City of
Rio Dell
California

OPERATIONS
AND
CAPITAL BUDGET
FY 2014-2015

City of Rio Dell
675 Wildwood Avenue Rio Dell, California 95562

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Budget Message from the Rio Dell City Council

August 4, 2014

Citizens of Rio Dell and Members of the Community:

On Tuesday, June 24, 2014, the City Council approved the budget for the fiscal year July 1, 2014 to June 30, 2015 in the amount of $3,297,915, including $2,554,507 for Operations and Maintenance, $489,380 for debt service, $130,108 for contingency funds and $123,920 for Capital and Special Projects.

The Council's primary goal is to deliver quality services in the most cost effective manner with an emphasis on customer service. Staff is dedicated to providing efficient and timely services, including water and sewer services to meet the City of Rio Dell's needs. With the new wastewater system now complete, this year's budget contains funds to be used for a water rate study adjustment to meet the needs of the water system's aging infrastructure.

At the time the budget was introduced City staff allocation was 18.0 positions. When the budget was ultimately adopted the number of positions had changed to 16.8. The Accountant I position was eliminated due to the shift in fiscal duties that came with the close of major capital projects. However, when the City implemented Stage 3 of its Water Contingency Plan, this position was extended until September 30, 2014. This gave staff additional time to better manage customer accounts and water conservation efforts. The Community Development Director position was decreased to 4/5 time.

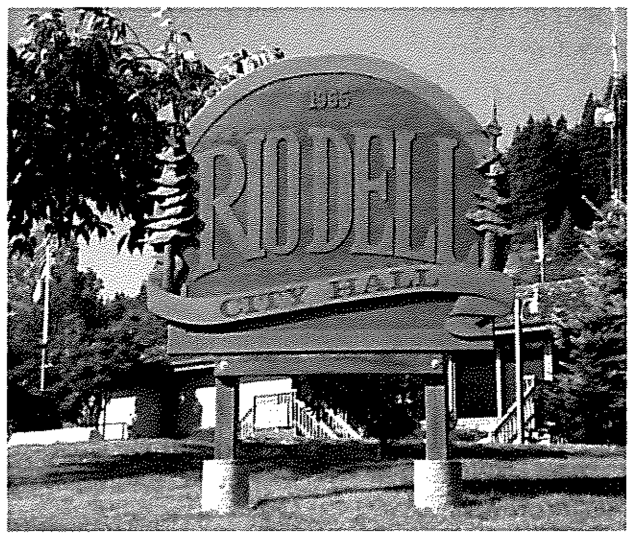
The City will continue to support Community Development activities, including funding for the low-income housing rehabilitation program. The City is working towards development of in-house building and inspection services and this is expected to be implemented within this fiscal year.

This coming year was started with a new City Manager and we trust that you will see many positive accomplishments in the City. The City Council is dedicated to seeing that you will receive a high quality of public service with courtesy from City staff. It is our goal every day to make Rio Dell an even better place to live, work and play.

Respectfully Submitted for the Rio Dell City Council,

Jack Thompson, Mayor – City of Rio Dell, CA

City Profile



The City of Rio Dell, "The Warm Hearted City," is located on a bend of the Eel River below the ancient Scotia Bluffs and surrounded by redwood trees. The City has a population of approximately 3,250 and benefits from the best of Humboldt County climates with an average summer temperature of 67°F in July, and an overall annual average temperature of 54°F. Although snow is rare within the City limits, it is often visible on the hills above Rio Dell in winter.

Located along U.S. 101, Rio Dell is an excellent starting point for trips to local attractions such as the Humboldt Bay, the Victorian Village of Ferndale, the historic Pacific Lumber mill town of Scotia, and the Avenue of the Giants with miles of majestic redwood groves.

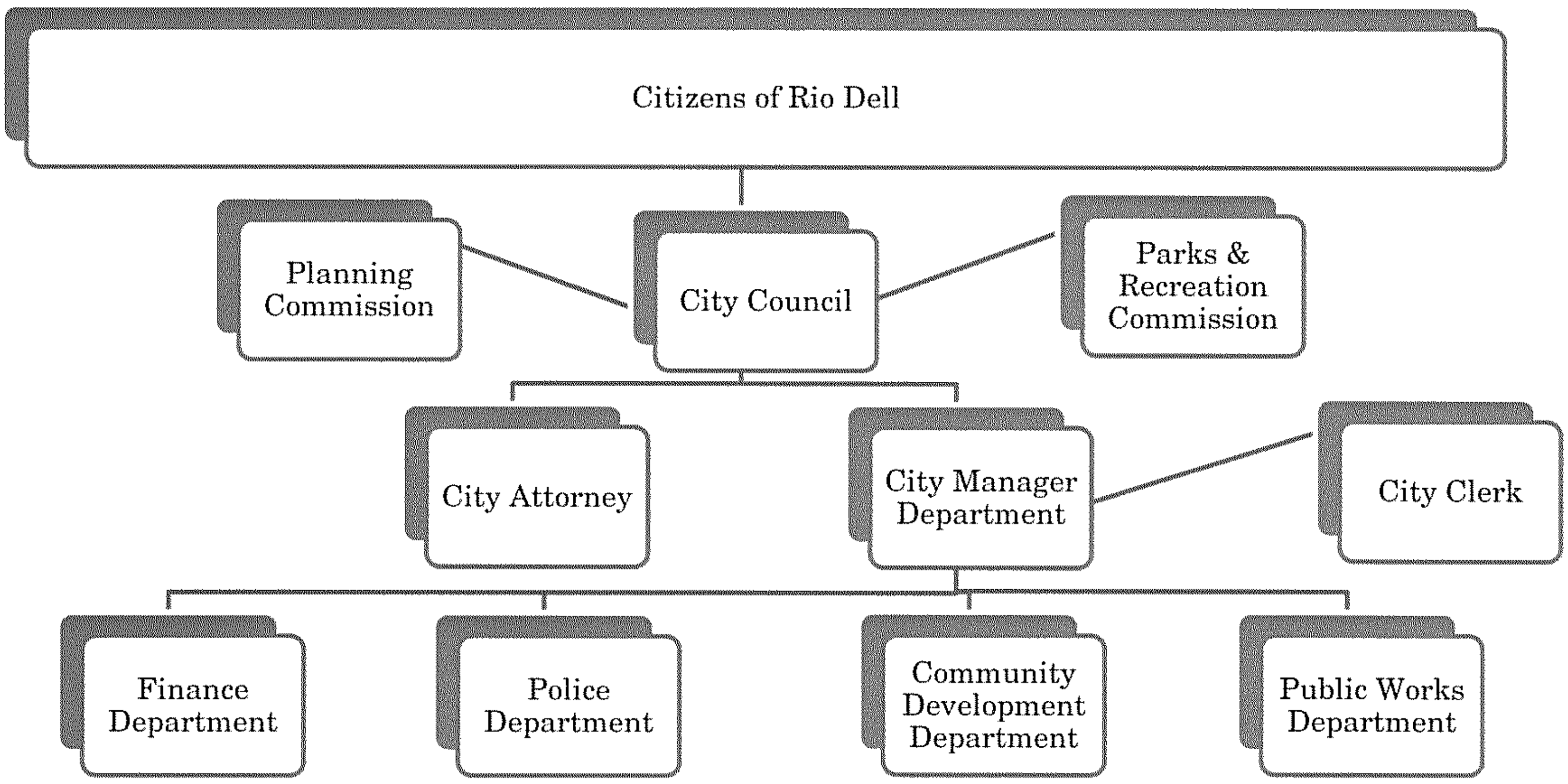
In the 1870's Lorenzo Painter settled in what is now known as Rio Dell. He started a friendly farming community which he named Eagle Prairie. Over the years separate small community areas evolved into Wildwood, which is now downtown Rio Dell, and Eagle Prairie now known as Pacific Avenue. The City was incorporated in 1965 and the three areas combined into the single City of Rio Dell.

Rio Dell has traditionally supplied housing and services for persons employed by the lumber mill in the neighboring town of Scotia. Scotia is joined to the City of Rio Dell by the Eagle Prairie Bridge which was built in 1940. As the third bridge to join the two Cities it is the first able to withstand annual winter flooding.

With the advent of popular automotive travel Highway 101 replaced primitive roads and passed through the center of town on Wildwood Avenue. A brief period of municipal prosperity resulted and merchandising flourished. However, the 1976 construction of a freeway by-pass reduced traffic congestion in town and devastated the local business district.

Rio Dell is famous for its fossil beds across the Eel River in an area known as the Scotia Bluffs. Fossils preserved in sandstone age from one million to fifty million years as the entire region was a prehistoric branch of the Pacific Ocean. Fossils found in the area include razor clams, sand dollars, crabs, starfish and other shallow water sea life.

City Organizational Structure



Position Allocation Table

Job Title	2010 2011 FTE	2011 2012 FTE	2012 2013 FTE	2013 2014 FTE	2014 2015 FTE
ACCOUNTANT I/II		1	1	1	
ADMINISTRATIVE ASSISTANT	1				
CHIEF OF POLICE	1	1	1	1	1
CITY CLERK	1	1	1	1	1
CITY MANAGER /PUBLIC WORKS DIRECTOR	1	1	0.75	0.75	1
COMMUNITY DEVELOPMENT DIRECTOR		1	1	1	0.8
FINANCE DIRECTOR	1	1	1	1	1
FISCAL ASSISTANT I/II	2	2	1	1	1
POLICE CORPORAL	1				
POLICE OFFICER	5	3	3	3	3
POLICE RECORDS TECHNICIAN	1				
POLICE SERGEANT	1	1	1	1	1
PUBLIC WORKS LEADMAN	1	1			
PW ADMINISTRATIVE TECHNICIAN	1	1			
SENIOR FISCAL ASSISTANT	1		1	1	1
UTILITY WORKER I/II	3	4	3	3	3
WATER/WASTEWATER PLANT OPERATOR			1	1	1
WASTEWATER SUPERINTENDENT	1	1	1	1	1
WATER & ROADWAYS SUPERINTENDENT	1	1	1	1	1
PUBLIC WORKS DIRECTOR	1				
TOTAL	24	20	17.75	17.75	16.8

City Compensation Schedule

JOB TITLE	SALARY RANGE				
	A	B	C	D	E
Police Officer	$41,823	$43,078	$44,370	$45,701	$47,072
Police Corporal	$46,005	$47,385	$48,807	$50,271	$51,779
Records Technician	$32,660	$33,640	$34,649	$35,688	$36,759
Sergeant	$50,606	$52,124	$53,688	$55,298	$56,957

JOB TITLE	SALARY RANGE				
	A	B	C	D	E
Accountant I	$42,682	$43,963	$45,282	$46,640	$48,039
Accountant II	$46,951	$48,359	$49,810	$51,304	$52,843
Administrative Assistant	$29,036	$29,907	$30,804	$31,728	$32,680
Administrative Technician	$35,246	$36,304	$37,393	$38,515	$39,670
Fiscal Assistant I	$28,618	$29,477	$30,331	$31,272	$32,210
Fiscal Assistant II	$32,084	$33,046	$34,037	$35,059	$36,111
Office Assistant	$23,759	$24,472	$25,206	$25,962	$26,741
Public Works Leadman	$33,170	$34,165	$35,190	$36,246	$37,333
Senior Fiscal Assistant	$36,786	$37,889	$39,026	$40,197	$41,403
Utility Worker I	$26,209	$26,995	$27,805	$28,639	$29,498
Utility Worker II	$28,843	$29,709	$30,600	$31,518	$32,464
Water/Wastewater Plant Operator I	$32,069	$33,031	$34,022	$35,042	$36,093
Water/Wastewater Plant Operator II	$35,276	$36,334	$37,424	$38,547	$39,703

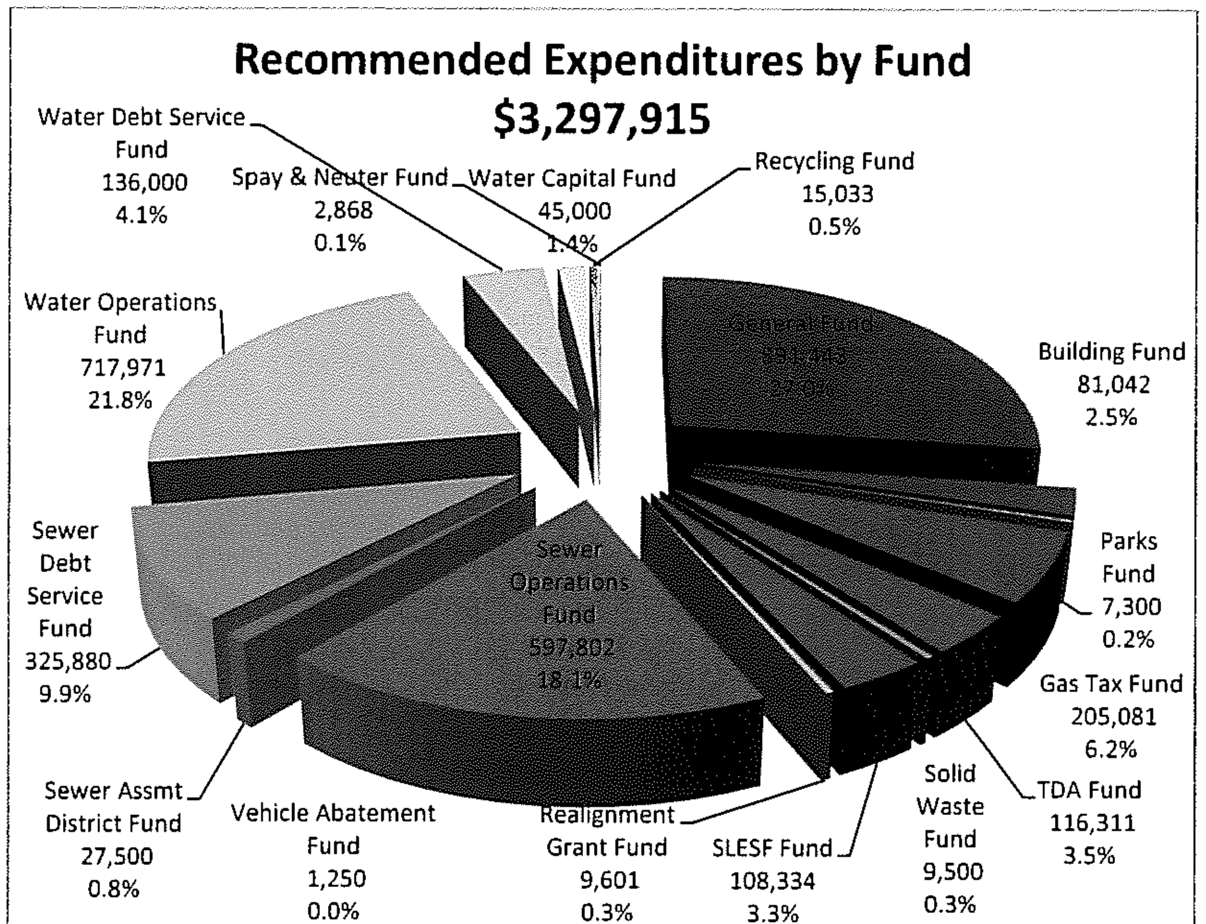
JOB TITLE	SALARY RANGE				
	A	B	C	D	E
City Clerk	$52,081	$53,644	$55,253	$56,911	$58,618
City Manager	$106,875	$110,081	$113,384		
Chief of Police	$79,540	$81,926	$84,384		
Finance Director	$67,473	$69,497	$71,582		
Community Development Director	$73,394	$75,595	$77,863		
Wastewater Superintendent	$48,294	$49,743	$51,235	$52,772	$54,355
Water/Streets Superintendent	$54,330	$55,960	$57,639	$59,368	$61,149

CITY OF RIO DELL
ADOPTED BUDGET FOR 2014-2015

INTRODUCTION

The 2014-15 adopted budget for all funds totals $3,297,915. Of this amount, the General Fund totals $891,443, or 27%, and the Water and Sewer Utility Funds represent 56% of the budget, or $1,850,152 for their operations, Debt Service and Capital Funds. Streets total $321,392, or 10%, of the budget.

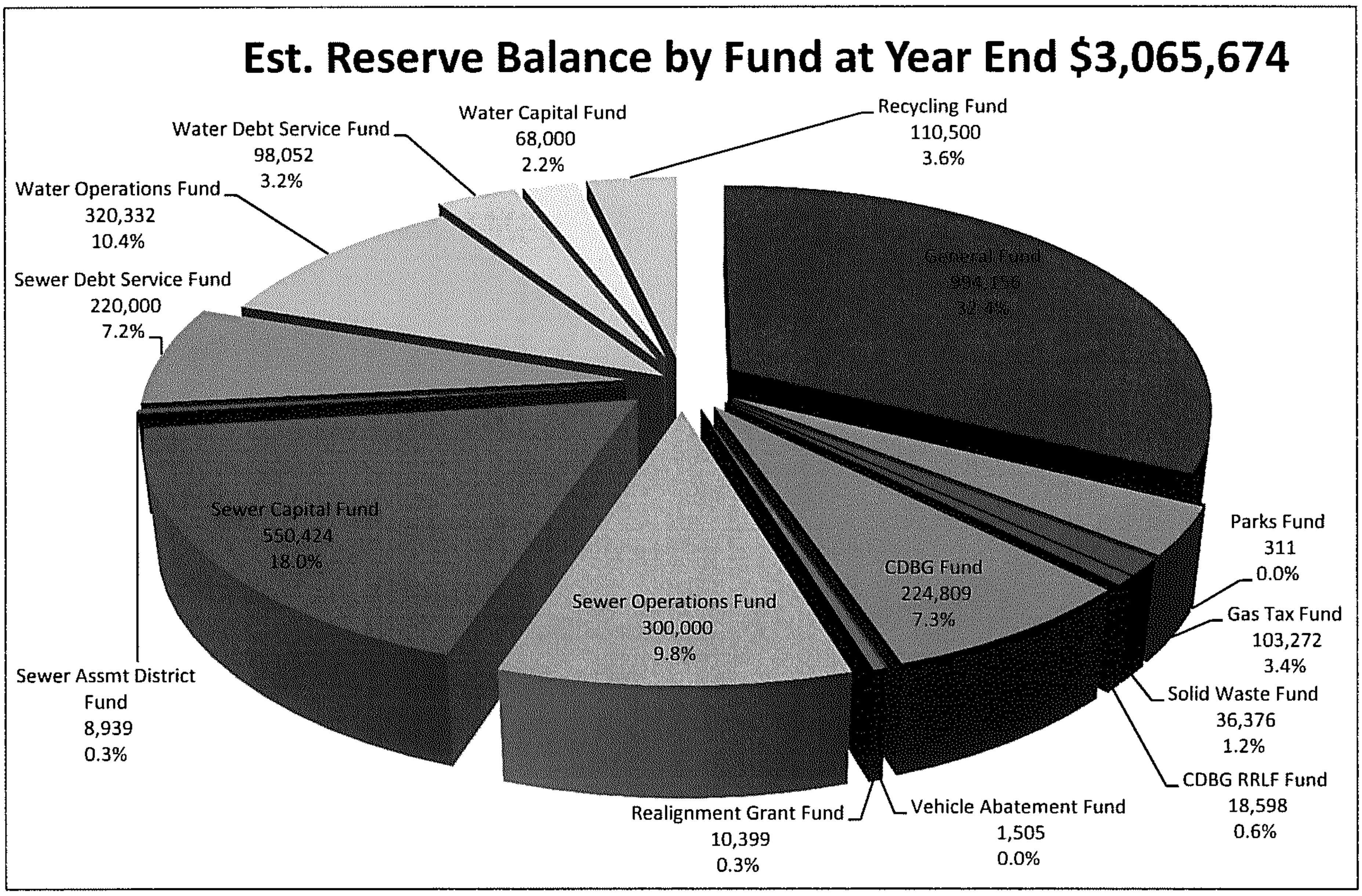
In 2014-15, the General Funds will utilize $144,000 (13%) of its Reserves to fund ongoing programs. A Revenue Ballot Measure is recommended to be offered to the community for approval on November 4, 2014 in order to maintain basic services.



APPROVED BUDGET
City of Rio Dell
FY 2014-2015
BUDGET SUMMARY BY DEPARTMENT BY FUND

		Estimated Beginning Fund Balance 2014-2015	Total Projected Revenue	City Manager Dept.	Finance Dept.	Solid Waste	Police Dept.	Public Works Dept. WATER	Public Transpor. Dept. STREETS	Public Works Dept. STREETS	Public Works Dept. B & G	Public Works Dept. SEWER	Building Dept.	Planning Dept.
000	General Fund	1,138,228	775,838	92,543	65,529		479,632				35,154			114,619
008	Building Fund	2,500	50,075								5,859		75,183	
015	Parks Fund	7,611												
020	Gas Tax Fund	226,045	90,010	7,211	4,801					163,418	2,930			
024	TDA Fund	-	108,609	7,281	4,801				47,276	53,842	2,930			
027	Solid Waste Fund	37,376	8,500	-		9,500								
037	CDBG RRLF Fund	18,598												
039	CDBG Fund	224,809												
040	SLESF Fund	8,334	100,000				108,334							
043	Vehicle Abatement Fund	2,755					1,250							
046	Realignment Grant Fund	20,000					9,601							
050	Sewer Operations Fund	339,617	628,797	45,093	113,907						5,859	403,870		
052	Sewer Capital Fund	193,904	255,571											
053	Sewer Assmt District Func	7,654	28,785											
054	Sewer Debt Service Fund	250,317	325,900											
054	*Restricted Reserve*	*320,332*												
060	Water Operations Fund	114,479	534,560	173,597	113,129			388,993			5,859			
061	Water Debt Service Fund	230,260	140,724											
062	Water Capital Fund	78,500	77,000											
074	Recycling Fund	15,033												
093	Spay & Neuter Fund	2,868					1,000							
	TOTAL FY 2014-2015	3,239,220	3,124,369	325,725	302,167	9,500	599,817	388,993	47,276	217,261	58,590	403,870	75,183	114,619

		City Council	Capital Projects	LESS Debt Service	Contin-gency	Total Expendit.	Change in Reserve Balance	Fund Balance 2014-2015 Before Transfers	*ADD Transfers In*	*LESS Transfers Out*	Estimated Ending Fund Balance 2014-2015		Minimum 15% Reserve Balance
000	General Fund	6,720	54,845		42,400	891,443	(115,605)	1,022,623		*28,467*	994,156	000	133,716
008	Building Fund					81,042	(30,967)	(28,467)	*28,467*		-	008	12,156
015	Parks Fund		7,300			7,300	(7,300)	311			311	015	
020	Gas Tax Fund	181	16,775		9,765	205,081	(115,071)	110,974		*7,702*	103,272	020	30,762
024	TDA Fund	181				116,311	(7,702)	(7,702)	*7,702*		-	024	17,447
027	Solid Waste Fund					9,500	(1,000)	36,376			36,376	027	1,425
037	CDBG RRLF Fund					-	-	18,598			18,598	037	
039	CDBG Fund					-	-	224,809			224,809	039	
040	SLESF Fund					108,334	(8,334)	0			0	040	
043	Vehicle Abatement Fund					1,250	(1,250)	1,505			1,505	043	
046	Realignment Grant Fund					9,601	(9,601)	10,399			10,399	046	
050	Sewer Operations Fund	2,212			26,861	597,802	30,995	370,612		*70,612*	300,000	050	89,670
052	Sewer Capital Fund					-	255,571	449,475	*100,949*		550,424	052	-
053	Sewer Assmt District Func			27,500		27,500	1,285	8,939			8,939	053	4,125
054	Sewer Debt Service Fund			325,880		325,880	20	250,337		*30,337*	220,000	054	48,882
054	*Restricted Reserve*							*320,332*			*320,332*	*054*	
060	Water Operations Fund	2,212			34,181	717,971	(183,411)	(68,932)	*166,984*		98,052	060	107,696
061	Water Debt Service Fund			136,000		136,000	4,724	234,984		*166,984*	68,000	061	20,400
062	Water Capital Fund		45,000			45,000	32,000	110,500			110,500	062	6,750
074	Recycling Fund				15,033	15,033	(15,033)	-			-	074	
093	Spay & Neuter Fund				1,868	2,868	(2,868)	-			-	093	430
	TOTAL FY 2014-2015	11,506	123,920	489,380	130,108	3,297,915	(173,546)	3,065,674	304,102	304,102	3,065,674		473,460


Est. Reserve Balance by Fund at Year End $3,065,674
General Fund
994,156
32.4%
Parks Fund
311
0.0%
Gas Tax Fund
103,272
3.4%
Solid Waste Fund
36,376
1.2%
CDBG RRLF Fund
18,598
0.6%
CDBG Fund
224,809
7.3%
Vehicle Abatement Fund
1,505
0.0%
Realignment Grant Fund
10,399
0.3%
Sewer Operations Fund
300,000
9.8%
Sewer Capital Fund
550,424
18.0%
Sewer Assmt District
Fund
8,939
0.3%
Sewer Debt Service Fund
220,000
7.2%
Water Operations Fund
320,332
10.4%
Water Debt Service Fund
98,052
3.2%
Water Capital Fund
68,000
2.2%
Recycling Fund
110,500
3.6%

RESERVE BALANCES-ALL FUNDS

NARRATIVE

A fund is created for each special revenue and expenditure category in the City's financial system. Except for the General Fund which can be used to fund any activity, all other funds are for special purposes and have their own integrity. As such, they cannot be co-mingled or absorbed into the General Fund at the end of a fiscal year. Any balance in a fund between expenditures and revenues will roll forward at the end of the fiscal year and will be available in the next fiscal year for allocation in that fund.

The purpose of this form is to project the beginning reserve balance for each fund and then, based on the budget recommendations, prepare an estimate of the ending reserve balance at the end of the fiscal year.

GENERAL FUND (00)

For example, the General Fund has an estimated reserve balance available on July 1, 2014 of $1,138,228. Revenues for the year are recommended at $775,838 and expenditures total $891,443 ($919,910 including transfers). Thus, the projected General Reserve Fund Balance at the end of the fiscal year is expected to drop $144,072 to $994,156. The newly created Building Fund was not expected to be in a deficit position, but since it is at this time, the General Fund is required to cover it ($28,467).

BUILDING PROGRAM FUND (08)

This is a new Fund for 2014-15 related to building plan check and inspection services for which user fees are intended to fully fund the cost of operations. Until such time as there are revenues in excess of expenditures, there will be no reserve for the fund. Revenues fall short of expenditures by $28,467. The deficit becomes a General Fund requirement in order to balance revenues to expenditures.

PARKS AND RECREATION FUND (15)

Residential developments pay an assessment of $1,500/lot into this fund to be used for park land acquisition and development. At year end there is estimated to be $311 in the fund after $7,300 in expenditures for Capital Projects. No revenues are anticipated to be received in 2014-15.

STREET FUNDS (20 & 24)

A portion of the Highway Users Tax (Gas Tax) (20) is apportioned to cities based on population, miles of maintained streets and registered vehicles. This restricted fund can only be used for the construction, maintenance and repair of streets, including the salaries and equipment related to those activities. The estimated beginning balance in the fund is $226,045 and revenues during the year are estimated at $90,010. Expenditures for operations are estimated at $205,081. The estimated $110,974 fund balance at year end will be a tapped an additional $7,720 in transfers to balance the TDA Fund. There are insufficient revenues from gas tax to meet the community's needs for street repair and reconstruction.

The Transportation Development Act (TDA) (24) is allocated through the State for cities to meet their local public transportation needs for mass transit. Once those needs are met, the City may use the balance for street maintenance purposes. There is no fund balance available from 2013-14 and the total revenue of $108,609 has been determined by the Council to be split between public transportation needs $47,276 and road maintenance $69,035. The anticipated balance at year end is zero. The Gas Tax Fund is contributing $7,702 to balance the fund.

SOLID WASTE FUND (27)

The Humboldt Waste Management Authority annually contributes back to each member agency a portion of the tipping fee paid by customers for solid waste and recycling programs at the local level. It is projected that the fund will have a balance of $37,376 on June 30, 2014 and $36,376 at year end.

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS (37 & 39)

The Community Development Block Grant Program was established to address housing and community development needs and to assist low income residents with housing rehabilitation projects. The program has seen little activity because of the economy.

The Community Development Block Grant (CDBG) - Residential Revolving Loan Fund (37) shows a beginning fund balance of $18,598 and the CBDG Program Income Fund (39) has an estimated $224,809 to begin the current year. The California Department of Housing and Community Development recently issued new guidelines to align the State program with Federal requirements. Additionally, the funds are being reconciled and new reports are being prepared. Thus, these totals and program details are under review.

SPECIAL LAW ENFORCEMENT SERVICE FUND (*SLESF*) (40)

This fund has received a $100,000 State subvention for several years to fund the cost of (1) sworn Police Officer position for the fiscal year. It is not believed to be a permanent source of revenue for law enforcement. In any given year if there are unspent monies that balance accrues to the fund. At present there is a balance of $8,334, and at the end of the year there will likely be a zero balance.

VEHICLE ABATEMENT (43)

In the past, $1/registered vehicle was collected through DMV to create a vehicle abatement fund. Even though the program ended, there is a balance in the Reserve which the Police Department utilizes to remove abandoned vehicles from public property. The present balance in the fund is $2,755 and no revenue is expected to be received. It is anticipated that there may be a balance of $1,505 in the fund by year end.

REALIGNMENT FUND (46)

The State of California impacted local law enforcement agencies when it took an action to release inmates early and house State prisoners in local jails. The state referred to the program as prison realignment. Local agencies objected when this population caused a spike in their workload. As the result, monies have been provided by the Legislature for the exclusive use of law enforcement to mitigate the impact. Rio Dell received $20,000 in 2013-14 and expenditures are budgeted in 2014-2015 in the amount of $9,601 to utilize Finance Department staff, a few hours/week, to staff their front counter and to answer phones. This staffing augmentation allows the release of an officer to the field. The Chief of Police intends to use the balance of the funds for a drug rehabilitation program $10,399 that is still under development.

SEWER FUNDS (50, 52, 53 & 54)

The Sewer Fund has (4) separate reserves for operations, Debt Service, Capital and the Assessment District. The beginning reserve balance for Operations (50) is estimated at $339,617 with an estimated ending balance of $370,612. In order to cover sewer operations, it was necessary to adjust the internal rate structure between operations and capital.

The Sewer Capital (52) begins the year with a balance of $193,904 and is expected to grow to $550,424 by June 30, 2015 due to an internal transfer of $100,949 from the Sewer Operations and Sewer Debt Service.

The Sewer Assessment District Fund (53) begins the fiscal year with a Reserve of $7,654 and will receive an estimated $28,785 in revenue to make a debt payment in the amount of $27,500. The year-end Reserve should grow slightly to $8,939. Any reserve amount, in the final year of the loan payment (2018-19), will be applied to the outstanding balance to pay down the debt early.

The Sewer Debt Service (54) fund has a positive balance of $570,669 because the city began collecting the debt service early. In order to maintain compliance with the State Water Resources Control Board financing agreement a Restricted Reserve balance for this fund in the amount of $320,332 is required. Thus, a balance of $30,337 is available for transfer to the Sewer Capital Fund (52). The required minimum balance for year end in the Debt Service Fund is calculated at $540,332; This includes the Restricted Fund Balance amount of $320,332 and $220,000 accumulated during the year to meet the City's debt service obligation of $326,000 by October 31, 2015.

WATER FUNDS (60, 61 & 62)

The Water Operations Reserve (60) has a beginning balance of $114,479 and $534,560 is the estimated revenue. It is projected that the balance in the reserve will drop to $98,052 which includes an internal transfer of $166,984 from the Water Debt Service Fund. A rate adjustment is required to maintain a solvent Fund.

The Water Debt Fund (61) has a beginning balance of $230,260 with revenue for the year estimated at $140,724. The annual debt payments of $68,000 occur on July 1 and January 1 each year. Thus, the fund can be reduced from $234,984 to $68,000, transferring $166,984 to Water Operations to establish a 15% reserve fund.

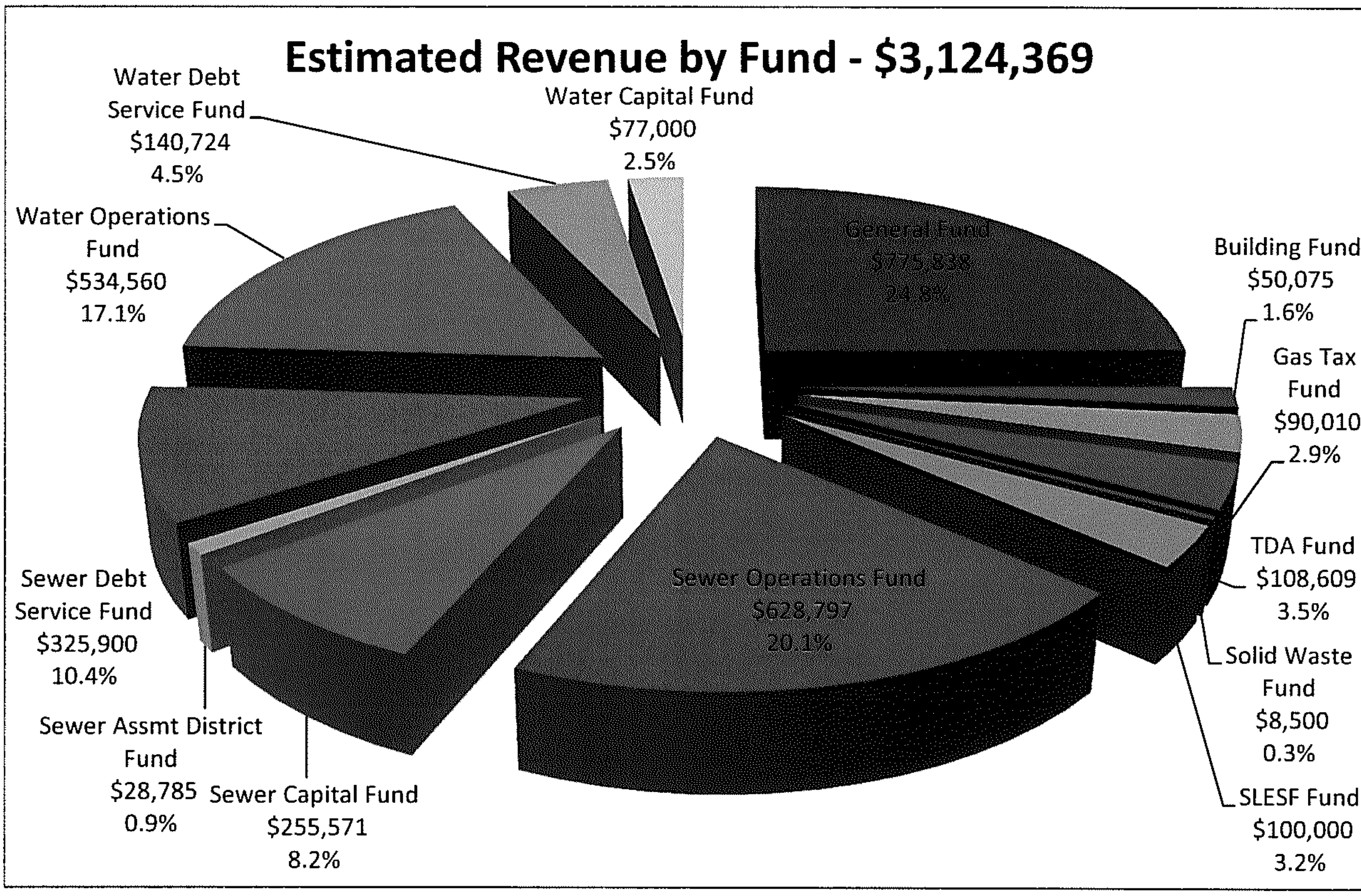
The Water Capital Reserve (62) begins the year with $78,500 available and is also inadequately funded to meet the future infrastructure replacement needs of the system. At this time, $4.50 of each subscriber's monthly payment is deposited into the Capital Fund, growing the Fund by approximately $77,000/year. However, a minimum of $430,000 is required to capitalize the system to replace failing infrastructure. A rate adjustment is required to maintain a solvent Fund.

RECYCLING FUND (74)

This fund is the result of an annual $5,000 CalRecycle Grant awarded to the City to fund recycling and litter reduction programs. However, the State terminated the program in 2013-14. With the estimated balance of $15,033 in the Fund, additional litter reduction programs are possible, such as educational instruction in the local schools, until the balance is depleted.

SPAY AND NEUTER FUND (93)

In the past, a portion of the dog license fee was deposited into this fund to support a low cost spay and neuter program. The balance in the fund is presently $2,868 and over-time will be depleted by animal shelter charges for spay and neuter services.


Estimated Revenue by Fund - $3,124,369
Water Debt Service Fund $140,724 4.5%
Water Capital Fund $77,000 2.5%
Water Operations Fund $534,560 17.1%
General Fund $775,838 24.8%
Building Fund $50,075 1.6%
Gas Tax Fund $90,010 2.9%
TDA Fund $108,609 3.5%
Solid Waste Fund $8,500 0.3%
SLESF Fund $100,000 3.2%
Sewer Operations Fund $628,797 20.1%
Sewer Debt Service Fund $325,900 10.4%
Sewer Assmt District Fund $28,785 0.9%
Sewer Capital Fund $255,571 8.2%

Revenue Department

STATEMENT OF FUNCTION

The Revenue Department exists solely for tracking and reporting purposes. All revenue is recorded within the revenue department for review and analysis by the Finance Department and City Manager.

2014-15 BUDGET

The Adopted Revenue Budget totals $3,124,369. This includes $2,296,389 in Operating Revenue, $332,571 for Capital and $495,409 for Debt Service. In comparison to the prior year, budgeted operating income has decreased by $93,804. This is due in part to how the City is reporting revenue for the 2014-15 fiscal year. The Water Operations Fund, for example, reflects the reallocation of $77,000 to the Water Capital Fund. The Sewer Operations Fund accounts for the most significant change to this year's Operating Revenue. The reduction is roughly $60,411. This is due to the changed rate structure projections from the Sewer Rate Study.

Other projected decreases in Operating Income are due to the State Gas Tax Fund decrease of roughly 15% and the elimination of the ISTEA Fund. The reduction to Operating Revenue from these two funds was projected to be $34,354, but at the time of this writing it was brought to staff's attention that Regional Surface Transportaion Program (RSTP) funds of $21,000 will be received in 2014-2015. A budget amendment for RSTP funds was brought before Council on August 5, 2014.

Capital Expenditures are $123,920 for the 2014-15 fiscal year.

The Water and Sewer rates have been increased by 3% per resolution, and the new Sewer Rates stemming from the study will be implemented August 1, 2014.

Retail Sales Tax, a major General Fund Revenue, is projected to increase by $7,500 due to a significant boost in retail business for 2014-15 within the City limits. Vehicle License Fees (VLF) is estimated to show an increase of $10,094 while the In Lieu County Retail Sales Tax is expected to decline by $7,682. The In Lieu County Retail Sales Tax estimate is based on revenue received by the City which has been showing a decline since the 2013-14 fiscal year.

A Local Sales Tax is being considered as a source for new revenue. If passed, this additional Sales Tax Revenue will be made available in quarterly payments beginning in April 2015.

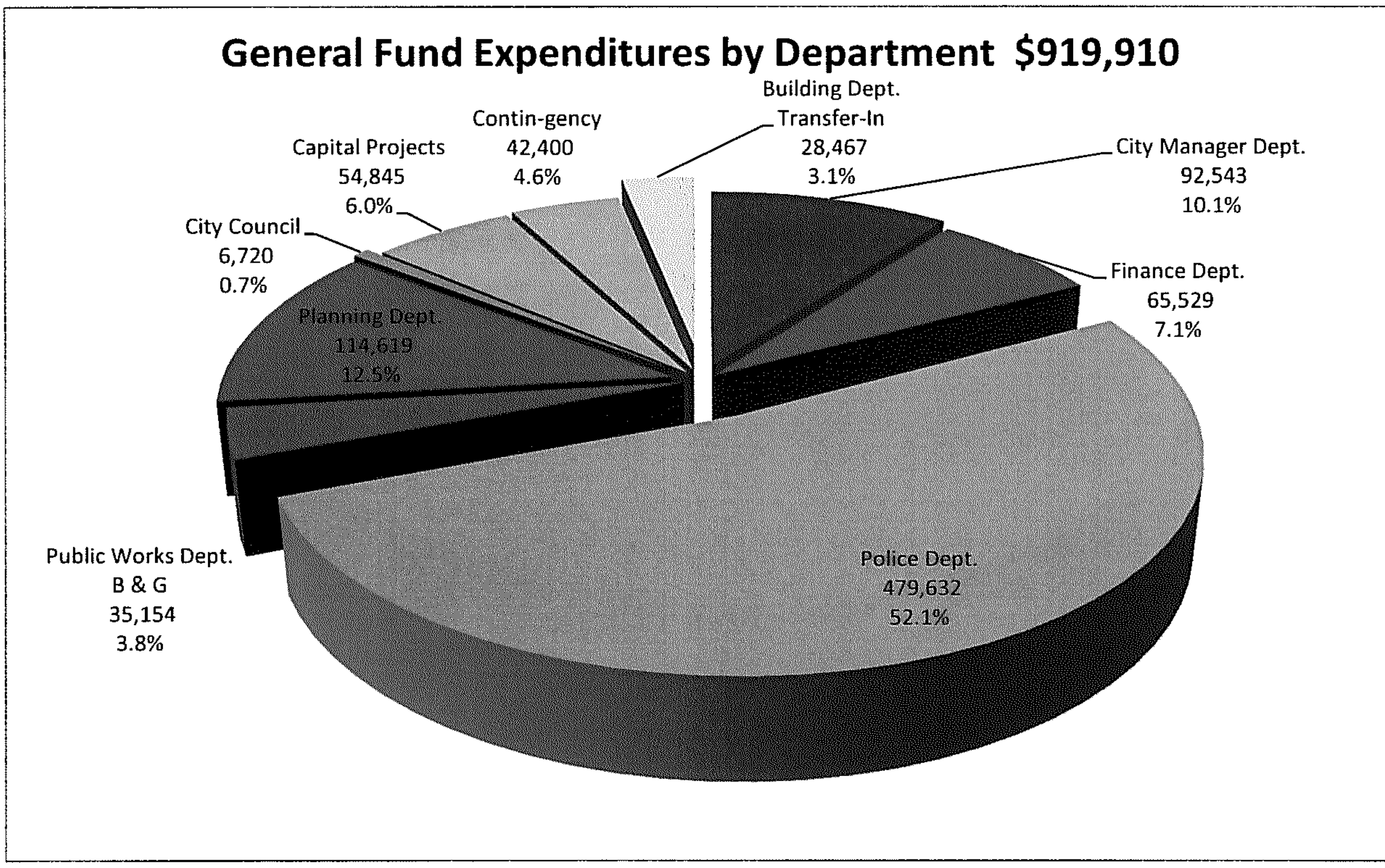
Other than the changes mentioned, there are no unanticipated revenues and no policy items to determine.

Approved Budget
City of Rio Dell
FY 2014-2015

	General Fund 00	Admin. Fleet Fund 05	Building Fund 08	Gas Tax Fund 20	TDA Fund 24	ISTEA Fund 26	Solid Waste Fund 27	SLESF Fund 40	Alignment Grant Fund 042	Sewer Fund 50	Sewer Capital 52	Sewer Assessment 53	Sewer Debt Service 54	Water Fund 60	Water Debt Svc. 61	Water Capital Fund 62	Recycling Fund 74	Total
4010 Tax - Property Current Secured	103,921																	103,921
4011 Tax - Property Current Unsecur	3,600																	3,600
4012 Tax - Property Prior Secured	-																	-
4013 Tax - Property Prior Unsecured	-																	-
4025 Tax - Supplemental Roll	2,200																	2,200
4026 Tax - Home Owner's Property	1,600																	1,600
4027 Tax - Prior Years - Supplemental	-																	-
4030 Tax - Transient Occupancy Tax	11,000																	11,000
4035 Tax - Timber Yield	12																	12
4040 Tax - Retail Sales	129,500																	129,500
4041 Tax - In Lieu Retail Sales - County	43,510																	43,510
4045 Tax - (HCAOG) Transportation - TDA					108,609													108,609
4048 Tax - Gasoline				90,010														90,010
4050 Tax - Documentary Real Property	2,300																	2,300
4056 Tax - Public Safety .5% sales	3,300																	3,300
4105 Fees - Recorders Fees	-																	-
4110 Fees - Franchise - Electric	28,000																	28,000
4115 Fees - Franchise - Gas	6,300																	6,300
4120 Fees - Franchise - Garbage	15,275																	15,275
4125 Fees - Franchise - Cable TV	33,000																	33,000
4150 Fees - Business License	8,000																	8,000
4151 Fees - Business License CASP SB1186	200																	200
4152 Fees - Memorial Park	-																	-
4162 Fees - Motor Vehicle License (VLF)	7,600																	7,600
4163 Fees - In Lieu VLF - County	340,094																	340,094
4170 Fees - Animal License	1,000																	1,000
4172 Fees - Animal Shelter Animalia	-																	-
4173 Fees - Animal Control/Relinq.	1,200																	1,200
4178 Fees - Booking	500																	500
4180 Fees - Notary	-																	-
4183 Fees - Special Police Services	1,500																	1,500
4185 Fees - Street & Sidewalks	500																	500
4186 Fees - Weed & Lot	300																	300
4190 Fees - Integrated Waste Management							8,500											8,500
4195 Fees - Customer fax and copy	25																	25
4220 Fines.-.Animal Control/spa-neu	-																	-
4230 Fines - Building Code	-																	-
4240 Fines - Other	-																	-
4310 Interest Income	100																	100
4320 Rental Income - U.S. Cellular	6,370																	6,370
4321 Rental Income - T. Mobile	11,681																	11,681
4322 Rental Income - Property	-																	-
4410 Building Plan - Constr Permits	-		25,000															25,000
4420 Planning - Zoning Fees	8,000																	8,000
4430 Planning - Subdivison Fee	1,500																	1,500
4435 Planning - Home Occupation Permit Fee	500																	500
4440 Building Plan - Plan Check Fee	-		5,000															5,000
4445 Building - Administrative Fees	-		19,800															19,800
4450 Planning - Miscellaneous Fees	-																	-
4456 Planning - Parks & Recreation Developn	-																	-
4460 Building Plan - Seismic Fees	-		150															150
4462 Building Standards- SB1473	-		125															125
4465 Encroachment Permits	250																	250
4480 Insurance Premium Reimbursement	-																	-
4510 Sewer - Service										602,614	255,571	28,785	325,900					1,212,870
4520 Sewer - Connection										-	-							-
4610 Water - Service														501,967	140,724	77,000		719,691
4620 Water - Connection														5,410				5,410
4630 Late Fee										19,000				19,000				38,000
4635 Shut Off Fees										5,933				5,933				11,866
4640 Water - Damage Replacement														1,000				1,000
4710 Grant Restr - ISTEA						-												-
4712 Grant Restricted - RSTP HCAOG																		-
4740 Grant Restr - Police Grant SLESF								100,000										100,000
4743 Grant Restr - CHRP Police Grant																		-
4744 Grant -Realignment PD Grant																		-

Approved Budget
City of Rio Dell
FY 2014-2015

	General Fund 00	Admin. Fleet Fund 05	Building Fund 08	Gas Tax Fund 20	TDA Fund 24	ISTEA Fund 26	Solid Waste Fund 27	SLESF Fund 40	Alignment Grant Fund 042	Sewer Fund 50	Sewer Capital 52	Sewer Assessment 53	Sewer Debt Service 54	Water Fund 60	Water Debt Svc. 61	Water Capital Fund 62	Recycling Fund 74	Total
4746 Grant Restristed - Recycling								-									-	-
4801 Fundraising	-																	-
4802 Donations- Bicycle Helmets	-																	-
4803 Donations- Misc	-																	-
4920 Misc - Special Public Works							-											-
4935 Gain/Loss on Disposal of Assets	-																	-
4936 Bad Debt Recovery										1,000				1,000				2,000
4941 Misc - Post Training & Special	3,000																	
4950 Misc										250				250				500
4963 Anniversary Income	-																	-
4990 Misc - Other	-																	-
4995 Donations	-																	-
4999 Revenue- Reserves	-																	-
TOTAL REVENUE FY 2014-2015	775,838	-	50,075	90,010	108,609	-	8,500	100,000	-	628,797	255,571	28,785	325,900	534,560	140,724	77,000	-	3,121,369
TOTAL REVENUE FY 2013-2014	818,636			103,464	103,238	21,000	8,600	100,000	20,000	689,208				544,147	230,260		1,900	2,640,453
	(42,798)			(13,454)	5,371	(21,000)	(100)	-	20,000	(60,411)				(9,587)	(89,536)		(1,900)	(213,415)
Percentage Change	-5.52%	-	-	-14.95%	4.95%	-	-1.18%	0.00%	-	-9.61%				-1.79%			-	15.41%
Expenditures																		
5104 Printing - Forms																		
5111 Cash Over/Short																		
5410 Interest Expense																		
5610 Bad Debt										6,250				6,250				
8000 Reserve Allocation																		
Total Expenditures	-	-	-	-	-	-	-	-		6,250				6,250			-	-


General Fund Expenditures by Department $919,910
Building Dept. Transfer-In
28,467
3.1%
City Manager Dept.
92,543
10.1%
Finance Dept.
65,529
7.1%
Police Dept.
479,632
52.1%
Public Works Dept. B & G
35,154
3.8%
Planning Dept.
114,619
12.5%
City Council
6,720
0.7%
Capital Projects
54,845
6.0%
Contin-gency
42,400
4.6%

General Fund Overview

The Budget Summary Worksheet for 2014-15 indicates that $154,072 ($115,605 + $28,467) will be drawn from the Reserve in order to balance the General Fund budget and although the projected Reserve at June 30, 2015 is $994,156, it is clear that revenues coming into the Fund $775,838 cannot keep pace with expenditures of $891,443 ($919,910 including the subsidy to the Building Fund).

The budget does not include a cost of living adjustment for City Employees and the Police Department is still down three (3) Police Officer positions and a Records Clerk since the staff reductions of 2010-11.

City Hall needs ADA improvements and a more adequate City Council Chambers. A plan for remodeling the Police Department and other portions of City Hall would provide for more functional work space, none of which is provided for in the 2014-15 recommended budget.

The Streets Fund is not receiving adequate Gas Tax Revenue to address the failing condition of City streets and, as you know, two (2) bond measures failed in 2012-13 that would have addressed our most pressing needs. The only other source of such funding besides grants, which are hard to find, is the General Fund and obviously the Fund has its own limitations.

And last, the Public Works Department has insufficient staff (4) to meet the requirements of maintaining parks, building and grounds, streets, drainage courses and the fragile sewer and water infrastructure. Add to that the new responsibility for the Wildwood Avenue enhancement and the recreational facilities on Davis Street and there is no wonder why they cannot keep-up.

The 2014-15 Adopted Budget is tight as the Council directed, yet is meant to maintain public service levels although staffing has been reduced by 1.2 positions. Staffing levels will remain down unless a source of new revenue is available. The City Manager is exploring the feasibility of a Revenue Ballot Measure for November 4, 2014, as are four (4) other Cities and the County of Humboldt, all of whom are experiencing a loss of revenue.

The revenue options are either a Utility Users Tax (UUT) or a Local Sales Tax. A 4% UUT would generate up to $214,900 and a 1% Local Sales Tax would generate $173,000, based on current retail sales data within the City limit. This revenue option may be the most agreeable with City residents because the sales tax would also be paid in part by out-of-city residents. The Council has determined that a 1% local sales tax is the most feasible avenue to pursue.

Revenue from a 1% Local Sales Tax would be a step in the right direction. A tax measure that supports governmental services generally would require a simple majority vote for passage and would remain in place for 5 years, at which time the local tax is either renewed by the vote of the people again, or it expires.

City Manager Department

STATEMENT OF FUNCTION

The City Manager is the Chief Administrative Officer for the City and is responsible for the day to day performance of all City operations. The City Manager oversees the activities of the Departments and special projects to ensure they are in concert with the policies and goals of the Council. The City Manager provides the City Council with accurate and timely information to support decision-making and policy direction, deals with conflict and dispute resolution, analyzes and recommends organizational enhancements and restructuring as necessary, serves as the City Budget Officer, negotiates contracts and agreements, serves as the Human Resources Director as well as the Public Works Director. One-third (1/3) of the City Clerk's position is budgeted in this department.

The City Clerk provides staff and administrative support to City Council and the City Manager, including preparation of City Council meeting agendas with the City Manager. The City Clerk's duties are to maintain official City records, conduct City elections and prepare and post the noticing requirements for public meetings. The City Clerk also is responsible for the filing of campaign and economic interest statements and provides information about conduct of City business to the public. The balance of the City Clerk's time is allocated equally to the Building Inspection Department (1/3) and the Planning and Community Development Department (1/3).

2014-15 BUDGET

The recommended budget for the City Manager's department is $325,725, an increase of $82,220 from the July 1, 2013 final budget, but only $38,300 more than the adjusted budget that included extraordinary City Manager recruitment and legal costs, as well as an additional overlap of bringing in a new City Manager. The City Manager position budgeted last year at ¾ time is back to fulltime for 2014-15; the experiment demonstrated that the demands on a Rio Dell City Administrator are fulltime.

The budget spread amongst the various funds as recommended is $92,543 (20%) to the General Fund, $7,211 (5.0%) to Streets, $45,093 (15%) to Sewer Operations, including 40 hours of City Manager's time, and $173,597 (60%) to the Water Fund.

SALARIES AND BENEFITS

Salaries and employee benefits for the new City Manager, a 1 month overlap with the retiring CM and City Clerk total $252,749, $81,238 more than 2013-14, which included the City Manager as a ¾ time position. The recommended budget also includes the payoff of accrued benefits for the retiring Manager.

The salaries and benefits for the new City Manager, assuming a July 1, 2014 starting date is $133,356, which ultimately was estimated high due to the assumption made that the new City Manager might have had a spouse and 2 dependents added on the insurance plans. Also included in the budget was the assumption that the new City Manager will cash out 80 hours of Executive leave. The total cost for the outgoing City Manager is $23,850 and the total City Clerk's cost to the department is $34,154.

SERVICES AND SUPPLIES

The Service and Supplies accounts are reduced to $71,987 from $93,635 in 2013-14, primarily due to the deletion of the City Manager recruitment costs, $25,000 for Architectural services for the development of a City Hall Master Plan and remodel, and $7,500 for a total compensation study.

Other cost centers of note:

1. Legal (5112) includes $15,000 as may be required.
2. Contract/Professional Services (5115) is recommended at $29,240; $10,000 for professional contract services as may be required, $3,240 for the Access Humboldt public information contract, and $16,000 for City Hall improvements under the Matsen/Vallerga contract.
3. Training (5122) includes $2,000 for both the City Manager and City Clerk

All other accounts have been adjusted to reflect actual costs.

OTHER CHARGES

Other charges in the amount of $1,000 are recommended for contract engineering expense as may be needed.

CITY COUNCIL ACTION ON FINAL BUDGET – Increased $16,112

1. The Contract/Professional Account (5115) was increased $16,000 for Matsen/Vallerga contract for City Hall improvements.
2. Water Account (5152) has been increased by $39 to reflect the City Manager Department's portion of water charges for FY 2014-2015.
3. Sewer Account (5153) has been increased by $73 to reflect the City Manager Department's portion of water charges for FY 2014-2015.

Approved Budget
CITY MANAGER DEPARTMENT
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
EXPENDITURES								
5000 Full Time Salaries	120,187	119,961	110,018	110,019	126,959	124,359	171,281	
5032 Retirement - City Mgr.	8,000	9,767	11,300	11,300	5,595	-	-	
5035 Benefit - ICMA City	6,658	5,818	3,517	3,517	11,335	17,027	22,900	
5040 Benefit - Health Ins.	29,731	13,997	14,077	14,077	15,985	36,558	34,427	
5042 Benefit - Life Ins.	386	311	324	324	320	330	371	
5044 Benefit - Dental/Vision Ir	2,717	2,297	2,507	2,507	2,739	2,260	2,417	
5045 Worker Comp	1,459	3,148	2,002	2,002	3,275	1,258	1,733	
5050 FICA	6,134	10,647	8,416	8,416	10,740	9,513	13,103	
5055 Unemployment Ins	1,306	651	1,100	1,100	803	1,244	1,517	
5080 Hiring Costs	-	-	18,250	45,151	31,400	5,000	5000	
5081 Compensated Absences I	-	470	-	-	-	-	0	
Subtotal	*176,578*	*167,067*	*171,511*	*198,413*	*209,150*	*197,548*	*252,749*	
5101 Office Supplies	1,530	1,714	1,500	1,496	1,611	1,500	1,500	
5102 Operating Supplies	1,530	464	700	700	335	350	350	
5103 Postage	408	537	250	250	218	250	250	
5104 Printing - Forms	1,020	2,846	2,000	2,000	3,435	3,000	3,000	
5106 Promotional	153	-	50	51	-			
5112 Legal	20,000	13,325	20,000	20,000	3,435	10,000	15,000	
5113 Court Costs	-	-	-	-	-			
5115 Contract/Professional Se	9,433	7,591	17,500	40,740	40,740	15,000	13,240	16,000
5119 Safety Supplies & Equipn	-	3	-	-	-			
5120 Telephone - Pagers	836	1,001	900	900	1,734	2,000	2,000	
5122 Training - Conference	5,100	189	4,500	4,500	1,831	2,000	2,000	
5123 Automobile - Transporta	6,936	3,489	6,000	6,000	2,559	3,000	4,200	
5125 Publications - Books	102	13	100	100	35	50	50	
5126 Dues & Memberships	5,486	2,645	2,500	2,500	295	2,500	1,100	
5128 Employee Relations	153	47	150	151	-	100	100	
5130 Rents - Leases	1,326	976	4,500	4,500	939	3,000	3,000	
5131 Records Maintenance	-	-	-	-	99	100	100	
5135 Maintenance - Repair	153	606	250	251	504	450	450	
5138 Office Equipment	102	614	250	251	849	1,000	500	
5139 Equipment	-	8	500	500	-	500	500	
5140 Bond Insurance	-	6	10	10	-			
5141 General Liability Insuranc	4,108	2,400	4,167	4,167	3,430	4,312	4,312	
5143 Property Insurance	711	425	937	936	798	957	957	
5144 Emp Practice Liab Insurai	395	233	330	330	240	318	318	
5148 Office Equipment	-	172	250	251	-			
5150 Electricity	1,005	652	650	651	586	586	586	
5151 Natural Gas	576	63	300	300	63	63	63	
5152 Water								39
5153 Sewer								73
5160 Elections	1,020	1,174	-	-	-			
5164 Regulatory Fees	-	-	-	-	-			
5166 LAFCO Fees	-	1,246	-	-	1,709	-	-	
5171 Computer Software	306	1,345	500	500	-	500	500	
5173 Computer Maintenance ·	1,020	908	1,100	1,100	1,029	1,769	1,769	
5174 Web Design Services	-	8	500	500	30	30	30	
5175 Community Promotions	-	5	-	-	0			
Subtotal	*63,409*	*44,705*	*70,394*	*93,635*	*66,501*	*53,335*	*55,875*	*16,112*

Approved Budget
CITY MANAGER DEPARTMENT
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
5215 Public Works - Small Tools		-	100	100	-	-	-	
5514 Engineering	-	-	-	-	340	1,000	1,000	
5520 Improvements	-	17	-	-	-			
5530 Legal Settlements	15,000	15,000	-	-	-			
Subtotal	*15,000*	*15,017*	*100*	*100*	*340*	*1,000*	*1,000*	-
5800 Budget Reduction						-	-	
Subtotal						-	-	-
6100 Fixed Asset - Computer Hardwr.			1,500	1,497		-	-	
6600 Fixed Asset - Land Improvemts.			-	-		-	-	
Subtotal	-	-	*1,500*	*1,497*	-	-	-	-
TOTAL EXPENDITURES	254,987	226,789	243,505	293,645	275,991	251,883	309,614	16,112
						Changes	*16,112*	
						Total Adopted Budget	*325,726*	

Approved Budget
CITY MANAGER DEPARTMENT
FY 2014-2015

	General Fund 00	Gas Tax Fund 20	TDA Fund 24	Sewer Fund 50	Water Fund 60	Total Proposed
EXPENDITURES						
5000 Full Time Salaries	50,548	3,773	3,773	22,637	90,550	171,281
5032 Retirement - City Manager						-
5035 Benefit - ICMA City 457	6,533	511	511	3,067	12,269	22,900
5040 Benefit - Health Insurance	13,878	642	642	3,853	15,412	34,427
5042 Benefit - Life Insurance	125	8	8	46	184	371
5044 Benefit - Dental/Vision Insur	942	46	46	277	1,106	2,417
5045 Worker Compensation Ins.	511	38	38	229	916	1,733
5050 FICA/MEDI	3,867	289	289	1,732	6,927	13,103
5055 Unemployment Insurance	466	33	33	197	788	1,517
5080 Hiring Costs	1,000	125	125	750	3,000	5,000
5081 Compensated Absences Pbl.						-
Subtotal	***77,871***	***5,464***	***5,464***	***32,788***	***131,152***	***252,749***
5101 Office Supplies	300	37	37	225	901	1,500
5102 Operating Supplies	70	8	8	52	212	350
5103 Postage	50	6	6	37	151	250
5104 Printing - Forms	600	75	75	450	1,800	3,000
5106 Promotional	-	-	-	-	-	-
5112 Legal	3,000	375	375	2,250	9,000	15,000
5113 Court Costs	-	-	-	-	-	-
5115 Contract/Professional Services	5,848	731	731	4,386	17,544	29,240
5119 Safety Supplies & Equipment	-	-	-	-	-	-
5120 Telephone - Pagers	400	50	50	300	1,200	2,000
5122 Training - Conference	400	50	50	300	1,200	2,000
5123 Automobile - Transportation	840	105	105	630	2,520	4,200
5125 Publications - Books	10	1	1	7	31	50
5126 Dues & Memberships	220	27	27	165	661	1,100
5128 Employee Relations	20	2	2	15	61	100
5130 Rents - Leases	600	75	75	450	1,800	3,000
5131 Records Maintenance	20	2	2	15	61	100
5135 Maintenance - Repair	90	11	11	67	271	450
5138 Office Equipment	100	12	12	75	301	500
5139 Equipment	100	12	12	75	301	500
5140 Bond Insurance	-	-	-	-	-	-
5141 General Liability Insurance	925	55	109	1,695	1,528	4,312
5143 Property Insurance	201	12	24	381	339	957
5144 Emp Practice Liab Insurance	68	4	8	125	113	318
5148 Office Equipment	-	-	-	-	-	-
5150 Electricity	117	14	14	87	354	586
5151 Natural Gas	12	1	1	9	40	63
5152 Water						
5153 Sewer	8	1	1	6	23	39
5160 Elections	15	2	2	11	44	73
5164 Regulatory Fees	-	-	-	-	-	-
5166 LAFCO Fees	-	-	-	-	-	-
5171 Computer Software	100	12	12	75	301	500
5173 Computer Maint - Support	353	44	44	265	1,063	1,769
5174 Web Design Services	6	-	-	4	20	30
5175 Community Promotions	-	-	-	-	-	-
Subtotal	***14,472***	***1,724***	***1,794***	***12,157***	***41,840***	***71,987***

Approved Budget
CITY MANAGER DEPARTMENT
FY 2014-2015

	General Fund 00	Gas Tax Fund 20	TDA Fund 24	Sewer Fund 50	Water Fund 60	Total Proposed
5215 Public Works - Small Tools	-	-	-	-	-	-
5514 Engineering	200	25	25	150	600	1,000
5520 Improvements	-	-	-	-	-	-
5530 Legal Settlements	-	-	-	-	-	-
Subtotal	***200***	***25***	***25***	***150***	***600***	***1,000***
5800 Budget Reduction	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
6100 Fixed Asset - Comp Hardwr.	-	-	-	-	-	-
6600 Fixed Asset - Land Improve.	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
TOTAL EXPENDITURES	92,543	7,212	7,282	45,094	173,592	325,726

Finance Department

STATEMENT OF FUNCTION

The Finance Department is responsible for providing the financial management of all City funds and major activities of this department include, but are not limited to, managing the City's investments, Capital Project financing, financial analysis and reporting, budget preparation and management, revenue management, Utility Billing and collections, Accounts Receivable (A/R), Accounts Payable (A/P), and Payroll (P/R), grants administration, information services, purchasing, and records management. In addition, the Finance Department is responsible for the day to day operations of the City Hall front office.

2014-15 BUDGET

The total recommended budget for the Finance Department for 2014-15 is $302,167, a decrease in the amount of $50,864 from the prior year. The decrease in expenditures is due in large part to the elimination of the Accountant I position. The decision was based on the final close-out of major construction projects which ultimately decreased job tasks related to the financial management of project funding. The Accountant I position was set to expire July 31, 2014, but due to the emergency water contingency was extended until September 30, 2014. The additional expenditure of approximately $9,000 to extend the position is not reflected in the Adopted Budget, but has been approved by Council and will be seen as a budget amendment.

SALARIES AND EMPLOYEE BENEFITS

The salaries and benefits object of the Finance Department budget funds the cost of four (4) staff positions, including the Director, and totals $203,641, a decrease of $61,030 from 2013-14. The Police Department's SLESF grant is funding $9,601 of Finance Department salaries and benefits for 20% of a staff person for office support. As the result of staff turnover and benefit selection, the cost of health insurance for employee dependents has grown from $26,568 to $34,191, a $7,623 increase (29%). Otherwise, there are no significant changes.

SERVICES AND SUPPLIES

Services and supplies increased from 2013-2014 by $10,165, primarily due to the inclusion of the full cost for outside Auditor services ($6,800), underfunded in 2013-14, and the department's share of the cost of the new computer maintenance contract

($6,024). Otherwise, the balance of the object is recommended in similar amounts as the prior fiscal year.

Of note is the amount of $4,500 for staff training for new staff, primarily related to the City's financial software system.

CITY COUNCIL ACTION ON FINAL BUDGET - Decreased $64,946

1. Decrease salary and benefits accounts to eliminate Accountant I position.

a. Full Time Salaries (Account 5000)	$	(43,153)
b. Overtime Salaries (Account 5030)		(200)
c. Benefit-ICMA City 457 (Account 5035)		(4,315)
d. Benefit-Health Insurance (Account 5040)		(11,544)
e. Benefit-Life Insurance (Account 5042)		(96)
f. Benefit-Dental/Vision Insurance (Account 5044)		(1,720)
g. Workers Compensation Insurance		(438)
h. FICA/MEDI (Account 5050)		(3,301)
i. Unemployment Insurance (Account 5055)		(432)

2. Water Account (5152) has been increased by $88 to reflect the Finance Department's portion of water charges for FY 2014-2015.

3. Sewer Account (5153) has been increased by $165 to reflect the Finance Department's portion of water charges for FY 2014-2015.

Approved Budget
FINANCE DEPARTMENT
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
EXPENDITURES								
5000 Full Time Salaries	192,505	175,896	192,602	192,602	129,864	179,974	179,974	(43,153)
5030 Overtime Salaries	1,925	160	2,000	2,000	1,248	200	200	(200)
5035 Benefit - ICMA City 457	20,800	18,404	20,692	20,693	13,229	19,409	19,409	(4,315)
5040 Benefit - Health Insurance	26,314	18,973	26,568	26,568	20,575	45,736	45,736	(11,544)
5042 Benefit - Life Insurance	588	567	630	630	424	461	461	(96)
5044 Benefit - Dental/Vision Insur	3,175	4,070	3,845	3,845	3,483	5,671	5,671	(1,720)
5045 Worker Compensation Insura	943	6,597	1,674	1,674	4,058	1,822	1,822	(438)
5050 FICA/MEDI	14,874	15,222	14,734	14,735	11,166	13,768	13,768	(3,301)
5055 Unemployment Insurance	1,944	2,257	1,926	1,926	2,086	1,800	1,800	(432)
5070 Education Reform Augmentat	14,280	-	-	-	-	-	-	
5080 Hiring Costs	765	6,960	3,000	3,000	1,129	-	-	
5081 Compensated Absences Payat	-	171	-	-	-			
Subtotal	***278,113***	***249,277***	***267,671***	***267,673***	***187,260***	***268,841***	***268,841***	***(65,199)***
5101 Office Supplies	4,284	3,712	3,500	3,500	2,789	2,789	3,610	
5102 Operating Supplies	1,020	1,116	1,500	1,500	879	879	800	
5103 Postage	5,100	7,422	5,525	5,526	3,660	3,660	6,975	
5104 Printing - Forms	1,020	2,597	2,000	2,000	3,949	3,949	3,300	
5105 Advertising	-	357	-	-	3,671	3,671		
5110 Accounting	22,000	29,499	22,000	22,000	38,453	38,453	28,800	
5111 Cash Over/Short	-	-	-	-	-	-		
5112 Legal	510	816	1,000	1,000	315	315	400	
5115 Contract/Professional Service	673	8	500	500	996	996	400	
5116 Bank Fees	2,500	1,990	2,000	2,000	1,923	1,923	2,093	
5119 Safety Supplies & Equipment	-	7	-	-	-	-	-	
5120 Telephone - Pagers	1,530	1,879	1,530	1,530	1,253	1,253	2,238	
5122 Training - Conference	5,100	3,868	4,500	4,500	2,610	2,610	4,500	
5123 Automobile - Transportation	1,326	1,205	1,300	1,300	4,310	4,310	1,300	
5125 Publications - Books	510	216	200	200	43	43	96	
5126 Dues & Memberships	306	127	150	151	158	158	125	
5128 Employee Relations	102	154	100	100	-	-		
5130 Rents - Leases	2,500	3,063	3,000	3,000	2,620	2,620	3,100	
5131 Records Maintenance	-	-	-	-	475	475	525	
5135 Maintenance - Repair	1,224	1,987	1,800	1,800	1,306	1,306	1,950	
5138 Office Equipment	510	3,650	3,000	3,000	3,095	3,095	3,200	
5139 Equipment	-	28	100	100	-	-		
5141 General Liability Insurance	10,868	6,349	10,938	10,938	9,075	11,408	11,408	
5143 Property Insurance	1,881	1,124	2,459	2,460	2,109	2,531	2,531	
5144 Emp Practice Liab Insurance	1,045	617	908	907	636	841	841	
5148 Office Equipment	-	108	-	-	-	-	-	
5150 Electricity	1,800	1,725	1,500	1,500	1,551	1,551	1,573	
5151 Natural Gas	230	167	150	151	166	166	171	
5152 Water								88
5153 Sewer								165
5162 Medical	-	-	-	-	63	63		
5163 Property Tax Admin Fees	13,260	2,770	3,000	3,000	1,736	1,736	3,000	
5171 Computer Software	1,020	168	500	500	48	48	170	
5172 Computer Training	510	-	3,000	3,000	94	94		
5173 Computer Maintenance - Sup|	12,240	14,268	9,000	8,999	13,841	13,841	15,023	

Approved Budget
FINANCE DEPARTMENT
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
5174 Web Design Services	350	21	200	196	91	91	144	
5175 Community Promotions	-	14	-	-	-	-		
Subtotal	*93,419*	*91,032*	*85,360*	*85,358*	*101,913*	*104,873*	*98,272*	*253*
5215 Public Works - Small Tools	-	-	-	-	-	-	-	
5430 Fines/Penalties	-	288	-	-	-	-	-	
5520 Improvements	-	44	-	-	-	-	-	
Subtotal	-	*332*	-	-	-	-	-	-
5800 Budget Reduction	(2,883)	-	-	-	-	-	-	
Subtotal	*(2,883)*	-	-	-	-	-	-	-
6100 Fixed Asset - Computer Hardw	-	8,553	-	-	-	-	-	
6600 Fixed Asset - Land Improveme	-	-	-	-	-	-	-	
Subtotal	-	*8,553*	-	-	-	-	-	-
Total Expenditures	**368,649**	**349,194**	**353,031**	**353,031**	**289,173**	**373,713**	**367,113**	**(64,946)**
						Changes	*(64,946)*	
						Total Adopted Budget	*302,167*	

Approved Budget
FINANCE DEPARTMENT
FY 2014-2015

	General Fund 00	Gas Tax Fund 20	TDA Fund 24	Sewer Fund 50	Water Fund 60	Total Proposed
EXPENDITURES						
5000 Full Time Salaries	32,686	1,764	1,764	50,303	50,303	136,820
5030 Overtime Salaries	-	-	-	-	-	-
5035 Benefit - ICMA City 457	3,763	212	212	5,454	5,454	15,094
5040 Benefit - Health Insurance	8,493	491	491	12,359	12,359	34,192
5042 Benefit - Life Insurance	86	5	5	134	134	365
5044 Benefit - Dental/Vision Insu	824	65	65	1,499	1,499	3,951
5045 Worker Compensation Insu	330	18	18	509	509	1,384
5050 FICA/MEDI	2,501	135	135	3,849	3,848	10,467
5055 Unemployment Insurance	326	18	18	503	503	1,368
5070 Education Reform Augmentation						-
5080 Hiring Costs						-
5081 Compensated Absences Pa	-	-	-	-	-	
Subtotal	*49,009*	*2,707*	*2,707*	*74,610*	*74,609*	*203,641*
5101 Office Supplies	542	90	90	1,444	1,444	3,610
5102 Operating Supplies	120	20	20	320	320	800
5103 Postage	1,046	174	174	2,790	2,790	6,975
5104 Printing - Forms	495	83	83	1,320	1,320	3,300
5105 Advertising	-	-	-	-	-	-
5110 Accounting	4,320	720	720	11,520	11,520	28,800
5111 Cash Over/Short	-	-	-	-	-	-
5112 Legal	60	10	10	160	160	400
5115 Contract/Professional Serv	60	10	10	160	160	400
5116 Bank Fees	314	52	52	837	837	2,093
5119 Safety Supplies & Equipme	-	-	-	-	-	-
5120 Telephone - Pagers	336	56	56	895	895	2,238
5122 Training - Conference	675	113	113	1,800	1,800	4,500
5123 Automobile - Transportatic	195	33	33	520	520	1,300
5125 Publications - Books	14	2	2	38	38	96
5126 Dues & Memberships	19	3	3	50	50	125
5128 Employee Relations	-	-	-	-	-	-
5130 Rents - Leases	465	78	78	1,240	1,240	3,100
5131 Records Maintenance	79	13	13	210	210	525
5135 Maintenance - Repair	293	49	49	780	780	1,950
5138 Office Equipment	480	80	80	1,280	1,280	3,200
5139 Equipment	-	-	-	-	-	-
5141 General Liability Insurance	2,838			4,585	3,985	11,408
5143 Property Insurance	630			1,017	884	2,531
5144 Emp Practice Liab Insuranc	209			338	294	841
5148 Office Equipment-DO NOT	-	-	-	-	-	-
5150 Electricity	236	39	39	629	629	1,573
5151 Natural Gas	26	4	4	68	68	171
5152 Water	13	2	2	35	35	88
5153 Sewer	25	4	4	66	66	165
5162 Medical	-	-	-	-	-	-
5163 Property Tax Admin Fees	450	75	75	1,200	1,200	3,000
5171 Computer Software	26	4	4	68	68	170
5172 Computer Training	-	-	-	-	-	-
5173 Computer Maintenance - S	2,253	376	376	6,009	6,009	15,023

Approved Budget
FINANCE DEPARTMENT
FY 2014-2015

	General Fund 00	Gas Tax Fund 20	TDA Fund 24	Sewer Fund 50	Water Fund 60	Total Proposed
5174 Web Design Services	22	4	4	58	58	144
5175 Community Promotions	-	-	-	-	-	-
Subtotal	*16,239*	*2,094*	*2,094*	*39,438*	*38,661*	*98,525*
5215 Public Works - Small Tools	-	-	-	-	-	-
5430 Fines/Penalties	-	-	-	-	-	-
5520 Improvements	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
5800 Budget Reduction	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
6100 Fixed Asset - Computer Ha	-	-	-	-	-	-
6600 Fixed Asset - Land Improve	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Total Expenditures	*65,248*	*4,801*	*4,801*	*114,048*	*113,269*	*302,167*

City Council Department

STATEMENT OF FUNCTION

The City Council is the legislative branch of Rio Dell City Government and is the policy making body. The Rio Dell City Council consists of five (5) members elected at large, one of which is nominated by the Council to serve as Mayor for a two-year term.

The role of the City Council is to establish City policies through ordinances and resolutions, deemed in the best interest of the residents. The City Council oversees the City Manager who is tasked with implementing the Council's policy.

City Council Members serve staggered four (4) years terms without compensation.

2014-15 BUDGET

The recommended budget for the City Council is $11,506, a decrease of $15,189 from the 2013-14 budget. The net General Fund cost for the department is $6,720. With the adoption of the budget for fiscal year 2014-2015 the Council voted to absorb water and sewer costs for the Rio Dell Volunteer Fire Department and Humboldt County Library Rio Dell branch. The cost to the General Fund for RDVFD and the library is estimated to be $3,388.

SALARIES AND BENEFITS

City Council Members serve without salaries and benefits.

SERVICES AND SUPPLIES

Services and supplies total $8,118, a decrease of $18,577 from the 2013-14 budget. This reduction is due to the one-time allocation of $6,250 for a cash match for a Chamber of Commerce grant last year and the decrease of $8,000 for Humboldt Access services to stream live City Council meetings. Other expenditures include $2,000 for City Council training, $1,500 for mileage reimbursement for members using their personnel vehicles or City vehicle on City business, and $2,751 for League of California Cities annual dues. The balance of expenditure line items are related to equipment repair and liability insurance costs.

CITY COUNCIL ACTION ON FINAL BUDGET – Increased $148

1. Decrease Contract/Professional Services (5115) by ($3,240) for Access Humboldt Services.
2. Increase Special Item Account (5900) by ($3,388) for Rio Dell Fire Department and the Humboldt County Library water expenditures.

Approved Budget
CITY COUNCIL
FY 2014-2015

CITY COUNCIL	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	Council Approved Changes
EXPENDITURES								
5102 Operating Supplies	-	13	51	51	-			
5103 Postage	-	5	-	-	-			
5104 Printing - Forms	-	21	51	51	-			
5106 Promotional	-	-	-	-	4,954		-	
5112 Legal	512	982	1,000	1,000	-		500	
5115 Contract/Professional Services	-	-	8,000	7,059	946		3,240	(3,240)
5122 Training - Conference	-	-	-	-	688		2,000	
5123 Automobile - Transportation	-	-	-	-	1,500		1,500	
5126 Dues & Memberships	-	-	2,751	2,751	3,094		2,751	
5129 Meeting	-	-	2,100	2,100	-		-	
5135 Maintenance - Repair					536		500	
5138 Office Equipment	-	-	1,951	2,892	3,468		-	
5141 General Liability Insurance	-	-	1,302	1,302	-		710	
5143 Property Insurance	-	-	294	294	-		157	
5450 Miscellaneous Expense	-	-	6,250	6,250	6,250		-	
5540 Mayor Woodall	734	59	251	251	-			
5541 Gordon Johnson	734	107	251	251	630			
5560 Council Member Marks	734	-	251	251	-			
5562 Council Member Barsanti	-	-	-	-	-			
5563 Council Member Thompson	734	800	1,096	1,096	-			
5564 Council Member Wilson	734	-	1,096	1,096	-			
5800 Budget Reduction	(27)	-	-	-	-			
5900 Special Item (RDVFD/Lib)								3,388
TOTAL EXPENDITURES	**4,155**	**1,987**	**26,695**	**26,695**	**22,065**		**11,358**	**148**
						Changes	*148*	
						Total Adopted Budget	*11,506*	

Approved Budget
CITY COUNCIL
FY 2014-2015

CITY COUNCIL	General Fund 00	Gas Tax Fund 20	TDA Fund 24	Sewer Fund 50	Water Fund 60	Total Proposed
EXPENDITURES						
5102 Operating	-	-	-	-	-	-
5103 Postage	-	-	-	-	-	-
5104 Printing - Forms	-	-	-	-	-	-
5106 Promotional	-	-	-	-	-	-
5112 Legal	170	13	13	153	153	500
5115	-	-	-	-	-	-
5122 Training -	680	50	50	610	610	2,000
5123 Automobile -	510	38	38	458	458	1,500
5126 Dues &	935	69	69	839	839	2,751
5129 Meeting	-	-	-	-	-	-
5135 Maintenance -	170	13	13	153	153	500
5138 Office Equipment	-	-	-	-	-	-
5141 General Liability	710					710
5143 Property	157					157
5450 Miscellaneous	-					-
5540 Mayor Woodall	-					-
5541 Gordon Johnson	-					-
5560 Council Member	-					-
5562 Council Member	-					-
5563 Council Member	-					-
5564 Council Member	-					-
5800 Budget Reduction	-	-	-	-	-	-
5900 Special Item	3,388	-	-	-	-	3,388
Total Expenditures	6,720	181	181	2,212	2,212	11,506

Police Department

STATEMENT OF FUNCTION

The Mission of the City of Rio Dell Police Department is to create and maintain a climate of safety in the community. The Department provides police services to the community and is staffed with five (5) sworn law enforcement officers, including the Chief of Police. The Chief of Police is responsible for all department functions, provides guidance to supervisory staff, manages the Department's budget, coordinates Internal Affairs matters, and handles other administrative needs of the Department as well as provides street level enforcement when required. The Corporal assists the Chief with administrative tasks, provides patrol supervision and field training of new officers.

2014-15 BUDGET

The recommended Police Department budget totals $599,817, an increase of $24,591 in comparison to the prior year. Most of the increase can be attributed to 2 accounts; health insurance and workers compensation, and a $9,601 grant that will be spent on Administrative Assistance.

The Police Department represents a net cost of $479,632 (53.8%) to the General Fund in 2014-15. And, if the Fund was not using its Reserves to balance the budget, the Department would account for 67% of all General Fund expenditures.

SALARIES AND EMPLOYEE BENEFITS

The Rio Dell Police Department continues its reduced staffing level of 5.0 personnel from 9.0 FTE four (4) years ago. Salaries and benefits for the Chief, Corporal and three (3) Officers total $497,689. As mentioned above, the health insurance account has increased $11,727 for employee dependent coverage, due to Officer turnover, and $7,047 in Workers Compensation insurance cost. The Worker's Compensation account was underfunded in 2013-14.

Part-time Office support from the Finance Department is included in the budget in the amount of $9,601, funded by a State Realignment Grant. Although only 20% is allocated of a person's time, this will release a uniformed officer into the field since the primary responsibility of the shared Fiscal Assistant will be to receive walk-in traffic, answer phone calls and update files.

SERVICES AND SUPPLIES

The services and supplies line items total was approved at $68,128 which includes council approved changes. A reduction of $5,371 from 2013-14. The accounts generally are not discretionary and support police and patrol services. The more significant costs centers are as follows:

1. (5115) Professional services-provides $2,500 for the Police Department Manual
2. (5117) Animal Control-$6,500 contract with City of Fortuna for animal shelter services.
3. (5120) Telephone-Pagers- essential for Officer communication ($7,000).
4. (5130) Rents-leases-CrimeStar & DocStar information management systems $2,500.
5. (5141) General liability insurance-$14,301 for Police Department coverage.
6. (5143) Property insurance- $3,172 for Police Department property insurance.
7. (5162) Medical-$3,000 for assault cases in the jurisdiction.
8. (5173) Computer maintenance-$7,950 for the Department's share of the computer maintenance contract.
9. (5192) Code enforcement (new)-$1,000 for costs related to code enforcement activities
10. (5193) Nuisance abatement-vehicles-$1,250 for the abatement of inoperable vehicles deemed to be a public nuisance.
11. (5212) Gas & oil-$13,000 for patrol vehicle operating expense, reduced $2,000 from 2013-14 due to new more efficient vehicles
12. (5308) Dispatch service-$18,500 paid to City of Fortuna for police dispatch service.

CITY COUNCIL ACTION ON FINAL BUDGET – Increased $1,493

1. The Worker's Comp Account (5045) has been increased $586.
2. The Contract/Professional Account (5115) increased $500.
3. The Training Conference Account (5122) has been decreased $3,000 for POST training reimbursed with POST revenue.
4. Water Account (5152) has been increased by $147 to reflect the Police Department's portion of water charges for FY 2014-2015.
5. Sewer Account (5153) has been increased by $274 to reflect the Police Department's portion of water charges for FY 2014-2015.

Approved Budget
POLICE DEPARTMENT
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
EXPENDITURES								
5000 Full Time Salaries	277,021	300,749	281,897	278,897	289,899	289,810	289,553	
5030 Overtime Salaries	6,926	8,904	8,000	8,000	11,756	8,112	8,112	
5035 Benefit - ICMA City 457	59,501	51,221	60,599	60,599	50,744	58,241	59,917	
5040 Benefit - Health Insurance	54,665	58,420	59,352	59,352	78,469	74,309	71,079	
5042 Benefit - Life Insurance	924	979	990	990	1,046	1,075	1,075	
5044 Benefit - Dental/Vision Insur	5,153	8,117	8,680	8,680	9,831	10,096	10,096	
5045 Worker Compensation Insur:	11,192	18,432	11,389	11,389	20,910	28,550	27,731	586
5050 FICA/MEDI	21,722	27,188	21,565	21,565	25,808	22,791	22,151	
5055 Unemployment Insurance	2,839	2,170	2,199	2,199	2,929	2,979	2,896	
5060 Clothing Allowance	3,000	3,625	3,751	3,751	4,454	3,756	3,742	
5080 Hiring Costs	2,500	2,625	3,000	3,000	708	750	750	
Subtotal	*445,443*	*482,430*	*461,422*	*458,422*	*496,553*	*500,469*	*497,103*	*586*
5101 Office Supplies	1,225	2,141	1,200	1,200	1,083	1,000	1,000	
5102 Operating Supplies	4,080	5,130	3,200	3,200	2,198	3,000	2,500	
5103 Postage	800	263	1,000	1,000	665	800	665	
5104 Printing - Forms	800	325	800	800	463	800	463	
5105 Advertising	204	-	50	50	-	50	50	
5106 Promotional	100	-	50	50	-	50	50	
5112 Legal	1,530	2,222	1,500	1,500	91	1,500	1,000	
5115 Contract/Professional Servic	3,163	4,930	3,000	3,000	3,668	2,500	2,500	500
5117 Animal Control	14,790	9,724	5,000	5,000	8,004	5,000	6,500	
5119 Safety Supplies & Equipment	-	313	-	-	354	-	-	
5120 Telephone - Pagers	3,876	6,619	7,000	7,000	7,506	7,000	7,000	
5122 Training - Conference	1,000	3,867	2,000	2,000	(3,664)	2,000	3,000	(3,000)
5123 Automobile - Transportation	600	589	1,000	1,000	239	500	500	
5125 Publications - Books	408	138	500	500	2,610	500	500	
5126 Dues & Memberships	2,500	1,702	2,000	2,000	2,048	2,000	1,800	
5128 Employee Relations	2,550	249	2,550	2,550	-	2,550	250	
5130 Rents - Leases	1,950	1,840	2,000	2,000	2,506	2,500	2,500	
5131 Records Maintenance	-	-	-	-	266	345	350	
5135 Maintenance - Repair	1,530	1,781	2,000	2,000	1,640	1,800	1,700	
5138 Office Equipment	1,000	1,125	2,200	2,200	35	1,000	500	
5139 Equipment	1,500	1,253	5,450	5,450	5,065	1,000	1,000	
5141 General Liability Insurance	13,624	7,959	13,543	13,543	11,378	14,301	14,301	
5143 Property Insurance	2,358	1,409	3,045	3,045	2,644	3,172	3,172	
5144 Employee Practice Liab Insuranc	1,310	774	1,114	1,114	798	1,106	1,106	
5148 Office Equipment	-	1,644	-	-	-	1,600	1,600	
5150 Electricity	3,366	2,380	-	-	2,168	2,000	2,000	
5151 Natural Gas	612	210	-	-	209	200	200	
5152 Water								147
5153 Sewer								274
5154 Garbage	-	-	-	-	208	200	200	
5162 Medical	1,530	5,323	6,000	6,000	1,694	3,000	3,000	

Approved Budget
POLICE DEPARTMENT
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
5164 Regulatory Fees	306	-	-	-	-	-	-	
5171 Computer Software	1,000	119	1,500	1,500	473	500	500	
5173 Computer Maintenance - Su	3,060	4,443	3,200	3,200	4,428	7,950	7,950	
5174 Web Design Services	500	26	100	100	111	100	100	
5175 Community Promotions	-	17	-	-	-	-	-	
5192 Code Enforcement	-	-	-	3,000	25	2,000	1,000	
5193 Nuisance Abatement-Vehicle	2,500	1,038	2,500	2,500	100	1,500	1,250	
Subtotal	***73,772***	***69,553***	***73,502***	***76,502***	***59,008***	***73,524***	***70,207***	***(2,079)***
5212 Gas & Oil	16,900	19,268	15,000	15,000	13,039	13,000	13,000	
5213 Vehicle Repair	7,200	6,683	4,000	4,000	4,290	2,500	2,500	
5215 Public Works - Small Tools	-	25	-	-	-	-	-	
Subtotal	***24,100***	***25,976***	***19,000***	***19,000***	***17,329***	***15,500***	***15,500***	-
5305 Booking Fees Due	2,000	1,690	1,500	1,500	1,116	-	-	
5308 Dispatch Service Due	18,874	18,504	18,503	18,503	19,275	19,275	18,500	
5520 Improvements	2,500	56	-	-	-	-	-	
Subtotal	***23,374***	***20,250***	***20,003***	***20,003***	***20,391***	***19,275***	***18,500***	-
5800 Budget Reduction	(14,607)		-	-	-	-	-	-
Subtotal	***(14,607)***	-	-	-	-	-	-	-
6100 Fixed Asset - Computer Hard	5,100	4,273	1,300	1,300	3,389		-	-
6400 Fixed Asset - Vehicles	-	-	-	-	-	-	-	-
6600 Fixed Asset - Land Improvem	-	-	-	-	-	-	-	-
Subtotal	***5,100***	***4,273***	***1,300***	***1,300***	***3,389***	-	-	-
Total Expenditures	557,182	602,482	575,227	555,224	576,278	608,768	601,310	(1,493)
						Changes	*(1,493)*	
						Total Adopted Budget	*599,817*	

Planning Department

STATEMENT OF FUNCTION

The Planning Department oversees the City's long-range and current planning activities, develops, implements, and maintains the update of the City's General Plan and Zoning Regulations; and reviews all development projects to ensure conformance with all General Plan goals, policies and standards, and overseas the City's housing programs. The Department is staffed by the Community Development Director (70%) and the City Clerk (33.33%).

The Department also provides staff support to the Rio Dell Planning Commission who is appointed by the City Council. The Commission holds hearings and makes recommendations to the City Council relating to the sound and orderly growth and development of the City. The Planning Commission is the approving authority for subdivisions, lot mergers, lot line adjustments, use permits, and variances.

2014-15 BUDGET

The recommended budget for the Planning Department totals $114,619 and is offset by only $9,500 of planning fees for a net cost to the General Fund of $105,119. The overall budget is reduced $32,045 from last year due to the internal transfer of staff time from Planning to the Building Department, including a time reduction from full-time to 4/5 time for the position of Community Development Director.

SALARIES AND BENEFITS

Salaries and benefits for that portion of the Community Development Director and City Clerks related to the function total $95,502 (including council approved changes), down $27,131 from 2013-14 due to the increased need of support in the Building Department, and the decrease in the Community Development Director position.

SERVICES AND SUPPLIES

Services and supplies for 2014-15 are recommended at $19,117, $4,914 less than last year. The various accounts are budgeted conservatively with reductions in Legal Expense (5122), Professional Services (5115) and Training (5122) costs.

CITY COUNCIL ACTION ON FINAL BUDGET – Decreased ($12,737)

1. Decrease salary and benefits accounts to reflect Community Development Director at 80% time;

a. Full Time Salaries (Account 5000)	$	(10,271)
b. Benefit-ICMA City 457 (Account 5035)		(1,232)
c. Workers Compensation Insurance		(391)

3. CITY COUNCIL ACTION ON FINAL BUDGET cont.– Decreased ($12,737)

c. FICA/MEDI (Account 5050)	(786)
d. Unemployment Insurance (Account 5055)	(103)

2. Water Account (5152) has been increased by $16 to reflect the Planning Department's portion of water charges for FY 2014-2015.

3. Sewer Account (5153) has been increased by $30 to reflect the Planning Department's portion of water charges for FY 2014-2015.

Approved Budget
PLANNING DEPARTMENT
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
EXPENDITURES								
5000 Full Time Salaries	91,182	82,989	91,780	91,780	84,175	74,863	74,863	(10,271)
5035 Benefit - ICMA City 457	10,942	10,259	12,919	12,919	10,675	8,984	8,984	(1,232)
5040 Benefit - Health Insurance	8,730	8,220	7,649	7,649	9,409	14,482	14,482	
5042 Benefit - Life Insurance	276	312	297	297	346	266	266	
5044 Benefit - Dental/Vision Insur	339	383	379	379	459	935	935	
5045 Worker Compensation Insurance	1,660	2,255	1,670	1,670	2,110	2,281	2,281	(391)
5050 FICA/MEDI	6,975	7,394	7,021	7,021	7,386	5,727	5,727	(786)
5055 Unemployment Insurance	912	543	918	918	679	749	749	(103)
Subtotal	*121,016*	*112,355*	*122,633*	*122,633*	*115,239*	*108,285*	*108,285*	*(12,783)*
5101 Office Supplies	510	398	400	400	381	350	350	
5102 Operating Supplies	300	131	300	300	153	150	150	
5103 Postage	1,000	567	600	600	263	300	300	
5104 Printing - Forms	1,020	1,443	250	250	1,464	1,250	1,250	
5112 Legal	5,100	3,461	3,000	3,000	454	1,000	1,000	
5115 Contract/Professional Services	-	3	1,000	1,000	159	300	300	
5119 Safety Supplies & Equipment	-	2	-	-	-	-	-	
5120 Telephone - Pagers	826	941	826	826	964	975	975	
5122 Training - Conference	1,950	271	1,500	1,500	491	1,000	750	
5123 Automobile - Transportation	510	498	1,750	1,750	281	1,250	1,250	
5125 Publications - Books	510	98	250	250	138	100	100	
5126 Dues & Memberships	102	290	300	300	35	350	350	
5128 Employee Relations	102	39	50	50	-	25	25	
5130 Rents - Leases	700	827	700	700	788	800	800	
5131 Records Maintenance	-	-	-	-	86	100	100	
5135 Maintenance - Repair	700	500	500	500	965	400	400	
5138 Office Equipment	-	8	100	100	9	500	500	
5139 Equipment	-	3	-	-	-	-	-	
5141 General Liability Insurance	3,380	1,975	3,646	3,646	2,823	3,548	3,548	
5143 Property Insurance	585	349	820	820	656	787	787	
5144 Employee Practice Liab Insurance	325	192	289	289	198	261	261	
5150 Electricity	560	537	560	560	483	600	600	
5151 Natural Gas	90	52	90	90	51	100	100	
5152 Water								16
5153 Sewer								30
5164 Regulatory Fees	-	502	4,000	4,000	63	2,000	2,000	
5166 Regulatory Fees	1,700	1,700	1,700	1,700	-	1,700	1,700	
5171 Computer Software	102	56	900	900	593	200	200	
5173 Computer Maintenance - Support	102	212	250	250	653	875	875	
5174 Web Design Services	510	7	250	250	25	400	400	
5175 Community Promotions	-	4	-	-	-	-		
Subtotal	*20,684*	*15,066*	*24,031*	*24,031*	*12,171*	*19,321*	*19,071*	*46*
5215 Public Works - Small Tools	-	-	-	-	-	-	-	
5512 Planning	10,200	1,405	-	-	-	-	-	
5520 Improvements	-	14	-	-	-	-	-	
Subtotal	*10,200*	*1,419*	-	-	-	-	-	-
5610 Bad Debt	-	1,523	-	-	-	-	-	
Subtotal	-	*1,523*	-	-	-	-	-	-
5800 Budget Reduction	(4,702)	-	-	-	-	-	-	
Subtotal	*(4,702)*	-	-	-	-	-	-	-
6600 Fixed Asset - Land Improvements	-	-	-	-	-	-	-	
Subtotal	-	-	-	-	-	-	-	-
Total Expenditures	147,198	130,363	146,664	146,664	127,410	127,606	127,356	(12,737)
						Changes	*(12,737)*	
						Total Adopted Budget	*114,619*	

Building Department

STATEMENT OF FUNCTION

The Building Department is responsible to insure that residents comply with State Building Codes and local laws; basically a charge to protect the public health, safety and welfare.

In previous years the building inspection and plan check components of the program were provided by an independent contractor. However, the service is presently provided by the City of Fortuna while Rio Dell's Community Development Director undergoes the necessary training to provide the service in-house.

NEW PROGRAM

On March 4, 2014 the City Council adopted Resolution 1218-2104 to place the building program on a self-funded basis as following:

1. Established a "Building Department Administrative Fee" in the amount of 66% for all plan check and building permit fees effective July 1, 2014.

2. Directed that the revenue collected from the administrative fee be deposited in a revenue account entitled "Building Department Administrative Fee" for the purpose of fully funding the activities of the Building Department, including the additional costs of such services charged to the City by an independent contractor or another public agency.

3. Directed that in any fiscal year that the total revenue from building plan check and building permit fees is greater than the gross cost of the department, the additional revenue shall be deposited into a "Building Department Revenue Trust Fund" to be used in future years when revenues fall short of covering the total cost of the program.

4. a). Directed that if the revenue in the "Building Department Trust Fund" accrues, at the end of any fiscal year, to $20,000 or more, the Fund shall be reduced to $10,000 by applying the amount in excess of $10,000 towards the reduction of the "Building Inspection Administrative Fee" for the ensuing fiscal year.

   b). Directed that if the revenue in the "Building Department Trust Fund" after initially reaching $10,000 or more then falls below $10,000 at the end of any fiscal year, the "Building Department Administrative Fee" shall be adjusted (increased) administratively by an amount estimated to achieve a balance of at least $10,000 by the end of the fiscal year.

2014-15 BUDGETS

The recommended Building Department Operating Budget for 2014-15 totals $75,183. This amount is offset by $52,575 of revenue from plan check and building permit fees. Thus, there is a General Fund contribution in the amount of $28,467 (38%) to balance the fund.

The department is staffed by a 4/5 time Community Development Director (30%) and the City Clerk (33.33%)

SALARIES AND BENEFITS

Salaries and benefits for personnel providing this service total $60,466.

SERVICES AND SUPPLIES

Services and supplies total $14,737. There is $5,000 in the Contract line item (5115) for the City of Fortuna's contract services until the Rio Dell City employee is licensed to provide the services.

POLICY ITEMS

The City Council's policy decision of March 4, 2014 was to implement a Building Department program that is self-supporting; requiring no General Fund subsidy to balance revenues to expenditures. At that time, the establishment of an Administrative Fee of 66% of base charges would have balanced the budget. But, providing the services in-house proves to be more expensive. Accordingly, to follow the Council's policy to make the program self-funded, Administrative Fees will have to be increased by another $33,678.

It is recommended that the City Council direct the City Manager to prepare a new revenue schedule to achieve the self-supporting policy for the program.

CITY COUNCIL ACTION ON FINAL BUDGET – Decreased ($5,384)

1. Decrease salary and benefits accounts to reduce Community Development Director Position to 80%.

a. Full Time Salaries (Account 5000)	$	(4,402)
b. Benefit-ICMA City 457 (Account 5035)		(528)
c. Workers Compensation Insurance		(168)
d. FICA/MEDI (Account 5050)		(337)
e. Unemployment Insurance (Account 5055)		(44)

2. Water Account (5152) has been increased by $33 to reflect the Building Department's portion of water charges for FY 2014-2015.

CITY COUNCIL ACTION ON FINAL BUDGET – Decreased ($5,384)

3. Sewer Account (5153) has been increased by $61 to reflect the Building Department's portion of water charges for FY 2014-2015.

Approved Budget
BUILDING DEPARTMENT
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 Adjusted Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
EXPENDITURES								
5000 Full Time Salaries	14,223	14,743	14,654	14,654	14,593	43,721	43,721	(4,402)
5035 Benefit - ICMA City 457	1,381	1,704	3,664	3,664	1,691	5,247	5,247	(528)
5040 Benefit - Health Insurance	5,190	5,007	4,399	4,399	7,345	11,201	11,201	
5042 Benefit - Life Insurance	24	45	45	45	50	150	150	
5044 Benefit - Dental/Vision Insur	340	427	379	379	459	728	728	
5045 Worker Compensation Insurar	510	574	267	267	521	1,095	1,095	(168)
5050 FICA/MEDI	1,088	1,162	1,121	1,121	1,124	3,345	3,345	(337)
5055 Unemployment Insurance	142	109	147	147	136	437	437	(44)
Subtotal	*22,898*	*23,771*	*24,676*	*24,676*	*25,919*	*65,924*	*65,924*	*(5,479)*
5101 Office Supplies	77	88	80	80	45	150	150	
5102 Operating Supplies	230	25	50	50	189	100	633	
5103 Postage	102	22	50	50	26	40	40	
5104 Printing - Forms	128	42	200	200	319	100	100	
5112 Legal	-	160	1,000	1,000	1,704	700	700	
5115 Contract/Professional Services	18,355	16,451	24,000	24,000	26,966	10,000	5,000	
5120 Telephone - Pagers	128	30	128	128	29	300	300	
5122 Training - Conference	-	-	-	-	-	3,000	3,000	
5123 Automobile - Transportation							1,000	
5125 Publications - Books	1,530	2	1,000	1,000	3	500	500	
5126 Dues & Memberships	102	1	500	500	289	250	250	
5128 Employee Relations	-	8	-	-	-	25	25	
5130 Rents - Leases	306	251	300	300	179	150	150	
5131 Records Maintenance	-	-	-	-	68	60	60	
5135 Maintenance - Repair	51	98	50	50	1,700	400	400	
5138 Office Equipment	-	2	-	-	1	500	500	
5139 Equipment	-	2	-	-	-			
5141 General Liability Insurance	676	395	1,302	1,302	565		710	
5143 Property Insurance	117	70	293	293	131			
5144 Employee Practice Liab Insurai	65	38	124	124	40			
5150 Electricity	250	107	300	300	96	125	125	
5151 Natural Gas	46	10	50	50	10	50	50	
5152 Water								33
5153 Sewer								61
5164 Regulatory Fees	-	43	50	50	231	250	250	
5167 Seismic Fees	179	51	200	200	190	200	200	
5171 Computer Software	26	10	25	25	-	100	100	
5173 Computer Maintenance - Supp	102	53	99	99	18	200	200	
5174 Web Design Services	-	1	-	-	5	200	200	
5175 Community Promotions	-	1	-	-	-			
Subtotal	*22,470*	*17,961*	*29,801*	*29,801*	*32,803*	*17,400*	*14,643*	*94*
5520 Improvements	-	3	-	-	-	-	-	
Subtotal	-	*3*	-	-	-	-	-	-
5800 Budget Reduction	(1,776)	-	-	-	-	-	-	
Subtotal	*(1,776)*	-	-	-	-	-	-	-
6600 Fixed Asset - Land Improveme	-	-	-	-	-	-	-	
Subtotal	-	-	-	-	-	-	-	-
Subtotal Expenditures	43,592	41,735	54,477	54,477	58,721	83,324	80,567	(5,385)
						Changes	*(5,385)*	
						Total Adopted Budget	*75,182*	

SOLID WASTE DEPARTMENT

AB939 mandated a 50% diversion rate for a municipality's solid waste by the year 2000. We have recently seen new targets set by the State of California with the implementation of State Assembly Bill (2009), changing the way a jurisdiction's diversion performance is calculated; from a communitywide standard to a per capita amount which is more difficult to meet.

2014-15 BUDGET

The recommended budget for this department is $9,500, funded by AB 939 pass through funds from Humboldt Waste Management Authority tipping fees collected at their facility in Eureka.

SALARIES AND BENEFITS

There are no City personnel allocated to this function. However, it is estimated that 40 hours of the City Manager will be charged to the program ($3,115).

SERVICES AND SUPPLIES

Services and supplies funds the HWMA administrative agreement for the program at $5,283 and $1,102 for Eel River Disposal charges related to the City's annual spring clean-up.

POLICY ITEMS

There are no policy items in this budget unit.

Approved Budget
SOLID WASTE
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved
EXPENDITURES								
5000 Full Time Salaries	2,455	466	1,630	1,630	1,368	2,055	2,055	
5030 Overtime Salaries	123	75					-	
5032 Retirement - City Manager		65			138		-	
5035 Benefit - ICMA City 457	245	7			51	288	288	
5040 Benefit - Health Insurance	445	(7)				535	535	
5042 Benefit - Life Insurance	5					6	6	
5044 Benefit- Dental/Vision Ins	51					33	33	
5045 Workers Compensation Insurar	12	159			74	20	20	
5050 Fica/Medi	197	48			123	157	157	
5055 Unemployment Insurance	24				6	21	21	
Subtotal	*3,557*	*813*	*1,630*	*1,630*	*1,760*	*3,115*	*3,115*	
5101 Office Supplies	104	20	164	164	4	17	17	
5102 Operating Supplies	754	12	820	820	12	50	50	
5103 Postage	357	1	410	410	4			
5104 Printing - Forms	104	4	164	164	3			
5105 Advertising	182	127	246	246	168	50	50	
5106 Promotional	130		205	205				
5112 Legal	255	1,184			10			
5115 Contract Professional Services	1,121	203	3,010	3,010	135	5,000	5,000	
5119 Safety Supplies & Equipment								
5120 Telephone - Pagers	20	14			12			
5122 Training - Conference								
5123 Automobile - Transportation	156	22	82	82				
5125 Publications - Books		1			1			
5126 Dues & Memberships	104							
5128 Employee Relations		3						
5130 Rents & Leases		63			57	110	110	
5131 Records Maintenance					4			
5135 Maintenance - Repair		45			33	56	56	
5138 Office Equipment		1			1			
5139 Equipment		1						
5141 General Liability Insurance	345	182	427	427	261			
5143 Property Insurance	60	32	96	96	61			
5144 Emp Practice Liab Insurance	33	18	34	34	20			
5150 Electricity		50			39			
5151 Electricity	77	5	123	123	4			
5154 Garbage	408	1,209	1,148	1,148	542	1,102	1,102	
5171 Computer Software		4						
5173 Computer Maintenance - Support		7			13			
5174 Web Design Services	153	1	41	41	2			
5175 Community Promotions								
5520 Improvements		1						
8000 Reserve Allocation	1,386							
Subtotal	*5,749*	*3,210*	*6,970*	*6,970*	*1,386*	*6,385*	*6,385*	
5212 Gas & Oil					-	-		
5215 Public Works - Small Tools					-	-		
5520 Improvements					-	-		
Subtotal	-	-	-	-	-	-	-	
6600 Fixed Asset - Land Improvements					-	-		
Subtotal					-	-	-	
TOTAL EXPENDITURES	9,306	4,023	8,600	8,600	3,146	9,500	9,500	

Recycling

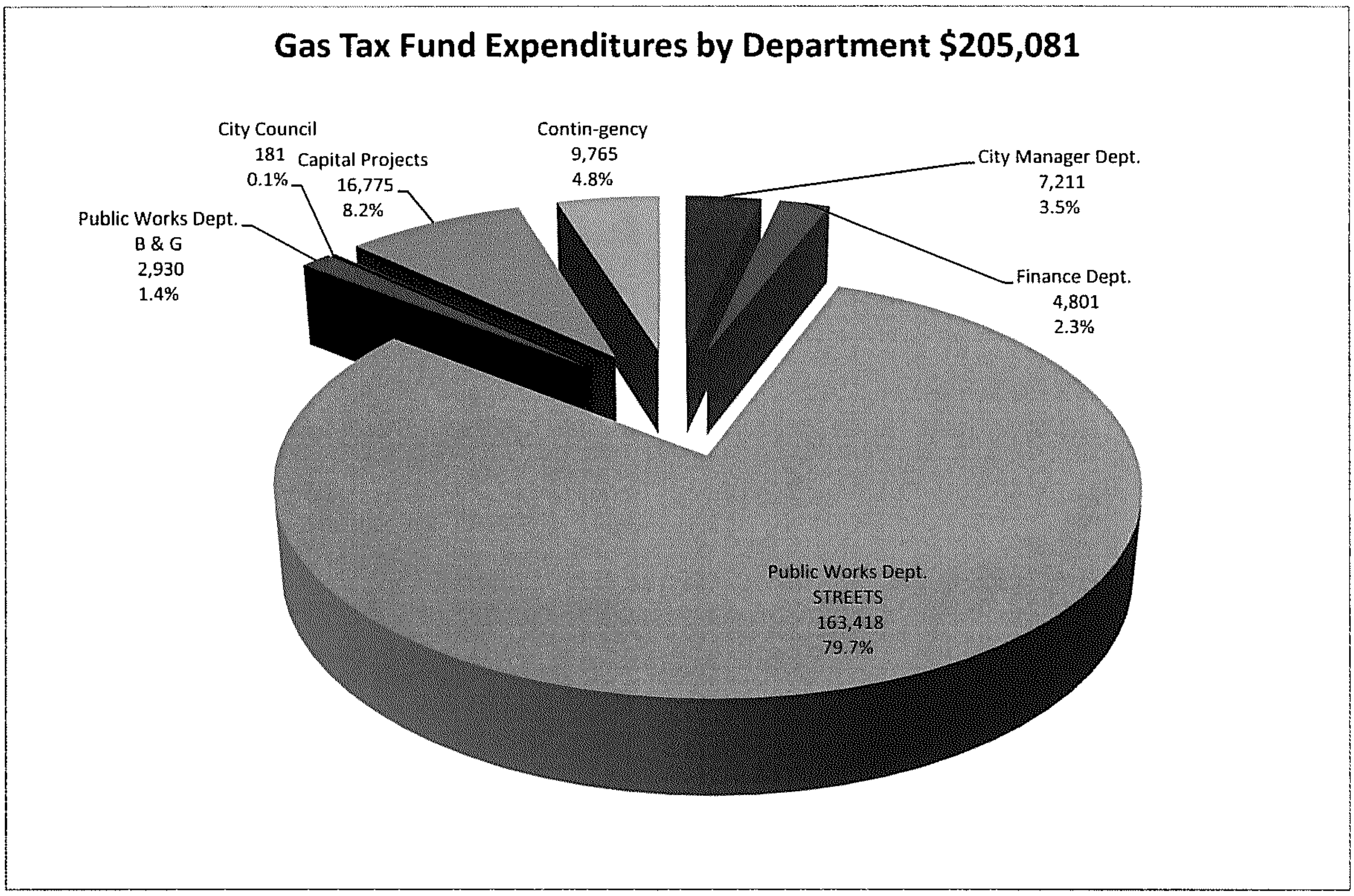
STATEMENT OF FUNCTION

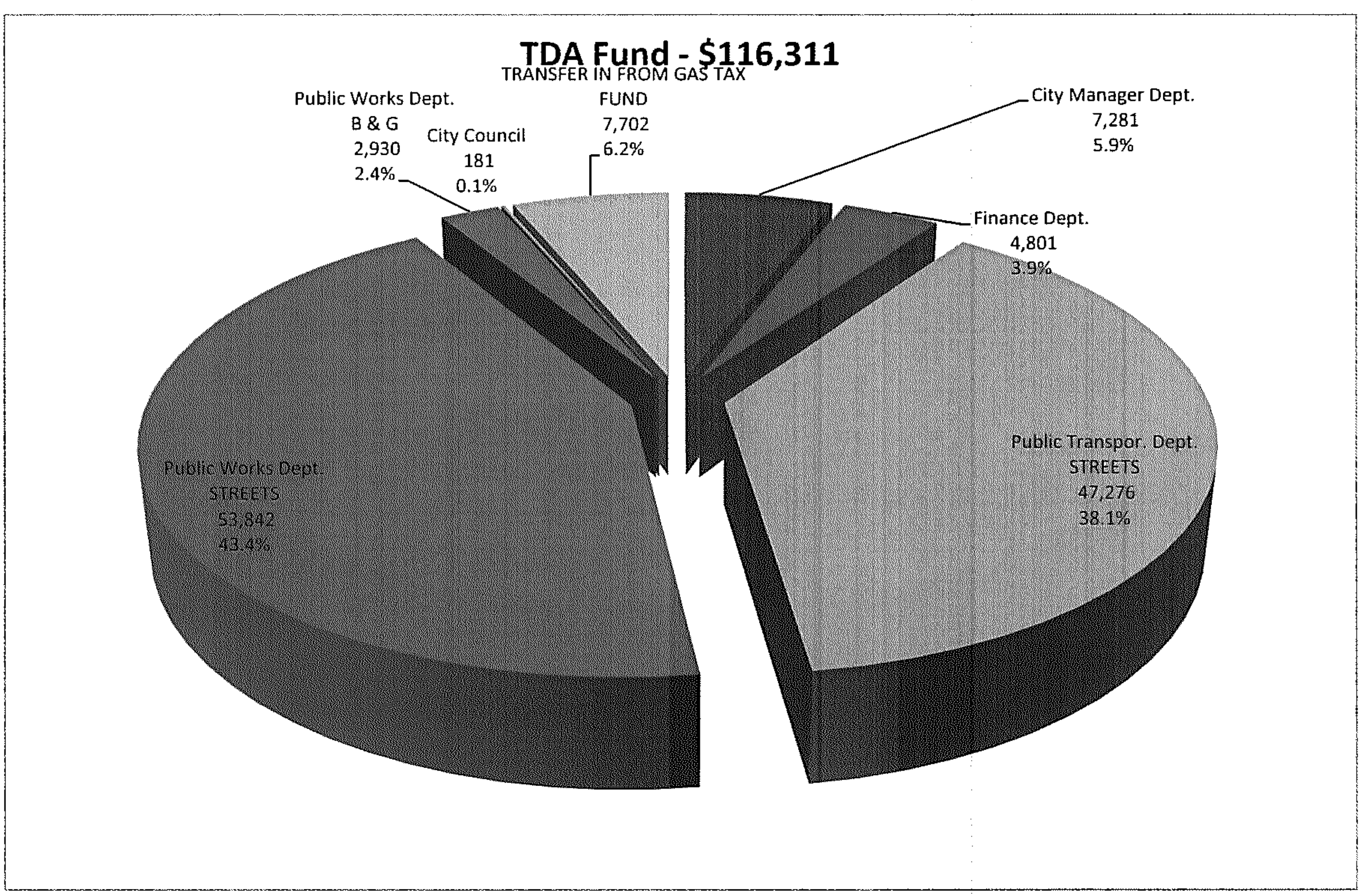
The Recycling Department was tasked with providing responsible program development, coordination, and administration designed to bring the City into compliance with State Assembly Bill 939 (Recycling). AB939 mandated a 50% diversion rate for a municipality's solid waste by the year 2000. We have recently seen new targets set by the State of California with the implementation of State Assembly Bill (2009), changing the way a jurisdiction's diversion performance is calculated; from a communitywide standard to a per capita amount which is more difficult to meet.

As a budget reduction measure, at the state level, the annual $5,000 Beverage Container Grant to local agencies has been discontinued beginning July 1, 2014. Accordingly, this budget unit will be phased out as the special funds spend down.

2014-15 BUDGET

Funds are available in the amount of $15,033 for activities allowed under the CalRecycle Beverage Container Grant. A program for 2014-15 is under development.


Gas Tax Fund Expenditures by Department $205,081
City Council
181
0.1%
Capital Projects
16,775
8.2%
Contin-gency
9,765
4.8%
City Manager Dept.
7,211
3.5%
Public Works Dept.
B & G
2,930
1.4%
Finance Dept.
4,801
2.3%
Public Works Dept.
STREETS
163,418
79.7%


TDA Fund - $116,311
TRANSFER IN FROM GAS TAX FUND
7,702
6.2%
Public Works Dept.
B & G
2,930
2.4%
City Council
181
0.1%
City Manager Dept.
7,281
5.9%
Finance Dept.
4,801
3.9%
Public Works Dept.
STREETS
53,842
43.4%
Public Transpor. Dept.
STREETS
47,276
38.1%

Streets

STATEMENT OF FUNCTION

The Public Works Department is responsible for the maintenance of all City streets, drainage ditches, culverts and related signage. The department is staffed by the Water/Streets Superintendent and a portion of four (4) Utility Workers who also maintain the Building and Grounds and the Water and Wastewater plants and systems.

2014-15 BUDGET

The sole source of funding for the maintenance of the City's 20 miles of streets is from Gas Tax ($90,010) (Fund 20) and Transportation Development Act (TDA) funds ($108,609) (Fund 24). A total of $47,276 of TDA funds is diverted from the street budget to fund the mass transportation needs of the community. Thus, monies available for street repair total $151,343 for 2014-15.

The adopted $321,392 budget will fund the salary and benefits for the Superintendent of Streets and a portion of four (4) Utility Workers who also staff Building and Grounds Maintenance and the Wastewater and Water system.

The projected Gas Tax Fund balance of $226, 045 is deceivingly high due to the ISTEA, TCRF, and STIP Funds that have carried balances for several years being transferred to the Gas Tax Fund for appropriation. The 2014-15 program pulls $115,071 from the Reserve, leaving the estimated year-end balance of $110,974. In addition, the TDA Fund (24) must be supplemented by the Gas Tax Fund (20) in the amount of $7,702 further decreasing the year end Reserve to $103,272. The Streets Reserve is in a rapid decline.

Revenues for the Street program are inadequate to maintain the system. In 2012 the City attempted the passage of a special bond measure to rehabilitate and resurface 11.5 miles of City streets. The measure failed the 66.666% voter approval by 25 votes. In the long term, the General Fund may be called upon to maintain a minimum effort, although the condition of City streets will only worsen.

SALARIES AND BENEFITS

In last year's budget the cost of labor for the maintenance of City streets was assumed to be 13% of the staff costs, but mid-year an internal transfer of $66,295 was required because 35% of Public Works staff had logged time against the Streets program. For 2014-15, salary and benefits totaling $134,606 (41%) was adopted. Also, health insurance and worker's compensation insurance were substantially under estimated at $7,270 in 2013-14. Those accounts will total $30,647 in 2014-15.

SERVICES AND SUPPLIES

The service and supply object for 2014-15 is recommended at $102,053 which includes council approved changes. This is an increase of $33,137 from 2013-14. However, the City's contribution of TDA funds for services provided by the Humboldt Transit Authority and the Senior Resource Center totaling $47,276 was added to the budget mid-year 2013-14.

The Streets line item (5108) was budget at $15,000 last year and was adopted at $14,025 for 2014-15. It includes $5,000 for hot patch and $9,025 for all other street repairs.

OTHER CHARGES

Other charges recommended at $4,878 are $2,873 less than last year due to the transfer of costs to the new Building and Grounds budget unit.

Engineering (5514) is recommended at $18,000 for the City Engineer's (GHD) monthly attendance at the HCAOG Transportation Advisory Committee (TAC) and $5,000 for general engineering requirements.

There are no Capital Projects budgeted for Streets in 2014-15.

CITY COUNCIL ACTION ON FINAL BUDGET – Increased $5,540

1. Worker's Compensation Insurance Account (5045) increased $1,659 after recalculation.

2. Water Account (5152) increased $3,881 to reflect streets water use for irrigation of streets areas.

Approved Budget
STREETS - PUBLIC WORKS
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
EXPENDITURES								
5000 Full Time Salaries		28,684	30,516	30,516	90,640	82,525	82,525	
5030 Overtime Salaries		94	975	975	673	3,004	3,004	
5035 Benefit - ICMA City 457		2,488	3,352	3,352	8,581	8,123	8,123	
5040 Benefit - Health Insurance		4,238	5,775	5,775	8,010	15,705	15,705	
5042 Benefit - Life Insurance		68	93	93	95	234	234	
5044 Benefit - Dental/Vision Insur		684	785	785	990	2,108	2,108	
5045 Worker Compensation Insurance		1,348	1,495	1,495	5,285	13,283	13,283	1,659
5050 FICA/MEDI		2,409	2,335	2,335	7,606	6,313	6,313	
5055 Unemployment Insurance		680	304	304	1,444	825	825	
5060 Clothing Allowance		124	255	255	108	825	825	
5080 Hiring Costs		116	65	65	-	-	-	
5081 Compensated Absences					-	-	-	
Subtotal		***40,933***	***45,950***	***45,950***	***123,431***	***132,948***	***132,948***	***1,659***
5101 Office Supplies		108	300	300	90	100	90	
5102 Operating Supplies		604	1,000	1,000	930	1,000	930	
5103 Postage		9	51	51	26	30	26	
5104 Printing - Forms		25	51	51	28	30	28	
5105 Advertising		-	51	51	188	200	188	
5107 Memorial Park Expense		-	2,500	2,500	1,538	-	-	
5108 Streets		7,044	15,000	15,000	9,025	10,000	14,025	
5109 Chemicals		-	-	-	-	-	-	
5112 Legal		508	251	251	1,373	1,000	1,373	
5115 Contract/Professional Services		41,564	3,000	3,000	45,649	48,000	47,276	
5119 Safety Supplies & Equipment		146	2,500	2,500	173	2,000	173	
5120 Telephone - Pagers		683	1,200	1,200	1,068	1,100	1,068	
5122 Training - Conference		-	1,500	1,500	-	550	-	
5123 Automobile - Transportation		6	100	100	151	150	151	
5125 Publications - Books		8	100	100	10	50	10	
5126 Dues & Memberships		154	200	200	155	160	155	
5127 License		-	-	-	10	20	10	
5128 Employee Relations		16	19	19	-	20	-	
5129 Meeting		2	-	-	-	-	-	
5130 Rents - Leases		228	1,500	1,500	493	600	493	
5131 Records Maintenance		-	-	-	46	50	46	
5135 Maintenance - Repair		1,032	3,500	3,500	1,934	2,600	1,934	
5136 Parks Maintenance - Repair		-	2,500	2,500	-	-	-	
5138 Office Equipment - P.W.		6	100	100	39	1,800	39	
5139 Equipment		777	3,500	3,500	1,476	1,500	1,476	
5141 General Liability Insurance		2,166	2,167	2,167	2,041	2,347	2,347	
5143 Property Insurance		396	486	486	474	739	739	
5144 Employee Practice Liability Insurance		217	171	171	143	173	173	
5148 Office Equipment		-	-	-	33	-	33	
5150 Electricity		17,608	25,000	25,000	23,424	24,500	25,000	
5151 Natural Gas		33	500	500	38	100	38	
5152 Water								3,881
5154 Garbage		15	60	60	64	70	64	

Approved Budget
STREETS - PUBLIC WORKS
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
5162 Medical		-	151	151	30	50	30	
5164 Regulatory Fees		-	1,000	1,000	90	100	90	
5165 Property Tax Assessment		-	36	36	-	.	-	
5171 Computer Software		12	151	151	75	250	75	
5173 Computer Maintenance - Support		89	251	251	79	125	79	
5174 Web Design Services		5	10	10	18	20	18	
5175 Community Promotions		3	10	10	-	-		
Subtotal		***73,464***	***68,916***	***68,916***	***90,905***	***99,434***	***98,172***	***3,881***
5212 Gas & Oil		1,608	2,500	2,500	1,508	3,500	1,508	
5213 Vehicle Repair		1,113	2,000	2,000	1,861	2,000	1,861	
5215 Public Works - Small Tools		276	2,000	2,000	781	1,250	781	
5217 License		-	-	-	10	-	10	
5225 Public Works - Lab Testing		-	-	-	-	-	-	
5227 Public Works - Eqiup. Repair		470	1,000	1,000	718	1,000	718	
5229 Public Works - Equip. Rental		-	251	251	-	-		
Subtotal		***3,467***	***7,751***	***7,751***	***4,878***	***7,750***	***4,878***	-
5410 Interest Expense		-	-	-	-	-	-	
5430 Fines/Penalties		-	-	-	-	-	-	
5514 Engineering		-	35,000	35,000	238	18,000	23,000	
5520 Improvements		13	996	996	-	-	-	
Subtotal		***13***	***35,996***	***35,996***	***238***	***18,000***	***23,000***	-
5800 Budget Reduction		-	-	-	-	-	-	
Subtotal		-	-	-	-	-	-	-
6000 Fixed Asset - Equipment		-	-	-	-	-	-	
6400 Fixed Asset - Vehicles		-	-	-	-	-	-	
6500 Fixed Asset- Infrastructure		-	-	-	-	-	-	
6600 Fixed Asset - Land Improvements		-	-	-	-	-	-	
Subtotal		-	-	-	-	-	-	-
Total Expenditures		117,877	158,613	158,613	219,451	258,131	258,997	5,540
						Changes	*5,540*	
						Total Adopted Budget	*264,537*	

(Inc. pass-thru $47,276 HTA/ADH&AS)

Approved Budget
STREETS - PUBLIC WORKS
FY 2014-2015

PUBLIC WORKS - STREETS	Gas Tax Fund 020	TDA Fund 024	Total Streets Combined
EXPENDITURES			
5000 Full Time Salaries	49,515	33,010	82,525
5030 Overtime Salaries	1,802	1,202	3,004
5035 Benefit - ICMA City 457	4,874	3,249	8,123
5040 Benefit - Health Insurance	9,423	6,282	15,705
5042 Benefit - Life Insurance	141	94	234
5044 Benefit - Dental/Vision Insur	1,265	843	2,108
5045 Worker Compensation Insurance	8,965	5,977	14,942
5050 FICA/MEDI	3,788	2,525	6,313
5055 Unemployment Insurance	495	330	825
5060 Clothing Allowance	495	330	825
5080 Hiring Costs	-	-	
5081 Compensated Absences			-
Subtotal	*80,764*	*53,843*	*134,607*
5101 Office Supplies	90		90
5102 Operating Supplies	930		930
5103 Postage	26		26
5104 Printing - Forms	28		28
5105 Advertising	188		188
5107 Memorial Park Expense	-		-
5108 Streets	14,025		14,025
5109 Chemicals	-		-
5112 Legal	1,373		1,373
5115 Contract/Professional Services	-	47,276	47,276
5119 Safety Supplies & Equipment	173		173
5120 Telephone - Pagers	1,068		1,068
5122 Training - Conference	-		-
5123 Automobile - Transportation	151		151
5125 Publications - Books	10		10
5126 Dues & Memberships	155		155
5127 License	10		10
5128 Employee Relations	-		-
5129 Meeting	-		-
5130 Rents - Leases	493		493
5131 Records Maintenance	46		46
5135 Maintenance - Repair	1,934		1,934
5136 Parks Maintenance - Repair	-		-
5138 Office Equipment - P.W.	39		39
5139 Equipment	1,476		1,476
5141 General Liability Insurance	2,347		2,347
5143 Property Insurance	739		739
5144 Employee Practice Liability Insurance	173		173
5148 Office Equipment	33		33
5150 Electricity	25,000		25,000
5151 Natural Gas	38		38
5152 Water	3,881		3,881
5154 Garbage	64		64

Approved Budget
STREETS - PUBLIC WORKS
FY 2014-2015

PUBLIC WORKS - STREETS	Gas Tax Fund 020	TDA Fund 024	Total Streets Combined
5162 Medical	30		30
5164 Regulatory Fees	90		90
5165 Property Tax Assessment	-		-
5171 Computer Software	75		75
5173 Computer Maintenance - Support	79		79
5174 Web Design Services	18		18
5175 Community Promotions	-	-	-
Subtotal	***54,777***	***47,276***	***102,053***
5212 Gas & Oil	1,508		1,508
5213 Vehicle Repair	1,861		1,861
5215 Public Works - Small Tools	781		781
5217 License	10		10
5225 Public Works - Lab Testing	-		-
5227 Public Works - Eqiup. Repair	718		718
5229 Public Works - Equip. Rental	-		-
Subtotal	***4,878***	-	***4,878***
5410 Interest Expense	-	-	-
5430 Fines/Penalties	-	-	-
5514 Engineering	23,000		23,000
5520 Improvements	-	-	-
Subtotal	***23,000***	-	***23,000***
5800 Budget Reduction	-	-	-
Subtotal	-	-	-
6000 Fixed Asset - Equipment	-	-	-
6400 Fixed Asset - Vehicles	-	-	-
6500 Fixed Asset- Infrastructure	-	-	-
6600 Fixed Asset - Land Improvements	-	-	-
Subtotal	-	-	-
Total Expenditures	163,419	101,119	264,537

Buildings and Grounds

STATEMENT OF FUNCTION

The City is responsible for the maintenance of the City owned buildings and grounds. These areas include three City parks and City Hall and its adjacent areas. The three parks include Triangle Park, Davis Street Park, and Memorial Park. The City's Buildings and Grounds department is within Public Works. The 2014-2015 fiscal year is the first year that a departmental budget has been fully developed and made a necessary part of the City's Operating and Capital budget.

2014-15 BUDGET

The recommended budget for the Building and Grounds department is $58,590. Over 80% of the Building and Grounds department budget is for salaries and benefits. The additional budgeted amount of $12,479 is mainly for maintenance and repairs.

The budget spread amongst the various funds as adopted is $35,154 (60%) to the General Fund, $5,859 (10%) to the Building Fund, $5,859 (10%) to Streets, $5,859 (10%) to Sewer Operations, and $5,859 (10%) to the Water Fund.

CITY COUNCIL ACTION ON FINAL BUDGET – Increased $1,729

1. Water Account (5152) has been increased by $1,729 to reflect the Building and Grounds department's portion of water charges for FY 2014-2015.

Approved Budget
BUILDINGS & GROUNDS - PUBLIC WORKS
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved
EXPENDITURES								
5000 Full Time Salaries			-	-	-	26,866	26,866	
5030 Overtime Salaries			-	-	-	1,612	1,612	
5035 Benefit - ICMA City 457			-	-	-	2,687	2,687	
5040 Benefit - Health Insurance			-	-	-	6,650	6,650	
5042 Benefit - Life Insurance			-	-	-	84	84	
5044 Benefit - Dental/Vision Insur			-	-	-	910	910	
5045 Worker Compensation Insurance			-	-	-	4,694	4,694	
5050 FICA			-	-	-	2,055	2,055	
5055 Unemployment Insurance			-	-	-	269	269	
5060 Clothing Allowance			-	-	-	286	286	
5080 Hiring Costs			-	-	-	-	-	
5081 Compensated Absences Payable			-	-	-	-	-	
Subtotal			-	-	-	*46,111*	*46,111*	
5101 Office Supplies			-	-	-	-		
5102 Operating Supplies			-	-	-	-	150	
5103 Postage			-	-	-	-		
5104 Printing - Forms			-	-	-	-		
5105 Advertising			-	-	-	-		
5107 Memorial Park Expense			-	-	-	1,300	1,300	
5108 Streets			-	-	-	-		
5109 Chemicals			-	-	-	-		
5112 Legal			-	-	-	-		
5115 Contract/Professional Services			-	-	-	-		
5119 Safety Supplies & Equipment			-	-	-	150	150	
5120 Telephone - Pagers			-	-	-	-		
5122 Training - Conference			-	-	-	-		
5123 Automobile - Transportation			-	-	-	-		
5125 Publications - Books			-	-	-	-		
5126 Dues & Memberships			-	-	-	-		
5127 License			-	-	-	-		
5128 Employee Relations			-	-	-	-		
5129 Meeting			-	-	-	-		
5130 Rents - Leases			-	-	-	-		
5131 Records Maintenance			-	-	-	-		
5135 Maintenance - Repair			-	-	-	-		
5136 Parks Maintenance - Repair			-	-	-	4,250	4,250	
5138 Office Equipment - P.W.			-	-	-	-		
5139 Equipment			-	-	-	800	800	
5141 General Liability Insurance			-	-	-	-		
5143 Property Insurance			-	-	-	-		
5144 Employee Practice Liability Insurance			-	-	-	-		
5148 Office Equipment			-	-	-	-		
5150 Electricity			-	-	-	-		
5151 Natural Gas			-	-	-	-		
5152 Water								1,729
5154 Garbage			-	-	-	-		
5162 Medical			-	-	-	-		

Approved Budget
BUILDINGS & GROUNDS - PUBLIC WORKS
FY 2014-2015

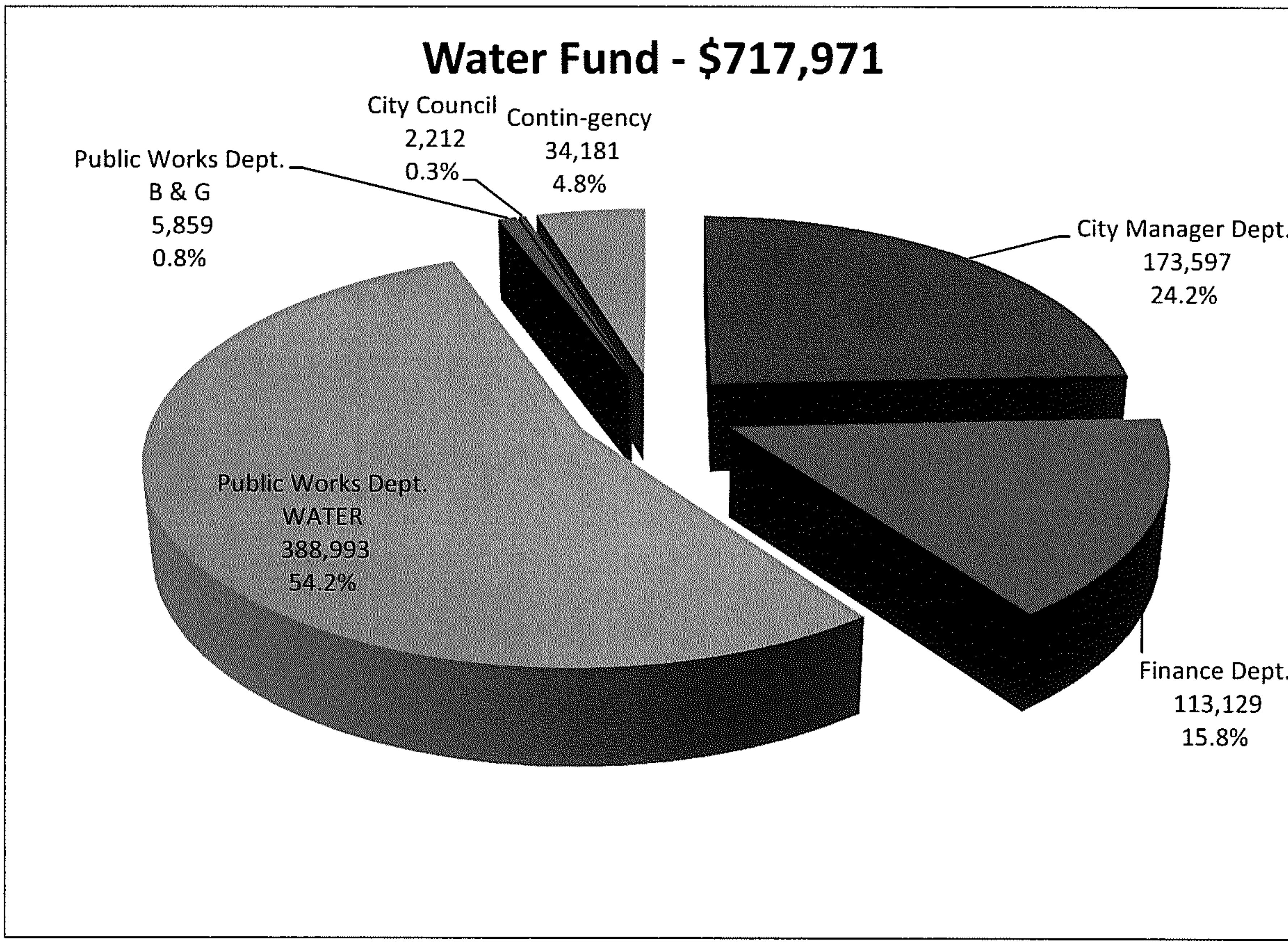
	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved
5164 Regulatory Fees			-	-	-	-		
5165 Property Tax Assessment			-	-	-	-		
5171 Computer Software			-	-	-	-		
5173 Computer Maintenance - Support			-	-	-	-		
5174 Web Design Services			-	-	-	-		
5175 Community Promotions			-	-	-	-		
Subtotal			-	-	-	*6,500*	*6,650*	*1,729*
5212 Gas & Oil			-	-	-	1,500	1,500	
5213 Vehicle Repair			-	-	-	-	-	
5215 Public Works - Small Tools			-	-	-	1,000	1,000	
5217 License			-	-	-	-	-	
5225 Public Works - Lab Testing			-	-	-	-	-	
5227 Public Works - Eqiup. Repair			-	-	-	850	850	
5229 Public Works - Equip. Rental			-	-	-	750	750	
Subtotal			-	-	-	*4,100*	*4,100*	
5410 Interest Expense			-	-	-	-	-	
5430 Fines/Penalties			-	-	-	-	-	
5514 Engineering			-	-	-	-	-	
5520 Improvements			-	-	-	12,480	-	
Subtotal			-	-	-	*12,480*	-	
5800 Budget Reduction			-	-	-	-	-	
Subtotal			-	-	-	-	-	
6000 Fixed Asset - Equipment			-	-	-	-	-	
6400 Fixed Asset - Vehicles			-	-	-	-	-	
6500 Fixed Asset- Infrastructure			-	-	-	-	-	
6600 Fixed Asset - Land Improvements			-	-	-	-	-	
Subtotal			-	-	-	-	-	
Total Expenditures			-	-	-	69,191	56,861	1,729
						Changes	*1,729*	
						Total Adopted Budget	*58,590*	

Aproved Budget
BUILDINGS AND GROUNDS - PUBLIC WORKS
FY 2014-2015

	Gen'l Fund 00	Gas Tax 20	TDA	Water 50	Sewer 60	Building 08	B&G Total
EXPENDITURES							
5000 Full Time Salaries	16,119	1,343	1,343	2,687	2,687	2,687	26,866
5030 Overtime Salaries	967	81	81	161	161	161	1,612
5035 Benefit - ICMA City 457	1,612	134	134	269	269	269	2,687
5040 Benefit - Health Insurance	3,990	332	332	665	665	665	6,650
5042 Benefit - Life Insurance	51	4	4	8	8	8	84
5044 Benefit - Dental/Vision Insur	546	45	45	91	91	91	910
5045 Worker Compensation Insurance	2,816	235	235	469	469	469	4,694
5050 FICA/MEDI	1,233	103	103	206	206	206	2,055
5055 Unemployment Insurance	161	13	13	27	27	27	269
5060 Clothing Allowance	172	14	14	29	29	29	286
5080 Hiring Costs	-	-	-	-	-	-	
5081 Compensated Absences Payable	-	-	-	-	-	-	
Subtotal	*27,667*	*2,306*	*2,306*	*4,611*	*4,611*	*4,611*	*46,111*
5101 Office Supplies	-	-	-	-	-	-	-
5102 Operating Supplies	90	8	8	15	15	15	150
5103 Postage	-	-	-	-	-	-	-
5104 Printing - Forms	-	-	-	-	-	-	-
5105 Advertising	-	-	-	-	-	-	-
5107 Memorial Park Expense	780	65	65	130	130	130	1,300
5108 Streets	-	-	-	-	-	-	-
5109 Chemicals	-	-	-	-	-	-	-
5112 Legal	-	-	-	-	-	-	-
5115 Contract/Professional Services	-	-	-	-	-	-	-
5119 Safety Supplies & Equipment	90	8	8	15	15	15	150
5120 Telephone - Pagers	-	-	-	-	-	-	-
5122 Training - Conference	-	-	-	-	-	-	-
5123 Automobile - Transportation	-	-	-	-	-	-	-
5125 Publications - Books	-	-	-	-	-	-	-
5126 Dues & Memberships	-	-	-	-	-	-	-
5127 License	-	-	-	-	-	-	-
5128 Employee Relations	-	-	-	-	-	-	-
5129 Meeting	-	-	-	-	-	-	-
5130 Rents - Leases	-	-	-	-	-	-	-
5131 Records Maintenance	-	-	-	-	-	-	-
5135 Maintenance - Repair	-	-	-	-	-	-	-
5136 Parks Maintenance - Repair	2,550	213	213	425	425	425	4,250
5138 Office Equipment - P.W.	-	-	-	-	-	-	-
5139 Equipment	480	40	40	80	80	80	800
5141 General Liability Insurance	-	-	-	-	-	-	-
5143 Property Insurance	-	-	-	-	-	-	-
5144 Employee Practice Liability Insurance	-	-	-	-	-	-	-
5148 Office Equipment	-	-	-	-	-	-	-
5150 Electricity	-	-	-	-	-	-	-
5151 Natural Gas	-	-	-	-	-	-	-
5152 Water	1,037	86	86	173	173	173	1,729
5154 Garbage	-	-	-	-	-	-	-
5162 Medical	-	-	-	-	-	-	-

Aproved Budget
BUILDINGS AND GROUNDS - PUBLIC WORKS
FY 2014-2015

	Gen'l Fund 00	Gas Tax 20	TDA	Water 50	Sewer 60	Building 08	B&G Total
5164 Regulatory Fees	-	-	-	-	-	-	-
5165 Property Tax Assessment	-	-	-	-	-	-	-
5171 Computer Software	-	-	-	-	-	-	-
5173 Computer Maintenance - Support	-	-	-	-	-	-	-
5174 Web Design Services	-	-	-	-	-	-	-
5175 Community Promotions	-	-	-	-	-	-	-
Subtotal	*5,027*	*419*	*419*	*838*	*838*	*838*	*8,379*
5212 Gas & Oil	900	75	75	150	150	150	1,500
5213 Vehicle Repair	-	-	-	-	-	-	-
5215 Public Works - Small Tools	600	50	50	100	100	100	1,000
5217 License	-	-	-	-	-	-	-
5225 Public Works - Lab Testing	-	-	-	-	-	-	-
5227 Public Works - Eqiup. Repair	510	43	43	85	85	85	850
5229 Public Works - Equip. Rental	450	38	38	75	75	75	750
Subtotal	*2,460*	*205*	*205*	*410*	*410*	*410*	*4,100*
5410 Interest Expense	-	-	-	-	-	-	-
5430 Fines/Penalties	-	-	-	-	-	-	-
5514 Engineering	-	-	-	-	-	-	-
5520 Improvements	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-
5800 Budget Reduction							-
Subtotal							-
6000 Fixed Asset - Equipment	-	-	-	-	-	-	-
6400 Fixed Asset - Vehicles	-	-	-	-	-	-	-
6500 Fixed Asset- Infrastructure	-	-	-	-	-	-	-
6600 Fixed Asset - Land Improvements	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-
Total Expenditures	35,154	2,930	2,930	5,859	5,859	5,859	58,590


Water Fund - $717,971
City Council
2,212
0.3%
Contin-gency
34,181
4.8%
Public Works Dept.
B & G
5,859
0.8%
City Manager Dept.
173,597
24.2%
Public Works Dept.
WATER
388,993
54.2%
Finance Dept.
113,129
15.8%

Water Fund

STATEMENT OF FUNCTION

The City Public Works Department is responsible for the daily operation and maintenance of the water system, including the infiltration gallery (in the Eel River), water processing plant, three (3) storage tanks and almost 20 miles of piping under City streets. The fund is operating as an Enterprise wherein the fees for water service are intended to cover all of the operating cost to make water, maintain the system as well as replace the capital assets (as needed) totaling over $12 million.

The City Council is contemplating a rate study to increase the user and capitalization rate for the aging system. At present, the capital rate is $4.50/month which raises approximately $77,000 annually. However, a minimum of $450,000/year should be collected to address the most outstanding needs identified in the draft five (5) year Capital Improvement Plan.

2014-15 BUDGET

The Water Fund is separated into Water Operations Fund (60), Water Debt Service Fund (61) and Water Capital Fund (62). Transfers between the Water Funds are recommended for 2014-15 to meet minimum reserve balances.

REVIEW OF FUNDS

The Water Operations Fund (60) begins the new fiscal year with an estimated beginning balance of $114,479 and $534,560 of revenues is expected to be received during the year, including $33,600 from the Sewer Fund for water. However, with expenditures budgeted at $717,971 the reserve balance absorbs $183,411, bringing the Reserve down to -$68,932, except for a transfer-in of $166,984 from the Water Debt Fund to establish as closely as available funds will allow the minimum 15% fund reserve of $107,696. Still, the Reserve balance falls short of this minimum at $98,052. The Debt Fund is carrying more balance than is required.

The Water Debt Service Fund (61) will have a sufficient balance to make the loan payment of $136,000 and have a reserve balance, at year end, of $234,984. However, only $68,000 is required to be available on July 1, 2014 to pay the first installment on the loan. Therefore, it is recommended that $166,984 be transferred to the Water Operations Fund to bring it up as close as possible to the minimum 15% reserve level.

The Water Capital Fund (62) is projected to begin the fiscal year with a balance of $78,500 and receive revenues of $77,000. Thus, the recommended expenditures of $45,000 for a back-up generator for the Infiltration Gallery and $10,000 for Old

Ranch Road repairs will leave the fund on June 30, 2015 at approximately $110,500.

Water Operations

SALARIES AND BENEFITS

The budget includes $83,859 of salary and benefits for a major portion of the Water Superintendent and four (4) Utility Workers who also staff the Wastewater and Streets operations. This object is down $50,459 from 2013-14 due to limited funds for labor and maintenance.

SERVICES AND SUPPLIES

The services and supplies line items total $287,604 and contain some major expense items that are customary to a water system, i.e. (5109) Chemicals $23,000, (5135) Repairs $40,000 and (5150) Electricity $54,000. New this year is the additional expense for sewer service (5153) $43,500. Also included in the (5115) Contract/professional services account is $65,000 for a water rate analysis ($35,000) and consulting Engineers related to issues with the Infiltration Gallery ($30,000).

CAPITAL EXPENDITURE

The Capital Expenditure budget unit includes the amount of $35,000 to install a back-up generator for the Infiltration Gallery in order to supply water to the community for potable and fire suppression purposes, in the event of an extended power outage of two (2) days or more.

COUNCIL ACTION ON FINAL BUDGET – Increased $43,500

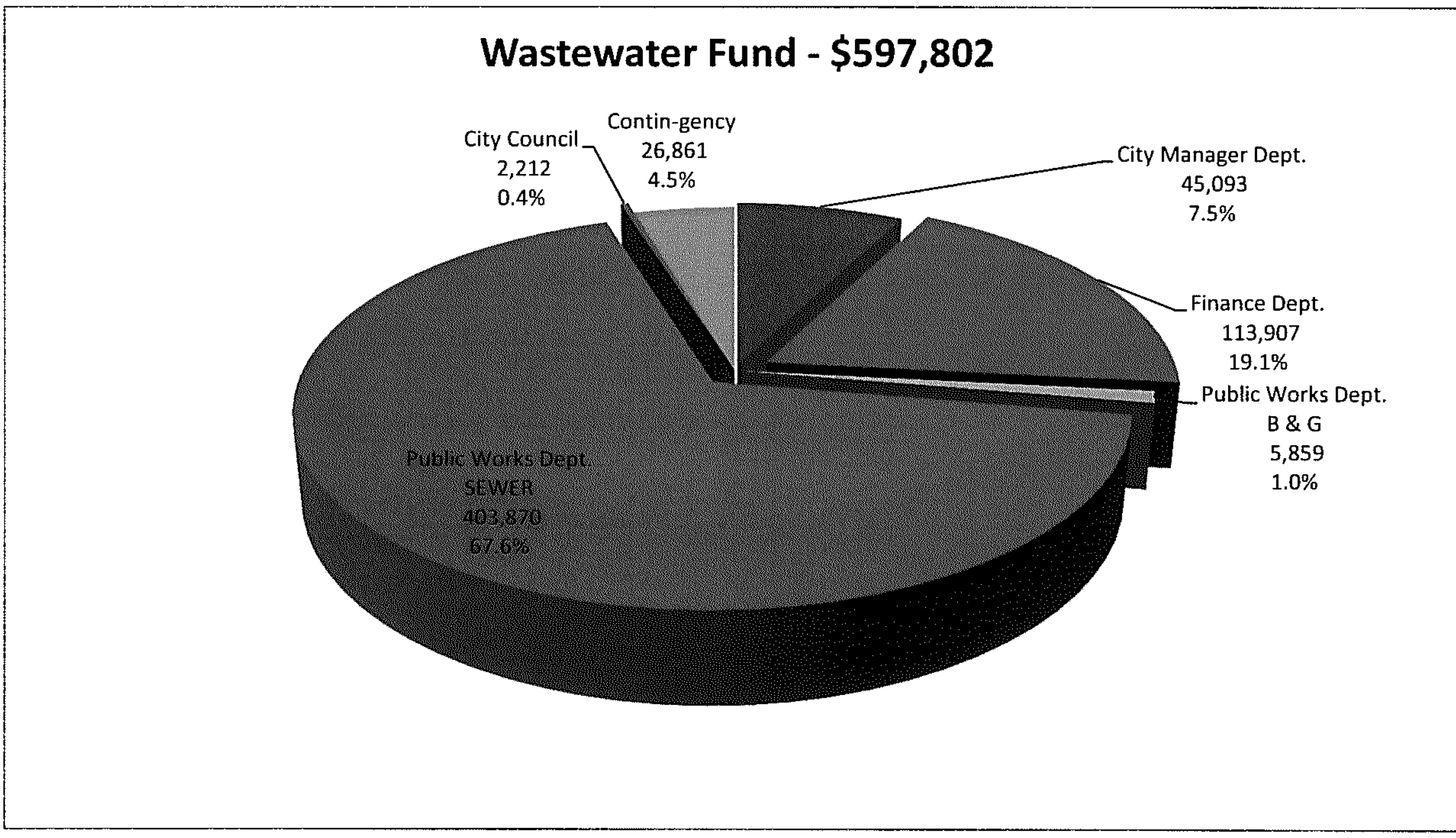
1. Sewer Account (5153) increased $43,500 to reflect sewer charges for FY 2014-2015.

Approved Budget
WATER - PUBLIC WORKS
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
EXPENDITURES								
5000 Full Time Salaries		78,799	89,202	89,202	66,311	49,586	49,586	
5030 Overtime Salaries		2,278	2,850	2,850	2,218	1,612	1,612	
5035 Benefit - ICMA City 457		8,140	9,798	9,798	6,770	6,192	6,192	
5040 Benefit - Health Insurance		14,954	16,883	16,883	23,361	10,376	10,376	
5042 Benefit - Life Insurance		241	271	271	276	171	171	
5044 Benefit - Dental/Vision Insur		2,364	2,296	2,296	2,889	1,375	1,375	
5045 Worker Compensation Insurance		7,614	4,371	4,371	5,585	9,797	9,797	
5050 FICA/MEDI		7,142	6,824	6,824	5,723	3,793	3,793	
5055 Unemployment Insurance		946	892	892	731	496	496	
5060 Clothing Allowance		663	741	741	780	461	461	
5080 Hiring Costs		338	190	190	-	-	-	
5081 Compensated Absences		211	-	-	-	-	-	
Subtotal		***123,690***	***134,318***	***134,318***	***114,644***	***83,859***	***83,859***	
5102 Operating Supplies		1,620	1,500	1,500	4,156	4,000	4,000	
5103 Postage		192	500	500	1,718	1,800	1,800	
5104 Printing - Forms		222	500	500	119	200	200	
5105 Advertising		-	110	110	548	450	450	
5107 Memorial Park Expense		1,249	-	-	-	-	-	
5108 Streets		352	1,200	1,200	1,486	1,300	1,300	
5109 Chemicals		20,731	25,000	25,000	13,196	23,000	23,000	
5112 Legal		4,183	4,000	4,000	11,285	20,000	20,000	
5115 Contract/Professional Services		6	5,000	5,000	5,465	30,000	65,000	
5119 Safety Supplies & Equipment		501	1,000	1,000	505	600	505	
5120 Telephone - Pagers		2,807	2,600	2,600	3,184	3,200	3,184	
5122 Training - Conference		1,787	2,000	2,000	156	2,000	2,000	
5123 Automobile - Transportation		26	250	250	440	250	250	
5125 Publications - Books		24	100	100	29	100	100	
5126 Dues & Memberships		1,447	1,800	1,800	584	1,800	1,800	
5127 License		-	-	-	131	-	-	
5128 Employee Relations		70	60	60	-	60	60	
5129 Meeting		6	-	-	-	-	-	
5130 Rents - Leases		763	1,000	1,000	1,058	1,000	1,000	
5131 Records Maintenance		-	-	-	136	-	-	
5135 Maintenance - Repair		30,536	43,000	43,000	37,499	40,000	40,000	
5136 Parks Maintenance - Repair		265	-	-	-	-	-	
5138 Office Equipment - P.W.		877	1,200	1,200	341	1,500	1,500	
5139 Equipment		2,539	3,000	3,000	3,850	4,000	4,000	
5141 General Liability Insurance		4,253	6,334	6,334	6,079	7,642	7,642	
5143 Property Insurance		753	1,424	1,424	1,413	1,695	1,695	
5144 Employee Practice Liability Insurance		413	502	502	426	563	563	
5148 Office Equipment		-	-	-	94	-	-	
5150 Electricity		56,388	60,000	60,000	21,555	54,000	54,000	
5151 Natural Gas		1,657	2,000	2,000	111	150	150	
5153 Sewer								43,500
5154 Garbage		45	100	100	86	100	100	
5162 Medical		38	400	400	281	300	300	
5164 Regulatory Fees		1,042	13,000	13,000	7,779	8,000	8,000	

Approved Budget
WATER - PUBLIC WORKS
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
EXPENDITURES								
5165 Property Tax Assessment		-	30	30	-	.	-	
5171 Computer Software		54	750	750	220	450	450	
5173 Computer Maintenance - Support		1,135	1,000	1,000	915	1,000	1,000	
5174 Web Design Services		14	20	20	53	55	55	
5175 Community Promotions		9	10	10	-	-	-	
Subtotal		*136,004*	*179,390*	*179,390*	*124,896*	*209,215*	*244,104*	*43,500*
5212 Gas & Oil		5,912	6,000	6,000	4,310	5,900	5,000	
5213 Vehicle Repair		3,799	5,500	5,500	2,285	2,200	2,200	
5215 Public Works - Small Tools		1,990	3,000	3,000	3,344	2,500	2,500	
5217 License		-	-	-	30	24	30	
5225 Public Works - Lab Testing		1,216	5,000	5,000	2,041	3,500	3,500	
5227 Public Works - Eqiup. Repair		2,882	2,500	2,500	2,756	2,800	2,800	
5229 Public Works - Equip. Rental		122	1,500	1,500	-	-		
Subtotal		*15,921*	*23,500*	*23,500*	*14,766*	*16,924*	*16,030*	-
5410 Interest Expense		-	-	-	-	-	-	
5430 Fines/Penalties		8	-	-	-	-	-	
5514 Engineering		-	2,000	2,000	693	1,500	1,500	
5520 Improvements		301	1,000	1,000	-		-	
Subtotal		*309*	*3,000*	*3,000*	*693*	*1,500*	*1,500*	-
5800 Budget Reduction		-	-	-	-	-	-	
Subtotal		-	-	-	-	-	-	-
6000 Fixed Asset - Equipment		810	-	-	-	-	-	
6400 Fixed Asset - Vehicles		-	-	-	-	-	-	
6500 Fixed Asset- Infrastructure		-	-	-	-	-	-	
6600 Fixed Asset - Land Improvements		-	-	-	-	-	-	
Subtotal		*810*	-	-	-	-	-	-
Total Expenditures		276,734	340,208	340,208	254,999	311,498	345,493	43,500
						Changes	*43,500*	
						Total Adopted Budget	*388,993*	



Wastewater Fund - $597,802
City Council
2,212
0.4%
Contin-gency
26,861
4.5%
City Manager Dept.
45,093
7.5%
Finance Dept.
113,907
19.1%
Public Works Dept.
B & G
5,859
1.0%
Public Works Dept.
SEWER
403,870
67.6%

Wastewater Fund

STATEMENT OF FUNCTION

The City Public Works Department is responsible for the daily operation and maintenance of the Wastewater system, including the main processing plant, located at the City Corporation Yard, almost 20 miles of piping under City streets and the wastewater irrigation site north of the City on Metropolitan Avenue. The fund is operating as an Enterprise wherein the fees for wastewater service are intended to cover all of the operating and disposal costs, maintenance of aging sewer lines and pumps and the replacement of the capital assets (as needed) totaling over $17.5 million.

The City Council has recently considered a change in the wastewater rate structure from a fixed charge of $76.16/month to a rate structure based 70% on a fixed rate of $47.01/EDU and 30% on volume, factored on strength of wastewater customer classes. As the result, the average residential customer who uses 5ccf of water/month would see their monthly sewer bill reduced by $8.60 to $67.56. The new sewer rates take effect with the August 2014 billing cycle.

REVIEW OF FUNDS

The Wastewater Fund is separated into the Sewer Operations Fund (50), Sewer Capital Fund (52), Sewer Assessment District Fund (53) and Sewer Debt Service Fund (54).

The Sewer Operations Fund (50) begins the fiscal year with a projected beginning balance of $339,617. The adopted budget totals $597,802. The budget funds the salary and benefits for the Wastewater Superintendent and a portion of the costs of four (4) Utility Workers who also staff the Water and Streets operations.

The Sewer Capital Fund (52) has an estimated beginning fund balance of $193,904 and revenue for the year estimated at $255,571. With no capital projects planned, the ending fund balance is expected to total $449,475, plus an internal transfer of $100,949 from the Sewer Debt Service Fund making the end Reserve $550,424.

The Sewer Assessment District Fund (53) has a beginning fund balance of $7,654 and should receive an estimated $28,785 of revenue in order to pay the debt service in 2014-15. There is an outstanding balance on the loan of $135,000 which will be paid off in 2018-19; with the last two (2) fiscal years payment being $30,000 each.

The Sewer Debt Service Fund (54) begins the year with an estimated balance of $570,649 and will receive $325,900 in revenue to meet the loan payment of $325,880. The $6,000,000 WWTF financing agreement with the State Resources Control Board requires the City to hold, in reserve, one (1) year of debt service of $320,332. The Restricted Reserve Fund balance must be maintained for the full term of the financing agreement and is subject to lien and pledge, as security, for the financing agreement. The required reserve is overfunded by $30,337 and this amount is budgeted as a transfer to the Sewer Capital Fund (54).

The estimated ending fund balance for the Sewer Debt Service Fund (54) is $540,332 as of June 30, 2014. The new amount reflects $320,332 of the Restricted Reserve Fund balance, plus $220,000 for the 2013-2014 accumulated Debt Service Payment.

2014-15 BUDGET

For the first full year of operating the new wastewater plant and irrigation field, the recommended budget totals $403,870, an increase of $34,129 from 2013-14. Salaries and benefits provide for the Wastewater Superintendent and a portion of four (4) Utility Workers who also maintain the City parks, building and grounds, the water system and street maintenance.

SALARIES AND BENEFITS

Salaries and benefits total $145,412, $27,543 less than last year due to the operating efficiency of the new plant. Generally the Public Works crew spends about 15% ($31,245) of their time on Wastewater Fund activities.

SERVICES AND SUPPLIES

Services and supplies total $230,062, $68,857 more than 2013-14, primarily due to an increase of utility cost by $34,109 and water services of $33,600. Other major cost centers are regulatory fees $15,000 and required lab testing $12,500.

COUNCIL ACTION ON FINAL BUDGET – Increased $33,600

1. Increase Water Account (5152) $33,600 for water charges for FY 2014-2015.

Approved Budget
SEWER - PUBLIC WORKS
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
EXPENDITURES								
5000 Full Time Salaries	116,127	106,770	115,024	115,024	83,568	82,405	82,405	
5030 Overtime Salaries	3,484	2,187	3,675	3,675	1,763	1,099	1,099	
5035 Benefit - ICMA City 457	12,589	10,883	12,634	12,634	8,798	9,522	9,522	
5040 Benefit - Health Insurance	24,377	22,500	21,770	21,770	35,376	25,556	25,556	
5042 Benefit - Life Insurance	329	365	350	350	419	278	278	
5044 Benefit - Dental/Vision Insur	2,434	3,579	2,961	2,961	4,384	3,383	3,383	
5045 Worker Compensation Insurar	5,630	9,499	5,636	5,636	6,915	14,981	14,981	
5050 FICA	9,150	9,096	8,799	8,799	6,733	6,560	6,560	
5055 Unemployment Insurance	1,196	1,316	1,150	1,150	1,063	857	857	
5060 Clothing Allowance	1,499	1,253	956	956	941	770	770	
5080 Hiring Costs	750	512	-	-	-	-	-	
5081 Compensated Absences Payat	-	571	-	-	-	-	-	
Subtotal	***177,565***	***168,531***	***172,955***	***172,955***	***149,958***	***145,412***	***145,412***	
5101 Office Supplies	1,250	1,079	800	800	516	500	500	
5102 Operating Supplies	2,254	2,172	1,750	1,750	2,758	2,000	2,000	
5103 Postage	411	62	100	100	2,073	1,700	1,700	
5104 Printing - Forms	510	120	200	200	154	125	125	
5105 Advertising	350	203	200	200	829	700	700	
5107 Memorial Park Expense	-	1,892	-	-	-	-	-	
5108 Streets	1,168	411	1,170	1,170	5.00	1,000.00	1,000.00	
5109 Chemicals	29,000	27,191	29,000	29,000	27,889	29,000	29,000	
5112 Legal	245	1,225	500	500	2,700	500	500	
5115 Contract/Professional Service:	20,461	5,601	10,000	10,000	2,968	5,000	5,000	
5119 Safety Supplies & Equipment	2,000	779	1,000	1,000	815	1,000	1,000	
5120 Telephone - Pagers	4,500	4,591	4,500	4,500	4,210	3,500	3,500	
5122 Training - Conference	1,350	1,374	1,350	1,350	113	1,350	1,350	
5123 Automobile - Transportation	250	443	250	250	666	500	500	
5125 Publications - Books	100	29	50	50	203	200	200	
5126 Dues & Memberships	500	1,038	800	800	895	1,000	1,000	
5127 License	-	-	-	-	46	100	100	
5128 Employee Relations	50	86	50	50	-	50	50	
5129 Meeting	-	9	-	-	-			
5130 Rents - Leases	1,300	1,109	1,300	1,300	1,548	1,300	1,300	
5131 Records Maintenance	-	-	-	-	171	150	150	
5135 Maintenance - Repair	17,000	18,442	15,000	15,000	16,594	15,000	15,000	
5136 Parks Maintenance - Repair	-	401	-	-	-			
5138 Office Equipment - P.W.	1,200	992	1,200	1,200	1,694	1,200	1,200	
5139 Equipment	3,000	7,139	3,000	3,000	5,376	4,500	4,500	
5141 General Liability Insurance	9,147	5,225	8,167	8,167	7,469	9,389	9,389	
5143 Property Insurance	1,583	925	1,836	1,836	1,735	2,083	2,083	
5144 Employee Practice Liability Ins	880	508	647	647	524	692	692	
5148 Office Equipment	-	-	-	-	143	-	-	
5150 Electricity	65,764	71,722	55,000	55,000	106,609	76,609	76,609	
5151 Natural Gas	7,500	4,220	7,500	7,500	19,225	20,000	20,000	
5152 Water								33,600
5154 Garbage	6,000	1,531	2,500	2,500	131	1,000	1,000	
5162 Medical	500	58	250	250	325	250	250	
5164 Regulatory Fees	13,000	10,053	12,000	12,000	14,958	15,000	15,000	
5165 Property Tax Assessment	35	-	35	35	-	-	-	
5171 Computer Software	1,000	166	1,000	1,000	333	500	500	
5173 Computer Maintenance - Supp	400	3,796	50	50	748	500	500	
5174 Web Design Services	-	17	-	-	65	-	65	
5175 Community Promotions	-	11	-	-	-	-		

Approved Budget
SEWER - PUBLIC WORKS
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
Subtotal	*192,708*	*174,620*	*161,205*	*161,205*	*224,483*	*196,397*	*196,462*	*33,600*
5212 Gas & Oil	8,200	8,952	8,200	8,200	6,574	2,500	2,500	
5213 Vehicle Repair	2,999	4,932	3,000	3,000	2,384	3,000	3,000	
5215 Public Works - Small Tools	2,646	3,010	2,646	2,646	3,286	2,646	2,646	
5217 License	-	-	-	-	45	-	-	
5225 Public Works - Lab Testing	12,985	7,694	12,985	12,985	5,350	12,500	12,500	
5227 Public Works - Eqiup. Repair	2,999	3,882	2,750	2,750	2,723	2,750	2,750	
5229 Public Works - Equip. Rental	1,000	-	1,000	1,000	-	1,000	1,000	
Subtotal	*30,829*	*28,470*	*30,581*	*30,581*	*20,361*	*24,396*	*24,396*	-
5410 Interest Expense	-	2	-	-	-	-		
5430 Fines/Penalties	-	8	3,000	3,000	-	3,000	2,000	
5514 Engineering	2,200	-	1,000	1,000	1,048	1,000	1,000	
5520 Improvements	3,499	70	1,000	1,000	-	1,000.00	1,000	
Subtotal	*5,699*	*80*	*5,000*	*5,000*	*1,048*	*5,000*	*4,000*	-
5800 Budget Reduction	-	-	-	-	-	-		
Subtotal	-	-	-	-	-	-	-	-
6000 Fixed Asset - Equipment	-	810	-	-	-	-	-	
6400 Fixed Asset - Vehicles	-	-	-	-	-	-	-	
6500 Fixed Asset- Infrastructure	-	-	-	-	-	-	-	
6600 Fixed Asset - Land Improveme	-	-	-	-	-	-	-	
Subtotal	-	*810*	-	-	-	-	-	-
Total Expenditures	406,801	372,511	369,741	369,741	395,849	371,205	370,270	33,600
						Changes	*33,600*	
						Total Adopted Budget	*403,870*	

Capital Projects Budget

STATEMENT OF FUNCTION

The Capital Projects budget contains the special projects and capital expenditures for all funds.

2014-15 BUDGET

The projects for 2014-15 total $123,920 as compared to $160,500 last year. The two (2) recommended projects are as follows:

1.Drainage Study Ogle/Belleview ($45,000)

This project was included in last year's budget at $62,000, but the grant funds were not encumbered until late in the fiscal year, so the project carries forward with a lesser amount.

The City applied for a $100,000 CDBG Planning Grant for topographic work and drainage analysis of the Ogle and Belleview area. A concept plan with 70% complete plans and specifications will be the end product. However, the City Engineer estimates that there will be additional engineering required in order to get the project "shovel ready" for the 2014-15 grant application cycle; estimated cost $45,000. The City could wait for another grant cycle and submit a grant for the work, but that would put off the opportunity for actual construction for at least another year. The recommendation is to fund the engineering with General Fund monies in order to move the project a year closer to fruition.

2.Back-up Generator for Water Infiltration Gallery

This item was also included in last year's budget in the amount of $35,000, but was not purchased due to unanticipated requirements in the fund. Since the water system has only about a two (2) day supply of water in its storage tanks, a generator, at the Infiltration Gallery, will provide drinking water and water for fire suppression for an extended period of time.

3.Water line repairs Old Ranch Road

The amount of $10,000 was added to the Capital Budget for water line repairs on Old Ranch Road. These expenses will be reimbursed by Old Ranch Road customers and has also been budgeted as revenue.

4.Contract/Professional Services

The amount of $33,920 was added to the Capital Budget for for school property and drainage ditch surveys.

CITY COUNCIL ACTION ON FINAL BUDGET – Increase $78,920

1. Contract/Professional Services Account (5115) increased $33,920 for school property and drainage ditch surveys.
2. Maintenance Repairs Account (5135) increased $10,000 for Old Ranch Road repairs.
3. Heavy Equipment Account (6300) increased $35,000 for generator.

Approved Budget
CAPITAL PROJECTS
FY 2014-2015

	FY 13-14 YTD Adj Budget	FY 13-14 Y-T-D Actual	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
EXPENDITURES						
5000 Full Time Salaries	5,120	7,385	9,231			
5030 Overtime Salaries			-			
5035 Benefit - ICMA City 457	-	815	1,019			
5040 Benefit - Health Insurance			-			
5042 Benefit - Life Insurance			-			
5044 Benefit - Dental/Vision Insur			-			
5045 Worker Compensation Insurance	-	281	351			
5050 FICA	-	598	748			
5055 Unemployment Insurance	-	75	94			
5060 Clothing Allowance			-			
5080 Hiring Costs			-			
5081 Compensated Absences Payable			-			
Subtotal	*5,120*	*9,154*	*11,443*			
5101 Office Supplies			-			
5102 Operating Supplies			-			
5103 Postage	-	231	289			
5104 Printing - Forms	-	23	29			
5105 Advertising			-			
5107 Memorial Park Expense			-			
5108 Streets	127,250	27,587	34,484	-	-	
5109 Chemicals			-			
5112 Legal	-	4,378	5,473			
5115 Contract/Professional Services	-	153,121	191,401			33,920
5119 Safety Supplies & Equipment			-			
5120 Telephone - Pagers			-			
5122 Training - Conference	-	338	423			
5123 Automobile - Transportation	-	358	448			
5125 Publications - Books			-			
5126 Dues & Memberships			-			
5127 License			-			
5128 Employee Relations			-			
5129 Meeting			-			
5130 Rents - Leases			-			
5131 Records Maintenance	-	3	4			
5135 Maintenance - Repair	-	627	784			10,000
5136 Parks Maintenance - Repair			-			
5138 Office Equipment - P.W.			-			
5139 Equipment			-			
5141 General Liability Insurance			-			
5143 Property Insurance			-			
5144 Employee Practice Liability Insurance			-			
5148 Office Equipment			-			
5150 Electricity			-			
5151 Natural Gas			-			
5154 Garbage			-			
5162 Medical			-			
5164 Regulatory Fees			-			
5165 Property Tax Assessment			-			
5171 Computer Software			-			
5173 Computer Maintenance - Support			-			
5174 Web Design Services			-			
5175 Community Promotions			-			
Subtotal	*127,250*	*186,666*	*233,333*		-	*43,920*
5212 Gas & Oil			-			
5213 Vehicle Repair			-			
5215 Public Works - Small Tools			-			
5217 License			-			
5225 Public Works - Lab Testing			-			
5227 Public Works - Eqiup. Repair			-			
5229 Public Works - Equip. Rental			-			
Subtotal	-	-	-	-	-	-

Approved Budget
CAPITAL PROJECTS
FY 2014-2015

	FY 13-14 YTD Adj Budget	FY 13-14 Y-T-D Actual	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.	FY 14-15 Council Approved Changes
5410 Interest Expense	37,500	1,903	2,379			
5430 Fines/Penalties			-			
5514 Engineering	123,000	52,737	65,921	50,000	45,000	45,000
5520 Improvements			-			
5610 Bad Debt	-	4,290	5,363			
Subtotal	*160,500*	*58,930*	*73,663*	*50,000*	*45,000*	*45,000*
5800 Budget Reduction			-			
Subtotal	-	-	-	-		
6000 Fixed Asset - Equipment	98,000	17,127	21,409		-	
6300 Fixed Asset- Heavy Equipment	35,000	-	-	30,000	35,000	35,000
6400 Fixed Asset - Vehicles	108,890	100,813	126,016		-	
6500 Fixed Asset- Infrastructure	4,420,237	3,128,566	3,910,708	-	-	
6525 Building and Improvements	5,600	5,133	6,416			
6600 Fixed Asset - Land Improvements	53,000	27,870	34,838		-	
6700 Fixed Asset - Debt Service	180,498	81,583	101,979		-	
Subtotal	*4,901,225*	*3,361,092*	*4,201,365*		*35,000*	*35,000*
Total Expenditures	5,194,095	3,615,842	4,519,803	50,000	80,000	123,920

Approved Budget
CAPITAL PROJECTS
FY 2014-2015

	Captial Project Gen Fund 00	Streets Fund 20	Water Capital Fund 61	Total Proposed Proposed
EXPENDITURES				
5000 Full Time Salaries				-
5030 Overtime Salaries				-
5035 Benefit - ICMA City 457				-
5040 Benefit - Health Insurance				-
5042 Benefit - Life Insurance				-
5044 Benefit - Dental/Vision Insur				-
5045 Worker Compensation Insurance				-
5050 FICA/MEDI				-
5055 Unemployment Insurance				-
5060 Clothing Allowance				-
5080 Hiring Costs				-
5081 Compensated Absences Payable				-
	-	-	-	-
5101 Office Supplies				-
5102 Operating Supplies				-
5103 Postage				-
5104 Printing - Forms				-
5105 Advertising				-
5107 Memorial Park Expense				-
5108 Streets				-
5109 Chemicals				-
5112 Legal				-
5115 Contract/Professional Services	33,920			33,920
5119 Safety Supplies & Equipment				-
5120 Telephone - Pagers				-
5122 Training - Conference				-
5123 Automobile - Transportation				-
5125 Publications - Books				-
5126 Dues & Memberships				-
5127 License				-
5128 Employee Relations				-
5129 Meeting				-
5130 Rents - Leases				-
5131 Records Maintenance				-
5135 Maintenance - Repair		10,000	-	10,000
5136 Parks Maintenance - Repair				-
5138 Office Equipment - P.W.				-
5139 Equipment				-
5141 General Liability Insurance				-
5143 Property Insurance				-
5144 Employee Practice Liability Insurance				-
5148 Office Equipment				-
5150 Electricity				-
5151 Natural Gas				-
5154 Garbage				-
5162 Medical				-
5164 Regulatory Fees				-
5165 Property Tax Assessment				-
5171 Computer Software				-
5173 Computer Maintenance - Support				-
5174 Web Design Services				-
5175 Community Promotions				-
	33,920	*10,000*	-	*43,920*
5212 Gas & Oil				-
5213 Vehicle Repair				-
5215 Public Works - Small Tools				-
5217 License				-
5225 Public Works - Lab Testing				-
5227 Public Works - Eqiup. Repair				-
5229 Public Works - Equip. Rental				-
	-	-	-	-

Approved Budget
CAPITAL PROJECTS
FY 2014-2015

	Captial Project Gen Fund 00	Streets Fund 20	Water Capital Fund 61	Total Proposed Proposed
5410 Interest Expense				-
5430 Fines/Penalties				-
5514 Engineering	45,000	-	-	45,000
5520 Improvements				-
5610 Bad Debt				
	45,000	-	-	*45,000*
				-
6000 Fixed Asset - Equipment				-
6300 Fixed Asset - Heavy Equipment	-			-
6400 Fixed Asset - Vehicles	-		35,000	35,000
6500 Fixed Asset - Infrastructure				-
6525 Building and Improvements				-
6600 Fixed Asset - Land Improvements				
6700 Fixed Asset - Debt Service				-
				-
Total Expenditures	-	-	*35,000*	*35,000*
	78,920	10,000	35,000	123,920