



# AGENDA

## JOINT GONZALES CITY COUNCIL/GONZALES SUCCESSOR AGENCY

### BUDGET MEETING

CITY COUNCIL CHAMBERS - 117 FOURTH STREET

GONZALES, CALIFORNIA 93926

MONDAY, JUNE 19, 2017

**5:30 P.M.**

#### CALL TO ORDER

#### PLEDGE OF ALLEGIANCE

1. **ROLL CALL- City Council and Successor Agency Members**

Mayor Pro Tem/Vice Chair Liz Silva, Scott Funk, Jose G. Lopez, Robert Bonincontri,  
Mayor/Chair Maria Orozco

**Youth Advisory**

Cindy Aguilar and Fabiola Moreno

\* **Successor Agency Item**

#### CONSENT AGENDA

All matters listed under the Consent Agenda are considered routine by the City Council and will be adopted by one action of the Council unless any Council Member has a question or wishes to make a statement or discuss an item. In that event, the Mayor will remove the item from the Consent Calendar for separate consideration.

2. Consider Approval of Resolution No. 2017-33, A Resolution of the City Council of the City of Gonzales Establishing the Appropriations Subject to Limit for the City of Gonzales for the 2017-2018 Fiscal Year

3. Consider Approval of Resolution No. 2017-34, A Resolution of the City Council of the City of Gonzales Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property Related Fees and Charges

#### REGULAR AGENDA

\* 4. Consider Approval of **1) Resolution No. 2017-35**, A Resolution of the City Council of the City of Gonzales Adopting an Operating Budget for the City for the Fiscal Year July 1, 2017 through June 30, 2018 and providing for the Appropriations and Expenditures of All Sums Set Forth Therein, and **2) Resolution No. SA-2017-01**, A Resolution of the City Council of the City of Gonzales Acting as Successor Agency for the Gonzales Redevelopment Agency Approving and Adopting a Successor Agency Budget for the Period Between July 1, 2017 and June 30, 2018

- a. Staff Report
- b. Public Comment
- c. Council/Agency Discussion
- d. Council/Agency Action

**Staff Recommended Action- 1) Adopt Resolution No. 2017-35; 2) Adopt Resolution No. SA-2017-01; and 3) If needed, direct staff to make changes as necessary and schedule adoption of the Recommended Budget for the City and Successor Agency on June 26, 2017 at 5:30pm**

#### ADJOURNMENT

In compliance with the American With Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at (831) 675-5000. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (CFR 35.102-35.104 ADA Title II). This is a public meeting and as such, can be seen live by people present or online and is being recorded; therefore; anything you say or do here is public information. The recordings are available online.

Any writing or documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection at City Hall located at 147 Fourth Street, Gonzales, California, during normal business hours

**RESOLUTION NO. 2017-33**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GONZALES  
ESTABLISHING THE APPROPRIATIONS SUBJECT TO LIMIT FOR THE CITY OF  
GONZALES FOR THE 2017-2018 FISCAL YEAR**

**WHEREAS**, Section 37200 of the Government Code provides for the payment of demands based on the adoption of an annual budget; and

**WHEREAS**, the City Manager has presented a proposed budget to the City Council for the 2017-2018 fiscal year; and

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Gonzales that:

1. In accordance with Section 2227 of the California Revenue & Taxation Code, the appropriations limit for the City of Gonzales for the 2017-2018 Fiscal Year, as set forth in Exhibits A & B, attached hereto, is \$8,260,795.62.
2. Pursuant to Article XIII B of the California Constitution, appropriations subject to limit for the 2017-2018, as set forth in Exhibit A, attached hereto, are \$3,088,130.
3. The appropriation figures in the schedule attached hereto shall serve as the approved budget for the City of Gonzales for the 2017-2018 Fiscal Year, pursuant to Section 37200 of the Government Code of the State of California.

**PASSED AND ADOPTED** by the City Council of the City of Gonzales at a regular meeting duly held on the 19<sup>th</sup> day of June 2017, by the following vote:

**AYES: COUNCIL MEMBERS:**

**NOES: COUNCIL MEMBERS:**

**ABSENT: COUNCIL MEMBERS:**

**ABSTAIN: COUNCIL MEMBERS:**

\_\_\_\_\_  
**Maria Orozco, The Honorable Mayor**

**ATTEST:**

\_\_\_\_\_  
**René L. Mendez, City Clerk**

# EXHIBIT [A]

## FISCAL YEAR 2017-2018 APPROPRIATIONS LIMITATION

Article XIII B of the California Constitution specifies that “Appropriations made by State and Local Governments may increase annually by a Factor comprised of the Change in Population combined either with the Change in California Per Capita Personal Income or the Local Assessment Roll due to Local Nonresidential Construction.”

Per Capita Change	3.69%	Converted to a Factor		1.0369
Population Change	.67%	Converted to a Factor		1.0067
Ratio of Change	1.0369	(x)	1.0067	(=) 1.0438
2016-2017 Appropriations Limit:				\$7,914,155.60
Factor				1.0438
2017-2018 Appropriations Limit:				\$8,260,795.62

The Amount subject to the Appropriations Limit is calculated as follows:

### 2017-2018 PROPOSED BUDGET

(1)	<b>Property Taxes</b>	<b>\$486,000</b>
(2)	<b>Sales and Use Tax</b>	<b>\$1,470,000</b>
(3)	<b>Utility Users Tax</b>	<b>\$250,000</b>
(4)	<b>Business License Tax</b>	<b>\$65,000</b>
(5)	<b>Transient Occupancy Tax</b>	<b>\$1,000</b>
(6)	<b>Other Taxes:</b>	<b>\$11,130</b>
	- Real Estate Transfer Tax	
	- Homeowner's Property Tax Relief (HOPTR)	
(7)	<b>Interest (Prorated)</b>	<b>\$5,000</b>
(8)	<b>Motor Vehicle In-Lieu Tax</b>	<b>\$800,000</b>
	<b>Total Amount subject to Limitations</b>	<b>\$3,088,130</b>

**EXHIBIT [B]**

**CALIFORNIA  
DEPARTMENT OF FINANCE  
FISCAL YEAR 2017-2018  
SUPPORTING DOCUMENTATION**



DEPARTMENT OF  
**FINANCE**  
OFFICE OF THE DIRECTOR

EDMUND G. BROWN JR. • GOVERNOR  
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

May 2017

Dear Fiscal Officer:

**Subject: Price Factor and Population Information**

**Appropriations Limit**

The California Revenue and Taxation Code, section 2227, requires the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2017, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2017-18. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2017-18 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

**Population Percent Change for Special Districts**

Some special districts must establish an annual appropriations limit. The Revenue and Taxation Code, section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The Code and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

**Population Certification**

The population certification program applies only to cities and counties. Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2017.**

**Please Note:** Prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

MICHAEL COHEN  
Director  
By:

AMY M. COSTA  
Chief Deputy Director

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2017-18 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2017-18	3.69

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2017-18 appropriation limit.

**2017-18:**

Per Capita Cost of Living Change = 3.69 percent  
Population Change = 0.85 percent

Per Capita Cost of Living converted to a ratio:  $\frac{3.69 + 100}{100} = 1.0369$

Population converted to a ratio:  $\frac{0.85 + 100}{100} = 1.0085$

Calculation of factor for FY 2017-18:  $1.0369 \times 1.0085 = 1.0457$

Fiscal Year 2017-18

**Attachment B**  
**Annual Percent Change in Population Minus Exclusions\***  
**January 1, 2016 to January 1, 2017 and Total Population, January 1, 2017**

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total</u>
	2016-2017	1-1-16	1-1-17	1-1-2017
Monterey				
Carmel-By-The-Sea	-0.03	3,843	3,842	3,842
Del Rey Oaks	0.66	1,670	1,681	1,681
Gonzales	0.67	8,492	8,549	8,549
Greenfield	2.18	17,484	17,866	17,866
King City	1.58	14,255	14,480	14,480
Marina	2.38	21,027	21,528	21,528
Monterey	0.63	24,846	25,002	28,828
Pacific Grove	0.71	15,388	15,498	15,498
Salinas	0.65	161,426	162,470	162,470
Sand City	0.52	382	384	384
Seaside	0.05	30,138	30,153	34,165
Soledad	2.86	16,455	16,925	26,065
Unincorporated	1.16	105,350	106,572	107,009
County Total	1.00	420,756	424,950	442,365

\*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

**RESOLUTION NO. 2017-34**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GONZALES  
CERTIFYING COMPLIANCE WITH STATE LAW WITH RESPECT TO THE  
LEVYING OF GENERAL AND SPECIAL TAXES, ASSESSMENTS, AND PROPERTY  
RELATED FEES AND CHARGES**

**WHEREAS**, the City of Gonzales requests that the Monterey County Auditor-Controller enter those general or special taxes, assessments, or property-related fees or charges identified in Exhibit “A” on the tax roll for collection and distribution by the Monterey County Treasurer-Tax Collector commencing with the property tax bills for fiscal year 2017-2018; and

**NOW, THEREFORE, BE IT RESOLVED** as follows:

1. The City of Gonzales hereby certifies that it has, without limitation, complied with all legal procedures and requirements necessary for the levying and imposition of the general or special taxes, assessments, or property-related fees or charges identified in Exhibit “A”, regardless of whether those procedures and requirements are set forth in the Constitution of the State of California, in State statutes, or in the applicable decisional law of the State of California.
2. The City of Gonzales further certifies that, except for the sole negligence or misconduct of the County of Monterey, its officers, employees, and agents, the City of Gonzales shall be solely liable and responsible for defending, at its sole expense, cost, and risk, each and every action, suit, or other proceeding brought against the County of Monterey, its officers, employees, and agent for every claim, demand, or challenge to the levying or imposition of the general or special taxes, assessments, or property-related fees or charges identified in Exhibit “A” and that it shall pay or satisfy any judgment rendered against the County of Monterey, its officers, employees, and agents on every such action, suit, or other proceeding, including all claims for refunds and interest thereon, legal fees and court costs, and administrative expenses of the County of Monterey to correct the tax rolls.

**PASSED AND ADOPTED** by the City Council of the City of Gonzales at a Special meeting duly held on the 19<sup>th</sup> of June 2017, by the following vote:

**AYES:            COUNCIL MEMBERS:**  
**NOES:            COUNCIL MEMBERS:**  
**ABSENT:        COUNCIL MEMBERS:**  
**ABSTAIN:       COUNCIL MEMBERS:**

\_\_\_\_\_  
**Maria Orozco, The Honorable Mayor**

**ATTEST:**

\_\_\_\_\_  
**René L. Mendez, City Clerk**



**EXHIBIT “A”**  
**CERTIFYING COMPLIANCE WITH STATE LAW WITH RESPECT TO THE LEVYING OF**  
**GENERAL AND SPECIAL TAXES, ASSESSMENTS, AND**  
**PROPERTY-RELATED FEES AND CHARGES**

**FISCAL YEAR 2017-2018**

GENERAL TAXES: NONE

SPECIAL TAXES: SEC ASSESSMENT FEE #87101 1<sup>ST</sup> RESPONDER ENHANCED  
EMERGENCY MEDICAL SERVICES  
SPECIAL TAX TO TITLE 3 -  
REVENUE AND FINANCE OF THE  
GONZALES MUNICIPAL CODE

ASSESSMENTS: SEC ASSESSMENT BND #57400 GONZALES SHOPPING CENTER

SEC ASSESSMENT BND #57300 CAL BREEZE PARKS AND  
OPEN SPACES MAINT. - PHASE I,II,III

SEC ASSESSMENT BND #57600 CAL BREEZE BENEFIT - PHASE I

SEC ASSESSMENT BND #57500 CAL BREEZE BENEFIT - PHASE II

SEC ASSESSMENT BND #57700 CAL BREEZE BENEFIT - PHASE III

SEC ASSESSMENT BND #57800 GONZALES RIVER ROAD

SEC ASSESSMENT BND #57900 CANYON CREEK PARKS AND  
OPEN SPACES MAINT. – PHASE I

SEC ASSESSMENT BND # 57000 CANYON CREEK PARKS AND  
OPEN SPACES MAINT. – PHASE II

SEC ASSESSMENT BND #57002 CANYON CREEK PARKS AND  
OPEN SPACES MAINT. – PHASE III

SEC ASSESSMENT BND #58000 CANYON CREEK BENEFIT- PHASE I

SEC ASSESSMENT BND #57001 CANYON CREEK BENEFIT-PHASE II

SEC ASSESSMENT BND #57003 CANYON CREEK BENEFIT-PHASE III

SEC ASSESSMENT BND #57005 CIPRIANI ESTATES PARK AND  
OPEN SPACES MAINTENANCE

SEC ASSESSMENT BND #57004 CIPRIANI ESTATES BENEFIT

SEC ASSESSMENT BND #57101 GONZALES INDUSTRIAL PARK  
LANDSCAPE MAINTENANCE DISTRICT

SEC ASSESSMENT BND #57102 GONZALES INDUSTRIAL PARK  
BENEFIT ASSESSMENT DISTRICT



# City of Gonzales

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## CITY MANAGER'S & DIRECTOR'S OFFICE

### STAFF REPORT

**TO:** Honorable Mayor Orozco and City Council  
Agency Chairperson Orozco and Board Members

**DATE:** June 19, 2017

**FROM:** René L. Mendez, City Manager and Director

**SUBJECT:** FY 2017-2018 City and Successor Agency Budget

#### **RECOMMENDATION**

It is recommended that your Council and Successor Agency Board:

- Consider and Adopt the Resolution No. 2017-35, A Resolution of the City Council of the City of Gonzales Adopting an Operating Budget for the City for the Fiscal Year July 1, 2017 through June 30, 2018, and providing for the Appropriations and Expenditures of All Sums Set Forth Therein;
- Consider and Adopt the Resolution SA-2017-01, A Resolution of the City Council of the City of Gonzales Acting as Successor Agency for the Gonzales Redevelopment Agency Approving and Adopting a Successor Agency Budget for the Period Between July 1, 2017 and June 30, 2018; and
- If needed, direct staff to make changes as necessary and schedule adoption of the Recommended Budget for the City and Successor Agency on June 26, 2017 at 5:30pm.

#### **BACKGROUND**

The annual adoption of the City Budget before the end of the fiscal year (June 30) is a very important step and required by the State Budget Act to establish the fiscal road map for the new fiscal year which begins on July 1<sup>st</sup>. The budget not only conveys to everyone the spending priorities of the City and fiscal plan, but at its most basic level, it allows the City to continue to operate after July 1<sup>st</sup> of every year.

#### **REVIEW AND ANALYSIS**

The Recommended City and Successor Agency Budget for FY 2017-2018, is balanced and maintains Council priority. As is mentioned in the FY 2017-2018 Budget Message, the Recommended Budget sets forth total Budget Requirements in the amount of \$18.6 million, which is \$1.29 million or 7.5%

higher than the FY 2016-2017 amount. The main reason for this increase is due to several capital projects across the funds.

Of the overall budget amount, the General Fund portion is \$5,081,780, which is \$764,486 or 17.7% higher than the FY 2016-2017 Budget amount of \$5,081,780. The increase is being driven by some personnel changes, the After School Program, TUT funded priorities, and the Strengthening Police and Community Relations Grant.

Overall, revenues are \$15.9 million, of which the General Fund is \$5.3 million, which is \$527,122 higher than FY 2016-2017. The reason for the increase in General Fund revenues is primarily due to receiving a loan payment from the Successor Agency, Sales Tax, Strengthening Police and Community Relations Grant, and TUT revenues.

The theme for this budget is the flexibility and capacity to continue moving the City forward on several fronts including, but not limited to, economic development, health access, infrastructure, and “*Ensuring Gonzales Youth Achieve 21<sup>st</sup> Century Success*” Initiative, which all point quite simply to the *GONZALES WAY*.

For example, there are many positive aspects of the FY 2017-2018 City Budget, some of which are:

1. That TUT revenues continue to fund needed infrastructure improvements that directly impact the quality of life in the community as envisioned by the City Vision.
2. The City economy continues to trend up with the major addition of the Mann Packing Company that kick start Phase II of the Gonzales Agricultural Industrial Business Park. Furthermore, several businesses continue to do very well that has resulted in sales tax revenues of approximately \$1 million, which is a very significant milestone for the City.
3. On the health side, Clinica de la Salud del Valle de Salinas opened a temporary facility and expects to be well under construction of a new permanent clinic by the end of the fiscal year. What this means is that in a matter of few short years, the City has seen a very significant increase in quality health care for the community.
4. That the Recommended Budget reflects funds to (a) finish construction of a new Water Well, renovation of the Skate Park, the addition of a playground to Centennial Park, share in the costs with the Gonzales Unified School District (GUSD) to resurface the Tennis Courts and improvements to the Council Chambers and City Hall to make them more accessible; (b) begin implementation of the plan to increase the capacity of the Waste Water Treatment Plant; (c) update the City’s Impact Fees; and (d) begin implementation of a rehabilitation project for Alta Street.
5. The General Fund is once again balanced without the use of Fund Balance. It reflects that the FY 2016-2017 year-end Fund Balance will be approximately \$2,160,905 million and all things being equal, is estimated to grow to \$2.4 million by the end of the 2017-2018 Fiscal Year. It is this capacity that allows continuation of the \$1 million General Reserve and starting the Fiscal Year with a Fund Case Balance of \$1.16 million.

**NOTE: Please refer to the FY 2017-2018 City and Successor Agency Proposed Budget document for a more detail look at the City’s Budget.**

Explain Recommendation and How it Supports the Vision

**Gonzales will continue to be a safe, clean, family-friendly community, diverse in its heritage, and committed to working collaboratively to preserve and retain its small town charm.**

**Explain:** Obtaining approval and/or policy direction on the Recommended Budget, is important because it allows staff to obtain the necessary policy direction to maintain a healthy financial position for the City, and continue the work on a sustainable long-term budget. A sustainable long-term budget is important because it assures the financial health of the City is maintained, which is necessary to assure a safe, clean, and family friendly community.

Explain how the Recommendation Directly Implements the Mission

*The City Council and Staff of the City of Gonzales will realize our Vision by providing the leadership, commitment and resources necessary to provide excellent services that enhance the quality of life of our diverse community.*  Yes  No  NA

**Explain:** Please see Vision above.

*Strong fiscal policies allow us to provide appropriate infrastructure for:*

- *Public Safety*  Yes  No  NA
- *Housing*  Yes  No  NA
- *Recreation*  Yes  No  NA
- *Environment*  Yes  No  NA
- *Education*  Yes  No  NA

**Explain:** Please see explanation above.

**ALTERNATIVES**

Alternatives include directing staff to modify and/or change the FY 2017-2018 Recommended City and/or Successor Agency Budget and bring it back for adoption on June 26, 2017.

**BUDGET IMPACT**

Please refer to the FY 2017-2018 Recommended City and Successor Agency Budget. In addition, based on the direction received from Council, the budget impacts may change, and will ultimately be reflected in the approved budget.

**CONCLUSION**

I would like to take this opportunity to express my appreciation to all City Staff, Michael Rodriguez (City Attorney), and Mike Howard (Finance) whose dedicated service, cooperation, and commitment to excellent Public Service “Gonzales Way” make all the programs, initiatives, and services funded in the FY 2017-2018 Recommended Budget a possibility. In particular, I would like to acknowledge and thank Mrs. Mary Villegas for her hard work not only on this document, but also for her ability to keep the City Manager’s Office organized and moving forward.

To conclude, it is recommended that your Council and Successor Agency Board:

- Consider and Adopt the Resolution No. 2017-35, A Resolution of the City Council of the City of Gonzales Adopting an Operating Budget for the City for the Fiscal Year July 1, 2017 through June 30, 2018, and providing for the Appropriations and Expenditures of All Sums Set Forth Therein;
- Consider and Adopt the Resolution SA-2017-01, A Resolution of the City Council of the City of Gonzales Acting as Successor Agency for the Gonzales Redevelopment Agency Approving and Adopting a Successor Agency Budget for the Period Between July 1, 2017 and June 30, 2018; and
- If needed, direct staff to make changes as necessary and schedule adoption of the Recommended Budget for the City and Successor Agency on June 26, 2017 at 5:30pm.

Attachments: Resolution No. 2017-35  
Resolution No. SA-2017-01

**RESOLUTION NO. 2017-35**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GONZALES ADOPTING AN OPERATING BUDGET FOR THE CITY FOR THE FISCAL YEAR JULY 1, 2017 THROUGH JUNE 30, 2018, AND PROVIDING FOR THE APPROPRIATIONS AND EXPENDITURES OF ALL SUMS SET FORTH THEREIN**

**RECITALS**

**WHEREAS**, the City Manager has submitted to the City Council of Gonzales a Fiscal Year 2017-2018 Recommended Budget; and

**WHEREAS**, after conducting a public hearing on the proposed budget, the City Council has approved the same; and

**WHEREAS**, it is the intention of the Council to adopt the proposed budget as submitted by the City Manager; and

**DECISION**

**NOW, THEREFORE BE IT RESOLVED** by the City Council of the City of Gonzales as follows:

1. That certain document referred to as “The Fiscal Year 2017 – 2018 City and Successor Agency Recommended Budget” presented by the City Manager is hereby adopted and the appropriations for the annual budget of the City of Gonzales for the fiscal year beginning on July 1, 2017 and ending on June 30, 2018, is hereby adopted; and
2. That the amounts stated in the proposed budget shall become and thereafter be appropriated to the offices, departments, activities, objects, and purposes stated therein and said monies are hereby authorized to be expended for the purposes and objects specified in said budget; and
3. The City Manager is authorized to approve expenditure adjustments within individual funds so long as the total appropriated within each major fund is not exceeded.

**PASSED AND ADOPTED** by the City Council of the City of Gonzales on the 19<sup>th</sup> day of June, 2017 by the following vote:

<b>AYES:</b>	<b>COUNCIL MEMBERS:</b>
<b>NOES:</b>	<b>COUNCIL MEMBERS:</b>
<b>ABSTAIN:</b>	<b>COUNCIL MEMBERS:</b>
<b>ABSENT:</b>	<b>COUNCIL MEMBERS:</b>

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**Maria Orozco**, The Honorable Mayor

**ATTEST:**

---

**René L. Mendez**, City Clerk

**RESOLUTION NO. SA-2017-01**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GONZALES ACTING AS SUCCESSOR AGENCY FOR THE GONZALES REDEVELOPMENT AGENCY APPROVING AND ADOPTING A SUCCESSOR AGENCY BUDGET FOR THE PERIOD BETWEEN JULY 1, 2017 AND JUNE 30, 2018**

**WHEREAS**, the City of Gonzales is the designated Successor Agency of the Gonzales Redevelopment Agency within the meaning of AB 26; and

**WHEREAS**, the City of Gonzales, acting as Successor Agency for the Gonzales Redevelopment Agency (“Successor Agency”) has adopted, and the Oversight Board has approved, the Successor Agency ROPS, which identifies Successor Agency enforceable obligations and administrative expenses, for the period between July 1, 2017 through June 30, 2018; and

**WHEREAS**, Section 34177(j) of the California Health and Safety Code provides that the Successor Agency shall prepare an administrative budget (Administrative Budget”) and submit the same to the Oversight Board of the Successor Agency for its approval: and

**WHEREAS**, the Administrative Budget shall include the following:

- (1) Estimated amounts for successor agency administrative costs for the upcoming six month fiscal period;
- (2) Proposed sources of payment for the costs identified in subparagraph (1); and
- (3) Proposals for arrangements for administrative and operations services provided by a city, county, city and county, or other entity; and

**WHEREAS**, Section 34177(k) of the California Health and Safety Code requires the Successor Agency to provide administrative cost estimates, from its approved Administrative Budget, that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the Monterey County Auditor-Controller for each six month fiscal period; and

**WHEREAS**, the Successor Agency Director has submitted to the Successor Agency Board a Fiscal Year 2017-2018 Recommended Budget that incorporates an Administrative Budget (based on disclosures in the afore-referenced July-June. ROPS) as well as a budget for all Successor Agency operations, including but not limited to payment of enforceable obligations and asset disposition efforts, for said Fiscal Year; and

**WHEREAS**, the Successor Agency has reviewed and duly considered the Recommended Budget, and other written evidence presented at the meeting; and

**WHEREAS**, it is the intention of the Successor Agency Board, after receipt of public comment and discussion, as offered or needed, to adopt the proposed budget as submitted by the Successor Agency Director; and

**WHEREAS**, under Title 14 of the California Code of Regulations, Section 15061(b)(3), the approval of the Budget is exempt from the requirements of the California Environmental Quality Act, in that it is not a project as the adoption of the Budget will not have the potential of causing a significant environmental effect and it can be seen with certainty that there is no possibility that the adoption of the Budget will have any significant effect on the environment.

**NOW THEREFORE**, be it hereby resolved by the Successor Agency as follows:

**Section 1.** The Successor Agency hereby finds and determined that the recitals set forth above are true and correct to the best of its knowledge, and by this reference, are incorporated herein.

**Section 2.** That certain document referred to as “The Fiscal Year 2017-2018 Successor Agency Recommended Budget” presented by the Successor Agency Director is hereby adopted and the appropriations for the annual budget of the Successor Agency for the Fiscal Year beginning on July 1, 2017 and ending on June 30, 2018, are hereby approved.

**Section 3.** The Successor Agency authorizes the Executive Officer to:

(1) Take such other actions and execute such other documents as are appropriate to effectuate the intent of this Resolution and to implement the Budget on behalf of the Successor Agency.

**PASSED AND ADOPTED** by the City Council of the City of Gonzales acting as the Successor Agency Board for the Gonzales Redevelopment Agency on the 19<sup>th</sup> day of June, 2017, by the following vote:

**AYES:            SUCCESSOR AGENCY MEMBERS:**

**NOES:            SUCCESSOR AGENCY MEMBERS:**

**ABSTAIN:        SUCCESSOR AGENCY MEMBERS:**

**ABSENT:         SUCCESSOR AGENCY MEMBERS:**

\_\_\_\_\_  
**Maria Orozco, The Honorable Chair**

**ATTEST:**

\_\_\_\_\_  
**René L. Mendez, Successor Agency Secretary**





*City of Gonzales*



# **Fiscal Year 2017-2018**

**City**

**&**

**Successor Agency**

**Recommended Budget**

(June 19, 2017)

*Gonzales will continue to be a safe, clean, family-friendly community, diverse in its heritage, and committed to working collaboratively to preserve and retain its small town charm*

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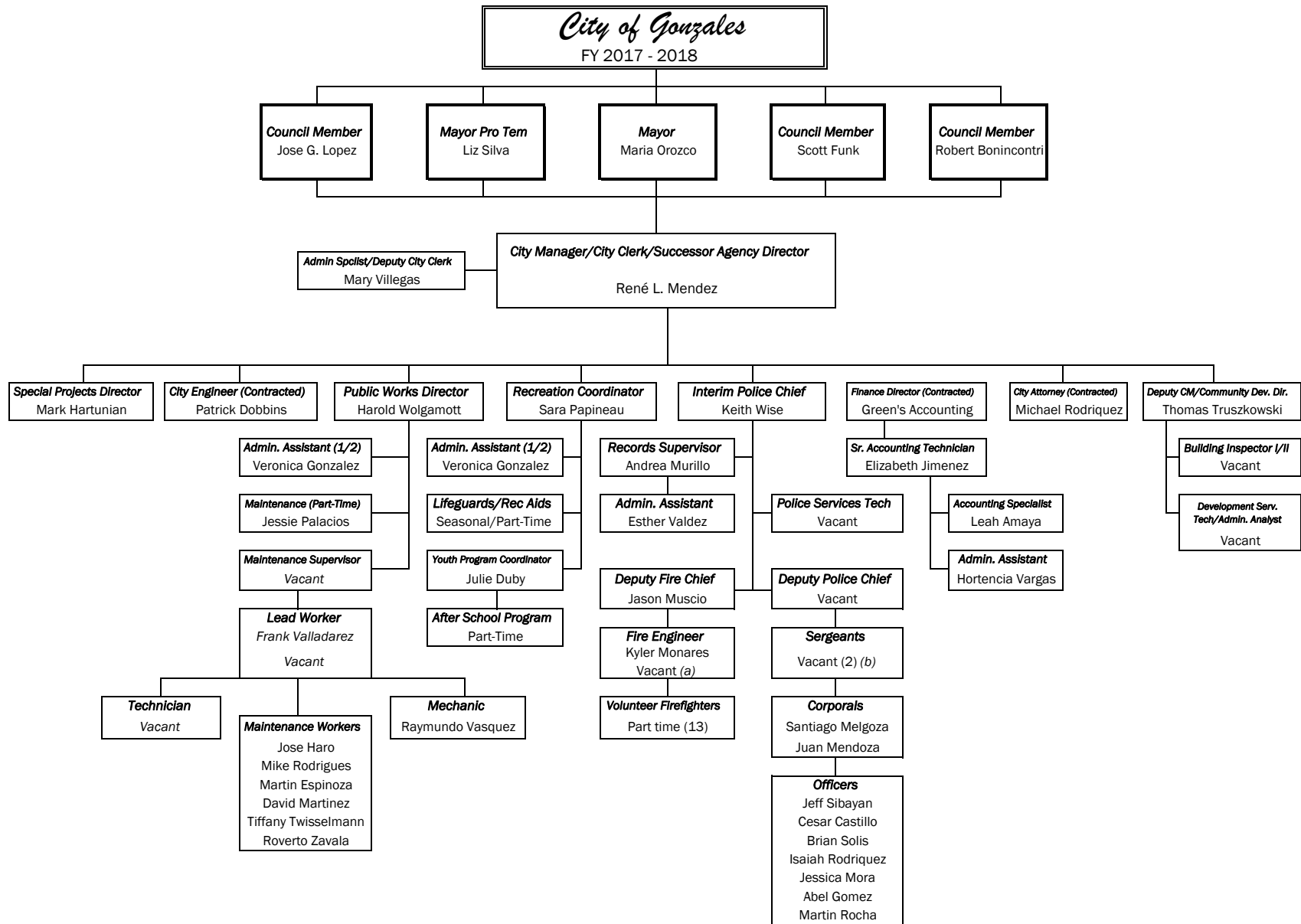
## FY 2017-2018 City & Successor Agency Budget

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(a) Will be filled effective January 1, 2018.  
(b) Will be filled via internal promotion.



# City of Gonzales

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GONZALES, CALIFORNIA 93926  
[www.ci.gonzales.ca.us](http://www.ci.gonzales.ca.us)

June 19, 2017

Honorable Mayor Orozco and Council Members  
Chairperson Orozco and Successor Agency Board Members  
P.O. Box 647  
Gonzales, California 93926

Dear Council and Board Members:

I am pleased to transmit to your Council and Board the Recommended Budget for FY 2017-2018, which sets forth total Budget Requirements in the amount of \$18,603,128 which is \$1,290,545 higher than the FY 2016-2017 amount. The main reasons for the increase are due to a few capital projects, personnel, and Transaction Use Tax (TUT) funded priorities.

Of the overall budget amount, the General Fund appropriations total \$5,081,780, which is \$764,486 or 17.7% higher than the FY 2016-2017 Budget amount of \$4,317,294. The increase is being driven by some personnel changes, the After School Program, TUT funded priorities, and the Strengthening Police and Community Relations Grant.

Overall, revenues are \$15,944,178 million, of that the General Fund is \$5,337,727 million, which is \$527,122 higher than FY 2016-2017. The reason for the increase in General Fund revenues is primarily due to receiving a loan payment from the Successor Agency, Sales Tax, the Strengthening Police and Community Relations Grant and TUT revenues.

While there are many positive aspects of the FY 2017-2018 City Budget, perhaps none are as significant in broad terms as the fact that the TUT revenues continue to fund needed infrastructure improvements that directly impact the quality of life in the community as envisioned by the City Vision and the Successor Agency of the former Redevelopment Agency continues to pay back the General Fund.

The City economy continues to trend up with the major addition of the Mann Packing Company to kick start Phase II of the Gonzales Agricultural Industrial Business Park. Furthermore, several businesses continue to do very well that has resulted in sales tax revenues of approximately \$1 million, which is a very significant milestone for the City.

On the health side, Clinica de la Salud del Valle de Salinas opened a temporary facility and expects to be well under construction of a new permanent clinic by the end of the fiscal year. What this means, is that in a matter of few short years, the City has seen a very significant increase in available quality health care for the community.

The Recommended Budget reflects funds to (a) finish construction of a new Water Well, renovation of the Skate Park, the addition of a Tot Lot/Play Structure at Centennial Park, share in the costs with the Gonzales Unified School District (GUSD) to resurface the Tennis Courts, and improvements to the Council Chambers and City Hall to make them more accessible; (b) begin implementation of the plan to increase the capacity of the Waste Water Treatment Plant; and (c) begin implementation of a rehabilitation project for Alta Street.

The budget continues to reflect key initiatives to proactively grow the City's business base, which over time, will result in increased sales and property tax revenues, more jobs; and overall, a more healthy and vibrant local economy. Some of the key efforts include the Gonzales Grows Green Initiative, continued focused work with the property owners in the Gonzales Agricultural Industrial Business Park (GAIBP), a leadership role in the regional Monterey Bay Economic Partnership (MBEP) and Monterey Bay Community Power Agency (MBCPA), and the continued engagement marketing of the Gonzales Brand and Gonzales Way.

In addition, the Budget continues growing and implementing the (a) very exciting “*Ensuring Gonzales Youth Achieve 21<sup>st</sup> Century Success*” Initiative, in partnership with the Gonzales Unified School District; (b) very successful Summer Youth Program; and (c) After School Program.

On the organizational side, this budget reflects six month funding (effective January 1, 2018) of a new Fire Engineer to keep up with the workload and bringing back the two Police Sergeant positions (to be filled via an internal recruitment).

Unlike recent history, there are some modest resources available for your Council to expand and/or add programs. However, as your Council reviews the budget document, please keep in mind that any increases in expenditures should be done cautiously. While there is some room for your Council to increase or add programs, it should be done prudently.

The FY 2017-2018 Recommended Budget for the General Fund is once again balanced without the use of Fund Balance. It also reflects that the FY 2016-2017 year-end Fund Balance will be approximately \$2,160,905 million and all things being equal, estimated to grow to \$2.4 million by the end of the 2017-2018 Fiscal Year. It is this capacity that allows continuation of the \$1 million General Reserve reflected in the Fund Balance Summary Report (Exhibit A).

Finally, I would like to take this opportunity to express my appreciation to all City Staff, Mike Rodriguez (City Attorney), and Mike Howard<sup>1</sup> whose dedicated service, cooperation, and commitment to excellence made this document a possibility. In particular, I would like to acknowledge and thank Mrs. Mary Villegas for her hard work not only on this document, but also for her ability to keep the City Manager’s Office organized and moving forward.

Respectfully submitted,



René L. Mendez  
City Manager

---

<sup>1</sup> Mike is with Green’s Accounting, who provides under contract the financial services for the City.

## MEMORANDUM

**TO:** Honorable Mayor Orozco and City Council  
Chairperson Orozco and Successor Agency

**FROM:** René L. Mendez, City Manager and Director

**DATE:** June 19, 2017

**SUBJECT:** City Manager and Director FY 2017-2018 Recommended Budget

### RECOMMENDATION

Consider and approve the FY 2017-2018 City and Successor Agency Recommended Budget with the accompanying Resolutions on June 19, 2017, or if needed on June 26, 2017, as presented, which is balanced, maintains or funds Council priorities, and maintains acceptable service levels.

### SUMMARY

The Recommended Budget for FY 2017-2018 totals \$18,603,128 in expenditures, of which \$5,081,780 is the General Fund. The General Fund reflects an increase of \$764,486 or 17.7% over the FY 2016-2017 Budget amount of \$4,317,294.

The theme for this budget is the flexibility and capacity to continue moving the City forward on several fronts including, but not limited to, economic development, health access, infrastructure, and “*Ensuring Gonzales Youth Achieve 21<sup>st</sup> Century Success*” Initiative, which all point quite simply to the *GONZALES WAY*.

This year, the overall “operating” budget is again skewed by the “Transfers-In” of resources among funds. For example, transfers include several funds into the General Fund, from the Supplemental Law Enforcement Fund into the Public Safety Fund, and from several assessment funds into the Streets Fund. While this method clearly isolates the contribution among funds, in reality, they are “paper-only” transactions that artificially inflate the total budget by approximately \$1,592,432. On the State front, the news is essentially neutral for the City of Gonzales.

The following sections in the Budget Message are intended to provide: (1) an overview of pressures on the General Fund and overall City Budget; (2) an explanation of the overall budget balancing strategy used; (3) an overview of General Fund budgets; and (4) highlights of Non-General Fund budgets and programs.

### PRESSURES ON THE GENERAL FUND

Not unlike past years, there continues to be some pressures and stressors on the General Fund that need to be monitored.

#### *Housing Environment*

A major challenge facing the City is the shortage of available housing of all types. While not quite at a crisis, the lack of housing will overtime impact the City’s ability to create jobs and attract the talent necessary for the schools, City and the private sector to continue to thrive. This budget reflects the capacity for staff to continue to work on this challenge and take advantages of any opportunities.

#### *Fuel Prices*

This continues to be highlighted because the fluctuation in fuel prices throughout the year continues to place pressures on the budget. While the budget attempts to reflect adequate resources to cover fuel costs, it is difficult to predict where prices will land.

### ***Cal-PERS and Health Costs***

While the budget reflects adequate resources to cover employee retirement and health costs, both of these areas continue to be volatile and create a sense of uneasiness for the City. This uneasiness on the health side is further exacerbated with the uncertainty coming out of Washington D.C., and what will ultimately happen if anything with health coverage.

### **OVERALL GENERAL FUND STRUCTURE**

Pending budget direction, the City's General Fund is balanced with no use of Fund Balance, and a revenue amount of \$5,337,727. *These revenues include the following:*

1. A conservative 4% growth in property taxes above actual FY 2016-2017 levels. This is very conservative estimate, but is based on prior year actual levels and discussions with the County Assessor.
2. An increase over the FY 2017-2018 budgeted levels of 3.8% increase in Property Taxes – VLF Adjustment from the State, and an 18.7 % increase in Sales Tax, which are based on the estimates from HdL Coren & Cone, the City's sales and property tax Consultants. The increase in the Sales Tax is noteworthy because the City has approached the \$1 million level in these revenues, which is very significant.
3. A 17.6% increase in expected 1/2% Transaction Use Tax (TUT) revenues.
4. Continued emphasis on the General Fund being reimbursed for its administrative costs for running the various non-general fund programs, were not directly apportioned to the other funds.
5. A modest increase in planning and building permit revenues based on the expected level of activity.
6. Transfers from various funds for administrative support.
7. Final payment from the Successor Agency of the Redevelopment Agency loan made by the City General Fund, in the amount of \$603,260.

### ***Positive External Relationships***

On the positive side, staff continues to work diligently to reinforce, grow, and/or establish new partnerships with the Private Sector and other agencies.

Examples of these partnerships include:

- a) Continuing the collaboration and taking on a leadership role with the County on Countywide Economic Development Efforts and Housing.
- b) Continue working with the Monterey Business Council, the County, and other Cities to continue to improve the regional marketing website and business attraction efforts as the Co-Chair of the Monterey Bay Economic Partnership (MBEP).
- c) Taking a leadership position in the Monterey Bay Community Power Agency (MBCPA).
- d) Enhancing the partnership with the Gonzales Unified School District on a variety of issues, the most significant being the continued implementation of the “*Ensuring Gonzales Youth Achieve 21<sup>st</sup> Century Success*” Initiative.
- e) Continuing to work with the County and Monterey County Cities on a variety of regional efforts including solid waste, economic development, housing, gang suppression, health and transportation. For example, the City led the implementation of the efforts funded by the Strengthening Law Enforcement and Community Relations Grant, and worked with the County Health Department on an innovative Health In all Policies efforts.



## MAJOR CITY VISION INITIATIVES REFLECTED IN THE BUDGET

*The following is a list of some of the major initiatives reflected in the Budget:*

- Amend the General Plan (including a new health element), initiate the Plan for Services Studies required to implement the City's Sphere of Influence increase that was approved by Local Agency Formation Commission (LAFCO) the prior fiscal year, and finalize an application to LAFCO for the next annexation of land into the City;
- In partnership with the Gonzales Unified School District (GUSD), continue (a) to work towards securing the location for the critically needed new Elementary School; (b) the implementation of the "Ensuring Gonzales Youth Achieve 21<sup>st</sup> Century Success" Initiative; and (c) bring and/or develop new innovative science, technology, engineering and mathematics "STEM" programs;
- Continue development of the Gonzales Agricultural Industrial Business Park. For example, the Fiscal Year will see the construction of a new major facility by The Mann Packing Company and very likely, three cannabis manufacturing or cultivation facilities;
- Update the City's Economic Development Website and proactively participate as Co-Chair of the MBEP Board of Directors, and Chair of the MBCPA Operations Board;
- Upgrade the City's Website to make it more user-friendly and proactive, and expand social media efforts;
- Continue to increase partnerships with the City's business community;
- Maintain proactive implementation of the "Gonzales Grows Green" Initiative;
- Continue the proactive use of the TUT revenues to enhance community infrastructure. For example, the budget reflects the rehabilitation and upgrade of the Skate Park, the addition of a Tot Lot/Play Structure at Centennial Park, resurfacing of the Tennis Courts, and improvements to the Council Chambers and City Hall to enhance accessibility; and
- Continue proactive engagement of the community's youth in the future of their City.

## BUDGET GOALS AND OBJECTIVES

The City Budget sets forth the foundation for major Council policy actions, and provides a fiscal "Road Map" of the direction for City government to follow now, and in the future. The City Budget represents the single most important document that is prepared, reviewed, and approved on an annual basis.

*The format used for this budget:*

- Reflects all revenues directly in the programs for which they are to be used;
- Includes all of the City's grants and operating trust funds;
- Includes detailed fund balances of all the City funds, along with their reserve levels;
- Reflects all the TUT revenues in its own budget;
- Relies on the Net City Cost concept to explain the cost to City resources. For example, a larger net negative means that it is costing the City more, and conversely a lower net negative and/or higher positive number, indicates that it is costing the City less to provide the program; and
- Reflects a consistent and standard narrative format:
  1. Description of each individual budget and program.
  2. Major accomplishments by each Department in FY 2016-2017.

3. Departmental goals for FY 2017-2018.
4. The Recommended Budget in detail.
5. Major policy considerations being requested.

#### *Budget Core Priorities*

This budget maintains several key core Priorities of the approach that helped the City weather the recession a few years ago, and they are:

1. City Vision and Mission point the direction.
2. Maintain, and in some cases, enhance the existing valuable workforce.
3. Maintain, and in some cases, enhance critical services (i.e. Public Safety, and Sewer and Water).
4. Maintain critical infrastructure.
5. Honors all debt obligations including (a) the refunding of 2003 and 2011 RDA Bond; (b) the private placement financing that was utilized to expand the Wastewater Treatment Plant and expand water storage capacity; (c) Phase I & II of the Solar Project; and (d) the financing of the Community Pool Renovation Project.
6. Maintain a minimum General Fund Balance of \$1 million and a General Reserve of \$1 million.

*The following principles and goals have been maintained:*

- The Budget is balanced so that available and estimated revenues equal appropriations;
- Whenever possible, the Budget is balanced with ongoing and known revenue sources equaling ongoing and reasonably expected expenses;
- To the extent possible, one-time money is not used for ongoing operations;
- To the extent possible, one-time money is used for one-time expenditures;
- Service levels are maintained at the highest level within funding constraints;
- Discretionary revenues are maximized to provide the Council with options to fund beneficial local programs and services; and
- Accuracy and accountability in estimating and monitoring revenues and expenses during the fiscal year will continue to improve.

## **PROJECTED FUND BALANCES**

As of the writing of this document, the final fund balances for all major funds were not yet available; therefore, estimates of year-end fund balances for all major funds have been relied upon to balance the budget. Though the FY 2016-2017 was almost over at the time this message was prepared, the estimates can and will probably change after the Finance Department closes the accrual period at the end of July. The accrual period is very important because it is used to clean up, and/or eliminate encumbrances (funds kept “on hold” for contracts and purchases made at the end of the fiscal year), to receive revenue that is due to the City, and comes in arrears (this is typical of many grant programs and sale tax revenues).

It is important to realize that Fund Balance is not a fund or a separate account, but by definition, is simply the difference between the assets and liabilities of a governmental fund. While it is critical to keep a close watch on fund balance levels and not become too reliant on it, in all likelihood, there will always be a fund balance. The key is for the organization to identify what areas generate the fund balance.

Fund Balance Summary Report (Exhibit A) provides a fund balance summary of all the funds, as well as their Reserves as of June 30, 2017, and an estimate for the end of the 2017-2018 Fiscal Year. Based on the level activity projected for the few weeks left in the fiscal year, the year-end 2016-2017 General Fund - Fund Balance is

estimated to be approximately \$1.4 million and at the end of Fiscal Year 2016-2017, which is in addition to the \$1 million in General Reserves.

Fund Balance estimates of other major funds to start the fiscal year include the Water Enterprise Fund at \$3.8 million, Streets at \$257,089, Sewer Impact at \$868,812, Circulation System Impact at \$507,150, Water Impact Fund at \$1,001,640, the City Successor Agency at \$2.1 million, and the Housing Successor Agency at \$361,485.

## **TOTAL BUDGET REQUIREMENTS**

Exhibit B provides a Summary of Expenditures and Revenues by fund. It is the same straightforward format used for the Mid-Year and Year-End financial reports. This summary is the basis for the discussion below.

### ***Expenditures***

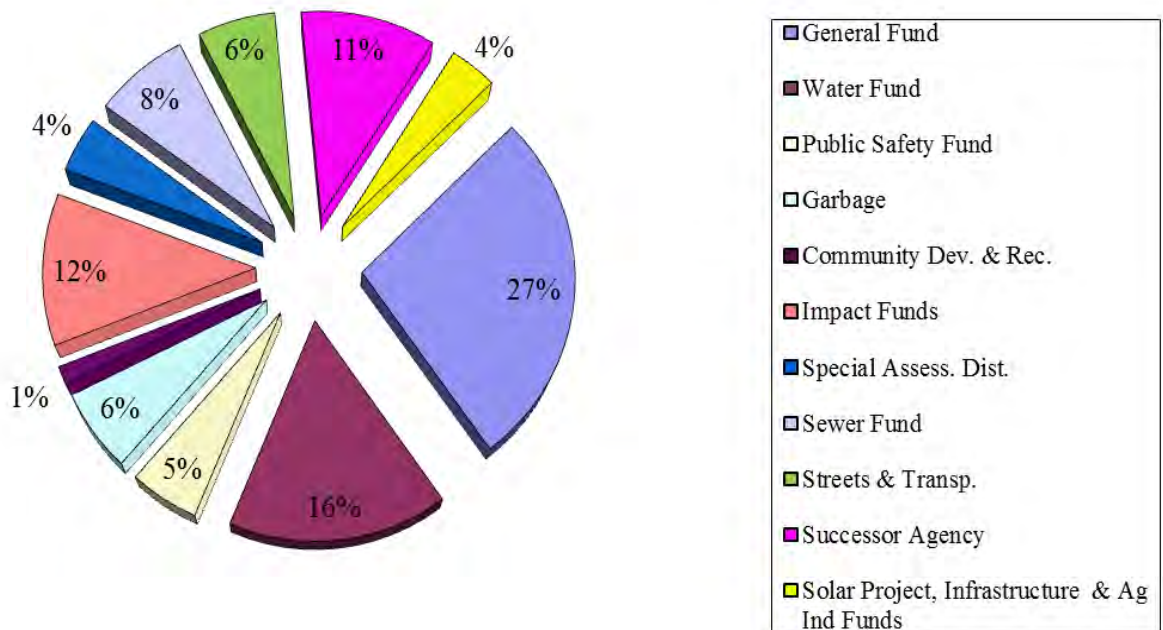
Total expenditures for the FY 2017-2018 Recommended Budget are \$18,603,128, which is \$1,290,545 or 7.5% higher than FY 2016-2017. As illustrated in the graph on the following page, *Total City Expenditures*, the General Fund Budget comprises 27.32% of the total expenditures or \$5,081,780 million; followed by the Water Fund at 16.26% or \$3 million; Impact Funds at 11.57% or \$2.1 million, the Successor Agency at 10.57% or \$1.96 million, and the Sewer Fund at 7.45% or \$1.38 million.

The increase in the City Budget is the net result of:

- Several capital projects like (a) completion of the new Water Well to replace City Well #3; (b) TUT funded expenditures; (c) completion of the majority of the expenditures/programs of the Improve Police and Community Relations Grant; (d) funding of the next phase of the plan for the roundabout on 5<sup>th</sup> Street and Highway 101; and (e) Proposition 84 Grant Storm Water Improvement Project.
- Six month funding for a new Fire Engineer position, reinstatement of two Police Sergeant Positions and full year funding for the Special Projects Director and a Public Works Lead Worker position, and a replacement Administrative Assistant position;
- An increase in some of the Impact Funds, mainly driven by the Street Impact Fund to be used towards improving Alta Street, and the Water Impact Fund to finish the water well and improve the water distribution system;
- The final loan payment from the Successor Agency (transfer out) to the General Fund;
- Full funding of the Summer Youth Day Camp Program and the After School Program; and
- The \$1.59 million in transfers throughout funds in the budget.

## TOTAL CITY EXPENDITURES FY 2017-2018

City Funds	FY 2016-2017 Adopted Budget	FY 2017-2018 Recommended Budget	FY 2017-2018 % of Total Budget	Net Difference	% Difference
General Fund	\$ 4,317,294	\$ 5,081,780	27.32%	\$ 764,486	17.7%
Water Fund	3,097,887	3,024,046	16.26%	(73,841)	-2.4%
Public Safety Fund	376,617	960,850	5.16%	584,233	155.1%
Garbage	1,071,604	1,162,000	6.25%	90,396	8.4%
Community Dev. & Rec.	298,047	252,401	1.36%	(45,646)	-15.3%
Impact Funds	1,160,707	2,152,207	11.57%	991,500	85.4%
Special Assess. Dist.	823,285	794,231	4.27%	(29,054)	-3.5%
Sewer Fund	1,123,824	1,386,253	7.45%	262,429	23.4%
Streets & Transp.	1,534,170	1,129,830	6.07%	(404,340)	-26.4%
Successor Agency	1,865,954	1,965,930	10.57%	99,976	5.4%
Solar Project, Infrastructure & Ag Ind Funds	1,643,194	693,600	3.73%	(949,594)	-57.8%
<b>TOTAL</b>	<b>\$ 17,312,583</b>	<b>\$ 18,603,128</b>		<b>\$ 1,290,545</b>	<b>7.5%</b>



## ***Revenues***

Total revenues for the Recommended Budget are \$15,944,178, which is \$1,813,189 or 13% more than the FY 2016-2017 Budget. As reflected in the graph on the following page, *Total City Revenues*, the General Fund comprises 34% or \$5,337,727 million of the total budget, followed by the Successor Agency at 14% or \$2,289,000 million, and Water Fund at 9% or \$1.49 million.

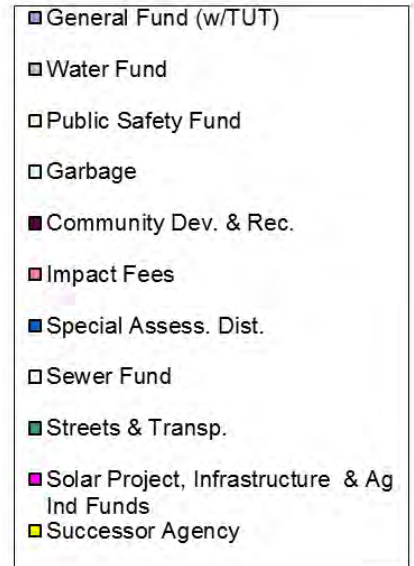
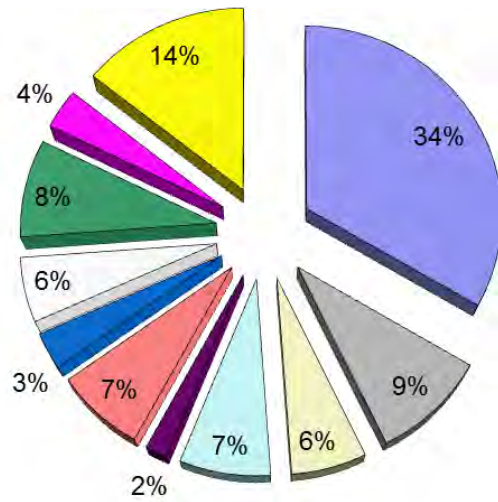
The change in overall revenues is the net result of:

- A significant loan payment from the Successor Agency to the General Fund;
- An increase in sales tax, and Property Tax-VLF adjustment revenues from the State;
- A modest increase in planning and building permits;
- Grant revenues from the Strengthening Police and Community Relations and Proposition 84 Grant funds; and
- The transfers of resources among funds throughout the budget.

The overall budget reflects expenditures exceeding revenues, which is primarily due to existing reserves (Fund Balance), being used in the Water and Sewer Enterprise, Street and Solar Funds to cover several capital projects.

**TOTAL CITY REVENUES  
FY 2017-2018**

City Funds	FY 2016-2017	FY 2017-2018	FY 2017-2018	Net	%
	Adopted Budget	Proposed Budget	% of Total Budget	Difference	Difference
General Fund (w/TUT)	\$ 4,810,605	\$ 5,337,727	33.48%	\$ 527,122	11.0%
Water Fund	1,293,700	1,492,200	9.36%	198,500	15.3%
Public Safety Fund	416,000	960,850	6.03%	544,850	131.0%
Garbage	1,091,620	1,162,000	7.29%	70,380	6.4%
Community Dev. & Rec.	302,857	282,047	1.77%	(20,810)	-6.9%
Impact Fees	1,009,607	1,156,307	7.25%	146,700	14.5%
Special Assess. Dist.	500,818	501,504	3.15%	686	0.1%
Sewer Fund	854,000	879,000	5.51%	25,000	2.9%
Streets & Transp.	1,300,000	1,337,611	8.39%	37,611	2.9%
Solar Project, Infrastructure & Ag Ind Funds	680,632	545,932	3.42%	(134,700)	-19.8%
Successor Agency	1,871,150	2,289,000	14.36%	417,850	22.3%
<b>TOTAL</b>	<b>\$ 14,130,989</b>	<b>\$ 15,944,178</b>		<b>1,813,189</b>	<b>13%</b>



## OVERALL DISCUSSION OF GENERAL FUND BUDGET

### *Budget Parameters*

As mentioned previously, the recommended budget maintains the core principles of the 5-Year Budget Plan. In addition to relying on the Vision and Mission, and Council priorities, the General Fund budget was prepared with the following parameters:

- Maintained and in some cases, enhanced core City programs and critical infrastructure;
- Maintained and in some cases, enhanced existing level of employees, and continued emphasis on establishing a succession plan for key management positions;
- Funded several Vision and Mission Initiatives, including pro-active economic and business development, improvements, “Gonzales Grows Green Initiative”;
- Used TUT resources to continue to enhance critical community infrastructure; and
- Maintained collaborative efforts on many fronts.

### *Departmental Budget Requests*

The budget includes individual narrative sheets for each budget that illustrate a variety of information, including a Recommended Budget, and Major Policy Consideration section.

### Expenditures

Overall, the budget is balanced with full year funding of the new positions added in FY 2016-2017, the addition of one Fire Engineer effective January 1, 2018, and a more accurate funding level for the Summer Youth Day Camp and the After School Program. While this is done cautiously, it is done with the knowledge that unless there is another catastrophic downturn, there is sufficient long term room in the budget to handle the increases. In addition, the budget is proposed with the continuation of the very proactive use of TUT resources to continue to address key infrastructure priorities.

### Revenues

On the revenue side, the General Fund Budget reflects modest increases across several revenue categories, including the significant loan repayment from the Successor Agency.

### Use of General Fund - Fund Balance

**As described above, the Proposed Budget reflects no use of Fund Balance for FY 2017-2018.**

## TOTAL GENERAL FUND BUDGET AND FINANCING REQUIREMENTS

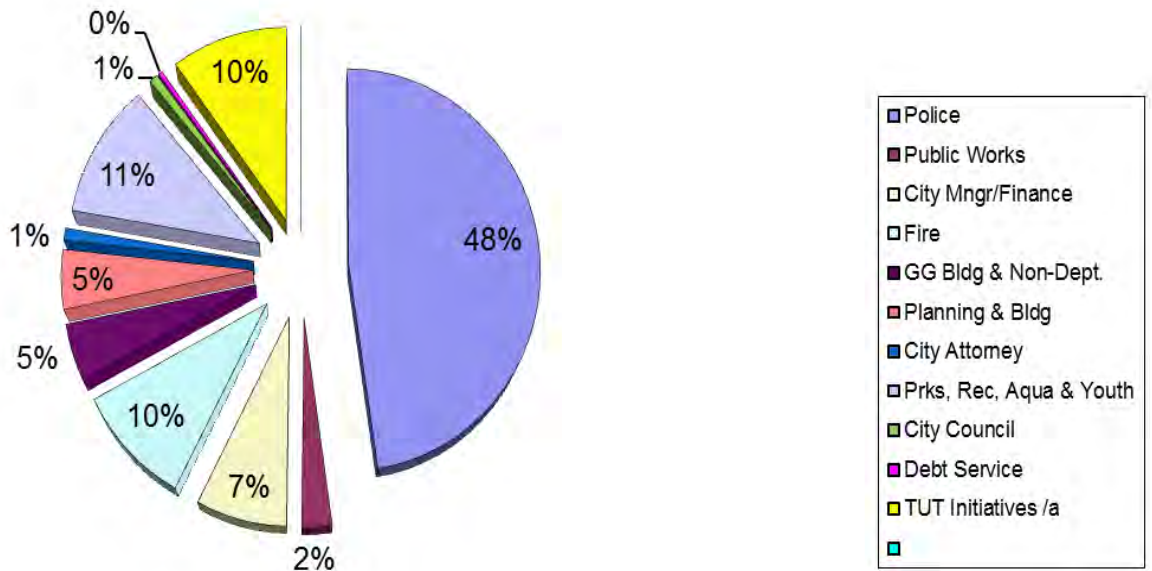
### *Expenditures*

As illustrated in the graph on the following page, General Fund Expenditures, overall, General Fund expenditures total \$5,081,780, which is 17.7% or \$764,486 higher than the prior year. As shown, Police continues to be the largest General Fund program at 48% or \$2,425,461 million; followed by Parks, Recreation, and Aquatics at \$563,122 or 11%; TUT initiatives at 10% or \$514,650; and Fire at 10% or \$490,711.

The increase in expenditures is mainly due to the net impact of (a) full year funding of several positions approved in FY 2016-2017 (i.e., Fire Engineer, Special Projects Director, School Resource Officer); (b) the addition of a new Fire Engineer (effective January 1, 2018) to keep up with the workload; (c) the reinstatement of two Police Sergeant positions to enhance supervision; (d) an increase in TUT funded initiatives; and (e) realistic funding of the Summer Youth Day Camp and After School Program.

**GENERAL FUND EXPENDITURES  
FY 2017 - 2018**

Departments	FY 2016-2017 Adopted Budget	FY 2017-2018 Recommended Budget	FY 2017-2018 % of Total Budget	Net Difference	% Difference
Police	\$ 2,250,698	\$ 2,425,461	47.73%	\$ 174,763	7.76%
Public Works	93,381	125,394	2.47%	32,013	34.28%
City Mngr/Finance	254,908	377,453	7.43%	122,545	48.07%
Fire	350,090	490,711	9.66%	140,621	40.17%
GG Bldg & Non-Dept.	178,640	233,700	4.60%	55,060	30.82%
Planning & Bldg	310,658	243,307	4.79%	(67,351)	-21.68%
City Attorney	50,000	50,000	0.98%	-	0.00%
Prks, Rec, Aqua & Youth	329,690	563,122	11.08%	233,432	70.80%
City Council	38,826	39,579	0.78%	753	1.94%
Debt Service	18,403	18,403	0.36%	-	0.00%
TUT Initiatives /a	442,000	514,650	10.13%	72,650	0.00%
				-	
<b>TOTAL</b>	<b>\$ 4,317,294</b>	<b>\$ 5,081,780</b>		<b>\$ 764,486</b>	<b>17.71%</b>





## ***Revenues***

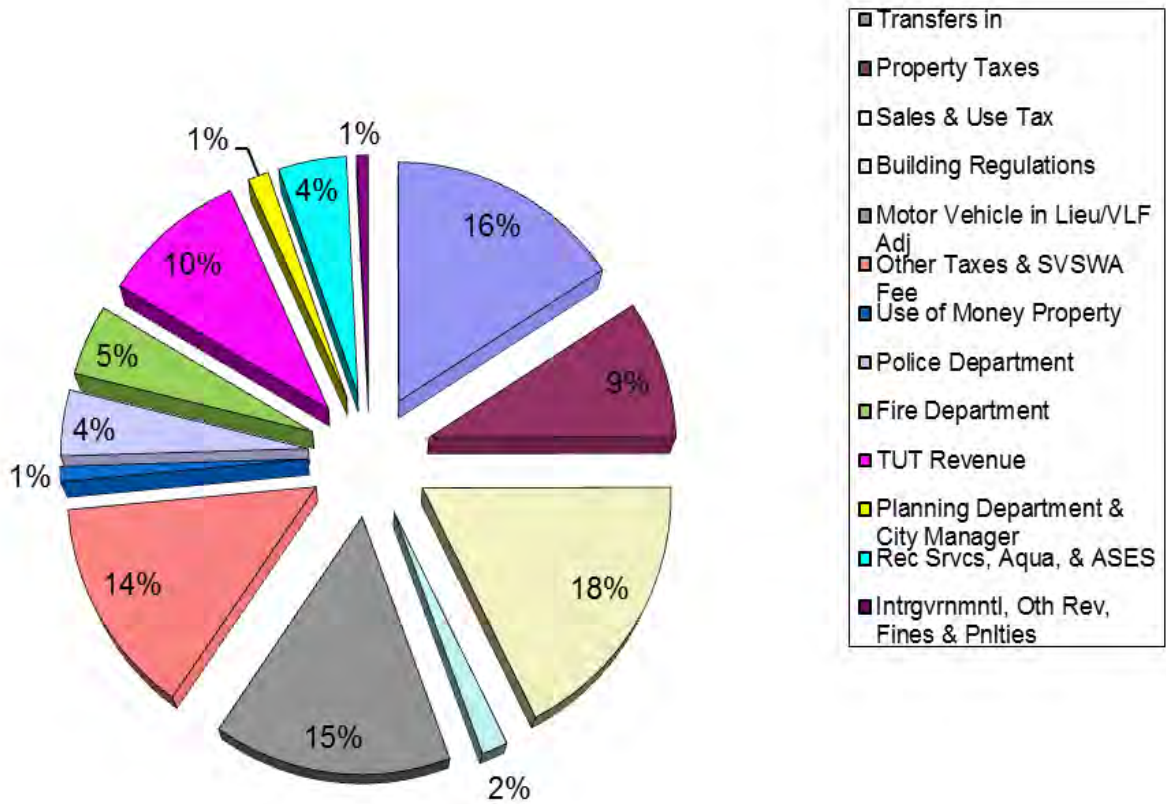
The next graph, *General Fund Revenues*, illustrates the major revenue sources of the General Fund. Overall, revenues total \$5,337,727 which is \$527,122 or 11% higher than the prior fiscal year. The largest source is Sales & Use Tax \$950,000 or 18%; followed by Transfers In at \$846,113 or 16%; and then by Motor Vehicle in Lieu/VLF Adj. at \$806,000 or 15%. This is followed by Other Taxes & SVSWA fee at \$748,500 or 14%; TUT Revenues at \$520,000 or 10% and Property Taxes at 9% or \$486,000. The major reasons for the increase are (a) a significant loan payment from the Successor Agency; (b) increase in sales tax revenues; and (c) increase in police revenues from the Strengthening Police and Community Relations Grant.

On the permit activity, it is important to point out that the budget reflects a modest increase. However, as of the time that the budget document, several projects were in their preliminary stages that if they materialize, will increase this revenue source significantly.

*[Left intentionally blank]*

**GENERAL FUND REVENUES  
FY 2017-2018**

Revenue Sources	FY 2016-2017 Adopted Budget	FY 2017-2018 Recommended Budget	FY 2017-2018 % of Total Budget	Net Difference	% Difference
Transfers in	\$ 822,251	\$ 846,113	15.85%	\$ 23,862	2.9%
Property Taxes	484,800	486,000	9.10%	\$ 1,200	0.2%
Sales & Use Tax	800,000	950,000	17.80%	\$ 150,000	18.8%
Building Regulations	65,900	88,380	1.66%	\$ 22,480	34.1%
Motor Vehicle in Lieu/VLF Adj	773,500	806,000	15.10%	\$ 32,500	4.2%
Other Taxes & SVSWA Fee	753,200	748,500	14.02%	\$ (4,700)	-0.6%
Use of Money Property	62,000	53,000	0.99%	\$ (9,000)	-14.5%
Police Department	105,450	230,037	4.31%	\$ 124,587	118.1%
Fire Department	252,300	249,500	4.67%	\$ (2,800)	-1.1%
TUT Revenue	442,000	520,000	9.74%	\$ 78,000	17.6%
Planning Department & City Manager	30,504	74,107	1.39%	\$ 43,603	142.9%
Rec Svcs, Aqua, & ASES	180,000	243,960	4.57%	\$ 63,960	35.5%
Intrgvnmntl, Oth Rev, Fines & Pnlties	38,700	42,130	0.79%	\$ 3,430	8.9%
<b>TOTAL</b>	<b>\$ 4,810,605</b>	<b>\$ 5,337,727</b>		<b>\$ 527,122</b>	<b>11.0%</b>



## Overview of Different Budgets

The following section briefly highlights the reasons for the changes in some of the budgets. Please refer to the individual budget narrative sheets for a summary of each budget.

### ***General Fund Revenues***

This budget reflects revenues that cannot be attributed to any one particular budget. All other revenues are reflected directly in the programs for which they are to be used for, and/or generated. This is done in order to more accurately reflect the activity, and present a more accurate account of the overall program.

As mentioned previously, General Fund Revenues are up mainly due to a significant loan repayment from the Successor Agency and Sales Tax and TUT revenues.

**It cannot be emphasized enough that even though several key revenues are up, it is important to continue to identify other revenue sources for the City in order to maintain a balanced budget and provide the services needed to support the Vision of the City.** For example, while it is expected that three cannabis regulatory permits will be issued at some point during the fiscal year, this budget does not reflect any revenues as a result of these projects.

### ***General Fund Budget Units***

Below are some of the General Fund budgets that have significant changes. In general, all budgets have an increase in workers' compensation and liability costs; because of the nature of the risk embodied in Public Safety, both Police and the Fire Departments are allocated a larger share of these costs. The budgets also reflect the cost estimates for health and retirement costs, which are being driven by the City self-insurance health plan and Anthem Blue Cross and the California Public Employee Retirement System (PERS).

***City Manager & Finance:*** The City Manager's budget reflects an increase, which is mainly driven by the full year funding of the Special Projects Director position. Finance reflects a decrease due to a better reallocation of costs, and because it is not envisioned that an existing vacant position will be filled early in the fiscal year.

***General Government & Non-Departmental:*** Combined, these budgets reflect an increase in contractual services, and engineering and surveying to match the Community Development Block Grant (CDBG) funding allocated for accessibility improvements to both the Council Chambers and City Hall.

***Police:*** The increase in this budget is primarily being driven by an increase transfer out (contribution) to the Public Safety Fund (*Fund 210*), other contractual services, and the work being done with the Improve Police and Community Relations Grant. This budget also reflects the reinstatement of the two Police Sergeant positions (to be filled via an internal recruitment), which will be offset in the short-term by keeping the Deputy Chief position vacant.

***Fire:*** The increase is essentially being driven by six month funding of a new Fire Engineer position to keep up with the workload and a set aside for a replacement vehicle in the event that one of the grants submitted for replacement equipment is successful.

***Building:*** The decrease in this budget is due to continuing the change to contract building services instead of filling the vacant Building Official position.

***Public Works:*** The increase is in (a) salary and benefit costs, and (b) engineering and surveying work as a result of increase general administrative duties of the contract City Engineer to keep up with the current workload.

***Parks, Recreation & Aquatics:*** The decrease in the **Parks** budget is directly attributed to completing the project to replace the restrooms at Central Park.

The increase in the **Recreation** budget is being driven by a more accurate reflection of salary costs for the personnel hired to staff the Summer Youth Day Camp and the After School Program partnership with the Gonzales Unified School District (GUSD). Unfortunately, due to the quick turnaround to get the After

School Program staff and geared up last fiscal year, staff cost estimates were significantly under budgeted. The current budget reflects a more accurate estimate for these costs that are higher than the \$78,000 being provided by the GUSD. The positive is while these costs are higher than anticipated, the budget at least in the short run has the capacity to absorb these costs. However, staff is in discussions with the school and others to see if other funding can be developed to offset the cost increase. Finally, not to be diminished is that staff was able to successfully stand up in a very short time frame a very successful program that served a total daily average of 200 youth at both La Gloria Elementary, and Fairview Middle Schools.

The increase in **Aquatics** is due to reflecting a set aside for engineering in the event that it is needed as we continue to improve the programming for the pool.

**Youth Development & Leadership:** This budget is not being used for FY 2017-2018. Instead, costs for these programs are reflected in the Transaction Use Tax Budget (Budget Unit 800), which centralizes TUT expenditures and programs, making it easier to track these expenditures.

**TUT:** For FY 2017-2018, in addition to the revenue projection, this budget reflects all the programs/projects funded by TUT revenues. These projects include the funds for Youth Development and Leadership, the Community Development Grant Program, the funding for the After School and Summer Youth Day Camp, and funding for the rehabilitation of the Skate Park, Tot Lot/Play Structure for Centennial Park, resurfacing of the Tennis Courts, and accessibility improvements for the Council Chambers and City Hall.

## **OTHER FUNDS**

Significant programs outside the General Fund are Sewer, Water, Garbage, Assessment Districts, Successor Agency to the Gonzales Redevelopment Agency, and the Impact Funds. Generally, all the Impact Funds reflect increase in revenues from anticipated development.

### ***Business Loan Grants***

The change reflects the expected level of loan activity for the fiscal year.

### ***Community Development Block Grant-Urban County***

The change in this fund is due to reflecting the project to improve ADA accessibility of City Hall and the Council Chambers.

### ***Street Fund***

The decrease in this fund is essentially to program anticipated revenues. Major projects anticipated are the Proposition 84 Low Impact Development Grant Project, and developing a project and funding plan to rehabilitate Alta Street.

### ***Fire Impact***

The decrease in this fund is because no capital projects are anticipated.

### ***General Plan Impact Fund***

This budget once again includes the expenditures and revenues anticipated to complete amendments to the General Plan to bring into conformance with the increase to Gonzales Sphere of Influence, approved by the Local Agency Formation Commission (LAFCO).

### ***Public Safety Fund***

Increase in expenditures is being driven by salaries and benefits. In addition, another difference is the Transfer In from the General Fund to balance the fund has also been increased to in order to offset costs. This is a result of grant funds no longer being sufficient to pay for the two Police Officers funded by this grant.

### ***Community Law Enforcement Grant***

This is the first year of this fund, which is intended to track all the program revenues and expenditures of the Improve Police and Community Relations Grant. This grant awarded \$850,000 to the City of Gonzales as the Lead Agency for a four City effort (Gonzales, Soledad, Greenfield and King City) to improve relationships between the Police and Community.

### ***All Impact Funds***

In general, most of the Impact Funds reflect increased revenues as a result of new development coming on line. Some of the major changes in expenditures are:

***Circulation System Impact Fund:*** The increase is due to setting aside funds to contribute towards the potential Alta Street Rehabilitation Project, and the Caltrans review of the 5<sup>th</sup> Street – HWY 101 Roundabout.

***Water Impact Funds:*** This fund reflects the funds to finish the construction of the new well.

***Public Facilities Impact Fund:*** This budget reflects a set aside if needed to help with the accessibility improvements to the Council Chambers and City Hall.

***Public Uses Impact Fund:*** The budget reflects some seed funds to work on the joint project with CHISPA and the Monterey County Free Library to construct a joint multi-family housing and a State of the Art Community Library.

***Intersection Improvement Fund:***<sup>2</sup> This fund reflects expenditures to assist with the Caltrans review of the roundabout projects for 5<sup>th</sup> Street and Hwy 101.

### ***Assessment District Funds***

All these funds reflect the activities necessary for the operation and maintenance of the districts.

### ***Gonzales Successor Agency***

The budget reflects the expenditures approved in the Recognized Obligation Payment Scheduled (ROPS) approved by the State Department of Finance (DOF), and revenues needed to cover all the obligations of the former RDA, and to continue the wind down process. In addition, it reflects the final payment of the loan provided by the General Fund to the RDA.

### ***Gonzales Successor Agency – Housing***

This budget reflects the second \$50,000 contribution to the Monterey Bay Economic Partnership (MBEP) Housing Trust, for a total of \$100,000 that will leverage an additional \$400,000 in resources for the City to improve affordable housing.

### ***Capital Infrastructure Fund***

This fund continues to reflect expenditures to (a) enhance the City's economic development efforts and website; (b) retain consultants as needed to provide service to enhance the City's revenue base and economic development; and (c) help match engineering, and/or planning services for expansion/upgrade to the City's infrastructure.

### ***Water Enterprise Funds***

This budget reflects the appropriation authority needed to maintain the City's Water System. It reflects \$1.25 million in capital outlay project improvements to replace City Well #3, and purchase a replacement truck. In addition, this budget reflects the debt service for (a) the Private Placement utilized to expand the Sewer Treatment Plant, and the construction of the two 3 million gallon water tanks; and (b) financing for Phase I and II of the Solar Project.

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<sup>2</sup> This was previously the Signalization Fund. It was renamed to more accurately reflect its purpose.

## ***Sewer Enterprise Fund***

Similar to the Water Fund, this budget reflects the appropriation authority needed to maintain the City's Sewer System. In addition, this budget reflects (a) engineering work to remove sludge from the ponds and design the expansion of the plant; (b) financing for Phase I and II of the Solar Project; and (c) the purchase of replacement dump truck.

### **CRITICAL AREAS NOT FUNDED OR NEED MORE FUNDING**

While the budget is balanced, there are a few critical areas that would or should be funded. The City, not unlike others, has done a reasonable job of maintaining critical infrastructure like water, sewer and streets, and has done some improvements over the years; unfortunately, it has not been enough and the time is rapidly approaching when the next substantial level of infrastructure improvements will be needed. Work is underway on the following critical projects, which are in various stages of development:

- *Replacement Water Well:* This project is currently underway and will be completed next year. However, this is not an insignificant project and in the short term, will deplete the reserves in the Water Enterprise Fund. In addition to the well, work is currently underway to assess the system and develop an improvement plan. What this will likely mean is that other funding sources (loans, grant, developer impact fees, etc.) will need to be developed, including potential annual fee increases beyond the Consumer Price Index (CPI); and
- *Expansion to, and Maintenance of the Wastewater Treatment Plant:* A lot of planning and maintenance is currently underway at the Plant. For example, key equipment has been replaced and/or upgraded, and a plan has been finalized to present to your Council to remove sludge in few of the ponds. These projects will allow the Plant to operate to the permit capacity of 1.3 million gallons per day, which will be needed to support the current and expected short-term development of the Industrial Park; however, it will not support any increases beyond the permitted limit. As a result, significant work is underway to develop short, medium, and long term increase capacity to the Plant to support future growth. Similar to water, this will require a combination of funding sources (loans, grant, developer impact fees, etc.) including potential annual fee increases beyond the annual CPI; and
- *Alta Street Improvement:* The engineering and cost estimate for this project is almost done and will in short time be presented to the Council. As the major entry into the City's Industrial Park, which fuels the local economy, improving Alta Street is long overdue and needed. Similarly, a variety of funding sources will be needed to complete this project. Staff plans to recommend use of the City's share of the Regional Transportation Tax (estimated somewhere in the neighborhood of \$150,000 annually) to finance a large portion of the project and use of existing and future Circulation Impact Funds, and other funding sources. A potential funding source could be working with the Transaction Use Tax Advisory Committee to pursue extending, and/or eliminating the sunset for the ½ cent sales tax and going back to the voters for an additional ½ cent for general purpose infrastructure, and other general uses. In addition, while improving Alta Street is of critical importance, so is developing and funding a reasonable maintenance plan for all the City streets.

Yes, while the needed infrastructure improvement projects appear daunting, they are doable, by taking a methodical, discipline, prudent and innovative approach. This has long been the mainstay of Gonzales and to those ends, staff is working hard on presenting short, medium and long term alternatives to your Council.

### **BUDGET RISK AREAS**

While the City's fiscal situation is sound, the Proposed Budget includes several assumptions that if they do not materialize, have the potential to impact the overall budget and require additional adjustments. Of course, a major difference this year is the \$1 million General Reserve and \$1.16 million Fund Balance that would help mitigate these risk areas; nevertheless, it is important to mention them:

1. The FY 2016-2017 year-end Fund Balance could come in lower than expected;
2. The current economic recovery could stall leading to less property and sales taxes being generated within the City; and
3. Cal-PERS and Health benefit costs could increase beyond anticipated levels.

## ADDITIONAL POLICY AREAS

There are several policies that require additional attention, even though they might have already been mentioned in this Budget Message.

### *Vision and Mission*

As this budget is reviewed, it is important to look at it with the City's Vision and Mission in mind. A lot of work has been done and is underway to align the budget with the City's Vision. For example, programs or initiatives include, but are not limited to:

- Continue implementation of the joint initiative with the GUSD “*Ensuring Gonzales Youth Achieve 21<sup>st</sup> Century Success*;”
- Work diligently to address critical infrastructure challenges;
- Strategic coordination of a grant writing program that if successful, would generate resources to the City to support the Vision and Mission;
- Continue proactive implementation of the Gonzales Grows Green Initiative;
- Continue taking on leadership roles in countywide and/or regional efforts, like Monterey Bay Economic Partnership and Monterey Bay Community Power Agency; and
- Amend the City's General Plan to reflect the LAFCO approved 2000 acre increase to the City's Sphere of Influence, which takes a long term view of the City's future necessary to sustain the Vision.

Efforts on the *Community Development* front include, but are not limited to:

- Proactively working on the joint project with CHISPA and the Monterey County Free Library to increase available multi-family housing and construct a State-of-the-Art Library;
- Continue enhancing access to quality health care options. For example, it is expected that the new permanent CHISPA clinic will begin construction and a loan approved in May of 2017, will result in medical imaging services being provided in Gonzales;
- Continue improving and maximizing the use of the City's recreational facilities. For example, the budget includes improving the Skate Park, resurfacing the Tennis Courts, and adding a Tot Lot/Play Structure to Centennial Park; and
- Finish writing a Health Element for the General Plan amendment, resulting from the Health in all Policies effort embarked on with the Monterey County Health Department.

Efforts on the *Economic Development* front include, but are not limited to:

- The CDBG Business Development/Enhancement Loan Program;
- Continue proactive implementation of the “Gonzales Grows Green” (G3) Initiative;
- As the Co-Chair of the Monterey Bay Economic Partnership (MBEP), continue to proactively develop and expand this regional effort. For example, this past year saw the creation of a long talked about Monterey Bay Housing Trust that will provide much needed funding for the development of affordable housing in the region;
- As the first appointed Chair of the Monterey Bay Community Power Agency Operational Board, stand up an Agency that will not only result in sustainable lower energy costs to the community, but create jobs and stimulate economic development;
- Active and meaningful utilization of the Council's Economic Development Committee;
- Expand the Retail Attraction Program;
- Market and implement the approved Economic Development Incentive Program; and
- Continue pro-active development of the Gonzales Agricultural Industrial Business Park that in the past year saw the major landing of the Mann Packing Company.

### ***The Gonzales Quality of Life Temporary Transactions and Use Tax (TUT)***

The budget continues the robust use of TUT resources as recommended by the TUT Advisory Committee. These projects include payment of the financing used for the Community Pool Renovation Project, continuation of the “*Ensuring Gonzales Youth Achieve 21<sup>st</sup> Century Success*” Initiative, several key community infrastructure improvements, and a Community Grant Program.

It is important to point out that your Council continues to keep your word to the Community and is utilizing these resources for projects and initiatives that are of direct benefit. The Fiscal Year 2017-2018 does not reflect any TUT resources going into the City operating budgets. This is important, because it is time to start the discussion with the TUT Advisory Committee and the Community not only about extending and/or eliminating the 10 year sunset of the tax, and but also about increasing the tax by an additional ½ cents to the tax, bringing the City’s tax rate to 8.75%, which would be more in line with the other Cities in the County and surrounding area.

While it is never easy nor should be taken lightly to increase the sales tax rate, the simple fact of the matter is that as our community shops in the nearby retail centers: Salinas (9.25%), Soledad (8.75%), Sand City (8.75%), Marina (8.75%), Monterey (8.75%), etc., they are already paying higher tax rates. This coupled with the City’s positive track record in the use of these funds and the critical infrastructure projects needed to continue to enhance the community, the time is right to begin this conversation.

### ***Cannabis Revenues***

While a lot of public debate and work occurred on the developing the ordinance to allow up to three cannabis manufacturing and/or cultivation regulatory permits in the Gonzales Agricultural Industrial Business Park, a cannabis tax was approved by the voters, and three Conditional Use Permits were issued for this use; as of the writing of this budget document, no regulatory permits have been issued. As a result, this budget does not reflect any revenues from this business. Based on the current status, it will probably be some time in the 2018-2019 Fiscal Year that the City will start to realize any meaningful revenues from this source.

## **SUMMARY OF RECOMMENDATIONS TO THE CITY COUNCIL AND THE SUCCESSOR AGENCY BOARD**

1. Consider and Adopt the Resolution 2017-35, A Resolution of the City Council of the City of Gonzales Adopting an Operating Budget for the City for the Fiscal Year July 1, 2017 through June 30, 2018, and providing for the Appropriations and Expenditures of All Sums Set Forth Therein;
2. Consider and Adopt the Resolution SA-2017-01, A Resolution of the City Council of the City of Gonzales Acting as Successor Agency for the Gonzales Redevelopment Agency Approving and Adopting a Successor Agency Budget for the Period Between July 1, 2017 and June 30, 2018; and
3. If needed, direct staff to make changes as necessary and schedule adoption of the Recommended Budget for the City and Successor Agency on June 26, 2017 at 5:30pm.



## **CONCLUSION**

The budget, this year, continues the positive direction that has been seen over the last few years. Not only does the economy continue to do well, but the voter approved TUT continues to be utilized for projects and initiatives that are a direct benefit to the Community. While there are many positive aspects underway in the City as we approach FY 2017-2018, perhaps none are greater than the landing of the Mann Packing Company in the Gonzales Agricultural Industrial Business Park.

I want to close by encouraging the Council and Board to adopt the Recommended Budget as presented, which is balanced, and sets forth a plan for the future.

In addition, all City employees, as well as members of the public and press, should feel free to ask questions or provide comment on the contents of this document. I would welcome the opportunity to sit down with each of you to discuss this document. Please do not hesitate to contact my office to schedule a meeting time.

Finally, I would once again like to express my thanks to all the Managers and City Staff whose commitment to excellence made this document possible.

## **ATTACHMENTS:**

Exhibit A – Fund Balance Summary

Exhibit B – Budget Summary of all Funds

Exhibit C – Interfund Transfer Reconciliation

Exhibit D – Classification Plan FY 2017-2018



**FUND BALANCE SUMMARY**  
**ALL CITY FUNDS**  
**FISCAL YEAR 2017-2018 Final Budget**  
**July 1, 2017**

Fund #	Fund Name	Estimated Beginning Fund Balance 06/30/17	FY 2017-18 Budgeted Revenues	FY 2017-18 Budgeted Expenditures	Fund Balance Transfers	Estimated Ending Fund Balance 06/30/18	Reserved Funds	Estimated Ending Unreserved Fund Balance 06/30/18
100	General Fund	\$ 2,160,905	\$ 4,491,614	\$ 4,943,890	\$ 708,223	\$ 2,416,852	\$ 1,000,000	\$ 1,416,852
120	Community Development	\$ 128,156	\$ 4,800	\$ -	\$ -	\$ 132,956	\$ -	\$ 132,956
123	Business Loan Grant	\$ 69,896	\$ 98,700	\$ 78,250	\$ -	\$ 90,346	\$ -	\$ 90,346
124	Air Pollution Control Fund	\$ 5,019	\$ 15,500	\$ 15,000	\$ -	\$ 5,519	\$ -	\$ 5,519
127	CDBG - Urban County	\$ (3,896)	\$ 163,047	\$ 144,346	\$ (14,805)	\$ (0)	\$ -	\$ (0)
130	Street Fund	\$ 257,089	\$ 1,272,411	\$ 1,129,830	\$ 65,200	\$ 464,870	\$ -	\$ 464,870
150	Supplemental Law Enforcement	\$ 43,261	\$ 149,000	\$ 5,000	\$ (144,000)	\$ 43,261	\$ -	\$ 43,261
190	Fire Impact Fund	\$ 33,750	\$ 25,150	\$ 5,000	\$ -	\$ 53,900	\$ -	\$ 53,900
200	General Fund Impact Fund	\$ 79,943	\$ 882,707	\$ 882,707	\$ -	\$ 79,943	\$ -	\$ 79,943
201	Sphere of Influence Impact Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
210	Public Safety Fund	\$ (97,160)	\$ 5,000	\$ 268,487	\$ 263,487	\$ (97,160)	\$ -	\$ (97,160)
217	Community Law Enforcement Grant	\$ -	\$ 543,363	\$ 543,363	\$ -	\$ -	\$ -	\$ -
220	Police Impact Fund	\$ (36,399)	\$ 42,000	\$ 5,000	\$ -	\$ 601	\$ -	\$ 601
230	Sewer Impact Fund	\$ 868,812	\$ 100,500	\$ 70,000	\$ -	\$ 899,312	\$ -	\$ 899,312
235	Circulation System Impact Fund	\$ 507,150	\$ 8,000	\$ 450,000	\$ -	\$ 65,150	\$ -	\$ 65,150
240	Water Impact Fund	\$ 1,001,640	\$ 61,600	\$ 572,000	\$ -	\$ 491,240	\$ -	\$ 491,240
241	Public Facilities Impact Mitig	\$ 60,618	\$ 24,200	\$ 20,000	\$ -	\$ 64,818	\$ -	\$ 64,818
242	Public Uses Mitigation Fees	\$ 14,809	\$ -	\$ 10,000	\$ -	\$ 4,809	\$ -	\$ 4,809
243	Aquatic Facilities Mitigation	\$ 1,357	\$ -	\$ -	\$ -	\$ 1,357	\$ -	\$ 1,357
244	Animal Control Facilities Mitigation	\$ 172	\$ -	\$ -	\$ -	\$ 172	\$ -	\$ 172
245	Storm Drainage Facility Impact Fund	\$ (11,043)	\$ 11,050	\$ -	\$ -	\$ 7	\$ -	\$ 7
250	Park Impact Fund	\$ 2,782	\$ 100	\$ 2,500	\$ -	\$ 382	\$ -	\$ 382
260	Intersection Improvement Fund	\$ 364,063	\$ 1,000	\$ 135,000	\$ -	\$ 230,063	\$ -	\$ 230,063
270	CA Breeze Park Maintenance	\$ 137,697	\$ 81,000	\$ 91,595	\$ (5,000)	\$ 122,102	\$ 29,218	\$ 92,884
280	CA Breeze Maintenance #1	\$ 38,707	\$ 16,010	\$ 40,127	\$ (5,000)	\$ 9,590	\$ 9,000	\$ 590
290	CA Breeze Maintenance #2	\$ (1,468)	\$ 24,950	\$ 15,017	\$ (14,700)	\$ (6,235)	\$ -	\$ (6,235)
300	CA Breeze Maintenance #3	\$ 107,879	\$ 28,050	\$ 41,766	\$ (18,100)	\$ 76,063	\$ 60,936	\$ 15,127
302	Canyon Creek Park & Park Maint	\$ 383,297	\$ 98,430	\$ 93,518	\$ -	\$ 388,209	\$ 66,000	\$ 322,209
304	Canyon Creek Maintenance #1	\$ 190,656	\$ 32,400	\$ 37,463	\$ (14,400)	\$ 171,193	\$ 8,900	\$ 162,293
306	Canyon Creek Maintenance #2	\$ 146,155	\$ 31,600	\$ 23,262	\$ (14,400)	\$ 140,093	\$ 10,536	\$ 129,557
308	Canyon Creek Maintenance #3	\$ 171,760	\$ 45,350	\$ 39,232	\$ (16,200)	\$ 161,678	\$ 16,016	\$ 145,662
310	Cipriani Estates Park Maint	\$ 93,646	\$ 33,350	\$ 54,650	\$ (5,000)	\$ 67,346	\$ 66,000	\$ 1,346
312	Cipriani Estates Maintenance	\$ 346,457	\$ 50,350	\$ 76,897	\$ (12,700)	\$ 307,210	\$ 12,000	\$ 295,210
314	Gonzales Industrial Park Landscape	\$ 69,129	\$ 500	\$ 62,458	\$ (4,700)	\$ 2,471	\$ 2,000	\$ 471
316	Gonzales Industrial Park Benefit Assess	\$ 142,527	\$ 500	\$ 42,400	\$ (9,100)	\$ 91,527	\$ 36,000	\$ 55,527
407	Ag Ind. Park Federal Grant	\$ 4,767	\$ 50	\$ 2,000	\$ -	\$ 2,817	\$ -	\$ 2,817
420	Shopping Center REDIP	\$ -	\$ 7,196	\$ -	\$ (7,196)	\$ -	\$ -	\$ -
426	City Successor Agency **	\$ 2,186,204	\$ 2,239,000	\$ 1,262,670	\$ (603,260)	\$ 2,559,274	\$ -	\$ 2,559,274
427	Successor Agency - Housing	\$ 361,485	\$ 50,000	\$ 50,000	\$ -	\$ 361,485	\$ -	\$ 361,485
450	Gonzales River Rd Assess District	\$ 8,348	\$ 51,818	\$ 49,350	\$ -	\$ 10,816	\$ -	\$ 10,816
460	Infrastructure Improvement Fund	\$ 516,689	\$ 108,250	\$ 130,000	\$ -	\$ 494,939	\$ -	\$ 494,939
520	Water Enterprise **	\$ 3,888,104	\$ 1,432,200	\$ 2,776,570	\$ (187,476)	\$ 2,356,258	\$ -	\$ 2,356,258
530	Sewer Enterprise **	\$ (75,485)	\$ 879,000	\$ 1,234,500	\$ (151,753)	\$ (582,738)	\$ -	\$ (582,738)
540	Garbage Enterprise	\$ -	\$ 1,162,000	\$ 995,248	\$ (166,752)	\$ -	\$ -	\$ -
550	Solar Project Enterprise **	\$ 785,101	\$ 80,000	\$ 437,632	\$ 357,632	\$ 785,101	\$ -	\$ 785,101

\*\* Adjusted to exclude the amount of Long Term Debt and Net Assets.

**City of Gonzales**  
**Budget Summary**  
**Fiscal Year 2017-2018**

**General Fund**

<u>Account Title</u>	<u>Original Budget FY 2016-2017</u>	<u>Amended Budget FY 2016-2017</u>	<u>Budget FY 2017-2018</u>	<u>Variance</u>
<b>General Revenues:</b>				
Transfers In	822,251	785,635	846,113	23,862
Property Taxes	484,800	529,800	486,000	1,200
Sales and Use Tax	800,000	1,000,000	950,000	150,000
Motor Vehicle In Lieu Tax / VLF Adj	773,500	796,748	806,000	32,500
Other Taxes & Fees	753,200	738,200	748,500	(4,700)
Use of Money Property	62,000	53,000	53,000	(9,000)
Intergovernmental	1,200	1,132	1,130	(70)
Fines and Penalties	10,500	25,000	25,000	14,500
Other Revenue	27,000	14,500	16,000	(11,000)
City Manager	-	33,335	59,407	59,407
Planning Department	30,504	34,575	14,700	(15,804)
Police Department	105,450	109,347	230,037	124,587
Fire Department	252,300	247,070	249,500	(2,800)
Building Regulations	65,900	90,450	88,380	22,480
Public Works	-	-	-	-
Youth Development	20,000	10,877	-	(20,000)
Recreation / Aquatics	160,000	241,960	165,000	5,000
After School Program	-	-	78,960	78,960
	<u>4,368,605</u>	<u>4,711,629</u>	<u>4,817,727</u>	<u>449,122</u>
<b>Departmental Net Expenditures:</b>				
City Council	38,826	45,935	39,579	753
City Manager/City Clerk	134,583	238,978	276,993	142,410
Finance	120,325	118,714	100,460	(19,865)
City Attorney	50,000	50,000	50,000	-
Planning	202,828	246,898	181,689	(21,139)
General Governmental Building	91,000	204,278	140,000	49,000
Non-Departmental	87,640	87,640	93,700	6,060
Police Department	2,250,698	2,700,393	2,425,461	174,763
Fire Department	350,090	483,869	490,711	140,621
Building Regulations	107,830	22,992	61,618	(46,212)
Fire Marshall	-	-	-	-
Public Works	93,381	151,915	125,394	32,013
Parks	105,099	122,931	171,600	66,501
Recreation Services	178,051	383,947	225,327	47,276
After School Program	-	-	78,960	78,960
City Aquatics Program	43,890	132,508	87,235	43,345
Youth Development	2,650	-	-	(2,650)
Debt Service	18,403	18,403	18,403	-
	<u>3,875,294</u>	<u>5,009,401</u>	<u>4,567,130</u>	<u>691,836</u>
<b>Excess Revenue Over &lt;Under&gt; Expenditures Operations</b>	<u>493,311</u>	<u>(297,772)</u>	<u>250,597</u>	<u>(242,714)</u>
<b>TUT Voter Approved Tax</b>				
Sales Tax	442,000	550,000	520,000	78,000
Youth Services	(107,350)	(116,080)	(65,000)	42,350
Recreation Services	(205,000)	(197,500)	(300,000)	(95,000)
Community Development Grant	-	-	(20,000)	(20,000)
Debt Service	(129,650)	(129,650)	(129,650)	-
	<u>-</u>	<u>106,770</u>	<u>5,350</u>	<u>5,350</u>
<b>Excess Revenue Over &lt;Under&gt; Expenditures Total General Fund</b>	<u>493,311</u>	<u>(191,002)</u>	<u>255,947</u>	<u>(237,364)</u>

**City of Gonzales**  
**Budget Summary**  
**Fiscal Year 2017-2018**

**Enterprise Funds**

<u>Account Title</u>	<u>Original Budget FY 2016-2017</u>	<u>Amended Budget FY 2016-2017</u>	<u>Budget FY 2017-2018</u>	<u>Variance</u>
<b>Water Fund</b>				
Revenues	1,293,700	1,292,300	1,492,200	198,500
Expenditures	<u>(3,097,887)</u>	<u>(1,855,438)</u>	<u>(3,024,046)</u>	<u>73,841</u>
Excess Revenues Over Expenditures	<u>(1,804,187)</u>	<u>(563,138)</u>	<u>(1,531,846)</u>	<u>272,341</u>
<b>Sewer Fund</b>				
Revenues	854,000	860,000	879,000	25,000
Expenditures	<u>(1,123,824)</u>	<u>(2,052,855)</u>	<u>(1,386,253)</u>	<u>(262,429)</u>
Excess Revenues Over Expenditures	<u>(269,824)</u>	<u>(1,192,855)</u>	<u>(507,253)</u>	<u>(237,429)</u>
<b>Garbage Fund</b>				
Revenues	1,091,620	1,166,000	1,162,000	70,380
Expenditures	<u>(1,071,604)</u>	<u>(1,166,000)</u>	<u>(1,162,000)</u>	<u>(90,396)</u>
Excess Revenues Over Expenditures	<u>20,016</u>	<u>-</u>	<u>-</u>	<u>(20,016)</u>
<b>Solar Project Fund</b>				
Revenues	422,632	434,632	437,632	15,000
Expenditures	<u>(1,558,194)</u>	<u>(1,360,694)</u>	<u>(561,600)</u>	<u>996,594</u>
Excess Revenues Over Expenditures	<u>(1,135,562)</u>	<u>(926,062)</u>	<u>(123,968)</u>	<u>1,011,594</u>
<b>Totals - Enterprise Funds</b>	<u>(3,189,557)</u>	<u>(2,682,055)</u>	<u>(2,163,067)</u>	<u>1,026,490</u>

**City of Gonzales**  
**Budget Summary**  
**Fiscal Year 2017-2018**

**Special Revenue Funds Summary**

<u>Account Title</u>	<u>Original Budget FY 2016-2017</u>	<u>Amended Budget FY 2016-2017</u>	<u>Budget FY 2017-2018</u>	<u>Variance</u>
<b>Community Development &amp; Recreation</b>				
Revenues	302,857	282,147	282,047	(20,810)
Expenditures	<u>(298,047)</u>	<u>(358,359)</u>	<u>(252,401)</u>	<u>45,646</u>
Excess Revenues Over Expenditures	<u>4,810</u>	<u>(76,212)</u>	<u>29,646</u>	<u>24,836</u>
<b>Impact Fees</b>				
Revenues	1,009,607	1,077,832	1,156,307	146,700
Expenditures	<u>(1,160,707)</u>	<u>(1,125,880)</u>	<u>(2,152,207)</u>	<u>(991,500)</u>
Excess Revenues Over Expenditures	<u>(151,100)</u>	<u>(48,048)</u>	<u>(995,900)</u>	<u>(844,800)</u>
<b>Public Safety</b>				
Revenues	416,000	738,676	960,850	544,850
Expenditures	<u>(376,617)</u>	<u>(738,676)</u>	<u>(960,850)</u>	<u>(584,233)</u>
Excess Revenues Over Expenditures	<u>39,383</u>	<u>-</u>	<u>-</u>	<u>(39,383)</u>
<b>Special Assessment Districts</b>				
Revenues	500,818	490,888	501,504	686
Expenditures	<u>(823,285)</u>	<u>(605,969)</u>	<u>(794,231)</u>	<u>29,054</u>
Excess Revenues Over Expenditures	<u>(322,467)</u>	<u>(115,081)</u>	<u>(292,727)</u>	<u>29,740</u>
<b>Streets &amp; Transportation</b>				
Revenues	1,300,000	1,415,672	1,337,611	37,611
Expenditures	<u>(1,534,170)</u>	<u>(1,774,563)</u>	<u>(1,129,830)</u>	<u>404,340</u>
Excess Revenues Over Expenditures	<u>(234,170)</u>	<u>(358,891)</u>	<u>207,781</u>	<u>441,951</u>
<b>Totals - Special Revenue Funds</b>	<u>(663,544)</u>	<u>(598,232)</u>	<u>(1,051,200)</u>	<u>(387,656)</u>
<b>Infrastructure Improvement Fund</b>				
Revenues	258,000	289,539	108,250	(149,750)
Expenditures	<u>(80,000)</u>	<u>(80,000)</u>	<u>(130,000)</u>	<u>(50,000)</u>
Excess Revenues Over Expenditures	<u>178,000</u>	<u>209,539</u>	<u>(21,750)</u>	<u>(199,750)</u>
<b>Ag Industrial Park Federal Grant</b>				
Revenues	-	50	50	50
Expenditures	<u>(5,000)</u>	<u>(3,000)</u>	<u>(2,000)</u>	<u>3,000</u>
Excess Revenues Over Expenditures	<u>(5,000)</u>	<u>(2,950)</u>	<u>(1,950)</u>	<u>3,050</u>

**City of Gonzales**  
**Budget Summary**  
**Fiscal Year 2017-2018**

**City of Gonzales Successor Agency and Successor Housing Agency**

<u>Account Title</u>	<u>Original Budget FY 2016-2017</u>	<u>Amended Budget FY 2016-2017</u>	<u>Budget FY 2017-2018</u>	<u>Variance</u>
<b>City Successor Agency - Trust Fund</b>				
Revenues	1,821,000	1,798,342	2,239,000	418,000
Expenditures	<u>(1,765,954)</u>	<u>(1,754,207)</u>	<u>(1,865,930)</u>	<u>(99,976)</u>
Excess Revenues Over Expenditures	<u>55,046</u>	<u>44,135</u>	<u>373,070</u>	<u>318,024</u>
<b>Successor Housing Agency - City Fund</b>				
Revenues	50,150	50,000	50,000	(150)
Expenditures	<u>(100,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>50,000</u>
Excess Revenues Over Expenditures	<u>(49,850)</u>	<u>-</u>	<u>-</u>	<u>49,850</u>

**CITY OF GONZALES  
INTERFUND TRANSFER RECONCILIATION  
FY 2017-18**

FUND	DESCRIPTION	TRANSFERS (IN)	TRANSFERS (OUT)	COMMENTS
[100]	General Fund	14,805.00 20,000.00 15,000.00 10,000.00 9,100.00 7,196.00 603,260.00 166,752.00	119,487.00 18,403.00	From Fund CDBG From Cal Breeze From Canyon Creek From Cipriani From Industrial Park From Fund 420 From Fund 426 From Fund 540 To Fund 210 To Fund 550
[127]	CDBG - Urban County		14,805.00	To Fund 100
[130]	Street Fund	22,800.00 30,000.00 7,700.00 4,700.00		From Cal Breeze From Canyon Creek From Cipriani From Industrial Park
[150]	Supplemental Law Enforcement		144,000.00	To Fund 210
[210]	Public Safety Fund	144,000.00 119,487.00		From Fund 150 From Fund 100
[270]	CA Breeze Park Maintenance		5,000.00	To Fund 100
[280]	CA Breeze Maintenance #1		5,000.00	To Fund 100
[290]	CA Breeze Maintenance #2		5,000.00 9,700.00	To Fund 100 To Fund 130
[300]	CA Breeze Maintenance #3		5,000.00 13,100.00	To Fund 100 To Fund 130
[304]	Canyon Creek Park Maintenance #1		5,000.00 9,400.00	To Fund 100 To Fund 130
[306]	Canyon Creek Park Maintenance #2		5,000.00 9,400.00	To Fund 100 To Fund 130
[308]	Canyon Creek Park Maintenance #3		5,000.00 11,200.00	To Fund 100 To Fund 130
[310]	Cipriani Estates Park Maintenance		5,000.00	To Fund 100
[312]	Cipriani Estates Maintenance		5,000.00 7,700.00	To Fund 100 To Fund 130
[314]	Gonzales Industrial Park Landscape Maint		4,700.00	To Fund 130
[316]	Gonzales Industrial Park		9,100.00	To Fund 100
[420]	Shopping Center REDIP		7,196.00	To Fund 100
[426]	Successor Agency		603,260.00	To Fund 100
[520]	Water Enterprise	60,000.00	247,476.00	From Fund 530 To Fund 550
[530]	Sewer Enterprise		60,000.00 91,753.00	To Fund 520 To Fund 550
[540]	Garbage Enterprise		166,752.00	To Fund 100
[550]	Solar Project Fund	18,403.00 247,476.00 91,753.00		From Fund 100 From Fund 520 From Fund 530
TOTALS		<u>1,592,432.00</u>	<u>1,592,432.00</u>	

# CITY OF GONZALES CLASSIFICATION PLAN FISCAL YEAR 2017-2018

**EXHIBIT D**

REVISED 01-01-17

CLASSIFICATION	FOUR-PERCENT STEP ADVANCEMENT						EXCELLENCE INCENTIVES	
	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8
<b>EXECUTIVE MANAGEMENT STAFF</b>								
CITY MANAGER	\$13,800.00 MONTHLY (SALARY INDEPENDENT OF STEP SCHEDULE)							
DEPUTY CITY MANAGER/COMMUNITY DEVELOPMENT D	\$6,277.44	\$6,528.54	\$6,789.68	\$7,061.26	\$7,343.71	\$7,637.46	\$7,942.96	\$8,260.68
*DEPUTY CITY MANAGER/COMMUNITY DEVELOPMENT DIRECTOR - CLASSIC EEMPLOYEE ADDITIONAL COMP	\$6,497.15	\$6,757.03	\$7,027.32	\$7,308.41	\$7,600.74	\$7,904.77	\$8,220.97	\$8,549.80
PUBLIC SAFETY DIRECTOR (CHIEF OF POLICE)	\$7,710.85	\$8,019.28	\$8,340.05	\$8,673.66	\$9,020.60	\$9,381.43	\$9,756.68	\$10,146.95
*PUBLIC SAFETY DIRECTOR (CHIEF OF POLICE) - CLASSIC EMPLOYEE ADDITIONAL COMP	\$8,250.61	\$8,580.63	\$8,923.86	\$9,280.81	\$9,652.04	\$10,038.13	\$10,439.65	\$10,857.24
DEPUTY POLICE CHIEF	\$7,465.44	\$7,764.06	\$8,074.62	\$8,397.60	\$8,733.51	\$9,082.85	\$9,446.16	\$9,824.01
*DEPUTY POLICE CHIEF - CLASSIC EMPLOYEE ADDITIO	\$7,988.02	\$8,307.54	\$8,639.84	\$8,985.44	\$9,344.85	\$9,718.65	\$10,107.39	\$10,511.69
SPECIAL PROJECTS DIRECTOR	\$5,408.41	\$5,624.74	\$5,849.73	\$6,083.72	\$6,327.07	\$6,580.15	\$6,843.36	\$7,117.09
SPECIAL PROJECTS DIRECTOR - CLASSIC EMPLOYEE ADDITIONAL COMP	\$5,597.70	\$5,821.61	\$6,054.47	\$6,296.65	\$6,548.52	\$6,810.46	\$7,082.88	\$7,366.19
DIRECTOR OF PUBLIC WORKS	\$6,201.22	\$6,449.27	\$6,707.24	\$6,975.53	\$7,254.55	\$7,544.73	\$7,846.52	\$8,160.38
*DIRECTOR OF PUBLIC WORKS - CLASSIC EMPLOYEE A	\$6,418.26	\$6,674.99	\$6,941.99	\$7,219.67	\$7,508.46	\$7,808.80	\$8,121.15	\$8,445.99
<b>MID-MANAGEMENT STAFF</b>								
DEPUTY FIRE CHIEF	\$4,738.42	\$4,927.96	\$5,125.08	\$5,330.08	\$5,543.28	\$5,765.02	\$5,995.62	\$6,235.44
* DEPUTY FIRE CHIEF - CLASSIC EMPLOYEE ADDITONA	\$5,070.11	\$5,272.92	\$5,483.83	\$5,703.19	\$5,931.31	\$6,168.57	\$6,417.31	\$6,671.92
RECREATION COORDINATOR/ ADMINISTRATIVE	\$4,518.15	\$4,698.87	\$4,886.83	\$5,082.30	\$5,285.59	\$5,497.02	\$5,716.90	\$5,945.57
*RECREATION COORDINATOR/ ADMINISTRATIVE	\$4,676.28	\$4,863.33	\$5,057.87	\$5,260.18	\$5,470.59	\$5,689.41	\$5,916.99	\$6,153.67
PUBLIC WORKS SUPERVISOR	\$4,637.02	\$4,822.50	\$5,015.40	\$5,216.02	\$5,424.66	\$5,641.64	\$5,867.31	\$6,102.00
*PUBLIC WORKS SUPERVISOR - CLASSIC EMPLOYEE AI	\$4,799.31	\$4,991.29	\$5,190.94	\$5,398.58	\$5,614.52	\$5,839.10	\$6,072.66	\$6,315.57
<b>SUPERVISORY STAFF</b>								
POLICE SERGEANT	\$6,606.61	\$6,870.87	\$7,145.70	\$7,431.53	\$7,728.79	\$8,037.95	\$8,359.46	\$8,693.84
*POLICE SERGEANT - CLASSIC EMPLOYEE ADDITIONAL	\$7,069.07	\$7,351.83	\$7,645.90	\$7,951.74	\$8,269.81	\$8,600.60	\$8,944.63	\$9,302.41
PUBLIC WORKS LEAD WORKER	\$3,362.95	\$3,497.47	\$3,637.37	\$3,782.86	\$3,934.18	\$4,091.54	\$4,255.20	\$4,425.41
*PUBLIC WORKS LEAD WORKER - CLASSIC EMPLOYEE	\$3,480.65	\$3,619.88	\$3,764.67	\$3,915.26	\$4,071.87	\$4,234.75	\$4,404.14	\$4,580.30
<b>BUILDING/MAINTENANCE STAFF</b>								
BUILDING INSPECTOR II	\$4,320.92	\$4,493.76	\$4,673.51	\$4,860.45	\$5,054.87	\$5,257.06	\$5,467.34	\$5,686.04
*BUILDING INSPECTOR II - CLASSIC EMPLOYEE ADDITIO	\$4,472.15	\$4,651.04	\$4,837.08	\$5,030.57	\$5,231.79	\$5,441.06	\$5,658.70	\$5,885.05
BUILDING INSPECTOR I	\$3,672.78	\$3,819.70	\$3,972.48	\$4,131.38	\$4,296.64	\$4,468.50	\$4,647.24	\$4,833.13
*BUILDING INSPECTOR I - CLASSIC EMPLOYEE ADDITIO	\$3,801.33	\$3,953.39	\$4,111.52	\$4,275.98	\$4,447.02	\$4,624.90	\$4,809.90	\$5,002.29
MECHANIC II	\$3,748.33	\$3,898.27	\$4,054.20	\$4,216.37	\$4,385.02	\$4,560.42	\$4,742.84	\$4,932.55
*MECHANIC II - CLASSIC EMPLOYEE ADDITIONAL COMP	\$3,879.53	\$4,034.71	\$4,196.10	\$4,363.94	\$4,538.50	\$4,720.04	\$4,908.84	\$5,105.19
MECHANIC I	\$3,465.55	\$3,604.17	\$3,748.34	\$3,898.27	\$4,054.20	\$4,216.37	\$4,385.02	\$4,560.43
*MECHANIC I - CLASSIC EMPLOYEE ADDITIONAL COMP	\$3,586.84	\$3,730.32	\$3,879.53	\$4,034.71	\$4,196.10	\$4,363.94	\$4,538.50	\$4,720.04
TECHNICIAN	\$3,465.55	\$3,604.17	\$3,748.34	\$3,898.27	\$4,054.20	\$4,216.37	\$4,385.02	\$4,560.43
*TECHNICIAN - CLASSIC EMPLOYEE ADDITIONAL COMP	\$3,586.84	\$3,730.32	\$3,879.53	\$4,034.71	\$4,196.10	\$4,363.94	\$4,538.50	\$4,720.04
MAINTENANCE WORKER	\$2,737.88	\$2,847.40	\$2,961.30	\$3,079.75	\$3,202.94	\$3,331.05	\$3,464.30	\$3,602.87
*MAINTENANCE WORKER - CLASSIC EMPLOYEE ADDITI	\$2,833.71	\$2,947.06	\$3,064.94	\$3,187.54	\$3,315.04	\$3,447.64	\$3,585.55	\$3,728.97
<b>PUBLIC SAFETY STAFF</b>								
POLICE CORPORAL	\$5,479.53	\$5,698.71	\$5,926.66	\$6,163.72	\$6,410.27	\$6,666.68	\$6,933.35	\$7,210.68
*POLICE CORPORAL - CLASSIC EMPLOYEE ADDITIONAL	\$5,863.09	\$6,097.62	\$6,341.52	\$6,595.18	\$6,858.99	\$7,133.35	\$7,418.69	\$7,715.43
POLICE OFFICER	\$5,218.60	\$5,427.34	\$5,644.44	\$5,870.21	\$6,105.02	\$6,349.22	\$6,603.19	\$6,867.32
*POLICE OFFICER - CLASSIC EMPLOYEE ADDITIONAL CI	\$5,583.90	\$5,807.26	\$6,039.55	\$6,281.13	\$6,532.37	\$6,793.67	\$7,065.41	\$7,348.03
FIRE ENGINEER	\$4,307.65	\$4,479.95	\$4,659.15	\$4,845.52	\$5,039.34	\$5,240.91	\$5,450.55	\$5,668.57
*FIRE ENGINEER - CLASSIC EMPLOYEE ADDITIONAL CO	\$4,458.41	\$4,636.75	\$4,822.22	\$5,015.11	\$5,215.71	\$5,424.34	\$5,641.31	\$5,866.97
FIREFIGHTER	\$3,933.07	\$4,090.39	\$4,254.00	\$4,424.16	\$4,601.13	\$4,785.18	\$4,976.58	\$5,175.65
*FIREFIGHTER - CLASSIC EMPLOYEE ADDITIONAL COMI	\$4,070.72	\$4,233.55	\$4,402.89	\$4,579.01	\$4,762.17	\$4,952.66	\$5,150.76	\$5,356.79
POLICE SERVICES TECHNICIAN	\$2,118.43	\$2,203.17	\$2,291.30	\$2,382.95	\$2,478.27	\$2,577.40	\$2,680.49	\$2,787.71
*POLICE SERVICES TECHNICIAN - CLASSIC EMPLOYEE	\$2,192.58	\$2,280.28	\$2,371.49	\$2,466.35	\$2,565.00	\$2,667.61	\$2,774.31	\$2,885.28
<b>SUPPORT STAFF</b>								
SENIOR ACCOUNTING TECHNICIAN	\$3,453.60	\$3,591.74	\$3,735.41	\$3,884.83	\$4,040.22	\$4,201.83	\$4,369.91	\$4,544.70
*SENIOR ACCOUNTING TECHNICIAN - CLASSIC EMPLOYE	\$3,574.48	\$3,717.46	\$3,866.15	\$4,020.80	\$4,181.63	\$4,348.90	\$4,522.85	\$4,703.77
ADMINISTRATIVE SPECIALIST/DEPUTY CITY CLERK	\$3,453.60	\$3,591.74	\$3,735.41	\$3,884.83	\$4,040.22	\$4,201.83	\$4,369.91	\$4,544.70
*ADMINISTRATIVE SPECIALIST/DEPUTY CITY CLERK - CI	\$3,574.48	\$3,717.46	\$3,866.15	\$4,020.80	\$4,181.63	\$4,348.90	\$4,522.85	\$4,703.77
DEVELOPMENT SERVICES TECHNICIAN/ADMINISTRATI	\$3,065.26	\$3,187.87	\$3,315.38	\$3,448.00	\$3,585.92	\$3,729.36	\$3,878.53	\$4,033.67
*DEVELOPMENT SERVICES TECHNICIAN/ADMINISTRATI	\$3,172.54	\$3,299.45	\$3,431.42	\$3,568.68	\$3,711.43	\$3,859.88	\$4,014.28	\$4,174.85
ACCOUNTING ASSISTANT	\$3,030.10	\$3,151.30	\$3,277.35	\$3,408.45	\$3,544.78	\$3,686.57	\$3,834.04	\$3,987.40
*ACCOUNTING ASSISTANT - CLASSIC EMPLOYEE ADDIT	\$3,136.15	\$3,261.59	\$3,392.06	\$3,527.74	\$3,668.85	\$3,815.60	\$3,968.23	\$4,126.96
ADMINISTRATIVE ASSISTANT/RECORDS SUPERVISOR	\$2,783.98	\$2,895.34	\$3,011.15	\$3,131.60	\$3,256.86	\$3,387.13	\$3,522.62	\$3,663.52
*ADMINISTRATIVE ASSISTANT/RECORDS SUPERVISOR -	\$2,881.42	\$2,996.67	\$3,116.54	\$3,241.20	\$3,370.85	\$3,505.68	\$3,645.91	\$3,791.75
ADMINISTRATIVE ASSISTANT	\$2,676.91	\$2,783.98	\$2,895.34	\$3,011.16	\$3,131.60	\$3,256.87	\$3,387.14	\$3,522.63
*ADMINISTRATIVE ASSISTANT - CLASSIC EMPLOYEE AD	\$2,770.60	\$2,881.42	\$2,996.68	\$3,116.55	\$3,241.21	\$3,370.86	\$3,505.69	\$3,645.92
YOUTH PROGRAM COORDINATOR	\$2,606.59	\$2,710.85	\$2,819.29	\$2,932.06	\$3,049.34	\$3,171.32	\$3,298.17	\$3,430.09
YOUTH PROGRAM COORDINATOR - CLASSIC EMPLOYE	\$2,697.82	\$2,805.73	\$2,917.96	\$3,034.68	\$3,156.07	\$3,282.31	\$3,413.60	\$3,550.15
SECRETARY	\$2,316.18	\$2,408.83	\$2,505.18	\$2,605.39	\$2,709.60	\$2,817.99	\$2,930.71	\$3,047.94
*SECRETARY - CLASSIC EMPLOYEE ADDITIONAL COMP	\$2,397.25	\$2,493.14	\$2,592.86	\$2,696.58	\$2,804.44	\$2,916.62	\$3,033.28	\$3,154.61
RECEPTIONIST- CLERK	\$2,111.14	\$2,195.59	\$2,283.41	\$2,374.74	\$2,469.73	\$2,568.52	\$2,671.26	\$2,778.12
*RECEPTIONIST- CLERK - CLASSIC EMPLOYEE ADDITIO	\$2,185.03	\$2,272.43	\$2,363.33	\$2,457.86	\$2,556.18	\$2,658.42	\$2,764.76	\$2,875.35
<b>SEASONAL/PART-TIME (HOURLY RATE)</b>								
POOL MANAGER	\$12.50	\$13.00	\$13.52	\$14.06	\$14.62	\$15.21		
ASSISTANT POOL MANAGER	\$11.00	\$11.44	\$11.90	\$12.37	\$12.87	\$13.38		
SENIOR LIFE GUARD	\$10.80	\$11.23	\$11.68	\$12.15	\$12.63	\$13.14		
LIFE GUARD	\$10.75	\$11.18	\$11.63	\$12.09	\$12.58	\$13.08		
RECREATION LEADER II	\$10.50	\$10.92	\$11.36	\$11.81	\$12.28	\$12.77		
RECREATION LEADER I	\$10.50	\$10.92	\$11.36	\$11.81	\$12.28	\$12.77		
AFTER SCHOOL PROGRAM SUPERVISOR	\$12.00	\$12.48	\$12.98	\$13.50	\$14.04	\$14.60		
AFTER SCHOOL RECREATION AID	\$10.50	\$10.92	\$11.36	\$11.81	\$12.28	\$12.77		
<b>CITY COUNCIL &amp; MAYOR</b>								
CITY COUNCIL & MAYOR - MONTHLY STIPEND	\$400.00							



**General Purpose Revenues  
Budget Narrative for FY 2017-2018  
Budget Unit 000**

**DEPARTMENTAL MISSION**

This budget is used to track general purpose revenues for the General Fund that are not directly attributable to any program or function.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- In general, all revenues tracked to the anticipated budget levels.
- Saw the City take the steps to set up a \$1 million General Purpose Reserve in addition to maintaining a \$1 million cash position.
- Reached the \$1 million mark in sales tax revenues.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to look for ways to enhance local revenues.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents an overall increase of \$197,292 or 5% in revenues, when compared to the FY 2016-2017 Approved Budget. The major reason for the change is the anticipated increase in Sales Tax Revenues.

Revenues

Revenues included in this budget reflect the following net impact:

1. No change in Property Tax revenues from last year's budget; however, it does reflect an increase from the actual amount received in FY 2016-2017.
2. An 18% increase in Sales Tax revenues as a result of the continued performance of several of the City's major business over the last few years, and estimates provided by the City's Sales Tax Consultant, the HdL Companies.
3. Continued emphasis on the General Fund being reimbursed for its administrative costs for running the various non-general fund programs, were not directly apportioned to the other funds.
4. Transfers from various funds for administrative support.
5. Reflection of another loan payment to the City General Fund from the Successor Agency.

## **MAJOR POLICY CONSIDERATIONS**

An increased focus continues to be placed on finding new revenue sources or increasing existing revenue sources for the City. However, even though the City has authorized the issuance of up to 3 marijuana regulatory permits and the Voters passed the imposition of a tax on cannabis, this budget does not reflect any revenue from this use at this time.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Revenues								
Dept: 000								
5110.000	420,155	450,000	490,000	429,252	490,000	435,000	450,000	
5120.000	15,705	15,000	15,000	14,931	15,000	15,000	15,000	
5130.000	6,888	5,400	5,400	5,209	5,400	5,400	6,000	
5140.000	15,944	14,400	14,400	13,957	14,400	14,400	15,000	
5145.000	0	0	60,000	50,841	60,000	60,000		
5157.000	193,046	0	0	0	0			
5158.000	741,730	770,000	790,748	790,747	790,748	790,748	800,000	
5159.000	0	0	0	0	0			
5210.000	722,326	800,000	850,000	796,068	850,000	1,000,000	950,000	
5211.000	0	0	0	0	0			
5220.000	1,916	1,700	1,700	1,745	1,700	1,700	1,000	
5225.000	250,086	250,000	250,000	208,333	250,000	250,000	250,000	
5234.000	77,628	76,000	76,000	85,387	76,000	90,000	90,000	
5235.000	3,154	3,500	3,500	1,989	3,500	2,500	2,500	
5240.000	72,306	60,000	60,000	20,379	60,000	60,000	65,000	
5245.000	0	0	0	0	0			
5250.000	14,675	10,000	10,000	10,773	10,000	12,000	12,000	
5260.000	239,592	280,000	280,000	203,212	280,000	250,000	250,000	
5280.000	0	0	0	0	0			
5300.000	0	0	0	0	0			
5340.000	36,000	72,000	72,000	0	72,000	72,000	72,000	
5420.000	13,021	10,000	25,000	24,373	25,000	25,000	25,000	
5430.000	-409	500	500	0	500			
5500.000	0	0	0	0	0			
5510.000	0	0	0	0	0			
5515.000	4,770	12,000	12,000	3,822	12,000	5,000	5,000	
5520.000	69,910	50,000	50,000	38,973	50,000	48,000	48,000	
5530.000	0	0	0	0	0			
5600.000	0	0	0	0	0			
5611.000	5,178	3,500	3,500	5,602	3,500	6,000	6,000	
5612.000	2,275	1,200	1,200	1,132	1,200	1,132	1,130	
5700.000	0	0	0	0	0			
5715.000	0	0	0	0	0			
5741.000	22,593	0	0	30	0			
5750.000	1,231	1,000	6,000	5,528	6,000	6,000	6,000	
5775.000	0	0	0	0	0			
5820.000	3,325	5,000	5,000	3,085	5,000	5,000	5,000	

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year				(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June	Estimated Total			
Fund: 100 - General Fund								
Revenues								
Dept: 000								
5821.000 Other Income - Reimbursements	18,778	10,000	5,000	1,749	5,000	2,500	5,000	
5822.000 Other Income - Contributions	0	0	0	0	0			
5827.000 Notary Republic Fees	565	1,000	1,000	1,025	1,000	1,000	1,000	
5835.000 State Mandated Cost Reimbursm	10,368	10,000	10,000	0	10,000		5,000	
5900.000 Transfer from Water	0	0	0	0	0			
5905.000 Transfer from Sewer	0	0	0	0	0			
5910.000 Transfer from Garbage	204,000	230,000	230,000	0	230,000	198,579	166,752	
5916.000 Transfer from Bridge Assessmnt	0	0	0	0	0			
5917.000 Transfer from Rvr Rd Assessmnt	0	0	0	0	0			
5918.000 Transfer from Sewer Assessment	0	0	0	0	0			
5920.000 Transfer from Cal Breeze Pks	0	0	0	0	0			
5921.000 Transfer from Cal Breeze #1	20,000	20,000	20,000	0	20,000	20,000	20,000	
5925.000 Transfer from Public Safety	0	0	0	0	0			
5926.000 Transfer from SLESF	0	0	0	0	0			
5935.000 Transfer from Gonzales SA	1,255,958	510,955	510,955	0	510,955	510,955	603,260	
5940.000 Transfer from Canyon Parks	15,000	15,000	15,000	0	15,000	15,000	15,000	
5943.000 Transfer from Str Fund [130]	0	0	0	0	0			
5946.000 Transfer From Cipriani FD 310	10,000	10,000	10,000	0	10,000	10,000	10,000	
5947.000 Transfer from Industrial Park	9,100	9,100	9,100	0	9,100	9,100	9,100	
5950.000 Transfer from CDBG (Non Pgrm)	20,000	20,000	20,000	0	20,000	14,805	14,805	
5963.000 Transfer From Fund 420	7,196	7,196	7,196	0	7,196	7,196	7,196	
Dept: 000	4,504,010	3,734,451	3,920,199	2,718,143	3,920,199	3,944,015	3,931,743	0
Total Revenues	4,504,010	3,734,451	3,920,199	2,718,143	3,920,199	3,944,015	3,931,743	0
Grand Total:	4,504,010	3,734,451	3,920,199	2,718,143	3,920,199	3,944,015	3,931,743	0

**City Council**  
**Budget Narrative for FY 2017-2018**  
**Budget Unit 100**

**DEPARTMENTAL MISSION**

The Mission of the City Council, as the Legislative Body of the City, is to provide policy direction and oversight of the entire City's business. This is done in a fair, open and respectful manner, and always holding to the highest ideals of public service and ethics.

**DEPARTMENTAL PROGRAMS**

The Council is a five-member body that meets the first and third Monday of every month, and holds special meetings as necessary, to provide policy direction, and oversight of the City's business.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Continued to oversee and provide policy direction on all facets of City operations.
- Approved and oversaw a balanced budget.
- Continued aggressive implementation of the Gonzales Grows Green Initiative (G3) to enhance the environment and Economic Development.
- Approved a project to update the City's Website and Social Media policy.
- In partnership with the Gonzales Unified School District (GUSD), continued the ambitious *Ensuring Gonzales Youth Achieve 21<sup>st</sup> Century Success Initiative*.
- Approved the City of Gonzales 2016 Annual Report to our residents.
- Saw the opening of the new Clinica de la Salud.
- Oversaw a growth in the City's Sales Tax base to approximately \$1 million.
- Successfully continued implementation of the ½ cent Transactions and Use Tax (TUT) that among other things, funded the replacement of the restroom facility at Central Park.
- Begin the construction project to replace a Water Well.
- Approved a Joint Project with CHISPA and the Monterey County Free Libraries to construct additional Multi-Family Housing and a new Library.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to provide policy direction and oversight on all facets of City operations.
- Work in partnership with the GUSD to continue to move the "*Ensuring Gonzales Youth Achieve 21<sup>st</sup> Century Success Initiative*" forward.
- Work in partnership with the TUT Advisory Committee.
- Continue to maintain core services with the least amount of interruption.
- Continue the City's Economic Development Plan.
- Continue implementing the City's Vision and Mission.
- Provide policy direction to staff as needed to implement the goals reflected throughout this budget document.

## **FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents an increase of \$753 or 1%, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net City Cost is increased by \$753.

### *Personnel*

Budget reflects the salaries and benefits for the Council Members, which reflects the main reason for the slight increase.

### *Services and Supplies*

This section reflects appropriations for the basic services and supplies needed for the operation of the Council. In addition, it reflects appropriations for the subscriptions and training category.

### *Capital Projects/Fixed Assets*

There are no capital projects or fixed assets reflected in this budget.

## **MAJOR POLICY CONSIDERATIONS**

See all other budget units.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year				(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June	Estimated Total			
Fund: 100 - General Fund								
Expenditures								
Dept: 100 City Council								
6110.000 Salaries-Regular Pay	18,400	12,825	12,825	21,325	12,825	17,000	13,095	
6120.000 Unemployment Insurance	915	0	0	473	0			
6130.000 Retirement - ICMA	0	0	0	0	0			
6131.000 Deferred Compensation Expense	4,500	2,025	2,025	2,250	2,025	2,025	2,025	
6132.000 Retirement - PERS	1,047	1,521	1,521	838	1,521	1,521	1,555	
6140.000 Life and Disability Insurance	405	324	324	344	324	324	324	
6150.000 Workers Comp Insurance	745	250	250	667	250	667	680	
6160.000 Social Security	1,526	981	981	1,643	981	981	1,000	
6170.000 Health and Dental Insurance	-179	0	0	57	0			
6210.000 Special Departmental Expenses	2,173	1,500	1,500	1,344	1,500	1,600	1,500	
6211.000 Office Supplies	0	0	0	27	0			
6212.000 Maintenance Supplies	0	0	0	0	0			
6213.000 Oils and Lubricants	0	0	0	0	0			
6220.000 Telephone	0	0	0	0	0			
6245.000 Other Contractual Services	2,385	3,000	3,000	6,817	3,000	6,817	3,000	
6260.000 Advertising	457	400	400	0	400		400	
6270.000 Transportation and Travel	0	0	0	0	0			
6275.000 Subscriptions and Training	13,517	16,000	16,000	13,049	16,000	15,000	16,000	
6411.000 City Election Costs	0	0	0	0	0			
6543.000 Equipment-Furniture	0	0	0	0	0			
6544.000 Equipment-Computers	6,706	0	0	0	0			
City Council	52,597	38,826	38,826	48,834	38,826	45,935	39,579	0
Total Expenditures	52,597	38,826	38,826	48,834	38,826	45,935	39,579	0
General Fund	-52,597	-38,826	-38,826	-48,834	-38,826	-45,935	-39,579	0
Grand Total:	-52,597	-38,826	-38,826	-48,834	-38,826	-45,935	-39,579	0

**City Manager/City Clerk**  
**Budget Narrative for FY 2017-2018**  
**Budget Unit 110**

**DEPARTMENTAL MISSION**

The Mission of the City Manager/City Clerk is to support the Vision and Mission of the City by providing professional leadership, develop innovative approaches and creative partnerships in the management of the City, and execution of City Council policies. This will be done by always holding to the highest ideals of public service and ethics.

**DEPARTMENTAL PROGRAMS**

The City Manager's Office is the Chief Administrative Officer for the City responsible for overseeing and managing all the activities of the City. In addition, the City Manager is also the Personnel Director, City Clerk, and Director of the Successor Agency to the Redevelopment Agency, Finance Director, and Risk Manager.

**ACCOMPLISHMENTS FOR FY 2016-2017**

As in prior years, all the accomplishments listed below are the direct result of great staff and policy direction from the City Council. They are listed as accomplishments under this budget, but really are the reflection of dedicated staff at all levels of the organization:

- Provided real time budget and financial information on line to all the City's Departments.
- Continued the development of the Gonzales Agricultural Industrial Business Park (GAIBP) that saw the landing of another major company: The Mann Packing Company.
- Approved and oversaw a balanced Budget.
- Continued aggressive implementation of the Gonzales Grows Green Initiative to enhance the environment and economic development.
- Continued aggressive implementation of the Business Loan Program.
- Continued to establish relationships with a variety of community organizations.
- Continued the partnership with Salinas and South County Cities on a variety of issues of mutual concern, including Transit, Housing, Solid Waste, Economic Development, Groundwater and Renewable Energy.
- Completed the City of Gonzales 2016 Annual Report to the Community.
- In partnership with the Gonzales Unified School District (GUSD), continued and grew the ambitious *Ensuring Gonzales Youth Achieve 21<sup>st</sup> Century Success Initiative*.
- Continued a leadership role in the South County's 4C4P Anti-Gang Initiative that saw the City taking the lead and receiving an \$850,000 Strengthening Police-Community Relations Grant.
- Continued Implemented of Project "Yes We Can," which included a Youth Summer Internship Program and a more robust Gonzales Youth Council Program.



- Internally, implemented a new evaluation process and realigned the office to better service the community, and accomplish the goals set by the City Council.
- Continued to take a leadership position and enhance the benefit of the Monterey Bay Economic Partnership not only to the City, but the Region.
- Took a leadership position and was appointed the first Chair of the Operations Board for the newly formed Monterey Bay Community Power Agency (MBCPA).
- Served on the Implementation Committee for the new Groundwater Sustainability Agency (GSA) for the Salinas Valley Groundwater Basin.

## **DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to further the Vision and Mission of the City.
- Continue to improve the financial and budget management of the City's resources.
- Continue to develop ways to bring government closer to the residents of the City.
- Continue to support and implement City Council policies and direction.
- Continue to work in partnership with the private sector to develop and bring the GAIBP on line.
- Continue to improve and expand the City's Economic Development.
- Develop and recommend enhanced revenue alternatives to the City Council.
- Update the City's Personnel Rules, Regulations, and Policies.
- Continue to expand the partnerships with the Gonzales Unified School District, Chamber of Commerce, Churches, private sector, community organizations, and others.
- Continue to strengthen the partnership with the Chamber of Commerce and the private sector to enhance business opportunities and development.
- Continue to enhance and expand the Gonzales Grows Green Initiative.
- Continue to grow the ambitious *Ensuring Gonzales Youth Achieve 21<sup>st</sup> Century Success Initiative*.
- Update and Improve the City's Website and Social Media Policy.
- Streamline and improve the information to the Community in the Annual Report.
- Continue leadership positions on MBEP and MBCP Agencies.

## **FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents an overall increase of \$142,410 or 105% in expenditures, and an increase of \$59,407<sup>1</sup> in revenues, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net City Cost is increased by \$83,003.

### Revenues

The revenues reflected include the grant proceeds from the Improving Police and Community Relations Grant, and work being done on the Cannabis Conditional Use and Regulatory Permits.

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<sup>1</sup> There were no revenues reflected in the FY 2016-2017 Original Budget and as a result, reflecting the percentage change is not meaningful.

### Personnel

This budget reflects the salaries and benefits of the City Manager/City Clerk and the Administrative Specialist/Deputy City Clerk. The reason for the increase is mainly due to the hiring of a Special Projects Director to keep up with the heavy workload of the Office.

### Services and Supplies

This budget is an essentially status quo budget. It continues to include an appropriation for more regional and statewide efforts, and to remain current with the ever changing environment in Risk Management, Personnel, and Economic Development and to stay current with “best practices” in City Administration and Community Relations.

### Capital Projects/Fixed Assets

There are no capital projects or fixed assets reflected in the budget.

## **MAJOR POLICY CONSIDERATIONS**

See all other budget units.

In addition, major challenges for the City over the next few years, continue to be:

1. Identify new revenue sources.
2. Continue to enhance Economic Development opportunities.
3. Improve available housing.
4. As identified in the Infrastructure Improvement Fund (Fund 460) over the next few years, there needs to be significant upgrades/rehabilitation of key infrastructure like the Waste Water Treatment Plant, Alta Street, and Water Distribution System.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year Actual	Original Budget	Amended Budget	Actual Thru June	Estimated Total	YE Projected	FY 2017/2018	Adopted
Fund: 100 - General Fund								
Revenues								
Dept: 110 City Manager/City Clerk								
5637.000	0	0	15,000	0	15,000	14,835	19,407	
5821.000	13,191	0	55,000	280	55,000	18,500	40,000	
City Manager/City Clerk	13,191	0	70,000	280	70,000	33,335	59,407	0
Total Revenues	13,191	0	70,000	280	70,000	33,335	59,407	0
Expenditures								
Dept: 110 City Manager/City Clerk								
6110.000	125,508	75,830	156,830	159,906	156,830	156,830	168,135	
6111.000	0	0	0	0	0			
6112.000	0	0	0	0	0			
6113.000	2,339	3,503	3,503	4,233	3,503	3,503	6,525	
6120.000	1,431	0	0	0	0			
6131.000	3,709	1,290	1,290	647	1,290	1,290	4,137	
6132.000	7,293	14,965	14,965	10,448	14,965	14,965	32,941	
6140.000	644	1,085	1,085	1,263	1,085	1,116	2,060	
6150.000	3,238	565	565	1,507	565	1,507	1,535	
6160.000	9,261	6,070	6,070	11,695	6,070	8,800	13,360	
6170.000	15,662	12,475	12,475	31,008	12,475	26,000	23,600	
6210.000	1,486	2,000	2,000	6,892	2,000	8,000	5,000	
6211.000	258	200	200	320	200	250	200	
6212.000	0	0	0	0	0			
6213.000	0	100	100	89	100	100		
6220.000	1,584	1,500	1,500	1,353	1,500	1,500	1,500	
6225.000	0	0	0	0	0			
6245.000	13,637	8,000	5,000	36	5,000	2,000	5,000	
6255.000	0	0	0	0	0			
6260.000	0	0	0	0	0			
6265.000	0	0	0	0	0			
6270.000	0	0	0	0	0			
6275.000	9,524	7,000	11,000	13,011	11,000	13,011	13,600	
6530.000	210	0	200	106	200	106		
City Manager/City Clerk	195,784	134,583	216,783	242,514	216,783	238,978	276,993	0
Total Expenditures	195,784	134,583	216,783	242,514	216,783	238,978	276,993	0
General Fund	-162,593	-134,583	-146,783	-242,234	-146,783	-205,643	-217,586	0
Grand Total:	-162,593	-134,583	-146,783	-242,234	-146,783	-205,643	-217,586	0

**Finance Department  
Budget Narrative for FY 2017-2018  
Budget Unit 130**

**DEPARTMENTAL MISSION**

The Finance Department supports the City's Vision by providing efficient, sound, timely, and continuous financial accounting and fiscal support necessary to maintain the financial health of the City.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Kept all the financial operations of the City in order and on time.
- Continued to improve the budget accountability process.
- Continued to provide real time budget and financial information on line to all the City's Departments.
- Continued to update several administrative policies that were taken to the Council for approval.
- Obtained a clean external audit.
- Implemented a remote automated mailing process of the utility bills, which reduced costs, but more importantly freed up staff to do other things.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to provide efficient and professional financial support to the City of Gonzales.
- Continue to work to improve and streamline all financial reports and functions.
- Work with the City Council and City Manager to continue to provide timely financial status reports.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents a decrease of (19,865) or (16%) in expenditures, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net City Cost is decreased by (\$19,865).

*Personnel*

This budget reflects funding for one Senior Accounting Technician and one Administrative Assistant. The Finance Director position is not funded and instead, some of these services are being carried out by Green's Accounting, which is reflected under contract services in "Services and Supplies." The main reason for the decrease is as a

result of an existing vacancy that will take some time to fill, and also a more accurate distribution of costs to other funds.

*Services and Supplies*

This area is essentially status quo.

*Capital Projects/Fixed Assets*

There are no capital projects and/or fixed assets reflected in this budget at this time.

**MAJOR POLICY CONSIDERATIONS**

A continuing focus will be kept on finding new revenue sources or increasing existing revenue sources for the City. This is critical to continue to fund and further the City's Vision and Mission.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Expenditures								
Dept: 130 Finance								
6110.000 Salaries-Regular Pay	8,337	41,945	41,945	16,533	41,945	16,945	15,925	
6111.000 Salaries-Overtime Pay	440	0	0	277	0	280	300	
6112.000 Salaries-Extra Help	16,945	0	20,000	20,451	20,000	25,000	15,000	
6113.000 Salaries-Differentials	390	2,165	2,165	3,409	2,165	3,000	870	
6120.000 Unemployment Insurance	3,702	0	0	0	0			
6132.000 Retirement - PERS	903	8,105	8,105	1,388	8,105	4,000	2,950	
6140.000 Life and Disability Insurance	94	680	680	143	680	200	235	
6150.000 Workers Comp Insurance	487	640	640	1,707	640	1,707	1,740	
6160.000 Social Security	689	3,375	3,375	1,454	3,375	1,525	1,285	
6170.000 Health and Dental Insurance	191	11,880	11,880	2,741	11,880	5,000	2,000	
6210.000 Special Departmental Expenses	65	150	150	4,322	150	2,000	1,000	
6211.000 Office Supplies	11	100	100	74	100	100	100	
6212.000 Maintenance Supplies	0	100	100	0	100			
6230.000 Legal and Accounting	0	3,000	3,000	20,000	3,000	20,000	20,000	
6231.000 Payroll Fees	13,650	10,500	10,500	9,475	10,500	11,000	11,000	
6245.000 Other Contractual Services	31,088	35,000	35,000	20,584	35,000	20,000	20,000	
6255.000 Liability Insurance	85	85	85	4,907	85	4,907	5,005	
6275.000 Subscriptions and Training	1,214	1,000	1,000	90	1,000	750	750	
6300.000 NSF Checks	164	300	300	156	300	300	300	
6301.000 Bank Charges	2,300	1,300	2,000	1,933	2,000	2,000	2,000	
6401.000 SUSPENSE	0	0	0	0	0			
6543.000 Equipment-Furniture	0	0	0	0	0			
6544.000 Equipment-Computers	0	0	0	0	0			
Finance	80,755	120,325	141,025	109,644	141,025	118,714	100,460	0
Total Expenditures	80,755	120,325	141,025	109,644	141,025	118,714	100,460	0
General Fund	-80,755	-120,325	-141,025	-109,644	-141,025	-118,714	-100,460	0
Grand Total:	-80,755	-120,325	-141,025	-109,644	-141,025	-118,714	-100,460	0

**City Attorney**  
**Budget Narrative for FY 2017-2018**  
**Budget Unit 150**

**DEPARTMENTAL MISSION**

The City Attorney is a contracted position that provides the full array of legal services to the City and the Successor Agency. The Mission of the Office is to continue to provide the City and Successor Agency with comprehensive legal advice and representation.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Continued to provide staff with ongoing assistance in the preparation of staff reports, resolutions, and ordinances.
- Continued to provide legal advice and recommendations to the City Manager, Police Chief, and other Managers in a variety of areas.
- Provided legal review and advice on the Medical Marijuana issue facing the City.
- Continued to provide legal advice and recommendations to the City Council.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to work with staff on a variety of projects.
- Continue to assist in identification of means (new procedures and/or programs) by which to reduce exposure to liability.
- Identify and collect costs for services being driven by third parties.
- Continue to provide legal advice to the Council.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents no change when compared to the FY 2016-2017 Approved Budget.

Personnel

No costs are reflected in this area.

Services and Supplies

The only cost in this area is the appropriation for the contract. A portion of these costs have been spread to other funds as appropriate, and only the amount anticipated for General Fund activities and programs is reflected.

Capital Projects/Fixed Assets

No costs are reflected in this area.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations being requested in this budget.



BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior	Current Year				(6)	(7)	(8)
	Year	Original	Amended	Actual Thru	Estimated	YE Projected	FY 2017/2018	Adopted
	Actual	Budget	Budget	June	Total			
Fund: 100 - General Fund								
Expenditures								
Dept: 150 City Attorney								
6230.000 Legal and Accounting	58,107	50,000	50,000	35,710	50,000	50,000	50,000	
6245.000 Other Contractual Services	0	0	0	0	0			
City Attorney	58,107	50,000	50,000	35,710	50,000	50,000	50,000	0
Total Expenditures	58,107	50,000	50,000	35,710	50,000	50,000	50,000	0
General Fund	-58,107	-50,000	-50,000	-35,710	-50,000	-50,000	-50,000	0
Grand Total:	-58,107	-50,000	-50,000	-35,710	-50,000	-50,000	-50,000	0

# **Community Development Department**

## **Budget Narrative for FY 2017-2018**

### **Budget Unit 160**

#### **DEPARTMENTAL MISSION**

The Community Development Department supports the Vision and Mission of the City by providing professional planning services to the City. The Department promotes quality of life in Gonzales through careful attention to the City's physical and social development requirements. The Department promotes economic development consistent with the City Council's goals, and City's adopted plans and programs.

#### **DEPARTMENTAL PROGRAMS**

The Department processes applications for all physical development involving private land, including: Conditional Use Permits; Site Plan Permits, Sign Permits, and subdivision and parcel maps. The Department works closely with applicants, other City Departments, and County and State agencies to ensure development conforms to requirements and the best contemporary practices. The Department manages environmental review for projects and supports the Planning Commission and City Council, and is also responsible for maintaining and updating the Zoning Ordinance and Gonzales General Plan. Other activities include grant applications and administration, and affordable housing programs. The Department also works on economic development through outreach assistance to property owners and developers in promotion of the City.

#### **ACCOMPLISHMENTS FOR FY 2016-2017**

##### Project Processing and Approvals

- Processed an application submitted by Mann Packing requesting the merger of several parcels together to create a buildable space for a 130,000 square foot fresh vegetable processing and cooling plant on property within Phase II of the Gonzales Agricultural Business Industrial Park. Also processed a Conditional Use Permit for the development and construction of the new facility. Facilitated CEQA review. Conducted a public hearing before the Planning Commission seeking approval. Prepared and approved a Site Plan Permit for the development of the project.
- Processed an application submitted by Net Zero Farms, LLC requesting a Conditional Use Permit for three (3) medical marijuana cultivation and manufacturing facilities within the Gonzales Agricultural Business Industrial Park. Facilitated CEQA review. Conducted a public hearing before the Planning Commission seeking approval. Processed a Site Plan Permit for the development of the project.
- Processed an application submitted by the McDonalds Corporation requesting the approval of a Site Plan Permit associated with the remodeling of the exterior façade, including a revised color scheme and new signage of the restaurant located at 801 Fifth Street. Approved the Permit and facilitated the review of their building plans for approval.

- Continued to discuss the terms and conditions of a Development Agreement for Rincon Villages, a Planned Unit Development (PUD), and subdivision for a 138-acre residential project located on the east side of Highway 101.
- Coordinated with the General Manager at the Constellation Winery regarding the company's business plan for expansion of their facilities at the Gonzales plant.
- Monitored and enforced adherence to the approved conditions of project approval for a project being developed and constructed by Green Valley Farm Supply (GVFS) consisting of a 13,000 square foot warehouse and 3,400 square foot office space located at 106 Alpine Drive (corner of Alpine Drive and Gonzales River Road).
- Coordinated with the facility planner with Clinica de Salud to locate a temporary building (i.e., office trailers) at the site of 126 Fifth Street, which will function as the clinic until the construction of a permanent building. The construction of a new building is expected to be completed by the fall of 2017.
- Processed various Site Plan Permits for cellular companies for the expansion and modernization of their telecommunication facilities located on the City's water tower and on freestanding antennas located in the City's industrial zone.
- Answered questions from prospective business entities with regard to the City's Ordinances prohibiting the establishment of medical marijuana dispensaries within the city limits, and permitting and regulating the cultivation of medical marijuana within the Gonzales Agricultural Business Industrial Park.
- Processed and approved various applications for: Sign Permits, Home Occupation Permits and Temporary Use of Land Permits.

#### General Plan Implementation

- Coordinated with various development projects in regard to compliance with the City's Climate Action Plan. Compliance with the Plan is achieved by reducing Greenhouse Gas (GHG) Emissions; primarily through energy efficiency upgrades of equipment, insulation and lighting.
- Obtained Council approval on a job description for the position of a Health Equity Fellow, an intern position shared between the City and the Monterey County Health Department. The position was tasked with supporting the policy analysis, policy development and community engagement for developing a Health Element of the City's General Plan.
- Completed an exhaustive information gathering process during which many interested parties and groups were surveyed with regard to what contributes to a healthy community. Working with Health Department staff, narrowed down the information to ten over-arching principles from which policies and implementation measures can be developed for the proposed Health Element of the General Plan.
- Held several meetings with interested landowners within the General Plan's Urban Growth Area (expanded Sphere of Influence), regarding their interest in preparing a Specific Plan for the future developed of urban uses.
- Met with the land developers and/or landowners with land-holdings or property options within the new growth area of the General Plan, to prepare a funding agreement to collect the financial resources necessary to fund the preparation of infrastructure studies in support of implementation of the General Plan.

## Economic Development and Downtown Revitalization

- Coordinated with the City's Economic Development Committee on the implementation of several action items included in the City's Economic Development Strategy and Action Plan for business retention, development and attraction, including:
  - Contacted site selectors with regard to locating a travel center/truck stop within the City;
  - Discussed the siting of a market-rate multi-family housing project within the City with a property owner;
  - Discussed the siting of a fast food restaurant within the City's Highway Commercial Zone with a restaurant franchisee;
  - Discussed the siting of a motel and associated sit-down restaurant within the City's Highway Commercial Zone with property owners and commercial brokers; and
  - Assisted a local business owner in obtaining the resources and assistance to help with the promotion and marketing of the business.
- Continued to maintain and improve the City's Internet website devoted solely to the economic development activities of the City. The website, [www.growgonzales.com](http://www.growgonzales.com), implements a key objective of the City's Economic Development Strategy, and enables the City to market local development and job-related assets to national and international companies and their site selectors.
- Completed several activities, with Armanasco Public Relations as a consultant, to promote what the City has achieved, and to brand and market the City as a regional leader in innovative economic development activities. Articles regarding the City's economic development successes and its Sustainable G3 Initiative were published in "*The Coastal Grower*", a widely distributed magazine focused on agricultural business activities in the Salinas Valley.
- Assisted Real Estate brokers with their requests for information for their clients seeking land in an industrial setting, which is appropriately sized for large warehousing or manufacturing facilities, including food processing and vegetable cooling.
- Coordinated with Constellation Winery on a schematic plan for the expansion of their Gonzales facility.
- Facilitated meetings of the Measure K Oversight Committee appointed by the City Council, who are charged with providing recommendations to the Council with regard to how a voter approved increase in the sales tax is to be used for the betterment of the quality of life within the City
- Continued the promotion of economic opportunities and activities, met with business owners and worked with consultants on related research and reporting.

## Business Assistance Loan Program

- Worked with the City's Business Loan Consultant to market and promote the program to small business in the City, including a health-related business and an auto parts distributor.

- Conducted a public hearing with the City Council, who directed staff to prepare a Closeout Accomplishments Report for the Community Development Block Grant business loan grant (i.e., 12-CDBG-8391) that had been awarded to the City by the State Housing and Community Development Department (HCD) in December 2012. The report, which is required to be sent to HCD, reviews how the \$400,000 grant award was expended for grant specific activities.
- In response to new directives from the State Department of Housing and Community Development, prepared and implemented new CDBG Program Income Guidelines to be consistent with a change in state policy regarding the use of Program Income funds.

#### Grant Programs & Administration

- Undertook efforts to market grant funds available to local residents from the State's HOME Investment Partnership Program. The grant funds can be used to provide low interest loans to homeowners for a variety of homeowner occupied rehabilitation activities.
- Coordinated with the County with regard to submitting an application for, and receiving Community Development Block Grant (CDBG) funding, from the federal Housing and Urban Development (HUD) Program. Funding was awarded to the City in the form of grant in the amount of \$147,242 for the installation of improvements at Centennial Park to enhance accessibility, including improvements to address access associated with the disabled.

#### Interagency Coordination

- Reviewed and commented on other agency plans, and actively participated in various technical committees. Coordinated with AMBAG staff in regard to revisions to the Metropolitan Transportation Plan/Sustainable Communities Strategy, and the Rural Transportation Committee.
- Coordinated with the County and other Cities within the Salinas Valley in regards to sustainability and economic development.
- Served as staff to the Successor Agency and Oversight Board.

### **DEPARTMENTAL GOALS FOR FY 2017-2018**

#### Project Processing and Approvals

- Complete discussions and negotiations of the terms and conditions of a Development Agreement for the Rincon Villages Project. Conduct public hearing before the Planning Commission and City Council with adoption by the Council.
- Process an application for a Conditional Use Permit for the development of a new vegetable cooling plant on property within Phase II of the Gonzales Agricultural Business Industrial Park. Facilitate the CEQA process. Conduct a public hearing before the Planning Commission seeking approval. Process and approve a Site Plan Permit for the development of the project.
- Process an application for a Conditional Use Permit for the development of a new vegetable/fruit processing facility on property within the Gonzales Agricultural

- Business Industrial Park. Facilitate the CEQA process. Conduct a public hearing before the Planning Commission seeking approval. Process and approve a Site Plan Permit for the development of the project.
- Process and approve a Site Plan Permit for a new medical office building for Clinica de Salud on their property located at 126 Fifth Street.
  - Prepare an amendment to the City's Zoning Ordinance to include standards addressing the development standards for Accessory Dwelling Units within the City. Facilitate the CEQA process. Conduct public hearings with the Planning Commission and City Council to adopt an Ordinance to implement the standards.
  - Prepare an amendment to the City's Zoning Ordinance to revise some errors found in several of development standards. Facilitate the CEQA process. Conduct public hearings with the Planning Commission and City Council to adopt an Ordinance to implement the revised standards.
  - Complete the monitoring of adherence to the conditions of project approval for the new warehouse and office facility associated with the expansion of Green Valley Farm Supply on property located at 106 Alpine Drive.
  - Prepare and approve various applications for: Site Plan Permits, Sign Permits, Conditional Use Permits, and Temporary Use of Land Permits.

#### General Plan Implementation

- Conduct a zoning consistency analysis as required by Government Code Section 65860(a), to ensure that the City's Zoning Plan is consistent with the Land Use Diagram of the 2010 General Plan. Conduct public hearings with the Planning Commission and City Council to adopt an ordinance, which establishes consistency between land use designation and zoning categories.
- Working in coordination with the Monterey County Health Department's Planning, Evaluation, and Policy Unit ('PEP'), complete the preparation of a Health Element for the General. Facilitate the CEQA process. Conduct public hearings with the Planning Commission and seek adoption of the Element by the City Council.
- Coordinate with the land developers and/or landowners with land-holdings or property options within the new growth area of the General Plan, to prepare a funding agreement to collect the financial resources necessary to fund the preparation of infrastructure studies in support of implementation of the General Plan.
- Coordinate with project proponents in the City's Sphere of Influence with regard to the preparation of a Specific Plan for their proposed development project.

#### Economic Development and Downtown Revitalization

- Coordinate with the City's Economic Development Committee on the implementation of measures contained in the City's Economic Development Strategy and Action Plan for business retention, development and attraction.
- Continued to maintain and improve the City's Internet website devoted solely to the economic development activities of the City. The website, [www.growgonzales.com](http://www.growgonzales.com), implements a key objective of the City's Economic Development Strategy, and enables the City to market local development and job-related assets to national and international companies and their site selectors.

- Continue to coordinate, with Armanasco Public Relations as a consultant, to promote what the City has achieved, and to brand and market the City as a regional leader in innovative economic development activities.
- Assist Real Estate brokers with their requests for information for their clients seeking land in an industrial setting, which is appropriately sized for large warehousing or manufacturing facilities, including food processing and vegetable cooling.
- Continue promoting economic opportunities and activities, meet with business owners and work with consultants on related research and reporting.
- Continue to facilitate meetings of the Measure K Oversight Committee appointed by the City Council, who are charged with providing recommendations to the Council with regard to how a voter approved increase in the sales tax is to be used for the betterment of the quality of life within the City.

#### Business Assistance Loan Program

- Actively market the Business Assistance Loan Program, and at a minimum, loan funds to two businesses.

#### Grant Programs & Administration

- Seek and apply for a grant from the State Department of Housing and Community Development (HCD) from the HOME Investment Partnership Grant Program for grant funds associated with the rehabilitation of homeowner occupied dwellings.
- Coordinated with the County with regard to submitting an application for, and receiving Community Development Block Grant (CDBG) funding, from the federal Housing and Urban Development (HUD) Program. Funding was awarded to the City in the form of grant in the amount of \$147,242 for the installation of improvements at Centennial Park to enhance accessibility, including improvements to address access associated with the disabled.
- Continue to search out new grant opportunities and apply whenever feasible.

#### Interagency Coordination

- Coordinate with the County Economic Development Department to implement County-wide economic development initiatives.
- Coordinate with the County Economic Development Department on activities associated with the County's Urban County designation, which includes the Cities of Gonzales, Greenfield and Sand City.
- Actively participate with AMBAG in matters regarding the implementation of the Metropolitan Transportation Plan, Sustainable Communities Strategy, and the Rural Transportation Committee.
- Coordinate with the County and other Cities within the Salinas Valley in regards to sustainability and economic development.
- Serve as staff to the Successor Agency and Oversight Board.

## **FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents an overall decrease of (\$21,139) or (10%) in expenditures, and a decrease of (\$15,804) or (52%) in revenues, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$5,335).

### Revenues

Revenues are down as a result of eliminating and having the transfer from CDBG to General Revenues (Budget Unit 000). However, the actual revenues could be higher because staff anticipates processing an application for a new industrial building in the Industrial Park.

### Expenditures

Expenditures within the budget unit primarily reflect the fixed costs associated with the Department, including information technology and file services and payment of the annual administrative charges associated with the Local Agency Formation Commission of Monterey County. Additional funding has been included for consultant services to be provided by Zero City, LLC to assist the City in the processing of current planning applications in the event that the workload within the Department exceeds the capacity of City staff.

### Capital Projects/Fixed Assets

There are no capital projects or fixed assets reflected in this budget.

## **MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in this budget.



BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year				(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June	Estimated Total			
Fund: 100 - General Fund								
Revenues								
Dept: 160 Planning								
5623.000 Housing Authority PILOT	8,548	5,500	5,500	0	5,500	5,500	5,500	
5710.000 Home Occupation Fees	0	200	200	136	200	200	200	
5711.000 Plan Check Fees	0	0	0	0	0			
5712.000 Planning & Zoning Fees	9,376	9,000	9,000	5,739	9,000	9,000	9,000	
5713.000 General Plan Revision Fees	4,733	0	0	672	0	700		
5820.000 Other Income - Misc Payments	2,000	0	0	0	0			
5821.000 Other Income - Reimbursements	0	0	0	0	0	19,175		
5949.000 Transfer from Fund 200	0	0	0	0	0			
5950.000 Transfer from CDBG (Non Pgm)	15,804	15,804	15,804	0	15,804			
Planning	40,461	30,504	30,504	6,547	30,504	34,575	14,700	0
Total Revenues	40,461	30,504	30,504	6,547	30,504	34,575	14,700	0
Expenditures								
Dept: 160 Planning								
6110.000 Salaries-Regular Pay	116,020	122,360	122,360	134,984	122,380	122,380	107,617	
6111.000 Salaries-Overtime Pay	0	0	0	129	0	129		
6112.000 Salaries-Extra Help	0	0	0	0	0			
6113.000 Salaries-Differentials	1,862	1,930	1,930	3,036	1,930	2,510	2,064	
6120.000 Unemployment Insurance	0	0	0	0	0			
6130.000 Retirement - ICMA	0	0	0	0	0			
6131.000 Deferred Compensation Expense	2,471	2,575	2,575	1,375	2,575	2,575	2,643	
6132.000 Retirement - PERS	9,943	22,880	22,880	8,747	22,880	22,880	19,730	
6140.000 Life and Disability Insurance	1,274	2,035	2,035	1,121	2,035	2,035	1,725	
6150.000 Workers Comp Insurance	658	865	865	2,308	865	2,308	2,350	
6160.000 Social Security	9,034	9,510	9,510	9,614	9,510	9,510	8,235	
6170.000 Health and Dental Insurance	35,898	18,475	18,475	45,391	18,475	40,000	12,475	
6180.000 Payroll Unemployment Tax	0	0	0	0	0			
6210.000 Special Departmental Expenses	394	500	137	221	137	250	500	
6211.000 Office Supplies	523	500	500	591	500	500	500	
6212.000 Maintenance Supplies	0	0	0	0	0			
6213.000 Oils and Lubricants	0	0	0	0	0			
6220.000 Telephone	0	0	0	0	0			
6235.000 Engineering and Surveying	0	0	0	0	0			
6245.000 Other Contractual Services	20,322	14,800	14,800	31,484	14,800	32,500	15,000	
6255.000 Liability Insurance	1,378	1,376	2,330	3,776	2,330	3,776	3,850	
6260.000 Advertising	902	1,500	1,500	790	1,500	1,500	1,500	
6265.000 Printing	0	0	0	0	0			

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Expenditures								
Dept: 160 Planning								
6270.000 Transportation and Travel	698	1,500	1,500	0	1,500	1,500	1,500	
6275.000 Subscriptions and Training	3,631	2,000	2,000	1,634	2,000	2,000	2,000	
6544.000 Equipment-Computers	0	0	0	545	0	545		
Planning	205,008	202,828	203,417	245,746	203,417	246,898	181,689	0
Total Expenditures	205,008	202,828	203,417	245,746	203,417	246,898	181,689	0
General Fund	-164,547	-172,324	-172,913	-239,199	-172,913	-212,323	-166,989	0
Grand Total:	-164,547	-172,324	-172,913	-239,199	-172,913	-212,323	-166,989	0

**General Governmental Buildings  
Budget Narrative for FY 2017-2018  
Budget Unit 170**

**DEPARTMENTAL MISSION**

This General Fund Budget Unit provides sufficient resources to acquire and maintain adequate facilities for current and future operations. Cost-effective management of resources is a goal of this Department.

**DEPARTMENTAL PROGRAMS**

This budget unit tracks City-owned building operations, and maintenance activities.

**ACCOMPLISHMENTS FOR FY 2016-2017**

Provided building and general maintenance services to the following locations:

325 Center Street	Fire Station
411 Center Street	Rental Office Space for County Programs
421 Center Street	Dental Offices (rental space)
107 Centennial Drive	Vosti Recreation Center
225 Elko Street	Day Care/Preschool Facility
109 Fourth Street	Police Station
117 Fourth Street	Council Chambers
147 Fourth Street	City Hall
133 Fourth Street	Vacant (Rental space)

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Maintain facilities as cost-effectively as possible within the approved budget.
- Reduce cost of operations where possible.
- Refurbish the Council Chambers.
- Lease 133 Fourth Street.

**FY 2017-2018 RECOMMENDED BUDGET**

This Department's FY 2017-2018 Recommended Budget represents an increase of \$49,000 or 53% in expenditures when compared to the FY 2016-2017 Approved Budget to keep up with the cost of living and refurbish the Chambers. As a result, the Requested Net Cost is increased by \$49,000.

### Services and Supplies

This budget funds janitorial supplies for all City Departments and facilities. The payments for City Hall are part of this budget unit.

### Capital Projects/Fixed Assets

The reason for the increase is that this budget reflects a \$50,000 contribution for the accessibility improvements of the City Council Chambers and City Hall included in this budget unit.

## **MAJOR POLICY CONSIDERATIONS**

The policy considerations for this budget unit are:

- Establishing a reserve fund to keep up with aging buildings maintenance may be an option as funds are available.
- When demolition of the Old Public Works Shop will be appropriate. Funds for this demolition will need to be appropriated.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Expenditures								
Dept: 170 General Government Building								
6210.000 Special Departmental Expenses	1,281	1,000	3,000	4,047	3,000	4,500	3,000	
6211.000 Office Supplies	0	0	0	0	0			
6212.000 Maintenance Supplies	1,356	1,000	1,000	265	1,000	1,000	1,000	
6213.000 Oils and Lubricants	0	1,000	1,000	0	1,000	1,000	1,000	
6220.000 Telephone	0	0	0	0	0			
6225.000 Utilities	2,882	0	4,000	4,682	4,000	5,000	5,000	
6235.000 Engineering and Surveying	0	0	0	10,906	0	12,000		
6245.000 Other Contractual Services	16,210	12,000	60,000	62,734	60,000	100,000	50,000	
6250.000 Rental	78,817	76,000	76,000	75,204	76,000	76,000	80,000	
6255.000 Liability Insurance	0	0	0	0	0			
6260.000 Advertising	0	0	0	0	0			
6265.000 Printing	0	0	0	0	0			
6530.000 Capital Outlay-Improvements	0	0	0	3,698	0	4,000		
6543.000 Equipment-Furniture	0	0	0	778	778	778		
General Government Building	100,548	91,000	145,000	162,314	145,778	204,278	140,000	0
Total Expenditures	100,548	91,000	145,000	162,314	145,778	204,278	140,000	0
General Fund	-100,548	-91,000	-145,000	-162,314	-145,778	-204,278	-140,000	0
Grand Total:	-100,548	-91,000	-145,000	-162,314	-145,778	-204,278	-140,000	0

# **Non-Departmental Budget Narrative for FY 2017-2018 Budget Unit 200**

## **DEPARTMENTAL MISSION**

This general fund budget unit provides sufficient resources to support most City Departments with general expenses appropriately related to the general fund.

## **DEPARTMENTAL PROGRAMS**

This general fund budget unit provides various support services to all City Departments such as postage, office supplies, first aid supplies, lease agreements, along with automotive and property insurance.

## **ACCOMPLISHMENTS FOR FY 2016-2017**

- Cost-effectively provided support to City's Departments.

## **DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to provide cost-effective support services.
- Continue to maintain the various support contracts and lease agreements.

## **FY 2017-2018 RECOMMENDED BUDGET**

This Department's FY 2017-2018 Recommended Budget represents similar costs when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$6,060 or 7%.

### Personnel

There are no personnel expenditures reflected in this budget.

### Services and Supplies

This budget reflects funding for the:

1. City Telephone, Utilities and Information Technology (IT).
2. Office Supplies.
3. Postage and Mail services
4. Public Hearing and Legal Notices.
5. County Administrative Fee.

Capital Projects/Fixed Assets

There are no capital projects or fixed assets reflected in this budget.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in this budget.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Expenditures								
Dept: 200 Nondepartmental								
6110.000 Salaries-Regular Pay	0	0	0	0	0			
6132.000 Retirement - PERS	38,016	0	0	114,035	0			
6210.000 Special Departmental Expenses	8,718	10,000	10,000	8,374	10,000	10,000	10,000	
6211.000 Office Supplies	9,501	6,000	6,000	5,095	6,000	6,000	6,500	
6212.000 Maintenance Supplies	0	1,000	1,000	62	1,000	1,000	1,000	
6220.000 Telephone	5,057	10,000	10,000	3,876	10,000	10,000	10,000	
6225.000 Utilities	14,982	18,000	18,000	11,558	18,000	18,000	18,000	
6230.000 Legal and Accounting	0	0	0	0	0			
6235.000 Engineering and Surveying	0	0	0	0	0			
6245.000 Other Contractual Services	29,693	32,700	32,700	24,246	32,700	32,700	32,700	
6250.000 Rental	2,893	1,800	1,800	1,438	1,800	1,800	2,000	
6255.000 Liability Insurance	0	0	0	0	0			
6260.000 Advertising	1,362	800	800	546	800	800	1,000	
6265.000 Printing	1,506	1,340	1,340	0	1,340	1,340	1,500	
6270.000 Transportation and Travel	0	0	0	0	0			
6275.000 Subscriptions and Training	0	0	0	0	0			
6315.000 County Administrative Fees	5,097	6,000	6,000	5,412	6,000	6,000	6,000	
6544.000 Equipment-Computers	13,624	0	0	0	0		5,000	
Nondepartmental	130,443	87,640	87,640	174,642	87,640	87,640	93,700	0
Total Expenditures	130,443	87,640	87,640	174,642	87,640	87,640	93,700	0
General Fund	-130,443	-87,640	-87,640	-174,642	-87,640	-87,640	-93,700	0
Grand Total:	-130,443	-87,640	-87,640	-174,642	-87,640	-87,640	-93,700	0



**Police Department  
Budget Narrative for FY 2017-2018  
Budget Unit 300**

**DEPARTMENTAL MISSION**

The Gonzales Police Department supports the Vision and Mission of the City by providing public safety services to all our residents, businesses, and visitors. These services are provided using a cooperative community policing philosophy, in which the Department works with the residents to solve crime and quality of life issues in our diverse community.

The number one concern of the Department is the safety of all of our residents, businesses, and visitors. The Department takes a zero tolerance to crime and works aggressively to solve crimes that do occur.

The Gonzales Police Department supports and protects commercial, industrial, and educational institutions in the area. The Department provides advice as requested, and aids in crime prevention.

**ACCOMPLISHMENTS FOR FY 2016-2017**

The Police Department accomplished many of the goals, including the following:

- The Department continued its efforts both in the City and regionally to address gang violence. While this was done without the benefit of any grant funding as in previous years, the City continues to look for funding opportunities to help with these efforts.
- Continued to do community outreach throughout the City to help our residents address not only crime issues, but also quality of life challenges.
- The City experienced a 10% decrease in property crimes during the 2016-2017 Fiscal Year compared to the previous year. Gonzales continues to be one of the safest community's in Monterey County and the State of California.
- The City and School District had agreed to jointly fund a School Resource Officer and the Officer will be in place for the School year beginning in August of this year, and will be available to all the Schools in the District.
- The Department continued the body camera program that requires Officers/Personnel of the Department to record citizen interactions.
- The Department worked toward meeting required benchmarks of the Strengthening Law Enforcement Community Relations grant. The Department successfully held its First ever Community Police Academy and graduated approximately 25 Community participants on May 26, 2017. 100% of Police Staff attended Cultural Competency Training; Four Officers completed the Crisis Intervention Training Academy.

- The Department participated in many events that were held throughout the City, Officers provided coloring with a cop, bicycle rodeo, safety town demonstrations as well as provided many School Filed Trip tours of the Police Department.

## **DEPARTMENTAL GOALS FOR 2017-2018**

- Continue to work with the residents of our City to address the crime and quality of life issues that we are facing.
- Work regionally with the other South County Cities to secure grant funding to help address community outreach and engagement.
- Continue collaborative efforts with the Gonzales School District to improve youth interaction. Maintain the School Resource Officer program.
- Continue to apply for additional funding as opportunities arise, including applying for future gang prevention grants and other opportunities.

## **FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents an overall increase of \$174,763 or 7.9% in expenditures, and \$124,587 or 118% in revenues, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net City Cost is increased by \$50,176.

### Revenues

Revenues are expected to increase mainly due to the reimbursement that will be received from the school for the 50% of the new School Resource Officer position.

The Department again did not receive a COPS Hiring Grant from the Federal Government.

### Personnel

The main reason for the increase is being driven by workers compensation and liability costs. In addition, the budget reflects bringing back two Sergeant Positions via an internal recruitment, and keeping the Deputy Chief position vacant for the foreseeable future.

As your Council may recall, over the last several years, as the Sergeant positions have been vacated from personnel either moving to other challenges and/or being promoted to either the Deputy Chief or Chief of Police positions, they have been left unfilled and unfunded. As a less costly option and to maintain supervision, two Corporal positions were established and filled via an internal recruitment, which while not ideal, has sustained the Department. However, based on the nature of the current environment in law enforcement, the reinvigorated approach to community policing, the work underway to improve Police – Community relations, and the increasing complexity to law enforcement, the budget includes bringing back the two Sergeant Positions, and maintaining the Corporal classification to be used as the Field Training Officer (s) and

back up to the Sergeants. Concurrently, the Deputy Chief Position would be left vacant for the foreseeable future that would more than offset the cost increases. (Please see below for more discussion about this recommendation).

### Services and Supplies

The Recommended FY 2017-2018 Budget reflects a status quo budget for services and supplies. This area also reflects the continued payments towards the Next Generation Radio (NGEN) system, which this year will increase with a new maintenance fee per radio.

### Transfers Out

The other main reason for the increase is the transfer out (contribution) to the Public Safety Fund to fully cover the costs of the Police Officers in that fund.

This is due to the projected revenue from the COPS Fast Grant and Supplemental Law Enforcement funding, which continues to decrease and is no longer funding the entire salaries of the one and a half Officer's positions that it once did.

## **MAJOR POLICY CONSIDERATIONS**

### COPS Funding:

The City continues to fear that the State of California will take or reduce COPS funding, which is approximately \$100,000 to our City, to fill the State's Budget gap. The General Fund as in previous years will be used to offset the cost difference in funding two Officers as we have in the past from Fund 150.

### Sergeant Positions:

**Background:** The Police Department is currently authorized two Police Corporal Positions that serve as Department Supervisors/Field Training Officers, a vacant Deputy Chief position, and no Sergeant Positions. There are no Corporals/Supervisors assigned to day watch or night watch at the end of each respective Corporals shift; therefore, it is recommended that two Sergeant Positions be added as an acceptable level of supervision for the Police Department, and the classification of the Corporals be maintained to be used as the Field Training Officers. It is also recommended that the Deputy Chief Position offset costs for the two Sergeant Positions.

**Review and Analysis:** Although the Police Department has utilized the two Corporal Positions as the only level of shift supervisors for several years, and while it has worked, they are not classified or recognized as such by California Peace Officers Standards and Training (POST) and it is not ideal to have them as the only level of supervision for a Police Department. By contrast, Police Sergeants are classified and recognized by POST as front line supervisors, and should be used as such for Police Departments. Ideally, Corporals should be utilized as secondary supervisors in the absence of a Sergeant, and also utilized as Department Field Training Officers (F.T.O.'s)

At a minimum, it is recommended that one supervisor be deployed at all times on all watches. This level of supervisions is recommended for many reasons, including (but not limited to) the fact that the Field Sergeant would:

- a. Be responsible for the supervision of all uses of force by Officers on the watch.
- b. Review and approve all crime and arrest reports on the watch as they occur.
- c. Be responsible for personnel complaints at the scene, pursuit discipline, supervision at search warrants, proper use of resources, coordinate with outside agencies, ensure appropriate service to the community is provided, guide, train, direct, and motivate the Officers on the watch.

**Conclusion:** Although this is a minimal financial increase, it will be offset in the short-term by keeping the Deputy Police Chief position vacant and the benefit from bringing back the two Sergeant positions and maintaining the Corporal Classification will be seen immediately and into the future. Approval of this deployment level will provide adequate minimal supervision on each patrol watch as the City grows, even doubling or tripling in size.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Revenues								
Dept: 300 Police Department								
5310.000 Animal Licenses	2,469	1,500	1,500	931	1,500	1,500	1,500	
5320.000 Bicycle Licenses	25	50	50	0	50	50	50	
5335.000 Dance Permits	432	400	400	321	400	400	400	
5400.000 FINES & PENALTIES	0	0	0	0	0			
5410.000 Vehicle Code Fines	14,331	20,000	12,000	10,043	12,000	12,000	15,000	
5430.000 Asset Forefiture Seizures	0	0	0	0	0			
5621.000 P.O.S.T. Reimbursement	1,868	4,500	4,500	345	4,500	4,500	4,500	
5637.000 Grant Proceeds	0	0	9,000	9,000	9,000	60,897	121,567	
5720.000 Police Service Fees	27,265	19,000	19,000	24,160	19,000	25,000	25,000	
5721.000 DUI Fees	0	0	0	0	0			
5821.000 Other Income - Reimbursements	1,283	60,000	10,000	3,451	10,000	5,000	62,000	
5926.000 Transfer from SLESF	0	0	0	0	0			
5962.000 Transfer from Fund 216	0	0	0	0	0			
Police Department	47,673	105,450	56,450	48,251	56,450	109,347	230,037	0
Total Revenues	47,673	105,450	56,450	48,251	56,450	109,347	230,037	0
Expenditures								
Dept: 300 Police Department								
6110.000 Salaries-Regular Pay	668,483	935,795	935,795	940,234	935,795	954,640	855,015	
6111.000 Salaries-Overtime Pay	184,974	100,000	250,000	278,620	250,000	275,000	220,000	
6111.500 Overtime - Click it/Ticket it	0	0	0	0	0			
6112.000 Salaries-Extra Help	0	0	0	0	0			
6113.000 Salaries-Differentials	89,799	122,400	122,400	123,259	122,400	122,400	107,200	
6114.000 Workers Compensation Payment	0	0	0	0	0			
6120.000 Unemployment Insurance	9,450	0	0	2,250	0	2,500		
6130.000 Retirement - ICMA	0	0	0	0	0			
6131.000 Deferred Compensation Expense	50,246	65,500	65,500	16,268	65,500	20,000	56,720	
6132.000 Retirement - PERS	221,663	211,775	211,775	142,984	211,775	211,775	192,360	
6140.000 Life and Disability Insurance	7,583	15,675	15,675	7,348	15,675	15,675	11,235	
6150.000 Workers Comp Insurance	53,274	70,000	70,000	186,746	70,000	186,746	190,295	
6160.000 Social Security	82,639	88,603	88,603	82,618	88,603	90,059	90,440	
6170.000 Health and Dental Insurance	78,148	118,950	118,950	99,909	118,950	118,950	107,070	
6210.000 Special Departmental Expenses	19,755	8,000	18,000	25,091	18,000	27,000	15,000	
6211.000 Office Supplies	3,905	3,000	3,000	3,815	3,000	4,000	3,500	
6212.000 Maintenance Supplies	13,810	13,000	13,000	16,243	13,000	17,000	16,000	
6213.000 Oils and Lubricants	16,164	15,000	15,000	14,309	15,000	17,000	17,000	
6214.000 Vehicle Maintenance	0	0	0	0	0			

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Expenditures								
Dept: 300 Police Department								
6220.000 Telephone	6,888	8,000	8,000	7,995	8,000	8,000	8,000	
6225.000 Utilities	26,609	22,000	22,000	14,624	22,000	18,000	18,000	
6230.000 Legal and Accounting	0	0	0	0	0			
6235.000 Engineering and Surveying	0	0	0	0	0			
6245.000 Other Contractual Services	290,629	280,000	280,000	126,121	280,000	290,629	311,239	
6250.000 Rental	0	0	0	0	0			
6255.000 Liability Insurance	81,417	20,000	20,000	54,800	20,000	54,800	55,900	
6260.000 Advertising	2,097	2,000	2,000	1,723	2,000	2,000	2,000	
6265.000 Printing	0	0	0	0	0			
6270.000 Transportation and Travel	0	1,000	1,000	0	1,000		1,000	
6275.000 Subscriptions and Training	10,256	10,000	10,000	7,654	10,000	10,000	15,000	
6540.000 Capital Outlay-Equipment	0	0	0	779	0	779		
6542.000 Equipment-Vehicles	0	32,000	126,400	120,164	126,400	126,400		
6543.000 Equipment-Furniture	0	0	0	0	0			
6544.000 Equipment-Computers	19,151	13,000	13,000	0	13,000		13,000	
6905.000 Transfers Out	0	95,000	95,000	0	95,000	97,039	119,487	
Police Department	2,136,740	2,250,698	2,505,098	2,273,554	2,505,098	2,670,392	2,425,461	0
Total Expenditures	2,136,740	2,250,698	2,505,098	2,273,554	2,505,098	2,670,392	2,425,461	0
General Fund	-2,089,067	-2,145,248	-2,448,648	-2,225,303	-2,448,648	-2,561,045	-2,195,424	0
Grand Total:	-2,089,067	-2,145,248	-2,448,648	-2,225,303	-2,448,648	-2,561,045	-2,195,424	0

**Fire Department  
Budget Narrative for FY 2017-2018  
Budget Unit 310**

**DEPARTMENTAL MISSION**

The Gonzales Fire Department is committed to providing fire prevention and suppression to the residents of our City and Rural Fire District in a friendly, cost-effective manner to insure the safety of our residents and businesses. The Department continues to work collaboratively with other public safety agencies to maintain the highest quality of service and serve those in our diverse community.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Provided public safety services to our residents in a safe and effective manner.
- Maintained its volunteer staff at 14 members, and one career Deputy Fire Chief/Fire Marshal, as well as added one career Fire Engineer position.
- Expanded a Volunteer Firefighter shift program to improve station coverage.
- Continued the training program to better prepare Volunteer Firefighters towards Firefighter 1 Certification.
- Expanded an overhaul of the Fire Prevention/Business Inspection Program.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to search out grant opportunities to assist the City with maintaining and replacing Fire Department equipment.
- Work towards increasing the Volunteer Firefighting force to 20 members.
- Continue to work collaboratively with other public safety agencies to ensure that the residents of our City are receiving the best public safety services available, such as the Auto-Aid Agreements.
- Continue instruction in CPR, First Aid, and disaster preparedness to our residents and businesses to ensure Gonzales is prepared for an emergency.
- Continue to expand the Volunteer Firefighter shift program in an effort to provide 24 hour a day coverage with two personnel.
- Continue to perform all duties of the Fire Marshal including business inspections, fire investigations, and increase inspections of rental housing units.
- Continue to train Firefighters towards Firefighter 1 Certification.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents an overall increase of \$140,621 or 40% in expenditures, and a minimal reduction in revenues, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$140,621.

### Revenues

The Department operates on funds obtained from General Fund, the Gonzales Rural Fire Protection District, Special EMS Assessments, and other grants. The City will also see approximately \$6,500 in funding from CSA-74 monies that are collected by the County to provide medical supplies, training, and equipment.

### Personnel

The reason for the increase is full year finding for the Fire Engineer added the prior year, and the additional full time Fire Engineer effective January 1, 2018. This additional Fire Engineer is necessary due to the increase in Department call volume, and the decrease in participation in the Volunteer Program. This has been further exacerbated by the recent retirement of two senior Volunteer Firefighters, which left gaps in shift coverage by Volunteers.

### Services and Supplies

Services and supplies object codes are essentially unchanged.

### Capital Projects/Fixed Assets

The Department, in trying to maintain the City's policy on fiscal responsibility, has scheduled no capital projects or fixed assets purchases (over \$1,000) during the FY 2017-2018 Recommended Budget.

## **MAJOR POLICY CONSIDERATIONS**

While the City continues to use General Fund monies to support the Fire Department's efforts, the overall costs for fire protection in Gonzales is minimal compared to other jurisdictions. This is only accomplished through the efforts and dedication of the Officers and Volunteer Firefighters.



BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Revenues								
Dept: 310 Fire Department								
5162.000 Special Assessment - EMS Svcs	9,157	10,000	10,000	9,092	10,000	10,000	10,000	
5351.000 Fire Plan Examination Fees	212	700	700	3,278	700	3,500	3,000	
5637.000 Grant Proceeds	0	0	0	0	0			
5673.000 EMS C5A 74	6,701	6,600	6,600	6,570	6,600	6,570	6,500	
5730.000 Rural Fire District	187,000	200,000	200,000	125,000	200,000	200,000	200,000	
5731.000 SAFER Grant	0	0	0	0	0			
5777.000 Fire Inspection Fees	7,242	5,000	5,000	2,317	5,000	5,000	5,000	
5821.000 Other Income - Reimbursements	8,016	30,000	30,000	19,375	30,000	22,000	25,000	
Fire Department	218,328	252,300	252,300	165,632	252,300	247,070	249,500	0
Total Revenues	218,328	252,300	252,300	165,632	252,300	247,070	249,500	0
Expenditures								
Dept: 310 Fire Department								
6110.000 Salaries-Regular Pay	145,517	158,780	158,780	188,796	158,780	200,000	168,025	
6110.200 Salaries-Vol. Fire	0	0	0	0	0		22,600	
6111.000 Salaries-Overtime Pay	290	1,000	10,000	3,074	10,000	5,000	1,000	
6112.000 Salaries-Extra Help	350	0	0	0	0			
6113.000 Salaries-Differentials	0	0	0	10,766	0	9,000		
6120.000 Unemployment Insurance	19	0	0	0	0			
6131.000 Deferred Compensation Expense	6,048	7,345	7,345	3,767	7,345	4,500	7,385	
6132.000 Retirement - PERS	10,293	27,240	27,240	14,842	27,240	27,240	34,025	
6140.000 Life and Disability Insurance	946	1,690	1,690	1,305	1,690	1,690	2,000	
6150.000 Workers Comp insurance	5,670	7,450	7,450	19,875	7,450	19,875	20,255	
6160.000 Social Security	11,269	12,225	12,225	15,250	12,225	17,124	14,660	
6170.000 Health and Dental Insurance	18,209	23,760	23,760	26,748	23,760	26,000	35,640	
6210.000 Special Departmental Expenses	19,527	20,000	30,000	32,755	30,000	35,000	30,000	
6211.000 Office Supplies	67	100	100	0	100	100	100	
6212.000 Maintenance Supplies	3,952	2,500	2,500	1,899	2,500	2,500	2,500	
6213.000 Oils and Lubricants	3,811	5,000	5,000	3,478	5,000	5,000	5,000	
6214.000 Vehicle Maintenance	16,425	25,000	25,000	1,299	25,000	10,000	25,000	
6220.000 Telephone	0	0	0	0	0			
6225.000 Utilities	7,651	9,000	9,000	6,672	9,000	9,000	9,000	
6245.000 Other Contractual Services	14,011	15,000	15,000	9,169	15,000	15,000	15,000	
6250.000 Rental	0	0	0	0	0			
6255.000 Liability Insurance	29,060	29,000	29,000	84,129	29,000	84,129	85,810	
6260.000 Advertising	0	0	0	0	0			
6275.000 Subscriptions and Training	102	5,000	1,000	0	1,000	1,000	1,000	

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year				(6)	(7)	(8)
		Original Budget	Amended Budget	Actual Thru June	Estimated Total	YE Projected	FY 2017/2018	Adopted
Fund: 100 - General Fund								
Expenditures								
Dept: 310 Fire Department								
6542.000 Equipment-Vehicles	0	0	0	11,711	0	11,711	11,711	
6543.000 Equipment-Furniture	0	0	0	0	0			
6544.000 Equipment-Computers	0	0	0	0	0			
Fire Department	293,217	350,090	365,090	435,535	365,090	483,869	490,711	0
Total Expenditures	293,217	350,090	365,090	435,535	365,090	483,869	490,711	0
General Fund	-74,889	-97,790	-112,790	-269,903	-112,790	-236,799	-241,211	0
Grand Total:	-74,889	-97,790	-112,790	-269,903	-112,790	-236,799	-241,211	0

**Building Regulation Department  
Budget Narrative for FY 2017-2018  
Budget Unit 320**

**DEPARTMENTAL MISSION**

The Building Department supports the Vision and Mission of the City by providing excellent service in a friendly, cost-effective manner to ensure the community's safety is sustainable.

**DEPARTMENTAL PROGRAMS**

- Construction Inspections is the primary function of this Department.
- Plan reviews for Building Code compliance.
- Maintain permit issuance and fee collection system.
- Maintain Construction Demolition Debris Diversion Program.
- Maintain Gonzales' Employee Housing Program.
- Assist with the Code Enforcement Program through site inspections.
- Maintain the Abandoned and Distressed Residential Property Program.
- Assist in monitoring pre and post construction Storm Water Runoff Programs.
- Coordinate efforts with other Departments.
- Maintain the Safety Assessment Program to assess disaster damage when needed.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Completed building inspections for all projects.
- Completed plan reviews for all projects.
- Issued permit and collected fees appropriate for construction projects.
- Maintained Construction Demolition Debris Diversion Program.
- Complied with Employee Housing Program monitoring, and reporting requirements.
- Investigated Code Enforcement complaints.
- Maintained the Abandoned and Distressed Residential Property Program.
- Coordinated construction inspections, and enforcement efforts with other Departments.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Inspect all construction projects.
- Review all plans for Building Code compliance.
- Issue construction permits.
- Collect and properly account for permit fees.
- Monitor and report Construction Demolition Debris Diversion.
- Monitor Building Code compliance.

- Monitor, inspect, and report Gonzales' Employee Housing Program in compliance with State Codes.
- Collect, handle appropriately, and report any employee housing complaints.
- Assist with the Code Enforcement Inspections and enforcement.
- Inspect, account for, and report abandoned and distressed residential property as needed.
- Assist in monitoring pre and post construction Storm Water Runoff Programs.
- Coordinate all efforts with other Departments.
- Participate as part of Gonzales' emergency planning, preparedness, and response team.
- Incorporate new computer software to track Building and Planning Projects.
- Maintain up to date knowledge of changing Building Codes.

## **FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents an overall decrease of (\$46,212) or (43%) in expenditures, and an increase of \$22,480 or 3% in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$68,692).

### Revenues

This budget revenue is solely based upon building activity.

### Expenditures

Expenditures in this department are mostly associated with services provided by an outside consulting firm for building inspections and plan check, which services are necessary in the absence of a City employed Building Inspector. The computer program that tracks permits is proposed for replacement.

### Personnel

Administrative support for this Department is shared with other Departments.

### Capital Projects / Fixed Assets

No capital projects or fixed assets are reflected in the budget.

## **MAJOR POLICY CONSIDERATIONS**

None.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Revenues								
Dept: 320 Building Regulations								
5242.000 ADA - DSA SB 1186 FEES	283	250	250	73	250	250	250	
5329.000 Bldg Standards Admin Fee	52	100	200	192	200	200	250	
5330.000 Building Permits	4,552	2,500	3,500	4,543	3,500	4,000	4,000	
5331.000 Fire Permit Fees	0	0	0	0	0			
5332.000 SMP Fee	489	500	700	714	700	700	700	
5333.000 System Automation Fee	3,678	3,250	3,500	3,610	3,500	4,000	4,000	
5334.000 Deconstruction, Demolition & Co	5,659	4,000	5,000	5,111	5,000	5,000	5,500	
5345.000 Building Occupancy Fee	163	500	500	159	500	500	480	
5348.000 Employee Housing Fee (PTO)	3,635	3,200	3,725	6,976	3,725	7,000	4,000	
5350.000 Bldg/Elec/Plumb Permits	30,519	30,000	35,000	31,577	35,000	35,000	35,000	
5351.000 Fire Plan Examination Fees	0	0	0	0	0			
5360.000 Misc. Building Projects	0	0	7,000	6,768	7,000	11,500	12,000	
5365.000 Document Storage Fee	1,595	1,100	1,100	711	1,100	1,100	1,000	
5640.000 County Housing in Lieu Tax	0	0	0	0	0			
5711.000 Plan Check Fees	19,200	20,000	20,000	16,406	20,000	20,000	20,000	
5714.000 Training Fees - Building	549	500	1,000	1,109	1,000	1,200	1,200	
5777.000 Fire Inspection Fees	0	0	0	0	0			
Building Regulations	70,374	65,900	81,475	77,949	81,475	90,450	88,380	0
Total Revenues	70,374	65,900	81,475	77,949	81,475	90,450	88,380	0
Expenditures								
Dept: 320 Building Regulations								
6110.000 Salaries-Regular Pay	0	60,370	60,370	0	60,370		19,511	
6111.000 Salaries-Overtime Pay	0	0	0	0	0			
6113.000 Salaries-Differentials	0	3,020	3,020	0	3,020		976	
6131.000 Deferred Compensation Expense	0	880	880	0	880			
6132.000 Retirement - PERS	2,844	11,955	11,955	1,345	11,955		2,864	
6140.000 Life and Disability Insurance	164	1,100	1,100	96	1,100		325	
6150.000 Workers Comp Insurance	301	395	395	1,054	395	1,054	1,075	
6160.000 Social Security	0	4,850	4,850	1,410	4,850		1,667	
6170.000 Health and Dental Insurance	93	14,850	14,850	93	14,850		14,850	
6210.000 Special Departmental Expenses	1,134	1,200	2,000	1,962	2,000	2,000	2,000	
6211.000 Office Supplies	258	100	250	320	250	250	250	
6212.000 Maintenance Supplies	0	0	0	0	0			
6213.000 Oils and Lubricants	0	300	300	0	300			
6220.000 Telephone	0	0	0	0	0			
6245.000 Other Contractual Services	5,273	8,000	8,000	15,095	8,000	18,600	16,000	

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year				(6)	(7)	(8)
		Original Budget	Amended Budget	Actual Thru June	Estimated Total	YE Projected	FY 2017/2018	Adopted
Fund: 100 - General Fund								
Expenditures								
Dept: 320 Building Regulations								
6255.000 Liability Insurance	392	160	300	438	300	438	450	
6260.000 Advertising	96	150	150	120	150	150	150	
6265.000 Printing	0	0	0	0	0			
6275.000 Subscriptions and Training	84	500	500	0	500	500	1,500	
6530.000 Capital Outlay-Improvements	210	0	0	0	0			
Building Regulations	10,849	107,830	108,920	21,933	108,920	22,992	61,618	0
Total Expenditures	10,849	107,830	108,920	21,933	108,920	22,992	61,618	0
General Fund	59,525	-41,930	-27,445	56,016	-27,445	67,458	26,762	0
Grand Total:	59,525	-41,930	-27,445	56,016	-27,445	67,458	26,762	0

**Public Works Department  
Budget Narrative for FY 2017-2018  
Budget Unit 400**

**DEPARTMENTAL MISSION**

The Mission of the Public Works Department is to support the City's Vision by enhancing the quality of life of our residents with safety, courteous, and respectful service. Part of this Department's charge is planning for the future to ensure Gonzales will continue to receive utilities, and other services when needed.

**DEPARTMENTAL PROGRAMS**

The Public Works Department is responsible for the operation and maintenance of the following functions:

- Utility Billing
- Street Maintenance
- Parks Maintenance
- Building Maintenance
- Automotive and Equipment Maintenance
- Operation and Maintenance of the City's Swimming Pool
- Special Events support
- Municipal Water System
- Wastewater System
- Capital Improvements Projects
- Issuance of Encroachment Permits
- Water Cross-Connection Program
- Project review and plan check
- Stormwater Program
- Non-Point Source Pollution Prevention Program
- Emergency utility response
- Water leak detection
- Underground utility marking for construction projects
- Percolation pond maintenance
- Graffiti abatement
- Manage mosquito abatement
- Manage assessment districts
- Manage hazardous materials program
- Budget management for various funds

## **ACCOMPLISHMENTS FOR FY 2016-2017**

- Maintained a high level of operational efficiency within approved budgets.
- Coordinated efforts with the City Engineer.
- Managed and maintained the City street system that included pothole repairs as needed.
- Managed a Street Striping Program.
- Mowed and maintained parks in all sections of the community.
- Managed a contract landscaping firm for assessment districts.
- Maintained all City-owned buildings in an efficient manner.
- Provided operational support services for all City functions, including automotive service for a fleet of vehicles, and many varied pieces of equipment.
- Coordinated pool commissioning and operation.
- Provided support for all community special events.
- Managed and maintained the City's water system of wells and distribution pipes.
- Coordinated the utility billing process.
- Supported utility shutoff and turn-on for utility bill collection system.
- Managed and maintained the City's wastewater treatment and collection system.
- Managed a contract for licensed wastewater plant operator.
- Managed and maintained six (6) wastewater lift stations.
- Managed a fats, oil, and grease program to minimize damage to the wastewater collection system and prevent pollution.
- Maintained a cross connection program to ensure the safety of the water system.
- Issued and monitored encroachment permits for public right-of-way projects.
- Participated in plan review and project development with other Departments.
- Provided general maintenance services for City-owned facilities.
- Marked all underground utilities as required for public safety.
- Maintained percolation ponds.
- Mitigated graffiti as soon as possible.
- Coordinated stormwater program with the assistance of the City Engineer.
- Coordinated the replacement of the Central Park restroom.
- Managed over 20 budget funds.

## **DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to provide services, which enhance the quality of life of Gonzales residents and employees in an environment of safety, courtesy, integrity, and respect.
- Provide utility services without interruption in a cost-effective manner.
- Update the Public Works Standards and Specifications.
- Continue to provide operational services to all of the Departments.
- Maintain programs as cost-effectively and sustainably as possible within approved budgets.
- Provide Public Works staff development.



- Have at least one licensed person on staff to operate the Wastewater Treatment Plant.
- Transition from contract Certified Plant Operator at the Wastewater Treatment Plant to City staff operator.
- Pursue the use of technology whenever possible to help offset departmental demand for services.
- Continue to provide stable management practices of City assets.
- Improve the mosquito abatement program effectiveness by coordinating effort with the Mosquito Abatement District.

## **FY 2017-2018 RECOMMENDED BUDGET**

This Department's FY 2017-2018 Recommended Budget represents an overall increase of \$32,013 or 34% in expenditures when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$32,013.

### Personnel

The Public Works Department operates with the Public Works Supervisor position vacant, Public Works Lead Worker, Maintenance Workers, and Mechanic. Personnel expenses are shared with utilities and assessment districts. The reason for the change in expenditures is due to increase in personnel costs as a result of adding a second Lead Worker position, and adding a Technician to the authorized staffing.

### Services and Supplies

This budget reflects funding for:

- Safety supplies.
- Employee uniform services.
- Staff training costs to achieve and maintain certification in several areas.
- Annual service contracts including City Engineer.
- The City Engineer for general administration duties to help keep up with the workload.

### Capital Projects/Fixed Assets

There are no capital projects, and/or fixed assets reflected in this budget.

## **MAJOR POLICY CONSIDERATIONS**

This Budget does not reflect any major policy consideration.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year				(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June	Estimated Total			
Fund: 100 - General Fund								
Revenues								
Dept: 400 Public Works								
5821.000 Other Income - Reimbursements	0	0	0	0	0			
5905.000 Transfer from Sewer	0	0	0	0	0			
5915.000 Transfer from Street	0	0	0	0	0			
Public Works	0	0	0	0	0	0	0	0
Total Revenues	0	0	0	0	0	0	0	0
Expenditures								
Dept: 400 Public Works								
6110.000 Salaries-Regular Pay	23,629	36,530	36,530	81,485	36,530	52,000	41,595	
6111.000 Salaries-Overtime Pay	1,213	640	1,200	4,679	1,200	3,000	640	
6112.000 Salaries-Extra Help	0	0	0	0	0			
6113.000 Salaries-Differentials	607	2,080	2,080	10,747	2,080	6,100	2,049	
6120.000 Unemployment Insurance	940	0	0	0	0			
6131.000 Deferred Compensation Expense	475	1,985	1,985	127	1,985	1,985	2,000	
6132.000 Retirement - PERS	4,690	7,485	7,485	5,263	7,485	7,485	8,440	
6140.000 Life and Disability Insurance	189	596	596	666	596	596	675	
6150.000 Workers Comp Insurance	415	545	545	1,454	545	1,454	1,480	
6160.000 Social Security	1,918	3,005	3,005	7,114	3,005	4,500	3,390	
6170.000 Health and Dental Insurance	7,514	9,415	9,415	12,451	9,415	9,415	10,600	
6210.000 Special Departmental Expenses	4,138	4,500	4,500	2,176	4,500	4,500	4,500	
6211.000 Office Supplies	688	200	450	436	450	450	450	
6212.000 Maintenance Supplies	1,549	2,000	2,000	784	2,000	2,000	2,000	
6213.000 Oils and Lubricants	2,024	3,400	3,400	2,034	3,400	3,400	3,500	
6220.000 Telephone	0	0	0	0	0			
6235.000 Engineering and Surveying	6,609	10,000	10,000	32,646	10,000	38,000	25,000	
6245.000 Other Contractual Services	4,639	4,500	4,500	3,799	4,500	4,500	4,500	
6255.000 Liability Insurance	4,493	4,500	4,500	12,330	4,500	12,330	12,575	
6270.000 Transportation and Travel	0	0	0	0	0			
6275.000 Subscriptions and Training	1,062	2,000	2,000	138	2,000	200	2,000	
6544.000 Equipment-Computers	0	0	0	0	0			
Public Works	66,992	93,381	94,191	178,331	94,191	151,915	125,394	0
Total Expenditures	66,992	93,381	94,191	178,331	94,191	151,915	125,394	0
General Fund	-66,992	-93,381	-94,191	-178,331	-94,191	-151,915	-125,394	0
Grand Total:	-66,992	-93,381	-94,191	-178,331	-94,191	-151,915	-125,394	0

**Parks**  
**Budget Narrative for FY 2017-2018**  
**Budget Unit 500**

**DEPARTMENTAL MISSION**

The parks budget unit of the general fund supports the Vision of the City by enhancing the quality of life for Gonzales residents and visitors, through quality places for public gatherings and private family events in a safe, courteous, and respectful manner.

**DEPARTMENTAL PROGRAMS**

- Maintain City parks.
- Provide support for all special events.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Assisted with City-wide special events.
- Maintained parks.
- Repaired graffiti and vandalism as soon as possible.
- Replaced Central Park restroom.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Provide safe, clean, and pleasant parks and open spaces.
- Ensure park improvements are adequately maintained.
- Monitor landscaping contract.
- Purchase a lift truck for tree trimming and outdoor space decorating public spaces.

**FY 2017-2018 RECOMMENDED BUDGET**

This Department's FY 2017-2018 Recommended Budget represents a decrease of (\$138,499) or (45%) in expenditures when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$138,499).

Personnel

Personnel costs reflect the Public Works employees that maintain the parks. There are no proposed significant changes.

Services & Supplies

This budget unit covers maintenance supplies and utilities for parks. There are no proposed significant changes.

### Capital Projects/Fixed Assets

The reason for the decrease is the completion of the new restrooms at Central Park. However, refurbishing the Skate Park is being funded by the Transaction and Use Tax (TUT) revenue that was approved by the Measure K Committee, and ratified by the City Council. As a result, \$40,000 is reflected to provide a potential match and to cover this Department's share of the lift truck. Purchasing a lift truck will allow staff to safely decorate and trim trees.

### **MAJOR POLICY CONSIDERATIONS**

One policy consideration for the City of Gonzales is to contemplate the formation of a Parks and Recreation District to meet future funding challenges, and develop a Central Park Tree Management Program.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Expenditures								
Dept: 500 Parks								
6110.000 Salaries-Regular Pay	42,158	52,063	52,063	39,344	52,063	52,063	55,883	
6110.100 Salaries-Hourly Pay	0	0	0	0	0			
6111.000 Salaries-Overtime Pay	2,207	1,200	1,200	1,318	1,200	1,200	1,200	
6112.000 Salaries-Extra Help	0	0	0	0	0			
6113.000 Salaries-Differentials	1,050	2,550	2,550	1,066	2,550	2,550	2,585	
6120.000 Unemployment Insurance	0	0	0	0	0			
6131.000 Deferred Compensation Expense	1,970	0	0	1,098	0	1,100	2,164	
6132.000 Retirement - PERS	4,088	10,527	10,527	2,923	10,527	4,500	11,253	
6140.000 Life and Disability Insurance	216	869	869	205	869	869	911	
6150.000 Workers Comp Insurance	423	556	556	1,483	556	1,483	1,510	
6160.000 Social Security	3,486	4,270	4,270	3,237	4,270	4,270	4,565	
6170.000 Health and Dental Insurance	13,658	9,504	9,504	18,590	9,504	15,500	9,504	
6210.000 Special Departmental Expenses	3,525	2,000	2,000	5,082	2,000	2,600	12,000	
6211.000 Office Supplies	0	0	0	0	0			
6212.000 Maintenance Supplies	2,547	4,000	4,000	2,267	4,000	1,800	4,000	
6213.000 Oils and Lubricants	1,444	2,000	2,000	690	2,000	1,000	2,000	
6220.000 Telephone	0	0	0	0	0			
6225.000 Utilities	11,956	10,000	10,000	9,754	10,000	10,000	10,000	
6235.000 Engineering and Surveying	0	0	7,500	65,446	7,500	10,500	7,500	
6245.000 Other Contractual Services	2,627	5,000	5,000	18,509	5,000	12,000	5,000	
6255.000 Liability Insurance	560	560	560	1,496	560	1,496	1,525	
6270.000 Transportation and Travel	0	0	0	0	0			
6275.000 Subscriptions and Training	0	0	0	0	0			
6530.000 Capital Outlay-Improvements	0	205,000	197,500	177,963	197,500	197,500	40,000	
6544.000 Equipment-Computers	0	0	0	0	0			
Parks	91,915	310,099	310,099	350,471	310,099	320,431	171,600	0
Total Expenditures	91,915	310,099	310,099	350,471	310,099	320,431	171,600	0
General Fund	-91,915	-310,099	-310,099	-350,471	-310,099	-320,431	-171,600	0
Grand Total:	-91,915	-310,099	-310,099	-350,471	-310,099	-320,431	-171,600	0

**Recreation Services  
Budget Narrative for FY 2017-2018  
Budget Unit 510**

**DEPARTMENTAL MISSION**

The Recreation Department supports the Vision and Mission of the City by meeting the recreational needs and desires of the residents of Gonzales by developing, implementing, and maintaining quality programs, services, and facilities which are cost effective, creative, and responsive to resident input.

**DEPARTMENTAL PROGRAM**

This budget reflects all the expenditures and revenues for the City's recreational programming. It reflects youth sports, adult sports, environmental education, preschool, and teen programming.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Worked with several outside agencies to continue City-wide special events, including the 4<sup>th</sup> of July, Cinco de Mayo, Holiday Lights, Health and Safety Fair, and Dia del Niño.
- Collaborated with the Gonzales Unified School District to provide the ASES funded After School Program with the goal of meeting required numbers to maintain funding levels. The program served 198 youth for the length of the school year.
- Implemented a K-8 Summer Day Camp program that served an average of 52 youth per week for 8 weeks.
- Implemented a successful Summer Day Camp Internship Program that served 14 Teens.
- Increased the number of staff hired for the Summer Day Camp Program and the Collaborative After School Program.
- Implemented school break Day Camps to fill the gap in quality daycare during non-school times.
- Added Senior Fitness Classes to the Summer Recreational offerings.
- Increased Pre-school age Recreational Activities.
- Increased Teenage Recreational Activity offerings.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Provide a wide range of recreational activities to citizens of all ages.
- Work to increase and diversify the participants in all programs.
- Work to find additional funding sources and grants for recreation.

- Increase collaboration and partnerships with the various community groups to enhance programming.
- Partner with other non-profits to enhance or supplant programs to reduce, and/or control costs.
- Increase opportunities for senior citizens, preschool, and teen groups.

## **FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents an overall increase of \$47,276 or 27% in expenditures, and \$5,000 or 4% in revenues, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$42,276.

### Revenues

The reason for the increase is due to the expected increase from enhanced recreational programs.

### Personnel

The change in this category is derived by staff for the Summer Day Camp Program and the Youth Coordinator position that was approved and filled in FY 2016-2017.

### Services and Supplies

Services and supplies reflect an increase to provide for increased numbers for the Summer Camp, as well as the minimum wage increase that took place January 1, 2017.

### Capital Projects/Fixed Assets

There are no capital projects or fixed assets reflected in this budget.

## **MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations at this time.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Revenues								
Dept: 510 Recreation Services								
5637.000 Grant Proceeds	0	0	0	0	0			
5740.000 Recreation Fees	127,618	115,000	115,000	108,979	115,000	118,000	120,000	
5820.000 Other Income - Misc Payments	955	0	78,960	52,640	78,960	78,960		
5829.000 Summer Recreation Sponsorships	0	0	0	40	0			
5832.000 Foundation 4 Youth Grant	0	0	0	0	0			
5950.000 Transfer from CDBG (Non Pgm)	0	0	0	0	0			
Recreation Services	128,573	115,000	193,960	161,659	193,960	196,960	120,000	0
Total Revenues	128,573	115,000	193,960	161,659	193,960	196,960	120,000	0
Expenditures								
Dept: 510 Recreation Services								
6110.000 Salaries-Regular Pay	119,017	64,313	143,273	246,460	143,273	239,045	92,039	
6110.100 Salaries-Hourly Pay	0	0	0	0	0		10,000	
6111.000 Salaries-Overtime Pay	609	0	0	1,452	0	1,500	1,500	
6112.000 Salaries-Extra Help	0	6,000	6,000	0	6,000		6,000	
6113.000 Salaries-Differentials	3,493	0	0	661	0	750		
6120.000 Unemployment Insurance	0	0	0	0	0			
6131.000 Deferred Compensation Expense	0	2,036	2,036	0	2,036			
6132.000 Retirement - PERS	6,952	9,583	9,583	11,405	9,583	9,583	17,075	
6140.000 Life and Disability Insurance	726	866	866	920	866	866	1,278	
6150.000 Workers Comp Insurance	2,931	1,585	1,585	4,228	1,585	4,228	4,310	
6160.000 Social Security	9,240	4,920	4,920	17,696	4,920	16,927	8,085	
6170.000 Health and Dental Insurance	5,897	10,098	10,098	10,895	10,098	10,098	15,390	
6210.000 Special Departmental Expenses	39,167	51,000	81,000	53,298	81,000	81,000	81,000	
6211.000 Office Supplies	26	150	150	0	150		150	
6212.000 Maintenance Supplies	18,856	10,000	10,000	10,607	10,000	12,000	10,000	
6213.000 Oils and Lubricants	155	750	750	122	750	200	500	
6220.000 Telephone	50	0	0	210	0	250		
6225.000 Utilities	4,031	14,000	14,000	2,263	14,000	4,500	5,000	
6235.000 Engineering and Surveying	0	0	0	0	0			
6245.000 Other Contractual Services	1,901	2,000	2,025	2,068	2,025	2,500	2,500	
6255.000 Liability Insurance	0	0	0	0	0			
6265.000 Printing	0	0	0	0	0			
6270.000 Transportation and Travel	0	0	0	0	0			
6275.000 Subscriptions and Training	0	750	750	425	750	500	500	
6544.000 Equipment-Computers	0	0	0	0	0			
6905.000 Transfers Out	0	0	0	0	0		-30,000	



BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year Actual	Original Budget	Amended Budget	Actual Thru June	Estimated Total	YE Projected	FY 2017/2018	Adopted
Fund: 100 - General Fund								
Expenditures								
Recreation Services	213,051	178,051	287,036	362,910	287,036	383,947	225,327	0
Total Expenditures	213,051	178,051	287,036	362,910	287,036	383,947	225,327	0
General Fund	-84,478	-63,051	-93,076	-201,251	-93,076	-186,987	-105,327	0
Grand Total:	-84,478	-63,051	-93,076	-201,251	-93,076	-186,987	-105,327	0

**After School Program  
Budget Narrative for FY 2017-2018  
Budget Unit 511**

**DEPARTMENTAL MISSION**

The Recreation Department supports the Vision and Mission of the City by meeting the recreational needs and desires of the residents of Gonzales by developing, implementing, and maintaining quality programs, services, and facilities which are cost effective, creative, and responsive to resident input.

**DEPARTMENTAL PROGRAM**

This is the first year of this budget that was established to reflect all the expenditures and revenues for the After School Program, which started at the request of the school to provide recreational enrichment programming to La Gloria Elementary and Fairview Middle School after school.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Collaborated with the Gonzales Unified School District to provide the ASES funded After School Program with the goal of meeting required numbers to maintain funding levels. The program served 198 youth for the length of the school year.

**DEPARTMENTAL GOALS FOR FY 2016-2017**

- Increase the collaboration with the School to improve the After School Program for our youth.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents expenditures and revenues of \$78,960 as the Requested Net Cost is neutral.

Revenues

Revenues reflect the contribution from the GUSD to the City to provide the After School enrichment program.

Personnel

Salaries and benefits reflect the cost for the part-time staff needed to provide the program, as well as a portion of the Youth Coordinator.

Services and Supplies

There are no costs reflected in this category.

Capital Projects/Fixed Assets

There are no capital projects or fixed assets reflected in this budget.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in this budget.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Revenues								
Dept: 511 After School Program								
5820.000 Other Income - Misc Payments	0	0	0	0	0		78,960	
After School Program	0	0	0	0	0	0	78,960	0
Total Revenues	0	0	0	0	0	0	78,960	0
Expenditures								
Dept: 511 After School Program								
6110.100 Salaries-Hourly Pay	0	0	0	0	0		101,200	
6160.000 Social Security	0	0	0	0	0		7,760	
6905.000 Transfers Out	0	0	0	0	0		-30,000	
After School Program	0	0	0	0	0	0	78,960	0
Total Expenditures	0	0	0	0	0	0	78,960	0
General Fund	0	0	0	0	0	0	0	0
Grand Total:	0	0	0	0	0	0	0	0

**City Aquatics**  
**Budget Narrative for FY 2017-2018**  
**Budget Unit 515**

**DEPARTMENTAL MISSION**

The Aquatics Program supports the Vision and Mission of the City by providing a safe environment for aquatic recreation, teach aquatic safety through swim lessons, and provide opportunities for Gonzales residents to enjoy aquatic recreation, and to manage fiscal resources responsibly.

**DEPARTMENTAL PROGRAMS**

This program provides all the expenditures for the operation and management of the City Aquatics (Pool) Program. It includes programs like open swim, swim team, movies at the pool, pool parties, and swim lessons.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Completed a major renovation to the pool.
- Expanded the surrounding facility of the pool.
- Operated all season in a safe manner.
- Increased number of participants in Swim Lesson Programs.
- Collaborated with the Gonzales Unified School District to offer Water Safety instruction to Summer School Participants, as well as students in the Special Education Classes from Gonzales High School.
- Constructed a Solar Shade Structure that will provide for the electricity needs of the pool facility.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue safe operations with no major injuries.
- Teach and practice safety as part of all activities.
- Successfully manage sustainable programs.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents an overall increase of \$43,345 or 98% in expenditures, and no change in revenues, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$43,345.

Revenues

Revenues, which were shifted from the General Reserves Budget Unit, should increase to levels that occurred prior to the renovation of the pool, which is now reflected in the Aquatics instead of General Revenues.

Personnel

Staffing will be maintained while continuing to offer outstanding customer service.

Services and Supplies

Services and Supplies will return to pre pool renovation budget levels. While not anticipated to be used, the budget reflects an appropriation for Engineering in case it is needed.

Capital Projects/Fixed Assets

There are no capital projects or fixed assets reflected in this budget.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations at this time.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
<b>Fund: 100 - General Fund</b>								
<b>Revenues</b>								
Dept: 515 City Aquatics Program								
5741.000 Pool Revenue	0	45,000	45,000	30,662	45,000	45,000	45,000	
5830.000 Debt Proceeds	1,575,000	0	0	0	0			
City Aquatics Program	1,575,000	45,000	45,000	30,662	45,000	45,000	45,000	0
<b>Total Revenues</b>	<b>1,575,000</b>	<b>45,000</b>	<b>45,000</b>	<b>30,662</b>	<b>45,000</b>	<b>45,000</b>	<b>45,000</b>	<b>0</b>
<b>Expenditures</b>								
Dept: 515 City Aquatics Program								
6110.000 Salaries-Regular Pay	23,752	10,000	10,000	19,440	10,000	20,493		
6110.100 Salaries-Hourly Pay	0	0	0	0	0		25,000	
6111.000 Salaries-Overtime Pay	24	0	0	433	0	804	1,000	
6112.000 Salaries-Extra Help	0	0	0	0	0			
6120.000 Unemployment Insurance	0	0	0	0	0			
6150.000 Workers Comp Insurance	3,918	2,225	2,225	5,936	2,225	5,936	6,050	
6160.000 Social Security	2,027	765	765	2,775	765	765	1,915	
6210.000 Special Departmental Expenses	10,771	7,000	10,000	7,226	10,000	10,000	10,000	
6211.000 Office Supplies	0	0	0	0	0			
6212.000 Maintenance Supplies	14,659	6,000	6,000	3,921	6,000	6,000	6,000	
6220.000 Telephone	153	0	0	0	0			
6225.000 Utilities	8,263	14,000	14,000	7,760	14,000	14,000	14,000	
6235.000 Engineering and Surveying	122,949	0	6,704	15,659	6,704	17,000	15,000	
6245.000 Other Contractual Services	1,540,124	3,000	15,000	53,942	15,000	55,000	5,000	
6255.000 Liability Insurance	0	150	150	411	150	411	420	
6260.000 Advertising	304	0	100	64	100	100	100	
6275.000 Subscriptions and Training	680	750	750	0	750		750	
6530.000 Capital Outlay-Improvements	78,979	0	2,000	1,980	2,000	2,000	2,000	
6540.000 Capital Outlay-Equipment	16,576	0	0	0	0			
City Aquatics Program	1,823,179	43,890	67,694	119,547	67,694	132,509	87,235	0
<b>Total Expenditures</b>	<b>1,823,179</b>	<b>43,890</b>	<b>67,694</b>	<b>119,547</b>	<b>67,694</b>	<b>132,509</b>	<b>87,235</b>	<b>0</b>
General Fund	-248,179	1,110	-22,694	-88,885	-22,694	-87,509	-42,235	0
<b>Grand Total:</b>	<b>-248,179</b>	<b>1,110</b>	<b>-22,694</b>	<b>-88,885</b>	<b>-22,694</b>	<b>-87,509</b>	<b>-42,235</b>	<b>0</b>

# **Youth Development and Leadership Initiative Budget Narrative for FY 2017-2018 Budget Unit 550**

## **DEPARTMENTAL MISSION**

The budget unit was created to keep track of the incoming revenue associated with funding sources, including Measure 'K' Transaction and Use Tax, and other grant funding sources for the City's Youth Development and Leadership Initiative.

It is administered by the City Manager's Office whose Mission supports the Vision of the City by working to enhance the quality of life of our residents in an environment of safety, courtesy, integrity, and respect. In order to do so, the Department: 1) recognizes quality service to our customers, and the residents of this community are our number one priority; 2) recognizes that a "can-do" attitude is our most valuable resource; 3) provides all services in an ethical, honest, and equitable manner; 4) demonstrates pride and commitment to the work being done by being enthusiastic and professional; 5) is committed to providing services that are responsive, innovative, and fiscally sound; and 6) recognizes the critical importance of working in partnership with the business community in developing a diverse, economically stable City.

## **DEPARTMENTAL PROGRAMS**

The City of Gonzales has been coordinating with the Gonzales Unified School District (GUSD) and other Agencies to implement positive change strategies for our youth. As part of this effort, the City Council held a Joint Study Session (*Ensuring Gonzales Youth Achieve 21<sup>st</sup> Century Success*) facilitated by C4 Consulting with the GUSD Board in January 2015. This program leverages existing strong relations with the GUSD to continue working with Gonzales youth, and also to assist in obtaining new grant funds, support, and partnership to help implement key components of the joint vision of the City Council and School Board.

## **ACCOMPLISHMENTS FOR FY 2016-2017**

- Continued work with the Youth Commissioners.
- The Gonzales Youth Council (GYC).took an active part in the formation of policy and program development.
- Continue growing the *Ensuring Gonzales Youth Achieve 21<sup>st</sup> Century Success* Initiative.

## **DEPARTMENTAL GOALS FOR FY 2017-2018**

The joint vision shared by the City Council and School Board includes:

- Continue working with the Youth Commissioners and GYC.



- Continue to develop and bring back specific ways to create learning expectations for students k-12 that will teach them how to engage with community partners and businesses, and give them the skills to become progressively more engaged in the community.
- Continue to develop and bring back specific ways to create concrete engagement with the community, private sector, higher education, and external agencies and non-profits.
- Continue nurturing and developing the working relationship and commitment to continue these efforts of collaboration, that focuses on what is best for our youth and our community, as our standard mode of operation.

## **FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget reflects no activity. Instead, since this program is funded by TUT resources, all expenditures have been transferred to the Gonzales Quality of Life Temporary Tax Measure (*Budget Unit 800*).

### *Revenues & Expenditures*

There is no activity budgeted for FY 2017-2018.

## **MAJOR POLICY CONSIDERATIONS**

Other than transferring all activity to Budget Unit 800, there are no major policy considerations reflected in this budget.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Revenues								
Dept: 550 Youth Development & Leadership								
5821.000 Other Income - Reimbursements	9,555	20,000	20,000	10,877	20,000	10,877		
5970.000 Transfer from TUT 800	0	0	0	0	0			
Youth Development & Leadership	9,555	20,000	20,000	10,877	20,000	10,877	0	0
Total Revenues	9,555	20,000	20,000	10,877	20,000	10,877	0	0
Expenditures								
Dept: 550 Youth Development & Leadership								
6110.000 Salaries-Regular Pay	0	0	0	0	0			
6210.000 Special Departmental Expenses	498	30,000	0	1,080	0	1,080		
6245.000 Other Contractual Services	104,461	80,000	80,000	72,109	80,000	115,000		
Youth Development & Leadership	104,959	110,000	80,000	73,189	80,000	116,080	0	0
Total Expenditures	104,959	110,000	80,000	73,189	80,000	116,080	0	0
General Fund	-95,404	-90,000	-60,000	-62,312	-60,000	-105,203	0	0
Grand Total:	-95,404	-90,000	-60,000	-62,312	-60,000	-105,203	0	0

**Gonzales Quality of Life Temporary Tax Measure  
Budget Narrative for FY 2017-2018  
Budget Unit 800**

**DEPARTMENTAL MISSION**

This budget unit is administered by the City Manager's Office whose Mission supports the Vision of the City by working to enhance the quality of life of our residents in an environment of safety, courtesy, integrity, and respect. This budget unit was created to keep track of the incoming revenue associated with the Measure 'K' Transaction and Use Tax, and monitor the associated expenditures, including the transfers out to other budget units and funds.

**DEPARTMENTAL PROGRAMS**

On November 4, 2014, 65 percent (65%) of Gonzales voters approved Measure 'K', enacting a one-half percent (0.5%) transactions and use tax. Revenue generated by the tax will provide the City with the financial flexibility to maintain essential government services and core programs; continue to move the City forward with a number of proactive programs, and address debt created by a loan that has not been recognized by the state Department of financial as an enforceable obligation. The City's authority to levy the tax expires on the tenth anniversary of the last day of the calendar quarter preceding the operative date.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- The list of services/programs and funding allocations recommended by the Measure 'K' Oversight Committee and approved by the City Council included:
  - Paying the debt service for the cost of the Community Pool Renovation - \$130,000;
  - Replace the restroom facilities at Central Park - \$205,000;
  - Youth Services/Development
    - Funding for a Youth Services Development Specialist (split 50/50 with the GUSD) - \$50,000;
    - Funding for the Gonzales Youth 21 Century Success Initiative (GY21CSI), including: Kinder readiness, 3<sup>rd</sup> grade reading and writing proficiency and 8<sup>th</sup> grade math proficiency - \$30,000;
    - Fund After School Education and Safety Program (A.S.E.S.) for Elementary & Middle Schools - \$30,000;
  - Gonzales Day Camp - \$30,000; and
  - Community Participation Grants - \$20,000.

## **DEPARTMENTAL GOALS FOR FY 2017-2018**

- The list of services/programs and funding allocations recommended by the Measure ‘K’ Oversight Committee and approved by the City Council includes:
  - Payment of the debt service for the renovation of the Community Pool - \$130,000;
  - ADA (Accessibility) Upgrades at City Hall and City Council Chambers (additive to Urban County HUD CDBG Funds of \$147,242) - \$50,000;
  - Community Development Projects, including:
    - Tot Lot/Play structure at Centennial Park - \$65,000;
    - Resurfacing of tennis courts at GHS (split 50/50 with the GUSD) - \$30,000;
    - Improvements and upgrades to the City’s Skate Park - \$75,000;
    - Police Department Community/Neighborhood Watch Program - \$5,000;
  - Youth Services/Development Activities, including:
    - Youth Services Development Staffing - \$50,000;
    - Gonzales Youth 21 Century Success Initiative (GY21CSI), including: Kinder readiness, 3<sup>rd</sup> grade reading and writing proficiency and 8<sup>th</sup> grade math proficiency - \$30,000;
    - After School Education and Safety Program (A.S.E.S.) for Elementary & Middle Schools - \$30,000;
  - Gonzales Day Camp - \$30,000; and
  - Community Participation Grants - \$20,000.

## **FY 2017-2018 RECOMMENDED BUDGET**

The Fund’s FY 2017-2018 Recommended Budget reflects expenditures of \$385,000, and an increase of \$78,000 or 17% in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Net Cost is increased by \$307,000.

### Revenues

Revenues reported in this budget unit are those associated with the proceeds collected from the one-half percent (0.5%) transactions and use tax.

### Expenditures

Expenditures in the budget unit represent the costs paid to the State Board of Equalization with regard to administration and oversight, and those programs and services funded by tax revenues that are recommended by the Measure ‘K’ Oversight Committee, and approved by the City Council.

### Personnel

While the City Manager, Deputy City Manager/Community Development Director, and other Department Heads will participate in the completion of program tasks and duties, no

salaries and benefits are allocated to this budget.

Services and Supplies

The budget reflects the appropriations for the projects listed under the Departmental Goals.

Fixed Assets

Fixed assets reflect the \$50,000 for the ADA upgrade to the Council Chambers and City Hall; \$65,000 for the Tot Lot/Play Structure at Centennial Park; \$30,000 for half of the cost of resurfacing the Tennis Courts, which is being split with the school; and \$75,000 for improvements and upgrades to the Skate Park.

**MAJOR POLICY CONSIDERATIONS**

The Measure 'K' Oversight Committee is appointed by the City Council to provide advisory recommendations on an annual spending plan for Measure 'K' revenues to the City Council. The City Council will consider the Committee's recommendations during the annual City Budget process, which typically occurs between April and July of each calendar year.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Revenues								
Dept: 800 TUT								
5211.000 Voter Approved Sales Tax	405,021	442,000	500,000	458,167	500,000	550,000	520,000	
TUT	405,021	442,000	500,000	458,167	500,000	550,000	520,000	0
Total Revenues	405,021	442,000	500,000	458,167	500,000	550,000	520,000	0
Expenditures								
Dept: 800 TUT								
6210.000 Special Departmental Expenses	0	0	0	0	0		5,000	
6245.000 Other Contractual Services	0	0	0	0	0		80,000	
6410.000 Comm Dev Grant Program	0	0	0	0	0		20,000	
6412.000 After School / Day Camp	0	0	0	0	0		60,000	
6530.000 Capital Outlay-Improvements	0	0	0	0	0		220,000	
TUT	0	0	0	0	0	0	385,000	0
Total Expenditures	0	0	0	0	0	0	385,000	0
General Fund	405,021	442,000	500,000	458,167	500,000	550,000	135,000	0
Grand Total:	405,021	442,000	500,000	458,167	500,000	550,000	135,000	0

**General Fund Debt Service  
Budget Narrative for FY 2017-2018  
Budget Unit 900**

**DEPARTMENTAL MISSION**

This is the budget unit that was set up to track the General Fund debt service payments. It currently reflects the General Fund debt service payments for the (a) Community Pool Renovation Project and (b) Phase II of the Solar Project.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Made the debt service payment.
- Successfully completed and accepted the Community Pool Renovation Project.

**DEPARTMENTAL GOALS FOR FY 2016-2017**

- As needed, used this budget to track General Fund debt payments.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget remains unchanged. As a result, the Requested Net City Cost is unchanged.

Personnel

No costs are reflected in this area.

Services and Supplies

The only cost in this area is reflecting the appropriation for debt interest and principal for the Community Pool Renovation Project that is being covered by TUT revenues.

Transfer Out

The transfer out is to cover the General Fund portion of the financing used for the Phase II of the Solar Project.

Capital Projects/Fixed Assets

No costs are reflected in this area.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in this budget.

BUDGET WORKSHEET

City Of Gonzales

Month: 6/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru June				
Fund: 100 - General Fund								
Revenues								
Dept: 900 Debt Service								
5830.000 Debt Proceeds	0	0	0	0	0			
5935.000 Transfer from Gonzales SA	0	0	0	0	0			
Debt Service	0	0	0	0	0	0	0	0
Total Revenues	0	0	0	0	0	0	0	0
Expenditures								
Dept: 900 Debt Service								
6610.000 Interest Expense	0	39,768	39,768	39,798	39,768	39,768	39,768	
6620.000 Principal Reduction	0	89,882	89,882	89,882	89,882	89,882	89,882	
6635.000 Bond Issuance Costs	0	0	0	0	0			
6905.000 Transfers Out	0	18,403	18,403	0	18,403	18,403	18,403	
6935.000 Transfer to RDA	148,384	0	0	0	0			
Debt Service	148,384	148,053	148,053	129,680	148,053	148,053	148,053	0
Total Expenditures	148,384	148,053	148,053	129,680	148,053	148,053	148,053	0
General Fund	-148,384	-148,053	-148,053	-129,680	-148,053	-148,053	-148,053	0
Grand Total:	-148,384	-148,053	-148,053	-129,680	-148,053	-148,053	-148,053	0



# **Community Development Budget Narrative for FY 2017-2018 Budget Fund 120**

## **DEPARTMENTAL MISSION**

The Community Development Fund addresses a range of projects of general benefit to the community that are supported by the Small Cities Community Development Block Grant (CDBG) Program, the HOME Program, and other public grant sources. Projects include development of affordable housing, rehabilitation of housing, and other housing related activities. Projects may also include development of public infrastructure and improvements such as streets, paving, sidewalks, and similar facilities of benefit to lower income members of the community.

Fund 120 sets forth revenues secured by approved grants from the Community Development Block Grant (CDBG) and other sources, and Program Income received from repayment of previous loans. The expenditure portion of Fund 120 identifies the expected dispersal of these funds to City departments, and consultants assisting the City.

## **ACCOMPLISHMENTS FOR FY 2016-2017**

- Coordinated with the City's Economic Development Committee on the implementation of several action items included in the City's Economic Development Strategy and Action Plan for business retention, development and attraction, including:
  - Contacted site selectors with regard to locating a travel center/truck stop within the City;
  - Discussed the siting of a market-rate multi-family housing project within the City with a property owner;
  - Discussed the siting of a fast food restaurant within the City's Highway Commercial Zone with a restaurant franchisee;
  - Discussed the siting of a motel and associated sit-down restaurant within the City's Highway Commercial Zone with property owners and commercial brokers; and
  - Assisted a local business owner in obtaining the resources and assistance to help with the promotion and marketing of the business.
  
- Monitor the internet website of the State of California Housing and Community Development Department for notification of funding availability for grants associated with the State's HOME Investment Partnership Program. The grant funds can be used to provide low interest loans to homeowners for a variety of homeowner occupied rehabilitation activities.

## **DEPARTMENTAL GOALS FOR FY 2017-2018**

- Coordinate with the City's Economic Development Committee on the implementation of measures contained in the City's Economic Development Strategy and Action Plan for business retention, development, and attraction.
- Seek and apply for a grant from the State Department of Housing and Community Development (HCD) from the HOME Investment Partnership Grant Program, for grant funds associated with the rehabilitation of homeowner occupied dwellings.
- Continue to search out new grant opportunities, and apply whenever feasible.

## **FY 2017-2018 RECOMMENDED BUDGET**

The Fund's revenues and expenditures vary from year to year depending on how many grants that the City receives. The City completed a HOME Investment Partnership Grant for the rehabilitation of homeowner occupied dwellings in FY 2014-2015. The City was not awarded a grant for FY 2016-2017. Therefore, it is not possible to compare and contrast an increase or decrease in revenues and expenditures at this time.

### Estimated Fund Balance

The year-end Fund Balance is estimated to be \$128,156 as of June 30, 2017.

### Revenues

The revenues for the Fund's activities are derived from grants that are received primarily from the State Department of Housing and Community Development, and to a minor extent, the payment of principal and interest (i.e., program income) for a First Time Homebuyer Loan Program from loans granted in past years. Other than interest revenue, no program revenues are anticipated.

### Expenditures

The Fund's expenditures are consultant services associated with the implementation and program delivery for the grants. No expenditures are anticipated.

### Personnel

None at this time.

### Contractual Services

None at this time.

## **MAJOR POLICY CONSIDERATIONS**

The City Council directs all grant applications and uses of funds. Grant funds should be directed to advancing projects, and improvements that maximize the benefit to the community, and/or meet an unmet need.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 120 - Community Development								
Revenues								
Dept: 000								
5515.000 Interest Income	13,940	15,000	4,800	3,990	4,800	4,800	4,800	
5626.000 CDBG - Housing Rehabilitation	0	0	0	0	0			
5627.000 CDBG - Planning & Tech Assist	0	0	0	0	0			
5628.000 CDBG - Other Misc Programs	0	0	0	0	0			
5860.000 Principal Payments Received	14,260	0	0	0	0			
Dept: 000	28,200	15,000	4,800	3,990	4,800	4,800	4,800	0
Total Revenues	28,200	15,000	4,800	3,990	4,800	4,800	4,800	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	0	0			
6211.000 Office Supplies	0	0	0	0	0			
6212.000 Maintenance Supplies	0	0	0	0	0			
6230.000 Legal and Accounting	0	0	0	0	0			
6235.000 Engineering and Surveying	0	0	0	0	0			
6245.000 Other Contractual Services	0	0	0	0	0			
6260.000 Advertising	0	0	0	0	0			
6275.000 Subscriptions and Training	0	0	0	0	0			
6328.000 Loan Advances	0	0	0	0	0			
6334.000 CDBG Loan Payments	0	0	0	0	0			
6900.000 Transfers to General Fund	0	0	0	0	0			
Dept: 000	0	0	0	0	0	0	0	0
Total Expenditures	0	0	0	0	0	0	0	0
Community Development	28,200	15,000	4,800	3,990	4,800	4,800	4,800	0

**Business Loan Grant Program  
Budget Narrative for FY 2017-2018  
Budget Fund 123**

**DEPARTMENTAL MISSION**

The fund is administered by the Community Development Department and was established to track expenditures and revenues for the Community Development Business Assistance Loan Grant Program. Funds under this program are restricted to certain eligible costs, including: operating capital; furniture fixtures and equipment (FF&E); rehabilitation of leased space or owned buildings (including engineering and architectural and local permits or fees); purchase of manufacturing equipment (with or without installation costs); refinancing of existing debt in conjunction with financing other eligible costs; purchase of real property; required off site improvements; or relocation grants for persons displaced due to funding of the project.

Fund 123 sets forth revenues secured by approved grants from the Small City's Community Development Block Grant (CDBG) Program and other sources, and program income received from repayment of loans once made.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Worked with the City's Business Loan Consultant to market and promote the program to small business in the City, including a health-related business and an auto parts distributor.
- Conducted a public hearing with the City Council who directed staff to prepare a Closeout Accomplishments Report for the Community Development Block Grant business loan grant (i.e., 12-CDBG-8391), that had been awarded to the City by the State Housing and Community Development Department (HCD) in December 2012. The report, which is required to be sent to HCD, reviews how the \$400,000 grant award was expended for grant specific activities.
- In response to new directives from the State Department of Housing and Community Development, prepared and implemented new CDBG Program Income Guidelines to be consistent with a change in state policy regarding the use of Program Income funds.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Actively market the Business Assistance Loan Program, and at a minimum, loan funds to two businesses.

**FY 2017-2018 RECOMMENDED BUDGET**

The revenues in the Fund are derived from principal and interest payments associated with business assistance loans granted in previous years, and from grant funding received from the State Department of Housing and Community Development ('HCD'). Note that grant funding from HCD ended in 2015 because the City became an entitlement

jurisdiction (i.e., Monterey Urban County). Future loans will only be derived from principal and interest payments associated with business assistance loans granted in previous years. The Fund's expenditures are associated with business assistance loans granted by the City to qualifying businesses, and costs associated with program delivery.

The Fund's revenues and expenditures vary from year to year depending on how many loans the City is able to make in a given year and/or if grant funds are available to loan. The Fund's FY 2017-2018 Recommended Budget reflects a decrease of (\$21,750) or (22%) in expenditures, and a decrease of (\$10,610) or (10%) in revenues, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost decreased by (\$11,140).

#### Estimated Fund Balance

The year-end Fund Balance is estimated to be \$68,896 as of June 30, 2017.

#### Revenues/Expenditures

Revenues reflected assume principal and interest payments (i.e., Program Income) received by the City for prior loans. Expenditures reflect the expenses associated with program delivery for three Business Assistance Loans during the fiscal year.

#### Personnel

Personnel reflected include the City Manager, Deputy City Manager/Community Development Director, and Administrative Assistant; however, no program revenues are being used to offset these costs.

#### Contractual Services

The Recommended Budget provides funding for a consultant to provide activity delivery for the Business Assistance Loan Program.

### **MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in this budget.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year Actual	Original Budget	Amended Budget	Actual Thru April	Estimated Total	YE Projected	FY 2017/2018	Adopted
Fund: 123 - Business Loan Grant								
Revenues								
Dept: 000								
5515.000 Interest Income	13,435	13,710	13,710	11,662	13,710	13,700	13,700	
5620.000 CDBG - Revolving Loan Program	194,197	0	0	0	0			
5628.000 CDBG - Other Misc Programs	0	0	0	0	0			
5637.000 Grant Proceeds	0	0	0	0	0			
5860.000 Principal Payments Received	91,890	95,600	85,100	72,097	85,100	85,100	85,000	
5935.000 Transfer from Gonzales SA	0	0	0	0	0			
Dept: 000	299,522	109,310	98,810	83,759	98,810	98,800	98,700	0
Total Revenues	299,522	109,310	98,810	83,759	98,810	98,800	98,700	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	13	0	0	15	0		250	
6245.000 Other Contractual Services	27,387	10,000	10,000	0	10,000		8,000	
6260.000 Advertising	320	0	0	0	0			
6328.000 Loan Advances	175,000	70,000	70,000	0	70,000	105,000	70,000	
6335.000 Block Grant Expenditures	0	0	0	0	0			
6900.000 Transfers to General Fund	20,000	20,000	0	0	0			
Dept: 000	222,720	100,000	80,000	15	80,000	105,000	78,250	0
Total Expenditures	222,720	100,000	80,000	15	80,000	105,000	78,250	0
Business Loan Grant	76,802	9,310	18,810	83,744	18,810	-6,200	20,450	0

**Air Pollution Control Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 124**

**DEPARTMENTAL MISSION**

This fund budget tracks Air Pollution Control funds to reduce transportation pollution. The Monterey Bay Area Unified Air Pollution Control District's AB2766 Program allowed Gonzales to loan funds for Transportation pollution reduction measures. The funds are tracked in this budget.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Monitored loan repayment.
- Improved vehicle fleet efficiency through purchase of energy efficient vehicles.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to monitor loan repayment.

**FY 2017-2018 RECOMMENDED BUDGET**

This Fund's FY 2017-2018 Recommended Budget represents an overall decrease of (\$20,000) or 57% in expenditures, and no change in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$20,000).

*Estimated Fund Balance*

The year-end Fund Balance is estimated to be \$5,019 as of June 30, 2017.

*Revenues*

Revenues are derived from the repayment of a pollution control loan that was provided for the construction of a bio-diesel Fueling Station.

*Personnel*

No costs are reflected in this area.

*Services and Supplies*

Costs are reflected as other contractual services for future projects.

*Capital Projects/Fixed Assets*

No costs are reflected in this area.

## **MAJOR POLICY CONSIDERATIONS**

No policy considerations are required at this time for this budget. When funds accumulate, the Council can prioritize the use of these funds.



BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 124 - Air Pollution Control Fund								
Revenues								
Dept: 000								
5515.000 Interest Income	3,052	2,500	2,500	1,935	2,500	2,500	2,500	
5637.000 Grant Proceeds	0	0	0	0	0			
5820.000 Other Income - Misc Payments	0	0	0	0	0			
5860.000 Principal Payments Received	13,799	13,000	13,000	9,731	13,000	13,000	13,000	
Dept: 000	16,851	15,500	15,500	11,666	15,500	15,500	15,500	0
Total Revenues	16,851	15,500	15,500	11,666	15,500	15,500	15,500	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	0	0			
6245.000 Other Contractual Services	0	0	0	656	0	656	15,000	
6542.000 Equipment-Vehicles	0	35,000	90,000	89,656	90,000	89,656		
Dept: 000	0	35,000	90,000	90,312	90,000	90,312	15,000	0
Total Expenditures	0	35,000	90,000	90,312	90,000	90,312	15,000	0
Air Pollution Control Fund	16,851	-19,500	-74,500	-78,646	-74,500	-74,812	500	0

**Urban County**  
**Community Development Block Grant (CDBG) Fund**  
**Budget Narrative for FY 2017-2018**  
**Budget Fund 127**

**DEPARTMENTAL MISSION**

This Fund is administered by the Community Development Department, and was established to fund the Community Development Block Grant (CDBG) Programs funded by the Federal Department of Housing and Urban Development (HUD), through participation in the Urban Entitlement County together with the City of Greenfield, Sand City, and the County of Monterey. The financial resources supporting the fund are grants funds awarded to the Urban County participants by HUD.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Implemented a Community Development Block Grant (CDBG) received from the Federal Housing and Urban Development (HUD) Program as part of the Urban Entitlement County Program. CDBG funds awarded to the City for FY 2016-2017 in the amount of \$147,242, which will be used for the installation of pavement and other amenities to improve accessibility at Centennial Park.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Implement a Community Development Block Grant (CDBG) received from the Federal Housing and Urban Development (HUD) Program as part of the Urban Entitlement County Program. CDBG funds awarded to the City for FY 2017-2018 in the amount of \$147,242, which will be used for the installation of improvements at City Hall and the City Council Chambers to enhance accessibility, including improvements to address access associated with the disabled.

**FY 2017-2018 RECOMMENDED BUDGET**

The Fund's revenues are derived from the award of Community Development Block Grant (CDBG) funds by the Federal Department of Housing and Urban Development (HUD), through participation in the Urban Entitlement County together with the City of Greenfield, Sand City, and the County of Monterey. The Fund's expenditures are consultant services associated with the implementation and program delivery for each grant.

The Fund's revenues and expenditures vary from year to year depending on the allotment of grant funds provided by HUD, and the formula for grant disbursement used by the County.

The Fund's FY 2017-2018 Recommended Budget results in a decrease of (\$3,896) or (2%) in expenditures, and no change in revenues when compared to the FY 2016-2017 Approved Budget, which results in no Net Cost to the City.

Revenues

Revenue reflected in this fund are grant funds awarded to the Urban County participants by HUD.

Personnel

The City Manager, Deputy City Manager/Community Development Director, and other Department Heads, will participate in the completion of program tasks and duties.

Services and Supplies, and Transfers Out

Consultant resources will be engaged to provide expertise as necessary. Specifically, the projects are as follows:

- Grant Administration (Transfer to Planning) \$ 14,805
- Improved accessibility at City Hall and City Council Chambers (Capital Outlay) \$147,242

**MAJOR POLICY CONSIDERATIONS**

The City Council, based upon a recommendation of staff, will approve applications that are submitted to the County for consideration and final approval, consistent with the Five Year Consolidated Plan.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year Actual	Original Budget	Amended Budget	Actual Thru April	Estimated Total	YE Projected	FY 2017/2018	Adopted
Fund: 127 - CDBG - Urban County								
Revenues								
Dept: 000								
5637.000 Grant Proceeds	158,052	163,047	163,047	0	163,047	163,047	163,047	
Dept: 000	158,052	163,047	163,047	0	163,047	163,047	163,047	0
Total Revenues	158,052	163,047	163,047	0	163,047	163,047	163,047	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	480	0	1,000	1,000	
6235.000 Engineering and Surveying	0	0	0	27,993	0	27,993		
6245.000 Other Contractual Services	144,794	0	0	0	0			
6530.000 Capital Outlay-Improvements	1,350	147,243	147,243	0	147,243	119,249	143,346	
6900.000 Transfers to General Fund	15,804	15,804	15,804	0	15,804	14,805	14,805	
6905.000 Transfers Out	0	0	0	0	0			
Dept: 000	161,948	163,047	163,047	28,473	163,047	163,047	159,151	0
Total Expenditures	161,948	163,047	163,047	28,473	163,047	163,047	159,151	0
CDBG - Urban County	-3,896	0	0	-28,473	0	0	3,896	0

**Street Fund**  
**Budget Narrative for FY 2017-2018**  
**Budget Fund 130**

**DEPARTMENTAL MISSION**

This fund includes maintenance, improvements, salaries, and benefits for assigned employees, landscaping maintenance, oversight, and management of the City's Street System.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Maintained the City's streets through pothole repairs as needed.
- Maintained street landscaping as efficiently as possible.
- Maintained street striping and signage.
- Maintained the stormwater drainage and retention pond system.
- Implemented year-three programs of the Stormwater Program.
- Completed the active transportation plan sidewalk project.
- Planned for the Gonzales Old Town Low Impact Development project (GOTLID).

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Improve street landscaping with no water and low-impact design.
- Manage the stormwater ponds in an efficient manner.
- Continue to maintain the Striping and Street Sign Program.
- Implement year-four programs of the City's municipal Stormwater Program.
- Complete the Gonzales Old Town Low Impact Development Grant Project.
- Repave Alta Street.

**FY 2017-2018 RECOMMENDED BUDGET**

This Fund's FY 2017-2018 Recommended Budget represents an overall decrease of (\$404,340) or (26%) in expenditures, and an increase of \$37,611 or 3% in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$441,951).

*Estimated Fund Balance*

The year-end Fund Balance is estimated to be \$257,089 as of June 30, 2017.

### Revenue

This budget reflects revenue received from several State taxes, the Soledad Subvention funds, and Proposition 84 Grant proceeds.

### Personnel

The Public Works Department provides the personnel requirements for this fund, and Fund 130 reflects portions of the Public Works salaries.

### Services and Supplies

This fund included services such as engineering for street maintenance, improvements, and planning. Supplies for street maintenance are also included in this fund, as well as street striping and pothole repairs. Street trees are also funded in this account.

### Capital Projects/Fixed Assets

Funds are set aside to be used towards the Alta Street repaving project included in this year's budget. Street sign replacement and sound wall maintenance are also part of this budget. This section includes funds for the Proposition 84 Low Impact Development Grant Project, and stormwater infiltration improvements. The budget also includes the purchase of a used replacement dump truck.

## **MAJOR POLICY CONSIDERATIONS**

The major policy consideration for this fund is how to pay for the needed repairs for Alta Street. The longer the project is delayed, the more the need and cost.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year Actual	Original Budget	Amended Budget	Actual Thru April	Estimated Total	YE Projected	FY 2017/2018	Adopted
<b>Fund: 130 - Street Fund</b>								
Revenues								
Dept: 000								
5212.000 TAMC Sales Tax	0	0	0	0	0		146,000	
5515.000 Interest Income	1,568	800	800	1,284	800			
5613.000 State Gas Tax 2103	42,930	124,000	20,189	17,391	20,189	20,189	34,000	
5615.000 State Gas Tax 2105	46,920	60,000	49,177	35,074	49,177	49,177	49,247	
5616.000 State Gas Tax 2106	24,735	24,000	34,499	18,551	34,499	34,499	34,544	
5617.000 State Gas Tax 2107	61,097	64,000	63,523	43,352	63,523	63,523	63,620	
5618.000 State Gas Tax 2107.5	2,000	2,000	2,000	2,000	2,000	2,000	2,000	
5637.000 Grant Proceeds	0	800,000	800,000	0	800,000	965,000	708,000	
5666.000 Soledad Subvention	159,332	160,000	160,000	92,442	160,000	184,884	185,000	
5821.000 Other Income - Reimbursements	82,481	0	0	53,032	0	54,000	50,000	
5920.000 Transfer from Cal Breeze Pks	22,800	22,800	22,800	0	22,800	22,800	22,800	
5921.000 Transfer from Cal Breeze #1	0	0	0	0	0			
5922.000 Transfer from Cal Breeze #2	0	0	0	0	0			
5923.000 Transfer from Cal Breeze#3	0	0	0	0	0			
5940.000 Transfer from Canyon Parks	30,000	30,000	30,000	0	30,000	30,000	30,000	
5941.000 Transfer from Canyon Maint 1	0	0	0	0	0			
5942.000 Transfer from Canyon Maint 2	0	0	0	0	0			
5944.000 Transfer from Canyon Maint 3	0	0	0	0	0			
5947.000 Transfer from Industrial Park	4,700	4,700	4,700	0	4,700	4,700	4,700	
5951.000 Transfers From 405	0	0	0	0	0			
5952.000 Transfers From 140	0	0	0	0	0			
5957.000 Transfer from Cipriani Mainten	7,700	7,700	7,700	0	7,700	7,700	7,700	
5960.000 Transfer From Fund 180	0	0	0	0	0			
5961.000 Transfer from 122	0	0	0	0	0			
5964.000 Transfer From Fund 402	0	0	0	0	0			
Dept: 000	486,263	1,300,000	1,195,388	263,126	1,195,388	1,438,472	1,337,611	0
Total Revenues	486,263	1,300,000	1,195,388	263,126	1,195,388	1,438,472	1,337,611	0
Expenditures								
Dept: 000								
6110.000 Salaries-Regular Pay	109,955	214,340	214,340	106,354	214,340	214,340	222,897	
6111.000 Salaries-Overtime Pay	4,161	3,200	4,000	3,085	4,000	4,000	3,200	
6113.000 Salaries-Differentials	3,512	11,000	11,000	1,919	11,000	3,500	11,135	
6131.000 Deferred Compensation Expense	2,380	4,875	4,875	722	4,875	4,875	4,945	
6132.000 Retirement - PERS	10,910	43,435	43,435	6,768	43,435	12,000	45,095	
6140.000 Life and Disability Insurance	1,052	3,197	3,197	827	3,197	3,197	3,565	
6150.000 Workers Comp Insurance	5,528	3,250	3,250	8,670	3,250	8,670	8,835	

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			Estimated Total	(6)	(7)	(8)
	Year Actual	Original Budget	Amended Budget	Actual Thru April		YE Projected	FY 2017/2018	Adopted
Fund: 130 - Street Fund								
Expenditures								
Dept: 000								
6160.000 Social Security	8,686	17,485	17,485	8,107	17,485	17,485	18,148	
6170.000 Health and Dental Insurance	32,358	45,738	45,738	25,746	45,738	45,738	51,320	
6190.000 Other Payroll Tax	0	0	0	0	0			
6210.000 Special Departmental Expenses	9,207	12,000	12,000	7,953	12,000	12,000	12,000	
6211.000 Office Supplies	0	0	0	0	0			
6212.000 Maintenance Supplies	5,619	18,000	18,000	6,089	18,000	10,000	18,000	
6213.000 Oils and Lubricants	4,193	9,000	9,000	4,017	9,000	5,000	10,000	
6214.000 Vehicle Maintenance	0	0	0	0	0			
6220.000 Telephone	450	800	800	447	800	600	800	
6225.000 Utilities	39,351	42,000	42,000	28,350	42,000	35,000	40,000	
6230.000 Legal and Accounting	0	0	0	3,000	0			
6235.000 Engineering and Surveying	53,750	125,000	125,000	179,103	125,000	200,000	80,000	
6245.000 Other Contractual Services	266,687	0	90,000	204,023	90,000	225,000	50,000	
6248.000 Street Sweeping	7,933	31,000	5,000	3,928	5,000	4,000	4,000	
6255.000 Liability Insurance	1,278	1,800	6,951	9,158	6,951	9,158	9,340	
6270.000 Transportation and Travel	0	800	800	0	800		800	
6275.000 Subscriptions and Training	3,560	750	750	0	750		750	
6530.000 Capital Outlay-Improvements	229	875,000	875,000	926,193	875,000	960,000	500,000	
6540.000 Capital Outlay-Equipment	0	6,500	6,500	0	6,500		5,000	
6541.000 Equipment-Machinery	0	0	0	0	0			
6542.000 Equipment-Vehicles	0	65,000	65,000	0	65,000		30,000	
6900.000 Transfers to General Fund	0	0	0	0	0			
6905.000 Transfers Out	0	0	0	0	0			
6928.000 Transfer to Street Fund [180]	0	0	0	0	0			
Dept: 000	570,799	1,534,170	1,604,121	1,534,459	1,604,121	1,774,563	1,129,830	0
Total Expenditures	570,799	1,534,170	1,604,121	1,534,459	1,604,121	1,774,563	1,129,830	0
Street Fund	-84,536	-234,170	-408,733	-1,271,333	-408,733	-336,091	207,781	0



# **Supplemental Law Enforcement Budget Narrative for 2017-2018 Budget Fund 150**

## **DEPARTMENTAL MISSION**

The Supplemental Law Enforcement Fund is administered by the Police Department as a fiscal record keeping fund that tracks grant funding, that the City has obtained from the Federal and State governments. The grant funding supports the City's Mission by working in a fiscal responsible manner to provide public safety services to our residents, businesses, and visitors.

The safety of Gonzales' residents is the number one concern of the Police Department. The collaborative working relationship with other government agencies to provide law enforcement funding, continues to assist our City in providing these services to our diverse community.

## **ACCOMPLISHMENTS FOR FY-2016-2017**

Please see Budget Unit 300.

## **DEPARTMENTAL GOALS FOR FY 2017-2018**

Please see Budget Unit 300.

## **FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents a decrease of (\$5,000) or (3%) in expenditures, and no change in revenues, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$5,000).

### *Estimated Fund Balance*

The year end Fund Balance is estimated to be \$43,261 as of June 30, 2017.

### *Revenues*

As in past years, the recommended budget for Fund 150 anticipates the \$100,000 payment in COPS funding from the State of California still being received by the City. The State has in the past, attempted to divert these funds away from Cities. This fund also receives Supplemental Law Enforcement funds provided by California Government Code 30061.

While Gonzales currently uses this revenue to help support the salaries of two front line Police Officers, the reality is that the funding is no longer adequate to pay those salaries in full, and General Fund monies are needed to off-set the difference.

### Personnel

The Supplemental Law Enforcement Fund is designed as the fund where grant monies are funneled when they are received by the City. The City is currently obtaining funding of \$100,000 a year from the COPS Fast Grant Program. These funds are managed by the State of California when they are received from the Federal government.

Once the funds are received, they are transferred to the Public Safety Fund (210), where they are used for personnel costs as outlined above.

### Services and Supplies

There is a minimal appropriation in special department expenses in the event something comes up during the fiscal year.

### Capital Projects/Fixed Assets

There are no capital projects or fixed assets associated with this fund.

## **MAJOR POLICY CONSIDERATIONS**

The City must continue to have some concern that there could be a loss in funding if the Federal or State Governments cut or eliminate the funding of the COPS Fast Grant Program.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 150 - Supplemental Law Enforcement								
Revenues								
Dept: 000								
5515.000 Interest Income	0	0	0	0	0			
5630.000 SLESF Revenue	56,356	49,000	49,000	51,806	49,000	59,000	49,000	
5632.000 COPS FAST Grant	114,618	100,000	100,000	87,657	100,000	100,000	100,000	
5821.000 Other Income - Reimbursements	0	0	0	66	0			
Dept: 000	170,974	149,000	149,000	139,529	149,000	159,000	149,000	0
Total Revenues	170,974	149,000	149,000	139,529	149,000	159,000	149,000	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	14,314	5,000	5,000	3,051	5,000	4,000	5,000	
6245.000 Other Contractual Services	0	0	0	0	0			
6260.000 Advertising	0	0	0	0	0			
6450.000 Prior Year Adjustment	0	0	0	0	0			
6540.000 Capital Outlay-Equipment	0	0	0	0	0			
6541.000 Equipment-Machinery	0	0	0	0	0			
6542.000 Equipment-Vehicles	0	0	0	0	0			
6900.000 Transfers to General Fund	0	0	0	0	0			
6924.000 Transfer to SLESF	0	0	0	0	0			
6925.000 Transfer to Public Safety	142,851	149,000	149,000	0	149,000	155,000	144,000	
Dept: 000	157,165	154,000	154,000	3,051	154,000	159,000	149,000	0
Total Expenditures	157,165	154,000	154,000	3,051	154,000	159,000	149,000	0
Supplemental Law Enforcement	13,809	-5,000	-5,000	136,478	-5,000	0	0	0

**Fire Impact Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 190**

**DEPARTMENTAL MISSION**

This Fund is administered by the Public Safety Department and supports the City's Mission and Vision by providing funding for needed equipment and for future needs of the Fire Department when new developments come to Gonzales. These funding sources allow the Department to provide services to our residents, businesses, and visitors, and ensure their safety.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Collected Impact Fees for all new development in the City limits.
- Collected Impact Fees for all new development in the Gonzales Rural Fire Protection District.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to collect all applicable Impact Fees from new development in the City, and the Gonzales Rural Fire Protection District.
- Maintain current equipment owned by the City to ensure adequate responses to public safety emergencies within the City and Rural District.
- Insure that the Department has adequate equipment to handle public safety emergency brought on by new development.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget shows an increase of \$5,000 in expenditures, and an increase of \$10,150 or 67% in revenues, when compared to the FY 2016-2017 Approved Budget. As a result, the Net Cost is decreased by (\$5,150).

*Estimated Fund Balance*

The year-end Fund Balance is estimated to be \$33,750 as of June 30, 2017.

*Revenues*

Revenues will continue to be collected and may increase if further development is approved.

Personnel

There are no personnel costs associated with this fund.

Services and Supplies

An appropriation of \$5,000 has been set aside in the event that it is needed during the fiscal year.

Capital Projects/Fixed Assets

None are planned at this time.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in this budget.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 190 - Fire Impact Fund								
Revenues								
Dept: 000								
5270.000 Fire Impact Fees	11,907	15,000	25,000	24,875	25,000	25,000	25,000	
5510.000 Investment Income	0	0	0	0	0			
5515.000 Interest Income	198	0	0	158	0	150	150	
5650.000 Prop. 172 Revenue	0	0	0	0	0			
5701.000 Charges for Current Services	0	0	0	0	0			
5821.000 Other Income - Reimbursements	0	0	0	0	0			
5850.000 CASH CLEARING	0	0	0	0	0			
Dept: 000	12,105	15,000	25,000	25,033	25,000	25,150	25,150	0
Total Revenues	12,105	15,000	25,000	25,033	25,000	25,150	25,150	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	964	0	1,000	5,000	
6212.000 Maintenance Supplies	0	0	0	0	0			
6245.000 Other Contractual Services	0	0	0	13,004	0	13,004		
6530.000 Capital Outlay-Improvements	23,503	0	0	3,389	0	3,389		
6540.000 Capital Outlay-Equipment	0	0	0	0	0			
6542.000 Equipment-Vehicles	0	0	15,000	34,803	15,000	34,803		
Dept: 000	23,503	0	15,000	52,160	15,000	52,196	5,000	0
Total Expenditures	23,503	0	15,000	52,160	15,000	52,196	5,000	0
Fire Impact Fund	-11,398	15,000	10,000	-27,127	10,000	-27,046	20,150	0

**General Plan Impact Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 200**

**DEPARTMENTAL MISSION**

This Fund is administered by the Community Development Department, and was established to pay for periodic updates and revisions to the Gonzales General Plan and follow-up work in support of the General Plan. The financial resources supporting the fund are General Plan Maintenance Impact Fees, transfers from the general fund and other City accounts, grants, and interest income of funds on deposit.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Held several meetings with interested landowners within the General Plan's Urban Growth Area (expanded Sphere of Influence), regarding their interest in preparing a Specific Plan for the future developed of urban uses.
- Met with the land developers and/or landowners with land-holdings or property options within the new growth area of the General Plan, to prepare a funding agreement to collect the financial resources necessary to fund the preparation of infrastructure studies in support of implementation of the General Plan.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Coordinate with the land developers and/or landowners with land-holdings or property options within the new growth area of the General Plan, to prepare a funding agreement to collect the financial resources necessary to fund the preparation of infrastructure studies in support of implementation of the General Plan.

**FY 2017-2018 RECOMMENDED BUDGET**

The Fund was originally created to address the financial needs of updating and maintaining the City's General Plan. With the adoption of the General Plan in January 2011, the fund has been idle for the past six years. There are no changes in expenditures and revenues from the prior year.

Revenues

Revenues reflected in this fund are contributions from the land developers, and/or landowners with land-holdings or property options within the new growth area of the City's General Plan. Revenues also reflect the transfer-in of the fund balance from Budget Fund 201 (Sphere of Influence Impact).

Personnel

The City Manager, Deputy City Manager/Community Development Director, and other Department Heads, will participate in the completion of program tasks and duties.

Other Contractual Services

Consultant resources will be engaged to provide expertise, as necessary.

**MAJOR POLICY CONSIDERATIONS**

The City Council will consider the approval of funding agreements with the land developers and/or landowners, with land-holdings or property options within the new growth area of the General Plan to collect the financial resources necessary to fund the preparation of infrastructure studies in support of implementation of the General Plan.



BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year	Original	Amended	Actual Thru	Estimated			
	Actual	Budget	Budget	April	Total	YE Projected	FY 2017/2018	Adopted
Fund: 200 - General Plan Impact Fund								
Revenues								
Dept: 000								
5355.000	0	882,707	882,707	0	882,707	882,707	882,707	
5515.000	0	0	0	0	0			
5900.000	25,000	0	0	0	0			
5905.000	25,000	0	0	0	0			
5966.000	34,443	0	0	0	0			
Dept: 000	84,443	882,707	882,707	0	882,707	882,707	882,707	0
Total Revenues	84,443	882,707	882,707	0	882,707	882,707	882,707	0
Expenditures								
Dept: 000								
6210.000	0	0	0	0	0			
6230.000	0	0	0	0	0			
6245.000	4,500	882,707	882,707	0	882,707	882,707	882,707	
6260.000	0	0	0	0	0			
6450.000	0	0	0	0	0			
6900.000	0	0	0	0	0			
Dept: 000	4,500	882,707	882,707	0	882,707	882,707	882,707	0
Total Expenditures	4,500	882,707	882,707	0	882,707	882,707	882,707	0
General Plan Impact Fund	79,943	0	0	0	0	0	0	0

**Sphere of Influence Impact Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 201**

**DEPARTMENTAL MISSION**

This Fund is administered by the Community Development Department, and was established to fund the processing of a Sphere of Influence Amendment with Monterey County LAFCO, which is intended to extend the City's Sphere of Influence boundary to include the new growth area as approved in the City's 2010 General Plan. The financial resources supporting the fund are contributions from the land developers, and/or landowners with land-holdings or property options within the new growth area of the City's General Plan.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- No activity.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- No activity is anticipated.

**FY 2017-2018 RECOMMENDED BUDGET**

The fund was originally created to address the financial needs associated with completing a Memorandum of Agreement by and between the City and the County for orderly planning, growth and development, and the preparation and processing of an application for an amendment to the City's Sphere of Influence with the Land Agency Formation Commission of Monterey County (LAFCO). LAFCO approved the City's request for a Sphere of Influence Amendment in September 2014.

This budget fund will be inactive in FY 2017-2018.

Revenues

Revenues for this fund are contributions from the land developers, and/or landowners with land-holdings or property options within the new growth area of the City General Plan, who participated in the preparation and submittal of an application to Monterey County LAFCO, proposing a Sphere of Influence Amendment in support of the adopted General Plan.

Personnel

The City Manager, Deputy City Manager/Community Development Director, and other Department Heads, participate in the completion of program tasks and duties.

## **MAJOR POLICY CONSIDERATIONS**

None at this time.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 201 - Sphere of Influence Impact								
Revenues								
Dept: 000								
5262.000 Sphere of Influence Fees	0	0	0	0	0			
Dept: 000	0	0	0	0	0	0	0	0
Total Revenues	0	0	0	0	0	0	0	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	0	0			
6211.000 Office Supplies	0	0	0	0	0			
6230.000 Legal and Accounting	0	0	0	0	0			
6245.000 Other Contractual Services	0	0	0	0	0			
6260.000 Advertising	0	0	0	0	0			
6956.000 Transfer To Fund 200	34,443	0	0	0	0			
6957.000 Transfer To Fund 203	0	0	0	0	0			
Dept: 000	34,443	0	0	0	0	0	0	0
Total Expenditures	34,443	0	0	0	0	0	0	0
Sphere of Influence Impact	-34,443	0	0	0	0	0	0	0

**Public Safety Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 210**

**DEPARTMENTAL MISSION**

This fund is administered by the Gonzales Police Department, who supports the Vision and Mission of the City of Gonzales by providing a cooperative community policing philosophy, to provide law enforcement services to our residents, businesses, and visitors.

The chief goal of the Department is the safety of all of our residents and visitors. The Department takes a zero tolerance approach to all crime issues that face Gonzales. It is this collaborative working relationship with our businesses, and residents that makes Gonzales one of the safest communities in Monterey County.

**ACCOMPLISHMENTS FOR FY 2016-20167**

Please see Budget Unit 300.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

Please see Budget Unit 300.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents an increase of \$45,870 or 20% in expenditures, and a minimal increase in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Net Cost is increased by \$44,383.

Revenues

The reason for the increase is the transfer from the General Fund needed to balance the budget.

The funds contained in this fund are a pass through from Fund 150, and also include AB 109 grant funds. They are used to pay salaries, and other direct front line efforts. AB 109 Funding is being used to purchase equipment for the Department, explorer program, and items used for community outreach, such as the National Night Out in August.

The revenue source continues to hold steady, but it is no longer sufficient to fully cover the cost of the two Police Officers allocated to this fund.

### Personnel

The Public Safety Fund is where grant monies collected in the Supplemental Law Enforcement Fund (150) are transferred to be used to pay the partial salaries and benefits for two Officers. The remaining costs are funded through the City's General Fund. At its inception, the fund was able to cover all of the salaries, benefits, and associated costs of one and a half Police Officer positions.

With the cost of employee salaries and benefits rising, this fund can no longer support the complete cost of two Police Officers Positions as it did when it was created approximately ten years ago.

### Services and Supplies

Services or supplies reflect contractual services for direct front line community activities and equipment needs of the Department.

### Capital Projects/Fixed Assets

There are no capital projects or fixed assets associated with this fund.

## **MAJOR POLICY CONSIDERATIONS**

As mentioned in the Narrative for Fund 150 – Supplemental Law Enforcement, the City must continue to address the inability of the current funding source to fully fund this program.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 210 - Public Safety Fund								
Revenues								
Dept: 000								
5425.000 Vehicle Abatement Fees	5,801	5,000	5,000	2,401	5,000	3,000	5,000	
5515.000 Interest Income	0	0	0	0	0			
5632.000 COPS FAST Grant	0	0	0	8,333	0			
5646.000 AB 109	25,149	18,000	18,000	0	18,000	18,000		
5647.000 Award 20 Grant	0	0	0	0	0			
5926.000 Transfer from SLESF	142,851	149,000	149,000	0	149,000	155,000	144,000	
5930.000 Transfer from General Fund	0	95,000	95,000	0	95,000	97,039	119,487	
Dept: 000	173,801	267,000	267,000	10,734	267,000	273,039	268,487	0
Total Revenues	173,801	267,000	267,000	10,734	267,000	273,039	268,487	0
Expenditures								
Dept: 000								
6110.000 Salaries-Regular Pay	98,181	108,225	108,225	86,266	108,225	108,225	113,614	
6111.000 Salaries-Overtime Pay	35,810	12,000	12,000	40,562	12,000	40,000	40,000	
6111.500 Overtime - Click It/Ticket It	0	0	0	0	0			
6113.000 Salaries-Differentials	10,246	12,276	12,276	8,804	12,276	12,276	12,888	
6120.000 Unemployment Insurance	0	0	0	0	0			
6131.000 Deferred Compensation Expense	6,636	5,555	5,555	3,478	5,555	5,555	5,893	
6132.000 Retirement - PERS	9,301	24,260	24,260	9,945	24,260	24,260	25,464	
6140.000 Life and Disability Insurance	976	1,955	1,955	853	1,955	1,955	2,031	
6150.000 Workers Comp Insurance	7,837	4,450	4,450	11,872	4,450	11,872	12,100	
6160.000 Social Security	10,644	10,136	10,136	10,304	10,136	10,136	12,737	
6170.000 Health and Dental Insurance	18,304	23,760	23,760	11,057	23,760	23,760	23,760	
6210.000 Special Departmental Expenses	0	0	0	0	0			
6245.000 Other Contractual Services	40,787	20,000	20,000	32,255	20,000	35,000	20,000	
6450.000 Prior Year Adjustment	0	0	0	0	0			
6540.000 Capital Outlay-Equipment	0	0	0	0	0			
6544.000 Equipment-Computers	0	0	0	0	0			
6900.000 Transfers to General Fund	0	0	0	0	0			
6924.000 Transfer to SLESF	0	0	0	0	0			
Dept: 000	238,722	222,617	222,617	215,396	222,617	273,039	268,487	0
Total Expenditures	238,722	222,617	222,617	215,396	222,617	273,039	268,487	0
Public Safety Fund	-64,921	44,383	44,383	-204,662	44,383	0	0	0

**Police Department CalGrip Grant  
Budget Narrative FY 2017-2018  
Budget Fund 216**

**DEPARTMENTAL MISSION**

The Gonzales Police Department supports the Vision and Mission of the City by providing public safety services to all of our residents and visitors. These services are provided using a cooperative community policing philosophy, in which the Department works with the residents to solve crime and quality of life issues in our diverse community.

The number one concern of the Department is the safety of all of our residents and visitors. The Department takes a zero tolerance to crime, and works aggressively to solve those crimes that do occur. This Budget Unit represents funding secured by the CalGrip grants that the City was awarded along with the City of Soledad, City of Greenfield, and City of King.

The City has not received any funding under the Cal-Grip program for over two years.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Continue to work collaboratively with Soledad, Greenfield and King City to address gang related crime, and issues. The Cities have continued to meet monthly to bring community based organizations, the clergy, and regional partners to the table to work towards solutions in South County.
- The Department completed several of the bench marks in the Strengthening Law Enforcement and Community Relations Grant.

**DEPARTMENTAL GOALS FOR 2017-2018**

- Continue working with Community Partners to bring services to the region.
- Continue the partnership with Gonzales School Unified District to not only address the current gang issues that we have, but also to identify those youth who may be starting down that path.
- Continue suppression efforts within the region to apprehend wanted gang members.
- Work with all partners to secure future funding sources.
- Continue to work with the three other Cities, in meeting additional bench marks with the Strengthening Law Enforcement and Community Relations Grant.



## **FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget reflects no expenditures and revenues when compared to the FY 2016-2017 Budget. As a result, there is no Net Cost.

### Revenues

At this time, there are no funding sources for the 4C4P Initiative in Southern Monterey County; as a result, no grant funds are reflected in the budget.

### Personnel

While at this time there are no grant funds to support the 4C4P effort, City personnel will continue to work on this regional effort.

### Services and Supplies

There are no services or supplies associated with this fund in FY 2017-2018.

### Capital Projects/Fixed Assets

There are no Capital Projects funded under this budget fund.

## **MAJOR POLICY CONSIDERATIONS**

None.

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year	Original	Amended	Actual Thru	Estimated	YE Projected	FY 2017/2018	Adopted
	Actual	Budget	Budget	April	Total			
Fund: 216 - CalGRIP Fund								
Revenues								
Dept: 000								
5637.000	Grant Proceeds	0	0	0	0			
5821.000	Other Income - Reimbursements	0	0	0	0			
<hr/>								
Dept: 000								
	Total Revenues	0	0	0	0	0	0	0
<hr/>								
Expenditures								
Dept: 000								
6245.000	Other Contractual Services	0	0	0	0			
6450.000	Prior Year Adjustment	0	0	0	0			
6900.000	Transfers to General Fund	0	0	0	0			
<hr/>								
Dept: 000								
	Total Expenditures	0	0	0	0	0	0	0
<hr/>								
	CalGRIP Fund	0	0	0	0	0	0	0

**Community Law Enforcement Grant  
Budget Narrative for FY 2017-2018  
Budget Fund 217**

**DEPARTMENTAL MISSION**

The Gonzales Police Department supports the Vision and Mission of the City by providing public safety services to all residents and visitors. These services are provided using a cooperative community policing philosophy, in which the Department works with the residents to solve crime and quality of life issues in our diverse community. The number one concern of the Department is the safety of all of our residents and visitors. The Department takes a zero tolerance to crime, and works aggressively to solve those crimes that do occur.

This Budget Unit represents funding secured through the California Board of State and Community Corrections (BSCC), under the Strengthening Law Enforcement and Community Relations Grant Program, which awarded \$850,000 to the City of Gonzales (Lead Agency), to include the cities of Soledad, Greenfield, and King, in order to gain funds for the four cities to develop program elements that would support a regional approach (Four Cities United Initiative), that would mold a culture of trust and inclusion between law enforcement agents and community members, reduce crime, increase law enforcement's understanding of the cultural values of the communities they serve, train law enforcement officers in the areas of mental health and implementation of cultural competency, and provide Spanish language education for law enforcement officers within South Monterey County.

The Strengthening Law Enforcement and Community Relations Grant is funded through a two year BSCC grant program which is scheduled to allocate approximately \$207,725 to the City of Gonzales during the two year grant period. The planned grant funding allocated to the City of Gonzales in FY 2016-2017 was approximately \$66,750. For FY 2017-2018 the funding allocation is forecasted to be approximately \$140,975.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- The Gonzales Police Department, as the Lead Agency for the Four Cities United Initiative, successfully submitted a grant application to the BSCC under the Strengthening Law Enforcement and Community Relations Grant Program, and was awarded \$850,000 for the Four Cities United Initiative.
- Worked collaboratively with the Four Cities United Initiative, and developed administrative guidelines, operation plans, and fiscal policies in order to support

the partners participating in the Strengthening Law Enforcement and Community Relations Grant program established by the Four Cities United Initiative.

## **DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to work collaboratively with the partners of the Four Cities United Initiative.
- Continue to leverage the success of the Four Cities United Initiative's Strengthening Law Enforcement and Community Relations grant program to secure future funding for the law enforcement agencies, and communities within the South Monterey County region.

## **FY 2017-2018 RECOMMENDED BUDGET**

The Fund's FY 2017-2018 Recommended Budget reflects the allocation of \$543,363 in grant fund revenues, and expenditures of which the City of Gonzales will be receiving \$140,975 to offset General Fund expenditures for the BSCC grant. There were no expenditures and revenues for this fund in the FY 2016-2017 Original Budget; as a result, a percentage comparison to the prior year is not meaningful.

### Revenues

Under the BSCC Strengthening Law Enforcement and Community Grant program, the City of Gonzales was allocated approximately \$207,725 for the two year grant period. The planned grant funding allocated in FY 2016-2017 was approximately \$66,750. The grant funding anticipated for FY 2017-2018 is approximately \$140,975.

### Personnel

By way of the BSCC grant award, the City was allocated approximately \$171,713 to augment Personnel costs (salaries and benefits) recognized by the City. The amount allocated to Personnel costs in FY 2016-2017 was approximately \$51,362. The Personnel costs allocation for FY 2017-2018 is approximately \$120,351.

### Services and Supplies

By way of the BSCC grant award, the City was allocated approximately \$13,197 to augment Services & Supplies costs recognized by the City. The amount allocated to Services & Supplies costs in FY 2016-2017 was approximately \$2,470. The Services and Supplies costs allocation for FY 2017-2018 is approximately \$10,727.

### Equipment

By way of the BSCC grant award, the City was allocated approximately \$15,600 to augment Equipment costs recognized by the City. The amount allocated to Equipment costs in FY 2016-2017 was approximately \$10,759. The Equipment costs allocation for FY 2017-2018 is approximately \$4,851.

### Training & Travel

By way of the BSCC grant award, the City was allocated approximately \$7,215 to augment Travel & Training costs recognized by the City. The amount allocated to Travel & Training costs in FY 2016-2017 was approximately \$2,140. The Travel and Training costs allocation for FY 2017-2018 is approximately \$5,075.

## **MAJOR POLICY CONSIDERATIONS**

As detailed above, the City of Gonzales successfully applied for, and received a grant award from the California Board of State and Community Corrections in the amount of \$850,000. Under the grant award, the allocation to the City of Gonzales was approximately \$207,725, and the remaining balance of \$642,275 was allocated to other members of the Four Cities United Initiative in accordance with a BSCC approved distribution plan. The BSCC grant award is based on a cost reimbursement format; therefore, under BSCC grant guidelines, the City of Gonzales will be reimbursed for costs (salaries and benefits, services and supplies, professional services, community partner contracts, data collection/evaluation, equipment, and travel and training) in an amount not to exceed approximately \$140,975 in FY 2017-2018.

*Note: In FY 2016-2017, the City of Gonzales was reimbursed approximately \$66,750 for cost associated with the BSCC Strengthening Law Enforcement and Community Relations Grant Program.*

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year	Original	Amended	Actual Thru	Estimated	YE Projected	FY 2017/2018	Adopted
	Actual	Budget	Budget	April	Total			
Fund: 217 - Community LawEnforcement Gran								
Revenues								
Dept: 000								
5515.000	Interest Income	0	0	0	0	0		
5637.000	Grant Proceeds	0	350,000	90,468	350,000	306,637	543,363	
	Dept: 000	0	350,000	90,468	350,000	306,637	543,363	0
	Total Revenues	0	350,000	90,468	350,000	306,637	543,363	0
Expenditures								
Dept: 000								
6210.000	Special Departmental Expenses	0	0	59	0			
6245.000	Other Contractual Services	0	350,000	106,262	350,000	295,905	543,363	
6544.000	Equipment-Computers	0	0	10,732	0	10,732		
	Dept: 000	0	350,000	117,053	350,000	306,637	543,363	0
	Total Expenditures	0	350,000	117,053	350,000	306,637	543,363	0
	Community LawEnforcement Gran	0	0	-26,585	0	0	0	0

**Police Impact Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 220**

**DEPARTMENTAL MISSION**

This fund is administered by the Gonzales Police Department who supports the Vision and Mission of the City by providing public safety services, based on a cooperative community policing platform, to insure the safety of all of our residents, businesses, and visitors.

**DEPARTMENTAL PROGRAMS**

This fund is used to track revenues and expenditures associated with collection of Police Impact Fees received from new development within the City. Growth induced costs may be funded by the Budget Unit.

**ACCOMPLISHMENTS FOR FY 2016-2017**

Please see Budget Unit 300.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

Please see Budget Unit 300.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget reflects a decrease of (\$21,000) or (80%) in expenditures, and an increase of \$12,000 or 40% in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$33,000).

Revenues

The budget reflects revenues expected from development.

Personnel

There are no personnel costs reflected in this budget.

Services and Supplies

This budget reflects funds to cover any expenses that may come up.

Capital Projects and Fixed Assets

None.

**MAJOR POLICY CONSIDERATIONS**

None.



BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 220 - Police Impact Fund								
Revenues								
Dept: 000								
5271.000 Police Impact Fees	8,546	30,000	30,000	19,715	30,000	20,000	42,000	
5510.000 Investment Income	0	0	0	0	0			
5515.000 Interest Income	0	0	0	0	0			
5701.000 Charges for Current Services	69	0	0	0	0			
Dept: 000	8,615	30,000	30,000	19,715	30,000	20,000	42,000	0
Total Revenues	8,615	30,000	30,000	19,715	30,000	20,000	42,000	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	10,901	16,000	16,000	0	16,000		5,000	
6211.000 Office Supplies	0	0	0	0	0			
6212.000 Maintenance Supplies	0	0	0	0	0			
6245.000 Other Contractual Services	0	0	0	0	0			
6316.000 Administrative Fees	0	0	0	0	0			
6325.000 Contingency Account	0	0	0	0	0			
6335.000 Block Grant Expenditures	0	0	0	0	0			
6530.000 Capital Outlay-Improvements	10,901	0	0	5,477	0	5,477		
6540.000 Capital Outlay-Equipment	0	0	0	0	0			
6542.000 Equipment-Vehicles	0	10,000	10,000	20,000	10,000	55,000		
Dept: 000	21,802	26,000	26,000	25,477	26,000	60,477	5,000	0
Total Expenditures	21,802	26,000	26,000	25,477	26,000	60,477	5,000	0
Police Impact Fund	-13,187	4,000	4,000	-5,762	4,000	-40,477	37,000	0

**Sewer Impact Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 230**

**DEPARTMENTAL MISSION**

This impact fund is administered to provide Wastewater Treatment Facility improvements to support growth in Gonzales in a cost-effective manner.

**DEPARTMENTAL PROGRAMS**

- Plan for needed improvements required to support orderly growth in Gonzales.
- Implement a program to assess and collect appropriate fees to fund needed improvements.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Initiated discussion with state regulators for requirements to increase WWTP expanded capacity.
- Began an engineering study to increase capacity of the existing Treatment Plant.
- Started studying de-nitrification and regionalization as required by State regulators.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Develop an interim and long term Wastewater Management Plan.
- Develop a De-nitrification Plan.
- Improve the Supervisory Control Access and Data Acquisition (SCADA) System.
- Complete study for increased Wastewater Treatment capacity.
- Complete a long-term Sludge Removal Plan.

**FY 2017-2018 RECOMMENDED BUDGET**

This Fund's FY 2017-2018 Recommended Budget represents no change in expenditures, and an increase of \$80,000 or 390% in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$80,000).

Revenues

Revenues are anticipated from development. Revenue from one project is included in the proposed budget.

Estimated Fund Balance

The year-end fund balance is estimated to be \$868,812 as of June 30, 2017.

Personnel

There are no personnel costs related to this budget.

Services and Supplies

Services and supplies reflect contractual services to study the Wastewater Treatment Plant increased capacity options, De-nitrification Plan, and fee program.

Capital Projects/Fixed Assets

This budget reflects no capital projects.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in this budget. When the Wastewater Treatment Plant expanded capacity study is completed, there will be major decisions to be made about type of treatment to be pursued in the future, and the funding for that process. Those decisions will be brought to the Council when available studies are completed.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 230 - Sewer Impact Fund								
Revenues								
Dept: 000								
5272.000 Sewer Impact Fees	6,199	20,000	60,000	55,413	60,000	60,000	100,000	
5510.000 Investment Income	0	0	0	0	0			
5515.000 Interest Income	945	500	500	1,013	500	500	500	
5860.000 Principal Payments Received	0	0	0	0	0			
Dept: 000	7,144	20,500	60,500	56,426	60,500	60,500	100,500	0
Total Revenues	7,144	20,500	60,500	56,426	60,500	60,500	100,500	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	0	0			
6212.000 Maintenance Supplies	0	0	0	0	0			
6235.000 Engineering and Surveying	2,233	50,000	50,000	0	50,000		50,000	
6245.000 Other Contractual Services	0	20,000	20,000	0	20,000	10,000	20,000	
6954.000 Transfer To Fund 460	0	0	0	0	0			
6955.000 Transfer to 407	0	0	0	0	0			
Dept: 000	2,233	70,000	70,000	0	70,000	10,000	70,000	0
Total Expenditures	2,233	70,000	70,000	0	70,000	10,000	70,000	0
Sewer Impact Fund	4,911	-49,500	-9,500	56,426	-9,500	50,500	30,500	0

**Circulation System Impact Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 235**

**DEPARTMENTAL MISSION**

This impact fund is administered to provide transportation system improvements required for orderly growth in Gonzales, in an efficient and effective manner.

**DEPARTMENTAL PROGRAMS**

- This fund is used to plan and implement street system improvements necessary to accommodate growth of the City.
- This fund assesses and collects appropriate fees to fund needed transportation improvements for planned growth.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Coordinated transportation planning efforts for improvements to Alta Street.
- Collected approved fees for system improvements.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to plan needed transportation improvements.
- Complete Alta repaving project.

**FY 2017-2018 RECOMMENDED BUDGET**

This Fund's FY 2017-2018 Recommended Budget represents an increase of \$425,000 in expenditures or 1700%, and a decrease of (\$12,500) or (61%) in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$437,500.

Revenues

Revenues are very conservative but are likely to be higher as a result of expected development.

Estimated Fund Balance

The year-end Fund Balance is estimated to be \$507,150 as of June 30, 2017, which is sufficient to cover the Net Cost.

Personnel

There are no personnel costs reflected in this budget.

Services and Supplies

Funding has been earmarked to explore the possibility of a roundabout at Fifth Street Overpass.

Capital Projects/Fixed Assets

Alta Street repaving is the only capital project anticipated for this fiscal year.

**MAJOR POLICY CONSIDERATIONS**

Funds are collected for the Alta Street repavement because of the deteriorated condition of the road. Traffic impact fees and other sources will be needed to complete the project. For example, staff is working on putting a funding packet together that includes the City's share of the Regional Transportation Tax, Impact Fees, and other existing and new sources.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			Estimated Total	(6)	(7)	(8)
	Year Actual	Original Budget	Amended Budget	Actual Thru April		YE Projected	FY 2017/2018	Adopted
Fund: 235 - Circulation System Impact								
Revenues								
Dept: 000								
5269.000 TAMC Regional Transportation F	72,085	10,000	10,000	0	10,000			
5278.000 Circulation System Impact Fees	47,467	10,000	10,000	0	10,000		5,000	
5515.000 Interest Income	3,294	500	500	2,811	500	3,000	3,000	
5674.000 Safe Route To School	0	0	0	0	0			
5860.000 Principal Payments Received	18,555	0	0	0	0			
Dept: 000	141,401	20,500	20,500	2,811	20,500	3,000	8,000	0
Total Revenues	141,401	20,500	20,500	2,811	20,500	3,000	8,000	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	15,609	0	0	0	0			
6211.000 Office Supplies	0	0	0	0	0			
6235.000 Engineering and Surveying	0	0	0	0	0			
6240.000 Construction Services	0	0	0	0	0			
6245.000 Other Contractual Services	0	25,000	184,750	29,859	184,750	35,000	50,000	
6317.000 Regional Trans Impact Fee Prog	56,475	0	0	0	0			
6530.000 Capital Outlay-Improvements	0	0	0	0	0		400,000	
6540.000 Capital Outlay-Equipment	0	0	0	0	0			
Dept: 000	72,084	25,000	184,750	29,859	184,750	35,000	450,000	0
Total Expenditures	72,084	25,000	184,750	29,859	184,750	35,000	450,000	0
Circulation System Impact	69,317	-4,500	-164,250	-27,048	-164,250	-32,000	-442,000	0

**Water Impact Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 240**

**DEPARTMENTAL MISSION**

This impact fund is administered to provide water system improvements required by planned growth in Gonzales, in an efficient and effective manner.

**DEPARTMENTAL PROGRAMS**

- This fund is used for improvements to the Water System required to accommodate growth in Gonzales.
- This fund assesses and collects appropriate fees to fund needed Water System improvements for planned growth.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Collected approved impact fees for development projects.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Collect impact fees as appropriate from development.
- Update the Water Impact Fee Study.
- Fund a portion of a replacement well.

**FY 2017-2018 RECOMMENDED BUDGET**

This Fund's FY 2017-2018 Recommended Budget represents an increase of \$530,000 or 1262% in expenditures, and an increase of \$40,100 or 186% in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$489,900.

*Estimated Fund Balance*

The year-end Fund Balance is estimated to be \$1,001,640 as of June 30, 2017.

*Revenues*

Revenues are anticipated from one large development.



Personnel

There are no personnel costs reflected in this budget.

Services and Supplies

This budget reflects funds to develop water system modeling for future expansion. In addition, Impact Fee Study funds are included in this area.

Capital Projects/Fixed Assets

Partial funding for the replacement well is the only capital project reflected in the budget.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in the budget.

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year		Actual Thru April	Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget					
<b>Fund: 240 - Water Impact Fund</b>								
<b>Revenues</b>								
Dept: 000								
5273.000 Water Impact Fees	9,438	20,000	60,000	54,109	60,000	60,000	60,000	
5510.000 Investment Income	0	0	0	0	0			
5515.000 Interest Income	2,199	1,500	1,500	1,888	1,500	1,650	1,600	
5860.000 Principal Payments Received	0	0	0	0	0			
Dept: 000	11,637	21,500	61,500	55,997	61,500	61,650	61,600	0
Total Revenues	11,637	21,500	61,500	55,997	61,500	61,650	61,600	0
<b>Expenditures</b>								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	0	0			
6211.000 Office Supplies	0	0	0	0	0			
6212.000 Maintenance Supplies	0	0	0	0	0			
6235.000 Engineering and Surveying	13,342	40,000	40,000	0	40,000	5,000	20,000	
6245.000 Other Contractual Services	0	2,000	2,000	0	2,000		2,000	
6255.000 Liability Insurance	0	0	0	0	0			
6530.000 Capital Outlay-Improvements	0	0	0	0	0		550,000	
Dept: 000	13,342	42,000	42,000	0	42,000	5,000	572,000	0
Total Expenditures	13,342	42,000	42,000	0	42,000	5,000	572,000	0
Water Impact Fund	-1,705	-20,500	19,500	55,997	19,500	56,650	-510,400	0

**Public Facilities Impact Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 241**

**DEPARTMENTAL MISSION**

This impact fund is administered by the Public Works Department whose Mission is to enhance the quality of life of our residents in an environment of safety, courtesy, integrity, and respect. In order to do so, the department: 1) recognizes quality service to our customers, and the residents of this community are our number one priority; 2) recognizes that a "can-do" attitude is our most valuable resource; 3) provides all services in an ethical, honest, and equitable manner; 4) demonstrates pride and commitment to the work being done by being enthusiastic and professional; 5) is committed to providing services that are responsive, innovative, and fiscally sound; and 6) recognizes the critical importance of working in partnership with the business community in developing a diverse, economically stable City.

**DEPARTMENTAL PROGRAMS**

This fund is used to track expenditures for improvements to City general facilities impacted and/or needed, as a result of development, and/or growth.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Continued discussion on the future expansion of City Hall.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Finalize the design work for the future City Hall.
- Continue to work with the Monterey County Health Department to expand services to the residents of Gonzales.
- Implement/construct American with Disability Act (ADA) Improvements to the Council Chambers and City Hall.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents an increase of \$20,000 in expenditures<sup>1</sup>, and \$21,200 or 706% in revenues, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$1,200).

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<sup>1</sup> No expenditures were budgeted in FY 2016-2017, so a percentage change comparison is not warranted.

Estimated Fund Balance

The year-end Fund Balance is estimated to be \$60,618 as of June 30, 2017.

Revenues

This budget reflects revenues expected from development.

Personnel

There are no personnel costs reflected in this budget.

Services and Supplies

There are no services and supplies reflected in this budget.

Capital Projects/Fixed Assets

Fixed assets reflected in this budget are essentially a set aside to help with the ADA and other improvements to City Hall and the Council Chambers, if needed. This project is primarily being funded by Community Development Block Grants.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in this budget.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year	Original	Amended	Actual Thru	Estimated	YE Projected	FY 2017/2018	Adopted
	Actual	Budget	Budget	April	Total			
Fund: 241 - Public Facilities Impact Mitig								
Revenues								
Dept: 000								
5277.000 Public Facilities Impact Fees	2,693	3,000	24,000	23,275	24,000	23,275	24,000	
5515.000 Interest Income	203	0	0	154	0	200	200	
Dept: 000	2,896	3,000	24,000	23,429	24,000	23,475	24,200	0
Total Revenues	2,896	3,000	24,000	23,429	24,000	23,475	24,200	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	0	0			
6212.000 Maintenance Supplies	0	0	0	0	0			
6245.000 Other Contractual Services	0	0	0	5,046	0	6,500	10,000	
6275.000 Subscriptions and Training	0	0	0	0	0			
6530.000 Capital Outlay-Improvements	0	0	0	7,455	0	9,000	10,000	
Dept: 000	0	0	0	12,501	0	15,500	20,000	0
Total Expenditures	0	0	0	12,501	0	15,500	20,000	0
Public Facilities Impact Mitig	2,896	3,000	24,000	10,928	24,000	7,975	4,200	0

**Public Uses Impact Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 242**

**DEPARTMENTAL MISSION**

This impact fund is administered by the City Manager's Office whose Mission is to implement the Vision and Mission of the City by providing professional leadership, developing innovative approaches and creative partnerships in the management of the City, and executing City Council policies. This will be done by always holding to the highest ideals of public service and ethics.

**DEPARTMENTAL PROGRAMS**

This fund is used to track expenditures for improvements or construction of the Community Center or other community facilities impacted, and/or needed as a result of development, and/or growth.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Council approved a project concept to partner with CHISPA and the Monterey County Free Library to construct a joint multi-family housing and a State of the Art Community Library.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to collect impact funds.
- Work with CHISPA and the Monterey County Free Library to put the agreements, plans, and funding in place for the joint project.
- Continue to work with the GUSD on constructing a much needed second Elementary School.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents an increase in expenditures of \$10,000 over the FY 2016-2017 that had no activity.

Estimated Fund Balance

The year-end Fund Balance is estimated to be \$14,809 as of June 30, 2017.

Revenues & Expenditures

The budget reflects Engineering and Surveying activity to work on the joint project.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in this budget.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year Actual	Original Budget	Amended Budget	Actual Thru April	Estimated Total	YE Projected	FY 2017/2018	Adopted
Fund: 242 - Public Uses Mitigation Fees								
Revenues								
Dept: 000								
5277.000 Public Facilities Impact Fees	0	0	0	0	0			
5515.000 Interest Income	65	0	0	49	0	50		
Dept: 000	65	0	0	49	0	50	0	0
Total Revenues	65	0	0	49	0	50	0	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	0	0			
6235.000 Engineering and Surveying	0	0	0	0	0	5,000	10,000	
6245.000 Other Contractual Services	0	0	0	0	0			
Dept: 000	0	0	0	0	0	5,000	10,000	0
Total Expenditures	0	0	0	0	0	5,000	10,000	0
Public Uses Mitigation Fees	65	0	0	49	0	-4,950	-10,000	0

**Aquatics Facilities Impact Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 243**

**DEPARTMENTAL MISSION**

This impact fund is administered by the Aquatics Program, which supports the Vision and Mission of the City by providing a safe environment for aquatic recreation; teaching aquatic safety through swim lessons; providing opportunities for Gonzales residents to enjoy aquatic recreation; and managing fiscal resources responsibly.

**DEPARTMENTAL PROGRAMS**

This fund is used to track expenditures for improvements to the Aquatics Facility.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Collected Impact Funds.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to collect Impact Funds.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget reflects no activity. As a result, the Net Cost is zero.

Revenues

This budget reflects no revenues.

Personnel

There are no personnel costs reflected in this budget.

Services and Supplies

This category reflects no expenditures.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations at this time.



BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year Actual	Original Budget	Amended Budget	Actual Thru April	Estimated Total	YE Projected	FY 2017/2018	Adopted
Fund: 243 - Aquatic Facilities Mitigation								
Revenues								
Dept: 000								
5277.000 Public Facilities Impact Fees	0	0	0	0	0			
5515.000 Interest Income	0	0	0	0	0			
6958.000 Transfer from Fund 460	0	0	0	0	0			
Dept: 000	0	0	0	0	0	0	0	0
Total Revenues	0	0	0	0	0	0	0	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	0	0			
6212.000 Maintenance Supplies	0	0	0	0	0			
6530.000 Capital Outlay-Improvements	0	0	0	0	0			
Dept: 000	0	0	0	0	0	0	0	0
Total Expenditures	0	0	0	0	0	0	0	0
Aquatic Facilities Mitigation	0	0	0	0	0	0	0	0

**Animal Control Facilities Impact Fees Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 244**

**DEPARTMENTAL MISSION**

This fund is administered by the Gonzales Police Department who supports the Vision and Mission of the City by providing public safety services based on a cooperative community policing platform to ensure the safety of all of our residents, businesses, and visitors.

**DEPARTMENTAL PROGRAMS**

This fund is used to track the revenues and expenditures for improvements to the Animal Control Holding Facility, from Impact Fees collected from new development with the City.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- The Gonzales Animal Control Holding Facility used for temporarily holding animals, continued to meet the needs of our community.
- The Animal Control Officer did community outreach and enforcement to bring most of the dogs owed in the City into compliance with vaccinations and licensing.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to collect Animal Control Facility Impact Fees for all new development in the City.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget reflects no activity.

Revenues

Minimal activity is anticipated because the source of revenues for this fund is derived from the development of new housing.

Personnel

There are no personnel costs associated with this budget.

Services and Supplies

This budget reflects no expenditures.

Capital Projects and Fixed Assets

This budget reflects no expenditures.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in this budget.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 244 - Animal Control Facilities Miti								
Revenues								
Dept: 000								
5277.000 Public Facilities Impact Fees	0	0	0	0	0			
5958.000 Transfer from Fund 460	0	0	0	0	0			
Dept: 000	0	0	0	0	0	0	0	0
Total Revenues	0	0	0	0	0	0	0	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	0	0			
6212.000 Maintenance Supplies	0	0	0	0	0			
6530.000 Capital Outlay-Improvements	0	0	0	0	0			
Dept: 000	0	0	0	0	0	0	0	0
Total Expenditures	0	0	0	0	0	0	0	0
Animal Control Facilities Miti	0	0	0	0	0	0	0	0

**Storm Drainage Facilities Impact Fee  
Budget Narrative for FY 2017-2018  
Budget Fund 245**

**DEPARTMENTAL MISSION**

This impact fund is administered to provide storm drainage facilities to meet the needs of planned growth in Gonzales in an efficient and effective manner.

**DEPARTMENTAL PROGRAMS**

This fund is used to improve the stormwater drainage systems, necessary to accommodate growth of the City.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Collected approved stormwater drainage facilities impact funds from development projects.
- Completed year-three requirements for municipal stormwater permit.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue collection of appropriate stormwater drainage facilities impact funds.
- Complete year-three of stormwater permit.
- Update impact fees to match new requirements.

**FY 2017-2018 RECOMMENDED BUDGET**

This Fund's FY 2017-2018 Recommended Budget represents no expenditures, and an increase of \$750 or 7% in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$8,650).

Revenues

Revenues are anticipated from one large project.

Personnel

There are no personnel costs reflected in this budget.

Services and Supplies

This budget reflects no activity in this category.

Capital Projects/Fixed Assets

There are no capital projects/fixed assets reflected in this budget.

**MAJOR POLICY CONSIDERATIONS**

Consideration of developing Stormwater Drainage Master Plans should be considered with all new development. In addition, consideration should be given to a funding source for ongoing stormwater permit compliance.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year	Original	Amended	Actual Thru	Estimated	YE Projected	FY 2017/2018	Adopted
	Actual	Budget	Budget	April	Total			
Fund: 245 - Storm Drainage Facil Impact								
Revenues								
Dept: 000								
5279.000 Storm Drainage Impact Fees	1,782	10,000	10,000	0	10,000		10,850	
5515.000 Interest Income	195	300	300	148	300	200	200	
Dept: 000	1,977	10,300	10,300	148	10,300	200	11,050	0
Total Revenues	1,977	10,300	10,300	148	10,300	200	11,050	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	0	0			
6235.000 Engineering and Surveying	54,190	25,000	30,000	35,791	30,000	45,000		
6245.000 Other Contractual Services	4,579	5,000	5,000	0	5,000			
Dept: 000	58,769	30,000	35,000	35,791	35,000	45,000	0	0
Total Expenditures	58,769	30,000	35,000	35,791	35,000	45,000	0	0
Storm Drainage Facil Impact	-56,792	-19,700	-24,700	-35,643	-24,700	-44,800	11,050	0

**Park Impact  
Budget Narrative for FY 2016-2017  
Budget Fund 250**

**DEPARTMENTAL MISSION**

This impact fund is administered to improve Gonzales' Park System to accommodate planned growth.

**DEPARTMENTAL PROGRAMS**

- This fund collects approved fee from development projects.
- This fund is used to finance park improvement projects required for planned growth.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Continued to monitor fund.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Ensure that future park improvements are adequately planned.
- Collect appropriate fees from new development.

**FY 2017-2018 RECOMMENDED BUDGET**

This Fund's FY 2017-2018 Recommended Budget represents a decrease of (\$2,500) or (50%) in expenditures, and (\$5,000) or (98%) in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the requested Net Cost is increased by \$2,500.

*Estimated Fund Balance*

The year-end Fund Balance is estimated to be \$2,782 as of June 30, 2017, which is sufficient to cover the Net Cost.

*Revenues*

Minimal revenues are reflected. The next infusion of revenues to this fund will occur when the next housing project materializes.

*Personnel*

There are no personnel costs reflected in this budget.



Services and Supplies

The budget reflects this fund's share of the cost to the Impact Fee Study.

Capital Projects/Fixed Assets

The budget reflects no capital projects. If grant opportunities materialize, budget amendments will be brought to the Council.

**MAJOR POLICY CONSIDERATIONS**

Completing a "Park Master Plan" would be valuable to coordinate future parks and open space.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year	Original	Amended	Actual Thru	Estimated			
	Actual	Budget	Budget	April	Total	YE Projected	FY 2017/2018	Adopted
<b>Fund: 250 - Park Impact Fund</b>								
<b>Revenues</b>								
Dept: 000								
5274.000	0	5,000	5,000	0	5,000			
5275.000	0	0	0	0	0			
5277.000	0	0	0	0	0			
5510.000	0	0	0	0	0			
5515.000	100	100	100	60	100	100	100	
5521.000	0	0	0	0	0			
5820.000	0	0	0	0	0			
5826.000	0	0	0	0	0			
Dept: 000	100	5,100	5,100	60	5,100	100	100	0
<b>Total Revenues</b>	100	5,100	5,100	60	5,100	100	100	0
<b>Expenditures</b>								
Dept: 000								
6210.000	0	0	0	0	0			
6212.000	0	0	0	0	0			
6230.000	0	0	0	0	0			
6235.000	51,150	5,000	5,000	0	5,000		2,500	
6245.000	0	0	0	0	0			
6260.000	0	0	0	0	0			
6275.000	0	0	0	0	0			
6530.000	0	0	0	0	0			
6610.000	0	0	0	0	0			
6620.000	0	0	0	0	0			
Dept: 000	51,150	5,000	5,000	0	5,000	0	2,500	0
<b>Total Expenditures</b>	51,150	5,000	5,000	0	5,000	0	2,500	0
<b>Park Impact Fund</b>	-51,050	100	100	60	100	100	-2,400	0

**Intersection Improvement Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 260**

**DEPARTMENTAL MISSION**

This impact fund is administered to provide needed traffic improvements required for growth around intersection improvements in an efficient and effective manner. This fund was set up to fund the future improvements on Fifth Street at US 101 and Herold Parkway.

**DEPARTMENTAL PROGRAMS**

- This budget collects approved fees to fund intersection improvements.
- This budget funds planning for traffic intersection improvements.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Maintained the funds for the future intersection improvements on Fifth Street.
- Completed Phase I of the Roundabout Study for traffic improvements at US 101 and Fifth Street.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to collect fair share of improvement costs for traffic intersection improvements on Fifth Street from development.
- Continue discussions with, and obtain approval from Caltrans to improve Fifth Street and US 101.

**FY 2017-2018 RECOMMENDED BUDGET**

This Fund's FY 2017-2018 Recommended Budget represents an increase of \$55,000 or 69% in expenditures, and no change in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$55,000.

*Estimated Fund Balance*

The year-end Fund Balance is estimated to be \$364,063 as of June 30, 2017, which is sufficient to offset the Net Cost.

*Revenues*

Revenues reflected in the budget are interest earnings.

Personnel

There are no personnel costs reflected in this budget.

Services and Supplies

This area includes planning and engineering funds to pay for projects to improve the Fifth Street Bridge, and the Herold Parkway Fifth Street Intersection.

Capital Projects/Fixed Assets

There are no capital projects/fixed assets reflected in this budget.

**MAJOR POLICY CONSIDERATIONS**

As the City grows in the future, traffic will be more impacted on Fifth Street with the construction of the proposed new school or the approved residential development east of the freeway. As a result, these developments will necessitate improvements in traffic flow due to impacts to congested intersections.

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year Actual	Original Budget	Amended Budget	Actual Thru April	Estimated Total	YE Projected	FY 2017/2018	Adopted
<b>Fund: 260 - Intersection Improvement Fund</b>								
Revenues								
Dept: 000								
5275.000 Signalization Fees	0	0	0	0	0			
5515.000 Interest Income	1,081	1,000	1,000	889	1,000	1,000	1,000	
Dept: 000	1,081	1,000	1,000	889	1,000	1,000	1,000	0
Total Revenues	1,081	1,000	1,000	889	1,000	1,000	1,000	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	0	0			
6235.000 Engineering and Surveying	54,153	80,000	80,000	0	80,000	15,000	135,000	
6245.000 Other Contractual Services	0	0	0	0	0			
6530.000 Capital Outlay-Improvements	0	0	0	0	0			
Dept: 000	54,153	80,000	80,000	0	80,000	15,000	135,000	0
Total Expenditures	54,153	80,000	80,000	0	80,000	15,000	135,000	0
Intersection Improvement Fund	-53,072	-79,000	-79,000	889	-79,000	-14,000	-134,000	0

**California Breeze Parks and Open Space  
Maintenance Assessment Districts  
Phase I, II, & III  
Budget Narrative for FY 2017-2018  
Budget Fund 270**

**DEPARTMENTAL MISSION**

These Assessment Districts are administered to provide maintenance for parks and open space areas in the California Breeze subdivision.

**DEPARTMENTAL PROGRAMS**

- Maintain Meyer Park.
- Maintain street landscaping in the California Breeze Subdivision.
- Maintain drainage ponds.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Maintained Meyer Park.
- Maintained street landscaping in the California Breeze Subdivision.
- Maintained drainage ponds.
- Improved landscape maintenance.

**FUND GOALS FOR FY 2017-2018**

- Continue to improve the maintenance of Meyer Park.
- Improve Meyer Park with project(s) chosen by residents and approved by the Recreation Commission and the City Council.

**FY 2017-2018 RECOMMENDED BUDGET**

This Fund's FY 2017-2018 Recommended Budget represents an overall increase of \$8,272 or 9% in expenditures, and \$1,860 or 2% in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$6,412.

Estimated Fund Balance

The year-end Fund Balance is estimated to be \$137,697 as of June 30, 2017, which is sufficient to cover the Net Cost.

Revenues

Revenues reflect a minimal increase.

Personnel

This fund's budget compensates the Public Works Department for time spent maintaining areas of the California Breeze Subdivision.

Services and Supplies

This category reflects the necessary items to provide required maintenance to the district's facilities. In addition, it reflects a landscape maintenance contract.

Capital Projects/Fixed Assets

The Budget does not reflect any specific project but appropriates funds for improvements to be selected through a public process involving the assessment district's residents.

**MAJOR POLICY CONSIDERATIONS**

Meyer Park restrooms may need replacement. Lighting the fields may be considered in the future. The public process to involve residents was approved by the City Council and will be used to select which improvements are funded.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)		
	Year Actual	Original Budget	Amended Budget	Actual Thru April	Estimated Total	YE Projected	FY 2017/2018	Adopted	
Fund: 270 - CA Breeze Park Maintenance									
Revenues									
Dept: 000									
5110.000	Property Taxes-Secured	77,616	78,000	78,000	77,404	78,000	77,404	80,000	
5120.000	Property Taxes-Unsecured	0	0	0	0	0	560	600	
5130.000	Property Taxes-Prior Year	304	1,000	1,000	560	1,000			
5140.000	Property Taxes-Supplemental	0	0	0	0	0			
5515.000	Interest Income	425	140	140	344	140	400	400	
Dept: 000		78,345	79,140	79,140	78,308	79,140	78,364	81,000	0
Total Revenues		78,345	79,140	79,140	78,308	79,140	78,364	81,000	0
Expenditures									
Dept: 000									
6110.000	Salaries-Regular Pay	25,544	27,765	27,765	22,444	27,765	27,765	24,370	
6111.000	Salaries-Overtime Pay	1,588	400	800	1,624	800	1,200	400	
6112.000	Salaries-Extra Help	0	0	0	0	0			
6113.000	Salaries-Differentials	875	840	840	350	840	840	840	
6131.000	Deferred Compensation Expense	232	240	240	129	240	240	255	
6132.000	Retirement - PERS	2,568	4,530	4,530	1,699	4,530	4,530	4,830	
6140.000	Life and Disability Insurance	273	390	390	234	390	390	1,245	
6150.000	Workers Comp Insurance	545	278	278	742	278	742	755	
6160.000	Social Security	2,097	1,840	1,840	1,830	1,840	1,840	1,960	
6170.000	Health and Dental Insurance	6,052	5,940	5,940	6,391	5,940	5,940	5,940	
6210.000	Special Departmental Expenses	296	0	0	22	0			
6211.000	Office Supplies	0	0	0	0	0			
6212.000	Maintenance Supplies	153	5,000	5,000	12	5,000	200	5,000	
6220.000	Telephone	0	100	100	0	100			
6225.000	Utilities	6,436	10,000	10,000	8,131	10,000	10,000	10,000	
6226.000	Utilities-Water	0	0	0	0	0			
6230.000	Legal and Accounting	420	500	500	0	500		500	
6235.000	Engineering and Surveying	4,806	15,000	15,000	1,050	15,000	5,000	5,000	
6245.000	Other Contractual Services	13,396	10,000	25,000	45,971	25,000	50,000	30,000	
6260.000	Advertising	924	500	500	0	500	500	500	
6542.000	Equipment-Vehicles	0	0	0	0	0			
6900.000	Transfers to General Fund	5,000	5,000	5,000	0	5,000	5,000	5,000	
Dept: 000		71,205	88,323	103,723	90,629	103,723	114,187	96,595	0
Total Expenditures		71,205	88,323	103,723	90,629	103,723	114,187	96,595	0
CA Breeze Park Maintenance		7,140	-9,183	-24,583	-12,321	-24,583	-35,823	-15,595	0



**California Breeze Benefit Assessment Districts  
Budget Narrative for FY 2017-2018  
Budget Funds 280, 290, and 300**

**DEPARTMENTAL MISSION**

These Assessment Districts are administered to provide safe and effective public improvements in the California Breeze Subdivision. The streets, street lights, drainage pond, and storm drains will be maintained for the benefit of the residents of the subdivision in the most efficient manner possible.

**DEPARTMENTAL PROGRAMS**

- Maintain streets, street lighting, sweeping, striping, and signage in the California Breeze Subdivision.
- Maintain the stormwater drainage system in the California Breeze Subdivision.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Maintained street lights.
- Maintained street sweeping in the California Breeze Subdivision.
- Maintained the stormwater drainage system in the California Breeze Subdivision.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Maintain streets of the California Breeze Subdivision in the most efficient and effective manner within the approved budget.
- Stripe streets as needed.
- Replace street signs as needed.
- Maintain street Sweeping Program.

**FY 2017-2018 RECOMMENDED BUDGET**

***FUND 280 - California Breeze Phase I***

This Fund's FY 2017-2018 Recommended Budget represents an increase of \$8,705 or 24% in expenditures, and \$450 or 3% in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$8,255.

***FUND 290 - California Breeze Phase II***

This fund's FY 2017-2018 Recommended Budget represents a decrease of (\$5,405) or (15%) in expenditures, and (\$1,250) or (5%) in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$4,155).

### FUND 300 - California Breeze Phase III

This fund's FY 2017-2018 Recommended Budget represents an increase of \$1,041 or 1% in expenditures, and \$580 or 2% in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$461.

#### Estimated Fund Balance

The year-end Fund Balances are estimated to be \$38,707 for Fund 280, and \$107,879 for Fund 300 as of June 30, 2017, which is sufficient to cover the Net Costs.

#### Revenues

Revenues, which are special assessments, have essentially remained constant.

#### Personnel

These budgets pay for Public Works Department staff that maintains the districts' assets.

#### Services and Supplies

These budgets pay for street lights and maintenance supplies required to provide the best public streets and drainage to meet the needs of area residents. In addition, it reflects:

- Clearing and dredging the percolation pond;
- This fund's share of the Stormwater Plan;
- A proactive Street Sign Replacement Program; and
- The development of a Master Street Maintenance Plan.

#### Capital Projects/Fixed Assets

There is no capital outlay reflected in these budgets.

## **MAJOR POLICY CONSIDERATIONS**

The property tax assessments generated by these three districts, are intended to minimize the maintenance financial obligations generated by the development of this subdivision on the City's General Fund. They are built up for large street repairs.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year	Current Year		Estimated Total	(6)	(7)	(8)	
	Actual	Original Budget	Amended Budget		Actual Thru April	YE Projected	FY 2017/2018	Adopted
Fund: 280 - CA Breeze Maintenance #1								
Revenues								
Dept: 000								
5110.000 Property Taxes-Secured	14,579	15,400	15,400	14,798	15,400	14,798	15,300	
5130.000 Property Taxes-Prior Year	0	110	600	597	600	597	600	
5515.000 Interest Income	129	50	50	98	50	98	110	
Dept: 000	14,708	15,560	16,050	15,493	16,050	15,493	16,010	0
Total Revenues	14,708	15,560	16,050	15,493	16,050	15,493	16,010	0
Expenditures								
Dept: 000								
6110.000 Salaries-Regular Pay	0	2,075	2,075	0	2,075	2,075	2,322	
6111.000 Salaries-Overtime Pay	0	20	20	0	20	20	20	
6112.000 Salaries-Extra Help	0	0	0	0	0			
6113.000 Salaries-Differentials	0	0	0	0	0			
6132.000 Retirement - PERS	212	395	395	88	395	395	442	
6140.000 Life and Disability Insurance	22	35	35	13	35	35	39	
6150.000 Workers Comp Insurance	39	22	22	59	22	59	60	
6160.000 Social Security	0	160	160	0	160	160	179	
6170.000 Health and Dental Insurance	253	475	475	123	475	475	475	
6210.000 Special Departmental Expenses	0	0	0	434	0	500	5,000	
6212.000 Maintenance Supplies	0	5,000	5,000	0	5,000		10,000	
6213.000 Oils and Lubricants	22	500	500	135	500	500	500	
6225.000 Utilities	6,314	5,500	5,500	3,277	5,500	5,500	5,500	
6230.000 Legal and Accounting	154	590	590	0	590		590	
6235.000 Engineering and Surveying	0	10,000	10,000	1,050	10,000	5,000	5,000	
6245.000 Other Contractual Services	0	2,500	2,500	0	2,500		10,000	
6248.000 Street Sweeping	8,142	4,000	4,000	4,014	4,000	4,000		
6260.000 Advertising	203	150	150	0	150			
6530.000 Capital Outlay-Improvements	0	0	0	0	0			
6900.000 Transfers to General Fund	5,000	5,000	5,000	0	5,000	5,000	5,000	
Dept: 000	20,361	36,422	36,422	9,193	36,422	23,719	45,127	0
Total Expenditures	20,361	36,422	36,422	9,193	36,422	23,719	45,127	0
CA Breeze Maintenance #1	-5,653	-20,862	-20,372	6,300	-20,372	-8,226	-29,117	0

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year Actual	Original Budget	Amended Budget	Actual Thru April	Estimated Total	YE Projected	FY 2017/2018	Adopted
Fund: 290 - CA Breeze Maintenance #2								
Revenues								
Dept: 000								
5110.000	24,219	26,000	26,000	24,034	26,000	24,034	24,800	
5120.000	0	0	0	0	0			
5130.000	118	150	150	103	150			
5140.000	0	0	0	0	0			
5515.000	138	50	50	24	50	125	150	
Dept: 000	24,475	26,200	26,200	24,161	26,200	24,159	24,950	0
Total Revenues	24,475	26,200	26,200	24,161	26,200	24,159	24,950	0
Expenditures								
Dept: 000								
6110.000	0	3,630	3,630	0	3,630	3,630	4,064	
6111.000	0	35	35	0	35	35	35	
6112.000	0	0	0	0	0			
6113.000	0	0	0	0	0			
6132.000	370	690	690	144	690	690	774	
6140.000	39	65	65	23	65	65	39	
6150.000	70	40	40	107	40	107	110	
6160.000	0	280	280	0	280	280	314	
6170.000	442	832	832	215	832	832	831	
6210.000	0	0	600	434	600	600	1,000	
6212.000	0	1,000	1,000	0	1,000		1,000	
6213.000	22	300	300	135	300	300	300	
6225.000	4,716	5,000	5,000	3,989	5,000	5,000	5,000	
6230.000	154	400	400	0	400		400	
6235.000	0	2,000	2,000	1,050	2,000	2,000	1,000	
6245.000	27,065	2,000	2,000	0	2,000			
6248.000	8,142	4,000	4,000	4,014	4,000	4,014		
6260.000	203	150	150	0	150		150	
6530.000	0	0	0	0	0			
6900.000	5,000	5,000	5,000	0	5,000	5,000	5,000	
6927.000	9,700	9,700	9,700	0	9,700	9,700	9,700	
Dept: 000	55,923	35,122	35,722	10,111	35,722	32,253	29,717	0
Total Expenditures	55,923	35,122	35,722	10,111	35,722	32,253	29,717	0
CA Breeze Maintenance #2	-31,448	-8,922	-9,522	14,050	-9,522	-8,094	-4,767	0

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year Actual	Original Budget	Amended Budget	Actual Thru April	Estimated Total	YE Projected	FY 2017/2018	Adopted
Fund: 300 - CA Breeze Maintenance #3								
Revenues								
Dept: 000								
5110.000	26,570	27,000	27,000	26,687	27,000	26,687	27,600	
5120.000	0	0	0	0	0			
5130.000	138	450	450	0	450		100	
5140.000	0	0	0	0	0			
5515.000	453	20	20	351	20	350	350	
Dept: 000	27,161	27,470	27,470	27,038	27,470	27,037	28,050	0
Total Revenues	27,161	27,470	27,470	27,038	27,470	27,037	28,050	0
Expenditures								
Dept: 000								
6110.000	0	3,110	3,110	0	3,110	3,110	3,483	
6111.000	0	30	30	0	30	30	30	
6112.000	0	0	0	0	0			
6113.000	0	0	0	0	0			
6132.000	317	592	592	133	592	592	663	
6140.000	33	55	55	19	55	55	58	
6150.000	62	35	35	93	35	93	95	
6160.000	0	240	240	0	240	240	269	
6170.000	379	713	713	184	713	713	718	
6210.000	0	0	600	434	600	600	5,000	
6212.000	0	8,000	8,000	0	8,000		10,000	
6213.000	22	500	500	135	500	500	500	
6220.000	0	0	0	0	0			
6225.000	4,716	5,000	5,000	2,924	5,000	5,000	5,000	
6230.000	154	800	800	0	800		800	
6235.000	0	15,000	15,000	1,050	15,000	5,000	5,000	
6245.000	0	2,500	2,500	0	2,500		10,000	
6248.000	8,142	4,000	4,000	4,014	4,000	4,014		
6260.000	203	150	150	0	150	150	150	
6530.000	0	0	0	0	0			
6542.000	0	0	0	0	0			
6900.000	5,000	5,000	5,000	0	5,000	5,000	5,000	
6927.000	13,100	13,100	13,100	0	13,100	13,100	13,100	
Dept: 000	32,128	58,825	59,425	8,986	59,425	38,197	59,866	0
Total Expenditures	32,128	58,825	59,425	8,986	59,425	38,197	59,866	0

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year	Original	Amended	Actual Thru	Estimated	YE Projected	FY 2017/2018	Adopted
	Actual	Budget	Budget	April	Total			
CA Breeze Maintenance #3	-4,967	-31,355	-31,955	18,052	-31,955	-11,160	-31,816	0

**Canyon Creek Parks & Open Space  
Maintenance Assessment Districts  
Phase I, II, & III  
Budget Narrative for FY 2017-2018  
Budget Fund 302**

**DEPARTMENTAL MISSION**

These Assessment Districts are administered to provide maintenance for parks and open space areas in the Canyon Creek Subdivision.

**DEPARTMENTAL PROGRAMS**

- Maintain Canyon Creek Park and the Tot Lot Park.
- Maintain street landscaping in the Canyon Creek Subdivision.
- Maintain drainage pond.
- Manage slough clearing to maximize use of the Canyon Creek Park.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Maintained Canyon Creek parks within budget.
- Maintained street landscaping in the Canyon Creek Subdivision.
- Maintained drainage pond.
- Cleared the slough to prevent flooding of the park in regular rain events.
- Coordinated slough clearing with adjacent farming operations.
- Contracted landscape maintenance.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to maintain Canyon Creek parks so they can be used in the most efficient manner possible.
- Monitor contract landscaping maintenance.
- Continue to maintain drainage through the Canyon Creek park area through coordinated efforts with adjacent property owners.

**FY 2017-2018 RECOMMENDED BUDGET**

The Fund's FY 2017-2018 Recommended Budget represents an overall increase of \$19,740 or 26% in expenditures, and \$2,830 or 2% in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost increased by \$16,910.

### Estimated Fund Balance

The year-end fund balance for this fund is estimated to be \$383,297 as of June 30, 2017, which is sufficient to cover the Net Cost.

### Revenues

Revenues, which are special assessments, have essentially remained constant except for the cost of living increase.

### Personnel

This fund's budget compensates the Public Works Department for time spent maintaining areas of the canyon creek subdivision.

### Services and Supplies

This category reflects the necessary items to provide required maintenance to the district's facilities.

Included in this area are:

- A landscape contract.
- A study of when and how to develop the remaining parkland.

### Capital Projects/Fixed Assets

Reflected in this budget are solar lights for the parks.

## **MAJOR POLICY CONSIDERATIONS**

The property tax assessments generated by these districts, are intended to minimize the maintenance financial obligations generated by the development of this subdivision on the City's General Fund. With time, it is hoped that these funds will be used to match other sources to build the full park.



City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year	Original	Amended	Actual Thru	Estimated	YE Projected	FY 2017/2018	Adopted
	Actual	Budget	Budget	April	Total			
Fund: 302 - Canyon Creek Park & Park Maint								
Revenues								
Dept: 000								
5110.000	95,334	95,000	95,000	94,208	95,000	94,208	97,500	
5130.000	672	200	200	226	200	226	230	
5515.000	769	400	400	640	400	600	700	
Dept: 000	96,775	95,600	95,600	95,074	95,600	95,034	98,430	0
Total Revenues	96,775	95,600	95,600	95,074	95,600	95,034	98,430	0
Expenditures								
Dept: 000								
6110.000	19,789	2,990	15,000	18,889	15,000	17,000	3,364	
6111.000	1,588	500	1,000	755	1,000	1,000	1,000	
6112.000	0	0	0	0	0			
6113.000	3,794	2,700	2,700	1,604	2,700	2,700	2,700	
6114.000	0	0	0	0	0			
6131.000	116	120	120	65	120	120	127	
6132.000	2,286	563	1,500	1,508	1,500	563	635	
6140.000	243	51	240	206	240	51	56	
6150.000	333	30	30	80	30	80	85	
6160.000	1,878	230	2,000	1,591	2,000	230	257	
6170.000	5,782	594	5,500	5,890	5,500	594	594	
6210.000	253	0	200	35	200	200	200	
6212.000	63	5,000	5,000	12	5,000	5,000	5,000	
6220.000	0	100	100	0	100			
6225.000	994	2,400	2,400	1,369	2,400	2,400	3,000	
6230.000	357	1,000	1,000	0	1,000	1,000	8,000	
6235.000	5,077	5,000	5,000	1,050	5,000	5,000	5,000	
6245.000	27,796	30,000	30,000	24,002	30,000	30,000	33,000	
6248.000	0	0	0	0	0			
6260.000	1,116	500	500	0	500	500	500	
6530.000	0	20,000	20,000	0	20,000		30,000	
6542.000	0	2,000	2,000	0	2,000			
6900.000	0	0	0	0	0			
Dept: 000	71,465	73,778	94,290	57,056	94,290	66,438	93,518	0
Total Expenditures	71,465	73,778	94,290	57,056	94,290	66,438	93,518	0
Canyon Creek Park & Park Maint	25,310	21,822	1,310	38,018	1,310	28,596	4,912	0

**Canyon Creek Benefit Assessment Districts  
Phase I, II, & III  
Budget Narrative for FY 2017-2018  
Budget Funds 304, 306, and 308**

**DEPARTMENTAL MISSION**

These Assessment Districts are administered to provide safe and effective public improvements in the Canyon Creek subdivision. The streets, street lights, drainage pond, and stormwater drains will be maintained for the benefit of the residents of the subdivision in the most efficient manner possible.

**DEPARTMENTAL PROGRAMS**

- Maintain street lighting, sweeping, striping, and signage in the Canyon Creek Subdivision.
- Maintain the Stormwater Drainage System in the Canyon Creek Subdivision.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Maintained street lights.
- Maintained street sweeping.
- Maintain the Stormwater Drainage System.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Maintain streets by repairing potholes, restriping, and replacing signs as needed.
- Provide graffiti abatement quickly.
- Monitor street sweeping program.

**FY 2017-2018 RECOMMENDED BUDGET**

*FUND 304 - Canyon Creek Phase I*

This fund's FY 2017-2018 Recommended Budget represents an increase of \$6,268 or 13% in expenditures, and a decrease of (\$1,700) or (4%) in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$7,968.

*FUND 306 - Canyon Creek Phase II*

This Fund's FY 2017-2018 Recommended Budget represents an overall decrease of (\$37,784) or (50%) in expenditures, and a decrease of (\$1,100) or (3%) in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$36,684).

### FUND 308 - Canyon Creek Phase III

This Fund's FY 2017-2018 Recommended Budget represents an overall decrease of (\$12,458) or (18%) in expenditures, and a minimal increase in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$14,748).

#### Estimated Fund Balance

The year-end Fund Balances are estimated to be \$190,656 for Fund 304; \$146,155 for Fund 306; and \$171,760 for Fund 308 as of June 30, 2017, which are sufficient to cover the Net Cost.

#### Revenues

Revenues, which are special assessments, have essentially been kept the same plus the annual cost of living adjustment.

#### Personnel

These funds pay for Public Works staff that maintains the district's assets.

#### Services and Supplies

These funds pay for maintenance supplies required for streets and drainage to meet the needs of area. Replacement street signs are also included in this area. In addition, these budgets include:

- The clearing of the slough.
- These budgets' share of the Stormwater Plan and Street Maintenance Master Plan.

#### Capital Projects/Fixed Assets

No capital outlay is included in these budgets.

## **MAJOR POLICY CONSIDERATIONS**

The property tax assessments generated by these three districts, are intended to minimize the maintenance financial obligations generated by the development of this subdivision on the City's general fund.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)		
	Year	Original	Amended	Actual Thru	Estimated	YE Projected	FY 2017/2018	Adopted	
	Actual	Budget	Budget	April	Total				
Fund: 304 - Canyon Creek Maintenance #1									
Revenues									
Dept: 000									
5110.000	Property Taxes-Secured	31,076	34,000	34,000	30,870	34,000	30,870	31,900	
5130.000	Property Taxes-Prior Year	511	0	0	0	0			
5515.000	Interest Income	626	100	100	485	100	500	500	
Dept: 000		32,213	34,100	34,100	31,355	34,100	31,370	32,400	0
Total Revenues		32,213	34,100	34,100	31,355	34,100	31,370	32,400	0
Expenditures									
Dept: 000									
6110.000	Salaries-Regular Pay	0	1,555	1,555	0	1,555	1,555	1,742	
6111.000	Salaries-Overtime Pay	0	15	15	0	15	15	15	
6112.000	Salaries-Extra Help	0	0	0	0	0			
6113.000	Salaries-Differentials	0	0	0	0	0			
6132.000	Retirement - PERS	159	300	300	66	300	300	331	
6140.000	Life and Disability Insurance	17	30	30	10	30	30	30	
6150.000	Workers Comp Insurance	35	20	20	53	20	53	55	
6160.000	Social Security	0	120	120	0	120	120	135	
6170.000	Health and Dental Insurance	190	355	355	92	355	355	355	
6210.000	Special Departmental Expenses	0	0	800	434	800	800	5,000	
6212.000	Maintenance Supplies	0	10,000	10,000	0	10,000	100	10,000	
6213.000	Oils and Lubricants	21	500	500	135	500	500	600	
6225.000	Utilities	2,756	3,000	3,000	1,810	3,000	2,500	3,300	
6230.000	Legal and Accounting	119	500	500	0	500	500	800	
6235.000	Engineering and Surveying	0	500	500	1,050	500	1,500	5,000	
6245.000	Other Contractual Services	792	10,200	10,200	0	10,200		10,000	
6248.000	Street Sweeping	8,143	4,000	4,000	4,014	4,000	4,014		
6260.000	Advertising	197	100	100	0	100	100	100	
6530.000	Capital Outlay-Improvements	0	0	0	0	0			
6900.000	Transfers to General Fund	5,000	5,000	5,000	0	5,000	5,000	5,000	
6927.000	Transfer to Street Fund [130]	9,400	9,400	9,400	0	9,400	9,400	9,400	
Dept: 000		26,829	45,595	46,395	7,664	46,395	26,842	51,863	0
Total Expenditures		26,829	45,595	46,395	7,664	46,395	26,842	51,863	0
Canyon Creek Maintenance #1		5,384	-11,495	-12,295	23,691	-12,295	4,528	-19,463	0

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year				(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April	Estimated Total			
Fund: 306 - Canyon Creek Maintenance #2								
Revenues								
Dept: 000								
5110.000	30,673	32,400	32,400	30,041	32,400	30,041	31,000	
5130.000	261	200	200	250	200	250	200	
5515.000	468	100	100	367	100	400	400	
5821.000	0	0	0	0	0			
Dept: 000	31,402	32,700	32,700	30,658	32,700	30,691	31,600	0
Total Revenues	31,402	32,700	32,700	30,658	32,700	30,691	31,600	0
Expenditures								
Dept: 000								
6110.000	0	1,555	1,555	0	1,555	1,555	1,742	
6111.000	0	15	15	0	15	15	15	
6112.000	0	0	0	0	0			
6113.000	0	0	0	0	0			
6132.000	159	300	300	66	300	300	330	
6140.000	17	30	30	10	30	30	30	
6150.000	35	20	20	53	20	53	55	
6160.000	0	120	120	0	120	120	134	
6170.000	190	356	356	92	356	356	356	
6210.000	0	0	800	434	800	800	800	
6212.000	0	10,000	10,000	0	10,000	500	5,000	
6213.000	21	500	500	135	500	500	600	
6225.000	2,756	3,000	3,000	1,810	3,000	2,500	3,300	
6230.000	119	500	500	0	500	500	800	
6235.000	0	10,500	10,500	1,050	10,500	10,500	10,000	
6245.000	792	30,000	30,000	0	30,000			
6248.000	8,143	4,000	4,000	4,014	4,000	4,014		
6260.000	197	150	150	0	150	150	100	
6530.000	0	0	0	0	0			
6900.000	5,000	5,000	5,000	0	5,000	5,000	5,000	
6927.000	9,400	9,400	9,400	0	9,400	9,400	9,400	
Dept: 000	26,829	75,446	76,246	7,664	76,246	36,293	37,662	0
Total Expenditures	26,829	75,446	76,246	7,664	76,246	36,293	37,662	0
Canyon Creek Maintenance #2	4,573	-42,746	-43,546	22,994	-43,546	-5,602	-6,062	0

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 308 - Canyon Creek Maintenance #3								
Revenues								
Dept: 000								
5110.000	43,836	43,000	43,000	43,423	43,000	43,423	44,900	
5130.000	0	0	0	0	0			
5515.000	538	100	100	429	100	450	450	
5821.000	0	0	0	0	0			
Dept: 000	44,374	43,100	43,100	43,852	43,100	43,873	45,350	0
Total Revenues	44,374	43,100	43,100	43,852	43,100	43,873	45,350	0
Expenditures								
Dept: 000								
6110.000	0	2,590	2,590	0	2,590	2,590	2,903	
6111.000	0	25	25	0	25	25	25	
6113.000	0	0	0	0	0			
6132.000	264	495	495	110	495	495	552	
6140.000	28	45	45	16	45	45	48	
6150.000	53	30	30	80	30	80	85	
6160.000	0	200	200	0	200	200	224	
6170.000	316	595	595	153	595	595	595	
6210.000	0	0	800	434	800	800	5,000	
6212.000	0	100	100	0	100	100	10,000	
6213.000	0	0	0	0	0		600	
6225.000	2,756	3,000	3,000	1,810	3,000	3,000	3,300	
6230.000	119	500	500	0	500	500	800	
6235.000	0	10,000	10,000	1,050	10,000	10,000	5,000	
6245.000	792	30,000	30,000	32,360	30,000	32,360	10,000	
6248.000	7,933	4,000	4,000	3,928	4,000	4,000		
6260.000	197	150	150	0	150	150	100	
6530.000	0	0	0	0	0			
6900.000	5,000	5,000	5,000	0	5,000	5,000	5,000	
6927.000	11,200	11,200	11,200	0	11,200	11,200	11,200	
Dept: 000	28,658	67,930	68,730	39,941	68,730	71,140	55,432	0
Total Expenditures	28,658	67,930	68,730	39,941	68,730	71,140	55,432	0
Canyon Creek Maintenance #3	15,716	-24,830	-25,630	3,911	-25,630	-27,267	-10,082	0

**Cipriani Estates Parks & Open Space Maintenance  
Assessment District  
Budget Narrative for FY 2017-2018  
Budget Fund 310**

**DEPARTMENTAL MISSION**

This Assessment District is administered to provide maintenance for parks and open space areas in the Cipriani Estates Subdivision.

**DEPARTMENTAL PROGRAMS**

- Maintain Venice Way Park.
- Maintain street landscaping in the Cipriani Estates Subdivision.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Maintained Venice Way Park.
- Managed street sweeping.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Improve the maintenance at Venice Way Park.
- Conduct public input process to improve the area.
- Improve Venice Way Park as requested by area residents, and approved by the Recreation Commission and City Council.

**FY 2017-2018 RECOMMENDED BUDGET**

The Fund's FY 2017-2018 Recommended Budget represents an overall decrease of (\$5,150) or (8%) in expenditures, and a decrease of (\$750) or (2%) in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$4,400).

*Estimated Fund Balance*

The year-end Fund Balance is estimated to be \$93,646 as of June 30, 2017, which is sufficient to cover the Net Cost.

*Revenues*

Revenues, which are special assessments, have essentially remained constant.

Personnel

This fund's budget compensates the Public Works Department for time spent maintaining areas of the Cipriani Estates Subdivision.

Services and Supplies

This category reflects the necessary items to provide required maintenance to the district's facilities and a landscape maintenance contract.

Capital Projects/Fixed Assets

Funding has been set aside for a potential project.

**MAJOR POLICY CONSIDERATIONS**

The property tax assessments generated by this district is intended to minimize the maintenance financial obligations generated by the development of this subdivision on the City's General Fund. There are no major policy considerations for this district.



BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 310 - Cipriani Estates Park Maint								
Revenues								
Dept: 000								
5110.000 Property Taxes-Secured	31,455	34,000	34,000	31,906	34,000	31,906	33,000	
5120.000 Property Taxes-Unsecured	0	0	0	0	0			
5130.000 Property Taxes-Prior Year	0	0	515	515	515	515		
5515.000 Interest Income	392	100	100	299	100	350	350	
Dept: 000	31,847	34,100	34,615	32,720	34,615	32,771	33,350	0
Total Revenues	31,847	34,100	34,615	32,720	34,615	32,771	33,350	0
Expenditures								
Dept: 000								
6132.000 Retirement - PERS	2,355	0	0	0	0			
6210.000 Special Departmental Expenses	8,382	0	0	0	0		500	
6211.000 Office Supplies	0	0	0	0	0			
6212.000 Maintenance Supplies	67	1,000	1,000	0	1,000	250	1,000	
6225.000 Utilities	452	500	500	379	500	500	2,000	
6230.000 Legal and Accounting	357	150	150	0	150	150	200	
6235.000 Engineering and Surveying	7,015	10,000	10,000	2,000	10,000	3,000	3,000	
6245.000 Other Contractual Services	30,553	25,000	25,000	11,221	25,000	15,000	25,000	
6248.000 Street Sweeping	0	0	0	0	0			
6255.000 Liability Insurance	710	1,000	1,000	2,740	1,000	2,740	2,800	
6260.000 Advertising	956	150	150	0	150	150	150	
6510.000 Capital Outlay-Land	0	0	0	0	0			
6530.000 Capital Outlay-Improvements	0	20,000	20,000	0	20,000		20,000	
6542.000 Equipment-Vehicles	0	2,000	2,000	0	2,000			
6900.000 Transfers to General Fund	5,000	5,000	5,000	0	5,000	5,000	5,000	
Dept: 000	55,847	64,800	64,800	16,340	64,800	26,790	59,650	0
Total Expenditures	55,847	64,800	64,800	16,340	64,800	26,790	59,650	0
Cipriani Estates Park Maint	-24,000	-30,700	-30,185	16,380	-30,185	5,981	-26,300	0

**Cipriani Estates Benefit Assessment District  
Budget Narrative for FY 2017-2018  
Budget Fund 312**

**DEPARTMENTAL MISSION**

This assessment district is administered to provide safe and effective public improvements in the Cipriani Estates subdivision. The streets, street lights, and storm drains will be maintained for the benefit of the residents of the subdivision in the most efficient manner possible.

**DEPARTMENTAL PROGRAMS**

- Maintain streets, lighting, sweeping, striping, and signage in the Cipriani Estates Subdivision.
- Maintain the Stormwater Drainage System in the Cipriani Estates Subdivision.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Maintained street lights.
- Monitored street sweeping.
- Maintain the Storm Drainage System.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Maintain streets in the most efficient and effective manner.
- Repair pot holes as needed.
- Restripe streets as needed.
- Monitor street sweeping.
- Fund street light utilities.
- Replace street signs as needed.

**FY 2017-2018 RECOMMENDED BUDGET**

This Fund's FY 2017-2018 Recommended Budget represents an overall decrease of (\$10,438) or (10%) in expenditures, and a minimal change in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$9,988).

*Estimated Fund Balance*

The year-end Fund Balance is estimated to be \$346,457 as of June 30, 2017, which is sufficient to cover the Net Cost.

### Revenues

Revenues, which are special assessments, have been kept constant.

### Personnel

This budget pays for Public Works Department staff that maintains the district's assets.

### Services and Supplies

This budget pays for maintenance supplies for streets and drainage to meet the needs of area. In addition, this Budget includes:

- Funds to maintain and improve the storm drain area.
- This fund's share of a Stormwater Plan and a Master Plan for street maintenance.
- Repairing the electric gate for emergency access as needed.
- Restriping and replacing signs as needed.

### Capital Projects/Fixed Assets

There is no capital project included in this budget this fiscal year.

## **MAJOR POLICY CONSIDERATIONS**

The property tax assessments generated by these this district is intended to minimize the maintenance financial obligations generated by the development of this subdivision on the City's General Fund. There are no major policy considerations for this district.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 312 - Cipriani Estates Maintenance								
Revenues								
Dept: 000								
5110.000 Property Taxes-Secured	47,224	50,000	50,000	47,859	50,000	47,859	49,500	
5120.000 Property Taxes-Unsecured	0	0	0	0	0			
5130.000 Property Taxes-Prior Year	0	500	725	725	725	725		
5515.000 Interest Income	1,029	300	300	822	300	800	850	
Dept: 000	48,253	50,800	51,025	49,406	51,025	49,384	50,350	0
Total Revenues	48,253	50,800	51,025	49,406	51,025	49,384	50,350	0
Expenditures								
Dept: 000								
6110.000 Salaries-Regular Pay	0	2,075	2,075	0	2,075	2,075	2,322	
6111.000 Salaries-Overtime Pay	0	20	20	0	20	20	20	
6113.000 Salaries-Differentials	0	0	0	0	0			
6132.000 Retirement - PERS	587	395	395	88	395	395	442	
6140.000 Life and Disability Insurance	22	35	35	13	35	35	39	
6150.000 Workers Comp Insurance	44	25	25	67	25	67	70	
6160.000 Social Security	0	160	160	0	160	160	179	
6170.000 Health and Dental Insurance	253	475	475	123	475	475	475	
6210.000 Special Departmental Expenses	0	0	0	0	0			
6212.000 Maintenance Supplies	0	5,000	5,000	0	5,000		5,000	
6225.000 Utilities	2,849	3,000	3,000	2,050	3,000	3,000	3,000	
6230.000 Legal and Accounting	378	500	500	0	500	500	200	
6235.000 Engineering and Surveying	6,928	20,000	20,000	2,000	20,000	5,000	5,000	
6245.000 Other Contractual Services	31,900	50,000	50,000	0	50,000		50,000	
6248.000 Street Sweeping	7,933	4,000	4,000	3,928	4,000	4,000		
6251.000 Storm Drain Repairs	0	1,500	1,500	0	1,500		10,000	
6260.000 Advertising	528	150	150	0	150	150	150	
6530.000 Capital Outlay-Improvements	0	0	0	0	0			
6900.000 Transfers to General Fund	5,000	5,000	5,000	0	5,000	5,000	5,000	
6927.000 Transfer to Street Fund [130]	10,050	7,700	7,700	0	7,700	7,700	7,700	
Dept: 000	66,472	100,035	100,035	8,269	100,035	28,577	89,597	0
Total Expenditures	66,472	100,035	100,035	8,269	100,035	28,577	89,597	0
Cipriani Estates Maintenance	-18,219	-49,235	-49,010	41,137	-49,010	20,807	-39,247	0

**Gonzales Industrial Park Landscape District  
Budget Narrative for FY 2017-2018  
Budget Fund 314**

**DEPARTMENTAL MISSION**

This Assessment District is administered to provide maintenance for open space areas in the Gonzales Industrial Park.

**DEPARTMENTAL PROGRAMS**

- Maintain the Gonzales Industrial Park public right-of-way landscaping.
- Maintain entrance ways to the Gonzales Industrial Park.
- Maintain the Percolation Pond.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Improved the stormwater percolation pond.
- Maintained street landscaping.
- Worked with adjacent farming operations to minimize street problems.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Maintain the stormwater percolation pond.
- Improve street landscaping maintenance.

**FY 2017-2018 RECOMMENDED BUDGET**

This Fund's FY 2017-2018 Recommended Budget represents an overall increase of \$20,695 or 44% in expenditures, and a slight increase in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$20,195.

*Estimated Fund Balance*

The year-end Fund Balance is estimated to be \$69,129 as of June 30, 2017, which is sufficient to cover the Net Cost.

*Revenues*

This fund had a large reserve; as a result, no assessments have been collected the past two years. However, while not reflected, it is anticipated that at least a portion of the assessment will be reinstated.

Personnel

This fund's budget compensates the Public Works Department for time spent maintaining areas of the Industrial Park.

Services and Supplies

This category reflects the necessary items to provide required maintenance to the district's facilities and funds the landscape maintenance contract.

Capital Projects/Fixed Assets

There is no capital project included in this budget or this fiscal year.

**MAJOR POLICY CONSIDERATIONS**

The property tax assessments generated by this district, are intended to minimize the maintenance financial obligations generated by development of the Industrial Park on the City's General Fund.

Because there were large reserves, the budget does not reflect any assessment for FY 2017-2018. It is anticipated that at least a portion of the assessment will be reinstated again for FY 2017-2018.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			Estimated Total	(6)	(7)	(8)
	Year Actual	Original Budget	Amended Budget	Actual Thru April		YE Projected	FY 2017/2018	Adopted
Fund: 314 - Gonzales Ind Pk Landscape Main								
Revenues								
Dept: 000								
5110.000 Property Taxes-Secured	0	0	0	0	0			
5515.000 Interest Income	516	0	0	393	0	500	500	
5954.000 Transfer From Fund 316	0	0	0	0	0			
Dept: 000	516	0	0	393	0	500	500	0
Total Revenues	516	0	0	393	0	500	500	0
Expenditures								
Dept: 000								
6110.000 Salaries-Regular Pay	0	5,185	5,185	0	5,185	5,185	5,806	
6111.000 Salaries-Overtime Pay	0	50	50	0	50	50	50	
6132.000 Retirement - PERS	529	990	990	221	990	990	1,104	
6140.000 Life and Disability Insurance	56	90	90	32	90	90	97	
6150.000 Workers Comp Insurance	106	60	60	160	60	160	165	
6160.000 Social Security	0	400	400	0	400	400	448	
6170.000 Health and Dental Insurance	632	1,188	1,188	307	1,188	1,188	1,188	
6210.000 Special Departmental Expenses	2,594	0	0	224	0	224	500	
6212.000 Maintenance Supplies	179	1,500	1,500	0	1,500	1,500	3,000	
6225.000 Utilities	544	800	2,000	2,543	2,000	3,000	4,000	
6230.000 Legal and Accounting	441	1,000	1,000	0	1,000	1,000	800	
6235.000 Engineering and Surveying	4,760	10,000	10,000	2,000	10,000	10,000	10,000	
6245.000 Other Contractual Services	14,642	10,000	10,000	9,316	10,000	10,000	25,000	
6248.000 Street Sweeping	0	0	0	0	0			
6260.000 Advertising	988	500	500	0	500	500	300	
6530.000 Capital Outlay-Improvements	0	10,000	10,000	0	10,000	10,000	10,000	
6927.000 Transfer to Street Fund [130]	2,350	4,700	4,700	0	4,700	4,700	4,700	
Dept: 000	27,821	46,463	47,663	14,803	47,663	48,987	67,158	0
Total Expenditures	27,821	46,463	47,663	14,803	47,663	48,987	67,158	0
Gonzales Ind Pk Landscape Main	-27,305	-46,463	-47,663	-14,410	-47,663	-48,487	-66,658	0

**Gonzales Industrial Park Benefit Assessment District  
Budget Narrative for FY 2017-2018  
Budget Fund 316**

**DEPARTMENTAL FUND MISSION**

This Assessment District is administered to provide safe and effective public improvements in the Gonzales Industrial Park. The streets, street lights, and storm drains will be maintained for the benefit of the properties in the Industrial Park in the most efficient manner possible.

**DEPARTMENTAL PROGRAMS**

- Maintain street lighting, sweeping, striping, and signage in the Industrial Park.
- Maintain the stormwater drainage system in the Industrial Park.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Maintained Street Sweeping Program in the Industrial Park.
- Maintained the Storm Drainage System in the Industrial Park.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Maintain the Street Sweeping Program in the Industrial Park.
- Improve maintenance of the storm drainage system in the Industrial Park.
- Monitor the landscaping maintenance contract for areas to improve.

**FY 2017-2018 RECOMMENDED BUDGET**

This Fund's FY 2017-2018 Recommended Budget represents an overall decrease of (\$19,800) or (27%) in expenditures, and a minimal change in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$20,100).

*Estimated Fund Balance*

The year-end Fund Balance is estimated to be \$142,527 as of June 30, 2017, which is sufficient to cover the Net Cost.

*Revenues*

Revenues have not been assessed the last two years because of large reserve. However, while not reflected, it is anticipated that at least a portion of the assessment will be reinstated.



Personnel

This budget reflects a transfer to the General Fund to offset maintenance and administration support.

Services and Supplies

This budget includes funding for street and pond maintenance.

Capital Projects/Fixed Assets

There is no specific capital project funded this year. \$10,000 is set aside for capital project(s) that may arise during the year.

**MAJOR POLICY CONSIDERATIONS**

The property tax assessments generated by this district are intended to minimize the maintenance financial obligations generated by development of the Industrial Park on the City's general fund.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year	Original	Amended	Actual Thru	Estimated	YE Projected	FY 2017/2018	Adopted
	Actual	Budget	Budget	April	Total			
Fund: 316 - Gonzales Ind Pk Benefit Assess								
Revenues								
Dept: 000								
5110.000	Property Taxes-Secured	0	0	0	0			
5515.000	Interest Income	499	200	200	403	200	500	500
	Dept: 000	499	200	200	403	200	500	500
	Total Revenues	499	200	200	403	200	500	500
Expenditures								
Dept: 000								
6210.000	Special Departmental Expenses	456	0	0	0		2,000	
6212.000	Maintenance Supplies	39	0	0	0		2,000	
6225.000	Utilities	2,054	2,000	2,000	0	2,000	2,000	3,000
6230.000	Legal and Accounting	399	100	100	0	100	100	200
6235.000	Engineering and Surveying	27,760	30,000	30,000	3,875	30,000	10,000	15,000
6245.000	Other Contractual Services	90	10,000	10,000	5,285	10,000	5,000	10,000
6248.000	Street Sweeping	7,933	5,000	5,000	3,928	5,000	7,000	
6260.000	Advertising	544	100	100	0	100	100	200
6530.000	Capital Outlay-Improvements	0	15,000	15,000	0	15,000		10,000
6900.000	Transfers to General Fund	9,100	9,100	9,100	0	9,100	9,100	9,100
6952.000	Transfer to Fund 314	0	0	0	0			
	Dept: 000	48,375	71,300	71,300	13,088	71,300	33,300	51,500
	Total Expenditures	48,375	71,300	71,300	13,088	71,300	33,300	51,500
	Gonzales Ind Pk Benefit Assess	-47,876	-71,100	-71,100	-12,685	-71,100	-32,800	-51,000

**Agricultural Industrial Park Federal Grant  
Budget Narrative for FY 2017-2018  
Budget Fund 407**

**DEPARTMENTAL MISSION**

This fund is administered by the City Manager's Office whose Mission is to support the Vision and Mission of the City by providing professional leadership, develop innovative approaches, and creative partnerships in the management of the City and execution of City Council policies. This will be done by always holding to the highest ideals of public service and ethics.

**DEPARTMENTAL PROGRAMS**

This fund was established to track the expenditures and revenues for the construction, and development of the Gonzales Agricultural Industrial Business Park.

Since the completion of the Industrial Business Park, this fund has been used to continue to isolate expenditure to improve the Park.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Continued a proactive approach to the development of the Industrial Park.
- The Business Park continues to move forward with the major landing of Mann Packing to jump start development of the second phase.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to work with the developer and private sector to develop and occupy the Park.
- Continue to work on the developing and constructing of the northern road entrance into the Industrial Park, and submit an Economic Development Grant application to acquire the funding.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents a decrease of (\$3,000) or (60%) in expenditures, and no change in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$3,050).

Estimated Fund Balance

The year-end Fund Balance is estimated to be \$4,767 as of June 30, 2017, which is sufficient to cover the fund's Net Cost.

Revenues

This budget reflects minimal revenue.

Personnel

Not applicable.

Services and Supplies

The budget includes funds for efforts to continue to enhance the Park.

Capital Projects/Fixed Assets

There are no projects reflected in the budget.

**MAJOR POLICY CONSIDERATIONS**

The continuing development and occupancy of the Industrial Park is a top priority of the City. To these ends, staff continues to work in a close partnership with developers, and private interest in and outside the park.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 407 - Ag Ind. Park Federal Grant								
Revenues								
Dept: 000								
5515.000 Interest Income	55	0	0	25	0	50	50	
5665.000 TDA Revenue	0	0	0	0	0			
5670.000 EDA Grant	0	0	0	0	0			
5821.000 Other Income - Reimbursements	0	0	0	0	0			
5900.000 Transfer from Water	0	0	0	0	0			
5905.000 Transfer from Sewer	0	0	0	0	0			
5935.000 Transfer from Gonzales SA	0	0	0	0	0			
5952.000 Transfers From 140	0	0	0	0	0			
5955.000 Transfer From Fund 230	0	0	0	0	0			
Dept: 000	55	0	0	25	0	50	50	0
Total Revenues	55	0	0	25	0	50	50	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	0	0			
6230.000 Legal and Accounting	0	0	0	0	0			
6235.000 Engineering and Surveying	0	0	0	0	0			
6245.000 Other Contractual Services	3,500	5,000	5,000	0	5,000	3,000	2,000	
6530.000 Capital Outlay-Improvements	0	0	0	0	0			
6953.000 Transfer to Fund 250	0	0	0	0	0			
Dept: 000	3,500	5,000	5,000	0	5,000	3,000	2,000	0
Total Expenditures	3,500	5,000	5,000	0	5,000	3,000	2,000	0
Ag Ind. Park Federal Grant	-3,445	-5,000	-5,000	25	-5,000	-2,950	-1,950	0

**Shopping Center REDIP  
Budget Narrative for FY 2017-2018  
Budget Fund 420**

**DEPARTMENTAL MISSION**

This is one of the assessment districts that transfer funds to the Debt Service Fund, through the Public Financing Debt Authority to pay off some bonds.

**DEPARTMENTAL PROGRAMS**

This loan was paid in full a few years ago by the City; as a result, the revenue generated from the carwash and McDonald's payments are revenue to the City.

**ACCOMPLISHMENTS FOR FY 2016-2017**

Not applicable.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

Not Applicable.

**FY 2017-2018 RECOMMENDED BUDGET**

The Fund's FY 2017-2018 Recommended Budget represents no change, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost remains the same.

Personnel

Not applicable.

Services and Supplies

Not applicable.

Capital Projects/Fixed Assets

Not applicable.

**MAJOR POLICY CONSIDERATIONS**

Not applicable.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			Estimated Total	(6)	(7)	(8)
	Year Actual	Original Budget	Amended Budget	Actual Thru April		YE Projected	FY 2017/2018	Adopted
Fund: 420 - Shopping Center REDiP								
Revenues								
Dept: 000								
5110.000	7,196	7,196	7,196	7,196	7,196	7,196	7,196	
5120.000	0	0	0	0	0			
5130.000	0	0	0	0	0			
5140.000	0	0	0	0	0			
5515.000	0	0	0	0	0			
Dept: 000	7,196	7,196	7,196	7,196	7,196	7,196	7,196	0
Total Revenues	7,196	7,196	7,196	7,196	7,196	7,196	7,196	0
Expenditures								
Dept: 000								
6212.000	0	0	0	0	0			
6316.000	0	0	0	0	0			
6900.000	7,196	7,196	7,196	0	7,196	7,196	7,196	
Dept: 000	7,196	7,196	7,196	0	7,196	7,196	7,196	0
Total Expenditures	7,196	7,196	7,196	0	7,196	7,196	7,196	0
Shopping Center REDiP	0	0	0	7,196	0	0	0	0

**Gonzales Successor Agency  
Budget Narrative for FY 2017-2018  
Budget Fund 426**

**DEPARTMENTAL MISSION**

This fund, which is administered by the City Manager's Office, who serves as the Executive Director of the Gonzales Successor Agency, was set up to track expenditures and revenues for the Agency. This is the process that was established by the State after the elimination of Redevelopment. As part of the elimination of Redevelopment (RDA), the State established a different process and organization structure to account for the tax increment. This process established a Successor Agency, Oversight Board, and a separate fund that would be used to reflect all tax increment proceeds.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Continued to work with the State Department of Finance (DOF) and were able to obtain approval to reclassify several remaining loans to the RDA from the General Fund, to a full obligation of the Successor Agency. This resulted in significant repayments to the General Fund.
- The old RDA, now as the Successor Agency, continued to generate significant tax increment to both the City and other entities like the Gonzales Unified School District, Hartnell Junior College and the County of Monterey.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to move towards submitting a last best and final Recognized Obligation Payment Schedule (ROPS) to DOF, which would essentially result in completing the dissolution process of the former Gonzales RDA.
- Continue to manage and oversee all the functions of the Gonzales Successor Agency.

**FY 2017-2018 RECOMMENDED BUDGET**

The Fund's FY 2017-2018 Recommended Budget represents an increase of \$99,976 or 5% in expenditures, and \$418,000 or 22% in revenues, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost increased by \$318,024.

Revenues

The budget reflects the revenue estimates of tax increment that will be received to cover the recognized obligations (ROPS) of the Successor Agency. What is noteworthy, is the increase in available tax increment revenues that continues to be driven by the growth in the Gonzales Agricultural Industrial Business Park.



Expenditures

The budget includes the debt service expenses of the former RDA, the administrative costs of the Successor Agency; and more importantly, reflects a repayment of the loan made by the City General Fund to RDA.

Accelerating the repayment of the loan to the General Fund is the primary reason for the increase.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in this budget.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted	
		Original Budget	Amended Budget	Actual Thru April					
Fund: 426 - City Successor Agency									
Revenues									
Dept: 000									
5110.000	Property Taxes-Secured	2,208,062	1,800,000	1,800,000	934,267	1,800,000	2,000,000	2,200,000	
5120.000	Property Taxes-Unsecured	0	0	0	0	0			
5130.000	Property Taxes-Prior Year	0	0	0	0	0			
5140.000	Property Taxes-Supplemental	0	0	0	0	0			
5159.000	Property Taxes - ERAF	0	0	0	0	0			
5165.000	RDA Bond Proceeds	0	0	0	0	0			
5510.000	Investment Income	0	0	0	-250,658	0	-250,658		
5515.000	Interest Income	11,512	12,000	12,000	40,035	12,000	40,000	30,000	
5520.000	Rental Income	0	0	0	0	0			
5530.000	Sale of Surplus Property	0	0	0	0	0			
5612.000	H.O.P.T.R.	0	0	0	0	0			
5821.000	Other Income - Reimbursements	47,448	0	0	0	0			
5860.000	Principal Payments Received	0	9,000	9,000	8,784	9,000	9,000	9,000	
5890.000	Extraordinary Gain / Los	0	0	0	0	0			
5930.000	Transfer from General Fund	0	0	0	0	0			
Dept: 000		2,267,022	1,821,000	1,821,000	732,428	1,821,000	1,798,342	2,239,000	0
Total Revenues		2,267,022	1,821,000	1,821,000	732,428	1,821,000	1,798,342	2,239,000	0
Expenditures									
Dept: 000									
6110.000	Salaries-Regular Pay	80,877	89,540	89,540	74,690	89,540	89,540	95,453	
6111.000	Salaries-Overtime Pay	2,710	100	2,000	1,484	2,000	2,000	100	
6111.500	Overtime - Click it/Ticket it	0	0	0	0	0			
6112.000	Salaries-Extra Help	0	0	0	0	0			
6113.000	Salaries-Differentials	914	7,090	7,090	466	7,090	1,000	7,194	
6114.000	Workers Compensation Payment	0	0	0	0	0			
6120.000	Unemployment Insurance	0	0	0	0	0			
6130.000	Retirement - ICMA	0	0	0	0	0			
6131.000	Deferred Compensation Expense	3,096	6,050	6,050	1,460	6,050	6,050	6,322	
6132.000	Retirement - PERS	8,890	17,910	17,910	5,325	17,910	17,910	19,045	
6140.000	Life and Disability Insurance	725	1,375	1,375	564	1,375	1,375	1,328	
6150.000	Workers Comp Insurance	942	817	817	2,801	817	2,801	2,855	
6160.000	Social Security	5,636	7,400	7,400	4,954	7,400	7,400	7,860	
6170.000	Health and Dental Insurance	14,239	7,425	7,425	13,820	7,425	7,425	7,425	
6210.000	Special Departmental Expenses	75	0	50	45	50	50	50	
6211.000	Office Supplies	0	0	100	74	100	100	100	
6212.000	Maintenance Supplies	0	0	0	0	0			

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 426 - City Successor Agency								
Expenditures								
Dept: 000								
6225.000 Utilities	8,369	0	4,500	4,565	4,500			
6230.000 Legal and Accounting	636	7,500	7,500	126	7,500	7,500	7,500	
6245.000 Other Contractual Services	36,011	30,000	30,000	23,032	30,000	30,000	55,006	
6260.000 Advertising	0	0	0	0	0			
6275.000 Subscriptions and Training	0	0	0	0	0			
6315.000 County Administrative Fees	0	0	0	0	0			
6316.000 Administrative Fees	0	0	0	0	0			
6332.000 SA Debt Service Payments	0	0	0	0	0			
6333.000 SA Loan Payments	0	0	0	0	0			
6460.000 Change In Accounting Practices	0	0	0	0	0			
6550.000 Depreciation	0	0	0	0	0			
6610.000 Interest Expense	625,106	929,792	929,792	349,504	929,792	929,792	1,052,432	
6635.000 Bond Issuance Costs	156,422	150,000	150,000	140,309	150,000	140,309		
6900.000 Transfers to General Fund	191,310	510,955	510,955	0	510,955	510,955	603,260	
6905.000 Transfers Out	0	0	0	0	0			
Dept: 000	1,135,958	1,765,954	1,772,504	623,219	1,772,504	1,754,207	1,865,930	0
Total Expenditures	1,135,958	1,765,954	1,772,504	623,219	1,772,504	1,754,207	1,865,930	0
City Successor Agency	1,131,064	55,046	48,496	109,209	48,496	44,135	373,070	0

**Gonzales Successor Agency - Housing  
Budget Narrative for FY 2017-2018  
Budget Fund 427**

**DEPARTMENTAL MISSION**

This fund was set up to track expenditures and revenues for the Gonzales Successor Agency – Housing Fund. This is the process that was established by the State after the elimination of Redevelopment. As part of the elimination of Redevelopment, the State established a different process and organization structure to account for the tax increment. This process established a Successor Agency, Oversight Board, and a separate fund that would be used to reflect all housing proceeds.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Provided \$50,000 in funding to the Monterey Bay Economic Partnership (MBEP) Housing Trust that will leverage up to four times the resources for affordable housing projects in the community.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Work with housing agencies, developers, and non-profits to identify opportunities to improve farmworker and affordable housing opportunities to the community.
- Provide an additional \$50,000 in funding to the MBEP Housing Trust thereby increasing the leveraging opportunity up to \$400,000.
- Partner with CHISPA to provide funding for new multi-family housing.

**FY 2017-2018 RECOMMENDED BUDGET**

The Fund’s FY 2017-2018 Recommended Budget represents a decrease of (\$50,000) or (50%) in expenditures, and (\$150) in revenues, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$49,850).

*Estimated Fund Balance*

The year-end Fund Balance is estimated to be \$361,485 as of June 30, 2017.

*Revenues*

The budget reflects the revenue estimates from housing rehabilitation loans being repaid back. In addition, over the next few ROPS cycles, this fund will begin to receive payment for the ERAF loan it provided to the RDA to cover two funding raids by the State of California.

Expenditures

This budget reflects an additional \$50,000 contribution to the MBEP Housing Trust to increase the leverage opportunity to \$400,000, to hopefully within a short timeframe, be used on the multi-family housing being planned with CHISPA.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations in this fund.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 427 - Successory Agency - Housing								
Revenues								
Dept: 000								
5515.000 Interest Income	98	150	150	0	150			
5860.000 Principal Payments Received	15,274	50,000	50,000	2,220	50,000	50,000	50,000	
5890.000 Extraordinary Gain / Los	0	0	0	0	0			
Dept: 000	15,372	50,150	50,150	2,220	50,150	50,000	50,000	0
Total Revenues	15,372	50,150	50,150	2,220	50,150	50,000	50,000	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	0	0	0	5,000	0			
6510.000 Capital Outlay-Land	0	0	0	50,000	0	50,000	50,000	
6530.000 Capital Outlay-Improvements	0	100,000	100,000	0	100,000			
Dept: 000	0	100,000	100,000	55,000	100,000	50,000	50,000	0
Total Expenditures	0	100,000	100,000	55,000	100,000	50,000	50,000	0
Successory Agency - Housing	15,372	-49,850	-49,850	-52,780	-49,850	0	0	0

**Gonzales River Road Assessment District  
Budget Narrative for FY 2017-2018  
Budget Fund 450**

**DEPARTMENTAL MISSION**

This is one of the assessment districts that transfer funds to the Debt Service Fund through the Public Finance Debt Authority to pay off some bonds.

**ACCOMPLISHMENTS FOR FY 2016-2017**

Not applicable.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

Not applicable.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents a decrease of (\$2,700) or (5%) in expenditures, and (\$2,834) or (5%) in revenues, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$134.

Revenues

Revenues are down slightly to reflect an expected decrease in Property Taxes.

Personnel, Services and Supplies and Capital Projects/Fixed Assets

Not applicable.

Debt Service

The combined payments for interest and principal remain unchanged.

**MAJOR POLICY CONSIDERATIONS**

Not applicable.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 450 - Gonzales River Rd. Assess Dist								
Revenues								
Dept: 000								
5110.000 Property Taxes-Secured	52,067	54,652	54,652	54,516	54,652	54,516	51,818	
5130.000 Property Taxes-Prior Year	0	0	0	0	0			
5140.000 Property Taxes-Supplemental	0	0	0	0	0			
5515.000 Interest Income	0	0	0	0	0			
Dept: 000	52,067	54,652	54,652	54,516	54,652	54,516	51,818	0
Total Revenues	52,067	54,652	54,652	54,516	54,652	54,516	51,818	0
Expenditures								
Dept: 000								
6316.000 Administrative Fees	688	0	0	40	0			
6610.000 Interest Expense	9,600	7,050	7,050	7,050	7,050	7,050	4,350	
6620.000 Principal Reduction	40,000	45,000	45,000	45,000	45,000	45,000	45,000	
6900.000 Transfers to General Fund	0	0	0	0	0			
Dept: 000	50,288	52,050	52,050	52,090	52,050	52,050	49,350	0
Total Expenditures	50,288	52,050	52,050	52,090	52,050	52,050	49,350	0
Gonzales River Rd. Assess Dist	1,779	2,602	2,602	2,426	2,602	2,466	2,468	0



**Capital Infrastructure Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 460**

**DEPARTMENTAL MISSION**

This fund is administered by the City Manager's Office whose Mission is to support the Vision and Mission of the City by providing professional leadership, develop innovative approaches, and creative partnerships in the management of the City and execution of City Council policies. This will be done by always holding to the highest ideals of public service and ethics.

**DEPARTMENTAL PROGRAMS**

This fund is used to pool resources from which the City may draw to finance local public capital improvements.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Continued active development and use of the City's Economic Development effort, which included the website, marketing, and overall outreach.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to search for funding for critical infrastructure projects.
- Continue to identify, develop, expand, and promote economic business and grant opportunities.

**FY 2017-2018 RECOMMENDED BUDGET**

The Department's FY 2017-2018 Recommended Budget represents an increase of \$50,000 or 62% in expenditures, and a decrease of (\$149,750) or (58%) in revenues, when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is increased by \$199,750.

*Estimated Fund Balance*

The year-end Fund Balance is estimated to be \$516,689 as of June 30, 2017, which is sufficient to cover the Net Cost.

*Revenues*

The decrease in revenues is primarily due to the anticipated City loan to the Housing Authority of Monterey County that was used to build the Fanoe Apartments.

### Personnel

There are no personnel costs allocated in this fund.

### Services and Supplies

There are no services and supplies reflected in this budget at this time. However, this budget reflects \$30,000 for continued enhancement to the City's economic development efforts; \$10,000 to continue to improve and maintain the website current; \$20,000 as a place holder for possible consultants to provide service to enhance the City's revenue base, economic development, and/or infrastructure; and \$50,000 to help match engineering, and/or planning services for expansion/upgrade to the City's infrastructure.

### Capital Projects/Fixed Assets

In order to preserve the remaining resources in this fund, no capital projects are recommended in the budget. However, staff will continue to search for funding for critical infrastructure, and hopes to use a portion of the funds to leverage or match grant opportunities.

## **MAJOR POLICY CONSIDERATIONS**

While the City, not unlike others, has done a reasonable job of maintaining critical infrastructure like water, sewer and streets, and has done some improvements over the years; unfortunately, it has not been enough and the time is rapidly approaching when the next substantial level of infrastructure improvements will be needed. Work is underway on the following critical projects which are in various stages of development:

- *Replacement Water Well:* This project is currently underway and will be completed next year. However, this is not an insignificant project and in the short term, will deplete the reserves in the Water Enterprise Fund. In addition to the well, work is currently underway to assess the system and develop an improvement plan. What this will likely mean is that other funding sources (loans, grant, developer impact fees, etc.) will need to be developed including potential annual fee increases beyond the Consumer Price Index (CPI);
- *Expansion to and Maintenance of the Wastewater Treatment Plant:* A lot of planning and maintenance is currently underway at the Plant. For example, key equipment has been replaced and/or upgraded, and a plan has been finalized to present to your Council to remove sludge in few of the ponds. These projects will allow the Plant to operate to the permit capacity of 1.3 million gallons per day, which will be needed to support the current and expected short-term development of the Industrial Park; however, it will not support any increases beyond the permitted limit. As a result, significant work is underway to develop short, medium, and long term increase capacity to the Plant to support future growth. Similar to water, this will require a combination of funding sources (loans, grant, developer impact fees, etc.) including potential annual fee increases beyond the annual CPI; and

- *Alta Street Improvement:* The engineering and cost estimate for this project is almost done and will in short time be presented to the Council. As the major entry into the City's Industrial Park, which fuels the local economy, improving Alta Street is long overdue and needed. Similarly, a variety of funding sources will be needed to complete this project. Staff plans to recommend use of the City's share of the Regional Transportation Tax (estimated somewhere in the neighborhood of \$150,000 annually) to finance a large portion of the project, use of existing and future Circulation Impact Funds and other funding sources. A potential funding source could be working with the Transaction Use Tax Advisory Committee to pursue extending, and/or eliminating the sunset for the ½ cent sales tax and going back to the voters for an additional ½ cent for general purpose infrastructure and other general uses. In addition, while improving Alta Street is of critical importance, so is developing and funding a reasonable maintenance plan for all the City streets.

So, while the needed infrastructure improvement projects appear daunting, they are doable by taking a methodical, discipline, prudent and innovative approach. This has long been the mainstay of Gonzales and to these ends, staff is working hard on presenting short, medium, and long term alternatives to your Council.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year Actual	Original Budget	Amended Budget	Actual Thru April	Estimated Total	YE Projected	FY 2017/2018	Adopted
Fund: 460 - Infrastructure Improvement Fun								
Revenues								
Dept: 000								
5515.000 Interest Income	105,691	0	0	599	0	750	750	
5821.000 Other Income - Reimbursements	5,965	8,000	8,000	7,455	8,000	7,455	7,500	
5860.000 Principal Payments Received	68,535	250,000	250,000	1,088	250,000	281,334	100,000	
5955.000 Transfer From Fund 230	0	0	0	0	0			
5956.000 Transfers From Fund 240	0	0	0	0	0			
5965.000 Transfer from Fund 590	0	0	0	0	0			
Dept: 000	180,191	258,000	258,000	9,142	258,000	289,539	108,250	0
Total Revenues	180,191	258,000	258,000	9,142	258,000	289,539	108,250	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	444	0	0	0	0			
6211.000 Office Supplies	0	0	0	0	0			
6235.000 Engineering and Surveying	0	0	0	0	0		50,000	
6245.000 Other Contractual Services	66,109	80,000	80,000	64,454	80,000	80,000	80,000	
6250.000 Rental	0	0	0	0	0			
6275.000 Subscriptions and Training	0	0	0	0	0			
6325.000 Contingency Account	0	0	0	0	0			
6328.000 Loan Advances	0	0	0	0	0			
6530.000 Capital Outlay-Improvements	0	0	0	0	0			
6905.000 Transfers Out	0	0	0	0	0			
6930.000 Transfer to Water	0	0	0	0	0			
6932.000 Transfers to Sewer	0	0	0	0	0			
6940.000 Transfer to RDA Capital Proj's	0	0	0	0	0			
Dept: 000	66,553	80,000	80,000	64,454	80,000	80,000	130,000	0
Total Expenditures	66,553	80,000	80,000	64,454	80,000	80,000	130,000	0
Infrastructure Improvement Fun	113,638	178,000	178,000	-55,312	178,000	209,539	-21,750	0

**Water Enterprise Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 520**

**DEPARTMENTAL MISSION**

This Water Enterprise Fund is administered by the Public Works Department to support the City's Vision and Mission. Services will be delivered in a cost-effective and customer friendly manner, coordinating all efforts with all other Departments. The water system is operated in a sustainable manner to ensure Gonzales maintains the current high quality of life.

**DEPARTMENTAL PROGRAMS**

- Operates of the City's water system.
- Maintains water wells.
- Maintains water tanks.
- Monitor and report on the quality of the water system.
- Maintenance of the underground water infrastructure.
- Maintain a computer control system for all wells.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Complied with all regulatory water quality sampling and reporting requirements.
- Produced and distributed consumer confidence reports.
- Managed and maintained Gonzales' municipal water and distribution system.
- Maintained the cross-connection control program.
- Assisted consumers with leak detection as requested.
- Provided fire flow data upon request.
- Replaced all manually read meters with radio read meters to increase accuracy and efficiency.
- Improved Supervisory Control Access and Data Acquisition (SCADA) Computer Control Program.
- Added solar power to an additional well.
- Planned for well replacement.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Maintain the water system in compliance with State, County, and Regional regulations
- Provide safe potable water to all customers of the City without any interruption.
- Maintain consumer confidence reporting system.
- Maintain trained staff as water treatment and distribution operators.
- Complete a computer water system model.
- Complete a replacement well project.

## **FY 2017-2018 RECOMMENDED BUDGET**

This Fund's FY 2017-2018 Recommended Budget represents an overall decrease of (\$73,841) or (2%) in expenditures, and an increase of \$198,500 or 15% in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$272,341).

### Estimated Fund Balance

The year-end Fund Balance is estimated to be \$3,888,104 as of June 30, 2017, which is sufficient to cover the Net Cost.

### Revenues

Revenues should remain relatively unchanged based on current and expected activity.

### Personnel

The Public Works Department provides the personnel requirements for the Water Enterprise Fund.

### Services and Supplies

This category includes the entire spectrum of office and operational supplies such as billing forms, chlorine, and water repair clamps, etc. It also reflects utilities for wells and a variety of contract services for water monitoring, testing, along with the debt service contract for the water tanks.

Major categories in this area include:

- Engineering and Surveying for the well replacement project.
- Debt service for the solar projects.
- Annual payment for the tank repairs.

### Capital Projects/Fixed Assets

Capital projects include \$1.25 million to replace Well #3, and \$10,000 for this Fund's share of a new pickup truck.

## **MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in this budget at this time.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year Actual	Original Budget	Amended Budget	Actual Thru April	Estimated Total	YE Projected	FY 2017/2018	Adopted
Fund: 520 - Water Enterprise								
Revenues								
Dept: 000								
5515.000 Interest Income	8,720	3,000	3,000	7,141	3,000	8,000	8,000	
5701.000 Charges for Current Services	1,308,112	1,200,000	1,200,000	1,019,415	1,200,000	1,200,000	1,400,000	
5702.000 Late charges	18,475	20,000	20,000	16,987	20,000	20,000	20,000	
5780.000 K&B-Meter Set Fee	294	200	200	193	200	200	200	
5781.000 K&B-Meter Sales	1,428	500	3,100	3,052	3,100	3,100	3,000	
5820.000 Other Income - Misc Payments	493	10,000	1,000	0	1,000	1,000	1,000	
5905.000 Transfer from Sewer	60,000	60,000	60,000	0	60,000	60,000	60,000	
5958.000 Transfer from Fund 460	0	0	0	0	0			
Dept: 000	1,397,522	1,293,700	1,287,300	1,046,788	1,287,300	1,292,300	1,492,200	0
Total Revenues	1,397,522	1,293,700	1,287,300	1,046,788	1,287,300	1,292,300	1,492,200	0
Expenditures								
Dept: 000								
6110.000 Salaries-Regular Pay	125,437	149,150	149,150	117,458	149,150	149,150	174,345	
6111.000 Salaries-Overtime Pay	3,742	1,350	3,800	5,363	3,800	3,800	1,350	
6112.000 Salaries-Extra Help	0	0	0	0	0			
6113.000 Salaries-Differentials	2,376	11,807	11,807	1,608	11,807	11,807	12,195	
6120.000 Unemployment Insurance	3,755	0	0	0	0			
6131.000 Deferred Compensation Expense	3,542	7,050	7,050	1,369	7,050	7,050	7,190	
6132.000 Retirement - PERS	15,778	30,643	30,643	8,521	30,643	30,643	35,485	
6133.000 Contra - Pension	-36,436	0	0	0	0			
6140.000 Life and Disability Insurance	1,369	2,295	2,295	1,028	2,295	2,295	2,635	
6150.000 Workers Comp Insurance	3,704	1,840	1,840	4,909	1,840	4,909	5,000	
6160.000 Social Security	9,168	12,416	12,416	8,483	12,416	12,416	14,375	
6170.000 Health and Dental Insurance	26,041	25,720	25,720	24,980	25,720	25,720	33,305	
6210.000 Special Departmental Expenses	28,757	30,000	30,000	30,840	30,000	35,000	30,000	
6211.000 Office Supplies	634	350	350	163	350	350	500	
6212.000 Maintenance Supplies	4,998	20,000	20,000	1,367	20,000	5,000	20,000	
6213.000 Oils and Lubricants	4,482	7,000	7,000	4,294	7,000	5,500	7,000	
6220.000 Telephone	7,890	8,300	8,300	5,960	8,300	7,000	8,500	
6225.000 Utilities	79,080	103,000	103,000	50,937	103,000	80,000	110,000	
6230.000 Legal and Accounting	2,982	10,000	10,000	5,000	10,000	10,000	10,000	
6235.000 Engineering and Surveying	58,934	250,000	250,000	127,406	250,000	150,000	250,000	
6245.000 Other Contractual Services	338,098	380,000	380,000	389,240	380,000	400,000	400,000	
6255.000 Liability Insurance	4,827	6,800	6,800	18,632	6,800	18,632	19,000	
6260.000 Advertising	0	1,000	1,000	1,968	1,000	2,500	2,500	
6270.000 Transportation and Travel	0	1,000	1,000	0	1,000		1,000	

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year Actual	Original Budget	Amended Budget	Actual Thru April	Estimated Total	YE Projected	FY 2017/2018	Adopted
Fund: 520 - Water Enterprise								
Expenditures								
Dept: 000								
6275.000	3,174	12,000	12,000	1,317	12,000	1,500	10,000	
6301.000	4,036	3,000	3,000	4,163	3,000	3,500	3,000	
6305.000	-1,000,000	10,000	10,000	0	10,000	10,000	10,000	
6310.000	0	0	0	0	0			
6316.000	0	0	0	0	0	3,500	3,500	
6331.000	17,500	35,000	35,000	0	35,000	35,000	35,000	
6450.000	0	0	0	0	0			
6460.000	0	0	0	0	0			
6510.000	0	0	0	0	0			
6530.000	12,234	1,500,000	1,500,000	225,796	1,500,000	320,000	1,250,000	
6540.000	0	10,000	10,000	0	10,000		10,000	
6542.000	0	0	8,292	16,792	8,292	17,000	50,000	
6544.000	0	0	0	0	0			
6550.000	192,355	160,000	160,000	0	160,000	195,000	200,000	
6610.000	66,204	60,690	60,690	28,220	60,690	60,690	60,690	
6635.000	0	0	0	0	0			
6640.000	0	0	0	0	0			
6900.000	0	0	0	0	0			
6905.000	180,000	247,476	247,476	0	247,476	247,476	247,476	
6930.000	0	0	0	0	0			
6932.000	0	0	0	0	0			
6955.000	0	0	0	0	0			
6956.000	25,000	0	0	0	0			
Dept: 000	189,661	3,097,887	3,108,629	1,085,814	3,108,629	1,855,438	3,024,046	0
Total Expenditures	189,661	3,097,887	3,108,629	1,085,814	3,108,629	1,855,438	3,024,046	0
Water Enterprise	1,207,861	-1,804,187	-1,821,329	-39,026	-1,821,329	-563,138	-1,531,846	0



# **Sewer Enterprise Fund**

## **Budget Narrative for FY 2017-2018**

### **Budget Fund 530**

#### **DEPARTMENTAL MISSION**

This Sewer Enterprise Fund and program is administered by the Public Works Department to support the City's Vision and Mission. Services will be delivered in a cost-effective and customer friendly manner, coordinating all effort with all other departments. The sewer system is operated in a sustainable manner to ensure Gonzales maintains the current high quality of life.

#### **DEPARTMENTAL PROGRAMS**

- Operation and maintains the City's wastewater system in compliance with State, County, and Regional Regulations.
- Operation of the Wastewater Treatment facility.
- Maintenance of miles of wastewater collection pipes.
- Maintain lift stations.
- Maintain a fats, oil, and grease awareness program to protect infrastructure from unnecessary clogging.
- Plans for improvements to the existing system.
- Develop and maintain a computer control system for pond aeration to provide stability and cost-effectiveness.
- Maintains spill response capability.

#### **ACCOMPLISHMENTS FOR FY 2016-2017**

- The wastewater system operated in compliance with all permit requirements.
- The wastewater system collected and provided treatment to approximately one million gallons of wastewater daily.
- Managed and maintained five sewer lift stations.
- Coordinated a contracted Plant Operator.
- Installed Supervisory Control Access and Data Acquisition (SCADA) System at all lift stations.

#### **DEPARTMENTAL GOALS FOR FY 2017-2018**

- Maintain and improve the Wastewater Treatment facilities.
- Work with contracted Chief Plant Operator for operation of the Wastewater Treatment facilities.
- Meet all regulatory sampling requirements in a cost-effective and efficient manner.
- Maintain consumer confidence in the City's infrastructure.
- Have staff certified as operators in training, Grade I, and Grade II Operators.
- Update the Operations and Maintenance Manual.
- Develop a plan for denitrification of wastewater.

- Develop a plan for increased capacity at the Wastewater Treatment Plant.
- Remove a large amount of sludge from treatment ponds to improve efficiency
- Develop funding sources for future expanded capacity

## **FY 2017-2018 RECOMMENDED BUDGET**

This Fund's FY 2017-2018 Recommended Budget represents an overall increase of \$262,429 or 23% in expenditures, and an increase of \$25,000 or 2% in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the requested net cost is increased by \$237,429.

### Revenues

Revenues are consistent with prior years.

### Personnel

The Public Works Department provides the personnel requirements for the Sewer Enterprise programs.

### Services and Supplies

This area of the budget includes the supplies and services to meet operational needs. The budget also reflects an appropriation for emergency repairs, along with the sewer fund's share of the payment for the financing used for the construction of the water tanks, and sewer expansion project.

This area also includes engineering for sludge removal of the ponds, and to design for an expansion of the Wastewater Treatment facility. Repairs for the head works at the plant are anticipated.

### Capital Projects/Fixed Assets/Land

The budget reflects capital equipment that may be needed during the year, and a portion of a replacement dump truck.

## **MAJOR POLICY CONSIDERATIONS**

Gonzales needs to increase the capacity of the Wastewater Treatment Plant. The options for expansion need to be explored in this fiscal year with a determination soon, and funding requires planning. Funds for ongoing sludge removal were not previously incorporated into service fees. Significant work will happen early in the fiscal year with your Council to develop a plan for the Wastewater Treatment Plant.

Policy consideration is how to spread the system expansion costs over current and future users of the system.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 530 - Sewer Enterprise								
Revenues								
Dept: 000								
5515.000 Interest Income	5,558	1,000	1,000	4,226	1,000	5,000	5,000	
5701.000 Charges for Current Services	916,389	840,000	840,000	695,763	840,000	840,000	860,000	
5702.000 Late charges	12,580	13,000	13,000	11,586	13,000	13,000	12,000	
5770.000 Sewer Inspection	211	0	2,000	1,923	2,000	2,000	2,000	
5900.000 Transfer from Water	0	0	0	0	0			
5905.000 Transfer from Sewer	0	0	0	0	0			
5930.000 Transfer from General Fund	0	0	0	0	0			
5958.000 Transfer from Fund 460	0	0	0	0	0			
Dept: 000	934,738	854,000	856,000	713,498	856,000	860,000	879,000	0
Total Revenues	934,738	854,000	856,000	713,498	856,000	860,000	879,000	0
Expenditures								
Dept: 000								
6110.000 Salaries-Regular Pay	125,437	149,150	149,150	117,639	149,150	149,150	174,345	
6111.000 Salaries-Overtime Pay	2,536	1,350	2,500	1,676	2,500	2,500	1,350	
6112.000 Salaries-Extra Help	0	0	0	0	0			
6113.000 Salaries-Differentials	3,581	11,807	11,807	2,761	11,807	11,807	12,195	
6120.000 Unemployment Insurance	3,755	0	0	0	0			
6131.000 Deferred Compensation Expense	3,542	7,050	7,050	1,369	7,050	7,050	7,190	
6132.000 Retirement - PERS	15,563	30,643	30,643	8,431	30,643	30,643	35,485	
6133.000 Contra - Pension	-35,938	0	0	0	0			
6140.000 Life and Disability Insurance	1,347	2,295	2,295	1,006	2,295	2,295	2,635	
6150.000 Workers Comp Insurance	3,704	1,840	1,840	4,909	1,840	4,909	5,000	
6160.000 Social Security	9,168	12,416	12,416	8,315	12,416	12,416	14,375	
6170.000 Health and Dental Insurance	25,910	25,720	25,720	24,065	25,720	25,720	33,305	
6210.000 Special Departmental Expenses	36,114	2,000	18,000	31,938	18,000	35,000	30,000	
6211.000 Office Supplies	634	500	500	163	500	500	500	
6212.000 Maintenance Supplies	4,756	25,000	25,000	43,930	25,000	50,000	25,000	
6213.000 Oils and Lubricants	2,602	4,000	4,000	2,493	4,000	4,000	4,000	
6220.000 Telephone	5,564	8,000	8,000	3,763	8,000	8,000	8,000	
6225.000 Utilities	15,322	12,000	12,000	8,551	12,000	12,000	12,000	
6230.000 Legal and Accounting	2,982	10,000	10,000	5,000	10,000	10,000	10,000	
6235.000 Engineering and Surveying	231,581	115,000	115,000	165,601	115,000	170,000	125,000	
6245.000 Other Contractual Services	514,686	285,000	285,000	280,568	285,000	285,000	285,000	
6255.000 Liability Insurance	2,698	3,800	3,800	10,412	3,800	10,412	10,620	
6260.000 Advertising	1,245	2,000	2,000	2,448	2,000	2,500	2,500	
6265.000 Printing	0	0	0	0	0			

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior	Current Year			(6)	(7)	(8)	
	Year	Original	Amended	Actual Thru	Estimated	YE Projected	FY 2017/2018	Adopted
	Actual	Budget	Budget	April	Total			
Fund: 530 - Sewer Enterprise								
Expenditures								
Dept: 000								
6270.000 Transportation and Travel	0	2,500	2,500	0	2,500			
6275.000 Subscriptions and Training	2,084	5,000	5,000	6,131	5,000	6,200	10,000	
6301.000 Bank Charges	4,036	3,000	3,000	4,163	3,000	4,000	4,000	
6305.000 Uncollectible Accounts	0	5,000	5,000	0	5,000	5,000	5,000	
6310.000 Other Taxes	0	0	0	0	0			
6316.000 Administrative Fees	18,500	37,000	37,000	0	37,000	37,000	37,000	
6331.000 Administrative Overhead	0	0	0	0	0			
6460.000 Change In Accounting Practices	0	0	0	0	0			
6530.000 Capital Outlay-Improvements	3,270	5,000	1,000,000	696,801	1,000,000	800,000		
6540.000 Capital Outlay-Equipment	0	35,000	35,000	55,984	35,000	65,000	200,000	
6542.000 Equipment-Vehicles	0	30,000	30,000	16,792	30,000	30,000	50,000	
6543.000 Equipment-Furniture	0	0	0	0	0			
6544.000 Equipment-Computers	0	0	0	0	0			
6550.000 Depreciation	116,163	140,000	140,000	0	140,000	120,000	130,000	
6610.000 Interest Expense	0	0	0	0	0			
6620.000 Principal Reduction	0	0	0	0	0			
6640.000 Amortization Expense	0	0	0	0	0			
6900.000 Transfers to General Fund	0	0	0	0	0			
6905.000 Transfers Out	90,000	91,753	91,753	0	91,753	91,753	91,753	
6930.000 Transfer to Water	60,000	60,000	60,000	0	60,000	60,000	60,000	
6955.000 Transfer to 407	0	0	0	0	0			
6956.000 Transfer To Fund 200	25,000	0	0	0	0			
Dept: 000	1,295,842	1,123,824	2,135,974	1,504,909	2,135,974	2,052,855	1,386,253	0
Total Expenditures	1,295,842	1,123,824	2,135,974	1,504,909	2,135,974	2,052,855	1,386,253	0
Sewer Enterprise	-361,104	-269,824	-1,279,974	-791,411	-1,279,974	-1,192,855	-507,253	0

**Garbage Enterprise Funds  
Budget Narrative for FY 2017-2018  
Budget Fund 540**

**DEPARTMENTAL MISSION**

This Garbage Enterprise Fund supports the City’s Vision, Mission, and approved goals. Services are delivered in a cost-effective and customer friendly manner. The Solid Waste System is operated in a sustainable manner to ensure Gonzales maintains the current quality of life.

**DEPARTMENTAL PROGRAMS**

- Solid waste collection.
- Street sweeping.
- Gonzales Grows Green initiative.
- Stormwater permit compliance.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Monitored solid waste collections.
- Collected appropriate fees and distributed in an approved manner.
- Maintained a contract with a consultant for leadership in the region in regulatory compliance efforts and expanded reduce, reuse, and recycling efforts.
- Met the City’s AB 939 source reduction, reuse, and recycling requirements.
- Managed approximately 1,800 solid waste customer accounts.
- Worked with the SVSWA to improve the solid waste collection and obtain better data.
- Conducted two Community Cleanup events.
- The Gonzales Grows Green initiative worked with several businesses to reduce waste.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Meet all regulatory requirements in a customer friendly manner.
- Provide weekly collection services to the residents and businesses in Gonzales.
- Conduct two Community Cleanup events.
- Monitor customer complaints.
- Monitor contract compliance from franchisee.
- Continue and expand Gonzales Grows Green programs.

**FY 2017-2018 RECOMMENDED BUDGET**

This Fund’s FY 2017-2018 Recommended Budget represents an overall increase of \$90,396 or 8% in expenditures, and \$70,380 or 6% in revenues when compared to the FY 2016-2017 Approved budget. As a result, the Requested Net Cost is increased by \$20,016.

### Revenues

The increase in revenues is being driven by the anticipated activity; however, as the new fees come into effect, there may be more of an increase, which would be highlighted in the FY 2017-2018 Mid-Year Report.

### Personnel

This budget reflects the allocation of salaries for administrative staff that support these functions.

### Services and Supplies

This budget includes office and operational supplies and funding for the contract with the Gonzales Grows Green consultant. The Stormwater program is funded from this account. The franchisee, landfill, and solid waste authority are funded by this account.

### Capital Projects/Fixed Assets

There is no capital project anticipated at this time for this fund.

### Transfers

Transfers are based on the level of activity.

## **MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in this fund. An extended franchise will be brought to the City Council for consideration during this fiscal year.

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 540 - Garbage Enterprise								
Revenues								
Dept: 000								
5233.000 Enterprise Franchise Tax-Garba	4,962	27,000	27,000	9,275	27,000	10,000	9,000	
5236.000 Drop Box Franchise Fees	80,627	45,000	45,000	53,885	45,000	70,000	70,000	
5510.000 Investment Income	0	0	0	0	0			
5515.000 Interest Income	0	0	0	0	0			
5629.000 Tri Cities Mini Grant	0	0	0	0	0			
5701.000 Charges for Current Services	554,797	501,620	501,620	462,132	501,620	550,000	550,000	
5702.000 Late charges	17,444	18,000	18,000	15,996	18,000	18,000	15,000	
5760.000 Tipping Fee Charges	460,138	440,000	440,000	390,744	440,000	468,000	468,000	
5821.000 Other Income - Reimbursements	52,349	60,000	60,000	42,792	60,000	50,000	50,000	
Dept: 000	1,170,317	1,091,620	1,091,620	974,824	1,091,620	1,166,000	1,162,000	0
Total Revenues	1,170,317	1,091,620	1,091,620	974,824	1,091,620	1,166,000	1,162,000	0
Expenditures								
Dept: 000								
6110.000 Salaries-Regular Pay	50,405	55,920	55,920	50,907	55,920	55,920	73,931	
6111.000 Salaries-Overtime Pay	499	50	500	334	500	500	500	
6113.000 Salaries-Differentials	544	5,367	5,367	281	5,367	5,367	6,113	
6131.000 Deferred Compensation Expense	2,003	3,600	3,600	989	3,600	3,600	3,813	
6132.000 Retirement - PERS	4,794	11,650	11,650	3,273	11,650	11,650	15,195	
6133.000 Contra - Pension	-11,071	0	0	0	0			
6140.000 Life and Disability Insurance	352	695	695	300	695	695	927	
6150.000 Workers Comp Insurance	1,137	450	450	1,201	450	1,201	1,225	
6160.000 Social Security	3,120	4,692	4,692	3,041	4,692	4,692	6,127	
6170.000 Health and Dental Insurance	6,081	5,080	5,080	6,705	5,080	6,000	9,097	
6210.000 Special Departmental Expenses	5,569	5,000	5,000	6,529	5,000	7,500	7,500	
6211.000 Office Supplies	357	200	200	37	200	200	200	
6230.000 Legal and Accounting	0	5,000	5,000	2,500	5,000	2,500	2,500	
6235.000 Engineering and Surveying	0	500	500	0	500	500	1,000	
6245.000 Other Contractual Services	86,057	80,000	80,000	58,039	80,000	80,000	80,000	
6246.000 Contract Svcs- Tri Cities	504,300	410,000	410,000	417,821	410,000	500,000	500,000	
6247.000 Contract Svcs - SVSWA	289,655	250,000	250,000	239,822	250,000	280,000	280,000	
6255.000 Liability Insurance	284	400	400	1,096	400	1,096	1,120	
6260.000 Advertising	0	0	2,000	1,968	2,000	2,000	2,000	
6275.000 Subscriptions and Training	0	0	0	0	0			
6301.000 Bank Charges	3,780	3,000	3,000	4,163	3,000	4,000	4,000	
6310.000 Other Taxes	0	0	0	0	0			
6460.000 Change In Accounting Practices	0	0	0	0	0			

BUDGET WORKSHEET

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year			Estimated Total	(6) YE Projected	(7) FY 2017/2018	(8) Adopted
		Original Budget	Amended Budget	Actual Thru April				
Fund: 540 - Garbage Enterprise								
Expenditures								
Dept: 000								
6540.000 Capital Outlay-Equipment	0	0	0	0	0			
6544.000 Equipment-Computers	0	0	0	0	0			
6900.000 Transfers to General Fund	204,000	230,000	230,000	0	230,000	198,579	166,752	
Dept: 000	1,151,866	1,071,604	1,074,054	799,006	1,074,054	1,166,000	1,162,000	0
Total Expenditures	1,151,866	1,071,604	1,074,054	799,006	1,074,054	1,166,000	1,162,000	0
Garbage Enterprise	18,451	20,016	17,566	175,818	17,566	0	0	0



**Solar Project Fund  
Budget Narrative for FY 2017-2018  
Budget Fund 550**

**DEPARTMENTAL MISSION**

This Solar Project Fund provides two solar projects (6 systems) that power several City operations. Future alternative energy projects will be included in this fund.

**DEPARTMENTAL PROGRAMS**

- a) Pays finance charges for current solar systems.
- b) Tracks solar rebates and cost effectiveness of the solar systems.
- c) Maintains the solar systems.
- d) Planning and financing efforts for alternative energy projects.

**ACCOMPLISHMENTS FOR FY 2016-2017**

- Cleaned and maintained existing solar systems.
- Monitored effectiveness of the existing systems.
- Completed four new systems.

**DEPARTMENTAL GOALS FOR FY 2017-2018**

- Continue to monitor funds used for the Solar Project and SCADA System.

**FY 2017-2018 RECOMMENDED BUDGET**

This fund's FY 2017-2018 Recommended Budget represents an overall decrease of (\$996,594) or (64%) in expenditures, and an increase of \$15,000 or 3% in revenues when compared to the FY 2016-2017 Approved Budget. As a result, the Requested Net Cost is decreased by (\$1,011,594).

*Fund Balance*

The Fund Balance is estimated to be \$778,101 as of June 30, 2017, which is sufficient to cover the Net Cost.

*Revenues*

Revenues reflect the transfers from the Sewer and Water Enterprise funds necessary to cover the payments for the existing systems.

Personnel

There are no personnel costs associated with this fund.

Services and Supplies

The services are essentially scheduled maintenance.

Capital Projects/Fixed Assets

There are no planned projects included in this budget.

**MAJOR POLICY CONSIDERATIONS**

There are no major policy considerations reflected in this budget at this time.

City Of Gonzales

Month: 4/30/2017	Prior Year Actual	Current Year				(6)	(7)	(8)
		Original Budget	Amended Budget	Actual Thru April	Estimated Total	YE Projected	FY 2017/2018	Adopted
Fund: 550 - Solar Project Fund								
Revenues								
Dept: 000								
5515.000 Interest Income	0	0	0	0	0			
5821.000 Other Income - Reimbursements	67,946	65,000	65,000	80,482	65,000	77,000	80,000	
5831.000 LTD Proceeds	0	0	0	0	0			
5900.000 Transfer from Water	180,000	247,476	247,476	0	247,476	247,476	247,476	
5905.000 Transfer from Sewer	90,000	91,753	91,753	0	91,753	91,753	91,753	
5930.000 Transfer from General Fund	0	18,403	18,403	0	18,403	18,403	18,403	
Dept: 000	337,946	422,632	422,632	80,482	422,632	434,632	437,632	0
Total Revenues	337,946	422,632	422,632	80,482	422,632	434,632	437,632	0
Expenditures								
Dept: 000								
6210.000 Special Departmental Expenses	5,252	0	0	0	0			
6225.000 Utilities	0	0	0	0	0			
6230.000 Legal and Accounting	0	0	0	2,500	0	2,500	1,500	
6245.000 Other Contractual Services	28,735	10,000	10,000	8,046	10,000	10,000	10,000	
6260.000 Advertising	96	100	100	0	100	100	100	
6301.000 Bank Charges	560	0	0	0	0			
6530.000 Capital Outlay-Improvements	0	1,200,000	1,200,000	48,078	1,200,000	1,000,000	200,000	
6550.000 Depreciation	38,544	40,000	40,000	0	40,000	40,000	40,000	
6610.000 Interest Expense	96,796	135,570	135,570	117,193	135,570	135,570	135,000	
6620.000 Principal Reduction	0	172,524	172,524	200,073	172,524	172,524	175,000	
Dept: 000	169,983	1,558,194	1,558,194	375,890	1,558,194	1,360,694	561,600	0
Total Expenditures	169,983	1,558,194	1,558,194	375,890	1,558,194	1,360,694	561,600	0
Solar Project Fund	167,963	-1,135,562	-1,135,562	-295,408	-1,135,562	-926,062	-123,968	0