



425 Webster Street
Colusa, CA 95932

COLUSA CITY COUNCIL SPECIAL MEETING WORKSHOP AGENDA

CITY COUNCIL CHAMBERS**
August 4, 2020 at 4:00 pm

****PLEASE NOTE:** In order to minimize the spread of the COVID 19 virus, Governor Newsom has issued Executive Orders that temporarily suspend some requirements of the Brown Act. Please be advised that the Council Chambers are **closed** to the public and that some, or all, City Council members may attend the City Council meeting telephonically or otherwise electronically. The meeting will be held via webcast with NO PHYSICAL LOCATION FOR PUBLIC ATTENDANCE.

If you wish to make a public comment, please submit your comment via email to the City Clerk at cityclerk@cityofcolusa.com or by dropping off a comment at City Hall at the dropbox. If you use the dropbox box, the comment will need to be submitted by 3:00 pm on August 4, 2020. Each comment will be read aloud by the City Clerk or the Mayor for up to three minutes.

Members of the public can view the City Council meeting live through Zoom:

Join from a PC, Mac, iPad, iPhone or Android device: <https://zoom.us/j/99047400291>

Join from a phone: 1-669-900-9128 - Webinar ID: 990 4740 0291

CALL TO ORDER/ROLL CALL

PUBLIC COMMENTS (At this time, the City Clerk will read written comments received on the item scheduled to be heard during the Special Meeting)

WORKSHOP

- Fiscal Year 2020/2021 Budget (2nd Revision)

ADJOURNMENT

Posted: July 30, 2020

Shelly Kittle, City Clerk

City of Colusa

Fiscal Year 2020-21 Budget Workshop



**Presentation to City Council
August 4th, – 2nd Revision**





FY 2020-21 BUDGET WORKSHOP - DISCUSSION OUTLINE -

CHANGES MADE SINCE THE 7/21/2020 MEETING:

- **Revenue sales tax projections increased \$89,774**
- **Effective 10-1-2020 add Economic/Event Director \$106,534**
- **Effective 09-01-2020 add Police Lieutenant - \$101,596 step 8 and includes a grant of \$38,000.**
- **Eliminate Street Department Loader from General Fund \$190,000 – pending Council decision on funding options.**
- **Slight decrease in Finance Department related to personnel costs – will revisit. \$10,000.**



FY 2020-21 BUDGET WORKSHOP - GENERAL FUND -



• GENERAL FUND PROJECTED REVENUE	\$3,975,348
• GENERAL FUND PROJECTED EXPENDITURES	<u>\$4,266,017</u>
• PROJECTED DEFICIT REVENUE OVER EXPENDITURES	(\$ 290,669)
• GENERAL FUND ESTIMATED FUND BALANCE	\$2,368,286
• FUND BALANCE MINIMUM POLICY REQUIREMENT	<u>\$2,133,008</u>
• FUND BALANCE EXCESS/DEFICIT	\$ 235,278





FY 2020-21 BUDGET WORKSHOP - GENERAL FUND -

Major Revenue Changes

Sales Tax down \$97,000

Transient Occupancy Tax down \$20,000

Building and Other Permits down \$10,000

Planning & Plan Check Fees down \$107,500

Interest Earnings down \$9,000

Other Financing Sources up \$314,000





FY 2020-21 BUDGET WORKSHOP - GENERAL FUND -

MAJOR EXPENDITURE CHANGES:

FIRE DEPT.	\$ 49,000
POLICE DEPT.	\$255,000
ADMINISTRATIVE SERVICES	\$344,000
FINANCE DEPT	(\$123,000)
ATTORNEY FEES	\$ 10,000
PLANNING DEPT.	\$142,000
BUILDING DEPT.	(\$ 56,000)
ENGINEERING DEPT.	(\$ 81,000)
STREETS DEPT.	\$ 40,000
PARKS DEPT.	\$ 20,000



FY 2020-21 BUDGET WORKSHOP - GENERAL FUND -



STREET LOADER:

The City Manager recommends the below funding source options:

- 1. Use General Fund Reserves**
- 2. Use Cannabis Funds**
- 3. Purchase with Sewer Funds and lease or pay a shared cost percentage from the General Fund/Cannabis Fund.
(note: may require an intra-fund agreement)**



FY 2020-21 BUDGET WORKSHOP - GENERAL FUND -



- **Street Loader Purchasing Options:**
- **Option 1 – Purchase price \$189,148 in current budget projections**
 - **Increases General Fund Deficit to \$479,817**
- **Option 2 – 24 month lease \$53,977 for 2 years plus balloon payment of \$93,436 in FY 2022-23.**

Adds \$12,242 to purchase price.

Increases General Fund Deficit to \$344,666





FY 2020-21 BUDGET WORKSHOP - GENERAL FUND -

- **Street Loader Purchasing Options:**
- **Option 3 – 36 month lease \$41,900 for 3 years plus balloon payment of \$80,995 in FY 2023-24.
Adds \$17,549 to purchase price.
Increased General Fund Deficit to \$332,569**
- **Option 4 – 48 month lease \$34,506 for 4 years plus balloon payment of \$73,959 in FY 2024-25.
Adds \$22,838 to purchase price.
Lowers General Fund Deficit to \$325,175**





FY 2020-21 BUDGET WORKSHOP - GENERAL FUND -

Additional Immediate Expenditure Needs:

Aerial Truck	\$160,000
Street Sweeper – lease option \$67,285 - 5 years	\$314,000
Tennis Court Overlay	\$ 50,000
Vehicles (2 asap) 1 per year thereafter	\$ 50,000
Resurface Pool	\$ 75,000
Streets Dump Truck	\$100,000
Veterans Memorial & Sankey Park Bathrooms	\$100,000
Sidewalk Replacement add to current budget	\$ 10,000
Play Ground Equipment Replacement	?????





FY 2020-21 BUDGET WORKSHOP - GENERAL FUND -

Additional Personnel Needs not in current projections:

Economic/Event Director-removed and placed in budget. \$154,864

Police Dept. Lieutenant swap includes \$38k grant. removed and placed in budget. \$ 26,863

Code Enforcement Technician

\$ 58,411

Building Inspector

\$ 72,000

Public Works Superintendent (Streets/Parks)

\$ 90,349

Public Works Administrator (General Fund portion)

\$ 53,906

TOTAL

\$456,393



FY 2020-21 BUDGET WORKSHOP - WATER FUND -



- WATER FUND PROJECTED REVENUE \$1,562,100
 - WATER FUND PROJECTED EXPENDITURES \$1,339,230
 - PROJECTED REVENUE OVER EXPENDITURES \$ 222,870
- ESTIMATED FUND BALANCE AT 6/30/2021 \$3,552,612**

Includes \$300,000 meter replacement reserve \$300,000



FY 2020-21 BUDGET WORKSHOP - SEWER FUND -



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- SEWER FUND PROJECTED REVENUE \$9,295,000
 - SEWER FUND PROJECTED EXPENDITURES \$6,802,863
 - PROJECTED REVENUE OVER EXPENDITURES \$2,492,117

AVAILABLE FUND BALANCE AT 6/30/2021 \$4,002,974

RESTRICTED RESERVES \$1,181,507





FY 2020-21 BUDGET WORKSHOP - FUTURE IMPACTS-

Factors affecting FY 2021-22 budget (and beyond):

Increasing payroll costs (salary steps schedule)

CalPERS Unfunded Accrued Liability – increases \$67k next year.

Equipment Replacement – Loader?!, etc.

Retiree & Active Health Insurance costs (OPEB)

Aging Infrastructure



FY 2020-21 BUDGET WORKSHOP - CONCLUSION / QUESTIONS



Recommendations:

Prioritize Capital Needs.

Develop a Machinery and Equipment Replacement Plan

Questions?



City of Colusa
Fiscal Year 2020-21 Proposed Budget
General Fund Revenue and Expenditure Detail

	Actual FY 2016-17	Actual FY 2017-18	Actual FY 2018-19	Mid Year Update FY 2019-20	Proposed Budget FY 2020-21	
REVENUES						
Taxes	2,614,268	2,811,966	2,927,302	3,075,966	2,970,695	(105,271)
Franchises	210,342	229,757	234,820	234,000	284,413	50,413
Licenses & Permits	130,205	127,507	205,315	175,000	165,900	(9,100)
Fines & Forfeitures	13,906	17,414	15,345	14,400	11,000	(3,400)
Interest Income	5,161	11,118	18,437	24,000	15,000	(9,000)
Property Rents & Leases	3,888	8,275	4,600	3,700	3,700	-
Other Government Agencies	37,599	47,704	49,176	49,300	48,000	(1,300)
Service Charges	64,000	51,265	112,153	185,200	78,800	(106,400)
Other Revenues	30,428	192,120	47,359	7,900	3,000	(4,900)
Other Financing Sources				81,000	394,840	313,840
Transfers-In	9	-	-	-	-	-
Total Revenues	3,109,806	3,497,126	3,614,507	3,850,466	3,975,348	124,882
EXPENDITURES						
City Council	7,623	10,049	7,231	7,047	7,081	34
City Clerk	26,629	18,687	20,259	21,649	23,400	1,751
City Treasurer	3,131	3,075	3,075	3,150	3,129	(21)
Fire Department	816,639	749,402	697,843	699,413	749,369	49,956
Police Department	1,278,024	1,313,941	1,322,415	1,248,199	1,504,042	255,843
Administrative Services - Administration	9,716	2,222	5,674	91,300	435,383	344,083
Administrative Services - Finance	318,424	458,980	382,934	622,397	499,119	(123,278)
Administrative Services - Attorney	27,382	48,436	24,088	25,000	35,000	10,000
Administrative Services - Recreation	38,989	29,694	24,999	30,300	27,400	(2,900)
Community Development - Planning	93,055	90,571	144,133	150,619	293,058	142,439
Community Development - Building	48,301	64,292	77,797	90,929	34,700	(56,229)
Community Development - Engineering	14,877	24,335	52,842	106,000	25,000	(81,000)
Public Works - City Hall	7,641	10,023	9,675	10,098	9,108	(990)
Public Works - Streets	332,271	378,758	426,247	356,210	396,854	40,644
Public Works - Administration	26,571	34,306	36,651	30,842	-	-
Public Works - Parks	178,731	248,814	197,371	202,779	223,374	20,595
Transfers In/Out - Boat Launch True Up & RDA Write off	-	-	-	89,182	-	-
Total Expenditures	\$ 3,228,004	\$ 3,485,585	\$ 3,433,234	\$ 3,785,114	\$ 4,266,017	480,903
Excess / (Deficit) of Revenues over Expenditures	(118,198)	11,541	181,273	65,352	(290,669)	
Non-Budgetary Gen. Liability / Work. Comp. Adj. One-time Transfers (to)/ from Reserves	-	93,662	7,998			
Annual Net Excess / (Deficit)	(118,198)	105,203	189,271	65,352	(290,669)	
Beginning Fund Balance	2,533,372	2,415,174	2,404,332	2,593,603	2,658,955	
Ending Fund Balance	2,415,174	2,520,377	2,593,603	2,658,955	2,368,286	
Less:						
Redevelopment Loan	116,045	116,045	116,045	116,045		
Sales Tax Reserve	-	-	-	-	-	
Prepaid Self-Insurance Equity (11500)	36,628					
Amount Not Obligated at Year End	2,262,501	2,404,332	2,477,558	2,542,910	2,368,286	

\$235,278 above minimum General Fund balance requirement - does not include potential COVID19 impact on revenue for FY 2019-20.

City of Colusa
Fiscal Year 2020-21 Proposed Budget
Water Enterprise Fund (Fund 410)

	Actual FY 2016-17	Actual FY 2017-18	Actual FY 2018-19	Mid Year Update FY 2019-20	Proposed Budget FY 2020-21
Revenues:					
Water Service and Usage Fees	1,355,682	1,436,015	1,409,645	1,409,000	1,369,000
Water Connection, Installation Fees, Dev. Imp.	39,305	16,234	41,812	110,000	64,000
State and Federal Grants	437,626	42,517	-	-	-
Late Payments, Delinquencies, Check Svc. Chrg.	46,269	50,676	45,220	45,000	37,000
Interest	11,243	23,245	48,336	42,000	30,000
Other Income	18,594	67,650	61,255	62,100	62,100
<i>Total:</i>	<u>1,908,719</u>	<u>1,636,337</u>	<u>1,606,268</u>	<u>1,668,100</u>	<u>1,562,100</u>
Expenditures:					
Direct Salaries and Benefits	202,526	265,925	220,807	190,589	260,363
Indirect Salaries and Benefits	147,236	156,637	153,314	214,012	314,868
Operating Costs	352,665	378,266	257,449	473,169	481,738
Overhead Costs	35,488	37,731	26,939	33,845	82,261
Machinery & Equipment	93,654	132,674	31,913	100,000	100,000
Capital Projects	735,106	75,757	353,874	1,050,000	100,000
Audit Adjustments/Comp. Absence./OPEB/Deprec.	-	12,252	109,609	-	-
Reserve Transfer	-	-	-	-	-
<i>Total:</i>	<u>1,566,675</u>	<u>1,059,242</u>	<u>1,153,905</u>	<u>2,061,615</u>	<u>1,339,230</u>
Excess (deficit) of revenues over expenditures	342,044	577,095	452,363	(393,515)	222,870
Beginning Discretionary Fund Balance	2,051,755	2,393,799	2,970,894	3,423,257	3,029,742
Ending Discretionary Fund Balance	2,393,799	2,970,894	3,423,257	3,029,742	3,252,612
Restricted Reserve Balances:					
Meter Replacement Reserve	300,000	300,000	300,000	300,000	300,000
Total Fund Balance and Reserves	<u>2,693,799</u>	<u>3,270,894</u>	<u>3,723,257</u>	<u>3,329,742</u>	<u>3,552,612</u>

Notes:

City of Colusa
Fiscal Year 2020-21 Proposed Budget
Sewer Enterprise Fund (Fund 430 / 436)

	Actual FY 2016-17	Actual FY 2017-18	Actual FY 2018-19	Mid Year Update FY 2019-20	Proposed Budget FY 2020-21
Revenues:					
Sewer Charges	2,373,081	2,389,446	2,495,457	2,725,000	2,810,000
Interest/436/430	15,912	37,284	38,752	25,000	32,500
Sewer Dev. Impact Fees	108,381	21,192	96,634	253,000	160,000
Miscellaneous Revenue			25,733	100,500	115,000
Other Income/Transfer In 436	6,506	156,499	2,327,329	8,850,000	77,500
Other Financing Sources - SRF Grant	2,484,155	6,212,504			6,100,000
Total:	4,988,035	8,816,925	4,983,905	11,953,500	9,295,000
Expenditures:					
Direct Salaries and Benefits	335,781	387,006	390,278	284,583	346,073
Indirect Salaries and Benefits	154,430	157,187	153,887	216,929	326,654
Operating Costs	600,465	711,609	593,098	808,082	585,720
Overhead Costs	36,656	39,066	28,139	35,269	84,591
Machinery & Equipment	114,090	99,197	52,766	100,000	400,000
Debt Service	772,005	772,442	928,357	956,327	1,132,325
Capital Projects / Outlay	1,125,707	7,503,951	1,393,984	9,100,000	3,850,000
Recology / OPEB Prefunding Allocation					
Reserve Transfer - Capital Reserve	77,500	155,000	77,500	77,500	77,500
Reserve Transfer - Collection System					
Reserve Transfer - WWTP Upgrade	350,000	350,000			
Asset Capitalization - Use of Reserves for property					
Transfer In/Out - New loan reserve req.			185,574		
Total:	3,566,634	10,175,458	3,803,583	11,578,690	6,802,863
Excess (deficit) of revenues over expenditures	1,421,401	(1,358,533)	1,180,322	374,810	2,492,137
Beginning Discretionary Fund Balance	(107,163)	1,314,238	(44,295)	1,136,027	1,510,837
Ending Discretionary Fund Balance	1,314,238	(44,295)	1,136,027	1,510,837	4,002,974
Restricted Reserve Balance:					
REDIP Reserve					
Capital Reserve (Fund 436)	650,319	735,036	812,536	892,550	970,050
Collection System Reserve	1,892,300	1,892,300		0	0
WWTP Upgrade (Depreciation) Reserve	2,446,500	2,796,500		0	0
USDA Reserve	25,883	25,883	25,883	25,883	25,883
New SRF loan reserve requirement			185,574	185,574	185,574
Total Fund Balance and Reserves	6,329,240	5,405,424	2,160,020	2,614,844	5,184,481

Notes:

available fund balance \$4,002,974

Tiling and irrigation pump station to be used out of reserves \$2.5 million

