



July 8, 2008

Mayor and Council members

Re: FY 2008-09 Operating and Capital Budget Report

CITYWIDE

Major Goals/Priorities

- Maintain public safety services at current service levels and enhance as revenues improve;
- Continue development of regional sewer capability; and
- Continue to make improvements to streets including park and ride facility, SR2S project and planning for West Lone roadway improvement project.

Statistics

Two measures of overall economic activity are presented. They are: building permits and sales tax. Building permit fees are \$21,216, which is \$216 or 1% increase over FY 2007-08. Sales tax is \$125,000, which is the same as FY 2007-08. For more information please read major assumptions.

Operating Results

Revenue

Major Assumptions

- No major change in local, state or national economic picture;
- Total population, including prison inmates, estimated to be 7,416 as of January 1st, which is a 1.32 % increase over January 1, 2007 per the State Dept. of Finance;
- No reduction in local State prison population per State budget. MVLF and HUT are the 2 State revenues which would be impacted if the State prison population were to be reduced. Mule Creek officials report they will be reducing their inmate population by about 400 by year end. No word from Preston officials. No changes in revenues included at this time.
- Property tax proposed to increase 2% which is the same as FY 2007-08;

- 15 construction permits, of which 5 are JTS and 5, are Ryland. This level of construction activity is equivalent to \$319,931 in impact fees (\$258,390) and processing fees (\$144,050) based on existing and proposed 1st amendment development agreements and fee schedules;
- 1.1% increase in active sewer accounts to 1,449, 9% rate increase for other institutions and reimbursement (\$32,000) for last year's tertiary plant expenditures;
- Receipt of 3 month's (April through June) worth of deferred State Gas Tax or Highway User Tax (\$32,634);
- No cut in COPS revenue;
- Receipt of \$1,100,000 or 50% of CALHOME, HOME and CDBG grant funds. Currently, the City is applying for these grants;
- Receipt of \$99,995 from ACRA; and
- Receipt of \$42,000 from JTS per 1st amendment agreement.

Based on the aforementioned major assumptions, total revenues, excluding transfers in, are estimated to be \$4,830,075, which is a 17% increase over FY 2007-08. This will be the first time since FY 2005-06 that total revenues have increased. Total revenues and percent change by major fund type are as follows:

General Fund -	\$1,863,826	(1%)
Sewer Funds -	1,167,922	3%
Special Revenue Funds-	1,524,217	67%
Capital Funds -	<u>274,109</u>	<u>32%</u>
	<u>\$4,830,075</u>	<u>17%</u>

The major reasons for the proposed % change are as follows:

- General Fund decrease 1% due to interest income (lower available balances and lower interest rates) and miscellaneous revenues;
- Sewer Funds increase due to 1% increase in active sewer accounts, 9% rate increase for other institutions, reimbursement (\$32,000) for last year's tertiary plant expenditures and increase in connection fees;
- Special Revenue Funds increase due to the receipt of \$733,333 in community development grant funds; and
- Capital Funds increase due to receipt of \$99,000 from ACRA and \$42,000 from JTS per 1st amendment agreement.

For additional information, please see attached schedule.

Governor's May Revised Budget

On May 14th, the Governor released his revised budget. Funding areas of specific interest to cities are as follows:

- No 10% cut to COPS due to special language regarding small/rural agencies. The COPS Fund budget is in the Special Revenue Funds group;

- Proposed 10% cut to counties for booking fees. Although not revenue per say, it would impact cities as counties may impose booking fees on cities in proportion to the under appropriation. In this case, it would be up to 10% of cost. Staff estimates \$832 to \$1,300.
- Proposed hazard insurance surcharge on commercial and residential property. Estimated impact to the city is \$1,000. This amount is already included in the City's budget;
- The deferred state gas tax is budgeted to be paid in full without interest in September. This amount (\$32,634) is already included in the City's Gas Tax budget which is part of the Special Revenue Funds;
- No changes in Prop. 42 transportation revenues. This amount (\$72,092) is included in the City's Gas Tax budget which is part of the Special Revenue Funds; and
- No additional allocation of Prop 1B transportation revenues. None are included in the City's budget.

The State's fiscal year officially ends June 30th and in the last 30 years the Governor has only signed the next year's budget by that deadline 8 times. Over the next several weeks and possibly months, the Legislature and others will be reviewing the Governor's May revise budget. If the Legislature doesn't support the Governor's budget which is highly likely, then new proposals to close the estimated \$17.2 billion shortfall will be put forth.

Expenditures

Budgeted expenditures are \$8,289,763, which is \$2,439,899 or 42% increase over FY 2007-08. Two major fund groups account for the majority of the increase. Capital funds account for \$1.4 million of the increase (new fire station, police station remodel and general plan study) and special revenues funds account for another \$1.0 million (SR2S, CMAQ and community development).

Budgeted transfers out total \$2,154,435 and include \$1,138,804 in interfund loans.

The following provides information by major expenditure classification.

Staffing, Salaries, Wages & Benefits

Total budgeted FTEs are 20.00, which is 1 or 5.2% more than the current revised budget of 19.00. The reason is the chief wastewater operator was converted from contract labor. Excluded from budgeted FTEs are contract labor (city attorney, planner and city engineer), paid call firefighters and elected and appointed officials. Total budgeted FTEs per adjusted 1,000 population are 5.68. In comparison, it was 5.47 FTEs per adjusted 1,000 population in FY 2007-08.

Total budgeted salaries and wages are \$1,215,675. Of which, overtime is \$30,985 or 2.5%. Also included are the new chief wastewater operator position (\$121,117 including

benefits) and step and contract increases of 5%. Included is \$10 monthly stipend for five planning commissioners and \$16,000 for paid call firefighters for 6 months for the 2nd fire station. Not included is a paid firefighter (\$88,604) as revenues (\$57,300) are not sufficient. Total benefits are \$861,500 or 71% of salaries. Included in benefits are the 2.75% premium increase for dental, 0.70% increase for vision, estimated 7.5% increase for health and 6.8% decrease for PERS safety. It is important to note that both union contracts have expired and nothing has been included at this point.

Taken together, total salaries, wages and benefits are 43.0% of total revenues.

Insurance

Liability, property and crime insurance expense is estimated to be \$90,722. This includes \$1,000 for the Governor's Emergency Response Initiative as per May revised budget.

Utilities

Utilities expense is estimated to be \$173,000 which is comparable to prior years.

Cash Flows/Liquidity

As of July 1st, total cash is estimated to be \$5,820,191 which is equivalent to 320 days cash on hand. This estimate is different from Q3. It has been revised to include the \$400,000 in Prop 1B funds (included in general fund reserve), April's lower than expected property tax receipts and lower monthly sewer charges. The total beginning cash by major fund type is as follows:

General Fund -	\$2,016,842
Sewer Funds -	852,931
Special Revenue Funds -	1,379,281
Capital Funds -	<u>1,571,137</u>
	<u>\$5,820,191</u>

For the fiscal year ending June 30, 2009, budgeted cash decreased \$2.9 million or 51% to \$2,873,618 which is equivalent to 100 days cash on hand. All major fund groups contributed to the decrease. In particular, the capital funds accounted for \$1.0 million, the general fund accounted for \$893,000 and special revenue funds accounted for \$749,000.

For additional information, please see attached schedule.

Major Projects/Long-Term Debt

As of June 30, 2007, the City had \$77,612 in long-term debt.

During FY 2007-08, the Howard Park note was paid off in full (\$40,693) one year ahead of schedule. It is anticipated that the City will incur additional debt totaling \$250,000 for new fire station and general plan study in FY 2007-08.

As discussed in the Q3 report, the City has three major (in excess of \$100,000) multi-year projects. They are \$1,450,000 fire station, \$782,000 general plan study and \$333,000 waste water treatment plan (WWTP) environmental studies. The WWTP does not include the \$42,100 off-site monitoring wells project or the upcoming multi-million dollar WWTP expansion/compliance project. The proposed financings consist of a series of internal and external loans/transfers spread over the life of the projects based on then current interest rates except for the WWTP. For this, staff is proposing to transfer \$461,000 from sewer operations to sewer capital in FY 2008-09.

For FY 2008-09, the proposed terms for all internal loans totaling \$1.139 million is 35 years, interest at the going rate, repaid quarterly with impact fees. No repayments are budgeted for FY 2008-09. With respect to the \$560,000 bank loan the proposed terms are 25 years, 6.12% and monthly payment of \$3,630.76 to be paid by the General Fund. The Fire Capital fund will repay bank loan payments made by the General Fund. This will increase internal loans by \$560,000.

GENERAL FUND

The General Fund accounts for all financial resources except those required to be accounted for in another fund. This fund consists primarily of general government type activities and to a large extent is controlled by the City Council.

Statistics

The two economic measures, building permits and sales tax, previously discussed are relevant to the City's General Fund.

Operating Results

Budgeted revenues are \$1,863,826, which is \$18,954 or 1% less than FY 2007-08. This will be the third consecutive year since FY 2005-06 that total revenues have decreased. The main reasons for the decrease are interest income (lower available balances and lower interest rates) and miscellaneous revenues. See major assumptions for additional information.

Budgeted expenditures are \$2,344,715, which is \$173,842 or 8% more than FY 2007-08. This will be the fourth consecutive year since FY 2004-05 that total expenditures have increased. Ten departments have increased and four have decreased. With respect to the increases, the major ones (> \$10,000) are: city manager (\$22,752 or 9%), legal (\$13,000 or 59%), finance (\$172,554 or 86%), fire (\$32,621 or 33%), planning (\$45,373 or 126%) and engineering (\$13,900 or 99%). City manager increased due to

recently approved compensation study. Finance increased due to full time finance director, new full time ap/pr clerk (\$72,262) on-going consultants (CPA, Kintera, AVS, and IT) and special projects (\$25K for fee study, \$10K for new website and \$10K for dev reimb recon, \$10K for post retirement benefit study), Fire increased due to opening the 2nd station for the last six months. Estimated cost is \$44,365. Planning increased due to recently approved tasks 3.1, 3.2 and 3.5 and upgraded software.

Budgeted transfers out total \$422,933 and include \$336,000 loan to General Plan Capital fund and \$43,569 for bank loan debt service payment.

Cash Flows/Liquidity

Cash as of July 1st is estimated to be \$2,016,842 or 313 days' cash on hand. Of the total, \$1,472,297 is reserves. Of this amount, \$400,000 is Prop 1B money for streets.

For the fiscal year ending June 30, 2009, budgeted cash decreased \$893,444 or 44% to \$1,123,398 or 148 days. All of which is reserves. Of this amount, \$400,000 is Prop 1B money, leaving \$757,493 for FY 2009-10 before reserves.

The unofficial FY 08 Q2 cash goal is 300 days. With respect to reserves, a good goal is either 90 days or 240 days which corresponds to the time lag between the first and second property tax receipt and the second and first property tax receipt. This would equate to \$674,000 or \$1,797,000 in reserves respectively. If the 90 day goal is assumed that leaves \$83,000 available for FY 2009-10. At present rates, this fund might not have enough money for operations in FY 2010-11.

Major Projects/Long-Term Debt

As discussed in previous reports and in the capital projects section, the general plan study financing includes a \$559,000 loan, of which \$336,000 is budgeted this year. Assuming a total loan amount of \$559,000 and an interest rate of 5.25%, the total quarterly repayment would be \$8,733 for a 35 year loan. No repayments are budgeted this year. Actual results will vary. In addition, the \$3,630.76 monthly payment of the bank loan for the new fire station will be paid by the General Fund.

SEWER

The City's sewer consists of three funds (secondary plant, capital and tertiary plant) which are operated as an enterprise (i.e., business like). Reimbursement for the tertiary plant is governed by a court ordered settlement. A major on-going WWTP study is underway and should be completed this fiscal year. Financing for the multi-million dollar WWTP expansion/compliance project will in all likelihood be completed in FY 2009-10.

Operations Fund

Statistics

Budgeted active sewer accounts are 1,449 which is 15 or 1.1% increase over FY 2007-08. In comparison, FY 2007-08 growth rate was 42 or 3.0%.

Operating Results

The budgeted cost recovery rate is 102%. Budgeted monthly sewer charges are \$872,430, which is \$35,798 or 4% increase over FY 2007-08. The increase is due to the 1.1% increase in the active sewer accounts and the \$0.82 increase in the cost per HCF for "other institutions" as well as picking up the second meter at a restaurant.

Budgeted operating expenditures are \$855,564, which is 14% increase from FY 2007-08. The three major expense components are salaries, wages and benefits, utilities, maintenance and professional fees. Salaries, wages and benefits are \$353,415 or 41%, pro fees \$230,596 or 27%, utilities are \$46,218 or 5% and maintenance is \$194,800 or 23%. Budgeted transfers out are \$461,000 (read below).

Cash Flows/Liquidity

Cash as of July 1st is estimated to be \$1,006,014 or 489 days' cash on hand.

For the fiscal year ending June 30, 2009, budgeted cash is \$581,870 or 249 days. With respect to reserves, Eco:Logic, the prior consultant, recommended 120 days. This would equate to \$432,000 in reserves. If the 120 day goal is assumed that leaves \$150,000 available for FY 2009-10.

Major Projects/LTD Financing

Given the projected beginning cash balance, the on-going WWTP project and the projected beginning cash balance in the Capital Fund, staff is proposing to finance next year's estimated capital expenditures of \$461,000 by transferring cash from the sewer operations fund to the sewer capital fund.

Capital Fund

Budgeted connection fees are \$76,400, which is a 74% increase over fiscal year 2007-08. Connection fees are insufficient and unpredictable.

Based on the projected beginning negative cash balance in the Capital Fund, staff is proposing to finance this year's estimated capital expenditures of \$410,000 by transferring in \$461,000 from sewer operations. See above for additional information

Budgeted expenses are \$410,000. Included in the projected expenditures is \$25,000 for city engineer, \$41,100 for Wallace Kuhl for monitoring wells, \$292,500 for the EIR being prepared by MHA and \$40,000 for Lee & Ro. In addition to the aforementioned costs there are a number of additional work items that need to be done. They are: report of waste discharge, basis of design report, recycled water study biosolids management study and design of the City's secondary and tertiary plant improvements.

Cash as of July 1st is estimated to be \$31,312.

For the fiscal year ending June 30th, budgeted cash is \$348.

Tertiary Fund

Statistic

Not available at the present time.

Operating Results

Tertiary plant reimbursements are governed by a court settlement. As a result, certain costs are not allowable. Said reimbursements are based on a calendar year reconciliation of expenses and payments are in arrears as well as on a pro forma basis. Budgeted reimbursements are \$197,335.

Budgeted expenditures are \$176,602, which is 28% increase from FY 2007-08. The reason is bringing the chief wastewater operator in-house. This will require a change in the agreement as salaries and benefits are non-allowable at present. The five major expense components are salaries and benefits, chemicals, pro fees, utilities and maintenance. Included is \$42,568 for salaries and benefits, \$45,000 for chemicals, \$42,358 for pro fees, \$24,790 for utilities and \$11,000 for maintenance. With the exception of salaries and benefits there aren't any non-allowable costs included in the budget.

Cash Flows/Liquidity

Cash as of July 1st is estimated to be negative \$16,711.

For the fiscal year ending June 30th, budgeted cash is \$4,022.

For more information on the three Sewer funds please see the attached statements.

SPECIAL REVENUES

The Special Revenue funds are restricted use funds. The following are highlights of the special revenue funds.

Streets & Traffic Related

Five funds are included in this group (Gas Tax, Traffic Safety, LTC, CMAQ and SR2S).

Gas Tax revenues totaling \$181,553 include five month's worth of deferred revenue due to the State's budget crises. The payments will be paid in full without interest in September. Total expenditures are \$1,005,142. Of which, \$780,000 is for projects, which is \$15,649 less, unadjusted for inflation, than was spent in FY 2007-08. Budgeted transfers in of \$400,000, for projects, from the Local Traffic Capital fund are included. Before staff can bring back recommendations regarding specific projects to be funded, the pavement management study (\$25,000) needs to be updated. The projected ending cash balance is \$3,529. In FY 2009-10, this fund might not have enough money for operating expenditures.

Traffic Safety revenues include \$25,000 in fines, which is the same amount that was collected in FY 2007-08. No expenditures budgeted except for an \$11,000 transfer to the General Fund to help offset police department expenditures. The projected ending cash balance is \$25,097.

No LTF funds are expected to be available according to a February 20th letter from the ACTC. No expenditures budgeted except for a \$20,302 transfer to the CMAQ Fund and \$36,396 transfer to the SR2S Fund for required city match (read below). The projected ending cash balance is \$60,274, all of which is available for projects.

With respect to the Downtown Park and ride facility, work is underway and \$44,931 is included in FY 2007-08 and will be paid for with a combination of a \$217,000 Congestion Mitigation and Air Quality (CMAQ) grant and required City match (11.47% or \$24,890). This leaves a balance of \$172,069 before city match. The project will be completed in fiscal year 2008-09.

With respect to the safe routes to school project, work is underway and will be paid for with a combination of a \$327,600 Safe Routes to School (SR2S) grant and required City match (11.11% or \$36,396). Budgeted grant expenditures are \$72,727 and \$36,396 city match. The project will be completed in the second quarter of fiscal year 2008-09.

In addition, to this group's available funds, the City has available \$69,765 in Traffic Impact Fees (read below). The City also has \$400,000 in Proposition 1B funds that have been allocated by the State, which are in the General Fund reserve. These funds are not proposed to be spent until FY 2009-10.

Multiple Community Development Funds

This group is a combination of various grant funds used to support community development activities. As discussed previously, the City is applying for \$2.2 million in grants (\$900,000 CALHOME, \$800,000 HOME and \$500,000 CDBG grants). If successful, City will expend 50% or \$1.1 million grants in the last half of the fiscal year.

Due to estimated 60 day collection lag, the City will only receive \$733,333 this fiscal year.

Districts

Three funds are included in this group (Fund 13 – Fire Conservation, Fund 18 – Lone and Fund 23- Public Safety).

Fund 13, other than interest income (\$1,039), does not have a steady source of income. No projects are budgeted. Projected ending cash is \$45,894, all of which is available for projects.

Fund 18 is a landscape and lighting district. Projected annual property assessments are expected to increase 2% to \$19,600 next fiscal year. Projected ending cash is \$79,008.

Fund 23 is for public safety personnel. Projected annual property assessments are expected to increase 2% to \$171,900 next fiscal year. Currently, a full-time police officer is funded 100%. Excluding cash on hand, projected annual property tax receipts (\$57,300) are insufficient to cover the costs of a full-time firefighter (\$88,604) by \$31,304. Projected ending cash is \$188,864.

The total Fire budget is \$130,364 before the two districts-Funds 13 and 23.

Police

Included in this group are two funds (COPS and Asset Seizure).

The \$100,000 COPS grant is used to support a full time police officer. The grant is not sufficient to cover the costs of a full time police officer. As a result, the fund includes an annual transfer from the General Fund. This year, \$5,537 is projected to be transferred.

The budgeted ending cash balance is \$461 for COPS and \$4,199 for Asset Seizure fund.

The total Police budget is \$1,038,432 or \$206.86 per incident across all funds.

Recreation

Included in this group are two funds (Arena and Pool).

With respect to the Arena, Fund 28, the budgeted cost recovery is 46%, which is 37 percentage points below fiscal year 2007-08. Revenues are \$13,659 which is a 24% increase and expenditures are \$29,798 which is a 127% increase. The increase is due to the reallocation of staffing. Transfers in from the General Fund are \$16,221 and ending cash is \$82.

With respect to the lone Pool, Fund 45, the budgeted cost recovery is 23%, which is 8 percentage points better than FY 2007-08 but still below prior year's actual (27% to 37%). Revenues are \$6,500, expenditures are \$28,106, transfers in from the General Fund are \$21,606 and ending cash is \$0. Included in expenditures is \$8,306 in personnel costs, which is about 50% of what the City use to pay for contract maintenance service, and \$14,500 for lifeguards, provided by ACRA.

CAPITAL PROJECTS

The bulk of the Capital Projects funds were established to collect fees and build infrastructure generated by the demands of new growth. Most revenues available for capital projects come from public facility fees which are governed by Section 66000 et. seq. of the California Government Code. Among the fees collected are fees for police facilities, fire facilities, parks, streets, administrative facilities and general plan development. The following are highlights of capital projects.

New Fire Department Building

Impact fees are insufficient and unpredictable.

With respect to the \$1.45 million new fire station, work is underway and \$207,000 is included in FY 2007-08 and will be paid for with cash from the Fire Station Capital Fund. This leaves a balance of \$1.243 million. The project will be completed in fiscal year 2008-09. As discussed previously and due to the lack of fire impact fees, financing for the remaining amount (worst case scenario) consists of:

1. \$626,000 loan from the Police Facilities Capital Fund;
2. \$ 6,000 loan from the General Facilities Capital Fund;
3. \$560,000 tax-exempt lease purchase from Bar Capital. Terms are 6.12%, 25 years, monthly payment of \$3,350 and prepayment after 2 years at 101.25% which declines over time. The scheduled loan closing is July 1st. The lease purchase will be paid with a loan from the General Fund and fire impact fees and fire interest income when available;
4. \$51,000 in cash from the Fire Facilities Capital Fund; and
5. For a total of \$1.243 million.

The proposed terms for all internal (\$626K police, \$6K general facilities and \$560K general) loans totaling \$1.192 million is 35 years, interest at the going rate, repaid quarterly with fire impact fees and interest income. At an assumed interest rate of 5.25%, the quarterly payment would be approximately \$18,621 for a 35 year loan. Payments will be applied to the General Fund first until paid off, then the remaining two loans equally. No prepayment penalties. The length of the loan was determined based on an assumed average yearly build out rate of 26 units (\$1,192,000 / \$1,302 per unit / 26 units) plus. Actual results will vary.

Given the delicate nature of the proposed financing there is very little room for cost overruns given a projected cash balance of \$28,000 before internal loan payments.

New Police Department Building

Impact fees are insufficient and unpredictable.

Due to the concerns with the projected costs for the fire station and the lack of police impact fees (currently \$1,263 per unit) this project has been put on hold.

Included in FY 2008-09 Budget is \$39,000 for remodeling the existing police department. The project is currently in the bid/contract phase and the project is anticipated to be completed by Q2.

As discussed above, a \$626,000 loan to the Fire Department Building Fund is included. In addition, a loan of \$180,000 to the General Plan Fund is included. No loan repayment is budgeted. See above and below for additional information.

The budgeted ending cash balance is \$132,125 which is reserved for new police department building.

Parks

This fund was used to pay the Howard Park note which was paid in full in FY 2007-08, one year ahead of schedule. In addition, a \$21,000 loan was made to the General Plan Fund in FY 2007-08. No loan repayment is budgeted. See below for additional information.

Total budgeted revenue is \$133,685. Of which, \$99,995 is from Amador County Recreation Authority. Impact fees are insufficient and unpredictable.

No projects are budgeted at the present time.

The budgeted ending cash balance is \$168,457, all of which is available for projects.

General Plan

As discussed in the past, this fund has a negative cash balance and insufficient impact fees. With respect to the \$782,000 general plan study, work is underway and \$43,000 is included in FY 2007-08 and will be paid for with loans from City Drainage Capital Fund and Parks Capital Fund. This leaves a balance of \$739,000. The project will be completed in fiscal year 2009-10. Financing for the remaining amount of \$739,000 (worst case scenario) consists of:

1. \$559,000 loan from the General Fund,
2. \$180,000 from the Police Department Building Fund, and

3. For a total of \$739,000.

The remaining amount of \$739,000 is spread over the next fifteen + months as follows: \$516,000 for FY 2008-09 and \$223,000 for FY 2009-10. With respect to fiscal year 2008-09, \$180,000 comes from Police Capital and \$336,000 from the General Fund. This leaves \$223,000, which will be loaned by the General Fund in fiscal year 2009-10.

The proposed terms for all internal loans (\$22K drainage, \$21K parks, \$559K general and \$180K police) totaling \$782,000 is 35 years, interest at the going rate, repaid quarterly with general plan impact fees. Assuming a loan amount of \$782,000 and interest rate of 5.25%, the quarterly payment would be \$12,216 for a 35 year loan. Payments will be applied to the General Fund first until paid off, then the remaining three loans equally. No prepayment penalties. The length of the loan was determined based on an assumed average yearly build out rate of 26 units ($\$782,000 / 2,000 \times \0.22×26 units) plus. Actual results will vary.

The projected ending cash balance is a negative \$35,465 throughout the estimated 18 month period. Therefore, no loan repayment is budgeted. Also, staff will be working with the stakeholders (property owners) to determine if they are willing to prepay their General Plan fees before their projects are started. There will be more information provided on this part of the project in the future.

Local Traffic Mitigation

Total budgeted revenue is \$45,265. Impact fees are insufficient and unpredictable.

No projects are budgeted at the present time. However, \$400,000 will be transferred to the Gas Tax Fund for projects.

The budgeted ending cash balance is \$70,308, all of which is available for projects.

City Drainage

Other than \$4,362 in interest income this fund does not have a steady source of income. A \$22,000 loan was made to the General Plan Fund in FY 2007-08. No loan repayment is budgeted. See above for additional information.

No projects are budgeted at the present time.

The budgeted ending cash balance is \$182,812, all of which is available for projects.

Administrative Facilities

Total budgeted revenue is \$11,072. Impact fees are insufficient and unpredictable. Included in the budget is a \$6,000 loan to the Fire Building Fund. No loan repayment is budgeted. See above for additional information.

No projects are budgeted at the present time.

The budgeted ending cash balance is \$26,033, all of which is available for projects.

For more information on the seven Capital funds please see the attached statements.

CITY OF IONE
STAFFING & DISTRIBUTION BY FUND TYPE

STAFFING BY FISCAL YEAR				2008-09 STAFFING DISTRIBUTION BY FUND							
2005-06	2006-07	2007-08	2008-09	POSITION DESCRIPTION	GENERAL FUND	SEWER FUND	GAS TAX	COPS	DISTRICT	ARENA	POOL
CITY COUNCIL - Elected											
1.00	1.00	1.00	1.00	Mayor	1.00						
1.00	1.00	1.00	1.00	Vice Mayor	1.00						
3.00	3.00	3.00	3.00	Council Member	3.00						
5.00	5.00	5.00	5.00	TOTAL - COUNCIL	5.00	-	-	-	-	-	-
ADMINISTRATION											
1.00	1.00	1.00	1.00	City Manager	0.70	0.25	0.05				
-	1.00	1.00	1.00	Receptionist Clerk	0.85	0.05				0.10	
1.00	2.00	2.00	2.00	TOTAL - ADMINISTRATION	1.55	0.30	0.05	-	-	0.10	-
CITY CLERK - Elected											
1.00	1.00	1.00	1.00	Administrative Assistant II	1.00						
1.00	1.00	1.00	1.00	TOTAL - CITY CLERK	1.00	-	-	-	-	-	-
CITY ATTORNEY - Contract											
1.00	1.00	1.00	1.00	City Attorney - Contract	1.00						
1.00	1.00	1.00	1.00	TOTAL - CITY ATTORNEY	1.00	-	-	-	-	-	-
FINANCE											
-	-	1.00	1.00	Finance Director	0.70	0.25	0.05				
1.00	1.00	1.00	1.00	Accounting Clerk	0.85	0.10	0.05				
-	-	1.00	1.00	Senior Clerk	0.45	0.50				0.025	0.025
0.50	0.50	-	-	Utility Clerk							
1.50	1.50	3.00	3.00	TOTAL - FINANCE	2.00	0.85	0.10	-	-	0.03	0.03
CITY TREASURER - Elected											
1.00	1.00	1.00	1.00	City Treasurer - Elected	1.00						
1.00	1.00	1.00	1.00	TOTAL - CITY TREASURER	1.00	-	-	-	-	-	-
POLICE											
1.00	1.00	1.00	1.00	Police Chief	1.00						
1.00	1.00	1.00	1.00	Sergeant	1.00						
3.00	4.00	4.00	4.00	Police Officer	2.00			1.00	1.00		
0.50	0.50	0.50	0.50	Community Police Assistant	0.50						
1.00	1.00	1.00	1.00	Records Clerk	1.00						
6.50	7.50	7.50	7.50	TOTAL - POLICE	5.50	-	-	1.00	1.00	-	-
FIRE											
1.00	1.00	1.00	1.00	Fire Chief	1.00						
			2.00	Paid Call Captains	2.00						
		9.00	7.00	Paid Call Firefighters	7.00						
1.00	1.00	10.00	10.00	TOTAL - FIRE	10.00	-	-	-	-	-	-
PLANNING - Appointed & Contract											
5.00	5.00	5.00	5.00	Planning Commissioners	5.00						
0.40	0.40	0.40	0.40	City Planner - Contract	0.40						
5.40	5.40	5.40	5.40	TOTAL - PLANNING	5.40	-	-	-	-	-	-
PUBLIC WORKS & MAINT.											
1.00	1.00	1.00	1.00	City Engineer - Contract	1.00						
1.00	1.00	1.00	1.00	Building Official	0.75		0.25				
1.00	1.00	1.00	1.00	Parks/Streets Crew Supervisor	0.75	0.10	0.10			0.05	
1.00	1.00	2.00	2.00	Maintenance Worker I	0.88	0.25	0.58			0.15	0.15
0.50	0.50	0.50	0.50	Mechanic	0.30	0.10	0.10				
4.50	4.50	5.50	5.50	TOTAL - PUBLIC WORKS	3.68	0.45	1.03	-	-	0.20	0.15
SEWER											
1.00	1.00	1.00	1.00	Chief Wastewater Operator		1.00					
1.00	1.00	1.00	1.00	Plant Operator I		1.00					
2.00	2.00	2.00	2.00	TOTAL - SEWER	-	2.00	-	-	-	-	-

CITY OF IONE
STAFFING & DISTRIBUTION BY FUND TYPE

STAFFING BY FISCAL YEAR				2008-09 STAFFING DISTRIBUTION BY FUND							
2005-06	2006-07	2007-08	2008-09	POSITION DESCRIPTION	GENERAL FUND	SEWER FUND	GAS TAX	COPS	DISTRICT	ARENA	POOL
14.50	16.50	19.00	20.00	ADJUSTED TOTAL *	12.73	3.60	1.18	1.00	1.00	0.33	0.18
3,426	3,454	3,473	3,519	CITY POPULATION **							
2,555	2,684	4,970	5,219	TOTAL INCIDENTS							
4.23	4.78	5.47	5.68	ADJ. FTE'S PER 1,000 POP.							
1.90	2.17	2.16	2.13	POL. FTE'S PER 1,000 POP.							
393	358	663	696	INCIDENTS PER POL. FTE							

*Adjusted total doesn't include elected, appointed, contracted and fire personnel.

** City population doesn't include prison population.

BUDGETED REVENUE
GENERAL TRANSFERS CASH BY FUND
FY 2008-09

	Estimated Cash Balance	Budgeted		Total Resources	Budgeted		Budgeted Cash Balance	% Net Change
		Revenues	Transfers-In		Expenditures	Transfers-Out		
GENERAL FUND								
1 General Fund	\$ 544,545	\$ 1,863,204	\$ 11,000	\$ 2,418,749	\$ 2,327,120	\$ 379,364	\$ (832,280)	-153%
10 General Fund Reserve	\$ 1,472,297	-	-	\$ 1,472,297	-	\$ 43,569	\$ (43,569)	-3%
Total General Fund	\$ 2,016,842	\$ 1,863,204	\$ 11,000	\$ 3,891,046	\$ 2,327,120	\$ 422,933	\$ (875,849)	-43%
Days Cash on Hand	313					151		
ENTERPRISE FUNDS								
7 Wastewater Operations	\$ 1,006,014	\$ 892,420	-	\$ 1,898,434	\$ 855,564	\$ 461,000	\$ (424,144)	-42%
3 Sewer-Capital Projects Fund	\$ (127,052)	\$ 76,400	\$ 461,000	\$ 410,348	\$ 410,000	-	\$ 348	-100%
6 Tertiary Plant	\$ (16,711)	\$ 197,335	-	\$ 180,624	\$ 176,602	-	\$ 4,022	-124%
42 ARSA	\$ (9,320)	-	-	\$ (9,320)	-	-	\$ (9,320)	0%
Total Enterprise Funds	\$ 852,931	\$ 1,166,155	\$ 461,000	\$ 2,480,086	\$ 1,442,166	\$ 461,000	\$ (276,011)	-32%
Days Cash on Hand	188					111		
SPECIAL REVENUE FUNDS								
<u>Streets & Traffic Related</u>								
2 Gas Tax Fund	\$ 427,118	\$ 181,553	\$ 400,000	\$ 1,008,671	\$ 1,005,142	-	\$ 3,529	-99%
4 Traffic Safety Fund (Fines)	\$ 10,846	\$ 25,251	-	\$ 36,097	-	\$ 11,000	\$ 25,097	131%
5 Local Transportation Fund	\$ 114,324	\$ 2,648	-	\$ 116,972	-	\$ 56,698	\$ 60,274	-47%
53 CMAQ Grant Fund	\$ -	\$ 177,000	\$ 20,302	\$ 197,302	\$ 197,302	-	\$ (0)	0%
52 SR2S Grant Fund	\$ -	\$ 72,727	\$ 36,396	\$ 109,123	\$ 109,123	-	\$ -	0%
Subtotal Streets & Traffic Related	\$ 552,288	\$ 459,180	\$ 456,698	\$ 1,468,165	\$ 1,311,567	\$ 67,698	\$ (463,387)	-84%
<u>Community Development Type Funds</u>								
8 Self Help Housing Fund	\$ 269,591	\$ -	-	\$ 269,591	-	-	\$ 269,591	0%
9 Rehab Housing Trust Fund	\$ 110,788	\$ -	-	\$ 110,788	-	-	\$ 110,788	0%
11 Low Income Housing Fund	\$ 79,187	\$ -	-	\$ 79,187	-	-	\$ 79,187	0%
33 Grant Bid	\$ 23,499	\$ -	-	\$ 23,499	-	-	\$ 23,499	0%
38 BID CNDG Grant Fund	\$ 62	\$ -	-	\$ 62	-	-	\$ 62	0%
39 CBDG-ED & Tech Grant	\$ 91,782	\$ -	-	\$ 91,782	-	-	\$ 91,782	0%
41 97 Home 0260 Grant Fund	\$ 19,943	\$ -	-	\$ 19,943	-	-	\$ 19,943	0%
44 01-Home-518 Grant Fund	\$ -	\$ -	-	\$ -	-	-	\$ -	0%
51 First Time Home Buyers	\$ 4,936	\$ 747,228	-	\$ 752,164	\$ 1,100,000	-	\$ (347,836)	-7147%
Subtotal CD Type Funds	\$ 599,788	\$ 747,228	-	\$ 1,347,016	\$ 1,100,000	-	\$ (247,016)	-59%
<u>Conservation Fire Assessment District</u>								
13 Conservation Fire Assessment District	\$ 44,855	\$ 1,039	-	\$ 45,894	-	-	\$ 45,894	2%
18 Lone District 1 COIC	\$ 74,775	\$ 21,332	-	\$ 96,107	\$ 17,089	-	\$ 79,008	6%
23 Mello-Roos Public Safety District	\$ 127,262	\$ 174,849	-	\$ 302,111	\$ 113,237	-	\$ 188,873	48%
19 SLESF AB3229 (COPS)	\$ -	\$ 100,000	\$ 5,657	\$ 105,657	\$ 105,076	-	\$ 461	0%
34 Asset Seizure Fund	\$ 4,199	\$ -	-	\$ 4,199	-	-	\$ 4,199	0%
27 2002 Bond Act PCGP (parks)	\$ (23,886)	\$ -	-	\$ (23,886)	-	-	\$ (23,886)	0%
28 Arena	\$ -	\$ 13,659	\$ 16,221	\$ 29,880	\$ 29,798	-	\$ 82	0%
45 Lone Pool	\$ -	\$ 6,500	\$ 21,606	\$ 28,106	\$ 28,106	-	\$ (0)	0%
Subtotal	\$ 227,205	\$ 317,379	\$ 43,364	\$ 587,948	\$ 293,316	-	\$ 294,632	30%
TOTAL SPECIAL REVENUE FUNDS	\$ 1,379,281	\$ 1,523,786	\$ 500,062	\$ 3,403,129	\$ 2,704,883	\$ 67,698	\$ (748,733)	-54%

JF IONE
 BUDGETED REVENUE, EXPENSES, TRANSFERS CASH BY FUND
 FY 2008-09

	Estimated Cash Balance	Budgeted Revenues	Transfers-In	Total Resources	Expenditures	Budgeted Transfers-Out	Budgeted Cash Balance	Net Change in Cash	% Net Change
CAPITAL PROJECT FUNDS									
29 Capital Projects - City Drainage	\$ 178,450	\$ 4,134	\$ -	\$ 182,584	\$ -	\$ -	\$ 182,584	\$ 4,134	2%
30 Capital Projects - Skate Park									
Public Facility Fee Funds									
20 & 21 Fire Dept New Building	\$ 37,799	\$ 28,386	\$ 1,182,804	\$ 1,248,989	\$ 1,243,000	\$ -	\$ 5,989	\$ (31,810)	-84%
22 Police Building Improvements	\$ 909,577	\$ 48,387	\$ -	\$ 957,964	\$ 39,000	\$ 796,804	\$ 122,160	\$ (787,417)	-87%
24 Capital Projects - Parks	\$ 34,772	\$ 133,641	\$ -	\$ 168,413	\$ -	\$ -	\$ 168,413	\$ 133,641	384%
25 General Plan Impact Fees	\$ (35,465)	\$ 3,300	\$ 516,000	\$ 483,835	\$ 516,000	\$ -	\$ (32,165)	\$ 3,300	-9%
26 Administration Facilities	\$ 20,961	\$ 11,046	\$ -	\$ 32,007	\$ -	\$ 6,000	\$ 26,007	\$ 5,046	24%
31 Local Traffic Mitigation Fee	\$ 425,043	\$ 44,722	\$ -	\$ 469,765	\$ -	\$ 400,000	\$ 69,765	\$ (355,278)	-84%
Subtotal Public Facility Impact Fees	\$ 1,392,687	\$ 269,480	\$ 1,698,804	\$ 3,360,971	\$ 1,798,000	\$ 1,202,804	\$ 360,167	\$ (1,032,520)	-74%
Total Capital Project Funds	\$ 1,571,137	\$ 273,614	\$ 1,698,804	\$ 3,543,555	\$ 1,798,000	\$ 1,202,804	\$ 542,751	\$ (1,028,386)	-65%
Grand Total	\$ 5,820,191	\$ 4,826,759	\$ 2,670,866	\$ 13,317,816	\$ 8,272,168	\$ 2,154,435	\$ 2,891,213	\$ (2,928,978)	-50%
Days Cash on Hand	320						101		