

# *CITY OF RIO DELL*

*FY 2014-2015*

## *RECOMMENDED*

## *BUDGET*

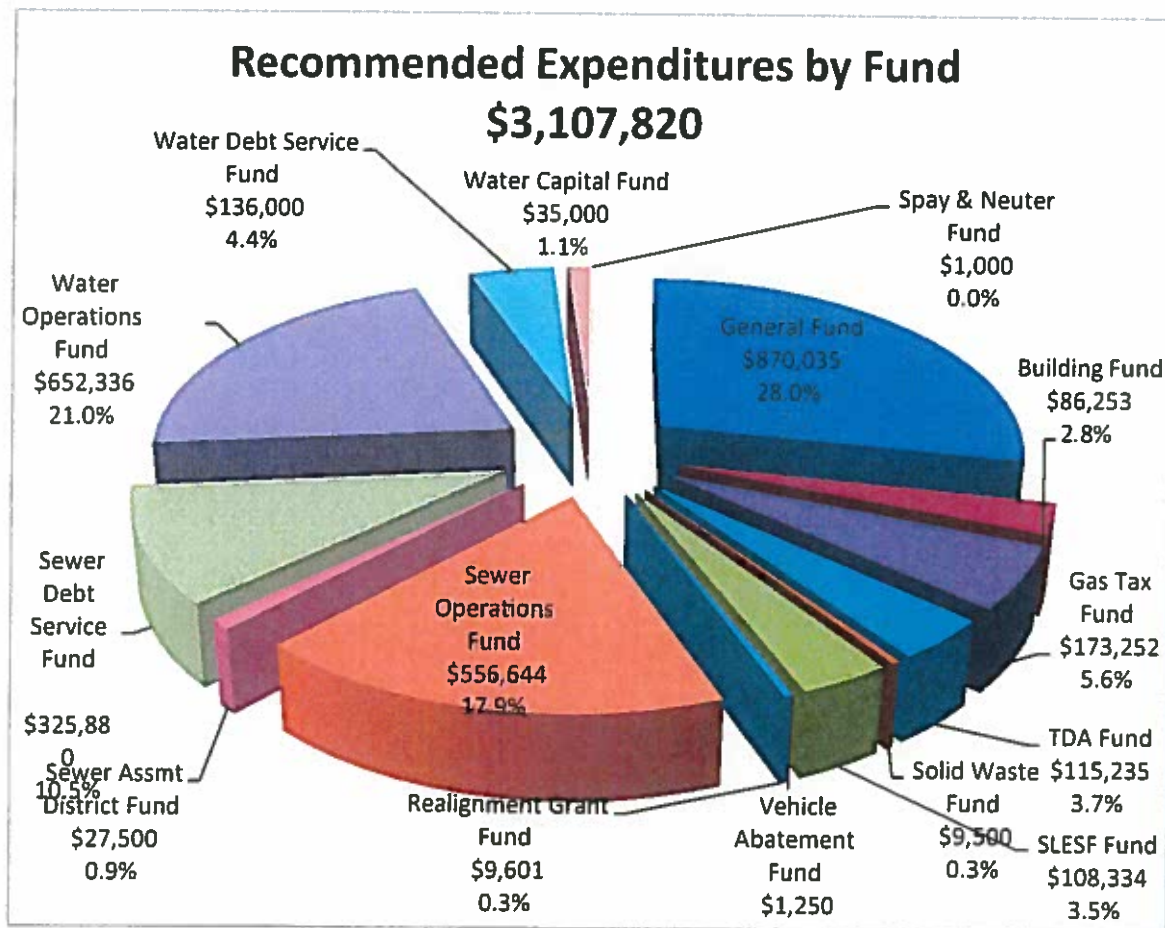


# CITY OF RIO DELL RECOMMENDED BUDGET FOR 2014-15

## INTRODUCTION

The 2014-15 Recommended budget for all funds totals \$3,107,820. Of this amount, the General Fund totals \$870,035 or 28% and the Water and Sewer utility funds represent 56% of the budget, or \$1,733,360 for their operations, debt service and capital funds. Streets total \$258,997 or 8% of the budget.

In 2014-15, the General Fund will utilize almost \$131,000 (11.5%) of its Reserves to fund ongoing programs. A revenue ballot measure is recommended to be offered to the community for approval on November 4, 2014 in order to maintain basic services.



# Position Allocation Table

Job Title	2010	2011	2012	2013	2014
	2011	2012	2013	2014	2015
	FTE	FTE	FTE	FTE	FTE
ACCOUNTANT I/II		1	1	1	1
ADMINISTRATIVE ASSISTANT	1				
CHIEF OF POLICE	1	1	1	1	1
CITY CLERK	1	1	1	1	1
CITY MANAGER /PUBLIC WORKS DIRECTOR	1	1	0.75	0.75	1
COMMUNITY DEVELOPMENT DIRECTOR		1	1	1	1
FINANCE DIRECTOR	1	1	1	1	1
FISCAL ASSISTANT I/II	2	2	1	1	1
POLICE CORPORAL	1				
POLICE OFFICER	5	3	3	3	3
POLICE RECORDS TECHNICIAN	1				
POLICE SERGEANT	1	1	1	1	1
PUBLIC WORKS LEADMAN	1	1			
PW ADMINISTRATIVE TECHNICIAN	1	1			
SENIOR FISCAL ASSISTANT	1		1	1	1
UTILITY WORKER I/II	3	4	3	3	3
WATER/WASTEWATER PLANT OPERATOR			1	1	1
WASTEWATER SUPERINTENDENT	1	1	1	1	1
WATER & ROADWAYS SUPERINTENDENT	1	1	1	1	1
PUBLIC WORKS DIRECTOR	1				
TOTAL	24	20	17.75	17.75	18

# City Compensation Schedule

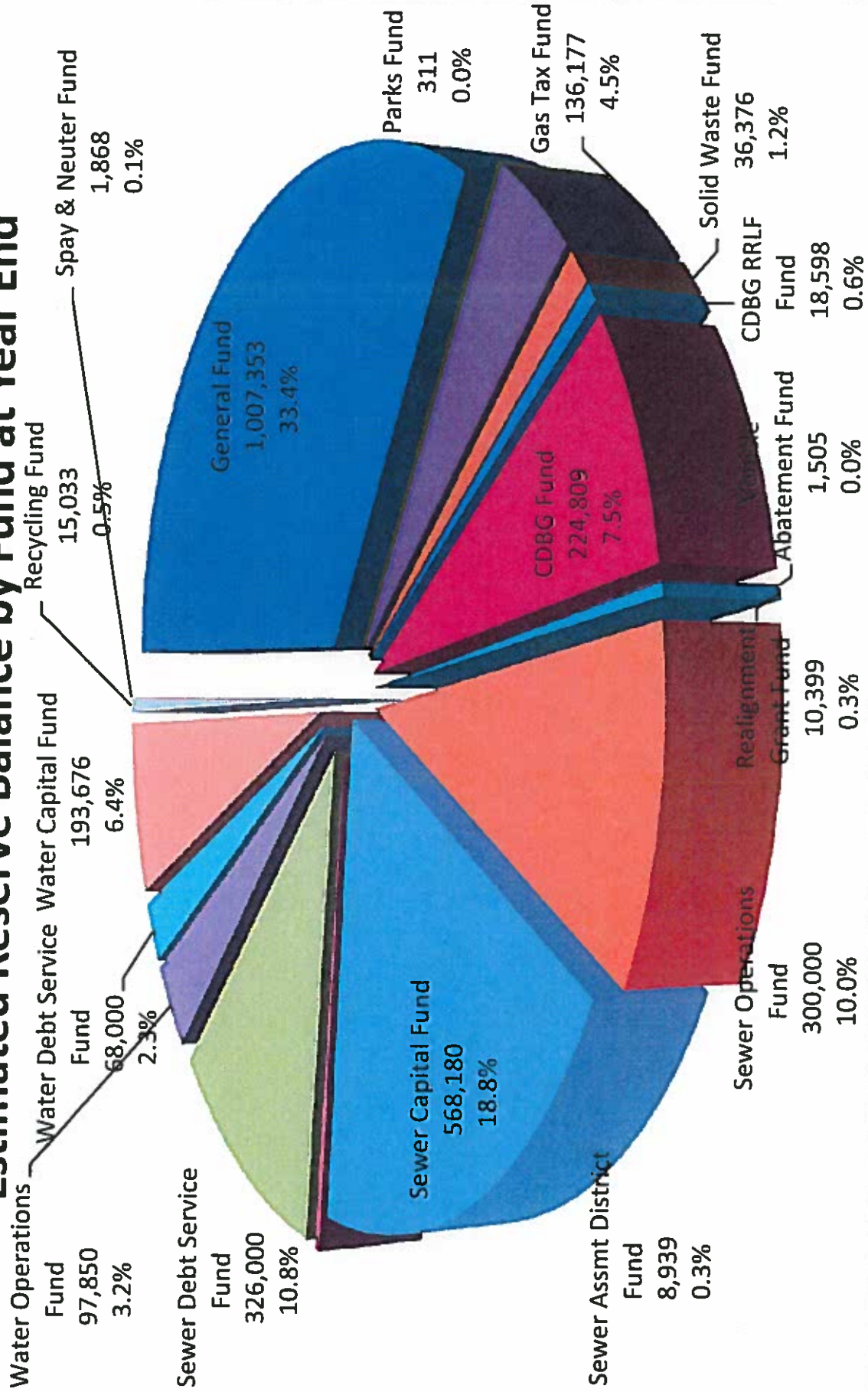
JOB TITLE	SALARY RANGE				
	A	B	C	D	E
Police Officer	\$41,823	\$43,078	\$44,370	\$45,701	\$47,072
Police Corporal	\$46,005	\$47,385	\$48,807	\$50,271	\$51,779
Records Technician	\$32,660	\$33,640	\$34,649	\$35,688	\$36,759
Sergeant	\$50,606	\$52,124	\$53,688	\$55,298	\$56,957

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

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



# Estimated Reserve Balance by Fund at Year End



# RESERVE BALANCES-ALL FUNDS

## NARRATIVE

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

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

## GENERAL FUND (00)

For example, the General Fund has an estimated reserve balance available on July 1, 2014 of \$1,138,228. Revenues for the year are recommended at \$772,838 and expenditures total \$870,036. Thus, the projected General Reserve Fund Balance at the end of the fiscal year is expected to drop \$130,875 to \$1,007,353. The newly created Building Fund was not expected to be in a deficit position, but since it is at this time, the General Fund is required to cover it (\$33,202).

## BUILDING PROGRAM FUND (08)

This is a new Fund for 2014-15 related to building plan check and inspection services for which user fees are intended to fully fund the cost of operations. Until such time as there are revenues in excess of expenditures, there will be no reserve for the fund. Revenues fall short of expenditures by \$33,678. The deficit becomes a General Fund requirement in order to balance revenues to expenditures.

#### PARKS AND RECREATION FUND (15)

Residential developments pay an assessment of \$1,500/lot into this fund to be used for park land acquisition and development. There is currently \$311 in the fund and no anticipated expenditures. No revenues are anticipated to be received in 2014-15.

#### STREET FUNDS (20 & 24)

A portion of the Highway Users Tax (Gas Tax) (20) is apportioned to cities based on population, miles of maintained streets and registered vehicles. This restricted fund can only be used for the construction, maintenance and repair of streets, including the salaries and equipment related to those activities. The estimated beginning balance in the fund is \$226,045 and revenues during the year are estimated at \$90,010. Expenditures for operations are estimated at \$173,252. The estimated \$142,803 fund balance at year end will be a tapped \$ 83,242 to balance the program for a net of \$136,176. There are insufficient revenues from gas tax to meet the community's needs for street repair and reconstruction.

The Transportation Development Act (TDA) (24) is allocated through the State for cities to meet their local public transportation needs for mass transit. Once those needs are met, the City may use the balance for street maintenance purposes. There is no fund balance available from 2013-14 and the total revenue of \$108,609 has been determined by the Council to be split between public transportation needs (\$47,276) and road maintenance (\$67,960). The anticipated balance at years end is zero. The Gas Tax Fund is contributing \$6,627 to balance the fund

#### SOLID WASTE FUND (27)

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

#### COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS (37 & 39)

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

The Community Development Block Grant (CDBG)-Residential Revolving Loan Fund (37) shows a beginning fund balance of \$18,598 and the CBDG Program Income Fund (39) has an estimated

\$224,809 to begin the year. The California Department of Housing and Community Development recently issued new guidelines to align the State program with Federal requirements. Additionally, the funds are being reconciled and new reports are being prepared. Thus, these totals and program details are under review.

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

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

#### VEHICLE ABATEMENT (43)

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

#### REALIGNMENT FUND (46)

The State of California impacted local law enforcement agencies when it took an action to release inmates early and house State prisoners in local jails. The state referred to the program as prison realignment. Local agencies objected when this population caused a spike in their workload. As the result, monies have been provided by the Legislature for the exclusive use of law enforcement to mitigate the impact. Rio Dell will receive \$20,000 in 2014-15 and expenditures are budgeted in the amount of \$9,601 to utilize Finance Department staff a few hours/week to staff their front counter and to answer phones. This staffing augmentation allows the release of an officer to the field. The Chief of Police intends to use the balance of the funds for a drug rehabilitation program (\$10,399) that is still under development.

#### SEWER FUNDS (50, 52, 53 & 54)

The Sewer Fund has (4) separate reserves for operations, debt service, capital and the assessment district. The beginning reserve balance for Operations (50) is estimated at \$339,617



and is projected to utilize \$188,061 of the reserve during the year. The internal rate structure needs to be adjusted between operations and capital.

The Sewer Capital (52) begins the year with a balance of \$193,904 and is expected to grow to \$568,180 by June 30, 2015 due to an internal transfer from the Sewer Debt Reserve, which is carrying a balance that is higher than required.

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

The Sewer Debt Service (54) fund has a positive balance of \$570,649 because the city began collecting the debt service early. Thus, it is possible to internally allocate a portion of the balance (\$244,669) not required for debt service to the Sewer Operations and Capital Funds. The required minimum balance in Debt Service is about \$326,000 for the first payment due on October 31, 2014.

#### WATER FUNDS (60, 61 & 62)

The Water Operations Reserve (60) has a beginning balance of \$114,479 and \$541,900 is the estimated revenue. It is projected that the balance in the reserve will drop to \$97,850 due to an internal transfer of \$93,807 from the Water capital Fund. A rate adjustment is required to maintain a solvent Fund.

The Water Debt Fund (61) has a beginning balance of \$230,260 with revenue for the year estimated at \$140,724. The annual debt payments of \$68,000 occur on July 1 and January 1 each year. Thus, the fund can be reduced from \$234,984 to \$68,000, transferring \$93,807 to Water Operations to establish a 15% reserve fund, and \$73,176 to the Water Capital Fund.

The Water Capital Reserve (62) begins the year with \$78,500 available and is also inadequately funded to meet the future infrastructure replacement needs of the system. At this time, \$4.50 of each subscriber's monthly payment is deposited into the Capital Fund, growing the Fund by approximately \$77,000/year. However, a minimum of \$430,000 is required to capitalize the system to replace failing infrastructure. Due to the funding balance in the Water Debt Fund, it is possible to internally transfer \$73,176 to Fund 62 for a year-end balance of \$193,676. A rate adjustment is required to maintain a solvent Fund.

### RECYCLING FUND (74)

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

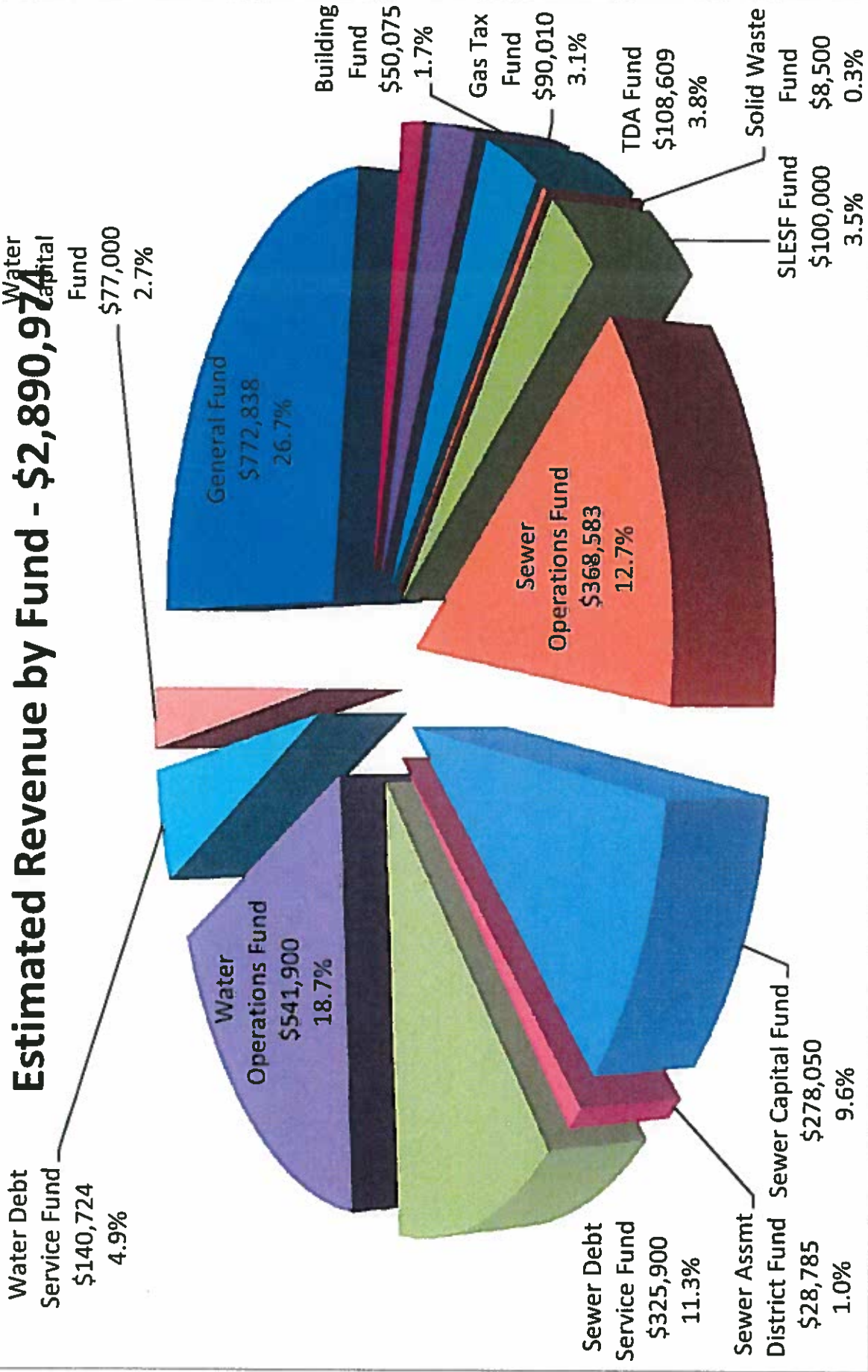
### SPAY AND NEUTER FUND (93)

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

### POLICY ITEMS

1. Should the General Fund contribution of \$33,676 to the Building Fund in 2014-15 be considered to be an inter-fund loan?
2. Internal transfers in the Water Fund
3. Internal transfers in the Sewer Fund

# Estimated Revenue by Fund - \$2,890,974



# Revenue Department

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## STATEMENT OF FUNCTION

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

## 2013-14 BUDGET

The recommended Revenue Budget totals \$2,890,974. This includes \$2,040,515 in Operating revenue, \$355,050 for Capital, and \$495,409 for Debt Service. In comparison to the prior year, budgeted Operating income has decreased by \$349,678. This is due in part to how the City is reporting revenue for the 2014-15 fiscal year. The Water Operations Fund, for example, reflects the reallocation of \$77,000 to the Water Capital Fund. The Sewer Operations Fund accounts for the most significant change to this year's Operating revenue. The reduction is roughly \$320,625. The reason is that this year's revenue amount is based on projections in the Sewer Rate Study.

Other projected decreases in Operating income are due to the State Gas Tax Fund decrease of roughly 15% and the elimination of the ISTEPA Fund. The reduction to Operating revenue from these two funds are projected to be \$34,354.

Capital Expenditures have decreased by \$4,951,742 (the original 2013-14 budget included revenue for the WWTP Project). Capital Expenditures are \$80,000 for the 2014-15 fiscal year.

The Water and Sewer rates have been increased by 3% per resolution.

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

A local sales tax is being considered as a source for new revenue. If passed, this additional sales tax revenue will be made available in quarterly payments beginning in April 2015.

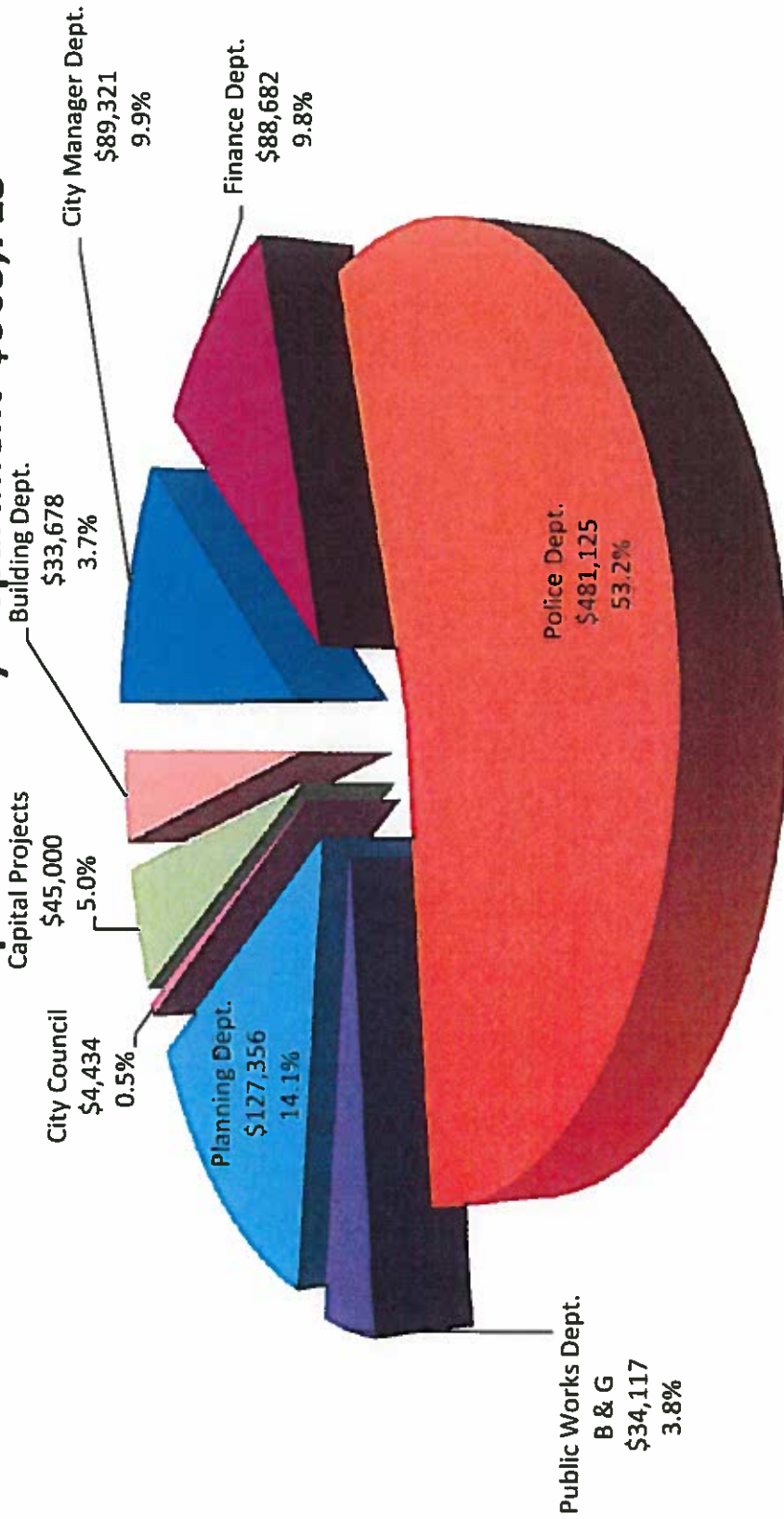
Other than the changes mentioned, there are no unanticipated revenues and no policy items to determine.

	General Fund 00	Admin. F/Water Fund 05nd 60	Water Debt Svc. 61	Water Capital Fund 62	Recycling Fund 74	Total
4010 Tax - Property Current Secured	103,921					103,921
4011 Tax - Property Current Unsecur	3,600					3,600
4012 Tax - Property Prior Secured	-					-
4013 Tax - Property Prior Unsecured	-					-
4025 Tax - Supplemental Roll	2,200					2,200
4026 Tax - Home Owner's Property	1,600					1,600
4027 Tax - Prior Years - Supplemental	-					-
4030 Tax - Transient Occupancy Tax	11,000					11,000
4035 Tax - Timber Yield	12					12
4040 Tax - Retail Sales	129,500					129,500
4041 Tax - In Lieu Retail Sales - County	43,510					43,510
4045 Tax - (HCAOG) Transportation - TDA						108,609
4048 Tax - Gasoline						90,010
4050 Tax - Documentary Real Property	2,300					2,300
4056 Tax - Public Safety .5% sales	3,300					3,300
4105 Fees - Recorders Fees	-					-
4110 Fees - Franchise - Electric	28,000					28,000
4115 Fees - Franchise - Gas	6,300					6,300
4120 Fees - Franchise - Garbage	15,275					15,275
4125 Fees - Franchise - Cable TV	33,000					33,000
4150 Fees - Business License	8,000					8,000
4151 Fees - Business License CASP SB1186	200					200
4152 Fees - Memorial Park	-					-
4162 Fees - Motor Vehicle License (VLF)	7,600					7,600
4163 Fees - In Lieu VLF - County	340,094					340,094
4170 Fees - Animal License	1,000					1,000
4172 Fees - Animal Shelter Animalia	-					-
4173 Fees - Animal Control/Relinq	1,200					1,200
4178 Fees - Booking	500					500
4180 Fees - Notary	-					-
4183 Fees - Special Police Services	1,500					1,500
4185 Fees - Street & Sidewalks	500					500
4186 Fees - Weed & Lot	300					300
4190 Fees - Integrated Waste Management						8,500
4195 Fees - Customer fax and copy	25					25
4220 Fines - Animal Control/spa-neu	-					-
4230 Fines - Building Code	-					-
4240 Fines - Other	-					-
4310 Interest Income	100					100
4320 Rental Income - U.S. Cellular	6,370					6,370
4321 Rental Income - T. Mobile	11,681					11,681
4322 Rental Income - Property	-					-
4410 Building Plan - Constr Permits	-					25,000
4420 Planning - Zoning Fees	8,000					8,000
4430 Planning - Subdivison Fee	1,500					1,500
4435 Planning - Home Occupation Permit Fee	500					500
4440 Building Plan - Plan Check Fee	-					5,000
4445 Building - Administrative Fees	-					19,800
4450 Planning - Miscellaneous Fees	-					-
4456 Planning - Parks & Recreation Developn	-					-
4460 Building Plan - Seismic Fees	-					150
4462 Building Standards- SB1473	-					125
4465 Encroachment Permits	250					250
4480 Insurance Premium Reimbursement	-					-
4510 Sewer - Service						975,135
4520 Sewer - Connection						-
4610 Water - Service		509,307	140,724	77,000		727,031
4620 Water - Connection		5,410				5,410
4630 Late Fee		19,000				38,000
4635 Shut Off Fees		5,933				11,866
4640 Water - Damage Replacement		1,000				1,000
4710 Grant Restr - ISTE A						-
4712 Grant Restricted - RSTP HCAOG						-
4740 Grant Restr - Police Grant SLESF						100,000
4743 Grant Restr - CHRP Police Grant						-
4744 Grant -Realignment PD Grant						-



	General Fund 00	Admin. F/Water Fund 05 and 60	Water Debt Svc. 61	Water Capital Fund 62	Recycling Fund 74	Total
4746 Grant Restricted - Recycling					-	-
4801 Fundraising						-
4802 Donations- Bicycle Helmets						-
4803 Donations- Misc						-
4920 Misc - Special Public Works						-
4935 Gain/Loss on Disposal of Assets						-
4936 Bad Debt Recovery		1,000				2,000
4950 Misc		250				500
4963 Anniversary Income						-
4990 Misc - Other						-
4995 Donations						-
4999 Revenue- Reserves						-
<b>TOTAL REVENUE FY 2014-2015</b>	<b>772,838</b>	<b>-341,900</b>	<b>140,724</b>	<b>77,000</b>	<b>-</b>	<b>2,890,974</b>
<b>TOTAL REVENUE FY 2013-2014</b>	<b>818,636</b>	<b>344,147</b>	<b>230,260</b>		<b>1,900</b>	<b>2,640,453</b>
	<b>(45,798)</b>	<b>(2,247)</b>	<b>(89,536)</b>		<b>(1,900)</b>	<b>(469,289)</b>
<b>Percentage Change</b>	<b>-5.93%</b>	<b>-</b>	<b>-0.41%</b>		<b>-</b>	<b>8.67%</b>
<b>Expenditures</b>						
5104 Printing - Forms						
5111 Cash Over/Short						
5410 Interest Expense						
5610 Bad Debt						
8000 Reserve Allocation						
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>6,250</b>		<b>-</b>	<b>-</b>

# General Fund Expenditures by Department \$903,713



# General Fund Overview

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The Budget Summary Worksheet for 2014-15 indicates that \$130,876 (\$97,198 + \$33,678) will be drawn from the Reserve in order to balance the General Fund budget. And, although the projected Reserve at June 30, 2015 is \$1,007,352, it is clear that revenues coming into the Fund (\$772,838) cannot keep pace with expenditures of \$870,036, \$903,714 including the subsidy to the Building Fund.

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

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

The Streets Fund is not receiving adequate gas tax revenue to address the failing condition of city streets and, as you know, 2 bond measures failed in 2012-13 in order to address our most pressing needs. The only other source of such funding, besides grants which are hard to find, is the General Fund and obviously the Fund has its own limitations.

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

The 2014-15 Recommended Budget is tight as the Council directed and maintains public service levels and staffing. However, that cannot continue unless a source of new revenue is available. The City Manager is exploring

the feasibility of a revenue ballot measure for November 4, 2014, as are 4 other Cities and the County of Humboldt, all of whom are experiencing a loss of revenue.

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

Although neither approach will be adequate to meet all of the modest needs mentioned above, revenue from a 1% local sales tax would be a step in the right direction. A tax measure that supports governmental services generally would require a simple majority vote for passage and would remain in place for 5 years, at which time the local tax is either renewed by the vote of the people again, or it expires.

# City Manager Department

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## STATEMENT OF FUNCTION

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

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

## 2014-15 BUDGET

The recommended budget for the City Manager's department is \$309,624, an increase of \$66,119 from the July 1, 2013 final budget, but only \$15,979 more than the adjusted budget that included extraordinary City Manager recruitment and legal costs. The City Manager position budgeted last year at ¾ time is back to fulltime for 2014-15; the experiment demonstrated that the demands on a Rio Dell City Administrator are fulltime.

The budget spread amongst the various funds as recommended is \$89,322 (29%) to the General Fund, \$13,691 (4.0%) to Streets, \$42,677 (14%) to Sewer Operations, including 40 hours of City Manager's time, and \$163,925 (53%) to the Water Fund.

## SALARIES AND BENEFITS

Salaries and employee benefits for the new City Manager, a 1 month overlap with the retiring CM and City Clerk total \$252,749, \$81,238 more than 2013-14, which included the



City Manager as a ¼ time position. The recommended budget also includes the payoff of accrued benefits for the retiring Manager.

The salaries and benefits for the new City Manager, assuming a July 1, 2014 starting date is \$133,356, which may be high due to the assumption that he/she has a spouse and 2 dependents on the insurance plans and will cash out 80 hours of Executive leave. The total cost for the outgoing City Manager is \$23,850 and the City Clerk's cost is \$34,154.

### SERVICES AND SUPPLIES

The Service and Supplies accounts are reduced to \$55,875 from \$93,635 in 2013-14, primarily due to the deletion of the City Manager recruitment costs, \$25,000 for Architectural services for the development of a city hall master plan and remodel, and \$7,500 for a total compensation study.

Other cost centers of note:

1. Legal (5112) includes \$15,000 as may be required.
2. Contract/Professional Services (5115) is recommended at \$15,000; 11,760 for professional contract services as may be required and \$3,240 for the Access Humboldt public information contract.
3. Training (5122) includes \$2,000 for both the City Manager and City Clerk

All other accounts have been adjusted to reflect actual costs.

### OTHER CHARGES

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

### POLICY ITEMS

Employment agreement with new City Manager.

**Recommended Budget  
CITY MANAGER DEPARTMENT  
FY 2014-2015**

	<b>FY 12-13 Adjusted Budget</b>	<b>FY 12-13 Actual</b>	<b>FY 13-14 Budget</b>	<b>FY 13-14 YTD Adj Budget</b>	<b>FY 13-14 Est. Year-end</b>	<b>FY 14-15 Dept. Req.</b>	<b>FY 14-15 City Mgr. Recom.</b>	<b>FY 14-15 Council Approved</b>
<b>EXPENDITURES</b>								
5000 Full Time Salaries	120,187	119,961	110,018	110,019	126,959	124,359	171,281	
5032 Retirement - City Mgr.	8,000	9,767	11,300	11,300	5,595	-	-	
5035 Benefit - ICMA City	6,658	5,818	3,517	3,517	11,335	17,027	22,900	
5040 Benefit - Health Ins.	29,731	13,997	14,077	14,077	15,985	36,558	34,427	
5042 Benefit - Life Ins.	386	311	324	324	320	330	371	
5044 Benefit - Dental/Vision Ir	2,717	2,297	2,507	2,507	2,739	2,260	2,417	
5045 Worker Comp	1,459	3,148	2,002	2,002	3,275	1,258	1,733	
5050 FICA	6,134	10,647	8,416	8,416	10,740	9,513	13,103	
5055 Unemployment Ins	1,306	651	1,100	1,100	803	1,244	1,517	
5080 Hiring Costs	-	-	18,250	45,151	31,400	5,000	5000	
5081 Compensated Absences I	-	470	-	-	-	-	0	
<b>Subtotal</b>	<b>176,578</b>	<b>167,067</b>	<b>171,511</b>	<b>198,413</b>	<b>209,150</b>	<b>197,548</b>	<b>252,749</b>	
5101 Office Supplies	1,530	1,714	1,500	1,496	1,611	1,500	1,500	
5102 Operating Supplies	1,530	464	700	700	335	350	350	
5103 Postage	408	537	250	250	218	250	250	
5104 Printing - Forms	1,020	2,846	2,000	2,000	3,435	3,000	3,000	
5106 Promotional	153	-	50	51	-	-	-	
5112 Legal	20,000	13,325	20,000	20,000	3,435	10,000	15,000	
5113 Court Costs	-	-	-	-	-	-	-	
5115 Contract/Professional Se	9,433	7,591	17,500	40,740	40,740	15,000	13,240	
5119 Safety Supplies & Equipm	-	3	-	-	-	-	-	
5120 Telephone - Pagers	836	1,001	900	900	1,734	2,000	2,000	
5122 Training - Conference	5,100	189	4,500	4,500	1,831	2,000	2,000	
5123 Automobile - Transporta	6,936	3,489	6,000	6,000	2,559	3,000	4,200	
5125 Publications - Books	102	13	100	100	35	50	50	
5126 Dues & Memberships	5,486	2,645	2,500	2,500	295	2,500	1,100	
5128 Employee Relations	153	47	150	151	-	100	100	
5130 Rents - Leases	1,326	976	4,500	4,500	939	3,000	3,000	
5131 Records Maintenance	-	-	-	-	99	100	100	
5135 Maintenance - Repair	153	606	250	251	504	450	450	
5138 Office Equipment	102	614	250	251	849	1,000	500	
5139 Equipment	-	8	500	500	-	500	500	
5140 Bond Insurance	-	6	10	10	-	-	-	
5141 General Liability Insuranc	4,108	2,400	4,167	4,167	3,430	4,312	4,312	
5143 Property Insurance	711	425	937	936	798	957	957	
5144 Emp Practice Liab Insura	395	233	330	330	240	318	318	
5148 Office Equipment	-	172	250	251	-	-	-	
5150 Electricity	1,005	652	650	651	586	586	586	
5151 Natural Gas	576	63	300	300	63	63	63	
5160 Elections	1,020	1,174	-	-	-	-	-	
5164 Regulatory Fees	-	-	-	-	-	-	-	
5166 LAFCO Fees	-	1,246	-	-	1,709	-	-	
5171 Computer Software	306	1,345	500	500	-	500	500	
5173 Computer Maintenance	1,020	908	1,100	1,100	1,029	1,769	1,769	
5174 Web Design Services	-	8	500	500	30	30	30	
5175 Community Promotions	-	5	-	-	0	-	-	
<b>Subtotal</b>	<b>63,409</b>	<b>44,705</b>	<b>70,394</b>	<b>93,635</b>	<b>66,501</b>	<b>53,335</b>	<b>55,875</b>	
5215 Public Works - Small Tools	-	-	100	100	-	-	-	
5514 Engineering	-	-	-	-	340	1,000	1,000	
5520 Improvements	-	17	-	-	-	-	-	

**Recommended Budget  
CITY MANAGER DEPARTMENT  
FY 2014-2015**

	<b>FY 12-13 Adjusted Budget</b>	<b>FY 12-13 Actual</b>	<b>FY 13-14 Budget</b>	<b>FY 13-14 YTD Adj Budget</b>	<b>FY 13-14 Est. Year-end</b>	<b>FY 14-15 Dept. Req.</b>	<b>FY 14-15 City Mgr. Recom.</b>	<b>FY 14-15 Council Approved</b>
5530 Legal Settlements	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Subtotal</i>	<u>15,000</u>	<u>15,017</u>	<u>100</u>	<u>100</u>	<u>340</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
5800 Budget Reduction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Subtotal</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
6100 Fixed Asset - Computer Hardwr.	<u>-</u>	<u>-</u>	<u>1,500</u>	<u>1,497</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
6600 Fixed Asset - Land Improvemts.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Subtotal</i>	<u>-</u>	<u>-</u>	<u>1,500</u>	<u>1,497</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u><b>254,987</b></u>	<u><b>226,789</b></u>	<u><b>243,505</b></u>	<u><b>293,645</b></u>	<u><b>275,991</b></u>	<u><b>251,883</b></u>	<u><b>309,624</b></u>	<u><b>-</b></u>

**Recommended Budget By Fund  
CITY MANAGER DEPARTMENT  
FY 2014-2015**

	General Fund 00	Gas Tax Fund 20	TDA Fund 24	Sewer Fund 50	Water Fund 60	Total Proposed
	20.0%	2.5%	2.5%	15.0%	60.0%	
<b>EXPENDITURES</b>						
5000 Full Time Salaries	50,548	3,773	3,773	22,637	90,550	171,281
5032 Retirement - City Manager						-
5035 Benefit - ICMA City 457	6,533	511	511	3,067	12,269	22,900
5040 Benefit - Health Insurance	13,878	642	642	3,853	15,412	34,427
5042 Benefit - Life Insurance	125	8	8	46	184	371
5044 Benefit - Dental/Vision Insur	942	46	46	277	1,106	2,417
5045 Worker Compensation Ins.	511	38	38	229	916	1,733
5050 FICA/MEDI	3,867	289	289	1,732	6,927	13,103
5055 Unemployment Insurance	466	33	33	197	788	1,517
5080 Hiring Costs	1,000	125	125	750	3,000	5,000
5081 Compensated Absences Pbl.						-
<b>Subtotal</b>	<b>77,871</b>	<b>5,464</b>	<b>5,464</b>	<b>32,788</b>	<b>131,152</b>	<b>252,749</b>
5101 Office Supplies	300	37	37	225	901	1,500
5102 Operating Supplies	70	8	8	52	212	350
5103 Postage	50	6	6	37	151	250
5104 Printing - Forms	600	75	75	450	1,800	3,000
5106 Promotional	-	-	-	-	-	-
5112 Legal	3,000	375	375	2,250	9,000	15,000
5113 Court Costs	-	-	-	-	-	-
5115 Contract/Professional Services	2,648	331	331	1,986	7,944	13,240
5119 Safety Supplies & Equipment	-	-	-	-	-	-
5120 Telephone - Pagers	400	50	50	300	1,200	2,000
5122 Training - Conference	400	50	50	300	1,200	2,000
5123 Automobile - Transportation	840	105	105	630	2,520	4,200
5125 Publications - Books	10	1	1	7	31	50
5126 Dues & Memberships	220	27	27	165	661	1,100
5128 Employee Relations	20	2	2	15	61	100
5130 Rents - Leases	600	75	75	450	1,800	3,000
5131 Records Maintenance	20	2	2	15	61	100
5135 Maintenance - Repair	90	11	11	67	271	450
5138 Office Equipment	100	12	12	75	301	500
5139 Equipment	100	12	12	75	301	500
5140 Bond Insurance	-	-	-	-	-	-
5141 General Liability Insurance	925	55	109	1,695	1,528	4,312
5143 Property Insurance	201	12	24	381	339	957
5144 Emp Practice Liab Insurance	68	4	8	125	113	318
5148 Office Equipment	-	-	-	-	-	-
5150 Electricity	117	14	14	87	354	586
5151 Natural Gas	12	1	1	9	40	63
5160 Elections	-	-	-	-	-	-
5164 Regulatory Fees	-	-	-	-	-	-
5166 LAFCO Fees	-	-	-	-	-	-
5171 Computer Software	100	12	12	75	301	500
5173 Computer Maint - Support	353	44	44	265	1,063	1,769
5174 Web Design Services	6	-	-	4	20	30
5175 Community Promotions	-	-	-	-	-	-
<b>Subtotal</b>	<b>11,250</b>	<b>1,321</b>	<b>1,391</b>	<b>9,740</b>	<b>32,173</b>	<b>55,875</b>
5215 Public Works - Small Tools	-	-	-	-	-	-
5514 Engineering	200	25	25	150	600	1,000
5520 Improvements	-	-	-	-	-	-

**Recommended Budget By Fund  
CITY MANAGER DEPARTMENT  
FY 2014-2015**

	<u>General Fund 00</u>	<u>Gas Tax Fund 20</u>	<u>TDA Fund 24</u>	<u>Sewer Fund 50</u>	<u>Water Fund 60</u>	<u>Total Proposed</u>
	20.0%	2.5%	2.5%	15.0%	60.0%	
5530 Legal Settlements	-	-	-	-	-	-
<i>Subtotal</i>	<u>200</u>	<u>25</u>	<u>25</u>	<u>150</u>	<u>600</u>	<u>1,000</u>
5800 Budget Reduction	-	-	-	-	-	-
<i>Subtotal</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
6100 Fixed Asset - Comp Hardwr.	-	-	-	-	-	-
6600 Fixed Asset - Land Improve.	-	-	-	-	-	-
<i>Subtotal</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Subtotal Expenditures</b>	<u><b>89,321</b></u>	<u><b>6,810</b></u>	<u><b>6,880</b></u>	<u><b>42,678</b></u>	<u><b>163,925</b></u>	<u><b>309,624</b></u>



# Finance Department

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## STATEMENT OF FUNCTION

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

## 2014-15 BUDGET

The total recommended budget for the Finance Department for 2014-15 is \$\$367,113, an increase in the amount of \$14,082 from the prior year due to an increase in health insurance costs, outside Auditor services and computer maintenance services. Except for these 3 unavoidable increases, the budget would have decreased \$14,480 from the prior year.

## SALARIES AND EMPLOYEE BENEFITS

The salaries and benefits object of the Finance Department budget funds the cost 4 staff positions, including the Director, and totals \$268,841, an increase of \$1,170 from 2013-14. The Police Department's SLESF grant is funding \$9,601 of Finance Department salaries and benefits for 20% of a staff person for office support. As the result of staff turnover and benefit selection, the cost of health insurance for employee dependents has grown from \$26,568 to \$45,736, a \$19,168 increase (72%). Otherwise, there are no significant changes.

## SERVICES AND SUPPLIES

Services and supplies are recommended to increase \$12,912, primarily due to the inclusion of the full cost for outside Auditor services (\$6,800), underfunded in 2013-14, and the department's share of the cost of the new computer maintenance contract ((\$6,024). Otherwise, the balance of the object is recommended in similar amounts as the prior fiscal year.

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

## POLICY ITEMS

There are no policy items presented in the recommended Finance budget.

**Recommended Budget**  
**FINANCE DEPARTMENT**  
**FY 2014-2015**

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

**Recommended Budget  
FINANCE DEPARTMENT  
FY 2014-2015**

	<b>FY 12-13 Adjusted Budget</b>	<b>FY 12-13 Actual</b>	<b>FY 13-14 Budget</b>	<b>FY 13-14 YTD Adj Budget</b>	<b>FY 13-14 Est. Year-end</b>	<b>FY 14-15 Dept. Req.</b>	<b>FY 14-15 City Mgr. Recom.</b>	<b>FY 14-15 Council Approved</b>
5173 Computer Maintenance - Supp	12,240	14,268	9,000	8,999	13,841	13,841	15,023	
5174 Web Design Services	350	21	200	196	91	91	144	
5175 Community Promotions	-	14	-	-	-	-	-	
<b>Subtotal</b>	<b>93,419</b>	<b>91,032</b>	<b>85,360</b>	<b>85,358</b>	<b>101,913</b>	<b>104,873</b>	<b>98,272</b>	<b>-</b>
5215 Public Works - Small Tools	-	-	-	-	-	-	-	
5430 Fines/Penalties	-	288	-	-	-	-	-	
5520 Improvements	-	44	-	-	-	-	-	
<b>Subtotal</b>	<b>-</b>	<b>332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
5800 Budget Reduction	(2,883)	-	-	-	-	-	-	
<b>Subtotal</b>	<b>(2,883)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
6100 Fixed Asset - Computer Hardw	-	8,553	-	-	-	-	-	
6600 Fixed Asset - Land Improveme	-	-	-	-	-	-	-	
<b>Subtotal</b>	<b>-</b>	<b>8,553</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>368,649</b>	<b>349,194</b>	<b>353,031</b>	<b>353,031</b>	<b>289,173</b>	<b>373,713</b>	<b>367,113</b>	

**Recommended Budget By Fund  
FINANCE DEPARTMENT  
FY 2014-2015**

	<u>General Fund 00</u>	<u>Gas Tax Fund 20</u>	<u>TDA Fund 24</u>	<u>Sewer Fund 50</u>	<u>Water Fund 60</u>	<u>Total Proposed</u>
<b>EXPENDITURES</b>						
5000 Full Time Salaries	48,221	1,764	1,764	64,112	64,112	179,974
5030 Overtime Salaries	72	-	-	64	64	200
5035 Benefit - ICMA City 457	5,316	212	212	6,835	6,835	19,409
5040 Benefit - Health Insurance	12,649	491	491	16,053	16,053	45,736
5042 Benefit - Life Insurance	121	5	5	165	165	461
5044 Benefit - Dental/Vision Insu	1,443	65	65	2,049	2,049	5,671
5045 Worker Compensation Insu	488	18	18	649	649	1,822
5050 FICA/MEDI	3,689	135	135	4,905	4,905	13,768
5055 Unemployment Insurance	482	18	18	641	641	1,800
5070 Education Reform Augmentation						-
5080 Hiring Costs						-
5081 Compensated Absences Pa	-	-	-	-	-	-
<b>Subtotal</b>	<b>72,481</b>	<b>2,707</b>	<b>2,707</b>	<b>95,473</b>	<b>95,473</b>	<b>268,841</b>
5101 Office Supplies	542	90	90	1,444	1,444	3,610
5102 Operating Supplies	120	20	20	320	320	800
5103 Postage	1,046	174	174	2,790	2,790	6,975
5104 Printing - Forms	495	83	83	1,320	1,320	3,300
5105 Advertising	-	-	-	-	-	-
5110 Accounting	4,320	720	720	11,520	11,520	28,800
5111 Cash Over/Short	-	-	-	-	-	-
5112 Legal	60	10	10	160	160	400
5115 Contract/Professional Serv	60	10	10	160	160	400
5116 Bank Fees	314	52	52	837	837	2,093
5119 Safety Supplies & Equipme	-	-	-	-	-	-
5120 Telephone - Pagers	336	56	56	895	895	2,238
5122 Training - Conference	675	113	113	1,800	1,800	4,500
5123 Automobile - Transportatic	195	33	33	520	520	1,300
5125 Publications - Books	14	2	2	38	38	96
5126 Dues & Memberships	19	3	3	50	50	125
5128 Employee Relations	-	-	-	-	-	-
5130 Rents - Leases	465	78	78	1,240	1,240	3,100
5131 Records Maintenance	79	13	13	210	210	525
5135 Maintenance - Repair	293	49	49	780	780	1,950
5138 Office Equipment	480	80	80	1,280	1,280	3,200
5139 Equipment	-	-	-	-	-	-
5141 General Liability Insurance	2,838			4,585	3,985	11,408
5143 Property Insurance	630			1,017	884	2,531
5144 Emp Practice Liab Insuranc	209			338	294	841
5148 Office Equipment-DO NOT	-	-	-	-	-	-
5150 Electricity	236	39	39	629	629	1,573
5151 Natural Gas	26	4	4	68	68	171
5162 Medical	-	-	-	-	-	-
5163 Property Tax Admin Fees	450	75	75	1,200	1,200	3,000
5171 Computer Software	26	4	4	68	68	170
5172 Computer Training	-	-	-	-	-	-

**Recommended Budget By Fund  
FINANCE DEPARTMENT  
FY 2014-2015**

	<u>General Fund 00</u>	<u>Gas Tax Fund 20</u>	<u>TDA Fund 24</u>	<u>Sewer Fund 50</u>	<u>Water Fund 60</u>	<u>Total Proposed</u>
5173 Computer Maintenance - S	2,253	376	376	6,009	6,009	15,023
5174 Web Design Services	22	4	4	58	58	144
5175 Community Promotions	-	-	-	-	-	-
<b>Subtotal</b>	<b>16,201</b>	<b>2,087</b>	<b>2,087</b>	<b>39,337</b>	<b>38,559</b>	<b>98,272</b>
5215 Public Works - Small Tools	-	-	-	-	-	-
5430 Fines/Penalties	-	-	-	-	-	-
5520 Improvements	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
5800 Budget Reduction	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
6100 Fixed Asset - Computer Ha	-	-	-	-	-	-
6600 Fixed Asset - Land Improve	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>88,682</b>	<b>4,794</b>	<b>4,794</b>	<b>134,810</b>	<b>134,032</b>	<b>367,113</b>



# City Council Department

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## STATEMENT OF FUNCTION

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

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

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

## 2014-15 BUDGET

The recommended budget for the City Council is \$11,358, a decrease of \$15,337 from the 2013-14 budget. The net General Fund cost for the department is \$4,434.

## SALARIES AND BENEFITS

City Council Members serve without salaries and benefits.

## SERVICES AND SUPPLIES

Services and supplies total \$11,358, a decrease of \$15,337 from the 2013-14 budget. This reduction is due to the one-time allocation of \$6,250 for a cash match for a Chamber of Commerce grant last year and the decrease of \$8,000 for Humboldt Access services to stream live City Council meetings. Other expenditures include \$3,240 for the City's support of public access channels through Access Humboldt, \$2,000 for City Council training, \$1,500 for mileage reimbursement for members using their personnel vehicles or City vehicle on City business, and \$2,751 for League of California Cities annual dues. The balance of expenditure

Line items are related to equipment repair and liability insurance costs.

## POLICY ITEMS

There are no policy items in the recommended budget.

**Recommended Budget  
CITY COUNCIL  
FY 2014-2015**

<b>CITY COUNCIL</b>	<b>FY 12-13 Adjusted Budget</b>	<b>FY 12-13 Actual</b>	<b>FY 13-14 Budget</b>	<b>FY 13-14 YTD Adj Budget</b>	<b>FY 13-14 Est. Year-end</b>	<b>FY 14-15 Dept. Req.</b>	<b>FY 14-15 City Mgr. Recom.</b>	<b>FY 14-15 Council Approved</b>
<b>EXPENDITURES</b>								
5102 Operating Supplies	0	13	51	51	0			
5103 Postage	0	5	0	0	0			
5104 Printing - Forms	0	21	51	51	0			
5106 Promotional	0	0	0	0	4,954		-	
5112 Legal	512	982	1,000	1,000	0		500	
5115 Contract/Professional Services	0	0	8,000	7,059	946		3,240	
5122 Training - Conference	0	0	0	0	688		2,000	
5123 Automobile - Transportation	0	0	0	0	1,500		1,500	
5126 Dues & Memberships	0	0	2,751	2,751	3,094		2,751	
5129 Meeting	0	0	2,100	2,100	0		-	
5135 Maintenance - Repair					536		500	
5138 Office Equipment	0	0	1,951	2,892	3,468		-	
5141 General Liability Insurance	0	0	1,302	1,302	0		710	
5143 Property Insurance	0	0	294	294	0		157	
5450 Miscellaneous Expense	0	0	6,250	6,250	6,250		-	
5540 Mayor Woodall	734	59	251	251	0			
5541 Gordon Johnson	734	107	251	251	630			
5560 Council Member Marks	734	0	251	251	0			
5562 Council Member Barsanti	0	0	0	0	0			
5563 Council Member Thompson	734	800	1,096	1,096	0			
5564 Council Member Wilson	734	0	1,096	1,096	0			
5800 Budget Reduction	(27)	0	0	0	0			
<b>TOTAL EXPENDITURES</b>	<b>4,155</b>	<b>1,987</b>	<b>26,695</b>	<b>26,695</b>	<b>22,065</b>		<b>11,358</b>	

**Recommended Budget by Fund  
CITY COUNCIL  
FY 2014-2015**

CITY COUNCIL	General Fund 00	Gas Tax Fund 20	TDA Fund 24	Sewer Fund 50	Water Fund 60	Total Proposed
	0.34	0.025	0.025	0.305	0.305	
<b>EXPENDITURES</b>						
5102 Operating	-	-	-	-	-	-
5103 Postage	-	-	-	-	-	-
5104 Printing - Forms	-	-	-	-	-	-
5106 Promotional	-	-	-	-	-	-
5112 Legal	170	13	13	153	153	500
5115	1,102	81	81	988	988	3,240
5122 Training -	680	50	50	610	610	2,000
5123 Automobile -	510	38	38	458	458	1,500
5126 Dues &	935	69	69	839	839	2,751
5129 Meeting	-	-	-	-	-	-
5135 Maintenance -	170	13	13	153	153	500
5138 Office Equipment	-	-	-	-	-	-
5141 General Liability	710					710
5143 Property	157					157
5450 Miscellaneous	-					-
5540 Mayor Woodall	-					-
5541 Gordon Johnson	-					-
5560 Council Member	-					-
5562 Council Member	-					-
5563 Council Member	-					-
5564 Council Member	-					-
5800 Budget Reduction	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>4,434</b>	<b>262</b>	<b>262</b>	<b>3,200</b>	<b>3,200</b>	<b>11,358</b>

# Police Department

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## STATEMENT OF FUNCTION

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

## 2014-15 BUDGET

The recommended Police Department budget totals \$601,310, an increase of \$26,083 in comparison to the prior year. Most of the increase can be attributed to 2 accounts; health insurance and workers compensation, and a \$9,601 grant.

The Police Department represents a net cost of \$481,125 (55%) to the General Fund in 2014-15. And, if the Fund was not using its Reserves to balance the budget, the Department would account for 62% of all General Fund expenditures.

## SALARIES AND EMPLOYEE BENEFITS

The Rio Dell Police Department continues its reduced staffing level of 5.0 personnel from 9.0 FTE four years ago. Salaries and benefits for the Chief, Corporal and 3 Officers total \$497,103. As mentioned above, the health insurance account has increased \$11,727 for employee dependents coverage, due to Officer turnover, and \$9,324 in Workers Compensation insurance cost. The accounts were underfunded in 2013-14.

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

## SERVICES AND SUPPLIES

The services and supplies line items total is recommended at \$70,207, a reduction of \$3,292 from 2013-14. The accounts generally are not discretionary and support police and patrol services. The more significant costs centers are as follows:

1. (5115) Professional services-provides \$2,500 for the Police Department Manual
2. (5117) Animal Control-\$6,500 contract with City of Fortuna for animal shelter services.
3. (5120) Telephone-Pagers- essential for Officer communication (\$7,000).
4. (5122) Training-provides for \$3,000 of POST reimbursable training for Officers.
5. (5130) Rents-leases-CrimeStar & DocStar information management systems \$2,500.
6. (5141) General liability insurance-\$14,301 for Police Department coverage.
7. (5143) Property insurance- \$3,172 for Police Department property insurance.
8. (5162) Medical-\$3,000 for assault cases in the jurisdiction.
9. (5173) Computer maintenance-\$7,950 for the Department's share of the computer maintenance contract.
- 10.(5192) Code enforcement (new)-\$1,000 for costs related to code enforcement activities
- 11.(5193) Nuisance abatement-vehicles-\$1,250 for the abatement of inoperable vehicles deemed to be a public nuisance.
- 12.(5212) Gas & oil-\$13,000 for patrol vehicle operating expense, reduced \$2,000 from 2013-14 due to new more efficient vehicles
- 13.(5308) Dispatch service-\$18,500 paid to City of Fortuna for police dispatch service.

## POLICY ISSUES

There are no policy issues in the recommended budget.

**Recommended Budget  
POLICE DEPARTMENT  
FY 2014-2015**

	<b>FY 12-13 Adjusted Budget</b>	<b>FY 12-13 Actual</b>	<b>FY 13-14 Budget</b>	<b>FY 13-14 YTD Adj Budget</b>	<b>FY 13-14 Est. Year-end</b>	<b>FY 14-15 Dept. Req.</b>	<b>FY 14-15 City Mgr. Recom.</b>	<b>FY 14-15 Council Approved</b>
<b>EXPENDITURES</b>								
5000 Full Time Salaries	277,021	300,749	281,897	278,897	289,899	289,810	289,553	
5030 Overtime Salaries	6,926	8,904	8,000	8,000	11,756	8,112	8,112	
5035 Benefit - ICMA City 457	59,501	51,221	60,599	60,599	50,744	58,241	59,917	
5040 Benefit - Health Insurance	54,665	58,420	59,352	59,352	78,469	74,309	71,079	
5042 Benefit - Life Insurance	924	979	990	990	1,046	1,075	1,075	
5044 Benefit - Dental/Vision Insur	5,153	8,117	8,680	8,680	9,831	10,096	10,096	
5045 Worker Compensation Insur:	11,192	18,432	11,389	11,389	20,910	28,550	27,731	
5050 FICA/MEDI	21,722	27,188	21,565	21,565	25,808	22,791	22,151	
5055 Unemployment Insurance	2,839	2,170	2,199	2,199	2,929	2,979	2,896	
5060 Clothing Allowance	3,000	3,625	3,751	3,751	4,454	3,756	3,742	
5080 Hiring Costs	2,500	2,625	3,000	3,000	708	750	750	
<b>Subtotal</b>	<b>445,443</b>	<b>482,430</b>	<b>461,422</b>	<b>458,422</b>	<b>496,553</b>	<b>500,469</b>	<b>497,103</b>	<b>-</b>
5101 Office Supplies	1,225	2,141	1,200	1,200	1,083	1,000	1,000	
5102 Operating Supplies	4,080	5,130	3,200	3,200	2,198	3,000	2,500	
5103 Postage	800	263	1,000	1,000	665	800	665	
5104 Printing - Forms	800	325	800	800	463	800	463	
5105 Advertising	204	-	50	50	-	50	50	
5106 Promotional	100	-	50	50	-	50	50	
5112 Legal	1,530	2,222	1,500	1,500	91	1,500	1,000	
5115 Contract/Professional Servic	3,163	4,930	3,000	3,000	3,668	2,500	2,500	
5117 Animal Control	14,790	9,724	5,000	5,000	8,004	5,000	6,500	
5119 Safety Supplies & Equipment	-	313	-	-	354	-	-	
5120 Telephone - Pagers	3,876	6,619	7,000	7,000	7,506	7,000	7,000	
5122 Training - Conference	1,000	3,867	2,000	2,000	(3,664)	2,000	3,000	
5123 Automobile - Transportation	600	589	1,000	1,000	239	500	500	
5125 Publications - Books	408	138	500	500	2,610	500	500	
5126 Dues & Memberships	2,500	1,702	2,000	2,000	2,048	2,000	1,800	
5128 Employee Relations	2,550	249	2,550	2,550	-	2,550	250	
5130 Rents - Leases	1,950	1,840	2,000	2,000	2,506	2,500	2,500	
5131 Records Maintenance	-	-	-	-	266	345	350	
5135 Maintenance - Repair	1,530	1,781	2,000	2,000	1,640	1,800	1,700	
5138 Office Equipment	1,000	1,125	2,200	2,200	35	1,000	500	
5139 Equipment	1,500	1,253	5,450	5,450	5,065	1,000	1,000	
5141 General Liability Insurance	13,624	7,959	13,543	13,543	11,378	14,301	14,301	
5143 Property Insurance	2,358	1,409	3,045	3,045	2,644	3,172	3,172	
5144 Employee Practice Liab Insur	1,310	774	1,114	1,114	798	1,106	1,106	
5148 Office Equipment	-	1,644	-	-	-	1,600	1,600	
5150 Electricity	3,366	2,380	-	-	2,168	2,000	2,000	
5151 Natural Gas	612	210	-	-	209	200	200	
5154 Garbage	-	-	-	-	208	200	200	
5162 Medical	1,530	5,323	6,000	6,000	1,694	3,000	3,000	
5164 Regulatory Fees	306	-	-	-	-	-	-	
5171 Computer Software	1,000	119	1,500	1,500	473	500	500	
5173 Computer Maintenance - Su	3,060	4,443	3,200	3,200	4,428	7,950	7,950	
5174 Web Design Services	500	26	100	100	111	100	100	



**Recommended Budget  
POLICE DEPARTMENT  
FY 2014-2015**

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

**Recommended Budget By Fund  
POLICE DEPARTMENT  
FY 2014-2015**

<b>POLICE 07</b>	<b>General Fund 00</b>	<b>Cops/SLESF Fund 040</b>	<b>Realignment Fund 040</b>	<b>Vehicle Abatement</b>	<b>Spay Neuter Fund</b>	<b>Total Proposed</b>
<b>EXPENDITURES</b>						
5000 Full Time Salaries	222,372	60,376	6,806			289,553
5030 Overtime Salaries	6,070	2,042	-			8,112
5035 Benefit - ICMA City 457	47,162	12,075	681			59,917
5040 Benefit - Health Insurance	51,515	18,333	1,231			71,079
5042 Benefit - Life Insurance	806	250	19			1,075
5044 Benefit - Dental/Vision Insur	6,500	3,390	207			10,096
5045 Worker Compensation	21,756	5,907	69			27,731
5050 FICA/MEDI	17,011	4,619	521			22,151
5055 Unemployment Insurance	2,224	604	68			2,896
5060 Clothing Allowance	3,003	739	-			3,742
5080 Hiring Costs	750	-	-			750
	<b>379,168</b>	<b>108,334</b>	<b>9,601</b>			<b>497,103</b>
5101 Office Supplies	1,000	-	-			1,000
5102 Operating Supplies	2,500	-	-			2,500
5103 Postage	665	-	-			665
5104 Printing - Forms	463	-	-			463
5105 Advertising	50	-	-			50
5106 Promotional	50	-	-			50
5112 Legal	1,000	-	-			1,000
5115 Contract/Professional Services	2,500	-	-			2,500
5117 Animal Control	6,500	-	-			6,500
5119 Safety Supplies & Equipment	-	-	-			-
5120 Telephone - Pagers	7,000	-	-			7,000
5122 Training - Conference	3,000	-	-			3,000
5123 Automobile - Transportation	500	-	-			500
5125 Publications - Books	500	-	-			500
5126 Dues & Memberships	1,800	-	-			1,800
5128 Employee Relations	250	-	-			250
5130 Rents - Leases	2,500	-	-			2,500
5131 Records Maintenance	350	-	-			350
5135 Maintenance - Repair	1,700	-	-			1,700
5138 Office Equipment	500	-	-			500
5139 Equipment	1,000	-	-			1,000
5141 General Liability Insurance	14,301	-	-			14,301
5143 Property Insurance	3,172	-	-			3,172
5144 Employee Practice Liab	1,106	-	-			1,106
5148 Office Equipment	1,600	-	-			1,600
5150 Electricity	2,000	-	-			2,000
5151 Natural Gas	200	-	-			200
5154 Garbage	200	-	-			200
5162 Medical	3,000	-	-			3,000
5164 Regulatory Fees	-	-	-			-
5171 Computer Software	500	-	-			500
5173 Computer Maintenance -	7,950	-	-			7,950
5174 Web Design Services	100	-	-			100

**Recommended Budget By Fund  
POLICE DEPARTMENT  
FY 2014-2015**

<b>POLICE 07</b>	<b>General Fund 00</b>	<b>Cops/SLESF Fund 040</b>	<b>Realignment Fund 040</b>	<b>Vehicle Abatement</b>	<b>Spay Neuter Fund</b>	<b>Total Proposed</b>
5175 Community Promotions	-	-	-			-
5192 Code Enforcement	-	-	-		1,000	1,000
5193 Nuisance Abatement-Vehicle	-	-	-	1,250		1,250
	<b>67,957</b>	-	-	<b>1,250</b>	<b>1,000</b>	<b>70,207</b>
5212 Gas & Oil	13,000	-	-			13,000
5213 Vehicle Repair	2,500	-	-			2,500
5215 Public Works - Small Tools	-	-	-			-
	<b>15,500</b>	-	-			<b>15,500</b>
5305 Booking Fees Due	-	-	-			-
5308 Dispatch Service Due	18,500	-	-			18,500
5520 Improvements	-	-	-			-
	<b>18,500</b>	-	-			<b>18,500</b>
5800 Budget Reduction	-	-	-			-
6100 Fixed Asset - Computer	-	-	-			-
6400 Fixed Asset - Vehicles	-	-	-			-
6600 Fixed Asset - Land	-	-	-			-
	-	-	-			-
<b>Total Expenditures</b>	<b>481,125</b>	<b>108,334</b>	<b>9,601</b>	<b>1,250</b>	<b>1,000</b>	<b>601,310</b>

# Planning Department

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## Statement of Function

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

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

## 2014-15 BUDGET

The recommended budget for the Planning Department totals \$127,356 and is offset by only \$9,500 of planning fees for a net cost to the General Fund of \$117,856. The overall budget is reduced \$19,308 from last year due to the internal transfer of staff time from Planning to the Building Department.

## SALARIES AND BENEFITS

Salaries and benefits for that portion of the Community Development Director and City Clerks related to the function total \$108,285, down \$14,348 from 2013-14 due to the increased need of support in the Building Department.

## SERVICES AND SUPPLIES

Services and supplies for 2014-15 are recommended at \$19,071, \$4,960 less than last year. The various accounts are budgeted conservatively with reductions in Legal Expense (5122), Professional Services (5115) and Training (5122) costs.

## POLICY ITEMS

Direct staff to prepare a review of Planning fees to determine whether the City is recouping its average cost of providing services.

**Recommended Budget  
PLANNING DEPARTMENT  
FY 2014-2015**

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

**Recommended Budget by Fund  
PLANNING DEPARTMENT  
FY 2014-2015**

	<b>General Fund 00</b>		
<b>EXPENDITURES</b>			
5000 Full Time Salaries	<u>74,863</u>		
5035 Benefit - ICMA City 457	<u>8,984</u>		
5040 Benefit - Health Insurance	<u>14,482</u>		
5042 Benefit - Life Insurance	<u>266</u>		
5044 Benefit - Dental/Vision Insur	<u>935</u>		
5045 Worker Compensation Insurance	<u>2,281</u>		
5050 FICA/MEDI	<u>5,727</u>		
5055 Unemployment Insurance	<u>749</u>		
<i>Subtotal</i>	<u>108,285</u>		
		108,285	108,285
5101 Office Supplies	<u>350</u>		
5102 Operating Supplies	<u>150</u>		
5103 Postage	<u>300</u>		
5104 Printing - Forms	<u>1,250</u>		
5112 Legal	<u>1,000</u>		
5115 Contract/Professional Services	<u>300</u>		
5119 Safety Supplies & Equipment	<u>-</u>		
5120 Telephone - Pagers	<u>975</u>		
5122 Training - Conference	<u>750</u>		
5123 Automobile - Transportation	<u>1,250</u>		
5125 Publications - Books	<u>100</u>		
5126 Dues & Memberships	<u>350</u>		
5128 Employee Relations	<u>25</u>		
5130 Rents - Leases	<u>800</u>		
5131 Records Maintenance	<u>100</u>		
5135 Maintenance - Repair	<u>400</u>		
5138 Office Equipment	<u>500</u>		
5139 Equipment	<u>-</u>		
5141 General Liability Insurance	<u>3,548</u>		
5143 Property Insurance	<u>787</u>		
5144 Employee Practice Liab	<u>261</u>		
5150 Electricity	<u>600</u>		
5151 Natural Gas	<u>100</u>		
5164 Regulatory Fees	<u>2,000</u>		
5166 Regulatory Fees	<u>1,700</u>		
5171 Computer Software	<u>200</u>		
5173 Computer Maintenance -	<u>875</u>		
5174 Web Design Services	<u>400</u>		
5175 Community Promotlons	<u>-</u>		
<i>Subtotal</i>	<u>19,071</u>		
5215 Public Works - Small Tools	<u>-</u>		
5512 Planning	<u>-</u>		
5520 Improvements	<u>-</u>		
<i>Subtotal</i>	<u>-</u>		
5610 Bad Debt	<u>-</u>		
<i>Subtotal</i>	<u>-</u>		
5800 Budget Reduction	<u>-</u>		
<i>Subtotal</i>	<u>-</u>		
6600 Fixed Asset - Land Improvements	<u>-</u>		
<i>Subtotal</i>	<u>-</u>		
<b>Total Expenditures</b>	<u><b>127,356</b></u>		
<b>Total Revenue</b>	<u><b>-</b></u>		



# Building Department

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## STATEMENT OF FUNCTION

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

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

## NEW PROGRAM

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

1. Established a "Building Department Administrative Fee" in the amount of 66% for all plan check and building permit fees effective July 1, 2014.
2. Directed that the revenue collected from the administrative fee be deposited in a revenue account entitled "Building Department Administrative Fee" for the purpose of fully funding the activities of the Building Department, including the additional costs of such services charged to the City by an independent contractor or another public agency.
3. Directed that in any fiscal year that the total revenue from building plan check and building permits fees is greater than the gross cost of the department, the additional revenue shall be deposited into a "Building Department Revenue Trust Fund" to be used in future years when revenues fall short of covering the total cost of the program.
4. a). Directed that, if the revenue in the "Building Department Trust Fund" accrues at the end of any fiscal year to \$20,000 or more, the Fund shall be reduced to \$10,000 by applying the amount in excess of \$10,000 to reduce the "Building Inspection Administrative Fee" for the ensuing fiscal year.  
  
b). Directed that, if the revenue in the "Building Department Trust Fund" after initially reaching \$10,000 or more then falls below \$10,000 at the end of any fiscal year, the "Building Department Administrative Fee" shall be adjusted (increased) administratively by an amount estimated to achieve a balance of at least \$10,000 by the end of the fiscal year.

## 2014-15 BUDGETS

The recommended Building Department Operating Budget for 2014-15 totals \$80,567 and totals \$86,253 when all of the direct and indirect charges are applied. This amount is offset by \$52,575 of revenue from plan check and building permit fees. Thus, there is a General Fund contribution in the amount of \$33,678 (39%) to balance the fund.

The department is staffed by the Community Development Director (30%) and the City Clerk (33.33%)

### SALARIES AND BENEFITS

Salaries and benefits for personnel providing this service total \$65,924.

### SERVICES AND SUPPLIES

Services and supplies are recommended to drop from \$29,801 to \$14,643 as the result of the professional services contract being discontinued. However, \$5,000 is found in the Contract line item (5115) for the City of Fortuna's contract services until the Rio Dell City employee is licensed to provide the service.

### POLICY ITEMS

The City Council's policy decision of March 4, 2014 was to implement a Building Department program that is self-supporting; requiring no General Fund subsidy to balance revenues to expenditures. At that time, the establishment of an administrative fee of 66% of base charges would have balanced the budget. But, providing the services in-house proves to be more expensive. Accordingly, to follow the Council's policy to make the program self-funded, administrative fees will have to be increased by another \$29,000.

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

**Recommended Budget  
BUILDING DEPARTMENT  
FY 2014-2015**

	<b>FY 12-13 Adjusted Budget</b>	<b>FY 12-13 Actual</b>	<b>FY 13-14 Budget</b>	<b>FY 13-14 Adjusted Budget</b>	<b>FY 13-14 Est. Year-end</b>	<b>FY 14-15 Dept. Req.</b>	<b>FY 14-15 City Mgr. Recom.</b>	<b>FY 14-15 Council Approved</b>	
<b>EXPENDITURES</b>									
5000 Full Time Salaries	14,223	14,743	14,654	14,654	14,593	43,721	43,721		
5035 Benefit - ICMA City 457	1,381	1,704	3,664	3,664	1,691	5,247	5,247		
5040 Benefit - Health Insurance	5,190	5,007	4,399	4,399	7,345	11,201	11,201		
5042 Benefit - Life Insurance	24	45	45	45	50	150	150		
5044 Benefit - Dental/Vision Insur	340	427	379	379	459	728	728		
5045 Worker Compensation Insuran	510	574	267	267	521	1,095	1,095		
5050 FICA/MEDI	1,088	1,162	1,121	1,121	1,124	3,345	3,345		
5055 Unemployment Insurance	142	109	147	147	136	437	437		
<b>Subtotal</b>	<b>22,898</b>	<b>23,771</b>	<b>24,676</b>	<b>24,676</b>	<b>25,919</b>	<b>65,924</b>	<b>65,924</b>		
5101 Office Supplies	77	88	80	80	45	150	150		
5102 Operating Supplies	230	25	50	50	189	100	633		
5103 Postage	102	22	50	50	26	40	40		
5104 Printing - Forms	128	42	200	200	319	100	100		
5112 Legal	-	160	1,000	1,000	1,704	700	700		
5115 Contract/Professional Services	18,355	16,451	24,000	24,000	26,966	10,000	5,000		
5120 Telephone - Pagers	128	30	128	128	29	300	300		
5122 Training - Conference	-	-	-	-	-	3,000	3,000		
5123 Automobile - Transportation	-	-	-	-	-	-	1,000		
5125 Publications - Books	1,530	2	1,000	1,000	3	500	500		
5126 Dues & Memberships	102	1	500	500	289	250	250		
5128 Employee Relations	-	8	-	-	-	25	25		
5130 Rents - Leases	306	251	300	300	179	150	150		
5131 Records Maintenance	-	-	-	-	68	60	60		
5135 Maintenance - Repair	51	98	50	50	1,700	400	400		
5138 Office Equipment	-	2	-	-	1	500	500		
5139 Equipment	-	2	-	-	-	-	-		
5141 General Liability Insurance	676	395	1,302	1,302	565	-	710		
5143 Property Insurance	117	70	293	293	131	-	-		
5144 Employee Practice Liab Insur	65	38	124	124	40	-	-		
5150 Electricity	250	107	300	300	96	125	125		
5151 Natural Gas	46	10	50	50	10	50	50		
5164 Regulatory Fees	-	43	50	50	231	250	250		
5167 Seismic Fees	179	51	200	200	190	200	200		
5171 Computer Software	26	10	25	25	-	100	100		
5173 Computer Maintenance - Supp	102	53	99	99	18	200	200		
5174 Web Design Services	-	1	-	-	5	200	200		
5175 Community Promotions	-	1	-	-	-	-	-		
<b>Subtotal</b>	<b>22,470</b>	<b>17,961</b>	<b>29,801</b>	<b>29,801</b>	<b>32,803</b>	<b>17,400</b>	<b>14,643</b>		
5520 Improvements	-	3	-	-	-	-	-		
<b>Subtotal</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
5800 Budget Reduction	(1,776)	-	-	-	-	-	-		
<b>Subtotal</b>	<b>(1,776)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
6600 Fixed Asset - Land Improveme	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Subtotal Expenditures</b>	<b>43,592</b>	<b>41,735</b>	<b>54,477</b>	<b>54,477</b>	<b>58,721</b>	<b>83,324</b>	<b>80,567</b>		
<b>Expenditures/Transfer In: Building &amp; Grounds</b>							<b>5,686</b>		
<b>Subtotal Expenditures</b>							<b>Total Expenditures</b>	<b>86,253</b>	
<b>Total Revenue 2014-2015</b>							<b>50,075</b>		
							<b>(36,178)</b>		
<b>Fund Balance Applied</b>							<b>2,500</b>		
<b>Transferred Out: General Fund Reserves</b>							<b>(33,678)</b>		

# SOLID WASTE DEPARTMENT

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

## 2014-15 BUDGET

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

### SALARIES AND BENEFITS

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

### SERVICES AND SUPPLICES

Services and supplies funds the HWMA administrative agreement for the program at \$5,000 and \$1,102 for Eel River Disposal charges related to the City's annual spring clean-up.

### POLICY ITEMS

There are no policy items in this budget unit.

**Recommended Budget  
SOLID WASTE  
FY 2014-2015**

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

# Recycling

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## STATEMENT OF FUNCTION

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

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

## 2014-15 BUDGET

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

## POLICY ITEMS

There are no policy items in this budget unit.



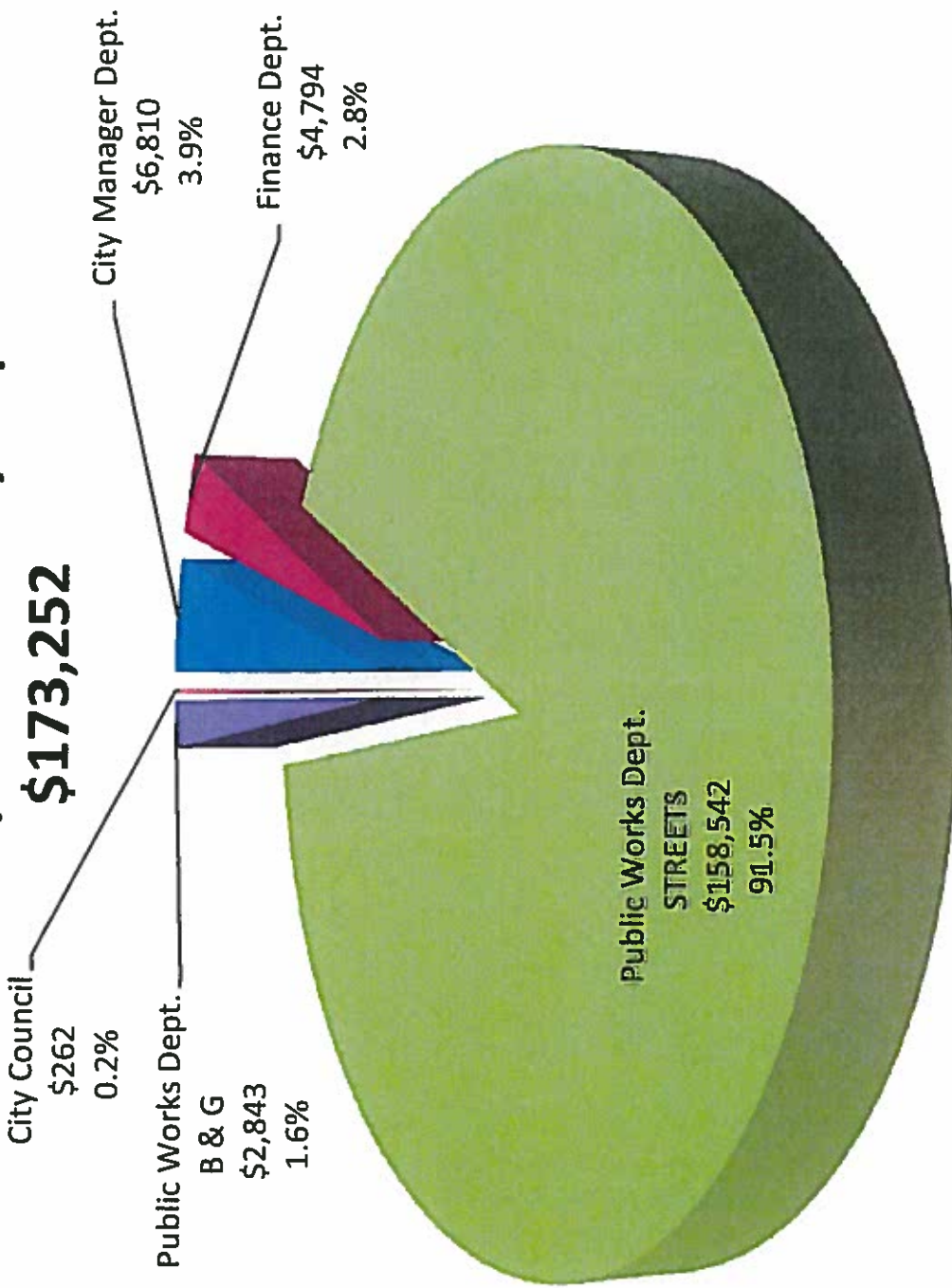
Recommended Budget

RECYCLING

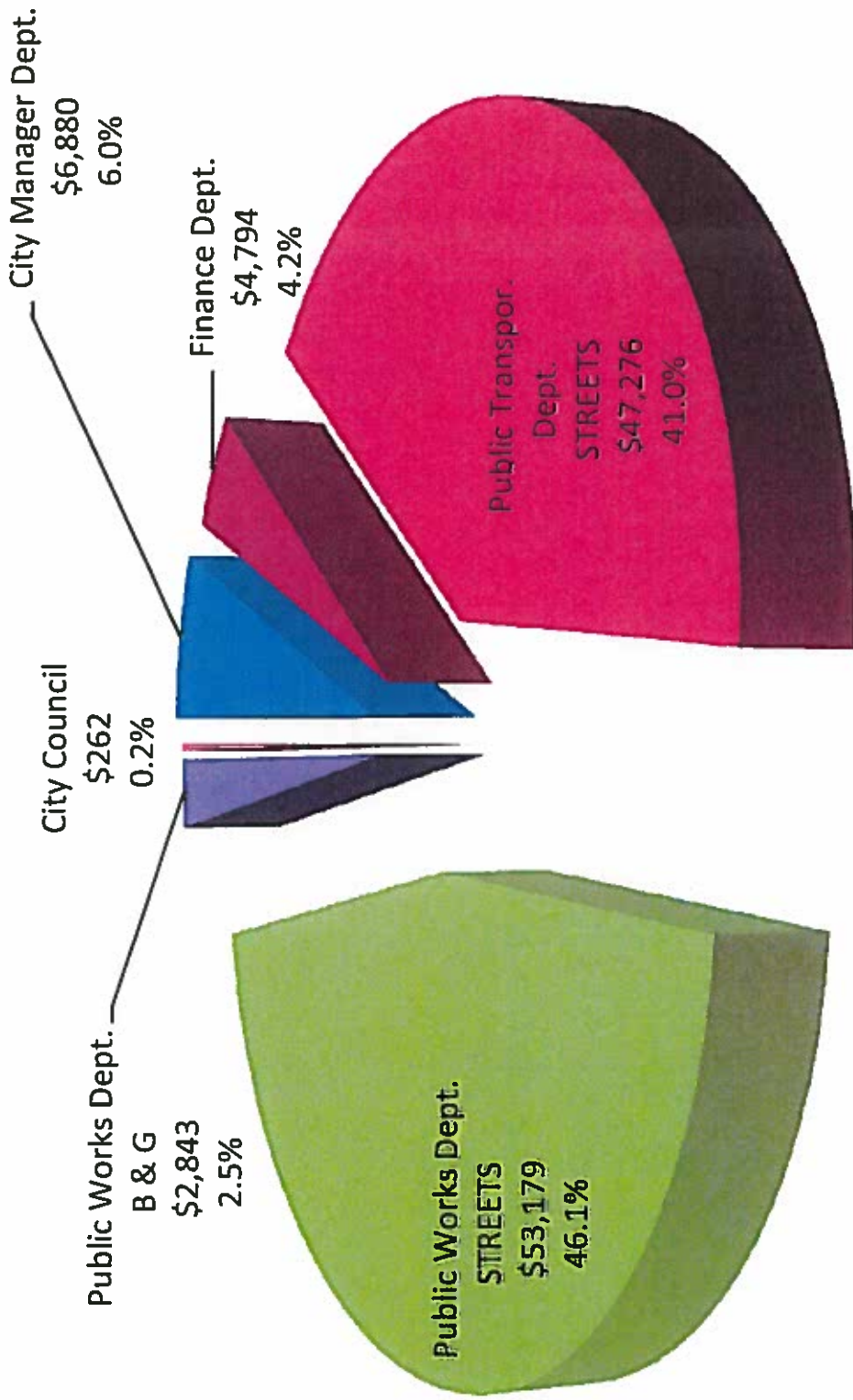
FY 2014-2015

	FY 12-13 Adjusted Budget	FY 12-13 Actual	FY 13-14 Budget	FY 13-14 YTD Adj Budget	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.
<b>EXPENDITURES</b>							
5000 Full Time Salaries	4,675	665	2,000	4,812	2,443		
5030 Overtime Salaries	234	108		241	-		
5032 Retirement - City Manager	-	93		-	248		
5035 Benefit - ICMA City 457	701	10		481	91		
5040 Benefit - Health Insurance	911	(15)		873	-		
5042 Benefit - Life Insurance	12	-		11	-		
5044 Benefit- Dental/Vision Ins	110	-		100	-		
5045 Workers Compensation Insuran	23	340		24	171		
5050 Fica/Medi	357	69		387	220		
5055 Unemployment Insurance	47	-		48	11		
<b>Subtotal</b>	<b>7,070</b>	<b>1,270</b>	<b>2,000</b>	<b>6,977</b>	<b>3,184</b>		
5101 Office Supplies	200	43	200	204	10		
5102 Operating Supplies	2,471	25	1,000	1,479	709		
5103 Postage	200	3	500	700	6		
5104 Printing - Forms	200	199	200	204	8		
5105 Advertising	350	127	300	357	278		
5106 Promotional	250	-	250	255	-		
5112 Legal	-	1,397		500	933		
5115 Contract Professional Services	2,000	204	3,671	2,201	175		
5119 Safety Supplies & Equipment	-	-	-	-	-		
5120 Telephone - Pagers	-	30	-	40	29		
5122 Training - Conference	1,000	-	-	-	-		
5123 Automobile - Transportation	300	31	100	306	-		
5125 Publications - Books	-	2	-	-	3		
5126 Dues & Memberships	200	1		204	-		
5128 Employee Relations	-	8	-	-	-		
5130 Rents & Leases	-	148	-	-	149		
5131 Records Maintenance	-	-	-	-	11		
5135 Maintenance - Repair	-	98	-	-	79		
5138 Office Equipment	-	2	-	-	1		
5139 Equipment	-	2	-	-	-		
5141 General Liability Insurance	676	395	521	676	565		
5143 Property Insurance	117	70	117	117	131		
5144 Emp Practice Liab Insurance	65	38	41	65	40		
5150 Electricity	-	107	-	-	96		
5151 Electricity	150	10	150	150	10		
5154 Garbage	800	1,620	1,400	1,400	339		
5171 Computer Software	-	10	-	-	-		
5173 Computer Maintenance - Supp	-	15	-	-	21		
5174 Web Design Services	300	1	50	50	5		
5175 Community Promotions	-	1	-	-	-		
<b>Subtotal</b>	<b>9,279</b>	<b>4,587</b>	<b>8,500</b>	<b>8,908</b>	<b>3,596</b>		
6600 Fixed Asset - Land Improvements			-	-	-		
<b>Subtotal</b>			-	-	-		
<b>TOTAL EXPENDITURES</b>	<b>16,349</b>	<b>5,857</b>	<b>10,500</b>	<b>15,885</b>	<b>6,780</b>		

# Gas Tax Fund Expenditures by Department



# TDA Fund - \$115,235



# STREETS

## STATEMENT OF FUNCTION

The Public Works Department is responsible for the maintenance of all City streets, drainage ditches, culverts and related signage. The department is staffed by the Water/Streets Superintendent and a portion of 4 Utility Workers who also maintain building and grounds and the water and wastewater plants and systems.

## 2014-15 BUDGET

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

The requested \$258,131 budget is recommended at \$258,997 to fund the budget funds the salary and benefits for the Superintendent of Streets and a portion of (4) Utility Workers, who also staff Building and Grounds Maintenance and the Wastewater and Water system.

The projected Gas tax fund balance of \$226,045 is deceiving high due to the ISTEAs, TCRFs and STIP Funds that have carried balances for several years being transferred to the Gas Tax Fund for appropriation. The 2014-15 program pulls \$83,242 from the Reserve, leaving the estimated year-end balance of \$136,176. The Streets Reserve is in a rapid decline.

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

## SALARY AND BENEFITS

In last year's budget the cost of labor for the maintenance of City streets was assumed to be 13% of the staff costs, but mid-year an internal transfer of \$66,295 was required because 35% of Public Works staff had logged time against the streets program. For 2014-15, salary and benefits totaling \$132,948 (41%) is requested and recommended. Also, health insurance and workers compensation insurance were substantially under estimated at \$7,270. Those accounts will total \$31,332 in 2014-15.

### SERVICES AND SUPPLIES

The service and supply object for 2014-15 is recommended at \$98,172, an increase of \$29,256 from 2013-14. However, the City's contribution of TDA funds for services provided by the Humboldt Transit Authority and the Senior Resource Center totaling \$47,276 was added to the budget mid-year 2013-14.

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

### OTHER CHARGES

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

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

There are no Capital projects recommended for Streets in 2014-15.

### POLICY ITEMS

There are no policy items in this budget unit.

**Recommended Budget  
STREETS - PUBLIC WORKS  
FY 2014-2015**

	<b>FY 12-13 Adjusted Budget</b>	<b>FY 12-13 Actual</b>	<b>FY 13-14 Budget</b>	<b>FY 13-14 Adj Budget</b>	<b>FY 13-14 Est. Year-end</b>	<b>FY 14-15 Dept. Req.</b>	<b>FY 14-15 City Mgr. Recom.</b>	<b>FY 14-15 Council Approved</b>
<b>EXPENDITURES</b>								
5000 Full Time Salaries		28,684	30,516	30,516	90,640	82,525	82,525	
5030 Overtime Salaries		94	975	975	673	3,004	3,004	
5035 Benefit - ICMA City 457		2,488	3,352	3,352	8,581	8,123	8,123	
5040 Benefit - Health Insurance		4,238	5,775	5,775	8,010	15,705	15,705	
5042 Benefit - Life Insurance		68	93	93	95	234	234	
5044 Benefit - Dental/Vision Insur		684	785	785	990	2,108	2,108	
5045 Worker Compensation Insurance		1,348	1,495	1,495	5,285	13,283	13,283	
5050 FICA/MEDI		2,409	2,335	2,335	7,606	6,313	6,313	
5055 Unemployment Insurance		680	304	304	1,444	825	825	
5060 Clothing Allowance		124	255	255	108	825	825	
5080 Hiring Costs		116	65	65	-	-	-	
5081 Compensated Absences					-	-	-	
<b>Subtotal</b>		<b>40,933</b>	<b>45,950</b>	<b>45,950</b>	<b>123,431</b>	<b>132,948</b>	<b>132,948</b>	
5101 Office Supplies		108	300	300	90	100	90	
5102 Operating Supplies		604	1,000	1,000	930	1,000	930	
5103 Postage		9	51	51	26	30	26	
5104 Printing - Forms		25	51	51	28	30	28	
5105 Advertising		-	51	51	188	200	188	
5107 Memorial Park Expense		-	2,500	2,500	1,538	-	-	
5108 Streets		7,044	15,000	15,000	9,025	10,000	14,025	
5109 Chemicals		-	-	-	-	-	-	
5112 Legal		508	251	251	1,373	1,000	1,373	
5115 Contract/Professional Services		41,564	3,000	3,000	45,649	48,000	47,276	
5119 Safety Supplies & Equipment		146	2,500	2,500	173	2,000	173	
5120 Telephone - Pagers		683	1,200	1,200	1,068	1,100	1,068	
5122 Training - Conference		-	1,500	1,500	-	550	-	
5123 Automobile - Transportation		6	100	100	151	150	151	
5125 Publications - Books		8	100	100	10	50	10	
5126 Dues & Memberships		154	200	200	155	160	155	
5127 License		-	-	-	10	20	10	
5128 Employee Relations		16	19	19	-	20	-	
5129 Meeting		2	-	-	-	-	-	
5130 Rents - Leases		228	1,500	1,500	493	600	493	
5131 Records Maintenance		-	-	-	46	50	46	
5135 Maintenance - Repair		1,032	3,500	3,500	1,934	2,600	1,934	
5136 Parks Maintenance - Repair		-	2,500	2,500	-	-	-	
5138 Office Equipment - P.W.		6	100	100	39	1,800	39	
5139 Equipment		777	3,500	3,500	1,476	1,500	1,476	
5141 General Liability Insurance		2,166	2,167	2,167	2,041	2,347	2,347	
5143 Property Insurance		396	486	486	474	739	739	
5144 Employee Practice Liability Insurance		217	171	171	143	173	173	
5148 Office Equipment		-	-	-	33	-	33	
5150 Electricity		17,608	25,000	25,000	23,424	24,500	25,000	
5151 Natural Gas		33	500	500	38	100	38	
5154 Garbage		15	60	60	64	70	64	
5162 Medical		-	151	151	30	50	30	



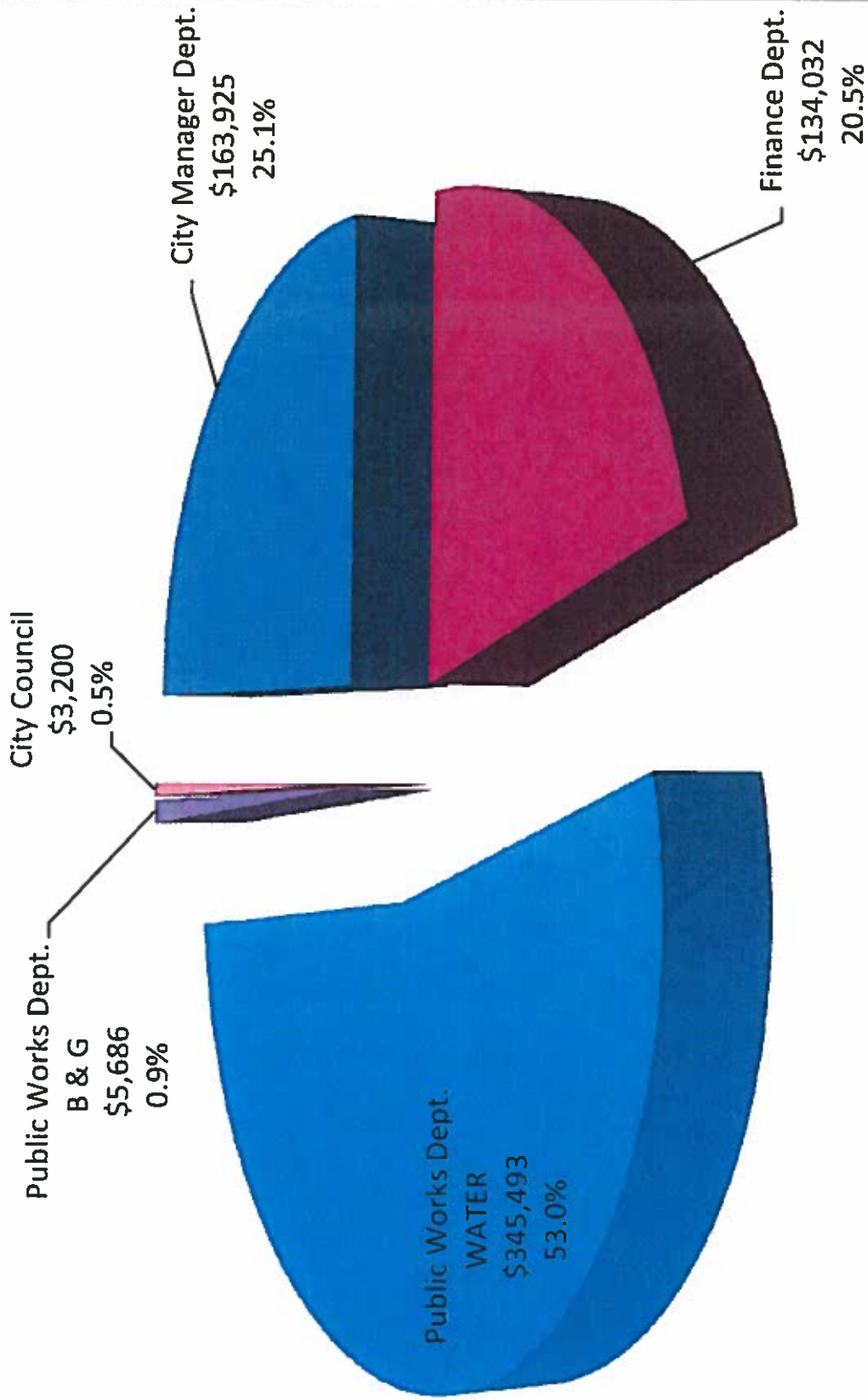
5164 Regulatory Fees	-	1,000	1,000	90	100	90
5165 Property Tax Assessment	-	36	36	-	-	-
5171 Computer Software	12	151	151	75	250	75
5173 Computer Maintenance - Support	89	251	251	79	125	79
5174 Web Design Services	5	10	10	18	20	18
5175 Community Promotions	3	10	10	-	-	-
<b>Subtotal</b>	<b>73,464</b>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

**Recommended Budget By Fund  
STREETS - PUBLIC WORKS  
FY 2014-2015**

<b>PUBLIC WORKS - STREETS</b>	<b>Gas Tax Fund 020</b>	<b>TDA Fund 024</b>	<b>Total Streets Combined</b>
<b>EXPENDITURES</b>			
5000 Full Time Salaries	49,515	33,010	82,525
5030 Overtime Salaries	1,802	1,202	3,004
5035 Benefit - ICMA City 457	4,874	3,249	8,123
5040 Benefit - Health Insurance	9,423	6,282	15,705
5042 Benefit - Life Insurance	141	94	234
5044 Benefit - Dental/Vision Insur	1,265	843	2,108
5045 Worker Compensation Insurance	7,970	5,313	13,283
5050 FICA/MEDI	3,788	2,525	6,313
5055 Unemployment Insurance	495	330	825
5060 Clothing Allowance	495	330	825
5080 Hiring Costs	-	-	-
5081 Compensated Absences	-	-	-
<i>Subtotal</i>	<b>79,769</b>	<b>53,179</b>	<b>132,948</b>
5101 Office Supplies	90	-	90
5102 Operating Supplies	930	-	930
5103 Postage	26	-	26
5104 Printing - Forms	28	-	28
5105 Advertising	188	-	188
5107 Memorial Park Expense	-	-	-
5108 Streets	14,025	-	14,025
5109 Chemicals	-	-	-
5112 Legal	1,373	-	1,373
5115 Contract/Professional Services	-	47,276	47,276
5119 Safety Supplies & Equipment	173	-	173
5120 Telephone - Pagers	1,068	-	1,068
5122 Training - Conference	-	-	-
5123 Automobile - Transportation	151	-	151
5125 Publications - Books	10	-	10
5126 Dues & Memberships	155	-	155
5127 License	10	-	10
5128 Employee Relations	-	-	-
5129 Meeting	-	-	-
5130 Rents - Leases	493	-	493
5131 Records Maintenance	46	-	46
5135 Maintenance - Repair	1,934	-	1,934
5136 Parks Maintenance - Repair	-	-	-
5138 Office Equipment - P.W.	39	-	39
5139 Equipment	1,476	-	1,476
5141 General Liability Insurance	2,347	-	2,347
5143 Property Insurance	739	-	739
5144 Employee Practice Liability Insurance	173	-	173
5148 Office Equipment	33	-	33
5150 Electricity	25,000	-	25,000
5151 Natural Gas	38	-	38
5154 Garbage	64	-	64
5162 Medical	30	-	30

5164 Regulatory Fees	90		90
5165 Property Tax Assessment	-		-
5171 Computer Software	75		75
5173 Computer Maintenance - Support	79		79
5174 Web Design Services	18		18
5175 Community Promotions	-	-	-
<b>Subtotal</b>	<b>50,896</b>	<b>47,276</b>	<b>98,172</b>
5212 Gas & Oil	1,508		1,508
5213 Vehicle Repair	1,861		1,861
5215 Public Works - Small Tools	781		781
5217 License	10		10
5225 Public Works - Lab Testing	-		-
5227 Public Works - Equip. Repair	718		718
5229 Public Works - Equip. Rental	-		-
<b>Subtotal</b>	<b>4,878</b>	<b>-</b>	<b>4,878</b>
5410 Interest Expense	-	-	-
5430 Fines/Penalties	-	-	-
5514 Engineering	23,000		23,000
5520 Improvements	-	-	-
<b>Subtotal</b>	<b>23,000</b>	<b>-</b>	<b>23,000</b>
5800 Budget Reduction	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>
6000 Fixed Asset - Equipment	-	-	-
6400 Fixed Asset - Vehicles	-	-	-
6500 Fixed Asset- Infrastructure	-	-	-
6600 Fixed Asset - Land Improvements	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Subtotal Expenditures</b>	<b>158,542</b>	<b>100,455</b>	<b>258,997</b>

# Water Operations Fund - \$652,336



# Water Fund

## STATEMENT OF FUNCTION

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

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

## 2014-15 BUDGET

The Water Fund is separated into water operations (Fund 60), water capital (Fund 61) and water debt service (62). Transfers between the Water Funds are recommended for 2014-15 to meet minimum reserve balances.

## REVIEW OF FUNDS

The Water Operations Fund (60) begins the new fiscal year with an estimated beginning balance of \$114,479 and \$541,900 of revenues is expected to be received during the year, including \$33,600 from the Sewer Fund for water. However, with expenditures budgeted at \$652,336 the reserve balance at year's end is forecast to be reduced \$110,436 to just \$4,043, except for a transfer-in of \$93,808 from the Water Debt Fund to establish the minimum 15% fund reserve (\$97,850). The Debt Fund is carrying more balance that is required.

The Water Debt Service Fund (61) will have a sufficient balance to make the loan payment of \$136,000 and have with a reserve balance at the end of the year of \$234,984. However, only \$68,000 is required to be available on July 1, 2014 to pay the first installment on the loan. Therefore, it is recommended that \$93,807 be transferred to the Water Operations Fund to bring it up to the minimum 15% reserve level of \$97,850, and the balance (\$78,176) to be transferred to Water Capital to bring it to \$193,676.

The Water Capital Fund (62) is projected to begin the fiscal year with a balance of \$78,500 and receive revenues at \$77,000. Thus, the recommended expenditures of \$35,000 for a back-up generator for the infiltration gallery will leave the fund at June 30, 2015 at approximately \$120,500. However, it is recommended that the Water Debt Fund, which is carrying a larger reserve that is necessary, transfer \$73,176 to the Capital Fund for a project year-end balance of \$193,676.

## WATER OPERATIONS

### SALARIES AND BENEFITS

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

### SERVICES AND SUPPLIES

The services and supplies line items total \$244,104 and contain some major expense items that are customary to a water system, i.e. (5109) Chemicals-\$23,000, (5135) Repairs-\$40,000 and (5150) Electricity-\$54,000. Also included in the (5115) Contract/professional services account is \$65,000 for a water rate analysis (\$35,000) and consulting Engineers related to issues with the infiltration gallery (\$30,000).

### CAPITAL EXPENDITURE

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

### POLICY ITEMS

1. Rate study of Water Funds by Bartle Wells Associates
2. Acquisition of back-up infiltration gallery generator-\$35,000.
3. Approve by Resolution internal transfers from the Debt Fund to the Operations and Capital Funds.

**Recommended Budget  
WATER - PUBLIC WORKS  
FY 2014-2015**

	<b>FY 12-13 Adjusted Budget</b>	<b>FY 12-13 Actual</b>	<b>FY 13-14 Budget</b>	<b>FY 13-14 YTD Adj Budget</b>	<b>FY 13-14 Est. Year-end</b>	<b>FY 14-15 Dept. Req.</b>	<b>FY 14-15 City Mgr. Recom.</b>	<b>FY 14-15 Council Approved</b>
<b>EXPENDITURES</b>								
5000 Full Time Salaries		78,799	89,202	89,202	66,311	49,586	49,586	
5030 Overtime Salaries		2,278	2,850	2,850	2,218	1,612	1,612	
5035 Benefit - ICMA City 457		8,140	9,798	9,798	6,770	6,192	6,192	
5040 Benefit - Health Insurance		14,954	16,883	16,883	23,361	10,376	10,376	
5042 Benefit - Life Insurance		241	271	271	276	171	171	
5044 Benefit - Dental/Vision Insur		2,364	2,296	2,296	2,889	1,375	1,375	
5045 Worker Compensation Insurance		7,614	4,371	4,371	5,585	9,797	9,797	
5050 FICA/MEDI		7,142	6,824	6,824	5,723	3,793	3,793	
5055 Unemployment Insurance		946	892	892	731	496	496	
5060 Clothing Allowance		663	741	741	780	461	461	
5080 Hiring Costs		338	190	190	-	-	-	
5081 Compensated Absences		211	-	-	-	-	-	
<b>Subtotal</b>		<b>123,690</b>	<b>134,318</b>	<b>134,318</b>	<b>114,644</b>	<b>83,859</b>	<b>83,859</b>	
5102 Operating Supplies		1,620	1,500	1,500	4,156	4,000	4,000	
5103 Postage		192	500	500	1,718	1,800	1,800	
5104 Printing - Forms		222	500	500	119	200	200	
5105 Advertising		-	110	110	548	450	450	
5107 Memorial Park Expense		1,249	-	-	-	-	-	
5108 Streets		352	1,200	1,200	1,486	1,300	1,300	
5109 Chemicals		20,731	25,000	25,000	13,196	23,000	23,000	
5112 Legal		4,183	4,000	4,000	11,285	20,000	20,000	
5115 Contract/Professional Services		6	5,000	5,000	5,465	30,000	65,000	
5119 Safety Supplies & Equipment		501	1,000	1,000	505	600	505	
5120 Telephone - Pagers		2,807	2,600	2,600	3,184	3,200	3,184	
5122 Training - Conference		1,787	2,000	2,000	156	2,000	2,000	
5123 Automobile - Transportation		26	250	250	440	250	250	
5125 Publications - Books		24	100	100	29	100	100	
5126 Dues & Memberships		1,447	1,800	1,800	584	1,800	1,800	
5127 License		-	-	-	131	-	-	
5128 Employee Relations		70	60	60	-	60	60	
5129 Meeting		6	-	-	-	-	-	
5130 Rents - Leases		763	1,000	1,000	1,058	1,000	1,000	
5131 Records Maintenance		-	-	-	136	-	-	
5135 Maintenance - Repair		30,536	43,000	43,000	37,499	40,000	40,000	
5136 Parks Maintenance - Repair		265	-	-	-	-	-	
5138 Office Equipment - P.W.		877	1,200	1,200	341	1,500	1,500	
5139 Equipment		2,539	3,000	3,000	3,850	4,000	4,000	
5141 General Liability Insurance		4,253	6,334	6,334	6,079	7,642	7,642	
5143 Property Insurance		753	1,424	1,424	1,413	1,695	1,695	
5144 Employee Practice Liability Insurance		413	502	502	426	563	563	
5148 Office Equipment		-	-	-	94	-	-	
5150 Electricity		56,388	60,000	60,000	21,555	54,000	54,000	
5151 Natural Gas		1,657	2,000	2,000	111	150	150	
5154 Garbage		45	100	100	86	100	100	
5162 Medical		38	400	400	281	300	300	
5164 Regulatory Fees		1,042	13,000	13,000	7,779	8,000	8,000	
5165 Property Tax Assessment		-	30	30	-	-	-	
5171 Computer Software		54	750	750	220	450	450	



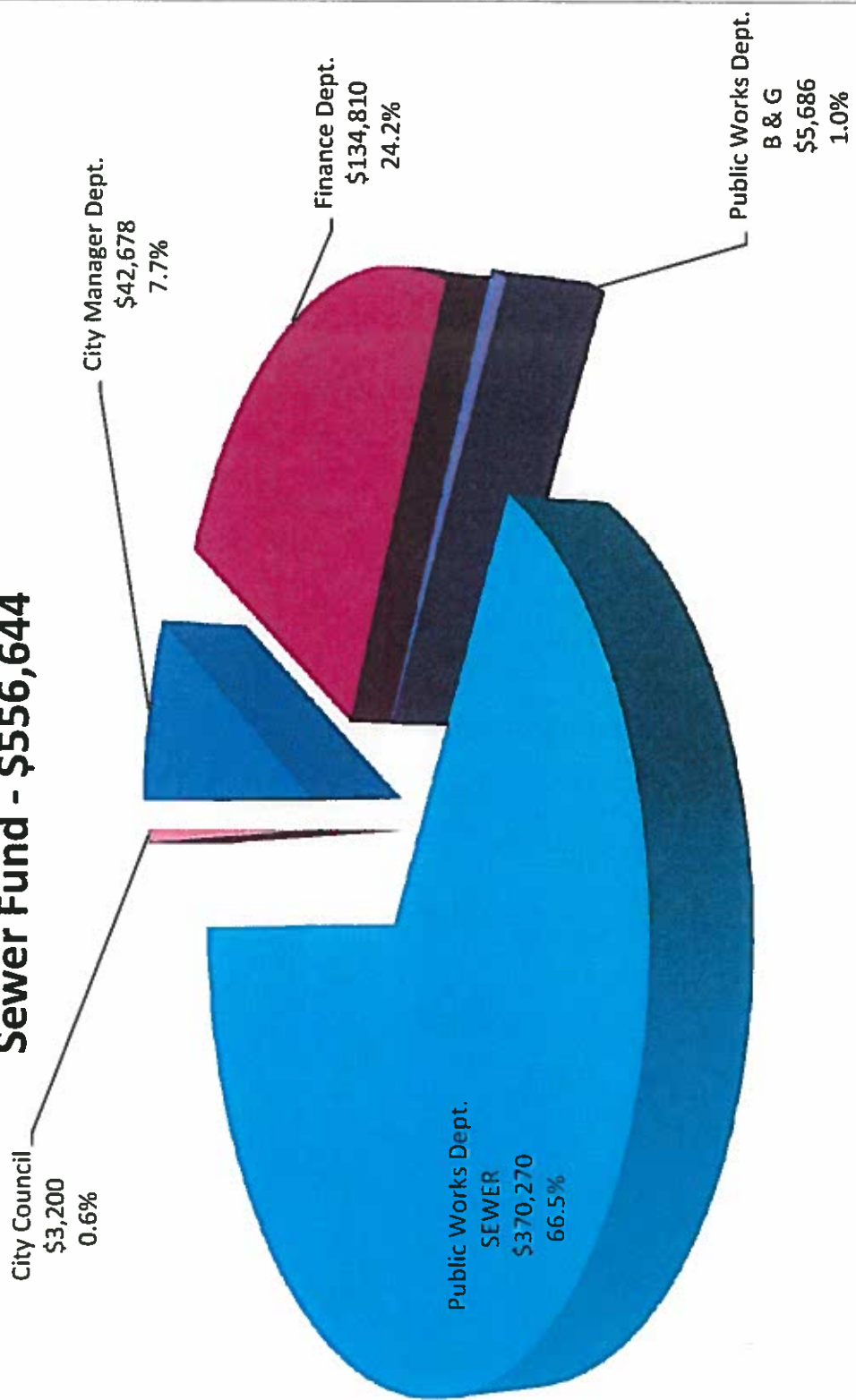
**Recommended Budget  
WATER - PUBLIC WORKS  
FY 2014-2015**

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

	Water Fund 060	Total Proposed
<b>EXPENDITURES</b>		
5000 Full Time Salaries	49,586	49,586
5030 Overtime Salaries	1,612	1,612
5035 Benefit - ICMA City 457	6,192	6,192
5040 Benefit - Health Insurance	10,376	10,376
5042 Benefit - Life Insurance	171	171
5044 Benefit - Dental/Vision Insur	1,375	1,375
5045 Worker Compensation Insurance	9,797	9,797
5050 FICA/MEDI	3,793	3,793
5055 Unemployment Insurance	496	496
5060 Clothing Allowance	461	461
5080 Hiring Costs	-	-
5081 Compensated Absences	-	-
	<b>83,859</b>	<b>83,859</b>
5102 Operating Supplies	4,000	4,000
5103 Postage	1,800	1,800
5104 Printing - Forms	200	200
5105 Advertising	450	450
5107 Memorial Park Expense	-	-
5108 Streets	1,300	1,300
5109 Chemicals	23,000	23,000
5112 Legal	20,000	20,000
5115 Contract/Professional Services	65,000	65,000
5119 Safety Supplies & Equipment	505	505
5120 Telephone - Pagers	3,184	3,184
5122 Training - Conference	2,000	2,000
5123 Automobile - Transportation	250	250
5125 Publications - Books	100	100
5126 Dues & Memberships	1,800	1,800
5127 License	-	-
5128 Employee Relations	60	60
5129 Meeting	-	-
5130 Rents - Leases	1,000	1,000
5131 Records Maintenance	-	-
5135 Maintenance - Repair	40,000	40,000
5136 Parks Maintenance - Repair	-	-
5138 Office Equipment - P.W.	1,500	1,500
5139 Equipment	4,000	4,000
5141 General Liability Insurance	7,642	7,642
5143 Property Insurance	1,695	1,695
5144 Employee Practice Liability Insurance	563	563
5148 Office Equipment	-	-
5150 Electricity	54,000	54,000
5151 Natural Gas	150	150
5154 Garbage	100	100
5162 Medical	300	300
5164 Regulatory Fees	8,000	8,000
5165 Property Tax Assessment	-	-
5171 Computer Software	450	450

	Water Fund 060	Total Proposed
<b>EXPENDITURES</b>		
5173 Computer Maintenance - Support	1,000	1,000
5174 Web Design Services	55	55
5175 Community Promotions	-	-
	<u>244,104</u>	<u>244,104</u>
5212 Gas & Oil	5,000	5,000
5213 Vehicle Repair	2,200	2,200
5215 Public Works - Small Tools	2,500	2,500
5217 License	30	30
5225 Public Works - Lab Testing	3,500	3,500
5227 Public Works - Equip. Repair	2,800	2,800
5229 Public Works - Equip. Rental	-	-
	<u>16,030</u>	<u>16,030</u>
5410 Interest Expense	-	-
5430 Fines/Penalties	-	-
5514 Engineering	1,500	1,500
5520 Improvements	-	-
	<u>1,500</u>	<u>1,500</u>
5800 Budget Reduction	-	-
	<u>-</u>	<u>-</u>
6000 Fixed Asset - Equipment	-	-
6400 Fixed Asset - Vehicles	-	-
6500 Fixed Asset- Infrastructure	-	-
6600 Fixed Asset - Land Improvements	-	-
	<u>-</u>	<u>-</u>
<b>Subtotal Expenditures</b>	<u><b>345,493</b></u>	<u><b>345,493</b></u>
<b>Expenditures/Transfer In: City Manager</b>	<b>163,925</b>	
<b>Expenditures/Transfer In: Finance Dept</b>	<b>134,032</b>	
<b>Expenditures/Transfer In: Building &amp; Grounds</b>	<b>5,686</b>	
<b>Expenditures/Transfer In: City Council</b>	<b>3,200</b>	
<b>Total Expenditures</b>	<u><b>652,336</b></u>	
<b>Total Revenue 2014-2015</b>	<u><b>541,900</b></u>	
	<b>(110,436)</b>	
<b>Transferred Out: Water Reserves and General Fund</b>	<b>(110,436)</b>	

# Sewer Fund - \$556,644



# Wastewater Fund

## STATEMENT OF FUNCTION

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

The City Council has recently approved a change in the wastewater rate structure from a fixed charge of \$76.16/month to a rate structure based 70% on a fixed rate of \$47.01/EDU and 30% on volume, factored on strength of wastewater customer class. As the result, the average residential customer who uses 5ccf of water/month should see their monthly sewer bill reduced by \$8.60 to \$67.56.

## REVIEW OF FUNDS

The Wastewater Fund is separated into the sewer operations fund (50), sewer capital fund (52), sewer assessment district fund (53) and sewer debt service fund (54).

The Sewer Operations Fund (50) begins the fiscal year with a projected beginning balance of \$339,617. The requested budget totals \$371,177 and is recommended at \$370,270. The total direct and indirect budget totals \$556,644. The budget funds the salary and benefits for the Wastewater Superintendent and a portion of cost of (4) Utility Workers who also staff the Water and Streets operations.

The Sewer Capital Fund (52) has an estimated beginning fund balance of \$193,904 and revenue for the year estimated at \$278,050. With no capital projects planned, the ending fund balance is expected to total \$568,180, including an internal transfer of \$96,226 from the Sewer Debt Fund.

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

The Sewer Debt Service Fund (54) begins the year with an estimated balance of \$570,649 and will receive \$325,900 of revenue to meet the loan payment of \$325,880. The \$6,000,000 WWTF grant required the City to hold in reserve 1 year's amount of debt service, or \$325,880. At this time the required reserve is overfunded by \$244,669. It is suggested that the Council consider holding a public hearing and adopting a resolution to transfer the overfunded amount to the underfunded Sewer Capital and Operations Funds.

#### 2014-15 BUDGET

For the first full year of operating the new wastewater plant and irrigation field, the recommended budget totals \$370,270, an increase of \$529 from 2013-14. Salaries and benefits provide for the Wastewater Superintendent and a portion of 4 Utility Workers who also maintain parks and grounds, the water system and street maintenance.

#### SALARIES AND BENEFITS

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

#### SERVICES AND SUPPLIES

Services and supplies total \$196,462, \$35,257 more than 2013-14, primarily due to an increase of utility cost by \$34,109. Other major cost centers are regulatory fees- \$15,000 and required lab testing--\$12,500.

#### POLICY ITEMS

Consider the transfer of \$244,669 from the overfunded Sewer Debt Fund to the underfunded Sewer Operations and Capital Funds (public hearing and Resolution).

**Recommended Budget  
SEWER - PUBLIC WORKS  
FY 2014-2015**

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



5162 Medical	500	58	250	250	325	250	250
5164 Regulatory Fees	13,000	10,053	12,000	12,000	14,958	15,000	15,000
5165 Property Tax Assessment	35	-	35	35	-	-	-
5171 Computer Software	1,000	166	1,000	1,000	333	500	500
5173 Computer Maintenance - Supp	400	3,796	50	50	748	500	500
5174 Web Design Services	-	17	-	-	65	-	65
5175 Community Promotions	-	11	-	-	-	-	-
<b>Subtotal</b>	<b>192,708</b>	<b>174,620</b>	<b>161,205</b>	<b>161,205</b>	<b>224,483</b>	<b>196,397</b>	<b>196,462</b>
5212 Gas & Oil	8,200	8,952	8,200	8,200	6,574	2,500	2,500
5213 Vehicle Repair	2,999	4,932	3,000	3,000	2,384	3,000	3,000
5215 Public Works - Small Tools	2,646	3,010	2,646	2,646	3,286	2,646	2,646
5217 License	-	-	-	-	45	-	-
5225 Public Works - Lab Testing	12,985	7,694	12,985	12,985	5,350	12,500	12,500
5227 Public Works - Eqiup. Repair	2,999	3,882	2,750	2,750	2,723	2,750	2,750
5229 Public Works - Equip. Rental	1,000	-	1,000	1,000	-	1,000	1,000
<b>Subtotal</b>	<b>30,829</b>	<b>28,470</b>	<b>30,581</b>	<b>30,581</b>	<b>20,361</b>	<b>24,396</b>	<b>24,396</b>
5410 Interest Expense	-	2	-	-	-	-	-
5430 Fines/Penalties	-	8	3,000	3,000	-	3,000	2,000
5514 Engineering	2,200	-	1,000	1,000	1,048	1,000	1,000
5520 Improvements	3,499	70	1,000	1,000	-	1,000.00	1,000
<b>Subtotal</b>	<b>5,699</b>	<b>80</b>	<b>5,000</b>	<b>5,000</b>	<b>1,048</b>	<b>5,000</b>	<b>4,000</b>
5800 Budget Reduction	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
6000 Fixed Asset - Equipment	-	810	-	-	-	-	-
6400 Fixed Asset - Vehicles	-	-	-	-	-	-	-
6500 Fixed Asset- Infrastructure	-	-	-	-	-	-	-
6600 Fixed Asset - Land Improveme	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>810</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>406,801</b>	<b>372,511</b>	<b>369,741</b>	<b>369,741</b>	<b>395,849</b>	<b>371,205</b>	<b>370,270</b>

FY 14-15 Council Approved	PUBLIC WORKS - SEWER 50	Sewer Fund 50	Total Proposed Proposed
	<b>EXPENDITURES</b>		
	5000 Full Time Salaries	82,405	82,405
	5030 Overtime Salaries	1,099	1,099
	5035 Benefit - ICMA City 457	9,522	9,522
	5040 Benefit - Health Insurance	25,556	25,556
	5042 Benefit - Life Insurance	278	278
	5044 Benefit - Dental/Vision Insur	3,383	3,383
	5045 Worker Compensation Insurance	14,981	14,981
	5050 FICA	6,560	6,560
	5055 Unemployment Insurance	857	857
	5060 Clothing Allowance	770.00	770.00
	5080 Hiring Costs	-	-
	5081 Compensated Absences Payable	-	-
		<b>145,412 #</b>	<b>145,412</b>
	5101 Office Supplies	500	500
	5102 Operating Supplies	2,000	2,000
	5103 Postage	1,700	1,700
	5104 Printing - Forms	125	125
	5105 Advertising	700	700
	5107 Memorial Park Expense	-	-
	5108 Streets	1,000	1,000
	5109 Chemicals	29,000	29,000
	5112 Legal	500	500
	5115 Contract/Professional Services	5,000	5,000
	5119 Safety Supplies & Equipment	1,000	1,000
	5120 Telephone - Pagers	3,500	3,500
	5122 Training - Conference	1,350	1,350
	5123 Automobile - Transportation	500	500
	5125 Publications - Books	200	200
	5126 Dues & Memberships	1,000	1,000
	5127 License	100	100
	5128 Employee Relations	50	50
	5129 Meeting	-	-
	5130 Rents - Leases	1,300	1,300
	5131 Records Maintenance	150	150
	5135 Maintenance - Repair	15,000	15,000
	5136 Parks Maintenance - Repair	-	-
	5138 Office Equipment - P.W.	1,200	1,200
	5139 Equipment	4,500	4,500
	5141 General Liability Insurance	9,389	9,389
	5143 Property Insurance	2,083	2,083
	5144 Employee Practice Liability Insurance	692	692
	5148 Office Equipment	-	-
	5150 Electricity	76,609	76,609
	5151 Natural Gas	20,000	20,000
	5154 Garbage	1,000	1,000

5162 Medical	250	250
5164 Regulatory Fees	15,000	15,000
5165 Property Tax Assessment	-	-
5171 Computer Software	500	500
5173 Computer Maintenance - Support	500	500
5174 Web Design Services	65	65
5175 Community Promotions	-	-
	<b>196,462 #</b>	<b>196,462</b>
5212 Gas & Oil	2,500	2,500
5213 Vehicle Repair	3,000	3,000
5215 Public Works - Small Tools	2,646	2,646
5217 License	-	-
5225 Public Works - Lab Testing	12,500	12,500
5227 Public Works - Eqiup. Repair	2,750	2,750
5229 Public Works - Equip. Rental	1,000	1,000
	<b>24,396 #</b>	<b>24,396</b>
5410 Interest Expense	-	-
5430 Fines/Penalties	2,000	2,000
5514 Engineering	1,000	1,000
5520 Improvements	1,000	1,000
	<b>4,000 #</b>	<b>4,000</b>
5800 Budget Reduction	-	-
	<b>- #</b>	<b>-</b>
6000 Fixed Asset - Equipment	-	-
6400 Fixed Asset - Vehicles	-	-
6500 Fixed Asset- Infrastructure	-	-
6600 Fixed Asset - Land Improvements	-	-
	<b>- #</b>	<b>-</b>
<b>Subtotal Expenditures</b>	<b>370,270</b>	<b>370,270</b>
<b>Expenditures/Transfer In: City Manager</b>	<b>42,677</b>	
<b>Expenditures/Transfer In: Finance Dept</b>	<b>134,810</b>	
<b>Expenditures/Transfer In: Building &amp; Grounds</b>	<b>5,686</b>	
<b>Expenditures/Transfer In: City Council</b>	<b>3,200</b>	
<b>Total Expenditures</b>	<b>556,643</b>	
<b>Total Revenue 2014-2015</b>	<b>368,583</b>	
	<b>(188,060.10)</b>	
<b>Transferred Out: Sewer Reserves</b>	<b>(188,060.10)</b>	

# Capital Projects Budget

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## STATEMENT OF FUNCTION

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

### 2014-15 Budget

The projects for 2014-15 total \$80,000 as compared to \$160,500 last year. The two (2) recommended projects are as follows:

#### Drainage Study Ogle/Belleview (\$45,000)

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

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

#### Back-up Generator for Water Infiltration Gallery (\$35,000)

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

## POLICY ITEMS

1. Belleview/Ogle drainage study contribution from General Fund--\$45,000.
2. Back-up generator for water infiltration gallery--\$35,000

**Recommended Budget**  
**CAPITAL PROJECTS**  
**FY 2014-2015**

	FY 13-14 YTD Adj Budget	FY 13-14 Y-T-D Actual	FY 13-14 Est. Year-end	FY 14-15 Dept. Req.	FY 14-15 City Mgr. Recom.
<b>EXPENDITURES</b>					
5000 Full Time Salaries	5,120	7,385	9,231		
5030 Overtime Salaries			-		
5035 Benefit - ICMA City 457	-	815	1,019		
5040 Benefit - Health Insurance			-		
5042 Benefit - Life Insurance			-		
5044 Benefit - Dental/Vision Insur			-		
5045 Worker Compensation Insurance	-	281	351		
5050 FICA	-	598	748		
5055 Unemployment Insurance	-	75	94		
5060 Clothing Allowance			-		
5080 Hiring Costs			-		
5081 Compensated Absences Payable			-		
<i>Subtotal</i>	<b>5,120</b>	<b>9,154</b>	<b>11,443</b>		
5101 Office Supplies			-		
5102 Operating Supplies			-		
5103 Postage	-	231	289		
5104 Printing - Forms	-	23	29		
5105 Advertising			-		
5107 Memorial Park Expense			-		
5108 Streets	127,250	27,567	34,484	-	-
5109 Chemicals			-		
5112 Legal	-	4,378	5,473		
5115 Contract/Professional Services	-	153,121	191,401		
5119 Safety Supplies & Equipment			-		
5120 Telephone - Pagers			-		
5122 Training - Conference	-	338	423		
5123 Automobile - Transportation	-	358	448		
5125 Publications - Books			-		
5126 Dues & Memberships			-		
5127 License			-		
5128 Employee Relations			-		
5129 Meeting			-		
5130 Rents - Leases			-		
5131 Records Maintenance	-	3	4		
5135 Maintenance - Repair	-	627	784		
5136 Parks Maintenance - Repair			-		
5138 Office Equipment - P.W.			-		
5139 Equipment			-		
5141 General Liability Insurance			-		
5143 Property Insurance			-		
5144 Employee Practice Liability Insurance			-		
5148 Office Equipment			-		
5150 Electricity			-		
5151 Natural Gas			-		
5154 Garbage			-		
5162 Medical			-		
5164 Regulatory Fees			-		
5165 Property Tax Assessment			-		
5171 Computer Software			-		

**Recommended Budget**  
**CAPITAL PROJECTS**  
**FY 2014-2015**

	<b>FY 13-14 YTD Adj Budget</b>	<b>FY 13-14 Y-T-D Actual</b>	<b>FY 13-14 Est. Year-end</b>	<b>FY 14-15 Dept. Req.</b>	<b>FY 14-15 City Mgr. Recom.</b>
5173 Computer Maintenance - Support			-		
5174 Web Design Services			-		
5175 Community Promotions			-		
<b>Subtotal</b>	<b>127,250</b>	<b>186,666</b>	<b>233,333</b>		-
5212 Gas & Oil			-		
5213 Vehicle Repair			-		
5215 Public Works - Small Tools			-		
5217 License			-		
5225 Public Works - Lab Testing			-		
5227 Public Works - Equip. Repair			-		
5229 Public Works - Equip. Rental			-		
<b>Subtotal</b>	-	-	-	-	-
5410 Interest Expense	37,500	1,903	2,379		
5430 Fines/Penalties			-		
5514 Engineering	123,000	52,737	65,921	50,000	45,000
5520 Improvements			-		
5610 Bad Debt	-	4,290	5,363		
<b>Subtotal</b>	<b>160,500</b>	<b>58,930</b>	<b>73,663</b>	<b>50,000</b>	<b>45,000</b>
5800 Budget Reduction			-		
<b>Subtotal</b>	-	-	-	-	-
6000 Fixed Asset - Equipment	98,000	17,127	21,409		-
6300 Fixed Asset- Heavy Equipment	35,000	-	-	30,000	35,000
6400 Fixed Asset - Vehicles	108,890	100,813	126,016		-
6500 Fixed Asset- Infrastructure	4,420,237	3,128,566	3,910,708	-	-
6525 Building and Improvements	5,600	5,133	6,416		
6600 Fixed Asset - Land Improvements	53,000	27,870	34,838		-
6700 Fixed Asset - Debt Service	180,498	81,583	101,979		-
<b>Subtotal</b>	<b>4,901,225</b>	<b>3,361,092</b>	<b>4,201,365</b>		<b>35,000</b>
<b>Total Expenditures</b>	<b>5,194,095</b>	<b>3,615,842</b>	<b>4,519,803</b>	<b>50,000</b>	<b>80,000</b>

Recommended Budget  
 CAPITAL PROJECTS  
 FY 2014-2015

	Captial Project Gen Fund 00	Water Capital Fund 61	Total Proposed Proposed
<b>EXPENDITURES</b>			
5000 Full Time Salaries			-
5030 Overtime Salaries			-
5035 Benefit - ICMA City 457			-
5040 Benefit - Health Insurance			-
5042 Benefit - Life Insurance			-
5044 Benefit - Dental/Vision Insur			-
5045 Worker Compensation Insurance			-
5050 FICA/MEDI			-
5055 Unemployment Insurance			-
5060 Clothing Allowance			-
5080 Hiring Costs			-
5081 Compensated Absences Payable			-
5101 Office Supplies			-
5102 Operating Supplies			-
5103 Postage			-
5104 Printing - Forms			-
5105 Advertising			-
5107 Memorial Park Expense			-
5108 Streets			-
5109 Chemicals			-
5112 Legal			-
5115 Contract/Professional Services			-
5119 Safety Supplies & Equipment			-
5120 Telephone - Pagers			-
5122 Training - Conference			-
5123 Automobile - Transportation			-
5125 Publications - Books			-
5126 Dues & Memberships			-
5127 License			-
5128 Employee Relations			-
5129 Meeting			-
5130 Rents - Leases			-
5131 Records Maintenance			-
5135 Maintenance - Repair			-
5136 Parks Maintenance - Repair			-
5138 Office Equipment - P.W.			-
5139 Equipment			-
5141 General Liability Insurance			-
5143 Property Insurance			-
5144 Employee Practice Liability Insurance			-
5148 Office Equipment			-
5150 Electricity			-
5151 Natural Gas			-
5154 Garbage			-
5162 Medical			-
5164 Regulatory Fees			-
5165 Property Tax Assessment			-
5171 Computer Software			-



**Recommended Budget**  
**CAPITAL PROJECTS**  
**FY 2014-2015**

	<b>Capitla Project Gen Fund 00</b>	<b>Water Capital Fund 61</b>	<b>Total Proposed Proposed</b>
5173 Computer Maintenance - Support			-
5174 Web Design Services			-
5175 Community Promotions			-
	-	-	-
5212 Gas & Oil			-
5213 Vehicle Repair			-
5215 Public Works - Small Tools			-
5217 License			-
5225 Public Works - Lab Testing			-
5227 Public Works - Equip. Repair			-
5229 Public Works - Equip. Rental			-
	-	-	-
5410 Interest Expense			-
5430 Fines/Penalties			-
			-
5514 Engineering	45,000	-	45,000
5520 Improvements			-
5610 Bad Debt			-
	<b>45,000</b>	-	<b>45,000</b>
			-
6000 Fixed Asset - Equipment			-
6300 Fixed Asset- Heavy Equipment	-	-	-
6400 Fixed Asset - Vehicles	-	35,000	35,000
6500 Fixed Asset- Infrastructure			-
6525 Building and Improvements			-
6600 Fixed Asset - Land Improvements			-
			-
6700 Fixed Asset - Debt Service			-
			-
<b>Total Expenditures</b>	-	<b>35,000</b>	<b>35,000</b>
	<b>45,000</b>	<b>35,000</b>	<b>80,000</b>