

City of Sutter Creek



**Fiscal Year 2014-2015
ADOPTED
July 7, 2014**

City Council

**Robin Peters
Mayor**

**Tim Murphy
Council Member**

**Jim Swift
Mayor Pro Tempore**

**Sandra Anderson
Council Member**

**Linda Rianda
Council Member**

**Amy Gedney
City Manager**

**Joe Aguilar
Finance Director**

**Natalie Doyle
City Clerk**

**Derek Cole
City Attorney**

**Victoria Runquist
City Treasurer**

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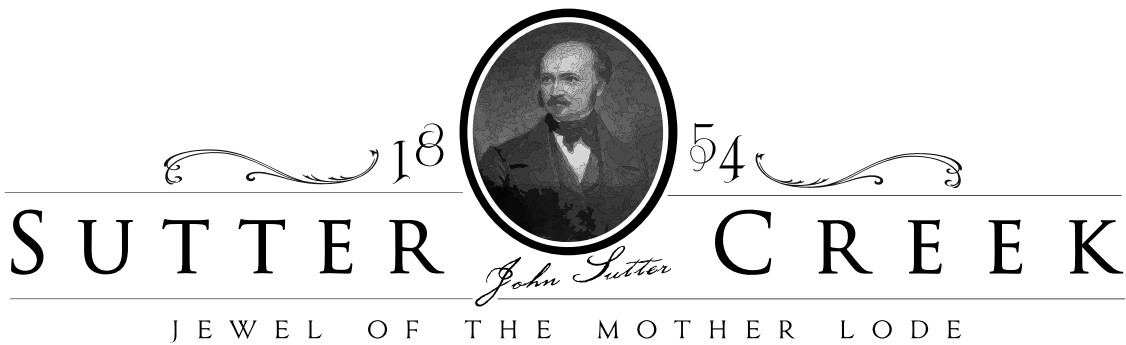
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TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
DATE: JULY 7, 2014
FROM: AMY GEDNEY, CITY MANAGER
SUBJECT: 2014-2015 ANNUAL BUDGET

In general, revenues are slowly increasing while we work to keep expenses reduced and provide quality services. This year's budget format is slightly different from previous years in that it shows TOTAL expenses in a department on a Departmental sheet. The Summary sheet shows the summary of all departments and then identifies the percentages to be funded by each funding source.

This year's budget has been modified by the following:

- 1) Collapse the existing three internal service funds into one, leaving only technology and risk management direct expenses in the Internal Service Fund, now known as "Internal Services Department," IS.
- 2) Derive expenses from the department where they are created. For example, audit services are now line item budgeted within the Finance Department budget and then cost allocated in the Summary sheet.
- 3) The departmental sheets also show the number of full time equivalents included in the budget numbers.

Of primary concern for the first quarter of the new fiscal year will be to aggressively review revenue leakage areas, specifically- Business Licenses, TOT, Fees for Services, and sales tax. Additionally, we will also complete a review of procedural functions. During the next fiscal year, it is anticipated that staff will:

- 1) Have a comprehensive review of our Board of Equalization information.
- 2) Review of TOT procedures.
- 3) Have implemented a streamlined Business License review and follow up process.
- 4) Reviewed Fees for Services as well as a thorough review of Impact Fees and a recommendation.
- 5) Present detailed monthly Expense & Revenue reports and monthly Fund Cash Balances in order to more accurately inform the Council of the City's financial position.
- 6) Begin assembling data for a comprehensive Capital Improvement/Replacement Program.

Summary

Employee Expenses

City-portion of PERS expenses are anticipated to increase by 5% from 28% to 33% of salary contribution. Also included is an increase in health benefits from \$1,100 to \$1,300/month/employee for SEIU 1021 members.\. Overtime expenses in all departments have been adjusted to reflect actuals, however, a particularly high increase in the Police Department budget has been included to reflect the actual costs based on leave time and training schedules.

Operational Expenses

Operational expenses are expected to remain relatively the same. Additionally, within the Sewer funds we are anticipating a reduction in chemical use, as a result of a new plan for how we order and store chemicals.

Capital Expenses

The Sewer budget contains a \$50,000 line item amount for capital replacement to be moved to a Capital fund at the end of the fiscal year to begin “saving” for improvements at the WWTP.

This is a projected snapshot of what we anticipate for next year. It is my intent to keep you well informed of both Revenues and Expenses this next year by presenting monthly reports as well as cash balances within each Fund.

SUMMARY OF BUDGET PURPOSE

Budget Resolution and Spending Exhibit

A City Council Resolution articulates and memorializes an action of the City Council. For this reason, the City of Sutter Creek practices adopting a budget resolution for approving its original budget for each fiscal year. The budget resolution narrative specifies the budget authority delegated to the City Manager and City staff for amending the budget. Changes to the budget beyond these authorizations require approval from the City Council. A summary of spending by department as the “spending exhibit” to the budget resolution. This exhibit provides the specific authorizations for spending in each fund. The entire body of the budget provides greater detail of each budget request that in turn is summarized in the “spending exhibit”.

Departmental Expenses

All Departmental expenses in each Department are listed on the following pages. It should be strongly noted that there are huge increases in departmental expenses as a result of collapsing internal service fund into which. All expenses are placed in the Department where they are derived. Therefore, for comparison purposes, one should review the Detail Departmental sheets in Appendix A and compare the Leveled Budget column to the Amended Budget Column.

Revenue Projections – All Operating Funds

This schedule shows the projected revenues for all City operating funds. The schedule segregates the revenues in each fund by type and source using the following categories:

- Taxes
- Licenses & Permits
- Intergovernmental Revenues
- Uses of Money & Property
- Charges for Services
- Other Revenue

Summary

The Summary identifies all expenses identified in the departmental sheets and then allocates revenue sources to each departmental expense group. At the bottom of the Summary sheet, the total revenue are identified less expenses thereby showing the expected remaining balance at the end of the fiscal year. It is anticipated that we will have roughly an \$80,000 surplus in the General Fund and a \$50,000 surplus in the Sewer Fund.

CITY COUNCIL

The City Council is the policy making legislative body of the City of Sutter Creek. The City Council acts upon all legislative matters concerning the City, approving and adopting all ordinances, resolutions, and other matters requiring overall policy decisions and leadership. The City Council appoints the City Manager and the City Attorney as well as various commissions, boards, and citizen's advisory committees to insure broad-based citizen input into the affairs of the City. In reaching policy decisions, the City Council reviews proposals designed to meet community needs and sustain demanded service levels; directs staff to initiate new programs to upgrade existing services; determines the ability of the City to provide financing for the proposed budget; and, oversees the financial condition of the City.

Past Year Accomplishments

- Balanced budget with a targeted contingency amount;
- Hired a new City Manager and Police Chief
- Directed numerous administrative changes in City;
- Modifications to City Committee structure;

Major Projects or Programs for Upcoming Year

- Continuing to oversee ongoing administrative changes in City;
- Sewer Master Plan
- Election

Budget Changes for Upcoming Year:

- Decreased travel line item for League of California City conference
- Modification to the allocations for Internal Service Funds

Description	2013-2014 Prior Year Budget	2014-2015 ADOPTED Budget
Salaries & Benefits	\$16,993	\$16,395
Services & Supplies	6,100	11,200
Transfers & Allocations	0	0
	<hr/> \$23,093	<hr/> \$27,095

CITY CLERK

The City Clerk is a staff position appointed by the City Council and managed by the City Manager. The principal responsibility of the City Clerk is to attend all City Council meetings and recording minutes and actions of the City Council. The City Clerk is responsible for the filing and safe-guarding of all City ordinances, resolutions, minutes, contracts, and agreements.

Major Projects or Programs for Upcoming Year

- Codification of Existing Ordinances
- Update City’s retention documents

Budget Changes for Upcoming Year

- Staffing for this position was previously in Central Services Internal Services Fund.

Description	2012-13 Prior Year Budget	2013-14 ADOPTED Budget
Salaries & Benefits	\$0	\$107,206
Services & Supplies	700	6,140
Transfers & Allocations	0	300
	<u>\$700</u>	<u>\$113,646</u>

CITY TREASURER

The City Treasurer is an elected position with a four (4) year-term. The Treasurer is responsible for all investment accounts of the City and those responsibilities which are typically not delegated to the Finance Officer.

Budget Changes for Upcoming Year

- None noted

Description	2012-13 Prior Year Budget	2013-14 ADOPTED Budget
Salaries & Benefits	\$2,720	\$2,675
Services & Supplies	0	0
Transfers & Allocations	0	0
	<u>\$2,720</u>	<u>\$2,675</u>

CITY MANAGER

The City Manager is appointed by the City Council and is the Chief Administrative Officer of the City. The City Manager is responsible for the enforcement of all laws, ordinances, contracts, and managing the acquisition, construction, maintenance and operation of all capital improvements. The City Manager advises the City Council on the financial condition of the City. The City Manager makes recommendations to the Council on the affairs of the City and advises the Council on all legislative policy matters. The City Manager supervises all of the appointed department managers, except the City Attorney who is appointed by the City Council. The City Manager is responsible for the efficient and effective operation of all City department programs and services.

The budget year just completed was a successful year for the City as a whole and for specific departments of the City. Over the year, many varied projects were completed by the City staff. Listed below are some of the accomplishments of this last year:

Past Year Accomplishments

- Balanced budget approved by Council with targeted contingency amount
- Expense control to prevent over spending
- Continued establishment of key administrative policies
- Successful implementation of Sewer and Collections System management contract

Major Projects or Programs for Upcoming Year

- Identify Revenue leakage areas
- Continue expense control to maintain balanced budget with targeted contingency
- Continue to review opportunities for staff realignment

Budget Changes for Upcoming Year

- Previously the position was allocated across several different funds. This departmental budget reflects the full costs for this department which also included Human Resource functions.

Description	2012-13 Prior Year Budget	2013-14 ADOPTED Budget
Salaries & Benefits	\$47,681	\$174,867
Services & Supplies	7,300	1,300
Transfers & Allocations	34,214	0
	<u>\$89,195</u>	<u>\$176,167</u>

FINANCE

The Finance Department plans, directs, and coordinates the fiscal affairs of the City in accordance with specific objectives established by legal and professional standards. It provides for the maintenance of the City's financial records, develops related systems and provides management with information necessary for sound fiscal decisions. This includes appropriation control, cost and revenue accounting, accounts receivable, utility billing, payroll, accounts payable, and business licensing.

Past Year Accomplishments

- Continued consolidation and elimination of small funds

Major Projects or Programs for Upcoming Year

- Chart of Accounts revision
- Identify Revenue leakage areas
- Improvement on system efficiencies
- Revise the Financial Reports for Department Directors
- Develop Capital Improvement Plan and Long Range Fiscal Plan
- Development of long-term financial strategies
- Continue to incorporate internal control recommendations from audit
- Document and develop a Finance Department Accounting manual
- Re-organize the Finance Department function
- Aggressively pursue revenue recovery.

Budget Changes Requested for Upcoming Year

- Reorganization of finance functions.

Description	2012-13 Prior Year Budget	2013-14 ADOPTED Budget
Salaries & Benefits	\$5,630	\$89,980
Services & Supplies	7,400	83,592
Transfers & Allocations	0	0
	<u>\$13,030</u>	<u>\$173,572</u>

POLICE DEPARTMENT

The Police Department's primary responsibilities are to respond to public safety related issues and work with all community stakeholders to find long term solutions to issues and concerns.

The Department responds to calls for service, processes crime scenes, investigates and records facts, gathers evidence, identifies and apprehends criminal suspects, and prepares cases for presentation to the District Attorney’s Office with the ultimate goal of successful prosecution in court. Types of crimes the Department typically responds to and investigates are residential and commercial burglaries, reports or allegations of child abuse, domestic violence, sexual assaults, narcotics enforcement, traffic collisions, traffic violations and abandoned vehicle abatement.

The Department also responds to citizens requests for a variety of services related to keeping the peace, preserving life and property, as well as assisting persons in distress. The Department’s goal is to work with the community in order to impact and reduce the number of incidents of crime, thereby maintaining safe neighborhoods.

Past Year Accomplishments

- Recruitment for the vacant Chief of Police position was completed.
- Successful arrests made in several significant crimes.
- Increased the Department’s visibility in community.
- Increased the Department’s visibility at school facilities.
- Radar Trailer was repaired and deployed.
- Purchase of a new patrol vehicle.
- Department Training and Career Development Plan was finalized.
- Continued participation in State COPS Grant.

Major Projects or Programs for Upcoming Year

- Increased staffing through the Federal COPS grant.
- Increased traffic and DUI enforcement through the State OTS Grant.
- Expanding the Department’s volunteer and reserve officer program(s).
- Implementation of a Police Explorer Program.
- Creation of a “Community Resource Specialist” (part-time position) to handle a variety of support functions, as well as Code Enforcement.
- Increasing in-service training for sworn personnel.
- Implementation of a Less Lethal Program.
- Test, Evaluate and Implement Body Worn Camera System.
- Creation of a Citizens Advisory Committee.
- Creation of a parking plan and update the Municipal Code sections related to parking.

- Finalize evidence room and procedures audit and implement recommendations.
- Continued participation in State COPS Grant
- Aggressively pursue revenue recovery

Budget Changes Requested for Upcoming Year

- Decrease in personnel expenditures due to higher-paid officers leaving and being replaced by first-step officers

Description	2012-13 Prior Year Budget	2013-14 ADOPTED Budget
Salaries & Benefits	\$605,789	\$643,688
Services & Supplies	167,700	170,600
Equipment & Capital Items	0	10,000
Transfers & Allocations	155,154	0
	<u>\$928,643</u>	<u>\$824,288</u>

COMMUNITY DEVELOPMENT aka PLANNING & BUILDING

The Community Development Department is comprised of the Community Development / Planning Division and the Building Inspection Division. The Department is responsible for the development, administration, and enforcement of current and long range land use and development programs for the City. The Department provides support to the Sutter Creek Planning Commission.

Building Regulation

This division is responsible for enforcement of codes, laws and regulations governing all building construction and modifications. This department’s function has been contracted out since 2012.

Planning

The Planning Department is responsible for the development and administration of current and long range land use planning programs for the City. Development of long range planning programs are guided by the City's General Plan (updated in 1992) and other land use regulatory documents. The Department is responsible for processing development applications accommodating growth and development. Department activities include research, analysis, and preparation of reports designed to accommodate growth and development which is beneficial to the City's long term economic, social, and environmental conditions.

Past Year Accomplishments

- Continued work on the residential development applications and proposals of boundary line adjustments, parcel maps, tentative maps, use permits, record of surveys, site plans and sign applications
- Successful coordination of PG&E lighpost replacement project in Sutter Crest area
- Continued work on General Plan update (on hold)
- Successful incorporation of contract planning services to augment City Staff
- Successful incorporation of contractual building inspection services with County

Upcoming Year Major Projects or Programs

- Continue planning processing of residential development applications and proposals of boundary line adjustments, parcel maps, use permits, record of surveys, site plans and sign applications
- Continue coordination and planning processing of Development Applications
- General Plan Update completion

- Sign ordinance update completion

Budget Changes Requested for upcoming Year

- Increased allocations from Internal Service Funds

Description	2013-2014 Prior Year Budget	2014-2015 ADOPTED Budget
Salaries & Benefits	\$33,340	\$118,767
Services & Supplies	71,588	44,738
Transfers & Allocations	24,188	
Capital Purchases	17,000	17,000
	\$121,928	\$180,505

PUBLIC WORKS

Parks, Buildings, Recreation & Cemetery

These Divisions are responsible for planning, maintaining, operating, and inspecting infrastructure systems and managing capital improvements to these systems. Public Works Functions include: maintenance of parks, city owned buildings, cemetery, and recreation functions.

Administration oversees the management, supervision and coordination of the Department including the preparation and monitoring of operating and capital improvement budgets. This division is responsible for planning, organizing, implementing and evaluating the various Public Works functions and activities, including administrative and clerical activities. Administration is also responsible for managing the development of capital Master Plans. Engineering is responsible for the operation of engineering functions, including: development services; capital project design; construction inspection; and traffic engineering.

This division is responsible for the operation and maintenance of our street system, wastewater system, storm drains, Street Lighting, City landscaping, City buildings and properties.

Lighting and Landscaping: These are the responsibilities for the maintenance functions associated with the Crestview Lighting and Landscaping District, median islands, street lighting (PG&E maintained), street landscaping, and creek area maintenance.

Building and Property Maintenance: Responsibilities include the maintenance functions associated with buildings (and properties not covered by other Public Works units) including City Hall, Community Center, and the public restrooms. Programs include maintenance and repair of plumbing, electrical, and HV AC systems to insure building integrity and appearance.

Storm Drains: Responsibilities cover the operation and maintenance of the storm drainage system including collection lines, catch basins, curb inlets and ditches.

Description	2013-2014 Prior Year Budget	2014-2015 ADOPTED Budget
Salaries & Benefits	\$23,695	\$36,980
Services & Supplies	118,388	127,600
Capital Purchases		2,500
Transfers & Allocations	24,188	-
	<u>\$142,083</u>	<u>\$167,080</u>

STREETS

Budget Changes Requested for Upcoming Year

- \$50,000 for street and road repairs

Description	2013-2014 Prior Year Budget	2014-2015 ADOPTED Budget
Salaries & Benefits	\$16,384	\$18,139
Services & Supplies	63,300	104,700
Capital Purchases		0
Transfers & Allocations	0	
	<u>\$79,684</u>	<u>\$122,839</u>

SWIMMING POOL

Description	2013-2014 Prior Year Budget	2014-2015 ADOPTED Budget
Salaries & Benefits	\$38,200	\$36,100
Services & Supplies	4,200	4,850
Transfers & Allocations	0	0
	<u>\$42,400</u>	<u>\$40,950</u>

COMMUNITY PROMOTIONS

The City uses a separate budget program to account for contributions to support groups that make significant contributions to the community by administering various service programs for local residents. Some examples include the Sutter Creek Visitor Center that promotes tourism for the community and the Monte Verde store.

Budget Changes Requested for Upcoming Year

- None noted

Description	2013-2014 Prior Year Budget	2014-2015 ADOPTED Budget
Salaries & Benefits	\$0	\$0
Services & Supplies	\$67,550	65,900
Transfers & Allocations	0	0
	\$67,000	\$67,550

SEWER TREATMENT

Wastewater System: The operation and maintenance responsibilities for the wastewater system includes: the sewage collection system maintenance; sewage system installation; and, wastewater treatment facility operation and maintenance. There are approximately 23 miles of sewer distribution lines, and 2 pump stations.

The City uses this budget program to track and account for costs related to the operation of the sewer treatment plant.

Past Year Accomplishments

- Sewer Plant operational issues continue to be improved
- Contract management and oversight company for wastewater treatment plant and collections system continues to increase plant efficiency
- Continued implementation of Sewer System Management Plan (SSMP)
- Collections system repairs at Rabb Street

Upcoming Year Major Projects or Programs

- Finalization of Sewer and ARSA master plans
- Continuation of implementation of SSMP
- Resolution of ongoing sewer plant issues
- Continuation of WWTP and collections system management contract
- Further collection system repairs

Budget Changes Requested for Upcoming Year

- Continued funding for wastewater and ARSA master plan completion
- Reduction in personnel costs due to staffing level decrease
- Potential hiring of two part-time employees (WWTP and ARSA)

Description	2013-2014 Prior Year Budget	2014-2015 ADOPTED Budget
Salaries & Benefits	\$147,093	\$143,318
Services & Supplies	848,100	746,700
Capital Purchases		50,000
Transfers & Allocations	106,264	0
	\$1,101,457	\$940,018

SEWER COLLECTION

The City uses this budget program to track and account for costs related to the collection of affluent and maintaining the facilities used for such collection purposes.

Budget Changes Requested for Upcoming Year

- Sewer Line Replacement budget consolidated with this department
- Continued budget for line repair/replacement projects

Description	2013-2014 Prior Year Budget	2014-2015 ADOPTED Budget
Salaries & Benefits	\$125,591	\$154,194
Services & Supplies	121,269	110,469
Capital & Equipment	75,000	75,000
Debt Svs		50,000
Transfers & Allocations	128,283	0
	<u>\$450,143</u>	<u>\$339,663</u>

INTERNAL SERVICES

The City uses this Internal Services to allocate costs related to the general administrative function not captured by the other departments. This function includes general supplies, general equipment leasing, the City Attorney, risk management and information technology functions. Fifty percent of these are allocated to the General Fund and fifty percent are allocated to the Sewer Fund.

Budget Changes Requested for Upcoming Year

Description	2012-13 Prior Year Budget	2013-14 ADOPTED Budget
Salaries & Benefits	\$183,598	-
Services & Supplies	294,800	143,405
Capital Outlay	3,500	1,000
	<u>\$481,898</u>	<u>\$144,405</u>

GENERAL BUDGET INFORMATION

Budget Document Overview

The annual budget serves as the City's fundamental policy document and works as a financial plan and guide for the upcoming year. In addition to its function as a resource and spending plan for the city, it informs the public about the City's financial strategies. The City Manager submits a preliminary budget in June of each year to the City Council. The preliminary budget document includes the projected expenditures and the estimated revenues to be used to finance the expenditures. After a period of review, the City Council may revise the submitted preliminary budget and adopt the document as its proposed spending plan for the upcoming year. Typically, this entire process occurs prior to the July 1st of each year. The City's fiscal year begins on July 1st and ends the following June 30th.

After adoption of the original annual budget, transfers of appropriations within a General Fund department, or within other funds, can be made by the City Manager. Budget modifications between funds; increases or decrease to a fund's overall budget, transfers between General Fund departments; or transfers that affect capital projects, must be approved by the City Council. Council approved budget amendments can be made throughout the year. At the conclusion of the fiscal year, the City practices issuing a set of audited financial statements that include presentations of the City's original adopted budget, its amended budget and comparisons of actual expenditures versus budget.

The City maintains budget control at the fund level and any changes or transfers at the fund levels require City Council approval. The City Manager is authorized to transfer budget allocations between accounts and departments, but not between funds. Position Control In approving the annual budget, the City Council approves staffing levels for each job classification for the City. Additions to the staffing levels require City Council approval along with corresponding changes in budget appropriations. The City Manager is authorized to adjust part-time staffing levels dependent on fees received for the services provided (e.g. building inspections paid by building permits).

City Government

The City of Sutter Creek is a general law city and employs the Council/Manager form of government. The Sutter Creek City Council consists of five members, elected at-large for four-year terms (two members at one election, three members at the following election). After each Council election, the Council members appoint a Mayor for a one-year term and a Mayor Pro Tempore for a one-year term. The City Council acts as the legislative and policy-making body for the City.

The Council appoints the City Manager, City Attorney, and all members of the various boards and commissions which serve in an advisory capacity to the City Council. The Council sets policy on all public matters relating to the City of Sutter Creek, and adopts an annual budget in which the year's approved programs, projects, and services are financed. The City Council periodically establishes city-wide goals and updates the General Plan and Zoning Ordinance as needed. The City Treasurer is elected for a four year term.

The City Council appoints a City Manager who serves as the chief executive of the City organization. Except for those positions that the City Council chooses to hire or appoint directly, the City Manager hires and fires all of the other City employees and oversees the day to day management of the City.

CITY'S FINANCIAL MANAGEMENT

Fund Accounting

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Some funds are established to track activities required by law (i.e. Gas Tax fund), some fulfill revenue requirements (grant funds), while others demonstrate prudent administrative practices (such as self-insurance funds for liability).

Other balances may result from legal requirements, such as payment of long term debts for bonds. Lastly, each city should set aside a portion of their General Fund balance for a "prudent reserve". Such a reserve provides options for the city to meet unexpected changes in its financial picture. Examples could include a downturn in the economy, an unanticipated cost increase, catastrophic loses, or other unforeseen circumstances.

Financial Practices

The City maintains a written Investment Policy for the investing and management of idle City money. This policy is used to guide City officials and staff in regards to preserving the City's financial resources. The policy is consistent with State statutes that pertain to the investment function.

Each year, the City Council Finance Committee sets a goal of contingency funding in the operating budget of the General Fund. This year's presented General Fund budget includes a contingency amount for unforeseen expenses. City staff must obtain City Council approval prior to using any contingency amounts.

For the upcoming year, City staff will be working with the Finance Committee to develop a Five Year Capital Improvement Plan and long range financial strategy. In future years, the Capital Improvement Plan will lay down a timeframe and strategy for funding significant projects that are consistent with the City's General Plan and other long term master plans like the Sewer Master Plan.

Revenue Based and Projections

There are four major revenue sources that comprise more than 74% of the City's discretionary General Fund revenue. The "big four" revenues are property tax, sales tax, motor vehicle in-lieu fees and the Transient Occupancy Tax.

Significant residential development projects have started the development process; however, much of that development will not produce additional property tax revenues for several years. The major developments will include financial analyses that will analyze the additional City revenues and expenditures necessary to support those developments. Non- residential development has been slow and future development will be dependent upon the increased customer and labor base created by the new residential developments.

Sales tax revenue derives from one percent of the sales price on taxable products sold within the City of Sutter Creek. Increases in sales tax revenues will be based on the gradual commercial/retail development that accompanies the residential development.

FUNDS OVERVIEW

This section describes the types of funds used in the City's finances, an All Funds Schedule, a Fund Balance Report, and the General Fund Revenues. Fund accounting is central to governmental budgeting. With each fund representing a self-balancing set of revenue, expenditure, and transfer accounts. Certain funds have varying levels of restrictions, imposed either by legal requirements or policy choices, and as such, it can be helpful to a broad overview of the City's finances to show summaries of different funds. The City's funds are grouped into seven basic types:

General	Debt Service
Capital Project	Fiduciary
Enterprise	

The General Fund is the primary revenue source and operating fund for most services cities typically offer. These include public safety (police and fire), street maintenance, parks and recreation and neighborhood and community services, etc. In addition, the City Council, City Manager's Office, Finance and City Attorney budgets are predominantly funded by the General Fund. These activities are financed through general tax dollars from sales and property taxes, motor vehicle in-lieu fees, the municipal service tax, and by revenues generated from permits, fees and Investment earnings.

Special Revenue Funds account for activities funded by special purpose revenue, that is, revenues that are legally restricted to expenditure for a specific purpose. Many of these funds have grant-based revenues,

which may only be spent under specific guidelines. Most of the federal, state and county grants the City administers are included in this category.

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds such as the Sewer Funds). One example of these is the City's Traffic Mitigation Fund.

Enterprise Funds account for City activities, which operates as public enterprises. Revenues come from fees charged to programs, customers or other department users. Enterprise funds, which provide for utility services are proprietary funds. So are internal service funds, which fund programs that provide services to other city departments, such as Equipment (which functions as an internal "rental agency" to City Departments). The sewers protect public health and preserve water quality through the collection, treatment and disposal of the community's wastewater and wastewater solids.

Debt Service Funds track revenues and expenditures related to repayment of principal and interest costs associated with borrowing money for long-term obligations. The reader can find a separate debt service schedule in this budget that provides detail on all outstanding debt owed by the City.

Fiduciary Fund Types are used to account for assets held by the City as an agent or trustee for individuals, private organizations, other governments and/or other funds. These include Agency and Expendable Trust Funds. Agency funds are custodial in nature (assets and liabilities) and do not involve measurement of results of operations.

DEBT DETAIL

Sewer Bond:

Initial amount:	\$850,000
Annual Payment:	\$8,000 - \$43,000 Principal & Interest
Term:	40 years Final Payment Due May 1,2037
Balance (June 30, 2012):	\$659,000

Payments are made from a separate charge to all Wastewater customers.

APPENDIX A

Departmental Budget Details

**City Council
1010**

FTE: Elected

GL Code	Description	2013-14 Amended Budget	2013-14 Leveled Budget	2013-14 Projected Year End	2014-15 ADOPTED Budget
40000	Council Salaries	15,200	15,200	15,200	15,200
41000	FICA	973	975	975	975
41030	Medicare	220	220	220	220
41050	Worker's Comp insurance	600	-	-	-
<i>Employee Expenses</i>		16,993	16,395	16,395	16,395
52010	Special Departmental Expense	800	1,352	1,352	1,200
55030	Elections City Council	0			7,000
64010	Advertising	500	459	459	500
65030	Memberships/Dues	1,300	1,475	1,475	1,500
65040	Travel, Conf, Trg	3,500	525	525	1,000
<i>Operating Expenses</i>		6,100	3,811	3,811	11,200
63061	Central Services - ISF Allocation	0			0
63063	Risk Management - ISF Allocation	0			0
<i>ISF Expenses</i>		0	0	0	0
TOTAL CITY COUNCIL EXPENSES		23,093	20,206	20,206	27,595

Items to Note:

55030 Elections	7,000
65040 Travel, Conf, Trng	(2,500)

Net Increase or (decrease) in expense over last year **4,500**

City Clerk

1020

FTE:		1	2013-14	2013-14	2013-14	2014-15
GL			Amended	Leveled	Projected	ADOPTED
Code	Description		Budget	Budget	Year End	Budget
40000	Salaries		-	59,074	-	61,953
41000	FICA		-	3,663	-	3,841
41010	SUI ER Tax		-	238	-	238
41020	PERS retirement benefit		-	16,600	-	21,033
41030	Medicare		-	857	-	898
41040	Health Benefits		-	12,600	-	15,600
41050	Worker's Comp er insurance		-	2,481	-	2,602
41051	457b		-	-	-	-
41100	LTD		-	992	-	1,041
<i>Employee Expenses</i>			-	96,505	-	107,206
52010	General Supplies		200	200	300	-
65030	Memberships/Dues		300	300	640	145
	PH Notices		-	-	-	800
	Muni Code Web Fee		-	-	-	495
	Codification of Ordinances		-	-	-	4,500
65040	Travel, Conferences, Training		200	200	-	200
<i>Operating Expenses</i>			700	700	940	6,140
						300
<i>Capital Expenses</i>			-	-	-	300
TOTAL CITY CLERK EXPENSES			700	97,205	940	113,646

Items to Note:

This department was previously 100% in Central Services

Includes updating Ordinances into the Municipal Code

4500

Also includes line item for PH notices

PERS increase from 28% to 33%

City Treasurer
1030

FTE: Elected		2013-14	2013-14	2013-14	2014-15
GL	Description	Adopted	Leveled	Projected	ADOPTED
Code		Budget	Budget	Year End	Budget
61060	Treasurer Stipend	2,250	2,250	2,250	2,250
41000	FICA	140	140	140	140
41030	Medicare	30	30	30	30
41050	Workers Comp Ins.	100	100	100	100
65030	Memberships & Dues	200	200	155	155
Total Treasurer Expenses		2,720	2,720	2,675	2,675

-

Items to Note:

Per Section 2.10.010 An Elected Position
Per Section 2.10.040 Compensation is Set by Resolution

No changes over last year.

City Manager

1040

FTE:

1.5

GL Code	Description	2013-14 Amended Budget	2013-14 Leveled Budget	2013-14 Projected Year End	2014-15 ADOPTED Budget
40000	Salaries	27,501	101,271	26,847	114,656
41000	FICA	3,410	11,962	1,622	7,109
41010	SUI ER Tax	71	476	67	476
41020	PERS retirement benefit	9,928	33,093	8,568	32,253
41030	Medicare	1,073	3,714	379	1,663
41040	Health Benefits	3,780	12,600	2,324	-
41050	Worker's Comp er insurance	1,155	3,850	2,237	4,816
41051	457b	-	-	-	12,000
41100	LTD	462	1,540	-	1,596
41100	cell phone	300	300	300	300
<i>Employee Expenses</i>		47,680	168,808	42,344	174,867
52010	Supplies	1,200	1,200	2,412	-
52012	Fuel	100	100	-	-
61055	Contracts	3,000	3,000	3,039	-
61057	Contracts	-	-	23,636	-
	Employee Recognition	-	-	-	800
64010	Advertising	200	200	312	-
65030	Memberships/Dues	900	1,611	1,686	-
65040	Travel, Conf, Trg	1,900	3,314	3,587	500
	T'fers & allocations	34214	15,080	26,636	-
<i>Operating Expenses</i>		41,514	24,505	61,308	1,300
<i>Capital</i>					0
Total CITY MANAGER EXPENSES		89,194	193,313	103,652	176,167

Items to Note:

Last year's budget was not amended to include PT Executive Assistant.
 This budget assumes Exec Assistant at 19 hours/week.
 PERS increase from 28% to 33%

FINANCE

1050

FTE: 1.48

GL Code	Description	2013-14 Amended Budget	2013-14 Leveled Budget	2013-14 Projected Year End	2014-15 ADOPTED Budget
40000	Salaries	4,940	103,570	3,028	54,332
40010	OT	-	-	-	-
41000	FICA	300	7,864	173	3,369
41010	SUI ER Tax	120	595	43	476
41020	PERS retirement benefit	-	27,793	-	12,514
41030	Medicare	70	2,023	44	788
41040	Health Benefits	-	18,900	-	15,600
41050	Worker's Comp er insurance	200	4,557	390	2,282
41051	457b	-	-	-	-
41100	LTD	-	1,574	-	619
<i>Total Employee Expenses</i>		<i>5,630</i>	<i>166,876</i>	<i>3,678</i>	<i>89,980</i>
52010	General Supplies	1,000	1,000	1,038	500
52012	Fuel	-	-	19	-
55040	Clothing	-	-	-	-
55095	Taxes/Fees/Licenses	-	-	-	-
60013	Technology Professional Services	-	-	-	-
60014	Software Support	-	19,700	-	15,000
61050	County Tax Administration	-	14,500	-	14,692
61057	Contractual Accounting Services	-	107,200	-	25,000
61015	Auditing Services	5,000	35,858	5,000	25,000
62010	Communications	-	2,800	-	1,500
65030	Membership/Dues	-	-	-	100
65040	Meetings/Conferences	-	-	-	500
65041	Training	-	300	-	500
66010	Public Utilities	-	-	-	-
67010	O&M Equipment	400	400	-	800
67015	O&M Structures/Grounds	-	-	-	-
68020	Equipment Rentals	-	-	-	-
69070	Bank Chgs	1,000	-	-	-
<i>T'fers & Allocations</i>		<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Total Operating Expenses</i>		<i>6,400</i>	<i>181,758</i>	<i>6,057</i>	<i>83,592</i>
67010	O&M Equipment	-	3,500	3,500	-
<i>Total Capital Expenses</i>		<i>-</i>	<i>3,500</i>	<i>3,500</i>	<i>-</i>
TOTAL FINANCE EXPENSES		12,030	352,134	13,235	173,572

Items to Note:

- 40000 Staff Allocation is 30% General Fund and 70% Sewer Fund
- Assumes new FT Finance Clerk
- VTD for 3 months
- *13-14 Budget included \$104,300 for VTD in Central Services
- 14-15 includes Audit. It was previously in Sewer

**Police
1060**

FTE:	5		2013-14	2013-14	2013-14	2014-15
GL		Description	Amended	Leveled	Projected	ADOPTED
Code			Budget	Budget	Year End	Budget
40000		Salaries	348,043	348,043	374,396	351,813
40010		Part Time Salaries	18,000	18,000	26,000	5,000
40020		Overtime	22,000	22,000	36,210	40,000
41000		FICA	24,059	24,059	25,832	21,812
41010		SUI taxes	1,666	1,666	2,107	1,190
41020		PERS retirement benefit	99,192	99,192	89,249	112,626
41030		Medicare	5,047	5,047	6,041	5,101
41040		Health Benefits	66,000	66,000	80,156	78,000
41050		Worker's Comp er insurance	20,883	20,883	40,480	28,145
41100		Cell Phone	900	900	419	-
<i>Total Employee Expenses</i>			605,791	605,790	680,891	643,688
52010		General Supplies	6,000	6,000	13,300	4,500
52012		Fuel	22,000	22,000	20,330	22,000
53020		Repairs & Maint - offc mach	500	500	400	500
54010		Small Equip	300	300	1,957	1,000
55040		Clothing	1,000	1,000	5,348	1,500
55050		Safety Equipment	1,000	1,000	2,528	1,500
60013		Network Services	500	500	1,909	1,500
61030		Legal	1,000	1,000	156	-
61046		Enforcement	500	500	-	300
61057		Contract Services Patrol	-	-	-	-
61058		Dispatching (County Cost Share)	90,000	90,000	82,355	90,000
62010		Communications (RIMS/CLETS/	20,000	20,000	15,296	20,000
65030		Memberships/Dues	300	300	300	300
65040		Travel, Conf, Trg	3,000	3,000	2,000	6,000
67009		Vehicle Maintenance	16,000	16,000	25,670	16,000
67010		O&M Equipment	1,500	1,500	1,728	1,500
69050		Misc Bookings	4,000	4,000	3,046	3,000
69055		Misc Court / Invs	100	100	830	1,000
<i>Trfers & Allocations</i>			155,154	64,355	155,154	-
<i>Total Operating Expenses</i>			322,854	232,055	332,307	170,600
70040		Patrol Car Replacement	-	-	-	10,000
<i>Total Capital Expenses</i>			-	-	-	10,000
TOTAL POLICE EXPENSES			928,645	837,845	1,013,198	824,288

Items to Note:

65040	Travel, Conf, Trg - An increase for POST certs	6,000
	PERS increase from 28% to 33%	

Planning & Building 1090 & 1095

FTE: 1.4		2013-14	2013-14	2013-14	2014-15
GL	Description	Amended	Leveled	Projected	ADOPTED
Code		Budget	Budget	Year End	Budget
40000	Salaries	16,281	54,270	17,210	68,764
40010	Part Time Wages Planning			6,524	-
40020	Overtime	100	100	-	-
41000	FICA	1,300	3,365	1,559	4,263
41010	SUI er taxes	71	238	111	476
41020	PERS retirement benefit	4,575	15,250	4,604	19,320
41030	Medicare	300	787	339	997
41040	Health Benefits	3,780	12,600	4,688	15,600
41050	Worker's Comp insurance	684	2,279	1,324	2,390
41051	Other Insurance	249	912		956
61060	Commissioners Stipends	6,000	6,000		6,000
<i>Total Employee Expenses</i>		33,340	95,800	36,359	118,767
52010	General Supplies	1,100	1,000	1,047	1,000
52012	Fuel	200	200	152	200
60010	Computer Hardware	300	300	-	1,500
60011	Computer Software			600	
61025	Engineering	15,000	15,000	40,067	12,000
61045	Contract Planner	3,000	3,000	-	5,000
61048	LAFCO Expense	7,000	7,000	8,181	5,788
61055	Other Contractual Services	7,000	7,000	20,408	6,500
61057	Contractual Services- Building Inspection	12,000	12,000	4,893	11,250
64010	Advertising	1,000	1,000	546	500
65030	Memberships/Dues	500	500		500
65040	Travel, Conf, Trg	300	300	898	500
Transfers and Allocations		24,188	9,855	24,188	
<i>Total Operating Expenses</i>		71,588	57,155	100,980	44,738
Housing Element Update		17,000	17,000	2,500	17,000
<i>Total Capital Expenses</i>		17,000	17,000	2,500	17,000
TOTAL PLANNING & BUILDING EXPENSES		121,928	169,955	139,839	180,505

Items to Note:

40000	Salaries- includes Community Services Specialist position at 26hrs/week funded 100% out of General Fund The Admin Analyst position is 50% GF, 25% Sewer Fund, and 25% ARSA.	
61025	Engineering - Revenue neutral- recouped with development costs	12,000
61045	Contract Planner	15,000
61055	Other Contractual Services	5,500
61057	Contractual Services- Building Inspection recouped with inspection costs	11,250
	Housing Element Update	17,000
	PERS increase from 28% to 33%	

PW -Parks, Buildings, & Recreation

1130

*PW - 1110 combined with this
And Cemetery 1400*

FTE: 2.1

GL Code	Description	2013-14 Amended Budget	2013-14 Leveled Budget	2013-14 Projected Year End	2014-15 ADOPTED Budget
40000	Salaries	19,950	19,950	19,950	28,679
41000	FICA	1,885	1,885	1,885	1,778
41010	SUI ER Tax	476	476	476	1,190
41020	PERS retirement benefit	-	-	-	2,051
41030	Medicare	546	546	546	416
41040	Health Benefits	-	-	-	1,560
41050	Worker's Comp er insurance	838	838	838	1,205
41051	457b	-	-	-	-
41100	LTD	-	-	-	101
<i>Total Employee Expenses</i>		23,695	23,695	23,695	36,980
52010	General Supplies	2,800	2,800	14,900	15,000
52012	Fuel	1,900	1,900	1,800	2,000
53015	Repairs & Maint - facilities	0	0	0	1,500
55040	Clothing	500	500	200	200
55050	Safety Equip	300	300	100	100
55075	Flood Control	4500	4500	1373	2000
55085	Weed Control	5000	5000	7,725	10,000
55090	Restrooms	0	0	0	0
55095	Taxes / Fees / Lic	3,000	3,000	3,000	2,800
61025	Engineering	500	500	200	-
61055	Contractual Services	-	-	-	-
61057	Contractual Services	25,000	25,000	5,000	25,000
<i>This is continuation for the South Main St. Park Project</i>					
61057	ACRA - JPA Contribution	13,500	13,500	13,500	13,500
65030	Membership Dues	100	100	100	-
66010	Utility	26,000	26,000	38,000	35,000
67009	Vehicle Maint	500	500	4,500	2,500
67010	O&M Equipment	3,500	3,500	1,000	1,000
67015	O & M Buildings	2,300	2,300	10,300	10,500
67020	Janitorial Expense/Supplies	4,500	4,500	6,000	6,500
68020	Equipment Rental	300	300	200	-
<i>Transfers & Allocations</i>		24,188	9,855	9,855	-
<i>Total Operating Expenses</i>		118,388	104,055	117,753	127,600
63061	Sprayer	-	0	0	2,500
<i>Total Capital Expenses</i>		-	0	0	2,500
TOTAL Parks, Buildings, & Recreation EXPENSES		142,083	127,750	141,448	167,080

Items to Note

4000

61057 Hold over from last budget of \$25,000 South Main Parking lot -

67015 *Includes \$3,500 for painting Massetti house & 7,000 for sound system in Community Center

**Streets & Roads
1120**

FTE 0.2

GL Code	Description	2013-14 Amended Budget	2013-14 Leveled Budget	2013-14 Projected Year End	2014-15 ADOPTED Budget
40000	Salaries	9,614	9,614	6,986	10,080
40020	Overtime	200	200	158	-
41000	FICA	596	596	441	625
41010	UI er taxes	48	48	39	48
41020	PERS retirement benefit	2,702	2,702	2,673	3,422
41030	Medicare	139	139	98	416
41040	Health Benefits	2,520	2,520	2,345	3,120
41050	Worker's Comp insurance	404	404	782	423
41051	Other Benefits	162	162	-	-
<i>Total Employee Services</i>		16,384	16,385	13,522	18,134
52010	Supplies	1,200	1,200	713	1,200
52012	Fuel	500	500	898	500
55070	Signs	300	300	311	300
61025	Engineering	5,000	5,000	145	5,000
61055	Other	100	100	-	-
67010	O&M Equipment	3,000	3,000	-	3,000
67015	O&M Structural	1,000	1,000	-	-
61057	Contracts - General Street improvements	61,000	4,000	-	50,000
<i>This is a carryover from last year for street improvements</i>					
61057	Contractual Street/Drain Repairs	7,000	7,000	-	4,500
66010	Public Utility	7,200	7,200	1,438	7,200
66025	Street Lights	33,000	33,000	30,911	33,000
<i>Total Operating Expenses</i>		63,300	63,300	34,416	104,700
<i>Total Capital Expenses</i>		-	-	-	-
TOTAL STREETS & ROADS EXPENSES		79,684	79,685	47,938	122,834

Swimming Pool 1140

GL Code	Description	2013-14 Amended Budget	2013-14 Leveled Budget	2013-14 Projected Year End	2014-15 ADOPTED Budget
40010	Part Time Wages	34,000	34,000	27,000	32,000
40020	Overtime	200	200	200	200
41000	FICA	2,200	2,200	1,500	2,100
41010	SUI	1,300	1,300	900	1,300
41030	Medicare	500	500	500	500
<i>Subtotal</i>		38,200	38,200	30,100	36,100
52010	General Supplies	500	500	500	1,000
52012	Vendor Supplies	700	700	833	850
52015	Supplies chemicals	500	500	500	800
55040	Lifeguard Clothing	300	300	300	250
55095	Taxes/Fees/Lic	400	400	400	350
61025	Engineering Swimming Pool	400	400	-	-
64010	Advertising	100	100	100	100
65040	Training, Travel	100	100	100	-
67010	O&M Equipment	1,000	1,000	1,000	1,500
67015	O&M Structural	200	200	200	-
<i>Subtotal</i>		4,200	4,200	3,933	4,850
Capital					0
<i>Subtotal</i>		-	-	-	-
TOTAL POOL EXPENSES		42,400	42,400	42,531	40,950

Community Promotions 1150

GL Code	Description	2013-14 Amended Budget	2013-14 Leveled Budget	2013-14 Projected Year End	2014-15 ADOPTED Budget
55010	Community Promotion	16,000	16,000	16,000	16,000
55012	Community Promotion Christmas	500	500	500	200
55015	Beautification	1,000	1,000	1,000	1,000
55016	Community Promotion Fair Booth	250	250	250	200
55017	Monte Verde Store	1,800	1,800	1,800	500
55018	Visitors Center	20,000	20,000	20,000	20,000
68012	Parking Lot Lease	28,000	28,000	28,000	28,000
<i>Total Community Promotion Expenses</i>		67,550	67,550	67,550	65,900
TOTAL COMMUNITY PROMOTION EXPENSES		67,550	67,550	67,550	65,900

Sewer Treatment Plant

1510

FTE: 1.35

GL Code	Employee Services	2013-14 Amended Budget	2013-14 Leveled Budget	2013-14 Projected Year End	2014-15 ADOPTED Budget
40000	Full-Time Wages	63,948	91,897	63,948	80,001
40020	Overtime	9,000	9,000	18,000	15,000
40010	Part-Time Wages	29,640	29,640	7,000	-
41000	FICA taxes	6,020	8,890	6,020	4,960
41010	SUI taxes	476	571	476	321
41020	PERS retirement benefit	19,436	28,757	19,436	27,160
41030	Medicare er taxes	1,591	2,446	1,591	1,160
41040	Health Benefits	12,600	17,640	11,500	21,060
	LTD	-	1,544		1,344
41050	Worker's Comp insurance	3,308	4,482	5,289	3,360
41051	Other Insurance	1,074	1,074	1,074	-
Total Employee Expenses		147,093	195,939	134,334	154,367
52010	General Supplies	3,000	3,000	5,000	3,000
52012	Fuel	5,000	5,000	5,000	4,500
52015	Chemicals	90,000	90,000	90,000	70,000
52020	Lab	18,000	18,000	18,000	18,000
55040	Clothing	800	800	800	600
55050	Safety Equip	1,000	1,000	800	800
55095	Taxes/Fees/Licenses	13,000	13,000	17,000	16,000
61015	Audit and Accounting	23,000	-	38,000	-
61025	Engineering	50,000	50,000	50,000	50,000
61026	Engineering-Master Plan	40,000	40,000	40,000	40,000
61030	Legal Services	2,000	2,000	1,000	-
61055	Other	3,000	3,000	1,500	1,500
61057	Contracts-Aquality	84,000	84,000	84,000	35,000
62010	Communications	3,000	3,000	2,000	2,000
64010	Advertising	300	300	300	300
65030	Memberships/Dues	300	300	300	300
65040	Travel, Conf, Trg	1,200	1,200	1,200	1,200
66010	Utility	40,000	40,000	40,000	35,000
67010	Vehicle Maintenance	-	-	2,000	2,500
67010	O&M Equipment	40,000	40,000	40,000	40,000
67015	O & M Structural	5,000	5,000	5,000	5,000
67050	O & M Plant	6,000	6,000	7,000	7,000
67055	O & M ARSA	314,000	314,000	314,000	314,000
67060	O & M Sludge	55,000	55,000	55,000	50,000
68020	Rentals-Mach/Eq.	500	500	500	-
69074	Repay Sewer Replacement Fund	50,000	50,000	50,000	50,000
T'fers & Allocations		106,264	84,514	106,264	
Operating Expense		954,364	909,614	974,664	746,700
Total Sewer Treatment Capital Replacement					50,000
TOTAL WWTP EXPENSES		1,101,457	1,105,553	1,108,998	951,067

Items to Note:

- 40000 Chief Plant Operator - 70% WWTP, 25% Collections, and 5% General Fund
- Secondary Operator - 80% ARSA 15% WWTP, 5% GF
- Grade 1 Operator - 40% WWTP, 20% Collections, 20% ARSA, 20% Streets
- PERS increase from 28% to 33%
- Capital Replacement T'fer at the end of the year.

Sewer Collection & SSMP

1520

FTE: 1.35		2013-14	2013-14	2013-14	14-15
GL Code	Description	Adopted Budget	Leveled Budget	Projected Year End	Proposed Budget
40000	Salaries	68,608	38,010	68,608	75,104
40010	Part Time Salaries	4,800	4,800	4,800	-
40020	Overtime	6,000	6,000	10,000	11,000
41000	FICA taxes	5,120	2,925	5,120	4,656
41010	SUI taxes	405	167	405	321
41020	PERS retirement benefit	20,012	11,414	20,012	25,498
41030	Medicare taxes	1,289	776	1,289	1,089
41040	Health Benefits	15,120	8,820	14,000	21,060
	LTD		639		1,262
41050	Worker's Comp insurance	3,083	1,596	4,944	3,154
41051	Other Insurance	1,153	1,153	1,153	
<i>Total Employee Service</i>		125,591	76,299	130,331	143,144
52010	Supplies	100	100	-	100
52012	Fuel	300	300	300	300
55040	Clothing	300	300	300	300
55050	Safety Equip	1,000	1,000	500	500
61025	Engineering	15,000	15,000	15,000	15,000
61050	Computer Maintenance	4,000	4,000	3,000	3,000
61055	Other Expenses	2,000	2,000	1,000	1,000
61057	Contracts-AAA	33,000	33,000	33,000	33,000
64010	Advertising	300	300	300	150
65030	Memberships/Dues	300	300	300	350
67009	Vehicle Maintenance	2,500	2,500	1,000	1,000
67010	O&M Equipment	15,000	15,000	9,000	8,500
67015	O & M Structural	2,000	2,000	2,000	2,000
68020	Rentals-Mach/Eq.	500	500	300	300
49999	Debt Service Transfers				
69074	Debt Service - Principal	15,000	14,000	15,000	15,000
69075	Debt Service - Interest	29,969	29,655	29,969	29,969
T'fers & Allocations		128,283	38,735	38,735	
<i>Total Operating Expense</i>		249,552	158,690	149,704	110,469
70030	Sewer Line Replacements	75,000	75,000	75,000	75,000
<i>Total Capital Replacement</i>		75,000	75,000	75,000	75,000
Total Sewer Collections EXPENSES		450,143	309,989	355,035	328,613

Items to Note:

- Chief Plant Operator - 70% WWTP, 25% Collections, and 5% General Fund
- Secondary Operator - 80% ARSA 15% WWTP, 5% GF
- Grade 1 Operator - 40% WWTP, 20% Collections, 20% ARSA, 20% Streets
- PERS increase from 28% to 33%

Internal Services

FTE: 0		2013-14	2013-14	2013-14	2014-15
GL		Amended	Leveled	Projected	ADOPTED
Code	Description	Budget	Budget	Year End	Budget
40000	Salaries	\$ 102,856	-	90,745	-
40010	Part-Time Wages	11,017	-	15,047	-
40020	Overtime	100	-	-	-
41000	FICA Taxes	9,001	-	6,483	-
41010	SUI	619	-	1,051	-
41020	PERS Retirement	31,103	-	34,299	-
41030	Medicare Taxes	2,380	-	1,521	-
41040	Health Benefits	20,160	-	18,597	-
41050	Workers Comp	4,942	-	9,262	-
41051	Other Insur and Benefits	1,420.00	-	-	-
<i>Total Employee Expenses</i>		183,598	-	177,005	-
52010	General Supplies	7,200	7,200	22,872	5,500
52012	Fuel	600	600	388	-
55095	Taxes/Fees/Licenses	800	800	-	-
60013	Technology Professional Services	21,200	21,200	15,030	20,000
60014	Software Support	19,700	-	5,076	-
60015	Software Maintenance	-	-	8,000	-
61030	Legal Services	16,000	16,000	27,416	20,000
61050	Computer Maint	14,500	-	-	-
61055	Other Expense	2,000	2,000	-	2,500
61057	Contractual Accounting Services	104,200	-	106,000	-
61015	Auditing Services	3,000	3,000	0	-
62010	Communications	2,800	2,800	4,000	4,000
64010	Advertising	100	100	590	-
65010	Insurance - General Liability/Property	55,000	55,000	56,550	69,405
65011	Claims	15,000	15,000	-	2,500
65030	Membership/Dues	100	100	310	500
65040	Meetings/Conferences	600	600	33	500
65041	Training	500	500	208	-
66010	Public Utilities	18,000	18,000	15,398	16,000
67010	O&M Equipment	500	500	9,124	-
67015	O&M Structures/Grounds	9,500	9,500	21,583	2,500
68020	Equipment Rentals	3,500	3,500	4,335	-
<i>Total Operation Expenses</i>		294,800	156,400	296,913	143,405
		3,500	0	0	1,000
<i>Total Capital Expenses</i>		3,500	-	-	1,000
TOTAL ISF EXPENSES		481,898	156,400	473,919	144,405

Items to Note:

14-15 has Auditing in Finance

14-15 Contractual Accounting in Finance

REVENUE

Description	2012-13 Actual Revenue	2013-14 Adopted Budget	2013-14 Projected Year End	2014-15 ADOPTED Budget	
Summary of TOTAL GF Revenues					
Taxes	1,052,421	1,254,022	1,134,969	1,201,500	
Licenses, Permits & Fines	76,461	59,200	97,918	92,300	
Intergovernmental Revenues	115,329	139,000	155,085	153,836	
Charge for Services	72,204	67,200	40,148	76,600	
Uses of Money & Property	26,623	32,000	28,725	39,900	
Other Revenues	55,836	4,000	31,341	1,200	
Transfers from Other Funds	24,000	33,000	33,000	8,000	
Total General Fund Revenues	1,422,874	1,588,422	1,521,186	1,573,336	
GL Code Taxes					
30100 Secured Property Taxes	412,613	476,000	453,486	485,000	7%
30105 Property Tax In Lieu of MVL	178,558	230,000	188,019	144,000	FY2014 had one
30110 Supplemental Property Taxes	401	1,000	-	1,000	
30200 Unsecured Property Taxes	10,233	13,000	11,684	13,000	
30900 Property Taxes -- Prior Year	-	500	500	500	
31660 Franchises	77,043	65,000	81,081	80,000	
31670 Real Property Transfer Tax	5,503	12,000	8,225	12,000	
31850 Transient Lodging Tax	132,627	195,000	145,000	200,000	
31930 General Sales and Use Tax	169,407	187,000	187,000	205,000	5% increase
31940 Property Tax In Lieu of Sales Tax	57,239	63,522	51,500	52,000	
33120 Sales Tax Public Safety	8,797	11,000	8,474	9,000	
Subtotal	1,052,421	1,254,022	1,134,969	1,201,500	
Licenses, Permits & Fines					
32100 Business Licenses	34,130	31,000	34,000	45,000	
32110 Construction Permits	25,207	16,000	29,673	30,000	
32111 Encroachments	750	900	22,000	1,000	
32125 Garage Sale Permits	85	100	50	100	
32130 Other Licenses/Permits	565	500	495	500	
32135 Sign Permits	320	500	500	500	
34132 Variance & Conditional Use Permits	-	200	200	200	
35130 Vehicle Code Fines	15,404	10,000	11,000	15,000	
Subtotal	76,461	59,200	97,918	92,300	
Intergovernmental Revenues					
33512 Homeowners Property Tax Relief	6,438	6,500	6,500	6,500	
33801 AB109 Police Revenue	9,020	-	10,336	10,336	
33510 State COPS Grant	62,871	100,000	100,000	100,000	
33540 Mandated Costs Reimbursed	-	500	-	-	
33560 State Motor Vehicle Fees'	-	-	1,249	-	
33570 State Recycling Grant	5,000	-	5,000	5,000	
Gaming Special Distribution	32,000	32,000	32,000	32,000	
Subtotal	115,329	139,000	155,085	153,836	
Charge for Services					
34140 Planning Fees	17,945	10,000	10,828	12,000	
34141 Fees- PD Services	-	-	800	-	
Building Permit Fees	-	-	-	15,000	
34160 Police Report	716	900	870	900	
34168 Concealed Weapons Permits	200	300	650	700	
34170 City Engr / Planner / Attorney Fees Reimb	14,273	19,000	1,000	20,000	
34190 Fees - Other	610	1,000	500	1,000	
34210 Special Police Services	6,515	4,000	5,000	5,000	
34385 Administration Charges	6,660	9,000	-	-	
32162 Planning Tech Reimbursement	4,758	7,000	-	-	
36710 Swimming Pool Revenues	20,527	16,000	20,500	22,000	
Subtotal	72,204	67,200	40,148	76,600	
Uses of Money & Property					
34750 Auditorium Use Fees	20,695	20,000	22,000	25,000	
36100 Interest Earnings	16	5,000	500	500	
36200 Rent	5,912	6,500	6,000	14,400	
39100 Sale of Property	-	500	225	-	
Subtotal	26,623	32,000	28,725	39,900	
Other Revenues					
36500 Workers Comp Reimbursements	43,751	-	29,941	-	
36820 Other Revenue	12,085	4,000	1,400	1,200	
Subtotal	55,836	4,000	31,341	1,200	
Transfers from Other Funds					
39999 Transfers ByPass Relinquishment	-	25,000	25,000	-	
39999 Transfers Administration Charges	24,000	8,000	8,000	8,000	
Subtotal	24,000	33,000	33,000	8,000	
Total GF Fund Revenues	1,422,874	1,588,422	1,521,186	1,573,336	

Sewer Operating Revenues

GL Code	Description	2012-13 Prior Year Projected	2013-14 Adopted Budget	2013-14 Projected Year End	14-15 ADOPTED Budget
Sewer Operating Revenues					
34410	Sewer Service Charges	1,237,000	1,347,000	1,497,480	1,414,000
34412	Septic Dumping Fees	40,000	42,000	42,000	42,000
	ARSA		56,440		122,479
36100	Interest Earnings	1,500	2,000	600	2,000
		<u>1,517,872</u>	<u>1,686,812</u>	<u>1,540,080</u>	<u>1,580,479</u>

Gas Tax Revenue

GL Code	Description	2012-13 Prior Year Projected	2013-14 Proposed Budget	2013-14 Projected Year End	14-15 ADOPTED Budget
33553	2105 Highway Users Tax	15,109	14,500		21,874
33552	2106 Highway Users Tax	15,074	14,500	72,354	17,250
33551	2107 Highway Users Tax	20,179	19,000		19,095
33554	2107.5 Highway Users Tax	28,883	26,000		1,000
36100	Prop 42 Replace	600	600	41.9	30,589
	Total	<u>79845</u>	<u>74600</u>	<u>72395.47</u>	<u>89,808</u>

PROPOSED 2014-2015 BUDGET SUMMARY

		A	FUND					
		2014-2015 ADOPTED BUDGET	1	3	10	37	37	42
		TOTAL DEPARTMENTAL EXPENSE	General	Gas Tax	Sewer	Parking In Lieu	Bypass Relinq	AB1600
1	City Council		100%	0%	0%	0%	0%	0%
2	Employee Services	16,395	16,395	-	-	-	-	-
3	Operations	11,200	11,200	-	-	-	-	-
4	Capital	-	-	-	-	-	-	-
5	TOTAL	27,595	27,595	-	-	-	-	-
6								
7	City Treasurer		100%	0%	0%	0%	0%	0%
8	Employee Services	2,675	2,675	-	-	-	-	-
9	Operations	-	-	-	-	-	-	-
10	Capital	-	-	-	-	-	-	-
11	TOTAL	2,675	2,675	-	-	-	-	-
12								
13	City Manager		60%	0%	40%	0%	0%	0%
14	FTE: 1.475 Employee Services	174,867	104,920	-	69,947	-	-	-
15	Operations	1,300	780	-	520	-	-	-
16	Capital	-	-	-	-	-	-	-
17	TOTAL	176,167	105,700	-	70,467	-	-	-
18								
19	Community Promotions		100%	0%	0%	0%	0%	0%
20	FTE: Employee Services	-	-	-	-	-	-	-
21	Operations	65,900	65,900	-	-	-	-	-
22	Capital	-	-	-	-	-	-	-
23	TOTAL	65,900	65,900	-	-	-	-	-
24								
25	City Clerk		75%	0%	25%	0%	0%	0%
26	FTE: 1 Employee Services	107,206	80,405	-	26,802	-	-	-
27	Operations	6,140	4,605	-	1,535	-	-	-
28	Capital	300	225	-	75	-	-	-
29	TOTAL	113,646	85,235	-	28,412	-	-	-
30								
31	Police		100%	0%	0%	0%	0%	0%
32	FTE: 5 Employee Services	643,688	643,688	-	-	-	-	-
33	Operations	170,600	170,600	-	-	-	-	-
34	Capital	10,000	10,000	-	-	-	-	-
35	TOTAL	824,288	824,288	-	-	-	-	-
36								
37	Planning & Building Development*		75%	0%	25%	0%	0%	0%
38	FTE: 1.4 Employee Services	118,767	68,884	-	49,883	-	-	-
39	Operations	44,738	33,554	-	11,185	-	-	-
40	Capital	17,000	12,750	-	4,250	-	-	-
41	TOTAL	180,505	115,188	-	65,318	-	-	-
42								
43	Finance*		50%	0%	50%	0%	0%	0%
44	FTE: 1.48 Employee Services	89,980	44,990	-	44,990	-	-	-
45	Operations	83,592	41,796	-	41,796	-	-	-
46	Capital	-	-	-	-	-	-	-
47	TOTAL	173,572	86,786	-	86,786	-	-	-

**2014-2015 ADOPTED
BUDGET**

			1	3	10	37	37	42
			General	Gas Tax	Sewer	Parking In Lieu	Bypass Relinq	AB1600
48	PUBLIC WORKS							
49	Parks, Buildings, & Rec		100%	0%	0%	0%	0%	0%
50	FTE: 2.1 Employee Services	36,980	36,980	-	-	-	-	-
51	Operations	127,600	102,600	-	-	25,000	-	-
52	Capital	2,500	2,500	-	-	-	-	-
53	TOTAL	167,080	142,080	-	-	25,000	-	-
54								
55	Streets		0%	100%		0%	0%	
56	FTE: 0.2 Employee Services	18,134	-	18,134	-	-	-	-
57	Operations	104,700	-	54,700	-	-	50,000	-
58	Capital	-	-	-	-	-	-	-
59	TOTAL	122,834	-	72,834	-	-	50,000	-
60								
61	Sewer - WWTP*		0%	0%	100%	0%	0%	0%
62	FTE: 1.35 Employee Services	154,367	-	-	154,367	-	-	-
63	Operations	746,700	-	-	746,700	-	-	-
64	Capital	50,000	-	-	50,000	-	-	-
65	TOTAL	951,067	-	-	951,067	-	-	-
66								
67	Sewer - Collections*		0%	0%	100%	0%	0%	0%
68	FTE: 1.35 Employee Services	143,144	-	-	143,144	-	-	-
69	Operations	110,469	-	-	110,469	-	-	-
70	Capital	75,000	-	-	75,000	-	-	-
71	TOTAL	328,613	-	-	328,613	-	-	-
72								
79	Pool		100%	0%	0%	100%	0%	0%
80	FTE: Employee Services	36,100	36,100	-	-	-	-	-
81	Operations	4,850	4,850	-	-	-	-	-
82	Capital	-	-	-	-	-	-	-
83	TOTAL	40,950	40,950	-	-	-	-	-
73	ISF-		50%	0%	50%	0%	0%	0%
74	FTE: 0 Employee Services	-	-	-	-	-	-	-
75	Operations	143,405	71,703	-	71,703	-	-	-
76	Capital	1,000	500	-	500	-	-	-
77	TOTAL	144,405	72,203	-	72,203	-	-	-
85								
86	TOTAL							
87	15.4 Employee	1,542,304	1,035,037	18,134	489,133	-	-	-
88	Operations	1,477,789	435,885	54,700	912,205	25,000	50,000	-
89	Capital	154,800	25,475	-	129,325	-	-	-
90	TOTAL EXPENSE	3,174,893	1,496,397	72,834	1,530,663	25,000	50,000	-
91								
92	General Fund	1,573,336						
93	Sewer	1,580,479						
94	Gas Tax	89,808						
95	REVENUE	3,243,623	1,573,336	89,808	1,580,479	-	-	-
96	Difference	68,729	76,939	16,974	49,816	(25,000)	(50,000)	-
	Estimated Beginning Balance 7/1/2014					TBD	TBD	
	Projected Year End 2015 Cash Balance		76,939	16,974	49,816			

* See note in Department Budget for staff allocation details

APPENDIX B

Glossary

GLOSSARY

A city budget contains specialized and technical terminology that is unique to public finance and budgeting. Therefore, a glossary is provided to help the reader understand terms and vocabulary that are used in this document or that may be discussed during the budget process. Useful terms relevant to the budget process and/or city government are included.

APPROPRIATION:	An authorization made by the City Council which permits the city to incur obligations and to make expenditures or resources.
ASSESSMENT DISTRICT:	Not a separate governmental entity, but rather a defined area of land which will be benefited by the acquisition, construction, or maintenance of a public improvement.
BENEFITS: INSURANCE	Cost to the city for insurance benefits for all regular full time employees. This includes the city's cost for health, dental, disability, life, and workers' compensation insurance.
BENEFITS: LEAVE TIME	Compensation for all leave time to employees who are appointed to regular full time positions.
BENEFITS: RETIREMENT	Cost to the city for Public Employees' Retirement for all regular full time employees. The city participates in the California Public Employees' Retirement System (PERS).
BUDGET RESOLUTION:	The official enactment by the City Council to establish legal authority <i>for</i> city officials to obligate and expend city resources and funds.
BUDGETARY CONTROL:	The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.
CAPITAL IMPROVEMENT PROJECTS:	A plan for capital expenditures to provide long-lasting physical improvements to be incurred over a period of several future years.
CAPITAL OUTLAY	Purchase of equipment (including vehicles), tools, and furniture having a value of \$3,000 or more and a normal useful life of two years or more.
CONTRACTUAL SERVICES:	Expenditures for services which are obtained by an expressed or implied contract or services which are of such nature that they normally would be obtained by such binding services, maintenance and repair services, auto body work, professional service, public utility services, and travel and transportation services.
DEPARTMENT:	A separate major administrative section of the city which indicates overall management responsibility for a group of related operations within a functional area. The city's structure has twelve departments.

DEVELOPMENT IMPACT FEES:	Fees placed on the development of land or condition required for the approval of a development project. Fees must be expended on those projects for which the fees were collected.
DIVISION:	A major section of a department indicating management responsibility for a group of related operations within that department.
ENTERPRISE FUND:	A governmental accounting fund in which the services provided are financed and operated similarly to those of private business. The rate schedules for these services are established to ensure that the revenues are adequate to meet all necessary expenditures.
ENCUMBRANCE:	An anticipated expenditure committed for the payment of goods and services not yet received or paid for. Typically used to show that the city has signed a contract and has obligated funds to pay for goods and services to be received, and paid for, later.
EXPENDITURE:	Refers to the outflow of funds paid for an asset obtained or goods and services obtained. This term applies to all funds. Expenditures are recorded in the city's financial records when the payments were made and are dated when the goods, services, or assets were received.
GASOLINE TAX:	A tax on fuel used to propel a motor vehicle or aircraft. Its use is restricted to planning construction, improvement, maintenance, and operation of public streets and highways or public mass transit systems.
IN-LIEU TAXES:	Cities may charge a public enterprise (such as the City Water Enterprise) a fee in lieu of taxes. This is the equivalent of what a private enterprise would be charged for property taxes to pay for city services such as public safety.
MELLO-ROOS COMMUNITY FACILITIES TAX:	A special tax imposed to finance public capital facilities and services in connection with new development. May be used for the purchase, construction, improvement, expansion or rehabilitation of any real or tangible property. It may also finance certain services including emergency services, recreation and cultural programs, and library services.
MOTOR VEHICLE LICENSE FEE (VLF):	Based on the market value of a vehicle, VLF is a fee for the privilege of operating a vehicle on public streets. A portion of the fee is returned to cities by the State and its use by a city is unrestricted.
REVENUE:	Funds that city receives as income. Revenues include such items as taxes, licenses, user fees, service charges, fines and penalties, and grants.
SOURCE OF FUNDS:	Identifies which revenues the city will use to pay the expenditures of each

department. Some department budgets include revenues from one or more sources, which legally, may only be used for specific purposes, while others rely more heavily on the city's General Fund which may be used for any appropriate purpose.

**SUPPLIES/SMALL
EQUIPMENT:**

Items purchased that have a unit value of less than \$3,000 regardless of normal useful life of less than 2 years.

TEMPORARY PART TIME:

Describes the job status of an employee as one who works less than full time and in a transitory position.