AGENDA

Budget Advisory Committee
February 14, 2012 – 5:30 -7:00 p.m.
City Hall Council Chambers

1. Call Meeting to Order
2. Introduction of Vice Mayor Nygard: Non-Voting Council Representative
3. Roll Call
4. Approval of the January 19, 2012 Meeting Minutes
5. Fiscal Year 2012-13 Revenues Projections
6. Staff & Committee comments
7. Adjourn Meeting

Any documents produced by the Budget Advisory Committee and distributed to the Committee regarding any item on this agenda will be made available either at the Finance Department's office at City Hall located at 6617 Third Street, Riverbank, CA or via the website: www.riverbank.org.

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MINUTES

Budget Advisory Committee
January 19, 2012 – 6:00 -7:30 p.m.
City Hall Council Chambers

1. Call Meeting to Order @ 6:01 PM

2. Roll Call
   a. Present: Committee Members King, Langman, Roman, Stewart and Halbert, Vice Chair Verduzco, Chair Fosi and Councilmember O'Brien.
   b. Absent: None.

3. Fiscal Year 2011-12 Mid-Year Financial Report
   a. Staff Presented the Mid Year Financial Report.
   b. Committee Member King questioned why Transfers In was only done at the end of the year instead of throughout the year.
      i. Staff explained it was administratively easier to do so only once a year.
   c. Vice Chair Verduzco questioned whether the city recognized the departments that were prudent and under budget.

4. Fiscal Year 2011-12 Mid-Year Budget Adjustments
   a. Staff presented the mid-year budget adjustments being recommended to the City Council.
   b. Chair Fosi made a motion to recommend approval of the adjustments to be presented to Council, 2nd by Committee Member Stewart.
      i. Ayes: 7 Nays: 0 Abstentions: 0

5. Proposed City Council Goals
   a. Staff discussed the overall city goals being contemplated by Council for the upcoming fiscal year.

6. Fiscal Year 2012-13 Budget Calendar
   a. Revisions made to the proposed calendar are as follows:
      i. February 14th meeting to begin at 5:30 pm.
      ii. March 13th meeting moved to Monday, March 19.
      iii. March 27th meeting moved to April 2nd.
      iv. April 10th meeting moved to April 16th.
      v. April 24th meeting moved to May 10th.
      vi. May 15th meeting moved to May 21st.

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7. Staff & Committee comments
    a. Councilmember O'Brien suggested that in the future projects be self-sustaining for maintenance costs.

8. Meeting adjourned by Chair Fosi at 7:34 pm.

FY 2012-13 GENERAL FUND REVENUE SOURCE PROJECTIONS

Property Tax Current Secured: 101-000.000-400.010

Property tax is imposed on real property (land and permanent improvements) and tangible personal property (furniture, fixtures, and equipment). The general tax levy rate is 1% of the assessed value, adjusted by an annual inflation factor not to exceed 2%. Property in the State of California is generally reassessed only upon change of ownership. Property in Riverbank is assessed by the Stanislaus County Assessors Office. Cities and other local agencies, such as schools, special districts, and Stanislaus County share in County-wide property tax pool for purchases made within the county, but not within a specific jurisdiction. The chart below reflects a history of the City's property tax revenue and the Fiscal year 2012-13 estimate.

400.010
PT Current Secured

FY	Amount	% Change
04/05	741,318.17	
05/06	1,104,942.38	49.05%
06/07	1,497,179.71	35.50%
07/08	1,365,265.06	-8.81%
08/09	1,221,051.11	-10.56%
09/10	1,420,693.11	16.35%
10/11	834,697.00	-41.25%
11/12	1,127,887.00	35.13%
12/13	1,100,000.00	-2.47%

FY 2012-13 Outlook: Annually, the State Board of Equalization (BOE) publishes the California Consumer Price Index (CCPI) that is to be used by the County Assessors office to project the increase in property tax. For the 2012-13 fiscal year, the BOE has not yet released such information. As such, the city is conservatively estimating a decrease from the Fiscal Year 2011-12 budget of $1,127,000 to project the FY 2012-13 amount of $1,100,000.

Property Tax Current Unsecured: 101-000.000-400.020

Unsecured Property Taxes are for vessels, airplanes, farm equipment, business furniture and fixtures, and other unsecured property assessments. The tax levy rate is also 1% of the assessed value of the personal property.The chart below reflects a history of the City's property tax revenue and the Fiscal year 2012-13 estimate.

400.020
PT Current Unsecured

FY	Amount	% Change
04/05	45,019.04	
05/06	54,160.89	20.31%
06/07	57,484.11	6.14%
07/08	56,964.44	-0.90%
08/09	58,907.05	3.41%
09/10	59,066.52	0.27%
10/11	64,556.00	9.29%
11/12	63,000.00	-2.41%
12/13	59,866.51	-4.97%

Property Tax Prior Secured: 101-000.000-400.030

Delinquent property taxes that are collected and paid in the subsequent fiscal year from an assessment are recorded separately from those that are being currently collected. Over the past two fiscal years, the city has experienced a significant increase in delinquent property taxes. For the 2012-13 fiscal year estimate, the city is conservatively estimating no change.

400.030
Prop Tax Prior Secured

FY	Amount	% Change
04/05	0.00	
05/06	0.00	
06/07	1,083.43	
07/08	174.10	-83.93%
08/09	42,781.75	24473.09%
09/10	38,053.79	-11.05%
10/11	88,901.00	133.62%
11/12	34,000.00	-61.76%
12/13	34,000.00	0.00%

Sales Tax: 101-000.000-450.050

Sales and Use Tax is imposed on most retail transactions. The current sales tax rate in Stanislaus County is 7.375%.

With the passage of Proposition 57 (the Triple Flip) in March 2004, the State shifted .25% of the City's sales tax allocation to the State General Fund to pay for recovery bonds. The .25% shift in sales tax was replaced with an equal amount of property taxes.

Current year revenues are estimated to exceed the budgeted amount of $2,347,454 by approximately $50,000.

To estimate the Fiscal Year 2012-13 sales tax projection, I have taken a conservative approach to the calculation. Our sales tax auditors, MuniServices, provide us with revenue estimates based on 3 forecast scenarios: Pessimistic, Most Likely, and Optimistic. To estimate our FY 12-13 projection, I have taken the pessimistic forecast of $2,498,654 as our projection.

400.050
Sales Tax

FY	Amount	% Change
04/05	1,198,161.88	
05/06	1,243,140.01	3.75%
06/07	2,094,328.12	68.47%
07/08	2,397,457.88	14.47%
08/09	2,341,564.27	-2.33%
09/10	2,410,425.64	2.94%
10/11	2,441,892.00	1.31%
11/12	2,347,454.00	-3.87%
12/13	2,498,654.00	6.44%

Property Transfer Tax: 101-000.000-400.060

The City of Riverbank Code of Ordinances Chapter 34 §34.01 establishes the Real Property Transfer Tax rate. This section states as follows:

> "There is hereby imposed on each deed, instrument or writing by which any lands, tenements other realty sold within the city shall be granted, assigned, transferred or otherwise conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his or their direction, when the consideration or value of the interest or property conveyed (exclusive of the value of any lien or encumbrances remaining thereon at the time of sale) exceeds $100, a tax at the rate of **$0.275 for each $500** or fractional part thereof."

The Finance Department has taken a 3-year rolling average in order to calculate the expected amount in FY 2012-13.

400.060
Property Transfer Tax

FY	Amount	% Change
04/05	221,692.25	
05/06	176,041.62	-20.59%
06/07	79,550.43	-54.81%
07/08	55,366.72	-30.40%
08/09	65,316.93	17.97%
09/10	54,667.18	-16.30%
10/11	36,336.00	-33.53%
11/12	47,000.00	29.35%
12/13	27,655.00	-41.16%

Unitary Taxes: 101-000.000-400.070

Unitary taxes are charged on land, improvements, and personal property owned or leased by a state assessee and used in its primary operation of freight or rail; gas or fluids by pipeline, canal or ditch, generation, transmission or distribution of electricity; or transmission of information by cellular, paging, or telephone. The assessment rate is imposed by the State Board of Equalization on an annual basis. The Finance Department is being conservative and estimating a similar amount to the FY 2011-12 budget.

400.070
Unitary Taxes

FY	Amount	% Change
04/05	0.00	
05/06	0.00	0.00%
06/07	0.00	0.00%
07/08	7,282.40	0.00%
08/09	7,645.71	4.99%
09/10	19,398.48	153.72%
10/11	10,520.00	-45.77%
11/12	12,500.00	18.82%
12/13	12,500.00	0.00%

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Motor Vehicle in Lieu Tax: 101-000.000-400.090

Motor Vehicle in Lieu Fees (VLF) are remitted by the State of California. VLF is paid initially at the date of purchase of new or used vehicles. In subsequent years, it is remitted as part of the vehicle registration process.

Until 1998 the VLF rate in California was 2% of a vehicle's assessed value. At that time, the State reduced the Vehicle License Fee (VLF) in two stages to 0.65%. This portion of the fees is a property tax, so this reduction is a property tax relief for the people of California. Until fiscal year 2003/04, the State had backfilled this loss of City revenue. As a result of Proposition 1A (Local Government Agreement) passing in November 2004, VLF will remain permanently at 0.65% of assessed value and the State will no longer backfill the revenues to local government. Instead, beginning in fiscal year 2004/05, the City has been receiving additional property tax revenues to compensate (known as the VLF Swap) from Stanislaus County.

For the 2011-12 Fiscal Year, the Governor signed SB89 which shifted City Motor Vehicle License Fees to fund the COPS, also known as the Supplemental Law Enforcement Services Funding (SLESF), Grant. Therefore, the City anticipates no further funding from this source for the 2012-13 fiscal year.

400.090 Motor Vehicle In Lieu		
FY	Amount	% Change
04/05	225,889.67	
05/06	411,500.24	82.17%
06/07	142,740.93	-65.31%
07/08	101,072.70	-29.19%
08/09	76,006.23	-24.80%
09/10	65,991.75	-13.18%
10/11	101,419.00	53.68%
11/12	11,300.00	-88.86%
12/13	0.00	-100.00%

Home Owners Property Tax Relief: 101-000.000-400.100

Homeowners are eligible to receive a $7,000 exemption on the assessed value of the home that is listed as their primary residence. The State of California has legislation enacted to reimburse the County and the cities for the property tax revenue lost from the exemption.

For the 2012-13 fiscal year, the Finance Department is remaining conservative and projecting no increase.

400.100 HO Prop Tax Relief		
FY	Amount	% Change
04/05	12,119.15	
05/06	22,239.00	83.50%
06/07	27,438.24	23.38%
07/08	20,286.32	-26.07%
08/09	19,339.44	-4.67%
09/10	10,087.55	-47.84%
10/11	29,054.00	188.02%
11/12	16,000.00	-44.93%
12/13	16,000.00	0.00%

SB 813 Supplemental Taxes: 101-000.000-400.130

State law (through the adoption of Senate Bill 813) requires the County Assessor to reappraise property upon change in ownership or completion of new construction. The supplemental assessment reflects the difference between the new value and the old value. The Auditor-Controller calculates the supplemental property tax, and prorates it, based upon the number of months remaining in the fiscal year in which the event occurred.

The Finance Department estimates the new fiscal year projection based on the prior year actual amount received. For this current estimate, the City is basing its estimate on the actual funds received during the 2011-12 fiscal year.

400.130 SB 813 Supplemental		
FY	Amount	% Change
04/05	88,573.91	
05/06	251,624.70	184.08%
06/07	309,863.63	23.15%
07/08	142,411.95	-54.04%
08/09	21,504.45	-84.90%
09/10	1,388.17	-93.54%
10/11	7,291.00	425.22%
11/12	3,000.00	-58.85%
12/13	3,700.00	23.33%

Property Tax in Lieu of VLF (Vehicle License Fees): 101-000.000-400.190

This revenue source accounts for the 1.35% Property Tax received from the State, which is in lieu of receiving the full 2% vehicle license fee.

The State first began allocating this revenue source during the 2004-2005 fiscal year. Because it is classified as a “property tax”, the calculation of this revenue source is dependent on the assessed values of the properties located within the City.

In order to project the Fiscal Year 2012-13 estimate, the City would normally apply the CCPI increase announced by the Board of Equalization. Since this information has not yet been released, the City projects no increase in revenues.

400.190 PT in Lieu of VLF		
FY	Amount	% Change
04/05	967,922.00	
05/06	1,451,969.00	50.01%
06/07	1,730,573.00	19.19%
07/08	1,910,290.00	10.38%
08/09	1,656,943.00	-13.26%
09/10	1,376,678.00	-16.91%
10/11	1,419,883.00	3.14%
11/12	1,349,173.00	-4.98%
12/13	1,349,173.00	0.00%

Business License Fees: 101-000.000-450.000

Business license fees are imposed on all businesses or persons conducting business within the city limits. Fees are imposed based on the number of people employed by the business. Fees are assessed every January and businesses receive a license for the calendar year.

For the 2012-13 fiscal year, the Finance Department has used a 3-year rolling average to estimate our projection.

450.000
Business Licenses

FY	Amount	% Change
04/05	71,467.30	
05/06	73,841.75	3.32%
06/07	74,067.00	0.31%
07/08	63,450.75	-14.33%
08/09	64,416.26	1.52%
09/10	66,293.82	2.91%
10/11	64,511.00	-2.69%
11/12	65,000.00	0.76%
12/13	65,000.00	0.00%

Animal Control Fees: 101-000.000-450.010

Prior to the 2008-2009 fiscal year, the City contracted with Stanislaus County to provide animal control services to the citizens of Riverbank. To achieve cost savings, the city terminated our contract with the county and contracted these services through the City of Oakdale. The City currently has a deputy assigned to Riverbank on ¾ time. This new contract with Oakdale allows residents to either obtain or renew their pet licenses either at the City of Riverbank or City of Oakdale. Any revenues received directly offset the animal control contract.

The Finance Department estimates the new fiscal year projection based on the prior year actual amount received. For this current estimate, the City is basing its estimate on the actual funds received during the 2011-12 fiscal year.

450.010
Animal Control Fees

FY	Amount	% Change
04/05	0.00	
05/06	0.00	0.00%
06/07	0.00	0.00%
07/08	0.00	0.00%
08/09	970.00	0.00%
09/10	2,647.00	172.89%
10/11	8,115.00	206.57%
11/12	5,400.00	-33.46%
12/13	5,254.00	-2.70%

Plan Check Fees: 101-000.000-600.090

Plan check fees are imposed at the time that plans are submitted by homeowners for upgrades, additions, or new constructions. The fees are based on the estimated amount that the construction will cost. Over the past fiscal years, this amount has decreased due the downfall in the economy.

The fiscal year 2012-13 estimate is based on a two-year rolling average.

600.090 Plan Check Fees		
FY	Amount	% Change
04/05	275,019.83	
05/06	97,135.43	-64.68%
06/07	47,962.53	-50.62%
07/08	43,328.30	-9.66%
08/09	26,768.58	-38.22%
09/10	24,722.92	-7.64%
10/11	12,627.00	-48.93%
11/12	15,000.00	18.79%
12/13	9,613.50	-35.91%

Vehicle Code Fines: 101-000.000-600.170

Vehicle code fines are collected through the issuance of police citations for certain violations to the State of California Vehicle Code. Riverbank Police Services issues citations for violations such as speeding, running a stop sign or red light, amongst others. These citations are sent to the Department of Motor Vehicles for processing. The City then receives about 1/3 of the fee assessed.

Given the current level of activity, staff is not projecting any increase for the upcoming fiscal year.

600.170 Vehicle Code Fines		
FY	Amount	% Change
04/05	48,449.35	
05/06	117,202.69	141.91%
06/07	134,379.21	14.66%
07/08	142,313.44	5.90%
08/09	100,091.72	-29.67%
09/10	107,670.94	7.57%
10/11	76,569.00	-28.89%
11/12	100,000.00	30.60%
12/13	100,000.00	0.00%

Fines, Forfeitures, and Penalties: 101-000.000-655.000

These are the fees assessed for delinquent garbage collection bills on a bi-monthly basis. All customers with a delinquent account are assessed a 10% late fee.

The fiscal year 2012-13 estimate is based on a two-year rolling average of the actual amounts received. Currently staff is not projecting any increase, but amounts will be adjusted based on June 30, 2012 actuals.

655.000
Fines, Forfeitures, Penalties

FY	Amount	% Change
04/05	22,460.16	
05/06	26,841.69	19.51%
06/07	28,626.87	6.65%
07/08	32,724.50	14.31%
08/09	34,010.68	3.93%
09/10	34,681.43	1.97%
10/11	33,125.00	-4.49%
11/12	34,000.00	2.64%
12/13	34,000.00	0.00%

Vehicle Release: 101-000.000-660.040

When the Riverbank Police Services tows a vehicle to storage due to a violation, the owner must pay a storage vehicle fee to the City of $150. $100 is designated to the General Fund and helps to pay for the contract with the Sheriff's Office. $50 is designated to go in a separate account to be used for traffic safety programs and equipment. This fee is established by Resolution 2007-094.

For the 2012-13 fiscal year projection, the Finance Department has used a two-year rolling average.

660.040
Vehicle Release

FY	Amount	% Change
04/05	39,975.00	
05/06	37,125.00	-7.13%
06/07	34,560.00	-6.91%
07/08	43,000.00	24.42%
08/09	63,800.00	48.37%
09/10	66,230.00	3.81%
10/11	31,200.00	-52.89%
11/12	40,000.00	28.21%
12/13	30,857.00	-22.86%

Moving Violations: 101-000.000-660.060

In 2009 the City of Riverbank enacted Ordinance No. 2009-001 which made changes to the Traffic Code for the City of Riverbank. This allowed the Riverbank Police Services to issue citations for certain traffic violations under the Municipal Code in lieu of the State of California Vehicle Code. This allowed for 100% of the citation revenues to stay with the City of Riverbank.

For the 2011-12 Fiscal Year, the City is no longer able to issue citations under the Municipal Code established by the City. Legislation adopted in January of 2010 no longer allowed city's to issue citations under the municipal code, therefore we must return to issuing citation under the State of California Vehicle Code. Revenues received during the current fiscal year represent delinquent amounts for citations issued in FY 2010-11.

660.060
Moving Violations

FY	Amount	% Change
04/05	0.00	
05/06	0.00	0.00%
06/07	0.00	0.00%
07/08	0.00	0.00%
08/09	0.00	0.00%
09/10	80,945.00	0.00%
10/11	71,915.00	-11.16%
11/12	3,430.00	-95.23%
12/13	0.00	-100.00%

Miscellaneous Program Income: 101-000.000-680.025

This account is used for the collection of fees for the use of the Riverbank Sports Complex. Fees are collected for the field maintenance and for the use of the lights. All of the fees collected are used to pay for staff time, field maintenance by Grover Landscape, and MID for the electrical billing.

For the 2012-13 fiscal year projection, the Finance Department has used a two-year rolling average.

680.025
Misc. Program Income

FY	Amount	% Change
04/05		
05/06		
06/07	6,243.32	
07/08	12,523.66	100.59%
08/09	21,048.14	68.07%
09/10	21,312.98	1.26%
10/11	13,696.00	-35.74%
11/12	22,000.00	60.63%
12/13	12,929.50	-41.23%

Franchise Fees – Utilities: 101-000.000-600.130

The City of Riverbank receives franchise fees for the use of public streets from MID, PG&E, Charter Communication and AT&T. Each company pays a percentage of the gross receipts collected from their customers and varies from 1% to 5%. Charter Communication and AT&T remit their fees on a quarterly basis, whereas MID & PG&E remit one annual payment.

For the 2012-13 fiscal year projection, the Finance Department is projecting no increase. Annual revenues from MID and PG&E have not yet been receiving making it difficult to project for the upcoming fiscal year.

600.130
Franchise Fees-Utilities

FY	Amount	% Change
04/05	249,627.53	
05/06	273,748.97	9.66%
06/07	265,142.35	-3.14%
07/08	256,945.80	-3.09%
08/09	270,223.83	5.17%
09/10	250,156.48	-7.43%
10/11	252,535.00	0.95%
11/12	260,000.00	2.96%
12/13	260,000.00	0.00%

Franchise Fees – Garbage: 101-000.000-600.000

Franchise fees are collected from Gilton Solid Waste based on the contract established. Currently, Gilton pays the city 12.85% on all residential collections and 15% for commercial collections. Funds are remitted on a monthly basis.

For the 2012-13 fiscal year projection, the Finance Department has used a two-year rolling average.

600.000
Franchise Fees-Garbage

FY	Amount	% Change
04/05	182,327.17	
05/06	203,072.58	11.38%
06/07	224,101.99	10.36%
07/08	225,366.17	0.56%
08/09	226,191.89	0.37%
09/10	228,706.65	1.11%
10/11	231,337.00	1.15%
11/12	227,000.00	-1.87%
12/13	233,141.00	2.71%

Building Permits: 101-000.000-450.030

The City collects fees for building permits issued under the Uniform Building Code. Permits are issued for items such as new construction, plumbing permits, roof replacements, water heater and electrical permits, amongst others. The fees collected are based on the estimated value of the construction. During the past six fiscal years, the City has seen drastic changes in building permit fees as the slowdown in the economy has affected new home construction and homeowners are no longer upgrading their homes as in the past.

For the 2012-13 fiscal year, staff has taken a conservative approach and is projecting revenues at a rate consistent with what is being collected during the 2011-12 fiscal year. No new construction or development is anticipated during the new fiscal year.

450.030
Building Permit

FY	Amount	% Change
04/05	1,227,267.96	
05/06	424,317.04	-65.43%
06/07	298,405.76	-29.67%
07/08	218,887.00	-26.65%
08/09	92,658.67	-57.67%
09/10	146,977.22	58.62%
10/11	49,261.00	-66.48%
11/12	50,000.00	1.50%
12/13	37,455.00	-25.09%

Interest Income: 101-000.000-664.000

The City invests cash that is considered to be surplus and is not needed for immediate cash flow needs. Currently, the City has approximately $9 million invested in the Local Agency Investment Fund (LAIF) administrated by the State of California Treasurer's Office. Over the past several fiscal years, the downturn in the economic market has caused interest rates to plummet and the return on investment that was once experienced is no longer being achieved. The City has an Investment Policy established by the City Council which specifies the types of investments that can be made such as CD's, agency bonds that are rated AAA (highest rating available) and LAIF. In making investments, the City conforms to the SLY rule: Safety (being assured that the city's funds are invested in a safe manner which will not lose value), Liquidity (investing in items that are liquid and can be quickly converted to cash in case of an emergency), and Yield (investing in items which will provide the city with the highest return on investment).

For the 2012-13 fiscal year, staff has taken a conservative approach and is projecting revenues at a rate consistent with what is being collected during the 2011-12 fiscal year. Staff is currently investigating other options to maximize our return.

664.000
Interest Income

FY	Amount	% Change
04/05	49,222.15	
05/06	152,638.61	210.10%
06/07	313,004.79	105.06%
07/08	235,387.68	-24.80%
08/09	86,978.67	-63.05%
09/10	27,312.48	-68.60%
10/11	27,246.00	-0.24%
11/12	27,000.00	-0.90%
12/13	15,000.00	-44.44%

Housing Authority Payment In-Lieu of Taxes (PILOT): 101-000.000-400.080

A Payment In Lieu Of Taxes (PILOT), is made to compensate a local government for some or all of the tax revenue that it loses because of the nature of the ownership or use of a particular piece of real property. Usually it relates to the foregone property tax revenue. In this case, the Riverbank Housing Authority is exempt from the payment of property taxes. The Housing authority has negotiated this PILOT payment with the City of Riverbank. PILOT payments received are allocated towards the payment of the Housing Authority Fire District Assessments.

For the 2012-13 fiscal year projection, the Finance Department is remaining conservative with an estimate equal to the FY 2011-12 projection.

400.080
Housing Authority PILOT

FY	Amount	% Change
04/05	21,791.57	
05/06	23,616.35	8.37%
06/07	26,200.93	10.94%
07/08	27,286.63	4.14%
08/09	28,702.27	5.19%
09/10	29,744.13	3.63%
10/11	30,349.00	2.03%
11/12	27,000.00	-11.03%
12/13	27,000.00	0.00%

Transfers In: 101-000.000-699.000

The General Fund transfers in reimbursements for salaries, benefits and contracts that by State Law or mandate must be initially accounted for in a Special Revenue or Enterprise Fund. Several of these reimbursements include Prop 172 Public Safety Funding received from the State of California for the payment of our contract with the Sheriff's Office. There is a statewide ½ cent sales tax that is collected and allocated to cities based on population. These funds are required to be accounted for in a separate fund from the General Fund but may be used to reimburse for public safety related activities. Another example of a transfer in, are the administrative fees collected via the landscape and lighting charges. The Development Services Department is in charge of administrating these funds and their salary (which is accounted for in the general fund) is reimbursed.

The FY 2012-13 projection is based on an estimate of the reimbursements to be received.

699.000
Transfers In

FY	Amount	% Change
04/05	177,163.13	
05/06	142,798.75	-19.40%
06/07	104,336.51	-26.93%
07/08	10,845.22	-89.61%
08/09	568,700.83	5143.79%
09/10	144,506.06	-74.59%
10/11	400,000.00	176.81%
11/12	1,446,856.00	261.71%
12/13	1,476,921.00	2.08%

COPS Grant: 101-000.000-501.000

The Citizens Option for Public Safety (COPS) program provides funding for front-line law enforcement (city police, County Sherriff's, and police protection districts); county jails; district attorneys for prosecution; and (since 2000-01) local juvenile justice programs. If provided in the State budget, COPS funding is allocated by the State Controller's Office to counties for deposit by the county auditor in a Supplemental Law Enforcement Services Fund (SLESF) established in each county. The "Front Line Law Enforcement" portion of the COPS program provides for a per capita allocation to cities, counties and five police protection districts with a minimum allocation of $100,000 per agency.

For the 2011-12 Fiscal Year, the Governor signed SB89 which shifted City Motor Vehicle License Fees to fund the COPS, also known as the Supplemental Law Enforcement Services Funding (SLESF), Grant.

501.000 COPS Grant		
FY	Amount	% Change
04/05	99,566.19	
05/06	102,635.37	3.08%
06/07	100,060.03	-2.51%
07/08	100,485.14	0.42%
08/09	100,087.01	-0.40%
09/10	100,099.18	0.01%
10/11	100,030.00	-0.07%
11/12	100,000.00	-0.03%
12/13	100,000.00	0.00%

CITY OF RIVERBANK

GENERAL FUND REVENUE PROJECTIONS -- FISCAL YEAR 2012-2013

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 10-11 ACTUAL	FY 11-12 BUDGET	FY 11-12 REVENUES ACTUAL	PROJECTED FY 12-13 BUDGET	PROJECTED INCREASE (DECREASE)	% CHANGE
400.010	PROP TAX CURRENT SECURED	834,697	1,127,887	589,884	1,100,000	($27,887)	-2.47%
400.020	PROP TAX CURRENT UNSECURED	64,556	63,000	55,977	59,867	($3,133)	-4.97%
400.030	PROP TAX PRIOR SECURED	88,901	34,000	791	34,000	$0	0.00%
400.040	PROP TAX PRIOR UNSECURED	1,950	1,800	210	1,800	$0	0.00%
400.050	SALES TAX	$2,441,892	$2,347,454	$1,272,120	$2,498,654	$151,200	6.44%
400.060	PROP TRANSFER TAX	36,336	47,000	13,828	27,655	($19,345)	-41.16%
400.070	UNITARY TAXES	10,520	12,500	0	12,500	$0	0.00%
400.080	HOUSING AUTH IN LIEU TAX	30,349	27,000	0	27,000	$0	0.00%
400.090	MOTOR VEHICLE IN LIEU TAX	101,419	11,300	11,300	0	($11,300)	-100.00%
400.100	HOMEOWNERS PROP TAX RELIEF	29,054	16,000	9,299	16,000	$0	0.00%
400.130	S/B 813 SUPPL. TAXES	7,291	3,000	3,664	3,700	$700	23.33%
400.131	STATE APPORTIONMENTS	2,729	0	0	0	$0	0.00%
400.190	PROPERTY TAX IN LIEU OF VLF	1,419,883	1,349,173	674,602	1,349,173	$0	0.00%
450.000	BUSINESS LICENSE	64,511	65,000	34,197	65,000	$0	0.00%
450.010	ANIMAL CONTROL FEES	8,115	5,400	6,435	5,254	($146)	-2.70%
450.020	MISC LIC-BIKE/YARD SALE	1,035	1,000	600	1,000	$0	0.00%
450.030	BUILDING PERMIT FEES	49,261	50,000	25,743	37,455	($12,545)	-25.09%
501.000	COPS GRANT	100,030	100,000	50,009	100,000	$0	0.00%
501.001	GRANTS - CNG MAINTENANCE	9,598	0	0	0	$0	0.00%
501.002	SPECIFIC PLAN LOAN	69,989	0	0	0	$0	0.00%
600.000	FRANCHISE FEES - GARBAGE	231,337	227,000	114,558	227,000	$0	0.00%
600.010	POLICE SERVICES	764	500	1,552	500	$0	0.00%
600.030	POLICE/TRAFFIC REPORTS	665	1,000	333	1,000	$0	0.00%
600.050	BOOKING FEES	1,700	1,000	895	1,000	$0	0.00%
600.090	PLAN CHECK FEES	12,627	15,000	6,611	9,614	($5,386)	-35.91%
600.100	PLANNING & ZONING FEES	543	5,000	0	5,000	$0	0.00%
600.120	PEG FEES	17,404	15,000	4,457	15,000	$0	0.00%
600.130	FRANCHISE FEES - OTHER	252,535	260,000	22,561	260,000	$0	0.00%
600.160	MISC CURRENT SERVICES	2,395	2,000	1,751	2,000	$0	0.00%
600.170	VEHICLE CODE FINES	76,569	100,000	62,350	100,000	$0	0.00%
655.000	FINES, FORFEITURES,PENALTIES	33,125	34,000	17,893	34,000	$0	0.00%
660.020	ASSET SEIZURE/FORFEITURES	459	0	0	0	$0	0.00%
660.040	VEHICLE RELEASES	31,200	40,000	19,800	30,857	($9,143)	-22.86%
660.060	MOVING VIOLATIONS	71,915	3,430	3,530	0	($3,430)	-100.00%
664.000	INTEREST INCOME	27,246	27,000	12,994	15,000	($12,000)	-44.44%
665.000	RENTS	4,800	0	0	0	$0	0.00%
672.003	DONATIONS	0	0	0	0	$0	0.00%
675.030	STRONG MOTION FEES	0	0	0	0	$0	0.00%
675.050	AB 939 REIMBURSEMENT	1,313	50	325	50	$0	0.00%
675.060	MISC REVENUE-OTHER AGENCIES	0	0	0	0	$0	0.00%
675.090	MISCELLANEOUS REVENUES	38,457	18,000	2,531	5,000	($13,000)	-72.22%
675.340	PUBLIC WORKS FEES	85	700	628	700	$0	0.00%
675.550	UNCLAIMED MONEY REVENUE	510	0	0	0	$0	0.00%
680.025	MISC PROGRAM INCOME	13,696	22,000	12,243	12,930	($9,070)	-41.23%
680.034	REALIZED GAIN ON INVESTMENTS	0	3,100	3,090	3,100	$0	0.00%
699.000	TRANSFERS IN	400,000	480,000	0	480,000	$0	0.00%
699.000	TRANSFERS IN OF MGMT FEES	0	966,856	446,561	996,921	$30,065	3.11%
TOTAL GENERAL FUND REVENUES		**$6,591,463**	**$7,483,150**	**$3,483,322**	**$7,538,730**	**$55,580**	**0.74%**

FY 2012-13 Gas Tax (Highway Users Tax) Fund Revenue Projections

The State of California imposes excise taxes on various transportation fuels. California motor vehicle fuel taxes include the gasoline tax, diesel fuel tax, and the use fuel tax. Taxes on aircraft jet fuel are transferred to the state Aeronautics Account. Taxes on fuel for other motor vehicles are transferred to the state Highway Users Tax Account. These include:

- The "gasoline tax" and "diesel fuel tax" imposed on the use of vehicle fuels at the rate of $0.18 per gallon including the $0.09 rate imposed by Prop 111 in 1994.
- The "use fuel tax" is imposed on vendors and users of motor vehicle fuels that are not taxed under either the gasoline or diesel fuel tax, such as liquefied petroleum gas, ethanol, methanol, and natural gas.

For the 2012-13 fiscal year estimate, the Finance Department has taken the State of California's estimate and reduced it by 5% in order to remain conservative. The large fluctuations in gas prices warrants that the city be conservative in its estimates.

Cities receive highway user tax revenue under the following formulas:

Section 2103 – Section 2103 was added beginning with the 2010-11 fiscal year to allocate funds from a new motor vehicle fuel excise tax that replace previous city and county allocations from the Prop 42 sales tax on gasoline. This is known as the "fuel tax swap of 2010." Section 2103 funds are allocated to cities and counties on a <u>per capita</u> basis.

400.175
Gas Tax 2103

FY	Amount	% Change
04/05	0.00	0.00%
05/06	0.00	0.00%
06/07	0.00	0.00%
07/08	0.00	0.00%
08/09	0.00	0.00%
09/10	0.00	0.00%
10/11	212,257.00	0.00%
11/12	233,690.00	10.10%
12/13	238,363.80	2.00%

Section 2105 – Section 2105(b) allocates 11.5% of the tax revenues in excess of 9 cents per gallon monthly among cities based on <u>population</u>.

400.170
Gas Tax 2105

FY	Amount	% Change
04/05	114,130.53	
05/06	122,587.53	7.41%
06/07	128,829.27	5.09%
07/08	127,062.39	-1.37%
08/09	116,789.98	-8.08%
09/10	119,083.32	1.96%
10/11	114,787.00	-3.61%
11/12	111,000.00	-3.30%
12/13	113,220.00	2.00%

Section 2106 – Revenues equal to 1.04 cents per gallon are allocated as follows:

a. $7.2 million per year to the State Bicycle Transportation Account.
b. $400 per month to each city.
c. $800 per month to each county.
d. The residual amount (about $150 million per year) to each county and the cities in that county based on registered vehicles.

400.140 Gas Tax 2106		
FY	Amount	% Change
04/05	77,327.80	
05/06	82,451.77	6.63%
06/07	86,472.17	4.88%
07/08	83,905.76	-2.97%
08/09	77,686.52	-7.41%
09/10	77,642.50	-0.06%
10/11	73,644.00	-5.15%
11/12	71,552.00	-2.84%
12/13	72,983.04	2.00%

Section 2107 – Provides monthly allocations to cities of 1.315 cents per gallon of gasoline, 1.8 cents per gallon of diesel, and 2.59 cents per liquefied petroleum gas, as follows:

a. Each city with removal costs in excess of $5,000 is allocated 50% of the cost exceeding $5,000.
b. The remainder is allocated to cities based on population.

400.150 Gas Tax 2107		
FY	Amount	% Change
04/05	151,649.24	
05/06	163,514.54	7.82%
06/07	172,214.76	5.32%
07/08	170,031.36	-1.27%
08/09	155,440.91	-8.58%
09/10	158,714.94	2.11%
10/11	153,325.00	-3.40%
11/12	147,986.00	-3.48%
12/13	150,945.72	2.00%

Section 2107.5 – A flat amount is allocated to cities based on population. The City of Riverbank receives $5,000 annually.

400.160 Gas Tax 2107.5		
FY	Amount	% Change
04/05	4,000.00	
05/06	5,000.00	25.00%
06/07	5,000.00	0.00%
07/08	5,000.00	0.00%
08/09	5,000.00	0.00%
09/10	5,000.00	0.00%
10/11	5,000.00	0.00%
11/12	5,000.00	0.00%
12/13	5,000.00	0.00%

FY 2012-13 Sewer Fund Revenue Source Projections

Sewer Service Charge: 106-000.000-600.180

The City bills residents for sewer service charges every two months. Residential customers are billed $20.15 per month, while commercial customers are billed a base rate of $20.15 per month and an incremental charge based on water usage.

The Finance Department estimates annual revenues based on a rolling six-billing average.

600.180 Sewer Service Charge		
FY	Amount	% Change
04/05	1,370,681.07	
05/06	1,637,164.58	19.44%
06/07	1,794,536.85	9.61%
07/08	1,778,171.30	-0.91%
08/09	1,815,926.61	2.12%
09/10	1,893,493.99	4.27%
10/11	1,799,804.00	-4.95%
11/12	1,874,224.00	4.13%
12/13	1,858,940.00	-0.82%

Fines, Forfeitures, and Penalties: 106-000.000-655.000

Customers who are delinquent on their utility bill are assessed a 10% penalty after the due date. Over the past two fiscal years, the City has seen an increase in the amount of customers who are delinquent.

For the 2012-2013 fiscal year estimate, the Finance Department has used a two-year rolling average.

655.000 Fines		
FY	Amount	% Change
04/05	20,687.01	
05/06	26,490.75	28.05%
06/07	28,826.92	8.82%
07/08	32,679.40	13.36%
08/09	35,519.16	8.69%
09/10	34,196.20	-3.72%
10/11	33,952.00	-0.71%
11/12	31,675.00	-6.71%
12/13	33,274.00	5.05%

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Industrial Permits Revenue: 106-000.000-675.160

Industrial Sewer Permits are issued to companies that due to the nature of their business must discharge waste water in larger quantities than the average company. For example, the cheese plant located on 2nd Street discharges large quantities of waste water as a result of their cheese making process. This discharge into our sewer system is closely metered and each company is billed.

Last year, the City of Riverbank learned that the Don Francisco Cheese Company will be moving their operations to a new location in Modesto. To date the transfer has not yet taken place as they are still preparing their Modesto location. Therefore for the 2012-13 fiscal year, the Finance Department has taken a conservative approach for the revenue estimate with a decrease of 21% in revenues being projected.

675.160 Industrial Permits		
FY	Amount	% Change
04/05	572,895.91	
05/06	455,724.90	-20.45%
06/07	189,407.89	-58.44%
07/08	193,476.27	2.15%
08/09	298,830.43	54.45%
09/10	224,754.63	-24.79%
10/11	186,314.00	-17.10%
11/12	199,918.00	7.30%
12/13	156,534.00	-21.70%

FY 2012-13 Water Fund Revenue Source Projections

Water Revenues: 114-000.000-600.140

The City bills residents for water service charges every two months. Residential customers are billed a base rate of $29.29 every two months for water usage up to 1,000 cubic feet, and an incremental charge for water usage over 1,000 cubic feet.

The Finance Department estimates annual revenues based on a rolling six-billing average.

600.140 Water Service Charge		
FY	Amount	% Change
04/05	1,351,607.42	
05/06	1,512,773.70	11.92%
06/07	1,616,543.54	6.86%
07/08	1,665,040.77	3.00%
08/09	1,669,599.04	0.27%
09/10	1,712,451.27	2.57%
10/11	1,659,892.00	-3.07%
11/12	1,700,000.00	2.42%
12/13	1,690,494.00	-0.56%

Fines, Forfeitures, and Penalties: 114-000.000-655.000

Customers who are delinquent on their utility bill are assessed a 10% penalty after the due date. Over the past two fiscal years, the City has seen an increase in the amount of customers who are delinquent.

For the 2012-2013 fiscal year estimate, the Finance Department has used a two-year rolling average.

655.000 Fines		
FY	Amount	% Change
04/05	41,375.04	
05/06	52,749.14	27.49%
06/07	55,373.71	4.98%
07/08	58,381.38	5.43%
08/09	54,202.95	-7.16%
09/10	52,269.87	-3.57%
10/11	44,820.00	-14.25%
11/12	55,986.00	24.91%
12/13	51,025.00	-8.86%