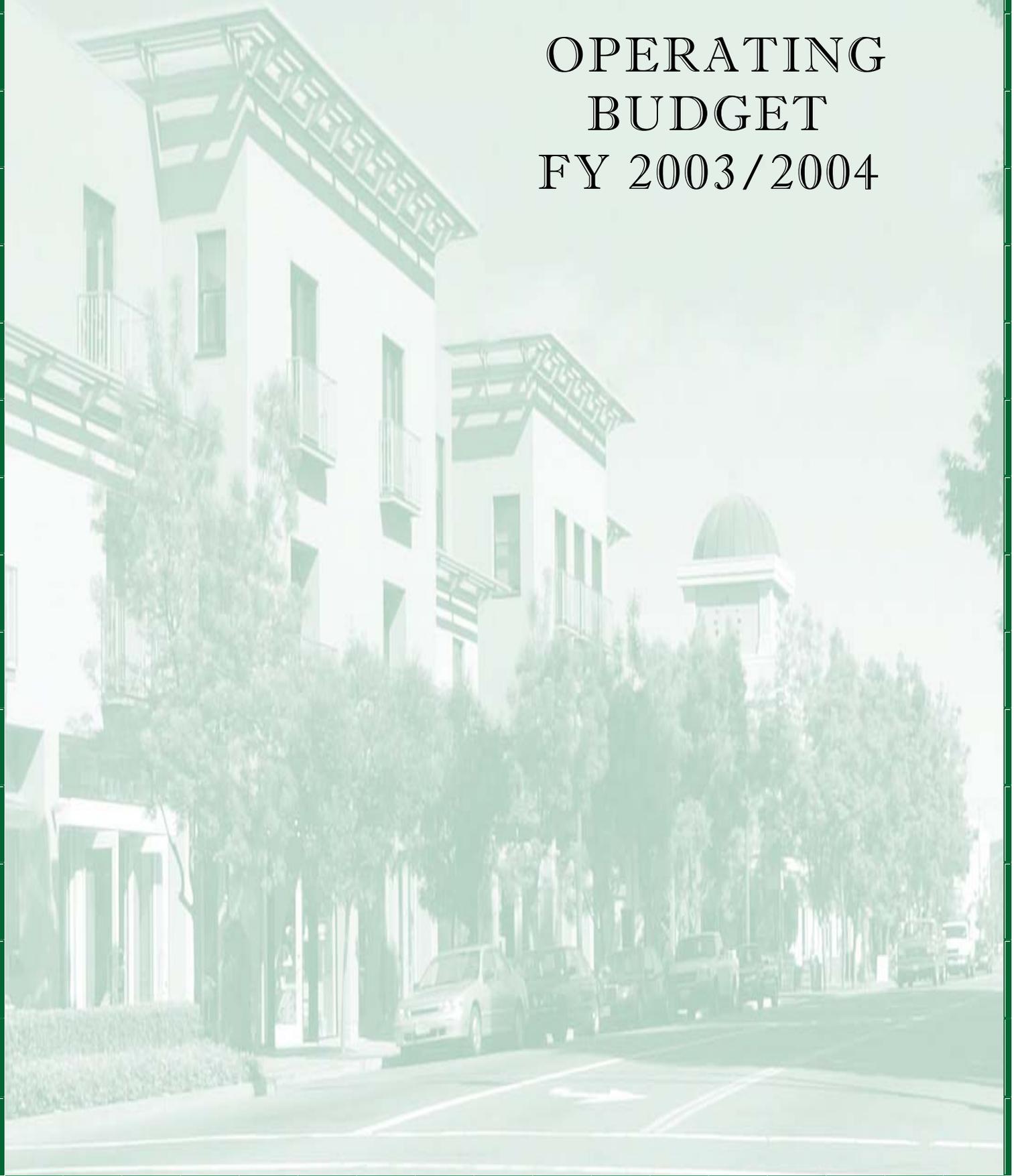


City of Healdsburg

OPERATING
BUDGET
FY 2003/2004



CITY OF HEALDSBURG

RESOLUTION NO. 65-2003

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEALDSBURG: (a) ADOPTING THE RECOMMENDED 2003-2004 OPERATING, SERVICE AND DEBT, AND CAPITAL BUDGET; AND (b) ESTABLISHING AN APPROPRIATION LIMIT AS REQUIRED BY ARTICLE XIII B OF THE STATE CONSTITUTION

WHEREAS, the City Council reviewed the proposed operating, service and debt, capital and Community Redevelopment Agency budgets in study sessions held on May 19-21, 2003; and,

WHEREAS, the City Council has reviewed the proposed 2003-2004 Capital Improvement Program in a study session on May 21, 2003; and

WHEREAS, the Planning Commission in a meeting held on May 27, 2003 found the Capital Improvement Program consistent with the General Plan; and

WHEREAS, the first year of the Capital Improvement program, referred to as the Capital Budget requires annual appropriation approval by the City Council.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Healdsburg hereby finds that the 2003-2004 Operating, Service & Debt, and Capital Budget falls within the CEQA Categorical Exemption #15301; and

BE IT FURTHER RESOLVED, that the City Council approves the 2003-2004 proposed Operating, Service and Debt, and Capital Budget totaling \$46,709,517 as summarized on Attachment "A" and a carry-over of unspent capital budget project appropriations from 2002-2003. A complete copy of the FY 2003-2004 Budget is on file in the City Clerk's Office; and

BE IT FURTHER RESOLVED, that upon publication, a copy of the budget will be made available for public review at City Hall and other convenient public places; and

BE IT FURTHER RESOLVED, that the City Council approves the 2003-2004 appropriation limit as required by Article XIII B of the State Constitution as shown on Attachment B.

Resolution No. 65-2003

DATED: June 2, 2003

VOTE upon the foregoing resolution was as follows:

AYES: Councilmembers: (5) Gleason, Liles, Mitchell, Schaffner and Mayor Gold

NOES: Councilmembers: (0) None

ABSENT: Councilmembers: (0) None

ABSTAINING: Councilmembers: (0) None

SO ORDERED:

ATTEST:

/S/ LEAH GOLD

Leah Gold, Mayor

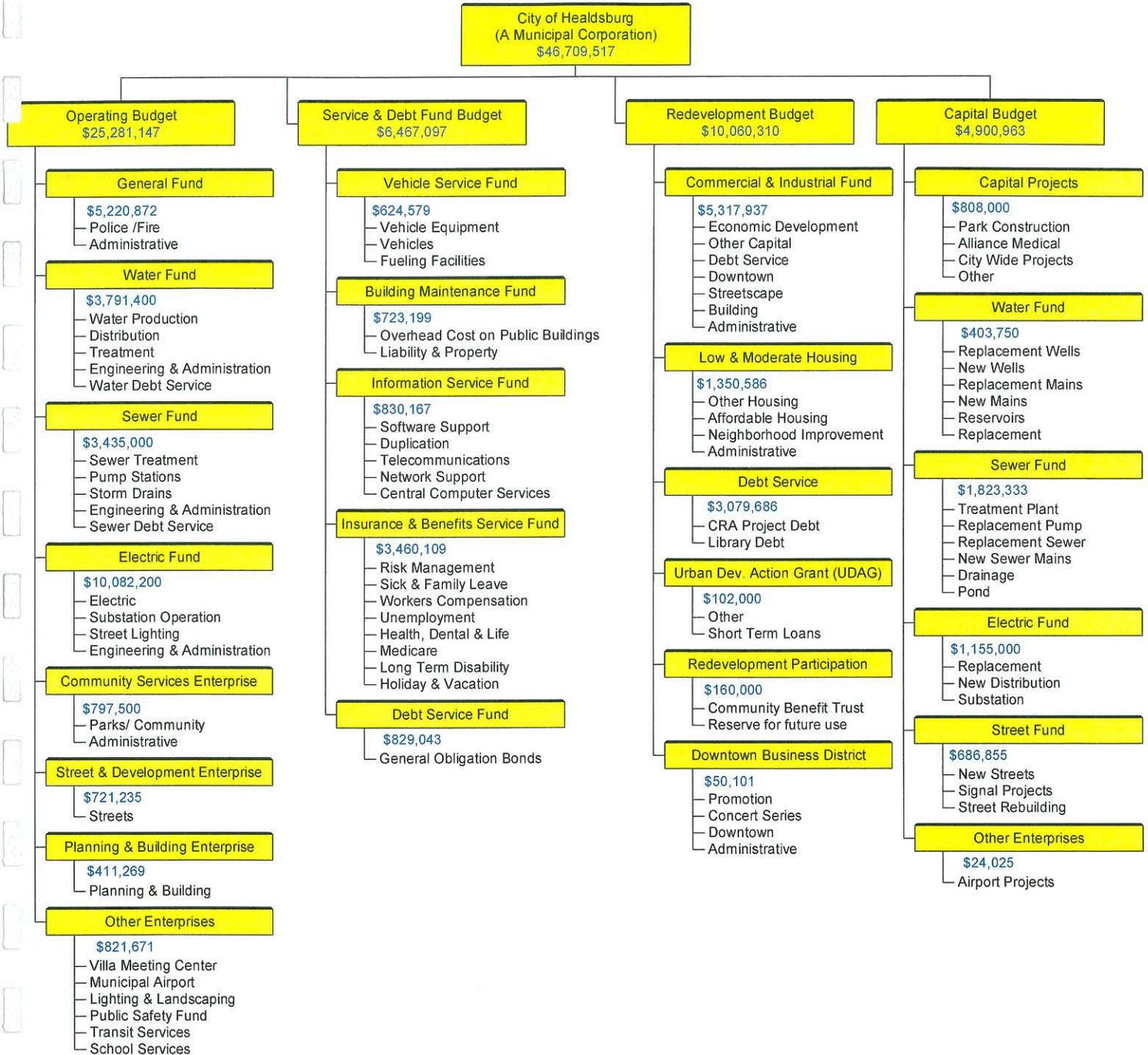
/S/ MARIA CURIEL

Maria Curiel, City Clerk

I, MARIA CURIEL, City Clerk of the City of Healdsburg, do hereby certify that the foregoing is a full, true, and correct copy of a resolution adopted by the City Council of the City of Healdsburg on the 2nd day of June, 2003.


City Clerk

Total City Spending Budget for Fiscal Year 2003-2004



APPROPRIATION LIMIT WORKSHEET

For the year ending June 30, 2004

Appropriations limit for fiscal year ended
June 30, 2003 \$16,022,416

Adjustment factors for the fiscal year
ending June 30, 2004:

Inflation 1.0231
Factor

Population Factor 1.0018

Combined Factor x 1.0249

Appropriations limit for fiscal year ending
June 30, 2004 \$16,421,374

Appropriation from the
proceeds of taxes \$7,889,382

Proposition 4 establishes a formula limiting the expenditure of the "proceeds of taxes" and is adjusted each year for inflation and population growth. This limit primarily applies to the General Fund. Healdsburg's appropriations are usually below fifty percent of the limit. In 2003-2004 it is 46% of the appropriation limit.

City of Healdsburg 2003-2004 Budget Adoption

- City Council, at Study Sessions held on May 19, 20 and 21, 2003, reviewed the proposed 2003-2004 Budget
- Resolution has been prepared to adopt the proposed 2003-2004 Budget
- CRA Board will also need to adopt the CRA portion of the budget in a separate action
- State has not solved the \$38 billion deficit and take-aways are still possible
- As discussed in the budget sessions the following adjustments have been made:
 - The \$460,000 VLF backfill has been included
 - Funding for six positions plus a temporary fire position have been added back to the budget at a total cost of \$344,661
 - \$36,636 transfer of Transit funding from Community Services
 - Will bring back early retirement agreement at later date
- Governor's proposal is reducing Redevelopment Agency property tax revenues by \$500,000, and

booking fees of \$25,000 and requires the state to borrow heavily to pay its bills

- Revenues continuing to be at risk include:
 - Backfill of Motor Vehicle License Fees
 - Property Taxes
 - Supplemental law enforcement fund
 - Additional Redevelopment
- After the State budget is adopted staff will recommend appropriate action if needed.
- Proposition 4, to establish an annual appropriations limit for the fiscal year ending June 30, 2004 is \$16,421,374
- The proposed 2003-2004 budget including operating, debt service, capital and CRA funds, is \$46,709,517
- Consider a resolution that:
 - Adopts the fiscal year 2003-2004 proposed Operating, Debt Service, Capital and CRA budgets
 - Establishes an appropriations limit as required by Article XIII B of the State Constitution.
 - Authorizes the carryover of appropriations of prior year capital projects that are not yet completed.
- Consider motion on use of recession reserve

POSITIONS ADDED BACK TO BUDGET

<u>Position</u>	<u>Budget</u>
Technical Service Manager*	\$92,904
Youth Services Counselor	\$78,220
Community Services Officer	\$60,180
Dispatcher	\$82,171
Accounting Clerk I	\$13,601
Office Assistant	\$9,585
Seasonal Fire Temporary	<u>\$8,000</u>
Total	\$344,661

* *Working on early retirement.*



CITY OF HEALDSBURG

Fiscal Year 2003-2004 Budget

CITY COUNCIL

Leah Gold, Mayor

Lisa Wittke Schaffner, Vice-Mayor

Mark Gleason

Jason Liles

Kent Mitchell

CITY MANAGER

Chet J. Wystepek

CITY OF HEALDSBURG

Commissions and Staff

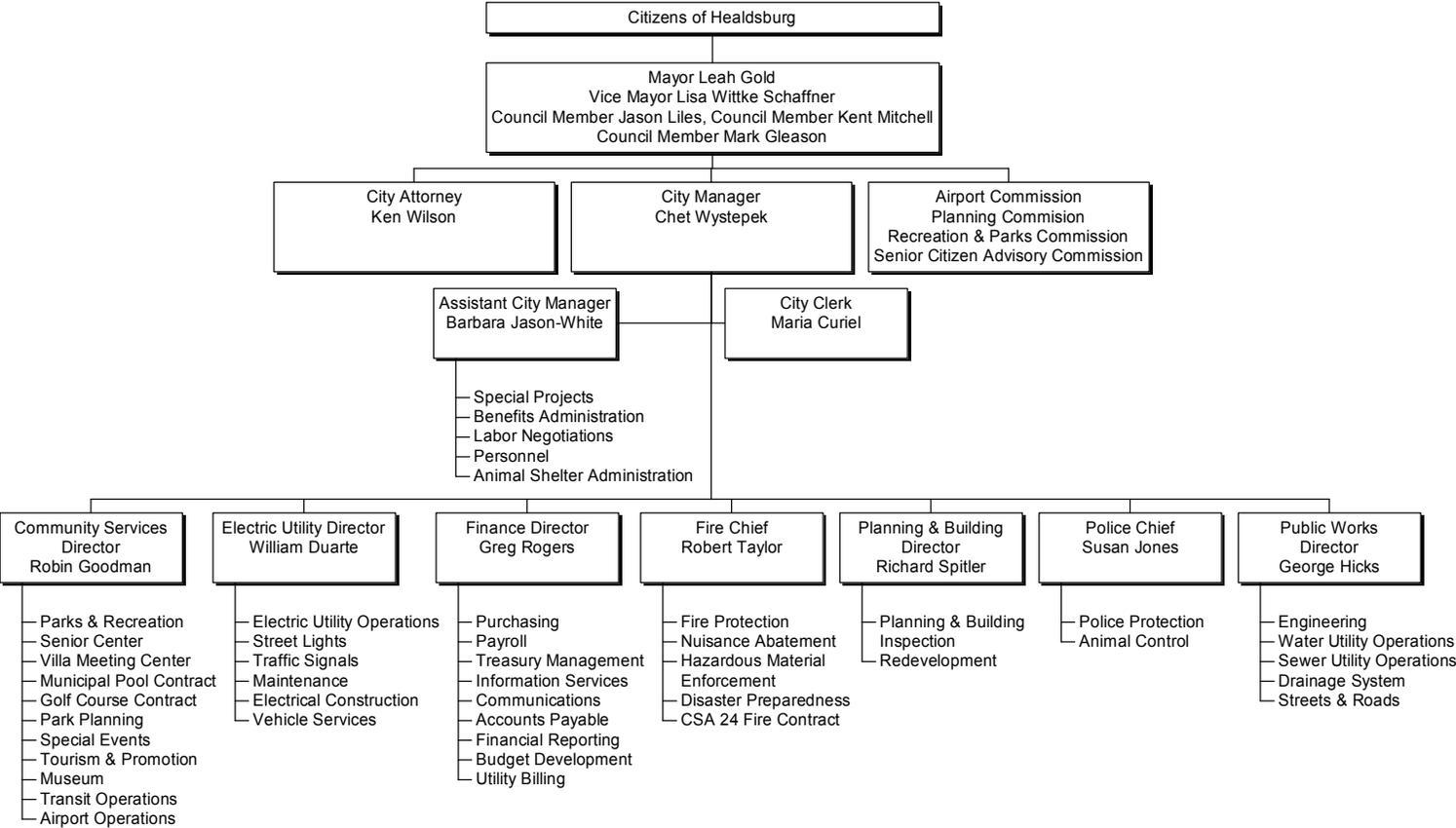
Advisory Commissions:

- Airport Commission
- Planning Commission
- Recreation and Parks Commission
- Senior Citizen Advisory Commission

City Staff:

- City Attorney Kenneth Wilson
- City Clerk Maria Curiel
- Assistant City Manager Barbara Jason-White
- Finance Director Greg Rogers
- Director of Community Services Robin Goodman
- Fire Chief Robert Taylor
- Police Chief Susan Jones
- Director of Planning and Building Richard Spitler
- Director of Public Works George Hicks
- Electric Utility Director William Duarte

City of Healdsburg Organization Chart



Notes:

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Department Summaries

Community Redevelopment

Glossary

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CITY OF HEALDSBURG ADMINISTRATION

401 Grove Street
Healdsburg, CA 95448-4723

Phone: (707) 431-3317

Fax: (707) 431-3321

Visit us at www.ci.healdsburg.ca.us



May 15, 2003

Honorable Mayor and City Council Members
401 Grove Street
Healdsburg, CA 95448

SUBJECT: Proposed FY 2003-2004 Budget

Honorable Mayor and Councilmembers:

The proposed 2003-2004 Operating Budget is for all City funds and programs, including the General Fund, Enterprise Funds, Special Revenue Funds, Community Redevelopment Agency and other special purpose funds. The Operating, and Service and Debt Fund budget, shown in the first section of this document, reflects a series of austere budget actions including personnel reductions. The Community Redevelopment Agency budget is shown in the back section of this document. This document, together with the Capital Improvement Program (CIP) document, provides detailed information for the City Council to evaluate the entire City budget proposal.

The 2003-2004 budget for all City funds, including the Community Redevelopment Agency and Capital budget totals \$46,388,042. The budget is comprised of an Operating budget of \$24,959,672, a Service and Debt Fund budget of \$6,467,097, the Community Redevelopment Agency budget of \$10,060,310, and a Capital budget of \$4,900,963. The organization of the City's budget can be most clearly understood by referring to page 25.

ECONOMIC OUTLOOK:

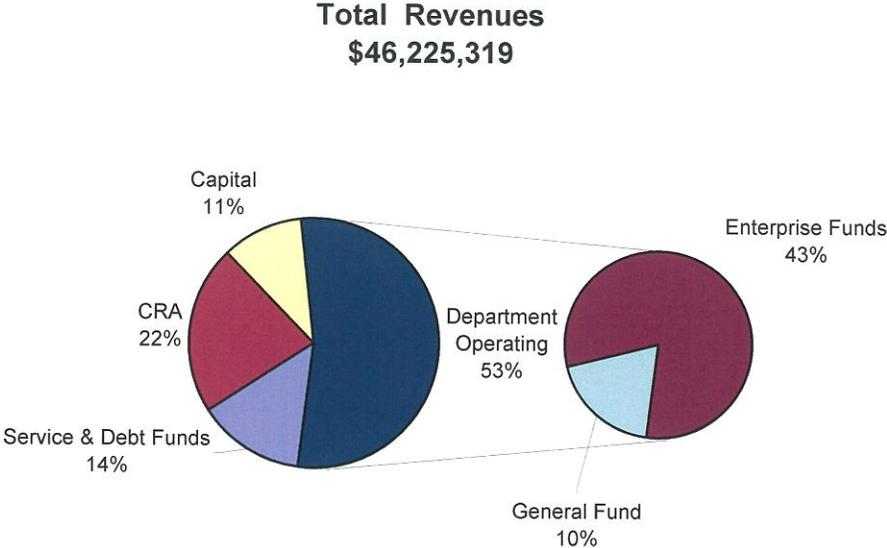
This budget has been developed against the backdrop of a slowing economy, rapidly rising Cal PERS retirement rates, and a very large state budgetary deficit. The State government has seen its budget deficit balloon as it has delayed dealing with a fiscal crisis. The Governor and Legislature have been considering various revenue raids on local government for the upcoming budget year. This budget has been prepared assuming the revenue actions as proposed by the Governor in his January proposed budget document. Because of the enormous size of the State budget deficit, and the difficulty in obtaining the needed cooperation between the Governor and Legislature to adopt a budget, it may be a number of months before the actual solutions to the State budget problem are known. Adverse State budget trends, which have been accelerating since 2000, are expected to persist for 3 to 4 more additional years. Depending on the extent of State raids on local revenues, FY 2003-2004 may be the first of several "cut back" budget years similar to the early 1990's when the City had 50% of its property tax revenue stream taken away by the State.

As a City of 11,468 we are well prepared to weather the “typical 18 to 24 month economic recession” with a healthy reserve fund that has been accumulated over the past several years through the Council’s prudent financial policies. What we are less able to prepare for or defend against are the State raids of City revenues that are permanently disabling cities abilities to pay for city services.

At the local level, the growth of retail sales has slowed significantly, and the growth of other revenue sources has been at lower levels. Residential building permit activity continues to be minimal reflecting the impact of the growth control ordinance, while commercial and industrial activity is stable. Overall there are slowing trends for revenue growth in the General Fund, which has made it extremely difficult to cover the increasing costs necessary to fund continuing service levels for General Fund supported services. The costs of providing General Fund financed services in this proposed budget were covered by directing departments to develop budgets that had no growth over the previous year. That meant that all personnel contract (MOU) cost increases had to be absorbed by departments. Even with the “no growth” departmental budgets, the General Fund budget is not fully balanced. Options for dealing with balancing the budget are outlined in the latter part of this message.

RESOURCES FUNDING THE CITY BUDGET:

The 2003-2004 budget includes, \$46,255,319 of revenues, which provides the funding that is available to provide city services. The manner in which a majority of City revenues may be spent is determined by law, or other fiscal constraints, before the funds reach the city.

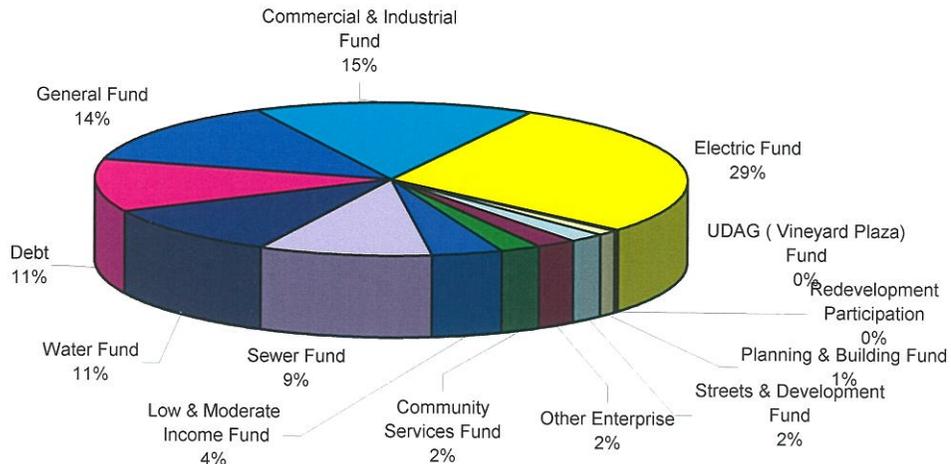


As shown on the graph, 53% of City revenues are available to fund department operating budgets, with the remaining 47% restricted to fund the Capital, CRA, and service and debt fund budgets. The revenues available to fund the operating budgets are further restricted with a significant portion available only to fund enterprise activities. Enterprise activities include the Water, Sewer, Electric, Community Services, Streets, Planning and Building, Airport, Transit, School Services, and Meeting Center funds. This leaves only 10% of city revenues for the least restricted category, the General Fund that is used almost exclusively for funding Police and Fire services and the related administrative support for those services.

OPERATING BUDGET - including CRA & Debt Service

The \$35,388,885 operating budget is \$11,229,229 (24%) less than the 2002-2003 adopted budget largely reflecting zero growth budget requests and the previous year use of \$11.3 million of bond proceeds. The CRA funded activities are included in the operations budget. A separate, stand-alone CRA budget is also provided in the back section of the document. General Fund, Enterprise Fund, CRA Fund, and Service Fund revenue sources finance the operating budget. The graph below shows how the operating budget is broken out amongst the major fund groups.

Operating Budget including CRA & Debt Service - \$35,388,885



The \$11,229,229 decrease in the operating budget reflects a \$12,555,879 decrease in the Redevelopment Agency Budget, a 296,328 (6%) decrease in the General Fund, a \$279,179 (8%) increase in the Water Fund, a \$417,386 (14%) increase in the Sewer Fund, a \$352,425 (3%) decrease in the Electric Fund, a \$101,912 (15%) increase in Community Services Fund, a \$68,619 (20%) increase in the Planning and Building Fund, and a \$39,352 (5%) decrease in the Street and Development Fund, with other funds accounting for the balance of the changes.

Table I below shows how the operating budget is distributed amongst departments.

**Table I
\$35,388,885 Operating Budget by Department***

<u>Department</u>	<u>2002-2003 Budget</u>	<u>2003-2004 Budget</u>	<u>\$ Difference</u>	<u>% Diff.</u>
Administration	\$ 1,429,434	\$ 1,440,648	11,214	0.1%
Finance	1,449,299	1,449,299	-	0.0%
Community Services	1,643,545	1,629,546	(13,999)	-0.1%
Electric-Operations	1,775,329	1,958,623	183,294	10.3%
Electric-Power Costs	7,155,177	6,665,000	(490,177)	-6.8%
Fire	1,386,383	1,337,581	(48,802)	-3.5%
Planning & Building	776,401	770,401	(6,000)	-0.1%
Police	3,324,026	3,247,499	(76,527)	-2.3%
Public Works	3,814,116	3,809,450	(4,666)	0.0%
Non-Departmental	23,864,404	13,080,838	(10,783,566)	-45.2%
Total	\$ 46,618,114	\$ 35,388,885	\$ (11,229,229)	-4.0%

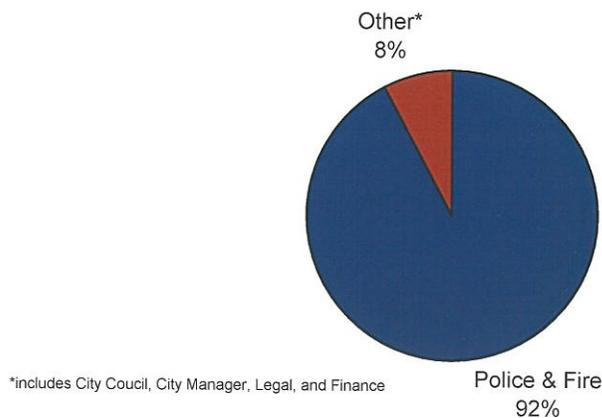
* Includes CRA

Significant factors impacting expenditures include increases in contracted maintenance costs, labor contract increases, and increases in PERS and health insurance costs. These underlying increases have been offset by reductions in staffing levels and other supplies and services.

GENERAL FUND:

The budget for the General Fund is \$4,899,397. As shown on the graph below approximately 92% of the budget is directly supporting public safety activities. The remaining 8% of the budget is distributed among various administrative functions, which primarily support public safety services.

General Fund By Department



The budget reduces current service levels and required personnel reductions to be able to offset the costs of contractual wage and benefit increases. Despite the reduction in six positions in the General Fund, the budget is still out of balance by \$126,087. This reflects lower projected revenues resulting from proposed state revenue raids. One of the policy decisions faced in this budget is the consideration of use of recession reserves to fill in the budget gap. If reserves are not used, additional reductions will be needed to balance the budget.

The proposed personnel reductions included in the proposed General Fund budget are as follows:

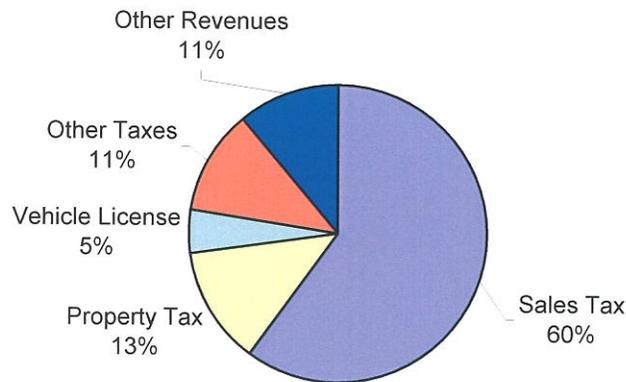
- ◆ Combine the Fire Marshal and Chief position
- ◆ Police Technical Services Manager
- ◆ Police Youth Services Counselor
- ◆ Police Community Services Officer
- ◆ Police Dispatcher
- ◆ Police Community Services Officer (Part Time)

Other position reductions (non General Fund) in the proposed budget include:

- ◆ Assistant City Manager
- ◆ Accounting Clerk
- ◆ Community Services Supervisor
- ◆ Building Technician
- ◆ Planning CRA Intern
- ◆ Public Works Office Assistant
- ◆ Public Works Engineering Aide

The revenues available to finance General Fund services consist primarily of taxes, service fees and revenues from other governmental agencies. The \$4,773,310 of revenues by major source is shown in the graph below.

General Fund Revenues - \$4,773,310



Sales tax revenues continue to be the largest single General Fund revenue source. The growth in this revenue source is currently estimated to be 2.0% in 2003-2004. The single largest component of sales tax is from sales of motor vehicles. The forecast for next year assumes a flat volume of transactions, with an inflationary increase in prices causing an increase in revenues. There are not expected to be significant changes to the mix of retailers during the next fiscal year. Staff will continue to closely monitor sales tax revenues and keep the City Council apprised of any significant changes.

Motor vehicle license fees (VLF) have been at risk for several years due to the State decision to lower the fee rates. This year the Governor has proposed to eliminate the backfill of VLF revenues lost by local agencies. This budget includes the elimination of the backfill now estimated to total \$460,000. The budget also reflects the elimination of the \$25,000 per year booking fee reimbursement. Should State finances continue to deteriorate, other revenues continue to be at risk including \$100,000 in State SLESF (police funding) and \$600,000 in property taxes.

TRANSIT FUND:

The transit fund proposed budget is not balanced. Available transit funding has declined because of the California economy. The transit budget is out of balance by \$36,636. There are several options available to deal with the budget gap. One is to reduce service levels. Another option is to subsidize the transit operations by transferring funds from the Community Services fund.

AIRPORT FUND:

The Airport Fund budget as presented is balanced. However, excluded from the proposed budget is funding for the match of a Federal Grant and funding for new hangers as is being proposed by the Airport Commission. At this point there is not sufficient funding to proceed with either the improvements partially funded by a Federal Grant, or the construction of new hangers. Proceeding with these projects would require redirection of funding from another source. The options would be use of General Fund Reserves or Community Services reserves to fund the project funding gaps.

KEY BUDGET ISSUES TO RESOLVE:

There are several funds that have funding problems that need resolution in this budget process:

- *General Fund:* The budget as presented includes a \$126,087 deficit. This deficit exists after the proposed reduction of six public safety, non-sworn safety positions. Since the General Fund is essentially a public safety fund, only reductions in public safety costs will significantly impact the deficit. The Public Safety bargaining units have been asked to consider delaying the implementation of an upgrade in retirement benefits to achieve a savings of \$240,000. At the time this budget was prepared, this request had not been addressed. This deficit can be eliminated in several ways. One is to reduce the budget further. Another is to use a portion of the recession reserve.
- *Transit Fund:* The budget as presented includes a \$36,636 deficit. The deficit is the result of declining transit funding. There are no operating reserves in the transit fund so the options to eliminate the deficit include reducing expenditures by lowering service levels, or by transferring funds from another source such as the Community Services Fund.
- *Airport Fund:* The budget as presented does not fund the improvement projects that are being proposed by the Airport Commission because match-funding sources are not yet secured. The funding sources for the projects should be firmly in place before the projects are budgeted.

MAJOR QUESTIONS TO CONSIDER:

- How do we minimize the impact to City Services while balancing the budget in the face of falling revenues or State revenue take-aways?
- How do we effectively use reserve funds to transition to lower revenues in the future?
- How do we best manage a reduction in City services over the next 3 – 4 years with the prospect of the State taking increasing amounts of City revenues?
- Do we have a clear vision or plan about what the quality of City services will be in 5 years?
- Would the community be willing to support a locally collected tax to replace funds lost to the state in order to continue to provide current levels of public safety services?

FUTURE OUTLOOK:

The proposed City budget for 2003-2004 has been prepared at a time when the historically large State budget deficit has not been addressed. Recent reports indicate that the State has a greater than \$34 Billion budgetary gap. The problems faced by the State are expected to negatively impact the City. This budget has been developed assuming reductions in motor vehicle license fees and in the reimbursement for booking fees. There is additional risk in losing law enforcement supplemental funds, and property taxes. These at risk revenues all currently support public safety services. The State has been late in adopting a budget in previous fiscal years and this year will likely be the same. As a result it may be after the summer before we know the real consequences of the State dealing with the budgetary gap. Fortunately, the City, through prior actions by the City Council is prepared to react to adverse impacts of a State budget revenue reduction. Over the past several years the City has:

- Created a more elastic workforce with temporary staff hired to do work instead of permanent positions
- Outsourced work whenever cost effective
- Separated activities such as Public Works Streets, Planning and Building, and Community Services from the General Fund to make them reliant on specific revenue sources
- Created a \$1,000,000 reserve specifically for economic downturns and state budget takeaways
- Issued \$19,370,000 of taxable redevelopment bonds to continue funding programs financed by the Redevelopment Agency

These actions have made it possible for the City to have the potential flexibility to make up for revenue shortfalls as the State raids City revenues.

I would like to acknowledge the special efforts of Karen Scalabrini, Accountant/Budget Analyst, who performed most of the budget coordination and staff liaison with all of the departments; Maria Curiel, City Clerk, who was responsible for compiling and organizing the text section of the budget, and Finance Director Greg Rogers who managed the overall preparation of this year's City Budget.

Very truly yours,



Chet J. Wystepek
City Manager

APPROPRIATION LIMIT WORKSHEET

For the year ending June 30, 2004

Appropriations limit for fiscal year ended June 30, 2003			\$16,022,416
Adjustment factors for the fiscal year ending June 30, 2004:			
Inflation Factor	1.0231		
Population Factor	<u>1.0018</u>		
Combined Factor		x	<u>1.0249</u>
Appropriations limit for fiscal year ending June 30, 2004			\$16,421,374
Appropriation from the proceeds of taxes			\$7,889,382

Proposition 4 establishes a formula limiting the expenditure of the "proceeds of taxes" and is adjusted each year for inflation and population growth. This limit primarily applies to the General Fund. Healdsburg's appropriations are usually below fifty percent of the limit. In 2003-2004 it is 46% of the appropriation limit.

CITY OF HEALDSBURG

Budget Principles

- The budget is the City Council's primary decision and policy making tool.
- Budget information should be understandable to the public despite the complexities of accounting and legal requirements.
- The budget should reflect a bottom up multi-year look at all expenses and revenues.
- Labor costs must reflect productive labor costs and all associated fringe benefits from existing contracts, as well as management forecasts for the future for those individuals working on particular projects and programs.
- Expenses should reflect changes in operations, market conditions and forecast rate changes, not just a cost of living escalation.
- The difference between one time or non-recurring costs and on-going and recurring costs should be acknowledged.
- Revenues should reflect those projected to be generated from existing businesses, from plans for expansion under existing laws, not desired changes.
- Reserves should be maintained at appropriate levels as established by policy.

Utilizing these principles we attempt to present a realistic forecast of both revenues and expenses that offer a relative picture of the coming fiscal year and future years regardless of whether a deficit or surplus is forecast.

Neither optimistic assumptions as to new grants nor pessimistic forecasts of new revenue losses are reflected. Forecast expenditures only identify authorized service expansions and consensus growth assumptions.

It is hoped that the budget offers a valid base to measure the performance of City departments against their best plans, as well as the various funds and enterprises against the policies and direction provided by the City Council.

Notes:



CITY COUNCIL GOALS – 2003

Adopted February 3, 2003

1. Financial Viability
Protect city's financial viability in light of state budget impacts.
2. Wastewater Solutions
Move forward on wastewater treatment upgrade and disposal – stay on course for the most affordable option for Healdsburg rate payers.
3. Affordable Housing
Complete the affordable/middle income housing projects currently planned, acquire more land, initiate new projects.
4. New Neighborhood Park
Construct neighborhood park at Parkland Farms.
5. Foss Creek Bikeway
Complete design, fund and begin construction on the Foss Creek/Railroad pedestrian/bikeway.
6. Area C Proposal
Pursue Area C proposal including community input and 35 acre community park master plan and public access to trails.
7. Fitch Mountain
Secure public access to trails on Fitch Mountain and Area B Ridgeline Open Space.
8. Grant St. Bridge
Widen the Grant Street Bridge.
9. Downtown Parking
Acquire land for downtown parking.

GUIDE TO THE BUDGET

This budget document is for fiscal year FY 2003-2004. It is organized into five parts: (1) Overview, (2) Operating, Service, Community Redevelopment, and Debt Budgets Summaries (Summaries), (3) Department Summaries, (4) Redevelopment Agency, and (5) Glossary.

The **Overview** section contains the City Manager's Budget message, an Organizational Chart of the City, a Summary of City Positions, and a Guide to the Budget that includes a description of Funds, revenues and expenditures.

The **Summaries** section includes tables of total City revenues and total City spending, as well as a Summary of all budgets by fund for FY 2003-2004.

The **Department Summaries** include a separate total budget from **all sources of funding** (see Definition of Funds below) for each of the seven (7) City departments in table and graph forms, along with a brief explanation of their areas of responsibility, accomplishments of the past year, goals for the future and an organizational chart. A list of job classifications and salary information for each is also included in this section.

A Non-departmental budget summary, which includes items related to the City as a whole that cannot be easily allocated to the various departments, such as debt service, inter-fund transfers, depreciation, etc., is included in this section as well.

The Redevelopment Agency section provides budgets for Community Redevelopment Agency Funds.

The **Glossary** section provides an explanation of terms used in the budget.

DESCRIPTION OF FUNDS

City of Healdsburg services are funded from various revenue sources. These funding entities or enterprises are listed below:

General Fund: The General Fund is the most versatile of all the City's funds because it has no specific legal restrictions as to its use. General Fund revenues include property taxes, sales and use taxes, licenses, permits, franchise fees, fines and forfeitures, fees for services and for the use of money and property. General Fund revenues are primarily used to support the public safety departments and a small portion of administration.

Enterprise Funds: Revenues derived from the City's Water, Sewer, Electric, Streets, Planning & Building and Community Services are restricted to certain purposes and can only be spent to provide these services to utility customers including construction and maintenance of the distribution systems, utility billing, and administration. Revenues derived from the Villa Chanticleer Meeting Center are also restricted in this manner.

Service Funds: The City has several service funds including the Insurance & Benefits Service Fund, Information Systems Service Fund, Vehicle Service Fund, and the Building Maintenance

Service Fund. These funds provide for the maintenance and periodic replacement of data processing hardware and software, telecommunications equipment, as well as vehicles and mobile equipment and maintenance services. The Insurance and Benefit Service Fund covers retirement and medical premiums, Workers' Compensation, State Unemployment Insurance and leave time. Information Systems Service Funds show an increase throughout this budget due to the City's need to upgrade its computer and communications system in keeping with its service objectives.

Internal Service Fund Transfers: These funds become a source of revenue to finance appropriations in the budget when monies are transferred from one specific fund to another fund.

DESCRIPTION OF REVENUES

Property Taxes: This revenue is derived from the tax imposed on real property and tangible personal property. The amount of property taxes currently coming to the City of Healdsburg is eleven (\$.11) cents of every one dollar paid.

Other Taxes:

- **Sales Tax** is revenue derived from the sales tax paid by consumers who purchase items within the City. Approximately one cent of the seven and a half cent State Sales Tax Levy comes back to the City on a dollar of sales.
- **Business License** taxes are collected on retail, professional, semi-professional, general contractors, sub-contractors, wholesalers, and other enterprises doing business in Healdsburg.
- **Vehicle License Fees (VLF)** received from the State for registration of motor vehicles. (Makes up the third largest source of unrestricted revenue to the General Fund.)
- **Transient Occupancy Tax (TOT)** is a visitors' lodging service fee collected on room rentals at hotels, motels and Bed and Breakfast inns within Healdsburg. Currently the City's TOT is 10%.
- **Property Transfer Tax** is a documentary transfer tax imposed on real estate transactions and collected for the City by the County.
- **Franchise Fees** are collected from utilities such as gas and cable TV and from the waste hauler for the use of the City's rights-of-way.

Charges for Service include water, sewer, and electric utility service fees and charges, as well as park fees, weed clearing fees and liens, various public safety fees, hazardous materials storage fees, and transit fares.

Intergovernmental Revenues include the City's third largest source of unrestricted funds, Vehicle License Fees, as well as an apportionment of the Highway Users Tax, ½% State Sales Tax for Public Safety, and various State grants.

Development Fees and Permits include revenues from building permits; plan checks, and various developer fees.

Oversizing Contributions are incremental grants reflecting the cost difference between standard water or sewer pipe, for example, paid for by the developer and a larger one required by the City because of the needs of the area.

Service Fund Fees are used to maintain and replace City vehicles and information systems equipment, as well as for the payment of insurance and benefits.

Utility Services fees cover the cost of electricity and water used by each department.

Investment Income is earned by the City on all idle monies. Investments are strictly limited by law to those deemed safe and prudent. The City makes only low risk investments based on an adopted Investment Policy which is approved by the City Council and reviewed annually.

Miscellaneous Fees and Charges include bond proceeds, rental income on parks and facilities such as the Villa Meeting Center, Airport fuel sales and leases, sale of property and promotions income.

DESCRIPTION OF EXPENDITURES

Labor and Benefits account for all payroll related expenses including wages, medical/dental/vision premiums and retirement costs for employees of the City.

Liability insurance costs on City property, equipment and vehicles.

Contracted Construction is construction of infrastructure within the City, such as street expansion and repair, sewer lines, etc., not performed by City staff but by various companies whose services are contracted by the City.

Contracted Maintenance includes all maintenance of City buildings, parks, rights-of-way and equipment performed by contract.

Contracted Professional Services are services such as structural engineering firms for water, sewer and street expansion, consultants for specific one-time only projects. Also included is the cost for advertising and employee medical examinations.

Debt Service is an expenditure used to account for payments of debts owed by the City including interest.

Depreciation is the expense over a period of time for the use of equipment and facilities and provides for their replacement.

Equipment, Tools and Supplies required to perform department functions, including capital equipment and office supplies. It should be noted that capital equipment varies greatly from year to year due to the size and complexity of capital projects, while other items such as office supplies remain fairly constant.

Government Fees are fees the City is required to pay to another government agency, such as the County of Sonoma for property tax collection, and to the State for permits and other services.

Grants and Loans are made from time to time by the City to various agencies and to developers for payment of City fees.

Land Acquisition includes, for example, property purchased for the City's low and moderate housing, the detention basin in the north area, as well as for the widening of Healdsburg Avenue.

Meetings, Training and Travel necessary to do the City's business include mileage reimbursement or car allowances for department heads and City Manager, staff safety and technical training, and participation in professional organizations.

Oversizing Contributions incremental grants reflecting the cost difference between standard water or sewer pipe, for example, paid for by the developer and a larger one required by the City because of the needs of the area.

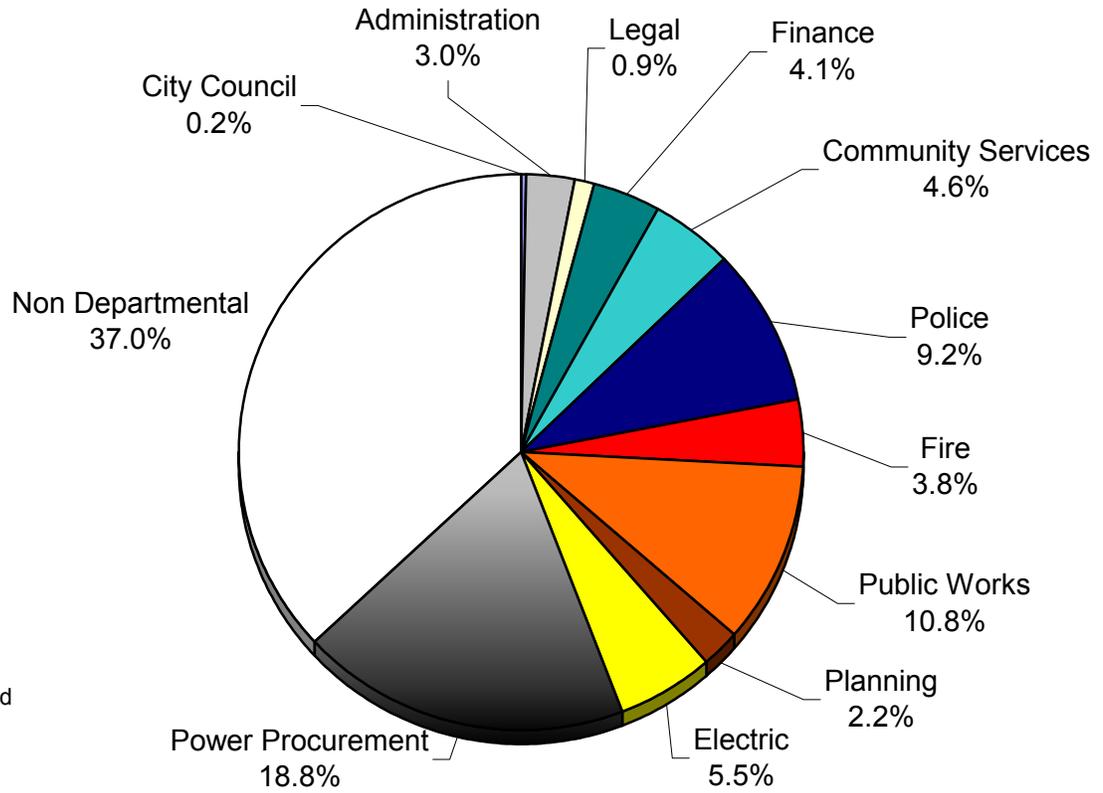
Service Fund Fees are used to maintain and replace City vehicles and information systems equipment, as well as for the payment of insurance and benefits.

Utility Services account for the cost of electricity and water used by each department.

Wholesale Power represents the cost of buying power to provide electricity for the City.

Notes:

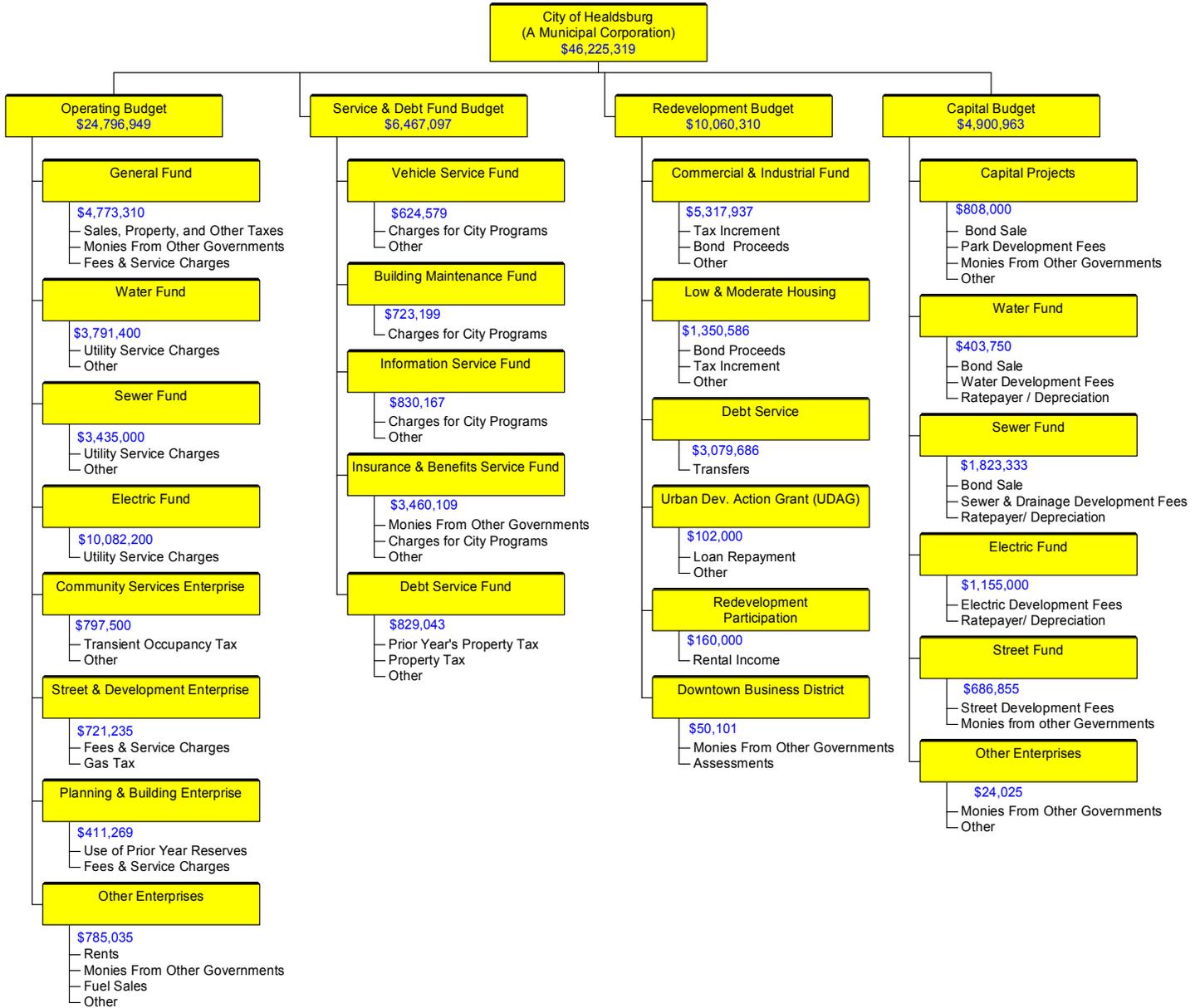
Operating* Budgets FY 2003/2004
Total \$35,388,885



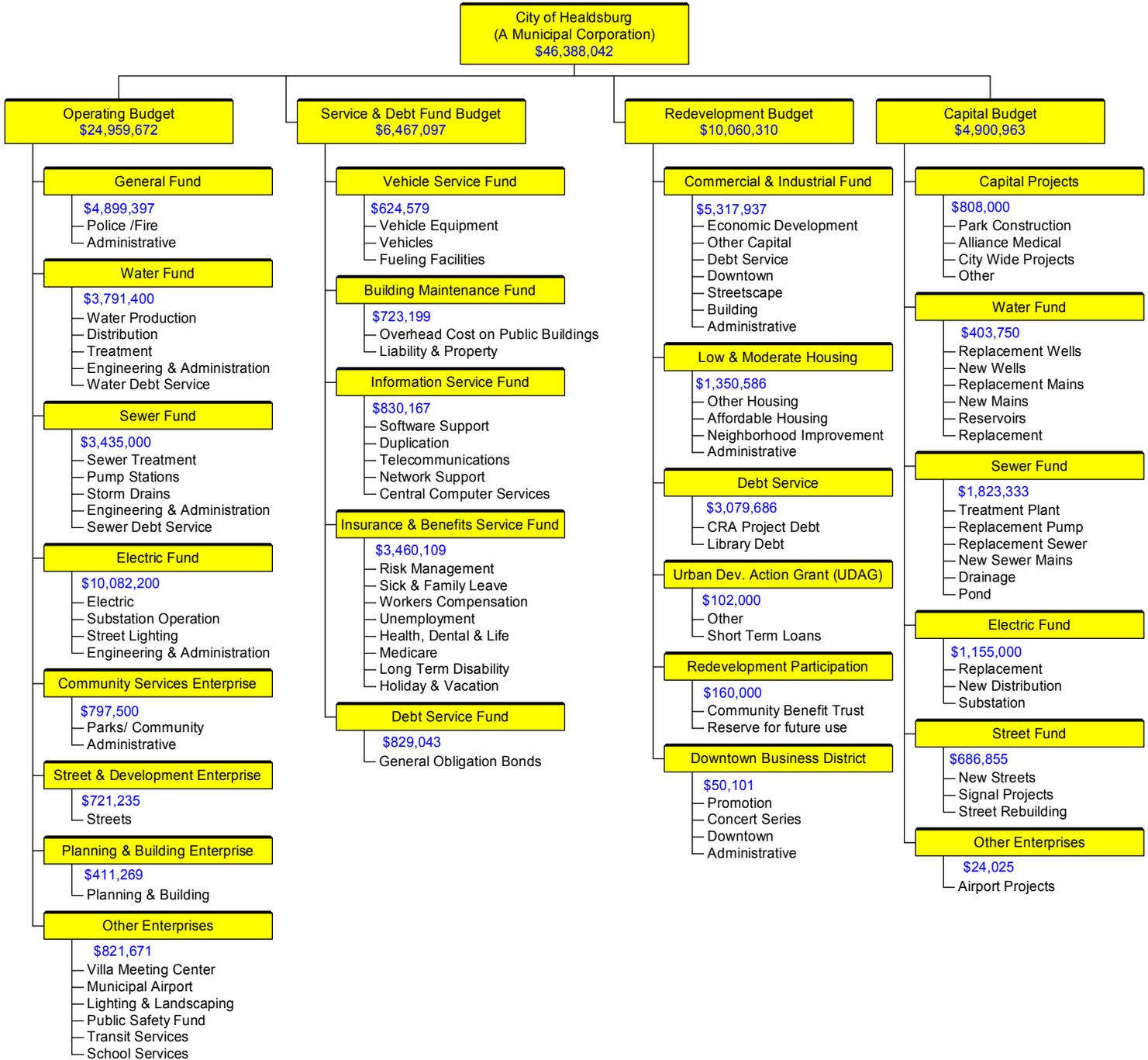
*Debt Service Included

Total City Revenues

Budget for Fiscal Year 2003-2004



Total City Spending Budget for Fiscal Year 2003-2004



Project No.	Project Title/Funding Source		Requested Funding 2003-04
Administration			
<i>Public Building Projects:</i>			
PB0014	Repair Firehouse Underground Fuel Tanks	\$	10,000
PB0097	Community Development Center	\$	100,000
	Total Administration	\$	110,000
Community Services			
<i>Park Projects:</i>			
PK0012	Badger Park Improvements	\$	5,000
PK0014	Villa Chanticleer Building Improvements	\$	10,000
PK0016	Gibbs Park Playground Renovation - Phase I	\$	5,000
PK0151	A.L. Barbieri Park - Phase I	\$	68,000
<i>Airport Projects:</i>			
AP0332	Airport - Other Misc Emergency	\$	24,025
	Total Community Services	\$	112,025
Electric Department			
<i>Electric Projects:</i>			
EL0011	Tree Mitigation/Villa Chanticleer URD Project	\$	50,000
EL0013	Fitch Mt. Feeder Extension on Powell/Revel Rd. to Maxwell	\$	196,000
EL0015	Replace Street Lights	\$	20,000
EL0025	Electric Utility Benefit Fund	\$	200,000
EL0094	Other Equipment	\$	47,000
EL0157	Expand 12 kV Primary	\$	14,000
EL0159	Acquisition PG&E Facilities-Old Redwood Hwy/North Area	\$	80,000
EL0181	University to Gauntlett Underground Primary Feeder	\$	50,000
EL0182	Heron - So. Fitch Mt. Rd. - Install Cable, Express Feeder	\$	100,000
EL0274	Replace Substation Equipment	\$	15,000
EL0285	Nostalgic Street Light Project	\$	50,000
EL0287	Replace Distribution Transformers	\$	28,000
EL0296	Replace Poles, Capacitors, Arms, Insulator	\$	10,000
EL0298	Replace System Meters	\$	50,000
EL0377	Grove Street OVD Rebuild	\$	100,000
EL0378	Sewer Plant Feed OVD Rebuild	\$	80,000
EL0435	South Feeder OVD Rebuild	\$	65,000
<i>Public Buildings Projects:</i>			
PB0007	Corporate Yard - Grading and Paving	\$	250,000
PB0013	Replace Metal Roof and Gutters, Corp Yard	\$	120,000
	Total Electric Department	\$	1,525,000
Planning & Building			
<i>City Wide Projects:</i>			
CW0008	General Plan/Housing Element Update	\$	25,000
CW0023	Downtown Parking Lot Extension	\$	25,000
CW0024	Neighborhood Renovation Program	\$	35,000
	Total Planning & Building	\$	85,000

Project No.	Project Title/Funding Source	Requested Funding 2003-04
Public Works		
<u>City Wide Projects:</u>		
CW0003	Foss Creek Trail System	\$ 155,000
<u>Water Projects:</u>		
PWW020	Distribution Pipe System Replacement	\$ 83,750
PWW037	Emergency Main Replacement	\$ 25,000
PWW043	Production/Pumping Equipment Repl.	\$ 35,000
PWW045	Development Engineering	\$ 30,000
PWW094	Miscellaneous Equipment	\$ 55,000
PWW201	Oversize Water Mains	\$ 10,000
PWW422	Valve Replacement	\$ 15,000
PWW490	Water Service Replacement	\$ 150,000
<u>Sewer Projects:</u>		
PWS012	Collection System Main Replacement	\$ 340,000
PWS014	Outfall Relocation Project	\$ 75,000
PWS029	Lift Station Sewer Rebuilds	\$ 75,000
PWS045	Development Engineering	\$ 40,000
PWS094	Miscellaneous Equipment	\$ 40,000
PWS439	Emergency Main Replacements	\$ 20,000
PWS445	WWTP Modifications	\$ 1,000,000
<u>Drainage Projects:</u>		
PWD001	Creek Channel Oversizing	\$ 10,000
PWD004	Storm Drain Oversizing	\$ 20,000
PWD006	Storm Drain Oversizing - Area B	\$ 5,000
PWD009	Miscellaneous Storm Drain Replacement	\$ 133,333
PWD010	Phase II Stormwater Rule Compliance	\$ 20,000
PWD045	Development Engineering - Drainage	\$ 45,000
<u>Street Projects:</u>		
PWT002	Dry Creek Rd/HBG Ave Intersection	\$ 37,355
PWT012	Annual Reconstruction (PMS)	\$ 375,000
PWT016	Hazardous Sidewalk Repair	\$ 35,500
PWT017	Annual Overlay (PMS)	\$ 100,000
PWT045	Street Development Engineering	\$ 40,000
PWT249	Annual Maintenance - Slurry Seal (PMS)	\$ 59,000
PWT329	Railroad Crossing - Street Repairs	\$ 30,000
PWT332	Right-of-Way Tree Removal	\$ 10,000
	Total Public Works	\$ 3,068,938
	Grand Total Capital Budget	\$ 4,900,963

SUMMARY OF POSITIONS

Department	Approved 2002-2003	Adopted 2003-2004	Difference
<i>Administration</i>			
Full-time*	4	3	-1
Part-time	8	8	-
Temporary	-	-	-
<i>Total Administration</i>	12	11	-1
<i>Finance</i>			
Full-time	11	11	-
Part-time	2	2	-
Temporary*	1	0	-1
<i>Total Finance</i>	14	13	-1
<i>Community Services</i>			
Full-time*	6	5	-1
Part-time	3	3	-
Temporary	3	3	-
<i>Total Community Services</i>	12	11	-1
<i>Fire</i>			
Full-time*	8	7	-1
Part-time	53	53	-
Temporary	-	-	-
<i>Total Fire</i>	61	60	-1
<i>Police</i>			
Full-time	27	23	-4
Part-time	6	5	-1
Temporary	-	-	-
<i>Total Police</i>	33	28	-5
<i>Electric</i>			
Full-time	13	13	-
Part-time	1	1	-
Temporary	-	-	-
<i>Total Electric</i>	14	14	-
<i>Planning & Building</i>			
Full-time	5	5	-
Part-time	-	-	-
Temporary	3	2	-1
<i>Total Planning & Building</i>	8	7	-1
<i>Public Works</i>			
Full-time	27	27	-
Part-time	-	-	-
Temporary	5	3	-2
<i>Total Public Works</i>	32	30	-2
<i>Total Departments</i>			
Full-time	101	94	-7
Part-time	73	72	-1
Temporary	12	8	-4
<i>Grand Total</i>	186	174	-12

* indicates midyear position reduction

CITY OF HEALDSBURG

FINANCIAL STATUS OVERVIEW

Operating Budget*

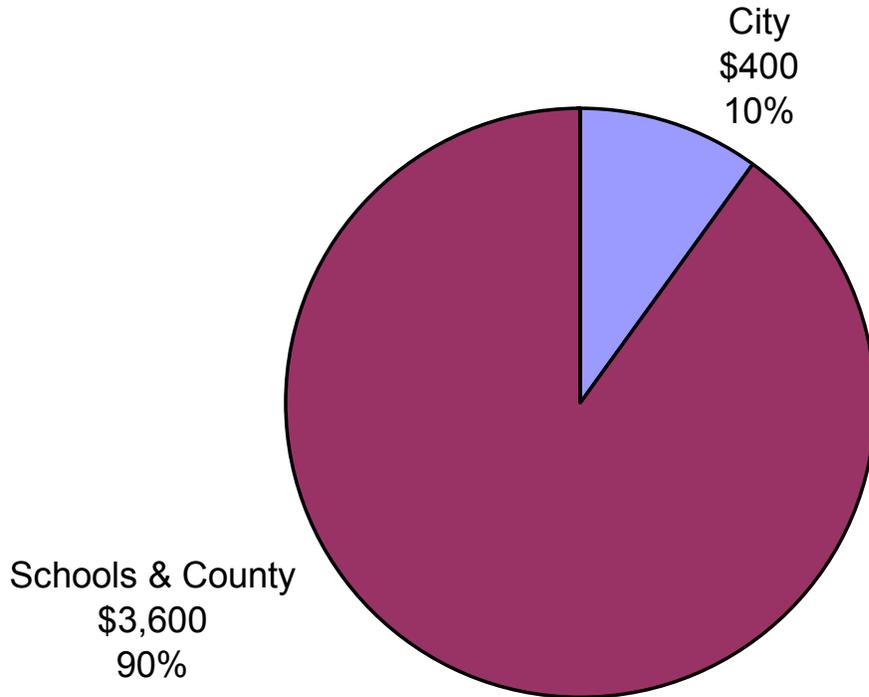
	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
Property Tax - General Fund	\$ 570,149	\$ 486,097	\$ 616,599	\$ 130,502	27%
Property Tax - Bond Debt	1,124,789	893,690	822,043	(71,647)	-8%
CRA Tax Increment	4,725,371	4,720,000	5,180,000	460,000	10%
Sales and Other Taxes	3,971,162	3,919,313	4,185,500	266,187	7%
Charges for Services	14,337,045	15,235,829	16,415,516	1,179,687	8%
Facility Rents	460,085	429,183	434,150	4,967	1%
Intergovernmental Revenues	1,565,643	1,636,127	1,137,919	(498,208)	-30%
Investments	704,544	736,996	389,985	(347,011)	-47%
Permits/Planning Fees	362,090	251,000	281,000	30,000	12%
Transfers	1,274,384	1,908,056	3,212,116	1,304,060	68%
Miscellaneous Revenues	280,370	188,827	197,617	8,790	5%
Note Proceeds	26,595,425	1,860,000	1,207,937	(652,063)	-35%
Use of Reserves	2,350,000	14,360,938	1,370,355	(12,990,583)	-90%
Other	408,802	240,904	185,464	(55,440)	-23%
TOTAL REVENUES	\$ 58,729,859	\$ 46,866,960	\$ 35,636,201	\$ (11,230,759)	-24%
<u>EXPENSES BY DEPARTMENT</u>					
City Council	\$ 42,734	\$ 65,528	\$ 65,528	\$ -	0%
Administration	832,633	1,039,434	1,050,648	11,214	1%
Legal	479,762	324,472	324,472	-	0%
Finance	1,348,461	1,449,299	1,449,299	-	0%
Community Services	1,365,304	1,643,545	1,629,546	(13,999)	-1%
Police	2,853,968	3,324,026	3,247,499	(76,527)	-2%
Fire	1,237,407	1,386,383	1,337,581	(48,802)	-4%
Electric - Operating	1,939,787	1,775,329	1,958,623	183,294	10%
Electric Power Costs**	8,597,303	7,155,177	6,665,000	(490,177)	-7%
Public Works	2,948,259	3,814,116	3,809,450	(4,666)	0%
Planning	606,811	776,401	770,401	(6,000)	-1%
Non Departmental	10,081,356	23,864,404	13,080,838	(10,783,566)	-45%
TOTAL EXPENSES	\$ 32,333,785	\$ 46,618,114	\$ 35,388,885	\$ (11,229,229)	-24%
Reserved for future use	26,475,344	267,646	410,039		
RESULTING GAIN (LOSS)	\$ (79,270)	\$ (18,800)	\$ (162,723)		

* Debt Service Included.

** Costs are part of the Electric Department.

City of Healdsburg Comparative Property Tax Bills

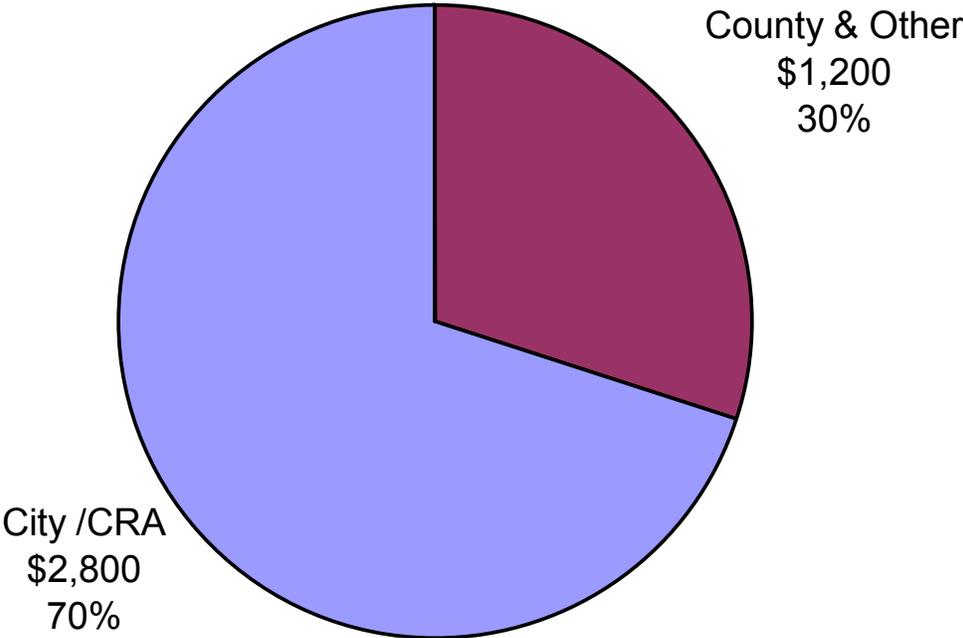
2002 Home Purchased for \$400,000
Local 1% Tax \$4,000 - 2002
In City - **Outside** CRA Area



The City General Fund receives \$.10 of every local 1% property tax dollar collected on property **outside** the Community Redevelopment Agency (CRA) project area. This equals \$400.00 for a house valued at \$400,000 in 2002, to pay for Police, Fire, Parks and Recreation and general government

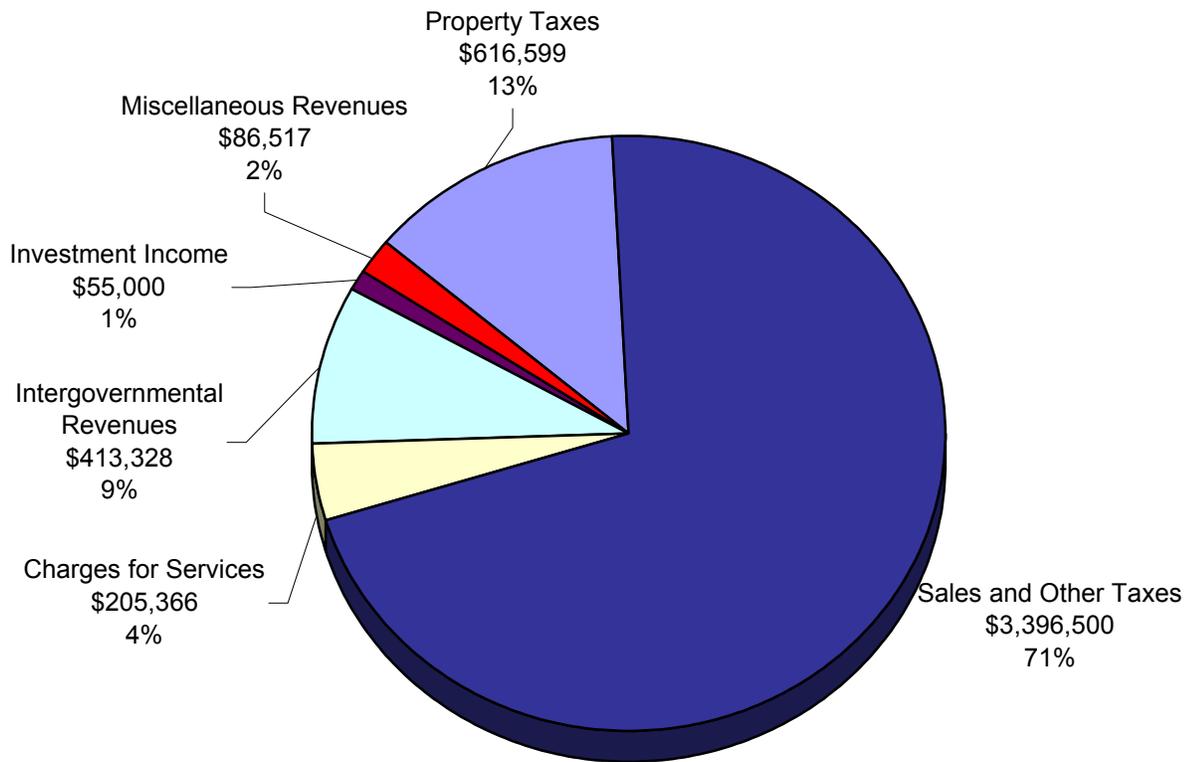
City of Healdsburg Comparative Property Tax Bills

2002 Home Purchased for \$400,000
Local 1% Tax \$4,000 - 2002
In City - **Inside** CRA Area

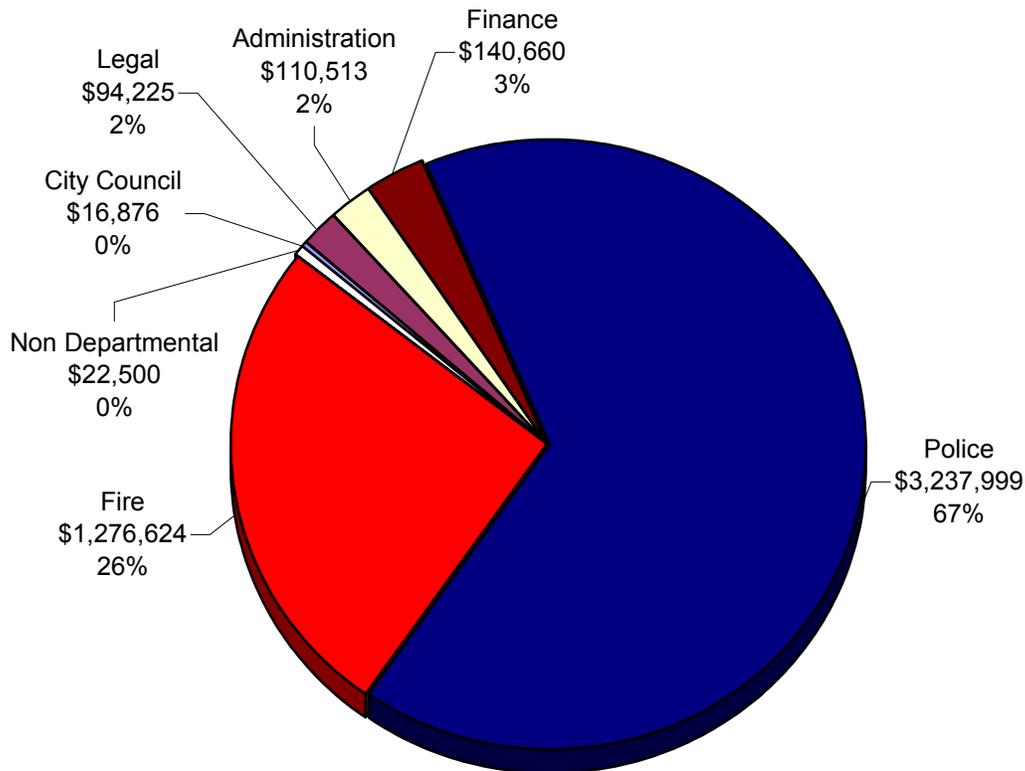


The same house, again valued at \$400,000 and the same local 1% property tax **inside** the Community Redevelopment Agency (CRA) project area, generates revenue equal to \$.70 of every dollar paid, or approximately more than seven times the property tax revenue collected outside the CRA area.

Revenues By Source- General Fund \$4,773,310



Expenditures By Department - General Fund \$4,899,397



GENERAL FUND

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
Property Taxes	\$ 570,149	\$ 486,097	\$ 616,599	\$ 130,502	27%
Sales and Other Taxes	3,305,912	3,231,633	3,396,500	164,867	5%
Charges for Services	270,914	222,162	205,366	(16,796)	-8%
Intergovernmental Revenues	872,300	872,762	413,328	(459,434)	-53%
Investments	74,919	90,000	55,000	(35,000)	-39%
Miscellaneous Revenues	108,148	84,915	86,517	1,602	2%
Use of Reserves	-	208,156	-	-	0%
TOTAL REVENUES	\$ 5,202,342	\$ 5,195,725	\$ 4,773,310	\$ (422,415)	-8%
<u>EXPENSES BY DEPARTMENT</u>					
City Council	\$ 11,394	\$ 15,511	\$ 16,876	\$ 1,365	9%
Legal	201,962	101,925	94,225	(7,700)	-8%
Administration	214,814	140,209	110,513	(29,696)	-21%
Finance	172,647	143,760	140,660	(3,100)	-2%
Police	2,843,250	3,289,261	3,237,999	(51,262)	-2%
Fire	1,204,792	1,340,159	1,276,624	(63,535)	-5%
Electric	(634)	12,000	-	(12,000)	-100%
Transfer to Community Services Ent.	-	100,000	-	(100,000)	-100%
Transfer to Community Benefit Trust	50,000	-	-	-	0%
Transfer to Planning & Building Ent.	88,500	-	-	-	0%
Transfer to Capital Improvements	166,816	30,400	-	(30,400)	-100%
Non Departmental	58,123	22,500	22,500	-	0%
TOTAL EXPENSES	\$ 5,011,664	\$ 5,195,725	\$ 4,899,397	\$ (296,328)	-6%
RESULTING GAIN (LOSS)	\$ 190,678	\$ -	\$ (126,087)		

BLUE - Indicates Operating Fund

GREEN - Indicates Service or Debt Funds

WATER ENTERPRISE

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
Service Charges	\$ 2,909,292	\$ 3,397,425	\$ 3,730,500	\$ 333,075	10%
Investment Income	122,080	125,000	60,000	(65,000)	-52%
Miscellaneous Revenues	3,721	500	900	400	80%
				-	
TOTAL REVENUES	\$ 3,035,093	\$ 3,522,925	\$ 3,791,400	\$ 268,475	8%
<u>EXPENSES BY DEPARTMENT</u>					
City Council	\$ 7,235	\$ 10,453	\$ 11,205	752	7%
Legal	58,375	39,327	38,079	(1,248)	-3%
Administration	106,678	121,793	128,456	6,663	5%
Finance	268,476	278,155	279,624	1,469	1%
Public Works	1,293,111	1,587,130	1,621,602	34,472	2%
Planning & Building	-	9,282	-	(9,282)	-100%
Fire	12,857	18,622	24,688	6,066	33%
Police	-	5,000	-	(5,000)	100%
Electric	19,571	-	-	-	0%
Transfer to Capital Projects*	301,988	247,900	350,833	102,933	42%
Non Departmental	736,813	1,141,774	1,284,128 ¹	142,354	12%
				-	
TOTAL EXPENSES	\$ 2,805,104	\$ 3,459,436	\$ 3,738,615	\$ 279,179	8%
Reserved for future use	-	63,489	52,785		
RESULTING GAIN (LOSS)	\$ 229,989	\$ -	\$ -		

1) includes \$200,000 for new debt.

*Actual capital transfer is replacement portion only.

SEWER ENTERPRISE*

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
Service Charges	\$ 2,826,766	\$ 2,942,500	\$ 3,385,000	\$ 442,500	15%
Investment Income	113,867	45,000	45,000	-	0%
Miscellaneous Revenues	13,875	500	5,000	4,500	900%
TOTAL REVENUES	\$ 2,954,508	\$ 2,988,000	\$ 3,435,000	\$ 447,000	15%
<u>EXPENSES BY DEPARTMENT</u>					
City Council	\$ 7,219	\$ 10,403	\$ 11,208	\$ 805	8%
Legal	67,482	39,327	38,079	(1,248)	-3%
Administration	102,160	117,854	122,675	4,821	4%
Finance	237,323	256,887	256,920	33	0%
Public Works	1,099,471	1,516,312	1,508,498	(7,814)	-1%
Planning & Building	-	9,282	-	(9,282)	-100%
Fire	11,486	16,129	21,171	5,042	31%
Police	-	5,000	-	(5,000)	-100%
Electric	11,554	13,369	15,518	2,149	16%
Transfer to Capital Projects**	627,668	451,650	624,583	172,933	38%
Non Departmental	251,344	495,589	750,536	254,947	51%
TOTAL EXPENSES	\$ 2,415,707	\$ 2,931,802	\$ 3,349,188	\$ 417,386	14%
Reserved for future use	-	56,198	85,812		
RESULTING GAIN (LOSS)	\$ 538,801	\$ -	\$ -		

1) Includes \$500,000 for new debt.

* This enterprise includes drainage

**Actual capital transfer is replacement portion only.

ELECTRIC ENTERPRISE

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
Service Charges	\$ 8,009,231	\$ 8,200,000	\$ 8,286,200	\$ 86,200	1%
Electric Public Benefit	199,301	234,000	236,000	2,000	1%
Surplus Power Sales	-	100,000	450,000	350,000	350%
Investment Income	109,645	260,000	105,000	(155,000)	-60%
Miscellaneous Revenues	5,916	5,000	5,000	-	0%
Use of Geothermal Reserves	2,350,000	1,500,000	1,000,000	(500,000)	-33%
TOTAL REVENUES	\$ 10,674,093	\$ 10,299,000	\$ 10,082,200	\$ (216,800)	-2%
<u>EXPENSES BY DEPARTMENT</u>					
City Council	\$ 8,312	\$ 12,353	\$ 10,708	\$ (1,645)	-13%
Legal	70,029	49,203	47,958	(1,245)	-3%
Administration	117,316	142,011	131,138	(10,873)	-8%
Finance	465,705	489,446	475,938	(13,508)	-3%
Electric	1,848,457	1,716,448	1,913,599	197,151	11%
NCPA Power Costs*	7,858,644	6,255,022	6,215,000	(40,022)	-1%
Western Power Costs*	738,659	550,155	450,000	(100,155)	-18%
Transmission Cost Increase*	-	350,000	-	(350,000)	-100%
Public Works	26,065	29,414	25,084	(4,330)	-15%
Planning & Building	-	9,282	-	(9,282)	-100%
Fire	6,427	9,311	12,344	3,033	33%
Police	-	5,000	-	(5,000)	-100%
Transfer to Capital Projects	563,551	690,900	786,333	95,433	14%
Non Departmental	303,180	111,982	-	(111,982)	-100%
TOTAL EXPENSES	\$ 12,006,345	\$ 10,420,527	\$ 10,068,102	\$ (352,425)	-3%
Reserved for future use	-	-	14,098		
RESULTING GAIN (LOSS)	\$ (1,332,252)	\$ (121,527)	\$ -		

*Costs are part of the Electric Department.

1) Paid off outstanding Debt.

COMMUNITY SERVICES ENTERPRISE

	<u>ACTUAL</u> 2001-2002	<u>ADOPTED</u> 2002-2003	<u>BUDGET</u> 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
Transient Occupancy Tax	\$ 665,250	\$ 687,680	\$ 789,000	\$ 101,320	15%
Miscellaneous Revenues	-	7,635	8,500	865	11%
Reserves	-	100,000	-	(100,000)	-100%
TOTAL REVENUES	<u>\$ 665,250</u>	<u>\$ 795,315</u>	<u>\$ 797,500</u>	<u>\$ 2,185</u>	<u>0%</u>
<u>EXPENSES BY DEPARTMENT</u>					
City Council	\$ -	\$ 2,172	\$ 787	\$ (1,385)	-64%
Legal	-	14,275	24,307	10,032	70%
Administration	-	13,239	13,912	673	5%
Finance	-	26,316	30,388	4,072	15%
Community Services	546,056	639,586	649,809	10,223	2%
Transfer to Capital Projects	-	-	64,873	64,873	100%
Non Departmental	-	-	13,424	13,424	100%
TOTAL EXPENSES	<u>\$ 546,056</u>	<u>\$ 695,588</u>	<u>\$ 797,500</u>	<u>\$ 101,912</u>	<u>15%</u>
RESULTING GAIN (LOSS)	<u><u>\$ 119,194</u></u>	<u><u>\$ 99,727</u></u>	<u><u>\$ -</u></u>		

* This fund was recorded in the General Fund in previous years.

MEETING CENTER ENTERPRISE

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
Facility Rent	\$ 176,711	\$ 182,000	\$ 183,500	\$ 1,500	1%
Miscellaneous Revenues	28,941	26,200	26,700	500	2%
Interest Income	-	596	-	(596)	-100%
Transfer from Community Service Ent	-	-	13,424	13,424	100%
TOTAL REVENUES	\$ 205,652	\$ 208,796	\$ 223,624	\$ 14,828	7%
<u>EXPENSES BY DEPARTMENT</u>					
Community Services	198,659	206,634	220,870	14,236	7%
Fire	1,845	2,162	2,754	592	27%
Non Departmental	36,815	-	-	-	0%
TOTAL EXPENSES	\$ 237,319	\$ 208,796	\$ 223,624	\$ 14,828	7%
RESULTING GAIN (LOSS)	\$ (31,667)	\$ -	\$ -		

1) Depreciation was not budgeted

TRANSIT ENTERPRISE

	<u>ACTUAL</u> 2001-2002	<u>ADOPTED</u> 2002-2003	<u>BUDGET</u> 2003-2004	<u>DIFFERENCE</u> <u>FROM</u> 2002-2003	<u>%</u> <u>DIFFERENCE</u>
<u>REVENUES</u>					
Transfers (Grants)	\$ 131,998	\$ 165,082	\$ 129,006	\$ (36,076)	-22%
Income (Fares)	13,280	18,342	14,450	(3,892)	-21%
Interest Income	10	2,500	2,500	-	0%
TOTAL REVENUES	<u>\$ 145,288</u>	<u>\$ 185,924</u>	<u>\$ 145,956</u>	<u>\$ (39,968)</u>	<u>-21%</u>
<u>EXPENSES BY DEPARTMENT</u>					
Finance	\$ 5,771	\$ 6,412	\$ 5,783	\$ (629)	-10%
Community Services	139,244	179,512	176,809	(2,703)	-2%
TOTAL EXPENSES	<u>\$ 145,015</u>	<u>\$ 185,924</u>	<u>\$ 182,592</u>	<u>\$ (3,332)</u>	<u>-2%</u>
RESULTING GAIN (LOSS)	<u>\$ 273</u>	<u>\$ -</u>	<u>\$ (36,636)</u>		

PLANNING & BUILDING ENTERPRISE

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
Permits/Planning Fees	362,090	251,000	281,000	30,000	12%
Investment Income	10,409	5,000	5,000	-	0%
Transfer from General Fund	88,500	-	-	-	0%
Use of prior year development reserves	-	86,650	125,269	38,619	45%
TOTAL REVENUES	\$ 460,999	\$ 342,650	\$ 411,269	\$ 68,619	20%
<u>EXPENSES BY DEPARTMENT</u>					
City Council	\$ 673	\$ 1,127	\$ 1,072	\$ (55)	-5%
Legal	4,222	4,652	4,853	201	4%
Administration	7,051	11,954	12,071	117	1%
Finance	12,318	11,792	13,252	1,460	12%
Public Works	154	-	-	-	0%
Planning & Building	377,627	313,125	380,021	66,896	21%
Non Departmental	519	-	-	-	
TOTAL EXPENSES	\$ 402,564	\$ 342,650	\$ 411,269	\$ 68,619	20%
RESULTING GAIN (LOSS)	\$ 58,435	\$ -	\$ -		

LIGHTING & LANDSCAPING DISTRICT AREA A

	<u>ACTUAL</u> 2001-2002	<u>ADOPTED</u> 2002-2003	<u>BUDGET</u> 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
Special Assessments	\$ 134,691	\$ 129,464	\$ 133,024	\$ 3,560	3%
Interest Income	3,830	700	2,285	1,585	226%
Use of Reserves	-	4,575	-	(4,575)	-100%
TOTAL REVENUES	\$ 138,521	\$ 134,739	\$ 135,309	\$ 570	0%
<u>EXPENSES BY DEPARTMENT</u>					
Community Services	\$ 35,136	\$ 56,104	\$ 45,090	\$ (11,014)	-20%
Non Departmental	73,093	78,635	41,200	(37,435)	-48%
TOTAL EXPENSES	\$ 108,229	\$ 134,739	\$ 86,290	\$ (48,449)	-36%
Reserved for future use	30,292	-	49,019		
RESULTING GAIN (LOSS)	\$ -	\$ -	\$ -		

STREET & DEVELOPMENT ENTERPRISE

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
Intergovernmental Revenues	633,315	696,510	656,235	(40,275)	-6%
Miscellaneous Revenues	60,542	64,077	65,000	923	1%
TOTAL REVENUES	\$ 693,857	\$ 760,587	\$ 721,235	\$ (39,352)	-5%
<u>EXPENSES BY DEPARTMENT</u>					
City Council	\$ 873	\$ 1,497	\$ 1,442	\$ (55)	-4%
Legal	4,064	4,652	4,853	201	4%
Administration	11,397	16,424	16,341	(83)	-1%
Finance	14,250	13,960	14,827	867	6%
Electric	60,839	33,512	29,506	(4,006)	-12%
Public Works	529,458	681,260	654,266	(26,994)	-4%
Planning & Building	-	9,282	-	(9,282)	-100%
Non Departmental	4,248	-	-	-	0%
TOTAL EXPENSES	\$ 625,129	\$ 760,587	\$ 721,235	\$ (39,352)	-5%
RESULTING GAIN (LOSS)	\$ 68,728	\$ -	\$ -		

AIRPORT ENTERPRISE

	<u>ACTUAL</u> 2001-2002	<u>ADOPTED</u> 2002-2003	<u>BUDGET</u> 2003-2004	<u>DIFFERENCE</u> <u>FROM</u> 2002-2003	<u>%</u> <u>DIFFERENCE</u>
<u>REVENUES</u>					
Rents	\$ 89,702	\$ 87,183	\$ 90,650	\$ 3,467	4%
Fuel Sales	108,261	121,400	108,000	(13,400)	-11%
Grant	-	10,000	-	(10,000)	-100%
Interest Income	3,942	6,000	2,000	(4,000)	-67%
TOTAL REVENUES	\$ 201,905	\$ 224,583	\$ 200,650	\$ (23,933)	-11%
<u>EXPENSES BY DEPARTMENT</u>					
Administration	\$ 5,999	\$ -	\$ -	\$ -	0%
Finance	6,836	7,940	8,946	1,006	13%
Community Services	134,554	157,363	159,399	2,036	1%
Transfer to Capital Project	-	51,000	24,025	(26,975)	-53%
Non Departmental	33,114	8,280	8,280	-	0%
TOTAL EXPENSES	\$ 180,503	\$ 224,583	\$ 200,650	\$ (23,933)	-11%
RESULTING GAIN (LOSS)	\$ 21,402	\$ -	\$ -		

1) Partial funding for Capital project. (original request \$47,667.)

BENJAMIN WAY MAINTENANCE DISTRICT

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
REVENUES					
Maintenance fees	\$ 440	\$ 440	\$ 440	\$ -	0%
Interest Income	71	-	-	-	0%
TOTAL REVENUES	\$ 511	\$ 440	\$ 440	\$ -	0%
EXPENSES BY DEPARTMENT					
Finance	\$ -	\$ 440	\$ 440	\$ -	0%
TOTAL EXPENSES	\$ -	\$ 440	\$ 440	\$ -	0%
RESULTING GAIN (LOSS)	\$ 511	\$ -	\$ -		

SCHOOL SERVICES ENTERPRISE

7/16/2003

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
Investment Income	\$ 895	\$ 1,200	\$ 1,200	\$ -	0%
Healdsburg Unified School Dist.	57,167	61,855	62,856	1,001	2%
School Fees	2,861	5,000	5,500	500	10%
TOTAL REVENUES	\$ 60,923	\$ 68,055	\$ 69,556	\$ 1,501	2%
<u>EXPENSES BY DEPARTMENT</u>					
Community Services	\$ 54,483	\$ 65,055	\$ 69,556	\$ 4,501	7%
TOTAL EXPENSES	\$ 54,483	\$ 65,055	\$ 69,556	\$ 4,501	7%
 RESULTING GAIN (LOSS)	 \$ 6,440	 \$ 3,000	 \$ -		

MISCELLANEOUS FUNDS

	<u>ACTUAL</u> 2001-2002	<u>ADOPTED</u> 2002-2003	<u>BUDGET</u> 2003-2004	<u>DIFFERENCE</u> <u>FROM</u> 2002-2003	<u>%</u> <u>DIFFERENCE</u>
<u>REVENUES</u>					
Other Revenues	\$ 155,312	\$ -	\$ -	\$ -	0%
Transfer	-	25,000	-	(25,000)	-100%
Interest Income	4,064	-	-	-	0%
Use of Reserves	-	19,765	9,500	(10,265)	-52%
TOTAL REVENUES	\$ 159,376	\$ 44,765	\$ 9,500	\$ (35,265)	-79%
<u>EXPENSES BY DEPARTMENT</u>					
Administration	\$ -	\$ 25,000	\$ -	\$ (25,000)	-100%
Police Department	10,718	19,765	9,500	(10,265)	-52%
Non Departmental	146	-	-	-	0%
TOTAL EXPENSES	\$ 10,864	\$ 44,765	\$ 9,500	\$ (10,265)	-23%
RESULTING GAIN (LOSS)	\$ 148,512	\$ -	\$ -		

* INCLUDES Media Center history, Asset forfeitures

COMMERCIAL & INDUSTRIAL FUND

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENC
<u>REVENUES</u>					
Increment	\$ 3,780,297	\$ 3,762,000	\$ 4,145,000	\$ 383,000	10%
Miscellaneous Revenues	59,227	-	-	-	0%
Interest Income	142,718	75,000	25,000	(50,000)	-67%
Note Proceeds	6,950,970	1,860,000	-	(1,860,000)	-100%
CRA Rental Income	142,040	-	-	-	0%
Use of Taxable Bond Proceeds	-	-	1,122,937	1,122,937	100%
Use of Bond Proceeds	-	-	25,000	25,000	100%
Use of Reserves	-	7,342,412	-	(7,342,412)	-100%
TOTAL REVENUES	\$ 11,075,252	\$ 13,039,412	\$ 5,317,937	\$ (7,721,475)	-59%
<u>EXPENSES BY DEPARTMENT</u>					
City Council	\$ 7,028	\$ 12,012	\$ 12,230	\$ 218	2%
Legal	29,639	30,111	31,118	1,007	3%
Administration	237,137	408,418	474,846	66,428	16%
Finance	127,641	154,565	156,543	1,978	1%
Community Services	201,981	239,819	221,604	(18,215)	-8%
Planning & Building	105,114	231,328	171,863	(59,465)	-26%
Projects	1,753,332	9,170,400	45,000	(9,125,400)	-100%
Financing*	1,794,486	2,596,044	4,090,233	1,494,189	58%
Non Departmental	109,380	140,000	114,500	(25,500)	-18%
TOTAL EXPENSES	\$ 4,365,738	\$ 12,982,697	\$ 5,317,937	\$ (7,664,760)	-59%
Reserved for future use	6,709,514	56,715	-		
RESULTING GAIN (LOSS)	\$ -	\$ -	\$ -		

1) Includes \$500,000 ERAF payment

LOW & MODERATE INCOME HOUSING FUND

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
Increment	\$ 945,074	\$ 958,000	\$ 1,035,000	\$ 77,000	8%
Interest Income	11,864	30,000	20,000	(10,000)	-33%
Other Income	57,142 ¹	-	-	-	0%
Use of Taxable Bond Proceeds	-	-	60,000	60,000	100%
Use of Reserves	-	5,029,255	235,586	(4,793,669)	-95%
TOTAL REVENUES	\$ 1,014,080	\$ 6,017,255	\$ 1,350,586	\$ (4,666,669)	-78%
<u>EXPENSES BY DEPARTMENT</u>					
Legal	\$ 43,989	\$ 41,000	\$ 41,000	\$ -	0%
Administration	30,081	42,532	40,696	(1,836)	-4%
Finance	34,604	56,501	62,303	5,802	10%
Community Services	55,191	99,472	86,409	(13,063)	-13%
Planning & Building	124,070	194,820	218,517	23,697	12%
Financing	-	312,930	818,041	505,111	161%
Projects	824,459	5,270,000	60,000	(5,210,000)	-99%
Non Departmental	- ²	-	23,620	23,620	100%
TOTAL EXPENSES	\$ 1,112,394	\$ 6,017,255	\$ 1,350,586	\$ (4,666,669)	-78%
Reserved for future use	-	-	-		
RESULTING GAIN (LOSS)	\$ (98,314)	\$ -	\$ -		

UDAG (VINEYARD PLAZA) FUND

	<u>ACTUAL</u> <u>2001-2002</u>	<u>ADOPTED</u> <u>2002-2003</u>	<u>BUDGET</u> <u>2003-2004</u>	<u>DIFFERENCE</u> <u>FROM</u> <u>2002-2003</u>	<u>%</u> <u>DIFFERENCE</u>
<u>REVENUES</u>					
Vineyard Plaza Loan Payment	\$ 61,217	\$ 101,000	\$ 52,000	\$ (49,000)	-49%
Interest Income	72,498	32,000	50,000	18,000	56%
Rental Income	51,632	-	-	-	0%
Use of Reserves	-	70,125	-	(70,125)	-100%
TOTAL REVENUES	\$ 185,347	\$ 203,125	\$ 102,000	\$ (101,125)	-50%
<u>EXPENSES BY DEPARTMENT</u>					
Finance	\$ 2,890	\$ 3,125	\$ 3,675	\$ 550	18%
Non Departmental	3,615	-	-	-	0%
Economic Development Loan	-	200,000	-	(200,000)	-100%
TOTAL EXPENSES	\$ 6,505	\$ 203,125	\$ 3,675	\$ (199,450)	-98%
Reserved for future use	178,842	-	98,325		
RESULTING GAIN (LOSS)	\$ -	\$ -	\$ -		

1) Rental Income moved to new Project Participation Fund

PROJECT PARTICIPATION FUND

	<u>ACTUAL</u> <u>2001-2002</u>	<u>ADOPTED</u> <u>2002-2003</u>	<u>BUDGET</u> <u>2003-2004</u>	<u>DIFFERENCE</u> <u>FROM</u> <u>2002-2003</u>	<u>%</u> <u>DIFFERENCE</u>
<u>REVENUES</u>					
Rental Income	\$ -	\$ 160,000	\$ 160,000 ¹	\$ -	100%
TOTAL REVENUES	<u>\$ -</u>	<u>\$ 160,000</u>	<u>\$ 160,000</u>	<u>\$ -</u>	<u>100%</u>
<u>EXPENSES BY DEPARTMENT</u>					
Non Departmental	\$ -	\$ 75,000	\$ 50,000 ²	\$ (25,000)	100%
TOTAL EXPENSES	<u>\$ -</u>	<u>\$ 75,000</u>	<u>\$ 50,000</u>	<u>\$ (25,000)</u>	<u>100%</u>
Reserved for future use	-	85,000	110,000		
RESULTING GAIN (LOSS)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		

* New Special Revenue Fund

1) Includes Vineyard Plaza Rent \$50,000.

2) Transfer to Community Benefit Trust.

INSURANCE & BENEFITS

	ACTUAL	ADOPTED	BUDGET	DIFFERENCE	
	2001-2002	2002-2003	2003-2004	FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
Service Fees	\$ 2,497,702	\$ 2,910,307	\$ 3,282,578	\$ 372,271	13%
Interest Income	68,570	80,000	50,000	(30,000)	-38%
REMIF* Refunds	127,531	-	-	-	0%
Use of Reserves	-	161,500	127,531	(33,969)	-21%
TOTAL REVENUES	\$ 2,693,803	\$ 3,151,807	\$ 3,460,109	\$ 308,302	10%
<u>EXPENSES BY DEPARTMENT</u>					
Non Departmental:					
Public Employee Retirement	\$ 494,768	\$ 870,621	\$ 1,275,583	\$ 404,962	47%
Health & Life Insurance	814,123	853,395	908,888	55,493	7%
Medicare	63,047	62,399	65,933	3,534	6%
Long Term Disability	44,028	65,727	68,281	2,554	4%
Liability Property Insurance	(2,377)	-	-	-	0%
State Unemployment Insurance	8,597	53,166	54,101	935	2%
Workers' Compensation	122,235	26,296	76,209	49,913	190%
Compensation Time	55,634	-	-	-	0%
Public Safety Leave	128,451	59,086	81,851	22,765	39%
Holiday Leave	296,885	326,206	139,787	(186,419)	-57%
Vacation Leave	439,655	484,194	504,898	20,704	4%
Management Leave	60,367	61,103	65,991	4,888	8%
Sick Leave	242,953	209,614	218,587	8,973	4%
Other	8,405	-	-	-	0%
	\$ 2,776,771	\$ 3,071,807	\$ 3,460,109	\$ 388,302	13%
Reserved Post Retirement Liab.	-	80,000	-		
RESULTING GAIN (LOSS)	\$ (82,968)	\$ -	\$ -		

1) Public Safety Holiday pay. All other Holiday pay budgeted in wage accounts.

VEHICLE REPLACEMENT & SERVICES

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	%
					DIFFERENCE
<u>REVENUES</u>					
Service Fees	\$ 328,858	\$ 372,104	\$ 372,104	\$ -	0%
Replacement Fees	202,330	204,930	184,475	(20,455)	-10%
Interest Income	43,793	90,000	68,000	(22,000)	-24%
Transfers	239,414	20,100	-	(20,100)	-100%
TOTAL REVENUES	\$ 814,395	\$ 687,134	\$ 624,579	\$ (62,555)	-9%
<u>EXPENSES BY DEPARTMENT</u>					
Finance	\$ 10,332	\$ 12,623	\$ 12,623	\$ -	0%
Community Services	72,410	33,379	31,525	(1,854)	-6%
Planning & Building	40,051	3,000	3,000	-	0%
Police	103,761	81,999	114,696	32,697	40%
Fire	50,668	62,337	42,237	(20,100)	-32%
Public Works	469,664	128,162	91,005	(37,157)	-29%
Electric	188,752	205,467	182,184	(23,283)	-11%
Non Departmental	(230,416) ¹	35,810	35,810	-	0%
TOTAL EXPENSES	\$ 705,222	\$ 562,777	\$ 513,080	\$ (49,697)	-9%
RESULTING GAIN (LOSS)	\$ 109,173	\$ 124,357	\$ 111,499		

1) Includes transfer to fixed assets.

VEHICLE REPLACEMENTS & UPDATES FOR FY 2003-2004

<u>Community Services</u>	
1981 1 ton Chevy Truck #57	\$ 15,525
<u>Police</u>	
1997 Squad Car #215	28,132
1997 Squad Car #217	28,132
2000 Squad Car #204	28,132
<u>Public Works</u>	
1989 1/2 Ton Van #1	23,283
1989 Chevy 1/2 Ton Truck #51	17,772
Total Purchases	<u>\$ 140,976</u>

INFORMATION SYSTEMS REPLACEMENT & SERVICES

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
REVENUES					
Service Fees	\$ 374,149	\$ 384,057	\$ 356,884	\$ (27,173)	-7%
Replacement Fees	302,432	292,369	258,554	(33,815)	-12%
Interest Income	26,458	35,000	26,500	(8,500)	-24%
Use of Reserves	-	-	188,229	188,229	100%
Other	84,419	-	-	-	0%
TOTAL REVENUES	\$ 787,458	\$ 711,426	\$ 830,167	\$ 118,741	17%
EXPENSES BY DEPARTMENT					
Administration	\$ 13,637	\$ 3,330	\$ 1,531	\$ (1,799)	-54%
Finance	173,270	235,201	387,715	152,514	65%
Community Service	6,091	15,450	9,816	(5,634)	-36%
Planning & Building	7,330	85,250	2,980	(82,270)	-97%
Police	70,871	21,300	140,889	119,589	561%
Fire	13,296	13,580	16,880	3,300	24%
Public Works	27,848	16,450	25,586	9,136	56%
Electric	34,738	32,195	63,682	31,487	98%
Non Departmental	449,989	230,531	181,088	(49,443)	-21%
TOTAL EXPENSES	\$ 797,070	\$ 653,287	\$ 830,167	\$ 176,880	27%
Reserved for future replacement	-	58,139	-		
RESULTING GAIN (LOSS)	\$ (9,612)	\$ -	\$ -		

INFORMATION SYSTEMS PURCHASES FOR FY 2003-2004

6 Replacement Printers	\$ 7,590
1 New LCD Monitor	500
1 New Winterm	500
17 Replacement PCs to Winterms	21,110
1 Replacement LCD Projector	7,666
4 Upgrades to Training PCs	800
11 Replacement Workstations	27,165
Network Equipment	
2 Replacement UPS Systems	1,680
4 Replacement Switches	4,050
3 Replacement Routers	6,830
3 Replacement Servers/Appliances	11,400
1 New DMS Report Server	3,300
1 New Web Filtering Server	4,700
1 Upgrade AS/400 Server	36,300
1 New Utility Billing Server	11,550
1 New CD Tower for Network	3,150
Software	
1 Upgrade Fire Hazmat Management Pkge	3,150
1 Upgrade Autocad Software	4,000
1 Upgrade Hirsch Locking System Software	4,500
1 Upgrade Electric Meter Testing Software	5,198
1 Upgrade Firewall Software	5,576
1 Upgrade AS400 Software & Implementation	26,400
1 Upgrade CIS Software	155,400
1 Upgrade Service Orders Software	7,350
1 Enhancement to Police Software & Training	25,000
1 New Fleet Management Software	9,450
1 New UDS Software	15,000
TOTAL PURCHASES	409,315

SERVICE FUND BUDGET - BUILDING MAINTENANCE SERVICES

	<u>ACTUAL 2001-2002</u>	<u>ADOPTED 2002-2003</u>	<u>BUDGET 2003-2004</u>	<u>DIFFERENCE FROM 2002-2003</u>	<u>% DIFFERENCE</u>
<u>REVENUES</u>					
Service Fees	\$ 565,379	\$ 609,122	\$ 688,199	\$ 79,077	13%
Other	<u>20,000</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>	<u>0%</u>
TOTAL REVENUES	<u>\$ 585,379</u>	<u>\$ 644,122</u>	<u>\$ 723,199</u>	<u>\$ 79,077</u>	<u>12%</u>
<u>EXPENSES BY DEPARTMENT</u>					
Community Services	\$ 1,612	\$ 7,112	\$ 7,112	\$ -	0%
Public Works	2,661	2,860	3,424	564	20%
Non Departmental	<u>564,423</u>	<u>634,150</u>	<u>712,663</u>	<u>78,513</u>	<u>12%</u>
TOTAL EXPENSES	<u>\$ 568,696</u>	<u>\$ 644,122</u>	<u>\$ 723,199</u>	<u>\$ 79,077</u>	<u>12%</u>
RESULTING GAIN (LOSS)	<u>\$ 16,683</u>	<u>\$ -</u>	<u>\$ -</u>		

1) includes \$35,000 for capital building maintenance projects.

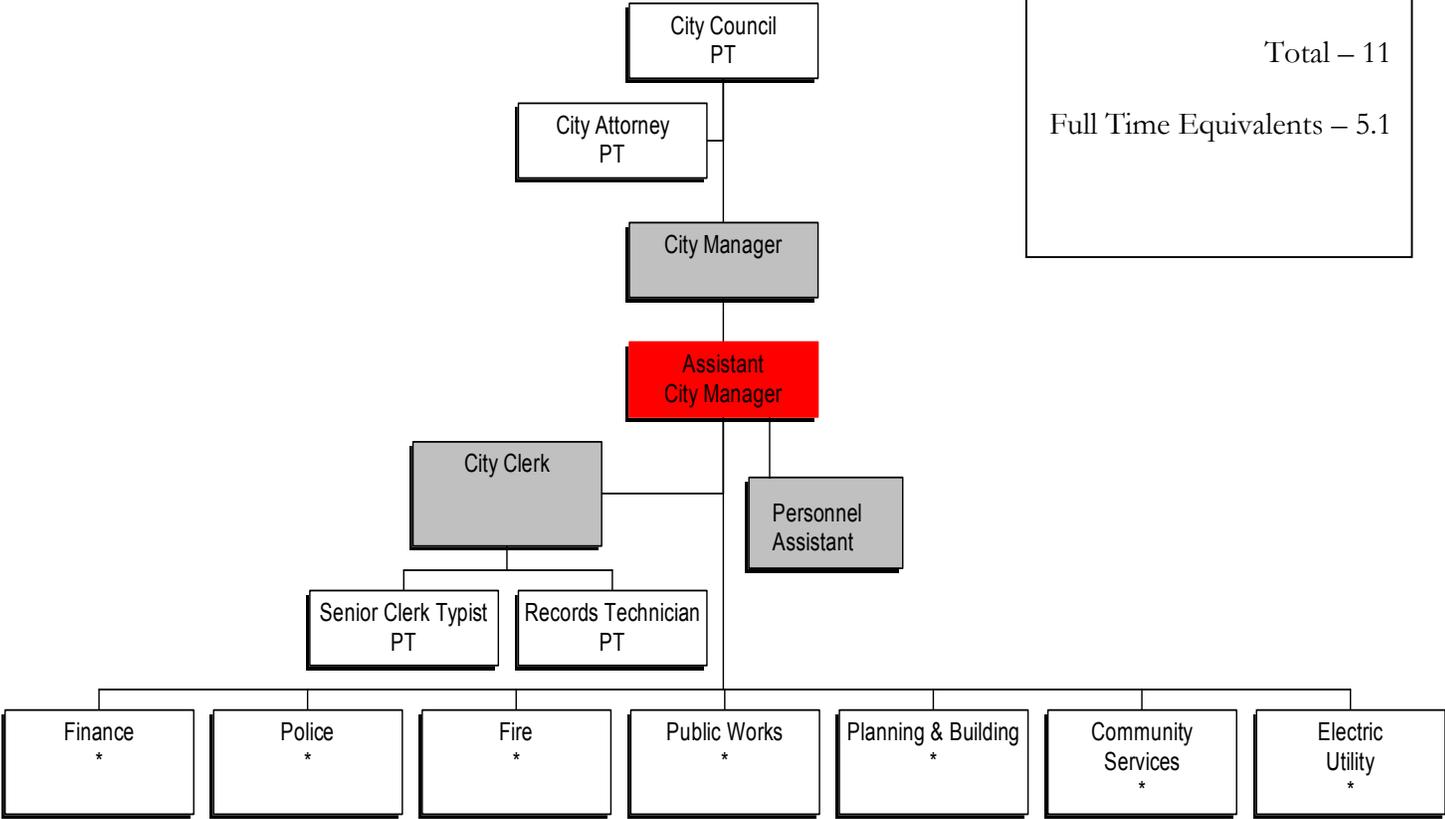
OTHER DEBT SERVICE

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
Transfers	\$ 1,053,886	\$ 1,717,974	\$ 3,069,686	\$ 1,351,712	79%
Property Tax	1,124,789	893,690	822,043	(71,647)	-8%
Interest Income	33,732	64,000	17,000	(47,000)	-73%
Bond Proceeds	19,644,455	-	-	-	0%
TOTAL REVENUES	\$ 21,856,862	\$ 2,675,664	\$ 3,908,729	\$ 1,233,065	46%
<u>EXPENSES BY DEPARTMENT</u>					
Non Departmental	\$ 2,300,166	\$ 2,669,420	\$ 3,908,729	\$ 1,239,309	46%
TOTAL EXPENSES	\$ 2,300,166	\$ 2,669,420	\$ 3,908,729	\$ 1,239,309	46%
Reserved for future use	19,556,696	6,244	-		
RESULTING GAIN (LOSS)	\$ -	\$ -	\$ -		

Notes:

ADMINISTRATION

Full Time - 4
Part Time - 2
Elected PT - 5
Contracted PT - 1
Budget Reduction - 1
Total – 11
Full Time Equivalents – 5.1



*Department Heads are listed by department.

ADMINISTRATION

The legislative and central administration functions of the City are coordinated by the Administration department, which includes the City Council, City Manager, City Attorney, City Clerk, and Employee Relations and Personnel Services.

City Council

The City Council is the governing body of the City. The five Council members are elected at large by the voters of Healdsburg for four-year terms. Each year the Mayor is elected by a majority vote of the City Council. The Council sets policy for the City and adopts an annual budget. The positions of City Manager and City Attorney are appointed by the Council.

City Manager

The City Manager's office is responsible for the management and coordination of the day-to-day operations of the City. With the assistance of the Assistant City Manager, responsibilities include overall supervision of all City departments and direct coordination with the City Council, as well as public information, intergovernmental relations, economic development, and franchise management.

City Attorney

The City Attorney is the primary legal advisor to the City Council, its Commissions and City departments. Major activities include providing accurate legal advice and direction to ensure that the City's operations conform with all federal, state, and City laws, as well as representing the City in legal proceedings. These services are provided on a contract basis by an outside legal firm.

City Clerk

The City Clerk's office is responsible for all official record keeping for the City, legislative history management, preparation and management of City Council agendas, noticing of public hearings for the City Council and the coordination of City elections.

Personnel Services

Personnel Services is responsible for administering the City's human resources management system, including labor relations and negotiations, benefits administration, and staff development, and for providing personnel support services to all City departments.

MAJOR DEPARTMENTAL TASKS COMPLETED FISCAL YEAR 2002-2003

- Started construction of Alliance Medical Clinic.
- Fox Pond was purchased as open space; the Area C proposal is proceeding with environmental review underway and park site feasibility analysis completed.
- West Plaza parking lot expansion delayed by railroad, however, due to restripping of existing area, twenty (24) new parking spaces were created within the West Plaza parking lot proper. Seventy (70) plus spaces were also created on adjacent street.
- Worked with Open Space District resulting in the purchase of the Area B trails access.
- Litigation of Parcel B affordable housing resolved.
- Completed East Street fourplex renovation.

ADMINISTRATION

- ☑ Executed agreement with North County Community Services for the management of the East Street fourplex as transitional housing.
- ☑ Implemented silent-second homebuyer program.
- ☑ Placed successful TOT measure on the November 2002 ballot certifying existing 10% TOT and allocating the funds for Community Services Department purposes.

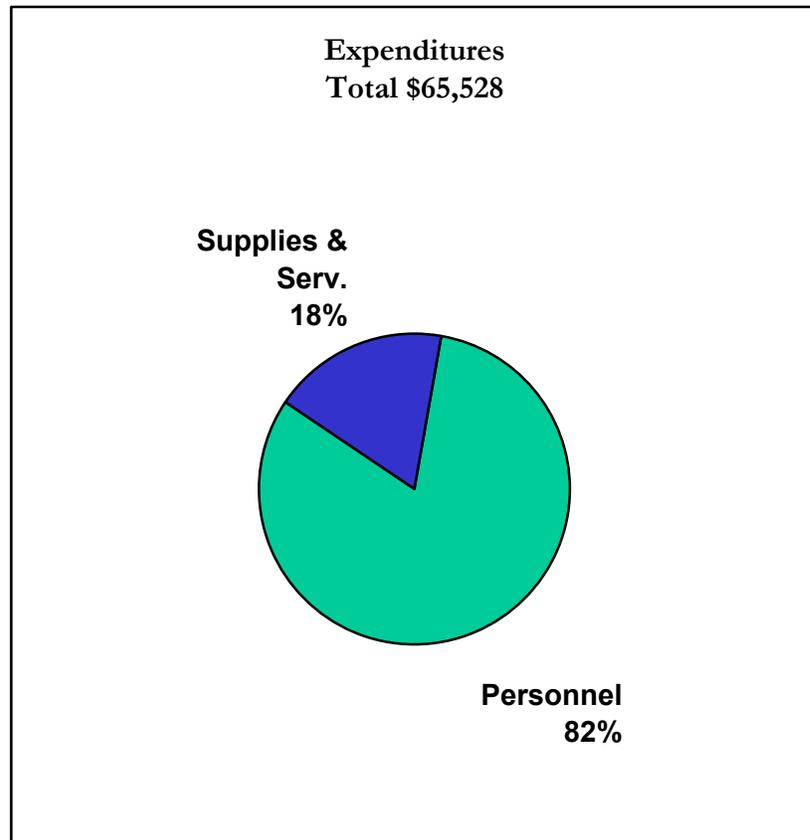
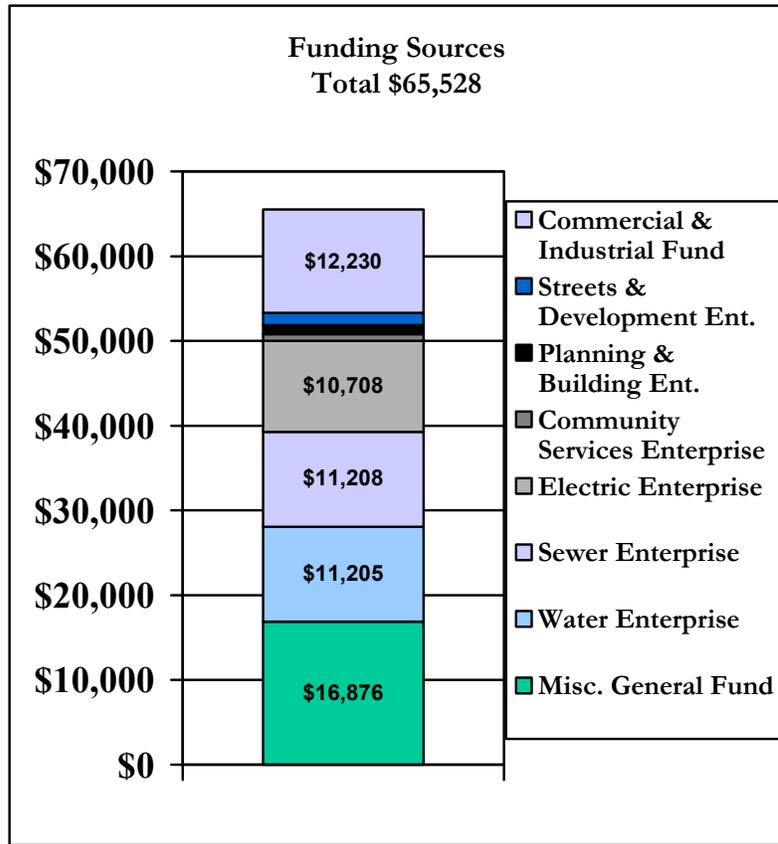
MAJOR DEPARTMENTAL TASKS FISCAL YEAR 2003-2004

- ◆ Complete construction of Alliance Medical Clinic.
- ◆ Complete codification of the Municipal Code including “automatic updates” process.
- ◆ Cooperate with Open Space District to complete purchase of Fitch Mountain.
- ◆ Construct remaining parking spaces along railroad right-of-way within West Plaza parking lot.
- ◆ Acquire property for additional downtown parking.
- ◆ Acquire property for additional affordable housing.
- ◆ Start construction of Parcel B affordable housing.
- ◆ Initiate plans for revenue measures for the November 2004 ballot to backfill state revenue takeaways.
- ◆ Complete opening of the Media Center for community access TV.

FUTURE OBJECTIVES

Our most important objective over the next several years will be to protect the City’s financial viability in light of state budget impacts, including identifying additional revenues, postponing major capital improvement expenditures, and extending possible protection of the City’s redevelopment powers and revenues. We will also need to work to ensure long-term survivor ability of important Healdsburg institutions such as the Boys and Girls Club and the North County District Hospital.

ADMINISTRATION - City Council

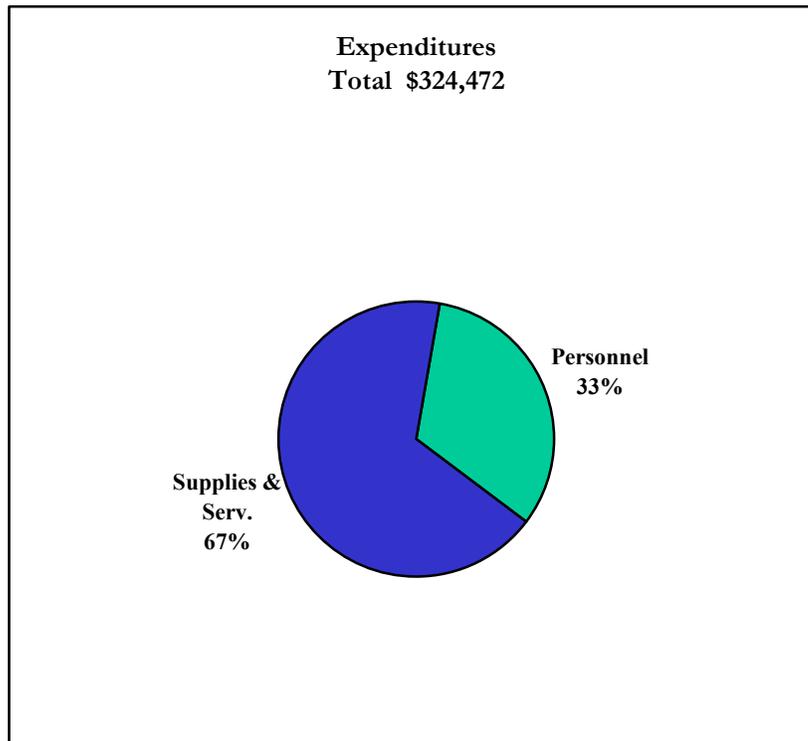
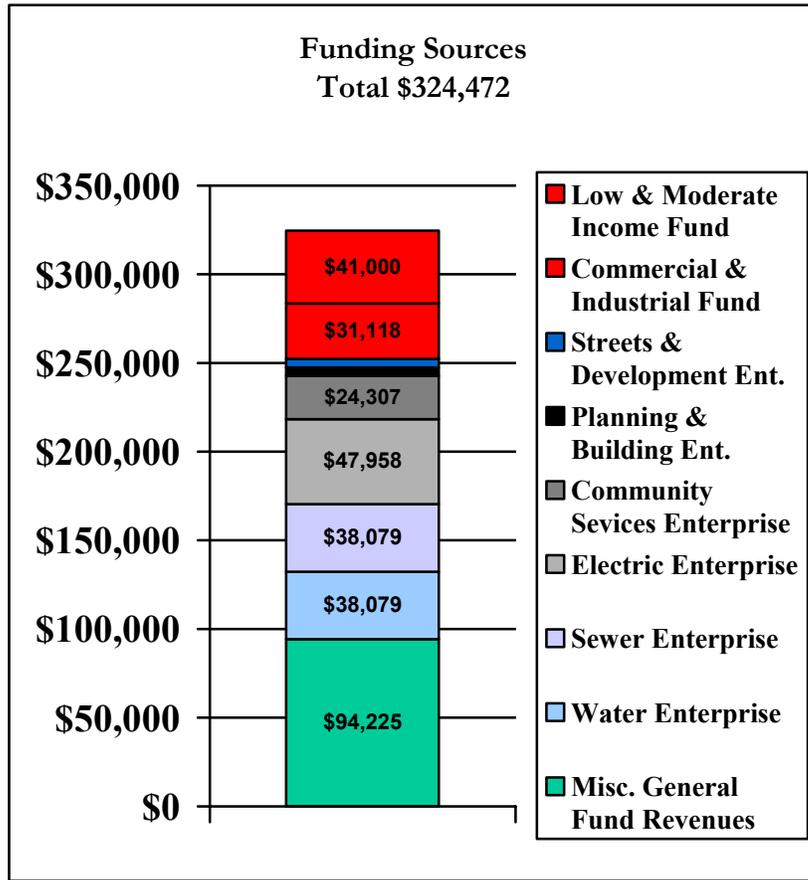


ADMINISTRATION - City Council

	<u>ACTUAL</u> 2001-2002	<u>ADOPTED</u> 2002-2003	<u>BUDGET</u> 2003-2004	DIFFERENCE FROM <u>2002-2003</u>	% <u>DIFFERENCE</u>
<u>REVENUES</u>					
MISC.GENERAL FUND REVENUES	\$ -	\$ -	\$ 16,876	\$ -	-
WATER ENTERPRISE	-	-	11,205	-	-
SEWER ENTERPRISE	-	-	11,208	-	-
ELECTRIC ENTERPRISE	-	-	10,708	-	-
COMMUNITY SERVICES ENTERPRISE	-	-	787	-	-
PLANNING & BUILDING ENTERPRISE	-	-	1,072	-	-
STREETS & DEVELOPMENT ENT.	-	-	1,442	-	-
COMMERCIAL & INDUSTRIAL FUND	-	-	12,230	-	-
TOTAL REVENUES	\$ -	\$ -	\$ 65,528	\$ -	-
<u>EXPENSES</u>					
WAGES & FRINGE BENEFITS	\$ 33,698	\$ 44,506	\$ 53,584	\$ 9,078	20%
CONTRACTED SERVICES	-	4,400	4,000	1 (400)	-9%
SERVICE FEES	3,400	3,672	3,672	-	0%
TELECOMMUNICATION SERVICE	773	1,050	600	(450)	-43%
PRINTING & BINDING	-	150	-	(150)	-100%
SUPPLIES	224	1,500	300	(1,200)	-80%
MEETINGS	2,894	8,100	3,000	(5,100)	-63%
MEMBERSHIPS & DUES	1,745	2,150	372	(1,778)	-83%
TOTAL EXPENSES	\$ 42,734	\$ 65,528	\$ 65,528	\$ -	0%

1) Sonoma County Transit authority - City contribution \$3,400

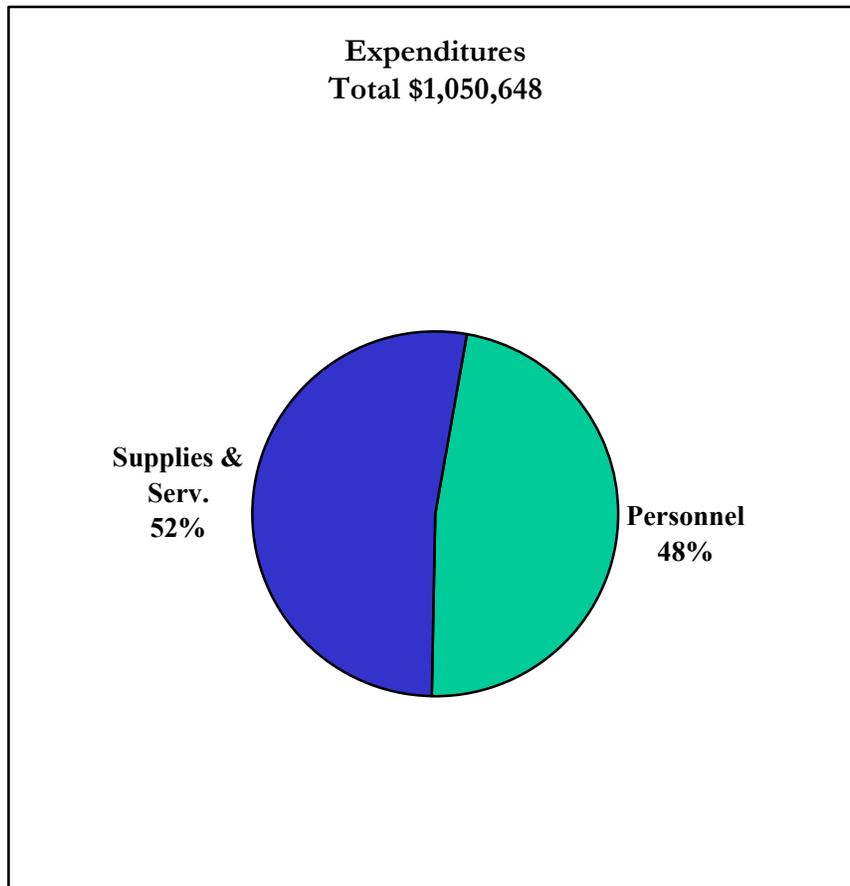
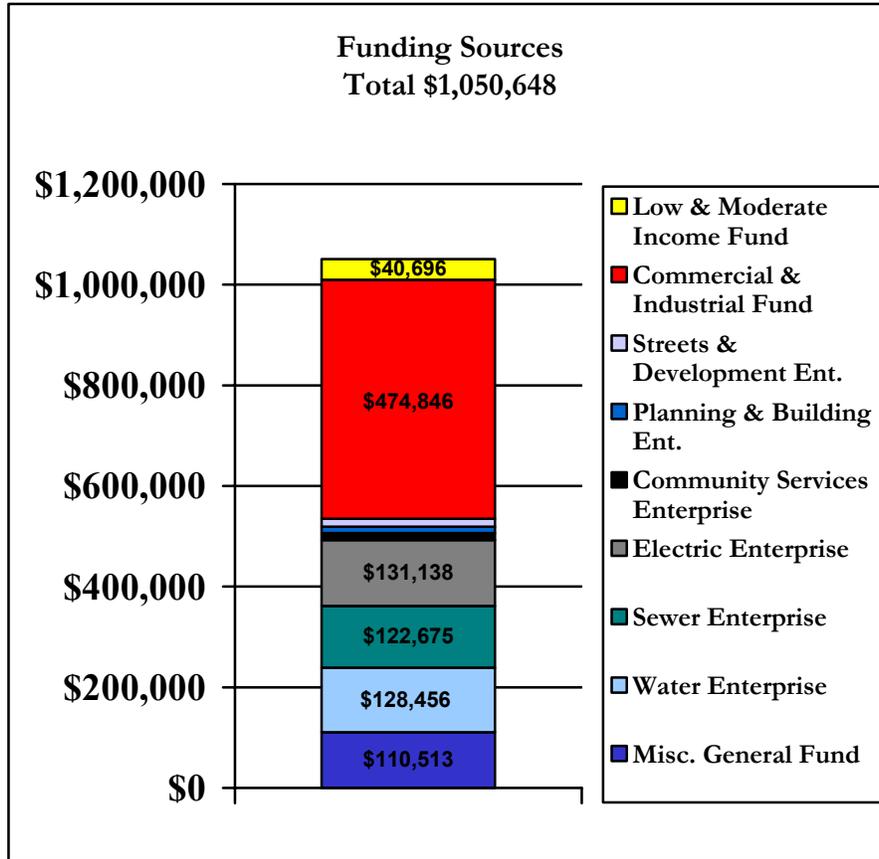
ADMINISTRATION - Legal



ADMINISTRATION - Legal

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
MISC.GENERAL FUND REVENUES	\$ -	\$ -	\$ 94,225	\$ -	-
WATER ENTERPRISE	-	-	38,079	-	-
SEWER ENTERPRISE	-	-	38,079	-	-
ELECTRIC ENTERPRISE	-	-	47,958	-	-
COMMUNITY SERVICES ENTERPRISE	-	-	24,307	-	-
PLANNING & BUILDING ENTERPRISE	-	-	4,853	-	-
STREETS & DEVELOPMENT ENT.	-	-	4,853	-	-
COMMERCIAL & INDUSTRIAL FUND	-	-	31,118	-	-
LOW & MODERATE INCOME FUND	-	-	41,000	-	-
TOTAL REVENUES	\$ -	\$ -	\$ 324,472	\$ -	-
<u>EXPENSES</u>					
WAGES & FRINGE BENEFITS	\$ 98,607	\$ 100,552	\$ 105,587	\$ 5,035	5%
CONTRACTED SERVICES	174,839	125,000	125,000	-	0%
SERVICE CONTRACTS	204,816	97,200	92,165	(5,035)	-5%
SERVICE FEES	1,500	1,620	1,620	-	0%
MEETINGS	-	100	100	-	0%
TOTAL EXPENSES	\$ 479,762	\$ 324,472	\$ 324,472	\$ -	0%

ADMINISTRATION - City Manager's Office



ADMINISTRATION - City Manager's Office

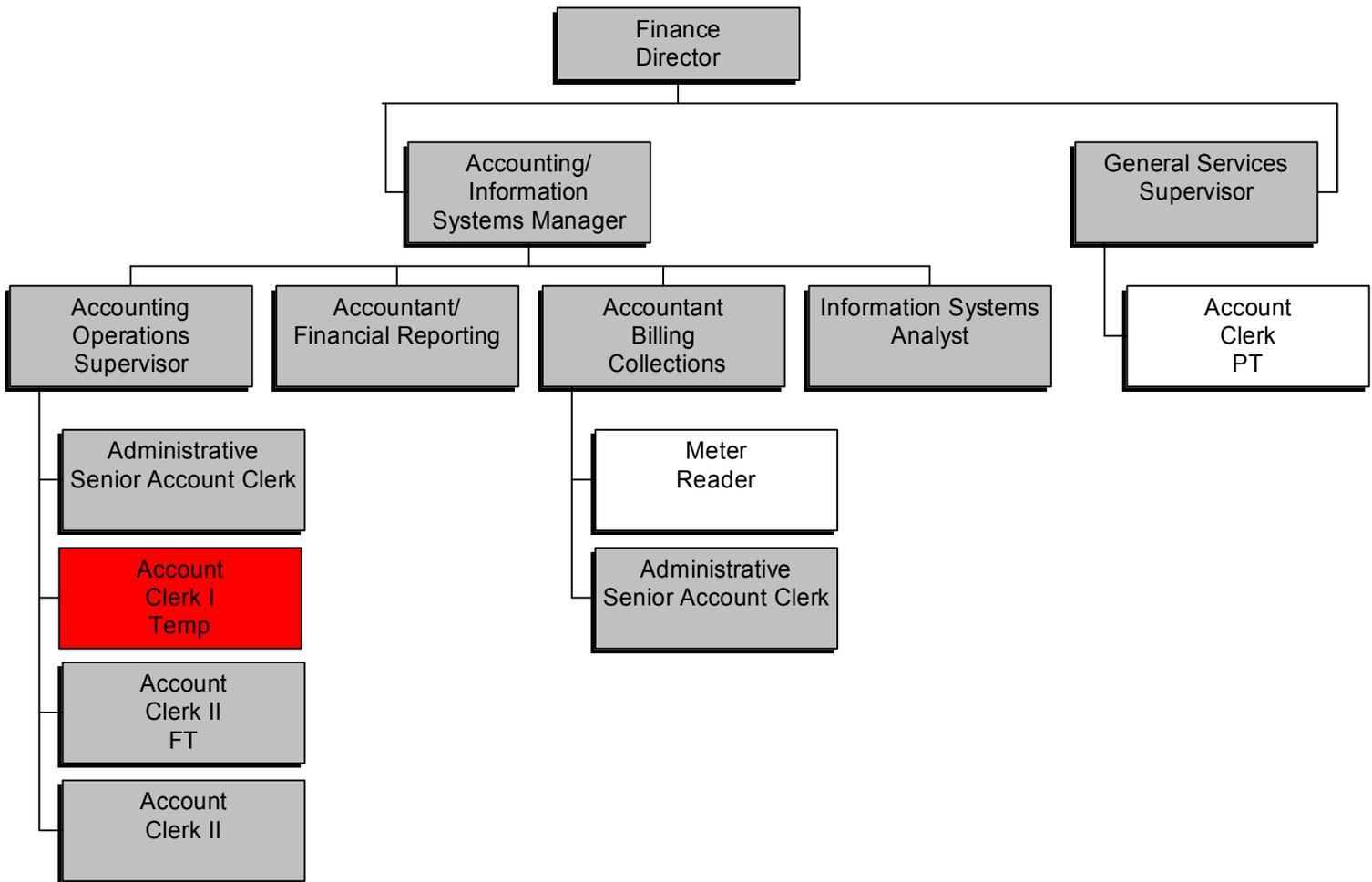
	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
REVENUES					
MISC.GENERAL FUND REVENUES	\$ -	\$ -	\$ 110,513	\$ -	-
WATER ENTERPRISE	-	-	128,456	-	-
SEWER ENTERPRISE	-	-	122,675	-	-
ELECTRIC ENTERPRISE	-	-	131,138	-	-
COMMUNITY SERVICES ENTERPRISE	-	-	13,912	-	-
PLANNING & BUILDING ENTERPRISE	-	-	12,071	-	-
STREETS & DEVELOPMENT ENT.	-	-	16,341	-	-
COMMERCIAL & INDUSTRIAL FUND	-	-	474,846	-	-
LOW & MODERATE INCOME FUND	-	-	40,696	-	-
CAPITAL PROJECT FUNDING	-	-	110,000	-	-
TOTAL REVENUES	\$ -	\$ -	\$ 1,160,648	\$ -	-
EXPENSES					
WAGES & FRINGE BENEFITS	\$ 431,350	\$ 471,631	\$ 499,936	\$ 28,305	6%
SUPPORT TO ORGANIZATIONS	1,217	1,200	1,920	720	60%
NON CONTRACTED SERVICES	147,419	133,600	104,140	(29,460)	-22%
INSURANCE	3,330	3,400	3,400	-	0%
GOVERNMENT FEES	1,345	-	-	-	0%
ELECTION EXPENSE	83	15,000	-	(15,000)	-100%
PROJECT PARTICIPATION	93,816	257,285	300,000	42,715	17%
PROPERTY SERVICES	1,181	-	-	-	0%
ADDITIONAL PAY	11,992	12,000	10,950	(1,050)	-9%
RENTALS	6,052	5,400	1,800	(3,600)	-67%
SERVICE FEES	52,188	51,064	55,893	4,829	9%
REPLACEMENT FEES	17,956	16,184	16,184	-	0%
LOAN REPAYMENT- GENERAL FUND	-	-	-	-	0%
TELECOMMUNICATION SERVICE	3,555	6,320	4,320	(2,000)	-32%
ADVERTISING & PUBLICATION	27,202	28,900	25,000	(3,900)	-13%
PRINTING & BINDING	-	3,600	2,000	(1,600)	-44%
SUPPLIES	12,123	13,050	8,805	(4,245)	-33%
MEETINGS	5,923	10,000	8,000	(2,000)	-20%
MEMBERSHIPS & DUES	10,222	8,500	6,000	(2,500)	-29%
TRAINING	5,679	2,300	2,300	-	0%
TOTAL OPERATING EXPENSES	832,633	1,039,434	1,050,648	11,214	1%
CAPITAL PROJECTS	-	3,742,000	110,000	-	-
GRAND TOTAL EXPENSES	\$ 832,633	\$ 4,781,434	\$ 1,160,648	-	-

FINANCE

Notes:

FINANCE

Full Time - 11
Part Time - 2
Temp - 1
Budget Reduction - 1
Total - 13
Full Time Equivalents - 12.00



FINANCE

The Finance Department is responsible for financial management of all City funds and for providing central support services to other City departments. Services provided include: purchasing, risk management, payroll, accounts payable, utility billing, revenue collections, budget development, treasury management, grant administration, financial reporting and information services. Financial services are also provided for the Community Redevelopment Agency (CRA), as well as for various Trust and Agency Funds.

General Fiscal Services

The general fiscal services provided include: payroll, accounts payable, revenue collection, treasury management, grants administration, budget development, and financial reporting. Payroll services include providing biweekly payments for the entire city workforce of permanent and temporary employees as well as filing all required reports with the Federal and State government and with the retirement system. Accounts payable services consist of making all disbursements for the City, CRA and Trust Funds. Revenue and collections include collection of all general government revenues such as business and transient occupancy taxes, and collection of all enterprise fund revenues such as water, sewer, electric and transit. Treasury management includes investment of funds, cash management and debt management. Grant administration consists of preparation of and billing for transit, infrastructure and disaster relief funds from other government agencies. Budget development involves coordination of departmental budget preparation and the publication of the operating and capital improvement budgets. Financial reporting consists of preparation of the Annual Comprehensive Financial Report, coordination of annual audits, filing of required statutory reports and providing operational information to departments during the year.

Utility Billing

The department is responsible for utility billing services for all three utilities, water, sewer and electric, and the management of 6,044 resident and business utility customer accounts. The department reads meters and bills all customers monthly and maintains a payment service counter and a drive-up payment drop box. The department is also responsible for preparing rate studies to identify appropriate billing rates. The department is currently utilizing a lock-box service to process mail payments.

Information Services

Information services consist of the operation and maintenance of the central computer and software and the network of personal computers. The department currently maintains an IBM AS/400 central computer, which runs financial and utility billing programs, and runs the public safety CAD system. The department maintains and administers a network of 106 personal computers and the related servers. Network system maintenance is provided by the Information Systems Analyst and a supplemental service contract with Structured Business Systems.

Other Central Services

Other central services provided by the department include, communications and office equipment services, purchasing and risk management. Communication and office equipment services include managing the contracts and replacement fund for telephone, voice mail, copy machines and other office equipment. Purchasing coordinates all procurement activities in the city. The department coordinates with the Redwood Empire Municipal Insurance Fund to provide risk management services for the City.

MAJOR DEPARTMENT TASKS COMPLETED IN FY 2002-03

- ☑ Redesigned format of utility bills to provide more detailed separation of service charges
- ☑ Staff attended training sessions for implementation of the new Governmental Accounting Standards Board Pronouncement 34 implementation
- ☑ Completed the Redevelopment Agency Implementation Plan Amendment
- ☑ Completed a Redevelopment Agency debt sale to provide funding for projects
- ☑ Negotiated a new audit contract which incorporated the costs related to the new required financial reporting model
- ☑ Issued \$5 million of debt to fund the water treatment capital project

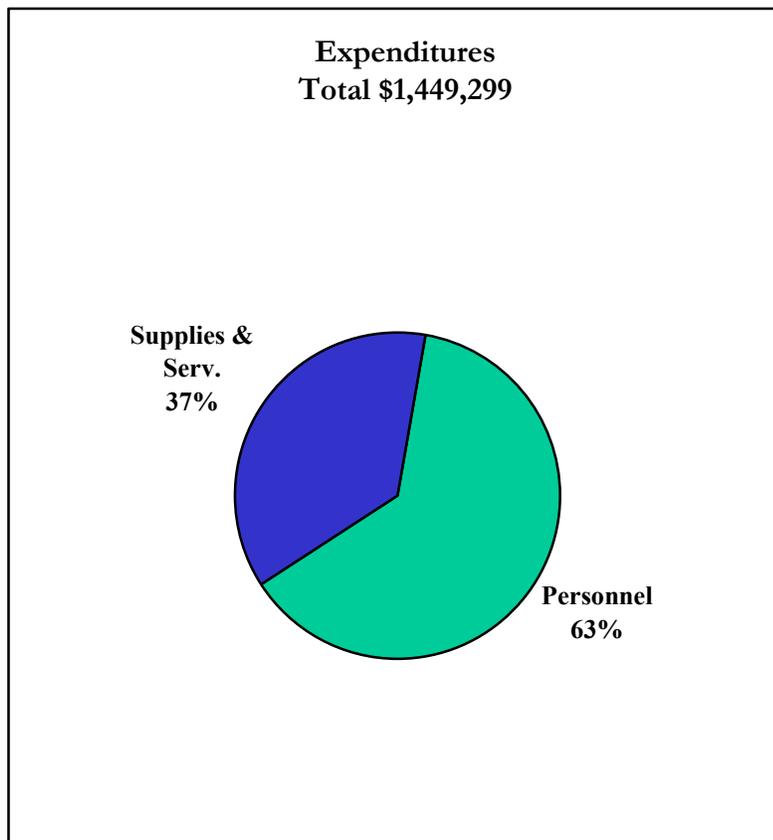
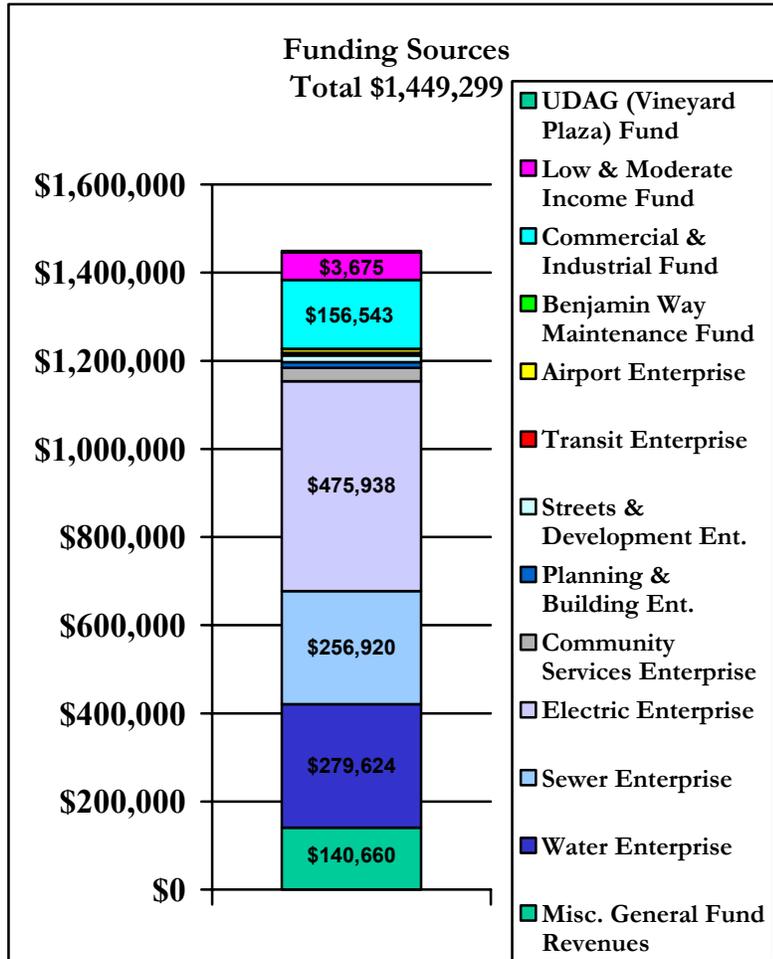
MAJOR DEPARTMENT GOALS FOR 2003-04

- ◆ Implement changes to the Annual Financial Statements as required by the Governmental Accounting Standards Board Pronouncement No. 34.
- ◆ Explore alternative methods of setting electric utility rates to replace the PUC rate structure that has been used in the past
- ◆ Continue a project to convert water and electric meters to remote read capability
- ◆ Produce all financial reports “in-house” as reflected in the new audit contract
- ◆ Automate the requisition portion of the purchasing procedure
- ◆ Upgrade of the 18 year old utility billing software

FUTURE OBJECTIVES

The department is faced with a number of challenges over the next several years. The implementation of the changes to the City's financial reporting as mandated by the Government Accounting Standards Board, will require a significant amount of resources of staff, and significant efforts in reconfiguration of the City's accounting structure. The goal of the mandated changes is to make the City's financial reports more meaningful to the community's citizens. The new financial report will be required to be implemented for the year ending June 30, 2003. The Department will also need to respond to the financial challenge facing the City. The Department will attempt to maintain high levels of service by continuing to automate processes where possible.

FINANCE



FINANCE

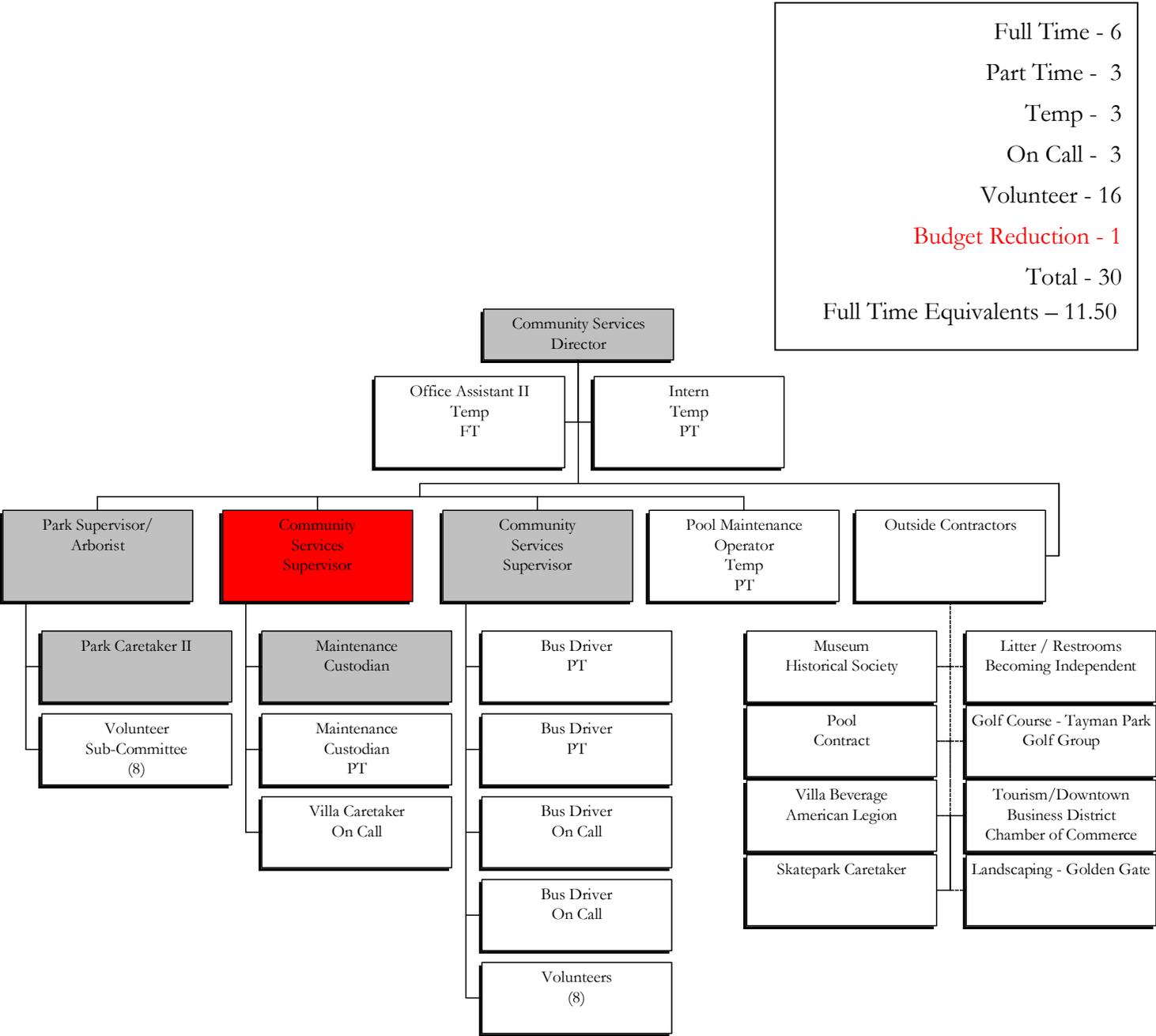
	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
REVENUES					
MISC.GENERAL FUND REVENUES	\$ -	\$ -	\$ 140,660	\$ -	-
WATER ENTERPRISE	-	-	279,624	-	-
SEWER ENTERPRISE	-	-	256,920	-	-
ELECTRIC ENTERPRISE	-	-	475,938	-	-
COMMUNITY SERVICES ENTERPRISE	-	-	30,388	-	-
PLANNING & BUILDING ENTERPRISE	-	-	13,252	-	-
STREETS & DEVELOPMENT ENT.	-	-	14,827	-	-
TRANSIT ENTERPRISE	-	-	5,783	-	-
AIRPORT ENTERPRISE	-	-	8,946	-	-
BENJAMIN WAY MAINTENANCE DIST.	-	-	440	-	-
COMMERCIAL & INDUSTRIAL FUND	-	-	156,543	-	-
LOW & MODERATE INCOME FUND	-	-	62,303	-	-
UDAG (VINEYARD PLAZA) FUND	-	-	3,675	-	-
TOTAL REVENUES	\$ -	\$ -	\$ 1,449,299	\$ -	-
EXPENSES					
WAGES & FRINGE BENEFITS	\$ 744,772	\$ 796,209	\$ 907,889	\$ 111,680	14%
OVERTIME	12,032	15,400	5,000	(10,400)	-68%
NON CONTRACTED SERVICES	31,972	42,820	42,947	127	0%
GOVERNMENT FEES	102	566	600	34	6%
ADDITIONAL PAY	4,637	7,800	6,000	(1,800)	-23%
UNIFORM ALLOWANCE	401	100	100	-	0%
SERVICE CONTRACTS	63,412	83,988	52,000	(31,988)	-38%
RENTALS	1,712	1,866	1,850	(16)	-1%
SERVICE FEES	260,055	265,970	247,244	(18,726)	-7%
REPLACEMENT FEES	114,984	123,815	95,000	(28,815)	-23%
TELECOMMUNICATION SERVICE	6,878	13,800	12,000	(1,800)	-13%
ADVERTISING & PUBLICATION	1,716	1,800	1,800	-	0%
PRINTING & BINDING	1,138	8,550	3,000	(5,550)	-65%
SUPPLIES	56,007	57,865	53,769	(4,096)	-7%
MEETINGS	2,671	7,600	4,000	(3,600)	-47%
MEMBERSHIPS & DUES	1,363	1,600	1,600	-	0%
TRAINING	2,444	9,050	4,000	(5,050)	-56%
EDUCATIONAL REIMBURSEMENT	231	500	500	-	0%
BAD DEBT EXPENSE	41,934	10,000	10,000	-	0%
TOTAL EXPENSES	\$ 1,348,461	\$ 1,449,299	\$ 1,449,299	\$ -	0%

1) Meter reading

COMMUNITY SERVICES

Notes:

COMMUNITY SERVICES



COMMUNITY SERVICES

The Community Services Department is responsible for the management and operation of parks and recreation facilities, senior services, transit services, tourism promotion, Senior Center, the Villa Chanticleer conference center, and the Airport. Management and operations also include Neighborhood Improvement Programs, Lighting and Landscape District, special event coordination and film permits. Contract administration includes the municipal pool, Tayman Park Golf Course, school landscaping, and support to local recreational service providers.

DEPARTMENT SERVICES AND ROLES:

Administration and Contract Coordination: Support the work of the department and City Council, Parks and Recreation Commission, Senior Advisory Commission, Airport Commission and other special committees and local organizations. Contract administration includes the school-park program; landscape and maintenance operations; and contracted service providers at the pool, museum, Chamber of Commerce visitor center and golf course.

Information, Referral and Department Coordination: Provide public information concerning community services and other informational requests. Based on a customer service approach, information is provided through phone and fax communications, written and graphic materials, web site, and personal contact.

Parks and Maintenance: Maintain and operate public parks, open space and public facilities. Maintenance levels and services are based on providing safe and healthy areas at the best possible level to make them enjoyable to the community and safe to use. Trees and landscaping services are provided by participating in the planning and environmental review processes.

Park Planning and Capital Improvements: Plan, design, engineer and perform environmental review for all projects. Park planning process includes the coordination of each project from conceptual design, financial considerations, plans and specifications, construction and operational use.

Promotions and Downtown Business District: Assist with the coordination of the DBD, Chamber of Commerce and collaborative promotional efforts with the County of Sonoma.

Scheduling and Event Coordination: Schedule and coordinate outdoor area usage at local schools, parks, and community facilities. Permits and scheduling also include special event coordination, commercial film permits, and Villa Chanticleer reservations.

Senior Services and Transit Services: The Senior Center provides recreational and social programs, as well as nutritional services, for seniors in the community. Transit Services are provided through a new dial-a-ride system and innovative route schedule to accommodate all ages, those with special needs, and interaction with Sonoma County transportation systems.

Municipal Airport Services: Manage a 50-acre municipal airport. The airport with 46 hangars, 20 tie-downs, 5 businesses and 24-hour avgas fuel service serves the greater Healdsburg area.

COMMUNITY SERVICES

MAJOR DEPARTMENTAL TASKS COMPLETED FISCAL YEAR 2002-2003

- ☑ Recruited and trained 2 new on-call transit operators.
- ☑ Completed the construction of the Airport Septic System.
- ☑ Initiated process to update Inter-Governmental Agreements with Healdsburg Unified School District.
- ☑ Contracted with Piranha Swim Club, Inc., to manage the pool, to market aquatic programs, and increase community support.
- ☑ Secured Council approval for A. L. Barbieri Park General Plan consistency, Mitigated Negative Declaration, and Master Plan.
- ☑ Developed a financing and construction plan for A. L. Barbieri Park.
- ☑ Completed the design and construction of drainage improvement at Gibbs Park (Oakleaf/Parkview).
- ☑ Initiated the development of a short-range transit plan.

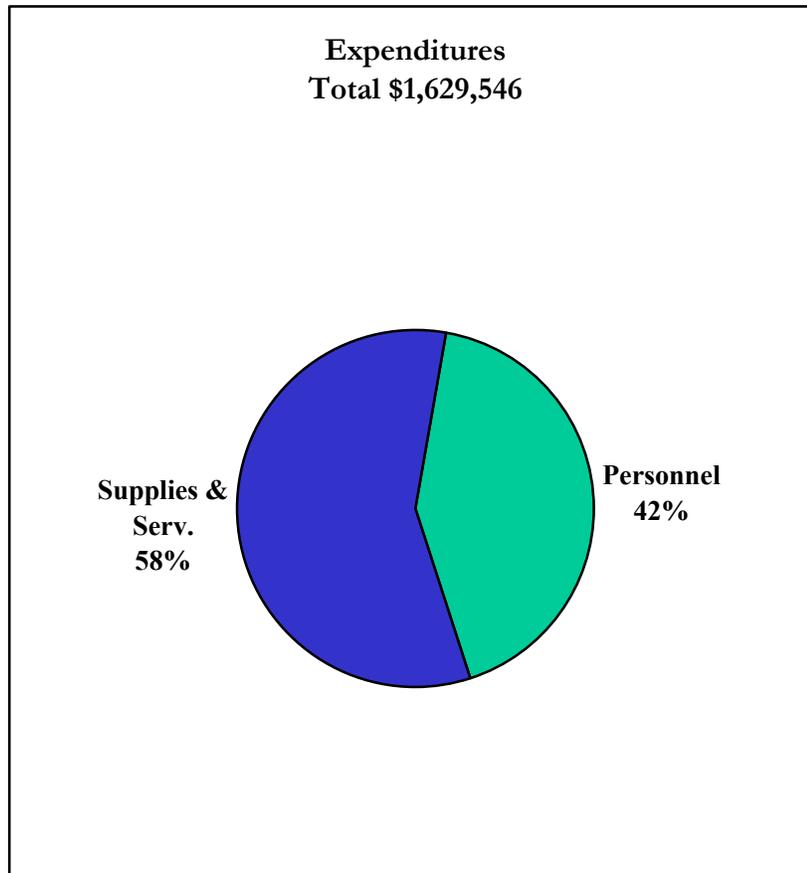
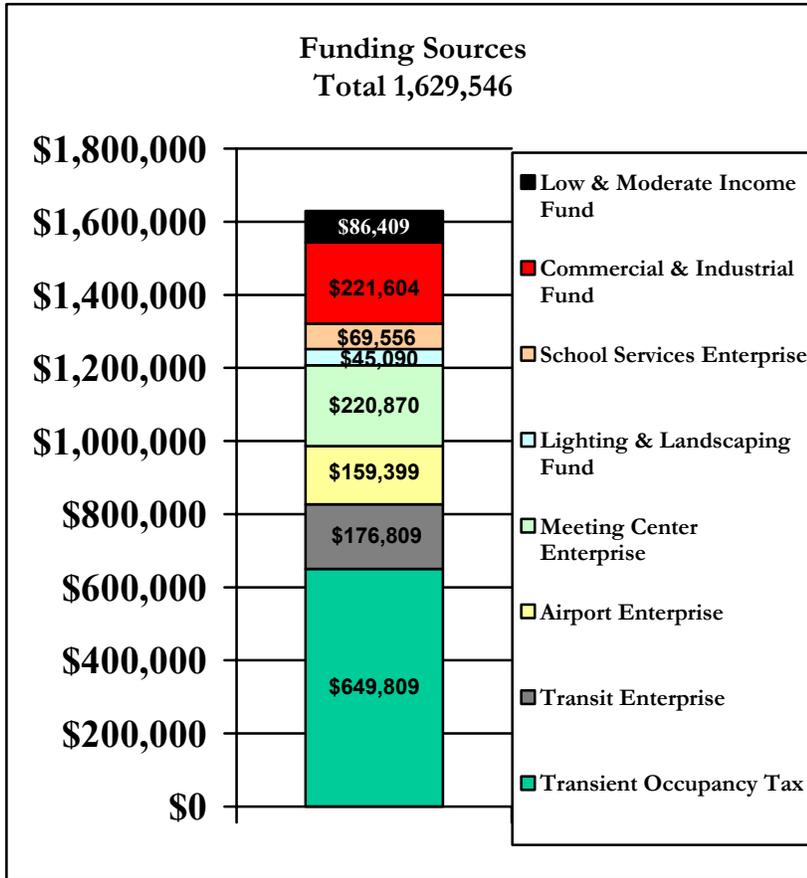
MAJOR DEPARTMENT GOALS FOR 2003-2004

- ◆ Develop a new internship program for the Senior Center.
- ◆ Create a Business Plan for the Healdsburg Airport.
- ◆ Develop an Airport leases renewal policy and procedure.
- ◆ Assist the Healdsburg Unified School District with development of the High School Campus Field Renovation Project.
- ◆ Design and create a plan to replace benches in Plaza Park and to add additional benches and a kiosk.
- ◆ Design and create a new entryway landscape plan into Parkland Farms (Healdsburg Ave/Parkland Farm Blvd) as part of the Lighting and Landscape District.
- ◆ Create a Master Plan and 3-year financing plan for the renovation of Gibbs Park Playground.
- ◆ Draft a short-range transit plan for the Healdsburg Transit System to include marketing and visibility goals.
- ◆ Enclose the front entry room at the Senior Center.
- ◆ Initiate research to create and implement a Mayor's Youth Council in 2004.
- ◆ Develop construction, bid documents and construction estimates for Phase I of A. L. Barbieri Park.

FUTURE OBJECTIVES

Continue to secure additional and dedicated funding to upgrade existing City parks and facilities and maintain basic service levels regardless of economic conditions. Continue to re-evaluate the department's priorities and methods of service delivery. Take advantage of opportunities to reorganize the department due to attrition and state budget cuts.

COMMUNITY SERVICES



COMMUNITY SERVICES

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
REVENUES					
TRANSIENT OCCUPANCY TAX	\$ -	\$ -	\$ 649,809	\$ -	-
TRANSIT ENTERPRISE	-	-	176,809	-	-
AIRPORT ENTERPRISE	-	-	159,399	-	-
MEETING CENTER ENTERPRISE	-	-	220,870	-	-
LIGHTING & LANDSCAPING FUND	-	-	45,090	-	-
SCHOOL SERVICES ENTERPRISE	-	-	69,556	-	-
COMMERCIAL & INDUSTRIAL FUND	-	-	221,604	-	-
LOW & MODERATE INCOME FUND	-	-	86,409	-	-
CAPITAL PROJECT FUNDING	-	-	112,025	-	-
TOTAL REVENUES	\$ -	\$ -	\$ 1,741,571	\$ -	-
EXPENSES					
WAGES & FRINGE BENEFITS	\$ 528,008	\$ 630,584	\$ 688,627	\$ 58,043	9%
OVERTIME	7,752	1,000	1,000	-	100%
SUPPORT TO OUTSIDE ORGANIZATIONS	23,020	36,500	29,300	(7,200)	-20%
NON CONTRACTED SERVICES	178,200	236,179	197,224	(38,955)	-16%
INSURANCE	5,583	12,700	8,800	(3,900)	-31%
GOVERNMENT FEES	1,750	550	1,750	1,200	218%
PROJECT PARTICIPATION	59,156	77,500	66,000	(11,500)	-15%
PROPERTY SERVICES	79,058	110,258	102,500	(7,758)	-7%
ADDITIONAL PAY	4,200	6,600	4,200	(2,400)	-36%
UNIFORM ALLOWANCE	1,473	1,532	2,050	518	34%
SERVICE CONTRACTS	115,293	120,228	130,100	9,872	8%
RENTALS	10,907	16,365	14,900	(1,465)	-9%
SERVICE FEES	122,379	146,917	151,746	4,829	3%
REPLACEMENT FEES	19,024	17,184	17,184	-	0%
LOAN REPAYMENT- GENERAL FUND	6,732	1,666	1,666	-	0%
TELECOMMUNICATION SERVICE	10,985	10,760	10,000	(760)	-7%
ADVERTISING & PUBLICATION	8,460	12,260	7,552	(4,708)	-38%
PRINTING & BINDING	1,178	3,800	1,000	(2,800)	-74%
SUPPLIES	171,705	183,097	169,647	(13,450)	-7%
MEETINGS	7,555	9,200	9,700	500	5%
MEMBERSHIPS & DUES	1,284	1,765	2,100	335	19%
TRAINING	1,602	1,900	2,500	600	32%
CAPITAL ITEMS	-	5,000	10,000	5,000	100%
TOTAL OPERATING EXPENSES	1,365,304	1,643,545	1,629,546	(13,999)	-1%
CAPITAL PROJECTS	-	252,000	112,025	-	-
GRAND TOTAL EXPENSES	\$ 1,365,304	\$ 1,895,545	\$ 1,741,571	-	-

COMMUNITY SERVICES

PARKS & OPEN SPACE

<u>Park Name</u>	<u>Location</u>
A.L. Barbieri Park	(New in 2004)
Badger Park	780 Heron Drive
Carson Warner Skate Park	15070 Grove Street
Gibbs Park	1529 Prentice
Giorgi Park	600 University Street
Grove Street Detention Basin	Grove Street (Adjacent to Skate Park)
Parkland Farms Blvd. Open Space	
Plaza Park	100 Matheson Street
Railroad Park	22 Front Street
Recreation Park	525 Piper Street
Tilly Grove Open Space	543 Tucker Street
Villa Chanticleer Playground	1248 N. Fitch Mountain Road

ATHLETIC FIELDS, TENNIS COURTS & SCHOOL-PARK SITES

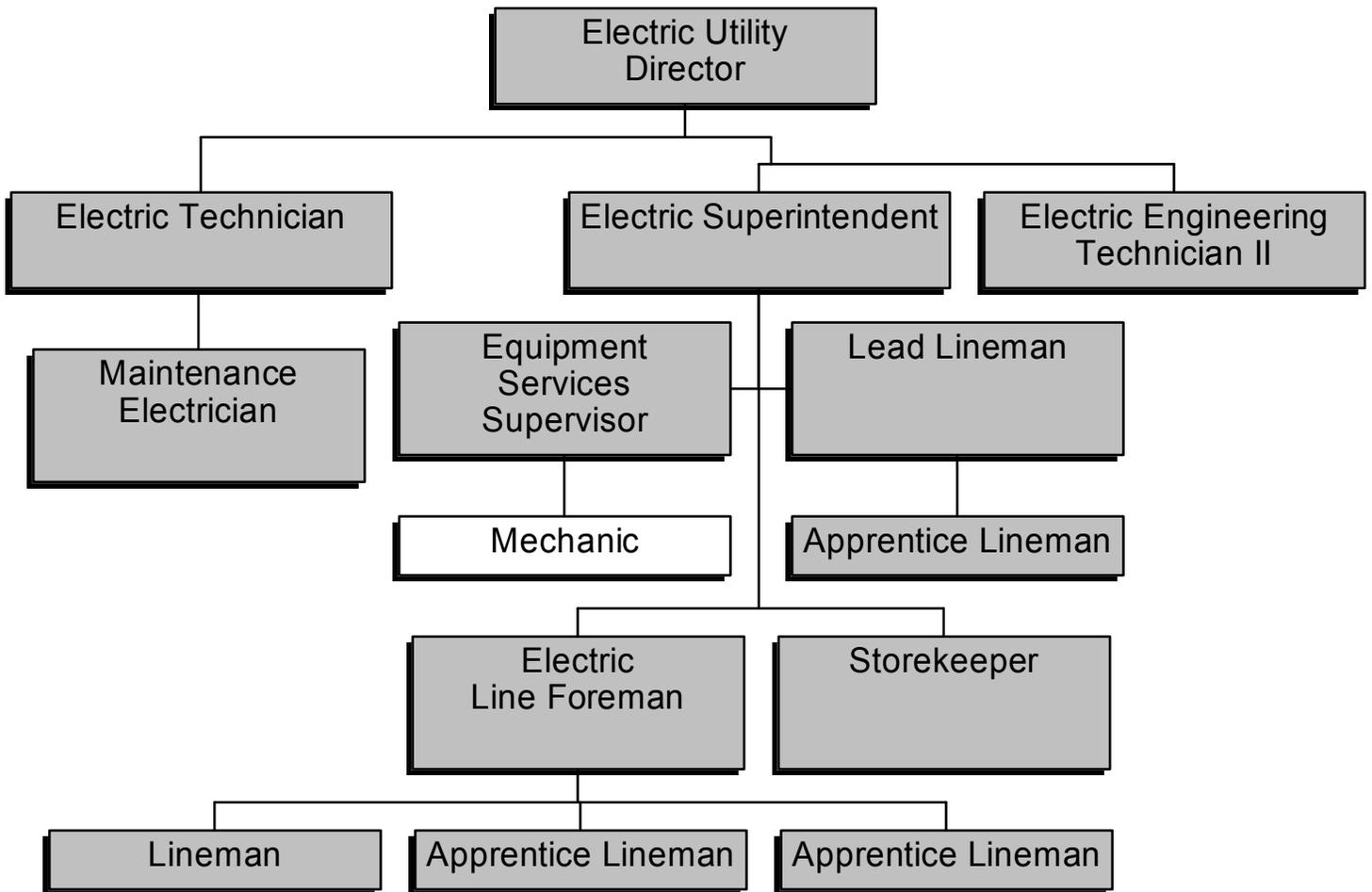
<u>Field Name</u>	<u>Location</u>
Fitch Mountain School - Multi Use Fields	565 Sanns Lane
Foss Creek School – Multi Use Fields, Basketball Courts	1557 Healdsburg Avenue
Giorgi Park-(2) Tennis Courts	600 University Street
Healdsburg Elementary School - Multi Use Fields	400 First Street
Healdsburg High School –Multi Use Fields, (4) Tennis Courts, All Weather Track, 2 Sprint Courts, 1 Baseball Field, 2 Softball Fields, 1 Football/Soccer Field, Several small overlay soccer fields, Basketball Courts	1024 Prince Street (Off Monte Vista Ave.)
Healdsburg Junior High School-Multi Use Fields, Walking Track	315 Grant Street
Recreation Park Field-Multi Use Fields – Football, Baseball, Soccer, Special Events	525 Piper Street

PUBLIC FACILITIES

<u>Facility</u>	<u>Location</u>
Administration & Reservations (Community Services)	401 Grove Street
Badger Dog Park	780 Heron Drive (New in 2003)
Healdsburg Municipal Airport (Community Services)	1580 Lytton Springs Road
Healdsburg Museum (Healdsburg Museum and Historical Society)	221 Matheson Street
Healdsburg Municipal Pool (Rohnert Park Swim Club, Inc.)	360 Monte Vista Avenue
Senior Center & Transit Services (Community Services)	133 Matheson Street
Tayman Park Golf Course (Tayman Park Golf Group, Inc.)	927 S. Fitch Mountain Road
Villa Chanticleer (Community Services)	1248 N. Fitch Mountain Road
Villa Dog Park	1248 N. Fitch Mountain Rd (New in 2004)
Visitor Information Center (Chamber of Commerce)	217 Healdsburg Avenue

ELECTRIC UTILITY

Full Time - 13
Temp - 1
Total - 14
Full Time Equivalents - 14.00



ELECTRIC UTILITY

The City's Electric Department oversees the procurement of wholesale electric power; maintains and operates the City's electric distribution system; is involved in the planning, engineering, and construction of distribution system capital replacement and capacity expansion projects; is involved in the planning, engineering, and construction of new electric facilities for new development; and maintains and operates the City's street light and traffic signal systems. Except for Power Procurement, the Electric Department's Operational Budget is structured basically around the routine day-to-day business functions of operating an electric utility. Actual major staff responsibility and expenses are primarily focused on new construction, capacity expansion and system replacements, which are augmented through the Department's Capital Budgets.

Procurement of Wholesale Power

The Electric Department is responsible for the procurement of power for use within the City. This includes management of the City's share of the generation assets of the Northern California Power Agency (NCPA), a Federal Central Valley Project allocation, as well as the City's share of the California/Oregon transmission project and other various long and short-term power contracts.

The City's electric utility finds itself solvent, reliable, and focused on the current and future customer service needs of Healdsburg's residents and customers.

Distribution System

The Electric Department is responsible for the operation and maintenance associated with the distribution of electricity from the City's interconnection with the transmission system of PG&E at Badger Electric Substation located on Heron Drive to electric distribution facilities located within the City limits of Healdsburg.

Interdepartmental Support and Services

Electric Utility personnel lend support and services to the other City departments for:

- ◆ Electrical and electronic maintenance
- ◆ Traffic signal maintenance
- ◆ City Corporation Yard management through the Electric Superintendent
- ◆ City vehicle maintenance management through the Electric Superintendent

Outside Services

The Electric Department provides electric distribution maintenance service for the Sonoma County Water Agency.

MAJOR DEPARTMENTAL TASKS COMPLETED FISCAL YEAR 2002-2003

- ☑ Through NCPA, mitigation of expected Western cost increases
- ☑ Through NCPA, mitigation of expected California ISO Transmission costs increases
- ☑ Completed installation of underground electric systems on Matheson and North Street either side of West Side Plaza
- ☑ Completed a comprehensive power pole-testing program

MAJOR DEPARTMENTAL GOALS FISCAL YEAR 2003-2004

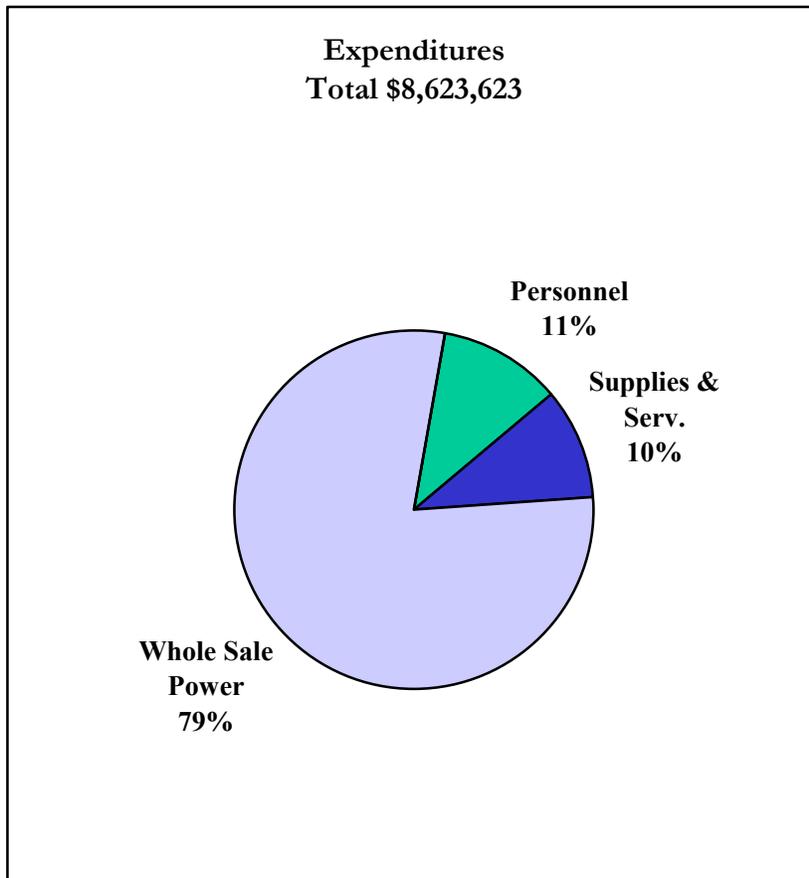
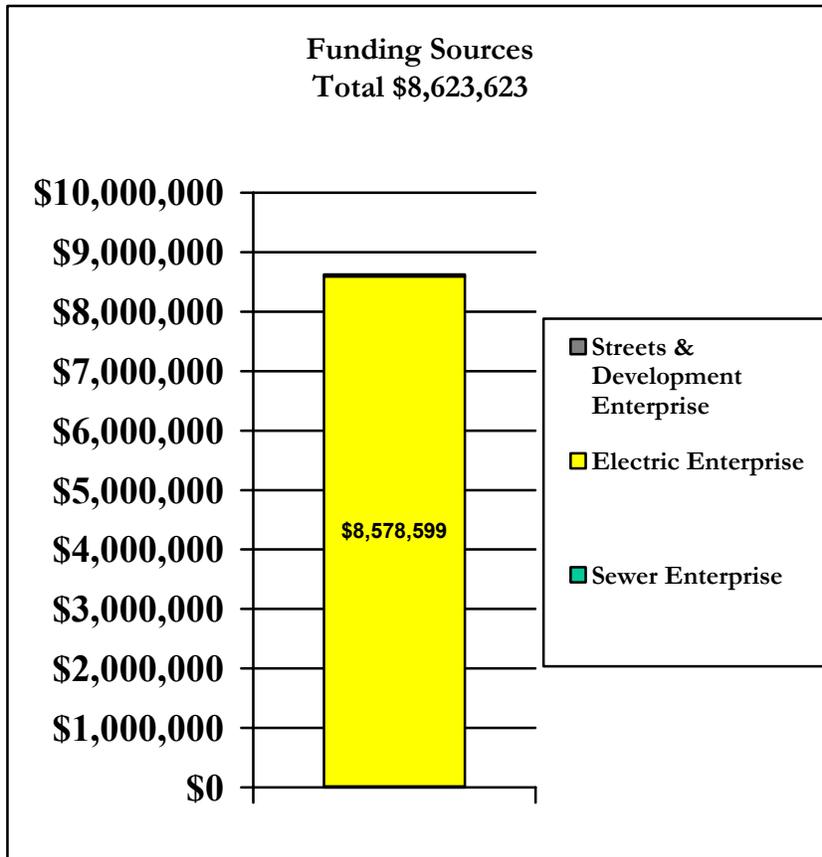
Electric Operations:

- ◆ Implement competitive actions in order to maintain financial stability.
 - Develop electric rates specific to Healdsburg independent of PG&E.
 - Continued development of new generation sources through NCPA.
 - POE Hydroelectric Project.
 - Continued development of electric generation resources within the City.
 - Photovoltaic systems
 - Landfill biomass systems
 - Micro turbines
- ◆ Investigate competitive actions in order to provide responsiveness and local control over the community's needs and to provide additional sources of revenues for the General Fund.
 - Natural gas
- ◆ Initiate succession-planning process for departmental key positions.

Capital Construction:

- ◆ Complete installation of electronic relays and central RTU at Badger Substation in order to provide increased system reliability, remote substation control and monitoring, and to verify and record metered billing reads.
- ◆ As a follow up to a comprehensive power pole-testing program in fiscal year 2002-2003, an expansive power pole replacement program.
- ◆ An expansive street light replacement program.
- ◆ Create an electric underground district as part of entryway project.
- ◆ Continue various projects to shift load from two existing feeders that feed the City's north and downtown areas to the City's new South Fitch Mountain feeder.

ELECTRIC UTILITY



ELECTRIC

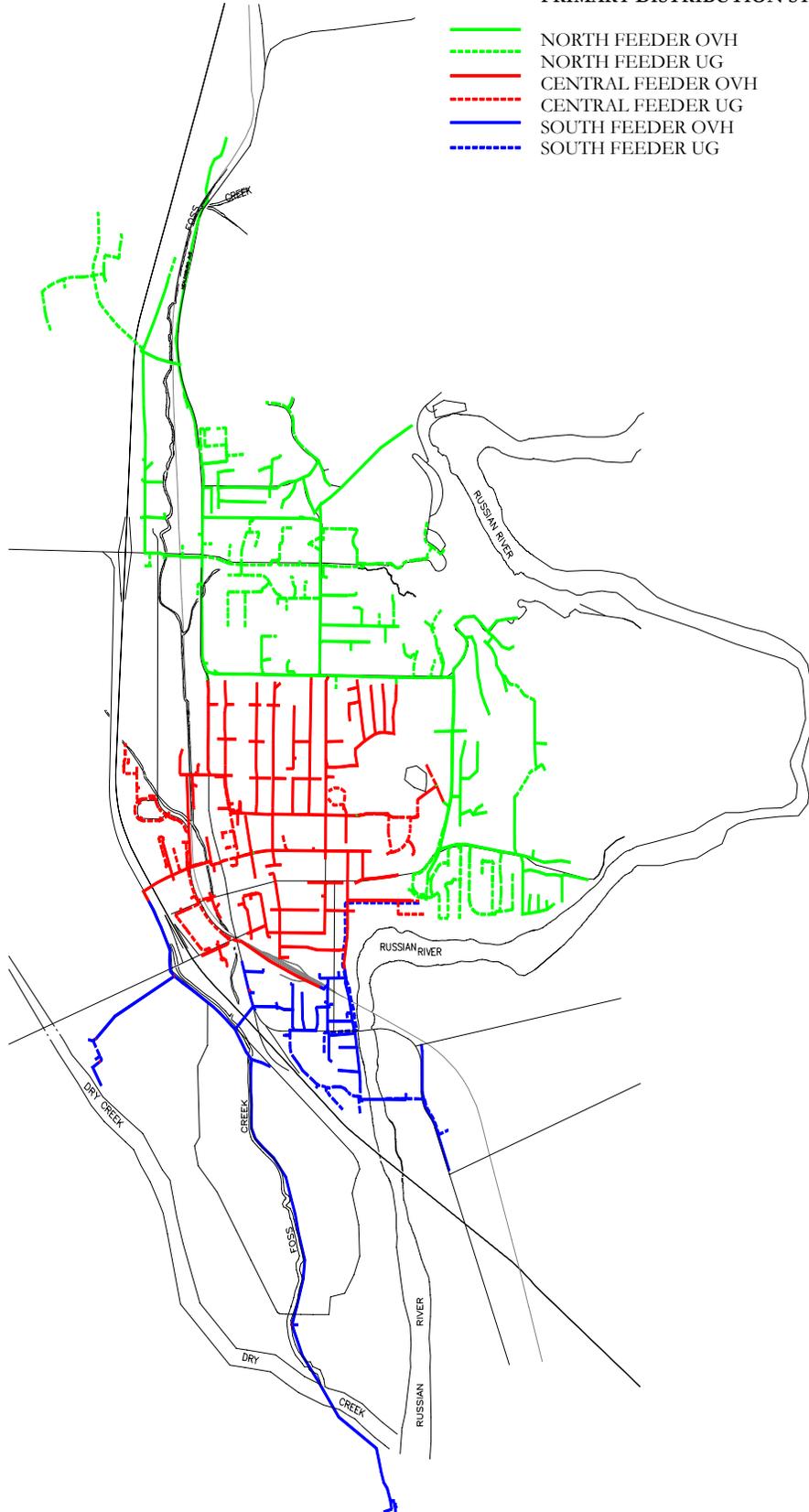
	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
REVENUES					
MISC. GENERAL FUND REVENUES	\$ -	\$ -	\$ -	\$ -	-
SEWER ENTERPRISE	-	-	15,518	-	-
ELECTRIC ENTERPRISE	-	-	8,578,599	-	-
STREETS & DEVELOPMENT ENT.	-	-	29,506	-	-
CAPITAL PROJECT FUNDING	-	-	1,525,000	-	-
TOTAL REVENUES	\$ -	\$ -	\$ 10,148,623	\$ -	-
EXPENSES					
WAGES & FRINGE BENEFITS	\$ 754,174	\$ 854,359	\$ 933,151	\$ 78,792	9%
OVERTIME & STAND BY	49,749	30,552	30,552	-	0%
NON CONTRACTED SERVICES	62,904	99,000	50,100	(48,900)	-49%
GOVERNMENT FEES	358	1,200	800	(400)	-33%
EMPLOYMENT SERVICES	1,928	-	-	-	0%
PROPERTY SERVICES	66,845	56,800	56,800	-	0%
ADDITIONAL PAY	-	4,200	4,200	-	0%
UNIFORM ALLOWANCE	3,837	4,000	4,000	-	0%
SERVICE CONTRACTS	135,047	135,900	135,900	-	0%
RENTALS	118,755	8,750	500	(8,250)	-94%
SERVICE FEES	177,652	182,406	199,308	16,902	9%
REPLACEMENT FEES	79,810	85,046	85,046	-	0%
USE FEES	150,000	150,000	150,000	-	0%
TRENCH CUT FEES	-	5,000	5,000	-	100%
LOAN REPAYMENT- GENERAL FUND	9,266	9,266	9,266	-	0%
LEASE RENTALS	4,363	4,500	4,500	-	0%
TELECOMMUNICATION SERVICE	6,009	22,000	21,000	(1,000)	-5%
ADVERTISING & PUBLICATION	192	-	350	350	100%
PRINTING & BINDING	297	-	-	-	0%
SUPPLIES	217,844	101,350	113,150	11,800	12%
NCPA POWER COST	8,003,531	6,255,022	6,349,000	93,978	2%
WESTERN POWER COSTS	593,773	550,155	450,000	(100,155)	-18%
TRANSMISSION COST INCREASE	-	350,000	-	(350,000)	-100%
MEETINGS	4,662	11,000	9,700	(1,300)	-12%
MEMBERSHIPS & DUES	2,130	5,000	5,000	-	0%
TRAINING	129	5,000	6,300	1,300	26%
G&A ALLOCATION	32,356	-	-	-	0%
SHORT/OVER	61,479	-	-	-	0%
TOTAL OPERATING EXPENSES	10,537,090	8,930,506	8,623,623	(306,883)	-3%
CAPITAL PROJECTS		3,052,000	1,525,000	-	-
TOTAL EXPENSES	\$ 10,537,090	\$ 11,982,506	\$ 10,148,623	-	-

ELECTRIC UTILITY

Notes:

ELECTRIC UTILITY

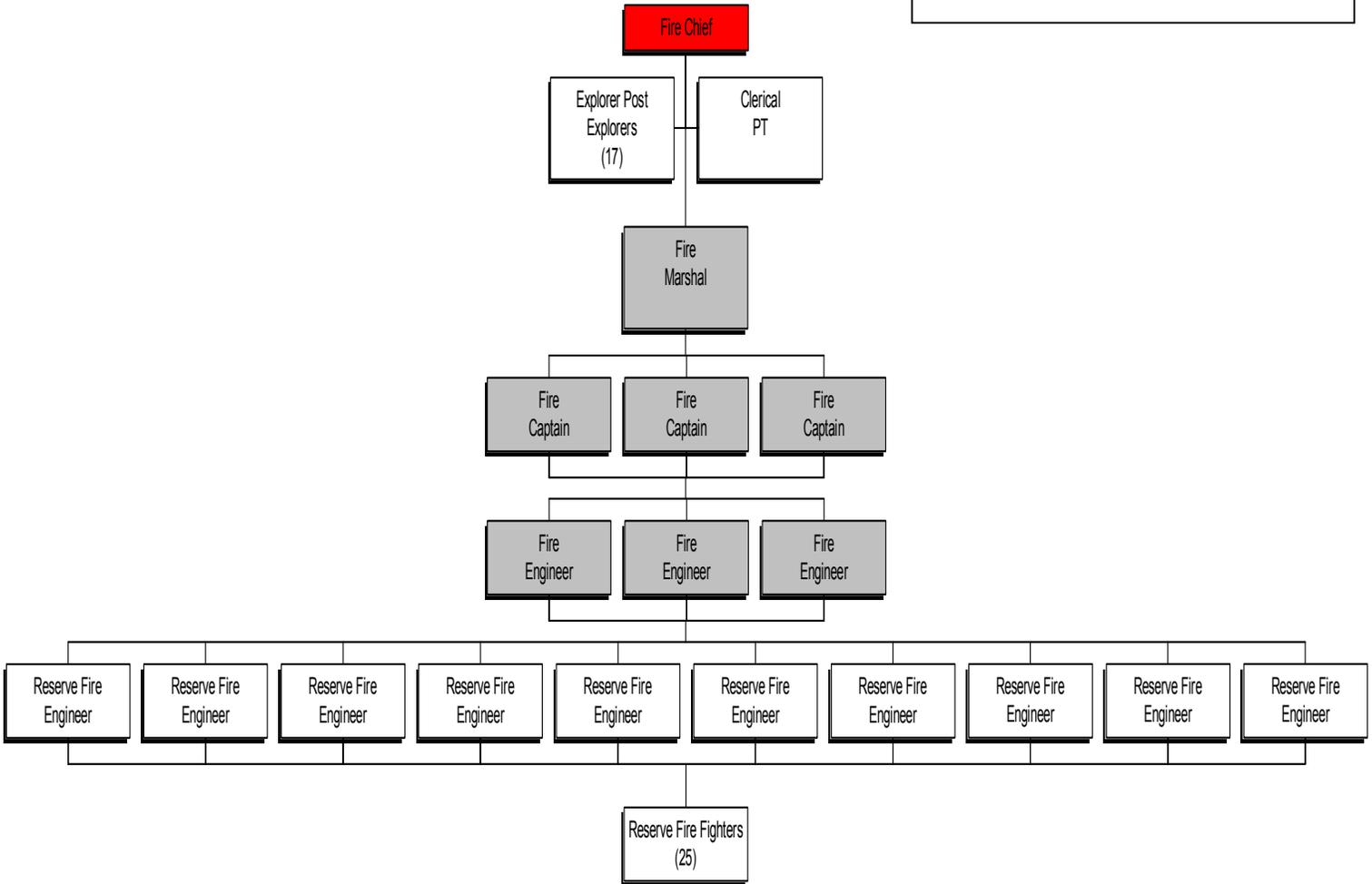
CITY OF HEALDSBURG PRIMARY DISTRIBUTION SYSTEM



FIRE

Notes:

Full Time - 8
Part Time - 1
Volunteer Reserves - 52
Budget Reduction - 1
Total - 60
Full Time Equivalents* - 7.5
*Reserve Firefighter not included in Full Time Equivalents



FIRE

The Fire Department is responsible for protecting life, property and the environment from the dangers of fire, explosion and hazardous materials incidents, and providing emergency first aid response to medical emergencies. Additionally, fire prevention, disaster preparedness, weed abatement and hazardous materials management are important programs under their jurisdiction. To supplement seven full-time staff, the department maintains a roster of 31 reserve firefighters to consistently meet minimum staffing levels.

Fire Suppression

The basic organization and orientation of the Department is directed to fire suppression and emergency service delivery. While the Fire Department places an emphasis on fire prevention, public education, risk reduction and hazard abatement programs, the ability to respond and to control fires is an overriding operational priority. In addition to serving the City, the Department also provides contracted emergency services to Fitch Mountain and the lower Dry Creek Valley.

Fire Prevention

The Fire Prevention division is responsible for enforcing the Uniform Fire Code and portions of the State Health and Safety Code. Major activities include assisting in the planning stages of project development, reviewing building construction plans, inspection of new construction, conducting Fire Safety Education programs and inspection of target hazards. The division is also responsible for conducting fire investigations of all suspicious fires.

Emergency Medical Services (EMS)

The Fire Department performs rescue work and provides emergency medical services to persons injured or ill. Staff is dispatched on all life threatening emergencies as a “First Responder” at the Emergency Medical Technician I (EMT-I) level. Enhanced services include an early defibrillation program.

Hazardous Materials/CUPA

The Fire Department has the primary responsibility for the management of hazardous materials emergencies. In addition, the Department has received certification as a Certified Unified Program Agency (CUPA) for Healdsburg and the City of Sebastopol and is responsible for administering six state regulatory programs designed to minimize the risks to the communities resulting from the storage, use, transportation and disposal of hazardous materials.

Disaster Planning

The Fire Department is responsible for developing comprehensive disaster response plans for the City and for providing coordination of all public and private services responding to emergency situations.

MAJOR DEPARTMENT TASKS COMPLETED FY 2002-2003

- Purchased a Thermal Imaging Camera through a Federal Assistance to Firefighters Grant.
- Implemented State Water Quality regulations requiring testing of secondary containment for Underground Tanks.
- In conjunction with the California Department of Forestry & Fire Protection, reviewed the “High Fire Hazard Severity Zone” designation.
- Evaluated existing hazardous material response SOP’s and identified areas for improvement in training.

MAJOR DEPARTMENT GOALS FISCAL YEAR 2002-03

- ◆ Equip and place into service a Medium Rescue Trailer that meets State OES requirements.
- ◆ Explore and develop incentive programs to assist in retaining volunteer staff.
- ◆ Consolidate department Incident Reports on to current Federally Mandated Incident Database.
- ◆ Secure Grant to fund purchase of Hand-Held Inspection Program and Hazardous Material/Bio-chemical Personal Protective gear.
- ◆ Maintain existing service levels given staff reduction.

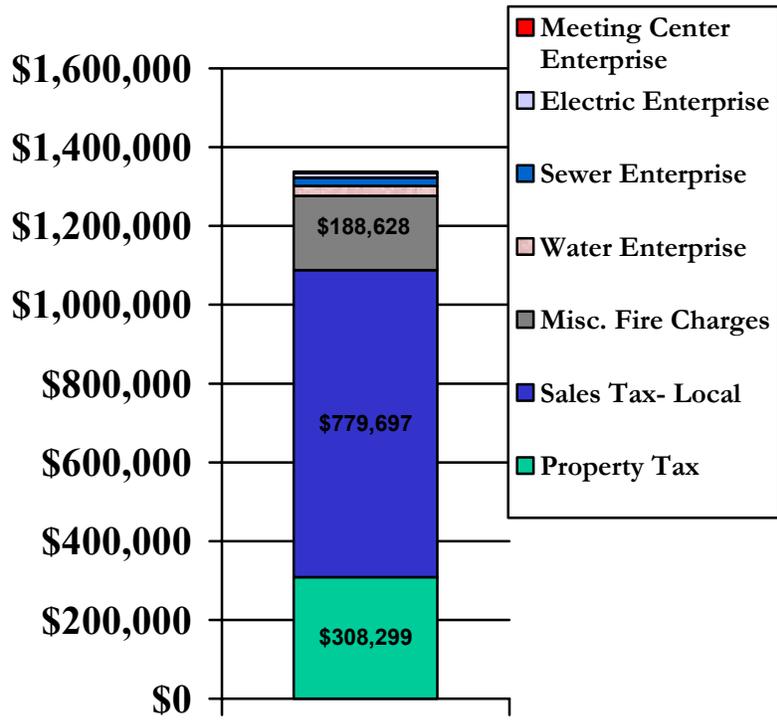
FUTURE OBJECTIVES

Over the next several years, the Department will explore alternatives to the delivery of existing services through the expanded use of volunteers. The Department will also examine the expansion of “built-in” fire protection as alternative to staffing limitations.

FIRE

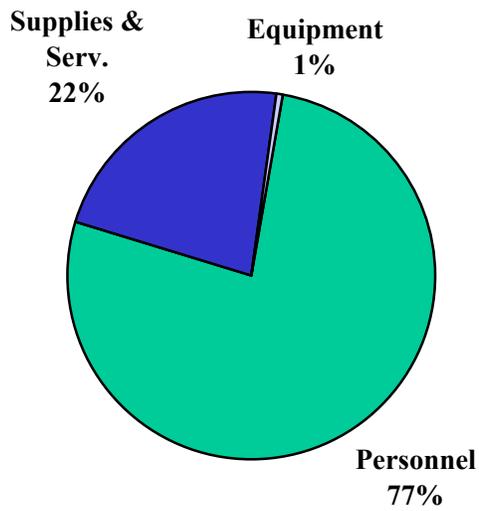
Funding Sources

Total \$1,337,581



Expenditures

Total \$ 1,337,581



FIRE

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
PROPERTY TAX	\$ -	\$ -	\$ 308,299	\$ -	-
SALES TAX	-	-	779,697	-	-
MISCELLANEOUS FIRE CHARGES	-	-	188,628	-	-
WATER ENTERPRISE	-	-	24,688	-	-
SEWER ENTERPRISE	-	-	21,171	-	-
ELECTRIC ENTERPRISE	-	-	12,344	-	-
MEETING CENTER ENTERPRISE	-	-	2,754	-	-
TOTAL REVENUES	\$ -	\$ -	\$ 1,337,581	\$ -	-
<u>EXPENSES</u>					
WAGES & FRINGE BENEFITS	\$ 611,514	\$ 844,038	\$ 872,177	\$ 28,139	3%
OVERTIME	189,535	178,000	158,000	(20,000)	-11%
NON CONTRACTED SERVICES	39,399	31,600	25,600	(6,000)	-19%
PROPERTY SERVICES	-	3,000	38,000	35,000	1167%
ADDITIONAL PAY	4,200	6,000	4,200	(1,800)	-30%
UNIFORM ALLOWANCE	9,664	6,000	6,000	-	0%
RENTALS	1,655	2,000	1,600	(400)	-20%
SERVICE FEES	125,191	127,073	134,723	7,650	6%
REPLACEMENT FEES	81,362	47,410	27,955	(19,455)	-41%
TELECOMMUNICATION SERVICE	7,321	9,100	9,100	-	0%
ADVERTISING & PUBLICATION	1,185	450	-	(450)	100%
PRINTING & BINDING	-	1,050	750	(300)	-29%
SUPPLIES	156,500	44,750	45,250	500	1%
MEETINGS	684	800	400	(400)	-50%
MEMBERSHIPS & DUES	1,925	2,800	2,800	-	0%
TRAINING	7,272	20,250	4,010	(16,240)	-80%
CAPITAL ITEMS	-	62,062	7,016	(55,046)	-89%
TOTAL EXPENSES	\$ 1,237,407	\$ 1,386,383	\$ 1,337,581	\$ (48,802)	-4%

FIRE

1999 to 2002 EMERGENCY RESPONSES

Emergency Responses:	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Structure Fires	34	34	24	28
Vehicle Fires	26	13	11	21
Vegetation Fires	27	27	49	43
Other Fires	25	22	18	26
Emergency Medical	458	492	563	555
Hazardous Materials/Condition	37	31	17	91
Vehicle Accidents	80	84	73	71
Other	<u>569</u>	<u>544</u>	<u>561</u>	<u>452</u>
TOTALS	1,256	1,247	1,316	1,287

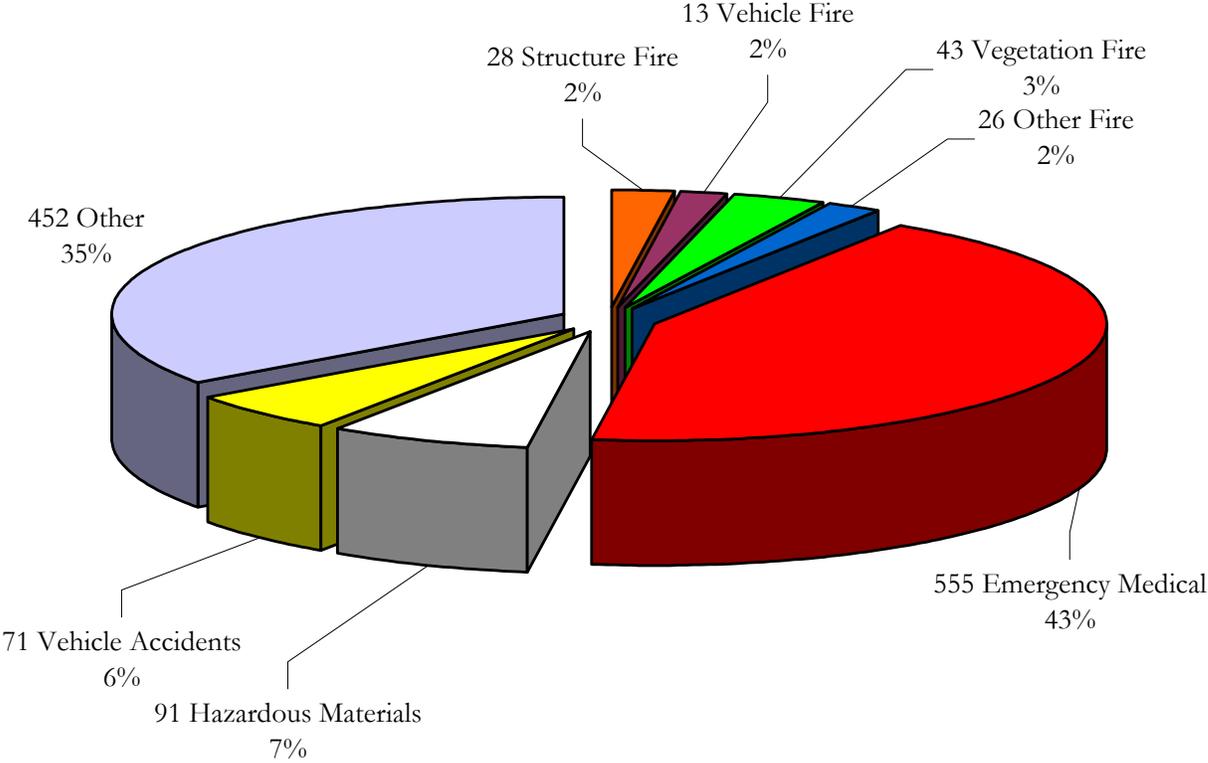
FIRE, EXPLOSION - Includes fires out on arrival and combustion explosion with no after fire. Excluded are overheat or excessive heat, unauthorized burning and controlled burning

RESCUE, EMERGENCY MEDICAL - Includes responses for medical assistance, drowning, lock-ins requiring medical care, electrocutions and people trapped, caught or buried.

HAZARDOUS MATERIALS - Includes flammable or toxic conditions, electrical arcing, radioactive conditions and attempted burning.

OTHER - Includes persons in distress, water problems, animal problems, false calls and public service assistance.

**Fire Service Calls
Number of Calls By Type for Calendar Year 2002**

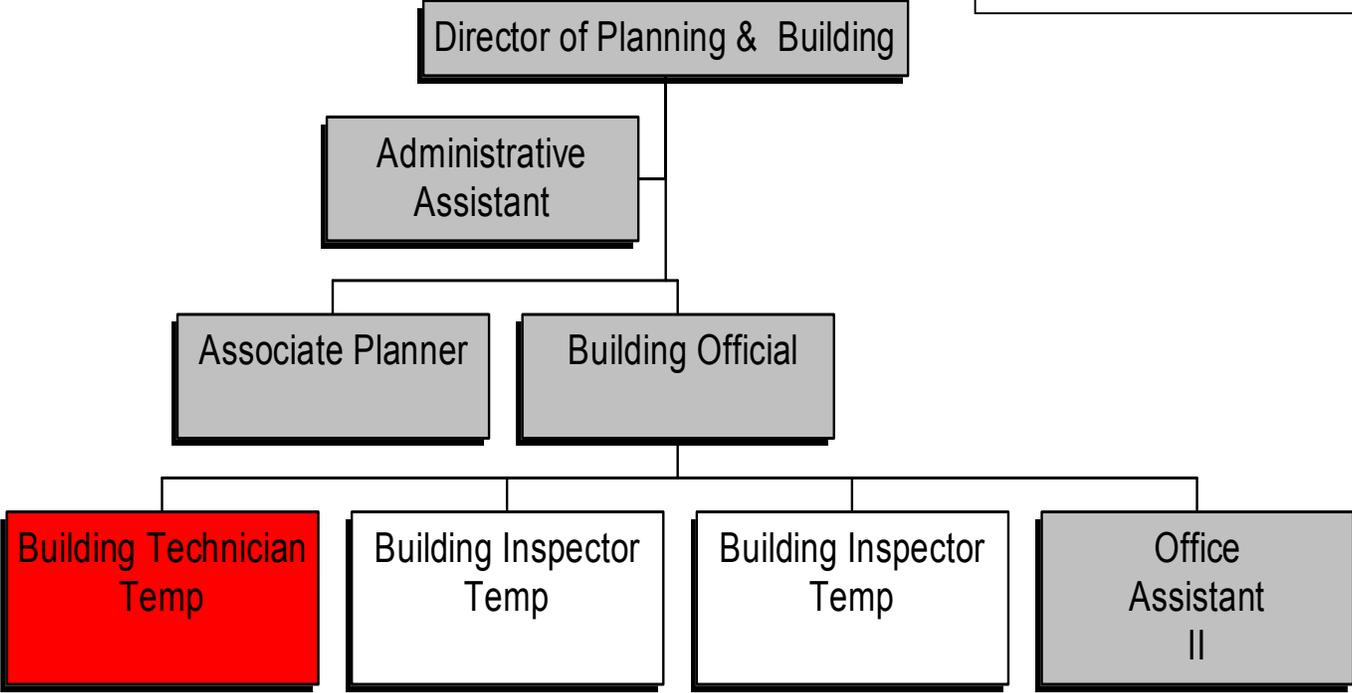


PLANNING & BUILDING

Notes:

PLANNING & BUILDING

Full Time - 5
Temp - 3
Budget Reduction - 1
Total - 7
Full Time Equivalents - 6.0



PLANNING & BUILDING

The Planning and Building Department is responsible for overseeing and guiding private development activities in the City of Healdsburg during a period of sustained economic activity. Major tasks include administration of building and planning regulations, assistance to the public and to private developers on City permit applications; conducting environmental reviews under CEQA and providing staff assistance to the Planning Commission and City Council on development-related permits. The Department is also an active participant on the City's economic development and redevelopment programs team and is responsible for advanced planning.

Zoning and Subdivision Administration

Planning staff administers the Zoning and Subdivision Ordinances. It responds to public inquires, provides interpretations on development projects, prepares staff reports on land use, design review and subdivision projects for Planning Commission and City Council review, and attends public hearings. Revisions to this ordinance are also prepared. The Planning staff continues to find ways to make the application process easier to understand and required information more accessible to the public.

Advanced Planning

All public and private development activities are reviewed for consistency with the Healdsburg General Plan and adopted specific plans such as the Area A Plan. Amendments are also processed by the Planning Staff. Special planning studies are prepared such as the Foss Creek bicycle/trail plan, Community Entryways Plan, and the update to the General Plan. There is continued need to update existing regulations to be more responsive such as the Zoning and Subdivision Ordinances, and Design Review Guidelines. Staff is also involved in activities of the Community Redevelopment Agency. This includes the production of new affordable housing such as development of Parcel B in the Parkland Farms Subdivision and economic development activities.

Environmental Review

Environmental review under the CEQA guidelines is conducted by the Planning staff for all discretionary projects. This involves determination of the appropriate level of environmental review such as whether an environmental impact review is needed. All new projects, public or private, must be reviewed against the City's new CEQA Guidelines.

Building Inspection Services

The Building staff accepts permits, reviews plans and inspects all building related activities within the city to ensure compliance with adopted codes. Public assistance is also given to facilitate proper plan submittals and understanding. Additional challenges include continued administration of the Unreinforced Masonry requirements, and to provide an easy transition with the adoption of the new building and fire codes. Enforcement of code compliance for both zoning and building rests with this division.

MAJOR DEPARTMENT COMPLETED TASKS FISCAL YEAR 2002- 2003

- ☑ Completed annexation of the Grove Street Neighborhood
- ☑ Completed Housing Element for HCD certification
- ☑ Completed the City Entryways Plan
- ☑ Obtained a \$45,000 grant for the Foss Creek/NW railroad project; \$100,000 TDA Article 3
- ☑ Provided site development oversight to complete the 308 East Street transitional housing project
- ☑ Completed a comprehensive re-write of second dwelling unit regulations
- ☑ Prepared draft Noise Ordinance
- ☑ Initiated Area C (Saggio Hills) Annexation project

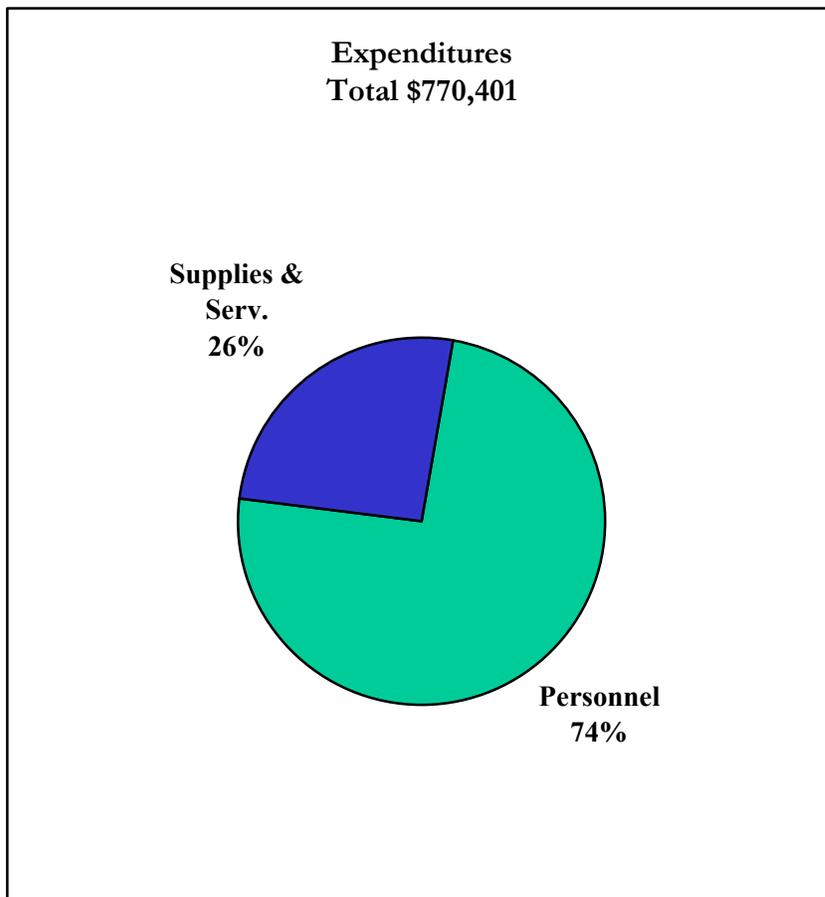
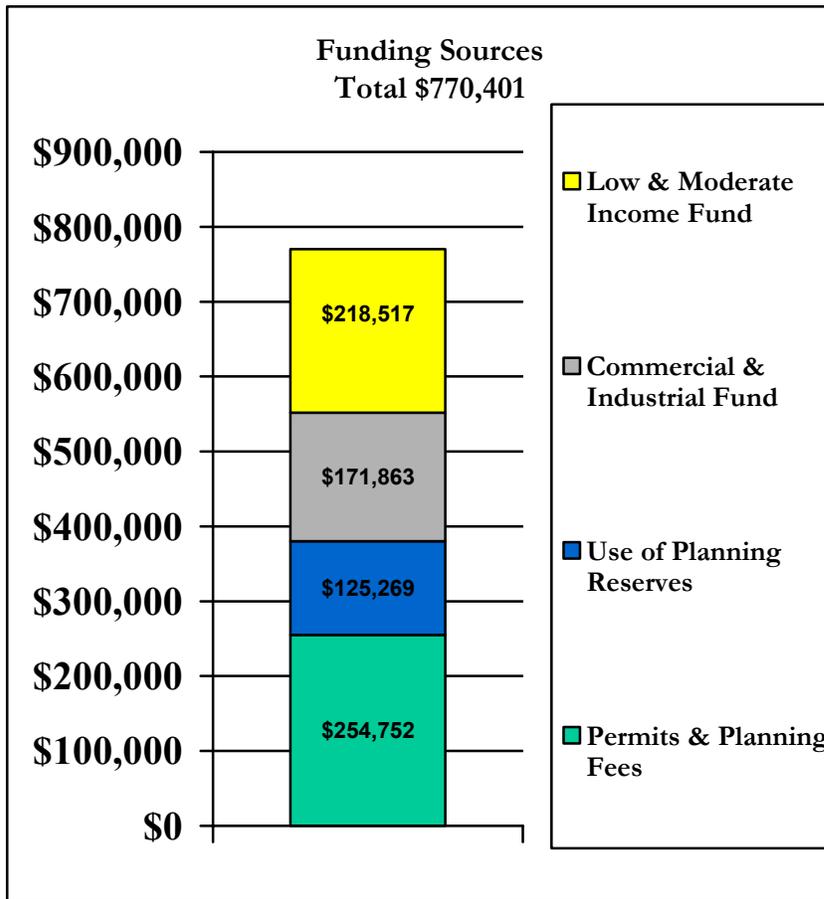
MAJOR DEPARTMENTAL TASKS FISCAL YEAR 2003- 2004

- ◆ Initiate computerized permit processing system for Planning and Building.
- ◆ Complete update of all elements of the General Plan.
- ◆ Participate and coordinate affordable housing projects including a low to moderate income, Parcel B and 210 Second Street subdivisions.
- ◆ Conduct forum on sandwich sign problem.
- ◆ Complete Foss Creek/Railroad bicycle and pedestrian pathway project preliminary design plan.
- ◆ Update Design Review Guidelines.

FUTURE OBJECTIVES

- Update the Subdivision Ordinance.

PLANNING & BUILDING



PLANNING & BUILDING

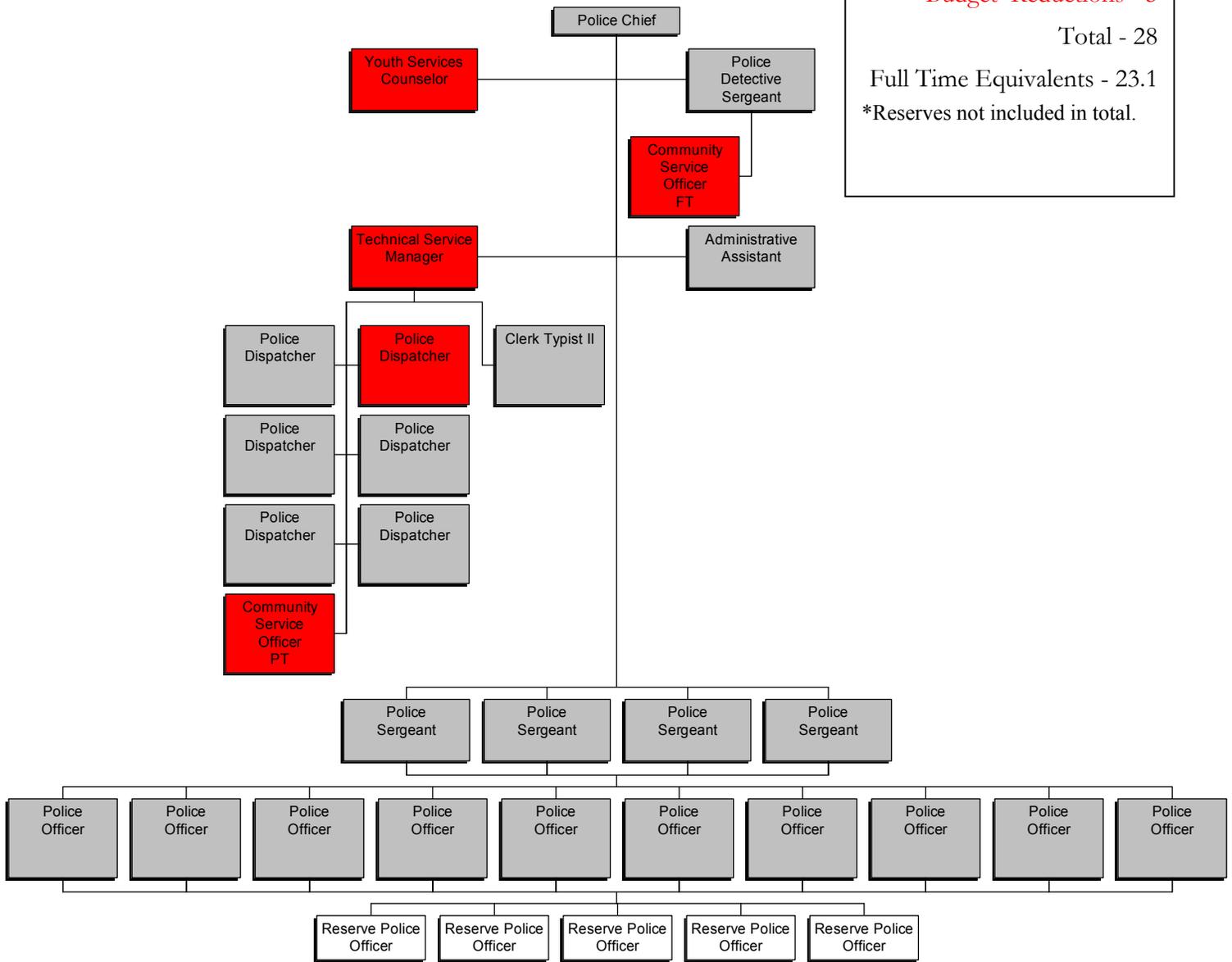
	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
<u>REVENUES</u>					
PERMITS & PLANNING FEES	\$ -	\$ -	\$ 254,752	\$ -	-
COMMERCIAL & INDUSTRIAL FUND	-	-	171,863	-	-
LOW & MODERATE INCOME FUND	-	-	218,517	-	-
USE OF DESIGNATED RESERVES	-	-	125,269	-	-
CAPITAL PROJECT FUNDING	-	-	85,000	-	-
TOTAL REVENUES	\$ -	\$ -	\$ 855,401	\$ -	-
<u>EXPENSES</u>					
WAGES & FRINGE BENEFITS	\$ 434,045	\$ 535,922	\$ 568,676	\$ 32,754	6%
OVERTIME	3,558	3,500	2,500	(1,000)	-29%
NON CONTRACTED SERVICES	62,258	100,300	84,676	(15,624)	-16%
GOVERNMENT FEES	35	2,000	-	(2,000)	-100%
PROJECT PARTICIPATION	2,200	20,000	5,000	(15,000)	-75%
ADDITIONAL PAY	4,200	4,200	4,200	-	0%
UNIFORM ALLOWANCE	-	100	100	-	0%
RENTALS	167	-	-	-	0%
SERVICE FEES	48,570	47,996	52,826	4,830	10%
REPLACEMENT FEES	24,532	17,453	16,453	(1,000)	-6%
TELECOMMUNICATION SERVICE	4,348	6,000	6,000	-	0%
ADVERTISING & PUBLICATION	7,067	8,000	7,900	(100)	-1%
PRINTING & BINDING	-	1,000	500	(500)	-50%
SUPPLIES	8,169	15,150	11,050	(4,100)	-27%
MEETINGS	5,441	10,080	7,370	(2,710)	-27%
MEMBERSHIPS & DUES	1,077	1,000	750	(250)	-25%
TRAINING	1,144	3,700	2,400	(1,300)	-35%
TOTAL OPERATING EXPENSES	606,811	776,401	770,401	(6,000)	-1%
CAPITAL PROJECTS	-	5,470,000	85,000	-	-
GRAND TOTAL EXPENSES	\$ 606,811	\$ 6,246,401	\$ 855,401	-	-

POLICE

Notes:

POLICE

Full Time - 27
 Part Time - 1
 Volunteer - 5
Budget Reductions - 5
 Total - 28
 Full Time Equivalents - 23.1
 *Reserves not included in total.



POLICE

The Healdsburg Police Department is responsible for the protection of life and property, the maintenance of order, the control and prevention of crime, and the enforcement of motor vehicle laws and regulations. Activities related to these responsibilities include law enforcement; criminal investigations; apprehension of criminals, the use of volunteers and problem solving strategies involving all stakeholders in the community.

Patrol Services

Patrol is responsible for providing effective and efficient police services by an officer in uniform or in civilian clothing. Functions of patrol include, but are not limited to, routine patrol and observation, preservation of public peace, answering calls and processing of complaints; identifying and implementing crime prevention strategies; investigations of crimes and accidents, collection and preservation of evidence, the arrest of criminal and traffic offenders; preparation of reports and testifying in court. Patrol also includes the planning and coordination for special events, the control of public gatherings, the protection of life and property, the examination of doors and windows of commercial and industrial establishments, and the performance of miscellaneous services relative to public health and safety.

Investigations

The responsibilities of Investigations are to investigate major crime scenes and collect evidence. They analyze fingerprints and other physical evidence, maintain court evidence, process and destroy contraband evidence; monitor activities of individuals on probation and parole, provide legal update training and crime prevention presentations to the community, and conduct major investigations with crimes requiring out-of-town follow-up. Additionally, this division maintains gang tracking and participates on countywide task forces including high profile drug cases.

Technical Services

The responsibilities of this division are to maintain/operate a full 911-dispatch center for Police. Technical Services coordinate call-outs for ambulance, Public Works, Electric Utility and animal control as required and they maintain all information covered under the public records act, as well as all department statistical information. Additionally, they oversee found/abandoned property, parking enforcement, abandoned vehicle abatements and coordinate subpoenas and the warrant system. Computer aided dispatch is also maintained by Technical Services staff, including RMS (Records Management System) Jail System, Integrated Justice System, Central Warrant System, California Law Enforcement Teletype System (CLETS) and National Crime Information Center (NCIC). Technical Services answers all business lines and provides information to the public.

Community Support

The Healdsburg Police Department participates in the county-wide Multi-Agency Gang Task Force (MAGNET). We have Youth Services Diversion, Adopt-A-Cop, Officer in the Classroom, Drug/Alcohol Awareness, Bicycle Safety, Graffiti Abatement, Bicycle Rodeo, Project Graduation, Avoid the 13, Domestic Violence Advocate, a Citizens Academy and we have done the "Every 15 Minutes" Program for Drinking Driver Awareness in conjunction with CHP, ABC, HHS and several community groups. The police non-profit group known as PAC (Parent Awareness Coalition) that involves police, schools and private citizens has continued to offer programs for our "at risk youth." We raise monies for youth programs and focus "at risk youth" into sports programs such as Little League, Pop Warner Football, Youth Soccer, Boys & Girls Club memberships and several private youth related activities such as swimming programs, pottery, ballet, etc.

POLICE

MAJOR DEPARTMENTAL TASKS COMPLETED FISCAL YEAR 2002-2003

- ☑ The (VIPS) Volunteers In Police Services was implemented. The (VIPS) provide community services such as vacation house checks, security surveys, crime prevention programs, handicap parking enforcement, and other non-hazardous police services.
- ☑ The Explorer Program was implemented with applications being accepted by our Explorer Post Advisors. Explorers perform non-hazardous support tasks within various divisions of the police department and with all community events. The ages of the explorers range between 16 and 20.
- ☑ The College Intern Program was successfully implemented. The first intern hired created our website. He was later hired as a police recruit and is now attending the Santa Rosa Police Academy in Windsor.
- ☑ The Communications Center is undergoing a complete remodel that includes ergonomic furniture for the communications operators in hopes of reducing Worker's Compensation Claims.
- ☑ The Department withdrew from the County-wide CAD/RMS/MDC program due to escalating costs and problematic software. The current CAD/RMS system is being upgraded to add crime data tracking, document management and a report writing component, at a significant cost savings.
- ☑ The Department was awarded a Universal Hiring Grant in the amount of \$75,000 to help pay for an additional officer for a new Downtown Foot Patrol position effective January 6, 2003.
- ☑ Department personnel attended forty-one professional training classes.
- ☑ The Department was awarded \$9,000 for the PAC Grant, \$8,400 for Bullet-proof Vest Grant, \$10,000 for Restorative Justice Grant, \$100,000 for Technology Grant, and \$15,000 for CLEEPS Grant.
- ☑ Three offices were recarpeted due to excessive wear and tear.
- ☑ All department computers were upgraded including the hand-held PC's for staff.
- ☑ New Department Policy Manual from REMIF.

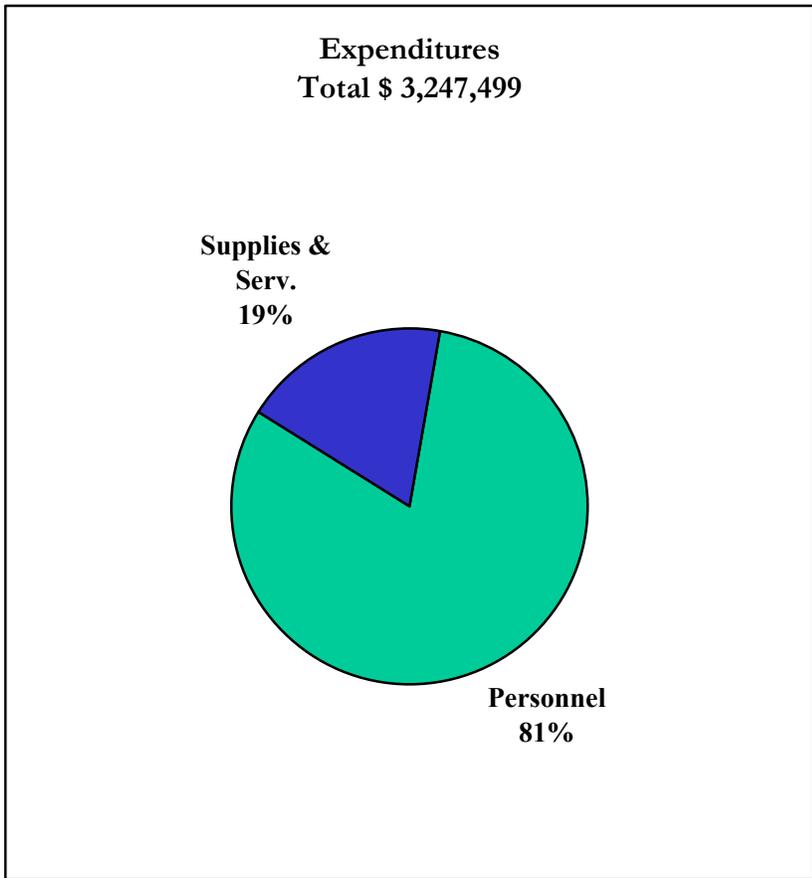
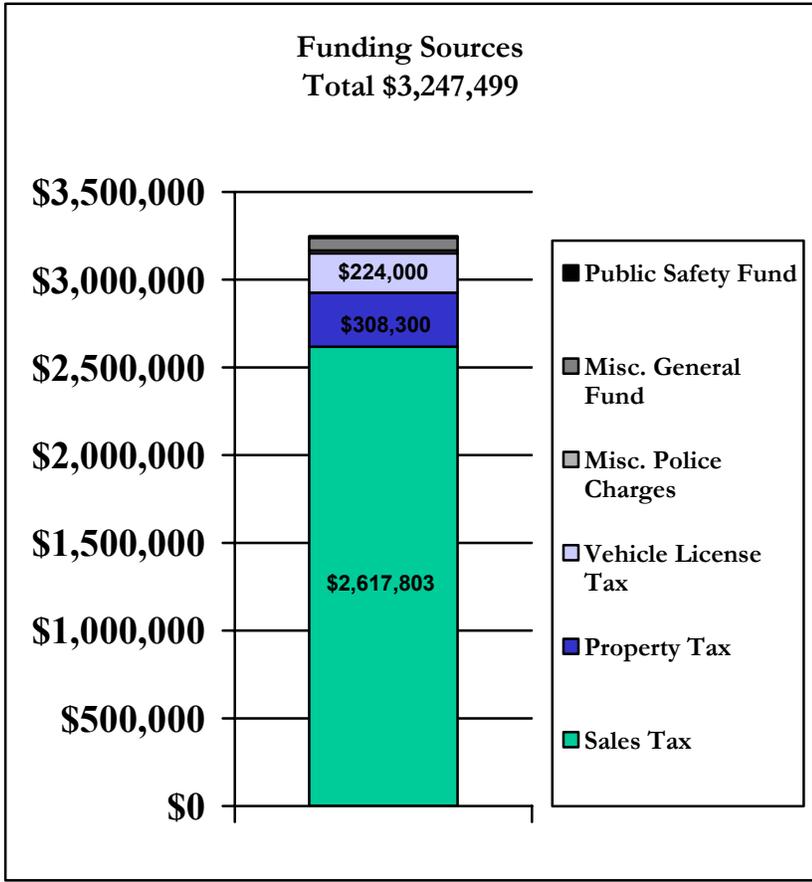
MAJOR POLICE DEPARTMENT GOALS FOR FISCAL YEAR 2003-2004

- ◆ Finish the revision of the current Parking Plan and Ordinance, with input from the community, and have it adopted by the City Council.
- ◆ Continue working closely with the Boys & Girls Club and the Parent Awareness Coalition.
- ◆ Complete the move of our Property/Evidence Storage area.
- ◆ Continue to research Law Enforcement Accreditation to determine when we can begin that process.
- ◆ Submit our Skateboard Park project for the Herman Goldstein Award for the Problem Oriented Policing Conference in 2003.
- ◆ Implement Geographic Based Team Policing.
- ◆ Continue to research new funding sources.
- ◆ Continue examining ways to reduce overtime expenditures.
- ◆ Continue focus on training for employees, but restrict training to necessary and local due to POST's inability to reimburse agencies for travel, per diem, lodging and time.

FUTURE POLICE OBJECTIVES

We are studying our current deployment strategies to ensure that we are utilizing our resources in the most efficient and effective way. HPD will continue working with Sonoma County law enforcement agencies to better pool resources and work more closely with each other in cooperative ventures. The department will also focus on developing our employees through police related training either in-house or outside POST courses. In addition, emphasis continues to be placed on employees completing their college degrees for future promotional opportunities, and to better reflect the community that we serve. We will also be examining ways to recoup costs for services rendered such as diversion meetings, restorative resource time, special event staffing, and other cost recovery items.

POLICE



POLICE

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
REVENUES					
SALES TAX	\$ -	\$ -	\$ 2,617,803	\$ -	-
PROPERTY TAX	-	-	308,300	-	-
VEHICLE LICENSE FEES	-	-	224,000	-	-
MISC.GENERAL FUND REVENUES	-	-	72,708	-	-
MISCELLANEOUS POLICE CHARGES	-	-	15,188	-	-
PUBLIC SAFETY FUND	-	-	9,500	-	-
CAPITAL PROJECT FUNDING	-	-	-	-	-
TOTAL REVENUES	\$ -	\$ -	\$ 3,247,499	\$ -	-
EXPENSES					
WAGES & FRINGE BENEFITS	\$ 2,119,216	\$ 2,503,436	\$ 2,506,337	\$ 2,901	0%
OVERTIME	166,620	130,000	126,000	(4,000)	-3%
NON CONTRACTED SERVICES	165,145	194,650	178,000	(16,650)	-9%
ADDITIONAL PAY	4,145	33,475	-	(33,475)	-100%
UNIFORM ALLOWANCE	17,015	-	18,000	18,000	0%
SERVICE CONTRACTS	7,983	9,000	9,000	-	0%
RENTALS	3,754	-	-	-	0%
SERVICE FEES	223,484	246,222	267,149	20,927	8%
REPLACEMENT FEES	56,879	68,541	63,541	(5,000)	-7%
TELECOMMUNICATION SERVICE	15,280	13,700	11,500	(2,200)	-16%
ADVERTISING & PUBLICATION	181	4,050	-	(4,050)	-100%
PRINTING & BINDING	1,404	4,000	2,000	(2,000)	-50%
TRAVEL EXPENSE	147	-	-	-	0%
SUPPLIES	50,105	49,465	50,275	810	2%
MEETINGS	6,519	600	813	213	36%
MEMBERSHIPS & DUES	918	1,700	1,300	(400)	-24%
TRAINING	15,173	31,060	13,584	(17,476)	-56%
CAPITAL ITEMS	-	34,127	-	(34,127)	-100%
TOTAL OPERATING EXPENSE	2,853,968	3,324,026	3,247,499	(76,527)	-2%
CAPITAL PROJECTS	-	25,000	-	-	0%
GRAND TOTAL EXPENSES	\$ 2,853,968	\$ 3,349,026	\$ 3,247,499	-	-

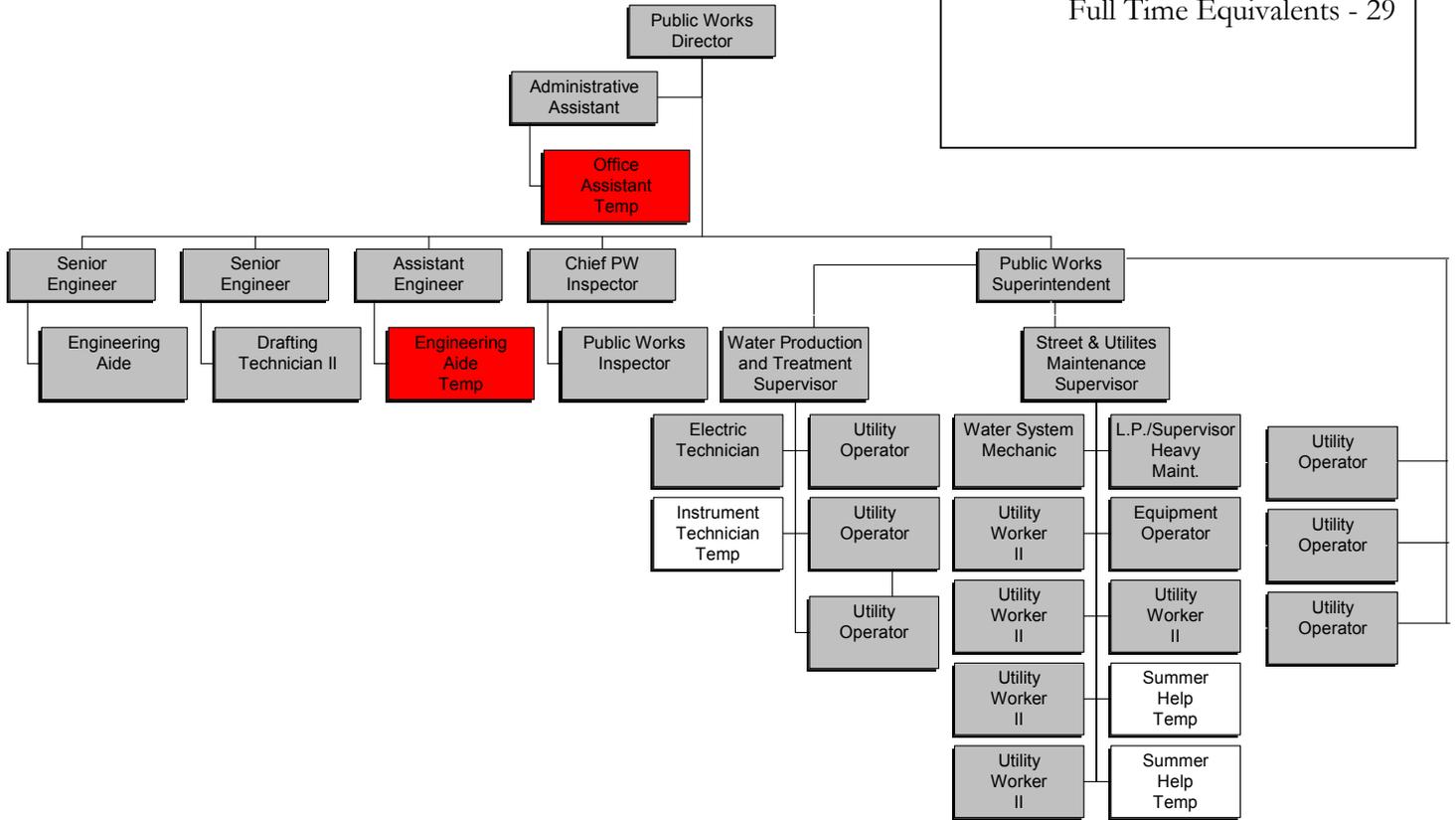
1) Additional pay in wage rates starting in 2002/2003.

PUBLIC WORKS

Notes:

PUBLIC WORKS

Full Time - 27
 Temp - 5
 Budget Reductions - 2
 Total - 30
 Full Time Equivalents - 29



PUBLIC WORKS

The Public Works Department is responsible for construction, operations, and maintenance of much of the City's infrastructure. Specific areas of responsibility include public streets (including sidewalks, street and traffic signs and pavement markings), the water system (including production, treatment, storage and distribution), the sewer system (including collection, pumping, treatment and disposal/reclamation of wastewater), and the storm drainage system (including maintenance of storm drain pipes, creeks, and storm water detention basins). The Public Works Department also provides engineering review and inspection of public improvements in new development projects and in public capital and replacement projects.

DEPARTMENTAL DUTIES AND RESPONSIBILITIES

Engineering Staff

The Engineering Staff is comprised of three engineers, two engineering technicians, and one inspector who are responsible for all traffic, water, sewer, drainage, and development engineering and construction inspection services. Most of the staff time is devoted to answering inquiries from the public, processing and inspecting development projects and building permits, and the design and construction of maintenance and capital improvement projects. Other significant areas of effort include street maintenance projects, implementation of Industrial Wastewater Discharger, Cross-Connection Control programs, and Phase II Stormwater NPDES Permit, wastewater discharge permits, and modernization of City Codes relating to Public Works.

Maintenance

The Public Works Maintenance team consists of eight full-time and two temporary employees who are responsible for patching potholes, placing regulatory, warning and informational signs, maintaining all pavement delineations and markings, performing graffiti removal within public rights-of-way, maintenance of the City's storm drainage system, creeks, channels, and detention basins, cleaning and repairing sewer mains and laterals, replacing broken water mains and services, performing weed abatement on City properties, maintenance of City buildings, and other related activities. The maintenance staff has placed an emphasis on maintaining/repairing street signs, painted traffic markings, and painted curbs over the past several years. Over the long term, we are trying to replace painted markings with thermoplastic, which has a higher initial cost but a longer life and therefore a lower long-term cost than painted markings. Emergency repairs of failed plastic water services continue to be a major distraction for the maintenance crews, who must replace approximately 125 of these failed services per year. Much of this work must be done on an emergency, after-hours basis. Emergency call-out and overtime averages approximately 700 hours per year for this group.

Water Utility

The Water Department staff consists of six employees responsible for maintaining the City's water production, treatment, and storage systems. This group works seven days per week operating and maintains the City's fifteen water wells, chlorination, fluoridation, and other treatment systems, seven storage reservoirs, and the SCADA communication system, which continually monitors these facilities. Emergency call-out and related overtime averages approximately 1,500 hours per year for this group. Their duties include daily sampling, analysis, and monitoring of each City well as well as maintenance and repair of pumps, motors, valves, miscellaneous treatment, and monitoring equipment. Operation and maintenance of the water system to meet State and Federal water quality standards is this group's top priority.

Sewer Utility

The Sanitation staff is comprised of four employees who are responsible for the operations and maintenance of the sewer collection system, the City's ten sewer pump stations, and the wastewater treatment plant. In addition, the Sanitation staff performs sampling and inspection of commercial and industrial dischargers to ensure compliance with the City's sewer ordinance and to prevent collection system spills from illegally discharged grease or treatment plant upsets from illegally discharged pollutants. The Sanitation staff continually inspects and monitors the operation of the treatment plant and pump stations, responds (24 hrs/day, 7 days per week) to service calls for collection system and house service laterals blockages, repairs and services pumps, motors, mains, and manholes, and repairs broken sewer mains and laterals. Emergency call-out related overtime averages approximately 1,200 hours per year for this group.

MAJOR DEPARTMENT TASKS COMPLETED, FY 2002-2003

- ☑ Successfully defended the City in litigation challenging the EIR for the Outfall Relocation Project.
- ☑ Began preparation of the EIR for the City's Wastewater Treatment Plant Upgrades Project.
- ☑ Completed the City's Geographic Information System (GIS).
- ☑ Completed the reconstruction of Sunnyvale Drive.
- ☑ Completed project with neighbors at 403 and 405 North Street on new water and sewer mains.
- ☑ Completed the project to widen and overlay South Healdsburg Avenue and add class 2 bike lanes.
- ☑ Re-striped and re-signed the downtown area to create 91 additional public parking spaces.
- ☑ Implemented a detailed sewer collection system cleaning, inspection, and maintenance program to prevent spills and protect water quality.
- ☑ Implemented the State-mandated backflow prevention program for the City's water system.
- ☑ Completed the reconstruction of several of the City's sewer pump stations.
- ☑ Completed the emergency sewer replacement project on Healdsburg Ave. at the Chamber of Commerce.

MAJOR DEPARTMENTAL GOALS FOR FISCAL YEAR 2003-2004

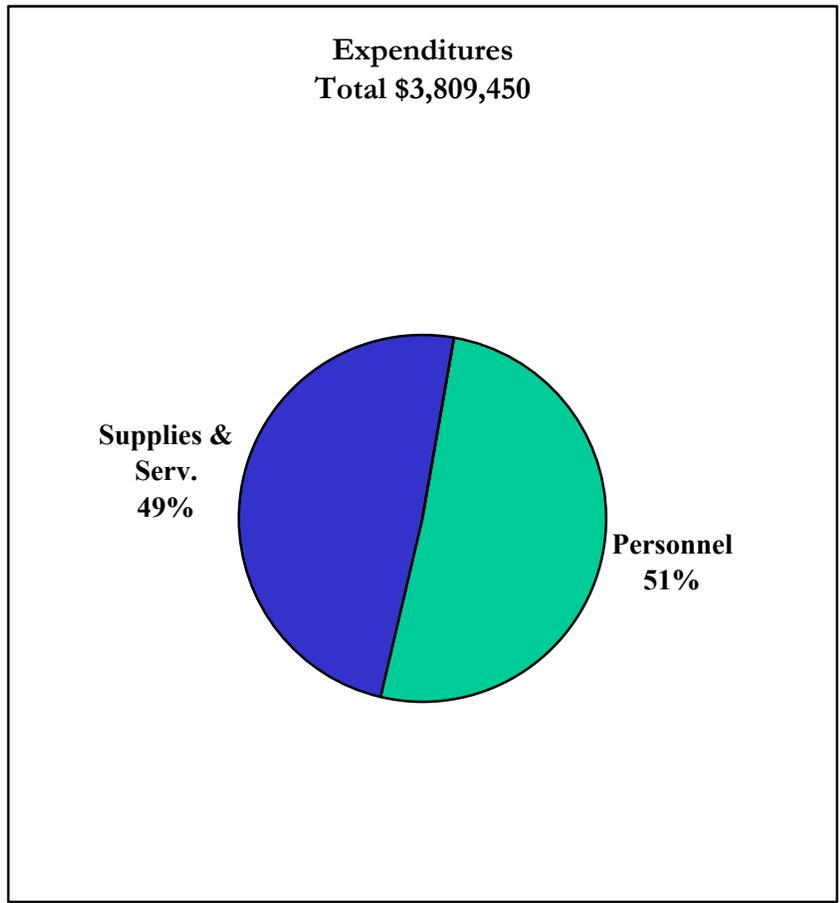
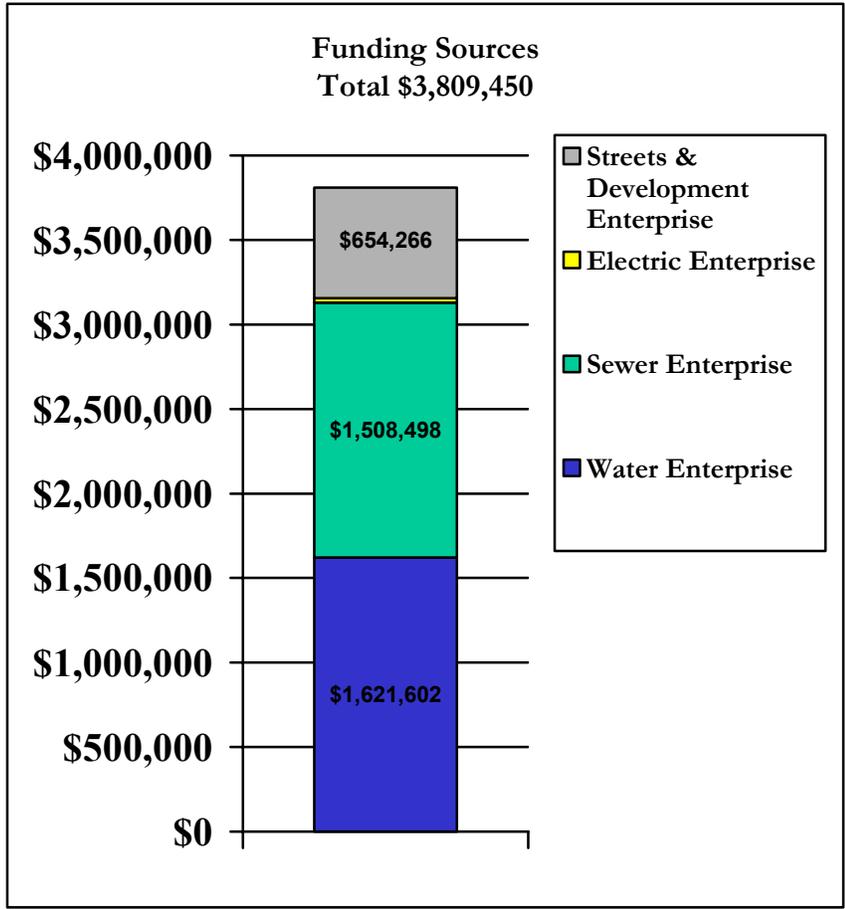
- ◆ Complete the EIR for the Wastewater Treatment Plant Upgrades Project and circulate it for public comment.
- ◆ Complete the expansion of the Plaza Parking Lot to create 30 additional public parking spaces.
- ◆ Complete design and begin construction of the Panorama water treatment plant to remove current seasonal operational restrictions, to improve water quality, and to preserve the City's existing Russian River water rights.
- ◆ Complete the design and installation of security systems at the City Corporation Yard, wells, reservoirs, pump stations, and wastewater treatment plant.
- ◆ Review and update Development Impact Fees to ensure adequate funding of needed improvements.
- ◆ Secure a revised Flood Insurance Rate Map from FEMA.
- ◆ Obtain required permits and approvals and complete the Grant Street Bridge Widening Project.
- ◆ Formulate and implement programs, policies, and procedures to comply with the City's new phase II stormwater NPDES permit.
- ◆ Secure a commitment of funding from CA Fish and Game to improve the Kennedy lane Fishing access.

FUTURE OBJECTIVES

Over the next several years, major effort will be concentrated on the following projects:

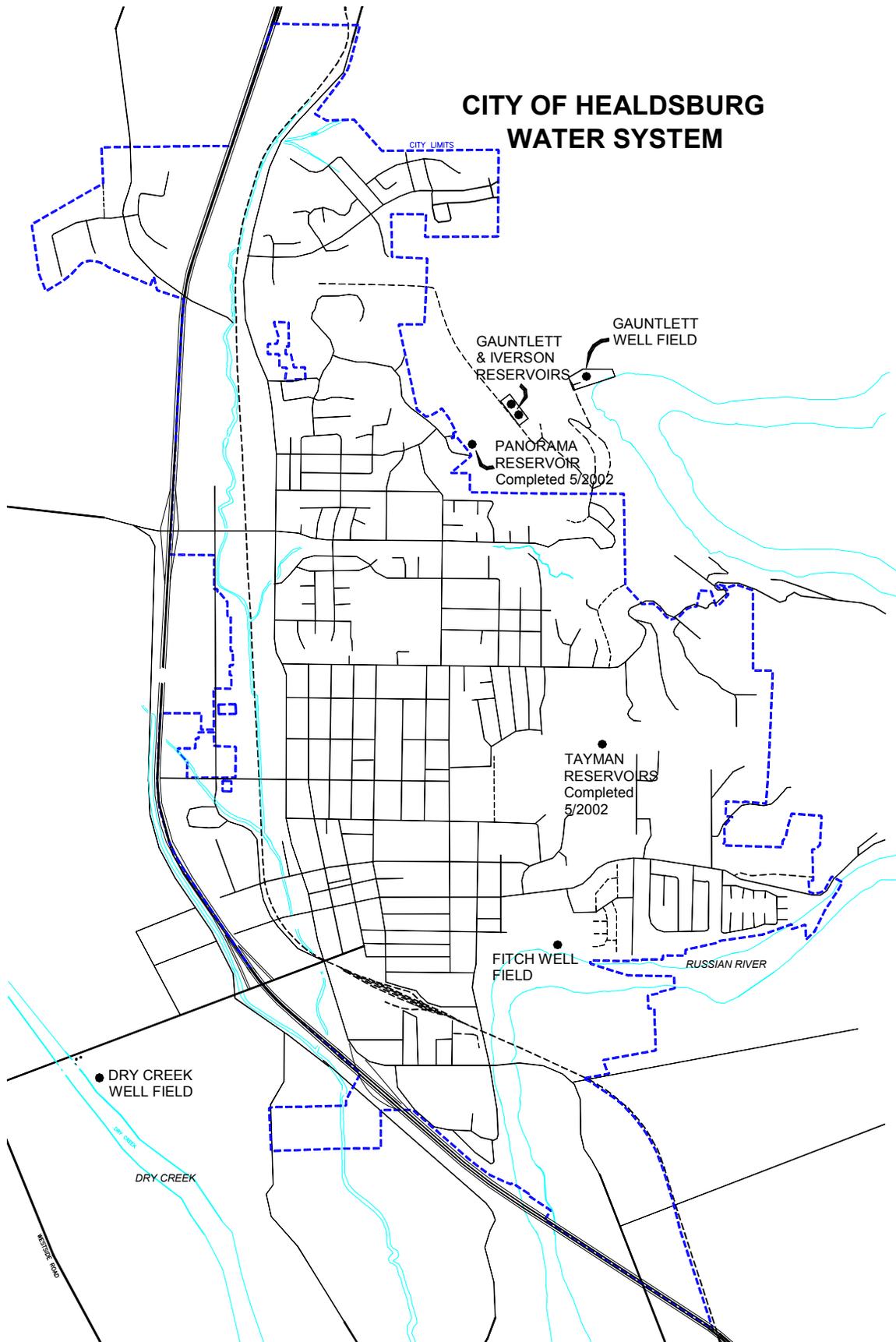
- ◆ Revise City storm drain design and construction standards to reduce the burden on minor infill development projects.
- ◆ Make the City' GIS and automated mapping system available to the public through the internet.
- ◆ Develop a plan to solve drainage problems in the Ward/Palm area and along Piper Street.

PUBLIC WORKS

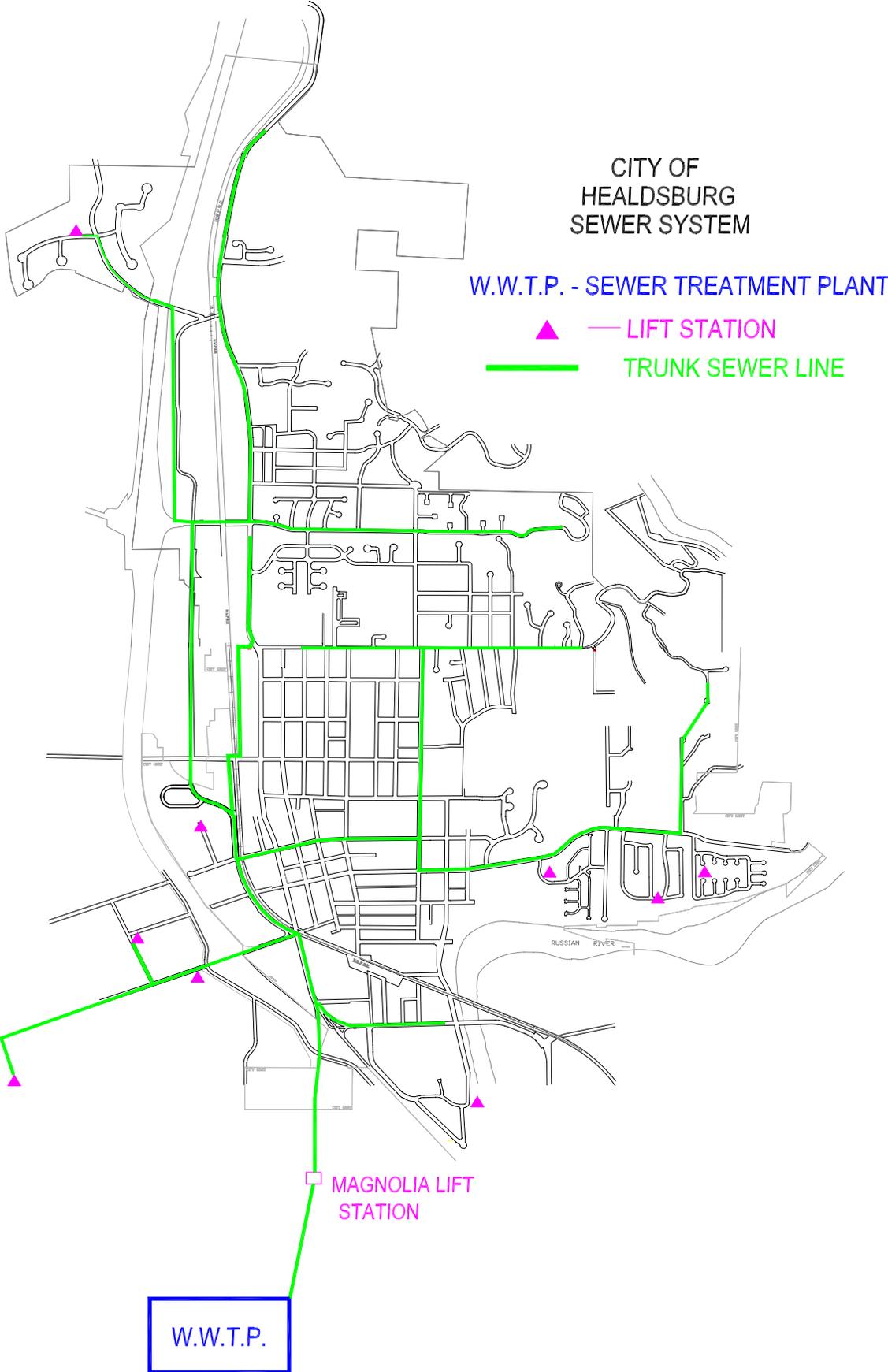


PUBLIC WORKS

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
REVENUES					
WATER ENTERPRISE	\$ -	\$ -	\$ 1,621,602	\$ -	-
SEWER ENTERPRISE	-	-	1,508,498	-	-
ELECTRIC ENTERPRISE	-	-	25,084	-	-
STREETS & DEVELOPMENT ENT.	-	-	654,266	-	-
CAPITAL PROJECT FUNDING	-	-	3,068,938	-	-
TOTAL REVENUES	\$ -	\$ -	\$ 6,878,388	\$ -	-
EXPENSES					
WAGES & FRINGE BENEFITS	\$ 1,139,508	\$ 1,606,882	\$ 1,790,707	\$ 183,825	11%
OVERTIME & STAND BY	123,345	144,846	144,846	-	0%
NON CONTRACTED SERVICES	245,751	278,110	156,926	(121,184)	-44%
GOVERNMENT FEES	22,552	53,200	52,700	(500)	-1%
EMPLOYMENT SERVICES	3,856	-	-	-	0%
PROPERTY SERVICES	347,512	436,700	436,700	-	0%
ADDITIONAL PAY	8,814	10,300	9,000	(1,300)	-13%
UNIFORM ALLOWANCE	6,131	11,250	8,500	(2,750)	-24%
SERVICE CONTRACTS	554	1,714	1,214	(500)	-29%
RENTALS	7,043	8,700	5,500	(3,200)	-37%
SERVICE FEES	251,342	290,933	303,006	12,073	4%
REPLACEMENT FEES	106,323	121,666	121,666	-	0%
USE FEES	375,000	375,000	375,000	-	0%
TRENCH CUT FEES	-	25,000	25,000	-	0%
LOAN REPAYMENT- GENERAL FUND	55,060	55,060	55,060	-	0%
TELECOMMUNICATION SERVICE	41,207	52,550	45,700	(6,850)	-13%
ADVERTISING & PUBLICATION	396	3,450	2,750	(700)	-20%
PRINTING & BINDING	384	1,450	1,450	-	0%
TRAVEL EXPENSE	-	1,000	750	(250)	-25%
SUPPLIES	194,785	297,050	235,250	(61,800)	-21%
MEETINGS	2,281	2,195	2,175	(20)	-1%
MEMBERSHIPS & DUES	5,024	5,300	5,750	450	8%
TRAINING	11,391	22,220	24,800	2,580	12%
CAPITAL ITEMS	-	9,540	5,000	(4,540)	-48%
TOTAL OPERATING EXPENSE	2,948,259	3,814,116	3,809,450	(4,666)	0%
CAPITAL PROJECTS	-	12,219,073	3,068,938	-	-
GRAND TOTAL EXPENSES	\$ 2,948,259	\$ 16,033,189	\$ 6,878,388	-	-

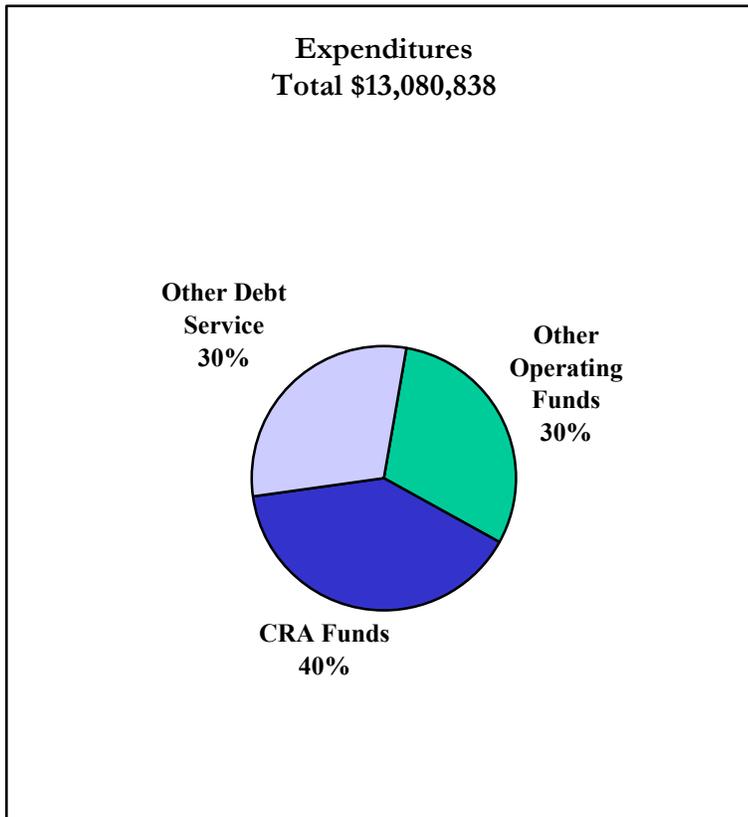
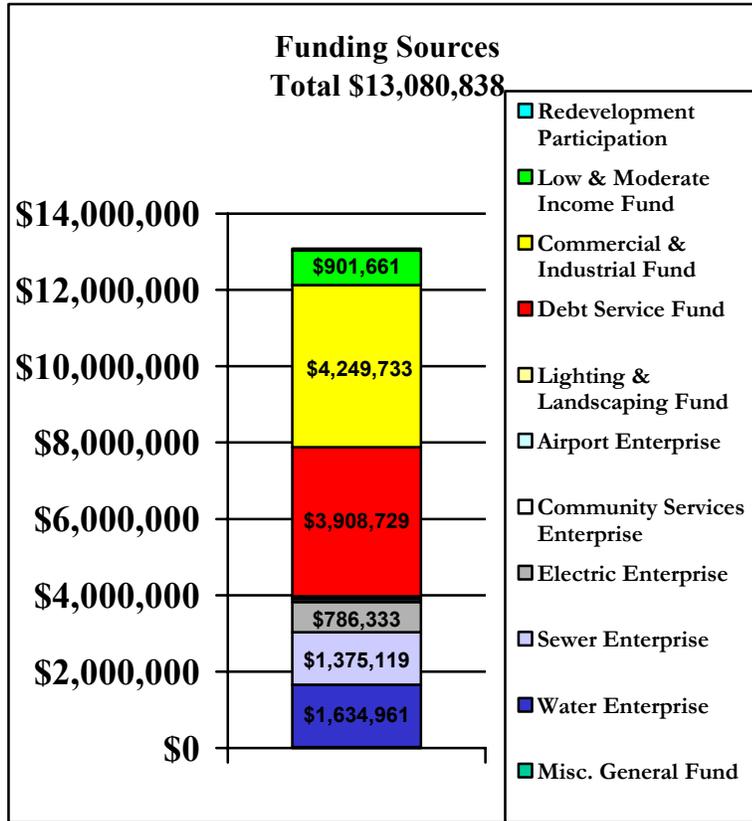


PUBLIC WORKS



NON DEPARTMENTAL

Non Departmental includes items related to the city as a whole that cannot be easily allocated to the various departments.



NON DEPARTMENTAL

	ACTUAL 2001-2002	ADOPTED 2002-2003	BUDGET 2003-2004	DIFFERENCE FROM 2002-2003	% DIFFERENCE
REVENUES					
MISC.GENERAL FUND REVENUES	\$ -	\$ -	\$ 22,500	\$ -	-
WATER ENTERPRISE	-	-	1,634,961	-	-
SEWER ENTERPRISE	-	-	1,375,119	-	-
ELECTRIC ENTERPRISE	-	-	786,333	-	-
COMMUNITY SERVICES ENTERPRISE	-	-	78,297	-	-
AIRPORT ENTERPRISE	-	-	32,305	-	-
LIGHTING & LANDSCAPING FUND	-	-	41,200	-	-
DEBT SERVICE FUND	-	-	3,908,729	-	-
COMMERCIAL & INDUSTRIAL FUND	-	-	4,249,733	-	-
LOW & MODERATE INCOME FUND	-	-	901,661	-	-
REDEVELOPMENT PARTICIPATION FUND	-	-	50,000	-	-
TOTAL REVENUES	\$ -	\$ -	\$ 13,080,838	\$ -	-
EXPENSES					
TRANSFERS:					
SPECIAL REVENUE	\$ -	\$ 4,900	\$ -	\$ (4,900)	-100%
DEBT SERVICE	612,306	1,717,974	3,069,686	1,351,712	79%
ENTERPRISE	88,500	100,000	13,424	(86,576)	-87%
SERVICE FUNDS	55,704	35,100	15,000	(20,100)	100%
TRUST FUNDS	50,000	50,000	50,000	-	0%
CAPITAL PROJECTS	4,290,721	15,962,250	1,995,647	(13,966,603)	-87%
DEPRECIATION	237,563	-	-	-	0%
DEBT SERVICE	1,678,716	2,414,591	3,371,174	956,583	40%
PROJECT PARTICIPATION	2,469	-	-	-	0%
COUNTY PASS THROUGH	1,045,140	1,191,000	1,838,588	647,588	54%
PRINCIPAL RETIREMENT	1,177,416	1,940,760	2,531,734	590,974	30%
CONTRACTED SERVICES	764,208	404,019	148,275	(255,744)	-63%
PROPERTY TAX	2,070	3,810	3,810	-	0%
RENTALS	20,693	21,000	21,000	-	0%
SUPPLIES	-	4,000	4,000	-	0%
G & A ALLOCATION	43,003	-	-	-	0%
LOAN AMORTIZATION	12,847	15,000	18,500	-	0%
TOTAL OPERATING EXPENSES	10,081,356	23,864,404	13,080,838	(10,783,566)	100%
RESERVE FOR FUTURE USE	-	-	-	-	-
TOTAL EXPENSES	\$ 10,081,356	\$ 23,864,404	\$ 13,080,838	\$ (10,787,066)	-45%

1) City hall rent charged to Community Redevelopment to fund building maintenance.

2) Support to outside organizations was moved to Community Services Department.

NON-DEPARTMENTAL

Notes:

CITY OF HEALDSBURG

Redevelopment Agency

2003-2004 Work Plan and Proposed Budget

Board Members

Leah Gold, Chair

Lisa Wittke Schaffner, Vice-Chair

Mark Gleason

Jason Liles

Kent Mitchell

Executive Director

Chet J. Wystepek

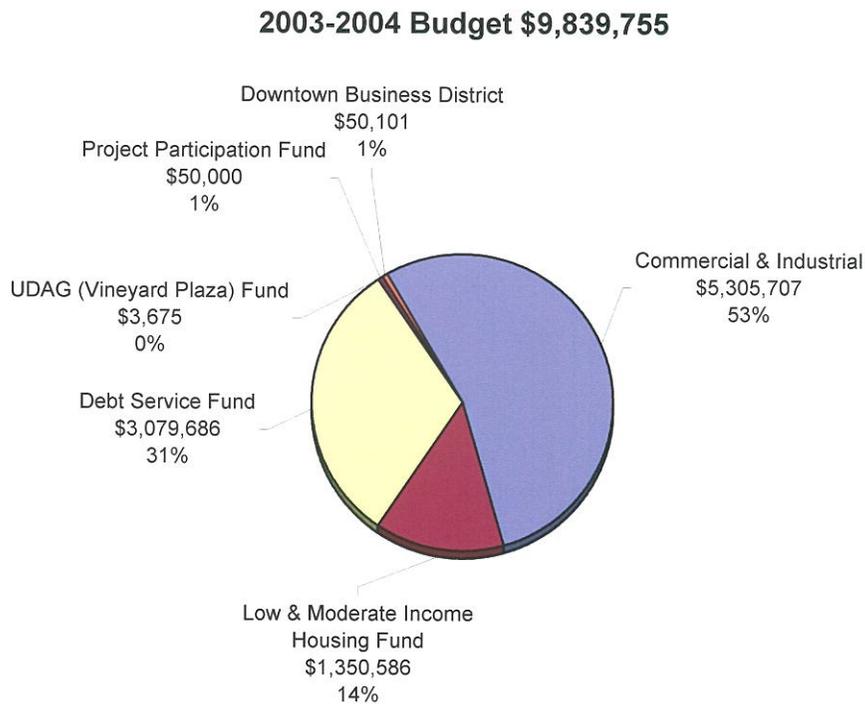
Notes:

REDEVELOPMENT AGENCY WORK PROGRAM AND BUDGET SUMMARY

The Community Redevelopment Agency (Agency) 2003-2004 Work Plan and Proposed Budget is outlined in the following sections of this document. The proposed 2003-2004 budget for the Agency is \$9,839,755. The work program is consistent with the 5-Year Implementation Plan that was adopted in December of 1999 and amended in December 2002.

Budget

The \$9,839,755 budget consists of funding for the Low and Moderate Income Housing Fund, the Commercial and Industrial Fund, the Debt Service Fund, the UDAG Fund, the Project Participation Fund and the Downtown Business District. The graph below shows how the budget is allocated amongst the fund groups.



The largest portion, 53%, of the Agency budget is in the Commercial and Industrial Fund. The \$5,305,707 budget in this fund consists of funding for various projects, use of bond sale proceeds, programs and debt service. This fund also receives the largest portion of Agency revenues primarily from property tax increment.

The Debt Service Fund accounts for 31% of the Agency budget. The \$3,079,686 budget in this fund consists of various debt payment obligations related to previous Agency projects. The revenues received by this fund are debt service transfers from the Commercial and Industrial Fund and the Low and Moderate Income Housing Fund.

The Low and Moderate Income Housing Fund represents 14% of the Agency budget. The \$1,350,586 budget in this fund consists of debt service and various affordable housing, use of bond proceeds, and

neighborhood improvement projects. The revenues received by this fund are primarily from property tax increment.

The UDAG (Vineyard Plaza) Fund is less than 1% of the Agency budget. The \$3,675 is made up primarily of economic development loans.

The Project Participation Fund is 1% and represents funds for the Community Benefit Trust.

The remaining (1%) of the budget is funding the Downtown Business District. The \$50,101 budget consists of various promotional programs benefiting the downtown. Revenues received by this fund are from a contribution by the Agency and by assessments of downtown businesses.

FUNDING FOR PROJECTS

The proposed budget includes only \$100,000 of new project funding. Most new projects were funded as a budget amendment in the 2002-2003 year following the 2003 Tax Allocation Bond sale. The primary means for funding the projects is utilization of some of the uncommitted tax increment and proceeds from the 2003 Tax Allocation Bond sale. In addition to the proposed new funding, there are projects budgeted in 2002-2003 as part of the Capital Improvement Program, for which carry-over appropriation authority will be requested as part of the budget adoption. The planned State ERAF take away of \$503,000 and debt service for the 2003 Tax Allocation Bonds have reduced funding for 2003-2004 projects.

FUNDING FOR PROGRAMS

The proposed budget includes \$1,643,019 of funding for programs. Funding in the Commercial and Industrial Fund for programs is \$1,170,474 and program funding in the Low and Moderate Income Housing Fund is \$472,545. The programs funded include:

- ◆ Economic Development
- ◆ Promotion
- ◆ New Affordable Housing
- ◆ Administration and Board of Directors
- ◆ Neighborhood Improvement

AGENCY ACCOMPLISHMENTS DURING 2002-2003

The Agency successfully completed and funded a number of projects and programs in the 2002-2003 year. These included:

- ☑ Held required 5-Year Implementation Plan hearing.
- ☑ Issued \$18.9 million of Tax Allocation Bonds
- ☑ Completed renovation of the East Street four-plex
- ☑ Continued the successful Neighborhood Improvement Program by providing another \$100,000 in funding for low-income eligible exterior housing rehabilitation.
- ☑ Initiated construction of the Alliance Medical Clinic building
- ☑ Developed a strategy for dealing with State ERAF raids
- ☑ Initiated loan and purchase option for Boys and Girls Club land and building

AGENCY GOALS FOR 2003-2004

- ◆ Complete Initiate construction under DDA of 16 new affordable homes in Parkland Farms.
- ◆ Purchase additional land for development of low-moderate income housing
- ◆ Continue development of an entryway upgrade program, which includes demolition of the abandoned gas station across from McDonalds.
- ◆ Complete construction under DDA of two affordable housing units at 210 Second Street
- ◆ Complete Alliance Clinic Project.
- ◆ Acquire land for additional downtown parking.
- ◆ Complete design work for entry way upgrade project.
- ◆ Issue \$1.8 million in Tax Allocation Bonds to the U.S. Department of Agriculture for the Alliance Clinic Project

HISTORY OF AGENCY

In 1980, the Healdsburg Community Redevelopment Agency was established. The adoption of the Sotoyome Community Development Plan occurred in 1981. The Agency's purpose was defined to provide a tool to eliminate blighting conditions and thus ensure that the City economic base would grow and remain healthy through provision of new public improvements, commercial development and affordable housing.

The Healdsburg Redevelopment Agency, like many of other agencies in the State, established the City Council as its Board of Directors and established the existing City staff as the Agency's staff. Specifically, the City Manager is the Agency's Executive Director, the City Clerk is the Agency's Secretary, the Finance Director is the Agency's Fiscal Officer, and other City staff performs a variety of Agency responsibilities. The City's Department Heads serve as Program Managers in the implementation of the Plan.

The Sotoyome Community Development Plan sets forth the Project Area or limits of jurisdiction of the Agency and its tax increment spending authority generally. An exception exists in the area of low and moderate-income housing funds, which, under certain circumstances, can be used within the City, and non tax increment funds, such as UDAG loan repayment proceeds, which are restricted as to purpose, not geographically.

The Community Redevelopment Agency of the City of Healdsburg Project area includes approximately 90 percent of the western half of the City, including virtually all commercial and industrial areas and 30 percent of the eastern half of the City, including virtually all older residential areas. The total Project Area is approximately 1,000 acres.

With adoption of major redevelopment reform legislation, AB 1290, the Agency was mandated to adopt a 5-Year Implementation Plan, which it did in December 1994. In December of 1999 the Agency adopted a new five-year implementation plan, which was amended in December of 2002.

The Agency completed the process of adopting a Plan Amendment that became effective in July 2001, which increased the tax increment and debt limit and extended the time period to incur new debt.

LIMITATIONS AND REQUIREMENTS OF THE REDEVELOPMENT PLAN

Pursuant to the Redevelopment Plan, as amended, the total tax increment revenues received by the Agency over the life of the Redevelopment Plan cannot exceed \$307 million. The Redevelopment Plan also established a limit of \$100 million on the amount of bonded indebtedness that can be outstanding at one

time. Pursuant to AB 1290, the City Council adopted Ordinance No. 904 on December 19, 1994, which provides that the Agency shall not pay indebtedness or receive property taxes after June 16, 2031, or 10 years after the termination of the effectiveness of the Plan.

The effectiveness of the Redevelopment Plan, as amended, is currently 30 years, or through 2021. The Agency, through amendment of its plan extended the period in which it can incur indebtedness through 2014. At the end of that period, the Agency is limited to receipt of increment to pay debt service through 2031 and to undertake housing programs.

IDENTIFICATION OF BLIGHT AND PROJECT AREA GOALS, OBJECTIVES AND LINES OF ACTION

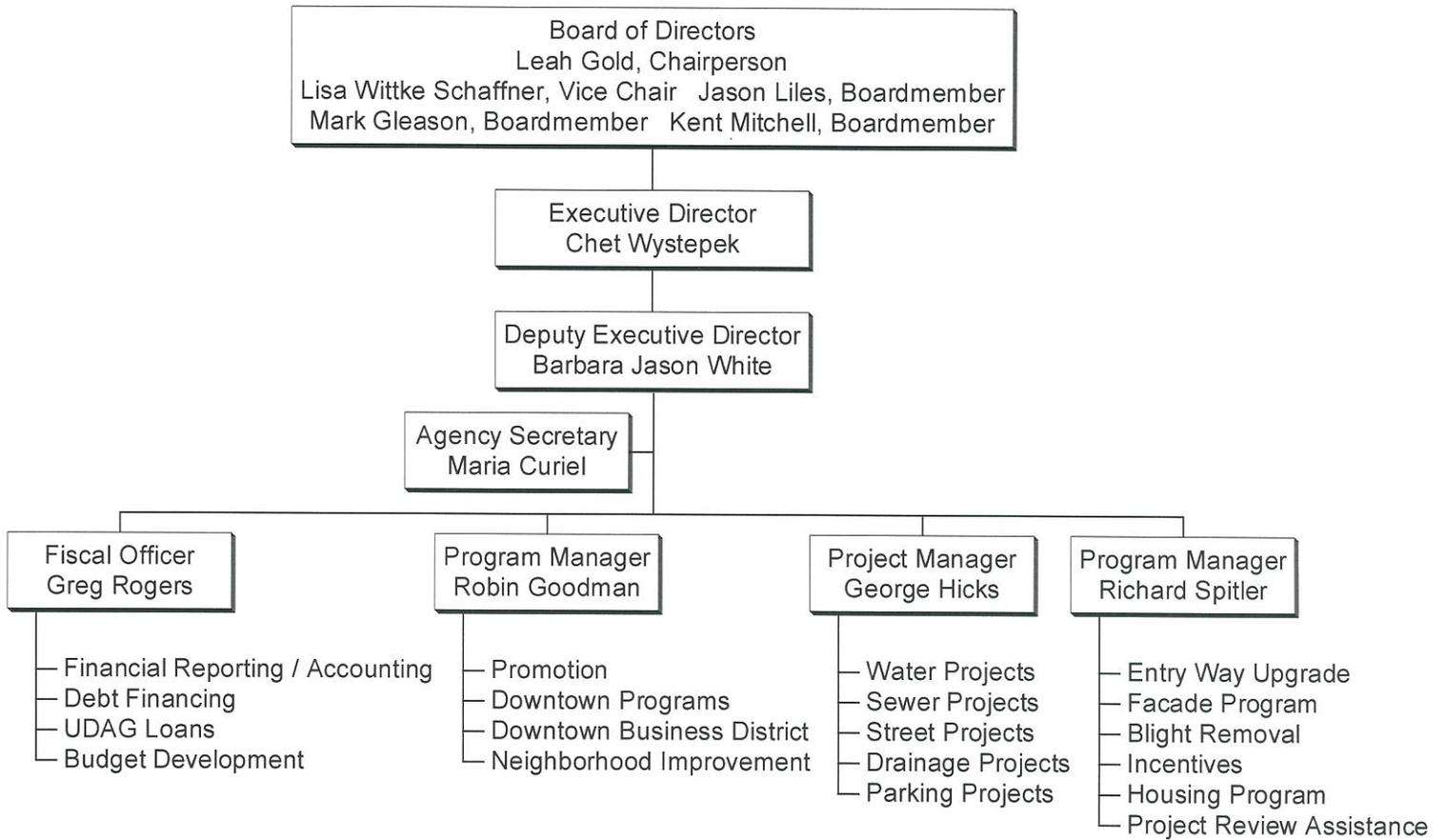
AB 1290 requires a detailed statement of blighting influences reflected in the Sotoyome Community Development Plan adopted in June of 1981, as well as subsequent efforts to mitigate such blighting influences. The blighting influences were updated in 2001 as a result of a Plan Amendment process.

Additionally, the 5-Year Implementation Plan adopted in December 1999 and amended in December 2002 contains a detailed listing of Project Area Plan Objectives and authorized lines of action.

Similar requirements are imposed in legislation specifying the requirements of the Annual Work Program. The Implementation Plan is incorporated into this work program by reference.

Notes:

COMMUNITY REDEVELOPMENT AGENCY



COMMERCIAL AND INDUSTRIAL FUND

The Health and Safety Code stipulates that the primary responsibility of a Redevelopment Agency is Economic Development. A Redevelopment Agency typically undertakes a variety of public works to assist business development and revitalization as well as direct services and assistance to business. All expenditures must be in or to the benefit of the Project Area and stimulate business development, expansion or retention.

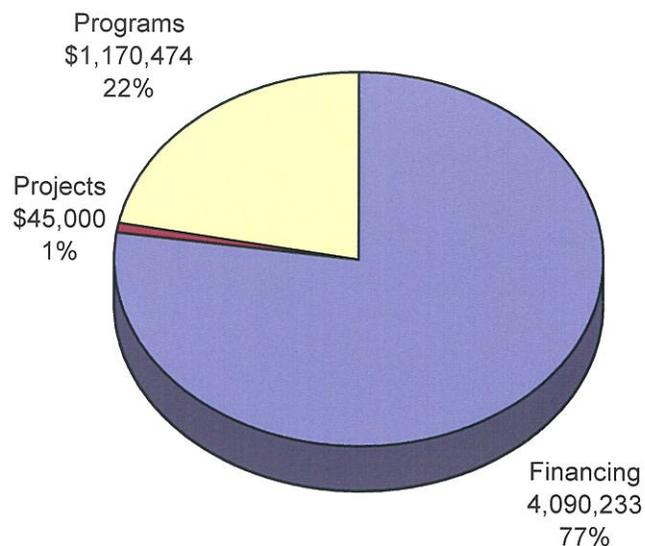
Budget Trends and Changes:

1. Begin the design phase for the entryway upgrade project.
2. Alliance Project construction was started.
3. A \$13.0 million debt issue was completed.
4. Other programs continue at prior year levels.

Major Goals and Objectives:

1. Undertake Street & Sidewalk reconstruction work.
2. Complete construction of Alliance Medical Clinic.
3. Develop additional downtown parking.
4. Continue entry upgrade project.
5. Acquire land for affordable housing, community center and park

Commercial & Industrial Fund Expense Summary Fiscal Year 2003- 2004 Budget \$5,305,707



Commercial & Industrial

Revenue & Expense Statement

	<u>Actual 2001-2002</u>	<u>Adopted 2002-2003</u>	<u>Budget 2003-2004</u>	<u>Difference from 2002-2003</u>	<u>% Diff</u>
Budgeted Fund Balance	\$ 450,486	\$ 7,334,128	\$ 90,443		
Revenues					
Increment	3,780,297	3,762,000	4,145,000	383,000	10.18%
Miscellaneous	59,227	-	-	-	0.00%
Interest Income	142,718	75,000	25,000	(50,000)	-66.67%
2002TAB A	6,950,970	-	1,122,937	1,122,937	0.00%
2003 TAB A	-	1,860,000	25,000	(1,835,000)	-98.66%
CRA Rental Income	142,040	-	-	-	0.00%
Total Revenues	\$ 11,075,252	\$ 5,697,000	\$ 5,317,937	\$ (379,063)	-155.14%
Financing					
Pass Thru To County	\$ 1,045,140	\$ 1,098,000	\$ 1,210,545	\$ 112,545	10.25%
Tier One Pass Through	-	93,000	128,043	35,043	37.68%
ERAF	-	-	500,000	-	-
Notes Payable /Interest Exp.	191,750	-	-	-	0.00%
1995 TAB	180,450	253,140	251,465	(1,675)	-0.66%
REFA	377,146	211,904	-	(211,904)	-100.00%
2002 TAB A	-	830,000	919,259	89,259	10.75%
2002 TAB B	-	110,000	114,763	4,763	4.33%
2003 TAB A	-	-	966,158	966,158	100.00%
Total Financing	\$ 1,794,486	\$ 2,596,044	\$ 4,090,233	\$ 1,494,189	57.56%
Project Costs					
Water Projects	\$ 284,955	\$ -	\$ -		
Parking Projects	-	1,000,000	-		
Street Projects	659,954	500,000	-		
Entry Way Upgrade	-	3,500,000	-		
Public Facilities	566,623	4,100,000	-		
Other Projects	111,400	10,400	45,000		
Park Projects	130,400	60,000	-		
Project Total	\$ 1,753,332	\$ 9,170,400	\$ 45,000	\$ (9,125,400)	-99.51%
Program Costs					
Economic Development	\$ 198,930	\$ 463,613	\$ 471,863	\$ 8,250	1.78%
Promotion & Other Programs	201,981	239,819	221,604	(18,215)	-7.60%
Admin. & Board Of Directors	333,065	380,809	382,507	1,698	0.45%
Tax Collection Fee	83,944	120,000	94,500	(25,500)	-21.25%
Program Total	\$ 817,920	\$ 1,204,241	\$ 1,170,474	\$ (33,767)	-2.80%
Total Costs	\$ 4,365,738	\$ 12,970,685	\$ 5,305,707	\$ (7,664,978)	-59.09%
Ending Fund Balance	\$ 7,160,000	\$ 60,443	\$ 102,673		

1) Ending available balance

Notes:

SEWER PROJECTS

Implementation Plan:

Continue the support of sewer infrastructure including:

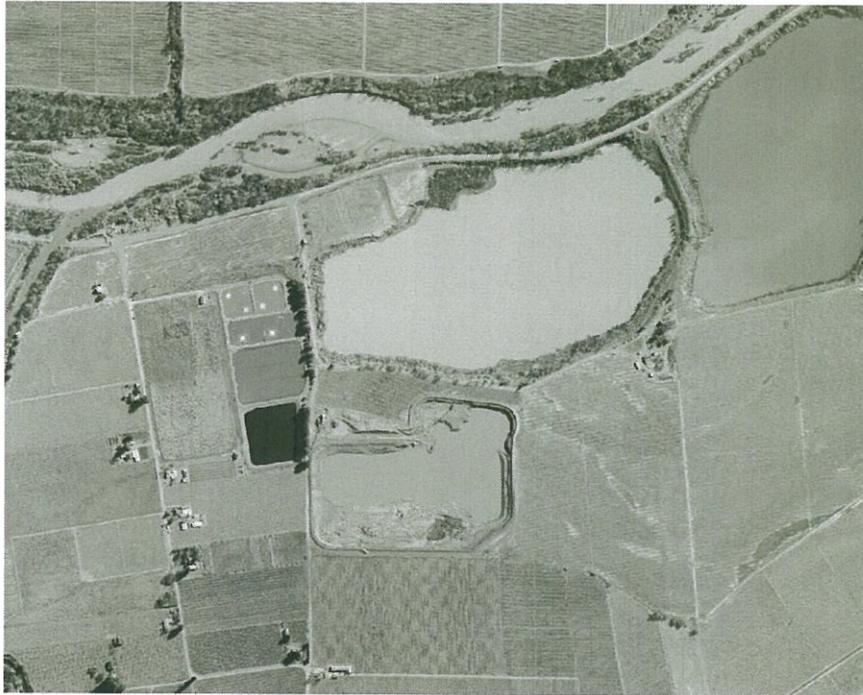
- ◆ Initiate the planning to extend sewer services to the Old Redwood Highway area south of Memorial Beach
- ◆ Assist new businesses with any extraordinary sewer on site requirements
- ◆ Explore provision of loans for on-site pretreatment when such a program may assist in attracting new businesses or creating desired jobs
- ◆ Assist in addressing the new wastewater treatment and transmission requirements for the Project Area beyond the fiscal capability of developer fees and utility ratepayers

Project Funding 2003-2004

No new funding is provided in this budget.

2003-2004 Work Program:

- ◆ Explore provision of loans for on-site pretreatment to assist new businesses.
- ◆ Examine ways to assist in financing the upgrade of the wastewater treatment facility.



Aerial of Sewer Treatment Plant.

WATER PROJECTS

Implementation Plan:

Continue the funding of projects to replace undersized water lines in the Downtown areas.

Program components include:

- ◆ Complete replacements of water lines
- ◆ Assist in funding any extraordinary water line extension costs to mitigate low water pressure imposed on new businesses
- ◆ Initiate planning for extension of water services to the Old Redwood Highway Area
- ◆ Assist in addressing Project Area water supply deficiencies beyond the financial capabilities of developer fees and utility ratepayers
- ◆ Install new water storage facilities

Project Funding 2003-2004

No new funding provided in this budget.

2003-2004 Work Program:

- ◆ Undertake replacements of pipe, water service and production pumping equipment in the project area.
- ◆ Continue replacement of water meters to new remote read meters.

STREET PROJECTS

Implementation Plan:

Continue to perform infrastructure improvements in the downtown area, as well as other projects including:

- ◆ Cooperative acquisition of necessary rights-of-way and construction of uncompleted portions of the north-south connector (Vine-Grove) from Foss Creek Circle to Chiquita Road
- ◆ Reconstruction and phased widening of Healdsburg Avenue from the Russian River Bridge to Exchange Avenue
- ◆ Reconstruction and widening of Old Redwood Highway from the Russian River Bridge southerly to the U.S. 101 interchange
- ◆ Other street projects that will assist in the attraction of desired new business and industry including funding the required upgrades of curbs, gutters and sidewalks
- ◆ Projects that eliminate traffic congestion
- ◆ Street beautification at the entrances to the City
- ◆ Improvements to the Westside Road US 101 interchange
- ◆ Improvements to the Dry Creek US 101 interchange
- ◆ Freeway sound wall construction
- ◆ Bridge improvements
- ◆ State highway right-of-way requirements

Project Funding 2003-2004:

No new funding provided in this budget.

2003-2004 Work Program:

- ◆ Continue planning an entryway upgrade for the entrance to Healdsburg from the south on Healdsburg Avenue.
- ◆ Proceed with additional street reconstruction in the project area.
- ◆ Proceed with additional overlays in downtown area.
- ◆ Proceed with sidewalk repairs and installation in the project area.

Notes:

DRAINAGE PROJECTS

Implementation Plan:

Continue to support infrastructure improvements that mitigate downtown flooding and replace undersized storm drains. Program goals include:

- ◆ Complete replacement of undersized storm drains in the project area
- ◆ Cooperate with the City in providing partial funding for extraordinary costs imposed on site drainage for new businesses
- ◆ Channelize or pipe portions of Foss Creek and its tributaries
- ◆ Install drainage in various sub-areas (including the airport), to eliminate existing project area flooding
- ◆ Prepare and implement creek corridor plans
- ◆ Acquire necessary easements
- ◆ Acquire necessary riparian corridors

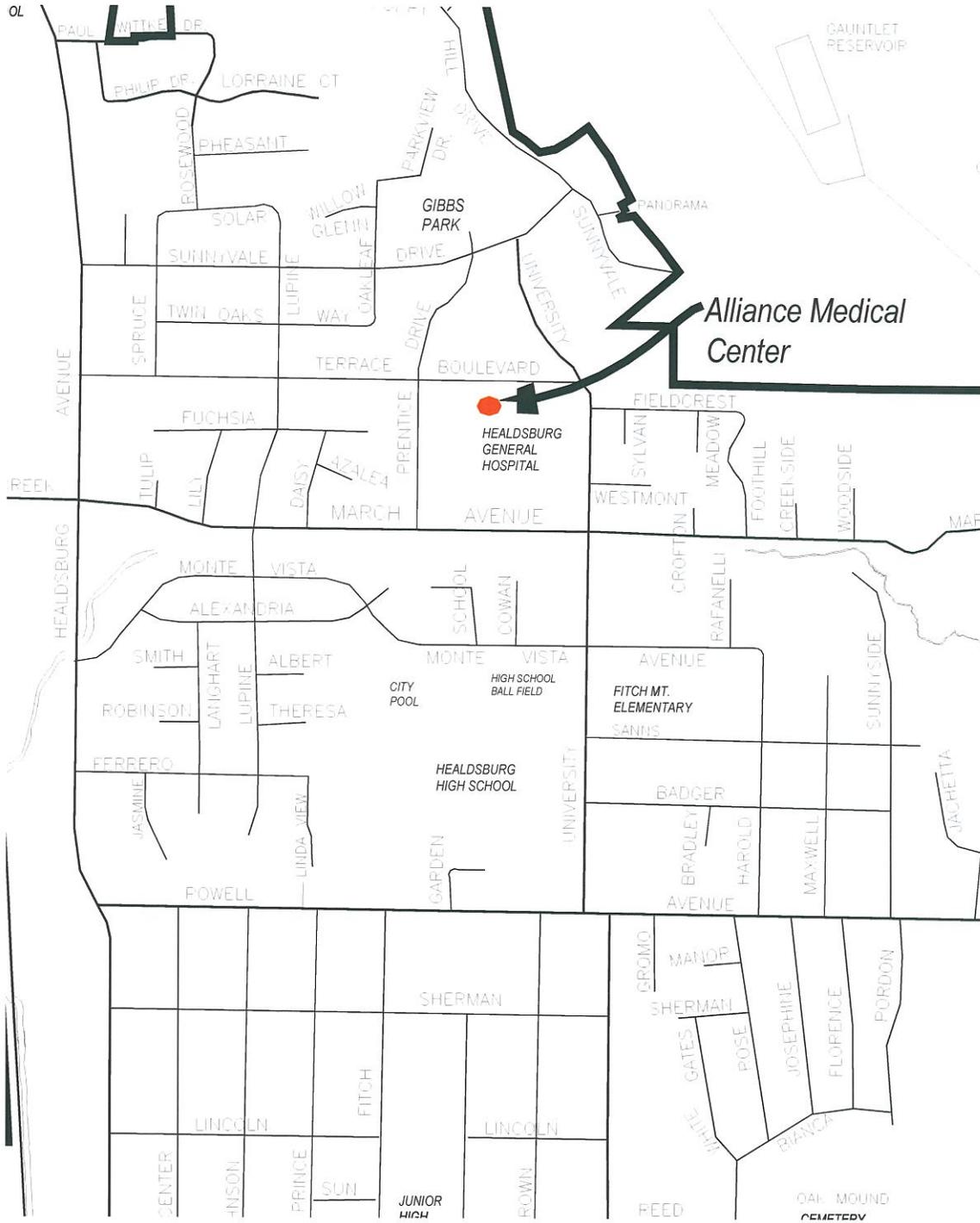
Project Funding 2003-2004:

No additional project funding is proposed in this budget.

2003-2004 Work Program:

- ◆ Reconstruct/rework crossings on Grant Street.

Public Facilities



Alliance Medical Center

PUBLIC FACILITIES/PROJECTS

Implementation Plan:

The program assists in providing facilities to meet various community facility needs such as:

- ◆ Acquisition of land and financing construction of a building to house a community based non-profit medical services clinic, which could possibly house other services for the benefit of low and moderate income residents and businesses of the project area.
- ◆ Acquisition of Hangars and infrastructure rehabilitation at the Municipal Airport
- ◆ Support improvements to the historic railroad depot site as a multimodal transit center

Project Funding 2003-2004:

Project funding totaling \$20,000 proposed for 2003-2004 includes:

- ◆ Fire tank replacement - \$10,000
- ◆ Foss Creek Trail - \$10,000

2003-2004 Work Program:

- ◆ Complete construction of the Alliance Medical Center.
- ◆ Seek Federal matching funds for the Train Station project.



Healdsburg Train Station

PARK PROJECTS

Implementation Plan:

The program assists in providing facilities to meet various community facility needs such as:

- ◆ Acquisition by the Agency or financial assistance to the City proportional to Project Area benefit to acquire a recreational field site outside the City, recognizing that there are no suitable sites within the Project Area or City limits
- ◆ Acquisition of land and construction of a Community Center

Project Funding 2003-2004:

No new funding is included in this budget.

2003-2004 Work Program:

- ◆ Prepare plan for Plaza Park upgrade project



Plaza Park

PARKING PROJECTS

Implementation Plan:

The Agency evaluates the market acceptance and desirable locations for parking structures and surface level lots. The program includes:

- ◆ Development of a parking program addressing the issues of enforcement, permitting, time limits on streets, lots and parking structures, and adjacent neighborhood streets
- ◆ Assist in the revision of regulations imposed on site parking requirements on small and medium sized underdeveloped parcels or developed parcels in the Downtown area
- ◆ Reallocate street space to accommodate higher density parking (such as diagonal parking)
- ◆ Acquire easements for existing privately owned off-street lots
- ◆ Acquire land for additional lots as required
- ◆ Develop parking structures on Agency owned land or acquired land
- ◆ Explore participation in joint use industrial parks through grants
- ◆ Provide effective and convenient parking, signage and lighting

Project Funding 2003-2004:

Project funding totaling \$25,000 proposed for 2003-2004 includes:

- ◆ Parking lot extension – West Plaza - \$25,000

2003-2004 Work Program:

- ◆ Expand West Plaza parking lot by 30+ spaces adjacent railroad rights-of-way.
- ◆ Continue efforts to use existing streets for conversion to diagonal parking.
- ◆ Explore purchase of additional land for public parking lots downtown.



Parking lot west of the Plaza

STREETSCAPE PROJECTS

Implementation Plan:

The Agency assists business and property owners wishing to undertake streetscape improvements themselves with grants not to exceed the unit price of prior Agency projects. The program includes undertaking necessary repairs and maintenance on previously installed streetscape, including the replacement of street trees, grates, sidewalks and brickwork. In addition, streetscape work may be coordinated with other public improvements, or performed to solve health and safety problems. A typical health and safety problem that could be solved by the installation of safe sidewalks and pathways.

Project Funding 2003-2004:

No new funding

2003-2004 Work Program:

- ◆ Replacement of damaged street trees and grates
- ◆ Necessary sidewalk and brickwork repairs
- ◆ Continue planning community entryway upgrade



Corner of North and Center Streets

ENTRY WAY UPGRADE PROJECTS

Implementation Plan:

Support upgrades to the central Healdsburg and Dry Creek Road entrances.

Project Funding 2003-2004:

No new funding included in this budget.

2003-2004 Work Plan:

- ◆ Complete entry way upgrade plan
- ◆ Identify right-of-way acquisition



Five-way intersection

ECONOMIC DEVELOPMENT

Industrial Development

The Agency proposed to continue the Economic Development Office (EDO) program with the Chamber of Commerce to:

- ◆ Assist existing businesses in retention and expansion
- ◆ Attract and assist new businesses
- ◆ Improve methods and procedures for City permit processing
- ◆ Improve coordination of marketing efforts between private and public sectors

Economic Development Office

The Agency has adopted a program that was recommended by the Chamber of Commerce and initiated an Economic Development Office.

Financial Incentive Program

The Agency proposed to continue the program of financial incentives including

- ◆ Loan guarantee programs and other incentives to assist business expansion
- ◆ Evaluate cooperative financing programs with NCPA member agencies to attract new businesses, which are desirable electric customers
- ◆ Utilize UDAG funds to assist businesses and to provide short-term housing financing
- ◆ Assist new businesses in pre-development activities

Program funding for 2003-2004 is \$471,863

2003-2004 Work Program:

- ◆ Continue the cooperative EDO program with the Chamber of Commerce to encourage business retention, expansion and attraction.

PROMOTION AND DOWNTOWN PROGRAM

Promotion Program

Continuation of ongoing promotional program that:

- ◆ Provides \$20,000 +/- of annual support for the Downtown Business District
- ◆ Support for visitor oriented advertising and publicity
- ◆ Support for the Chamber of Commerce weekend staffing and staff to handle external inquiries and the 800 number
- ◆ Cooperative attendance at trade shows
- ◆ Advertising activities that go beyond tourism promotion
- ◆ Alternative marketing approaches be developed such as internet web site promotion and off peak season community activities
- ◆ Cooperative support for promotion activities with Sonoma County and other agencies

Downtown Program

Continue the ongoing program to foster the revitalization of the downtown. The program components include:

- ◆ Projects designed to enhance the Plaza
- ◆ Projects that will further the revitalization
- ◆ Encourage special events and activities such as Farmers Markets and weekend concerts
- ◆ Market Agency incentive programs designed to assist downtown businesses
- ◆ Support and encourage DBD activities including a broader role in parking management and facility maintenance
- ◆ Address downtown restroom needs through grants to developers and leases

Program Funding 2003-2004: \$221,604

2003-2004 Work Program:

- ◆ Participate with County efforts to promote tourism.
- ◆ Promote downtown through advertising.

ADMINISTRATION AND BOARD OF DIRECTORS

The Agency operates as a separate government entity even though staffed to a large part by City staff with augmentation by outside consultants. The Agency is obligated to provide a wide variety of reports to various agencies including the State Controller and the State Housing and Community Development Department. Agency staff supplies administrative support to project and program teams as well as to the Agency's Board of Directors for all non-housing programs.

Program Funding 2003-2004: \$382,507

2003-2004 Work Program:

- ◆ Continuation of administrative efforts.

LOW AND MODERATE INCOME HOUSING FUND

State law requires that 20% of tax increments must be expended in developing or retaining affordable housing. The Agency typically acquires land, provides construction subsidies and works to preserve the existing affordable housing stock of the Project Area.

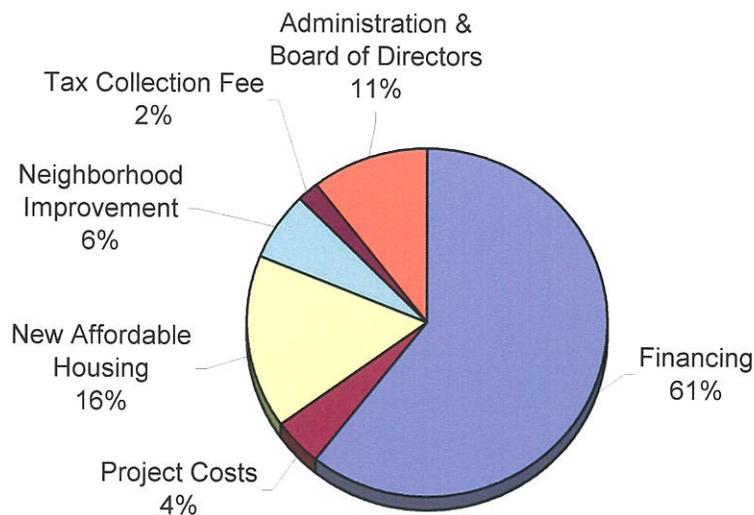
Budget Trends and Changes:

1. Continued financial assistance to facilitate construction of affordable housing projects.
2. Issued \$6,370,000 of debt to finance the purchase of land for affordable housing.
3. Completed the 308 East Street project for transitional housing.
4. The Neighborhood Improvement Program will continue at current level.

Major Goals and Objectives:

1. To sustain a multi-year program of affordable (low and very low income) housing, preserve affordable housing stock, and provide incentives to first time homebuyers.
2. Complete the Area A and Second Street housing projects.
3. Explore smaller scale strategies for affordable housing needs.
4. Acquire sites for additional low and moderate-income housing development.

2003-2004 Budget \$1,350,586



Low & Moderate Income Housing Fund

Revenue & Expense Statement

	<u>Actual 2001-2002</u>	<u>Adopted 2002-2003</u>	<u>Budget 2003-2004</u>	<u>Difference from 2002-2003</u>	<u>% Diff</u>
Fund Balance	\$ 16,583	\$ 5,341,593	\$ -		
Revenues					
Increment	945,074	958,000	1,035,000	77,000	8%
Interest Income	11,864	30,000	20,000	(10,000)	-33%
Bond Proceeds	-	-	295,586	295,586	0%
Other Income	57,142	-	-	-	0%
Total Revenues	<u>\$ 1,014,080</u>	<u>\$ 988,000</u>	<u>\$ 1,350,586</u>	<u>\$ 362,586</u>	<u>37%</u>
Financing					
Transfer To Debt Service Fund	\$ -	\$ 312,930	\$ 818,041	\$ 505,111	161%
Total Financing	<u>\$ -</u>	<u>\$ 312,930</u>	<u>\$ 818,041</u>	<u>\$ 505,111</u>	<u>161%</u>
Project Costs					
Affordable Housing Project	\$ 424,459	\$ -	\$ -	\$ -	0%
Site Acquisition	400,000	5,000,000	-	(5,000,000)	-100%
Other Projects	-	270,000	60,000	(210,000)	-78%
Total Project Costs	<u>\$ 824,459</u>	<u>\$ 5,270,000</u>	<u>\$ 60,000</u>	<u>\$ (5,210,000)</u>	<u>-99%</u>
Program Costs					
New Affordable Housing	\$ 124,070	\$ 194,820	\$ 218,517	\$ 23,697	12%
Neighborhood Improvement	55,191	99,472	86,409	(13,063)	-13%
Administration & Board Of Directors	108,674	140,033	143,999	3,966	3%
Tax Collection Fee	-	-	23,620	23,620	100%
Total Program Costs	<u>\$ 287,935</u>	<u>\$ 434,325</u>	<u>\$ 472,545</u>	<u>\$ 38,220</u>	<u>9%</u>
Total Costs	<u>\$ 1,112,394</u>	<u>\$ 6,017,255</u>	<u>\$ 1,350,586</u>	<u>\$ (4,666,669)</u>	<u>-78%</u>
Ending Fund Balance	<u><u>\$ (81,731)</u></u>	<u><u>\$ 312,338</u></u>	<u><u>\$ -</u></u>		

NEW AFFORDABLE HOUSING

This program supports acquisition of land for the development of affordable housing and provides assistance to promote the development of affordable housing.

The CRA assisted units will be subject to a multi-year or longer affordability covenant.

Program Funding 2003-2004: \$218,517

2003-2004 Work Plan:

- ◆ Complete 2 unit project at 210 Second Street.
- ◆ Through the DDA complete construction of 16 units in Parkland Farms.
- ◆ Develop the Agency ground site behind the Fire Station.
- ◆ Acquire additional sites for the development of affordable housing.



308 East Street before and after remodel

NEIGHBORHOOD IMPROVEMENT PROGRAM

The Agency has assisted over 1,200 low and moderate income households in minor exterior rehabilitation as part of its efforts to preserve its existing affordable housing stock. Efforts have included repairs to porches and steps, window replacement, exterior debris removal and exterior paint for low income seniors, and self-help assistance including Agency supplied debris boxes and paint vouchers for other low and moderate income households.

It is proposed that this program be continued with the objective of assisting 50 households per year.

Program Funding 2003-2004 - \$86,409

2003-2004 Work Plan:

- ◆ Agency Work Program contemplates a continuation of this successful program.

ADMINISTRATION AND BOARD OF DIRECTORS

The Agency operates as a separate government entity even though staffed to a large part by City staff with augmentation by outside consultants. The Agency is obligated to provide a wide variety of reports to various agencies including the State Controller and the State Housing and Community Development Department. Agency staff supplies administrative support to project and program teams as well as to the Agency's Board of Directors for all non-housing programs.

Program Funding 2003-2004: \$143,999

2003-2004 Work Program:

- ◆ Continue efforts in promoting affordable housing.
- ◆ Continue to defend Agency from lawsuits seeking to derail affordable housing projects.

TAX COLLECTION FEE

The Agency must pay the County for property tax collection services as provided for under State law. The estimated cost in 2003-2004 is \$23,620 for the housing fund collection.

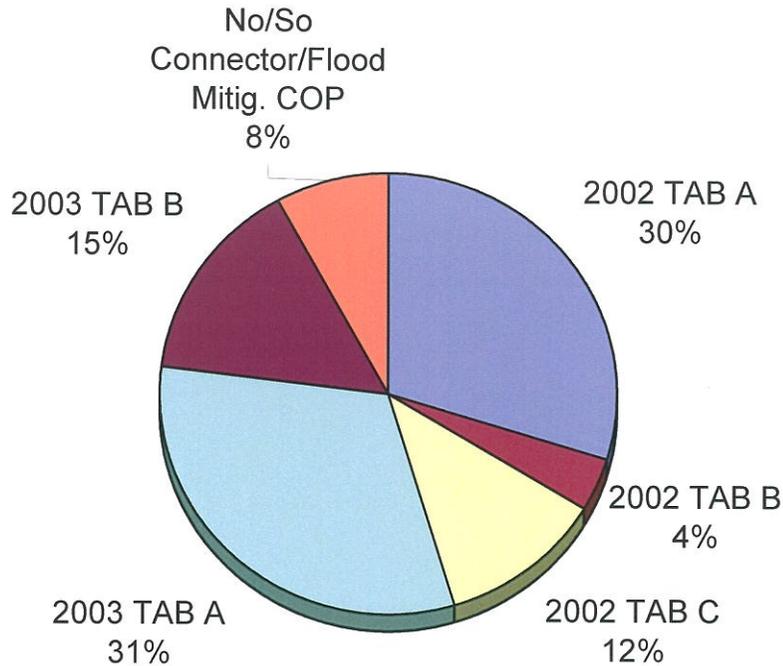
DEBT SERVICE

Redevelopment agencies are dependent on borrowing to operate programs and projects. Annually a statement of indebtedness becomes the basis of increments it receives. The Debt Service Fund is a statement of debt obligations.

The Agency's debt obligations include:

REFA II 1983	Detention Basin
REFA 1992	Refunding REFA 1985
TAB 1995	North/South Connector/Flood Control
2002 TAB-A	Refunding parallel sewer, entry way upgrading, parking
2002 TAB-B	Alliance Medical Clinic
2002 TAB-C	Land for affordable housing
2003 TAB A	Funding for programs, administration, and projects
2003 TAB B	New affordable housing land and development

2003-2004 Budget \$3,079,686



Debt Service Fund

Revenue & Expense Statement

	<u>Actual 2001-2002</u>	<u>Adopted 2002-2003</u>	<u>Budget 2003-2004</u>	<u>Difference from 2002-2003</u>	<u>% Diff</u>
Fund Balance	\$ 852,545	\$ 852,545	\$ 852,545		
Revenues					
Transfers In:					
REFA II 1983	125,819	139,554	-	(139,554)	-100%
TAB A Refunding	107,455	-	-	-	0%
REFA III 1992	23,447	83,106	-	(83,106)	-100%
No/So Connector COP	180,450	248,600	251,465	2,865	1%
Sewer COP	120,425	-	-	-	0%
2002 TAB A	-	823,784	919,259	95,475	12%
2002 TAB B	-	110,000	113,763	3,763	3%
2002 TAB C	-	312,930	361,400	48,470	15%
2003 TAB A	-	-	964,358	964,358	100%
2003 TAB B	-	-	459,441	459,441	100%
Interest Income	15,204	40,000	10,000	(30,000)	-75%
	<u>\$ 572,800</u>	<u>\$ 1,757,974</u>	<u>\$ 3,079,686</u>	<u>\$ 1,321,712</u>	<u>75%</u>
Total Revenues					
Debt Service Expense					
REFA II 1983	\$ 130,900	\$ 144,554	\$ -	(144,554)	-100%
TAB A Refunding	408,506	-	-	-	0%
No/So Connector/Flood Mitig. COP	252,430	266,140	251,465	(14,675)	-6%
REFA III Refunding 1992	23,972	88,106	-	(88,106)	-100%
2002 TAB A	443,416	830,000	919,259	89,259	11%
2002 TAB B	-	110,000	113,763	3,763	3%
2002 TAB C	-	312,930	361,400	48,470	15%
2003 TAB A	-	-	974,358	974,358	100%
2003 TAB B	-	-	459,441	459,441	100%
	<u>\$ 1,259,224</u>	<u>\$ 1,751,730</u>	<u>\$ 3,079,686</u>	<u>\$ 1,327,956</u>	<u>76%</u>
Total Expenses					
Ending Fund Balance	<u>\$ 166,121</u>	<u>\$ 858,789</u>	<u>\$ 852,545</u>		

UDAG FUND

The Agency receives income from its prior participation in the Vineyard Plaza Project. These revenues include [1] payments on the basic loan and interest; and [2] interest income from funds on hand.

It has been the Agency's policy to utilize funds on hand for short-term loans to assist Agency projects in the promotion of economic development.



Initiatives to fill vacancies in the Vineyard Plaza Shopping Center is a high Agency objective

UDAG (Vineyard Plaza) Fund

Revenue & Expense Statement

	<u>Actual 2001-2002</u>	<u>Adopted 2002-2003</u>	<u>Budget 2003-2004</u>	<u>Difference from 2002-2003</u>	<u>% Diff</u>
Revenues					
Vineyard Plaza Interest Payment	\$ 61,217	\$ 32,000	\$ 52,000	\$ 20,000	63%
Vineyard Plaza Rental Income	51,632	-	-	-	0%
Other Interest Income	72,498	101,000	50,000	(51,000)	-50%
Use of Fund Balance	-	70,125	-	(70,125)	-100%
Total Revenues	<u>\$ 185,347</u>	<u>\$ 203,125</u>	<u>\$ 102,000</u>	<u>\$(101,125)</u>	<u>-50%</u>
Financing					
Economic Development Loans	\$ -	\$ 200,000	\$ -	\$(200,000)	-100%
Other	6,505	3,125	3,675	550	18%
Total Financing	<u>\$ 6,505</u>	<u>\$ 203,125</u>	<u>\$ 3,675</u>	<u>\$(199,450)</u>	<u>-98%</u>
Reserved for future use	178,842	-	98,325		
Resulting Gain (Loss)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		

1) Rental income moved to new Participation Fund.

PROJECT PARTICIPATION FUND

This special revenue fund receives miscellaneous revenues from participation in projects, such as the Vineyard Plaza Shopping Center and the Swenson Commercial buildings. These revenues are used to support special items, such as the Community Benefit Trust program.



Swenson Building

Project Participation Fund

Revenue & Expense Statement

	<u>Actual 2001-2002</u>	<u>Adopted 2002-2003</u>	<u>Budget 2003-2004</u>	<u>Difference from 2002-2003</u>	<u>% Diff</u>
Fund Balance	\$ -	\$ -	\$ 85,000		
Revenues					
Interest Income	-	160,000	160,000	-	100%
Housing Bonds	-	-	-	-	-
Total Revenues	<u>\$ -</u>	<u>\$ 160,000</u>	<u>\$ 160,000</u>	<u>\$ -</u>	<u>100%</u>
Project Costs					
Other	<u>\$ -</u>	<u>\$ 75,000</u>	<u>\$ 50,000</u>	<u>\$ (25,000)</u>	<u>100%</u>
Total Project Costs	<u>\$ -</u>	<u>\$ 75,000</u>	<u>\$ 50,000</u>	<u>\$ (25,000)</u>	<u>100%</u>
Ending Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ 85,000</u></u>	<u><u>\$ 195,000</u></u>		

1) Transfer to Community Benefit Trust

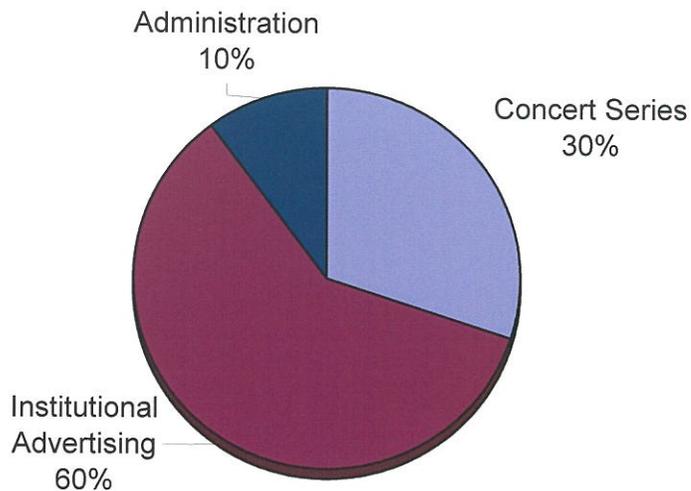
DOWNTOWN BUSINESS DISTRICT

The Agency administers the fiscal affairs of the Healdsburg Downtown Improvement and Parking District as an Agency fund. The District (DBD) is a separate special district, partially funded by business assessments along with partial funding from the CRA.

In the past its projects and programs as well as budget were developed by an Advisory Board, subject to affirmation by the Agency. The Advisory Board has been dissolved and the functions assumed by the Community Services Department and volunteers. Legal authority under the District law nevertheless rests with the City Council.

The areas of the District's assessments, projects and programs are under re-evaluation by the City and Agency. It is anticipated a variety of changes will occur in the coming months requiring budget changes.

2003-2004 Budget \$50,101



Downtown Business District

Revenue & Expense Statement

	<u>Actual 2001-2002</u>	<u>Adopted 2002-2003</u>	<u>Budget 2003-2004</u>	Difference from 2002-2003	% Diff
Fund Balance	\$ 25,495	\$ 31,721	\$ 31,721		
Revenues					
Downtown District Assessments	29,050	28,000	29,000	1,000	4%
Contribution From CRA	20,000	20,000	20,000	-	0%
Interest Income / Other	342	1,800	1,101	(699)	-39%
Total Revenues	<u>\$ 49,392</u>	<u>\$ 49,800</u>	<u>\$ 50,101</u>	<u>\$ 301</u>	<u>1%</u>
Expenses					
Concert Series	\$ 7,500	\$ 15,000	\$ 15,000	-	0%
Beautification	-	-	-	-	0%
Institutional Advertising	30,800	30,800	30,000	(800)	-3%
Administration	4,866	4,000	5,101	1,101	28%
Total Expenses	<u>\$ 43,166</u>	<u>\$ 49,800</u>	<u>\$ 50,101</u>	<u>\$ 301</u>	<u>1%</u>
Ending Fund Balance	<u><u>\$ 31,721</u></u>	<u><u>\$ 31,721</u></u>	<u><u>\$ 31,721</u></u>		

Notes:

Glossary

- AAA** **Area Agency on Aging** - A subsidiary of the state agency which coordinates and provides partial funding for local senior programs.
- ADA BUS** **Americans with Disabilities Act** - The City's "ADA Bus" is a transit vehicle equipped to serve handicapped individuals, providing door-to-door service to the handicapped.
- APPROPRIATION** Funds set aside by the City Council for a specific purpose.
- AREA A** A portion of the City encompassing approximately 230 acres in the northern portion most of which has been annexed.
- CEQA** **California Environmental Quality Act** - A state law mandating environmental reviews on most public and private projects.
- CRA** **Community Redevelopment Agency** - A separate local agency providing housing and economic development funding and programs within portions of the City known as the project area. The City Council serves as the Board of Directors of the CRA; the City Manager as its Executive Director.
- CUPA** **Certified Unified Program Agency** - A state designation of a local agency certified to provide certain hazardous material management programs and enforce State laws with respect to same.
- DBD** **Downtown Business District** - A special district and subordinate City agency created under the State's Downtown Parking and Improvement Law which provides shopping center type promotional programs on behalf of downtown businesses.
- DEREGULATION** **Electric Utility Deregulation** - With deregulation of the electric utility industry, Healdsburg's Electric Utility is open to competition from other electricity providers. At the same time, the City's Electric Utility may now supply electricity to other service areas.
- EIR** **Environmental Impact Report** - A report pursuant to CEQA analyzing the environmental impacts of a project.
- EXPENDITURES** **Amounts authorized by the City Council** to incur obligations and make payments out of City funds.
- FY** **Fiscal Year** - A local government accounting year beginning July 1st and ending June 30th.
- FEMA** **Federal Emergency Management Agency** - A Federal agency setup to provide assistance in the event of a federal emergency.

MOU	Memorandum of Understanding - A labor contract pursuant to state law, the Meyers, Millias and Brown Act, between the City and a labor union or organized group of employees under which all conditions of employment are negotiated.
NCPA	Northern California Power Agency - A joint action agency providing collective electric power generation, transmission, purchasing and dispatch services to its members, including the City of Healdsburg.
OPERATING BUDGET	A plan of financial operations that provides a basis for the planning, controlling, and evaluating the operational portion of governmental activities.
OUTSOURCING	Contracting certain services previously performed by the City to an outside source.
PERS	Public Employees Retirement System - An independent state agency that administers retirement benefits for state and contracted local agency employees.
PROJECT AREA	CRA Project Area - The geographic area in which the CRA collects tax increment revenues and is permitted by law to undertake its programs. The CRA project area does not encompass the entire City.
PROP 218	California Proposition 218 - A state law passed by the voters in November of 1996, effective January 1, 1997, called "The Right to Vote on Taxes Act".
PROPERTY IN-LIEU TAX	As a result of the passage of Prop 218, the City may no longer charge the enterprise funds, i.e., water, sewer and electric, a "property in-lieu fee" for services provided by the various departments to the utilities. All charges are based on actual cost of service as direct charges.
REMIF	Redwood Empire Municipal Insurance Fund - A joint action agency providing pooling insurance, purchasing and self-insurance to its member cities, including Healdsburg.
RESTRICTED REVENUE	Revenue, which by law can only be spent on or in support of specific services.
REVENUE	Sources of funding such as service fees, taxes, grants, etc., to finance City expenditures.
SB 90	Senate Bill 90 - A state law requiring funding of state imposed mandates.
SCADA	Supervisory Control Data Acquisition System - A computer based real time control system which operates most City water, sewer and some electric utilities equipment and facilities.