

CITY COUNCIL

Jeffrey T. Cobb, Mayor
Terry Taylor-Vodden, Vice Mayor
Larry Domenighini, Council Member
Lawrence Mello, Council Member
Gary L. Hansen, Council Member

CITY MANAGER
Steve Holsinger

CITY CLERK
Natalie Butler



201 North Lassen Street
Willows, CA 95988
(530) 934-7041
www.cityofwillows.org

CITY COUNCIL REGULAR MEETING AGENDA

Tuesday, January 28, 2014

7:00 p.m.

1. Call to Order Willows City Council Regular Meeting - 7:00 p.m.
2. Pledge of Allegiance
3. Roll Call
4. **Agenda Review:** (Requested Changes by Council or Staff).
 - a) Consider acceptance, by motion, of City Council January 28, 2014, Agenda.
5. **Presentations & Proclamations:** None
6. **Public Comment / Written Communications:** Members of the public wishing to address the Council on any item(s) *not on the agenda* may do so at this time when recognized by the Mayor/Vice Mayor; however, no formal action will be taken unless placed on a future agenda. (*Public Comment is generally restricted to three minutes*).
7. **Consent Agenda:** Consent items are considered to be routine by the City Council and will be enacted in one motion. There will be no separate discussion on these items unless a Councilperson or citizen requests, in which event the item will be removed from the consent agenda.
 - a) Consider approval of General, Payroll & Direct Deposit Check Registers.
 - b) Consider approval of the City Council Minutes for the regular meeting held on January 14, 2014.
8. **Public Hearings:** None
(Persons wishing to speak during a Public Hearing are asked to approach the microphone to address the Council and limit comments to three minutes. Although not required, it is also requested that you please state your name for the record).
9. **Ordinances:** None
10. **Items introduced by City Council or Administrative Staff for discussion purposes only:**
 - a) Discussion on potential future actions concerning a complaint resolution process. – City Manager.

11. New Business:

- a) Annual Audit of City of Willows' Financial Statements: By motion, accept the audited financial statements of the City of Willows as of and for the fiscal year ending June 30, 2013.
- b) City Surplus: By motion, adopt a Resolution declaring certain City-Owned property to be surplus and authorize the sale or disposal of same.
- c) Mid-Year Budget Review: Establish a date and time for 2013-14 Mid-Year Budget Review. Preference is for the week of February 18.

12. Council Member Reports:

13. Executive Session: Pursuant to California Government Code Sections 54950 et seq., the City Council will hold a Closed Session. More specific information regarding this closed session is indicated below:

Pursuant to Government Code Section 54954.3 the public will have an opportunity to directly address the legislative body on the below items prior to the Council convening into Closed Session. Public Comments are generally restricted to three minutes.

- a) PERFORMANCE EVALUATION – Pursuant to Government Code § 54957 (b) (1), which states:

“Subject to paragraph (2), nothing contained in this chapter shall be construed to prevent the legislative body of a local agency from holding closed sessions during a regular or special meeting to consider the appointment, employment, evaluation of performance, discipline, or dismissal of a public employee or to hear complaints or charges brought against the employee by another person or employee unless the employee requests a public session.”

TITLE: City Manager

14. Report-Out from Executive Session:

15. Adjournment:

CERTIFICATION: Pursuant to Government Code §54954.2 (a), the agenda for this meeting was properly posted on or before January 24, 2014.

A complete agenda packet, including staff reports and back-up information, is available for public inspection during normal work hours at City Hall or the Willows Public Library at 201 North Lassen Street in Willows or on the City's website at www.cityofwillows.org.

In compliance with the Americans with Disabilities Act, the City of Willows will make available to members of the public any special assistance necessary to participate in this meeting. The public should contact the City Clerk's office at 934-7041 to make such a request. Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

The City of Willows is an Equal Opportunity Provider

MINUTES OF THE WILLOWS CITY COUNCIL REGULAR MEETING HELD

January 14, 2014

1. Vice Mayor Taylor-Vodden called the meeting to order at 7:00 p.m.
2. **PLEDGE OF ALLEGIANCE:** Council Member Domenighini led the Pledge of Allegiance.
3. **ROLL CALL:**

Present: Domenighini, Taylor-Vodden, Mello, & Hansen
Absent: Mayor Cobb
4. **Agenda Review:** It was **moved** by Council Member Hansen and **seconded** by Council Member Domenighini to accept the January 14, 2014 agenda as presented. The motion unanimously passed.
5. **Planning Commissioners Oath of Office:** City Clerk Natalie Butler administered the Oath of Office to newly appointed Planning Commissioner Shirley Benningfield and reappointed Commissioner Peggy White.
6. **Presentations & Proclamations:** None
7. **Public Comment/Written Communications:**

The following person(s) spoke during public comments:

Doug Ross spoke about the Police Department's Code Enforcement program. He inquired whether code enforcement is now being done in a larger fashion throughout the entire City or if it is done selectively based on availability of Police staff.

8. **Consent Agenda:**

It was **moved** by Council Member Domenighini and **seconded** by Council Member Hansen to approve the Consent Agenda as presented. The motion unanimously passed. The following items were approved/adopted:

- a) Approval of General, Payroll and Direct Deposit Check Registers.
- b) Approval of the Regular City Council Meeting Minutes of December 10, 2013.

9. **Public Hearings:**

- a) 2013/2014 Appropriation Limit:

The City is required to establish its appropriation limit annually by Resolution. The appropriation limitation imposed by Propositions 4 and 111 creates a restriction on the amount of

revenue that can be appropriated in any fiscal year. The limit is based on the actual appropriations during the 1978-79 fiscal year and is increased each year using the growth of population and inflation. Not all revenues are restricted by the limit; It is only those revenues that are designated as “proceeds of taxes” that are included.

The City’s appropriation limit for fiscal year 2013/14 is \$8,326,093. With qualified proceeds of taxes of \$2,993,534 for the year, the City is \$5,332,559 under the limit. Staff requests that a public hearing be conducted and upon conclusion, Council adopts a Resolution establishing said limit. Vice Mayor Taylor-Vodden opened the public hearing at 7:12 p.m. and hearing no comments, subsequently closed the hearing at 7:12 p.m. It was **moved** by Council Member Hansen and **seconded** by Council Member Domenighini to adopt a Resolution of the City Council of the City of Willows establishing 2013/2014 Appropriation Limit. The motion unanimously passed.

10. **Ordinances:** None

11. **Items introduced by City Council or Administrative Staff for discussion purposes only:** None

12. **New Business:**

a) Fund to Fund Transfer request:

This request involves some “housekeeping” type issues to consolidate funds that are no longer necessary to maintain. The first transfer request is from the Debt Service Fund (Fund 324) which was in place in order to maintain a reserve in accordance with debt service covenants of the State Revolving Fund Loan provided in 1994 for upgrades to the Sewer Treatment Facility. The final payment on that loan was made in December and as such, maintaining a stand-alone debt service fund is no longer necessary. These funds should be transferred to the Sewer Enterprise fund (Fund 318) with designation of use, if any, to be determined at a later time.

The second transfer request is from the Revolving Loan Fund (Fund 370) which consists of the old CDBG loan repayments that are classified as miscellaneous (discretionary) funds. The City already maintains two such funds to account for such loan repayments that do not have a specified requirement for future revolving or for CDBG grant augmentation. These funds (Community Discretionary, Fund 330, and Economic and Community Development Fund, Fund 333) render the need to maintain Fund 370 unnecessary. As such, movement into fund 333 and closure of Fund 370 is recommended. Council then has the discretion to utilize said funds on community or economic projects. Staff is requesting that Council approve the aforementioned transfers and fund closures. It was **moved** by Council Member Domenighini and **seconded** by Council Member Mello to approve a transfer of \$76,980.87 from Fund 324 (Debt Service to Fund 318 (Sewer Enterprise) and close Fund 324 and to approve a transfer of \$42,085.08 from Fund 370 (Revolving Loans) to Fund 333 (Economic and Community Development) and close Fund 370. The motion unanimously passed.

13. Council Member Reports:

Council Member Domenighini welcomed the two new Planning Commissioners. He also reported that former Planning Commissioner Leon Thur's wife sadly passed away recently. He reported that he and Council Member Hansen will be attending the Transit and Transportation meeting this Thursday.

Council Member Hansen reported that he and Council Member Domenighini attended the last RTC and Transportation Commission meeting on December 19. He also reported that on January 11 he attended The State of Jefferson Town Hall meeting and it was very informative and interesting. Lastly, he stated that in addition to Mrs. Thur's recent passing, another well-known resident of Willows, Joe Carvalho, also recently passed away. Both will be sadly missed in the community.

Council Member Mello reported that he has received a few calls from people regarding the City's Code Enforcement program. He has been directing the callers to the City's website to review the Ordinance for Abatement, but for the most part, people are just calling to vent their frustrations. He stated that if anybody in the community wants to talk to him to ask him any questions they can reach him by writing to his P.O. Box 123 in Willows or by calling his home phone which is listed in the telephone directory.

Vice Mayor Taylor-Vodden reported that she attended an Economic Development meeting in Orland last month. She also plans to attend the Economic Forecast Conference in Oroville on Thursday. Lastly, she reported that she attended a Farmers' Market meeting this morning and they will be considering changing the date and the site of the 2014 Willows Market. The request will be to move the market from downtown Willows to one of the parks in the City.

14. Executive Session: None

15. Adjournment: Vice Mayor Taylor-Vodden adjourned the meeting at 7:25 p.m.

Dated: January 14, 2014

NATALIE BUTLER

City Clerk

The City of Willows is an Equal Opportunity Provider

AGENDA ITEM

TO: Steve Holsinger, City Manager

FROM: Tim Sailsbery, Finance Director

SUBJECT: Annual Audit of City of Willows' Financial Statements

RECOMMENDATION

Accept, by motion, the audited financial statements of the City of Willows as of and for the fiscal year ending June 30, 2013

SITUATION (or BACKGROUND):

Roy R. Seiler, CPA, has completed the annual audit of the financial statement for the City of Willows. As a summary of City performance and activity, please refer to the Management Discussion and Analysis section of the City of Willows financial statements.

FINANCIAL CONSIDERATIONS:

N/A

NOTIFICATION

Upon acceptance of the audits

California State Controller
United States Department of Agriculture
United States Federal Audit Clearinghouse (If Applicable)
Municipal Finance Corporation

ALTERNATE ACTIONS

1. Accept by motion
2. Request additional information from staff
3. Reject staff recommendation and/or direct item to be returned at later date.

RECOMMENDATION

Accept, by motion, the audited financial statements of the City of Willows as of and for the fiscal year ending June 30, 2013

Respectfully submitted,



Tim Sailsbery
Finance Director

Items Available for Review at City Hall:

- EXHIBIT A: Auditor's Transmittal Letter
- EXHIBIT B: City of Willows Financial Statements

ROY R. SEILER

CERTIFIED PUBLIC ACCOUNTANT

201 C. North Tehama
Willows, CA 95988

Phone: 530-934-8841

Fax: 530-934-8849

E-mail: Roy.Seiler@yahoo.com

Members of the City Council and
The Management of the
City of Willows
Willows, California

I have audited the financial statements of the City of Willows (the City) for the year ended June 30, 2013, and have issued my report thereon dated December 20, 2013. Professional standards require that I provide you with the following information related to my audit.

My Responsibility under U.S. Generally Accepted Auditing Standards

As stated in my engagement letter dated February 7, 2011, my responsibility, as described by professional standards, is to plan and perform my audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute assurance and because I did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by me.

As part of my audit, I considered the internal control of the City of Willows. Such considerations were solely for the purpose of determining my audit procedures and not to provide any assurance concerning such internal control.

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of my engagement letter, I will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the City are described in the notes to the financial statements. I noted no transactions entered into by the City during the year that were both significant and unusual, and of which, under professional standards, I am required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

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 the computation of depreciation expense and fixed asset useful life. Management's estimate of depreciation and fixed asset useful life is based on estimates in determining that it is reasonable in relation to the financial statements as a whole.

Audit Adjustments

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in my judgment, may not have been detected except through my auditing procedure. An audit adjustment may or may not indicate matters that could have a significant effect on the City's financial reporting process (that is, cause future financial statements to be materially misstated). In my judgment, none of the adjustments I proposed, whether recorded or unrecorded by the City, either individually or in the aggregate, indicate matters that could have a significant effect on the City's financial reporting process.

Disagreements with Management

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

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 governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, my professional standards require the consulting accountant to check with me to determine that the consultant has all the relevant facts. To my knowledge, there were no such consultations with other accountants.

Issues Discussed Prior to Retention of Independent Auditor

I 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 auditor. However, these discussions occurred in the normal course of my professional relationship and my response was not a condition to my retention.

Difficulties Encountered in Performing the Audit

I encountered no significant difficulties in dealing with management in performing my audit.

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

Very truly yours,

Roy R. Seiler, CPA

AGENDA ITEM

January 28, 2014

TO: Steve Holsinger, City Manager
FROM: Skyler Lipski, Public Works Director
SUBJECT: Surplus Property

RECOMMENDATION

Declare, by Resolution, the identified items in Exhibit "A" as surplus and direct staff to sell or dispose of by sealed bid, auction, or other method.

SUMMARY

The Public Works, Police, Library and Fire Departments have identified City property listed in Exhibit A which are no longer used or which have become obsolete or worn out. Pursuant to Willows Municipal Code 3.05.120, staff is requesting the City Council declare the items as surplus and direct staff to sell or dispose of by sealed bid, auction, or other method.

Each department requests the proceeds from surplus go back into their respective budgets.

ALTERNATE ACTIONS

Reject recommendation

RECOMMENDATION

Declare, by Resolution, the identified items in Exhibit "A" as surplus and direct staff to sell or dispose of by sealed bid, auction, or other method

Respectfully submitted,


Skyler Lipski
Public Works Dir.


Jason Dahl
Chief of Police


Wayne Peabody
Fire Chief


Jody Meza
Library Dir.

Approved by,

Steve Holsinger
City Manager

Attachments:
Exhibit A

RESOLUTION NO _____ 2014

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS
DECLARING CERTAIN CITY OWNED PROPERTY TO BE SURPLUS AND
AUTHORIZING THE SALE OR DISPOSAL OF SAME PURSUANT TO THE
WILLOWS MUNICIPAL CODE**

WHEREAS, there has been submitted to the City Council a request for a declaration of the sale of surplus property from Public Works, Police, Library and Fire Departments; and

WHEREAS, this property is described on the attached list as Exhibit “A”; and

WHEREAS, the City Manager has determined that the property should be declared surplus and sold or disposed of as deemed necessary by these City Departments; and

WHEREAS, the California Government Code authorizes the City Council to make certain findings regarding the disposition of the property the City no longer uses or has use for.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Willows finds and declares that the equipment described on the attached Exhibit “A” is hereby declared surplus property and authorizes the sale or disposal of same pursuant to Willows Municipal Code.

PASSED AND ADOPTED by the City Council of the City of Willows this 28th day of January 2014, by the following vote:

Jeffrey Cobb, Mayor

ATTEST: _____
Natalie Butler, City Clerk

EXHIBIT A

PUBLIC WORKS DEPT.

1. #38 – Crane Truck
2. #16 – (Old) Tymco Sweeper (2001)
3. 6 File cabinets
4. 2 desks and various shelving

POLICE DEPT.

1. 1990 International Truck Tractor , VIN# 1HSGAZ7R3LH273189 with a 1989 Wisconsin Low Bed Trailer #1W91SP20XK2008985
2. 1985 Chevrolet Blazer 4x4 (Diesel), VIN #1G8ED18J5FF133298
3. 1984 Chevrolet Pickup 4x4 (Diesel), VIN#1GCGD34J5EF342300
4. 1986 Chevrolet Utility Van (Diesel), VIN #2GCGG31J5G4129464
5. 1984 Chevy ½ ton Pickup #1GCEC14F6EJ158826 (CSO Truck)
6. 1997 Ford Thunderbird LX #1FALP62W1VH146791

FIRE DEPT.

1. (23) 1 ½" 50' sections double jacketed hose
2. (40) 3" 50' sections double jacketed hose
3. (1) Box of miscellaneous sizes of couplings for double jacketed hose
4. "Floto" Pump:
 - a. (1) Waterous 1 ½ discharge
 - b. (1) 8hp Briggs & Stratton 2 ½ discharge
5. (1) 10 ton Floor Jack
6. (2) Tormentor ground ladder with poles
7. (1) 12' straight ground ladder

LIBRARY DEPT.

1. Wood atlas stand with pullout shelves
2. 6' wood laminate study carrel table

AGENDA ITEM

TO: Members of the Willows City Council
FROM: Tim Sailsbery, Finance Director
SUBJECT: 2013/14 Mid-Year Budget Review-Establish Date and Time

RECOMMENDATION

By Consensus, Establish Date and Time for 2013-14 Mid-Year Budget Review. Preference is for the Week of February 18.

SITUATION (or BACKGROUND):

Staff is requesting that Council set a date and time during the week of February 18 for a mid-year budget review session, primarily consisting of review of the General Fund. Staff requests that the meeting be scheduled for a morning start, with Feb.18, 19, or 20 as possibilities, with a preference for February 19.

FINANCIAL CONSIDERATIONS:

None. Action Items pertaining to mid-year review, if any, will be agendized for a following, regularly scheduled, meeting.

NOTIFICATION

Agenda to be posted in accordance with the Brown Act.

ALTERNATE ACTIONS

1. Establish Date and Time for Mid Year Budget Review
2. Request additional information from staff

RECOMMENDATION

By Consensus, Establish Date and Time for 2013-14 Mid-Year Budget Review. Preference is for the Week of February 18.

Respectfully submitted,



Tim Sailsbery
Finance Director
