



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

AGENDA

REGULAR MEETING OF THE
BOARD OF PUBLIC UTILITIES OF THE
CITY OF NEEDLES, CALIFORNIA
TUESDAY, APRIL 1, 2025 AT 4:00 PM
EL GARCES HISTORIC DEPOT
950 FRONT STREET, NEEDLES

THE PUBLIC MAY ATTEND VIA TEAMS AND MAY SUBMIT ANY COMMENTS
IN WRITING PRIOR TO NOON ON THE DAY OF THE MEETING BY
EMAILING csallis@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 meeting](#)

If asked, enter the following: Meeting ID: 858 895 660#
OR listen in and participate by calling Teams: 1-323-488-2227 - Meeting ID: 858 895 660#
Meetings are being recorded

CALL TO ORDER - ROLL CALL

APPROVAL OF AGENDA

(ACT)

CORRESPONDENCE

PUBLIC APPEARANCE: Persons wishing to address the Board on subjects other than those scheduled are requested to do so at this time. When called by the Chairman, please come to the podium and 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 California Government Code Sec. 54950 prohibits the Board from taking action on a specific item until it appears on the agenda.

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

1. Presentation by Vasquez & Company LLP of the Needles Public Utility Authority Audit Report for the Fiscal Year Ended June 30, 2023 (DIS)

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 Chairman or any Member of the Board may pull an item from the Consent Calendar for discussion. Prior to Board action, a member of the public may address the Board on matters scheduled on the Consent Calendar. A three-minute time limit per person applies. **Recommended Action:** Approve Item 2 on the Consent Calendar by affirmative vote (ACT)

2. Approval of minutes of regular meeting held March 18, 2025

REGULAR ITEMS (A three minute time limit per person has been established per Municipal Code Section 2-18) **NONE**

REPORTS

(INF)

- [3.](#) EUSI, LLC operational support services relating to the wastewater treatment facility and collection system February 2025

MANAGER'S REPORT

- [4.](#) Manager's Report March 14 and March 21, 2025

BOARD REQUESTS

ADJOURNMENT

**INTERNET ACCESS TO BOARD AGENDA AND STAFF REPORT MATERIAL IS AVAILABLE
PRIOR TO THE MEETING AT: [HTTP://WWW.CITYOFNEEDLES.COM](http://www.cityofneedles.com)**

Posted: March 27, 2025

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 Administrative 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 Cheryl Sallis, Secretary to the Board, at (760) 326-2113 ext 115. 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).



City of Needles, California Request for Commission Action

☐ CITY COUNCIL ☒ BOARD OF PUBLIC UTILITIES ☒ Regular ☐ Special

Meeting Date: April 1, 2025

Title: Presentation by Vasquez & Company LLP of the NPUA audit report for the fiscal year ended June 30, 2023

Background: At the request of the Utility Board, all audit findings are to be presented prior to final acceptance of the audit report.

Vasquez & Company LLP has completed the audit of the Needles Public Utility Authority (NPUA) for the fiscal year ended June 30, 2023. The audit was conducted in accordance with generally accepted auditing standards and Government Auditing Standards.

Roger Martinez, the engagement partner, will present the results of the audit via teleconference.

Summary of Audit Results:

- Audit Opinion: Unmodified ("clean") opinion. The financial statements fairly present the financial position and results of operations of NPUA.
- Internal Controls:
 - No material weaknesses were identified.
 - One significant deficiency was noted in internal controls over inventories, specifically related to inventory withdrawals, purchases, and unit cost updates.
- Compliance: No instances of noncompliance were reported.

Attachments:

1. FY 2022/23 Audit Results Presentation (Vasquez & Company LLP)
2. FY 2022/23 Audit Report – Needles Public Utility Authority

Fiscal Impact: None

Environmental Impact: n/a

Recommended Action: Discussion only. No formal action requested at this time.

Submitted By: Barbara DiLeo, Acting Director of Finance

City Manager Approval: Patrick J. Martinez

Date: 3/25/2025

Other Department Approval (when required): _____

Date: _____

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: _____



REPORT TO THE BOARD OF PUBLIC UTILITIES

April 1, 2025

/ Introduction

To the Honorable Members of the Board of Public Utilities Needles Public Utility Authority

We are pleased to present this report related to our audit of the financial statements of Needles Public Utility Authority (the Authority) as of and for the year ended June 30, 2023. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the Authority'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 Board of Public Utilities 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 be of service to the Authority.

/ Table of Contents

Engagement Team	3
Independence	4
Scope of Engagement	5
Summary of Audit Results	6
Auditor's Required Communications to Those Charged with Governance	9
New Accounting Pronouncements – GASB Implementation	13
Questions	14
Contact Information	15

/ Engagement Team

Needles Public Utility Authority Engagement Team



Roger Martinez
Engagement Partner



Cristy Canieda
Quality Control Partner



Cid Conde
Engagement Director



Sam Tolentino
Audit Manager

Rachel Anne A. Francisco - Estoque
Audit Associate Manager

Jeny Felipe
Ela Lavilla
Senior Auditors

/ Independence



There are no relationships between any of our representatives and the Authority that in our professional judgment may reasonably be thought to bear on independence.

Vasquez & Company LLP meets the independence requirements of the *Government Auditing Standards* as it relates to the Authority.

/ Scope of Engagement



FINANCIAL STATEMENTS AUDIT

- In accordance with Generally Accepted Government Auditing Standards
- As of and for the year ended June 30, 2023

/ Summary of Audit Results



/ Independent Auditor's Report

Financial Statements Audit – UNMODIFIED OPINION – “Clean” Opinion

Unmodified “Clean” 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 present fairly, in all material respects,
Needles Public Utility Authority:



Financial position



Results of operations



Changes in net position



Cash flows

/ Independent Auditor's Report, Continued

Report on Internal Control Over Financial Reporting and on Compliance

Material weakness(es)	None noted
Significant deficiency	Significant Deficiency on Internal Controls over Inventories
Noncompliance material to the financial statements	None noted

/ Auditor's Required Communication to Those Charged with Governance (AU-C 260)



/ Required Communication to Those Charged with Governance

Management's Responsibility	Management has primary responsibility for the accounting principles used, including their consistency, application, clarity and completeness.
Significant Accounting Policies	The Authority's significant accounting policies are appropriate, and management has applied its policies consistently with prior periods in all material respects. The Authority implemented GASB Statement No. 96 – <i>Subscription-Based Information Technology Arrangements (SBITAs)</i> and GASB Statement No. 94, - <i>Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs)</i> , during the fiscal year ended June 30, 2023.
Controversial issues	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.
Basis of Accounting	The financial statements were prepared on the assumption that the Authority will continue as a going concern.

/ Required Communication to Those Charged with Governance, Continued

Audit Adjustments	Audit adjustments, other than those that are clearly trivial, proposed by us and recorded by the Authority are shown on the Summary of Recorded Audit Adjustments. The Authority's financial statements as of and for the year ended June 30, 2022 have been restated due to the change in the recognition of prepayments made in fiscal years 2020, 2012 and 2013 totaling \$1,000,000 to the purchase obligation.
Disagreements with Management	We encountered no disagreements with management on financial accounting and reporting matters as it relates to the current year financial statements.
Consultations with Other Accountants	We are not aware of any consultations management had with other accountants about accounting and auditing matters.
Conditions of Retention	No significant issues were discussed, or subject to correspondence, with management prior to retention.

/ Required Communication to Those Charged with Governance, Continued

Difficulties with Management	We did not encounter any difficulties with management while performing our audit procedures that require the attention of the Board.
Material Weakness and Significant Deficiency	A significant deficiency on internal controls over inventories was identified related to the controls in place in relation to withdrawal and purchases of inventories, and update of inventory unit cost. No material weaknesses in internal controls were identified. Details of the significant deficiency noted is included in the SAS114 Conclusion letter.
Irregularities, Fraud or Illegal Acts	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.
Management Representations	The Authority provided us with a signed copy of the management representation letter at the end of the audit and prior to our issuance of the report on financial statements.

New Accounting Pronouncements – GASB Implementation

Effective FY2024 –Applicable to the Authority's financial statements

- GASB Statement No. 100, *Accounting Changes and Error Corrections-an amendment of GASB Statement No. 62* (effective for fiscal year 2024).

Effective FY2024 – Applicable but no impact to the Authority's financial statements

- GASB Statement No. 99, *Omnibus 2022* (some components were effective in fiscal year 2022 and 2023, others were effective for fiscal years 2024); and
- GASB Statement No. 101, *Compensated Absences*

To be implemented in FY2025 and FY2026

- GASB Statement No. 102, *Certain Risk Disclosures* (effective for fiscal year 2025)
- GASB Statement No. 103, *Financial Reporting Model Improvements* (effective for fiscal year 2026).
- GASB Statement No. 104, *Disclosure of Certain Capital Assets* (effective for fiscal year 2026)

QUESTIONS

/ Contact Information

Vasquez + Company LLP has over 50 years of experience in performing audit, tax, accounting, and consulting services for all types of nonprofit organizations, governmental entities, and private companies. We are the largest minority-controlled accounting firm in the United States and the only one to have global operations and certified as MBE with the Supplier Clearinghouse for the Utility Supplier Diversity Program of the California Public Utilities Commission.

We are clients of the **RSM Professional Services+ Practice**. As a client, we have access to the Professional Services+ Collaborative, a globally connected community that provides access to an ecosystem of capabilities, collaboration and camaraderie to help professional services firms grow and thrive in a rapidly changing business environment. As a participant in the PS+ Collaborative, we have the opportunity to interact and share best practices with other professional services firms across the U.S. and Canada.

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Item 1.

**Thank you for your
time and attention!**





**Needles Public Utility Authority
(A Component Unit of the City of Needles)
Audited Financial Statements
*As of and for the Year Ended June 30, 2023
with Independent Auditor's Report***

Needles Public Utility Authority
(A Component Unit of the City of Needles)
Audited Financial Statements
As of and for the Year Ended June 30, 2023
with Independent Auditor's Report

Needles Public Utility Authority
(A Component Unit of the City of Needles)
Table of Contents

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)	5
BASIC FINANCIAL STATEMENTS	
Statement of Net Position	11
Statement of Revenues, Expenses, and Changes in Net Position	12
Statement of Cash Flows	13
Notes to Financial Statements	14
SUPPLEMENTARY SCHEDULES	
Combining Schedule of Net Position	34
Combining Schedule of Revenues, Expenses, and Changes in Net Position	35
Combining Schedule of Cash Flows	36
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	37



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Independent Auditor's Report

**The Board of Public Utilities
Needles Public Utility Authority**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Needles Public Utility Authority (the Authority), a component unit of the City of Needles, California, which comprise the statement of net position as of June 30, 2023, the related statement of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, (collectively, the Authority's basic financial statements).

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2023, and the changes in its net 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 (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. 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.



Emphasis of Matters

As discussed in Note 15, the Authority's financial statements as of and for the year ended June 30, 2022 have been restated due to the change in the recognition of prepayments made to the purchase obligation in the prior years. Our opinion is not modified with respect to this matter.

Management's Responsibilities 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:

- 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 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 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 management's discussion and analysis on pages 5 through 10, 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 GAAS, 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 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 GAAS. In our opinion, the supplementary information is 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 February 25, 2025, on our consideration of the 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 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.

Vaquer & Company LLP

Glendale, California
February 25, 2025

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

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, 2023. Please read it in conjunction with the Authority's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The total net position amounted to \$17,332 thousand and \$12,314 thousand, in 2023 and 2022, respectively. The increase of \$5,018 thousand or 40.74% in the current year primarily due to an increase in capital contributions and adjustment of pension-related accounts.
- Operating revenues amounted to \$16,746 thousand and \$17,346 thousand in 2023 and 2022, respectively. The decrease of \$600 thousand or 3.46% in 2023 was due to lower consumption and usage.
- Operating expenses (excluding depreciation) amounted to \$14,389 thousand and \$14,537 thousand in 2023 and 2022, respectively. The decrease of \$148 thousand or 1.01% in 2023 was primarily due to the adjustment of pension-related accounts and an increase in purchase of electric.

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.

Needles Public Utility Authority
(A Component Unit of the City of Needles)
Management's Discussion and Analysis (Unaudited)(Continued)
June 30, 2023

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 position 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.

Condensed Statement of Net Position
(000's)

	<u>2023</u>	<u>2022</u> <u>(As Restated)</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
Assets				
Current and other assets	\$ 16,467	\$ 17,091	\$ (624)	-3.65%
Capital assets	23,629	19,165	4,464	23.29%
Total assets	<u>40,096</u>	<u>36,256</u>	<u>3,840</u>	10.59%
Deferred outflows of resources	<u>1,089</u>	<u>510</u>	<u>579</u>	113.53%
Liabilities				
Long-term debt	17,571	18,742	(1,171)	-6.25%
Other liabilities	6,168	4,747	1,421	29.93%
Total liabilities	<u>23,739</u>	<u>23,489</u>	<u>250</u>	1.06%
Deferred inflows of resources	<u>114</u>	<u>963</u>	<u>(849)</u>	-88.16%
Net Position				
Net investment in capital and intangible assets	9,728	2,578	7,150	277.35%
Restricted for debt service	6,321	9,879	(3,558)	-36.02%
Unrestricted (deficit)	1,283	(143)	1,426	-997.20%
Total net position	<u>\$ 17,332</u>	<u>\$ 12,314</u>	<u>\$ 5,018</u>	40.75%

Needles Public Utility Authority
(A Component Unit of the City of Needles)
Management's Discussion and Analysis (Unaudited)(Continued)
June 30, 2023

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

	<u>2023</u>	<u>2022</u> <u>(As Restated)</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
Revenues				
Operating revenues	\$ 16,746	\$ 17,346	\$ (600)	-3.46%
Nonoperating revenues	<u>67</u>	<u>12</u>	<u>55</u>	458.33%
Total revenues	<u>16,813</u>	<u>17,358</u>	<u>(545)</u>	-3.14%
Expenses				
Depreciation	1,372	1,352	20	1.48%
Other operating expenses	14,389	14,537	(148)	-1.02%
Nonoperating expenses	<u>976</u>	<u>1,336</u>	<u>(360)</u>	-26.95%
Total expenses	<u>16,737</u>	<u>17,225</u>	<u>(488)</u>	-2.83%
Income before contributions and transfers	76	132	(56)	-42.42%
Capital contributions	5,781	1,328	4,453	335.32%
Transfers	<u>(839)</u>	<u>(755)</u>	<u>(84)</u>	11.13%
Changes in net position	5,018	705	4,313	611.77%
Net position at beginning of year, as restated	<u>12,314</u>	<u>11,609</u>	<u>705</u>	6.07%
Net position at end of year	<u>\$ 17,332</u>	<u>\$ 12,314</u>	<u>\$ 5,018</u>	40.75%

The \$5,018 thousand increase in total net position in 2023, versus an increase of \$705 thousand in 2022, reflects the combination of decrease in operating revenues and expenses, increase in capital contributions and transfers. The lower operating revenues in 2023 were due to decreased consumption and usage from FY 2023.

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.

Needles Public Utility Authority
(A Component Unit of the City of Needles)
Management's Discussion and Analysis (Unaudited)(Continued)
June 30, 2023

Capital Assets (000's)				
	2023	2022	Dollar Change	Percent Change
Costs				
Land	\$ 3,199	\$ 3,199	\$ -	0.00%
Utility plant	42,588	41,489	1,099	2.65%
Right-of-use lease asset	236	150	86	57.33%
Construction in progress	5,374	742	4,632	624.26%
Total costs	<u>51,397</u>	<u>45,580</u>	<u>5,817</u>	
Accumulated depreciation	<u>27,768</u>	<u>26,415</u>	<u>1,353</u>	5.12%
Net capital assets	<u>\$ 23,629</u>	<u>\$ 19,165</u>	<u>\$ 4,464</u>	23.29%

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.
- Pole yard equipment steel building
- 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 – 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
- Main replacement in the Vista Street area & new services
- AMI meters
- Golf course maintenance yard main distribution manifold
- Jet Vac / Trailer

- Main replacement at Verde Shores
- Extension into North Needles
- Fire hydrant replacements

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
- Bazoobuth lift station pump replacement
- North Needles sewer line extension

Long Term Debt

Total indebtedness (all liabilities) outstanding at June 30, 2023, and 2022 amounted to \$23,739 thousand and \$23,489 thousand, respectively. The increase in total liabilities was due to payments of debt and higher pension-related liabilities. More detailed information about the Authority's long-term liabilities is presented in Note 7 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 the Western Area Power Administration (WAPA), and energy costs decreased substantially because of this contract, from their peak in 2006 and 2007. In September 2020, the City, on behalf of the Authority, entered into Amendment No. 6 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.

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.

BASIC FINANCIAL STATEMENTS

Needles Public Utility Authority
(A Component Unit of the City of Needles)
Statement of Net Position
June 30, 2023

ASSETS

Current assets

Cash and cash equivalents	\$ 6,321,230
Receivables	
Accounts receivables, net	2,270,237
Notes receivable, current portion	340,175
Due from City of Needles	4,116,758
Materials and supplies inventory	829,550

Total current assets 13,877,950

Noncurrent assets

Notes receivable, net of current portion	168,441
Capital assets, net of accumulated depreciation	23,628,702
Intangible assets, net of accumulated amortization	2,420,981

Total noncurrent assets 26,218,124

Total assets 40,096,074

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows related to pensions	1,058,293
Deferred outflows related to OPEB	30,492

Total deferred outflows of resources 1,088,785

LIABILITIES AND NET POSITION

Current liabilities

Lease liabilities, current portion	48,925
Accounts payable and other current liabilities	206,656
Due to the City of Needles	19,457
Compensated absences	238,617
Customer deposits	2,747,858
Accrued interest payable	158,367
Bonds and notes payable, current portion	1,220,351

Total current liabilities 4,640,231

Noncurrent liabilities

Lease liabilities, net of current portion	120,067
Net pension liability	2,138,202
Net OPEB liability	489,392
Bonds and notes payable, net of current portion	16,351,068

Total noncurrent liabilities 19,098,729

Total liabilities 23,738,960

DEFERRED INFLOWS OF RESOURCES

Deferred inflows related to pensions	114,142
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Net position

Net investment in capital and intangible assets	9,728,281
Restricted for debt service	6,321,230
Unrestricted	1,282,246

Total net position \$ 17,331,757

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, 2023

Operating revenues

Sales of electricity	\$ 11,043,636
Sales of water	3,593,680
Charges for wastewater system use	2,013,371
Other revenues	95,562
Total operating revenues	<u>16,746,249</u>

Operating expenses

Operations and maintenance	6,062,332
Electric power purchased	7,524,450
Depreciation and amortization	1,372,183
City franchise fee	803,185
Total operating expenses	<u>15,762,150</u>
Operating income	<u>984,099</u>

Nonoperating revenues (expenses)

Interest expense	(976,336)
Interest and investment revenue	66,860
Net nonoperating expenses	<u>(909,476)</u>

Income before contributions and transfers 74,623

Capital Contributions 5,781,366

Operating transfers

Transfers to the City	<u>(838,570)</u>
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Change in net position 5,017,419

Net position at beginning of year, as restated (Note 15) 12,314,338

Net position at end of year \$ 17,331,757

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, 2023

Cash flows from operating activities

Receipts from customers	\$ 17,235,533
Payments to City of Needles:	
Suppliers and other costs	(15,573,252)
Employee compensation and related costs	(2,292,565)
Net cash flows used in operating activities	<u>(630,284)</u>

Cash flows from capital and related financing activities

Capital contributions	5,781,366
Purchases of capital assets	(5,773,914)
Principal paid on capital debt	(1,170,823)
Interest paid on capital debt	(992,939)
Net transfers for asset replacement reserves	(838,570)
Cash flows used in capital and related financing activities	<u>(2,994,880)</u>

Cash flows from investing activity

Interest and investment revenue	66,860
Cash flows from investing activity	<u>66,860</u>

Net decrease in cash and cash equivalents (3,558,304)

Cash and cash equivalents at beginning of year	9,879,534
Cash and cash equivalents at end of year	<u>\$ 6,321,230</u>

Reconciliation of operating income to net cash flows used in operating activities

Operating income	\$ 984,099
Adjustments to reconcile operating income to net cash from operating activities:	
Depreciation and amortization	1,372,183
Changes in operating assets and liabilities:	
Receivables	436,445
Materials and supplies inventory	(65,826)
Deferred outflows of resources	(578,335)
Deferred inflows of resources	(848,402)
Accounts payable and other current liabilities	36,332
Due from (to) the City of Needles	(3,314,521)
Compensated absences	(30,096)
Customer deposits	300,430
Net pension liability	1,168,501
Net OPEB liability	(91,094)
Net cash flows used in operating activities	<u>\$ (630,284)</u>

See accompanying notes to financial statements.

NOTE 1 REPORTING ENTITY

Organization and Operations of the Reporting Entity

The financial statements of the Needles Public Utility Authority (the Authority) have been prepared in conformity with generally accepted accounting principles in the United States of America (U.S. 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 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 blended component unit of the City.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Measurement Focus

The financial statements of the Authority are prepared in accordance with U.S. GAAP issued by the GASB applicable to governmental entities that use proprietary fund accounting.

The Authority reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Authority is that the costs of providing electricity, water and wastewater services, collection, and treatment for its service areas on a continuing basis be financed or recovered primarily through utility charges, capital grants and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses, such as electric, water and sewer charges, result from exchange transactions associated with the principal activity of the Authority. Exchange transactions are those in which each party receives and gives up essentially equal values. Management, administration, and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Implementation of New Accounting Pronouncements

During the year ended June 30, 2023, the Authority considered the following GASB statements:

GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements (SBITAs)*. The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. This Statement establishes standards of accounting and financial reporting for SBITAs by a government end user (a government). The requirements of this Statement apply to financial statement of all state and local governments and are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The implementation of this new accounting standards did not have an impact on the Authority's financial statements as of June 30, 2023.

GASB Statement No. 94, "*Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs)*." This Statement establishes the definitions of PPPs and APAs and provides uniform guidance on accounting and financial reporting for transactions that meet those definitions. A PPP is an arrangement in which a government (the transferor) contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset, for a period of time in an exchange or exchange-like transaction. An APA is an arrangement in which a government compensates an operator for activities that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The implementation of this new accounting standard did not have an impact on the Authority's financial statements.

The following recent accounting pronouncements are not yet applicable to the Authority for the year ended June 30, 2023.

GASB 100, "*Accounting Changes and Error Corrections*", effective for fiscal years beginning after June 15, 2023.

GASB 101, "*Compensated Absences*", effective for fiscal years beginning after December 15, 2023.

GASB 102, "*Certain Risk Disclosures*", effective for fiscal years beginning after June 15, 2024.

GASB 103, "*Financial Reporting Model Improvements*", effective for fiscal years beginning after June 15, 2025.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Implementation of New Accounting Pronouncements

GASB 104, "New Capital Asset Disclosures", effective for fiscal years beginning after June 15, 2025.

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 39.49% 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, 2023.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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.

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

The basic financial statements are comprised of the statement of net position, the statement of revenues, expenses, and changes in net position, the statement of cash flows, and the related notes to the financial statements.

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.

Investments

Investments are generally reported at fair value. Investments in the LAIF are reported at amortized cost, which approximates fair value.

Accounts Receivables

The Authority extends credit to customers in the normal course of operations. Management closely monitors outstanding balances and, based on collection experience, has determined receivables that are doubtful of collection. Allowances for doubtful accounts at June 30, 2023 were estimated at \$395,125.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position
(Continued)**

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.

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

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.

Right-of-Use Lease Assets and Lease Payable

The Authority recorded right-of-use lease assets and lease payable as a result of implementing GASB Statement No. 87, Leases. The right-of-use lease assets are initially measured at an amount equal to the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The lease assets are amortized on a straight-line basis over the term of the related leases or the useful life of the underlying assets, whichever is shorter.

Deposits

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

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position
(Continued)**

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 year, 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 10, 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, 2023, the total estimated liability for all compensated absences, including sick leave, was \$238,617.

Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses include amounts payable to vendors.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues and Expenses (Continued)

Long-term Debt

Debt premiums and discounts are amortized over the life of the debt using the straight-line method. Long-term debt is reported net of the applicable unamortized bond premium or discount. Debt issuance costs are expensed when incurred.

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 \$490,687 prior to July 1, 2004.

Net Position

Net position represents the difference between all other elements in the statement of net position and should be displayed in the following three components:

Net Investment in Capital and Intangible Assets – This component of net position consists of capital and intangible assets, unexpended proceeds of debt restricted to the financing of capital and intangible assets, and related deferred charges on refunding, net of accumulated depreciation and amortization and reduced by any related debt outstanding against the acquisition, construction or improvement of those capital and intangible assets.

Restricted – This component of net position consists of constraints placed on net position use through external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments or restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

NOTE 3 CASH AND INVESTMENTS

The indenture for the 2016 Revenue Refunding Bonds (Note 7) requires the establishment of special funds to be held and administered by trustees and by the Authority. As of June 30, 2023, investments and cash held by trustees and by the Authority in these funds and accounts are as follows:

Custodian	
Local Agency Investment Fund	\$ 3,021,301
Bank	3,299,929
	<u>\$ 6,321,230</u>
Special funds balances	
Operating funds	\$ 2,049,411
Electric asset replacement reserve	2,871,847
Utility rate stabilization fund	699,972
PCA balances	700,000
	<u>\$ 6,321,230</u>

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

The California Government Code requires California banks and savings and loan associations to secure the Authority's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the Authority's name.

The fair value of pledged securities must equal at least 110% of the Authority's cash deposits. California law also allows institutions to secure the Authority's deposits by pledging first trust deed mortgage notes having a value of 150% of the Authority's total cash deposits. The Authority may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The Authority, however, has not waived the collateralization requirements.

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, 2023, the total fair value of LAIF, including accrued interest was approximately \$275 billion. The fair value of the Authority's investment in the pool is \$3,021,301 as of June 30, 2023.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by the California Government Code and the Authority's Investment Policy

The table below identifies the investment types that are authorized for the Authority by the California Government Code (or the Authority's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the Authority's investment policy, where more restrictive) that addresses interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by the bond trustee that are governed by the provisions of debt agreements of the Authority, rather than the general provisions of the California Government Code or the Authority's investment policy.

Authorized Investment Type	Maximum Remaining Maturity	Maximum Specified Percentage of Portfolio	Minimum Quality Requirements
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
State Obligations: CA and Others	5 years	None	None
CA Local Agency Obligations	5 years	None	None
U.S. Agency Obligations	5 years	None	None
Bankers' Acceptances	180 days	40%	None
Commercial Paper: Non-pooled Funds	270 days	25%	Highest letter and number rating
Commercial Paper: Pooled Funds	270 days	25%	Highest letter and number rating
Negotiable Certificates of Deposit	5 years	30%	None
Non-negotiable Certificates of Deposit	5 years	None	None
Placement Service Deposits	5 years	30%	None
Placement Service Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements and Securities Lending Agreements	92 days	20%	None
Medium-term Notes	5 years	30%	"A" rating or better
Mutual Funds and Money Market Mutual Funds	N/A	20%	Multiple
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass-through and Asset Backed Securities	5 years	20%	"AA" rating or better
County Pooled Investment Funds	N/A	None	None
Joint Powers Authority Pool	N/A	None	Multiple
Local Agency Investment Fund (LAIF)	N/A	None	None
Voluntary Investment Program Fund	N/A	None	None
Supranational Obligations	5 years	20%	"AA" rating or better

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Authority's investment policy. The Authority has no investment authorized by debt agreements as of June 30, 2023.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Interest Rate Risk

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

Information about the sensitivity of the fair values of the Authority's investments (including investments held by the bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity as of June 30, 2023.

<u>Investment Type</u>	<u>Remaining Maturity (in Years)</u>
	<u>Less Than 1 Year</u>
Local Agency Investment Fund	\$ <u>3,021,301</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2023, the Authority has no investments in commercial paper and corporate bonds.

Concentration of Credit Risk

The Authority's investment policy contains no limitation on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2023, there were no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of the total Authority's investments.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits:

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued)

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2023, none of the Authority's deposits or investments were exposed to custodial credit risk.

Fair Value Measurements

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, 2023 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 4 RECEIVABLES

Accounts Receivables

As of June 30, 2023, accounts receivable consisted of the following:

	Electric	Water	AAC	Wastewater	Total
Accounts receivables	\$ 1,912,078	\$ 204,923	\$ 185,992	\$ 362,369	\$ 2,665,362
Allowance for doubtful accounts	(251,788)	(53,598)	-	(89,739)	(395,125)
Net receivables	<u>\$ 1,660,290</u>	<u>\$ 151,325</u>	<u>\$ 185,992</u>	<u>\$ 272,630</u>	<u>\$ 2,270,237</u>

Notes Receivable

As of June 30, 2023, notes receivable consisted of the following:

	Electric	Water	Total
Due within one year	\$ 337,302	2,873	\$ 340,175
Due in more than 1 year	167,019	\$ 1,422	168,441
	<u>\$ 504,321</u>	<u>\$ 4,295</u>	<u>\$ 508,616</u>

Needles Public Utility Authority
(A Component Unit of the City of Needles)
Notes to Financial Statements (Continued)
Year ended June 30, 2023

NOTE 4 RECEIVABLES (CONTINUED)

On May 24, 2022, the City of Needles entered into a payment agreement and release with Medical Investor Holdings, LLC (MIH) for its delinquent business taxes and utilities amounting to \$1,839,458. Out of this amount, \$924,956 is owed to the Authority for the unpaid utilities as of the date of the agreement. MIH agrees to pay the City, by July 11, 2024, the full delinquent amount in a secured promissory note. The note is payable in 24 monthly installments. The balance of the unpaid utilities owed to the Authority as of June 30, 2023 was \$508,616.

On February 15, 2024, the payment agreement and release entered into between the City and Medical Investor Holdings, LLC (MIH) was amended to extend the payment period of the promissory note until February 12, 2026 (see Note 16).

NOTE 5 CAPITAL ASSETS

Changes in capital assets for the year ended June 30, 2023 were as follows:

	Beginning Balance	Additions	Transfers/ Deductions	Ending Balance
Non depreciable Assets				
Land	\$ 3,199,100	\$ -	\$ -	\$ 3,199,100
Construction in progress	742,407	4,631,776	-	5,374,183
Total	<u>3,941,507</u>	<u>4,631,776</u>	<u>-</u>	<u>8,573,283</u>
Depreciable Assets				
Utility plant	41,489,000	1,099,389	-	42,588,389
Right-of-use lease asset	150,280	85,468	-	235,748
Total	<u>41,639,280</u>	<u>1,184,857</u>	<u>-</u>	<u>42,824,137</u>
Accumulated Depreciation				
Utility plant	(26,389,587)	(1,308,432)	-	(27,698,019)
Right-of-use lease asset	(25,156)	(45,543)	-	(70,699)
Total	<u>(26,414,743)</u>	<u>(1,353,975)</u>	<u>-</u>	<u>(27,768,718)</u>
Total depreciable assets, net	<u>15,224,537</u>	<u>(169,118)</u>	<u>-</u>	<u>15,055,419</u>
Capital Assets, net	<u>\$ 19,166,044</u>	<u>\$ 4,462,658</u>	<u>\$ -</u>	<u>\$ 23,628,702</u>

Needles Public Utility Authority
(A Component Unit of the City of Needles)
Notes to Financial Statements (Continued)
Year ended June 30, 2023

NOTE 6 INTANGIBLE ASSETS

Changes in the intangible assets for the year ended June 30, 2023 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	728,366	-	-	728,366
Total	<u>3,391,173</u>	<u>-</u>	<u>-</u>	<u>3,391,173</u>
Accumulated amortization				
Water rights	(490,687)	-	-	(490,687)
Canal construction cost sharing	(461,296)	(18,209)	-	(479,505)
Total	<u>(951,983)</u>	<u>(18,209)</u>	<u>-</u>	<u>(970,192)</u>
Intangibles, net	<u>\$ 2,439,190</u>	<u>\$ (18,209)</u>	<u>\$ -</u>	<u>\$ 2,420,981</u>

NOTE 7 LONG-TERM DEBT

Long-term debt consisted 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 2011. Starting in February 2011, the annual payment was reduced as a result of the \$250,000 prepayments made in 2010. The annual payment was further reduced to \$666,436 as a result of additional prepayments made in the years 2012 and 2013 amounting to \$750,000. The prepayments have resulted in lower interest charges. The annual payment will be reduced to \$535,421 beginning in fiscal year 2026.

Long-term liabilities activity for the year ended June 30, 2023 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	\$ 10,878,983	\$ -	\$ (1,032,323)	\$ 9,846,660	\$ 1,072,555
Purchase obligation	7,863,259	-	(138,500)	7,724,759	147,796
	<u>\$ 18,742,242</u>	<u>\$ -</u>	<u>\$ (1,170,823)</u>	<u>\$ 17,571,419</u>	<u>\$ 1,220,351</u>

Needles Public Utility Authority
(A Component Unit of the City of Needles)
Notes to Financial Statements (Continued)
Year ended June 30, 2023

NOTE 7 LONG-TERM DEBT (CONTINUED)

Annual maturities of long-term debt are as follows:

Year Ending June 30	Revenue Refunding Bonds	Purchase Obligation	Interest	Total
2024	\$ 1,072,555	\$ 147,796	\$ 1,200,930	\$ 2,421,281
2025	1,114,355	157,719	1,133,152	2,405,226
2026	1,157,784	37,293	1,061,051	2,256,128
2027	1,202,907	39,797	993,044	2,235,748
2028	1,249,787	42,469	920,215	2,212,471
Thereafter	4,049,272	7,299,688	13,955,583	25,304,542
Total	\$ 9,846,660	\$ 7,724,759	\$ 19,263,976	\$ 36,835,395

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.

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 8 LEASES

The Authority has existing seven (7) leased vehicles from a car rental company during the fiscal year 2023. The lease terms of each leased vehicle are five (5) years with monthly payments ranging from \$465 to \$880.

Since the interest rate of the leases is not readily determinable by the Authority, the future lease payments were discounted using an estimated incremental borrowing rate should a loan be taken to pay lease amounts during the lease terms. The discount rates used to calculate the lease liability range from 2.62% to 7.50%.

The Authority recorded a right-to-use lease asset with a net book value of \$165,049 and a lease liability of \$168,992 for all the leases as of June 30, 2023.

Needles Public Utility Authority
(A Component Unit of the City of Needles)
Notes to Financial Statements (Continued)
Year ended June 30, 2023

NOTE 8 LEASES (CONTINUED)

As of June 30, 2023, the lease payable consisted of the following:

	Beginning			Ending	Amounts
	Balance	Additions	Payments	Balance	Due Within
					One Year
Vehicle 23JSN6	\$ 17,636	\$ -	\$ (5,406)	\$ 12,230	\$ 5,555
Vehicle 23MS7Z	17,385	-	(5,045)	12,340	5,189
Vehicle 23JSN5	17,806	-	(5,458)	12,348	5,609
Vehicle 23MS7J	28,371	-	(8,043)	20,328	8,256
Vehicle 254JCC	45,076	-	(8,160)	36,916	8,645
Vehicle 254JD7	-	41,827	(7,592)	34,235	7,960
Vehicle 25T9QX	-	43,641	(3,046)	40,595	7,711
	<u>\$ 126,274</u>	<u>\$ 85,468</u>	<u>\$ (42,750)</u>	<u>\$ 168,992</u>	<u>\$ 48,925</u>

Payments of principal and interest for each of the next five (5) fiscal years and increments thereafter are as follows:

Year Ending		
June 30	Principal	Interest
2024	\$ 48,925	\$ 7,397
2025	51,101	5,222
2026	34,765	3,096
2027	28,230	1,357
2028	5,971	150
	<u>\$ 168,992</u>	<u>\$ 17,222</u>

NOTE 9 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 employers 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.

NOTE 9 RETIREMENT PLAN (CONTINUED)

General Information about the Pension Plans (Continued)

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 39.49% 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, 2023.

Amounts allocated in fiscal year 2022-23 were as follows:

Net pension liability	\$ 2,138,202
Deferred outflows of resources	1,058,293
Deferred inflows of resources	114,142
Pension expense	385,793

Please refer to the City's audited financial statements for the fiscal year ended June 30, 2023, for more information about the City's retirement plan required financial statements note disclosures and supplementary information in accordance with GASB Statement No. 68.

NOTE 10 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information About the OPEB Plan

Plan Description

In addition to providing pension benefits, the City provides certain healthcare 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.

GASB 75 requires the total OPEB liability to be measured as of a date no earlier than the end of the employer’s prior fiscal year and no later than the end of the employer’s current fiscal year, consistently applied from period to period. The City has elected to measure liabilities as of the end of the prior fiscal year.

GASB 75 requires that the total OPEB liability should be determined by (a) an Alternative Measurement Method (AMM) valuation as of the measurement date or (b) the use of update procedures to roll forward to the measurement date amounts from an AMM valuation as of a date no more than 30 months and 1 day earlier than the employer’s most recent fiscal year-end. Liabilities were calculated as of the valuation date and rolled forward to the measurement date using standard actuarial roll forward techniques per GASB 75 option (b) mentioned above. No adjustments were made for events occurring after the measurement date.

Valuation date	June 30, 2021
Measurement date	June 30, 2022
Measurement period	July 1, 2021 to June 30, 2022
Reporting date	June 30, 2023

NOTE 10 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

With the implementation of GASB Statement No. 75, the City allocates about 39.49% 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, 2023. Amounts allocated in fiscal year 2022-23 were as follows:

Net OPEB liability	\$ 489,392
Deferred outflows of resources	30,492
OPEB expense	83,847

Please refer to the City's audited financial statements for the fiscal year ended June 30, 2023 for more information about the City's OPEB plan required financial statements note disclosures and supplementary information in accordance with GASB Statement No. 75.

NOTE 11 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, 2023, the Authority transferred \$838,570 to the City for deposit to the asset replacement funds.

As of June 30, 2023, 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	\$ 1,606,759
Wastewater	309,641
Electric	1,862,940
	<u>\$ 3,779,340</u>

NOTE 12 COMMITMENTS AND CONTINGENCIES

The Authority is considered a transmission and generation-dependent electric utility, and, therefore, completely dependent on others for the 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 402 KWH per customer per month in winter months and 757 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.

NOTE 12 COMMITMENTS AND CONTINGENCIES (CONTINUED)

In 2008, the Authority partnered with the United States Department of Energy Western Area Power Administration (WAPA) for the 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. Rate studies are conducted every 5 years to ensure the NPUA rates are established at the cost to provide the service. The next rate study is scheduled for fiscal year 2025.

NOTE 13 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. 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, 2023 amounted to \$16,069,965. 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 FY17 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 FSA. The FSA and utility user tax amounted to \$1,139,686 for the year ended June 30, 2023.

NOTE 13 RELATED PARTY TRANSACTIONS (CONTINUED)

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 \$666,436 for the year ended June 30, 2023, which included interest amounting to \$527,939. The unpaid purchase obligation is included in the bonds and note payable account in the Statement of Net Position.

NOTE 14 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.

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 13.

NOTE 15 RESTATEMENT OF PRIOR YEAR FINANCIAL STATEMENTS

The Authority's financial statements as of and for the year ended June 30, 2022 have been restated due to the change in the recognition of prepayments made in fiscal years 2020, 2012 and 2013 totaling \$1,000,000 to the purchase obligation. The impact of the restatement on the previously reported financial statements as of and for the year ended June 30, 2022 is shown below:

	<u>Net Position</u>
June 30, 2022 balance as previously reported	\$ 11,447,089
Prior period adjustment	867,249
June 30, 2022 balance as restated	<u>\$ 12,314,338</u>

NOTE 16 SUBSEQUENT EVENTS

In preparing these financial statements, the Authority has evaluated events and transactions for potential recognition or disclosure through February 25, 2025, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that, except as noted below, no other subsequent events occurred that require recognition or additional disclosure in the financial statements.

On February 15, 2024, the payment agreement and release entered into between the City and Medical Investor Holdings, LLC (MIH) was amended to extend the payment period of the promissory note (see Note 4). MIH shall pay the City the principal and interest installment amount of \$75,064 in twenty-four (24) equal monthly payments due commencing on March 12, 2024 and the same day of each month thereafter with the final payment and any remaining balance due and payable on February 12, 2026.

SUPPLEMENTARY SCHEDULES

Needles Public Utility Authority
(A Component Unit of the City of Needles)
Combining Schedule of Net Position
June 30, 2023

	Water				
	Electric	Water	All American Canal	Wastewater	Total
ASSETS					
Current assets					
Cash and cash equivalents	\$ 4,569,062	\$ 803,535	\$ -	\$ 948,633	\$ 6,321,230
Receivables					
Accounts receivables, net	1,660,290	151,325	185,992	272,630	2,270,237
Notes receivable, current portion	337,302	2,873	-	-	340,175
Due from City of Needles	3,381,095	235,804	239,763	260,096	4,116,758
Due from other funds	806,554	-	-	-	806,554
Materials and supplies inventory	772,421	21,313	-	35,816	829,550
Total current assets	11,526,724	1,214,850	425,755	1,517,175	14,684,504
Noncurrent assets					
Notes receivable, net of current portion	167,019	1,422	-	-	168,441
Capital assets, net of accumulated depreciation	11,969,176	7,462,403	-	4,197,123	23,628,702
Intangible assets, net of accumulated amortization	-	2,420,981	-	-	2,420,981
Total noncurrent assets	12,136,195	9,884,806	-	4,197,123	26,218,124
Total assets	23,662,919	11,099,656	425,755	5,714,298	40,902,628
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pensions	597,726	321,463	30,376	108,728	1,058,293
Deferred outflows related to OPEB	18,295	8,233	610	3,354	30,492
Total deferred outflows of resources	616,021	329,696	30,986	112,082	1,088,785
LIABILITIES AND NET POSITION					
Current liabilities					
Lease liabilities, current portion	22,510	13,515	-	12,900	48,925
Accounts payable and other current liabilities	148,792	24,385	8,680	24,799	206,656
Due to the City of Needles	19,457	-	-	-	19,457
Due to other funds	-	550,687	47,824	208,043	806,554
Compensated absences	160,063	52,182	2,280	24,092	238,617
Customer deposits	2,747,858	-	-	-	2,747,858
Accrued interest payable	74,432	34,841	-	49,094	158,367
Bonds and notes payable, current portion	573,565	268,477	-	378,309	1,220,351
Total current liabilities	3,746,677	944,087	58,784	697,237	5,446,785
Noncurrent liabilities					
Lease liabilities, net of current portion	47,082	32,950	-	40,035	120,067
Net pension liability	1,287,939	572,501	41,524	236,238	2,138,202
Net OPEB liability	293,635	132,136	9,788	53,833	489,392
Bonds and notes payable, net of current portion	7,685,002	3,597,235	-	5,068,831	16,351,068
Total noncurrent liabilities	9,313,658	4,334,822	51,312	5,398,937	19,098,729
Total liabilities	13,060,335	5,278,909	110,096	6,096,174	24,545,514
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	132,503	(30,578)	(13,545)	25,762	114,142
Net position (deficit)					
Net investment in capital and intangible assets	3,710,609	6,017,672	-	-	9,728,281
Restricted for debt service	4,569,062	803,535	-	948,633	6,321,230
Unrestricted	2,806,431	(640,186)	360,190	(1,244,189)	1,282,246
Total net position	\$ 11,086,102	\$ 6,181,021	\$ 360,190	\$ (295,556)	\$ 17,331,757

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, 2023

		Water			
	Electric	Water	All American Canal	Wastewater	Total
Operating revenues					
Sales of electricity	\$ 11,043,636	\$ -	\$ -	\$ -	11,043,636
Sales of water	-	2,591,407	1,002,273	-	3,593,680
Charges for wastewater system use	-	-	-	2,013,371	2,013,371
Other revenues	95,562	-	-	-	95,562
Total operating revenues	11,139,198	2,591,407	1,002,273	2,013,371	16,746,249
Operating expenses					
Electric power purchased	7,524,450	-	-	-	7,524,450
Salaries and benefits	889,037	744,068	83,895	196,139	1,913,139
Depreciation and amortization	545,265	382,772	-	444,146	1,372,183
City franchise fee	543,739	153,349	-	106,097	803,185
Supplies	290,367	121,352	4,954	29,619	446,292
Administrative and management	440,510	319,998	18,168	163,441	942,117
Power and utilities	48,877	193,994	-	122,903	365,774
Contractual services	203,198	64,208	846,182	401,883	1,515,471
Maintenance and operations	54,988	18,369	-	32,216	105,573
Insurance	249,244	30,735	-	37,878	317,857
Conservation/solar rebates	163,143	6,083	-	-	169,226
Miscellaneous	119,176	74,836	4,688	88,183	286,883
Total operating expenses	11,071,994	2,109,764	957,887	1,622,505	15,762,150
Operating income	67,204	481,643	44,386	390,866	984,099
Nonoperating revenues (expenses)					
Interest expense	(458,878)	(214,794)	-	(302,664)	(976,336)
Interest and investment revenue	31,424	14,709	-	20,727	66,860
Net nonoperating expenses	(427,454)	(200,085)	-	(281,937)	(909,476)
Income (loss) before contributions and transfers	(360,250)	281,558	44,386	108,929	74,623
Capital contributions	1,818,325	3,890,314	-	72,727	5,781,366
Operating transfers					
Transfers to the City	(511,066)	(298,848)	-	(28,656)	(838,570)
Change in net position	947,009	3,873,024	44,386	153,000	5,017,419
Net position at beginning of year, as restated	10,139,093	2,307,997	315,804	(448,556)	12,314,338
Net position at end of year	\$ 11,086,102	\$ 6,181,021	\$ 360,190	\$ (295,556)	\$ 17,331,757

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, 2023

		Water			
	Electric	Water	All American Canal	Wastewater	Total
Cash flows from operating activities					
Receipts from customers	\$ 11,704,530	\$ 2,748,933	\$ 836,030	\$ 1,946,040	\$ 17,235,533
Payments to City of Needles:					
Suppliers and other costs	(12,852,575)	(962,488)	(718,611)	(1,039,578)	(15,573,252)
Employee compensation and related costs	(1,008,822)	(945,435)	(117,419)	(220,889)	(2,292,565)
Net cash flows provided by (used in) operating activities	<u>(2,156,867)</u>	<u>841,010</u>	<u>-</u>	<u>685,573</u>	<u>(630,284)</u>
Cash flows from capital and related financing activities					
Capital contributions	1,818,325	3,890,314	-	72,727	5,781,366
Purchases of capital assets	(1,904,561)	(4,065,197)	-	195,844	(5,773,914)
Principal paid on capital debt	(550,289)	(257,582)	-	(362,952)	(1,170,823)
Interest paid on capital debt	(466,682)	(218,446)	-	(307,811)	(992,939)
Net transfers for asset replacement reserves	(511,066)	(298,848)	-	(28,656)	(838,570)
Net cash flows used in capital and related financing activities	<u>(1,614,273)</u>	<u>(949,759)</u>	<u>-</u>	<u>(430,848)</u>	<u>(2,994,880)</u>
Cash flows from investing activity					
Interest and investment revenue	31,424	14,709	-	20,727	66,860
Cash flows provided by investing activity	<u>31,424</u>	<u>14,709</u>	<u>-</u>	<u>20,727</u>	<u>66,860</u>
Net increase (decrease) in cash and cash equivalents	<u>(3,739,716)</u>	<u>(94,040)</u>	<u>-</u>	<u>275,452</u>	<u>(3,558,304)</u>
Cash and cash equivalents at beginning of year	8,308,778	897,575	-	673,181	9,879,534
Cash and cash equivalents at end of year	<u>\$ 4,569,062</u>	<u>\$ 803,535</u>	<u>\$ -</u>	<u>\$ 948,633</u>	<u>\$ 6,321,230</u>
Reconciliation of operating income to net cash flows from operating activities					
Operating income	\$ 67,204	\$ 481,643	\$ 44,386	\$ 390,866	\$ 984,099
Adjustments to reconcile operating income to net cash from operating activities:					
Depreciation and amortization	545,265	382,772	-	444,146	1,372,183
Changes in operating assets and liabilities:					
Receivables	355,968	269,935	(166,243)	(23,215)	436,445
Materials and supplies inventory	(66,680)	3,555	-	(2,701)	(65,826)
Deferred outflows of resources	(309,751)	(191,875)	(20,777)	(55,932)	(578,335)
Deferred inflows of resources	(445,023)	(290,465)	(32,796)	(80,118)	(848,402)
Accounts payable and other current liabilities	26,159	4,287	1,526	4,360	36,332
Due from (to) the City of Needles	(3,085,336)	(36,365)	(89,687)	(103,133)	(3,314,521)
Due from (to) other funds	(243,542)	-	243,542	-	-
Compensated absences	(16,472)	(5,114)	(259)	(8,251)	(30,096)
Customer deposits	363,880	(63,450)	-	-	300,430
Net pension liability	706,118	310,682	22,130	129,571	1,168,501
Net OPEB liability	(54,657)	(24,595)	(1,822)	(10,020)	(91,094)
Net cash flows provided by (used in) operating activities	<u>\$ (2,156,867)</u>	<u>\$ 841,010</u>	<u>\$ -</u>	<u>\$ 685,573</u>	<u>\$ (630,284)</u>

See independent auditor's report.



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

**The Board of Public Utilities
Needles Public Utility Authority**

We have audited, 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, 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, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated February 25, 2025.

Report on 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) as a basis for designing 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 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 a deficiency in internal control described in the following page as Finding FS 2023-001 that we consider to be a significant deficiency.



Authority's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the finding identified in our audit and described below. The Authority's 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.

Finding FS 2023-001 Significant Deficiency on Internal Controls over Inventories

Criteria

Maintaining detailed audit trails for all transactions and adjustments and ensuring all documentation is complete and readily available for audits are essential practices that are crucial for demonstrating compliance with policies, substantiating financial statements, and providing necessary documents for audits. Audit preparedness and keeping organized, accessible records are key components of a successful audit process.

Condition

We have noted that there are no controls in place in relation to withdrawal and purchase of inventories. Based on our understanding of the process, there is no documentation and monitoring being made for every material receipt and issuance. There are no formal controls in place to verify whether the items picked from the warehouse or yard are valid and properly authorized.

In addition, during our review of inventory listings, we noted that listings are not being updated based on the recent purchase date and cost of materials and inventories. We noted non-moving materials and items that have a date of last order or receipt still from the years 1997, 1998 and 1999 up to 2005. We also noted that the unit cost is not updated in the system based on the recent purchases.

Further, the Authority does not perform a random count of sample inventories on a regular basis to verify the existence and completeness of inventories. Inventory count is being performed only at fiscal year-end.

Lastly, based on the inventory count procedures we performed, five (5) out of eight (8) samples from the inventory listing have discrepancies against the actual count.

Cause / Effect

The above condition is attributed to the lack of proper controls and documentation which may pose a risk to the existence, accuracy, valuation, and completeness of the inventory on hand. Accordingly, the Authority is exposed to the risk of misappropriation of assets, financial reporting misstatements, and/or negative impact on its operations.

Recommendation

We recommend that management establish and strictly implement controls over receipts and withdrawals of inventory. This is to avoid unauthorized issuance of inventory supplies and materials to safeguard company assets and will also help to ensure the existence, completeness and accuracy of inventory.

We further recommend that management perform a detailed review of inventory listings and ensure that the listings are updated based on the recent purchase date and purchase cost and provide allowance for obsolescence for non-moving inventories. This is to ensure proper valuation of assets and present more fairly the status of inventory as well as to enhance the fair presentation of the financial statements in accordance with generally accepted accounting principles.



Management's Response and Action Plan

The NPUA inventory is located at several sites and in some places, multiple locations at one site. Our goal is to relocate inventory into one area for Electric and one area for Water. Electric inventory will be relocated to the planned building on California Ave and Water will be located at Third St. After this, a formal inventory check in and out procedure will be implemented. The warehouse employee will be responsible for logging in material and checking out material into NPUA's accounting system. All inventory will be properly recorded into NPUA's accounting system upon receipt. Costs will also be updated. A formal inventory policy will be created, adopted, and implemented. This policy will also deal with handling obsolete inventory

Personnel Responsible:
Rainie Torrance – Utility Manager

Anticipated Completion Date:
June 30, 2026

Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

Glendale, California
February 25, 2025



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BOARD OF PUBLIC UTILITIES

March 18, 2025

The regular meeting of the Board of Public Utilities held on the 18th day of March, 2025, was called to order at 4:00 p.m. with VICE CHAIRMAN LeJEUNE presiding and the following COMMISSIONERS present:

COMMISSIONERS BROWN, McNEIL, CAIRNS AND POWELL

Also Present: SECRETARY SALLIS, CITY MANAGER MARTINEZ, UTILITY MANAGER TORRANCE AND OTHER KEY STAFF

EX ABSNC COMMISSIONER BROWN MOVED, SECONDED BY COMMISSIONER McNEIL, to grant an excused absence to CHAIRMAN CAMPBELL. Motion carried by the following roll call vote:

AYES: VICE CHAIRMAN LeJEUNE, COMMISSIONERS BROWN,
McNEIL, CAIRNS AND POWELL
NOES: NONE
ABSENT: CHAIRMAN CAMPBELL

APPROVAL COMMISSIONER McNEIL MOVED, SECONDED BY COMMISSIONER
AGENDA BROWN, to approve the agenda. Motion carried by the following roll call vote:

AYES: VICE CHAIRMAN LeJEUNE, COMMISSIONERS BROWN,
McNEIL, CAIRNS AND POWELL
NOES: NONE
ABSENT: CHAIRMAN CAMPBELL

CORSPNDN: None

PBLC APRN: None

CNST CAL: COMMISSIONER BROWN requested to pull agenda item 3 (authorize Phillips Construction to replace six (6) water meters not to exceed \$59,600 utilizing water asset replacement funds).

COMMISSIONER McNEIL MOVED, SECONDED BY COMMISSIONER BROWN, to pull agenda item 3 and approve agenda items 1 and 2.

1. Approval of minutes of the regular meeting held February 18, 2025
2. Authorize the City Manager to execute the 2025 California Forbearance Agreement on behalf of the City of Needles along with Coachella Valley Water District, Imperial Irrigation District, The Metropolitan Water District of Southern California, and Palo Verde Irrigation District

Motion carried by the following roll call vote:

AYES: VICE CHAIRMAN LeJEUNE, COMMISSIONERS BROWN,
McNEIL, CAIRNS AND POWELL
NOES: NONE
ABSENT: CHAIRMAN CAMPBELL

REPLACE Utility Manager Torrance briefly explained the need to replace six large
WTR MTRS commercial water meters which must be in aboveground vaults and city crews are not able to do it in a timely manner. COMMISSIONER BROWN asked if Phillips Construction was a city preferred vendor and, as such, did not require a bidding process to which Utility Manager Torrance responded yes.

COMMISSIONER BROWN MOVED, SECONDED BY COMMISSIONER POWELL, to authorize Phillips Construction to replace six (6) water meters not to exceed \$59,600 utilizing water asset replacement funds. Motion carried by the following roll call vote:

AYES: VICE CHAIRMAN LeJEUNE, COMMISSIONERS BROWN,
McNEIL, CAIRNS AND POWELL
NOES: NONE
ABSENT: CHAIRMAN CAMPBELL

REG ITEMS: Secretary Sallis read an email from CHAIRMAN CAMPBELL sharing his views on the purchase of 60 decorative wreaths using electric FY25 budget: 1) street lights are a public safety issue, therefore under the Needles City Council purview, as such a taxpayer supported expenditure; 2) some time in the past street lights have become incorrectly ratepayer supported; 3) therefore purchase of decorations, if rate payer i.e. FY 25 funds are used, a reasonable accommodation would be credited to the due to / due from financial ledger Utility to City.

HOLIDY
WREATHS

Utility Manager Torrance gave a brief history on the NPUA purchase of the current wreaths back in 1990 which now need to be replaced and should be done ahead of the holiday season. The decorative light poles which the wreaths are placed on are very lightweight and not able to handle the weight of a heavy wreath.

COMMISSIONER BROWN pointed out that CHAIRMAN CAMPBELL's concern is who is paying. City Manager Martinez spoke on the light poles being used are owned by the utility and the wreaths are an extension of the light pole; the benefits of the new wreaths to the community; and funding is available and budgeted in the electric department.

COMMISSIONER BROWN MOVED, SECONDED BY COMMISSIONER McNEIL, to authorize the purchase of sixty (60) 36" decorative holiday wreaths from Holiday Outdoor Décor not to exceed a cost of \$26,000 utilizing the adopted FY25 electric budget. Motion carried by the following roll call vote:

AYES: VICE CHAIRMAN LeJEUNE, COMMISSIONERS BROWN,
McNEIL, CAIRNS AND POWELL
NOES: NONE
ABSENT: CHAIRMAN CAMPBELL

ELECT
STEEL
BLDG
CONSTR

Utility Manager Torrance explained that the 60'x120' steel building has been a capital project in the electric department for a long time. The vehicles and inventory are stored at different locations outside and this will get them indoors at one location. This project went out to bid.

COMMISSIONER CAIRNS noted that he owns a house on California Avenue so City Manager Martinez looked up and confirmed that the address is outside the area which would require COMMISSIONER CAIRNS' recusal.

COMMISSIONER CAIRNS spoke on work previously done on the flood control channel and the contractor impeding access behind the homes and the alley along the tracks. He hoped the city will watch this contractor in keeping the area cleaned up and open. Utility Manager Torrance explained that this is city property and not an access. City Manager Martinez responded this is a city project and staff will make sure the contractor is in compliance.

COMMISSIONER BROWN questioned the 15% contingency and if it was for change orders, etc. Utility Manager Torrance explained the city will be doing the electric and landscaping so will have its own costs that will be charged to the project in addition to any change orders.

COMMISSIONER BROWN MOVED, SECONDED BY COMMISSIONER POWELL, to recommend award of contract to Shipley Construction for the purchase & installation of a 60' x 120' steel building, including all site grading, driveway approach, concrete slab, installation of utilities, fencing, and ADA parking at a cost of \$585,697 plus a 15% contingency of \$87,855 for a total project cost not to exceed \$673,552 to be funded by electric asset replacement funds. Motion carried by the following roll call vote:

AYES: VICE CHAIRMAN LeJEUNE, COMMISSIONERS BROWN,
McNEIL, CAIRNS AND POWELL
NOES: NONE
ABSENT: CHAIRMAN CAMPBELL

ALT ENG
AD HOC
COMM

COMMISSIONER McNEIL MOVED, SECONDED BY COMMISSIONER POWELL, to appoint COMMISSIONER CAIRNS to fill a vacant position on the Alternative Energy Ad Hoc Committee. Motion carried by the following roll call vote:

AYES: VICE CHAIRMAN LeJEUNE, COMMISSIONERS BROWN,
McNEIL, CAIRNS AND POWELL
NOES: NONE
ABSENT: CHAIRMAN CAMPBELL

March 18, 2025

Page 4

RATEMK COMMISSIONER CAIRNS MOVED, SECONDED BY COMMISSIONER
AD HOC POWELL, to appoint COMMISSIONER McNEIL to fill a vacant position on the
COMM Ratemaking Ad Hoc Committee. Motion carried by the following roll call vote:

AYES: VICE CHAIRMAN LeJEUNE, COMMISSIONERS BROWN,
McNEIL, CAIRNS AND POWELL
NOES: NONE
ABSENT: CHAIRMAN CAMPBELL

REPORTS: VICE CHAIRMAN LeJEUNE acknowledged the following reports: 1) Present
Perfected Rights Report for February 2025; and 2) Western Area Power
Administration FY25 Q4 Term Purchase (April, May & June 2025)

MGR'S RPT: Utility Manager Torrance reviewed a written Manager's Report – March 18th
which she distributed at this meeting.

BRD RQSTS: None

VICE CHAIRMAN LeJEUNE declared the regular meeting of the Board of Public Utilities held
on the 18th day of March, 2025, adjourned at 4:38 p.m.

ATTEST: _____
Vice Chairman Secretary



City of Needles, California Request for Commission Action

☐ CITY COUNCIL ☒ BOARD OF PUBLIC UTILITIES ☒ Regular ☐ Special

Meeting Date: April 1, 2025

Title: EUSI, LLC operational support services relating to the wastewater treatment facility and collection system February 2025

Background: See attached report

Fiscal Impact:

Environmental Impact:

Recommended Action: No action needed - information only

Submitted By: Kris Hendricks, EUSI LLC

City Manager Approval: Patrick J. Martinez

Date: 3/25/2025

Other Department Approval (when required): _____

Date: _____

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: _____

**EUSI, LLC Operational Support Services Relating
To the
Wastewater Treatment Facility and Collection System
February 2025**

Mrs. Rainie Torrance,

Please find below a summary of our services provided associated with the operational support services for the wastewater treatment facilities for the month of February 2025.

- The daily average flow for the month of February 2025 was 0.424 MGD.
- Completed the January weekly and monthly 2025 monitoring report for the state.
- Conducted in-house process control testing for the SBRs.
- Sent out the weekly, monthly, and quarterly samples as required by the monitoring permit.
- Tested the plant lift station and plant alarm callouts.
- Administrative coordination with finance and the administrative staff at 3rd street is ongoing.
- Inspected facility perimeter fences and percolation ponds.
- Operations staff decanted the digester to limit the amount of sludge that needed to be sent to the drying beds for further processing and ultimate removal to the off-site landfill.
- Operations staff cleared drying beds 1, 3, 5, and 7 and placed in drying bed 24 for future removal to the sanitary land fill for disposal.
- Drained digester to beds 7, 8, 10, 12, 17, 18, 19, 20, 21, and 22.
- Completed routine monthly inspection of the Kubota tractor, the 4" trash pump, and the jetter.
- Preventive Maintenance Program is ongoing per operating hours of the various plant components.
- Completed the bar screen service and inspections throughout the month.
- Operations staff ripped percolation pond #3 placed it into service and took pond #2 out of service on January 30th.
- Staff coordinated with TJ to get a belt guard welded for the headworks blower.
- Staff worked on organization of the shop and old storage bins etc.
- Completed weekly inspection of the emergency generator prior to and during its weekly test runs.
- Team is coordinating the installation of the second replacement pump for the Bazoobuth lift station.
- Ongoing communication with City staff regarding items associated with the overall wastewater system.
- Service and inspected the EQ pumps and filtrate pumps.

Supplemental repair services, exceptional event(s) during the month of December.

- February 25, 2025 operations staff was called out at ~1945 hrs for a control panel alarm for SBR #1 wasting valve alarm. Upon arrival the valve had returned to the normal position, staff exercised the valve a couple of times to ensure proper functionality. This may require some further attention to help ensure ongoing reliability. 0.5 hrs no charge for this activity.
- February 25, 2025 wastewater team removed and replaced pump #2 at the Bazoobuth lift station. This is the first of 2 pumps that are being replaced. The pumps being replaced were purchased used around 15 years ago and they have served the City well. The team is coordinating the removal and replacement of the second pump in the coming weeks. (24 man hours, No charge for this activity)
- February 27, 2025 operations staff replaced the control solenoid on the air control valve for SBR #1 wasting valve. 0.5 hours no charge for this activity.

Should you have any questions regarding the monthly activity please feel free to contact me at 602-300-7946.

Sincerely,



Kris Hendricks, EUSI, LLC; Managing Member



City of Needles

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www.cityofneedles.com

Mayor, Janet Jernigan
Vice Mayor Ellen Campbell
Councilmember Tona Belt
Councilmember Jamie McCorkle
Councilmember JoAnne Pogue
Councilmember Henry Longbrake
Councilmember Zachery Longacre

City Manager Patrick J. Martinez

MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: PATRICK J. MARTINEZ, CITY MANAGER

SUBJECT: WEEKLY MEMORANDUM

DATE: March 14, 2025

1. The **Needles Pride Program** continues to inspire residents to take pride in their neighborhoods and strengthen our community. The **City of Needles remains committed to infrastructure improvements** that enhance service reliability and overall quality of life. **Mark your calendars! Councilmember Longacre** has scheduled the next **community cleanup** for **Saturday, March 29th, at 9:00 a.m. along San Clemente**. Join us in keeping Needles clean and beautiful! This week, **Public Works crews worked to improve roadway safety**, continuing **pothole repairs along Lillyhill Drive**, **refreshing red curb markings at Duke Watkins Park**, and **repainting the skatepark railings**. As time and resources allow, they will continue citywide maintenance to keep our streets and public spaces in top shape. **See the attached image of the freshly painted infrastructure and repaired potholes!**

Crews have started clearing overgrown vegetation at the J Street Spillway near the Aquatics Center as part of ongoing fire abatement efforts. This work is essential in reducing wildfire risks and enhancing emergency access in the area. The city is taking proactive measures to improve safety for residents and first responders by removing excess vegetation. **Check out the attached photos** to see their hard work in action! Residents can report road or vegetation concerns by calling **760-326-2115 (press #9)** or using the **Needles Connect app** on [Google Play Store](#) (Android) and [Apple Store](#) (iOS). **Together, we're building a safer, stronger Needles!**

2. This week, a **significant milestone** was reached in the **\$3.96 million Duke Watkins Park Improvement Project**—the **chemical storage tank** for the **Duke Watkins Splash Pad** was successfully installed (refer to the attached image for a look)! This **final key component** brings us closer to fully operationalizing the splash pad. As one of the **most anticipated features** of the park renovation, the **splash pad** will provide a **fun, family-friendly recreational space** for residents and visitors. With this **final installation complete**, the project is now in its **final stages** before opening to the public. The **next step** is to work with the **San**

Bernardino County Public Health Department to inspect the unit before it can go online, which is anticipated in the first week of April. This investment reflects the City Council's commitment to enhancing public spaces, promoting outdoor recreation, and improving amenities for families in Needles. More updates, including the official opening date, will be shared soon. Take a look at the attached images and take a peek of the improvements!

3. On **Friday, March 14, 2025**, **City Code Enforcement**, in collaboration with **law enforcement personnel from the Colorado River Sheriff's Station/Needles Police, Animal Control, the Utilities Department, and the San Bernardino County Fire Department**, conducted a **coordinated operation** at a residence in the **400 Block of D Street**. An **inspection warrant** and a **search warrant** were executed as part of the operation. The **property owner had previously received multiple stop-work orders** for conducting **construction without the required permits**. These **unauthorized modifications** posed **serious health and safety hazards**, particularly for **future tenants or occupants**, as unpermitted work can result in **structural instability, electrical hazards, and non-compliance with fire and building codes**. The **San Bernardino County Fire Department** conducted a **fire safety inspection**, identifying **fire hazards, illegal modifications, or code violations** that could endanger occupants, first responders, or neighboring properties. Additionally, **Animal Control** ensured that any **neglected or endangered animals** were handled correctly; however, none were found. The **Utilities Department** assessed the property for **hazardous utility conditions** that could pose further risks to public safety. This coordinated effort reflects the City's ongoing commitment to **enforcing safety regulations, protecting residents, and ensuring compliance with local and state laws**.
4. The **City of Needles** is pleased to announce a **\$5,000 Edible Food Recovery Grant** available to a **local non-profit** in 2025. **Funded by the Mojave Desert and Mountain Recycling Authority**, this grant supports efforts to **collect and distribute edible food** to those in need. Since **2022**, the City has distributed over **\$30,000 in edible food recovery funds**, ensuring every available grant directly benefits the community. **Proposals are due by Monday, March 17, 2025 (Refer to the attached application)**, with the **City Council reviewing submissions at the second meeting in March and funds distributed in April**. This initiative directly supports the **City Council's goals** by **enhancing public infrastructure** through investments in sustainable food recovery programs, **fostering economic growth** by reducing waste disposal costs for local businesses, **promoting community engagement** by strengthening partnerships with non-profits and **supporting families** by improving access to nutritious food for residents in need. The City is advancing its commitment to **sustainability, resource conservation, and public well-being** by funding local food recovery efforts.

Food recovery is crucial in reducing waste and ensuring residents have access to nutritious meals. SB 1383, signed into law in 2016, mandates a

75% reduction in organic waste disposal by 2025, requiring certain **food businesses** to **donate surplus edible food** to **recovery organizations**. Needles is home to three key **food recovery organizations**—**St. Vincent De Paul, Fire House Ministries, and Set Free** provide **essential services** to the community. Unlike **neighboring cities** with **larger budgets**, Needles **lacks dedicated funding** to cover **operational costs** like **insurance, fuel, and utilities**. However, the City **continues to seek external funding** to support these efforts. **Strengthening food recovery benefits the entire community**, and the City remains **committed to supporting local non-profits** in this mission. More information is available at [CalRecycle](#). **Contact Rainie Torrance at rtorrance@cityofneedles.com with any questions.**

5. On **Friday, March 14, 2025**, the **Housing Authority of the City of Needles (HACN)** staff met with the **Resident Advisory Board (RAB)** to refine the **Five-Year and Annual Agency Plan**. This meeting was part of an ongoing collaborative effort, with RAB members providing valuable insights and recommendations to ensure the plan reflects the needs and priorities of the residents. Public housing residents were also allowed to provide input through the comment process, with RAB voting members submitting feedback. The **amended Five-Year and Annual Agency Plan** will be formally presented during a **public hearing at the Housing Commission meeting on March 26, 2025, at 4:00 PM at El Garces, 950 Front Street, Needles, California**. Following the Housing Commission's recommendation, a **public hearing before the HACN Board of Commissioners** will be held at the **City Council meeting on April 8, 2025, at 6:00 PM, also at El Garces**. HACN will consider all public comments at this meeting before finalizing the agency plan for submission to the **U.S. Department of Housing and Urban Development (HUD)** by **April 17, 2025**. This process underscores the commitment of HACN to **transparency, resident engagement, and strategic planning** to improve housing opportunities in Needles.
6. The **2nd Annual Needles Craft Show & Art in the Park** will take place **April 10-12, 2025, at El Garces and Santa Fe Park**. It will support local artists, crafters, and vendors while fostering community engagement and economic activity.
 - **Art in the Park (April 10-12, El Garces, 950 Front St.)** – Features **Best in Show and People's Choice competitions**, plus a **cocktail party on April 11 (6:00–8:00 PM)**.
 - **Craft Show (April 12, 9:00 AM–2:00 PM, Santa Fe Park)** – **Vendor spaces are available for \$20.**

These events align with the **City Council's goals of enhancing community engagement, supporting local businesses, and promoting Needles as a cultural hub**. These events encourage tourism, stimulate economic activity, and showcase Needles' vibrant arts community by providing a platform for local artists and vendors. Participation from local businesses, organizations, and residents will help strengthen community ties and create a lively, welcoming

atmosphere for visitors. For more details, including registration information, **refer to the attached flyer.**

7. Eight **new decorative light poles** were installed on **Broadway**, enhancing Needles' **historic charm** and revitalizing the downtown streetscape. Initially introduced in the **mid-1990s**, these iconic fixtures have long contributed to the city's character but have deteriorated over time due to aging infrastructure and vehicle damage. The new light poles improve **visibility, safety, and aesthetics**, creating a more welcoming atmosphere for residents and visitors. Designed to preserve the **vintage appeal** that defines Needles, the updated fixtures offer **modern durability and longevity**. These enhancements improve the **downtown experience for businesses and pedestrians** and support community events, making the area more inviting for gatherings, tourism, and local commerce. City staff will continue evaluating the condition of the remaining light poles and implementing **phased replacements** to maintain the downtown district's **distinctive identity**. The **remaining missing light poles** have been ordered and are scheduled for **delivery and installation in May**. Additional poles have also been ordered as backups to ensure ongoing maintenance and future replacements.
8. The **Pancakes in the Park** event, organized by **Billet Health**, will take place on **March 29, 2025, from 9 AM to 12 PM at Santa Fe Park (950 Front Street, Needles, CA)** to honor **Vietnam Veterans**. The program includes a **JROTC opening ceremony, rifle spinning performance, Welcome Home Vietnam Veterans presentation by George DeLeon (Commander of Post 404), POW-MIA remembrance ceremony, and a 13-Folds Flag Ceremony**. A **complimentary pancake breakfast** will be provided for all veterans and community members. This event aligns with the City Council's **Community Engagement** and **Family Support** goals by strengthening Needles' identity through public celebrations that honor veterans and unite the community. It also supports the Council's mission to **foster a vibrant, connected city** and enhance engagement by promoting activities that encourage participation and civic pride. **Additional details are available on the attached event flyer or through the event organizers (Maria Bower, 928-444-7401).**
9. As of **March 2025**, the **Jack Smith Park Boat Launch Facility** is now open for the season. The facility will be **open every weekend, with daily access available from April 1 through September 30, 2025**. Beginning in **October**, operations will return to **weekends only**. Boaters can access the launch by purchasing a **\$20 Day-Use Launch Pass** or a **\$180 Annual Launch Pass**, both available at the **kiosk at Jack Smith Park**. For any questions or assistance, please get in touch with Jennifer Valenzuela at **(760) 326-2814** or via email at jvalenzuela@cityofneedles.com. The City is excited to welcome residents and visitors back to the water and looks forward to another great season. For more details, visit the [**City of Needles Jack Smith Park & Launching Facility website.**](#)

10. [Needles Area Transit \(NAT\)](#) provides a **deviated fixed-route service**, operating **Monday through Friday from 7:00 a.m. to 6:55 p.m.** and on **Saturdays from 10:00 a.m. to 4:55 p.m.** **Deviation requests** can be accommodated as time allows by calling **1-866-669-6309**. In response to community needs, **NAT provides deviations, upon request, to the newly developed park behind Rivers Edge Golf Course**, extending service for those looking to enjoy river activities—**this will be the farthest point for deviation. Students ride for free on NAT**, making it an accessible transportation option for local youth. For **questions or comments**, residents can contact **Transportation Concepts at 1-866-669-6309** or the **City of Needles at 760-326-2113 ext. 115**. In addition to NAT's regular service, **curb-to-curb transportation is available for seniors and individuals with mobility disabilities, though registration is required**. The city also provides **Arizona medical and shopper transport services** for those traveling across state lines for essential appointments or errands. For more details on these **specialized services**, please call **760-326-4789**.
11. Rivers Edge Golf Course is having a standout year, featuring some of the finest greens in the Tri-State region. We're excited to host top-tier tournaments and events as we grow into a championship-caliber destination. Tomorrow, **March 15, 2025**, the **Needles Chamber of Commerce** presents the **Second Annual Lucky Greens Golf Tournament**, promising a day of fun and competition. **Twilight League play** returns this month for weekly matchups, and **JJ's golf clinic on March 22 (10 AM - 11 AM)** offers a chance to sharpen your skills. Whether you're booking a round, competing, or hosting an event, Rivers Edge delivers an unbeatable golf experience. **Call (760) 326-3931 to reserve your tee time** or contact **JJ DeLeon for tournament coordination**. For more information, visit the Rivers Edge Golf Course [website](#).
12. As directed by the City Council, staff has included a **coyote awareness flyer** in the **April utility bill** and displayed it in **City Hall** to educate residents on safe coexistence with wildlife. The flyer provides key tips, including **keeping pets supervised, removing outdoor food sources, securing trash bins, and eliminating standing water** to reduce coyote encounters. Staff is also working to share this information through the **city's website** and collaborating with **local organizations, schools, and animal control** to expand awareness. These efforts reinforce the city's commitment to **public safety, proactive communication, and environmental stewardship**. **Refer to the attached flyer for additional information**.
13. The **"Meat Eat" Fundraising BBQ** will take place on **Wednesday, March 26th, at 6 PM** in the **Needles High School Gym**. This event directly supports several **City Council goals** by fostering community engagement and strengthening local partnerships. It enhances **public relations** by bringing residents together for a family-friendly event and supports the **goal of attracting families** by promoting student involvement in music and culinary arts. Additionally, it reinforces the **City's partnership with Needles Unified School District**, demonstrating a shared commitment to youth development. By supporting

school programs like band and choir, this event contributes to the **cultural and social vibrancy** of the community, aligning with the City's broader goals of engagement and quality of life.

14. IMPORTANT UPCOMING DATES:

- City staff has **carefully curated a comprehensive community events calendar** to keep residents informed about **Needles' diverse activities and happenings**. Organizations are encouraged to **collaborate with the City Clerk's Office** to add or update events, ensuring a vibrant and inclusive calendar for all. For contributions or modifications, please **contact Candace Clark at cclark@cityofneedles.com**. Your **active participation** helps strengthen our community and enrich local experiences. **Check the attached calendar for the remaining 2025 events** and stay engaged with all that Needles has to offer!

1. NEEDLES PRIDE



1. NEEDLES PRIDE



1. CITY BEAUTIFICATION



1. CITY BEAUTIFICATION



1. CITY BEAUTIFICATION



2. DUKE WATKINS SPLASH PAD





4. NEEDLES PRIDE

Edible Food Recovery Proposal

2025

Organization:

Address:

Non-Profit Number:

Edible Food Recovery Proposed Project Scope:

Proposed Edible Food Generators which will support the project scope:

Proposed record keeping of edible food recovered:

Proposed use of funds:

How did you utilize the 2024 edible food recovery funds? (If applicable)

Authorized Signature

Printed Name

Date

6. ART IN THE PARK

2ND ANNUAL NEEDLES ART IN THE PARK

Hosted By
Friends of El Garces
& River Valley Artist Guild

APRIL 10TH - 12TH, 2025

El Garces
950 Front Street
Needles CA

Presenting
Best in Show and People's Choice

Thursday: April 10, 2025
10:00am - 6:00pm

Friday: April 11, 2025
Cocktail Party 6:00-8:00 PM

Saturday: April 12, 2025
10:00am - 5:00pm

For Registration Contact: Victoria Valdemar
Vmeyersvaldemar@yahoo.com
951.334.8454



2ND ANNUAL NEEDLES

CRAFT SHOW

Sponsored By
Friends of El Garces

APRIL 12TH, 2025

9:00AM - 2:00PM

\$20.00 per space

Santa Fe Park
950 Front Street, Needles CA

For Registration Contact: Jan Jernigan 760.221.3211



ART IN THE PARK AND CRAFT SHOW

Saturday April 12, 2025

9:00 a.m.- 2:00 p.m.

REGISTRATION FORM

Antiques /Collectable Craft (circle one)

Company Name _____

Contact Name _____

Address _____

City, State, Zip Code _____

Phone# _____ Email Address _____

Description of Items _____

10 x 10 Space(s) _____ *Spaces will be Assigned *Set up Starts at 7:00am

Payment Amount \$ _____ Cash Check Other (circle one)

Notes _____

Signature _____

- **NO ELECTRIC**

Submit Form, including fee of \$20.00 per space to:

Jan Jernigan - 760-221-3211

7. DECORATIVE LIGHT REPLACEMENT



8. VETERAN'S BREAKFAST



SPONSORED BY



PANCAKES IN THE *Park*

Honoring Vietnam Veterans



29 MARCH 2025

9AM-12PM

Santa Fe Park

950 Front Street Needles, CA 92363



9am Mohave High School JROTC Opening
Ceremony

10am Rifle Spinning JROTC

10:30am Welcome Home Vietnam Veterans
Presented by George DeLeon Commander
Post 404 Commemorative Coin Presentation

11am POW-MIA Remembrance Ceremony

11:30am 13 Folds Flag Ceremony

WE WILL BE PROVIDING A PANCAKE
BREAKFAST FOR ALL VETERANS AND
THE COMMUNITY



FOR MORE INFORMATION CONTACT
MARIA BOWER (928)444-7401

Item 4.

12. COYOTE AWARENESS



COYOTES LIVE HERE



Coyotes are active year-round and become more visible during their breeding season in January through March. Pups are born from April to mid-May. Coyotes can be seen throughout the day, but are especially active at dawn and dusk. They may travel alone or in groups.

COYOTES ARE NATIVE WILDLIFE AND ARE FREE TO ROAM AS DETERMINED UNDER THE JURISDICTION OF THE DEPARTMENT OF FISH AND WILDLIFE; THEY ARE A NORMAL AND VALUABLE PART OF THE URBAN ECOSYSTEM. COYOTES KEEP RODENT POPULATIONS DOWN AND PROVIDE FREE CARRION REMOVAL, AMONG OTHER BENEFITS.

TIPS TO KEEP THE PEACE :

- **KEEP YOUR CATS INSIDE AND SUPERVISE SMALL DOGS OUTDOORS OR KEEP THEM IN PREDATOR-PROOF CATIOS OR DOG RUNS**
- **REMOVE ANY OUTDOOR PET FOOD**
- **REMOVE ANY BIRD FEEDERS OR REGULARLY CLEAN UP ANY FALLEN SEED AND SECURE IT TO ENSURE OTHER WILDLIFE IS UNABLE TO ACCESS IT**
- **PICK UP FRUIT AS SOON AS IT FALLS TO THE GROUND**
- **KEEP BARBECUE GRILLS CLEAN**
- **ELIMINATE ACCESS TO WATER ON YOUR PROPERTY, LIKE STANDING WATER OR BIRD BATHS**

13. NUSD BAND FUNDRAISER

Needles High School Music/Culinary Department
Proudly Presents

The Meat Eat

A Fundraising BBQ



Come join us for performances by The Blue Notes, The Advanced Band and The Needles High School Choir and eat some wonderful BBQ

When: Wednesday, March 26th at 6 pm

Where: The Needles High School Gym

How Much: \$10 a plate

14. COMMUNITY CALENDAR

March 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1 HOUSEHOLD HAZARDOUS WASTE COLLECTION CITY PUBLIC WORKS YARD 112 ROBUFFA 7AM - 11AM
2 16TH ANNUAL SPRING CLASSIC BASKETBALL TOURNAMENT 3RD-8TH GRADES MAY 1 - 2	3	4	5 PLANNING COMMISSION 4pm	6	7	8 HARVEST BIBLE CHURCH GOLF TOURNAMENT
9	10	11 WOMEN'S CLUB LUNCHEON CITY COUNCIL 6pm	12	13	14	15 LUCKY GREENS ANNUAL GOLF TOURNAMENT RIVER EDGE GOLF COURSE 
16	17 PARKS & RECREATION 4pm HAPPY  St. Patrick's DAY	18 BOARD OF PUBLIC UTILITIES 4pm	19 JOB AND RESOURCE FAIR EL GARCES 10AM - 2PM ASSEMBLYMAN GONZALEZ'S REPS MOBILE OFFICE 10AM-5:30PM NEEDLES TOURISM OFFICE 920 W BROADWAY	20	21	22 JJ's GOLF CLINIC 10AM RIVERS EDGE GC
23	24	25 CITY COUNCIL 6pm	Needles High School Music/Culinary Department Proudly Presents The Meat Eat A Fundraising BBQ  performances by The Blue Notes, The Advanced Band & The Needles High School Choir NEEDLES HIGH SCHOOL GYM 6PM \$10 / PLATE	27	28	29  Billet Health HONORING VIETAM VETERANS PANCAKES IN THE PARK SANTA FE PARK 9AM COMMUNITY CLEANUP SAN CLEMENTE ST. 

April 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 TWILIGHT LEAGUE RIVERS EDGE GOLF COURSE BOARD OF PUBLIC UTILITIES 4 PM	2 PLANNING COMMISSION 4 PM	3 PALO VERDE COLLEGE 5K COLOR RUN & WALK 9AM SIGN IN 7:30AM	4 47th ANNUAL COLORADO RIVER ROUND UP	5 
6	7	8  WELL 11 TREATMENT PLANT 9AM WOMEN'S CLUB LUNCH CITY COUNCIL 6 PM	9	10 	12 	
13	14	15 BOARD OF PUBLIC UTILITIES 4 PM	16	17	18	19 
20 	21 PARKS & RECREATION 4 PM ROUTE 66 BIKE WEEK	22 CITY COUNCIL 6 PM ROUTE 66 BIKE WEEK	23 HOUSING COMMISSION 4 PM ROUTE 66 BIKE WEEK	24 	25 APRIL 21 - 27	26
27 ROUTE 66 BIKE WEEK	28	29	30			

May 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5	6 BOARD OF PUBLIC UTILITIES 4 PM	7 PLANNING COMMISSION 4 PM	8	9	10
11	12	13 WOMEN'S CLUB LUNCH CITY COUNCIL 6 PM	14 	15	16	17 Rabies and Licensing Clinic Needles Animal Shelter 1662 Flip Mendez Pkwy Needles, CA 92363 May 17th 9:30-12:30 CASH ONLY
18	19 PARKS & RECREATION 4 PM	20 BOARD OF PUBLIC UTILITIES 4 PM	21	22	23	24
25	26	27 CITY COUNCIL 6 PM	28 HOUSING COMMISSION 4 PM	29	30	31

June 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3 BOARD OF PUBLIC UTILITIES 4 PM	4 PLANNING COMMISSION 4 PM	5	6	7
8	9	10 WOMEN'S CLUB LUNCH CITY COUNCIL 6 PM	11	12	13	14
15	16 PARKS & RECREATION 4 PM	17 BOARD OF PUBLIC UTILITIES 4 PM	18	19	20	21
22	23	24 CITY COUNCIL 6 PM	25 HOUSING COMMISSION 4 PM	26	27	28
29	30	1	2	3	4	5



City of Needles

817 Third Street, Needles, California 92363
(760) 326-2113 • FAX (760) 326-6765
www.cityofneedles.com

Mayor, Janet Jernigan
Vice Mayor Ellen Campbell
Councilmember Tona Belt
Councilmember Jamie McCorkle
Councilmember JoAnne Pogue
Councilmember Henry Longbrake
Councilmember Zachery Longacre

City Manager Patrick J. Martinez

MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: PATRICK J. MARTINEZ, CITY MANAGER

SUBJECT: WEEKLY MEMORANDUM

DATE: March 21, 2025

1. The **Needles Women's Club** will host its **Annual Spring Spaghetti Dinner** tomorrow, **Saturday, March 22, 2025**, from **3:00 PM to 7:00 PM**. Meals are just **\$10 each**, offering a **delicious** and **affordable** way to support a group that gives back so much to our community. The **City of Needles** thanks the Women's Club for their ongoing efforts and **valuable contributions** that help strengthen and uplift our city. **Don't miss the chance to enjoy a great meal and support this dedicated local organization.** To reserve your meal, visit the [Spaghetti Dinner RSVP Form](#).
2. The wait is over — the **new splash pad at Duke Watkins Park opens tomorrow, Saturday, March 22, at 6 a.m.** This vibrant, interactive water feature is the centerpiece of the City's **\$3.96 million park improvement project** and a perfect way to kick off spring break. The splash pad is open daily from **5 a.m. to 10 p.m.** and is designed for **kids 12 and under** (children 7 and under must be accompanied by an adult). Per **Ordinance 670-AC**, proper swimwear is required, and swim diapers are mandatory for non-toilet-trained children. No rough play, running, glass, pets, bikes, soap products, or drinking the water is allowed. The splash pad is unsupervised — please enjoy responsibly. Come out, bring the family, and make some memories. **We'll see you at the splash pad!**
3. The **Needles Pride Program** continues to drive actual results as **residents and businesses** step up to improve our community. A big thank you to **Big O Tires** for repainting their **Broadway location**—proof that when local businesses reinvest, they help make Needles more **vibrant and welcoming**. This week, **Public Works crews** repaired **potholes** on **Parkway, N K Street, and Front Street** and cleared **dead vegetation** at **J Street and Broadway** as part of ongoing **fire abatement efforts**. We also thank **Dollar General** for doing their part by cleaning up their **overgrown landscaping**, reinforcing our shared commitment to safety and property upkeep. In response to reports of **buckled sidewalks**, the City has **hired a contractor** to begin repairs and improve

pedestrian safety citywide. We're also proud to share a **code enforcement success** on the **100 block of Walnut Street**, where the **City Attorney's Office** secured a **court-appointed receiver** to take over a long-neglected property. Today, it's under **responsible ownership** and undergoing **full rehabilitation**—bringing new life to the neighborhood while supporting the **City Council's** goals of improving **housing, infrastructure**, and overall **livability**. **Mark your calendars:** Councilmember **Longacre** leads the next **community cleanup** on **Saturday, March 29, at 9:00 a.m.** along **San Clemente**. Join us in keeping Needles **clean and beautiful**. To report issues like **potholes, sidewalk damage, or vegetation overgrowth**, call **760-326-2115 (press #9)** or use the **Needles Connect app**, available on [Google Play Store](#) and the [Apple Store](#). **Scan the QR code** on the new flyer to get started. Together, we're building a **cleaner, safer, and stronger Needles**.

4. On **March 19, 2025**, the **City of Needles** hosted two **high-impact events** that delivered vital services to our community. The **3rd Annual Job & Resource Fair** at the **El Garces Historic Train Depot** connected residents with **job opportunities, vital records, expungement services, veterans' benefits**, and **healthcare resources**, with support from agencies like the **County Workforce Development Board, EDD, and Palo Verde College**. **Refer to the attached image for a glimpse into the event.** At the same time, **Assemblyman Jeff Gonzalez's Mobile Office** at the **Needles Tourism Office** provided direct assistance on **state services, legislation, and government programs**. These events align with the **City Council's** goals to expand **workforce development**, enhance **community access to services**, and strengthen **regional partnerships**. Special thanks to **Supervisor Dawn Rowe** and **Assemblymember Gonzalez** for their ongoing support in building a **stronger, more resilient Needles**.
5. The **City of Needles** and **Chamber of Commerce** officially **restarted the Good Morning Needles** breakfast series, and this week, **Mayor Janet Jernigan and City Manager Patrick Martinez** hosted business owners at the **Chamber and Visitor Center**. The event spotlighted the city's strong financial position and efforts to attract investment, support business growth, and plan for the future. With a **balanced \$13.5 million budget**, over **\$22 million in secured grants**, and significant investments in **public safety, street improvements, and parks**, Needles continues to grow into a vibrant city in the region. Since 2018, **city revenues have grown by \$8 million, property values have increased 81%**, and **tourism-related revenues** such as hotel and sales tax continue to climb—clear signals of a community on the rise. This firm financial footing encourages **businesses to invest locally** and expand their reach to more customers. The **cannabis industry**, which has generated **\$26.5 million in tax revenue** and supports **over 600 jobs**, remains a key economic engine. Importantly, **10% of cannabis tax revenue** is reinvested into **non-cannabis small business development**, helping to diversify the local economy. City leaders also emphasized the **need for new housing** to support the growing workforce and ensure long-term community growth. As Needles looks ahead to opportunities like the **Route 66 Centennial, OHV tourism expansion**, and ongoing

beautification projects, the city continues to build its identity as a **welcoming, pro-business gateway to California. Needles is open for business—financially strong, future-focused, and ready to grow.** For more details, refer to the attached *City of Needles: A Growing Business-Friendly Community* presentation. Don't miss the next *Good Morning Needles*, held on the **third Thursday of each month at 7:30 AM** at the **Needles Chamber and Visitor Center at 950 Front St., Needles, CA.** To attend, **RSVP by calling 760-326-2050** and stay connected with what's happening in **NEEDLES!**

6. In January, the **Needles City Council adopted Resolution No. 2025-08**, urging **Palo Verde Community College (PVCC)** to invest in the Needles campus, which continues to face major challenges — including no in-person counseling, frequent course cancellations, and a lack of long-term vision, despite an \$18 million local bond investment. The **PVCC Board of Trustees will meet in Needles on Tuesday, April 8, 2025, at 5:00 PM** at the **PVCC Needles Center (725 W. Broadway)**. This is a rare opportunity for residents to show up and advocate for better services, stronger workforce programs, and educational equity. A copy of the resolution and meeting agenda is attached. For more info, contact the **City Manager's Office at (760) 326-2113**. Also, don't miss the **PVCC Foundation 5K Color Run & Walk on Saturday, April 12 at 9:00 AM** (check-in at 7:30 AM) at the Needles Center. Entry is **\$25** and includes a T-shirt and meal, with proceeds supporting local students. Register to run, walk, or volunteer (free) [by clicking here](#). Team sponsors welcome. See the flyer for details or contact **Shivam Bhakta** at shivam.bhakta@paloverde.edu or **(760) 326-5056**.
7. Rivers Edge Golf Course continues to excel as a destination for competitive play, youth development, and recreational golf. The course is in excellent condition and preparing for its seasonal transition to Bermuda grass. The Chamber of Commerce recently hosted a successful tournament with 12 teams, highlighted by a hole-in-one by Jason Parnell Coach of NUSD High School Golf and a win by Needles High School golf students. Upcoming events include the **Flip Mendez Youth Fundraiser Tournament on May 3**, and the **2025 Twilight League**, starting **April 1**, featuring 5-person teams, weekly format changes, and handicap scoring. Space is limited to 10 teams; cost is \$25 per player weekly. Youth access remains a priority — students play free (just a \$7 cart fee with valid ID). A **12-week Summer Golf Camp** for ages 5–17 begins in June for \$60. High school students can join the golf team at no cost, with equipment available if needed. **Touchstone Golf has merged with KemperSports**, becoming a wholly owned subsidiary of a nationally recognized golf management company. KemperSports brings strong industry expertise, managing more “Top 100” courses than any other firm. **No immediate changes** are planned for Rivers Edge — staff, systems, and benefits remain unchanged through 2024, with a smooth transition to KemperSports operations expected in 2025. Visit the **Rivers Edge Golf Course** [website](#) or call **(760) 326-3931** for more information.
8. I'm proud to share that San Bernardino County Sheriff's Department members—assigned to the Colorado River Station—were formally recognized at today's

Exceptional Service Awards Ceremony for their outstanding acts of heroism and commitment to public safety. This prestigious recognition, hosted by the Sheriff's Department, celebrates our local deputies' courage and dedication, who go above and beyond the call of duty to protect and serve the Needles community. Among those honored were **Captain Ross Tarangle, Lt. Jacob Gault, Sgt. William Busto, Sgt. Cole Raynolds, Cpl. Brandon Abell, Deputy Bryant Moore, Deputy Jeff Dean, Deputy Edward Olmos, Deputy Brad Whitmer, and Deputy Michelle Bush**. Their actions reflect the highest standards of service and exemplify what it means to be genuinely committed to the safety and well-being of our residents. On behalf of the City of Needles, I want to extend our heartfelt appreciation and sincere congratulations to these deputies. Their bravery and professionalism make our city stronger and safer every day. Please join me in recognizing and celebrating this incredible achievement.

9. **IMPORTANT UPCOMING DATES:**

- City staff has **carefully curated a comprehensive community events calendar** to keep residents informed about **Needles' diverse activities and happenings**. The community events calendar can now **be found on the Needles Connect App!** Organizations are encouraged to **collaborate with the City Clerk's Office** to add or update events, ensuring a vibrant and inclusive calendar for all. For contributions or modifications, please **contact Candace Clark at cclark@cityofneedles.com**. Your **active participation** helps strengthen our community and enrich local experiences. **Check the attached calendar for the remaining 2025 events** and stay engaged with all that Needles has to offer!

3. CITY BEAUTIFICATION



3. CITY BEAUTIFICATION



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3. CITY BEAUTIFICATION



3. CITY BEAUTIFICATION



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Receive Notifications



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TO DOWNLOAD**



Item 4.

4. 3RD ANNUAL JOB & RESOURCE FAIR



5. CHAMBER BREAKFAST EVENT

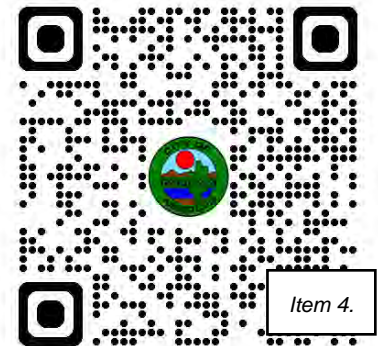


City of Needles; A Growing Business- Friendly Community

Needles Chamber of Commerce
Thursday, March 20, 2025



CityofNeedles.com



COUNCIL GOALS

The City of Needles envisions a **vibrant, secure desert paradise** nestled along the Colorado River that embodies:

- Progressive, clean, and family-oriented
- A vibrant community to live, work, and enjoy recreation along the beautiful Colorado River
- A deep pride in its rich heritage, including Route 66, railroad, and cultural legacy
- A committed to enhancing infrastructure, driving economic growth, and fostering the arts, culture, and athletic tourism
- The welcoming gateway to California where families and businesses thrive.

The City is dedicated to enhancing the quality of life for its residents, as we:

Foster Economic
Growth by
Creating a Pro-
Business
Environment



Enhance
Infrastructure and
Public Spaces
Through
Reinvestment into
our community.



Enhance
Community
Engagement
Through Diverse
Cultural Events



Provide Family-
friendly Amenities
and Athletic
Tourism to Boost
Needles' Identity
as the Gateway to
California on Route
66

Presentation can be found on the City Website www.cityofneedles.com

Budget Highlights Fiscal Year 2025

☐ **Revenues:** \$13.5 Mil.

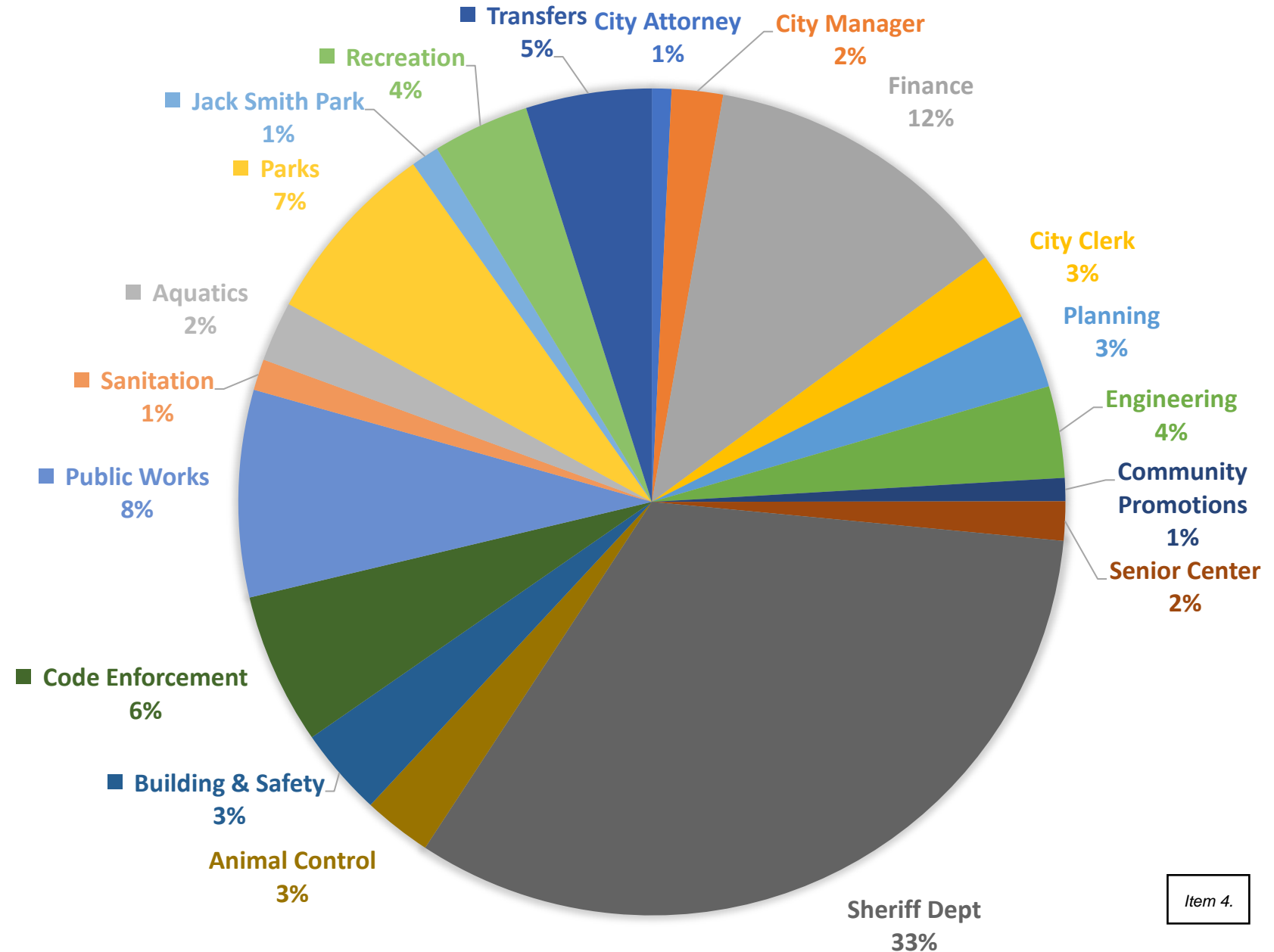
☐ **Expenditures:** \$11.8Mil.

☐ **Emphasis on:**

- Public Safety - \$4.6 Mil.
- Street Projects-\$3.6 Mil.
- Public Works - \$1 Mil.

Update 3/20/2025

GENERAL FUND EXPENDITURES





THE CITY'S ECONOMIC HEALTH

(2018 vs. 2025)

Fiscal Year 2018

☐ Revenues: \$5.5 Mil.

☐ Expenditures: \$5.1 Mil.

Proposed FY 2025 Mid-Year

☐ Revenues: \$13.5 Mil.

☐ Expenditures: \$11.8 Mil.

☐ Revenues: \$8 Mil. increase from 2018

☐ Expenditures: \$6.7 Mil. increase from 2018

\$600,000,000

\$500,000,000

\$400,000,000

\$300,000,000

\$200,000,000

\$100,000,000

\$0

\$562,772,326



2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024



2024 City of Needles Assessment Roll

Chris Wilhite | Assessor-Recorder-County Clerk

arc.sbcounty.gov

The 2024 City of Needles Total Property to be Valued at \$563 Million Increased by 81% (\$252 mil.) from the 2017 Assessment Roll and 5% from 2023 (\$27 mil.)

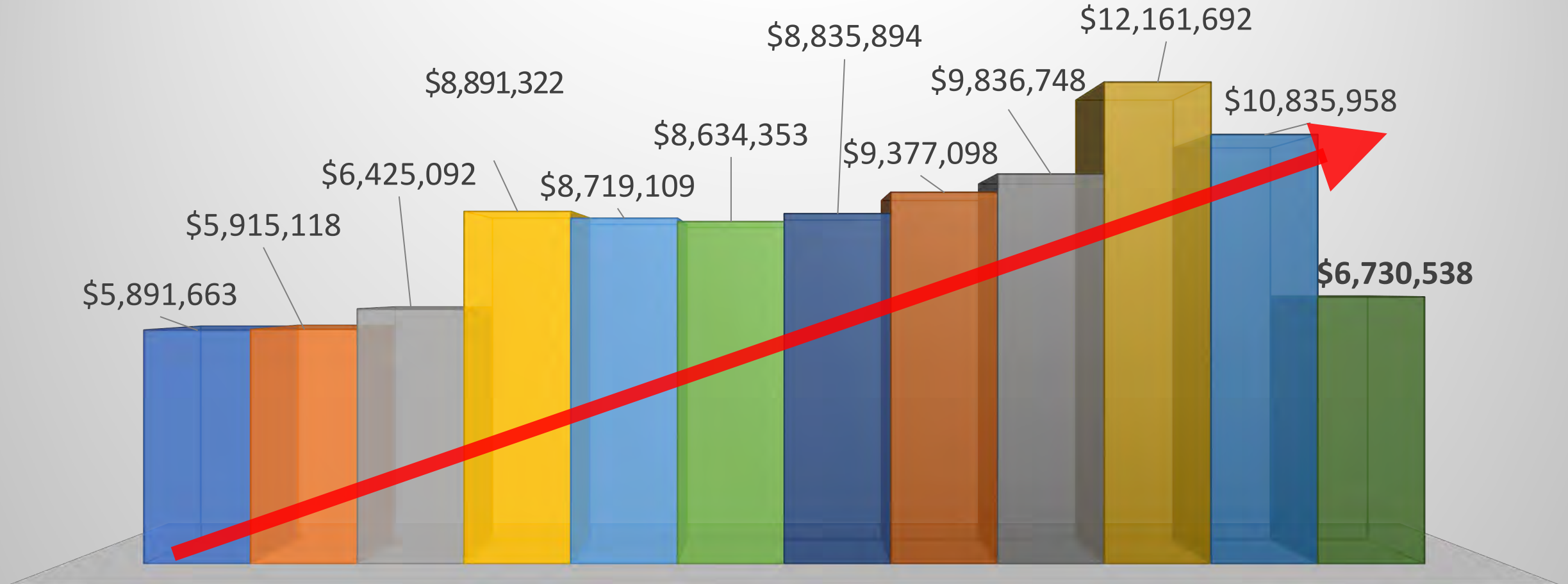
Item 4.



Jack Smith Park Boat Launch

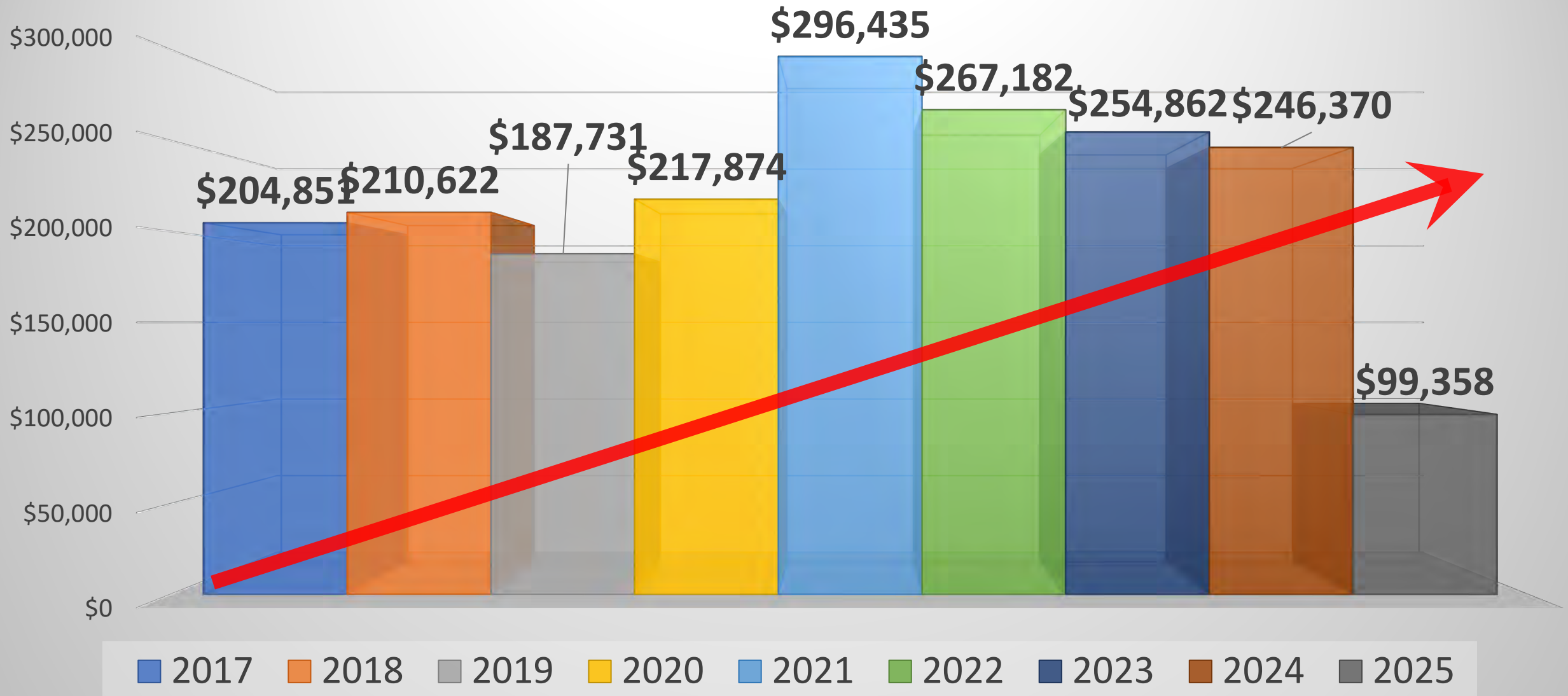
Needles, CA Total Hotel Revenue (Transient Occupancy Tax)

FY 14 FY 15 FY16 FY17 FY 18 FY19 FY20 FY 21 FY 22 FY 23 FY24 FY25



Needles Hotel's Overall Annual Revenues have Grown Over the Last Ten(10) Years, Increasing 86% and 23% since 2017

Jack Smith Boat Launch



Jack Smith Park Revenues have Increased by 20% in the last 7 Years

City of Needles, California

Mobility Data (Mobile Phone Tracking to Specific Locations)
7/2/23-7/1/24 Tracking Dates

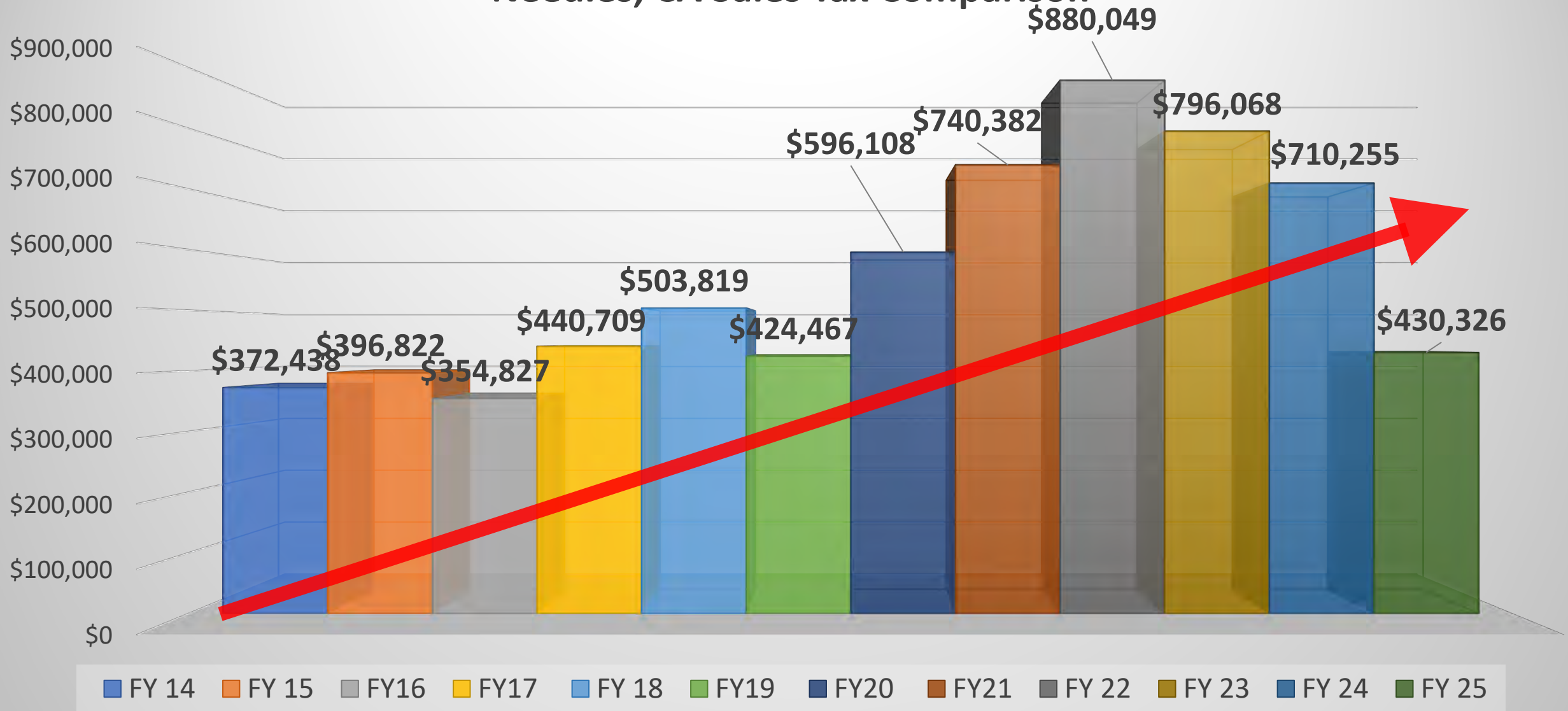
Location	Total Monthly	Total Annual (Trailing 12 Months)
AutoZone	4,245	50,940
Best Western	8,137	97,644
Big O Tires	1,702	20,424
Carl's Jr.	15,782	189,384
Chevron	18,629	223,548
Dollar General	6,809	81,708
Domino's Pizza	15,776	189,312
Jack Smith Park & Launch	43,674	524,088
Hampton Inn & Suites	3,839	46,068
Jack in the Box	22,557	270,684
McDonalds	25,800	309,600
Motel 6	7,719	92,628
Quality Inn	8,294	99,528
River's Edge Golf / 19 th Hole	3,038	36,456
Subway/Shell	26,920	323,040
USPS	2,495	29,940

Traffic Counts from Interstate 40 (Measured) (2022)

LOCATION	AHEAD PEAK MADT	ANNUALIZED AVERAGE AADT
I-40 & I-95 North	22,400	8.81 MM
I-40 & Park Road	18,500	6.76 MM
I-40 & River Road	18,800	6.86 MM
I-40 & J Street	23,100	8.43 MM
I-40 & I-95 South	18,500	6.75 MM



Needles, CA Sales Tax Comparison



Needles Overall Annual Sales Tax has Grown Over the Last Ten (10) Years Increasing by \$531,246 or 90.7%

Item 4.



Cannabis Industry



Item 4.



Cannabis Business Economic Indicators



The City of Needles has a permanent population of about 5,100



93 Land Use Entitlements Issued by the City Council for Cannabis Businesses



- ☐ 278,823 Sq. Ft. of Cannabis Industry Operational Today
- ☐ 79,758 Sq. Ft. of Cannabis Industry Operational within Next Six Months
- ☐ 488,855 Sq. Ft. of Potential New Cannabis Industry to the City

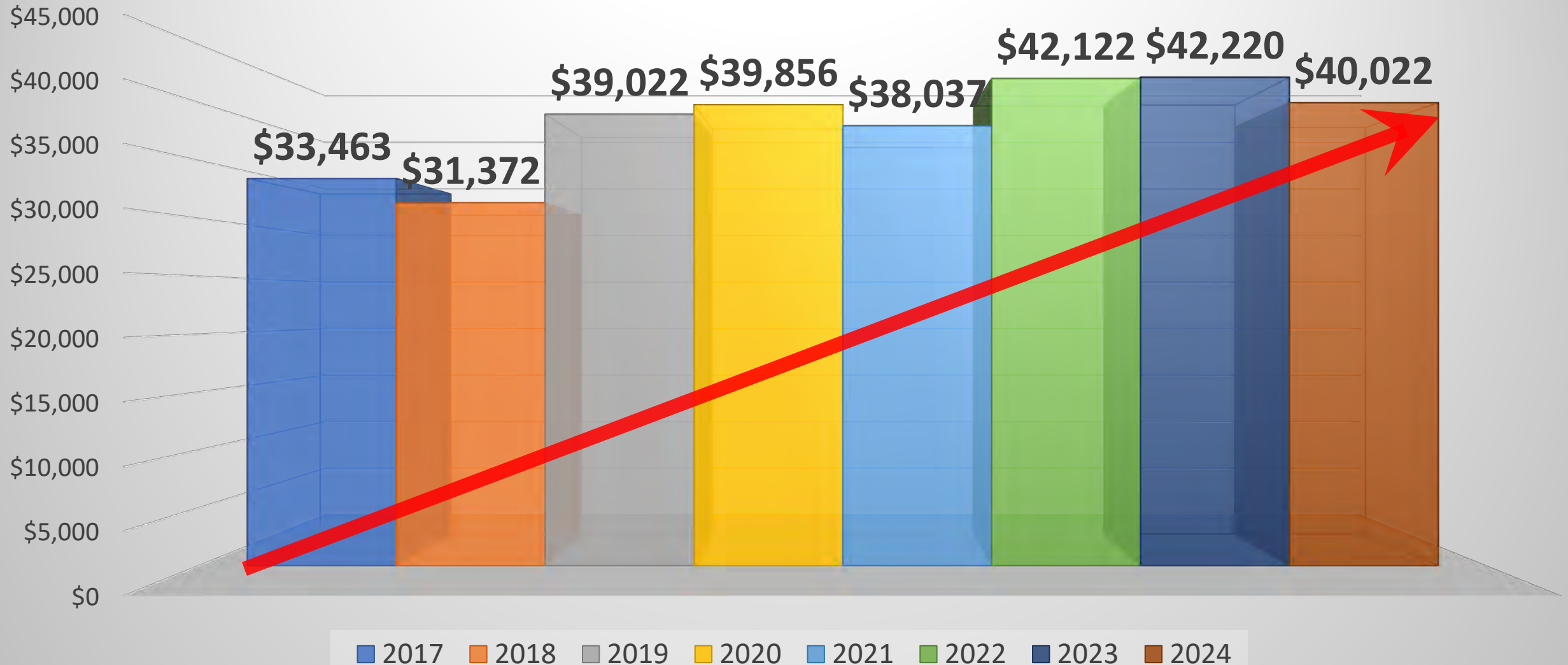
917,721 Sq. Ft. Total Permitted Cannabis Businesses

605 Actively Working Jobs



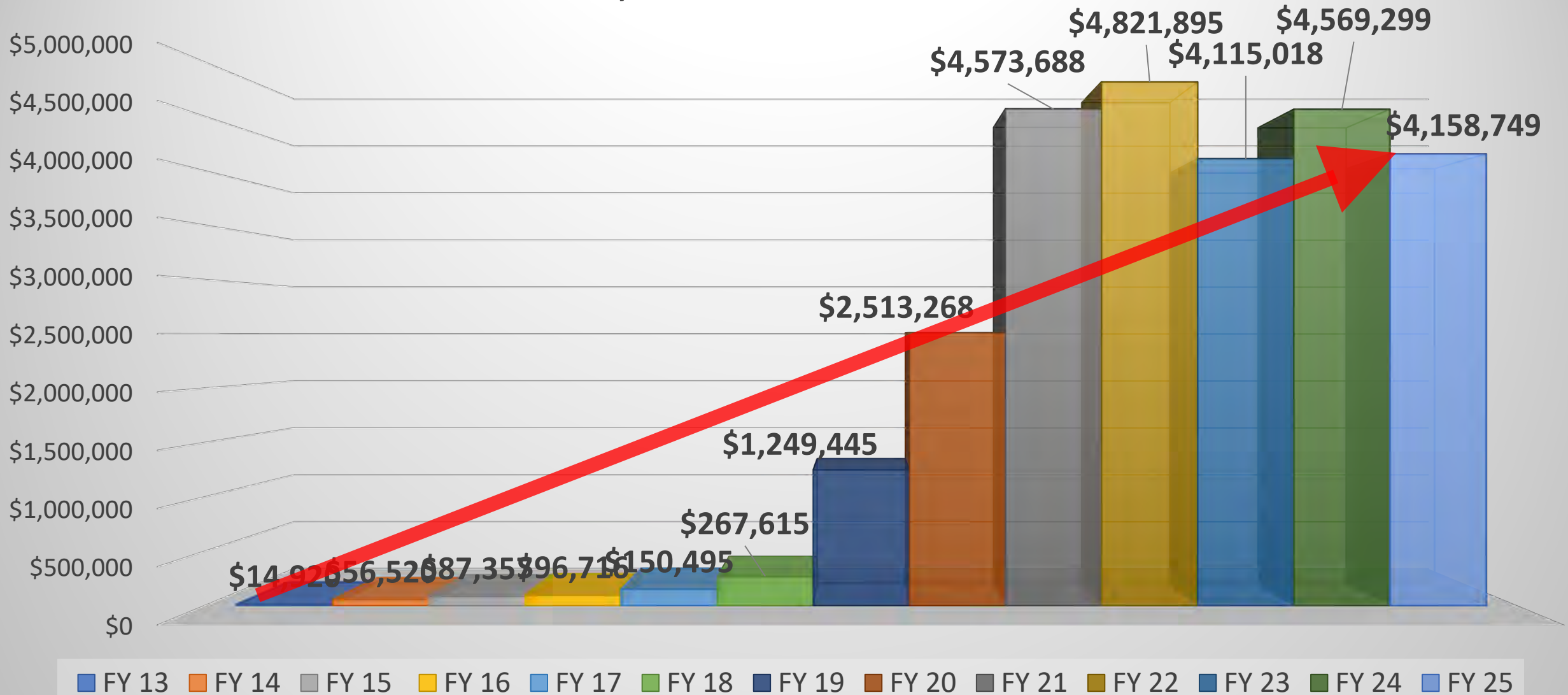
- ☐ **124 Needles Residents**
- ☐ **328 Arizona Residents**
- ☐ **22 Nevada**
- ☐ **131 Other**

Needles, CA Median Household Income



Needles Overall Medium Household Income has Grown \$6,559 or 20% from 2017

Needles, CA Cannabis Tax Revenues



Needles has received \$26.7 Million in Tax Revenues since Measure S was approved by the voters.



Item 4.



Item 4.









Infrastructure Grants

Project Title	Funding Amount
Well 11 Treatment Plant	\$ 6,098,077
Advanced Metering Infrastructure (AMI) Project	\$ 212,826
Lilly Hill Booster Station Replacement/Relocation	\$ 2,119,295
Intertie Transmission Main	\$ 930,000
L Street Pump Station Project	\$ 940,000
Well No. 15 Backup Generator	\$ 367,645
Maintenance Yard Manifold/Waterline Project	\$ 1,828,730
New 1.5 MG Storage Tank	\$ 2,380,608
Total	\$ 14,877,181





Parks Grants

Project Title	Funding Amount
Jack Smith Walking Trail	\$ 181,116
Rivers Edge Golf Course Irrigation	\$ 715,000
Bob Belt’s Beach Park	\$ 2,179,702
Duke Watkins Park	\$ 3,965,400
Total	\$ 7,041,218



BECOME FIRST TO EARN NEW CLEAN CALIFORNIA DESIGNATION

over **20**
CLEAN CALIFORNIA
COMMUNITIES & GROWING

















City of Norwalk

OBERNOLTE STREET IMPROVEMENT PROJECT

L. 4TH, 5TH, HIGHLAND, PARK, COLLINS, ORANGE, CORONADO STREETS AND ERIN CIRCLE

GRANT AWARDED: \$757,000

CITY COUNCIL
JIMMY TERRAZO, Mayor
KATHY HARRIS, Vice Mayor
TOMMY BELL
ELLEN CAMPBELL
JACKIE MC CORRELLE
JOANNE FOLLE
LEONARD LONGBRATE

CITY MANAGER
PATRICK MARY FEE

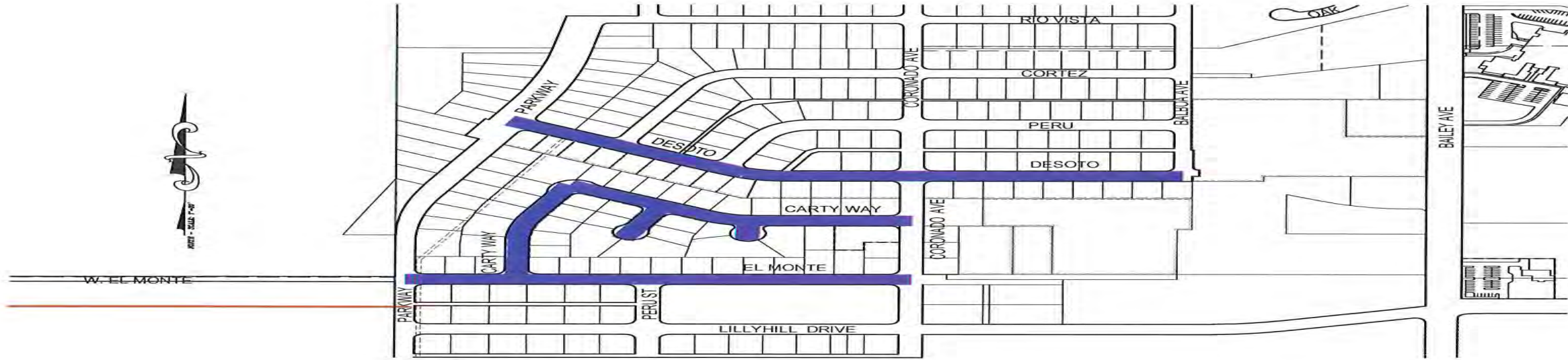
The grant was made possible by a grant from COMBINEITY PROJECT - PLANNING / AND OTHER SPENDING PROGRAMS (SPONSORED BY CONCRETEWAY SET ORGANIZATIONS)



City of Needles Capital Projects

Street Improvements & Water Service Replacement

PHASE 4B



VISTA AREA

ELMONTE STREET (Parkway to Coronado St)
 CARTY WAY (El Monte to Coronado St),
 CARTY CIRCLE,
 CARTY PLACE
 DESOTO ST (Parkway to Balboa St)



DOWNTOWN AREA

I STREET (Third Street to Broadway Ave)
 H STREET (Third Street to Broadway Ave)
 G STREET (Third Street to Broadway Ave)
 CRESTVIEW (Third Street to End)

LEGEND

————— PHASE 4B - PAVING IMPROVEMENT
 including Water Services

Item 4.



EXIT



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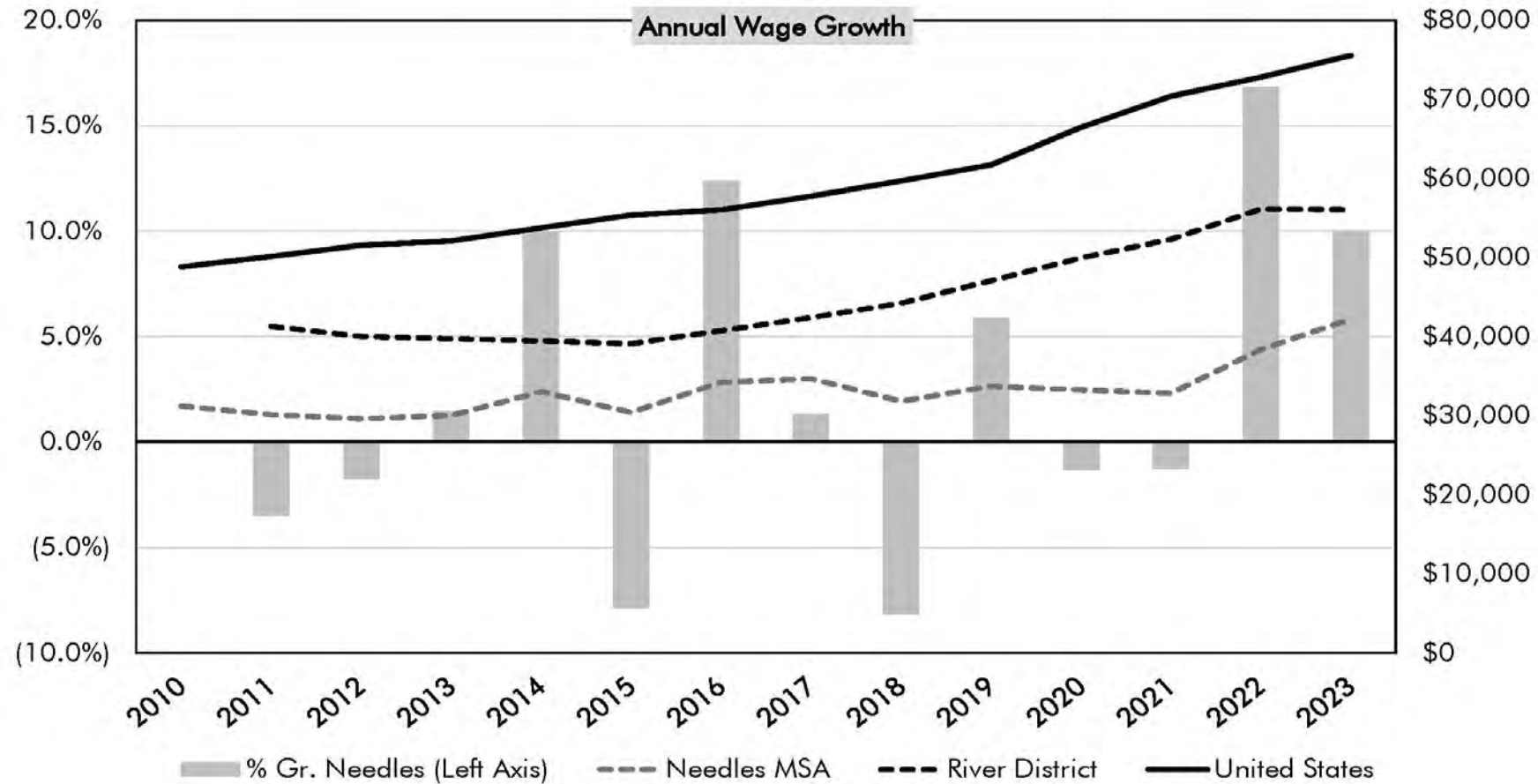
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Demand Drivers

- Demand for new housing driven primarily by the following factors:
 - **New households.** Mix of new in-migrants to the region as well as new household formation (i.e. kids leaving home). Households new to the market are being driven by a combination of job growth, cost of living/quality of life considerations, and work-from-anywhere trends. Includes those seeking vacation/second homes.
 - **Demand for newer housing product from current households.** Nearly 60% of the City's housing stock was built before 1980, offering few modern/updated floorplans.
 - **Job and wage growth.** The cannabis industry has developed into the City's dominant industry, and wages have seen strong growth the past three years – leading to a mismatch in the housing stock offered and what some residents can afford.
 - **Continued growth of the River District.** As the tri-state area continues to see job growth, Needles has an opportunity to capture its 'fair share' of regional housing demand.

Wages

- Nearly 6% annual growth in wages in Needles last 5 years



Key Findings

Pricing Range	Likely Resident Types	Avg. Unit Size Range	Potential Housing Types	10-Year Demand Pool (New)
Rental Residential		SF		
Under \$1,000	<ul style="list-style-type: none"> • Singles and couples • <\$35K 	300 - 1,200	<ul style="list-style-type: none"> • Affordable housing (LIHTC) • Micro units (studios, small one-beds, converted hotel rooms) 	35
\$1,000 - \$1,500	<ul style="list-style-type: none"> • Singles and couples, empty nesters, young families • \$35K-\$75K 	600 - 1,500	<ul style="list-style-type: none"> • Garden style/walk-up • Mobile home/prefab 	60
\$1,500 - \$2,000	<ul style="list-style-type: none"> • Couples, families • \$50K-\$100K • New in-migrants 	750 - 1,750	<ul style="list-style-type: none"> • Garden style/walk-up • Single-family/townhome rentals 	40
Over \$2,000	<ul style="list-style-type: none"> • Families, empty nesters • \$75K-\$150K+ • New in-migrants 	1,000 - 2,000	<ul style="list-style-type: none"> • Large single family • River-adjacent housing 	25
Subtotal Rental Products:				160
For-Sale Residential				
Under \$200K	<ul style="list-style-type: none"> • Singles and couples, empty nesters, young families • <\$50K 	700 - 1,500	<ul style="list-style-type: none"> • Mobile homes • Low-income ownership programs (if available) • ADU/Micro-units 	20
\$200K-\$250K	<ul style="list-style-type: none"> • Couples and families • \$50K-\$75K 	1,200 - 2,000	<ul style="list-style-type: none"> • Townhomes/duplexes • Small-lot single family 	50
\$250K-\$300K	<ul style="list-style-type: none"> • Couples and families • \$50K-\$100K • New in-migrants 	1,500 - 2,250	<ul style="list-style-type: none"> • Single family 	100
Over \$300K	<ul style="list-style-type: none"> • Couples and families, empty nesters • \$75K-\$150K+ • New in-migrants • Vacation/second home 	2,000 - 3,500	<ul style="list-style-type: none"> • Large-lot single family • River-adjacent housing • SFD with ADU/casitas (that could be rented out) 	200
Subtotal Ownership Products:				370
Total All Products:				530

Prohousing Incentive Pilot program Awards over \$33 Million to Prohousing Jurisdictions!



Cities and counties using exclusive **Prohousing** funds to build more housing faster.

The Prohousing Designation Program provides incentives to cities and counties in the form of additional points or other preference in the scoring of competitive housing, community development, and infrastructure programs.



hcd.ca.gov

June 13, 2023

HCD Awarded \$445,000 to the City of Needles

Item 4.





2ND ANNUAL NEEDLES

CRAFT SHOW

Sponsored By
Friends of El Garces

APRIL 12TH, 2025

9:00AM - 2:00PM

\$20.00 per space

Santa Fe Park
950 Front Street, Needles CA

For Registration Contact: Jan Jernigan 760.221.3211



2ND ANNUAL NEEDLES ART IN THE PARK

Hosted By
Friends of El Garces
& River Valley Artist Guild

APRIL 10TH - 12TH, 2025

El Garces
950 Front Street
Needles CA

Presenting
Best in Show and People's Choice

Thursday: April 10, 2025
10:00am - 6:00pm

Friday: April 11, 2025
Cocktail Party 6:00-8:00 PM

Saturday: April 12, 2025
10:00am - 5:00pm

For Registration Contact: Victoria Valdemar
Vmeyersvaldemar@yahoo.com
951.334.8454

5,000 Eggs
Gift Baskets & prizes

NEEDLES, CA

Easter

EGG HUNT

SATURDAY- APRIL 19

Hunt starts at 9:30

Jack Smith Park

1000 River Rd, Needles, CA

**FACE PAINTING & PHOTOS WITH
THE EASTER BUNNY**

This event is brought to you by:



(844) 444-1424

www.tristateclinics.org





PRESENTS THE
47TH COLORADO RIVER ROUND UP
APRIL 4 & 5, 2025
NEEDLES RODEO GROUNDS 1001 SAN CLEMENTE STREET



*** RODEO DANCE ***

"Littletown"

Presented by the Fort Mojave Indian Tribe

*** SPECIAL EVENTS ***

- # Junior Barrel Race presented by Campbell Redi-Mix
Call Mike Shott at 760-218-4891 to register.
- # 8th Annual Cornhole Tourney
Call Wade Evans at 760-220-1039
- # Local Contestants -
Call Mike Shott at 760-218-4891 from March 1-26
- # Mutton Bustin' - call Judy Thornton at 760-333-5255



*** THE RODEO STORE ***

March 31-April 3
920 W. Broadway in Needles
10am-4pm

*** TICKETS ***

Ages 5 and under - free
Ages 6-17 - \$5
Ages 18 and over - \$10

PRESALE TICKETS

2-Day Adults - \$15
2-Day Kids - \$5
Rodeo Store only

Coordinated by Needles Rodeo Association
Facebook at Needles Rodeo/CRRU
needlesrodeo@outlook.com www.needlesrodeo.com
For more info, call Judy Thornton @ 760-333-5255
(NO OUTSIDE ALCOHOL PERMITTED)

VIP AREA
Presented by





PALO VERDE COLLEGE
FOUNDATION
WHERE KNOWLEDGE TAKES ROOT AND OPPORTUNITY GROWS

NEEDLES CENTER

SCHOLARSHIP

5K COLOR RUN & WALK

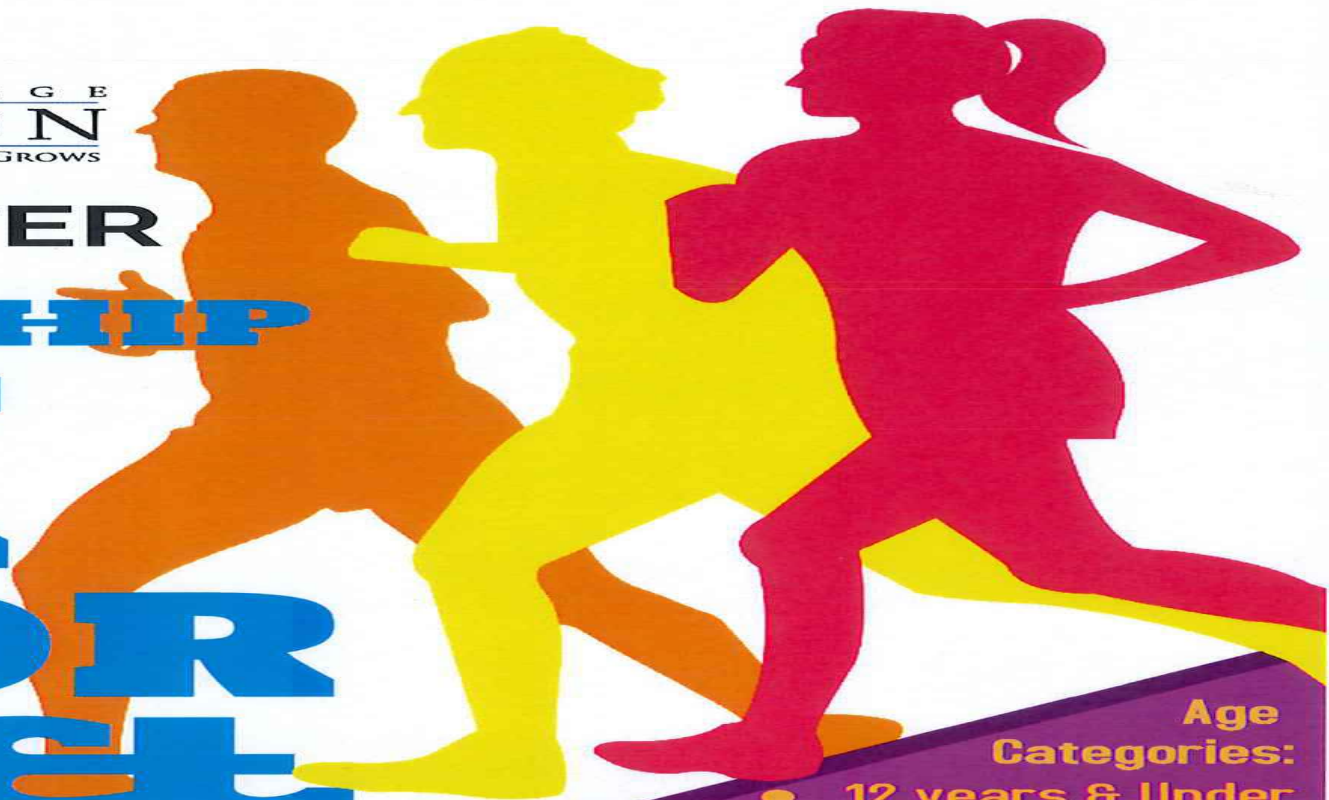
SATURDAY

APRIL 12, 2025

**STARTS AT PALO VERDE COLLEGE
AT 9AM; CHECK-IN AT 7:30 AM**

For more information call (760) 326-5033
or visit <http://www.paloverde.edu/>

725 W. Broadway, Needles, CA 92363



Age

Categories:

- 12 years & Under
- 13 - 17 years
- 18 years and up

**FEE: \$25 PER PERSON
INCLUDES TSHIRT, MEAL
REGISTRATION:**



**Must Register
Before April 1**

<https://forms.gle/3E53VXckUgDxQV6V>

Item 4.



DOWNLOAD NEEDLES CONNECT

DOWNLOAD NEEDLES CONNECT



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Access Information



Choose Subscription Group



Receive Notifications



**SCAN HERE
TO DOWNLOAD**

6. PALO VERDE BOARD MEETING

RESOLUTION NO. 2025-8

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEEDLES SUPPORTING ENHANCED INVESTMENTS, EQUITABLE SERVICES, AND WORKFORCE DEVELOPMENT PROGRAMS BY PALO VERDE COMMUNITY COLLEGE IN THE NEEDLES COMMUNITY

WHEREAS, Palo Verde Community College (PVCC) is a critical partner in providing education, workforce development, and economic opportunities for the Needles community; and

WHEREAS, the Needles campus faces significant challenges, including:

1. **Lack of In-Person Counseling Services** for Students.
2. **Course Cancellations**: Classes have been withdrawn before school begins, resulting in students losing **FAFSA eligibility** and disrupting education.
3. **Lack of Dedicated Budget and Data**: Needles does not receive equitable funding.
4. **There are** no clear goals or vision for the campus.

WHEREAS, substantial grant funds, including Adult Education and Career Technical Education (CTE) funds, totaling **\$1.5 million** have been allocated to programs like HVAC, vehicle maintenance, and the computer information systems programs but these resources have not adequately benefited Needles; and

WHEREAS, Needles property owners have contributed significantly to PVCC through **two General Obligation (GO) Bond Measures**:

1. The **2004 bond** in the amount of **\$6 million**.
2. The **2014 bond** in the amount of **\$12 million**.
These bonds are repaid through property taxes levied on parcels, with property owners contributing based on assessed parcel values, demonstrating the community's ongoing financial support for the college; and

WHEREAS, Needles is positioned for growth with access to a larger student base, unlike Blythe, Needles is positioned to serve as a hub for workforce training programs such as:

- **Nursing, Plumbing, Electrical Trades, Home Building, Lineman Training, and Water Treatment;**

WHEREAS, PVCC's potential declining enrollment due to the loss of incarcerated student programs and fire training programs jeopardizes the college's financial stability, with reserves projected to be depleted within **three years**; and

WHEREAS, PVCC must prioritize efforts to **diversify its student population** and concentrate on expanding educational opportunities in underserved communities such as Needles, which present significant potential for enrollment growth and community impact; and

WHEREAS, the City of Needles advocates for equitable investment to **bolster CTE programs** and establish Needles as a driver of enrollment growth, workforce development, and economic opportunity for the region; and

WHEREAS, the community has identified the urgent need for a **Child Care Facility** to serve 40 children, create jobs, and remove barriers to education and workforce participation;



P A L O V E R D E C O L L E G E
FOUNDATION
WHERE KNOWLEDGE TAKES ROOT AND OPPORTUNITY GROWS

February 18, 2025

To Whom it May Concern –

Since 1986, Palo Verde College Foundation has sought the support of generous businesses such as you to assist our students with the completion of their educational goals. Will you or your business consider becoming a featured partner of Palo Verde College Foundation for our annual Needles Center Scholarship **5k Color Walk/Run** Event scheduled for **Saturday, April 12, 2025**?

Pirate Corporate Sponsorships*

BOOTY - \$1000 and above: 2 runners or walkers, 2 T-shirts, individual banner, incl. in Pirate promotions

AHOY - \$500-999: 2 runners or walkers, 2 T-shirts, individual banner, incl. in Pirate promotions

BUCCANEER - \$250-\$499: 2 runners or walkers, 2 T-shirts, group listed on banner, incl. in Pirate promotions

JOLLY ROGER - \$100-\$249: 2 runners or walkers, 1 T-shirt, group listed on banner, incl. in Pirate promotions

**Included in public advertising*

Pirate Individual Sponsorship

MATEY - Up to \$100: 1 runner or walker, 1 T-shirt, group listed on banner, Pirate bag

All donations go to Palo Verde College Foundation exclusively for students at the Needles Center.

Here is a link to the [donor guide](#) for your review and hope that you are able to make a contribution to help our students. Palo Verde College Foundation is designated as a 501(c)3, therefore charitable donations are considered tax deductible (EIN: 33-0078920). Donations may be made online by visiting the [Palo Verde College Foundation](#) donation portal or can be sent to the Needles Center, 725 W. Broadway St., Needles, CA, 92363. Include "For PVC Foundation Needles Scholarships" in the Additional Comments section online or in the Memo space if submitting a check.

Sincerely,

Stephanie Slangen, MPA
Executive Director
Palo Verde College Foundation



9. COMMUNITY CALENDAR


March 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1 HOUSEHOLD HAZARDOUS WASTE COLLECTION CITY PUBLIC WORKS YARD 112 ROBUFFA 7AM - 11AM
2 16TH ANNUAL SPRING CLASSIC BASKETBALL TOURNAMENT 3RD-8TH GRADES MAY 1 - 2	3	4	5 PLANNING COMMISSION 4pm	6	7	8 HARVEST BIBLE CHURCH GOLF TOURNAMENT
9	10	11 WOMEN'S CLUB LUNCHEON CITY COUNCIL 6pm	12	13	14	15 LUCKY GREENS ANNUAL GOLF TOURNAMENT RIVER EDGE GOLF COURSE 
16	17 PARKS & RECREATION 4pm 	18 BOARD OF PUBLIC UTILITIES 4pm	19 JOB AND RESOURCE FAIR EL GARCES 10AM - 2PM ASSEMBLYMAN GONZALEZ'S REPS MOBILE OFFICE 10AM-5:30PM NEEDLES TOURISM OFFICE 920 W BROADWAY	20	21	22 JJ's GOLF CLINIC 10AM RIVERS EDGE GC
23	24	25 CITY COUNCIL 6pm	Needles High School Music/Culinary Department Proudly Presents The Meat Eat A Fundraising BBQ  performances by The Blue Notes, The Advanced Band & The Needles High School Choir NEEDLES HIGH SCHOOL GYM 6PM \$10 / PLATE	27	28	29  HONORING VIETAM VETERANS PANCAKES IN THE PARK SANTA FE PARK 9AM COMMUNITY CLEANUP SAN CLEMENTE ST. 

April 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 TWILIGHT LEAGUE RIVERS EDGE GOLF COURSE BOARD OF PUBLIC UTILITIES 4 PM	2 PLANNING COMMISSION 4 PM	3 PALO VERDE COLLEGE 5K COLOR RUN & WALK 9AM SIGN IN 7:30AM	4 47th ANNUAL COLORADO RIVER ROUND UP	5 
6	7	8  WELL 11 TREATMENT PLANT 9AM WOMEN'S CLUB LUNCH CITY COUNCIL 6 PM	9	10 	12 	
13	14	15 BOARD OF PUBLIC UTILITIES 4 PM	16	17	18	19 
20 	21 PARKS & RECREATION 4 PM ROUTE 66 BIKE WEEK	22 CITY COUNCIL 6 PM ROUTE 66 BIKE WEEK	23 HOUSING COMMISSION 4 PM ROUTE 66 BIKE WEEK	24 	25 APRIL 21 - 27	26
27 ROUTE 66 BIKE WEEK	28	29	30			

May 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5	6 BOARD OF PUBLIC UTILITIES 4 PM	7 PLANNING COMMISSION 4 PM	8	9	10
11	12	13 WOMEN'S CLUB LUNCH CITY COUNCIL 6 PM	14 	15	16	17 Rabies and Licensing Clinic Needles Animal Shelter 1662 Flip Mendez Pkwy Needles, CA 92363 May 17th 9:30-12:30 CASH ONLY
18	19 PARKS & RECREATION 4 PM	20 BOARD OF PUBLIC UTILITIES 4 PM	21	22	23	24
25	26	27 CITY COUNCIL 6 PM	28 HOUSING COMMISSION 4 PM	29	30	31

June 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3 BOARD OF PUBLIC UTILITIES 4 PM	4 PLANNING COMMISSION 4 PM	5	6	7
8	9	10 WOMEN'S CLUB LUNCH CITY COUNCIL 6 PM	11	12	13	14
15	16 PARKS & RECREATION 4 PM	17 BOARD OF PUBLIC UTILITIES 4 PM	18	19	20	21
22	23	24 CITY COUNCIL 6 PM	25 HOUSING COMMISSION 4 PM	26	27	28
29	30	1	2	3	4	5