BLYTHE CITY COUNCIL

AGENDA

FEBRUARY 9, 2016

6:00 P.M.

Joseph "Joey" DeConinck, Mayor
Timothy "Tim" Wade, Vice Mayor
Oscar Galvan, Councilman
Dale S. Reynolds, Councilman
Eric Egan, Councilman
Mallory Sutterfield, Interim City Manager/City Clerk
Baron Bettenhausen, City Attorney

MEETINGS ARE HELD IN THE CITY COUNCIL CHAMBER, 235 NORTH BROADWAY, BLYTHE, CA

CITY OF BLYTHE
CITY COUNCIL MEETING
February 9, 2016
4:30pm

CALL TO ORDER

ROLL CALL

Mayor DeConinck
Vice Mayor Wade
Councilman Galvan
Councilman Reynolds
Councilman Egan

Interim City Manager/ City Clerk Sutterfield
City Attorney Bettenhausen
City Treasurer/Interim Finance Director Elms
Interim Police Chief Mathews

Planner Burrow
Public Works Director Baldizzone

PUBLIC COMMENT: Public comments will be allowed on matters not appearing on the agenda, but within Council/Successor Agency's jurisdiction. Speakers are asked to identify themselves by stating their name and address for the record. Comments shall be limited to 3 minutes in duration.

EXECUTIVE SESSION:

1. **Existing Litigation,** Pursuant to Government Code Section 54956.9, one case.

2. **Personnel,** Pursuant to Government Code Section 54957 (b).

3. **Personnel,** Pursuant to Government Code Section 54957, City Manager Recruitment.

4. **Existing Litigation,** Pursuant to Government Code Section 54956.9, onc case.

NOTE TO THE PUBLIC:

In compliance with the Americans with Disability Act, if you need special assistance to participate in this meeting, please contact City Clerk Mallory Sutterfield at (760)922-6161 EXT. 237. Notification 24 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28 CFR 35.104 ADA Title II).

Any writings or documents provided to a majority of the City Council regarding any item on this Agenda will be made available for Public inspection in the City Clerk's Office at City Hall, 235 N. Broadway, Blythe, California, and the information counter of the Palo Verde Valley District Library located at 125 W. Chanslorway, Blythe, California, during normal business hours. In addition such writings and documents will be posted on the City's website: www.cityofblythe.ca.gov.

Meeting of
The Blythe City Council
February 9, 2016
6:00pm

CALL TO ORDER

ROLL CALL

Mayor DeConinck
Vice Mayor Wade
Councilman Galvan
Councilman Reynolds
Councilman Egan

Interim City Manager/City Clerk Sutterfield
City Treasurer/Interim Finance Director Elms
Public Works Director Baldizzone
City Attorney Bettenhausen

Interim Police Chief Mathews
Planner Burrow

PLEDGE OF ALLEGIANCE

INVOCATION

ADDED STARTER

The City Council may add an item to the Agenda after making a finding that there is a need to take immediate action on the item and that the item came to the attention of the City Council and/or staff subsequent to the posting of the Agenda. An action adding an item to the Agenda requires a 2/3 vote of the City Council (4 of 5 Council Members). If less than 2/3 of the City Council is present, adding an item to the Agenda requires a unanimous vote.

REPORT OUT FROM CLOSED SESSION:

PRESENTATION: (Item 1)

1. **City of Blythe FY 2014/15 Audited Financials.**
   Recommendation: Receive and file the audited financial statements.

CONSENT CALENDAR- (Items 2- 9) All matters listed under Consent Calendar are considered routine and will be enacted by one motion. There will be no separate discussion of these items prior to the time of voting on the motion unless members of the Council or staff request specific items be discussed and/or removed from the Consent Calendar for separate action.

2. **Posting of the Agenda.**
   The summary of agenda items were posted on the bulletin boards on the outside of the public entrance to the Council Chamber and near the inside entrance of the Council Chamber on Friday, February 5, 2016.

3. **Approval of the Warrant Register.**
   Recommendation: Approve **2/9/16**, warrants numbered 63575 through 63661 and 63662 through 63671 in the amount of $293,628.03 and **2/916,** warrants numbered 63672 through 63729 and 6363730 in the amount of $299,817.06.

4. **Approval of the Payroll Register.**
   Recommendation: Approve **2/9/16,** warrants numbered 47978 through 48008 and Direct Deposits numbered 35852 through 35907 in the amount of $255,462.04; **2/9/16,** warrants numbered 48009 through 48038 and Direct Deposits numbered 35908 through 35963 in the amount of $259,763.31 and **2/9/16,** warrants numbered 48071 through 48080 and Direct Deposits numbered 36020 through 36115 in the amount of $61,737.94.

5. **Minutes of the January 12, 2016 City Council Meeting.**
   Recommendation: Approve the Minutes of the January 12, 2016 Meeting.

Any writings or documents provided to a majority of the City Council regarding any item on this Agenda will be made available for Public inspection in the City Clerk's Office at City Hall, 235 N. Broadway, Blythe, California, and the information counter of the Palo Verde Valley District Library located at 125 W. Chanslorway, Blythe, California, during normal business hours. In addition such writings and documents will be posted on the City's website: www.cityofblythe.ca.gov.

6. **City of Blythe Permits Issued in January 2016.**
Recommendation: Receive and file this monthly report.

7. **City of Blythe Fire Department Monthly Activity Report for January 2016.**
Recommendation: Receive and file this monthly report.

8. **Second Quarter Investment Report.**
Recommendation: Receive and file this quarterly report.

9. **Acceptance of Land and Abandonment of Existing Easement.**
Recommendation: Adopt Resolution No. 2016-001 accepting land offered for dedication and abandoning an existing easement.

RESOLUTION NO. 2016-001. A RESOLUTION OF THE CITY OF BLYTHE, CALIFORNIA, DECLARING AN ORDER TO ACCEPT LAND OFFERED FOR DEDICATION FOR PURPOSE OF OPERATION OF EXISTING WATER WELL FACILITIES; ABANDON EXISTING INGRESS, EGRESS AND INSTALLATION OF PUBLIC UTILITIES EASEMENT; AND, FINDING BOTH ACTIONS ARE IN CONFORMANCE WITH THE CITY OF BLYTHE 2025 GENERAL PLAN.

PUBLIC HEARING: (Item 10)

10. **Proposed Water, Sewer and Wastewater rates.**
Recommendation: Open the Public hearing for comment. Subsequent to the Public Hearing continue the Public Hearing for further comment to February 12, 2016 at which time Council will be asked to conduct the first reading of Ordinance No.'s 874-16, 875-16 and 876-16.

ORDINANCE NO. 874-16. AN ORDINANCE OF THE CITY OF BLYTHE ADOPTING A SCHEDULE OF WASTEWATER TREATMENT FEES.

ORDINANCE NO. 875-16. AN ORDINANCE OF THE CITY OF BLYTHE ADOPTING A SCHEDULE OF WATER SERVICE FEES.

ORDINANCE NO. 876-16. AN ORDINANCE OF THE CITY OF BLYTHE ADOPTION A SCHEDULE OF SEWER COLLECTION SERVICE FEES.

NEW BUSINESS: (Items 11-13)

11. **3rd Place Sidewalk and Roadway Improvement Project.**
Recommendation: Adopt Resolution No. 2016-003 and authorize the City Manager to enter into a Cooperative Agreement with Riverside County.

RESOLUTION NO. 2016-003. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA, AUTHORIZING THE COUNTY OF RIVERSIDE TO ACT AS LEAD AGENCY FOR LAND ACQUISITION SERVICES INCLUDING ACQUISITION BY THE JOINT EXERCISE OF EMINENT DOMAIN OF REAL PROPERTY LOCATED WITHIN CITY OF BLYTHE JURISDICTION FOR THE 3RD PLACE SIDEWALK AND ROADWAY IMPROVEMENTS.

12. **Mid-Year Performance Report for FY 2015-16.**
Recommendation: Receive and file.

13. **Approval of the Execution and Delivery of a 2011A Bond Proceed Funding Agreement.**
Recommendation: Adopt Resolution No. 2016-002.

RESOLUTION NO. 2016-002. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE APPROVING THE EXECUTION AND DELIVERY OF A 2011A BOND PROCEEDS FUNDING AGREEMENT AND TAKING CERTAIN RELATED ACTIONS.

WRITTEN COMMUNICATION: None

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SUCCESSOR AGENCY: (Item 14)

14. **Approval of the Execution and Delivery of a 2011A Bond Proceed Funding Agreement.**
Recommendation: Adopt Resolution No. SA 2016-001.

RESOLUTION NO. SA 2016-001. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE BLYTHE REDEVELOPMENT AGENCY APPROVING THE EXECUTION AND DELIVERY OF A 2011A BOND PROCEEDS FUNDING AGREEMENT AND TAKING CERTAIN RELATED ACTIONS.

ORAL REPORTS (Council may ask a question for clarification, make a brief announcement, make a brief report on his/her own activities, request staff to report back at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.)

PUBLIC COMMENT Public comments will be allowed on matters not appearing on the agenda, but within Council/Blythe Successor Agency jurisdiction. Speakers are asked to identify themselves by stating their name and address for the record. Comments shall be limited to 3 minutes in duration.

ADJOURNMENT The next meeting will be held on February 12, 2016, at 6:00 p.m. in the Council Chamber, 235 N. Broadway, Blythe, California.

NOTE TO THE PUBLIC:
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PRESENTATION

CITY OF BLYTHE
CITY COUNCIL MEETING

STAFF REPORT

MEETING DATE: February 9, 2016

SUBJECT: Presentation of the City of Blythe FY 2014/2015 Financials

PRESENTED BY: Christa Elms, Interim Director of Finance
Teaman, Ramirez & Smith

PREPARED BY: Christa Elms, Interim Director of Finance

RECOMMENDATION: Receive and file the audited financial statements as presented.

FISCAL IMPACT: None

BACKGROUND: The City's auditing firm of Teaman, Ramirez & Smith has completed their review of the FY 2014/2015 financials and are ready to present a final copy of the financial statements.

STAFF REPORT: Adopted Resolution No. 09-827 requires the presentation of the City's annual financials in open meeting. The City's FY 2014/2015 audit is now complete and will be presented today by Rich Teaman of the City's auditing firm; Teaman, Ramirez & Smith.

The City has received an "Unqualified Opinion" which is of the highest opinion and means the City's financial records and statements are fairly and appropriately presented. The financial statements have been prepared assuming the City will continue as a going concern with the City's General Fund and several other funds having negative fund balances.

Copies of all listed attachments have been given to the City Council. In addition, copies of the City's financial statements are available on the website at http://www.cityofblythe.ca.gov/ or from the City Clerk office.

ATTACHMENTS:

Attachment 1: Statements of Auditing Standards
Attachment 2: Appropriations Limit
Attachment 3: Management Letter
Attachment 4: City of Blythe Final Audit for Fiscal Year FY 2014/2015
Attachment 5: Blythe Financing Authority Final Audit for FY 2014/2015
Attachment 6: Single Audit Report

_____, 2016

City Council
City of Blythe
Blythe, CA

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Blythe (the "City") for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and OMB A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 5, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the City changed accounting policies related to Statement of Governmental Accounting Standards (GASB Statement) No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, in the 2015 fiscal year. Accordingly, the cumulative effect of the accounting changes as of the beginning of the year are reported in the financial statements. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

> Management's estimate of the fair value of investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of investments in determining that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of capital assets depreciation is based on historical estimates of each capitalized item's useful life. We evaluated the key factors and assumptions used to develop the capital assets depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of the net pension liability and related pension deferred outflows and inflows of resources are based on an actuarial valuation and pension contributions made during the year. We evaluated the key factors and assumptions used to develop the net pension liability and related pension deferred outflows and inflows of resources in determining that it is reasonable in relation to the financial statements taken as a whole.

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Management's estimate of net other postemployment benefits (OPEB) obligation is based on an actuarial valuation. We evaluated the key factors and assumptions used to develop the net OPEB obligation in determining that it is reasonable in relation to the financial statements taken as a whole.

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

The disclosure of the fair value of investments in Note 2 to the financial statements represents amounts susceptible to market fluctuation.

The disclosure of capital assets in Note 5 to the financial statements is based on historical information which could differ from actual useful lives of each capitalized item.

The disclosure of the pension plans, net pension liability and related pension deferred outflows and inflows of resources in Note 18 to the financial statements represents management's estimates based on an actuarial valuation and pension contributions made during the year. Actual results could differ depending on the key factors and assumptions used for the actuarial valuation.

The disclosure of other postemployment benefits and the net OPEB obligation in Note 19 to the financial statements represents management's estimate based on an actuarial valuation. Actual results could differ depending on the key factors and assumptions used for the actuarial valuation.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following material misstatements detected as a result of audit procedures were corrected by management: retentions payable.

Disagreements with Management

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

Management Representations

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

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

We applied certain limited procedures to the required supplementary information section, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information section, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

As discussed in Note 25 to the financial statements, the City's general operating fund has a negative fund balance, several other funds with deficits, and the enterprise funds had negative changes in net position and negative unrestricted net position. These conditions raise substantial doubt about its ability to continue as a going concern. Management's plan is disclosed in Note 25 to the financial statements. Our auditor's report on the financial statements includes an emphasis of matter paragraph on the going concern.

Restriction on Use

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

Very truly yours,

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INDEPENDENT ACCOUNTANT'S REPORT ON AGREED-UPON PROCEDURES APPLIED TO APPROPRIATIONS LIMIT WORKSHEETS

City Council
City of Blythe
Blythe, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit documents of the City of Blythe, California, for the year ended June 30, 2015. These procedures, which were agreed to by the City of Blythe, California and the League of California Cities (as presented in the publication entitled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIIIB of the California Constitution),* were performed solely to assist the City in meeting the requirements of Section 1.5 of Article XIIIB of the California Constitution. The City of Blythe's management is responsible for the Appropriations Limit worksheet. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and our findings were as follows:

1. We obtained the completed worksheets and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned documents to those that were selected by a recorded vote of the City Council.

   Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit worksheet, we added last year's limit to total adjustments and agreed the resulting amount to this year's limit.

   Finding: No exceptions were noted as a result of our procedures.

3. We agreed the current year information presented in the accompanying Appropriations Limit worksheet to the other documents referenced in #1 above.

   Finding: No exceptions were noted as a result of our procedures.

4. We agreed the prior year appropriations limit presented in the accompanying Appropriations Limit worksheet to the prior year appropriations limit adopted by the City Council during the prior year.

   Finding: No exceptions were noted as a result of our procedures.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the accompanying Appropriations Limit worksheet. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriation limit for the base year, as defined by the League publication entitled *Article XIIIB of the California Constitution.*

This report is intended solely for the use of the City Council and management of the City of Blythe, California and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

_____, 2016

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CITY OF BLYTHE
APPROPRIATIONS LIMIT COMPUTATION
2014 - 2015

		2014 - 2015
Per Capital Personal Income Change		-0.23%
Population Change City Population Growth		0.55%
CPI Change Converted to a Ratio		0.9977
Population Change Converted to a Ratio		1.0055
Calculation of Growth Factor		1.0032
2013 - 2014 Appropriations Limit	$ 25,048,613	
2014 - 2015 Appropriations Limit ($25,048,613 x 1.0032)	$ 25,128,769	

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_____ __, 2016

Mrs. Christa Elms
City Interim Director of Finance
City of Blythe
235 N. Broadway Street
Blythe, California 92225

Dear Mrs. Elms:

We have audited the financial statements of the City of Blythe as of and for the year ended June 30, 2015, and have issued our report thereon dated _____ __, 2016. In planning and performing our audit of the financial statements of the City of Blythe for the year ended June 30, 2015, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control. Any significant deficiencies or material weaknesses in internal control are reported in a separate correspondence titled *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*. However, we noted items of less significance which are presented for your consideration.

This letter by its very nature is critical and does not highlight the many positive features of the City's internal control. These comments and recommendations are intended to improve the internal control or result in other operating efficiencies and are summarized as follows:

(1)

General Fund Financial Condition

The General Fund is the main operating fund of the City. The indicating factors that usually provide information on the City's general operations are the General Fund's fund balance and changes in fund balance. Over the past several years, the General Fund's fund balance has been at a negative amount. The last year that the General Fund had a positive fund balance was in 1998 when it was $89,873. See the attached table that summarizes the past several years.

During the 2009, 2010, 2012, 2013 and 2015 fiscal years, the City has had a positive change in fund balance that has lowered the General Fund's deficit balance which includes one-time revenue sources. During 2011 fiscal year, the change was negative due to the General Fund covering the remaining liabilities of the Airport Fund and in 2014, the change was negative to cover deficits in the Local Transportation Fund. While we understand that the City has taken drastic measures to improve its financial situation, we feel these situations should continue to be closely monitored to ensure that the City can meet its obligations as they come due.

(2)

Enterprise Funds Financial Condition

The enterprise funds during the last few years have had negative changes in their net position. The golf course fund especially has had negative changes in net position and a deficit net position for several years. While we understand that the City has taken measures to improve its financial situation, we feel these situations should continue to be closely monitored to ensure the City can meet its obligations as they come due.

*****

Summation

We would like to take this opportunity to express our appreciation for the assistance extended us during the course of our audit. It was a pleasure working with qualified, dedicated professional staff.

If we can be of further assistance, or if you have any questions regarding our recommendations, please call our office. This letter is intended solely for the information and use of management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

TEAMAN, RAMIREZ & SMITH, INC.

Richard A. Teaman
Certified Public Accountant

CITY OF BLYTHE
GENERAL FUND

	General Fund	
	Fund Balance	Changes in Fund Balance *
1999	$ (1,016,650)	$ (1,106,523)
2000	$ (937,829)	$ 78,821
2001	$ (1,177,367)	$ (239,538)
2002	$ (340,021)	$ 837,346
2003	$ (3,694)	$ 336,327
2004	$ (294,032)	$ (290,338)
2005	$ (68,289)	$ 225,743
2006	$ (537,050)	$ (468,761)
2007	$ (2,630,776)	$ (2,093,766)
2008	$ (3,387,903)	$ (757,127)
2009	$ (3,100,651)	$ 287,252
2010	$ (2,533,494)	$ 567,157
2011	$ (2,911,664)	$ (378,170)
2012	$ (2,360,255)	$ 551,409
2013	$ (1,148,121)	$ 1,212,134
2014	$ (1,559,174)	$ (411,053)[1]
2015	$ (295,449)	$ 1,263,725

	Water Utility Fund		Sewer Utility Fund		Solid Waste Utility Fund		Golf Course Fund	
	Net Position	Change*	Net Position	Change*	Net Position	Change*	Net Position	Change*
1999	$ 1,330,870	$ 664,152	$ 2,812,078	$ 81,103	$ (82,333)	$ (61,779)	$ 78,373	$ (140,901)
2000	$ 2,008,808	$ 677,938	$ 2,839,917	$ 27,839	$ (100,643)	$ (18,310)	$ (23,664)	$ (102,037)
2001	$ 2,246,504	$ 237,696	$ 3,176,458	$ 336,541	$ (107,136)	$ (6,493)	$ (105,592)	$ (81,928)
2002	$ 2,464,009	$ 217,505	$ 3,787,927	$ 611,469	$ (82,103)	$ 25,033	$ (230,458)	$ (124,866)
2003	$ 2,240,478	$ (223,531)	$ 3,958,314	$ 170,387	$ (55,055)	$ 27,048	$ (312,651)	$ (82,193)
2004	$ 2,544,305	$ 303,827	$ 4,075,753	$ 117,439	$ 720	$ 55,775	$ (425,012)	$ (112,361)
2005	$ 3,031,794	$ 487,489	$ 4,283,614	$ 207,861	$ 106,868	$ 106,148	$ (575,956)	$ (150,944)
2006	$ 3,987,303	$ 955,509	$ 7,208,857	$ 2,925,243	$ 210,415	$ 103,547	$ (659,734)	$ (83,778)
2007	$ 10,942,058	$ 6,954,755	$ 17,012,545	$ 9,803,688	$ 301,541	$ 91,126	$ (931,355)	$ (271,621)
2008	$ 11,010,627	$ 68,569	$ 17,164,374	$ 151,829	$ 302,343	$ 802	$(1,155,402)	$ (224,047)
2009	$ 12,459,596	$ 1,448,969	$ 16,785,194	$ (379,180)	$ 275,197	$ (27,146)	$(1,231,025)	$ (75,623)
2010	$ 14,983,230	$ 2,523,634	$ 13,253,176	$ (3,532,018)	$ 169,886	$ (105,311)	$(1,352,578)	$ (121,553)
2011	$ 14,062,017	$ (921,213)	$ 12,197,724	$ (1,055,452)	$ 53,504	$ (116,382)	$(1,544,473)	$ (191,895)
2012	$ 13,285,246	$ (776,771)	$ 12,005,405	$ (192,319)	$ (64,742)	$ (118,246)	$(1,587,355)	$ (42,882)
2013	$ 12,396,670	$ (888,576)	$ 11,839,877	$ (165,528)	$ (191,969)	$ (127,227)	$(1,624,393)	$ (37,038)
2014	$ 11,736,705	$ (659,965)	$ 11,891,036	$ 51,159	$ (341,778)	$ (149,809)	$(1,652,779)	$ (28,386)
2015	$10,210,963	$ (1,525,742)	$ 10,264,757	$ (1,626,279)	$ (456,360)	$ (114,582)	$(1,553,081)	$ 99,698

* Note that Changes in Fund Balances also includes prior period adjustments in that year. During the 2015 fiscal year, there was a $(2,395,375) prior period adjustment to implement GASB 68 that affected the Water, Sewer, and Solid Waste Utility Funds. The Golf Course had a $136,409 prior period adjustment for contributed capital assets for the 2015 fiscal year.

[1] In 2014, the City's General Fund transferred approximately $704,823 to cover current year expenses and prior year deficits in the Local Transportation Fund.

CITY OF BLYTHE, CALIFORNIA

ANNUAL AUDIT REPORT

Year Ended June 30, 2015

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for DISCUSSION PURPOSES ONLY

City of Blythe, California
Annual Audit Report
Year Ended June 30, 2015

TABLE OF CONTENTS

	PAGE
Independent Auditors' Report	i - iii
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	1
Statement of Activities	2 - 3
Fund Financial Statements:	
Balance Sheet - Governmental Funds	4
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	5
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	6
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	7
Statement of Net Position - Proprietary Funds	8 - 11
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	12 - 13
Statement of Cash Flows - Proprietary Funds	14 - 17
Statement of Fiduciary Net Position	18
Statement of Changes in Fiduciary Net Position	19
Notes to Financial Statements	20 - 68
Required Supplementary Information:	
Schedule of Proportionate Share of the Net Pension Liability	
CalPERS Miscellaneous Pension Plan	69
CalPERS Safety Pension Plan	70
CalPERS Miscellaneous PEPRA Pension Plan	71
CalPERS Safety PEPRA Pension Plan	72
Schedule of Contributions	
CalPERS Miscellaneous Pension Plan	73
CalPERS Safety Pension Plan	74
CalPERS Miscellaneous PEPRA Pension Plan	75
CalPERS Safety PEPRA Pension Plan	76
Schedule of Funding Progress for CBRHP	77
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual:	
General Fund	78
Measure A Special Revenue Fund	79
Notes to Required Supplementary Information	80
Supplementary Schedules:	
Non-major Governmental Funds:	
Combining Balance Sheet	81 - 84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	85 - 88
Internal Service Funds:	
Combining Statement of Net Position	89 - 92
Combining Statement of Revenues, Expenses, and Changes in Net Position	93 - 94
Combining Statement of Cash Flows	95 - 98
Agency Funds:	
Combining Statement of Fiduciary Assets and Liabilities	99 - 100

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INDEPENDENT AUDITORS' REPORT

City Council
City of Blythe
Blythe, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Blythe, California (the "City") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Blythe, California, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of Matters

New Accounting Pronouncements

As described in Note 1 to the financial statements, in 2015, the City adopted new accounting guidance, GASB Statement No. 68 *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27* and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to these matters.

Regarding Going Concern

The accompanying financial statements have been prepared assuming that the City of Blythe, California, will continue as a going concern. As discussed in Note 25 to the financial statements, the City's General Fund and several other funds have a negative fund balance. The enterprise funds also had a negative net position and negative changes in net position. These conditions raise substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters also are described in Note 25. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information on pages 69 - 80 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted *Management's Discussion and Analysis* that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standard Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

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

The supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements

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or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated _____ __, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Riverside, California
_____ __, 2016

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BASIC FINANCIAL STATEMENTS

City of Blythe, California
Statement of Net Position
June 30, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Investments	$ 5,501,387	$ 584,032	$ 6,085,419
Restricted Cash and Investments	518,684	226,950	745,634
Receivables:			
Accounts	397,847	653,668	1,051,515
Interest	1,870	501	2,371
Notes	524,451		524,451
Loans	836,209		836,209
Other		26,441	26,441
Due from Other Governments	322,124		322,124
Internal Balances	1,383,989	(1,383,989)	0
Inventory	20,909	60,384	81,293
Land Held for Resale	180,000		180,000
Land and Construction in Progress, Not Being Depreciated	1,129,683	124,074	1,253,757
Capital Assets, Net of Depreciation	24,020,002	30,979,028	54,999,030
Total Assets	34,837,155	31,271,089	66,108,244
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Items	1,388,272	151,500	1,539,772
Total Deferred Outflows of Resources	1,388,272	151,500	1,539,772
LIABILITIES			
Accounts Payable	877,370	318,359	1,195,729
Accrued Liabilities	1,317,010	56,825	1,373,835
Deposits and Other Liabilities	95,828	141,632	237,460
Interest Payable on Long-term Liabilities	58,666		58,666
Long-term Liabilities:			
Due Within One Year	600,477	1,380,677	1,981,154
Due in More Than One Year	15,938,948	10,483,147	26,422,095
Total Liabilities	18,888,299	12,380,640	31,268,939
DEFERRED INFLOWS OF RESOURCES			
Pension Related Items	2,680,731	575,670	3,256,401
Total Deferred Inflows of Resources	2,680,731	575,670	3,256,401
NET POSITION			
Net Investment in Capital Assets	21,808,031	22,144,233	43,952,264
Restricted for:			
Low and Moderate Income Housing	1,234,375		1,234,375
Debt Service	495,149		495,149
Streets	4,429,611		4,429,611
Construction	238,480		238,480
Other Purposes	200,836		200,836
Unrestricted	(13,750,085)	(3,677,954)	(17,428,039)
Total Net Position	$ 14,656,397	$ 18,466,279	$ 33,122,676

The accompanying notes are an integral part of this statement.

1

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City of Blythe, California
Statement of Activities
Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental Activities:				
General Government	$ 1,793,642	$ 712,471	$ 20,704	$
Public Safety	6,227,708	39,505	383,332	78,012
Parks and Recreation	496,850	115,693	154,184	15,242
Public Works	1,203,050	361,524	1,770,701	
Community Development	729,929	145,943	87,121	
Interest on Long-term Debt	255,785			
Total Governmental Activities	10,706,964	1,375,136	2,416,042	93,254
Business-type Activities:				
Water Utility	2,339,593	2,416,396		
Sewer Utility	2,744,220	2,931,179		
Solid Waste	1,797,717	1,907,579		
Golf Course	44,995	679		7,605
Total Business-type Activities	6,926,525	7,255,833	0	7,605
Total Primary Government	$ 17,633,489	$ 8,630,969	$ 2,416,042	$ 100,859

General Revenues:
- Property Taxes
- Sales and Use Taxes
- Motor Vehicle in Lieu Tax
- Franchise Taxes
- Transient Occupancy Taxes
- Real Property Transfer Taxes
- Fines, Forfeitures and Penalties
- Investment Earnings
- Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning of Year, as Previously Reported

Prior Period Adjustments

Net Position - Beginning of Year, as Restated

Net Position - End of Year

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Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
$ (1,060,467)	$	$ (1,060,467)
(5,726,859)		(5,726,859)
(211,731)		(211,731)
929,175		929,175
(496,865)		(496,865)
(255,785)		(255,785)
(6,822,532)	0	(6,822,532)
	76,803	4,832,792
	186,959	5,862,358
	109,862	109,862
	(36,711)	(36,711)
0	336,913	336,913
(6,822,532)	336,913	(6,485,619)
1,258,693		1,258,693
1,974,550		1,974,550
1,765,704		1,765,704
508,690		508,690
948,978		948,978
16,912		16,912
55,827		55,827
19,082	2,140	21,222
86,669		86,669
1,246,992	(1,246,992)	0
7,882,097	(1,244,852)	6,637,245
1,059,565	(907,939)	151,626
25,216,900	21,633,184	46,850,084
(11,620,068)	(2,258,966)	(13,879,034)
13,596,832	19,374,218	32,971,050
$ 14,656,397	$ 18,466,279	$ 33,122,676

The accompanying notes are an integral part of this statement.

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City of Blythe, California
Balance Sheet
Governmental Funds
June 30, 2015

	General Fund	Special Revenue Measure A	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Investments	$	$ 3,200,556	$ 2,300,831	$ 5,501,387
Cash and Investments with Fiscal Agent			518,684	518,684
Accounts Receivable	397,847			397,847
Interest Receivable		1,351	475	1,826
Loans Receivable			836,209	836,209
Due from Other Governments	35,385	130,271	150,011	315,667
Notes Receivable	524,451			524,451
Advances to Other Funds			173,331	173,331
Land Held for Resale			180,000	180,000
Total Assets	$ 957,683	$ 3,332,178	$ 4,159,541	$ 8,449,402
LIABILITIES				
Accounts Payable	$ 109,668	$ 134	$ 708,670	$ 818,472
Accrued Liabilities	362,614		7,941	370,555
Deposits and Other Liabilities	95,828			95,828
Due to Other Funds	651,035		424,184	1,075,219
Total Liabilities	1,219,145	134	1,140,795	2,360,074
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Taxes	18,745		11,601	30,346
Unavailable Revenues - Intergovernmental	15,242	23,097		38,339
Total Deferred Inflows of Resources	33,987	23,097	11,601	68,685
FUND BALANCES				
Nonspendable	524,451			524,451
Restricted		3,308,947	3,291,587	6,600,534
Unassigned	(819,900)		(284,442)	(1,104,342)
Total Fund Balances	(295,449)	3,308,947	3,007,145	6,020,643
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 957,683	$ 3,332,178	$ 4,159,541	$ 8,449,402

The accompanying notes are an integral part of this statement.

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City of Blythe, California
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2015

Fund Balances of Governmental Funds	$ 6,020,643
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, net of depreciation, have not been included as financial resources in governmental fund activity.	23,872,782
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	68,685
Long-term liabilities are not due and payable in the current period and are not reported in the funds.	
Interest Payable on Long-term Liabilitie:	(58,666)
Long-term Liabilities	(15,596,190)
Deferred outflows and inflows of resources related to pensions that are required to be recognized over a defined closed period.	
Pension Related Deferred Outflows of Resources	1,356,359
Pension Related Deferred Inflows of Resources	(2,568,469)
Internal service funds are used to charge the cost of activities to individual funds. The assets and liabilities are included in governmental activities in the Statement of Net Position.	1,561,253
Net Position of Governmental Activities	$ 14,656,397

The accompanying notes are an integral part of this statement.

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City of Blythe, California
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2015

	General Fund	Special Revenue Measure A	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property Taxes	$ 1,279,699	$	$ 169,561	$ 1,449,260
Other Taxes	3,449,130			3,449,130
Licenses, Permits and Fees	248,057		17,660	265,717
Intergovernmental Revenues	2,642,683	891,635	979,246	4,513,564
Charges for Services	928,257			928,257
Fines, Forfeitures and Penalties	14,660		41,167	55,827
Investment Earnings		5,750	13,112	18,862
Miscellaneous	186,416		554	186,970
Total Revenues	8,748,902	897,385	1,221,300	10,867,587
EXPENDITURES				
Current:				
General Government	1,273,197		5,790	1,278,987
Public Safety	5,112,825		37,686	5,150,511
Parks and Recreation	406,206			406,206
Public Works	296,972		693,280	990,252
Community Development	605,585			605,585
Capital Outlay	106,580		1,123,483	1,230,063
Debt Service:				
Principal Retirement		362,772	165,000	527,772
Interest and Fiscal Charges		54,160	180,538	234,698
Total Expenditures	7,801,365	416,932	2,205,777	10,424,074
Excess (Deficiency) of Revenues over Expenditures	947,537	480,453	(984,477)	443,513
OTHER FINANCING SOURCES (USES)				
Transfers In	1,400,595		1,475,452	2,876,047
Transfers Out	(1,084,407)	(840,594)	(430,522)	(2,355,523)
Total Other Financing Sources (Uses)	316,188	(840,594)	1,044,930	520,524
Net Change in Fund Balances	1,263,725	(360,141)	60,453	964,037
Fund Balances - Beginning - As Previously Reported	(1,559,174)	3,669,088	3,016,267	5,126,181
Prior Period Adjustments			(69,575)	(69,575)
Fund Balances - Beginning - As Restated	(1,559,174)	3,669,088	2,946,692	5,056,606
Fund Balances - Ending	$ (295,449)	$ 3,308,947	$ 3,007,145	$ 6,020,643

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City of Blythe, California
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2015

Net Change in Fund Balances - Total Governmental Funds	$ 964,037
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as an expenditure in the full amount as current financial resources are used. However, in the Statement of Activities the cost of these assets is allocated over the estimated useful life as depreciation expense.	
Capital Outlay	1,115,784
Depreciation	(1,856,348)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(391,137)
Governmental funds report retirements of the principal of long-term debt as expenditures, but retirements are included as a reduction of long-term liabilities in the Statement of Net Position.	
Long-term Debt Principal Payments	527,772
Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as governmental fund expenditures.	
Interest and Fiscal Charges	3,025
Net Change in Compensated Absences	(19,068)
Net Change in Net OPEB Obligation	(96,327)
Net Change in Net Pension Liability	1,548,374
Amortization of Deferred Outflows and Inflows of Resources Related to Pensions	(1,292,459)
Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the Internal Service Funds is included in the Statement of Activities.	555,912
Change in Net Position of Governmental Activities	$ 1,059,565

The accompanying notes are an integral part of this statement.

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City of Blythe, California
Statement of Net Position
Proprietary Funds
June 30, 2015

	Business-type Activities Enterprise Funds			
	Water Utility	Sewer Utility	Solid Waste Utility	Golf Course
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$	$ 584,032	$	$
Cash and Cash Equivalents with Fiscal Agent	84,925	142,025		
Receivables:				
Accounts	267,652	297,623	88,393	
Interest		501		
Other	337	12,017	14,087	
Due from Other Governments		874,746		
Due from Other Funds	54,375	6,009		
Inventory				
Total Current Assets	407,289	1,916,953	102,480	0
Noncurrent Assets:				
Land and Construction in Progress, Not Being Depreciated		124,074		
Capital Assets, Net of Depreciation	19,137,286	11,610,453		231,289
Total Noncurrent Assets	19,137,286	11,734,527	0	231,289
Total Assets	19,544,575	13,651,480	102,480	231,289
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Items	63,026	84,270	4,204	
Total Deferred Outflows of Resources	63,026	84,270	4,204	0
LIABILITIES				
Current Liabilities:				
Accounts Payable	67,361	188,124	62,874	
Accrued Liabilities	37,912	16,904	1,100	909
Due to Other Funds	323,921		443,262	1,318,221
Compensated Absences Payable - Current	5,267	10,198	204	
Capital Leases Payable - Current				
Loans Payable - Current	392,286	442,722		400,000
Bonds Payable - Current	50,000	80,000		
Total Current Liabilities	876,747	737,948	507,440	1,719,130
Noncurrent Liabilities:				
Advances from Other Funds	108,091			65,240
Deposits Payable	141,632			
Compensated Absences Payable	29,847	57,787	1,156	
Capital Leases Payable				
Loans Payable	6,276,583			
Bonds Payable	760,000	1,400,000		
Net Pension Liability	930,215	985,483	42,076	
Total Noncurrent Liabilities	8,246,368	2,443,270	43,232	65,240
Total Liabilities	$ 9,123,115	$ 3,181,218	$ 550,672	$ 1,784,370

The accompanying notes are an integral part of this statement.

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Totals	Governmental Activities - Internal Service Funds
$ 584,032	$
226,950	
653,668	
501	44
26,441	
0	6,457
874,746	2,285,877
60,384	20,909
2,426,722	2,313,287
124,074	5,800
30,979,028	1,271,103
31,103,102	1,276,903
33,529,824	3,590,190
151,500	31,913
151,500	31,913
318,359	58,898
56,825	946,455
2,085,404	
15,669	3,203
	132,069
1,235,008	
130,000	
3,841,265	1,140,625
173,331	
141,632	
88,790	18,150
	408,026
6,276,583	
2,160,000	
1,957,774	381,787
10,798,110	807,963
$ 14,639,375	$ 1,948,588

Continued

The accompanying notes are an integral part of this statement.

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City of Blythe, California
Statement of Net Position - Continued
Proprietary Funds
June 30, 2015

	Business-type Activities Enterprise Funds			
	Water Utility	Sewer Utility	Solid Waste Utility	Golf Course
DEFERRED INFLOWS OF RESOURCES				
Pension Related Items	$ 273,523	$ 289,775	$ 12,372	$
Total Deferred Inflows of Resources	273,523	289,775	12,372	0
NET POSITION				
Net Investment in Capital Assets	11,658,417	10,254,527		231,289
Unrestricted	(1,447,454)	10,230	(456,360)	(1,784,370)
Total Net Position	$ 10,210,963	$ 10,264,757	$ (456,360)	$ (1,553,081)

The accompanying notes are an integral part of this statement.

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Totals	Governmental Activities - Internal Service Funds
$ 575,670	$ 112,262
575,670	112,262
22,144,233	736,808
(3,677,954)	824,445
$ 18,466,279	$ 1,561,253

The accompanying notes are an integral part of this statement.

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City of Blythe, California
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2015

	Business-type Activities Enterprise Funds			
	Water Utility	Sewer Utility	Solid Waste Utility	Golf Course
OPERATING REVENUES				
Charges for Services	$ 2,325,718	$ 2,877,884	$ 1,755,866	$
Other Fees and Sales	74,791	53,295	101,713	
Other Revenues	15,887		50,000	679
Total Operating Revenues	2,416,396	2,931,179	1,907,579	679
OPERATING EXPENSES				
Personnel Services	463,241	618,332	25,157	
Contractual Services	70,947	81,990	1,604,330	
Power and Utilities	312,199	158,211		
Maintenance and Operations	503,012	742,044	168,230	3,346
Insurance				
Depreciation	960,498	1,058,506		38,131
Total Operating Expenses	2,309,897	2,659,083	1,797,717	41,477
Operating Income (Loss)	106,499	272,096	109,862	(40,798)
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings		2,140		
Interest and Fiscal Charges	(29,696)	(85,137)		(3,518)
Total Nonoperating Revenues (Expenses)	(29,696)	(82,997)	0	(3,518)
Income (Loss) Before Capital Contributions and Transfers	76,803	189,099	109,862	(44,316)
Capital Contributions				
Transfers In	23,995	23,995		7,605
Transfers Out	(488,404)	(633,615)	(172,963)	
Change in Net Position	(387,606)	(420,521)	(63,101)	(36,711)
Net Position - Beginning - As Previously Reported	11,736,705	11,891,036	(341,778)	(1,652,779)
Prior Period Adjustment	(1,138,136)	(1,205,758)	(51,481)	136,409
Net Position - Beginning - As Restated	10,598,569	10,685,278	(393,259)	(1,516,370)
Net Position - Ending	$ 10,210,963	$ 10,264,757	$ (456,360)	$ (1,553,081)

The accompanying notes are an integral part of this statement.

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Totals	Governmental Activities - Internal Service Funds
$ 6,959,468	$ 1,087,693
229,799	
66,566	42,867
7,255,833	1,130,560
1,106,730	226,111
1,757,267	25,956
470,410	135,851
1,416,632	386,940
0	375,108
2,057,135	133,664
6,808,174	1,283,630
447,659	(153,070)
2,140	220
(118,351)	(17,706)
(116,211)	(17,486)
331,448	(170,556)
7,605	
47,990	795,119
(1,294,982)	(68,651)
(907,939)	555,912
21,633,184	1,472,464
(2,258,966)	(467,123)
19,374,218	1,005,341
$ 18,466,279	$ 1,561,253

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City of Blythe, California
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2015

	Business-type Activities Enterprise Funds			
	Water Utility	Sewer Utility	Solid Waste Utility	Golf Course
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	$ 2,384,029	$ 2,925,445	$ 1,970,132	$ (679)
Cash Payments for Employee Services	(457,152)	(631,312)	(26,100)	196
Cash Payments to Suppliers for Goods and Services	(883,023)	(906,392)	(1,873,384)	(3,346)
Other Receipts	15,887		50,000	679
Net Cash Provided by (Used for) Operating Activities	1,059,741	1,387,741	120,648	(3,150)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Advances from (to) Other Funds	(515,569)	(609,620)	(120,648)	3,150
Net Cash Provided by (Used for) Noncapital Financing Activities	(515,569)	(609,620)	(120,648)	3,150
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from Capital Lease				
Acquisition of Capital Assets	(72,187)	(124,074)		
Principal Paid on Long-term Obligations	(442,286)	(513,575)		
Lease Obligations Payments				
Interest Paid on Long-term Obligations	(29,699)	(85,137)		
Net Cash Provided for (Used by) Capital and Related Financing Activities	(544,172)	(722,786)	0	0
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Earnings		1,958		
Net Cash Provided by (Used for) Investing Activities	0	1,958	0	0
Net Increase (Decrease) in Cash and Cash Equivalents		57,293		
Cash and Cash Equivalents - Beginning of the Year	84,925	1,543,510	0	0
Cash and Cash Equivalents - End of the Year	$ 84,925	$ 1,600,803	$ 0	$ 0

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Totals	Governmental Activities - Internal Service Funds
$ 7,278,927	$ 1,090,809
(1,114,368)	(233,268)
(3,666,145)	(1,100,985)
66,566	42,867
2,564,980	(200,577)
(1,242,687)	726,468
(1,242,687)	726,468
0	489,689
(196,261)	(671,406)
(955,861)	
0	(71,688)
(114,836)	(17,707)
(1,266,958)	(271,112)
1,958	226
1,958	226
57,293	255,005
1,628,435	2,030,872
$ 1,685,728	$ 2,285,877

Continued

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City of Blythe, California
Statement of Cash Flows - Continued
Proprietary Funds
Year Ended June 30, 2015

	Business-type Activities Enterprise Funds			
	Water Utility	Sewer Utility	Solid Waste Utility	Golf Course
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Operating Income (Loss)	$ 106,499	$ 272,096	$ 109,862	$ (40,798)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation	960,498	1,058,506		38,131
Changes in Assets and Liabilities:				
Accounts, Loans and Other Receivables (Increase)/Decrease	(19,695)	(5,734)	112,553	
Inventory (Increase)/Decrease	(7,703)	(3,481)		
Pension Related Deferred Outflows (Increase)/Decrease	20,719	4,451	(416)	
Accounts Payable (Decrease)/Increase	10,838	79,334	(100,824)	
Accrued Liabilities (Decrease)/Increase	7,926	302	188	196
Deposits Payable (Decrease)/Increase	3,215			(679)
Net Pension Liability (Decrease)/Increase	(291,666)	(308,996)	(13,193)	
Compensated Absences (Decrease)/Increase	(4,413)	1,488	106	
Pension Related Deferred Inflows (Decrease)/Increase	273,523	289,775	12,372	
TOTAL CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	$ 1,059,741	$ 1,387,741	$ 120,648	$ (3,150)
Schedule of Non-cash Capital and Related Financing Activites:				
Contributions of Capital Assets	$	$	$	$ 7,605

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Totals	Governmental Activities - Internal Service Funds
$ 447,659	$ (153,070)
2,057,135	133,664
87,124	3,116
(11,184)	(5,754)
24,754	2,459
(10,652)	(42,506)
8,612	(129,358)
2,536	
(613,855)	(119,708)
(2,819)	(1,682)
575,670	112,262
$ 2,564,980	$ (200,577)
$ 7,605	$

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City of Blythe, California
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2015

	Successor Agency Private-purpose Trust Fund	Agency Funds
ASSETS		
Cash and Investments	$ 3,964,798	$ 222,327
Cash and Investments with Fiscal Agent	3,299,264	327,734
Accounts Receivable		125,931
Loans Receivable	1,162,709	
Due from Other Funds	10,913	
Due from Other Governments		56,090
Land Held for Resale	900,000	
Land	201,387	
Total Assets	9,539,071	732,082
LIABILITIES		
Accounts Payable		248,955
Due to Other Funds		10,913
Interest Payable	330,867	
Deposits and Other Liabilities		77,369
Unearned Revenues		77,214
Notes Payable	524,451	
Bonds Payable	33,425,000	
Due to Bondholders		317,631
Total Liabilities	34,280,318	$ 732,082
NET POSITION		
Net Position Held in Trust for Redevelopment (Deficit)	$ (24,741,247)	

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City of Blythe, California
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2015

	Successor Agency Private-purpose Trust Fund
ADDITIONS	
Taxes	$ 3,170,576
Investment Earnings	107,421
Total Additions	3,277,997
DEDUCTIONS	
Administration	293,394
Community Development	203,689
Costs of Issuance	295,200
Interest Expense	2,250,109
Total Deductions	3,042,392
Change in Net Position	235,605
Net Position - Beginning of Year	(24,976,852)
Net Position - End of Year	$ (24,741,247)

The accompanying notes are an integral part of this statement.

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City of Blythe, California
Notes to Financial Statements
Year Ended June 30, 2015

NOTE	DESCRIPTION	PAGE
1	Reporting Entity and Summary of Significant Accounting Policies	21 - 32
2	Cash and Investments	32 - 37
3	Loans Receivable	37
4	Notes Receivable	38
5	Capital Assets	38 - 40
6	Land Held for Resale	41
7	Long-term Obligations	41 - 43
8	Lease Revenue Bonds	43
9	Lease Obligations	43 - 44
10	Reimbursement Agreement	44
11	Loans Payable	44 - 45
12	Revenue Bonds	45
13	Community Facilities District Bond	45 - 46
14	Pledged Revenues	46
15	Inter-fund Receivables, Payables and Transfers	47 - 48
16	Fund Balance	48
17	Deficit Fund Balances/Net Position	49
18	City Employees' Retirement Plan	49 - 56
19	Other Post-Employment Benefits	57 - 59
20	Service Concession Arrangement for Golf Course	59
21	Jointly Governed Organizations	59
22	Deferred Compensation Plans	60
23	Risk Management	60 - 61
24	Joint Venture	61
25	Commitments and Contingencies	61 - 62
26	Successor Agency Trust for Assets of former Redevelopment Agency	62 - 68
27	Prior Period Adjustment	68
28	Subsequent Events	68

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1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Reporting Entity

The City of Blythe, California, was incorporated on July 21, 1916, as a General Law City. The City operates under a Council-Manager form of government and provides the following services: public safety (police and fire), highways and streets, water, sanitation, health and social services, culture-recreation, public improvements, community development (planning, building, zoning) and general administrative services. Under this system, the people elect a city council of five citizens who serve a term of four years and a mayor serving a term of two years and who, in turn, appoint a City Manager.

The financial statements of the City of Blythe include the financial activities of the City, the Successor Agency of the Blythe Redevelopment Agency and the Blythe Public Financing Authority. In accordance with GASB Statement No. 14, the basic criteria for including an agency, institution, authority or other organization in a governmental unit's financial reporting entity is financial accountability. Financial accountability includes, but is not limited to: 1) selection of the governing body, 2) imposition of will, 3) ability to provide a financial benefit to or impose financial burden on and 4) fiscal dependency.

There may, however, be factors other than financial accountability that are so significant that exclusion of a particular agency from a reporting entity's financial statements would be misleading. These other factors include scope of public service and special financing relationships.

Based upon the application of these criteria, an agency, institution or authority, may be included as a component unit in the primary government's financial statements. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. There are no discretely presented component units in these financial statements. Each blended component unit presented has a June 30th year end. The following is a brief review of each component unit included in the primary government's reporting entity.

Blythe Public Financing Authority

The Authority's Board of Directors is the Blythe City Council and a special financing relationship exists between the Authority and the City. The Authority is consequently considered to be a component unit of the City. The Authority's activities are blended with those of the City in these financial statements and are reported as a debt service fund.

A component unit financial statement for the Blythe Financing Authority previously described may be obtained at 235 North Broadway, Blythe, California 92225.

Other Governmental Agencies

Other governmental agencies providing various levels of service to the City include the State of California, County of Riverside, as well as various special districts and school districts.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

A) Reporting Entity - Continued

Other Governmental Agencies - Continued

Each of the above agencies has an independently elected governing board or is dependent on an independently elected governing board other than the City Council of the City of Blythe. Therefore, financial data and transactions of these agencies are not included within the scope of this financial report.

Not included in these financial statements is the Risk Management Authority as described in Note 23.

B) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

Governmental Accounting Standards Board Statement No. 68

In June of 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27.* This statement was issued to improve the financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trust or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this statement. Statement No. 68 is effective for periods beginning after June 15, 2014. The City has implemented GASB No. 68 which is reflected on the City's financial statements and beginning net position.

Governmental Accounting Standards Board Statement No. 69

In January of 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations.* This statement was issued to improve the financial reporting by state and local governments for government combinations and disposals of government operations. The term *government combinations* is used in this Statement to refer to a variety of arrangements including mergers and acquisitions. Government combinations also include transfers of operations that do not constitute entire legally separate entities and in which no significant consideration is exchanged. Transfer of operations may be present in shared service arrangements, reorganizations, redistricting, annexations and arrangements in which an operation is transferred to a new government created to provide those services. In addition to providing guidance for reporting such activity, this Statement requires disclosures to be made about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and financial effects of those transactions. Statement No. 69 is effective for periods beginning after December 15, 2013. Currently, this statement has no effect on the City's financial statements.

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1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements - Continued

Governmental Accounting Standards Board Statement No. 71

In November of 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement 68.* This statement was issued to address an issue in Statement No. 68 concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributions entities. At the beginning of the period in which the provisions of Statement 68 are adopted, there may be circumstances in which it is not practical for a government to determine the amounts of all applicable deferred inflows of resources and deferred outflows of resources related to pensions. In such circumstances, the government should recognize a beginning deferred outflow of resources only for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability but before the start of the government's fiscal year. Additionally, in those circumstances, no beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions should be recognized. Statement No. 71 is effective for periods beginning after June 15, 2014 and should be implemented simultaneously with the provisions of GASB Statement No. 68. The City has implemented GASB No. 68 and 71which is reflected on the City's financial statements and beginning net position.

Governmental Accounting Standard Board Statement No. 72

In February of 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application.* This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. Statement No. 72 is effective for periods beginning after June 15, 2015. The City has elected not to early implement GASB No. 72 and has not determined its effect on the City's financial statements.

Governmental Accounting Standard Board Statement No. 73

In June of 2015, GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68.* This Statement was issued to improve the usefulness of information about pensions for making decisions and assessing accountability. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68 and also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements - Continued

Governmental Accounting Standard Board Statement No. 73 - Continued

Statement No. 73 requirements that addresses accounting and financial reporting by employers and governmental nonemployer contributing entities is effective for fiscal years beginning after June 15, 2016, except those provisions that address financial reporting for assets accumulated for purposes of providing those pensions which are effective for fiscal years beginning after June 15, 2015. Statement No. 73 requirements for pension plans that are within the scope of Statement 67 or for pensions that are within the scope of Statement 68 are effective for fiscal years beginning after June 15, 2015. The City has elected not to early implement GASB No. 73 and has not determined its effect on the City's financial statements.

Governmental Accounting Standard Board Statement No. 74

In June of 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Statement was issued to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) for making decisions and assessing accountability. This Statement replaces Statements no. 43, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*. Statement No. 74 is effective for fiscal years beginning after June 15, 2016. The City has elected not to early implement GASB No. 74 and has not determined its effect on the City's financial statements.

Governmental Accounting Standard Board Statement No. 75

In June of 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement was issued to improve accounting and financial reporting for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by governmental employers about financial support for OPEB that is provided by other entities. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. Statement No. 75 is effective for fiscal years beginning after June 15, 2017. The City has elected not to early implement GASB No. 75 and has not determined its effect on the City's financial statements.

Governmental Accounting Standard Board Statement No. 76

In June of 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This Statement was issued to identify, in the context of the current governmental

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements - Continued

Governmental Accounting Standard Board Statement No. 76 - Continued

financial reporting environment, the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements for state and local governmental entities in conformity with GAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. Statement No. 76 is effective for periods beginning after June 15, 2015 and should be applied retroactively. The City has elected not to early implement GASB No. 76 and has not determined its effect on the City's financial statements.

Governmental Accounting Standard Board Statement No. 77

In August of 2015, GASB issued Statement No. 77, *Tax Abatement Disclosures*. This Statement is intended to provide financial statement users needed information about certain limitations on a government's ability to raise resources and for financial reporting purposes requires disclosure on tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments that reduce the reporting government's tax revenues. Statement No. 77 is effective for periods beginning after December 15, 2015. The City has elected not to early implement GASB No. 77 and has not determined its effect on the City's financial statements.

C) Basis of Presentation

The City's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

Government-wide Statements: The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are expenses that are clearly identifiable with a specific program, project, function or segment. Program revenues of the City include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C) Basis of Presentation - Continued

Taxes and other items that are properly not included among program revenues are reported instead as general revenues.

Fund Financial Statements: Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

D) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the providers have been met. The agency funds have no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities. Agency funds only report assets and liabilities and therefore have no net position in the Statement of Fiduciary Net Position and no additions or deletions in the Statement of Changes in Fiduciary Net Position.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

Taxes, intergovernmental revenues, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and are therefore recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The *General Fund* is used to account for all financial resources of the City, except for those required to be accounted for in another fund.

The *Measure A Special Revenue Fund* is used to account for receipting of restricted funds and to account for the transfers of these restricted funds to the Capital Streets Project Fund for street improvement projects.

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1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

The City reports the following major proprietary funds:

The *Water Utility Fund* is used to account for the receipting of monies received for providing water related services and to account for all expenditures such as salaries and benefits, billing services, operation and maintenance, and water related projects such as new or improved infrastructure.

The *Sewer Utility Fund* is used to account for the receipting of monies received for providing sewer and wastewater services and to account for all expenditures such as salaries and benefits, billing services, operation and maintenance, and sewer and wastewater related projects such as new or improved infrastructure.

The *Solid Waste Utility Fund* is used to account for the receipting of all monies received for trash and landfill services provided by the City through a Contractor. To account for all expenditures such as contract services, billing services, and other miscellaneous expenditures.

The *Golf Course Fund* is used to account for receipting of all monies received for golf course fees, cart fees, rental fees, and other miscellaneous revenue. To account for expenditures related to operation and maintenance of golf course, salaries and benefits, equipment purchases, an projects related to the improvement of the golf course.

Additionally, the City reports the following fund types:

The *Internal Service Funds* are used to account for goods or services provided by one department to other departments on a cost-reimbursement basis.

The *Private-purpose Trust Fund* is used to report resources held in trust for the Successor Agency to the Blythe Redevelopment Agency.

The *Agency Funds* are used to account for money received by the City as an agent for individuals, other governments and other entities.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Direct expenses have not been eliminated from the functional categories; indirect expenses and internal payments have been eliminated.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

E) Investments

As a governmental entity other than an external investment pool in accordance with GASB 31, the City's investments are stated at fair value except for interest-earning investment contracts and external investment pool (see Note 2).

In applying GASB 31, the City utilized the following methods and assumptions:

1) Fair value is based on quoted market prices as of the valuation date;

2) The portfolio did not hold investments in any of the following:

   a) Items required to be reported at amortized cost,
   b) Items in external pools that are not SEC-registered,
   c) Items subject to involuntary participation in an external pool,
   d) Items associated with a fund other than the fund to which the income is assigned;

3) Aside from investments clearly identified as belonging to a specific fund, any unrealized gain/loss resulting from the valuation will be recognized within the General Fund to the extent its cash and investments' balance exceeds the cumulative value of those investments subject to GASB 31;

4) The gain/loss resulting from valuation will be reported within the revenue account "Investment Earnings" on the Statement of Activities and the Statement of Revenues, Expenditures and Changes in Fund Balances for Governmental Funds.

F) Cash and Cash Equivalents

In accordance with GASB Statement 9, for purposes of the Statement of Cash Flows, all cash and investments with original maturities of 90 days or less are considered cash or cash equivalents. For financial statement presentation purposes cash and cash equivalents are shown as cash and investments in the Proprietary Funds Statement of Net Position.

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1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

G) Inventories

Inventories are valued using the average cost method. Inventories consist of expendable supplies held for consumption and future additions to capital assets. The cost is recorded as an expenditure at the time individual inventory items are used.

H) Employee Compensated Absences

In accordance with GASB Statement No. 16, a liability is recorded for unused vacation, sick, holiday benefits and compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payment upon termination or retirement.

I) Inter-fund Activity

In the governmental fund financial statements, activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans).

Noncurrent portions of long-term inter-fund loan receivables are reported as advances and such amounts are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

In the government-wide financial statements, these activities have been eliminated.

J) Appropriations Limit

Under Article XIIIB of the California Constitution (the GANN Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates, revised fee schedules or other refund arrangements. For the fiscal year ended June 30, 2015, proceeds of taxes did not exceed appropriations.

K) Capital Assets

Capital assets are reported in the government-wide financial statements. Capital assets are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. Assets purchased in excess of $5,000 are capitalized if they have an expected useful life of 2 years or more. Capital assets acquired through lease obligations are valued at the present value of future lease payments at the date acquired. Donated capital assets are valued at their estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset's lives are not capitalized.

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1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

K) Capital Assets - Continued

Major capital outlay for capital assets and improvements are capitalized as projects are constructed. For debt-financed capital assets, interest incurred during the construction phase is reflected in the capitalization value of the asset constructed, net of interest earned on the invested proceeds over the same period. There is no interest capitalized by the City for the year ended June 30, 2015.

Infrastructure assets acquired or constructed in the current year have been capitalized. However, infrastructure assets acquired or constructed in prior years have not been capitalized. Pursuant to GASB Statement No. 34, the City will be required to capitalize all infrastructure assets meeting capitalization criteria in future years.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the government-wide financial statements. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the Statement of Net Position.

The range of lives used for depreciation purposes for each capital asset class is as follows:

Computer Equipment	5 - 10 years
Land Improvements	20 - 25 years
Machinery and Equipment	5 - 12 years
Structures and Improvements	20 - 25 years
Vehicles	5 years
Buildings	20 - 50 years
Plant	20 - 40 years
Infrastructure	25 - 60 years

L) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expenses/expenditure) until then. The City has one item that qualifies for reporting in this category. The City has deferred outflows related to pensions, which arises only under a full accrual basis of accounting. Accordingly, this item *(pension related items)*, is reported only in the government-wide statement of net position. This includes pension contributions subsequent to the measurement date of the net pension liability and other amounts (see Note 18), which are amortized by an actuarial determined period.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has one type of item, which arises under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from intergovernmental revenues. These amounts

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1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

L) Deferred Outflows/Inflows of Resources - Continued

are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also has deferred inflows of resources related to pensions, which arises only under a full accrual basis of accounting. Accordingly, this item *(pension related items)*, is reported only in the government-wide statement of net position. These amounts (see Note 18) are amortized by an actuarial determined period.

M) Fund Equity

Fund balance in governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The City considers restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact.

Restricted Fund Balance - Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed Fund Balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the government's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance or resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance or resolution remains in place until a similar action is taken to remove or revise the limitation.

Assigned Fund Balance - Amounts that are constrained by the City's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body, or by an official to whom the authority has been given.

Unassigned Fund Balance - These are either residual positive net resources of the General Fund in excess of what can properly be classified in one of the other categories, or negative balances in all other funds.

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1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

N) Property Tax Calendar

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien Date	January 1st	
Levy Date	July 1st to June 30th	
Due Date	November 1st	- 1st Installment
	February 1st	- 2nd Installment
Delinquent Date	December 10th	- 1st Installment
	April 10th	- 2nd Installment

Under California Law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas prescribed by the state statutes. A delinquency penalty of 6 percent is assessed by the County of Riverside. If taxes become delinquent, subject properties may be deeded to the State and may be sold by the County for taxes plus a 1 percent per month redemption fee.

O) Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds f employee contributions) are recognized when due and payable in accordance with the benefit terms.

P) Use of Estimates

Management of the City uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, deferred outflows/inflows of resources and the reported revenues and expenditures/expenses. Actual results could vary from the estimates that management uses.

2) CASH AND INVESTMENTS

The City has adopted an investment policy that authorizes the City's investment in demand accounts with banks and the Local Agency Investment Fund (LAIF). Investments are selected based on safety, liquidity and yield.

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2) CASH AND INVESTMENTS - Continued

Cash and Investments consist of the following:

Statement of Net Position:	
Cash and Investments	$ 6,085,419
Restricted Cash and Investments	745,634
Statement of Fiduciary Net Position:	
Cash and Investments	4,187,125
Cash and Investments with Fiscal Agent	3,626,998
Total Cash and Investments	$ 14,645,176

Cash and Investments consist of the following:

Petty Cash	$ 2,450
Deposits with Financial Institutions	5,417,290
Investments	9,225,436
Total Cash and Investments	$ 14,645,176

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

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage Of Portfolio[1]	Maximum Investment In One Issuer
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements[2]	92 days	20% of base value	None
Local Agency Investment Fund (LAIF)	N/A	None	None

[1] Excluding amounts held by bond trustee that are not subject to California Government Code restrictions.
[2] City Council approval is required prior to purchase.

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2) CASH AND INVESTMENTS - Continued

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rates 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 evenly over time as necessary to provide the cash flow and liquidity needed for operations.

The City had the following investments. Except for the investments held by Bond Trustee, all investments are in the City's internal investment pool.

		Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More than 60 Months
Money Market Funds[1]	$ 131,933	$ 131,933	$	$	$
Municipal Bonds[1]	2,717,181		2,626,125	91,056	
State Investment Pool - LAIF[1]	2,003,689	2,003,689			
Held by Bond Trustee:					
Money Market Funds	4,372,633	4,372,633			
Total	$ 9,225,436	$ 6,508,255	$ 2,626,125	$ 91,056	$ 0

[1] Money Market Funds of $131,933, Municipal Bonds of $2,171,181 and LAIF amounts of $2 are investments of the Successor Agency. The Money Market Funds and Municipal Bonds (not within California) are not authorized by the City's investment policy.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

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2) CASH AND INVESTMENTS - Continued

Disclosures Relating to Credit Risk - Continued

Presented below is the minimum rating required by (where applicable) the California Government Code or the City's investment policy, or debt agreements, and the actual rating as of year end for each investment type.

Investment Type		Minimum Legal Rating	Exempt From Disclosure	Rating as of Year End		
				AAA	AA	Not Rated
Money Market Funds	$ 131,933	N/A	$	$ 131,933	$	$
Municipal Bonds	2,717,181			2,626,125	91,056	
State Investment Pool	2,003,689	N/A				2,003,689
Held by Bond Trustee:						
Money Market Funds	4,372,633	N/A		4,372,633		
Total	$ 9,225,436		$ 0	$ 7,130,691	$ 91,056	$ 2,003,689

Concentration of Credit Risk

The investment policy of the City contains no limitation on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City as of June 30, 2015 is as follows:

Issuer	Investment Type	Reported Amount
First American Treasury Obligation Funds	Money Market Funds	$ 4,504,566
State of Maryland, State and Local Facilities Loan, Second Series	Municipal Bonds	$ 2,626,125

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 City'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: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by 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 deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

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2) CASH AND INVESTMENTS - Continued

Custodial Credit Risk

As of June 30, 2015, no deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. As of June 30, 2015, the Agency had no investments held by the same broker-dealer (counterparty) that was used by the City to buy the securities.

Local Agency Investment Fund (LAIF)

The City is a voluntary participant in the Local Agency Investment Fund (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 Agency's investment in this pool is reported in the accompanying financial statements at amounts based upon Agency'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.

The LAIF is a special fund of the California State Treasury through which local governments may pool investments. The City may invest up to $50,000,000 in the fund for the City and $50,000,000 for the Public Financing Authority. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without loss of interest. Investments with LAIF are secured by the full faith and credit of the State of California. The yield of LAIF during the quarter ended June 30, 2015 was 0.28%. The amortized cost and estimated market value of the LAIF Pool at June 30, 2015 was $69,614,988,609 and $69,641,162,418, respectively. The City's share of the Pool at June 30, 2015 was approximately 0.00288 percent.

The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City'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. Included in LAIF's investment portfolio are certain derivative securities or similar products in the form of asset-backed securities totaling $1,447,948,000. LAIF's and the City's exposure to risk (credit, market or legal) is not currently available.

The LAIF has oversight by the Local Investment Advisory Board. The LAIF Board consists of five members as designated by Statue. LAIF is also regulated by California Government Code Section 16429.

Collateral for Deposits

Under the provisions of the California Government Code, California banks and savings and loan associations are required to secure a city's deposits by pledging government securities as collateral. The market value of the pledged securities must equal at least 110% of a city's deposits. California law also allows financial institutions to secure city deposits by pledging first trust deed mortgage notes having a value of 150% of a city's total deposits.

2) CASH AND INVESTMENTS - Continued

Collateral for Deposits - Continued

The collateral for certificates of deposit is generally held in safekeeping by the Federal Home Loan Bank in San Francisco as the third-party trustee. The securities are physically held in an undivided pool for all California public agency depositors. The State Public Administrative Office for public agencies and the Federal Home Loan Bank maintain detailed records of the security pool which are coordinated and updated weekly.

The City Treasurer, at his discretion, may waive the 110% collateral requirement for deposits which are insured up to $250,000 by the FDIC.

Cash with Fiscal Agent

Cash and investments held and invested by fiscal agents on behalf of the City are pledged to payment or security of certain long-term debt issuances. Fiscal agents are mandated by bond indentures as to the types of investments in which debt proceeds can be invested. The investments predominantly consist of money market funds which are held in book entry form by the trustee.

3) LOANS RECEIVABLE

Loans Receivable consists of miscellaneous low and moderate rehabilitation loans issued by the former Blythe Redevelopment Agency over several years. One of these loans was to a Developer to finance a portion of the development costs of the River Heights Projects. The loan is to be repaid in annual payments out of 50% annual residual receipts (if any), with the first payment due April 30, 2001. The loan is to be repaid in full by April 30, 2031. Interest on the principal of the loan is computed annually at 3%. As of February 1, 2012, the Blythe Redevelopment Agency was dissolved (see Note 1) and the Housing Successor, the City of Blythe, oversees these loans in the low and moderate income housing asset special revenue fund. As of June 30, 2015, the developer had not made a payment related to the loan. Thus, the loan receivable from the developer at June 30, 2015 was $433,875 which includes accrued interest of $133,875.

On December 11, 2007 the former Blythe Redevelopment Agency approved a loan of $350,000 to Highland Property Development, LLC (the "Company"). The loan is for the rehabilitation of the Rio Colorado Apartments and Townhomes. This loan is non-interest bearing, unless the Company defaults on the loan in which case the interest will have a 6.5% interest rate per annum. Payments shall be due each March 1st and September 1st when the Company has residual receipts from the properties above. The loans outstanding principal and interest balances are due on the 17th anniversary of the date when the loans were disbursed, March 26, 2005. As of February 1, 2012, the Blythe Redevelopment Agency was dissolved (see Note 1) and the Housing Successor, the City of Blythe, oversees the remaining activity of this loan in the low and moderate income housing asset special revenue fund. As of June 30, 2015, the loan receivable balance was $350,000.

Loans receivable also includes $52,334 of miscellaneous rehabilitation loans made by the former Blythe Redevelopment Agency. As of February 1, 2012, the Blythe Redevelopment Agency was dissolved (see Note 26) and the Housing Successor, the City of Blythe, oversees these miscellaneous rehabilitation loans in the low and moderate income housing asset special revenue fund.

4) NOTES RECEIVABLE

On January 1, 1998, the Blythe Redevelopment Agency signed an installment agreement in the amount of $650,000 with the City of Blythe to purchase the City of Blythe City Hall and Police Station. The Agency makes annual payments of $68,952 at a stated interest rate of 10.00%. The agreement is for thirty years beginning June 1, 1998. As of February 1, 2012, the Blythe Redevelopment Agency was dissolved (see Note 26) and the Successor Agency to the Blythe Redevelopment Agency oversees the remaining activities of the former Blythe Redevelopment Agency. The balance of this installment agreement is $524,451 as of June 30, 2015.

5) CAPITAL ASSETS

The following is a summary of changes in Capital Assets for the year:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Depreciated:				
Land	$ 369,070	$	$	$ 369,070
Construction in Progress	858,329	760,613	(858,329)	760,613
Total Capital Assets, Not Depreciated	1,227,399	760,613	(858,329)	1,129,683
Capital Assets, Being Depreciated:				
Land Improvements	7,927,140			7,927,140
Machinery and Equipment	2,686,062	250,409		2,936,471
Structures and Improvements	9,904,455	1,153,192		11,057,647
Vehicles	3,089,390	474,848		3,564,238
Infrastructure:				
Streets	47,062,272			47,062,272
Traffic Signals	544,716			544,716
Total Capital Assets, Being Depreciated	71,214,035	1,878,449	0	73,092,484
Less Accumulated Depreciation:				
Land Improvements	(4,929,959)	(400,916)		(5,330,875)
Machinery and Equipment	(2,427,463)	(52,055)		(2,479,518)
Structures and Improvements	(5,955,662)	(395,831)		(6,351,493)
Vehicles	(2,679,279)	(122,909)		(2,802,188)
Infrastructure:				
Streets	(30,633,903)	(1,004,683)		(31,638,586)
Traffic Signals	(456,204)	(13,618)		(469,822)
Total Accumulated Depreciation	(47,082,470)	(1,990,012)	0	(49,072,482)
Total Capital Assets, Being Depreciated, Net	24,131,565	(111,563)	0	24,020,002
Governmental Activities Capital Assets, Net of Depreciation	$ 25,358,964	$ 649,050	$ (858,329)	$ 25,149,685

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5) CAPITAL ASSETS - Continued

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General Government	$ 301,867
Public Safety	1,215,623
Parks and Recreation	95,873
Public Works	233,719
Community Development	142,930
Total Depreciation Expense - Governmental Activities	$ 1,990,012

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital Assets, Not Depreciated:				
Construction in Progress	$ 0	$ 124,074	$	$ 124,074
Total Capital Assets, Not Depreciated	0	124,074	0	124,074
Capital Assets, Being Depreciated:				
Machinery and Equipment	2,792,282			2,792,282
Land Improvements	23,058,169	179,556*		23,237,725
Buildings	6,623,139	7,605		6,630,744
Plant	6,873,191			6,873,191
Computer Equipment	241,048			241,048
Vehicles	47,842			47,842
Water Pipelines	6,698,280			6,698,280
Reservoirs	3,470,000			3,470,000
Wells	4,581,815	72,187		4,654,002
Sewer Pipes	6,905,602			6,905,602
Sewer Lines	2,557,515			2,557,515
Hydrants	3,217,500			3,217,500
Total Capital Assets, Being Depreciated	67,066,383	259,348	0	67,325,731

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5) CAPITAL ASSETS - Continued

	Beginning Balance	Increases	Decreases	Ending Balance
Less Accumulated Depreciation:				
Machinery and Equipment	$ (2,720,047)	$ (34,015)	$	$ (2,754,062)
Land Improvements	(6,758,779)	(908,318)*		(7,667,097)
Buildings	(5,049,315)	(206,550)		(5,255,865)
Plant	(2,491,772)	(139,733)		(2,631,505)
Computer Equipment	(209,436)	(15,806)		(225,242)
Vehicles	(47,842)			(47,842)
Water Pipelines	(4,487,851)	(133,966)		(4,621,817)
Reservoirs	(1,954,815)	(86,750)		(2,041,565)
Wells	(3,045,372)	(116,931)		(3,162,303)
Sewer Pipes	(3,856,627)	(138,112)		(3,994,739)
Sewer Lines	(1,468,839)	(255,752)		(1,724,591)
Hydrants	(2,155,725)	(64,350)		(2,220,075)
Total Accumulated Depreciation	(34,246,420)	(2,100,283)	0	(36,346,703)
Total Capital Assets, Being Depreciated, Net	32,819,963	(1,840,935)	0	30,979,028
Business-type Activities Capital Assets, Net of Depreciation	$ 32,819,963	$ (1,716,861)	$ 0	$ 31,103,102

* Includes prior period adjustment for prior contributed capital relating to the Golf Course of $179,556 of land improvements and $43,147 of accumulated depreciation (see Note 27)

Depreciation was charged to functions/programs as follows:

Business-type Activities:	
Water Utility	$ 960,498
Sewer Utility	1,058,506
Golf Course	38,131
Total Depreciation Expense - Business-type Activities	$ 2,057,135

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6) LAND HELD FOR RESALE

The City's former Redevelopment Agency acquired property as part of its primary purpose to develop unimproved properties. As of February 1, 2012, the Blythe Redevelopment Agency was dissolved (see Note 25) and the properties were transferred to the City (Housing Successor) in a special revenue fund, the Low and Moderate Income Housing Fund. The property is being carried at lower of cost or estimated net realizable value. At June 30, 2015, the balance of the property held for resale totaled $180,000.

7) LONG-TERM OBLIGATIONS

Activities relating to long-term obligations for the year are presented as follows:

Description	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated Absences Payable	$ 626,701	$ 117,754	$ 94,004	$ 650,451	$ 97,568
1997 Lease Revenue Bonds (Note 8)	3,365,000		165,000	3,200,000	175,000
Capital Leases (Note 9)	122,095	489,689	71,688	540,096	134,899
Reimbursement Agreement (Note 10)	180,000		180,000	0	
RCTC Loan Agreement (Note 11)	1,061,236		182,772	878,464	193,010
Net Pension Liability (Note 18)	0	13,745,532[1]	3,754,806	9,990,726	
Net OPEB Obligation (Note 19)	1,183,320	490,137	393,769	1,279,688	
Governmental Activities Long-term Liabilities	$ 6,538,352	$ 14,843,112	$ 4,842,039	$ 16,539,425	$ 600,477
Business-type Activities:					
Compensated Absences	$ 107,278	$ 13,273	$ 16,092	$ 104,459	$ 15,669
Loans Payable:					
State (Note 11)	871,297		428,575	442,722	442,722
State Revolving Fund (Note 11)	7,061,155		392,286	6,668,869	392,286
Successor Agency (Note 11)	400,000			400,000	400,000
2013 Water Revenue Refunding Bond (Note 12)	860,000		50,000	810,000	50,000
2013 Wastewater Revenue Refunding Bond (Note 12)	1,565,000		85,000	1,480,000	80,000
Net Pension Liability (Note 18)	0	2,760,077[2]	802,303	1,957,774	
Business-type Activities Long-term Liabilities	$ 10,864,730	$ 2,773,350	$ 1,774,256	$ 11,863,824	$ 1,380,677

[1] Included in additions is a $12,797,860 prior period adjustment to record the beginning net pension liability. See Note 27.
[2] Included in additions is a $2,571,629 prior period adjustment to record the beginning net pension liability. See Note 27.

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7) LONG-TERM OBLIGATIONS - Continued

Annual debt service requirements to maturity are as follows:

Governmental Activities:

	1997 Lease Revenue Bonds		RCTC Loan Agreement	
	Principal	Interest	Principal	Interest
2016	$ 175,000	$ 171,187	$ 193,010	$ 43,201
2017	185,000	161,288	203,821	32,390
2018	195,000	150,837	215,238	20,974
2019	205,000	139,837	227,294	8,917
2020	215,000	128,288	39,101	267
2021 - 2025	1,280,000	443,575		
2026 - 2028	945,000	79,613		
Total	$ 3,200,000	$ 1,274,625	$ 878,464	$ 105,749

	Capital Leases
2016	$ 152,644
2017	105,838
2018	75,257
2019	58,256
2020	44,641
2021 - 2024	178,562
Total	615,198
Less Interest	(75,102)
Percent Value of Minimum Lease Payments	$ 540,096

Business-type Activities:

	Loans Payable - State		Loans Payable - State Revolving Fund	
	Principal	Interest	Principal	Interest[a]
2016	$ 442,722	$ 15,053	$ 392,286	$
2017			392,286	
2018			392,287	
2019			392,287	
2020			392,286	
2021 - 2025			1,961,432	
2026 - 2030			1,961,432	
2031 - 2032			784,573	
Total	$ 442,722	$ 15,053	$ 6,668,869	$ 0

[a] The agreement with the State of California has a 0% interest rate. See Note 8.

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7) LONG-TERM OBLIGATIONS - Continued

	2013 Water Refunding Bond		2013 Wastewater Refunding Bonds	
	Principal	Interest	Principal	Interest
2016	$ 50,000	$ 28,700	$ 80,000	$ 53,813
2017	55,000	27,513	85,000	51,913
2018	55,000	26,344	85,000	50,106
2019	55,000	25,038	90,000	48,088
2020	55,000	23,525	90,000	45,613
2021 - 2025	320,000	86,375	505,000	178,413
2026 - 2030	220,000	18,913	460,000	72,039
2031			85,000	3,613
Total	$ 810,000	$ 236,408	$ 1,480,000	$ 503,598

8) LEASE REVENUE BONDS

1997 Lease Revenue Bonds

In October 1997, $5,065,000 principal amount of Lease Revenue Bonds were issued. The term bonds are due in annual installments of $80,000 to $330,000 from September 1, 1999, through September 1, 2027; interest at 4.15% - 5.50%. Interest on the bonds is payable September 1st and March 1st of each year. The bonds are subject to call and redemption prior to their stated maturity commencing September 1, 2007, at specified redemption prices. At June 30, 2015, the Authority has a cash reserve balance for debt service of $352,650, which is sufficient to cover the Bond Indenture Reserve Requirement of $352,650. The balance of the Lease Revenue Bonds was $3,200,000 at June 30, 2015.

9) LEASE OBLIGATIONS

Capital Leases

In August 2013, the City entered into a lease agreement for financing the acquisition of police vehicles valued at $148,426. The vehicles have a five-year estimated useful life. This year, $12,369 was included in depreciation expense. This lease agreement qualifies as a capital lease for accounting purposes and, therefore has been recorded at the present value of future minimum lease payments as of the inception date. Monthly lease payments of $3,398 consisting of principal and interest are due each year until September 24, 2017.

In October 2014, the City entered into a lease agreement for financing the acquisition of a backhoe valued at $76,010. The backhoe has a four-year estimated useful life. This year, $5,067 was included in depreciation expense. This lease agreement qualifies as a capital lease for accounting purposes and, therefore has been recorded at the present value of future minimum lease payments as of the inception date. Monthly lease payments of $1,702 consisting of principal and interest are due each year until October 28, 2018.

9) LEASE OBLIGATIONS - Continued

In August 2014, the City entered into a lease agreement for financing the acquisition of a fire engine valued at $413,679. The fire engine has a ten-year estimated useful life. This year, $6,895 was included in depreciation expense. This lease agreement qualifies as a capital lease for accounting purposes and, therefore has been recorded at the present value of future minimum lease payments as of the inception date. Monthly lease payments of $3,720 consisting of principal and interest are due each year until May 25, 2024.

10) REIMBURSEMENT AGREEMENT

The City entered into a reimbursement agreement with the Coachella Valley Association of Governments (CVAG) to assist in the funding of the Hobsonway Boulevard Reconstruction project. CVAG advanced $2,100,000 to the City for the project. The terms of the agreement are annual installments of $300,000 from 2005 to 2011, plus simple interest at the LAIF rate no later than the year 2010. Accordingly, any interest earned on the advanced funds shall be repaid to CVAG. The terms were amended in May 2005. The new terms are annual installments of $180,000 from 2007 to 2016, plus simple interest at the LAIF rate. The balance of the loan was paid in full during the fiscal year.

11) LOANS PAYABLE

Governmental Activities

RCTC Loan Agreement. On February 22, 2006 the City entered into an agreement with the Riverside County Transportation Commission ("RCTC") for the advancement of $1,500,000 to finance a portion of the cost of improvements to the Chanslorway and South Lovekin Boulevard. The advancement will be repaid in monthly installments, which include principal and interest, starting September 1, 2009, with the last payment to be made September 1, 2019. The interest rate will be 0.5% over the interest rate paid by RCTC on funds outstanding under the 2005 Commercial Paper Program. Accrued interest of $311,064 was included in the advancement. The balance of the advancement is $878,464.

Business-type Activities

California State Water Resources Control Board. The City undertook in fiscal year 1994-95 a wastewater treatment facility expansion and denitrification project. To fund the project the City was granted a loan by the California State Water Resources Control Board. The total loan amount was $6,444,447 all of which was advanced through June 30, 1997. The terms of the loan are 3.4%, amortized over twenty (20) years, with the first payment due one year after completion of the expansion project. The balance of the loan is $442,722 as of June 30, 2015.

State Revolving Fund. The City received $10,807,160 in federal funding from the California Department of Health Services Safe Drinking Water State Revolving Fund Program. The program is designed to help fund water system improvements. The $10,807,160 includes a grant of $1,000,000 and a loan of $9,807,160. The terms of the loan are 0% interest with payments due semiannually on January 1st and July 1st of each year. The final payment of the loan is January 1, 2032. The balance of the loan is $6,668,869 as of June 30, 2015.

11) LOANS PAYABLE - Continued

Business-type Activities - Continued

Successor Agency. In May 2004, the Blythe Redevelopment Agency approved a loan in the amount of $400,000 from the RDA Debt Service Fund to the Blythe Municipal Golf Course for a term of 5 years at 3% simple interest. As of February 1, 2012, the Blythe Redevelopment Agency was dissolved (see Note 1) and this advance from other funds was reclassified as a loan payable to the Successor Agency. As of June 30, 2015, the loan balance was $400,000. No payments have been made on the loan. The terms of the payment schedule can be modified with a two-thirds vote of the Board of Directors. Currently, no future debt service schedule is available.

12) REVENUE BONDS

2013 Water Revenue Refunding Bonds

In March 2013, $905,000 principal amount of Water Revenue Bonds were issued by the City of Blythe to refund the advance from the Public Financing Authority Fund (1998 Water Revenue Bonds) to the Water Utility Fund. The term of the bonds are due in annual installments of $45,000 to $75,000 from April 1, 20154, through April 1, 2028; interest at 2.00% - 4.25%. Interest on the bonds is payable October 1st and April 1st of each year. At June 30, 2015, the City has a cash reserve balance for debt service of $84,925, which is sufficient to cover the Bond Indenture Reserve Requirement. The balance of the 2013 Water Revenue Refunding Bonds was $810,000 at June 30, 2015.

2013 Wastewater Revenue Refunding Bonds

In March 2013, $1,640,000 principal amount of Wastewater Revenue Bonds were issued by the City of Blythe to refund the advances from the Public Financing Authority Fund (1998 and 2001 Sewer Revenue Bonds) to the Sewer Utility Fund. The term of the bonds are due in annual installments of $75,000 to $115,000 from April 1, 2014, through April 1, 2031; interest at 2.00% - 4.25%. Interest on the bonds is payable October 1st and April 1st of each year. The bonds are subject to call and redemption prior to their stated maturity commencing April 1, 2014, at specified redemption prices. At June 30, 2015, the City has a cash reserve balance for debt service of $142,025, which is sufficient to cover the Bond Indenture Reserve Requirement. The balance of the 2013 Wastewater Revenue Refunding Bonds was $1,480,000 at June 30, 2015. Interest on the bonds is payable October 1st and April 1st of each year.

13) COMMUNITY FACILITIES DISTRICT BOND

Bonds issued for improvements in certain special assessment districts in accordance with the provisions of the Municipal Improvement Acts of 1911, 1913 and 1915 are liabilities of the property owners and are secured by liens against the assessed property. The City Treasurer acts as an agent for collection of principal and interest payments by the property owners and remittance of such monies to the bondholders.

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13) COMMUNITY FACILITIES DISTRICT BOND - Continued

Neither the faith and credit, nor the general taxing power, of the City of Blythe have been pledged to the payment of the bonds. Therefore, none of the following special assessment bonds have been included in the accompanying financial statements.

District Bonds	Amount of Issue	Outstanding at End of Year
CFD 2004-1	$ 2,000,000	$ 1,860,000

14) PLEDGED REVENUES

Revenue Bonds

The City has pledged a portion of future water and sewer revenues and a portion of investment earnings to repay the 2013 Water and Wastewater Revenue Refunding Bonds. The Revenue Bonds are payable solely from the water and sewer revenues from the City of Blythe and a portion of investment earnings. For the current year, principal and interest payments on the bonds paid by water revenues were $50,000 and $29,700, respectively, and wastewater revenues were $85,000 and $55,513, respectively.

Total principal and interest remaining on the revenue bonds are as follows:

Description	Principal and Interest Remaining	Payable Through Fiscal Year
2013 Water Revenue Refunding Bonds	$ 1,046,408	2028
2013 Wastewater Revenue Refunding Bonds	$ 1,983,598	2031

RCTC Loan Agreement

The City has pledged a portion of future Measure A revenues to repay a loan with the Riverside County Transportation Commission (RCTC). The City's RCTC loan is payable solely from the Measure A revenues. Total principal and interest remaining on the RCTC loan is $984,213, payable through fiscal year 2020. For the current year, principal and interest paid by Measure A revenues were $182,772 and $53,439, respectively.

State Loans

The City has pledged a portion of future water and sewer revenues to repay loans payable to the California State Water Resources Control Board and the California Department of Health Services. The loans payable is secured solely by operating revenues from the water and sewer funds. Total principal and interest remaining on the loans payable is $7,126,644 payable through fiscal year 2032. For the current year, principal and interest paid by the water and sewer operating revenues were $820,861 and $29,624, respectively.

15) INTER-FUND RECEIVABLES, PAYABLES AND TRANSFERS

Inter-fund transfers are as follows:

		TRANSFERS IN					
		General Fund	Non-major Governmental	Water Utility	Sewer Utility	Internal Service	Total
TRANSFERS OUT	General Fund	$	$ 433,378	$	$	$ 651,029	$ 1,084,407
	Measure A	71,331	769,263				840,594
	Non-major Governmental	98,470	272,811	23,995	23,995	11,251	430,522
	Water Utility	422,332				66,072	488,404
	Sewer Utility	567,544				66,071	633,615
	Solid Waste Utility	172,963					172,963
	Internal Service Funds	67,955				696	68,651
	Total	$ 1,400,595	$ 1,475,452	$ 23,995	$ 23,995	$ 795,119	$ 3,719,156

During the course of normal operations, the City enters into numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying governmental fund financial statements generally reflect such transactions as operating transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. Inter-fund transactions and inter-fund payables/receivables at year-end are not eliminated in the governmental fund financial statements.

Inter-fund receivables and payables at June 30, 2015 are as follows:

		DUE TO			
		Sewer Utility	Internal Service	Successor Agency Private-purpose Trust Fund	Total
DUE FROM	General Fund	$	$ 651,035	$	$ 651,035
	Non-major Governmental		424,184		424,184
	Water Utility	323,921			323,921
	Solid Waste Utility	443,262			443,262
	Golf Course	107,563	1,210,658		1,318,221
	Agency Funds			10,913	10,913
	Total	$ 874,746	$ 2,285,877	$ 10,913	$ 3,171,536

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15) INTER-FUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

Advances to/from other funds are as follows:

		ADVANCES TO Non-major Governmental
ADVANCES FROM	Water Utility	$ 108,091
	Golf Course	65,240
	Total	$ 173,331

In 2003, the Low and Moderate Housing Fund advanced certain funds to the Water Utility Fund. The total advance amount was $1,831,435. The advance is to be repaid by the SRF loan using the LAIF interest rate. The balance of the advance receivable as of June 30, 2015 was $108,091. This amount represents the remaining portion of advance that was not covered by the SRF loan.

An advance was made by the Low and Moderate Housing Fund to the Blythe Municipal Golf Course. The advance will be repaid with interest from Golf Course Fees collected. The total loan amount was $105,000. The terms of the loan are 5.7%, amortized over five years, with the final payment due July 30, 2002. The Blythe Municipal Golf Course has not made a payment related to the loan since the fiscal year ended June 30, 2001. The balance of the advance is $65,240 as of June 30, 2015, including matured principal and interest of $19,721.

16) FUND BALANCE

As noted in Note 1, restricted funds are used first as appropriate. Assigned fund balance is reduced to the extent that expenditures has been appropriated by City Council. Decreases in fund balance first reduce committed fund balance, in the event that committed fund balance become zero, then assigned and unassigned fund balances are used in that order.

Fund Balances:	General Fund	Measure A Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Notes Receivable	$ 524,451	$	$	$ 524,451
Restricted for:				
Low and Moderate Housing			1,234,375	1,234,375
Debt Service			495,149	495,149
Construction			238,480	238,480
Landscape Maintenance			87,754	87,754
Asset Forfeiture			73,329	73,329
Streets		3,308,947	1,120,664	4,429,611
Community Development			812	812
Air Quality Control			41,024	41,024
Unassigned	(819,900)		(284,442)	(1,104,342)
Total Fund Balance	$ (295,449)	$ 3,308,947	$ 3,007,145	$ 6,020,643

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17) DEFICIT FUND BALANCES/NET POSITION

The City reported the following fund balance/net position deficit for the year ended June 30, 2015:

Funds	Amount
General Fund	$ (295,449)
Major Funds:	
Solid Waste Utility	$ (456,360)
Golf Course	$ (1,553,081)
Non-Major Funds:	
Lighting District	$ (129,647)
Traffic Safety	$ (16,759)
Police Grants	$ (41,173)
Park Development	$ (96,863)

Management is very much aware of the seriousness of the above deficits and is currently taking steps to eliminate them. These deficits are expected to be eliminated by future revenues.

18) CITY EMPLOYEES' RETIREMENT PLAN

A. General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in either the City's Miscellaneous Employee Pension Plan (Miscellaneous Plan) or Safety Employee Pension Plan (Safety Plan), both of which are cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members of the Miscellaneous Plan and Safety Plan 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 or the Optional Settlement 2W Death Benefit. The cost of living adjustments for the plan are applied as specified by the Public Employees' Retirement Law.

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18) CITY EMPLOYEES' RETIREMENT PLAN - Continued

A. General Information about the Pension Plans - Continued

***Benefits Provided* - Continued**

The Plans' provisions and benefits in effect at June 30, 2015, are summarized as follows:

	Miscellaneous	
Hire Date	Prior to January 1, 2013	On or After January 1, 2013[1]
Benefit Formulas	2.0% at 55 2.5% at 55	2.0% at 62
Benefit Vesting Schedule	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life
Retirement Age	50 - 63+	52 - 67+
Monthly Benefits, as a % of Eligible Compensation	1.426% - 2.5%	1% - 2.5%
Required Employee Contribution Rates	8%	6.25%
Required Employer Contribution Rates	20.036%	6.25%

	Safety	
Hire Date	Prior to January 1, 2013	On or After January 1, 2013[1]
Benefit Formula	3.0% at 50	2.7% at 57
Benefit Vesting Schedule	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life
Retirement Age	50 - 55+	50 - 57+
Monthly Benefits, as a % of Eligible Compensation	3%	2.0% - 2.7%
Required Employee Contribution Rates	9%	11.5%
Required Employer Contribution Rates	43.476%	11.5%

[1] For employees hired on or after January 1, 2013, they are included in their respective PEPRA (California Public Employees' Pension Reform Act) Plans with the above provisions and benefits.

Contributions

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

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18) CITY EMPLOYEES' RETIREMENT PLAN - Continued

A. General Information about the Pension Plans - Continued

For the year ended June 30, 2015, the contributions recognized as part of pension expense for each Plan were as follows:

	Miscellaneous	Miscellaneous PEPRA	Safety	Safety PEPRA
Contributions - Employer	$ 422,895	$ 10,848	$ 611,827	$ 14,116

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2015, the City reported net pension liabilities for its proportionate shares of the net pension liability of the Plans as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	$ 6,347,181
Miscellaneous - PEPRA	360
Safety	5,600,855
Safety - PEPRA	104
Total Net Pension Liability	$ 11,948,500

	Statement of Net Position
Governmental Activities	$ 9,990,726
Business-type Activities	1,957,774
Total Net Pension Liability	$ 11,948,500

The City's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2014, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for each Plan as of June 30, 2013 and 2014 was as follows:

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18) CITY EMPLOYEES' RETIREMENT PLAN - Continued

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - Continued

	Miscellaneous	Miscellaneous - PEPRA	Safety	Safety - PEPRA
Proportion - June 30, 2013	0.10343%	0.00001%	0.08723%	0.00000%
Proportion - June 30, 2014	0.10200%	0.00001%	0.09001%	0.00000%
Change - Increase (Decrease)	0.00143%	0.00000%	0.00278%	0.00000%

For the year ended June 30, 2015, the City recognized pension expense of $980,710. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 1,293,794	$
Differences between actual and expected experience		
Changes in assumptions		
Changes in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	245,978	(12,560)
Net differences between projected and actual earnings on plan investments		(3,243,841)
Total	$ 1,539,772	$ (3,256,401)

$1,293,794 reported as deferred outflow of resources related to contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflow of resources related to pensions will be recognized as an increase or (decrease) in pension expense as follows:

Year Ended June 30	
2016	$ (727,596)
2017	(727,596)
2018	(744,270)
2019	(810,961)

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18) CITY EMPLOYEES' RETIREMENT PLAN - Continued

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - Continued

Actuarial Assumptions

The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous & Miscellaneous PEPRA[1]
Valuation Date	June 30, 2013
Measurement Date	June 30, 2014
Actuarial Cost Method	
Actuarial Assumptions:	
Discount Rate	7.50%
Inflation	2.75%
Projected Salary Increase	Depending on age, service and type of employment[2]
Investment Rate of Return	7.50% [3]
Mortality Rate Table	Derived using CalPERS' membership data for all funds[4]
Post Retirement Benefit Increase	Contract COLA up to 2.75% until purchasing power protection allowance floor on purchasing power applies, 2.75% thereafter.

[1] Net of pension plan investment expenses, including inflation
[2] Depending on age, service and type of employment
[3] Net of pension plan investment expenses, including inflation
[4] The Mortality Rate Table was derived using CalPERs' membership data for all funds. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report from the CalPERS website.

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18) CITY EMPLOYEES' RETIREMENT PLAN - Continued

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - Continued

Actuarial Assumptions - **Continued**

	Safety and Safety PEPRA[1]
Valuation Date	June 30, 2013
Measurement Date	June 30, 2014
Actuarial Cost Method	
Actuarial Assumptions:	
Discount Rate	7.50%
Inflation	2.75%
Projected Salary Increase	Depending on age, service and type of employment[2]
Investment Rate of Return	7.50% [3]
Mortality Rate Table	Derived using CalPERS' membership data for all funds[4]
Post Retirement Benefit Increase	Contract COLA up to 2.75% until purchasing power protection allowance floor on purchasing power applies, 2.75% thereafter.

[1] Net of pension plan investment expenses, including inflation
[2] Depending on age, service and type of employment
[3] Net of pension plan investment expenses, including inflation
[4] The Mortality Rate Table was derived using CalPERs' membership data for all funds. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report from the CalPERS website.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.50% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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18) CITY EMPLOYEES' RETIREMENT PLAN - Continued

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - Continued

***Discount Rate* - Continued**

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrator expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference. CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above the rounded down to the nearest one quarter of one percent.

The following table reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

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18) CITY EMPLOYEES' RETIREMENT PLAN - Continued

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - Continued

Asset Class	New Strategic Allocation	Real Return Years 1 - 10[a]	Real Return Years 11+[b]
Global Equity	47.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	12.0%	6.83%	6.95%
Real Estate	11.0%	4.50%	5.13%
Infrastructure and Forestland	3.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
Total	100%		

[a] An expected inflation of 2.5% used for this period.
[b] An expected inflation of 3.0% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net position liability for the Plan, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Miscellaneous PEPRA	Safety	Safety PEPRA
1% Decrease	6.50%	6.50%	6.50%	6.50%
Net Pension Liability	$ 10,793,783	$ 642	$ 9,028,499	$ 179
Current Discount Rate	7.50%	7.50%	7.50%	7.50%
Net Pension Liability	$ 6,347,181	$ 360	$ 5,600,855	$ 104
1% Increase	8.50%	8.50%	8.50%	8.50%
Net Pension Liability	$ 2,656,924	$ 127	$ 2,776,624	$ 42

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

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19) OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The City's defined benefit postemployment healthcare plan, (City of Blythe Retiree Healthcare Plan, CBRHP), provides medical benefits to eligible retired employees and qualified dependents. CBRHP is part of the Public Agency portion of the California Employers' Retiree Benefit Trust Fund (CERBT), an agent multiple-employer plan administered by California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements is established by State statute within the Public Employees' Retirement Law. CBRHP selects optional benefit provisions from the benefit menu by contract with CalPERS. CalPERS issues a Comprehensive Annual Financial Report (CAFR). The CAFR is issued in aggregate and includes the sum of all CalPERS plans. Copies of the CalPERS CAFR may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City Council. Upon retirement, current active employees will receive a monthly benefit of their premium amount up to $695 for life, as long as they continue to elect coverage under, one of the City's health plans. Current retirees will receive a monthly benefit of their premium amount up to $695 for life, as long as they continue to elect coverage under, one of the City's health plans.

The City is required to contribute the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. ARC rate is 10.5% of the annual covered payroll. The plan is financed on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's Net OPEB obligation to the Retiree Health Plan:

Annual Required Contribution	$ 511,236
Interest on Net OPEB Obligation	47,333
Adjustments to Annual Required Contribution	(68,432)
Annual OPEB Cost (Expense)	490,137
Contributions Made	(393,769)
Increase (Decrease) in Net OPEB Obligation	96,368
Net OPEB Obligation - Beginning of Year	1,183,320
Net OPEB Obligation - End of Year	$ 1,279,688

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19) OTHER POST-EMPLOYMENT BENEFITS - Continued

For 2015, the City's annual OPEB cost (expense) of $490,137 for CBRHP was equal to the ARC. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 and the two preceding years were as follows:

THREE YEAR TREND INFORMATION FOR CPRHP

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/13	$ 483,925	27%	$ 1,063,818
6/30/14	$ 495,622	27%	$ 1,183,320
6/30/15	$ 490,137	27%	$ 1,279,688

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2014, was as follows:

Actuarial Accrued Liability (AAL)	$ 6,295,160
Actuarial Value of Plan Assets	$ 0
Unfunded Actuarial Accrued Liability (UAAL)	$ 6,295,160
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0%
Covered Payroll (Active Plan Members)	$ 4,855,951
UAAL as a Percentage of Covered Payroll	129.6%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

19) OTHER POST-EMPLOYMENT BENEFITS - Continued

Actuarial Methods and Assumptions - Continued

The following is a summary of the actuarial assumptions and methods:

Valuation Date	July 1, 2014
Funding Method	OPEB benefits were calculated under the Projected Unit Credit cost method with a 30-year amortization of unfunded liability (open basis). OPEB benefits were attributed linearly to each assumed decrement age based on the ratio of a participant's accrued service on the valuation rate of their projected service at each decrement age.
Discount Rate	4% per annum
Mortality	CalPERS Public Agency Miscellaneous Mortality Tables
Turnover	CalPERS Public Agency Miscellaneous Tables
Retirement Rates	CalPERS Public Agency Miscellaneous Tables
Health Care Trend Rate	4.50% to 8.25%
Withdrawal Rates	CalPERS Public Agency Miscellaneous Tables

20) SERVICE CONCESSION ARRANGEMENT FOR GOLF COURSE

The City entered into an agreement with BNB Golf Management LLC (the "Company") under which the Company will operate and collect users fees from the golf course. The term of the agreement is from September 1, 2010 to August 31, 2018. The Company is required to pay the City 2.5 percent of all gross revenues earned once a threshold of one million dollars in a fiscal year has been reached. The payment is due annually on July 31st of each year. The Company is also required to operate and maintain the golf course in accordance with the agreement. The City reports the golf course and related equipment as capital assets with a carrying amount of $231,289.

21) JOINTLY GOVERNED ORGANIZATIONS

The City has participated in jointly governed organizations with various entities for a variety of purposes. The Board of Directors for each of these organizations are composed of no more than one representative of each member organization. The City maintains no majority influence or budgetary control over these entities and City transactions with these jointly governed organizations are not material to the financial statements. One such jointly governed organization is the California Statewide Communities Development Authority (CSCDA) and is not included as either blended or discretely presented component units in these financial statements.

CSCDA was formed in June 1988 and has a current membership of 463 California Public Agencies. The purpose of CSCDA is to provide innovative public agency and private activity finance programs.

22) DEFERRED COMPENSATION PLANS

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. On August 20, 1996, the provisions of Internal Revenue Code (IRC) Section 457 were amended to require new plans to place all assets and income of the plans in trust for the exclusive benefit of participants and their beneficiaries. Plans in existence as of the date of this change must place the Plan assets and income in trust by January 1, 1999. Once the assets and income are placed in trust the City no longer owns the amounts deferred by employees and related income. Prior to this IRC Section 457 Amendment, the deferred amounts and related income remained as property of the City until withdrawn by the employee.

During the 1997-98 fiscal year, the City placed its Deferred Compensation Plan assets and related income in trust as allowed by IRC Section 457 and as a result the asset and corresponding liability are no longer presented in these financial statements. This change had no impact on the City's Fund Equity.

23) RISK MANAGEMENT

The City is a member of the Public Entity Risk Management Authority (PERMA), formerly the Coachella Valley Joint Powers Insurance Authority (CVJPIA), a joint powers Authority formed under Section 990 of the California Government Code for the purpose of jointly funding programs of insurance coverage for its members. PERMA is currently comprised of twenty-four participating member agencies, twenty-two other cities with population ranging from 1,500 to 130,000, a transit agency with a fleet of sixty revenue vehicles and one special district.

The City participates in the liability, workers compensation and long-term disability insurance programs of PERMA.

The liability program is a risk sharing pool with a deductible pool option. At June 30, 2015, coverage is provided from $50,000 to $50,000,000 per occurrence. This coverage represents a transfer of risk from the members to PERMA for those losses in excess of the member's self insured retention (SIR). Member SIRs are either $0, $50,000, $125,000, $250,000, $500,000 or $1,000,000. Covered losses include losses resulting from any one occurrence because of personal injury, property damage or public officials' errors and omissions. Member premiums are subject to retrospective rating adjustments.

For those members choosing to establish deductibles under the liability program, losses in excess of the deductible amounts are paid by PERMA from separate accounts maintained for each participant. The deductible pool of the program acts as a claims servicing type of public entity risk pool and does not represent an additional transfer or risk.

The workers compensation insurance program is a claims servicing pool, a banking pool and an insurance purchasing pool. As an insurance purchasing pool, the program allows participating members to obtain the benefits of the economies of scale in securing excess workers compensation coverage. Coverage is provided from $250,000 to $5,000,000 for each accident or employee. The program, as a claims servicing pool, maintains separate accounts for each program member from which that member's losses are paid. The workers compensation insurance program does not provide for a transfer of risk and therefore, each member is responsible individually for its own losses. The pool will advance funds to pay member losses in excess of member funds on deposit in the manner of a banking pool. Participant premium deposits are subject to retrospective rating adjustments. The total outstanding liability recorded under this program at June 30, 2015, is $905,243.

23) RISK MANAGEMENT - Continued

The long-term disability program is an insurance purchasing pool under which participating members obtain the benefits of the economics of scale while securing the coverage. There is no transfer of risk under this program.

During the past three fiscal years none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

PERMA has no long-term debt as of June 30, 2015.

24) JOINT VENTURE

On April 13, 1999, the City of Blythe and the Palo Verde Cemetery District created the Palo Verde Cemetery Financing Authority ("Authority") under the Joint Exercise of Power Act, California Government Code Section 6500. The purpose of the Authority is to facilitate the issuing of revenue bonds to finance improvements to the cemetery. The debts, liabilities and obligations of the Authority shall not be the debts, liabilities and obligations of the City of Blythe or the Palo Verde Cemetery District and therefore are not reflected in these financial statements. On June 1, 1999, the Authority issued Series 1999 Revenue Bonds in the amount of $640,000. Separate financial statements of the Palo Verde Cemetery District may be obtained at 10580 10th Avenue, Blythe, California 92225.

25) COMMITMENTS AND CONTINGENCIES

Recapture Agreement

On September 14, 2004, the City entered into an agreement with a developer to reimburse the developer for the "excess portion" of off-site improvements. The developer will install improvements that exceed the needs of their project so that when future development occurs, the improvements installed now will not need to be replaced. Since the additional cost of the oversized improvements should be borne by the future developments rather then the current developer, this agreement establishes a method whereby a "Capital Recovery Fee" will be collected from the benefited properties at the time new sewer service is requested (future developers complete their projects). This "Capital Recovery Fee" will be remitted to the developer as it is collected to reimburse the additional cost plus interest.

The "excess portion" of off-site improvements (amount to be reimbursed) was determined to be $436,211.

Going Concern and Management's Plan

As shown in the basic financial statements, the City's General Fund had a positive change in fund balance of $1,263,725, however, the General Fund's liabilities and deferred inflows of resources exceeded its assets by $295,449 for the fiscal year ended June 30, 2015 and several other funds had deficit fund balances (see Note 17). These factors raise substantial doubt about the City's ability to continue as a going concern. The City's management is continuing with plans to reduce its expenditures and liabilities in the General Fund and the other funds with deficits.

25) COMMITMENTS AND CONTINGENCIES - Continued

Going Concern and Management's Plan - Continued

Also, as shown in the basic financial statements, the enterprise funds of the City had negative changes in net position and negative unrestricted assets. The City's management is continuing with plans on rate adjustments and reducing expenses. The ability of the City to continue as a going concern is dependent on the progress of the plan in subsequent fiscal years. These financial statements do not include any adjustments that might be necessary if the City is unable to continue as a going concern.

26) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Perris (City) that previously had reported a redevelopment agency within the reporting entity as a blended component unit. The Bill provides that upon dissolution of a redevelopment agency, either the City or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On September 27, 2011, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 4383. In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations, or commitments. Subject to the control of a newly established oversight board, remaining assets can only be pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments. In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

Successor Agency Loans Receivable

In May 2004, the former Blythe Redevelopment Agency approved a loan in the amount of $400,000 from the RDA Debt Service Fund to the Blythe Municipal Golf Course for a term of 5 years at 3% simple interest. As of June 30, 2015, the loan balance was $400,000. No payments have been made on the loan. The terms of the payment schedule can be modified with a two-thirds vote of the Board of Directors of the Redevelopment Agency. As of February 1, 2012, the Blythe Redevelopment Agency was dissolved and the Successor Agency to the Blythe Redevelopment Agency oversees the remaining activities of this loan.

On August 11, 2009, the former Blythe Redevelopment Agency approved a line of credit of $60,000 to the Committee to Preserve the Rice-Blythe Ripley Line. The line of credit was used by the Organization to fund activities related to potential buyers of the rail line. If the Organization is unable to repay the line of credit, the Redevelopment Agency may re-characterize the line of credit to a grant. As of February 1, 2012, the Blythe Redevelopment Agency was dissolved and the Successor Agency to the Blythe Redevelopment Agency oversees the remaining activities of this loan. As of June 30, 2015, the loan receivable balance was $32,753.

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26) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY - Continued

Successor Agency Loans Receivable - Continued

The former Blythe Redevelopment Agency issued $729,956 in business loans to various businesses in the City of Blythe. As of February 1, 2012, the Blythe Redevelopment Agency was dissolved and the Successor Agency to the Blythe Redevelopment Agency oversees the remaining activities of these loans.

Successor Agency Capital Assets

The Successor Agency received $201,387 of capital assets from the former redevelopment agency that consisted of land.

Successor Agency Long-term Obligations

The following is a summary of the changes in the Successor Agency long-term obligations for the year:

Description	Beginning Balance	Additions	Deletions	Ending Balance
Installment Agreement	$ 524,451	$	$	$ 524,451
Tax Allocation Bonds:				
1996 Tax Allocation Bonds - Series A	735,000		45,000	690,000
1997 Tax Allocation Refunding Bond	2,260,000		110,000	2,150,000
2000 Tax Allocation Bonds - Series A	685,000		25,000	660,000
2000 Tax Allocation Bonds - Series B	95,000		45,000	50,000
2003 Tax Allocation Bonds - Series A	1,140,000		35,000	1,105,000
2003 Tax Allocation Bonds - Series B	270,000		60,000	210,000
2004 Tax Allocation Bonds - Series 2004	14,885,000		150,000	14,735,000
2005 Tax Allocation Bonds - Series A	1,040,000		95,000	945,000
2006 Tax Allocation Bonds - Series A	2,815,000		75,000	2,740,000
2006 Tax Allocation Bonds - Series B	1,215,000		70,000	1,145,000
2008 Tax Allocation Bonds - Series A	4,335,000		4,335,000	0
2011 Tax Allocation Bonds - Series A	4,665,000		55,000	4,610,000
2013 Tax Allocation Refunding Bond	0	4,530,000	145,000	4,385,000
	$ 34,664,451	$ 4,530,000	$ 5,245,000	$ 33,949,451

Installment Agreement

On January 1, 1998, the Agency signed an installment agreement in the amount of $650,000 with the City of Blythe to purchase the City of Blythe City Hall and Police Station. The Agency makes annual payments of $68,952 at a stated interest rate of 10.00%. The agreement is for thirty years beginning June 1, 1998.

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26) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY - Continued

***Installment Agreement* - Continued**

The future debt requirements of the Installment Agreement are as follows:

Year Ending June, 30,	Principal	Interest	Total
2016	$ 34,664	$ 50,794	$ 85,458
2017	19,973	48,979	68,952
2018	21,970	46,981	68,951
2019	24,167	44,785	68,952
2020	26,584	42,368	68,952
2021-2025	178,526	166,231	344,757
2026-2028	218,567	57,239	275,806
Total	$ 524,451	$ 457,377	$ 981,828

Tax Allocation Bonds

1996 Tax Allocation Bonds Series A. $1,200,000 1996 Tax Allocation Bonds dated December 1, 1996, mature in amounts from $20,000 to $80,000 annually from 1998 to 2026 with interest payments of 4.10% to 6.20% payable semi-annually. The purpose of the bonds is to finance redevelopment activity within the Agency's project area. The bonds are special obligations of the Agency and are equally and ratably secured by a first and prior lien upon and an irrevocable pledge of the tax revenues and other funds as provided in the Resolution. The bonds are not a debt of the City of Blythe, the State of California or any of its political subdivisions and neither, the City of Blythe, the State of California nor any of its political subdivisions is liable therefore. In no event shall the bonds be payable out of any funds or properties other than those of the Agency as set forth in the Resolution. At June 30, 2015, the Bond Reserve Fund was $90,380 which was sufficient to cover the minimum bond reserve requirement.

1997 Tax Allocation Refunding Bonds. $3,400,000 1997 Tax Allocation Refunding Bonds dated November 1, 1997, mature in amounts from $50,000 to $220,000 annually from 1999 to 2028 with interest payments of 4.10% to 5.80% payable semi-annually. The purpose of the bonds is to finance redevelopment activity within the Agency's project area and advance refund the Agency's previously issued 1987 Tax Allocation Bonds. The bonds are special obligations of the Agency and are equally and ratably secured by a first and prior lien upon and an irrevocable pledge of the tax revenues and other funds as provided in the Resolution. The bonds are not a debt of the City of Blythe, the State of California or any of its political subdivisions and neither, the City of Blythe, the State of California nor any of its political subdivisions is liable therefore. In no event shall the bonds be payable out of any funds or properties other than those of the Agency as set forth in the Resolution. At June 30, 2015 the Bond Reserve Fund was $226,000 which was sufficient to cover the minimum bond reserve requirement.

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26) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY - Continued

***Tax Allocation Bonds* - Continued**

2000 Tax Allocation Bonds Series A. $900,000 2000 Tax Allocation Bonds dated November 1, 2000, mature in amounts from $10,000 to $65,000 annually from 2002 to 2031 with interest payments of 5.40% to 6.20% payable semi-annually. The purpose of the bonds is to finance redevelopment activity within the Agency's project area. The bonds are special obligations of the Agency and are equally and ratably secured by a first and prior lien upon and an irrevocable pledge of the tax revenues and other funds as provided in the Resolution. The bonds are not a debt of the City of Blythe, the State of California or any of its political subdivisions and neither, the City of Blythe, the State of California nor any of its political subdivisions is liable therefore. In no event shall the bonds be payable out of any funds or properties other than those of the Agency as set forth in the Resolution. At June 30, 2015, the Bond Reserve Fund was $68,500 which was sufficient to cover the minimum bond reserve requirement.

2000 Tax Allocation Bonds Series B. $450,000 2000 Tax Allocation Bonds dated November 1, 2000, mature in amounts from $15,000 to $50,000 annually from 2002 to 2016 with interest payments of 8.85% payable semi-annually. The purpose of the bonds is to finance redevelopment activity within the Agency's project area. The bonds are special obligations of the Agency and are equally and ratably secured by a first and prior lien upon and an irrevocable pledge of the tax revenues and other funds as provided in the Resolution. The bonds are not a debt of the City of Blythe, the State of California or any of its political subdivisions and neither, the City of Blythe, the State of California nor any of its political subdivisions is liable therefore. In no event shall the bonds be payable out of any funds or properties other than those of the Agency as set forth in the Resolution. At June 30, 2015, the Bond Reserve Fund was $45,000 which was sufficient to cover the minimum bond reserve requirement.

2003 Tax Allocation Bonds Series A. $1,400,000 2003 Tax Allocation Bonds dated January 22, 2003, mature in amounts from $10,000 to $95,000 annually from 2004 to 2033 with interest payments of 5.375% to 7.00% payable semi-annually. The purpose of the bonds is to finance redevelopment activity within the Agency's project area. The bonds are special obligations of the Agency and are equally and ratably secured by a first and prior lien upon and an irrevocable pledge of the tax revenues and other funds as provided in the Resolution. The bonds are not a debt of the City of Blythe, the State of California or any of its political subdivisions and neither, the City of Blythe, the State of California nor any of its political subdivisions is liable therefore. In no event shall the bonds be payable out of any funds or properties other than those of the Agency as set forth in the Resolution. At June 30, 2015, the Bond Reserve Fund was $101,059 which was sufficient to cover the minimum bond reserve requirement.

2003 Tax Allocation Bonds Series B. $700,000 2003 Tax Allocation Bonds dated January 22, 2003, mature in amounts from $25,000 to $75,000 annually from 2004 to 2018 with interest payments of 8.00% to 8.50% payable semi-annually. The purpose of the bonds is to finance redevelopment activity within the Agency's project area. The bonds are special obligations of the Agency and are equally and ratably secured by a first and prior lien upon and an irrevocable pledge of the tax revenues and other funds as provided in the Resolution. The bonds are not a debt of the City of Blythe, the State of California or any of its political subdivisions and neither, the City of Blythe, the State of California nor any of its political subdivisions is liable therefore. In no event shall the bonds be payable out of any funds or properties other than those of the Agency as set forth in the Resolution. At June 30, 2015, the Bond Reserve Fund was $70,000 which was sufficient to cover the minimum bond reserve requirement.

26) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY - Continued

***Tax Allocation Bonds* - Continued**

2004 Tax Allocation Bonds. $17,500,000 2004 Tax Allocation Bonds dated October 13, 2004, mature in amounts from $135,000 to $1,740,000 annually from 2005 to 2034 with interest payments of 2.00% to 5.75% payable semi-annually. The purpose of the bonds is to finance redevelopment activity within the Agency's project area. The bonds are special obligations of the Agency and are equally and ratably secured by a first and prior lien upon and an irrevocable pledge of the tax revenues and other funds as provided in the Resolution. The bonds are not a debt of the City of Blythe, the State of California or any of its political subdivisions and neither, the City of Blythe, the State of California nor any of its political subdivisions is liable therefore. In no event shall the bonds be payable out of any funds or properties other than those of the Agency as set forth in the Resolution. At June 30, 2015, the Bond Reserve Fund was $1,488,500 which was sufficient to cover the minimum bond reserve requirement.

2005 Tax Allocation Bonds Series A. $1,790,000 2005 Tax Allocation Refunding Bonds dated October 19, 2005, mature in amounts from $70,000 to $140,000 annually from 2006 to 2023 with interest payments of 3.25% to 5.00% payable semi-annually. The purpose of the bonds is to refund all of the $1,610,000 outstanding principal of the 1995 Tax Allocation Refunding Bonds Series A. The Bonds are special obligations of the Agency and are equally and ratably secured, without preferences or distinction as to series, by on irrevocable pledge of certain tax revenues derived from the project area and other funds as provided in the Indenture. The Bonds are payable on a parity with the Agency's outstanding 1996A Bonds, 1996B Bonds, 1997 Bonds, 2000A Bonds, 2000B Bonds, 2003B Bonds and 2004 Bonds. The Bonds are not a debt of the City of Blythe, the State of California or any of its political subdivisions and neither, the City of Blythe, the State of California nor any of its political subdivisions is liable therefore. In no event shall the Bonds be payable out of any funds or properties other than those of the agency as set forth in the Indenture. At June 30, 2015, the Bond Reserve Fund was $104,000 which was sufficient to cover the minimum bond reserve requirement.

2006 Tax Allocation Bonds Series A. $3,400,000 2006 Tax Allocation Bonds dated November 1, 2006, mature in amounts from $55,000 to $200,000 annually from 2007 to 2036 with interest payments of 3.65% to 4.875% payable annually. The purpose of the bonds is to finance redevelopment activity within the Agency's project area. The bonds are special obligations of the Agency and are equally and ratably secured by a first and prior lien upon and an irrevocable pledge of the tax revenues and other funds as provided in the Resolution. The bonds are not a debt of the City of Blythe, the State of California nor any of its political subdivisions is liable therefore, In no event shall the bonds be payable out of any funds or properties other than those of the Agency as set forth in Resolution. At June 30, 2015, the Bond Reserve Fund was $213,194 which is sufficient to cover the minimum bond reserve requirement.

2006 Tax Allocation Bond Series B. $1,700,000 2006 Tax Allocation Bonds dated November 1, 2006, mature in amounts from $45,000 to $140,000 annually from 2007 to 2026 with interest payments of 3.65% to 4.875% payable annually. The purpose of the bonds is to finance redevelopment activity within the Agency's project area. The bonds are special obligations of the Agency and are equally and ratably secured by a first and prior lien upon and an irrevocable pledge of the tax revenues and other funds as provided in the Resolution. The bonds are not a debt of the City of Blythe, the State of California or any of its political subdivisions and neither, the City of Blythe, the State of California nor any of its political subdivisions is liable therefore. In no event shall the bonds be payable out of any funds or properties other than those of the Agency as set forth in Resolution. At June 30, 2015, the Bond Reserve Fund was $121,500 which is sufficient to cover the minimum bond reserve requirement.

26) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY - Continued

***Tax Allocation Bonds* - Continued**

2011 Tax Allocation Bonds Series A. $4,760,000 2011 Tax Allocation Bonds dated February 15, 2011, mature in amounts from $45,000 to $465,000 annually from 2013 to 2038 with interest payments of 9.75% payable annually. The purpose of the bonds is to finance redevelopment activity within the Agency's project area. The bonds are special obligations of the Agency and are equally and ratably secured by a first and prior lien upon and an irrevocably pledge of the tax revenues and other funds as provided in the Resolution. The bonds are not a debt of the City of Blythe, the State of California or any of its political subdivisions and neither, the City of Blythe, the State of California nor any of its political subdivisions is liable therefore. In no event shall the bonds be payable out of any funds or properties other than those of the Agency as set forth in Resolution. At June 30, 2015, the Bond Reserve Fund was $476,000, which is sufficient to cover the minimum bond reserve requirement.

2013 Tax Allocation Refunding Bonds. $4,530,000 2013 Tax Allocation Refunding Bonds dated November 6, 2014, mature in amounts from $135,000 to $280,000 annually from 2015 to 2038 with interest payments of 3.00% to 3.25% payable semi-annually. The purpose of the bonds is to advance refund the Agency's previously issued 2008A Tax Allocation Bonds. The bonds are special obligations of the Agency and are equally and ratably secured by a first and prior lien upon and an irrevocable pledge of the tax revenues and other funds as provided in the Resolution. The bonds are not a debt of the City of Blythe, the State of California or any of its political subdivisions and neither, the City of Blythe, the State of California nor any of its political subdivisions is liable therefore. In no event shall the bonds be payable out of any funds or properties other than those of the Agency as set forth in the Resolution. At June 30, 2015 the Bond Reserve Fund was $295,050 which was sufficient to cover the minimum bond reserve requirement.

Future debt service requirements of the tax allocation bonds are as follows:

Year Ending June, 30,	Principal	Interest	Total
2016	$ 945,000	$ 1,985,201	$ 2,930,201
2017	990,000	1,934,380	2,924,380
2018	1,060,000	1,880,741	2,940,741
2019	1,105,000	1,822,594	2,927,594
2020	1,165,000	1,762,852	2,927,852
2021-2025	7,050,000	7,761,007	14,811,007
2026-2030	8,925,000	5,481,075	14,406,075
2031-2035	9,900,000	2,527,852	12,427,852
2036-2038	2,285,000	335,926	2,620,926
Total	$ 33,425,000	$ 25,491,628	$ 58,916,628

26) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY - Continued

Contingencies

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorable to the City.

27) PRIOR PERIOD ADJUSTMENT

The Gas Tax Special Revenue Fund had a $(69,575) prior period adjustment to reverse the prior year accrual of the July 2014 gas tax payment as recommended by the California State Controller's Office (SCO). The SCO reversed its recommendation in the 2015 fiscal year stating the July gas tax payments represent July gas tax revenues (not June) and therefore the July 2014 gas tax payment should be included in the 2015 fiscal year revenues.

The Statement of Revenues, Expenses, and Changes in Net Position includes prior period adjustment of $136,409 relating to contributed capital for the Golf Course of $179,556 of land improvements and $43,147 of accumulated depreciation that was put in place in prior periods, but not recognized.

The Statement of Activities and the Statement of Revenues, Expenses and Changes in Net Position includes prior period adjustments of $11,550,493 and $2,395,375. As part of the implementation of GASB Statements 68 and 71, the beginning net positions and pension contributions subsequent to the actuarial measurement date (deferred outflows of resources) from the prior year were adjusted as follows:

Description	Governmental Activities	Business-type Activities[1]
Beginning Net Pension Liability	$ (12,797,860)	$ (2,571,629)
2014 Pension Contribution Subsequent to the Actuarial Measurement Date (Deferred Outflows)	1,247,367	176,254
Total	$ (11,550,493)	$ (2,395,375)

[1] The amounts and descriptions of the prior period adjustments under Business-type Activities, also apply to the Statement of Revenues, Expenses and Changes in Net Position for the proprietary funds.

28) SUBSEQUENT EVENTS

In December 2015, the City entered into a lease agreement with PNC Equipment Finance, LLC, for financing the acquisition of energy conservation equipment and improvements of $7,422,288. Semiannual lease payments are due in installments of $63,788 to 480,404 from December 18, 2016 to December 18, 2031. Lease payments are payable on December 18th and June 18th of each year.

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REQUIRED SUPPLEMENTARY INFORMATION

City of Blythe, California
Schedule of Proportionate Share of the Net Pension Liability
CalPERS Miscellaneous Pension Plan
Last Ten Years*
As of June 30, 2015

		2015
Proportion of the Net Pension Liability		0.10200%
Proportionate Share of the Net Pension Liability	$	6,347,181
Covered - Employee Payroll	$	2,347,082
Proportionate Share of the Net Position Liability as Percentage of Covered-Employee Payroll		270.43%
Plan's Fiduciary Net Position	$	27,170,912
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		81.06%

Notes to Schedule:

Benefit Changes. In 2015, there was no benefit terms modified.

Changes in Assumptions. In 2015, amounts reported as changes in assumptions results primarily from adjustments to expected retirement ages of general employees.

*- Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

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City of Blythe, California
Schedule of Proportionate Share of the Net Pension Liability
CalPERS Safety Pension Plan
Last Ten Years*
As of June 30, 2015

		2015
Proportion of the Net Pension Liability		0.09001%
Proportionate Share of the Net Pension Liability	$	5,600,855
Covered - Employee Payroll	$	1,756,585
Proportionate Share of the Net Position Liability as Percentage of Covered-Employee Payroll		318.85%
Plan's Fiduciary Net Position	$	19,988,601
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		78.11%

Notes to Schedule:

Benefit Changes. In 2015, there was no benefit terms modified.

Changes in Assumptions. In 2015, amounts reported as changes in assumptions results primarily from adjustments to expected retirement ages of general employees.

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City of Blythe, California
Schedule of Proportionate Share of the Net Pension Liability
CalPERS Miscellaneous PEPRA Pension Plan
Last Ten Years*
As of June 30, 2015

		2015
Proportion of the Net Pension Liability		0.00001%
Proportionate Share of the Net Pension Liability	$	360
Covered - Employee Payroll	$	37,235
Proportionate Share of the Net Position Liability as Percentage of Covered-Employee Payroll		0.97%
Plan's Fiduciary Net Position	$	1,761
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		83.03%

Notes to Schedule:

Benefit Changes. In 2015, there was no benefit terms modified.

Changes in Assumptions. In 2015, amounts reported as changes in assumptions results primarily from adjustments to expected retirement ages of general employees.

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City of Blythe, California
Schedule of Proportionate Share of the Net Pension Liability
CalPERS Safety PEPRA Pension Plan
Last Ten Years*
As of June 30, 2015

		2015
Proportion of the Net Pension Liability		0.00000%
Proportionate Share of the Net Pension Liability	$	104
Covered - Employee Payroll	$	52,046
Proportionate Share of the Net Position Liability as Percentage of Covered-Employee Payroll		0.20%
Plan's Fiduciary Net Position	$	456
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		81.43%

Notes to Schedule:

Benefit Changes. In 2015, there was no benefit terms modified.

Changes in Assumptions. In 2015, amounts reported as changes in assumptions results primarily from adjustments to expected retirement ages of general employees.

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City of Blythe, California
Schedule of Contributions
CalPERS Miscellaneous Pension Plan
Last Ten Years*
As of June 30, 2015

	2015
Contractually Required Contribution (actuarially determined)	$ 422,895
Contributions in Relation to the Actuarially determined contribution	(422,895)
Contribution Deficiency (excess)	$ 0
Covered-employee Payroll	$ 2,110,693
Contributions as a Percentage of Covered-employee Payroll	20.04%

Notes to Schedule:

Valuation Date	6/30/2012

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	19 Years as of the Valuation Date
Asset Valuation Method	15 Year Smoothed Market
Discount Rate	7.50%
Salary Increases	Various by entry age and service
Inflation	2.75%
Payroll Growth	3.00%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%.

*- Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

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City of Blythe, California
Schedule of Contributions
CalPERS Safety Pension Plan
Last Ten Years*
As of June 30, 2015

	2015
Contractually Required Contribution (actuarially determined)	$ 611,827
Contributions in Relation to the Actuarially determined contribution	(611,827)
Contribution Deficiency (excess)	$ 0
Covered-employee Payroll	$ 1,407,274
Contributions as a Percentage of Covered-employee Payroll	43.48%

Notes to Schedule:

Valuation Date	6/30/2012

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	19 Years as of the Valuation Date
Asset Valuation Method	15 Year Smoothed Market
Discount Rate	7.50%
Salary Increases	Various by entry age and service
Inflation	2.75%
Payroll Growth	3.00%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%.

*- Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

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City of Blythe, California
Schedule of Contributions
CalPERS Miscellaneous PEPRA Pension Plan
Last Ten Years*
As of June 30, 2015

	2015
Contractually Required Contribution (actuarially determined)	$ 10,848
Contributions in Relation to the Actuarially determined contribution	(10,848)
Contribution Deficiency (excess)	$ 0
Covered-employee Payroll	$ 173,564
Contributions as a Percentage of Covered-employee Payroll	6.25%

Notes to Schedule:

Valuation Date	6/30/2012

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	19 Years as of the Valuation Date
Asset Valuation Method	15 Year Smoothed Market
Discount Rate	7.50%
Salary Increases	Various by entry age and service
Inflation	2.75%
Payroll Growth	3.00%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%.

*- Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

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City of Blythe, California
Schedule of Contributions
CalPERS Safety PEPRA Pension Plan
Last Ten Years*
As of June 30, 2015

	2015
Contractually Required Contribution (actuarially determined)	$ 14,116
Contributions in Relation to the Actuarially determined contribution	(14,116)
Contribution Deficiency (excess)	$ 0
Covered-employee Payroll	$ 122,743
Contributions as a Percentage of Covered-employee Payroll	11.50%

Notes to Schedule:

Valuation Date	6/30/2012

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	19 Years as of the Valuation Date
Asset Valuation Method	15 Year Smoothed Market
Discount Rate	7.50%
Salary Increases	Various by entry age and service
Inflation	2.75%
Payroll Growth	3.00%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%.

*- Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

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City of Blythe, California
Schedule of Funding Progress for CBRHP
Year Ended June 30, 2015

Schedule of Funding Progress for CBRHP

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) (B)	Unfunded AAL (UAAL) (B - A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll [(B-A)/C]
07/01/08	$ -	$ 4,589,169	$ 4,589,169	0%	$ 10,871,127	42.2%
07/01/11	$ -	$ 5,313,732	$ 5,313,732	0%	$ 7,940,437	66.92%
07/01/14	$ -	$ 6,295,160	$ 6,295,160	0%	$ 4,855,951	129.6%

*GASB 45 was implemented prospectively in fiscal year 2009. There were no previous actuarial valuations.

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City of Blythe
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Property Taxes	$ 1,013,126	$ 1,013,126	$ 1,279,699	$ 266,573
Other Taxes	3,488,251	3,488,251	3,449,130	(39,121)
Licenses, Permits and Fees	217,730	217,730	248,057	30,327
Intergovernmental Revenues	1,883,848	1,883,848	2,642,683	758,835
Charges for Services	921,783	921,783	928,257	6,474
Fines, Forfeitures and Penalties	8,900	8,900	14,660	5,760
Investment Earnings	20			0
Miscellaneous	155,268	155,268	186,416	31,148
Total Revenues	7,688,926	7,688,906	8,748,902	1,059,996
EXPENDITURES				
Current:				
General Government	1,311,934	1,306,451	1,273,197	33,254
Public Safety	5,385,797	5,380,450	5,112,825	267,625
Parks and Recreation	407,819	407,819	406,206	1,613
Public Works	435,570	435,570	296,972	138,598
Community Development	480,275	481,858	605,585	(123,727)
Capital Outlay	99,150	108,012	106,580	1,432
Total Expenditures	8,120,545	8,120,160	7,801,365	318,795
Excess (Deficiency) of Revenues over Expenditures	(431,619)	(431,254)	947,537	1,378,791
OTHER FINANCING SOURCES (USES)				
Transfers In	1,629,464	1,629,464	1,400,595	(228,869)
Transfers Out	(1,076,730)	(1,077,115)	(1,084,407)	(7,292)
Total Other Financing Sources (Uses)	552,734	552,349	316,188	(236,161)
Net Change in Fund Balances	$ 121,115	$ 121,095	1,263,725	$ 1,142,630
Fund Balance - Beginning			(1,559,174)	
Fund Balance - Ending			$ (295,449)	

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City of Blythe
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Measure A Special Revenue Fund
Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental Revenues	$ 1,437,822	$ 1,437,822	$ 891,635	$ (546,187)
Investment Earnings	8,000	8,000	5,750	(2,250)
Total Revenues	1,445,822	1,445,822	897,385	(548,437)
EXPENDITURES				
Current:				
Public Works	50,000	50,000		50,000
Debt Service:				
Principal Retirement	362,772	362,772	362,772	0
Interest	55,939	55,939	54,160	1,779
Total Expenditures	468,711	468,711	416,932	51,779
Excess (Deficiency) of Revenues over Expenditures	977,111	977,111	480,453	(496,658)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(1,165,900)	(1,165,900)	(840,594)	325,306
Total Other Financing Sources (Uses)	(1,165,900)	(1,165,900)	(840,594)	325,306
Net Change in Fund Balances	$ (188,789)	$ (188,789)	(360,141)	$ (171,352)
Fund Balance - Beginning			3,669,088	
Fund Balance - Ending			$ 3,308,947	

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1) BUDGETS AND BUDGETARY ACCOUNTING

The City uses the following procedures in establishing the budgetary data reflected in the financial statements:

1) Before the beginning of the fiscal year, the City Manager submits to the City Council a proposed budget for the year commencing the following July 1.

2) Public hearings are conducted to obtain taxpayer comments.

3) The budget is subsequently adopted through passage of a resolution.

4) All appropriated amounts are as originally adopted or as amended by the City Council and lapse at year end.

5) Encumbrances and continuing appropriations are rebudgeted on July 1, by Council action.

6) Original appropriations are modified by supplementary appropriations and transfers among budget categories. The City Council approves all significant changes.

7) Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue and Capital Project Funds. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through debt indenture provisions.

8) Budgets for the General, Special Revenue and Capital Project Funds are adopted on a basis consistent with accounting policies generally accepted in the United States of America.

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SUPPLEMENTARY SCHEDULES

City of Blythe, California
Combining Balance Sheet
Non-major Governmental Funds
June 30, 2015

	Debt Service	Special Revenue		
	Public Financing Authority	Development Impact Fees	Capital Improvement Fees	Lighting District
ASSETS				
Cash and Investments	$	$ 47,302	$ 202,210	$
Cash and Investments with Fiscal Agent	518,684			
Interest Receivable		16	71	
Loans Receivable				
Due from Other Governments				
Advances to Other Funds				10,232
Land Held for Resale				
Total Assets	$ 518,684	$ 47,318	$ 202,281	$ 10,232
LIABILITIES				
Accounts Payable	$	$ 11,479	$	$ 15,877
Accrued Liabilities				81
Due to Other Funds	23,535			117,007
Total Liabilities	23,535	11,479	0	132,965
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Taxes				6,914
Total Deferred Inflows of Resources	0	0	0	6,914
FUND BALANCES				
Restricted	495,149	35,839	202,281	
Unassigned				(129,647)
Total Fund Balances	495,149	35,839	202,281	(129,647)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 518,684	$ 47,318	$ 202,281	$ 10,232

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Special Revenue				
Landscape District	Asset Forfeiture	Special Gas Tax	Community Development Block Grant	Air Quality Control
$ 86,989	$ 73,329	$ 1,037,975	$	$ 41,024
30		358		
5,981			103,677	
$ 93,000	$ 73,329	$ 1,038,333	$ 103,677	$ 41,024
$ 112	$	$ 2,463	$	$
447		7,413		
			102,865	
559	0	9,876	102,865	0
4,687				
4,687	0	0	0	0
87,754	73,329	1,028,457	812	41,024
87,754	73,329	1,028,457	812	41,024
$ 93,000	$ 73,329	$ 1,038,333	$ 103,677	$ 41,024

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City of Blythe, California
Combining Balance Sheet
Non-major Governmental Funds (Continued)
June 30, 2015

	Special Revenue			Capital Project
	Traffic Safety	Police Grants	Low & Mod Income Housing	Capital Projects
ASSETS				
Cash and Investments	$	$	$ 44,835	$ 360
Cash and Investments with Fiscal Agent				
Interest Receivable				
Loans Receivable			836,209	
Due from Other Governments	2,393	27,728		
Advances to Other Funds			173,331	
Land Held for Resale			180,000	
Total Assets	$ 2,393	$ 27,728	$ 1,234,375	$ 360
LIABILITIES				
Accounts Payable	$	$ 964	$	$
Accrued Liabilities				
Due to Other Funds	19,152	67,937		
Total Liabilities	19,152	68,901	0	0
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Taxes				
Total Deferred Inflows of Resources	0	0	0	0
FUND BALANCES				
Restricted			1,234,375	360
Unassigned	(16,759)	(41,173)		
Total Fund Balances	(16,759)	(41,173)	1,234,375	360
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 2,393	$ 27,728	$ 1,234,375	$ 360

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Capital Project		Total Non-major Governmental Funds
Street Maintenance	Park Development	
$ 766,807	$	$ 2,300,831
		518,684
		475
		836,209
		150,011
		173,331
		180,000
$ 766,807	$ 0	$ 4,159,541
$ 674,600	$ 3,175	$ 708,670
		7,941
	93,688	424,184
674,600	96,863	1,140,795
		11,601
0	0	11,601
92,207		3,291,587
	(96,863)	(284,442)
92,207	(96,863)	3,007,145
$ 766,807	$ 0	$ 4,159,541

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City of Blythe, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
Year Ended June 30, 2015

	Debt Service	Special Revenue		
	Public Financing Authority	Development Impact Fees	Capital Improvement Fees	Lighting District
REVENUES				
Taxes	$	$	$	$ 118,483
Licenses, Permits and Fees		8,400	2,000	
Intergovernmental Revenue				
Fines and Forfeitures				
Investment Earnings		84	357	
Miscellaneous Revenue				
Total Revenues	0	8,484	2,357	118,483
EXPENDITURES				
Current:				
General Government	4,345			
Public Safety				
Public Works		21,725		184,203
Capital Outlay				
Debt Service				
Principal Retirement	165,000			
Interest and Fiscal Charges	180,538			
Total Expenditures	349,883	21,725	0	184,203
Excess (Deficiency) of Revenues Over Expenditures	(349,883)	(13,241)	2,357	(65,720)
OTHER FINANCING SOURCES (USES)				
Transfers In	349,883			72,696
Transfers Out			(47,990)	(6,192)
Total Other Financing Sources (Uses)	349,883	0	(47,990)	66,504
Net Change in Fund Balances	0	(13,241)	(45,633)	784
Fund Balances - Beginning, as Previously Reported	495,149	49,080	247,914	(130,431)
Prior Period Adjustments				
Fund Balances - Beginning, as Restated	495,149	49,080	247,914	(130,431)
Fund Balances - Ending	$ 495,149	$ 35,839	$ 202,281	$ (129,647)

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Special Revenue				
Landscape District	Asset Forfeiture	Special Gas Tax	Community Development Block Grant	Air Quality Control
$ 51,078	$	$	$	$
		643,539	223,630	84,349
	14,257			
106	7	1,482		
		554		
51,184	14,264	645,575	223,630	84,349
	1,445			
25,487		449,449	12,416	
25,487	1,445	449,449	12,416	0
25,697	12,819	196,126	211,214	84,349
(6,192)		(25,352)	(211,366)	
(6,192)	0	(25,352)	(211,366)	0
19,505	12,819	170,774	(152)	84,349
68,249	60,510	927,258	964	(43,325)
		(69,575)		
68,249	60,510	857,683	964	(43,325)
$ 87,754	$ 73,329	$ 1,028,457	$ 812	$ 41,024

Continued

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City of Blythe, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds - Continued
Year Ended June 30, 2015

	Special Revenue			Capital Project
	Traffic Safety	Police Grants	Low & Mod Income Housing	Capital Projects
REVENUES				
Taxes	$	$	$	$
Licenses, Permits and Fees		7,260		
Intergovernmental Revenue		27,728		
Fines and Forfeitures	26,910			
Investment Earnings	6		11,070	
Miscellaneous Revenue				
Total Revenues	26,916	34,988	11,070	0
EXPENDITURES				
Current:				
General Government				
Public Safety		37,686		
Public Works				
Capital Outlay				
Debt Service				
Principal Retirement				
Interest and Fiscal Charges				
Total Expenditures	0	37,686	0	0
Excess (Deficiency) of Revenues Over Expenditures	26,916	(2,698)	11,070	0
OTHER FINANCING SOURCES (USES)				
Transfers In				
Transfers Out	(72,696)	(60,734)		
Total Other Financing Sources (Uses)	(72,696)	(60,734)	0	0
Net Change in Fund Balances	(45,780)	(63,432)	11,070	0
Fund Balances - Beginning, as Previously Reported	29,021	22,259	1,223,305	360
Prior Period Adjustments				
Fund Balances - Beginning, as Restated	29,021	22,259	1,223,305	360
Fund Balances - Ending	$ (16,759)	$ (41,173)	$ 1,234,375	$ 360

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Capital Project		Total Non-major Governmental Funds
Street Maintenance	Park Development	
$	$	$ 169,561
		17,660
		979,246
		41,167
		13,112
		554
0	0	1,221,300
		5,790
		37,686
		693,280
839,873	283,610	1,123,483
		165,000
		180,538
839,873	283,610	2,205,777
(839,873)	(283,610)	(984,477)
769,263	283,610	1,475,452
		(430,522)
769,263	283,610	1,044,930
(70,610)	0	60,453
162,817	(96,863)	3,016,267
		(69,575)
162,817	(96,863)	2,946,692
$ 92,207	$ (96,863)	$ 3,007,145

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City of Blythe, California
Combining Statement of Net Position
Internal Service Funds
June 30, 2015

	Central Communications	Building Maintenance	Central Garage	Risk Management
ASSETS				
Current Assets:				
Interest Receivable	$ 7	$	$ 37	$
Due from Other Governments		6,457		
Due from Other Funds	18,957	100,274	138,854	731,498
Inventory			20,909	
Total Current Assets	18,964	106,731	159,800	731,498
Noncurrent Assets:				
Land and Construction in Progress, Not Being Depreciated		5,800		
Capital Assets, Net of Depreciation		341,018	930,085	
Total Noncurrent Assets		346,818	930,085	
Total Assets	18,964	453,549	1,089,885	731,498
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Items			31,913	
Total Deferred Outflows of Resources	0	0	31,913	0
LIABILITIES				
Current Liabilities:				
Accounts Payable	10,617	16,417	23,846	7,839
Accrued Liabilities		1,151	5,921	95,624
Compensated Absences Payable - Current			3,203	
Capital Leases Payable - Current			132,069	
Total Current Liabilities	10,617	17,568	165,039	103,463
Noncurrent Liabilities:				
Compensated Absences Payable			18,150	
Capital Leases Payable			408,026	
Net Pension Liability			381,787	
Total Noncurrent Liabilities	0	0	807,963	0
Total Liabilities	$ 10,617	$ 17,568	$ 973,002	$ 103,463

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Unemployment Insurance Compensation	Workers' Compensation	Total
$	$	$ 44
		6,457
184,596	1,111,698	2,285,877
		20,909
184,596	1,111,698	2,313,287
		5,800
		1,271,103
		1,276,903
184,596	1,111,698	3,590,190
		31,913
0	0	31,913
179		58,898
	843,759	946,455
		3,203
		132,069
179	843,759	1,140,625
		18,150
		408,026
		381,787
0	0	807,963
$ 179	$ 843,759	$ 1,948,588

Continued

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City of Blythe, California
Combining Statement of Net Position - Continued
Internal Service Funds
June 30, 2015

	Central Communications	Building Maintenance	Central Garage	Risk Management
DEFERRED INFLOWS OF RESOURCES				
Pension Related Items	$	$	$ 112,262	$
Total Deferred Inflows of Resources	0	0	112,262	0
NET POSITION				
Net Investment in Capital Assets		346,818	389,990	
Unrestricted	8,347	89,163	(353,456)	628,035
Total Net Position	$ 8,347	$ 435,981	$ 36,534	$ 628,035

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Unemployment Insurance Compensation	Workers' Compensation	Total
$	$	$ 112,262
0	0	112,262
		736,808
184,417	267,939	824,445
$ 184,417	$ 267,939	$ 1,561,253

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City of Blythe, California
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
Year Ended June 30, 2015

	Central Communications	Building Maintenance	Central Garage	Risk Management
OPERATING REVENUES				
Charges for Services	$	$	$	$
Other Revenues		875	587,383	42,867
Total Operating Revenues	0	875	587,383	42,867
OPERATING EXPENSES				
Personnel Services			226,111	
Contractual Services		3,235	22,721	
Power and Utilities	10,617	110,723	14,511	
Maintenance and Operation	4,827	143,734	238,379	
Insurance				274,183
Depreciation		21,865	111,799	
Total Operating Expenses	15,444	279,557	613,521	274,183
Operating Income (Loss)	(15,444)	(278,682)	(26,138)	(231,316)
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	28		192	
Interest and Fiscal Charges			(17,706)	
Income (Loss) Before Transfers	(15,416)	(278,682)	(43,652)	(231,316)
Transfers In	6,924	374,014	158,209	255,972
Transfers Out			(18,647)	
Change in Net Position	(8,492)	95,332	95,910	24,656
Net Position - Beginning, as Previously Reported	16,839	340,649	407,747	603,379
Prior Period Adjustment			(467,123)	
Net Position - Beginning, as Restated	16,839	340,649	(59,376)	603,379
Net Position - Ending	$ 8,347	$ 435,981	$ 36,534	$ 628,035

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Unemployment Insurance Compensation	Workers' Compensation	Total
$ 35,087	$ 464,348	$ 1,087,693
		42,867
35,087	464,348	1,130,560
		226,111
		25,956
		135,851
		386,940
15,514	85,411	375,108
		133,664
15,514	85,411	1,283,630
19,573	378,937	(153,070)
		220
		(17,706)
19,573	378,937	(170,556)
		795,119
	(50,004)	(68,651)
19,573	328,933	555,912
164,844	(60,994)	1,472,464
		(467,123)
164,844	(60,994)	1,005,341
$ 184,417	$ 267,939	$ 1,561,253

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City of Blythe, California
Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2015

	Central Communications	Building Maintenance	Central Garage
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	$	$ 875	$ 587,383
Cash Payments to Employees for Services			(233,268)
Cash Payments to Suppliers for Goods and Services	(4,827)	(269,934)	(307,545)
Other Operating Revenue			
Net Cash Provided by (Used for) Operations	(4,827)	(269,059)	46,570
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Advances from (to) Other Funds	6,924	374,014	139,562
Net Cash Provided by (Used for) Noncapital Financing Activities	6,924	374,014	139,562
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from Capital Lease			489,689
Acquisition of Capital Assets		(23,508)	(647,898)
Lease Obligations Payments			(71,688)
Interest Paid on Long-term Obligations			(17,707)
Net Cash Provided by (Used for) Capital and Related Financing Activities	0	(23,508)	(247,604)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	25		201
Net Cash Provided by (Used for) Investing Activities	25	0	201
Net Increase (Decrease) in Cash and Cash Equivalents Cash Equivalents	2,122	81,447	(61,271)
Cash and Equivalents - Beginning of Year	16,835	18,827	200,125
Cash and Equivalents - End of Year	$ 18,957	$ 100,274	$ 138,854

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Risk Management	Unemployment Insurance Compensation	Workers' Compensation	Total
$	$ 35,269	$ 467,282	$ 1,090,809
			(233,268)
(196,976)	(20,169)	(301,534)	(1,100,985)
42,867			42,867
(154,109)	15,100	165,748	(200,577)
255,972		(50,004)	726,468
255,972	0	(50,004)	726,468
			489,689
			(671,406)
			(71,688)
			(17,707)
0	0	0	(271,112)
			226
0	0	0	226
101,863	15,100	115,744	255,005
629,635	169,496	995,954	2,030,872
$ 731,498	$ 184,596	$ 1,111,698	$ 2,285,877

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City of Blythe, California
Combining Statement of Cash Flows - Continued
Internal Service Funds
Year Ended June 30, 2015

	Central Communications	Building Maintenance	Central Garage
Reconciliation of Operating Income (Loss) To Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	$ (15,444)	$ (278,682)	$ (26,138)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation		21,865	111,799
Changes in Operating Assets and Liabilities:			
Accounts Receivable (Increase)			(5,754)
Inventory (Increase)			2,459
Pension Related Deferred Outflows (Increase)/Decrease			(26,180)
Accounts Payable (Decrease)	10,617	(12,278)	(488)
Accrued Liabilities (Decrease)		36	(119,708)
Net Pension Liability (Decrease)/Increase			(1,682)
Compensated Absences Payable (Decrease)			112,262
Pension Related Deferred Inflows (Decrease)/Increase			
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	$ (4,827)	$ (269,059)	$ 46,570

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Risk Management	Unemployment Insurance Compensation	Workers' Compensation	Total
$ (231,316)	$ 19,573	$ 378,937	$ (153,070)
			133,664
	182	2,934	3,116
			(5,754)
			2,459
(10,010)	(4,655)		(42,506)
87,217		(216,123)	(129,358)
			(119,708)
			(1,682)
			112,262
$ (154,109)	$ 15,100	$ 165,748	$ (200,577)

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City of Blythe, California
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2015

	Hydrocarbon Cleanup	Palo Verde Valley Transit Agency	Confiscated Evidence
ASSETS			
Cash and Investments	$ 98,989	$ 106,031	$ 17,307
Cash and Investments with Fiscal Agent		61,196	
Accounts Receivables	64,735		
Due from Other Governments		55,280	
Total Assets	$ 163,724	$ 222,507	$ 17,307
LIABILITIES			
Accounts Payable and Accrued Liabilities	$ 163,724	$ 85,231	$
Due to Other Funds		60,062	17,307
Deposits Payable		77,214	
Unearned Revenues			
Due to Bondholders			
Total Liabilities	$ 163,724	$ 222,507	$ 17,307

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Community Facilities District	Total Agency Funds
$	$ 222,327
327,734	327,734
	125,931
810	56,090
$ 328,544	$ 732,082
$	$ 248,955
10,913	10,913
	77,369
	77,214
317,631	317,631
$ 328,544	$ 732,082

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BLYTHE

PUBLIC FINANCING AUTHORITY

ANNUAL AUDIT REPORT

Year Ended June 30, 2015

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Blythe Public Financing Authority
Notes of Financial Statements
Year Ended June 30, 2015

TABLE OF CONTENTS

	PAGE
Independent Auditors' Report	1 - 2
Basic Component Unit Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	3
Statement of Activities	4
Fund Financial Statements:	
Balance Sheet - Governmental Funds	5
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	6
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	7
Notes to Financial Statements	8 - 17

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Blythe Public Financing Authority
Blythe, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major fund of the Blythe Public Financing Authority (the "Authority"), a component unit of the City of Blythe, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Authority, as of June 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

Management has omitted *Management's Discussion and Analysis* that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our reported dated _____ __, 2016, 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 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 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.

Riverside, California
_____ __, 2016

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Blythe Public Financing Authority
Statement of Net Position
June 30, 2015

	Governmental Activities
ASSETS	
Restricted Cash and Investments	$ 518,684
Lease Receivable	58,667
Total Assets	577,351
LIABILITIES	
Interest Payable	58,667
Due to Other Governments	23,535
Noncurrent Liabilities:	
Due Within One Year	175,000
Due in More Than One Year	3,025,000
Total Liabilities	3,282,202
NET POSITION	
Unrestricted	(2,704,851)
Total Net Position	$ (2,704,851)

The accompanying notes are an integral part of this statement.

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Blythe Public Financing Authority
Statement of Activities
Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Governmental Activities:					
General Government	$ 4,345	$ 165,000	$ 4,345	$	$ 165,000
Interest on Long-term Debt	177,513	177,513			0
Total Governmental Activities	$ 181,858	$ 342,513	$ 4,345	$ 0	165,000
General Revenues:					
Investment Earnings					0
Total General Revenues					0
Change in Net Position					165,000
Total Net Position - Beginning					(2,869,851)
Total Net Position - Ending					$ (2,704,851)

The accompanying notes are an integral part of this statement.

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Blythe Public Financing Authority
Balance Sheet - Govermental Funds
June 30, 2015

	Debt Service	Total Governmental Funds
ASSETS		
Cash and Investments with Fiscal Agent	$ 518,684	$ 518,684
Total Assets	$ 518,684	$ 518,684
LIABILITIES AND FUND BALANCES		
Liabilities:		
Due to Other Governments	$ 23,535	$ 23,535
Total Liabilities	23,535	23,535
Fund Balances:		
Restricted:		
Debt Service	495,149	495,149
Total Fund Balances	495,149	495,149
Total Liabilities and Fund Balances	$ 518,684	
Amounts reported for governmental activities in the statement of net position are different because:		
Lease Receivable from City of Blythe		58,667
Accrued Interest Payable on Long-term Liabilities		(58,667)
Long-term Liabilities		(3,200,000)
Net Position of Governmental Activities		$ (2,704,851)

The accompanying notes are an integral part of this statement.

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Blythe Public Financing Authority
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2015

	Debt Service	Total Governmental Funds
REVENUES		
Rental Income	$ 345,538	$ 345,538
Total Revenues	345,538	345,538
EXPENDITURES		
Current:		
Professional Services	4,345	4,345
Debt Service:		
Principal Retirement	165,000	165,000
Interest	180,538	180,538
Total Expenditures	349,883	349,883
Excess (Deficiency) of Revenues over Expenditures	(4,345)	(4,345)
OTHER FINANCING SOURCES		
Contributions from Other Governments	4,345	4,345
Total Other Financing Sources	4,345	4,345
Net Change in Fund Balances	0	0
Fund Balances, Beginning	495,149	495,149
Fund Balances, Ending	$ 495,149	$ 495,149

The accompanying notes are an integral part of this statement.

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Blythe Public Financing Authority
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2015

Net Change in Fund Balances - Total Governmental Funds	$ 0
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report retirements of the principal of long-term debt as expenditures, but retirements are included as a reduction of long-term liabilities in the Statement of Net Position.	
Long-term Debt Principal Payments	165,000
Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as governmental fund expenditures.	
Interest and Fiscal Charges	3,522
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.	
Rental Income	(3,522)
Change in Net Position of Governmental Activities	$ 165,000

The accompanying notes are an integral part of this statement.

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Blythe Public Financing Authority
Notes to Financial Statements
Year Ended June 30, 2015

NOTE	DESCRIPTION	PAGE
1	Reporting Entity and Summary of Significant Accounting Policies	9 - 12
2	Cash and Investments	13 - 15
3	Long-term Debt	15
4	Lease Revenue Bonds	16
5	Deficit Net Position	16
6	Risk Management	17
7	Contingencies	17

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1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Reporting Entity

The Blythe Public Financing Authority (the "Authority") is a joint exercise of powers between the City of Blythe (the "City") and Redevelopment Agency created by a joint powers agreement dated May 1, 1991. The purpose of the Authority is to provide, through the issuance of revenue bonds, a financing pool to fund capital improvement projects. These revenue bonds are to be repaid solely from the revenues of certain public obligations. The Authority does not have taxing power. The City Council also acts as the governing body of the Authority. On February 1, 2012, the Blythe Redevelopment Agency was dissolved by legislation from the California State Legislature and a decision by the California Supreme Court. The City of Blythe is the Successor Agency of the Blythe Redevelopment Agency which oversees the remaining activities of the former Blythe Redevelopment Agency.

The Authority office and records are located at City Hall at 235 N. Broadway, Blythe, California, telephone (760) 922-6161.

The Authority is a component unit of the City of Blythe and, accordingly, the financial statements of the Authority are included in the financial statements of the City of Blythe. The Authority is an integral part of the reporting entity of the City of Blythe. The funds of the Authority have been blended within the financial statements of the City because the City Council of the City of Blythe is the governing board of the Authority and exercises control over the operations of the Authority. Only the funds of the Authority are included herein, therefore, these financial statements do not purport to represent the financial position or results of operations of the City of Blythe.

B) Basis of Presentation

The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America as they are applicable to governmental units. The Governmental Accounting Standard Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies reflected in the financial statements are summarized as follows:

Government-wide Financial Statements: The Government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government (the Authority). For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All Authority activities are governmental; no business-type activities are reported in the statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are expenses that are clearly identifiable with a specific program, project, function or segment. Program revenues of the Authority include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items that are properly not included among program revenues are reported instead as general revenues.

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1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B) Basis of Presentation - Continued

Fund Financial Statements: Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting.* Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the providers have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Interest associated with the current fiscal period is considered to be susceptible to accrual, and are therefore recognized as revenues of the current fiscal period.

The Authority reports the following major governmental fund:

The *Debt Service Fund* is used to account for the accumulation of resources for, and the repayment of, long-term debt principal, interest and related costs.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Direct expenses have not been eliminated from the functional categories; indirect expenses and internal payments have been eliminated.

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

D) Investments

As a governmental entity other than an external investment pool in accordance with GASB 31, the Authority's investments are stated at fair value except for interest-earning investment contracts (see Note 2).

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1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Investments - Continued

In applying GASB 31, the Authority utilized the following methods and assumptions:

1) Fair value is based on quoted market prices as of the valuation date;

2) The portfolio did not hold investments in any of the following:

   a) Items required to be reported at amortized cost,
   b) Items in external pools that are not SEC registered,
   c) Items subject to involuntary participation in an external pool,
   d) Items associated with a fund other than the fund to which the income is assigned;

3) The gain/loss resulting from valuation will be reported within the revenue account "Investment Earnings" on the Statement of Activities and the Statement of Revenues, Expenditures and Changes in Fund Balances for Governmental Funds.

E) Fund Equity

Fund balance in governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the Authority is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The Authority considers restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the Authority considers committed amounts to be used first, followed by assigned amounts and then unassigned amounts. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact.

Restricted Fund Balance - Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (though constitutional provisions or enabling legislation).

Committed Fund Balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the government's highest level of decision-making authority. The Board of Directors is the highest level of decision-making authority for the Authority that can, by adoption of an ordinance or resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance or resolution remains in place until a similar action is taken to remove or revise the limitation.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E) Fund Equity - Continued

Assigned Fund Balance - Amounts that are constrained by the Authority's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body, or by an official to whom the authority has been given.

Unassigned Fund Balance - These are either residual positive net resources of the General Fund in excess of what can properly be classified in one of the other categories, or negative balances in all other funds.

F) Use of Estimates

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and necessarily include amounts based on estimates and assumptions by Management. Actual results could differ from those amounts.

G) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. Currently, the Authority does not report any deferred outflows.

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

H) Net Position

GASB No. 63 requires that the difference between assets, liabilities and deferred inflows/outflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding principal of related debt. Restricted net position is the net position that has external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions, or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

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2) CASH AND INVESTMENTS

Cash and investments consist of the following:

Statement of Net Position:		
Restricted Cash and Investments	$	518,684

Cash and investments consist of the following:

Investments	$	518,684

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 address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by 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 Maturity	Maximum Percentage Of Portfolio[1]	Maximum Investment In One Issuer
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements[2]	92 days	20% of base value	None
Local Agency Investment Fund (LAIF)	N/A	None	None

[1] Excluding amounts held by bond trustee that are not subject to California Government Code restrictions.
[2] Board approval is required prior to purchase.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Authority's investment policy.

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2) CASH AND INVESTMENTS - Continued

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rates 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 evenly over time as necessary to provide the cash flow and liquidity needed for operations.

As of June 30, 2015 the Authority had the following investments.

		Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More than 60 Months
Held by Bond Trustee:					
Money Market Funds	$ 518,684	$ 518,684	$	$	$

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Presented below is the minimum rating required by (where applicable) the California Government Code or the Authority's investment policy, or debt agreements, and the actual rating as of year end for each investment type.

Investment Type		Minimum Legal Rating	Exempt From Disclosure	Rating as of Year End		
				AAA	AA	Not Rated
Held by Bond Trustee:						
Money Market Funds	$ 518,684	N/A	$	$ 518,684	$	$

Concentration of Credit Risk

The investment policy of the Authority contains no limitation on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. 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 are as follows:

Issuer	Investment Type	Reported Amount
First American Treasury Obligation Fund Cl D	Money Market Funds	$ 518,684

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2) CASH AND INVESTMENTS - Continued

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: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by 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 deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2015, no deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. As of June 30, 2015, the Authority had no investments held by the same broker-dealer (counterparty) that was used by the Authority to buy the securities.

Restricted Assets

Cash and investments held and invested by fiscal agents on behalf of the Authority are pledged for payment or security of certain long-term debt issuances. Fiscal agents are mandated by bond indentures as to the types of investments in which debt proceeds can be invested. The investments predominantly consist of local obligations and U.S. Government securities which are held in book entry form by the trustee.

3) LONG-TERM DEBT

The following is a summary of changes in Long-term Debt for the year:

	Date of Issue	Years of Maturity	Rates of Interest
1997 Lease Revenue Bonds (Note 4)	10/97	2000-2028	4.15%-5.50%

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
1997 Lease Revenue Bonds (Note 4)	$ 3,365,000	$	$ 165,000	$ 3,200,000	$ 175,000
Total Long-term Debt	$ 3,365,000	$ 0	$ 165,000	$ 3,200,000	$ 175,000

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4) LEASE REVENUE BONDS

1997 Lease Revenue Bonds

In October 1997, $5,065,000 principal amount of Lease Revenue Bonds were issued in accordance with the indenture to finance the construction of the City of Blythe City Hall and County Courthouse, which were lease purchased to the City of Blythe. The City pays rent for the City Hall and County Courthouse and includes them as assets in the City's financial statements. The term bonds are due in annual installments of $80,000 to $330,000 from September 1, 1999 through September 1, 2027; interest at 4.15% - 5.50%. The bonds are subject to call and redemption prior to their stated maturity commencing September 1, 2007, at specified redemption prices. At June 30, 2015, the Authority has a cash reserve balance for debt service of $352,650, which is sufficient to cover the Bond Indenture Reserve Requirement.

Future debt requirements for the Revenue Bonds are as follows:

June 30,	1997 Lease Revenue Bonds		
	Principal	Interest	Total
2016	$ 175,000	$ 171,187	$ 346,187
2017	185,000	161,288	346,288
2018	195,000	150,837	345,837
2019	205,000	139,838	344,838
2020	215,000	128,287	343,287
2021-2025	1,280,000	443,575	1,723,575
2026-2028	945,000	79,613	1,024,613
Total	$ 3,200,000	$ 1,274,625	$ 4,474,625

Revenues Pledged

The Blythe Public Financing Authority has pledged a portion of future base rental payments from the City of Blythe and the County of Riverside and a portion of investment earnings to repay the 1997 Lease Revenue Bonds. The 1997 Lease Revenue Bonds are payable solely from the base rental payments from the City of Blythe and the County of Riverside and a portion of investment earnings. Total principal and interest remaining on the lease revenue bonds are $4,474,625, payable through fiscal year 2028. For the current year, principal and interest paid by rent revenues and investment earnings were $165,000 and $180,538, respectively.

5) DEFICIT NET POSITION

The Authority has deficit net position of $2,704,851 in the Statement of Net Position for the year ending June 30, 2015. This deficit is expected to be eliminated by revenue in future periods.

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6) RISK MANAGEMENT

To account for risks of loss and liability claims, the Authority participates in the City's risk management policies. For liability claims, workers' compensation claims and long-term disability insurance claims, the City is covered through their participation in the Public Entity Risk Management Authority (PERMA).

During the past three fiscal years none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

7) CONTINGENCIES

As of June 30, 2015, in the opinion of the Authority's management, there are no outstanding matters which would have a significant effect on the financial condition of the funds of the Authority.

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CITY OF BLYTHE
Blythe, California

SINGLE AUDIT REPORT ON
FEDERAL AWARD PROGRAMS

Year Ended June 30, 2015

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CITY OF BLYTHE
SINGLE AUDIT REPORT ON FEDERAL AWARD PROGRAMS
Year Ended June 30, 2015

TABLE OF CONTENTS

	Page
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	1 - 2
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133	3 - 5
Schedule of Expenditures of Federal Awards	6
Notes to the Schedule of Expenditures of Federal Awards	7
Schedule of Findings and Questioned Costs	8 - 9
Summary Schedule of Prior Audit Findings	10

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

City Council
City of Blythe
Blythe, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Blythe, California (the "City"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated _____, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Riverside, California
_____, 2016

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Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133

City Council
City of Blythe
Blythe, California

Report on Compliance for Each Major Federal Program

We have audited the City of Blythe, California's (the "City") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2015. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

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Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Blythe, California as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated _____ __, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on those financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is 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 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,

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and the other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Riverside, California
_____, 2016

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CITY OF BLYTHE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Grant/Contract Number	Expenditures
United States Department of Housing and Urban Development:			
Passed through the Riverside County Economic Development Agency			
Community Development Block Grant Program*	14.218	4.BL.34-13	$ 200,115
Community Development Block Grant Program*	14.218	4.BL.35-13	11,251
Community Development Block Grant Program*	14.218	0.124-14	6,132
Community Development Block Grant Program*	14.218	0.125-14	6,132
Subtotal			223,630
United States Department of Transportation:			
Passed through the California Department of Transportation			
Safe Routes to School	20.205	SRTSLN1-5233(077)	94,653
United States Department of Homeland Security:			
Passed through the Riverside County Sheriff's Department			
Operation Stonegarden Grant Program*	97.067	2013	239,623
Total Expenditures of Federal Awards			$ 557,906

*Denotes Major Program

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1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES APPLICABLE TO THE SCHEDULE OF FEDERAL AWARDS

a) Scope of Presentation

The accompanying schedule presents only the expenditures incurred (and related awards received) by the City of Blythe that are reimbursable under programs of federal agencies providing financial assistance. For the purpose of this schedule, financial assistance includes both federal financial assistance received directly from a federal agency, as well as federal funds received indirectly by the City of Blythe from a non-federal agency or other organization. Only the portion of the program expenditures reimbursable with such federal funds is reported in the accompanying schedule. Program expenditures in excess of the maximum federal reimbursement authorized or the portion of the program expenditures that were funded with state, local or other non-federal funds are excluded from the accompanying schedule.

b) Basis of Accounting

The expenditures included in the accompanying schedule were reported on the accrual basis of accounting. Under the accrual basis of accounting, expenditures are recognized in the period incurred. Expenditures reported include any property or equipment acquisitions incurred under the federal program.

c) Major Programs

The City had two major programs for the year ended June 30, 2015, consisting of expenditures from several grants from the United States Department of Housing and Urban Development and the United States Department of Homeland Security. The major programs had disbursements of $463,253. This amount calculates to 83% of the total disbursements from federal awards. The City did not meet the requirements to be a low risk auditee. Therefore, the City's major program has to cover at least 50 percent of the total expenditures of federal awards.

d) Relationship to Basic Financial Statements

Federal award expenditures agree or can be reconciled with the amounts reported in the City's financial statements.

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CITY OF BLYTHE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of Auditors' Report Issued:	Unqualified
Internal Control Over Financial Reporting:	
Material Weakness(es) Identified?	No
Significant Deficiency(ies) Identified not Considered to be Material Weaknesses?	No
Noncompliance Material to Financial Statements Noted?	No

Federal Awards

Internal Control Over Major Programs:	
Material Weakness(es) Identified?	No
Significant Deficiency(ies) Identified not Considered to be Material Weaknesses?	No
Type of Auditors' Report Issued on Compliance for Major Programs:	Unqualified
Any Audit Findings Disclosed that are Required to be Reported in Accordance With Circular A-133, Section .510(a)?	No

Identification of Major Programs:

CFDA Numbers	Name of Federal Program or Cluster
14.218	Community Development Block Grant Program
97.067	Operation Stonegarden Grant Program

Dollar Threshold used to Distinguish Between Type A and Type B Programs: $ 300,000

Auditee Qualified as Low-Risk Auditee? No

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CITY OF BLYTHE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no auditors' findings required to be reported in accordance with *Government Auditing Standards.*

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no auditors' findings required to be reported in accordance with paragraph .510(a) of OMB Circular A-133.

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

2014-001: Community Development Block Grant Program

Condition and Criteria: The City of Blythe has an agreement for CDBG funding of certain projects with the County of Riverside Economic Development Agency ("Riverside County EDA"). Certain project expenditures related to CDBG are directly paid by the Riverside County EDA to assist the City in cash flows. These amounts should be recorded in the City's financial records. Approximately $313,500 of the amounts paid by Riverside County EDA directly for the City was not recorded in the City's financial records. See Section III for the context, effect, cause, recommendation and response.

Recommendation: Therefore, we recommend that the City implement procedures to communicate to the Finance Department the amounts that were directly paid by the Riverside County EDA for proper recording in the City's financial records.

Current Status: The City has reviewed this matter and has now assigned a person to be in charge of properly recording CDBG revenues and expenditures. This person will be working on the accounting for CDBG on a monthly basis to be sure that these are properly recorded and accounted for on a timely basis.

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CONSENT CALENDAR

Bank code : union

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
63575	1/15/2016	002651 EGAN, ERIC E	011916	004721	TRAVEL - M&I 1/19-1/22/2016	110.00
					Total :	110.00
63576	1/15/2016	005418 REYNOLDS, DALE S.	011916	004722	TRAVEL - M&I 1/19-1/22/2016	110.00
					Total :	110.00
63577	1/19/2016	000283 SOUTHERN CALIFORNIA EDISON CO	2004171732	004753	ELECTRICITY/CITY FACILITIES	33,672.78
					Total :	33,672.78
63578	1/21/2016	006587 AMERMAN, GEORGE	011816		COMMUNITY CENTER DEPOSIT RE	125.00
					Total :	125.00
63579	1/21/2016	005998 CA BLDG STANDARDS COMMISSION	011116		SB1473 - GREEN FEES 4TH QTR	175.50
					Total :	175.50
63580	1/21/2016	000896 CITY OF BLYTHE	011116		GOVERNMENT RETAINER - STRON	19.96
			011116		GOVERNMENT RETAINER - SB1473	19.50
					Total :	39.46
63581	1/21/2016	005997 DEPARTMENT OF CONSERVATION	011116		STRONG MOTION FEES - QTR 4	379.17
					Total :	379.17
63582	1/21/2016	000547 ESGIL CORPORATION	11154452		PLAN CHECK FEES 11/1-11/30/2015	784.75
					Total :	784.75
63583	1/21/2016	006570 NIETO, JANNETE	010716		COMMUNITY CENTER DEPOSIT RE	125.00
					Total :	125.00
63584	1/21/2016	006581 RASCON, MARCO	010716		COMMUNITY CENTER DEPOSIT RE	125.00
					Total :	125.00
63585	1/21/2016	006586 TELLEZ, MARIA	011416		COMMUNITY CENTER DEPOSIT RE	465.00
					Total :	465.00
63586	1/26/2016	002806 AIRGAS	9046736380	004642	AIR TANKS/SUPPLIES	111.22
					Total :	111.22

Bank code : union

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
63587	1/26/2016	002768 AIRWAVE BROADBAND WIRELESS	72476	004441	PUBLIC WORKS PHONES	2,245.08
					Total :	**2,245.08**
63588	1/26/2016	002758 ALL TRANS PARTS OF PHOENIX	0042074-IN	004591	PARTS	1,450.00
					Total :	**1,450.00**
63589	1/26/2016	000025 ALMQUIST BLYTHE AUTO PARTS INC	207989	004643	PARTS	58.36
			208277	004643	PARTS	42.49
			208282	004643	PARTS	2.55
			208306	004643	PARTS	11.33
					Total :	**114.73**
63590	1/26/2016	002458 AQUA-METRIC SALES, CO	0059010-IN	004700	METER PARTS	847.81
			059001-IN	004208	METERS	7,490.88
					Total :	**8,338.69**
63591	1/26/2016	006367 AUTOZONE INC	5549208891	004704	MIGHTY LIFTS	129.82
					Total :	**129.82**
63592	1/26/2016	000385 BIO-TOX LABORATORIES	31381	004670	URINE SCREENING	155.00
					Total :	**155.00**
63593	1/26/2016	000026 BLYTHE AREA CHMBER OF COMMERCE	182	004730	CENTENNIAL AD FOR CHIRIACO SU	250.00
					Total :	**250.00**
63594	1/26/2016	006243 BRUCE BOWER INVESTIGATIONS	15-044	004671	PERSONNEL INVESTIGATION	2,083.00
					Total :	**2,083.00**
63595	1/26/2016	005256 BUILDERS AUTOMATION &	10555	004712	GATE REPAIRS	724.25
					Total :	**724.25**
63596	1/26/2016	000048 BURTRONICS BUSINESS SYSTEMS	ARIN165999	004711	TONER - LD060/075	23.97
					Total :	**23.97**
63597	1/26/2016	000051 C B PLUMBING	72739	004731	GREASE TRAP PUMPING	366.77
					Total :	**366.77**
63598	1/26/2016	006368 CHANDRA HOSPITALITY LLC	12/2015	004732	ECONOMIC DEVELOPMENT INCEN	9,357.35

Bank code : union

Voucher	Date	Vendor		Invoice	PO #	Description/Account	Amount
63598	1/26/2016	006368	006368 CHANDRA HOSPITALITY LLC	(Continued)			
						Total :	9,357.35
63599	1/26/2016	006327	CITY OF YUMA	2016-00000028	004628	YRCS RADIO FEES 7/1/2015-6/30/2(	650.00
						Total :	650.00
63600	1/26/2016	001086	COPA INC	12/2015	003909	CITY VEHICLES - GASOLINE - DECI	79.11
						Total :	79.11
63601	1/26/2016	000227	COUNTY OF RIVERSIDE	AN0000000622	004023	SHELTER SERVICES 11/2015	4,172.58
				AN0000000644	004023	SHELTER SERVICES 12/2015	4,172.58
						Total :	8,345.16
63602	1/26/2016	005603	CR&R INCORPORATED	DEC 2015	004649	FRANCHISE CONTRACT	61,478.11
						Total :	61,478.11
63603	1/26/2016	005603	CR&R INCORPORATED	0053802	003646	445 N BROADWAY - COMMERCIAL	198.13
						Total :	198.13
63604	1/26/2016	000037	CULLIGAN SOFT WATER SERVICE	0630773	004734	CH RO SYSTEM MAINTENANCE	126.75
				630782,630812	003722	WATER SERVICE/WWTP 1/9-2/5/20	68.67
						Total :	195.42
63605	1/26/2016	000156	CYLE JOHNSON ELECTRIC INC	51961	004625	SEWER LIFT REPAIR - BOMMER PA	324.83
						Total :	324.83
63606	1/26/2016	000084	D & L AUTO PARTS INC	8681-113331	004626	PARTS	9.62
				8681-113429	004735	FIRE TRUCK SUPPLIES	77.50
				8681-113581	004626	PARTS	216.49
				8681-113604	004626	PARTS	77.54
				8681-113791	004626	PARTS	2.55
				8681-113838	004626	PARTS	155.93
				8681-113880	004626	PARTS	38.45
						Total :	578.08
63607	1/26/2016	001757	DATA TICKET INC	67553	004736	PARKING CITATION PROCESSING	100.00
						Total :	100.00
63608	1/26/2016	005996	DE LAGE LANDEN PUBLIC FINANCE	48527085	003696	CONTRACT #25273764 LANIER/MP(	245.71

Bank code : union

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
63608	1/26/2016	005996 DE LAGE LANDEN PUBLIC FINANCE	(Continued)			
			48660071	003629	CONTRACT #100-10017096 1/24-2/2	3,397.92
					Total :	**3,643.63**
63609	1/26/2016	006369 DOWNTOWN DECORATIONS, INC	12171	004737	BANNERS FOR CENTENNIAL	3,093.68
					Total :	**3,093.68**
63610	1/26/2016	000016 E S BABCOCK & SONS INC	BK52385-0040	003564	TESTING SERVICES	105.00
			BK52419-0040	003564	TESTING SERVICES	161.50
			BL50498-0040	003564	TESTING SERVICES	75.00
			BL50500-0040	003564	TESTING SERVICES	76.50
			BL50887-0040	003564	TESTING SERVICES	15.00
			BL50888-0040	003564	TESTING SERVICES	45.00
			BL50889-0040	003564	TESTING SERVICES	102.00
			BL50890-0040	003564	TESTING SERVICES	161.50
			BL51495-0040	003564	TESTING SERVICES	59.50
			BL51937-0040	003564	TESTING SERVICES	60.00
			BL51938-0040	003564	TESTING SERVICES	45.00
			BL52149-0040	003564	TESTING SERVICES	176.50
			BL52666-0040	003564	TESTING SERVICES	74.50
					Total :	**1,157.00**
63611	1/26/2016	003696 EISENHOWER MEDICAL CENTER	89067	004612	FORENSIC EVIDENTIARY EXAMINA	900.00
					Total :	**900.00**
63612	1/26/2016	003378 EMPIRE SOUTHWEST	EMPS3780575	004677	PARTS	237.79
			EMPS3780576	004677	PARTS	27.32
			EPWK0378643	004645	REPAIRS	295.17
					Total :	**560.28**
63613	1/26/2016	000115 FEDEX	5-282-24810	004738	EXPRESS SHIPPING	35.55
					Total :	**35.55**
63614	1/26/2016	002791 FISHER WIRELESS SERVICES INC	1820	004024	RADIO MAINTENANCE - JANUARY 2	466.00
					Total :	**466.00**
63615	1/26/2016	005213 FRONTIER	7601980011	003697	COMMUNICATIONS/CITY HALL PRI	498.40
			7609223545	003631	COMMUNICATION/ALARM SYSTEM	93.40

Bank code : union

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
63615	1/26/2016	005213 FRONTIER	(Continued)			
			7609223812	003631	COMMUNICATIONS/ELECTRONIC S	127.68
			7609229375	003631	COMMUNICATNS/LIFT STATIONS 1/	91.78
			9091590013	003697	COMMUNICATION/CITY FACILITIES	6,139.43
			9091590039	003631	COMMUNICATION/FIRE 1/7-2/6/201	301.40
			9091590042	003631	CENTRANET ACCESS-SL/WELLS 1/	1,707.12
					Total :	**8,959.21**
63616	1/26/2016	005978 FULTON DISTRIBUTING - SO CAL	367302	004739	JANITORIAL SUPPLIES/ALL DEPTS	542.37
					Total :	**542.37**
63617	1/26/2016	003650 GALE NELSON PHLEBOTOMY	122815	004673	ON CALL FEES FOR OCTOBER-DE	900.00
			DEC 2015	004672	TECH SERVICES/BLOOD DRAWS	150.00
					Total :	**1,050.00**
63618	1/26/2016	000318 GLENN JOHNSON COOLING/HEATING	025255	004713	REPAIR/MAINTENANCE SERVICES	495.20
					Total :	**495.20**
63619	1/26/2016	006582 GOLDEN STATE OVERNIGHT	2937887	004740	PRIORITY OVERNIGHT SERVICES	21.26
			2948724	004740	PRIORITY OVERNIGHT SERVICES	50.07
			2952999	004740	PRIORITY OVERNIGHT SERVICES	40.05
			2971344	004740	PRIORITY OVERNIGHT SERVICES	95.14
					Total :	**206.52**
63620	1/26/2016	000132 HACH COMPANY	9690240	002905	SIRRPLAN - SHIPMENT #2	845.00
					Total :	**845.00**
63621	1/26/2016	003154 HD SUPPLY WATERWORKS LTD	E856553	004488	DIG ALERT PAINT	659.53
			E888363	004555	METER PARTS	255.69
			E906737	004480	WWTP CLAMP	109.83
			E912633	004555	METER PARTS	897.14
					Total :	**1,922.19**
63622	1/26/2016	004230 HELMETS R US INC	45841	004629	MULTI SPORT HELMET	199.40
					Total :	**199.40**
63623	1/26/2016	002165 HOPKINS TECH PRODUCTS INC	3615301432	004741	PARTS/SUPPLIES	1,328.93

Bank code : union

Voucher	Date	Vendor		Invoice	PO #	Description/Account	Amount
63623	1/26/2016	002165	002165 HOPKINS TECH PRODUCTS INC (Continued)				
						Total :	1,328.93
63624	1/26/2016	003088	HUNTINGTON COURT REPORTERS	27692	004708	TRANSCRIPTION SERVICES 12/1-1:	320.20
						Total :	320.20
63625	1/26/2016	000150	INLAND BUILDERS SUPPLY INC	525074	004743	PARTS/SUPPLIES	97.04
				526300	004743	PARTS/SUPPLIES	86.39
				526308	004743	PARTS/SUPPLIES	21.58
				526536	004743	PARTS/SUPPLIES	16.16
				526582	004743	PARTS/SUPPLIES	13.45
				526720	004743	PARTS/SUPPLIES	11.85
				526797	004742	PARTS/SUPPLIES	120.92
				527437	004743	PARTS/SUPPLIES	419.36
				527458	004743	PARTS/SUPPLIES	25.90
				536018	004648	SUPPLIES	121.77
				536424	004743	PARTS/SUPPLIES	43.80
				536537	004687	MISC SUPPLIES/PARTS - SAWHOR:	721.85
				536603	004687	MISC SUPPLIES/PARTS - SAWHOR:	72.34
				536659	004648	SUPPLIES	18.85
				536850	004648	SUPPLIES	17.81
				537519	004703	PARK PAINT	404.37
						Total :	2,213.44
63626	1/26/2016	005295	KONICA MINOLTA	9002043549	003868	ACCT 1165535 BIZHUB C554/COPIE	288.90
						Total :	288.90
63627	1/26/2016	002150	LAW OFFICES OF JONES & MAYER	75409	004611	LEGAL SERVICES 11/2015	24,062.16
				75841	004744	LEGAL SERVICES 12/2015	9,427.34
						Total :	33,489.50
63628	1/26/2016	001460	LAWSON PRODUCTS INC	9303788239	004644	CG SUPPLIES	228.18
						Total :	228.18
63629	1/26/2016	000166	LEAGUE OF CALIFORNIA CITIES	158450	004745	ANNUAL MEMBERSHIP - CY 2016	6,727.76
						Total :	6,727.76
63630	1/26/2016	000166	LEAGUE OF CALIFORNIA CITIES	1825	004746	2016 MEMBERSHIP DUES	100.00

Bank code : union

Voucher	Date	Vendor		Invoice	PO #	Description/Account	Amount
63630	1/26/2016	000166	000166 LEAGUE OF CALIFORNIA CITIES (Continued)				
						Total :	100.00
63631	1/26/2016	002559	NEWMAN TRAFFIC SIGNS	TI-0293897	004709	SRTS - SIGNS	2,658.39
						Total :	2,658.39
63632	1/26/2016	005294	O'REILLY AUTOMOTIVE STORES INC	2758-408614	004652	PARTS	17.47
				2758-408834	004652	PARTS	50.21
				2758-410338	004652	PARTS	10.79
				2758-411098	004652	PARTS	146.07
				2758-411167	004652	PARTS	44.32
				2758-411562	004652	PARTS	7.12
				2758-411629	004652	PARTS	15.71
				2758-411647	004702	CG PARTS	18.67
				2758-411648	004702	CG PARTS	31.88
				2758-411649	004702	CG PARTS	30.93
				2758-411658	004702	CG PARTS	15.95
				2758-412046	004702	CG PARTS	5.85
						Total :	394.97
63633	1/26/2016	000201	PALO VERDE VALLEY TIMES INC	315	004747	PUBLICATIONS 11/1-11/30/2015	192.16
				34050	004747	PUBLICATIONS 12/1-12/31/2015	52.20
						Total :	244.36
63634	1/26/2016	003271	PALO VERDE VALLEY TRANSIT	913951745	004748	REIMBURSEMENT - BLYTHE 100 D(	10.34
						Total :	10.34
63635	1/26/2016	000039	PETTY CASH	012116	004767	PETTY CASH	330.00
						Total :	330.00
63636	1/26/2016	005645	PROTECTION ONE ALARM	106318394	004749	FIRE ALARM MONITORING/CH 1/1-:	120.00
				106318395	004749	SECURITY ALARM MONITORING/CI	75.00
				106318396	004749	SECURITY ALARM MONITORING/RI	120.00
				106318397	004749	FIRE ALARM MONITORING/REC 1/1	120.00
						Total :	435.00
63637	1/26/2016	000988	PRUDENTIAL OVERALL SUPPLY	22168815	004750	MATS & TOWELS	23.11
				22168816	004750	UNIFORM SERVICE	39.52
				22168825	004750	MATS & TOWELS	41.82

Bank code : union

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
63637	1/26/2016	000988 PRUDENTIAL OVERALL SUPPLY	(Continued)			
			22168826	004750	UNIFORM SERVICE	9.37
			22170174	004750	UNIFORM SERVICE	9.91
			22170175	004750	MATS & TOWELS	24.99
			22172465	004750	MATS & TOWELS	23.11
			22172466	004750	UNIFORM SERVICE	39.52
			22172483	004750	MATS & TOWELS	41.82
			22172484	004750	UNIFORM SERVICE	9.37
			22175154	004750	UNIFORM SERVICE	9.91
			22175155	004750	MATS & TOWELS	24.99
			22176607	004750	MATS & TOWELS	23.11
			22176608	004750	UNIFORM SERVICE	39.52
			22176617	004750	MATS & TOWELS	41.82
			22176618	004750	UNIFORM SERVICE	9.37
			22178008	004750	UNIFORM SERVICE	9.91
			22178009	004750	MATS & TOWELS	24.99
			22180118	004750	MATS & TOWELS	23.11
			22180119	004750	UNIFORM SERVICE	39.52
			22180127	004750	MATS & TOWELS	41.82
			22180128	004750	UNIFORM SERVICE	9.37
			22182176	004750	UNIFORM SERVICE	9.91
			22182177	004750	MATS & TOWELS	24.99
					Total :	**594.88**
63638	1/26/2016	000213 QUILL CORPORATION	1558368	004367	SUPPLIES	207.82
			1560165	004367	SUPPLIES	21.59
			1714705	004710	SRTS - SUPPLIES	1,904.48
					Total :	**2,133.89**
63639	1/26/2016	005237 RABOBANK EQUIPMENT LEASE	48660079	003635	CONTRACT #100-10047232 BACKH	1,701.87
					Total :	**1,701.87**
63640	1/26/2016	000216 RAMSEY INTERNATIONAL	75297	004646	TOWING	325.00
					Total :	**325.00**
63641	1/26/2016	000238 SHELL	065129140601	004752	GASOLINE/PW 12/7/2015-1/6/2016	21.00

Bank code : union

Voucher	Date	Vendor		Invoice	PO #	Description/Account	Amount
63641	1/26/2016	000238	000238 SHELL	(Continued)			
						Total :	21.00
63642	1/26/2016	003439	SHELL	8000243991601	004751	GASOLINE/PD 12/7/2015-1/6/2016	118.76
						Total :	118.76
63643	1/26/2016	006341	SKM INC	5538	004182	TECHNICAL SUPPORT WTF	52.50
						Total :	52.50
63644	1/26/2016	000283	SOUTHERN CALIFORNIA EDISON CO	2012032199	003637	STREET LIGHTING 12/1/2015-1/1/20	13,155.25
				2245360151	003637	STREET LIGHTING 12/1-1/1/2016	49.77
						Total :	13,205.02
63645	1/26/2016	006110	SOUTHWEST NETWORKS, INC	15-11065	004754	GUARDIAN IT - REPAIRS/MAINTEN/	375.00
				15-11536	004754	HP PRODESK 600 SFF - UB	842.40
				15-12542	004754	GUARDIAN AP55 WIRELESS ACCE:	548.39
				15-5559	004754	WIRELESS ACCESS POINTS (CITY	178.09
				16-1501	004754	FREIGHT	14.07
						Total :	1,957.95
63646	1/26/2016	001136	STANDAGE TIRE & AUTOMOTIVE	160660	003788	TIRE SERVICE	381.07
				160890	003788	TIRE SUPPLIES	1,417.70
				160966	003788	TIRE SUPPLIES	396.75
						Total :	2,195.52
63647	1/26/2016	002434	STATE HUMANE ASSOC OF CALIF	2015-315	004630	CALIFORNIA ANIMAL LAWS HANDB	124.00
						Total :	124.00
63648	1/26/2016	005393	STEWART TITLE OF CALIFORNIA	770269	004688	LEGAL DOCUMENTS - PRELIMINAF	400.00
				770409	004688	LEGAL DOCUMENTS - PRELIMINAF	400.00
						Total :	800.00
63649	1/26/2016	004267	SUTTERFIELD, STEPHEN	012016	004680	TRAINING - M&I 1/20/2016	25.00
						Total :	25.00
63650	1/26/2016	002734	SWRCB - DWOCP	010816	004701	WATER TREATMENT OPERATOR E:	65.00
						Total :	65.00
63651	1/26/2016	002076	T & B SALES INC	3	004654	PARTS/SUPPLIES	855.16

Bank code : union

Voucher	Date	Vendor		Invoice	PO #	Description/Account	Amount
		002076	002076 T & B SALES INC	(Continued)			
						Total :	855.16
63652	1/26/2016	006001	TAMCO CAPITAL CORPORATION	5002751358	003638	MITEL PHONE SYSTEM 1/31-2/28/2(	1,000.61
						Total :	1,000.61
63653	1/26/2016	002783	THATCHER COMPANY OF ARIZONA	739580	003650	CHEMICALS	5,588.67
						Total :	5,588.67
63654	1/26/2016	002455	THE COUNSELING TEAM INTERNATIO	29957	004674	PSCHOLOGICAL ASSESSMENT	275.00
						Total :	275.00
63655	1/26/2016	000247	THE GAS COMPANY	07632638008	003639	NATURAL GAS/445 N BROADWAY 1	302.07
				11185732804	003639	NATURAL GAS/PD 12/7/2015-1/8/20'	85.13
				11185732804	003639	NATURAL GAS/PD 8/7-9/8/2015	15.78
					003639		
				11185732804	003639	NATURAL GAS/PD 9/8-10/7/2015	14.30
					003639		
				11185732804	003639	NATURAL GAS/PD 10/7/2015-11/4/2(	13.81
					003639		
				11185732804	003639	NATURAL GAS/PD 11/4-12/7/2015	45.46
					003639		
						Total :	476.55
63656	1/26/2016	000168	THE LIGHTHOUSE INC	206849	004213	LIGHTS	1,589.82
						Total :	1,589.82
63657	1/26/2016	002616	TRAFFIC PARTS	414996	004438	LIGHTS	679.50
						Total :	679.50
63658	1/26/2016	000110	TYLER TECHNOLOGIES INC	045-147565	004755	EDEN SYSTEM MAINT/SUPPORT 1/	42,231.51
						Total :	42,231.51
63659	1/26/2016	001487	UNITED STATES POSTAL SERVICE	18696948	004756	POSTAGE	6,001.94
						Total :	6,001.94
63660	1/26/2016	004501	US BANK CORP	044555649478	004757	CREDIT CARD CHARGES 12/2015	4,102.34
					004613		
					004516		

Bank code : union

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
63660	1/26/2016	004501 004501 US BANK CORP	(Continued)		Total :	4,102.34
63661	1/26/2016	000278 WEEKS PRINTING	25347	004758	#10 WINDOW ENVELOPES	424.44
					Total :	424.44
63662	1/26/2016	006578 BURROLA, JACOB	Ref000185176		UB Refund Cst #020712	8.52
					Total :	8.52
63663	1/26/2016	005984 CAVAZOS, HERIBERTO	Ref000185173		UB Refund Cst #020538	35.95
					Total :	35.95
63664	1/26/2016	006572 COLLIER, TERRY	Ref000185169		UB Refund Cst #002666	34.69
					Total :	34.69
63665	1/26/2016	006580 FIGUEROA, SILVIA	Ref000185178		UB Refund Cst #020830	88.01
					Total :	88.01
63666	1/26/2016	006579 FLETCHER, KENNETH	Ref000185177		UB Refund Cst #020829	84.33
					Total :	84.33
63667	1/26/2016	006573 GRAIR, JERRY	Ref000185170		UB Refund Cst #014515	260.00
					Total :	260.00
63668	1/26/2016	006577 HERNANDEZ, MARCO	Ref000185175		UB Refund Cst #020716	88.54
					Total :	88.54
63669	1/26/2016	006574 JARRELL, RAN	Ref000185171		UB Refund Cst #018725	15.19
					Total :	15.19
63670	1/26/2016	006575 MERCADO, ISMAEL	Ref000185172		UB Refund Cst #019771	115.20
					Total :	115.20
63671	1/26/2016	006576 YOCOM, TROY	Ref000185174		UB Refund Cst #020547	95.29
					Total :	95.29

97 Vouchers for bank code : union

97 Vouchers in this report

Bank total : 293,628.03

Total vouchers : 293,628.03

Bank code : union

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount

CLAIMS VOUCHER APPROVAL

WE, THE UNDERSIGNED OFFICERS OF THE CITY OF BLYTHE, CA DO HEREBY CERTIFY THAT THE WARRANTS NUMBERED 63575-63661 AND THE UTILITY BILLING REFUND WARRANTS NUMBERED 63662-63671 ARE HEREBY APPROVED IN THE AMOUNT OF $293,628.03 ON THIS 9th DAY OF FEBRUARY, 2016.

_____ INTERIM DIRECTOR OF FINANCE
CHRISTA ELMS

_____ MAYOR
JOSEPH DECONINCK

_____ VICE MAYOR
TIM WADE

_____ COUNCILMAN
OSCAR GALVAN

_____ COUNCILMAN
ERIC EGAN

_____ COUNCILMAN
DALE REYNOLDS

Bank code : union

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
63672	2/1/2016	006584 MVCAC SOUTHERN REGION	032216	004682	REGISTRATION - T BAKER, R FLOR	200.00
					Total :	200.00
63673	2/3/2016	006591 INFOSEND, INC	101984	004855	PREPAID POSTAGE FOR CONSERV	899.64
					Total :	899.64
63674	2/3/2016	000070 CHEVRON AND TEXACO	46462696	003880	GASOLINE 12/22/2015-1/21/2016	310.63
					Total :	310.63
63675	2/3/2016	006381 ASSURANT EMPLOYEE BENEFITS	5475145		DENTAL, VISION, LIFE, STD, PREMI	6,799.47
					Total :	6,799.47
63676	2/3/2016	005923 CALIFORNIA PUBLIC EMPLOYEES'	1942		HEALTH BENEFITS - ALL EMPLOYE	111,158.08
					Total :	111,158.08
63677	2/1/2016	000323 STATE BOARD OF EQUALIZATION	23300030	004863	USE TAX 12/2015	365.00
					Total :	365.00
63678	2/4/2016	000283 SOUTHERN CALIFORNIA EDISON CO	2004171732	004862	ELECTRICITY/CITY FACILITIES	34,054.35
					Total :	34,054.35
63679	2/9/2016	002806 AIRGAS	9047069689	004669	SUPPLIES	684.71
					Total :	684.71
63680	2/9/2016	006583 ALL PRO PUMPING	5539	004727	EMERGENCY PUMPING SERVICE -	840.00
					Total :	840.00
63681	2/9/2016	002758 ALL TRANS PARTS OF PHOENIX	0042592-IN	004697	PARTS	1,582.00
					Total :	1,582.00
63682	2/9/2016	000025 ALMQUIST BLYTHE AUTO PARTS INC	207738	004651	CG PARTS	14.91
					Total :	14.91
63683	2/9/2016	006416 AMIR ENGINEERING & SURVEYING	011116	004824	BARNARD ST FROM 2ND TO BIRCH	4,750.00
			011116	004825	E BARNARD FROM 2ND TO BIRCH	22,250.00
				004825		
			011116	004826	14TH AVE FROM LOVEKIN TO BRO/	14,675.00

Bank code : union

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
63683	2/9/2016	006416 AMIR ENGINEERING & SURVEYING	(Continued)			
				004826		
					Total :	41,675.00
63684	2/9/2016	002458 AQUA-METRIC SALES, CO	0059420-IN	004828	METER PARTS	703.87
					Total :	703.87
63685	2/9/2016	006367 AUTOZONE INC	5303692399	004771	CG PARTS	108.06
					Total :	108.06
63686	2/9/2016	000026 BLYTHE AREA CHMBER OF COMMERCE	183	004411	CHIRIACO SUMMIT BILLBOARD 1/4	215.00
					Total :	215.00
63687	2/9/2016	000051 C B PLUMBING	38923	004769	APPLEBY PARK PARTS	27.96
			73231	004715	FIRST & MURPHY BLOCKAGE	576.00
			73259	004720	EMERGENCY PUMPING SERVICES	686.91
					Total :	1,290.87
63688	2/9/2016	004862 CHARLES P CROWLEY CO	22108	004685	PUMP SLEEVE	600.92
					Total :	600.92
63689	2/9/2016	004804 CITY OF BLYTHE	JAN 2016		AMOUNT BILLED TO CUSTOMERS	33,444.00
					Total :	33,444.00
63690	2/9/2016	000667 CITY OF BLYTHE:WATER UTILITIES	JAN 2016	003925	WATER/SEWER BILLING - CITY FAC	2,942.01
					Total :	2,942.01
63691	2/9/2016	006514 COLLINS COLLINS MUIR	4299970	004761	COB V A EVERITT	2,105.20
					Total :	2,105.20
63692	2/9/2016	001086 COPA INC	1/2016	003909	CITY VEHICLES - GASOLINE - JANU	545.35
					Total :	545.35
63693	2/9/2016	000080 COSME'S PROPANE	6915	004799	STREET PROPANE FOR OILER WA	113.78
					Total :	113.78
63694	2/9/2016	005421 COUNTY OF RIVERSIDE	PU0000003627	003952	FLEET FUEL CHARGES 12/2015	5,267.86

Bank code : union

Voucher	Date	Vendor		Invoice	PO #	Description/Account	Amount
63694	2/9/2016	005421	005421 COUNTY OF RIVERSIDE	(Continued)			
						Total :	5,267.86
63695	2/9/2016	000156	CYLE JOHNSON ELECTRIC INC	52008	004831	SEWER LIFT REPAIRS	2,105.79
				52010	004832	WTF PLANT REPAIRS	212.50
						Total :	2,318.29
63696	2/9/2016	000084	D & L AUTO PARTS INC	8681-110373	004650	PARTS/SUPPLIES	45.47
				8681-110383	004650	PARTS/SUPPLIES	6.65
				8681-111007	004650	PARTS/SUPPLIES	225.74
				8681-114494	004650	PARTS/SUPPLIES	3.63
				8681-114502	004650	PARTS/SUPPLIES	1.99
				8681-114539	004650	PARTS/SUPPLIES	41.04
				8681-114550	004650	PARTS/SUPPLIES	39.38
				8681-114698	004726	PARTS/SUPPLIES	129.34
				8681-114742	004726	PARTS/SUPPLIES	87.54
				8681-114752	004726	PARTS/SUPPLIES	225.74
						Total :	806.52
63697	2/9/2016	003556	DAVID TAUSSIG & ASSOC., INC.	1512069	004857	PROFESSIONAL SERVICES THROU	1,821.08
						Total :	1,821.08
63698	2/9/2016	005996	DE LAGE LANDEN PUBLIC FINANCE	48748176	003628	CONTRACT #25340910 LANIER/MP(	214.33
						Total :	214.33
63699	2/9/2016	002173	DEPARTMENT OF JUSTICE	144859	004723	BLOOD ALCOHOL ANALYSIS 12/201	105.00
						Total :	105.00
63700	2/9/2016	000094	DEPARTMENT OF TRANSPORTATION	SL160433	004833	I10 OVERCROSS ELECTRICITY - O(	2,341.83
						Total :	2,341.83
63701	2/9/2016	006133	DIV OF THE STATE ARCHITECT	SB1186	004772	DISABILITY ACCESS & EDUCATION	101.40
						Total :	101.40
63702	2/9/2016	000064	EMPLOYMENT DEVELOPMENT DEPT	L0142087616	004858	EMPLOYMENT TAX PERIOD 10/1-12	463.00
						Total :	463.00
63703	2/9/2016	003447	EXTREME AUTO BODY & CUSTOMS	4019	004705	REPAIR/MAINTENANCE SERVICE	234.00

Bank code : union

Voucher	Date	Vendor		Invoice	PO #	Description/Account	Amount
63703	2/9/2016	003447	003447 EXTREME AUTO BODY & CUSTOMS (Continued)				
						Total :	234.00
63704	2/9/2016	002072	F&S FITNESS TECH	976515	004762	TREADMILL SERVICE	1,350.25
						Total :	1,350.25
63705	2/9/2016	000318	GLENN JOHNSON COOLING/HEATING	025271	004763	HEATING AND COOLING REPAIRS	442.60
						Total :	442.60
63706	2/9/2016	006582	GOLDEN STATE OVERNIGHT	2993684	004839	PRIORITY OVERNIGHT SERVICES	30.61
						Total :	30.61
63707	2/9/2016	000132	HACH COMPANY	9759927	004728	WTF SUPPLIES	204.00
						Total :	204.00
63708	2/9/2016	003154	HD SUPPLY WATERWORKS LTD	F017536	004716	BARNARD ST PROJECT SUPPLIES	2,743.41
						Total :	2,743.41
63709	2/9/2016	000150	INLAND BUILDERS SUPPLY INC	536500	004764	PARTS/SUPPLIES	123.90
				537974	004725	PARTS/SUPPLIES	46.42
				538462	004725	PARTS/SUPPLIES	404.37
				538612	004725	PARTS/SUPPLIES	4.94
				538793	004768	PARTS/SUPPLIES	27.03
				538794	004779	PARTS/SUPPLIES	119.07
				539066	004768	PARTS/SUPPLIES	65.82
				539109	004768	PARTS/SUPPLIES	27.48
				539159	004768	PARTS/SUPPLIES	150.09
				539209	004768	PARTS/SUPPLIES	42.70
				539253	004768	PARTS/SUPPLIES	27.12
						Total :	1,038.94
63710	2/9/2016	006464	KB JUMPERS & RENTALS	7895	004765	SOCCER PROGRAM SUPPLIES/SHI	3,784.97
						Total :	3,784.97
63711	2/9/2016	000704	KENNETH GRANT LUCERO	WC4968	004773	PERSONNEL SERVICES	820.00
						Total :	820.00
63712	2/9/2016	001949	LARRY GREEN AUTO CENTER INC	6045868	004836	CG SERVICE	162.59

Bank code : union

Voucher	Date	Vendor		Invoice	PO #	Description/Account	Amount
63712	2/9/2016	001949	001949 LARRY GREEN AUTO CENTER INC (Continued)				
						Total :	162.59
63713	2/9/2016	002150	LAW OFFICES OF JONES & MAYER	VARIOUS	004859	LEGAL SERVICES - PRIOR YEARS	4,721.50
						Total :	4,721.50
63714	2/9/2016	006588	LOPEZ, LILIANA	75635	004774	SOCCER REFUND	35.00
						Total :	35.00
63715	2/9/2016	003631	MALLETT & SONS TRUCKING INC.	B16-012601	004829	DRY DIGESTED SLUDGE REMOVAL	4,261.80
						Total :	4,261.80
63716	2/9/2016	000697	MOJAVE DESERT AQMD	MD5664	004834	PERMIT #E005315 CO/FACILITY #07	292.82
						Total :	292.82
63717	2/9/2016	005294	O'REILLY AUTOMOTIVE STORES INC	2758-413342	004830	PARTS/SUPPLIES	6.47
				2758-414068	004830	PARTS/SUPPLIES	10.11
				2758-414080	004830	PARTS/SUPPLIES	20.62
						Total :	37.20
63718	2/9/2016	006593	PALO VERDE HISTORICAL	100	004860	BOOK, BLYTHE AND THE PALO VEI	1,139.40
						Total :	1,139.40
63719	2/9/2016	000218	RICHARDS WATSON & GERSHON	204950	004861	PROFESSIONAL SERVICES THROU	4,625.00
						Total :	4,625.00
63720	2/9/2016	006592	ROSA, MEDINA	020316		COMMUNITY CENTER DEPOSIT RE	125.00
						Total :	125.00
63721	2/9/2016	000241	SMART & FINAL IRIS CORP	130281	004686	SUPPLIES FOR EMPLOYEE APPRE	50.66
						Total :	50.66
63722	2/9/2016	000283	SOUTHERN CALIFORNIA EDISON CO	2295418958	003637	ELECTRICITY/HIDDEN BEACHES 1:	128.68
						Total :	128.68
63723	2/9/2016	006023	STONERIVER-PHARMACY SOLUTIONS	42900560	004775	WC R. FLORES	49.60
				42900561	004775	WC R. FLORES	9.37
				42900562	004775	WC R. FLORES	97.74

Bank code : union

Voucher	Date	Vendor		Invoice	PO #	Description/Account	Amount
63723	2/9/2016	006023	006023 STONERIVER-PHARMACY SOLUTIO (Continued)				
						Total :	156.71
63724	2/9/2016	004267	SUTTERFIELD, STEPHEN	030216	004777	SEMINAR EXPENSES	20.00
						Total :	20.00
63725	2/9/2016	000141	THE HOLT GROUP INC	B15-10-201	004823	DESIGN-W RICE FROM WILLOW TC	2,132.20
				B15-12-202	004822	DESIGN BROADWAY-14TH TO HOB	5,845.20
						Total :	7,977.40
63726	2/9/2016	000266	UNDERGROUND SERVICE ALERT/SC	1120150063	004770	DIG ALERT TICKETS 11/2015	54.00
				1220150060	004770	DIG ALERT TICKETS 12/2015	45.00
						Total :	99.00
63727	2/9/2016	005587	UNITED WATER WORKS, INC	S100032422.001	004699	BARNARD PROJECT SUPPLIES	2,542.45
				S100032723.001	004719	HYDRANT RETROFIT	1,952.91
						Total :	4,495.36
63728	2/9/2016	003035	VERIZON WIRELESS	970160912-0001	003727	WIRELESS SERVICE 12/14/2015-1/1	429.00
						Total :	429.00
63729	2/9/2016	001258	WPCI - WESTERN PATHOLOGY INC	S108288	004776	DOT DRUG SCREEN	34.00
						Total :	34.00
63730	2/9/2016	001981	US BANK	207614000		BOND ADMINISTRATIVE FEES - SU	1,000.00
				4167344		BOND ADMINISTRATIVE FEES - PR	1,485.00
				4167345		BOND ADMINISTRATIVE FEES - PR	1,485.00
				4173619		BOND ADMINSTRATIVE FEES - PRC	2,315.00
						Total :	6,285.00

59 Vouchers for bank code : union

Bank total : 299,817.06

59 Vouchers in this report

Total vouchers : 299,817.06

Bank code : union

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount

CLAIMS VOUCHER APPROVAL

WE, THE UNDERSIGNED OFFICERS OF THE CITY OF BLYTHE, CA DO HEREBY CERTIFY THAT THE WARRANTS NUMBERED 63672 - 63729 AND THE SUCCESSOR AGENCY TO THE RDA WARRANT NUMBERED 63730 ARE HEREBY APPROVED IN THE AMOUNT OF $299,817.06 ON THIS 9th DAY OF FEBRUARY, 2016.

_____ INTERIM DIRECTOR OF FINANCE
CHRISTA ELMS

_____ MAYOR
JOSEPH DECONINCK

_____ VICE MAYOR
TIM WADE

_____ COUNCILMAN
OSCAR GALVAN

_____ COUNCILMAN
ERIC EGAN

_____ COUNCILMAN
DALE REYNOLDS

CITY OF BLYTHE

PAYROLL LISTING

Pay period 12/18/2015 to 12/31/2015
Payday 01/08/2016

We the undersigned officers of the City of Blythe, CA, do hereby certify that Warrants numbered 47978 to 48008 and Direct Deposits numbered 35852 to 35907 are hereby approved in the amount of $255,462.04 this 9th day of February 2016.

Interim Director of Finance

Mayor De Coninck

Vice Mayor Wade

Councilman Galvan

Councilman Egan

Councilman Reynolds

CITY OF BLYTHE

PAYROLL LISTING

Pay period 01/01/2016 to 01/14/2016
Payday 01/22/2016

We the undersigned officers of the City of Blythe, CA, do hereby certify that Warrants numbered 48009 to 48038 and Direct Deposits numbered 35908 to 35963 are hereby approved in the amount of $259,763.31 this 9th day of February 2016.

Christa Evans
Interim Director of Finance

Mayor De Coninck

Vice Mayor Wade

Councilman Galvan

Councilman Egan

Councilman Reynolds

CITY OF BLYTHE

PAYROLL LISTING

Pay period 1/1-1/31/2016
Payday 2/5/2016

We the undersigned officers of the City of Blythe, CA, do hereby certify that Warrants numbered 48071-48080 and Direct Deposits numbered 36020-36115 are hereby approved in the amount of $61,737.94 on this 9h day of February, 2016.

Christa Elms, Interim Finance Director

Mayor De Coninck

Vice Mayor Wade

Councilman Galvan

Councilman Egan

Councilman Reynolds

Minutes of the Blythe City Council
January 12, 2016

The January 12, 2016 Meeting of the Blythe City Council was called to order at 6:00pm in the Council Chambers by Mayor DeConinck. Also in attendance were Vice Mayor Wade, Council Members Galvan, Reynolds and Egan. Staff in attendance included: Interim City Manager and City Clerk Sutterfield, City Treasurer and Interim Finance Director Elms, Police Chief Mathews, Public Works Director Baldizzone, Planner Burrow and City Attorney Bettenhausen.

The Pledge of Allegiance was led by Mayor DeConinck. The Invocation was offered by Councilman Galvan.

REPORT OUT FROM CLOSED SESSION: City Attorney Bettenhausen stated two items were discussed and direction was given. No formal action was taken.

CONSENT CALENDAR: *Items on the Consent Calendar are considered routine and will be enacted with one motion of the Council. If any item requires individual consideration, it will be removed from the consent calendar and acted upon separately.*
separate action.

1. **Posting of the Agenda.**
   The summary of agenda items were posted on the bulletin boards on the outside of the public entrance to the Council Chamber and near the inside entrance of the Council Chamber on Friday, January 8, 2016.
2. **Approval of the Warrant Register.**
   Recommendation: Approve **1/12/16**, warrants numbered 63433 through 63482 in the amount of $177,168.29; **1/12/16,** warrants numbered 63483 and 63484 in the amount of $92,396.72 and **1/12/16,** warrants numbered 63485 through 63550, 63551 through 63555 and 63556 through 63566 in the amount of $725,824.39.
3. **Approval of the Payroll Register.**
   Recommendation: Approve **1/12/16,** warrants numbered 47894 through 47898 in the amount of $22,137.83; **1/12/16,** warrants numbered 47899 through 47930 and Direct Deposits numbered 35646 through 35700 in the amount of $257,882.05; **1/12/16,** warrants numbered 47931 through 47933 in the amount of $2,133.01; **1/12/16,** warrants numbered 47934 through 47935 in the amount of $3,290.68; **1/12/16,** warrants numbered 47937 through 47967 and Direct Deposits numbered 35701 through 35755 in the amount of $252,087.38 and **1/12/16,** warrants numbered 47968 through 47977 and Direct Deposits numbered 35756 through 35851 in the amount of $58,619.88.
4. **Minutes of the December 21, 2015 Special City Council Meeting.**
   Recommendation: Approve the Minutes of the December 21, 2015 Meeting.
5. **City of Blythe Permits Issued in December 2015.**
   Recommendation: Receive and file this monthly report.
6. **City of Blythe Fire Department Monthly Activity Report for December 2015.**
   Recommendation: Receive and file this monthly report.
7. **Recreation Center Donation-Gym Floor.**
   Recommendation: Accept the donation of $23,600 from the Rec-N-Crew for the gym floor installed at the Recreation Center in September 2015.
8. **NV5 Settlement Agreement and Release.**
   Recommendation: Authorize the Mayor to sign the Settlement Agreement and Release with NV5 for $28,333.73 in back charges for the N. Solano Rehabilitation Project.

9. **Levy & Collection of Assessments for Building and Weed Abatement.**
Recommendation: Adopt Resolution No. 2015-036 authorizing the levy and collection of assessments for building and weed abatement at APN's 839080003-1 and 836062012-2.

RESOLUTION NO. 2015-036. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR PROPERTY BUILDING AND WEED ABATEMENT PURSUANT TO THE PROVISIONS OF THE BLYTHE MUNICIPAL CODE.

Councilman Galvan stated for item #7, Supervisor Benoit gave $10,000 to the Rec-N-Crew for the floor project at the Rec Center.

Mayor DeConinck stated he has a conflict of interest on item#9 and will recuse himself. He asked for Public Comment on items 1-8. No Public Comment. Vice Mayor Wade moved approval of Consent Calendar items 1-8. The motion was seconded by Councilman Reynolds by unanimous aye vote.

Mayor DeConinck exited the meeting.

Levy and Collection of Assessments for Building and Weed Abatement. Vice Mayor Wade opened Public Comment for Item #9.

Dr. Shalobei stated some City employees are easy to work with and some are not. I do not like discrimination and everyone should be treated the same. This piece of property was mine. I sold it and then foreclosed on it because the person was not making payments. I did not go by letter of the law; I waited two years to foreclose. We don't want to stick it to each other. The sign posted at the property was inadequate, you could not see it. You should do everything possible to try to notice that person and it was not done. When I complained it was showed to City staff. That item was resolved because I was told there would be no lien on the property so I decided not to take legal action to stop it. This is a small town; you can find the person or their address. The City Council should look at these notices. The response time is 10 days, what if they have circumstances that preclude them from responding in time. I think the Ordinance should be changed to allow for information to be received from PVID.

Interim City Manager Sutterfield stated staff did meet with Dr. Shalobei. The grant paperwork stated the property should have a lien placed. Staff did not feel that wording made it a requirement of the grant to lien the property. Later, at the conclusion of the grant we learned the 10% contingency would be held until the liens were put on these properties. Tonight's action is not an automatic lien, its adopting the Resolution for the grant stating we will lien. We only lien property once a year in August so we have time to work with the Dr. and the grant to sort this out. When we pulled title reports, at least twice that I know of, it did not show Dr. Shalobie as the owner. If he can provide us with some paperwork showing the foreclosure and change of ownership, and that the lien is not his responsibility I feel we can work with the grant to sort this out.

Councilman Galvan asked if we were trying to make the grant go away. Interim City Manager Sutterfield stated we don't want the grant to go away, but we don't want Dr. Shalobie to be penalized for what another corporation did or did not do if they are no longer the owner.

Councilman Galvan moved approval of staff's recommendation. The motion was seconded by Councilman Egan with a unanimous aye vote.

Mayor DeConinck rejoined the meeting.

PUBLIC HEARING:

Ordinance No. 837-2016 U, Preserving Local Authority over Regulation and Prohibition of Medical Marijuana Dispensaries and Cultivation. City Attorney Bettenhausen stated the City currently has an ordinance in place banning cultivation; however there are new State laws in place impacting the way cities can enforce these ordinances. The Medical Marijuana regulation and Safety Act is comprised of three bills and creates a state licensing system. This includes licenses for cultivation, manufacturing, distributing, dispensing and delivery. The State will let cities keep some control if they comply with certain requirements. The City will still have the ability to regulate these activities. The Department of Food and Agriculture will issue licenses for cultivation and the Department of Consumer Affairs will regulate and issue licenses for dispensaries, distributors and transporters. They are phasing out the collective requirement. This is allowing for profit enterprises. This Act requires testing of plants and edibles containing marijuana for quality control. The new law enables State agencies to regulate pesticide, water and electricity used for cultivation. It enables regulation for the packaging and labeling of marijuana products. There will be new regulation and penalties for physicians issuing excessive or improper recommendations for marijuana. This new State law does not take away the city's ability to ban or regulate these activities. However, the bill does contain a deadline for the City to have in place a regulation for marijuana cultivation. If the City does not have the appropriate regulation in place by March 1st, it will lose its ability to regulate cultivation. If the City wants to ban or regulate it must do so in the Land Use Ordinance. Currently the City's prohibition resides in the Business License Ordinance. Our recommendation tonight is that Council move the regulation into the zoning code preserving our authority. The State may issue some regulations in 2017 and 2018 for these licenses so it is possible we may need to come back with additional recommendations at that time. We are also recommending an amendment to Title 5 that previously contained the Ordinance to prohibit licenses that fall under this new zoning section.

Interim City Manager Sutterfield stated our voters made it very clear in 2014 that they do not want medical marijuana dispensaries in the City. We are not changing that, but due to these new state laws we need to tighten up our current Ordinance so the State is not able to supersede what our voters have stated.

Public comment. Dr. Shalobei stated this Ordinance is for the City, but how do we regulate the county area which is where most of the farming is. City Attorney Bettenhausen stated the Council only has authority over the City but its my understanding the County is passing a similar ordinance. Dr. Shalobei stated he is against a dispensary that could be abused but am all for cultivation.

City Attorney Bettenhausen stated because this bill was passed in late 2015 and due to the deadline we are asking this be adopted as an urgency ordinance. This would require a 4/5s vote of the Council. To adopt it regularly would put us past the march 1st deadline.

Vice Mayor Wade moved approval of staff's recommendation. The motion was seconded by Councilman Egan with a unanimous aye vote. City Clerk Sutterfield read the Title of the Ordinance into the record.

ORDINANCE NO. 873-16-U. AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA, PURSUANT TO SECTION 36937 OF THE GOVERNMENT CODE TO AMEND THE BLYTHE MUNICIPAL CODE BY AMENDING CHAPTER 5.22 OF TITLE 5 (BUSINESS LICENSING AND REGULATION) AND ADDITION OF CHAPTER 17.64 OF TITLE 17 (ZONING) TO PRESERVE LOCAL AUTHORITY IN REGARDS TO REGULATION AND PROHIBITION OF MARIJUANA

DISPENSARIES AND CULTIVATION FOR THE IMMEDIATE PROTECTION OF THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE.

NEW BUSINESS:

N. Broadway between Juniper Trail and 10th Avenue Street Rehabilitation Project. Public Works Director Baldizzone stated on December 16th staff received environmental approval from Caltrans. All requirements have been presented and we can start on project design. The project could be under construction in the next fiscal year. It is recommended Council authorize the City Manager to move forward with the design.

Vice Mayor Wade stated if you pave Broadway from Juniper Trail to 10th the rest of the road will look funny. The other part is horrible as well. Can we use Measure A funds to fix Broadway from Chanslorway to Juniper? Public Works Director Baldizzone stated there may be some money to do the street south of this project.

No public comment. Vice Mayor Wade moved approval of staff's recommendation. The motion was seconded by Councilman Reynolds with a unanimous aye vote

6th Avenue Pavement Rehabilitation . Public Works Director Baldizzone stated Riverside County Transportation Department plans to overlay 6th Avenue from Olive Lake to Colorado River Rd. This project was postponed in 2015. As 6th Avenue is a shared road the County has asked for our participation. There is 7,820 feet of ½ width road they will overlay at a cost of $182,000 to the City. It is recommended Council authorize a purchase order in the amount of $182,000 for this project and allow staff to amend the budget as necessary to cover the cost of this project.

City Manager Sutterfield stated if there is an agreement the County would like the City to enter into for this project it is recommended Council authorize the Mayor to sign this agreement after it has been reviewed and approved by the City Attorney.

No public comment. Councilman Reynolds moved approval of staff's recommendation as amended. The motion was seconded by Councilman Egan with a unanimous aye vote.

On-Call Geotechnical Engineering Services. Public Works Director Baldizzone stated we have on-call engineering services that include geotechnical studies. There was an issue with one of the project that came in over budget due to the recommendations of the geotechnical engineer. Public Works retained another geotechnical engineer from Landmark Consultants to review these recommendations. They were able to provide a more conservative report which saved money. It is recommended Landmark Consultants be added to the list for on-call engineering services.

City Attorney Bettenhausen stated for any service that exceeds the Public Works Director's authority to sign, authority should be given to the City Manger to enter into a contract with the consultant matching the terms of the existing consultants subject to City Attorney's review and approval.

No public comment. Vice Mayor Wade moved approval of staff's recommendation. The motion was seconded by Councilman Egan with a unanimous aye vote.

WRITTEN COMMUNICAION: None

ORAL REPORTS:
City Manager Sutterfield reported yesterday I had the privilege of attending a book dedication at JROTC. Art Wilson donated a number of books to their class. While I was there I learned of a clean-up event that took place this past Saturday. As a service project JROTC cleaned some problem lots on Carlton that have been an issue for the City.

PUBLIC COMMENT:
Dr. Shalobei thanked Council and staff for a more pleasant experience at the Council meetings. He also thanked Council for paving Barnard St. He asked if City representatives could have a meeting of the minds with Hospital staff every few months.

MEMBER COMMENT: None

ADJOURN:
The City Council meeting was adjourned at 6:52pm.

_____
Joseph DeConinck, Mayor

ATTEST:

_____
Mallory Sutterfield-Crecelius, City Clerk

City of Blythe
PERMITS ISSUED
For the Period 1/1/2016 thru 1/31/2016

Permit No./Issued Applied/Approved	Type/Sub-Type/Status	Site Address and Parcel No.	Owner and Contractor	Valuation	Fees	Paid
B1512-014 1/12/2016 12/15/2015 12/17/2015	ELEC SOLAR ISSUED	931 VISTA SUNRISE STREET 869372001 Permit Name: ROOF SOLAR	MANUEL & MARIA GAMEZ CALIFORNIA SOLAR CONCEPT	18,900.00	110.56	110.56
B1601-011 1/12/2016 1/11/2016 1/12/2016	ELEC SOLAR ISSUED	1317 WEST WISCONSIN STREE 836170013 Permit Name: ROOF SOLAR	LUIS & MARTHA OJEDA CALIFORNIA SOLAR CONCEPT	14,175.00	109.94	109.94
B1601-007 1/12/2016 1/7/2016 1/12/2016	ELEC SOLAR FINALED	380 TESORO LANE 851152008 Permit Name: ROOF SOLAR	STEVEN & JENNY GREGORY CALIFORNIA SOLAR CONCEPT	31,725.00	125.52	125.52
B1601-002 1/12/2016 1/5/2016 1/8/2016	ELEC SOLAR ISSUED	370 OASIS STREET 842163016 Permit Name: ROOF SOLAR & Upgrade	ADAM & JENNIFER MILLER CALIFORNIA SOLAR CONCEPT	23,625.00	270.02	270.02
B1512-001 1/5/2016 12/1/2015 12/4/2015	ELEC SOLAR ISSUED	1822 RIVIERA DRIVE 869390028 Permit Name: ROOF SOLAR	GILBERT & RAE LANE SMART ENERGY SOLAR INC	13,000.00	105.04	105.04
B1512-023 1/12/2016 12/17/2015 12/29/2015	ELEC SOLAR ISSUED	461 RIVER VALLEY AVENUE 854123013 Permit Name: ROOF SOLAR	JOSE & GLORIA CERVANTES CALIFORNIA SOLAR CONCEPT	15,525.00	110.12	110.12
B1512-031 1/11/2016 12/23/2015 1/8/2016	ELEC SOLAR ISSUED	505 BELL LANE 869361004 Permit Name: ROOF SOLAR & UPGRADE	ALEJANDRA & MAXIMO LOZO SUNCREST SOLAR INC	18,000.00	135.65	135.65
B1512-030 1/11/2016 12/22/2015 1/8/2016	ELEC SOLAR FINALED	790 JOSIE STREET 842200001 Permit Name: NEW 200 AMP PANEL	JESSIKA D CATRON-GRIJALVA HOWARD ELECTRIC	1,800.00	55.50	55.50
B1512-029 1/11/2016 12/22/2015 1/8/2016	ELEC SOLAR ISSUED	790 JOSIE STREET 842200001 Permit Name: ROOF MOUNT SOLAR	JESSIKA D CATRON-GRIJALVA HOSOPO CORPORATION	22,439.49	110.34	110.34
B1601-016 1/22/2016 1/14/2016 1/20/2016	ELEC SOLAR ISSUED	1191 ENCANTO COURT 839021013 Permit Name: ROOF SOLAR & UPGRADE	GILBERTO B RAMIREZ SUNCREST SOLAR INC	61,600.00	173.66	173.66
B1512-028 1/11/2016 12/22/2015 1/8/2016	ELEC SOLAR FINALED	455 NORTH SECOND STREET 845062016 Permit Name: NEW 200 AMP PANEL	TINA M BLACK HOWARD ELECTRIC	1,800.00	55.50	55.50
B1601-018 1/26/2016 1/15/2016 1/25/2016	ELEC ISSUED	3490 WEST HOBSONWAY 824170054 Permit Name: FOR IRRIGATION PUMP	WEY ALMOND FARMS LLC JOHNSON CYLE ELECTRIC INC	5,000.00	79.60	79.60
B1601-019 1/26/2016 1/15/2016 1/25/2016	ELEC ISSUED	1384 WEST BARNARD STREET 836050017 Permit Name: FOR IRRIGATION PUMP	WEY ALMOND FARMS LLC JOHNSON CYLE ELECTRIC INC	5,000.00	79.60	79.60
B1512-027 1/11/2016 12/22/2015 1/8/2016	ELEC SOLAR ISSUED	455 NORTH SECOND STREET 845062016 Permit Name: ROOF MOUNT SOLAR	TINA M BLACK HOSOPO CORPORATION	24,212.76	122.82	122.82
Total for:	ELEC			256,802.25	1,643.87	1,643.87

City of Blythe
PERMITS ISSUED
For the Period 1/1/2016 thru 1/31/2016

Permit No./Issued

Applied/Approved	Type/Sub-Type/Status	Site Address and Parcel No.	Owner and Contractor	Valuation	Fees	Paid
B1512-032 1/13/2016 12/28/2015 1/12/2016	FIRE SUPPRESSION ISSUED	1871 EAST HOBSONWAY 851130015 Permit Name: SUPPRESSION	JEAN & JOYCE WONG DESERT FIRE EXTINGUISHER (	3,500.00	162.20	162.20
B1511-008 1/14/2016 11/3/2015 11/20/2015	FIRE SPRINKLER ISSUED	2674 COLORADO RIVER ROAI 833370060 Permit Name: SPRINKLER	ROGER SNELLENBERGER DEV PRECISION FIRE SYSTEMS	5,000.00	402.60	402.60
B1511-009 1/14/2016 11/3/2015 11/20/2015	FIRE SPRINKLER ISSUED	2680 COLORADO RIVER ROAI 833370061 Permit Name: SPRINKLER	ROGER SNELLENBERGER DEV PRECISION FIRE SYSTEMS	5,000.00	402.61	402.61
Total for:	**FIRE**			**13,500.00**	**967.41**	**967.41**

Permit No./Issued

Applied/Approved	Type/Sub-Type/Status	Site Address and Parcel No.	Owner and Contractor	Valuation	Fees	Paid
B1601-023 1/19/2016 1/19/2016 1/19/2016	OTHER ISSUED	579 NORTH EUCALYPTUS AVI 842131018 Permit Name: REROOF & PAINT	SYLVIA MARCOTTE CLOU BLYTHE CONSTRUCTION COM	400.00	48.50	48.50
B1601-001 1/5/2016 1/4/2016 1/4/2016	OTHER FINALED	490 SOUTH FOURTH STREET 848162040 Permit Name: FLOOD RESTORATION & WH	FUHRMAN ET AL SERVICEMASTER A PLUS RES'	7,457.69	480.08	480.08
B1601-014 1/12/2016 1/12/2016 1/12/2016	OTHER ISSUED	411 EAST AVENUE A 845163020 Permit Name: INTERIOR REMODEL	MANUEL G MARTINEZ M T CONSTRUCTION	10,000.00	606.36	606.36
B1512-008 1/13/2016 12/8/2015 12/15/2015	OTHER ISSUED	600 WEST DONLON STREET 848100029 Permit Name: Guest Entry Accessibility Remodel	ANUP INC OWNER	15,000.00	419.76	419.76
B1601-009 1/19/2016 1/11/2016 1/13/2016	OTHER ISSUED	147 NORTH DATE ROAD 851102010 Permit Name: Includes 149 Date Road	ANG FAMILY TRUST BLYTHE CONSTRUCTION COM	6,500.00	664.30	664.30
B1510-030 1/12/2016 10/13/2015 1/5/2016	OTHER ISSUED	345 NORTH THIRD STREET 845073005 Permit Name: INTERIOR REMODEL	DESERT LEARNING CENTER IN MARK A TEMPLE CONSTRUCT	25,000.00	953.84	953.84
B1601-010 1/19/2016 1/11/2016 1/13/2016	OTHER ISSUED	151 NORTH DATE ROAD 851102010 Permit Name: INTERIOR REMODEL	ANG FAMILY TRUST BLYTHE CONSTRUCTION COM	2,000.00	353.26	353.26
Total for:	**OTHER**			**66,357.69**	**3,526.10**	**3,526.10**

Permit No./Issued

Applied/Approved	Type/Sub-Type/Status	Site Address and Parcel No.	Owner and Contractor	Valuation	Fees	Paid
B1512-033 1/12/2016 12/29/2015 1/11/2016	PATIO ISSUED	381 NORTH SOLA AVENUE 851022012 Permit Name: Rafter/Roof Repairs on Patio	GARY P & LINDA CURRIER OWNER	475.00	63.78	63.78
B1601-015 1/21/2016 1/12/2016 1/21/2016	PATIO ISSUED	1582 EAST HOBSONWAY 854071009 Permit Name: BUILDING CANOPY	JEAN WAI WONG M S CONSTRUCTION	2,392.00	359.91	359.91

Total for: PATIO				2,867.00	423.69	423.69

Permit No./Issued Applied/Approved	Type/Sub-Type/Status	Site Address and Parcel No.	Owner and Contractor	Valuation	Fees	Paid
B1601-033 1/27/2016 1/27/2016 1/27/2016	PLUMB BACKFLOW ISSUED	654 RIVIERA DRIVE 869240015 Permit Name: CONNECT TO CITY WATER & BACKFLOW	LEON F DESIMONE OWNER	0.00	47.00	47.00
B1601-021 1/21/2016 1/19/2016 1/19/2016	PLUMB BACKFLOW FINALED	491 SOUTH SEVENTH STREET 848171038 Permit Name: BACKFLOW DEVICE	AT & T COMMUNICATIONS CA CRECELIUS INC	1,898.00	50.50	50.50
B1512-040 1/21/2016 12/30/2015 1/5/2016	PLUMB WATER HEATER FINALED	200 NORTH NINTH STREET , #: 851061014 Permit Name: WATER HEATER	HPD SILSBY GARDENS CRECELIUS INC	1,091.44	26.00	26.00
B1512-039 1/21/2016 12/29/2015 1/5/2016	PLUMB WATER HEATER FINALED	1191 ENCANTO COURT 839021013 Permit Name: WATER HEATER	GILBERTO B RAMIREZ CRECELIUS INC	1,119.01	26.00	26.00
B1512-038 1/21/2016 12/28/2015 1/5/2016	PLUMB WATER HEATER ISSUED	1084 CATALINA DRIVE 839033019 Permit Name: WATER HEATER	WILLIAM P VANDER POL IV CRECELIUS INC	1,119.01	26.00	26.00
B1512-022 1/21/2016 12/17/2015 12/17/2015	PLUMB WATER HEATER FINALED	720 YUCCA DRIVE 842144024 Permit Name: WATER HEATER	DANIEL J ROBERTS CRECELIUS INC	963.34	26.00	26.00
B1512-021 1/21/2016 12/16/2015 12/17/2015	PLUMB WATER HEATER FINALED	1251 EAST FOURTEENTH AVE 854060021 Permit Name: WATER HEATER	MONTEREY OF BLYTHE LTD P CRECELIUS INC	900.13	26.00	26.00
B1512-020 1/21/2016 12/16/2015 12/17/2015	PLUMB WATER HEATER FINALED	1251 EAST FOURTEENTH AVE 854060021 Permit Name: WATER HEATER	MONTEREY OF BLYTHE LTD P CRECELIUS INC	967.49	26.00	26.00
B1512-019 1/21/2016 12/16/2015 12/17/2015	PLUMB WATER HEATER FINALED	520 EAST MURPHY STREET 845163004 Permit Name: WATER HEATER	RONALD & JILL JOHNSON CRECELIUS INC	1,084.55	26.00	26.00
B1512-018 1/21/2016 12/16/2015 12/17/2015	PLUMB WATER HEATER FINALED	400 NORTH PALM DRIVE #145 845030008 Permit Name: WATER HEATER	HPD RIO COLORADO CRECELIUS INC	929.00	26.00	26.00
B1512-011 1/21/2016 12/15/2015 12/15/2015	PLUMB WATER HEATER FINALED	441 NORTH TENTH STREET 851032006 Permit Name: WATER HEATER	ROD & EILEEN WORTHINGTON CRECELIUS INC	649.98	26.00	26.00
B1512-004 1/21/2016 12/3/2015 12/4/2015	PLUMB WATER HEATER FINALED	215 NORTH LOVEKIN BOULEV 836090033 Permit Name: WATER HEATER	ADRIAN ESTRELLA CRECELIUS INC	1,097.99	26.00	26.00
B1512-037 1/21/2016 12/28/2015 1/5/2016	PLUMB WATER HEATER FINALED	842 OASIS VILLAGE COURT 842163010 Permit Name: WATER HEATER	HORTENSIA RIVERA CRECELIUS INC	1,075.51	26.00	26.00
Total for: PLUMB				12,895.45	383.50	383.50

City of Blythe
PERMITS ISSUED
For the Period 1/1/2016 thru 1/31/2016

Permit No./Issued

Applied/Approved	Type/Sub-Type/Status	Site Address and Parcel No.	Owner and Contractor	Valuation	Fees	Paid
B1601-022 1/19/2016 1/19/2016 1/19/2016	RERF TEAR OFF FINALED	444 EAST CHANSLORWAY 845180004 Permit Name: OVER EXISTING	JESUS & HORTENSIA VELEZQU OWNER	1,999.00	70.75	70.75
B1601-025 1/20/2016 1/20/2016 1/20/2016	RERF TEAR OFF ISSUED	480 MONTEZUMA STREET 839063003 Permit Name: TEAR OFF	MELISSA CLAYTON OWNER	960.00	48.50	48.50
B1601-024 1/20/2016 1/20/2016 1/20/2016	RERF TEAR OFF ISSUED	975 EAST AVENUE B 851062007 Permit Name: & PAINTING & WINDOWS/DOORS	EMILY S SANCHEZ ANDREW LEWIS CONSTRUCTI	10,000.00	183.55	183.55
B1601-029 1/22/2016 1/22/2016 1/22/2016	RERF TEAR OFF FINALED	380 NORTH WILLOW STREET 845021032 Permit Name: & PAINTING	TOMMY & LAURA JOHNSON ANDREW LEWIS CONSTRUCTI	3,000.00	84.75	84.75
B1601-036 1/28/2016 1/28/2016 1/28/2016	RERF OVER EXIST FINALED	931 VISTA SUNRISE STREET 869372001 Permit Name: & PAINTING	MANUEL & MARIA GAMEZ ANDREW LEWIS CONSTRUCTI	500.00	48.50	48.50
Total for:	**RERF**			**16,459.00**	**436.05**	**436.05**

Permit No./Issued

Applied/Approved	Type/Sub-Type/Status	Site Address and Parcel No.	Owner and Contractor	Valuation	Fees	Paid
RC1601-002 1/14/2016 1/14/2016 1/14/2016	RIVCOUNTY FINALED	17620 PALOWALLA ROAD 824052024 Permit Name: REROOF - OVER EXISTING	MICK & HISER ET AL ERIK R WILLIAMS	3,700.00	149.50	149.50
RC1601-001 1/28/2016 1/13/2016 1/21/2016	RIVCOUNTY ISSUED	9510 18TH AVENUE 869310022 Permit Name: Addendum to permit #RC1506-003	JOE VAN DYKE PLANET SOLAR INCORPORATI	0.00	301.10	301.10
Total for:	**RIVCOUNTY**			**3,700.00**	**450.60**	**450.60**

Permit No./Issued

Applied/Approved	Type/Sub-Type/Status	Site Address and Parcel No.	Owner and Contractor	Valuation	Fees	Paid
B1510-045 1/7/2016 10/22/2015 1/5/2016	TANKS APPROVED	310 SOUTH LOVEKIN BOULEV 848100032 Permit Name:	I 10 THE PLACE TO STOP & PEI RICKS STATION MAINTENANC	60,000.00	1,214.60	1,214.60
Total for:	**TANKS**			**60,000.00**	**1,214.60**	**1,214.60**

47 Permits Issued from 1/1/2016 Thru 1/31/2016

Total Valuation:	**$432,581.39**
Total Fees:	**$9,045.82**
Total Fees Paid:	**$9,045.82**

City of Blythe
Permits Applications Received
For the Period 1/1/2016 thru 1/31/2016

Permit No.	Applied	Type	Subtype	Status	Site Address/Parcel No.	Applicant/Owner/Contractor
BP1512-004	1/1/2016	BURNPERMIT	AG BURN	FINALED	3017 NORTH DEFRAIN BOULEVARD 821180013	Leslie Lee Duncan WALTER & NANCY DUNCAN
Permit Name: AG BURN **Description:** (12/21/2015 10:00 AM MV) CALL DEVELOPMENT SERVICES BEFORE BURNING						
BP1601-001	1/1/2016	BURNPERMIT		FINALED	1720 WEST HOBSONWAY 836100004	MARJORIE ALEXANDER
Permit Name: **Description:**						
BP1601-002	1/1/2016	BURNPERMIT		FINALED	2204 RIVIERA DRIVE 875270011	JIM AND LEAH SARGENT
Permit Name: **Description:**						
BP1601-003	1/4/2016	BURNPERMIT		FINALED	910 WEST FOURTEENTH AVENUE 869032001	TIMOTHY GOSE GOSE & WOLFSWINKEL
Permit Name: **Description:**						
BP1601-004	1/4/2016	BURNPERMIT		FINALED	231 LEE STREET 842060003	OWNER RICHARD & PATRICIA ARMENTA
Permit Name: **Description:**						
BP1601-005	1/1/2016	BURNPERMIT		FINALED	2131 FLORENCE BOULEVARD 824191031	OWNER ZACHARY & THI WILLIAMSON
Permit Name: AKA: 12234 FLORENCE BLVD **Description:**						
BP1601-006	1/5/2016	BURNPERMIT		FINALED	591 NORTH OLIVE LAKE BOULEVAR 857140020	CINDY LOGAN COLORADO RIVER FAIRGROUNDS
Permit Name: North end of Fairgrounds **Description:**						
BP1601-007	1/5/2016	BURNPERMIT		FINALED	2170 WEST HOBSONWAY 824200005	OWNER RICARDO & ERIKA LIMON
Permit Name: **Description:**						
BP1601-008	1/5/2016	BURNPERMIT		FINALED	ALL FIELDS IN CITY LIMITS	CHAIREL HAY/DESPERADO FARMS
Permit Name: AG BURN **Description:**						
BP1601-009	1/11/2016	BURNPERMIT		FINALED	324 NORTH SOLANO AVENUE 836076008	OWNER JACINTO & JOSEPHINE LIMON
Permit Name: **Description:**						
BP1601-010	1/13/2016	BURNPERMIT		FINALED	1726 NORTH LOVEKIN BOULEVARD 830160006	BILLIE FAE SEALE SEALE & GROFF
Permit Name: AG BURN **Description:**						
BP1601-011	1/14/2016	BURNPERMIT		FINALED	2215 MCKINLEY DRIVE 824193014	OWNER JAMES & DENA TEATER
Permit Name: **Description:**						
BP1601-012	1/15/2016	BURNPERMIT		FINALED	1271 NORTH LOVEKIN BOULEVARD 836190012	OWNER BOBBY & REBECCA AGUIRRE
Permit Name: **Description:**						
BP1601-013	1/19/2016	BURNPERMIT		FINALED	7TH ST CATCH BASIN E/O BRIARBR 842080030	ROBERTO FLORES CITY OF BLYTHE
Permit Name: **Description:**						
BP1601-014	1/22/2016	BURNPERMIT		FINALED	260 NORTH HICKORY ROAD 851110048	OWNER JOSE & LILIANA GOMEZ
Permit Name: **Description:**						
BP1601-015	1/22/2016	BURNPERMIT		FINALED	ALL LANDS WITHIN CITY LIMITS	P V I D P V I D
Permit Name: CANALS & DRAINS **Description:**						
BP1601-016	1/22/2016	BURNPERMIT		FINALED	1593 EAST HOBSONWAY 851110027	SHORTY COLE RIVERSIDE INVESTMENT
Permit Name: **Description:**						
BP1601-017	1/22/2016	BURNPERMIT		FINALED	200 BLOCK NORTH INTAKE BOULEV 857190038	SHORTY COLE MASHEIKHOFF & HAIEM ET AL
Permit Name: **Description:**						

City of Blythe
Permits Applications Received
For the Period 1/1/2016 thru 1/31/2016

Permit No.	Applied	Type	Subtype	Status	Site Address/Parcel No.	Applicant/Owner/Contractor
BP1601-018 **Permit Name:** AG BURN **Description:**	1/22/2016	BURNPERMIT		FINALED	ALL FIELDS IN CITY LIMITS	DIEGO LOUREIRO
BP1601-019 **Permit Name:** **Description:**	1/26/2016	BURNPERMIT		FINALED	2450 EAST HOBSONWAY 857160021	NORMAN FLAM IRALEX-BLYTHE INC
BP1601-020 **Permit Name:** AG BURN **Description:**	1/29/2016	BURNPERMIT		FINALED	2111 WEST SIXTH AVENUE 821180007	HUGH & GRETCHEN SCOTT HUGH & GRETCHEN SCOTT
BP1601-021 **Permit Name:** **Description:**	1/29/2016	BURNPERMIT		FINALED	2047 AGATE TERRACE ROAD 857190012	OWNER MICHAEL & CINDY LANCE
BP1601-022 **Permit Name:** **Description:**	1/29/2016	BURNPERMIT		FINALED	100 BLOCK NORTH BIRCH STREET 851080007	MICHAEL ALLEN LANCE JOHN & JENNY CASTANIS
BP1601-023 **Permit Name:** AG BURN **Description:**	1/29/2016	BURNPERMIT		FINALED	1926 WEST HOBSONWAY 824200013	CODY MARTIN TRAVIS MACK MARTIN
BP1601-024 **Permit Name:** **Description:**	1/29/2016	BURNPERMIT		FINALED	1591 EAST FOURTEENTH AVENUE 854110023	OWNER KELLY & KENDALL THOMAS
BP1601-025 **Permit Name:** **Description:**	1/29/2016	BURNPERMIT		FINALED	970 NORTH INTAKE BOULEVARD 857130004	OSCAR A ALBA OMAR & LYDIA AGUILAROBLES

26 Permit Applications from 1/1/2016 Thru 1/31/2016

City of Blythe
Permits Applications Received
For the Period 1/1/2016 thru 1/31/2016

Permit No.	Applied	Type	Subtype	Status	Site Address/Parcel No.	Applicant/Owner/Contractor
L1601-001 **Permit Name:** **Description:**	1/7/2016	BUSINESSLICENSI		FINALED	801 EAST HOBSONWAY 851055019	801 EAST HOBSONWAY INC 801 EAST HOBSON WAY INC
L1601-002 **Permit Name:** **Description:**	1/7/2016	BUSINESSLICENSI		APPLIED	836 EAST HOBSONWAY 854020025	ANDREW LEWIS CONSTRUCTION BYB HOLDINGS LLC
L1601-003 **Permit Name:** **Description:**	1/13/2016	BUSINESSLICENSI		APPLIED	1847 EAST HOBSONWAY 851130029	LALOS RESTAURANT AMRUTBHAI & TARUNA BHAKTA

3 Permit Applications from 1/1/2016 Thru 1/31/2016

City of Blythe
Cases Opened (By Type)
For the Period 1/1/2016 thru 1/31/2016

Type of Case	Number opened
BLDG	7
COMPLAINT	4
DEBRIS	1
DUMPING	1
FIRE	0
HAZMAT	1
SHOPPING CARTS	0
SIDEWALK	0
TRASH	0
VERMIN	0
WATER	0
WEED	3
WITNESS IN FIELD	0
ZONING	3

Total Cases Opened: 20

Cases Closed in January: 17

Total Cases Still Active: 252

CITY OF BLYTHE FIRE DEPARTMENT
MONTHLY INCIDENT AND ACTIVITY REPORT
JANUARY 2016

Incident	Total
Public Assist / Rescue / Medical Aid	17
Structure	1
Brush, Grass, Leaves	4
Trash, Rubbish, Dumpster	4
Fire Alarms	3
Other	4
Total # of Incidents	**33**

Activity	
Drills	3
Total Activities	**3**

Respectfully Submitted

Billy Kem, Fire Chief

CITY OF BLYTHE
CITY COUNCIL MEETING

STAFF REPORT

MEETING DATE: February 9, 2016

SUBJECT: Investment Report for Second Quarter (Fiscal Year 2015/16) December 31, 2015

PRESENTED BY: Christa Elms, City Treasurer

PREPARED BY: Christa Elms, City Treasurer

RECOMMENDATION: City Council accepts and files the Quarterly Investment Report.

FISCAL IMPACT: None

STAFF REPORT: The City of Blythe has for many years invested all excess cash (cash not needed for daily operations) for all City funds and the Successor Agency with the California State Local Agency Investment Fund (LAIF). LAIF offers the City and the Agency liquidity and safety. There are more profitable investment instruments on the market, but risk increases with yield.

ATTACHMENTS: Attached for your review are copies of the following:

City of Blythe

Quarter-end statements from LAIF
Quarter-end statement for General Checking Account

Successor Agency

Quarter-end statements from LAIF
Quarter-end statement for the Agency Checking Account
Quarter-end statements from US Bank

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp
January 08, 2016

CITY OF BLYTHE

TREASURER
235 NORTH BROADWAY
BLYTHE, CA 92225

PMIA Average Monthly Yields

Account Number:

Tran Type Definitions

December 2015 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	2,006,563.03
Total Withdrawal:	0.00	Ending Balance:	2,006,563.03

UnionBank

STATEMENT OF ACCOUNTS

CITY OF BLYTHE
Statement Number:
12/01/15 - 12/31/15

UNION BANK
GOVERNMENT SERVICES- SOUTH 0274
POST OFFICE BOX 513840
LOS ANGELES CA 90051-3840

Customer Inquiries
800-798-6466

Thank you for banking with us since 1967

CITY OF BLYTHE
GENERAL ACCOUNT
235 N BROADWAY
BLYTHE CA 92225

■ *Conveniently access account information and key online services with the Mobile Business Center from Union Bank. Go to m.unionbank.com on your smartphone to check balances, initiate transfers, and approve wires securely. You can also manage stops and returns as well as view and make decisions on Positive Pay exceptions. To learn more, call your treasury relationship manager or contact Treasury Management Sales at 800-883-0285.*

Public Fund Checking Summary

Account Number:

Days in statement period: Days in statement period: 31

Balance on 12/ 1	**$**	**1,221,488.98**
Total Credits		**1,448,191.94**
Deposits (28)	148,673.14	
Electronic credits (36)	212,127.47	
Other credits (30)	1,087,391.33	
Total Debits		**-1,485,324.10**
Electronic debits (7)	-108,309.67	
ZBA debits (43)	-1,376,979.43	
Other debits (1)	-35.00	
Balance on 12/31	**$**	**1,184,356.82**

CREDITS

Deposits *including check and cash credits*

Date	Description/Location	Reference		Amount
12/1	CCV DEPOSIT SEQ# 1201KA0570 A-0000000000S	90221951	$	1,498.53
12/1	CCV DEPOSIT SEQ# 1201KA0540 A-0000000000S	90221948		1,771.72
12/1	CCV DEPOSIT SEQ# 1201KA0650 A-0000000000S	90221958		2,221.02
12/1	OFFICE DEPOSIT # 0000131341	77810806		357.00
12/4	OFFICE DEPOSIT # 0000131344	77074568		119.00
12/8	CCV DEPOSIT SEQ# 1208JB2990 A-0000000000S	90221799		3,622.68
12/8	CCV DEPOSIT SEQ# 1208JB2970 A-0000000000S	90221797		4,425.78
12/8	CCV DEPOSIT SEQ# 1208JB2730 A-0000000000S	90221773		4,768.43
12/8	CCV DEPOSIT SEQ# 1208JB2980 A-0000000000S	90221798		5,863.24
12/8	OFFICE DEPOSIT # 0000131346	77259267		119.00
12/11	OFFICE DEPOSIT # 0000131347	77412644		265.00
12/15	CCV DEPOSIT SEQ# 1215JL0410 A-0000000001S	90221681		1,197.50
12/15	CCV DEPOSIT SEQ# 1215JL0720 A-0000000000S	90221712		8,903.53
12/15	CCV DEPOSIT SEQ# 1215JL0430 A-0000000000S	90221683		9,768.38
12/15	CCV DEPOSIT SEQ# 1215JL0930 A-0000000000S	90221730		10,388.51
12/15	CCV DEPOSIT SEQ# 1215JL0940 A-0000000000S	90221731		18,387.72
12/15	CARRIER DEPOSIT	45657875		8,434.98

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp
January 08, 2016

S/A CITY OF BLYTHE FOR BLYTHE
REDEVELOPMENT AGENCY
FINANCE OFFICER
235 NORTH BROADWAY
BLYTHE, CA 92225

PMIA Average Monthly Yields

Account Number:

Tran Type Definitions

December 2015 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	1.39
Total Withdrawal:	0.00	Ending Balance:	1.39

Rabobank

Rabobank, N.A.
P.O. Box 6010
Santa Maria, CA 93456

Account Number:
Last Statement: November 30, 2015
This Statement: December 31, 2015
Total days in statement period: 31

Direct inquiries to: 800-942-6222

RABOBANK
149 E HOBSONWAY
BLYTHE CA 92225

RETURN SERVICE REQUESTED

CITY OF BLYTHE
SUCCESSOR AGENCY TO THE
BLYTHE REDEVELOPMENT AGENCY
235 N BROADWAY
BLYTHE CA 92225-1609

The upgrade of our existing commercial online banking to the new Rabo Commercial Banking system is coming in March 2016.
We're investing in a more robust and user-friendly design to better serve you.
You'll also enjoy a seamless connection to other Rabobank receivable, payment and reconciliation tools.
Vist rabobankamerica.com/rcb today for more details on the conversion to the new platform.

Public Interest Checking

Account number		**Beginning balance**	**$26,982.23**
Avg collected balance	$26,982.00	Total additions	$0.46
Interest paid year to date	$159.28	Total subtractions	$0.00
		Ending balance	**$26,982.69**

CREDITS

Date	Description	Additions
12-31	INTEREST CREDIT	0.46

DAILY BALANCES

Date	Amount	Date	Amount	Date	Amount
11-30	26,982.23	12-31	26,982.69		

INTEREST INFORMATION

Annual percentage yield earned	0.02%
Interest-bearing days	31
Average balance for APY	$26,982.23
Interest earned	$0.46

Interest for 2015 to be reported to the Internal Revenue Service on your tax return is $159.28.

OVERDRAFT/RETURN ITEM FEES

	Total for this period	Total year-to-date
Total overdraft fees	$0.00	$0.00
Total returned item fees	$0.00	$0.00

Thank you for banking with Rabobank

ACCOUNT NUMBER:
SUCCESSOR AGENCY TO THE BLYTHE REDEVELOPMENTAGENCY CUSTODY ACCOUNT

This statement is for the period from December 1, 2015 to December 31, 2015

ASSET DETAIL AS OF 12/31/15

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	% of Total Yield at Market	Est Ann Inc
Cash Equivalents					
196,558.680	First Amer Treas Oblig Fd Cl D 31846V302	196,558.68 1.0000	196,558.68 1.00	6.8 .00 **	0.00
Total Cash Equivalents		$196,558.68	$196,558.68	6.9	
Municipal Issues					
2,500,000.000	Maryland ST ST Loc Facs Ln 2Nd Ser 5.000 08/01/2016 *574192ZV5* Standard & Poors Rating: AAA Moodys Rating: AAA	2,567,900.00 102.7160	2,738,225.00 109.53	90.1 4.87	125,000.00
85,000.000	Illinois ST Fsa Cr 5.000 04/01/2019 *4521514Q3* Standard & Poors Rating: AA Moodys Rating: A2	89,083.40 104.8040	94,350.00 111.00	3.1 4.77	4,250.00
Total Municipal Issues		$2,656,983.40	$2,832,575.00	93.1	$129,250.00
Total Assets		$2,853,542.08	$3,029,133.68	100.0	$129,250.00

ASSET DETAIL MESSAGES

Time of trade execution and trading party (if not disclosed) will be provided upon request.

Publicly traded assets are valued in accordance with market quotations or valuation methodologies from financial industry services believed by us to be reliable. Assets that are not publicly traded may be reflected at values from other external sources. Assets for which a current value is not available may be reflected at a previous value or as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could be bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.

For further information, please contact your Analyst.

** The Yield at Market set forth in this statement for any money market fund is based on the interest rate applicable to that money market fund as of the last business day of the statement period only and may not be relied upon as (i) a yield estimate for the statement period as a whole, or (ii) a guarantee of future performance.

CITY OF BLYTHE
CITY COUNCIL MEETING

STAFF REPORT

MEETING DATE: February 9, 2016

SUBJECT: Acceptance of Land Offered for Dedication and Abandonment of Existing Easement

PRESENTED BY: Barbara Burrow, Planner

PREPARED BY: Barbara Burrow, Planner

RECOMMENDATION: It is recommended that the City Council adopt Resolution No. 2016-001 to accept land offered for dedication for purpose of operation of existing water well facilities; abandon existing ingress, egress and installation of public utilities easement; and, finding both actions are in conformance with the City of Blythe 2025 General Plan.

FISCAL IMPACT: There is no fiscal impact incurred.

BACKGROUND: Tentative Tract Map No. 30620 (Ranchette Estates Development) was approved, with conditions, by City Council on August 13, 2002. The Tentative Tract Map proposed to allow the applicant (David Shepardson) ability to divide one (1) 29.69± (gross) acre parcel into twenty (20) separate residential parcels. On September 28, 2004, City Council took action approving the recordation of Final Tract Map No. 30620. Said Map was duly recorded by the County Assessor-Clerk-Recorder on December 30, 2004.

STAFF REPORT: It has come to staff's attention that there has been an oversight in the documentation process associated with the above subject Tract Map. At the time the title page of the recorded map was executed, the "City Clerk's Statement" inadvertently failed to reflect acceptance of land offered for dedication. The "Owner's Statement" clearly offers for dedication designated Lots "C' and "D" "to the City of Blythe for operation of existing water well facilities" (see attached Exhibit 1). Although the City Clerk's Statement does indicate acceptance of Lots "A" and "B" for public street and utility purposes, Lots "C" and "D" as offered were not included. As a means to properly transfer title of Lots "C" and "D" to the City of Blythe, acceptance of the dedication must be accomplished.

The property owner has additionally submitted a separate offer of Assessor's Parcel No. 857-221-009 for dedication to the City for operation of existing water well facilities (see attached Exhibit 2). Said parcel is sited to the east of existing Water Well #19 and proposes to serve its ancillary use (see attached Exhibit 3).

A related house keeping measure includes that Council take action to abandon the existing 50' utility easement no longer needed for use. Prior to recordation of the subject Tract Map, an easement for ingress, egress and public utilities was recorded to facilitate the existing

Water Treatment Plant. By virtue of the recordation of Tract Map No. 30620 and the associated dedication of street right-of-way, the easement may be abandoned.

EXHIBITS:

1. Tract No. 30620 (Sheets 1 thru 3)
2. Offer of Dedication Letter Dated January 28, 2016
3. Assessor's Parcel Map No. 857-221-009
4. Resolution No. 2016-001

EXHIBIT 1

2004-1037304
Original

372/7

IN THE CITY OF BLYTHE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

TRACT NO. 30620

BEING A SUBDIVISION OF A PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 28, TOWNSHIP 6 SOUTH, RANGE 23 EAST, SAN BERNARDINO BASE AND MERIDIAN AS SHOWN BY "SECOND MAP SHOWING 40 ACRE SUBDIVISION OF PORTION OF LANDS OF PALO VERDE LAND AND WATER COMPANY" ON FILE IN BOOK 6 PAGE 59 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

THE HOLT GROUP INC.

MARCH, 2004

SHEET 1 OF 3 SHEETS

OWNER'S STATEMENT

WE HEREBY STATE THAT I AM/WE ARE THE OWNERS OF THE LAND INCLUDED WITHIN THE SUBDIVISION SHOWN HEREON; THAT I AM/WE ARE THE ONLY PERSON(S) WHOSE CONSENT IS NECESSARY TO PASS CLEAR TITLE TO SAID LAND; THAT WE CONSENT TO THE RECORDING OF THIS SUBDIVISION MAP AS SHOWN WITHIN THE DISTINCTIVE BORDER LINE.

WE HEREBY DEDICATE TO THE CITY OF BLYTHE LOT "A" TO PUBLIC USE FOR STREET AND PUBLIC UTILITY PURPOSES AS SHOWN HEREON IN SUBSTITUTION OF THE EXISTING 50.00 FOOT WIDE EASEMENT FOR INGRESS AND EGRESS AND FOR INSTALLATION PUBLIC UTILITIES OWNED BY THE CITY OF BLYTHE, WE ALSO DEDICATE LOT "B" TO PUBLIC USE FOR STREET PURPOSES AS SHOWN HEREON AND LOTS "C" AND "D" TO THE CITY OF BLYTHE FOR OPERATION OF EXISTING WATER WELL FACILITIES.

RANCHETTE ESTATES, LLC

BY: DAVID SHEPARDSON, TRUSTEE OF THE DAVID E. SHEPARDSON AND RUTH SHEPARDSON FAMILY TRUST, DATED FEBRUARY 8, 1993

NOTARY ACKNOWLEDGEMENT

STATE OF CALIFORNIA }
COUNTY OF RIVERSIDE } SS:

ON Dec 28, 2004, BEFORE ME, TONIA GRIBBS Notary Public, PERSONALLY APPEARED DAVID SHEPARDSON

PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME IN HIS SIGNATURE ON THE INSTRUMENT THE PERSON OR THE ENTITY UPON BEHALF OF WHICH THE PERSON ACTED, EXECUTED THE INSTRUMENT.

WITNESS MY HAND AND OFFICIAL SEAL.

MY COMMISSION EXPIRES: Aug 5, 2005

MY PRINCIPAL PLACE OF BUSINESS IS IN RIVERSIDE COUNTY.

BY:

TONIA GRIBBS
Commission # 1316888
Notary Public - California
Riverside County
My Comm. Expires Aug 5, 2005

TRUSTEE'S STATEMENT

FIRST AMERICAN TITLE COMPANY, A CALIFORNIA CORPORATION AS TRUSTEE UNDER DEED OF TRUST RECORDED DECEMBER 13, 2004 AS INSTRUMENT NO. 2004-0987192 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

BY: Tom Roberts

TITLE: Asst.-Vice President

NOTARY ACKNOWLEDGEMENT

STATE OF CALIFORNIA }
COUNTY OF Riverside } SS:

ON December 30, 2004 BEFORE ME, Debra K. Dunn, PERSONALLY APPEARED Tom Roberts

PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME IN HIS SIGNATURE ON THE INSTRUMENT THE PERSON OR THE ENTITY UPON BEHALF OF WHICH THE PERSON ACTED, EXECUTED THE INSTRUMENT.

WITNESS MY HAND AND OFFICIAL SEAL.

MY COMMISSION EXPIRES: September 9, 2007

MY PRINCIPAL PLACE OF BUSINESS IS IN Riverside COUNTY.

BY: Debra K. Dunn

TAX COLLECTOR'S CERTIFICATE

I HEREBY CERTIFY THAT ACCORDING TO THE RECORDS OF THIS OFFICE AS OF THIS DATE, THERE ARE NO LIENS AGAINST THE PROPERTY SHOWN ON THE WITHIN MAP FOR UNPAID STATE, COUNTY, MUNICIPAL OR LOCAL TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES. ~~EXCEPT TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES NOW A LIEN BUT NOT YET PAYABLE WHICH ARE ESTIMATED TO BE $_____~~

DATED: 12/30, 2004

PAUL McDONNEL, COUNTY TAX COLLECTOR

DEPUTY

TAX BOND CERTIFICATE

~~I HEREBY CERTIFY THAT A BOND IN THE SUM OF $_____ HAS BEEN EXECUTED AND FILED WITH THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, CALIFORNIA, CONDITIONED UPON THE PAYMENT OF ALL TAXES, STATE, COUNTY, MUNICIPAL, OR LOCAL, AND ALL SPECIAL ASSESSMENTS COLLECTED AS TAXES, WHICH AT THE TIME OF FILING OF THIS MAP WITH THE COUNTY RECORDER ARE A LIEN AGAINST SAID PROPERTY BUT NOT YET PAYABLE AND SAID BOND HAS BEEN DULY APPROVED BY SAID BOARD OF SUPERVISORS.~~

~~DATED: _____, 20__~~

~~NANCY ROMERO
CLERK OF THE BOARD
OF SUPERVISORS~~

~~BY: _____
DEPUTY~~

~~CASH TAX BOND~~

~~PAUL McDONNEL
COUNTY TAX COLLECTOR~~

~~BY: _____
DEPUTY~~

ENGINEER'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF DAVID E. SHEPARDSON, DURING APRIL 2002. I HEREBY STATE THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP, THAT THE MONUMENTS SHOWN HEREON ACTUALLY EXIST AND THEIR POSITIONS ARE CORRECTLY SHOWN, OR WILL BE IN ACCORDANCE WITH THE TERMS OF THE MONUMENT AGREEMENT FOR THE MAP. THE MONUMENTS WILL BE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED. THE SURVEY IS TRUE AND COMPLETE AS SHOWN.

DATED: 12/28, 2004

BY:

ROBERT K. HOLT
R.C.E. NO. 27943
EXPIRES 3/31/06

ROBERT K. HOLT
No. 27943
Exp. 3-31-06
STATE OF CALIFORNIA

CITY SURVEYOR'S STATEMENT

THIS MAP CONFORMS WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCES. I HEREBY STATE THAT THIS MAP HAS BEEN EXAMINED BY ME OR UNDER MY DIRECTION AND FOUND TO BE SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP OF TRACT MAP NO. 30620 AS FILED, AMENDED, AND APPROVED BY THE CITY COUNCIL ON AUGUST 13, 2002 THE EXPIRATION DATE BEING AUGUST 13, 2004, AND THAT I AM SATISFIED THAT THIS MAP IS TECHNICALLY CORRECT.

DATED: 12-29, 2004 BY:

NOEL OWSLEY
L.S. 6972
EXPIRES 9/30/05

NOEL OWSLEY
Expires 9-30-05
No. L.S. 6972
STATE OF CALIFORNIA

RECORDER'S STATEMENT

FILED THIS 30 DAY OF DEC, 2004 AT 8:00 M. IN BOOK 372 OF MAPS, AT PAGES 7-9 AT THE REQUEST OF THE CITY CLERK.

No. 2004-1037304

GARY L. ORSO, COUNTY ASSESSOR-CLERK-RECORDER

BY: _____
DEPUTY

SUBDIVISION GUARANTEE:
FIRST AMERICAN TITLE CO.

DIRECTOR OF DEVELOPMENT SERVICES' STATEMENT

I HAVE EXAMINED THIS MAP AND FOUND THAT IT IS IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT, LOCAL ORDINANCES AND CITY COUNCIL CONDITIONS OF APPROVAL ESTABLISHED AT THE CITY COUNCIL MEETING OF AUGUST 13, 2002.

DATED: 12/28, 2004.

JENNIFER WELLMAN
PLANNING DIRECTOR

CITY CLERK'S STATEMENT

I, VIRGINIA RIVERA, CLERK OF THE CITY COUNCIL OF THE CITY OF BLYTHE, STATE OF CALIFORNIA, HEREBY STATE THAT SAID CITY COUNCIL AT ITS REGULAR MEETING HELD ON THE 23RD DAY OF MARCH OF 2004 DULY APPROVED TRACT NO. 30620 AND ACCEPTED ON BEHALF OF THE PUBLIC FOR STREET AND PUBLIC UTILITY PURPOSES LOT "A" AND LOT "B" AS HEREIN SHOWN.

DATED: 12/28, 2004

VIRGINIA RIVERA, CITY CLERK

SIGNATURE OMISSION STATEMENT

PURSUANT TO SECTION 66436 (a)(3)(A)(i) OF THE SUBDIVISION MAP ACT, THE SIGNATURES OF THE FOLLOWING HOLDERS OF EASEMENTS AND/OR OTHER INTERESTS HAVE BEEN OMITTED AS THEIR INTEREST CANNOT RIPEN INTO A FEE.

PALO VERDE MUTUAL WATER COMPANY – THE RIGHT TO CONSTRUCT, MAINTAIN AND OPERATE TELEPHONE LINES AND IRRIGATION DITCHES, CANALS, LATERALS, WATER-WEIRS, FLUMES, PIPE LINES, MAINTAIN LATERALS AND ALL THINGS NECESSARY TO MAINTAIN AND OPERATE AN IRRIGATION SYSTEM ON, OVER AND ACROSS ANY PORTION OF THE HEREIN DESCRIBED PROPERTY AS SET FORTH IN DEED RECORDED AUGUST 18, 1908 IN BOOK 265 PAGE 285 OF DEEDS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

THE NEVADA-CALIFORNIA ELECTRIC CORPORATION – AN EASEMENT FOR UTILITIES AND INCIDENTAL PURPOSES, RECORDED MARCH 2, 1937 IN BOOK 315 PAGE 211 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY.

CALIFORNIA ELECTRIC POWER COMPANY – AN EASEMENT FOR UTILITIES AND INCIDENTAL PURPOSES, RECORDED OCTOBER 26, 1945 IN BOOK 704 PAGE 256 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY.

HAZEL A. WELLS, A WIDOW. – AN EASEMENT FOR IRRIGATION DITCHES AND INCIDENTAL PURPOSES, RECORDED DECEMBER 13, 1991 AS INSTRUMENT NO. 432158 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY.

AN EASEMENT FOR INGRESS, EGRESS AND FOR INSTALLATION OF PUBLIC UTILITIES AND INCIDENTAL PURPOSES IN THE DOCUMENT RECORDED JANUARY 17, 2002 AS INSTRUMENT NO. 02-29068 OF OFFICIAL RECORDS.

2004-1037304
Original

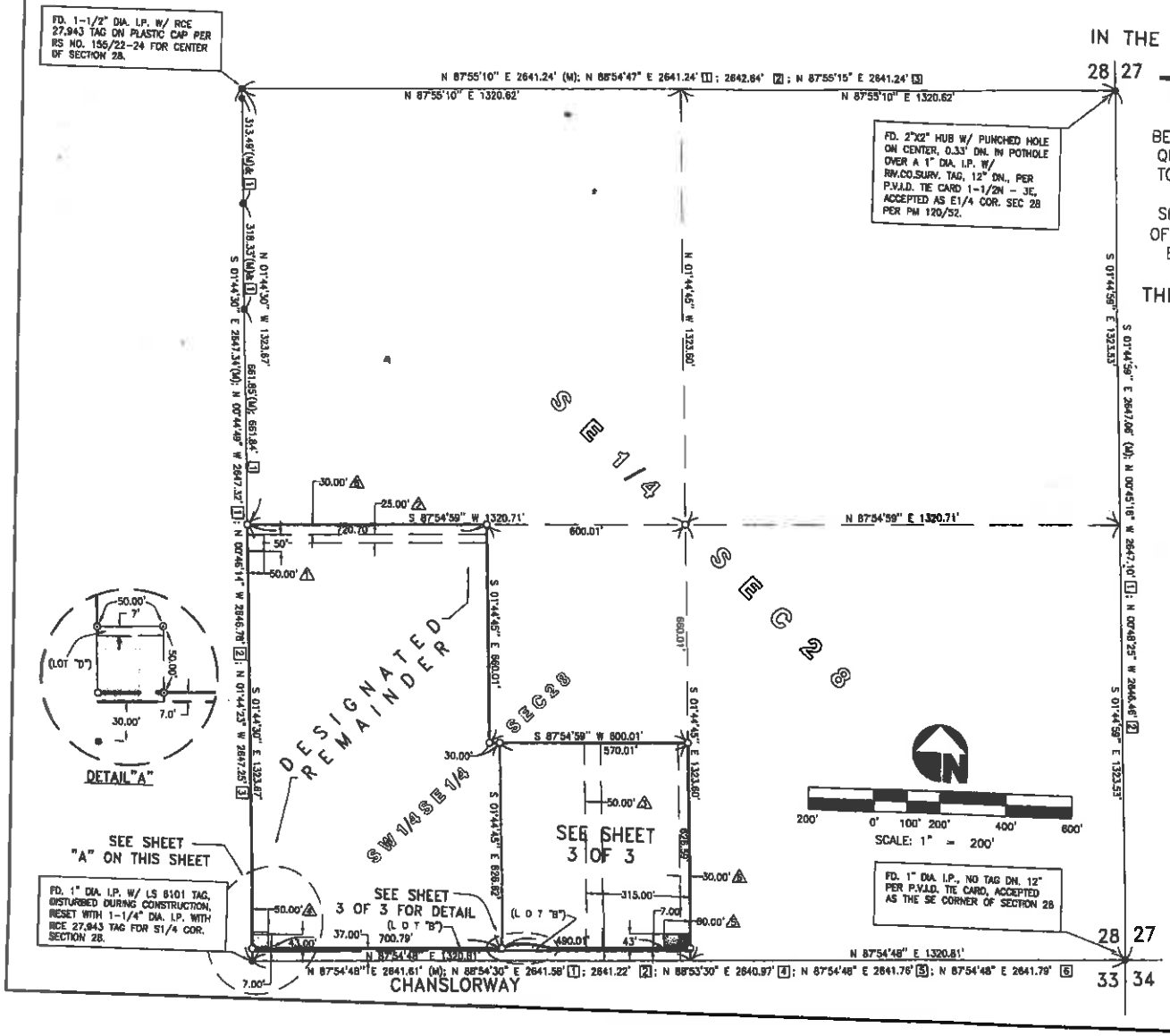
SHEET 2 OF 3 SHEETS

IN THE CITY OF BLYTHE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

TRACT NO. 30620

BEING A SUBDIVISION OF A PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 28, TOWNSHIP 6 SOUTH, RANGE 23 EAST, SAN BERNARDINO BASE AND MERIDIAN AS SHOWN BY "SECOND MAP SHOWING 40 ACRE SUBDIVISION OF PORTION OF LANDS OF PALO VERDE LAND AND WATER COMPANY" ON FILE IN BOOK 6 PAGE 59 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

THE HOLT GROUP INC. MARCH, 2004



LEGEND

- ● FD. 1-1/2" DIA. I.P. W/ RCE 27,943 TAG ON PLASTIC CAP PER RS NO. 115/22-24, UNLESS NOTED OTHERWISE.
- ○ SET 1-1/4" DIA. I.P. WITH RCE 27,943 TAG
- ⊗ SET #4 REBAR WITH RCE 27,943 PLASTIC CAP X 18 INCHES LONG.
- [1] INDICATES RECORD DATA PER RS NO. 115/22-24
- [2] INDICATES RECORD DATA PER RS NO. 42/53
- [3] INDICATES RECORD DATA PER PM 120/52
- [4] INDICATES RECORD DATA PER RS NO. 36/81
- [5] INDICATES RECORD DATA PER PM 156/46-47
- [6] INDICATES RECORD DATA PER PM 103/66
- △1 LAND OWNED BY THE CITY OF BLYTHE, CALIFORNIA ACCORDING TO GRANT DEED DOCUMENT RECORDED AS INSTRUMENT NO. 2002-029068 AND DATED 01-17-2002, OFFICIAL RECORDS OF RIVERSIDE COUNTY.
- △2 AN EASEMENT FOR INGRESS AND EGRESS AND FOR INSTALLATION OF PUBLIC UTILITIES OWNED BY THE CITY OF BLYTHE, CALIFORNIA ACCORDING TO GRANT DEED DOCUMENT RECORDED AS INSTRUMENT NO. 2002-029068 AND DATED 01-17-2002, OFFICIAL RECORDS OF RIVERSIDE COUNTY.
- △3 AN EASEMENT FOR INGRESS AND EGRESS AND FOR INSTALLATION OF PUBLIC UTILITIES OWNED BY THE CITY OF BLYTHE, CALIFORNIA ACCORDING TO GRANT DEED DOCUMENT RECORDED AS INSTRUMENT NO. 2002-029068 AND DATED 01-17-2002, OFFICIAL RECORDS OF RIVERSIDE COUNTY.
- △4 LAND OWNED BY THE CITY OF BLYTHE, CALIFORNIA ACCORDING TO GRANT DEED DOCUMENT RECORDED AS INSTRUMENT NO. 2002-029068 AND DATED 01-17-2002, OFFICIAL RECORDS OF RIVERSIDE COUNTY.
- △5 LAND OWNED BY THE CITY OF BLYTHE, CALIFORNIA ACCORDING TO GRANT DEED DOCUMENT RECORDED AS INSTRUMENT NO. 2002-029068 AND DATED 01-17-2002, OFFICIAL RECORDS OF RIVERSIDE COUNTY.
- △6 AN EASEMENT FOR UTILITIES AND INCIDENTAL PURPOSES, RECORDED MARCH 2, 1937 IN BOOK 315 PAGE 211 OF OFFICIAL RECORDS. GRANTED TO: THE NEVADA-CALIFORNIA ELECTRIC CORPORATION

BASIS OF BEARINGS:

THE BEARING OF THE STREET CENTERLINE OF CHANSLORWAY, THIS BEING NORTH 87°54'48" EAST AS SHOWN ON PARCEL MAP NO. 24279, PM 155/46-47.

THIS TRACT CONTAINS 19 NUMBERED LOTS, AND 2 LETTER LABELED LOTS, 8.12 ACRES GROSS

2004-1037304
Ocis/129/
372
9

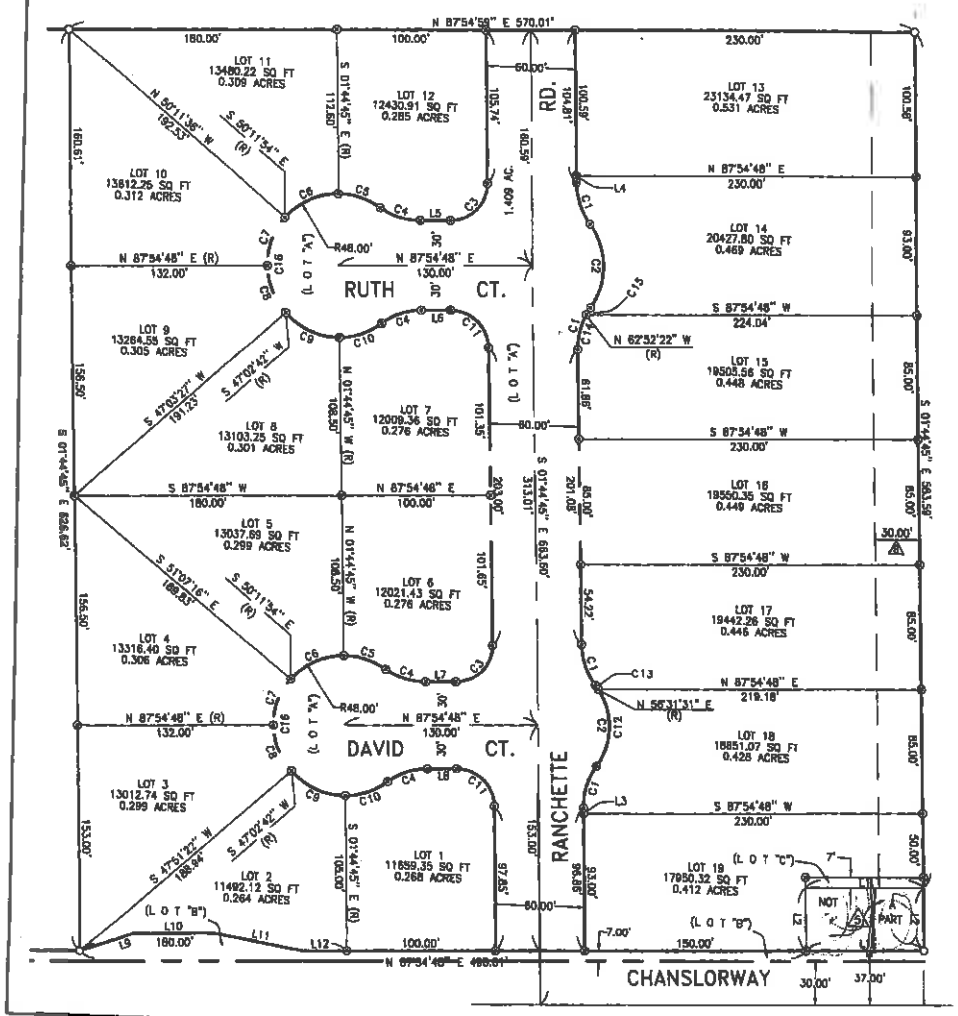
SHEET 3 OF 3 SHEETS

IN THE CITY OF BLYTHE, COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA

TRACT NO. 30620

BEING A SUBDIVISION OF A PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 28, TOWNSHIP 6 SOUTH, RANGE 23 EAST, SAN BERNARDINO BASE AND MERIDIAN AS SHOWN BY "SECOND MAP SHOWING 40 ACRE SUBDIVISION OF PORTION OF LANDS OF PALO VERDE LAND AND WATER COMPANY" ON FILE IN BOOK 6 PAGE 59 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

THE HOLT GROUP INC. MARCH, 2004



BASIS OF BEARINGS:

THE BEARING OF THE STREET CENTERLINE OF CHANSLORWAY, THIS BEING NORTH 87°54'48" EAST AS SHOWN ON PARCEL MAP NO. 24278, PM 155/46-47.

LEGEND

- FD. 1-1/2" DIA. I.P. W/ RCE 27,943 TAG ON PLASTIC CAP PER RS NO. 115/22-24, UNLESS NOTED OTHERWISE.
- SET 1-1/4" DIA. I.P. WITH RCE 27,943 TAG
- SET #4 REBAR WITH RCE 27,943 PLASTIC CAP X 18 INCHES LONG.
- 1 INDICATES RECORD DATA PER RS NO. 115/22-24
- 2 INDICATES RECORD DATA PER RS NO. 42/53
- 3 INDICATES RECORD DATA PER PM 120/52
- 4 INDICATES RECORD DATA PER RS NO. 38/81
- 5 INDICATES RECORD DATA PER PM 155/46-47
- 6 INDICATES RECORD DATA PER PM 103/88
- A LAND OWNED BY THE CITY OF BLYTHE, CALIFORNIA ACCORDING TO GRANT DEED DOCUMENT RECORDED AS INSTRUMENT NO. 2002-029088 AND DATED 01-17-2002, OFFICIAL RECORDS OF RIVERSIDE COUNTY.
- A AN EASEMENT FOR INGRESS AND EGRESS AND FOR INSTALLATION OF PUBLIC UTILITIES OWNED BY THE CITY OF BLYTHE, CALIFORNIA ACCORDING TO GRANT DEED DOCUMENT RECORDED AS INSTRUMENT NO. 2002-029088 AND DATED 01-17-2002, OFFICIAL RECORDS OF RIVERSIDE COUNTY.
- A AN EASEMENT FOR INGRESS AND EGRESS AND FOR INSTALLATION OF PUBLIC UTILITIES OWNED BY THE CITY OF BLYTHE, CALIFORNIA ACCORDING TO GRANT DEED DOCUMENT RECORDED AS INSTRUMENT NO. 2002-029088 AND DATED 01-17-2002, OFFICIAL RECORDS OF RIVERSIDE COUNTY.
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- A LAND OWNED BY THE CITY OF BLYTHE, CALIFORNIA ACCORDING TO GRANT DEED DOCUMENT RECORDED AS INSTRUMENT NO. 2002-029088 AND DATED 01-17-2002, OFFICIAL RECORDS OF RIVERSIDE COUNTY.
- A AN EASEMENT FOR UTILITIES AND INCIDENTAL PURPOSES, RECORDED MARCH 2, 1937 IN BOOK 315 PAGE 211 OF OFFICIAL RECORDS. GRANTED TO: THE NEVADA-CALIFORNIA ELECTRIC CORPORATION

LINE DATA TABLE

NUMBER	DIRECTION	DISTANCE
L1	N 87°54'48" E	80.00'
L2	N 01°44'45" W	43.00'
L3	S 01°44'45" E	3.86'
L4	N 01°44'45" W	4.22'
L5	N 87°54'48" E	20.34'
L6	S 87°54'48" W	19.68'
L7	N 87°54'48" E	20.34'
L8	S 87°54'48" W	19.68'
L9	S 89°36'11" W	38.20'
L10	N 87°54'48" E	54.61'
L11	N 80°48'36" W	61.19'
L12	N 87°54'48" E	29.13'

CURVE DATA TABLE

NUMBER	DELTA	TANGENT	RADIUS	LENGTH
C1	35°39'33"	15.44	48.00	29.87
C2	71°19'05"	34.44	48.00	59.75
C3	89°39'33"	24.85	25.00	39.12
C4	36°14'58"	14.73	45.00	28.47
C5	35°54'30"	15.55	48.00	30.06
C6	48°27'09"	21.80	48.00	40.59
C7	41°53'18"	18.37	48.00	35.09
C8	40°52'08"	17.86	48.00	34.24
C9	48°47'27"	21.77	48.00	40.87
C10	36°35'25"	15.67	48.00	30.65
C11	90°20'27"	25.15	25.00	39.42
C12	67°23'17"	32.00	48.00	56.48
C13	03°55'48"	1.85	48.00	3.29
C14	28°32'23"	12.36	48.00	24.19
C15	06°47'10"	2.85	48.00	5.69
C16	252°29'55"	-	48.00	211.53

N

50' 0' 25' 50' 100' 150'

SCALE: 1" = 50'

EXHIBIT 2

RANCHETTE ESTATES, LLC
10035 PROSPECT AVENUE, SUITE 101
SANTEE, CALIFORNIA 92071-4398

January 28, 2016

S.E.A. 216100-01

City of Blythe
235 N. Broadway
Blythe, CA 92225

ATTENTION: Mrs. Barbara Burrow, Director
Interim Development Services

SUBJECT: Offer to Dedicate
TAP 857221009-4

Dear Mrs. Burrow:

On behalf of the David E. Shepardson Estate, the subject parcel is offered for dedication to the City of Blythe for public use. The original intent of David E. Shepardson, my father, was that this parcel be dedicated to the City for public utility use.

As Trustee of the David E. Shepardson Estate, I ask that you prepare and record appropriate documents to transfer title of the subject parcel to the City of Blythe. By copy of the enclosed letter to Don Kent, Riverside County Treasurer, I can notify you that all property taxes that I am aware of have been paid in full for tax years 2015 and 2016.

Please do not hesitate to contact me if you have any questions.

Respectfully submitted,

DAVID E. SHEPARDSON ESTATE

Donald E. Shepardson, Trustee

Encl.

216100.01/City of Blythe letter.wpd

EXHIBIT 3

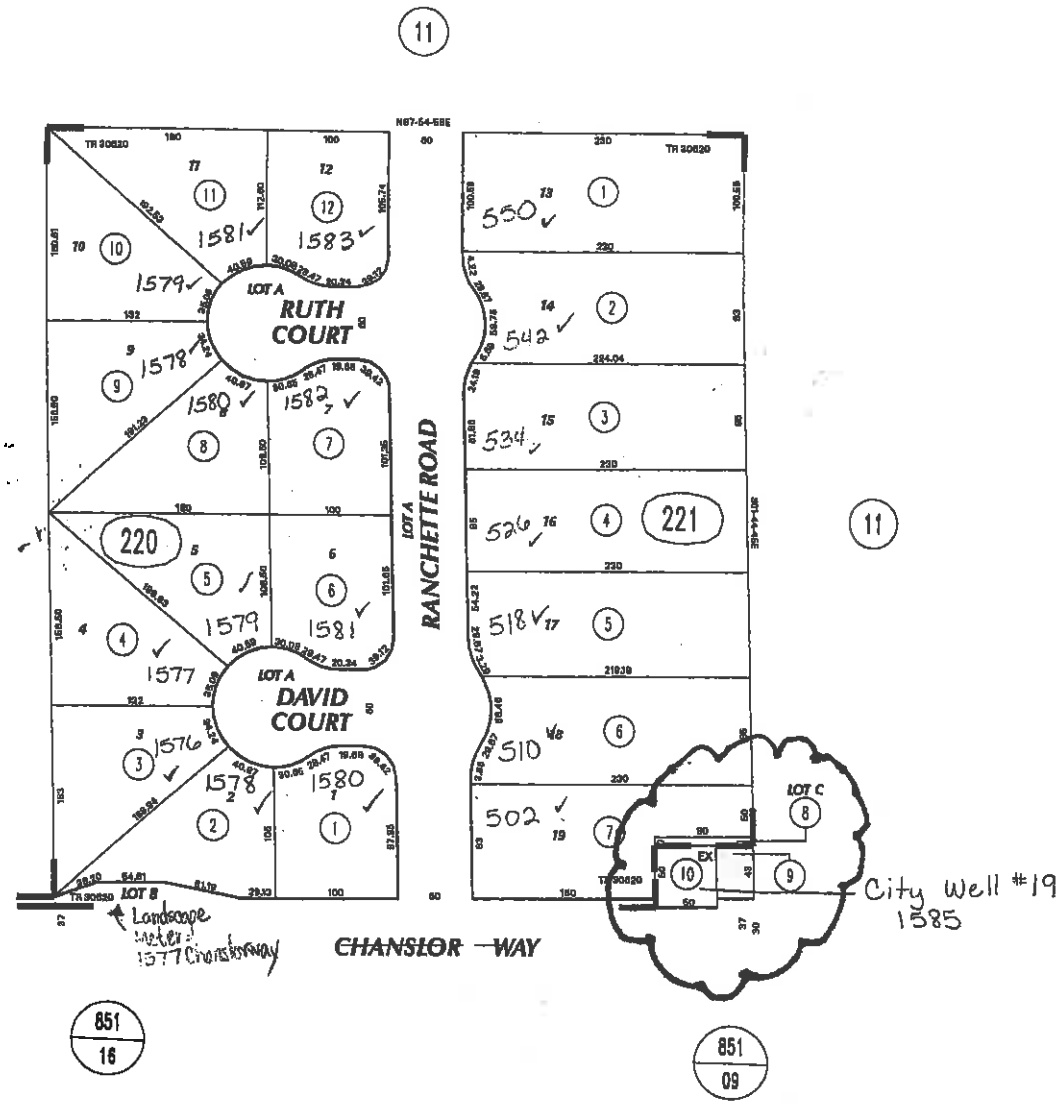
PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY
THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCEL
WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.

POR.SE 28 T.6S.,R.23
CITY OF BLYTHE

T.R.A. 003-040

857-22
857-11

1" = 100'
ANGLE = 0°



ASSESSOR'S MAP BK857 PG.22
Riverside County, Calif.

MB 372/7-9 TRACT MAP NO. 30620

Mar 2005

RESOLUTION NO. 2016-001

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA, DECLARING AN ORDER TO ACCEPT LAND OFFERED FOR DEDICATION FOR PURPOSE OF OPERATION OF EXISTING WATER WELL FACILITIES; ABANDON EXISTING INGRESS, EGRESS AND INSTALLATION OF PUBLIC UTILITIES EASEMENT; AND, FINDING BOTH ACTIONS ARE IN CONFORMANCE WITH THE CITY OF BLYTHE 2025 GENERAL PLAN.

WHEREAS, the City of Blythe 2025 General Plan was adopted March, 2007; and

WHEREAS, the California Government Code 65402, requires that the City of Blythe shall not acquire, use or dispose of any real property until the use of the property has been found in conformance with the City's General Plan by the planning agency; and

WHEREAS, subject lands offered by the titled owner for dedication include the following:

1. Assessor's Parcel Number 857-221-008, more particularly described as Lot "C" of Tract Map No. 30620 and consisting of .018± of an acre; and
2. Assessor's Parcel Number 857-110-010, more particularly described as Lot "D" of Tract Map No. 30620 and consisting of .011± of an acre; and
3. Assessor's Parcel Number 857-221-009 of Tract Map No. 30620 consisting of .029± of an acre.

WHEREAS, the proposed fifty (50) foot easement abandonment has been reviewed by the Engineering and Transportation Services Divisions and based on the existing land use, Instrument No. 2002-029068 dated 01-17-2002 is no longer required for ingress, egress and for installation of public utilities purposes; and

WHEREAS, the Blythe City Council, as planning agency for the City of Blythe, has reviewed the proposed dedication and abandonment.

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

SECTION 1. The City Council of the City of Blythe does hereby declare its order to accept subject lands offered for dedication for operation of existing water well facilities and order to cause title of ownership transferred to the City of Blythe for that depicted property set forth on attached Exhibits A and B.

SECTION 2. The City Council of the City of Blythe does hereby declare its order to abandon its interest in Grant Deed Document recorded as Instrument No. 2002-029068 Dated 01-17-2002.

SECTION 3. The City Council, as planning agency, hereby finds the proposed acceptance of dedicated land and abandonment of easement to be in conformance to the City of Blythe 2025 General Plan.

PASSED, APPROVED AND ADOPTED this 9th day of February, 2016

JOSEPH DECONINCK, MAYOR

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)
CITY OF BLYTHE)

I, MALLORY SUTTERFIELD, City Clerk of the City of Blythe, DO HEREBY CERTIFY that foregoing Resolution No. 2016-001 was duly passed and adopted by the City Council of the City of Blythe at a regular meeting held on the 9th day of February, 2016, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Blythe this 9th day of February, 2016.

MALLORY SUTTERFIELD, CITY CLERK

(SEAL)

MAP PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCEL MAY BE AFFECTED BY LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.

2005

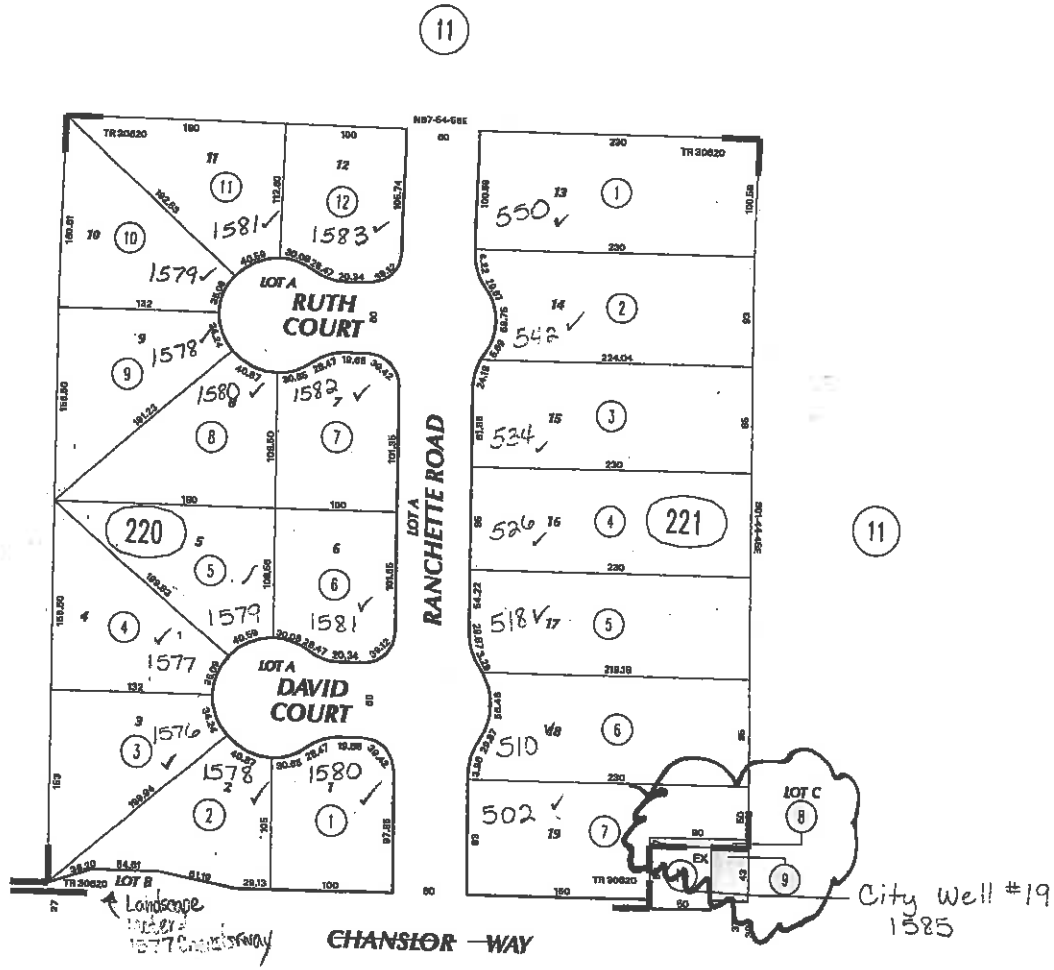
EXHIBIT A

POR.SE 28 T.6S.,R.23
CITY OF BLYTHE

T.R.A. 003-040

857-22
857-11

1" = 100'
ANGLE = 0



ASSESSOR'S MAP BK857 PG.22
Riverside County, Calif.

MB 372/7-9 TRACT MAP NO. 30620

Mar 2005

-202-

EXHIBIT B

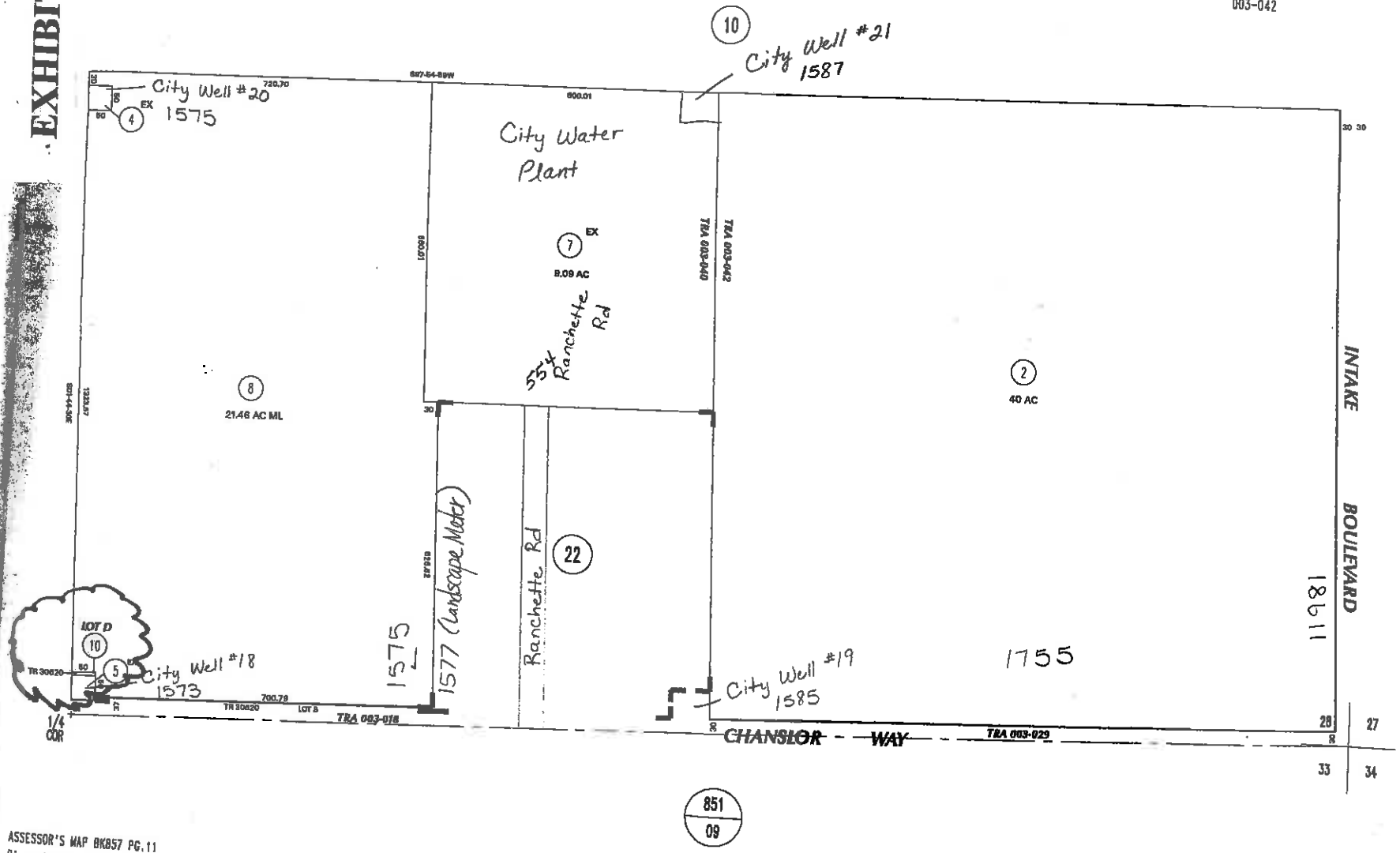
PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCEL WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.

SEC.28 33 T.6S.,R.23
CITY OF BLYTHE

T.R.A. 003-018
003-029
003-040
003-042

857-11
28-12

1" = 200'



ASSESSOR'S MAP BK857 PG.11
Riverside County, Calif.

MB 372/7-9 TRACT MAP NO. 30620

Mar 2005

DATE	OLD NUMBER	NEW NUMBER
07/04	1	3-7
03/05	3	8-10,P022
03/05	8	P022
03/05	9	P022

PUBLIC HEARING

CITY OF BLYTHE
CITY COUNCIL MEETING

STAFF REPORT

MEETING DATE: February 9, 2016

SUBJECT: Public Hearing for Consideration to Adopt Ordinance No.'s 874-16, 875-16, and 876-16 for Proposed Revised Water, Sewer, and Wastewater Rates.

PRESENTED BY: Christa Elms, Interim Finance Director

PREPARED BY: Christa Elms, Interim Finance Director

RECOMMENDATION: It is recommended that the City Council open the public hearing, further continue the hearing to February 12, 2016, at 6:00 pm, at which time the City Council will be asked to close the public hearing, and have the first reading of Ordinance No.'s 874-16, 875-16, and 876-16.

Ordinance 874-16	**AN ORDINANCE OF THE CITY OF BLYTHE ADOPTING A SCHEDULE OF WASTEWATER TREATMENT FEES**
Ordinance 875-16	**AN ORDINANCE OF THE CITY OF BLYTHE ADOPTING A SCHEDULE OF WATER SERVICE FEES**
Ordinance 876-16	**AN ORDINANCE OF THE CITY OF BLYTHE ADOPTING A SCHEDULE OF SEWER COLLECTION SERVICE FEES**

FISCAL IMPACT: None.

BACKGROUND: The City engaged with Willdan Financial Services to study the rates necessary to support the water, sewer, and wastewater operations and provide an analysis that could be utilized to evaluate the user charges. Willdan has since concluded their analysis and filed with the City of Blythe a report summarizing the findings. On December 8, 2015 during a regularly scheduled meeting Council adopted Resolution 2015-037 appointing a time and place for public hearing as required by Article XIII D, Section 6(a)(1) of the California Constitution and Government Code Section 61123(b), for proposed revised water, sewer, and wastewater rates.

STAFF REPORT: The City contracted with Willdan Financial Services (Rate Consultant) to conduct a comprehensive cost of service and rate study that could be utilized to evaluate the user charges. The overall purpose of the study was to perform cost of service analysis, make recommendations regarding water, sewer, and wastewater rate structures, and develop revenue requirements that provide adequate revenue in maintaining the Water and Sewer Enterprise Funds, while maintaining rates that are fair and equitable to the user.

On October 13, 2015 at regularly scheduled meeting the Rate Consultant presented the

findings of the analysis to the City Council at which time Council deemed it necessary to set time and date for public hearing. To proceed with the adoption of proposed revised water, sewer, and wastewater rates, the City Council must conduct the public hearing to hear all protests to the proposed fees. At the close of the public hearing, the City Council must determine whether written protests have been presented by a majority of owners. In the absence of a majority protest, the City Council may adopt Ordinance No.'s 874-16, 875-16, and 876-16, amending water, sewer, and wastewater rates as proposed in the attached.

Due to a discrepancy in the required noticing of the public hearing Staff recommends that the City Council open the public hearing, further continue the hearing to February 12, 2016, at 6:00 pm, at which time the City Council will be asked to close the public hearing, and have the first reading of Ordinance No.'s 874-16, 875-16, and 876-16.

ATTACHMENTS:

1. Ordinance 874-16
2. Ordinance 875-16
3. Ordinance 876-16

ORDINANCE NO. 874-16

AN ORDINANCE OF THE CITY OF BLYTHE ADOPTING A SCHEDULE OF WASTEWATER TREATMENT FEES

THE CITY COUNCIL OF THE CITY OF BLYTHE DOES ORDAIN AS FOLLOWS:

Section 1. The City Council of the City of Blythe hereby finds as follows:

A. The City Council is authorized pursuant to the California Health and Safety Code Section 5471 to prescribe, revise and collect rates and charges for services and facilities furnished by the City in connection with the City's wastewater treatment system.

B. The City Council wishes to adopt a schedule of wastewater treatment fees (the "Fee").

Section 2. A monthly Fee is imposed on each premise receiving wastewater treatment services. The monthly Fee is based on the use of the premise, as provided in the following table:

	Monthly Fee				
Use of Premises	**Effective March 1, 2016**	**Effective July 1, 2017**	**Effective July 1, 2018**	**Effective July 1, 2019**	**Effective July 1, 2020**
Residential - Per Unit	$ 31.19	$ 31.82	$ 32.46	$ 33.11	$ 33.78
Bars - each	135.39	138.10	140.87	143.69	146.57
Department/Retail Stores - each	76.87	78.41	79.98	81.58	83.22
Hospital/convalescent - each bed	22.20	22.65	23.11	23.58	24.06
Hotel/Motel - per room	6.28	6.41	6.54	6.68	6.82
Mortuary	245.35	250.26	255.27	260.38	265.59
Professional office - each	91.73	93.57	95.45	97.36	99.31
Service stations/Repair shops - each	73.90	75.38	76.89	78.43	80.00
Restaurants - capacity each	3.48	3.55	3.63	3.71	3.79
Ice Plants	36.21	36.94	37.68	38.44	39.21
Soft Water Service	449.94	458.94	468.12	477.49	487.04
Churches	27.90	28.46	29.03	29.62	30.22
Recreation Facility	91.73	93.57	95.45	97.36	99.31
Limited Use Public Gathering (ballroom) (weekly use)	31.19	31.82	32.46	33.11	33.78
Bakery - per 1000 gal usage	4.19	4.28	4.37	4.46	4.55
Laundromat - per 1000 gal usage	1.96	2.00	2.04	2.09	2.14
Commercial Laundry - per 1000 gal usage	2.49	2.54	2.60	2.66	2.72
Car Wash - per 1000 gal usage	1.80	1.84	1.88	1.92	1.96
School - per Average Daily Attendance	1.75	1.79	1.83	1.87	1.91
Fraternal Org. w/bar, Meeting Hall & Kitchen	135.39	138.10	140.87	143.69	146.67
RV parks - per space	11.78	12.02	12.27	12.52	12.78
Fairgrounds - per 1000 gal usage	3.31	3.38	3.45	3.52	3.60

Section 3. To the extent that any other provision of local law relating to the establishment of wastewater treatment fees is inconsistent with this Ordinance, the provisions of this Ordinance shall prevail.

Section 4. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this ordinance, or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remainder of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each and every section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional, provided, however that if any decision of a court of competent jurisdiction invalidates the Fee set forth in this Ordinance, then the Fee in effect on the date of adoption shall continue in existence.

Section 5. The City Clerk shall certify to the passage of this Ordinance and cause it to be published or posted in accordance with law within fifteen (15) days after its final passage and adoption.

Section 6. This Ordinance shall be in full force and effect thirty (30) days after its final passage and adoption.

The foregoing ordinance was duly and regularly introduced at a regular meeting of the City Council of the City of Blythe held in said city on the 9th day of February, 2016, thereafter adopted on the ___th day of _____, 2016, by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Joey De Coninck, Mayor

ATTEST:

_____
Mallory Sutterfield, City Clerk

ORDINANCE NO. 875-16

AN ORDINANCE OF THE CITY OF BLYTHE ADOPTING A SCHEDULE OF WATER SERVICE FEES

THE CITY COUNCIL OF THE CITY OF BLYTHE DOES ORDAIN AS FOLLOWS:

Section 1. The City Council of the City of Blythe hereby finds as follows:

A. The City Council is authorized pursuant to the California Health and Safety Code Section 5471 to prescribe, revise and collect rates and charges for services and facilities furnished by the City in connection with the City's water service system.

B. The City Council wishes to adopt a schedule of water service fees (the "Fee").

Section 2. A monthly Fee is imposed on each premise receiving water service. The monthly Fee is the sum of the Monthly Service Charge, the Consumption Rate, and the State Revolving Fund Payment Rate.

A. The Monthly Service Charge is based on the size of the water meter at the premises, as provided in the following table:

Monthly Service Charge

Meter Size	Effective March 1, 2016	Effective July 1, 2017	Effective July 1, 2018	Effective July 1, 2019	Effective July 1, 2020
5/8 inch meter	$ 9.53	$ 10.08	$ 10.66	$ 11.28	$ 11.93
3/4 inch meter	9.53	10.08	10.66	11.28	11.93
1 inch meter	15.89	16.81	17.78	18.81	19.90
1-1/2 inch meter	31.77	33.60	35.54	37.59	39.76
2 inch meter	50.83	53.76	56.86	60.13	63.59
3 inch meter	95.30	100.78	106.58	112.71	119.20
4 inch meter	158.84	167.98	177.64	187.86	198.67
6 inch meter	317.67	335.94	355.26	375.69	397.30
8 inch meter	508.27	537.50	568.41	601.10	635.67
10 inch meter	730.64	772.66	817.09	864.08	913.77

B. The Consumption Rate is based on customer class and billed per 1,000 gallons or a portion thereof, as provided in the following table:

Charge per 1,000 Gallons

Customer Class	Effective March 1, 2016	Effective July 1, 2017	Effective July 1, 2018	Effective July 1, 2019	Effective July 1, 2020
Residential-SF	$ 1.75	$ 1.86	$ 1.97	$ 2.09	$ 2.22
Residential-MF	1.62	1.72	1.82	1.93	2.05
Commercial	1.53	1.62	1.72	1.82	1.93
Church	1.73	1.83	1.94	2.06	2.18
Landscape	1.70	1.80	1.91	2.02	2.14
School	2.00	2.12	2.25	2.38	2.52
Hospital	1.62	1.72	1.82	1.93	2.05
Industrial	1.83	1.94	2.06	2.18	2.31
Hydrant	2.00	2.12	2.25	2.38	2.52

C. The State Revolving Fund Repayment Rate is $9.00 per meter.

Section 3. To the extent that any other provision of local law relating to the establishment of water service fees is inconsistent with this Ordinance, the provisions of this Ordinance shall prevail.

Section 4. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this ordinance, or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remainder of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each and every section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional, provided, however that if any decision of a court of competent jurisdiction invalidates the Fee set forth in this Ordinance, then the Fee in effect on the date of adoption shall continue in existence.

Section 5. The City Clerk shall certify to the passage of this Ordinance and cause it to be published or posted in accordance with law within fifteen (15) days after its final passage and adoption.

Section 6. This Ordinance shall be in full force and effect thirty (30) days after its final passage and adoption.

The foregoing ordinance was duly and regularly introduced at a regular meeting of the City Council of the City of Blythe held in said city on the 9th day of February, 2016, thereafter adopted on the ___th day of _____, 2016, by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

Joey De Coninck, Mayor

ATTEST:

Mallory Sutterfield, City Clerk

ORDINANCE NO. 876-16

AN ORDINANCE OF THE CITY OF BLYTHE ADOPTING A SCHEDULE OF SEWER COLLECTION SERVICE FEES

THE CITY COUNCIL OF THE CITY OF BLYTHE DOES ORDAIN AS FOLLOWS:

Section 1. The City Council of the City of Blythe hereby finds as follows:

A. The City Council is authorized pursuant to the California Health and Safety Code Section 5471 to prescribe, revise and collect rates and charges for services and facilities furnished by the City in connection with the City's sewer collection system.

B. The City Council wishes to adopt a schedule of sewer collection service fees (the "Fee").

Section 2. A monthly Fee is imposed on each premise connected or required to be connected to the City's sewer system. The monthly Fee is based on the use of the premise, as provided in the following table:

	Monthly Fee				
Use of Premises	Effective March 1, 2016	Effective July 1, 2017	Effective July 1, 2018	Effective July 1, 2019	Effective July 1, 2020
Residential - Per Unit	$ 14.53	$ 14.83	$ 15.13	$ 15.44	$ 15.75
Bars - each	62.66	63.92	65.20	66.51	67.85
Department/Retail Stores - each	35.43	36.14	36.87	37.61	38.37
Hospital/convalescent - each bed	10.81	11.03	11.26	11.49	11.72
Hotel/Motel - per room	2.90	2.96	3.02	3.09	3.16
Mortuary	113.62	115.90	118.22	120.59	123.01
Professional office - each	42.20	43.05	43.92	44.80	45.70
Service stations/Repair shops - each	34.23	34.92	35.62	36.34	37.07
Restaurants - capacity each	1.65	1.69	1.73	1.77	1.81
Ice Plants	16.74	17.08	17.43	17.78	18.14
Soft Water Service	208.36	212.53	216.79	221.13	225.56
Churches	12.91	13.17	13.44	13.71	13.99
Recreation Facility	42.20	43.05	43.92	44.80	45.70
Limited Use Public Gathering (ballroom)(weekly use)	14.53	14.83	15.13	15.44	15.75
Bakery - per 1000 gal usage	1.90	1.94	1.98	2.02	2.07
Laundromat - per 1000 gal usage	0.89	0.91	0.93	0.95	0.97
Commercial Laundry - per 1000 gal usage	1.14	1.17	1.20	1.23	1.26
Car Wash - per 1000 gal usage	0.81	0.83	0.85	0.87	0.89
School - per Average Daily Attendance	0.85	0.87	0.89	0.91	0.93
Fraternal Org. w/bar, Meeting Hall & Kitchen	62.66	63.92	65.20	66.51	67.85
RV parks - per space	5.48	5.59	5.71	5.83	5.95

Section 3. To the extent that any other provision of local law relating to the establishment of sewer collection service fees is inconsistent with this Ordinance, the provisions of this Ordinance shall prevail.

Section 4. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this ordinance, or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remainder of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each and every section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional, provided, however that if any decision of a court of competent jurisdiction invalidates the Fee set forth in this Ordinance, then the Fee in effect on the date of adoption shall continue in existence.

Section 5. The City Clerk shall certify to the passage of this Ordinance and cause it to be published or posted in accordance with law within fifteen (15) days after its final passage and adoption.

Section 6. This Ordinance shall be in full force and effect thirty (30) days after its final passage and adoption.

The foregoing ordinance was duly and regularly introduced at a regular meeting of the City Council of the City of Blythe held in said city on the 9th day of February, 2016, thereafter adopted on the ___th day of _____, 2016, by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Joey De Coninck, Mayor

ATTEST:

_____
Mallory Sutterfield, City Clerk

NEW BUSINESS

CITY OF BLYTHE
CITY COUNCIL MEETING

STAFF REPORT

MEETING DATE: February 9, 2016

SUBJECT: 3RD PLACE SIDEWALK AND ROADWAY IMPROVEMENTS

PRESENTED BY: Armando Baldizzone, Public Works Director

PREPARED BY: Armando Baldizzone, Public Works Director

RECOMMENDATION: Adopt Resolution No. 2016-003 authorizing the County of Riverside to act as lead agency for land acquisition services including acquisition by the joint exercise of eminent domain of real properties located within the City of Blythe jurisdiction for the 3rd Place sidewalk and roadway improvements and authorize the City Manager to enter into a Cooperative Agreement with Riverside County.

FISCAL IMPACT: None.

BACKGROUND: Staff has been working with Riverside County Transportation Department to coordinate improvements of the 3rd Place sidewalk and roadway improvement project since 2013. The County of Riverside has been awarded Active Transportation Program grant funds by the California Department of Transportation to construct roadway and sidewalk improvements on 3rd Place between 14th Avenue and Vernon Way to provide pedestrian paths to Felix J. Appleby Elementary School, in the Blythe area of unincorporated Riverside County. Supporting agencies for this project included Riverside County Transportation, City of Blythe Police and Public Works Departments, California Highway Patrol, Riverside County Sheriff Department, and Palo Verde School District.

STAFF REPORT:

The construction and subsequent maintenance of the Project along 3rd Place is located within the unincorporated area of Riverside County with a portion of the Project being located within the City of Blythe's jurisdiction. The inclusion of both the portion within the City and the portion within the unincorporated area of the County to be part of the Project is necessary to construct the Project to meet objectives and requirements of the Active Transportation Program.

A section of right-of-way needs to be acquired along 3rd Place between 14th Avenue and Vernon Way within City's jurisdiction to widen the street to make said section a consistent width with the County's right-of-way in order to complete the construction of the Project. The County desires to act as lead agency for land acquisition services, to acquire the right-of-way interest in favor of the City, construct the Project, and to utilize the grants funds for the purpose for which they were granted. The County and the City will enter into a cooperative agreement for the acquisition of right-of-way interests described above, construction of the Project and maintenance over said interests, pursuant to California Code of Civil Procedure section 1240.140(b).

Pursuant the Cooperative Agreement, the City's Resolution 2006-003 is required to:

- jointly exercise the powers of eminent domain pursuant to the authority of California Government Code Section 6502 and California code of Civil Procedure Section 1240.140,
- authorize the County to act as lead agency for land acquisition services, including acquisition by eminent domain, if necessary, of real properties located within the City's jurisdiction that are necessary for the project.
- grant to the County, the City's power of eminent domain to acquire the necessary real property interests and of rights of way located within the City's jurisdiction in connection with the Project and that the County shall exercise the City's power of eminent domain in accordance with Government Code Section 7260 et seq. and Code of Civil Procedure Section 1230.010 et seq.

ATTACHMENTS:

1. Resolution 2016-003
2. Cooperative Agreement
3. County of Riverside Resolution 2016-062

RESOLUTION NO. 2016-003

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA, AUTHORIZING THE COUNTY OF RIVERIDE TO ACT AS LEAD AGENCY FOR LAND ACQUISITION SERVICES INCLUDING ACQUISITION BY THE JOINT EXERCISE OF EMINENT DOMAIN OF REAL PROPERTIES LOCATED WITHIN THE CITY OF BLYTHE JURISDICTION FOR THE 3RD PLACE SIDEWALK AND ROADWAY IMPROVEMENTS

WHEREAS, the County of Riverside has been awarded Active Transportation Program grant funds by the California Department of Transportation to construct roadway and sidewalk improvements on 3rd Place ("Project") between 14th Avenue and Vernon Way to provide pedestrian paths to Felix J. Appleby Elementary School, in the Blythe area of unincorporated Riverside County;

WHEREAS, the construction and subsequent maintenance of the Project along 3rd Place is located within the unincorporated area of Riverside County with a portion of the Project being located within the City of Blythe's ("City") jurisdiction;

WHEREAS, inclusion of both the portion within the City and the portion within the unincorporated area of the County to be part of the Project is necessary to construct the Project to meet objectives and requirements of the Active Transportation Program;

WHEREAS, a section of right-of-way needs to be acquired along 3rd Place between 14th Avenue and Vernon Way within City's jurisdiction to widen the street to make said section a consistent width with the County's right-of-way in order to complete the construction of the Project;

WHEREAS, the County desires to acquire the right-of-way interest in favor of the City, construct the Project, and to utilize the grants funds for the purpose for which they were granted;

WHEREAS, the County and the City desire to enter into a cooperative agreement for the acquisition of right-of-way interests described above, construction of the Project and maintenance over said interests; and

WHEREAS, the City is empowered to acquire property by eminent domain pursuant to Article I, Section 10 of the California Constitution, and pursuant to various statues including Section 1230.010 et seq. of the California Code of Civil Procedure;

WHEREAS, pursuant to California Code of Civil Procedure section 1240.140(b), "two or more public agencies may entire into an agreement for the joint exercise of their respective powers of eminent domain, whether or not possessed in common, for the acquisition of property as a single parcel";

NOW, THEREFORE, BE IT RESOLVED, by the Council Members of the City of Blythe (City Council) assembled in regular Council Meeting on February 9 of 2016, at 6:00 p.m., in the Council Chamber located on the City Hall, 235 N Broadway, Blythe, California, by a four-fifths vote, that this Council hereby agrees as follows:

1- Finds and declares that the above recitals are true and correct.

2- Finds and determines that the improvement and maintenance as described above are of general City interest.

3- Finds the County desires to undertake to complete the Project.

4- Finds and determines that the improvement and maintenance as described above will provide and improve general pedestrian safety along 3rd Place.

5- Finds and determines that, the City and County will jointly exercise the powers of eminent domain pursuant to the authority of California Government Code Section 6502 and California code of Civil Procedure Section 1240.140, and, when appropriate, the City will hear and determine Resolutions of Necessity regarding the Project.

6- Authorizes the County to act as lead agency for land acquisition services, including acquisition by eminent domain, if necessary, of real properties located within the City's jurisdiction that are necessary for the project.

7- The City herein grants to the County, the City's power of eminent domain to acquire the necessary real property interests and of rights of way located within the City's jurisdiction in connection with the Project and that the County shall exercise the City's power of eminent domain in accordance with Government Code Section 7260 et seq. and Code of Civil Procedure Section 1230.010 et seq.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.

8- The City agrees to cooperate with the County in the County's exercise of the City's power of eminent domain.

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the Mayor and City Council Members of the City of Blythe at the regular meeting thereof, held on the _____ day of _____, 2016, by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Joseph DeConinck, Mayor

ATTEST:

_____
Mallory Sutterfield-Crecelius, City Clerk

AGREEMENT BY AND BETWEEN
COUNTY OF RIVERSIDE AND CITY OF BLYTHE
FOR
3RD PLACE SIDEWALK AND ROADWAY IMPROVEMENTS

This Agreement entered into this 9 day of February, 2016, by and between the County of Riverside, a political subdivision of the State of California (hereinafter "COUNTY"), and the City of Blythe, a municipal corporation (hereinafter "CITY") for the provision of 3rd Place Sidewalk and Roadway improvements within the CITY and in the Blythe Area of the COUNTY.

RECITALS

A. The COUNTY submitted an Active Transportation Program (hereinafter "ATP") grant application with CITY's support to construct sidewalk and roadway improvements on 3rd Place, between 14th Avenue and Vernon Way, in the CITY and Blythe Area of the COUNTY to provide pedestrian paths to Felix J. Appleby Elementary School (Exhibit A, Vicinity Map).

B. On or about October 22, 2015, the California Transportation Commission approved COUNTY's ATP grant application to construct sidewalk and roadway improvements on 3rd Place.

C. COUNTY and CITY desire to designate COUNTY as the lead agency in developing plans, acquiring the right-of-ways and constructing sidewalk and roadway improvements on 3rd Place (hereinafter "PROJECT").

D. COUNTY and CITY desire to define herein the terms and conditions under which said PROJECT is to be administered, environmentally cleared, engineered, coordinated, constructed, managed, maintained and financed.

E. Public agencies may jointly exercise any power common to them pursuant to Government Code Section 6502 and Code of Civil Procedure Section 1240.140(b). Government Code Section 6502 provides that "[if] authorized by their legislative or governing bodies, two or more public agencies by agreement may jointly exercise any power common to the contracting parties," California Code of Civil Procedure Section 1240.140(b) provides that "[t]wo or more public agencies may enter into an agreement for the joint exercise of their respective powers of eminent domain, whether or not possessed in common, for acquisition of property

as a single parcel." The COUNTY and the CITY are public agencies within the meaning of Government Code Section 6500 et seq. and possess the common power to acquire real property and construct facilities thereon for street and highway purposes.

F. The COUNTY and CITY desire to designate the COUNTY as lead agency to perform right-of-way activities and to acquire the necessary real property interest for the PROJECT, including eminent domain, if necessary, on behalf of CITY, in accordance with applicable law, including Government Code Section 7260 et seq. and the Eminent Domain Law, Code of Civil Procedure Section 1230.01 et seq.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties hereto agree as follows:

SECTION I • COUNTY AGREES:

1. To fund one hundred (100) percent of the cost of preparing plans, specifications and estimates (PS&E), preparing an environmental document and obtaining environmental clearance in accordance with the California Environmental Quality Act, providing utility coordination and relocation of impacted utilities, acquiring right-of-ways within CITY and COUNTY, advertising, awarding and administering a public works construction contract necessary to construct PROJECT.

2. To prepare, or cause to be prepared, detailed PS&E documents for the PROJECT and submit to CITY for review and approval.

3. To identify, locate and denote all utility facilities and utility conflicts within the PROJECT area on the plans. COUNTY shall make all necessary arrangements with the owners of utility facilities conflicting with construction for their protection, relocation, or removal. COUNTY shall require the utility owners and/or its contractors performing the relocation work within the CITY to obtain a CITY Encroachment Permit prior to the performance of said relocation work. CITY and COUNTY shall coordinate and cooperate in the effort to establish prior rights related to utility encroachments into each jurisdiction's right-of-way.

4. To perform right-of-way activities required to acquire the necessary real property interests for the PROJECT including appraisals, acquisition, and condemnation, if necessary, in accordance with applicable law and Code of Civil Procedure section 1230.010 et seq.

5. To deliver legal title to the right-of-way in compliance with the current State Right-of-way manuals, procedures and guidelines, free and clear of all liens and encumbrances detrimental to the CITY's present and future uses not later than the date of acceptance by the CITY of maintenance and operation of the PROJECT. Acceptance of said title by the CITY is subject to a review of a Policy of Title Insurance in the CITY's name to be provided by the COUNTY.

6. To pass a Resolution to jointly exercise the powers of eminent domain pursuant to the authority of California Government Code Section 6502 and California Code of Civil Procedure Section 1240.140, and to thereby agree and accept that authorization for the COUNTY to act as lead agency for land acquisition services, including acquisition by eminent domain, if necessary, of real properties located within the CITY'S jurisdiction that are necessary for the PROJECT. The Resolution shall provide that the COUNTY shall exercise the CITY'S power of eminent domain in accordance with Government Code Section 7260 et seq. and Code of Civil Procedure Section 1230.010 et seq. Accordingly, the adoption by the COUNTY of any resolution of necessity would require that the COUNTY'S governing body, in its sole discretion and exclusive discretion, make the findings required by Code of Civil Procedure Section 1245.230.

7. To advertise, award and administer a public works contract for the construction of PROJECT in accordance with all applicable laws, including but not limited to the Local Agency Public Construction Act, the California Labor Code, and in accordance with the permit issued by the Riverside County Transportation Department.

8. To furnish a representative to perform the function of Resident Engineer during construction. The Resident Engineer shall designated by the County and independent of the construction contractor.

9. To furnish support staff to assist the Resident Engineer in, but not limited to, construction surveys, soils and foundation tests, measurement and computation of quantities, testing of construction materials, checking shop drawings, preparation of estimates and reports, preparation of as-built

drawings, and other inspection and services necessary to assure that the construction is performed in accordance with the PS&E documents.

10. To provide material testing and quality control conforming to the Caltrans Standard Testing Methods as provided in Chapter 16 of the Local Assistance Procedures Manual, and to have this testing performed by a certified material tester.

11. To construct PROJECT in accordance with approved PS&E documents.

12. Pursuant to Streets & Highways Code Section 1680 et. seq., to provide routine maintenance of the newly constructed sidewalk and roadway within the COUNTY.

SECTION II • CITY AGREES:

1. To review and approve the PROJECT plans.
2. To issue, at no cost to COUNTY or its contractors upon proper application, an encroachment permit authorizing entry onto CITY's right of way to perform investigative activities or construction activities for PROJECT.
3. To provide, at no cost to COUNTY, oversight of PROJECT and to provide prompt reviews and approvals of submittals by COUNTY, and to cooperate in timely processing of PROJECT.
4. To provide a representative to coordinate through the COUNTY's Resident Engineer during the construction of PROJECT and to verify facilities are constructed in accordance with the approved PS&E documents as required by this Agreement. It is mutually understood that CITY personnel may observe and inspect all work being done on PROJECT, but shall provide any comments to COUNTY personnel who shall be solely responsible for all communications with COUNTY contractor.
5. To pass a Resolution to jointly exercise the powers of eminent domain pursuant to the authority of California Government Code Section 6502 and California code of Civil Procedure Section 1240.140, and to thereby agree and accept that authorization for the COUNTY to act as lead agency for land acquisition services, including acquisition by eminent domain, if necessary, of real properties located within the CITY'S jurisdiction that are necessary for the PROJECT. The Resolution shall provide that the CITY shall grant to the COUNTY, the CITY'S power of eminent domain to acquire the necessary real property interests and of rights of way

located within the CITY'S jurisdiction in connection with the PROJECT and that the COUNTY shall exercise the CITY'S power of eminent domain in accordance with Government Code Section 7260 et seq. and Code of Civil Procedure Section 1230.010 et seq. Accordingly, the adoption by the COUNTY of any resolution of necessity would require that the COUNTY'S governing body, in its sole and exclusive discretion, make the findings required by Code of Civil Procedure Section 1245.230. The CITY agrees to cooperate with the COUNTY in the COUNTY'S exercise of the CITY'S power of eminent domain.

6. Pursuant to Streets & Highways Code Section 1680 et. seq., to provide routine maintenance of the newly constructed sidewalk and roadway within the CITY.

SECTION III • IT IS MUTUALLY AGREED AS FOLLOWS:

1. Construction by COUNTY of improvements referred to herein which lie within CITY rights of way shall not commence until an Encroachment Permit to COUNTY or its contractor, authorizing such work has been issued by CITY.
2. COUNTY and CITY shall retain or cause to be retained for audit for a period of three (3) years from the date of final payment, all records and accounts relating to PROJECT.
3. COUNTY shall cause COUNTY's contractor to maintain in force, until completion and acceptance of the PROJECT construction contract, a policy of Contractual Liability Insurance, including coverage of Bodily Injury Liability and Property Damage Liability, in the amount of $2,000,000 minimum single limit coverage, and a policy of Automobile Liability Insurance in the amount of $1,000,000 minimum. Endorsements to each policy shall be required which name the CITY, its officers, officials, agents and employees as additionally insured. COUNTY shall also require COUNTY's contractor to maintain Worker's Compensation Insurance. COUNTY shall provide Certificates of Insurance and Additional Insured Endorsements, which meet the requirements of this section to CITY prior to the start of construction.
4. Neither COUNTY nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement. It is further agreed that pursuant to Government Code Section 895.4, CITY shall fully indemnify and hold COUNTY harmless from any liability

imposed for injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement.

5. Neither CITY nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by COUNTY under or in connection with any work, authority or jurisdiction delegated to COUNTY under this Agreement. It is further agreed that pursuant to Government Code Section 895.4, COUNTY shall fully indemnify and hold CITY harmless from any liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by COUNTY under or in connection with any work, authority or jurisdiction delegated to COUNTY under this Agreement.

6. This Agreement contains the entire agreement of the parties with respect to subject matter hereof, and supersedes all prior negotiations, understandings or agreements. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both parties.

7. This Agreement and the exhibit herein contain the entire agreement between the parties, and are intended by the parties to completely state the agreement in full. Any agreement or representation respecting the matters dealt with herein or the duties of any party in relation thereto, not expressly set forth in this Agreement, is null and void.

8. Nothing in the provisions of this Agreement is intended to create duties or obligations to or rights in third parties or affects the legal liability of either party to the Agreement by imposing any standard of care with respect to the maintenance of roads different from the standard of care imposed by law.

9. This Agreement may be executed in one or more counterparts and when a counterpart shall have been signed by each party hereto, each shall be deemed an original, but all of which constitute one and the same instrument.

10. Except as provided in Section 12940 of the California Government Code, during performance of this Agreement, the parties shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical handicap, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex or sexual orientation in the

selection and retention of employees and subcontractors and the procurement of materials and equipment. The parties shall also comply with the requirements of the Americans with Disabilities Act in the performance of the Agreement.

11. Ownership and title to all materials, equipment, and appurtenances installed as part of this Agreement will automatically be vested with the jurisdiction for which the improvements reside and no further agreement will be necessary to transfer ownership.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

COUNTY Approvals

RECOMMENDED FOR APPROVAL:

_____ Dated: _____
JUAN C. PEREZ
Director of Transportation

APPROVAL BY THE BOARD OF SUPERVISORS

_____ Dated: _____

_____
PRINTED NAME
Chairman, Riverside County Board of Supervisors

APPROVED AS TO FORM:
GREGORY P. PRIAMOS, COUNTY COUNSEL

_____ Dated: _____
By Deputy

ATTEST:

_____ Dated: _____
Kecia Harper-Ihem
Clerk of the Board (SEAL)

CITY Approvals

By:_____
City Manager

Attest:

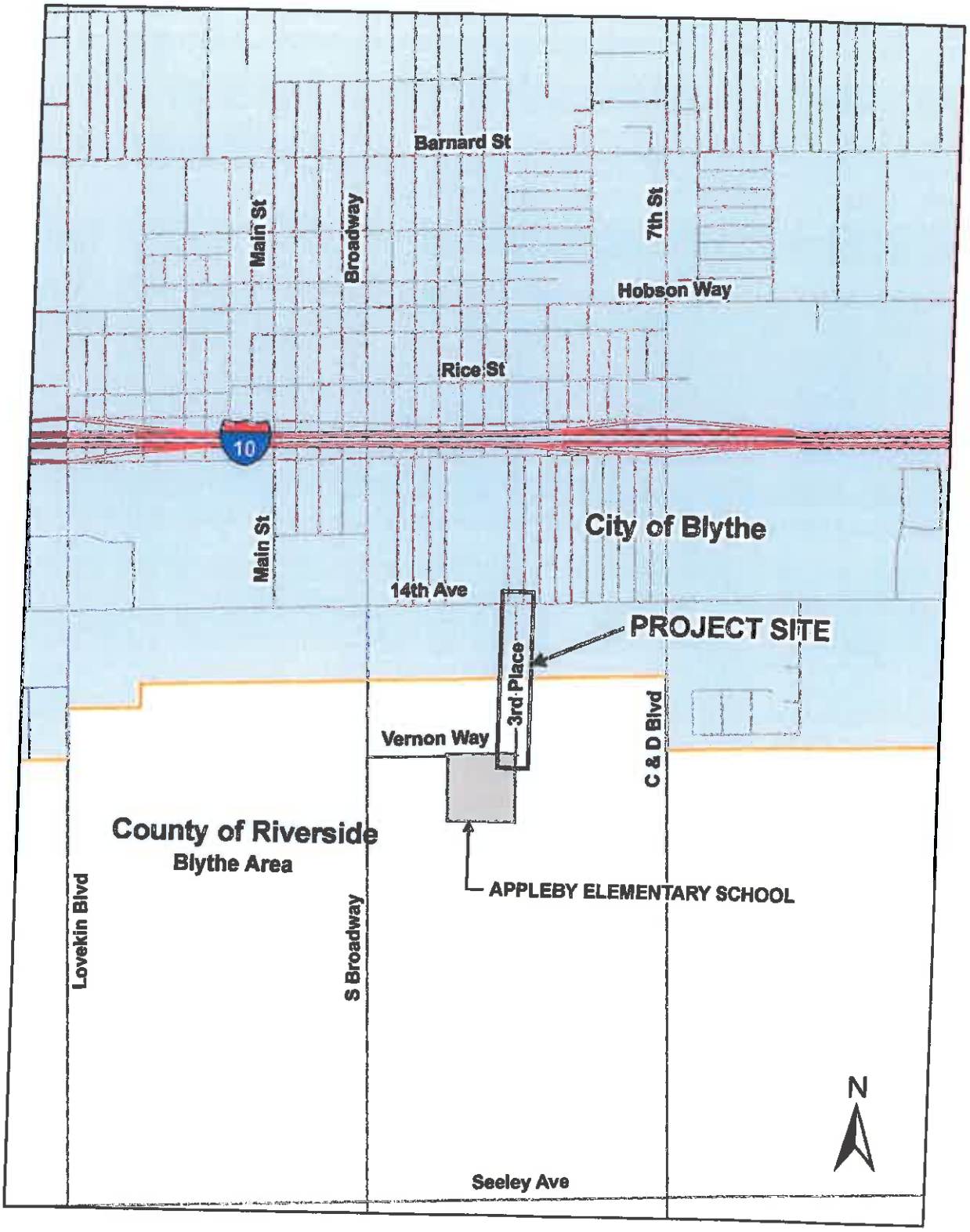
By:_____
City Clerk

Approved as to form:

By:_____
City Attorney

EXHIBIT A

VICINITY MAP



RESOLUTION NO. 2016-062

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE AUTHORIZING SPECIFIED SERVICE TO THE CITY OF BLYTHE FOR THE 3RD PLACE SIDEWALK AND ROADWAY IMPROVEMENTS AND AGREEING TO HEAR FUTURE RESOLUTIONS OF NECESSITY FOR THE PROJECT

WHEREAS, the County of Riverside has been awarded Active Transportation Program grant funds by the California Department of Transportation to construct roadway and sidewalk improvements on 3rd Place ("Project") between 14th Avenue and Vernon Way to provide pedestrian paths to Felix J. Appleby Elementary School, in the Blythe area of unincorporated Riverside County;

WHEREAS, the construction and subsequent maintenance of the Project along 3rd Place is located mainly within the unincorporated area of Riverside County with a portion of the Project being located within the City of Blythe's ("City") jurisdiction;

WHEREAS, inclusion of that portion within the City to be part of the Project is necessary to construct the Project to meet objectives and requirements of the Active Transportation Program;

WHEREAS, a section of right-of-way needs to be acquired along 3rd Place between 14th Avenue and Vernon Way within City's jurisdiction to widen the street to make said section a consistent width with the County's right-of-way in order to complete the construction of the Project;

WHEREAS, the County desires to acquire the right-of-way interest in favor of the City, construct the Project, and to utilize the grants funds for the purpose for which they were granted;

WHEREAS, the County and the City desire to enter into a cooperative agreement for the acquisition of right-of-way interests described above, construction of the Project and maintenance over said interests; and

WHEREAS, the County is empowered to acquire property by eminent domain pursuant to Article I, Section 10 of the California Constitution, and pursuant to various statues including Section 1230.010 et seq. of the California Code of Civil Procedure;

WHEREAS, pursuant to California Code of Civil Procedure section 1240.140(b), "two or more public agencies may entire into an agreement for the joint exercise of their respective powers of eminent domain, whether or not possessed in common, for the acquisition of property as a single parcel";

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Riverside (Board) assembled in regular session on_____, at 9:00 a.m., in the meeting room of the Board of Supervisors located on the 1st floor of the County Administrative Center, 4080 Lemon Street, Riverside, California, by a four-fifths vote, that this Board hereby agrees as follows:

1. Finds and declares that the above recitals are true and correct.
2. Finds and determines that the improvement and maintenance as described above, which the County desires to undertake to complete the Project, are of general county interest.
3. Finds and determines that the improvement and maintenance as described above will provide and improve general pedestrian safety along 3rd Place.
4. Authorizes that County aid and funds identified for this Project can be extended to perform said activities within the City's jurisdiction pursuant to the terms and conditions of the cooperative agreement between the City and County.
5. This Board agrees to hear and determine Resolutions of Necessity regarding the 3rd Place Sidewalk and Roadway Improvements.
6. The County Counsel of the County of Riverside is hereby designated to prepare (in conformance with applicable law), to review, to approve, and to otherwise process resolution of necessity packages for the 3rd Place Sidewalk and Roadway Improvements (including the Notice of Intent to Adopt Resolution of Necessity and the Resolution of Necessity) prior to those matters being heard by the Board.

CITY OF BLYTHE
CITY COUNCIL MEETING

STAFF REPORT

MEETING DATE: February 9, 2016

SUBJECT: Mid-Year Performance Report for Fiscal Year 2015/2016

PRESENTED BY: Christa Elms, Interim Director of Finance

PREPARED BY: Christa Elms, Interim Director of Finance

RECOMMENDATION: It is recommended that the City Council receive and file the 2015 /2016 Mid-Year Performance Report.

FISCAL IMPACT: None

BACKGROUND: The Mid-Year Performance Report is an opportunity for staff to update the City Council on the performance of the current-year budget based on actual through December 31, 2015.

STAFF REPORT: The Fiscal Year 2015/2016 Mid-Year Performance Report describes the current status of revenues and expenditures, and provides a glance at year-end projections. The report is based on actual (unaudited) data from July 2015 through December 2015. With the first half of the year complete, the City's General Fund is trending slightly better than expected and overall the City's operating budget is performing well. We will continue to monitor revenues and expenditures closely, and will provide Council with a detailed analysis of any change that may occur in the City's financial position.

ATTACHMENTS:

Attachment A– City of Blythe Fiscal Year 2015/2016 Mid-Year Performance Report

City of Blythe

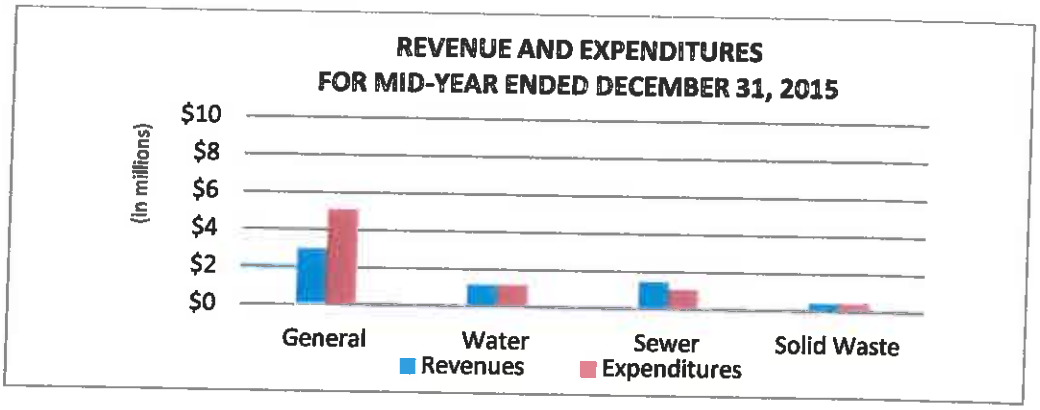
Fiscal Year 2015 / 2016 Mid-Year Performance Report
As of December 31, 2015

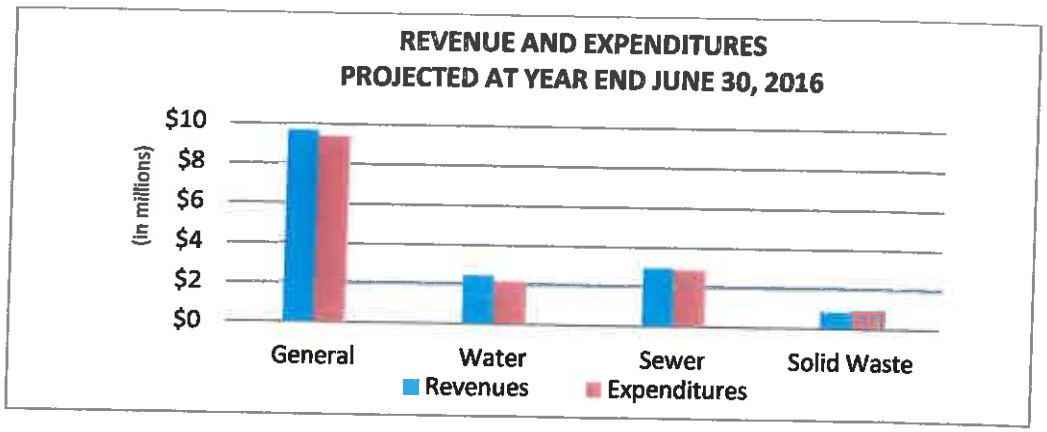
RECOMMENDATION:

It is recommended that the City Council review, receive and file this report

OVERVIEW:

The City of Blythe Mid-Year Performance Report summarizes the City's financial information, from July 1 through December 31, 2015. The report is based on the adopted Fiscal Year 2015/2016 budget and adjusted for any budget amendments approved by City Council as of December 31, 2015. The General Fund, Water Utility, Sewer Utility, and Solid Waste Funds are our primary focus, since their budgets represent the majority of the City's total budget. The following chart summarizes actual year to date revenues and expenditures, including transfers in/out.





GENERAL FUND (000):

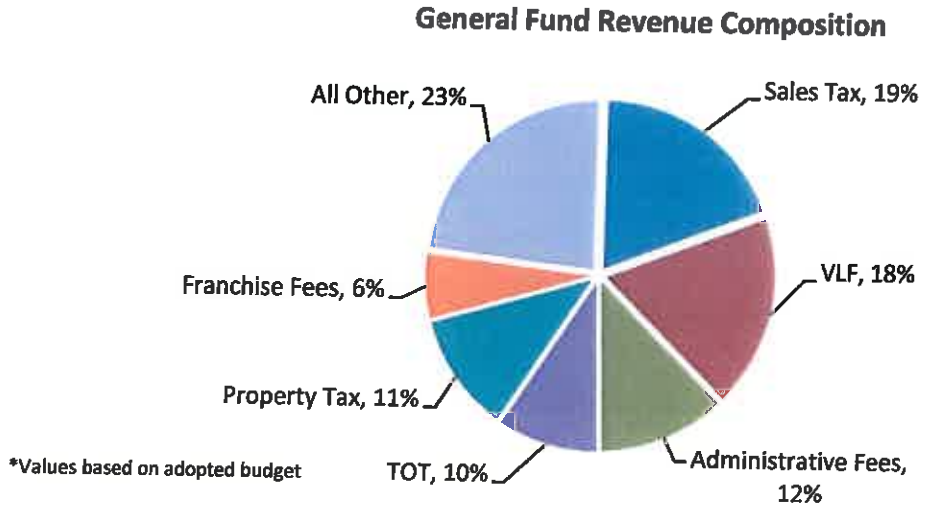
The General Fund is where the majority of discretionary funds are recorded, and the majority of general municipal services are provided. Through transfers, it is also a major contributor to Internal Service funds who do not have sole sources of revenue, or do not have sufficient resources to cover the associated expenditures.

In total, the General Fund has recorded approximately 30% of projected revenues and transfers in, and approximately 52% of budgeted expenditures and transfers out, with 50% of the year expired. The General Fund has been operating with a deficit fund balance for a number of years, but has continued to work towards a goal of building reserves through budget cuts and conservative spending. At 2015 fiscal year end the General Fund deficit has been reduced from a high of $4.1 million to just under $300,000.

General Fund	Budget	YTD Actuals	Percent	Projected Year End	Percent
Revenues & Transfers In	9,890,256	3,007,533	30%	9,796,417	99%
Expenditures & Transfers Out	9,887,803	5,167,915	52%	9,494,596	96%
Revenues Over/Under Expenditures	2,453			301,821	

General Fund Revenues and Transfers In – The top six revenue sources account for approximately 77% of total projected General Fund revenues. These top revenues consist of Sales Tax, Vehicle-in-Lieu Fees, Property Tax, Franchise Fees, Transit Occupancy Tax (TOT), and Administrative Fees. Overall, these key revenues are performing as projected at mid-year, with one major variance noted in Vehicle-in-Lieu Fees (VLF). Total revenues through December 31st, are at approximately 30% of the total budget and projected to end the year at approximately 99% of total budget.

A large portion of General Fund revenues begin to flow in during the second half of the fiscal year making timing the primary factor of mid-year actual revenues being below 50% of the budget. The General Fund is projecting VLF revenue to be lower than anticipated due to a decline in property value; the decline is largely associated to one property. TOT revenues are trending above projections and are expected to offset a portion of the VLF shortfall.



General Fund Expenditures and Transfers Out – As illustrated in the table below a majority of General Fund departmental expenditures and transfers are trending slightly lower than expected. Unfilled positions and other personnel related issues have salary and benefit categories lower than expected. Total expenditures through December 31st, are at approximately 52% of the total budget, but projected to end the year at approximately 96%. General Government Department expenditures are higher in the first half of the year due to advance payment of pension obligations; the City realized a $36,000 saving with this advance payment. 72% or $7.07 million of the General Fund budget is comprised of salary and benefits, with the largest portion allocated to public safety.

Department	Budget	YTD Actual	Percent	Projected Year End	Percent
City Council	76,166	13,994	18%	31,368	41%
City Clerk	35,987	7,821	22%	33,932	94%
City Attorney	158,500	80,960	51%	149,916	95%
Chief Executive	264,991	111,528	42%	232,087	88%
General Government	2,469,469	1,763,800	71%	2,465,857	100%
Finance	277,799	139,939	50%	281,020	101%
Community Development	478,743	236,718	49%	465,447	97%
Police	4,594,210	2,273,019	49%	4,433,308	96%
Fire	463,597	194,085	42%	404,613	87%
Public Works	598,554	143,094	24%	587,567	98%
Parks	188,567	87,457	46%	184,052	98%
Recreation	281,220	115,500	41%	225,429	80%
Total	9,887,803	5,167,915	52%	9,494,596	96%

ENTERPRISE FUNDS - WATER (410), SEWER (420), SOLID WASTE (430):

The City provides residential and commercial customers water and sewer utilities, and contracts with a local business for solid waste services. The user fees and operational expenses are accounted for in Enterprise Funds. The primary basis of these funds is to recover operating costs through user fees. Overall all three funds are trending on target in revenues, and trending slightly below target in terms of expenditures in the Water and Sewer Funds.

Water Fund

Water Fund	Budget	YTD Actual	Percent
Revenues	2,493,670	1,274,866	51%
Operating Expenses	2,491,119	1,259,337	51%

The Water Fund has realized 51% of projected revenues and 51% of budgeted expenditures. Revenues are expected to meet projections by year-end and expenses are expected to end the year slightly below budget at 92%. The Water fund will realize savings at year-end for unfilled personnel positions.

Sewer Fund

Water Fund	Budget	YTD Actual	Percent
Revenues	3,045,912	1,513,519	50%
Operating Expenses	3,010,136	1,141,543	38%

The Sewer Fund has realized 50% of projected revenues and 38% of budgeted expenditures. Revenues are expected to meet projections by year-end and expenses are expected to end the year slightly below budget at 98%. The Sewer fund will realize savings at year-end for unfilled personnel positions.

Solid Waste Fund

Water Fund	Budget	YTD Actual	Percent
Revenues	850,400	437,712	51%
Operating Expenses	927,274	443,938	48%

The Solid Waste Fund has realized 51% of projected revenues and 48% of budgeted expenditures. Both revenues and expenses are meeting projections through the first half of the year and are expected to end the year on target. No significant variances noted.

SPECIAL REVENUE FUNDS:

Lighting and Landscape District Funds - The majority of the primary revenue for these funds will be received in the second half of the year. No significant variances noted.

Gas Tax Fund - Revenues are currently tracking at 48% with 50% of the year expired. Budgeted revenues are based on State projections. Expenditures are trending on target. No significant variances noted.

Measure A Fund - Revenues are currently tracking at 32% with 50% of the year expired. Budgeted revenues are based on County projections. Revenues are received monthly with 60-day accrual at year-end. Transfers out reimburse budget approved Capital Improvement Street Projects.

SUMMARY:

With the first half of the year complete, the City's General Fund is trending slightly better than expected. We will continue to monitor revenues and expenditures closely, and will provide Council with a detailed analysis of any change that may occur in the City's financial position.

This Mid-Year Performance Report is derived from detailed financial information generated by the City's Finance Department. For additional information or if you have any questions about this report please contact Finance Department by phone at (760) 922-6161 or Interim Finance Director Christa Elms at celms@cityofblythe.ca.gov.

CITY OF BLYTHE
CITY COUNCIL MEETING

STAFF REPORT

MEETING DATE: February 9, 2016

SUBJECT: Approval of the execution and delivery of a 2011A Bond Proceeds Funding Agreement

PRESENTED BY: Christa Elms, Interim Director of Finance

PREPARED BY: Christa Elms, Interim Director of Finance

RECOMMENDATION: Staff recommends that the City Council adopt Resolution No. 2016-002 approving the execution and delivery of a 2011A Bond Proceeds Funding Agreement.

FISCAL IMPACT: Assuming approval by the California Department of Finance (the "DOF") of the corresponding Line Items submitted on ROPS 16-17, approval of the attached resolution will allow the Successor Agency to transfer no more than 5% of unspent proceeds of the Blythe Redevelopment Agency's Redevelopment Project No. 1 Tax Allocation Bonds, Series 2011A (the "2011A Bonds"), to the City to use for the purposes for which 2011A Bonds were sold (*i.e.*, public improvements benefitting the Redevelopment Project No. 1) and solely in a manner consistent with the bond covenants, all in accordance with Health and Safety Code Section 34191.4(c)(2).

BACKGROUND: On February 25, 2011, the Blythe Redevelopment Agency (the "Former Agency") issued the 2011A Bonds to finance the costs of public improvements benefitting the Redevelopment Project No. 1. The Former Agency was dissolved pursuant to AB X1 26 and a Successor Agency was constituted. The unspent proceeds of the 2011A Bonds (the "2011A Bonds Proceeds") transferred to the control of the Successor Agency by operation of law. As of December 31, 2015, there remains a balance of $2,853,542 of 2011A Bonds Proceeds in the 2011 Redevelopment Fund. Pursuant to the Dissolution Act, as amended by SB 107, and subject to the approval of the Oversight Board and the DOF, the Successor Agency and the City may enter into an agreement (the "2011A Bond Proceeds Funding Agreement") to provide for the transfer of no more than 5% of 2011A Bonds Proceeds to the City to use in compliance with the bond covenants and applicable law.

STAFF REPORT: As amended by AB 1484, enacted in June 2012, the Dissolution Act allows successor agencies which have received a "Finding of Completion" to expend the proceeds of tax allocation bonds issued prior to December 31, 2010. The Finding of Completion is granted to a successor agency upon the payment of certain amounts required under the

Dissolution Act, including amounts payable pursuant to the due diligence review process and true-up payments to taxing entities. As a policy decision, however, the AB 1484 amendments did not allow successor agencies to spend proceeds of bonds issued in 2011 and instead required that the successor agency use such proceeds toward defeasance of the bonds or the purchase such bonds on the open market for cancellation.

Therefore, although the Successor Agency received its Finding of Completion on August 30, 2013, it has been precluded from expending the unspent 2011A Bonds Proceeds on projects by the Dissolution Act, because the 2011A Bonds were issued after December 31, 2010.

As further amended by SB 107, enacted in September 2015, the Dissolution Act now allows the Successor Agency to expend up to 5% of the proceeds of the 2011A Bonds for projects. In addition, if the Successor Agency prepares and adopts, and the DOF approves, a "Last and Final ROPS," the Successor Agency may spend an additional 35% of the proceeds of the 2011A Bonds (for a total of 40%) on projects. The Successor Agency presently is not in a position to adopt a Last and Final ROPS.

Pursuant to Health and Safety Code 34191.4(c)(2), the Successor Agency desires to provide for the use of 5% of the 2011A Bonds Proceeds in a manner consistent with the bond covenants and for the purposes for which the 2011A Bonds were sold (being public improvements benefitting the Redevelopment Project No. 1).

Because of the limited staffing of the Successor Agency and the City's traditional role and established procedures for the awarding of public works contracts, it is desirable for the Successor Agency to transfer the remaining unspent 2011A Bonds Proceeds to the City and for the City to implement projects benefitting the Former Agency's Redevelopment Project No. 1, all pursuant to the proposed 2011A Bond Proceeds Funding Agreement.

The transfer of the remaining 2011A Bonds Proceeds to the City is included as a Line Item on the Successor Agency' s Recognized Obligation Payment Schedule for the annual period from July 1, 2016 to June 30, 2017 (ROPS 16-17). ROPS 16-17, as amended to provide for this Line Item, has been presented to the Oversight Board on February 1, 2016, and approved pursuant to a separate resolution. Further the Oversight Board resolution has been submitted to DOF awaiting its approval. Pursuant to the 2011A Bond Proceeds Funding Agreement, the Successor Agency will transfer not more than 5% of the 2011A Bonds Proceeds to the City at the commencement of the upcoming ROPS 16-17 period (which begins on July 1, 2016), and the City will use the 2011A Bonds Proceeds on projects in a manner consistent with the bond covenants and all applicable law.

ATTACHMENT: 2016-002 Resolution of the City Council of the City of Blythe Approving the Execution and Delivery of a 2011A Bond Proceeds Funding Agreement and Taking Certain Related Actions (includes the form of the 2011A Bond Proceeds Funding Agreement as Exhibit A).

RESOLUTION NO. 2016-002

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE APPROVING THE EXECUTION AND DELIVERY OF A 2011A BOND PROCEEDS FUNDING AGREEMENT AND TAKING CERTAIN RELATED ACTIONS

WHEREAS, on February 25, 2011, the Blythe Redevelopment Agency (the "Former Agency") issued its Redevelopment Project No. 1 Tax Allocation Bonds, Series 2011A (the "2011A Bonds"), in the aggregate principal amount of $4,760,000, pursuant to an Indenture, dated as of February 1, 1995 (the "Master Indenture"), by and between the Former Agency and Bank of America National Trust and Savings Association, as predecessor trustee to U.S. Bank National Association, as theretofore amended and supplemented and as further amended and supplemented by a Tenth Supplemental Indenture, dated as of February 1, 2011, by and between the Former Agency and U.S. Bank National Association, as trustee (the "Trustee") (the Master Indenture, as so amended and supplemented and as heretofore further amended and supplemented, being referred to herein as the "Indenture"); and

WHEREAS, the 2011A Bonds were issued and sold to finance the costs of public improvements benefitting the Redevelopment Project No. 1; and

WHEREAS, pursuant to AB X1 26 (which was enacted in June 2011) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al., 53 Cal. 4th 231 (2011)*, the Former Agency was dissolved as of February 1, 2012, the Successor Agency was constituted as the successor entity to the Former Agency, and an oversight board of the Successor Agency (the "Oversight Board") was established; and

WHEREAS, AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code ("HSC"), and such Parts 1.8 and 1.85, including amendments and supplements enacted after AB X1 26, are referred to herein as the "Dissolution Act"; and

WHEREAS, pursuant to the Dissolution Act, all assets, properties and contracts of the Former Agency, including unspent proceeds of the 2011A Bonds (the "2011A Bonds Proceeds"), transferred to the control of the Successor Agency by operation of law. As of December 31, 2015, there remains a balance of $2,853,542 of 2011A Bonds Proceeds in the 2011 Redevelopment Fund not yet spent; and

WHEREAS, pursuant to the Dissolution Act, the Successor Agency must prepare Recognized Obligation Payment Schedules ("ROPS") at the times prescribed by the Dissolution Act, listing the Successor Agency's expenditures for each applicable fiscal period; and

WHEREAS, pursuant to HSC Section 34177(a)(3), the Successor Agency may only make payments listed on an ROPS approved by the Oversight Board and the State Department of Finance ("DOF"); and

WHEREAS, according to HSC Section 34191.4, the Successor Agency may proceed with certain actions pertaining to the use of remaining unspent bond proceeds, after the

Successor Agency has received a finding of completion (the "Finding of Completion") issued by the DOF pursuant to HSC Section 34179.7; and

WHEREAS, the DOF issued a Finding of Completion to the Successor Agency on August 30, 2013; and

WHEREAS, pursuant to HSC Section 34191.6, the Successor Agency may prepare a last and final ROPS (the "LFROPS") upon meeting certain conditions; provided that such LFROPS will only become effective upon the Oversight Board's and the DOF's approval; and

WHEREAS, pursuant to HSC Section 34191.4(c)(2), with respect to the 2011A Bonds Proceeds, the Successor Agency may spend an amount that is no more than five percent of the 2011A Bonds Proceeds on projects in a manner consistent with the bond covenants after the Successor Agency has received a Finding of Completion and without having an approved and effective LFROPS; and

WHEREAS, the Successor Agency desires to provide for the use of five percent of the 2011A Bonds Proceeds in a manner consistent with the bond covenants and for the purposes for which the 2011A Bonds were sold (being public improvements benefitting the Redevelopment Project No. 1), including those projects listed in Exhibit A hereto (the "Projects"); and

WHEREAS, in light of the Successor Agency's limited staffing, the traditional role of the City of Blythe (the "City") and its established procedures for the awarding of public works contracts, and the timing needs with respect to the Projects, the Successor Agency desires to enter into a 2011A Bond Proceeds Funding Agreement (the "Funding Agreement") with the City, for the City to perform or cause to be performed the work required to complete the Projects, with payment therefor to be made from 2011A Bonds Proceeds; and

WHEREAS, pursuant to the Funding Agreement, the Successor Agency will transfer upon the commencement of the ROPS period from July 1, 2016 through June 30, 2017, not more than five percent of the 2011A Bonds Proceeds to the City for the Projects; and

WHEREAS, the Funding Agreement is in furtherance of the winding down affairs of the Former Agency, with respect to the expenditure of unspent bond proceeds as permitted under HSC Section 34191.4;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF BLYTHE, AS FOLLOWS:

1. Each of the foregoing recitals is true and correct and is a substantive part of this Resolution.

2. The Funding Agreement, in the form attached hereto as Exhibit A, is hereby approved. Each of the Mayor (or in his absence, the Vice-Mayor) and the Interim City Manager (each, an "Authorized Officer"), acting singly, is hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to execute and deliver the Funding Agreement in substantially such form, with such changes therein as may be approved by such Authorized Officer, said execution being conclusive evidence of such approval.

3. The Authorized Officers, the Interim Director of Finance, the City Treasurer, the City Clerk, and all other officers of the City are hereby authorized, jointly and severally, to execute and deliver such documents or instruments as they may deem necessary or proper and to do all things which they may deem necessary or proper to effectuate the purposes of this Resolution and the Funding Agreement, and any such actions previously taken by such officers are hereby ratified and confirmed.

4. This Resolution shall take effect immediately upon its adoption.

IN WITNESS WHEREOF, this Resolution is **PASSED, APPROVED, AND ADOPTED** this 9th day of February, 2016, by the following vote:

AYES: Councilmembers_____

NOES: Councilmembers_____

ABSENT: Councilmembers_____

ABSTAIN: Councilmembers_____

_____
Mayor

ATTEST:

_____
City Clerk

EXHIBIT A

2011A BOND PROCEEDS FUNDING AGREEMENT
(in substantial final form)

(see attached)

2011A BOND PROCEEDS FUNDING AGREEMENT

This 2011A BOND PROCEEDS FUNDING AGREEMENT (this "Agreement"), dated as of _____, 2016, is entered into by and between the City of Blythe (the "City") and the Successor Agency to the Blythe Redevelopment Agency (the "Successor Agency," and together with the City, the "Parties").

RECITALS:

A. On February 25, 2011, the Blythe Redevelopment Agency (the "Former Agency") issued its Redevelopment Project No. 1 Tax Allocation Bonds, Series 2011A (the "2011A Bonds"), in the aggregate principal amount of $4,760,000, pursuant to an Indenture, dated as of February 1, 1995 (the "Master Indenture"), by and between the Former Agency and Bank of America National Trust and Savings Association, as predecessor trustee to U.S. Bank National Association, as theretofore amended and supplemented and as further amended and supplemented by a Tenth Supplemental Indenture, dated as of February 1, 2011, by and between the Former Agency and U.S. Bank National Association, as trustee (the "Trustee") (the Master Indenture, as so amended and supplemented and as heretofore further amended and supplemented, being referred to herein as the "Indenture").

B. The 2011A Bonds were issued and sold to finance the costs of public improvements benefitting the Former Agency's Redevelopment Project No. 1.

C. Pursuant to AB X1 26 (which was enacted in June 2011) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al., 53 Cal. 4th 231 (2011)*, the Former Agency was dissolved as of February 1, 2012, the Successor Agency was constituted as the successor entity to the Former Agency, and an oversight board of the Successor Agency (the "Oversight Board") was established.

D. AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code ("HSC"). Such Parts 1.8 and 1.85, including amendments and supplements enacted after AB X1 26, are referred to herein as the "Dissolution Act."

E. Pursuant to the Dissolution Act, all assets, properties and contracts of the Former Agency, including unspent proceeds of the 2011A Bonds (the "2011A Bonds Proceeds"), transferred to the control of the Successor Agency by operation of law. As of December 31, 2015, there remains a balance of $2,853,542 of 2011A Bonds Proceeds in the 2011 Redevelopment Fund not yet spent.

F. Pursuant to the Dissolution Act, the Successor Agency must prepare Recognized Obligation Payment Schedules ("ROPS") at the times prescribed by the Dissolution Act, listing the Successor Agency's expenditures for each applicable fiscal period.

G. Pursuant to HSC Section 34177(a)(3), the Successor Agency may only make payments listed on an ROPS approved by the Oversight Board and the State Department of Finance ("DOF").

H. According to HSC Section 34191.4, the Successor Agency may proceed with certain actions pertaining to the use of remaining unspent bond proceeds, after the Successor Agency has received a finding of completion (the "Finding of Completion") issued by the DOF pursuant to HSC Section 34179.7.

I. The DOF issued a Finding of Completion to the Successor Agency on August 30, 2013.

J. Pursuant to HSC Section 34191.6, the Successor Agency may prepare a last and final ROPS (the "LFROPS") upon meeting certain conditions; provided that such LFROPS will only become effective upon the Oversight Board's and the DOF's approval.

K. Pursuant to HSC Section 34191.4(c)(2), with respect to the 2011A Bonds Proceeds, the Successor Agency may spend an amount that is no more than five percent of the 2011A Bonds Proceeds on projects in a manner consistent with the bond covenants after the Successor Agency has received a Finding of Completion and without having an approved and effective LFROPS.

L. The Successor Agency desires to provide for the use of five percent of the 2011A Bonds Proceeds in a manner consistent with the bond covenants and for the purposes for which the 2011A Bonds were sold (being public improvements benefitting the Redevelopment Project No. 1), including those projects listed in Exhibit A hereto (the "Projects").

M. In light of the Successor Agency's limited staffing, the City's traditional role and established procedures for the awarding of public works contracts, and the timing needs with respect to the Projects, the Successor Agency desires to enter into this Agreement with the City, for the City to perform or cause to be performed the work required to complete the Projects, with payment therefor to be made from 2011A Bonds Proceeds.

N. This Agreement is in furtherance of the winding down affairs of the Former Agency, with respect to the expenditure of unspent bond proceeds as permitted under HSC Section 34191.4.

O. Resolution No. OB 2016-003 adopted by the Oversight Board on February 1, 2016 approving the Successor Agency's execution and delivery of this Agreement was [approved] [deemed approved] by the DOF pursuant to HSC Section 34179(h) on _____, 2016.

NOW, THEREFORE, THE PARTIES DO HEREBY AGREE AS FOLLOWS:

Section 1. Subject to the provisions of this Agreement and with the funding provided pursuant to this Agreement, the City agrees to perform or cause to be performed the work required for the Projects, including but not limited to the preparation of designs, plans and specifications and all demolitions, construction and installations. The City shall perform such work in accordance with all applicable federal, state and local laws, rules and regulations. Subject to the covenants set forth herein, the City shall have the sole discretion with respect to the design, planning, specification and the timing with respect to all components of the Projects.

Section 2. (a) For the ROPS (the "ROPS 16-17") covering the period from July 1, 2016 through June 30, 2017 (the "ROPS 16-17 Period"), the Successor Agency listed the transfer of $142,677 (which is not more than five percent of the 2011A Bonds Proceeds) to the City (such dollar amount, subject to any adjustment pursuant to the DOF-approved ROPS 16-17, being referred to herein as the "2016-17 ROPS Transfer").

(b) At the commencement of the ROPS 16-17 Period, or as soon thereafter as practical, the Successor Agency shall transfer the 2011A Bonds Proceeds in an amount equal to the 2016-17 ROPS Transfer to the City.

Section 3. The City covenants that it shall use the 2011A Bonds Proceeds transferred to it pursuant to this Agreement for costs of the Projects (or reimbursement to the City for any funds advanced for costs of the Projects) and solely in a manner consistent with the covenants in the Indenture, including but not limited to, any covenants regarding the tax-exempt status of interest on the 2011A Bonds under the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder, and all applicable law.

Section 4. To the extent the City still holds 2011A Bonds Proceeds transferred pursuant to this Agreement after the completion of the Projects (as determined by the City Council), the City shall return such unspent remaining 2011A Bonds Proceeds to the Successor Agency within a reasonable time after such determination.

Section 5. Each Party shall maintain books and records regarding its duties pursuant to this Agreement. Such books and records shall be available for inspection by the officers and agents of the other Party at all reasonable times.

Section 6. The Parties agree to take all appropriate steps and execute any documents which may reasonably be necessary or convenient to implement the intent of this Agreement.

Section 7. This Agreement may be amended from time to time by written instrument executed by both Parties.

Section 8. No official, agent, or employee of the Successor Agency or the City, or members of the City Council, or members of the Successor Agency Board of Directors or Oversight Board shall be individually or personally liable for any payment hereunder in the event of any default or breach by the Successor Agency or the City, or for any amount which may otherwise become due to the City or Successor Agency, or successor thereto, or on any obligations under the terms of this Agreement.

Section 9. This Agreement is made in the State of California under the Constitution and laws of the State of California, and is to be so construed.

[Signatures on next page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers.

SUCCESSOR AGENCY TO THE BLYTHE REDEVELOPMENT AGENCY

By _____
Interim Executive Director

ATTEST:

_____
Secretary

CITY OF BLYTHE

By _____
Mayor

ATTEST:

_____
City Clerk

APPROVED:

OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE BLYTHE REDEVELOPMENT AGENCY

By _____ Date: _____
Chair

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EXHIBIT A

Description of Projects

1. Water system improvements within the Former Agency's Redevelopment Project No. 1, including but not limited to the College Reservoir Rehabilitation project; and

2. any other programs and projects and activities of benefit to the Former Agency's Redevelopment Project No. 1, so long as the program or project is determined by the City to be consistent with the bond covenants under the Indenture.

SUCCESSOR AGENCY

SUCCESSOR AGENCY TO THE
BLYTHE REDEVELOPMENT AGENCY
BOARD OF DIRECTORS

STAFF REPORT

MEETING DATE: February 9, 2016

SUBJECT: Approval of the execution and delivery of a 2011A Bond Proceeds Funding Agreement

PRESENTED BY: Christa Elms, Interim Director of Finance

PREPARED BY: Christa Elms, Interim Director of Finance

RECOMMENDATION: Staff recommends that the Board of Directors of the Successor Agency to the Blythe Redevelopment Agency adopt Resolution No. SA 2016-001 approving the execution and delivery of a 2011A Bond Proceeds Funding Agreement.

FISCAL IMPACT: Assuming approval by the California Department of Finance (the "DOF") of the corresponding Line Items submitted on ROPS 16-17, approval of the attached resolution will allow the Successor Agency to transfer no more than 5% of unspent proceeds of the Blythe Redevelopment Agency's Redevelopment Project No. 1 Tax Allocation Bonds, Series 2011A (the "2011A Bonds"), to the City to use for the purposes for which 2011A Bonds were sold (*i.e.*, public improvements benefitting the Redevelopment Project No. 1) and solely in a manner consistent with the bond covenants, all in accordance with Health and Safety Code Section 34191.4(c)(2).

BACKGROUND: On February 25, 2011, the Blythe Redevelopment Agency (the "Former Agency") issued the 2011A Bonds to finance the costs of public improvements benefitting the Redevelopment Project No. 1. The Former Agency was dissolved pursuant to AB X1 26 and a Successor Agency was constituted. The unspent proceeds of the 2011A Bonds (the "2011A Bonds Proceeds") transferred to the control of the Successor Agency by operation of law. As of December 31, 2015, there remains a balance of $2,853,542 of 2011A Bonds Proceeds in the 2011 Redevelopment Fund. Pursuant to the Dissolution Act, as amended by SB 107, and subject to the approval of the Oversight Board and the DOF, the Successor Agency and the City may enter into an agreement (the "2011A Bond Proceeds Funding Agreement") to provide for the transfer of no more than 5% of 2011A Bonds Proceeds to the City to use in compliance with the bond covenants and applicable law.

STAFF REPORT: As amended by AB 1484, enacted in June 2012, the Dissolution Act allows successor agencies which have received a "Finding of Completion" to expend the proceeds of tax allocation bonds issued prior to December 31, 2010. The Finding of Completion

is granted to a successor agency upon the payment of certain amounts required under the Dissolution Act, including amounts payable pursuant to the due diligence review process and true-up payments to taxing entities. As a policy decision, however, the AB 1484 amendments did not allow successor agencies to spend proceeds of bonds issued in 2011 and instead required that the successor agency use such proceeds toward defeasance of the bonds or the purchase such bonds on the open market for cancellation.

Therefore, although the Successor Agency received its Finding of Completion on August 30, 2013, it has been precluded from expending the unspent 2011A Bonds Proceeds on projects by the Dissolution Act, because the 2011A Bonds were issued after December 31, 2010.

As further amended by SB 107, enacted in September 2015, the Dissolution Act now allows the Successor Agency to expend up to 5% of the proceeds of the 2011A Bonds for projects. In addition, if the Successor Agency prepares and adopts, and the DOF approves, a "Last and Final ROPS," the Successor Agency may spend an additional 35% of the proceeds of the 2011A Bonds (for a total of 40%) on projects. The Successor Agency presently is not in a position to adopt a Last and Final ROPS.

Pursuant to Health and Safety Code 34191.4(c)(2), the Successor Agency desires to provide for the use of 5% of the 2011A Bonds Proceeds in a manner consistent with the bond covenants and for the purposes for which the 2011A Bonds were sold (being public improvements benefitting the Redevelopment Project No. 1).

Because of the limited staffing of the Successor Agency and the City's traditional role and established procedures for the awarding of public works contracts, it is desirable for the Successor Agency to transfer the remaining unspent 2011A Bonds Proceeds to the City and for the City to implement projects benefitting the Former Agency's Redevelopment Project No. 1, all pursuant to the proposed 2011A Bond Proceeds Funding Agreement.

The transfer of the remaining 2011A Bonds Proceeds to the City is included as a Line Item on the Successor Agency' s Recognized Obligation Payment Schedule for the annual period from July 1, 2016 to June 30, 2017 (ROPS 16-17). ROPS 16-17, as amended to provide for this Line Item, has been presented to the Oversight Board on February 1, 2016, and approved pursuant to a separate resolution. Further the Oversight Board resolution has been submitted to DOF awaiting its approval. Pursuant to the 2011A Bond Proceeds Funding Agreement, the Successor Agency will transfer not more than 5% of the 2011A Bonds Proceeds to the City at the commencement of the upcoming ROPS 16-17 period (which begins on July 1, 2016), and the City will use the 2011A Bonds Proceeds on projects in a manner consistent with the bond covenants and all applicable law.

ATTACHMENT: SA 2016-001 Resolution of the Board of Directors of the Successor Agency to the Blythe Redevelopment Agency Approving the Execution and Delivery of a 2011A Bond Proceeds Funding Agreement and Taking Certain Related Actions (includes the form of the 2011A Bond Proceeds Funding Agreement as Exhibit A).

RESOLUTION NO. SA 2016-001

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE BLYTHE REDEVELOPMENT AGENCY APPROVING THE EXECUTION AND DELIVERY OF A 2011A BOND PROCEEDS FUNDING AGREEMENT AND TAKING CERTAIN RELATED ACTIONS

WHEREAS, on February 25, 2011, the Blythe Redevelopment Agency (the "Former Agency") issued its Redevelopment Project No. 1 Tax Allocation Bonds, Series 2011A (the "2011A Bonds"), in the aggregate principal amount of $4,760,000, pursuant to an Indenture, dated as of February 1, 1995 (the "Master Indenture"), by and between the Former Agency and Bank of America National Trust and Savings Association, as predecessor trustee to U.S. Bank National Association, as theretofore amended and supplemented and as further amended and supplemented by a Tenth Supplemental Indenture, dated as of February 1, 2011, by and between the Former Agency and U.S. Bank National Association, as trustee (the "Trustee") (the Master Indenture, as so amended and supplemented and as heretofore further amended and supplemented, being referred to herein as the "Indenture"); and

WHEREAS, the 2011A Bonds were issued and sold to finance the costs of public improvements benefitting the Redevelopment Project No. 1; and

WHEREAS, pursuant to AB X1 26 (which was enacted in June 2011) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al., 53 Cal. 4th 231 (2011)*, the Former Agency was dissolved as of February 1, 2012, the Successor Agency was constituted as the successor entity to the Former Agency, and an oversight board of the Successor Agency (the "Oversight Board") was established; and

WHEREAS, AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code ("HSC"), and such Parts 1.8 and 1.85, including amendments and supplements enacted after AB X1 26, are referred to herein as the "Dissolution Act"; and

WHEREAS, pursuant to the Dissolution Act, all assets, properties and contracts of the Former Agency, including unspent proceeds of the 2011A Bonds (the "2011A Bonds Proceeds"), transferred to the control of the Successor Agency by operation of law. As of December 31, 2015, there remains a balance of $2,853,542 of 2011A Bonds Proceeds in the 2011 Redevelopment Fund not yet spent; and

WHEREAS, pursuant to the Dissolution Act, the Successor Agency must prepare Recognized Obligation Payment Schedules ("ROPS") at the times prescribed by the Dissolution Act, listing the Successor Agency's expenditures for each applicable fiscal period; and

WHEREAS, pursuant to HSC Section 34177(a)(3), the Successor Agency may only make payments listed on an ROPS approved by the Oversight Board and the State Department of Finance ("DOF"); and

WHEREAS, according to HSC Section 34191.4, the Successor Agency may proceed with certain actions pertaining to the use of remaining unspent bond proceeds, after the Successor Agency has received a finding of completion (the "Finding of Completion") issued by the DOF pursuant to HSC Section 34179.7; and

WHEREAS, the DOF issued a Finding of Completion to the Successor Agency on August 30, 2013; and

WHEREAS, pursuant to HSC Section 34191.6, the Successor Agency may prepare a last and final ROPS (the "LFROPS") upon meeting certain conditions; provided that such LFROPS will only become effective upon the Oversight Board's and the DOF's approval; and

WHEREAS, pursuant to HSC Section 34191.4(c)(2), with respect to the 2011A Bonds Proceeds, the Successor Agency may spend an amount that is no more than five percent of the 2011A Bonds Proceeds on projects in a manner consistent with the bond covenants after the Successor Agency has received a Finding of Completion and without having an approved and effective LFROPS; and

WHEREAS, the Successor Agency desires to provide for the use of five percent of the 2011A Bonds Proceeds in a manner consistent with the bond covenants and for the purposes for which the 2011A Bonds were sold (being public improvements benefitting the Redevelopment Project No. 1), including those projects listed in Exhibit A hereto (the "Projects"); and

WHEREAS, in light of the Successor Agency's limited staffing, the traditional role of the City of Blythe (the "City") and its established procedures for the awarding of public works contracts, and the timing needs with respect to the Projects, the Successor Agency desires to enter into a 2011A Bond Proceeds Funding Agreement (the "Funding Agreement") with the City, for the City to perform or cause to be performed the work required to complete the Projects, with payment therefor to be made from 2011A Bonds Proceeds; and

WHEREAS, pursuant to the Funding Agreement, the Successor Agency will transfer upon the commencement of the ROPS period from July 1, 2016 through June 30, 2017, not more than five percent of the 2011A Bonds Proceeds to the City for the Projects; and

WHEREAS, the Funding Agreement is in furtherance of the winding down affairs of the Former Agency, with respect to the expenditure of unspent bond proceeds as permitted under HSC Section 34191.4; and

WHEREAS, on February1, 2016, the Oversight Board has approved the execution and delivery by the Successor Agency of the Funding Agreement;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE BLYTHE REDEVELOPMENT AGENCY, AS FOLLOWS:

1. Each of the foregoing recitals is true and correct and is a substantive part of this Resolution.

2. The Funding Agreement, in the form attached hereto as Exhibit A, is hereby approved. Each of the Chair (or in his absence, the Vice Chair) and the Interim Executive Director (each, an "Authorized Officer"), acting singly, is hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to execute and deliver the Funding Agreement in substantially such form, with such changes therein as may be approved by such Authorized Officer, said execution being conclusive evidence of such approval.

3. The Authorized Officers, the Finance Officer of the Successor Agency, the Secretary of the Successor Agency, and all other officers of the Successor Agency are hereby authorized, jointly and severally, to execute and deliver such documents or instruments as they may deem necessary or proper and to do all things which they may deem necessary or proper to effectuate the purposes of this Resolution and the Funding Agreement, and any such actions previously taken by such officers are hereby ratified and confirmed.

4. This Resolution shall take effect immediately upon its adoption.

IN WITNESS WHEREOF, this Resolution is **PASSED, APPROVED, AND ADOPTED** this 9th day of February, 2016, by the following vote:

AYES: Directors_____

NOES: Directors_____

ABSENT: Directors_____

ABSTAIN: Directors_____

_____
Chair of the Successor Agency to the
Blythe Redevelopment Agency

ATTEST:

_____
Secretary of the Successor Agency to the
Blythe Redevelopment Agency

EXHIBIT A

2011A BOND PROCEEDS FUNDING AGREEMENT
(in substantial final form)

(see attached)

2011A BOND PROCEEDS FUNDING AGREEMENT

This 2011A BOND PROCEEDS FUNDING AGREEMENT (this "Agreement"), dated as of _____, 2016, is entered into by and between the City of Blythe (the "City") and the Successor Agency to the Blythe Redevelopment Agency (the "Successor Agency," and together with the City, the "Parties").

RECITALS:

A. On February 25, 2011, the Blythe Redevelopment Agency (the "Former Agency") issued its Redevelopment Project No. 1 Tax Allocation Bonds, Series 2011A (the "2011A Bonds"), in the aggregate principal amount of $4,760,000, pursuant to an Indenture, dated as of February 1, 1995 (the "Master Indenture"), by and between the Former Agency and Bank of America National Trust and Savings Association, as predecessor trustee to U.S. Bank National Association, as theretofore amended and supplemented and as further amended and supplemented by a Tenth Supplemental Indenture, dated as of February 1, 2011, by and between the Former Agency and U.S. Bank National Association, as trustee (the "Trustee") (the Master Indenture, as so amended and supplemented and as heretofore further amended and supplemented, being referred to herein as the "Indenture").

B. The 2011A Bonds were issued and sold to finance the costs of public improvements benefitting the Former Agency's Redevelopment Project No. 1.

C. Pursuant to AB X1 26 (which was enacted in June 2011) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al., 53 Cal. 4th 231 (2011)*, the Former Agency was dissolved as of February 1, 2012, the Successor Agency was constituted as the successor entity to the Former Agency, and an oversight board of the Successor Agency (the "Oversight Board") was established.

D. AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code ("HSC"). Such Parts 1.8 and 1.85, including amendments and supplements enacted after AB X1 26, are referred to herein as the "Dissolution Act."

E. Pursuant to the Dissolution Act, all assets, properties and contracts of the Former Agency, including unspent proceeds of the 2011A Bonds (the "2011A Bonds Proceeds"), transferred to the control of the Successor Agency by operation of law. As of December 31, 2015, there remains a balance of $2,853,542 of 2011A Bonds Proceeds in the 2011 Redevelopment Fund not yet spent.

F. Pursuant to the Dissolution Act, the Successor Agency must prepare Recognized Obligation Payment Schedules ("ROPS") at the times prescribed by the Dissolution Act, listing the Successor Agency's expenditures for each applicable fiscal period.

G. Pursuant to HSC Section 34177(a)(3), the Successor Agency may only make payments listed on an ROPS approved by the Oversight Board and the State Department of Finance ("DOF").

H. According to HSC Section 34191.4, the Successor Agency may proceed with certain actions pertaining to the use of remaining unspent bond proceeds, after the Successor Agency has received a finding of completion (the "Finding of Completion") issued by the DOF pursuant to HSC Section 34179.7.

I. The DOF issued a Finding of Completion to the Successor Agency on August 30, 2013.

J. Pursuant to HSC Section 34191.6, the Successor Agency may prepare a last and final ROPS (the "LFROPS") upon meeting certain conditions; provided that such LFROPS will only become effective upon the Oversight Board's and the DOF's approval.

K. Pursuant to HSC Section 34191.4(c)(2), with respect to the 2011A Bonds Proceeds, the Successor Agency may spend an amount that is no more than five percent of the 2011A Bonds Proceeds on projects in a manner consistent with the bond covenants after the Successor Agency has received a Finding of Completion and without having an approved and effective LFROPS.

L. The Successor Agency desires to provide for the use of five percent of the 2011A Bonds Proceeds in a manner consistent with the bond covenants and for the purposes for which the 2011A Bonds were sold (being public improvements benefitting the Redevelopment Project No. 1), including those projects listed in Exhibit A hereto (the "Projects").

M. In light of the Successor Agency's limited staffing, the City's traditional role and established procedures for the awarding of public works contracts, and the timing needs with respect to the Projects, the Successor Agency desires to enter into this Agreement with the City, for the City to perform or cause to be performed the work required to complete the Projects, with payment therefor to be made from 2011A Bonds Proceeds.

N. This Agreement is in furtherance of the winding down affairs of the Former Agency, with respect to the expenditure of unspent bond proceeds as permitted under HSC Section 34191.4.

O. Resolution No. OB 2016-003 adopted by the Oversight Board on February 1, 2016 approving the Successor Agency's execution and delivery of this Agreement was [approved] [deemed approved] by the DOF pursuant to HSC Section 34179(h) on _____, 2016.

NOW, THEREFORE, THE PARTIES DO HEREBY AGREE AS FOLLOWS:

Section 1. Subject to the provisions of this Agreement and with the funding provided pursuant to this Agreement, the City agrees to perform or cause to be performed the work required for the Projects, including but not limited to the preparation of designs, plans and specifications and all demolitions, construction and installations. The City shall perform such work in accordance with all applicable federal, state and local laws, rules and regulations. Subject to the covenants set forth herein, the City shall have the sole discretion with respect to the design, planning, specification and the timing with respect to all components of the Projects.

Section 2. (a) For the ROPS (the "ROPS 16-17") covering the period from July 1, 2016 through June 30, 2017 (the "ROPS 16-17 Period"), the Successor Agency listed the transfer of $142,677 (which is not more than five percent of the 2011A Bonds Proceeds) to the City (such dollar amount, subject to any adjustment pursuant to the DOF-approved ROPS 16-17, being referred to herein as the "2016-17 ROPS Transfer").

(b) At the commencement of the ROPS 16-17 Period, or as soon thereafter as practical, the Successor Agency shall transfer the 2011A Bonds Proceeds in an amount equal to the 2016-17 ROPS Transfer to the City.

Section 3. The City covenants that it shall use the 2011A Bonds Proceeds transferred to it pursuant to this Agreement for costs of the Projects (or reimbursement to the City for any funds advanced for costs of the Projects) and solely in a manner consistent with the covenants in the Indenture, including but not limited to, any covenants regarding the tax-exempt status of interest on the 2011A Bonds under the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder, and all applicable law.

Section 4. To the extent the City still holds 2011A Bonds Proceeds transferred pursuant to this Agreement after the completion of the Projects (as determined by the City Council), the City shall return such unspent remaining 2011A Bonds Proceeds to the Successor Agency within a reasonable time after such determination.

Section 5. Each Party shall maintain books and records regarding its duties pursuant to this Agreement. Such books and records shall be available for inspection by the officers and agents of the other Party at all reasonable times.

Section 6. The Parties agree to take all appropriate steps and execute any documents which may reasonably be necessary or convenient to implement the intent of this Agreement.

Section 7. This Agreement may be amended from time to time by written instrument executed by both Parties.

Section 8. No official, agent, or employee of the Successor Agency or the City, or members of the City Council, or members of the Successor Agency Board of Directors or Oversight Board shall be individually or personally liable for any payment hereunder in the event of any default or breach by the Successor Agency or the City, or for any amount which may otherwise become due to the City or Successor Agency, or successor thereto, or on any obligations under the terms of this Agreement.

Section 9. This Agreement is made in the State of California under the Constitution and laws of the State of California, and is to be so construed.

[Signatures on next page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers.

SUCCESSOR AGENCY TO THE BLYTHE REDEVELOPMENT AGENCY

By _____
Interim Executive Director

ATTEST:

_____
Secretary

CITY OF BLYTHE

By _____
Mayor

ATTEST:

_____
City Clerk

APPROVED:

OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE BLYTHE REDEVELOPMENT AGENCY

By _____ Date: _____
Chair

EXHIBIT A

Description of Projects

1. Water system improvements within the Former Agency's Redevelopment Project No. 1, including but not limited to the College Reservoir Rehabilitation project; and

2. any other programs and projects and activities of benefit to the Former Agency's Redevelopment Project No. 1, so long as the program or project is determined by the City to be consistent with the bond covenants under the Indenture.

REPORTS

PUBLIC COMMENT

ADJOURN