



Fiscal Year 2017-2018
OPERATING AND CAPITAL BUDGET



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MEMBERS OF THE CITY COUNCIL

Frank Wilson, Mayor

Gordon Johnson, Mayor Pro-Tem

Debra Garnes, Council Member

Tim Marks, Council Member

Sue Strahan, Council Member



June 6, 2017

Members of the City Council
City of Rio Dell
675 Wildwood Avenue
Rio Dell, California 95562

Subject: Fiscal Year 2017/18 City of Rio Dell Operating and Capital Budget

Members of the City Council:

The Finance Department is pleased to present the operating budget for the City of Rio Dell for fiscal year 2017/18, which begins on July 1, 2017. This document serves as a financial plan, operations guide, and as a communications tool that reflects the City's commitment to maintain core service levels and long-term financial stability.

The budget document contains both detailed and summarized information on the FY 2017/18 Operating and Capital Budget for the City of Rio Dell. As part of the budget, departmental budgets are included and give line-by-line detailed amounts of expenditures. All of the information contained herein is meant to assist in providing direction at all levels for the City's activities for the coming fiscal year.

A total of 18.5 full-time equivalent (FTEs) positions are included in the budget. This is an addition of 1.7 FTEs in comparison to last year. A Leadman position (1.0) in Public Works has been added and the Measure Z Records Technician (0.7) is included where previously the position had been added as a budget amendment. A position allocation table is included and is an integral part of the budget process.

The budget consists of two parts that make up the City's expenditures: Appropriations for operating costs for administration and operations and capital projects appropriations for additional activities that the City is authorized to undertake in the coming year.

Total expenditures for Council's consideration presented in the FY 2017/18 Operating and Capital Budget are \$4,119,688 (operating expenditures \$2,781,388; debt service and pass-thru amounts \$550,300; and capital projects \$788,000). Revenues are \$3,673,014 for a draw on reserves of \$446,674. Fund balances remain healthy, with the exception of the Gas Tax Fund. A summary on fund information can be found at the end of this document.

Proposed *operating expenditures* show an increase of \$86,368 in comparison to FY 2016/17. Despite this increase, *the budget for operating costs* is balanced against revenues with the exception of a General Fund subsidy for the Building Fund (\$8,621) and the Streets Funds draw on reserves (\$61,767 not including capital projects). The largest variance is seen in full-time salaries which have increased 11% in comparison to last year's adopted budget. Additional explanations to significant variances are provided in the summary section at the end of the document.

The proposed capital projects list totals \$788,000. Fund allocations are as follows: \$200,000 General Fund; \$189,500 Water Fund; \$164,250 Sewer Fund; \$74,250 Streets Fund; and \$160,000 CDBG Fund. A full list of proposed capital projects is included.

The budget as presented does not include revenues related to medical marijuana; however staff has estimated \$88,000 in planning fees may be collected and tax revenues may be realized in 2017/18, as well. The absence of these revenues in the budget process is in accordance with generally accepted accounting principles (GAAP) "Conservatism Principle," where revenues and assets are not recognized until they are assured of being received. Facts may become available that reflect a higher degree of certainty as the fiscal year progresses, and budget amendments can be made as circumstances become known.

The proposed revenue estimates that are included in this year's budget are based on historical receipts, research, and trends that appear over a substantial period of time. Expenditures for salary and benefits are based on actual amounts built from the adopted Position Allocation Table, along with the assumption that all positions will be actively filled. Operating services and supplies are estimated amounts based on known factors, both new and historical. While not all expenditures can be foreseen, the budget as presented has been kept conservative in to balance the amounts against revenues, which overall works to keep ending fund balances healthy and in compliance with the City's Fund Balance Policy.

In summary, while this year's budget shows a draw on reserves in the amount of \$446,674, it is a sound fiscal plan that allows for staff to focus on Council's strategic goals and objectives that continue to foster solutions towards economic growth. The budgeted plan enhances the streets and roads program, allocates amounts to the water and sewer systems for repairs, maintenance, and necessary replacement of aging infrastructure, and provides better access to City Hall. In addition, the adopted budget maintains staffing levels, as well as increases Public Works staffing to meet the demands of a community that through the actions of its City Council members has set parameters in place for growth.

Through the actions of the City Council and their continued dedication the City has been able to navigate its way towards sustainability. While Council has been faced with many challenges, they abide to their commitment to Rio Dell's vitality. It is this commitment that they continually build on. Council's actions have not only facilitated a foundation that has moved the City in the right direction towards growth and sustainability, but also has put its mark towards its citizens who endeavor to prosper in a City made stronger by those governing its path.

This year's budget, like the many budgets that have come before Council, represents fiscal responsibility as the City continues its commitment to funding the Council's adopted reserve policy. This policy will help the City to weather the economic cycles that are the fabric of municipal finance and withstand those challenges imposed by external forces. The output and effort between the City Council and City Staff provides for the City's residents a better place to live, work, and play for both the short and long-haul, which the City of Rio Dell has proven over and over again can weather and be made stronger in its commitment to its citizens.

Respectfully Submitted
Finance Department



CITY STAFF

Kyle Knopp, City Manager

Karen Dunham, City Clerk

Kevin Caldwell, Community Development Director

Brooke Woodcox, Finance Director

Randy Jensen, Water and Roads Superintendent

Ethan Purvis, Wastewater Superintendent Trainee

John Beauchaine, Interim Police Chief

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 is 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.

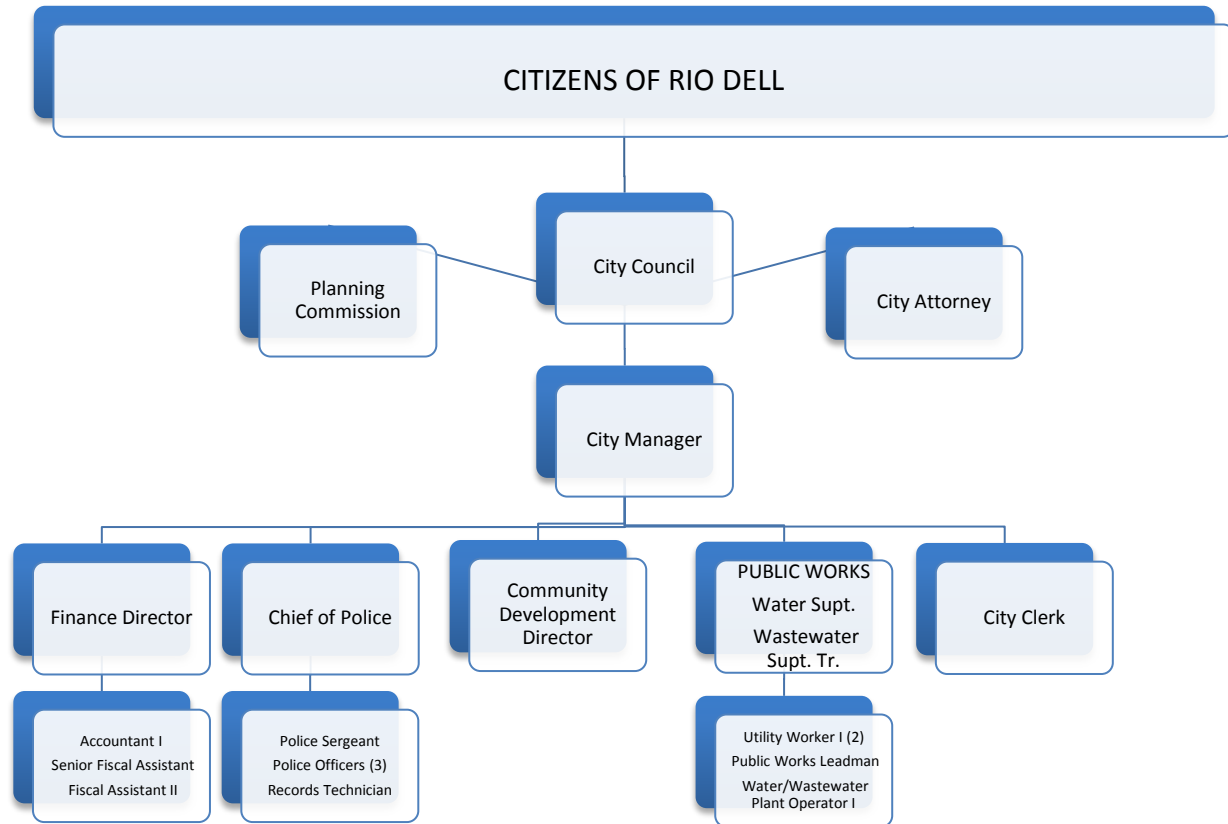
With the advent of popular automotive travel Highway 101 replaced primitive roads and passed through the center of town on Wildwood Avenue. A brief period of municipal prosperity resulted and merchandising

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.

ORGANIZATIONAL CHART



The City's organizational structure places its citizens at the top of the chart. The City Council, as representatives for all community members, has the task of leading Rio Dell in positive directions with the intent of creating a safe community and sustainable place to live. Thus, Board members are primarily responsible for the legislative function of City government that creates an overall vision for the City through policy decisions, appropriations, and municipal ordinances.

The City Attorney and Planning Commission Members are appointed by a majority vote of the Council and serve at their pleasure. The Planning Commission is under the general administrative guidance of the City Manager.

The City Manager, serving at the pleasure of the Council, is responsible for directing the City's operations including the City Clerk's

Office, Finance Department, Police Department, Community Development Department, and Public Works Department.

Through the management of the City's operations the City Manager is tasked with providing reliable and up to date information that empowers the City Council in making timely and informed decisions for the betterment of the community.

There are six (6) contracted positions directly assigned under the position of the City Manager. These are the City Clerk, Finance Director, Chief of Police, Water/Streets Superintendent, Wastewater Superintendent, and Community Development Director. Departmental employees are managed under the respective Department Heads. A total of 18.5 FTE positions are budgeted for fiscal year 2017/18 and it is anticipated that all positions will be actively filled.

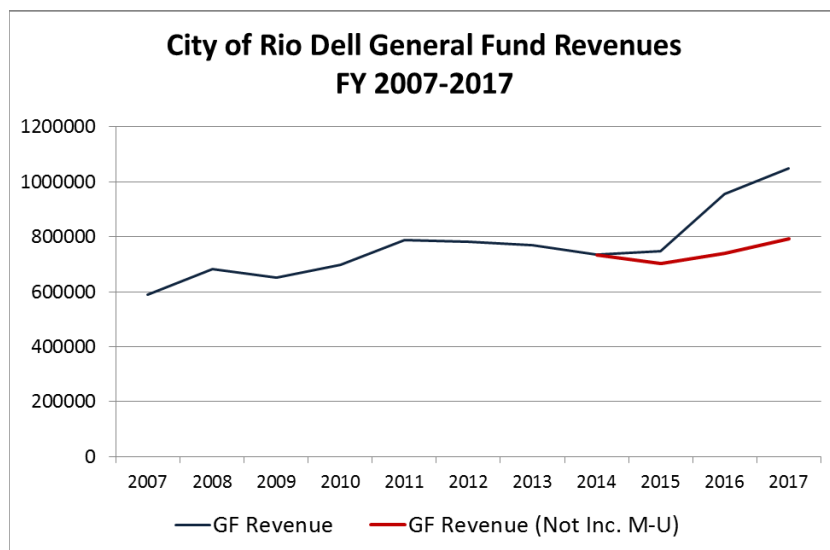


Economic Indicators and Municipal Finance - REVENUES

THE GENERAL FUND

The economic volatility during 2008 was the biggest economic decline since the 1980's and has come to be known as the "Great Recession." During this time the City of Rio Dell's General Fund went through a period of declining revenues. The effects of the Great Recession were quick to hit the General Fund and fiscal year 2008/09 showed declines in nearly all tax revenue streams. In terms of *all* General Fund revenues, there was a slight upturn after 2009, and only later did the downward shift occur as the General Fund began to be affected as a whole. Since 2008 General Fund revenues have remained relatively flat and as the chart below shows, this trend continues without the upsurge of Measure U revenues. It wasn't until 2016/17 that the General Fund's normal operating revenue sources (taxes, franchise fees, rents) actually trended upwards, which was a 7% increase in revenues in comparison to the prior year. FY 2016/17 pulled the General Fund back up to FY 2011/12 revenue levels, and Measure U, as a trajectory upwards, builds off the amount and far exceeds the seven (7) prior years of relatively flat revenues by 32%.

The General Fund's revenue trend line is a semi-reflection of California's economy. What lies beneath the numbers are sales tax, property tax, franchise fees, and a host of several other economic indicators that economists use to explain the state of affairs in the economy. While 2016/17 shows itself to be a year of growth for General Fund revenues, the addition of Measure U



provides an even stronger indicator that the City will continue to provide the necessary services of law enforcement, administration, and capital and special purchases for the City. By and large this affects the community in positive ways, no doubt many ways even, that are unseen giving Rio Dell's citizens even more reasons to believe that a stronger future for the City of Rio Dell is realizable.

Since 2011/12 when General Fund revenues began a trend of stagnancy, City-wide revenues across all funds increased 24% ending with the 2016/17 fiscal year. This marks the fact that since the recession of 2008 and despite the General Fund's reflection of a stagnant economy, the City has remained viable during the worst economic downturn the economy has gone through since the early 1980's.

WATER FUND

The biggest increase in revenues during this time was noted in **the Water Fund** that showed growth of 62%. This number is a result of the water rate adjustment adopted in December 2015. Prior to the rate increase revenue losses were starkly apparent as the Water Fund reserves were being spent down in order to meet the expenditures of normal operations.

SEWER FUND

The Sewer Fund has also seen increases in revenues, but in a much smaller proportion of 2%. In April 2014 sewer rates were restructured to spread more proportionately amongst the customer base by moving from a single-tier rate to a consumption based rate. Approximately 70% of customers saw a decrease in their sewer bill in 2014 due to rate restructuring, and in contrast, the remaining customers had an increase in their water bill in 2015. The rates were not increased in a traditional sense, but spread more equitably across the customer base.

THE GENERAL FUND – MEASURE X

In November 2017 Citizens of Rio Dell will vote on **Measure X**, and if approved, allows for the taxation of commercial medical marijuana. The proposed tax is \$2 per square foot of canopy, or 2% of gross sales. The business tax will be paid by business operators and owners who are licensed to sell commercial medical marijuana products. The tax is estimated to bring in \$980,000 in discretionary General Fund monies that can be utilized for City services such as streets, water and sewer maintenance and repairs. Additionally, local law enforcement services can be enhanced through Measure X.

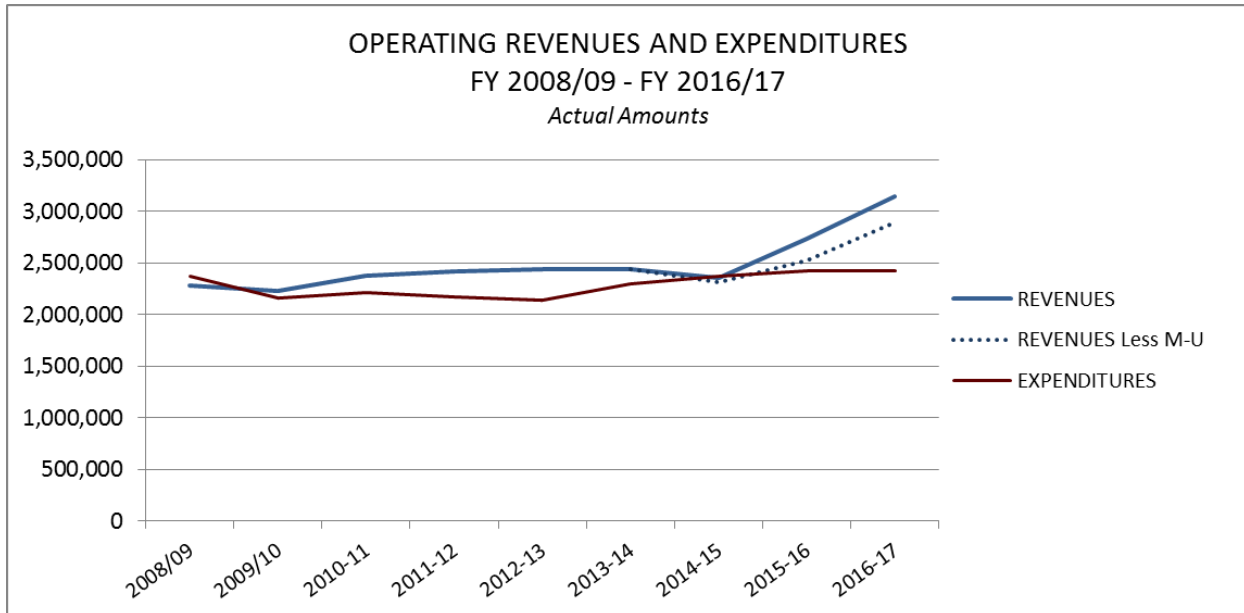
Economic Indicators and Municipal Finance - EXPENDITURES

Long term sustainability has been the City's main focus in the aftermath of the "Great Recession" that began in 2008. In FY 2014/15 departmental expenditures were cut as lean as possible in order to balance the budget, as well as preserve reserve balances as much as possible. The goal was to cut spending without affecting City services in light of the General Fund's declining revenues and the Water Fund's declining reserves. As it were, stopping the budget deficiencies became imperative, so spending was halted throughout all departments as much as feasibly possible.

Plans began to be put into place to mitigate further losses that were anticipated in reserve balances. Revenues were shrinking and causing structural budget deficits despite the fact that appropriations were set at lower levels. Among the fund budgets that were foreseeably going to continue to be balanced with reserves were the Streets Funds, the Water Fund, and General Fund. These funds were structurally set to be depleted, each having its own timeline of when

that would occur. The City Council took action, and with the adoption of the FY 2017/18 budget most funds have stabilized with the exception of the Streets Fund.

The chart below depicts *operating* revenues and expenditures since FY 2008/09. Operating expenditures over the span of nearly a decade (FY 2008/09 – 2016/17) have barely shifted (2%). However, when comparing FY 2016/17 operating expenditures to the lowest spending level reflected in FY 2012/13 expenditures increased 13%.



The increases in operating costs since FY 2012/13 can be attributed to inflationary rises in energy costs, various operating items, and some employee benefits. As a matter of fact, according to the Bureau of Labor Statistics consumer price index, the dollar experienced an average inflation rate of 1.71% from 2011 to 2017. Prices in 2017 are 11.94% higher than prices in 2011. From an economic standpoint increased costs are consistent with a steady rate of economic growth.

This year's operating budget is made up of the categories of salaries and benefits (59%) and services and supplies (41%). Labor costs make up the biggest portion of the operating budget. After the recession that began in 2008 by FY 2012/13 the City had gone through a reorganization process that eliminated 6.25 FTEs. Even with the decrease in budgeted staff actual **employee benefits** from FY 2011/12 to 2013/14 increased 26%. The increases were largely seen in employee **health care premiums** (37%) and worker's compensation costs (54%). Health insurance costs peaked in FY 2014/15 and have declined since. All costs are continually monitored on a City-wide scale and staff works to keep those involved in the decision making process aware of significant changes in order to mitigate budget shortfalls resulting from stagnant revenues and inflationary expenses.

Economic Indicators and Municipal Finance – CONCLUSION

Staff has continued to monitor revenue and expenses as there were several budget crises' requiring creative solutions during these fiscally tight periods. When revenues stagnated in the

General Fund the City Council approved staff's recommendation of placing a 1% sales tax measure on the ballot. Measure U was approved by voters in November 2014 and has been key in keeping City services at optimal levels. Measure U has an expiration date of December 2019 making it a temporary solution to the General Fund's relatively stagnant revenue streams. As a matter of fact fiscal year 2016/17 surpassed the General Fund's highest revenue year of 2010/11 by only a fraction (\$1,800). The General Fund's recovery has been slow and is vulnerable to a structural budget deficit in 2019 without new sources of revenue at the state and local level.

In 2016/17 staff and Council worked diligently towards mitigating General Fund deficits. Council approved the placement of Measure X on the ballot that will authorize the City to **levy a tax** on marijuana businesses at a maximum rate of \$5 per square foot of growing space for cultivators or 10% of a business's gross receipts. The initial rates are set at \$2 per square foot or 2% of gross receipts. The tax has a limitation on the increase per given year. If voters approve and businesses open up as intended by the developers an estimated amount of \$980,000 will be collected annually for the General Fund.

The City has ended up on the other side of the "Great Recession" in a much more stable financial position than it had been in for the few years following the steep decline into the recessionary trenches that were seen throughout the economy. After several years of navigating the economic downturn of 2008 the City appears to be back on a positive trajectory as revenues from most sources have recovered, and others were purposely led towards stabilization through careful planning and actions taken by the City Council's Board Members. Through Staff's continued dedication towards sustainability, and Council's concerted efforts at guiding the City through controllable, as well as uncontrollable economic forces, the City of Rio Dell has come through the turbulent effects of 2008 in a much better position than when the Great Recession had begun.

Through Staffs recommendations and City Council's direction the City has moved in positive directions. The voluntary positions of City Council members and their continued time and effort has led to more stability in the area of municipal finance at the local level. The City's largest funds (General Fund, Water Fund, and Sewer Fund) as a whole are at funding levels never before reached by the City of Rio Dell. As the data shows the goal of sustainability has been and continues to be built into Council's actions. All of the factors coming together in Rio Dell's municipal finances shows Council's concerted efforts of supporting the continuity of the City's progress for the betterment of the community. Their dedication in and of itself shows as the strongest economic indicator of them all as the City enters into a renewed era where the economy is once again showing equilibrium.



POSITION ALLOCATION TABLE

FISCAL YEAR 2017/18

POSITION ALLOCATION TABLE

JOB TITLE	FULL-TIME EMPLOYEES (FTEs)				
	2013/14	2014/15	2015/16	2016/17	2017/18
Accountant I	1	--	1	1	1.0
Chief of Police	1	1	1	1	1.0
City Clerk	1	1	1	1	1.0
City Manager/Public Works Director	1	1	1	1	1.0
Community Development Director	1	1	1	1	0.8
Finance Director	1	1	1	1	1.0
Fiscal Assistant II	1	1	1	1	1.0
Public Works Leadman	--	--	1	--	1.0
Police Officer	3	3	3	3	3.0
Records Technician	--	--	--	--	0.7
Sergeant	1	1	1	1	1.0
Senior Fiscal Assistant	1	1	1	1	1.0
Utility Worker I	3	3	3	2	2.0
Water/Wastewater Plant Operator I	1	1	1	1	1.0
Wastewater Superintendent Trainee	--	--	--	1	1.0
Wastewater Superintendent	1	1	1	--	--
Water/Streets Superintendent	1	1	1	1	1.0
	17.75	16.80	18.80	16.80	18.5

The 2017/18 recommended Operating and Capital budget includes 18.5 full-time employees (FTEs).

The Rio Dell Employee's Association (RDEA) is made up of three (3.0) positions in the Finance Department and three (4.0) positions in Public Works for a total staffing of 7.0 FTEs.

The Rio Dell Police Officer's Association (RDPOA) is made up of a part-time Records Technician (0.7) three (3.0) Police Officers and one (1.0) Police Sergeant for total staffing of 4.7 FTEs.

Contract employees for the City of Rio Dell total six (6.8) budgeted positions that are assigned to various departments. Public Works is assigned three (2.0) contracted positions. These are Wastewater Superintendent Trainee, and Water/Streets Superintendent. The Police Department has one (1) contract employee, the Chief of Police. The City Manager Department is assigned two (2.0) contract positions: City Manager and City Clerk (60%). The Finance Department is assigned one (1) contract position of Finance Director. The Community Development Director is assigned to the Building, Planning and General Government Departments. This position is 80%, or 0.8 FTE.



COMPENSATION TABLE

Peace Officers Association

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

Rio Dell Employee's Association

JOB TITLE	Salary Range				
	A	B	C	D	E
Accountant I	43,323	44,622	45,961	47,340	48,760
Accountant II	47,655	49,084	50,557	52,074	53,636
Administrative Assistant	29,472	30,356	31,266	32,204	33,170
Administrative Technician	35,775	36,848	37,954	39,092	40,265
Fiscal Assistant I	29,047	29,919	30,816	31,741	32,693
Fiscal Assistant II	32,565	33,542	34,548	35,584	36,652
Office Assistant	24,115	24,839	25,584	26,352	27,142
Public Works Leadman	33,668	34,678	35,718	36,789	37,893
Records Technician	33,146	34,140	35,164	36,219	37,306
Senior Fiscal Assistant	37,337	38,457	39,611	40,799	42,023
Utility Worker I	26,602	27,400	28,222	29,069	29,941
Utility Worker II	29,276	30,154	31,059	31,991	32,951
Water/Wastewater Plant Operator I	35,276	36,334	37,424	38,547	39,703
Water/Wastewater Plant Operator II	38,804	39,968	41,167	42,402	43,674

Contract Employees

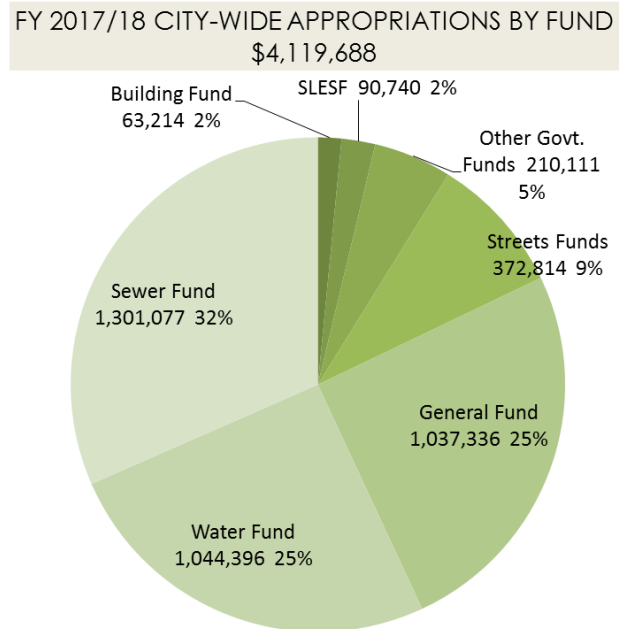
JOB TITLE	Salary Range				
	A	B	C	D	E
City Clerk	52,081	53,644	55,253	56,911	58,618
City Manager	106,875	110,081	113,384		
Chief of Police	79,540	81,926	84,384		
Finance Director	67,473	69,497	71,582		
Community Development Director	73,394	75,595	77,863	81,756	85,623
Wastewater Superintendent Trainee	51,022				
Wastewater Superintendent	54,717	56,359	58,050	59,791	61,585
Water/Streets Superintendent	61,556	63,403	65,305	67,264	69,282

INTRODUCTION

INTRODUCTION

The 2017/18 adopted budget shows appropriations totaling \$4,119,688. The City's major funds, the General Fund, Sewer Fund and Water Fund, account for 82% (\$3,382,809) of total appropriations for FY 2017/18.

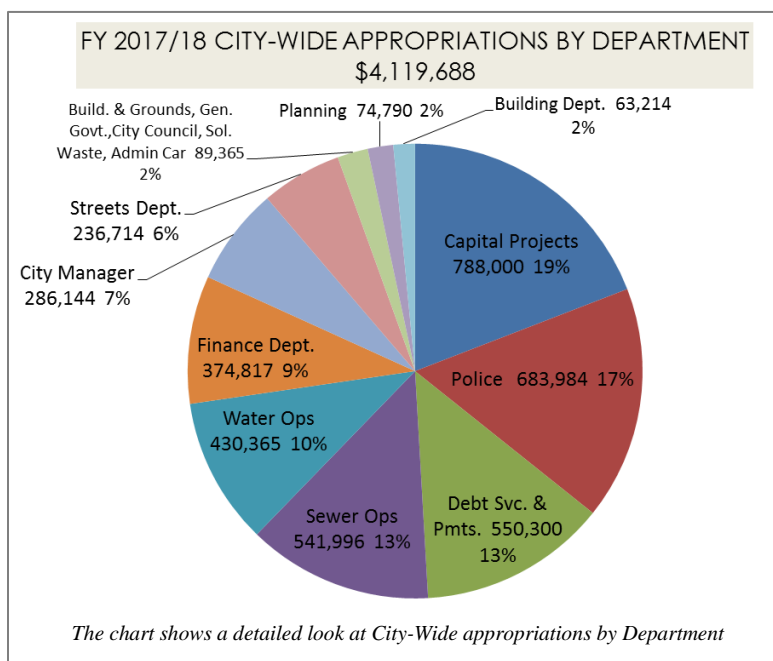
- General Fund appropriations account for \$1,037,336, or 25% of total budgeted amounts
- The water and sewer utility funds total \$2,345,473, or 57% of budgeted amounts for operations, debt service, and capital funds
- The Streets funds total \$372,814 (9%) of total appropriations
- The remaining 8% of appropriated amounts are special revenue funds



The chart shows a detailed look at City-Wide appropriations by Fund

At the department level expenditures are allocated out of the various funds depending on departmental activities. For example, the General Fund, the City's discretionary revenue source, appropriated amounts are allocated to departmental functions necessary in carrying out City business that aren't allocable to any other fund. For

further details on fund allocations, see departmental summaries.

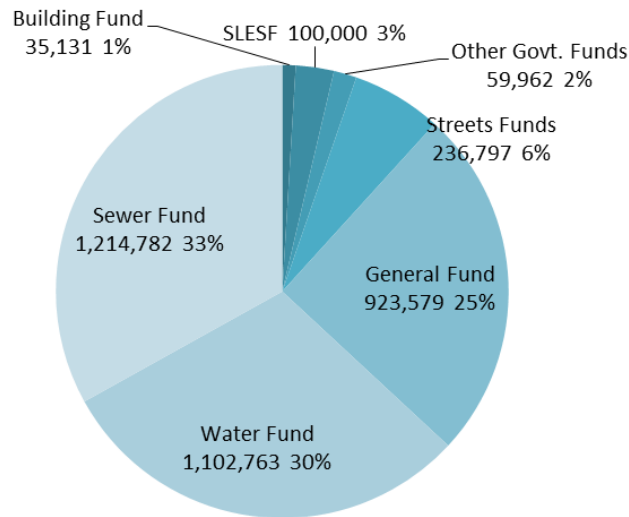


- Capital Projects account for 19% of total appropriations
- The Police Department expenditures are 17% of the City's total budget
- Public Works (Sewer Ops, Water Ops, Streets, and Buildings & Grounds) account for 30% of total budgeted appropriations
- Administration of the City's functions (City Manager, City Council, Finance, Planning, and Building) is 20% of budgeted appropriations

INTRODUCTION

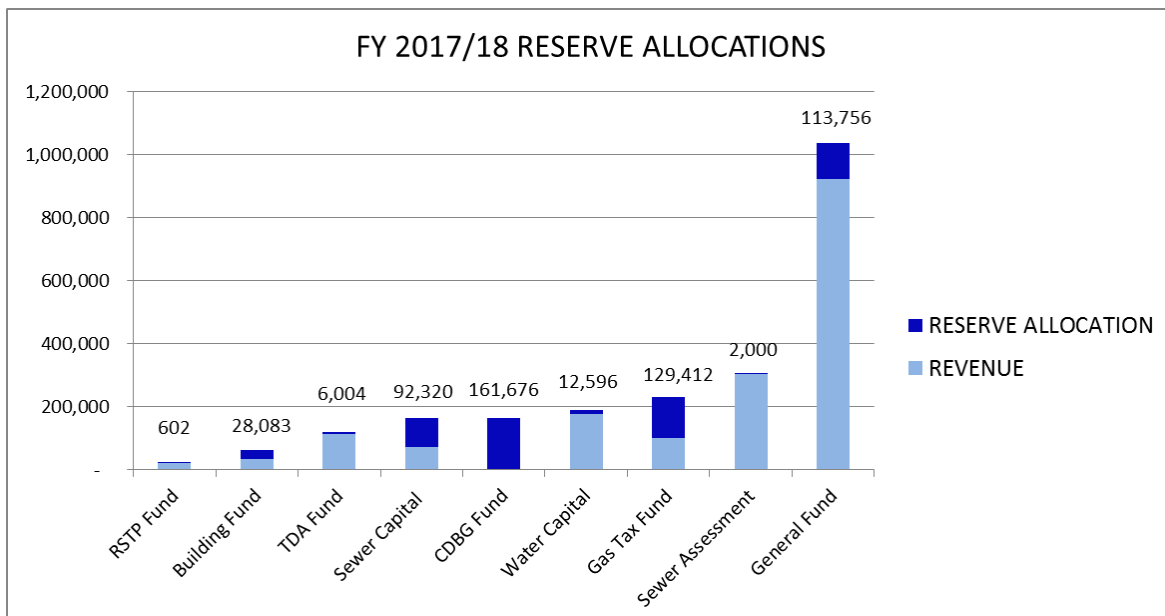
Total adopted revenues are \$3,673,014. General fund revenues are \$923,579 (26%), water revenues are \$1,102,763 (30%), and sewer revenues are \$1,214,782 (33%). The City's largest revenue sources (general fund, water funds, and sewer funds) are budgeted for a total of \$3,241,124, or 89% of FY 2017/18 estimated revenues.

FY 2017/18 CITY-WIDE REVENUES



Expenditures exceed revenues by \$445,647. While there are several funds whose reserves are anticipated to increase for a combined total of \$99,744 at June 30, 2018, a decrease of \$546,449 was included in this year's budget in order to balance the FY 2017/18 budget. The following chart shows the reserve allocations by fund.

FY 2017/18 RESERVE ALLOCATIONS



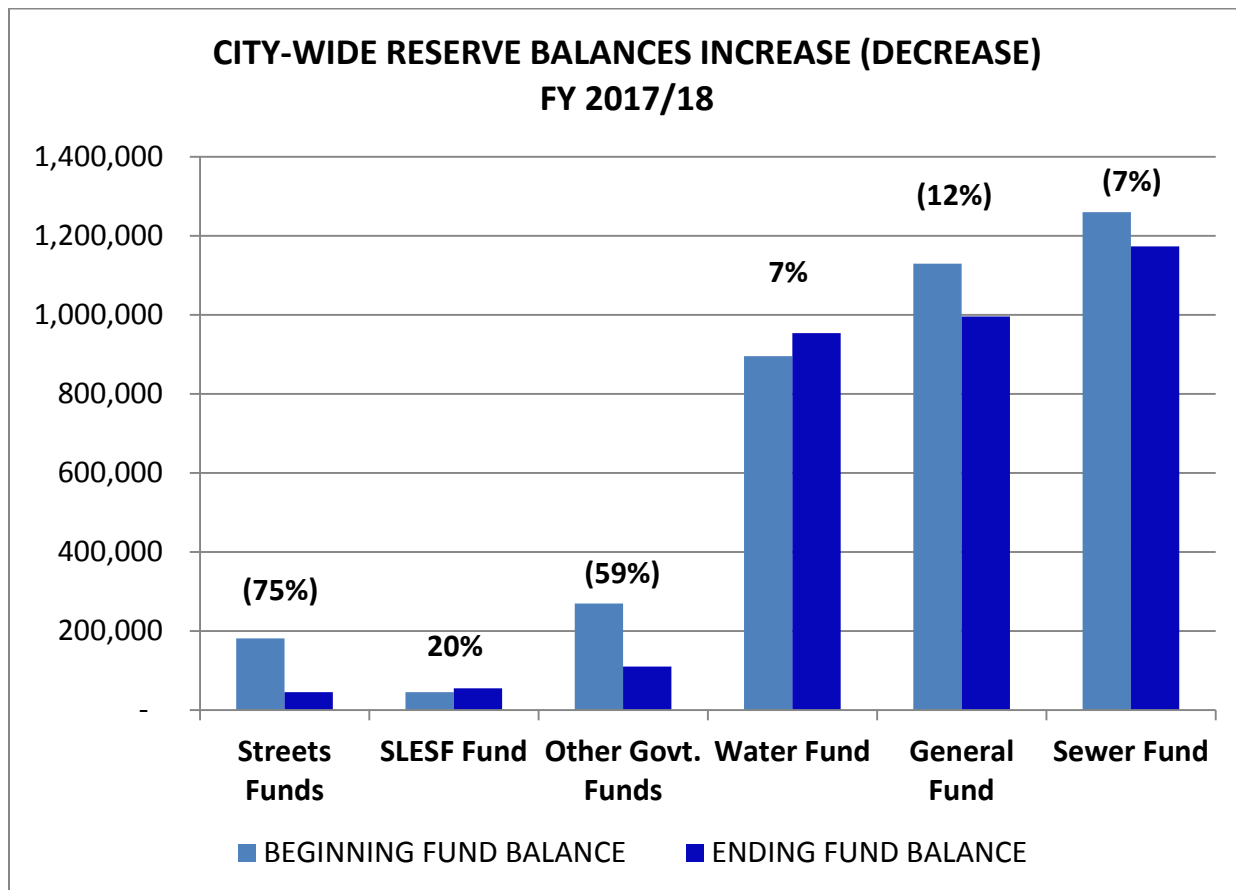


RESERVE BALANCES ALL FUNDS

FISCAL YEAR 2017/18

NARRATIVE. 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 balances at June 30, 2018. A summary is shown in the chart below.

A fund is created for each special revenue and expenditure category in the City's financial management 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, reserves are not co-mingled or absorbed into the General Fund, which is a discretionary spending source.



GENERAL FUND. The General Fund has an estimated reserve balance on July 1, 2017 of \$1,129,263. Revenues for the year are estimated at \$923,579 and expenditures total \$1,056,836 including \$19,500 in fund transfers. The change in fund balance for the FY 2017/18 fiscal year is a decrease of \$113,756 for a projected General Fund reserve balance at the end of the fiscal year of \$996,007.



RESERVE BALANCES ALL FUNDS

BUILDING PROGRAM FUND. With the current budget expenditures exceed revenues by \$28,083. The Building Fund and General Fund reserves will be utilized to cover the estimated deficit with amounts totaling \$19,462 and \$8,621, respectively.

PARKS AND RECREATION FUND. 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 \$13,610 reserve balance in the fund. The fund balance as budgeted remains stagnant.

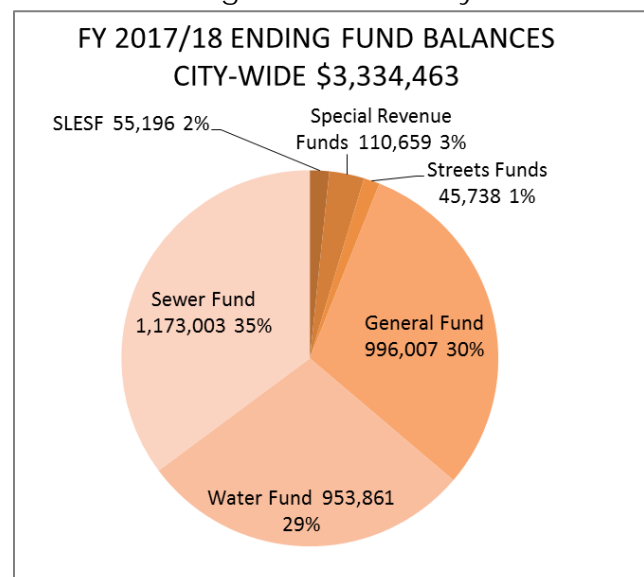
STREET FUNDS. A portion of the Highway Users Tax (HUTA Gas Tax) is apportioned to cities based on population, miles of maintained streets and registered vehicles. HUTA funds are restricted and can only be used for the construction, maintenance, and repair of streets, including the salaries and equipment related to those activities. The estimated beginning balance in the fund is \$151,770 and revenues during the year are estimated at \$100,580. Expenditures are estimated at \$229,842 for an ending reserve balance of \$22,358. There are insufficient revenues from the HUTA gas tax to meet the community's needs for street repair and reconstruction.

The Transportation Development Act (TDA) 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. The estimated beginning balance in the fund is \$27,968 and revenues during the year are estimated at \$114,217. The anticipated reserve balance at year end is \$21,964.

SOLID WASTE FUND. 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. Revenues are estimated to be \$9,000 and expenditures total \$3,510. The fund is projected to have a balance of \$39,665 on June 30, 2017 and \$45,155 at year end.

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS. The Community Development Block (CDBG) 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 CDBG program has an array of grants available for uses other than housing loans, and for the FY 2017/18 funds have been approved to assist the City with ADA compliance. The CDBG program also offers a small selection of economic development grants.

The Community Development Block (CDBG) Grant - Residential Revolving Loan Fund shows a beginning fund balance of \$152,277 and the CBDG



RESERVE BALANCES ALL FUNDS

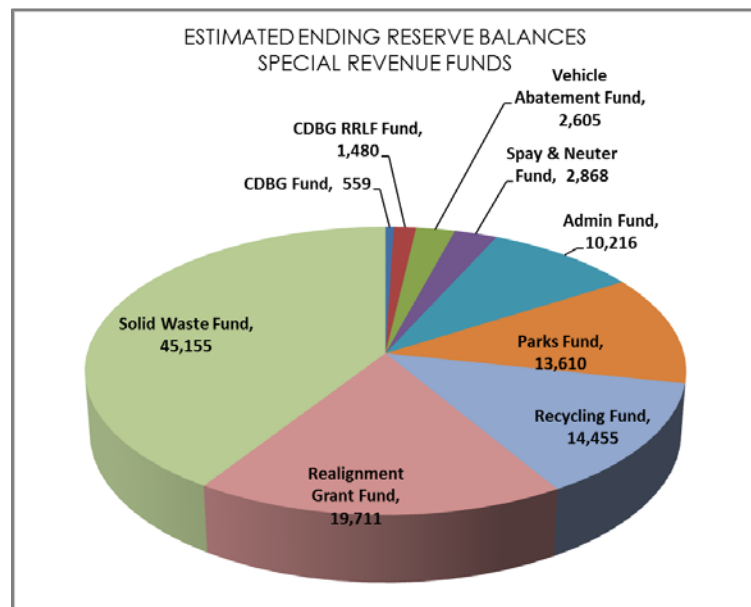
Fund has an estimated \$559 to begin the current year. These funds have been approved for use towards ADA compliance for City Hall's front porch. The funds must be spent down before the City can apply for other grant funds through the CDBG program. The current budget anticipates all CDBG funds will have been spent by June 30, 2018.

SPECIAL LAW ENFORCEMENT SERVICE FUND (SLESF). This fund annually receives a \$100,000 State subvention to fund the cost of sworn Police Officer's up to that amount. 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. The SLESF Fund is estimated to start the year with \$45,936 funds rolling forward. Expenditures are estimated at \$90,740. The estimated ending reserve balance at year end is \$55,196.

VEHICLE ABATEMENT. In the past \$1 per 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 may utilize to remove abandoned vehicles from public property. The present balance in the fund is \$2,605. Appropriations were not included in this year's budget for the vehicle abatement fund, therefore the estimated ending fund balance remains unchanged at \$2,605.

REALIGNMENT FUND. 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. This year's budget estimates a \$14,911

fund balance at the beginning of the fiscal year with revenues budgeted at \$4,800 The Realignment Grant reserve is estimated to be \$19,711 by year end.



MEASURE Z FUND. The beginning fund balance is zero with revenues estimated of \$34,101. Expenditures are estimated at \$34,101, which will be used for staffing of the Police Department's front counter with a part-time Records Technician. This staffing augmentation allows the release of an officer to the field. The estimated ending reserve balance at year end is zero.

ADMIN FUND. This fund was set up for the use of the City's vehicle that was purchased in 2013. Mileage amounts are charged as expenditures to departments that utilize the

RESERVE BALANCES ALL FUNDS

vehicle, while revenues of the same amount go into the Admin Fund. At year end the estimated fund balance is \$10,216.

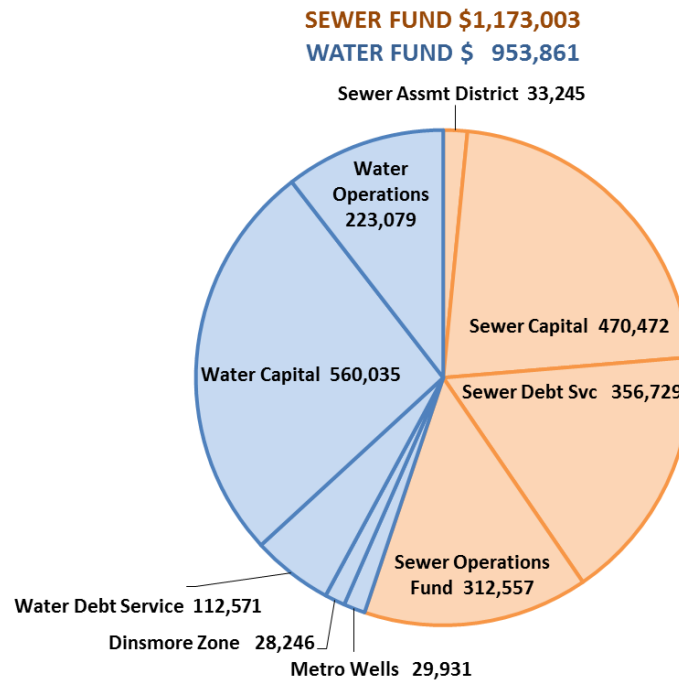
SEWER FUNDS. The Sewer Funds are four (4) separate sources for operations, debt service, capital and the assessment district. The beginning reserve balance for Sewer Operations is estimated at \$304,532 with an estimated ending balance of \$312,557.

The Sewer Capital Fund begins the year with a balance of \$62,792. The ending fund balance is expected to grow to \$470,472 by June 30, 2018. The increase is mainly due to a reserve transfer of \$500,000. Capital Projects budgeted for the current year are \$164,250. The amount is for contact basin covers, a push camera, inflow and infiltration, and public works equipment.

The Sewer Assessment District Fund begins the fiscal year with a reserve of \$35,245 to make a debt payment in the amount of \$30,500. This includes annual interest. The year-end reserve should shrink slightly to \$33,245. 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 Fund has a positive balance of \$553,907. An additional \$302,899 has been set aside as restricted, which puts the City in compliance with the financing agreement for the \$12.5 million wastewater plant. The restricted funds will be used for the final debt service payment in 2043. The ending fund balance for year end in the Debt Service Fund is estimated to be \$356,729 and includes the restricted fund balance amount of \$302,899. Revenue collections are estimated at \$303,000.

WATER AND SEWER FUNDS ESTIMATED ENDING RESERVE BALANCES





RESERVE BALANCES ALL FUNDS

WATER FUNDS. The Water Operations Reserve has a beginning balance of \$183,855. Revenues are estimated at \$724,120 and budget appropriations are \$684,896. The estimated fund balance at year end is \$223,079.

The Water Debt Service Fund has a beginning balance of \$97,971 with revenue for the year estimated at \$136,700, the amount of the annual debt service payments. The bi-annual debt payments of \$68,000 occur on July 1 and January 1 each year. The estimated reserve balance includes partial collection of the final payment per funding agreement for an ending reserve balance of \$112,571.

The Water Capital Reserve begins the year with \$572,631 reserve balance available. Revenues are budgeted for \$176,904 and expenditures for capital projects total \$189,300 for an ending reserve balance estimate of \$560,035. Capital projects include effluent redirection, SCADA computer upgrades, machinery calibration, and public works equipment.

The Metropolitan Well Water Fund was instituted in 2015 through the water rate study and was created to pay for costs associated with the City's Metropolitan Wells that are scheduled to be renovated in FY 2017/18. The beginning fund balance is estimated at \$18,536 with revenues of \$14,795 and expenditures of \$3,400. Ending fund balance is \$29,931.

The Dinsmore Zone Water Fund began in 2015 and was set up to accumulate funds collected from Monument Road customers that are served by a water system and line that runs outside of City limits. The funds will be used in the future as matching grant funds to replace the aged infrastructure that delivers water to a small group of customers. The estimated ending reserve balance is \$28,246.

RECYCLING FUND. This fund is the result of an annual \$5,000 CalRecycle Grant awarded to the City to fund recycling and litter reduction programs. The amount is passed-through to Humboldt Waste Management Authority for litter reduction programs administered by HWMA. With the estimated balance of \$14,455 in the fund, additional litter reduction programs are possible, such as educational instruction in the local schools.

SPAY AND NEUTER FUND. 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, the same as it has been for several fiscal years. Over-time the fund will be depleted by animal shelter charges for spay and neuter services, although this fund hasn't been accessed in quite some time.



GENERAL FUND OVERVIEW

INTRODUCTION

The Budget Summary Worksheet for 2017/18 indicates that \$113,756 will be drawn from the General Fund reserve in order to balance the General Fund Budget. The amount of the budget deficit is due to a revenue stream of \$923,579 less departmental expenditures of \$837,336 and \$200,000 for Capital projects. Approved capital projects in the General Fund are identified as follows:

AMOUNT	PROJECT
45,000	Bellevue/Ogle (carry-over 15/16)
20,000	Lawn Mower
	City Hall Repairs and Improve.
90,000	CDBG ABR ADA Improve.
15,000	Council Chambers
20,000	Reception Area
10,000	Broken Windows
200,000	TOTAL GENERAL FUND PROJECTS

There is a transfer from the General Fund to the Building Fund for \$8,621. The General Fund reserve balance is estimated to be \$996,007 at June 30, 2018, the end of the current fiscal year.

The Police Department expenditures from the General Fund are appropriated for \$559,143 (67% of total GF operating expenditures). In 2010/11 the Police Department was reduced from six (6) officers to three (3). A full-time Police Records Clerk was also eliminated. Since then

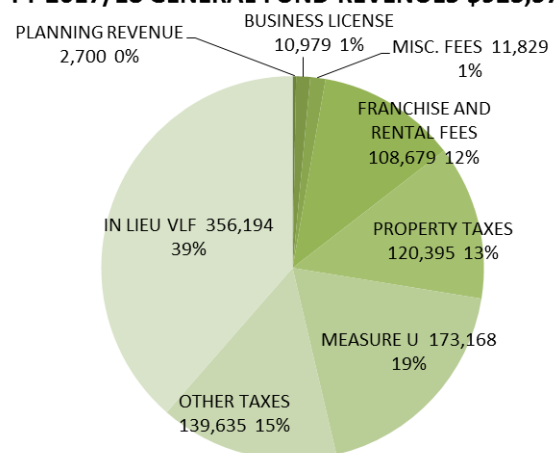
budgeted costs for police services funded out of the General Fund have increased 8%. A Records Clerk is now filled part-time through Measure Z, a county tax, and thus far there haven't been any additional officer positions added.

REVENUES

The City collects revenues for the General Fund from several different sources. The largest portion of revenues is through the "In Lieu VLF" (\$356,194, 39%). Vehicle license fees (VLF) were swapped for property tax shares in 2004 when legislative action reduced the VLF percentage from 2% to .65%. The lost revenue for City's and County's was backfilled with property tax transfers from school property tax shares.

The following chart display General Fund revenue estimates:

FY 2017/18 GENERAL FUND REVENUES \$923,579

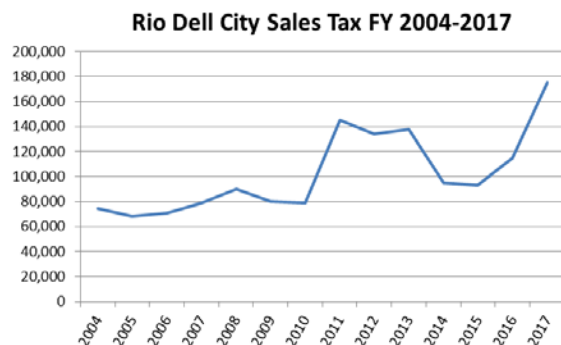




GENERAL FUND OVERVIEW

Measure U (\$173,168, 19%) is the second largest single stream of revenues budgeted for 2017/18 in the General Fund. The passage of Measure U in November 2014 reduced the budget deficit and assists in providing law enforcement services for the City of Rio Dell. Measure U is a 1% special district tax and has a five year sunset date in 2019.

Retail sales tax is the third largest amount of General Fund revenues for the City (\$104,997, 12%). Sales tax revenue, as shown in the chart below, can be volatile since it is based on consumer spending which has seen major changes over the past decade.



The chart above shows an upward spike in sales tax revenues in 2017, which was mainly due to legislative changes and not due to a true increase in sales tax collected. Prior to 2017 "In-Lieu Retail Sales Tax" had been treated as a separate revenue item, but is now includable in sales

tax. Thus retail sales tax rose while "In lieu retail sales" dropped off.

Sales tax at the legislative level still has imperfections in how it is distributed. This is especially true for e-commerce which is estimated to be 13-14% of sales in California. On-line sales generate California's use tax. In general, because of how on-line sales tax transactions are treated, millions of dollars in revenues are lost through e-commerce.

In 2017 the Marketplace Fairness Act (MFA) was reintroduced and is being considered as a means to collect sales and use taxes for states where the consumer receives the goods rather than where the business is located. In the past out of state businesses weren't required to collect sales tax for states other than the state where the business is physically located. The MFA will require out of state businesses to collect and remit sales tax to the state where the item was shipped. Billions of dollars nation-wide have the potential to be collected and remitted back to states and local governments if SB 976 passes.

EXPENDITURES

Total appropriated operating expenditures are \$837,336 and capital amounts are \$200,000 for



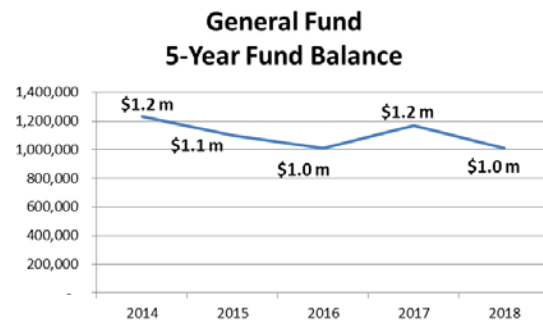
GENERAL FUND OVERVIEW

total spending of \$1,037,336.

Operating costs support several departments including Police (67%), Finance (9%), City Manager (10%), Council (1%), Buildings and Grounds (1%), and the Planning Department (9%). Total spending in the General Fund for *capital projects* is \$200,000, or 19% of total General Fund allocations.

The Public Works Buildings and Grounds Department is partly supported by the General fund. This fiscal year there is minimal funding to meet the requirements of maintaining the City's buildings and grounds including parks. The marginal funding for the Buildings and Grounds Department is meant to keep General Fund expenditures down.

The chart below shows actual fund balances at year end for the General Fund in comparison to FY 2017/18 estimated fund balance as adopted. The fund balance has declined 22% since FY 2013/14. General Fund revenues are expected to meet operational costs, and the draw on reserves is attributable to capital and special projects.



REVENUE BUDGET

STATEMENT OF FUNCTION

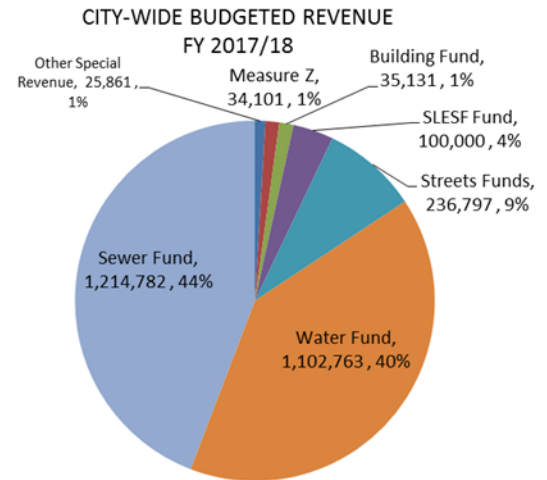
The Revenue Department exists solely for tracking and reporting revenues. All revenue is recorded within the Revenue Department for review and analysis by the Finance Department and City Manager.

2017/18 BUDGET

The adopted revenue budget totals \$3,673,014. This includes \$2,928,480 in Operating Revenue, \$248,834 for Capital and \$495,700 for Debt Service.

In comparison to the prior year, City-wide budgeted revenues have increased by \$82,391. The three funds that are the biggest contributors to this amount are the General Fund, Gas Tax Fund and Water Fund. The majority of the revenue increases within these funds are due to line items that historically show growth each year, while other increases are due to new legislation. Details are highlighted here:

- **The General Fund** revenue increase of 5% is a combination of several line items, such as property and In-lieu VLF amounts, that historically see incremental growth from year to year. Current trends based on actual amounts collected and in-depth research were used as the basis for General Fund increases for FY 2017/18. General Fund revenues remain healthy in the ability to meet operating costs and smaller special projects costs; however Measure U, the City's 1% tax



measure that was approved by voters in 2014 will expire in 2019. General Fund revenues will drop significantly (20%) if this tax is not renewed.

- **The Gas Tax Fund** revenue is higher than in previous years based on fuel sales figures estimated by the Board of Equalization. The increase of 35% (\$26,241) in comparison to last year is based on new tax legislation to the Highway User's Tax (HUTA) which translates into an increase of \$0.12 per gallon for gasoline and \$0.20 per gallon for diesel fuel beginning Nov. 1, 2017. In addition, the Road Maintenance Rehabilitation Act (RMRA) funds will be collected after January 1, 2018, which also increases revenue. Despite the new revenues, the City's streets program remains underfunded to adequately meet City streets general maintenance and repairs.

REVENUE BUDGET

- **The Water Fund** also shows an estimated increase in revenues (3%) in comparison to the prior fiscal year. The Water Fund consists of the Operating, Capital, Metro Wells, Dinsmore Zone, and Debt Service Funds. Budgeted revenue for these funds totals \$1,102,763. Since FY 2014/15 water rate increase through the Prop 218 process revenues have seen 58% growth. The rate increase was essential in stabilizing the water funds' ability to meet expenditures in an on-going effort at maintaining a safe and reliable water delivery system.

The Sewer Fund revenues for FY 2017/18 are budgeted for \$1,214,782. Several activities within the Sewer Fund make up this amount: Operations \$811,352 (67%), Capital (7%), Debt Service (25%), and the Sewer Assessment District Fund (2%). Total revenues estimated to be collected in FY 2017/18 show an increase of less than 1% in comparison to the prior fiscal year 2016/17. The sewer rates are adjusted annually on July 1 based on the Consumer Price Index (CPI).

The Water Fund revenues for FY 2017/18 are budgeted for \$1,102,763. Several activities within the Water Fund make up this amount: Operations \$724,120 (66%), Capital \$176,904 (16%), Metro Wells \$14,795 (1%), Dinsmore Zone \$8,902 and Debt Service Funds \$164,200 (15%). The water rates are adjusted by 3% of operating costs on January 1 of each

year as adopted through the Prop 218 process.

The Streets Funds revenues total \$236,797 for FY 2017/18. The City's Streets Funds are the Gas Tax (HUTA), the Transportation Development Act (TDA) and the Regional Surface Transportation Program (RSTP). The amount is insufficient to meet on-going streets maintenance and repairs. Reserves balances are being used to offset expenditures for this year's streets budget through the Gas Tax Fund (\$129,412), TDA Fund (\$6,004), and RSTP Fund (\$602).

The TDA Fund revenues were adopted with \$114,217

Building Fund revenue was adopted with \$35,131 of incoming revenue. The Building Fund had estimated reserves of \$19,462, which are being utilized to fund building activities, as well as a subsidy of \$8,261 from the General Fund was necessary to cover all costs.

Building activity revenues from the newly proposed business park were not included in the adopted budget process as a conservative measure in the case that these revenues aren't realized. Revenues can be amended through the budget amendment process for any business park building activities.

The budget was adopted with \$34,101 in **Measure Z** funds to help support the Police Department in providing better services to the community. The amount pays for a part-time Records Technician

REVENUE BUDGET

that provides administrative support allowing officers to spend more time in the field. The Records Technician works in the Police Department answering phones, processing data, and other administrative tasks as assigned.

The SLESF Fund grant is an annual \$100,000 to be used towards "front-line police services." The funds provide the City's Police Department with an additional full-time officer for law enforcement duties. The amount is received on a year-to-year basis.

Other special revenue funds with budgeted revenues are the Recycling Fund, Community Development Block Grant (CDBG), the Admin Fund, Realignment Grant Fund, and SLESF Fund. Revenue details for these funds follow:

- **Recycling Fund** (\$5,000) receives revenues from CalRecycle and passes the amount to Humboldt Waste Management Authority (HWMA). HWMA uses these funds in its recycling activities throughout the County, including events specific to the Rio Dell Community such as e-waste collection day.
- **The Community Development Block Grant** (CDBG) (\$3,174) receives a small amount of revenue each year through housing loan payments made by loan holders. Most of these loans, however, do not require monthly payments. Instead loans become

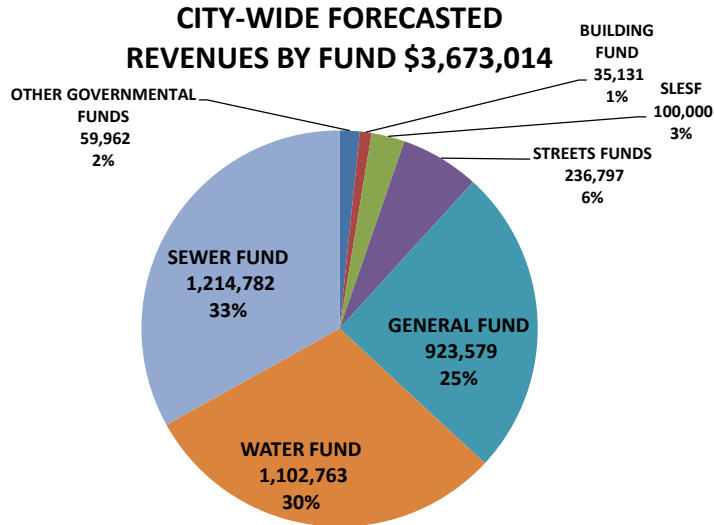
due when the home is sold, or the loan holder becomes deceased. The City occasionally receives full loan pay-off, but timing is unpredictable and are not included in the City's annual budget process.

- **Admin Fund** (\$3,887) receives revenue each time the City's Admin vehicle is used. The mileage charge is billed to the department using the vehicle and the amount counts towards revenue in the Admin Fund.
- **Realignment Grant Fund** (\$4,800) is revenue designated for use to assist law enforcement with the burden of the early release of inmates. The State collects the amounts through Vehicle License Fees and a portion of sales tax, then distributes to the County.
- **Solid Waste Fund** (\$9,000) receives pass-thru revenue from CalRecycle and through various waste collection sites. HWMA's revenues are largely passed through to HWMA. The funds are used for HWMA's programs to eliminate solid wastes per AB 939. This bill is dedicated to reducing, recycling, and environmentally safe transformation of products slated for landfills.

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

REVENUE DEPT	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Est.
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REVENUE



REVENUE DEPT	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Est.
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REVENUE								
4010 Tax - Property Current Secured	101,807	103,921	104,569	103,500	53,623	102,000	107,246	
4011 Tax - Property Current Unsecur	3,890	3,600	3,792	3,600	3,713	3,600	7,426	
4013 Tax - Property Prior Unsecured	116	-	49	-	23	100	46	
4025 Tax - Supplemental Roll	622	2,200	969	2,200	899	2,200	1,798	
4026 Tax - Home Owner's Property	1,454	1,600	1,418	1,400	671	1,400	1,342	
4027 Tax - Prior Years - Supplemental	709	-	131	-	86	-	172	
4030 Tax - Transient Occupancy Tax	10,793	11,000	13,304	11,000	6,576	10,500	13,152	
4035 Tax - Timber Yield	14	12	15	14	13	10	26	
4040 Tax - Retail Sales	93,210	129,500	114,715	117,000	69,998	100,500	104,997	
4041 Tax - In Lieu Retail Sales - County	29,148	43,510	22,509	29,100	-	16,000	19,000	
4042 Tax - Measure U Sales Tax	44,477	-	216,054	103,946	115,445	170,000	173,168	
4045 Tax - (HCAOG) Transportation - TDA	114,888	108,609	108,945	108,945	78,365	111,600	114,217	
4048 Tax - Gasoline (Highway Users Tax)	103,581	90,010	80,540	76,820	43,246	74,339	100,580	
4050 Tax - Documentary Real Property	3,503	2,300	5,398	4,000	4,525	2,800	2,365	
4056 Tax - Public Safety .5% sales	3,445	3,300	3,362	3,100	1,704	3,300	2,460	
4110 Fees - Franchise - Electric	26,682	28,000	28,869	26,200	-	27,000	28,869	
4115 Fees - Franchise - Gas	5,720	6,300	6,020	5,600	-	6,000	6,020	
4120 Fees - Franchise - Garbage	15,568	15,275	15,916	15,000	8,635	15,000	16,778	
4125 Fees - Franchise - Cable TV	34,590	33,000	34,617	33,000	18,344	33,600	36,144	
4150 Fees - Business License	8,724	8,000	8,596	9,500	4,855	9,000	10,694	
4151 Fees - Business License CASP SB1186	180	200	200	250	119	180	285	
4152 Fees - Memorial Park	-	-	-	-	90	-	-	
4162 Fees - Motor Vehicle License (VLF)	6,795	7,600	9,313	7,100	4,949	7,100	4,309	
4163 Fees - In Lieu VLF - County	342,092	340,094	348,796	342,000	178,097	342,000	356,194	
4170 Fees - Animal License	1,281	1,000	1,706	1,800	990	1,350	1,657	
4173 Fees - Animal Control/Relinq.	1,278	1,200	928	1,200	300	1,200	928	
4178 Fees - Booking	741	500	429	200	-	500	350	
4180 Fees - Notary	220	-	40	100	(75)	-	75	
4183 Fees - Special Police Services	3,125	1,500	2,449	1,500	2,685	1,900	2,100	
4185 Fees - Street & Sidewalks	-	500	-	-	-	-	-	
4186 Fees - Weed & Lot	-	300	-	300	-	-	-	
4190 Fees - Integrated Waste Management	9,199	8,500	10,692	9,500	716	9,000	9,000	
4195 Fees - Customer fax and copy	38	25	47	25	80	25	35	
4199 Sewer Lien Fees	-	-	-	-	90	-	-	

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

REVENUE DEPT	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	/ / Proposed	/ / Est.
REVENUE								
4310 Interest Income	1,422	100	1,325	100	805	-	800	
4320 Rental Income - U.S. Cellular	6,571	6,370	6,605	6,370	3,883	6,500	6,657	
4321 Rental Income - T. Mobile	11,983	11,681	13,557	13,000	9,362	11,800	14,212	
4410 Building Plan - Constr Permits	14,123	30,000	15,783	18,000	9,291	13,885	14,500	
4420 Planning - Zoning Fees	4,233	8,000	2,383	2,500	1,296	2,500	2,500	88,000
4430 Planning - Subdivison Fee	-	1,500	-	1,500	-	1,500	-	
4435 Planning - Home Occupation Permit Fee	440	500	160	300	240	200	200	
4440 Building Plan - Plan Check Fee	5,324	19,800	4,335	6,000	1,671	3,950	4,100	
4445 Building - Administrative Fees	14,854	150	16,199	8,000	8,352	14,000	15,500	
4455 Planning - Other	138	-	-	50	-	-	-	
4456 Planning - Parks & Recreation Developme	3,000	-	3,000	-	1,500	-	1,500	
4460 Building Plan - Seismic Fees	112	125	139	75	75	125	75	
4462 Building Standards- SB1473	63	-	56	60	45	66	56	
4463 Building - Continuing Education	201	-	139	125	71	110	100	
4464 Building - Technology Fee	453	-	314	340	163	340	300	
4465 Encroachment Permits	500	250	500	500	500	425	500	
4480 Insurance Premium Reimbursement	-	-	8,073	-	749	-	650	
4570 Sewer - Assmt Dist #1 Current	2,962	28,785	28,264	30,950	15,736	32,000	28,500	
4571 Sewer - Assmt Dist #1 - Prior	939	-	1,424	-	1,786	-	-	
4516 Sewer - Debt Service	348,356	325,900	302,922	310,000	110,629	310,000	303,000	
4540 Sewer - Replacement Reserve	180,188	255,571	283,015	170,000	105,063	98,344	71,930	
4615 Water - Debt Service	172,949	140,724	161,413	140,000	85,439	152,371	136,700	
4616 Water - Debt Service Restricted	-	-	13,600	-	20,083	-	27,500	
4650 Water - Capital					114,079	193,510	172,584	
4510 Sewer - Service	673,082	602,614	615,190	555,000	576,220	758,656	803,327	
4520 Sewer - Connection	10,440	-	20,880	5,220	5,220	5,220	-	
4630 Late Fee - Sewer	20,555	19,000	20,790	20,000	15,382	20,600	5,000	
4630 Late Fee - Water	20,555	19,000	20,790	20,000	15,382	20,600	25,000	
4635 Delinquent Fees - Sewer	8,780	5,933	5,190	6,000	2,485	3,090	2,500	
4635 Delinquent Fees - Water	8,780	5,933	5,190	6,000	2,485	3,090	10,000	
4640 Water - Damage Replacement	-	1,000	-	11,000	-	-	-	
4651 Water Capital Infiltration Gallery	-	-	100,000	-	-	-	-	
4653 Water - Metro Wells	-	-	6,980	6,980	8,048	11,697	14,795	
4654 Water - Dinsmore Zone	-	-	7,200	7,200	11,357	17,466	22,744	
4610 Water - Service	426,809	501,967	593,821	450,000	441,673	667,805	684,720	
4620 Water - Connection	5,400	5,410	11,384	2,700	3,569	2,700	5,400	
4712 Grant Restricted - RSTP HCAOG	22,572	21,000	23,117	21,000	-	22,000	22,000	
4725 GEN. FUND FROM CDBG PRINCIPAL INCC	-	-	11,187	28,800	4,822	12,000	3,174	
4727 Late Fees - GEN. FUND FROM CDBG PI	-	-	1	-	-	-	-	
4728 GEN. FUND INCOME FROM CDBG MISC I	32	-	-	-	-	-	-	
4740 Grant Restr - Police Grant SLESF	100,000	100,000	143,942	55,703	40,508	100,000	100,000	
4744 Grant Rest - Police Realignment Grant	14,817	-	9,884	7,000	-	5,500	4,800	
4746 Grant Restristed - Recycling	-	-	5,000	5,000	5,000	5,000	5,000	
4747 Grant - Measure Z	-	-	34,515	34,516	7,332	35,569	34,101	
4763 Grant Rest.- Prop. 84 - DWR	192,206	-	76,121	81,452	3,949	591,794	-	
4764 Grant Rest - SDWSRF						665,856		
4765 Grant Rest. - USDA ECWAG	-	-	-	-	-	373,200	-	
4802 Donations- Bicycle Helmets	500	-	600	-	-	-	-	
4803 Donations- Misc	50	-	20	-	-	-	-	
4900 Interfund Revenue	4,444	-	2,981	4,000	1,078	2,800	2,387	
4920 Misc - Special Public Works	3,818	-	142	3,800	1,746	-	1,745	
4936 Bad Debt Recovery	3,385	2,000	1,614	2,859	2,099	3,000	2,100	
4941 Misc - Post Training & Special Project Rei	-	3,000	-	-	-	-	-	
4950 Misc	520	500	495	400	255	-	325	
4963 Anniversary Income	850	-	-	500	-	-	-	
4990 Misc - Other	1,142	-	1,619	-	171	-	100	
4995 Donations	-	-	116	-	750	-	500	
TOTAL REVENUE	3,255,437	3,068,369	3,726,363	3,060,900	2,239,110	5,221,473	3,673,014	



CITY MANAGER BUDGET

DEPARTMENT HEAD
Kyle Knopp, City Manager

STATEMENT OF FUNCTION

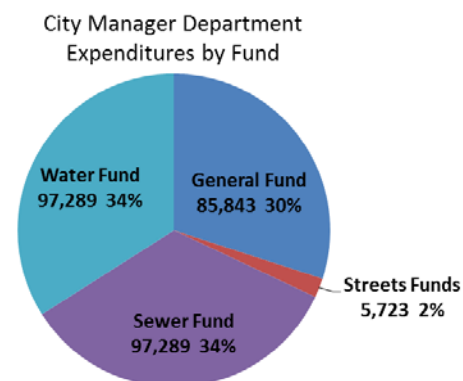
The City Manager is the Chief Administrative Officer for the City. This position is responsible for the day to day performance of all City operations and oversees the activities of all Departments to ensure they are in concert with the policies and goals of the Council. The City Manager provides the City Council with relevant information to support decision-making and policy direction. This position deals with conflict and dispute resolution, analyzes and recommends organizational enhancements and restructuring as necessary. The City Manager also serves as the City Budget Officer, negotiates contracts and agreements, and serves as the Human Resources Director as well as the Public Works Director.

As part of the City Manager's Department, the City Clerk provides staff and administrative support to the City Council and City Manager including preparation of City Council meeting agendas in concerted alliance with the City Manager. Sixty percent (60%) of the City Clerk's position is budgeted in the City Manager's Department. 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 is responsible for the filing of campaign and economic interest statements and provides information about conduct of City business to the public.

2017/18 BUDGET

The recommended budget for the City Manager's Department is \$286,144, a decrease of \$9,485 from the July 1, 2016 adopted budget. The City Manager Budget is spread amongst various funds and allocations are as follows: General Fund \$85,843 (30%); Streets Funds \$5,723 (2%); Sewer Fund \$97,289 (34%); Water Fund \$97,289 (34%); and 40 hours (\$2,338) of City Manager time is budgeted to the Recycling Fund.



SALARIES AND BENEFITS

Salaries and employee benefits for City Manager Department for the positions of City Manager and City Clerk total \$199,078, which is \$4,072 less than 2016/17.



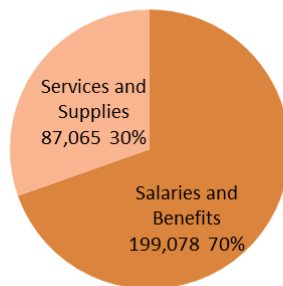
CITY MANAGER BUDGET

DEPARTMENT HEAD
Kyle Knopp, City Manager

SERVICES AND SUPPLIES

The Service and Supplies accounts total \$87,065 from \$91,878 in 2016/17. This is a decrease of \$4,813 in service and supplies expenditures. The more significant increased costs are shown in the following line items - general liability insurance, property insurance, training, electricity, and printing costs.

CITY MANAGER ADOPTED BUDGET \$286,144
FY 2017/18



The chart above displays salaries and benefits items (70%) and services and supplies items (30%) as portions of the overall budget.

Other cost centers of note:

1. Legal (5112) includes \$28,700 as may be required.
2. Contract/Professional Services (5115) is budgeted at \$18,250; budgeted under this line item are Access Humboldt contract costs, codification costs, CASp (Certified Access Specialist program) services for ADA compliance, and miscellaneous legal expenditures (other than the City's own attorney)
3. Training (5122) includes \$3,000 for both the City Manager and City Clerk

All other accounts have been adjusted to reflect actual costs.

City of Rio Dell
BUDGET WORKSHEET

For the fiscal years 2015 through 2017

CITY MANAGER DEPT	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
EXPENDITURES								
SALARIES AND BENEFITS	191,211	252,740	203,288	207,787	127,854	203,150	199,078	
OPERATING SUPPLIES								
5101 Office Supplies	1,257	1,500	747	1,500	563	1,500	1,500	
5102 Operating Supplies	380	350	336	350	114	348	348	
5103 Postage	294	250	525	250	360	252	547	
5104 Printing - Forms	4,011	3,000	4,305	4,000	2,764	4,000	4,350	
5105 Advertising	-	-	-	-	152	-	210	
5106 Promotional	85	-	-	-	231	-	200	
5112 Legal	6,271	15,000	23,707	15,000	19,941	15,000	28,700	
5115 Contract/Professional Services	4,804	29,240	2,226	23,000	3,771	33,300	18,250	
5120 Cell Phones	1,492	2,000	1,409	1,560	966	1,400	1,500	
5121 Telephone - Pager	247	-	237	200	93	360	360	
5122 Training - Conference	1,686	2,000	1,260	3,000	241	3,000	3,000	
5123 Automobile - Transportation	4,645	4,200	4,916	4,200	3,144	4,645	4,645	
5125 Publications - Books	52	50	24	50	16	52	87	
5126 Dues & Memberships	467	1,100	3,871	1,100	3,683	1,100	3,850	
5128 Employee Relations	-	100	-	100	-	100	100	
5130 Rents - Leases	1,810	3,000	1,603	2,100	796	2,100	1,925	
5131 Records Maintenance	76	100	82	110	94	112	128	
5135 Maintenance - Repair	1,083	450	955	700	515	700	700	
5138 Office Equipment	419	500	34	500	1,006	3,496	1,405	
5139 Equipment	-	500	1,911	500	37	500	500	
5141 General Liability Insurance	8,054	4,312	6,149	8,538	3,456	8,538	3,510	
5143 Property Insurance	1,577	957	1,649	1,672	565	1,672	574	
5144 Emp Practice Liab Insurance	121	318	1,248	762	276	1,400	225	
5150 Electricity	1,375	586	1,421	1,430	480	1,475	795	
5151 Natural Gas	111	63	77	137	43	140	140	
5152 Water	59	38	137	50	138	225	225	
5153 Sewer	99	73	69	100	71	103	103	
5160 Elections	1,003	-	-	-	-	-	2,000	
5161 Sales Tax Admin Fees	7,290	-	-	-	-	-	-	
5166 LAFCO Fees	1,429	-	1,695	1,500	1,083	1,500	1,850	
5171 Computer Software	1	500	1	500	31	500	500	
5173 Computer Maintenance - Support	2,161	1,769	2,760	2,379	1,600	2,740	2,743	
5174 Web Design Services	521	30	47	300	77	400	875	
5212 Gas & Oil	-	-	-	-	21	-	-	
5514 Engineering	-	1,000	885	1,000	457	1,000	1,000	
5520 Improvements	-	-	-	220	-	220	220	
TOTAL OPERATING SUPPLIES	52,880	72,986	64,286	76,808	46,785	91,878	87,065	-
TOTAL CITY MANAGER DEPT.	244,091	325,726	267,574	284,595	174,639	295,028	286,144	-

General Fund 20% (\$85,843); Gas Tax Fund 2% (4,292); TDA Fund 1% (\$1,431); Sewer Fund 34% (\$97,287); Water Fund 34% (\$97,289)

STATEMENT OF FUNCTION

The Finance Department's objective is to carry out the fiscal policies and procedures set forth by the City Council and implement recommendations of the City's Independent Auditor.

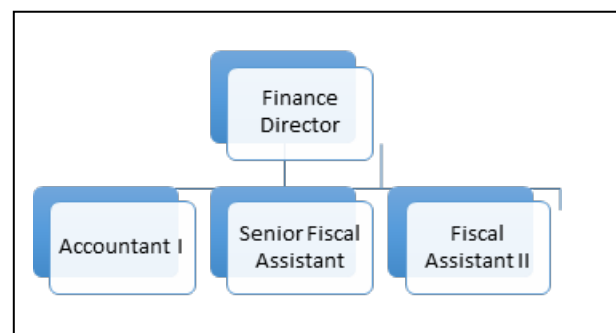
Through the adopted measures of the City Council and internally developed fiscal procedures the Finance Department is responsible to appropriately manage and carry out the City's governmental financial affairs. Responsibilities of internal control over financial activities include the recording, reporting, verifying, and safeguarding the City's assets. The City's financial activities and internal controls are audited annually and guide the Finance Department in financial responsibility and are safeguards for financial data integrity.

The Finance Department directs and coordinates all Government fiscal functions of the City of Rio Dell. These include utility billing, collections, payroll (P/R), accounts payable (A/P), accounts receivable (A/R), general ledger maintenance (G/L), financial analysis and reporting, budget preparation and budget management, and many other financial activities.

Stakeholders of the City include City Council, constituents, the public at large, staff, and others affected by the actions of local government. The Finance Department is responsible for providing an open and transparent forum where stakeholders are welcome to inquire about the City's financial activities and be kept informed about financial activities on an on-going basis.

STAFFING

The Finance Department is staffed by 4 full-time employees (FTEs). Positions budgeted for the 2017/18 fiscal year are the Finance Director, Accountant I, the Senior Fiscal Assistant, and the Fiscal Assistant II.



2017/18 BUDGET

The approved budget for the Finance Department is \$374,817, an increase of \$3,777 from the prior budgeted amount in 2016/17 of \$371,040.

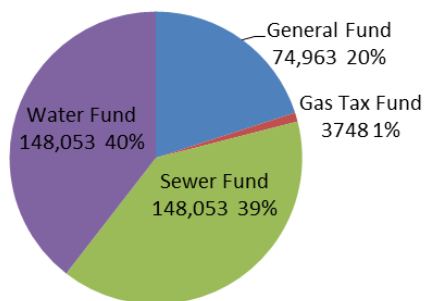


FINANCE DEPARTMENT BUDGET

DEPARTMENT HEAD
Brooke Woodcox, Finance Director

The Finance Department Budget is spread among various funds and the allocations are as follows: \$74,963 (20.0%) to the General Fund, \$3,748 (1.0%) to Streets, \$148,053 (39.5%) to Sewer Operations, and \$148,053 (39.5%) to the Water Fund.

Finance Department
Expenditures by Fund



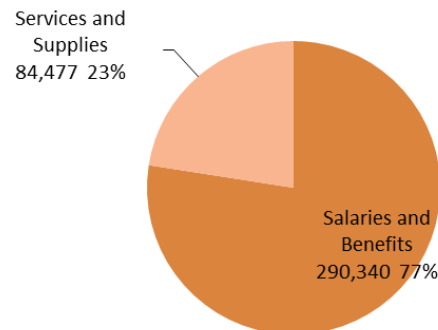
SALARIES AND BENEFITS

Salaries and benefits for the Finance Department positions total \$290,340, which is \$12,988 more than the prior fiscal year. The additional amount is due to contractual step increases. Step increases take effect once an employee receives a positive annual review on his, or her, anniversary hire date.

SERVICES AND SUPPLIES

The Service and Supplies accounts total \$84,477 from \$93,085 in 2016/17. This is a decrease of \$8,608 in service and supplies expenditures.

FINANCE DEPT ADOPTED BUDGET \$374,817
FY 2017/18



Cost centers of note:

1. Accounting (5110) includes \$32,000 for auditing and financial services.
2. Training-Conference (5122) is approved at \$2,900.
3. Property Tax Admin. Fees (5163) is budgeted for \$2,800. These are fees that the County charges for administration costs for disbursements
4. Computer Maintenance Support (5173) is budgeted for \$15,183 for information technology (IT) services.

All other accounts have been adjusted to reflect actual costs.

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

FINANCE DEPT	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
EXPENDITURES								
SALARIES AND BENEFITS	266,211	259,714	255,004	266,506	184,692	277,954	290,340	
OPERATING SUPPLIES								
5101 Office Supplies	3,494	3,610	3,681	3,610	1,568	3,612	3,612	
5102 Operating Supplies	331	800	334	800	175	800	500	
5103 Postage	2,868	6,974	3,973	4,050	1,216	4,052	3,500	
5104 Printing - Forms	3,232	3,301	3,230	3,301	1,715	3,300	3,301	
5106 Promotional	80	-	34	-	-	-	50	
5110 Accounting	34,936	28,800	32,069	30,000	15,523	26,500	32,000	
5112 Legal	784	400	-	400	44	400	400	
5115 Contract/Professional Services	-	400	220	750	14	752	750	
5116 Bank Fees	1,893	2,092	1,294	2,200	282	2,200	1,200	
5120 Cell Phones	1,399	2,238	1,409	2,000	966	1,400	1,450	
5121 Telephone - Pager	215	-	235	200	95	800	285	
5122 Training - Conference	2,786	4,501	2,741	4,501	2,837	4,496	2,900	
5123 Automobile - Transportation	915	1,301	822	1,301	32	1,300	3,209	
5125 Publications - Books	24	94	24	94	17	95	95	
5126 Dues & Memberships	122	125	220	125	110	125	125	
5130 Rents - Leases	1,702	3,101	1,482	2,500	726	2,500	1,750	
5131 Records Maintenance	659	525	882	600	677	1,000	1,000	
5135 Maintenance - Repair	1,088	1,951	1,137	1,951	329	1,952	1,600	
5138 Office Equipment	41	3,200	4,679	8,200	2,022	5,200	3,200	
5139 Equipment	-	-	-	-	38	-	-	
5141 General Liability Insurance	7,999	11,408	6,120	8,480	3,536	8,480	2,127	
5143 Property Insurance	1,566	2,531	1,640	1,660	578	1,660	348	
5144 Emp Practice Liab Insurance	120	841	1,241	756	282	1,600	136	
5150 Electricity	1,366	1,572	1,411	1,421	491	1,463	1,400	
5151 Natural Gas	110	170	77	137	44	140	140	
5152 Water	133	87	309	110	312	365	585	
5153 Sewer	223	165	155	216	160	222	280	
5163 Property Tax Admin Fees	2,744	3,000	2,610	3,000	1,380	3,000	2,800	
5171 Computer Software	1	170	151	200	205	200	200	
5173 Computer Maintenance - Support	14,497	15,023	12,491	14,500	8,857	15,220	15,183	4,500
5174 Web Design Services	110	146	46	150	78	252	350	
TOTAL OPERATING SUPPLIES	85,438	98,526	84,717	97,213	44,309	93,086	84,477	4,500
TOTAL FINANCE DEPT.	351,649	358,240	339,721	363,719	229,001	371,040	374,817	4,500

General Fund 20% (\$74,963); Gas Tax Fund 0.07% (2,624); TDA Fund 0.03% (\$1,124); Sewer Fund 39.5% (\$148,053); Water Fund 39.5% (\$148,053)



CITY COUNCIL BUDGET

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.

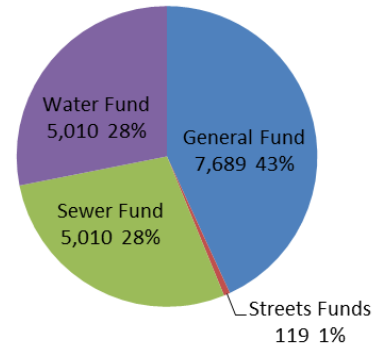
City Council Members serve staggered four (4) years terms without compensation.

2017/18 BUDGET

The adopted budget for the City Council is \$17,829, a decrease of \$4,487 from the 2016/17 budget amount of \$22,316. The net General Fund cost for the department is \$7,689. For the fourth year in a row the Council voted to include in its budget water and sewer costs for the Rio Dell Volunteer Fire Department and Humboldt County Library Rio Dell Branch. The

appropriated amount from the General Fund for RDVFD and the library is estimated to be \$5,900.

CITY COUNCIL BUDGET \$17,829
FY 2017/18



SALARIES AND BENEFITS

City Council Members serve without salaries and benefits.

SERVICES AND SUPPLIES

Services and supplies (not including RDFD and library water and sewer) total \$11,929, a decrease of \$5,720 from the 2016/17 budget.

Expenditures include \$1,750 for City Council training, \$1,100 for mileage reimbursement for members using their personal vehicles or the City vehicle for City business, and \$2,752 for League of California Cities annual dues. The balance of expenditure line items are related to equipment repair and liability insurance costs.

City Council Members at time of budget adoption FY 2017/18

Frank Wilson (Mayor) • Gordon Johnson (Mayor Pro-tem) • Debra Garnes • Tim Marks • Sue Strahan

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

CITY COUNCIL DEPT	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
EXPENDITURES								
5101 Office Supplies	12	-	21	-	72	40	95	
5102 Operating Supplies	20	-	-	-	15	-	20	
5103 Postage	120	-	3	111	11	112	45	
5104 Printing - Forms	584	-	218	837	11	835	27	
5106 Promotional	119	850	844	200	22	1,050	200	
5112 Legal	1,769	502	3,257	502	5,432	5,563	4,000	
5115 Contract/Professional Services	-	-	-	-	2,460	1,599	750	2,500
5122 Training - Conference	1,786	2,000	1,215	3,000	-	3,000	1,750	
5123 Automobile - Transportation	1,661	1,502	1,637	2,000	591	2,000	1,100	
5125 Publications-Books	98	-	-	-	-	-	-	
5126 Dues & Memberships	2,344	2,751	-	2,751	-	2,752	2,752	
5135 Maintenance - Repair	-	502	-	-	-	-	-	
5139 Equipment	-	-	1,136	-	-	-	-	
5141 General Liability Insurance	-	710	-	-	-	-	642	
5143 Property Insurance	-	157	-	-	-	-	99	
5173 Computer Maintenance - Support	-	-	-	-	-	600	200	
5174 Web Design Services	60	-	-	98	-	98	250	
5900 RFD and Library Water/Sewer	4,252	3,388	5,719	6,793	3,001	4,667	5,900	
Total Expenditures	12,825	12,362	14,050	16,292	11,615	22,316	17,829	2,500

General Fund 15% plus \$5,900 (\$7,689); Gas Tax Fund 0.7% (\$84); TDA Fund 0.3% (\$36); Sewer Fund 42% (\$5,010); Water Fund 42% (\$5,010)

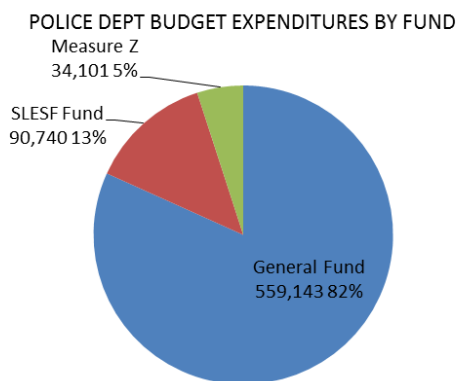


POLICE DEPARTMENT BUDGET

DEPARTMENT HEAD
Graham Hill, Chief of Police

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 affair matters, and handles other administrative needs of the Department, as well as provides street level enforcement when required. The Sergeant assists the Chief with administrative tasks, provides patrol supervision and field training of new officers.

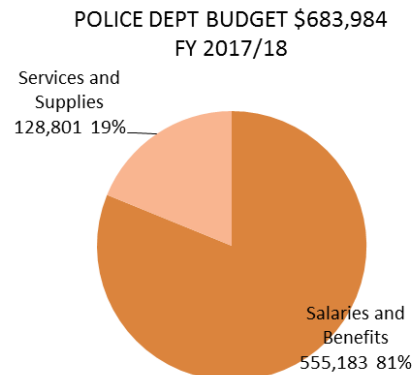


2017/18 BUDGET

The recommended Police Department budget totals \$683,984, an increase of \$6,801 in comparison to the prior year. The Police Department represents net expenditures of \$559,143 (82.0%) out of the general fund, which is 54% of total general fund appropriations for fiscal year 2017/18.

SALARIES AND EMPLOYEE BENEFITS

The Rio Dell Police Department continues its reduced staffing level of 5.0 personnel from 9.0 FTE five (7) years ago. Salaries and benefits for the Chief, Sergeant and three (3) Officers total \$555,183. Due to the small staff in the Police Department and the goal to have police coverage 24 hours a day overtime has been realistically budgeted for \$23,405, an increase of \$3,014 from 2016/17.



Part-time office support funded through the County's Measure Z is included in the Police Department budget in the amount of \$34,101. This amount allows for administrative assistance that releases a uniformed officer into the field since the primary responsibility of the Records Technician is to receive walk-in traffic, answer phone calls and update files.

SERVICES AND SUPPLIES

The services and supplies line items were approved at \$128,801, a decrease of \$6,833 from 2016/17. The accounts generally are not discretionary and



POLICE DEPARTMENT BUDGET

DEPARTMENT HEAD
Graham Hill, Chief of Police

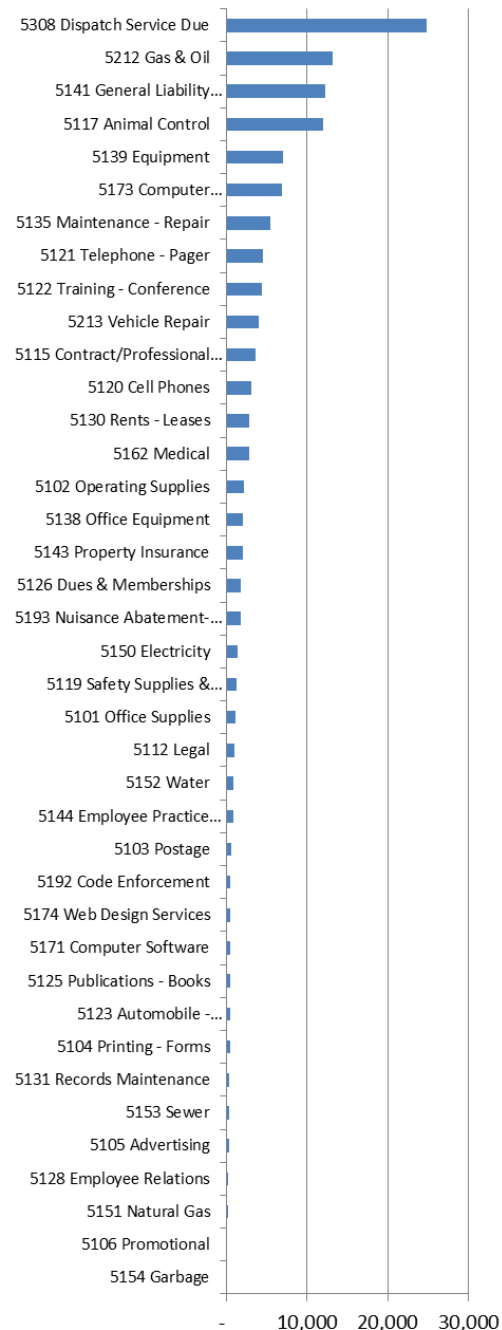
support police and patrol services. The more significant costs centers are as follows:

1. Professional services provides \$3,650 for the Police Department manual
2. Animal Control \$12,000 contract with Miranda's Animal Rescue for animal shelter services.
3. Telephone-Pagers are essential for Officer communication (\$7,610).
4. Rents-leases CrimeStar & DocStar information management systems (\$2,900).
5. General liability insurance is budgeted for \$12,265 for Police Department coverage.
6. Property insurance is budgeted for \$2,013 for Police Department property insurance.
7. Medical expenditures of \$2,800 for assault cases in the jurisdiction.
8. Computer maintenance \$6,901 for the Department's share of the computer maintenance contract.
9. Code enforcement \$500 for costs related to code enforcement activities
10. Nuisance abatement-vehicles \$1,750 for the abatement of inoperable vehicles deemed to be a public nuisance.

11. Gas & oil \$13,225 for patrol vehicle operating expense, decreased \$475 from 2016/17.

12. Dispatch service \$24,900 paid to City of Fortuna for police dispatch service.

POLICE DEPT SERVICES & SUPPLIES



City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

POLICE DEPT	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
EXPENDITURES								
SALARY AND BENEFITS	517,599	497,692	543,679	547,991	352,991	541,549	555,183	
OPERATING SUPPLIES								
5101 Office Supplies	457	1,000	1,433	1,000	705	1,200	1,200	
5102 Operating Supplies	1,306	2,500	1,586	2,500	2,421	2,200	2,200	
5103 Postage	584	665	550	600	204	600	600	
5104 Printing - Forms	860	463	408	1,000	91	1,000	480	
5105 Advertising	-	50	401	50	-	300	300	
5106 Promotional	115	50	658	50	-	50	50	
5112 Legal	1,386	1,000	4,925	1,000	44	1,000	1,000	
5115 Contract/Professional Services	1,546	3,000	6,997	3,000	3,849	3,650	3,650	
5117 Animal Control	6,533	6,500	10,800	6,500	8,068	12,000	12,000	
5119 Safety Supplies & Equipment	1,266	1,239	272	1,239	-	1,239	1,239	
5120 Cell Phones	3,025	7,000	3,295	3,448	2,365	3,110	3,110	
5121 Telephone - Pager	4,749	-	4,596	4,572	2,794	4,500	4,500	
5122 Training - Conference	1,184	-	3,942	4,730	460	4,400	4,400	
5123 Automobile - Transportation	749	500	430	864	215	500	500	
5125 Publications - Books	36	500	172	500	139	500	500	
5126 Dues & Memberships	1,659	1,800	390	1,875	331	1,800	1,800	
5128 Employee Relations	-	250	-	250	-	250	250	
5130 Rents - Leases	2,009	2,500	2,924	2,500	2,218	2,500	2,900	
5131 Records Maintenance	370	350	456	500	179	400	400	
5135 Maintenance - Repair	4,231	5,523	1,257	5,523	592	5,523	5,523	
5138 Office Equipment	2,575	2,100	193	2,100	2,493	4,200	2,100	
5139 Equipment	16,003	13,658	1,642	7,025	2,217	7,025	7,025	
5141 General Liability Insurance	12,137	14,301	9,257	12,865	5,144	12,865	12,265	
5143 Property Insurance	2,376	3,172	2,483	2,519	841	2,519	2,013	
5144 Employee Practice Liab Insurance	182	1,106	1,880	1,147	410	2,050	827	
5150 Electricity	2,317	2,000	2,390	2,412	843	2,484	1,425	
5151 Natural Gas	167	200	117	207	64	213	200	
5152 Water	226	147	523	180	529	545	878	
5153 Sewer	377	274	263	370	271	381	390	
5154 Garbage	-	200	-	-	-	-	-	
5162 Medical	3,096	3,000	2,394	3,000	280	3,200	2,800	
5171 Computer Software	389	500	2	500	1	500	500	
5173 Computer Maintenance - Support	7,355	7,950	7,422	6,500	4,601	7,580	6,901	
5174 Web Design Services	167	100	70	200	114	500	500	
5192 Code Enforcement	445	1,000	-	1,000	-	1,000	500	
5193 Nuisance Abatement-Vehicle	150	1,250	1,000	1,250	2,919	1,250	1,750	
5212 Gas & Oil	13,452	13,000	13,333	13,400	8,594	13,700	13,225	
5213 Vehicle Repair	9,189	2,500	5,229	4,000	4,034	4,000	4,000	
5308 Dispatch Service Due	18,504	18,500	24,900	24,900	16,600	24,900	24,900	
TOTAL OPERATING SUPPLIES	121,172	119,848	118,590	125,276	74,630	135,634	128,801	-
TOTAL POLICE DEPT.	638,771	617,540	662,269	673,267	427,621	677,183	683,984	-

General Fund 82% (\$559,143); SLESF Fund 13% (\$90,740); Measure Z 5% (\$34,101)



GENERAL GOVERNMENT DEPARTMENT BUDGET

DEPARTMENT HEAD
Kevin Caldwell, Community
Development Director

STATEMENT OF FUNCTION

The General Government department was reopened for the sole purpose of budgeting for the salary and benefits allocation for the City's Community Development Director. It is estimated that the Community Development Director spends 25% of his time working on general government tasks

2017/18 BUDGET

The approved budget for the General Government Department totals \$28,777 and includes salary and benefits items for the Community Development Director.

SERVICES AND SUPPLIES

Appropriations for the General Government Department for operating supplies are \$1,601.

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

GENERAL GOVERNMENT DEPT	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
EXPENDITURES								
SALARIES AND BENEFITS	-	-	40,850	41,490	16,277	26,276	27,176	
OPERATING SUPPLIES								
5101 Office Supplies	-	-	90	-	7	106	-	
5102 Operating Supplies	-	-	79	-	8	89	42	
5103 Postage	-	-	10	-	71	-	-	
5104 Printing - Forms	-	-	53	-	16	40	40	
5115 Contract/Professional Services	-	-	51	-	24	10	100	60,000
5120 Cell Phones	-	-	408	-	290	344	222	
5121 Telephone - Pager	-	-	56	-	4	90	65	
5125 Publications - Books	-	-	6	-	1	-	10	
5130 Rents - Leases	-	-	198	-	32	205	80	
5131 Records Maintenance	-	-	-	-	1	-	-	
5135 Maintenance - Repair	-	-	181	-	8	200	50	
5138 Office Equipment	-	-	8	-	-	400	100	
5139 Equipment	-	-	-	-	2	-	-	
5141 General Liability Insurance	-	-	1,369	-	161	1,600	603	
5143 Property Insurance	-	-	374	-	26	401	99	
5144 Emp Practice Liab Insurance	-	-	146	-	13	158	39	
5150 Electricity	-	-	336	-	22	346	55	
5151 Natural Gas	-	-	18	-	2	22	17	
5171 Computer Software	-	-	-	-	-	-	-	
5173 Computer Maintenance - Support	-	-	223	3,500	23	179	40	
5174 Web Design Services	-	-	11	-	4	40	40	
TOTAL OPERATING SUPPLIES	-	-	3,617	3,500	715	4,230	1,601	60,000
TOTAL GENERAL GOVT. DEPT.	-	-	44,467	44,990	16,992	30,506	28,777	60,000
CDBG Fund 5% \$4,850; General Fund 75% (\$23,927)								

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

	6/30/2015	6/30/2015	6/30/2016	6/30/2016	2/28/2017 Y-T-D	6/30/2017	/ /	/ /
ADMIN CAR DEPT	Actual	Budget	Actual	Budget	Actual	Budget	Proposed	Requests
EXPENDITURES								
5135 Maintenance - Repair	125	-	32	500	17	500	500	
5212 Gas & Oil	374	-	403	700	135	500	650	
5213 Vehicle Repair	66	-	44	-	-	250	1,500	
Total Expenditures	565	-	479	1,200	152	1,250	2,650	
Admin Fund 100% (\$2,650)								



PLANNING DEPARTMENT BUDGET

DEPARTMENT HEAD
Kevin Caldwell, Community
Development Director

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 (40%) and the City Clerk (20%).

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.

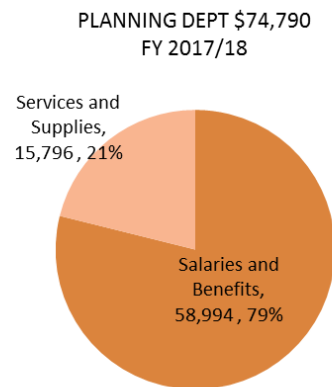
2017/18 BUDGET

The approved budget for the Planning Department totals \$74,790, an increase of \$2,485. The budgeted expenditures are offset by \$4,200 planning fee revenue. All costs are

appropriated through the General Fund.

SALARIES AND BENEFITS

Salaries and benefits for the portion of the Community Development Director and City Clerk related to planning activities total \$58,994 up \$4,461 from 2016/17.



SERVICES AND SUPPLIES

Services and supplies for 2017/18 are recommended at \$15,796 which is \$1,976 less than the previous year. The various accounts are budgeted conservatively with a significant reduction in Contract/professional services due to lack of spending in this category over the past three fiscal years.

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

PLANNING DEPT	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
EXPENDITURES								
SALARIES AND BENEFITS	89,443	95,503	50,100	49,343	33,197	54,533	58,994	
OPERATING SUPPLIES								
5101 Office Supplies	615	350	206	350	298	297	485	
5102 Operating Supplies	76	150	56	150	18	150	150	
5103 Postage	258	300	420	300	232	300	395	
5104 Printing - Forms	1,362	1,250	2,175	1,670	1,212	1,631	2,200	
5106 Promotional	27	-	43	-	-	-	50	
5112 Legal	418	1,000	-	1,000	528	1,000	1,200	
5115 Contract/Professional Services	-	300	37	300	2,417	2,715	300	
5120 Cell Phones	610	975	352	900	386	490	875	
5121 Telephone - Pager	52	-	39	75	15	43	120	
5122 Training - Conference	60	750	208	750	-	750	750	
5123 Automobile - Transportation	9	1,250	37	1,250	-	1,250	1,250	
5125 Publications - Books	31	100	4	100	1,222	100	100	
5126 Dues & Memberships	228	350	465	350	-	350	350	
5128 Employee Relations	-	25	-	25	-	25	25	
5130 Rents - Leases	593	800	526	800	299	595	595	
5131 Records Maintenance	66	100	82	100	68	100	105	
5135 Maintenance - Repair	267	400	221	400	103	300	300	
5138 Office Equipment	-	500	6	500	28	1,400	500	
5139 Equipment	-	-	-	-	6	-	-	
5141 General Liability Insurance	1,931	3,548	1,018	2,047	563	1,447	1,454	
5143 Property Insurance	378	787	273	401	92	251	238	
5144 Employee Practice Liab Insurance	29	261	252	183	45	348	93	
5150 Electricity	330	600	235	343	78	353	300	
5151 Natural Gas	27	100	13	33	7	34	34	
5152 Water	25	16	57	30	58	66	97	
5153 Sewer	41	30	29	50	30	52	87	
5164 Regulatory Fees	-	2,000	-	2,000	-	2,000	2,000	
5166 Regulatory Fees	-	1,700	-	-	-	-	-	
5171 Computer Software	-	200	-	200	-	200	200	
5173 Computer Maintenance - Support	955	875	1,012	1,050	696	1,125	1,193	
5174 Web Design Services	27	400	8	400	12	400	350	
5512 Planning	13	-	-	-	-	-	-	
TOTAL OPERATING SUPPLIES	8,428	19,117	7,774	15,757	8,413	17,772	15,796	
TOTAL PLANNING DEPT.	97,871	114,620	57,874	65,100	41,610	72,305	74,790	-
General Fund 100% (\$74,790)								



BUILDING DEPARTMENT BUDGET

DEPARTMENT HEAD
Kevin Caldwell, Community
Development Director

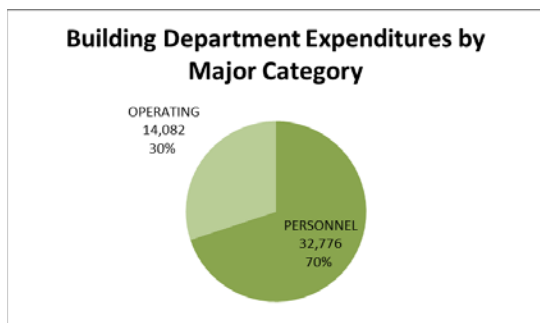
STATEMENT OF FUNCTION

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 beginning in 2015/16 Rio Dell's Community Development Director received certification and these services can now be provided in-house.

2017/18 BUDGET

The approved Building Department Operating Budget for 2017/18 totals \$63,214, an increase of \$6,745. This amount is offset by \$35,131 of revenue from plan check and building permit fees. Thus, there is a General Fund contribution for the Building Department in the amount of \$8,621 (14.0% of the Building Fund Budget) to balance the budget.



The department is staffed by a 4/5 time Community Development Director (30.0%) and the City Clerk (20.0%).

SALARIES AND BENEFITS

Salaries and benefits for personnel providing building services total \$49,935. This is an increase of \$6,133 from a total of \$43,802 for the prior year in which the Community Development Director was allocated at 30%, and the City Clerk at 20%.

SERVICES AND SUPPLIES

Services and supplies total \$13,279. Operating supplies have generally remained the same as the previous fiscal year.

BUILDING 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.

POLICY ITEMS

The Building Fund is subsidized by the General Fund for FY 2017/18, as it has been in the years since adoption of Resolution 1218-2014 which separated building activity revenues and expenditures from the General Fund. The City Council's policy decision of March 4, 2014 was to implement a self-supporting fund requiring no General Fund subsidy to balance revenues to expenditures.

The program may see substantial revenues with the Eel River Sawmill site business park beginning in FY 2017/18; however these revenues were not included in the budget process because at the time of adoption amounts were not reasonably guaranteed to be collected in FY 2017/18. This factor resulted in a General Fund subsidy of \$8,621 for the current fiscal year.

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

BUILDING DEPT	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
EXPENDITURES								
SALARIES AND BENEFITS	57,858	60,445	34,084	32,776	27,757	44,800	49,935	
OPERATING SUPPLIES								
5101 Office Supplies	542	150	169	400	157	347	347	
5102 Operating Supplies	74	633	24	200	16	200	95	
5103 Postage	45	40	20	40	41	40	75	
5104 Printing - Forms	124	100	124	140	54	140	136	
5106 Promotional	26	-	-	-	-	-	30	
5112 Legal	37	700	-	500	-	500	500	
5115 Contract/Professional Services	5,703	5,000	466	2,000	152	2,000	2,000	
5120 Cell Phones	210	300	155	240	290	210	475	
5121 Telephone - Pager	51	-	17	40	14	70	55	
5122 Training - Conference	2,990	3,000	612	3,000	180	3,000	3,000	
5123 Automobile - Transportation	1,223	1,000	310	1,000	3	1,000	1,000	
5125 Publications - Books	704	500	2	500	2	500	500	
5126 Dues & Memberships	283	250	280	250	-	250	295	
5128 Employee Relations	-	25	-	25	-	25	25	
5130 Rents - Leases	666	150	458	700	290	630	585	
5131 Records Maintenance	128	60	164	115	130	115	187	
5135 Maintenance - Repair	308	400	148	500	101	400	400	
5138 Office Equipment	-	500	2	500	24	1,200	500	
5139 Equipment	-	-	-	-	6	-	-	
5141 General Liability Insurance	1,876	710	470	1,989	522	989	1,454	
5143 Property Insurance	367	-	123	389	85	239	238	
5144 Employee Practice Liab Insurance	28	-	189	178	42	285	93	
5150 Electricity	320	125	100	341	73	351	185	
5151 Natural Gas	26	50	5	25	7	26	25	
5152 Water	49	33	114	40	115	107	205	
5153 Sewer	82	61	57	80	59	82	105	
5164 Regulatory Fees	168	250	112	250	69	250	220	
5167 Seismic Fees	176	200	132	200	63	200	165	
5171 Computer Software	-	100	-	100	-	100	100	
5173 Computer Maintenance - Support	118	200	78	140	43	210	84	
5174 Web Design Services	26	200	3	200	12	200	200	
TOTAL OPERATING SUPPLIES	16,350	14,737	4,334	14,082	2,550	13,666	13,279	-
TOTAL BUILDING DEPT.	74,208	75,182	38,418	46,858	30,307	58,466	63,214	
Building Fund 100% (\$63,214)								

SOLID WASTE AND RECYCLING BUDGET

STATEMENT OF FUNCTION

SOLID WASTE

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 939 (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.

2017/18 BUDGET

The recommended budget for this department is \$3,510, and is partly funded by AB939 pass through funds from Humboldt Waste Management Authority (HWMA) tipping fees collected at their facility in Eureka. The amount of total revenue for this fund is estimated at \$9,000.

SALARIES AND BENEFITS

The City Manager is allocated 2% of salary and benefits towards this function (estimated 40 hours \$2,338).

SERVICES AND SUPPLIES

Services and supplies are budgeted at \$1,172 for FY 2017/18.



STATEMENT OF FUNCTION

RECYCLING PROGRAM

The California Beverage Container Recycling and Litter Reduction Act (December 2014) provides the City with pass-through funds that assist in the establishment of a location to provide consumers with convenient recycling opportunities. The grant amount that the City collects (\$5,000) is redirected over to HWMA for administration and management of the recycling program. Prior to HWMA's involvement which began in 2014, the City's 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 established the current organization, structure and mission of CalRecycle.

CalRecycle programs assist in lessening the amount of waste that would otherwise go into the states landfills. AB939 was implemented due to shrinking landfill capacity that at the time of passage had reached a statewide crisis. The bill has allowed for expanded waste diversion practices and more effective solid waste planning.

2017/18 BUDGET

Pass thru funds of \$5,000.

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

RECYCLING, SOLID WASTE DEPT	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
EXPENDITURES								
5000 Full Time Salaries	2,055	2,055	2,181	2,055	-	2,180	1,799	
5035 Benefit - ICMA City 457	288	288	264	247	-	249	238	
5040 Benefit - Health Insurance	-	535	86	114	-	138	112	
5042 Benefit - Life Insurance	-	6	-	4	-	4	3	
5044 Benefit- Dental/Vision Ins	-	33	43	43	-	19	15	
5045 Workers Compensation Insurance	25	20	20	23	-	32	27	
5050 Fica	188	157	175	157	-	171	138	
5055 Unemployment Insurance	-	21	-	127	-	8	7	
5101 Office Supplies	17	17	11	17	14	17	17	
5102 Operating Supplies	9	50	9	50	10	50	50	
5103 Postage	34	-	1	23	-	23	23	
5104 Printing - Forms	55	-	10	-	11	-	-	
5105 Advertising	-	50	318	-	-	-	-	
5106 Promotional	2	-	-	-	-	-	-	
5112 Legal	1,763	-	-	-	844	-	-	
5115 Contract Professional Services	12,000	5,000	7,007	7,000	1	12,000	5,000	
5121 Telephone - Pager	6	-	6	-	9	8	8	
5122 Training - Conference	-	-	-	-	-	-	-	
5123 Automobile - Transportation	1	-	-	-	-	-	-	
5125 Publications - Books	1	-	1	-	2	-	-	
5126 Dues & Memberships	-	-	-	-	-	-	-	
5130 Rents & Leases	60	110	34	-	34	-	-	
5131 Records Maintenance	-	-	-	-	3	-	-	
5135 Maintenance - Repair	236	56	21	-	16	-	-	
5138 Office Equipment	-	-	1	-	-	-	-	
5139 Equipment	-	-	-	-	3	-	-	
5141 General Liability Insurance	221	-	198	234	322	234	234	
5143 Property Insurance	43	-	51	46	53	46	46	
5144 Emp Practice Liab Insurance	3	-	37	21	26	55	55	
5150 Electricity	38	-	39	39	45	44	44	
5151 Electricity	3	-	2	4	4	-	-	
5154 Garbage	1,095	1,102	2,205	650	88	650	650	
5171 Computer Software	-	-	-	-	-	-	-	
5173 Computer Maintenance - Support	19	-	35	-	26	25	25	
5174 Web Design Services	3	-	1	-	7	20	20	
Total Expenditures	18,165	9,500	12,756	10,854	1,518	15,973	8,510	-

Solid Waste Fund \$3,510; Recycling Fund \$5,000



STREETS DEPARTMENT BUDGET

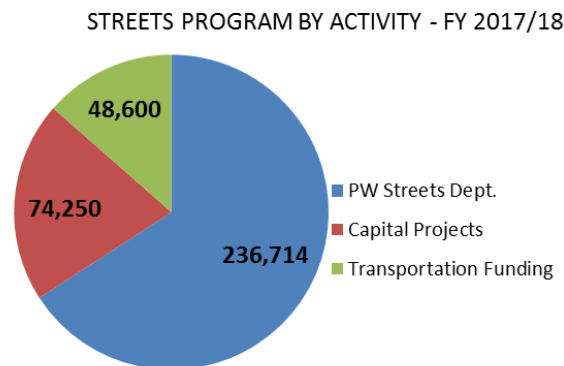
DEPARTMENT HEAD
Randy Jensen, Roads Superintendent

STATEMENT OF FUNCTION

The Streets Department is the part of Public Works tasked with the responsibility of maintenance of all City streets, drainage ditches, culverts and related signage. The Public Works Department is staffed by the Water/Streets Superintendent and a portion of five (5) Utility Workers who also maintain the Building and Grounds and the Water and Wastewater plants and systems.

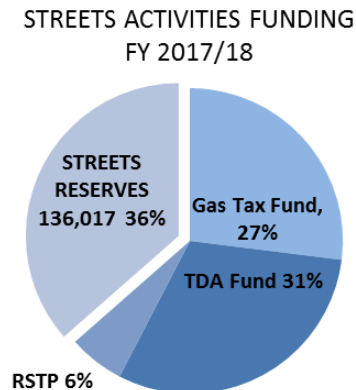
2017/18 BUDGET

The total budget for Streets Program for FY 2017/18 is \$359,564. Allocated amounts by activity are shown in the following chart:



The City's funding sources for the City's 20 miles of streets is from the Gas Tax (\$100,580), Transportation Development Act (TDA) (\$114,217), and the Regional Surface Transportation Program (RSTP) (\$22,000). Reserves are being utilized for the remaining amounts necessary

to fund the streets programs. The chart below shows the funding sources for the FY 2017/18 streets activities:



The projected streets funds combined beginning reserve balances are \$181,755 with an estimated combined total of \$45,738. This is the fifth year that streets activities have drawn on a significant amount of reserves to balance the budget.

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. However, with the passage of new transportation funding the streets reserve can be better preserved.

SALARIES AND BENEFITS

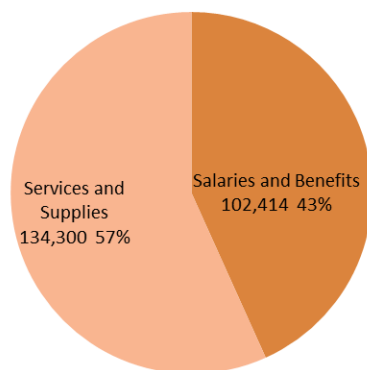
In last year's budget the cost of labor appropriated for the

STREETS DEPARTMENT BUDGET

DEPARTMENT HEAD
Randy Jensen, Roads Superintendent

maintenance of City streets was assumed to be approximately 18% of public works staff costs, and for 2017/18 that allocation is 21%. Total streets costs appropriated in public works salaries and benefits are \$102,404.

STREETS DEPT. ADOPTED BUDGET \$236,714
FY 2017/18

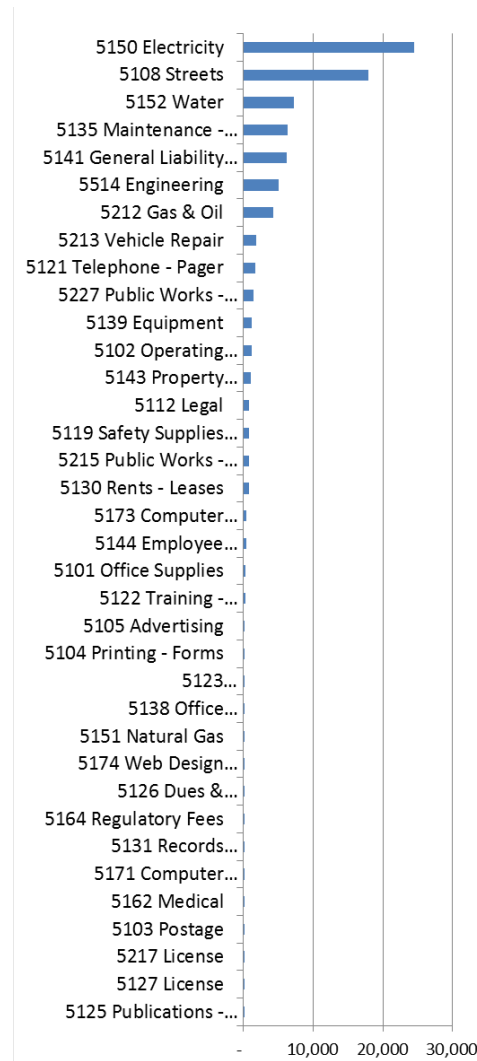


SERVICES AND SUPPLIES

The service and supply object line items for 2017/18 was approved at \$134,300. This is an increase of \$3,012 from 2016/17.

The Streets line item, which is used for City streets projects (5108) remains unchanged and is budgeted at \$18,000 for 2017/18. The amount is to allow for streets maintenance and repairs for problem areas in the City.

Streets Maintenance and Repairs (5135) remains unchanged and is budgeted for \$6,300. The following chart highlights Streets Dept. expenditure items listed in order of amount.



CAPITAL PROJECTS

The budget was adopted with \$74,250 in capital and equipment purchases. The following chart lists amounts by project:

AMOUNT	PROJECT
16,500	Four Ft. Roller & Trailer
7,000	Utility Truck (0.20)
20,000	Street Striping
30,000	Drainage replacements
750	Forklift (0.05)
74,250	TOTAL STREETS PROJECTS

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

STREETS	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
Expenditures								
SALARIES AND BENEFITS	127,344	134,605	86,581	102,820	32,306	66,826	102,414	
OPERATING SUPPLIES								
5069 Accrued Payroll Taxes Expense	-	-	85	-	(85)	-	-	
5101 Office Supplies	239	90	381	300	115	300	300	
5102 Operating Supplies	724	930	1,350	1,050	225	1,200	1,200	
5103 Postage	24	26	15	20	-	20	20	
5104 Printing - Forms	124	28	74	160	52	160	160	
5105 Advertising	-	188	35	-	50	188	188	
5106 Promotional	29	-	-	-	-	-	-	
5108 Streets	5,161	14,025	18,261	18,000	11,666	18,000	18,000	20,000
5109 Chemicals	65	-	87	-	165	-	-	
5112 Legal	36	1,373	225	1,200	421	1,200	850	
5115 Contract/Professional Services	47,260	47,276	49,013	47,479	32,256	48,365	48,365	
5119 Safety Supplies & Equipment	59	173	245	175	317	805	805	
5120 Cell Phones	1,020	1,068	914	688	174	-	-	
5121 Telephone - Pager	1,267	-	1,048	1,662	381	2,350	1,700	
5122 Training - Conference	196	-	85	250	-	250	250	
5123 Auto/Transportation - Public Works	15	151	2	150	42	150	150	
5125 Publications - Books	9	10	9	10	15	10	10	
5126 Dues & Memberships	58	155	49	100	19	100	100	
5127 License	-	10	-	10	-	10	10	
5130 Rents - Leases	682	493	732	710	415	780	780	
5131 Records Maintenance	30	46	29	40	37	40	80	
5135 Maintenance - Repair	1,944	1,934	2,406	6,300	1,147	6,300	6,300	
5136 Parks Maintenance-Repair	10	-	-	-	-	-	-	
5138 Office Equipment - P.W.	91	39	281	130	64	130	130	
5139 Equipment	137	1,476	284	1,200	44	1,200	1,200	
5141 General Liability Insurance	3,034	2,347	2,551	3,255	3,134	3,255	6,241	
5143 Property Insurance	594	739	666	637	513	637	1,021	
5144 Employee Practice Liability Insurance	45	173	488	290	250	685	400	
5148 Office Equipment	-	33	-	-	-	-	-	
5150 Electricity	24,555	25,000	24,668	25,889	14,494	26,666	24,500	
5151 Natural Gas	42	38	29	122	39	126	126	
5152 Water	3,341	3,881	2,328	4,100	4,025	4,223	7,200	
5154 Garbage	-	64	17	-	-	-	-	
5162 Medical	66	30	29	30	16	30	60	
5164 Regulatory Fees	7	90	69	90	159	90	90	
5171 Computer Software	-	75	48	75	1	75	75	
5173 Computer Maintenance - Support	151	79	347	165	155	415	415	
5174 Web Design Services	42	18	18	40	69	75	125	

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

STREETS	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
Expenditures								
5212 Gas & Oil	4,542	1,508	3,422	4,350	667	4,350	4,350	
5213 Vehicle Repair	1,211	1,861	2,425	1,800	202	1,800	1,800	
5215 Public Works - Small Tools	531	781	1,700	780	82	780	780	
5217 License	-	10	-	10	-	10	10	
5227 Public Works - Equip. Repair	715	718	1,691	700	1,842	1,510	1,510	3,500
5229 Public Works - Equip. Rental	154	-	-	-	-	-	-	
5514 Engineering	3,411	23,000	3,124	5,004	1,088	5,004	5,000	
TOTAL OPERATING SUPPLIES	101,621	129,936	119,230	126,971	74,256	131,289	134,300	23,500
TOTAL STREETS DEPT.	228,965	264,541	205,811	229,791	106,562	198,115	236,714	23,500
Gas Tax Fund 62% (\$146,403); TDA Fund 28% (\$86,740); RSTP Fund 10% (\$23,571)								



BUILDINGS AND GROUNDS BUDGET

DEPARTMENT HEAD
Randy Jensen, Superintendent

STATEMENT OF FUNCTION

The City's Buildings and Grounds Department is part of Public Works. This department is tasked with the maintenance of 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 2017/18 fiscal year is the fourth year that a departmental budget has been fully developed and made a necessary part of the City's Operating and Capital Budget.

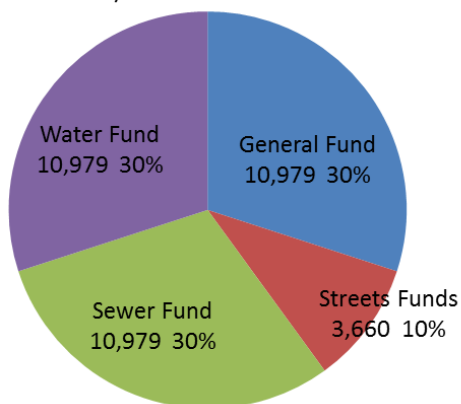
As shown in the previous chart expenditures by fund as adopted is \$10,979 (30%) to the General Fund, \$3,661 (10%) to Streets, \$10,979 (30%) to Sewer Operations, and \$10,979 (30%) to the Water Fund.

Salaries and benefits comprise 58% of the Building and Grounds Dept. budget while the remaining budgeted amount is mainly for maintenance and repairs. Other expenditure items are shown here.

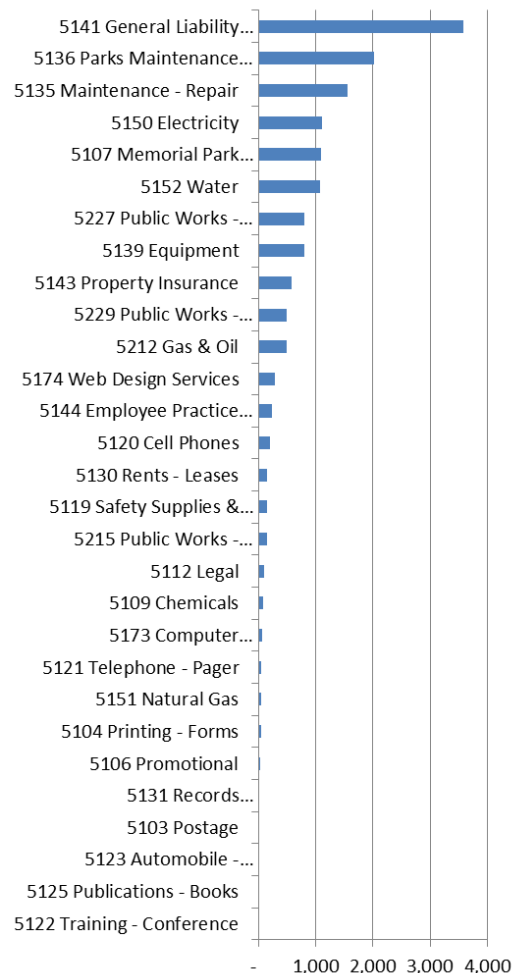
2017/18 BUDGET

The recommended budget for the Building and Grounds Department is \$36,598. This is a decrease of \$12,436 from the first year's budget of \$49,034. Costs are reduced based on estimated staff time to be spent in the Buildings and Grounds Dept.

BUILDINGS AND GROUNDS DEPT.
FY 2017/18 FUND ALLOCATIONS



BUILDINGS AND GROUNDS
EXPENDITURES
FY 2017/18



City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

BUILDINGS AND GROUNDS DEPT	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
EXPENDITURES								
SALARIES AND BENEFITS	54,028	56,042	49,381	55,336	20,057	32,999	21,306	
OPERATING SUPPLIES								
5069 Accrued Payroll Taxes Expense	-	-	44	-	(44)	-	-	
5101 Office Supplies	119	-	117	-	20	108	-	
5102 Operating Supplies	280	151	364	365	36	365	-	
5103 Postage	20	-	13	16	-	17	17	
5104 Printing - Forms	60	-	68	68	10	68	40	
5106 Promotional	21	-	-	32	15	32	32	
5107 Memorial Park Expense	503	1,300	-	1,101	-	1,100	1,100	
5109 Chemicals	175	-	16	-	154	-	80	
5112 Legal	29	-	-	-	-	-	100	
5115 Contract/Professional Services	-	-	66	-	2	-	-	
5119 Safety Supplies & Equipment	48	151	79	153	-	155	155	
5120 Cell Phones	889	-	352	1,100	98	1,100	197	
5121 Telephone - Pager	67	-	73	122	16	122	47	
5122 Training - Conference	5	-	-	-	-	-	10	
5123 Automobile - Transportation	12	-	-	-	-	-	15	
5125 Publications - Books	7	-	7	11	3	12	12	
5126 Dues & Memberships	4	-	-	6	-	5	-	
5130 Rents - Leases	386	-	316	423	79	423	157	
5131 Records Maintenance	4	-	-	6	5	5	18	
5135 Maintenance - Repair	2,366	-	1,324	1,557	914	1,557	1,557	
5136 Parks Maintenance - Repair	1,416	4,251	-	2,024	27	2,023	2,023	
5138 Office Equipment	-	-	11	-	-	-	-	
5139 Equipment	250	800	-	799	7	800	800	
5141 General Liability Insurance	2,483	-	1,836	2,632	603	2,632	3,581	
5143 Property Insurance	486	-	497	514	99	515	586	
5144 Employee Practice Liability Insurance	37	-	381	234	48	455	229	
5150 Electricity	979	-	1,150	937	295	965	1,110	
5151 Natural Gas	34	-	24	42	8	43	40	
5152 Water	1,634	1,728	-	501	-	1,072	1,072	
5171 Computer Software	-	-	-	-	-	-	-	
5173 Computer Maintenance - Support	138	-	301	153	40	183	69	
5174 Web Design Services	34	-	14	21	13	295	295	
5212 Gas & Oil	468	1,500	10	500	-	500	500	
5215 Public Works - Small Tools	756	1,000	298	184	-	183	150	
5227 Public Works - Equip. Repair	552	851	453	799	1,553	800	800	
5229 Public Works - Equip. Rental	234	751	-	500	-	500	500	
TOTAL OPERATING SUPPLIES	14,496	12,483	7,814	14,800	4,001	16,035	15,292	-
TOTAL BLDG AND GROUNDS DEPT.	68,524	68,525	57,195	70,136	24,058	49,034	36,598	-

General Fund 30% (\$10,979); Gas Tax Fund 5% (\$1,830); TDA Fund 5% (\$1,830); Sewer Fund 30% (\$10,979); Water Fund 30% (\$10,970)

STATEMENT OF FUNCTION

The City's 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 and the wastewater irrigation site north of the City on Metropolitan Avenue. Also maintained by Public Works are almost 20 miles of piping under City streets.

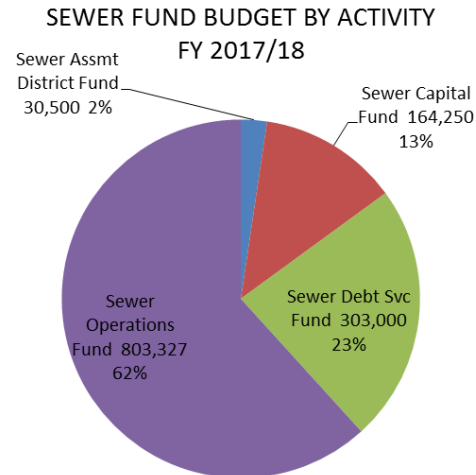
The Sewer Fund is an Enterprise Fund. The fees for wastewater service are intended to cover all of the operating and disposal costs, maintenance of aging sewer lines and pumps and the replacement of the capital assets (as needed) and debt service totaling over \$6 million. Debt service payments are \$302,822 annually with the final payment due in 2043. The final payment has been set aside and is restricted until then.

On 2014 the City Council voted to change the wastewater rate structure from a fixed charge to a rate structure based 70% on a fixed rate and 30% on volume, factored on strength of wastewater customer classes.

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).



Sewer Fund total appropriations are \$1,301,077 and are shown by activity in the chart above.

REVIEW OF FUND BALANCES

The following chart shows estimated fund balances for the Sewer Fund by activity for FY 2017/18.

SEWER FUND ESTIMATED CHANGE IN FUND BALANCE				
SEWER FUND	Estimated Beginning	Change in Reserves	Transfers	Estimated Ending
Assessment Dist.	35,245	(2,000)		33,245
Capital	62,792	(92,320)	(500,000)	470,472
Debt Service	856,729	-	500,000	356,729
Operations	304,532	8,025		312,557
	1,259,298	(86,295)	-	1,173,003

A transfer totaling \$500,000 from Debt Service to Capital is recommended in order to level out the reserve ending balances.

The Sewer Assessment District final payment will be paid in FY 2018/19. The final two (2) payments are \$30,000 each.

The original financed amount of \$6,500,000 for the wastewater treatment facility with the State Water Resources Control Board (SWRCB) requires the City to hold in reserve one (1) year of debt service of \$302,822. The Restricted Reserve Fund balance must be maintained for the full term of the financing agreement (2043) and is subject to lien and pledge, as security, for the financing agreement.

2017/18 BUDGET

The approved operations budget totals \$541,996, an increase of \$57,413 from 2016/17. Salaries and benefits provide for the Wastewater Superintendent Trainee and a portion of two (2) Utility Workers, a Leadman, and one (1) Wastewater/Water Operator who also maintain the City parks, building and grounds, the water system and street maintenance. The Water Superintendent also has a small allocation of time spent in sewer operations.

SALARIES AND BENEFITS

Salaries and benefits total \$187,217, \$26,911 more than last year. The Sewer Operations Dept. as a part of Public Works accounts for nearly 40% of the labor costs for streets, sewer, water, and buildings and grounds for the FY 2017/18.

SERVICES AND SUPPLIES

Services and supplies total \$354,779. Major cost centers are electricity \$137,434, chemicals \$32,675, water \$19,560, and natural gas \$22,000.



The chart highlights the highest expenditure items for the Sewer Operations Dept. All items are listed in order of expenditure amounts.

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

SEWER	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
Expenditures								
SALARIES AND BENEFITS	156,968	145,411	163,748	147,193	89,235	160,306	187,217	
OPERATING SUPPLIES								
5069 Accrued Payroll Taxes Expense	-	-	62	-	(62)	-	-	
5080 Hiring Costs	-	-	-	-	67	-	-	
5081 Compensated Absences Payable	(1,937)	-	(2,052)	-	-	-	-	
5101 Office Supplies	611	500	767	500	481	500	525	
5102 Operating Supplies	2,514	2,000	2,066	2,000	2,229	2,000	3,300	
5103 Postage	2,521	1,700	2,704	2,400	3,668	2,400	3,700	
5104 Printing - Forms	584	125	276	465	601	465	1,900	
5105 Advertising	-	700	465	200	493	200	500	
5106 Promotional	91	-	9	-	-	-	90	
5107 Memorial Park Expense	(135)	-	-	-	-	-	-	
5108 Streets	24	1,000	-	1,000	-	1,000	1,000	20,000
5109 Chemicals	23,439	29,000	22,001	30,000	26,379	30,000	32,675	
5112 Legal	1,348	500	65	500	252	500	500	
5115 Contract/Professional Services	3,360	5,000	7,620	2,000	1,352	29,003	13,500	
5119 Safety Supplies & Equipment	58	1,000	322	1,000	1,419	1,400	2,150	
5120 Cell Phones	1,577	3,500	1,777	-	1,046	1,415	1,415	
5121 Telephone - Pager	903	-	1,219	2,440	1,541	1,025	2,000	
5122 Training - Conference	1,639	1,350	45	1,350	-	1,350	1,350	
5123 Auto/Transportation - Public Works	1,090	500	-	500	-	500	500	
5125 Publications - Books	26	200	152	200	179	200	200	
5126 Dues & Memberships	301	1,000	279	1,000	79	1,000	375	
5127 License	710	100	-	260	1,158	1,000	800	
5128 Employee Relations	-	50	-	50	-	50	50	
5130 Rents - Leases	1,867	1,300	1,382	1,968	1,488	1,968	2,105	
5131 Records Maintenance	31	150	29	40	149	40	196	
5135 Maintenance - Repair	15,443	15,000	9,159	20,000	8,702	20,000	20,000	
5136 Parks Maintenance-Repair	(431)	-	-	-	-	-	-	
5138 Office Equipment - P.W.	319	1,200	1,345	800	261	800	800	
5139 Equipment	6,407	4,500	4,266	4,500	5,330	4,500	4,500	
5141 General Liability Insurance	8,827	9,389	7,875	9,329	12,658	9,329	17,817	
5143 Property Insurance	1,728	2,083	2,022	1,827	2,071	1,827	2,915	
5144 Employee Practice Liab Insurance	132	692	1,452	832	1,010	1,680	1,141	
5150 Electricity	125,877	108,327	120,455	133,431	81,640	133,431	137,434	
5151 Natural Gas	17,078	20,000	18,568	22,566	11,586	23,243	22,000	
5152 Water	21,893	33,600	32,826	28,500	12,214	29,355	19,560	
5153 Sewer	169	-	-	50	-	-	-	
5154 Garbage	-	1,000	17	-	-	-	-	
5162 Medical	40	250	29	250	341	250	490	

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

SEWER	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
Expenditures								
5164 Regulatory Fees	7,863	15,000	8,395	15,000	8,079	15,000	8,600	
5165 Property Tax Assessment	6,115	-	2,242	-	2,372	2,242	2,443	
5171 Computer Software	99	500	2,057	500	3	500	500	
5173 Computer Maintenance - Support	740	500	1,429	920	1,870	1,290	2,805	
5174 Web Design Services	122	65	51	75	280	175	375	
5212 Gas & Oil	3,195	2,500	3,716	3,002	2,836	3,002	4,017	
5213 Vehicle Repair	2,117	3,000	3,639	2,500	955	2,500	2,500	
5215 Public Works - Small Tools	987	2,646	1,450	2,300	478	2,300	1,250	
5225 Public Works - Lab Testing	12,325	12,500	13,034	12,500	23,699	12,500	16,800	
5227 Public Works - Equip. Repair	6,976	2,750	8,868	2,750	30,658	26,588	15,501	
5229 Public Works - Equip. Rental	(23)	1,000	-	1,000	-	1,000	1,500	3,500
5430 Fines/Penalties	-	2,000	-	2,000	-	1,000	1,000	
5514 Engineering	-	1,000	126	1,000	42	1,000	1,000	
5520 Improvements	-	1,000	-	1,000	-	1,000	1,000	
TOTAL OPERATING SUPPLIES	278,620	290,177	282,209	314,505	249,604	370,528	354,779	23,500
TOTAL SEWER DEPT.	435,588	435,588	445,957	461,698	338,839	530,834	541,996	23,500
Sewer Fund 100% (\$541,996)								



WATER ENTERPRISE BUDGET

DEPARTMENT HEAD
Randy Jensen, Superintendent

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. In addition, the Metropolitan Wells are anticipated to be fully operational by the end of FY 2017/18.

The Water Fund is operating as an Enterprise wherein the fees for water service are intended to cover all of the operating costs for maintaining the system, as well as replace the capital assets (as needed) totaling over \$12 million.

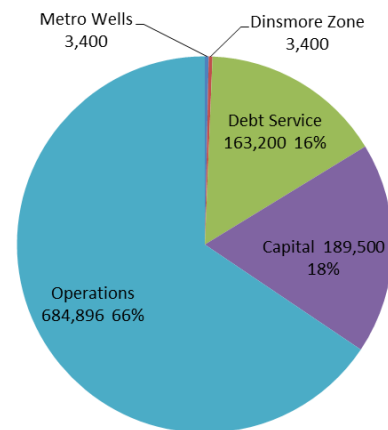
A rate study was passed in December 2015 that increased rates in order to maintain the current system and provide revenues to secure funding for improvements to the aging infrastructure.

2017/18 BUDGET

The Water Fund is comprised of several funds: Water Operations Fund (60), Water Debt Service Fund (61), Water Capital Fund (62), Metropolitan Well Fund (63) and the Dinsmore Zone Fund (64). The water funds have seen substantial improvement in meeting costs and

reserve build up since the water rate increase in 2015.

WATER FUND BUDGET BY ACTIVITY
FY 2017/18



REVIEW OF FUND BALANCES

The following chart shows estimated fund balances for the Water Fund by activity for FY 2017/18.

WATER FUNDS ESTIMATED CHANGE IN FUND BALANCE

	Estimated Beginning Balance	Change in Reserves	Estimated Ending Balance
WATER FUND			
Capital	572,631	(12,596)	560,035
Metro Wells	18,536	11,395	29,931
Dinsmore Zone	8,902	19,344	28,246
Debt Service	111,571	1,000	112,571
Operations	183,855	39,224	223,079
	895,494	58,367	953,861

The column titled *Change in Reserves* above is the estimated amounts of revenues less expenditures for each Water Fund activity. The total for FY 2017/18 shows an increase of reserves of \$58,367.

The Water *Capital* Fund is projected to begin the fiscal year with a balance of \$572,631 and receive



WATER ENTERPRISE BUDGET

DEPARTMENT HEAD
Randy Jensen, Superintendent

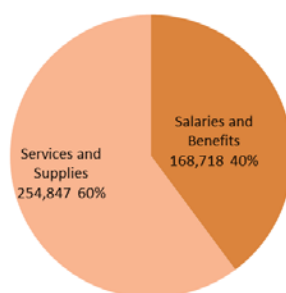
revenues of \$176,904. The recommended expenditures for capital projects are \$189,500 reflected as a negative change in reserves of -\$12,596.

Despite the negative impact, the ending fund balance of the Water Fund is a positive reflection of revenue collections that meet on-going maintenance, repairs, and capital costs necessary to maintain the water system. In addition, increases in reserve amounts will provide for matching funds in anticipation of grant funding for major repairs and maintenance.

SALARIES AND BENEFITS

The budget includes \$168,718 of salary and benefits for the Water Superintendent (70%) and a portion of two (2) Utility I Workers (25%), a Leadman (25%), as well as a salary allocation for the Wastewater Superintendent (20%) and the Water/Wastewater Operator (30%).

WATER OPERATIONS ADOPTED BUDGET
FY 2017/18



Salaries and benefits have been increased for 2017/18 for an

additional amount of \$56,863 in comparison to the prior year. The Water Operations Dept. as a part of Public Works accounts for 35% of the labor costs for streets, sewer, water, and buildings and grounds activities.

SERVICES AND SUPPLIES

The services and supplies line items total \$254,847. Major expenses include chemicals \$26,300, repairs \$53,000, and electricity \$20,751. Sewer costs are estimated at \$43,700. Also included in the Contract/ Professional services line item is \$15,000. This amount is a significant decrease in comparison to the prior year amount of \$40,000. The current year's amount is not identified with any specific project or vendor.

CAPITAL EXPENDITURE

The recommended Capital Expenditure Budget unit includes the amount of \$150,000 for water plant effluent redirection, \$15,000 for Hack calibration, \$14,000 to purchase a utility truck and \$2,250 for a forklift.

AMOUNT	PROJECT
150,000	Water Plant Effluent Redirection
15,000	Hack Calibration
8,250	Four Ft. Roller & Trailer (.25)
14,000	Utility Truck (0.40)
2,250	Forklift (0.15)
189,500	TOTAL WATER FUND PROJECTS

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

WATER	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
Expenditures								
SALARIES AND BENEFITS	68,130	83,859	96,486	110,547	70,484	114,053	168,718	
OPERATING SUPPLIES								
5069 Accrued Payroll Taxes Expense	-	-	176	-	(176)	-	-	
5081 Compensated Absences Payable	(1,672)	-	(542)	-	-	-	-	
5101 Office Supplies	636	-	1,178	300	368	300	600	
5102 Operating Supplies	1,066	4,000	1,973	4,000	890	9,000	3,100	
5103 Postage	2,827	1,800	2,376	1,800	1,261	1,800	3,700	
5104 Printing - Forms	2,687	200	372	3,600	737	3,600	1,900	
5105 Advertising	-	450	46	450	451	450	450	
5106 Promotional	78	-	-	-	-	-	-	
5107 Memorial Park Expense	(135)	-	-	-	-	-	-	
5108 Streets	1,539	1,300	-	2,000	-	2,000	2,000	20,000
5109 Chemicals	15,116	23,000	24,726	23,000	13,503	23,000	26,300	
5112 Legal	12,689	20,000	7,688	10,000	5,598	10,000	10,000	
5115 Contract/Professional Services	10,433	65,000	1,769	40,000	41	40,000	15,000	
5119 Safety Supplies & Equipment	63	505	249	505	1,031	905	1,350	
5120 Cell Phones	831	3,184	893	-	1,114	1,050	1,650	
5121 Telephone - Pager	1,802	-	1,532	3,184	1,229	2,134	2,000	
5122 Training - Conference	1,664	2,000	2,390	2,000	-	2,000	2,000	
5123 Auto/Transportation - Public Works	862	250	645	250	2	250	450	
5125 Publications - Books	26	100	26	100	275	100	100	
5126 Dues & Memberships	856	1,800	853	1,800	63	1,800	900	
5127 License	700	-	310	350	60	350	350	
5128 Employee Relations	-	60	-	60	-	60	60	
5130 Rents - Leases	1,790	1,000	1,376	2,000	1,230	2,000	1,700	
5131 Records Maintenance	45	-	38	50	119	50	200	
5135 Maintenance - Repair	17,069	40,000	36,186	53,000	18,551	53,000	67,920	
5136 Parks Maintenance-Repair	(431)	-	-	-	-	-	-	
5138 Office Equipment - P.W.	1,449	1,500	1,020	1,500	396	1,500	1,020	
5139 Equipment	2,500	4,000	7,091	4,000	8,007	4,000	4,000	
5141 General Liability Insurance	8,606	7,642	7,389	9,112	10,086	9,112	10,584	
5143 Property Insurance	1,685	1,695	1,917	1,784	1,650	1,784	1,731	
5144 Employee Practice Liab Insurance	129	563	1,394	813	805	1,531	678	
5150 Electricity	19,733	54,000	19,079	20,147	12,530	20,751	20,751	
5151 Natural Gas	118	150	83	140	126	144	265	
5152 Water	277	-	192	380	434	391	-	
5153 Sewer	22,297	43,500	29,917	26,500	31,051	27,295	43,700	
5154 Garbage	-	100	22	100	-	100	100	
5162 Medical	82	300	38	300	128	300	300	
5164 Regulatory Fees	5,402	8,000	6,789	16,500	2,607	16,500	8,000	

City of Rio Dell
BUDGET WORKSHEET
For the fiscal years 2015 through 2017

WATER	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	2/28/2017 Y-T-D Actual	6/30/2017 Budget	// Proposed	// Requests
Expenditures								
5171 Computer Software	1	450	125	450	2	450	450	
5173 Computer Maintenance - Support	449	1,000	1,708	500	1,282	750	1,923	
5174 Web Design Services	119	55	50	80	223	180	460	
5212 Gas & Oil	5,841	5,000	4,711	6,000	2,168	6,000	6,000	
5213 Vehicle Repair	1,694	2,200	3,233	2,200	658	2,200	2,200	3,500
5215 Public Works - Small Tools	615	2,500	1,408	2,500	271	2,500	875	
5217 License	-	30	-	30	-	30	30	
5225 Public Works - Lab Testing	3,389	3,500	4,542	10,000	2,771	10,000	5,500	
5227 Public Works - Equip. Repair	727	2,800	813	2,800	886	2,800	2,800	
5229 Public Works - Equip. Rental	375	-	-	250	-	250	250	
5514 Engineering	-	1,500	2,103	1,500	802	1,500	1,500	
6000 Fixed Asset - Equipment	7,078	-	-	-	-	-	-	
TOTAL OPERATING SUPPLIES	153,107	305,134	177,884	256,035	123,230	263,917	254,847	23,500
TOTAL WATER DEPT.	221,237	388,993	274,370	366,582	193,714	377,970	423,565	23,500
Water Fund 100% (\$423,565)								



CAPITAL PROJECTS BUDGET

STATEMENT OF FUNCTION

The Capital Projects Budget contains special projects and capital expenditures for several funds.

2017/18 CAPITAL PROJECTS AT A GLANCE

GENERAL FUND	
Bellevue/Ogle (carry-over 15/16)	45,000
Lawn Mower	20,000
City Hall Repairs and Improve.	
CDBG ABR ADA Improve.	90,000
Council Chambers	15,000
Reception Area	20,000
Broken Windows	10,000
General Fund Capital Proj.	200,000

WATER FUND CAPITAL PROJECTS	
Water Plant Effluent Redirection	150,000
Hack Calibration	15,000
Four Ft. Roller & Trailer (.25)	8,250
Utility Truck (0.40)	14,000
Forklift (0.15)	2,250
Total Water Fund Capital Proj.	189,500

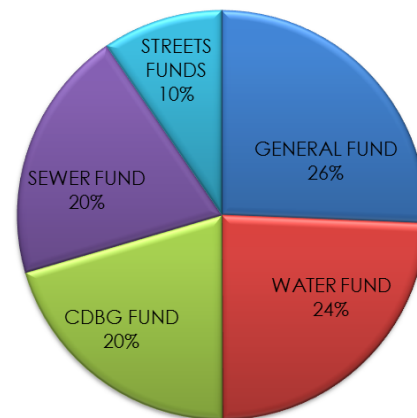
SEWER FUND CAPITAL PROJECTS	
Contact Basic Covers	30,000
Sewer Machine Replacement	35,000
Sewer Push Camera	5,000
Four Ft. Roller & Trailer (.25)	8,250
Utility Truck (0.40)	14,000
I & I Reduction	60,000
Forklift (0.80)	12,000
Total Sewer Fund Capital Proj.	164,250

STREETS FUNDS CAPITAL PROJECTS	
Four Ft. Roller & Trailer	16,500
Utility Truck (0.20)	7,000
Street Striping	20,000
Drainage replacements	30,000
Forklift (0.05)	750
Total Streets Funds Capital Proj.	74,250

CDBG FUND CAPITAL PROJECTS	
CDBG ABR ADA Improvements	160,000
Total CDBG Capital Proj.	160,000

The capital projects for 2017/18 total \$788,000 as compared to \$186,382 last fiscal year. The chart below shows the percentage amounts by fund. The General Fund with 26% receives the largest portion of allocated funds (\$200,000) while the Streets Funds allocation of 10% is the smallest portion (\$74,250).

**CAPITAL PROJECTS BY FUND
FY 2017/18**



GENERAL FUND

There are several anticipated projects in the general fund totaling \$200,000.

GENERAL FUND CAPITAL PROJECTS	
45,000	Bellevue/Ogle (carry-over 15/16)
20,000	Lawn Mower
	City Hall Repairs and Improve.
90,000	CDBG ABR ADA Improve.
15,000	Council Chambers
20,000	Reception Area
10,000	Broken Windows
200,000	TOTAL GENERAL FUND PROJECTS

Ogle and Bellevue (shovel ready):

Originally, the City applied for a \$100,000 CDBG Planning Grant for



CAPITAL PROJECTS BUDGET

topographic work and drainage analysis of the Ogle and Belleview area. A concept plan of 70% was completed and specifications were drawn up. The cost to get the project "shovel ready" is estimated at \$45,000.

An allocation from the general fund is recommended for the amount of \$20,000 to purchase a **lawnmower** for the Public Works Department. A new lawnmower will replace an older, worn lawnmower. The equipment will be used for general maintenance of the City's streets and grounds.

General Fund assistance for **City Hall ADA improvements** (\$90,000) provides City Hall with a new porch and front entrances that are in compliance with ADA requirements. The amount from the General Fund is in addition to allocation of CDBG Program Income (PI) funds totaling \$160,000.

The **Council Chamber** is in need of an electrical outlet and miscellaneous upgrades to the sound and visual systems currently in use. An amount of \$15,000 is recommended for improvements.

City Hall's **reception area** needs to be upgraded to come into compliance with Americans with Disabilities Act (ADA). An amount of \$20,000 is recommended for compliance measures.

City Hall has several **broken windows** on the back side that need replacement.

\$10,000 is requested in order to replace windows.

SEWER FUND

The Sewer Fund Capital Project budget is recommended at \$164,250 for several projects for enhancing operational processes and for purchases that will assist Public Works staff in providing overall maintenance of the system.

Contact basin covers are estimated to cost \$30,000. The covers will bring the wastewater treatment plant into compliance with regulations.

Sewer Machine Replacement is budgeted for \$35,000. The amount will be used to replace the City's old machine.

SEWER FUND CAPITAL PROJECTS	
AMOUNT	PROJECT
30,000	Contact Basic Covers
35,000	Sewer Machine Replacement
5,000	Sewer Push Camera
8,250	Four Ft. Roller & Trailer (.25)
14,000	Utility Truck (0.40)
60,000	I & I Reduction
12,000	Forklift (0.80)
164,250	TOTAL SEWER PROJECTS

A **Sewer Push Camera** will be utilized for the identification of problems and/or identify repairs and maintenance needs inside the City's sewer lines. The budgeted amount is \$5,000.

A **Four Ft. Roller and Trailer** is needed in Public Works for small paving projects. The purchase amount of \$33,000 is being allocated across Public Works' Departments of Sewer Operations,



CAPITAL PROJECTS BUDGET

Water Operations, and Streets. The amount allocated to the Sewer Fund is \$8,250 (25%).

A Utility Truck is needed in Public Works. The purchase amount of \$35,000 is being allocated across Public Works' Departments of Sewer Operations, Water Operations, and Streets. The amount allocated to the Sewer Fund is \$14,000 (40%).

Inflow and infiltration (I&I) is budgeted for \$60,000 to maintain and repair issues that are identified through the smoke tests.

A Fork Lift is needed in Public Works. The purchase amount of \$15,000 is being allocated across Public Works' Departments of Sewer Operations, Water Operations, and Streets. The amount allocated to the Sewer Fund is \$12,000 (80%).

WATER FUND

Capital projects for the Water Fund total \$189,500 and include projects for long-term cost cuts and for the purchase of Public Works equipment that can be utilized across all Public Works departments.

WATER FUND CAPITAL PROJECTS	
AMOUNT	PROJECT
150,000	Water Plant Effluent Redirection
15,000	Hach Calibration
8,250	Four Ft. Roller & Trailer (.25)
14,000	Utility Truck (0.40)
2,250	Forklift (0.15)
189,500	TOTAL WATER FUND PROJECTS

An amount of \$150,000 is estimated for the cost to **redirect water plant effluent**. This project alleviates the burden for the wastewater plant in treating thousands of gallons of water used at the water plant and doesn't require treatment. This project allows for significant cost savings by reducing the amount of water that gets processed at the sewer plant.

Hach Calibration is budgeted for \$15,000. This pays for a contractor to calibrate the water systems instrumentation.

A Four Ft. Roller and Trailer is needed in Public Works for small paving projects. The purchase amount of \$33,000 is being allocated across Public Works' Departments of Sewer Operations, Water Operations, and Streets. The amount allocated to the Water Fund is \$8,250 (25%).

A Four Ft. Roller & Trailer is estimated to cost \$16,500. The equipment will be used on streets repairs and maintenance.

A Utility Truck is needed in Public Works. The purchase amount of \$35,000 is being allocated across Public Works' Departments of Sewer Operations, Water Operations, and Streets. The amount allocated to the Water Fund is \$14,000 (40%).

A Fork Lift is needed in Public Works. The purchase amount of \$15,000 is being allocated across Public Works' Departments of Sewer Operations,



CAPITAL PROJECTS BUDGET

Water Operations, and Streets. The amount allocated to the Water Fund is \$2,250 (15%).

STREETS FUNDS

STREETS FUNDS CAPITAL PROJECTS	
AMOUNT	PROJECT
16,500	Four Ft. Roller & Trailer
7,000	Utility Truck (0.20)
20,000	Street Striping
30,000	Drainage replacements
750	Forklift (0.05)
74,250	TOTAL STREETS FUNDS PROJECTS

A Four Ft. Roller and Trailer is needed in Public Works for small paving projects. The purchase amount of \$33,000 is being allocated across Public Works' Departments of Sewer Operations, Water Operations, and Streets. The amount allocated to the Streets Fund is \$16,500 (50%).

A Utility Truck is needed in Public Works. The purchase amount of \$35,000 is being allocated across Public Works' Departments of Sewer Operations, Water Operations, and Streets. The amount allocated to the Streets Funds is \$7,000 (20%).

Street Striping is estimated to cost \$20,000. The City's streets and roads have several areas where street striping can be applied to add safety for pedestrians and vehicles.

Drainage Replacements is an on-going need for the City. The amount allocated to replace drainage components on the City streets is \$30,000.

A Fork Lift is needed in Public Works. The purchase amount of \$15,000 is being allocated across Public Works' Departments of Sewer Operations, Water Operations, and Streets. The amount allocated to the Streets Funds is \$750 (5%).

CDBG FUND

The CDBG funds have approximately \$149,000 in program income that the City needs to spend. Budgeted in this year's capital projects is \$160,000 for **ADA compliance** for the entrance to City Hall and City Hall bathrooms.

CDBG FUND CAPITAL PROJECTS	
AMOUNT	PROJECT
160,000	CDBG ABR ADA Improve.
160,000	TOTAL CDBG CAPITAL PROJECTS

The CDBG ADA project has a program income spending deadline of September 30, 2017 in order to fulfill another contracted grant amount of \$100,000 (5% City match is required) for an engineering study for Ogle and Bellevue.

FY 2017/18
PROPOSED CAPITAL/SPECIAL PROJECTS

GENERAL FUND (000)	AMOUNT	DESCRIPTION
Bellevue/Ogle (carry-over 15/16)	45,000	Bellevue/Ogle repairs
Lawn Mower	20,000	Replacement for aged City Lawn Mower
City Hall Repairs and Improvements		
CDBG ABR ADA Improvements	90,000	GF Subsidy for City Hall ADA improvements
Council Chambers	15,000	Acoustics, misc. improvements
Reception Area	20,000	ADA, Security, misc. improvements
Broken Windows	10,000	Repairs and maintenance
GEN FUND PROJECTS	200,000	

WATER FUND (062)	AMOUNT	DESCRIPTION
Water Plant Effluent Redirection	150,000	Project to lower silt emission into WWTP
"Hawk" Calibration	15,000	Contractor to calibrate instrumentation
Four Ft. Roller & Trailer (.25)	8,250	Equipment for small paving projects.
Utility Truck (0.40)	14,000	Replacement for aged Jeep and GMC Utility
Forklift (0.15)	2,250	Replacement for aged forklift
WATER FUND PROJECTS	189,500	

SEWER FUND (062)	AMOUNT	DESCRIPTION
Contact Basic Covers	30,000	Project for compliance with SWRCB
Sewer Machine Replacement	35,000	Replacement of aged Sewer Machine
Sewer Push Camera	5,000	Replacement of aged Camera
Utility Truck (0.40)	14,000	Replacement for aged Jeep and GMC Utility
Four Ft. Roller & Trailer (.25)	8,250	Equipment for small paving projects.
I & I Reduction	60,000	Manhole repair project
Forklift (0.80)	12,000	Replacement for aged forklift
SEWER FUND PROJECTS	164,250	

STREETS FUNDS (020, 024)	AMOUNT	DESCRIPTION
Four Ft. Roller & Trailer (.5)	16,500	Equipment for small paving projects.
Utility Truck (0.20)	7,000	Replacement for aged Jeep and GMC Utility
Street Striping	20,000	Safety work
Drainage replacements	30,000	Repair of various drains in town.
Forklift (0.05)	750	Replacement for aged forklift
STREETS FUNDS PROJECTS	74,250	

CDBG FUND (037)	AMOUNT	DESCRIPTION
CDBG ABR ADA Improvements	160,000	City Hall ABR ADA (plus GF \$90k Subsidy)
CDBG FUND PROJECT	160,000	

788,000

POTENTIAL/FUTURE ADDITIONS	AMOUNT	DESCRIPTION
Street Sweeper	0	Estimated cost range \$80,000 to \$150,000
Bobcat w/ Attachments	0	Estimated Cost Range of \$65,000 to \$115,000
ADDITIONS	0	

SUMMARY INFORMATION

City of Rio Dell - Operating Expenditures
FY 2017/18 PROPOSED BUDGET COMPARED TO FY 2016/17 BUDGET
Presented by Line Item

	CITY-WIDE OPERATING COSTS	2017/18 PROPOSED BUDGET	2016-17 BUDGET WITH AMEND.	INCREASE (DECREASE)
SALARIES AND BENEFITS	5000 Full Time Salaries	1,052,543	952,546	99,997
	5026 Part Time Temporary Salaries	24,621	32,656	(8,035)
	5030 Overtime Salaries	23,405	28,626	(5,221)
	5035 Benefit - ICMA City 457	141,362	129,119	12,243
	5040 Benefit - Health Insurance	199,864	175,721	24,143
	5041 Health Savings	-	4,801	(4,801)
	5042 Benefit - Life Insurance	3,864	2,943	921
	5044 Benefit - Dental/Vision Insur	28,317	26,497	1,820
	5045 Worker Compensation Insurance	85,736	83,152	2,584
	5050 FICA	84,193	72,960	11,233
	5055 Unemployment Insurance	9,045	7,278	1,767
	5060 Clothing Allowance	6,750	5,948	802
OPERATING SUPPLIES	5080 Hiring Costs	3,000	3,000	-
	5101 Office Supplies	8,681	8,327	354
	5102 Operating Supplies	11,005	16,402	(5,397)
	5103 Postage	12,622	9,616	3,006
	5104 Printing - Forms	14,534	15,239	(705)
	5105 Advertising	1,648	1,138	510
	5106 Promotional	702	1,132	(430)
	5107 Memorial Park Expense	1,100	1,100	-
	5108 Streets	21,000	21,000	-
	5109 Chemicals	59,055	53,000	6,055
	5110 Accounting	32,000	26,500	5,500
	5112 Legal	47,250	35,163	12,087
	5115 Contract/Professional Services	107,665	173,394	(65,729)
	5116 Bank Fees	1,200	2,200	(1,000)
	5117 Animal Control	12,000	12,000	-
	5119 Safety Supplies & Equipment	5,699	4,504	1,195
	5120 Cell Phones	10,894	10,519	375
	5121 Telephone - Pager	11,140	11,502	(362)
	5122 Training - Conference	19,410	22,246	(2,836)
	5123 Auto/Transportation - Public Works	1,100	900	200
	5123 Automobile - Transportation	11,719	10,695	1,024
	5125 Publications - Books	1,614	1,569	45
	5126 Dues & Memberships	10,547	9,282	1,265
	5127 License	1,160	1,360	(200)
	5128 Employee Relations	510	510	-
	5130 Rents - Leases	12,577	13,701	(1,124)
	5131 Records Maintenance	2,314	1,862	452
	5135 Maintenance - Repair	106,850	90,432	16,418
	5136 Parks Maintenance - Repair	2,023	2,023	-
	5138 Office Equipment	7,805	15,896	(8,091)
	5138 Office Equipment - P.W.	1,950	2,430	(480)
	5139 Equipment	18,025	18,025	-
	5141 General Liability Insurance	60,512	58,481	2,031
	5143 Property Insurance	9,906	11,551	(1,645)
	5144 Employee Practice Liab Insurance	3,917	10,247	(6,330)
	5150 Electricity	192,799	188,329	4,470

City of Rio Dell - Operating Expenditures
FY 2017/18 PROPOSED BUDGET COMPARED TO FY 2016/17 BUDGET
Presented by Line Item

CITY-WIDE OPERATING COSTS		2017/18 PROPOSED BUDGET	2016-17 BUDGET WITH AMEND.	INCREASE (DECREASE)
OPERATING SUPPLIES	5151 Natural Gas	22,987	24,131	(1,144)
	5152 Water	29,822	36,349	(6,527)
	5153 Sewer	44,665	28,135	16,530
	5154 Garbage	750	750	-
	5160 Elections	2,000	-	2,000
	5162 Medical	3,650	3,780	(130)
	5163 Property Tax Admin Fees	2,800	3,000	(200)
	5164 Regulatory Fees	18,910	33,840	(14,930)
	5165 Property Tax Assessment	2,443	2,242	201
	5166 LAFCO Fees	1,850	1,500	350
	5167 Seismic Fees	165	200	(35)
	5171 Computer Software	2,525	2,525	-
	5173 Computer Maintenance - Support	31,581	30,317	1,264
	5174 Web Design Services	3,840	2,635	1,205
	5192 Code Enforcement	500	1,000	(500)
	5193 Nuisance Abatement-Vehicle	1,750	1,250	500
	5212 Gas & Oil	28,742	28,052	690
	5213 Vehicle Repair	12,000	10,750	1,250
	5215 Public Works - Small Tools	3,055	5,763	(2,708)
	5217 License	40	40	-
	5225 Public Works - Lab Testing	22,300	22,500	(200)
	5227 Public Works - Equip. Repair	20,611	31,698	(11,087)
	5229 Public Works - Equip. Rental	2,250	1,750	500
	5308 Dispatch Service Due	24,900	24,900	-
	5430 Fines/Penalties	1,000	1,000	-
	5514 Engineering	8,500	8,504	(4)
	5520 Improvements	1,220	1,220	-
	5900 RFD and Library Water/Sewer	5,900	4,667	1,233
	TOTAL BUDGET AMOUNTS	2,786,388	2,700,020	86,368

SIGNIFICANT BUDGET VARIANCES
PROPOSED BUDGET FOR FY 2017/18 COMPARED TO 2016/17 BUDGET

5000 – 5055 Salaries and benefits items

- Increase in expenditures as proposed for personnel costs have increased \$136,651
- A Public Works Leadman position has been added to Public Works Budget
- Police Department contractual language allows for PD personnel to be paid for all holidays (130 hours per officer). This amount wasn't included in the prior year's budget, but is included in this year's budget.
- Contractual changes in FY 2016/17 contribute to the increase
- Health insurance increase is due to various employee changes (family versus single, number of employees receiving health benefits, etc.). Insurance costs increase slightly in January 2019.
- Employer's share of taxes increase along with wages

5110 Accounting

- Accounting costs have been increased (\$5,500). Additional amounts may not be necessary since a new auditing firm will be performing the City's FY 2016/17 audit.

5112 Legal Costs

- Increased \$12,087. Staff anticipates additional legal assistance during the election process and implementation of the medical marijuana industry and taxation process; FY 2016/17 shows legal costs have exceeded appropriations at 3/31/17

5115 Contract/Professional Services

- Reduced \$65,729. The City Manager and Sewer budget items were reduced approximately \$15,000 each for this item since this cost decreased in the prior fiscal year. The water budget was reduced \$25,000 since the item had been carried over from the water rate study amount.

5135 Maintenance and Repairs

- Increased in the water operations fund from \$53,000 to \$67,920, (amount from the water rate study for general operating maintenance and repairs)

5138 Office Equipment

- Decreased \$8,000. This amount was appropriated in FY 2016/17 for computer replacement

5164 Regulatory Fees

- Decreased \$14,930 due to reduction in water related regulatory fees from the State Water Resources Control Board

5227 Equipment Repair

- Reduced \$11,087 in sewer dept. budget based on new machinery and equipment purchases in FY 2016/17