bigger than the 2002-2006 housing-fueled boom. Those March cuts also are 12% above the typical month since 2001.

Or look at the March firings this way: Layoffs equaled 1.3% of all workers, up sharply from the 0.8% average of the previous 12 months.

Plus, it's not a one-month uptick. Bosses laid off 1.84 million in the past 12 months – up 13% from 1.63 million in the previous 12 months.

Let me note the recent layoff spree is historically modest: Since 2001, the typical 12-month period has averaged 2.55 million forced departures.

Other slow signs

Growing boss unease also can be found in the number of job openings – 911,000, the lowest since March 2021 and down 24% vs. the average of the previous 12 months.

Still, California bosses seem to be hurting for workers. Historically speaking, openings are up 33% vs. 2015-19, and they're up 108% vs. 2002-2006.

The need for employees equals 4.8% of all workers in March. That's down from the 6.3% average in the previous 12 months, but it's still well above the 3.9% pace of 2015-19, and 2.9% in 2002-2006.

But when you look at California's openings as a measure of worker availability, the job



There were 90 unemployed workers for every opening in March vs. 68 on average in the previous 12 months. But talent is still hard to find: there were 143 jobless for every opening in 2015-19 and 250 in 2002-2006.

Do not forget bosses are still hiring, though at a slower speed.

The 606,000 new workers added in March was down 1% vs. the previous 12 months. New staff equaled 3.4% of all jobs in March vs. 3.5% average in the previous 12 months.

Nevertheless, this is a cooling of staff additions. The 7.36 million hired in the past year is down 6% from the previous 12 months.

Quits chill

Workers also are sensing the chill, leading to a dwindling voluntary departure count.

California had 363,000 quits in March, the fewest since March 2021 and down 11% vs. the previous 12-month average. Or look at the pullback this way: The 4.83 million quits of the past year are down 6% from 5.13 million in the previous 12 months.

Yet this might be job quits returning to a more normal pace for an otherwise solid economy.

Yes, quitters were 2% of workers in March, the smallest share since January 2021, and down from the 2.3% average of the previous 12 months.

But California's "so long, boss" crowd is only a shade above the 1.9% average of both the 2015-19 and 2002-2006 job-growth periods.

Jonathan Lansner is the business columnist for the Southern California News Group. He can be reached at jlansner@scng.com

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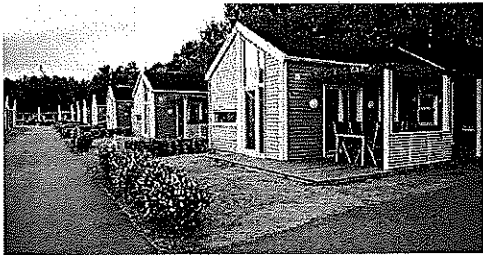
Jonathan Lansner | Business columnist

Jonathan Lansner has been the Orange County Register's business columnist since 1997 and has been part of the newspaper's coverage of the local business scene since 1986. He is a past national president of the Society for Advancing Business Editing and Writing and a 1979 graduate of the University of Pennsylvania's Wharton School.

jlansner@scno.com

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FOMC Dot Plot 2023 Update

Thursday, May 4, 2023
Posted by: Julio Morales - Kosmont Financial Services
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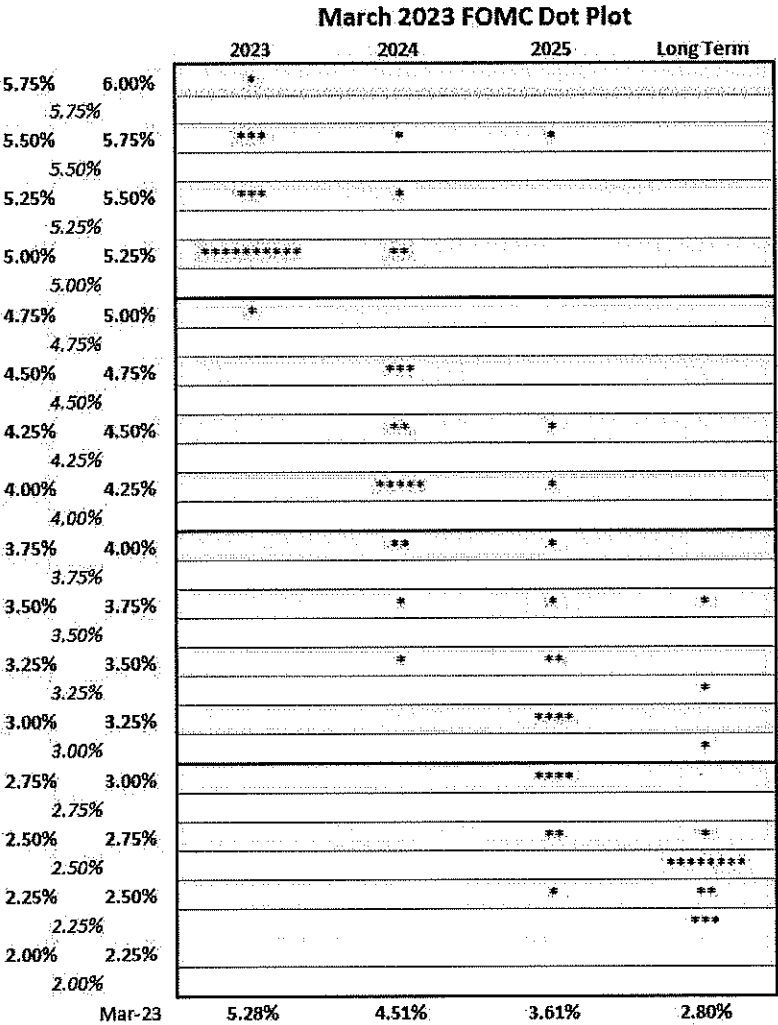
FOMC Dot Plot 2023 Update
Can it help predict interest rates?

In our previous article (<https://www.cmta.org/news/623347/What-is-the-FOMC-Dot-Plot-.htm>) we elaborated on how the Federal Open Markets Committee (FOMC) Dot Plot works and serves as a forecast for the future Fed Funds Rate.

The FOMC Dot Plot is comprised of 19 dots: seven members of the Board of Governors of the Federal Reserve System and presidents of the 12 regional banks. Each is asked to indicate where they believe the Federal Funds rate should be in the future.

The Federal Reserve meets 8 times per year to review the Fed Funds Target Rate and monetary policy. The Dot Plot is generated quarterly, however.

The adjacent chart provides a summary for the most recent survey (March 2023), when the FOMC increased the Target Rate to 4.75%-5.0% from the Target Rate of 4.50%-4.75% set at the February 1, 2023, meeting.



Federal Funds Rate Moves

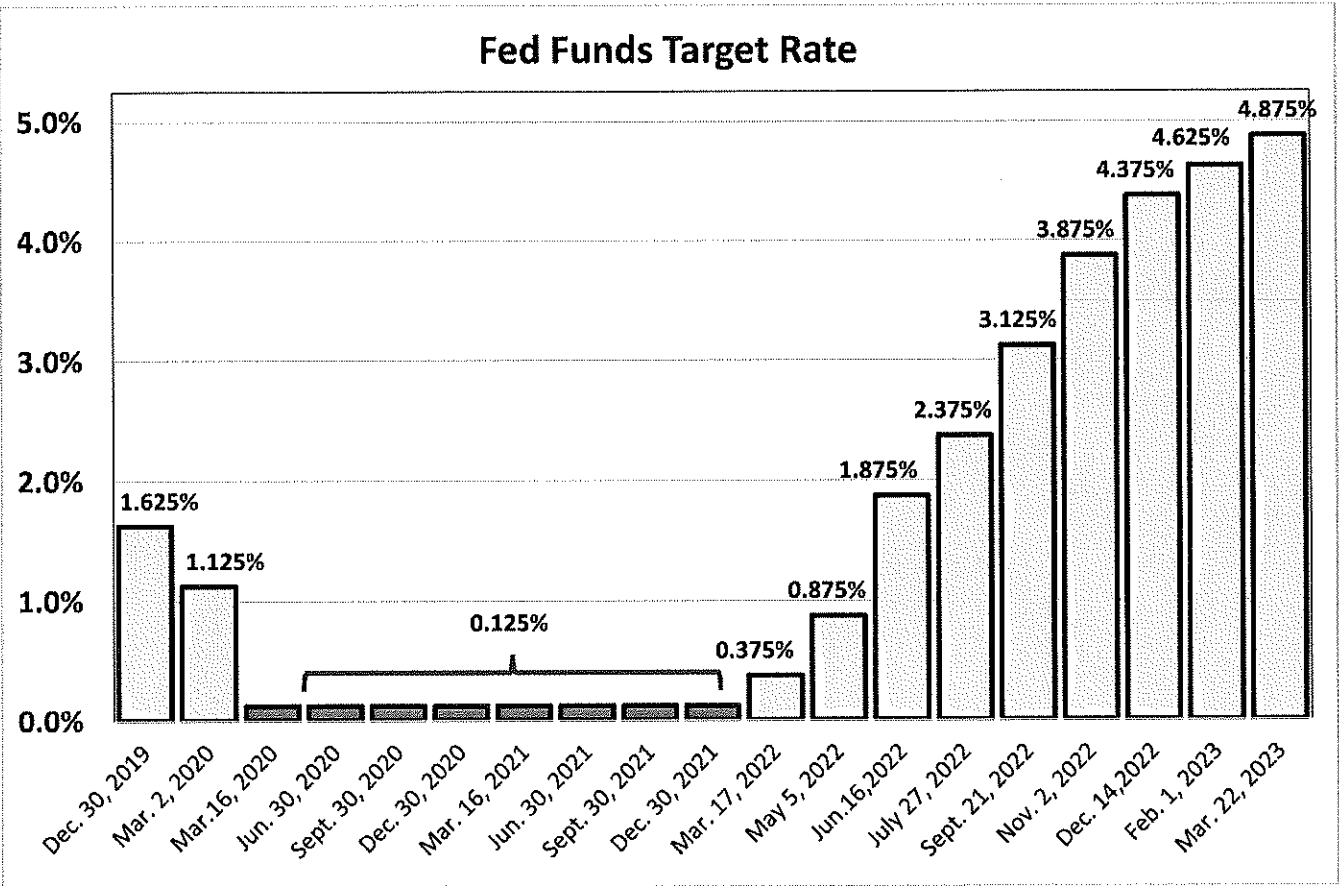
The Fed Funds Rate is the interest rate at which commercial banks and other depository institutions lend money to each other, on an overnight basis. The Federal Reserve Bank uses interest rate cuts and hikes as a tool to impact inflation and the economy.

The Federal Reserve took swift action to cut rates during the onset of COVID, slashing interest rates by 150 bps from the end of December 2019 to March 16, 2020. The Target Rate was effectively cut to zero (Target Rate of 0% to 0.25%), where it remained for nearly two years. The Federal Reserve has increased interest rates in each of the past nine (9) consecutive meetings (see chart on adjacent page).

How and When it is Used: The FOMC changes the Fed Funds Rate in response to significant economic, political, and global trends.

The FOMC sets the target Fed Funds Rate to impact monetary policy, taking into account a number of factors. Typically, a rate increase is used to stem inflation. However, after the Gulf War Recession, the Federal Reserve actually cut interest rates as an anti-inflationary measure in 1995.

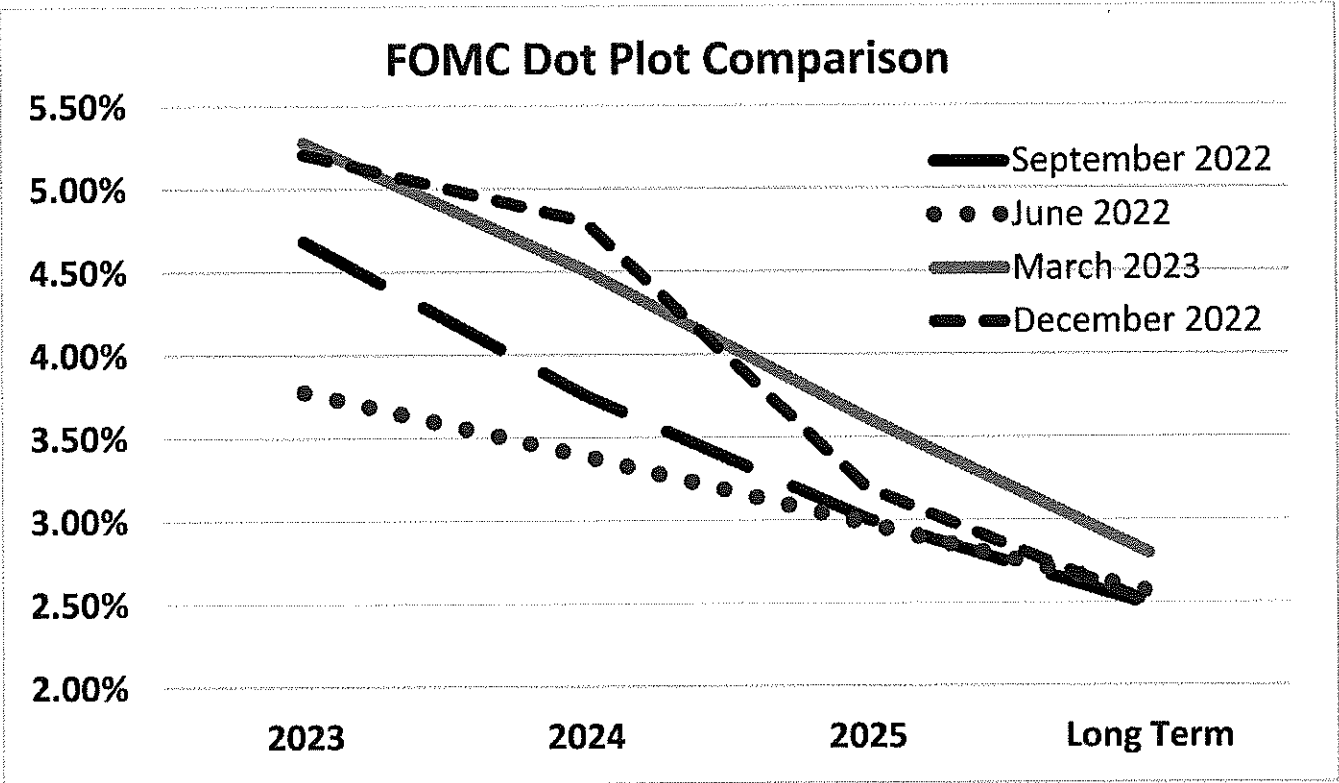
Nonetheless, economic conditions, political and economic events are different in every economic cycle. So, what causes the Fed to move its Target Rate? The answer (as is typical for an economist) is... it depends.



Federal Reserve's Outlook
The chart below illustrates the FOMC Board of Governors' and Bank Presidents' changing view on the Fed Funds Target Rate, which has increased dramatically for the end of 2023 (nearly 150 bps) from the June 2022 meeting to the March 2023 meeting.

	2023	2024	2025	Long Term
March 2023	5.28%	4.51%	3.61%	2.80%
December 2022	5.21%	4.80%	3.19%	2.50%
September 2022	4.68%	3.76%	3.01%	2.49%
June 2022	3.78%	3.39%	2.98%	2.57%

However, their long-term views have remained consistent, albeit a little higher.



The FOMC Dot Plot as a Forecast of Future Federal Funds Rate

The Dot Plot adds a new level of transparency and should be considered a valuable tool for your investment decision-making process.

A comparison of survey results over time seems to indicate a few key insights from the decision-makers at the Federal Reserve, namely -

- They still expect to raise rates in the short term even more to stem inflation.
- They expect interest rates to remain higher throughout 2024.
- They expect interest rates to come back down in 2025 and thereafter.

Fed officials warn not to place too emphasis on the Dot Plot, because monetary policy depends heavily on current data, economic trends, inflation, and global events.

Data from the FOMC Dot Plot, however, can serve as a valuable forecasting tool in your investment/financing decision toolbox.

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Mr. Morales is a registered municipal advisor for Kosmont Financial Services. He has nearly 30 years of public and corporate finance experience, as well as executive government experience (have served as Finance Director and City Manager). He holds an MPP from the Kennedy School at Harvard, an MBA from UCLA, and a BGS from the University of Michigan.

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City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☒ HACN ☒ Regular ☐ Special

Meeting Date: May 23, 2023

Title: Resolution 2023-1-HACN Adopting the Schedule of Allowances for Tenant Purchased Utilities for the Housing Choice Voucher Program (Section 8) for Single Family and Apartment/Duplex & Row-House Dwellings, Effective August 1, 2023

Background: In accordance with HUD regulations, the Housing Authority must conduct an annual review of utility usage and fees be done to ascertain schedules of Public Housing Program and Housing Choice Voucher Program (Section 8) utility allowances in Needles, California. This review is then used to determine the utility allowance granted each Public Housing household and Section 8 household to aid them in paying their utilities.

Housing Authority staff contracted with Management Resource Group, Inc. (MRG) to conduct the survey and recommend the utility allowances for the 2023 fiscal year. Attached hereto is the report submitted by MRG, dated May 2, 2023. As this is a benefit to participants in these Housing Authority programs, it is in their interest to adopt the proposed utility allowances.

Fiscal Impact: None

Recommendation: Adopt Resolution 2023-1-HACN and approve the Schedule of Allowances for Tenant Purchased Utilities for the Housing Choice Voucher Program (Section 8) for Single Family and Apartment/Duplex & Row-House Dwellings, Effective August 1, 2023

Submitted By:

City Management Review:

Rene Torrance

Date: 5/18/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 4

RESOLUTION 2023-1-HACN

A RESOLUTION OF THE NEEDLES HOUSING AUTHORITY ADOPTING THE SCHEDULE OF ALLOWANCES FOR TENANT PURCHASED UTILITIES FOR THE HOUSING CHOICE VOUCHER PROGRAM (SECTION 8) FOR SINGLE FAMILY AND APARTMENT/DUPLEX & ROW-HOUSE DWELLINGS, EFFECTIVE AUGUST 1, 2023

WHEREAS, the U.S. Department of Housing and Urban Development requires an annual review of utility usage and fees be done to ascertain a schedule of Housing Choice Voucher Program ("Section 8") allowances for tenant furnished utilities; and

WHEREAS, Needles Housing Authority contracted with Management Resource Group, Inc. to complete the annual review of utility usage for Section 8; and

WHEREAS, the annual review demonstrates a need to adjust the present Section 8 utility allowances to bring them in line with actual cost figures.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Needles Housing Authority approves and adopts the schedule for Section 8 Utility Allowances for Tenant Furnished Utilities and Other Services, attached hereto as Exhibit "A" and incorporated herein by this reference, effective August 1, 2023.

PASSED, APPROVED and ADOPTED at a regular meeting of the Board of Commissioners of the Needles Housing Authority, held on the 23rd day of May 2023.

AYES:

NAYS:

ABSENT:

ABSTAIN:

APPROVED:

Janet Jernigan, Chairman

ATTEST:

Dale Jones, Secretary

APPROVED AS TO FORM:

John O. Pinkney, Authority Counsel

**RESOLUTION 2023-1-HACN
EXHIBIT A**

**Allowances for Tenant-
Furnished Utilities and
Other Services**

**U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**
Office of Public and Indian Housing

OMB Approval No. 2577-0169

Locality Needles Housing Authority, California		Unit Type Manufactured Housing		Date (mm/dd/yyyy) 08/01/2023			
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	6 BR
Heating	Natural Gas	15	16	21	26	29	33
	Bottle Gas						
	Electric	22	23	34	36	41	45
	Electric Heat Pump	20	22	32	34	38	42
	Fuel Oil						
Cooking	Natural Gas	4	4	5	5	6	6
	Bottle Gas						
	Electric	5	6	7	8	10	12
	Fuel Oil						
Other Electric + Base Charge		48	51	54	58	63	69
Air Conditioning		23	24	36	38	43	48
Water Heating	Natural Gas	17	21	24	31	36	43
	Bottle Gas						
	Electric	14	17	22	30	39	49
	Fuel Oil						
Water/Sewer	Water	52	52	57	62	66	71
	Sewer	50	50	50	50	50	50
Trash Collection	City	31	31	31	31	31	31
	County	31	31	31	31	31	31
Range		6	6	6	6	6	6
Refrigerator		7	7	7	7	7	7
Other -specify Customer Charge	Natural Gas	4	4	4	4	4	4
Actual Family Allowances - To be used by the family to compute allowance. Complete below for the actual unit rented.				Utility or Service		per month cost	
Name of Family				Heating			
				Cooking			
Address of Unit				Other Electric			
				Air Conditioning			
Number of Bedrooms				Water Heating			
				Water			
				Sewer			
				Trash Collection			
				Range/Microwave			
				Refrigerator			
				Other			
				Total			

**Allowances for Tenant-
Furnished Utilities and
Other Services**

**U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**
Office of Public and Indian Housing

OMB Approval No. 2577-0169

Locality Needles Housing Authority, California		Unit Type Apartment/Duplex & Rowhouse		Date (mm/dd/yyyy) 08/01/2023			
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	14	15	20	24	28	32
	Bottle Gas						
	Electric	21	22	33	35	39	43
	Electric Heat Pump	19	21	30	32	36	40
	Fuel Oil						
Cooking	Natural Gas	4	4	5	5	6	6
	Bottle Gas						
	Electric	5	6	7	8	10	12
	Fuel Oil						
Other Electric + Base Charge		48	51	54	58	63	69
Air Conditioning		22	23	34	36	41	46
Water Heating	Natural Gas	17	21	24	31	36	43
	Bottle Gas						
	Electric	14	17	22	30	39	49
	Fuel Oil						
Water/Sewer	Water	52	52	57	62	66	71
	Sewer	50	50	50	50	50	50
Trash Collection	City	31	31	31	31	31	31
	County	31	31	31	31	31	31
Range		6	6	6	6	6	6
Refrigerator		7	7	7	7	7	7
Other -specify Customer Charge	Natural Gas	4	4	4	4	4	4
Actual Family Allowances - To be used by the family to compute allowance. Complete below for the actual unit rented.				Utility or Service		per month cost	
Name of Family				Heating			
				Cooking			
Address of Unit				Other Electric			
				Air Conditioning			
Number of Bedrooms				Water Heating			
				Water			
				Sewer			
				Trash Collection			
				Range/Microwave			
				Refrigerator			
				Other			
				Total			

**Allowances for Tenant-
Furnished Utilities and
Other Services**

**U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**
Office of Public and Indian Housing

OMB Approval No. 2577-0169

Locality		Unit Type		Date (mm/dd/yyyy)			
Needles Housing Authority, California		Elevated Apartments		08/01/2023			
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	13	14	19	23	26	30
	Bottle Gas						
	Electric	19	21	30	32	36	40
	Electric Heat Pump	18	19	28	30	34	37
	Fuel Oil						
Cooking	Natural Gas	4	4	5	5	6	6
	Bottle Gas						
	Electric	5	6	7	8	10	12
	Fuel Oil						
Other Electric + Base Charge		48	51	54	58	63	69
Air Conditioning		20	22	32	34	38	43
Water Heating	Natural Gas	17	21	24	31	36	43
	Bottle Gas						
	Electric	14	17	22	30	39	49
	Fuel Oil						
Water/Sewer	Water	52	52	57	62	66	71
	Sewer	50	50	50	50	50	50
Trash Collection	City	31	31	31	31	31	31
	County	31	31	31	31	31	31
Range		6	6	6	6	6	6
Refrigerator		7	7	7	7	7	7
Other -specify Customer Charge	Natural Gas	4	4	4	4	4	4
Actual Family Allowances - To be used by the family to compute allowance. Complete below for the actual unit rented.				Utility or Service		per month cost	
Name of Family				Heating			
				Cooking			
Address of Unit				Other Electric			
				Air Conditioning			
Number of Bedrooms				Water Heating			
				Water			
				Sewer			
				Trash Collection			
				Range/Microwave			
				Refrigerator			
				Other			
				Total			

MRG

MANAGEMENT RESOURCE GROUP, INC.

2402 Mount Vernon Road, Suite 200, Atlanta, Georgia 30338

May 2, 2023

Ms. Julie Bigham
Executive Director
Needles Housing Authority
908 Sycamore Dr.
Needles, CA 92363-3131

Re: Utility Allowance Estimates – 2023 - 2024

Dear Ms. Bigham:

Enclosed are NHA new utility allowance estimates that reflect current rate schedules and consumption for units in the Public Housing and the Section 8 Programs. We used the CARE natural gas rates from Southwest Gas and the city's water/sewer and electric rates for 2024. Electric rates, natural gas rates and water/sewer rates are all higher.

If you have any questions upon review of the allowance estimates, please call me at 770.396.9856.

Sincerely,


Howard S. Fleisig, CEO
Management Resource Group, Inc.

HSF/MR

Enclosure(s)

**Public Housing
and
Section 8
Housing Choice Voucher
Utility Allowance Estimates**



**Prepared for the
Housing Authority of
Needles, California**

May 2023

Management Resource Group, Inc.

2402 Mount Vernon Road, Suite 200 / Atlanta, Georgia 30338
Tel: 770♦396♦9856 / Fax: 678♦954♦8026 / atlmrg@comcast.net

TABLE CONTENTS

Public Housing

CA 22-1

Section 8 Housing Choice Voucher

Current Utility Rate Schedules

Public Housing

**Needles Housing Authority
Utility Allowance Estimates
FY 2023 - 2024**

CA 22-1	Electricity	Natural Gas	Water Consumption	Total
One Bedroom	56	16	3	\$ 75
Two Bedroom	67	24	7	\$ 98
Three Bedroom	73	27	11	\$ 111
Four Bedroom	79	31	14	\$ 124

CA 22-1

ANNUAL ELECTRICAL CONSUMPTION ITEMIZATION (kWh)

<u>Unit Type</u>	<u>Lights</u>	<u>Refrigerator</u>	<u>Fans/Heat</u>	<u>DHW</u>	<u>Cooking</u>	<u>Misc</u>	<u>Total</u>
1 Duplex End	318	567	2618			707	4210
2 Duplex End	337	578	3558			818	5291
3 Duplex End	512	594	3780			1028	5914
4 Duplex End	531	600	4190			1273	6594

ANNUAL NATURAL GAS CONSUMPTION ITEMIZATION (Therms)

<u>Unit Type</u>	<u>Heat</u>	<u>DHW</u>	<u>Cooking</u>	<u>Other</u>	<u>Total</u>
1 Duplex End		65	23	0	88
2 Duplex End		102	26	0	128
3 Duplex End		124	29	0	153
4 Duplex End		147	33	0	180

MONTHLY ELECTRICAL CONSUMPTION (kWh)

Unit Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg.
1 Duplex End	781	536	426	281	171	136	133	133	135	196	485	797	351
2 Duplex End	1025	692	544	346	197	149	144	144	148	231	623	1047	441
3 Duplex End	1114	760	602	392	234	183	178	178	181	269	686	1137	493
4 Duplex End	1238	846	670	437	262	206	200	200	204	302	764	1264	549

MONTHLY ELECTRICAL COST

Unit Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg.
1 Duplex End	\$98	\$61	\$56	\$48	\$43	\$42	\$41	\$41	\$42	\$44	\$58	\$100	\$56
2 Duplex End	\$134	\$85	\$62	\$52	\$44	\$42	\$42	\$42	\$42	\$46	\$74	\$137	\$67
3 Duplex End	\$147	\$95	\$71	\$54	\$46	\$44	\$44	\$44	\$44	\$48	\$84	\$151	\$73
4 Duplex End	\$166	\$107	\$81	\$56	\$48	\$45	\$45	\$45	\$45	\$50	\$95	\$170	\$79

MONTHLY NATURAL GAS CONSUMPTION (Therms)

Unit Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg.
1 Duplex End	7	7	7	7	7	7	7	7	7	7	7	7	7
2 Duplex End	11	11	11	11	11	11	11	11	11	11	11	11	11
3 Duplex End	13	13	13	13	13	13	13	13	13	13	13	13	13
4 Duplex End	15	15	15	15	15	15	15	15	15	15	15	15	15

MONTHLY NATURAL GAS COST

Unit Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg.
1 Duplex End	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16
2 Duplex End	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24
3 Duplex End	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27
4 Duplex End	\$31	\$31	\$31	\$31	\$31	\$31	\$31	\$31	\$31	\$31	\$31	\$31	\$31

Gross Water Consumption:

Type	Occ	Toil	Shwr	Dish	Clths	Cook	Hand	Gal/Day	Gal/Yr	Gal/Mo.
0 Bedroom	1.0	8	12	1.5	8	0.2	0.1	30	10841	903
1 Bedroom	1.1	9	13	1.7	9	0.2	0.1	33	11925	994
2 Bedroom	2.2	18	26	3.3	18	0.3	0.1	65	23849	1987
3 Bedroom	3.5	28	42	5.3	28	0.5	0.2	104	37942	3162
4 Bedroom	4.5	36	54	6.8	36	0.7	0.2	134	48782	4065
5 Bedroom	5.5	44	66	8.3	44	0.8	0.3	163	59623	4969
6 Bedroom	6.5	52	78	9.8	52	1.0	0.3	193	70463	5872

Gal Each % Hot Water

Toilet Flush:	1.6	0%	5	Flushes per person per day
Shower:	12	50%	1	Showers per person per day
Dishload:	3	25%	0.5	Dishloads per person per day
Laundry load:	40	50%	0.2	Clothesloads per person per day
Meal:	0.05	0%	3	Meals per person per day
Handwashing:	0.05	50%	10	Handwashings per person per day

Water & Sewer Tables

Bedroom Size	Consumption per Month (CCF)	Allowance per Month
0	1.2	\$3.19
1	1.3	\$3.45
2	2.6	\$6.90
3	4.2	\$11.15
4	5.4	\$14.34
5	6.6	\$17.52

Water & Sewage Rate Schedule

Base Charge:	PD. By NHA
Energy Charge:	
First 10 CCF	\$2.59000
10010 Next 10,000 CCF	\$2.59000
20010 Next 10,000 CCF	\$2.59000
30000 Next 10,000 CCF	\$2.59000
Cost Adjustment:	0
Tax:	3%

Section 8 Housing Choice Voucher

Allowances for Tenant-Furnished Utilities and Other Services

U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
Office of Public and Indian Housing

OMB Approval No. 2577-0169

Locality		Unit Type		Date (mm/dd/yyyy)			
Needles Housing Authority, California		Single Family		08/01/2023			
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	17	18	23	28	32	37
	Bottle Gas						
	Electric	24	26	38	40	46	50
	Electric Heat Pump	22	24	35	37	42	47
	Fuel Oil						
Cooking	Natural Gas	4	4	5	5	6	6
	Bottle Gas						
	Electric	5	6	7	8	10	12
	Fuel Oil						
Other Electric + Base Charge		48	51	54	58	63	69
Air Conditioning		25	27	40	42	47	53
Water Heating	Natural Gas	17	21	24	31	36	43
	Bottle Gas						
	Electric	14	17	22	30	39	49
	Fuel Oil						
Water/Sewer	Water	52	52	57	62	66	71
	Sewer	50	50	50	50	50	50
Trash Collection	City	31	31	31	31	31	31
	County	31	31	31	31	31	31
Range		6	6	6	6	6	6
Refrigerator		7	7	7	7	7	7
Other -specify Customer Charge	Natural Gas	4	4	4	4	4	4
Actual Family Allowances - To be used by the family to compute allowance. Complete below for the actual unit rented.		Utility or Service		per month cost			
Name of Family		Heating		\$			
		Cooking					
Address of Unit		Other Electric					
		Air Conditioning					
		Water Heating					
		Water					
		Sewer					
		Trash Collection					
		Range/Microwave					
Number of Bedrooms		Refrigerator					
		Other					
		Total		\$			

**Allowances for Tenant-
Furnished Utilities and
Other Services**

**U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
Office of Public and Indian Housing**

OMB Approval No. 2577-0169

Locality		Unit Type		Date (mm/dd/yyyy)			
Needles Housing Authority, California		Manufactured Housing		08/01/2023			
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	15	16	21	26	29	33
	Bottle Gas						
	Electric	22	23	34	36	41	45
	Electric Heat Pump	20	22	32	34	38	42
	Fuel Oil						
Cooking	Natural Gas	4	4	5	5	6	6
	Bottle Gas						
	Electric	5	6	7	8	10	12
	Fuel Oil						
Other Electric + Base Charge		48	51	54	58	63	69
Air Conditioning		23	24	36	38	43	48
Water Heating	Natural Gas	17	21	24	31	36	43
	Bottle Gas						
	Electric	14	17	22	30	39	49
	Fuel Oil						
Water/Sewer	Water	52	52	57	62	66	71
	Sewer	50	50	50	50	50	50
Trash Collection	City	31	31	31	31	31	31
	County	31	31	31	31	31	31
Range		6	6	6	6	6	6
Refrigerator		7	7	7	7	7	7
Other - specify Customer Charge	Natural Gas	4	4	4	4	4	4
Actual Family Allowances - To be used by the family to compute allowance. Complete below for the actual unit rented.					Utility or Service		per month cost
Name of Family					Heating		
					Cooking		
Address of Unit					Other Electric		
					Air Conditioning		
Number of Bedrooms					Water Heating		
					Water		
					Sewer		
					Trash Collection		
					Range/Microwave		
					Refrigerator		
					Other		
					Total		

Allowances for Tenant-Furnished Utilities and Other Services

U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
Office of Public and Indian Housing

OMB Approval No 2577-0169

Locality		Unit Type		Date (mm/dd/yyyy)			
Needles Housing Authority, California		Apartment/Duplex & Rowhouse		08/01/2023			
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	14	15	20	24	28	32
	Bottle Gas						
	Electric	21	22	33	35	39	43
	Electric Heat Pump	19	21	30	32	36	40
	Fuel Oil						
Cooking	Natural Gas	4	4	5	5	6	6
	Bottle Gas						
	Electric	5	6	7	8	10	12
	Fuel Oil						
Other Electric + Base Charge		48	51	54	58	63	69
Air Conditioning		22	23	34	36	41	46
Water Heating	Natural Gas	17	21	24	31	36	43
	Bottle Gas						
	Electric	14	17	22	30	39	49
	Fuel Oil						
Water/Sewer	Water	52	52	57	62	66	71
	Sewer	50	50	50	50	50	50
Trash Collection	City	31	31	31	31	31	31
	County	31	31	31	31	31	31
Range		6	6	6	6	6	6
Refrigerator		7	7	7	7	7	7
Other -specify Customer Charge	Natural Gas	4	4	4	4	4	4
Actual Family Allowances - To be used by the family to compute allowance. Complete below for the actual unit rented.				Utility or Service		per month cost	
Name of Family				Heating			
				Cooking			
Address of Unit				Other Electric			
				Air Conditioning			
				Water Heating			
				Water			
				Sewer			
				Trash Collection			
				Range/Microwave			
Number of Bedrooms				Refrigerator			
				Other			
				Total			

Allowances for Tenant-Furnished Utilities and Other Services

**U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
Office of Public and Indian Housing**

OMB Approval No. 2577-0169

Locality Needles Housing Authority, California			Unit Type Elevated Apartments		Date (mm/dd/yyyy) 08/01/2023		
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	13	14	19	23	26	30
	Bottle Gas						
	Electric	19	21	30	32	36	40
	Electric Heat Pump	18	19	28	30	34	37
	Fuel Oil						
Cooking	Natural Gas	4	4	5	5	6	6
	Bottle Gas						
	Electric	5	6	7	8	10	12
	Fuel Oil						
Other Electric + Base Charge		48	51	54	58	63	69
Air Conditioning		20	22	32	34	38	43
Water Heating	Natural Gas	17	21	24	31	36	43
	Bottle Gas						
	Electric	14	17	22	30	39	49
	Fuel Oil						
Water/Sewer	Water	52	52	57	62	66	71
	Sewer	50	50	50	50	50	50
Trash Collection	City	31	31	31	31	31	31
	County	31	31	31	31	31	31
Range		6	6	6	6	6	6
Refrigerator		7	7	7	7	7	7
Other -specify Customer Charge	Natural Gas	4	4	4	4	4	4
Actual Family Allowances - To be used by the family to compute allowance. Complete below for the actual unit rented.					Utility or Service		
Name of Family					Heating		
					Cooking		
Address of Unit					Other Electric		
					Air Conditioning		
Number of Bedrooms					Water Heating		
					Water		
					Sewer		
					Trash Collection		
					Range/Microwave		
					Refrigerator		
					Other		
					Total		

Gross Water Consumption:

Type	Occ	Toil	Shwr	Dish	Clths	Cook	Hand	Gal/Day	Gal/Yr	Gal/Mo.
0 Bedroom	1.0	18	12	1.5	8	0.3	0.1	39	14381	1198
1 Bedroom	1.1	19	13	1.7	9	0.3	0.1	43	15819	1318
2 Bedroom	2.2	39	26	3.3	18	0.7	0.2	87	31638	2637
3 Bedroom	3.5	61	42	5.3	28	1.1	0.4	138	50334	4194
4 Bedroom	4.5	79	54	6.8	36	1.4	0.5	177	64715	5393
5 Bedroom	5.5	96	66	8.3	44	1.7	0.6	217	79086	6591
6 Bedroom	6.5	114	78	9.8	52	2.0	0.7	256	93477	7790

Gal Each % Hot Water

Toilet Flush:	3.5	0%	5	Flushes per person per day
Shower:	12	50%	1	Showers per person per day
Dishload:	3	25%	0.5	Dishloads per person per day
Laundry load:	40	50%	0.2	Clothesloads per person per day
Meal:	0.1	0%	3	Meals per person per day
Handwashing:	0.1	50%	10	Handwashings per person per day

Water & Sewer Tables

Bedroom Size	Consumption per Month (CCF)	Allowance per Month
0	1.6	\$51.52
1	1.8	\$52.06
2	3.5	\$56.59
3	5.6	\$62.20
4	7.2	\$66.46
5	8.8	\$70.73

Water & Sewage Rate Schedule

Base Charge:	45.88
Energy Charge:	
First 10 CCF	\$2.59000
2010 Next 2,000 CCF	\$2.59000
12010 Next 10,000 CCF	\$2.59000
22000 Next 10,000 CCF	\$2.59000
Cost Adjustment:	0
Tax:	3%

Current Utility Rate Schedules

Howard Fleisig

From: AtIMRG@comcast.net
Sent: Monday, May 1, 2023 1:23 PM
To: Howard Fleisig; Howard S. Fleisig
Subject: FW: Utility Allowances
Attachments: wastewater rates 2022-2023.pdf; water rates 2022-2023.pdf; Electric rates 2022-2023.pdf.docx

From: Julie Bigham <JBighamnha@outlook.com>
Sent: Monday, May 1, 2023 1:13 PM
To: Management Resource Group <atlmrg@comcast.net>
Subject: FW: Utility Allowances

I received the attached rates from the City office manager.

Thank you,

Julie Bigham

Assistant Director
Needles Housing Authority
908 Sycamore Drive
Needles CA 92363
760-326-3222

From: Kimberly Krasinski
Sent: Monday, May 1, 2023 9:51 AM
To: Julie Bigham; Barbara Dileo
Subject: RE: Utility Allowances

Hi Julie,

Attached is the wastewater, water, and electric rates for 2022-2023.

The trash rates for residential trash toter is 30.66

The water rates for residential for a ¾ inch meter is 45.88 plus 2.59 per 100 cubic feet of water used per month.

The wastewater for residential is 49.62

The electric rates change every October.

For the office at 908 Sycamore

The irrigation for a 2 inch meter is 177.54, trash 3 cubic yard bin picked 1x a week is 172.17.

I am thinking the hydro component is the hydro allotment on the electric and I do not have the fuel adjustment factors.

If you have any questions, please call me and I can go over the rates with you.

Thank you

Kim Krasinski
City of Needles
Business Office Manager
Kkrasinski@cityofneedles.com
760-326-5700 x119

From: Julie Bigham <JBighamnha@outlook.com>
Sent: Friday, April 28, 2023 2:01 PM
To: Barbara Dileo <bdileo@cityofneedles.com>; Kimberly Krasinski <kkrasinski@cityofneedles.com>
Subject: Utility Allowances

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Hi Barbara and Kim,

Can you give me the rates for electricity (including the hydro component and fuel adjustment factors), water and sewer rates, and garbage pick-up rates (for Section 8). I was going to just get the rates from our last bill but the hydro component and fuel adjustment factors threw me for a loop. I have to give these rates to the company who will be figuring the Utility Allowances for NHA's tenants.

Thank you,

Julie Bigham
Assistant Director
Needles Housing Authority
908 Sycamore Drive
Needles CA 92363
760-326-3222

**ELECTRIC RATES EFFECTIVE November 1, 2022 (RATES WERE
CALCULATED USING 5% CPI)**

WINTER RATES (Nov 1ST - FEB 28TH)

Basic Service Charge	\$34.01
Hydro Allotment 532 KWH	0.417 ← .0417
Over Hydro	.1399
CA Conservation Charge	0.0026
Utility Users Tax	2.5%

SUMMER RATES (MARCH 1ST - SEPTEMBER 30TH)

Basic Service Charge	\$34.01
Hydro Allotment 771 KWH	0.0427
Over Hydro	.1399
CA Conservation Charge	0.0026
Utility Users Tax	2.5%

Effective November 1, 2022 Rates	
Meter Size	Basic Service Charge
5/8" & 3/4"	\$45.88
5/8" & 3/4" duplex	\$45.88
1"	\$74.28
1 1/2"	\$166.48
2"	\$211.60
3"	\$574.25
4"	\$752.94
6"	\$1,349.85
8"	\$2,121.40
10"	\$1,856.98
Per 100 cubic feet of water	\$2.59
*calculated based on 2020 rate study; adopted by Resolution	
Temporary Fire Hydrant Meter:	
2-1/2"	\$383.34
Install/Remove	\$30.41
Per 100 cubic feet of water	\$2.59
Required Deposit	\$500.00

Effective November 1, 2022 Rates

Customer Class	EDU Study			Monthly Charge for a Typical Customer		
	\$/EDU	EDU	Units	\$/customer	Customer Units	
Residential	\$ 49.62	1.00	/account	\$ 49.62	1 account	
Hotel	\$ 49.62	0.70	/room	\$ 1,667.35	48 rooms/hotel	
Hospitals	\$ 49.62	0.75	/bed	\$ 930.44	25 beds/hospital	
Campgrounds	\$ 49.62	0.70	/RV/Camping Space/Cabin	\$ 5,627.31	162 RV/camping space/cabin	
Multi-family	\$ 49.62	1.00	/account	\$ 49.62	1 account	
Garden & Nurseries	\$ 49.62	1.00	/account	\$ 49.62	1 account	
Laundromats	\$ 49.62			\$ -		
Schools	\$ 49.62	0.23	/student	\$ 10,294.90	902 students/school	
General Commercial	\$ 49.62	1.65	/account	\$ 81.88	1 account	
Beauty Salon & Barber Shop	\$ 49.62	0.50	/sink	\$ 99.25	4 sinks/salon	
Religious Organizations	\$ 49.62	0.0227	/seat	\$ 228.67	203 seats/organization	
Food Establishments	\$ 49.62	0.18	/seat	\$ 571.66	64 seats/establishment	
Government	\$ 49.62	1.65	/employee	\$ 818.79	10 employees/account	
Gas Stations	\$ 49.62	2.90	/pump (side)	\$ 431.72	3 pumps/station	
Native Village	\$ 49.62	109.00	/account	\$ 5,408.96	1 Native Village	

SOUTHWEST GAS CORPORATION
P.O. Box 98510
Las Vegas, Nevada 89193-8510
California Gas Tariff

Canceling 186th Revised Cal. P.U.C. Sheet No. 65
185th Revised Cal. P.U.C. Sheet No. 65

STATEMENT OF RATES
RATES APPLICABLE TO SOUTHERN CALIFORNIA SERVICE AREA [1]

Schedule No. and Type of Charge	Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges CPUC PPP		Gas Cost	Effective Sales Rate
GS-10-Residential Gas Service							
Basic Service Charge	\$5.75						\$5.75
Cost per Therm							
Baseline Quantities	\$.84732	\$.35628	\$ 1.20360	\$.00300	\$.21467	\$.86526	\$ 2.28653
Tier II	\$ 1.06143	.35628	1.41771	.00300	.21467	.86526	2.50064
GS-11-Residential Air-Conditioning Gas Service							
Basic Service Charge	\$5.00						\$5.00
Cost per Therm							
Tier I	\$.84732	\$.35628	\$ 1.20360	\$.00300	\$.21467	\$.86526	\$ 2.28653
Tier II	1.06143	.35628	1.41771	.00300	.21467	.86526	2.50064
Air-Conditioning	\$.46751	.35628	.82379	.00300	.21467	.86526	1.90672
GS-12-CARE Residential Gas Service							
Basic Service Charge	\$4.00						\$4.00
Cost per Therm							
Baseline Quantities	\$.43355	\$.35628	\$.78983	\$.00300	\$.06533	\$.86526	\$ 1.72342
Tier II	\$.60484	.35628	.96112	.00300	.06533	.86526	1.89471
GS-15-Secondary Residential Gas Service							
Basic Service Charge	\$6.00						\$6.00
Cost per Therm	\$1.31563	\$.35628	\$ 1.67191	\$.00300	\$.21467	\$.86526	\$ 2.75484
GS-20-Multi-Family Master-Metered Gas Service							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm							
Baseline Quantities	\$.84732	\$.35628	\$ 1.20360	\$.00300	\$.21467	\$.86526	\$ 2.28653
Tier II	1.06143	.35628	1.41771	.00300	.21467	.86526	2.50064
GS-25-Multi-Family Master-Metered Gas Service-Submetered							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm							
Baseline Quantities	\$.84732	\$.35628	\$ 1.20360	\$.00300	\$.21467	\$.86526	\$ 2.28653
Tier II	1.06143	.35628	1.41771	.00300	.21467	.86526	2.50064
Submetered Discount per Occupied Space	(\$8.64)						(\$8.64)
GS-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service							
Basic Service Charge	\$8.80						\$8.80
Cost per Therm							
First 100	\$.36513	\$.35628	\$.72141	\$.00300	\$.06533	\$.86526	\$ 1.65500
Next 500	\$.20996	.35628	.56624	.00300	.06533	.86526	1.49983
Next 2,400	\$.08582	.35628	.44210	.00300	.06533	.86526	1.37569
Over 3,000	(\$.05026)	.35628	.30602	.00300	.06533	.86526	1.23961
GS-40-Core General Gas Service (non-Covered Entities)							
Basic Service Charge	\$11.00						\$11.00
Transportation Service Charge	\$780.00						\$780.00
Cost per Therm							
First 100	\$.76180	\$.35628	\$ 1.11808	\$.00300	\$.21467	\$.86526	\$ 2.20101
Next 500	\$.56783	.35628	.92411	.00300	.21467	.86526	2.00704
Next 2,400	\$.41266	.35628	.76894	.00300	.21467	.86526	1.85187
Over 3,000	\$.24256	.35628	.59884	.00300	.21467	.86526	1.68177

Advice Letter No. 1255
Decision No. _____

Issued by
Amy L. Timperley
Chief Regulatory Officer

Date Filed March 31, 2023
Effective April 1, 2023
Resolution No. _____

SOUTHWEST GAS CORPORATION
P.O. Box 98510
Las Vegas, Nevada 89193-8510
California Gas Tariff

Canceling 188th Revised Cal. P.U.C. Sheet No. 66
187th Revised Cal. P.U.C. Sheet No. 66

STATEMENT OF RATES
RATES APPLICABLE TO SOUTHERN CALIFORNIA SERVICE AREA [1]

Schedule No. and Type of Charge	Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
				CPUC	PPP		
GS-40-Core General Gas Service (Covered Entities)							
Basic Service Charge	\$11.00						\$11.00
Transportation Service Charge	\$780.00						\$780.00
Cost per Therm							
First 100	\$.76180	\$.21187	\$.97367	\$.00300	\$.21467	\$.86526	\$ 2.05660
Next 500	\$.58783	.21187	.77970	.00300	.21467	.86526	1.86263
Next 2,400	\$.41266	.21187	.62453	.00300	.21467	.86526	1.70746
Over 3,000	\$.24256	.21187	.45443	.00300	.21467	.86526	1.53736
GS-50-Core Natural Gas Service for Motor Vehicles							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm	\$.16687	\$.35628	\$.52315	\$.00300	\$.21467	\$.86526	\$ 1.60608
GS-60-Core Internal Combustion Engine Gas Service							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm	\$.25672	\$.35628	\$.61300	\$.00300	\$.21467	\$.86526	\$ 1.69593
GS-66-Core Small Electric Power Generation Gas Service							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm	\$.36800	\$.35628	\$.72428	\$.00300		\$.86526	\$ 1.59254
GS-70-Noncore General Gas Transportation Service							
Basic Service Charge	\$100.00						\$100.00
Transportation Service Charge	\$780.00						\$780.00
Cost per Therm	\$.18080	\$.28479	\$.46559	\$.00300	\$.21467		\$.68326
GS-VIC City of Victorville Gas Service							
Basic Service Charge	\$11.00						\$ 11.00
Transportation Service Charge	\$780.00						\$780.00
Cost per Therm	\$.15959	\$.33973	\$.49932	\$.00300		\$.86526	\$ 1.36758
TFF-Transportation Franchise Fee Surcharge Provision							
TFF Surcharge per Therm							\$.00426
TDS - Transportation Distribution System Shrinkage Charge							
TDS Charge per Therm							\$.00441
MHPS-Master-Metered Mobile Home Park Safety Inspection Provision							
MHPS Surcharge per Space per Month							\$.21000

Advice Letter No. 1255
Decision No. _____

Issued by
Amy L. Timperley
Chief Regulatory Officer

Date Filed March 31, 2023
Effective April 1, 2023
Resolution No. _____

MRG

MANAGEMENT RESOURCE GROUP, INC.
2402 Mount Vernon Road, Suite 200, Atlanta, Georgia 30338

*My Please get
2023 rates*

*See attached
for
exempl.*

April 10, 2023

Ms. Serra Tieman
Office Manager
Needles Housing Authority
908 Sycamore Dr
Needles, CA 92363

Dear Ms. Tieman:

Thank you for the opportunity to submit this letter proposal to update Needles Housing Authority's, existing utility allowance estimates for your Public Housing Developments and your HCV Program.

It will be the NHA's responsibility to obtain current residential rate schedules from the utility companies, including a copy of the current allowances for residents.

Upon receipt of all information required from NHA, MRG will develop all the required documentation from your data and assemble the information into an acceptable format with new proposed utility allowance estimates for each development from our Atlanta offices.

We propose to extend this contract for an additional five (5) years under the same conditions as before. We will require a new survey to bring it current (5-years or less). The fee for 2023 will be \$1,250 plus travel expenses. After this year, the Needles Housing Authority will have the option of the same reduced price per year for four more years, 2024-2026, (\$1,100 per year).

If you have any questions regarding the study, please call me at 770.396.9856.

Sincerely,

Howard S. Fleisig
Howard S. Fleisig, CEO
Management Resource Group, Inc.

HSF/MR

This proposal is accepted by the Needles Housing Authority, California.

Julie Brigham - Assistant Director
Name/Title

4-27-23
Date

Tel: 770-396-9856

Fax: 678-954-8026

Email: atlrmrg@comcast.net

SOUTHWEST GAS CORPORATION
P.O. Box 98510
Las Vegas, Nevada 89193-8510
California Gas Tariff

Canceling 72nd Revised Cal. P.U.C. Sheet No. 67
71st Revised Cal. P.U.C. Sheet No. 67

STATEMENT OF RATES
RATES APPLICABLE TO SOUTHERN CALIFORNIA SERVICE AREA [1]

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount for distribution shrinkage calculated by multiplying the currently effective Gas Cost rate per therm by the Lost and Unaccounted For Gas percentage of 0.51%. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for a period of 12 months. The volume charge for customer-secured natural gas transportation will also be subject to the TFF Surcharge.

[2] The Charges and Adjustments applicable to each tariff rate schedule includes the following components:

Charges and Adjustments Description	GS-10, GS-11, <u>GS-12, Covered</u> GS-15, GS-20, GS-25, GS-35,	GS-40 (non- Covered Entities), GS-50, GS-60, GS-66	GS-40, (Covered Entities)	GS-70	GS-VIC
Upstream Intrastate Charges					
Storage	\$.02339	\$.02339			\$.02339
Variable	.06290	.06290		\$.06290	.06290
Upstream Interstate Reservation Charges	.04721	.04721			.04721
IRRAM Surcharge	.02148	.02148		.02148	.02148
Balancing Account Adjustments					
FCAM*	.01857	.01857		.01768	.01857
ITCAM	.00382	.00382		.00382	.00382
GHGBA**					
Non-Covered Entities [a]	.14564			.14564	.14564
Covered Entities [a]			.00123		
NERBA	(.00010)	(.00010)		(.00010)	
NGLAPBA	.01368	.01368		.01368	
MHPCBA	.00297	.00297		.00297	
CDMIBA	.01672	.01672		.01672	.01672
Total Charges and Adjustments	\$.35628	\$.21187		\$.28479	\$.33973

* The FCAM surcharge includes an amount of \$.01768 per therm related to the difference between Southwest Gas' authorized margin and recorded revenues intended to recover these costs.

** Pursuant to D.15-10-032, Company costs incurred to comply with the California Air Resources Board (ARB) natural gas supplier Cap-and-Trade Program are to be included in transportation rates and recovered from Non-Covered Entities. Covered Entities, who are directly regulated by the ARB, are only responsible for paying for emission costs related to lost and unaccounted for gas (LUAF).

included

Advice Letter No. 1236
Decision No. _____

Issued by
Amy L. Timperley
Chief Regulatory Officer

Date Filed November 30, 2022
Effective January 1, 2023
Resolution No. _____



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☒ HACN ☒ Regular ☐ Special

Meeting Date: May 23, 2023

Title: Resolution 2023-2-HACN adopting the Schedule of Utility Allowances for the Public Housing Program, effective August 1, 2023

Background: In accordance with HUD regulations, the Housing Authority must conduct an annual review of utility usage and fees be done to ascertain schedules of Public Housing Program and Housing Choice Voucher Program (Section 8) utility allowances in Needles, California. This review is then used to determine the utility allowance granted each Public Housing household and Section 8 household to aid them in paying their utilities.

Housing Authority staff contracted with Management Resource Group, Inc. (MRG) to conduct the survey and recommend the utility allowances for the 2023 fiscal year. Attached hereto is the report submitted by MRG, dated May 2, 2023. As this is a benefit to participants in these Housing Authority programs, it is in their interest to adopt the proposed utility allowances.

Fiscal Impact: None

Recommendation: Adopt Resolution 2023-2-HACN and approve the Schedule of Utility Allowances for the Public Housing Program, effective August 1, 2023

Submitted By:

City Management Review:

Rene Torrance

Date:

5/18/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 5

RESOLUTION 2023-2-HACN

**A RESOLUTION OF THE NEEDLES HOUSING AUTHORITY ADOPTING THE
SCHEDULE OF UTILITY ALLOWANCES FOR THE PUBLIC HOUSING PROGRAM,
EFFECTIVE AUGUST 1, 2023**

WHEREAS, the U.S. Department of Housing and Urban Development requires an annual review of utility usage and fees be done to ascertain a schedule of Public Housing Program utility allowances; and

WHEREAS, Needles Housing Authority contracted with Management Resource Group, Inc. to complete the annual review of utility usage for the Public Housing Program; and

WHEREAS, the annual review demonstrates a need to adjust the present Public Housing Program utility allowances to bring them in line with actual cost figures.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Needles Housing Authority approves and adopts the schedule for Public Housing Program Utility Allowances, attached hereto as Exhibit "A" and incorporated herein by this reference, effective August 1, 2023.

PASSED, APPROVED and ADOPTED at a regular meeting of the Board of Commissioners of the Needles Housing Authority, held on the 23rd day of May 2023.

AYES:

NAYS:

ABSENT:

ABSTAIN:

APPROVED:

Janet Jernigan, Chairman

ATTEST:

Dale Jones, Secretary

APPROVED AS TO FORM:

John O. Pinkney, Authority Counsel

**RESOLUTION 2023-2-HACN
EXHIBIT A**

**Needles Housing Authority
Utility Allowance Estimates
FY 2023 - 2024**

CA 22-1	Electricity	Natural Gas	Water Consumption	Total
One Bedroom	56	16	3	\$ 75
Two Bedroom	67	24	7	\$ 98
Three Bedroom	73	27	11	\$ 111
Four Bedroom	79	31	14	\$ 124

MANAGEMENT RESOURCE GROUP, INC.
2402 Mount Vernon Road, Suite 200, Atlanta, Georgia 30338

May 2, 2023

Ms. Julie Bigham
Executive Director
Needles Housing Authority
908 Sycamore Dr.
Needles, CA 92363-3131

Re: Utility Allowance Estimates – 2023 - 2024

Dear Ms. Bigham:

Enclosed are NHA new utility allowance estimates that reflect current rate schedules and consumption for units in the Public Housing and the Section 8 Programs. We used the CARE natural gas rates from Southwest Gas and the city's water/sewer and electric rates for 2024. Electric rates, natural gas rates and water/sewer rates are all higher.

If you have any questions upon review of the allowance estimates, please call me at 770.396.9856.

Sincerely,


Howard S. Fleisig, CEO
Management Resource Group, Inc.

HSF/MR

Enclosure(s)

**Public Housing
and
Section 8
Housing Choice Voucher
Utility Allowance Estimates**



**Prepared for the
Housing Authority of
Needles, California**

May 2023

Management Resource Group, Inc.

2402 Mount Vernon Road, Suite 200 / Atlanta, Georgia 30338
Tel: 770♦396♦9856 / Fax: 678♦954♦8026 / atlmrg@comcast.net

TABLE CONTENTS

Public Housing

CA 22-1

Section 8 Housing Choice Voucher

Current Utility Rate Schedules

Public Housing

**Needles Housing Authority
Utility Allowance Estimates
FY 2023 - 2024**

CA 22-1	Electricity	Natural Gas	Water Consumption	Total
One Bedroom	56	16	3	\$ 75
Two Bedroom	67	24	7	\$ 98
Three Bedroom	73	27	11	\$ 111
Four Bedroom	79	31	14	\$ 124

CA 22-1

ANNUAL ELECTRICAL CONSUMPTION ITEMIZATION (kWh)

<u>Unit Type</u>	<u>Lights</u>	<u>Refrigerator</u>	<u>Fans/Heat</u>	<u>DHW</u>	<u>Cooking</u>	<u>Misc</u>	<u>Total</u>
1 Duplex End	318	567	2618			707	4210
2 Duplex End	337	578	3558			818	5291
3 Duplex End	512	594	3780			1028	5914
4 Duplex End	531	600	4190			1273	6594

ANNUAL NATURAL GAS CONSUMPTION ITEMIZATION (Therms)

<u>Unit Type</u>	<u>Heat</u>	<u>DHW</u>	<u>Cooking</u>	<u>Other</u>	<u>Total</u>
1 Duplex End		65	23	0	88
2 Duplex End		102	26	0	128
3 Duplex End		124	29	0	153
4 Duplex End		147	33	0	180

MONTHLY ELECTRICAL CONSUMPTION (kWh)

Unit Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg.
1 Duplex End	781	536	426	281	171	136	133	133	135	196	485	797	351
2 Duplex End	1025	692	544	346	197	149	144	144	148	231	623	1047	441
3 Duplex End	1114	760	602	392	234	183	178	178	181	269	686	1137	493
4 Duplex End	1238	846	670	437	262	206	200	200	204	302	764	1264	549

MONTHLY ELECTRICAL COST

Unit Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg.
1 Duplex End	\$98	\$61	\$56	\$48	\$43	\$42	\$41	\$41	\$42	\$44	\$58	\$100	\$56
2 Duplex End	\$134	\$85	\$62	\$52	\$44	\$42	\$42	\$42	\$42	\$46	\$74	\$137	\$67
3 Duplex End	\$147	\$95	\$71	\$54	\$46	\$44	\$44	\$44	\$44	\$48	\$84	\$151	\$73
4 Duplex End	\$166	\$107	\$81	\$56	\$48	\$45	\$45	\$45	\$45	\$50	\$95	\$170	\$79

MONTHLY NATURAL GAS CONSUMPTION (Therms)

Unit Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg.
1 Duplex End	7	7	7	7	7	7	7	7	7	7	7	7	7
2 Duplex End	11	11	11	11	11	11	11	11	11	11	11	11	11
3 Duplex End	13	13	13	13	13	13	13	13	13	13	13	13	13
4 Duplex End	15	15	15	15	15	15	15	15	15	15	15	15	15

MONTHLY NATURAL GAS COST

Unit Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg.
1 Duplex End	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16
2 Duplex End	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24
3 Duplex End	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27
4 Duplex End	\$31	\$31	\$31	\$31	\$31	\$31	\$31	\$31	\$31	\$31	\$31	\$31	\$31

Gross Water Consumption:

Type	Occ	Toil	Shwr	Dish	Clths	Cook	Hand	Gal/Day	Gal/Yr	Gal/Mo.
0 Bedroom	1.0	8	12	1.5	8	0.2	0.1	30	10841	903
1 Bedroom	1.1	9	13	1.7	9	0.2	0.1	33	11925	994
2 Bedroom	2.2	18	26	3.3	18	0.3	0.1	65	23849	1987
3 Bedroom	3.5	28	42	5.3	28	0.5	0.2	104	37942	3162
4 Bedroom	4.5	36	54	6.8	36	0.7	0.2	134	48782	4065
5 Bedroom	5.5	44	66	8.3	44	0.8	0.3	163	59623	4969
6 Bedroom	6.5	52	78	9.8	52	1.0	0.3	193	70463	5872

Gal Each % Hot Water

Toilet Flush:	1.6	0%	5	Flushes per person per day
Shower:	12	50%	1	Showers per person per day
Dishload:	3	25%	0.5	Dishloads per person per day
Laundry load:	40	50%	0.2	Clothesloads per person per day
Meal:	0.05	0%	3	Meals per person per day
Handwashing:	0.05	50%	10	Handwashings per person per day

Water & Sewer Tables

Bedroom Size	Consumption per Month (CCF)	Allowance per Month
0	1.2	\$3.19
1	1.3	\$3.45
2	2.6	\$6.90
3	4.2	\$11.15
4	5.4	\$14.34
5	6.6	\$17.52

Water & Sewage Rate Schedule

Base Charge:

PD. By NHA

Energy Charge:

First	10 CCF	\$2.59000
10010 Next	10,000 CCF	\$2.59000
20010 Next	10,000 CCF	\$2.59000
30000 Next	10,000 CCF	\$2.59000

Cost Adjustment:

0

Tax:

3%

Section 8 Housing Choice Voucher

Allowances for Tenant-Furnished Utilities and Other Services

U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
Office of Public and Indian Housing

OMB Approval No. 2577-0109

Locality		Unit Type		Date (mm/dd/yyyy)			
Needles Housing Authority, California		Single Family		08/01/2023			
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	17	18	23	28	32	37
	Bottle Gas						
	Electric	24	26	38	40	46	50
	Electric Heat Pump	22	24	35	37	42	47
	Fuel Oil						
Cooking	Natural Gas	4	4	5	5	6	6
	Bottle Gas						
	Electric	5	6	7	8	10	12
	Fuel Oil						
Other Electric + Base Charge		48	51	54	58	63	69
Air Conditioning		25	27	40	42	47	53
Water Heating	Natural Gas	17	21	24	31	35	43
	Bottle Gas						
	Electric	14	17	22	30	39	49
	Fuel Oil						
Water/Sewer	Water	52	52	57	62	66	71
	Sewer	50	50	50	50	50	50
Trash Collection	City	31	31	31	31	31	31
	County	31	31	31	31	31	31
Range		6	6	6	6	6	6
Refrigerator		7	7	7	7	7	7
Other -specify Customer Charge	Natural Gas	4	4	4	4	4	4
Actual Family Allowances - To be used by the family to compute allowance. Complete below for the actual unit rented.				Utility or Service		per month cost	
Name of Family				Heating		\$	
				Cooking			
Address of Unit				Other Electric			
				Air Conditioning			
				Water Heating			
				Water			
				Sewer			
				Trash Collection			
Number of Bedrooms				Range/Microwave			
				Refrigerator			
				Other			
				Total		\$	

**Allowances for Tenant-
Furnished Utilities and
Other Services**

**U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**
Office of Public and Indian Housing

OMB Approval No. 2577-0169

Locality		Unit Type		Date (mm/dd/yyyy)			
Needles Housing Authority, California		Manufactured Housing		08/01/2023			
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	15	16	21	26	29	33
	Bottle Gas						
	Electric	22	23	34	36	41	45
	Electric Heat Pump	20	22	32	34	38	42
	Fuel Oil						
Cooking	Natural Gas	4	4	5	5	6	6
	Bottle Gas						
	Electric	5	6	7	8	10	12
	Fuel Oil						
Other Electric + Base Charge		48	51	54	58	63	69
Air Conditioning		23	24	36	38	43	48
Water Heating	Natural Gas	17	21	24	31	36	43
	Bottle Gas						
	Electric	14	17	22	30	39	49
	Fuel Oil						
Water/Sewer	Water	52	52	57	62	66	71
	Sewer	50	50	50	50	50	50
Trash Collection	City	31	31	31	31	31	31
	County	31	31	31	31	31	31
Range		6	6	6	6	6	6
Refrigerator		7	7	7	7	7	7
Other - specify Customer Charge	Natural Gas	4	4	4	4	4	4
Actual Family Allowances - To be used by the family to compute allowance Complete below for the actual unit rented.				Utility or Service		per month cost	
Name of Family				Heating			
				Cooking			
				Other Electric			
Address of Unit				Air Conditioning			
				Water Heating			
				Water			
Number of Bedrooms				Sewer			
				Trash Collection			
				Range/Microwave			
				Refrigerator			
				Other			
				Total			

form HUD-52667 (09/17)

ref Handbook 7420.8

Allowances for Tenant-Furnished Utilities and Other Services

**U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**
Office of Public and Indian Housing

OMB Approval No 2577-0169

Locality		Unit Type		Date (mm/dd/yyyy)			
Needles Housing Authority, California		Apartment/Duplex & Rowhouse		08/01/2023			
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	14	15	20	24	28	32
	Bottle Gas						
	Electric	21	22	33	35	39	43
	Electric Heat Pump	19	21	30	32	36	40
	Fuel Oil						
Cooking	Natural Gas	4	4	5	5	6	6
	Bottle Gas						
	Electric	5	6	7	8	10	12
	Fuel Oil						
Other Electric + Base Charge		48	51	54	58	63	69
Air Conditioning		22	23	34	36	41	46
Water Heating	Natural Gas	17	21	24	31	36	43
	Bottle Gas						
	Electric	14	17	22	30	39	49
	Fuel Oil						
Water/Sewer	Water	52	52	57	62	66	71
	Sewer	50	50	50	50	50	50
Trash Collection	City	31	31	31	31	31	31
	County	31	31	31	31	31	31
Range		6	6	6	6	6	6
Refrigerator		7	7	7	7	7	7
Other -specify Customer Charge	Natural Gas	4	4	4	4	4	4
Actual Family Allowances - To be used by the family to compute allowance. Complete below for the actual unit rented.					Utility or Service		per month cost
Name of Family					Heating		
					Cooking		
Address of Unit					Other Electric		
					Air Conditioning		
					Water Heating		
					Water		
					Sewer		
					Trash Collection		
					Range/Microwave		
Number of Bedrooms					Refrigerator		
					Other		
					Total		

Allowances for Tenant-Furnished Utilities and Other Services

**U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**
Office of Public and Indian Housing

OMB Approval No. 2577-0169

Locality Needles Housing Authority, California			Unit Type Elevated Apartments		Date (mm/dd/yyyy) 08/01/2023		
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	13	14	19	23	28	30
	Bottle Gas						
	Electric	19	21	30	32	36	40
	Electric Heat Pump	18	19	28	30	34	37
	Fuel Oil						
Cooking	Natural Gas	4	4	5	5	6	6
	Bottle Gas						
	Electric	5	6	7	8	10	12
	Fuel Oil						
Other Electric + Base Charge		48	51	54	58	63	69
Air Conditioning		20	22	32	34	38	43
Water Heating	Natural Gas	17	21	24	31	36	43
	Bottle Gas						
	Electric	14	17	22	30	39	49
	Fuel Oil						
Water/Sewer	Water	52	52	57	62	66	71
	Sewer	50	50	50	50	50	50
Trash Collection	City	31	31	31	31	31	31
	County	31	31	31	31	31	31
Range		6	6	6	6	6	6
Refrigerator		7	7	7	7	7	7
Other -specify Customer Charge	Natural Gas	4	4	4	4	4	4
Actual Family Allowances - To be used by the family to compute allowance. Complete below for the actual unit rented.					Utility or Service		per month cost
Name of Family					Heating		
					Cooking		
Address of Unit					Other Electric		
					Air Conditioning		
Number of Bedrooms					Water Heating		
					Water		
					Sewer		
					Trash Collection		
					Range/Microwave		
					Refrigerator		
					Other		
					Total		

form HUD-52667 (09/17)

ref Handbook 7420.8

Gross Water Consumption:

Type	Occ	Toil	Shwr	Dish	Clths	Cook	Hand	Gal/Day	Gal/Yr	Gal/Mo.
0 Bedroom	1.0	18	12	1.5	8	0.3	0.1	39	14381	1198
1 Bedroom	1.1	19	13	1.7	9	0.3	0.1	43	15819	1318
2 Bedroom	2.2	39	26	3.3	18	0.7	0.2	87	31638	2637
3 Bedroom	3.5	61	42	5.3	28	1.1	0.4	138	50334	4194
4 Bedroom	4.5	79	54	6.8	36	1.4	0.5	177	64715	5393
5 Bedroom	5.5	96	66	8.3	44	1.7	0.6	217	79096	6591
6 Bedroom	6.5	114	78	9.8	52	2.0	0.7	256	93477	7790

Gal Each % Hot Water

Toilet Flush:	3.5	0%	5	Flushes per person per day
Shower:	12	50%	1	Showers per person per day
Dishload:	3	25%	0.5	Dishloads per person per day
Laundry load:	40	50%	0.2	Clothesloads per person per day
Meal:	0.1	0%	3	Meals per person per day
Handwashing:	0.1	50%	10	Handwashings per person per day

Water & Sewer Tables

Bedroom Size	Consumption per Month (CCF)	Allowance per Month
0	1.6	\$51.52
1	1.8	\$52.06
2	3.5	\$56.59
3	5.6	\$62.20
4	7.2	\$66.46
5	8.8	\$70.73

Water & Sewage Rate Schedule

Base Charge:	45.88
Energy Charge:	
First 10 CCF	\$2.59000
2010 Next 2,000 CCF	\$2.59000
12010 Next 10,000 CCF	\$2.59000
22000 Next 10,000 CCF	\$2.59000
Cost Adjustment:	0
Tax:	3%

Current Utility Rate Schedules

Howard Fleisig

From: AtIMRG@comcast.net
Sent: Monday, May 1, 2023 1:23 PM
To: Howard Fleisig; Howard S. Fleisig
Subject: FW: Utility Allowances
Attachments: wastewater rates 2022-2023.pdf; water rates 2022-2023.pdf; Electric rates 2022-2023.pdf.docx

From: Julie Bigham <JBighamnha@outlook.com>
Sent: Monday, May 1, 2023 1:13 PM
To: Management Resource Group <atlmrg@comcast.net>
Subject: FW: Utility Allowances

I received the attached rates from the City office manager.

Thank you,

Julie Bigham

Assistant Director
Needles Housing Authority
908 Sycamore Drive
Needles CA 92363
760-326-3222

From: Kimberly Krasinski
Sent: Monday, May 1, 2023 9:51 AM
To: Julie Bigham; Barbara Dileo
Subject: RE: Utility Allowances

Hi Julie,

Attached is the wastewater, water, and electric rates for 2022-2023.

The trash rates for residential trash totter is 30.66

The water rates for residential for a ¾ inch meter is 45.88 plus 2.59 per 100 cubic feet of water used per month.

The wastewater for residential is 49.62

The electric rates change every October.

For the office at 908 Sycamore

The irrigation for a 2 inch meter is 177.54, trash 3 cubic yard bin picked 1x a week is 172.17.

I am thinking the hydro component is the hydro allotment on the electric and I do not have the fuel adjustment factors.

If you have any questions, please call me and I can go over the rates with you.

Thank you

Kim Krasinski
City of Needles
Business Office Manager
Kkrasinski@cityofneedles.com
760-326-5700 x119

From: Julie Bigham <JBighamnha@outlook.com>
Sent: Friday, April 28, 2023 2:01 PM
To: Barbara Dileo <bdileo@cityofneedles.com>; Kimberly Krasinski <kkrasinski@cityofneedles.com>
Subject: Utility Allowances

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Hi Barbara and Kim,

Can you give me the rates for electricity (including the hydro component and fuel adjustment factors), water and sewer rates, and garbage pick-up rates (for Section 8). I was going to just get the rates from our last bill but the hydro component and fuel adjustment factors threw me for a loop. I have to give these rates to the company who will be figuring the Utility Allowances for NHA's tenants.

Thank you,

Julie Bigham
Assistant Director
Needles Housing Authority
908 Sycamore Drive
Needles CA 92363
760-326-3222

**ELECTRIC RATES EFFECTIVE November 1, 2022 (RATES WERE
CALCULATED USING 5% CPI)**

WINTER RATES (Nov 1ST - FEB 28TH)

Basic Service Charge	\$34.01
Hydro Allotment 532 KWH	0.417 ← .0417
Over Hydro	.1399
CA Conservation Charge	0.0026
Utility Users Tax	2.5%

SUMMER RATES (MARCH 1ST - SEPTEMBER 30TH)

Basic Service Charge	\$34.01
Hydro Allotment 771 KWH	0.0427
Over Hydro	.1399
CA Conservation Charge	0.0026
Utility Users Tax	2.5%

Effective November 1, 2022 Rates	
Meter Size	Basic Service Charge
5/8" & 3/4"	\$45.88
5/8" & 3/4" duplex	\$45.88
1"	\$74.28
1 1/2"	\$166.48
2"	\$211.60
3"	\$574.25
4"	\$752.94
6"	\$1,349.85
8"	\$2,121.40
10"	\$1,856.98
Per 100 cubic feet of water	\$2.59
<i>*calculated based on 2020 rate study; adopted by Resolutive</i>	
Temporary Fire Hydrant Meter:	
2-1/2"	\$383.34
Install/Remove	\$30.41
Per 100 cubic feet of water	\$2.59
Required Deposit	\$500.00

Effective November 1, 2022 Rates

Customer Class	EDU Study			Monthly Charge for a Typical Customer		
	\$/EDU	EDU	Units	\$/customer	Customer Units	
Residential	\$ 49.62	1.00	/account	\$ 49.62	1 account	
Hotel	\$ 49.62	0.70	/room	\$ 1,667.35	48 rooms/hotel	
Hospitals	\$ 49.62	0.75	/bed	\$ 930.44	25 beds/hospital	
Campgrounds	\$ 49.62	0.70	/RV/Camping Space/Cabin	\$ 5,627.31	162 RV/camping space/cabin	
Multi-family	\$ 49.62	1.00	/account	\$ 49.62	1 account	
Garden & Nurseries	\$ 49.62	1.00	/account	\$ 49.62	1 account	
Laundromats	\$ 49.62			\$ -		
Schools	\$ 49.62	0.23	/student	\$ 10,294.90	902 students/school	
General Commercial	\$ 49.62	1.65	/account	\$ 81.88	1 account	
Beauty Salon & Barber Shop	\$ 49.62	0.50	/sink	\$ 99.25	4 sinks/salon	
Religious Organizations	\$ 49.62	0.0227	/seat	\$ 228.67	203 seats/organization	
Food Establishments	\$ 49.62	0.18	/seat	\$ 571.66	64 seats/establishment	
Government	\$ 49.62	1.65	/employee	\$ 818.79	10 employees/account	
Gas Stations	\$ 49.62	2.90	/pump (side)	\$ 431.72	3 pumps/station	
Native Village	\$ 49.62	109.00	/account	\$ 5,408.96	1 Native Village	

SOUTHWEST GAS CORPORATION
P.O. Box 98510
Las Vegas, Nevada 89193-8510
California Gas Tariff

Canceling 186th Revised Cal. P.U.C. Sheet No. 65
185th Revised Cal. P.U.C. Sheet No. 65

STATEMENT OF RATES
RATES APPLICABLE TO SOUTHERN CALIFORNIA SERVICE AREA [1]

Schedule No. and Type of Charge	Margin	Charges (2) and Adjustments	Subtotal Gas Usage Rate	Other Surcharges CPUC	PPP	Gas Cost	Effective Sales Rate
GS-10-Residential Gas Service							
Basic Service Charge	\$5.75						\$5.75
Cost per Therm							
Baseline Quantities	\$.84732	\$.35628	\$ 1.20360	\$.00300	\$.21467	\$.86526	\$ 2.28653
Tier II	\$ 1.06143	.35628	1.41771	.00300	.21467	.86526	2.50064
GS-11-Residential Air-Conditioning Gas Service							
Basic Service Charge	\$5.00						\$5.00
Cost per Therm							
Tier I	\$.84732	\$.35628	\$ 1.20360	\$.00300	\$.21467	\$.86526	\$ 2.28653
Tier II	1.06143	.35628	1.41771	.00300	.21467	.86526	2.50064
Air-Conditioning	\$.46751	.35628	.82379	.00300	.21467	.86526	1.90672
GS-12-CARE Residential Gas Service							
Basic Service Charge	\$4.00						\$4.00
Cost per Therm							
Baseline Quantities	\$.43355	\$.35628	\$.78983	\$.00300	\$.06533	\$.86526	\$ 1.72342
Tier II	\$.60484	.35628	.96112	.00300	.06533	.86526	1.89471
GS-15-Secondary Residential Gas Service							
Basic Service Charge	\$6.00						\$6.00
Cost per Therm	\$1.31563	\$.35628	\$ 1.67191	\$.00300	\$.21467	\$.86526	\$ 2.75484
GS-20-Multi-Family Master-Metered Gas Service							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm							
Baseline Quantities	\$.84732	\$.35628	\$ 1.20360	\$.00300	\$.21467	\$.86526	\$ 2.28653
Tier II	1.06143	.35628	1.41771	.00300	.21467	.86526	2.50064
GS-25-Multi-Family Master-Metered Gas Service-Submetered							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm							
Baseline Quantities	\$.84732	\$.35628	\$ 1.20360	\$.00300	\$.21467	\$.86526	\$ 2.28653
Tier II	1.06143	.35628	1.41771	.00300	.21467	.86526	2.50064
Submetered Discount per Occupied Space	(\$8.64)						(\$8.64)
GS-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service							
Basic Service Charge	\$8.80						\$8.80
Cost per Therm							
First 100	\$.36513	\$.35628	\$.72141	\$.00300	\$.06533	\$.86526	\$ 1.65500
Next 500	\$.20996	.35628	.56624	.00300	.06533	.86526	1.49983
Next 2,400	\$.08582	.35628	.44210	.00300	.06533	.86526	1.37569
Over 3,000	(\$.05026)	.35628	.30602	.00300	.06533	.86526	1.23961
GS-40-Core General Gas Service (non-Covered Entities)							
Basic Service Charge	\$11.00						\$11.00
Transportation Service Charge	\$780.00						\$780.00
Cost per Therm							
First 100	\$.76180	\$.35628	\$ 1.11808	\$.00300	\$.21467	\$.86526	\$ 2.20101
Next 500	\$.56783	.35628	.92411	.00300	.21467	.86526	2.00704
Next 2,400	\$.41266	.35628	.76894	.00300	.21467	.86526	1.85187
Over 3,000	\$.24256	.35628	.59884	.00300	.21467	.86526	1.68177

Advice Letter No. 1255 Issued by Amy L. Timperley Date Filed March 31, 2023
Decision No. _____ Chief Regulatory Officer Effective April 1, 2023
Resolution No. _____

SOUTHWEST GAS CORPORATION
P.O. Box 98510
Las Vegas, Nevada 89193-8510
California Gas Tariff

Canceling 188th Revised Cal. P.U.C. Sheet No. 66
187th Revised Cal. P.U.C. Sheet No. 66

STATEMENT OF RATES

RATES APPLICABLE TO SOUTHERN CALIFORNIA SERVICE AREA [1]

Schedule No. and Type of Charge	Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
				CPUC	PPP		
GS-40-Core General Gas Service (Covered Entities)							
Basic Service Charge	\$11.00						\$11.00
Transportation Service Charge	\$780.00						\$780.00
Cost per Therm							
First 100	\$.76180	\$.21187	\$.97367	\$.00300	\$.21467	\$.86526	\$ 2.05660
Next 500	\$.58783	.21187	.77970	.00300	.21467	.86526	1.86263
Next 2,400	\$.41266	.21187	.62453	.00300	.21467	.86526	1.70746
Over 3,000	\$.24256	.21187	.45443	.00300	.21467	.86526	1.53736
GS-50-Core Natural Gas Service for Motor Vehicles							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm	\$.16687	\$.35628	\$.52315	\$.00300	\$.21467	\$.86526	\$ 1.60608
GS-60-Core Internal Combustion Engine Gas Service							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm	\$.25672	\$.35628	\$.61300	\$.00300	\$.21467	\$.86526	\$ 1.69593
GS-66-Core Small Electric Power Generation Gas Service							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm	\$.36800	\$.35628	\$.72428	\$.00300		\$.86526	\$ 1.59254
GS-70-Noncore General Gas Transportation Service							
Basic Service Charge	\$100.00						\$100.00
Transportation Service Charge	\$780.00						\$780.00
Cost per Therm	\$.18080	\$.28479	\$.46559	\$.00300	\$.21467		\$.88328
GS-VIC City of Victorville Gas Service							
Basic Service Charge	\$11.00						\$ 11.00
Transportation Service Charge	\$780.00						\$780.00
Cost per Therm	\$.15959	\$.33973	\$.49932	\$.00300		\$.86526	\$ 1.36758
TFF-Transportation Franchise Fee Surcharge Provision							
TFF Surcharge per Therm							\$.00426
TDS - Transportation Distribution System Shrinkage Charge							
TDS Charge per Therm							\$.00441
MHPS-Master-Metered Mobile Home Park Safety Inspection Provision							
MHPS Surcharge per Space per Month							\$.21000

Advice Letter No. 1255 Issued by Amy L. Timperley Date Filed March 31, 2023
Decision No. _____ Chief Regulatory Officer Effective April 1, 2023
Resolution No. _____

MRG

MANAGEMENT RESOURCE GROUP, INC.
2402 Mount Vernon Road, Suite 200, Atlanta, Georgia 30338

*My please get
2023 rates*

*See attached
for
exempl*

April 10, 2023

Ms. Serra Tiegan
Office Manager
Needles Housing Authority
908 Sycamore Dr
Needles, CA 92363

Dear Ms. Tiegan:

Thank you for the opportunity to submit this letter proposal to update Needles Housing Authority's, existing utility allowance estimates for your Public Housing Developments and your HCV Program.

It will be the NHA's responsibility to obtain current residential rate schedules from the utility companies, including a copy of the current allowances for residents.

Upon receipt of all information required from NHA, MRG will develop all the required documentation from your data and assemble the information into an acceptable format with new proposed utility allowance estimates for each development from our Atlanta offices.

We propose to extend this contract for an additional five (5) years under the same conditions as before. We will require a new survey to bring it current (5-years or less). The fee for 2023 will be \$1,250 plus travel expenses. After this year, the Needles Housing Authority will have the option of the same reduced price per year for four more years, 2024-2026, (\$1,100 per year).

If you have any questions regarding the study, please call me at 770.396.9856.

Sincerely,

Howard S. Fleisig
Howard S. Fleisig, CEO
Management Resource Group, Inc.

HSF/MR

This proposal is accepted by the Needles Housing Authority, California.

Julie Bigham - Assistant Director
Name/Title

4-27-23
Date

Tel: 770•396•9856

Fax: 678•954•8026

Email: atlmrg@comcast.net

Canceling 72nd Revised Cal. P.U.C. Sheet No. 67
71st Revised Cal. P.U.C. Sheet No. 67



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☒ HACN ☒ Regular ☐ Special

Meeting Date: May 23, 2023

Title: Accept and File the Housing Authority of the City of Needles Financial Statements and Independent Auditors' Report for the fiscal year that ended June 30, 2021 prepared by Smith Marion & Co., an Accountancy Corporation.

Background: Smith Marion & Co. conducted an audit for the FY ending June 30, 2021.

Fiscal Impact: None

Recommendation: Accept and File the Housing Authority of the City of Needles Financial Statements and Independent Auditors' Report for the fiscal year that ended June 30, 2021 prepared by Smith Marion & Co., an Accountancy Corporation.

Submitted By:

City Management Review:

Rachel Torrance

Date: 5/18/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

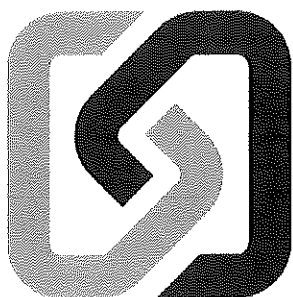
Other: ☐

Agenda Item: 60

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Financial Statements and Independent Auditors' Report

Year Ended June 30, 2021



smithmarion
connected . focused . understandable

HOUSING AUTHORITY OF THE CITY OF NEEDLES

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HOUSING AUTHORITY OF THE CITY OF NEEDLES

List of Principal Officials

The following table lists the Board Members as of June 30, 2021:

Chairperson.....	Darla Walters
Vice Chairperson.....	Robbyn Dundon
Treasurer.....	Sheryl Porter
Officer.....	Tamera Kissell
Officer.....	Norma J Williams
Officer.....	Sharon Hartley
Tenant Commissioner.....	Zachary Lopez
Tenant Commissioner.....	Stella Brodbeck (Bernal)

In addition to the above Commissioners, the Administrator of Housing Authority of the City of Needles is Sara O' May, who served as the Executive Director.

• t: (909) 307-2323
• 1940 orange tree lane, suite 100
• redlands, ca 92374



INDEPENDENT AUDITORS' REPORT

The Governing Body of
Housing Authority of the City of Needles

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of the business-type activities Housing Authority of the City of Needles (Authority), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities of the Authority as of June 30, 2021, and the changes in its financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

BASIS FOR OPINION

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

(1) Exercise professional judgment and maintain professional skepticism throughout the audit; (2) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements; (3) Obtain an understanding of internal control relevant to the audit 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 Authority's internal control. Accordingly, no such opinion is expressed; (4) Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements; (5) Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

REQUIRED SUPPLEMENTARY INFORMATION

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



SUPPLEMENTARY INFORMATION

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's financial statements.

The schedule of expenditures of federal awards, is presented for purposes of additional analysis and is not a required part of the financial statements.

In addition, the accompanying statement and certification of actual costs, required by the U.S. Department of Housing and Urban Development, is presented for the purpose of additional analysis and are not a required part of the basic financial statements.

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

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2023, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

March 29, 2023
Redlands, CA

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Management's Discussion and Analysis (Required Supplemental Information – Unaudited)

June 30, 2021

The Housing Authority of the City of Needles's (Authority, we, us, our) Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of our financial activity, (c) identify changes in our financial position and its resulting ability to address the next and subsequent year challenges, and (d) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with our financial statements.

FINANCIAL HIGHLIGHTS

At the close of the most recent fiscal year, the assets of the Authority exceeded its liabilities by \$885,870 (*net position*). This amount includes \$715,509 of unrestricted net position that may be used to meet the Authority's ongoing obligations to clients and creditors.

As of June 30, 2021, the Housing Authority's operating cash balance was \$621,560, while investments totaled \$102,953.

OVERVIEW OF THE FINANCIAL STATEMENTS

The annual financial report consists of two parts: management's discussion and analysis and the basic financial statements. The Authority follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short-term and long-term financial information about the activities and operations of the Authority. While detailed sub-fund information is not presented, separate accounts are maintained for each program of the Authority.

The financial statements include a statement of net position, statement of revenues, expenses and changes in net position, statement of cash flows and notes to the financial statements. The statement of net position provides a record or snapshot of the assets and liabilities at the close of the fiscal year. It presents the financial position of the Authority on a full accrual historical cost basis. The statement of revenues, expenses and changes in net position presents the results of the business activities over the course of the fiscal year. The statement of cash flows is related to the other financial statements by the way it links changes in assets and liabilities to the effects on cash and cash equivalents over the course of the fiscal year. The notes to the financial statements provide useful information regarding the Authority's significant accounting policies, significant account balances and activities, certain material risks, obligations, commitments, contingencies and subsequent events.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Management's Discussion and Analysis (Required Supplemental Information – Unaudited)

June 30, 2021

FINANCIAL ANALYSIS OF THE AUTHORITY

Net Position

The following table reflects the condensed Statement of Net Position compared to prior year.

			Change	
	2021	2020	Dollar	Percentage
Cash and equivalents	\$ 643,425	\$ 574,393	\$ 69,032	12.0%
Other current assets	105,776	106,649	(873)	(0.8%)
Total current assets	749,201	681,042	68,159	10.0%
Net capital assets	159,646	173,976	(14,330)	(8.2%)
Other non-current assets	-	-	-	0.0%
Total non-current assets	159,646	173,976	(14,330)	(8.2%)
Total assets	908,847	855,018	53,829	6.3%
Deferred outflows of resources	-	-	-	0.0%
Total	\$ 908,847	\$ 855,018	\$ 53,829	6.3%
Current liabilities	\$ 22,977	\$ 26,346	\$ (3,369)	(12.8%)
Non-current liabilities	-	-	-	0.0%
Total liabilities	22,977	26,346	(3,369)	(12.8%)
Deferred inflows of resources	-	-	-	0.0%
Net investment in capital assets	159,646	173,976	(14,330)	(8.2%)
Restricted net position	10,715	-	10,715	>100%
Unrestricted net position	715,509	654,696	60,813	9.3%
Total net position	885,870	828,672	57,198	6.9%
Total	\$ 908,847	\$ 855,018	\$ 53,829	6.3%

Assets

Overall, there were no significant changes in any asset classes from FY20 to FY21.

Building and improvements disposals for the year included AC units that were replaced by new ones in 2019, but were still on the books at a value of \$57,761. New addition included a new AC unit for \$6,175.

Liabilities

Overall, there were no significant changes in any liability classes from FY20 to FY21.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Management's Discussion and Analysis (Required Supplemental Information – Unaudited)

June 30, 2021

Revenues, Expenses, and Changes in Net Position

The following schedule compares the revenues and expenses for the current and previous fiscal year.

	2021	2020	Change	
			Dollar	Percentage
Net rental revenue	\$ 221,703	\$ 214,033	\$ 7,670	3.6%
Operating grants and subsidies	336,194	346,748	(10,554)	(3.0%)
Other operating revenues	3,591	20,943	(17,352)	(82.9%)
Total operating revenues	561,488	581,724	(20,236)	(3.5%)
Depreciation expense	(20,505)	(29,346)	8,841	(30.1%)
Housing Assistance Payments	(104,081)	(104,282)	201	(0.2%)
Other operating expenses	(380,897)	(446,394)	65,497	(14.7%)
Total operating expenses	(505,483)	(580,022)	74,539	(12.9%)
Operating Income (Loss)	56,005	1,702	54,303	(>100%)
Investment income	1,193	7,803	(6,610)	(84.7%)
Interest expense	-	-	-	0.0%
Other non-operating items	-	-	-	0.0%
Income (Loss)	57,198	9,505	47,693	(>100%)
Special items	-	-	-	0.0%
Net operating transfers	-	-	-	0.0%
Capital contributions	-	-	-	0.0%
Change in Net Position	\$ 57,198	\$ 9,505	\$ 47,693	(>100%)

Revenues

Other operating revenue decreased by \$17k or 83% from FY20 to FY21, primarily due to a reduction in port-in voucher administrative fees. Also attributable to the decrease was a reduction in non-rent related tenant charges.

Expenses

Other operating expenses decreased by \$65k or 14.7% from FY20 to FY21, primarily due to a reduction in ordinary maintenance and operation expenses incurred. Lower maintenance labor and contract costs attributed to a \$67k reduction of this expense line item.

HOUSING AUTHORITY OF THE CITY OF NEEDLES
Management's Discussion and Analysis (Required Supplemental Information – Unaudited)
June 30, 2021

CAPITAL ASSETS

As of June 30, 2021, the Authority's investment in capital assets totaled \$159,646, net of depreciation. This investment includes land, buildings, equipment, and vehicles. This amount represents a net decrease of \$14,330 or (8%) from the previous fiscal year, as a result of current year additions not exceeding the current year depreciation of \$20,505.

	2021	2020	Change	
			Dollar	Percentage
Land	\$ 2,381	\$ 2,381	\$ -	0%
Construction in progress	-	-	-	0%
Buildings and improvements	3,147,354	3,198,940	(51,586)	(2%)
Equipment and furnishings	81,618	81,618	-	0%
Accumulated depreciation	(3,071,707)	(3,108,963)	37,256	(1%)
Net Capital Assets	\$ 159,646	\$ 173,976	\$ (14,330)	(8%)

DEBT ADMINISTRATION

The Authority currently carries no long-term debt.

ECONOMIC FACTORS

Significant economic factors affecting us are as follows:

- § Federal funding by the Department of Housing and Urban Development.
- § Local labor supply and demand, which can affect salary and wage rates.
- § Local inflation, recession, and employment trends, which can affect resident incomes and therefore the amount of rental income.

FINANCIAL CONTACT

Our financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, please contact the Executive Director Julie Bigham.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Statement of Net Position

June 30, 2021

Assets and Deferred Outflows of Resources

Operating cash	\$ 621,560
Restricted cash	21,865
Total cash and equivalents	<u>643,425</u>
Net accounts receivable	2,823
Investments - operating	102,953
Total current assets	<u>749,201</u>
Capital assets, at cost	
Land	2,381
Buildings and improvements	3,147,354
Equipment and furnishings	81,618
Total acquisition costs	<u>3,231,353</u>
Less: accumulated depreciation	<u>(3,071,707)</u>
Net capital assets	<u>159,646</u>
Total non-current assets	<u>159,646</u>
Total assets	<u>908,847</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 908,847</u>

Liabilities, Deferred Inflows of Resources, and Net Position

Accounts payable	\$ 9,508
Deposits held in trust, contra	11,150
Accrued wages payable	65
Accrued vacations payable, current portion	2,254
Total current liabilities	<u>22,977</u>
Total liabilities	<u>22,977</u>
Net investment in capital assets	159,646
Restricted net position	10,715
Unrestricted net position	715,509
Total net position	<u>885,870</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 908,847</u>

See accompanying notes.

HOUSING AUTHORITY OF THE CITY OF NEEDLES
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2021

Tenant rental revenue, net of collection losses	\$ 221,703
Operating grants and subsidies	336,194
Other revenue	<u>3,591</u>
Total operating revenues	<u>561,488</u>
Administrative	172,035
Utilities	68,028
Ordinary maintenance and operations	132,169
Protective services	1,043
Insurance premiums	7,622
Housing Assistance Payments	104,081
Depreciation	<u>20,505</u>
Total operating expenses	<u>505,483</u>
Operating income (loss)	56,005
Investment income	<u>1,193</u>
Total non-operating revenues (expenses)	<u>1,193</u>
Change in Net Position	<u>\$ 57,198</u>
Net position, beginning of year	\$ 828,672
Change in net position	<u>57,198</u>
Net Position, End of Year	<u>\$ 885,870</u>

See accompanying notes.

HOUSING AUTHORITY OF THE CITY OF NEEDLESStatement of Cash Flows
Year Ended June 30, 2021

Cash receipts from tenants	\$ 221,059
Cash receipts from grants	334,312
Cash payments for Housing Assistance Payments	(104,081)
Cash payments to suppliers for goods and services	(171,238)
Cash payments for wages and benefits	(208,442)
Other cash payments and receipts	<u>3,591</u>
Net cash from operating activities	<u>75,201</u>
Acquisition and construction of capital assets	<u>(6,175)</u>
Net cash from capital and related financing activities	<u>(6,175)</u>
Net change in cash and equivalents	69,032
Cash at beginning of period	<u>574,393</u>
Cash at End of Period	<u>\$ 643,425</u>
<i>Reconciliation of cash to the statement of net position:</i>	
Cash and equivalents - operating	\$ 621,560
Restricted cash and equivalents	<u>21,865</u>
Total Cash and Equivalents	<u>\$ 643,425</u>
Reconciliation of operating income (loss) to net cash from operating activities:	
Operating income (loss)	\$ 56,005
Adjustments to reconcile operating income (loss) to net cash from operating activities:	
Depreciation	20,505
Changes in operating assets and liabilities:	
Accounts receivable	2,060
Accounts payable	1,152
Accrued wages and benefits	65
Deposits held in trust, contra	(200)
Unearned revenues	<u>(4,386)</u>
Net Cash from Operating Activities	<u>\$ 75,201</u>

See accompanying notes.

NOTE 01 - NATURE OF BUSINESS AND ORGANIZATION

The Housing Authority of the City of Needles (Authority) was established in 1942, under the U.S. Housing Act of 1937, and the State of California Housing Authority Law of 1938. The Authority is a nonprofit government agency which is chartered by the State of California to administer the development, rehabilitation or financial of affordable housing programs. The area of jurisdiction of the Authority is the City of Needles.

The primary mission of the Authority is to assist low and moderate-income families, including elderly and disabled persons, by operating programs which provide them decent, safe, and sanitary housing at affordable costs.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-income housing programs in the United States. Accordingly, HUD has contracted with the Authority to administer certain HUD funds.

Our operations are comprised of the Housing Choice Voucher Program. This program is designed to aid very low-income families in obtaining decent, safe, and sanitary rental housing. We administer contracts with independent landlords that own property and rent that property to families that have applied for housing assistance. We subsidize the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable us to structure a lease that sets the participants' rent at 30% of household income.

Additionally, our operations are comprised of the Low Rent Housing Program. This program is designed to provide very low-income families in obtaining decent, safe, and sanitary rental housing. operates The Low Rent Housing Program operates the Authority's own rental housing units subsidized by HUD through an Annual Contributions Contract (ACC). Funding is provided by tenant rent payments and subsidies provided by HUD based upon a formula that takes into consideration factors such as: prior formula funding, population of the area, number of dwelling units, bedroom sizes, building height and building age, utility costs, and rental income.

The Low Rent Housing Program is supplemented by the Capital Fund Program. The purpose of this program is to utilize funds granted by HUD for remodeling and upgrading the facilities in the Low Rent Housing Program, as well as to support overall operations. These grant funds are authorized by HUD each year but can be spent over the course of several years.

Reporting Entity

As described in GASB Statement No. 34, paragraph 134, the Authority is considered a primary government and meets the definition of a Special Purpose Government ("SPG"). The Authority is a legally separate entity that is engaged in only business-type activities. Business-type activities are defined as activities that are financed in whole or in part by fees charged to external parties for goods or services. SPG's engaged only in business-type activities are required to present only the financial statements required for proprietary funds, which includes Management's Discussion and Analysis ("MD&A"), basic financial statements, and Required Supplemental Information ("RSI"). All inter-program activities have been eliminated in these financial statements.

We are an independent agency, with operations separate from those of the City of Needles (City). Our obligations, including loans through direct borrowing or the sale of bonds, are not obligations of the City. The City provides us no funding. Additionally, the City does not hold title to any of our assets, nor does it have any right to our surpluses. The City does not have the ability to exercise influence over our daily operations or approve our budgets.

NOTE 02 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accrual Basis of Accounting

The financial statements are presented using the accrual basis of accounting with an economic resources measurement focus. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. As permitted by accounting principles generally accepted in the United States of America (GAAP), the Authority has elected to apply all relevant Government Accounting Standards Board (GASB) pronouncements.

The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from grant agreements, providing services, and producing and delivering goods in connection with the ongoing principal operations. The principal operating revenues of the Authority include program specific grants, rental income from tenants of the various housing projects. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles as applied to governmental units requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, demand deposits at financial institutions, investments in Money Market funds, and Certificates of Deposit.

Restricted Cash

Restricted cash consists of cash set aside by HUD for the Housing Choice Voucher Program, reserves, and escrows, as well as other cash and investments that are restricted for specific purposes.

Accounts Receivable from Tenants

Accounts receivable consists of all amounts earned at year end and not yet received. Allowances for uncollectible accounts are based upon historical trends and periodic aging of accounts receivable.

In accordance with Governmental Accounting Standards Board Statement No. 34, revenues in proprietary funds should be reported as net of all related allowances, which include amounts pertaining to uncollectible accounts. Therefore, the increase and decrease in the estimate of uncollectible accounts should be reported net of revenue instead of bad debt expense. The Authority reported no bad debt expense for the year ended June 30, 2021.

Capital Assets

Capital assets purchased or acquired with an original cost of \$1,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation of exhaustible capital assets is charged as an expense against operations utilizing the straight-line method. Accumulated depreciation is reported on the Statement of Net Position.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Notes to Financial Statements

The estimated useful lives for each major class of depreciable fixed assets are as follows:

Building	20 - 50 years
Vehicles and other equipment	5 - 7 years
Computers	5 years

Impairment of Capital Assets

The Authority reviews its capital assets for impairment whenever events or changes in circumstances indicate that there has been a decline in service utility that is large in magnitude and outside of the normal life cycle of the capital asset being evaluated. As of June 30, 2021, there has been no impairment of the capital assets.

Tenant Security Deposits

Security deposits consist of amounts held in trust with the Authority in order for tenants to secure apartment leases.

Compensated Absences

Compensated absences are absences for which employees will be paid, i.e., vacation and other approved leaves, with the exception of those employees that are terminated on grounds of gross misconduct. The Authority accrues the liability for those absences for which the employee has earned the rights to the benefits. Accrued amounts are based on the current salary rates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority currently does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority currently does not have any items that qualify for reporting in this category.

Unearned Revenue

Unearned revenues, if any, consist of rental payments made by tenants in advance of their due date, and rental supplements to be paid to owners of private dwellings during the first month of the next fiscal year.

Income Taxes

The Authority is not subject to federal or state income taxes.

Leasing Activities

We are the lessor of dwelling units to eligible residents. The rents under the leases are determined generally by the residents' income as adjusted for eligible deductions regulated by HUD, although the residents may opt for a flat rent. Leases may be cancelled at any time or renewed annually. We may cancel the leases only for a cause. Revenues associated with these leases are reported in the accompanying financial statements and related schedules within dwelling rent revenue.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Notes to Financial Statements

Net Position

In the statement of net position, equity is classified as net position and displayed in three components: (1) Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balance of any notes or other borrowings attributable to those capital assets. (2) Restricted net position consists of assets with constraints placed on the use either by external groups, such as grantors or laws and regulations of other governments, or law through constitutional provisions or enabling legislation. (3) Unrestricted net position – All other assets that do not meet the definition of “restricted” or “net investment in capital assets”.

When both restricted and unrestricted net positions are available for use, generally it is our policy to use restricted resources first.

Fair Value Measurements

Generally Accepted Accounting Principles 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 quoted prices (unadjusted) for identical assets and liabilities in active markets that a government can access at the measurement date, Level 2 inputs consist of inputs other than quoted prices that are observable for an asset or liability, either directly or indirectly, and Level 3 inputs that have the lowest priority and consist of unobservable inputs for an asset or liability. The Authority’s investments have been measured using Level 1 inputs.

Investment Policy

Our investment policy, HUD and the California Government Code do not address legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law. 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 such deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Authorized Investments

Investments of the Authority are limited to investment types prescribed by HUD in PIH Notice 1996-33 or as amended by future HUD notices.

Additionally, the Authority limits investment types to those that are authorized in accordance with Section 53601 of the California Government Code.

Subsequent Events

We evaluated subsequent events through June 30, 2021, the date these financial statements were issued.

Subsequent to year end, the City of Needles City Council assumed the Board of Commissioners role for the Authority by passage of a City Resolution on February 15, 2023, in accord with the California Health and Safety Code section 34290. As a result, the Authority will be considered a component unit of the City.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Notes to Financial Statements

NOTE 03 - RESTRICTED CASH

Restricted cash was comprised of the following as of yearend:

Tenant security deposits	\$ 11,150
Restricted cash with offsetting liabilities	<u>11,150</u>
Cash balances associated with the HCV HAP equity	<u>10,715</u>
Restricted cash reflected in restricted net position	<u>10,715</u>
Total Restricted Cash and Equivalents	<u>\$ 21,865</u>

NOTE 04 - ACCOUNTS RECEIVABLE

The following provides a breakdown of accounts receivables as of yearend:

Receivables from HUD	\$ 79
Tenant receivables	1,420
Allowance for doubtful accounts - tenants	<u>(70)</u>
Net tenant receivables	<u>1,350</u>
Fraud recovery receivables	<u>1,394</u>
Net fraud recovery receivables	<u>1,394</u>
Net Accounts Receivable	<u>\$ 2,823</u>

NOTE 05 - CAPITAL ASSETS

A summary of the Capital Asset activity for the year ended June 30, 2021, is provided below:

	6/30/20	Additions	Deletions	6/30/21
Non-Depreciable				
Land	\$ 2,381	\$ -	\$ -	\$ 2,381
	<u>2,381</u>	<u>-</u>	<u>-</u>	<u>2,381</u>
Depreciable				
Buildings and improvements	3,198,940	6,175	(57,761)	3,147,354
Equipment and furnishings	81,618	-	-	81,618
	<u>3,280,558</u>	<u>6,175</u>	<u>(57,761)</u>	<u>3,228,972</u>
Total acquisition costs	3,282,939	6,175	(57,761)	3,231,353
Accumulated depreciation	<u>(3,108,963)</u>	<u>(20,505)</u>	<u>57,761</u>	<u>(3,071,707)</u>
Net Capital Assets	<u>\$ 173,976</u>	<u>\$ (14,330)</u>	<u>\$ -</u>	<u>\$ 159,646</u>

All land and buildings of the Public Housing Program are encumbered by a Declaration of Trust in favor of the United States of America as security for obligations guaranteed by the federal government and to protect other interests of the federal government.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Notes to Financial Statements

NOTE 06 - NET POSITION

Net investment in capital assets as of yearend consists of the following:

Land	\$ 2,381
Buildings and improvements	3,147,354
Equipment and furnishings	81,618
Less:	
Accumulated depreciation	<u>(3,071,707)</u>
Net Investment in Capital Assets	<u>\$ 159,646</u>

Restricted net position as of yearend consists of the following:

Restricted cash and equivalents	\$ 21,865
Less:	
Tenant security deposit, contra	<u>(11,150)</u>
Restricted Net Position	<u>\$ 10,715</u>

NOTE 07 - PENSION PLAN

The Authority contributes to the Aergon Transamerica Annuity Retirement Plan, a defined contribution pension plan, for its full-time employees.

Benefit terms, including contribution requirements, for Authority are established and may be amended by the Needles Housing Authority Board of Commissioners. For each employee in the pension plan, the Authority is required to contribute 10 percent of their annual salary, exclusive of overtime pay to an individual employee account. Employees are permitted to make contributions to the pension plan, up to applicable Internal Revenue Code limits. For the year ended June 30, 2021, employee contributions totaled \$0, and the Authority recognized pension expense of \$11,294.

Employees are immediately vested in their own contributions and earnings on those contributions and become vested in Authority contributions and earnings on Authority contributions after completion of 12 months of creditable service with the Authority. There are no non-vested contributions made by the Authority and therefore no forfeitures.

The Authority has made all required contributions for the year ended June 30, 2021. There are no liabilities related to the pension contributions.

NOTE 08 - BUSINESS RISKS AND CONCENTRATIONS

Concentration – Major Contributor

For the year ended June 30, 2021, approximately 60% of operating revenues reflected in the financial statements are from HUD. The Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress, or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related costs and the additional administrative burden to comply with the changes.

Risk Management

The Authority is exposed to various risk of losses related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Claims liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. There were no claims in excess of commercial coverage during the previous three years. These losses include an estimate of claims that have been incurred but not reported. At June 30, 2021, there were no liabilities to be reported.

As of June 30, 2021, the Authority was a participating member of the Housing Authorities Risk Retention Pool (HARRP), a risk-management pool, which provides the following coverage: property; general liability; official's liability; auto liability; employee liability for dishonesty or forgery; and employee liability for theft, disappearance and destruction.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Our policy is to manage this exposure to declines in fair values by limiting the weighted average maturity of its investments portfolio.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. It is our policy to follow the HUD regulations by only having direct investments and investments through mutual funds to direct obligations, guaranteed obligations, or obligations of the agencies of the United States of America.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, our deposits may not be returned. Our policy for custodial credit risk requires collateral to be held in our name by its agent or by the bank's trust department.

NOTE 09 - CONTINGENCIES AND COMMITMENTS

Government Examinations

The Authority is subject to possible examinations made by Federal and State authorities who determine compliance with terms, conditions, laws, and regulations governing other grants given to the Authority in the current and prior years.

Construction Contracts

During the normal course of business, the Authority is engaged in various construction contracts for rehabilitation and modernization of various properties owned by the Authority.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Program Title	ALN	Cluster Title	Award Type	Pass-Through No.	Expenditures	Amounts Passed Through to Sub-Recipients
Section 8 Housing Choice Vouchers	14.871	HVC	Direct		\$ 128,532	\$ -
COVID-19 Section 8 Housing Choice Vouchers	14.871	HVC	Direct		11,928	-
<i>Total Section 8 Housing Choice Vouchers</i>					<u>140,460</u>	<u>-</u>
Public and Indian Housing	14.850		Direct		<u>195,734</u>	<u>-</u>
Total Federal Financial Assistance					<u><u>\$ 336,194</u></u>	<u><u>\$ -</u></u>
<i>Federal Grantor:</i>						Expenditures
US Department of Housing and Urban Development						<u>\$ 336,194</u>
Total Federal Financial Assistance						<u><u>\$ 336,194</u></u>
<i>Cluster Title:</i>						Expenditures
Housing Voucher Cluster						<u>\$ 140,460</u>
<i>Award Type:</i>						Expenditures
Direct						<u>\$ 336,194</u>
Total Federal Financial Assistance						<u><u>\$ 336,194</u></u>

NOTE 01 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal awards activity of the Authority under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operation of the Authority, it is not intended to and does not present the financial position, changes in net positions, or cash flows of the Authority.

NOTE 02 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The expenditures on the Schedule are reported on an accrual basis of accounting, such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited for reimbursement.

NOTE 03 - INDIRECT COST RATE

The Authority has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Statement and Certification of Actual Costs

Year Ended June 30, 2021

1. The Actual Costs of the Authority was as follows:

Grant	Funds Approved	Funds Disbursed	Funds Expended	Balance
CA16P022501-18	\$ 119,358	\$ -	\$ -	\$ 119,358
CA16P022501-19	\$ 123,997	\$ -	\$ -	\$ 123,997
CA16P022501-20	\$ 133,733	\$ -	\$ -	\$ 133,733
CA16P022501-21	\$ 138,738	\$ -	\$ -	\$ 138,738

2. The distribution of costs as shown on the Financial Statement of Costs accompanying the Actual Cost Certificate submitted to HUD for approval, is in agreement with the Authority's records.
3. For the above completed grants, all costs have been paid and all related liabilities have been discharged through payment.

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

To the Governing Body of
Housing Authority of the City of Needles

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the City of Needles (Authority), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 29, 2023.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item(s) 2021-001, 2021-002, 2021-003, 2021-004 that we consider to be significant deficiencies.



REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying *schedule of findings and questioned costs* as item(s) 2021-003.

AUTHORITY'S RESPONSE TO FINDINGS

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Their response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

PURPOSE OF THIS REPORT

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

March 29, 2023
Redlands, CA

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Schedule of Findings and Questioned Costs

Year Ended June 30, 2021

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

- | | | |
|--|-----------------------|------------------------|
| 1. Type of Auditor Report on the financial statements: | <div>Unmodified</div> | |
| 2. Internal control over financial reporting: | | |
| a. Material weakness(es) identified? | <div></div> Yes | <div>x</div> No |
| b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | <div>x</div> Yes | <div></div> None noted |
| 3. Noncompliance material to financial statements? | <div></div> Yes | <div>x</div> No |

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding 2021-001

Significant Deficiency in Internal Controls over Cash Disbursements – Missing Invoice(s)

Criteria: The Uniform Financial Reporting Standards (UFRS), at 24 CFR 5.801, require Authorities operating expenses to be supported by verifiable audit evidence.

Condition and Context: During the audit for the year ended June 30, 2021, it was discovered that controls over cash disbursements were not operating in compliance with the above stated criteria. Out of 40 selections, 1 invoice for vendor disbursements were not able to be located. We tested a total amount of \$21,038.92 in disbursements and the total of missing invoice amounted to \$576.

Effect or Potential Effect: Unlocated invoices may raise alarms regarding the validity and accuracy of certain expenses incurred by the Authority. If desired, HUD may perform an examination of all cash disbursements and disallow any costs for which invoices are missing and recuperate, from the Authority, an amount of money equal to the disallowed costs.

Cause: Lack of consistency regarding the storage of documentation for cash disbursements.

Recommendation: Management and the Board should develop procedures that ensure they have proper storage over files and supporting documentation associated with the cash disbursements. In response to the identified risks, consideration should be given to identifying and implementing controls that could help mitigate the risks associated with missing invoices, such as further developing the filing system to provide for the storage of invoices and other supporting documentation related to cash disbursements.

Views of Responsible Official(s): Management agrees with the finding and have outlined a plan of action in the Corrective Action Plan section of this report.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Schedule of Findings and Questioned Costs

Year Ended June 30, 2021

Finding 2021-002

Significant Deficiency in Internal Controls over Board Minutes – Missing Signature(s)

Criteria: California Government Code Section 54953: This law requires local government bodies, such as city councils and school boards, to keep minutes of their meetings.

The Public Housing Program (24 CFR Part 903) require public housing agencies to keep minutes of their board meetings, which must include certain information such as the date, time, location, and actions taken at the meeting. These minutes must be made available for public inspection and kept on file for at least three years.

The Housing Choice Voucher Program (24 CFR Part 982) require public housing agencies to keep records of all board meetings, including any resolutions, motions, or other official actions taken. These records must be retained for at least six years.

To ensure the authenticity and accuracy of the minutes, it is customary for the minutes to be signed by the person who presided over the meeting (usually the chairperson) and the person who recorded the minutes (usually the secretary or a designated note-taker).

By signing the minutes, the participants acknowledge that they have reviewed and approved the accuracy of the minutes. This also helps to establish the official record of what was discussed and agreed upon during the meeting, which can be important in legal disputes or audits. Additionally, signing the minutes can help to discourage any unauthorized changes or alterations to the record.

Condition and Context: We noted multiple instances where the minutes of the board meeting were not signed.

Effect or Potential Effect: Not signing board minutes can have negative effects and consequences for an organization, including: (1) Lack of Authenticity: The signature of the presiding officer and the secretary on the minutes indicates that they have reviewed and approved the accuracy of the minutes. Without their signatures, the authenticity of the minutes can be called into question, which may lead to challenges or disputes about what was discussed or agreed upon during the meeting; (2) Legal Implications: Board minutes may be used as evidence in legal proceedings, such as in the case of a shareholder lawsuit or an audit by a regulatory agency. If the minutes are not signed, it may be more difficult to establish their authenticity and accuracy in court; (3) Compliance Issues: In some cases, not signing board minutes may be a violation of legal or regulatory requirements. For example, California Corporations Code Section 8320 requires corporations to keep minutes of meetings of the board and committees of the board, and failure to comply with this requirement can result in penalties or fines; and (4) Risk of Alterations: Without signatures, the minutes may be more susceptible to alterations or changes, either intentionally or accidentally. This can undermine the integrity of the minutes and lead to confusion or disputes about what actually occurred during the meeting.

Cause: The Executive Director at the time the minutes were recorded was solely responsible for signing them. The ED was continually absent, leaving many essential duties incomplete.

Recommendation: The Auditor recommends that the Board develop procedures that ensure that their board minutes are properly reviewed, approved, and signed to comply with all legal and regulatory requirements, and to maintain the integrity of their record-keeping.

Views of Responsible Official(s): Management agrees with the finding and have outlined a plan of action in the Corrective Action Plan section of this report.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Finding 2021-003

Noncompliance and Significant Deficiency in Internal Controls over Reporting – Missed REAC Deadlines

Criteria: The Uniform Financial Reporting Standards (UFRS), at 24 CFR 5.801, require Authorities to file an audited submission to the Real Estate Assessment Center (REAC) no later nine months after fiscal year end.

Condition and Context: During the audit for the year ended June 30, 2021, we noted that neither the unaudited nor the audited REAC submissions had been filed.

Effect or Potential Effect: Failure to report timely can have several negative effects, including: (1) Loss of funding: Non-compliance with federal grant requirements can result in the loss of future funding opportunities or even the revocation of existing funding; (2) Damage to reputation: Failure to comply with federal grant requirements can damage the organization's reputation and lead to a loss of public trust; (3) Audit findings: Non-compliance can result in increased scrutiny and potential sanctions from grantor agencies; and (4) Delayed funding: Failure to timely report financial information can delay the release of future grant funds.

Cause: The Executive Director at the time was solely responsible for submitting the information to REAC and coordinating the audit. The ED was continually absent, leaving many essential duties incomplete.

Recommendation: To correct the issue of missing reporting deadlines, the Auditor has the following recommendations: (1) Develop a reporting calendar: Create a reporting calendar that includes all reporting deadlines, the required documents, and the person responsible for submitting the reports. The calendar should be shared with all relevant staff and regularly updated; (2) Assign clear responsibilities: Assign clear responsibilities for each reporting task and ensure that staff understand their roles and deadlines. Consider designating a point person to oversee the reporting process and monitor progress; (3) Establish a reporting process: Develop a reporting process that outlines the steps required to complete and submit reports, including who needs to be involved, what information is needed, and how the report will be reviewed and approved; (4) Provide training and resources: Provide training and resources to staff to help them understand the reporting requirements and how to prepare and submit reports. This can include training sessions, webinars, and written guidance; and (5) Monitor progress and address issues: Regularly monitor progress and address any issues that arise. If deadlines are missed, determine the cause, and develop strategies to prevent similar issues in the future.

Views of Responsible Official(s): Management agrees with the finding and have outlined a plan of action in the Corrective Action Plan section of this report.

Finding 2021-004

Significant Deficiency in Internal Controls over Financial Reporting - Bank Reconciliations

Criteria: The Authority is mandated to adhere to the Generally Accepted Accounting Principles of the United States (GAAP) when reporting financial information. GAAP prescribes a specific set of rules that must be followed to ensure consistency, relevance, reliability, and comparability of financial information reported by the Authority.

Condition and Context: During the audit for the year ended June 30, 2021, it was discovered that monthly bank reconciliations were not being performed.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Schedule of Findings and Questioned Costs

Year Ended June 30, 2021

Effect or Potential Effect: The potential negative effects of not doing bank reconciliations can be significant and may include: (a) Inaccurate financial reporting: Without regular bank reconciliations, errors and discrepancies in financial records may go undetected, leading to inaccurate financial reporting. This could result in misstated financial statements and mismanagement of funds; (2) Fraudulent activity: Failure to reconcile bank accounts on a regular basis may provide an opportunity for fraudulent activity to go undetected. Reconciling bank accounts can help identify discrepancies or suspicious transactions that may indicate fraudulent activity; (3) Cash flow problems: Without timely bank reconciliations, cash flow problems may go unnoticed, leading to a lack of funds to cover expenses or pay bills on time. This could result in penalties, interest charges, and damage to the organization's credit rating; (4) Loss of funding: Inaccurate financial reporting may result in a loss of funding due to a lack of trust in the organization's financial management and reporting practices; and (5) Legal and regulatory issues: Failure to reconcile bank accounts in a timely manner may result in legal and regulatory issues, such as noncompliance with financial reporting requirements.

Cause: The Executive Director at the time was solely responsible for preparation of bank reconciliations. The ED was continually absent, leaving many essential duties incomplete. Furthermore, there was a lack of cross-training, communication, and resources within the organization.

Recommendation: The Auditor makes the following recommendations to remedy the issue: (1) Cross-Train Employees: To prevent a single point of failure, cross-training employees in the organization on bank reconciliation processes would ensure that there are backup personnel available to perform this task in the absence of the primary employee; (2) Develop Clear Processes and Procedures: Develop clear processes and procedures for bank reconciliation tasks, including guidelines for the frequency of reconciliations, deadlines, and responsibilities. These processes and procedures should be communicated effectively to all employees to ensure they understand the importance of timely bank reconciliations; (3) Establish a Backup Plan: Establish a backup plan in the event that the primary employee responsible for bank reconciliations is absent. This could involve delegating the task to another employee or hiring temporary personnel to perform the task; (4) Ensure Adequate Resources: Ensure that employees responsible for bank reconciliations have access to the necessary resources to perform the task, such as access to software, systems, and financial data; and (5) Monitor Progress: Monitor progress on bank reconciliation tasks and ensure that deadlines are met. This could involve setting up automated alerts and reminders to notify employees of upcoming deadlines or missed reconciliations.

Views of Responsible Official(s): Management agrees with the finding and have outlined a plan of action in the Corrective Action Plan section of this report.

THE HOUSING AUTHORITY OF THE CITY OF NEEDLES, CALIFORNIA

908 Sycamore Drive • Needles, California 92363
Telephone (760) 326-3222 • Fax (760) 326-2741 • TDD (760) 326-5868
nha@citlink.net

CORRECTIVE ACTION PLAN

Name of auditee: Housing Authority of the City of Needles

Name of audit firm: Smith Marion and Co. Inc.

Period covered by the audit: Year Ended June 30, 2021

CAP Prepared by

Name: Julie Bigham

Position: Executive Director

Telephone Number: (760) 326-3222

Current Findings on the Schedule of Findings, Questioned Costs, and Recommendations.

Finding 2021-001

a. Comments on the Finding and Each Recommendation:

The Authority concurs with the finding.

b. Action(s) Taken or Planned on the Finding:

The Executive Director overseeing this process resulting in the finding has since been replaced. A process is now in place to ensure that invoices and/or supporting documentation is retained for all payments made by the Authority.

Finding 2021-002

a. Comments on the Finding and Each Recommendation:

The Authority concurs with the finding.

b. Action(s) Taken or Planned on the Finding:

The Executive Director overseeing this process resulting in the finding has since been replaced. A process is now in place to ensure that board minutes are signed in a timely manner.

THE HOUSING AUTHORITY OF THE CITY OF NEEDLES, CALIFORNIA

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nha@citilink.net

Finding 2021-003

a. Comments on the Finding and Each Recommendation:

The Authority concurs with the finding.

b. Action(s) Taken or Planned on the Finding:

The Executive Director overseeing this process resulting in the finding has since been replaced. A process is now in place to ensure that the required REAC submissions are completed in a timely manner.

Finding 2021-004

a. Comments on the Finding and Each Recommendation:

The Authority concurs with the finding.

b. Action(s) Taken or Planned on the Finding:

The Executive Director overseeing this process resulting in the finding has since been replaced. A process is now in place to ensure that bank reconciliations are completed routinely and in a timely manner.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Status of Prior Audit Findings

Year Ended June 30, 2021

Financial Statement Findings:

Prior Year Findings No.	Findings Title	Status/Current Year Finding No.
N/A	There were no prior findings reported.	N/A



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☐ SARDA ☒ Regular ☐ Special

Meeting Date: MAY 23, 2023

Title: Warrants

Background: n/a

Fiscal Impact: n/a

Recommended Action: APPROVE, the Warrants Register through MAY 23, 2023.

Submitted By: Barbara DiLeo, Sr. Accountant

City Management Review: *Barbara DiLeo* **Date:** 5/17/2023

Approved: ☐

Not Approved: ☐

Tabled: ☐

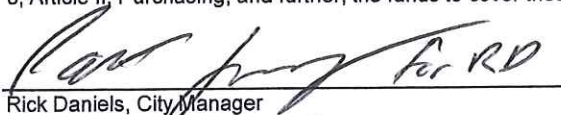
Other: ☐

Agenda Item: 7

**CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR MAY 05, 2023**

FUND 101	GENERAL FUND	\$	7,568.35	FUND AMT.	559/2023	22-23 BUDGET
101.1015.412	CITY ATTORNEY	\$	-		\$ 52,629.40	\$ 80,000.00
101.1020.413	CITY MANAGER	\$	158.20		\$ 154,906.77	\$ 219,507.00
101.1025.415	FINANCE DEPT.	\$	13,888.53		\$ 482,514.63	\$ 698,085.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$	283.69		\$ 209,277.39	\$ 291,344.00
101.1035.416	PLANNING /ZONING	\$	212.45		\$ 214,972.79	\$ 373,159.00
101.1040.417	ENGINEERING	\$	370.33		\$ 239,840.81	\$ 361,425.00
101.1060.410	COMMUNITY PROMOTIONS	\$	-		\$ 36,503.51	\$ 51,552.00
101.1070.410	SENIOR CENTER	\$	-		\$ 39,005.08	\$ 59,457.00
101.2010.421	SHERIFF	\$	-		\$ 2,879,216.87	\$ 3,483,367.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$	104.69		\$ 164,706.66	\$ 233,027.00
101.2025.424	BUILDING & SAFETY	\$	331.41		\$ 267,586.36	\$ 608,738.00
101.2030.423	CODE ENFORCEMENT	\$	662.95		\$ 531,258.37	\$ 696,985.00
101.3010.431	PUBLIC WORKS	\$	508.89		\$ 578,625.93	\$ 849,743.00
101.4730.472	SANITATION	\$	52.34		\$ 135,892.01	\$ 166,600.00
101.5770.452.	AQUATICS	\$	-		\$ 113,723.64	\$ 194,192.00
101.5772.452	PARKS	\$	558.91		\$ 471,018.43	\$ 658,491.00
101.5773.452	JACK SMITH PARK MARINA	\$	168.73		\$ 73,549.52	\$ 107,923.00
101.5774.452	RECREATION	\$	1,007.67		\$ 898,065.57	\$ 371,884.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS			\$ 25,877.14		\$ 9,505,479.00
FUND 102	GEN. FUND CAPITAL PROJECT			\$ -	\$ 1,734,190.06	\$ 4,992,512.00
FUND 205	CDBG			\$ -	\$ 6,580.00	\$ 42,692.00
FUND 206	CEMETERY			\$ 220.12	\$ 127,873.69	\$ 202,270.00
FUND 208	CALTRANS GRANTS			\$ -	\$ 343,959.46	\$ 311,377.00
FUND 210	SPECIAL GAS TAX			\$ -	\$ 128,190.00	\$ 272,365.00
FUND 213	DEPT OF HOUSE. & COMM DEVL			\$ -	\$ 30,815.91	\$ 30,000.00
FUND 214	SANBAG NEW LOCAL MEAS I			\$ -	\$ -	\$ 450,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL			\$ -	\$ 140,108.83	\$ 251,497.00
FUND 233	JACK SMITH PARK MARINA			\$ -	\$ 5,807.60	\$ 13,733.00
FUND 238	STATE RECREATION GRANTS			\$ -	\$ 772,322.61	\$ 3,899,640.00
FUND 239	CA.CONSERV RECYCLING GRANT			\$ -	\$ 2,019.34	\$ 25,526.00
FUND 270	REDEVELOPMENT AGENCY			\$ 98.47	\$ 54,165.49	\$ 287,664.00
FUND 470	RDA CAP PROJ.LOW & MOD.			\$ -	\$ 119,637.96	\$ 300,000.00
FUND 501	NPUA			\$ -	\$ 2,234,858.04	\$ 2,601,074.00
FUND 502	WATER DEPARTMENT			\$ 3,292.91	\$ 1,442,364.21	\$ 1,938,399.00
FUND 503	WASTEWATER DEPARTMENT			\$ 2,590.09	\$ 1,008,199.25	\$ 1,241,325.00
FUND 505	SANITATION			\$ -	\$ 1,131,742.49	\$ 1,458,897.00
FUND 506	ALL AMERICAN CANAL PROJ.			\$ 91.43	\$ 931,771.40	\$ 1,041,800.00
FUND 507	GOLF FUND	\$	-		\$ -	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$	76.05		\$ 466,090.11	\$ 641,632.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$	135.04		\$ 308,379.53	\$ 370,454.00
FUND 507	GOLF FUND TOTAL			\$ 211.09		
FUND 508	CUST.SVC/UT BUSINESS OFFICE			\$ 508.09	\$ 300,033.76	\$ 455,807.00
FUND 509	MIS			\$ -	\$ 254,979.19	\$ 257,370.00
FUND 510	ADMIN. FACILITY			\$ 2,049.83	\$ 222,897.82	\$ 414,950.00
FUND 511	FLEET MANAGEMENT			\$ 276.25	\$ 190,402.97	\$ 281,078.00
FUND 512	VEHICLE REPLACEMENT			\$ -	\$ 15,352.27	\$ 15,352.27
FUND 520	SR DIAL A RIDE			\$ -	\$ 177,670.01	\$ 250,098.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.			\$ -	\$ 14,271.57	\$ 22,274.00
FUND 525	NEEDLES AREA TRANSIT (NAT)			\$ -	\$ 336,669.54	\$ 614,438.00
FUND 580	ELECTRIC			\$ 6,673.95	\$ 9,966,404.66	\$ 12,406,721.00
FUND 581	NPUA CAPITAL ELECTRIC			\$ -	\$ 1,728,417.30	\$ 1,956,822.00
FUND 582	NPUA CAPITAL WATER			\$ -	\$ 1,900,998.04	\$ 11,236,959.00
TOTAL	ALL FUNDS & DEPARTMENTS			\$ 41,889.37	\$ 33,640,466.85	\$ 57,790,205.27

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are included within the City

 Rick Daniels, City Manager
Date 5/17/2023

 Virginia Tasker, City Treasurer
Date 5-16-2023

 Sylvia Miledi, Director of Finance
Date 5/5/23

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/ TAKEN	RETAINAGE
17998	4022	00	BENEFIT COORDINATORS CORPORATION	05/05/2023	3,221.80		.00
17999	3286	00	COLONIAL LIFE	05/05/2023	3,132.66		.00
18000	3812	00	FECHTER & COMPANY, CPAS	05/05/2023	16,700.00		.00
18001	1296	00	FRONTIER	05/05/2023	4,027.08		.00
18002	1305	00	GREAT WEST LIFE	05/05/2023	5,844.00		.00
18003	3634	00	GREAT WEST LIFE & ANNUITY	05/05/2023	932.27		.00
18004	3593	00	HINDERLITER DE LLAMAS & ASSOCIATES	05/05/2023	250.00		.00
18005	2879	00	JENNIFER VALENZUELA	05/05/2023	495.00		.00
18006	3458	00	MUTUAL OF OMAHA	05/05/2023	3,984.79		.00
18007	4095	00	NHS STUDENT BODY	05/05/2023	200.00		.00
18008	1199	00	SBPEA TEAMSTERS LOCAL 1932	05/05/2023	1,015.68		.00
18009	1199	00	SBPEA TEAMSTERS LOCAL 1932	05/05/2023	527.91		.00
18010	1917	00	VIRGINIA TASKER	05/05/2023	750.00		.00
18011	1217	00	VISION SERVICE PLAN	05/05/2023	808.28		.00
NUMBER OF CHECKS				14	GRAND TOTAL	41,889.47	

PREPARED 05/04/2023, 8:21:22

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

PROGRAM: GM346L
CITY OF NEEDLES
BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

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ACCOUNTING PERIOD 2023/11
REPORT NUMBER 131

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
17998 4022 BENEFIT COORDINATORS CORP								
			005590		05/05/2023	101-1020-413.24-10	69.31	
			005591		05/05/2023	101-1025-415.24-10	308.29	
			005592		05/05/2023	101-1030-414.24-10	142.27	
			005593		05/05/2023	101-1035-416.24-10	52.30	
			005594		05/05/2023	101-1040-417.24-10	103.10	
			005595		05/05/2023	101-2025-424.24-10	92.20	
			005596		05/05/2023	101-2030-423.24-10	298.14	
			005597		05/05/2023	101-3010-431.24-10	204.42	
			005598		05/05/2023	101-4730-472.24-10	21.71	
			005599		05/05/2023	101-5772-452.24-10	280.54	
			005600		05/05/2023	101-5773-452.24-10	45.60	
			005601		05/05/2023	101-5774-452.24-10	82.08	
			005602		05/05/2023	206-5771-452.24-10	126.26	
			005603		05/05/2023	270-4631-463.24-10	36.48	
			005604		05/05/2023	502-4710-471.24-10	263.52	
			005605		05/05/2023	503-4720-475.24-10	156.90	
			005606		05/05/2023	506-4713-477.24-10	18.44	
			005607		05/05/2023	508-4810-478.24-10	125.90	
			005608		05/05/2023	511-3020-432.24-10	62.06	
			005609		05/05/2023	580-4750-473.24-10	732.28	
							3,221.80	*
								3,221.80
17999 3286 COLONIAL LIFE								
			005651		05/05/2023	101-0000-209.03-01	2,438.76	
			005652		05/05/2023	502-0000-209.03-01	115.92	
			005653		05/05/2023	503-0000-209.03-01	195.82	
			005654		05/05/2023	508-0000-209.03-01	168.80	
			005655		05/05/2023	580-0000-209.03-01	145.08	
			005656		05/05/2023	511-0000-209.03-01	68.28	
							3,132.66	*
								3,132.66
18000 3812 FECHTER & COMPANY, CPAS								
			PI0316	023115	05/05/2023	101-1025-415.31-49	12,191.00	
			PI0317	023115	05/05/2023	502-4710-471.31-49	1,336.00	
			PI0318	023115	05/05/2023	503-4720-475.31-49	1,336.00	
			PI0319	023115	05/05/2023	580-4750-473.31-49	1,837.00	
							16,700.00	*
								16,700.00
18001 1296 FRONTIER								
			005589		05/05/2023	101-5773-452.52-10	82.56	
			005589		05/05/2023	101-5774-452.52-10	97.82	
			005589		05/05/2023	101-5774-452.52-10	83.89	
			005589		05/05/2023	101-5774-452.52-10	98.34	
			005589		05/05/2023	502-4710-471.52-10	337.86	
			005589		05/05/2023	503-4720-475.52-10	318.49	
			005589		05/05/2023	503-4720-475.52-10	368.44	
			005589		05/05/2023	507-5761-453.52-10	76.05	
			005589		05/05/2023	507-5762-454.52-10	135.04	
			005589		05/05/2023	510-4410-405.52-10	946.02	
			005589		05/05/2023	510-4410-405.52-10	91.62	
			005589		05/05/2023	510-4410-405.52-10	228.85	
			005589		05/05/2023	510-4410-405.52-10	258.42	
			005589		05/05/2023	510-4410-405.52-10	524.92	

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ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

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CITY OF NEEDLES

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CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
18001	1296	FRONTIER	005589		05/05/2023	580-4750-473.52-10	378.76 4,027.08	* 4,027.08
18002	1305	GREAT WEST LIFE & ANNUITY	005576 005577 005578		05/05/2023 05/05/2023 05/05/2023	101-0000-209.03-01 502-0000-209.03-01 580-0000-209.03-01	3,430.00 410.00 2,004.00 5,844.00	* * * 5,844.00
18003	3634	GREAT WEST LIFE & ANNUITY	005565 005566 005567 005568 005570 005571 005572 005574 005575		05/05/2023 05/05/2023 05/05/2023 05/05/2023 05/05/2023 05/05/2023 05/05/2023 05/05/2023 05/05/2023	101-0000-209.03-01 101-0000-209.03-01 101-0000-209.03-01 101-0000-209.03-01 101-0000-209.03-01 580-0000-209.03-01 580-0000-209.03-01 580-0000-209.03-01 502-0000-209.03-01	43.12 194.13 24.27 213.04 46.50 174.52 60.36 127.83 48.50 932.27	* * * * * * * * * 932.27
18004	3593	HINDERLITER DE LLAMAS & A	005685		05/05/2023	101-1025-415.31-10	250.00	* 250.00
18005	2879	JENNIFER VALENZUELA	005558		05/05/2023	101-5774-452.49-01	495.00	* 495.00
18006	3458	MUTUAL OF OMAHA	005630 005631 005632 005633 005634 005635 005636 005637 005638 005639 005640 005641 005642 005643 005644 005645 005646 005647 005648 005649 005650		05/05/2023 05/05/2023	101-1020-413.24-10 101-1025-415.24-10 101-1030-414.24-10 101-1035-416.24-10 101-1040-417.24-10 101-2020-423.24-10 101-2025-424.24-10 101-2030-423.24-10 101-3010-431.24-10 101-4730-472.24-10 101-5772-452.24-10 101-5773-452.24-10 101-5774-452.24-10 206-5771-452.24-10 270-4631-463.24-10 502-4710-471.24-10 503-4720-475.24-10 506-4713-477.24-10 508-4810-478.24-10 511-3020-432.24-10 580-4750-473.24-10	71.00 322.20 104.25 143.81 230.19 104.69 210.35 284.75 254.42 26.38 212.24 31.42 125.05 71.11 55.67 534.17 140.75 67.84 154.57 96.33 743.60 3,984.79	* 3,984.79
18007	4095	NHS STUDENT BODY	005552		05/05/2023	101-0000-204.00-00	200.00	* 200.00

PREPARED 05/04/2023, 8:21:22

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

PROGRAM: GM346L

CITY OF NEEDLES

BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

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CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
18008	1199	SBPEA TEAMSTERS LOCAL 193	005583		05/05/2023	101-0000-209.03-01	562.00	
			005584		05/05/2023	502-0000-209.03-01	132.70	
			005585		05/05/2023	503-0000-209.03-01	29.21	
			005586		05/05/2023	508-0000-209.03-01	43.12	
			005587		05/05/2023	511-0000-209.03-01	33.95	
			005588		05/05/2023	580-0000-209.03-01	214.70	
							1,015.68	*
18009	1199	SBPEA TEAMSTERS LOCAL 193	005579		05/05/2023	101-0000-209.03-01	416.53	
			005580		05/05/2023	502-0000-209.03-01	50.44	
			005581		05/05/2023	580-0000-209.03-01	60.94	
							527.91	*
18010	1917	VIRGINIA TASKER	005559		05/05/2023	101-1025-415.31-90	250.00	
			005582		05/05/2023	101-1025-415.31-90	500.00	
							750.00	*
18011	1217	VISION SERVICE PLAN	005610		05/05/2023	101-1020-413.24-10	17.89	
			005611		05/05/2023	101-1025-415.24-10	67.04	
			005612		05/05/2023	101-1030-414.24-10	37.17	
			005613		05/05/2023	101-1035-416.24-10	16.34	
			005614		05/05/2023	101-1040-417.24-10	37.04	
			005615		05/05/2023	101-2025-424.24-10	28.86	
			005616		05/05/2023	101-2030-423.24-10	80.06	
			005617		05/05/2023	101-3010-431.24-10	50.05	
			005618		05/05/2023	101-4730-472.24-10	4.25	
			005619		05/05/2023	101-5772-452.24-10	66.13	
			005620		05/05/2023	101-5773-452.24-10	9.15	
			005621		05/05/2023	101-5774-452.24-10	25.49	
			005622		05/05/2023	206-5771-452.24-10	22.75	
			005623		05/05/2023	270-4631-463.24-10	6.32	
			005624		05/05/2023	502-4710-471.24-10	63.80	
			005625		05/05/2023	503-4720-475.24-10	44.48	
			005626		05/05/2023	506-4713-477.24-10	5.15	
			005627		05/05/2023	508-4810-478.24-10	15.80	
			005628		05/05/2023	511-3020-432.24-10	15.63	
			005629		05/05/2023	580-4750-473.24-10	194.88	
							808.28	*

BANK/CHECK TOTAL

41,889.47

41,889.47

ALL BANKS/CHECKS TOTAL

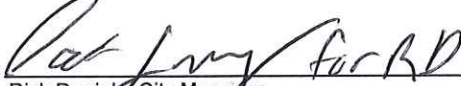
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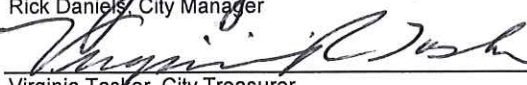
**CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR MAY 23, 2023**

FUND 101	GENERAL FUND	FUND AMT.	23-May	22-23 BUDGET
101.1015.412	CITY ATTORNEY	\$ 1,938.16	\$ 58,429.40	\$ 80,000.00
101.1020.413	CITY MANAGER	\$ 1,494.84	\$ 167,960.05	\$ 219,507.00
101.1025.415	FINANCE DEPT.	\$ 23,286.25	\$ 539,106.71	\$ 698,085.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ 534.50	\$ 220,324.50	\$ 291,344.00
101.1035.416	PLANNING /ZONING	\$ 1,602.50	\$ 226,844.77	\$ 373,159.00
101.1040.417	ENGINEERING	\$ -	\$ 260,017.50	\$ 361,425.00
101.1060.410	COMMUNITY PROMOTIONS	\$ -	\$ 36,503.51	\$ 51,552.00
101.1070.410	SENIOR CENTER	\$ 14.31	\$ 41,502.51	\$ 59,457.00
101.2010.421	SHERIFF	\$ -	\$ 2,879,216.87	\$ 3,483,367.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$ 3,357.69	\$ 181,529.94	\$ 233,027.00
101.2025.424	BULDING & SAFETY	\$ 7,780.80	\$ 293,342.33	\$ 608,738.00
101.2030.423	CODE ENFORCEMENT	\$ 27,524.06	\$ 584,021.32	\$ 696,985.00
101.3010.431	PUBLIC WORKS	\$ 802.80	\$ 610,145.09	\$ 849,743.00
101.4730.472	SANITATION	\$ -	\$ 146,561.76	\$ 166,600.00
101.5770.452	AQUATICS	\$ -	\$ 116,755.10	\$ 194,192.00
101.5772.452	PARKS	\$ 62.11	\$ 493,435.49	\$ 658,491.00
101.5773.452	JACK SMITH PARK MARINA	\$ -	\$ 78,109.45	\$ 107,923.00
101.5774.452	RECREATION	\$ 595.62	\$ 253,854.61	\$ 371,884.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS	\$ 74,793.64		\$ 9,505,479.00
FUND 102	GEN. FUND CAPITAL PROJECT	\$ -	\$ 1,734,190.06	\$ 4,992,512.00
FUND 205	CDBG	\$ -	\$ 7,238.00	\$ 42,692.00
FUND 206	CEMETERY	\$ 65.67	\$ 134,309.30	\$ 202,270.00
FUND 208	CALTRANS GRANTS	\$ -	\$ 343,959.46	\$ 311,377.00
FUND 210	SPECIAL GAS TAX	\$ -	\$ 141,009.00	\$ 272,365.00
FUND 213	DEPT OF HOUSE. & COMM DEVL	\$ -	\$ 30,815.91	\$ 30,000.00
FUND 214	SANBAG NEW LOCAL MEAS I	\$ -	\$ -	\$ 450,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL	\$ -	\$ 140,108.83	\$ 251,497.00
FUND 233	JACK SMITH PARK MARINA	\$ -	\$ 5,807.60	\$ 13,733.00
FUND 238	STATE RECREATION GRANTS	\$ 117,586.08	\$ 889,908.69	\$ 3,899,640.00
FUND 239	CA CONSERV RECYCLING GRANT	\$ -	\$ 2,109.34	\$ 25,526.00
FUND 270	REDEVELOPMENT AGENCY	\$ -	\$ 58,791.73	\$ 287,664.00
FUND 470	RDA CAP PROJ.LOW & MOD.	\$ -	\$ 119,637.96	\$ 300,000.00
FUND 501	NPUA	\$ 156.02	\$ 2,234,858.04	\$ 2,601,074.00
FUND 502	WATER DEPARTMENT	\$ 21,873.68	\$ 1,530,368.49	\$ 1,938,399.00
FUND 503	WASTEWATER DEPARTMENT	\$ 11,684.15	\$ 1,047,354.39	\$ 1,241,325.00
FUND 505	SANITATION	\$ -	\$ 1,151,742.49	\$ 1,458,897.00
FUND 506	ALL AMERICAN CANAL PROJ.	\$ 88.20	\$ 938,799.50	\$ 1,041,800.00
FUND 507	GOLF FUND	\$ -	\$ -	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$ 17,571.61	\$ 485,554.93	\$ 641,632.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$ 3,046.75	\$ 311,901.37	\$ 370,454.00
FUND 507	GOLF FUND TOTAL	\$ 20,618.36		
FUND 508	CUST.SVC/UT BUSINESS OFFICE	\$ 892.10	\$ 319,043.53	\$ 455,807.00
FUND 509	MIS	\$ 12,322.37	\$ 262,454.19	\$ 257,370.00
FUND 510	ADMIN. FACILITY	\$ 8,293.15	\$ 221,696.77	\$ 414,950.00
FUND 511	FLEET MANAGEMENT	\$ 261.61	\$ 199,451.88	\$ 281,078.00
FUND 512	VEHICLE REPLACEMENT	\$ -	\$ 15,352.27	\$ 15,352.27
FUND 520	SR DIAL A RIDE	\$ 6,748.05	\$ 185,102.06	\$ 250,098.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.	\$ 1,234.09	\$ 15,825.66	\$ 22,274.00
FUND 525	NEEDLES AREA TRANSIT (NAT)	\$ 33,569.32	\$ 371,172.86	\$ 614,438.00
FUND 580	ELECTRIC	\$ 164,225.41	\$ 10,202,668.04	\$ 12,406,721.00
FUND 581	NPUA CAPITAL ELECTRIC	\$ -	\$ 1,728,417.30	\$ 1,956,822.00
FUND 582	NPUA CAPITAL WATER	\$ 263,742.22	\$ 2,164,740.26	\$ 11,236,959.00
TOTAL	ALL FUNDS & DEPARTMENTS	\$ 738,154.12	\$ 34,182,050.82	\$ 57,790,205.27


I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are included within the City


Rick Daniels, City Manager

Date


Virginia Tasker, City Treasurer

Date


Sylvia Miledi, Director of Finance

Date

PROGRAM: GM348U

CITY OF NEEDLES

BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
18063	3837	00	SOUTHWEST GROUND WATER	05/23/2023	2,550.00	.00
18064	3875	00	STANTEC CONSULTING SERVICES INC.	05/23/2023	497.92	.00
18065	3904	00	STELLA-JONES CORPORATION	05/23/2023	42,097.13	.00
18066	3705	00	SUPERION, LLC	05/23/2023	495.00	.00
18067	4008	00	THE PRINTER GUYS LLC	05/23/2023	644.00	.00
18068	3559	00	THOMAS G. DALLMAN M.D.	05/23/2023	170.00	.00
18069	3950	00	TKE ENGINEERING INC	05/23/2023	725.00	.00
18070	3873	00	TRANSPORTATION CONCEPTS	05/23/2023	41,551.46	.00
18071	3266	00	TRI STATE TOOL REPAIR	05/23/2023	101.63	.00
18072	772	00	TRI-STATE ACE HARDWARE	05/23/2023	318.98	.00
18073	2819	00	TRI-STATE HOSE & FITTINGS	05/23/2023	552.34	.00
18074	2798	00	U.S. DEPARTMENT OF ENERGY	05/23/2023	63,218.89	.00
18075	3825	00	ULTRA PEST CONTROL, LLC	05/23/2023	90.00	.00
18076	315	00	UNDERGROUND SERVICE ALERT OF SO CAL	05/23/2023	52.00	.00
18077	3830	00	UNIFIRST CORPORATION	05/23/2023	760.72	.00
18078	4073	00	WELLINGTON ENERGY INC.	05/23/2023	4,268.34	.00
18079	3528	00	WESTERN ENVIRONMENTAL TESTING LAB.	05/23/2023	1,763.00	.00
18080	1057	00	WESTERN TECHNOLOGIES INC	05/23/2023	1,429.50	.00
18081	3967	00	WILLDAN ENGINEERING	05/23/2023	7,347.00	.00
18082	3780	00	ZIA ELECTRICAL PRODUCTS	05/23/2023	2,291.98	.00
18083	3828	00	3D-NETWORKS LLC	05/23/2023	9,762.37	.00
NUMBER OF CHECKS			72	GRAND TOTAL	738,184.12	

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
18012	1924	00	AHA MACAV POWER SERVICE	05/23/2023	350.55	.00
18013	4034	00	ANGEL'S TOUCH MOBILE VETERINARY SVC	05/23/2023	1,350.29	.00
18014	3635	00	ANIXTER INC	05/23/2023	9,580.90	.00
18015	2629	00	BARON PEST SOLUTIONS	05/23/2023	95.00	.00
18016	4041	00	BATTERIES PLUS BULBS	05/23/2023	1,113.66	.00
18017	480	00	BEST BEST & KRIEGER LLP	05/23/2023	88.20	.00
18018	178	00	BIG O TIRES & NAPA AUTO PARTS	05/23/2023	259.26	.00
18019	3941	00	BURGER & COMER, P.C.	05/23/2023	17,000.00	.00
18020	3289	00	CALIF.BUILDING STANDARDS COMM.	05/23/2023	433.80	.00
18021	1	00	CAROL BROWN	05/23/2023	30.00	.00
18022	4023	00	CENTRAL SQUARE TECHNOLOGIES, LLC	05/23/2023	2,560.00	.00
18023	4051	00	CORA CONSTRUCTORS, INC.	05/23/2023	254,994.25	.00
18024	2934	00	DANA KEPNER COMPANY INC.	05/23/2023	352.67	.00
18025	1	00	DARDEN, JAMES T	05/23/2023	156.02	.00
18026	440	00	DECO FOODSERVICE INCORP.	05/23/2023	161.05	.00
18027	4054	00	DESERT SUN OIL CORP.	05/23/2023	49.88	.00
18028	3580	00	DIAMOND PURE WATER	05/23/2023	100.00	.00
18029	501	00	DOI-BOR-REGION: LOWER COLORADO	05/23/2023	11,545.80	.00
18030	4025	00	GOLF MAINTENANCE SOLUTIONS	05/23/2023	2,500.00	.00
18031	4012	00	GOLFENOW	05/23/2023	295.00	.00
18032	324	00	GRAINGER	05/23/2023	1,955.43	.00
18033	3451	00	GREENS ELECTRIC, LLC	05/23/2023	850.29	.00
18034	2612	00	HARDWARE EXPRESS INCORP.	05/23/2023	836.53	.00
18035	3994	00	HESPERIA VETERINARY SERVICES	05/23/2023	1,873.40	.00
18036	3593	00	HINDERLITER DE LLAMAS & ASSOCIATES	05/23/2023	125.00	.00
18037	3864	00	HORIZON TECHNOLOGIES INC.	05/23/2023	980.00	.00
18038	4076	00	JAMIE MCCORKLE	05/23/2023	249.50	.00
18039	3949	00	JANET JERNIGAN	05/23/2023	50.00	.00
18040	4000	00	JARROD DELEON	05/23/2023	624.81	.00
18041	3977	00	LANDIS+GYR TECHNOLOGY, INC	05/23/2023	950.00	.00
18042	3783	00	MARK MARNATI	05/23/2023	340.00	.00
18043	3998	00	MICHAEL BAKER INTERNATIONAL, INC	05/23/2023	1,602.50	.00
18044	1	00	MICHAEL MEDLEY & JUDY MEDLEY	05/23/2023	1,163.16	.00
18045	218	00	NEWS WEST PUBLISHING CO.	05/23/2023	97.66	.00
18046	1786	00	NPUA	05/23/2023	28,986.12	.00
18047	3324	00	OFFICÉ EXPRESS	05/23/2023	33.74	.00
18048	3315	00	ONLINE INFORMATION SERVICES	05/23/2023	166.56	.00
18049	3997	00	PACIFIC PLAY SYSTEMS, INC	05/23/2023	61,450.00	.00
18050	4068	00	PACIFIC TIDE CONSTRUCTION	05/23/2023	56,136.08	.00
18051	2861	00	REINKE A/C CORP.	05/23/2023	14,744.53	.00
18052	3558	00	RICK DANIELS	05/23/2023	1,494.84	.00
18053	2068	00	RICOH USA, INC.	05/23/2023	647.15	.00
18054	255	00	RIVER VALLEY AIR CONDITIONING INC.	05/23/2023	1,753.00	.00
18055	591	00	ROBINSON ELECTRIC CO. INC.	05/23/2023	142.50	.00
18056	4049	00	ROGER MILLER	05/23/2023	51.41	.00
18057	3796	00	ROUTE 66 BROADBAND LLC	05/23/2023	630.00	.00
18058	1401	00	SAN BERNARDINO CO. FIRE DEPT.	05/23/2023	909.00	.00
18059	3437	00	SIGNS BY SUNDOWN	05/23/2023	350.00	.00
18060	4001	00	SIMPLOT TURF & HORTICULTURE	05/23/2023	969.75	.00
18061	1826	00	SIMPSON NORTON CORP.	05/23/2023	267.70	.00
18062	3344	00	SLOVAK BARON & EMPEY LLP	05/23/2023	74,049.87	.00

PREPARED 05/10/2023, 13:55:40
PROGRAM: GM346L
CITY OF NEEDLES
BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

ACCOUNTING PERIOD 2023/11
REPORT NUMBER 132

PAGE 1

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
14941*	1	DL BROWN CONSTRUCTION	005842		03/08/2022	101-0000-204.03-01	30.00- 30.00- *	VOIDED
18012	1924	AHA MACAV POWER SERVICE	005690		05/23/2023	580-4750-473.63-12	350.55 350.55 *	350.55
18013	4034	ANGEL'S TOUCH MOBILE VETE	005711		05/23/2023	101-2020-423.58-00	1,350.29 1,350.29 *	1,350.29
18014	3635	ANIXTER	PI0320 005712	023116	05/23/2023 05/23/2023	580-4750-473.60-55 580-4750-473.60-55	8,534.28 1,046.62 9,580.90 *	9,580.90
18015	2629	BARON PEST SOLUTIONS	005788		05/23/2023	510-4410-405.43-01	95.00 95.00 *	95.00
18016	4041	BATTERIES PLUS BULBS	005713		05/23/2023	580-4750-473.60-55	1,113.66 1,113.66 *	1,113.66
18017	480	BEST BEST & KRIEGER LLP	005719		05/23/2023	506-4713-477.31-50	88.20 88.20 *	88.20
18018	178	BIG O TIRES & NAPA AUTO P	005540 005541 005542 005543 005544 005720 005720 005720		05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023	511-3021-432.43-26 511-3021-432.43-25 511-3021-432.43-26 511-3021-432.43-38 511-3021-432.43-26 580-4750-473.60-55 580-4750-473.60-55 580-4750-473.60-55	4.60 47.88 20.34 40.00 40.00 71.05 14.94 20.45 259.26 *	259.26
18019	3941	BURGER & COMER, P.C.	PI0313 PI0314 PI0315	023074 023074 023074	05/23/2023 05/23/2023 05/23/2023	502-4710-471.31-49 503-4720-475.31-49 580-4750-473.31-49	5,700.00 5,700.00 5,600.00 17,000.00 *	17,000.00
18020	3289	CALIF.BUILDING STANDARDS	005735 005735 005735 005735 005735		05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023	101-2025-424.59-51 101-2025-424.59-51 101-2025-424.59-51 101-2025-424.59-51 101-2025-424.59-51	166.50 109.80 66.60 25.20 65.70 433.80 *	433.80
18021	1	CAROL BROWN	005701		05/23/2023	101-0000-204.03-01	30.00 30.00 *	30.00
18022	4023	CENTRALSQUARE TECHNOLOGIE	PI0321	023091	05/23/2023	509-4910-479.43-05	2,560.00 2,560.00 *	2,560.00

PROGRAM: GM346L
CITY OF NEEDLES
BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
18023	4051	CORA CONSTRUCTORS, INC.	PI0329 PI0330 PI0332	023026 023009 023009	05/23/2023 05/23/2023 05/23/2023	582-4710-471.71-05 582-4710-471.71-05 582-4710-471.71-05	146,775.00 108,219.24 254,994.25 *	
18024	2934	DANA KEPNER COMPANY INC.	005714		05/23/2023	502-4710-471.60-55	352.67 352.67 *	352.67
18025	1	DARDEN, JAMES T	UT		05/23/2023	501-0000-211.00-00	156.02 156.02 *	156.02
18026	440	DECO FOODSERVICE INCORP.	005657		05/23/2023	507-5762-454.60-50	161.05 161.05 *	161.05
18027	4054	DESERT SUN OIL CORP.	005657		05/23/2023	580-4750-473.62-00	49.88 49.88 *	49.88
18028	3580	DIAMOND PURE WATER	005545 005691 005724 005730		05/23/2023 05/23/2023 05/23/2023 05/23/2023	511-3020-432.43-29 510-4410-405.61-01 503-4720-475.43-02 101-5774-452.61-01	6.00 60.00 17.00 17.00 100.00 *	100.00
18029	501	DOI-BOR-REGION: LOWER COL	005658		05/23/2023	580-0000-142.00-00	11,545.80 11,545.80 *	11,545.80
18030	4025	GOLF MAINTENANCE SOLUTION	005691		05/23/2023	507-5761-453.31-90	2,500.00 2,500.00 *	2,500.00
18031	4012	GOLFNOW, LLC	005691		05/23/2023	507-5762-454.61-09	295.00 295.00 *	295.00
18032	324	GRAINGER	005717 005723 005724 005724		05/23/2023 05/23/2023 05/23/2023 05/23/2023	580-4750-473.60-55 580-4750-473.60-55 503-4720-475.43-02 503-4720-475.43-04	164.52 182.17 1,521.28 87.46 1,955.43 *	1,955.43
18033	3451	GREENS ELECTRIC, LLC	005716 005734 005734 005734		05/23/2023 05/23/2023 05/23/2023 05/23/2023	580-4750-473.60-55 580-4750-473.60-55 580-4750-473.60-55 580-4750-473.60-55	243.49 45.37 72.12 489.31 850.29 *	850.29
18034	2612	HARDWARE EXPRESS INCORP.	005520 005534 005546 005547 005548 005549		05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023	101-2020-423.43-42 502-4710-471.60-55 101-3010-431.61-33 101-3010-431.60-11 101-3010-431.43-02 101-3010-431.60-12	51.25 22.50 13.30 51.18 25.49 112.94	

PREPARED 05/10/2023, 13:55:40

PROGRAM: GM346L

CITY OF NEEDLES

BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

ACCOUNTING PERIOD 2023/11
REPORT NUMBER 132

PAGE 4

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
18043	3998	MICHAEL BAKER INTERNATIONAL	PI0312	023045	05/23/2023	101-1035-416.31-90	1,602.50 1,602.50 *	1,602.50
18044	1	MICHAEL MEDLEY & JUDY MED	005727		05/23/2023	101-0000-204.03-01	1,163.16 1,163.16 *	1,163.16
18045	218	NEWS WEST PUBLISHING CO.	005524		05/23/2023	101-3010-431.53-00	97.66 97.66 *	97.66
18046	1786	NPWA	005532 005657 005718 005719 005778 005783 005784 005785 005786 005787		05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023	502-4710-471.41-10 507-5761-453.41-20 580-4750-473.41-11 502-4710-471.41-10 502-4710-471.41-10 502-4710-471.41-10 507-5762-454.41-12 507-5762-454.41-10 507-5762-454.41-20 507-5762-454.41-21 507-5762-454.41-30	9,760.17 12,333.48 2,812.27 35.70 1,734.44 1,302.21 623.18 69.51 69.52 245.64 28,986.12 *	9,760.17 12,333.48 2,812.27 35.70 1,734.44 1,302.21 623.18 69.51 69.52 245.64 28,986.12
18047	3324	OFFICE EXPRESS	005668		05/23/2023	101-1025-415.61-01	33.74 33.74 *	33.74
18048	3315	ONLINE INFORMATION SERVIC	005719		05/23/2023	508-4810-478.31-46	166.56 166.56 *	166.56
18049	3997	PACIFIC PLAY SYSTEMS, INC	PI0328	023027	05/23/2023	238-5772-452.70-09	61,450.00 61,450.00 *	61,450.00
18050	4068	PACIFIC TIDE CONSTRUCTION	PI0324	023070	05/23/2023	238-5772-452.72-18	56,136.08 56,136.08 *	56,136.08
18051	2861	REINKE A/C CORP.	005525 005657 005683 005733		05/23/2023 05/23/2023 05/23/2023 05/23/2023	510-4410-405.43-01 580-4750-473.54-62 510-4410-405.43-01 101-5774-452.43-18	178.19 6,948.03 7,312.81 305.50 14,744.53 *	178.19 6,948.03 7,312.81 305.50 14,744.53
18052	3558	RICK DANIELS	005657 005657 005719 005719 005719		05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023	101-1020-413.55-00 101-1020-413.55-00 101-1020-413.55-00 101-1020-413.55-00 101-1020-413.55-00	139.92 414.00 25.55 34.46 294.62 586.29 1,494.84 *	139.92 414.00 25.55 34.46 294.62 586.29 1,494.84
18053	2068	RICOH USA, INC.	005719 005719		05/23/2023 05/23/2023	510-4410-405.70-02 510-4410-405.70-02	334.43 312.72 647.15 *	334.43 312.72 647.15

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CITY OF NEEDLES

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CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
18054	255	RIVER VALLEY AIR CONDITIO	005671 005692		05/23/2023 05/23/2023	580-4750-473.54-62 580-4750-473.54-62	1,106.00 647.00 1,753.00 *	1,753.00
18055	591	ROBINSON ELECTRIC CO. INC	005719		05/23/2023	502-4710-471.43-54	142.50 142.50 *	142.50
18056	4049	ROGER MILLER	005780		05/23/2023	507-5761-453.43-04	51.41 51.41 *	51.41
18057	3796	ROUTE 66 BROADBAND LLC	005553 005657 005657		05/23/2023 05/23/2023 05/23/2023	101-5774-452.52-10 101-1030-414.52-10 507-5762-454.52-10	165.00 285.00 180.00 630.00 *	630.00
18058	1401	SAN BERNARDINO CO. FIRE D	005657		05/23/2023	507-5761-453.63-00	909.00 909.00 *	909.00
18059	3437	SIGNS BY SUNDOWN	005719		05/23/2023	582-4710-471.71-05	350.00 350.00 *	350.00
18060	4001	SIMPLOT TURF & HORTICULTU	005657		05/23/2023	507-5761-453.60-10	969.75 969.75 *	969.75
18061	1826	SIMPSON NORTON CORP.	005657		05/23/2023	507-5761-453.43-04	267.70 267.70 *	267.70
18062	3344	SLOVAK BARON EMPEY MURPHY	005792 005793 005794 005795 005796 005797 005798 005799 005800 005801 005802 005803 005804 005805 005806 005807 005808 005809 005810 005811 005812 005813 005814		05/23/2023 05/23/2023	101-1015-412.31-50 502-4710-471.31-50 503-4720-475.31-50 580-4750-473.31-50 502-4710-471.31-50 503-4720-475.31-50 101-1025-415.31-50 502-4710-471.31-50 580-4750-473.31-50 101-1025-415.31-50 101-2030-423.31-50 101-2030-423.31-50 101-2030-423.31-50 101-2030-423.31-50 101-2030-423.31-50 101-2030-423.31-50 101-2030-423.31-50 101-2030-423.31-50 101-2030-423.31-50 101-2030-423.31-50 101-2030-423.31-50 101-2030-423.31-50 101-2030-423.31-50 101-2030-423.31-50	5,800.00 1,933.34 1,933.33 1,933.33 558.40 558.40 11,586.50 231.73 11,354.77 11,046.01 678.00 203.40 59.95 966.60 45.20 660.55 119.90 22.60 429.40 1,226.00 951.30 59.95 1,762.90	

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CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
18062	3344	SLOVAK BARON EMPEY MURPHY	005815	05/23/2023	101-2030-423.31-50	855.60	74,049.87	74,049.87
					101-2030-423.31-50	169.00		
					101-2030-423.31-50	91.16		
					101-2030-423.31-50	109.80		
					101-2030-423.31-50	691.75		
					101-2030-423.31-50	1,095.60		
					101-2030-423.31-50	155.00		
					101-2030-423.31-50	158.20		
					101-2030-423.31-50	101.20		
					101-2030-423.31-50	12,412.80		
					101-2030-423.31-50	4,088.20		
18063	3837	SOUTHWEST GROUND WATER	PI0323	023118	05/23/2023	582-4710-471.71-07	2,550.00	2,550.00
18064	3875	STANTEC CONSULTING SERVIC	PI0334	023069	05/23/2023	580-4750-473.31-10	497.92	497.92
18065	3904	STELLA-JONES CORPORATION	PI0322	023089	05/23/2023	580-4750-473.60-55	42,097.13	42,097.13
18066	3705	SUPERION, LLC	005526	05/23/2023	101-1025-415.31-40	90.00	495.00	495.00
					101-1025-415.31-40	405.00		
18067	4008	THE PRINTER GUYS LLC	005669	05/23/2023	508-4810-478.61-02	475.00	644.00	644.00
			005670	05/23/2023	508-4810-478.61-02	169.00		
18068	3559	THOMAS G. DALLMAN M.D.	005782	05/23/2023	580-4750-473.31-20	170.00	170.00	170.00
18069	3950	TXE ENGINEERING INC	005726	05/23/2023	101-0000-204.03-01	725.00	725.00	725.00
18070	3873	TRANSPORTATION CONCEPTS	005702	05/23/2023	525-4770-461.32-90	31,422.34	41,551.46	41,551.46
					525-4770-461.62-00	2,146.98		
					520-4740-462.32-90	5,186.25		
					520-4740-462.51-20	1,215.79		
					520-4740-462.62-00	346.01		
					521-4740-462.32-90	843.63		
					521-4740-462.51-20	303.95		
					521-4740-462.62-00	86.51		
18071	3266	TRI STATE TOOL REPAIR	005672	05/23/2023	502-4710-471.43-57	101.63	101.63	101.63
18072	772	TRI-STATE ACE HARDWARE	005674	05/23/2023	503-4720-475.60-32	168.85		168.85

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18072	772	TRI-STATE ACE HARDWARE	005719		05/23/2023	582-4710-471.71-05	150.13 318.98 *	318.98
18073	2819	TRI-STATE HOSE & FITTINGS	005533 005554 005673		05/23/2023 05/23/2023 05/23/2023	502-4710-471.43-57 206-5771-452.43-04 503-4720-475.43-02	323.04 65.67 163.63 552.34 *	552.34
18074	2798	U.S. DEPARTMENT OF ENERGY	005537 005692 005724 005724		05/23/2023 05/23/2023 05/23/2023 05/23/2023	580-4750-473.63-10 580-4750-473.63-10 580-4750-473.63-10 580-4750-473.63-10	16,673.32 224.98 6,187.50 40,133.09 63,218.89 *	63,218.89
18075	3825	ULTRA PEST CONTROL, LLC	005555 005733		05/23/2023 05/23/2023	101-5774-452.43-18 101-5774-452.43-18	45.00 45.00 90.00 *	90.00
18076	315	UNDERGROUND SERVICE ALERT	005676 005677 005678		05/23/2023 05/23/2023 05/23/2023	503-4720-475.49-14 502-4710-471.43-04 580-4750-473.49-14	17.33 17.33 17.34 52.00 *	52.00
18077	3830	UNIFIRST CORPORATION	005529 005530 005554 005554 005657 005679 005692 005719 005719 005719 005733 005733 005777		05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023 05/23/2023	502-4710-471.61-04 503-4720-475.61-04 101-5772-452.61-04 511-3020-432.61-04 507-5762-454.60-50 508-4810-478.61-04 503-4720-475.61-04 502-4710-471.61-04 580-4750-473.61-04 580-4750-473.61-04 507-5762-454.61-06 101-5774-452.61-06 101-5774-452.61-06 502-4710-471.61-04	29.64 16.83 28.05 102.79 7.94 11.54 16.83 29.64 236.83 224.71 8.16 9.06 9.06 29.64 760.72 *	760.72
18078	4073	WELLINGTON ENERGY INC.	PI0327	023110	05/23/2023	582-4710-471.71-02	4,268.34 4,268.34 *	4,268.34
18079	3528	WESTERN ENVIRONMENTAL TES	005531 005680 005681 005719		05/23/2023 05/23/2023 05/23/2023 05/23/2023	503-4720-475.59-75 503-4720-475.59-75 503-4720-475.59-75 502-4710-471.59-75	738.00 295.00 257.00 473.00 1,763.00 *	1,763.00
18080	1057	WESTERN TECHNOLOGIES INC	PI0325 PI0326	023087 023090	05/23/2023 05/23/2023	582-4710-471.71-05 582-4710-471.71-05	452.00 977.50	

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18080	1057	WESTERN TECHNOLOGIES INC					1,429.50 *	1,429.50
18081	3967	WILLDAN ENGINEERING	PI0335	023022	05/23/2023	101-2025-424.31-10	5,832.00	
			PI0336	023022	05/23/2023	101-2025-424.31-10	250.00	
			005776		05/23/2023	101-2025-424.31-10	1,265.00	
							7,347.00 *	7,347.00
18082	3780	ZIA ELECTRICAL PRODUCTS	005723		05/23/2023	580-4750-473.60-55	2,291.98	
							2,291.98 *	2,291.98
18083	3828	3D-NETWORKS LLC	005675		05/23/2023	509-4910-479.31-53	550.00	
			005682		05/23/2023	509-4910-479.52-13	1,737.37	
			005789		05/23/2023	509-4910-479.31-90	3,125.00	
			005790		05/23/2023	509-4910-479.31-53	550.00	
			005791		05/23/2023	509-4910-479.31-90	3,800.00	
							9,762.37 *	9,762.37
BANK/CHECK TOTAL							738,154.12	738,184.12
ALL BANKS/CHECKS TOTAL							738,154.12	738,184.12

MINUTES

REGULAR MEETING OF THE CITY COUNCIL
NEEDLES PUBLIC UTILITY AUTHORITY - HOUSING AUTHORITY OF THE CITY OF NEEDLES
CITY OF NEEDLES, CALIFORNIA - **TUESDAY, MAY 9, 2023**
COUNCIL EXECUTIVE SESSION – **5:00 P.M.** - CITY COUNCIL MEETING – **6:00 P.M.**
CITY COUNCIL CHAMBERS - 1111 BAILEY AVENUE, NEEDLES

CALL TO ORDER

Mayor Jernigan called the meeting to order at 5:02 pm

ROLL CALL

Present: Mayor Jan Jernigan, Council Members Ellen Campbell, Jamie McCorkle, JoAnne Pogue, Tona Belt, and Henry Longbrake. Also present; City Manager Rick Daniels, Assistant City Manager Patrick Martinez, City Attorney John Pinkney and City Clerk Dale Jones.
Vice Mayor Kirsten Merritt was absent

RECESSED THE CITY COUNCIL MEETING AND CONVENED A JOINT COUNCIL / NPUA MEETING at 5:03 pm

PUBLIC COMMENTS PERTAINING TO THE EXECUTIVE SESSION ITEMS - None

RECESSED TO EXECUTIVE SESSION at 5:04 pm

- a) NPUA/COUNCIL: Conference with Legal Counsel Regarding Potential Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4). One case
- b) COUNCIL: Conference with Legal Counsel Regarding Potential Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4). One case
- c) COUNCIL: Conference with Real Property Negotiators Pursuant to Government Code Section 54956.8. Property: 801 Third Street, Needles CA.. Agency Negotiator: City Manager Rick Daniels or his designee. Negotiating Parties: City of Needles as potential lessor and the Tri-State Alano Club as potential lessee. Under Negotiation: Price and terms

Council Member Pogue recused herself from Executive Session at 5:55 pm due to a conflict of interest on Item a because her son who lives with her works in the Cannabis industry.

EXECUTIVE SESSION – City Attorney Pinkney announced no reportable action was taken.

ADJOURNED THE JOINT NPUA / COUNCIL MEETING AND RECONVENED THE COUNCIL MEETING at 6:04 pm

ROLL CALL (Previously Taken) Mayor Jernigan excused the absence of Kirsten Merritt.

PLEDGE OF ALLEGIANCE – led by Mayor Jernigan

INVOCATION by Council Member Campbell

APPROVAL OF AGENDA

A motion to approve the agenda was made by Council Member Pogue, second by Council Member Campbell and carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Pogue, Belt, and Longbrake

Noes: None

Absent: Vice Mayor Merritt

CONFLICT OF INTEREST - Council Member Pogue recused herself from Executive Session Item a due to a conflict of interest because her son who lives with her works in the Cannabis industry.

CORRESPONDENCE – None

INTRODUCTIONS – Former Council Member Tim Terral, Former Needles Unified School District (NUSD) Superintendent Dr. Mary McNeil, and the new NUSD Superintendent Dr. Garry Cameron.
CITY ATTORNEY - Parliamentary procedures given by City Attorney Pinkney.

PUBLIC APPEARANCE –

Dr. Mary McNeil thanked the city for being quick to respond to a water issue that occurred near her residence.

PRESENTATION

- 1) Daniela Hartter, Aaryn Griffin, Adryan Eastman, and Danelea Dillman from the Needles High School Advisory Class gave a PowerPoint Presentation on homelessness as it pertains to the City of Needles.

PUBLIC HEARING

- 2) Public Hearing held - noticed to consider all evidence and testimony for or against approval of amending Needles Municipal Code Section 13-33(d) by adding the placement of Stop Signs at the intersection of Vine Street & R Street

City Manager Daniels reported complaints of near misses at the intersection of Vine and R Streets and recommended placing stop signs in the interest of prevention, based on engineer's report.

Mayor Jernigan opened the public hearing at 6:25 pm

Public Comment – none

Mayor closed the public hearing at 6:25 pm

Council Member Campbell moved, second by Council Member Longbrake to waive the reading and approve for introduction Ordinance No. 661-AC amending Needles Municipal Code Section 13-33(d) by adding the placement of Stop Signs at the intersection of Vine Street & R Street. Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Pogue, Belt, and Longbrake

Noes: None

Absent: Vice Mayor Merritt

RECESSED THE CITY COUNCIL MEETING AND CONVENED A JOINT COUNCIL / HOUSING AUTHORITY BOARD OF COMMISSIONERS MEETING (HACN)

CALLED TO ORDER (Roll Call previously taken) at 6:26 pm

- 3) HACN / COUNCIL: Approved additional positions assumed from the Housing Authority and added Housing Manager and Housing Specialist to the Authorized Positions List

City Manager Daniels reported and discussion ensued.

Member/Council Member McCorkle moved, second by Member/Council Member Campbell to approve additional positions assumed from the Housing Authority and add Housing Manager and Housing Specialist to the Authorized Positions List. Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Pogue, Belt, and Longbrake

Noes: None

Absent: Vice Mayor Merritt

ADJOURNED THE JOINT COUNCIL / HACN BOARD OF COMMISSIONERS MEETING AND RECONVENED THE CITY COUNCIL MEETING

CALLED TO ORDER (Roll Call previously taken) at 6:32 pm

PUBLIC COMMENTS PERTAINING TO THE COUNCIL ITEMS - None

CONSENT CALENDAR:

Item 9 pulled by Council Member Belt for discussion.

Council Member Belt moved, second by Council Member Campbell to approve consent items 4-8, and 10. Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Pogue, Belt, and Longbrake

Noes: None

Absent: Vice Mayor Merritt

- 4) Approved the warrants register through May 9, 2023
- 5) Approved the minutes of April 25, 2023
- 6) Authorized staff to retain Fechter & Company to perform the audit of fiscal year ending June 30, 2022 and for the upcoming fiscal year 2022-2023
- 7) Waived the reading and adopted Resolution No. 2023-29 receive and authorize submitting the City of Needles Housing Element Annual Progress Report for the 2023 calendar year to the California Department of Housing and Community Development and to the Governor's Office of Planning and Research
- 8) Waived the reading and adopted Resolution No. 2023-30 approving an amendment to conditional use permit Resolution No. 2021-47 for a new outdoor advertising sign removing condition #16 allowing for the use of a water feature located at 429 N "K" street, also known as APN 0185-067-08-0000
- 10) Authorized the Mayor to sign a letter similar to the CalCities' provided letter and advocate new laws addressing the Fentanyl Poisoning Crisis

End of Consent

- 9) Authorized Community Works Design Group to conduct a needs assessment and cost estimate for the Needles Municipal Aquatic Center not to exceed \$7,400, utilizing \$5,800 of general fund reserves and \$1,600 from the Needles Sandshark Swim Team

City Manager Daniels reported and discussion ensued.

Council Member Campbell moved, second by Council Member Belt, to authorize Community Works Design Group to conduct a needs assessment and cost estimate for the Needles Municipal Aquatic Center not to exceed \$7,400, utilizing \$5,800 of general fund reserves and \$1,600 from the Needles Sandshark Swim Team. Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Pogue, Belt, and Longbrake

Noes: None

Absent: Vice Mayor Merritt

CITY ATTORNEYS REPORT – given by City Attorney John Pinkney

CITY CLERK REPORT – given by City Clerk Dale Jones

CITY MANAGERS REPORT – given by City Manager Rick Daniels

COUNCIL REQUESTS

Councilmember Campbell reported that there is graffiti in the underpass at California Avenue; requested looking into promoting art on the electrical boxes and on the underpass; inquired about city

wide art walk; requested the city address the potholes on Eagle Pass; thanked the Mayor for addressing the homeless issue; thanked code enforcement, and suggested the City Manager do a regular newspaper article informing the public of current events within the city.

Councilmember McCorkle thanked city staff for addressing the well issue and applauded the student presentation.

Councilmember Pogue announced that she attended the Chamber of Commerce Breakfast and the Stakeholders meeting at El Garces with representatives from Assemblyman Garcia's and State Senator Padilla's offices; talked about our need for more housing and thanked the high school students for their presentation.

Councilmember Belt commented on the high school presentation and talked about establishing a Junior Council with the High School; commented on how nice Duke Watkins is; the Dance Traxx performance over the past weekend was great; Run for the Wall is on May 17 from 1-3 pm and reminded staff that a goal setting session and the visitor center committee needs to schedule a meeting.

Councilmember Longbrake thanked Dance Traxx for a nice performance; complimented the train park and how nice it looks; reported there is a dip in the road at Coronado and Erin; and requested to place on the next agenda looking into amending Charter Section 503 increasing Council Members' salary/stipend.

Mayor Jernigan reported on the successful Prayer Day that she participated in at Santa Fe Park; attended the Educator Breakfast where Hildy Angius, Mohave County District 2 Supervisor, was present; Supervisor Angius will be attending the Run for the Wall event; and reported on the SCAG conference she attended where it was reported that numerous contractors left California last year.

ADJOURNMENT

Mayor Jernigan adjourned the meeting at 7:10 pm

ATTEST: _____
Mayor Janet Jernigan

City Clerk Dale Jones, CMC



Request for Board Action City of Needles, California

☒ CITY COUNCIL ☐ UTILITY BOARD ☒ NPUA

☒ Regular ☐ Special

Meeting Date: May 23, 2023

Title: Accept NOTICE OF COMPLETION for work completed by Pacific Tide Construction for the Purchase and Installation of Shade Structures Over Spectator Seating at Nikki Bunch and Duke Watkins Ball Parks project.

Background: The Purchase and Installation of Shade Structures Over Spectator Seating at Nikki Bunch and Duke Watkins Ball Parks project was a City of Needles and Needles Unified School District (NUSD) joint project that was placed out to bid on September 14, 2022. The City awarded the bid on October, 11, 2022 and it was completed by the contractor on May 2, 2023.

Fiscal Impact: The bid from Pacific Tide Construction was awarded at a Not to Exceed amount of \$128,650.61 of which \$51,529.48 was for Duke Watkins Park funded by General Fund Reserves and reimbursable by the Statewide Park Development and Community Revitalization Grant; with the remaining \$77,121.13 reimbursed by the NUSD. The project was completed at the bid amount with no additional costs.

AS for SM Sylvia Miledi

Recommendation: Accept NOTICE OF COMPLETION for work completed by Pacific Tide Construction for the Purchase and Installation of Shade Structures Over Spectator Seating at Nikki Bunch and Duke Watkins Ball Parks project and authorize a Notice of Completion to record with the San Bernardino County Recorder's Office.

Submitted By: Kathy Raasch, Projects Manager

City Management Review:

Rene Torrance

Date:

5/19/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

AGENDA ITEM: 9

RECORDING REQUESTED BY:

City of Needles
817 Third Street
Needles, CA 92363

AND WHEN RECORDED MAIL TO:

City of Needles
817 Third Street
Needles, CA 92363

No fee per Govt. Code § 27383

~ SPACE ABOVE FOR RECORDER'S USE ONLY ~

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN THAT:

The undersigned is OWNER or AGENT OF THE OWNER of the interest or estate stated below in the property hereinafter described.

The full NAME of the OWNER is CITY OF NEEDLES

The ADDRESS of the OWNER is 817 THIRD STREET, NEEDLES, CA 92363

The NATURE OF THE INTEREST or estate of the undersigned is In FEE

Street Address / APN (if applicable) 1661 J Street, Needles CA 92363 / 0185-221-13-0000

The full name(s) and address(es) of all persons, if any, who hold such interest or estate with the undersigned as joint tenants or as tenants in common are:

Contractor's Name

Contractor's Address:

Pacific Tide Construction

19360 Rinaidi Street, Northridge, CA 91326

The property on which said work of improvement was completed is in the City of **Needles**, County of **San Bernardino**, State of **California**, and was approved by the Needles City Council by minute action at the 05/23/2023 meeting and is DESCRIBED AS FOLLOWS:

Improvement on the property hereinafter described and COMPLETED on 05/02/2023

Improvements described as

Purchase and Installation of Shade Structures Over Spectator Seating at Nikki Bunch and Duke Watkins Ball Parks project

I, **Rick Daniels** am the **City Manager**
(Name of below signor) (Owner, President, Authorized Agent, Partner, etc.)

the declarant of the foregoing Notice of Completion. I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: 05/24/2023

Signature: _____

Signature of Owner or Agent of Owner

ORDINANCE NO. 661 AC

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEEDLES, CALIFORNIA, ADOPTING ORDINANCE NO. 661 AC, AMENDING SECTION 13-33(d) OF THE NEEDLES MUNICIPAL CODE (NMC) TO ERECT STOP SIGNS AT THE SOUTHWEST AND NORTHEAST CORNERS OF VINE AND "R" STREET

WHEREAS, the southwest and northeast corners of Vine and "R" street currently does not have stop signs; and

WHEREAS, erecting stop signs at the southwest and northeast corners of Vine and "R" street creates a two-way stop; and

WHEREAS, the City Council wishes to erect stop signs at the southwest and northeast corners of Vine and "R" street; and

WHEREAS, the asphalt will be restriped with limit lines and stop legends on Vine Street; and

WHEREAS, on May 9, 2023, the City Council of the City of Needles conducted and concluded a public hearing concerning the amendment to Section 13-33(d) Through streets and stop Intersections, of the Municipal Code, as more fully set forth below; and

WHEREAS, all legal prerequisites to the adoption of this Ordinance have occurred; and

WHEREAS, the City Council has considered the matter carefully,

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

SECTION 1. The City Council **HEREBY FINDS AND DETERMINES** that this activity is not subject to the California Environmental Quality Act ("CEQA") pursuant to §§15060(c)(2), the activity will not result in a direct or reasonable foreseeable indirect physical change in the environment.

SECTION 2. The City Council **HEREBY FINDS AND DETERMINES** that facts do exist to approve an amendment to the Needles Municipal Code (NMC).

SECTION 3. The City Council **HEREBY APPROVES** Ordinance 661 AC, for an amendment to the Needles Municipal Code (NMC) as follows:

Sec. 13-33. Through streets and stop intersections.

(d) In accordance with the provisions of this section, and when signs are erected giving notice thereof, drivers of vehicles shall stop at the entrance to those intersections described as follows:

By adding to the current list:

Southwest corner of Vine Street and "R" Street;
Northeast corner of Vine Street and "R" Street

5-23-23

#10

INTRODUCED AND READ for the first time and ordered posted at a regular meeting of the City Council of the City of Needles, California, held on the 9th day of May 2023, by the following roll call vote:

AYES: Council Members Campbell, McCorkle, Pogue, Belt, and Longbrake

NOES None

ABSENT ~~Vice Mayor~~ Merritt

ABSTAIN None

Mayor Jan Jernigan

Attest: Dale Jones
City Clerk, Dale Jones. CMC

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 23rd day of May 2023.

AYES:

NOES

ABSENT

ABSTAIN

Jan Jernigan
Mayor Jan Jernigan

(Seal)

Attest: Dale Jones
City Clerk, Dale Jones. CMC

Approved as to form:

John Pinkney
City Attorney John Pinkney



City of Needles, California

Request for City Council Action

☒ CITY COUNCIL ☐ NPUA

☒ Regular ☐ Special

Meeting Date: May 23, 2023

Title: City Council Resolution No. 2023-32
Approving a Second Amendment to the Use Permit between the City of Needles and County of San Bernardino for the City-owned property located at 1111 Bailey Avenue

Background: On October 11, 2022, the City Council approved an Amendment to the Use Permit between the City of Needles and County of San Bernardino for the City-owned property located at 1111 Bailey Avenue.

The following terms are presented in the amendment:

- The "Use Permit" will allow for the Colorado River Station of the Sheriff/Coroner office to expand 340.8 square feet to a "Use Area" that will total 4,005 square feet.
- A rent of \$4,405.50 monthly or a total contract amount of \$155,770.

Fiscal Impact: \$52,866 in annual rent or total contract amount of \$155,770.

Sylvia Miledi *MS for Sm*

Recommended Action: Approve City Council Resolution No. 2023-32 Approving an Amendment to Resolution No. 2022-62 Amending the Use Permit between the City of Needles and County of San Bernardino for the City-owned property located at 1111 Bailey Avenue

Submitted By: Patrick Martinez, Assistant City Manager/Development Services

City Management Review: *For Jmg for RD* **Date:** *5-17-2023*

Approved: ☐ Not Approved: ☐ Tabled: ☐ Other: ☐

Agenda Item: *11*

RESOLUTION NO. 2023-32

**A RESOLUTION OF THE CITY OF NEEDLES, CALIFORNIA,
APPROVING A USE PERMIT AMENDMENT WITH THE COUNTY OF SAN
BERNARDINO**

A. The City of Needles and the County of San Bernardino entered into that certain Use Permit dated February 11, 2014 allowing the County to use a certain portion of the City owned building known as Building "C" ("Building") located at 1111 Bailey Avenue ("Property") in the City of Needles, as more specifically described in the Use Permit.

B. The parties corrected the square footage of use area and clarified the permitted use by entering into that certain First Amendment ("First Amendment") to Use Permit dated October 25, 2022 (together the Use Permit and the First Amendment are referred to as the "Use Permit").

C. The County wishes to expand the area of the Use Permit by 340.8 Square Feet to cover an additional area to be used as a multi-purpose room and gym. The "Leased Area" will total 4005 Square Feet.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Needles, California hereby approves a Second Amendment to Use Permit expanding the Use Area as defined therein in consideration of proportionately greater rent.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 23 day of May, 2023 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Janet Jernigan, Mayor

ATTEST:

Dale Jones, City Clerk

APPROVED AS TO FORM

John O. Pinkney, City Attorney

SECOND AMENDMENT TO USE PERMIT

This Second Amendment ("Second Amendment") to the Use Permit ("Use Permit") is entered into between the City of Needles ("City") and San Bernardino County ("County") effective as of the 23 day of May, 2023 ("Second Amendment Effective Date").

A. The City and the County entered into that certain Use Permit dated February 11, 2014 allowing the County to use a certain portion of the City owned building known as Building "C" ("Building") located at 1111 Bailey Avenue ("Property") in the City of Needles, as more specifically described in the Use Permit.

B. The parties corrected the square footage of use area and clarified the permitted use by entering into that certain First Amendment ("First Amendment") to Use Permit dated October 25, 2022 (together the Use Permit and the First Amendment are referred to as the "Use Permit").

C. The County wishes to expand the area of the Use Permit to cover an additional area to be used as a multi-purpose room and gym.

FIRST AMENDMENT: The City and the County agree to further amend the Use Permit as follows:

A. SECTION 1 OF THE USE PERMIT AND EXHIBIT "A" ARE DELETED IN THEIR ENTIRETY; SECTION 1 IS AMENDED TO READ AS FOLLOWS AND EXHIBIT "A" IS AMENDED AS ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

"1. PARTIES: The City of Needles, hereinafter referred to as CITY, hereby permits San Bernardino County, whose address is 385 N Arrowhead Avenue, San Bernardino, California, 92415-0180, hereinafter referred to as COUNTY; to use a portion of the CITY-owned building located at 1111 Bailey Avenue, Building "C" in the City of Needles ("Property"), comprising approximately 4,005 square feet of office and other space ("Use Area") as the Use Area is more particularly shown on Exhibit "A" attached hereto and made a part hereof by this reference,"

B. SECTION 2 OF THE USE PERMIT IS DELETED IN ITS ENTIRETY AND AMENDED TO READ AS FOLLOWS:

2.USE. The County may use the Use Area for the following purposes: The Colorado River Station of the

Sheriff/Coroner office, related business/administrative offices, multi-purpose room and gym and any other activities related to the conduct of Sheriff/Coroner business. No other uses are permissible.

C. SECTION 4 OF THE USE PERMIT IS DELETED IN ITS ENTIRETY AND AMENDED TO READ AS FOLLOWS:

4. RENT AND MAINTENANCE: Commencing the Effective Date, County shall pay rent in the sum of \$4,405.50 which is payable to the City on or before the first day of each month in advance, Any partial month's rent shall be prorated based on a thirty day month. County shall regularly maintain the heating and ventilating system servicing said Building. Such maintenance shall include, but not be limited to, filters, electrical or mechanical repairs, and freon gas replacement due to leaks. COUNTY shall provide any unit replacement including, but not limited to, condenser coils, motors and full unit replacement. Except for any obligations of City, County shall maintain and repair the Use Area at all times in as good a condition as existed on the initial commencement date of this Use Permit, including the plumbing, electrical, mechanical, windows, interior walls improvements and furnishings that are part of the Use Area, ordinary wear and tear exclude

Except as specifically amended by this Second Amendment, the Use Permit shall remain in full force and effect.

COUNTY OF SAN BERNARDINO

CITY OF NEEDLES

Josie Gonzales, Chair, Board of Supervisors

By: _____
Janet Jernigan, Mayor

Date: _____

Date: _____

SIGNED AND CERTIFIED THAT
A COPY OF THIS DOCUMENT
HAS BEEN DELIVERED TO THE
CHAIRMAN OF THE BOARD

Approved as to Form:

LAURA H. WELCH, Clerk of the
Board of Supervisors

John Pinkney, City Attorney

By: _____
Deputy



Real Estate Services Department
Leasing and Acquisitions

Terry W. Thompson
Director

December 12, 2022

Patrick J. Martinez,
Assistant City Manager/Development Services
City of Needles
817 Third Street
Needles, CA 92363

via: Certified Mail

**RE: NEEDLES – SHERIFF/CORONER/PUBLIC ADMINISTRATOR – 1111 BAILEY AVENUE
BUILDING C – USE PERMIT AGREEMENT NO. 14-47 A-1**

Dear Mr. Martinez:

Enclosed is a fully executed copy of the use permit amendment on the above-referenced property.

Thank you for your cooperation in negotiating this use permit amendment. If you have any questions, please call me at (909) 677-7961.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith Burke".

Keith Burke
Real Property Agent III

KB:yg

Enclosures

SL-02

BOARD OF SUPERVISORS

COL. PAUL COOK (RET.)
First District

JANICE RUTHERFORD
Second District

DAWN ROWE
Vice Chair, Third District

CURT HAGMAN
Chairman, Fourth District

JOE BACA, JR.
Fifth District

Leonard X. Hernandez
Chief Executive Officer

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY



ORIGINAL

Contract Number

14-47 A-1

SAP Number

Real Estate Services Department

Department Contract Representative
Telephone Number

Terry W. Thompson, Director
(909) 387-5000

Contractor
Contractor Representative
Telephone Number
Contract Term

City of Needles
Rick Daniels- City Manager
(760) 408-4250
Three years commencing October
25, 2022 through October 24, 2025

Original Contract Amount
Amendment Amount
Total Contract Amount
Cost Center
GRC/PROJ/JOB No.
Internal Order No.

\$0.00
\$145,872.00
\$145,872.00
4430001000
33003047

Briefly describe the general nature of the contract: This Use Permit amendment is for three years for the period of October 25, 2022 through October 24th, 2025, to correct the size of the existing use area located at 1111 Bailey Avenue, Building C Needles, California, from 2,031 square feet to 1,639 square feet, expand the existing use area by 2,045 square feet for a total of 3,684 square feet, convert the month-to-month term to a three-year fixed term, adjust the rental rate schedule from a no-fee to a monthly rental amount and expand maintenance obligation to be performed by the County. The County will pay the City of Needles monthly rent in the amount of \$4,052 during the term of the Use Permit.

FOR DISTRICT USE ONLY

Approved as to Legal Form

► Please see signature page.
Agnes Cheng, Deputy County Counsel

Date _____

Reviewed for Contract Compliance

►

Date _____

Reviewed/Approved by Department

► 
Lyle Ballard, Real Property Manager, RESD

Date 10/19/22

FIRST AMENDMENT TO USE PERMIT

This First Amendment ("First Amendment") to the Use Permit ("Use Permit") is entered into between the City of Needles ("City") and San Bernardino County ("County") effective as of the 25th day of October, 2022 ("First Amendment Effective Date").

USE PERMIT: The City and the County entered into that certain Use Permit dated February 11, 2014 allowing the County to use a certain portion of the City owned building known as Building "C" ("Building") located at 1111 Bailey Avenue ("Property") in the City of Needles, as more specifically described in the Use Permit. The parties now desire to correct the square footage of use area and clarify the permitted use, as more specifically set for the in this First Amendment.

FIRST AMENDMENT: The City and the County agree to amend the Use Permit as follows:

- A. SECTION 1 OF THE USE PERMIT AND EXHIBIT "A" ARE DELETED IN ITS ENTIRETY AND SECTION 1 IS AMENDED TO READ AS FOLLOWS AND EXHIBIT "A" IS AMENDED AS ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

*"1. **PARTIES:** The City of Needles, hereinafter referred to as CITY, hereby permits San Bernardino County, whose address is 385 N. Arrowhead Avenue, San Bernardino, California, 92415-0180, hereinafter referred to as COUNTY, to use a portion of the CITY-owned building located at 1111 Bailey Avenue, Building "C" in the City of Needles ("Property"), comprising approximately 3,684 square feet of office space ("Use Area") as the Use Area is more particularly shown on Exhibit "A" attached hereto and made a part hereof by this reference."*

- B. SECTION 2 OF THE USE PERMIT IS DELETED IN ITS ENTIRETY AND AMENDED TO READ AS FOLLOWS:

*2. **USE:** The County may use the Use Area for the following purposes: The Colorado River Station of the Sheriff/Coroner office, related business/administrative offices and any other activities related to the conduct of Sheriff/Coroner business. No other uses are permissible.*

- C. SECTION 3 OF THE USE PERMIT IS DELETED IN ITS ENTIRETY AND AMENDED TO READ AS FOLLOWS:

*3. **TERM:** This Use Permit is entered into for a term of three (3) years commencing on the Effective Date and expiring on midnight of the anniversary of the Effective Date unless earlier terminated in accordance with the terms of this Use Permit.*

D. SECTION 4 OF THE USE PERMIT IS DELETED IN ITS ENTIRETY AND AMENDED TO READ AS FOLLOWS:

4. RENT AND MAINTENANCE: *Commencing the Effective Date, County shall pay rent in the sum of one dollar and ten cents per square foot which is agreed to be the sum of \$4,052.00 which is payable to the City on or before the first day of each month in advance. Any partial month's rent shall be prorated based on a thirty day month. County shall regularly maintain the heating and ventilating system servicing said Building. Such maintenance shall include, but not be limited to, filters, electrical or mechanical repairs, and Freon gas replacement due to leaks. COUNTY shall provide any unit replacement including, but not limited to, condenser coils, motors and full unit replacement. Except for any obligations of City, County shall maintain and repair the Use Area at all times in as good a condition as existed on the initial commencement date of this Use Permit, including the plumbing, electrical, mechanical, windows, interior walls improvements and furnishings that are part of the Use Area, ordinary wear and tear excluded.*

E. SECTION 11.A OF THE USE PERMIT IS STRICKEN AND OF NO FURTHER FORCE OR EFFECT.

F. A NEW SECTION 25 IS HEREBY ADDED AS FOLLOWS:

"25. ALTERATIONS. *County may make such structural and non-structural alterations, improvements, and additions to the Use Area (the "Subsequent Improvements"), provided that it first obtains City's written consent which consent may be given or withheld in the sole and absolute discretion of the City. Before commencing any alterations, additions, or improvements, County shall notify City in writing at least ten (10) days prior to the expected commencement and completion dates of the work. County shall not permit any mechanics' or materialmen's liens to be levied against the Use Area or stop notices to be filed for any labor or material furnished to County or to its agents, employees, or contractors; provided, however, that County shall not be required to pay or otherwise satisfy any claims or discharge such liens so long as County, in good faith and at its own expense, contests the same or the validity thereof by appropriate proceedings and posts a bond or takes other steps reasonably acceptable to City that remove such lien or stay enforcement thereof within thirty (30) days after County obtains knowledge of or receives notice from City of the existence of such liens. County shall require its contractors and subcontractors who make improvements to the Use to maintain liability and workers compensation insurance in amounts required of other public works contractors and provide proof of the same to City showing City named as Additional Insured."*




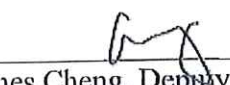
G. A NEW SECTION 26 IS HEREBY ADDED TO READ AS FOLLOWS:

"26. POSSIBLE INTREST TO PURCHASE. *In the event the County wishes to make an offer to City to purchase the Property (without any obligation to do so), the City will review any such offer and shall have the right to negotiate, counter, accept or reject the same in its sole and absolute discretion. For the sake of clarity this section indicates the possible interest of the parties only and does and shall not create any legal obligation*

on the part of either City or County. City and County understand and agree that it would not be reasonable to rely on this Section 26 in any manner whatsoever. Only in the event that the City and County both approve and execute a mutually acceptable real estate purchase and sale agreement would a legally binding agreement in this regard be formed. In the event that County purchases the real property, this Agreement shall automatically terminate and be of no further force or effect.

Except as specifically amended by this First Amendment, the Use Permit shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the date set forth below.

City of Needles, a California Charter City By  Rick Daniels, City Manager	San Bernardino County By  Name: <u>Curt Hagman</u> Title: <u>Chairman of the Board of Supervisors</u> OCT 25 2022
ATTEST: City of Needles, a California Charter City By  Dale Jones, City Clerk Date: <u>10-18-2022</u>	ATTEST: San Bernardino County By _____ County Clerk Date: _____
APPROVED TO FORM: SLOVAK BARON & EMPEY, LLP By  John O. Pinkney, Esq. City Attorney	APPROVED TO FORM: TOM BUNTON, County Counsel San Bernardino County By  Agnes Cheng, Deputy County Counsel Date: <u>9/26/2022</u>

SIGNED AND CERTIFIED THAT A COPY OF
 THIS DOCUMENT HAS BEEN DELIVERED
 TO THE CHAIRMAN OF THE BOARD
 LYNN MONELL
 Clerk of the Board of Supervisors
 of the County of San Bernardino
 By 

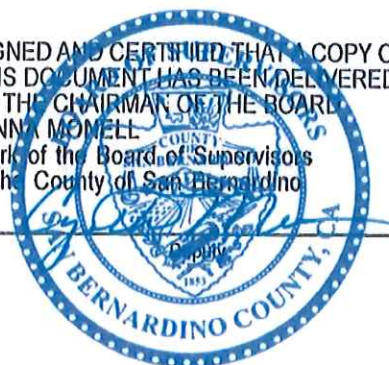
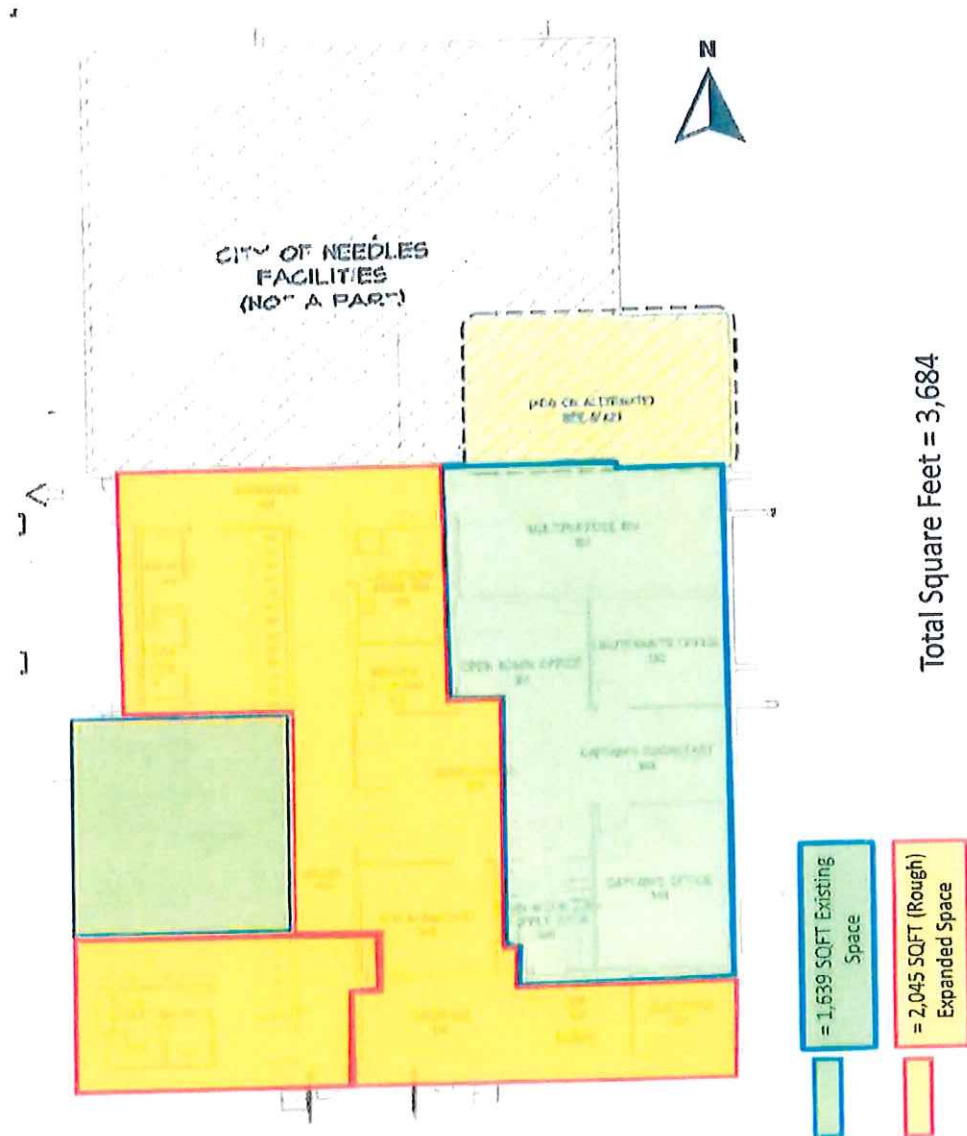
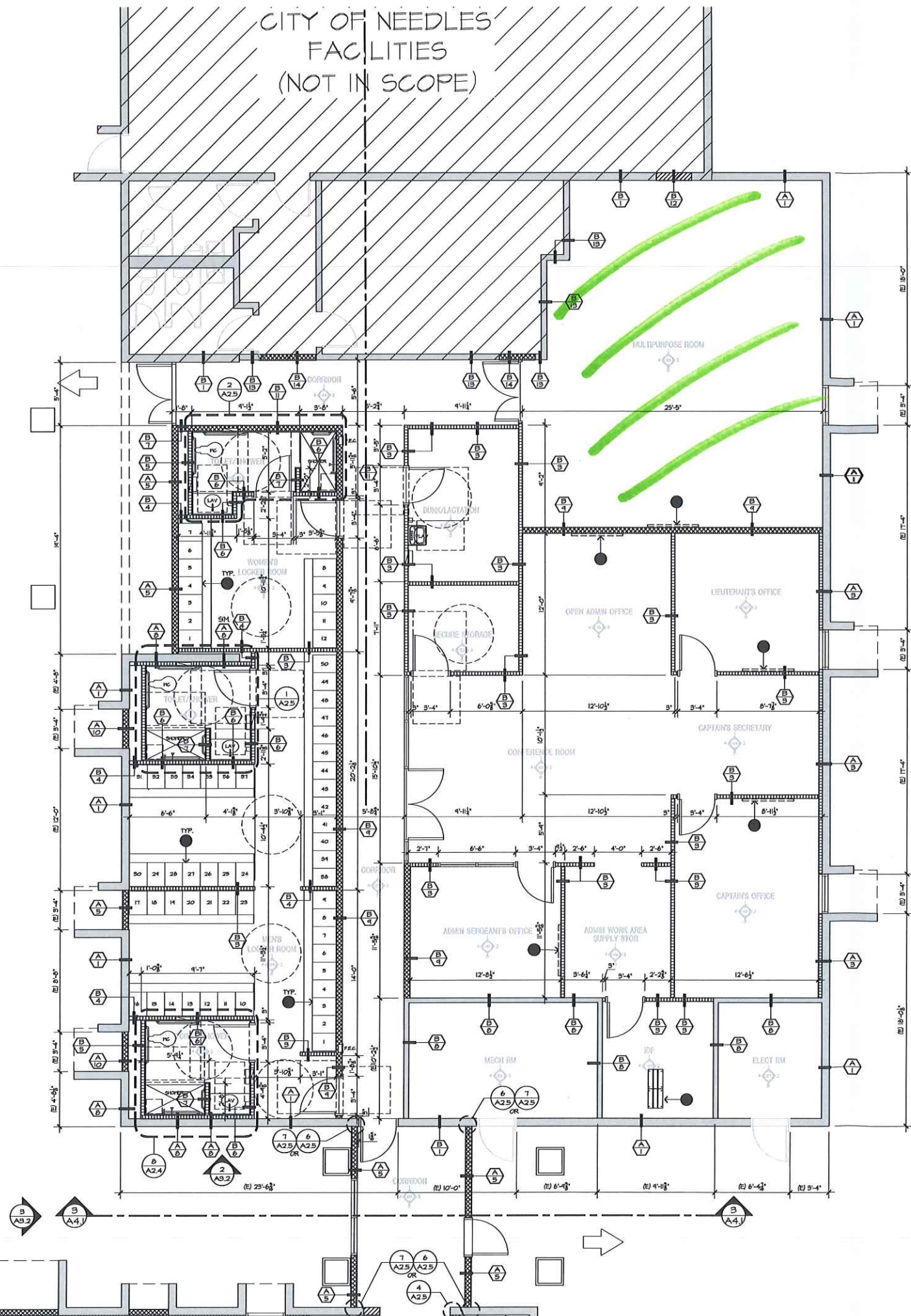


EXHIBIT "A" (Use Area)





LEGEND:

- EXISTING EXTERIOR CHU WALL TO REMAIN
- NEW CHU WALL TO MATCH EXISTING
- EXISTING 6" x 20 GA. METAL STUDS @ 16" O.C. INTERIOR WALL TO REMAIN
- NEW 6" x 20 GA. METAL STUDS @ 16" O.C. INTERIOR WALL TO REMAIN
- NEW 4" x 20 GA. METAL STUDS @ 16" O.C. INTERIOR WALL TO REMAIN

WALL TYPES

1. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

2. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

3. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

4. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

5. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

6. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

7. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

8. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

9. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

10. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

11. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

12. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

13. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

14. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

15. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

16. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

17. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

18. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

19. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

20. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

21. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

22. EXTERIOR WALL - (B) 8" x 8" x 16" SPLIT FACE CONCRETE BLOCK w/ (4) RIBS w/ FLUSH GROUT JOINTS TO MATCH EXISTING.

REMODEL

1111 BAILEY AVENUE
NEEDLES, CA. 92363

FOR THE
SAN BERNARDINO COUNTY SHERIFF'S DEPARTMENT

WSB #: 10.10.1220
CAF# NEED04
CIP #: 22-030

KEYNOTES

- FLOOR ANCHORED APC-100BPM ARMOR PIERCING CONTAINMENT SYSTEM.
- WORKBENCH MOUNTED APC-100BPM ARMOR PIERCING CONTAINMENT SYSTEM.
- CONTRACTOR SHALL INSTALL OWNER PROVIDED TV'S, AND PROVIDE AND INSTALL MOUNTS. SEE SHEET A2.4 FOR BACKING.
- NEW CONCRETE SHALL BE INSTALLED FLUSH WITH EXISTING CONCRETE.
- ICE MAKER. SEE SPECS.
- REFRIGERATOR. SEE SPECS.
- MICROWAVE OVEN. SEE SPECS.
- COFFEE MAKER. SEE SPECS.
- DEAL TRAY. SEE SPECS.
- WORK BENCH. SEE SPECS.
- EVIDENCE LOCKERS. SEE SPECS, AND FURNITURE AND EQUIPMENT COORDINATION PLANS.
- EXISTING ROOF ACCESS LADDER AND HATCH SHALL REMAIN. PROTECT DURING CONSTRUCTION.
- WATER HEATER. SEE PLUMBING.
- FIRE SPRINKLER RISER.
- COMPRESSOR. SEE PLUMBING.
- MOP SINK. SEE PLUMBING.
- EXISTING POST. SEE STRUCTURAL.
- DROP BOX. SEE FURNITURE AND EQUIPMENT COORDINATION PLANS.
- SEAL LOCKERS. SEE SPECS, AND FURNITURE AND EQUIPMENT COORDINATION PLANS.
- ARMORY LOCKERS. SEE SPECS, FURNITURE AND EQUIPMENT COORDINATION PLANS.
- LOCKERS. SEE SPECS, FURNITURE AND EQUIPMENT COORDINATION PLANS.
- INSTALL OWNER PROVIDED DATA RACKS.

ENLARGED REMODEL FLOOR PLAN - NORTH

DATE: DECEMBER 15, 2022

REVISIONS

NO.	DESCRIPTION	DATE
1	ISSUED FOR PERMIT	12/15/22
2	REVISION	12/15/22
3	REVISION	12/15/22
4	REVISION	12/15/22
5	REVISION	12/15/22
6	REVISION	12/15/22
7	REVISION	12/15/22
8	REVISION	12/15/22
9	REVISION	12/15/22
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18	REVISION	12/15/22
19	REVISION	12/15/22
20	REVISION	12/15/22
21	REVISION	12/15/22
22	REVISION	12/15/22

marks architects

73121 bed wading drive
suite 200
palm desert, ca 92260
760-377-4800

PROJECT NUMBER
3022006

DRAWING NUMBER
A2.3



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☒ Regular ☐ Special

Meeting Date: May 23, 2023

Title: City Council Resolution No. 2023-31
Application for the Land and Water Conservation Fund for JoJo Garcia Complex or Duke Watkins Park Project

Background: Land and Water Conservation Fund (LWCF) grants provide funding for the acquisition or development of land to create new outdoor recreation opportunities for the health and wellness of Californians. Since 1965, over one thousand parks throughout California have been created or improved with LWCF assistance.

On February 14, 1963, President Kennedy's Administration proposed legislation to establish a "Land and Water Conservation Fund" to assist states in planning, ACQUISITION, and DEVELOPMENT of recreation lands. With bipartisan support, President Johnson signed it into law on September 3, 1964, as Public Law 88- 578, 16 U.S.C.460I-4.

When an LWCF project is completed, the land within the approved LWCF Boundary Map is placed under federal protection, preserving the public's outdoor recreational use of the site in perpetuity for the benefit of our nation's future generations.

This park protection legacy is based on the provision of 54 U.S.C. §200305(f)(3) of the LWCF Act. Thousands of parks throughout California will remain as perpetual monuments to the foresight of President Kennedy's Administration and the American people.

Eligible applicants include Cities and Counties. The project scope must include the development of recreation features that must be for outdoor recreation. LWCF funds are intended to increase outdoor recreational opportunities for the health and wellness of Californians. Such recreation features include;

Athletic courts (basketball, tennis, futsal, pickleball, etc.) • Athletic fields (soccer regulation or futbol rapido, baseball, softball, football, etc.) • Community, demonstration, and botanic gardens • Dog parks and fixed features, such as fixed obstacle courses • OPEN SPACE and natural areas • Outdoor gyms (aerobic or strength building equipment) • Outdoor performing arts venues • Picnic areas • Playgrounds and tot lots • Recreational trails • Skate parks and BMX or pump tracks • Tracks, jogging loops, and par courses • Outdoor swimming pools and aquatic features

#12

The City held public workshops in 2019 and in 2023 to obtain input from the community on what recreational features they would like to see. The following projects were requested and can be considered for this project funding opportunity.

One major requirement is the proposed project **must be owned by the APPLICANT at the time of the application.**

- 1) JoJo Garcia Complex
Shade structures over Franz Flowers Field and the installation of a retaining wall with ADA access to the lower fields

Project cost: \$105,145

Project Match (50%): \$52,572

- 2) Duke Watkins Park
Pickleball Courts (2)

Project cost: \$204,268

Project Match (50%): \$102,135

Fiscal Impact: There is a match requirement of a minimum of 50% of the total project cost. LWCF is a reimbursement-only program, and applicants are reimbursed at a set rate of reimbursement.

The rate of reimbursement is calculated as the percentage of the LWCF grant amount in relation to the total project cost established by the applicant at the time of application.

For each payment request, OGALS can only reimburse the rate of reimbursement percentage of the eligible costs listed on a Grant Expenditure Form by the Grantee For example, a total project costs with a 50% LWCF grant amount will be reimbursed at 50% of the total eligible expenditures.

Recommended Action: Provide Staff direction to approve or fail Resolution No. 2023-31 Approving the Application for the Land and Water Conservation Fund for JoJo Garcia Complex or Duke Watkins Park Project

Submitted By: Rainie Torrance, Assistant Utility Manager

City Management Review: Pat J. [Signature] for RD **Date:** 5/17/2023

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 12

RESOLUTION NO. 2023-31

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEEDLES, CALIFORNIA,
APPROVING THE APPLICATION FOR LAND AND WATER CONSERVATION FUND
_____PROJECT

WHEREAS, the Congress under Public Law 88-578 has authorized the establishment of a federal Land and Water Conservation Fund Grant-In-Aid program, providing matching funds to the State of California and its political subdivisions for acquiring lands and developing Facilities for public outdoor recreation purposes; and

WHEREAS, the California Department of Parks and Recreation is responsible for administration of the program in the State, setting up necessary rules and procedures governing APPLICATIONS by local agencies under the program; and

WHEREAS, the APPLICANT certifies by resolution the approval of the APPLICATION and the availability of eligible MATCHING funds prior to submission of the APPLICATION to the State; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Needles hereby:

1. Approves the filing of an APPLICATION for Land and Water Conservation Fund assistance for the proposed; _____(PROJECT Name)
2. Certifies that the APPLICANT has reviewed, understands, and agrees to the General Provisions contained in the CONTRACT shown in the Grant Administration Guide; and
3. Agrees to abide by 54 U.S.C. §200305(f)(3) which requires, "No property acquired or developed with assistance under this section shall, without the approval of the National Secretary of the Interior, be converted to other than public outdoor recreation uses. The Secretary shall approve such conversion only if he finds it to be in accord with the then existing comprehensive statewide outdoor recreation plan and only upon such conditions as he deems necessary to assure the substitution of other recreation properties of at least equal fair market value and of reasonably equivalent usefulness and location."
4. Certifies that said agency has MATCHING funds from eligible source(s) and can finance 100 percent of the PROJECT, which up to half may be reimbursed; and
5. Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines.
6. Appoints the Rick Daniels, City Manager as agent of the APPLICANT to conduct all negotiations and execute and submit all documents, including, but not limited to, APPLICATIONS, CONTRACTS, amendments, payment requests, and compliance with all applicable current state and federal laws which may be necessary for the completion of the aforementioned PROJECT.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 23rd day of May 2023, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mayor

(SEAL)

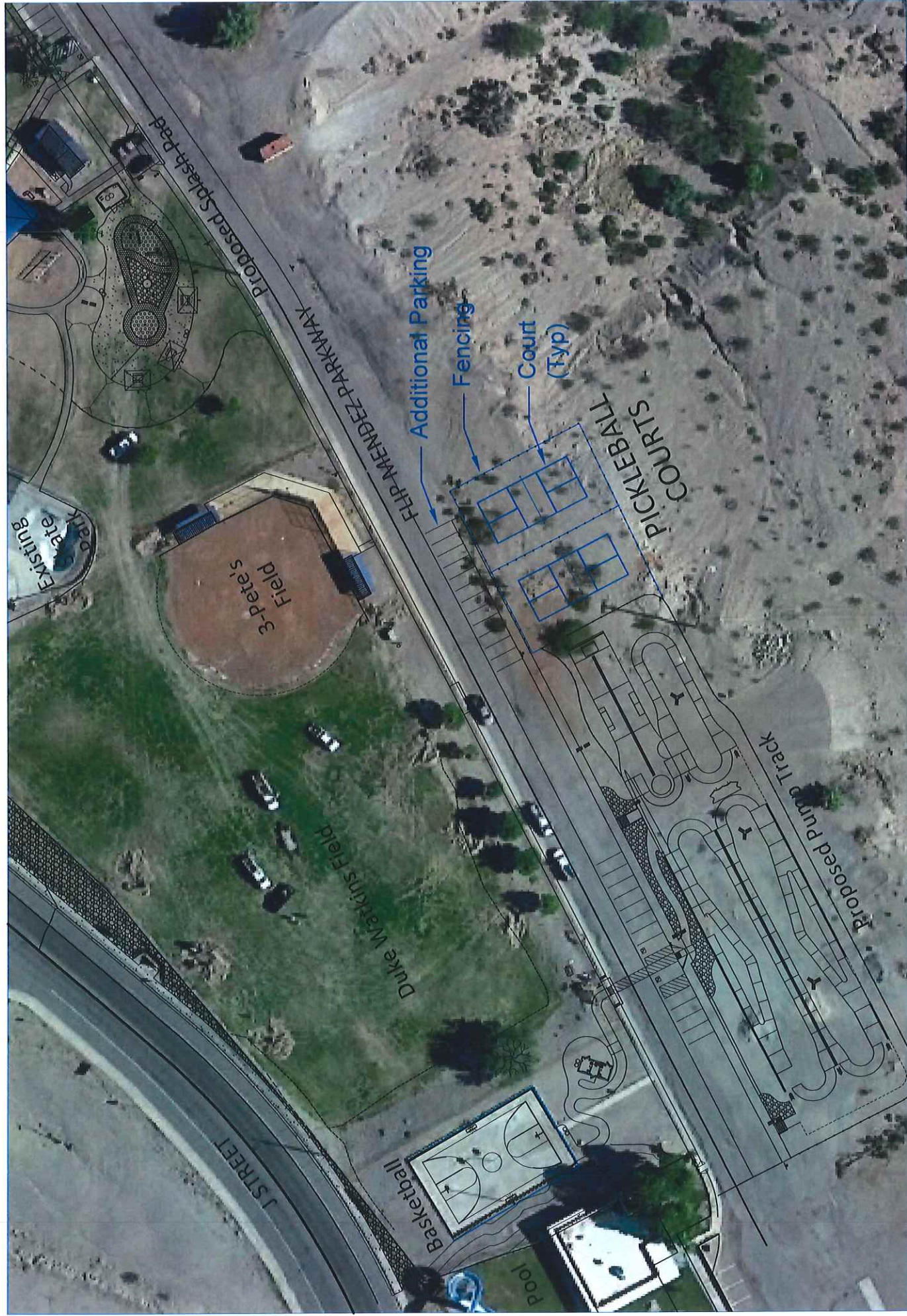
ATTEST: _____
City Clerk

APPROVED AS TO FORM:

City Attorney

DUKE WATKINS PARK

Pickleball Courts



FRANZ FLOWERS BALLFIELD





City of Needles, California

Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☒ HACN ☒ Regular ☐ Special

Meeting Date: May 23, 2023

Title: City Charter Council Compensation

Background: Councilmember Longbrake requested this item be placed on the agenda for discussion. Charter Sections below define the compensation.

Sec. 453. Compensation

The mayor shall be entitled to receive the same salary and compensation as a city councilman.

Sec. 503. Compensation

Each member of the council shall be entitled to receive a salary of one dollar per calendar month. Members of the council shall also be entitled to reimbursement on order of the council for council authorized traveling expenses and other expenses actually incurred when on official duty or order of the council. Members of the council shall receive no other compensation from the city.

To amend the City Charter a measure must be placed on the ballot, our next Municipal Election is November 2024.

Examples of Council Members Monthly Salary / Stipend:

City of Yucca Valley	\$557
29 Palms	\$500
Big Bear	\$500
Kingman	\$500
Blythe	\$300
Barstow	\$500

Fiscal Impact: Reallocation of General Fund Revenues

Recommendation: Provide direction

Submitted By: Councilmember Longbrake

City Management Review:

Renee Toranzo

Date: 5/19/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item:

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