

CITY OF RIO DELL

FISCAL YEAR 2024-25 ADOPTED BUDGET







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July 1, 2024



Honorable Mayor, Members of the City Council and the Citizens of Rio Dell:

I am pleased to present the Fiscal Year (FY) 2024-25 Budget for the City of Rio Dell. The budget is the culmination of a lot of hard work by our staff who are dedicated public servants often carrying multiple diverse responsibilities to keep Rio Dell moving forward. The budget itself is an important document as both a planning tool for the upcoming year and also as a tool to help inform anyone interested in learning about City operations. However, this document only touches on the effort and dedication that everyone puts in on a daily basis.

Our City Council and Planning Commission volunteer their time to provide strategic direction to the City and leadership in the Community. Daily, our staff perform a myriad of difficult tasks and make it work within the limited resources available to this community. To this, I simply say thank you to everyone involved with the City of Rio Dell.

This is not a financially wealthy community. The vast majority of taxes our residents pay will go to the federal, state and county governments. For example, Rio Dell's share of local property taxes is only about 5% of the total bill. Yet, our City government remains the most readily accessible and impactful on a daily basis to the residents we serve. We have little control over the funding formulas set by these other governments. This is why it is imperative that the City be prudent and conservative with our budget to help ensure that the City remains a positive presence in the community into the future. How we use this tool - *our status as an incorporated city* - is up to all of us.

Our collective effort to build up Rio Dell's economic base has raised revenues and improved the quality of life for residents. Police services have been maintained and enhanced despite strong regional and national challenges. Our Pavement Condition Index (PCI) has improved dramatically between 2017 and 2022 as verified by a regional third party study conducted by the Humboldt County Association of Governments. I'm also receiving many compliments on the improvements along Wildwood Avenue, including façade improvements, murals, trees and exercise equipment. Nevertheless, we still have a long way to go in all of these areas and more. If we take these challenges day by day and offer solutions to the problems we face instead of just pointing out the challenges, Rio Dell will continue to get better.

Sincerely,

A handwritten signature in blue ink, appearing to read "K. Knopp", with a long horizontal flourish extending to the right.

Kyle Knopp, your City Manager.



User's Guide to the Budget

Local government functions stem from three levels of policy direction: federal, state, and local. Within this intergovernmental system, local government provides basic public services such as maintaining streets and roadways, traffic management systems, parks, community services, and public safety. Local government must also fulfill certain state and national policy objectives, such as housing and environmental protection, while addressing the expectations and values of its citizens. For local governments, the primary tool used to coordinate the provision of governmental services and to provide legal authorization for the expenditure of funds is the annual budget. A local government budget is a financial plan that matches existing resources with the community's needs.

The City of Rio Dell's budget is developed and adopted by the City Council. It provides residents and City staff with a plan for implementing the services, goals, and priorities specified by the City Council. The Operating Budget is a guide for receiving and disbursing funds to provide daily, routine public services to the community. The Capital Projects Budget provides citizens and City officials with information about capital projects planned for implementation. This budget outlines the many municipal services, programs, and projects the City of Rio Dell provides over the fiscal year. It identifies revenue projections and specific expenditures necessary to deliver services to the community. The budget is intended to provide transparency to City residents about programs and services and the policies underlying the City Council's spending decisions.

This budget document serves four essential functions as recommended by the Government Finance Officers Association (GFOA): as a policy document reflecting Council priorities, a financial plan projecting revenues and authorizing expenditures, an operations guide for department management, and a communication tool demonstrating accountability to residents.

How to Use This Document

This budget book is designed to serve multiple audiences with varying information needs. The document is organized to provide both summary-level information for general readers and detailed technical data for financial analysts and department managers.

For Residents and General Public: Focus on the Introduction section for community priorities and the Summary section for overall financial health. The Budget-in-Brief (separate document) provides a condensed overview of key budget highlights.

For City Council and Policy Makers: All sections provide relevant information, with particular attention to the Introduction (priorities and strategic direction), Summary (financial position), and Operating Budgets (program performance and resource allocation).

For Department Managers: The Operating Budgets section contains detailed program information, while the Reference Materials section provides budget policies and procedures for daily operations.

For Financial Analysts and Oversight Agencies: The Summary and Reference Materials sections contain comprehensive financial data, policies, and compliance information.

Budget Organization

The FY 2024-25 Budget includes five basic sections as follows:

User's Guide to the Budget

1. Introduction – Includes the City Manager's budget message highlighting key financial and policy themes, this Budget Guide, a City of Rio Dell community profile with demographic and economic data, a directory of elected and appointed City officials, a citywide organizational chart, and the City Council priorities and strategic initiatives.

2. Summary – Provides information on the City's revenues, expenditures, fund balances, fund descriptions, allocated positions, and compensation. This section includes financial trend analysis, key performance indicators, and multi-year financial projections to support long-term planning.

3. Operating Budgets – Describes each program's purpose, activities, staffing, accomplishments, opportunities, budget, and funding source by fund. Each program section includes performance measures, service level indicators, and connections to Council priorities to demonstrate accountability and results.

4. Capital Project Budgets – Contains information on budgeted capital expenditures, including the five-year Capital Improvement Program, project descriptions and timelines, funding strategies, and infrastructure investment priorities aligned with community needs.

5. Budget Reference Materials – Includes the City's financial policies and practices, budget calendar, budget adoption resolution, annual Gann appropriations limit calculation, glossary of terms used in the budget document and their definitions, and supplemental statistical data for comprehensive analysis.

Budget Process and Adoption

The budget process starts with budget development during which staff employs financial forecasting as a critical management tool. During this stage, staff reviews the current year's budget with actual amounts and projects revenues and expenditures for the new budget using multi-year forecasting methods recommended by GFOA. Current capital project progress is evaluated, and future project proposals are developed based on strategic priorities and infrastructure needs. The Finance Department works with the management team to prepare the next fiscal year's proposed budget, ensuring alignment between resource allocation and community goals.

Budget review is an ongoing effort that takes place throughout the year, reflecting GFOA's emphasis on continuous monitoring and performance measurement. Proposals for necessary and desirable budget adjustments are put together for presentation to the City Council on an ongoing basis. In addition, quarterly financial reports are presented as opportunities to discuss the City's fiscal health in conjunction with the goals and objectives of the organization and to assess performance against established benchmarks. The City Council authorizes staff to change the current budget as needed. The quarterly reporting periods are: Q1: Jul – Sep, Q2: Oct–Dec, Q3: Jan – Mar, and Q4: Apr–Jun.

The annual budget process time-line occurs as follows:

February – March: New Fiscal Year Budget Preparation Process Begins

The baseline budget is the prior year's, excluding one-time revenue and expenditure items to maintain structural balance. Management team members develop a proposed staffing plan and calculate salary and benefit costs, incorporating performance evaluation results and service level requirements. Budget packets are distributed to department heads and supervisors with guidance on linking budget requests to performance measures and Council priorities. The Finance Department prepares preliminary revenue estimates based on known factors, information provided by external parties, economic and historical trends, and multi-year forecasting models.

March – April: The City Manager Reviews Proposed Budget

Budget requests are turned in to the Finance Director with supporting performance data and priority justifications. The information is compiled, and a draft budget is prepared; the results are then reviewed to

User's Guide to the Budget

ensure expenditures align with revenue projections (i.e., recurring costs do not exceed ongoing revenues) and maintain fiscal sustainability. The Finance Department prepares the budget submission for the City Manager's review, including analysis of long-term financial implications. The City Manager meets with key staff members to discuss the proposed budget, evaluate performance outcomes, and makes recommendations or changes as appropriate. The proposed budget is then presented to the City Council with clear connections between resource allocation and strategic priorities.

April – May: Recommended Budget

The City Council discusses the recommended budget and priorities for the next fiscal year and receives community feedback through public hearings and engagement opportunities. Public input helps to shape the City Council's priorities and prepare the budget for final adoption, ensuring community involvement in resource allocation decisions.

June: Budget Adoption

A public hearing is held at a regularly scheduled meeting of the City Council, and the City Manager presents the revised recommended budget with a clear budget message communicating key themes to stakeholders. The proposed budget is then presented for adoption; this is usually the last meeting in June. Any final changes the City Council requests at the public hearing will be incorporated into the formal resolution adopting the budget.

July: The fiscal year begins on July 1 and ends on June 30. As the fiscal year progresses, the management team prepares various follow-up reports and resolutions related to the budget for the City Council to consider for adoption. This is a necessary step, as required by law. Prior year encumbrances not completed on or before June 30th may be incorporated in the new budget as "carryover" items for the City Council to consider for adoption enabling these projects to be finished in the new fiscal year.

Budget Accounting Structure

To demonstrate fiscal accountability and comply with generally accepted accounting principles, various funds are established to meet the objectives of special regulations, restrictions, and/or limitations. The City's budget includes twenty-seven funds; each is considered a separate accounting entity with a self-balancing set of accounts. Fund accounting ensures proper segregation of resources and compliance with legal requirements while providing transparency in financial reporting. The funds that are included in the budget for the City of Rio Dell are outlined below.

The **General Fund** is the City's largest operating fund, and it contains all financial resources not required by law or administrative action to be accounted for in another fund. This is the fund in which the City Council has the most budget discretion and where most general governmental activities are budgeted and accounted for.

The City budget includes two major **proprietary funds** used to account for government activities similar to businesses in the private sector. Enterprise funds are a type of proprietary fund and account for activity for which a fee is charged to external users for goods or services. The Water Utility and Sewer Utility funds account for the operation and maintenance of the City's water and wastewater systems. Water and Sewer are the City's only enterprise funds. Three separate Water funds and five separate Sewer funds are used to account for the activities of operations, capital projects, debt service, and reserves, providing comprehensive financial management for these essential services.

User's Guide to the Budget

The City budget includes eighteen **special revenue funds**. Special revenue funds are governmental funds used to account for legally restricted or committed revenues that can only be expended for a particular purpose. The budget includes four funds used to account for street activities: the Gas Tax, the Transportation Development Act (TDA), the Regional Surface Transportation Program (RSTP), and the SB 1 Road Maintenance Rehabilitation Account (RMRA). Additionally, the City budgets fourteen other special revenue funds: Administration, Building, CDBG, Economic Development, Recycling, Parks, Parks Per Capita, Trails & Parks, ARPA-SLFRF, Measure Z, Solid Waste, and Supplemental Law Enforcement Services.

The City further breaks out budgets by department and program; fifteen of these operating budget units exist. A single fund can have appropriations in multiple budget units, and a budget unit can be spread across multiple funds. The Budget Summary by Department and Fund included in the Summary section shows how the total budget is allocated and provides cross-referencing between organizational structure and fund accounting. The Operating Budget section details expenditures for each budget unit by account, enabling comprehensive program analysis and performance evaluation.

Performance Measurement and Strategic Planning

This budget incorporates performance-based budgeting principles by connecting resource allocation to measurable outcomes and Council priorities. Each program includes performance indicators that demonstrate efficiency, effectiveness, and service quality. The budget reflects the City's commitment to results-oriented governance and continuous improvement in service delivery.

Long-term strategic planning is integrated throughout the budget process, with multi-year financial projections, capital improvement programming, and policy development that considers future impacts of current decisions. This approach ensures financial sustainability and supports the community's long-term vision for Rio Dell.

Financial Policies and Fiscal Management

The City maintains comprehensive financial policies that provide framework for sound fiscal management and guide budget development. These policies address areas including reserve requirements, debt management, revenue diversification, and capital investment prioritization. The complete text of these policies is included in the Reference Materials section.

Conclusion

Financial forecasting is, at best, an inexact science. The staff has developed the budget using revenue and expenditure estimates based on trends and forecasts available in May, employing GFOA-recommended multi-year forecasting techniques. These estimates consider what has happened in the local economy, current revenue and expenditure experiences, and, to the extent possible, what is projected to happen over the next 13 months and beyond.

This budget represents the collaborative efforts of City staff, City Council, and community input to ensure responsible stewardship of public resources while delivering essential municipal services that support Rio Dell's quality of life. The budget balances fiscal responsibility with community needs, incorporating performance measurement and long-term planning to ensure sustainable financial management for current and future generations.

Community Profile

City Geography

The City of Rio Dell, "the warm-hearted city," is located on a bend of the Eel River below the ancient Scotia Bluffs and surrounded by hills covered with redwood trees. The City is approximately 245 miles north of San Francisco and 25 miles south of Eureka, in Humboldt County, at an elevation of 161 feet. Rio Dell occupies 2.4 square miles, with a 2020 census population of 3,379.



Located along U.S. 101, Rio Dell is an excellent starting point for tourists to visit local attractions such as Humboldt Bay, the historic Pacific Lumber mill town of Scotia, and the Avenue of the Giants, with over 30 miles of majestic redwood groves. Rio Dell is also known for its fossil beds across the Eel River in the Scotia Bluffs. Fossils preserved in sandstone are aged from one million to fifty million years, when 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.

Rio Dell has a mild climate and benefits from the breezes that follow the Eel River valley. It is slightly inland and away from the coastal fog. The average high temperature is 69°F in July, with no average monthly temperatures above 72°F. Although snow is rare within the City limits, it is often visible on the hills above Rio Dell in winter.



City Authority and Administration

Rio Dell operates under the City Council-City Manager form of government. The City Council sets policy while the City Manager carries out the City's day-to-day business. The City Council appoints the City Manager, who is responsible for appointing other City staff. The City Council selects the Mayor and serves as the presiding officer at city council meetings and as the official head of the city for legislative and ceremonial purposes. The Council holds meetings on the first and third Tuesdays of each month and at other times as necessary.

Rio Dell is a general law city under California state law, and its rights, powers, privileges, authority, and functions are established through the State Constitution. These statutory rights include the power to: sue and be sued; purchase, receive by gift or bequest and hold land; make contracts and purchases and hold personal property necessary to the exercise of its powers; manage, sell, lease, or otherwise dispose of its property as the interest of its inhabitants require; levy and collect taxes authorized by law and

exercise such other and further powers as may be primarily conferred by law or as may be necessarily implied from those expressed. The City provides its residents with a wide range of services, including public safety, construction and maintenance of streets and infrastructure, water and wastewater, community development, financial management, and administrative services.

History of Rio Dell

In the 1870s, Lorenzo Painter settled in what is now known as Rio Dell. He is credited with helping to transform the small collection of farms known as Eagle Prairie into a community. Painter took the initiative and helped build public roads, schools, post offices, and other public improvements, including the first waterworks, which comprised a storage tank from which water was delivered to residents in pipes made from redwood. This contributed to Rio Dell being recognized as a legitimate township in the county before the 1880s. He subdivided his land into 13 blocks and sold lots for businesses and homes. Painter laid out Main Street (now Pacific Avenue), Rigby Avenue, Painter Street, and Center Street, forming a town center that became the heart of old Rio Dell.

Wildwood, located at the southern end of the City, was established primarily to provide housing and services for individuals employed by the lumber mill in the neighboring town of Scotia. Many Italian immigrants lived in what became known as "Little Italy." The Eagle Prairie Bridge, built in 1941, was the third bridge to join the Scotia and Wildwood communities and the first able to withstand annual winter flooding.

In the late 1940s, the Redwood Highway (Highway 101) was expanded through Rio Dell, with four lanes going down Wildwood Avenue. A period of prosperity resulted as businesses packed both sides of the highway, and merchandising flourished. This resulted in Wildwood becoming the new town center, and talks began concerning incorporating the communities as a single town. After weathering the storms and flooding of 1955 and 1964, the communities of Wildwood and Rio Dell finally officially came together and were incorporated as the City of Rio Dell on February 26, 1965.

However, in 1976, the construction of a freeway bypass reduced traffic flow through town and devastated the local business district. The reduction in sales tax revenues from the bypass and property tax revenues from the implementation of Proposition 13 severely impacted the finances of the relatively new City in the 1980s.



City of Rio Dell

Elected and Appointed City Officials

City Council

Rio Dell operates under the Council-Manager form of government. The City Council sets policy while the City Manager carries out the day-to-day business of the City. The City Council selects the Mayor and serves as the presiding officer at city council meetings and as the official head of the City for legislative and ceremonial purposes.

City Council Members are elected to four-year terms. Terms are staggered, with 2 or 3 members up for re-election every two years.

Meetings: First and Third Tuesday of each month at 6:00 PM, City Hall

Name	Title	Term Expiration
Debra Garnes	Mayor	2026
Amanda Carter	Mayor Pro Tem	2028
Julie Woodall	Councilmember	2026
Robert Orr	Councilmember	2026
Frank Wilson	Councilmember	2028



City Management and Department Directors

Kyle Knopp, City Manager

Chief executive officer responsible for day-to-day municipal operations, budget preparation, and implementation of City Council policies.

Karen Dunham, City Clerk

Maintains official city records, prepares meeting agendas and minutes, and manages municipal elections and public information requests.

Travis Sanborn, Finance Director

Oversees financial operations, budget development, accounting, and financial reporting for all city funds.

Josh Phinney, Police Chief

Manages police operations, public safety planning, and law enforcement services.

Kevin Caldwell, Community Development Director

Oversees planning, zoning, building permits, code enforcement, and economic development initiatives.

Randy Jensen, Water/Roadway Superintendent

Manages water system operations, street maintenance, and infrastructure projects.

Sunshine Kelly, Wastewater Superintendent

Oversees sewer system operations, wastewater treatment, and regulatory compliance.

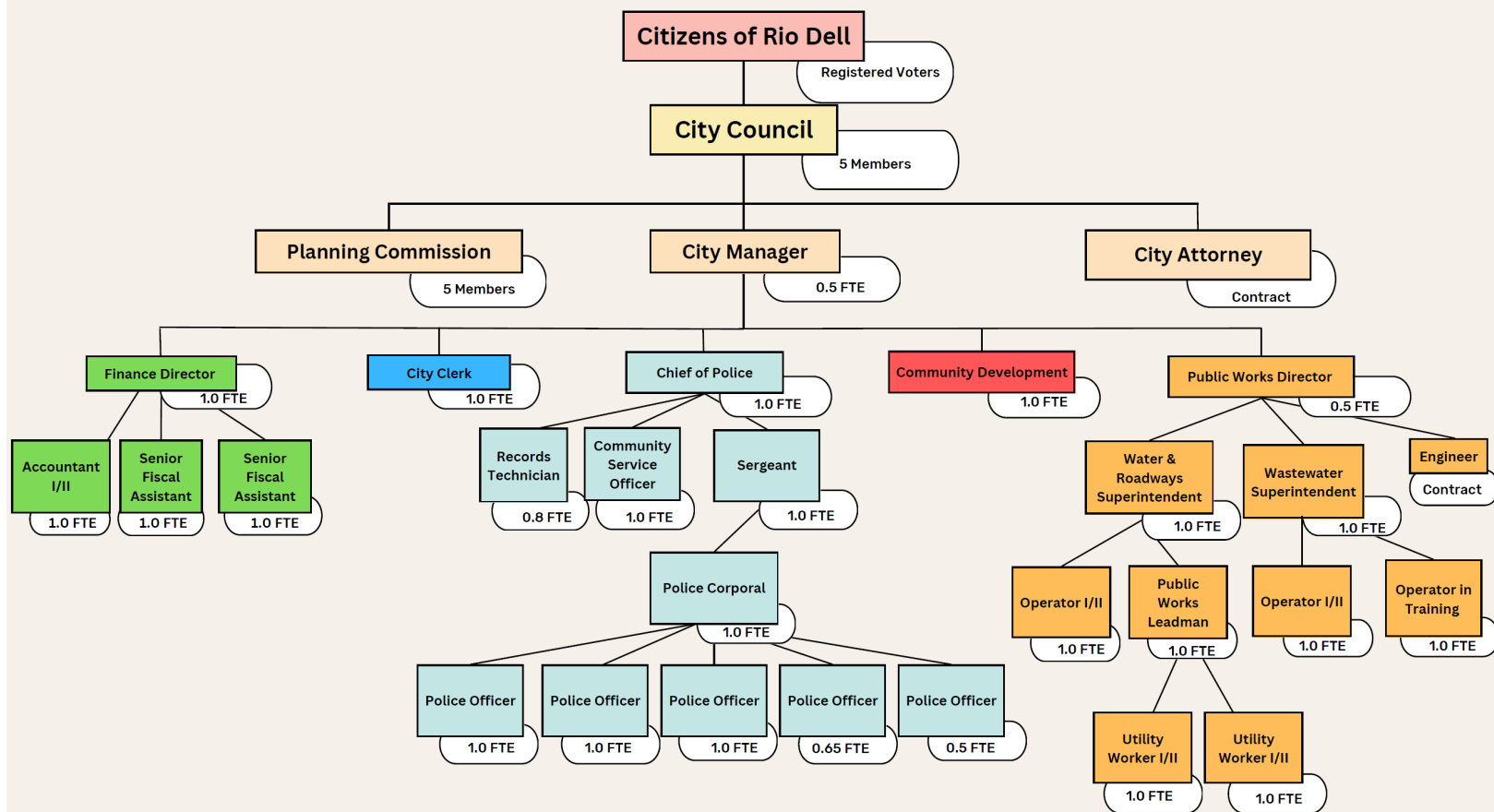
City Organizational Chart

Organizational Structure

The City of Rio Dell operates under the Council-Manager form of government with 23.95 full-time equivalent positions organized into four departments: Administration (3.00 FTEs), Finance (4.00 FTEs), Police (8.95 FTEs), and Public Works (8.00 FTEs).

As of July 1, 2024

CITY OF RIO DELL ORGANIZATION CHART FISCAL YEAR 2024-25



Total Authorized Positions: 23.95 FTEs

City Priorities

On May 7, 2024, the City Council and staff held a priority-setting session to establish strategic direction for the upcoming fiscal year. The Council underwent a priority-setting exercise where individual council members identified priorities organized by topic areas. This process ensures budget allocation aligns with community goals and Council policy direction.

Priorities				
2020	2021	2022	2023	2024
Street Planning & Work	Economic Development	Economic Development Plan Implementation	Economic Development Implementation	Public Works
Code Enforcement	Code Enforcement	Measure U/J Extension	Community Development	Public Safety Staffing
Public Safety	Staff Turnover Reduction	Personnel	Public Works - Underground Infrastructure	Economic Development
Economic Development	Cannabis Expansion	Todd Property	Personnel	Street Planning & Work
Personnel	SB 1383-Organic Waste	Infrastructure	Public Safety	Parks & Youth

The following list describes how the Council's priorities are reflected in the FY 2024-25 budget.

- *Public Works - Infrastructure*: The budget allocates funds and staff time to execute multiple grant-funded public works projects, including water and wastewater distribution infrastructure. Earthquake-damaged infrastructure continues to be prioritized with assistance from CalOES.
- *Economic Development Plan Implementation*: A drawdown of \$47,000 is budgeted for FY 2024-25 to implement the Economic Development Immediate Action Plan (IAP). The budget continues to fund the Façade Improvement Program and includes \$5,000 for beautification and revitalization projects in the City.
- *Street Planning & Work*: This budget includes a Streets General Fund subsidy of \$100,000 for street work and \$30,000 for Wildwood Avenue Crack Sealing.
- *Parks & Youth*: Focus on City-owned park development and open space enhancement to benefit local youth and families.
- *Public Safety*: This budget maintains the Police Department staffing level of 8.95 FTEs within the City's total authorized 23.95 positions. The budget allocates \$50,000 for City Hall public safety improvements and \$7,290 for police ballistic helmets and gas masks.

Ongoing Priorities

- *Code Enforcement*: The budget continues to fund Community Services Officer to perform code enforcement and abatement activities.

The City Council evaluates progress on these priorities through ongoing budget monitoring and adjusts implementation strategies as needed to meet evolving community needs.

Budget Summary – All Funds

Overview of the City's Budget

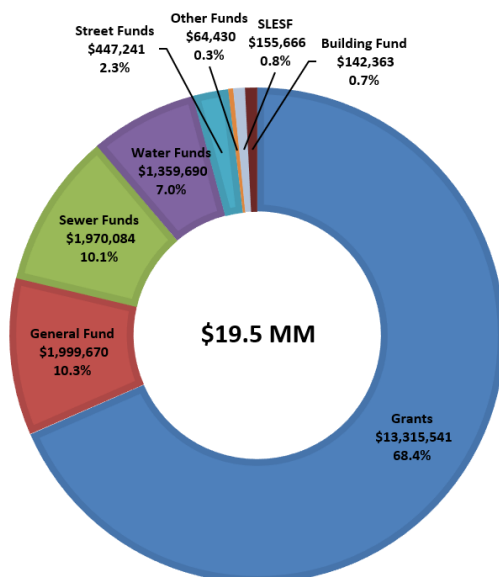
The City of Rio Dell's annual FY 2024-25 budget is \$19,454,685. This represents an increase of \$10,685,290, or 122% more than the adopted budget for FY 2023-24 (\$8,769,395). This significant budget increase is primarily due to increased allocations budgeted for grant-funded and capital projects compared to the previous fiscal year.

The City's three major operating budgets are the General Fund (10.3%), Sewer Enterprise Funds (10.1%), and Water Enterprise Funds (7%). For FY 2024-25, grant funds comprise 68.4% of the budget. Core city services are budgeted in the General Fund and are supported primarily by property tax, sales tax, and cannabis tax revenues. The City's Water and Wastewater Enterprise funds are supported by user fee revenues charged for services provided to the City's residents.

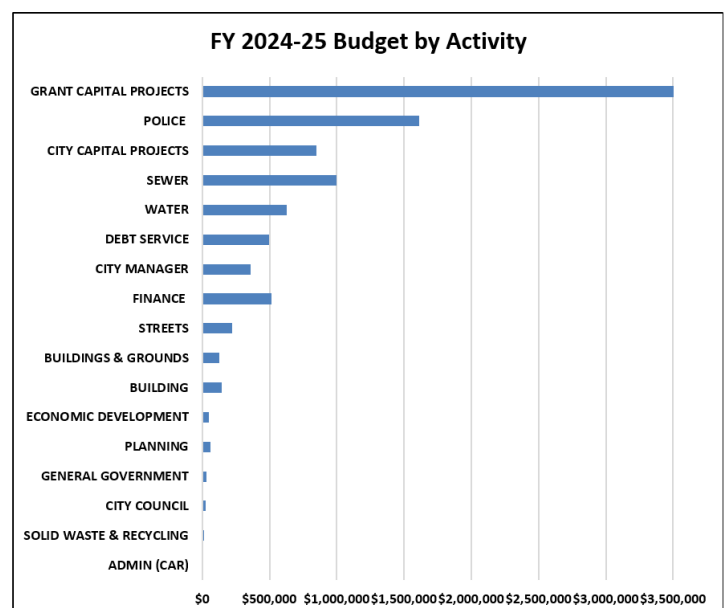
The largest City service is the Police Department, which comprises 73% of the General Fund budget and 8% of the total City budget. The budget for capital projects, grant projects, and equipment replacement totals \$14,165,832 and is accounted for in the Capital Project Department.

The charts below show appropriations budgeted by fund and citywide appropriations by activity. At the department level, expenditures are allocated from various funds based on departmental activities, ensuring proper accounting for restricted and unrestricted resources.

FY 2024-25 Appropriations by Fund



FY 2024-25 Budget by Activity



Budget Summary – All Funds

FY 2024-25 ADOPTED BUDGET

Budget Summary by Department and by Fund

The following tables provide comprehensive budget information organized by department and fund, showing the relationship between organizational structure and financial planning:

FUND	NAME	EST Beginning Fund Bal.	Projected Totals	Admin Car	Building Dept.	City Council Dept.	City Manager Dept.	Finance Dept.	General Govt. Dept.	Planning Dept.	Police Dept.	Recycling and Solid Waste
005	General Fund Motorpool	103,593	40,000	1,600								
008	Building Fund	-	67,350		142,363							
039	CDBG RRLF Fund	669,841	5,000									
000	General Fund	1,541,660	1,717,725			9,704	208,857	118,839	29,564	61,493	1,458,152	
003	Economic Development	262,530	-						47,000			
074	Recycling Fund	62,703	5,000									9,000
015	Parks Fund	19,110	-									
014	Park Per Capita Grant	-	177,952									
040	SLESF Fund	130,242	160,000								155,666	
018	Trails & Parks (Clean CA)	-	1,750,000									
052	Sewer Capital Fund	1,160,750	105,000									
054	Sewer Debt Svc Fund	137,434	302,934									
054	Sewer Restricted Reserve	302,822	-									
050	Sewer Operations Fund	329,238	1,221,000			8,318	69,887	180,843				
027	Solid Waste Fund	11,260	5,000									6,830
093	Spay & Neuter Fund	3,381	-									
020	Gas Tax Fund (HUTA)	168,852	101,720			832	7,765	5,167				
024	TDA Fund	73,137	125,317			555	5,177	5,167				
026	RSTP Fund	18,603	27,000									
021	SB1 (RMRA) Fund	192,510	86,681									
076	ARPA-SLFRF	740,132	-									
062	Water Capital Fund	1,043,418	290,000									
063	Water Metro Wells Fund	31,456	18,375									
064	Water Dinsmore Zone	84,964	23,500									
061	Water Restricted Reserve	136,000	-									
061	Water Debt Svc Fund	258,930	136,000									
060	Water Operations Fund	1,416,130	827,125			8,318	69,887	206,677				
065	Water Dist. System Project	-	11,047,590									
	TOTAL	8,898,696	18,240,269	1,600	142,363	27,725	361,573	516,693	76,564	61,493	1,613,817	15,830

Budget Summary – All Funds

FY 2024-25 ADOPTED BUDGET

Budget Summary by Department and by Fund (continued)

Facilities and Grounds	Sewer Dept	Streets Dept	Water Dept	Capital Projects	Pymts and Debt Svc	Contingency	Projected Totals	Transfers	Change in Fund Balance	Est. End. Fund Balance
				-			1,600		38,400	141,993
							142,363	(79,063)		
							-	8,516	(3,516)	666,325
50,772				62,290		-	1,999,670	67,510	(349,455)	1,192,205
							47,000	-	(47,000)	215,530
							9,000		(4,000)	58,703
							-		-	19,110
				177,952			177,952		-	-
							155,666		4,335	134,577
				1,750,000			1,750,000		-	-
				380,000			380,000		(275,000)	885,750
					302,934		302,934		-	137,434
							-		-	302,822
31,732	996,371						1,287,150		(66,150)	263,088
							6,830	3,037	(4,867)	6,393
							-		-	3,381
8,885		73,566					96,215		5,505	174,357
3,808		53,679			55,929		124,314		1,003	74,140
		24,775					24,775		2,225	20,828
		71,937		130,000			201,937		(115,256)	77,254
				340,000			340,000		(340,000)	400,132
				178,000			178,000		112,000	1,155,418
		27,785					27,785		(9,410)	22,046
		10,100		100,000			110,100		(86,600)	(1,636)
							-		-	136,000
					136,000		136,000		-	258,930
31,732			591,191				907,805		(80,680)	1,335,450
				11,047,590			11,047,590		-	-
126,929	996,371	223,956	629,076	14,165,832	494,863	-	19,454,685	-	(1,218,466)	7,680,230

This budget allocation supports the City Council's strategic priorities while maintaining essential services and investing in long-term infrastructure improvements that benefit the Rio Dell community.

Budget Summary – General Fund

The General Fund is the City's primary operating fund. Revenues are available for general purposes and are used to fund the City's operations, including police services, general operations, and management of City services, as well as special and capital projects. The top two appropriations included in the adopted General Fund budget are \$1,458,152 for Police Department services and \$208,857 for City Manager Department services.

The General Fund budget for FY 2024-25 estimates revenues of \$1,717,725 and expenditures (including transfers) of \$2,067,180. The budget uses \$349,455 in carry-forward reserves to balance expenditures with available resources. This use of reserves is generally used for one-time capital investments and does not affect the fund's long-term structural balance, as ongoing expenditures remain less than ongoing revenues.

The budget includes \$62,290 in one-time expenditures: \$7,290 for police protective gear, \$50,000 for law enforcement department improvements, and \$5,000 for city beautification projects. These one-time investments support public safety enhancements and community improvements while maintaining fiscal sustainability.

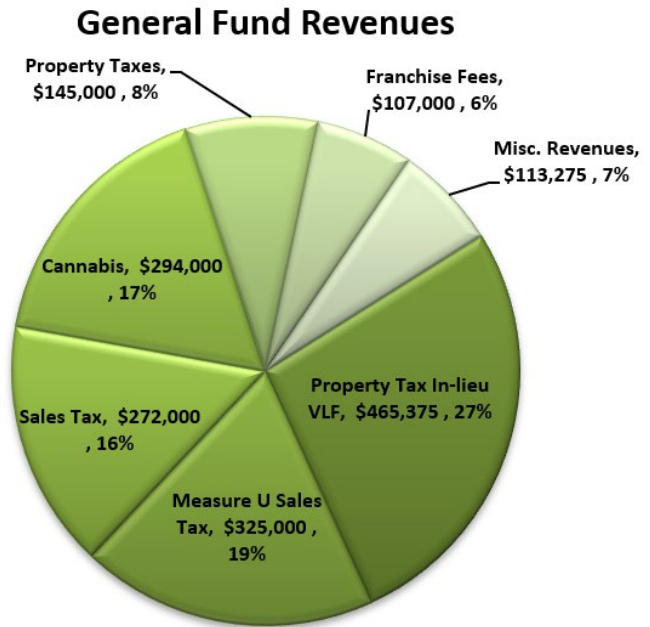
The General Fund is predominantly supported by property taxes (including VLF) (36%), sales taxes (local and State) (35%), and cannabis taxes (17%). FY 2024-25 revenues are estimated to be lower than the prior year's revenue, primarily due to an anticipated decrease in property and sales tax revenue. The adopted FY 2024-25 General Fund expenditures represent an increase from FY 2023-24 budgeted appropriations, mainly resulting from increases in special and capital projects not completed in the prior fiscal year. The table below summarizes the General Fund revenues and expenditures.

	2019-20 ACTUAL	2020-21 ACTUAL	2021-22 ACTUAL	2022-23 ACTUAL	2023-24 ACTUAL	2024-25 BUDGET
REVENUE						
Property Taxes	131,188	135,616	144,289	144,112	155,345	145,000
Property Tax In-lieu VLF	407,072	422,026	447,394	471,808	504,407	465,375
Sales Tax	237,872	345,512	277,387	221,024	250,535	272,000
Measure U/J Sales Tax	330,795	460,759	411,187	342,796	384,662	325,000
Transient Occupancy Tax	11,797	20,597	18,955	20,428	20,518	20,000
Franchise Fees	87,139	93,626	101,036	88,172	102,836	107,000
Planning Fees	3,536	1,926	2,787	985	2,793	3,000
Rental Income	23,596	23,786	24,733	26,221	47,615	33,050
Miscellaneous Revenues	44,701	99,897	62,035	92,414	163,287	53,300
Cannabis Fees and Taxes	221,144	403,298	152,656	220,693	269,955	294,000
Interest	27,093	10,997	4,649	23,234	61,338	-
TOTAL GENERAL FUND REVENUES	1,525,933	2,018,040	1,647,108	1,651,887	1,963,291	1,717,725
EXPENDITURES						
City Council	10,265	10,094	12,166	10,248	14,330	9,704
City Manager	87,000	133,596	184,067	253,393	147,299	208,857
Finance	69,576	76,201	93,235	95,829	109,793	118,839
General Government	27,878	31,983	31,389	33,868	34,383	29,564
Planning	39,207	37,708	48,953	53,527	53,256	61,493
Police	600,503	748,001	839,928	1,027,381	1,142,062	1,458,152
Facilities and Grounds	36,843	34,600	50,065	66,921	46,775	50,772
Capital Projects	114,179	586,583	1,131,645	326,951	17,071	62,290
Contingency/COVID	39,111	25,212	-	-	-	-
Transfers	300,000	(10,385)	29,949	47,933	46,280	67,510
TOTAL GENERAL FUND EXPENDITURES	1,324,562	1,673,593	2,421,397	1,916,050	1,611,248	2,067,180
Fund Balance Increase/(Decrease)	201,371	344,447	(774,289)	(264,163)	352,043	(349,455)

Revenues

General Fund Revenues

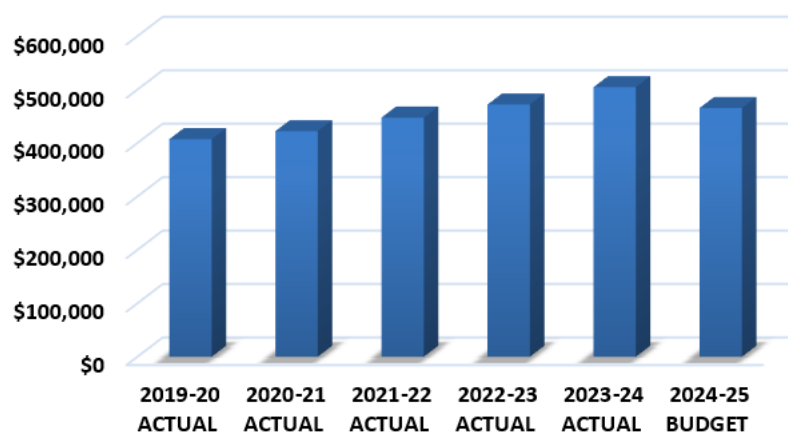
Total General Fund revenues are estimated to be \$1,717,725 compared to \$1,963,291 in the prior year, a decrease of \$245,566 or 12.5%.



Major Revenues of the General Fund

Property Tax in Lieu of Vehicle License Fee – Cities and counties receive property tax revenues in lieu of Vehicle License Fees (VLF). In 2004, the legislature permanently reduced the VLF rate from 2% to 0.65% and compensated cities and counties for their revenue loss with a similar amount of property taxes, dollar-for-dollar. Each agency’s property tax in lieu of VLF allocation increases annually in proportion to the growth in gross assessed valuation in that city. This has historically been one of the largest sources of discretionary revenue for the City’s General Fund; in FY 2024-25, it accounted for 27% of revenues.

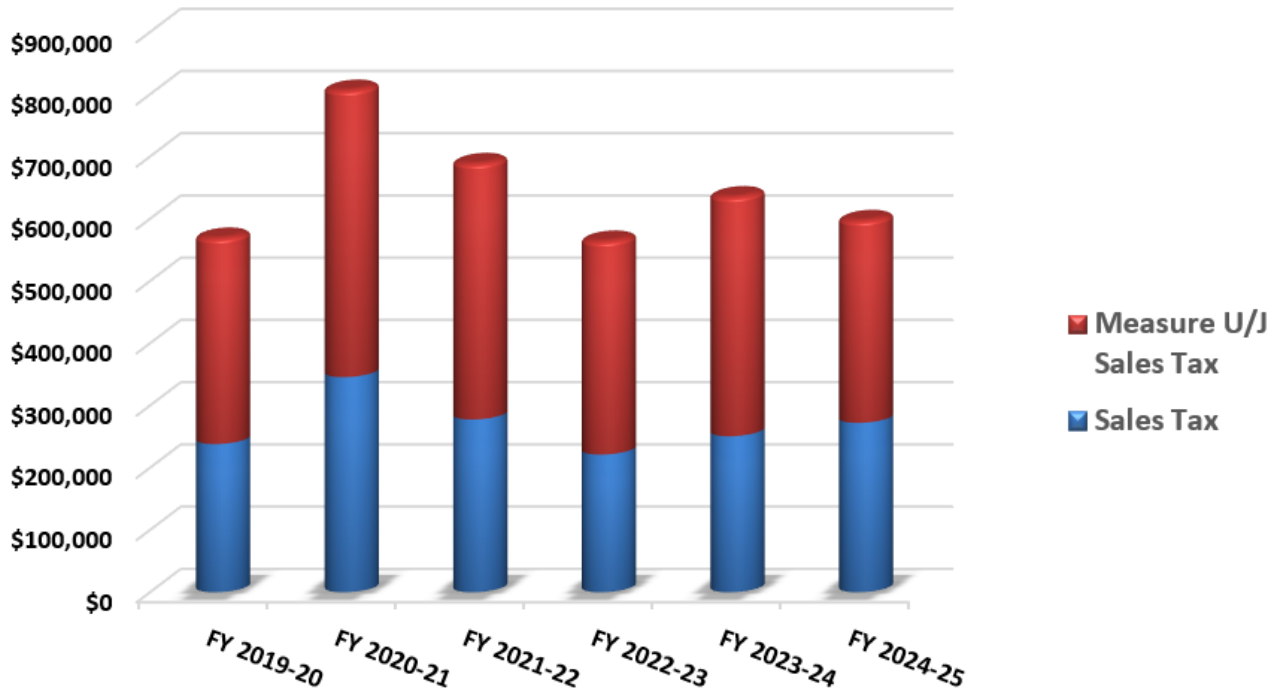
Property Tax In-lieu VLF



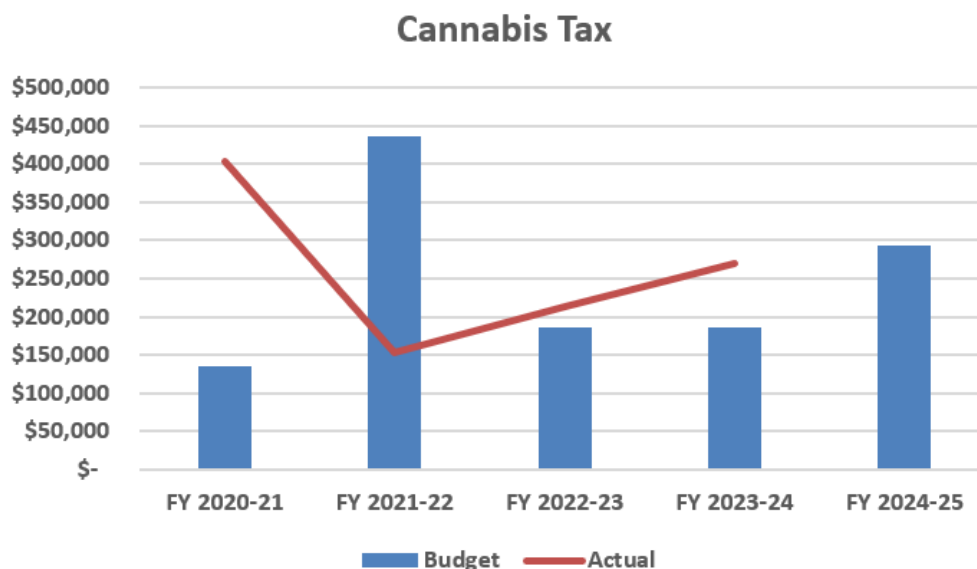
Local Sales Tax – In November 2014, the City of Rio Dell voters approved a five-year 1% general purpose sales tax with the passage of Measure U. In November 2018, the voters extended this with the passage of Measure J, which also has a five-year sunset, and expires December 31, 2024. This is a significant source of revenue for the City and accounts for 19% of budgeted General Fund revenues.

Revenues

Sales Tax – Under the State Revenue Taxation Code and the Bradley-Burns Uniform Local Sales and Use Tax Law of 1955, the State imposes a 7.25% Sales and Use Tax on taxable sales in the City. The City receives 99.18% of the local 1% share of the 7.25% sales tax. The State retains the remaining 0.82% for administration. About 17% of General Fund revenues come from this source.



Cannabis Business Tax – In November 2017, the City of Rio Dell voters approved Measure X, an excise tax on commercial cannabis activity. The rate is 2% of gross receipts or two dollars per square foot of cultivation space. Cannabis revenues have decreased since peaking in FY 2020-21 and are estimated to be 17% of General Fund revenues for FY 2024-25.



Revenues

Property Tax – Is a tax imposed on real and tangible personal property. Since the passage of California Proposition 13, the tax is based on either a 1% rate applied to the 1975-76 assessed value of the property (which can increase by a maximum of 2% per year), or on 1% of the sales price of the property on sales transactions and construction which occur after the 1975-76 assessment. The amount collected by the County is distributed in accordance with State law to the various public agencies. Property tax currently makes up 8% of General Fund revenues.

Franchise Fees – In lieu of rent, franchise fees are collected from refuse collectors, cable television companies and utilities to use city streets. Some franchise charges are limited by statute. Franchise fees account for 6% of General Fund revenues.

Other General Fund Revenues

Transient Occupancy Tax (TOT) – An 8% tax on room charges for hotel, motel, tourist home, and recreational vehicle park occupancy of less than thirty (30) days.

Business License Tax – A flat fee license tax on businesses operating within the City set by resolution.

Rental Income – Rent collected for the use of city property, primarily for cell towers.

Fines, Forfeitures and Penalties – Cities receive a share of fines and bail forfeitures from misdemeanors and infractions committed within city boundaries. These consist primarily of parking fines, vehicle code fines, and court fines. These revenues fluctuate from year to year, depending upon changes in State law and the level of enforcement and collection.

Charges for Services – Fees that the City collects for specific services performed. Examples are special police, zoning changes, and animal control charges. Costs are allocated on various bases and are set by resolution. Each fee is analyzed separately to estimate revenues for the coming year.

Investment Interest – Revenue earned on investments. Monies in individual funds that are not required for daily operations are pooled for investment purposes. The City only has funds invested in the State's Local Agency Investment Fund (LAIF). An investment policy governs the City's investments and must conform to State law.

Major Revenues of Other City Funds

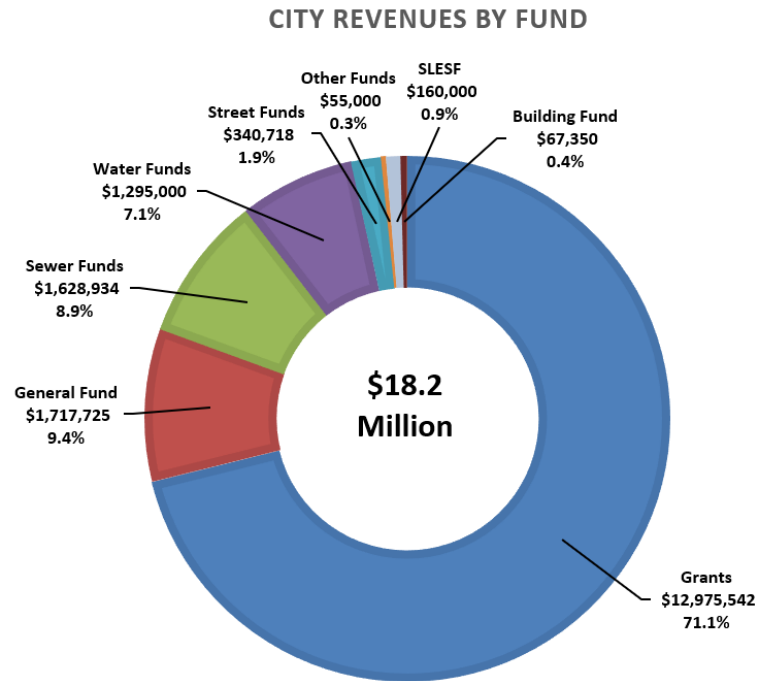
Gas Taxes – Taxes applied to the sale of gasoline. The State of California allocates a portion of the revenue from this tax to cities and counties on a formula based on population plus a fixed apportionment amount. The funds are to be used only for street purposes. Estimates are based on experience and State estimates. Other State Highway Account funds are allocated to the City through the regional County Association of Governments under SB1435 and SB45. These funds can be used in a manner similar to gas tax and come from both state and federal monies. Through legislation, AB 2928 Traffic Congestion Relief funds were allocated to each city directly from the State.

Water and Sewer Fees – The City Council establishes fees, rates, and charges by resolution to cover the cost of water delivery, water and sewer system maintenance, water and sewer operations, administration, capital expenditures, and/or debt service. In 2022, the City of Rio Dell conducted a Water and Sewer Rate Study, presented to the public and City Council under the rules of Proposition 218. On April 19, 2022, voters approved the new water and sewer rates effective July 1, 2022. This adjustment was authorized for five years and ends in July 2027.

Revenues

Revenue Estimates

All City revenues are budgeted by funds in one department. The distribution by fund is shown on the right. Revenues are projected based on current year actuals received, previous year's trends, economic forecasts, and City staff input. Revenue estimates from the State Controller, County of Humboldt, League of California Cities, and California Local Government Finance Almanac are used where possible. The City's quarterly financial reviews also help form the basis for many of the assumptions used to formulate revenue estimates for the budget. The table below shows the revenues estimated in the adopted budget.



00 - Revenue	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted	Fund
<u>Revenue</u>				
4010 Tax - Property Current Secured	144,112.00	142,000.00	145,000.00	General Fund
4011 Tax - Property Current Unsecur	5,666.00	5,000.00	5,000.00	General Fund
4012 Tax - Property Prior Secured	1,958.00	0.00	2,500.00	General Fund
4013 Tax - Property Prior Unsecured	62.00	75.00	75.00	General Fund
4025 Tax - Supplemental Roll	2,346.00	1,500.00	1,500.00	General Fund
4026 Tax - Home Owner's Property	1,353.00	1,400.00	1,400.00	General Fund
4027 Tax - Prior Years - Supplemental	309.00	400.00	400.00	General Fund
4030 Tax - Transient Occupancy Tax	20,428.00	20,000.00	20,000.00	General Fund
4035 Tax - Timber Yield	22.00	25.00	25.00	General Fund
4040 Tax - Retail Sales	221,024.00	272,000.00	272,000.00	General Fund
4044 Tax - Measure J Sales Tax	342,796.00	368,000.00	325,000.00	General Fund
4045 Tax - (HCAOG) Transportation - TDA	142,049.00	125,803.00	125,317.00	Streets Fund
4046 Tax SB1 RMRA	75,589.00	83,727.00	86,681.00	Streets Fund
4048 Tax - Gasoline (Highway Users Tax)	91,962.00	102,517.00	99,720.00	Streets Fund
4050 Tax - Documentary Real Property	6,529.00	10,000.00	7,500.00	General Fund
4056 Tax - Public Safety .5% sales	4,594.00	3,500.00	3,500.00	General Fund
4110 Fees - Franchise - Electric	29,571.00	25,000.00	30,000.00	General Fund
4115 Fees - Franchise - Gas	13,050.00	9,000.00	15,000.00	General Fund
4120 Fees - Franchise - Garbage	18,042.00	24,000.00	30,000.00	General Fund
4125 Fees - Franchise - Cable TV	27,509.00	32,000.00	32,000.00	General Fund
4150 Fees - Business License	11,942.00	10,000.00	10,000.00	General Fund
4151 Fees - Business License CASP SB1186	1,016.00	1,000.00	1,000.00	General Fund
4154 Fees - Cannabis	63,324.00	36,000.00	44,000.00	General Fund
4155 Cannabis Business Tax Revenue	157,369.00	150,000.00	250,000.00	General Fund
4162 Fees - Motor Vehicle License (VLF)	3,472.00	3,500.00	3,500.00	General Fund
4163 Fees - In Lieu VLF - County	471,808.00	456,250.00	465,375.00	General Fund
4170 Fees - Animal License	962.00	2,000.00	2,000.00	General Fund
4173 Fees - Animal Control/Relinq.	3,179.00	500.00	1,000.00	General Fund

Revenues

00 - Revenue	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted	Fund
4178 Fees - Booking	0.00	250.00	250.00	General Fund
4180 Fees - Notary	330.00	100.00	100.00	General Fund
4183 Fees - Special Police Services	3,354.00	2,500.00	3,500.00	General Fund
4187 Penalties and Interest	209.00	0.00	0.00	General Fund
4190 Fees - Integrated Waste Management	9,414.00	5,000.00	5,000.00	Solid Waste
4195 Fees - Customer fax and copy	17.00	50.00	50.00	General Fund
4198 Fee - Building Inspection	0.00	0.00	0.00	Building Fund
4240 Fines - Other	5,372.00	0.00	0.00	Various
4310 Interest Income	111,482.00	0.00	0.00	Various
4320 Rental Income - U.S. Cellular	8,111.00	8,050.00	8,050.00	General Fund
4321 Rental Income - T. Mobile	18,110.00	16,500.00	25,000.00	General Fund
4410 Building Plan - Constr Permits	33,817.00	25,000.00	30,000.00	Building Fund
4415 Building Plan - Fines and Penalties	0.00	0.00	0.00	Building Fund
4420 Planning - Zoning Fees	585.00	3,500.00	2,500.00	General Fund
4435 Planning - Home Occupation Permit Fee	400.00	500.00	500.00	General Fund
4440 Building Plan - Plan Check Fee	1,228.00	5,000.00	2,500.00	Building Fund
4445 Building - Administrative Fees	22,610.00	25,000.00	30,000.00	Building Fund
4460 Building Plan - Seismic Fees	310.00	300.00	500.00	Building Fund
4462 Building Standards - SB1473	168.00	100.00	100.00	Building Fund
4463 Building - Continuing Education	1,908.00	250.00	250.00	Building Fund
4464 Building - Technology Fee	4,247.00	500.00	4,000.00	Building Fund
4465 Encroachment Permits	2,875.00	2,000.00	2,000.00	Streets Fund
4471 Earthquake Reimbursement	177,931.00	0.00	0.00	Various
4481 Insurance Claim Proceeds	45.00	0.00	0.00	Various
4510 Sewer - Service	887,716.00	1,036,000.00	1,193,000.00	Sewer Fund
4520 Sewer - Connection	2,297.00	0.00	0.00	Sewer Fund
4610 Water - Service	743,466.00	808,500.00	794,125.00	Water Fund
4620 Water - Connection	2,550.00	0.00	0.00	Water Fund
4630 Late Fee	29,856.00	27,000.00	28,000.00	Sewer Fund
4630 Late Fee	29,857.00	27,000.00	28,000.00	Water Fund
4635 Delinquent Fees	3,330.00	5,000.00	5,000.00	Water Fund
4641 Water - After Hours Call	0.00	0.00	0.00	Water Fund
4650 Water - Capital	260,852.00	281,375.00	290,000.00	Water Fund
4653 Water - Metro Wells	17,027.00	18,375.00	18,375.00	Water Fund
4654 Water - Dinsmore Zone	24,279.00	23,200.00	23,500.00	Water Fund
4700 Grant Revenue	0.00	0.00	0.00	Grant Fund
4701 Grant - Officer Wellness	15,000.00	0.00	0.00	Grant Fund
4712 Grant Restricted - RSTP HCAOG	52,240.00	27,000.00	27,000.00	Streets Fund
4717 FEDERAL AID: ARPA	400,576.00	0.00	0.00	Grant Fund
4725 Gen. Fund Income from CDBG Principal	1,376.00	5,000.00	5,000.00	CDBG
4740 Grant Restr - Police Grant SLESF	162,881.00	150,000.00	160,000.00	SLESF
4746 Grant Restristed - Recycling	25,000.00	5,000.00	5,000.00	Grant Fund
4747 Grant - Measure Z	34,518.00	0.00	0.00	Grant Fund
4767 Providence PD Grant	5,000.00	0.00	0.00	Grant Fund
4772 Local Road Safety Plan	13,327.00	0.00	0.00	Grant Fund
4773 Prop 68 Park Per Capita Grant	0.00	177,952.00	177,952.00	Grant Fund
4774 Clean California Grant	100,751.00	2,412,799.00	1,750,000.00	Grant Fund
4775 Clean CA Voucher	10,028.00	0.00	0.00	Grant Fund
4900 Interfund Revenue	44,116.00	40,000.00	40,000.00	Admin Fund
4935 Gain Disposal of Assets	0.00	10,000.00	10,000.00	General Fund
4936 Bad Debt Recovery	575.00	0.00	0.00	Various
4950 Misc	5,084.00	0.00	0.00	Various
4990 Misc - Other	60.00	0.00	0.00	Various
4991 Misc	6,353.75	0.00	0.00	Various
4995 Donations	1,500.00	0.00	0.00	Various
4516 Sewer - Debt Service	338,040.00	302,934.00	302,934.00	Sewer Fund
4540 Sewer - Replacement Reserve	103,996.00	100,000.00	105,000.00	Sewer Fund
4520 Sewer - Connection	10,440.00	10,000.00	0.00	Sewer Fund
4615 Water - Debt Service	184,461.00	136,000.00	136,000.00	Water Fund
4616 Water - Debt Service Restricted	19.00	0.00	0.00	Water Fund
4620 Water - Connection	10,800.00	5,400.00	0.00	Water Fund
4730 CAL OES	0.00	295,000.00	0.00	Grant Fund
4768 SWRCB - PROP 1 Water CIP	171,329.00	0.00	0.00	Grant Fund
4770 SWRCB - Sewer Evaluation Study	133,111.00	0.00	0.00	Grant Fund
4776 SWRCB Replace Water Lines	0.00	0.00	11,047,590.00	Grant Fund
Total Revenue	5,144,256.75	7,033,998.00	18,240,269.00	

Fund Balances and Descriptions

Fund Balances

The budget utilizes projected beginning fund balances available across all municipal funds. Total beginning fund balances are estimated at \$8,898,696 for FY 2024-25. The City's budget achieves fiscal balance by strategically utilizing reserves in select funds where revenues are insufficient to cover expenditures, primarily due to capital project investments. Projected ending fund balances total \$7,680,230, representing a planned decrease of \$1,218,466 to support essential infrastructure improvements and community investments.

The City's principal operating funds—General Fund, Sewer Enterprise, Water Enterprise, and Streets funds—maintain fund balances that meet the established reserve policy target of 30% of operating expenditures (Resolution 1154-2012). Fund balances are classified according to GASB standards as committed, assigned, or unassigned based on spending constraints and Council designations. This prudent reserve management ensures fiscal stability, maintains adequate liquidity for operations, and enables strategic investments in community infrastructure and services while providing protection against economic uncertainties and unexpected expenditures.

FUND	NAME	RESERVES	REVENUES	EXPENDITURES		RESERVES	
		EST Beginning Fund Bal.	Projected Totals	Projected Totals	Transfers	Change in Fund Balance	Est. End. Fund Balance
005	General Fund Motorpool	103,593	40,000	1,600		38,400	141,993
008	Building Fund	-	67,350	142,363	(79,063)		
039	CDBG RRLF Fund	669,841	5,000	-	8,516	(3,516)	666,325
000	General Fund	1,541,660	1,717,725	1,999,670	67,510	(349,455)	1,192,205
003	Economic Development	262,530	-	47,000	-	(47,000)	215,530
074	Recycling Fund	62,703	5,000	9,000		(4,000)	58,703
015	Parks Fund	19,110	-	-		-	19,110
014	Park Per Capita Grant	-	177,952	177,952		-	-
040	SLESF Fund	130,242	160,000	155,666		4,335	134,577
018	Trails & Parks (Clean CA)	-	1,750,000	1,750,000		-	-
052	Sewer Capital Fund	1,160,750	105,000	380,000		(275,000)	885,750
054	Sewer Debt Svc Fund	137,434	302,934	302,934		-	137,434
054	Sewer Restricted Reserve	302,822	-	-		-	302,822
050	Sewer Operations Fund	329,238	1,221,000	1,287,150		(66,150)	263,088
027	Solid Waste Fund	11,260	5,000	6,830	3,037	(4,867)	6,393
093	Spay & Neuter Fund	3,381	-	-		-	3,381
020	Gas Tax Fund (HUTA)	168,852	101,720	96,215		5,505	174,357
024	TDA Fund	73,137	125,317	124,314		1,003	74,140
026	RSTP Fund	18,603	27,000	24,775		2,225	20,828
021	SB1 (RMRA) Fund	192,510	86,681	201,937		(115,256)	77,254
076	ARPA-SLFRF	740,132	-	340,000		(340,000)	400,132
062	Water Capital Fund	1,043,418	290,000	178,000		112,000	1,155,418
063	Water Metro Wells Fund	31,456	18,375	27,785		(9,410)	22,046
064	Water Dinsmore Zone	84,964	23,500	110,100		(86,600)	(1,636)
061	Water Restricted Reserve	136,000	-	-		-	136,000
061	Water Debt Svc Fund	258,930	136,000	136,000		-	258,930
060	Water Operations Fund	1,416,130	827,125	907,805		(80,680)	1,335,450
065	Water Dist. System Project	-	11,047,590	11,047,590		-	-
TOTAL		8,898,696	18,240,269	19,454,685	-	(1,218,466)	7,680,230

Fund Balances and Descriptions

Fund Descriptions

The following section describes the comprehensive fund structure that ensures proper fiscal accountability and compliance with legal requirements.

GOVERNMENTAL FUNDS

General Fund

The General Fund serves as the City's primary fiscal instrument, accounting for all financial resources not legally restricted to other funds. This fund provides the greatest discretionary authority for the City Council and community priorities. The adopted FY 2024-25 budget totals \$2,067,180, with a projected ending fund balance reserve of \$1,192,205.

Public safety represents the largest General Fund commitment, comprising approximately 71% of appropriations, reflecting the community's priority for police services. Capital improvements account for 3% of expenditures, including \$62,290 allocated for municipal facility enhancements and community beautification initiatives.

Rio Dell's General Fund revenue portfolio demonstrates diversified income sources aligned with the City's strategic financial planning objectives: property taxes (including Vehicle License Fee compensation) provide 36%, sales taxes contribute 35%, and cannabis business taxes generate 17% of total revenues. This revenue diversification strategy reduces dependence on any single source while providing stable funding for essential municipal services. As a residential community, Rio Dell faces unique fiscal challenges compared to retail-oriented municipalities. While Transient Occupancy Tax typically provides 7-17% of municipal revenues statewide, it accounts for less than 1% of Rio Dell's budget, reflecting the community's primarily residential character rather than tourism-based economy.

Streets Funds

Four specialized revenue funds support maintenance of the City's fourteen centerline miles of streets:

Gas Tax Fund - State-collected motor fuel taxes allocated through formulas established in the California Streets and Highways Code. These Highway Users Tax Account (HUTA) distributions must fund street-related expenditures including maintenance, repairs, engineering studies, and infrastructure improvements.

Road Maintenance Rehabilitation Account (RMRA) Fund - Established through the 2017 Road Repair and Accountability Act (SB1), providing supplemental funding for road infrastructure. RMRA requires project approval by the California Transportation Commission and maintenance of historical local funding levels from FY 2009-12. The City's maintenance of effort requirement was established at zero due to absence of General Fund street contributions during the baseline period.

Regional Surface Transportation Program (RSTP) Fund - Federal excise tax revenues distributed through state and regional agencies based on population. The Humboldt County Association of Governments administers local RSTP distributions for eligible street projects.

Transportation Development Act (TDA) Fund - Derived from dedicated sales tax revenue, allocated by regional authorities. The City directs approximately 40% of TDA funds toward local transportation infrastructure, following annual public hearing requirements.

Miscellaneous Governmental Funds

The following miscellaneous special revenue funds are included in the City's budget:

Supplemental Law Enforcement Services Fund (SLESF) - State-allocated funding with minimum \$100,000 annual guarantee plus growth factors. Revenues must supplement existing front-line police services with strict administrative cost limitations (0.5% maximum) and two-year expenditure requirements.

Fund Balances and Descriptions

Recycling Fund - Established under the California Beverage Container Recycling and Litter Reduction Act, providing annual pass-through funding of \$5,000. These resources are transferred to the Humboldt Waste Management Authority for administration and operation of community recycling programs, ensuring convenient consumer access to recycling services.

Community Development Block Grant (CDBG) Fund - Program income generated from repayment of previous municipal CDBG loans, with expenditures restricted to federally eligible community development projects and activities serving low-to-moderate income populations.

Motorpool Fund - Dedicated account for interdepartmental vehicle usage cost allocation and fleet replacement planning. Fund resources are committed to systematic vehicle replacement, ensuring reliable transportation assets for municipal operations.

Solid Waste Fund - Revenue received from the Humboldt Waste Management Authority, restricted to solid waste diversion and reduction activities that support the City's environmental sustainability objectives and regulatory compliance requirements.

Economic Development Fund - Established in FY 2019-20 with \$300,000 General Fund capitalization, dedicated to implementing strategic economic development initiatives and supporting business attraction, retention, and expansion activities as directed by City Council.

Building Fund - Fee-supported enterprise established by Resolution 1218-2014, covering permit processing, building inspections, and plan review services. Fee structures undergo periodic cost-of-service analysis to maintain full cost recovery while preventing excessive fund accumulation beyond operational requirements.

Parks Fund - Revenue derived from parkland dedication fees and in-lieu payments, with expenditures restricted to park facility development, improvement, and maintenance activities that enhance community recreational opportunities and quality of life

Grant Funds

Clean California Grant Fund - \$2,259,397 state award supporting two community enhancement projects: Rio Dell Gateway Beautification along Wildwood Avenue's northern corridor and Eel River Trail development featuring a quarter-mile Class 1 shared-use path.

SWRCB Water Infrastructure Grant - California State Water Resources Control Board funding up to \$12,862,989 for comprehensive water distribution system improvements, implemented across multiple fiscal years.

American Rescue Plan Act (ARPA) Fund - Federal pandemic recovery allocation of \$801,000 supporting essential municipal services and community needs.

PROPRIETARY FUNDS

Water and Sewer Enterprise Funds

Enterprise funds operate under business-type accounting principles, with user fees designed to achieve full cost recovery for system operations, capital asset replacement, and debt service obligations. Rate structures are established through comprehensive cost-of-service studies and comply with Proposition 218 requirements for public notice and approval processes. Combined water and sewer infrastructure assets exceed \$27.7 million in value, requiring systematic replacement and upgrade programs to maintain service reliability and regulatory compliance.

Separate fund accounting maintains distinct tracking for operations, capital projects, debt service, and special assessments, ensuring transparent financial management and regulatory compliance for these essential utility services. Multi-year capital improvement planning ensures adequate resources for infrastructure maintenance and system expansion to meet community growth and environmental requirements.

City Position Allocation Table

Staffing Overview

The City of Rio Dell maintains a lean organizational structure designed to deliver efficient municipal services while ensuring fiscal responsibility. The FY 2024-25 budget authorizes 23.95 full-time equivalent (FTE) positions across four major departments, representing a strategic approach to staffing that balances service delivery requirements with available resources.

This staffing level reflects the City's commitment to right-sizing municipal operations for a community of approximately 3,400 residents while maintaining essential services, including public safety, infrastructure maintenance, utility operations, and administrative functions. The position allocation demonstrates responsible resource management and aligns with the City Council's strategic priorities for service delivery and fiscal sustainability.

Staffing Analysis and Trends

The six-year staffing history shown below illustrates the City's adaptive approach to workforce management, responding to changing service demands, budget constraints, and operational requirements. Notable trends include strategic adjustments in departmental staffing to optimize service delivery while maintaining fiscal discipline.

Key staffing decisions reflect priorities such as maintaining adequate police protection (8.95 FTEs representing 37% of total positions), ensuring reliable utility operations (8.00 FTEs in Public Works), and providing essential administrative and financial management services. The staffing structure supports the City's goal of delivering quality municipal services efficiently and cost-effectively.

Position Authorization History

The table below shows the number of positions funded in the adopted FY 2024-25 budget and the history of the previous five fiscal years, providing transparency in staffing decisions and demonstrating the City's commitment to strategic workforce planning.

Staffing Philosophy

The City's staffing approach emphasizes cross-training, operational efficiency, and strategic use of technology to maximize service delivery capacity. Position allocations are evaluated annually during the budget process to ensure alignment with community needs, service level expectations, and available fiscal resources.

Department directors work collaboratively to identify opportunities for shared services, process improvements, and strategic investments in personnel that enhance overall organizational effectiveness. This approach ensures that Rio Dell residents receive high-quality municipal services while maintaining the City's reputation for prudent fiscal management and operational excellence.

The position allocation supports the City's mission to provide essential services that enhance community safety, infrastructure reliability, and quality of life for all residents while maintaining long-term fiscal sustainability and organizational capacity for future growth and development.

City Position Allocation Table

FISCAL YEAR 2024-25						
POSITION ALLOCATION TABLE						
DEPARTMENT/POSITION	FULL-TIME EMPLOYEES (FTEs)					
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
ADMINISTRATION						
Management Analyst I/II/Sr	--	--	1.00	1.00	1.00	--
City Clerk	1.00	1.00	1.00	1.00	1.00	1.00
City Manager/Public Works Director	1.00	1.00	1.00	1.00	1.00	1.00
Community Development Director	0.80	0.80	0.80	0.80	0.80	1.00
Total FTEs	2.80	2.80	3.80	3.80	3.80	3.00
FINANCE DEPARTMENT						
Accountant I/II	1.00	1.00	1.00	1.00	1.00	1.00
Finance Director	1.00	1.00	0.60	0.60	1.00	1.00
Fiscal Assistant I/II	1.00	1.00	1.00	-	-	-
Senior Fiscal Assistant	1.00	1.00	1.00	2.00	2.00	2.00
Total FTEs	4.00	4.00	3.60	3.60	4.00	4.00
POLICE DEPARTMENT						
Chief of Police	1.00	1.00	1.00	1.00	1.00	1.00
Community Service Officer	--	1.00	1.00	1.00	1.00	1.00
Police Corporal	--	--	1.00	1.00	1.00	1.00
Police Officer	4.25	4.25	3.25	3.25	4.15	4.15
Police Officer Recruit	--	--	--	1.00	-	-
Records Technician	0.70	0.70	0.70	0.70	0.70	0.80
Sergeant	1.00	1.00	1.00	1.00	1.00	1.00
Total FTEs	6.95	7.95	7.95	8.95	8.85	8.95
PUBLIC WORKS DEPARTMENT						
Operator in Training (OIT)	1.00	1.00	1.00	1.00	1.00	1.00
Public Works Leadman	1.00	1.00	1.00	1.00	1.00	1.00
Utility Worker I/II/III	2.50	2.50	2.50	2.50	3.00	2.00
Wastewater Superintendent Trainee	--	--	--	--	--	--
Wastewater Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Water/Streets Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Water/Wastewater Plant Operator I/II/III	2.00	2.00	2.00	2.00	2.00	2.00
Total FTEs	8.50	8.50	8.50	8.50	9.00	8.00
TOTAL CITY FTEs	22.25	23.25	23.85	24.85	25.65	23.95

City Compensation Table

Compensation and Benefits

Compensation Philosophy

The City of Rio Dell maintains a comprehensive compensation program designed to attract, retain, and motivate qualified employees while ensuring responsible stewardship of public resources. The compensation structure reflects market-competitive practices, internal equity principles, and performance-based advancement opportunities that support the delivery of high-quality municipal services.

The City's compensation philosophy emphasizes fair and equitable pay practices that recognize employee contributions, professional development, and service to the community. Salary ranges are established through periodic market analysis and are designed to maintain competitiveness with comparable public sector employers while ensuring fiscal sustainability and accountability to taxpayers.

FY 2024-25 Compensation Adjustments

The City adopted the current salary schedule through Resolution 1599-2024 on March 19, 2024, following a comprehensive review and analysis of compensation competitiveness and organizational needs. The approved adjustments reflect the City's commitment to maintaining competitive compensation while addressing cost-of-living pressures and supporting employee retention across all departments.

Compensation Enhancement: A \$2 per hour compensation enhancement was approved for all employee groups, including the Peace Officers Association, Rio Dell Employees Association, and contract employees. This across-the-board adjustment addresses inflationary pressures and demonstrates the City's commitment to maintaining fair and competitive compensation for all municipal employees while ensuring fiscal responsibility.

Total Compensation Structure

The compensation program encompasses base salary, performance incentives, and comprehensive benefits designed to provide competitive total compensation packages. Employee benefits include health insurance, retirement contributions, paid time off, and professional development opportunities that enhance both employee satisfaction and organizational capacity.

The City participates in the California Public Employees' Retirement System (CalPERS), providing employees with secure retirement benefits while managing long-term fiscal obligations through actuarially sound contribution strategies. Health and welfare benefits are structured to provide essential coverage while maintaining cost-effectiveness for both employees and the organization.

Salary Schedule Administration

The salary schedule below establishes compensation ranges for all authorized positions, providing transparency in pay practices and supporting equitable administration of compensation policies. Regular market analysis ensures that salary ranges remain competitive and support the City's recruitment and retention objectives.

Position classifications are aligned with job responsibilities, required qualifications, and performance expectations, ensuring that compensation reflects the complexity and importance of each role in delivering municipal services. The schedule provides advancement opportunities through step increases based on performance evaluation and tenure, encouraging professional growth and long-term employment commitment.

Performance and Accountability

The compensation program supports organizational performance through merit-based advancement opportunities and professional development investments. Regular performance evaluations ensure that compensation decisions align with individual contributions and organizational objectives, maintaining accountability to both employees and the community.

City Compensation Table

The City's approach to compensation management reflects best practices in public sector human resources administration, balancing competitive market positioning with fiscal responsibility and transparent governance. This comprehensive approach ensures that Rio Dell can attract and retain the skilled professionals necessary to deliver excellent municipal services while maintaining public trust and fiscal sustainability.

Peace Officers Association

JOB TITLE	Salary Range				
	A	B	C	D	E
Police Officer	54,766	57,296	59,953	62,742	65,671
Police Officer Recruit	50,165				
Police Corporal	62,847	65,782	68,863	72,098	75,495
Sergeant	68,939	72,178	75,579	79,150	82,899

Rio Dell Employee's Association

JOB TITLE	Salary Range				
	A	B	C	D	E
Accountant I	56,031	58,624	61,347	64,207	67,209
Accountant II	61,416	64,279	67,285	70,441	73,755
Admin. Assistant	40,870	42,706	44,633	46,657	48,782
Administrative Tech.	46,732	48,861	51,096	53,443	55,907
Community Service Officer	47,797	49,979	52,270	54,675	57,201
Fiscal Assistant I	39,102	40,849	42,683	44,609	46,632
Fiscal Assistant II	42,729	44,658	46,683	48,809	51,041
Management Analyst I	61,416	64,279	67,285	70,441	73,755
Office Assistant	35,815	37,397	39,059	40,804	42,636
PW Leadman	46,732	48,861	51,096	53,443	55,907
Records Tech.	42,729	44,658	46,683	48,809	51,041

Rio Dell Employee's Association (continued)

Sr. Fiscal Assistant	46,732	48,861	51,096	53,443	55,907
Utility Worker I	37,417	39,080	40,826	42,660	44,585
Utility Worker II	40,870	42,706	44,633	46,657	48,782
Utility Worker III	44,682	46,708	48,835	51,069	53,415
W/WW Plant Op. I	43,693	45,670	47,745	49,924	52,212
W/WW Plant Op. II	47,797	49,979	52,270	54,675	57,201
W/WW Plant Op. III	52,327	54,735	57,264	59,919	62,707
Operator In Training (OIT)	43,693				

Management/Confidential Employees

JOB TITLE	Salary Range				
	A	B	C	D	E
City Clerk	56,031	58,624	61,347	64,207	67,209
City Manager	111,522	117,099	122,953	129,101	135,556
Chief of Police	97,980	102,671	107,597	112,768	118,199
Finance Director	87,084	91,230	95,583	100,154	104,954
Community Dev. Dir.	87,084	91,230	95,583	100,154	104,954
Management Analyst II	67,359	70,519	73,837	77,321	80,979
Senior Management Analyst	73,921	77,409	81,071	84,917	88,955
Wastewater Sup.	72,219	75,622	79,195	82,947	86,886
Water/Streets Sup.	72,219	75,622	79,195	82,947	86,886

City Position Allocations by Department and Fund

Fund Allocation Methodology

The City of Rio Dell utilizes a systematic approach to allocating personnel costs across multiple funds based on the specific functions performed by each position and the revenue sources that support those activities. This allocation methodology ensures proper cost accounting, regulatory compliance, and transparent financial reporting while accurately reflecting the relationship between service delivery and funding sources.

Position funding allocations are determined through careful analysis of job responsibilities, time allocation studies, and the specific fund requirements established by state and federal regulations. This approach ensures that personnel costs are charged to appropriate funding sources and that restricted revenues are used only for their designated purposes.

Allocation Principles

Direct Cost Assignment: Positions that perform functions exclusively within a single department or program area are funded entirely from the appropriate fund. For example, police officers are funded from the General Fund, while utility operators are funded from Water and Sewer Enterprise Funds.

Proportional Cost Allocation: Positions that provide services across multiple departments or fund activities have their costs allocated proportionally based on time studies, service delivery analysis, and benefit received by each fund. This ensures accurate cost recovery and proper financial reporting.

Regulatory Compliance: All position allocations comply with applicable federal and state regulations governing the use of restricted funds, including grant requirements, enterprise fund limitations, and special revenue fund restrictions. Regular review ensures continued compliance with evolving regulatory requirements.

Strategic Funding Approach

The City's position funding strategy optimizes the use of available revenue sources while maintaining service delivery effectiveness and fiscal sustainability. Enterprise fund positions are fully supported by user fees, ensuring that utility ratepayers directly fund the personnel who provide those services. Grant-funded positions are allocated to maximize federal and state funding opportunities while maintaining compliance with funding requirements.

General Fund positions are strategically funded through the City's diversified revenue portfolio, including property taxes, sales taxes, and other discretionary revenues. This approach provides stability for core municipal services while allowing flexibility to respond to changing community needs and fiscal conditions.

Cost Allocation Benefits

This comprehensive allocation approach provides several key benefits:

Financial Transparency: Citizens can clearly understand how their fees and taxes support specific municipal services and personnel.

Regulatory Compliance: Proper allocation ensures compliance with fund restrictions and grant requirements, protecting the City from audit findings and funding penalties.

Cost Recovery: Enterprise and special revenue funds achieve appropriate cost recovery through accurate allocation of personnel expenses to benefiting activities.

Strategic Planning: Detailed cost information supports informed decision-making about service levels, staffing priorities, and resource allocation.

Position Funding Summary

The table below shows how positions are funded in the budget by department and fund, demonstrating the City's commitment to transparent financial management and accurate cost accounting. This information provides stakeholders with clear insight into the relationship between municipal services, personnel resources, and funding sources.

The allocation structure reflects the City's strategic approach to workforce funding, ensuring that each position is supported by appropriate revenue sources while maintaining the flexibility necessary to adapt to changing service demands and fiscal conditions. This methodology supports both operational efficiency and long-term financial sustainability while providing transparency and accountability to the community.

City Position Allocations by Department and Fund

Function/Job Description	FTEs	Percent Allocated by Fund											
		General Fund	Solid Waste	SLESF	Streets	TDA	RSTP	SB 1	Water	Sewer	Metro Wells	CDBG	Building
City Manager													
City Manager/Public Works Director	1.000	41.0%			3.0%	2.0%			27.0%	27.0%			
City Clerk	0.500	41.0%			3.0%	2.0%			27.0%	27.0%			
Total	1.500												
Finance													
Finance Director	1.000	23.0%			1.0%	1.0%			40.0%	35.0%			
Accountant	1.000	23.0%			1.0%	1.0%			40.0%	35.0%			
Sr Fiscal Assistant	1.000	23.0%			1.0%	1.0%			40.0%	35.0%			
Sr Fiscal Assistant	1.000	23.0%			1.0%	1.0%			40.0%	35.0%			
Total	4.000												
General Government													
Community Development Director	0.180	95.0%										5.0%	
Building													
Community Development Director	0.550												100.0%
City Clerk	0.400												100.0%
Total	0.950												
Planning													
Community Development Director	0.270	100.0%											
City Clerk	0.100	100.0%											
Total	0.370												
Police													
Chief of Police	1.000	100.0%											
Sergeant	1.000	100.0%											
Police Corporal	1.000	100.0%											
Police Officer	2.650	100.0%											
Police Officer	1.500			100.0%									
Community Service Officer	1.000	100.0%											
Records Technician	0.800	100.0%											
Total	8.950												
Public Works													
Sewer													
Wastewater Superintendent	0.900									100.0%			
Water/Streets Superintendent	0.050									100.0%			
Public Works Leadman	0.150									100.0%			
W/WW Operator I/II/III	0.150									100.0%			
W/WW Operator I/II/III	0.850									100.0%			
Operator In Training	0.950									100.0%			
Utility Worker I/II/III	0.200									100.0%			
Utility Worker I/II/III	0.200									100.0%			
Total	3.450												
Water													
Wastewater Superintendent	0.050								95.0%		5.0%		
Water/Streets Superintendent	0.800								95.0%		5.0%		
Public Works Leadman	0.200								95.0%		5.0%		
W/WW Operator I/II/III	0.850								95.0%		5.0%		
W/WW Operator I/II/III	0.150								95.0%		5.0%		
Operator In Training	0.050								95.0%		5.0%		
Utility Worker I/II	0.200								95.0%		5.0%		
Utility Worker I/II	0.200								95.0%		5.0%		
Total	2.500												
Streets													
Wastewater Superintendent	0.050				32.0%	26.0%	12.0%	30.0%					
Water/Streets Superintendent	0.150				32.0%	26.0%	12.0%	30.0%					
Public Works Leadman	0.300				32.0%	26.0%	12.0%	30.0%					
Utility Worker I/II	0.300				32.0%	26.0%	12.0%	30.0%					
Utility Worker I/II	0.300				32.0%	26.0%	12.0%	30.0%					
Total	1.100												
Facilities & Grounds													
Public Works Leadman	0.350	40.0%			7.0%	3.0%			25.0%	25.0%			
Utility Worker I/II	0.300	40.0%			7.0%	3.0%			25.0%	25.0%			
Utility Worker I/II	0.300	40.0%			7.0%	3.0%			25.0%	25.0%			
Total	0.950												
Total Public Works	8.000												
Total City	23.950												

Building

Program Purpose

The Building Department's purpose is to regulate the construction of city structures and ensure compliance with state building codes and local laws. Plan reviews and inspections of structures to protect public health, safety, and welfare.

Primary Activities

The Community Development Director provides building inspection and minor residential plan check services. Plan checks are outsourced. Before FY 2015-16, an independent contractor performed all these activities.

Staffing

Building is staffed with 0.55 FTE Community Development Director and 0.40 FTE City Clerk position.

Accomplishments

- Completed Rental Housing Inspection Regulations.
- Issued 194 Building Permits in 2024 with a valuation of \$3,504,687.
- Permitted and approved Building Permits for cannabis businesses in the Dinsmore zone.

Opportunities/Challenges

- Continue assisting residents with the ongoing impacts of the 2022 Earthquake Disaster.
- Continue creating and developing handouts on Building Permit requirements.
- Attend a number of continuing education classes regarding California Building Codes.
- Encourage property owners to apply for and obtain required Building Permits.

Funding Source

The Building budget is 100% allocated to the Building fund. The adopted budget includes an estimated General Fund transfer of \$79,063 to subsidize building activities. When fees are insufficient to cover the program's actual costs, General Fund dollars must make up the difference.

11 - BUILDING	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted
Expenditures			
5000 Full Time Salaries	72,908.00	84,019.00	94,562.00
5035 Benefit - ICMA City 457	9,816.00	12,022.00	14,570.00
5040 Benefit - Health Insurance	6,408.00	4,894.00	8,887.00
5042 Benefit - Life Insurance	219.00	257.00	257.00
5044 Benefit - Dental/Vision Insur	478.00	650.00	715.00
5045 Worker Compensation	908.00	2,985.00	994.00
5050 FICA	6,619.00	7,449.00	8,718.00
5055 Unemployment Insurance	146.00	200.00	200.00
5056 Employment Training Tax	6.00	20.00	20.00
5069 Accrued Payroll Taxes Expense	0.00	0.00	0.00
5101 Office Supplies	246.00	200.00	200.00
5102 Operating Supplies	259.00	50.00	50.00
5103 Postage	67.00	75.00	75.00
5104 Printing - Forms	1,297.00	500.00	500.00
5106 Promotional	1.00	0.00	0.00
5112 Legal	-521.00	500.00	500.00
5115 Contract/Professional Services	61.00	3,000.00	3,000.00
5119 Safety Supplies & Equipment	0.00	20.00	20.00
5120 Cell Phones	993.00	1,330.00	1,330.00
5121 Telephone - Pager	20.00	30.00	30.00
5122 Travel and Training Expense	281.00	1,925.00	1,925.00
5123 Automobile - Transportation	3.00	500.00	500.00
5125 Publications - Books	1,433.00	100.00	100.00
5126 Dues & Memberships	203.00	410.00	410.00
5130 Rents - Leases	67.00	100.00	100.00
5131 Records Maintenance	238.00	225.00	225.00
5135 Maintenance - Repair	14.00	100.00	100.00
5138 Office Equipment	22.00	200.00	200.00
5141 General Liability Insurance	591.00	1,250.00	1,250.00
5142 Vehicle Insurance	9.00	0.00	0.00
5143 Property Insurance	735.00	1,250.00	1,250.00
5144 Emp Practice Liab Insurance	130.00	150.00	150.00
5150 Electricity	34.00	130.00	130.00
5151 Natural Gas	27.00	50.00	50.00
5152 Water	121.00	200.00	200.00
5153 Sewer	41.00	45.00	45.00
5154 Garbage	6.00	0.00	0.00
5155 Earthquake	1,581.00	0.00	0.00
5160 Elections	80.00	0.00	0.00
5164 Regulatory Fees	547.00	500.00	500.00
5167 Seismic Fees	0.00	0.00	0.00
5171 Computer Software	6.00	100.00	100.00
5173 Computer Maintenance -	148.00	300.00	300.00
5174 Web Design Services	107.00	50.00	50.00
5212 Gas & Oil	1.00	0.00	0.00
5213 Vehicle Repair	0.00	0.00	0.00
5450 Misc Building Expense	-67.00	0.00	0.00
5513 Building Expense	921.00	150.00	150.00
7000 Transfer to City Manager	3,818.00	4,072.00	4,050.00
Total Expenditures	111,028.00	130,008.00	146,413.00

City Council

Program Purpose

The residents elect the City Council. It serves as the governing body that provides policy-level direction for the effective functioning of the city government on behalf of all the citizens of Rio Dell. The City Council, as a whole, responds to the issues and concerns of the residents and community, formulating public policy that guides the operation of the City.

Primary Activities

The role of the City Council is to establish City policies through ordinances, resolutions, and motions. Through the City Manager, the City Council oversees the city government's implementation activities and develops long-term plans for the community. The Brown Act requires the Council and individual council members to conduct themselves transparently. The Council must also act according to all relevant State and Federal laws and have a fiduciary responsibility towards the City and community. Members of the City Council also represent the city on nine external boards, commissions, authorities, bureaus, and associations, and they invest a significant amount of time in matters of regional importance through these varied organizations. The City Council consists of five members who serve staggered four-year terms without compensation. Expenses directly related to their representational duties can be reimbursed.

Staffing

The City Council has no paid positions budgeted for FY 2024-25.

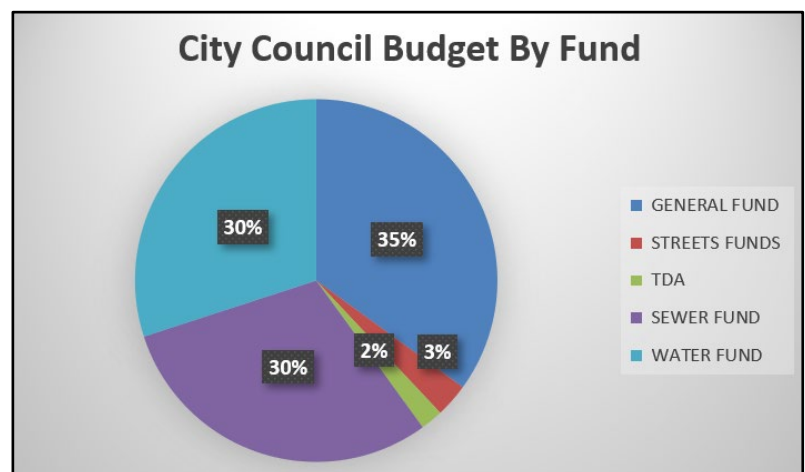
Priorities

- Public Works- Infrastructure
- Public Safety Staffing
- Economic Development
- Street Planning & Work
- Parks & Youth

12 - CITY COUNCIL	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted
<u>Expenditures</u>			
5101 Office Supplies	28.00	50.00	50.00
5102 Operating Supplies	119.00	200.00	200.00
5103 Postage	0.00	200.00	200.00
5104 Printing - Forms	0.00	150.00	150.00
5105 Advertising	0.00	150.00	150.00
5106 Promotional	2,935.00	3,500.00	3,500.00
5112 Legal	513.00	2,500.00	2,500.00
5119 Safety Supplies & Equipment	0.00	50.00	50.00
5115 Contract/Professional Services	1,328.00	1,000.00	1,000.00
5120 Cell Phones	0.00	1,200.00	1,000.00
5121 Telephone	260.00	0.00	0.00
5122 Travel and Training Expense	2,560.00	6,000.00	6,000.00
5123 Automobile - Transportation	2,400.00	1,500.00	2,500.00
5126 Dues & Memberships	0.00	2,754.00	2,500.00
5135 Maintenance - Repair	36.00	0.00	0.00
5138 Office Equipment	725.00	200.00	200.00
5173 Computer Maintenance -	1,200.00	2,500.00	2,500.00
5174 Web Design Services	0.00	25.00	25.00
5175 Community Promotions	2,783.00	0.00	0.00
5900 RDFD and Library Water/Sewer	4,383.00	5,200.00	5,200.00
Total Expenditures	19,270.00	27,179.00	27,725.00

Funding Source

The City Council budget is allocated by fund as follows:



City Manager

Program Purpose

The City Manager's Office is dedicated to practical, professional management for the City of Rio Dell. This program provides for administrative services executed by the City Manager for all departments and functions within the City.

Primary Activities

The City Manager is responsible for the performance of all City operations and oversees the activities of all departments to ensure they are in concert with the council's policies and goals. The City Manager provides the City Council with relevant information to support decision-making and policy direction. This position involves conflict and dispute resolution, analyzing and recommending 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 and 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 preparing City Council meeting agendas at the manager's direction. The City Clerk's duties are to maintain official City records, conduct City elections, prepare and post the notice requirements for public meetings, file campaign and economic interest statements, and provide information about the conduct of City business to the public.

Staffing

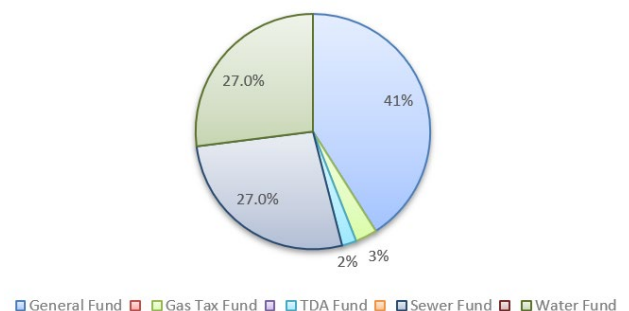
The City Manager Department is staffed by a 1.0 FTE City Manager and a 0.50 FTE City Clerk. In addition to roles in Risk Management, Human Resources, and contract negotiations, the City Manager also serves as the Director of Public Works.

02 - CITY MANAGER DEPT	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted
Expenditures			
5000 Full Time Salaries	233,471.00	277,250.00	185,830.00
5035 Benefit - ICMA City 457	31,382.00	42,145.00	29,090.00
5040 Benefit - Health Insurance	21,643.00	44,297.00	22,333.00
5042 Benefit - Life Insurance	548.00	675.00	405.00
5044 Benefit - Dental/Vision Insur	1,851.00	4,291.00	1,994.00
5045 Worker Compensation Insurance	848.00	8,287.00	980.00
5050 FICA	19,883.00	24,160.00	16,829.00
5055 Unemployment Insurance	367.00	525.00	315.00
5056 Employment Training Tax	14.00	63.00	42.00
5069 Accrued Payroll Taxes Expense	0.00	0.00	0.00
5080 Hiring Costs	0.00	0.00	0.00
5081 Compensated Absences Payable	7,941.00	0.00	0.00
5101 Office Supplies	516.00	1,000.00	1,000.00
5102 Operating Supplies	150.00	400.00	400.00
5103 Postage	302.00	1,000.00	1,000.00
5104 Printing - Forms	5,123.00	5,000.00	5,000.00
5105 Advertising	0.00	500.00	500.00
5106 Promotional	2,669.00	2,000.00	2,000.00
5112 Legal	7,125.00	19,000.00	19,000.00
5115 Contract/Professional Services	5,484.00	25,000.00	25,000.00
5119 Safety Supplies & Equipment	0.00	1,000.00	1,000.00
5120 Cell Phones	2,333.00	3,500.00	2,100.00
5121 Telephone - Pager	133.00	130.00	150.00
5122 Travel and Training Expense	667.00	3,000.00	3,000.00
5123 Automobile - Transportation	6,392.00	6,000.00	6,000.00
5125 Publications - Books	198.00	50.00	50.00
5126 Dues & Memberships	3,887.00	4,500.00	4,500.00
5128 Employee Relations	0.00	0.00	0.00
5130 Rents - Leases	454.00	500.00	500.00
5131 Records Maintenance	119.00	150.00	150.00
5135 Maintenance - Repair	91.00	250.00	250.00
5138 Office Equipment	51.00	1,400.00	1,400.00
5139 Equipment	137.00	500.00	500.00
5141 General Liability Insurance	3,907.00	9,000.00	9,000.00
5142 Vehicle Insurance	60.00	0.00	0.00
5143 Property Insurance	4,864.00	9,000.00	9,000.00
5144 Emp Practice Liab Insurance	861.00	750.00	750.00
5150 Electricity	223.00	780.00	780.00
5151 Natural Gas	179.00	110.00	110.00
5152 Water	547.00	900.00	900.00
5153 Sewer	186.00	150.00	150.00
5154 Garbage	42.00	0.00	0.00
5155 Earthquake	3,817.00	0.00	0.00
5160 Elections	1,957.00	0.00	0.00
5162 Medical	0.00	0.00	0.00
5163 Prop Tax Admin Fees	3,521.00	0.00	0.00
5164 Regulatory Fees	0.00	0.00	0.00
5166 LAFCO Fees	0.00	1,765.00	1,765.00
5171 Computer Software	340.00	300.00	300.00
5173 Computer Maintenance - Support	3,135.00	10,000.00	5,000.00
5174 Web Design Services	1,537.00	500.00	500.00
5175 Community Promotions	67.00	0.00	0.00
5212 Gas & Oil	45.00	0.00	0.00
5213 Vehicle Repair	5.00	0.00	0.00
5514 Engineering	0.00	2,000.00	2,000.00
5520 Improvements	0.00	0.00	0.00
7000 Transfer In	-10,500.00	(11,198.00)	(11,137.00)
Total Expenditures	368,572.00	500,630.00	350,436.00

Funding Source

The City Manager budget is allocated by the fund as follows:

City Manager Budget By Fund



City Manager

Accomplishments

- Grant-funded improvements to the Gateway and non-motorized trail are in progress.
- Voters passed Measure O, securing local tax revenues to meet critical local service needs.
- \$270,000 in discretionary revenue associated with cannabis activities.
- Continued to provide local leadership and community support to help navigate the challenges of the 2022 Earthquake disaster.
- Recruitment of Rio Dell's newest Police Chief.
- Along with the City of Trinidad, Rio Dell is among the first local governments to fully comply with organics procurement requirements in Humboldt County as required by SB 1383.

Opportunities/Challenges

- Continue to rebuild city infrastructure after the 2022 earthquake disaster.
- Economic Development: Attracting a diversified set of businesses that will help fund City services and contribute to the community's identity.
- Street Projects: Continue to invest in City streets as funding sources are constricting and construction costs are rising.
- Bike trails and beautification program implementation.
- Provide a positive vision and determined leadership style in light of the challenges facing the City and Community due to the 2022 Earthquake disaster.
- Retention of a Rio Dell Police Department in light of budgetary constraints, increasing competition for human resources, and declining interest in this field of work.



Economic Development

Program Purpose

Economic Development aims to improve employment opportunities within the City and increase revenue for public service provision through additional municipally taxed economic activity. Increased economic growth also leads to improved housing conditions and will allow Rio Dell to better compete within the region for new residents and outside investment.

Primary Activities

The primary activities of the Division are proposed to include: (1) Studies and analytics for proposed investments; (2) marketing and promotion of the City to create a sense of place that encourages investment; (3) Incentives to attract and retain business; (4) Expertise in the field of economic development.

Staffing

No staff is budgeted for FY 2024-25. Allocations in the City Manager's budget assist with economic development.

Accomplishments

- Advance City Economic Development Strategy.
- Developed the City's inaugural Façade Improvement Program, a reimbursement grant program provided to a business and/or property owner for the improvement of existing commercial buildings throughout Rio Dell.

Opportunities/Challenges

- Creating a competitive CDBG strategy and application to bring dollars into the community for infrastructure and other purposes.
- Primarily considered a "bedroom community," Rio Dell is at a significant disadvantage when funding city services such as police. California tax law rewards cities with diverse and robust retail sectors that can help shoulder the cost of public services. Many Rio Dell residents travel outside the city for work or retail purchases, which benefits those outside of Rio Dell. Therefore, the city must create more jobs and services within the city limits to maintain or increase the standard of living of all Rio Dell residents.

06 - GENERAL GOVERNMENT	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted
<u>Expenditures</u>			
5106 Promotional	540.00	2,000.00	2,000.00
5115 Contract/Professional Services	24,028.00	75,000.00	45,000.00
Total Expenditures	24,568.00	77,000.00	47,000.00

Funding Source

The Economic Development budget is 100% allocated to the Economic Development fund, created with a \$300,000 transfer from the General Fund as part of the FY 2019-20 budget process. The budget is included in the General Government department.



Finance

Program Purpose

The Finance Department carries out the fiscal policies and procedures set forth by the City Council and coordinates and directs all budgetary operations. This program provides all city accounting functions accurately and in a timely manner in accordance with generally accepted accounting principles and state and federal laws. Finance works to safeguard the city's financial strength and ensure the availability of adequate resources to fund City services for the community.

Primary Activities

The Finance Department's functions include utility billing, general ledger accounting, financial reporting, financial forecasting, fixed asset inventory, accounts payable, payroll, accounts receivable, cash receipting, treasury investment functions, fiscal and regulatory compliance, audit liaison, and preparation of the City's annual budget.

Staffing

4.0 FTEs staff the Finance Department. Positions budgeted for FY 2024-25 are 1.0 FTE Finance Director, Accountant II, Senior Fiscal Assistant, and Fiscal Assistant I/II.

Accomplishments

- Implemented new sewer and water rate updates.
- Enacted Ordinance 399-2023 allowing the City to refer delinquent Sewer bills to the County as a tax lien.
- No audit findings or material internal control weaknesses.
- Accurately billed and receipted over 1,400 utility customers monthly.

Opportunities/Challenges

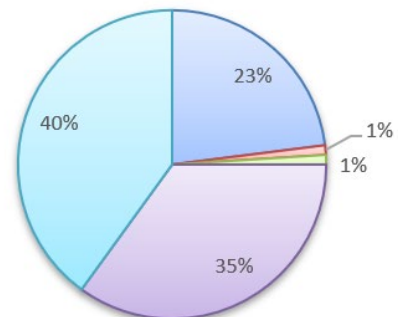
- Ensure timely billing and compliance with grant and funding requirements.
- Provide staff within the Finance Department access to training and cross-training to support business continuity.
- Continue to pursue grant opportunities to assist with City projects.

03 - FINANCE	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted
Expenditures			
5000 Full Time Salaries	208,902.00	270,242.00	296,128.00
5030 Overtime Salaries	12,638.00	12,269.00	8,748.00
5035 Benefit - ICMA City 457	28,907.00	38,320.00	42,550.00
5040 Benefit - Health Insurance	41,365.00	36,705.00	43,626.00
5042 Benefit - Life Insurance	659.00	810.00	810.00
5044 Benefit - Dental/Vision Insur	3,691.00	3,000.00	3,300.00
5045 Worker Compensation	802.00	9,312.00	1,755.00
5050 FICA	19,330.00	24,651.00	26,850.00
5055 Unemployment Insurance	743.00	840.00	840.00
5056 Employment Training Tax	28.00	84.00	84.00
5069 Accrued Payroll Taxes	0.00	0.00	0.00
5080 Hiring Costs	758.00	500.00	500.00
5081 Compensated Absences	9,735.00	0.00	0.00
5101 Office Supplies	1,570.00	3,650.00	3,650.00
5102 Operating Supplies	584.00	600.00	600.00
5103 Postage	1,027.00	750.00	750.00
5104 Printing - Forms	1,469.00	1,500.00	1,500.00
5106 Promotional	8.00	0.00	0.00
5110 Accounting	20,250.00	27,000.00	27,000.00
5112 Legal	1,706.00	500.00	500.00
5115 Contract/Professional Services	382.00	500.00	500.00
5116 Bank Fees	1,268.00	3,500.00	3,500.00
5119 Safety Supplies & Equipment	0.00	0.00	0.00
5120 Cell Phones	823.00	1,400.00	1,400.00
5121 Telephone - Pager	134.00	175.00	175.00
5122 Training - Conference	655.00	2,000.00	2,000.00
5123 Automobile - Transportation	76.00	1,500.00	1,500.00
5125 Publications - Books	112.00	100.00	100.00
5126 Dues & Memberships	235.00	220.00	220.00
5127 License	0.00	0.00	0.00
5128 Employee Relations	25.00	0.00	0.00
5130 Rents - Leases	446.00	600.00	600.00
5131 Records Maintenance	1,452.00	1,200.00	1,200.00
5135 Maintenance - Repair	167.00	1,000.00	1,000.00
5138 Office Equipment	402.00	4,500.00	4,500.00
5141 General Liability Insurance	3,998.00	7,000.00	7,000.00
5142 Vehicle Insurance	62.00	0.00	0.00
5143 Property Insurance	4,977.00	6,000.00	6,000.00
5144 Emp Practice Liab Insurance	881.00	1,250.00	1,250.00
5150 Electricity	229.00	700.00	700.00
5151 Natural Gas	183.00	150.00	150.00
5152 Water	717.00	1,000.00	1,000.00
5153 Sewer	243.00	250.00	250.00
5155 Earthquake	375.00	0.00	0.00
5163 Property Tax Admin Fees	0.00	3,357.00	3,357.00
5171 Computer Software	222.00	1,000.00	1,000.00
5173 Computer Maintenance -	20,439.00	20,000.00	20,000.00
5174 Web Design Services	724.00	100.00	100.00
5212 Gas & Oil	5.00	0.00	0.00
Total Expenditures	393,404.00	488,235.00	516,693.00

Funding Source

The Finance budget is allocated by fund as follows:

Finance Budget By Fund



General Fund Gas Tax Fund TDA Fund Sewer Fund Water Fund

General Government

Program Purpose

The General Government budget funds a portion of the salary and benefits allocation for the City's Community Development Director.

Primary Activities

The General Government funds the time the Community Development Director spends on activities that are not directly related to Building or Planning.

Staffing

General Government is staffed by 0.18 FTE of the Community Development Director position.

Accomplishments

- Approval of a City Economic Development Strategy
- Provided CDBG program administration and oversight.
- Supported Code Enforcement, City Manager, Streets, Water, and Wastewater as needed.

Opportunities/Challenges

- Continue CDBG program administration and oversight.
- Continue Code Enforcement, City Manager, Streets, Water, and Wastewater support as needed.

Funding Source

The General Government budget is allocated primarily to Economic Development and General Funds with a transfer of \$4,466 from CDBG to cover a percentage of the Community Development Director staffing costs.

06 - GENERAL GOVERNMENT	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted
Expenditures			
5000 Full Time Salaries	22,949.00	16,372.00	17,166.00
5035 Benefit - ICMA City 457	3,260.00	2,499.00	2,645.00
5040 Benefit - Health Insurance	847.00	600.00	488.00
5042 Benefit - Life Insurance	69.00	50.00	41.00
5044 Benefit - Dental / Vision	3.00	0.00	0.00
5045 Worker Compensation	395.00	667.00	220.00
5050 FICA	2,093.00	1,509.00	1,569.00
5055 Unemployment Insurance	47.00	39.00	32.00
5056 Employment Training Tax	2.00	5.00	3.00
5069 Accrued Payroll Taxes Expense	0.00	0.00	0.00
5081 Compensated Absences	0.00	0.00	0.00
5101 Office Supplies	20.00	200.00	200.00
5102 Operating Supplies	81.00	200.00	200.00
5103 Postage	18.00	65.00	65.00
5104 Printing - Forms	112.00	200.00	200.00
5106 Promotional	540.00	2,000.00	2,000.00
5112 Legal	2,536.00	5,000.00	5,000.00
5115 Contract/Professional Services	24,028.00	75,000.00	45,000.00
5119 Safety Supplies & Equipment	0.00	0.00	0.00
5120 Cell Phones	302.00	258.00	210.00
5121 Telephone - Pager	7.00	10.00	10.00
5122 Travel and Training Expense	21.00	0.00	0.00
5123 Automobile - Transportation	23.00	0.00	0.00
5125 Publications - Books	5.00	10.00	10.00
5126 Dues & Memberships	0.00	10.00	10.00
5130 Rents - Leases	56.00	80.00	80.00
5131 Records Maintenance	0.00	0.00	0.00
5135 Maintenance - Repair	4.00	500.00	500.00
5138 Office Equipment	0.00	0.00	0.00
5141 General Liability Insurance	182.00	400.00	400.00
5143 Property Insurance	226.00	200.00	200.00
5144 Emp Practice Liab Insurance	31.00	50.00	50.00
5150 Electricity	31.00	40.00	40.00
5151 Natural Gas	4.00	10.00	10.00
5154 Garbage	0.00	0.00	0.00
5155 Earthquake	0.00	0.00	0.00
5171 Computer Software	-91.00	5.00	5.00
5173 Computer Maintenance -	41.00	100.00	100.00
5174 Web Design Services	-43.00	10.00	10.00
5375 CDBG - Grant Expense	49.00	100.00	100.00
7000 Transfer In/Out	4,674.00	4,664.00	(4,466.00)
Total Expenditures	24,568.00	77,000.00	47,000.00

Planning

Program Purpose

The purpose of Planning is to manage all planning functions, processes, and projects for the City. The department works closely with the Planning Commission and City Council to ensure the City's planning goals are met and the General Plan is implemented.

Primary Activities

Planning oversees the City's long-range and current planning activities; updates the City's General Plan and zoning regulations; reviews all development projects; monitors and comments on County development activity occurring within the City's sphere of influence; and oversees the City's housing programs.

Planning also provides staff support to the Rio Dell Planning Commission, appointed by the City Council. The Commission holds hearings and recommends to the City Council regarding sound and orderly growth and development within the City. The Planning Commission also approves subdivisions, lot line adjustments, use permits, and variances.

Staffing

Planning is staffed with 0.27 FTE Community Development Director and 0.10 FTE City Clerk positions.

Accomplishments

- Prepare and release RFP and Plans for Phase II of the Dog Park
- Complete the Wildlife Conservation Board Pre-Application for Phase II of the Eel River Trail project.
- Prepare and submit CDBG grant applications for Phase II of the Eel River Trail and Drainage/Pedestrian improvements to Pacific Avenue and Second Avenue.
- Amend the Industrial Commercial zoning regulations.
- Complete the Wildlife Conservation Board Application for Phase II for of the Eel River Trail project.
- Complete Redwood Region Rising Catalyst application

10 - PLANNING	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted
Expenditures			
5000 Full Time Salaries	31,176.00	33,193.00	38,803.00
5035 Benefit - ICMA City 457	4,268.00	4,800.00	5,979.00
5040 Benefit - Health Insurance	2,346.00	1,224.00	2,653.00
5042 Benefit - Life Insurance	95.00	100.00	100.00
5044 Benefit - Dental/Vision Insur	155.00	163.00	179.00
5045 Worker Compensation	433.00	1,229.00	406.00
5050 FICA	2,836.00	2,946.00	3,565.00
5055 Unemployment Insurance	64.00	78.00	78.00
5056 Employment Training Tax	2.00	8.00	8.00
5069 Accrued Payroll Taxes Expense	0.00	0.00	0.00
5101 Office Supplies	240.00	450.00	450.00
5102 Operating Supplies	112.00	150.00	150.00
5103 Postage	76.00	196.00	196.00
5104 Printing - Forms	610.00	843.00	843.00
5106 Promotional	1.00	0.00	0.00
5112 Legal	517.00	2,000.00	2,000.00
5115 Contract/Professional Services	1,676.00	1,000.00	1,000.00
5119 Safety Supplies & Equipment	0.00	0.00	0.00
5120 Cell Phones	422.00	518.00	518.00
5121 Telephone - Pager	21.00	21.00	21.00
5122 Travel and Training Expense	30.00	2.00	2.00
5123 Automobile - Transportation	0.00	15.00	15.00
5125 Publications - Books	18.00	6.00	6.00
5126 Dues & Memberships	46.00	66.00	66.00
5128 Employee Relations	0.00	0.00	0.00
5130 Rents - Leases	72.00	97.00	97.00
5131 Records Maintenance	119.00	79.00	79.00
5135 Maintenance - Repair	15.00	14.00	14.00
5138 Office Equipment	8.00	0.00	0.00
5141 General Liability Insurance	636.00	1,200.00	1,200.00
5143 Property Insurance	792.00	1,200.00	1,200.00
5142 Vehicle Insurance	10.00	0.00	0.00
5144 Emp Practice Liab Insurance	140.00	150.00	150.00
5150 Electricity	36.00	125.00	125.00
5151 Natural Gas	29.00	50.00	50.00
5152 Water	143.00	250.00	250.00
5153 Sewer	48.00	50.00	50.00
5154 Garbage	7.00	0.00	0.00
5160 Elections	27.00	0.00	0.00
5164 Regulatory Fees	0.00	25.00	25.00
5171 Computer Software	7.00	7.00	7.00
5173 Computer Maintenance -	1,196.00	1,200.00	1,200.00
5174 Web Design Services	115.00	8.00	8.00
5212 Gas & Oil	1.00	0.00	0.00
Total Expenditures	48,545.00	53,463.00	61,493.00

Opportunities/Challenges

- Continue to work on the Regional Climate Action Plan.
- Assist with carrying out the City's Economic Development Strategy.
- Continue to execute City's Economic Development Plan(Façade Improvement Program).
- Monitor and facilitate the Wildlife Conservation Board application for Phase II for of the Eel River Trail project.
- Monitor and facilitate the Redwood Region Rising Catalyst application.
- Work with HCAOG on the upcoming Regional Housing Needs Assessment (RHNA).
- Conduct first round of Rental Housing Inspections.

Funding Source

The Planning budget is allocated 100% to the General Fund.

Police

Program Purpose

The Rio Dell Police Department is committed to delivering professional, compassionate, and community-oriented law enforcement services that enhance public safety and quality of life for all residents, businesses, and visitors. Our mission emphasizes proactive policing, community partnerships, and transparent service delivery that builds trust and ensures public safety.

Primary Activities

The Police Department provides comprehensive public safety services, including patrol operations, criminal investigations, traffic enforcement, community policing initiatives, and emergency response coordination. The Chief of Police serves as the department's executive officer, responsible for strategic planning, budget management, personnel supervision, policy development, and ensuring compliance with California Peace Officers Standards and Training (POST) regulations.

The Sergeant assists the Chief with administrative tasks, provides patrol supervision, and conducts field training of new officers. Specialized functions include code enforcement through the Community Service Officer position, records management, evidence handling, and animal control services. The Chief of Police reports to the City Manager.

Staffing

The Police Department maintains 8.95 full-time equivalent positions strategically allocated to provide optimal coverage and service delivery. Positions budgeted for FY 2024-25 are Chief of Police, 1.0 FTE Sergeant, 1.0 FTE Police Corporal, 4.15 FTE Police Officers, 1.0 FTE Community Service Officer, and 0.8 FTE Records Technician. The Community Service Officer was added in FY 2020-21.

Funding Source

The Police Department's budget is primarily allocated through the General Fund, except for one Police Officer position, which is funded by the Supplemental Law Enforcement Services Fund (SLESF).

07 - POLICE	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted
<u>Expenditures</u>			
5000 Full Time Salaries	498,697.00	539,115.00	584,370.00
5026 Part Time Temporary Salaries	49,376.00	108,122.00	182,886.00
5030 Overtime Salaries	29,059.00	20,066.00	28,842.00
5035 Benefit - ICMA City 457	101,062.00	116,204.00	133,197.00
5040 Benefit - Health Insurance	109,341.00	180,134.00	215,340.00
5042 Benefit - Life Insurance	1,868.00	2,520.00	2,520.00
5044 Benefit - Dental/Vision Insur	9,898.00	16,868.00	20,081.00
5045 Worker Compensation	22,457.00	36,465.00	36,918.00
5050 FICA	51,019.00	57,623.00	71,672.00
5055 Unemployment Insurance	1,993.00	2,100.00	2,100.00
5056 Employment Training Tax	75.00	210.00	210.00
5060 Clothing Allowance	4,550.00	5,481.00	5,481.00
5069 Accrued Payroll Taxes Expense	0.00	0.00	0.00
5080 Hiring Costs	3,874.00	6,500.00	6,500.00
5101 Office Supplies	2,623.00	1,500.00	1,500.00
5102 Operating Supplies	18,476.00	6,500.00	7,500.00
5103 Postage	1,823.00	1,000.00	1,500.00
5104 Printing - Forms	784.00	400.00	400.00
5106 Promotional	1,614.00	5,000.00	1,000.00
5110 Accounting	19.00	0.00	0.00
5112 Legal	4,078.00	3,000.00	3,000.00
5115 Contract/Professional Services	4,444.00	5,000.00	5,000.00
5117 Animal Control	23,294.00	23,800.00	23,800.00
5119 Safety Supplies & Equipment	294.00	2,500.00	2,500.00
5120 Cell Phones	515.00	5,610.00	1,000.00
5121 Telephone - Pager	9,690.00	2,400.00	2,400.00
5122 Travel and Training Expense	17,261.00	12,000.00	12,000.00
5123 Automobile - Transportation	44,453.00	20,000.00	35,000.00
5125 Publications - Books	163.00	250.00	250.00
5126 Dues & Memberships	877.00	650.00	650.00
5128 Employee Relations	648.00	0.00	0.00
5130 Rents - Leases	2,471.00	4,000.00	4,000.00
5131 Records Maintenance	359.00	800.00	800.00
5135 Maintenance - Repair	274.00	1,000.00	1,000.00
5138 Office Equipment	1,437.00	2,500.00	2,500.00
5139 Equipment	5,094.00	10,500.00	12,500.00
5141 General Liability Insurance	5,815.00	12,500.00	12,500.00
5142 Vehicle Insurance	90.00	0.00	100.00
5143 Property Insurance	7,240.00	10,000.00	10,000.00
5144 Emp Practice Liab Insurance	1,282.00	2,000.00	2,000.00
5150 Electricity	559.00	1,575.00	1,500.00
5151 Natural Gas	266.00	200.00	200.00
5152 Water	1,306.00	2,000.00	2,000.00
5153 Sewer	444.00	400.00	400.00
5162 Medical	3,019.00	2,800.00	3,000.00
5171 Computer Software	24,004.00	16,500.00	16,500.00
5173 Computer Maintenance -	15,680.00	15,000.00	15,000.00
5174 Web Design Services	1,052.00	100.00	100.00
5175 Community Promotions	86.00	100.00	100.00
5192 Code Enforcement	550.00	5,000.00	5,000.00
5193 Nuisance Abatement-Vehicle	7,109.00	2,000.00	2,000.00
5212 Gas & Oil	22,230.00	16,000.00	25,000.00
5213 Vehicle Repair	14,468.00	10,000.00	10,000.00
5215 - Small Tools	0.00	0.00	0.00
5308 Dispatch Service Due	69,200.00	74,140.00	100,000.00
Total Expenditures	1,198,360.00	1,370,133.00	1,613,817.00

Police

Accomplishments

- Successfully completed Shoulder Tap Operation in partnership with California Department of Alcoholic Beverage Control to prevent underage drinking
- Updated annual traffic accident reporting procedures to enhance data collection and analysis capabilities
- Enhanced community engagement through participation in local events and public safety education programs
- Secured ongoing grant funding from state agencies for specialized enforcement operations
- Strengthened partnerships with regional law enforcement agencies for mutual aid and resource sharing

Opportunities/Challenges

- Fill open positions within the department to maintain full authorized staffing levels
- Identify and pursue additional grant funding opportunities for equipment and training enhancement
- Implement technology upgrades for communication systems and mobile data access,
- Strengthen community policing initiatives through expanded neighborhood engagement



Public Works Summary

Program Purpose

The City Public Works Department is responsible for operating, maintaining, and managing city-owned infrastructure, including streets, parks, facilities, and water and sewer systems.

Primary Activities

Divisions within Public Works operations include Streets, Facilities & Grounds, Water Services, and Sewer Services. Capital replacement, repair, and maintenance activities for the City's infrastructure, property, and equipment are overseen by the Capital Projects Department.

Staffing

The Public Works Department is staffed with the following positions: one Full-Time Equivalent (FTE) Water and Streets Superintendent, one FTE Wastewater Superintendent, two FTE Water and Wastewater Operators, one FTE Operator in Training, one FTE Public Works Leadman, and two FTE Utility Workers. The total number of authorized positions for Fiscal Year 2024-25 is eight FTEs. Additionally, the City Manager's Office and the Finance Department provide management support and assistance to the Public Works Department and its operations.



Facilities and Grounds

Program Purpose

Facilities and Grounds is part of Public Works and is tasked with maintaining City-owned facilities, buildings, and grounds. These areas include three City parks, City Hall, and other city-owned property. Triangle Park, Davis Street Park, and Memorial Park are the three City parks.

Primary Activities

The primary activities are preventative maintenance programs and repairs of City facilities and grounds. Other activities include mowing, weeding, trimming, watering, and general upkeep of City parks and open space areas.

Staffing

Staffing allocated to buildings and grounds: 35% of 1.0 FTE public works leadmen, and 30% of 2.0 FTE utility workers.

Accomplishments

- Maintained the City areas to be clean and aesthetically pleasing to the public.
- Under construction of the Clean California Grant, Edwards Drive to Davis Street Trail Project.
- Completion of the Clean California Grant North Gateway Tree replacement and exercise equipment project.

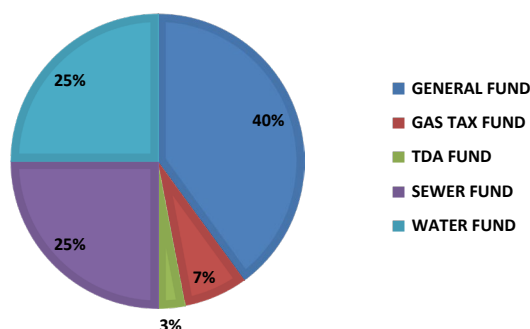
Opportunities/Challenges

- Identify aging infrastructure and develop maintenance strategies to prolong life span.
- Continue to maintain the building and grounds.
- Support code enforcement activities that involve weed abatement and miscellaneous clean-up activities.

Funding Source

The Facilities & Grounds budget is allocated as follows:

FACILITIES & GROUNDS BUDGET BY FUND



19 - FACILITIES & GROUNDS	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted
Expenditures			
5000 Full Time Salaries	65,234.00	64,577.00	50,566.00
5026 Part Time Temporary Salaries	4,374.00	0.00	0.00
5030 Overtime Salaries	3,490.00	8,955.00	2,286.00
5035 Benefit - ICMA City 457	8,398.00	9,041.00	7,079.00
5040 Benefit - Health Insurance	23,723.00	32,185.00	25,415.00
5042 Benefit - Life Insurance	233.00	234.00	171.00
5044 Benefit - Dental/Vision Insur	2,110.00	2,966.00	2,308.00
5045 Worker Compensation	9,440.00	7,600.00	5,465.00
5050 FICA	5,829.00	6,386.00	4,632.00
5055 Unemployment Insurance	428.00	273.00	200.00
5056 Employment Training Tax	16.00	27.00	20.00
5060 Clothing Allowance	0.00	390.00	285.00
5069 Accrued Payroll Taxes Expense	0.00	0.00	0.00
5080 Hiring Costs	0.00	0.00	0.00
5081 Compensated Absences	650.00	0.00	0.00
5101 Office Supplies	73.00	40.00	40.00
5102 Operating Supplies	245.00	1,000.00	1,000.00
5103 Postage	9.00	0.00	0.00
5104 Printing - Forms	41.00	30.00	30.00
5106 Promotional	1.00	0.00	0.00
5107 Memorial Park Expense	0.00	1,000.00	1,000.00
5112 Legal	0.00	0.00	0.00
5115 Contract/Professional Services	109.00	100.00	100.00
5119 Safety Supplies & Equipment	0.00	100.00	100.00
5120 Cell Phones	638.00	437.00	437.00
5121 Telephone - Pager	23.00	250.00	250.00
5122 Travel and Training Expense	0.00	100.00	100.00
5123 Automobile - Transportation	0.00	0.00	0.00
5125 Publications - Books	19.00	10.00	10.00
5126 Dues & Memberships	0.00	15.00	15.00
5130 Rents - Leases	109.00	200.00	200.00
5131 Records Maintenance	0.00	0.00	0.00
5135 Maintenance - Repair	379.00	5,000.00	5,000.00
5136 Parks Maintenance - Repair	425.00	7,000.00	7,000.00
5139 Equipment	787.00	0.00	0.00
5141 General Liability Insurance	681.00	1,250.00	1,250.00
5142 Vehicle Insurance	11.00	0.00	10.00
5143 Property Insurance	848.00	500.00	1,000.00
5144 Emp Practice Liab Insurance	150.00	100.00	150.00
5150 Electricity	166.00	1,500.00	1,000.00
5151 Natural Gas	31.00	25.00	50.00
5152 Water	4,351.00	7,500.00	7,500.00
5154 Garbage	7.00	0.00	10.00
5156 Winter Storm Damage	360.00	0.00	0.00
5171 Computer Software	7.00	10.00	10.00
5173 Computer Maintenance -	169.00	120.00	200.00
5174 Web Design Services	123.00	20.00	20.00
5212 Gas & Oil	1.00	20.00	20.00
5215 Public Works - Small Tools	0.00	1,000.00	1,000.00
5227 Public Works - Equip. Repair	0.00	550.00	500.00
5229 Public Works - Equip. Rental	0.00	500.00	500.00
Total Expenditures	133,688.00	161,011.00	126,929.00

Streets

Program Purpose

The Streets Department ensures safe transportation by maintaining streets, sidewalks, bike lanes, drainage ditches, culverts, and related signage.

Primary Activities

The Streets Department's activities include street patching, pothole repair, sweeping, cleaning culverts and storm drains, vegetation control, pavement markings, traffic sign maintenance, and street lighting.

The department is primarily funded by State government allocations from gas tax funds, and the California Constitution and Streets and Highways Code govern expenditures. State revenues are inadequate to maintain the City's 20 miles of streets. Historically, major street project activities have been grant-funded. As state transportation grants become scarcer, the City has used non-street local discretionary monies to fund several projects.

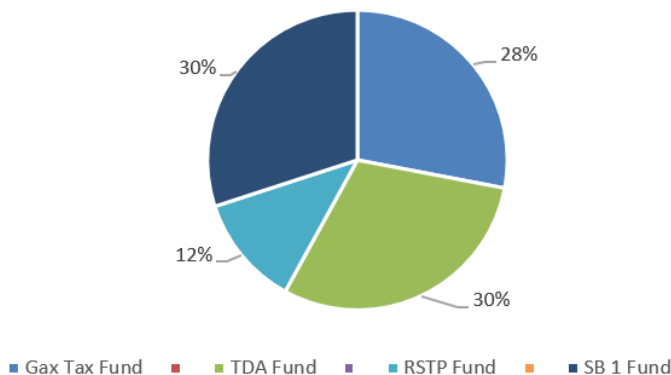
Staffing

Staffing is allocated to Street Operations as follows: 15% Water/Streets Superintendent, 5% Wastewater Superintendent, 30% Public Works Leadman, 30% 2.0 FTE Utility Workers.

Funding Source

The Streets budget is allocated to the four Streets Special Revenue funds as follows:

Streets Budget By Fund



18 - STREETS	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted
Expenditures			
5000 Full Time Salaries	62,844.00	71,908.00	71,908.00
5026 Part Time Temporary Salaries	1,094.00	0.00	0.00
5030 Overtime Salaries	323.00	3,269.00	3,269.00
5035 Benefit - ICMA City 457	7,911.00	10,151.00	10,151.00
5040 Benefit - Health Insurance	17,978.00	28,831.00	28,831.00
5042 Benefit - Life Insurance	203.00	243.00	243.00
5044 Benefit - Dental/Vision Insur	1,604.00	2,620.00	2,620.00
5045 Worker Compensation Insurance	8,516.00	7,797.00	7,797.00
5050 FICA	5,259.00	6,548.00	6,548.00
5055 Unemployment Insurance	260.00	263.00	263.00
5056 Employment Training Tax	10.00	26.00	26.00
5060 Clothing Allowance	820.00	415.00	415.00
5069 Accrued Payroll Taxes Expense	0.00	0.00	0.00
5080 Hiring Costs	133.00	500.00	500.00
5081 Compensated Absences Payable	0.00	0.00	0.00
5101 Office Supplies	47.00	250.00	250.00
5102 Operating Supplies	555.00	500.00	1,200.00
5103 Postage	0.00	50.00	50.00
5104 Printing - Forms	5.00	50.00	50.00
5105 Advertising	0.00	50.00	50.00
5108 Streets	8,134.00	10,000.00	10,000.00
5112 Legal	0.00	850.00	850.00
5115 Contract/Professional Services	57,894.00	49,947.00	55,929.00
5119 Safety Supplies & Equipment	352.00	500.00	1,000.00
5120 Cell Phones	672.00	595.00	595.00
5121 Telephone - Pager	690.00	700.00	700.00
5122 Travel and Training Expense	58.00	250.00	500.00
5123 Automobile - Transportation	0.00	50.00	50.00
5125 Publications - Books	0.00	0.00	0.00
5126 Dues & Memberships	45.00	50.00	50.00
5130 Rents - Leases	0.00	0.00	0.00
5131 Records Maintenance	21.00	20.00	20.00
5135 Maintenance - Repair	21,893.00	8,500.00	12,000.00
5138 Office Equipment - P.W.	170.00	100.00	500.00
5139 Equipment	146.00	1,200.00	1,200.00
5141 General Liability Insurance	0.00	0.00	0.00
5143 Property Insurance	0.00	0.00	0.00
5144 Emp Practice Liab Insurance	0.00	0.00	0.00
5150 Electricity	21,217.00	25,000.00	25,000.00
5151 Natural Gas	67.00	100.00	100.00
5152 Water	3,562.00	5,000.00	5,000.00
5154 Garbage	506.00	350.00	350.00
5155 Earthquake	4,014.00	0.00	0.00
5156 Winter Storm Damage	105.00	0.00	0.00
5162 Medical	0.00	20.00	20.00
5164 Regulatory Fees	156.00	250.00	500.00
5171 Computer Software	0.00	100.00	100.00
5173 Computer Maintenance - Support	0.00	100.00	100.00
5174 Web Design Services	0.00	50.00	50.00
5212 Gas & Oil	3,054.00	5,000.00	5,000.00
5213 Vehicle Repair	1,441.00	3,500.00	3,500.00
5215 Public Works - Small Tools	1,116.00	2,000.00	2,000.00
5227 Public Works - Equip. Repair	1,401.00	3,000.00	3,000.00
5229 Public Works - Equip Rental	52.00	100.00	100.00
5450 Misc Expense	36.00	0.00	0.00
5514 Engineering	0.00	17,500.00	17,500.00
Total Expenditures	234,364.00	268,303.00	279,885.00

Streets

Accomplishments

- Earthquake patch repairs on Blueslide Rd.
- Earthquake crack sealing on Blueslide Rd.
- Ongoing Maintenance on Monument Rd slide area and lower areas of Monument Rd.
- Ongoing ditch cleaning.
- Clean, replace and repair roadway signs throughout town.
- Patch potholes on remaining bad streets such as Ogle Ave, Elm, Gunnerson, Rigby, and East end of Painter.

Opportunities/Challenges

- Continued implementation of five-year street improvement planning and repairs.
- Complete street patch repairs at multiple locations around town.
- Continued drainage issues in the Belleview and Ogle neighborhoods.
- Wildwood Ave medians maintenance and upkeep.
- General storm related roadways, storm drain and ditch repairs.



Sewer Operations

Program Purpose

Sewer Operations protect the public health and environment and thereby greatly enhance the quality of life for all City residents.

Primary Activities

Sewer Operations 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 are almost 20 miles of piping and pump stations, known as the Collection System.

City staff operate the facilities in compliance with State and Federal laws and regulations. These regulations are some of the nation's strictest and protect the waters of the Eel River and the general public's health. Nearly all activities of the Sewer division (and their associated costs) are conducted to comply with the Clean Water Act and the Basin Plan of the North Coast Regional Water Quality Control Plan.

Staffing

Staffing is allocated to Sewer Operations as follows: 90% Wastewater Superintendent, 5% Water/Streets Superintendent, 15% Public Works Leadman, 85% 1.0 FTE Water/Wastewater Operator, 15% 1.0 FTE Water/Wastewater Operator, 95% 1.0 Operator in Training and 20% 2.0 FTE Utility Workers.

Funding Source

The Sewer Operations budget is allocated 100% to the Sewer Operations Enterprise fund.

08 - SEWER	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted
Expenditures			
5000 Full Time Salaries	196,257.00	211,468.00	235,924.00
5026 Part Time Temporary Salaries	0.00	0.00	0.00
5030 Overtime Salaries	9,043.00	2,758.00	5,431.00
5035 Benefit - ICMA City 457	24,862.00	29,082.00	31,686.00
5040 Benefit - Health Insurance	56,950.00	83,423.00	91,766.00
5042 Benefit - Life Insurance	671.00	707.00	707.00
5044 Benefit - Dental/Vision Insur	4,921.00	7,581.00	8,339.00
5045 Worker Compensation Insurance	27,825.00	22,244.00	25,017.00
5050 FICA	16,943.00	18,875.00	21,150.00
5055 Unemployment Insurance	759.00	704.00	1,000.00
5056 Employment Training Tax	28.00	72.00	72.00
5060 Clothing Allowance	3,247.00	1,225.00	1,225.00
5069 Accrued Payroll Taxes Expense	0.00	0.00	0.00
5080 Hiring Costs	607.00	2,500.00	2,500.00
5081 Compensated Absences Payable	7,092.00	0.00	0.00
5101 Office Supplies	2,389.00	1,000.00	1,000.00
5102 Operating Supplies	2,218.00	5,000.00	5,000.00
5103 Postage	4,845.00	5,000.00	5,000.00
5104 Printing - Forms	1,359.00	1,200.00	1,200.00
5106 Promotional	31.00	0.00	0.00
5108 Streets	0.00	0.00	0.00
5109 Chemicals	37,271.00	35,000.00	47,000.00
5112 Legal	12,199.00	5,000.00	5,000.00
5115 Contract/Professional Services	28,023.00	40,000.00	40,000.00
5119 Safety Supplies & Equipment	2,508.00	2,500.00	2,500.00
5120 Cell Phones	1,341.00	2,204.00	2,204.00
5121 Telephone - Pager	2,296.00	2,600.00	2,900.00
5122 Travel and Training Expense	847.00	3,000.00	3,000.00
5123 Automobile - Transportation	356.00	1,200.00	1,200.00
5125 Publications - Books	420.00	300.00	300.00
5126 Dues & Memberships	120.00	1,000.00	1,000.00
5127 License	330.00	1,200.00	1,200.00
5128 Employee Relations	165.00	0.00	0.00
5130 Rents - Leases	1,566.00	2,500.00	2,500.00
5131 Records Maintenance	56.00	100.00	100.00
5135 Maintenance - Repair	79,553.00	65,000.00	65,000.00
5138 Office Equipment - P.W.	1,325.00	1,000.00	1,000.00
5139 Equipment	391.00	5,000.00	5,000.00
5141 General Liability Insurance	14,946.00	30,000.00	36,000.00
5142 Vehicle Insurance	230.00	0.00	0.00
5143 Property Insurance	18,608.00	22,500.00	35,000.00
5144 Emp Practice Liab Insurance	3,295.00	4,000.00	4,000.00
5150 Electricity	176,771.00	180,000.00	180,000.00
5151 Natural Gas	37,900.00	45,000.00	45,000.00
5152 Water	3,587.00	4,500.00	5,000.00
5154 Garbage	310.00	150.00	150.00
5155 Earthquake	151,425.00	0.00	0.00
5156 Winter Storm Damage	8,338.00	0.00	0.00
5162 Medical	513.00	500.00	500.00
5164 Regulatory Fees	13,998.00	13,500.00	13,500.00
5165 Property Tax Assessment	0.00	2,500.00	2,500.00
5171 Computer Software	154.00	500.00	500.00
5173 Computer Maintenance -	5,156.00	4,000.00	4,000.00
5174 Web Design Services	2,705.00	300.00	300.00
5212 Gas & Oil	9,259.00	7,500.00	7,500.00
5213 Vehicle Repair	3,929.00	4,000.00	4,000.00
5215 Public Works - Small Tools	3,097.00	2,500.00	3,500.00
5225 Public Works - Lab Testing	21,829.00	25,000.00	25,000.00
5227 Public Works - Equip. Repair	4,080.00	8,000.00	10,000.00
5229 Public Works - Equip. Rental	137.00	4,000.00	2,000.00
5310 Sewer Arrearages Payment	399.00	0.00	0.00
5430 Fines/Penalties	41,000.00	0.00	0.00
5450 Misc Exp	95.00	0.00	0.00
5514 Engineering	1,006.00	1,000.00	1,000.00
Total Expenditures	1,051,581.00	919,893.00	996,371.00

Sewer Operations

Accomplishments

- Replaced earthquake-damaged Hypochlorite Generator with a new Hypochlorite Generator.
- Worked with a consultant on Sanitary Sewer Evaluation Study (SSES) mapping and cataloging collection system for future improvement projects and regulatory compliance.
- Sewer lateral program and other improvements reduce I & I problems during rain events.
- Successful implementation of the Chloramine Project, returning the plant to regulatory compliance with disinfection products.

Opportunities/Challenges

- Collection system, sewer lateral inspections, and investigation of problem areas for inflow and infiltration (I&I).
- Complete SSES as requested by the State of California to develop a capital plan to make the system eligible for grants.
- Upgrade the SCADA system to support and monitor Ammonia in the Effluent to reduce and eliminate DBPs.
- Recruitment of qualified personnel to fill the Operator in Training position and other vacancies. Retention of quality employees facilitates day-to-day operations, training, and completion of additional projects



Water Operations

Program Purpose

Access to clean, safe, and affordable drinking water is a core function of any municipal government. In 2022, a rate study was passed by voters that established appropriate billing levels to maintain the current system and ensure its efficient and safe operation.

Primary Activities

Water Operations is responsible for the daily operation and maintenance of the City's water system, including the infiltration gallery (in the Eel River), water processing plant, three storage tanks, backup well site, and almost 20 miles of distribution piping under City streets.

Staffing

Staffing is allocated to Water Operations as follows: 87% Water/Streets Superintendent, 5% Wastewater Superintendent, 10% Public Works Leadman, 80% 1.0 FTE Water/Wastewater Operator, 15% 1.0 FTE Water/Wastewater Operator, 15% 1.0 Operator in Training, 15% 2.0 FTE Utility Workers and 20% 0.5 FTE Utility Worker.

Funding Source

The Water Operations budget is allocated 100% to the Water Operations Enterprise fund.

09 - WATER	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted
Expenditures			
5000 Full Time Salaries	141,024.00	194,887.00	185,320.00
5026 Part Time Temporary Salaries	0.00	0.00	0.00
5030 Overtime Salaries	4,435.00	7,903.00	3,344.00
5035 Benefit - ICMA City 457	17,108.00	26,739.00	25,436.00
5040 Benefit - Health Insurance	23,742.00	65,065.00	57,303.00
5042 Benefit - Life Insurance	409.00	662.00	527.00
5044 Benefit - Dental/Vision Insur	2,131.00	5,953.00	5,186.00
5045 Worker Compensation Insurance	19,845.00	21,028.00	19,556.00
5050 FICA	12,320.00	17,786.00	16,584.00
5055 Unemployment Insurance	352.00	630.00	525.00
5056 Employment Training Tax	14.00	63.00	53.00
5060 Clothing Allowance	1,819.00	1,170.00	1,767.00
5069 Accrued Payroll Taxes Expense	0.00	0.00	0.00
5080 Hiring Costs	682.00	525.00	525.00
5081 Compensated Absences Payable	25,392.00	0.00	0.00
5101 Office Supplies	1,676.00	3,600.00	3,600.00
5102 Operating Supplies	2,058.00	10,500.00	10,500.00
5103 Postage	4,202.00	3,500.00	3,500.00
5104 Printing - Forms	1,828.00	2,000.00	2,000.00
5105 Advertising	0.00	50.00	50.00
5108 Streets	0.00	0.00	0.00
5109 Chemicals	25,782.00	50,000.00	30,000.00
5112 Legal	1,142.00	10,000.00	10,000.00
5115 Contract/Professional Services	3,393.00	6,000.00	20,000.00
5119 Safety Supplies & Equipment	580.00	1,500.00	2,500.00
5120 Cell Phones	1,364.00	1,800.00	1,800.00
5121 Telephone - Pager	2,596.00	2,600.00	2,600.00
5122 Travel and Training Expense	821.00	2,500.00	2,500.00
5123 Automobile - Transportation	0.00	2,500.00	2,500.00
5125 Publications - Books	402.00	600.00	600.00
5126 Dues & Memberships	135.00	1,500.00	2,200.00
5127 License	0.00	500.00	500.00
5130 Rents - Leases	1,733.00	2,500.00	2,500.00
5131 Records Maintenance	63.00	100.00	100.00
5135 Maintenance - Repair	50,428.00	45,000.00	47,000.00
5136 Parks Maintenance - Repair	0.00	0.00	0.00
5138 Office Equipment - P.W.	560.00	0.00	2,500.00
5139 Equipment	1,630.00	7,500.00	7,500.00
5141 General Liability Insurance	14,310.00	27,500.00	27,500.00
5142 Vehicle Insurance	221.00	0.00	0.00
5143 Property Insurance	17,816.00	20,000.00	20,000.00
5144 Emp Practice Liab Insurance	3,155.00	2,200.00	2,200.00
5150 Electricity	40,030.00	40,000.00	40,000.00
5151 Natural Gas	652.00	750.00	750.00
5153 Sewer	5,065.00	8,500.00	8,500.00
5154 Garbage	322.00	50.00	50.00
5155 Earthquake	305,709.00	0.00	0.00
5162 Medical	0.00	1,000.00	1,000.00
5164 Regulatory Fees	6,806.00	15,000.00	15,000.00
5171 Computer Software	2,531.00	2,500.00	2,500.00
5173 Computer Maintenance - Support	4,609.00	5,000.00	5,000.00
5174 Web Design Services	2,590.00	400.00	400.00
5212 Gas & Oil	9,533.00	8,000.00	8,000.00
5213 Vehicle Repair	4,323.00	4,000.00	4,000.00
5215 Public Works - Small Tools	3,348.00	2,500.00	6,000.00
5225 Public Works - Lab Testing	3,951.00	5,000.00	8,500.00
5227 Public Works - Equip. Repair	4,844.00	5,000.00	7,500.00
5229 Public Works - Equip. Rental	155.00	100.00	100.00
5310 Water Arrearages Payment	107.00	0.00	0.00
5514 Engineering	1,006.00	1,500.00	1,500.00
Total Expenditures	780,749.00	645,661.00	629,076.00

Water Operations

Accomplishments

- Implementation of the Capital Improvement Plan for the water system to start in January 2025
- Installation and repairs (under warranty) of the 2 new replacement water treatment plant finished water booster pumps.
- Ongoing trial with 10 new water meter systems with cellular vs the current radio read.
- Continued to replace failing water meters. (Annual Ongoing Project)
- Continuing water system leak repairs and service line replacement throughout the town.
- Continued to ensure water supply is drought-prepared.
- Hazard Mitigation grant from CalOES for two water system resiliency projects. (ongoing)

Opportunities/Challenges

- Replace Douglas Tank 1 (Redwood Tank) with the Water CIP Project. To be completed in 2025
- Replacement of addition, not CIP listed old piping and water services throughout the water distribution system.
- Replacement of all 3 Infiltration gallery raw water pumps and motors.
- Ongoing upgrades and improvements for the Dinsmore plateau and upper Monument area water lines, including Douglas tank booster station and transmission piping.
- Meter reading equipment renewal of maintenance agreement contract.



Solid Waste/Recycling

Program Purpose

Assembly Bill (AB) 939 mandated a 50% diversion rate for a municipality's solid waste by 2000. The City of Rio Dell has an Approved Petition for Rural Reduction that lowers this level to 43%. As part of implementing AB 939 in 2009, the State changed the way a jurisdiction's diversion performance is calculated from a communitywide standard to a per capita amount, which is more challenging to meet.

AB 939 was implemented due to shrinking landfill capacity that, at the time of passage, had reached a statewide crisis. CalRecycle programs help reduce the amount of waste that would otherwise end up in landfills.

Primary Activities

Solid waste and recycling activities include waste diversion, source reduction, recycling, and solid waste planning. The Humboldt Waste Management Authority is responsible for reporting under contract.

Staffing

Solid Waste/Recycling has no positions allocated. A transfer of \$3,037 will reimburse 1.5% of the City Manager position.

Accomplishments

- Hosted annual city-wide clean-up event.
- Continued regional collaboration on SB 1383 regarding organic waste.

Opportunities/Challenges

- Universal garbage and recycling collection.
- Recology Eel River, the City's new franchise hauler, has voiced its interest in reworking Rio Dell's current franchise agreement to better align with other regional contracts.
- In 2018, China and other countries stopped taking recyclable materials from the U.S., which has created a serious problem for California, which does not have the infrastructure to support recycling.
- Team up with Clean California to offer additional City clean-up events

04 - RECYCLING	6/30/2023 Actual	6/30/2024 Budget	FY 2024-25 Adopted
Expenditures			
5000 Full Time Salaries	0.00	0.00	0.00
5035 Benefit - ICMA City 457	0.00	0.00	0.00
5040 Benefit - Health Insurance	0.00	0.00	0.00
5042 Benefit - Life Insurance	0.00	0.00	0.00
5044 Benefit - Dental/Vision Insur	0.00	0.00	0.00
5045 Worker Compensation Insurance	0.00	0.00	0.00
5050 FICA	0.00	0.00	0.00
5055 Unemployment Insurance	0.00	0.00	0.00
5069 Accrued Payroll Taxes Expense	0.00	0.00	0.00
5101 Office Supplies	39.00	30.00	30.00
5102 Operating Supplies	7.00	1,000.00	1,000.00
5103 Postage	5.00	10.00	10.00
5104 Printing - Forms	2.00	10.00	10.00
5106 Promotional	1,001.00	1,000.00	1,000.00
5112 Legal	75.00	0.00	0.00
5115 Contract Professional Services	5,089.00	8,000.00	8,000.00
5119 Safety Supplies & Equipment	0.00	0.00	0.00
5120 Cell Phones	0.00	0.00	0.00
5121 Telephone - Pager	12.00	10.00	10.00
5122 Travel and Training Expense	0.00	0.00	0.00
5123 Automobile - Transportation	0.00	0.00	0.00
5125 Publications - Books	10.00	5.00	5.00
5126 Dues & Memberships	0.00	8.00	8.00
5130 Rents - Leases	6.00	2.00	2.00
5131 Records Maintenance	0.00	0.00	0.00
5135 Maintenance - Repair	8.00	1,000.00	10.00
5138 Office Equipment	1.00	0.00	0.00
5141 General Liability Insurance	363.00	750.00	750.00
5142 Vehicle Insurance	6.00	0.00	0.00
5143 Property Insurance	452.00	500.00	500.00
5144 Emp Practice Liab Insurance	80.00	50.00	50.00
5150 Electricity	21.00	75.00	75.00
5151 Natural Gas	17.00	10.00	10.00
5154 Garbage	2,219.00	4,250.00	4,250.00
5155 Earthquake	0.00	0.00	0.00
5171 Computer Software	4.00	5.00	5.00
5173 Computer Maintenance - Support	90.00	100.00	100.00
5174 Web Design Services	66.00	5.00	5.00
7000 Transfer to City Manager	2,864.00	3,054.00	3,037.00
Total Expenditures	12,437.00	19,874.00	18,867.00

Funding Source

The Solid Waste/Recycling budget is allocated 41% to the Solid Waste fund and 59% to the Recycling fund.



Capital Projects Overview

Capital Investment Strategy

The FY 2024-25 Capital Projects Budget allocates \$14,165,832 for essential infrastructure improvements, equipment replacement, and community enhancement projects. This strategic investment program addresses critical maintenance needs, regulatory compliance requirements, and quality of life improvements while leveraging federal and state grant opportunities to maximize community benefit and minimize local fiscal impact.

The capital program reflects the City Council's priorities for infrastructure sustainability, public safety enhancement, and community development. Projects are prioritized based on asset condition assessments, regulatory requirements, public safety needs, and available funding sources, ensuring optimal resource allocation and long-term community benefits.

FY 2024-25 Capital Projects

Infrastructure and Transportation

- Street Resurfacing/Crack Sealing: Asphalt maintenance and pavement preservation for arterial and residential streets
- Monument Road Repair: FEMA-funded reconstruction of disaster-damaged roadway sections
- Monument Water Line Replacement: Critical water infrastructure upgrade replacing aging distribution systems

Community Development and Enhancement

- City-wide Beautification: Gateway improvements, signage upgrades, and enhanced landscaping for community pride
- Per Capita Park Development: Multi-use recreational facility including dog park and expanded parking capacity
- Clean California Grant Projects: State-funded Eel River Trail development creating quarter-mile recreational pathway

- Open Space Facility Development: Public access improvements for community recreational opportunities

Public Safety and Municipal Facilities

- Police Department Improvements: Facility upgrades and security enhancements for operational efficiency
- Police Protective Equipment: Officer safety gear and equipment replacement program

Water System Infrastructure

- State Water Resources Control Board Infrastructure Project: Comprehensive water distribution system improvements funded through state grant program
- Water Meter Replacement: Treatment facility meter upgrades for accurate monitoring and reporting
- Meter Reading Equipment Replacement: Technology upgrades for efficient utility management
- Infiltration Gallery Pump Replacement: Critical equipment replacement for water production capacity
- Backwash Flow Meter Installation: Regulatory compliance equipment for state reporting requirements
- Chloramine Disinfection System: Water treatment modifications addressing regulatory compliance and public health protection

Wastewater System Improvements

- Sewer Inflow and Infiltration Repairs: Collection system improvements reducing system capacity issues and regulatory compliance costs
- SCADA System Programming and Components: Advanced control system upgrades incorporating battery backup and enhanced disinfection capabilities
- Biosolids Storage Facility Repairs: Roof replacement and structural improvements for operational reliability

Capital Projects Overview

Funding Strategy and Grant Management

The capital program maximizes external funding through strategic grant applications and partnerships with federal/state agencies. Primary funding sources include Clean California grants, State Water Resources Control Board infrastructure funding, CalOES disaster recovery allocations, and per capita park development grants, which significantly reduce the impact on the General Fund while advancing essential infrastructure improvements.

Future capital planning includes ongoing evaluation of additional grant opportunities, with supplemental budget amendments planned as funding availability is confirmed. This approach ensures comprehensive project delivery while maintaining fiscal flexibility and optimizing resource allocation for maximum community benefit.



Capital Project Summary

FY 2024-25 Summary of Capital & Special Projects

ACCOUNT	PROJ #	PROJECT NAME	Gen Fund (000)	Park Per Capita (014)	Parks Capital (018)	SB1 Fund (021)	Water Grant (065)	ARPA- SLFRF (076)	Sewer (052)	Water (062)	TOTAL
GENERAL FUND / STREETS PROJECTS											
6500 14 021 0000	9068	Asphalt Street Resurfacing				100,000					100,000
6500 14 021 0000	9105	Wildwood Ave Crack Sealing				30,000					30,000
6500 14 000 0000	9070	City Beautification	5,000								5,000
6525 14 000 0000	9031	City Hall Improvements	50,000								50,000
6000 14 000 0000	9106	Police Ballistic Helmets / Gas Mask	7,290								7,290
GRANTS											
6525 14 014 0000	9071	Per Capita Park Development (Dog Park)		177,952							177,952
6500 14 018 0000	9073	Eel River Trail			1,750,000						1,750,000
6500 14 065 1050	1029	Water Dist. System Project					11,047,590				11,047,590
6500 14 076 0000	9099	Monument Road Repair						200,000			200,000
6525 14 076 0000	9086	Open Space Facility						140,000			140,000
WASTEWATER PROJECTS AND EQUIPMENT											
5115 14 052 0000	9036	SCADA Upgrades							125,000		125,000
6500 14 052 0000	9010	I&I Reductions							35,000		35,000
6500 14 052 0000	9100	Compliance Project Chloramine							120,000		120,000
6525 14 052 0000	9098	Biosolids Tent Roof Repair/Replacement							100,000		100,000
WATER PROJECTS AND EQUIPMENT											
5115 14 062 0000	9036	SCADA Upgrades								80,000	80,000
6500 14 062 0000	9048	Water Meter Replacement								12,000	12,000
6200 14 062 0000	9021	Meter Reading Equipment Replacement								26,000	26,000
6000 14 062 0000	0117	Infiltrational Gallery Pump Replacement								50,000	50,000
6000 14 062 0000	9054	Backwash Flow Meter								10,000	10,000
6500 14 064 0000	9011	Monument Water Line Replacement								100,000	100,000
TOTAL ALL PROJECTS			62,290	177,952	1,750,000	130,000	11,047,590	340,000	380,000	278,000	14,165,832

Budget Policies and Practices

Annual Audit

It shall be the policy of the City to contract for an independent audit on an annual basis. (Approved by the City Council on July 15, 1997)

Balanced Budget

A budget is structurally balanced when the total recurring revenues are equal to or greater than total recurring expenditures. In all cases, funding uses should not exceed funding resources.

Budget Adjustments

The budget is an estimated fiscal plan that requires adjustments and perhaps amendments, delegated by the City Council to the City Manager, Finance Director and department heads, subject to the following Policy:

1. Budget transfers in amounts less than \$3,000 between line items and in the same budget and fund are allowable with the approval of the Finance Director.
2. Budget transfers between \$3,001 and \$10,000 between line items in the same budget and fund are allowable with the approval of the Finance Director and City Manager.
3. Budget transfers in excess of \$10,000 within the same budget and fund require the recommendation of the City Manager and approval of the City Council.
4. Budget transfers between budget units (departments) must pass through the contingency budget of the fund for the purpose of an audit trail and require the recommendation of the Finance Director and City Manager and approval of the City Council.
5. Budget transfers to create new line items in the budget require the approval of the Finance Director and the City Manager.
6. Budget transfers from the contingency budget require the recommendation of the Finance Director and City Manager and approval of the City Council.
7. All requests to increase appropriations and revenues through the supplemental budget process must be approved by the Finance Director and the City Manager and be submitted with an amending budget resolution to the City Council for approval.
8. All transfer of funds and supplemental budget requests must be signed by the department head and be submitted on the form created for that purpose. Forms are available in the Finance Department where accounts and balances are to be verified. The Finance Director must approve the request in writing before submitting the form to the City Manager.

(Per Resolution No. 1227-2014, adopted June 24, 2014)

Budget Adoption

The City of Rio Dell adopts an annual budget by resolution consistent with GAAP for all governmental funds (modified accrual basis) prior to July 1st of the budget year. All annual appropriations lapse at the end of each fiscal year. (Per Resolution No. 1227-2014, adopted June 24, 2014)

Budgets and Budgetary Basis

The budget information is presented on a basis consistent with generally accepted accounting principles (GAAP) and is formally adopted by resolution. Any amendments to the adopted budget are done consistent with budget policies adopted on June 24, 2014 through Resolution 1227-2014.

The City uses two fund types to account for its activities. Governmental funds (the General Fund, special revenue funds, debt service funds, capital projects and expendable trust funds), focus on measurement of current financial resources. Proprietary funds (enterprise funds) which are used to account for activities similar to private businesses focus on the determination of net income. GAAP, the modified accrual basis is

Budget Policies and Practices

followed by governmental funds, which means that revenue is recognized when measurable and available for paying the liabilities of the current period. Also, under GAAP, the full accrual basis of accounting is used by proprietary funds. This means that revenues are recognized when earned and expenses are recorded at the time liabilities are incurred. All annual appropriations lapse at year end except amounts that have been encumbered which can be carried forward into the next budget year with City Council approval.

Annual appropriated budgets are adopted for all funds of the City except agency funds. In general, the budget is prepared on a basis consistent with GAAP. However, the budget varies from GAAP basis in the following areas:

- Budgetary revenues include such items as repayments of loans receivable and other items which on a GAAP basis are considered as reclassifications of Working Capital between reserved Working Capital and unreserved Working Capital
- Non-GAAP (budgetary basis) expenditures include encumbrances (in the year of commitment to purchase), loans, debt principal payments, and capital outlay in the proprietary funds.
- Depreciation expense is not budgeted in the proprietary funds of the City.

Budget Contingency

The use of a contingency account for all or a number of the various funds provides the City Council with more flexibility in meeting the needs of a fund for matters that were not foreseen when the budget was adopted. Budget transfers from the contingency budget require the recommendation of the Finance Director and City Manager and approval of the City Council. (Per Resolution No. 1227-2014, adopted June 24, 2014)

Capital Improvements

Capital assets should be maintained at a level sufficient to protect the City's capital infrastructure and to minimize future maintenance and replacement costs.

Financial Management System

The City maintains a financial management system that provides budget reporting and monitoring. The City's original chart of accounts was established to track revenues and expenditures by Fund, Account and Department. Two additional account categories were added to track grants, projects and capital assets.

Fund Balance Reserve Policy

The purpose of this policy is to maintain fund balance reserves in the various operating funds at levels sufficient to protect the City's credit worthiness as well as its financial position from unforeseeable emergencies and to maintain cash flow requirements. Policy adopted May, 15, 2012 by Resolution No. 1154-2012 as follows:

1. The City's target fund balance or working capital balance of all major operating funds including the General Fund, all Streets funds and all enterprise funds is set at 30% of operating expenditures within that fund.
2. The City's minimum fund balance or working capital balance for those same funds shall be established at 15% of operating expenditures within each corresponding fund. This is considered the minimum level necessary to maintain and adequately provide for:
 - a. Economic uncertainties and financial hardships or downturns in the economy
 - b. Local disasters and catastrophic events
 - c. Contingencies for unforeseen operating or capital needs
 - d. Cash flow requirements

Budget Policies and Practices

3. In order to ensure that the City Council has some discretion in their financial decision making options, these reserves may be reduced from the minimum 15% by a super majority City Council vote, and declaration of a local emergency, to fund unforeseeable financial conditions such as one-time expenditures, or as transition funding in a recessionary economy, or other budget shortfall stop gap measures of a temporary nature.

A reserve amount for a fund is not appropriated in the budget and should be held in reserve for emergencies in that fund. (Per Resolution No. 1227-2014, adopted June 24, 2014)

Fund Classifications

In February 2009, the Governmental Accounting Standards Board issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The fund balance classifications are: Non-Spendable, Restricted, Committed, Assigned, and Unassigned.

Non-Spendable – That portion of fund balance that includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).

Restricted – That portion of fund balance that includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.

Committed – That portion of fund balance that includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.

Assigned – That portion of fund balance that comprises amounts intended to be used for specific purposes, but that are neither restricted nor committed. Such intent can be expressed either by the governing body or by an official designated for that purpose.

Unassigned – That portion of fund balance that includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

One-Time Revenues

One-time revenues should not be used to balance budgets, and can be used for time-limited services, establishment of reserves, capital projects, equipment requirements, or services that can be terminated without significant disruption to the community or City organization. Before accepting one-time revenues such as grants for specific projects or programs, consideration and careful analysis should be given to the long-term implications of accepting the revenue. Funding for positions or projects should not be accepted if the City cannot afford to maintain the project or continue funding the positions after the one-time revenue is gone.

Operating Budgets

The City Council approves operating appropriations at the department and fund level. The City Manager, Chief of Police, Director of Public Works and Finance Director are responsible for maintaining expenses within fund levels within their assigned departments as approved by the City Council. (Per Resolution No. 1227-2014, adopted June 24, 2014)

Budget Policies and Practices

Revenues and Fees

It is desirable for the City to develop and maintain a diversified and stable revenue base to support services and minimize the effects of economic downturns. The City fee schedule provides a structure and methodology to support recovery of the full cost of services provided.

Other Budget Principles

Beyond formal actions of the City Council, City staff employs a series of principles to guide decision-making on budgetary matters. These include:

- Remain adaptive and ready to act to any changes in economic and financial environment.
- Protect and enhance local sources of revenue.
- Commit to realistic financial planning and budgeting, and not to use loans and inflated revenue figures.
- Focus and direct financial and human resources toward core priorities and services.
- Maintain the City's financial assets and infrastructure.

Other City Adopted Financial Policies

City of Rio Dell Investment Policy, Resolution No. 1346-2017

OBJECTIVES

The City's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the City to invest funds to the fullest extent possible. The City attempts to obtain the highest yield on its investments consistent with the criteria established for safety and liquidity.

POLICY AND GUIDELINES

The City Council's management responsibility for the investment program is hereby delegated to the City Manager. The Finance Director through the City Manager shall monitor and review all investments for consistency with this investment policy and assume full responsibility for those transactions until the delegation of authority is revoked or expires.

The Finance Director is responsible for depositing and/or investing the surplus funds in the City Treasury in accordance with the California Government Code, Sections 53601, 53607 and 53635. The City manages its investment program in accordance with California Government Code Sections 53600.3 under which those making investments on its behalf are deemed to act in a fiduciary capacity subject to the prudent investor standard.

The three objectives of SAFETY, LIQUIDITY, and YIELD are to be taken into consideration when making investment decisions in accordance with Section 53600.5 of the California Government Code.

1. SAFETY IS THE PRIMARY OBJECTIVE: Safety and the minimizing of risk associated with investing refers to attempts to reduce the potential for loss of principal, interest or combination of the two. The City invests only in those instruments that are considered very safe.
2. LIQUIDITY IS THE SECONDARY OBJECTIVE: Liquidity refers to the ability to convert an investment to cash promptly with minimum risk of losing some portion of principal or interest. A portion of the portfolio should be maintained in liquid short-term securities which can be converted to cash if necessary to meet disbursement requirements.

Budget Policies and Practices

Investments must not have a term remaining to maturity in excess of three years without prior approval from the City Council at least three months prior to making the investment notwithstanding that the California Government Code Section 53601 allows for maturities of up to five years without City Council approval.

3. **YIELD IS THE THIRD OBJECTIVE:** Yield is the average annual return on an investment based on the interest rate, price, and length of time to maturity. The City attempts to obtain the highest yield possible, provided that the basic criteria of safety and liquidity have been met.

INVESTMENT INSTRUMENTS

Eligible Securities: The City of Rio Dell may invest in the following instruments under the guidelines as provided herein. and in accordance with Sections 53601, 53635, 53637, 53638, 53651, 53652 and 53653 of the California Government Code. Percentage limitations on the purchase of securities apply at the time of purchase.

1. **CERTIFICATES OF DEPOSIT** Time Certificates of Deposit will be made only in accounts insured pursuant to Federal laws. For deposits in excess of the insured maximum of \$100,000, approved collateral shall be required in accordance with California Government Code Section 53652. Purchase of Time Certificates of Deposit are restricted to a maximum of 30% of the City's surplus funds and a maximum maturity of one year.
2. **SECURITIES OF THE U.S. GOVERNMENT OR ITS AGENCIES** include obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks, the Federal Home Loan Bank Board, the Tennessee Valley Authority, or in obligations, participations, or other instruments of, or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association; or in guaranteed portions of Small Business Administration notes; or in obligations, participations, or other instruments of, or issued by, a federal agency or a United States government-sponsored enterprise.
3. **TREASURY BILLS AND NOTES** U.S. Treasury Bills, Notes, Bonds or Certificates of Indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.
4. **LOCAL AGENCY INVESTMENT FUND (LAIF)** Investment of funds in the California LAIF which allows the State Treasurer to invest through the Pooled Money Investment Account subject to the State's annual investment policy. Maximum investment is subject to State regulation.
5. **CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP)** The Program consists of the California Asset Management Trust, a California Joint Powers Authority ("JPA") established in 1989 to provide California public agencies with professional investment services. CAMP currently offers a professionally managed money market investment portfolio, the Cash Reserve Portfolio (the "Pool"). The Program also offers individual professionally managed accounts ("Individual Portfolios"). The Individual Portfolios are not part of the assets of the Trust.

Cash in the Pool and the Individual Portfolios will be invested by the California Asset Management Trust investment advisor in accordance with the prudent investor standard of

Budget Policies and Practices

the California Government Code. To the extent prohibited by the California Government Code, the Pool, and Individual Portfolios will not invest in any inverse floaters, range notes, or interest-only strips that are derived from a pool of mortgages, or in any security that could result in zero interest accrual if held to maturity. Only those investments authorized by the California Government Code will be used in the Cash Reserve Portfolios and/or the Individual Portfolios.

6. **BANKERS ACCEPTANCES** Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as Bankers Acceptances, both domestic and foreign, which are eligible for purchase by the Federal Reserve System. Purchases of Bankers Acceptances must be from banks rated A1/P1 and may not exceed 180 days maturity or 40% of the City's surplus money which may be invested. However, no more than 30% of the City's surplus funds may be invested in the Bankers Acceptances of any one commercial bank.
7. **COMMERCIAL PAPER** of "prime" quality of the highest rating as provided by a nationally recognized statistical rating organization (NRSRO). Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10% of the outstanding paper of any single issuing corporation, nor 15% of the City's surplus money which may be invested. An additional 15%, or a total of 25% of the City's surplus money may be invested in commercial paper if the dollar-weighted average maturity of the entire amount does not exceed 31 days. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars (\$500,000,000). The issuing corporation must have an "A" or higher rating for the issuer's debt, other than commercial paper, if any, as provided by Moody's Investors Services Inc. or Standard and Poor's Corporation.
8. **NEGOTIABLE CERTIFICATES OF DEPOSIT** Issued by a nationally or State-chartered bank or a State or Federal savings and loan association or by a State-licensed branch of a foreign bank. Issuers must be rated A1/P1. Purchases of Negotiable Certificates of Deposit may not exceed 30% of the City's surplus money which may be invested.
9. **REPURCHASE AGREEMENTS** A purchase of securities by the City pursuant to an agreement by which the seller will repurchase such securities on or before a specified date, or on demand of either party, and for a specified amount. No more than 10% of the City's surplus funds shall be invested in repurchase agreements. Investments in repos will be used solely as short term investments not to exceed 90 days and the market value of the securities used as collateral that underlay a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities, and the value shall be marked to market daily. The collateral shall be limited to obligations of the United States government and its agencies. Securities used as collateral shall be held by the City's depository bank trust department. Said securities shall be held in a manner that establishes the City's right of ownership.
10. **SHARES OF BENEFICIAL INTEREST (MONEY MARKET MUTUAL FUNDS) ISSUED BY DIVERSIFIED MANAGEMENT COMPANIES** Money Market Mutual funds must consist of highly-rated short-term debt instruments. The management companies shall either (1) attain the highest ranking or the highest letters and numerical rating provided by not less than two of the three largest nationally recognized rating services, or (2) have an

Budget Policies and Practices

investment advisor registered with the Securities and Exchange Commission with not less than five years experience investing in the securities and obligations as authorized above and with assets under management in excess of five hundred million dollars (\$500,000,000) and (3) follow regulations specified by the SEC under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1, et seq.). The purchase price of shares for beneficial interest shall not include any commission these companies may charge and shall not exceed 15% of the City's surplus money which may be invested.

11. **MEDIUM TERM NOTES TO A MAX. MATURITY OF THREE YEARS** Medium-term notes of a maximum maturity of three years issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any State and operating within the United States. Notes eligible for investment shall be rated in a rating category of "AA" or its equivalent or better by at least two nationally recognized rating agencies (NRSRO). Furthermore, the Medium Term Note may not be rated below "AA" by any rating agency. Investments may not exceed 30% of the City's surplus funds.
12. **STATE AND LOCAL AGENCY OBLIGATIONS** include bonds, notes, warrants, or other evidence of indebtedness of any local agency within the State of California and/or the State of California. Investment in State and Local Agency Obligations are limited to taxable issues rated "AAA" by one of the three nationally recognized rating agencies and further limit investments to 30% of the City's surplus funds.
13. **OTHER** investments that are, or may become, legal investments through the State of California Government Code and with prior approval of the City Council.

Prohibited Securities:

1. Those securities not enumerated under Section V. A. "Eligible Securities" and
2. Inverse floaters, range notes, interest only strips derived from a pool of mortgages (collateralized mortgage obligations) and any security that could result in zero interest accrual if held to maturity as specified in Section 53601.6 of the California Government Code.
3. Securities lending agreements.

INTERNAL CONTROLS

Internal controls are designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal controls shall address the following points:

- A. Control of Collusion - Collusion is a situation where two or more employees are working together to defraud their employer.
- B. Separation of duties - By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- C. Safekeeping - Securities purchased from any bank or dealer including appropriate collateral (as defined by State law) shall be placed with the City's depository bank in its trust department for safekeeping. Said securities shall be held in a manner that establishes the City's right of ownership.
- D. Clear Delegation of Authority - Subordinate staff members must have a clear understanding of their authority and responsibility to avoid improper actions.
- E. Written Confirmation of Telephone Transactions for Investments and Wire Transfers - Due to

Budget Policies and Practices

the potential for error arising from telephone transactions, all telephone transactions shall be supported by written communications and approved by the appropriate person.

CRITERIA FOR SELECTING BROKERS AND DEALERS

A Broker is a firm that does not own the securities being offered. A firm could be both a Broker and a Dealer. A Dealer owns a position in the securities being offered. As used below, the term "Dealer" refers to both Brokers and Dealers.

- A. A qualified dealer must be a bank, savings and loan, or an investment securities dealer. Commercial paper issuers may be considered qualified dealers for direct issuance of their commercial paper.
- B. Investment Securities dealers must be primary dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).
- C. A qualified dealer must have a minimum capital requirement under SEC Rule 15C3-1 of \$250,000 and have at least five years of experience.
- D. A qualified dealer must supply proof of Financial Industry Regulatory Authority (FINRA) certification and State of California registration.
- E. A qualified dealer must certify that it has reviewed and understands the California Government Code Sections 53600 et seq. and the City's Investment Policy and that all securities offered to the City will comply fully with all provisions of the Government Code and with the City's Investment Policy.
- F. Broker/Dealers must be approved by the City Council prior to doing business with the City of Rio Dell.

FY 2024-25 Budget Calendar

The budget calendar is proposed, and a timeline is formally adopted by the City Council, which is used as a tracking tool to ensure the timely adoption of the City's budget. The budget calendar also promotes transparency through open discussions centered on how the City allocates resources in alignment with the City Council's goals and objectives.

MARCH

- **March 1 – March 5**
 - Development of proposed staffing plan
- **March 6 – March 21**
 - Salary costs are calculated based on the proposed staffing plan
 - Revenue forecasting is completed
 - Budget worksheets are compiled
- **March 22**
 - Budget packets distributed to Department Heads/Supervisors

APRIL

- **April 8**
 - Department heads/supervisors turn in budget requests to the Finance Director
- **April 15 - April 19**
 - Information compiled by Finance
- **April 22 – April 26**
 - City Manager reviews budget and provides recommended changes to Finance
 - City Manager meets with Department Heads/Supervisors as needed
- **April 26**
 - Finance finishes preparing a recommended budget for City Manager approval

MAY

- **May 6**
 - Prepare Staff Report and final preparations for Recommended Budget
- **May 21**
 - City Public Hearing-City Manager presents the recommended proposed budget at the City Council meeting
 - Priority Setting Session

JUNE

- **June 18**
 - Special Presentation- Finance Director presents the Final Proposed Operating and Capital Budget for Adoption

Resolutions



RESOLUTION NO. 1608-2024 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIO DELL ADOPTING THE OPERATING & CAPITAL BUDGET FOR FISCAL YEAR 2024-25

WHEREAS, the City is required to adopt an annual operating budget pursuant to City of Rio Dell Resolution 1227-2014; and

WHEREAS, the City Manager's proposed budget for the fiscal year beginning July 1, 2024, and ending June 30, 2025, has been reviewed and revised at various public meetings by the City Council; and

NOW THEREFORE BE IT RESOLVED, that the City of Rio Dell City Council does hereby approve and adopt the City of Rio Dell Fiscal Year (FY) 2024-25 Operating & Capital Budget comprised of revenues totaling \$18,240,269 and expenditure appropriations in the amount of \$19,454,685, with a net draw from the fund balance of \$1,218,466 as follows

FUND	NAME	RESERVES		REVENUES		EXPENDITURES		RESERVES		
		Est. Beginning Fund Bal.	Projected Totals	Projected Totals	Transfers	Change in Fund Balance	Est. End. Fund Balance	Target 30% Reserve		
005	General Fund Motorpool	103,593	40,000	1,600		38,400	141,993	480		
008	Building Fund	-	67,350	142,363	(79,063)			NA		
039	CDBG RRLF Fund	669,841	5,000	-	8,516	(3,516)	666,325	-		
000	General Fund	1,541,660	1,717,725	1,999,670	67,510	(349,455)	1,192,205	599,901		
003	Economic Development	262,530	-	47,000	-	(47,000)	215,530	14,100		
074	Recycling Fund	62,703	5,000	9,000		(4,000)	58,703	2,700		
015	Parks Fund	19,110	-	-		-	19,110	-		
014	Park Per Capita Grant	-	177,952	177,952		-	-	-		
040	SLESF Fund	130,242	160,000	155,666		4,335	134,577	46,700		
018	Trails & Parks (Clean CA)	-	1,750,000	1,750,000		-	-	-		
052	Sewer Capital Fund	1,160,750	105,000	380,000		(275,000)	885,750	114,000		
054	Sewer Debt Svc Fund	137,434	302,934	302,934		-	137,434	-		
054	Sewer Restricted Reserve	302,822	-	-		-	302,822	302,822		
050	Sewer Operations Fund	329,238	1,221,000	1,287,150		(66,150)	263,088	386,145		
027	Solid Waste Fund	11,260	5,000	6,830	3,037	(4,867)	6,393	2,049		
093	Spay & Neuter Fund	3,381	-	-		-	3,381	-		
020	Gas Tax Fund (HUTA)	168,852	101,720	96,215		5,505	174,357	28,864		
024	TDA Fund	73,137	125,317	124,314		1,003	74,140	37,294		
026	RSTP Fund	18,603	27,000	24,775		2,225	20,828	7,432		
021	SB1 (RMRA) Fund	192,510	86,681	201,937		(115,256)	77,254	60,581		
076	ARPA-SLFRF	740,132	-	340,000		(340,000)	400,132	-		
062	Water Capital Fund	1,043,418	290,000	178,000		112,000	1,155,418	53,400		
063	Water Metro Wells Fund	31,456	18,375	27,785		(9,410)	22,046	8,336		
064	Water Dinsmore Zone	84,964	23,500	110,100		(86,600)	(1,636)	33,030		
061	Water Restricted Reserve	136,000	-	-		-	136,000	136,000		
061	Water Debt Svc Fund	258,930	136,000	136,000		-	258,930	40,800		
060	Water Operations Fund	1,416,130	827,125	907,805		(80,680)	1,335,450	272,341		
065	Water Dist. System Project	-	11,047,590	11,047,590		-	-	-		
	TOTAL	8,898,696	18,240,269	19,454,685	-	(1,218,466)	7,680,230	2,146,976		

Resolution 1608-2024 Adopting the Operating and Capital Budget
For FY 2024-25

Resolutions

Budget Adoption Resolution

BE IT FURTHER RESOLVED, that staffing is adopted and funded in the FY 2024-25 Operating Budget is as follows:

FISCAL YEAR 2024-25						
POSITION ALLOCATION TABLE						
DEPARTMENT/POSITION	FULL-TIME EMPLOYEES (FTEs)					
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
ADMINISTRATION						
Management Analyst I/II/Sr	--	--	1.00	1.00	1.00	--
City Clerk	1.00	1.00	1.00	1.00	1.00	1.00
City Manager/Public Works Director	1.00	1.00	1.00	1.00	1.00	1.00
Community Development Director	0.80	0.80	0.80	0.80	0.80	1.00
Total FTEs	2.80	2.80	3.80	3.80	3.80	3.00
FINANCE DEPARTMENT						
Accountant I/II	1.00	1.00	1.00	1.00	1.00	1.00
Finance Director	1.00	1.00	0.60	0.60	1.00	1.00
Fiscal Assistant I/II	1.00	1.00	1.00	-	-	-
Senior Fiscal Assistant	1.00	1.00	1.00	2.00	2.00	2.00
Total FTEs	4.00	4.00	3.60	3.60	4.00	4.00
POLICE DEPARTMENT						
Chief of Police	1.00	1.00	1.00	1.00	1.00	1.00
Community Service Officer	--	1.00	1.00	1.00	1.00	1.00
Police Corporal	--	--	1.00	1.00	1.00	1.00
Police Officer	4.25	4.25	3.25	3.25	4.15	4.15
Police Officer Recruit	--	--	--	1.00	-	-
Records Technician	0.70	0.70	0.70	0.70	0.70	0.80
Sergeant	1.00	1.00	1.00	1.00	1.00	1.00
Total FTEs	6.95	7.95	7.95	8.95	8.85	8.95
PUBLIC WORKS DEPARTMENT						
Operator in Training (OIT)	1.00	1.00	1.00	1.00	1.00	1.00
Public Works Leadman	1.00	1.00	1.00	1.00	1.00	1.00
Utility Worker I/II/III	2.50	2.50	2.50	2.50	3.00	2.00
Wastewater Superintendent Trainee	--	--	--	--	--	--
Wastewater Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Water/Streets Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Water/Wastewater Plant Operator I/II/III	2.00	2.00	2.00	2.00	2.00	2.00
Total FTEs	8.50	8.50	8.50	8.50	9.00	8.00
TOTAL CITY FTEs	22.25	23.25	23.85	24.85	25.65	23.95

Resolutions

BE IT FURTHER RESOLVED, as follows:

Section 1.

It is the City Council's intention to approve and adopt an annual budget to provide financial guidance for routine operations of City business, and capital projects and to provide information to the general public.

Section 2.

The adopted annual City budget will be implemented and maintained in accordance with City Budget Policy as outlined in Resolution 1227-2014.

Section 3.

Adoption of the annual budget does not expressly approve expenditures of funds in excess of purchasing authority as outlined by City Resolution, Ordinance, State, or Federal law.

Section 4.

Adoption of the FY 2024-25 Budget includes funds which are not projected to have the minimum Reserve balance (15%) as outlined in City policy. Therefore, an exception to the City's Minimum Fund Balance Policy established by Resolution No. 1154-2012 is hereby granted for the Sewer Operations Fund (050) and Water Dinsmore Zone Fund (064).

Section 5.

Adoption of the FY 2024-25 budget includes the following inter-fund transfers:

From:

027	Solid Waste	\$	3,037	For City Manager time on solid waste activities
039	CDBG	\$	4,466	For Community Development Director time on CDBG activities
039	CDBG	\$	4,050	For City Manager time on CDBG activities
008	Building	\$	4,050	For City Manager time on Building activities
000	General Fund	\$	79,063	Subsidy for Building fund activities that exceed actual revenues
	Total	\$	94,666	

To:

000	General Fund	\$	3,037	From Solid Waste for City Manager staff costs
000	General Fund	\$	4,466	From CDBG for Community Development Director staff costs
000	General Fund	\$	4,050	From CDBG for City Manager staff costs
000	General Fund	\$	4,050	From Building for City Manager staff costs
008	Building	\$	79,063	From General Fund to cover expenses that exceed charges for services
	Total	\$	94,666	

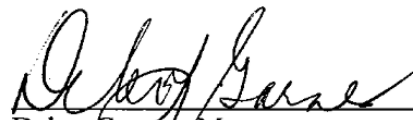
Resolutions

Section 6.

Adoption of the FY 2024-25 Budget authorizes the use of fund balance (expenditures exceeding revenues and transfers) in the following funds in the following amounts: CDBG RRLF Fund (039) \$3,516, General Fund (000) \$349,455, Economic Development Fund (003) \$47,000, Solid Waste Fund (027) \$4,867, Recycling Fund (074) \$4,000, SB1 Fund (021) \$115,256, Sewer Operations Fund (050) \$66,150, Sewer Capital Fund (052) \$275,000, ARPA-SLFR Fund (076) \$340,000, Water Operations Fund (060) \$80,680, Water Metro Wells (063) \$9,410, and Water Dinsmore Zone (064) \$86,600.

PASSED AND ADOPTED by the City of Rio Dell on this 4th day of June 2024, by the following roll call vote:

Ayes: Garnes, Carter, Orr, Wilson and Woodall
Noes: None
Abstain: None
Absent: None


Debra Garnes, Mayor

ATTEST:


Karen Dunham, City Clerk

Appropriations Limit

FY 2024-25 Gann Appropriations Limit

Voters approved Proposition 4, also known as the Gann Initiative, in November of 1979 adding Article XIII B to the California Constitution. The Appropriations Limit imposed by Proposition 4 and modified by Propositions 98 and 111 creates a restriction on the amount of revenue that can be appropriated in any fiscal year. The Appropriations Limit is based on actual appropriations during the base fiscal year and is increased each year using the change in population and change in cost of living. The only revenues that are restricted by the Appropriations Limit are those referred to as “proceeds of taxes.” Some examples of taxes are sales tax, property tax, transient occupancy tax and State motor vehicles in lieu tax. During any fiscal year, a city may not appropriate any proceeds of taxes it receives in excess of its Appropriations Limit. If the city receives excess funds in any one year, it can carry them into the subsequent year to be used if the city falls below its Appropriations Limit in that year. Any excess funds remaining after the second year must be returned to the taxpayers by reducing tax rates or fees. As an alternative, a majority of the voters may approve an “override” to increase the Appropriations Limit. The City of Rio Dell’s budgeted expenditures have always been below its annual Appropriations Limit. The factors used are:

- **Population Factor** – At the City’s choice, either the annual change in City or County population.
- **Inflation Factor** – At the City’s choice, either the change in California per capita income or increase in nonresidential assessed valuation due to new construction.

The population change for the County is -1.11% and for the City is -1.49%. For FY 2024-25, the County’s population change was used. The per capita income percentage change was 3.62%.

Appropriations Subject to Limitation City of Rio Dell FY 2024-25 Gann Limit Worksheet		
a)	FY 2023-24 Appropriations Limit (prior year)	1,604,686
	Calculation of FY 2022-23 Appropriations Limit	
	Annual Adjustment Factors:	
b)	Per Capita Personal Income	3.62%
c)	City of Rio Dell Population Change OR	-1.49%
d)	Humboldt County Population Change (whichever is greater)	-1.11%
e)	Calculation: $(1 + .0362) \times (1 - .0111) =$	1.0246982
f)	FY 2024-25 Appropriations Limit (a x e)	1,644,319
g)	FY 2024-25 Estimated Tax Proceeds Subject to Appropriations Limit	
	Property Taxes	150,375
	Property Tax In Lieu VLF	456,250
	Sales & Use Taxes	640,000
	Transient Occupancy Taxes	20,000
	Transfer Taxes	7,500
	Business License Taxes	10,000
	Cannabis Tax	250,000
	Total Tax Proceeds Subject To Limit (sum of g)	1,534,125
	FY 2024-25 Expenditures Exempt From Limit	
	City Hall Improvements	50,000
h)	Total Expenditures Exempt From Limit	50,000
i)	FY 2024-25 Appropriations Subject To Limit (g - h)	1,484,125
j)	Under (Over) Limit (f - i)	160,194

The Appropriations Limit is \$1,644,319. The total proceeds of taxes budgeted for FY 2024-25 is \$1,534,125, and the capital expenditures exempt from limit is \$50,000, resulting in the City being \$160,194 under the limit.

Glossary of Terms

Account: The classification of records by number and name dealing with financial transactions and events related to an organization's assets, liabilities, reserves, fund balances, expenditures, or revenues.

Active Transportation Program (ATP): Created by SB 99 and AB 101 to encourage increased use of active modes of transportation, such as biking and walking. The ATP consolidates existing Federal and State transportation programs, including the Transportation Alternatives Program (TAP), Bicycle Transportation Account (BTA), and State Safe Routes to School (SRTS), into a single program with a focus on making California a national leader in active transportation.

Activity: A specific and distinguishable category of work, occupational specialty, or service.

Adjusted Budget: The adopted budget as amended through formal action of the City Council.

Adopted Budget: City Council approved revenue estimates and uses of funds (appropriations) for the upcoming fiscal year.

Americans with Disabilities Act (ADA): Became federal law in 1990, the ADA is a wide-ranging civil rights law that prohibits discrimination against people with disabilities in several areas, including employment, transportation, public accommodations, communications, and access to State and local government programs and services.

Annual Financial Report: The annual financial statement report for a governmental entity that is audited and prepared in accordance with the accounting requirements established by the Government Accounting Standards Board (GASB).

Appropriation: A legal authorization granted by the city council make expenditures and to incur obligations for specific purposes within a specific time frame.

Assembly Bill (AB): State law which originated as a proposal from the Assembly.

Assessed Valuation: The valuation set upon real estate or other property by the County Assessor and used as a basis for levying taxes.

Assessment: A levy imposed upon real property for a special benefit conferred upon the real property (e.g. road, sewer, lighting & landscaping improvements as well as maintenance of these items).

Assessment District (AD): An area that is charged and will benefit from a real property assessment.

Assets: Owned property which has monetary value.

Audit: A review of the financial transactions prepared by an independent Certified Public Accountant (CPA) to determine if the financial statements fairly present the financial position and results of operations in conformity with Generally Accepted Accounting Principles (GAAP).

Available Fund Balance: That portion of the fund balance which is unencumbered and available for financing expenditures in the budget.

Glossary of Terms

Balanced Budget: A proposed or adopted financial plan in which the beginning available fund balance plus current year revenue equals or exceeds the planned expenditures. When the total recurring revenues are equal to or greater than the total recurring expenditures, a budget is considered structurally balanced.

Brown Act: The Ralph M. Brown Act is California's "sunshine" law for local government. It is found in the California Government Code beginning at Section 54950. It requires local government business to be conducted at open and public meetings, except in certain limited situations.

Budget: The planning and controlling document for financial operation of the City, with proposed spending appropriations and estimated revenues for the fiscal year.

Budget Adjustment: A financial planning tool that allows the City per adopted policy to amend or supplement the budget at any time after it is adopted as circumstances may change throughout the fiscal year.

Budget Surplus: The difference between recurring revenues and recurring expenditures. The budget surplus may be used for ongoing expenses (as opposed to year-end fund balances, which may only be used for one-time expenses).

California Society of Municipal Finance Officers (CSMFO): A statewide organization of finance professionals working for governmental agencies which promotes professional development and provides support with key issues facing municipalities.

Capital Budget: The portion of a budget that lists anticipated expenditures for capital items for which there are appropriations in a fiscal year.

Capital Improvement: Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life.

Capital Improvement Program (CIP): A plan that identifies capital projects and provides a guideline for budgeting, prioritizing, scheduling and planning infrastructure improvements.

Capital Outlay: Expenditures for tangible property with an initial cost of \$5,000 or more and a useful life of one year or more. Examples include land, buildings, machinery, equipment and construction projects.

Capital Projects Fund: In governmental accounting, a fund that accounts for financial resources to be used for the acquisition of capital assets or construction of capital facilities other than those financed by proprietary funds. The total cost of a capital project is accumulated in a single expenditures account and continues to accumulate until the project is completed, at which time the fund ceases to exist and the asset is capitalized.

Cash Flow: The net cash available for expenditures at any given point.

Certificate of Participation (COP): A financing instrument used by municipalities which provides the shareholder with a share of lease revenue. The City currently does not have any active COPs. The 1998 Refunding Certificates of Participation were used to construct the Civic Center / City Hall location and were paid off February 1, 2016.

Glossary of Terms

Chart of Accounts: A listing of individual accounts by number and name used to track financial activities.

City Clerks Association of California (CCAC): A professional organization which promotes and supports the City Clerk profession across the State of California.

Citizens' Option for Public Safety (COPS): Front line law enforcement funds allocated by the State to the County based on population; the County then allocates the funds to the cities. Can only be used to supplement existing police services. Government Code 30061 (f)

Community Development Block Grant (CDBG): Federal grant funds distributed from the U.S. Department of Housing and Urban Development that are passed through to the City. The City primarily uses these funds for public improvements, elimination of blight and local social programs.

Consumer Price Index (CPI): A measure of the average change over time in the prices paid for a market basket of consumer goods and services. Data is collected and maintained by the United States Department of Labor Bureau of Labor Statistics.

Contingency: A budgetary reserve set aside for emergency or unanticipated expenditures, revenue shortfalls and/or unknown expenditures.

Contract Services: Services provided to the City from the private sector or other public agencies.

Cost of Living Adjustment (COLA): An inflationary adjustment made to salaries in an effort to keep earnings in line with the cost of living. COLA adjustments are typically prescribed by the Memorandum of Understanding between the City and the employees and require the approval of the City Council.

Debt Service Funds: Debt service funds are governmental funds used to account for the accumulation of resources that are used in the payment of general long-term debt principal and interest as well as related fiscal agent costs.

Department: A major organizational unit of the City which has been assigned overall management responsibility for an operation or a group of related operations within a functional area.

Depreciation: (1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. (2) Portion of the cost of a capital asset that is charged as an expense during a particular period.

Division: A sub-unit of a department which provides specific services or functions.

Document Transfer Tax: The tax imposed to record each document pertaining to the transfer or sale of real property. The City receives \$0.55 per \$500.00 in real property value, exclusive of any lien or encumbrance.

Encumbrance: A legal obligation in the form of a purchase order or contract which is chargeable to a budget appropriation. The obligation is encumbered or set aside to preserve the appropriation for that purpose until an actual expenditure is made (upon receipt of goods/services or successful completion of the contract).

Glossary of Terms

Enterprise Fund: A type of fund established to account for the total costs of those governmental facilities and services which are operated in a manner similar to private enterprise. These funds are entirely or predominately self-supporting. The City of Rio Dell has two enterprise funds: Water Fund and the Sewer Fund.

Equivalent Dwelling Unit (EDU): The measurement unit assigned to a household or business which is multiplied by adopted fees for purposes of determining the amount of fees to be collected.

Expenditure: The actual spending of funds for goods and services.

Fair Labor Standards Act (FLSA): Federal statute which defines wage and hour laws. In particular, this act is the basis for determining rate of pay for overtime purposes.

Federal Emergency Management Agency (FEMA): Federal agency which responds to and prepares for disasters. It is responsible for providing financial and physical assistance to state and local governments during federally declared emergencies.

Fee or Charge: As distinguished from a tax, a fee is a charge imposed for services provided. A fee may not exceed the estimated reasonable cost of providing a service or use of a facility, plus overhead.

Fiscal Year (FY): A twelve month period of time used for budgeting and financial reporting purposes. The City's fiscal year runs from July 1 through June 30.

Franchise Fees: Imposed on utility companies for the privilege of doing business in the City. Fees are usually based upon a percentage of gross revenue derived from business conducted in the City.

Full-Time Equivalents (FTE): The portion of time a position has been budgeted based on full-time employment. A full time position works 40 hours per week. For example: A position that is budgeted to work 30 hours per week equals 0.75 FTE (30 hours per week / 40 hours per week).

Function: Related activities grouped under a division.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts, recording cash and/or other resources together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying out specific service activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Fund Balance: Fund Balance is also known as financial position and is the excess or deficit of current assets over current liabilities and represents the cumulative effect of revenues and other financing sources over expenditures and other financing uses.

Gas Tax Fund: The Gas Tax Fund is used to account for revenues and expenditures apportioned under the Streets and Highways Code of the State of California. Expenditures may be made only for street related purposes.

General Fund: This is the general operating fund of the City. All revenues that are not allocated by law or by contractual agreement to some other fund are accounted for in this fund and are available for any government activity without restriction.

Glossary of Terms

Generally Accepted Accounting Principles (GAAP): Standards and procedures which prescribe how financial statements are to be compiled and journal entries are to be recorded.

Goal: A general standard established to promote the accomplishment of an organization's stated mission.

Government Accounting Standards Board (GASB): The organization responsible for setting accounting and financial reporting standards applicable to federal, state and local governments.

Governmental Fund: Funds used to account for all activities usually associated with the current operating expenditures of a governmental entity. Governmental funds include the General Fund, Special Revenue Funds, Capital Projects Funds, Debt Service Funds and Permanent Funds.

Grant: External contributions and/or gifts of cash or other assets typically from another governmental entity to be used or expended for a specific purpose, activity or facility.

Humboldt County Association of Governments (HCAOG): A local JPA formed for regional transportation planning, responsible for programming State highway, local street and road improvements and public transportation resources. All seven cities and the County are participants.

Humboldt Transit Authority (HTA): A JPA formed to administer transit services. Participants are Humboldt County, Arcata, Eureka, Fortuna, Rio Dell and Trinidad.

Humboldt Waste Management Authority (HWMA): A JPA formed to administer solid waste, recycling and other material diversion programs and services. Formed in 1999 and comprised of the County of Humboldt, Arcata, Blue Lake, Eureka, Ferndale and Rio Dell.

Improvements: Buildings, structures or attachments to land such as sidewalks, parking lots, drainage and other infrastructure including sewer lift stations and transportation lines.

Interfund Transfers: The movement of money from one fund to another, usually to finance operations or reimburse expenditures. Accounting entries for interfund transfers are processed through transfer-in and transfer-out accounts which offset each other (net to zero).

Joint Powers Authority (JPA): Established by contract and authorized by Government Code Section 6502; where two or more local governments jointly exercise any power common to all of them.

Liability: An obligation to pay or provide services to another entity as a result of a past transaction.

Licenses and Permits: Charge designed to reimburse city for costs of regulating activities being licensed or permitted, such as licensing of animals or permitting construction.

Line Item Budget: A type of budget that lists separate accounts (education & training, insurance, utilities, etc.) along with anticipated expenditure levels for each account listed. The City's budget contains a line item budget.

Glossary of Terms

Local Agency Formation Commission (LAFCO): Implements legislative direction and policies aimed at standardizing the municipal government structure to ensure efficient and effective delivery of public services. A regional agency that oversees municipal boundaries and services.

Local Agency Investment Fund (LAIF): A voluntary program created by California statute in 1977 in which participating agencies (local governments and special districts) invest public funds.

Major Fund: A fund that comprises more than 10% of total citywide budgeted revenues and transfers-in and/or 10% of total budgeted appropriations and transfers-out.

Measure J: An extension of Measure U for five years that provides for a 1% local sales tax through December 31, 2024.

Measure U: Local general-purpose tax measure approved by the voters in November 2014 wherein the voters approved a 1% increase in the local retail sales tax for five years, ended December 31, 2019.

Measure X: An excise tax on commercial cannabis activity approved by voters in November 2017. The rate is set by the City Council up to 10% of gross receipts or up to five dollars per square foot of cultivation space. The rate is currently set at 2% or two dollars per square foot.

Memorandum of Understanding (MOU): An agreement between the City and the represented employees which describes the wages, benefits and rights of those employees and the employer organization. It can also refer to an agreement between the City and another governmental agency.

Notice of Funding Availability (NOFA): A method of notifying grant applicants of funding opportunities and providing information on the process for applying, matching requirements, etc.

Objective: A time-specific and quantifiable standard established to promote the accomplishment of a goal.

Ordinance: A formal legislative enactment by the City Council. It has the full force and effect of law within City boundaries unless pre-empted by a higher form of law. An Ordinance has a higher legal standing than a Resolution.

Overhead: Those costs necessary in providing goods/services that are not directly related, such as rent, utilities, management and supervision.

Occupational Safety and Health Administration (OSHA): Created by the Occupational Safety and Health Act of 1970, to ensure safe working conditions. OSHA sets and enforces standards as part of the United States Department of Labor.

Office of Emergency Services (OES): California's equivalent to the Federal Emergency Management Agency (FEMA); also known as Cal OES.

Operating Budget: The annual appropriation of funds for ongoing program costs.

Program: Related activities grouped under a function.

Glossary of Terms

Possessory Interest: Taxable private ownership of interests in tax-exempt public property.

Property Tax: A tax Imposed on real property and tangible personal property levied as a percentage of the assessed value of such property.

Proposition 4 (Gann Limits): A constitutional amendment approved by the voters in November 1979, enacted as Article XIII B of the California Constitution. This constitutional provision imposed spending limits on the State, schools and most local agencies. Limits are generally prior year appropriations adjusted by the consumer price index (CPI) and population changes.

Proposition 8: A constitutional amendment approved by the voters in 1978 which amended Article XIII A of the California Constitution. This constitutional amendment allows for the temporary reduction in assessed values when real property suffers a decline in value (i.e. market value < assessed value). Recovery of assessed value is not limited by the 2% cap under Proposition 13 until the value returns to the Proposition 13 adjusted base year value or changes ownership or under goes new construction.

Proposition 13: A tax limitation initiative approved by the voters in June 1978, enacted as Article XIII A of the California Constitution. Proposition 13 provided for: (1) a 1 % property tax limit exclusive of tax rates to repay existing voter-approved bonded indebtedness, (2) assessment restrictions establishing 1975 level values for all property with allowable increase of the CPI up to 2 % annually and reappraisal to current value upon change in ownership and new construction, (3) a two-thirds vote requirement to increase State taxes and (4) a two-thirds vote of the electorate for local agencies to impose “special taxes.”

Proposition 62: A statutory initiative approved by California voters in November 1986. This initiative added Sections 53720 to 53730 to the Government Code to require new local government taxes be approved by voters.

Proposition 218: A constitutional amendment approved by the voters in November 1996, adding Article XIII C and D to the California Constitution. These added constitutional provisions impose new landowner approval procedures for benefit assessments on real property and for fees imposed as an incident of property ownership.

Public Works (PW): The City’s department responsible for maintaining the City’s streets, parks, public facilities, and water and sewer systems.

Redwood Coast Energy Authority (RCEA): A JPA formed to develop and implement regional measures that reduce energy demand, increase energy efficiency and advance the use of clean efficient renewable resources.

Redwood Region Economic Development Commission (RREDC): A JPA formed to support and implement regional economic development and support the growth of local businesses.

Regional Surface Transportation Program (RSTP): Originate from the federal excise tax on gasoline and are allocated through HCAOG to the City. Funds must be used for eligible streets projects.

Glossary of Terms

Reserve: A portion of the fund balance set aside for a specific purpose (e.g. debt covenants, constitutional provisions, enabling legislation, accounting standards, City Council commitments). Funds are committed or designated for this purpose and cannot be used without authorization from the City Council.

Resolution: A special order of the City Council which has a lower legal standing than an ordinance.

Resources: Total amounts available for appropriation including revenue, income, transfers in from other funding sources and beginning balances.

Revenue: Sources of income financing the operations of government.

Sales and Use Tax: An excise tax which applies to all retail sales of merchandise. Retailers are liable for reporting and payment of the tax.

Special Revenue Fund: Fund used to account for revenue derived from specific sources that are legally restricted to expenditures for specified purposes.

Senate Bill (SB): A state law which originated as a proposal from the Senate.

Senate Bill 1 (SB 1): The Road Repair and Accountability Act of 2017 increased taxes on fuel and vehicle registration. The new revenues are dedicated to transportation purposes and provide funding for roads and transit in California. Revenue is allocated to cities on a per capita basis. Each year to receive funding every city must submit a project list, adopted by resolution and an annual expenditure report.

Senate Bill 998 (SB 998): Also known as the Water Shutoff Protection Act, was approved by the Governor in September 2018 and declares that all Californians have the right to safe, accessible and affordable water. The intent of SB 998 is to minimize the number of Californians who lose access to water service due to their inability to pay. It requires that the City have a written policy on discontinuation of water service, prohibits discontinuance until accounts are at least 60 days delinquent, requires 7 business days' notice before discontinuance and prohibits discontinuance when doing so would pose a serious threat to the health and safety of a resident if the customer demonstrates an inability to pay and is willing to make payments via alternative methods.

Subventions: A type of financial support provided by one level of government to another. For example, the State levies certain taxes that it provides to cities such as the gas tax. Most subventions are restricted to particular areas.

Supplemental Law Enforcement Services Fund (SLESF): The City has established a special revenue fund to receive SLESF. Pursuant to current State law, the State allocates COPS funds to each county that has established a SLESF based on the proportionate share of the State's total population that resides in each county and city.

Supplemental Property Tax: Legislation enacted in 1983 requires the assessment of property when a change in status occurs, such as a change in ownership or completion of new construction. Previously this was done annually. The Assessor's Office issues a supplemental assessment which reflects the difference between the prior assessed value and the new assessed value. The supplemental property tax is prorated based on the number of months remaining in the year and is in addition to the regular tax bill.

Glossary of Terms

Supplies: An expenditure classification for articles and commodities purchased for consumption or resale.

Tax: A charge for public services and facilities that provide general benefits. There need not be a direct relation between an individual taxpayer's relative benefit and the tax paid. Counties and cities may impose any tax not otherwise prohibited by state law (Gov't. Code section 37100.5). However, the State has reserved a number of taxes for its own purposes including taxes on cigarettes, alcohol and personal income. The California Constitution distinguishes between a general tax and a special tax. General tax revenues may be used for any purpose. A majority of voters must approve a new general tax or increase. Special tax revenues must be used for a specific purpose and two-thirds of voters must approve a new special tax or its increase.

Teeter Plan: An alternate method of property tax apportionment authorized in Revenue & Taxation Code Sections 4701-4717. Secured taxes are distributed by the County on the basis of the full tax levy (receivable) regardless of delinquencies. Eligible local agencies are guaranteed to receive 100% of levied taxes. Under this plan the County is allowed to finance all delinquent property taxes.

Total Maximum Daily Load (TMDL): As defined by the Clean Water Act, this is the maximum amount of pollutant that is allowed to enter a body of water in a given day to avoid exceeding water quality standards.

Transient Occupancy Tax (TOT): An 8% tax imposed on charges for lodging facilities including private home rentals for short term rentals (i.e. guest stays less than 30 days). Rio Dell first established this tax in 1965.

Unitary Property Tax: A tax assessed on property owned or used by certain public utilities and other specified companies operating in California. The State Board of Equalization determines the fair market value of these unitary properties enabling counties to use those values to levy and collect local property taxes.

Vehicle License Fee (VLF) in Lieu: Property tax revenues received in lieu of VLF. In 2004, the Legislature permanently reduced the VLF rate from 2% to 0.65% and compensated cities and counties for their revenue loss with a like amount of property taxes, dollar-for-dollar.

Unsecured Tax: A tax on properties such as office furniture, equipment, and boats not secured by real property owned by the assessed.

Year-to-Date (YTD): A term used to describe what is included in a particular data set. Typically, this term indicates the data set from the beginning of the fiscal year to a specified date or the current day.

