



RIO DELL CITY COUNCIL AGENDA
CLOSED SESSION – 6:00 P.M.
REGULAR MEETING - 6:30 P.M.
TUESDAY, MAY 15, 2018
CITY COUNCIL CHAMBERS
675 WILDWOOD AVENUE, RIO DELL

***WELCOME** . .By your presence in the City Council Chambers, you are participating in the process of representative government. Copies of this agenda, staff reports and other material available to the City Council are available at the City Clerk's office in City Hall, 675 Wildwood Avenue. Your City Government welcomes your interest and hopes you will attend and participate in Rio Dell City Council meetings often.*



In compliance with the American with Disabilities Act (ADA), if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (707) 764-3532. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to the meeting. Assistance listening devices are now available for the hearing impaired. Please see the City Clerk for a receiver.

- A. CALL TO ORDER
- B. ROLL CALL
- C. ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION AS FOLLOWS:
 - 1) 2018/0515.01 - **Conference with Labor Negotiator – City Manager**
Employee Organizations: Rio Dell Police Officers Association, Rio Dell Employees Association, and all Contract Employees (Pursuant to §54957.6)
- D. PUBLIC COMMENT REGARDING CLOSED SESSION
- E. RECESS INTO CLOSED SESSION – 6:00 P.M.
- F. RECONVENUE INTO OPEN SESSION – 6:30 P.M.
- G. ORAL ANNOUNCEMENTS
- H. PLEDGE OF ALLEGIANCE

I. CEREMONIAL MATTERS

J. PUBLIC PRESENTATIONS

This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction. As such, a dialogue with the Council or staff is not intended. Items requiring Council action not listed on this agenda may be placed on the next regular agenda for consideration if the Council directs, unless a finding is made by at least 2/3rds of the Council that the item came up after the agenda was posted and is of an urgency nature requiring immediate action. Please limit comments to a maximum of 3 minutes.

K. CONSENT CALENDAR

The Consent Calendar adopting the printed recommended Council action will be enacted with one vote. The Mayor will first ask the staff, the public, and the Council embers if there is anyone who wishes to address any matter on the Consent Calendar. The matters removed from the Consent Calendar will be considered individually in the next section, "SPECIAL CALL ITEMS"

- 1) 2018/0515.02 - Approve Minutes of the April 23, 2018 Study Session
(ACTION) 1
- 2) 2018/0515.03 - Approve Minutes of the April 24, 2018 Study Session
(ACTION) 9
- 3) 2018/0515.04 - Approve Minutes of the May 1, 2018 Regular Meeting
(ACTION) 15
- 4) 2018/0515.05 - Approve Minutes of the May 8, 2018 Study Session
(ACTION) 21
- 5) 2018/0515.06 - Adopt Resolution No. 1388-2018 Amending the City of Rio Dell's Conflict of Interest Code **(ACTION)** 29
- 6) 2018/0515.07 - Approve Appointments to the Selection Committee for Requests for Qualifications for City Engineering Services
(ACTION) 45
- 7) 2018/0515.08 - Receive and File 3rd Quarter Report for Measure Z
(ACTION) 46

L. ITEMS REMOVED FROM THE CONSENT CALENDAR

M. REPORTS/STAFF COMMUNICATIONS

1) 2018/0515.09 - City Manager/Staff Update **(RECEIVE & FILE)** 48

N. SPECIAL PRESENTATIONS/STUDY SESSIONS

O. SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

1) 2018/0515.10 - Discussion of Draft Resolution and Ordinance Related to the Extension of Measure U
(DISCUSSION/POSSIBLE ACTION) 53

P. ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

1) 2018/0515.11 - Resolution No. 1389-2018 Adopting FY 2018/19 Operating and Capital Budget
(DISCUSSION/POSSIBLE ACTION) 62

2) 2018/0515.12 - Second Reading (by title only) and Adoption of Ordinance No. 367-2018 to Recodify Chapter 5.40, Recreational Cannabis Sales to Chapter 5.45 of the Rio Dell Municipal Code (RDMC)
(DISCUSSION/POSSIBLE ACTION) 127

Q. COUNCIL REPORTS/COMMUNICATIONS

R. ADJOURNMENT

*The next regular City Council meeting is scheduled for
Tuesday, June 5, 2018 at 6:30 p.m.*

**RIO DELL CITY COUNCIL
STUDY SESSION
APRIL 23, 2018
MINUTES**

A Study Session of the Rio Dell City Council was called to order at 4:00 p.m. by Mayor Wilson.

ROLL CALL: Present: Mayor Wilson, Mayor Pro Tem Johnson, Councilmembers
Garnes, Marks and Strahan

Others Present: City Manager Knopp, Finance Director Woodcox, Water/
Roadways Superintendent Jensen and City Clerk Dunham

STUDY SESSION MATTERS

Review of Water Operating and Capital Budget for FY 2018-2019

City Manager Knopp began by stating that this is the first in a series of budget workshops and reviewed the budget calendar related to adoption of the FY 2018-2019 Operating and Capital Budget.

Finance Director Woodcox continued with review of the Proposed Water Fund Budget beginning with the Budget Summary by Department and Fund (Attachment 1 to these minutes). She explained the Water Department Budget is comprised of the following funds:

- 062 Water Capital Fund
- 063 Water Metropolitan Wells Fund
- 064 Water Dinsmore Zone
- 061 Water Restricted Reserve
- 061 Water Debt Service Fund
- 062 Water CIP Grant
- 060 Water Operations Fund

She provided an overview of each fund including a description of each fund, the beginning fund balances, projected revenues, projected expenditures, and the ending reserve fund balances.

Total projected revenues were reported at \$1,658,862 and total expenditures at \$1,554,149 representing a change in reserves of \$104,713 for the year bringing the estimated ending fund balance to \$1,268,907.

Finance Director Woodcox then explained how the Water Debt Service Fund works and said a portion of each water bill collected is allocated to go into that fund to cover the annual debt service payment of \$136,000. She said the way Accufund works, a percentage of the total revenue collected automatically goes into that account rather than a fixed amount. She said it was set up based on the Water Rate Study but because water revenue varies depending on various factors, the Water Debt Service Fund is collecting more than the \$136,000. The projected revenue for the Water Debt Service Fund was reported at \$172,821.

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She noted that with Council approval, the excess revenue could be put into the Water Restricted Reserve account.

Mayor Wilson questioned what happens once the revenue reaches the \$136,000 debt service payment amount.

Finance Director Woodcox explained that the revenue stays there until the debt service payment is paid.

Mayor Pro Tem Johnson asked what the logic is behind the \$17,291 projected revenue for the Metropolitan Wells.

City Manager Knopp explained that there is no real logic and noted that this is the first year the wells will be in operation. He said originally the plan was to only operate the wells 15 days a year and under emergency situations but that status has changed so the wells are classified as a secondary water source for the City. As such, it is unknown how often they will be used.

Mayor Pro Tem Johnson expressed concern that the number could change dramatically depending on the condition of the water in the Eel River.

Discussion continued regarding the fixed and variable portion of the water bill.

Finance Director Woodcox explained the methodology of the rate structure and said that 75% of the rate is a fixed charge and the remaining 25% is variable.

Councilmember Strahan questioned how the Council could look at the current year budget without looking at the prior year's revenues versus expenditures to see how they compare with the proposed budget. She said she would like to look at the 2016-2017 actuals for revenues and expenditures.

Mayor Wilson pointed out that every year there is an automatic increase in water rates and it is set to continue in perpetuity. He mentioned the extra revenue collected for the debt service payment and the burden the water rates place on the elderly and other fixed income residents. He questioned the reason for continuing to raise water rates in addition to the automatic annual 3% increase. He also commented that enterprise funds could not show a profit.

Finance Director Woodcox said she posed that question to Richard Culp from California Rural Water who was assisting the City with the Water Rate Analysis and his answer was that the City has so many capital needs that the revenue will never exceed the cost to maintain the system.

Mayor Wilson indicated that he would like to review the City Council minutes when that discussion took place.

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Councilmember Garnes asked if the City Council has the authority to stop the annual increase.

Mayor Wilson said he thought the Council reserved that option.

Mayor Pro Tem Johnson suggested staff research the City Council minutes and report the outcome of that discussion at the next meeting. Council concurred.

City Manager Knopp said the reason he is recommending water and wastewater rate studies is to make sure rates are in line with the budget.

Discussion continued regarding whether the excess water debt service revenue should go into Water Capital.

Councilmember Strahan questioned how infrastructure improvements would get done without having an adequate fund balance.

City Manager Knopp pointed out that part of reason for having a healthy balance in the Water Capital Fund is to be able to leverage grant funds. He noted that the City would not have acquired the \$444,000 Planning Grant if the water rates had not been adjusted accordingly.

Councilmember Strahan asked what expenditures come out of Water Capital.

City Manager Knopp explained a potential 20% grant match would come out of the fund and any major capital improvements such as the Old Ranch Road water line.

Finance Director Woodcox noted that under Gasby, expenditures over \$5,000 come out of Capital; expenditures under \$5,000 come out of operations.

Mayor Wilson commented that the graphs presented don't help and that he would still like to see the basis for the \$47.00 water rate. He said it should be as simple as dividing the \$136,000 debt service amount by the number of rate payers to come up with the portion of the bill that needs to go to the debt service fund.

Finance Director Woodcox pointed out that water revenues vary from month to month so it isn't a fixed amount.

City Manager Knopp noted that over the next year, it is important to do another rate analysis with someone who is committed from the beginning to the end. He said he wouldn't say the water fund is making money because the liabilities far exceed the capital needs of the system. He stressed the importance of setting the rates at a level that enables the City to leverage grant funds.

Discussion continued regarding the criteria for qualifying as a disadvantaged community.

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City Manager Knopp explained that there are different standards for example the school or the CDBG Program and that it is important during the next census update that citizens fill out the surveys.

Next was review of the pie chart of water fund expenditures representing 49% operations, 29% CIP grant, 12% water capital, 9% water debt service, and 1% Metropolitan Wells.

Mayor Wilson stated that the \$444,000 for the Water CIP Grant is basically a pass-through, and asked what the fund would look like without it included.

Finance Director Woodcox agreed to re-run the numbers without the grant included and send it to Councilmembers.

Councilmember Strahan commented that the \$444,000 does convolute the budget numbers.

Finance Director Woodcox assured the Council that she was not trying to eschew anything.

Councilmember Strahan said that she would like to see a Profit and Loss Statement from last year and that she trusted staff but wanted to see real numbers.

Mayor Wilson asked for the schedule for the annual rate adjustments.

Finance Director Woodcox indicated the annual water rate adjustment is January 1 and the wastewater is July 1.

Mayor Wilson questioned whether it would be more beneficial to have both rate adjustments effective July 1.

Finance Director Woodcox continued with review of the proposed budget of \$529,128 in comparison to the previous year's adopted budget amount of \$436,580. She noted that additional budget requests include \$40,666 for 50% of a full-time Water Operator; 10% of a part-time Utility Worker for \$2,182, additional Metropolitan Wells Expenditures of \$24,200, \$2,000 for Dinsmore Zone expenditures, and \$30,000 for a Water Rate Analysis Study. Also shown was a reduction in miscellaneous costs of \$6,500.

Mayor Wilson questioned the \$30,000 for a Water Rate Analysis.

City Manager Knopp explained the analysis would assess the needs of the water system to make sure they are met, look at the current water rates to determine if the City is over charging

or under charging, take a more comprehensive approach regarding rates, and basically fine tune the entire picture rather than just do an emergency re-write.

Mayor Wilson asked if the study considers the time staff puts into it and pointed out that the numbers need to be absolutely solid or the rates can be challenged and said staff time also needs to be accurate so that no one can say that money from the rates is going into the general fund.

Finance Director Woodcox explained the analysis she used in establishing the account distribution tables and said she actually counted the number of checks processed out of each fund and other tasks to come up with a cost ratio analysis. She said with regard to the City Manager department, she looked at his workload. She added that she does a lot of research to make sure the City is in compliance.

Mayor Wilson commented that there are people who don't move to Rio Dell because of the high water and sewer rates and the City needs to be sure it can show justification for the rates.

Discussion continued regarding the breakdown by fund of the City Manager's time.

Councilmember Strahan said she would like to see the individual breakdown by fund.

Finance Director Woodcox explained that at the end of the budget review process, the Council will see all the pieces of the budget come together.

Next was review of the proposed Capital Projects.

City Manager Knopp pointed out that this is an area where the City has cut back on spending. He said in the height of the drought, costs were reduced as well as Capital expenditures. He provided an overview of the proposed Capital projects and noted that the utility truck, roller and trailer, and forklift were items carried over from the previous budget. He clarified that these costs represent a portion of the actual cost of the equipment as there is a portion coming out of the sewer fund and street funds as well. He said the filter coating and Douglas tank painting were items staff hoped to wrap into the grant but every year the need worsens so the work needs to be done as soon as possible.

He further explained that the \$20,000 for Access TV was only an estimate so that number could potentially change.

Councilmember Marks asked if the City is required to provide audio and/or video recordings of meetings.

Mayor Wilson commented that inclusion of the Access Humboldt expenditure was requested by Sharon Wolfe and he thought that it would be a good idea to preserve un-modified recordings of Council meetings.

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City Manager Knopp pointed out that with the full \$184,000 in Capital Projects, the Water Fund budget is still balanced. He indicated that if the City receives Prop 1 grant funding, there would also be the required grant match by the City.

Councilmember Strahan asked for clarification that the reason these projects are coming out of the Capital fund is that there isn't enough money in the Water Operations Fund.

City Manager Knopp explained that each of the proposed expenditures is over \$5,000 so they are Capital expenditures.

City Manager Knopp pointed out that the City doesn't have large industry to help subsidize the water fund and the majority of the water rate revenue comes from residential ratepayers. As such, to the extent that the City has the ability to leverage grant funding it is extremely important. He said if the City hadn't adjusted the rates, the city potentially could have lost control of the water system by being forced to sell it to other investors. He commented that this budget is a transition of post budgets to the creation of an easier to manage water system for the long term. He said the other grant piece is the aging Water Distribution System.

Mayor Wilson noted that the Dinsmore Zone pays additional fees to cover the cost of operating that portion of the system and those revenues and expenditures need to be carefully tracked.

City Manager Knopp noted that those revenues and expenditures will go into the water operations fund but they will have their own account number so they can be tracked.

Mayor Pro Tem Johnson commented that for the Prop 218 process there needs to be backup to show that the Dinsmore zone costs more to operate.

Water/Roadways Superintendent Jensen stated that staff can track all of the expenditures related to the Dinsmore Zone but not necessarily labor, noting that they don't spend a lot of time up there anymore.

Mayor Wilson commented that he doesn't doubt the Finance Director even though he comes across a little gruff.

COUNCIL REPORTS/COMMUNICATIONS

Mayor Pro Tem Johnson said he brought in a picture of an American eagle flag and said with concurrence of the Council he would like it put up in the Council Chambers. Council concurred.

ADJOURNMENT

The meeting adjourned at 5:40 p.m. to the April 24, 2018 Study Session at 4:00 p.m.

Frank Wilson, Mayor

Attest:

Karen Dunham, City Clerk

**RIO DELL CITY COUNCIL
STUDY SESSION
APRIL 24, 2018
MINUTES**

A Study Session of the Rio Dell City Council was called to order at 4:00 p.m. by Mayor Wilson.

ROLL CALL: Present: Mayor Wilson, Mayor Pro Tem Johnson, Councilmembers
Garnes, Marks and Strahan

Others Present: City Manager Knopp, Finance Director Woodcox, Water/
Roadways Superintendent Jensen and City Clerk Dunham

STUDY SESSION MATTERS

Review of General Fund/Police Department Operating and Capital Budget for FY 2018-2019
City Manager Knopp began by stating that the focus on this budget study session will be to provide an overview of General Fund expenditures and revenues. In addition, staff will present the proposed department budgets for Police, City Council, City Manager, Finance and General Government.

Finance Director Woodcox continued with a broad overview of the proposed General Fund budget reporting an estimated beginning fund balance of \$1,493,562 and an estimated ending fund balance of \$1,118,215 for FY 2018/19. She noted that the beginning fund balance has increased over the past couple of years because of Measure U revenue. She explained the \$18,300 transfer is the subsidy for the Building Department.

Finance Director Woodcox then explained that no revenues would be projected for the Humboldt Rio Dell Business Park until the revenue becomes more apparent.

Discussion continued regarding Measure U. Mayor Wilson asked how much revenue is being collected through Measure U.

Finance Director Woodcox said for the past couple of years Measure U revenue was budgeted at around \$170,000 based on the State Board of Equalization estimates and the proposed revenue for this year is \$245,000, which is closer to the actual revenue.

Mayor Wilson asked if there is a specific breakdown of the revenue by business.

Staff noted that the State Board of Equalization keeps a tight lid on what each business collects and noted that a big source of the tax comes from out-of-area vehicle sales.

Mayor Pro Tem Johnson assumed that Sales Tax revenue and Measure U revenue would fall off because of the bridge closure for the next couple of quarters.

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Finance Director Woodcox noted that Measure U will terminate on December 31, 2019 and presented a scenario of General Fund revenues and normal operating expenditures without Measure U funding representing a shortfall of \$196,092. General Fund proposed expenditures totaled \$1,409,065, which included \$275,500 for Capital Projects. She noted that proposed expenditures for the Police Department were \$789,462 or 70% of the General Fund budget without Capital Projects. City Manager expenditures were reported at \$89,301 (8%), Finance Department at \$98,419 (9%), General Government at \$58,628 (5%), Planning Department at \$62,245 (5%), Building and Grounds at \$19,975 (2%), and City Council at \$15,536 (1%).

Finance Director Woodcox then reviewed significant changes in the proposed department budgets. She explained that the proposed budget as presented is the same as the prior year with the additional requested items in the right hand column of the spreadsheet.

In the Police Department, the requests included the addition of a full-time police officer and related benefit costs, \$9,000 for training and transportation costs, \$104,500 for computer software, and \$30,000 for Code Enforcement. She noted that the computer software might result in an additional \$50,000 from the General Fund Reserves.

Mayor Wilson said that he thought the \$104,000 for computer software was going to be a shared cost with Ferndale and asked what the software will do for the department.

City Manager Knopp clarified that the \$104,000 is the City share of the cost. He explained the software would allow the police department to share information with other local police departments including the sheriff's department and the district attorney's office. He said the department could still function without it however; the software would make the department much more efficient.

Mayor Wilson indicated that if the City is going to spend \$104,000 on software he would like to know if the share is universal and the timeline with regard to other agencies switching over.

City Manager Knopp commented that there are financing options available for the software if the desire of the Council is to spread the costs out over multiple years but the City does have a healthy fund balance in the General Fund so the costs would be covered. He added that initially staff hoped to have a portion of the software funded by Measure Z but the committee recommended against it.

Mayor Wilson said that he wasn't against the software but was concerned about drawing down the fund balance and about Rio Dell implementing it before other agencies do. He said if it is going to take two (2) years for it to be fully implemented by all agencies he would like to know that, noting that in the meantime the City could spend the money elsewhere.

City Manager Knopp said it is his understanding that other agencies are in the process of moving forward and suggested Chief Conner elaborate on it when he arrives.

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Finance Director Woodcox explained that once adopted, the Budget by law is what staff follows. She pointed out that it is a living document but if changes occur, it comes back to the City Council for approval to insure transparency for the Council as well as the community. She added that every change comes before the Council and is documented with a paper trail.

Councilmember Strahan said that she wants to see actual expenditures for the previous year and a trial balance for all funds as well as income statements. She also questioned journal entries.

City Manager Knopp explained that the City's independent auditor comes in and reviews all the information, which is then contained in the audit report. He offered to have staff collate the information and show her where to find it.

Councilmember Strahan requested a copy of the FY 2016-17 audit.

Mayor Wilson noted that councilmembers were provided a copy.

Discussion continued regarding the City Council's proposed budget.

City Manager Knopp explained that the additional \$4,500 requested for training is because of a new Council coming in and to cover any necessary training related to Access Humboldt.

Councilmember Strahan asked if the \$9,600 estimate for Access Humboldt is current or from 2011.

City Manager Knopp said that he contacted other cities and the hourly rate is around \$35/hr. and from that, he came up with a rough estimate of \$800/mo.

Finance Director Woodcox noted that there is \$20,000 budgeted in Capital Projects for the initial set up.

Councilmember Garnes commented that a solid quote is needed before the Council adopts the budget.

City Manager Knopp said the other noteworthy item in the City Council budget is the \$5,900 for the Fire Department and Library water and sewer charges. He noted that the library and the fire hall buildings are rented out so the fire district has no control of the water usage. He said the Council could possibly discuss the option of a shared cost such as the City paying for the base charge and the Fire District paying for any excess usage.

Councilmember Strahan asked if there is a flat percentage of the water bill that goes into Water Reserves.

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Finance Director Woodcox explained that at the end of the year, any excess revenue over expenditures automatically goes into the Water Reserves and is reflected in the closing fund balance. She said there is not a specific dollar amount from each bill.

Councilmember Strahan asked if there were ever a percentage from bills going into reserves.

City Manager Knopp explained that there is a minimum reserve balance required and some funds are over and some are under but overall the required percentage is maintained.

Councilmember Strahan questioned the \$500,000 transfer from the Sewer Debt Service fund.

Finance Director Woodcox explained the reason for the transfer was to move dollars where they should have gone noting that the allocations were not changed in the system when the sewer rate was implemented so the balance in the sewer debt service fund was too large.

Mayor Wilson said the breakdown on water rates is pretty clear but with regard to the sewer rates, someone dropped the ball and the breakdown was not implemented correctly.

Chief of Police Conner arrived at this time.

He explained that the proposed computer software is the same system used by all local police departments except Rio Dell and Ferndale. He indicated that the Sheriff's Department will be implementing the new software in September or October. Fortuna, Eureka and Arcata are already using it, and the District Attorney's Office and Probation Department will also be implementing it soon.

He said one the main advantages of the software are that all agencies can share the same information depending on what each agency wants to share. He added that the DA's office needs reports and videos on a regular basis and this system will save trips to Eureka.

He further explained that the \$104,000 includes ComCade which the City already purchased this year so next year's allocation is actually less. In addition, they will not be paying for Crime Star or DocStar with the new system, which will also offset some of the cost.

Councilmember Strahan asked what the cost would be for the Track and Trace Program.

Community Development Director Caldwell explained that there is no cost to the City as the operators assume that expense.

Next was review of the City Manager's budget. City Manager Knopp explained that the only additional request is \$1,200 for new staff chairs in the Council Chambers suggested by the City Clerk. He noted the other changes represented reductions in line items such as (\$5,000) under Legal (\$5,000) under Contract/Professional Services and (\$1,850) from Dues and Memberships.

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Moving on to the Finance Department, there were two (2) additional budget requests. The first was an additional \$2,250 under Contract/Professional Services for Measure X Assistance and \$1,800 under Computer Software for three (3) additional DocStar licenses.

Under the General Government proposed budget, there was a request for an additional \$20,000 for an income survey and \$900 for computer equipment.

Mayor Wilson asked how the City benefits by doing an income survey and stressed the importance of having updated computers for staff.

Community Development Director Caldwell explained that the City needs to do an income survey every three (3) years to be eligible for grants. He commented that staff is hoping that it will cost less than \$20,000 and indicated that the surveys can no longer be done in house.

The last item was review of General Fund Proposed Capital Projects. There were six (6) projects identified totaling \$275,000. City Manager Knopp clarified that he learned today that the carry over for the Belleview/Ogle Project was overstated at \$150,000 and it should be closer to \$100,000.

Mayor Wilson asked that staff make sure to agenize the items for the final study session to make sure the Council can discuss all areas of the budget without any potential Brown Act violations.

ADJOURNMENT

The meeting adjourned at 5:45 p.m. to the May 1, 2018 Regular Meeting.

Frank Wilson, Mayor

Attest:

Karen Dunham, City Clerk

**RIO DELL CITY COUNCIL
REGULAR MEETING
MAY 1, 2018
MINUTES**

The regular meeting of the Rio Dell City Council was called to order at 5:30 p.m. by Mayor Wilson.

ROLL CALL: Present: Mayor Wilson, Mayor Pro Tem Johnson, Councilmembers
Garnes, Marks and Strahan

Others Present: City Manager Knopp, Finance Director Woodcox, Chief of
Police Conner, Water/Roadways Superintendent Jensen,
City Clerk Dunham and City Attorney Gans (closed session)

Absent: Community Development Director Caldwell and Wastewater
Superintendent Trainee Purvis

ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION AS FOLLOWS:

Employee Negotiations (Pursuant to §54957.6) Conference with Labor Negotiator: City
Manager – Employee Organizations: Rio Dell Police Officers Association, Rio Dell Employees
Association and Contract Employees

The Council adjourned into closed session with City Manager Knopp and City Attorney Gans at 5:30 p.m.

The Council reconvened into open session at 6:30 p.m.

City Attorney Gans left the meeting at this time.

Mayor Wilson announced there was no reportable action taken in closed session.

CEREMONIAL MATTERS

Proclamation – Mental Health Awareness Month

Mayor Wilson read the proclamation in recognition of May 2018 as *Mental Health Awareness Month*. No one was present to accept the proclamation.

PUBLIC PRESENTATIONS

Glenn White, PMD, Inc. said he was present to answer any questions regarding his development at the Humboldt Rio Dell Business Park. He said related to timing of the project, he had his main crew out evaluating the situation and that they are possibly three (3) week out to begin construction on the building. He noted that a number of distributors that want to come to Rio Dell have approached him because of what they can offer them as far as processing. He said they provide a good opportunity regarding the CBD strain.

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He said they have the building permit for the shell of the building and will come in tomorrow and get the Business License from the City. He said once Lon Windburn from Fortuna Fire District signs off on the project, that they are pretty much ready to turn the switch on and get things going. He noted that once things start moving, it would generate revenue for the City. He then offered to answer any questions or concerns from the Council, staff or the public.

Mayor Wilson suggested the Council hold any questions until the staff update.

Tim Stack, 1209 Eeloa Ave. addressed the Council regarding the recent mountain lion sightings in town and said the incident with the dogs that were attacked occurred behind his house. He said he doesn't want to create a panic but would like something done since his dog and other dogs in the neighborhood play in that area. He noted that his neighbor's dog was one of the dogs attacked and was euthanized. He said another neighbor walked the area on the river bar and found lion tracks with deer tracks behind them noting that the recent rains haven't washed the tracks away. He also noted that they found a possible temporary lion den at the river bar.

Nick Angeloff provided a brief update on Chamber of Commerce activities and events and announced that they were able to work with the property owner and the Chamber will remain at their current location until January; after that, they will have to see what happens.

Julie Woodall addressed the Council, said the woman that does gardening at the Triangle Park doesn't have a truck to haul away the weeds, and asked on her behalf if public works could go by and pick up the pile of weeds. She also asked if staff could contact Caltrans and request that they mow the area coming into town at Wildwood and Belleview Ave.

CONSENT CALENDAR

Motion was made by Johnson/Strahan to approve the consent calendar including approval of the minutes of the April 17, 2018 regular meeting. Motion carried 5-0.

REPORTS/STAFF COMMUNICATIONS

City Manager/Staff Update

City Manager Knopp referred to the staff update provided in the Council packet and said that staff was available to answer any questions the Council may have. He noted that Chief Conner was available to provide a verbal staff report.

He reminded the Council about the required Ethics Training and asked anyone who had not yet completed the online training to please log in and get it done.

Mayor Wilson asked for an update on the bridge closure.

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City Manager Knopp said that in talking with Caltrans, they feel the contractor can accelerate the schedule and get the bridge opened up by August 1, 2018 provided the weather cooperates and there is no further vandalism. He also reported that Caltrans did some clean-up efforts under the bridge and removed the homeless encampment.

He also reported that Caltrans reviewed the plans for the Active Transportation Plan (ATP) Project and had concerns regarding the pedestrian island at Belleview and Wildwood Ave. and as a result, the island has been removed from the plans.

Mayor Pro Tem Johnson asked if Caltrans is considering installing fencing under the bridge or other options to keep out the homeless encampments.

City Manager Knopp said that he had conversations with Caltrans and also sent a letter requesting some fencing modifications back in 2015 and recently brought the issue up again. He said they are aware that they are technically responsible for that area under the bridge and have agreed to work on some fencing in that particular area.

Chief Conner elaborated on the issue and said that he spoke to the project engineer and was told that they are considering putting in chain link fencing with cables.

He said regarding the mountain lion incident, on Friday, April 27, there was an incident with two (2) dogs; one of which was injured and as a result was euthanized. On Saturday, April 28, there was a sighting on the edge of the riparian vegetation on N. Pacific Ave. On Sunday, April 29, another sighting on the river bar 200 yards north of the trail that runs from N. Pacific to the river bar. He said since that time, there have been no reports of sightings. He noted that he has been in contact with Matt Wells from California Fish & Wildlife and their current policy is that unless a person is injured, they attempt to haze the animal and move it from civilization. He said they are currently investigating other possible avenues to see what else they can do. He added that he walked the area on the river bar between N. Pacific and Eeloa and seen some tracks that may or may not be mountain lion tracks and nothing that was fresh.

He also reported that on Friday, April 27, 2018 they served an inspection warrant at the old Eel River Sawmills office building. He noted that he served a warrant there approximately two (2) weeks prior and access to the building was denied. He said the second warrant allowed forced entry and what they found was an illegal commercial marijuana cultivation operation including processing and manufacturing of concentrates. He indicated that he is currently in the process of drafting an administrative violation order in which they will have 30 days to become legal. If they don't, he will seek an abatement warrant to remove the operation from the site.

Mayor Wilson asked if the Council or the public had any questions regarding the staff report.

Julie Woodall asked where the transients from under the bridge went; asked for an update on the three (3) properties identified under the nuisance abatement process; asked about this year's Measure Z funding; and asked if more small crimes were currently being committed.

She noted that someone on the Neighborhood Watch site claimed that crimes are occurring after 3:00 a.m. when there is no officer on duty.

Chief Conner commented that he didn't know where the transients went but that their truck was loaded to the top when they left. He said the City received Measure Z funding for continuation of the part-time clerical position who also works on code enforcement. He said as far as an increase in small crimes, there have been in the month of April, two (2) incidents that occurred before 3:00 a.m. involving cars being burglarized. He said there were more cars burglarized about a week ago so in that regard, there have more small crimes but nothing other than those incidents.

Nick Angeloff asked if the person who was served the warrant for the illegal marijuana operation was one of the current stakeholders/applicants at the Humboldt Rio Dell Business Park.

Chief Conner indicated that the property owner spoke with staff and inquired about the process to become legal but did not actually submit an application.

Mayor Pro Tem Johnson asked Glenn White what the schedule is for installing the water line at the Humboldt Rio Dell Business Park.

Glenn stated that they would start construction of Building 3 in approximately two (2) weeks and immediately after the footings for Building 3 are complete, they will start construction of the water line. He noted that his crews are here to get as much done as possible and as quick as possible since they are not coming here for vacation. He estimated no more than two (2) months to complete the water line. When that is done, they will come back and do site improvements and try to get the foundation work done for Building 1. He said that even though the engineering is not done for Building 1, they could still get the building here so they can start construction the minute the engineering is done. He said they anticipate getting the metal buildings in May and June with construction of Building 1 the same time they are putting in the water line.

SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

Discussion and Possible Action on Election Dates for 2018

City Manager Knopp said that in order to submit a ballot measure on the November 6, 2018 General election, a resolution would need to be submitted to the County Board of Supervisors following the June 19, 2018 regular City Council meeting. He provided information regarding potential extension of Measure U, the City's local sales tax measure and asked for Council direction.

Mayor Pro Tem Johnson supported the idea of placing a measure on the November ballot for the extension of Measure U and pointed out the additional cost of calling for a special election after December 2019 when the tax expires. Council concurred.

City Manager Knopp commented that staff would bring an updated version of the ordinance back to Council prior to the June 19, 2018 regular meeting.

ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

Approve Resolution No. 1387-2018 Awarding Bid for the 2018 Street Striping Project

City Manager Knopp provided a staff report and said the information on this item is the same information provided to the Council at the last meeting. He noted that the item was tabled to allow Council an opportunity to look at the bike lane on Wildwood Ave. before making a decision. He pointed out that the Council did appropriate \$20,000 in the current budget specifically for street striping.

Mayor Wilson asked how far up Wildwood Ave. the striping would go.

City Manager Knopp explained the additional bike lane striping would go from Monument Road to Columbus St., just past the post office.

Councilmember Garnes noted that there are a lot of businesses north of the post office and that it seems odd not to extend the striping further north on Wildwood.

City Manager Knopp commented that the striping could be extended to Davis St. if the Council wants to allocate additional funding to amend the scope of work.

Mayor Pro Tem Johnson said the item was tabled to allow the Council the opportunity to look at the area and in his opinion it all needs to be done right away. He also agreed to extend the striping to Davis St. He noted that thermoplastic striping would be applied rather than paint, which is very durable and tends to last 5-10 times longer.

City Manager Knopp indicated that he could obtain a revised bid from the contractor.

Mayor Wilson called for public comment on the proposed resolution. There was no public comment received.

Motion was made by Johnson/Garnes to direct staff to obtain a revised bid from the contractor and bring it back to the Council with the applicable budget adjustment. Motion carried 5-0.

Introduction and First Reading (by title only) of Ordinance No. 367-2018 to Recodify Chapter 5.40, Recreational Cannabis Sales to Chapter 5.45 of the Rio Dell Municipal Code (RDMC)

City Manager Knopp provided a staff report and explained that this ordinance is basically a clerical cleanup of the Rio Dell Municipal Code. He said there was an overlap in the terms of numbering the chapters and that there is no substantive change in the ordinance.

A public hearing was opened to receive public comment on the proposed ordinance. There being no public comment, the public hearing closed.

Motion was made by Johnson/Garnes to approve introduction and first reading of *Ordinance No. 367-2018 to Recodify Chapter 5.40, Recreational Cannabis Sales to Chapter 5.45 of the Rio Dell Municipal Code (RDMC)*. Motion carried 5-0.

COUNCIL REPORTS/COMMUNICATIONS

Mayor Pro Tem Johnson reported on his attendance at upcoming meetings and said the League of California Cities Second Quarterly meeting would be held in Lakeport on Friday, May 4 and that ex-US Congressman Mike Thompson will be the guest speaker. He also said that he would be attending the Last Chance Grade Adhoc Committee meeting in Crescent City on Wednesday, May 9. He said that \$10 million has been allocated to Caltrans for environmental documents and drilling on a number of proposed locations for potential tunnels. He noted that the various options range from several hundreds of millions of dollars to a billion dollars to bypass the three (3) (+/-) stretch of roadway and all of the options have some sort of tunnel included in the plan.

Mayor Wilson reported on his attendance at the last Redwood Coast Energy Authority (RCEA) meeting and announced that they are still looking for a public member from Rio Dell to serve on the committee. He said if anyone is interested, to let him know.

He also reported on the Redwood Region Economic Development Commission (RREDC) meeting and said they are doing a lot of work with the Film Commission and developing tourist trade. He mentioned the many movies filmed on the North Coast and suggested everyone go to the Film Commission site for the list.

ADJOURNMENT

Motion was made by Johnson/Garnes to adjourn the meeting at 7:10 p.m. to the May 8, 2018 Budget Study Session beginning at 4:00 p.m. Motion carried 5-0.

Frank Wilson, Mayor

Attest:

Karen Dunham, City Clerk

MAY 8, 2018 MINUTES
Page 2

Staff responded that there are currently three (3) full-time employees and the request is to add two (2) additional full-time positions for a total of five (5) not including the street crew.

Mayor Wilson asked how an overall public works staff increase of two (2) would impact the sewer budget five (5) years from now. In addition, will there be enough money for Capital projects.

Councilmember Strahan said she understood there was only going to be four (4) operators rather than five (5).

Water/Roadways Superintendent Jensen explained that a third person is needed on the wastewater side to keep up with routine operations. He noted that the City utilized a County worker at no cost to the City for a period.

Mayor Wilson stated that he doesn't mean to be negative but the Council should have known that staff took the initiative to get an employee for free which is the reason they were able to get by and now the Council needs to find a way to fill that gap.

City Manager Knopp reminded the Council that when the State regulators were here they identified some issues that need to be addressed in the City's NPDES permit. One of the issues was related to the chlorine disinfection system, the other was related to the collection system, specifically I & I problems, and the other issue pointed out was the City's inability to retain trained, qualified wastewater operators. He said that it is important to address these issues by investing in the wastewater system. He agreed with the need to retain qualified employees and have a succession plan as well as allowing employees to take regular vacations.

In summary, he said that the State has outlined challenges, set the bar and the City's job is to meet that bar. This budget attempts to do that which includes hiring of additional staff, purchasing equipment and moving forward with some of the more urgent capital projects.

Mayor Wilson questioned the request of \$10,000 for TIE/CTR evaluations.

Wastewater Superintendent Trainee Purvis explained that the City has been failing tests for effluent and this test is essentially a \$10,000 test, which takes the effluent and analyzes what is causing toxicity. He commented that if it is not figured out, the State regulators have indicated that there will be consequences such as possible fines. He noted that it would save money in lab testing with a reduction in the frequency of required tests.

Mayor Wilson asked what the proposed Sewer Rate Analysis would accomplish.

City Manager Knopp explained that a new sewer rate analysis is recommended every five (5) years to make sure everything is on track so the rates either can stay the same or be adjusted accordingly.

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Page 3

Mayor Wilson suggested the Council consider directing staff to prepare the water and wastewater rate studies with a third party verifying the numbers.

Discussion continued regarding employee benefits.

Councilmember Strahan questioned the \$14,000 budgeted for Workers Compensation Insurance in the Sewer Department.

Finance Director Woodcox explained that the City is part of a JPA which included Workers Comp and the overall cost for coverage citywide is approximately \$90,000.

City Manager Knopp explained the different rates for the different classifications of employees noting that public works and police personnel have the highest rates with public works having around a 14% modification rate.

Mayor Wilson noted that 14% is not unreasonable for the classification.

City Manager Knopp also noted that health insurance costs can vary widely depending on family status and whether the employee is covered under a spouse's insurance.

Councilmember Strahan asked what happens when an employee is covered under another plan and declines coverage.

City Manager Knopp noted that the health insurance buyout is \$125.00 per pay period.

Mayor Wilson asked what the percentage is for employee benefits.

Finance Director Woodcox responded that it is approximately 43% and noted that the additional employees were budgeted at the full-family rate so the insurance cost could be lower depending on family status.

Councilmember Strahan commented that the City pays a lot for employee health insurance benefits.

City Manager Knopp explained that health insurance is a negotiated benefit and that the City opted to provide a high level of medical coverage in lieu of not being a PERS agency. He noted that staff has also been able to successfully mitigate skyrocketing rates by going to a JPA for coverage.

Councilmember Strahan said she would like to see a comparison of the percentages for the cost of benefits from last year to the current year.

Finance Director Woodcox noted that the percentages are in the last year's budget document.

Next was review of the proposed capital projects.

Councilmember Marks questioned the expense for Access TV and suggested the Council consider some other use for that money. He noted that the City doesn't have any legal obligation to video record meetings and if it is a transparency issue, citizens need to show up at meetings. He said he would rather see the money go toward employee raises.

Mayor Wilson thought it would be a good idea to have Access Humboldt come and record meetings but he would like to have a solid quote before making a decision.

Councilmember Garnes pointed out that many people are unable to attend meetings because of health reasons.

City Manager Knopp broached the idea of scaling back and said that staff is in the process of implementing audio recordings of meetings. He commented that it is a low cost improvement and the City has most of the technology already in place.

Councilmember Strahan asked for clarification that with the proposed staff additions the total public works staff would be at 7.5 positions. Staff confirmed that she was correct.

Mayor asked if staff had looked at hiring an outside contractor to do mowing.

Water/Roadways Superintendent Jensen stated that he did obtain a quote from a local lawn service company at an annual cost of \$65,000.

City Manager Knopp explained that the majority of the proposed capital projects in the sewer department budget are related to regulatory compliance. He said the percolation ponds, utility truck, roller & trailer, forklift and access TV are all items not required by the State and are optional. He noted that the department is in need of a new forklift and the rest of the items are closely tied to regulatory compliance issues.

Mayor Wilson questioned the \$40,000 capital expenditure for pump motors.

Wastewater Superintendent Trainee Purvis said the idea is to have a spare replacement motor on the shelf for most everything.

Mayor Wilson stated that he is a big fan of having spare motors on hand and regarding motors and pumps it is a good idea to routinely rotate them out before they burn up. He said going through a procedural maintenance schedule as a whole saves money.

City Manager Knopp asked for direction from Council on any changes to the proposed sewer budget so staff can make the revisions before bringing the budget back to the Council on May 15.

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Mayor Pro Tem Johnson agreed with Councilmember Marks with regard to Access Humboldt video recording of meetings.

Councilmember Marks expressed concern about the cost of the wastewater rate study.

Mayor Wilson commented that he would like to see the quote for Access Humboldt verified and that there are certain times when video recordings of meetings are necessary so perhaps they could be utilized on an as-needed basis rather than having them present at every meeting.

Councilmember Garnes asked if the Council had considered the increased workload on staff with regard to putting together the rate studies.

Mayor Wilson said that whether it is Bartle Wells or another firm, all they will do is take the numbers the City provides, plug them into a report, and charge the City \$30,000, which he believes is excessive. He said staff would do most of the work anyway so why not have staff do the study and have a third part verify it.

Mayor Pro Tem Johnson commented that the procedure could become bothersome with the Prop 218 process. He noted that the City only received a few protest votes with the last sewer adjustment but that was not the case with the water rate adjustment. He expressed concern that staff could take the numbers to the ratepayers and they might think it is an inside fix.

Mayor Wilson pointed out that the sewer rate adjustment was revenue neutral with some customers rates reduced however; the water increase was significant. He said if the revenue was drastically different from what was anticipated with the current rate structure, it would be obvious. He said if it was radically out of line, then he could see going out to a professional firm but that is not the case.

He said he looked at the allocation spread with the finance department and he doesn't have a problem with that but does have a problem with the City Manager spread although that does not impact the rates.

Finance Director Woodcox noted that the revenue comes close to the \$1.6 million estimated by Bartle Wells & Associates.

Mayor Pro Tem Johnson asked if the majority of the capital costs would continue from year to year.

Wastewater Superintendent Trainee Purvis clarified that some of the costs will continue but with the new chlorine generator, maintenance costs will be reduced. He said the same goes for the sludge dryer boiler and belt press. He said overall maintenance costs would go down from year to year. He explained the \$15,000 for the Aeromod Plant is for spare valves and parts.

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City Manager Knopp commented that with regard to the wastewater rate study, it sounds like a majority of the Council would like it removed from the budget. He said staff would certainly do that if that is the desire of the Council but staff would recommend leaving it in and perhaps having the study done in 2019. He said staff spent a huge amount of time on the water rate study, it was a very significant undertaking and staff ultimately was put up against a meat grinder. He said working with a third party on the study would be very helpful. He noted that staff needs to gather data and have a long-term plan. He said the data would also determine whether the City needs to go through the 218 process and adjust the rates or perhaps find out that the rates are in line with the City's 5-year plan. He reminded the Council how highly political the Prop 218 process was in the community with the meeting lasting until after 1:00 a.m. with staff tallying the votes.

Mayor Wilson said he didn't think it would be going overboard by making the Public Works Director responsible for preparing the rate study.

Councilmember Garnes commented that this City Council has excessively thrown staff under the bus and if a citizen is upset all the Council has to do is blame it on staff. She said citizens need to have trust in the Council and trust in staff. If not, the confidence of the community goes down. She said that having a third party do the study establishes that trust.

Mayor Wilson reiterated that having a third party verify the numbers staff produces would save a lot of money but if the Council wants to spend \$60,00 for the studies then go ahead and spend it.

Councilmember Strahan stated that this is why she asked for specific numbers and said there is another side of the budget aside from the funds and it is easy to provide a break down on where the money is going.

Finance Director Woodcox noted that the study is more about what the capital needs are for the City. She said there is not a problem with running the numbers.

Mayor Wilson said the Council needs to find out what is included in the rate study and since the Council would still need to approve any proposed study didn't have a problem leaving it in the budget as a placeholder.

Mayor Pro Tem Johnson noted that there were some members of the Council that had a problem with Bartle Well & Associates and suggested staff sends out Requests for Proposals (RFP's) for the study. He said that would give the qualifications of the firm, noting that there was a junior assistant that came from Bartle Wells that didn't know much.

City Manager Knopp maintained staff's recommendation to hire an outside consultant to do the rate study.

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Councilmember Strahan asked if staff would be coming back with a correction to the estimated ending fund balance.

Finance Director Woodcox noted that she would be adding back in the \$167,283 transfer for a corrected estimated ending fund balance of \$1,162,694 rather than \$995,411 as reported.

She commented that tomorrow's study session would include the review of Street, and Buildings and Grounds Operating and Capital Budgets as well as the wrap-up of entire FY 2018-2019 Operating and Capital Budget and hopes to have all the requested changes for presentation of the draft budget at the May 15, 2018 regular meeting.

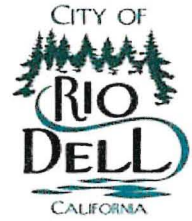
ADJOURNMENT

The meeting adjourned at 5:44 p.m. to the May 9, 2018 Budget Study Session beginning at 4:00 p.m.

Frank Wilson, Mayor

Attest:

Karen Dunham, City Clerk



*675 Wildwood Avenue
Rio Dell, CA 95562*

TO: Mayor and Members of the City Council

THROUGH: Kyle Knopp, City Manager

FROM: Karen Dunham, City Clerk

DATE: May 15, 2018

SUBJECT: Conflict of Interest Code Update

RECOMMENDATION

Adopt Resolution No. 1388-2018 Amending the City of Rio Dell's Conflict of Interest Code

BACKGROUND AND DISCUSSION

State law requires Public Agencies to review and if needed, update their Conflict of Interest Codes during even numbered years. A local agency's conflict of interest code must reflect the current structure of the organization and properly identify officials and employees who should be filing Statements of Economic Interests (Form 700). A code tells public officials, governmental employees, and consultants what financial interests they must disclose on their Form 700. It also helps provide transparency in local government as required under the Political Reform Act. The City's code currently in effect does not include all designated officials and employees required to file Form 700 and needs to be updated to reflect changes in the City's organizational structure since the last update.

ATTACHMENTS:

Resolution No. 1388-2018
Conflict of Interest Code



**RESOLUTION NO. 1388-2018
A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF RIO DELL ADOPTING A
REVISED CONFLICT OF INTEREST CODE FOR
THE CITY OF RIO DELL FOR CITY COUNCIL
MEMBERS, COMMISSIONERS, OFFICERS,
CONSULTANTS, AND DESIGNATED EMPLOYEES
AND RESCINDING RESOLUTION NO. 330**

WHEREAS, the Political Reform Act of 1974 ("Act"), Government Code Sections 8100 et seq. enacted as part of Proposition 9, requires every local agency to adopt and promulgate a Conflict of Interest Code applicable to employees or consultants holding designated positions and public officials within the jurisdiction of the local agency; and

WHEREAS, on March 17, 1981, the Rio Dell City Council enacted Resolution No. 330, Adopting a Conflict of Interest Code for the City of Rio Dell ("City"); and

WHEREAS, Section 87306.5 of the Government Code states that every agency shall review its Conflict of Interest Code no later than July 1 of each even-numbered year, subject to the provisions of Section 87302(a) and 873203, when necessitated by changed circumstances; and submit amendments to the Code reviewing body no later than October 1 of the same year; and

WHEREAS, Title 2 California Code of Regulations Section 18730 contains the terms of a standardized conflict of interest code which will update the City's Conflict of Interest Code and maintain compliance with all new and future regulations adopted by the Fair Political Practices Commission; and

WHEREAS, since the last Code review, additional positions have been deemed to make, or participate in the making of, decisions which may have a foreseeable material effect on a financial interest, and it is therefore appropriate to add these positions; and

WHEREAS, previously listed positions have been vacated, and it is therefore appropriate to eliminate those positions from the Code; and

WHEREAS, there are some previously listed positions that have changed slightly in name and it is, therefore appropriate to make those changes in the Code; and

WHEREAS, Exhibit A as attached herein lists the designated employees subject to the model Conflict of Interest Code (listed as “designated filers”); and Exhibit B identifies specific financial interests that would be reportable (listed as “disclosure categories”); and

WHEREAS, this review has been completed and the City Council has determined that such changes are necessary due to changes in the City organization and to comply with state law and that Exhibits A and B attached herein, accurately sets forth the designated positions, and their respective categories of financial interests which should be made reportable and those boards, commissions and committees which should be designated and the respective categories of financial interests which should be made reportable by their members; and

WHEREAS, the City of Rio Dell Conflict of Interest Code, requires revision so that it accurately sets forth the designated positions and categories of financial interests which should be made reportable.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RIO DELL DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Title 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference, and along with the attached Exhibits in which members and employees are designated and disclosure categories are set forth, constitute the conflict of interest code of the City of Rio Dell.

SECTION 2. The following departments and categories are hereby designated to comply with the City’s Conflict of Interest Code as reflected in Exhibit “A”:

- City Manager Department
- Community Development Department
- Finance Department
- Public Works Department
- Police Department
- Consultants
- Commissioners and Board Members

SECTION 3. Designated positions within the individual departments, consultants and board and commissions are assigned to one or more of the disclosure categories set forth on Exhibit B.

SECTION 4. The Determination of Consultant and Disclosure Filing Requirements Form is attached as Exhibit C.

SECTION 5. Each designated employee, board member or consultant named shall file annual statements as defined in said Codes.

SECTION 6. The City Clerk of the City of Rio Dell is hereby designated as the filing officer to receive the filed statements, except as provided for in Section 7 of this resolution.

SECTION 7. The Fair Political Practices Commission is hereby designated as the filing officer to receive statements filed by those filers under disclosure category 87200.

SECTION 8. The City Clerk shall certify as to the adoption of this resolution and shall cause the same to be process in the manner required by law.

APPROVED AND ADOPTED by the City Council of the City of Rio Dell on May 15, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Frank Wilson, Mayor

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above to be a full, true and correct copy of Resolution No. 1383-2018 adopted by the City Council of the City of Rio Dell on April 17, 2018.

Karen Dunham, City Clerk

**EXHIBIT A
DESIGNATED FILERS**

Department: CITY MANAGER

Designated Employee:	<u>Categories</u>
City Manager	1, 2, 3, 4
City Clerk	1, 2, 3, 4

Department: COMMUNITY DEVELOPMENT

Designated Employee:	
Community Development Director	1, 2, 3, 4

Department: FINANCE

Designated Employee:	
Finance Director	1, 2, 3, 4

Department: PUBLIC WORKS

Designated Employee:	
Public Works Director	1, 2, 3, 4
Water/Roadways Superintendent	1
Wastewater Superintendent	1

Department: POLICE

Designated Employee:	
Chief of Police	1, 2, 3, 4

CONSULTANT

Designated Person/Position:	
Consultant(s)	1, 2, 3, 4
City Attorney	1, 2, 3, 4
City Engineer	1, 2, 3, 4

COMMISSIONERS AND BOARD MEMBERS

Designated Commissioners and Board Members:

City Councilmembers	1, 2, 3, 4
Planning Commissioners	1, 2, 3, 4

The disclosure category for consultants shall be determined on a case-by-case basis by the City Manager. After written notification is given to the City Council, the City Manager may make a determination as to what disclosure, if any, is required by any particular consultant.

The City Manager may determine, in writing, that a particular consultant, although holding a "designated position", is hired to perform a range of duties that is limited in scope and this is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties, and based upon that description, a statement of the extent and disclosure requirements. The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

EXHIBIT B DISCLOSURE CATEGORIES

Category 1

Persons in this category shall disclose all interests in real property within the City. Real property shall be deemed to be within the City if the property or any part of it is located within or not more than two miles outside the boundaries of the City or within two miles of any land owned or used by the City.

Persons are not required to disclose property used primarily as their residence or for personal recreational purposes.

Category 2

Persons in this category shall disclose all investments.

Category 3

Persons in this category shall disclose all income, including loans, aggregating \$500 or more received during the reporting period, received from any one source located or doing business within the City or expecting to do business within the City. Gifts aggregating \$50 or more received during the period from any one source located inside or outside the City shall be disclosed. Income received from a public agency need not be disclosed.

Category 4

Persons in this category shall disclose all income from and investments in business that manufacture or sell services and/or supplies of the type utilized by the City and associated with the job assignment of designated positions assigned this disclosure category.

CONFLICT OF INTEREST CODE OF THE CITY OF RIO DELL

Section 100. Purpose

Pursuant to the provisions of the Government Code Sections 87300 et seq. The City of Rio Dell hereby adopts and incorporates by reference Regulation 2 of the California Code of Regulations, Section 18730. (Title 2, Division 6) and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Exhibits A, B and C, in which members and employees are designated and disclosure categories are set forth, which constitutes the Conflict of Interest Code of the City of Rio Dell. Nothing contained herein is intended to modify or abridge the provisions of the Political Reform Act of 1974. (Government Code Section 81000 et seq.). The provisions of this Code are additional to Government Code Section 87100 and other laws pertaining to conflicts of interest. Except as otherwise indicated, the definitions of said Act and regulations adopted pursuant thereto are incorporated herein and this Code shall be interpreted in a manner consistent therewith.

Section 200. Designated Positions

The positions listed on Exhibit A are designated positions within each city department and/or division. Officers and employees holding those positions are designated employees and are deemed to make, or participate in the making of, decisions which may have foreseeable material effect on a financial interest.

Section 300. Disclosure Statements

Designated positions shall be assigned to one or more of the disclosure categories set forth on Exhibit B. Each designated employee shall file an Initial Statement disclosing that employee's interest in investments and real property, and thereafter an Annual Statement disclosing said employee's interest in investments, real property and income designated as reportable under the category to which the employee's position is assigned on Exhibit A.

Section 400. Place and Time of Filing

- (a) All designated employees required to submit a Statement of Economic Interests Form 700 shall file the original, on the form provided (per Section 500 of this Code), with the City Clerk's Office.
- (b) A designated employee required to submit an Initial Statement of Economic Interests Form 700 shall submit the statement within thirty (30) days after the effective date of this Code.

- (c) Merit service employees appointed, promoted or transferred to designated positions shall file an Assuming Office Statement within thirty (30) days after date of assuming the designated position.
- (d) All other employees appointed, promoted or transferred to designated positions shall file an Assuming Office Statement not less than thirty (3) days after assuming the designated position.
- (e) Annual Statements shall be filed with the City Clerk's Office no later than the 1st day of April of each year by all designated employees. Such statements shall cover the period of the preceding calendar year.
- (f) A Leaving Office Statement shall be filed within thirty (30) days after leaving a designated position. Such statements shall cover the period from the closing date of the last statement filed to the date of leaving the position.
- (g) Individuals who resign designated positions within 30 days following initial appointment are not deemed to assume or leave office, provided that during the period between appointment and resignation, the individual did not make, participate in making, or use the position to influence any decision of the City or receive, or become entitled to receive any form of payment by virtue of being appointed to the position.
- (h) A designated employee required to file a Statement of Economic Interests Form 700 with any other agency, which is within the same territorial jurisdiction as the City and disclosure requirements are identical, may comply with the provisions of this Code by filing a duplicate copy of the statement filed with the other agency, in lieu of an entirely separate statement.
- (i) "Consultant" as identified by FPPC Regulation 18700, is herewith added to the list of designated employees and such persons shall disclose pursuant to the broadest disclosure category in the Code, subject to the limitations stated in Exhibit C attached hereto.

Section 500. Form for Statements of Economic Interests

Statements of Economic Interests shall be made on a form supplied by the Fair Political Practices Commission (FPPC), and such form shall be made available by the City Clerk's Office.

Section 600. Definitions

GIFT

- (a) "Gift" means, except as provided in subdivision (b), any payment to the extent that consideration of equal or greater value is not received and includes a rebate or discount in the price of anything of value unless the rebate or discount is made in the regular course of business to members of the public without regard to official status. Any person, other than a defendant in a criminal action, who claims that a payment is not a gift by reason of receipt of consideration has the burden of proving that the consideration received is of equal or greater value.
- (b) The term "gift" does not include:
- (1) Informational materials such as books, reports, pamphlets, calendars or periodicals. No payment for travel or reimbursement for any expenses shall be deemed "informational material";
 - (2) Gifts which are not used and which, within thirty (30) days after receipt, are returned to the donor or delivered to a charitable organization without being claimed as a charitable contribution for tax purposes;
 - (3) Gifts from an individual's spouse, register domestic partner, child, parent, grandparent, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin or the spouse or register domestic partner of any such person; provided that a gift from any such person shall be considered a gift if the donor is acting as an agent or intermediary for any person not covered by this paragraph;
 - (4) Campaign contributions required to be reported under Sections 84100-84400 of the Government Code.
 - (5) Any devise or inheritance.

INCOME

- (a) "Income" means, except as provided in subdivision (b), a payment received, including but not limited to any salary, wage, advance, dividend, interest, rent, proceeds from any sale, gift, including any gift of food or beverage, loan, forgiveness or payment of indebtedness received by the filer, reimbursement for expenses, per diem, or contribution to an insurance or pension program paid by any person other than an employer, and including any community property interest in the income of a spouse or registered domestic partner. Income also includes an outstanding loan. Income of an individual also includes a pro rate share of any income of any business entity or trust in which the individual or spouse or registered domestic partner owns, directly, indirectly or beneficially, a 10 percent interest or greater. "Income," other than a gift, does not include income received from any source outside the jurisdiction and not doing business

within the jurisdiction, or not having done business within the jurisdiction during the two years prior to the time any statement or other action is required under this Code.

- (b) "Income" also does not include:
- (1) Campaign contributions required to be reported under Sections 84100-84400 of the Government Code.
 - (2) Salary and reimbursement for expenses or per diem received from a state, local or federal government agency and reimbursement for travel expenses and per diem received from a bona fide educational, academic or charitable organization.
 - (3) Any devise or inheritance.
 - (4) Interest, dividends or premiums on a time or demand deposit in a financial institution, shares in a credit union or any insurance policy, payments received under any insurance policy, or any bond or other debt instrument issued by any government or governing agency.
 - (5) Dividends, interest or any other return on a security which is registered with the Securities and Exchange Commission of the United States government.
 - (6) Redemption of a mutual fund.
 - (7) Alimony or child support payments.
 - (8) Any loan or loans from a commercial lending institution which are made in the lender's regular course of business on terms available to members of the public without regard to official status if:
 - (A) Used to purchase, refinance the purchase of, or for improvements to, the principal residence of filer; or
 - (B) The balance owed does not exceed ten thousand dollars (\$10,000).
 - (9) Any loan from an individual's spouse, register domestic partner, child, parent, grandparent brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin or the spouse or register domestic partner of any such person; provided that a loan from any such person shall be considered income if the lender is acting as an agent or intermediary for any person not covered by this paragraph;

- (10) Any indebtedness created as part of a retail installment or credit card transaction if made in the lender's regular course of business on terms available to members of the public without regard to official status, so long as the balance owed to the creditor does not exceed ten thousand dollars (\$10,000.)
- (11) Payments received under a defined benefit pension plan qualified under Internal Revenue Code Section 401(a).

INTEREST IN REAL PROPERTY

"Interest in real property" included any leasehold, beneficial or ownership interest or any option to acquire such an interest in real property located in the City owned directly, indirectly or beneficially by the public official, or other filer, or his or her immediate family if the fair market value of the interest is two thousand dollars (\$2,000) or more. Interests in real property of an individual includes a pro rata share of interests in real property of any business entity or trust in which the individual or immediate family owns, directly, indirectly or beneficially, a 10 percent interest or greater.

INVESTMENT

"Investment" means any financial investment in or security issued by a business entity, including but not limited to common stock, preferred stock, rights, warrants, options, debt instruments and any partnership or other ownership interest owned directly, indirectly or beneficially by the public official, or other filer, or his or her immediate family, if the business entity or any parent, subsidiary or otherwise related business entity has an interest in real property in the jurisdiction, or does business or plans to do business in the jurisdiction, or has done business in the jurisdiction, or has done business within the jurisdiction at any time during the two years prior to the time any statement or other action is required under this Code. No asset shall be deemed an investment unless its fair market value equals or exceeds two thousand dollars (\$2,000). The term "investment" does not include a time or demand deposit in a financial institution, shares in a credit union, any insurance policy, interest in a diversified mutual fund registered with the Securities and /Exchange Commission under the Investment Company Act of 1940 or a common trust fund which is created pursuant to Section 1564 of the Financial Code, or any bond or other debt instrument issued by any government or government agency. Investments of an individual includes a pro rata share of investments of any business entity, mutual fund, or trust in which the individual or immediate family owns, directly, indirectly or beneficially, a 10 percent interest or greater. The term "parent, subsidiary or otherwise related business entity" shall be specifically defined by regulations of the commission.

CONSULTANT

"Consultant" means any individual who, pursuant to a contract with the state or local government agency:

- (a) Makes a governmental decision whether to:
 - (1) Approve a rate, rule or regulation;
 - (2) Adopt or enforce a law;
 - (3) Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order or similar authorization or entitlement;
 - (4) Authorize the agency to enter into, modify, or renew a contract provided it is the type of content which requires agency approval;
 - (5) Grant agency approval to a contract which requires agency approval and in which the agency is a party or to the specifications for such a contract;
 - (6) Grant agency approval to a plan, design, report, study, or similar item;
 - (7) Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or
- (b) Serves in a staff capacity with the agency and in that capacity performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code.

Section 700. Disqualification

Designated employees shall disqualify themselves from making or participating in the marking or in any way attempting to use their official position to influence a governmental decision when it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on:

- (a) Any reportable investment;
- (b) Any interest in real property;
- (c) Any reportable source of income, other than loans by a commercial lending institution in the regular course of business, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within twelve (12) months prior to the time when the decision is made;
- (d) Any business entity in which the designated employee is a director, officer, partner, trustee, employee or holds any position of management.

- (e) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating five hundred dollars (\$500) or more in value provided to, or promised to the designated employee within twelve (12) months prior to the time when the decision is made.



*Rio Dell City Hall
675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
riodellcity.com*

May 15, 2018

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager *z*

SUBJECT: Discussion and Possible Action Appointing Selection Committee for Request for Qualifications for City Engineering Services.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

It is recommended that the City Manager, Water & Streets Superintendent and Councilmember Johnson be appointed to the Selection Committee.

BACKGROUND AND DISCUSSION

Services for City Engineer need to be advertised through a Request for Qualifications (RFQ) process every five years and the contract was last advertised in 2013. This process is necessary in order to remain eligible for reimbursement for certain Federal Highways Administration grant projects. The City does not currently have any of these projects in queue, but may in the future. The process to select a consultant is outlined in CalTrans' Local Agency Procedures Manual (LAPM). The Selection Committee is required to use a set of technical criteria in order to make a selection for Council approval.

From the LAPM:

"The committee reviews and scores the materials submitted by consultants in response to the RFQ, develops a shortlist of qualified consultants, interviews those consultants, and develops a final ranking of the most qualified consultants. Representation on the committee includes the Contract Administrator and subject matter experts from the [City Engineer's] functional area. The members should be familiar with the scope of work to be contracted out and with the local agency standards that will be used in the contract."

Staff recommends the appointment of Councilmember Gordon Johnson due to his experience in the field.

///

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**CITY OF RIO DELL
STAFF REPORT
CITY COUNCIL AGENDA
May 15, 2018**

TO: Mayor and Members of the City Council

THROUGH: Kyle Knopp, City Manager *[Signature]*

FROM: Brooke Woodcox, Finance Director *[Signature]*

DATE: May 15, 2018

SUBJECT: Measure Z Funding 3rd Quarter Report

RECOMMENDATION

1. Review staff report and attached information

BACKGROUND AND DISCUSSION

The City applied for Measure Z funding for fiscal years 2015/16, 2016/17, and 2017/18 for a part-time Police Records Technician in the Rio Dell Police Department (RDPD). This position provides departmental administrative support, and to a smaller degree, code enforcement activities.

Measure Z funded administrative assistance allows the RDPD doors to reliably be open four days per week. In addition, code enforcement logs reflect a total of 215 complaints received with 181 cases closed since July 2015. In addition, in FY 2016/17 The Humboldt County Board of Supervisors approved the use of \$5,000 of Measure Z funding to be used towards abatement activities. These funds were used to tow and dispose of a total of seventeen (17) vehicles.

Each quarter the City submits a quarterly narrative to report on the benefits that Measure Z funding has provided. The 3rd quarter narrative is attached for Council's reference.

ATTACHMENT S

Measure Z Quarterly Narrative Report Form – Q3 2017/18

COUNTY OF HUMBOLDT – MEASURE Z

Quarterly Narrative Report Form

Organization Name: CITY OF RIO DELL Report Date: April 30, 2018

Contact Name: Brooke Woodcox Phone: 707.764.3532

1. Please describe the Measure Z activities completed and/or total numbers served or reached.

The purpose of Measure Z funding is to provide clerical support in the City’s police department to support law enforcement, nuisance abatement and code enforcement. With the added administrative support Police Officers are able to spend more time dedicated to law enforcement activities such as 9-1-1 emergency response, crime investigation/prosecution, drug/illegal marijuana growhouse enforcement prevention, and other duties that serve to create a safer community for Rio Dell.

Measure Z funding is strikingly important for the City of Rio Dell. By having the Records Technician in the Police Department law enforcement response times are shortened and the doors are open more often. Overall, the community is better served by having support available in the Police Department to immediately assist the public. Without Measure Z open doors would be sporadic and unreliable, and response times lengthened.

The Police Records Technician position has also created an effective plan towards creating a more harmonious community through Code Enforcement. By actively responding to complaints and facilitating abatement, the City is also enhancing the housing inventory and improving property values in the City of Rio Dell.

Code enforcement and nuisance abatement activities include animal control, building code enforcement, tampering with City property, marijuana, noise, camping, trash, vehicle, and visual blight nuisances.

FISCAL YEAR 2017/18
SUMMARY - CODE ENFORCEMENT AND NUISANCE ABATEMENT ACTIVITIES

	1ST QTR	2ND QTR	3RD QTR	4TH QTR	CURRENT YEAR	PRIOR YEARS	PROGRAM TOTAL
OPENED CASES (New)	40	7	21		68	147	215
CLOSED CASES (All)	42	24	11		77	104	181
CASES OPEN AT December 31, 2017							34

During the 3rd quarter for FY 2017/18 twenty-one (21) new code enforcement cases were received. The majority were for vehicle nuisances (14). Other cases received were for animal nuisance (3), marijuana activities (2), and trailer camping (2). A total of eleven (11) cases had been closed through the City’s code enforcement activities made possible through Measure Z funding for a part-time administrative position.

2. What difference did Measure Z funding make in the Community and for the population you are serving?

The four day a week clerical position adds safety to the community by designating more time that an officer can spend in the field, instead of simultaneously having to be available for active patrol and customer assistance at the Police Department. Without Measure Z funding administrative support in the Police Department would be lost potentially allowing victims of crime undue harm due to prolonged wait times.

3. Describe any unanticipated impacts of receiving Measure Z funding, positive or negative, not already described above. N/A



Staff Update – 2018-05-15

City Council

CalOrigin representatives will be at the 6/5 Council meeting to update the Council on Track and Trace and answer questions.

City Manager

Issued release on Mountain Lion Activity.

Worked on Time Schedule order response for SSES.

Interviewed and offered employment for two new hires.

Responded to a CPRA request related to drainage.

Processed contracts for Public Works contracts (4)

In contact with eagle sculpture artist and visited eagle sculpture.

Worked on tax measure extension proposal.

PG&E graffiti remediation at Eagle Prairie Bridge.

Met with RCEA representatives over solar project proposals.

Held first weekly Track and Trace conference call.

Worked on RFQ process for City Engineer services.

City Clerk

- Processed six (6) Building Permits:
 1. 1363 Eeloa Ave. – (34) New Windows
 2. 1014 Riverside Dr. – Sewer Lateral Repair
 3. 168 S. Sequoia Ave. – Gas Furnace
 4. 229 Berkeley St. – Electrical Repairs
 5. 11281 Blue Slide Road – Furnace/Tankless Water Heater
 6. 90 Center St. – Sewer Lateral

- Processed Encroachment Permit for Chamber of Commerce for removal of the Christmas lights in the trees at Memorial. The work is scheduled for May 11th.



City Attorney

Human Resources, Risk & Training

Collate new Hire Packets

Register new employee and cancel terminated employees for all health and retirement benefits

Arrange drug tests & pre-employment physicals

A/R Invoicing for Planning Department and the CDBG Program Income.

Report Safety Training information to Score

Sexual Harassment Awareness training/tracking.

On-going training as needed for new Fiscal Assistant

Finance Department

Measure Z Quarterly reporting completed and submitted

Preparation of budget workshop materials and agenda items

Budget workshops May 8 and 9

Submittal of SB1 RMRH Streets and Roads program required documents

A/R Utility billing late notices sent May 11

A/R Utility billing shut-off notices to be sent May 21

On-going A/P, P/R, A/R

Balance & Reconcile G.L files

Journal entries for monthly prepaid for insurances and other activities

Public Works Water

1. Water Operations and Sampling- Infiltration Gallery (Wells Off)
2. Work on Rio Dell System # 1210012 Annual Water Report. (Ongoing)
3. Work on 2017 Consumer Confidence report. (Ongoing)
4. Grounds Maintenance at Water Facilities.
5. Budget Workshops.
6. Work on Meter Reading system and resolve issues with Hand held reader. (Ongoing)
7. Interview Candidates for the Utility Dept. vacancies.



8. Work in Streets Dept. (Roadways Mowing and Weed eating and finish up on some Drainage projects.)

Public Works Wastewater

- Irrigation to the fields north of town began on may 9th in accordance with the Wastewater plants discharge permit. Wastewater will not enter the river until the WET weather season begins as defined in our permit.
- Installation of two repaired Flygt pumps at Discharge field for field drainage system.
- Accelerated sampling as required by the State water Resources Control Board has been completed until WET weather season resumes.
- Staff will begin working on DRY weather Season projects as time and materials become available.
- TSO outlining the Progress of Aeromod valve project has been submitted to Nancy Robinson with the SWRCB.

Public Works Streets, Buildings and Grounds

In process for new hires.

Public Works City Engineer

Public Works Capital Projects

Police Department

On May 6, 2018, officers from the Fortuna Police Department were searching a trailer park in Fortuna for a man wanted for murder in Eureka. As they were questioning residents of the park, they heard a gunshot fired in close proximity to their location. The Fortuna Police Department immediately requested the assistance of all available officers. Officer Brady responded with the Department's ballistic shield. He served as the point man for the team that contacted the murder suspect and determined that he was deceased due to a self-inflicted gunshot wound.

The Department has migrated it's code enforcement data from the Crimestars database to the Comcate application, which is specifically tailored for code enforcement work.

During the period from April 25, to May 9, 2018, the department had 62 calls for service, which resulted in 20 reports and twelve arrests. During the same period of time, the department tagged four inoperable or junk vehicles and closed cases on seven others. Of those seven, five were towed by the Department while the remaining two were taken care of by the owners.

Community Development Department

- Gas line inspection 434 Davis Street.



- Review Solar Plans for 110 First Avenue, need for additional information regarding roof loads.
- Meeting with Davina Gray regarding possible RV/boat storage on her parcel on Ireland.
- Inspections 901 Hilda Court: Inspected framing, rough electrical, and rough plumbing.
- Roof Inspections 75 Redwood Avenue: Inspected tear-off, sheathing, underlayment and application of metal roofing.
- Window Inspection 591 Pacific Avenue.
- Window Inspection 1363 Eeloa Avenue.
- Electrical Inspection 229 Berkeley Street.
- Sheetrock/nailing inspection for 901 Hilda court.

Intergovernmental

The Scott and Cape horn Dams are being put up for auction by PG&E. the City Manager will attend the 5/15 BOS meeting in Eureka to discuss a regional approach to this issue. The dams are associated with a diversion of Eel River water into the Russian River to Sonoma County.

Humboldt-Rio Dell Business Park

- Work with Rio Dell Holdings on possible lot line adjustment on Mozzetti Ranch parcels.
- Prepare staff report for second reading, approval and adoption of Ordinance No. 367-2018 recodifying Chapter 5.40 Recreation Cannabis Sales.
- Review application for Wendt Construction lot line adjustment, open file, prepare referrals and send out. Tele w/Ronnan Lund regarding site.
- Prepare staff report for Wendt Construction lot line adjustment at HRDBP to accommodate primary and reserve leachfields.
- Review modification to Traffic Study for HRDBP. Reach out to stakeholders requesting updated project descriptions.
- Meet with the Humboldt Brand review application information, need for accurate site plan.
- Inspect Glen White Electrical to temporary buildings.
- Respond to Melissa Marks regarding cannabis taxes and allowable 60% mark-up.
- Meeting with Shannon McWhorter and Glen Broder regarding application process, submittal requirements, timing, etc.



- Correspond with Tom Lanphar w/DTSC regarding Rio Dell Holdings and monitoring and clean-up of brownfield.
- Review Mountain Investments Plan of Operation, meet with owners and discuss. Email to Whitchurch regarding City Engineer's drainage questions. Begin work on staff report for Design Review and cannabis activities CUP.
- Participate in CalOrgan webex discussion/meeting.
- Respond to GreenHeart/Crown Public inquiries regarding permit, temporary facilities need for additional information.
- Review Rio Dell Holdings Tentative Map application, correspond on need for additional information needed on map. Begin staff report.
- Respond to Shane Wilson and Lon Winburn regarding improvements to Wendt parcel and timing.

Council Priority Areas

Street Work

Street sweeping performed for free from Recology.

River Access

Habitat Parcel

City Attorney continues to communicate with Habitat's Accountant.

Code Enforcement

Access Humboldt

Staff proved the basic concept of digital audio recording of meetings through the existing microphones in the chamber.

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May 15, 2018

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager *3*

SUBJECT: Discussion of Draft Resolution and Ordinance Related to the Extension of Measure U

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Provide direction to staff.

BACKGROUND AND DISCUSSION

During a May 1, 2018 discussion on upcoming election dates, the City Council directed staff to return with an item related to the extension of Measure U, the 1% Sales and Use Tax approved by voters in 2014. The direction followed several budget workshops where the Council considered long-term revenues to support General Fund services such as the Police Department.

Measure U was submitted to and passed by the voters on November 4, 2014 with 376 votes (51.86%) approving the measure and 349 votes (48.14%) opposed. The revenue measure expires December 31, 2019. Revenues from the measure have totaled \$44,477 in FY 14/15, \$216,054 in FY 15/16, \$255,944 in FY 16/17 and the proposed budget for the forthcoming fiscal year includes \$245,000 in revenue. For the current fiscal year of 17/18 current receipts are \$177,873.

Under current California law, a general tax can be referred to the voters by a 4/5ths vote of the City Council and passed by a simple majority of voters. A special tax can be referred to the voters by a simple majority of the Council, but must be approved by two-thirds of voters.

The next general election is on November 6, 2018. In order to submit a measure to the voters of Rio Dell on that date, the Council will need to take action by the meeting of June 19, 2018.

Projections indicate the City will return to a deficit in the General Fund by FY 20/21 without an extension of Measure U. Please refer to the attached handout from the budget study sessions.

The Council is advised to make policy determinations in the following areas:

- Tax level amount: Should the figure be revised from its current 1% level?

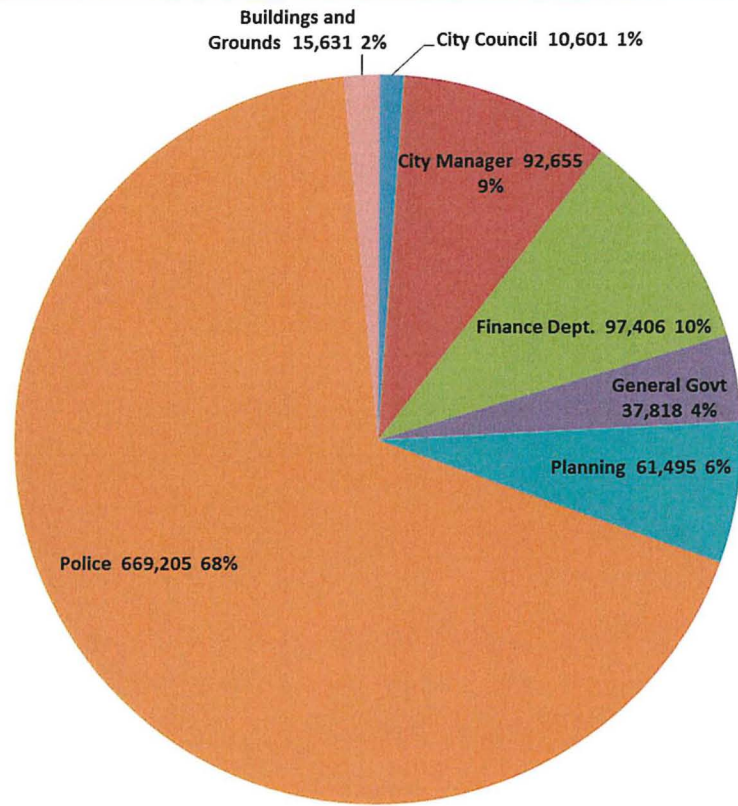
- Termination date: Should the extension last five years, or should some other termination timeline be used?
- Tax type: Continue with a general tax submission or propose a special tax?
- Direction to proceed: Should staff be directed to make the changes and return to the Council with an action item?

Attachments:

1. Budget workshop handout
2. City Attorney's Draft Resolution of referral to the Board of Supervisor's
3. City Attorney's Draft Ordinance for the extension of Measure U

///

**FY 2018/19 GENERAL FUND
PROPOSED OPERATING EXPENDITURES BY DEPARTMENT
\$984,811**



**GENERAL FUND REVENUES, MEASURE U,
AND NORMAL OPERATING EXPENDITURES**

GENERAL FUND REV	1,033,719
MEASURE U	(245,000)
LESS MEASURE U	788,719
NORMAL OP COSTS	984,811
SHORTFALL	(196,092)

RESOLUTION ____-2018

A RESOLUTION OF THE CITY OF RIO DELL ESTABLISHING NOVEMBER 6, 2018 AS THE DATE FOR AN ELECTION ON A PROPOSED BALLOT MEASURE AMENDING CHAPTER 3.11 OF THE RIO DELL MUNICIPAL CODE TO EXTEND THE ONE PERCENT (1%) TRANSACTION AND USE TAX FOR GENERAL PURPOSES; REQUESTING THE BOARD OF SUPERVISORS OF HUMBOLDT COUNTY TO CONSOLIDATE SAID ELECTION WITH THE STATEWIDE GENERAL ELECTION; AND DIRECTING THE CITY CLERK TO TAKE ANY AND ALL ACTIONS NECESSARY UNDER LAW TO PREPARE FOR AND CONDUCT THE ELECTION.

WHEREAS, a locally-enacted revenue measure would protect and maintain Rio Dell's services because the money is legally required to stay in the City's community and cannot be taken by the State, thereby providing locally controlled funds for local services; and

WHEREAS, on November 4, 2014, the voters of the City of Rio Dell adopted Ordinance No. 326-2014 (Measure U), approving the imposition of a one-percent transaction and use general tax for general;

WHEREAS, the transaction and use tax approved by the voters on November 4, 2014 is scheduled to expire on _____, __ in accordance with Section 3.11.160 of Chapter 3.11 of the Rio Dell Municipal Code, unless an extension is approved by the voters at an election called for that purpose;

WHEREAS, the City Council desires to extend the transaction and use tax until _____, 20__;

WHEREAS, the Rio Dell City Council is authorized by California Elections Code Section 9222 to place measures before the voters, and the voters of the City of Rio Dell have the authority under Article XIIC Section 2 of the California Constitution to approve general tax proposals, including extensions of a previously approved tax, by majority vote;

WHEREAS, the City Council of the City of Rio Dell desires and intends to have the qualified voters of the City vote upon the question of whether to adopt the proposed ordinance, a copy of which is attached hereto as Attachment "1" and is incorporated herein by reference.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RIO DELL:

1. Recitals, The foregoing recitals are true and correct and are hereby incorporated by reference.

2. Call Election; Placement of Measure on the Ballot. Pursuant to California Constitution Article XIIC, Section 2; Government Code Section 53724; and Elections Code Section 9222, the City Council of the City of Rio Dell hereby calls an election at which it shall submit to the qualified voters of the City, a measure that, if approved, would extend the currently imposed general transactions and use tax, as authorized by Revenue and Taxation Code Section 7285.9. This measure shall be designated by letter by the Humboldt County Registrar of Voters. Pursuant to Election Code Section 10400 *et seq.*, the election for this measure shall be consolidated with the established election to be conducted on November 6, 2018, and be held and conducted in the manner prescribed by Elections Code Section 10418.

3. Ballot Language. The question to be presented to the voters is as follows:

Shall the City of Rio Dell continue to impose a one percent (1.0%) transaction and use tax with all proceeds placed in the City’s General Fund to be used for any governmental purpose? The tax authorized by this Ordinance is expected to generate \$[INSERT AMOUNT] in annual revenue and will continue in effect until [INSERT NEW EXPIRATION DATE].	YES	
	NO	

4. Proposed Ordinance. The ordinance authorizing the general tax to be approved by the voters pursuant to Sections 2 and 3 of the Resolution is as set forth in Attachment 1. The City Council hereby approves the ordinance, and form thereof, and its submission to the voters of the City at the November 6, 2018 election, as required by Revenue and Taxation Code Section 7285.9, subject to the approval of a majority of the voters voting on the measure at the election called by the adoption of this resolution. The entire text of the ordinance, attached hereto as Attachment “1”, shall be included in the voters’ pamphlet. The ordinance specifies that the rate of the transaction and use tax shall continue to be one percent (1.0%) and be administered by the State Board of Equalization.

5. Publication of Measure. The City Clerk is hereby directed to cause notice of the measure to be published once in the official newspaper of the city of Rio Dell, in accordance with Section 12111 of the Elections Code and Section 6061 of the Government Code.

6. Request to Consolidate and Conduct Election and Canvass Returns.

- (a) Pursuant to the requirement of Section 10403 of the Elections Code, the Board of Supervisors of the County of Humboldt is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide General Election on Tuesday, November 6, 2018, for the purpose of placing the measure set forth in Sections 3 and 4 on the ballot.
- (b) The County of Humboldt Registrar of Voters is authorized to canvass the returns of the municipal election. The election shall be held in all respects as if there were only one election, and only one form of ballot shall be used.
- (c) The Board of Supervisors is requested to issue instructions to the Humboldt County registrar of voters take any and all steps necessary for the holding of the consolidated election.
- (d) The City of Rio Dell recognizes that additional costs will be incurred by the County of Humboldt by reason of this consolidation and agrees to reimburse the County for any costs.

7. Submission of Ballot Argument and Impartial Analysis.

- (a) The submission of ballot arguments for or against the measure shall be conducted pursuant to Election Code sections 9281 through 9287.
- (b) The last day for submission of direct arguments for or against the measure shall be by 5:00 p.m., August 15, 2018.
- (c) Direct arguments shall not exceed three hundred (300) words and shall be signed by not more than five persons.
- (d) The City Attorney shall prepare an impartial analysis of the measure by 5:00pm, August 11, 2018.

8. Effective Date. This Resolution shall become effective immediately upon its adoption and the City Clerk is directed to send certified copies of the Resolution to the Humboldt County Board of Supervisors and the Humboldt County Registrar of Voters.

9. CEQA. The approval of this resolution is exempt from the California Environmental Quality Act (Public Resources Code §§ 21000 *et seq.*, "CEQA," and 14 Cal. Code Reg. §§ 15000 *et seq.*, "CEQA Guidelines"). The transactions and use (sales) tax to be submitted to the voters is a general tax that can be used for any legitimate governmental purpose; it is not a commitment to any particular action. As such, under CEQA Guidelines section 15378(b)(4), the tax is not a project within the meaning of CEQA because it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. If revenue from the tax were used for a purpose that would have such effect, the City would undertake the required CEQA review for that particular

project. Therefore, under CEQA Guidelines section 15060, review under CEQA is not required.

PASSED AND ADOPTED by the City Council of the City of Rio Dell,

State of California, on May _____, 2018, by the following vote:

AYES:

NOES:

ABSENT:

Frank Wilson, Mayor

Attest: _____

Karen Dunham, Rio Dell City Clerk

ORDINANCE NO. _____-2018

AN ORDINANCE OF THE CITY OF RIO DELL AMENDING CHAPTER 3.11 OF THE RIO DELL MUNICIPAL CODE TO EXTEND THE ONE PERCENT (1%) TRANSACTION AND USE TAX FOR GENERAL PURPOSES WHICH WILL CONTINUE TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION

WHEREAS, a locally-enacted revenue measure would protect and maintain Rio Dell services because the money is legally required to stay in our community and cannot be taken by the State, providing locally controlled funds for local services; and

WHEREAS, on November 4, 2014, the voters of the City of Rio Dell adopted Ordinance No. 326-2014 (Measure U), approving the imposition of a one-percent transaction and use tax for general purposes;

WHEREAS, the transaction and use tax approved by the voters on November 4, 2014 is scheduled to expire on _____, _____, in accordance with Section 3.11.160 of Chapter 3.11 of the Rio Dell Municipal Code, unless an extension is approved by the voters at an election called for that purpose;

WHEREAS, an extension of the City of Rio Dell's transaction and use tax will be submitted to the voters to amend the "Termination Date" of Section 3.11.160 of Chapter 3.11 of the Rio Dell Municipal Code to December 31, 20_____; and

WHEREAS, approval of this Ordinance by the voters of the City of Rio Dell would not raise taxes but would extend an existing tax.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RIO DELL ORDAINS AS FOLLOWS:

Section 1. Authority. The City Council enacts this ordinance in accordance with the authority granted to cities by Article XI, Section 7 of the California Constitution.

Section 2. Amendment. The definition of "termination date" in Chapter 3.11 of the Rio Dell Municipal Code is hereby amended to read as follows:

3.11.160. Termination date.

The authority to levy the tax imposed by this chapter shall expire on _____, 20____, unless the Ordinance is extended or repealed by the voters at a subsequent election.

Section 3. Approval by Voters. This Ordinance shall be submitted to the voters at an election to be held on November 6, 2018, and shall take effect only if approved by a majority of the qualified voters voting on the measure. Upon approval by a majority of the qualified voters of the City of Rio Dell, the Transaction and Use Tax set forth in Chapter 3.11 of the Rio Dell Municipal Code shall be re-authorized and extended until _____, 20____. The City

Clerk is hereby directed to publish this ordinance at least once, within fifteen (15) days of its adoption, in a newspaper of general circulation published and circulated in the City of Rio Dell.

Section 4. Severability. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

PASSED AND ADOPTED by the City Council of the City of Rio Dell, State of California, on May _____, 2018, by the following vote:

AYES:

NOES:

ABSENT:

Frank Wilson, Mayor

Attest: _____
Karen Dunham,
Rio Dell City Clerk

675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
(707) 764-5480 (fax)
E-mail: k



**CITY OF RIO DELL
STAFF REPORT
CITY COUNCIL AGENDA
May 15, 2018**

TO: Mayor and Members of the City Council

THROUGH: Kyle Knopp, City Manager *zk*

FROM: Brooke Woodcox, Finance Director *BW*

DATE: May 15, 2018

SUBJECT: Discussion/Possible Adoption of FY 2018/19 Operating and Capital Budget

RECOMMENDATION

1. Review the Staff report and attached information; and
2. Receive public input, discuss and deliberate adoption of FY 2018/19 Budget
3. Adopt Resolution 1389-2018 Operating and Capital Budget for fiscal year 2018/19
OR
4. Continue budget discussions and adoption at a later date
OR
5. Provide staff with budgetary changes to be brought back at a later date

BACKGROUND AND DISCUSSION

During the weeks of April 23rd and May 7th Council attended four separate budget workshops to analyze and discuss the FY 2018/19 Operating and Capital budget. After these meetings there were few changes to the budget that is being presented for Council's consideration.

BUDGETARY IMPACT

Total expenditures are \$6,144,105 (operating expenditures \$3,335,507; debt service and pass-thru amounts \$522,809; and capital projects \$2,280,317); revenues are \$5.436.456. This is a draw on reserves of \$707,649. Fund balances remain above the 15% fund balance minimum, with the exception of the RSTP Fund and the Building Fund.

ATTACHMENTS

Resolution 1389-2018 Fiscal Year 2018/19 Operating and Capital Budget
Budget Documents and Worksheets



RESOLUTION NO. 1389-2018
A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF RIO DELL
ADOPTING THE OPERATING & CAPITAL BUDGET
FOR THE FISCAL-YEAR 2018/19

WHEREAS, the City is required to adopt an annual operations budget pursuant to City of Rio Dell Resolution 966-2007; and

WHEREAS, the proposed budget for the Fiscal-year beginning July 1, 2018 and ending June 30, 2019, as presented by the Finance Department has been reviewed and revised by the City Manager, and the City Council; and

NOW THEREFORE BE IT RESOLVED, that the City of Rio Dell City Council does hereby adopt the City of Rio Dell 2018/19 Operating & Capital Budget, including revenues totaling \$5,436,456 and expenditures in the amount of \$6,144,105, for a draw on reserves in the amount of \$707,649 as follows:

FUND NAME	RESERVES	REVENUES	EXPENDITURES		RESERVES		
	Beginning Fund Bal.	Projected Totals	Projected Totals	Transfers	Change in Reserves	Fund Balance	Min. 15% Reserve
005 Admin Fund	10,594	1,760	1,200		560	11,154	180
008 Building Fund	-	36,631	54,931	(18,300)	(0)	(0)	8,240
037 CDBG Fund	48,704	3,174	4,797		(1,623)	47,081	720
039 CDBG RRLF Fund	536		-		-	536	-
000 General Fund	1,493,562	1,033,719	1,396,645	18,300	(381,226)	1,112,336	209,497
044 Measure Z Fund	-	34,582	34,582		(0)	(0)	-
074 Recycling Fund	19,455	5,000	5,000		-	19,455	750
015 Parks Fund	17,645		-		-	17,645	-
046 Realignment Grant Fund	3,410		-		-	3,410	-
040 SLESF Fund	29,834	100,000	89,918		10,082	39,916	13,488
043 Vehicle Abatement Fund	2,605		-		-	2,605	-
053 Sewer Assmt District Fund	2,893	28,500	28,000		500	3,393	-
052 Sewer Capital Fund	577,373	102,076	433,750	(167,283)	(164,392)	412,982	65,063
054 Sewer Debt Svc Fund	377,283	302,899	302,899	167,283	(167,283)	210,000	45,435
054 Sewer Restricted Reserve	302,899		-		-	302,899	-
050 Sewer Operations Fund	351,297	831,855	944,750		(112,895)	238,402	141,712
027 Solid Waste Fund	38,428	9,800	4,291		5,509	43,937	644
093 Spay & Neuter Fund	2,868		-		-	2,868	-
020 Gas Tax Fund (HUTA)	123,866	151,409	151,314		95	123,961	22,697
024 TDA Fund	24,950	124,891	126,832		(1,941)	23,009	19,025
026 RSTP Fund	1,405	22,000	22,396		(396)	1,009	3,359
047 STIP ATP Grant	-	1,000,000	1,000,000		-	-	-
062 Water Capital Fund	462,328	169,561	184,000		(14,439)	447,889	27,600
063 Water Metro Wells Fund	20,989	17,291	24,200		(6,910)	14,080	3,630
064 Water Dinsmore Zone	20,998	22,509	2,000		20,509	41,507	300
061 Water Restricted Reserve	47,979	34,562	-		34,562	82,541	-
061 Water Debt Svc Fund	185,356	172,821	136,000		36,821	222,177	20,400
062 Water CIP Grant	-	433,300	433,300		-	-	-
060 Water Operations Fund	426,544	798,119	763,300		34,818	461,362	114,495
TOTAL FY 2018/17	4,593,801	5,436,456	6,144,105	-	(707,649)	3,886,152	697,233

BE IT FURTHER RESOLVED, that the staffing is adopted and funded in the 2018/19 Operations Budget as follows:

PROPOSED STAFFING CHART FY 2018/19 OPERATING BUDGET

JOB TITLE	FULL-TIME EMPLOYEES (FTEs)				
	2014/15	2015/16	2016/17	2017/18	2018/19
Accountant II	--	1.0	1.0	1.0	1.0
Chief of Police	1.0	1.0	1.0	1.0	1.0
City Clerk	1.0	1.0	1.0	1.0	1.0
City Manager/Public Works Director	1.0	1.0	1.0	1.0	1.0
Community Development Director	0.8	0.8	0.8	0.8	0.8
Finance Director	1.0	1.0	1.0	1.0	1.0
Fiscal Assistant I	1.0	1.0	1.0	1.0	1.0
Public Works Leadman	--	1.0	--	1.0	1.0
Police Officer	3.0	3.0	3.0	3.0	4.0
Records Technician	--	--	--	0.7	0.7
Sergeant	1.0	1.0	1.0	1.0	1.0
Senior Fiscal Assistant	1.0	1.0	1.0	1.0	1.0
Utility Worker I	3.0	3.0	2.0	2.0	2.25
Water/Wastewater Plant Operator I	1.0	1.0	1.0	1.0	2.0
Wastewater Superintendent Trainee	--	--	1.0	1.0	1.0
Wastewater Superintendent	1.0	1.0	--	--	--
Wastewater Operator in Training (OIT)	--	--	--	--	1.0
Water/Streets Superintendent	1.0	1.0	1.0	1.0	1.0
	16.80	18.80	16.80	18.50	21.75

BE IT FURTHER RESOLVED, as follows:

Section 1.

It is the intention of the City Council in approving and adopting an annual budget to provide financial guidance for routine operations of City business and for the purpose of providing information to the general public.

Section 2.

The adopted annual City budget will be implemented and maintained in accordance with City Budget Policy as outlined in Resolution 966-2007.

Section 3.

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

Section 4.

Adoption of the 2018/19 Budget includes the two funds which are not projected to have the required minimum Reserve balance (15%) as set forth in City policy. Therefore, an exception to the City's Minimum Fund Balance Policy established by Resolution No. 1154-2012 is hereby granted to RSTP Fund (026) and Building Fund (008).

Section 5.

Adoption of the 2018/19 Sewer Program includes an inter-fund transfer of \$167,283 from the Sewer Debt Service Fund (054) to the Sewer Capital Fund (052).

Section 6.

Adoption of the 2018/19 Building Program includes an inter-fund transfer of \$18,300 from the General Fund Fund (000) to the Building Fund (008).

Section 7.

Adoption of the 2017/18 Budget shows deficits (expenditures exceeding revenues and transfers) in the following funds and the following amounts: General Fund (000) \$381,226, Sewer Capital Fund (052) \$164,392, Sewer Debt Service Fund (054) \$167,283, Sewer Operations Fund (050) \$112,895, TDA Fund (024) \$1,941, RSTP Fund (026) \$396, Water Capital Fund (062) \$14,439, and Water Metro Wells Fund (063) \$6,910.

PASSED AND ADOPTED by the City of Rio Dell on this 15th day of May 2018, by the following roll call vote:

Ayes:

Noes:

Abstain:

Absent:

Frank Wilson, Mayor

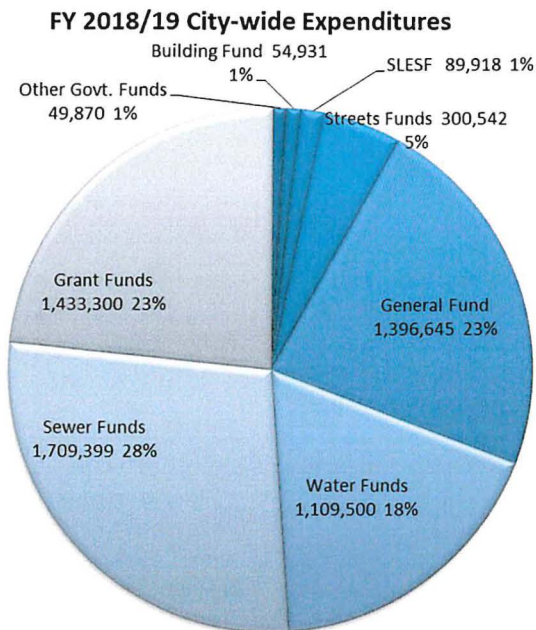
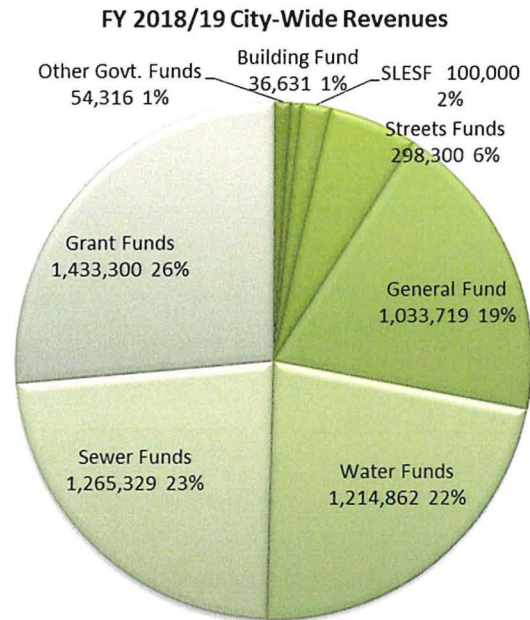
ATTEST:

Karen Dunham, City Clerk

INTRODUCTION

REVENUES The 2018/19 adopted budget shows revenues totaling \$5,436,456. The City's major funds, the General Fund, Sewer Fund and Water Fund, account for 64% (\$3,513,909) of total revenues for FY 2018/19.

- General Fund revenues account for \$1,033,719, or 19% of total budgeted amounts
- The water and sewer utility funds total \$2,480,191, or 45% of budgeted amounts for operations, debt service, and capital funds
- The Streets funds total \$298,300 (6%) of total revenues
- Grant funds total \$1,433,300 (26%) for ATP and water CIP projects
- Supplemental Law Enforcement Services Fund \$100,000 (2%)
- Building Fund \$36,631 (1%)
- The remaining 1% of revenues are governmental special revenue funds



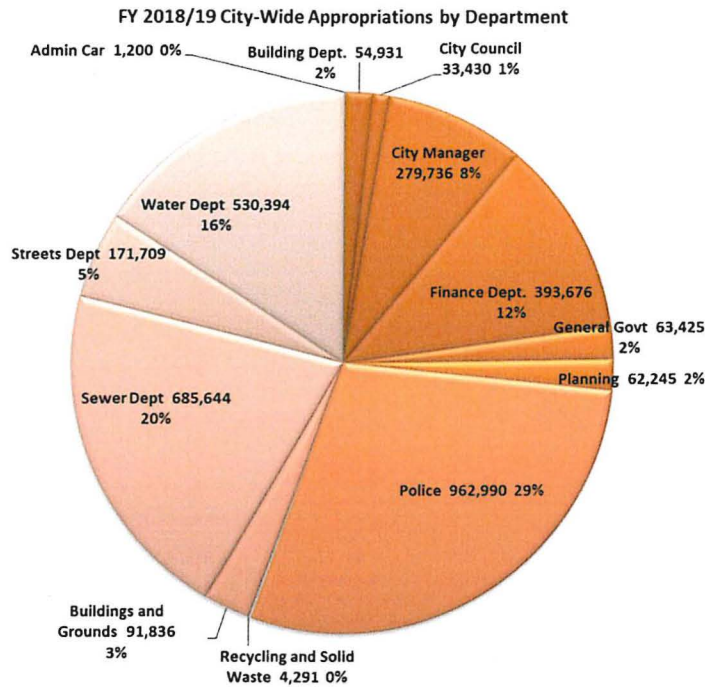
APPROPRIATIONS Total City-wide adopted appropriations are \$6,144,105.

- General Fund appropriations are \$1,396,645 (23%)
- Water Fund appropriations are \$1,109,500 (18%)
- Sewer Fund appropriations are \$1,709,399 (28%)
- Grant funds are \$1,433,300 (23%) for the ATP and water CIP projects
- Other appropriations include the Streets funds \$300,542 (5%), Building Fund \$54,931 (1%), SLESF \$89,918 (1%), and other governmental funds \$49,870 (1%).



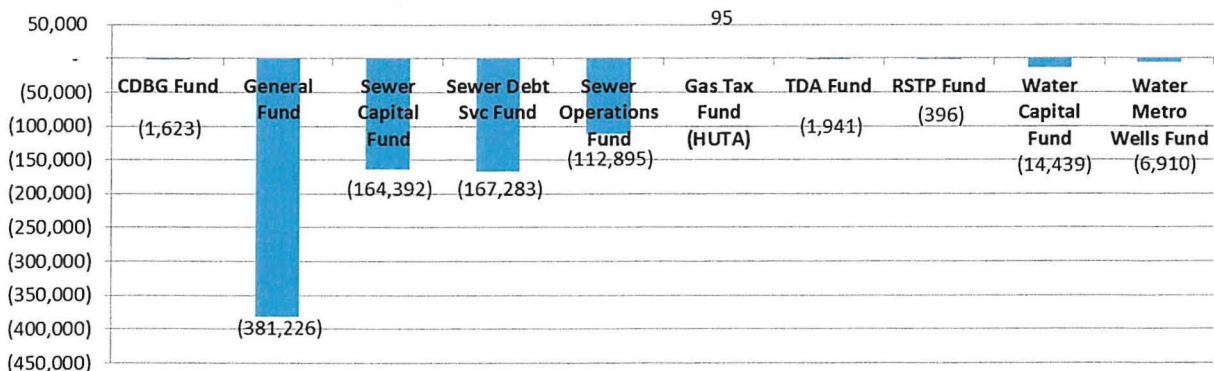
INTRODUCTION

OPERATING APPROPRIATIONS (\$3,335,507) At the department level expenditures are allocated out of the various funds depending on departmental activities. For example, the General Fund, the City's discretionary revenue source, appropriated amounts are allocated to departmental functions necessary in carrying out City business that aren't allocable to any other fund. For further details on fund allocations, see departmental summaries.



- The Police Department expenditures are 29% of the City's total operating budget
- Public Works (Sewer Ops, Water Ops, Streets, and Buildings & Grounds) account for 44% (\$1,479,583) of total budgeted operating appropriations
- Administration of the City's functions (City Manager, City Council, Finance, Planning, Building, General Government, and Recycling and Solid Waste) is 27% (\$1,855,924) of budgeted appropriations

Appropriations exceed revenues by \$707,649. While there are several funds where reserves are anticipated to increase for a combined total of \$142,943 at June 30, 2019, the decrease in reserve balances is \$850,952. The following chart shows the FY 2018/19 approved budgeted use of reserve allocations by fund.





POSITION ALLOCATION TABLE

PROPOSED STAFFING CHART FY 2018/19 OPERATING BUDGET

JOB TITLE	FULL-TIME EMPLOYEES (FTEs)				
	2014/15	2015/16	2016/17	2017/18	2018/19
Accountant II	--	1.0	1.0	1.0	1.0
Chief of Police	1.0	1.0	1.0	1.0	1.0
City Clerk	1.0	1.0	1.0	1.0	1.0
City Manager/Public Works Director	1.0	1.0	1.0	1.0	1.0
Community Development Director	0.8	0.8	0.8	0.8	0.8
Finance Director	1.0	1.0	1.0	1.0	1.0
Fiscal Assistant I	1.0	1.0	1.0	1.0	1.0
Public Works Leadman	--	1.0	--	1.0	1.0
Police Officer	3.0	3.0	3.0	3.0	4.0
Records Technician	--	--	--	0.7	0.7
Sergeant	1.0	1.0	1.0	1.0	1.0
Senior Fiscal Assistant	1.0	1.0	1.0	1.0	1.0
Utility Worker I	3.0	3.0	2.0	2.0	2.25
Water/Wastewater Plant Operator I	1.0	1.0	1.0	1.0	2.0
Wastewater Superintendent Trainee	--	--	1.0	1.0	1.0
Wastewater Superintendent	1.0	1.0	--	--	--
Wastewater Operator in Training (OIT)	--	--	--	--	1.0
Water/Streets Superintendent	1.0	1.0	1.0	1.0	1.0
	16.80	18.80	16.80	18.50	21.75

The 2018/19 recommended Operating and Capital budget includes 21.75 full-time equivalents (FTEs).

The Rio Dell Employee's Association (RDEA) is made up of three (3.0) positions in the Finance Department and three (6.25) positions in Public Works for a total staffing of 9.25 FTEs.

The Rio Dell Police Officer's Association (RDPOA) is made up of a part-time Records Technician (0.7) three (4.0) Police Officers and one (1.0) Police Sergeant for total staffing of 5.7 FTEs.

Contract employees for the City of Rio Dell total six (6.8) budgeted positions that are assigned to various departments (Public Works Wastewater – Superintendent Trainee and Water/Streets Superintendent (2.0); The Police Department – Chief of Police (1); City Manager Department – City Manager (1) and City Clerk (.6); Finance Department – Finance Director (1); Building Department – Comm. Devel. Dir. (.25) and City Clerk (.2); Planning Department – Comm. Devel. Dir. (.2) and City Clerk (.2);. General Government Department – Comm. Devel. Dir. (.35).



COMPENSATION TABLE

SALARY SCHEDULE

Resolution 1372-2018

Peace Officers Association

JOB TITLE	Salary Range				
	A	B	C	D	E
Police Officer	43,705	45,016	46,367	47,758	49,190
Police Corporal	48,075	49,517	51,003	52,533	54,109
Sergeant	53,895	55,512	57,178	58,893	60,659

Rio Dell Employee's Association

JOB TITLE	Salary Range				
	A	B	C	D	E
Accountant I	44,622	45,961	47,340	48,760	50,223
Accountant II	49,084	50,557	52,074	53,636	55,245
Admin. Assistant	30,356	31,266	32,204	33,170	34,166
Administrative Tech.	36,848	37,954	39,093	40,266	41,474
Fiscal Assistant I	29,919	30,816	31,740	32,692	33,673
Fiscal Assistant II	33,542	34,548	35,584	36,651	37,750
Office Assistant	24,839	25,584	26,352	27,142	27,956
PW Leadman	34,678	35,718	36,789	37,893	39,030
Records Tech.	34,130	35,154	36,209	37,295	38,414
Sr. Fiscal Assistant	38,457	39,611	40,799	42,023	43,284
Utility Worker I	27,400	28,222	29,069	29,941	30,839
Utility Worker II	30,154	31,059	31,991	32,951	33,939
W/WW Plant Op. I	36,334	37,424	38,547	39,703	40,895
W/WW Plant Op. II	39,968	41,167	42,402	43,674	44,984

Contract Employees

JOB TITLE	Salary Range				
	A	B	C	D	E
City Clerk	53,644	55,253	56,911	58,618	60,377
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 Dev. Dir.	73,394	75,596	77,863	81,756	85,623
Wastewater Sup. Tr.	49,192				
Wastewater Sup. Tr.	54,717	56,359	58,050	59,791	61,585
Water/Streets Sup.	61,556	63,403	65,305	67,264	69,282

ELECTED OFFICIALS*	Salary Range				
	A	B	C	D	E
Mayor	-	-	-	-	-
Mayor Pro-tem	-	-	-	-	-
City Council Members	-	-	-	-	-
Planning Commissioner - Chair	-	-	-	-	-
Planning Commissioners	-	-	-	-	-

*Elected officials are reimbursed for travel expenses related to official duties

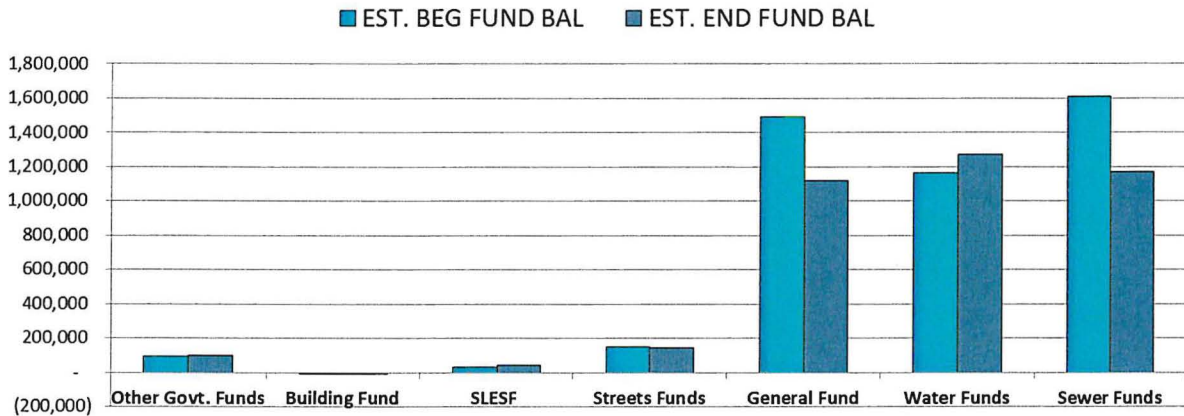


FUND BALANCES ALL FUNDS

FISCAL YEAR 2018/19

NARRATIVE. The purpose of this form is to project the beginning fund balance for each fund and then, based on the budget recommendations, prepare an estimate of the ending fund balances at June 30, 2019. A summary is shown in the chart below.

FY 2018/19 CITY-WIDE EST. BEGINNING AND ENDING FUND BALANCES



A fund is created for each special revenue and expenditure category in the City's financial management system. Except for the General Fund which can be used to fund any activity, all other funds are for special purposes and have their own integrity. As such, fund balances are not co-mingled or absorbed into the General Fund, which is a discretionary spending source.

GENERAL FUND. The General Fund has an estimated fund balance on July 1, 2018 of \$1,493,562. Revenues for the year are estimated at \$1,033,719 and expenditures total \$1,414,945 including \$18,300 in fund transfers. The change in fund balance for the FY 2018/19 is a decrease of \$381,226 for a projected General Fund reserve balance at the end of the fiscal year of \$1,112,336 (25% decrease).

BUILDING PROGRAM FUND. With the current budget expenditures exceed revenues by \$18,300. The General Fund reserves will be utilized to cover the estimated deficit with an amount totaling \$18,300. If revenues do not come in as anticipated a General Fund subsidy will be necessary at year end to cover any negative fund balance.

PARKS AND RECREATION FUND. Residential developments pay an assessment of \$1,500/lot into this fund to be used for park land acquisition and development. At year end there is estimated to be a total of \$17,645 fund balance. The fund balance as budgeted remains stagnant.



FUND BALANCES ALL FUNDS

STREET FUNDS. A portion of the Highway Users Tax (HUTA Gas Tax) is apportioned to cities based on population, miles of maintained streets and registered vehicles. HUTA funds are restricted and can only be used for the construction, maintenance, and repair of streets, including the salaries and equipment related to those activities. The estimated beginning balance in the fund is \$123,866 and revenues during the year are estimated at \$151,409 from HUTA (\$94,168) and SB1 (\$57,241). Expenditures are estimated at \$151,314 for an ending fund balance of \$123,961. There have been insufficient revenues from the HUTA gas tax to meet the community's needs for street repair and reconstruction. Last year voters passed SB1, which allows for additional funding for streets and roads for State and Local government.

The Transportation Development Act (TDA) is allocated through the State for cities to meet their local public transportation needs for mass transit. Once those needs are met, the City may use the balance for street maintenance purposes. The estimated beginning balance in the fund is \$24,950 and revenues during the year are estimated at \$124,891. Appropriations total \$126,832 for an ending fund balance at year end of \$23,009.

SOLID WASTE FUND. The Humboldt Waste Management Authority annually contributes back to each member agency a portion of the tipping fee paid by customers for solid waste and recycling programs at the local level. Revenues are estimated to be \$9,800 and expenditures total \$4,291. The fund is projected to have a balance of \$38,428 on June 30, 2018 and \$43,937 at year end.

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS. The Community Development Block (CDBG) Grant Program was established to address housing and community development needs and to assist low income residents with housing rehabilitation projects. The program has seen little activity because of the economy. The CDBG program has an array of grants available for uses other than housing loans, and for the FY 2017/18 funds were approved to assist the City with ADA compliance. The CDBG program also offers a small selection of economic development grants.

The Community Development Block (CDBG) Grant - Residential Revolving Loan Fund shows a beginning fund balance of \$48,704 and the CBDG Fund has an estimated \$536 to begin the current year. The estimated ending unrestricted fund balance is \$47,617.

SPECIAL LAW ENFORCEMENT SERVICE FUND (SLESF). This fund annually receives a \$100,000 State subvention to fund the cost of sworn Police Officer's up to that amount. It is not believed to be a permanent source of revenue for law enforcement. In any given year if there are unspent monies that balance accrues to the fund. The SLESF Fund is estimated to start the year with \$29,834 funds rolling forward. Expenditures are estimated at \$89,918. The estimated ending reserve balance at year end is \$39,916.

VEHICLE ABATEMENT. In the past \$1 per registered vehicle was collected through DMV to create a vehicle abatement fund. Even though the program ended, there is a balance in the Reserve which the Police Department may utilize to remove abandoned vehicles from public property. The present balance in the fund is \$2,605. Appropriations were not included in this year's budget for the vehicle abatement fund, therefore the estimated ending fund balance remains unchanged at \$2,605.



FUND BALANCES ALL FUNDS

REALIGNMENT FUND. The State of California impacted local law enforcement agencies when it took an action to release inmates early and house State prisoners in local jails. The state referred to the program as prison realignment. Local agencies objected when this population caused a spike in their workload. As the result, monies were provided by the Legislature for the exclusive use of law enforcement to mitigate the impact. The beginning and ending of the fiscal year shows a fund balance of \$3,410 since appropriations were not included in this year's budget.

MEASURE Z FUND. The beginning fund balance is zero with revenues estimated of \$35,582. Expenditures are estimated at \$34,582, which will be used for staffing of the Police Department's front counter with a part-time Records Technician and a contingency amount for unspent grant funds to be used towards training and overhead. The staffing augmentation allows the release of an officer to the field. The estimated ending reserve balance at year end is zero.

ADMIN FUND. This fund was set up for the use of the City's vehicle that was purchased in 2013. Mileage amounts are charged as expenditures to departments that utilize the vehicle, while revenues of the same amount go into the Admin Fund. At year end the estimated fund balance is \$11,154.

SEWER FUNDS. The Sewer Funds are four (4) separate sources for operations, debt service, capital and the assessment district. The beginning unrestricted fund balance for *Sewer Operations* is estimated at \$351,297 with an estimated ending balance of \$238,402.

The Sewer Capital Fund begins the year with a balance of \$577,373. The ending fund balance is expected to decrease to \$412,982 by June 30, 2019. The decrease is due to a robust capital projects budget totalling \$433,750 for FY 2018/19. Capital Projects budgeted for the current year are discussed in further detail in the capital projects budget section.

The Sewer Assessment District Fund begins the fiscal year with an unrestricted fund balance of \$2,893. A debt payment of \$28,000 will be made during the fiscal year. This is the final 1973 sewer assessment payment. The year-end reserve will increase slightly \$3,393. Any reserve amount in the final year of the loan payment (2018-19) will be applied to the any outstanding balance to fully pay down the debt.

The Sewer Debt Service Fund has a positive balance of \$377,283. An additional \$302,899 has been set aside as restricted, which puts the City in compliance with the financing agreement for the \$12.5 million wastewater plant. The restricted funds will be used for the final debt service payment in 2043. The ending fund balance for year end in the Debt Service Fund is estimated to be \$512,899 and includes the restricted fund balance amount of \$302,899. Revenue collections are estimated at \$302,899. A transfer of \$167,283 will go towards the Sewer Capital Fund in order to bring the debt service fund balance into balance with revenues and expenditures necessary carry out the obligations of the City's financing agreement.



FUND BALANCES ALL FUNDS

WATER FUNDS. The Water Operations unrestricted fund balance has a beginning balance of \$426,544. Revenues are estimated at \$798,119 and budget appropriations are \$763,300. The estimated fund balance at year end is \$461,362.

The Water Debt Service Fund including restricted amounts has a beginning balance of \$233,335 with revenue for the year estimated at \$207,383, the amount of the annual debt service payments plus a set aside amount in order to accumulate the final payment as required in the City's financing agreement with the State Water Resources Control Board. The bi-annual debt payments of \$68,000 occur on July 1 and January 1 each year. The estimated reserve balance includes partial collection of the final payment per funding agreement for an ending reserve balance of \$304,718.

The Water Capital Reserve begins the year with \$462,328 unrestricted fund balance available. Revenues are budgeted for \$169,561 and expenditures for capital projects total \$184,000 for an ending reserve balance estimate of \$447,889. Capital projects are discussed in more detail in the capital projects budget section.

The Metropolitan Well Water Fund was instituted in 2015 through the water rate study and was created to pay for costs associated with the City's Metropolitan Wells that were renovated in FY 2017/18. The beginning fund balance is estimated at \$20,989 with revenues of \$17,291 and expenditures of \$24,200 for the first year's unanticipated costs associated with first year start up of the new system. The ending unrestricted fund balance is \$14,080.

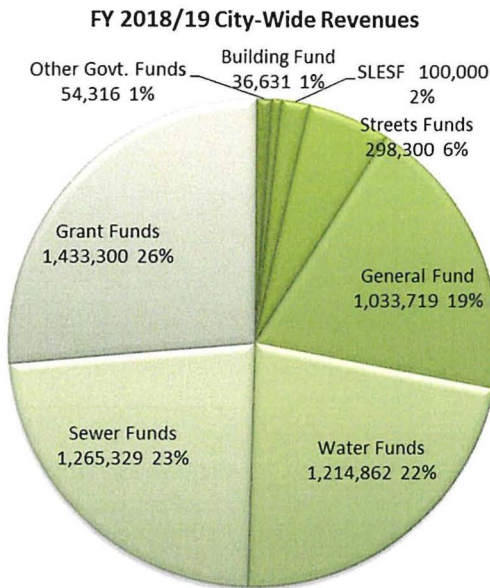
The Dinsmore Zone Water Fund began in 2015 and was set up to accumulate funds collected from Monument Road customers that are served by a water system and line that runs outside of City limits. The funds will be used in the future as matching grant funds to replace the aged infrastructure that delivers water to a small group of customers. The estimated ending unrestricted fund balance is \$41,507.

RECYCLING FUND. This fund is the result of an annual \$5,000 CalRecycle Grant awarded to the City to fund recycling and litter reduction programs. The amount is passed-through to Humboldt Waste Management Authority for litter reduction programs administered by HWMA. With the estimated balance of \$19,455 in the fund, additional litter reduction programs are possible, such as educational instruction in the local schools.

SPAY AND NEUTER FUND. In the past, a portion of the dog license fee was deposited into this fund to support a low cost spay and neuter program. The balance in the fund is presently \$2,868, the same as it has been for several fiscal years. Over-time the fund will be depleted by animal shelter charges for spay and neuter services, although this fund hasn't been accessed in quite some time.

STATEMENT OF FUNCTION

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



2017/18 BUDGET

The adopted revenue budget totals \$5,436,456. In comparison to the prior year, City-wide budgeted revenues have increased by \$1.74 million. The amount can be attributed to an additional grant funding amount of \$1,433,300 for ATP and water CIP projects, SB1 funding for streets, slight increases in the water and sewer funds for annual rate adjustments, as well as slight increases in several General Fund revenue streams based on trends and analysis reflected in the current economic climate. Details are highlighted here:

- The General Fund** revenue increases are a combination of several line items, such as property and In-lieu VLF amounts, that historically see incremental growth from year to year based on the State and County methodologies. Current trends based on actual amounts collected and in-depth research were used as the basis for General Fund increases for FY 2018/19. General Fund revenues remain healthy in the ability to meet operating costs and smaller special projects costs; however Measure U, the City's 1% tax measure that was approved by voters in 2014 will expire in 2019. General Fund revenues will drop significantly (24%) if this tax is not renewed.
- The Gas Tax Fund** revenue is higher than in previous years based on fuel sales figures estimated by the Board of Equalization in comparison to last year. The increase is due to tax legislation enacted in November 2017 that increased the Highway User's Tax (HUTA) by \$0.12 per gallon for gasoline and \$0.20 per gallon for diesel. In addition, SB1 funding, also called the Road Maintenance Rehabilitation Act (RMRA), started being collected and reimbursed to Cities in January 2018. Despite the new revenues, the City's streets program remains underfunded to



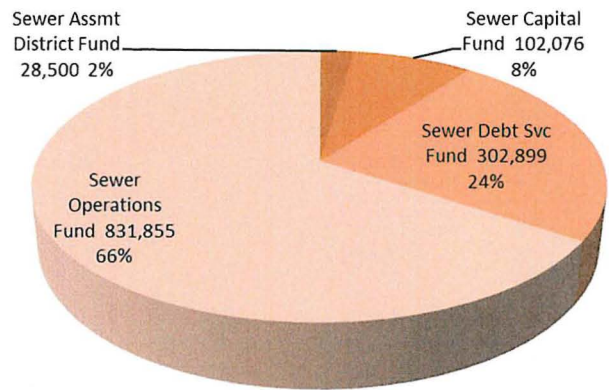
REVENUE BUDGET

adequately meet City on-going streets general maintenance and repairs.

- **The Water Fund** consists of the Operating, Capital, Metro Wells, Dinsmore Zone, and Debt Service Funds. Budgeted revenue for these funds totals \$1,214,862. Since FY 2014/15 water rate increase through the Prop 218 process revenues have seen significant growth. The rate increase was essential in stabilizing the water funds' ability to meet expenditures in an on-going effort at maintaining a safe and reliable water delivery system.

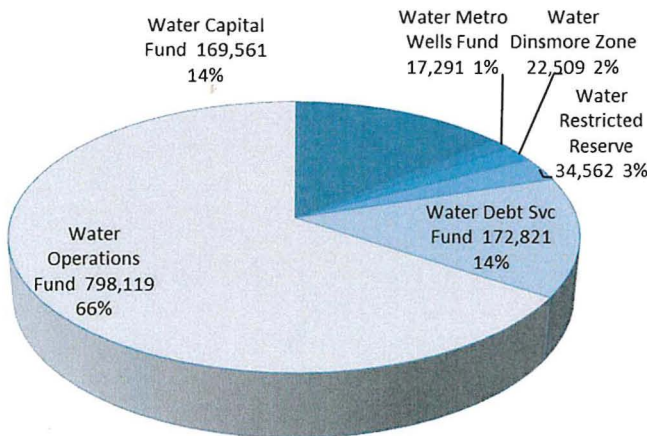
Fund \$28,500 (2%). Total revenues estimated to be collected in FY 2018/19 show an increase of less than 2% in comparison to the prior fiscal year actual revenues for 2017/18. The sewer rates are adjusted annually on July 1 based on the Consumer Price Index (CPI).

SEWER REVENUES BY FUND



WATER REVENUES BY FUND

- **The Sewer Fund** revenues for FY



2018/19 are budgeted for \$1,265,329. Several activities within the Sewer Fund make up this amount: Operations \$831,855 (66%), Capital \$102,076 (8%), Debt Service \$302,899 (24%), and the Sewer Assessment District

- **Streets Funds** revenues total \$298,300 for FY 2018/19. The City's Streets Funds are the Gas Tax (HUTA), the Transportation Development Act (TDA) and the Regional Surface Transportation Program (RSTP). This is a 26% increase in comparison to prior year's budgeted amount. SB1 funds and HUTA increased tax base is attributable to the estimated increase. Still, the amount is insufficient to meet on-going streets maintenance and repairs. Reserves balances are being used to offset expenditures for this year's streets budget for \$2,242.



REVENUE BUDGET

In addition, a total of \$50,019 are Transportation Development Act pass-thru funds that go towards local transportation needs provided through the Humboldt Transit Authority and the Humboldt Senior Resource Center.

- **Building Fund** revenue was adopted with \$36,631 in revenues, which may be higher due to increased activities at the Rio Dell Business Park. A subsidy of \$18,300 from the General Fund was necessary to cover all costs.

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

- The budget was adopted with \$34,582 in **Measure Z** funds to help support the Police Department in providing better services to the community. The amount pays for a part-time Records Technician that provides administrative support allowing officers to spend more time in the field. The Records Technician works in the Police Department

answering phones, processing data, and other administrative tasks as assigned.

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

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

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

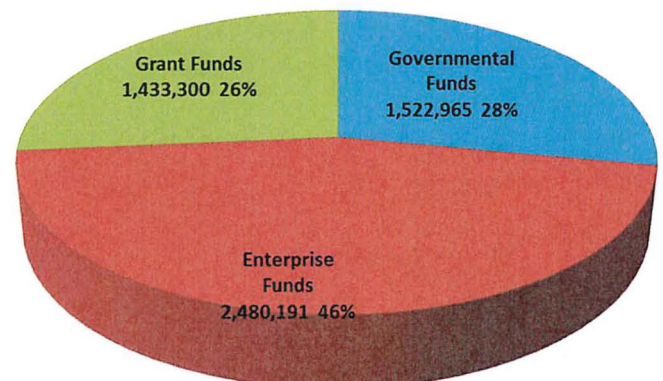
REVENUE BUDGET

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

Outreach Project Infrastructure (SRTS) funding. A total of \$1,000,000 is included in this year's budget as actual amounts available in FY 2018/19 weren't determinable at the time of budget adoption.

- Admin Fund** (\$1,760) receives revenue each time the City's Admin vehicle is used. The mileage charge is billed to the department using the vehicle and the amount counts towards revenue in the Admin Fund.
- Solid Waste Fund** (\$9,800) receives pass-thru revenue from CalRecycle (\$2,000) and through various waste collection sites. HWMA's revenues are largely passed through to HWMA. The funds are used for HWMA's programs to eliminate solid wastes per AB 939. This bill is dedicated to reducing, recycling, and environmentally safe transformation of products slated for landfills.
- Grant funding of \$1,433,300 is included in this year's budget. The City has been awarded a planning grant totaling \$433,300 for a water capital improvement plan to be developed by GHD, Inc. the City's engineering firm. The grant is through the State Water Resources Control Board (SWRCB) Prop 1. The City was also awarded \$1,533,000 in Safety Improvement and Community

For illustration purposes the following chart shows revenues broken up by fund types. Enterprise funds consist of the Water and Sewer Funds activities of operating, capital, and debt service. These two major funds make up 46% of budgeted revenues and are the largest portion of revenues the City receives. Governmental Funds are made up of the General Fund, and many smaller funding sources such as SLESF, CDBG, Gas Tax, TDA Fund, RSTP Fund, Admin Fund, Building Fund, Solid Waste, and Recycling. Grant funding (26%) is made up of \$1.44 million for capital projects. The City's revenues for FY 2018/19 are at healthy levels, but do not cover all of the City's costs mainly due to capital projects.





GENERAL FUND OVERVIEW

INTRODUCTION

The Budget Summary Worksheet for 2018/19 indicates that \$375,172 will be drawn from the General Fund unrestricted fund balance in order to balance the General Fund Budget. The amount of the budget deficit is due to a revenue stream of \$1,033,719 less departmental expenditures of \$1,192,628, an interfund transfer of \$18,300, and \$204,017 for Capital projects. Approved capital projects in the General Fund are identified as follows:

2018/19 GENERAL FUND CAPITAL PROJECTS	
Christmas Donation Carry Over	1,500
City Hall ADA, Security, misc. impr. (C/	18,517
City Hall Repairs and maint. (C/O)	10,000
Riverbar access	5,000
Police Vehicle Trust Fund	5,000
Access TV (\$20,000 Council Allocation	7,000
Slurry Seal (General Fund Subsidy)	107,000
Bellevue/Ogle Carry Over	50,000
TOTAL	204,017

The General Fund reserve balance is estimated to be \$1,112,336 at June 30, 2019, the end of the budgeted fiscal year.

The Police Department expenditures from the General Fund are appropriated for \$843,963 (71% of total GF operating expenditures). In 2010/11 the Police Department was reduced from six (6) officers to three (3). A full-time Police Records Clerk was also eliminated. Since then a

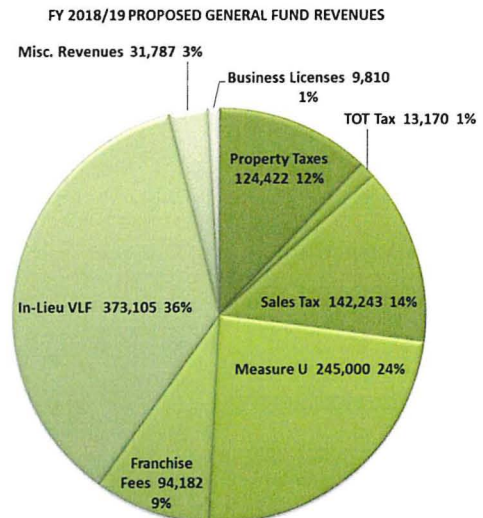
Records Clerk is now filled part-time through Measure Z, a county tax, and this year's budget adds an additional officer.

REVENUES

The City collects revenues for the General Fund from several different sources. The largest portion of revenues is through the "In Lieu VLF" (\$373,105, 36%). Vehicle license fees (VLF) were swapped for property tax shares in 2004 when legislative action reduced the VLF percentage from 2% to .65%. The lost revenue for City's and County's was backfilled with property tax transfers from school property tax shares.

The following chart displays General Fund revenue estimates:

Measure U (\$245,000, 24%) is the second largest single stream of

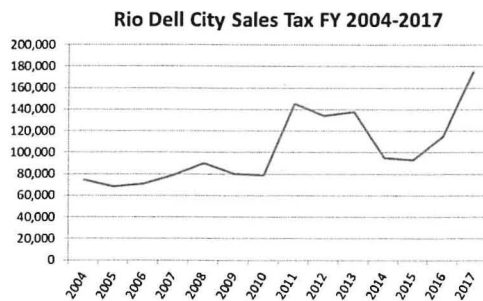




GENERAL FUND OVERVIEW

revenues budgeted for FY 2018/19 in the General Fund. The passage of Measure U in November 2014 reduced the budget deficit and assists in providing law enforcement services for the City of Rio Dell. Measure U is a 1% special district tax and has a five year sunset date in 2019.

Retail sales tax is the third largest amount of General Fund revenues for the City (\$142,243, 14%). Sales tax revenue, as shown in the chart below, can be volatile since it is based on consumer spending which has seen major changes over the past decade.



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

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

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

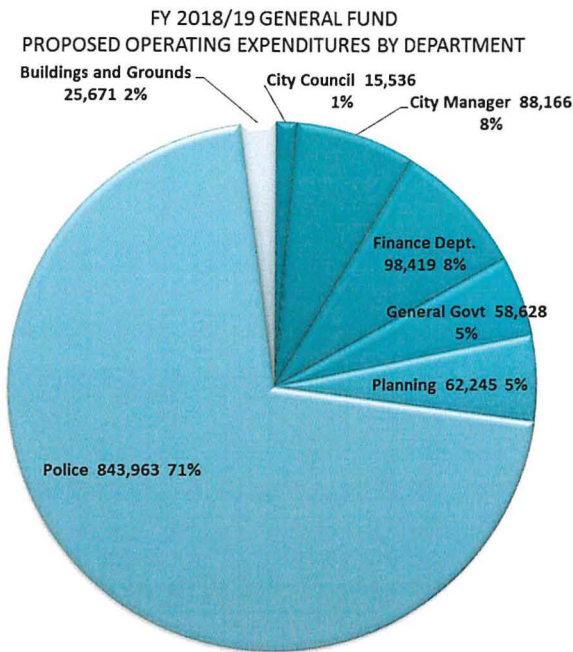
EXPENDITURES

Total appropriated operating expenditures are \$1,396,645, a Building Fund subsidy of \$18,300, and capital amounts are \$204,017 for total spending of \$1,414,945.



GENERAL FUND OVERVIEW

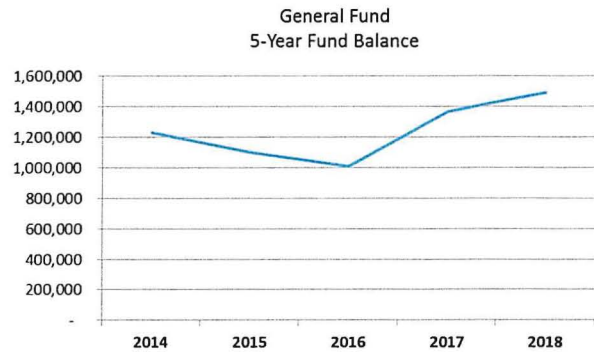
Operating costs support several departments including Police (71%), Finance (8%), City Manager (8%), Council (1%), Buildings and Grounds (2%), and the Planning Department (5%), and General Government (5%).



The Public Works Buildings and Grounds Department is partly supported by the General fund. This fiscal year's funding includes a part-time (.25 FTE) Utility Maintenance Worker I. In previous fiscal years the marginal funding for the Buildings and Grounds Department has been meant to keep General Fund expenditures down.

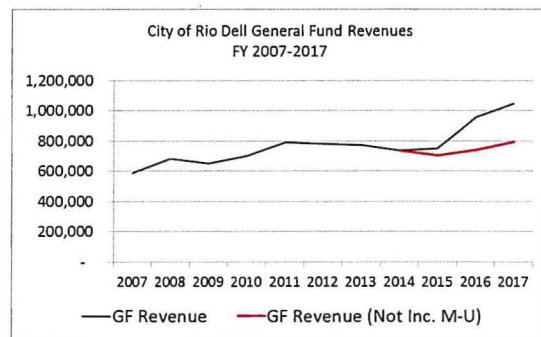
The chart that follows shows actual fund balances at year end for the General Fund in comparison to FY 2018/19 estimated fund balance.

The fund balance has increased 18% since FY 2013/14.



The chart below shows General Fund revenue streams over a ten year period. What is reflected is a steady climb from 2009 to 2011 where the recessionary downturn lagged and caught up in 2012. Revenues have been slightly declining since, but recently revenues have reached 2011 levels.

The line split reflects where Measure U revenues were added to the General Fund revenue stream.



Overall, the General Fund has continued to meet the City's needs over time and the ending fund balance remains strong.

PROPOSED BUDGET - FY 2018/19

CAPITAL PROJECTS

PROJECT	Gen Fund	Gas Tax	TDA	GRANTS	Sewer	Water	TOTAL
ATP Project (043)				1,000,000			1,000,000
CIP Water Grant (062)				433,300			433,300
Utility Truck		7,000			14,000	14,000	35,000
Four Ft. Roller & Trailer		16,500			8,250	8,250	33,000
Forklift		750			18,500	2,250	21,500
Water Plant Effluent Redirection						50,000	50,000
Filter Coating						25,000	25,000
Tank Paint (Douglas)						30,000	30,000
Steel Tank Coating						25,000	25,000
Access TV (\$20,000 Council spread)	7,000	600	400		6,000	6,000	20,000
Water Meter Replacement						12,000	12,000
Water Storage Tank Cleaning & Insp.						6,500	6,500
Calibrate SCADA Servers						5,000	5,000
Chloring Generator					9,000		9,000
Sludge Dryer Boiler					15,000		15,000
Belt Press					4,000		4,000
All Pump Motors					40,000		40,000
Aeromod Plant					15,000		15,000
Lift Stations					8,000		8,000
I&I Reductions					35,000		35,000
Misc. Equipment					20,000		20,000
Headworks					10,000		10,000
Electrician					4,500		4,500
Blower Room					4,500		4,500
Valves					8,500		8,500
Fern St. Pump Housing Repairs					3,500		3,500
Belleview/Ogle Carry Over	50,000						50,000
Painter Street Pipe Upsize					200,000		200,000
Contact Basin Covers/solar frames					10,000		10,000
City Hall ADA, Security, misc. impr. (C/O)	18,517						18,517
City Hall Repairs and maint. (C/O)	10,000						10,000
Christmas Donation Carry Over	1,500						1,500
Riverbar access	5,000						5,000
Slurry Seal (General Fund Subsidy)	107,000						107,000
Police Vehicle Trust Fund	5,000						5,000
TOTAL BY FUND	204,017	24,850	400	1,433,300	433,750	184,000	2,280,317



CITY MANAGER BUDGET

DEPARTMENT HEAD
Kyle Knopp, City Manager

STATEMENT OF FUNCTION

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

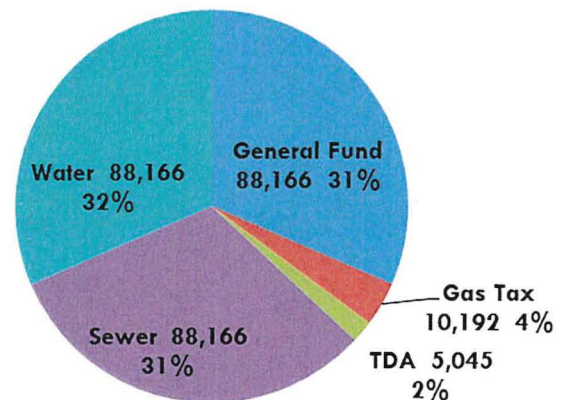
As part of the City Manager's Department, the City Clerk provides staff and administrative support to the City Council and City Manager including preparation of City Council meeting agendas in concerted alliance with the City Manager. Sixty percent (60%) of the City Clerk's position is budgeted in the City Manager's Department. The City Clerk's duties are to maintain official City records, conduct City elections and prepare and post the noticing requirements for public meetings.

The City Clerk is responsible for the filing of campaign and economic interest statements and provides information about conduct of City business to the public.

2018/19 BUDGET

The recommended budget for the City Manager's Department is \$279,736, a decrease of \$10,650 from the July 1, 2017 adopted budget. The City Manager Budget is spread amongst various funds and allocations are as follows: General Fund \$88,166 (31.5%); Streets Funds \$15,237 (5.5%); Sewer Fund \$88,166 (31.5%); Water Fund \$88,166 (31.5%); and 40 hours (\$2,319) of City Manager time is budgeted to the Recycling Fund.

CITY MANAGER BUDGET BY FUND



SALARIES AND BENEFITS

Salaries and employee benefits for City Manager Department for the



CITY MANAGER BUDGET

DEPARTMENT HEAD
Kyle Knopp, City Manager

positions of City Manager and City Clerk total \$207,522, an increase of \$6,166 from the prior year's budget.

The chart below shows position allocations in the City Manager Department for FY 2018/19.

CITY MANAGER POSITION ALLOCATIONS	
98%	CITY MANAGER
60%	CITY CLERK

SERVICES AND SUPPLIES

The Service and Supplies accounts total \$72,214, from \$87,065 in FY 2017/18. This is a decrease of \$14,851 in service and supplies expenditures. The decreases in costs are mainly due to adjusted amounts based on prior year's analysis of actual costs versus budgeted amounts.

Other cost centers of note:

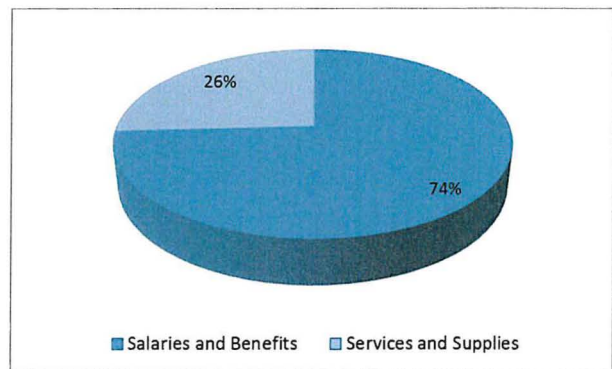
1. Legal (5112) includes \$23,700 as may be required. The amount is reduced \$5,000 in comparison to the prior year.
2. Contract/Professional Services (5115) is budgeted at \$9,649; this amount is reduced \$5,000 in comparison to the prior year.
3. Training (5122) includes \$3,000 for both the City Manager and City Clerk
4. Equipment (5139) has been increased \$1,200 to purchase

new staff chairs for the City Council Chamber

All other accounts have been adjusted to reflect actual costs.

FY 2018/19

Cost comparison of Salaries and Benefits to Services and Supplies



The chart above displays salaries and benefits items (74%) versus services and supplies items (26%) as portions of the overall City Manager's budget.

CITY MANAGER PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5000 Full Time Salaries	139,444	171,281	146,873	151,272	153,056	154,945	91,203	151,968	156,003	
5030 Overtime Salaries	-	-	81	-	-	-	-	-		
5032 Retirement - City Manager	2,457	-	-	-	-	-	-	-		
5035 Benefit - ICMA City 457	16,331	22,891	20,097	17,430	19,044	17,312	12,196	19,153	17,622	
5040 Benefit - Health Insurance	15,433	34,427	17,167	20,841	14,203	14,680	10,169	13,745	15,835	
5041 Health Savings	-	-	1,037	800	(240)	(600)	-	-		
5042 Benefit - Life Insurance	295	371	282	304	332	303	237	333	339	
5044 Benefit - Dental/Vision Insur	1,724	2,417	1,925	3,214	1,908	1,948	1,315	1,754	1,914	
5045 Worker Compensation Insuranc	2,094	1,732	2,168	1,598	1,685	2,025	849	2,245	3,120	
5050 FICA/MEDI	12,417	13,104	12,452	11,634	12,013	11,852	7,474	11,451	11,934	
5055 Unemployment Insurance	1,016	1,517	645	694	686	685	644	707	754	
5069 Accrued Payroll Taxes Expense	-	-	561	-	141	-	(702)	-		
5080 Hiring Costs	-	5,000	-	-	-	-	-	-		
5081 Compensated Absences Payabl	(9,125)	-	3,882	-	283	-	-	-		
5101 Office Supplies	1,257	1,500	747	1,500	790	1,500	496	1,500	1,500	
5102 Operating Supplies	380	350	336	350	129	348	44	348	348	
5103 Postage	294	250	525	250	586	252	387	547	547	
5104 Printing - Forms	4,011	3,000	4,305	4,000	4,826	4,000	3,175	4,350	4,350	
5105 Advertising	-	-	-	-	152	-	-	210	210	
5106 Promotional	85	-	-	-	241	-	-	200	200	
5112 Legal	6,271	15,000	23,707	15,000	28,273	15,000	13,341	28,700	28,700	(5,000) Adjustment
5115 Contract/Professional Services	4,804	29,240	2,226	23,000	4,318	33,300	2,026	14,649	14,649	(5,000) Adjustment
5120 Cell Phones	1,492	2,000	1,409	1,560	1,404	1,400	947	1,500	1,500	
5121 Telephone - Pager	247	-	237	200	137	360	145	360	360	
5122 Training - Conference	1,686	2,000	1,260	3,000	1,791	3,000	224	3,000	3,000	
5123 Automobile - Transportation	4,645	4,200	4,916	4,200	4,896	4,645	3,076	4,645	4,645	
5125 Publications - Books	52	50	24	50	440	52	99	87	87	
5126 Dues & Memberships	467	1,100	3,871	1,100	1,594	1,100	1,693	3,850	3,850	(1,850) Adjustment
5128 Employee Relations	-	100	-	100	-	100	-	100	100	
5130 Rents - Leases	1,810	3,000	1,603	2,100	1,169	2,100	766	1,925	1,925	
5131 Records Maintenance	76	100	82	110	141	112	57	128	128	
5135 Maintenance - Repair	1,083	450	955	700	699	700	523	700	700	
5138 Office Equipment	419	500	34	500	4,030	3,496	-	1,405	1,405	
5139 Equipment	-	500	1,911	500	37	500	-	500	500	1,200 Chamber staff chairs
5141 General Liability Insurance	8,054	4,312	6,149	8,538	5,184	8,538	3,473	3,510	3,510	
5143 Property Insurance	1,577	957	1,649	1,672	777	1,672	652	574	574	
5144 Emp Practice Liab Insurance	121	318	1,248	762	386	1,400	283	225	225	
5150 Electricity	1,375	586	1,421	1,430	760	1,475	433	795	795	
5151 Natural Gas	111	63	77	137	194	140	50	140	140	
5152 Water	59	38	137	50	214	225	266	225	225	
5153 Sewer	99	73	69	100	106	103	156	103	103	

CITY MANAGER PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5160 Elections	1,003	-	-	-	1,060	-	5,601	5,601	1,400	
5161 Sales Tax Admin Fees	7,290	-	-	-	-	-	-	-	-	
5166 LAFCO Fees	1,429	-	1,695	1,500	1,083	1,500	1,029	1,850	1,850	
5171 Computer Software	1	500	1	500	31	500	257	500	500	
5173 Computer Maintenance - Suppo	2,161	1,769	2,760	2,379	2,441	2,740	1,702	2,743	2,743	
5174 Web Design Services	521	30	47	300	435	400	115	875	875	
5212 Gas & Oil	-	-	-	-	21	-	-	-	-	
5514 Engineering	-	1,000	885	1,000	638	1,000	262	1,000	1,000	
5520 Improvements	-	-	-	220	-	220	-	220	220	
Total Expenditures	234,966	325,726	271,456	284,595	272,094	295,028	164,663	288,421	290,386	(10,650) 279,736



FINANCE DEPARTMENT BUDGET

DEPARTMENT HEAD
Brooke Woodcox, Finance Director

STATEMENT OF FUNCTION

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

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

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

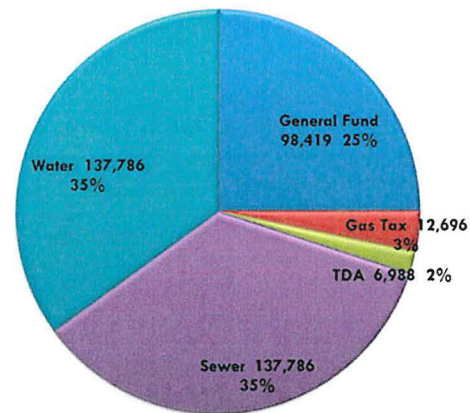
The Finance Department is responsible for providing an open and transparent forum where stake holders are welcome to inquire about the City's financial activities and be kept informed about financial activities on an on-going basis.

STAFFING

The Finance Department is staffed by 4 full-time employees (FTEs). Positions budgeted for the 2018/19 fiscal year are the Finance Director, Accountant II, the Senior Fiscal Assistant, and the Fiscal Assistant I.

2018/19 BUDGET

The approved budget for the Finance Department is \$393,696, an increase of \$4,050 from the prior budgeted amount in 2017/18 of \$389,626.



The Finance Department Budget is spread among various funds and the allocations are as follows: \$98,419

(25.0%) to the General Fund, \$19,684 (5.0%) to Streets, \$137,786 (35.0%) to Sewer Operations, and \$137,786 (35.0%) to the Water Fund.

SALARIES AND BENEFITS

Salaries and benefits for the Finance Department positions total \$305,150 an increase of \$7,817 in comparison to \$297,333 in FY 2017/18. The additional amount is due to contractual step increases. Step increases take effect once an employee receives a positive annual review on his, or her, anniversary hire date.

SERVICES AND SUPPLIES

The Service and Supplies accounts total \$88,526 from \$84,476 in FY 2018/19. This is an increase of \$4,050 in service and supplies expenditures.

Cost centers of note:

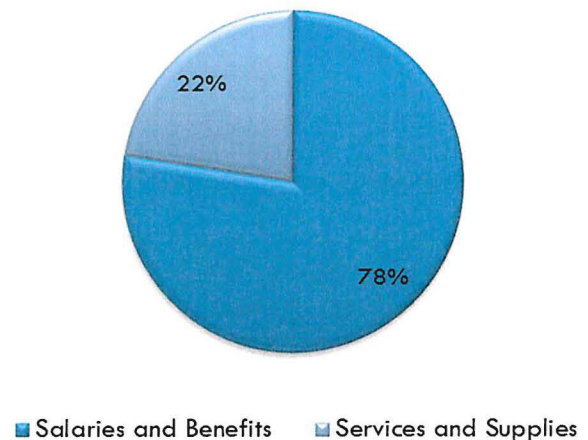
1. Accounting (5110) includes \$32,000 for auditing and financial services.
2. Training-Conference (5122) is approved at \$2,902.
3. Property Tax Admin. Fees (5163) is budgeted for \$2,800. These are fees that the County charges for administration costs for disbursements

4. Computer Maintenance Support (5173) is budgeted for \$15,183 for information technology (IT) services.
5. An additional amount of \$2,250 has been added to Contract Professional Services (5115) in anticipation of assistance of administering the City's new business tax
6. Computer software (5171) has been increased by \$1,800, the cost for three (3) additional DocStar licenses

All other accounts have been adjusted to reflect actual costs.

FY 2018/19

Cost comparison of Salaries and Benefits to Services and Supplies



FINANCE DEPARTMENT PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5000 Full Time Salaries	180,043	179,006	174,830	185,654	200,523	198,080	133,193	210,330	203,147	
5030 Overtime Salaries	5	-	120	-	-	-	507	-		
5035 Benefit - ICMA City 457	19,162	19,313	19,759	19,698	20,341	20,965	13,820	21,355	21,333	
5040 Benefit - Health Insurance	38,970	39,106	30,621	35,832	34,498	33,217	29,802	38,397	51,660	
5041 Health Savings	-	-	2,130	1,900	2,400	600	-	-		
5042 Benefit - Life Insurance	504	651	400	461	624	480	544	768	900	
5044 Benefit - Dental/Vision Insur	4,981	4,758	4,072	4,922	5,087	5,120	4,823	5,973	6,602	
5045 Worker Compensation Insuranc	2,496	1,793	2,602	2,042	2,188	2,600	1,213	3,050	4,063	
5050 FICA	15,127	13,551	15,366	14,348	16,778	15,155	11,071	15,555	15,541	
5055 Unemployment Insurance	1,669	1,536	1,592	1,649	1,736	1,737	1,601	1,905	1,904	
5069 Accrued Payroll Taxes Expense	-	-	463	-	127	-	(590)	-	-	
5081 Compensated Absences Payab	3,254	-	1,778	-	443	-	-	-	-	
5101 Office Supplies	3,494	3,610	3,681	3,610	2,326	3,612	1,777	3,612	3,612	
5102 Operating Supplies	331	800	334	800	194	800	45	500	500	
5103 Postage	2,868	6,974	3,973	4,050	1,980	4,052	1,227	3,500	3,500	
5104 Printing - Forms	3,232	3,301	3,230	3,301	2,127	3,300	870	3,301	3,301	
5106 Promotional	80	-	34	-	-	-	-	50	50	
5110 Accounting	34,936	28,800	32,069	30,000	17,231	26,500	20,245	32,000	32,000	
5112 Legal	784	400	-	400	44	400	477	400	400	
5115 Contract/Professional Services	-	400	220	750	21	752	19	750	750	2,250 Measure X Assistance
5116 Bank Fees	1,893	2,092	1,294	2,200	671	2,200	611	1,200	1,200	
5120 Cell Phones	1,399	2,238	1,409	2,000	1,405	1,400	961	1,450	1,450	
5121 Telephone - Pager	215	-	235	200	140	800	147	283	283	
5122 Training - Conference	2,786	4,501	2,741	4,501	4,097	4,496	380	2,902	2,902	
5123 Automobile - Transportation	915	1,301	822	1,301	471	1,300	1,109	3,209	3,209	
5125 Publications - Books	24	94	24	94	17	95	75	95	95	
5126 Dues & Memberships	122	125	220	125	220	125	224	125	125	
5127 License	-	-	-	-	-	-	43	-	-	
5130 Rents - Leases	1,702	3,101	1,482	2,500	1,065	2,500	698	1,750	1,750	
5131 Records Maintenance	659	525	882	600	995	1,000	535	1,000	1,000	
5135 Maintenance - Repair	1,088	1,951	1,137	1,951	517	1,952	531	1,600	1,600	
5138 Office Equipment	41	3,200	4,679	8,200	2,469	5,200	10	3,200	3,200	
5139 Equipment	-	-	-	-	38	-	-	-	-	
5141 General Liability Insurance	7,999	11,408	6,120	8,480	5,304	8,480	3,554	2,127	2,127	
5143 Property Insurance	1,566	2,531	1,640	1,660	795	1,660	667	348	348	
5144 Emp Practice Liab Insurance	120	841	1,241	756	395	1,600	290	136	136	
5150 Electricity	1,366	1,572	1,411	1,421	777	1,463	443	1,400	1,400	
5151 Natural Gas	110	170	77	137	61	140	51	140	140	
5152 Water	133	87	309	110	483	365	371	585	585	
5153 Sewer	223	165	155	216	240	222	217	280	280	

FINANCE DEPARTMENT PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5163 Property Tax Admin Fees	2,744	3,000	2,610	3,000	2,760	3,000	1,416	2,800	2,800	
5171 Computer Software	1	170	151	200	280	200	461	200	200	1,800 DocStar Licenses (3)
5173 Computer Maintenance - Supp	14,497	15,023	12,491	14,500	13,338	15,220	7,906	15,183	15,183	
5174 Web Design Services	110	146	46	150	87	252	117	350	350	
Total Expenditures	351,649	358,240	338,450	363,719	345,293	371,040	241,461	381,809	389,626	4,050 393,676

FINANCE DEPARTMENT BUDGET FY 2018/19 PROPOSED ALLOCATIONS		
25.0%	98,419	GENERAL FUND
5.0%	19,684	STREETS FUNDS
35.0%	137,786	SEWER FUND
35.0%	137,786	WATER FUND
100%	393,676	TOTAL FINANCE DEPT.

FINANCE DEPT. POSITION ALLOCATIONS	
100%	FINANCE DIRECTOR
100%	ACCOUNTANT II
100%	SR. FISCAL ASSISTANT
100%	FISCAL ASSISTANT I



CITY COUNCIL BUDGET

STATEMENT OF FUNCTION

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

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

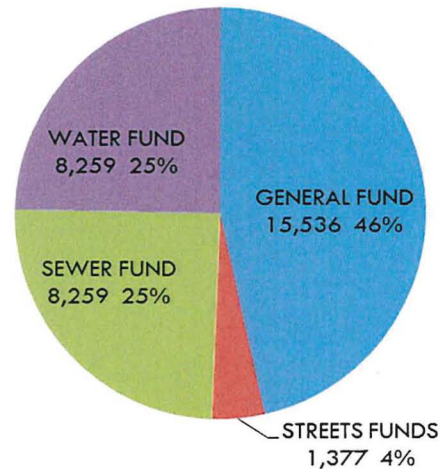
City Council Members serve staggered four (4) years terms without compensation.

2017/18 BUDGET

The adopted budget for the City Council is \$33,430 an increase of \$14,100 from the 2017/18 budget amount of \$19,930. The increase is mainly related to additional funds for Access Humboldt services for televised meeting services (\$9,600) and increased appropriations for training (\$4,500).

The net General Fund cost for the department is \$15,536. For the fifth year in a row the Council voted to

include in its budget water and sewer costs for the Rio Dell Volunteer Fire Department and Humboldt County Library Rio Dell Branch. The appropriated amount from the General Fund for RDVFD and the library is estimated to be \$5,900.



SALARIES AND BENEFITS

City Council Members serve without salaries and benefits.

SERVICES AND SUPPLIES

Services and supplies (not including RFD and library water and sewer) total \$27,530. Expenditures include \$6,250 for City Council training, \$2,752 for League of California Cities annual dues, and \$1,700 for the Chamber of Commerce donations for Christmas lighting.

City Council Members at time of budget adoption FY 2018/19

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

CITY COUNCIL PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests
Revenue										
Total Revenue	-	-	-	-	-	-	-	-		
EXPENDITURES										
5101 Office Supplies	12	-	21	-	72	40	-	95	95	
5102 Operating Supplies	20	-	-	-	25	-	10	20	20	
5103 Postage	120	-	3	111	33	112	-	45	45	
5104 Printing - Forms	584	-	218	837	26	835	188	27	27	
5106 Promotional	119	850	844	200	22	2,550	1,550	1,700	1,700	
5112 Legal	1,769	502	3,257	502	5,838	5,563	2,620	4,000	4,000	
5115 Contract/Professional Services	-	-	-	-	2,460	1,599	-	750	750	
5122 Training - Conference	1,786	2,000	1,215	3,000	874	3,000	2,745	1,750	1,750	4,500 Additional funds req.
5123 Automobile - Transportation	1,661	1,502	1,637	2,000	971	2,000	665	1,100	1,100	
5125 Publications-Books	98	-	-	-	-	-	-	-	-	
5126 Dues & Memberships	2,344	2,751	-	2,751	2,439	2,752	-	2,752	2,752	
5135 Maintenance - Repair	-	502	-	-	-	-	-	-	-	
5139 Equipment	-	-	1,136	-	-	-	-	-	-	
5141 General Liability Insurance	-	710	-	-	-	-	-	642	642	
5143 Property Insurance	-	157	-	-	-	-	-	99	99	
5173 Computer Maintenance - Suppc	-	-	-	-	-	600	-	200	200	9,600 Access Humb. \$800/mo
5174 Web Design Services	60	-	-	98	-	98	-	250	250	
5900 RFD and Library Water/Sewer	4,252	3,388	5,719	6,793	4,761	4,667	3,329	5,900	5,900	
8010 Contingency	-	-	-	800	-	-	-	-	-	
Total Expenditures	12,825	12,362	14,050	17,092	17,521	23,816	11,107	19,330	19,330	14,100 33,430

CITY COUNCIL BUDGET FY 2018/19 PROPOSED ALLOCATIONS		
46%	15,536	GENERAL FUND
4%	1,377	STREETS FUNDS
25%	8,259	SEWER FUND
25%	8,259	WATER FUND
100%	33,430	TOTAL CITY COUNCIL



POLICE DEPARTMENT BUDGET

DEPARTMENT HEAD
Jeff Connor, Chief of Police

STATEMENT OF FUNCTION

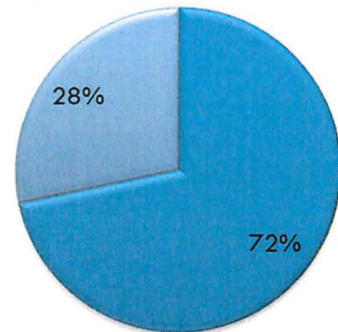
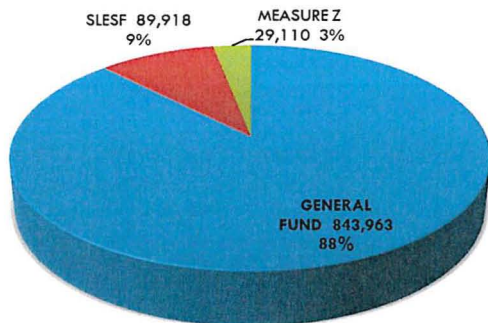
The Mission of the City of Rio Dell Police Department is to create and maintain a climate of safety in the community. The Department provides police services to the community and is staffed with five (6) sworn law enforcement officers, an increase of one (1) officer from the previous fiscal year. Six (6) sworn law enforcement officers include the Chief of Police. The Chief of Police is responsible for all department functions, provides guidance to supervisory staff, manages the Department's budget, coordinates internal affair matters, and handles other administrative needs of the Department, as well as provides street level enforcement when required. The Sergeant assists the Chief with administrative tasks, provides patrol supervision and field training of new officers.

The additions will enhance the City's law enforcement services in the community through increased patrols and software that is being used throughout the state by law enforcement.

The Police Department represents net expenditures of \$843,963 (88.0%) out of the general fund, which is 60% of total general fund operational appropriations for fiscal year 2018/19.

SALARIES AND EMPLOYEE BENEFITS

Salaries and benefits for the Chief, Sergeant, four (4) Officers, and a part-time records technician total \$690,989.



■ Salaries and Benefits ■ Services and Supplies

2018/19 BUDGET

The recommended Police Department budget totals \$962,990, an increase of \$262,050 in comparison to the prior year. The large increase (37%) is related to an additional sworn law enforcement officer that has been added and RIMS crime software and set up (\$104,500).

Part-time office support funded through the County's Measure Z is included in the Police Department budget in the amount of \$29,110. This amount allows for administrative assistance that releases a uniformed officer into the field since the primary responsibility of the Records Technician is to receive walk-in traffic, answer phone calls and update files.



POLICE DEPARTMENT BUDGET

DEPARTMENT HEAD
Jeff Connor, Chief of Police

SERVICES AND SUPPLIES

The services and supplies line items were approved at \$271,301, an increase of \$140,500 from FY 2017/18. The accounts generally are not discretionary and support police and patrol services. The more significant costs centers are as follows:

1. Computer software (5171)
\$104,500 for RIMS software and upkeep
2. Professional services provides
\$3,650 for the Police Department manual
3. Animal Control \$12,000 contract with Miranda's Animal Rescue for animal shelter services.
4. Telephone-Pagers are essential for Officer communication (\$7,610).
5. Rents-leases CrimeStar & DocStar information management systems (\$2,900).
6. General liability insurance is budgeted for \$12,265 for Police Department coverage.
7. Property insurance is budgeted for \$2,013 for Police Department property insurance.
8. Medical expenditures of \$2,800 for assault cases in the jurisdiction.
9. Computer maintenance \$6,901 for the Department's share of the computer maintenance contract.
10. Code enforcement increased from \$500 to \$30,000 for costs related to code enforcement activities
11. Nuisance abatement-vehicles \$1,750 for the abatement of inoperable vehicles deemed to be a public nuisance.
12. Gas & oil \$13,225 for patrol vehicle operating expense, decreased \$475 from 2016/17.
13. Dispatch service \$24,900 paid to City of Fortuna for police dispatch service.
14. Training costs increased to \$9,900 an increase of \$5,500 from the prior fiscal year.

POLICE DEPARTMENT PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5000 Full Time Salaries	304,756	289,554	311,232	305,145	301,164	297,867	179,486	313,419	347,006	45,771 F/T Police Officer (St. A)
5026 Part Time Temporary Salaries	-	-	5,547	5,547	22,915	22,455	14,865	24,621	26,114	F/T Police Officer (St. A)
5030 Overtime Salaries	11,196	8,112	19,847	26,527	15,784	20,391	17,339	23,405		F/T Police Officer (St. A)
5035 Benefit - ICMA City 457	54,433	59,918	56,768	58,515	52,636	58,336	32,196	57,802	60,509	8,741 F/T Police Officer (St. A)
5040 Benefit - Health Insurance	74,297	71,079	64,670	69,587	67,370	68,952	45,123	71,021	84,120	16,824 F/T Police Officer (St. A)
5041 Health Savings	-	-	3,270	3,608	3,000	3,000	-	-		F/T Police Officer (St. A)
5042 Benefit - Life Insurance	1,144	1,075	944	1,063	1,280	1,056	897	1,440	1,350	270 F/T Police Officer (St. A)
5044 Benefit - Dental/Vision Insur	10,969	10,097	11,513	13,227	10,522	10,492	6,587	10,517	12,155	2,431 F/T Police Officer (St. A)
5045 Worker Compensation Insuranc	27,938	28,318	29,726	29,680	35,908	36,039	14,536	33,955	39,552	5,493 F/T Police Officer (St. A)
5050 FICA	26,642	22,151	29,715	26,322	29,235	24,623	18,270	26,353	28,544	3,502 F/T Police Officer (St. A)
5055 Unemployment Insurance	2,671	2,896	3,398	2,796	2,681	2,716	1,969	2,856	3,332	476 F/T Police Officer (St. A)
5060 Clothing Allowance	3,553	3,742	4,313	3,750	3,281	3,750	1,969	3,750	3,750	750 F/T Police Officer (St. A)
5069 Accrued Payroll Taxes Expense	-	-	1,057	224	610	-	(1,667)	-		
5080 Hiring Costs	-	750	2,950	2,000	-	3,000	3,181	3,000	3,000	
5101 Office Supplies	457	1,000	1,433	1,000	940	1,200	645	1,200	1,200	
5102 Operating Supplies	1,306	2,500	1,586	2,500	2,894	2,200	1,843	2,200	2,200	
5103 Postage	584	665	550	600	537	600	158	600	600	
5104 Printing - Forms	860	463	408	1,000	239	1,000	231	480	480	
5105 Advertising	-	50	401	50	-	300	1,152	300	300	
5106 Promotional	115	50	658	50	-	50	-	50	50	
5112 Legal	1,386	1,000	4,925	1,000	853	1,000	761	1,000	1,000	
5115 Contract/Professional Services	1,546	3,000	6,997	3,000	4,692	3,650	1,986	3,650	3,650	
5117 Animal Control	6,533	6,500	10,800	6,500	12,131	12,000	8,136	12,000	12,000	
5119 Safety Supplies & Equipment	1,266	1,239	272	1,239	640	1,239	-	1,239	1,239	
5120 Cell Phones	3,025	7,000	3,295	3,448	3,461	3,110	1,972	3,110	3,110	
5121 Telephone - Pager	4,749	-	4,596	4,572	3,975	4,500	2,240	4,500	4,500	
5122 Training - Conference	1,184	-	3,942	4,730	1,147	4,400	1,536	4,400	4,400	5,500 PD Training
5123 Automobile - Transportation	749	500	430	864	694	500	390	500	500	3,500 PD Training
5125 Publications - Books	36	500	172	500	139	500	174	500	500	
5126 Dues & Memberships	1,659	1,800	390	1,875	331	1,800	437	1,800	1,800	
5127 License	-	-	-	-	-	-	56	-	-	
5128 Employee Relations	-	250	-	250	-	250	-	250	250	
5130 Rents - Leases	2,009	2,500	2,924	2,500	3,086	2,500	1,616	2,900	2,900	
5131 Records Maintenance	370	350	456	500	239	400	254	400	400	
5135 Maintenance - Repair	4,231	5,523	1,257	5,523	1,375	5,523	1,560	5,523	5,523	(3,000) Adjustment
5138 Office Equipment	2,575	2,100	193	2,100	2,493	4,200	195	2,100	2,100	
5139 Equipment	16,003	13,658	1,642	7,025	15,250	21,046	(2,241)	7,025	7,025	
5141 General Liability Insurance	12,137	14,301	9,257	12,865	7,716	12,865	5,169	12,265	12,265	
5143 Property Insurance	2,376	3,172	2,483	2,519	1,157	2,519	970	2,013	2,013	
5144 Employee Practice Liab Insurar	182	1,106	1,880	1,147	575	2,050	422	827	827	

POLICE DEPARTMENT PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5150 Electricity	2,317	2,000	2,390	2,412	1,344	2,484	814	1,425	1,425	
5151 Natural Gas	167	200	117	207	89	213	74	200	200	
5152 Water	226	147	523	180	817	545	670	878	878	
5153 Sewer	377	274	263	370	407	381	391	390	390	
5154 Garbage	-	200	-	-	-	-	-	-	-	
5162 Medical	3,096	3,000	2,394	3,000	525	3,200	625	2,800	2,800	
5171 Computer Software	389	500	2	500	1	500	1	500	500	104,500 Software and upkeep
5173 Computer Maintenance - Supp	7,355	7,950	7,422	6,500	6,712	7,580	4,294	6,901	6,901	
5174 Web Design Services	167	100	70	200	126	500	171	500	500	
5192 Code Enforcement	445	1,000	-	1,000	-	1,000	-	500	500	30,000 Code Enforcement Misc.
5193 Nuisance Abatement-Vehicle	150	1,250	1,000	1,250	4,614	5,714	1,732	1,750	1,750	
5212 Gas & Oil	13,452	13,000	13,333	13,400	14,519	13,700	8,100	13,225	13,225	
5213 Vehicle Repair	9,189	2,500	5,229	4,000	6,723	4,000	3,326	4,000	4,000	
5308 Dispatch Service Due	18,504	18,500	24,900	24,900	24,900	24,900	16,600	24,900	24,900	
Total Expenditures	638,771	617,540	663,540	673,267	671,727	706,796	401,211	700,940	738,232	224,758 962,990

POLICE DEPARTMENT BUDGET FY 2018/19 PROPOSED		
88%	843,963	GENERAL FUND
9%	89,918	SLESF
3%	29,110	MEASURE Z (UNKNOWN)
100%	962,990	TOTAL POLICE DEPT.



GENERAL GOVERNMENT DEPARTMENT BUDGET

DEPARTMENT HEAD
Kevin Caldwell, Community
Development Director

STATEMENT OF FUNCTION

The General Government department was reopened for the sole purpose of budgeting for the salary and benefits allocation for the City's Community Development Director. It is estimated that the Community Development Director spends 45% of his time working on general government tasks. The General Government Department is funded out of the General Fund (92%) and Community Development Block Grant Fund (8%).

2017/18 BUDGET

The approved budget for the General Government Department totals \$42,524 and includes salary and benefits items for the Community Development Director.

SERVICES AND SUPPLIES

Appropriations for the General Government Department for operating supplies are \$1,602.

GENERAL GOVERNMENT BUDGET FY 2018/19 PROPOSED ALLOCATIONS		
92%	58,628	GENERAL FUND
8%	4,797	CDBG FUND
100%	63,425	TOTAL GENERAL GOVT.

GENERAL GOVERNMENT PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5000 Full Time Salaries	-	-	30,653	32,642	19,842	20,703	12,552	21,043	31,565	
5035 Benefit - ICMA City 457	-	-	3,888	3,737	2,335	2,355	1,556	3,082	4,624	
5040 Benefit - Health Insurance	-	-	1,594	1,625	994	976	619	975	1,463	
5041 Health Savings	-	-	300	250	180	180	-	-	-	
5042 Benefit - Life Insurance	-	-	132	144	86	86	62	7	11	
5045 Worker Compensation Insuranc	-	-	1,185	359	1,148	272	489	316	631	
5050 FICA	-	-	2,852	2,516	1,788	1,573	1,149	1,610	2,415	
5055 Unemployment Insurance	-	-	217	217	130	131	130	143	214	
5069 Accrued Payroll Taxes Expense	-	-	29	-	42	-	(71)	-	-	
5081 Compensated Absences Payab	-	-	-	-	1,230	-	-	-	-	
5101 Office Supplies	-	-	90	-	11	106	6	-	-	
5102 Operating Supplies	-	-	79	-	9	89	2	41	41	
5103 Postage	-	-	10	-	76	-	41	32	32	
5104 Printing - Forms	-	-	53	-	64	40	30	39	39	
5112 Legal	-	-	-	-	58	-	250	-	-	
5115 Contract/Professional Services	-	-	51	-	425	10	1	98	98	
5120 Cell Phones	-	-	408	-	421	344	288	218	218	20,000 Income Survey
5121 Telephone - Pager	-	-	56	-	6	90	7	64	64	
5122 Training - Conference	-	-	-	-	-	-	-	-	-	
5123 Automobile - Transportation	-	-	-	-	-	-	-	-	-	
5125 Publications - Books	-	-	6	-	1	-	1	10	10	
5126 Dues & Memberships	-	-	-	-	-	-	-	-	-	
5130 Rents - Leases	-	-	198	-	48	205	50	78	78	
5131 Records Maintenance	-	-	-	-	2	-	-	-	-	
5135 Maintenance - Repair	-	-	181	-	17	200	17	49	49	
5138 Office Equipment	-	-	8	-	-	400	-	98	98	900 Computer Equipment
5139 Equipment	-	-	-	-	2	-	-	-	-	
5141 General Liability Insurance	-	-	1,369	-	241	1,600	162	591	591	
5143 Property Insurance	-	-	374	-	36	401	30	97	97	
5144 Emp Practice Liab Insurance	-	-	146	-	18	158	13	38	38	
5150 Electricity	-	-	336	-	35	346	20	54	54	
5151 Natural Gas	-	-	18	-	3	22	2	17	17	
5171 Computer Software	-	-	-	-	-	-	13	-	-	
5173 Computer Maintenance - Suppc	-	-	223	3,500	33	179	17	39	39	
5174 Web Design Services	-	-	11	-	4	40	5	39	39	
Total Expenditures	-	-	44,467	44,990	29,285	30,506	17,441	28,778	42,524	20,900 63,424

GENERAL GOVERNMENT BUDGET FY 2018/19 PROPOSED ALLOCATIONS		
92%	58,628	GENERAL FUND
8%	4,797	CDBG FUND
100%	63,425	TOTAL GENERAL GOVT.

GENERAL GOVT POSITION ALLOCATIONS	
45%	COMMUNITY DEV. DIRECTOR

STATEMENT OF FUNCTION

The Planning Department oversees the City's long-range and current planning activities, develops, implements, and maintains the update of the City's General Plan and zoning regulations; and reviews all development projects to ensure conformance with all general plan goals, policies and standards, and oversees the City's housing programs. The Department is staffed by the Community Development Director (30%) and the City Clerk (20%).

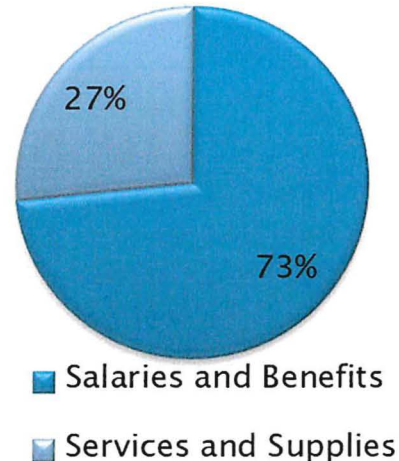
The Department also provides staff support to the Rio Dell Planning Commission who is appointed by the City Council. The Commission holds hearings and makes recommendations to the City Council relating to the sound and orderly growth and development of the City. The Planning Commission is the approving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

2018/19 BUDGET

The approved budget for the Planning Department totals \$62,246, a decrease of \$12,245. All costs are appropriated through the General Fund.

SALARIES AND BENEFITS

Salaries and benefits for the portion of the Community Development Director and City Clerk related to planning activities total \$45,699 down \$13,245 from 2017/18. Last fiscal year the Community Development Director had a higher allocation in the General Government Department.



SERVICES AND SUPPLIES

Services and supplies for 2018/19 are recommended at \$16,546 which is \$750 more than the previous year. The various accounts are budgeted conservatively, but with only slight increases for books and publications and a portion allocated to pay for the purchase new computer equipment.

PLANNING DEPARTMENT PROPOSED BUDGET - FY 2018/19

	6/30/2015	6/30/2015	6/30/2016	6/30/2016	6/30/2017	6/30/2017	2/28/2018	6/30/2018	Proposed	Requests
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget		
10 10 PLANNING										
EXPENDITURES										
5000 Full Time Salaries	62,258	64,592	35,600	35,210	39,394	41,661	26,900	43,840	33,669	
5030 Overtime Salaries	-	-	27	-	-	-	-	-	-	
5035 Benefit - ICMA City 457	7,527	7,751	4,466	4,023	4,454	4,547	3,221	5,868	4,489	
5040 Benefit - Health Insurance	11,094	14,482	4,716	6,037	3,743	3,773	3,169	4,483	3,673	
5041 Health Savings	-	-	292	275	360	240	-	-	-	
5042 Benefit - Life Insurance	287	266	128	139	163	154	134	82	61	
5044 Benefit - Dental/Vision Insur	536	935	325	325	323	325	300	400	320	
5045 Worker Compensation Insuranc	1,889	1,890	1,075	380	1,694	527	743	658	673	
5050 FICA	5,405	4,941	3,146	2,715	3,465	3,046	2,359	3,354	2,576	
5055 Unemployment Insurance	447	646	263	239	260	260	282	309	238	
5069 Accrued Payroll Taxes Expense	-	-	62	-	48	-	(110)	-	-	
5101 Office Supplies	615	350	206	350	339	297	143	485	485	
5102 Operating Supplies	76	150	56	150	21	150	7	150	150	
5103 Postage	258	300	420	300	396	300	282	395	395	
5104 Printing - Forms	1,362	1,250	2,175	1,670	1,800	1,631	487	2,200	2,200	
5106 Promotional	27	-	43	-	-	-	-	50	50	
5112 Legal	418	1,000	-	1,000	687	1,000	1,245	1,200	1,200	
5115 Contract/Professional Services	-	300	37	300	2,418	2,715	345	300	300	
5120 Cell Phones	610	975	352	900	562	490	385	875	875	
5121 Telephone - Pager	52	-	39	75	22	43	23	120	120	
5122 Training - Conference	60	750	208	750	-	750	-	750	750	
5123 Automobile - Transportation	9	1,250	37	1,250	-	1,250	-	1,250	1,250	
5125 Publications - Books	31	100	4	100	1,222	100	3	100	100	150 Additional funds req.
5126 Dues & Memberships	228	350	465	350	150	350	23	350	350	
5128 Employee Relations	-	25	-	25	-	25	-	25	25	
5130 Rents - Leases	593	800	526	800	444	595	293	595	595	
5131 Records Maintenance	66	100	82	100	99	100	52	105	105	
5135 Maintenance - Repair	267	400	221	400	133	300	141	300	300	
5138 Office Equipment	-	500	6	500	289	1,400	-	500	500	600 Computer Equipment
5139 Equipment	-	-	-	-	6	-	-	-	-	
5141 General Liability Insurance	1,931	3,548	1,018	2,047	844	1,447	565	1,454	1,454	
5143 Property Insurance	378	787	273	401	127	251	106	238	238	
5144 Employee Practice Liab Insurar	29	261	252	183	63	348	46	93	93	
5150 Electricity	330	600	235	343	124	353	70	300	300	
5151 Natural Gas	27	100	13	33	10	34	8	34	34	
5152 Water	25	16	57	30	89	66	73	97	97	
5153 Sewer	41	30	29	50	44	52	43	87	87	
5164 Regulatory Fees	-	2,000	-	2,000	-	2,000	-	2,000	2,000	
5166 Regulatory Fees	-	1,700	-	-	-	-	-	-	-	
5171 Computer Software	-	200	-	200	-	200	41	200	200	

PLANNING DEPARTMENT PROPOSED BUDGET - FY 2018/19

10 10 PLANNING	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5173 Computer Maintenance - Suppc	955	875	1,012	1,050	1,051	1,125	622	1,193	1,193	
5174 Web Design Services	27	400	8	400	14	400	19	350	350	
5512 Planning	13	-	-	-	-	-	-	-	-	
Total Expenditures	97,871	114,620	57,874	65,100	64,858	72,305	42,020	74,790	61,495	750
								12,545		62,245

PLANNING DEPARTMENT BUDGET FY 2018/19 PROPOSED		
100.0%	62,245	GENERAL FUND

PLANNING DEPT. POSITION ALLOCATIONS	
30%	COMMUNITY DEV. DIRECTOR
20%	CITY CLERK



BUILDING DEPARTMENT BUDGET

DEPARTMENT HEAD
Kevin Caldwell, Community
Development Director

STATEMENT OF FUNCTION

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

In previous years the building inspection and plan check components of the program were provided by an independent contractor, however beginning in 2015/16 Rio Dell's Community Development Director received certification and these services can now be provided in-house.

2017/18 BUDGET

The approved Building Department Operating Budget for 2018/19 totals \$54,931, a decrease of \$8,282. Expenditures are offset by \$36,631 of revenue from plan check and building permit fees. Thus, there is a General Fund contribution for the Building Department in the amount of \$18,300 (33.0% of the Building Fund Budget) to balance the budget.

The department is staffed by the Community Development Director (25.0%) and the City Clerk (20.0%).

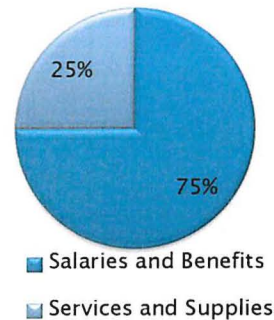
SALARIES AND BENEFITS

Salaries and benefits for personnel providing building services total \$41,152. This is a decrease of \$8,782 from a total of \$49,934 for the prior year in which the Community Development Director was allocated at 30%, and the City Clerk at 20%.

BUILDING DEPT. POSITION ALLOCATIONS	
25%	COMMUNITY DEV. DIRECTOR
20%	CITY CLERK

SERVICES AND SUPPLIES

Services and supplies total \$13,779. Operating supplies have generally remained the same as the previous fiscal year.



BUILDING PROGRAM

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

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



BUILDING DEPARTMENT BUDGET

DEPARTMENT HEAD
Kevin Caldwell, Community
Development Director

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

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

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

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

POLICY ITEMS

The Building Fund is subsidized by the General Fund for FY 2018/19, as it has been in the majority of years since adoption of Resolution 1218-2014 which separated building activity revenues and expenditures from the General Fund. The City Council's policy decision of March 4, 2014 was to implement a self-supporting fund requiring no General Fund subsidy to balance revenues to expenditures.

The program may see substantial revenues with the Eel River Sawmill site business park that began in FY 2017/18; any revenues for these activities were not included in the budget process because at the time of adoption amounts were not known. This factor resulted in a General Fund subsidy of \$18,300 for the current fiscal year.

BUILDING DEPARTMENT PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5000 Full Time Salaries	38,403	39,319	23,574	22,153	32,780	33,785	22,716	36,825	30,162	
5030 Overtime Salaries	-	-	27	-	-	-	-	-	-	
5035 Benefit - ICMA City 457	4,556	4,718	2,947	2,528	3,676	3,762	2,701	4,841	3,976	
5040 Benefit - Health Insurance	9,729	11,201	4,088	5,387	3,412	3,448	2,963	4,158	3,510	
5041 Health Savings	-	-	172	204	300	180	-	-	-	
5042 Benefit - Life Insurance	162	150	75	82	134	125	113	79	60	
5044 Benefit - Dental/Vision Insur	536	728	325	325	319	325	300	400	320	
5045 Worker Compensation Insuranc	970	928	607	237	1,304	436	580	552	603	
5050 FICA	3,229	3,008	2,040	1,708	2,858	2,522	1,976	2,817	2,307	
5055 Unemployment Insurance	273	393	177	152	217	217	239	262	214	
5069 Accrued Payroll Taxes Expense	-	-	52	-	58	-	(110)	-	-	
5101 Office Supplies	542	150	169	400	340	347	165	347	347	
5102 Operating Supplies	74	633	24	200	19	200	7	95	95	
5103 Postage	45	40	20	40	47	40	13	75	75	
5104 Printing - Forms	124	100	124	140	449	140	617	136	136	
5106 Promotional	26	-	-	-	-	-	-	30	30	
5112 Legal	37	700	-	500	-	500	-	500	500	
5115 Contract/Professional Services	5,703	5,000	466	2,000	553	2,000	184	2,000	2,000	
5120 Cell Phones	210	300	155	240	421	210	289	475	475	
5121 Telephone - Pager	51	-	17	40	21	70	22	55	55	
5122 Training - Conference	2,990	3,000	612	3,000	1,259	3,000	323	3,000	3,000	
5123 Automobile - Transportation	1,223	1,000	310	1,000	300	1,000	531	1,000	1,000	
5125 Publications - Books	704	500	2	500	2	500	3	500	500	
5126 Dues & Memberships	283	250	280	250	280	250	23	295	295	
5128 Employee Relations	-	25	-	25	-	25	-	25	25	
5130 Rents - Leases	666	150	458	700	433	630	289	585	585	
5131 Records Maintenance	128	60	164	115	190	115	103	187	187	
5135 Maintenance - Repair	308	400	148	500	129	400	137	400	400	
5138 Office Equipment	-	500	2	500	250	1,200	-	500	500	500 Computer Equipment
5139 Equipment	-	-	-	-	6	-	-	-	-	
5141 General Liability Insurance	1,876	710	470	1,989	784	989	525	1,454	1,454	
5143 Property Insurance	367	-	123	389	117	239	98	238	238	
5144 Employee Practice Liab Insurar	28	-	189	178	58	285	43	93	93	
5150 Electricity	320	125	100	341	115	351	65	185	185	
5151 Natural Gas	26	50	5	25	9	26	8	25	25	
5152 Water	49	33	114	40	178	107	73	205	205	
5153 Sewer	82	61	57	80	89	82	42	105	105	
5164 Regulatory Fees	168	250	112	250	79	250	242	220	220	
5167 Seismic Fees	176	200	132	200	73	200	24	165	165	
5171 Computer Software	-	100	-	100	-	100	39	100	100	

BUILDING DEPARTMENT PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5173 Computer Maintenance - Suppc	118	200	78	140	73	210	54	84	84	
5174 Web Design Services	26	200	3	200	13	200	17	200	200	
Total Expenditures	74,208	75,182	38,418	46,858	51,345	58,466	35,414	63,213	54,431	500 54,931

BUILDING DEPARTMENT BUDGET FY 2018/19 PROPOSED		
100.0%	54,931	BUILDING FUND

BUILDING DEPT. POSITION ALLOCATIONS	
25%	COMMUNITY DEV. DIRECTOR
20%	CITY CLERK



SOLID WASTE AND RECYCLING BUDGET

STATEMENT OF FUNCTION

SOLID WASTE

AB939 mandated a 50% diversion rate for a municipality's solid waste by the year 2000. We have recently seen new targets set by the State of California with the implementation of State Assembly Bill 939 (2009), changing the way a jurisdiction's diversion performance is calculated from a communitywide standard to a per capita amount which is more difficult to meet.

2017/18 BUDGET

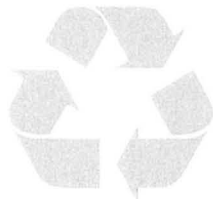
The recommended budget for this department is \$4,291 and is partly funded by AB939 pass through funds from Humboldt Waste Management Authority (HWMA) tipping fees collected at their facility in Eureka. The amount of total revenue for this fund is estimated at \$9,800.

SALARIES AND BENEFITS

The City Manager is allocated 2% of salary and benefits towards this function (estimated 40 hours \$2,319).

SERVICES AND SUPPLIES

Services and supplies are budgeted at \$1,972 for FY 2017/18.



STATEMENT OF FUNCTION

RECYCLING PROGRAM

The California Beverage Container Recycling and Litter Reduction Act (December 2014) provides the City with pass-through funds that assist in the establishment of a location to provide consumers with convenient recycling opportunities. The grant amount that the City collects (\$5,000) is redirected over to HWMA for administration and management of the recycling program. Prior to HWMA's involvement which began in 2014, the City's Recycling Department was tasked with providing responsible program development, coordination, and administration designed to bring the City into compliance with State Assembly Bill 939 (Recycling). AB939 established the current organization, structure and mission of CalRecycle.

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

2018/19 BUDGET

Pass thru funds of \$5,000.

RECYCLING & SOLID WASTE PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests	
EXPENDITURES											
5000 Full Time Salaries	2,055	2,055	2,181	2,055	2,213	2,180	1,079	1,799	1,799		
5035 Benefit - ICMA City 457	288	288	264	247	254	249	151	238	204		
5040 Benefit - Health Insurance	-	535	86	114	138	138	83	112	118		
5042 Benefit - Life Insurance	-	6	-	4	4	4	2	3	3		
5044 Benefit- Dental/Vision Ins	-	33	43	43	19	19	11	15	15		
5045 Workers Compensation Insuranc	25	20	20	23	45	32	10	27	36		
5050 Fica	188	157	175	157	174	171	89	138	138		
5055 Unemployment Insurance	-	21	-	127	8	8	7	7	7		
5069 Accrued Payroll Taxes Expense	-	-	-	-	10	-	(10)	-	-		
5101 Office Supplies	17	17	11	17	22	17	12	17	17		
5102 Operating Supplies	9	50	9	50	11	50	4	50	50		
5103 Postage	34	-	1	23	31	23	-	23	23		
5104 Printing - Forms	55	-	10	-	35	-	2	-	-		
5105 Advertising	-	50	318	-	330	-	-	-	-		
5106 Promotional	2	-	-	-	-	-	-	-	-		
5112 Legal	1,763	-	-	-	1,091	1,091	256	-	-		
5115 Contract Professional Services	12,000	5,000	7,007	7,000	7,002	8,531	(1,998)	5,000	5,000		
5120 Cell Phones	-	-	-	-	-	-	14	-	-		
5121 Telephone - Pager	6	-	6	-	13	8	13	8	8		
5122 Training - Conference	-	-	-	-	-	-	-	-	-		
5123 Automobile - Transportation	1	-	-	-	1	-	46	-	-		
5125 Publications - Books	1	-	1	-	2	-	2	-	-		
5126 Dues & Memberships	-	-	-	-	-	-	-	-	-		
5130 Rents & Leases	60	110	34	-	43	-	3	-	-		
5131 Records Maintenance	-	-	-	-	5	-	1	-	-		
5135 Maintenance - Repair	236	56	21	-	33	-	33	-	-		
5138 Office Equipment	-	-	1	-	-	-	-	-	-		
5139 Equipment	-	-	-	-	3	-	-	-	-	800 City-wide garbage cans	
5141 General Liability Insurance	221	-	198	234	482	234	323	234	234		
5143 Property Insurance	43	-	51	46	72	46	61	46	46		
5144 Emp Practice Liab Insurance	3	-	37	21	36	55	26	55	55		
5150 Electricity	38	-	39	39	71	44	40	44	44		
5151 Natural Gas	3	-	2	4	6	-	5	-	-		
5154 Garbage	1,095	1,102	2,205	650	3,028	3,028	2,573	650	650		
5171 Computer Software	-	-	-	-	-	-	23	-	-		
5173 Computer Maintenance - Suppor	19	-	35	-	44	25	33	25	25		
5174 Web Design Services	3	-	1	-	8	20	11	20	20		
Total Expenditures	18,165	9,500	12,756	10,854	15,234	15,973	2,905	8,511	8,491	800	9,291

RECYCE/SOLID WST. DEPARTMENT BUDGET FY 2018/19 PROPOSED ALLOCATIONS		
54%	5,000	RECYCLING FUND
46%	4,291	SOLID WASTE FUND
100%	9,291	TOTAL RECYCLING

RECYCLING POSITION ALLOCATIONS	
2%	CITY MANAGER



STREETS DEPARTMENT BUDGET

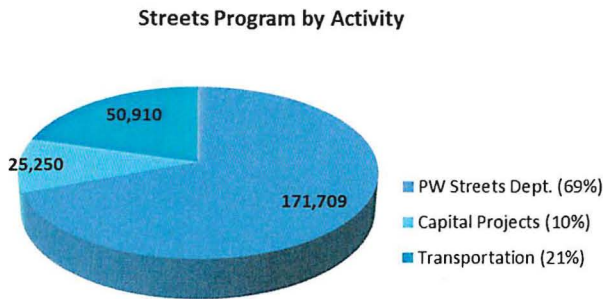
DEPARTMENT HEAD
Randy Jensen, Roads Superintendent

STATEMENT OF FUNCTION

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

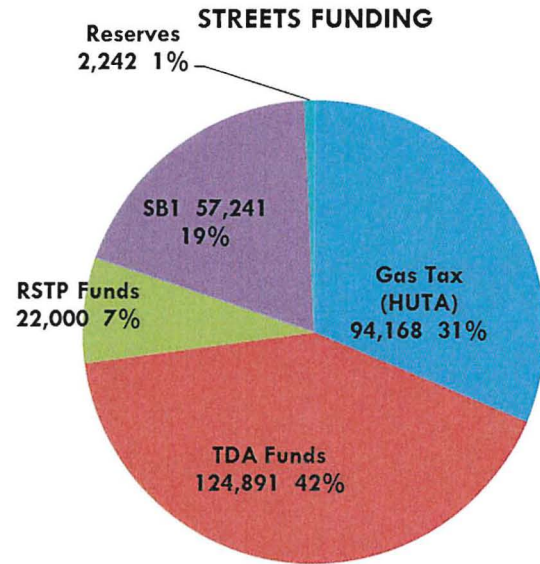
2018/19 BUDGET

The total budget for Streets Program for FY 2018/19 is \$222,619. Allocated amounts by activity are shown in the following chart:



The City's funding sources for the City's 20 miles of streets is from the Gas Tax (\$94,168), Transportation Development Act (TDA) (\$124,891), the Regional Surface Transportation Program (RSTP) (\$22,000), and SB1 funds of \$57,241. Reserves are being utilized for the remaining amounts necessary to fund the streets programs totaling \$2,242. The chart

below shows the funding sources for the FY 2018/19 streets activities including administrative costs:



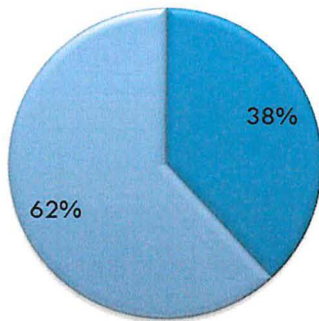
The projected streets funds combined beginning unrestricted fund balances are \$150,221. This is the fifth year that streets activities have drawn on reserves to balance the budget.

Revenues for the Street Program are inadequate to maintain the system. In 2012 the City attempted the passage of a special bond measure to rehabilitate and resurface 11.5 miles of City streets. The measure failed the 66.666% voter approval by 25 votes. SB1 funding was approved by voters in November 2017 and the City has begun collecting revenue in FY 2017/18. However voters will vote

whether or not to repeal SB1 on the ballot in November 2018.

SALARIES AND BENEFITS

Total streets costs appropriated in public works salaries and benefits are \$84,824 a 17% decrease from the prior year's budget. Salaries and benefits for the Streets Department is 62% of budgeted appropriations.



■ Salaries and Benefits ■ Services and Supplies

SERVICES AND SUPPLIES

The service and supply object line items for 2018/19 was approved at \$137,795. This is an increase of \$3,495 from 2017/18.

The Streets line item, which is used for City streets projects (5108) remains unchanged and is budgeted at \$18,000 for 2018/19. The amount is to allow for streets maintenance and repairs for problem areas in the City.

Streets Maintenance and Repairs (5135) remains unchanged and is budgeted for \$6,300. The following

chart highlights Streets Dept. expenditure items listed in order of amount.

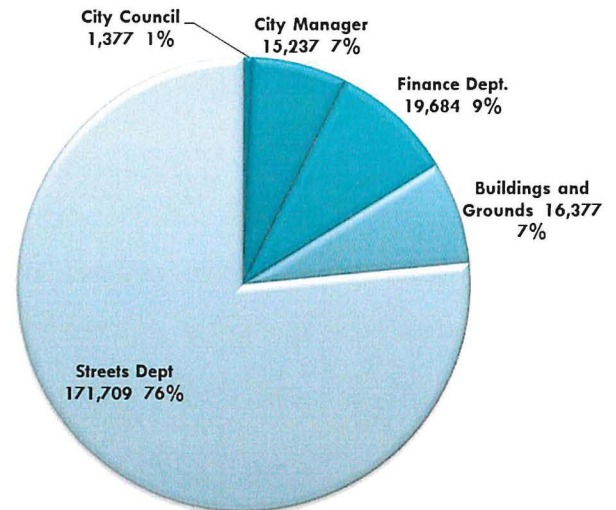
CAPITAL PROJECTS

The budget was adopted with \$25,250 in capital and equipment purchases. The following chart lists amounts by project:

2018/19 STREETS FUNDS PROPOSED CAPITAL PROJECTS	
Utility Truck	7,000
Four Ft. Roller & Trailer	16,500
Forklift	750
Access TV (\$20,000 Council Allocation)	1,000
TOTAL	25,250

STREETS FUNDING DETAILS BY DEPARTMENT

FY 2018/19 PROPOSED STREETS FUNDS OPERATIONS BY DEPARTMENT



The Streets funds support a small percentage of administrative services for the City. The chart above shows amounts allocated by department.

STREETS DEPARTMENT PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	1/31/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5000 Full Time Salaries	78,923	82,525	52,852	60,393	28,583	45,158	19,867	64,147	46,827	4,110 P/T Utility Maint. W. I
5030 Overtime Salaries	722	3,004	1,098	3,126	394	1,579	187	-	1,961	
5035 Benefit - ICMA City 457	7,628	8,123	5,338	6,448	2,539	3,073	1,811	5,661	4,969	
5040 Benefit - Health Insurance	15,785	15,705	10,099	12,187	5,757	6,734	5,031	15,422	12,972	
5041 Health Savings	-	-	690	812	504	84	-	-		
5042 Benefit - Life Insurance	246	235	117	187	128	104	102	278	236	
5044 Benefit - Dental/Vision Insur	2,274	2,108	1,866	2,259	867	1,106	571	2,158	1,753	
5045 Worker Compensation Insurance	13,563	14,942	8,951	11,097	6,926	6,051	3,416	9,359	6,556	575 P/T Utility Maint. W. I
5050 FICA	6,752	6,313	4,667	4,921	2,540	2,298	1,681	4,774	3,582	314 P/T Utility Maint. W. I
5055 Unemployment Insurance	902	825	493	705	459	314	401	689	552	143 P/T Utility Maint. W. I
5060 Clothing Allowance	549	825	410	685	167	325	32	724	274	
5069 Accrued Payroll Taxes Expense	-	-	85	-	52	-	(136)	-		
5101 Office Supplies	239	90	381	300	139	300	49	300	300	
5102 Operating Supplies	724	930	1,350	1,050	217	1,200	396	1,200	1,200	
5103 Postage	24	26	15	20	18	20	43	20	20	
5104 Printing - Forms	124	28	74	160	59	160	11	160	160	
5105 Advertising	-	188	35	-	57	188	23	188	188	
5106 Promotional	29	-	-	-	-	-	-	-	-	
5108 Streets	5,161	14,025	18,261	18,000	12,162	18,000	7,285	18,000	18,000	
5109 Chemicals	65	-	87	-	209	-	-	-	-	
5112 Legal	36	1,373	225	1,200	421	1,200	-	850	850	
5115 Contract/Professional Services	47,260	47,276	49,013	47,479	48,228	48,365	29,013	48,365	50,910	
5119 Safety Supplies & Equipment	59	173	245	175	347	805	78	805	805	
5120 Cell Phones	1,020	1,068	914	688	271	-	709	-	-	
5121 Telephone - Pager	1,267	-	1,048	1,662	509	2,350	230	1,700	1,700	
5122 Training - Conference	196	-	85	250	-	250	14	250	250	
5123 Auto/Transportation - Public Woi	15	151	2	150	42	150	20	150	150	
5125 Publications - Books	9	10	9	10	15	10	-	10	10	
5126 Dues & Memberships	58	155	49	100	19	100	19	100	100	
5127 License	-	10	-	10	-	10	-	10	10	
5130 Rents - Leases	682	493	732	710	528	780	11	780	780	
5131 Records Maintenance	30	46	29	40	49	40	6	80	80	
5135 Maintenance - Repair	1,944	1,934	2,406	6,300	4,333	6,300	1,269	6,300	6,300	
5136 Parks Maintenance-Repair	10	-	-	-	-	-	-	-	-	
5138 Office Equipment - P.W.	91	39	281	130	64	130	25	130	130	
5139 Equipment	137	1,476	284	1,200	195	1,200	47	1,200	1,200	
5141 General Liability Insurance	3,034	2,347	2,551	3,255	4,702	3,255	1,969	6,241	6,241	
5143 Property Insurance	594	739	666	637	787	637	369	1,021	1,021	
5144 Employee Practice Liability Insur	45	173	488	290	382	685	161	400	400	

STREETS DEPARTMENT PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	1/31/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5148 Office Equipment	-	33	-	-	-	-	-	-	-	
5150 Electricity	24,555	25,000	24,668	25,889	21,630	26,666	13,157	24,500	24,500	
5151 Natural Gas	42	38	29	122	52	126	32	126	126	
5152 Water	3,341	3,881	2,328	4,100	7,980	4,223	6,874	7,200	7,200	
5154 Garbage	-	64	17	-	-	-	-	-	-	
5162 Medical	66	30	29	30	26	30	16	60	60	
5164 Regulatory Fees	7	90	69	90	661	90	159	90	90	
5171 Computer Software	-	75	48	75	1	75	-	75	75	
5173 Computer Maintenance - Suppo	151	79	347	165	210	415	-	415	415	
5174 Web Design Services	42	18	18	40	77	75	-	125	125	
5212 Gas & Oil	4,542	1,508	3,422	4,350	1,161	4,350	791	4,350	4,350	
5213 Vehicle Repair	1,211	1,861	2,425	1,800	213	1,800	258	1,800	1,800	
5215 Public Works - Small Tools	531	781	1,700	780	158	780	128	780	780	
5217 License	-	10	-	10	-	10	-	10	10	
5227 Public Works - Equip. Repair	715	718	1,691	700	1,963	1,510	613	1,755	1,755	
5229 Public Works - Equip. Rental	154	-	-	-	-	-	43	-	-	
5514 Engineering	3,411	23,000	3,124	5,004	2,126	5,004	1,048	5,704	5,704	
Total Expenditures	228,965	264,541	205,811	229,791	158,927	198,115	97,829	238,462	217,476	5,143 222,619

STREETS DEPARTMENT BUDGET FY 2018/19 PROPOSED		
40%	89,573	GAS TAX FUND (HUTA)
50%	110,649	TDA FUND (\$50,910 pass thru)
10%	22,396	RSTP FUND
100%	222,619	TOTAL STREETS DEPT.

SEWER DEPT. POSITION ALLOCATIONS	
5%	WASTEWATER SUP. TRAINEE
5%	WATER/ROADS SUP.
8%	WASTEWATER OP
30%	UTILITY LEADMAN
34%	UTILITY MAINT. WORKER



BUILDINGS AND GROUNDS BUDGET

DEPARTMENT HEAD
Randy Jensen, Superintendent

STATEMENT OF FUNCTION

The City's Buildings and Grounds Department is part of Public Works. This department is tasked with the maintenance of City owned buildings and grounds. These areas include three City parks and City Hall and its adjacent areas. The three parks include Triangle Park, Davis Street Park, and Memorial Park. The 2017/18 fiscal year is the fourth year that a departmental budget has been fully developed and made a necessary part of the City's Operating and Capital Budget.

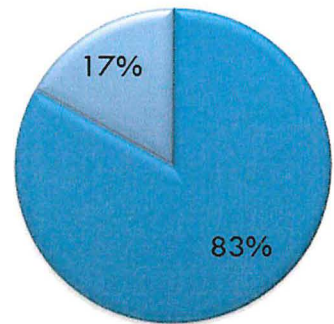
\$25,671 (28%) to the General Fund, \$16,377 (18%) to Streets, \$24,894 (27%) to Sewer Operations, and \$24,894 (27%) to the Water Fund.

Salaries and benefits comprise 83% of the Building and Grounds Dept. budget while the remaining budgeted amount (17%) is mainly for maintenance and repairs.

2017/18 BUDGET

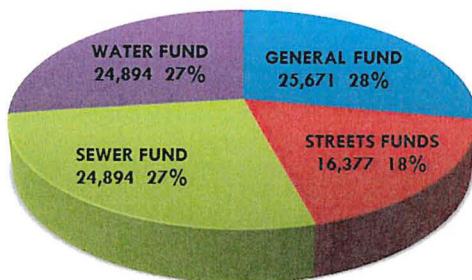
The recommended budget for the Building and Grounds Department is \$91,836. This is an increase of \$22,490 from last year's budget of \$42,107. Salaries and benefits costs are based on estimated staff time to be spent in the Buildings and Grounds Dept.

Buildings and Grounds



- Salaries and Benefits
- Services and Supplies

Buildings and Grounds by Fund



As shown in the previous chart expenditures by fund as adopted is

BUILDINGS AND GROUNDS PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests
Revenue										
Total Revenue	-	-	-	-	-	-	-	-		
EXPENDITURES										
5000 Full Time Salaries	31,367	36,798	25,908	32,518	22,493	18,742	18,232	14,728	38,485	6,850 P/T Utility Maint. I
5030 Overtime Salaries	502	1,612	137	1,683	8	1,040	-	-	1,907	
5035 Benefit - ICMA City 457	2,899	2,687	2,369	3,472	1,803	2,025	1,505	1,210	4,067	
5040 Benefit - Health Insurance	9,206	6,649	11,077	6,561	3,148	4,439	2,318	3,820	12,499	
5041 Health Savings	-	-	793	439	276	37	-	-		
5042 Benefit - Life Insurance	118	83	128	102	69	68	56	71	229	
5044 Benefit - Dental/Vision Insur	1,339	909	2,025	1,217	472	728	299	541	1,721	
5045 Worker Compensation Insurance	5,635	4,693	4,334	5,976	4,955	3,985	3,123	2,132	5,388	959 P/T Utility Maint. I
5050 FICA	2,551	2,057	2,223	2,651	1,862	1,515	1,521	1,087	2,944	524 P/T Utility Maint. I
5055 Unemployment Insurance	321	268	275	381	287	205	273	177	486	238 P/T Utility Maint. I
5060 Clothing Allowance	90	286	112	336	-	215	-	185	285	
5069 Accrued Payroll Taxes Expense	-	-	44	-	37	-	(81)	-	-	
5080 Hiring Costs	-	-	-	-	-	-	56	-	-	
5081 Compensated Absences Payabl	-	-	-	-	240	-	-	-	-	
5101 Office Supplies	119	-	117	-	36	108	23	-	-	
5102 Operating Supplies	280	151	364	365	50	365	8	-	-	
5103 Postage	20	-	13	16	6	17	-	17	17	
5104 Printing - Forms	60	-	68	68	19	68	18	40	40	
5106 Promotional	21	-	-	32	15	32	-	32	32	
5107 Memorial Park Expense	503	1,300	-	1,101	-	1,100	92	1,100	1,100	
5109 Chemicals	175	-	16	-	197	-	-	80	80	
5112 Legal	29	-	-	-	-	-	-	100	100	
5115 Contract/Professional Services	-	-	66	-	4	-	373	-	-	
5119 Safety Supplies & Equipment	48	151	79	153	-	155	-	155	155	
5120 Cell Phones	889	-	352	1,100	154	1,100	525	197	197	
5121 Telephone - Pager	67	-	73	122	24	122	25	47	47	
5122 Training - Conference	5	-	-	-	-	-	-	10	10	
5123 Automobile - Transportation	12	-	-	-	-	-	-	15	15	
5125 Publications - Books	7	-	7	11	3	12	3	12	12	
5126 Dues & Memberships	4	-	-	6	-	5	1	-	-	
5130 Rents - Leases	386	-	316	423	117	423	172	157	157	
5131 Records Maintenance	4	-	-	6	9	5	1	18	18	
5135 Maintenance - Repair	2,366	-	1,324	1,557	1,487	1,557	2,735	6,552	3,650	
5136 Parks Maintenance - Repair	1,416	4,251	-	2,024	27	2,023	-	2,023	2,023	
5138 Office Equipment	-	-	11	-	-	-	-	-	-	
5139 Equipment	250	800	-	799	7	800	-	800	800	

BUILDINGS AND GROUNDS PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests
Revenue										
Total Revenue	-	-	-	-	-	-	-	-		
EXPENDITURES										
5141 General Liability Insurance	2,483	-	1,836	2,632	904	2,632	606	1,450	1,450	
5143 Property Insurance	486	-	497	514	136	515	114	586	586	
5144 Emp Practice Liab Insurance	37	-	381	234	67	455	49	229	229	
5150 Electricity	979	-	1,150	937	499	965	236	1,110	1,110	
5151 Natural Gas	34	-	24	42	10	43	9	40	40	
5152 Water	1,634	1,728	-	501	1,072	1,072	5,871	1,072	1,072	
5171 Computer Software	-	-	-	-	-	-	44	-	-	
5173 Computer Maintenance - Suppo	138	-	301	153	73	183	61	69	69	
5174 Web Design Services	34	-	14	21	15	295	20	295	295	
5212 Gas & Oil	468	1,500	10	500	-	500	-	500	500	
5215 Public Works - Small Tools	756	1,000	298	184	-	183	24	150	150	
5227 Public Works - Equip. Repair	552	851	453	799	1,638	800	32	800	800	
5229 Public Works - Equip. Rental	234	751	-	500	-	500	-	500	500	
Total Expenditures	68,524	68,525	57,195	70,136	42,219	49,034	38,344	42,107	83,265	8,571 91,836

BUILDINGS AND GROUNDS BUDGET FY 2018/19 PROPOSED ALLOCATIONS		
28%	25,671	GENERAL FUND
18%	16,377	STREETS FUNDS
27%	24,894	SEWER FUND
27%	24,894	WATER FUND
100%	91,836	TOTAL BUILDINGS & GRND.

BDLG & GRNDS DEPT. POSITION ALLOCATIONS	
0%	WASTEWATER SUP. TRAINEE
0%	WATER/ROADS SUP.
0%	WASTEWATER OP
50%	UTILITY LEADMAN
26%	UTILITY MAINT. WORKER



WATER ENTERPRISE BUDGET

DEPARTMENT HEAD
Randy Jensen, Superintendent

STATEMENT OF FUNCTION

The City Public Works Department is responsible for the daily operation and maintenance of the water system, including the Infiltration Gallery (in the Eel River), water processing plant, three (3) storage tanks and almost 20 miles of piping under City streets. In addition, the Metropolitan Wells are anticipated to be fully operational by the end of FY 2018/19.

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

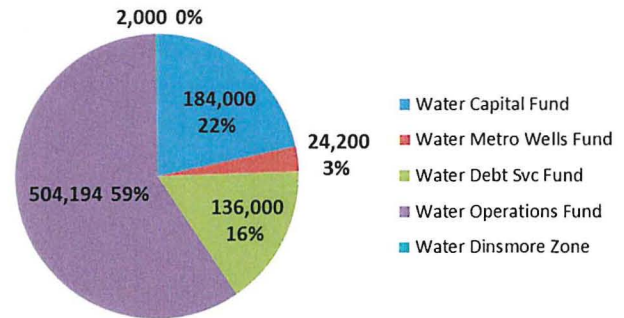
A rate study was passed in December 2015 that increased rates in order to maintain the current system and provide revenues to secure funding for improvements to the aging infrastructure.

2018/19 BUDGET

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

reserve build up since the water rate increase in 2015.

Appropriations for Water Activities



SALARIES AND BENEFITS

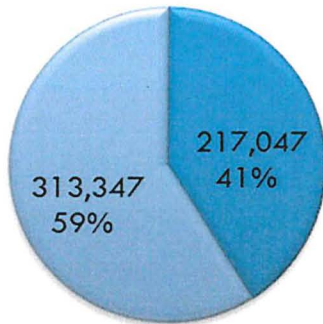
The budget includes \$217,047 of salary and benefits for the Water Superintendent (90%) and a portion of the City's 2.25 Utility Maintenance I Workers (20%), a Leadman (10%), as well as a salary allocation for the Wastewater Superintendent (5%), a Water Operator (50%), Wastewater Operator (46%).

WATER DEPT. POSITION ALLOCATIONS	
5%	WASTEWATER SUP. TRAINEE
90%	WATER/ROADS SUP.
50%	WATER OPERATOR
46%	WASTEWATER OPERATOR
10%	UTILITY LEADMAN
20%	UTILITY MAINT. WORKER

Salaries and benefits have been increased for 2017/18 for an additional amount of \$46,731 in comparison to the prior year. The Water Operations Department as a part of Public Works accounts for 33% of the labor costs for streets,

sewer, water, and buildings and grounds activities.

Water Department



- Salaries and Benefits
- Services and Supplies

SERVICES AND SUPPLIES

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

CAPITAL EXPENDITURES

The recommended Capital Expenditure Budget unit includes the amount of \$184,000 for water capital projects. These items are discussed in further detail in the capital projects section.

2018/19 WATER FUND PROPOSED CAPITAL PROJECTS	
Utility Truck	14,000
Four Ft. Roller & Trailer	8,250
Forklift	2,250
Water Plant Effluent Redirection	50,000
Filter Coating	25,000
Tank Paint (Douglas)	30,000
Steel Tank Coating	25,000
Access TV (\$20,000 Council spread)	6,000
Water Meter Replacement	12,000
Water Storage Tank Cleaning & Insp.	6,500
Calibrate SCADA Servers	5,000
TOTAL	184,000

WATER DEPARTMENT PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	1/31/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5000 Full Time Salaries	37,622	49,586	59,248	65,039	67,196	67,613	48,392	109,931	110,872	23,862 Water Op & P/T UM W.
5030 Overtime Salaries	2,853	1,612	2,475	3,368	2,082	3,530	918	-	3,187	
5035 Benefit - ICMA City 457	4,763	6,192	6,274	6,945	6,624	6,870	4,914	10,887	11,952	2,249 Water Op & P/T UM W.
5040 Benefit - Health Insurance	10,020	10,376	9,489	13,125	12,054	15,052	12,242	19,957	20,481	8,412 Water Op & P/T UM W.
5041 Health Savings	-	-	664	875	780	360	-	-		
5042 Benefit - Life Insurance	176	171	140	202	256	233	243	374	353	135 Water Op & P/T UM W.
5044 Benefit - Dental/Vision Insur	1,410	1,375	1,668	2,432	1,577	2,471	1,509	2,714	2,741	1,218 Water Op & P/T UM W.
5045 Worker Compensation Insuranc	6,572	9,797	10,010	11,951	15,204	13,527	8,316	16,252	15,522	3,341 Water Op & P/T UM W.
5050 FICA	3,460	3,793	5,291	5,300	5,875	5,136	4,188	8,288	8,482	1,825 Water Op & P/T UM W.
5055 Unemployment Insurance	564	496	532	760	756	702	573	928	909	286 Water Op & P/T UM W.
5060 Clothing Allowance	690	461	695	550	811	728	118	975	971	250 Water Op & P/T UM W.
5069 Accrued Payroll Taxes Expense	-	-	176	-	(15)	-	(161)	-		
5081 Compensated Absences Payabl	(1,672)	-	(542)	-	2,668	-	-	-		
5101 Office Supplies	636	-	1,178	300	710	300	668	600	600	200 Addition
5102 Operating Supplies	1,066	4,000	1,973	4,000	1,086	9,000	514	3,100	3,100	3,000 Metropolitan Wells
5103 Postage	2,827	1,800	2,376	1,800	3,332	1,800	1,326	3,700	3,700	
5104 Printing - Forms	2,687	200	372	3,600	1,121	3,600	860	1,900	1,900	
5105 Advertising	-	450	46	450	475	450	83	450	450	
5106 Promotional	78	-	-	-	-	-	-	-		
5107 Memorial Park Expense	(135)	-	-	-	-	-	-	-		
5108 Streets	1,539	1,300	-	2,000	-	2,000	-	2,000	2,000	
5109 Chemicals	15,116	23,000	24,726	23,000	15,333	23,000	9,186	26,300	26,300	3,000 Metropolitan Wells
5112 Legal	12,689	20,000	7,688	10,000	2,101	10,000	2,084	10,000	10,000	
5115 Contract/Professional Services	10,433	65,000	1,769	40,000	1,834	40,000	2,830	15,000	15,000	30,000 Water Rate Analysis
5119 Safety Supplies & Equipment	63	505	249	505	1,088	905	102	1,350	1,350	
5120 Cell Phones	831	3,184	893	-	1,665	1,050	710	1,650	1,650	
5121 Telephone - Pager	1,802	-	1,532	3,184	1,687	2,134	1,205	2,000	2,000	
5122 Training - Conference	1,664	2,000	2,390	2,000	6	2,000	149	2,000	2,000	1,500 Addition
5123 Auto/Transportation - Public Wo	862	250	645	250	2	250	231	450	450	
5125 Publications - Books	26	100	26	100	275	100	75	100	100	150 Addition
5126 Dues & Memberships	856	1,800	853	1,800	483	1,800	68	900	900	1,000 Addition
5127 License	700	-	310	350	60	350	226	350	350	
5128 Employee Relations	-	60	-	60	-	60	-	60	60	
5130 Rents - Leases	1,790	1,000	1,376	2,000	1,911	2,000	1,569	1,700	1,700	
5131 Records Maintenance	45	-	38	50	193	50	46	200	200	
5135 Maintenance - Repair	17,069	40,000	36,186	53,000	28,754	32,862	7,059	67,920	69,920	(11,900) Adjustment
5136 Parks Maintenance-Repair	(431)	-	-	-	-	-	-	-		
5138 Office Equipment - P.W.	1,449	1,500	1,020	1,500	396	1,500	362	1,020	1,020	1,500 Addition

WATER DEPARTMENT PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	1/31/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5139 Equipment	2,500	4,000	7,091	4,000	8,281	4,000	3,235	4,000	4,000	3,000 Metropolitan Wells
5141 General Liability Insurance	8,606	7,642	7,389	9,112	15,130	9,112	9,657	10,584	10,584	
5143 Property Insurance	1,685	1,695	1,917	1,784	2,515	1,784	1,812	1,731	1,731	
5144 Employee Practice Liab Insuran	129	563	1,394	813	1,223	1,531	788	678	678	
5150 Electricity	19,733	54,000	19,079	20,147	18,244	18,488	12,326	20,751	27,551	5,000 Metro Wells & DM Zone
5151 Natural Gas	118	150	83	140	177	144	108	265	265	
5152 Water	277	-	192	380	612	391	-	-	-	
5153 Sewer	22,297	43,500	29,917	26,500	46,577	46,577	22,515	43,700	43,700	
5154 Garbage	-	100	22	100	-	100	184	100	100	
5162 Medical	82	300	38	300	391	300	59	300	300	
5164 Regulatory Fees	5,402	8,000	6,789	16,500	9,955	16,500	8,451	8,000	8,000	
5171 Computer Software	1	450	125	450	2	450	3	450	450	1,050 Addition
5173 Computer Maintenance - Suppo	449	1,000	1,708	500	1,968	750	1,625	1,923	1,923	1,500 Metropolitan Wells
5174 Web Design Services	119	55	50	80	247	180	429	460	460	
5212 Gas & Oil	5,841	5,000	4,711	6,000	3,773	6,000	2,710	6,000	6,000	
5213 Vehicle Repair	1,694	2,200	3,233	2,200	818	2,200	948	2,200	2,200	1,500 Addition
5215 Public Works - Small Tools	615	2,500	1,408	2,500	731	2,500	523	875	875	
5217 License	-	30	-	30	-	30	-	30	30	
5225 Public Works - Lab Testing	3,389	3,500	4,542	10,000	3,881	10,000	2,230	5,500	5,500	6,200 Metro Wells Lab Tests
5227 Public Works - Equip. Repair	727	2,800	813	2,800	1,356	2,800	1,598	2,800	2,800	3,000 Metropolitan Wells
5229 Public Works - Equip. Rental	375	-	-	250	-	250	-	250	250	
5514 Engineering	-	1,500	2,103	1,500	802	1,500	12,223	15,500	1,500	
6000 Fixed Asset - Equipment	7,078	-	-	-	-	-	-	-	-	
Total Expenditures	221,237	388,993	274,370	366,582	295,063	377,020	192,029	439,153	439,116	91,278 530,394

WATER OPERATIONS DEPARTMENT BUDGET FY 2018/19 PROPOSED ALLOCATIONS		
100.0%	530,394	WATER OPERATIONS FUND

WATER DEPT. POSITION ALLOCATIONS	
5%	WASTEWATER SUP. TRAINEE
90%	WATER/ROADS SUP.
50%	WATER OPERATOR
46%	WASTEWATER OPERATOR
10%	UTILITY LEADMAN
20%	UTILITY MAINT. WORKER

STATEMENT OF FUNCTION

The City's Public Works Department is responsible for the daily operation and maintenance of the Wastewater system including the main processing plant located at the City Corporation Yard and the wastewater irrigation site north of the City on Metropolitan Avenue. Also maintained by Public Works are almost 20 miles of piping under City streets.

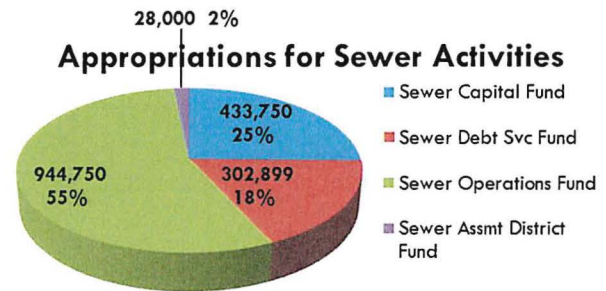
The Sewer Funds are operating as Enterprise Funds. The fees for wastewater service are intended to cover all of the operating and disposal costs, maintenance of aging sewer lines and pumps and the replacement of the capital assets (as needed) and debt service originally totaling over \$6 million. Debt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

The City Council voted to change the wastewater rate structure from a fixed charge to a rate structure based 70% on a fixed rate and 30% on volume, factored on strength of wastewater customer classes. The new sewer rates took effect with the August 2014 billing cycle.

REVIEW OF FUNDS

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

The following chart shows expenditures for the FY 2018/19.



The Sewer Assessment District Fund has been collecting payments on the 1978 Sewer Assessment Bond and will be paid off in 2018/19. The final payment is \$30,000.

2018/19 BUDGET

The approved operations budget totals \$685,644, an increase of \$155,161 from 2017/18.

SALARIES AND BENEFITS

Salaries and benefits total \$283,865, \$94,511 more than last year. The Sewer Department as a part of Public Works is 43% of all labor costs. The positions of Wastewater

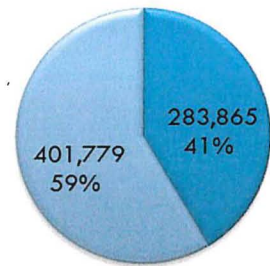
Operator and Wastewater Operator in Training have been added to this year's budget. The following list highlights staffing allocations for the Sewer Department.

SEWER DEPT. POSITION ALLOCATIONS	
90%	WASTEWATER SUP. TRAINEE
5%	WATER/ROADS SUP.
46%	WASTEWATER OP
10%	UTILITY LEADMAN
20%	UTILITY MAINT. WORKER
50%	WASTEWATER OPERATOR
100%	WASTEWATER OP IN TRAINING

- Natural gas \$22,000

SEWER COSTS BY CATEGORY

Sewer Department



- Salaries and Benefits
- Services and Supplies

Labor is 41% of the Sewer Department's total budget.

SERVICES AND SUPPLIES

Services and supplies total \$401,779, which is \$7,766 more than 2017/18.

Major cost centers of note:

- Electricity (5150) \$137,434
- Chemicals (5109) \$32,675
- Contract Professional (5115) additional \$30,000 for a rate analysis study; total Contract Professional \$43,500
- Lab testing (5225) Additional \$10,000 for Toxicity Identification Evaluation for a total of \$26,800
- Water (\$5152) \$19,560

CAPITAL PROJECTS

2018/19 SEWER FUND PROPOSED CAPITAL PROJECTS	
Chloring Generator	9,000
Sludge Dryer Boiler	15,000
Belt Press	4,000
All Pump Motors	40,000
Aeromod Plant	15,000
Lift Stations	8,000
I&I Reductions	35,000
Misc. Equipment	20,000
Headworks	10,000
Electrician	4,500
Blower Room	4,500
Valves	8,500
Fern St. Pump Housing Repairs	3,500
Painter Street Pipe Upsize	200,000
Contact Basin Covers/solar frames	10,000
Utility Truck	14,000
Four Ft. Roller & Trailer	8,250
Forklift	18,500
Access TV (\$20,000 Council spread)	6,000
TOTAL	433,750

WASTEWATER DEPARTMENT PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	1/31/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5000 Full Time Salaries	93,261	82,405	100,694	86,013	86,714	92,828	55,740	117,443	102,807	58,862 WW Op OIT,P/T UM W.
5030 Overtime Salaries	2,729	1,099	2,595	1,443	1,704	2,086	1,759	-	5,156	
5035 Benefit - ICMA City 457	9,982	9,522	10,584	9,695	9,307	9,625	5,297	11,322	11,165	5,749 WW Op OIT,P/T UM W.
5040 Benefit - Health Insurance	24,416	25,556	19,468	22,318	19,611	24,312	15,200	27,972	28,100	25,236 WW Op OIT,P/T UM W.
5041 Health Savings	-	-	853	375	840	720	-	-	-	
5042 Benefit - Life Insurance	293	278	232	278	291	330	283	432	353	405 WW Op OIT,P/T UM W.
5044 Benefit - Dental/Vision Insur	3,279	3,383	3,148	3,545	2,882	3,963	2,335	3,872	3,985	3,654 WW Op OIT,P/T UM W.
5045 Worker Compensation Insuranc	13,916	14,981	15,971	15,279	19,266	17,876	9,602	17,296	14,393	8,241 WW Op OIT,P/T UM W.
5050 FICA	7,628	6,560	8,414	6,757	7,281	6,787	4,689	8,821	7,865	4,503 WW Op OIT,P/T UM W.
5055 Unemployment Insurance	817	857	870	760	1,362	849	895	1,071	909	762 WW Op OIT,P/T UM W.
5060 Clothing Allowance	647	770	919	730	1,277	930	554	1,125	971	750 WW Op OIT,P/T UM W.
5069 Accrued Payroll Taxes Expense	-	-	62	-	110	-	(172)	-	-	
5080 Hiring Costs	-	-	-	-	67	-	859	629	-	
5081 Compensated Absences Payab	(1,937)	-	(2,052)	-	1,606	-	-	-	-	
5101 Office Supplies	611	500	767	500	926	500	1,161	525	525	
5102 Operating Supplies	2,514	2,000	2,066	2,000	2,475	2,000	611	3,300	3,300	
5103 Postage	2,521	1,700	2,704	2,400	5,766	2,400	1,632	3,700	3,700	
5104 Printing - Forms	584	125	276	465	762	465	1,006	1,900	1,900	
5105 Advertising	-	700	465	200	584	200	83	500	500	
5106 Promotional	91	-	9	-	-	-	-	90	90	
5107 Memorial Park Expense	(135)	-	-	-	-	-	-	-	-	
5108 Streets	24	1,000	-	1,000	-	1,000	-	1,000	1,000	
5109 Chemicals	23,439	29,000	22,001	30,000	37,423	30,000	22,018	32,675	32,675	
5112 Legal	1,348	500	65	500	7,653	500	46	500	500	2,000 Additional funds
5115 Contract/Professional Services	3,360	5,000	7,620	2,000	22,523	29,003	7,665	13,500	13,500	30,000 Sewer Rate Analysis
5119 Safety Supplies & Equipment	58	1,000	322	1,000	2,329	1,400	652	2,150	2,150	
5120 Cell Phones	1,577	3,500	1,777	-	1,535	1,415	475	1,415	1,415	
5121 Telephone - Pager	903	-	1,219	2,440	2,103	1,025	1,243	2,000	2,000	
5122 Training - Conference	1,639	1,350	45	1,350	764	1,350	2,868	4,668	1,350	
5123 Automobile - Transportation	1,090	500	-	500	1,534	500	1,056	1,553	500	
5125 Publications - Books	26	200	152	200	344	200	72	575	575	
5126 Dues & Memberships	301	1,000	279	1,000	79	1,000	68	-	-	
5127 License	710	100	-	260	2,968	1,000	350	800	800	
5128 Employee Relations	-	50	-	50	-	50	-	50	50	
5130 Rents - Leases	1,867	1,300	1,382	1,968	2,227	1,968	1,564	2,105	2,105	
5131 Records Maintenance	31	150	29	40	232	40	45	196	196	
5135 Maintenance - Repair	15,443	15,000	9,159	20,000	11,895	20,000	22,857	38,446	20,000	5,000 Additional funds
5136 Parks Maintenance-Repair	(431)	-	-	-	-	-	-	-	-	
5138 Office Equipment - P.W.	319	1,200	1,345	800	261	800	1,526	800	800	

WASTEWATER DEPARTMENT PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	1/31/2018 Actual	6/30/2018 Budget	Proposed	Requests	
EXPENDITURES											
5139 Equipment	6,407	4,500	4,266	4,500	9,618	4,500	8,911	8,917	4,500		
5141 General Liability Insurance	8,827	9,389	7,875	9,329	18,988	9,329	11,131	17,817	17,817		
5143 Property Insurance	1,728	2,083	2,022	1,827	3,340	1,827	2,088	2,915	2,915		
5144 Emp Practice Liab Insurance	132	692	1,452	832	1,607	1,680	908	1,141	1,141		
5150 Electricity	125,877	108,327	120,455	133,431	125,438	133,431	91,588	137,434	137,434		
5151 Natural Gas	17,078	20,000	18,568	22,566	23,013	23,243	9,379	22,000	22,000		
5152 Water	21,893	33,600	32,826	28,500	21,853	29,355	19,543	19,560	19,560		
5153 sewer	169	-	-	50	-	-	-	-			
5154 Garbage	-	1,000	17	-	-	-	-	-			
5162 Medical	40	250	29	250	613	250	148	490	490		
5164 Regulatory Fees	7,863	15,000	8,395	15,000	9,115	15,000	8,013	8,600	8,600		
5165 Property Tax Assessment	6,115	-	2,242	-	2,372	2,242	2,385	2,443	2,443		
5171 Computer Software	99	500	2,057	500	3	500	220	500	500		
5173 Computer Maintenance - Supp	740	500	1,429	920	2,603	1,290	1,340	2,805	2,805		
5174 Web Design Services	122	65	51	75	310	175	410	375	375		
5212 Gas & Oil	3,195	2,500	3,716	3,002	4,852	3,002	2,719	4,017	4,017		
5213 Vehicle Repair	2,117	3,000	3,639	2,500	997	2,500	948	2,500	2,500		
5215 Public Works - Small Tools	987	2,646	1,450	2,300	1,997	2,300	852	1,250	1,250		
5225 Public Works - Lab Testing	12,325	12,500	13,034	12,500	34,440	34,440	6,808	16,800	16,800	10,000	
5227 Public Works - Equip. Repair	6,976	2,750	8,868	2,750	46,866	46,866	9,620	15,501	15,501		
5229 Public Works - Equip. Rental	(23)	1,000	-	1,000	540	1,000	1,825	1,500	1,500		
5430 Fines/Penalties	-	2,000	-	2,000	-	1,000	-	1,000	1,000		
5514 Engineering	-	1,000	126	1,000	177	1,000	-	13,000	1,000		
5520 Improvements	-	1,000	-	1,000	-	1,000	-	1,000	1,000		
Total Expenditures	435,588	435,588	445,957	461,698	565,443	573,052	342,875	583,996	530,483	155,161	685,644

SEWER OPERATIONS DEPARTMENT BUDGET FY 2018/19		
100.0%	685,644	SEWER OPERATIONS FUND

SEWER DEPT. POSITION ALLOCATIONS	
90%	WASTEWATER SUP. TRAINEE
5%	WATER/ROADS SUP.
46%	WASTEWATER OP
10%	UTILITY LEADMAN
20%	UTILITY MAINT. WORKER
50%	WASTEWATER OPERATOR
100%	WASTEWATER OP IN TRAINING

ADMIN CAR PROPOSED BUDGET - FY 2018/19

	6/30/2015 Actual	6/30/2015 Budget	6/30/2016 Actual	6/30/2016 Budget	6/30/2017 Actual	6/30/2017 Budget	2/28/2018 Actual	6/30/2018 Budget	Proposed	Requests
EXPENDITURES										
5135 Maintenance - Repair	125	-	32	500	17	500	-	500	500	
5212 Gas & Oil	374	-	403	700	216	500	108	650	400	
5213 Vehicle Repair	66	-	44	-	-	250	86	1,500	300	
Total Expenditures	565	-	479	1,200	233	1,250	194	2,650	1,200	

ADMIN FUND BUDGET FY 2018/19 PROPOSED		
100.0%	1,200	ADMIN FUND
100%	1,200	TOTAL ADMIN FUND

FY 2018/19 PROPOSED BUDGET VARIANCE COMPARED TO PRIOR YEAR (FY 2017/18)

ACCOUNT	ADOPTED BUDGET FY 2017/18	PROPOSED BUDGET FY 2018/19	VARIANCE	PROPOSED REQUESTS FY 2018/19	PROPOSED BUDGET INC. REQUESTS	VARIANCE
SALARIES AND BENEFITS						
5000 Full Time Salaries	1,085,473	1,102,341	16,868	139,455	1,241,796	156,323
5026 Part Time Temporary Salaries	24,621	26,114	1,493	-	26,114	1,493
5030 Overtime Salaries	23,405	12,211	(11,194)	-	12,211	(11,194)
5032 Retirement - City Manager	-	-	-	-	-	-
5035 Benefit - ICMA City 457	141,419	144,911	3,492	16,739	161,650	20,231
5040 Benefit - Health Insurance	200,062	234,430	34,368	50,472	284,902	84,840
5041 Health Savings	-	-	-	-	-	-
5042 Benefit - Life Insurance	3,867	3,894	27	810	4,704	837
5044 Benefit - Dental/Vision Insur	28,329	31,511	3,182	7,303	38,814	10,485
5044 Benefit- Dental/Vision Ins	15	15	(0)	-	15	(0)
5045 Worker Compensation Insurance	85,815	90,501	4,686	18,609	109,110	23,295
5045 Workers Compensation Insurance	27	36	9	-	36	9
5050 FICA	72,797	74,393	1,596	10,669	85,061	12,264
5050 FICA/MEDI	11,451	11,934	483	-	11,934	483
5055 Unemployment Insurance	9,054	9,520	466	1,904	11,424	2,370
5060 Clothing Allowance	6,759	6,250	(509)	1,750	8,000	1,241
5069 Accrued Payroll Taxes Expense	-	-	-	-	-	-
5080 Hiring Costs	3,629	3,000	(629)	-	3,000	(629)
5081 Compensated Absences Payable	-	-	-	-	-	-
Total Salaries and Benefits	1,696,723	1,751,061	54,338	247,711	1,998,772	302,049
<i>% of Budget</i>	<i>59%</i>	<i>61%</i>		<i>48%</i>	<i>59%</i>	
SERVICES AND SUPPLIES						
5101 Office Supplies	8,681	8,681	-	200	8,881	200
5102 Operating Supplies	4,320	4,320	-	3,000	7,320	3,000
5102 Operating Supplies	6,684	6,684	-	-	6,684	-
5103 Postage	12,654	12,654	-	-	12,654	-
5104 Printing - Forms	14,533	14,533	-	-	14,533	-
5105 Advertising	1,648	1,648	-	-	1,648	-
5106 Promotional	2,202	2,202	-	-	2,202	-
5107 Memorial Park Expense	1,100	1,100	-	-	1,100	-
5108 Streets	21,000	21,000	-	-	21,000	-
5109 Chemicals	59,055	59,055	-	13,000	72,055	13,000
5110 Accounting	32,000	32,000	-	-	32,000	-
5112 Legal	47,250	47,250	-	(3,000)	44,250	(3,000)
5115 Contract Professional Services	5,000	5,000	-	-	5,000	-
5115 Contract/Professional Services	99,062	101,607	2,545	57,250	158,857	59,795
5116 Bank Fees	1,200	1,200	-	-	1,200	-
5117 Animal Control	12,000	12,000	-	-	12,000	-
5119 Safety Supplies & Equipment	5,699	5,699	-	-	5,699	-
5120 Cell Phones	10,890	10,890	-	20,000	30,890	20,000
5121 Telephone - Pager	11,137	11,137	-	-	11,137	-

FY 2018/19 PROPOSED BUDGET VARIANCE COMPARED TO PRIOR YEAR (FY 2017/18)

ACCOUNT	ADOPTED BUDGET FY 2017/18	PROPOSED BUDGET FY 2018/19	VARIANCE	PROPOSED REQUESTS FY 2018/19	PROPOSED BUDGET INC. REQUESTS	VARIANCE
5122 Training - Conference	22,730	19,412	(3,318)	11,500	30,912	8,182
5123 Auto/Transportation - Public Works	600	600	-	-	600	-
5123 Automobile - Transportation	13,272	12,219	(1,053)	3,500	15,719	2,447
5125 Publications - Books	1,989	1,989	-	300	2,289	300
5125 Publications-Books	-	-	-	-	-	-
5126 Dues & Memberships	10,172	10,172	-	(850)	9,322	(850)
5127 License	1,160	1,160	-	-	1,160	-
5128 Employee Relations	510	510	-	-	510	-
5130 Rents - Leases	12,575	12,575	-	-	12,575	-
5130 Rents & Leases	-	-	-	-	-	-
5131 Records Maintenance	2,314	2,314	-	-	2,314	-
5135 Maintenance - Repair	128,290	108,942	(19,348)	(9,900)	99,042	(29,248)
5136 Parks Maintenance - Repair	2,023	2,023	-	-	2,023	-
5136 Parks Maintenance-Repair	-	-	-	-	-	-
5138 Office Equipment	7,803	7,803	-	3,200	11,003	3,200
5138 Office Equipment - P.W.	1,950	1,950	-	1,500	3,450	1,500
5139 Equipment	22,442	18,025	(4,417)	3,800	21,825	(617)
5141 General Liability Insurance	58,369	58,369	-	-	58,369	-
5143 Property Insurance	9,906	9,906	-	-	9,906	-
5144 Emp Practice Liab Insurance	1,824	1,824	-	-	1,824	-
5144 Employee Practice Liab Insurance	1,691	1,691	-	-	1,691	-
5144 Employee Practice Liability Insurance	400	400	-	-	400	-
5148 Office Equipment	-	-	-	-	-	-
5150 Electricity	187,998	194,798	6,800	5,000	199,798	11,800
5151 Natural Gas	22,987	22,987	-	-	22,987	-
5152 Water	29,822	29,822	-	-	29,822	-
5153 Sewer	44,665	44,665	-	-	44,665	-
5154 Garbage	750	750	-	-	750	-
5160 Elections	5,601	1,400	(4,201)	-	1,400	(4,201)
5161 Sales Tax Admin Fees	-	-	-	-	-	-
5162 Medical	3,650	3,650	-	-	3,650	-
5163 Property Tax Admin Fees	2,800	2,800	-	-	2,800	-
5164 Regulatory Fees	18,910	18,910	-	-	18,910	-
5165 Property Tax Assessment	2,443	2,443	-	-	2,443	-
5166 LAFCO Fees	1,850	1,850	-	-	1,850	-
5166 Regulatory Fees	-	-	-	-	-	-
5167 Seismic Fees	165	165	-	-	165	-
5171 Computer Software	2,525	2,525	-	107,350	109,875	107,350
5173 Computer Maintenance - Support	31,580	31,580	-	11,100	42,680	11,100
5174 Web Design Services	3,839	3,839	-	-	3,839	-
5192 Code Enforcement	500	500	-	30,000	30,500	30,000
5193 Nuisance Abatement-Vehicle	1,750	1,750	-	-	1,750	-
5212 Gas & Oil	28,742	28,492	(250)	-	28,492	(250)

FY 2018/19 PROPOSED BUDGET VARIANCE COMPARED TO PRIOR YEAR (FY 2017/18)


ACCOUNT	ADOPTED BUDGET FY 2017/18	PROPOSED BUDGET FY 2018/19	VARIANCE	PROPOSED REQUESTS FY 2018/19	PROPOSED BUDGET INC. REQUESTS	VARIANCE
5213 Vehicle Repair	12,000	10,800	(1,200)	1,500	12,300	300
5215 Public Works - Small Tools	3,055	3,055	-	-	3,055	-
5217 License	40	40	-	-	40	-
5225 Public Works - Lab Testing	22,300	22,300	-	6,200	28,500	6,200
5227 Public Works - Equip. Repair	20,856	20,856	-	3,000	23,856	3,000
5229 Public Works - Equip. Rental	2,250	2,250	-	-	2,250	-
5308 Dispatch Service Due	24,900	24,900	-	-	24,900	-
5430 Fines/Penalties	1,000	1,000	-	-	1,000	-
5512 Planning	-	-	-	-	-	-
5514 Engineering	35,204	9,204	(26,000)	-	9,204	(26,000)
5520 Improvements	1,220	1,220	-	-	1,220	-
5900 RDFD and Library Water/Sewer	5,900	5,900	-	-	5,900	-
6000 Fixed Asset - Equipment	-	-	-	-	-	-
8010 Contingency	-	-	-	-	-	-
Total Services and Supplies	1,175,437	1,124,995	(50,442)	267,650	1,392,645	217,208
<i>% of Budget</i>	41%	39%		52%	41%	
GRAND TOTAL	2,872,160	2,876,056	3,896	515,361	3,391,417	519,257


675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



For Meeting of: May 15, 2018
 Consent Item; Public Hearing Item

To: City Council

From: Kevin Caldwell, Community Development Director 

Through: Kyle Knopp, City Manager 

Date: May 2, 2018

Subject: Approval and adoption of Ordinance No. 367-2018 to Recodify Chapter 5.40, Recreational Cannabis Sales to Chapter 5.45 of the Rio Dell Municipal Code (RDMC).

Recommendation:

That the City Council:

1. Receive staff's report regarding the approval and adoption of Ordinance No. 367-2018 which will recodify Chapter 5.40, Recreational Cannabis Sales to Chapter 5.45; and
2. Open the public hearing, receive public input and deliberate; and
3. Approve and adopt Ordinance No. 367-2018 renumbering Chapter 5.40, Recreational Cannabis Sales to Chapter 5.45; and

Discussion

As reported at the Council meeting of May 1, 2018, the Council adopted Ordinance No. 361-2017 on September 1, 2017 prohibiting the sales of adult or recreational cannabis within the City. The Ordinance was adopted as Chapter 5.40 of the Rio Dell Municipal Code (RDMC). Staff recently discovered that Chapter 5.40 was previously codified pursuant to Ordinance No. 354-2017 as the City's Commercial Cannabis Tax. As such, we need to recodify Chapter 5.40, Recreational Cannabis Sales to Chapter 5.45.

Attachment 1: Ordinance No. 367-2018 to recodify Chapter 5.40, Recreational Cannabis Sales to Chapter 5.45.

ORDINANCE NO. 367-2018



**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIO DELL
TO RECODIFY CHAPTER 5.40, RECREATIONAL CANNABIS SALES TO CHAPTER
5.45 OF THE RIO DELL MUNICIPAL CODE:**

THE CITY COUNCIL OF THE CITY OF RIO DELL DOES ORDAIN AS FOLLOWS:

WHEREAS the Council adopted Ordinance No. 361-2017 on September 1, 2017 prohibiting the sales of adult or recreational cannabis within the City; and

WHEREAS the Ordinance was adopted as Chapter 5.40 of the Rio Dell Municipal Code (RDMC); and

WHEREAS staff recently discovered that Chapter 5.40 was previously codified pursuant to Ordinance No. 354-2017 as the City's Commercial Cannabis Tax; and

WHEREAS such, the City needs to recodify Chapter 5.40, Recreational Cannabis Sales to Chapter 5.45 of the Rio Dell Municipal Code (RDMC); and

WHEREAS the City has determined that the proposed Ordinance is not a "Project" pursuant to Section 15378 of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Rio Dell:

1. Finds that the proposed Ordinance is not a "Project" pursuant to Section 15378 of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations.
2. Approves and adopts the proposed Ordinance.

BE IT FURTHER RESOLVED, that the City Council of the City of Rio Dell does hereby ordain as follows:

Section 1. Intent

Chapter 5.40 Recreational Cannabis Sales is hereby recodified to Chapter 5.45 of the Rio Dell Municipal Code.

Section 2. Severability

If any provision of the ordinance is invalidated by any court of competent jurisdiction, the remaining provisions shall not be affected and shall continue in full force and effect.

Section 3. Limitation of Actions

Any action to challenge the validity or legality of any provision of this ordinance on any grounds shall be brought by court action commenced within ninety (90) days of the date of adoption of this ordinance.

Section 4. Effective Date

This ordinance becomes effective thirty (30) days after the date of its approval and adoption.

I HEREBY CERTIFY that the forgoing Ordinance was duly introduced at a regular meeting of the City Council of the City of Rio Dell on May 1, 2018 and furthermore the forgoing Ordinance was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the May 15, 2018 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Frank Wilson, Mayor

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above and foregoing to be a full, true and correct copy of Ordinance No. 367-2018 which was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on May 15, 2018.

Karen Dunham, City Clerk, City of Rio Dell