

<p>1 SUPERIOR COURT OF THE STATE OF CALIFORNIA 2 COUNTY OF CONTRA COSTA 3 4 MARK JORDAN, an individual,) 5 Plaintiff,) 6 vs.) Case No.: C16-00372 7 CITY OF ANTIOCH, a general law) 8 city; and DOES 1-10,) 9 Defendants.) 10 _____) 11 12 13 14 DEPOSITION OF DAWN MERCHANT 15 MONDAY, JULY 18, 2016, 12:53 P.M. 16 WALNUT CREEK, CALIFORNIA 17 18 19 20 21 22 Reported by Carolyn M. Mann, CSR No. 10066 23 CLS Job No. 56814B 24 25 CENTEXTLEGAL.COM - 855.CENTEXT</p> <p>1</p>	<p>1 APPEARANCES: 2 3 For Plaintiff: 4 KRAUSE, KALFAYAN, BENINK & SLAVENS, LLP 5 BY: ERIC J. BENINK, ESQ. 6 550 West C Street, Suite 530 7 San Diego, California 92101 8 619.232.0331 9 ebenink@kkbs-law.com 10 11 For Defendants and the Witness: 12 COTA COLE LLP 13 BY: DEREK P. COLE, ESQ. 14 2261 Lava Ridge Court 15 Roseville, California 95661 16 916.780.9009 17 dcole@cotalawfirm.com 18 19 ALSO PRESENT: 20 MARK JORDAN 21 22 23 24 25</p> <p>3</p>
<p>1 SUPERIOR COURT OF THE STATE OF CALIFORNIA 2 COUNTY OF CONTRA COSTA 3 4 MARK JORDAN, an individual,) 5 Plaintiff,) 6 vs.) Case No.: C16-00372 7 CITY OF ANTIOCH, a general law) 8 city; and DOES 1-10,) 9 Defendants.) 10 _____) 11 12 13 14 15 16 17 18 19 20 21 22 DEPOSITION OF DAWN MERCHANT, taken at Centext Legal 23 Services, 1990 No. California Boulevard, Suite 530, 24 Walnut Creek, California, on Monday, July 18, 2016, at 25 12:53 p.m., before Carolyn M. Mann, Certified Shorthand Reporter, in and for the State of California.</p> <p>2</p>	<p>1 INDEX 2 WITNESS: Dawn Merchant 3 4 EXAMINATION PAGE 5 By Mr. Benink 6 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p> <p>4</p>

<p>1 INDEX TO EXHIBITS</p> <p>2 EXHIBITS MARKED</p> <p>3 Exhibit 4 Document titled "City of Antioch 6</p> <p>4 2015-17 Operating Budget, Financial</p> <p>5 Summaries"; Bates Nos. ANT 001798 -</p> <p>6 001814</p> <p>7 Exhibit 5 Document titled "City of Antioch 6</p> <p>8 2015-17 Operating Budget, Enterprise</p> <p>9 Funds"; Bates Nos. ANT 002012 - 002029</p> <p>10 Exhibit 6 Pages printed from City of Antioch's 12</p> <p>11 website (no Bates numbers)</p> <p>12 Exhibit 7 Antioch City Council, Antioch 34</p> <p>13 Development Agency, minutes from</p> <p>14 Regular Meeting/Study Session dated</p> <p>15 June 23, 2009; Bates Nos. ANT</p> <p>16 000013 - 000024</p> <p>17 Exhibit 8 Document titled "Staff Report to the 44</p> <p>18 Mayor and City Council for</p> <p>19 Consideration of the Study Session</p> <p>20 Meeting of June 23, 2009"; Bates</p> <p>21 Nos. ANT 000025 - 000030</p> <p>22 Exhibit 9 Document titled "Staff Report to the 52</p> <p>23 Antioch City Council for</p> <p>24 Consideration at the Meeting of</p> <p>25 May 18, 2010"; Bates Nos. ANT</p> <p>000060 - 000069</p> <p>Exhibit 10 Document titled "Staff Report to the 58</p> <p>Mayor and City Council for</p> <p>Consideration at the Meeting of July</p> <p>28, 2009"; Bates Nos. ANT 000049 -</p> <p>000055</p> <p>Exhibit 11 City of Antioch's Responses to 67</p> <p>Special Interrogatories, Set No. One</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p>5</p>	<p>1 long time ago?</p> <p>2 A Yes. And it was over the phone with our</p> <p>3 attorney, so.</p> <p>4 Q Was it recently -- I'm sorry?</p> <p>5 A Yes.</p> <p>6 Q I asked a bad question. It was, okay.</p> <p>7 So you understand the basics of it: I'll be</p> <p>8 asking questions; you'll be responding --</p> <p>9 A Yes.</p> <p>10 Q -- to my questions.</p> <p>11 One thing that's really helpful is that we wait</p> <p>12 for each other to finish our questions before you</p> <p>13 answer, just so the court reporter can take down</p> <p>14 everything we're saying. Is that --</p> <p>15 A Okay.</p> <p>16 Q -- okay?</p> <p>17 A Okay.</p> <p>18 Q Is there any reason you can't give your best</p> <p>19 testimony today?</p> <p>20 A No.</p> <p>21 Q I introduced myself before we started, but I'll</p> <p>22 say it again for the record. My name is Eric Benink,</p> <p>23 and I represent Mark Jordan in a lawsuit that is pending</p> <p>24 against the City of Antioch.</p> <p>25 I understand or I guess that you're probably</p> <p>7</p>
<p>1 MONDAY, JULY 18, 2016, 12:53 P.M.</p> <p>2 WALNUT CREEK, CALIFORNIA</p> <p>3</p> <p>4 DAWN MERCHANT,</p> <p>5 having been first duly sworn, testifies as follows:</p> <p>6</p> <p>7 EXAMINATION</p> <p>8 (Exhibit 4 and Exhibit 5 marked for</p> <p>9 identification)</p> <p>10 BY MR. BENINK:</p> <p>11 Q Good afternoon.</p> <p>12 A Hi.</p> <p>13 Q Can you go ahead and state and spell your name</p> <p>14 for the record, please.</p> <p>15 A Dawn Merchant. D-A-W-N, M-E-R-C-H-A-N-T.</p> <p>16 Q Do you understand you are giving testimony</p> <p>17 under oath today --</p> <p>18 A Yes.</p> <p>19 Q -- just as if you were in a courtroom?</p> <p>20 A Yes.</p> <p>21 Q Have you had your deposition taken before?</p> <p>22 A Yes.</p> <p>23 Q How many times?</p> <p>24 A Just once.</p> <p>25 Q Once, okay. Was it recent years or was it a</p> <p>6</p>	<p>1 somewhat familiar with that case; is that correct?</p> <p>2 A Yes.</p> <p>3 Q Have you read the lawsuit?</p> <p>4 A Yes.</p> <p>5 Q What is your general understanding of the</p> <p>6 lawsuit?</p> <p>7 A That Mr. Jordan does not agree with the City's</p> <p>8 transfer of water and sewer funds to the General Fund</p> <p>9 for police services.</p> <p>10 Q Great.</p> <p>11 Did you do anything to prepare for your</p> <p>12 deposition today?</p> <p>13 A No.</p> <p>14 Q Did you review any documents in preparation for</p> <p>15 your deposition today?</p> <p>16 A I just refreshed this morning, looking at when</p> <p>17 the transfer started and just seeing them from that</p> <p>18 point forward.</p> <p>19 Q What exactly did you reference in doing that?</p> <p>20 A It was a spreadsheet that I had created for Mr.</p> <p>21 Jordan that lists the transfers by year.</p> <p>22 Q So it was just an internal Excel spreadsheet?</p> <p>23 A Correct.</p> <p>24 Q Have you spoken to anybody other than Mr. Cole</p> <p>25 regarding giving deposition testimony today?</p> <p>8</p>

<p>1 A No.</p> <p>2 Q So you're employed by the City of Antioch.</p> <p>3 A Yes.</p> <p>4 Q I'm going to be referring to it as "the City,"</p> <p>5 if that's okay.</p> <p>6 A Yes.</p> <p>7 Q What is your current position?</p> <p>8 A Finance director.</p> <p>9 Q And how long have you been the finance</p> <p>10 director?</p> <p>11 A Since 2007.</p> <p>12 Q Were you employed by the City prior to being</p> <p>13 the finance director?</p> <p>14 A Yes.</p> <p>15 Q And what was your position prior?</p> <p>16 A Assistant finance director.</p> <p>17 Q And how long were you the assistant finance</p> <p>18 director?</p> <p>19 A I do not recall the dates, as I held another</p> <p>20 position prior to that.</p> <p>21 Q Can you give me an approximation?</p> <p>22 A I believe since 2005, from 2005 to 2007.</p> <p>23 Q And then what about prior to 2005?</p> <p>24 A Accountant.</p> <p>25 Q With the City?</p> <p style="text-align: right;">9</p>	<p>1 A 1995.</p> <p>2 Q What kind of postgraduate training, formal</p> <p>3 education, have you had, if any?</p> <p>4 A I usually do classes or seminars with the</p> <p>5 California State Municipal Finance Officers Association,</p> <p>6 I've done classes with GFOA, which is the Government</p> <p>7 Finance Officers Association. As part of having my CPA</p> <p>8 license I do need to do 80 hours of CPE every two years,</p> <p>9 so I usually will do seminars to maintain that.</p> <p>10 Q When you say you do seminars, do you take the</p> <p>11 seminars or do you present at seminars?</p> <p>12 A I take the seminars.</p> <p>13 Q Have you done any presentations?</p> <p>14 A No.</p> <p>15 Q Your position is a salaried position?</p> <p>16 A Correct.</p> <p>17 Q And who do you report to?</p> <p>18 A The city manager.</p> <p>19 Q And who reports to you directly? Who are your</p> <p>20 direct reports?</p> <p>21 A The deputy finance director, the finance</p> <p>22 operations supervisor. And would you like me to list</p> <p>23 all the staff under that because --</p> <p>24 Q No. You have just those two direct reports?</p> <p>25 A Correct.</p> <p style="text-align: right;">11</p>
<p>1 A Correct.</p> <p>2 Q And how long were you an accountant?</p> <p>3 A Since 1999.</p> <p>4 Q And how about prior to that?</p> <p>5 A I worked for Maze & Associates.</p> <p>6 Q CPA?</p> <p>7 A Correct.</p> <p>8 Q And what did you do for Maze & Associates?</p> <p>9 A I was an auditor.</p> <p>10 Q Are you a CPA?</p> <p>11 A Yes.</p> <p>12 Q And when did you get your CPA?</p> <p>13 A I believe it was 1997.</p> <p>14 Q Did you audit municipalities?</p> <p>15 A Yes.</p> <p>16 Q Public agencies?</p> <p>17 A Yes.</p> <p>18 Q And just tell me a little bit about your</p> <p>19 educational background. Where did you go to college?</p> <p>20 A California State University -- Sacramento.</p> <p>21 Q And what degrees do you have?</p> <p>22 A Bachelor of science in business administration.</p> <p>23 Q Do you have a master's?</p> <p>24 A No.</p> <p>25 Q And what year did you graduate?</p> <p style="text-align: right;">10</p>	<p>1 Q Okay.</p> <p>2 Let's mark this as Exhibit 6.</p> <p>3 (Exhibit 6 marked for identification)</p> <p>4 BY MR. BENINK:</p> <p>5 Q I've just handed you a document we've marked as</p> <p>6 Exhibit 6. We're starting with 6 because we're going to</p> <p>7 try to stay in order and we previously marked some other</p> <p>8 exhibits in the prior deposition, so if you're wondering</p> <p>9 or care, which you probably don't.</p> <p>10 So I'm going to ask you to take a look at these</p> <p>11 three pages, and I'll represent to you that these are</p> <p>12 pages that I printed from the Antioch City's website and</p> <p>13 ask you, are you -- do they look familiar to you?</p> <p>14 A Yes.</p> <p>15 Q And what do these three pages represent?</p> <p>16 A The page for the City of Antioch Finance</p> <p>17 Department on the City's website.</p> <p>18 Q And the Finance Department is the department</p> <p>19 that you oversee?</p> <p>20 A Yes.</p> <p>21 Q There are four divisions referenced in the</p> <p>22 middle of the first page. Do you see that --</p> <p>23 administration, accounting, operations, and purchasing?</p> <p>24 A Yes.</p> <p>25 Q Are those, in fact, the four divisions within</p> <p style="text-align: right;">12</p>

<p>1 the Finance Department?</p> <p>2 A Yes.</p> <p>3 Q And you're ultimately responsible for each one</p> <p>4 of those divisions?</p> <p>5 A Yes.</p> <p>6 Q Can you give me just a quick summary of what</p> <p>7 each of those divisions is responsible for doing.</p> <p>8 A Administration is myself overseeing the Finance</p> <p>9 Department. Accounting is two accountants, as well as</p> <p>10 we do accounts payable and payroll. Operations is the</p> <p>11 water utility billing function, as well as business</p> <p>12 license. And purchasing is just preparing purchase</p> <p>13 orders and making sure that those are done in accordance</p> <p>14 with City policy.</p> <p>15 Q You said with regard to operations, it's water</p> <p>16 utility billing. Does that also include sewer utility</p> <p>17 billing?</p> <p>18 A Yes.</p> <p>19 Q Great.</p> <p>20 There are some descriptions under, I think,</p> <p>21 each one of these divisions on the subsequent pages, I</p> <p>22 guess overflowing onto subsequent pages. Can you just</p> <p>23 read through -- I want you to read through the ones</p> <p>24 under administration, accounting, operations, and</p> <p>25 purchasing, and let me know if those are accurate</p> <p style="text-align: right;">13</p>	<p>1 Q Can you describe to me, in just a very</p> <p>2 high-level fashion, the budgeting process each year, or</p> <p>3 I guess every other year.</p> <p>4 A Near the end of the calendar year that a new</p> <p>5 budget cycle will begin, information goes out to the</p> <p>6 departments requesting their budget information, each</p> <p>7 department prepares their individual budgets. I compile</p> <p>8 that data and it is reviewed between myself and the city</p> <p>9 manager, and we have meetings with the departments.</p> <p>10 That budget information is then presented to the city</p> <p>11 council at several budget study sessions. Once</p> <p>12 information is taken from those study sessions, a final</p> <p>13 draft budget is prepared, and that is presented to city</p> <p>14 council before the end of the fiscal year for the next</p> <p>15 cycle coming up, for adoption.</p> <p>16 Q And over the years, have you experienced any</p> <p>17 push-back from various departments within the City</p> <p>18 during the budgeting process, or is it usually a fairly</p> <p>19 smooth and, I guess, nonconfrontational process?</p> <p>20 A It is nonconfrontational.</p> <p>21 Q Nonconfrontational. Okay.</p> <p>22 All right. Have you had any training in cost</p> <p>23 allocation?</p> <p>24 A Not specifically on how to prepare a plan. The</p> <p>25 city does have a cost allocation plan that was completed</p> <p style="text-align: right;">15</p>
<p>1 descriptions of those divisions.</p> <p>2 A It appears that the operations one is -- oh,</p> <p>3 it's cut off. It --</p> <p>4 Q Yeah --</p> <p>5 A -- goes on.</p> <p>6 Q -- you've got to look at the third page.</p> <p>7 A Those descriptions look accurate.</p> <p>8 Q I assume you're involved in the budgeting for</p> <p>9 the City as well?</p> <p>10 A Yes.</p> <p>11 Q Does that fall into one of those four</p> <p>12 particular divisions, or is that something outside of</p> <p>13 those divisions?</p> <p>14 A In administration.</p> <p>15 Q Administration, okay.</p> <p>16 Before we talk a little bit more about</p> <p>17 budgeting, can you describe for me just generally what</p> <p>18 your responsibilities are as the finance director.</p> <p>19 A Oversee the Finance Department, coordinate the</p> <p>20 City's annual independent financial audit, prepare any</p> <p>21 financial reports, quarterly grant reimbursement</p> <p>22 requests, coordinate preparation of the City's budget,</p> <p>23 gather all the information from departments, present</p> <p>24 those to the city council for adoption, and preparing</p> <p>25 the master fee schedule for the City of Antioch.</p> <p style="text-align: right;">14</p>	<p>1 by a consultant in 2005.</p> <p>2 Q We'll talk more about that in a minute.</p> <p>3 So do you remember the name of the consultant,</p> <p>4 by any chance?</p> <p>5 A I believe it was PRM. I was not involved in</p> <p>6 that process, though.</p> <p>7 Q That was prior to you being the actual finance</p> <p>8 director?</p> <p>9 A Correct.</p> <p>10 Q What is your understanding of a cost allocation</p> <p>11 plan?</p> <p>12 A It takes the cost of operating a central</p> <p>13 department and allocates that to the users. It's taking</p> <p>14 basically kind of a user fee and distributing that --</p> <p>15 the way it works in the City -- distributing that to the</p> <p>16 departments that use that service.</p> <p>17 Q Can you give me an example of one such type of</p> <p>18 service which cost is allocated to different --</p> <p>19 A Payroll, for example, because the payroll</p> <p>20 department provides services for the Police Department,</p> <p>21 Community Development, Parks and Recreation, Public</p> <p>22 Works. So they get a share of the payroll department</p> <p>23 costs.</p> <p>24 Q So each one of those individual budgets -- for</p> <p>25 example, the police -- would reimburse, so to speak, the</p> <p style="text-align: right;">16</p>

<p>1 cost of those payroll services?</p> <p>2 A Correct.</p> <p>3 Q Do you have an understanding as to how those</p> <p>4 costs are actually allocated?</p> <p>5 A From looking at the study in 2005, it appears</p> <p>6 that they went through every department that gets --</p> <p>7 that would be allocated to do sort of a time study</p> <p>8 looking at how many employees are in the department, how</p> <p>9 many employees are serviced, what work they're doing,</p> <p>10 how much time they spend on each department, and they</p> <p>11 looked at several other factors. But again, I wasn't</p> <p>12 involved in that study.</p> <p>13 Q When is the last time you actually took a look</p> <p>14 at the cost allocation plan?</p> <p>15 A Probably about a year ago.</p> <p>16 Q Do you use it in connection with budgeting each</p> <p>17 year?</p> <p>18 A Only to update the amounts that are allocated.</p> <p>19 Each year we look at how much the budget percentage has</p> <p>20 increased, and then increase the allocation by that.</p> <p>21 Q So when you budget each year, you're leaving</p> <p>22 the methodology that this consultant developed and just</p> <p>23 adjusting based on the size -- the dollar amounts --</p> <p>24 A Correct.</p> <p>25 Q -- that are changed.</p> <p style="text-align: right;">17</p>	<p>1 section of the budget represents?</p> <p>2 A It is the operating budgets for all enterprise</p> <p>3 funds for the City of Antioch.</p> <p>4 Q And if you turn to page 246, there are a list</p> <p>5 of six different funds there. Are those the six</p> <p>6 enterprise funds that the City operates?</p> <p>7 A Yes.</p> <p>8 Q What is an enterprise fund?</p> <p>9 A It is a fund that operates more like a</p> <p>10 business. Governmental funds of a city aren't run to</p> <p>11 make a profit. An enterprise recovers their cost of</p> <p>12 services through user fees.</p> <p>13 Q Right. Okay. And do you have an understanding</p> <p>14 as to which funds are at issue in this litigation?</p> <p>15 A Yes.</p> <p>16 Q And which funds are they?</p> <p>17 A The Water Fund and the Sewer Fund.</p> <p>18 Q And those are funds 611 and 621?</p> <p>19 A Yes, sir.</p> <p>20 Q What is Fund 612?</p> <p>21 A It is a capital improvement fund, water system</p> <p>22 improvement fund, used for capital projects.</p> <p>23 Q And I'm assuming the same is for 622, except</p> <p>24 it's with regard to sewer capital improvement projects?</p> <p>25 A Yes.</p> <p style="text-align: right;">19</p>
<p>1 A Yes.</p> <p>2 Q So we're going to be looking at some exhibits</p> <p>3 that are actually marked, and you also have in front of</p> <p>4 you a big pile of paper that I printed, unfortunately</p> <p>5 for the trees. And I'll represent to you that the big</p> <p>6 pile of paper is what was produced to me in this</p> <p>7 litigation from Mr. Cole's office. And it looks like</p> <p>8 it's the operating budget for the City for fiscal years</p> <p>9 '15 through '17.</p> <p>10 I've pulled out some specific sections of that</p> <p>11 budget just to make it a little bit easier today. And</p> <p>12 one section was previously marked as Exhibit 3 during</p> <p>13 Chief Cantando's deposition, and then I've also marked</p> <p>14 two documents as Exhibit 4 and Exhibit 5.</p> <p>15 So why don't you take a look at Exhibits 3, 4,</p> <p>16 and 5 together. And just let me know if those are, in</p> <p>17 fact, what you understand to be the sections from the</p> <p>18 '15-17 operating budget.</p> <p>19 A Yes.</p> <p>20 Q Okay. So let's start with -- if you can pull</p> <p>21 out Exhibit 5 first, please.</p> <p>22 And just for the record, this is pages 245</p> <p>23 through 262 of that budget, and it's Bates stamped ANT</p> <p>24 002012 through 2029.</p> <p>25 Can you generally explain to me what this</p> <p style="text-align: right;">18</p>	<p>1 Q Are funds that are accounted for in the Water</p> <p>2 Fund, 611, water user fees, water service fees?</p> <p>3 A Yes.</p> <p>4 Q And that means fees that customers of the water</p> <p>5 -- who use the water service are paid to the City; is</p> <p>6 that right?</p> <p>7 A Yes.</p> <p>8 Q And the same for Fund 621; those are -- that</p> <p>9 fund accounts for fees that come in as sewer fees?</p> <p>10 A Yes.</p> <p>11 Q Just to be clear, when the City accounts for</p> <p>12 the various funds -- there's no separate bank accounts,</p> <p>13 for, say, for Fund 611 versus 621 or for the General</p> <p>14 Fund. It's just a matter of accounting for the balances</p> <p>15 in the accounting records; is that correct?</p> <p>16 A Yes.</p> <p>17 Q Turn to the next page, please, 247. Can you</p> <p>18 tell me which of these pages I've given you represent</p> <p>19 the budgets -- or the budget for the Water Fund 611?</p> <p>20 A The Water Fund budget in this document is pages</p> <p>21 247 to page 255.</p> <p>22 Q And those pages actually have some historic</p> <p>23 data in it as well?</p> <p>24 A Yes.</p> <p>25 Q And so where a column says "2012 through 2013</p> <p style="text-align: right;">20</p>

<p>1 Actual," those are actual expenditures and revenues 2 reflected for that fiscal year, for example? 3 A Yes. 4 Q So I want to start out -- just for the sake of 5 ease, I'm just picking one of the fiscal years right now 6 so we can stay on the same page. So I'm going to look 7 at the column that's "2015-2016 Proposed," and I'm going 8 to ask you about the figure under "Expenditures" that's 9 for Internal Services. And it's a 1,026,051 figure. 10 You see that figure? 11 A Yes. 12 Q Can you tell me what that represents? 13 A That's the cost allocation plan that was 14 created in 2005. 15 Q The one that we were referencing a few minutes 16 ago. 17 A Yes. 18 Q And so is it accurate to say that the Water 19 Fund pays or is proposed for fiscal year '15-16 to pay 20 \$1,026,051 for costs that are incurred by the City in 21 general? 22 A I don't know if I would say costs incurred by 23 the City in general, because that would mean any costs 24 that the City incurs. But it's costs incurred by those 25 departments that are allocated out to other departments.</p> <p style="text-align: right;">21</p>	<p>1 proposed fiscal year for transfers out is \$614,613. 2 That is not the amount that you understand is being 3 challenged in this lawsuit, right? 4 A It includes the amount. 5 Q I'm sorry. It includes the amount, but it's 6 not the precise amount. 7 A Correct. 8 Q She should have been a lawyer. She's good. 9 What else does it include? 10 A There are transfers for some capital projects 11 in there, as well as some -- I believe it includes a 12 small transfer for some debt service repayment. 13 Q Let me step back for a minute on the Internal 14 Services figures. You've explained what that \$1,026,051 15 figure represents. Is it the same for all of the prior 16 fiscal years that are reflected on this page 247? 17 A Yes. 18 Q And I'm going to ask you the same question for 19 Transfers Out. Do those figures include, but are not 20 exclusive of, the amounts that are transferred from the 21 Water Fund to the -- for the benefit of the Police 22 Department? 23 A Yes. 24 Q There's another document that's been marked, 25 and it's Exhibit 4 in front of you. Can you take a look</p> <p style="text-align: right;">23</p>
<p>1 Q Okay. Do you know, for example, which types of 2 costs are being allocated to the Water Fund in this 3 \$1,026,051 figure? 4 A I can't tell you exactly without looking at the 5 document, but I can tell you the cost allocation plan 6 allocates out the city manager, human resources, city 7 council, the city attorney, finance, some public works 8 functions, Office of Emergency Services functions. 9 Q And is what is being allocated in that all 10 portions of salaries? 11 A Salaries, as well as the general operating 12 budget for those departments. So it's the overall 13 operating budget. 14 Q You said Office of Emergency Services as well? 15 A Uh-huh, yes. 16 Q So that figure that we're speaking of, the 17 \$1,026,051 figure, is not inclusive of the amounts that 18 you understand to be at issue in this lawsuit. 19 A No. 20 Q That's accounted for in a separate line item. 21 A Yes. 22 Q And that, those -- or that figure is accounted 23 for in the line item above for "Transfers Out"? 24 A Yes. 25 Q The amount that's referenced for the '15-16</p> <p style="text-align: right;">22</p>	<p>1 at that Exhibit 4, please. 2 A Yes. 3 Q Well, I'll just identify it for the record. 4 This is, again, page 36 through 52 of the '15-17 5 operating budget, Bates stamped ANT 001798 through 6 001814. 7 What does this section of the budget represent? 8 A Summaries, overall summaries of some of the 9 budget data throughout the whole document. 10 Q Is there a place in this Exhibit 4 where we'd 11 be able to determine what portion of the \$614,613 is 12 allocated to police services, as opposed to other types 13 of costs? 14 A Yes. On page 42. 15 Q Where on 42? 16 A So if you look at the section -- that whole 17 section there, you can see the very bottom of that -- I 18 don't know to how to describe it in this table. It says 19 "Water Fund (611)." 20 Q Right. 21 A That's the transfer in from the Water Fund. 22 Q So of the 614,613, 319,000 is the amount that 23 is transferred for police services? 24 A That is budgeted to transfer, yes. 25 Q Budgeted, right. And again, for years -- other</p> <p style="text-align: right;">24</p>

<p>1 years on this table under "Actual," those are the actual 2 amounts that were transferred for police services? 3 A Yes. 4 Q So we're still missing, I suppose, about 5 \$300,000. Can you find the rest of the figures to make 6 up the difference? 7 A So if you look on page 44, under the section 8 for the Water Fund, we will see on the transfers out it 9 lists the total of the 614,000 where the other transfers 10 are going. 11 Q Okay. Got it. 12 So page 44, above the \$614,613 figure there are 13 four different references. Let's go through them one at 14 a time. 15 The first one is a hundred thousand. So that's 16 an amount for capital projects? 17 A Yes. 18 Q 319 is what we've already discussed. 19 The 12,238 is for "Debt Service." What exactly 20 does that mean? 21 A The City has a Honeywell lease for all the 22 streetlights that were replaced in the city and through 23 several facilities in the city. So that is the share 24 for street lights that were replaced at the water . . . 25 Q I'm sorry. It was a share of . . . ?</p> <p style="text-align: right;">25</p>	<p>1 Services internal service fund. So that department gets 2 allocated out throughout the City because it also 3 includes all information services, computer services, 4 for the City. So the budget on there doesn't detail 5 specifically what you see in the budget document, who 6 that gets allocated out to, but the J.S. Services, the 7 majority of that is paid for by the water and sewer. 8 Not all of it, but . . . 9 Q Okay. So just to summarize, there really are 10 five types of costs that the Water Fund pays outside of 11 its own budgeted expenditure amounts: Capital projects, 12 police services, debt service, GIS services, and also 13 its share of -- I don't know, what's the best way to 14 describe it, the \$1 million figure? 15 A Cost allocation. 16 Q The cost allocation plan; is that right? 17 A Yes. There are also capital projects paid 18 directly out of that 611 Water Fund, but these are 19 capital projects that are paid for in another fund that 20 that's the share the Water Fund is paying for. 21 Q Let's go back and look at Exhibit 5, please. 22 Can you tell me what part of this Exhibit 5 represents 23 the budget for the Sewer Fund? 24 A That goes from page 257 to 261 of this 25 document.</p> <p style="text-align: right;">27</p>
<p>1 A Of any lights that were replaced at water 2 facilities. 3 Q At water facilities. And who made that 4 calculation? 5 A When the streetlights and other lights within 6 the city were replaced, we got a breakdown from the 7 Community Development Department of what facilities had 8 how many lights replaced. And between Community 9 Development and myself, we determined which areas in the 10 City were responsible for what percentage share. 11 Q Got it. 12 And the last figure is \$183,375, and there's a 13 reference to "GIS Services." What is that? 14 A The City has a GIS program -- geographical -- 15 the geographic interface -- I don't remember the whole 16 acronym for it -- where we map all the water and sewer 17 lines and everything else that's City-owned property. 18 So the majority of the services are for our water and 19 sewer lines, and therefore, they pay for that service. 20 Q Is there a part of the budget that provides 21 more detail about what other funds or departments are 22 contributing to those costs? 23 A For GIS? 24 Q Yeah, for GIS. 25 A The fund that it falls into is the Information</p> <p style="text-align: right;">26</p>	<p>1 Q Okay. I want to walk through -- I'm going to 2 ask you basically the same questions about the Sewer 3 Fund. 4 So let's look at page 257. Let's stay with the 5 proposed '15-16'15-16 column. The reference to internal 6 services proposed for '15-16 was 221,159. Again, that's 7 for the cost allocation plan? 8 A Yes. 9 Q And those figures prior to '15-16 that are 10 referenced on this page are either actual or budgeted or 11 revised as reflected on this -- 12 A Yes. 13 Q -- document? 14 And the transfers out of the Sewer Fund is 15 602,375 for fiscal year '15 through '16. Can you show 16 me again on the other exhibit how you would break out 17 that \$602,375? 18 A So on Exhibit 4, page 44, right below the Water 19 Fund that I pointed out to you, the Sewer Fund is 20 listed, detailing each of the transfers that make up the 21 602,375. 22 Q So again, it's a hundred thousand for capital 23 projects, 319 for police services, and 183,375 for GIS 24 services. 25 A Yes.</p> <p style="text-align: right;">28</p>

<p>1 Q And I note that there's no amount for this debt 2 service for the Honeywell lease lighting issue. Is 3 there any reason why it's different? 4 A Well, the sewer is not an actual, quote, 5 unquote, "facility"; the sewer is in the ground. So of 6 course there was no energy replacement project for that. 7 Q Are there any, as far as you know, any 8 above-ground sewer assets or facilities? 9 A I do not know. 10 Q All right. The City has been transferring 11 funds from the Water Fund and the Sewer Fund for police 12 services beginning -- they're different so let me start 13 over. 14 The City has been transferring funds from the 15 Water Fund to the General Fund for police services 16 beginning in 2009; is that correct? 17 A I believe it was the 2010 fiscal year, but 18 without looking at the document, I . . . 19 Q We'll get there in a second. 20 When you say 2010 fiscal year, just so we're 21 all on the same page, that means July 1st, 2009, through 22 June 30th, 2010? 23 A Yes. 24 Q Okay. And prior to the first transfer -- it 25 was sometime in that vicinity, either calendar year 2009</p> <p style="text-align: right;">29</p>	<p>1 services be provided to our water facility for added 2 protection and also as a mechanism to make sure that we 3 would not lose any of our police force with what was 4 going on in the economy, if they could provide those 5 services to us. So it was discussed in the budget 6 subcommittee in that fiscal year, and then brought forth 7 to council. 8 Q Were you part of that budget subcommittee? 9 A Yes. 10 Q And who else was on the committee? 11 A The city manager. 12 Q Who was that at the time? 13 A Jim Jakel. 14 Q How do you spell the last name? 15 A J-A-K-E-L. 16 Q Who else? 17 A Brian Kalinowski, which was the council member. 18 And there is another council member, but I apologize; I 19 do not remember who that was. 20 Q Can you spell the council member's last name? 21 A K-A-L-I-N-O-W-S-K-I. 22 Q You mentioned that part of the discussion was, 23 in this budget subcommittee discussion, that there's a 24 need for added protection for the -- for what? 25 A For the water facilities, just because of, as I</p> <p style="text-align: right;">31</p>
<p>1 or fiscal year 2010, right? 2 A Yes. 3 Q For water. 4 A Yes. 5 Q Had there been any transfers for police 6 services out of the Water Fund prior to that, to your 7 knowledge? 8 A Not to my knowledge. 9 Q Not during your tenure as an employee of the 10 City of Antioch? 11 A That is not something I would have been 12 responsible for. It would have been the prior finance 13 director. 14 Q What is your understanding as to how the City 15 arrived at a decision to begin the profession or the -- 16 yeah, the process of transferring funds from the Water 17 Fund to the General Fund for police services beginning 18 in 2009 or 2010? 19 A The City at that time was beginning to go 20 through economic recession. And, as I understand it, in 21 general, the nation was experiencing threats to any of 22 their facilities, particularly government. 23 It did arise, to my recollection, that one of 24 the budget subcommittee members that was a council 25 member brought up the probability of could police</p> <p style="text-align: right;">30</p>	<p>1 understood it, what was going on in the nation. There 2 was concern that something could happen to our water 3 supply or our facility because we're different from 4 other cities in the fact that we do have our own water 5 treatment plant versus getting it from an East Bay MUD 6 or another type of water district, for example. 7 Q Do you remember any specific information that 8 you had received regarding this perceived threat? 9 A That's not something that would come to me. 10 That would be something for the chief of police or city 11 manager. 12 Q Was there any law enforcement personnel on the 13 subcommittee? 14 A No. 15 Q I guess I'm trying to figure out what you 16 understood to be the source of this information 17 regarding the threat to water facilities. 18 A That is just something that was in conversation 19 with the budget subcommittee. Again, it is not 20 something that involves my position. 21 Q During these sessions, these budget 22 subcommittee sessions, was it clear to you that there 23 was an economic downturn -- 24 A Yes. 25 Q -- in general?</p> <p style="text-align: right;">32</p>

<p>1 And that had created a loss of tax revenue for 2 the city? 3 A Yes. 4 Q And it was a fairly significant deficit? 5 A Yes. 6 Q And is it true that one of the -- that the 7 transfer from water to the General Fund for police 8 services was one of many, I guess, answers to attempting 9 to address the budget deficit? 10 A If you look at the scope of the amount, I 11 believe the first amount was 265,000 when we were facing 12 an \$11 million budget deficit. No, it does nothing for 13 that. However, in its own small way, yes. 14 Q Well, there were many different issues 15 addressed. And the idea, I suppose -- and correct me if 16 I'm wrong -- was in sum, with all these different plugs, 17 that you might be able to actually close or at least 18 help address that deficit. 19 A Any of the measures we came up with, yes, were 20 to help address it. But my recollection from being in 21 those meetings, the main thing also with what was going 22 on in the nation, as I stated, was the concern for our 23 water treatment facility. 24 Q Well, was anything -- was it your understanding 25 that something different was done with regard to</p> <p style="text-align: right;">33</p>	<p>1 But I do not regularly review every single minutes of 2 the city council meeting. 3 Q I take it you attend the city council meetings? 4 A For the ones that involve issues that I have. 5 Q Looking at this agenda -- actually, it looks 6 like the city council, it looks like the Antioch 7 Development Agency, there is a discussion regarding 8 "Budget Study Session." Do you see that? 9 A Yes. 10 Q Can you take a look at the third paragraph and 11 just read that to yourself, the one that says 12 "Councilmember Parsons." 13 A I've read it. 14 Q There's a reference to Councilmember Parsons. 15 Do you know who that -- is that a current council 16 member? 17 A No. 18 Q Do you know who that's in reference to? 19 A Yes. 20 Q And what's the first name of that council 21 member? 22 A Martha. 23 Q Okay. And so I'm going to direct you to the 24 sentence that says, "She suggested the Police Department 25 expenditures, for security of the Water Treatment Plant,</p> <p style="text-align: right;">35</p>
<p>1 protecting the water treatment facility before and after 2 the decision was made to transfer funds from the Water 3 Fund to the General Fund for police services? 4 A I do not know. 5 Q You never attempted to investigate the cost, 6 the additional cost of protecting the water treatment 7 facility? 8 A I myself did not. I do not know if there were 9 other employees that did. 10 THE REPORTER: Number 7. 11 (Exhibit 7 marked for identification) 12 BY MR. BENINK: 13 Q Just marked a document as Exhibit 7. This is 14 materials produced to us in this litigation, ANT 000013 15 through 24. 16 Do you recognize these pages? 17 A No. 18 Q Did you ever read city council agendas? 19 A Yes, and I do read minutes. I'm just not 20 familiar with these particular minutes from June 23rd, 21 2009. 22 Q Fair enough. Do you regularly review them as 23 they are issued? 24 A If they're items that relate to the budget or 25 something that Finance may be directed to do, then yes.</p> <p style="text-align: right;">34</p>	<p>1 be removed from the Water Fund, including the remainder 2 of the year." 3 Do you recall any discussions about that 4 reference there during this meeting? 5 A I do not know. That was six, seven years ago. 6 Q Understood. Okay. 7 Back in 2009, did you have an understanding as 8 to whether there was actually security provided at the 9 water treatment plant? 10 A I do not know. 11 Q When you say "I do not know," you don't recall 12 whether you knew back in 2009 or -- 13 A Oh, I'm sorry. I do not know if there were 14 security services at that time. 15 Q Sitting here today, you don't know. Do you 16 think you knew one way or the other back in 2009? 17 A I don't know. 18 Q Can you turn to page 4 of this document, 19 please. And it's actually a continuation of page 3, 20 which appears to be in reference to public comments for 21 the budget study session. These actually look like 22 minutes rather than an agenda, so I may have misspoken. 23 But on page 4, there's a reference, a number of 24 bullet points down, and I guess it's the third to last 25 bullet point, it says, "Water Fund Pay for Police</p> <p style="text-align: right;">36</p>

<p>1 Security -- Direction to staff for yearly reports, come 2 back with this year on calls that can be identified." 3 Do you see that reference? 4 A Yes. 5 Q Do you remember any discussion regarding trying 6 to identify the number of calls that pertain to the 7 water department for purposes of determining an 8 appropriate amount to transfer for police services from 9 the Water Fund? 10 A No. 11 Q Do you recall any discussions in this, I guess, 12 mid 2009 time period, regarding how a figure could be 13 ascertained as far as transferring amounts from the 14 Water Fund to the General Fund for police services? 15 A I do recall that in the budget study sessions 16 the city manager at that time proposed the 1 percent 17 figure. He felt that was reasonable, based on the 18 salaries of police employees and the overall city 19 budget, as well as his past experience in city 20 management. 21 Q Okay. So he believed 1 percent of the police 22 budget was appropriate -- 23 A Yes. 24 Q -- based on -- and I'm sorry; I lost the 25 remainder of the idea behind that. Based on what?</p> <p style="text-align: right;">37</p>	<p>1 subcommittee and taking direction from the city manager, 2 who was my boss at that time, I agreed with him that it 3 sounded a reasonable number. 4 Q Did anybody offer any opinion that perhaps a 5 more empirical study should be conducted? 6 A Not that I recall. 7 Q Did anybody discuss whether to try to retain a 8 consultant to develop a cost allocation study for that? 9 A I do not know. 10 Q Did you have any opinion whether a cost 11 allocation study should be commissioned? 12 A I do not recall having one at that time. 13 Q Did you ever form one later? 14 A Only recently, when it was brought up at the 15 meeting and our interim city attorney stated that -- 16 asked if we had ever considered a study or gotten one 17 prior. 18 Q For this particular transfer? 19 A Yes. 20 Q What was your understanding back in 2009 as to 21 the justification, setting aside the amount, but the 22 actual justification why the Water Fund should be 23 transferring an amount of 1 percent to the General Fund 24 for police services? 25 A For security services of our water and sewer --</p> <p style="text-align: right;">39</p>
<p>1 A Salaries of the police officers, the Police 2 Department budget at that time, and his past city 3 management experience. 4 Q Salary of police as compared to salaries of 5 other departments? I'm not sure -- 6 A Just looking -- 7 Q -- in comparison to what? 8 A -- at the overall budget, what it costs to pay 9 for a police officer as well as run the whole 10 department. 11 Q Was any effort made in 2009 to determine the 12 actual costs of services provided by the Police 13 Department to protect the water department in any way? 14 A I do not know. 15 Q How long was the 1 percent figure discussed 16 during this budget study session? 17 A I know we discussed it at least one or two 18 budget subcommittee meetings. And I know when we first 19 brought it out, I know that at least one initial 20 meeting, at a budget study session, and I believe it was 21 brought back to just confirm that it was in the budget 22 and move forward with that. 23 Q Did you have any opinion back in 2009 whether 24 1 percent made any sense? 25 A Based on what was discussed in the budget</p> <p style="text-align: right;">38</p>	<p>1 well, at that time, the first year, was the water. 2 Q And what do you mean by "security services"? 3 A Protecting our water plant assets. Not only our 4 treatment plant, but we have several pump stations. 5 Q And when you say "protecting," do you mean 6 something beyond patrolling? For example, do you mean 7 stationing a uniformed officer at the gate, at the water 8 treatment plant, something like that? 9 A I think it was discussed to place an officer at 10 certain times actually on the property to help deter 11 anything going on. Beyond that, that would be a 12 question for the police chief; I'm not involved. I was 13 not involved in how it would be implemented. 14 Q Did you think of any reason why a cost 15 allocation plan would not be suitable for making this 16 type of cost allocation? 17 MR. COLE: Objection. Calls for expert 18 opinion, calls for a legal conclusion. 19 If you know. 20 BY MR. BENINK: 21 Q You can answer. 22 A No. 23 Q You can't think of any reason why it would not 24 be? 25 A Why it wouldn't be . . . ?</p> <p style="text-align: right;">40</p>

<p>1 Q Why it wouldn't be -- why that type of 2 allocation could not be developed through a cost 3 allocation plan. 4 MR. COLE: Same objections. 5 Go ahead. 6 THE WITNESS: I don't see why there couldn't be 7 one, if that's what you're asking. 8 BY MR. BENINK: 9 Q Yeah. 10 So that was 2009 you came up with the 1 percent 11 figure. And then later a determination was made to make 12 a similar transfer out of the Sewer Fund to the General 13 Fund; is that correct? 14 A Yes. 15 Q And that was again for police services? 16 A Yes. 17 Q That happened in 2010, approximately? I mean 18 calendar year 2010 maybe for the following fiscal year? 19 A Yes. 20 Q And do you recall the circumstances by which 21 that fund or that transfer was determined to be made? 22 A As I recall, in the next year when we had the 23 budget subcommittee meetings, it was brought forth that 24 while we have significant sewer assets, not that it's a 25 physical plant again, but it's in the ground and we have</p> <p style="text-align: right;">41</p>	<p>1 A Again, it was brought forth by the city manager 2 at that time. 3 Q And that person again was -- I'm sorry? 4 A Jim Jakel. 5 Q I'll ask you the same question that I asked you 6 about the Water Fund transfer. Is there any reason why 7 a cost allocation plan could not have been developed to 8 ascertain the proper amount to transfer? 9 MR. COLE: And I'll -- 10 BY MR. BENINK: 11 Q From water -- I'm sorry -- from sewer to 12 General Fund for police services? 13 MR. COLE: And I'll object on calls for expert 14 opinion, calls for a legal conclusion. 15 But you can answer to the extent you know. 16 THE WITNESS: Not that I'm aware of. 17 BY MR. BENINK: 18 Q Are you aware of any different policing 19 activity that occurred before and after the decision was 20 made to transfer funds from the Sewer Fund to the 21 General Fund for police services with regard to 22 protecting sewer assets? 23 A That is not something that involves my 24 department. Again, it would be a question for the 25 police chief.</p> <p style="text-align: right;">43</p>
<p>1 an intake and the sewage is transferred to another 2 facility, but that that would need protection as well. 3 Q I'm sorry. What is the actual above-ground 4 asset with regard to the sewer? 5 A As I stated before, I'm not sure if there's an 6 actual above-ground asset, but there are sewer lines in 7 the ground. Any specific assets where they exist would 8 need to be asked of the Public Works director. 9 Q But the idea again was that those below-ground 10 assets needed to be protected by the police, and thus, 11 there was a rationale for transferring funds from the 12 Sewer Fund to the General Fund for police services? 13 A Yes. 14 Q Was there any different analysis done with 15 regard to the amount to transfer different than the one 16 that was undertaken with regard to the Water Fund? 17 A No. 18 Q Do you remember having any discussions 19 regarding setting the percentage or setting the amount 20 for the sewer? 21 A In the budget study session just the 1 percent 22 amount. And I do know we brought -- for the budget 23 study session, we proposed the same amount to the city 24 council at that time. 25 Q But how did you arrive at the 1 percent?</p> <p style="text-align: right;">42</p>	<p>1 Q I'm sorry, I may have asked you this before, 2 but when you were budgeting for fiscal year 2009-2010, 3 in the, I guess, spring and summer of 2009, do you 4 recall what the budget deficit was that you were trying 5 to plug? 6 A I do not know. 7 THE REPORTER: Number 8. 8 (Exhibit 8 marked for identification) 9 BY MR. BENINK: 10 Q Just handed you a document that's been produced 11 by Mr. Cole's office in this litigation. This is ANT 12 000025 through 30. 13 Do you recognize this document? 14 A Yes. 15 Q This is a report that you actually authored; is 16 that right? 17 A Yes. 18 Q You authored this approximately June 2nd, 2009? 19 A Yes. 20 Q Do you remember drafting this document? 21 A I don't remember specifically drafting it, but 22 yes, I remember the document. 23 Q You remember the document and you, in fact, 24 authored that, as you just testified. 25 What is the purpose of this staff report?</p> <p style="text-align: right;">44</p>

<p>1 A It is a budget study session bringing 2 information forth to the city council for consideration 3 and review for preparing the final budget for adoption. 4 Q So this would have been a report drafted in 5 between final approval of the budget by city council and 6 some of the subcommittee study sessions? 7 A Yes. 8 Q There's a reference in the "Background" 9 paragraph on page 1 to 4.575 million. Is that the 10 amount that you were seeking to close as far as a 11 deficit? 12 A According to this sentence, it states that 13 the -- what additional measures could be taken to 14 address the 4.575 million in additional revenues and/or 15 cuts needed to maintain our reserves. 16 Q Yeah, but does that -- that may or may not mean 17 that the actual budget deficit was above that or below 18 that or at that. Do you have any understanding, now 19 that you've had an opportunity to refresh your memory, 20 whether the budget deficit was actually above that or 21 below that or at that amount? 22 A If you refer to page 3 of the document, the 23 budget that is listed for 2008-2009, the deficit is 24 \$3,941,633. 25 Q That's for the '08-09 budget. I guess I'm</p> <p style="text-align: right;">45</p>	<p>1 "Excess Revenue/Expenditures" under the '08-09 budget 2 actually mean then? 3 A So that means that our revenues are projected 4 to come in approximately \$3.9 million less than our 5 expenditures, meaning we're spending more than we're 6 bringing in. 7 Q Right. That was projected. And since you were 8 at the end of fiscal year '09, it was probably going to 9 be a fairly accurate prediction? 10 A It should have been fairly accurate, yes. 11 Q Okay. So one way to look at it is if nothing 12 were done and everything remained the same, both 13 revenue-wise and expenditure-wise, the following budget 14 year would likely look the same. 15 A Again, without thoroughly reading this 16 document, the '09-10 budget that is listed on there 17 probably takes into account these measures that are 18 discussed in this report. And you can already see the 19 revenues are approximately \$3 million less. And then 20 we've made significant cuts to the expenditures of, 21 looks like close to \$7 million. So '09-10 is when 22 things really started to take a downturn for the City 23 and we really saw the impact of our reduced revenues. 24 Q The middle of the page, under -- there's a 25 reference to "Implemented Measures." Do you see that?</p> <p style="text-align: right;">47</p>
<p>1 trying to figure out what the perceived or what the 2 amount that was potentially going to be a budget deficit 3 was for '09-10. 4 A So on that page it states \$728,118 is the 5 deficit; however, without reading through this entire 6 document and refreshing my memory, I don't know if that 7 figure includes everything that's discussed in that 8 report or not. 9 Q So this report actually identifies a number of 10 acts or activities that could be used to address the 11 budget deficit or potential budget deficit? 12 A Yes. 13 Q Let me back up and say, or clarify, there was a 14 budget -- or there was a deficit in '08-09, correct, an 15 actual deficit? 16 A Well, this is the budgeted deficit. I do not 17 recall the actual numbers, if there was a deficit and, 18 if so, what that amount was, without looking at a 19 document with the actual numbers. Our budget is always 20 what we project, and of course actuals could close 21 higher or lower from those projections. 22 Q Right. And '09 had not closed, I suppose, at 23 the time this was authored? 24 A Yes, that is correct. 25 Q Well, what does the reference to \$3,941,633 in</p> <p style="text-align: right;">46</p>	<p>1 A On page 3? 2 Q Yes, page 3. 3 A Yes. 4 Q Are those -- all the ones listed below that, 5 are those all measures that were designed to alleviate 6 the budget crisis? 7 A Yes. 8 Q And had those been adopted during the '08-09 9 term? 10 A I do not recall, again, without reading this 11 report. 12 Q Under the '09-10 budget column, at the bottom 13 there's a reference to "Additional Cuts Needed," 14 4,575,000. Do you see that? 15 A Yes. 16 Q What does that mean? 17 A Okay. So now in looking at this table, I can 18 see if we did not reduce -- the 4.5 million brings the 19 total expenditures to the \$39 million number, to bring 20 the deficit spending to the \$728,118. If you remove 21 that 4.5 million, then that's where you can see in the 22 '08-09, '09-10, looking at it, where the numbers would 23 be fairly similar to having the close to \$4 million 24 deficit. So that number was put on there to show with 25 an additional \$4.5 million in cuts or revenue increases,</p> <p style="text-align: right;">48</p>

<p>1 that our expenditures would be at the 39.1 million.</p> <p>2 Q Okay. Got it.</p> <p>3 So just to restate it, the \$4,575,000 figure is</p> <p>4 a figure that you were looking to potentially use as far</p> <p>5 as additional measures or potential measures to address</p> <p>6 the deficit, which if you were able to accomplish, would</p> <p>7 get you to only \$728,118 in the red?</p> <p>8 A Yes.</p> <p>9 Q And do you know whether that \$4,575,000 was</p> <p>10 actually addressed?</p> <p>11 A I do not recall without looking at additional</p> <p>12 documents.</p> <p>13 Q Well, let's look at pages 4, 5, and 6. Do you</p> <p>14 know what these bullet points and lists represent in</p> <p>15 this document?</p> <p>16 A Measures that were suggested by the budget</p> <p>17 subcommittee to address the issues, the loss of revenues</p> <p>18 and the expenditure cuts that needed to be made.</p> <p>19 Q And then on page 6 there's actually a table.</p> <p>20 And it says above the table, it says, "While a few of</p> <p>21 these ideas have no hard costs associated with them at</p> <p>22 this time, implementing many could save the General</p> <p>23 Fund." And then there's a table.</p> <p>24 Do you know which or if any of those actual</p> <p>25 measures were actually ultimately adopted in the budget?</p> <p style="text-align: right;">49</p>	<p>1 was 265,000 for the Water Fund to pay for police</p> <p>2 security.</p> <p>3 A Yes.</p> <p>4 MR. BENINK: Let's take a five minute break.</p> <p>5 MR. COLE: Okay.</p> <p>6 (Recess)</p> <p>7 MR. BENINK: Back on the record.</p> <p>8 BY MR. BENINK:</p> <p>9 Q You understand you're still under oath?</p> <p>10 A Yes.</p> <p>11 Q Staying on Exhibit 8 for a moment, you have</p> <p>12 that one in front of you?</p> <p>13 A Yes.</p> <p>14 Q What was the purpose of this report? Who was</p> <p>15 it directed to?</p> <p>16 A The city council.</p> <p>17 Q And again, I think I may have asked you, but it</p> <p>18 was basically a document to inform the city council of</p> <p>19 progress that had been made during the subcommittee</p> <p>20 budget sessions?</p> <p>21 A Yes. And also, just as it states, the subject,</p> <p>22 update on financial status of the City as well.</p> <p>23 Q And do you know whether the city council</p> <p>24 actually reviewed your staff report?</p> <p>25 A They should have.</p> <p style="text-align: right;">51</p>
<p>1 A I know that the street light electricity cost</p> <p>2 listed -- oh -- for '08-09, that was implemented. I do</p> <p>3 not recall the results of the APOA where it's</p> <p>4 referencing those were part of negotiations. I do not</p> <p>5 recall which of those specifically were implemented. I</p> <p>6 know that we did do department reorganizations, and then</p> <p>7 the Water Fund we did implement the pay for police</p> <p>8 services, and we did reduce vehicle fund cost</p> <p>9 allocations. But the other ones I would have to look</p> <p>10 back in documents --</p> <p>11 Q Okay.</p> <p>12 A -- to answer.</p> <p>13 Q What would you look at specifically to figure</p> <p>14 that out?</p> <p>15 A Just staff reports that took place after this</p> <p>16 time to see if they were incorporated into the budget.</p> <p>17 Q Is it fair to say that this table represents</p> <p>18 the budget subcommittee's recommendations to address the</p> <p>19 projected deficit, including your recommendation?</p> <p>20 A Yes.</p> <p>21 Q And included in that -- so it was basically</p> <p>22 \$2,554,000 worth of measures that you guys had</p> <p>23 recommended?</p> <p>24 A Yes.</p> <p>25 Q And included in that approximately \$2.5 million</p> <p style="text-align: right;">50</p>	<p>1 Q It would have been normal in the ordinary</p> <p>2 course of city business for them to review it.</p> <p>3 A Yes.</p> <p>4 THE REPORTER: Number 9.</p> <p>5 (Exhibit 9 marked for identification)</p> <p>6 BY MR. BENINK:</p> <p>7 Q Marked as Exhibit 9 a document produced to us</p> <p>8 in this litigation. It's ANT 000060 through 69.</p> <p>9 Going a little bit backwards in time</p> <p>10 chronologically, but again, this appears to be a staff</p> <p>11 report that you prepared around May 9, 2010?</p> <p>12 A Yes.</p> <p>13 Q I'm sorry. We're going forward. We're going</p> <p>14 to the right direction. This is the following year.</p> <p>15 Was this again a part of a report that you put</p> <p>16 together during the budgeting process at the City?</p> <p>17 A Yes.</p> <p>18 Q For the fiscal year 2010 through 2012?</p> <p>19 A Yes.</p> <p>20 Q If you turn to page -- I'm sorry. Let's stay</p> <p>21 on page 1. There's a reference in the "Background"</p> <p>22 paragraph. It says, "We have been able to adjust our</p> <p>23 revenue upwards slightly to approximately 34.1 million,</p> <p>24 which means we must reduce fiscal year '11 spending by</p> <p>25 3.5 million in order to spend within that 34.1 million."</p> <p style="text-align: right;">52</p>

<p>1 Is it fair to say, then, you were forecasting a 2 potential \$3.5 million deficit for fiscal year '11? 3 A By reading this sentence, yes, but again, 4 without looking through the report in total. 5 Q All right. Well, why don't you take a look at 6 the report, see if there's anything in there that either 7 confirms or suggests otherwise. 8 A Yes. On page 2, the 2010-11 proposed would 9 reinstate as the 3,574,046. 10 Q I'm sorry. What page are you on? 11 A That's the net. 12 It's page 2. I apologize; I read that table 13 wrong. 14 On page 3 of this report, the table that is 15 labeled "General Fund Summary," May 18, 2010, if you 16 look in the column for the "2010-11 Proposed with 17 Concessions," the net revenues to expenditures is the 18 negative \$3,503,578. 19 Q So what does "Proposed with Concessions" mean? 20 A So that is everything that had been -- let me 21 look through this report. Let me read this report to 22 see what it is. 23 Q Sure. Take your time. 24 A It appears from this report we'd had several 25 concessions by the bargaining units within the City.</p> <p style="text-align: right;">53</p>	<p>1 A If I look on page 4, discussion of the "General 2 Fund Bare Bones Budget," it begins a discussion of how 3 to address the \$3.5 million. 4 Q I noted on page 2 there's a reference to adding 5 250,000 from the Sewer Enterprise Fund to pay for police 6 patrol costs. 7 A Yes. 8 Q Is that 250,000 part of addressing the 9 \$3.5 million budget? 10 A Yes. 11 Q So tell me if I'm wrong, but this is the way 12 I'm reading your report. 13 On page 2 you have a table that's called 14 "General Fund Summary 4.27.10," and there's actually a 15 deficit amount with concessions of \$4,507,304 for 16 '10-11. And then you have some refinements to the 17 budget, including the \$250,000 transfer in from sewer, 18 which then gets you to the next table on page 3, with a 19 budget deficit of 3,503,578. 20 A Yes. 21 Q So all these bullet points, I guess, beginning 22 on page 2, under, "Since that meeting, we have refined 23 the budget further with the following actions," going 24 continuing on page 3, are all the different measures 25 that you were using to get from the deficit of 4,507,304</p> <p style="text-align: right;">55</p>
<p>1 And so proposed with concessions, that is if those 2 bargaining units agreed to maintain those concessions. 3 And that's why there's the "Proposed with Reinstate" if 4 we had to -- one of the items, for example, was 5 furloughs for City employee staffing. And so if that 6 had to be -- forego the furloughs, for example, that 7 would be one of the items. 8 Q Is the 3.5 million that you reference on page 1 9 in one of these tables? 10 A Yes. On page 3, the "General Fund Summary" 11 table, the column for the "2010-11 Proposed with 12 Concessions." 13 Q Right. 14 A The fourth line down, where it says "Net" -- 15 Q Yep. 16 A -- you can see the 3.5 million. 17 Q Okay. So that figure represents the budget 18 deficit even if the City employees maintain their 19 concessions going forward. 20 A That's with maintaining the concessions. In 21 the next column over you can see as if they didn't 22 maintain their concessions. 23 Q Right. And does this report describe how, if 24 at all, the 3.5 million was going to be addressed, in 25 part or in whole?</p> <p style="text-align: right;">54</p>	<p>1 down to 3,503,578. 2 A Yes. 3 Q Is it fair to say of all those different 4 actions that were proposed, the transfer from the Sewer 5 Enterprise Fund was the third biggest out of all those? 6 A I'm just reading through the table. 7 Q Yeah. Please take your time. 8 A Yes, it appears by those bullets that it is. 9 Q And I suppose sitting here today you don't know 10 which of those actions on page 2 and 3 were actually 11 implemented or not, other than I suppose you know the 12 Sewer Fund was, Sewer Fund transfer was. Do you know 13 for certain whether any of the others were? 14 A Without going to the adopted budget document 15 and tracing through the numbers, I don't know for sure. 16 But being that they're in the table on the General Fund 17 Summary marked May 18th on page 3, it does appear it was 18 being carried forward with everything that was brought 19 forward, so. 20 Q So it's fair to say that in 2010, calendar year 21 2010, the transfer from the Sewer Fund to the General 22 Fund for police services was part of a bigger attempt to 23 address an upcoming budget deficit. 24 A It was to aid in that as well as provide the 25 police services, yes.</p> <p style="text-align: right;">56</p>

<p>1 Q And the same thing for calendar year 2009. The 2 transfer from the -- the proposed transfer from the 3 Water Fund to the General Fund was part of a larger 4 attempt to plug a potential budget deficit for the 5 upcoming, I guess, '09-10 fiscal year. 6 A As I stated prior, it was for the services and 7 the council did not want to lose police officers, and we 8 knew we needed to provide those services. So rather 9 than contracting out, they wanted to maintain our Police 10 Department and provide those services in lieu of paying 11 a third party. 12 Q But at least in part, it was also part of a 13 bigger attempt to plug a budget deficit. 14 MR. COLE: Asked and answered. 15 BY MR. BENINK: 16 Q You can answer again. 17 A As I stated before, an attempt to provide 18 security services and not -- and maintain our police 19 force. We did not want to lay off any police services. 20 Instead of paying security services to a third party, it 21 was paid to our Police Department. 22 Q I'm not sure that really answered my question. 23 Because I understand that that was one of the reasons, 24 but was another reason that you were attempting to close 25 a budget deficit?</p> <p style="text-align: right;">57</p>	<p>1 requested items be brought back for further analysis and 2 consideration. So I would have to read through to see 3 if this references the budget subcommittee, but my first 4 glance, it does not appear to be that. 5 Q Do you understand that this staff report was 6 actually provided to city council? 7 A Yes. 8 Q Have you spoken to anybody who works for or 9 with HF&F Consultants? 10 A Is that the name of the company that recently 11 did the study? 12 Q The reimbursement study? 13 A Yes. 14 Q Yes. 15 A Yes, I provided some information for that. 16 Q Okay. So first of all, let's make sure we're 17 talking about the same study. There was a sewer and 18 water reimbursement study. Let me get the correct name 19 of it. "Water and Sewer Enterprise Reimbursement Study" 20 by HF&F Consultants. It's got a date on it, May 27, 21 2016. Are you familiar with that study? 22 A Yes. 23 Q What do you understand that study to be? 24 A It was looking at a methodology of determining 25 an appropriate reimbursement for police services for the</p> <p style="text-align: right;">59</p>
<p>1 A Yes, because it was going to be, do we lay off 2 police officers, or can we pay them for the security 3 services and maintain the police officer rather than 4 utilizing a third party. 5 Q Okay. Thank you. 6 (Exhibit 10 marked for identification) 7 BY MR. BENINK: 8 Q I've just handed you a document we've marked as 9 Exhibit 10. This is ANT 00049 through 55. Do you 10 recognize this document? 11 A Yes. 12 Q Is this a staff report that you drafted, or 13 authored? 14 A Yes. 15 Q Approximately July 15, 2009? 16 A Yes. 17 Q And what was the purpose of this staff report? 18 A It states that it's an update on the financial 19 status and provides direction for what to consider for 20 the budget. 21 Q Is this a staff report that was drafted in 22 connection with subcommittee meetings, budget committee 23 meetings? 24 A I would have to read through. I don't see that 25 initially on this. It just states that council</p> <p style="text-align: right;">58</p>	<p>1 water and sewer enterprises. 2 Q And so you said you've provided some 3 information to the consultants that worked on that 4 study? 5 A Yes. 6 Q What information have you provided? 7 A The detail of the fixed asset listings for the 8 water and sewer enterprise. 9 Q Anything else? 10 A No. 11 Q Has anybody -- have you ever spoken to anybody 12 to answer any questions regarding that study, regarding 13 preparation of the study? 14 A Other than providing the documents and just an 15 explanation of what the documents were and how to 16 interpret the figures, no. 17 Q Can you give me a little bit more specifics 18 about the actual types of documents that you provided 19 regarding fixed assets? 20 A Our fixed asset records are electronic 21 documents, a spreadsheet of the cost and carrying value 22 of all the assets attributed to the Water and Sewer 23 Fund, based on the type of asset -- land, improvements, 24 et cetera. 25 Q And when did you produce that?</p> <p style="text-align: right;">60</p>

<p>1 A That's been maintained in perpetuity. I 2 believe it was in the -- I don't recall the exact month. 3 Maybe the October or November time frame, providing 4 those documents. 5 Q For clarity's sake, I meant, when did you -- 6 when did a request come in from these consultants for 7 these list of assets? 8 A Oh. I don't recall. It was sometime in late 9 2015. I don't recall the exact date. 10 Q Other than kind of mundane requests for fixed 11 asset lists and similar information, have you had any 12 conversations with any of the consultants about cost 13 allocation methods or financial records, anything like 14 that? 15 A Just when we initially met with them to decide 16 about utilizing their services, they did explain the 17 methodology that is used. 18 Q Do you remember who you met with? 19 A I don't remember the gentleman's name. 20 Q John Farnkopf? 21 A Yes. 22 Q Okay. And you met him late 2015? 23 A Yeah. It was via conference call, not . . . 24 Q Oh okay. How long did the call last? 25 A I do not recall.</p> <p style="text-align: right;">61</p>	<p>1 of report is produced, how long it takes to produce the 2 report, and also what information would be needed from 3 staff. 4 Q Did you ask or was there any discussion during 5 this call with anybody regarding other types of 6 methodologies that might be suitable? 7 A No. 8 Q So did you accept at face value that this was a 9 suitable methodology? 10 A Based on we were talking with who we considered 11 an expert in the area. 12 Q Who identified HF&F Consultants? 13 A When it was brought forth by Derek Cole that it 14 might be something we'd want to consider, he stated that 15 he could research some names of firms that provide this 16 service. 17 Q Did you have any input in drafting the -- I'm 18 going to call it "the study," the enterprise 19 reimbursement study? 20 A In drafting it? No, that was done completely 21 by the consultants. 22 Q Was a draft ever run by you prior to its 23 issuance, its formal issuance? 24 A I did receive some tables information to make 25 sure that the fixed asset numbers that were reported --</p> <p style="text-align: right;">63</p>
<p>1 Q Who was on -- on your end, who was with you 2 when you spoke to him? 3 A We had the city manager. I do not recall if 4 Ron Bernal was in there, who is the director of Public 5 Works, slash now assistant city manager. I do not 6 recall who else was in that. 7 Q How long did the call last? 8 A Again, I don't recall how long the call lasted. 9 Q Was it -- can you estimate? Was it more than 10 30 minutes? 11 A I don't believe so. 12 Q Okay. And I think you testified that 13 Mr. Farnkopf explained a methodology that he believed 14 would be suitable for supporting the transfers from the 15 Sewer and Water Funds to the -- for police services? 16 A The amounts of the transfers. 17 Q The amounts. 18 Did he explain to you what he -- where he got 19 that methodology, where it was derived from? 20 A I don't recall if he explained where it came 21 from, but he did state that it was a very common, 22 supportable method that is used. 23 Q Did you ask any questions of him during this 24 conversation? 25 A Basically, what the methodology was, what kind</p> <p style="text-align: right;">62</p>	<p>1 I, you know, verified those to the audited records to 2 make sure the right data had been pulled in. 3 Q Without getting into the nitty-gritty of the 4 methodology that the consultants use, can you explain to 5 me, just at a very high level, give a very high-level 6 explanation as to what you understand the methodology to 7 be? 8 A It was looking at the total fixed assets. And 9 I'm not an expert in this area, so beyond that, I mean, 10 I did read through and, like I said, double-check the 11 numbers and understood what was being done, but on a 12 very broad overview. I'm not an expert in that, so. 13 Q Well, do you understand that the methodology 14 involved more or less assigning a value to all property 15 within the city, both public and private, and then 16 allocating costs depending on those values? 17 A Yes. 18 Q Had you ever -- were you familiar with any 19 other entity or any other agency ever utilizing that 20 type of methodology for determining proper cost 21 allocations? 22 A No. 23 Q Do you have any opinions one way or the other 24 whether it is a proper cost allocation methodology, or a 25 proper methodology for supporting transfers from the</p> <p style="text-align: right;">64</p>

<p>1 Water and Sewer Funds to the General Fund for police 2 services?</p> <p>3 A Based on when we spoke to him for the initial 4 study and then reading the study after, I have no reason 5 to believe it's not a valid methodology.</p> <p>6 Q I guess I'm trying to just anticipate things 7 that may come up in trial, so I'm wondering if you're 8 going to be expressing or whether you have an opinion 9 beyond what you just said that I'm entitled to explore 10 regarding this methodology.</p> <p>11 So do you have any other bases for your opinion 12 that it's a proper methodology beyond just your review 13 and what Mr. Farnkopf of HF&F Consultants told you, that 14 it was proper?</p> <p>15 A No.</p> <p>16 MR. BENINK: In other words, I just want to 17 make sure that --</p> <p>18 MR. COLE: And I --</p> <p>19 MR. BENINK: -- she doesn't provide a 20 declaration later that says, "I find this valid because 21 of reasons A through Z."</p> <p>22 MR. COLE: And I'll quell your concerns, which 23 I understand are legitimate. We would not offer 24 Ms. Merchant as an expert on methodology. We may offer 25 her for factual information about the City's practices,</p> <p style="text-align: right;">65</p>	<p>1 Q Let's do this. What do you need in front of 2 you -- I've got all the budgets for all the past four 3 years, at least the three sections that we've looked at. 4 What do you need to help me and you walk through the 5 actual numbers or the figures that you used to calculate 6 the 1 percent each year prior to the fiscal year '15-16?</p> <p>7 A So on Exhibit 3, on page 123 is the "Police 8 Department Summary."</p> <p>9 Q Right.</p> <p>10 A So it's the -- on the "Use of Funds," the 11 "Personnel" and "Services & Supplies."</p> <p>12 Q So let's do this. Let's start with your fiscal 13 year '12-13. I need my calculator here. So I'll jump 14 ahead because I think this is where you're going, and 15 you can correct me if I'm wrong.</p> <p>16 The 1 percent for fiscal year '12-13 was 17 1 percent of the \$21,167,048 plus 3,043,496?</p> <p>18 A Correct.</p> <p>19 MR. COLE: This might help us. 20 THE REPORTER: Eleven. 21 (Exhibit 11 marked for identification)</p> <p>22 BY MR. BENINK:</p> <p>23 Q I just handed you Exhibit 11, which was a 24 document -- was discovery that you apparently assisted 25 in preparing and verified in this litigation. This is</p> <p style="text-align: right;">67</p>
<p>1 which I think you covered, but we would not be offering 2 her to express any sort of opinion as a nonretained 3 expert at this time. I have no intention right now of 4 that.</p> <p>5 MR. BENINK: Okay.</p> <p>6 MR. COLE: We would rely -- at this point, we 7 would rely on HF&H, and we would reserve the right to, 8 as part of formal expert discovery, supplement with 9 another expert, but we would not offer Dawn.</p> <p>10 MR. BENINK: Okay.</p> <p>11 BY MR. BENINK:</p> <p>12 Q Did you ever conduct any investigation on your 13 own as to whether this was a valid methodology?</p> <p>14 A No.</p> <p>15 Q Okay. I want to talk about just the mechanics 16 and the numbers pertaining to these transfers. This 17 should be the easy part for you. I want to take the 18 time to go through just to make sure we're all in 19 agreement.</p> <p>20 So prior to fiscal year '15-16, I understand 21 that the amounts transferred from Water and Sewer were 22 based on 1 percent of a component of the police budget, 23 or a major component of the police budget. Is that 24 generally fair?</p> <p>25 A Yes.</p> <p style="text-align: right;">66</p>	<p>1 City of Antioch's Responses to Special Interrogatories, 2 Set No. One.</p> <p>3 And I'll direct your attention to interrogatory 4 number 1 and number 2. And I think you'll agree that 5 both of those, or each of those interrogatories are 6 requesting that the City identify the amounts 7 transferred in various fiscal years.</p> <p>8 And so the first number, for fiscal year 2013, 9 and this is for both water and sewer, is \$241,000. Do 10 you see that?</p> <p>11 A Yes.</p> <p>12 Q And I take it you verified this discovery 13 that's -- the amount that was actually transferred from 14 water and from sewer in that fiscal year.</p> <p>15 A Yes.</p> <p>16 Q Okay. And you're telling me that you got that 17 figure by adding the personnel costs and the supplies -- 18 the services and supplies costs, and then multiplying it 19 by 1 percent?</p> <p>20 A Uh-huh.</p> <p>21 Q Yes?</p> <p>22 A Yes.</p> <p>23 Q Okay. I got a slightly different number, but 24 it doesn't appear to be a meaningful difference. And I 25 just want to confirm: 1 percent of those two figures I</p> <p style="text-align: right;">68</p>

<p>1 have as 242,105. Is there a reason that there may be a 2 discrepancy?</p> <p>3 A Well, when it's initially set up at the 4 beginning of the year, it's based on the budget, not the 5 actual that's on there. And then again, we weren't 6 fine-tuning it down to the dollars and cents. We were 7 just rounding the number.</p> <p>8 Q Fair enough.</p> <p>9 So the transfers are -- when are the transfers 10 actually accounted for or, you know, made in the 11 accounting system?</p> <p>12 A There's no set month or determination that it's 13 done. We just make sure it's done by when we close the 14 year end.</p> <p>15 Q So every year it's been different?</p> <p>16 A I believe so. I would have to look back at 17 each year in our accounting records.</p> <p>18 Q Is it ever made in chunks, or is it always made 19 just one entire transfer?</p> <p>20 A I do not recall. I'd have to look at our 21 accounting records.</p> <p>22 Q So the fact that it's a round figure may be a 23 combination of just attempting to round off and not 24 being too particular and the fact that the budget amount 25 may have been a little bit different.</p> <p style="text-align: right;">69</p>	<p>1 same, that it would be those two categories of budget 2 line items.</p> <p>3 Q Okay. But for '14-15, the amounts that were 4 transferred for water and sewer are 288,000, correct?</p> <p>5 A Yes.</p> <p>6 Q Okay. So did you use one of these two columns 7 that are referenced in Exhibit 3 to come up with the 8 288, or is there yet another --</p> <p>9 A Well, the 288 would have been from the prior 10 year budget document for the '14-15 adopted budget.</p> <p>11 Q Okay. But it's the same methodology: You 12 would have added up personnel costs and services and 13 supplies costs?</p> <p>14 A Yes.</p> <p>15 Q Before we get to the next one, which I think 16 there might be a slight wrinkle, explain to me why you 17 do not include "Transfers Out" and "Internal Services."</p> <p>18 A The Transfers Out are for Animal Services, and 19 that has nothing to do with the Water and Sewer 20 Enterprise Funds.</p> <p>21 And then on the "Internal Services," it was 22 decided to exclude those so that they weren't -- we 23 didn't want there to be any appearance of double 24 dipping. Because they already -- the Police Department 25 gets a chunk of internal services, and then the</p> <p style="text-align: right;">71</p>
<p>1 A Correct.</p> <p>2 Q Okay. And I take it it's the same for fiscal 3 year 2013? And again, I'm referencing Exhibit 3 on 4 page 123, the Police Department Summary. The 1 percent 5 was calculated by adding 22,118,285 plus 3,143,975, 6 adding those together, and multiplying by 1 percent?</p> <p>7 A Correct, but again, it would have been what the 8 budgeted figure was.</p> <p>9 Q Okay. So for fiscal year '13-14, the amount 10 that was transferred for both water and sewer was 11 257,000; is that correct?</p> <p>12 A Yes.</p> <p>13 Q So same question for fiscal year '14-15. This 14 is an actual budget figure in this Exhibit 3. You added 15 up 26,205,770 and 5,375,604 and multiplied that by 16 1 percent?</p> <p>17 A For '14-15, those would be the same numbers. 18 But this '14-15 budget number is -- even though it 19 doesn't say "revised," it's actually been revised, and 20 then it's further revised in that next column on '14-15. 21 So there was an adopted '14-15 budget for the budget 22 document that was prior to this one. Because what this 23 two-year budget does is it revises '15-17, which was 24 already previously adopted in the prior year. And then 25 it adopts '15-16 and '16-17. But the methodology is the</p> <p style="text-align: right;">70</p>	<p>1 water service. So we didn't want there to be any 2 overlap of the cost allocation.</p> <p>3 Q Okay. Fiscal year '15-16 is now closed, 4 correct?</p> <p>5 A Yes.</p> <p>6 Q Closed June 30th of this year, a few weeks ago?</p> <p>7 A Yes.</p> <p>8 Q Where would we look today to determine how much 9 was actually transferred to sewer and water for fiscal 10 year '15-16?</p> <p>11 A Nothing has been transferred as of yet.</p> <p>12 Q Nothing's been transferred. That's unusual? 13 Or it's contrary to the practice for the past, I guess, 14 six years?</p> <p>15 A Well, in any fiscal year, again, I'd have to 16 look at the accounting records, it could have taken 17 place after July 1st, because in the process of closing 18 our books it takes two to three months. And so for any 19 transaction, we're booking stuff back to the prior 20 fiscal year. But we were waiting for the final study as 21 well, when this came to light. We were waiting to see 22 what -- move forward with this.</p> <p>23 Q So is there still an intention to transfer an 24 amount for '15-16 at this time?</p> <p>25 A Yes.</p> <p style="text-align: right;">72</p>

<p>1 Q And has that amount been calculated yet?</p> <p>2 A We would refer to the consultant's study for</p> <p>3 that.</p> <p>4 Q Okay. So you plan on transferring an amount</p> <p>5 that is consistent with the methodology used in the</p> <p>6 study.</p> <p>7 A Yes.</p> <p>8 Would you mind if I went and fed my meter? I</p> <p>9 apologize.</p> <p>10 Q Not at all.</p> <p>11 A I'm sorry. I'll be right back.</p> <p>12 (Recess)</p> <p>13 MR. BENINK: Back on the record.</p> <p>14 BY MR. BENINK:</p> <p>15 Q I want to back up to fiscal year '14-15. I had</p> <p>16 noted in a discovery response that in addition to</p> <p>17 excluding transfers out and internal services for</p> <p>18 purposes of calculating the 1 percent of the police</p> <p>19 budget, there is another cost that was excluded called</p> <p>20 the "East Bay Regional Communication System."</p> <p>21 A Yes, that is correct.</p> <p>22 Q Why was that cost excluded from the</p> <p>23 methodology, or the amount --</p> <p>24 A Because that was a one-time outlay of</p> <p>25 approximately \$1.8 million that benefits the whole city.</p> <p style="text-align: right;">73</p>	<p>1 public, if at all? I mean, when is the first time that</p> <p>2 that information would be made available to the public</p> <p>3 for somebody like me trying to ascertain it?</p> <p>4 A That a transfer had taken place, is that your</p> <p>5 question?</p> <p>6 Q Right. The amount of the transfer.</p> <p>7 A The only time it is really seen, of course</p> <p>8 after the fiscal year is completely closed a report is</p> <p>9 brought to council of what the actual closing figures</p> <p>10 are, but they don't see the line item detail. They see</p> <p>11 the total transfers. So anybody, any member of the</p> <p>12 public would not be able to look at that and just say,</p> <p>13 Oh, that includes this figure --</p> <p>14 Q Right.</p> <p>15 A -- unless it was requested.</p> <p>16 Q So it's not going to be made available until</p> <p>17 the next budget? The next . . .?</p> <p>18 A Well, in about the October or November time</p> <p>19 frame, when the books are officially closed and we've</p> <p>20 created our financial statement so we know these are</p> <p>21 pretty close to solid numbers that are going to be</p> <p>22 audited, those are presented to city council at a public</p> <p>23 meeting.</p> <p>24 Q In those materials that are presented, would I</p> <p>25 be able to determine what was transferred for this past</p> <p style="text-align: right;">75</p>
<p>1 And because it was a one-time outlay, not a continued</p> <p>2 operating cost, that was excluded.</p> <p>3 Q Okay. I want to go back to -- oh, I'm sorry.</p> <p>4 So '15-16, the plan is at this point in time to</p> <p>5 use the figures and the methodology developed in the</p> <p>6 cost -- the reimbursement study; is that right?</p> <p>7 A Yes.</p> <p>8 Q And as it stands today, the City plans to also</p> <p>9 use that study for the current fiscal year, is that</p> <p>10 right, which is '16-17?</p> <p>11 A Yes.</p> <p>12 Q And I take it no transfers have been made in</p> <p>13 '16-17 or --</p> <p>14 A No.</p> <p>15 Q Going forward thereafter, the same methodology</p> <p>16 the City intends to use; is that right?</p> <p>17 A Yes.</p> <p>18 Q You may have told me, but do you know</p> <p>19 approximately how long it will take before you actually</p> <p>20 transfer the amount for '15-16?</p> <p>21 A No.</p> <p>22 Q Is it within the next three months? Is that a</p> <p>23 reasonable estimate?</p> <p>24 A Yes.</p> <p>25 Q How does that get documented for members of the</p> <p style="text-align: right;">74</p>	<p>1 fiscal year?</p> <p>2 A No. As I stated, it's a grand total of</p> <p>3 transfers into the General Fund.</p> <p>4 Q Right. So when is the first time that a member</p> <p>5 of the public just perusing the website and following</p> <p>6 council meetings and publicly available documents would</p> <p>7 actually be able to ascertain that?</p> <p>8 A As I stated, no one could definitively see the</p> <p>9 specific transfer. They would see the grand total by</p> <p>10 category. So unless it's requested of my department,</p> <p>11 you wouldn't know that any transaction -- you know,</p> <p>12 because it's in total as you see on this budget report</p> <p>13 on page 123: Sources -- taxes. So you don't see the</p> <p>14 specific tax item; you see the grand total of the taxes</p> <p>15 number or table.</p> <p>16 Q But we've looked at documents earlier from the</p> <p>17 2015-2017 budget where I was able to get some sense of</p> <p>18 what --</p> <p>19 A You see the budgeted number in a summary, but</p> <p>20 when we do the next budget, it doesn't say, This is what</p> <p>21 actually. It's always the budgeted figure by line item.</p> <p>22 So that part is disclosed until we have the financial</p> <p>23 summary so they can see the purpose of every transfer</p> <p>24 and the exact amount. But the final amount, whether it</p> <p>25 differs from budget or it ends up being the same, that</p> <p style="text-align: right;">76</p>

<p>1 just is in grand total for transfers into the General 2 Fund. 3 Q And who makes the decision on the timing of the 4 transfers? 5 A The Finance Department. Generally me. I run 6 through for all the transfers that take place 7 periodically throughout the year, just to see if it's 8 based on a certain revenue source, for example, have we 9 collected that money, so we can do the transfer. I try 10 to evaluate the transfers on a quarterly basis, but 11 again, we just make sure by the time the books close 12 that all transfers coming into the General Fund, or any 13 fund, for that matter, have taken place. 14 Q Staying on Exhibit 3, page 123, we were looking 15 at these, the two components that add up at which the 16 1 percent is calculated against the "Personnel" and 17 "Services & Supplies." It's fair to say that those two 18 figures represent all expenditures in the Police 19 Department except for the two below, the "Transfers Out" 20 and "Internal Services." 21 A Yes. 22 Q So it would include, just as an example, 23 salaries and benefits paid to police? 24 A Yes. 25 Q Include repairs to automobiles or police</p> <p style="text-align: right;">77</p>	<p>1 Q So it's the two -- so water, sewer transfers, 2 the Byrne Grant . . . 3 A Yes. And as I stated, I'd have to refer to the 4 other exhibit of the detail of the transfers to . . . 5 Q Give me a second. I think I have the answer 6 here. 7 Yeah, feel free to pull out a document. I'm 8 just trying to close the loop on that. 9 A Oh, also the Supplemental Law Enforcement 10 Grant, special revenue fund. 11 Q So staying with fiscal year '15-16, how much is 12 that supplemental grant? 13 A \$100,000. 14 Q Right. And you were just referencing what? 15 A Exhibit 4, page 42. 16 Q So is that the same in prior years, going back 17 to 2012-2013, that those amounts comprised of the water 18 transfer, the sewer transfer, the Byrne Grant, and the 19 supplemental -- was it Supplemental Law Enforcement 20 Grant? 21 A Yes. 22 Q Can you tell me what the total figure is for 23 the sewer transfer, the water transfer, and the 24 Supplemental Law Enforcement Grant for '15-16? I think 25 you just referenced the last one is a hundred thousand.</p> <p style="text-align: right;">79</p>
<p>1 vehicles? 2 A Yes. 3 Q How would you distinguish between "Personnel" 4 and "Services & Supplies?" How are those -- what are 5 the two -- 6 A Anything that's salary-related goes into 7 "Personnel." 8 Q Okay. In the same budget -- I'm sorry. 9 Still looking at Exhibit 3, which is the Police 10 Department budget, there are line items for "Transfers 11 in." Do you see that? 12 A Yes. 13 Q And do you understand what cost or what 14 transfers in are comprised in that line item? 15 A Yes. 16 Q And what are they? 17 A There's the Water and Sewer Fund transfers. 18 They also get a transfer from a grant special revenue 19 fund that pays for police salaries. That's what I know 20 off the top of my head. I'd have to refer back to that 21 other transfers chart that we looked at before to tell 22 you the remaining, if there are any others. 23 Q Byrne Grant, is that what you were just 24 referring to? 25 A Yes, Byrne Grant.</p> <p style="text-align: right;">78</p>	<p>1 A Correct. The Sewer Fund for '15-16, \$319,000, 2 and the Water Fund \$319,000. 3 Q All right. So I've got those three figures. 4 You're probably good at math -- 5 A Not in my head. That's what 10-keys are for. 6 But then you're also forgetting the Byrne Grant. That 7 amount was transferred as well. 8 Q But I want to just set aside the Byrne Grant 9 for a moment. 10 A Uh-huh. 11 Q Are the other three 738,000? Does that make 12 sense -- 319, 319, and 100? 13 A I can't do that in my head; I apologize. 14 Q Well, 319 plus 319 is 638, plus -- 15 A Yes. 16 Q 738, right? 17 A Uh-huh. 18 Q 738,000? 19 A Yes. 20 Q Now, each budget has a -- is broken down into 21 departments, or there's sub-budgets within budgets, 22 right? 23 A Yes. 24 Q And for the Police Department there's one 25 for -- there's the administration, police reserves,</p> <p style="text-align: right;">80</p>

<p>1 prisoner custody, community policing, traffic, 2 investigation, special operations, communications, 3 Office of Emergency Management, community volunteers, 4 facilities maintenance, and animal control support. 5 Right? 6 A Yes. 7 Q If you added up all those budgets together, the 8 aggregate of them is reflected on page 123. 9 A Yes. 10 Q So do you know where the \$738,000 figure which 11 represents water, sewer, and the hundred thousand dollar 12 supplemental grant is recognized, what sub-budget? 13 A Yes. On page 130, the "Police Community 14 Policing" budget. 15 Q And do you know why it's recognized in that 16 sub-budget? 17 A That is the main budget where most of the 18 police officers are accounted for. The community 19 policing is most of the officers that are in patrol, the 20 majority. So that is why it's accounted for in there. 21 Specifically, the Supplemental Law Enforcement goes to 22 pay for patrol officers, so that's why that one, 23 specifically the hundred thousand goes in there. 24 Q Did you ever contemplate whether to apply the 25 1 percent figure in previous years against this</p> <p style="text-align: right;">81</p>	<p>1 (Discussion off the record) 2 BY MR. BENINK: 3 Q When we talk about sizes of budgets with regard 4 to applying the 1 percent to calculate the amount to 5 transfer in prior years, the size of the budget means 6 the revenues, or does it mean the expenditures, or is it 7 some combination of the two? 8 A When referring to that, it's the expenditures. 9 Q Expenditures only. 10 A Yes. 11 Q And why does the City of Antioch actually have 12 separate budgets for the enterprise funds? 13 A That is governmental accounting. That's how 14 governmental accounting works. 15 Q But do you have an understanding as to why it's 16 important with regard to governmental accounting? 17 A Because enterprise funds, as I stated 18 previously, charge a fee for -- service charges to cover 19 the cost of operations, whereas special revenue, 20 specifically governmental funds, really relies on taxes. 21 There are some service charges, but it's more tax-based 22 and state mandates, stuff like that. It's not 23 specifically that we're charging for providing a 24 specific service; whereas the Water Fund is providing 25 water services, so it's on a cost recovery basis.</p> <p style="text-align: right;">83</p>
<p>1 sub-budget for police community -- or "Police Community 2 Policing" rather than the entire budget? 3 A No. 4 Q Is there any reason why that would not make 5 sense? 6 MR. COLE: Vague, calls for speculation. 7 BY MR. BENINK: 8 Q You may answer. 9 A I believe that's vague. 10 Q What's vague about it? 11 A Well, we looked at the Police Department as a 12 whole, and that's where the figure came from. 13 Q But the transfer in for sewer and water is 14 actually recognized in this sub-budget for community 15 policing. 16 A Correct, but as a devil's advocate I could say, 17 Why only not apply it to administration? That budget's 18 much smaller, but administration oversees the whole 19 thing. We chose to account for it in community 20 policing, as I stated, because most of the activity, 21 that's by far that's the largest budget out of the total 22 \$36 million. As you can see on page 130, the budget's 23 almost 21.4 million. 24 MR. BENINK: Let's go off the record for a 25 second.</p> <p style="text-align: right;">82</p>	<p>1 Q What is the size of the City's budget for this 2 current fiscal year, '16-17? 3 A The entire City budget? 4 Q Yeah, the entire City budget. 5 A Let me look at these exhibits and see. 6 Q The whole budget's this big stack in front of 7 you if you need it. 8 A I believe I'd have to look in here. 9 So on page IV of the entire City budget -- I 10 don't believe there's an exhibit number on that. 11 Q There's not, but if you can reference, there's 12 a tiny Bates stamp number on the bottom. 13 A Oh. ANT_001756, page IV, and it's a Roman 14 numeral IV, the entire City budget for '16-17, all funds 15 of the city -- and this refers to expenditures -- is 16 \$129,217,870. 17 Q And what is the size of the Water Fund -- or 18 yeah, Water Enterprise for the same fiscal year? 19 A So referring back to Exhibit 5, page 247, it's 20 \$34,383,707. 21 Q And how about the Police Department budget? 22 A So referring to Exhibit 3, for '16-17, it's 23 38,234,899. 24 Q Has the enterprise reimbursement study been 25 formally approved or adopted in any way by the City?</p> <p style="text-align: right;">84</p>

<p>1 A It hasn't been -- if you're referring to taken 2 to city council, it has not gone yet. 3 Q Are there any plans to do that? 4 A We've just recently received the study, so we 5 haven't even had any internal meetings about it yet, so 6 I do not know. 7 Q So what will your next step be with regard to 8 that study? 9 A Staff will schedule a time to discuss the study 10 in detail and what the next steps are. 11 Q Staff meaning whom? 12 A Myself, the city manager, most likely the 13 assistant city manager. 14 Q Do you know -- so what would the next step be 15 after that meeting? 16 Let me put it this way. Is there an actual 17 city council approval of it required in any way before 18 you actually base future transfers on that amount, on 19 the amounts recommended? 20 A No. Whatever is incorporated into the budget 21 document itself as the amount, that would be the council 22 approval that is required because it already is approved 23 in the budget for '15-16 and '16-17. If the amount for 24 '16-17 were to differ than what's in the approved 25 budget, that would be in any budget updates to city</p> <p style="text-align: right;">85</p>	<p>1 definitely have to take place before the closing of the 2 books. 3 Q Is there anything else that you individually 4 plan to do to vet the methodology that the consultants 5 use in the enterprise study, or are you at this point 6 resigned to accepting the methodology used? 7 A At this point, accept the methodology used. 8 Q Anything else? 9 MR. JORDAN: (Nods head.) The . . . 10 MR. BENINK: Well . . . 11 BY MR. BENINK: 12 Q Do you know whether the 2005 cost allocation 13 study that we were discussing at the beginning of your 14 deposition was ever approved by city council? 15 A I'm not sure if it was a formal resolution 16 approval, but I do know that it was presented to city 17 council because it not only did a cost allocation study, 18 it did updates to some fees charged by the City. So as 19 far as I'm aware, several sessions were done with 20 council -- again, it was before I was involved -- to 21 discuss that study. 22 Q By the way, do you know how much the City paid 23 the consultants to do the enterprise study, the 24 enterprise reimbursement study? 25 A No.</p> <p style="text-align: right;">87</p>
<p>1 council. 2 Q Well, there are some minor discrepancies 3 between what was budgeted for as far as transfers and 4 what the reimbursement study is proposing, right? 5 A Correct. 6 Q So to the extent there is a discrepancy, how is 7 that going to be addressed with city council? 8 A As long as it's under budget -- but I know one, 9 I believe, is little slightly higher -- it would require 10 a budget amendment, if it's higher. If it's under 11 budget, that does not require council approval. 12 Q I see. I think the sewer transfer is under 13 budget; is that right? 14 A Yes. 15 Q So your plan after meeting with the city 16 manager is, assuming that you are all in agreement, is 17 to actually transfer the amounts consistent with the 18 study? 19 A Yes. 20 Q Is that meeting scheduled yet or no? 21 A No. 22 Q Who will be the initiator of getting that 23 meeting scheduled? 24 A I'm not sure. Probably me. Just before -- 25 since I'm handling the closing of the books, it would</p> <p style="text-align: right;">86</p>	<p>1 Q It wasn't something that you had to approve in 2 any way? 3 A No. 4 MR. BENINK: I have nothing else. 5 So do the same stipulation: If the original 6 transcript is lost or destroyed or not produced, a 7 certified copy may be used in its place for all purposes 8 in this litigation, and all other stipulations by code. 9 MR. COLE: So stipulated. 10 MR. BENINK: Great. 11 Thank you very much for coming in. 12 THE WITNESS: Thank you. 13 (Deposition adjourned at 3:13 p.m.) 14 15 16 17 18 19 20 21 22 23 24 25</p> <p style="text-align: right;">88</p>

REPORTER'S CERTIFICATION

I, Carolyn M. Mann, Certified Shorthand Reporter in
and for the State of California, do hereby certify:

That the foregoing witness was by me duly sworn; that the deposition was then taken before me at the time and place herein set forth; that the testimony and proceedings were reported stenographically by me and later transcribed into typewriting under my direction; that the foregoing is a true record of the testimony and proceedings taken at that time.

IN WITNESS WHEREOF, I have subscribed my name on
this date: July 29, 2016.

Carolyn M. Mann, CSR No. 10066

91

Printed Name _____ Date _____

Signature _____

Page/Line	Correction	Reason
-----------	------------	--------

Page/Line	Correction	Reason
-----------	------------	--------

23 (Pages 89 to 91)

A	38:12 39:22	adopts	64:24 72:2	34:14 44:11
able	42:3,6 45:17	70:25	87:12,17	52:8 58:9
24:11 33:17 49:6	46:15,17,19	advocate	allocations	ANT_001756
52:22 75:12,25	49:24 60:18	82:16	50:9 64:21	84:13
76:7,17	67:5 69:5 70:14	afternoon	amendment	anticipate
above-ground	75:9 85:16	6:11	86:10	65:6
29:8 42:3,6	actuals	agencies	amount	Antioch
accept	46:20	10:16	22:25 23:2,4,5,6	1:7 2:7 5:3,5,9,9
63:8 87:7	add	agency	24:22 25:16	5:15 7:24 9:2
accepting	77:15	5:9 35:7 64:19	29:1 33:10,11	12:12,16 14:25
87:6	added	agenda	37:8 39:21,23	19:3 30:10 35:6
accomplish	31:1,24 70:14	35:5 36:22	42:15,19,22,23	83:11
49:6	71:12 81:7	agendas	43:8 45:10,21	Antioch's
account	adding	34:18	46:2,18 55:15	5:7,21 68:1
47:17 82:19	55:4 68:17 70:5,6	aggregate	68:13 69:24	anybody
accountant	addition	81:8	70:9 72:24 73:1	8:24 39:4,7 59:8
9:24 10:2	73:16	ago	73:4,23 74:20	60:11,11 63:5
accountants	additional	7:1 17:15 21:16	75:6 76:24,24	75:11
13:9	34:6 45:13,14	36:5 72:6	80:7 83:4 85:18	APOA
accounted	48:13,25 49:5,11	agree	85:21,23	50:3
20:1 22:20,22	address	8:7 68:4	amounts	apologize
69:10 81:18,20	33:9,18,20 45:14	agreed	17:18,23 22:17	31:18 53:12 73:9
accounting	46:10 49:5,17	39:2 54:2	23:20 25:2	80:13
12:23 13:9,24	50:18 55:3	agreement	27:11 37:13	apparently
20:14,15 69:11	56:23	66:19 86:16	62:16,17 66:21	67:24
69:17,21 72:16	addressed	ahead	68:6 71:3 79:17	appear
83:13,14,16	33:15 49:10 54:24	6:13 41:5 67:14	85:19 86:17	56:17 59:4 68:24
accounts	86:7	aid	analysis	89:6
13:10 20:9,11,12	addressing	56:24	42:14 59:1	appearance
accurate	55:8	alleviate	and/or	71:23
13:25 14:7 21:18	adjourned	48:5	45:14	APPEARANCES
47:9,10	88:13	allocated	animal	3:1
acronym	adjust	16:18 17:4,7,18	71:18 81:4	appears
26:16	52:22	21:25 22:2,9	annual	14:2 17:5 36:20
actions	adjusting	24:12 27:2,6	14:20	52:10 53:24
55:23 56:4,10	17:23	allocates	answer	56:8
activities	administration	16:13 22:6	7:13 40:21 43:15	apply
46:10	10:22 12:23 13:8	allocating	50:12 57:16	81:24 82:17
activity	13:24 14:14,15	64:16	60:12 79:5 82:8	applying
43:19 82:20	80:25 82:17,18	allocation	answered	83:4
acts	adopted	15:23,25 16:10	57:14,22	appropriate
46:10	48:8 49:25 56:14	17:14,20 21:13	answers	37:8,22 59:25
actual	70:21,24 71:10	22:5 27:15,16	33:8	approval
16:7 21:1,1 25:1,1	84:25	28:7 39:8,11	ANT	45:5 85:17,22
28:10 29:4	adoption	40:15,16 41:2,3	5:4,6,10,14,16,19	86:11 87:16
	14:24 15:15 45:3	43:7 61:13	18:23 24:5	approve

88:1	associated	38:21,23 39:20	87:13	10:18 14:16 18:11
approved	49:21	46:13 50:10	begins	52:9 60:17
84:25 85:22,24	Associates	51:7 59:1 69:16	55:2	69:25
87:14	10:5,8	72:19 73:11,13	believe	Bones
approximately	Association	73:15 74:3	9:22 10:13 16:5	55:2
41:17 44:18 47:4	11:5,7	78:20 79:16	23:11 29:17	booking
47:19 50:25	assume	84:19	33:11 38:20	72:19
52:23 58:15	14:8	background	61:2 62:11 65:5	books
73:25 74:19	assuming	10:19 45:8 52:21	69:16 82:9 84:8	72:18 75:19 77:11
approximation	19:23 86:16	backwards	84:10 86:9	86:25 87:2
9:21	attempt	52:9	believed	boss
area	56:22 57:4,13,17	bad	37:21 62:13	39:2
63:11 64:9	attempted	7:6	below-ground	bottom
areas	34:5	balances	42:9	24:17 48:12 84:12
26:9	attempting	20:14	benefit	Boulevard
arrive	33:8 57:24 69:23	bank	23:21	2:22
42:25	attend	20:12	benefits	break
arrived	35:3	Bare	73:25 77:23	28:16 51:4
30:15	attention	55:2	Benink	breakdown
ascertain	68:3	bargaining	3:4,4 4:5 6:10	26:6
43:8 75:3 76:7	attorney	53:25 54:2	7:22 12:4 34:12	Brian
ascertained	7:3 22:7 39:15	base	40:20 41:8	31:17
37:13	attributed	85:18	43:10,17 44:9	bring
aside	60:22	based	51:4,7,8 52:6	48:19
39:21 80:8	audit	17:23 37:17,24,25	57:15 58:7	bringing
asked	10:14 14:20	38:25 60:23	65:16,19 66:5,10	45:1 47:6
7:6 39:16 42:8	audited	63:10 65:3	66:11 67:22	brings
43:5 44:1 51:17	64:1 75:22	66:22 69:4 77:8	73:13,14 82:7,24	48:18
57:14	auditor	bases	83:2 87:10,11	broad
asking	10:9	65:11	88:4,10	64:12
7:8 41:7	authored	basically	Bernal	broken
asset	44:15,18,24 46:23	16:14 28:2 50:21	62:4	80:20
42:4,6 60:7,20,23	58:13	51:18 62:25	best	brought
61:11 63:25	automobiles	basics	7:18 27:13	30:25 31:6 38:19
assets	77:25	7:7	beyond	38:21 39:14
29:8 40:3 41:24	available	basis	40:6,11 64:9 65:9	41:23 42:22
42:7,10 43:22	75:2,16 76:6	77:10 83:25	65:12	43:1 56:18 59:1
60:19,22 61:7	aware	Bates	big	63:13 75:9
64:8	43:16,18 87:19	5:4,6,8,10,13,16	18:4,5 84:6	budget
assigning		5:19 18:23 24:5	bigger	5:3,6 14:22 15:5,6
64:14	B	84:12	56:22 57:13	15:10,11,13
assistant	Bachelor	Bay	biggest	17:19,21 18:8,11
9:16,17 62:5	10:22	32:5 73:20	56:5	18:18,23 19:1
85:13	back	beginning	billing	20:19,20 22:12
assisted	23:13 27:21 36:7	29:12,16 30:17,19	13:11,16,17	22:13 24:5,7,9
67:24	36:12,16 37:2	55:21 69:4	bit	26:20 27:4,5,23

30:24 31:5,8,23 32:19,21 33:9,12 34:24 35:8 36:21 37:15,19 37:22 38:2,8,16 38:18,20,21,25 41:23 42:21,22 44:4 45:1,3,5,17 45:20,23,25 46:2 46:11,11,14,19 47:1,13,16 48:6 48:12 49:16,25 50:16,18 51:20 54:17 55:2,9,17 55:19,23 56:14 56:23 57:4,13,25 58:20,22 59:3 66:22,23 69:4,24 70:14,18,21,21 70:23 71:1,10,10 73:19 75:17 76:12,17,20,25 78:8,10 80:20 81:14,17 82:2,21 83:5 84:1,3,4,9 84:14,21 85:20 85:23,25,25 86:8 86:10,11,13 budget's 82:17,22 84:6 budgeted 24:24,25 27:11 28:10 46:16 70:8 76:19,21 86:3 budgeting 14:8,17 15:2,18 17:16 44:2 52:16 budgets 15:7 16:24 19:2 20:19 67:2 80:21 81:7 83:3 83:12 bullet 36:24,25 49:14	55:21 bullets 56:8 business 10:22 13:11 19:10 52:2 Byrne 78:23,25 79:2,18 80:6,8 <hr/> C <hr/> C 3:5 C16-00372 1:6 2:6 calculate 67:5 83:4 calculated 70:5 73:1 77:16 calculating 73:18 calculation 26:4 calculator 67:13 calendar 15:4 29:25 41:18 56:20 57:1 California 1:1,16 2:1,22,23 2:25 3:5,10 6:2 10:20 11:5 89:11 91:4 call 61:23,24 62:7,8 63:5,18 called 55:13 73:19 calls 37:2,6 40:17,18 43:13,14 82:6 Cantando's 18:13 capital 19:21,22,24 23:10 25:16 27:11,17	27:19 28:22 care 12:9 Carolyn 1:22 2:24 91:3,20 carried 56:18 carrying 60:21 case 1:6 2:6 8:1 categories 71:1 category 76:10 Centext 2:21 CENTEXTLE... 1:24 central 16:12 cents 69:6 certain 40:10 56:13 77:8 CERTIFICATI... 91:1 certified 2:24 88:7 91:3 certify 89:3 91:4 cetera 60:24 challenged 23:3 chance 16:4 changed 17:25 charge 83:18 charged 87:18 charges 83:18,21 charging	83:23 chart 78:21 chief 18:13 32:10 40:12 43:25 chose 82:19 chronologically 52:10 chunk 71:25 chunks 69:18 circumstances 41:20 cities 32:4 city 1:7,7 2:7,7 5:3,5,7 5:9,12,15,18,21 7:24 9:2,4,12,25 11:18 12:16 13:14 14:9,24,25 15:8,10,13,17,25 16:15 18:8 19:3 19:6,10 20:5,11 21:20,23,24 22:6 22:6,7 25:21,22 25:23 26:6,10,14 27:2,4 29:10,14 30:10,14,19 31:11 32:10 33:2 34:18 35:2 35:3,6 37:16,18 37:19 38:2 39:1 39:15 42:23 43:1 45:2,5 47:22 51:16,18 51:22,23 52:2,16 53:25 54:5,18 59:6 62:3,5 64:15 68:1,6 73:25 74:8,16 75:22 83:11 84:3,4,9,14,15	84:25 85:2,12,13 85:17,25 86:7,15 87:14,16,18,22 City's 8:7 12:12,17 14:20,22 65:25 84:1 City-owned 26:17 clarify 46:13 clarity's 61:5 classes 11:4,6 clear 20:11 32:22 close 33:17 45:10 46:20 47:21 48:23 57:24 69:13 75:21 77:11 79:8 closed 46:22 72:3,6 75:8 75:19 closing 72:17 75:9 86:25 87:1 CLS 1:22 code 88:8 Cole 3:9,9 8:24 40:17 41:4 43:9,13 51:5 57:14 63:13 65:18,22 66:6 67:19 82:6 88:9 Cole's 18:7 44:11 collected 77:9 college 10:19
--	---	--	--	---

column 20:25 21:7 28:5 48:12 53:16 54:11,21 70:20	comprised 78:14 79:17	contemplate 81:24	19:11 21:13 22:5 27:15,16 28:7 34:5,6 39:8 39:10 40:14,16 41:2 43:7 50:1,8 60:21 61:12 64:20,24 72:2 73:19,22 74:2,6 78:13 83:19,25 87:12,17	6:19
columns 71:6	computer 27:3	continuation 36:19	COSTA 1:2 2:2	cover 83:18
combination 69:23 83:7	concern 32:2 33:22	continued 74:1	costs 16:23 17:4 21:20 21:22,23,24 22:2 24:13 26:22 27:10 38:8,12 49:21 55:6 64:16 68:17,18 71:12,13	covered 66:1
come 20:9 32:9 37:1 47:4 61:6 65:7 71:7	concerns 65:22	continuing 55:24	COTA 3:9	CPA 10:6,10,12 11:7
coming 15:15 77:12 88:11	concessions 53:17,19,25 54:1 54:2,12,19,20,22 55:15	CONTRA 1:2 2:2	council 5:9,12,15,18 14:24 15:11,14 22:7 30:24 31:7 31:17,18,20 34:18 35:2,3,6 35:15,20 42:24 45:2,5 51:16,18 51:23 57:7 58:25 59:6 75:9 75:22 76:6 85:2 85:17,21 86:1,7 86:11 87:14,17 87:20	CPE 11:8
comments 36:20	conclusion 40:18 43:14	contracting 57:9	county 1:2 2:2	created 8:20 21:14 33:1 75:20
commissioned 39:11	conduct 66:12	contrary 72:13	COUNTY 1:2 2:2	Creek 1:16 2:23 6:2
committee 31:10 58:22	conducted 39:5	contributing 26:22	course 29:6 46:20 52:2 75:7	crisis 48:6
common 62:21	conference 61:23	control 81:4	court 1:1 2:1 3:10 7:13	CSR 1:22 91:20
Communication 73:20	confirm 38:21 68:25	conversation 32:18 62:24	courtroom	current 9:7 35:15 74:9 84:2
communications 81:2	confirms 53:7	conversations 61:12		custody 81:1
community 16:21 26:7,8 81:1 81:3,13,18 82:1 82:1,14,19	connection 17:16 58:22	coordinate 14:19,22		customers 20:4
company 59:10	consider 58:19 63:14	copy 88:7		cut 14:3
compared 38:4	consideration 5:13,16,19 45:2 59:2	correct 8:1,23 10:1,7 11:16,25 16:9 17:2,24 20:15 23:7 29:16 33:15 41:13 46:14,24 59:18 67:15,18 70:1,7 70:11 71:4 72:4 73:21 80:1 82:16 86:5 89:8		cuts 45:15 47:20 48:13 48:25 49:18
comparison 38:7	considered 39:16 63:10	corrected 89:7		cycle 15:5,15
compile 15:7	consistent 73:5 86:17	Correction 90:4		<hr/> D <hr/>
completed 15:25	consultant 16:1,3 17:22 39:8	corrections 89:6		D-A-W-N 6:15
completely 63:20 75:8	consultant's 73:2	cost 15:22,25 16:10,12 16:18 17:1,14		data 15:8 20:23 24:9 64:2
component 66:22,23	consultants 59:9,20 60:3 61:6 61:12 63:12,21 64:4 65:13 87:4 87:23			date 59:20 61:9 90:2 91:15
components 77:15	contained 89:7			dated 5:10 89:10
				dates 9:19

Dawn 1:14 2:21 4:2 6:4 6:15 66:9 89:3 89:17 day 89:10 dcole@cotalawf... 3:11 debt 23:12 25:19 27:12 29:1 decide 61:15 decided 71:22 decision 30:15 34:2 43:19 77:3 declaration 65:20 89:1 Defendants 1:8 2:8 3:8 deficit 33:4,9,12,18 44:4 45:11,17,20,23 46:2,5,11,11,14 46:15,16,17 48:20,24 49:6 50:19 53:2 54:18 55:15,19 55:25 56:23 57:4,13,25 definitely 87:1 definitively 76:8 degrees 10:21 department 12:17,18,18 13:1 13:9 14:19 15:7 16:13,20,20,22 17:6,8,10 23:22 26:7 27:1 35:24 37:7 38:2,10,13 38:13 43:24	50:6 57:10,21 67:8 70:4 71:24 76:10 77:5,19 78:10 80:24 82:11 84:21 departments 14:23 15:6,9,17 16:16 21:25,25 22:12 26:21 38:5 80:21 depending 64:16 deposition 1:14 2:21 6:21 8:12,15,25 12:8 18:13 87:14 88:13 89:5 91:7 deputy 11:21 Derek 3:9 63:13 derived 62:19 describe 14:17 15:1 24:18 27:14 54:23 descriptions 13:20 14:1,7 designed 48:5 destroyed 88:6 detail 26:21 27:4 60:7 75:10 79:4 85:10 detailing 28:20 deter 40:10 determination 41:11 69:12 determine 24:11 38:11 72:8 75:25 determined	26:9 41:21 determining 37:7 59:24 64:20 develop 39:8 developed 17:22 41:2 43:7 74:5 Development 5:9 16:21 26:7,9 35:7 devil's 82:16 Diego 3:5 differ 85:24 difference 25:6 68:24 different 16:18 19:5 25:13 29:3,12 32:3 33:14,16,25 42:14,15 43:18 55:24 56:3 68:23 69:15,25 differs 76:25 dipping 71:24 direct 11:20,24 35:23 68:3 directed 34:25 51:15 direction 37:1 39:1 52:14 58:19 91:10 directly 11:19 27:18 director 9:8,10,13,16,18 11:21 14:18 16:8 30:13 42:8 62:4 disclosed	76:22 discovery 66:8 67:24 68:12 73:16 discrepancies 86:2 discrepancy 69:2 86:6 discuss 39:7 85:9 87:21 discussed 25:18 31:5 38:15 38:17,25 40:9 46:7 47:18 discussing 87:13 discussion 31:22,23 35:7 37:5 55:1,2 63:4 83:1 discussions 36:3 37:11 42:18 distinguish 78:3 distributing 16:14,15 district 32:6 divisions 12:21,25 13:4,7 13:21 14:1,12,13 document 5:3,5,12,15,18 12:5 20:20 22:5 23:24 24:9 27:5 27:25 28:13 29:18 34:13 36:18 44:10,13 44:20,22,23 45:22 46:6,19 47:16 49:15 51:18 52:7 56:14 58:8,10 67:24 70:22 71:10 79:7 85:21	documented 74:25 documents 8:14 18:14 49:12 50:10 60:14,15 60:18,21 61:4 76:6,16 doing 8:19 13:7 17:9 dollar 17:23 81:11 dollars 69:6 double 71:23 double-check 64:10 downturn 32:23 47:22 draft 15:13 63:22 drafted 45:4 58:12,21 drafting 44:20,21 63:17,20 duly 6:5 91:6 <hr/> E <hr/> earlier 76:16 ease 21:5 easier 18:11 East 32:5 73:20 easy 66:17 ebenink@kkbs... 3:6 economic 30:20 32:23 economy 31:4 education
--	--	--	---	--

11:3 educational 10:19 effort 38:11 either 28:10 29:25 53:6 electricity 50:1 electronic 60:20 Eleven 67:20 Emergency 22:8,14 81:3 empirical 39:5 employed 9:2,12 employee 30:9 54:5 employees 17:8,9 34:9 37:18 54:18 ends 76:25 energy 29:6 enforcement 32:12 79:9,19,24 81:21 enterprise 5:6 19:2,6,8,11 55:5 56:5 59:19 60:8 63:18 71:20 83:12,17 84:18,24 87:5,23 87:24 enterprises 60:1 entire 46:5 69:19 82:2 84:3,4,9,14 entitled 65:9 entity	64:19 Eric 3:4 7:22 ERRATA 90:1 ESQ 3:4,9 estimate 62:9 74:23 et 60:24 evaluate 77:10 exact 61:2,9 76:24 exactly 8:19 22:4 25:19 EXAMINATION 4:4 6:7 example 16:17,19,25 21:2 22:1 32:6 40:6 54:4,6 77:8,22 Excel 8:22 Excess 47:1 exclude 71:22 excluded 73:19,22 74:2 excluding 73:17 exclusive 23:20 exhibit 5:3,5,7,9,12,15,18 5:21 6:8,8 12:2 12:3,6 18:12,14 18:14,21 23:25 24:1,10 27:21,22 28:16,18 34:11 34:13 44:8 51:11 52:5,7 58:6,9 67:7,21 67:23 70:3,14	71:7 77:14 78:9 79:4,15 84:10,19 84:22 exhibits 5:1,2 12:8 18:2,15 84:5 exist 42:7 expenditure 27:11 49:18 expenditure-wise 47:13 expenditures 21:1,8 35:25 47:5 47:20 48:19 49:1 53:17 77:18 83:6,8,9 84:15 experience 37:19 38:3 experienced 15:16 experiencing 30:21 expert 40:17 43:13 63:11 64:9,12 65:24 66:3,8,9 explain 18:25 61:16 62:18 64:4 71:16 explained 23:14 62:13,20 explanation 60:15 64:6 explore 65:9 express 66:2 expressing 65:8 extent 43:15 86:6 <hr/> F <hr/> face	63:8 facilities 25:23 26:2,3,7 29:8 30:22 31:25 32:17 81:4 facility 29:5 31:1 32:3 33:23 34:1,7 42:2 facing 33:11 fact 12:25 18:17 32:4 44:23 69:22,24 factors 17:11 factual 65:25 fair 34:22 50:17 53:1 56:3,20 66:24 69:8 77:17 fairly 15:18 33:4 47:9 47:10 48:23 fall 14:11 falls 26:25 familiar 8:1 12:13 34:20 59:21 64:18 far 29:7 37:13 45:10 49:4 82:21 86:3 87:19 Farnkopf 61:20 62:13 65:13 fashion 15:2 fed 73:8 fee 14:25 16:14 83:18 feel	79:7 fees 19:12 20:2,2,4,9,9 87:18 felt 37:17 figure 21:8,9,10 22:3,16 22:17,22 23:15 25:12 26:12 27:14 32:15 37:12,17 38:15 41:11 46:1,7 49:3,4 50:13 54:17 68:17 69:22 70:8,14 75:13 76:21 79:22 81:10,25 82:12 figures 23:14,19 25:5 28:9 60:16 67:5 68:25 74:5 75:9 77:18 80:3 final 15:12 45:3,5 72:20 76:24 finance 9:8,9,13,16,17 11:5,7,21,21 12:16,18 13:1,8 14:18,19 16:7 22:7 30:12 34:25 77:5 financial 5:3 14:20,21 51:22 58:18 61:13 75:20 76:22 find 25:5 65:20 fine-tuning 69:6 finish 7:12 firms
--	--	--	---	---

63:15 first 6:5 12:22 18:21 25:15 29:24 33:11 35:20 38:18 40:1 59:3 59:16 68:8 75:1 76:4 fiscal 15:14 18:8 21:2,5 21:19 23:1,16 28:15 29:17,20 30:1 31:6 41:18 44:2 47:8 52:18 52:24 53:2 57:5 66:20 67:6,12,16 68:7,8,14 70:2,9 70:13 72:3,9,15 72:20 73:15 74:9 75:8 76:1 79:11 84:2,18 five 27:10 51:4 fixed 60:7,19,20 61:10 63:25 64:8 following 41:18 47:13 52:14 55:23 76:5 follows 6:5 force 31:3 57:19 forecasting 53:1 forego 54:6 foregoing 89:4 91:6,11 forgetting 80:6 form 39:13 formal 11:2 63:23 66:8 87:15	formally 84:25 forth 31:6 41:23 43:1 45:2 63:13 91:8 forward 8:18 38:22 52:13 54:19 56:18,19 72:22 74:15 four 12:21,25 14:11 25:13 67:2 fourth 54:14 frame 61:3 75:19 free 79:7 front 18:3 23:25 51:12 67:1 84:6 function 13:11 functions 22:8,8 fund 8:8 19:8,9,17,17 19:20,21,22 20:2 20:8,9,13,14,19 20:20 21:19 22:2 23:21 24:19,21 25:8 26:25 27:1,10,18 27:19,20,23 28:3 28:14,19,19 29:11,11,15,15 30:6,17,17 33:7 34:3,3 36:1,25 37:9,14,14 39:22 39:23 41:12,13 41:21 42:12,12 42:16 43:6,12,20 43:21 49:23 50:7,8 51:1 53:15 54:10 55:2,5,14 56:5	56:12,12,16,21 56:22 57:3,3 60:23 65:1 76:3 77:2,12,13 78:17 78:19 79:10 80:1,2 83:24 84:17 funds 5:6 8:8 19:3,5,6 19:10,14,16,18 20:1,12 26:21 29:11,14 30:16 34:2 42:11 43:20 62:15 65:1 67:10 71:20 83:12,17 83:20 84:14 furloughs 54:5,6 further 55:23 59:1 70:20 future 85:18 <hr/> G <hr/> gate 40:7 gather 14:23 general 1:7 2:7 8:5,8 20:13 21:21,23 22:11 29:15 30:17,21 32:25 33:7 34:3 37:14 39:23 41:12 42:12 43:12,21 49:22 53:15 54:10 55:1,14 56:16,21 57:3 65:1 76:3 77:1 77:12 generally 14:17 18:25 66:24 77:5 gentleman's	61:19 geographic 26:15 geographical 26:14 getting 32:5 64:3 86:22 GFOA 11:6 GIS 26:13,14,23,24 27:12 28:23 give 7:18 9:21 13:6 16:17 60:17 64:5 79:5 given 20:18 giving 6:16 8:25 glance 59:4 go 6:13 10:19 25:13 27:21 30:19 41:5 66:18 74:3 82:24 goes 14:5 15:5 27:24 78:6 81:21,23 going 9:4 12:6,10 18:2 21:6,7 23:18 25:10 28:1 31:4 32:1 33:21 35:23 40:11 46:2 47:8 52:9 52:13,13 54:19 54:24 55:23 56:14 58:1 63:18 65:8 67:14 74:15 75:16,21 79:16 86:7 good 6:11 23:8 80:4	gotten 39:16 government 11:6 30:22 governmental 19:10 83:13,14,16 83:20 graduate 10:25 grand 76:2,9,14 77:1 grant 14:21 78:18,23,25 79:2,10,12,18,20 79:24 80:6,8 81:12 Great 8:10 13:19 88:10 ground 29:5 41:25 42:7 guess 7:25 13:22 15:3 15:19 32:15 33:8 36:24 37:11 44:3 45:25 55:21 57:5 65:6 72:13 guys 50:22 <hr/> H <hr/> handed 12:5 44:10 58:8 67:23 handling 86:25 happen 32:2 happened 41:17 hard 49:21 head 78:20 80:5,13 87:9 held
---	---	---	---	--

9:19 help 33:18,20 40:10 67:4,19 helpful 7:11 HF&F 59:9,20 63:12 65:13 HF&H 66:7 Hi 6:12 high 64:5 high-level 15:2 64:5 higher 46:21 86:9,10 historic 20:22 Honeywell 25:21 29:2 hours 11:8 human 22:6 hundred 25:15 28:22 79:25 81:11,23	impact 47:23 implement 50:7 implemented 40:13 47:25 50:2 50:5 56:11 implementing 49:22 important 83:16 improvement 19:21,22,24 improvements 60:23 include 13:16 23:9,19 71:17 77:22,25 included 50:21,25 includes 23:4,5,11 27:3 46:7 75:13 including 36:1 50:19 55:17 inclusive 22:17 incorporated 50:16 85:20 increase 17:20 increased 17:20 increases 48:25 incurred 21:20,22,24 incurs 21:24 independent 14:20 INDEX 4:1 5:1 individual 1:4 2:4 15:7 16:24 individually	87:3 inform 51:18 information 14:23 15:5,6,10 15:12 26:25 27:3 32:7,16 45:2 59:15 60:3 60:6 61:11 63:2 63:24 65:25 75:2 initial 38:19 65:3 initially 58:25 61:15 69:3 initiator 86:22 ink 89:6 input 63:17 intake 42:1 intends 74:16 intention 66:3 72:23 interface 26:15 interim 39:15 internal 8:22 21:9 23:13 27:1 28:5 71:17 71:21,25 73:17 77:20 85:5 interpret 60:16 interrogatories 5:21 68:1,5 interrogatory 68:3 introduced 7:21 investigate 34:5	investigation 66:12 81:2 involve 35:4 involved 14:8 16:5 17:12 40:12,13 64:14 87:20 involves 32:20 43:23 issuance 63:23,23 issue 19:14 22:18 29:2 issued 34:23 issues 33:14 35:4 49:17 item 22:20,23 75:10 76:14,21 78:14 items 34:24 54:4,7 59:1 71:2 78:10 IV 84:9,13,14	1:15 2:23 5:19 6:1 29:21 58:15 72:17 89:5 91:15 jump 67:13 June 5:10,13 29:22 34:20 44:18 72:6 justification 39:21,22
<hr/> I <hr/>		<hr/> J <hr/>		
idea 33:15 37:25 42:9 ideas 49:21 identification 6:9 12:3 34:11 44:8 52:5 58:6 67:21 identified 37:2 63:12 identifies 46:9 identify 24:3 37:6 68:6				known 11:2 16:14 61:10 62:25 knew 36:12,16 57:8 know 13:25 18:16 21:22 22:1 24:18 27:13 29:7,9 34:4,8 35:15,18 36:5,10,11,13,15 36:17 38:14,17 38:18,19 39:9 40:19 42:22 43:15 44:6 46:6 49:9,14,24 50:1 50:6 51:23 56:9 56:11,12,15 64:1 69:10 74:18 75:20 76:11,11 78:19 81:10,15 85:6,14 86:8 87:12,16,22 knowledge 30:7,8 KRAUSE

3:4	57:10	49:13 50:9,13	majority	45:16 47:2
<hr/> L <hr/>	light	53:5,16,21 55:1	26:18 27:7 81:20	48:16 53:19
labeled	50:1 72:21	69:16,20 72:8,16	making	64:9 75:1 83:6
53:15	lighting	75:12 84:5,8	13:13 40:15	meaning
land	29:2	looked	management	47:5 85:11
60:23	lights	17:11 67:3 76:16	37:20 38:3 81:3	meaningful
larger	25:24 26:1,5,8	78:21 82:11	manager	68:24
57:3	line	looking	11:18 15:9 22:6	means
largest	22:20,23 54:14	8:16 17:5,8 18:2	31:11 32:11	20:4 29:21 47:3
82:21	71:2 75:10	22:4 29:18 35:5	37:16 39:1 43:1	52:24 83:5
lasted	76:21 78:10,14	38:6 46:18	62:3,5 85:12,13	meant
62:8	lines	48:17,22 49:4,11	86:16	61:5
late	26:17,19 42:6	53:4 59:24 64:8	mandates	measures
61:8,22	list	77:14 78:9	83:22	33:19 45:13 47:17
Lava	11:22 19:4 61:7	looks	Mann	47:25 48:5 49:5
3:10	listed	18:7 35:5,6 47:21	1:22 2:24 91:3,20	49:5,16,25 50:22
law	28:20 45:23 47:16	loop	map	55:24
1:7 2:7 32:12 79:9	48:4 50:2	79:8	26:16	mechanics
79:19,24 81:21	listings	lose	mark	66:15
lawsuit	60:7	31:3 57:7	1:4 2:4 3:14 7:23	mechanism
7:23 8:3,6 22:18	lists	loss	12:2	31:2
23:3	8:21 25:9 49:14	33:1 49:17	marked	meeting
lawyer	61:11	lost	5:2 6:8 12:3,5,7	5:13,16,19 35:2
23:8	litigation	37:24 88:6	18:3,12,13 23:24	36:4 38:20
lay	18:7 19:14 34:14	lower	34:11,13 44:8	39:15 55:22
57:19 58:1	44:11 52:8	46:21	52:5,7 56:17	75:23 85:15
lease	67:25 88:8	<hr/> M <hr/>	58:6,8 67:21	86:15,20,23
25:21 29:2	little	M	Martha	Meeting/Study
leaving	10:18 14:16 18:11	1:22 2:24 91:3,20	35:22	5:10
17:21	52:9 60:17	M-E-R-C-H-A-...	master	meetings
legal	69:25 86:9	6:15	14:25	15:9 33:21 35:3
2:21 40:18 43:14	LLP	main	master's	38:18 41:23
legitimate	3:4,9	33:21 81:17	10:23	58:22,23 76:6
65:23	long	maintain	materials	85:5
let's	7:1 9:9,17 10:2	11:9 45:15 54:2	34:14 75:24	member
12:2 18:20 25:13	38:15 61:24	54:18,22 57:9,18	math	30:25 31:17,18
27:21 28:4,4	62:7,8 63:1	58:3	80:4	35:16,21 75:11
49:13 51:4	74:19 86:8	maintained	matter	76:4
52:20 59:16	look	61:1	20:14 77:13	member's
67:1,12,12 82:24	12:10,13 14:6,7	maintaining	Mayor	31:20
level	17:13,19 18:15	54:20	5:12,18	members
64:5	21:6 23:25	maintenance	Maze	30:24 74:25
license	24:16 25:7	81:4	10:5,8	memory
11:8 13:12	27:21 28:4	major	mean	45:19 46:6
lieu	33:10 35:10	66:23	21:23 25:20 40:2	mentioned
	36:21 47:11,14		40:5,6 41:17	31:22

Merchant 1:14 2:21 4:2 6:4 6:15 65:24 89:3 89:17	missing 25:4	needed 42:10 45:15 48:13 49:18 57:8 63:2	numeral 84:14	54:17 58:5 59:16 61:22,24 62:12 66:5,10,15 68:16,23 70:2,9 71:3,6,11 72:3 73:4 74:3 78:8
met 61:15,18,22	misspoken 36:22	negative 53:18	<hr/> O <hr/>	
meter 73:8	moment 51:11 80:9	negotiations 50:4	oath 6:17 51:9	
method 62:22	Monday 1:15 2:23 6:1	net 53:11,17 54:14	object 43:13	once 6:24,25 15:11
methodologies 63:6	money 77:9	never 34:5	Objection 40:17	one-time 73:24 74:1
methodology 17:22 59:24 61:17 62:13,19,25 63:9 64:4,6,13,20,24 64:25 65:5,10,12 65:24 66:13 70:25 71:11 73:5,23 74:5,15 87:4,6,7	month 61:2 69:12	new 15:4	objections 41:4	ones 13:23 35:4 48:4 50:9
methods 61:13	months 72:18 74:22	nitty-gritty 64:3	occurred 43:19	operates 19:6,9
mid 37:12	morning 8:16	Nods 87:9	October 61:3 75:18	operating 5:3,6 16:12 18:8 18:18 19:2 22:11,13 24:5 74:2
middle 12:22 47:24	move 38:22 72:22	nonconfrontati... 15:19,20,21	offer 39:4 65:23,24 66:9	
million 27:14 33:12 45:9 45:14 47:4,19,21 48:18,19,21,23 48:25 49:1 50:25 52:23,25 52:25 53:2 54:8 54:16,24 55:3,9 73:25 82:22,23	MUD 32:5	nonretained 66:2	offering 66:1	operations 11:22 12:23 13:10 13:15,24 14:2 81:2 83:19
mind 73:8	multiplied 70:15	normal 52:1	office 18:7 22:8,14 44:11 81:3	opinion 38:23 39:4,10 40:18 43:14 65:8,11 66:2
minor 86:2	multiplying 68:18 70:6	Nos 5:4,6,10,14,16,19	officer 38:9 40:7,9 58:3	opinions 64:23
minute 16:2 23:13 51:4	mundane 61:10	note 29:1	officers 11:5,7 38:1 57:7 58:2 81:18,19,22	opportunity 45:19
minutes 5:9 21:15 34:19 34:20 35:1 36:22 62:10	Municipal 11:5	noted 55:4 73:16 89:6	officially 75:19	opposed 24:12
	municipalities 10:14	Nothing's 72:12	oh 14:2 36:13 50:2 61:8,24 74:3 75:13 79:9 84:13	order 12:7 52:25
	<hr/> N <hr/>	November 61:3 75:18	okay 6:25 7:6,15,16,17 9:5 12:1 14:15 15:21 18:20 19:13 22:1 25:11 27:9 28:1 29:24 35:23 36:6 37:21 47:11 48:17 49:2 50:11 51:5	orders 13:13
	name 6:13 7:22 16:3 31:14,20 35:20 59:10,18 61:19 90:2 91:14	number 34:10 36:23 37:6 39:3 44:7 46:9 48:19,24 52:4 68:4,4,8,23 69:7 70:18 76:15,19 84:10,12		ordinary 52:1
	names 63:15	numbers 5:8 46:17,19 48:22 56:15 63:25 64:11 66:16 67:5 70:17 75:21		original 88:5
	nation 30:21 32:1 33:22			outlay 73:24 74:1
	Near 15:4			outside 14:12 27:10
	need 11:8 31:24 42:2,8 67:1,4,13 84:7			

overall 22:12 24:8 37:18 38:8	34:16 49:13	pending 7:23	91:8	51:1 55:5 56:22
overflowing 13:22	paid 20:5 27:7,17,19 57:21 77:23	perceived 32:8 46:1	Plaintiff 1:5 2:5 3:3	56:25 57:7,9,18 57:19,21 58:2,3 59:25 62:15
overlap 72:2	87:22	percent 37:16,21 38:15,24 39:23 41:10	plan 15:24,25 16:11 17:14 21:13	65:1 66:22,23 67:7 70:4 71:24 73:18 77:18,23
oversee 12:19 14:19	paper 18:4,6	42:21,25 66:22 67:6,16,17 68:19	22:5 27:16 28:7 40:15 41:3 43:7 73:4 74:4 86:15	77:25 78:9,19 80:24,25 81:13 81:18 82:1,1,11
overseeing 13:8	paragraph 35:10 45:9 52:22	68:25 70:4,6,16 73:18 77:16 81:25 83:4	87:4	84:21
oversees 82:18	Parks 16:21	percentage 17:19 26:10 42:19	plans 74:8 85:3	policing 43:18 81:1,14,19 82:2,15,20
overview 64:12	Parsons 35:12,14	period 37:12	plant 32:5 35:25 36:9 40:3,4,8 41:25	policy 13:14
<hr/> P <hr/>	part 11:7 26:20 27:22 31:8,22 50:4	periodically 77:7	please 6:14 18:21 20:17 24:1 27:21 36:19 56:7	portion 24:11
P 3:9	52:15 54:25 55:8 56:22 57:3 57:12,12 66:8,17 76:22	perjury 89:1,4	plug 44:5 57:4,13	portions 22:10
p.m 1:15 2:24 6:1 88:13	particular 14:12 34:20 39:18 69:24	perpetuity 61:1	plugs 33:16	position 9:7,15,20 11:15 11:15 32:20
page 4:4 12:16,22 14:6 19:4 20:17,21 21:6 23:16 24:4 24:14 25:7,12 27:24 28:4,10,18 29:21 36:18,19 36:23 45:9,22 46:4 47:24 48:1 48:2 49:19 52:20,21 53:8,10 53:12,14 54:8,10 55:1,4,13,18,22 55:24 56:10,17 67:7 70:4 76:13 77:14 79:15 81:8,13 82:22 84:9,13,19	particularly 30:22	person 43:3	plus 67:17 70:5 80:14 80:14	postgraduate 11:2
Page/Line 90:4	party 57:11,20 58:4	personnel 32:12 67:11 68:17 71:12 77:16 78:3,7	point 8:18 36:25 66:6 74:4 87:5,7	potential 46:11 49:5 53:2 57:4
pages 5:7 12:11,12,15 13:21,22 18:22 20:18,20,22	patrol 55:6 81:19,22	pertain 37:6	pointed 28:19	potentially 46:2 49:4
	patrolling 40:6	pertaining 66:16	points 36:24 49:14 55:21	practice 72:13
	pay 21:19 26:19 36:25 38:8 50:7 51:1 55:5 58:2 81:22	perusing 76:5	police 8:9 16:20,25 23:21 24:12,23 25:2 27:12 28:23 29:11,15 30:5,17,25 31:3 32:10 33:7 34:3 35:24 36:25 37:8,14,18,21 38:1,1,4,9,12 39:24 40:12 41:15 42:10,12 43:12,21,25 50:7	practices 65:25
	payable 13:10	phone 7:2		precise 23:6
	paying 27:20 57:10,20	physical 41:25		prediction 47:9
	payroll 13:10 16:19,19,22 17:1	picking 21:5		preparation 8:14 14:22 60:13
	pays 21:19 27:10 78:19	pile 18:4,6		prepare 8:11 14:20 15:24
	penalty 89:1,3	place 24:10 40:9 50:15 72:17 75:4 77:6 77:13 87:1 88:7		prepared 15:13 52:11
				prepares 15:7

preparing 13:12 14:24 45:3 67:25	30:16 52:16 72:17	31:2,24 42:2	question 7:6 23:18 40:12 43:5,24 57:22 70:13 75:5	receive 63:24
present 3:13 11:11 14:23	produce 60:25 63:1	provide 31:4 56:24 57:8 57:10,17 63:15 65:19	received 32:8 85:4	Recess 51:6 73:12
presentations 11:13	produced 18:6 34:14 44:10 52:7 63:1 88:6	provided 31:1 36:8 38:12 59:6,15 60:2,6 60:18	questions 7:8,10,12 28:2 60:12 62:23	recession 30:20
presented 15:10,13 75:22,24 87:16	profession 30:15	provides 16:20 26:20 58:19	quick 13:6	recognize 34:16 44:13 58:10
pretty 75:21	profit 19:11	providing 60:14 61:3 83:23 83:24	quote 29:4	recognized 81:12,15 82:14
previous 81:25	program 26:14	public 10:16 16:21 22:7 36:20 42:8 62:4 64:15 75:1,2,12 75:22 76:5	<hr/> R <hr/>	recollection 30:23 33:20
previously 12:7 18:12 70:24 83:18	progress 51:19	publicly 76:6	rationale 42:11	recommendation 50:19
printed 5:7 12:12 18:4 90:2	project 29:6 46:20	pull 18:20 79:7	read 8:3 13:23,23 34:18,19 35:11 35:13 53:12,21 58:24 59:2 64:10	recommendations 50:18
prior 9:12,15,20,23 10:4 12:8 16:7 23:15 28:9 29:24 30:6,12 39:17 57:6 63:22 66:20 67:6 70:22,24 71:9 72:19 79:16 83:5	projected 47:3,7 50:19	pulled 18:10 64:2	reading 46:5 47:15 48:10 53:3 55:12 56:6 65:4	recommended 50:23 85:19
prior 9:12,15,20,23 10:4 12:8 16:7 23:15 28:9 29:24 30:6,12 39:17 57:6 63:22 66:20 67:6 70:22,24 71:9 72:19 79:16 83:5	projections 46:21	pump 40:4	really 7:11 27:9 47:22 47:23 57:22 75:7 83:20	record 6:14 7:22 18:22 24:3 51:7 73:13 82:24 83:1 91:11
prisoner 81:1	projects 19:22,24 23:10 25:16 27:11,17 27:19 28:23	purchasing 12:23 13:12,25	reason 7:18 29:3 40:14 40:23 43:6 57:24 65:4 69:1 82:4 90:4	records 20:15 60:20 61:13 64:1 69:17,21 72:16
private 64:15	proper 43:8 64:20,24,25 65:12,14	purpose 44:25 51:14 58:17 76:23	reasons 57:23 65:21	recovers 19:11
PRM 16:5	property 26:17 40:10 64:14	purposes 37:7 73:18 88:7	recall 9:19 36:3,11 37:11,15 39:6,12 41:20,22 44:4 46:17 48:10 49:11 50:3,5 61:2,8,9,25 62:3 62:6,8,20 69:20	recovery 83:25
probability 30:25	proposed 21:7,19 23:1 28:5 28:6 37:16 42:23 53:8,16,19 54:1,3,11 56:4 57:2	push-back 15:17		Recreation 16:21
probably 7:25 12:9 17:15 47:8,17 80:4 86:24	proposing 86:4	put 48:24 52:15 85:16		red 49:7
proceedings 91:9,12	protect 38:13	<hr/> Q <hr/>		reduce 48:18 50:8 52:24
process 15:2,18,19 16:6	protected 42:10	quarterly 14:21 77:10		reduced 47:23
	protecting 34:1,6 40:3,5 43:22	quell 65:22		refer 45:22 73:2 78:20 79:3
	protection			reference 8:19 26:13 28:5

35:14,18 36:4,20 36:23 37:3 45:8 46:25 47:25 48:13 52:21 54:8 55:4 84:11 referenced 12:21 22:25 28:10 71:7 79:25 references 25:13 59:3 referencing 21:15 50:4 70:3 79:14 referring 9:4 78:24 83:8 84:19,22 85:1 refers 84:15 refined 55:22 refinements 55:16 reflected 21:2 23:16 28:11 81:8 refresh 45:19 refreshed 8:16 refreshing 46:6 regard 13:15 19:24 33:25 42:4,15,16 43:21 83:3,16 85:7 regarding 8:25 32:8,17 35:7 37:5,12 42:19 60:12,12,19 63:5 65:10 Regional 73:20 Regular 5:10 regularly 34:22 35:1	reimburse 16:25 reimbursement 14:21 59:12,18,19 59:25 63:19 74:6 84:24 86:4 87:24 reinstate 53:9 54:3 relate 34:24 relies 83:20 rely 66:6,7 remainder 36:1 37:25 remained 47:12 remaining 78:22 remember 16:3 26:15 31:19 32:7 37:5 42:18 44:20,21,22,23 61:18,19 remove 48:20 removed 36:1 reorganizations 50:6 repairs 77:25 repayment 23:12 replaced 25:22,24 26:1,6,8 replacement 29:6 report 5:12,15,18 11:17 44:15,25 45:4 46:8,9 47:18 48:11 51:14,24 52:11,15 53:4,6	53:14,21,21,24 54:23 55:12 58:12,17,21 59:5 63:1,2 75:8 76:12 reported 1:22 63:25 91:9 reporter 2:25 7:13 34:10 44:7 52:4 67:20 91:3 REPORTER'S 91:1 reports 11:19,20,24 14:21 37:1 50:15 represent 7:23 12:11,15 18:5 20:18 24:7 49:14 77:18 represents 19:1 21:12 23:15 27:22 50:17 54:17 81:11 request 61:6 requested 59:1 75:15 76:10 requesting 15:6 68:6 requests 14:22 61:10 require 86:9,11 required 85:17,22 research 63:15 reserve 66:7 reserves 45:15 80:25 resigned 87:6 resolution 87:15	resources 22:6 responding 7:8 response 73:16 Responses 5:21 68:1 responsibilities 14:18 responsible 13:3,7 26:10 30:12 rest 25:5 restate 49:3 results 50:3 retain 39:7 revenue 33:1 48:25 52:23 77:8 78:18 79:10 83:19 revenue-wise 47:13 Revenue/Expen... 47:1 revenues 21:1 45:14 47:3 47:19,23 49:17 53:17 83:6 review 8:14 34:22 35:1 45:3 52:2 65:12 reviewed 15:8 51:24 89:4 revised 28:11 70:19,19,20 revises 70:23 Ridge 3:10 right 15:22 19:13 20:6	21:5 23:3 24:20 24:25 27:16 28:18 29:10 30:1 44:16 46:22 47:7 52:14 53:5 54:13,23 64:2 66:3,7 67:9 73:11 74:6,10,16 75:6,14 76:4 79:14 80:3,16,22 81:5 86:4,13 Roman 84:13 Ron 62:4 Roseville 3:10 round 69:22,23 rounding 69:7 run 19:10 38:9 63:22 77:5 <hr/> S <hr/> Sacramento 10:20 sake 21:4 61:5 salaried 11:15 salaries 22:10,11 37:18 38:1,4 77:23 78:19 Salary 38:4 salary-related 78:6 San 3:5 save 49:22 saw
---	---	---	---	---

47:23 saying 7:14 says 20:25 24:18 35:11 35:24 36:25 49:20,20 52:22 54:14 65:20 schedule 14:25 85:9 scheduled 86:20,23 science 10:22 scope 33:10 second 29:19 79:5 82:25 section 18:12 19:1 24:7 24:16,17 25:7 sections 18:10,17 67:3 security 35:25 36:8,14 37:1 39:25 40:2 51:2 57:18,20 58:2 see 12:22 21:10 24:17 25:8 27:5 35:8 37:3 41:6 47:18 47:25 48:14,18 48:21 50:16 53:6,22 54:16,21 58:24 59:2 68:10 72:21 75:10,10 76:8,9 76:12,13,14,19 76:23 77:7 78:11 82:22 84:5 86:12 seeing 8:17 seeking 45:10	seen 75:7 seminars 11:4,9,10,11,11 11:12 sense 38:24 76:17 80:12 82:5 sentence 35:24 45:12 53:3 separate 20:12 22:20 83:12 service 16:16,18 20:2,5 23:12 25:19 26:19 27:1,12 29:2 63:16 72:1 83:18,21,24 serviced 17:9 services 2:22 8:9 16:20 17:1 19:12 21:9 22:8,14 23:14 24:12,23 25:2 26:13,18 27:1,3 27:3,6,12,12 28:6,23,24 29:12 29:15 30:6,17 31:1,5 33:8 34:3 36:14 37:8,14 38:12 39:24,25 40:2 41:15 42:12 43:12,21 50:8 56:22,25 57:6,8,10,18,19 57:20 58:3 59:25 61:16 62:15 65:2 67:11 68:18 71:12,17,18,21 71:25 73:17 77:17,20 78:4 83:25 session 5:10,13 35:8	36:21 38:16,20 42:21,23 45:1 sessions 15:11,12 32:21,22 37:15 45:6 51:20 87:19 set 5:21 68:2 69:3,12 80:8 91:8 setting 39:21 42:19,19 seven 36:5 sewage 42:1 sewer 8:8 13:16 19:17 19:24 20:9 26:16,19 27:7,23 28:2,14,19 29:4 29:5,8,11 39:25 41:12,24 42:4,6 42:12,20 43:11 43:20,22 55:5,17 56:4,12,12,21 59:17,19 60:1,8 60:22 62:15 65:1 66:21 68:9 68:14 70:10 71:4,19 72:9 78:17 79:1,18,23 80:1 81:11 82:13 86:12 share 16:22 25:23,25 26:10 27:13,20 SHEET 90:1 Shorthand 2:24 91:3 show 28:15 48:24 Signature 90:3 significant 33:4 41:24 47:20	similar 41:12 48:23 61:11 single 35:1 sir 19:19 sitting 36:15 56:9 six 19:5,5 36:5 72:14 size 17:23 83:5 84:1 84:17 sizes 83:3 slash 62:5 SLAVENS 3:4 slight 71:16 slightly 52:23 68:23 86:9 small 23:12 33:13 smaller 82:18 smooth 15:19 solid 75:21 somebody 75:3 somewhat 8:1 sorry 7:4 23:5 25:25 36:13 37:24 42:3 43:3,11 44:1 52:13,20 53:10 73:11 74:3 78:8 sort 17:7 66:2 sounded 39:3	source 32:16 77:8 Sources 76:13 speak 16:25 speaking 22:16 special 5:21 68:1 78:18 79:10 81:2 83:19 specific 18:10 32:7 42:7 76:9,14 83:24 specifically 15:24 27:5 44:21 50:5,13 81:21,23 83:20,23 specifics 60:17 speculation 82:6 spell 6:13 31:14,20 spend 17:10 52:25 spending 47:5 48:20 52:24 spoke 62:2 65:3 spoken 8:24 59:8 60:11 spreadsheet 8:20,22 60:21 spring 44:3 stack 84:6 staff 5:12,15,18 11:23 37:1 44:25 50:15 51:24 52:10 58:12,17 58:21 59:5 63:3 85:9,11
--	--	--	---	---

staffing 54:5	85:10	subsequent 13:21,22	25:4 33:15 46:22 56:9,11	59:17 63:10
stamp 84:12	88:9	suggested 35:24 49:16	sure 13:13 31:2 38:5	tax 33:1 76:14
stamped 18:23 24:5	88:5	suggests 53:7	42:5 53:23	tax-based 83:21
stands 74:8	stipulations 88:8	suitable 40:15 62:14 63:6 63:9	56:15 57:22	taxes 76:13,14 83:20
start 18:20 21:4 29:12 67:12	street 3:5 25:24 50:1	Suite 2:22 3:5	59:16 63:25 64:2 65:17 66:18 69:13 77:11 86:24 87:15	tell 10:18 20:18 21:12 22:4,5 27:22 55:11 78:21 79:22
started 7:21 8:17 47:22	study 5:13 15:11,12 17:5,7,12 35:8	sum 33:16	sworn 6:5 91:6	telling 68:16
starting 12:6	36:21 37:15	summaries 5:4 24:8,8	system 19:21 69:11 73:20	tenure 30:9
state 1:1 2:1,25 6:13 10:20 11:5 62:21 83:22 91:4	38:16,20 39:5,8 39:11,16 42:21 42:23 45:1,6 59:11,12,17,18 59:19,21,23 60:4 60:12,13 63:18 63:19 65:4,4 72:20 73:2,6 74:6,9 84:24 85:4,8,9 86:4,18 87:5,13,17,21,23 87:24	summarize 27:9	T	term 48:9
stated 33:22 39:15 42:5 57:6,17 63:14 76:2,8 79:3 82:20 83:17	59:11,12,17,18 59:19,21,23 60:4 60:12,13 63:18 63:19 65:4,4 72:20 73:2,6 74:6,9 84:24 85:4,8,9 86:4,18 87:5,13,17,21,23 87:24	summary 13:6 53:15 54:10 55:14 56:17 67:8 70:4 76:19 76:23	table 24:18 25:1 48:17 49:19,20,23 50:17 53:12,14 54:11 55:13,18 56:6,16 76:15	testified 44:24 62:12
statement 75:20	stuff 72:19 83:22	summer 44:3	tables 54:9 63:24	testifies 6:5
states 45:12 46:4 51:21 58:18,25	sub-budget 81:12,16 82:1,14	SUPERIOR 1:1 2:1	take 7:13 11:10,12 12:10 18:15 23:25 35:3,10 47:22 51:4 53:5 53:23 56:7 66:17 68:12 70:2 74:12,19 77:6 87:1	testimony 6:16 7:19 8:25 89:7 91:8,11
stationing 40:7	sub-budgets 80:21	supervisor 11:22	taken 2:21 6:21 15:12 45:13 72:16 75:4 77:13 85:1 89:5 91:7,12	Thank 58:5 88:11,12
stations 40:4	subcommittee 30:24 31:6,8,23 32:13,19,22 38:18 39:1 41:23 45:6 49:17 51:19 58:22 59:3	supplement 66:8	things 47:22 65:6	think 13:20 36:16 40:9 40:14,23 51:17 62:12 66:1 67:14 68:4 71:15 79:5,24 86:12
status 51:22 58:19	subcommittees 50:18	supplemental 79:9,12,19,19,24 81:12,21	talk 14:16 16:2 66:15 83:3	thoroughly 47:15
stay 12:7 21:6 28:4 52:20	subject 51:21	supply 32:3	talking	thousand
staying 51:11 77:14 79:11	subscribed 91:14	support 81:4		
stenographically 91:9		supportable 62:22		
step 23:13 85:7,14		supporting 62:14 64:25		
steps		suppose		

25:15 28:22 79:25 81:11,23 threat 32:8,17 threats 30:21 three 12:11,15 67:3 72:18 74:22 80:3,11 time 7:1 17:7,10,13 25:14 30:19 31:12 36:14 37:12,16 38:2 39:2,12 40:1 42:24 43:2 46:23 49:22 50:16 52:9 53:23 56:7 61:3 66:3,18 72:24 74:4 75:1,7,18 76:4 77:11 85:9 91:7,12 times 6:23 40:10 timing 77:3 tiny 84:12 titled 5:3,5,12,15,18 today 6:17 7:19 8:12,15 8:25 18:11 36:15 56:9 72:8 74:8 told 65:13 74:18 top 78:20 total 25:9 48:19 53:4 64:8 75:11 76:2 76:9,12,14 77:1 79:22 82:21	tracing 56:15 traffic 81:1 training 11:2 15:22 transaction 72:19 76:11 transcribed 91:10 transcript 88:6 89:4 transfer 8:8,17 23:12 24:21,24 29:24 33:7 34:2 37:8 39:18 41:12,21 42:15 43:6,8,20 55:17 56:4,12,21 57:2,2 69:19 72:23 74:20 75:4,6 76:9,23 77:9 78:18 79:18,18,23,23 82:13 83:5 86:12,17 transferred 23:20 24:23 25:2 42:1 66:21 68:7 68:13 70:10 71:4 72:9,11,12 75:25 80:7 transferring 29:10,14 30:16 37:13 39:23 42:11 73:4 transfers 8:21 22:23 23:1 23:10,19 25:8,9 28:14,20 30:5 62:14,16 64:25 66:16 69:9,9 71:17,18 73:17 74:12 75:11 76:3 77:1,4,6,10 77:12,19 78:10	78:14,17,21 79:1 79:4 85:18 86:3 treatment 32:5 33:23 34:1,6 35:25 36:9 40:4 40:8 trees 18:5 trial 65:7 true 33:6 89:8 91:11 try 12:7 39:7 77:9 trying 32:15 37:5 44:4 46:1 65:6 75:3 79:8 turn 19:4 20:17 36:18 52:20 two 11:8,24 13:9 18:14 38:17 68:25 71:1,6 72:18 77:15,17 77:19 78:5 79:1 83:7 two-year 70:23 type 16:17 32:6 40:16 41:1 60:23 64:20 types 22:1 24:12 27:10 60:18 63:5 typewriting 91:10	understand 6:16 7:7,25 18:17 22:18 23:2 30:20 51:9 57:23 59:5,23 64:6,13 65:23 66:20 78:13 understanding 8:5 16:10 17:3 19:13 30:14 33:24 36:7 39:20 45:18 83:15 understood 32:1,16 36:6 64:11 undertaken 42:16 unfortunately 18:4 uniformed 40:7 units 53:25 54:2 University 10:20 unquote 29:5 unusual 72:12 upcoming 56:23 57:5 update 17:18 51:22 58:18 updates 85:25 87:18 upwards 52:23 use 16:16 17:16 20:5 49:4 64:4 67:10 71:6 74:5,9,16 87:5 user 16:14 19:12 20:2 users	16:13 usually 11:4,9 15:18 utility 13:11,16,16 utilizing 58:4 61:16 64:19 <hr/> V <hr/> vague 82:6,9,10 valid 65:5,20 66:13 value 60:21 63:8 64:14 values 64:16 various 15:17 20:12 68:7 vehicle 50:8 vehicles 78:1 verified 64:1 67:25 68:12 versus 20:13 32:5 vet 87:4 vicinity 29:25 volunteers 81:3 vs 1:6 2:6 <hr/> W <hr/> wait 7:11 waiting 72:20,21 walk 28:1 67:4 Walnut 1:16 2:23 6:2 want
---	--	--	--	--

13:23 21:4 28:1 57:7,19 63:14 65:16 66:15,17 68:25 71:23 72:1 73:15 74:3 80:8 wanted 57:9 wasn't 17:11 88:1 water 8:8 13:11,15 19:17,21 20:1,2 20:2,4,5,19,20 21:18 22:2 23:21 24:19,21 25:8,24 26:1,3 26:16,18 27:7,10 27:18,20 28:18 29:11,15 30:3,6 30:16 31:1,25 32:2,4,6,17 33:7 33:23 34:1,2,6 35:25 36:1,9,25 37:7,9,14 38:13 39:22,25 40:1,3 40:7 42:16 43:6 43:11 50:7 51:1 57:3 59:18,19 60:1,8,22 62:15 65:1 66:21 68:9 68:14 70:10 71:4,19 72:1,9 78:17 79:1,17,23 80:2 81:11 82:13 83:24,25 84:17,18 way 16:15 27:13 33:13 36:16 38:13 47:11 55:11 64:23 84:25 85:16,17 87:22 88:2 We'll 16:2 29:19	we're 7:14 12:6,6 18:2 22:16 25:4 29:20 32:3 47:5 47:5 52:13,13 59:16 66:18 72:19 83:23 we've 12:5 25:18 47:20 58:8 67:3 75:19 76:16 85:4 website 5:8 12:12,17 76:5 weeks 72:6 went 17:6 73:8 weren't 69:5 71:22 West 3:5 WHEREOF 91:14 witness 3:8 4:2 41:6 43:16 88:12 91:6,14 wondering 12:8 65:7 words 65:16 work 17:9 worked 10:5 60:3 works 16:15,22 22:7 42:8 59:8 62:5 83:14 worth 50:22 wouldn't 40:25 41:1 76:11 wrinkle 71:16 wrong 33:16 53:13 55:11	67:15 <hr/> X <hr/> <hr/> Y <hr/> yeah 14:4 26:24 30:16 41:9 45:16 56:7 61:23 79:7 84:4 84:18 year 8:21 10:25 15:2,3 15:4,14 17:15,17 17:19,21 21:2,19 23:1 28:15 29:17,20,25 30:1 31:6 36:2 37:2 40:1 41:18,18,22 44:2 47:8,14 52:14,18,24 53:2 56:20 57:1,5 66:20 67:6,6,13 67:16 68:8,14 69:4,14,15,17 70:3,9,13,24 71:10 72:3,6,10 72:15,20 73:15 74:9 75:8 76:1 77:7 79:11 84:2 84:18 yearly 37:1 years 6:25 11:8 15:16 18:8 21:5 23:16 24:25 25:1 36:5 67:3 68:7 72:14 79:16 81:25 83:5 Yep 54:15 <hr/> Z <hr/> Z 65:21	<hr/> 0 <hr/> 000013 5:11 34:14 000024 5:11 000025 5:14 44:12 000030 5:14 000049 5:19 000055 5:20 000060 5:17 52:8 000069 5:17 00049 58:9 001798 5:4 24:5 001814 5:4 24:6 002012 5:6 18:24 002029 5:6 08-09 45:25 46:14 47:1 48:8,22 50:2 09 46:22 47:8 09-10 46:3 47:16,21 48:12,22 57:5 <hr/> 1 <hr/> 1 27:14 37:16,21 38:15,24 39:23 41:10 42:21,25 45:9 52:21 54:8 66:22 67:6,16,17 68:4,19,25 70:4 70:6,16 73:18 77:16 81:25	83:4 1-10 1:7 2:7 1,026,051 21:9,20 22:3,17 23:14 1.8 73:25 10 5:18 58:6,9 10-11 55:16 10-keys 80:5 100 80:12 100,000 79:13 10066 1:22 91:20 11 5:21 33:12 52:24 53:2 67:21,23 12 5:7 12-13 67:13,16 12,238 25:19 12:53 1:15 2:24 6:1 123 67:7 70:4 76:13 77:14 81:8 129,217,870 84:16 13-14 70:9 130 81:13 82:22 14-15 70:13,17,18,20,21 71:3,10 73:15 15 18:9 28:15 58:15 15-16
--	---	--	--	---

21:19 22:25 28:6,9 66:20 67:6 70:25 72:3 72:10,24 74:4,20 79:11,24 80:1 85:23 15-16'15-16 28:5 15-17 18:18 24:4 70:23 16 28:15 16-17 70:25 74:10,13 84:2,14,22 85:23 85:24 17 18:9 18 1:15 2:23 5:16 6:1 53:15 89:5 183,375 26:12 28:23 18th 56:17 1990 2:22 1995 11:1 1997 10:13 1999 10:3 1st 29:21 72:17 <hr/> 2 <hr/> 2 53:8,12 55:4,13 55:22 56:10 68:4 2,554,000 50:22 2.5 50:25 20	89:11 2005 9:22,22,23 16:1 17:5 21:14 87:12 2007 9:11,22 2008-2009 45:23 2009 5:10,13,19 29:16 29:21,25 30:18 34:21 36:7,12,16 37:12 38:11,23 39:20 41:10 44:3,18 57:1 58:15 2009-2010 44:2 2010 5:16 29:17,20,22 30:1,18 41:17,18 52:11,18 53:15 56:20,21 2010-11 53:8,16 54:11 2012 20:25 52:18 2012-2013 79:17 2013 20:25 68:8 70:3 2015 61:9,22 2015-17 5:3,6 2015-2016 21:7 2015-2017 76:17 2016 1:15 2:23 6:1 59:21 89:5 91:15 2029 18:24	21,167,048 67:17 21.4 82:23 22,118,285 70:5 221,159 28:6 2261 3:10 23 5:10,13 23rd 34:20 24 34:15 241,000 68:9 242,105 69:1 245 18:22 246 19:4 247 20:17,21 23:16 84:19 250,000 55:5,8,17 255 20:21 257 27:24 28:4 257,000 70:11 26,205,770 70:15 261 27:24 262 18:23 265,000 33:11 51:1 27 59:20 28	5:19 288 71:8,9 288,000 71:4 29 91:15 2nd 44:18 <hr/> 3 <hr/> 3 18:12,15 36:19 45:22 47:19 48:1,2 53:14 54:10 55:18,24 56:10,17 67:7 70:3,14 71:7 77:14 78:9 84:22 3,043,496 67:17 3,143,975 70:5 3,503,578 53:18 55:19 56:1 3,574,046 53:9 3,941,633 45:24 46:25 3.5 52:25 53:2 54:8 54:16,24 55:3,9 3.9 47:4 3:13 88:13 30 44:12 62:10 300,000 25:5 30th 29:22 72:6 319 25:18 28:23 80:12 80:12,14,14	319,000 24:22 80:1,2 34 5:9 34,383,707 84:20 34.1 52:23,25 36 24:4 82:22 38,234,899 84:23 39 48:19 39.1 49:1 <hr/> 4 <hr/> 4 5:3 6:8 18:14,15 23:25 24:1,10 28:18 36:18,23 48:23 49:13 55:1 79:15 4,507,304 55:15,25 4,575,000 48:14 49:3,9 4.27.10 55:14 4.5 48:18,21,25 4,575 45:9,14 42 24:14,15 79:15 44 5:12 25:7,12 28:18 <hr/> 5 <hr/> 5 5:5 6:8 18:14,16 18:21 27:21,22 49:13 84:19 5,375,604
--	--	--	--	--

52 5:15 24:4	728,118 46:4 48:20 49:7			
530 2:22 3:5	738 80:16			
55 58:9	738,000 80:11,18 81:10			
550 3:5	8			
56814B 1:22	8 5:12 44:7,8 51:11			
58 5:18	80 11:8			
6	855.CENTEXT 1:24			
6 4:5 5:3,5,7 12:2,3 12:6,6 49:13,19	9 9 5:15 52:4,5,7,11			
602,375 28:15,17,21	916.780.9009			
611 19:18 20:2,13,19 24:19 27:18	3:11 92101 3:5			
612 19:20	95661 3:10			
614,000 25:9				
614,613 23:1 24:11,22 25:12				
619.232.0331 3:6				
621 19:18 20:8,13				
622 19:23				
638 80:14				
67 5:21				
69 52:8				
7				
5:9 34:10,11,13 47:21				