



CITY COUNCIL AGENDA

STUDY SESSION – 5:00 P.M.

REGULAR MEETING

TUESDAY, MAY 02, 2023 6:30 PM

City Council Chambers - 675 Wildwood Avenue, Rio Dell

Welcome - 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 and available on the City's website at cityofriodell.ca.gov. Your City Government welcomes your interest and hopes you will attend and participate in Rio Dell City Council meetings often.

SPECIAL PUBLIC HEALTH EMERGENCY ALTERNATIONS TO MEETING FORMAT CORONAVIRUS (COVID 19)

Effective immediately, the City of Rio Dell will reopen City Council meetings held in City Hall Council Chambers to in-person attendance by the public. The public may also attend these meeting virtually through Zoom. The meetings will also be viewable via livestreaming through our partners at Access Humboldt via their YouTube channel or Suddenlink channels on Cable TV.

Public Comment by Email:

In balancing the health risks associated with COVID-19 and need to conduct government in an open and transparent manner, public comment on agenda items can be submitted via email at publiccomment@cityofriodell.ca.gov. Please note the agenda item the comment is directed to (example: Public Comments for items not on the agenda) and **email no later than one-hour prior to the start of the Council meeting**. Your comments will be read out loud, for up to three minutes.

Meeting can be viewed on Access Humboldt's website at <https://www.accesshumboldt.net/>. Suddenlink Channels 10, 11 & 12 or Access Humboldt's YouTube Channel at <https://www.youtube.com/user/accesshumboldt>.

Zoom Public Comment:

When the Mayor announces the agenda item that you wish to comment on, call the conference line and turn off your TV or live stream. Please call the toll-free number **1-888-475-4499**, enter meeting **ID 987 154 0944** and press star (*) 9 on your phone – this will raise your hand. You will continue to hear the meeting on the call. When it is time for public comment on the item you wish to speak on, the Clerk will unmute your phone. You will hear a prompt that will indicate your phone is unmuted. Please state your name and begin your comment. You will have 3 minutes to comment.

A. CALL TO ORDER

B. ROLL CALL

C. STUDY SESSION - 5:00 P.M.

- [1.](#) 2023/0502.01 - City Council Priority Setting Session for FY 2023-24 (**DISCUSSION/POSSIBLE ACTION**) - Pg. #4

D. PLEDGE OF ALLEGIANCE

E. CEREMONIAL MATTERS

- [1.](#) 2023/0502.02 - Proclamation Declaring May as Older Americans Month - Pg. #6

F. 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 allowed under the Ralph M. Brown Act. 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 2/3 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.

G. 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 Councilmembers 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 following action on the remaining consent calendar items.

- [1.](#) 2023/0502.03 - Approve Minutes of the April 18, 2023 Regular Meeting (**ACTION**) - Pg. #8
- [2.](#) 2023/0502.04 - Authorize Mayor to Sign Letter in Support of Fentanyl and Substance Legislation (**ACTION**) - Pg. #20
- [3.](#) 2023/0502.05 – Receive & File General Plan and Housing Element Annual Progress Report (**ACTION**) - Pg. #30

H. ITEMS REMOVED FROM THE CONSENT CALENDAR

I. REPORTS/STAFF COMMUNICATIONS

- [1.](#) 2023/0502.06 - City Manager/Staff Update (**RECEIVE & FILE**) - Pg. #52

J. SPECIAL PRESENTATIONS/STUDY SESSIONS

- [1.](#) 2023/0502.07 - Presentation by JJA, CPA, Inc. on Audited Financial Statements for FY 2021-2022 (**RECEIVE & FILE**) - Pg. #58

K. SPECIAL CALL ITEMS/COMMUNITY AFFAIRS/PUBLIC HEARINGS

- [1.](#) 2023/0502.08 – Discussion and Possible Direction on Waiver of Building Permit Fees for Earthquake Damaged Structures **(DISCUSSION/POSSIBLE ACTION)** - Pg. #161
- [2.](#) 2023/0502.09 - Discussion and Possible Direction Regarding Elm Street Water Line **(DISCUSSION/POSSIBLE ACTION)** - Pg. #163
- [3.](#) 2023/0502.10 - Discussion and Possible Direction Regarding Resolution No. 1578-2023 Related to Waiver of Sewer Fees for Unoccupied “Red-Tagged” Structures as a Result of the December 2022 and January 2023 Earthquakes **(DISCUSSION/POSSIBLE ACTION)** - Pg. #164
- [4.](#) 2023/0502.11 - Donation to Rio Dell Fire Protection District for Playground Equipment at Fireman’s Park **(DISCUSSION/POSSIBLE ACTION)** - Pg. #167

L. ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

- [1.](#) 2023/0502.12 - Second Reading (by title only) and Adoption of Ordinance No. 398-2023 Amending Chapter 10.05 “Use of Streets for Storage of Vehicles Prohibited”, Section 10.05.530 of the Rio Dell Municipal Code (RDMC) **(DISCUSSION/POSSIBLE ACTION)** - Pg. #172

M. COUNCIL REPORTS/COMMUNICATIONS

N. ADJOURNMENT

*The next regular City Council meeting is scheduled for
Tuesday, May 16, 2023 at 6:30 PM.*



*Rio Dell City Hall
675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
cityofriodell.ca.gov*

May 2, 2023

TO: Rio Dell City Council
FROM: Kyle Knopp, City Manager
SUBJECT: Study Session to Develop Priorities for FY 2023-24

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Receive a presentation from staff and discuss priorities for the City over the coming year.

BACKGROUND AND DISCUSSION

The Council continued the Priority Setting Session from April 18th to this meeting on May 2, 2022. It is recommended that the Council review the minutes for the April 18th priority setting session which are an item on the consent calendar.

Annually the City Council discusses their individual and collective priorities for the coming year. This information helps to inform staff and the budget process. As a priority setting session, the Council eventually reduces the list to five specific areas of focus. The session is meant to be conversational between Councilmembers and staff to help elevate information about where limited City funds and staff time can be applied.

Last Year's FY 2022-23 priorities are as follows:

- Personnel Retention & Recruitment
- Measure U/J Extension
- Todd Property
- Economic Development Plan Implementation
- Infrastructure Development

Other items discussed in last year's Priority Setting Session:

- HRDBP Buildout
- Dinsmore Plateau Infrastructure
- Staff Recruitment/Retention
- Todd Property
- Sewer Evaluation/Collection System
- Economic Development
- Nuisance Abatement/Code Enforcement

- Employee Retention/Staffing Levels
- Public Works Infrastructure
- Todd Property

- Radar Gun/Traffic Study
- Measure J Extension
- Todd Property
- Nuisance Abatement
- Public Works Infrastructure
- Measure J Extension
- Economic Development (Action on IAP or Revision)
- Public Works Infrastructure (I&I)
- Employee Recruitment/Retention
- SB 1383/Universal Collection
- Todd Property
- Public Works Infrastructure (Water/Sewer)
- Economic Development
- Measure J Extension
- Long-Term Plan for the "Avenues"

The results of the previous 6 priority setting are listed below.

Priorities					
2017	2018	2019	2020	2021	2022
Street Work	Street Work	Code Enforcement	Street Planning & Work	Econ Dev non Canna.	Recruitment/ Retention
Habitat Parcel	River Access	Police Employees	Code Enforcement	Canna. Expansion	Measure U/J
I&I Mitigation	Habitat Parcel	Street Work	Public Safety General	Staff Turnover	Todd Property
Tax Measure	Code Enforcement	Water Sewer Study	Economic Development	Code Enforcement	Econ. Dev. Plan
Proposition 64	Access Humboldt	Economic Development	Personnel General	SB 1383	Infrastructure

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*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 2, 2023
SUBJECT: Proclamation in Honor of Older Americans Month

RECOMMENDATION

Read and present the Proclamation declaring May 2023 as Older Americans Month.

BACKGROUND AND DISCUSSION

Maggie Kraft, Executive Director of Area I on Aging requested the proclamation be placed on the agenda. She will be present at the meeting to accept the proclamation.

ATTACHMENTS: Proclamation



Proclamation
in Honor of
Older Americans Month
MAY 2023

WHEREAS, the City of Rio Dell includes a growing number of older Americans who contribute their time, wisdom, and experience to our community; and

WHEREAS, communities benefit when people of all ages, abilities, and backgrounds have the opportunity to participate and live independently; and

WHEREAS, the City of Rio Dell recognizes the need to create a community that offers the services and supports older adults may need to make choices about how they age; and

WHEREAS, the City of Rio Dell can work to build an even better community for our older residents by:

- Not limiting our thinking about aging,
- Exploring and combating stereotypes,
- Emphasizing the many positive aspects of aging,
- Inspiring older adults to push past traditional boundaries, and
- Embracing our community’s diversity.

NOW, THEREFORE, the City Council of the City of Rio Dell hereby proclaims May 2023 as Older Americans Month urging every resident to celebrate our older citizens, help to create an inclusive society, and accept the challenge of flexible thinking around aging.

Debra Garnes, Mayor
City of Rio Dell

**RIO DELL CITY COUNCIL
REGULAR MEETING MINUTES
APRIL 18, 2023**

The study session/regular meeting of the Rio Dell City Council was called to order at 5:00 p.m. by Mayor Pro Tem Carter.

ROLL CALL: Present: Mayor Pro Tem Carter, Councilmembers Orr, Wilson and Woodall

Absent: Mayor Garnes (arrived at 5:38 p.m.)

Others Present: City Manager Knopp, Finance Director Sanborn, Community Development Director Caldwell, Water/Roadways Superintendent Jensen, Wastewater Superintendent Taylor Senior Fiscal Assistant Maciel, and City Clerk Dunham

Absent: Chief of Police Allen (excused)

STUDY SESSION – 5:00 P.M.

City Council Priority Setting Session for FY 2023-24

City Manager Knopp provided a staff report and explained that annually, the City Council goes through the priority setting process to evaluate individual and collective priorities which helps to form the budget for the upcoming year. He explained the process and said that the end result is to narrow the list down to five (5) specific areas of focus. He said that the session is meant to be conversational between councilmembers and staff to discuss prior, current and future priorities.

City Manager Knopp provided a word of caution about the upcoming budget and said that the State's budget is in a deficit position and based on some initial observations and sales tax data, the City is 15-20% below the revenue targets with regard to sales tax revenue. He commented that the City has been very lucky over the past few years for the amount of revenue coming into the City to show slight increases from year to year. The City has also had a windfall in terms of the cannabis taxes over the past two years however; the City is entering into a different budgeting environment where the resources are potentially moving toward the downhill slope.

He said that is a factor that he wanted to make the Council aware of and at the same time in moving forward in the budget process, costs for day-to-day operations are continuing to escalate. This puts a lot of pressure between stagnant or declining revenues and increasing costs.

Bottom line is that resources are diminishing but the City has also made significant progress over the last few years on a number of items, particularly on streets which has consistently been on the Council's list of priorities. As evidenced by the current PCI Index released by HCAOG, it shows Rio Dell as having one of the highest PCI indexes in the County with significant improvement to the City's streets.

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He continued with review of the Council's priorities for FY 2022-23 which included the following:

- Personnel Retention and Recruitment
- Measure J/U Extension
- Todd Property
- Economic Development Plan Implementation
- Infrastructure Development

In terms of personnel retention and recruitment, he noted that staff has made significant progress. Measure U/J was extended, however, there are some caveats with that regarding new legislation and statewide propositions that may invalidate that measure. With the Todd property, the City made an offer on the property which was not accepted but it appears that the property is still on the market in spite of Cal Fire's desire to acquire the property. With regard to economic development, one of the key success pieces of this is the two murals that were placed on buildings downtown. In this upcoming budget, money will be included to continue the mural program as part of the Façade Improvement Program.

As far as infrastructure development, there have been some setbacks as a result of the recent earthquakes but there are other components of the infrastructure improvements that are moving forward as a result of the earthquakes such as the \$12 million Water CIP that the State approved.

He noted that expansion of the cannabis industry has stalled out although as the Council is aware, there is a new cultivation facility that just came online at the Humboldt Rio Dell Business Park (HRDBP).

River access is one priority that has been long on the list and progress will be made on that in terms of the Clean California Grant and Trails Project from Edwards Dr. to Davis St.

In summary, he said that the concerns are rising costs, decrease in revenue and still a lot of need in the community such as street improvements, and water and wastewater infrastructure with a lot of projects still in the queue.

City Manager Knopp deferred to staff to highlight goals and priorities for their departments.

Finance Director Sanborn pointed out the list of projects and earthquake damage that occurred which was submitted to CalOES and making it a priority to get those executed in terms of getting the engineering and the initial reports done so there is a path in moving forward. He noted that it will be a long road to recovery on some of these projects but prioritizing staff's time and funding to tackle those big projects is definitely in the best interest of the City.

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Water/Roadways Superintendent Jensen identified staff training as a priority in his department. With new public works personnel coming on board, he said that he would like to concentrate on cross-training and certification of staff.

Wastewater Superintendent Taylor identified problems in the Wastewater department with regard to aging infrastructure, the collection system and ongoing I & I. He commented that earthquake reimbursements will hopefully help to identify some hidden issues and move projects forward. The Sanitary Sewer Evaluation Study (SSES) ran out of funding and staff is waiting for an extension for additional funding (\$200,000) to complete the engineering by GHD.

He said that the Wastewater Treatment Plant operationally is still fairly solid and that he thoroughly enjoys the Aeromod System but the Chlorine Contact Basin is damaged from the earthquake and it is on the CalOES list of priorities for reimbursement. With summer months approaching, it gives staff more opportunity to explore and dig around the sewer lines without experiencing flooding. Overall, as far as the Sewer department is concerned, he agreed with the need for more staff training.

Water/Roadways Superintendent Jensen added that maintenance/replacement costs for equipment has gone up substantially so the budget needs to be adjusted accordingly.

Community Development Director Caldwell said as far as Planning and Building, he doesn't see anything out of the ordinary other than the additional workload related to the recent earthquakes. He estimated issuance of 120 building permits since December 22nd when the first earthquake hit, with an additional 100 permit expected. He noted that Liz from the County came up with a form letter to go out to owners of the yellow tagged structures reminding them to come and get permits for repairs or let staff know if work was done that did not require a permit so the repairs identified on the placard can be tracked.

As far as expenses, training expenses for the past couple years has been minor because of all the webinars offered as a result of COVID. He said that he actually prefers webinars since it is a better use of his time. The biggest expense last year was the cost of the 2022 Building Codes which was approximately \$1,500. He noted that there are a lot of new code changes which he has been getting up to speed with; the most difficult being the new Energy Code requirements.

With regard to Economic Development, he and the City Manager had a meeting last week with a local developer who approached them about billboard signage. Staff will be bringing billboard signage to the Council for consideration as a potential revenue source for the City.

He said that as the City Manager indicated, there were two businesses that took advantage of the Façade Improvement Program which were both murals. Another

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person submitted an application who is the new owner of Mingo's and has shown interest in improving the building.

At the HRDBP, one of the property owners, Tony Frink did some sidewalk improvements that was a condition of the subdivision agreement. Hopefully something will come about at that site but a lot of that is dependent of PG&E's ability to provide power. Under PG&E plans, power is supposed to be available to all of those projects by the end of 2024 although staff hopes that will occur sooner than that. He said that Jesse Jeffries, Northwestern Flower Co. has another proposed project estimated at \$4-5 million next to Glenn White's property where he wants to do another indoor cultivation project of 20,000 sq. ft. which would result in another \$40,000 annually to the City in cannabis taxes. He said that unfortunately, the only part of the cannabis industry that is doing well is indoor cultivation.

He commented that it would be nice to get a GIS System. Staff reached out to the County and asked if they had the capacity to help the City and basically include Rio Dell on their GIS system. They currently have the entire county mapped including Rio Dell with the assessor parcel numbers but it doesn't currently include the zoning of the parcels which would be very helpful. There would be a link to click on that would tell the zoning of a parcel and the allowable uses.

He added that he continues to support the code enforcement efforts in the City and pointed out that we all wear multiple hats and try to help each other out as it often takes a team effort to get thing accomplished.

City Manager Knopp commented that with regard to GIS, there is potential for the City to access an internship through Cal Poly Humboldt to help upload some of the raw data. As such, staff will be looking at that as an option.

He pointed out some other big-ticket items coming up that staff expects to be dealing with this year, one of which is universal collection with SB 1383 implementation and changes with the Recology Franchise Agreement. The other item is the Monument Road slip out. He reported that he had good news in that the initial bids for the project did come back to the County and they are within the parameters for the City's exposure to be in the \$100,000 range. Initially the fear was that the City's share could be as high as \$500,000.

He said that the other item is labor negotiations with some contracts expiring at the end of the fiscal year. What was discussed with the Council a couple of years ago, was the idea of hiring a consultant to come in and clean up inconsistent language in the contracts and work with employees on job descriptions. He suggested moving forward with that to further refine and improve those agreements.

Mayor Pro Tem Carter opened the discussion to Council questions.

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Councilmember Orr said that he was glad to hear about universal collection and asked how much universal waste management affects wastewater treatment and what ends up in the sewer.

Wastewater Superintendent Taylor commented that as of now, there is not a lot of talk about organic waste disposal in terms of what makes or doesn't make it to the trash and said his concern has to do with the amount of stuff that gets dumped down the drain. He noted that one of the fascinating things that is happening in the Bay area is anaerobic digestion although the City does not have the technology but it is a huge way of destroying volatiles in organic waste.

City Manager Knopp added that there has been some discussion about using wastewater treatment facilities as organic waste disposal sites but is probably not a good fit for Rio Dell. In theory, if there is a good disposal site set up, less organic waste would end up going into the sewer.

Councilmember Orr asked how much revenue was generated from building permit fees.

Community Development Director Caldwell reported that \$31,900 was received in 2022 and staff expects that amount to double or even triple in 2023 due to the earthquake repairs.

City Manager Knopp pointed out that the General Fund has been subsidizing the Building Fund for some time.

Councilmember Orr questioned the number of yellow and red tagged homes that are forging the permitting process.

Community Development Director Caldwell commented that is what instigated the need for the letter to reach out to those residents so that the list of damaged structures can be updated.

Councilmember Wilson asked how the list of \$25 million in damages presented to CalOES crosses over to the Water CIP grant and if that funding is figured into the CalOES reimbursement request.

Finance Director Sanborn noted that the Water CIP grant and earthquake damage list are two separate items and include their own list of projects.

City Manager Knopp explained that the City's obligation as far as the earthquake damage is to submit a list of all of the damages over the next 30 days. The estimated amount of damage is \$25-26 million although that number could go up or down. Under the California Disaster Assistance Act, the City is guaranteed 75% reimbursement however; there is still 25% that has to be covered so in theory, the City could be responsible for approximately \$6 million. Staff submitted a letter requesting the State

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cover the remaining 25% however, what typically happens is that approval is done on a project-by-project basis. This means that the City won't know how much of that will be covered until the end of the projects as it is very unlikely they would frontload the project reimbursements. He said that the bottom line is that these fixes have to occur so we will deal with it as each project moves forward and hope for the best for full reimbursement.

City Manager Knopp explained that the cost for replacement of the Painter St. water tank damaged in the earthquake is \$1.6 million with only 75% guaranteed reimbursement by the State.

He further explained that with regard to paving projects, there are certain roads in the City that are on the Federal Highway System such as Belleview, Blue Slide, Pacific and Monument. Damages to those streets fall under a different formula for reimbursement.

Finance Director Sanborn noted that it actually falls under Caltrans formula which is reimbursement up to 90%. Staff is working through that process and has a webinar with them later this week to go over the process on how to take the next steps to access the damage and apply for reimbursement.

Mayor Garnes arrived at this time, 5:38 p.m.

City Manager Knopp noted that some of the other damages to streets such as Eeloa Ave. falls under the 75% reimbursement formula. He commented that the damages to the chlorine contact basin is estimated at \$6 million which is a rough estimate. He said that as Wastewater Superintendent Taylor pointed out, this may be the opportune time to potentially install a new UV disinfection system rather than repairing the contact basin which actually may be cheaper.

Councilmember Woodall asked if cross training in the public works department would occur in-house or if it would require staff to go away for training.

Water/Roadways Superintendent Jensen noted that there are a lot of books available through Sacramento State for on-line training but some of the courses through RCAC require 2-day training in Redding, Santa Rosa or Sacramento.

Councilmember Woodall supported the idea of cross-training of staff and said that another priority for her would be to tie up loose ends as far as the earthquake damage so the City has a better financial picture related to those projects.

Mayor Pro Tem Carter provided a list of potential priorities which included the following:

- Underground Infrastructure/Public Works Projects
- Roads/Pursuing CDBG Funds
- Preparation for SB 1383
- PG&E Power Issue

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- Code Enforcement
- Public Spaces i.e.: Dog Park, Memorial Park, Trails Project
- Long-term Plan for the Avenues.

She asked for an update on the proposed Enes Community Forest project.

Community Development Director Caldwell said that staff was ready to order an appraisal of the property but the project came to a standstill when the earthquake hit. Staff will revisit the project when time allows.

City Manager Knopp provided the background on the long-term plan for the avenues and noted that the Fire Department has discussed the issue with staff regarding the difficulty in getting fire apparatus up and down the streets in the avenues. At the very least, some parking would need to be restricted and pulled off of the corners so vehicles could make those turns. The overall idea is to convert some of the streets into one-way streets. To do that would take a lot of neighborhood involvement to come up with a solid plan as there is a lot of restricted space throughout the avenues and some of the houses are actually located within the right-of-way. The goal is to be mindful of the parking situation and access as well as comprehensive issues related to Second Ave. and how to approach that situation. He pointed out that Second Ave. is not the only street with needed improvements mentioning Elm St. and Ogle Ave. also in desperate need of attention.

Mayor Pro Tem Carter said that she and Councilmember Woodall would be happy to go door-to-door with income surveys for Second Ave. if needed.

City Manager Knopp commented that one of the concerns regarding the income survey was how long they are valid once completed and said that he believes that it is 5 years so that is something that could be done in hopes that grant funding can be obtained within that timeframe.

With regard to code enforcement, the City has allocated a lot of funding toward hiring a CSO and required training. As such, progress is being made although it is not adequate for the issues here. He noted that CDBG does offer a program for code enforcement and with our hopeful approval of CalHome dollars also through CDBG, it is possible that a new code enforcement regime could be brought into the City to augment the current program.

Community Development Director Caldwell commented that the avenues situation was a topic of conversation at the last Traffic Committee meeting and one of the things they talked about was possibly retaining a transportation company to do a traffic study although it would likely cost around \$20,000.

He also said that at the last Nuisance Advisory Committee meeting they talked about the implementation of a Rental Housing Inspection Program which did not go over very well in 2013 when the City Council brought up the idea. There were a lot of realtors,

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property managers and property owners that convinced the Council that it was not the right thing to do.

He commented that on tomorrow's Nuisance Advisory Committee meeting they would be receiving the draft guidelines that were developed for a Rental Housing Inspection Program.

Councilmember Woodall provided a list of proposed priorities which included the following:

- Wastewater Infrastructure/Staff Training
- One Additional F/T Police Officer for 24 hr. Coverage
- Plan for Second Ave. Repairs
- Rental Housing Inspection Program

City Manager Knopp recommended the priority setting session be continued to the next regular meeting at such time the Council would go through the exercise of narrowing down the list to five specific priorities to focus on for the year.

Mayor Garnes called for public comment on the priority setting session. There were no public comments at this time. The Council adjourned for a recess at 6:00 p.m.

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

PUBLIC PRESENTATIONS

Mayor Garnes called for public comment on non-agenda items

Cal Fisher, 210 Belleview Ave. addressed the Council requesting an item be placed on the next agenda for consideration by the Council to waive building permit fees for all earthquake related repairs. He said that they attended two Town Hall meetings and were excited to hear about all the help people would be getting for disaster relief and because they were not actually displaced from the earthquake, they didn't get any help. He said that his wife has called the number provided at the Town Hall meetings (441-5000) numerous times and never received a call back. Several agencies were mentioned that would be providing assistance for disaster relief and he has seen assistance for low-income residents but nothing for middle-class residents.

He said that his wife researched cities and counties that have waived permit fees in disaster affected areas and presented the Council with information from Southern California jurisdictions, Nevada County and Butte County that waived building permit fees after disasters.

Cindy Fisher said that in listening to both of the Town Hall meetings, their take-away from that was that there were people on the ground ready to help by calling the disaster relief number at 441-5000. She said that they are not ready to help. She said that she called

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the number weekly and was finally told that there are no programs ready. She said that she called to get a case manager assigned and they weren't able to provide that either. She indicated that she learned today that they cut their hours back.

Cal Fisher added that most people don't have earthquake insurance and getting even a little bit of relief would help. He asked again that an item be placed on the next agenda for Council consideration to waive building permit fees for those affected by the earthquake.

Ben Cahoon, 212 Belleview Ave. echoed the comments made by the Fisher's and said that they too are having trouble getting help and with all the added expenses and being even harder with building permit fees, it is like getting kicked in the gut. He said that it would bolster attitudes to talk about some kind of relief.

Cindy Fisher asked for the building permit fees to be retro-active if the Council approves the waiver.

Tom Norton, owner of Shotz Coffee at 541 Wildwood Ave. addressed the Council regarding the water line on Elm St. and said that he was informed a couple of days ago that the line won't be fixed until next year which he said is unacceptable. He pointed out that they are probably the one and only striving business in Rio Dell and every time the water gets shut off they have to close down unexpectedly and employees have to be sent home. He said that they also have an expensive filtration system and machines that are expensive and every time the water line breaks and the water is shut off, it clogs up the filters which becomes a safety issue. He requested the matter be placed on the agenda with an explanation on why the line cannot be repaired this year. He noted that both he and his wife have complained to Water Superintendent Jensen and now this is the next step.

Zach Shafer addressed the Council on behalf of the Rio Dell Fire Department and said that the Fire Department just received a grant for some new playground equipment and asked that an item be placed on the next agenda regarding potential support from the City to go toward the purchase of an additional piece of playground equipment.

Steve Saunders, 762 Rigby Ave., addressed the Council regarding the discussion that occurred at the March 21, 2023 meeting related to the waiver of sewer fees for customers whose residences were red-tagged by the earthquake. He said that when the statement was made that those customers would not have to pay their sewer bill, he asked if that meant that he would get his money back for the last two months charges so he could give that money to the person for utilities where he is currently staying. He said that he remembered the answer was "yes".

A couple days after the meeting he went to City Hall fully expecting to get a check for \$108.56. He submitted the form to the person at the front counter who replied that she would take care of it and credit the account. He argued that a credit on his account does not do him any good right now and doesn't give him money to pay for utilities where he is staying. He said that he was upset and confused and asked to speak to someone higher

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up. At that point the Finance Director came out with the minutes from the meeting to show him what the direction was of the Council.

He commented that he is displaced from the earthquake and can't understand why the City did that to him. He added that he may not be back in his home until next year and asked the City Council to vote now authorizing staff to issue him a refund for the two months of sewer charges.

Fred Breckenridge addressed the Council and commended the police officers for the nice way they interact with the community and said that it is really hard to find that type of character quality in Humboldt County. He said that he can relate to displacement and the emotions that go along with it as Mr. Saunders expressed.

He said that he considers Rio Dell as a quality community to relocate to from McKinleyville. He said that he up a book today on qualities in leadership and some of the first ideas in leadership is to seek out opportunity and shop for ideas. As such, he said that he is trying to start a business which he would like to introduce to the community and is seeking advice on how he can contribute to the community in a positive way. He added that he can't say enough about how great the people at the highest level in the City react to citizens and would like the opportunity to network with some folks here and get the information he needs to take the next step in moving forward.

Steve Saunders asked for compassion from all the Council for those residents displaced from the earthquake.

The consensus of the Council was to place all of the requested items as presented on the next agenda.

CONSENT CALENDAR

Mayor Garnes asked if any councilmember, staff or member of the public would like to remove any item from the consent calendar for separate discussion. No items were removed.

Motion was made by Carter/Woodall to approve the consent calendar including the following items:

- 1) Minutes of the March 21, 2023 regular meeting;
- 2) Authorizing the City Manager to sign and submit the NYLEX City of Rio Dell Service Level Agreement 2023;
- 3) Authorizing the Mayor to sign a letter urging California Legislature to address the State's Interconnection Crisis and Ensure Timely and Equitable Access to the Electrical Grid; and
- 4) Receive & File the Check Register for March

Motion carried 5-0.

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REPORTS/STAFF COMMUNICATIONS

City Manager/Staff Update

City Manager Knopp provided highlights of the staff update and pointed out some slight changes to the agenda format and said that this is the first rollout using the new agenda management program from Civic Plus. He said that this is still a work in progress so some of the numbering on the agenda itself had to be manually added.

He announced the date for the annual Spring Clean-Up as Saturday, May 13th from 9:00-1:00 at Eagle Prairie Elementary School.

He reported on a new round of Hazard Mitigation Grants opening up with potential for guaranteed matches for the City's portion of that. Under Federal law, any time a disaster occurs, a certain set-aside of the total cost of those disasters is allocated for hazardous mitigation in the form of grants for such things as the water tank replacement and water seismic work. In this case, the new round of grants also includes some climate and energy resiliency components to it so staff is currently working with Redwood Coast Energy Authority (RCEA) who did the initial study, to pursue a grant to add solar at the corporation yard.

Councilmember Wilson commented that going to a UV disinfection method for wastewater would increase energy costs.

City Manager Knopp explained that energy costs would go up although chemical costs would decrease dramatically. With solar at the corporation yard augmenting that, the costs could stay the same or even be lower.

Councilmember Woodall asked if staff would be promoting the annual Spring Clean-Up event and urged residents to go early to make sure they don't get turned away.

City Manager Knopp indicated that the City would be issuing a City Newsletter over the next couple of weeks and include that information.

Mayor Garnes called for public comment on the staff update. No comment was received.

SPECIAL PRESENTATIONS/STUDY SESSIONS

Presentation and Update from City Engineer GHD and Possible Authorization for City Manager to Sign Three Scopes for Service Related to: (1) Rio Dell Neighborhood Pedestrian Connectivity Improvements, (2) Douglas Tank and Water System Improvements, (3) Eel River Crossing Pipeline Seismic Retrofit, Phase 1-A in a total amount of \$2,421,199

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Rebecca Crow, City Engineer from GHD provided a power point presentation with an update on active projects in the City including transportation, drinking water, wastewater, earthquake engineering support, and future funding opportunities.

Active transportation projects included:

- 2018 Rio Dell Safe Routes to School Project
- 2022 Eel River Trail Project
- 2022 Pavement Condition Survey

Upcoming transportation projects included:

- 2021 Neighborhood Pedestrian Connectivity Improvements
- Citywide Street Improvements (Second Ave., Elm St. and Ogle Ave.). These projects would depend on funding availability from HCAOG or other sources.

Councilmember Wilson questioned the citywide street improvements and asked if that is just to determine what needs to be done to fix those streets.

Rebecca Crow said that it is for a preliminary design to be able to apply for funding to do the repairs.

The Water Distribution System Upgrade Project was made possible by 100% funded SWRCB Clean Water State Revolving Fund Grant in the amount of \$12,862,989. The project included the following:

- Replacement of the Douglas Tank with a new 500,000-gallon tank
- Replacement of high-priority water distribution system lines and valves
- Installation of fire hydrants where minimum hydrant spacing is not met

Councilmember Orr asked if this project slated to start in 2024 is holding up the repairs on Elm St. that is affecting the business that is having issues with the line.

Water/Roadways Superintendent Jensen explained that the Elm St. road and water line repairs is on the list for repair but because of the earthquake and additional damage the hope was to fast-forward the project but it is still slated for next year.

Rebecca Crow added that they will be asking the SWRCB if there is a chance to move the project forward since most of the environmental work is done however, they aren't really receptive to the idea because it is not as cost efficient to separate a piece of the project.

Councilmember Orr commented that he would like to see a way to keep businesses regretting from moving to Rio Dell.

An unidentified person in the audience asked why replacement of water distribution system lines and valves was a high priority.

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Rebecca Crow explained that the plan was done in close coordination with Water/Roadways Superintendent Jensen taking into consideration the condition of the distribution system.

Sharon Wolfe, mentioned the installation of new sidewalks and asked if the homeowners in those areas would be getting an assessment.

Rebecca Crow said that the project is grant funded so there would be no assessment. She warned everyone that construction costs are increasing at a rapid pace so we need to be mindful of additives so that there is sufficient funding to finish the project

The second Water project was the Eel River Crossing Pipeline Retrofit Project which included the following:

- \$3,375,160 in Project Funds (75% Reimbursable)
- \$166,464 in Grant Management Budget (100% Reimbursable)
- Replacement of the 8" Yellowmine pipe located in the Southbound Highway 101 Bridge, which is the only connection to the Metropolitan Well Water System

Rebecca Crow explained that the Eel River Crossing Pipeline Retrofit Project grant from FEMA through CalOES requires a 25% City match however, FEMA/CalOES has since updated their program so GHD is working to submit a funding application to the SWRCB through the Safe Drinking Water Program that would cover the 25% city match. She said the way that FEMA disburses the funds is in phases of the project.

Wastewater projects included the Sanitary Sewer Evaluation Study (SSES) and the Painter Street Line Upsizing.

Rebecca Crow said that they submitted an amendment to the State for additional funds related to the SSES to essentially take that project to its final design and get it better prepared for construction. They also asked for some additional funding for additional camera work for documenting earthquake damage.

She commented that they did leverage the SSES planning study information and put together a Clean Water State Revolving Fund construction application for replacement of the Painter St. line. The application is in the State Board's hands which is likely to be funded. The Board shuts down from April-June and doesn't issue any new agreements so hopefully in July or August the City will see some funding. She said that unfortunately the project won't be completed until 2024.

With regard to Earthquake Engineering Support, she noted that GHD is developing a scope of work to support the City in compiling data for damage reports which will eventually lead to project funding to address earthquake damages.

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She said that there was damage to the Chlorine Contact Basin and they were working on putting the information in the damage assessment report so the City can get funding for those repairs. They are also looking at the Painter St. tank as well as including some of the water and sewer inter-crossings and sewer lift stations.

Mayor Pro Tem Carter asked if the Eel River Trail Project would be impacted by the damaged contact basin.

Rebecca Crow said that the goal is to put a little bridge over that area.

Future funding opportunities included the following:

- Hazard Mitigation Grant Funding
- State Water Resources Control Board - Clean Water State Revolving Fund and Drinking Water State Revolving Fund
- Community Development Block Grant (CDBG) – Target areas for road rehabilitation
- Active Transportation Funding – Next cycle in 2025

Motion was made by Carter/Woodall to authorize the City Manager to execute scope(s) of service for (1) Rio Dell Neighborhood Pedestrian Connectivity Improvements, (2) Douglas Tank and Water System Improvements, and (3) Eel River Crossing Pipeline Seismic Retrofit Project, Phase 1A. Motion carried 5-0.

SPECIAL CALL ITEMS/COMMUNITY AFFAIRS/PUBLIC HEARINGS

Approve Formation of Ad-Hoc Committees for Per Capita Grant (Dog Park) and Clean California Gateway Beautification Grant

City Manager Knopp provided a staff report and explained that this item is related to two projects that need to go out to bid; the Dog Park and the Clean California Beautification Grant for Gateway Improvements. For both of the projects, there are some minor details to be worked out with an AdHoc Committee before it comes back to the council for final approval.

An illustration of the design improvements for the gateway project was reviewed. He said that the idea with the grant is to replant new trees in deeper soil. He noted that the current plan includes a lot of trees so the plan may need to be modified regarding the number of trees to fit with the budget. He noted that the plan is to submit the RFP as designed with a couple of exceptions to possibly reduce some of the costs. One would be the center median trees identified in pink with bushes. The other concept would be to include the type of existing trees on the south end of town to the list of the trees on the illustration. He explained that after the RFP is issued, the Council would then narrow down the selection of trees.

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He commented that the design would begin on Wildwood Ave. at Belleview and extend south to Elko St., with Memorial Park revitalized and enhanced with the addition of exercise equipment.

Councilmember Orr asked how exercise equipment fit into the beautification of the gateway and why just one piece of equipment.

City Manager Knopp explained that the exercise equipment was one of the requests that was added and approved as part of the application. The idea is to try to create a healthier environment for the community. He said that the diagram presented is not necessarily what is exactly going to be installed and said that these pieces of equipment can be quite expensive.

Mayor Garnes commented that the intent was to have an area where community members could get together and exercise and improve the overall health of the community.

Next was review of the proposed Dog Park concept. City Manager Knopp said the proposed dog park would include two run areas, one for small dogs and one for larger dogs. The proposed park includes fencing, concrete walkways, turf/mesh/netting, reinforced concrete pads, a water fountain, a concrete half-court basketball court, and a parking area. The total grant amount is \$177,952.

Community Development Director Caldwell noted that the lot is slightly sloping so the project would also include a retaining wall. Also included would be a couple of picnic tables and benches. He said that the sidewalk constructed along Ireland Ave. is part of another city project so would not come out of the \$178,000 grant funding. He said that the goal is to get this project out to bid over the next month or so. Input from the AdHoc committee is needed on priorities so staff can get some solid numbers before the project goes out to bid.

Mayor Garnes called for public comment.

Steve Sauders questioned maintenance costs for the proposed dog park.

Community Development Director Caldwell explained that the existing lawn is already maintained by the City and as far as the basketball court, it is concrete so should have a 50-year life-span so there will be minimal maintenance.

Tommy Norton supported the idea of a dog park with the basketball court and said that kids are looking for something to do so the half-court basketball court is a great idea. He suggested the idea of acquiring donations for the picnic tables with the donor's names on the tables.

Jonathan Brodeur, asked about restrooms at the dog park.

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Community Development Director Caldwell indicated that restrooms are not included in the plan with the limited amount of funding.

Jonathan Brodeur commented on the Trails Project and said that there are communities where you can walk along a trail and they have exercise stations every half mile or so and thought that would be a better use of exercise equipment rather than just having one piece of equipment at Memorial Park.

Consensus of the Council was to appoint Mayor Garnes and Mayor Pro Tem Carter to an AdHoc Committee for the Per Capita Grant (Dog Park) and Clean California Gateway Beautification Grant.

ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

Approve Resolution No. 1597-2023 Authorizing the County of Humboldt to Administer the City CDBG and CalHome Project and Programs including the City Owner-Occupied and Rental Rehabilitation Programs

Community Development Director Caldwell provided a staff report and said that at the May 7, 2023 meeting, the Council authorized the City Manager to execute a Memorandum of Understanding (MOU) with the County to administer the City CDBG Projects and Programs including the City Owner-Occupied and Rental-Rehabilitation Programs. The County recently requested the City formalize this authorization in the form of a resolution.

Mayor Garnes called for public comment on the proposed Resolution.

Steve Saunders asked for further clarification about the programs.

Community Development Director Caldwell explained that the CDBG Program is extremely onerous and requires a full-time staff person to administer the programs and keep up with all the changes in the program. To make the best use of time, the City partnered with the County to administer City's CDBG because they have the staff and resources to administer the programs.

Motion was made by Orr/Carter to adopt Resolution No. 1597-2023 Authorizing the County of Humboldt to administer the City CDBG and CalHome Project and Programs including the City Owner-Occupied and Rental Rehabilitation Programs. Motion carried 5-0.

Introduction and First Reading (by title only) of Ordinance No. 398-2023 Amending Chapter 10.05 "Use of Streets for Storage of Vehicles Prohibited", Section 10.05.530 of the Rio Dell Municipal Code (RDMC)

Community Development Director Caldwell provided a staff report and said that the City's Community Services Officer (CSO) is tasked with enforcing the City's various regulations including parking regulations. One of the difficulties regarding the parking and storage of vehicles, including trailers, recreational vehicles and boats is the fact that many property owners that are given a 72-hour notice to remove the vehicle, simply move them a foot or two to avoid them being towed. The CSO recently discussed the problem with both the

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Nuisance Advisory Committee and the Traffic Committee and suggested amendments to the regulations.

He reviewed the recommended amendments as identified in “blue” and said that the intent is to provide the Community Services Officer (CSO) and the community clear intent of the regulations. He noted that it was expanded not only to vehicles but to include trailers, recreational vehicles and boats. Basically, what it says is that the vehicle must be moved at least one block or 300 feet when the vehicle is left on the street in excess of 72 hours. If the vehicle is not moved, the City has the ability to remove the vehicle subject to the requirements of the California Vehicle Code.

Councilmember Wilson commented that this is great as people were taking advantage of the regulations by slightly moving the vehicles so this will be a big step toward enforcement.

Community Development Director Caldwell noted the this was taken to the Nuisance Advisory Committee and the Traffic Committee and they were in support of the amendments to the regulations.

Councilmember Orr asked if there is anything in the law that prevents a person from driving away for a few hours then returning to the same location.

Community Development Director Caldwell said that he would need to defer to the Chief of Police at the next meeting to answer that question.

Mayor Garnes opened the public hearing to receive public comment on the proposed ordinance. There was no public comment received and the public hearing was closed.

Motion was made by Woodall/Orr to introduce and conduct first reading (by title only) of Ordinance No. 398-2023 Amending Chapter 10.05 “Use of Streets for Storage of Vehicles Prohibited”, Section 10.05.530 of the Rio Dell Municipal Code (RDMC), and to continue second reading, consideration, approval and adoption of the proposed Ordinance to the meeting of May 2, 2023. Motion carried 5-0.

COUNCIL REPORTS/COMMUNICATIONS

Mayor Pro Tem Carter reported that she attended a Redwood Region Economic Development Commission (RREDC) meeting on March 27th where they discussed the off-shore wind energy project which is moving along and announced that there would be a Nuisance Advisory Committee meeting tomorrow at 3:00.

Councilmember Orr reported that he would be attending a Humboldt County Association of Governments (HCAOG) meeting on Thursday.

Councilmember Woodall reported that she attended a Fire Department Board of Directors meeting on Thursday and as usual, they had a lot of calls. She noted that there has been a

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lot of good things going on at the Community Resource Center such as the Senior Luncheon as well as other community activities. She also announced that the Community Emergency Response Training (CERT) 3-day training would be held during the last week in April at the Fire Hall.

Mayor Garnes indicated that there are currently three spaces available for anyone interested in attending.

Councilmember Wilson reported that he attended a Humboldt Waste Management Authority (HWMA) meeting last week and had another meeting scheduled for next week on the budget, along with a Redwood Coast Energy Authority (RCEA) meeting on the same day. He reported that HWMA is working on upgrading the facility in preparation for SB 1383 implementation.

Mayor Garnes announced that she attended Disaster Training today in Blue Lank and would be continuing that training tomorrow learning how to deal with emotional issues for any disaster.

ADJOURNMENT

Motion was made by Woodall/Carter to adjourn the meeting at 8:10 p.m. to the May 2, 2023. Motion carried 5-0.

Debra Garnes, Mayor

Attest:

Karen Dunham, City Clerk



*Rio Dell City Hall
675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
cityofriodell.ca.gov*

March 21, 2023

TO: Rio Dell City Council
FROM: Kyle Knopp, City Manager
SUBJECT: Authorize the Mayor to Sign a Letter in Support of Fentanyl and Substance Use Legislation

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the Mayor to execute the attached letter.

BACKGROUND AND DISCUSSION

Communities throughout California are struggling with a quickly evolving opioid crisis, which is now being driven by the increase in synthetic opioid-related deaths — primarily fentanyl. According to the Centers for Disease Control and Prevention, 71,000 people died from synthetic opioid-related overdose in the United States in 2021, of which, 7,000 deaths occurred in California. In other words, 1 out of every 10 deaths from synthetic opioids in the United States occurs in California. Key legislation to help address the fentanyl crisis includes:

AB 33 (Bains) Fentanyl Addiction and Overdose Prevention Task Force.

- Would establish the Fentanyl Addiction and Overdose Prevention Task Force to undertake various duties relating to fentanyl abuse.

AB 367 (Maienschein) Controlled Substances: Enhancements.

- Would clarify that the “great bodily injury” sentence enhancement applies when a person sells or otherwise provides fentanyl to a person who subsequently suffers a significant or substantial physical injury from using the substance.

AB 474 (Rodriguez) State Threat Assessment Center: Transnational Criminal Organizations.

- Would require the State Threat Assessment Center and the California Office of Emergency Services to prioritize, to the greatest extent possible, cooperation with state and local efforts to disrupt and dismantle criminal networks trafficking opioid drugs that pose a threat to California.

AB 955 (Petrie-Norris) Controlled Substances

- Would make the sale of fentanyl on a social media platform in California punishable by imprisonment in a county jail for a period of 3, 6, or 9 years.

///

Rio Dell City Hall
675 Wildwood Avenue
Rio Dell, CA 95562
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May 2, 2023

The Honorable Reginald Jones-Sawyer
Chair, Assembly Public Safety Committee
1020 N Street, Room 111
Sacramento, CA 95814

RE: Support of Fentanyl and Substance Use Related Legislation

Dear Assembly Member Jones-Sawyer,

The City of Rio Dell is encouraged that the Assembly Public Safety Committee will be considering a slate of bills that could help save countless lives throughout our state. The City of Rio Dell supports several critically needed fentanyl and substance use-related pieces of legislation. These measures would stem the tide of illicit substance-related deaths in California and bring relief to the many communities mourning tragic, preventable deaths.

According to the Centers for Disease Control and Prevention, 71,000 people died from synthetic opioid-related overdose in the United States in 2021, of which, 7,000 deaths occurred in California. In other words, 1 out of every 10 deaths from synthetic opioids in the United States occurs in California. The increase of drug-related overdose deaths is largely being driven by the increase in synthetic opioid-related deaths, primarily fentanyl.

Local communities experience the realities of the opioid epidemic every day through the increasing toll on families, first responders, educators, child welfare agencies, public safety officials, health professionals, and community organizations, among others. As committed partners in finding solutions to address the growing substance use crisis in our state, the City of Rio Dell supports the following measures:

Assembly Public Safety Special Hearing on Fentanyl

AB 33 (Bains) Fentanyl Addiction and Overdose Prevention Task Force.

AB 367 (Maienschein) Controlled Substances: Enhancements.

AB 474 (Rodriguez) State Threat Assessment Center: Transnational Criminal Organizations.

AB 955 (Petrie-Norris) Controlled Substances

Now, more than ever, is the time to take action on measures that will preserve human

life and improve the safety and well-being of all Californians.
For these reasons, the City of Rio Dell requests your support on these fentanyl related measures.

Sincerely,

Debra Garnes
Mayor
City of Rio Dell


cc: Members, Assembly Public Safety Committee
Assembly Member Wood and Senator McGuire
Sara Sanders, Cal Cities Regional Public Affairs Manager
League of California Cities

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



For Meeting of: May 2, 2023

Consent Item; Public Hearing Item

To: City Council
From: Kevin Caldwell, Community Development Director 
Through: Kyle Knopp, City Manager
Date: April 25, 2023
Subject: General Plan & Housing Element Annual Progress Report

Recommendation:

That the City Council:

1. Receive and file the General Plan Annual Progress Report.

Discussion:

Every jurisdiction in the State is required to prepare a General Plan and Housing Element Annual Progress Report. The reports have been prepared pursuant to the requirements of Government Code Section 65400. Guidance for preparation of the report is provided by the Governor’s Office of Planning and Research (OPR).

The purpose of the document is to report on the City of Rio Dell’s progress in implementing its General Plan and Housing Elements. The Reports were presented to the Planning Commission on April 25, 2023. The reports have been submitted to OPR and the Department of Housing and Community Development as required by State law.

Attachment 1: General Plan Annual Progress Report

Attachment 2: Housing Element Summary Annual Progress Report

City of Rio Dell General Plan Annual Progress Report Year 2022



Prepared by the
Community Development Department

April 17, 2023

City of Rio Dell General Plan Annual Progress Report Year 2022

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I. Introduction

This report has been prepared pursuant to the requirements of Government Code Section 65400. Guidance for preparation of the report is provided by the Governor’s Office of Planning and Research (OPR).

The purpose of the document is to report on the City of Rio Dell’s progress in implementing its General Plan. The document was provided to the Planning Commission and City Council for their review on April 25, 2023 and May 2, 2023 respectively, and will be submitted to OPR and the Department of Housing and Community Development following these reviews.

Background

The City adopted a comprehensive update to the General Plan in 2008. The Plan replaced, reformatted, and updated the previous General Plan in its entirety. As a result of many meetings The General Plan was updated to include new land use designations and associated zoning text amendments.

The City’s Circulation, Open Space and Conservation Elements were updated in 2013. The Safety Element was updated and adopted in 2016. The Housing Element was updated in November of 2020.

All of the City’s General Plan Elements and Zoning Regulations can be found at the City’s website: <https://cityofriodell.ca.gov/>

Informational Document

This document is a reporting document, and does not create or alter policy. The content is provided for informational purposes only, and is exempt from the requirements of the California Environmental Quality Act (CEQA) per Guidelines Section 15306, Information Collection.

Organization

After the previous introductory section, a summary of projects and issues addressed in the last year is provided, and then each General Plan element is addressed. Following these topics, the City’s continuing efforts to address minor implementation issues, compliance activities, and changes in state law requiring updates to the General Plan and Zoning Ordinance are addressed.

II. Plans, Projects, and Accomplishments

During 2022 the City processed numerous projects, including Building Permits, Use Permits, Lot Line Adjustments, Subdivisions(s) text amendments to both the City’s Zoning Regulations and General Plan. The following summaries provide a brief overview of these projects and

programs, and are not intended to be exhaustive.

Building Permits

The Building Division of the Community Development Department issued 97 Building Permits in 2022. Total valuation of these projects was \$1,691,844. Building permits were issued for one (1) new single-family home one (1) Accessory Dwelling Unit (ADU). The total valuation for the new homes was \$313,236. Twenty-four (24) permits were issued for new roofs and two (2) permits for new solar systems. Other permits include electrical panel upgrades, HVAC systems, hot water heaters, an ag-exempt barn and an in-ground swimming pool. The City received approximately \$32,000 in Building Permit Fees in 2022.

Planning Projects

The Planning Division processed a variety of planning projects during 2022, including Use Permits, Tentative Parcel Maps, Lot Line Adjustments, General Plan and Zoning Amendments, Variances and the Annexation of the City's wastewater disposal field. resolution. Of the projects heard by the Planning Commission, General Plan and Zoning Amendments are sent to the City Council with a recommendation of approval for the Council to consider the applications.

Projects Reviewed During 2022

The following projects were reviewed by the Planning Commission and/or the City Council in 2022.

Austrus Lot Line Adjustment - File No. 052-241-067 & 068; Case No. LLA 22-01 - A lot line adjustment between two parcels, Parcel 1 and Parcel 2 of Parcel Map 2218 Book 19 of Parcel Maps, Page 106. The proposed lot line adjustment will adjust 1,650 square feet from APN 052-241-067 to APN 052-241-068, resulting in two parcels of 8,250 square feet and 33,733 square feet. Both parcels are developed single family residences. The parcels are provided with community water and sewer services.

Result: The Planning Commission approved the modification with findings and conditions of approval.

Roscoe Minor Subdivision – File No. 052-162-016; Case No. PMS 21-02 – An application for a subdivision of a 2.59-acre parcel into four parcels of: Parcel 1 - 6918 sq. ft.; Parcel 2 - 7,606 sq. ft.; Parcel 3 - 16, 667 sq. ft.; and Parcel 4 - 91,789 sq. ft. The property is developed with three single family residences. The eastern residence will be relocated to Parcel 2. Parcel 4 is vacant with no development proposed at this time. The parcels are provided with community water and sewer.

Result: The Planning Commission approved the modification with findings and conditions of approval.

Zoning Reclassification & General Plan Amendment – File No. 052-321-000; Case No. ZR/GPA 22-01 - A Zone Reclassification & General Plan Amendment of a 28,000+/- square foot Caltrans give-back parcel located south of Painter Street, east of Ireland Street, north of Center Street and west of Highway 101 Public Facility. The parcel was not previously zoned and was designated Public Facility in anticipation of the development of a Dog Park, including a half-court basketball court.

Result: The Planning Commission and City Council approved the Zone Reclassification through Resolution No. 1524-2022 and Ordinance No. 389-2022.

Zoning Regulations Text Amendment – A text amendment amending the City’s Zoning Regulations Chapter 17 of the Rio Dell Municipal Code (RDMC) to be consistent with California Government Code Section 65650 et seq. (State Supportive Housing Law), 65660 et seq. (Low Barrier Navigation Centers Law), and 65913.4 (State Streamlined Ministerial Approval Process) by establishing procedures for reviewing ministerial approval applications;

Result: The Planning Commission and City Council approved the text amendments through Resolution No. 167-2022 and Ordinance No. 391-2022.

Zoning Regulations Text Amendment - A text amendment amending the City’s Zoning Regulations, Chapter 17 of the Rio Dell Municipal Code (RDMC) to include (1) establishing definitions of Emergency Shelters, Supportive Housing and Low Barrier Navigation Centers; (2) Identify Low Barrier Navigation Centers as a permitted use in the Residential Multifamily (RM) designation; and (3) amending the City’s commercial designations to identify Emergency Shelters, Supportive Housing, Transitional Housing and Low Barrier Navigation Centers as principally permitted uses as required by State law.

Result: The Planning Commission and City Council approved the text amendments through Resolution No. 168-2022 and Ordinance No. 393-2022.

Other Plans and Projects

The following discussion summarizes other projects that involved efforts from the Community Development Department, Planning Division staff in 2022.

- **Façade Improvement Program** - The City established a Façade Improvement Program (FIP) in 2022. The Facade Improvement Program (FIP) is a reimbursement grant program provided to a business and/or property owner for the improvement of existing commercial buildings throughout the City of Rio Dell. The program provides a matching grant of 50% of the facade improvement cost to the business and/or owner up to a maximum dollar amount \$15,000 per

approved project. The purpose of the FIP is to induce private investment that results in quality improvements and enhancements to business-use properties. It is the City's intention that the FIP serve public-private incentive for significant aesthetic improvements to the commercial area in which the property is located. The City awarded two \$15,000 grants in 2022. Both grants were for murals on two downtown buildings.

- **Cannabis** - The City allows and taxes commercial cannabis activities. The Council recognized the state of the cannabis industry has changed dramatically over the past few years. The City's has three outdoor farms located on the Dinsmore Plateau. In 2022, one of the farms, Sweet Leaf had a total crop failure due to disease. The other two farms also experienced disease issues, including mold. The largest farm on the Dinsmore Plateau, Dinsmore Plateau Farms has not paid their local taxes for years 2021 and 2022. In response the City amended the cannabis tax regulations to require that previous years (growing season) be paid by March 15th the following year.

- **CDBG Program Income - CDBG Supplemental Activity** – In the spring of 2022 the City was informed by the Department of Housing and Community Development (HCD) that the City must expend or at least have the City's Program Income (PI) encumbered by June 30, 2022 or return it to the State.

At the meeting of March 15th2022, the Council directed that the funds be used for the planned drainage improvements on the western portion of the Belleview/Ogle neighborhood. In order to utilize the PI funds, the City was obligated to conduct an Income Survey demonstrating that the area is a low to moderate income (LMI) area. Staff identified the study area and began conducting the Income Survey in April of last year. There were sixty-eight (68) households within the study area. The State requires sixty (60) responses in order to consider the study valid.

After the initial surveys were mailed out, the City received only thirteen (13) responses. As such, staff mailed a second request for the needed information on May 5th 2022. This second request resulted in an additional seven (7) responses, bringing the total number of responses to twenty (20), far short of the required sixty (60) responses. The City abandoned this effort.

In an attempt to retain the City's Program Income, the City shifted its effort to the Painter Street Sewer Main Replacement Project. However, the December 20, 2022 Ferndale Earthquake and aftershocks plunged the entire region into darkness and is estimated to have caused some \$30 million in damage countywide, most of which was centered in Rio Dell. The earthquake resulted in almost 100 structures, almost all residences, being deemed unsafe and "Red Tagged". In addition, the earthquake also resulted in almost 300 additional structures, again being almost all residential structures, being "Yellow Tagged" restricting or limiting the use of the buildings. Many of the damaged residences provide housing to the City's low to moderate income families. As such, the City is working with HCD to reallocate the Program Income to qualifying homeowner's loans for the earthquake damage repairs for owner occupied residences and residential rentals, including multi-family units (2 or more units).

● 2022 Building Codes

The City Council adopted Ordinance No. 396-2022 in December adopting the 2022 California Building Codes, effective January 1, 2023.

- 2022 California Building Code Volumes 1 & 2
- 2022 California Mechanical Code
- 2022 California Plumbing Code
- 2022 California Electrical Code
- 2022 California Existing Buildings Code
- 2022 California Fire Code
- 2022 California Energy Code
- 2022 California Residential Building Code
- 2022 California Green Building Standards Code
- 2022 California Historical Building Code

Included with the adoption of the California Building Standards Code is the 2021 International Property Maintenance Code (IPMC). This model code provides the City authority to abate structures that are imminent hazards to the public in a quick and efficient manner. The model code includes definitions of terms for enforcement, for the integrity of structural elements of buildings, and specific hazards. These definitions are not included in the other standard codes.

III. General Plan Elements

California state law requires that every city adopt a General Plan to guide the physical development of both public and private lands within the city limits. The role of a community's general plan is to act as a "constitution;" a basis for rational decisions regarding a city's long-term physical development.

The General Plan details the City's goals and guiding principles for a variety of planning topics and is the constitution for future development. California Government Code Section 65300 et seq. provides direction and specifications for the content of the General Plan. The following seven elements are required:

- Land Use
- Circulation
- Conservation
- Open Space
- Noise
- Safety
- Housing

The elements may be combined or renamed, but basic requirements must be included. An

agency may adopt any type of optional element, such as an Economic Element, at its discretion. Only the Housing Element must be certified by another agency (i.e., HCD).

The General Plan is a snap shot of a certain period in time and is both an expression of Rio Dell's community values and a legal document. The General Plan must be comprehensive, long term, and internally consistent. All of the City's other land use regulations, including zoning, subdivisions, specific plans, and redevelopment plans must conform to the General Plan. The General Plan is a bridge between these physical regulations and Rio Dell's community values, visions, and goals.

Land Use Element

The City of Rio Dell is required to periodically update their General Plan. The City adopted the current Land Use element in 2008. The prior Land Use Element was revised in 1980.

There have been a number of amendments since the adoption of the current Land Use Element. The most significant amendment occurred in 2012 when the City redesignated approximately 37 acres in the "Avenues" neighborhood from Town Center to Urban Residential. The area was redesignated after residents complained about the ability to insure residences which were considered legal non-conforming uses.

In 2022, staff discovered that residential densities were not included in the Neighborhood Center and Community Commercial designations. In addition, the Town Center designation specified a density range of 10 – 22 units per net acre. The City approved Resolution No. 1542-2022 specifying a density of up to 20 units per net acre for all three commercial designations and amending the City's Residential Multifamily and commercial land use designations to include State mandated Supportive and Transitional Housing projects and Low Barrier Navigation Centers.

Circulation Element

The Circulation Element was adopted in 2013. The previous Circulation Element was adopted in 1977.

The Circulation Element identifies the guiding principles for moving people and goods within the City and identifies the infrastructure necessary to assure that the transportation network will serve the City at General Plan build-out.

A majority of trips are made by automobile. The Circulation Element identifies the roadway system necessary for automobile traffic by setting levels of service, hierarchy of roads, and areas where road improvements are necessary.

The Circulation Element also identifies alternative travel modes, such as walking, bicycles, bus transit, and rail transit. The alternative transportation is important to reduce pressure on roads, conserve energy, and improve the public health through exercise.

The road system provides many functions in addition to carrying vehicle traffic. It provides open space separating dwelling units and commercial uses. If properly landscaped, streetside landscaping provides location for trees to support the urban forest. If developed with safe pedestrian and bike ways, it serves as a non-motorized transportation corridor, a linear park, and an attractive network for healthy exercise. If properly designed, it provides the background for the community urban design and appearance. Finally, it provides the right of way for most of the City's public utilities infrastructure.

Conservation and Open Space Element

The previous Conservation Element was adopted in 2001 and the previous Open Space Element was adopted in 1972. The current Open Space and Conservation Element was adopted in 2013.

The Open Space and Conservation Element is concerned with the conservation of natural resources and the provision of open space within community. Open Space and Conservation are combined because the natural resources and open space provide the framework for the built areas of the City, and the overall appearance of the City integrates natural and man-made elements.

The primary vision of the Open Space and Conservation element is to maintain and encourage development that compliments the natural visual setting of Rio Dell. The City is located in a portion of the County with high quality aesthetic value due to its many natural and community resources. The bluffs on the east side of the City provide outstanding aesthetic value. In addition, Rio Dell is at a transition point where the Eel River Valley's redwood covered slopes open up to the broad Eel River delta. Sweeping vistas associated with the Eel River valley contribute to the City aesthetic setting.

The Conservation Element guides the conservation, development, and utilization of natural resources (water, forests, soils, rivers, mineral deposits, and others), while the Open Space Element guides the comprehensive and long-range preservation and conservation of open-space lands, including parks. Together, these elements present a framework of goals and policies for use and protection of all the natural resource and open space assets of the City.

Conservation goals include development, and utilization of natural resources such as water and its hydraulic force, forests, soils, rivers and other waters, fisheries, wildlife, minerals, and cultural resources. Open space goals include limiting hillside development, creek and river setback areas, biologically sensitive habitat, and natural forests.

The Open Space and Conservation elements addresses the conservation of open space lands, including issues related to working lands and park lands, the orderly development of residential land, and coordination with other agency programs related to conserving open space lands.

State planning law provides a detailed description of open space lands and the topics that must

be addressed in the Open Space and Conservation Elements. These topics include Open Space for the Preservation of Natural Resources, Open Space for the Managed Production of Resources, Open Space for Outdoor Recreation and Open Space for Public Health and Safety:

State law (Government Code 65560 et seq.) requires a local open-space plan (element) for the comprehensive and long-range preservation and conservation of open-space land within its jurisdiction, and that the open space plan contain an action program that identifies how the plan or element is to be implemented.

The City continues to consult with tribal intergovernmental representatives to conserve and protect cultural and historical resources. Cooperation with the two incorporated cities, special districts, and State and Federal agencies continues to preserve the County's cultural heritage, historical and archaeological structures, sites, and landmarks.

Noise Element

The Noise Element is one of the City's older General Plan Elements. It was approved and adopted in August of 2001. Although noise standards have not dramatically changed since 2001, City staff hopes to update the Noise Element in 2023.

Government Code Section 65302(f) requires each California city and county to include within its general plan a noise element that analyzes and quantifies noise levels and the extent of noise exposure in their jurisdictions from the following sources:

- Highways and freeways;
- Primary arterial and major local streets;
- Passenger and freight online railroad operations and ground rapid transit systems;
- Commercial, general aviation, heliport, helistop, and military airport operations, aircraft overflights, jet engine test stands, and all other ground facilities and maintenance functions related to airport operation;
- Local industrial plants, including, but not limited to, railroad classification yards; and
- Other ground stationary noise sources identified by local agencies as contributing to the community noise environment.

The Noise Element is required to map noise level contours such that it may be used as a basis for land use decisions. It must include implementation measures and possible solutions to existing and foreseeable noise problems. Furthermore, the policies and standards of the Noise Element must be sufficient to serve as a guideline for compliance with sound transmission control requirements.

The Noise Element aims to protect the City's residents and visitors from the harmful and

annoying effects of exposure to excessive noise. The primary source of noise within the City is Highway 101.

Safety Element

The Safety Element was updated and adopted in 2016. The purpose of the safety element is to reduce the potential risk of death, injuries, property damage, and economic and social dislocation resulting from fires, floods, earthquakes, landslides, and other hazards. The safety element overlaps topics also mandated in the land use, conservation, and open-space elements. The components of this Element include:

- Geologic/Seismic Hazards
- Flood Hazards
- Fire Hazards
- Airport Safety
- Industrial Hazards
- Hazardous Materials
- Emergency Management

The safety element must identify hazards and hazard abatement provisions to guide local decisions related to zoning, subdivisions, and entitlement permits. The element contains general hazard and risk reduction strategies and policies supporting hazard mitigation measures. Policies address the identification of hazards and emergency response, as well as mitigation through avoidance of hazards by new projects and reduction of risk in developed areas. Land development is subject to a number of hazards to life and property, including seismic and non-seismic land instability, flooding, fire, and dangers from airport operations.

The degree of risk associated with these hazards can only be measured in relative terms. What constitutes 'acceptable risk' varies with the type of development involved. For instance, a hospital should meet very strict earthquake standards in order to ensure that it is able to function in the event of a serious earthquake. A warehouse, on the other hand, would not need to be designed to the same rigorous standards because its functions during an earthquake would not be critical to the community's response to the emergency, nor would it pose serious risk to large numbers of people should it fail.

The General Plan manages risk through the use of land use designations to limit exposure to hazardous areas and through policies tailored to specific hazardous conditions. The goals, policies and implementation measures of this Element are many of the same existing policies found in Chapter 5, the Open Space and Conservation Element. All of the goals, policies and implementation measures are designed to proactively improve overall safety conditions within the City.

Housing Element

The Housing Element identifies existing and projected housing needs and establishes goals, policies, standards, and implementation measures for the preservation, improvement, and development of housing in the City of Rio Dell (City). It meets detailed requirements of state Housing Element law, including requirements for a residential land inventory sufficient to meet the City's share of the state-prescribed regional housing need. The Housing Element is the component of the City's General Plan that provides an eight-year vision for housing.

The California housing element law, enacted in 1969, mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The law acknowledges that, in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing development. This document presents an effective housing element that discusses the necessary conditions for preserving and producing an adequate supply of affordable housing. Among other things, the housing element provides an inventory of land adequately zoned or planned to be zoned for housing, certainty in permit processing procedures, and a commitment to assist in housing development through regulatory concessions and incentives.

The California state legislature has identified the attainment of a decent home and suitable living environment for every resident as the state's major housing goal. Recognizing the important role of local planning programs in pursuing this goal, the legislature has mandated that all cities and counties prepare a housing element as part of their comprehensive general plan. Section 65302(c) of the Government Code sets forth the specific components to be contained in a community's housing element.

The primary purpose of a housing element is to:

- Preserve and improve housing and neighborhoods,
- Provide adequate housing sites,
- Assist in the provision of affordable housing,
- Remove governmental constraints to housing investment, and
- Promote fair and equal housing opportunities.

This Housing Element consists of the following sections:

1. Housing Goals, Policies, and Programs
2. Review of the Previous Housing Element Programs
3. Housing Needs Assessment
4. Housing Resources
5. Housing Constraints
6. Quantified Objectives

California law requires that each city and county, when preparing its state-mandated housing element, develop local housing programs to meet its “fair share” of existing and future housing needs for all income groups. This fair-share concept seeks to ensure that each jurisdiction provides housing for its residents with a variety appropriate to their needs. The fair share is allocated to each city and the county by HCD. One of the major goals of the housing element is to develop policies and programs to meet the goals established through the fair-share allocation.

State law requires local governments to provide adequate sites for the construction of housing to meet the Regional Housing Needs Assessment (RHNA) plan. Table 26 presents the fair-share allocation for each city in Humboldt County as well as the unincorporated County area during the sixth-cycle Housing Element planning period, as published in the Humboldt County Association of Governments (HCAOG) Regional Housing Needs Plan (RHNP).

Meeting the housing needs of the City’s residents is an important goal for the City. The Housing Element works to provide housing for all of the community, and addresses the needs of specified populations based on income. The City is not obligated to ensure the units are built, the City only needs to ensure that sites are available for the units.

At present, the City is responsible for accounting for potential development sites for both its fifth- and sixth cycle RHNA allocation in this Housing Element Update. Accordingly, the City will need to identify sites for a total of 82 units, as shown in Table 28 of the Housing Element.

**Table 28
Comparison of the Regional Housing Need and Residential Sites Capacity**

Income Group	Fifth and Sixth Cycle RHNA	Approved Project Capacity	Remaining RHNA	Site Inventory Capacity	Projected ADU Capacity	RHNA Surplus
Very Low	20	25	7	38	30	61
Low	12					
Moderate	13		13	28	10	25
Above Moderate	37	1	36	22	--	0*
Total	82	26	56	88	40	72

Source: City of Rio Dell 2020; HCAOG.
* It is assumed that surplus from other income categories would provide additional capacity for the above moderate-income group.

Table 28 of the Housing Element compares the City of Rio Dell’s RHNA to the site inventory capacity. Based on the River Bluff Cottages, and the current sites capacity, the City has a surplus of 61 units available to lower-income households (including extremely low-, very low), 25 units available to moderate-income households. The City’s biggest need for housing is for Above Moderate housing sites.

In 2022 during the preparation of the Housing Elements Annual Progress Report (APR), staff

identified a couple errors in the Housing Element. The Housing Elements Table 27, *Residential Land Use Designations – Allowable Density*, incorrectly identified applied densities. The densities identified for the City’s commercial designations are not accurate.

The second error that staff discovered was that the Housing Elements *Vacant Residential Sites Inventory, Table 29* did not include a couple commercial parcels, including the Todd parcel, and two vacant parcels in the Grayland Heights development. As such, the City amended the Hosing Element accordingly, Resolution No. 1542-2022

The City continues to work with service providers to provide for the needs of lower- income households, the disabled, and other special needs populations, per the direction provided in the Housing Element.

IV. General Plan and Zoning Code Updates

In 2022 City staff continued to identify and address minor implementation issues based on specific projects, compliance activities, and changes in state law that affect these land use documents. Amendments to the Zoning Code were completed addressing these issues. This update approach will be repeated on an as-needed basis.

V. Conclusion

The General Plan is the City’s constitution, development blue-print and guiding vision. Upkeep and maintenance of the General Plan is a continuous process. The City implements the General Plan’s vision on a day-to-day basis in its many planning projects, and strives to include the public in the decision-making process.

The City conducted many planning activities in 2021, as identified in this report, and continued its project review responsibilities to further the General Plan’s goals, policies, programs, and implementation measures. Updates to the remainder of the General Plan and the zoning ordinance are expected to continue to move forward in 2022.

Jurisdiction	Rio Dell	
Reporting Year	2022	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	08/31/2019 - 08/31/2027

Building Permits Issued by Affordability Summary		
	Income Level	Current Year
Very Low	Deed Restricted	0
	Non-Deed Restricted	0
Low	Deed Restricted	0
	Non-Deed Restricted	1
Moderate	Deed Restricted	0
	Non-Deed Restricted	0
Above Moderate		0
Total Units		1

Note: Units serving extremely low-income households are included in the very low-income permitted units totals

Units by Structure Type	Entitled	Permitted	Completed
SFA	0	0	0
SFD	0	0	0
2 to 4	0	0	0
5+	0	0	0
ADU	0	1	0
MH	0	0	0
Total	0	1	0

Housing Applications Summary	
Total Housing Applications Submitted:	0
Number of Proposed Units in All Applications Received:	0
Total Housing Units Approved:	0
Total Housing Units Disapproved:	0

Use of SB 35 Streamlining Provisions	
Number of Applications for Streamlining	0
Number of Streamlining Applications Approved	0
Total Developments Approved with Streamlining	0
Total Units Constructed with Streamlining	0

Units Constructed - SB 35 Streamlining Permits			
	Income	Rental	Ownership
Very Low		0	0
Low		0	0
Moderate		0	0
Above Moderate		0	0
Total		0	0

Cells in grey contain auto-calculation formulas

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Jurisdiction	Rio Dell		
Reporting Year	2022	(Jan. 1 - Dec. 31)	
Table D			
Program Implementation Status pursuant to GC Section 65583			
Housing Programs Progress Report			
Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
A-1 Mixed-Use Development	Encourage Mized-Use Development.	Research best practices and identify possible barriers by June 2021, annually reach out to developers	Been negotiating with the propoerty owner of a 18+/- acre commerical propoerty to obtain site control. The appraisal came in lower than the owner expected. Owner recently listed parcel. Cal Fire is apparently moving forward with the purchase for their regional headquarters. Very frustrating. The City has developed a conceptual site plan where the Cal Fire facilities could be located on just 6+/- acres of the parcel. Cal Fire has not responded.
A-2 SB 35 Application Procedure	Develop procedures to implement SB35	January 2022, annually review	The City has amended our Zoning Regulations to accommodate Emergency Shelters, Supportive Housing, Low Barrier Navigation Centers as principally permitted uses. The City has also developed ministerial procedures for these use types. Ordinances 391-2022 and 393-2022
A-3 Safety Element Review	The City will review the City's Safety Element and ensure compliance with State law as described in Section 65302(g) of the California Government Code. This will include new requirements established by Senate Bill 379 and 1035 related to climate change, SB 99 related to evacuation routes, and others as appropriate	3/1/2021	On the to do list.
A-4 Permit Streamlining and Priority Processing	Streamline the permit process	On-going	The City utilizes BPR Consulting as a third-party plan reviewer. BPR completes the intial Plan Check within 10 dyas of receipt of the plans.

A-5 Affordable Housing Developemt Assistance	Facilitate affordable housing	On-going	The City has reached out to the County's leading supportive, transistional and low income developed (DANCO) a number of times over the past year.
B-1 Housing Rehabilitation	Maintain existing housing stock	On-going	Working with the County on HCD/CDBG OOR program.Executed MOU with County to administer CDBG. Recently (February) made application for CalHOME Owner Occupied and Rental Rehabilitation Grant.
B-2 Zoning Amendments	SRO's, Transitional and Supportive Housing, Emergency Shelters, Low Barrier Navigation Centers, Residential Care Homes, Definition of Family, Employee Housing. Residential Care Homes, Density Bonus and reasonable accomodation.	Most completed. Still need to amend the Zoning Regulations to allow Residential Care Homes as princially permitted use in the Residential zones.	SRO's - There no regulations in the City which wold preclude the development of SRO's. There are no abandoned or underutilized motels, which are typically used for SRO's. The City has amended our Zoning Regulations to accommodate Emergency Shelters, Supportive Housing, Low Barrier Navigation Centers as princially permitted uses. The City has also developed ministerial procedures for these use types. Ordinances 391-2022 and 393-2022. The City has also adopted definitions of Famiiy and Employee Housing. The Density Bonus regulations are consistent with State law. The City has made path of travel improvements to City Hall and has installed an accessible counter in the lobby.
B-3 Water & Sewer Facilities	Pursue funding for infrastructure improvements	On-going	The City is working on (1) a Sanitary Sewer Evaluation Study (SSES) regarding the Painter Street sewer line upsizing; (2) Hazard Mitigation Grant for a river undercrossing of the City's waterline from the City wells across the river; (3) the City is cuurently working with the City Engineer on a \$2,000,000 City wide Capital Improvment Program (CIP) for water distribution upgrades throughout the City; (4) the City is also pursuing grants fund to replace bith the Douglas Street and Painter Street water tanks; and (5) the City doubled the capacity of the Dinsmore Plateau water tank last year.

<p>B-4 Homeless Assistance</p>	<p>Establish local capacity to inform the community of services available to assist persons without shelter, increase the community's capacity as liaison to persons and families in need, and maintain and update information in available services for the homeless. The City will annually update its list of agencies and services provided to homeless and indigent persons in Rio Dell and Humboldt County and make the list available to non-profit groups and churches for distribution to the public.</p>	<p>On-going</p>	<p>The City has created a list of resources for our local homeless and citizens which are posted on our website. The Police Department hands out, refers homeless folks to the Community Resource Center, the Coordinated Entry System (CES), including the 211 program, Nation's Finest for veterans, Salvation Army, the City of Eureka's Uplift program, the Arcata House Annex, Redwoods Rural Health and the County DHHS. In addition, staff receives and distributes information from the Redwood Community Action Agency (RCAA) regarding their weatherization and energy efficiency program, utility billing assistance, low income water payment assistance and heater and water heater repairs and replacements. The City also provides handouts regarding the services offered by the Redwood Coast Energy Authority, including energy bill assistance, energy efficiency upgrades and other services. In addition, the City provides handouts, information regarding Housing Assistance offered by the City of Eureka and County of Humboldt Housing Authority. Again, much of this information is posted on the City's website as well. The City did receive a presentation for Robert Ward J.D. the County's Homeless Task Force Coordinator in 2022 regarding available services and the County's Point in Time homeless count.</p>
	<p>The City will also request that the County Homeless Task Force make a presentation to the City Council regarding the homeless issue in the County, Multiple Assistance Center (MAC) services and other resources/information that can be made available to the community</p>		<p>County annually makes presentation to the Council</p>
<p>B-5 Assistance for Persons with Developmental Disabilities</p>	<p>Work with the Redwood Coast Regional Center to implement an outreach program that informs families in the city about housing and services available for persons with developmental disabilities. The program could include developing an informational brochure and directing people to service information on the City's website.</p>	<p>Within 2 years of HE adoption</p>	<p>Recently received brochure from Redwood Community Action Agency regarding their services. To be posted on website.</p>

<p>B-6 First Time Home Buyer Program</p>	<p>The City will develop a First-Time Homebuyer (FTHB) program and, through the availability of HOME funds, will provide financial assistance through loans and/or grants to help buyers with down payments, closing costs, mortgage insurance premiums, and/or with a silent second trust deed. Through the FTHB program, the City will assist low-income households (80 percent or less than the county median).</p>	<p>Completed</p>	<p>We actually have a HCD approved FTHB program. As indicated above, the City recently executed a MOU with the County to administer our CDBG/CalHome programs</p>
<p>C-1 Affirmatively Further Fair Housing</p>	<p>The City will develop a plan to Affirmatively Further Fair Housing (AFFH). The AFFH Plan shall take actions to address significant disparities in housing needs and in access to opportunity for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law</p>	<p>January 2022, annually review</p>	<p>We have created a "Renters Rights" handout which includes information on housing access for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability. It has been posted to the City's website. In addition, we have a posted a brief overview of the Affirmatively Furthering Fair Housing program and link on the City website. The City will be seeking CDBG grants for additional Code Enforcement to hold property owners and tenants accountable to maintain clean, safe dwelling units. In addition the City is considering ceating a Rental Housing Inspection Program. We also plan to develop a "Housing Resouce" page on the City's website.</p>

<p>C-2 Energy Conservation and Weatherization</p>	<p>Free Weatherization Program – Provides weatherization services and assistance to low- to moderate-income households through grants and financial assistance. Activities may include energy conservation measures, weatherization such as weather stripping, water heater wrap, insulation of various home components, and financial assistance.</p>	<p>On-going</p>	<p>We currently refer residents to the Redwood Community Action Agency (RCAA) for access to their weatherization program, the Redwood Coast Energy Authority (RCEA) regarding othe energy efficiency programs and PG&E's Care program and Energy Reduction and Weatherization Low Income Home Energy Assistance Program (LIHEAP). We also refer residents to RCAA for their Low Income Home Water Assistance Program (LIHWAP).</p>
<p style="background-color: yellow;"></p>	<p>Energy Demonstration Center – Through the Energy and Environmental Services Division of the RCAA, this center provides energy efficiency retrofits, home improvement, utility and energy assistance, client education and advocacy, and other services to people in need in Humboldt County.</p>	<p style="background-color: yellow;"></p>	<p style="background-color: yellow;"></p>
<p style="background-color: yellow;"></p>	<p>Utility Payment Assistance Program – Low-income households are assisted with utility expenses. Several resources are leveraged to provide each consumer with maximum assistance.</p>	<p style="background-color: yellow;"></p>	<p>We refer to PG&E for CARE and FERA programs.</p>



Staff Highlights – 2023-05-02

City Council

City Manager

City Clerk

Processed Fourteen (14) Building Permit Applications

78 W. Davis St. – Replace Sewer Line
136 Ogle Ave. – Re-Roof Shop Building
1271 Eeloa Ave. – 100 Amp Service Panel
386 Center St. – Earthquake Repairs
157 Ogle Ave. – Foundation Repairs
229 Belleview Ave. – Demolition of Residence
1111 Eeloa Ave. – Earthquake Repairs
11 ½ Center St. – Foundation Repairs
244 First Ave. – Siding
1165 Eeloa Ave. – Floor and Floor Joists
150 Davis St. – 100 Amp Service
160 River St. – Upper Sewer Lateral and 3 Cleanouts
292 Center St. – New Copper Water Line
329 Douglas St. – Remove/Replace Chimney

Processed Two (2) Business License Applications:

Ulrich Electric – Non-Resident Contractor
Blue Timber Real Estate – 296 Center St. (Address of Convenience)

Processed One (1) Encroachment Permit Application:

Mobley Construction – Install Upper Lateral and Cleanouts at 160 River St.

Misc.

Submitted CHF/CIRB Building Report for April

PRA Request to CPS Re: Total Compensation Study for McKinleyville

Community Services District

Submitted Sewer Lateral Testing Deferral Letter for 192 Belleview Ave.



Training on 4/20/23 with Muni Code on Agenda Management Program

Attended PACE Board of Directors Meeting on 4/27/23

City Attorney

Human Resources, Risk & Training

Finance Department

Finalized Eel River Trail Time Extension Request with Clean Ca Reps

Met with Fire Chief to discuss forms needed to file earthquake damage claims with Cal OES

Filed quarterly reports for Clean CA grants

Filed Measure Z Q3 report

Submitted annual SLFRF report to Treasury Department

Submitted 2022 Government Compensation in California Report to California State Controller

Worked with independent auditor finalizing audit report

Attended Caltrans EQ FHWA webinar

Assist GHD gathering information for CWSRF Grant Application

Sent FIP documents to owner of 371 & 375 Wildwood for potential projects

Drafted article for upcoming newsletter – Façade Improvement Program

Submitted invoice for Clean CA Dump Day Voucher program for Rio Dell residents

Work on Fiscal Year 2023-24 Budget with Department Heads

Continue to work with CalOES to finalize the List of Projects for Earthquake related damage

Submitted claims for reimbursable expenses related to Earthquake Damage

Draft MD&A for upcoming audited financials

Provide updates to CleanCA reps updating progress on grants

Work with NYLEX coordinating upcoming contract for the next year

Coordinate with RDPD and City Hall phone system

Responded to prospects interested in submitting an RFP for Audit Services for the upcoming Fiscal Year



Coordinate with Caltrans to make sure all qualified road damage had properly executed Damage Assessment Forms completed

Continue work on CDBG grant opportunity for Owner and Tenant Occupied Rehab

Submitted LFT Claim Request to Humboldt County Association of Governments

Updated documents in the Finance area of the City website

Completed purchase order and paperwork associated with the Chlorine Generator that was damaged in the Earthquake

Work with GHD gathering documentation for the Rio Dell Eel River Crossing Pipeline Seismic Retrofit Project, Painter Street CWSRF Grant, and Earthquake related damage sites.

Public Works Water

Work on replacing water treatment facility plant finished water pumps

Work on Cl2 pump for water treatment facility.

Monthly Report to SWRCB

Replaced Air Relief Valves on Water Treatment Plant Filters

Elm St Leak repair locations: Two in front of 186 Elm St, one in front of 125 Elm St and one in front of Brian's Automotive shop.

Leak repaired in front of 250 Tolman Pl.

Leak repaired in front of 123 Ash St.

Leak repaired in front of 220 Willow Ln.

Leak on Belleview Ave repaired.

Leak repaired in front of 765 Walnut Dr.

Leak repaired in front of 85 E Bridge St.

Public Works Wastewater

Routine Cleaning of the Collection system.

Spring cleaning and help utilities crew with city wide mowing.

Budget preparation with Finance department



Plant wash down or Clarifiers

Scheduling Site visit with GHD for the Chloramine system and Contact Basin Evaluation for damages caused by Earthquake.

Sewer Lateral inspections at River St., 1st Ave and West Davis.

Annual Chronic toxicity testing repeat testing.

Preparing the Irrigation fields for Dry weather Discharge.

Renewing Licensing for Radios for FCC.

Hired/ Job offers for two full time positions: Utilities and Waste/Water operator.

Submitted Annual Volumetric Effluent report to State.

Waiting for State approval of TSO extension and Compliance project order to be approved. Current in the 30 day public notification phase.

Working on Scheduling CCTV crew to come back and video other possible areas of damage plus SSES project.

Public Works Streets, Buildings and Grounds

Recovered fallen stop ahead sign on Northwestern Ave and installed new pole.

Cleaned up fallen branches on Eeloa Ave and Monument Rd.

Mowed North Gateway.

Asphalt patching on Gunnerson Ln and Ogle Ave.

Repair river bar access road.

Public Works City Engineer

Public Works Capital Projects

Police Department

The Department had the following statistics for the period of April 12 to April 25, 2023. The summation of Calls for Service may be greater than the total as multiple officers can now be assigned to the same call for service. There may also be administrative calls for service that are not documented below.



Officer	Calls for Service	Reports	Arrests
Allen	13	3	0
Conner	3	1	0
Beauchaine	12	0	0
Landry	44	9	2
Burns	43	4	0
Johnson	40	8	3
Fielder	6	0	0
Clark	26	0	N/A
Totals	182	25	5
Averages	13.0 per day	12.5 per week	2.5 per week
2022 Yearly Average	14.1 per day	12.7 per week	5.7 per week

Calls for Service at 355 Center Street

Type	Date	Time	Location	Primary Unit	Case #
WELFARE	04/13/2023	09:49:39	355 CENTER ST	6A1	23-0000157

WELFARE – Check for physical or mental health concerns

6A1 – Chief Greg Allen

The department is “rebranding’ to improve our image, professionalism, and the way we provide services to our community. A new mission statement was completed and is now hanging on a poster in our office. It reads as follows: “Our mission is to provide the highest level of professional and compassionate law enforcement services to our community. We strive to maintain a safe and secure environment for all residents, businesses and visitors. “

We have taken a department photo and will be updated on the website soon.

We have redesigned our shoulder patches, badges, and graphics on our vehicles to truly represent the City of Rio Dell.

During the period of April 12 to April 25, 2023, there were fifteen calls for service related to animal control issues. Two dogs and three feral kittens were transported to Miranda’s rescue. A caller reported a goat trespassing into a neighboring pasture for what was believed to be lascivious purposes. CSO Clark and Officer Burns checked the pasture, but were unable to locate the amorous billy goat or any signs that he might have been there in the past.

Sergeants Beauchaine and Conner responded to Eureka as part of the Critical Incident Response Team (CIRT). They assisted in the investigation of the officer involved shooting that took place at the intersection of Dolbeer and Harris Streets in Eureka.

Chief Allen completed the second of three sessions in the POST Management Course.



On April 17, 2023, Officer Johnson responded to a residence where an armed man had tried to break in. The homeowners located broken trim from their front door and checked their security camera video. They saw that two days prior, two men had come to their home. One stood guard at the end of the driveway while the other knocked on the door. The man by the door was holding a pistol in his hand. When no one answered the door, he tried to kick it open, but was unsuccessful. The two men eventually left on foot. The matter is still under investigation with officers following multiple leads.

On April 18, 2023, Corporal Landry and Officer Burns responded to a burglary in progress. They learned that a woman had knocked on the door of a residence. When a teenage girl answered the door, the woman asked if they had any ice cream. She barged into the house despite the girl's effort to keep her outside. The woman walked into the kitchen and helped herself to a carton of Cool Whip in the freezer. The girl's mother demanded the woman leave as she called 911. The woman eventually did where she was contacted by the arriving officers. She was arrested for burglary and transported to jail. The empty Cool Whip container was seized as evidence.

Later on April 18, 2023, Officer Johnson spotted a motorcycle without a license plate. He attempted to pull the motorcycle over, but rather than yield, the rider accelerated and raced down Wildwood at an unsafe speed. Officer Johnson followed with lights and siren activated. The rider finally yielded on the onramp to US 101 in Scotia. He was taken into custody for fleeing and for DUI. Officer Johnson recognized him as a man who had crashed a different motorcycle on Wildwood only a few months before and had been transported by ambulance for a head injury. He had not been wearing a helmet at the time. On this occasion he also received transportation as a result of his failure to obey the rules of the road.

On April 21, 2023, Corporal Landry stopped a truck pulling a trailer that did not have a license plate. The driver was taken into custody when Corporal Landry learned that he had a warrant for his arrest. During a search of the truck, Corporal Landry found a rifle in a rack attached to the roof of the cab. There was ammunition for the rifle in the center console and scattered around the passenger compartment of the truck. Corporal Landry also searched a security box found on the back seat. This contained methamphetamine as well as suspected cocaine. The man was arrested for being an addict in possession of a firearm, possessing a controlled substance while armed with a loaded firearm, the warrant, and various vehicle code sections.

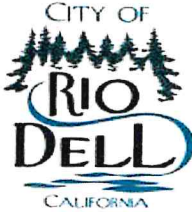
On April 23, 2023, Officers Johnson and Burns assisted the Fortuna Police Department with what was believed to be a standoff with a man who may have killed his son. While so engaged, the Rio Dell officers were asked to deal with a man who was causing a disturbance at a Fortuna business. They contacted a man who was eventually taken into custody for public intoxication. One officer transported the man to jail while the other assisted with the standoff until it was concluded.

Community Development Department

Intergovernmental

Humboldt-Rio Dell Business Park

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



DATE: May 2, 2023
TO: Mayor and Members of the City Council
FROM: Travis Sanborn, Finance Director
THROUGH: Kyle Knopp, City Manager
SUBJECT: Fiscal Year 2021-22 Audited Financial Statements

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Receive a presentation by JJA CPA, Inc. on the City’s audited financial statements and accompanying information.

BACKGROUND AND DISCUSSION

Each year an independent auditing firm audits and prepares financial statements for the City of Rio Dell in accordance with Generally Accepted Accounting Principles (GAAP) and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that an audit be performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

The City received an unqualified opinion and no material weaknesses were identified. An unqualified opinion means that the auditor has concluded the financial statements present fairly the results of the City’s operations and its financial position according to generally accepted accounting principles. A material weakness is one or more deficiencies in internal control where a reasonable possibility exists that a material misstatement will not be prevented, detected, or corrected in a timely manner. The auditor found no such weaknesses.

The auditing firm JJA CPA, Inc. will present to Council the Fiscal Year 2021-22 audited Financial Statements and accompanying information.

ATTACHMENTS

-Annual Financial Report for the Fiscal Year ended June 30, 2022

CITY OF RIO DELL, CALIFORNIA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2022



Prepared by:

Travis Sanborn
Finance Director

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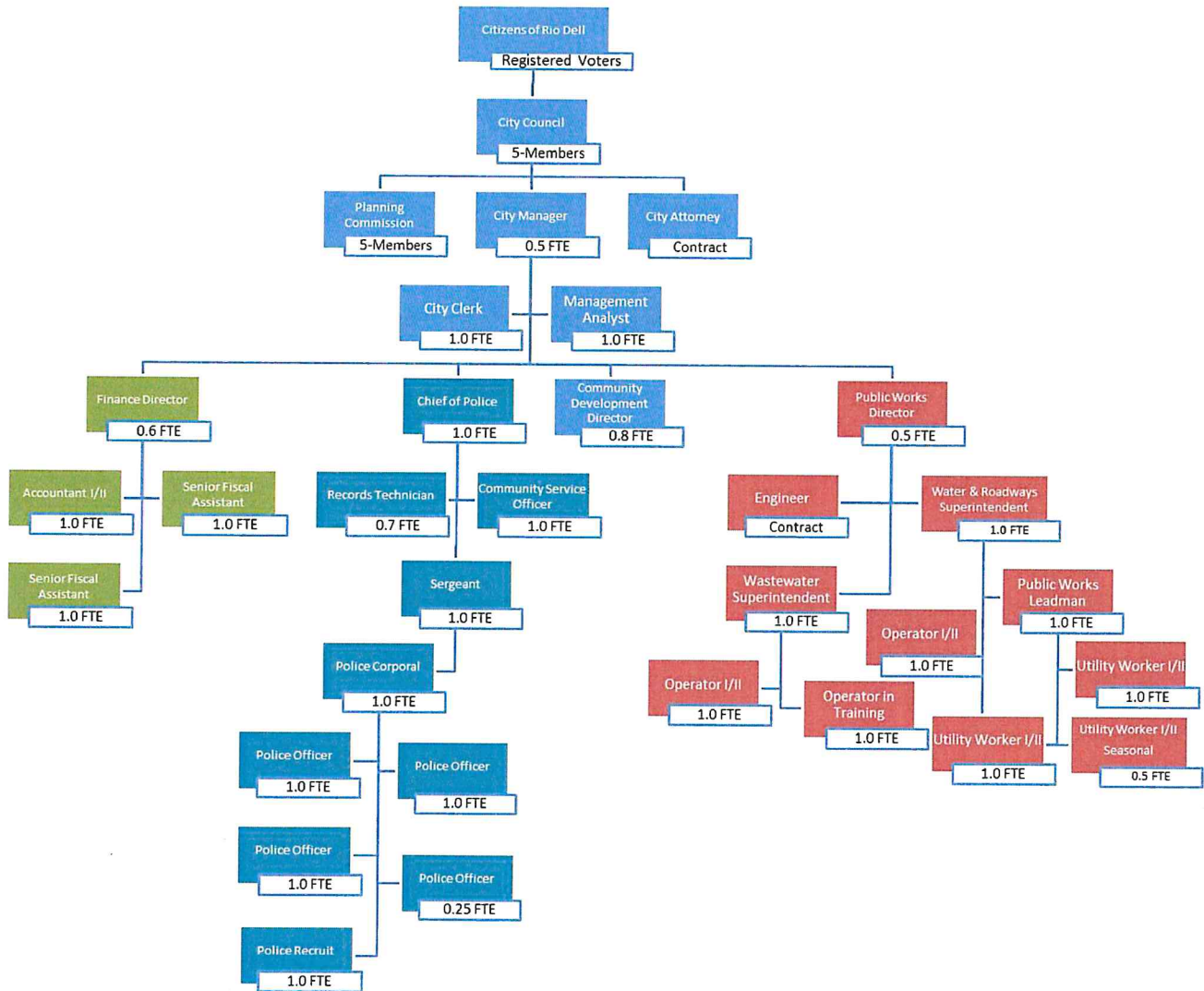
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City of Rio Dell, California Basic Financial Statements For the year ended June 30, 2022

Organization Chart



City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

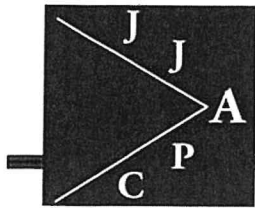
List of Officials

CITY COUNCIL

- Debra Garnes, Mayor
- Amanda Carter, Mayor Pro Tem
- Robert Orr, Council Member
- Frank Wilson, Council Member
- Julie Woodall, Council Member

CITY OFFICIALS

- Kyle Knopp, City Manager
- Karen Dunham, City Clerk
- Travis Sanborn, Finance Director
- Kevin Caldwell , Community Development Director
- Greg Allen, Chief of Police



JJACPA, Inc.

A Professional Accounting Services Corp.

INDEPENDENT AUDITOR’S REPORT

To the Honorable Mayor and City Council
City of Rio Dell
Rio Dell, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, and the budgetary comparison information of the City of Rio Dell (City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, and the budgetary comparison information of the City, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City’s management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-17 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 17, 2023 on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance.

April 17, 2023

JJACPA, Inc.
JJACPA, Inc.
Dublin, CA

Management's Discussion and Analysis

This section provides a narrative overview and analysis of the financial activities of the City of Rio Dell (City) for the fiscal year ended June 30, 2022. It should be read in conjunction with the accompanying transmittal letter and basic financial statements.

FINANCIAL HIGHLIGHTS

This section of the annual financial report provides a narrative overview and analysis of the financial activities of the City of Rio Dell (City) for the fiscal year ended June 30, 2022. It should be read in conjunction with the accompanying transmittal letter and basic financial statements.

The following outlines the financial highlights for the year:

- ◆ On June 30, 2022, the City's net position (excess of assets and deferred outflows of resources of the City over liabilities and deferred inflows of resources) was \$31,905,130, an increase of \$228,481 from the prior year. Of the total net position, \$22,463,454 was invested in capital assets (net of related debt) and \$921,118 had restrictions in their use leaving \$8,520,558 as unrestricted.
- ◆ Overall City-wide revenues from all governmental and business-type activities decreased by \$345,037, 6% compared to FY 2020-21. The decrease is primarily due to decreased sales and cannabis tax revenues. The City's total expenses for all programs in FY 2021-22 increased by \$1,080,403, or 24%.
- ◆ Overall the City's total net position increased by \$228,481 (\$318,277 and -\$89,796 for governmental activities and business-type activities, respectively). Total city-wide assets increased by \$351,032. This primarily was the result of an increase in governmental activities.
- ◆ The General Fund reported a fund balance of \$1,889,944 at the end of the 2022 fiscal year, a decrease of \$704,313. This change was the result of decreased Cannabis revenues and capital improvement projects completed.
- ◆ The City also ended the fiscal year with \$5,172,738 reported in the proprietary enterprise funds (the amount of net position available for use, including unrestricted net position, but excluding the investment in capital assets net of related debt). This is an increase of \$256,650 from 2021 and is a result of unrestricted water funds increasing by \$234,160 to \$2,948,025 and unrestricted sewer funds increasing by \$22,490 to \$2,224,713.

Management’s Discussion and Analysis, Continued

OVERVIEW OF THE ANNUAL FINANCIAL REPORT

The Basic Financial Statements

The Basic Financial Statements are comprised of the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of the City’s financial activities and financial position.

Government-wide Financial Statements

The Government-wide Financial Statements provide a broad overview of the City’s activities as a whole and are comprised of the Statement of Net position and the Statement of Activities. The Statement of Net position provides information about the financial position of the City as a whole, including all its capital assets and long-term liabilities on the full accrual basis, similar to that used by private sector entities. The Statement of Activities provides information about all the City’s revenues and all its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of each the City’s programs. The Statement of Activities explains in detail the change in Net position for the year.

All of the City’s activities are grouped into Governmental Activities and Business-type activities, as explained below. All the amounts in the Statement of Net position and the Statement of Activities are separated into Governmental Activities and Business-type Activities in order to provide a summary of these two activities of the City as a whole.

Government-wide financial statements, prepared on the accrual basis, measure the flow of all economic resources of the City. There are two basic statements presented here: the Statement of Net Position and Statement of Activities. These statements present information about the following activities.

- ◆ **Governmental activities** – All of the City’s basic services are considered to be governmental activities, including general government, community development, parks and recreation, public safety, animal control, engineering, community events, public improvements, planning and zoning, building inspections, and general administration. These services are supported by general City revenues such as taxes and by specific program revenues such as developer fees.
- ◆ **Business-type activities** – All the City’s enterprise activities are reported here, including Water and Sewer. Unlike governmental services, these services are supported by charges paid by users based on the amount of the service they use.

Management’s Discussion and Analysis, Continued

OVERVIEW OF THE ANNUAL FINANCIAL REPORT, Continued

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, Governmental Fund Financial Statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of the Governmental Fund Financial Statements is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Government-wide Financial Statement. By doing so, readers may better understand the long-term impact of the government’s near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The Governmental Fund Financial Statements provide detailed information about each of the City’s most significant funds, called major funds. The concept of major funds, and the determination of which are major funds, was established by GASB Statement No. 34 and replaces the concept of combining like funds and presenting them as one total. Instead, each major fund is presented individually, with all nonmajor funds summarized and presented only in a single column. Subordinate schedules present the detail of these nonmajor funds. Major funds present the major activities of the City for the year, and may change from year to year as a result of changes in the pattern of the City’s activities.

For the fiscal year ended June 30, 2022, the City’s major funds are as follows:

GOVERNMENTAL FUNDS:

- ◆ General Fund
- ◆ CDBG Special Revenue Fund

Management’s Discussion and Analysis, Continued

OVERVIEW OF THE ANNUAL FINANCIAL REPORT, Continued

Fund Financial Statements, Continued

PROPRIETARY FUNDS:

- ◆ Water Enterprise Fund
- ◆ Sewer Enterprise Fund

For the fiscal year ended June 30, 2022, the City adopted annual appropriated budgets for all governmental funds.

Proprietary funds. The City maintains Enterprise-type funds. Enterprise funds are used to report the same functions presented as business-type activities in the Government-wide Financial Statements. The City uses enterprise funds to account for Water and Sewer activities. The proprietary fund financial statements provide separate information for all of these operations.

Fiduciary Statements

The City’s fiduciary activities are reported in the separate Statement of Fiduciary Net Position. These activities are excluded from the City’s other financial statements because the City cannot use these assets to finance its own operations. The fiduciary statements provide financial information about the activities of special deposits for which the City acts solely as an agent. They provide information about the cash balances and activities of these funds.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. The notes to the basic financial statements can be found on pages 45-73 of this report.

Combining and Individual Fund Financial Statements and Schedules

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements can be found on pages 78–93 of this report.

Management’s Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City, assets exceeded liabilities by \$31,905,130 as of June 30, 2022. The Summary of Net position as of June 30, 2022, and 2021, follows:

	Summary of Net Position					
	2022			2021		
	Govern- mental Activities	Business- type Activities	Total	Govern- mental Activities	Business- type Activities	Total
Current and other assets	\$ 4,905,644	\$ 5,755,342	\$ 10,660,986	\$ 4,827,706	\$ 5,498,443	\$ 10,326,149
Noncurrent assets	7,358,311	21,040,064	28,398,375	6,671,986	21,710,194	28,382,180
Total assets	12,263,955	26,795,406	39,059,361	11,499,692	27,208,637	38,708,329
Current and other liabilities	589,973	552,387	1,142,360	131,733	542,095	673,828
Long-term liabilities	46,733	5,965,138	6,011,871	58,987	6,298,865	6,357,852
Total liabilities	636,706	6,517,525	7,154,231	190,720	6,840,960	7,031,680
Net position:						
Net invested in						
Capital Assets	7,358,311	15,105,143	22,463,454	6,671,986	15,451,589	22,123,575
Restricted	921,118	-	921,118	732,218	-	732,218
Unrestricted	3,347,820	5,172,738	8,520,558	3,904,768	4,916,088	8,820,856
Total net position	\$ 11,627,249	\$ 20,277,881	\$ 31,905,130	\$ 11,308,972	\$ 20,367,677	\$ 31,676,649

The City’s total net position increased by \$228,481 (\$318,277 for governmental activities and -\$89,796 for business-type activities). Total city-wide assets increased by \$351,032. This was mostly the result of an increase in completed Capital Improvement Projects under Governmental Activities. Total current city-wide liabilities increased by \$122,551, primarily due to an increase in current and other liabilities under Governmental Activities. Debt service principle (long-term liabilities) for the wastewater treatment plant and the water system infiltration gallery decreased by \$333,727. Total city-wide liabilities, not including deferred outflows and inflows of resources increased by \$122,551.

About 2.9% or \$921,118 of the City-wide net position represents resources that are subject to external restrictions on how they may be used. The remaining unrestricted net position of \$8.5 million may be used to meet the government’s ongoing obligations to citizens and creditors. Of this amount, \$3,347,820 is held by governmental activities, and \$5,172,738 is held by business-type activities.

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Revenues

The City's total revenues for governmental and business-type activities were \$5,781,406 for the fiscal year that ended June 30, 2022, a decrease of \$345,037. Significant revenues for the City for FY 2021-22 were derived from taxes (22%), operating grants and contributions (21%), and charges for services (42%).

The following discusses variances in key revenues from the prior fiscal year:

- ◆ **Charges for Services** - Annual receipts for business-type activities decreased by \$107,138, or 4%. Governmental activities decreased by \$84,624, or 52%, primarily due to a decline in cannabis permitting fees.
- ◆ **Grants and Contributions** - Annual receipts decreased by \$482,195. This was due to funding received for ARPA (American Rescue Plan Act) in the prior year.
- ◆ **Other Taxes** - Annual receipts decreased by \$195,116. This represents revenues from the cannabis tax.

Expenses

Governmental and business-type activity expenses of the City for the year totaled \$5,552,925. This is an increase of \$1,080,403 from the prior fiscal year. Governmental activity expenses totaled \$2,624,569, or 47% of total expenses. Business-type activities accounted for \$2,928,356 of expenses during the fiscal year, an increase of \$115,916 due mainly to grant-funded sewer study costs. Public Safety - Police costs represented 41% of total governmental activities expenses, General Government activities were 25% and Public Works was 27%. The remaining 7% were Planning and Building and Recycling costs.

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The change in net position for the fiscal years ended June 30, 2022, and 2021, follows:

	Changes in Net Position			2021		
	2022			2021		
	Gov- ern- men- tal Acti- vities	Busi- ness- type Acti- vities	Total	Gov- ern- men- tal Acti- vities	Busi- ness- type Acti- vities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 77,320	\$ 2,367,297	\$ 2,444,617	\$ 161,944	\$ 2,474,435	\$ 2,636,379
Grants and contributions:						
Operating	899,627	151,957	1,051,584	238,796	133,111	371,907
Capital	117,235	36,225	153,460	599,430	171,329	770,759
General revenues:						
Property taxes, levied for general purposes	155,923	-	155,923	148,127	-	148,127
Sales taxes	693,466	-	693,466	809,947	-	809,947
Cannabis taxes	152,656	-	152,656	347,772	-	347,772
Transient occupancy tax	18,955	-	18,955	20,597	-	20,597
Gas taxes	154,498	-	154,498	142,803	-	142,803
Franchise taxes	101,036	-	101,036	93,626	-	93,626
Motor vehicle in lieu	451,285	-	451,285	424,496	-	424,496
Use of money and property	74,654	11,540	86,194	102,193	16,197	118,390
Contributed capital	-	254,714	254,714	-	222,344	222,344
Other general	46,191	16,827	63,018	16,242	3,054	19,296
Total revenues	2,942,846	2,838,560	5,781,406	3,105,973	3,020,470	6,126,443
Expenses:						
Governmental activities:						
General government	662,698	-	662,698	336,910	-	336,910
Public safety - Police	1,080,721	-	1,080,721	919,224	-	919,224
Public works	707,105	-	707,105	269,562	-	269,562
Planning and building	143,552	-	143,552	128,038	-	128,038
Recycling	30,493	-	30,493	6,348	-	6,348
Business-type activities:						
Sewer	-	1,813,577	1,813,577	-	1,615,712	1,615,712
Water	-	1,114,779	1,114,779	-	1,196,728	1,196,728
Total expenses	2,624,569	2,928,356	5,552,925	1,660,082	2,812,440	4,472,522
Excess (Deficiency) of revenues over expenditures before transfers	318,277	(89,796)	228,481	1,445,891	208,030	1,653,921
Transfers	-	-	-	-	-	-
Change in net position	318,277	(89,796)	228,481	1,445,891	208,030	1,653,921
Net position:						
Beginning of year	11,308,972	20,367,677	31,676,649	9,863,081	20,159,647	30,022,728
End of year	\$ 11,627,249	\$ 20,277,881	\$ 31,905,130	\$ 11,308,972	\$ 20,367,677	\$ 31,676,649

Management’s Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Governmental Activities

The following table shows the cost of each of the City’s major programs and the net cost of the programs. Net cost is the total cost less fees and other direct revenue generated by the activities. The net cost reflects the financial burden that was placed on the City’s taxpayers by each of the programs. The total cost of services and the net cost of services for the fiscal years ended June 30, 2022, and 2021, are as follows:

	2022		2021	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 662,698	\$ 231,528	\$ 336,910	\$ 179,412
Public safety - Police	1,080,721	594,379	919,224	751,440
Public works	707,105	586,895	269,562	(335,898)
Planning and building	143,552	97,010	128,038	67,956
Recycling	30,493	20,575	6,348	(2,997)
Total	<u>\$ 2,624,569</u>	<u>\$ 1,530,387</u>	<u>\$ 1,660,082</u>	<u>\$ 659,913</u>

Total expenses for governmental activities were \$2,624,569 which was \$964,487 or 58% more than the prior year. Increases in the total and net cost of services were attributed to completing Capital Improvement Projects within the community.

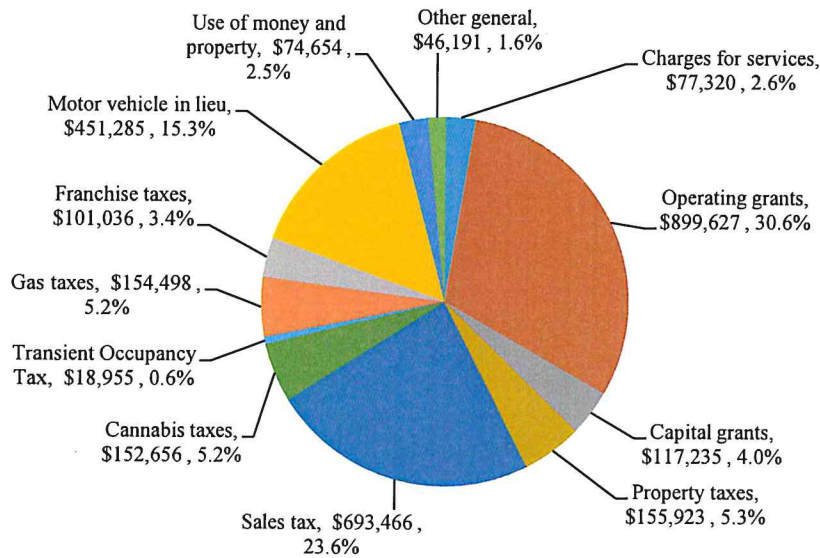
Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

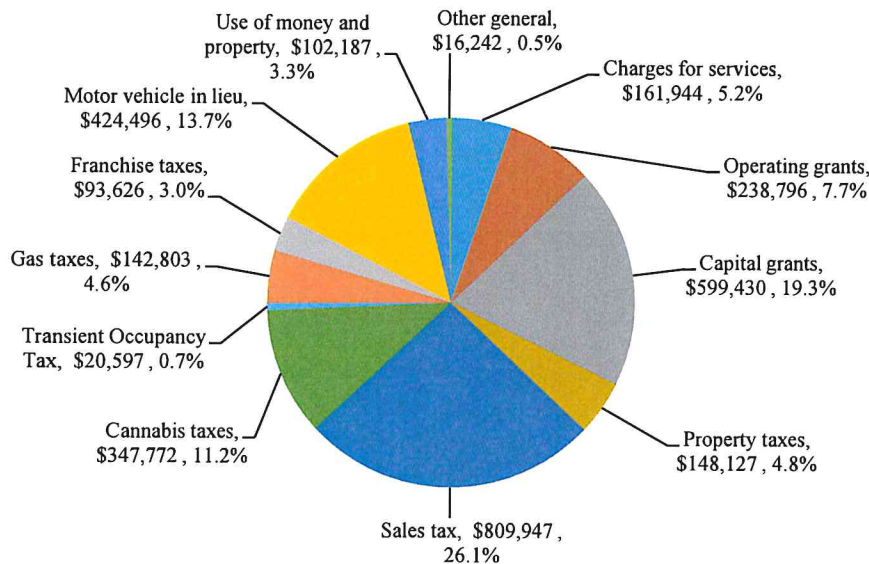
Governmental Activities, continued

Revenues by source for the fiscal years ended June 30, 2022, and 2021, are as follows:

Revenues by Source - Governmental Activities 2022



Revenues by Source - Governmental Activities 2021



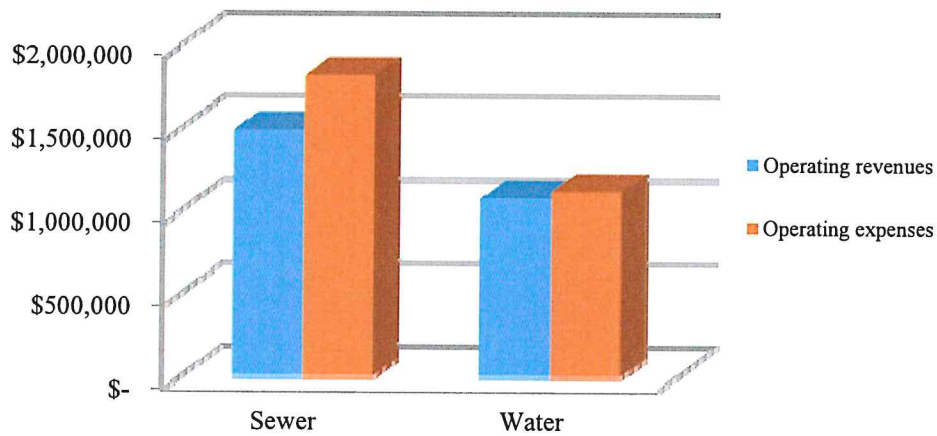
Management’s Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

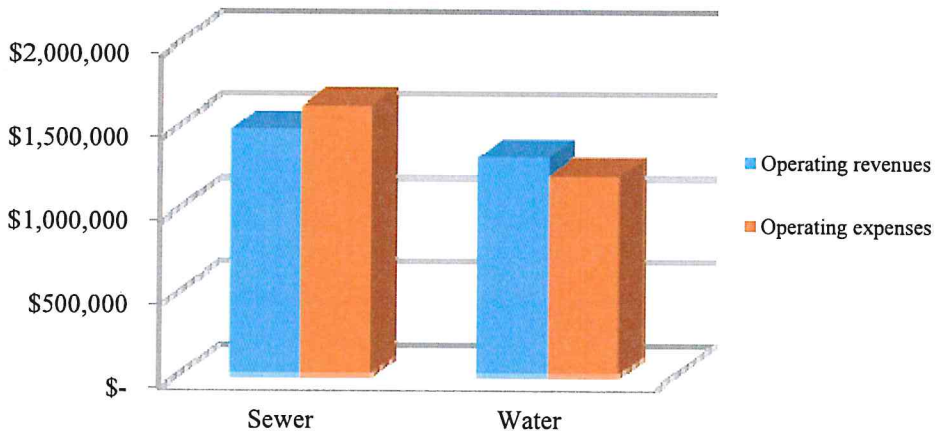
Business-type Activities

Business-type activities have decreased the City’s net position by \$89,796. The City has two business-type activities: Sewer and Water Operations. The operating revenues and expenses for the business-type activities for the fiscal years ended June 30, 2022, and 2021, are as follows:

**Operating Revenues and Expenses
 Business-type Activities
 2022**



**Operating Revenues and Expenses
 Business-type Activities
 2021**



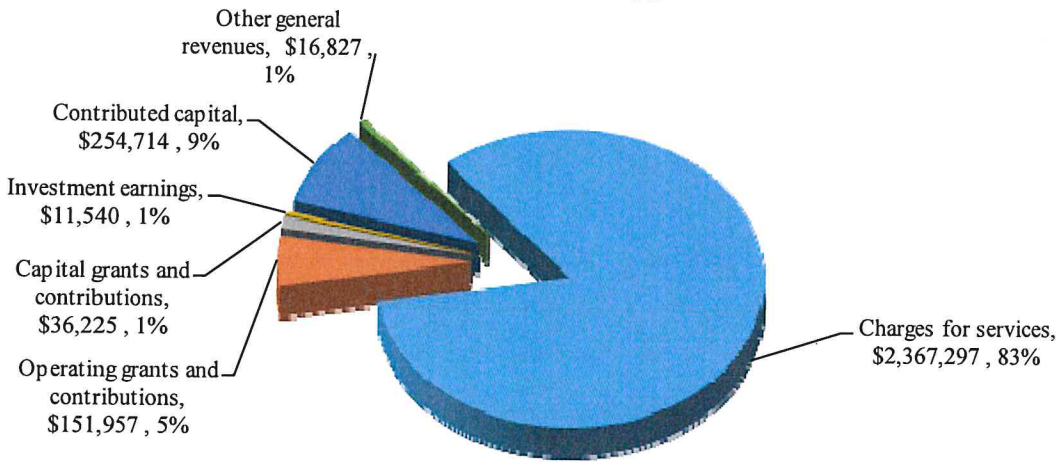
Management’s Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

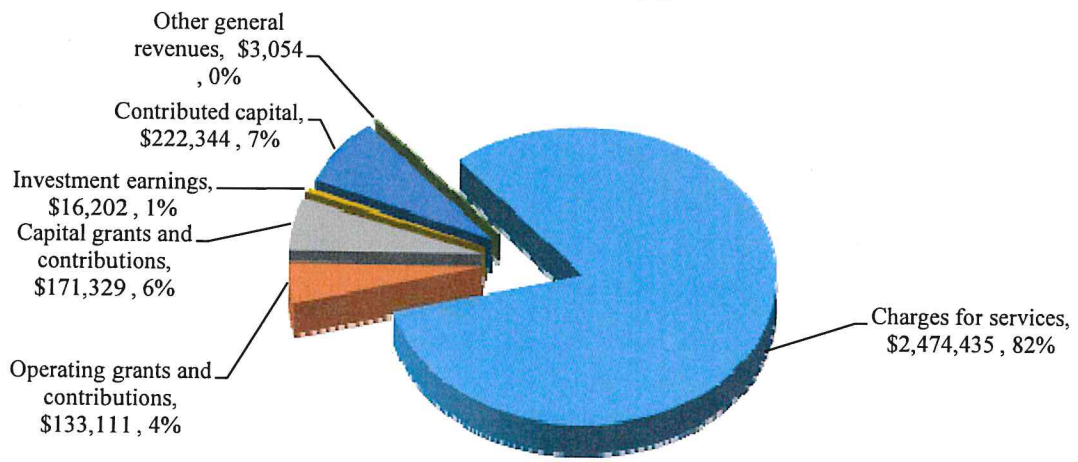
Business-type Activities, continued

The revenues by source for the business-type activities for the fiscal years ended June 30, 2022, and 2021, are as follows:

Revenues by Source - Business-type Activities 2022



Revenues by Source - Business-type Activities 2021



Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Financial Analysis of the Government's Funds

The City of Rio Dell uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide financial statements.

Governmental funds. The City's governmental funds provide information on near-term inflows, outflows, and balances of spending resources. At the fiscal year ending June 30, 2022, the City's governmental funds reported combined fund balances of \$3,642,631. This is a decrease of \$252,477 or 6% from last year. This primarily results from expenditures exceeding revenues in the various governmental funds.

The General Fund is the chief operating fund of the City. In the fiscal year ending June 30, 2022, the General Fund unassigned fund balance totaled \$1,889,944. This is a decrease of \$704,313 or 27% from the prior year. This decrease is mainly a result of lower-than-anticipated sales and cannabis tax revenues and capital projects being completed.

The governmental funds allowed the City to undertake several capital and special projects in FY 2021-22. The City introduced a Façade Improvement Program that offered qualifying properties in the City matching grants to improve the appearance and façade of their buildings. Additionally, the city General Fund provided funding for a streets slurry seal project, asphalt street resurfacing, and new city vehicles.

Proprietary funds. The City ended the fiscal year with \$5,172,738 reported in the proprietary enterprise funds (the amount of net position available for use, including unrestricted net position, but excluding the investment in capital assets net of related debt). This is an increase of \$256,650 from 2021. The increase is a result of the change in net position in the water funds of \$234,160 and \$22,490 in the sewer funds.

General Fund Budgetary Highlights

The difference between the final budget and actual revenues differs inauspiciously by \$362,253, or 15% under the budgeted amounts. This was mainly due to decreased cannabis revenue. Actual expenditures were \$457,492, or 15% lower than the final budgeted amounts. The lower expenditures were largely due to capital projects not being completed, unused contingency funds, and vacant positions in the Police Department. There was a \$781,661 difference between the total original expenditure budget and the total final amended budget.

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

Management’s Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The City’s investment in capital assets for its governmental and business-type activities as of June 30, 2022, amount to \$28,398,375. This investment in capital assets includes land, construction in progress, streets, medians, sidewalks, buildings, water and sewer infrastructure, machinery, equipment, and vehicles.

Capital Assets

The City’s investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounts to \$28,398,375. This investment in capital assets includes land, construction in progress, streets, medians, sidewalks, buildings, water and sewer infrastructure, machinery, equipment, and vehicles.

	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Land	\$ 627,945	\$ 627,945	\$ 507,859	\$ 507,859	\$ 1,135,804	\$ 1,135,804
Construction in progress	-	1,812,740	-	-	-	1,812,740
Buildings and structures	461,693	279,783	14,200	14,876	475,893	294,659
Equipment	84,073	80,600	189,783	211,961	273,856	292,561
Vehicles	38,939	174,467	44,178	56,287	83,117	230,754
Streets and roads	2,876,397	1,897,964	-	-	2,876,397	1,897,964
Infrastructures	3,269,264	1,798,487	20,284,044	20,919,211	23,553,308	22,717,698
Total	\$ 7,358,311	\$ 6,671,986	\$ 21,040,064	\$ 21,710,194	\$ 28,398,375	\$ 28,382,180

More detail of the capital assets and current activity can be found in the notes to the financial statements on page 51 for significant accounting policies and Note 5 on pages 61 – 62 for other capital asset information.

Long-Term Debt

On June 30, 2022, the City had \$6,346,118 in long-term liabilities. Additional information about the City’s long-term debt can be found in Note 7 to the basic financial statements.

	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Compensated absences	\$ 53,287	\$ 65,541	\$ 34,226	\$ 44,269	\$ 87,513	\$ 109,810
Safe Drinking Water Loan	-	-	1,020,000	1,156,000	1,020,000	1,156,000
State of California Water Resources Control Board	-	-	5,238,605	5,422,249	5,238,605	5,422,249
Total	\$ 53,287	\$ 65,541	\$ 6,292,831	\$ 6,622,518	\$ 6,346,118	\$ 6,688,059

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

Management’s Discussion and Analysis, Continued

Economic Outlook and Next Year’s Budget and Rates

The budget for Fiscal Year 2022-23, which was adopted on June 7, 2022, is balanced and the economic outlook for the near term is uncertain but considered stable. The overall stabilization is a result of a diverse tax base due to the passage of Measure J (1% sales tax) and Measure X (cannabis tax), a lack of pension debt, and utility rates that currently meet operating and capital costs.

Tax revenues, particularly property and sales taxes, continue to be steady through economic cycles which provides stability to the City’s financial position. These revenues have increased modestly and have seen minimal impacts from the pandemic. In addition, the City’s tax revenue base was broadened with the passage of Measure U in 2014, the City’s 1% add-on tax. Measure U expired in 2021 and thanks to community support Measure J was passed and extended the sales tax through 2024.

The City’s business tax on medical and recreational marijuana, Measure X was voted in on November 7, 2017, and approved and permitted commercial cannabis activity within the City limits. Estimated cannabis tax revenues are forecasted to continue to decline in the FY 2022-23 budget. Cannabis is a volatile revenue source that can be negatively impacted by reductions in price and increased competition. Maintaining and growing the City’s revenue base continues to be a high priority.

The City’s traditional revenue base is not keeping up with expenses. Salary and benefits costs are the largest expense category, and it has become a challenge to provide competitive salaries to recruit and retain qualified employees. Additionally, costs for other services such as dispatch, information systems, and animal control continue to rise. It is anticipated that the cost of doing business will continue to increase.

It had been over five years since a rate study has been done for sewer and water services. A new rate study was completed and new sewer and water service rates were implemented. Regulatory oversight, capital planning and replacement, and employee retention were factors contributing to the need for a rate review and update. The City went through the Proposition 218 process to continue to add an annual inflation factor to rates because the authority expires after five years. The new rates went into effect in FY 2022-23.

In summary, the City enters FY 2022-23 in a strong financial position due to past efforts made to stabilize both revenues and expenditures. The budget reinvests the city, maintains services and reserves, and creates a positive path forward. While vulnerabilities exist, some within the City’s control and some not, the City believes it has taken, and will continue to take, the actions necessary to create a sustainable financial future.

Requests for Information

This Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the City’s finances. If you have any questions about this report, or need additional financial information contact the City of Rio Dell Finance Department, 675, Rio Dell, CA 95562.

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BASIC FINANCIAL STATEMENTS

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City of Rio Dell, California
Statement of Net Position
June 30, 2022

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ 3,676,926	\$ 5,310,715	\$ 8,987,641
Receivables:			
Accounts	505,510	331,376	836,886
Intergovernmental	5,769	40,250	46,019
Interest	3,074	5,001	8,075
Loans/Notes receivable	679,594	-	679,594
Prepaid items	34,771	68,000	102,771
Total current assets	4,905,644	5,755,342	10,660,986
Noncurrent assets:			
Capital assets:			
Nondepreciable	627,945	507,895	1,135,840
Depreciable	6,730,366	20,532,169	27,262,535
Total noncurrent assets	7,358,311	21,040,064	28,398,375
Total assets	\$ 12,263,955	\$ 26,795,406	\$ 39,059,361
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 583,419	\$ 54,446	\$ 637,865
Interest payable	-	76,833	76,833
Deposits payable	-	93,415	93,415
Compensated absences - current portion	6,554	4,009	10,563
Due within one year	-	323,684	323,684
Total current liabilities	589,973	552,387	1,142,360
Noncurrent liabilities:			
Long-term liabilities:			
Compensated absences	46,733	30,217	76,950
Due after one year	-	5,934,921	5,934,921
Total noncurrent liabilities	46,733	5,965,138	6,011,871
Total liabilities	636,706	6,517,525	7,154,231
NET POSITION			
Net investment in capital assets	7,358,311	15,105,143	22,463,454
Restricted	921,118	-	921,118
Unrestricted	3,347,820	5,172,738	8,520,558
Total net position	11,627,249	20,277,881	31,905,130
Total liabilities, deferred inflows of resources and net position	\$ 12,263,955	\$ 26,795,406	\$ 39,059,361

The accompanying notes are an integral part of these basic financial statements.

City of Rio Dell, California
Statement of Activities
For the year ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 662,698	22,885	408,285	\$ -
Public safety - Police	1,080,721	-	486,342	-
Public works	707,105	2,975	-	117,235
Planning and building	143,552	46,542	-	-
Recycling	30,493	4,918	5,000	-
Total governmental activities	2,624,569	77,320	899,627	117,235
Business-type activities:				
Sewer	1,813,577	1,330,542	151,957	-
Water	1,114,779	1,036,755	-	36,225
Total business-type activities	2,928,356	2,367,297	151,957	36,225
Total primary government	\$ 5,552,925	\$ 2,444,617	\$ 1,051,584	\$ 153,460

General revenues:

- Taxes:
 - Property taxes, levied for general purposes
 - Sales taxes
 - Cannabis taxes
 - Transient occupancy taxes
 - Gas taxes
 - Franchise taxes
- Intergovernmental:
 - State motor vehicle in-lieu tax (MVLFF)
 - Use of money and property
 - Contributed capital
 - Other general revenues
- Total general revenues
- Transfers
 - Total general revenues and transfers
- Change in net position
- Net position:
 - Beginning of year
 - End of year

The accompanying notes are an integral part of these basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Totals
\$ (231,528)	\$ -	\$ (231,528)
(594,379)	-	(594,379)
(586,895)	-	(586,895)
(97,010)	-	(97,010)
(20,575)	-	(20,575)
(1,530,387)	-	(1,530,387)
-	(331,078)	(331,078)
-	(41,799)	(41,799)
-	(372,877)	(372,877)
(1,530,387)	(372,877)	(1,903,264)
155,923	-	155,923
693,466	-	693,466
152,656	-	152,656
18,955	-	18,955
154,498	-	154,498
101,036	-	101,036
451,285	-	487,510
74,654	11,540	86,194
-	254,714	254,714
46,191	16,827	63,018
1,848,664	283,081	2,131,745
-	-	-
1,848,664	283,081	2,131,745
318,277	(89,796)	228,481
11,308,972	20,367,677	31,676,649
\$ 11,627,249	\$ 20,277,881	\$ 31,905,130

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FUND FINANCIAL STATEMENTS
MAJOR FUNDS

Fund	Description
Governmental Funds:	Governmental funds are used for taxes and grants.
General	Primary operating fund of the City; accounts for all activities except those legally or administratively required to be accounted for in other funds.
CDBG Housing Special Revenue	Accounts for activities related to housing and the related CDBG funding.

City of Rio Dell, California
Balance Sheet
Governmental Funds
June 30, 2022

	<u>Major Funds</u>			<u>Totals</u>
	<u>General Fund</u>	<u>CDBG Special Revenue</u>	<u>Nonmajor Governmental Funds</u>	
ASSETS				
Cash and investments	\$ 1,907,506	\$ 572,587	\$ 1,196,833	\$ 3,676,926
Receivables:				
Interest	2,210	-	864	3,074
Intergovernmental	-	-	5,769	5,769
Loans/Notes receivable	-	679,594	-	679,594
Other receivable	453,586	-	51,924	505,510
Due from other funds	48,618	-	-	48,618
Prepaid items	34,771	-	-	34,771
Total assets	\$ 2,446,691	\$ 1,252,181	\$ 1,255,390	\$ 4,954,262
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 556,747	\$ -	\$ 26,672	\$ 583,419
Due to other funds	-	-	48,618	48,618
Total liabilities	556,747	-	75,290	632,037
Deferred inflows of resources:				
Unavailable revenue	-	679,594	-	679,594
Total deferred inflows of resources:	-	679,594	-	679,594
Total Liabilities and deferred inflows	556,747	679,594	75,290	1,311,631
Fund balances:				
Nonspendable	34,771	-	-	34,771
Restricted	-	572,587	348,531	921,118
Assigned	-	-	866,984	866,984
Unassigned (Deficit)	1,855,173	-	(35,415)	1,819,758
Total fund balances	1,889,944	572,587	1,180,100	3,642,631
Total liabilities, deferred inflows and fund balances	\$ 2,446,691	\$ 1,252,181	\$ 1,255,390	\$ 4,954,262

The accompanying notes are an integral part of these basic financial statements.

City of Rio Dell, California
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2022

Total fund balances - total governmental funds \$ 3,642,631

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. 7,358,311

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds balance sheet.

Compensated absences (53,287)

Governmental funds notes receivable from various loan programs are deferred under the current financial resources measurement focus. The notes receivable are recognized in the government-wide Statement of Net Position under the accrual basis of accounting. 679,594

Net Position of governmental activities \$ 11,627,249

The accompanying notes are an integral part of these basic financial statements.

City of Rio Dell, California

Reconciliation of Fund Basis Balance Sheet to Government-wide Statement of Net Position

Governmental Activities

June 30, 2022

	Governmental Funds Balance Sheet	Reclassifications	Changes in GAAP	Statement of Net Position
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Current assets:				
Cash and investments	\$ 3,676,926	\$ -	\$ -	\$ 3,676,926
Receivables:				
Interest	3,074	-	-	3,074
Intergovernmental	5,769	-	-	5,769
Loans/Notes receivable	679,594	-	-	679,594
Other receivable	505,510	-	-	505,510
Due from other funds	48,618	(48,618)	-	-
Prepaid items	34,771	-	-	34,771
Total current assets	<u>4,954,262</u>	<u>(48,618)</u>	<u>-</u>	<u>4,905,644</u>
Noncurrent assets:				
Capital assets, net	-	-	7,358,311	7,358,311
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>7,358,311</u>	<u>7,358,311</u>
Total assets	<u>4,954,262</u>	<u>(48,618)</u>	<u>7,358,311</u>	<u>12,263,955</u>
Deferred outflows of resources:				
Pension Plan	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 4,954,262</u>	<u>\$ (48,618)</u>	<u>\$ 7,358,311</u>	<u>\$ 12,263,955</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 583,419	\$ -	\$ -	\$ 583,419
Due to other funds	48,618	(48,618)	-	-
Compensated absences - current portion	-	-	6,554	6,554
Total current liabilities	<u>632,037</u>	<u>(48,618)</u>	<u>6,554</u>	<u>589,973</u>
Noncurrent liabilities:				
Long-term liabilities:				
Compensated absences	-	-	46,733	46,733
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>46,733</u>	<u>46,733</u>
Total liabilities	<u>632,037</u>	<u>(48,618)</u>	<u>53,287</u>	<u>636,706</u>
Deferred inflows of resources				
Unavailable revenue	679,594	-	(679,594)	-
Total liabilities and deferred inflows of resources:	<u>1,311,631</u>	<u>(48,618)</u>	<u>(626,307)</u>	<u>636,706</u>
FUND BALANCES/NET POSITION				
Fund balances:				
Nonspendable	34,771	(34,771)	-	-
Restricted	921,118	(921,118)	-	-
Assigned	866,984	(866,984)	-	-
Unassigned (deficit)	1,819,758	(1,819,758)	-	-
Net position:				
Net investment in capital assets	-	-	7,358,311	7,358,311
Restricted	-	-	921,118	921,118
Unrestricted	-	3,642,631	(294,811)	3,347,820
Total fund balances/net position	<u>3,642,631</u>	<u>-</u>	<u>7,984,618</u>	<u>11,627,249</u>
Total liabilities, deferred inflows and net position	<u>\$ 4,954,262</u>	<u>\$ (48,618)</u>	<u>\$ 7,358,311</u>	<u>\$ 12,263,955</u>

The accompanying notes are an integral part of these basic financial statements.

City of Rio Dell, California
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2022

	Major Funds			Totals
	General Fund	CDBG Special Revenue	Other Governmental Funds	
REVENUES:				
Property taxes	\$ 155,923	\$ -	\$ -	\$ 155,923
Sales taxes	693,466	-	-	693,466
Cannabis taxes	152,656	-	-	152,656
Occupancy taxes	18,955	-	-	18,955
Gas tax	-	-	154,498	154,498
Intergovernmental	745,834	127,824	722,314	1,595,972
Licenses, permits, and franchise fees	126,267	-	52,089	178,356
Interest and use of property	29,505	43,450	1,699	74,654
Miscellaneous	35,783	-	10,408	46,191
Total revenues	1,958,389	171,274	941,008	3,070,671
EXPENDITURES:				
Current:				
General government	561,053	733	88,961	650,747
Public safety - Police	866,864	-	180,169	1,047,033
Public works	84,458	-	263,795	348,253
Planning and building	52,121	-	91,431	143,552
Recycling	4,000	-	26,493	30,493
Capital outlay	1,117,966	-	-	1,117,966
Total expenditures	2,686,462	733	650,849	3,338,044
REVENUES OVER (UNDER) EXPENDITURES	(728,073)	170,541	290,159	(267,373)
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	13,650	-	1,246	14,896
Transfers in	10,110	-	-	10,110
Transfers out	-	(3,950)	(6,160)	(10,110)
Total other financing sources (uses)	23,760	(3,950)	(4,914)	14,896
Net change in fund balances	(704,313)	166,591	285,245	(252,477)
FUND BALANCES:				
Beginning of year	2,594,257	405,996	894,855	3,895,108
End of year	\$ 1,889,944	\$ 572,587	\$ 1,180,100	\$ 3,642,631

The accompanying notes are an integral part of these basic financial statements.

City of Rio Dell, California

**Reconciliation of Fund Basis Statements to Government-wide Statement of Activities
For the year ended June 30, 2022**

Functions/Programs	Fund Based Totals	Compensated Absences/ Debt Service	Depreciation	Capital Asset (Additions)/ Retirements	Government- wide Totals
Governmental activities:					
General government	\$ 650,747	\$ (12,254)	\$ 24,205	\$ -	\$ 662,698
Public safety - Police	1,047,033		33,688	-	1,080,721
Public works	348,253	-	100,464	258,388	707,105
Planning and building	143,552	-	-	-	143,552
Recycling	30,493	-	-	-	30,493
Capital outlay	1,117,966	-	-	(1,117,966)	-
Total governmental activities	\$ 3,338,044	\$ (12,254)	\$ 158,357	\$ (859,578)	\$ 2,624,569

The accompanying notes are an integral part of these basic financial statements.

City of Rio Dell, California

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the year ended June 30, 2022**

Net change in fund balances - total governmental funds \$ (252,477)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	\$ 939,537	
Disposal of capital assets	(94,855)	
Depreciation expense	<u>(158,357)</u>	686,325

Certain notes receivable are reported in the governmental funds as expenditures and then offset by a deferred revenue as they are not available to pay current expenditures. Likewise, when the note is collected it is reflected in revenue. This is the net change between notes receivable collected and issued.

(127,825)

Change in Net Position of governmental activities \$ 318,277

The accompanying notes are an integral part of these basic financial statements.

City of Rio Dell, California
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget to Actual - Major Funds
For the year ended June 30, 2022

	General Fund			Variance w/Final Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES:				
Property taxes	146,122	146,122	155,923	\$ 9,801
Sales taxes	628,200	628,200	693,466	65,266
Cannabis taxes	400,000	400,000	152,656	(247,344)
Occupancy taxes	11,000	11,000	18,955	7,955
Intergovernmental	722,400	947,400	745,834	(201,566)
Licenses, permits, and franchise fees	142,385	142,385	126,267	(16,118)
Interest and use of property	24,535	24,535	29,505	4,970
Miscellaneous	21,000	21,000	35,783	14,783
Total revenues	<u>2,095,642</u>	<u>2,320,642</u>	<u>1,958,389</u>	<u>(362,253)</u>
EXPENDITURES:				
Current:				
General government	681,294	681,294	561,053	120,241
Public safety - Police	894,388	941,224	866,864	74,360
Planning and public works	135,257	135,257	84,458	50,799
Building	49,354	274,354	52,121	222,233
Recycling	-	4,000	4,000	-
Capital outlay	602,000	1,107,825	1,117,966	(10,141)
Total expenditures	<u>2,362,293</u>	<u>3,143,954</u>	<u>2,686,462</u>	<u>457,492</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(266,651)</u>	<u>(823,312)</u>	<u>(728,073)</u>	<u>95,239</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	-	-	13,650	
Transfers in	10,110	10,110	10,110	-
Transfers out	(38,328)	(38,328)	-	38,328
Total other financing sources (uses)	<u>(28,218)</u>	<u>(28,218)</u>	<u>23,760</u>	<u>38,328</u>
Net change in fund balances	<u>(294,869)</u>	<u>(851,530)</u>	<u>(704,313)</u>	<u>133,567</u>
FUND BALANCES:				
Beginning of year	2,594,257	2,594,257	2,594,257	-
End of year	<u>\$ 2,299,388</u>	<u>\$ 1,742,727</u>	<u>\$ 1,889,944</u>	<u>\$ 133,567</u>

The accompanying notes are an integral part of these basic financial statements.

CDBG Special Revenue Fund			
Budgeted Amounts		Actual	Variance w/Final
Original	Final		Positive (Negative)
-	-	-	\$ -
-	-	-	-
-	-	-	-
5,000	5,000	127,824	122,824
-	-	-	-
-	-	43,450	43,450
-	-	-	-
5,000	5,000	171,274	166,274
-	-	733	(733)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	733	(733)
5,000	5,000	170,541	165,541
-	-	-	-
(3,950)	(3,950)	(3,950)	-
(3,950)	(3,950)	(3,950)	-
1,050	1,050	166,591	165,541
405,996	405,996	405,996	-
\$ 407,046	\$ 407,046	\$ 572,587	\$ 165,541

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ENTERPRISE FUNDS

Fund	Description
Major Funds:	
Sewer Fund	Accounts for the operation and maintenance of the City's wastewater treatment plant and collection facilities.
Water Fund	Accounts for the operation and maintenance of the City's water treatment and distribution system.

City of Rio Dell, California
Statement of Net Position
Proprietary Funds
June 30, 2022

	<u>Sewer Fund</u>	<u>Water Fund</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and investments	\$ 2,378,289	\$ 2,932,426	\$ 5,310,715
Receivables:			
Accounts	163,289	168,087	331,376
Intergovernmental	40,250	-	40,250
Interest	1,577	3,424	5,001
Prepaid	-	68,000	68,000
Total current assets	<u>2,583,405</u>	<u>3,171,937</u>	<u>5,755,342</u>
Noncurrent assets:			
Capital assets, net	11,914,217	9,125,847	21,040,064
Total noncurrent assets	<u>11,914,217</u>	<u>9,125,847</u>	<u>21,040,064</u>
Total Assets	<u>\$ 14,497,622</u>	<u>\$ 12,297,784</u>	<u>\$ 26,795,406</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 11,239	\$ 15,656	\$ 26,895
Accrued liabilities	13,889	13,662	27,551
Interest payable	76,833	-	76,833
Deposits payable	55,573	37,842	93,415
Compensated absences - current portion	2,005	2,004	4,009
Due within one year	187,684	136,000	323,684
Total current liabilities	<u>347,223</u>	<u>205,164</u>	<u>552,387</u>
Noncurrent liabilities:			
Compensated absences	11,469	18,748	30,217
Due after one year	5,050,921	884,000	5,934,921
Total noncurrent liabilities	<u>5,062,390</u>	<u>902,748</u>	<u>5,965,138</u>
Total liabilities	<u>5,409,613</u>	<u>1,107,912</u>	<u>6,517,525</u>
Net Position:			
Net investment in capital assets	6,863,296	8,241,847	15,105,143
Unrestricted	2,224,713	2,948,025	5,172,738
Total net position	<u>9,088,009</u>	<u>11,189,872</u>	<u>20,277,881</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 14,497,622</u>	<u>\$ 12,297,784</u>	<u>\$ 26,795,406</u>

The accompanying notes are an integral part of these basic financial statements.

City of Rio Dell, California
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the year ended June 30, 2022

	Sewer Fund	Water Fund	Totals
OPERATING REVENUES:			
Charges for service	1,287,401	992,427	\$ 2,279,828
Connection fees	12,526	13,132	25,658
Late fees	30,615	31,196	61,811
Total operating revenues	1,330,542	1,036,755	2,367,297
OPERATING EXPENSES:			
Current operations:			
General government	209,735	228,770	438,505
Public works	910,949	596,517	1,507,466
Depreciation	576,297	289,492	865,789
Total operating expenses	1,696,981	1,114,779	2,811,760
OPERATING INCOME	(366,439)	(78,024)	(444,463)
NONOPERATING REVENUES (EXPENSES):			
Gain (Loss) from the sale of capital assets	5,471	5,044	10,515
Intergovernmental revenues (expenses)	151,957	36,225	188,182
Debt service	-	-	-
Bad debt recovery (expense)	552	694	1,246
Interest revenue	4,586	6,954	11,540
Interest expense	(116,596)	-	(116,596)
Contributed capital	-	254,714	254,714
Other nonoperating revenue (expense)	5,066	-	5,066
Total non-operating revenues, net	51,036	303,631	354,667
NET INCOME BEFORE TRANSFERS	(315,403)	225,607	(89,796)
Transfers in	-	-	-
Transfers out	-	-	-
Total transfers	-	-	-
CHANGE IN NET POSITION	(315,403)	225,607	(89,796)
NET POSITION:			
Beginning of year	9,403,412	10,964,265	20,367,677
End of year	\$ 9,088,009	\$ 11,189,872	\$ 20,277,881

The accompanying notes are an integral part of these basic financial statements.

City of Rio Dell, California
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2022

	<u>Sewer Fund</u>	<u>Water Fund</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers/users for services provided	\$ 1,378,557	\$ 1,062,813	\$ 2,441,370
Cash payments to suppliers for goods and services	(770,821)	(686,803)	(1,457,624)
Cash payments to employees for services	(348,828)	(140,617)	(489,445)
Net cash provided by operating activities	<u>258,908</u>	<u>235,393</u>	<u>494,301</u>
CASH FLOWS FROM NONCAPITAL FINANCING			
Receipts from miscellaneous	5,066	-	5,066
Other non-operating payments	552	36,919	37,471
Net cash used by noncapital financing activities	<u>5,618</u>	<u>36,919</u>	<u>42,537</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Capital grants received	151,957	254,714	406,671
Acquisition and construction of capital assets	(45,249)	(139,895)	(185,144)
Principal paid on long term debt	(183,644)	(136,000)	(319,644)
Interest paid on long term debt	(119,289)	-	(119,289)
Net cash (used) by capital and related financing activities	<u>(196,225)</u>	<u>(21,181)</u>	<u>(217,406)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment income received	3,693	4,977	8,670
Net cash provided by investing activities	<u>3,693</u>	<u>4,977</u>	<u>8,670</u>
Net increase (decrease) in cash and cash equivalents	71,994	256,108	328,102
CASH AND CASH EQUIVALENTS:			
Beginning of year	2,306,295	2,676,318	4,982,613
End of year	<u>\$ 2,378,289</u>	<u>\$ 2,932,426</u>	<u>\$ 5,310,715</u>
Reconciliation of income from operations to net cash provided by operating activities:			
Operating income	\$ (366,439)	\$ (78,024)	\$ (444,463)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	576,297	289,492	865,789
(Increase) decrease in current assets:			
Accounts receivable	17,732	12,427	30,159
Intergovernmental receivables	30,283	13,631	43,914
Increase (decrease) in liabilities:			
Accounts payable	1,726	(523)	1,203
Accrued liabilities	2,793	2,607	5,400
Deposits payable	1,226	1,116	2,342
Compensated absences	(4,710)	(5,333)	(10,043)
Net cash provided by operating activities	<u>\$ 258,908</u>	<u>\$ 235,393</u>	<u>\$ 494,301</u>

There were no noncash investing, capital, or financing activities affecting recognized assets and liabilities for the year ended June 30, 2022.

The accompanying notes are an integral part of these basic financial statements.

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FIDUCIARY ACTIVITIES

Fund	Description
Custodial Fund	Used to account for assets held for distribution by the City as an agent for another entity.

City of Rio Dell, California
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	<u>Custodial Fund</u>
ASSETS	
Cash and investments	\$ 31,487
Interest receivable	37
Total assets	<u>31,524</u>
LIABILITIES	
Accounts payable	<u>-</u>
Total Liabilities	<u>-</u>
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	31,524
Total net position	<u>\$ 31,524</u>

The accompanying notes are an integral part of these basic financial statements.

City of Rio Dell, California
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	<u>Custodial Fund</u>
ADDITIONS	
Intergovernmental receivable	\$ 18,900
Interest earned	65
Donations	-
Total additions	<u>18,965</u>
DEDUCTIONS	
Administrative expense	-
Total deductions	<u>-</u>
 Net increae (decrease) in fiduciary net postion	 18,965
Net position - beginning	12,559
Net position - ending	<u>\$ 31,524</u>

The accompanying notes are an integral part of these basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Rio Dell (the City) have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting principles are described below.

Financial Reporting Entity

The City is a general law City incorporated in the State of California on February 26, 1965. The City is governed by an elected, five-member City Council. The following services are provided by the City to its citizens: public safety (police); highways and streets; drinking water; wastewater collection, treatment and disposal; public improvements; parks and recreation; planning and zoning; and general administrative services.

The City operates as a self-governing local government unit within the State. It has limited authority to levy taxes and has the authority to determine user fees for the services that it provides. The City's main funding sources include sales taxes, other intergovernmental revenue from state and federal sources, user fees, and federal and state financial assistance.

The financial reporting entity consists of (a) the primary government, the City, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (a) the City has the ability to impose its will on the organization, or (b) there is a potential for the organization to provide a financial benefit to or impose a financial burden on the City.

As required by GAAP, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. These component units are reported on a blended basis. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. The financial statements of the individual component units, if applicable as indicated below, may be obtained by writing to the City of Rio Dell, Finance Department, 675 Wildwood Ave., Rio Dell, CA 95562.

Description of Joint Powers Agreements

The City participates in several joint power agreements (JPAs) as described in Note 11. The financial activities of the JPAs are not included in the accompanying basic financial statements because JPAs are administered by governing boards that are separate from and independent of the City.

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided by a given function or segment, 2) operating grants and contributions, and 3) capital grants and contributions restricted to the operating or capital requirements of a specific function or segment. All taxes and internally dedicated resources are reported as *general revenues* rather than program revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund are at least ten percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund are at least five percent of the corresponding total for all governmental funds combined.

The City reports the following major funds:

- General Fund
- CDBG Special Revenue Fund

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Basis of Presentation, Continued

Descriptions of these funds are included on the divider page preceding the Governmental Funds Balance Sheet.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund is used to account for resources traditionally associated with the City which are not required legally or by sound financial management to be accounted for in another fund. From this fund are paid the City's general operating expenditures, the fixed charges, and the capital costs that are not paid through other funds.

Special Revenue Funds

The Special Revenue Funds are used to account for specific revenues that are legally or otherwise restricted to expenditures for particular purposes.

Capital Project Funds

The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

Proprietary Funds

Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. Costs are financed or recovered primarily through user charges.

Fiduciary Funds

Custodial Funds

Custodial Funds are clearing type funds for the collection of taxes or deposits held in trust, on behalf of individuals, private organizations and other governments. The funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Measurement Focus

Measurement focus is a term used to describe which transactions are recorded within the various financial statements.

On the government-wide Statement of Net position and the Statement of Activities, governmental and business-type activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of net income, financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Fund equity is classified as Net position, which serves as an indicator of financial position.

In the fund financial statements, the “current financial resources” measurement focus is used for governmental funds. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The enterprise funds and private purpose trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of net income, financial position, and cash flows. Enterprise fund and private purpose trust funds equity is classified as net position.

Custodial funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

The government-wide, proprietary and fiduciary funds financial statements required by GASB Statement No. 34 are reported using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

The governmental fund financial statements are accounted for on a spending or "current financial resources" measurement focus, and the modified accrual basis of accounting. Accordingly, only current assets and liabilities (except for long-term advances from the City) are included in the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Basis of Accounting, Continued

Revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after fiscal year end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property taxes, sales taxes, intergovernmental revenues, other taxes and investment earnings. Fines, licenses and permits, and charges for services are not susceptible to accrual because they are not measurable until received in cash. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the City may fund certain programs with a combination of cost-reimbursement grants, categorical block grants and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The City's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

Non-exchange transactions, in which the City gives or receives value without directly receiving or giving value in exchange, include taxes, grants, entitlements and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Assets, Liabilities, and Equity

Cash Deposits and Investments

The City pools cash from all sources and all funds, except certain specific investments within funds and cash with fiscal agents, so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time.

The City's investment policy and section 53601 of the California Government Code allow the following investments:

- a) Certificates of Deposit;
- b) Obligations of the State of California.

The City does not enter into reverse repurchase agreements.

The City's investments are carried at fair value instead of cost, as required by U.S. generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end if material, and it includes the effects of these adjustments in income for that fiscal year.

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Assets, Liabilities, and Equity, Continued

The City places certain funds with the State of California's Local Agency Investment Fund (LAIF). The City is a voluntary participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California and the Pooled Money Investment Board. The State Treasurer's office pools these funds with those of other governmental agencies in the state and invests the cash. The fair value of the City's investment in this pool is reported in the accompanying financial statements based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio).

The monies held in the pooled investment funds are not subject to categorization by risk category. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on the amortized cost basis. Funds are accessible and transferable to the master account with twenty-four hours' notice. Included in LAIF's investments are collateralized mortgage obligations, mortgage backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations. Financial statements for LAIF can be obtained from the California State Treasurer's Office: State Treasurer's Office, 915 Capitol Mall, Suite 110, Sacramento, CA 95814.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net position. See Note 9 for details of interfund transactions, including receivables and payables at year-end.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include property taxes, sales and use taxes, utility user taxes, intergovernmental subventions, interest earnings, and expense reimbursements.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property tax, sales tax, utility user tax, and intergovernmental subventions since they are usually both measurable and available. Non-exchange transactions collectible but not available, such as property tax, are deferred in the fund financial statements in accordance with the modified accrual basis, but not deferred in the government-wide financial statements in accordance with the accrual basis.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Assets, Liabilities, and Equity, Continued

Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. The loans receivable are recorded in the fund statements, but are deferred to indicate they do not represent current financial resources. The loans are recognized when advanced in the government-wide statements. The City's experience is that all accounts receivable are collectible; therefore an allowance for doubtful accounts is unnecessary.

Inventory

The City does not record and maintain inventory records of unused materials and supplies for the various funds. Inventories are considered immaterial and materials and supplies are currently expensed.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. In the governmental fund financial statements, prepaid items are offset with a reservation of fund balance for long-term assets to indicate they do not constitute current resources available for appropriation.

Capital Assets

The City's assets are capitalized at historical cost or estimated historical cost, if actual is unavailable, except for donated Capital Assets which are recorded at their estimated fair value at the date of donation. Policy has set the capitalization threshold for reporting at \$5,000 for non-infrastructure capital assets and \$25,000 for infrastructure capital assets.

Government-Wide Statements

Public domain (infrastructure) capital assets include roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, and lighting systems.

The accounting treatment of property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. No depreciation is recorded in the year of acquisition or in the year of disposition.

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Assets, Liabilities, and Equity, Continued

The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	5 – 50 years	Landscaping	30 years
Roadway improvements	50 years	Signage	25 years
Sidewalks, curbs, and gutters	50 years	Leasehold improvements	5 years
Storm drain pipes/structures	50 years	Machinery and equipment	3 – 5 years
Traffic signal devices	5 – 40 years	Vehicles	3 years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, deferred inflows on the City’s CDBG loans reported in the governmental funds balance sheet.

Compensated Absences

Full time employees accumulate earned vacation, holiday and compensated leave of varying amounts dependent upon length of service with the City. These amounts are deemed fully vested with the employee when earned. The City also provides full time employees with sick leave that generally must be used for sickness and injury-related leave time.

The City does not currently provide post-employment benefits.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Assets, Liabilities, and Equity, Continued

Unearned Revenues

Unearned revenues in governmental funds arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues in enterprise funds and the statement of net position arise when resources are received by the City before it has legal claim to them, (i.e., when grant monies are received prior to the incurrence of qualifying expenses).

Equity Classification

Government-Wide Statements

Equity is classified as net position and is displayed in three components:

- a. *Invested in capital assets, net of related debt* – consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. *Restricted net position* – consists of net position with constraints placed on the use by external groups such as creditors, grantors, contributors, or bylaws or regulations of other governments or law through constitutional provisions or enabling legislation.
- c. *Unrestricted net position* – all other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Fund Financial Statements

Governmental fund equity is classified as fund balance. Fund balance is classified as nonspendable, restricted, committed, assigned, or unassigned. Proprietary fund equity is classified the same as in the government-wide statements. The classifications for governmental funds are defined as follows for the City:

Nonspendable Fund Balance –

- Assets that will never convert to cash (prepaid items, inventory).
- Assets that will not convert to cash soon enough to affect the current period (long-term notes or loans receivable).
- Resources that must be maintained intact pursuant to legal or contractual requirements (the principal of an endowment).

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Equity Classification, Continued

Fund Financial Statements, continued

Restricted Fund Balance –

- Resources that are subject to externally enforceable legal restrictions imposed by parties altogether outside the government (creditors, grantors, contributors and other governments).
- Resources that are subject to limitations imposed by law through constitutional provisions or enabling legislation (Gas Tax).

Committed Fund Balance –

- Self imposed limitations set in place prior to the end of the period (encumbrances, economic contingencies and uncertainties).
- Limitation at the highest level of decision-making (Council) that requires formal action at the same level to remove.
- Council resolution is required to be taken to establish, modify or rescind a fund balance commitment

Assigned Fund Balance –

- Amounts in excess of nonspendable, restricted and committed fund balance in funds other than the general fund automatically are reported as assigned fund balance.
- Assigned amounts for a specific purpose are as authorized by the City’s Finance Director through its fund balance policy.

Unassigned Fund Balance –

- Residual net resources
- Total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance (surplus).
- Excess of nonspendable, restricted, and committed fund balance over total fund balance (deficit).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Revenues, Expenditures, and Expenses

Property Tax

The County of Humboldt (the County) assesses properties, bills for, collects, and distributes property taxes for the City per the following schedule:

	<u>Secured</u>	<u>Unsecured</u>
Valuation dates	March 1	March 1
Lien/Levy dates	July 1	July 1
Due dates	50% on November 1 50% on February 1	July 1
Delinquent as of	December 10, April 10	August 31

The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized by the City in the fiscal year they are assessed provided they become available as defined above.

Since the passage of California Proposition 13, beginning with fiscal year 1978-79, taxes are based either on a 1% rate applied to the 1975-76 assessed value of the property, or on 1% of the sales price of the property on sales transactions and construction which occur after the 1975-76 assessment. Assessed values on properties (exclusive of increases related to sales transactions and improvements) can rise at a maximum of 2% per year. The amount collected by the County is distributed in accordance with State law to the various public agencies. Therefore, the City does not levy a specific tax rate but receives a share of the property tax revenue based on a State formula. The City's tax rate is \$1.00/\$100 of assessed value, the maximum allowable under Proposition 13.

During fiscal year 1993-94, the State passed legislation which permanently shifted an additional amount of property taxes from cities to schools. This amount was partially offset by one-time payments by the State to cities from the State "Transportation Planning and Development" allocation. Also during 1993- 94, an alternate method of property tax allocation (the "Teeter Plan") was adopted. Under this plan, the City receives 100 percent of the secured property tax levied to which it is entitled, whether or not collected.

Unsecured delinquent taxes are considered fully collectible and no allowance for uncollectible taxes is provided. Property tax revenues are recognized when they become available. "Available" means due, or past due, and receivable within the current period and collected or expected to be collected soon enough thereafter to be used to pay liabilities for the current period. This period is 60 days from the end of the fiscal year.

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Interfund Transfers

Resources are reallocated between funds by reporting them as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

Budgetary Accounting

The City Council establishes budgets for the General Fund and all Special Revenue Funds, except for certain Special Revenue Funds for which expenditures are controlled by grant funding or by assessments received. Budgetary control is legally maintained at the fund level for these funds. Department heads submit budget requests to the City Manager. The City Manager prepares an estimate of revenues and prepares recommendations for the next year’s budget. The preliminary budget may or may not be amended by the City Council and is adopted by resolution by the City Council on or before June 30 in accordance with the municipal code.

The City Council may amend the budget by motion during the fiscal year. Only the Council can authorize transfers between funds and approve inter-fund loans. The City Manager is authorized to transfer budgeted amounts within a fund without formal council action or approval. The City Manager is authorized to increase expenditures in relation to revenues in funds receiving assigned revenues without approval by the City Council.

Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. Supplemental appropriations, which increase appropriations, may be made during the fiscal year. There were no material supplemental appropriations made for the fiscal year ended June 30, 2022. Budget information is presented for the General and budgeted Special Revenue Funds in the fund financial statements. The budget information is presented on a basis consistent with generally accepted accounting principles. Appropriations, except open project appropriations, and unexpended grant appropriations, lapse at the end of each fiscal year.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could differ from those estimates.

Reclassifications

Certain amounts have been reclassified to provide for comparable results on a year to year basis.

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

2. CASH AND INVESTMENTS

Pooled Cash and Investments

The City pools cash from all sources and funds, except certain specific investments within funds and cash with fiscal agents, so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time.

Categorization of Credit Risk of Securities Instruments

The City and its fiscal agents invest in individual investments and in investment pools. Individual investments are evidenced by specific identifiable pieces of paper called *securities instruments*, or by an electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system. Individual investments are generally made by the City's fiscal agents as required under its debt issues. In order to maximize security, the City employs the Trust Department of a bank as custodian of all City managed investments, regardless of their form.

At June 30, 2022, the City's pooled cash and investments, classified by maturity, consisted of the following stated at fair value:

	Maturities (in years)			Deposits	Fair Market Value
	<1	1 to 3	3 to 5		
<u>Cash equivalents and investments pooled</u>					
Pooled cash, at fair value					
Cash in bank	\$ -	\$ -	\$ -	\$ 4,322,449	\$ 4,322,449
Petty cash	-	-	-	1,250	1,250
Total pooled items	-	-	-	4,323,699	4,323,699
<u>Pooled investments, at fair value</u>					
State of California Local Agency Investment Fund	4,695,429	-	-	-	4,695,429
Total pooled investments - interest obligations	4,695,429	-	-	-	4,695,429
Total cash equivalents and investments pooled	\$ 4,695,429	\$ -	\$ -	\$ 4,323,699	\$ 9,019,128
Amounts reported in:					
Governmental activities					\$ 3,676,926
Business-type activities					5,310,715
Fiduciary activities					31,487
Total					\$ 9,019,128

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity (Years)</u>
State of California Local Agency Investment Fund	\$ 4,682,355	-
Total fair value	\$ 4,682,355	
Portfolio weighted average maturity		-

Interest rate risk –Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

2. CASH AND INVESTMENTS, *continued*

Credit risk – Custodial credit risk for investments is the risk that in the event of the failure of a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All investments in LAIF and the fiscal agent money market funds are not evidenced by specific securities and, therefore, are not subject to custodial credit risk.

Concentration of credit risk – The City’s investment policy does not allow for an investment in any one issuer that is in excess of five percent of the government’s total investments. The investments made by the City Treasurer are limited to those allowable under State statutes as incorporated into the City’s Investment Policy, which is accepted annually by the City Council. There were no concentrations in any one issuer for the year.

The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF) which has invested 1.88% of the pool funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to changes in interest rates.

Custodial credit risk – deposits. For deposits, this is the risk that, in the event of a bank failure, the City’s deposits may not be returned. The City’s Investment Policy addresses custodial credit risk, which follows the Government Code.

At June 30, 2022, the carrying amount of the City’s deposits was \$4,322,449 and the balances in financial institutions were \$4,335,126. Of the balance in financial institutions, \$250,000 was covered by federal depository insurance and \$4,085,126 was collateralized as required by State law (Government Code Section 53630), by the pledging financial institution with assets held in a common pool for the City and other governmental agencies, but not in the name of the City. As of June 30, 2022, the City’s investments were held by the City’s custodial agent, but not in the City’s name, and were insured up to specified limits by the Securities Investor Protection Corporation (SIPC) and supplemental private insurance up to a limit of \$150 million.

California Law requires banks and savings and loan associations to pledge government securities with a market value of 110% of the City's cash on deposit or first trust deed mortgage notes with a value of 150% of the deposit as collateral for these deposits. Under California Law, this collateral is held in the City's name and places the City ahead of general creditors of the institution.

Custodial credit risk – investments. For investments, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside counterparty. For the investments maintained by the City, no security was uninsured or unregistered or held by a brokerage firm which is also the counterparty for the security.

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

2. CASH AND INVESTMENTS, *continued*

Investment in LAIF

The City is a voluntary participant in California Local Agency Investment Fund (LAIF), which is regulated by California Government Code Section under the oversight of the Local Investment Advisory Board (Board). The Board consists of five members as designated by state statute and is chaired by the State Treasurer who is responsible for day to day administration of LAIF. The total amount invested by all public agencies as of June 30, 2022 was \$35,761,173,309 of which the City had a balance of \$4,695,429. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2022 has a portfolio with market valuation of \$231,867,874 thousand. Of the total invested, 98.12% was invested in non-derivative financial products and 1.88% in structured notes and asset-backed securities. The fair value of the City’s investment in this pool is reported in the accompanying financial statements at amounts based upon the City’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

3. ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at June 30, 2022:

	Receivables
Governmental Activities	
Accounts receivable	\$ 505,510
Intergovernmental	5,769
Interest	3,074
	\$ 514,353
Business-type activities	
Accounts receivable	\$ 331,376
Intergovernmental	40,250
Interest	5,001
	\$ 376,627

These amounts resulted in the following concentrations in receivables:

Other Governments	5.19%
Individuals/Business	94.46%
Financial Institutions	0.35%

Amounts do not indicate a significant concentration (greater than 25%) with any single individual, business or agency.

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

4. LOANS AND NOTES RECEIVABLE

The City engages in programs designed to encourage business enterprises, construction or improvement in low-to-moderate income housing, or other projects. Under these programs, grants or loans are provided with favorable terms to businesses, homeowners or developers who agree to spend these funds in accordance with the City's terms.

Loans and notes receivable for the year ended June 30, 2022, consisted of the following:

	Beginning July 1, 2021	Additions	Deletions	Ending June 30, 2022
Housing Rehabilitation and Affordable Housing Notes	\$ 807,419	\$ -	\$ (127,825)	\$ 679,594
Total loans receivable	<u>\$ 807,419</u>	<u>\$ -</u>	<u>\$ (127,825)</u>	<u>\$ 679,594</u>

Housing Rehabilitation, Business Enterprise and Affordable Housing

The City has provided loans to various homeowners and businesses for rehabilitation. The maximum loan amount is \$100,000, carrying various interest rates and payment dates. Although these notes are expected to be repaid in full, their balance has been offset by deferred revenue. Governmental funds report a deferred inflow of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

5. CAPITAL ASSETS

Governmental capital asset activity for the year ended June 30, 2022, was as follows:

	Balance 6/30/2021	Additions	Retirements Transfers	Balance 6/30/2022
Capital assets (Not Depreciated)				
Land	\$ 627,945	\$ -	\$ -	\$ 627,945
Construction in progress	1,812,740	-	(1,812,740)	-
Total capital assets (not depreciated)	<u>2,440,685</u>	<u>-</u>	<u>(1,812,740)</u>	<u>627,945</u>
Capital assets (being depreciated)				
Buildings and improvements	356,422	193,098	-	549,520
Equipment	611,293	17,953	-	629,246
Vehicles	359,585	-	(36,229)	323,356
Streets and roads	2,339,900	728,486	300,894	3,369,280
Infrastructures	2,406,317	-	1,518,903	3,925,220
Total capital assets (being depreciated)	<u>6,073,517</u>	<u>939,537</u>	<u>1,783,568</u>	<u>8,796,622</u>
Less accumulated depreciation:				
Buildings and improvements	76,639	11,188	-	87,827
Equipment	530,693	14,480	-	545,173
Vehicles	185,118	33,617	65,682	284,417
Streets and roads	441,936	50,947	-	492,883
Infrastructure	607,830	48,126	-	655,956
Total accumulated depreciation	<u>1,842,216</u>	<u>158,358</u>	<u>65,682</u>	<u>2,066,256</u>
Governmental activities capital assets, net	<u>\$ 6,671,986</u>	<u>\$ 781,179</u>	<u>\$ (94,854)</u>	<u>\$ 7,358,311</u>

Depreciation expense for capital assets was charged to functions as follows:

<u>Governmental-Type Activities</u>	
General Government	\$ 24,205
Public Safety	33,688
Planning and public works	100,464
Total Governmental Activities	<u>\$ 158,357</u>

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

5. CAPITAL ASSETS, *continued*

Business-type capital asset activity for the year ended June 30, 2022, was as follows:

	Balance 6/30/2021	Additions	Retirements/ Adjustments	Balance 6/30/2022
Capital assets (Not Depreciated)				
Land	\$ 507,859	\$ -	\$ -	\$ 507,859
Construction in progress	-	-	-	-
Total capital assets (not depreciated)	507,859	-	-	507,859
Capital assets (being depreciated)				
Infrastructure	27,376,243	128,522	-	27,504,765
Buildings and Improvements	206,508	-	-	206,508
Equipments	1,343,190	33,076	-	1,376,266
Vehicles	168,644	-	-	168,644
Total capital assets (being depreciated)	29,094,585	161,598	-	29,256,183
Less accumulated depreciation:				
Infrastructure	6,457,032	763,689	-	7,220,721
Buildings and Improvements	191,632	676	-	192,308
Equipments	1,131,229	86,230	(30,976)	1,186,483
Vehicles	112,357	15,194	(3,085)	124,466
Total accumulated depreciation	7,892,250	865,789	(34,061)	8,723,978
Net depreciable assets	21,202,335	(704,191)	34,061	20,532,205
Total net capital assets	\$ 21,710,194	\$ (704,191)	\$ 34,061	\$ 21,040,064

Depreciation expense for Business-type capital assets was charged to functions and programs based on their usage of related assets. The amount allocated to each function on program are as follows:

<u>Business-Type Activities</u>	
Sewer	\$ 576,297
Water	289,492
Total Business-Type Activities	\$ 865,789

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of the following at June 30, 2022:

	Governmental Activities	Business-type Activities	Total
Accounts payable	\$ 540,217	\$ 26,895	\$ 567,112
Accrued payroll and related liabilities	43,202	27,551	70,753
Total	\$ 583,419	\$ 54,446	\$ 637,865

These amounts resulted in the following concentrations in payables:

Vendors	86%
Employees	14%

Amounts do not indicate a significant concentration (greater than 25%) with any single vendor or employee.

7. LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2022:

	Original Issue Amount	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Due Within One Year
Governmental Activities:						
Compensated absences	\$ -	\$ 65,541	\$ -	\$ (12,254)	\$ 53,287	\$ 6,554
Total governmental activities	\$ -	\$ 65,541	\$ -	\$ (12,254)	\$ 53,287	\$ 6,554
Business-type activities						
Safe Drinking Water Loan	\$ 2,720,000	\$ 1,156,000	\$ -	\$ (136,000)	\$ 1,020,000	\$ 136,000
State of California Water Resources Control Board	6,980,359	5,422,249	-	(183,644)	5,238,605	187,684
Total business-type activity debt	10,236,159	6,578,249	-	(319,644)	6,258,605	323,684
Compensated absences	-	44,269	-	(10,043)	34,226	4,009
Total business-type activities	\$ -	\$ 6,622,518	\$ -	\$ (329,687)	\$ 6,292,831	\$ 327,693

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

7. LONG-TERM LIABILITIES, *continued*

Governmental Activities

Compensated Absences

The City records employee absences, such as vacation, illness, and holidays, for which it is expected that employees will be paid as compensated absences. Compensated absences had a balance of \$53,287 at June 30, 2022, of that amount \$6,554 is expected to be paid within a year. The net changes of the compensated absences are allocated to the public safety department on the Statement of Activities.

Business-type Activities

Safe Drinking Water State Revolving Fund Loan

In August 2005, the City entered into a loan agreement with the California Department of Health Services, Drinking Water and Environmental Services Division, for a loan in an amount up to \$2,720,000. The loan was subsequently funded by the Safe Drinking Water State Revolving Fund. The proceeds from the loan were used to assist in financing construction of a project that will enable the City to meet safe drinking water standards established under the Health and Safety Code and California Code of Regulations. The non-interest-bearing loan calls for 50 equal semiannual payments due in July and January of each year, beginning in July 2009. At June 30, 2022, the balance of the note was \$1,020,000.

State of California Water Resources Control Board

The City has obtained a loan from the California Department of Water Resources to finance an upgrade of the wastewater treatment plant to comply with State wastewater standards. The debt is required to be serviced through wastewater system user charges. The maximum loan amount is \$6,980,359. Principal and interest are payable annually on October 31. The rate of interest is 2.20%. The annual principal and interest payments are \$302,933 and continue through the fiscal year 2044. At June 30, 2022, the balance of the note was \$5,238,605.

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

7. LONG-TERM LIABILITIES, *continued*

Debt Service

Future debt service for Business-Type Activities at June 30, 2022, is as follows for all debt except compensated absences and claims liabilities:

Year Ending June 30,	Business-type Activities					
	Safe Drinking Water Loan		State of California Water Resources Control Board		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 136,000	\$ -	\$ 187,684	\$ 115,249	\$ 323,684	\$ 115,249
2024	136,000	-	191,813	111,120	327,813	111,120
2025	136,000	-	196,033	106,900	332,033	106,900
2026	136,000	-	200,346	102,588	336,346	102,588
2027	136,000	-	204,753	98,180	340,753	98,180
2028 - 2032	340,000	-	1,093,350	421,317	1,433,350	421,317
2033 - 2037	-	-	1,219,028	295,639	1,219,028	295,639
2038 - 2042	-	-	1,359,153	155,514	1,359,153	155,514
2043 - 2047	-	-	586,445	19,423	586,445	19,423
2048 - 2052	-	-	-	-	-	-
Total	\$ 1,020,000	\$ -	\$ 5,238,605	\$ 1,425,930	\$ 6,258,605	\$ 1,425,930
Due within one year	\$ 136,000	\$ -	\$ 187,684	\$ 115,249	\$ 323,684	\$ 115,249
Due after one year	884,000	-	5,050,921	1,310,681	5,934,921	1,310,681
Total	\$ 1,020,000	\$ -	\$ 5,238,605	\$ 1,425,930	\$ 6,258,605	\$ 1,425,930

City of Rio Dell, California
Basic Financial Statements
For the year ended June 30, 2022

8. NET POSITION/ FUND BALANCES

Net position

	Governmental Activities	Business-type Activities	Total
Net investment in capital assets	\$ 7,358,311	\$ 15,105,143	\$ 22,463,454
Restricted	921,118	-	921,118
Unrestricted	3,347,820	5,172,738	8,520,558
Total	<u>\$ 11,627,249</u>	<u>\$ 20,277,881</u>	<u>\$ 31,905,130</u>

- Restricted balances are for the same purposes as fund balance restrictions because external restriction requirements are the same. See descriptions of the restrictions below.

Fund Balance

Nonspendable and Restricted fund balance consisted of the following at June 30, 2022:

Nonspendable:	
Prepaid items	\$ 34,771
Total Nonspendable	<u>\$ 34,771</u>
Restricted:	
Governmental Funds:	
CDBG	\$ 572,587
Gas Tax	340,258
RSTP	8,273
Total Restricted	<u>\$ 921,118</u>

The following describe the purpose of each nonspendable, restricted, and committed category used by the City:

Nonspendable

- **Prepaid Items** – represents nonspendable amounts classified as prepaid items.

Restricted

- **CDBG**– represents amounts restricted for the City’s CDBG housing activities as these programs are supported by specific grants requiring the restriction.
- **Gas Tax** – represents amounts restricted for street maintenance purposes as defined in Sections 2105, 2106, 2107 and 2107.5 of the Streets and Highway Code.
- **ISTEA** – represents amounts restricted in accordance with the Intermodal Surface Transportation Efficiency Act.

8. NET POSITION/ FUND BALANCES, continued

Fund Balance Deficits

Deficit fund balances consisted of the following:

	<u>As of</u> <u>June 30, 2022</u>
Nonmajor Special Revenue Funds:	
STIP	\$ 4,086
Building	27,916
Traffic Safety	725
Total Nonmajor Funds	<u>32,727</u>

The above deficit fund balances have occurred due to the spending of funds prior to the receipt of revenues (cost reimbursements). The Fund balances will be restored in the near future as revenues are received.

Excess of Expenditures and Transfers over Appropriations:

Expenditures and transfers exceeded appropriations for the year ended June 30, 2022, for the following funds:

<u>Fund</u>	<u>Final</u> <u>Appropriations</u>	<u>Expenditures and</u> <u>Transfers</u>	<u>Excess</u>
<u>Major Funds</u>			
<u>Special Revenue Funds</u>			
CDBG	\$ 3,950	\$ 4,683	\$ (733)
STIP	-	10,399	(10,399)
ARPA	-	61,020	(61,020)

9. INTERFUND TRANSACTIONS

Due to and from balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Due to and due from other funds consisted of the following as of June 30, 2022:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
<u>Governmental Funds</u>		
Major Funds:		
General Fund	\$ 48,618	\$ -
Total Major Funds	<u>48,618</u>	<u>-</u>
Nonmajor Funds:		
RSTP	-	-
Measure Z	-	11,410
STIP	-	6,774
Building	-	23,940
Traffic Safety	-	6,494
Total Nonmajor Funds	<u>-</u>	<u>48,618</u>
Total Governmental Funds	<u>48,618</u>	<u>48,618</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

9. INTERFUND TRANSACTIONS, CONTINUED

Transfers consisted of the following at June 30, 2022:

	<u>Transfers In</u>	<u>Transfers Out</u>
<u>Governmental Funds</u>		
Major Funds:		
General Fund	\$ 10,389	\$ -
CDBG Special Revenue	-	4,674
Total Major Funds	<u>10,389</u>	<u>4,674</u>
Nonmajor Funds:		
Special Revenue Funds		
Solid Waste	-	2,450
Building	-	3,265
Total Nonmajor Funds	<u>-</u>	<u>5,715</u>
Total Governmental Funds	<u>10,389</u>	<u>10,389</u>
Total	<u>\$ 10,389</u>	<u>\$ 10,389</u>

10. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of the Small Cities Organized Risk Effort Joint Powers Authority (SCORE). SCORE provides insurance coverage for general liability, property, and workers' compensation claims under the terms of a joint-powers agreement with the City and several other governmental municipalities.

SCORE is insured up to \$500,000 per general liability and \$1,000,000 per property claim and has purchased excess of loss insurance policies providing coverage above the self-insurance limit to a maximum of \$25,000,000. The City has a \$2,500 - \$50,000 deductible per claim for general liability, property and workers' compensation cases. When the deductible is met, SCORE becomes responsible for payment of the excess claim.

Payments for insurance claims are recorded as expenditures in the funds in which the liabilities were incurred. In accordance with GASB Statement No. 10, if the third party administrator, SCORE, does not insure the loss occurrence then the City shall accrue a loss, if probable and reasonably estimable. As of June 30, 2022, the City has no uninsured occurrences. The City has not used an actuary in determining the liability reserve if needed. Because the actual claim liabilities depend on such complex factors as inflation and changes in legal doctrines and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claims are evaluated periodically to take into account recently settled claims, the frequency of claims and other economic and social factors.

11. JOINT POWERS AGREEMENTS

The City is a member of various joint powers authorities, which provide goods or services to the City and other authority members. Under the criteria established by GASB Statement No. 14, the City does not have sufficient authority, influence or accountability over these entities to incorporate them in this annual report. Additionally, the City has determined that it has no ongoing financial interest in or responsibility for any of these organizations as defined by GASB Statement No. 14. The names and general functions of these joint powers are as follows:

Humboldt Transit Authority

Humboldt Transit Authority (HTA) was created as a separate legal entity by a joint powers agreement between Humboldt County and the Cities of Fortuna, Eureka, Arcata, Trinidad, and Rio Dell. The governing board consists of a city council member and an alternate member appointed from each participating city, as well as two board members and up to two alternate members appointed by the Humboldt County Board of Supervisors. HTA is responsible for adopting its own budget and has the power to incur debts, liabilities, or other obligations. On commencement of operations of HTA, the County contributed 50 percent of the initial equity, and the participating cities jointly contributed 50 percent based upon population data. The participants do not have an ongoing equity interest in HTA.

However, the participants do share operating costs of HTA, and the current share of the City of Rio Dell is 2.8 percent. During the year ended June 30, 2022, the City paid HTA \$40,646. At termination of the agreement, all surplus monies will be returned to the participants in proportion to the amounts received and property shall be divided in a manner agreed upon by the parties. Complete financial statements for Humboldt Transit Authority may be obtained at the offices of the Authority at 133 V Street, Eureka, California 95501.

Hazardous Materials Response Authority

Hazardous Materials Response Authority (HMRA) was created as a separate legal entity by a joint powers agreement between the County of Humboldt, the County of Del Norte, and Cities of Eureka, Crescent City, Arcata, Blue Lake, Fortuna, Trinidad, and Rio Dell. (The City of Ferndale withdrew from the agreement during 1994-1995). The purpose of this joint venture is to pool resources of the participants to provide a united, coordinated, orderly, positive, and more effective means of aiding and assisting in the formulation, administration, implementation and maintenance of an area-wide hazardous materials response team.

HMRA is governed by a board of directors comprised of one member and an alternate appointed by each participant. It adopts its own budget and has the powers to incur debts, liabilities, or obligations. The City of Eureka is responsible for directing the operations of Hazardous Materials Response Teams and for the accounting of HMRA, and in return HMRA reimburses the City of Eureka for the costs of operation and accounting services.

11. JOINT POWERS AGREEMENTS, CONTINUED

Upon commencement of HMRA, the participants agreed to contribute a proportionate share of the cost of operations based on population. The participants do not have an ongoing equity interest in HMRA. However, the participants do share the operating costs of HMRA, and the current share of the City of Rio Dell is 1.9 percent, based on population. During the year ended June 30, 2022, the City paid HMRA \$717. At termination of the agreement, all surplus monies will be returned to the participants in proportion of the amounts received by HMRA; property shall be divided in a manner agreed upon by the participants. Complete financial statements of HMRA are on file at the offices of the City of Eureka at 531 K Street, Eureka, California 95501.

Redwood Region Economic Development Commission

Redwood Region Economic Development Commission (RREDC) was established on November 1, 1977, under a Joint Exercise of Powers Agreement among the nineteen public agencies within Humboldt County, including the City of Rio Dell. RREDC is a separate public entity created to aid, assist, and coordinate the formulation, administration, and implementation of the Economic Development Action Plan and Strategy for Humboldt County, and to assist in the implementation of economic development projects and programs to improve the quality of life in the area. RREDC is governed by one member and an alternate appointed by each participant. Complete financial statements for RREDC are on file at the offices of RREDC at 520 E Street, Eureka, California 95001.

Humboldt Waste Management Authority (HWMA)

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

Humboldt County Association of Governments (HCAOG)

A local JPA formed for regional transportation planning, responsible for programming State highway, local street and road improvements and public transportation resources. All seven cities and the County are participants.

Redwood Coast Energy Authority (RCEA):

A JPA formed to develop and implement regional measures that reduce energy demand, increase energy efficiency and advance the use of clean efficient renewable resources. Members include the County of Humboldt; the Cities of Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, and Trinidad; and the Humboldt Bay Municipal Water District.

12. DEFERRED COMPENSATION PLAN

The City offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all City employees, permit employees to defer a portion of their salary until future years. Participation in the plans is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. As explained previously, the City has adopted the provisions of GASB Statement No. 32 and, therefore, assets and liabilities of these plans have been excluded from the accompanying financial statements. For the fiscal year ended June 30, 2022, the City made contributions totaling \$137,439 to the plan.

13. COMMITMENTS AND CONTINGENCIES

Litigation

The City is involved in litigation incurred in the normal course of conducting City business. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

Grants and Allocations

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

Commitments

The City had no significant unexpended contractual commitments as of June 30, 2022.

14. NEW ACCOUNTING PRONOUNCEMENTS

The GASB has issued Statement No. 91, "Conduit Debt Obligations." The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The City will implement this statement, as applicable, to its financial statements for the year ending June 30, 2023.

14. NEW ACCOUNTING PRONOUNCEMENTS, *continued*

The GASB has issued statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangements”. The objective of this Statement is to better meet the information needs of financial statement users by improving the comparability of financial statements among governments that enter into PPPs and APAs and by enhancing the understandability, reliability, relevance, and consistency of information about PPPs and APAs. The City will implement this statement, as applicable, to its financial statements for the year ending June 30, 2023.

The GASB has issued statement No. 96, “Subscription-Based Information Technology Arrangements”. The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. The City will implement this statement, as applicable, to its financial statements for the year ending June 30, 2023.

The GASB has issued statement No. 97, “Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans”. The primary objectives of this Statement are to (a) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (b) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (c) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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NON-MAJOR SPECIAL REVENUE FUNDS

Fund	Description
Gas Tax	Accounts for funds received and expended for street maintenance purposes as defined in Sections 2103, 2105, 2106, 2107, 2107.5 and 2032 (SB1) of the Streets and Highway Code.
TDA	Accounts for funds received and expended for transit, street, pedestrian and bike purposes in Accordance with the Transportation Development Act.
RSTP	Accounts for funds received and expended in accordance with the Regional Surface Transportation Act.
Solid Waste	Accounts for the City's portion of the Humboldt Waste Management Authority's tipping fees.
SLESF	Accounts for funds received to be used for public safety purposes.
Measure Z	Accounts for funds received and expended for Measure Z.
STIP	Accounts for funds received and expended in accordance with the State Transportation Improvement Program, a multi-year capital improvement program of transportation projects on and off the State Highway System.
Building	Accounts for funds received and expended for building maintenance inspection and permitting purposes.
Recycling	Accounts for funds received and expended for recycling purposes.
Economic Development	Accounts for funds received or designated by the City Council and expended for economic development purposes.
ARPA	Accounts for funds received as part of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program authorized by the American Rescue Plan Act to support the communities response to and recovery from the COVID-19 public health emergency.
Traffic Safety	Accounts for funds received and expended for the City to create a Local Road Safety Program(LRSP).

City of Rio Dell, California
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2022

	Gas Tax	TDA	RSTP	Solid Waste	SLESF
ASSETS					
Cash and investments	\$ 324,195	\$ 64,549	\$ 8,669	\$ 13,001	\$ 119,956
Receivables:					
Interest	379	76	10	18	-
Intergovernmental	-	-	-	-	-
Other receivable	18,598	-	-	-	1,620
Total assets	<u>\$ 343,172</u>	<u>\$ 64,625</u>	<u>\$ 8,679</u>	<u>\$ 13,019</u>	<u>\$ 121,576</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 2,914	\$ 14,346	\$ 406	\$ 12	\$ 5,018
Due to other funds	-	-	-	-	-
Total liabilities:	<u>2,914</u>	<u>14,346</u>	<u>406</u>	<u>12</u>	<u>5,018</u>
Fund Balances:					
Restricted	340,258	-	8,273	-	-
Assigned	-	50,279	-	13,007	116,558
Unassigned (deficit)	-	-	-	-	-
Total fund balances	<u>340,258</u>	<u>50,279</u>	<u>8,273</u>	<u>13,007</u>	<u>116,558</u>
Total liabilities deferred inflows and fund balance	<u>\$ 343,172</u>	<u>\$ 64,625</u>	<u>\$ 8,679</u>	<u>\$ 13,019</u>	<u>\$ 121,576</u>

Measure Z	STIP	Building	Recycling	Economic Development	ARPA	Traffic Safety	Totals
\$ -	\$ -	\$ -	\$ 35,092	\$ 291,815	\$ 339,556	\$ -	\$ 1,196,833
-	-	-	41	340	-	-	864
-	-	-	-	-	-	5,769	5,769
31,706	-	-	-	-	-	-	51,924
<u>\$ 31,706</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,133</u>	<u>\$ 292,155</u>	<u>\$ 339,556</u>	<u>\$ 5,769</u>	<u>\$ 1,255,390</u>

\$ -	\$ -	\$ 3,976	\$ -	\$ -	\$ -	\$ -	\$ 26,672
11,410	6,774	23,940	-	-	-	6,494	48,618
<u>11,410</u>	<u>6,774</u>	<u>27,916</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,494</u>	<u>75,290</u>

-	-	-	-	-	-	-	348,531
20,296	-	-	35,133	292,155	339,556	-	866,984
-	(6,774)	(27,916)	-	-	-	(725)	(35,415)
<u>20,296</u>	<u>(6,774)</u>	<u>(27,916)</u>	<u>35,133</u>	<u>292,155</u>	<u>339,556</u>	<u>(725)</u>	<u>1,180,100</u>
<u>\$ 31,706</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,133</u>	<u>\$ 292,155</u>	<u>\$ 339,556</u>	<u>\$ 5,769</u>	<u>\$ 1,255,390</u>

City of Rio Dell, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ended June 30, 2022

	Gas Tax	TDA	RSTP	Solid Waste	SLESF
REVENUES:					
Gas tax	\$ 154,498	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	111,465	-	-	152,998
Licenses, permits, and franchise taxes	2,750	-	-	4,918	-
Interest and use of property	681	155	16	45	-
Miscellaneous	10,408	-	-	-	-
Total revenues	168,337	111,620	16	4,963	152,998
EXPENDITURES:					
Current:					
General government	10,915	8,477	-	-	-
Public safety - Police	-	-	-	-	161,670
Public works	119,888	110,527	16,487	-	-
Planning and building	-	-	-	-	-
Recycling	-	-	-	26,493	-
Capital outlay	0	-	-	-	-
Total expenditures	130,803	119,004	16,487	26,493	161,670
REVENUES OVER (UNDER) EXPENDITURES					
	37,534	(7,384)	(16,471)	(21,530)	(8,672)
OTHER FINANCING SOURCES (USES):					
Proceeds from the sale of capital assets	1,246	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(2,640)	-
Total other financing sources and uses	1,246	-	-	(2,640)	-
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)					
	38,780	(7,384)	(16,471)	(24,170)	(8,672)
FUND BALANCES (DEFICITS):					
Beginning of year	301,478	57,663	24,744	37,177	125,230
End of year	\$ 340,258	\$ 50,279	\$ 8,273	\$ 13,007	\$ 116,558

Measure Z	STIP	Building	Recycling	Economic Development	ARPA	Traffic Safety	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,498
38,795	7,711	-	5,000	-	400,576	5,769	722,314
-	-	44,421	-	-	-	-	52,089
-	-	20	78	704	-	-	1,699
-	-	-	-	-	-	-	10,408
<u>38,795</u>	<u>7,711</u>	<u>44,441</u>	<u>5,078</u>	<u>704</u>	<u>400,576</u>	<u>5,769</u>	<u>941,008</u>
-	-	-	-	8,549	61,020	-	88,961
18,499	-	-	-	-	-	-	180,169
-	10,399	-	-	-	-	6,494	263,795
-	-	91,431	-	-	-	-	91,431
-	-	-	-	-	-	-	26,493
-	-	-	-	-	-	-	-
<u>18,499</u>	<u>10,399</u>	<u>91,431</u>	<u>-</u>	<u>8,549</u>	<u>61,020</u>	<u>6,494</u>	<u>650,849</u>
<u>20,296</u>	<u>(2,688)</u>	<u>(46,990)</u>	<u>5,078</u>	<u>(7,845)</u>	<u>339,556</u>	<u>(725)</u>	<u>290,159</u>
-	-	-	-	-	-	-	1,246
-	-	-	-	-	-	-	-
-	-	(3,520)	-	-	-	-	(6,160)
-	-	(3,520)	-	-	-	-	(4,914)
20,296	(2,688)	(50,510)	5,078	(7,845)	339,556	(725)	285,245
-	(4,086)	22,594	30,055	300,000	-	-	894,855
<u>\$ 20,296</u>	<u>\$ (6,774)</u>	<u>\$ (27,916)</u>	<u>\$ 35,133</u>	<u>\$ 292,155</u>	<u>\$ 339,556</u>	<u>\$ (725)</u>	<u>\$ 1,180,100</u>

City of Rio Dell, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Gas Tax Special Revenue Fund

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Gas Tax	\$ 157,167	\$ 157,167	\$ 154,498	\$ (2,669)
Licenses, permits, and franchise taxes	1,500	1,500	2,750	1,250
Use of money and property	-	-	681	681
Miscellaneous	-	-	10,408	10,408
Total revenues	158,667	158,667	168,337	9,670
EXPENDITURES:				
Current:				
General government	14,488	14,488	10,915	3,573
Public works	147,546	147,546	119,888	27,658
Capital outlay	-	5,500	-	5,500
Total expenditures	162,034	167,534	130,803	36,731
REVENUES OVER (UNDER) EXPENDITURES	(3,367)	(8,867)	37,534	46,401
OTHER FINANCING SOURCES (USES):				
Proceeds from the sale of capital assets	-	-	1,246	1,246
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	1,246	-
Net change in fund balances	(3,367)	(8,867)	38,780	46,401
FUND BALANCES (DEFICIT):				
Beginning of year	301,478	301,478	301,478	-
End of year	\$ 298,111	\$ 292,611	\$ 340,258	\$ 46,401

City of Rio Dell, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

TDA Special Revenue Fund

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 120,000	\$ 120,000	\$ 111,465	\$ (8,535)
Interest and use of property	-	-	155	155
Miscellaneous	-	-	-	-
Total revenues	120,000	120,000	111,620	(8,380)
EXPENDITURES:				
Current:				
General government	10,900	10,900	8,477	2,423
Public works	109,017	109,017	110,527	(1,510)
Capital outlay	-	5,500	-	5,500
Total expenditures	119,917	125,417	119,004	6,413
REVENUES OVER (UNDER) EXPENDITURES				
	83	(5,417)	(7,384)	(1,967)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	83	(5,417)	(7,384)	(1,967)
FUND BALANCES (DEFICIT):				
Beginning of year	57,663	57,663	57,663	-
End of year	\$ 57,746	\$ 52,246	\$ 50,279	\$ (1,967)

City of Rio Dell, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

RSTP Special Revenue Fund

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 25,627	\$ 25,627	\$ -	\$ (25,627)
Interest and use of property	-	-	16	16
Total revenues	<u>25,627</u>	<u>25,627</u>	<u>16</u>	<u>(25,611)</u>
EXPENDITURES:				
Current:				
Public works	22,344	22,344	16,487	5,857
Total expenditures	<u>22,344</u>	<u>22,344</u>	<u>16,487</u>	<u>5,857</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>3,283</u>	<u>3,283</u>	<u>(16,471)</u>	<u>(19,754)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>3,283</u>	<u>3,283</u>	<u>(16,471)</u>	<u>(19,754)</u>
FUND BALANCES (DEFICIT):				
Beginning of year	24,744	24,744	24,744	-
End of year	<u>\$ 28,027</u>	<u>\$ 28,027</u>	<u>\$ 8,273</u>	<u>\$ (19,754)</u>

City of Rio Dell, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Solid Waste Special Revenue Fund

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Licenses, permits, and franchise taxes	\$ 4,000	\$ 4,000	\$ 4,918	\$ 918
Use of money and property	-	-	45	45
Miscellaneous	-	-	-	-
Total revenues	4,000	4,000	4,963	963
EXPENDITURES:				
Current:				
Recycling	9,945	26,493	26,493	-
Total expenditures	9,945	26,493	26,493	-
REVENUES OVER (UNDER) EXPENDITURES	(5,945)	(22,493)	(21,530)	963
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	(2,640)	(2,640)	(2,640)	-
Total other financing sources (uses)	(2,640)	(2,640)	(2,640)	-
Net change in fund balances	(8,585)	(25,133)	(24,170)	963
FUND BALANCES (DEFICIT):				
Beginning of year	37,177	37,177	37,177	-
End of year	\$ 28,592	\$ 12,044	\$ 13,007	\$ 963

City of Rio Dell, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

SLESF Special Revenue Fund

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 152,998	\$ 2,998
Use of money and property	-	-	0	-
Miscellaneous	-	-	-	-
Total revenues	150,000	150,000	152,998	2,998
EXPENDITURES:				
Current:				
Public safety - Police	161,667	161,667	161,670	(3)
Total expenditures	161,667	161,667	161,670	(3)
REVENUES OVER (UNDER) EXPENDITURES	(11,667)	(11,667)	(8,672)	2,995
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(11,667)	(11,667)	(8,672)	2,995
FUND BALANCES (DEFICIT):				
Beginning of year	125,230	125,230	125,230	-
End of year	\$ 113,563	\$ 113,563	\$ 116,558	\$ 2,995

City of Rio Dell, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Measure Z Special Revenue Fund

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 18,500	\$ 39,425	\$ 38,795	\$ (630)
Use of money and property	-	-	-	-
Total revenues	18,500	39,425	38,795	(630)
EXPENDITURES:				
Current:				
Public safety - Police	18,500	39,425	18,499	20,926
Total expenditures	18,500	39,425	18,499	20,926
REVENUES OVER (UNDER)				
EXPENDITURES	-	-	20,296	20,296
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	20,296	20,296
FUND BALANCES (DEFICIT):				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ 20,296	\$ 20,296

City of Rio Dell, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

STIP Special Revenue Fund

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 7,711	\$ 7,711
Total revenues	<u>-</u>	<u>-</u>	<u>7,711</u>	<u>7,711</u>
EXPENDITURES:				
Current:				
Public works	-	-	10,399	(10,399)
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>10,399</u>	<u>(10,399)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>(2,688)</u>	<u>(2,688)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(2,688)</u>	<u>(2,688)</u>
FUND BALANCES (DEFICIT):				
Beginning of year	(4,086)	(4,086)	(4,086)	-
End of year	<u>\$ (4,086)</u>	<u>\$ (4,086)</u>	<u>\$ (6,774)</u>	<u>\$ (2,688)</u>

City of Rio Dell, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Building Special Revenue Fund Budget

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Licenses, permits, and franchise taxes	\$ 44,110	\$ 44,110	\$ 44,421	\$ 311
Interest and use of property	-	-	20	20
Miscellaneous	-	-	-	-
Total revenues	<u>44,110</u>	<u>44,110</u>	<u>44,441</u>	<u>331</u>
EXPENDITURES:				
Current:				
Planning and building	92,332	92,332	91,431	901
Total expenditures	<u>92,332</u>	<u>92,332</u>	<u>91,431</u>	<u>901</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(48,222)</u>	<u>(48,222)</u>	<u>(46,990)</u>	<u>1,232</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	34,808	34,808	(3,520)	(38,328)
Total other financing sources (uses)	<u>34,808</u>	<u>34,808</u>	<u>(3,520)</u>	<u>(38,328)</u>
Net change in fund balances	<u>(13,414)</u>	<u>(13,414)</u>	<u>(50,510)</u>	<u>(37,096)</u>
FUND BALANCES (DEFICIT):				
Beginning of year	22,594	22,594	22,594	-
End of year	<u>\$ 9,180</u>	<u>\$ 9,180</u>	<u>\$ (27,916)</u>	<u>\$ (37,096)</u>

City of Rio Dell, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Recycling Special Revenue Fund

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 5,000	\$ 5,000
Interest and use of property	-	-	78	78
Total revenues	-	-	5,078	5,078
EXPENDITURES:				
Current:				
Recycling	7,200	7,200	-	7,200
Total expenditures	7,200	7,200	-	7,200
REVENUES OVER (UNDER) EXPENDITURES	(7,200)	(7,200)	5,078	12,278
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(7,200)	(7,200)	5,078	12,278
FUND BALANCES (DEFICIT):				
Beginning of year	30,055	30,055	30,055	-
End of year	\$ 22,855	\$ 22,855	\$ 35,133	\$ 12,278

City of Rio Dell, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Economic Development Special Revenue Fund

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Interest and use of property	-	-	704	704
Total revenues	-	-	704	704
EXPENDITURES:				
Current:				
General government	77,000	77,000	8,549	68,451
Total expenditures	77,000	77,000	8,549	68,451
REVENUES OVER (UNDER) EXPENDITURES	(77,000)	(77,000)	(7,845)	69,155
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(77,000)	(77,000)	(7,845)	69,155
FUND BALANCES (DEFICIT):				
Beginning of year	300,000	300,000	300,000	-
End of year	\$ 223,000	\$ 223,000	\$ 292,155	\$ 69,155

City of Rio Dell, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

ARPA Special Revenue Fund

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 400,576	\$ 400,576
Interest and use of property	-	-	-	-
Total revenues	-	-	400,576	400,576
EXPENDITURES:				
Current:				
General government	-	-	61,020	(61,020)
Total expenditures	-	-	61,020	(61,020)
REVENUES OVER (UNDER) EXPENDITURES	-	-	339,556	339,556
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	339,556	339,556
FUND BALANCES (DEFICIT):				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ 339,556	\$ 339,556

City of Rio Dell, California

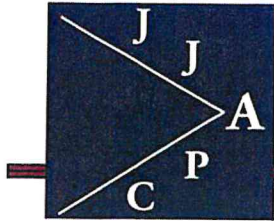
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Traffic Safety Special Revenue Fund

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 5,769	\$ 5,769
Interest and use of property	-	-	-	-
Total revenues	-	-	5,769	5,769
EXPENDITURES:				
Current:				
Public works	6,495	6,495	6,494	1
Total expenditures	6,495	6,495	6,494	1
REVENUES OVER (UNDER) EXPENDITURES	(6,495)	(6,495)	(725)	5,770
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(6,495)	(6,495)	(725)	5,770
FUND BALANCES (DEFICIT):				
Beginning of year	-	-	-	-
End of year	\$ (6,495)	\$ (6,495)	\$ (725)	\$ 5,770

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JJACPA, Inc.

A Professional Accounting Services Corp.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Independent Auditor’s Report

The Honorable City Council
City of Rio Dell
Rio Dell, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparison information of the City of Rio Dell (City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated April 17, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

April 17, 2023

JJACPA, Inc.
JJACPA, Inc.
Dublin, CA



*Rio Dell City Hall
675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
cityofriodell.ca.gov*

May 2, 2023

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Discussion and Possible Direction Regarding Waiver of Building Permit Fees

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Discuss and provide direction to staff.

BACKGROUND AND DISCUSSION

As a municipal government, the City has the responsibility to enforce the building code in conjunction with property owners and contractors who are obligated to follow the building code. In the City of Rio Dell, the building code is exclusively composed of mandates from the State of California, with no additional tighter restrictions included. Additionally, the City does not have the power to waive building code requirements. As an unfunded mandate of the State, the only way for nearly all municipal governments to enforce the building code is to impose fees for these services.

On April 18, 2023 at the City Council’s regularly scheduled meeting, three members of the public requested the waiver of building permit fees for all earthquake related repairs. At the request of Mayor Garnes, this item has been agendized for the Council to consider and provide direction on this matter.

It is important to note that property owners with current and future recovery work can make application for assistance through Disaster Case Management services at (707) 382-5890. The limited available dollars are based upon need and income level. For example, a middle class or higher income property owner with structural damage may not qualify for any direct assistance for reconstruction or permit fees. However, a lower income property owner is more likely to receive direct assistance, including the cost of building permits.

It is also important to note that the City will still need to enforce the building code, and will incur costs in doing so. Therefore it is recommended that if the council would like to waive fees for property owners who do not income qualify for assistance, the Council should identify a funding source for waivers. Potential options include:

- *General Fund* – This is not recommended as the General Fund revenues are declining and the fund primarily supports the Police Department which is experiencing significant increases in operating cost.
- *Humboldt Area Foundation* – The City could make a request for the Foundation (or other philanthropies) to use recovery funds to pay for all earthquake related permit fees, not just fees paid on behalf of lower income earthquake victims.

At this time staff does not recommend waiving earthquake related building permit fees unless an outside source of funding can be identified. Currently, property owners can apply for assistance through Disaster Case Management services at (707)382-5890.

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May 2, 2023

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Discussion and Possible Direction Regarding Elm Street Water Line

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Discuss and provide direction to staff.

BACKGROUND AND DISCUSSION

On April 18, 2023 at the City Council’s regularly scheduled meeting, a member of the public requested repairs to the Elm Street Water Line. At the request of Mayor Garnes, this item has been agendaized for the Council to consider and provide direction on this matter.

This section of water line is proposed to be replaced under the Water Line Capital Improvement Plan which is anticipated to begin construction in 2024.

However, following the April 18th Council meeting, staff determined that the line is currently failing and in need of emergency repair for the customers and also to maintain fire protection and water reserve levels. Work on the replacement is expected to occur at the earliest availability of the contractor. It is unlikely this repair will be able to be included in the Water CIP (Which is 100% grant funded). However, it is possible the repair could be covered under the California Disaster Assistance Act funding. Otherwise, funding of the repair will be drawn from the Water Fund Reserve (100% ratepayer funded).

Once the repair is completed, all known underground Elm Street infrastructure will have been repaired. The street would then fall out of the Council set restrictions on surface repair to such streets with underground infrastructure issues. If funding is available, the Council could direct staff to work on the resurfacing of the street.

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675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
cityofriodell.ca.gov*

May 2, 2023

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Discussion and Possible Direction Regarding Resolution No. 1578 Related to Sewer Charges

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Discuss and provide direction to staff.

BACKGROUND AND DISCUSSION

On March 21, 2023 the Rio Dell City Council approved Resolution No. 1578-2023 approving a 6-month sewer waiver for unoccupied red tag structures that were damaged as a result of the December-New Year's earthquakes. On April 18, 2023 at the City Council's regularly scheduled meeting, a member of the public expressed his belief that payments already made subsequent to the earthquake should be a refund and not a credit on the account. At the request of Mayor Garnes, this item has been agendaized for the Council to consider and provide direction on this matter.

Attached:
Resolution No. 1578-2023

///



RESOLUTION NO. 1578-2023

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIO DELL
TO APPROVE TEMPORARILY WAIVING SEWER FEES FOR CUSTOMERS WHOSE
RESIDENCES HAVE BEEN ‘RED-TAGGED’ BY THE DECEMBER 2022 EARTHQUAKE
DISASTER**

WHEREAS, the City of Rio Dell (the “City”) is a municipality located in Humboldt County, California; and

WHEREAS, the City experienced a magnitude 6.4 earthquake on the morning of December 20, 2022, and subsequent aftershocks including a 5.4 earthquake on January 1, 2023, causing extensive damage to public and private infrastructure; and

WHEREAS, the City Council of the City of Rio Dell has a policy of adjusting utility bills of ratepayers under certain limited circumstances; and

WHEREAS, the City of Rio Dell City Council approves temporarily waiving sewer fees, not to exceed a 6-month period immediately following the disaster to customers whose homes were ‘Red-Tagged’ by the December 2022 Earthquake Disaster; and


WHEREAS, on or before the end of the 6-month period customers must apply for relief through the Sewer Bill Adjustment Claim Form; and

WHEREAS, at the end of the 6-month period, customers will return to being billed the sewer rate last registered with the City of Rio Dell prior to the earthquake disaster, and the temporary fee waiver will end for that customer; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Rio Dell approve temporarily waiving sewer fees for customers whose residences have been ‘Red-Tagged’ not to exceed a 6-month period.

PASSED AND ADOPTED by the City Council of the Rio Dell on this 21ST day of March 2023 by the following vote:

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



Debra Garnes, Mayor

ATTEST:



Karen Dunham, City Clerk



*Rio Dell City Hall
675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
cityofriodell.ca.gov*

May 2, 2023

TO: Rio Dell City Council
FROM: Kyle Knopp, City Manager
SUBJECT: Discussion and Possible Direction Regarding Fireman’s Park Grant Match

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Discuss and provide direction to staff.

BACKGROUND AND DISCUSSION

On April 18, 2023 at the City Council’s regularly scheduled meeting, Zach Shafer representing the Rio Dell Fire Department requested financial support from the City to for new playground equipment. At the request of Mayor Garnes, this item has been agendized for the Council to consider and provide direction on this matter.

Following the April 18th meeting Mr. Shafer clarified his request to cover 50% of the cost of the equipment, totaling a request of \$2,508.87.

Funds are not currently set aside in the budget for playground equipment. However, the City Council budget unit is currently under budget and the Council can direct staff to use unspent Council funds on this public benefit.

Attachments:

Park Planet Proposal

///



a Division of Park Associates Inc
 415 Elm Street
 Red Bluff California 96080
 (530) 244-6116

QUOTE

Quoted To:
Rio Dell Fire Protection District
 50 West Center Street
 Rio Dell, CA 95562

Contact: Zach Shafer
 Phone: 707.834.2626 / Email: shaferzac@gmail.com

Quote #: Q23-2230
Date: April 27, 2023
Project: Rio Dell Fire Protection District - Playground
City: Rio Dell
Sales Rep - Email: Kyle Knox - kyle@parkplanet.com
Terms: 50% Ppd - Rem 30dys / Shipment

#	Description	Vendor	Item No	Qty	Rate	Amount
PLAYGROUND EQUIPMENT						
1	7ft Single Post Swing Bay (2 Seat)	PlayCraft	A2-2181-7	1	1,795.00	1,795.00
2	Full Bucket Seat	PlayCraft	A2-311010	4	370.00	1,480.00
3	7ft Single Post Swing Bay AB	PlayCraft	A2-2181-7-AB	1	1,339.00	1,339.00
SHIPPING						
4	PlayCraft Freight - MUST SHIP WITH QT 23-2124	PlayCraft	PCF	1	0.00	0.00
EXCLUSIONS						
5	Equipment only. Installation to be supplied by others.	Park Planet	Equip-Only	1	0.00	0.00
6	Offloading & storage of equipment is the customer's responsibility. For most products a forklift rated for 5000lbs or more is recommended.	Park Planet	Offloading	1	0.00	0.00

QUOTE GOOD FOR 30 DAYS - DUE TO THE CURRENT INDUSTRY WIDE VOLATILITY OF STEEL, AFTER 30 DAYS STEEL PRICES MAY ADJUST. CURRENTLY EXPERIENCING EXTENDED LEAD TIMES -PLEASE DISCUSS WITH A PARK PLANET REPRESENTATIVE.

Sub Total	4,614.00
CA-Humboldt-Rio Dell (8.75%)	403.73
Total	\$5,017.73

\$2,508.87 2 For 50% match

ORDER / DELIVERY INFORMATION:

A PURCHASE ORDER OR SIGNED CHANGE ORDER MUST BE RECEIVED BEFORE ADDITIONAL EQUIPMENT, INSTALLATION, OR SERVICES CAN PROCEED. IF PAYING BY CREDIT CARD, A SURCHARGE WILL BE ASSESSED ON PAYMENT AMOUNT FOR 3.5% VISA/MC OR 5% AMEX.

Printed Name: _____ Title: _____

Authorized Signature: _____ Date: _____

**Purchasing agent who is authorized to enter into binding agreement for quoted entity.

**By signing this quote, I have read and agree to the quote Terms & Conditions listed below, on the following 2 pages.

TERMS & CONDITIONS

1. General Notes

- *Assembly and Installation NOT included unless otherwise noted
- *Payment and Performance bonds are NOT included unless otherwise stated. If required, additional charges will apply. Please call for details!
- *Customer responsible for quoted quantities and model numbers, please check!
- *Price reflects quoted quantity. Please request revision if alternate quantity is desired.

2. Payment / Ordering

- *Most repeat customers are given the terms of 50% Deposit with order; Remainder within 30 Days from Delivery.
- *Others require a onepage credit application or payment with order
- *TO ORDER, please sign quote and return via email or fax to avoid any shipping delays. Fax or email copy deemed to be legal equivalent of original. If Payment with Order is required, please sign quote below and return with payment. All past due accounts subject to 1 ½% monthly finance charge. In the event legal action is required to effect collection venue shall be Red Bluff, CA.

3. Shipping / Unloading

- *Shipped by Common Carrier – Customer will need 2 to 4 people to unload. Liftgate NOT included. Items will be boxed and / or stretch wrapped to pallets and customer is responsible for offloading. Delivery Drivers do NOT unload
- **IMPORTANT: Customer is responsible for receiving and checking quantities and condition at time of delivery Please note any shortages or damages on delivery copy.
- *Notwithstanding anything to the contrary in any Contract Documents, Customer understands that estimated shipment times for materials are an estimate only. We have no control over shipment dates. We thus make no guarantee to Owner or Customer regarding the projected shipment dates for materials and shall not be liable for any loss caused by the timing of shipments.

4. Engineered Wood Fiber

- *Customer to provide access for Engineered Wood Fiber delivery with tractor truck and 53' trailer.
- *Compaction of the Engineered Wood Fiber is NOT included in the installation cost, if desired, please request an updated proposal.

5. General Notes for Purchased Installation

- *Installation does NOT include ground preparation, excavation, safety surfacing, and/or safety surfacing borders, prep work, flat work, grading, rerouting of water, electric, drainage or sprinkler lines unless otherwise noted in the proposal
- *Demo of existing equipment or safety surfacing is NOT included unless otherwise stated in the proposal
- *ROCK CLAUSE: Pricing is based on normal soil conditions which would allow an auger on a tractor to dig footings. If rocks/boulders interfere with the progress of the excavation, additional fees may apply.
- *ACCESS CLAUSE: Installation based on clear access to area. Crane service is NOT included. Customer to provide access for bobcat to work area, bobcat will be provided by installer. Minimum access shall be 7' wide and 7' high. If adequate access is not provided additional charges may apply and repairs to landscape and irrigation may be required. Customer is responsible for any repairs to landscape if proper access is not provided.
- *UTILITY CLAUSE: Unless stated in writing in the quote proposal, installation does not include marking of utilities by Dig Alert or other similar entities. Customer can, however, call Dig Alert directly. Dig Alert CANNOT locate any private lines, PVC or plastic water lines. Installation does NOT include repair or relocating any underground utilities, such as drainage, irrigation, live water lines, main low voltage lines, gas, electrical, communication, or sewer etc. Customers responsibility to provide locations of any utilities prior to commencement of work.
- *Customer is responsible for all landscape repairs such as, but not limited to damaged trees, bushes, lawn, curbing, sidewalks and/or asphalt paving caused by materials truck and/or 2ton bobcat needed to complete project.
- *Installation does NOT include ground preparation, excavation, safety surfacing, and/or safety surfacing borders unless otherwise noted
- *Before we proceed with the playground installation, the playground area MUST be compacted, be free of debris, and excavated accordingly. Please call for details.
- *Concrete pad for surface mount items NOT included and MUST be provided by customer unless otherwise stated.
- *Surface mount anchoring to asphalt and paver areas is NOT included unless otherwise stated.
- *Private Utility Locator is NOT included unless otherwise noted. Private Utility Locator CANNOT locate any PVC or plastic water lines
- *Installation does NOT include saw cutting and/or core drilling unless otherwise noted
- *Installation does NOT include jackhammering. Please call for details.
- *Area MUST have normal soil conditions and be level.
- *All Athletic Equipment Goals such as soccer, football, etc, install location MUST be marked out by customer prior to installation, if installation was purchased.

6. Temporary Fencing

- *Security guards and/or temporary fencing to prevent injuries, vandalism and/or accidental damage to install area or to the rubberized surface while it sets is NOT included unless noted on quote. If desired, the installers can put up caution tape, but Temporary Fencing is recommended. Although the fencing, if provided, is intended to provide this security, the overall security of the property is ultimately the responsibility of customer. We are not responsible for any vandalism or injuries even with the provision of the fencing.

7. ADA Access

- *Play Equipment MUST be installed over an impactabsorbing surface such as ADA compliant Engineered Wood Fiber or Rubber Surfacing. If not quoted, please call for details.
- *This area is NOT ADA compliant without the installation of compliant surfacing and an accessible route up to and into the playground area. Please call for details.

8. Poured in Place Rubber Surfacing

- *Rubber Surfacing cure time is normally 4872 hours and can vary depending on weather conditions.
- *Rubber Surfacing cannot be installed during extreme weather conditions and may also not be installed if rain or frost is forecast during the cure time.
- *48Hour Manned Security is NOT included for rubber.

9. Shade Shelters (non DSA)

- *Shade Shelter installation price EXCLUDES – unless otherwise stated in this quote engineering, drawings, calculations, permits, permit submittal, site plans, special inspections, soil reports, impact fees, special assessment fees. Customer is responsible for any and all of these items if required by the City/County.
- *Shade Shelter manufacture time is 8 weeks. Permitting can add 24 weeks or more to lead time. PLEASE NOTE: Shade Orders are NOT released into production until permit is issued!
- *Shade Shelter installation price EXCLUDES concrete pad, footings, masonry columns, electrical wiring and lights unless otherwise noted.

10. Shade Shelters (DSA)

**May Exceed 14-Week lead time AFTER DSA approval by your architect of choice

* Customer to receive shade shelter. If receiving by us is needed, please call for pricing and details!

* Job to be completed in one mobilization. Additional moves will be additional pricing if we are required to remobilize due to schedule issues, stop work or a delay in work not caused by us.

*Pricing does NOT include, architectural drawings, site/plot plans, DSA submittal fees, job site inspector fees, shop welding inspection fees, and/or permits

*DSA inplant Welding Inspector to be hired by the School District. Welding Inspector fee has NOT been quoted.

*School District / Architect responsible for submission of plans to DSA for DSA approval

*Fabrication cannot start until inspections have been coordinated, colors have been selected, and approved plans received.

*Pricing does NOT include footings, steel cages, anchor bolts, or erecting of shade shelter unless otherwise noted.

11. Prevailing Wages

*Prevailing Wages NOT included unless otherwise noted. (ie: Davis Bacon, TERO, ect.) If this is a Prevailing Wage project, please request alternate pricing.

*If Prevailing Wages / Davis Bacon Wages were INCLUDED, all other special work fees NOT included Additional Labor Charges may apply if alternate labor is required.

*If DIR Project Registration is required, work may not begin until we receive DIR Project ID number.

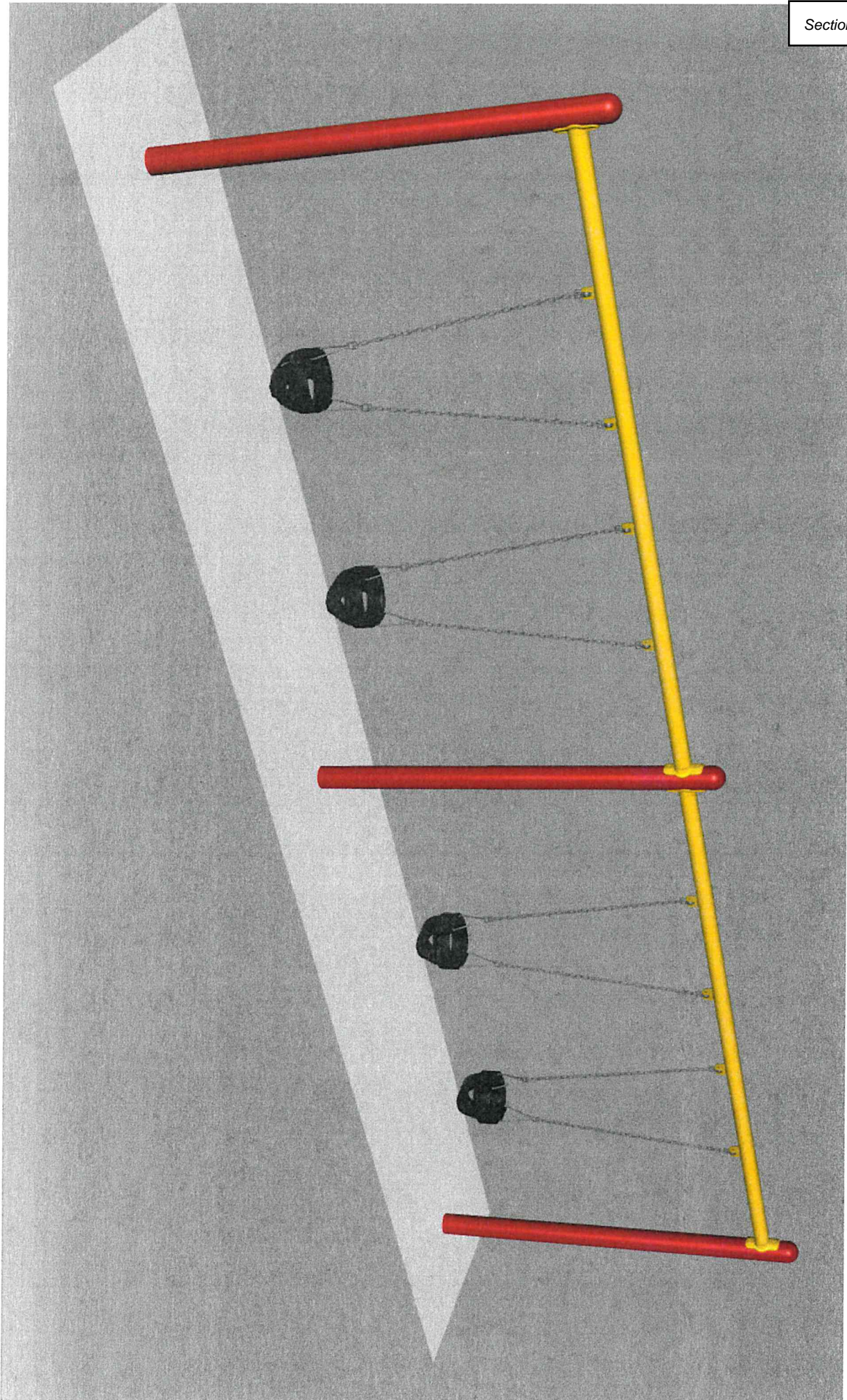
*Park Planet does not meet the Skilled & Trained Workforce Requirements and will not participate in same. Park Planet will not sign any PLA's for Union Work and is not signatory to any unions.

12. Indemnity Provision

*Notwithstanding anything to the contrary in any Contract Documents we shall have no duty to defend or indemnify Owner, Customer, or any other party we agree to defend or indemnify in any Contract Documents for that portion of any claim arising out of the comparative fault of any party we agree to defend or indemnify in any Contract Documents.

13. Park Planet General Insurance

Call for Proof of Insurance & W-9




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



For Meeting of: May 2, 2023

To: City Council

From: Kevin Caldwell, Community Development Director 

Through: Kyle Knopp, City Manager

Date: April 25, 2023

Subject: Second Reading, Approval and Adoption of Ordinance No. 398-2023 Amending of Section 10.05.530, Parking and Storage of Vehicles on Streets.

10

Recommendation:

That the City Council:

1. Receive a brief staff presentation regarding the proposed parking amendments; and
2. Open the public hearing, receive public input and deliberate; and
4. Approve and adopt Ordinance No. 398-2023 amending Section 10.05.530, Parking and Storage of Vehicles on Streets.

Background and Discussion

As reported at your meeting of April 18, 2023 the Community Services Officer (CSO) recommended some changes to the City’s provisions regarding the parking and storage of vehicles on streets. The CSO recently discussed this problem with both the Nuisance Committee and Traffic Committee and suggested the amendments below to the regulations.

10.05.530 Use of streets for storage of vehicles prohibited.

(1) No person who owns or has possession, custody or control of any vehicle, including trailers, recreational vehicles and boats shall park such vehicle upon any street or alley for more than a consecutive period of 72 hours. [Ord. 173 § 33-11.050, 1983.]

(2) After any vehicle including trailers, recreational vehicles and boats has been parked or left standing in the same location on a street or alley for 72 or more consecutive hours, such vehicle must be moved at least one block or 300 lineal feet, whichever is more, to avoid violation of California Vehicle Code Section 22651(k) or this section.

(3) In the event a vehicle is parked, including trailers, recreational vehicles and boats stored or left standing upon a street or alley in excess of 72 hours, the City may cause to remove such vehicle from the street or alley subject to the requirements of the California Vehicle Code.

Again, the CSO and both Committees recommends that the Council codify the changes. Ordinance No. 398-2023 amending Chapter 10.05, "Use of streets for storage of vehicles prohibited", Section 10.05.530 of the Rio Dell Municipal Code (RDMC) is included as Attachment 1.

Attachment 1: Ordinance No. 398-2023 amending Chapter 10.05, "Use of streets for storage of vehicles prohibited", Section 10.05.530 of the Rio Dell Municipal Code (RDMC).

ORDINANCE NO. 398-2023



AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIO DELL AMENDING CHAPTER 10.05, “USE OF STREETS FOR STORAGE OF VEHICLES PROHIBITED”, SECTION 10.05.530 OF THE RIO DELL MUNICIPAL CODE (RDMC).

THE CITY COUNCIL OF THE CITY OF RIO DELL ORDAINS AS FOLLOWS:

WHEREAS the City’s Community Services Officer (CSO) is tasked for enforcing the City’s various regulations, including parking regulations; and

WHEREAS one of the difficulties in enforcing the regulations regarding the parking or storage of vehicles, including trailers, recreational vehicles and boats, the fact that many property owner’s move the vehicles ever so slightly; and

WHEREAS the CSO recently discussed this problem with both the Nuisance Committee and Traffic Committee; and

WHEREAS both Committees supported the proposed amendments and recommends that the Council codify the changes; and

WHEREAS the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not a Project which has the potential for causing a significant effect on the environment under Title 14 of the California Code of Regulations, Section 15061(b)(3).

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

Section 1.

Chapter 10.05.530 of the Rio Dell Municipal Code is hereby amended to read in as follows:

10.05.530 Use of streets for storage of vehicles prohibited.

(1) No person who owns or has possession, custody or control of any vehicle, **including trailers, recreational vehicles and boats** shall park such vehicle upon any street or alley for more than a consecutive period of 72 hours. [Ord. 173 § 33-11.050, 1983.]

(2) **After any vehicle including trailers, recreational vehicles and boats has been parked or left standing in the same location on a street or alley for 72 or more consecutive hours, such vehicle must be moved at least one block or 300 lineal feet, whichever is more, to avoid violation of California Vehicle Code Section 22651(k) or this section.**

(3) **In the event a vehicle is parked, including trailers, recreational vehicles and boats stored or left standing upon a street or alley in excess of 72 hours, the City may cause to remove such vehicle from the street or alley subject to the requirements of the California Vehicle 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 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 April 18, 2023 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 2, 2023 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Debra Garnes, 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. 398-2023 which was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the May 2, 2023.

Karen Dunham, City Clerk, City of Rio Dell