



City of Kerman

"Community Comes First"

MAYOR
Gary K. Yep

MAYOR PRO-TEM
Doug Wilcox

COUNCIL MEMBER
Raj Dhaliwal

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Nathan Fox

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Bill Nijjer

DEPARTMENT: PUBLIC WORKS
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: MAY 7, 2014

To: Mayor and City Council
From: Gary D. Horn, City Engineer
Subject: Approval to Submit Active Transportation Program Funding Applications

RECOMMENDATION

Council approve the submission of applications for Active Transportation Program Funding to the California Department of Transportation.

EXECUTIVE SUMMARY

Caltrans has initiated a call for project applications for funding through the recently created Active Transportation Program. Project applications are due May 21, 2014. Two applications are proposed to be submitted for funding consideration. The first project is a Safe Routes to School project that would construct bulbouts at four intersections adjacent to schools in order to increase safety for students and pedestrians. The second project is a portion of the California Avenue Pedestrian and Bicycle Pathway.

OUTSTANDING ISSUES

None

DISCUSSION

On September 26, 2013, legislation was enacted by the State creating the Active Transportation Program (ATP). The ATP consolidates existing Federal and State transportation programs, including the State Safe Routes to Schools (SR2S) Program, into a single program with a focus on active transportation. The program focuses on increasing the use of active modes of transportation, such as walking and biking, and increasing the safety for these users.

The ATP funds are distributed as follows:

1. Forty percent to Metropolitan Planning Organizations (MPO) in urban areas with populations greater than 200,000. The City is a member agency of the Fresno Council of Governments (COG), which falls under this category. COG is anticipated to receive \$3.9 million in funds for FY 14/15 and 15/16.
2. Ten percent to small urban and rural areas with populations less than 200,000. The City is not eligible for this portion as the City is a member agency of COG, per above.

3. Fifty percent to projects competitively awarded on a statewide basis. The City is eligible for these funds. A minimum of \$24 million per year of the statewide competitive program is available for SR2S projects.

Per the guidelines for the ATP, member agencies of MPOs are eligible to submit applications for funding from the statewide competitive program and from the MPO. The City will have two opportunities to receive funding, either on a state level or a local level.

Caltrans has initiated the call for project applications for Cycle 1 of the ATP. Applications must be submitted by May 21, 2014 to be considered for funding at the state level. Eligible projects include bikeways and walkways, as well as SR2S projects. City Staff has developed two potential projects for application for funding.

Safe Routes to School Project

As previously presented to Council, City Staff has been approached by parents and officials from Liberty Elementary School regarding the high traffic volumes around the School and the safety issues the traffic creates. At the April 2, 2014 Council Meeting, Council approved a plan to remove the existing stop signs at the southern intersection of E Street and Siskiyou Avenue and install stop signs at the northern intersection of E Street and Siskiyou Avenue. This work is scheduled to be completed this summer, so that drivers and pedestrians can become accustomed with the new stop configuration prior to the school year.

In order to further increase safety at the northern intersection, City Staff has discussed the possibility of constructing bulbouts at the intersection. The call for project applications for funding through the ATP, more specifically the SR2S Program, has provided the City with an opportunity to fund the construction of the bulbouts. In order to develop a project of significant scale to submit for funding, City Staff met with Kerman Unified School District (KUSD) officials to discuss areas of safety concern surrounding other schools that may benefit from the construction of bulbouts. KUSD identified three additional intersections of concern. We have prepared preliminary designs and estimates for all four intersections. The four intersections to be included in the application, along with the estimated cost, adjacent school, and associated Exhibit number, are included in the following table.

Location	Estimated Cost	Adjacent School	Reference Exhibit No.
Siskiyou Avenue & E Street	\$88,000	Liberty Elementary School	#1
First Street & G Street	\$60,000	Kerman Middle School	#2
F Street & 9 th Street	\$57,000	Kerman Floyd Elementary School	#3
F Street and Pacheco Avenue	\$56,000	Kerman Floyd Elementary School	#4

The total estimated project cost is \$261,000. There is no required local funding match for SR2S projects.

California Avenue Pedestrian and Bicycle Pathway

City Staff has prepared a Bicycle and Pedestrian Route Master Plan for a route along the Union Pacific Railroad (UPRR) and California Avenue from Siskiyou Avenue to Goldenrod Avenue that serves as a planning document for funding and construction of bicycle and pedestrian facilities along the Master Plan route. The route will provide a continuous connecting route between the City Center (Plaza Park and City Hall) and the future westside and eastside regional parks. The City’s Recreation Commission approved the Master Plan at their meeting on October 23, 2013. The Master Plan is included as Attachment ‘E’ and shows the location of the proposed route and the type of facilities planned along each route segment.

The City applied for regional bid funding through the Federal Congestion Mitigation and Air Quality Improvement (CMAQ) Program in November 2013 for the segment of the route from Del Norte Avenue to Madera Avenue. The project scope consisted of the construction of a 10 foot wide sidewalk along the south side of California for shared use by bicyclists and pedestrians, as well as the construction of rest areas along the route with park benches, trash receptacles, lighting, and any other desired amenities. Unfortunately, the project did not score high enough to receive regional bid funding. However, the City has allocated it's CMAQ Lifeline funds for FY 16/17; 17/18 in the amount of \$118,700 to the project.

We propose that the portion of the project that did not receive CMAQ funding be submitted for potential funding through the ATP. The total estimated project cost is \$380,000. Deducting the CMAQ Lifeline funds already allocated to the project, the funding amount to be applied for is \$261,300. The City will be required to provide 11.47% in matching funds from local street funds, which equates to approximately \$30,000.

FISCAL IMPACT

The SR2S Program does not require any local funding match. The California Avenue Pedestrian and Bicycle Pathway would require a local match of 11.47% from local Gas Tax, Measure C, and other Local Transportation Funds. The proposed projects would be programmed for future fiscal years which will allow the City time to plan for the expenditures.

PUBLIC HEARING

Not required

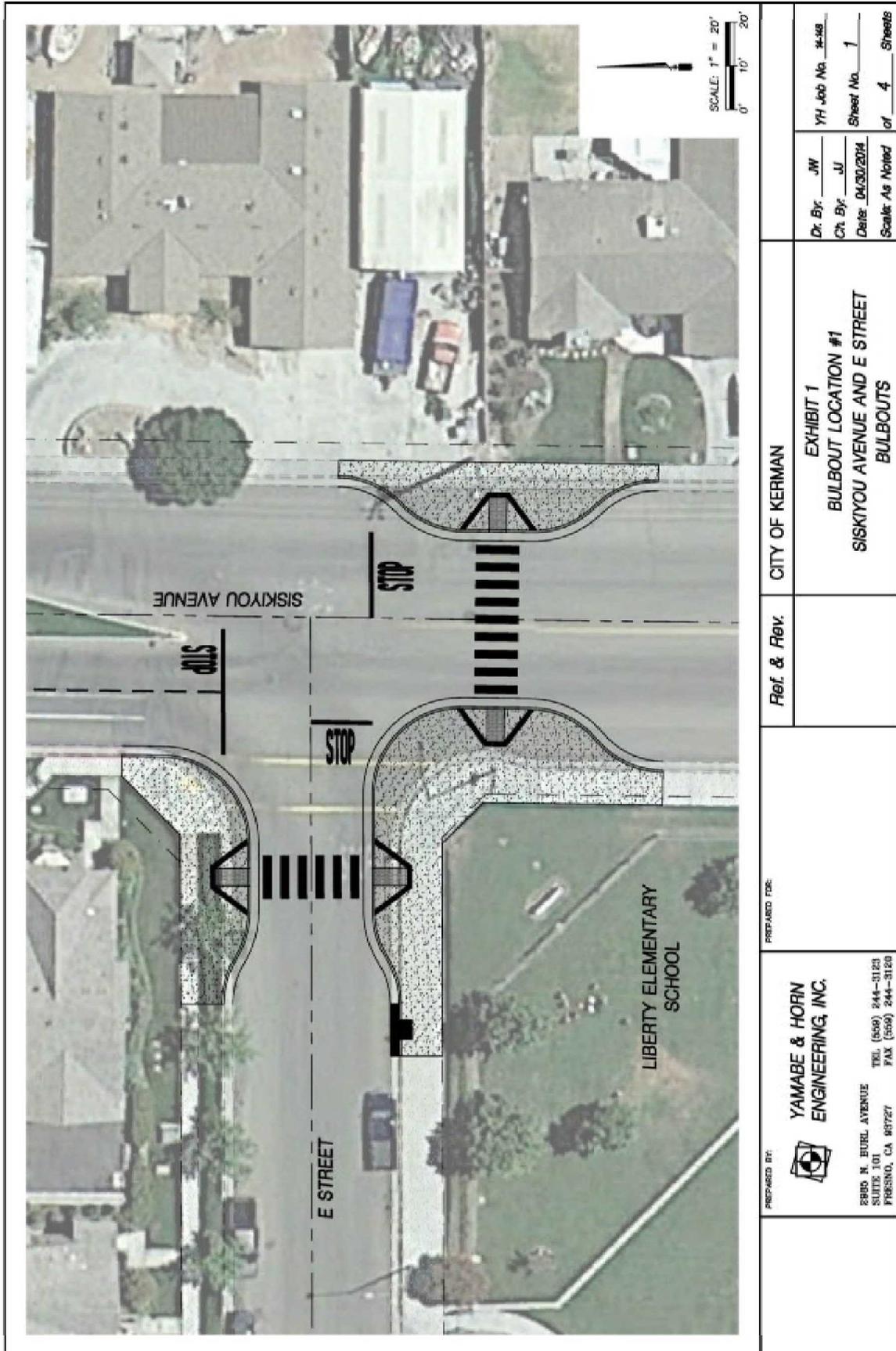
REASON FOR RECOMMENDATION

Staff believes that the selected Safe Routes to School project will increase the safety of students and pedestrians at the designated locations and the California Avenue Pedestrian and Bicycle Pathway will promote active transportation.

Attachments:

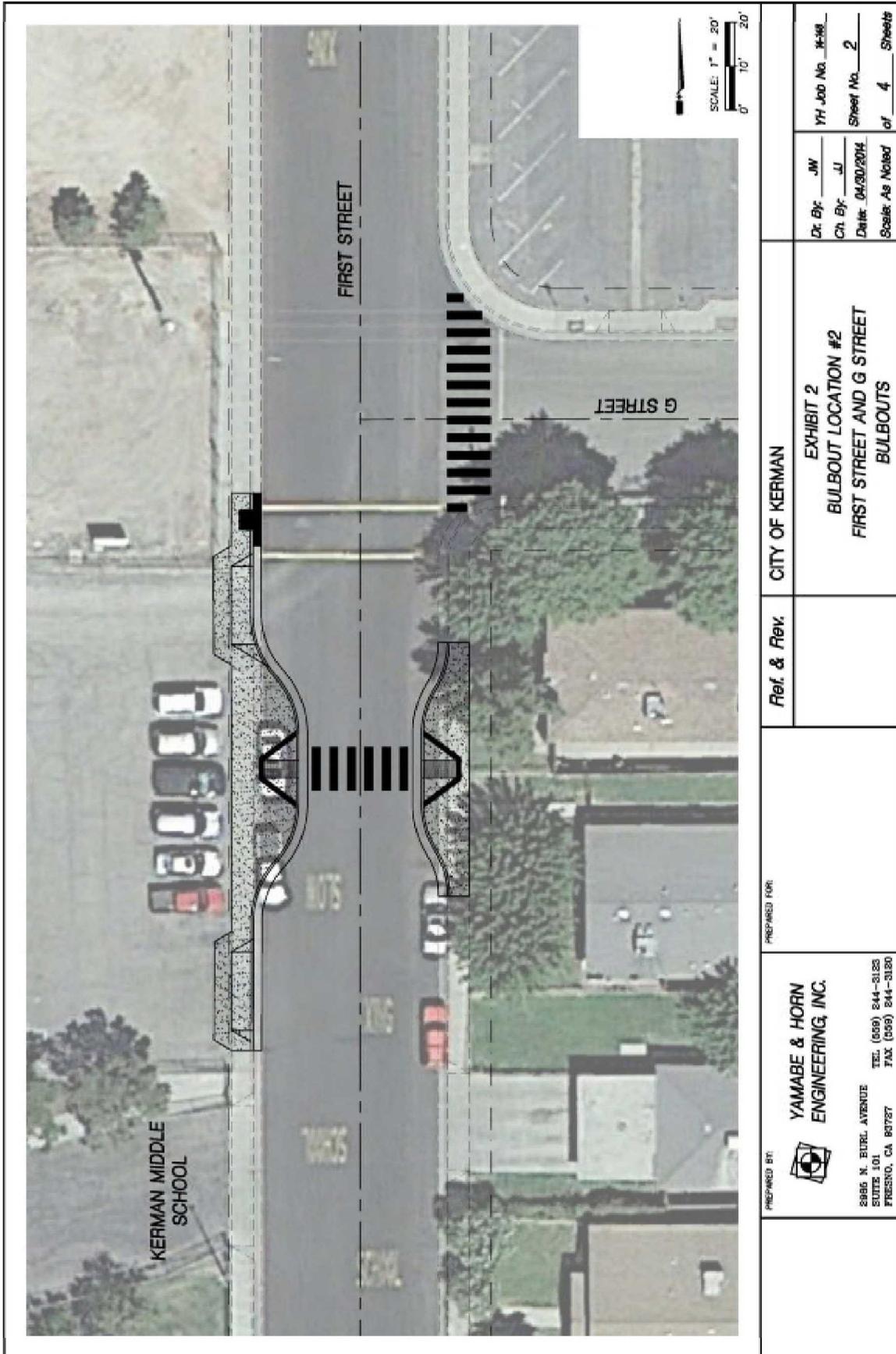
- A. Exhibit – Bulbout Location #1
- B. Exhibit – Bulbout Location #2
- C. Exhibit – Bulbout Location #3
- D. Exhibit – Bulbout Location #4
- E. Exhibit – UPRR/California Avenue Bicycle and Pedestrian Route Master Plan

Attachment 'A'

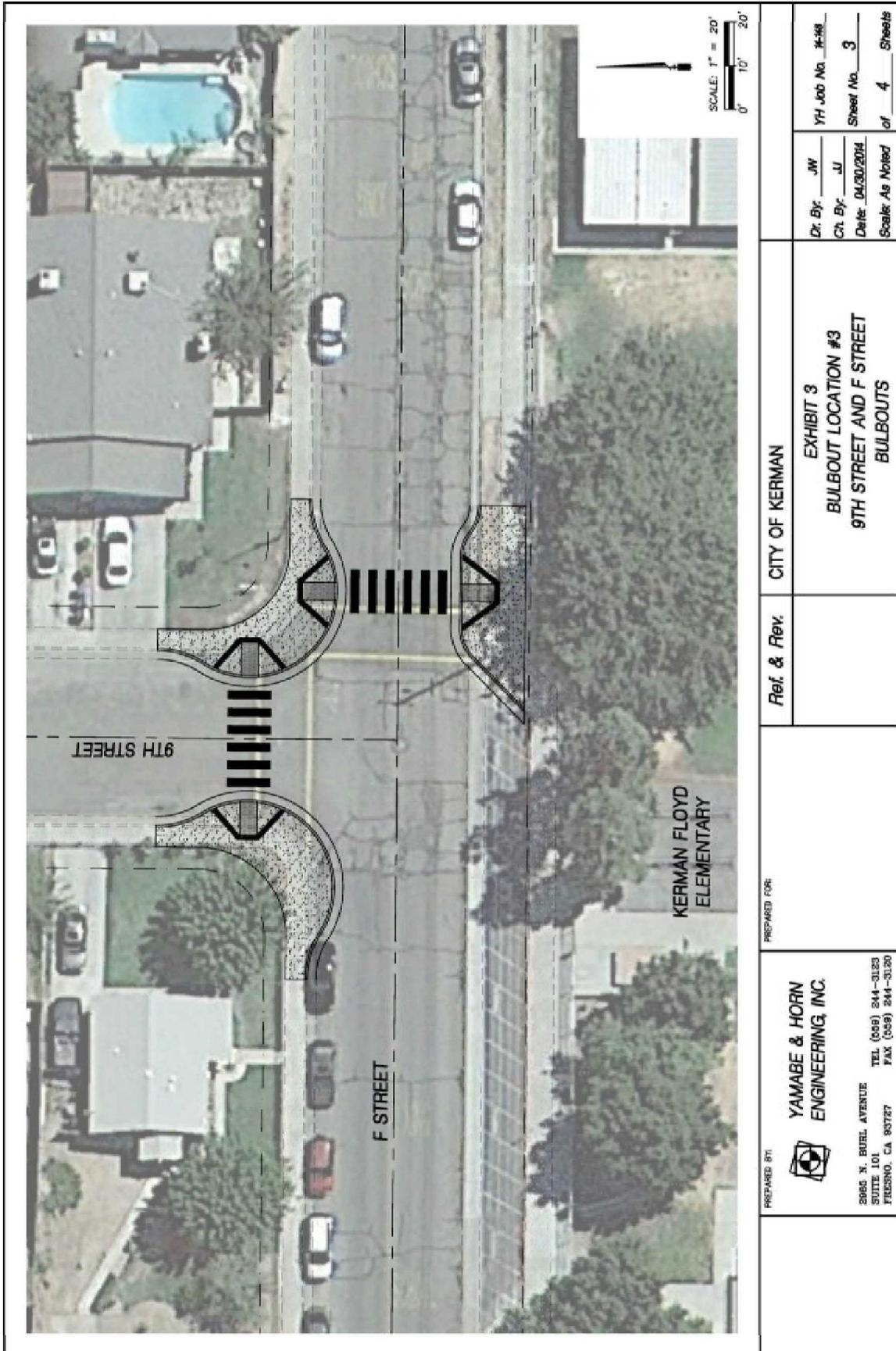


<p>PREPARED BY:</p>  <p>YAMABE & HORN ENGINEERING, INC.</p> <p>2900 N. BUREL AVENUE SUITE 101 FRESNO, CA 93727</p> <p>TEL (550) 244-3123 FAX (550) 244-3120</p>	<p>PREPARED FOR:</p> <p>CITY OF KERMAN</p>	<p>Ref. & Rev.</p>	<p>EXHIBIT 1 BULBOUT LOCATION #1 SISKIYOU AVENUE AND E STREET BULBOUTS</p>
<p>Dr. By: <u>JW</u> Ct. By: <u>JJ</u> Date: <u>04/30/2014</u> Scale: As Noted</p>	<p>YH Job No. <u>4-148</u> Sheet No. <u>1</u> of <u>4</u> Sheets</p>		

Attachment 'B'

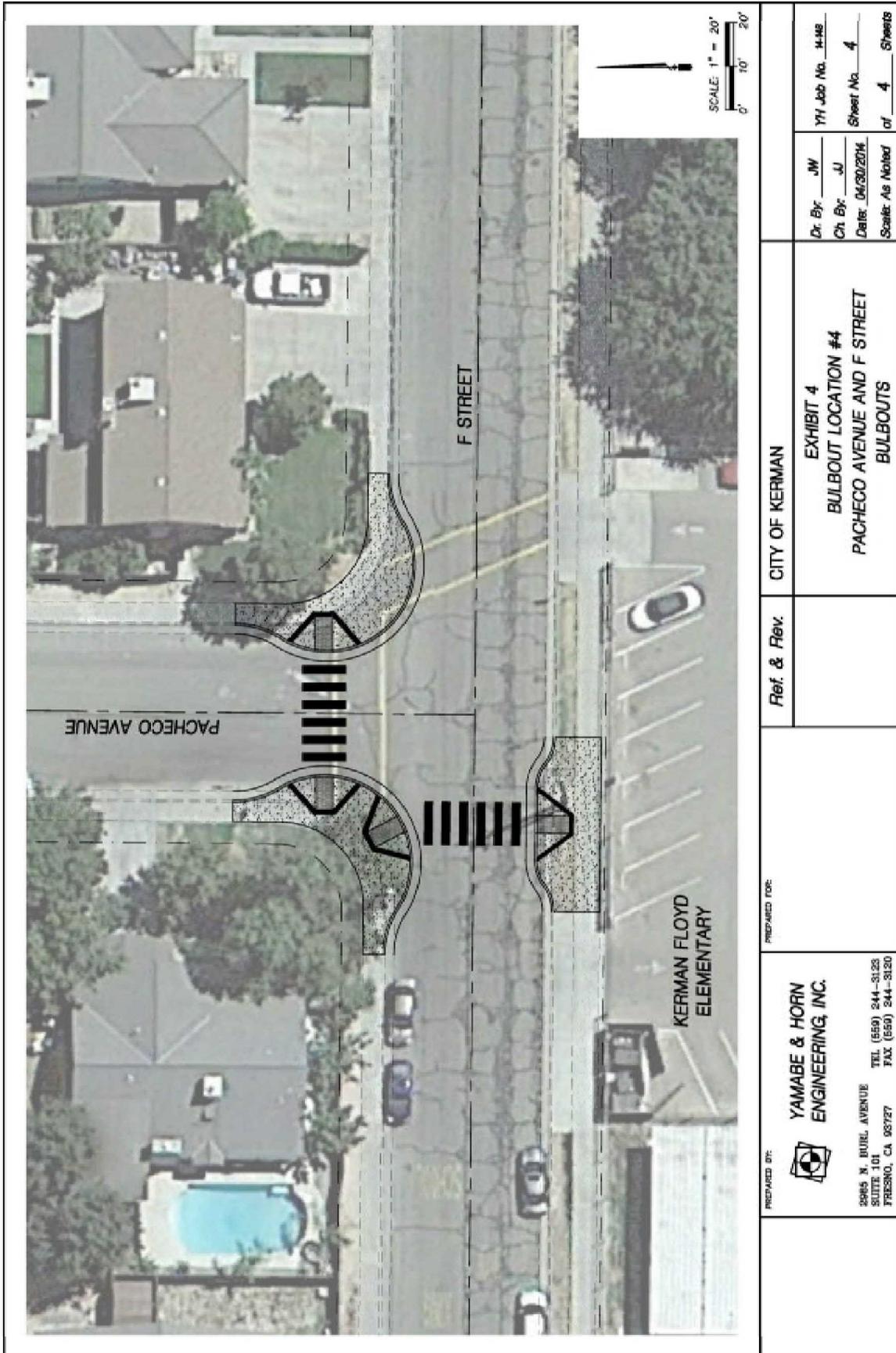


Attachment 'C'



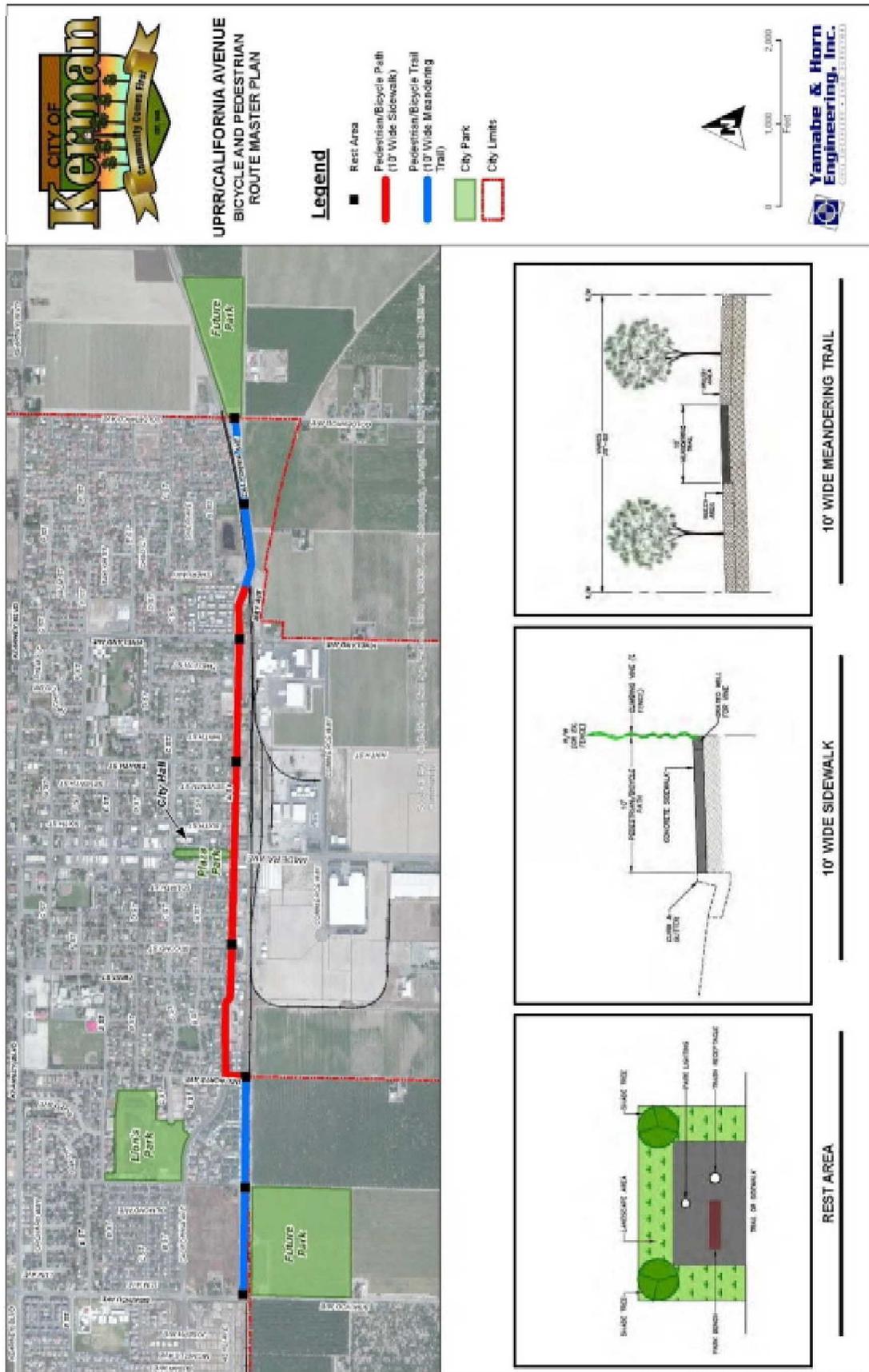
<p>PREPARED BY:</p>	<p>YAMABE & HORN ENGINEERING, INC.</p>	<p>PREPARED FOR:</p>	<p>CITY OF KERMAN</p>	<p>Dr. By: <u>JW</u> Ch. By: <u>JU</u> Date: <u>04/30/2014</u> Scale: As Noted</p>
<p>3085 N. BUREL AVENUE SUITE 101 FRESNO, CA 93727</p>	<p>TEL (555) 244-3120 FAX (555) 244-3120</p>	<p>EXHIBIT 3 BULBOUT LOCATION #3 9TH STREET AND F STREET BULBOUTS</p>	<p>YH Job No. <u>14-16</u> Sheet No. <u>3</u> of <u>4</u> Sheets</p>	

Attachment 'D'



<p>PREPARED BY:</p>  <p>YAMABE & HORN ENGINEERING, INC.</p> <p>2295 N. BURL AVENUE SUITE 101 FRESNO, CA 93727</p> <p>TEL: (559) 244-3126 FAX: (559) 244-3120</p>	<p>PREPARED FOR:</p> <p>CITY OF KERMAN</p>	<p>Ref. & Rev.</p>	<p>EXHIBIT 4 BULBOUT LOCATION #4 PACHECO AVENUE AND F STREET BULBOUTS</p>	<p>Dr. By: <u>JW</u> Ch. By: <u>JJ</u> Date: <u>04/30/2014</u> Scale: As Noted</p>	<p>YH Job No. <u>14-MS</u> Sheet No. <u>4</u> of <u>4</u> Sheets</p>
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Attachment 'E'





City of Kerman

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MAYOR PRO-TEM
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Bill Nijjer

DEPARTMENT: PUBLIC WORKS
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: MAY 7, 2014

To: Mayor and City Council
From: Gary D. Horn, City Engineer
Subject: Intention to Levy and Collect the Annual Assessments for Landscape and Lighting District No. 1

RECOMMENDATION

Council adopt resolution of intention to levy and collect the annual assessments for Landscape and Lighting District No. 1 and set the date for the required Public Hearing for June 18, 2014.

EXECUTIVE SUMMARY

The Landscape and Lighting District maintains public landscaping in median islands and landscape strips along major streets. The revenue from the district also pays for street lighting costs for areas within the district. All new developments are annexed into the district and charged an annual assessment that is collected with property taxes.

DISCUSSION

This is the second of three actions required by state law for the levy of the annual assessments. The City Engineer has prepared a preliminary report labeled Engineer's Report of the City of Kerman Landscaping and Lighting District No.1, dated May 2014, and filed the report with the City Clerk. The final report will be submitted for approval at the time of the public hearing. No new annexations have taken place this past year.

FISCAL IMPACT

The annual assessments from Landscape and Lighting District No. 1 are used for maintenance of public landscaping and street lighting. The estimated total assessments for this year are \$209,664. The exact amount of total assessments will be known once the City receives the property roll from the Fresno County Assessor's Office.

PUBLIC HEARING

The required public hearing should be set for the June 18, 2014 Council Meeting.

Attachments:

- A. Resolution

Attachment 'A'

RESOLUTION NO. 14-__**RESOLUTION OF INTENTION TO LEVY AND COLLECT THE ANNUAL
ASSESSMENT FOR LANDSCAPING AND LIGHTING DISTRICT NO. 1
FOR THE CITY OF KERMAN**

RESOLVED by the Council of the City of Kerman, County of Fresno, California that:

1. It is the intention of said Council to order the levy and collection of an assessment under the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code (beginning with Section 22500 of said Code and hereinafter referred to as the "Act") for Landscaping & Lighting District No. 1 of the City of Kerman (herein "District") for fiscal year 2014-2015.

2. Said District is generally described as Tract No. 3397, Tract No. 4165, Tract No. 4484, Tract No. 4529, Tract No. 4560, Tract No. 4676 (Ph.1), Tract No. 4775, Tract No. 4792, Tract No. 4811, Tract No. 4846, Tract No. 4853, Tract No. 4910, Tract No. 4955, Tract No. 4987, Tract No. 5023, Tract No. 5028, Tract No. 5043, Tract No. 5132, Tract No. 5165, Tract No. 5191, Tract No. 5160, Tract No. 5329, Tract No. 5244, Tract No. 5222, Tract No. 5138, Tract No. 5266, Tract No. 5348, Tract No. 5416, Tract No. 5750, Tract No. 5636, Tract No. 5488, Tract No. 5480, Tract No. 5515, Tract No. 5478, Tract No. 5677, Tract No. 5805, Tract No. 5928, Tract No. 5975, Parcel Map No. 96-01, Parcel Map No. 98-04, Parcel Map No. 98-05, Site Plan Review No. 05-25, Parcel Map No. 07-01, Parcel Map No. 10-01, Parcel Map No. 10-02, and Parcel Map 09-02. Improvements to be maintained are generally described as street lights and public landscaping within the District.

3. The Engineer has prepared and filed with the Clerk of the City of Kerman a preliminary report labeled Engineer's Report of the City of Kerman Landscaping and Lighting District No. 1, dated May 2014 to which reference is hereby made for a detailed description of the improvements, the boundaries of the assessment district, and any zones therein, and the proposed assessments upon assessable lots and parcel of land within the District.

4. Assessments in the District are equal to the prior year assessments, first time assessments, or assessments increased by a cost of living factor.

5. The Kerman News, a newspaper published in Kerman, California and circulated in the City of Kerman is hereby designated as the newspaper in which this Resolution of Intention shall be published, and the Clerk of the City of Kerman is hereby directed to cause this Resolution of Intention to be published once. Publication shall be completed not less than ten (10) days before the date set for hearing.

6. NOTICE IS HEREBY GIVEN that the 18th day of June 2014, at the hour of 6:30 p.m., in the regular meeting place of the Council of the City of Kerman, City Hall, Kerman California 93630, is hereby fixed as the time and place for a public hearing when and where all interested persons shall be heard on the question of the levy and collection of the proposed assessments. Written protests may be filed with the City Clerk at any time prior to the conclusion of the hearings. A written protest shall state all grounds of objection and shall contain a description sufficient to identify the property owned by the protesting person or persons.

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Kerman held on the 7th day of May, 2014, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing resolution is hereby approved.

Gary Yep
Mayor

ATTEST:

Marci Reyes
City Clerk



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DEPARTMENT: PUBLIC WORKS

STAFF REPORT

CITY COUNCIL MEETING

COUNCIL MEETING DATE: MAY 7, 2014

To: Mayor and City Council
From: Gary D. Horn, City Engineer
Subject: Selection of Bulbout Alternative at Intersection of Vineland Avenue and Kearney Boulevard and Authorization of Re-programming of Federal Regional Surface Transportation Program (RSTP) Lifeline Funding

RECOMMENDATION

Council considers taking the following actions:

1. Select the preferred bulbout alternative for the intersection of Vineland Avenue and Kearney Boulevard; and
2. Authorize the City Engineer to re-program Federal RSTP Lifeline Funds for FYs 16/17 and 17/18.

EXECUTIVE SUMMARY

The City has received Federal RSTP Lifeline funding for FY 14/15 for the widening of Vineland Avenue from Kearney Boulevard to approximately 700 feet north. At the direction of City staff, we have prepared two bulbout alternatives for the intersection of Vineland Avenue and Kearney Boulevard to be considered for inclusion as part of the project. In addition, staff proposes that the RSTP Lifeline funds for FYs 16/17 and 17/18 in the amount of \$199,700 be re-programmed from the California Avenue Reconstruction Project to the Vineland Avenue Widening Project.

OUTSTANDING ISSUES

None

DISCUSSION

Vineland Avenue from Kearney Boulevard to approximately 700 feet north consists of one 12 foot wide travel lane in each direction and a 12 foot wide landscaped median. This segment currently does not meet the City standards for a collector street, which includes bike lanes, parking lanes, curb, gutter and sidewalk (sidewalk constructed on east side only). The initial cost of the project was estimated at \$330,000. Funding for this project comes from Local Street funds in the amount of \$213,300 and RSTP Lifeline funds in the amount of \$116,700.

During the preliminary design stage for the project, City staff requested that we look into the possibility of constructing a single-lane roundabout at the intersection of Vineland Avenue and Kearney Boulevard. We prepared a preliminary design for the roundabout and presented the design to City staff. Due to right-of-way limitations and conflicts with the existing residences on the southeast and southwest corner of the intersection, we determined, with concurrence from City staff, that the construction of a roundabout at this location was not appropriate. In response to this finding, City

staff requested that we present alternatives for the construction of curb bulbouts at this intersection to increase pedestrian safety and improve the aesthetics of the intersection.

The following two bulbout alternatives were presented to City staff:

Alternative No. 1

The first alternative consists of extending the curb and gutter out and constructing new handicap ramps and sidewalk at each corner. This alternative would require the removal of all existing improvements at each corner, including the improvements at the northeast corner constructed by the City less than two years ago. The bulbouts would be similar to those along First Street at Stanislaus and San Joaquin Avenues. Exhibit 'A' shows the proposed layout for this alternative.

Alternative No. 2

The second alternative consists of constructing curb islands, similar to a median island, which would act in the same manner as a standard bulbout. The islands would provide a suitable area for landscape planting to improve the aesthetics of the intersection and soften the hardscape. In addition, colored concrete crosswalks would be constructed to further enhance the intersection. This alternative would allow for some of the existing improvements at the corners to remain, primarily at the northeast corner. Exhibit 'B' shows the proposed layout for this alternative.

Both alternatives are estimated to cost \$70,000. After reviewing the two alternatives, City staff prefers Alternative No. 2.

Re-programming of RSTP Lifeline Funding

In 2013 the City submitted a competitive RSTP Regional Bid Project Application for the reconstruction of California Avenue from Madera Avenue to Del Norte Avenue. In hopes of increasing the City's chances of being awarded funding, the City allocated its FYs 16/17 and 17/18 RSTP Lifeline funds in the amount of \$199,700 to this project, thus decreasing the overall amount requested from the regional bid. Unfortunately, the City did not score high enough to receive any regional bid funds. As a result, the City was left with RSTP Lifeline funding for the California Avenue Reconstruction that will only cover approximately 25 percent of the project cost and the funding will not be available for construction until FY 17/18, pushing construction on the project out until summer 2018.

In order to utilize the City's RSTP Lifeline funds sooner rather than later, staff proposes that the City's allocation of RSTP Lifeline funds for FYs 16/17 and 17/18 in the amount of \$199,700 be re-programmed from the California Avenue Reconstruction Project to the Vineland Avenue Widening Project. As discussed previously, the City has already allocated its FYs 14/15 and 15/16 RSTP Lifeline funds in the amount of \$116,700 to the Vineland Avenue Widening Project

The re-programming of funds will be beneficial in two ways:

1. The California Reconstruction Project will be de-federalized, which will reduce engineering and project administration costs since it will no longer be subject to the more stringent federal processes and requirements.
2. The California Avenue Reconstruction Project can be completed in 2015 rather than FY 17/18 using local street funds and no Federal funds. The current conditions of California Avenue warrant immediate reconstruction.

We have presented the re-programming of funds to City staff and they are in agreement with the recommendation. We have had preliminary discussions with COG and they do not anticipate any problems with re-programming the funds.

FISCAL IMPACT

The table below summarizes the current and proposed funding for the Vineland Avenue Widening Project and California Avenue Reconstruction Project. As reflected in the table, the reprogramming of RSTP Lifeline Funds in the amount of \$199,700 from the California Avenue Reconstruction Project to the Vineland Avenue Widening Project reduces the amount of Local Street Funds for the Vineland Avenue Widening Project by \$200,000. These Local Street Funds can then be applied to the California Avenue Reconstruction Project for a total cost of \$779,000.

The re-programming of RSTP Lifeline funds modifies what project the funds will be used for and will not decrease the amount of funding the City receives.

	Funding Amount	
	Current	Proposed
Vineland Avenue Widening		
RSTP Lifeline	\$116,700	\$316,400
Local Street Fund	\$283,300	\$83,600
Total	\$400,000	\$400,000
California Avenue Reconstruction		
RSTP Lifeline	\$199,700	\$0
Local Street Fund	\$579,300	\$779,000
Total	\$779,000	\$779,000

PUBLIC HEARING

Not Required

REASON FOR RECOMMENDATION

The inclusion of the construction of bulbouts in the Vineland Avenue Widening Project will increase pedestrian safety and the overall aesthetics at the intersection of Vineland Avenue and Kearney Boulevard. The re-programming of RSTP Lifeline funds will result in the most efficient use of the funding.

Attachments:

- A. Exhibit: Bulbout Alternative No. 1
- B. Exhibit: Bulbout Alternative No. 2

Attachment 'A'



Attachment 'B'





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Bill Nijjer

DEPARTMENT: FINANCE DEPARTMENT
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: MAY 7, 2014

To: Mayor and City Council
From: Toni Jones, Finance Director
Subject: Preliminary Budget Presentation FY 2014/15

RECOMMENDATION

None – Informational Only

EXECUTIVE SUMMARY

Annually, the City of Kerman presents projections of Fiscal Year 2013/14 revenues and expenditures along with the preliminary budget for Fiscal Year 2015/16. The preliminary budget presentation covers all City departments along with preliminary capital expenditures. The final budget will be presented for Council's consideration and adoption on June 18th. The budgets that are included in this preliminary budget presentation are:

- General Fund
- Enterprise Funds
- Internal Service Funds
- Capital Improvement Program (CIP)

OUTSTANDING ISSUES

None

DISCUSSION

The preliminary budget report presented is based on the best information available at the time it is prepared and Staff will continue to monitor revenues and expenses and make adjustments before the final budget is presented to Council.

PUBLIC HEARING

No public hearing required.

Attachment:

'A' – Fiscal Year 2014/15 Preliminary Budget Report

Attachment 'A'

City of Kerman

FY 2014-15 Preliminary Budget Presentation



Toni Jones, Finance Director
Luis Patlan, City Manager

May 7, 2014

Table of Contents

OVERVIEW	1
GENERAL FUND OVERVIEW	2
GENERAL FUND RESERVE SUMMARY.....	3
GENERAL FUND SUMMARY OF REVENUE AND EXPENDITURES SUMMARY	4
GENERAL FUND REVENUES	5
GENERAL FUND EXPENDITURES	5
GENERAL FUND BUDGETS BY DEPARTMENTS.....	7
ENTERPRISE FUNDS.....	27
ENTERPRISE FUND RESERVES	28
ENTERPRISE FUND REVENUES AND EXPENDITURE SUMMARY	29
UTILITY RATE CHANGES	30
ENTERPRISE FUND REVENUES	31
ENTERPRISE FUND EXPENSES	33
ENTERPRISE FUND BUDGETS BY DEPARTMENTS	34
INTERNAL SERVICE AND DEVELOPMENT IMPACT FEE FUNDS	45
INTERNAL SERVICE FUNDS	46
CAPITAL IMPROVEMENT PROGRAM BUDGETS	49

Overview

The following report presents projections of Fiscal Year 2013/14 revenues and expenditures along with the preliminary budget for Fiscal Year 2015/16. Projections are determined using actual (unaudited) data, historical data and departmental information regarding spending trends and operations.

The Fiscal Year 2013/14 budget was adopted by the City Council on June 19, 2013. The annual adopted budget is a financial plan predicated on the best information available at the time it is prepared.

This preliminary budget presentation will cover all City departments along with preliminary capital expenditures. The final budget will be presented for Council's consideration and adoption on June 18th. The budgets that are included in this preliminary budget presentation are:



General Fund

- Reserve Summary
- Summary of Operational Budgets
- Revenue Summary
- Expenditures by Departments

Enterprise Funds

- Reserve Summary
- Summary of Operational Budgets
- Utility Rates
- Revenue Summary
- Expenditures by Departments

Internal Service Funds

- Vehicle Equipment Replacement
- Technology

Capital Improvement Program Budgets

- Capital Improvement Summary
- Street Fund Revenue Summary
- Streets, Water, Sewer, Storm Drain Capital Budgets
- Parks and Park Facility Capital Budgets
- CDBG Capital Budget
- Facilities Capital Budgets



General Fund Overview

The following report presents projections of year-end revenues and expenditures for the current Fiscal Year (2013/14) and for Fiscal Year 2014/15. Projections are determined using current actual (unaudited) data, historical data, and departmental information regarding spending and revenue trends and operations.

The Fiscal Year 2014/15 budget was adopted by the City Council on June 19, 2013. The annual adopted budget is a financial plan predicated on the best information available at the time it is prepared. A Mid-Year Budget Review was presented to Council on March 19, 2014 and provided information to the City Council of the City's financial picture through December 31, 2013, which helps us in preparation of the City of Kerman 2014/15 budget.

Staff is pleased to report that the City's General Fund is projected to finish the year slightly better than was budgeted for Fiscal Year 2013/14. Expenditures are slightly over budget overall mostly due to a retrospective increase for Workers Compensation premiums, but revenues are projected to be more than anticipated. The City's Fiscal Year 2013/14 budgeted revenues in excess of expenditures was \$163,520 but staff is estimating \$201,445 revenues in excess of expenditures for Fiscal Year ending June 30, 2014. Staff will continue to monitor revenues and expenses and make adjustments before the final budget is presented to Council on June 18, 2014. The Preliminary General Fund Budget for Fiscal Year 2014/15 is presented herein in the following categories.



General Fund Reserve Summary

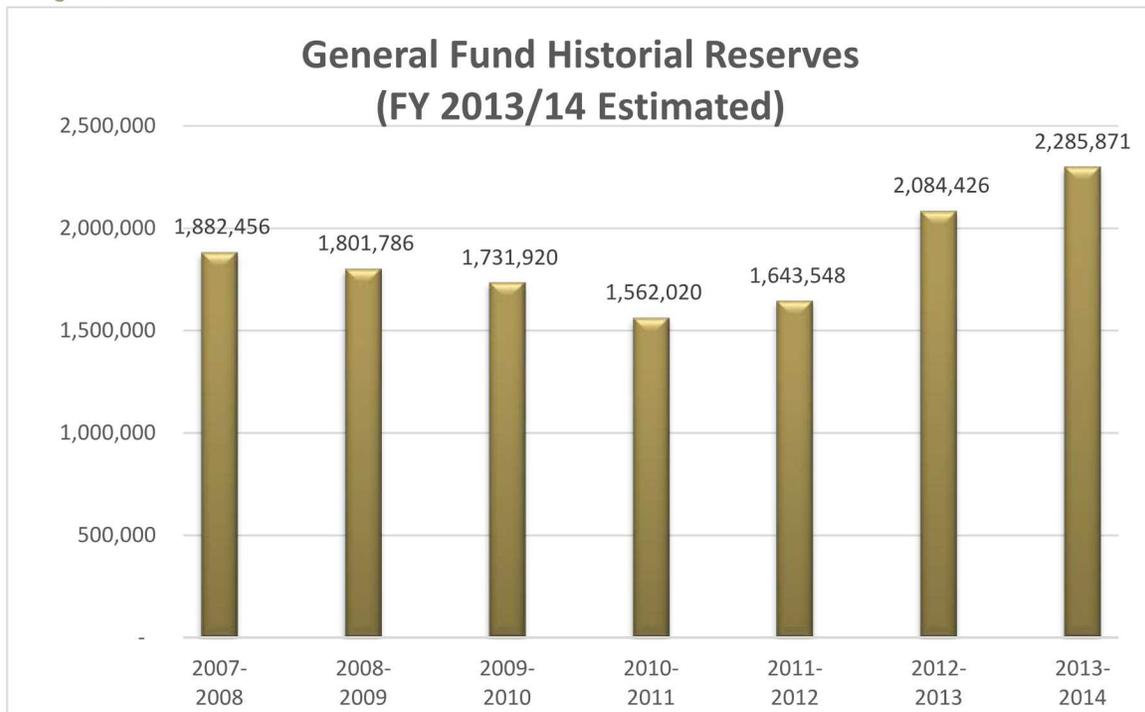
The City of Kerman’s audited General Fund ended Fiscal Year 2012/13 with a \$2.1 million cash reserve balance. Staff is estimating a \$201,445 increase (9.66%) to the General Fund reserve (unaudited) for Fiscal Year 2013/14 totaling \$2.3 million. Figure 1 below shows an increase to General Fund reserves (preliminary projections) for the second consecutive year after a four year decline in reserves during the economic recession.

During the economic downturn, the City used reserves to cover operating deficits as revenues declined. Reserves dipped to a low of \$1.5 million at the end of FY 2010/11 and began to grow as expenditures were reduced and the economy slowly improved. The City avoided reductions in force, furloughs and other cost cutting measures that faced many other cities by leaving positions vacant and consolidating services. Without a healthy reserve, the City would have few options in the event of another economic downturn.

Reserves are also used for Capital Projects when other funding sources are not available. In Fiscal Year 2014/15 General Fund reserves will be used to fund capital projects such as the construction of a restroom at Soroptimist Park and improvements to the Animal Shelter as well as provide funding to update the Housing Element Plan and cover filing fees to amend the City’s sphere of influence boundary.

Overall, General Fund Reserves represent 53% of General Fund Operating Expenditures. As part of the budget adoption process, the Council will be asked to consider establishing a General Fund Reserve Policy to set-aside reserve emergencies, revenue volatility, and capital facilities replacement.

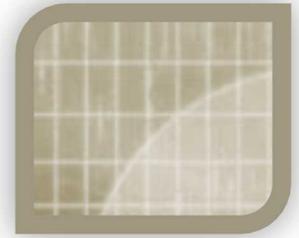
Figure 1



*Fiscal Year 2013/2014 is a preliminary projection of unaudited figures and does not include the one-time PTAF settlement or the transfer in from the Successor Agency.

General Fund Summary of Revenue and Expenditures

Table 1 summarizes the General Fund Operational Budgets. The adopted FY 2013/14 budget shows revenues in excess of expenditures of \$163,520. The estimated year-end revenues in excess of expenditures are revised upward to \$201,445. Again, this is largely due to more revenues coming in than initially projected despite a slight 1% increase in expenditures at year-end. The estimated year-end for FY 2013/14 also reflects transfers in from one-time revenues (PTAF settlement and RDA Successor Agency administrative costs). Because these are not recurring revenues, they are shown as transfers-in.



The preliminary budget for FY 2014/15 shows revenues of \$4,303,368 and expenditures of \$4,234,569 with a projected surplus of \$68,799. This reflects a status-quo budget with no new personnel or changes in wages or benefits. Operational expenditures reflect regular merit increases in wages, higher Worker's Compensation and health insurance rates. Details on the individual departmental budgets begin on page 8.

Table 1

		SUMMARY OF GENERAL FUND OPERATIONAL BUDGETS						
Activity	Description	Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	2013/2014		% of Exp's	Incr/Dec (-) 2014/15 vs. 2013/14 Budget
					Estimated Year-End	Budget 2014-2015		
LEGISLATIVE & GEN. GOVT.								
6001	City Council	\$22,674	\$21,915	\$30,340	\$22,700	\$30,040		-1.0%
6003	City Attorney	52,056	51,242	50,000	65,000	55,000		10.0%
1002	General Administration	175,992	152,065	229,072	232,872	236,774		3.4%
5005	Financial Administration	73,649	75,486	103,841	95,891	100,155		-3.6%
6004	Legislation	15,907	21,942	29,117	27,161	32,002		9.9%
	TOTAL LEGISLATIVE & GEN. GOVT.	340,279	322,651	442,370	443,624	453,971	10.7%	2.6%
PLANNING & DEVELOPMENT								
1008	Planning	103,934	17,536	113,271	103,870	108,936		-3.8%
4007	Engineering	44,818	7,610	25,000	40,000	25,000		0.0%
4042	Building Inspection	159,388	133,262	144,186	139,478	134,620		-6.6%
	TOTAL PLANNING & DEVELOPMENT	308,140	158,408	282,457	283,348	268,556	6.3%	-4.9%
RECREATION/SOCIAL SERVICES								
2002	Recreation Administration	167,078	223,670	224,599	236,542	233,797		4.1%
2044	Senior Center Services	160,514	123,367	111,542	109,372	113,351		1.6%
2047	Aquatics Program	22,860	25,966	23,163	23,863	25,028		8.1%
2062	Planned Recreation	36,466	26,700	29,566	29,696	32,774		10.9%
2065	Youth Service Bureau	33,952	41,302	45,621	46,440	53,601		17.5%
2069	Community Teen Center	141,167	120,199	133,067	127,235	125,922		-5.4%
	TOTAL REC/SOC SERVICES	562,037	561,203	567,558	573,148	584,473	13.8%	3.0%
POLICE OPERATIONS								
3011	Police Operations	2,281,249	2,414,438	2,454,228	2,478,403	2,688,938		9.6%
4041	Animal Control	39,609	34,583	48,244	52,817	59,522		23.4%
	TOTAL POLICE OPERATIONS	2,320,858	2,449,020	2,502,472	2,531,220	2,748,460	64.9%	9.8%
PUBLIC WORKS								
4011	Building/Park Operations	179,488	173,191	189,095	191,086	179,109		-5.3%
	TOTAL PUBLIC WORKS	179,488	173,191	189,095	191,086	179,109	4.2%	-5.3%
	TOTAL GENERAL FUND OPERATIONS	3,710,801	3,664,473	3,983,952	4,022,426	4,234,569	100.0%	6.3%
	TOTAL GENERAL FUND REVENUE	3,711,291	4,028,260	4,147,472	4,223,871	4,303,368		3.8%
	EXCESS (DEFICIT) REVENUE OVER EXPENDITURES	\$490	\$363,787	\$163,520	\$201,445	\$68,799		
	PERCENTAGE OF TOTAL G/F REVENUE	0.01%	9.03%	3.94%	4.77%	1.60%		
	TRANSFER IN - ONE TIME SOURCE/PTAF SETTLEMENT			0	120,657	0		
	TRANSFER IN FROM SUCCESSOR AGENCY (S/A)			250,000	250,000	175,000		
	EXCESS (DEFICIT) AFTER TRANSFER IN FROM S/A			413,520	572,102	243,799		

General Fund Revenues

Table 2 reflects a summary of General Fund Revenues. The projected revenue for fiscal year ending June 30th is estimated at \$4,223,871 - an increase of \$76,399 over the adopted FY 2013/14 budget. The Fiscal Year 2014/15 operational revenue budget is \$4,303,368 which is a 1.9% increase over the estimated fiscal year end revenues. The increase is primarily from our two major General Fund revenue sources; Sales Tax and Property Taxes.



Table 2

Description	Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	2013-2014	
				Estimated Year-End	Budget 2014-2015
Sales Tax	1,173,625	1,448,346	1,716,000	1,718,416	1,813
Property Tax	1,476,614	1,499,028	1,513,000	1,553,480	1,568
Admin & Overhead Fees	312,446	312,796	312,796	312,796	312
Building Fees	225,418	230,081	103,000	113,000	103
Franchise Taxes	144,445	156,963	150,000	150,800	150
Rents	113,932	120,919	126,376	127,611	125
Licenses and Permits	74,384	85,039	82,200	82,300	82
Fines and Penalties	62,832	71,047	65,000	65,000	65
Interest and Miscellaneous Income	33,129	30,881	20,600	28,250	20
Youth and Recreation Program Fees	38,597	33,791	36,300	44,000	45
Reimbursements	16,510	21,886	5,000	11,018	1
Other Fees for Services	39,358	17,483	17,200	17,200	17
Total Recurring Revenues	3,711,291	4,028,260	4,147,472	4,223,871	4,303
County of Fresno PTAF Settlement	-	-	-	120,657	
COPS Grant	-	-	45,000	45,000	33
Transfer In - Successor Agency	-	-	250,000	250,000	175
Total Non-Recurring Revenues	-	-	295,000	415,657	208
Total General Fund Revenue	3,711,291	4,028,260	4,442,472	4,639,528	4,511

Other (Non-Recurring) Revenue

County of Fresno - In Fiscal Year 2013/14, the City of Kerman received \$120,657 from the County of Fresno as a court settlement for an overcharge in the Property Tax Administration Fees (PTAF) collected by the County. This amount is a one-time, non-recurring payment listed as a transfer-in rather than as recurring General Fund Revenue.

COPS Grant - In Fiscal Year 2013/14, the City of Kerman hired a full-time police officer through a COPS Hiring Grant. The grant pays 75% of the wages and benefits for year one; 50% for year two; and 25% for year three. The City pays 100% of the cost of the officer after year three. Fiscal Year 2014/15 is year two. Because the grant is a short-term revenue source it is not listed as recurring General Fund Revenue.

RDA Successor Agency - The City of Kerman received \$250,000 annually to cover its costs to administer the winding up of the former redevelopment agency. In Fiscal Year 2014/15 the fee is reduced to \$175,000 as less work is involved to administer the Successor Agency activities. The City expects the administration fee to end in Fiscal Year 2016/17. Because the administration of the SA is winding down and will soon be eliminated, the annual administration fee is listed as a transfer-in and not as recurring General Fund Revenue.

General Fund Operating Expenditures

As reflected in Table 1 on Page 4, the General Fund Operating Expenditures for Fiscal Year 2014/15 total \$4,234,569. The expenditures are spread over several departments, which provide core services to the community. Overall, there is an increase in the operating expenditures for Fiscal year 2014/15 compared to Fiscal Year 2013/14 of \$250,617 or 6.3%.



The increase in expenditures is primarily due to an increase in personnel costs associated with health insurance, workers compensation and regular merit step increases along with an increase in the allocation to the Vehicle/Equipment Internal Service Fund (details on page 45).

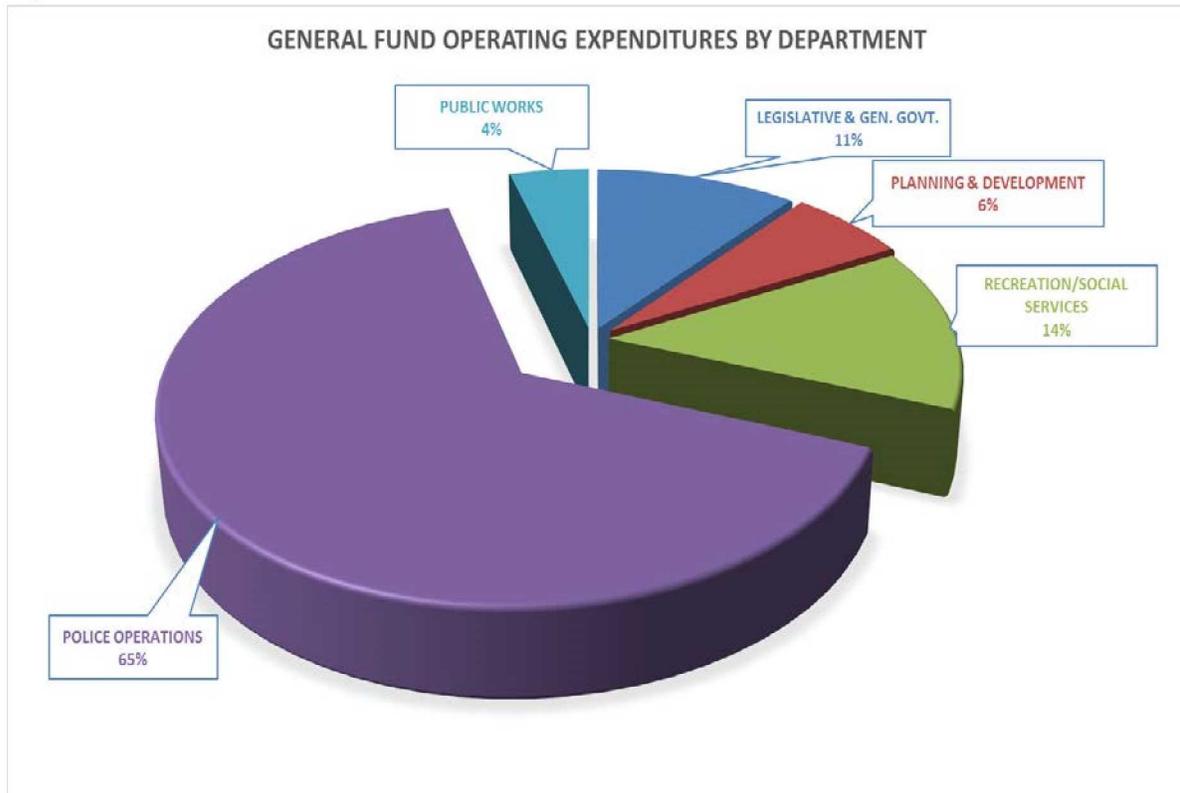
This budget was prepared with expenses known at this time and will be adjusted as additional information is provided between now and the final budget presentation on June 18, 2014.

General Fund Expenditures by Department

Figure 2 shows the percentage breakdown of expenditures by department for Fiscal Year 2014/15. As is the case in most jurisdictions, the City's greatest investment of General Fund resources goes to fund the Police Department. However, unlike many communities that have cut funding for parks and recreation due to the tough economic climate, Kerman continues to dedicate a high percentage of its budget to fund parks and recreation programs. This commitment shows dividends as measured by the high participation rates of youth, adults, and seniors in a variety of sports, recreational and other programs throughout the year.

The investments in public safety and parks and recreation are keys to the City's high-quality of life.

Figure 2



General Fund Budgets by Departments

The detailed General Fund budgets for each department are included in the following pages, in the order listed below. Some of the budgets include activities that are partially funded by the General Fund and by grants, such as the Senior Nutrition Program and Community Transit Program under the Park, Recreation and Community Services Department. The former receives grant funding from the Fresno-Madera Agency on Aging and the latter from the Fresno County Rural Transit Agency.

Administration

- City Council
- City Attorney
- City Manager
- Administrative Services
- City Clerk

Planning & Development Department

- Planning
- Engineering
- Building

Parks, Recreation and Community Services Department

- Recreation and Community Services Administration
- Senior Center Services
- Aquatics Program
- Planned Recreation
- Youth Service Bureau
- Community/Teen Center
- Senior Nutrition Site Management
- Community Transit

Police Department

- Police Operation
- Animal Control

Public Works Department

- Building & Parks Maintenance



Administration

CITY COUNCIL
10.0 6001

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
6001 410 20 00	Part Time Salaries	12,655	13,125	15,000	12,000	15,000
6001 420 00 00	Fringe Benefits	1,679	1,473	1,940	1,300	1,940
TOTAL PERSONNEL		14,334	14,598	16,940	13,300	16,940
OPERATIONS & MAINTENANCE						
6001 521 02 00	General Supplies	586	646	1,000	1,000	1,000
6001 546 00 00	Computer Equipment Allocation	0	0	700	700	0
6001 552 01 00	Public Notice	806	789	1,500	1,500	2,000
6001 554 01 00	Travel - Conferences - Meetings	18	31	3,500	0	3,500
6001 555 06 00	Website Updates and Add Ons	1,251	1,153	1,200	1,200	0
6001 556 00 00	Community & Public Relations	5,678	4,698	5,500	5,000	5,500
6001 560 00 00	Internal Service Funds	0	0	0	0	1,100
TOTAL OPERATIONS & MAINTENANCE		8,340	7,317	13,400	9,400	13,100
CAPITAL						
6001 600 03 00	Capital Outlay - Improvements	0	0	0	0	0
6001 600 04 00	Capital Outlay - Machinery & Equipment	0	0	0	0	0
TOTAL CAPITAL EXPENDITURES		0	0	0	0	0
TOTAL DEPARTMENT BUDGET		22,674	21,915	30,340	22,700	30,040
Budget to Budget Increase/(Decrease)						(300)
Percentage of Change						-1.0%

Budget Highlights:

- Public Notice increase due to elections, publications and ordinance (charitable solicitations)
- Removed Website Update from 10.0.6001 (City Council) and moved to 10.0.1002 (City Manager) \$1,200
- Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds

Administration

Administration

CITY ATTORNEY 10.0 6003

					Audited	Audited	Adopted	Estimated	Budget
					2011-2012	2012-2013	2013-2014	Year- End	2014-2015
6003	510	10	00	Professional Services	52,056	51,242	50,000	65,000	55,000
TOTAL					52,056	51,242	50,000	65,000	55,000
TOTAL DEPARTMENT BUDGET					52,056	51,242	50,000	65,000	55,000
					Budget to Budget Increase/(Decrease)				5,000
					Percentage of Change				10.0%

Budget Highlights:

Additional costs incurred in fiscal year 2013-14 due to additional litigation, AT&T cell tower, and Police Department personnel matters.



Administration

**CITY MANAGER
10.0 1002**

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
1002	410 10 00 Salaries	38,384	13,829	58,838	58,838	62,348
1002	410 20 00 Part Time Wages	2,609	0	0	0	0
1002	420 00 00 Fringe Benefits	9,436	4,475	17,425	21,000	18,891
TOTAL PERSONNEL		50,429	18,304	76,263	79,838	81,238
OPERATIONS & MAINTENANCE						
1002	510 01 00 Contract Services	4,779	15,662	9,000	20,000	14,000
1002	510 10 00 Professional Services-Successor Agency	0	0	4,700	3,500	1,500
1002	510 13 00 Professional Services - EDC Fresno County	8,636	8,636	9,000	7,318	6,000
1002	515 01 00 Utilities	13,421	12,723	14,000	13,000	13,000
1002	521 01 00 Office Supplies & Postage	1,806	1,000	1,500	1,200	1,500
1002	521 02 00 General Supplies	555	312	500	350	800
1002	521 07 00 Postage	1,233	1,200	1,600	1,600	1,600
1002	540 02 00 Equipment Rental - Lease	10,566	7,804	9,000	8,000	8,000
1002	545 00 00 Vehicle - Equipment Rental - Internal	2,486	601	278	278	0
1002	546 00 00 Computer Equipment Allocation	4,335	6,863	5,798	5,798	0
1002	550 00 00 Insurance	61,861	62,132	76,143	73,810	87,609
1002	551 01 00 Communications - Telephone	5,853	6,100	6,500	6,500	6,500
1002	551 02 00 Cellular Phone	853	798	950	0	0
1002	552 02 00 Public Notice / Advertising	776	113	500	0	350
1002	554 01 00 Training/Conferences/Meetings	534	939	700	500	1,000
1002	555 00 00 Dues & Subscriptions	7,869	6,265	8,000	6,500	6,500
1002	555 05 00 Property Taxes	0	2,614	2,615	2,655	0
1002	560 00 00 Administration & Overhead	0	0	2,025	2,025	2,025
1002	560 01 00 Internal Service Funds	0	0	0	0	5,152
TOTAL OPERATIONS & MAINTENANCE		125,563	133,761	152,809	153,034	155,536
CAPITAL						
1002	600 04 00 Capital Outlay - Machinery & Equipment	0	0	0	0	0
TOTAL CAPITAL EXPENDITURES		0	0	0	0	0
TOTAL DEPARTMENT BUDGET		175,992	152,065	229,072	232,872	236,774
					Budget to Budget Increase/(Decrease)	7,702
					Percentage of Change	3.4%

Budget Highlights:

Professional Services, Administration & Overhead and Internal Service Funds budgets beginning in FY 12/13 is due to Successor Agency costs that are being paid by the City and reimbursed from Administration fees received by the Successor Agency.

Removed Property Taxes from 10.0.1002 (City Manager) and moved to 10.0.4011 (Buildings & Parks) \$2,655

Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds

Overall increase in City Manager budget is mainly due to the increase in Liability Insurance cost.

Administration

ADMINISTRATIVE SERVICES

10.0 5005

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
5005	410 10 00	11,888	5,761	24,430	18,000	18,376
5005	410 20 00	43	0	0	1,250	720
5005	410 30 00	8	0	0	30	0
5005	420 00 00	6,297	2,728	9,551	6,800	8,193
TOTAL PERSONNEL		18,237	8,489	33,980	26,080	27,290
OPERATIONS & MAINTENANCE						
5005	510 01 00	0	0	0	0	500
5005	510 10 00	13,500	13,800	13,800	13,800	13,800
5005	510 14 00	4,373	1,257	4,400	4,400	4,400
5005	521 01 00	1,518	1,648	250	250	1,500
5005	521 07 00	0	0	1,050	1,050	1,050
5005	540 00 00	35,378	49,601	49,601	49,601	50,307
5005	554 01 00	244	354	360	360	500
5005	555 00 00	400	338	400	350	300
5005	560 00 00	0	0	0	0	508
TOTAL OPERATIONS & MAINTENANCE		55,413	66,998	69,861	69,811	72,865
CAPITAL						
5005	600 04 00	0	0	0	0	0
TOTAL CAPITAL EXPENDITURES		0	0	0	0	0
TOTAL DEPARTMENT BUDGET		73,649	75,486	103,841	95,891	100,155
Budget to Budget Increase/(Decrease)						(3,687)
Percentage of Change						-3.6%

Budget Highlights:

- Professional Fees: Budget award fees
- Office Supplies: Additional supplies needed and increase in costs
- Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds

Administration

**CITY CLERK
10.0 6004**

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
6004	410 10 00 Salaries	5,922	2,392	13,811	13,811	14,501
6004	410 20 00 Part Time Wages		0	0	0	0
6004	420 00 00 Fringe Benefits	1,657	764	3,905	5,100	4,201
TOTAL PERSONNEL		7,579	3,156	17,717	18,911	18,702
OPERATIONS & MAINTENANCE						
6004	510 01 00 Contract Services	7,693	14,370	10,000	7,700	8,700
6004	510 02 00 Elections	0	3,142	0	0	3,400
6004	521 02 00 General Supplies & Postage	165	668	600	200	350
6004	554 01 00 Travel - Conferences - Meetings	350	311	500	25	500
6004	555 00 00 Dues & Subscriptions	120	295	300	325	350
6004	560 00 00 Internal Service Funds	0	0	0	0	627
TOTAL OPERATIONS & MAINTENANCE		8,329	18,786	11,400	8,250	13,300
CAPITAL						
6004	600 04 00 Capital Outlay - Machinery & Equipment	0	0	0	0	0
TOTAL CAPITAL EXPENDITURES		0	0	0	0	0
TOTAL DEPARTMENT BUDGET		15,907	21,942	29,117	27,161	32,002
Budget to Budget Increase/(Decrease)						2,885
Percentage of Change						9.9%

Budget Highlights:

Contract Services: Codes and ECS (Laserclic and Agenda Manager). Adding \$1,000 Annual Contract to maintain audio system in Council Chambers.
 Elections: Expenses for November 2014 General Election.
 Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds

Planning & Development Department

PLANNING 10.0 1008

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
1008	410 10 00	Salaries	63,060	5,672	65,369	65,369
1008	410 20 00	Part Time Salaries	3,100	1,925	4,200	2,500
1008	420 00 00	Fringe Benefits	25,032	3,621	27,238	27,000
TOTAL PERSONNEL		91,192	11,218	96,806	94,869	96,880
OPERATIONS & MAINTENANCE						
1008	510 01 00	Contract Services - LAFCo	2,171	0	2,750	3,253
1008	510 10 00	Professional Services	4,989	508	1,500	0
1008	521 01 00	Office Supplies	1,465	1,688	1,500	1,500
1008	521 07 00	Postage	0	0	300	300
1008	545 00 00	Vehicle - Equipment Rental Internal	360	0	0	0
1008	546 00 00	Computer - Equipment Rental Internal	3,115	3,115	3,115	176
1008	551 01 00	Communications - Telephone	307	350	200	200
1008	552 01 00	Public Notice	285	457	550	550
1008	554 01 00	Travel - Conferences - Meetings	50	200	150	150
1008	560 00 00	Internal Service Funds	0	0	0	1,057
TOTAL OPERATIONS & MAINTENANCE		12,742	6,318	10,065	6,129	8,757
CAPITAL						
1008	600 03 99	Capital Outlay - New Accounting Software Sys.	0	0	4,400	1,100
1008	600 04 00	Capital Outlay - Machinery & Equipment	0	0	2,000	1,772
TOTAL CAPITAL EXPENDITURES		0	0	6,400	2,872	3,300
TOTAL DEPARTMENT BUDGET		103,934	17,536	113,271	103,870	108,936
Budget to Budget Increase/(Decrease)						(4,335)
Percentage of Change						-3.8%

Budget Highlights:

Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds
Accounting Software System will not be implemented and paid for until Fiscal Year 2014/15.

Planning & Development Department

ENGINEERING 10.0 4007

						Audited	Audited	Adopted	Estimated	Budget
Description						2011-2012	2012-2013	2013-2014	Year- End	2014-2015
4007	510	10	00	Professional Services		44,818	7,610	25,000	40,000	25,000
TOTAL						44,818	7,610	25,000	40,000	25,000
TOTAL DEPARTMENT BUDGET						44,818	7,610	25,000	40,000	25,000
						Budget to Budget Increase/(Decrease)				0
						Percentage of Change				0.0%

Budget Highlights:

Fiscal Year 13/14 Professional Services for engineering expenses are higher because fees were collected in fiscal year 12/13 but the work was performed in fiscal year 13/14.

Planning & Development Department

BUILDING
10.0 4042

						Audited	Audited	Adopted	Estimated	Budget
Description						2011-2012	2012-2013	2013-2014	Year-End	2014-2015
PERSONNEL										
4042	410	10	00	Salaries	62,514	61,236	75,583	75,583	70,538	
4042	410	30	00	Overtime	712	470	500	800	800	
4042	410	35	00	Stand By	364	292	350	400	414	
4042	420	00	00	Fringe Benefits	31,153	29,105	35,383	35,000	28,629	
TOTAL PERSONNEL						94,743	91,103	111,816	111,783	100,380
OPERATIONS & MAINTENANCE										
4042	510	01	00	Contract Services - Weed Abatement	2,078	8,209	5,600	5,600	5,600	
4042	510	10	00	Professional Services	46,769	20,612	15,000	10,000	15,000	
4042	521	01	00	Office Supplies	2,476	3,212	1,000	750	750	
4042	521	06	00	Uniforms	433	355	355	355	355	
4042	521	07	00	Postage	0	0	1,400	1,400	1,400	
4042	540	02	00	Equipment Rent	0	0	0	1,150	1,200	
4042	545	00	00	Vehicle - Equipment Rental Internal	5,181	4,540	4,095	4,095	0	
4042	546	00	00	Computer - Equipment Rental Internal	4,034	4,034	900	900	0	
4042	551	01	00	Communication - Telephone	1,757	720	950	950	950	
4042	551	02	00	Cellular Phone	358	340	650	650	650	
4042	554	01	00	Travel - Conferences - Meetings	69	12	120	120	400	
4042	555	00	00	Dues & Subscriptions	359	125	2,000	1,425	150	
4042	560	00	00	Internal Service Funds	0	0	0	0	7,785	
TOTAL OPERATIONS & MAINTENANCE						63,515	42,159	32,070	27,395	34,240
CAPITAL										
4042	600	04	00	Capital Outlay - Machinery & Equipment	0	0	300	300	0	
4042	555	01	00	State Fees	1,130	0	0	0	0	
TOTAL CAPITAL EXPENDITURES						1,130	0	300	300	0
TOTAL DEPARTMENT BUDGET						159,388	133,262	144,186	139,478	134,620
						Budget to Budget Increase/(Decrease)				(9,566)
						Percentage of Change				-6.6%

Budget Highlights:

Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds

Parks, Recreation and Community Services Department

RECREATION AND COMMUNITY SERVICES ADMINISTRATION
10.0 2002

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
2002	410 10 00	75,814	106,912	111,802	111,802	111,808
2002	410 20 00	8,601	8,552	11,000	15,000	12,000
2002	410 30 00	0	111	500	0	500
2002	420 00 00	32,939	53,426	49,874	51,000	54,434
TOTAL PERSONNEL		117,355	169,000	173,177	177,802	178,742
OPERATIONS & MAINTENANCE						
2002	510 10 00	0	0	0	0	1,200
2002	515 01 00	18,523	21,525	20,000	27,000	27,000
2002	521 01 00	269	721	700	600	600
2002	521 02 00	1,117	803	1,000	1,000	1,200
2002	521 06 00	162	203	162	380	380
2002	540 02 00	3,388	3,265	3,200	3,200	3,300
2002	545 00 00	10,339	12,882	16,175	16,175	0
2002	546 00 00	14,383	14,383	8,835	8,835	0
2002	551 01 00	298	350	300	300	300
2002	551 02 00	399	350	350	350	350
2002	554 01 00	189	189	0	200	800
2002	555 00 00	155	0	200	200	800
2002	560 00 00	0	0	0	0	18,626
TOTAL OPERATIONS & MAINTENANCE		49,223	54,670	50,922	58,240	54,556
CAPITAL						
2002	600 03 00	500	0	500	500	500
TOTAL CAPITAL EXPENDITURES		500	0	500	500	500
TOTAL DEPARTMENT BUDGET		167,078	223,670	224,599	236,542	233,797
Budget to Budget Increase/(Decrease)						9,198
Percentage of Change						4.1%

Budget Highlights:

Overall Increase is due to higher utilities at ball fields and parks along with fringe benefit increases in workers comp and health insurance.

Parks, Recreation and Community Services Department

SENIOR CENTER SERVICES
10.0 2044

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
2044	410 10 00	99,347	78,655	61,730	61,730	60,248
2044	420 00 00	40,979	30,982	23,670	21,500	20,308
TOTAL PERSONNEL		140,325	109,637	85,400	83,230	80,557
OPERATIONS & MAINTENANCE						
2044	515 01 00	8,004	6,941	9,500	9,500	9,500
2044	521 01 00	0	0	700	700	600
2044	521 02 00	143	124	850	850	850
0099	557 00 00	5,239	0	9,547	9,547	13,025
2044	545 00 00	4,433	4,166	3,045	3,045	0
2044	551 01 00	2,370	2,500	2,500	2,500	2,500
2044	560 00 00	0	0	0	0	6,319
TOTAL OPERATIONS & MAINTENANCE		20,188	13,731	26,142	26,142	32,794
CAPITAL						
2044	600 04 00	0	0	0	0	0
TOTAL CAPITAL EXPENDITURES		0	0	0	0	0
TOTAL DEPARTMENT BUDGET		160,514	123,367	111,542	109,372	113,351
Budget to Budget Increase/(Decrease)						1,809
Percentage of Change						1.6%

Budget Highlights:

Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds
Overall slight increase in the budget is due to the match required for the Nutrition Program.

Parks, Recreation and Community Services Department

**AQUATICS PROGRAM
10.0 2047**

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
2047	410 10 00	6,118	6,366	6,853	6,853	6,272
2047	410 20 00	11,759	13,787	12,000	12,000	13,800
2047	420 00 00	4,077	4,636	3,510	4,210	4,028
TOTAL PERSONNEL		21,954	24,789	22,363	23,063	24,100
OPERATIONS & MAINTENANCE						
2047	521 02 00	906	1,176	800	800	800
2047	560 00 00	0	0	0	0	127
TOTAL OPERATIONS & MAINTENANCE		906	1,176	800	800	927
CAPITAL						
2047	600 04 00	0	0	0	0	0
TOTAL CAPITAL EXPENDITURES		0	0	0	0	0
TOTAL DEPARTMENT BUDGET		22,860	25,966	23,163	23,863	25,028
Budget to Budget Increase/(Decrease)						1,865
Percentage of Change						8.1%

Budget Highlights:

Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds
 Overall slight budget increase due to State of California minimum wage increase effective July 1, 2014

Parks, Recreation and Community Services Department

**PLANNED RECREATION
10.0 2062**

Description						Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL										
2062	410	10	00	Salaries	10,196	10,611	11,421	11,421	10,454	
2062	410	20	00	Part Time Salaries	6,537	4,047	6,000	6,000	7,300	
2062	420	00	00	Fringe Benefits	7,760	5,917	4,170	4,300	5,143	
TOTAL PERSONNEL						24,494	20,575	21,591	21,721	22,897
OPERATIONS & MAINTENANCE										
2062	510	01	00	Contract Services	2,250	1,280	2,250	2,250	2,940	
2062	515	01	00	Utilities	2,557	2,142	2,500	2,500	2,500	
2062	521	01	00	Office Supplies & Postage	351	186	200	200	200	
2062	521	02	00	Program Supplies	6,470	2,417	3,000	3,000	4,000	
2062	551	01	00	Communications - Telephone	26	100	25	25	25	
2062	551	02	00	Cellular Phone	319	0	0	0	0	
2062	560	00	00	Internal Service Funds	0	0	0	0	212	
TOTAL OPERATIONS & MAINTENANCE						11,972	6,125	7,975	7,975	9,877
CAPITAL										
2062	600	03	00	Capital Outlay	0	0	0	0	0	
TOTAL CAPITAL EXPENDITURES						0	0	0	0	0
TOTAL DEPARTMENT BUDGET						36,466	26,700	29,566	29,696	32,774
								Budget to Budget Increase/(Decrease)		3,208
								Percentage of Change		10.9%

Budget Highlights:

Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds
 Overall increase is mainly due to the addition of two adult softball seasons in Contract Services and Program Supplies.

Parks, Recreation and Community Services Department

YOUTH SERVICE BUREAU
10.0 2065

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
2065	410 10 00	14,275	13,415	15,990	15,990	14,636
2065	410 20 00	9,379	13,511	17,600	17,600	21,000
2065	420 00 00	9,129	9,083	6,942	7,760	8,278
TOTAL PERSONNEL		32,783	36,009	40,531	41,350	43,914
OPERATIONS & MAINTENANCE						
2065	521 01 00	0	377	0	0	0
2065	521 02 00	892	4,825	5,000	5,000	9,300
2065	551 01 00	123	90	90	90	90
2065	551 02 00	154	0	0	0	0
2065	560 00 00	0	0	0	0	297
TOTAL OPERATIONS & MAINTENANCE		1,169	5,292	5,090	5,090	9,687
CAPITAL						
2065	600 03 00	0	0	0	0	0
TOTAL CAPITAL EXPENDITURES		0	0	0	0	0
TOTAL DEPARTMENT BUDGET		33,952	41,302	45,621	46,440	53,601
					Budget to Budget Increase/(Decrease)	7,979
					Percentage of Change	17.5%

Budget Highlights:

Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds
 Overall increase is mainly due to the addition of new programs for youth and teens in Special Supplies and is partially offset by program revenues

Parks, Recreation and Community Services Department

**COMMUNITY TEEN CENTER
10.0 2069**

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
2069	410 10 00 Salaries	53,042	42,358	46,080	46,080	46,080
2069	410 20 00 Part Time Salaries	13,209	12,706	14,500	14,500	15,925
2069	410 30 00 Overtime	0	61	250	0	250
2069	420 00 00 Fringe Benefits	28,169	23,766	27,720	25,000	23,301
TOTAL PERSONNEL		94,420	78,890	88,550	85,580	85,556
OPERATIONS & MAINTENANCE						
2069	510 01 00 Contracted Services (Maintenance)	3,165	3,555	3,600	3,600	3,600
2069	515 01 00 Utilities	27,119	23,145	26,000	28,000	26,000
2069	521 01 00 Office Supplies	119	219	300	405	300
2069	521 02 00 Special Supplies	5,785	5,059	4,500	4,500	4,500
2069	521 06 00 Uniforms	41	41	41	0	0
2069	545 00 00 Vehicle - Equipment Rental Internal	6,917	4,926	4,926	0	0
2069	551 01 00 Communications - Telephone	2,307	2,500	2,300	2,300	2,300
2069	551 02 00 Cellular Phone	154	315	350	350	350
2069	560 00 00 Internal Service Funds	0	0	0	0	816
TOTAL OPERATIONS & MAINTENANCE		45,608	39,760	42,017	39,155	37,866
CAPITAL						
2069	600 04 00 Capital Outlay - Machinery & Equipment	1,139	1,548	2,500	2,500	2,500
TOTAL CAPITAL EXPENDITURES		1,139	1,548	2,500	2,500	2,500
TOTAL DEPARTMENT BUDGET		141,167	120,199	133,067	127,235	125,922
Budget to Budget Increase/(Decrease)						(7,145)
Percentage of Change						-5.4%

Budget Highlights:

Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds
 Overall decrease is due to no vehicle assigned to the Community Teen Center (Internal Service Fund decrease)
 Capital Outlay/Improvements - Podium replacement, Back Park Vac replacement and facility equipment replacement

Parks, Recreation and Community Services Department

SENIOR NUTRITION SITE MANAGEMENT
73.0 2046

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
2046	410 10 00	8,972	13,059	5,340	5,340	5,341
2046	410 20 00	0	5,126	13,000	13,000	14,000
2046	420 00 00	5,729	7,096	1,716	4,300	3,208
TOTAL PERSONNEL		14,701	25,281	20,056	22,640	22,548
OPERATIONS & MAINTENANCE						
2046	515 01 00	2,137	1,200	1,200	1,200	1,200
2046	521 01 00	0	137	250	250	250
2046	521 03 00	1,586	1,586	1,550	1,550	1,550
2046	545 00 00	536	504	385	385	0
2046	551 01 00	1,135	1,200	1,250	1,248	1,248
2046	560 00 00	0	0	0	0	873
TOTAL OPERATIONS & MAINTENANCE		5,394	4,626	4,635	4,633	5,121
CAPITAL						
2046	600 04 00	0	0	0	0	0
TOTAL CAPITAL EXPENDITURES		0	0	0	0	0
TOTAL DEPARTMENT BUDGET		20,095	29,907	24,691	27,273	27,669
Budget to Budget Increase/(Decrease)						2,978
Percentage of Change						12.1%

Budget Highlights:

Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds
Overall increase in the budget is due to a slight increase in personnel costs and the Internal Service Funds

Parks, Recreation and Community Services Department

COMMUNITY TRANSIT
86.0 2049

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
2049	410 10 00 Salaries	73,118	62,380	75,325	75,325	71,725
2049	410 20 00 Part Time Salaries	0	6,885	1,000	1,500	500
2049	420 00 00 Fringe Benefits	38,004	33,871	33,706	31,856	34,113
TOTAL PERSONNEL		111,122	103,136	110,031	108,681	106,337
OPERATIONS & MAINTENANCE						
2049	515 02 00 Gasoline/Diesel	2,797	2,598	2,700	3,500	3,500
2049	521 01 00 Office Supplies	612	117	600	600	600
2049	521 02 00 Special Supplies	32	379	300	300	300
2049	545 00 00 Vehicle - Equipment Rental Internal	1,437	1,408	1,200	1,200	0
2049	551 01 00 Communications - Telephone	614	698	750	750	850
2049	560 00 00 Internal Service Funds	0	0	0	0	1,490
TOTAL OPERATIONS & MAINTENANCE		5,492	5,199	5,550	6,350	6,740
CAPITAL						
2049	600 03 00 Capital Outlay-Improvements	2,156	0	0	0	0
2049	600 03 99 Capital Outlay-New Accounting Software System	0	0	2,731	683	2,048
TOTAL CAPITAL EXPENDITURES		2,156	0	2,731	683	2,048
TOTAL DEPARTMENT BUDGET		118,770	108,335	118,312	115,714	115,126
					Budget to Budget Increase/(Decrease)	(3,186)
					Percentage of Change	-2.7%

Budget Highlights:

Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds
 Approximately ninety percent (90%) of this budget is funded by the Fresno County Rural Transit Authority (FCRTA) along with \$5,000 of Fair box collections
 Accounting Software System will not be implemented and paid for until Fiscal Year 2014/15.

Police Department

POLICE
10.0 3011

Description						Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year-End	Budget 2014-2015
PERSONNEL										
3011	410	10	00	Salaries	1,047,906	1,106,069	1,148,458	1,160,000	1,227,860	
3011	410	20	00	Part Time Salaries	86,897	55,186	94,000	65,000	94,000	
3011	410	30	00	Overtime	35,880	50,987	50,000	40,000	50,000	
3011	410	35	00	Court Standby	700	2,199	2,500	2,500	2,500	
3011	410	36	00	FTO	1,858	1,009	1,000	1,200	1,000	
3011	410	38	00	Uniform Allowance	22,192	22,197	22,100	22,100	22,100	
3011	410	40	00	Holiday Pay	35,781	38,642	42,245	42,245	42,769	
3011	420	00	00	Fringe Benefits	575,371	638,458	581,046	620,000	639,715	
TOTAL PERSONNEL						1,806,584	1,914,747	1,941,349	1,953,045	2,079,945
OPERATIONS & MAINTENANCE										
3011	510	11	00	Prof. Services - Emp. Hiring	10,290	10,341	4,000	4,000	4,000	
3011	510	12	00	Prof. Services - Lab Criminal	5,607	5,596	6,000	6,000	6,000	
3011	510	13	00	Prof. Services - Lab Employees	1,405	1,465	900	900	1,400	
3011	510	15	00	Assault/Medical Examinations	2,000	6,100	3,000	3,000	3,000	
3011	510	28	00	Dispatch	160,312	182,640	223,211	223,211	227,611	
3011	510	29	00	RMS-CAD	1,767	1,952	2,200	2,200	2,200	
3011	510	30	00	Booking Fees	575	824	1,000	1,000	1,000	
3011	510	31	00	Parking Citations	3,982	3,165	3,600	3,600	3,600	
3011	510	32	00	Live Scan Fingerprints	3,998	3,023	3,500	3,500	4,000	
3011	515	01	00	Utilities	15,415	17,286	16,000	16,000	16,000	
3011	521	01	00	Office Supplies	6,201	7,175	3,800	3,800	4,200	
3011	521	02	00	General Supplies	4,058	3,700	6,840	6,840	6,840	
3011	521	07	00	Postage	0	0	2,200	2,200	2,200	
3011	521	10	00	Uniform Supplies	5,080	3,772	4,000	4,000	4,000	
3011	521	12	00	Bullet Resistant Vests	1,500	2,727	1,500	1,500	1,500	
3011	521	35	00	Firearms Purchase	675	0	1,200	1,200	1,200	
3011	530	01	00	Equipment Maintenance - Repair	7,637	3,733	2,500	5,719	2,500	
3011	540	02	00	Equipment Rental	4,482	4,615	4,200	4,200	4,200	
3011	545	00	00	Vehicle - Equipment Rental Internal	163,972	180,229	170,235	170,235	0	
3011	546	00	00	Computer - Equipment Rental Internal	12,070	12,070	24,092	33,353	0	
3011	551	01	00	Communications - Telephone	2,745	2,200	3,500	3,500	3,500	
3011	551	02	00	Communications - Cell Phone	3,533	2,400	2,600	2,600	2,600	
3011	551	05	00	Live Scan Line	7,747	8,047	8,000	8,000	8,000	
3011	551	06	00	MDT Monthly Access	2,503	2,713	3,600	3,600	3,600	
3011	552	02	00	Public Notice	0	0	500	500	500	
3011	554	01	00	Travel - Meetings	6,089	13,029	6,000	6,000	6,000	
3011	554	05	00	Training Supplies	2,901	2,077	3,150	3,150	3,150	
3011	555	02	00	Professional Dues and Codes	1,207	650	1,550	1,550	1,550	
3011	560	00	00	Internal Service Funds	0	0	0	0	284,643	
TOTAL OPERATIONS & MAINTENANCE						437,749	484,692	512,878	525,358	608,994
CAPITAL										
3011	600	04	00	Capital Outlay - Machinery & Equip.	36,916	14,999	0	0	0	
TOTAL CAPITAL EXPENDITURES						36,916	14,999	0	0	0
TOTAL DEPARTMENT BUDGET						2,281,249	2,414,438	2,454,228	2,478,403	2,688,938
									Budget to Budget Increase/(Decrease)	234,711
									Percentage of Change	9.6%

Budget Highlights:

Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds

Police Department

ANIMAL CONTROL
10.0 4041

Description						Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL										
4041	410	10	00	Salaries	16,491	6,063	24,175	24,175	27,849	
4041	410	30	00	Overtime	22	305	0	0	0	
4041	410	35	00	Stand By	12	240	0	0	0	
4041	420	00	00	Fringe Benefits	8,193	13,853	10,530	12,500	10,823	
TOTAL PERSONNEL						24,718	20,461	34,705	36,675	38,673
OPERATIONS & MAINTENANCE										
4041	510	01	00	Contract Services	5,833	5,603	5,500	8,000	8,000	
4041	521	01	00	Office Supplies	459	47	300	300	300	
4041	521	02	00	General Supplies	2,477	2,764	3,000	3,000	3,000	
4041	521	06	00	Uniforms	194	153	50	153	155	
4041	521	07	00	Postage	356	500	150	150	150	
4041	545	00	00	Vehicle - Equipment Rental Internal	4,903	4,360	3,581	3,581	0	
4041	546	00	00	Computer - Equipment Rental Internal	385	385	58	58	0	
4041	551	02	00	Cellular Phone	284	0	300	300	300	
4041	554	01	00	Travel - Conferences - Meetings	0	309	300	300	300	
4041	560	00	00	Internal Service Funds	0	0	0	0	8,344	
TOTAL OPERATIONS & MAINTENANCE						14,891	14,121	13,239	15,842	20,549
CAPITAL										
4041	600	04	00	Capital Outlay - Machinery & Equipment	0	0	300	300	300	
TOTAL CAPITAL EXPENDITURES						0	0	300	300	300
TOTAL DEPARTMENT BUDGET						39,609	34,583	48,244	52,817	59,522
						Budget to Budget Increase/(Decrease)				11,278
						Percentage of Change				23.4%

Budget Highlights:

Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds
 Overall budget increase is due to the increase cost for animal disposal and Internal Service Funds Operations & Maintenance and replacement costs.

Public Works Department

BUILDING & PARK MAINTENANCE
10.0 4011

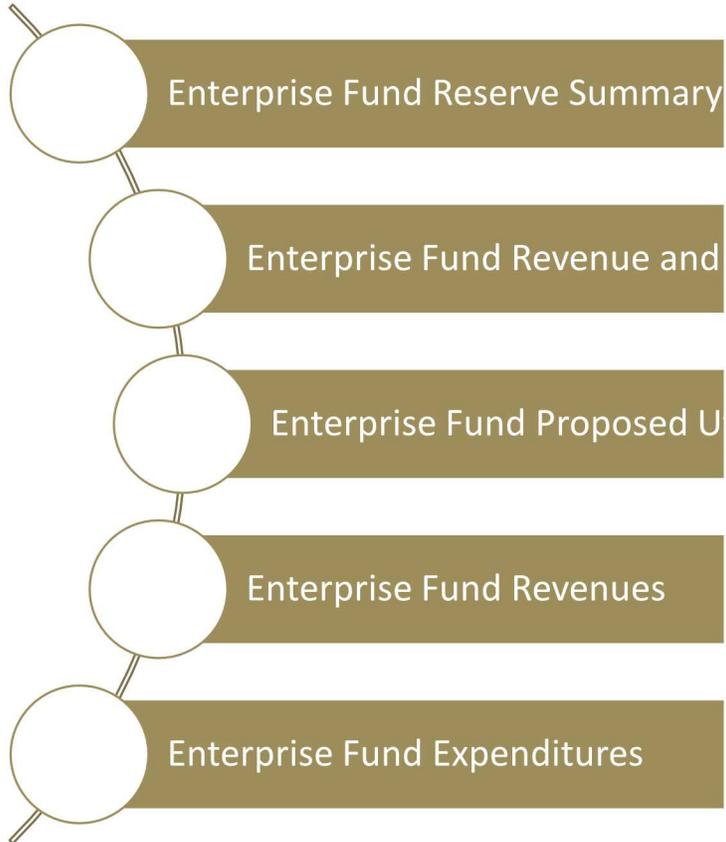
Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
4011	410 10 00	Salaries	59,017	54,872	59,805	42,752
4011	410 20 00	Part-Time Wages	0	0	0	9,880
4011	410 30 00	Overtime	2,027	2,735	3,000	3,000
4011	410 35 00	Stand By	1,156	1,817	1,173	915
4011	420 00 00	Fringe Benefits	29,231	28,824	24,960	22,938
TOTAL PERSONNEL		91,431	88,247	88,939	92,405	79,485
OPERATIONS & MAINTENANCE						
4011	510 01 00	Contract Services	10,609	6,025	7,500	19,800
4011	510 10 00	Professional Services	0	0	0	3,000
4011	515 01 00	Utilities	4,150	4,805	5,000	5,000
4011	515 02 00	Utilities - Old Town "LME"	15,054	15,054	15,054	15,054
4011	521 01 00	Office Supplies & Postage	126	207	400	400
4011	521 03 00	Janitorial Supplies	18,540	18,629	15,500	7,000
4011	521 04 00	Building Maintenance Supplies	4,959	7,555	8,250	8,000
4011	521 05 00	Park Supplies	14,146	13,318	16,000	16,000
4011	521 06 00	Uniforms	317	307	307	310
4011	545 00 00	Vehicle - Equipment Rental Internal	17,269	16,477	13,556	0
4011	546 00 00	Computer Equipment Allocation	0	0	1,142	0
4011	551 01 00	Communications - Telephone	770	325	750	750
4011	551 02 00	Cellular Phone	293	375	425	425
4011	554 01 00	Training / Meetings	0	0	250	250
4011	555 04 00	Taxes & Assessments (Fresno Irrig. District)	1,823	1,867	1,822	1,875
4011	555 05 00	Property Taxes	0	0	0	2,655
4011	560 00 00	Internal Service Funds	0	0	0	12,805
TOTAL OPERATIONS & MAINTENANCE		88,057	84,944	85,956	85,001	93,324
CAPITAL						
4011	600 03 00	Capital Improv - Rotary Park Men's Restroom	0	0	4,000	0
4011	600 03 00	Capital Improv - Kerckhoff Restroom	0	0	1,200	0
4011	600 03 00	Capital Improv - Lions Park Restroom	0	0	1,500	0
4011	600 03 00	Capital Improv - Coleman Grandstand Lighting	0	0	2,500	2,000
4011	600 03 00	Capital Improv - Police Department Building	0	0	5,000	0
4011	600 03 00	Capital Improv - Senior Center Stair Tread Repair	0	0	0	2,500
4011	600 03 00	Capital Improv - Kerckhoff Park Electrical Repairs	0	0	0	1,800
TOTAL CAPITAL EXPENDITURES		0	0	14,200	13,680	6,300
TOTAL DEPARTMENT BUDGET		179,488	173,191	189,095	191,086	179,109
					Budget to Budget Increase/(Decrease)	(9,986)
					Percentage of Change	-5.3%

Budget Highlights:

Overall reduction in the 2014/15 budget is due to a decrease in personnel costs.
Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds

Enterprise Funds

The Public Works Department is responsible for the Enterprise Funds consisting of Water, Sewer, Solid Waste and Storm Drains. The Department is also responsible for the Landscape & Lighting District and Street Maintenance Division. The preliminary budget for the Enterprise Funds is organized as follows:



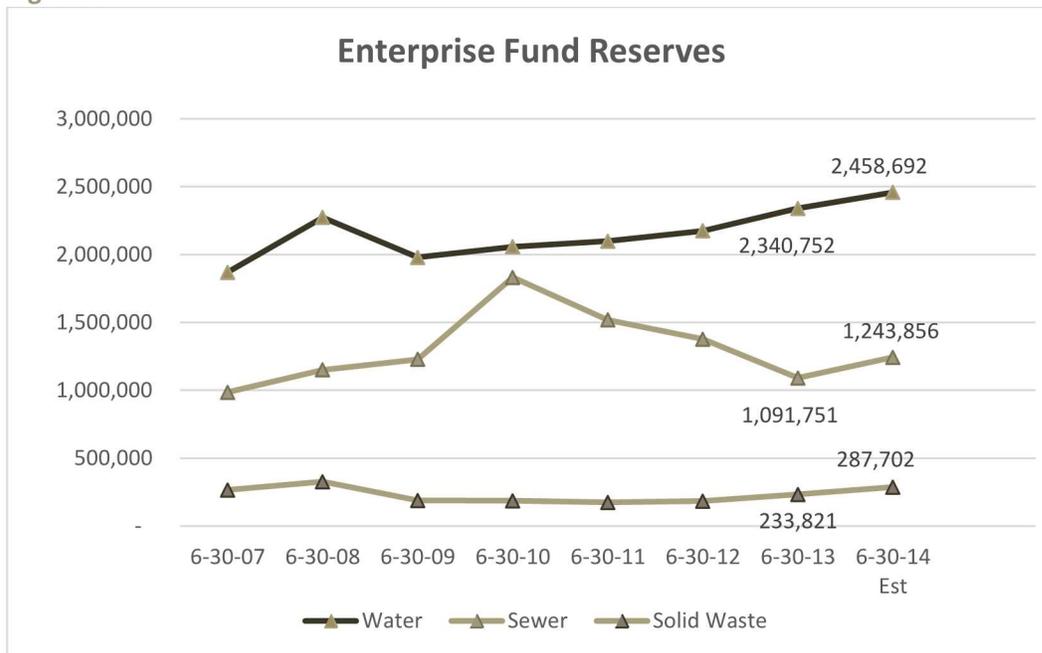
Enterprise Fund Reserves

The Enterprise Funds ended FY 2012/13 with (audited) unrestricted net assets of \$2.3 million in Water, \$1.0 million in Sewer, and \$233,821 in Solid Waste. Figure 3 shows the unrestricted net asset balances as of Fiscal Year ending June 30, 2007 through June 30, 2013. The reserves in the Water fund have steadily increased while the Sewer fund reserves declined due to investments in the wastewater treatment plant. The reserves in the Solid Waste fund have remained steady.

The estimated reserves in the various Enterprise Funds for Fiscal Year ending June 30, 2014 reflect continued growth as revenues exceed expenditures by \$117,940 in Water, \$152,105 in Sewer and \$53,881 in Solid Waste. Actual reserves will be determined once the audit is completed. Overall, the Enterprise Funds reserves remain positive.

The reserves in the Enterprise Funds fluctuate over time as large capital purchases are made to maintain and replace aging facilities and equipment. The Enterprise Funds are closely monitored with adjustments in expenditures and/or user fee rates recommended each year in order to ensure that there are sufficient revenues to cover operational expenses and debt service obligations.

Figure 3



Enterprise Fund Revenue and Expenditure Summary

The Summary of Enterprise Fund Operational Budgets is shown in the table below. As reflected in the table, all Enterprise Funds show revenues in excess of expenditures except for Storm Drain which shows a slight deficit of \$2, 970 due to a small increase in personnel expenses.

The combined budgeted revenues for FY 2014/15 are estimated at 4,202,180, slightly higher than the adopted Fiscal Year 2013/14 budget. The increase is primarily attributed to the proposed new utility rates (Page 30). The combined budgeted expenditures for FY 2014/15 total \$4,088,357, which is \$130,221 or 3.29% higher than the previous budget. The increase in expenditures is mostly due to allocating 100% of the debt service on the SRF Loan for the newly expanded waste water treatment plant to the operations fund. In FY 2013/14 50% of the SRF loan payment was allocated to the Sewer Major Facilities Development Impact Fees, but funds are not available to cover the debt service in FY 2014/15.



SUMMARY OF ENTERPRISE FUND OPERATIONAL BUDGETS

Activity	Description	Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	2013/14 Estimated Year- End	Budget 2014-2015	% of Rev's
WATER FUND (41.0)							
	Total Water Fund Revenues	1,562,929	1,581,159	1,588,400	1,582,500	1,579,500	
5005	Water Administration & Accounting	413,531	408,217	413,108	397,363	403,245	
5006	Water - Debt Service	203,875	203,520	165,000	165,000	165,000	
4011	Water Operations	803,259	815,691	920,671	902,197	929,266	
	Total Water Fund Operations	1,420,664	1,427,428	1,498,779	1,464,560	1,497,511	
	Revenue in Excess of Expenditures	142,265	153,731	89,621	117,940	81,989	5%
SEWER FUND (42.0)							
	Total Sewer Fund Revenues	1,153,844	1,334,260	1,401,336	1,417,528	1,453,500	
5005	Sewer Administration & Accounting	363,097	335,027	365,820	346,800	323,011	
5006	Sewer - Debt Service	158,045	143,718	204,536	202,286	347,907	
4011	Sewer Operations	763,518	829,947	745,574	716,337	776,888	
	Total Sewer Fund Operations	1,284,660	1,308,691	1,315,929	1,265,423	1,447,806	
	Revenue in Excess of Expenditures	(130,815)	25,569	85,407	152,105	5,694	0%
SOLID WASTE (43.0)							
	Total Solid Waste Fund Revenues	1,020,798	1,063,192	1,086,172	1,100,100	1,097,580	
5005	Solid Waste Administration & Accounting	979,131	976,314	1,071,982	1,046,219	1,068,469	
	Total Solid Waste Fund Operations	979,131	976,314	1,071,982	1,046,219	1,068,469	
	Revenue & Transfer in Excess of Expenditures	41,666	86,879	14,190	53,881	29,111	3%
STORM DRAIN OPERATIONS FUND (47.0)							
	Total Storm Drain Operation Revenues	65,997	82,097	72,800	67,450	71,600	
4011	Storm Drain Maintenance & Operations	65,450	63,589	71,445	70,323	74,570	
	Total Storm Drain Fund Operations	65,450	63,589	71,445	70,323	74,570	
	Revenue in Excess of Expenditures	546	18,508	1,355	(2,873)	(2,970)	-4%
TOTAL ENTERPRISE FUND REVENUE		3,803,568	4,060,709	4,148,708	4,167,578	4,202,180	
TOTAL ENTERPRISE FUND EXPENDITURES		3,749,906	3,776,021	3,958,136	3,846,525	4,088,357	
EXCESS (DEFICIT) REVENUE		\$ 53,662	\$ 284,687	\$ 190,572	\$ 321,053	\$ 113,823	3%

CAPITAL IMPROVEMENTS ARE DETAILED SEPARATELY UNDER THE 4024 (CIP) BUDGET

Utility Rate Changes

Each year the utility rates are evaluated and adjustments are recommended to cover operating expenses. As shown in the table below, the Enterprise Fund Budget for Fiscal Year 2014/15 includes a slight increase in residential utility rates of \$1.54 per month. A public hearing on the proposed rate changes is scheduled for Wednesday, June 4, 2014 to consider public input and/or comments. If adopted by the City Council, the new utility rates will take effect July 1, 2014.



CITY OF KERMAN ENTERPRISE FUNDS PROPOSED UTILITY RATES - FY 2014/15 EFFECTIVE JULY 1, 2014

FY 2013/14	RATES PER MONTH	\$ CHANGE PROPOSED	JULY 2014 PROPOSED RATES	% CHANGE
Non-metered (Flat Rate) Customers				
\$28.78	WATER	0.25	\$29.03	0.9%
\$29.11	SEWER	1.00	\$30.11	3.4%
\$15.72	SOLID WASTE	0.14	\$15.86	0.9%
\$0.85	STREET SWEEPING	0.05	\$0.90	5.9%
\$16.57	TOTAL SOLID WASTE	0.19	\$16.76	1.1%
\$1.40	STORM DRAIN	0.10	\$1.50	7.1%
\$75.86	TOTAL	1.54	\$77.40	2.03%

Total increase \$1.54 per month (2.03%) or \$18.48 annually for flat rate customers.

Metered Customers (Depends on Usage)

\$26.40	WATER	0.25	\$26.65	0.9%
<i>Estimated usage @ 16,000 gallons x .7956/1,000 gallons + 3/4" meter \$14.17</i>				
\$29.11	SEWER	1.00	\$30.11	3.4%
\$15.72	SOLID WASTE	0.14	\$15.86	0.9%
\$0.85	STREET SWEEPING	0.05	\$0.90	5.9%
\$16.57	TOTAL SOLID WASTE	0.19	\$16.76	1.1%
\$1.40	STORM DRAIN	0.10	\$1.50	7.1%
\$73.48	TOTAL	1.54	\$75.02	2.10%

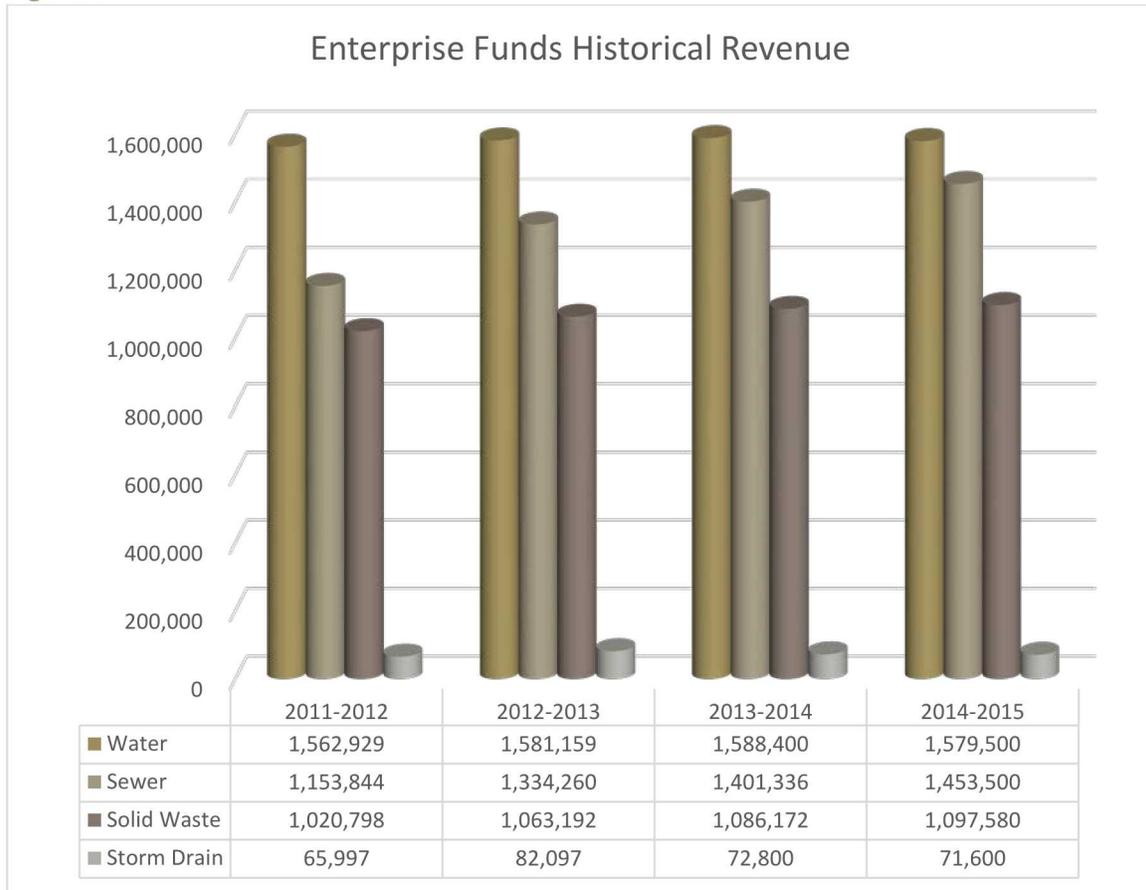
Total increase \$1.54 per month (2.10%) or \$18.48 annually for average metered customers.

NOTE: Actual water bills for metered customers will vary monthly and between customers, based on usage.

Revenues

As can be seen in figure 4 below, revenues in Water, Solid Waste and Storm Drain has remained constant while revenue in Sewer has increased due to rate adjustments necessary to cover the SRF Loan payment and additional operational expenses for the newly upgraded waste water treatment plant. The Public Works Department continues to monitor expenses and look for opportunities to reduce costs.

Figure 4



Enterprise Fund Revenue Summary

Enterprise Funds' Revenue Summary 41, 42, 43, & 47

Description	Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year-End	Budget 2014-2015
WATER FUND (41.0)					
41.0 0000 344 10 00 User Charges	1,513,738	1,531,152	1,550,400	1,535,000	1,545,500
41.0 0000 344 15 00 Meters	4,550	1,950	4,000	10,000	4,000
41.0 0000 361 01 00 Interest Earnings	17,694	16,038	10,000	12,000	10,000
41.0 0000 361 10 00 Penalties	25,665	31,240	24,000	25,000	20,000
41.0 0000 369 01 00 Miscellaneous	1,282	780	0	500	0
	<u>1,562,929</u>	<u>1,581,159</u>	<u>1,588,400</u>	<u>1,582,500</u>	<u>1,579,500</u>
SEWER FUND (42.0)					
42.0 0000 344 20 00 User Charges	1,096,868	1,232,774	1,324,620	1,340,000	1,382,000
42.0 0000 344 25 00 Septic Dumping Fee	0	12,005	30,000	25,000	25,000
42.0 0000 344 50 00 Del Norte Sewer Trunk	0	802	0	500	500
42.0 0000 361 01 00 Interest Earnings	16,323	7,914	6,000	6,000	5,000
42.0 0000 361 02 00 Property Rental	19,716	19,745	19,716	25,028	25,000
42.0 0000 361 10 00 Penalties	20,937	25,144	21,000	21,000	16,000
	<u>1,153,844</u>	<u>1,334,260</u>	<u>1,401,336</u>	<u>1,417,528</u>	<u>1,453,500</u>
SOLID WASTE FUND (43.0)					
43.0 0000 344 31 00 Solid Waste Collection	945,454	993,543	1,016,072	1,030,000	1,035,880
43.0 0000 344 32 00 Grant	10,000	5,000	5,000	5,000	0
43.0 0000 344 33 00 Waste Bin Charges	154	559	600	600	600
43.0 0000 345 00 00 Street Sweeping	40,713	41,064	41,000	41,000	43,100
43.0 0000 361 01 00 Interest Earnings	3,539	3,216	2,500	2,500	2,000
43.0 0000 361 10 00 Penalties	20,937	19,811	21,000	21,000	16,000
	<u>1,020,798</u>	<u>1,063,192</u>	<u>1,086,172</u>	<u>1,100,100</u>	<u>1,097,580</u>
STORM DRAINAGE FUND (47.0)					
47.0 0000 344 70 00 User Charges	65,037	65,373	65,300	67,200	71,400
47.0 0000 361 01 00 Interest Earnings	84	224	0	250	200
47.0 0000 362 07 00 Sale of Dirt	875	16,500	7,500	0	0
	<u>65,997</u>	<u>82,097</u>	<u>72,800</u>	<u>67,450</u>	<u>71,600</u>

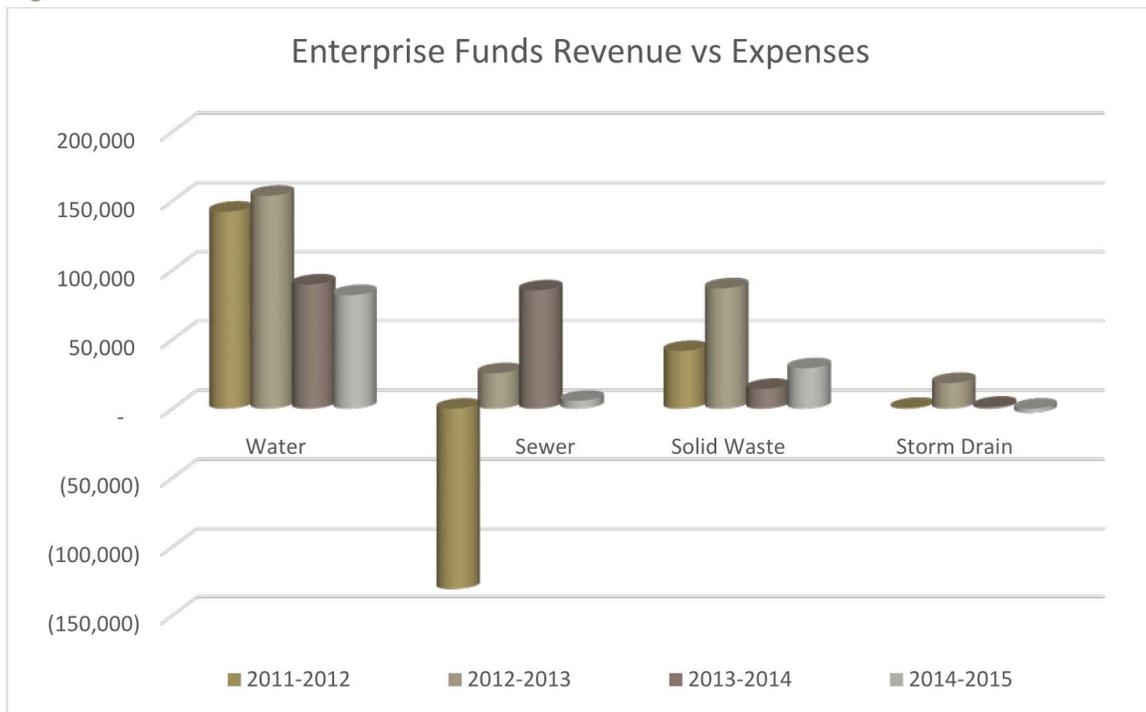


Enterprise Funds Revenue and Expenses

Aggregated operational expenditures for the Enterprise Funds are \$4,088,357 for Fiscal Year 2014/15 compared to \$3,958,136 in Fiscal Year 2013/14, an increase of \$130,221 or 3.29%. The two areas that have an increase in costs are in the Sewer Fund operational budget (42.04011) and debt service. In prior years one-half of the debt service payment was paid from Sewer Major Facility Development Impact Fees (Fund 57) but due to a decline in building, a reduction in fees collected for DIF's, coupled with a large capital project for a sludge drying bed that was funded from DIF's, 100% of the debt service payment will be paid from operations in FY 2014/15.

Figure 5 below illustrates the revenue versus expenditures on the individual Enterprise Funds.

Figure 5



Enterprise Fund Budgets

The detailed Enterprise Fund budgets are included in the preceding pages, in the order listed below. The budgets for Landscaping & Lighting and Streets are also included in this section. The Public Works Department is responsible for the Enterprise Fund budgets.

Water

- Water Administration & Accounting
- Water Debt Service
- Water Operations

Sewer

- Sewer Administration & Accounting
- Sewer Debt Service
- Sewer Collections and Operations

Solid Waste

- Solid Waste Administration and Accounting

Storm Drain

- Storm Drain Maintenance and Operations

Landscaping & Lighting

- Landscape & Lighting Maintenance and Operations

Streets

- Street Maintenance - Measure C
- Street Maintenance – TDA & Other



Water

WATER ADMINISTRATION & ACCOUNTING
41.0 5005

Description						Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL										
5005	410	10	00	Salaries	152,256	150,995	156,618	135,000	144,711	
5005	410	20	00	Part Time Salaries	2,507	861	0	8,190	1,920	
5005	410	30	00	Overtime	77	0	0	0	0	
5005	420	00	00	Fringe Benefits	61,280	58,751	58,043	51,000	55,189	
TOTAL PERSONNEL						216,120	210,607	214,661	194,190	201,820
OPERATIONS & MAINTENANCE										
5005	510	01	00	Contract Services	4,042	3,759	4,000	4,000	4,000	
5005	510	10	00	Professional Services - Audit	4,000	4,300	4,300	4,300	4,300	
5005	521	01	00	Office Supplies	3,703	3,667	3,350	3,350	4,500	
5005	521	06	00	Uniforms	12	16	10	0	15	
5005	521	07	00	Postage	6,000	6,000	6,650	11,000	8,500	
5005	540	00	00	Lease Payment (PFA Bond)	42,660	42,998	43,340	43,340	42,802	
5005	540	02	00	Equipment Rent - Lease	1,886	1,912	2,000	2,000	2,000	
5005	545	00	00	Vehicle - Equipment Rental Internal	3,548	859	511	511	0	
5005	546	00	00	Computer - Equipment Rental Internal	4,852	4,852	3,970	5,335	0	
5005	550	00	00	Insurance	13,709	13,836	14,631	14,180	17,000	
5005	551	02	00	Communications - Cellular Phone	152	0	0	0	0	
5005	554	01	00	Travel - Conferences - Meetings	305	621	350	365	350	
5005	555	04	00	Taxes & Assessments (F.I.D.)	168	168	700	168	175	
5005	555	05	00	Property Taxes - Fresno County	134	137	150	139	150	
5005	560	00	00	Internal Service Funds	0	0	0	0	3,203	
5005	560	00	00	Administration & Overhead	112,240	114,485	114,485	114,485	114,431	
TOTAL OPERATIONS & MAINTENANCE						197,410	197,610	198,447	203,173	201,426
CAPITAL										
5005	600	04	00	Capital Outlay - Machinery & Equipment	0	0	0	0	0	
TOTAL CAPITAL EXPENDITURES						0	0	0	0	0
TOTAL DEPARTMENT BUDGET						413,531	408,217	413,108	397,363	403,245
						Budget to Budget Increase/(Decrease)			(9,862)	
						Percentage of Change			-2.4%	

Budget Highlights:

Overall decrease in budget is due to vacant personnel positions
 Postage: Increase due to postage increase and Prop 218 mailings
 Office Supplies: Additional items needed for software implementation
 Annual Bond Lease Payment Breakdown is located in the PFA Budget.
 Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds

Water

WATER DEBT SERVICE
41.0 5006

Description					Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
5006	700	10	00	Debt Service - DWR Principal	36,633	38,079	0	0	0
5006	700	11	00	Debt Service - SRF Loan	165,000	165,000	165,000	165,000	165,000
5006	700	20	00	Debt Service - DWR Interest	2,243	440	0	0	0
TOTAL NOTE PAYABLES					203,875	203,520	165,000	165,000	165,000
TOTAL DEPARTMENT BUDGET					203,875	203,520	165,000	165,000	165,000
Budget to Budget Increase/(Decrease)									0
Percentage of Change									0.0%

Budget Highlights:

Note Payable - Department of Water Resources (DWR). This note matured April 2013.

State Revolving Fund (SRF) Loan. The City entered into another contract with the State of California Department of Water Resources in 2003, which allowed the City to borrow up to approximately \$3,300,000 for a major water project and repay the loan over 20 years without interest. Terms of the note now call for semi-annual payments of \$82,500 beginning January 1, 2011 and the final payment to be made on January 1, 2028.

Water

WATER OPERATIONS
41.0 4011

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015	
PERSONNEL							
4011	410 10 00	Salaries	235,974	225,626	261,498	261,498	247,259
4011	410 20 00	Part Time Salaries	0	2,880	8,016	1,800	8,000
4011	410 30 00	Overtime	6,059	5,736	6,000	7,000	7,500
4011	410 35 00	Stand By	7,078	6,580	5,470	6,500	7,136
4011	420 00 00	Fringe Benefits	101,748	116,635	126,794	125,180	130,123
TOTAL PERSONNEL			350,859	357,457	407,778	401,978	400,018
OPERATIONS & MAINTENANCE							
4011	510 01 00	Contract Services	34,847	23,989	35,000	35,000	50,000
4011	510 10 00	Professional Services	3,558	23,274	20,000	5,000	10,000
4011	510 11 00	Professional Services-GIS Maintenance	0	0	0	0	2,000
4011	510 12 00	Professional Services - Lab Services	6,244	15,307	17,000	17,000	18,000
4011	515 01 00	Utilities	265,964	257,541	275,000	283,000	280,000
4011	521 01 00	Office Supplies	2,649	1,905	1,350	1,350	1,500
4011	521 02 00	Special Supplies	33,587	47,279	45,000	45,000	50,000
4011	521 02 01	Water Meters	5,002	3,237	10,000	5,000	5,000
4011	521 06 00	Uniforms	1,390	1,060	1,283	1,283	1,300
4011	540 02 00	Equipment Rental - Lease	1,133	1,193	1,500	1,500	1,500
4011	545 00 00	Vehicle - Equipment Rental Internal	60,842	40,437	45,015	45,015	0
4011	546 00 00	Computer - Equipment Rental Internal	4,576	4,576	5,445	5,445	0
4011	551 01 00	Communications - Telephone	2,284	2,500	2,500	2,500	2,500
4011	551 02 00	Communications - Cellular Phone	1,993	1,500	1,800	1,800	1,800
4011	552 01 00	Public notices/Consumer Conf. Report	628	1,966	2,500	0	0
4011	554 01 00	Training, Travel & Meetings	2,151	2,679	4,000	2,000	2,500
4011	555 01 00	State Fees	12,552	17,791	20,000	10,000	15,000
4011	555 02 00	Upper Kings Basin Water Forum	13,000	12,000	13,000	8,500	8,500
4011	560 00 00	Internal Service Funds	0	0	0	0	59,648
TOTAL OPERATIONS & MAINTENANCE			452,399	458,234	500,393	469,393	509,248
CAPITAL							
4011	600 03 00	Capital Improvements-HVAC at PW Office	0	0	3,500	2,836	0
4011	600 03 00	Capital Improvements-Lift Gate for Hauling Chlorine	0	0	4,000	3,981	0
4011	600 03 05	Capital Improvements-Scada System Upgrade	0	0	5,000	0	7,500
4011	600 03 06	Capital Improvements-HVAC at WWTP	0	0	0	0	12,500
4011	600 03 02	Capital Improvements-Fire Hydrant Replacement	0	0	0	8,101	0
4011	600 03 03	Capital Improvements-Well 9A Emerg. Repairs	0	0	0	15,909	0
TOTAL CAPITAL EXPENDITURES			0	0	12,500	30,826	20,000
TOTAL DEPARTMENT BUDGET			803,259	815,691	920,671	902,197	929,266
						Budget to Budget Increase/(Decrease)	8,595
						Percentage of Change	0.9%

Budget Highlights:

- Contract Services:** Increased to cover 50% preventative maintenance and service contract for electrical at well sites, sewer lifts and water generators.
- Internal Service Funds:** Vehicle and Computer Equipment combined into Internal Service Funds
- Capital:** Costs for both Scada upgrade and HVAC at WWTP will be expensed 50% water, 50% sewer

Sewer

SEWER ADMINISTRATION & ACCOUNTING
42.0 5005

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
5005	410 10 00	127,733	106,242	130,251	110,500	102,966
5005	410 20 00	2,261	689	0	4,200	960
5005	410 30 00	86	0	0	50	0
5005	420 00 00	46,979	41,752	47,924	43,000	39,490
TOTAL PERSONNEL		177,059	148,682	178,175	157,750	143,416
OPERATIONS & MAINTENANCE						
5005	510 01 00	4,854	4,878	5,500	5,500	5,500
5005	510 10 00	3,000	3,000	3,000	4,000	3,000
5005	521 01 00	4,073	4,596	5,000	5,000	5,000
5005	521 06 00	5	7	0	0	0
5005	521 07 00	5,000	5,000	5,000	5,000	5,000
5005	540 00 00	34,128	34,399	34,672	34,672	34,241
5005	540 02 00	1,132	1,147	1,200	1,200	1,200
5005	545 00 00	3,026	103	93	93	0
5005	546 00 00	4,852	4,852	3,420	4,441	0
5005	550 00 00	15,390	15,530	16,423	15,917	18,896
5005	551 01 00	599	525	575	575	575
5005	552 01 00	0	0	500	500	500
5005	554 01 00	90	313	250	150	250
5005	555 04 00	2,834	2,797	2,800	2,800	2,800
5005	555 05 00	134	137	150	140	150
5005	560 00 00	0	0	0	0	2,356
5005	560 00 00	106,923	109,062	109,062	109,062	100,127
TOTAL OPERATIONS & MAINTENANCE		186,038	186,345	187,645	189,050	179,595
CAPITAL						
5005	600 04 00	0	0	0	0	0
TOTAL CAPITAL EXPENDITURES		0	0	0	0	0
TOTAL DEPARTMENT BUDGET		363,097	335,027	365,820	346,800	323,011
Budget to Budget Increase/(Decrease)						(42,809)
Percentage of Change						-11.7%

Budget Highlights:

Overall decrease is due to personnel savings due to staffing changes and decreased Administration & Overhead costs.
Annual Bond Lease Payment Breakdown is located in the PFA Budget.
Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds

Sewer

**SEWER - DEBT SERVICE
42.0 5006**

Description					Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
5006	700	16	00	Debt Service - Rev. Bonds Principal	45,000	45,000	45,000	45,000	50,000
5006	700	26	00	Debt Service - Rev. Bonds Interest	21,164	21,164	21,164	18,914	21,164
5006	700	17	00	Debt Service - SRF Loan Principal	114,277	114,277	114,536	114,536	231,362
5006	700	27	00	Debt Service - SRF Loan Interest	18,853	18,853	23,836	23,836	45,381
TOTAL NOTE PAYABLES					199,295	199,295	204,536	202,286	347,907
TOTAL DEPARTMENT BUDGET					199,295	199,295	204,536	202,286	347,907
								Budget to Budget Increase/(Decrease)	143,371
								Percentage of Change	70.1%

Budget Highlights:

Overall increase is due to 100% of debt service payment on the Waste Water Treatment Plant to be paid from Operations. Due to a decline in development, we have not collected Impact fees to cover 50% of the debt service payment.

Revenue Bonds Payable. In 1981, the City of Kerman issued \$1,200,000 of revenue bonds to construct additional sewer facilities. The City has pledged the revenue derived from these facilities to pay the debt service. Bond principal payments are made each April. Interest at 5.0% is paid semi-annually, each April and October. The outstanding principal balance at June 30, 2013 was \$378,285. The bonds will be paid off in 2021.

SRF Loan - In 2011, the City of Kerman completed the expansion of its Waste Water Treatment Plant. This project was funded by \$2 million of ARRA Grant money and a State Revolving Fund (SRF) Loan of nearly \$5 million. The first annual loan payment was paid in September of 2012. Fund 42 will pay 100% of the loan from operational reserves in fiscal year 2014/15. The outstanding principal balance at June 30, 2013 was \$4,767,170. The loan will be paid off in 2031.

Sewer

SEWER COLLECTION & OPERATIONS
42.0 4011

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
4011 410 10 00	Salaries	254,018	255,240	231,435	220,000	217,689
4011 410 20 00	Part Time Salaries	0	0	0	0	0
4011 410 30 00	Overtime	6,215	6,860	7,200	7,200	8,000
4011 410 35 00	Stand By	8,038	8,314	6,238	6,500	7,377
4011 420 00 00	Fringe Benefits	104,170	128,213	110,442	100,000	112,215
TOTAL PERSONNEL		372,442	398,628	355,314	333,700	345,280
OPERATIONS & MAINTENANCE						
4011 510 01 00	Contract Services	49,517	41,945	48,500	48,500	74,350
4011 510 10 00	Professional Services	8,544	9,060	13,000	10,000	10,000
4011 510 12 00	Professional Services-Laboratory Testing	11,341	11,949	10,000	8,000	8,000
4011 515 01 00	Utilities	176,077	231,439	160,000	160,000	160,000
4011 515 02 00	Utilities (Lift Station)	0	0	4,000	3,000	3,000
4011 521 01 00	Office Supplies & Postage	392	669	400	558	1,000
4011 521 02 00	Special Supplies	45,250	44,563	40,000	45,000	40,000
4011 521 06 00	Uniforms	980	1,088	1,106	1,106	1,100
4011 540 00 00	Equipment Rent - Lease	1,132	1,193	1,500	1,500	1,500
4011 545 00 00	Vehicle - Equipment Rental Internal	55,051	45,561	43,046	43,046	0
4011 546 00 00	Computer - Equipment Rental Internal	6,417	6,417	6,150	6,250	0
4011 550 00 00	Insurance	8,545	8,612	9,107	8,827	10,479
4011 551 01 00	Communications - Telephone	3,338	3,457	3,750	3,750	3,750
4011 551 02 00	Communications - Cellular Phone	1,693	961	1,100	1,100	1,100
4011 554 01 00	Training, Travel & Meetings	1,493	3,261	5,000	2,500	2,500
4011 555 01 00	Dues, Subscriptions & State Fees	21,305	21,141	24,000	30,000	30,000
4011 560 00 00	Internal Service Funds	0	0	0	0	54,829
TOTAL OPERATIONS & MAINTENANCE		391,076	431,319	370,659	373,137	401,608
CAPITAL						
4011 600 03 00	Capital Outlay-Sludge Analyzer	0	0	2,000	0	0
4011 600 03 00	Capital Outlay-High Pressure Weed Sprayer	0	0	2,600	0	0
4011 600 03 00	Capital Outlay-Scada System Upgrade	0	0	5,000	0	7,500
4011 600 03 00	Capital Outlay-Dump Trailer	0	0	10,000	0	0
4011 600 03 00	Capital Outlay-Grinder	0	0	0	9,500	0
4011 600 03 00	Capital Outlay-HVAC System at WWTP	0	0	0	0	12,500
4011 600 03 00	Capital Outlay-Goldenrod/CA Sewer Lift Station	0	0	0	0	6,000
4011 600 03 00	Capital Outlay-Secondary Meter for Pumping Reclaimed Water	0	0	0	0	4,000
TOTAL CAPITAL EXPENDITURES		0	0	19,600	9,500	30,000
TOTAL DEPARTMENT BUDGET		763,518	829,947	745,574	716,337	776,888
Budget to Budget Increase/(Decrease)						31,314
Percentage of Change						4.2%

Budget Highlights:

Contract Services: Increased to cover 50% preventative maintenance and service contract for electrical @ wells, sewer lifts and generators and annual cleaning of Biolac Air Diffusers at \$14,850.
 Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds
 Capital: Costs for both Scada upgrade and HVAC at WWTP will be expensed 50% water, 50% sewer

Solid Waste

SOLID WASTE ADMINISTRATION & ACCOUNTING
43.0 5005

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year-End	Budget 2014-2015
PERSONNEL						
5005	410 10 00	100,450	102,909	105,810	94,000	95,995
5005	410 20 00	1,050	172	0	4,060	960
5005	410 30 00	198	131	0	150	150
5005	410 35 00	79	99	90	90	95
5005	420 00 00	31,812	43,433	41,669	38,500	37,078
TOTAL PERSONNEL		133,588	146,743	147,570	136,800	134,278
OPERATIONS & MAINTENANCE						
5005	510 01 00	758,308	785,100	812,857	817,000	824,190
5005	510 06 00	833	1,064	1,200	1,500	1,500
5005	510 10 00	3,300	3,000	3,000	3,000	3,000
5005	521 01 00	386	376	700	1,000	1,700
5005	521 02 00	4,591	0	18,900	2,450	16,450
5005	521 06 00	12	12	12	20	20
5005	521 07 00	2,200	2,200	2,200	2,600	2,600
5005	540 00 00	17,064	17,200	17,336	17,336	17,121
5005	540 02 00	754	765	1,000	1,000	1,000
5005	545 00 00	2,436	883	854	854	0
5005	546 00 00	2,426	2,426	2,691	3,492	0
5005	550 00 00	1,681	1,694	1,792	1,736	2,061
5005	552 01 00	0	0	100	100	100
5005	560 00 00	0	0	0	0	4,159
5005	560 00 00	14,560	14,851	14,851	14,851	14,851
'0099	557 80 00	36,992	0	41,000	41,000	41,000
TOTAL OPERATIONS & MAINTENANCE		845,543	829,570	918,493	907,939	929,752
CAPITAL						
5005	600 03 99	0	0	5,920	1,480	4,440
TOTAL CAPITAL EXPENDITURES		0	0	5,920	1,480	4,440
TOTAL DEPARTMENT BUDGET		979,131	976,314	1,071,982	1,046,219	1,068,469
Budget to Budget Increase/(Decrease)						(3,513)
Percentage of Change						-0.3%

Budget Highlights:

Slight budget decrease due to a savings due to vacant personnel positions
 General Supplies - Recycling Grant - Current year and prior year unspent funds will be used for playground equipment made with recycled products at Katie's Park.
 Annual Bond Lease Payment Breakdown is located in the PFA Budget.
 Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds
 Accounting Software System will not be implemented and paid for until Fiscal Year 2014/15.

Storm Drain

STORM DRAIN MAINTENANCE & OPERATIONS
47.0 4011

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
4011	410 10 00	21,534	21,653	22,718	22,718	23,783
4011	410 20 00	0	0	0	700	240
4011	410 30 00	1,097	1,054	1,400	1,650	1,650
4011	410 35 00	1,098	1,158	963	1,000	1,072
4011	420 00 00	10,936	11,583	12,002	12,000	14,261
TOTAL PERSONNEL		34,665	35,448	37,083	38,068	41,006
OPERATIONS & MAINTENANCE						
4011	510 01 00	500	0	1,000	1,000	1,500
4011	515 01 00	675	699	1,000	1,000	1,000
4011	521 01 00	85	50	100	100	100
4011	521 02 00	2,087	137	3,000	3,000	3,000
4011	521 06 00	148	116	116	116	120
4011	521 07 00	750	750	800	800	1,000
4011	540 00 00	1,706	1,709	1,734	1,734	1,712
4011	545 00 00	8,319	8,820	7,119	7,119	0
4011	546 00 00	1,144	1,144	310	310	0
4011	550 00 00	4,767	4,800	5,076	4,920	5,841
4011	551 02 00	873	1,000	1,000	1,000	1,000
4011	555 04 00	1,213	1,213	1,500	1,213	1,225
4011	555 05 00	134	250	150	139	150
4011	560 00 00	0	0	0	0	8,410
4011	560 01 00	7,307	7,453	7,453	7,453	7,453
TOTAL OPERATIONS & MAINTENANCE		29,707	28,141	30,358	29,904	32,511
CAPITAL						
4011	600 04 00	1,078	0	2,600	2,000	0
4011	600 03 99	0	0	1,404	351	1,053
TOTAL CAPITAL EXPENDITURES		1,078	0	4,004	2,351	1,053
TOTAL DEPARTMENT BUDGET		65,450	63,589	71,445	70,323	74,570
Budget to Budget Increase/(Decrease)						3,125
Percentage of Change						4.4%

Budget Highlights:

Contract Services: Increase for maintenance contract for power supplies at Kearney/First and Lions park pumps.
 Annual Bond Lease Payment Breakdown is located in the PFA Budget.
 Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds
 Accounting Software System will not be implemented and paid for until Fiscal Year 2014/15.

Landscape and Lighting

LANDSCAPE & LIGHTING
75.0 4011

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
4011	410 10 00	70,765	63,002	63,135	63,135	74,324
4011	410 20 00	7,311	4,760	10,000	9,944	20,000
4011	410 30 00	3,011	2,731	3,000	3,500	3,500
4011	410 35 00	1,989	1,803	1,913	1,900	1,950
4011	420 00 00	42,018	34,153	28,671	31,500	37,349
TOTAL PERSONNEL		125,095	106,448	106,720	109,979	137,122
OPERATIONS & MAINTENANCE						
4011	510 01 00	110	0	500	250	500
4011	510 10 00	3,598	4,018	3,500	3,500	3,500
4011	510 11 00	0	0	0	0	3,500
4011	515 01 00	36,851	30,016	30,000	30,000	30,000
4011	521 02 00	5,749	7,524	5,000	5,000	5,000
4011	521 06 00	362	319	319	319	320
4011	540 00 00	2,560	2,580	2,600	2,600	2,600
4011	545 00 00	16,998	15,594	14,329	14,329	0
4011	546 00 00	2,090	2,090	389	466	0
4011	550 00 00	2,808	2,824	2,986	2,894	3,436
4011	551 02 00	325	750	500	500	500
4011	555 04 00	63	63	63	63	63
4011	560 00 00	0	0	0	0	23,051
4011	560 00 00	7,800	7,956	7,956	7,956	7,956
TOTAL OPERATIONS & MAINTENANCE		79,313	73,732	68,142	67,877	80,426
CAPITAL						
4011	600 03 00	2,156	0	0	0	0
4024	600 03 36	0	0	0	0	10,000
4011	600 03 99	0	0	3,580	895	2,685
TOTAL CAPITAL EXPENDITURES		2,156	0	3,580	895	2,685
TOTAL DEPARTMENT EXPENDITURES		206,564	180,180	178,442	178,751	220,233
Budget to Budget Increase/(Decrease)						41,791
Percentage of Change						23.4%

Budget Highlights:

Revenue: L & L assessments will generate approximately \$209,670 in FY 2014/15
 Overall increase to budget is due to personnel costs and internal service funds expenditures.
 Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds
 Capital: Bucket Truck (Used) for maintaining street lights and other public works projects. Total cost \$27,000 63% vehicles & 37% Landscape & Lighting
 Accounting Software System will not be implemented and paid for until Fiscal Year 2014/15.

Streets

STREET MAINTENANCE - MEASURE C**88.0 4011**

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
4011	410 10 00	Salaries	172,212	162,714	164,601	160,290
4011	410 20 00	Part Time Wages	0	5,760	5,000	10,000
4011	410 30 00	Overtime	4,396	4,718	4,500	4,500
4011	410 35 00	Stand By	2,574	3,015	2,559	2,628
4011	420 00 00	Fringe Benefits	78,837	78,876	69,634	76,823
TOTAL PERSONNEL		258,019	255,082	246,294	247,762	254,240
OPERATIONS & MAINTENANCE						
4011	510 01 00	Contract Services	436	2,479	5,000	2,500
4011	521 01 00	Office Supplies	527	269	800	500
4011	521 02 00	General Supplies	24,849	23,953	45,000	30,000
4011	521 06 00	Uniforms	789	669	669	670
4011	545 00 00	Vehicle - Equipment Rental Internal	38,131	36,082	33,137	0
4011	546 00 00	Computer - Equipment Rental Internal	2,090	2,090	1,913	0
4011	550 00 00	Insurance	2,790	2,824	2,986	3,436
4011	551 01 00	Communications - Telephone	1,311	1,300	1,600	1,600
4011	551 02 00	Communications - Cellular Phone	373	350	0	0
4011	552 02 00	Public Notice	371	0	200	200
4011	554 01 00	Travel/Conf/Meetings	0	125	500	500
4011	560 00 00	Internal Service Funds	0	0	0	42,385
TOTAL OPERATIONS & MAINTENANCE		71,667	70,141	91,805	72,958	81,790
CAPITAL						
4011	600 03 17	Solar Stop Signs	0	0	8,000	0
4011	600 03 30	HVAC Public Works Office 50%	0	0	3,500	0
4011	600 03 31	Tack Oil Machine	0	0	7,700	0
4011	600 03 99	Capital Outlay-New Accounting Software System	0	0	5,655	4,241
TOTAL CAPITAL EXPENDITURES		0	0	24,855	1,414	4,241
TOTAL DEPARTMENT BUDGET		329,686	325,223	362,954	322,134	340,272
Budget to Budget Increase/(Decrease)						(22,682)
Percentage of Change						-6.2%

Budget Highlights:

Part-time Salaries: Additional expense to supplement staffing shortage in Public Works
Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds
Accounting Software System will not be implemented and paid for until Fiscal Year 2014/15.

Streets

STREET MAINTENANCE - TDA & OTHER
8x.0 4011 (80, 81, 82, 83, 84, 85, 87)

Description	Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
FUND 80.0 - STREETS					
OPERATIONS & MAINTENANCE					
4011 510 01 00 Contract Services-Street Sweeping	79,060	80,814	85,000	85,000	85,748
TOTAL OPERATIONS & MAINTENANCE	79,060	80,814	85,000	85,000	85,748
FUND 81.0 - GAS TAX 2105					
OPERATIONS & MAINTENANCE					
4011 510 05 00 Tree Trimming	3,388	6,003	7,000	2,500	10,000
4011 510 06 00 Traffic Signal Maintenance	2,512	2,022	6,000	6,000	7,500
4011 515 01 00 Utilities-Net of Transfer in from 10.0.4011	33,203	17,410	37,800	37,800	37,800
TOTAL OPERATIONS & MAINTENANCE	39,104	25,434	50,800	46,300	55,300
FUND 82.0 - GAS TAX 2106					
OPERATIONS & MAINTENANCE					
4011 510 03 00 Professional Services-Engineering	0	16,275	15,000	30,000	20,000
TOTAL OPERATIONS & MAINTENANCE	0	16,275	15,000	30,000	20,000
CAPITAL					
4011 600 03 04 Yard Improvements	0	0	7,500	0	7,500
4011 600 03 05 Upgrade Kearney Ave Median Landscape.	530	8,838	0	0	0
TOTAL CAPITAL EXPENDITURES	530	8,838	7,500	0	7,500
FUND 83.0 - GAS TAX 2107					
OPERATIONS & MAINTENANCE					
4011 510 03 00 Professional Services-GIS Mapping	0	0	0	0	5,000
4011 510 04 00 Professional Services-Audit	2,000	2,000	2,000	2,500	2,500
4011 510 05 00 Professional Services-Pavement Mgmt System	0	0	0	0	44,000
TOTAL OPERATIONS & MAINTENANCE	2,000	2,000	2,000	2,500	51,500
FUND 84.0 - GAS TAX 2107.5					
OPERATIONS & MAINTENANCE					
4011 510 03 00 Professional Services-Engineering	12,896	0	0	0	0
TOTAL OPERATIONS & MAINTENANCE	12,896	0	0	0	0
FUND 85.0 - GAS TAX ARTICLE III					
OPERATIONS & MAINTENANCE					
4011 600 03 14 Sidewalk Repair	10,000	4,650	10,000	5,000	10,000
TOTAL OPERATIONS & MAINTENANCE	10,000	4,650	10,000	5,000	10,000
FUND 87.0 - ARTICLE VIII					
PERSONNEL					
4011 410 10 00 Salaries	43,125	40,886	51,733	51,733	63,889
4011 410 20 00 Part Time Wages	0	2,160	5,000	4,615	10,000
4011 410 30 00 Overtime	1,108	1,191	2,000	1,500	2,000
4011 410 35 00 Stand By	648	761	649	649	748
4011 420 00 00 Fringe Benefits	20,352	20,029	22,036	24,600	29,387
TOTAL PERSONNEL	65,234	65,027	81,418	83,097	106,024
OPERATIONS & MAINTENANCE					
4011 521 06 00 Uniforms	90	167	167	170	170
4011 545 00 00 Vehicle/Equipment Rental Internal	0	0	0	5,486	0
4011 560 00 00 Internal Service Funds	0	0	0	0	12,055
TOTAL OPERATIONS & MAINTENANCE	90	167	167	5,656	12,225
CAPITAL					
4011 600 03 17 Solar Stop Signs	0	6,680	0	6,710	0
4011 600 03 18 Traffic Radar Speed Indicator Signs	0	0	0	0	9,000
4011 600 03 19 Street Sign Replacement	0	0	0	0	10,000
4011 600 03 30 HVAC Public Works Office 50%	0	0	0	2,836	0
4011 600 03 25 Trailer for Street Stenciling Operations	0	0	0	0	3,000
4011 600 03 99 New Accounting Software System	0	0	1,422	356	1,067
TOTAL CAPITAL EXPENDITURES	0	6,680	1,422	9,901	23,067
SUMMARY - STREET MAINT. TDA & OTHER					
TOTAL PERSONNEL	65,234	65,027	81,418	83,097	106,024
TOTAL OPERATIONS & MAINTENANCE	143,150	129,340	162,967	174,456	234,773
TOTAL CAPITAL EXPENDITURES	530	15,518	8,922	9,901	30,567
TOTAL DEPARTMENT BUDGET	208,914	209,885	253,307	267,454	311,363
				Budget to Budget Increase/(Decrease)	118,056
				Percentage of Change	46.6%

Budget Highlights:

Fund 81 Tree Trimming: Increase to contract out for palm and eucalyptus trees due to lack of staffing in Public Works department.

Fund 87 Part-time Salaries: Additional expense to supplement staffing shortage in Public Works department.

Accounting Software System will not be implemented and paid for until Fiscal Year 2014/15.

Internal Service Funds

The City of Kerman operates two Internal Service Funds: The Vehicle/Equipment Maintenance and Replacement Fund and the Technology Maintenance and Replacement Fund. The Vehicle/Equipment Fund provides for the operation, maintenance and replacement of vehicles and equipment for all City departments. The Technology Maintenance Fund provides for the maintenance and replacement of basic computers, servers, software and other components of the City's computer network. The City outsources technology maintenance through a professional services contract with Fresno Networks who serves as the City's Technology Consultants.

The Internal Service Funds are established to collect and set-aside revenues each year to be used to replace aging vehicles and equipment based on their useful life. Thus, the City has the necessary funds set-aside to replace a vehicle or piece of equipment when needed. This avoids using General Fund Reserves and/or borrowing funds to make large, one-time capital and equipment purchases.

Revenues for the Internal Service Funds are derived from charges to the various City departments based on each department's rolling stock of vehicles and equipment. The table below shows the projected revenues for the Vehicle/Equipment and Technology Funds. The revenue in the Vehicle/Equipment Fund for FY 2014/15 shows an increase of 35.77% or \$131,307 compared to FY 2013/14. This increase is due to correctly accounting for costs related to operations and maintenance and vehicle replacement. In the past, operations and maintenance funds were co-mingled with vehicle replacement funds often resulting in revenue shortfalls for the purchase of vehicles on the replacement scheduled. The Vehicle/Equipment Fund now has a separate account for operations and maintenance and vehicle replacement. The Technology Fund for FY 2014/15 shows a decrease of 14.48% or \$11,743 compared to FY 2013/14. This decrease is largely due to staffing reductions in the Administrative Services (Finance) Department.

Internal Service Funds' Revenue Summary

50 & 51

Description	Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year-End	Budget 2014-2015
VEHICLE MAINTENANCE AND REPLACEMENT FUND (50.0)					
50.0 0000 361 01 00 Interest Earnings	2,745	1,944	1,500	750	500
50.0 0000 250 01 00 Charges to Departments - Replacement Costs	0	0	0	0	125,289
50.0 0000 364 00 00 Charges to Departments - Operations & Maint.	423,652	381,846	365,572	365,572	372,589
	<u>426,398</u>	<u>383,790</u>	<u>367,072</u>	<u>366,322</u>	<u>498,379</u>
TECHNOLOGY MAINTENANCE AND REPLACEMENT FUND (51.0)					
51.0 0000 361 01 00 Interest Earnings	806	853	500	750	500
51.0 0000 250 01 00 Charges to Departments - Replacement Costs	0	0	0	0	13,813
51.0 0000 364 00 00 Charges to Departments - Operations & Maint.	70,891	71,387	80,577	80,577	55,021
	<u>71,696</u>	<u>72,240</u>	<u>81,077</u>	<u>81,327</u>	<u>69,334</u>

Internal Service Fund Departmental Budgets

The Vehicle/Equipment Operations and Maintenance expenditures for Fiscal Year 2014/15 are increasing by \$19,430 or 6.69% mainly due to an increase in fuel costs. The Technology expenditures are decreasing slightly by \$3,842 or 9.35% due to a reduction in personnel costs because of staffing changes.

In Fiscal Year 2014/15 the Vehicle/Equipment Fund will be purchasing three (3) additional used patrol vehicles (3 purchased in FY 2013/14 and 3 in FY 2014/15 for a total of 6 front line patrol vehicle replacements) along with the purchase of a used tractor for spraying and discing and a used bucket truck.

The following pages are the preliminary Internal Service Fund budgets, showing actual, audited figures for FY 2011/12 and 2012/13 as well as the adopted budget and estimated year-end figures for FY 2013/14 and the budget request for FY 2014/15.



Vehicle/Equipment Fund

VEHICLE MAINTENANCE & REPLACEMENT FUND
50.0 4011 & 50.0 4024

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
4011 410 10 00	Salaries	46,034	46,730	49,631	49,631	52,021
4011 410 30 00	Overtime	1,733	1,631	2,000	2,500	2,500
4011 410 35 00	Stand By	1,360	1,193	1,540	1,540	1,770
4011 420 00 00	Fringe Benefits	21,942	22,225	23,601	21,500	27,881
TOTAL PERSONNEL		71,069	71,779	76,772	75,171	84,173
OPERATIONS & MAINTENANCE						
4011 510 01 00	Contract Services	4,624	6,539	10,000	12,500	10,000
4011 515 01 00	Utilities	9,177	8,313	10,000	9,000	10,000
4011 515 02 00	Fuel	118,294	123,084	125,000	125,000	140,000
4011 521 01 00	Office Supplies & Postage	372	323	500	500	500
4011 521 03 00	Vehicle Supplies - Parts	56,227	74,227	60,000	72,000	60,000
4011 521 06 00	Uniforms	174	152	170	170	175
4011 545 00 00	Vehicle - Equipment Rental Internal	4,306	3,414	3,431	3,431	0
4011 546 00 00	Computer - Equipment Rental Internal	2,090	2,090	1,016	1,016	0
4011 550 00 00	Insurance	18,891	19,059	20,156	20,156	23,191
4011 551 01 00	Communications - Telephone	2,032	2,000	2,500	2,500	2,500
4011 551 02 00	Communications - Cellular Phone	441	325	350	350	350
4011 554 01 00	Travel - Conferences - Meetings	0	0	250	250	250
4011 560 00 00	Internal Service Funds	0	0	0	0	5,836
4011 560 00 00	Administration & Overhead	55,847	56,964	56,964	56,964	56,964
TOTAL OPERATIONS & MAINTENANCE		272,475	296,490	290,336	303,837	309,766
CAPITAL - 4011						
4011 600 04 03	Alarm System (Monitored)	0	0	0	3,200	0
4011 600 04 05	Vehicle Tow Dolly	0	0	1,000	1,283	0
4011 600 04 13	Small Equipment Replacement	1,425	2,064	3,000	3,000	0
4011 600 04 15	A/C Freon Recovery/Recharge System	0	3,725	0	0	0
CAPITAL - 4024						
4024 600 04 33	Patrol Vehicles (3 in 2014/15)	0	85,582	63,000	75,000	75,000
4024 600 04 34	PW Pickup & Three (3) CNG Vehicles	17,488	0	25,000	25,497	0
4024 600 04 35	Tractor for Spraying and Discing (Used)	0	0	0	0	17,000
4024 600 04 36	Bucket Truck (Used)	0	0	0	0	17,000
TOTAL CAPITAL EXPENDITURES		18,913	91,371	92,000	107,980	109,000
TOTAL DEPARTMENT BUDGET		362,457	459,639	459,108	486,988	502,939
					Budget to Budget Increase/(Decrease)	43,830
					Percentage of Change	9.5%

Budget Highlights:

Internal Service Funds: Vehicle and Computer Equipment combined into Internal Service Funds

Capital: Three (3) Patrol Vehicles scheduled to be replaced in 14/15.

Capital: Bucket Truck (Used) for maintaining street lights and other public works projects. Total cost \$27,000 63% vehicles & 37% Landscape & Lighting

Technology Fund

TECHNOLOGY MAINTENANCE
51.0 4011

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
PERSONNEL						
4011	410 10 00 Salaries	12,904	13,638	13,746	13,746	11,034
4011	420 00 00 Fringe Benefits	4,865	4,875	5,083	5,083	3,953
TOTAL PERSONNEL		17,769	18,513	18,829	18,829	14,987
OPERATIONS & MAINTENANCE						
4011	510 01 00 Contract Services	16,885	18,527	22,260	22,260	22,260
TOTAL OPERATIONS & MAINTENANCE		16,885	18,527	22,260	22,260	22,260
CAPITAL						
4011	600 04 00 Capital Outlay - Computers	9,482	34,223	45,330	20,000	15,000
TOTAL CAPITAL EXPENDITURES		9,482	34,223	45,330	20,000	15,000
TOTAL DEPARTMENT BUDGET		44,136	71,262	86,419	61,089	52,247
Budget to Budget Increase/(Decrease)						(34,172)
Percentage of Change						-39.5%

Budget Highlights:

Over-all decrease due to timing of computer equipment replacements. As has been the practice, if existing equipment is scheduled for replacement but found to be in good working order, the replacement of such equipment may be carried forward to another year.

Capital Improvement Program (CIP)

The annual Capital Improvement Program (CIP) identifies maintenance, replacement and construction of the City's major infrastructure and public facilities. The CIP projects for FY 2014/15 are listed below.

CAPITAL IMPROVEMENT PROJECTS

Fiscal Year 2014/2015

STREETS	Funding Source	Estimated Cost
Local Street Repairs	Local Street Funds	71,000
California-Madera Ave. to Del Norte	Local Street Funds	66,000
Stanislaus & 16th Street	Local Street Funds	260,000
Sidewalk Repairs/Middleton btwn 6th & 8th	Local Street Funds	25,000
Median Transition Plan	Local Street Funds	5,000
Local Street Sealing	Local Street Funds	100,000
Madera Ave. Crosswalk @ San Joaquin	Local Street Funds	88,000
Median Landscaping Renovation-Phase I	Local Street Funds	175,000
RSTP California & May Reconstruction	Local Street Funds	8,000
RSTP Vineland Ave. Widening	Federal Grant/Local Street Funds	370,000
CMAQ Whitesbridge & Vineland Signal	Federal Grant/DIF's/Local Street Funds	750,603
CMAQ Pedestrian Trail	Federal Grant	52,000
Goldenrod @ Union Pacific Rail Road	Development Impact Fees	277,000
	Total Street Capital Projects	2,247,603
WATER	Funding Source	Estimated Cost
Mud Vac for Water Repairs (Used)	Water Fund	25,000
Water Meter System Completion	Water Fund/State Grant	965,000
Water Main Extensions for Well 18	Development Impact Fees	140,000
Well 18 - Drilling, Pump & Motor	Development Impact Fees/Water Fund	960,100
	Total Water Capital Projects	2,090,100
SEWER	Funding Source	Estimated Cost
Sludge Aerator	Development Impact Fees	22,000
PARKS & OTHER FACILITIES	Funding Source	Estimated Cost
Soroptimist Park Restroom Addition	General Fund Transfer From Reserves	45,000
Katie's Kids Park Construction	CDBG/State Grants	223,866
	Total Park Capital Projects	268,866
PUBLIC BUILDINGS & OTHER FACILITIES	Funding Source	Estimated Cost
HVAC Repair at WWTP Office	Water/Sewer Funds	25,000
Animal Shelter Remodel	General Fund Transfer From Reserves	75,000
	Total Public Bldg. & Facility Capital Projects	100,000
VEHICLE/EQUIPMENT REPLACEMENT FUN	Funding Source	Estimated Cost
Patrol Vehicles (3)	Vehicle Fund /General Fund Transfer	75,000
Tractor for Spraying & Discing	Vehicle Fund	17,000
Bucket Truck	Vehicle Fund/Landscape & Lighting	27,000
	Total Vehicle/Equipment Projects	119,000
TECHNOLOGY	Funding Source	Estimated Cost
Pavement Management System	Gas Tax	44,000
COMPREHENSIVE PLANNING	Funding Source	Estimated Cost
Housing Element Update	General Fund Transfer	25,000

CIP Funding Sources

The CIP is funded from a variety of sources such as, but not limited to, the General Fund, Development Impact Fees, Enterprise Funds, Measure C Transportation Sales Tax, Community Development Block Grants (CDBG), and other State and Federal Grants. A general summary of funding sources is listed below.

Local Funding Programs

- General Fund
- Development Impact Fees
- Internal Service Funds
- Enterprise Funds
- Measure C Funds
- Gas Excise Tax
- Transportation Development Act Funds

State and Federal Funding Programs

- Community Development Block Grants (CDGB)
- Federal Transportation Capital Grants – Safe, Accountable, Flexible, Efficient Transportation Equity Act (SAFETEA-LU)
- State Transportation Improvement Program (STIP) and Other Transportation Capital Grants

Other

- Accumulated Fund Balances in Restricted Funds
- State or Federal Loans
- General Obligation Debt
- Donations/Fundraisers



The following pages are the preliminary Capital Improvement Program (CIP) Budgets, showing actual, audited figures for Fiscal Year 2011/12 and 2012/13 as well as the adopted budget and estimated year-end figures for Fiscal Year 2013/14 and the budget request for Fiscal Year 2014/15.

Capital Improvement Program (CIP)

STREET CONSTRUCTION
XX.0 4024 (81, 83, 87-93-95)

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
CITY PROJECTS						
GAS TAX 2107 (83.0)						
4024	600 03 05					
		0	0	81,000	10,000	71,000
4024	600 03 32		3,174	67,000	64,000	0
		0	0	0	0	66,000
4024	600 03 34			286,000	26,000	260,000
4024	600 03 36		0	0	0	25,000
4024	600 03 35		5,356	248,000	20,000	5,000
ARTICLE VIII (87.0)						
4024	600 03 04		79,130	0	0	100,000
4024	600 03 31		270,841	0	0	0
4024	600 03 33		4,779	87,000	2,000	88,000
4024	600 03 34		38,180	483,000	426,053	0
4024	600 03 35		0	0	0	175,000
MEASURE C (88.0)						
4024	600 03 01		0	0	0	0
MAJOR STREET RAILROAD (93.0)						
4024	600 03 01		411	267,000	0	277,000
TOTAL CITY PROJECTS		0	401,871	1,519,000	548,053	1,067,000
LOCAL MATCH FOR STATE & FEDERAL PROJECTS						
GAS TAX 2105 (81.0)						
4024	600 03 02		42,902	593,700	85,000	0
4024	600 03 29	14,500	41,426	0	10,013	0
GAS TAX 2106 (82.0)						
4024	600 03 02		0	0	180,000	0
GAS TAX 2107 (83.0)						
4024	600 03 02		0	0	241,906	0
4024	600 03 04		0	0	0	8,000
ARTICLE VIII (87.0)						
4024	600 03 60		0	56,000	30,000	53,600
4024	600 03 02		0	0	20,880	0
4024	600 03 32		157,048	0	0	0
MAJOR STREET SIGNALS (92.0)						
4024	600 03 16	51,665	124,838	137,000	79,810	40,000
TOTAL LOCAL MATCH		66,165	366,214	786,700	647,609	101,600
STATE & FEDERAL PROJECTS						
FEDERAL PROJECTS (89.0)						
4024	600 03 00		142,400	0	0	0
4024	600 03 01	152,560	3,078	0	0	0
4024	600 03 02		39,815	509,800	513,623	0
4024	600 03 04		0	-	44,000	0
4024	600 03 16		0	460,000	0	429,758
4024	600 03 17		0	0	0	30,000
4024	600 03 29	5,369	247,259	0	0	0
4024	600 03 59	16,118	138,099	0	0	0
4024	600 03 60		0	116,700	0	316,400
4024	600 03 61		0	26,000	12,000	52,000
STATE GRANTS (90.0)						
4024	600 03 01					
HUT 2103 (TRAFFIC CONGESTION RELIEF) (95.0)						
4024	600 03 16		65,000	196,000	114,000	250,845
TOTAL STATE & FEDERAL PROJECTS		174,047	635,651	1,308,500	683,623	1,079,003
MAJOR STREETS (91.0)						
4024	600 03 00	41,939	0	0	0	0
4024	600 03 00	0	0	0	0	9,000
4024	600 03 32	0	0	20,000	21,000	6,000
TOTAL REIMBURSEMENTS		41,939	-	20,000	21,000	15,000
TOTAL DEPARTMENT BUDGET		282,151	1,403,735	3,634,200	1,900,285	2,262,603
Budget to Budget Increase/(Decrease)						(1,371,597)
Percentage of Change						-37.7%

Capital Improvement Program (CIP)

WATER CONSTRUCTION
XX.0 4024 (41, 52-54, 78)

Description						Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
WATER OPERATIONS										
FUND 41										
4024	600	03	16	GIS Mapping	12,500	0	10,000	10,000	0	
4024	600	03	26	Double L Water Main	0	0	0	29,769	0	
4024	600	03	50	Well 17 Major Repair	0	0	0	17,400	0	
4024	600	03	51	Used Mud Vac for Water Repairs	0	0	0	0	25,000	
4024	600	04	37	Water Meter System Completion	0	0	431,150	0	241,000	
4024	600	03	99	New Accounting Software System	0	0	24,089	6,022	18,067	
TOTAL WATER OPERATIONS					12,500	0	465,239	63,192	284,067	
FUND 78										
4024	600	03	37	Water Meter System Completion-Prop 84 Grant	0	0	1,293,450	0	724,000	
TOTAL PROP 84 GRANT					0	0	1,293,450	0	724,000	
WATER FRONT FOOTAGE										
FUND 52										
4024	600	03	36	8" & 12" Water Main Extensions for Well 18	0	0	67,500	0	70,000	
TOTAL WATER FRONT FOOTAGE					0	0	67,500	0	70,000	
WATER OVERSIZE										
FUND 53										
4024	600	03	36	8" & 12" Water Main Extensions for Well No. 18	0	0	67,500	0	70,000	
TOTAL WATER OVERSIZE					0	0	67,500	0	70,000	
WATER MAJOR FACILITIES										
FUND 54										
4024	600	03	36	Well 18 - Drilling, Pump & Motor	0	18,809	680,000	14,000	960,100	
4024	600	04	01	Secondary Water System Agreement	0	0	3,000	10,898	0	
TOTAL WATER MAJOR FACILITIES					0	18,809	683,000	24,898	960,100	
TOTAL DEPARTMENT BUDGET					12,500	18,809	2,576,689	88,089	2,108,167	
									Budget to Budget Increase/(Decrease)	(468,522)
									Percentage of Change	-18.2%

Budget Highlights:

Received Prop. 84 Grant for water meter installations; project total \$965,000. 25% City Match required (\$724,000 grant and \$241,000 City match)
 Well 18 Drilling-Awaiting notification from State for determination on potential grant for water line extension to serve Double D Mobile home park.
 Accounting Software System will not be implemented and paid for until Fiscal Year 2014/15.

Capital Improvement Program (CIP)

SEWER FACILITIES CONSTRUCTION
XX.0 4024 (42, 55-57)

Description						Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
SEWER OPERATIONS										
FUND 42										
4024	600	03	16	GIS Mapping	12,500	0	10,000	10,000	0	0
4024	600	03	59	WWTP Sludge Dredging	32,949	0	0	0	0	0
4024	600	03	61	Repave WWTP Parking Lot	133,784	0	0	0	0	0
4024	600	03	63	HVAC Repair at WWTP Office	0	0	10,000	1,283	0	0
4024	600	03	62	Lift-Station Pumps - Goldenrod & CA	0	0	56,000	54,000	2,000	2,000
4024	600	03	99	New Accounting Software System	0	0	20,709	5,177	15,532	15,532
TOTAL SEWER OPERATIONS					179,233	0	96,709	70,460		17,532
SEWER FRONT FOOTAGE										
FUND 55										
4024	600	03	05	Del Norte Sewer Main	0	93,631	0	0	0	0
TOTAL SEWER FRONT FOOTAGE					0	93,631	0	0		0
SEWER OVERSIZE										
FUND 56										
4024	600	03	05	Capital	0	0	0	0	0	0
TOTAL SEWER OVERSIZE					0	0	0	0		0
SEWER MAJOR FACILITIES										
FUND 57										
4024	600	03	01	Pickup for New WWTP Position	21,156	0	0	0	0	0
4024	600	03	24	Wastewater Reclamation Pump & Pipe	165,587	0	0	0	0	0
4024	600	03	48	WWTP Expansion	641,522	0	0	0	0	0
'0000	250	02	00	SRF Set Aside - WWTP Expansion (50%)	138,077	0	0	0	0	0
4024	700	17	00	Debt Service - SRF Loan Principal	0	114,272	114,536	114,536	0	0
4024	700	27	00	Debt Service - SRF Loan Interest	0	24,099	23,836	23,836	0	0
4024	600	03	59	WWTP Expansion Change Orders	52,704	0	0	0	0	0
4024	600	03	60	Sludge Drying Beds	0	2,130	180,000	234,750	0	0
4024	600	03	61	Sludge Aerator	0	0	22,000	0	22,000	22,000
TOTAL SEWER MAJOR FACILITIES					1,019,046	140,501	340,372	373,122		22,000
TOTAL DEPARTMENT BUDGET					1,198,279	234,132	437,081	443,582		39,532
									Budget to Budget Increase/(Decrease)	(397,549)
									Percentage of Change	-91.0%

Budget Highlights:

Accounting Software System will not be implemented and paid for until Fiscal Year 2014/15.

Capital Improvement Program (CIP)

PARKS, FACILITIES & EQUIPMENT - GENERAL FUND

10.0 4024

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
Construction						
Facilities						
4024	600 03 01 HVAC Unit - 942 S. Madera Ave.	0	0	0	5,525	0
4024	600 03 11 CTC Banquet Chair & Table Replacement	0	2,837	19,500	19,500	0
4024	600 03 70 Soroptimist Park - Restroom Addition	0	0	0	0	45,000
4024	600 03 97 CTC Fire Sprinkler Replacement	0	20,522	0	0	0
4024	600 03 98 Police Department HVAC & Roof Repairs	0	0	35,000	36,632	0
TOTAL FACILITIES		0	23,359	54,500	61,657	45,000
Equipment						
4024	600 03 99 New Accounting Software System	0	0	20,088	4,491	15,597
TOTAL EQUIPMENT		0	0	20,088	4,491	15,597
TOTAL DEPARTMENT BUDGET		0	23,359	74,588	66,148	60,597
Budget to Budget Increase/(Decrease)						(13,991)
Percentage of Change						-18.8%

Budget Highlights:

Accounting Software System will not be implemented and paid for until Fiscal Year 2014/15. Expenses for the Animal Shelter and Soroptimist Park Restroom will be transferred in from the General Fund reserves to cover the expenses.

Capital Improvement Program (CIP)

CDBG CONSTRUCTION

12.0 4024

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
Expenditures:						
4024	600 03 05 Del Norte Sewer Main (CDBG)	31,972	349,418	0	0	0
4024	600 03 06 Katie's Kids Park	0	0	0	0	183,866
TOTAL DEPARTMENT BUDGET		31,972	349,418	0	0	0
Budget to Budget Increase/(Decrease)						0
Percentage of Change						0.0%

Budget Highlights:

Katie's Kids Park construction completion will be funded from City of Kernan's Fiscal Year 2014/15 allocation along with \$50,000 CDBG allocation from Mendota

Capital Improvement Program (CIP)

FACILITIES CONSTRUCTION

14.0 4024

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
Construction						
4024	600 03 70 Animal Shelter	0	0	0	0	75,000
4024	540 00 00 Lease Payment (PFA Bond)	51,192	51,599	52,008	52,008	51,362
TOTAL OPERATIONS & MAINTENANCE		51,192	51,599	52,008	52,008	126,362
Equipment						
4024	600 03 97 CTC Fire Sprinkler Replacement	2,169	0	0	0	0
TOTAL CAPITAL EXPENDITURES		2,169	0	0	0	0
TOTAL DEPARTMENT BUDGET		53,361	51,599	52,008	52,008	126,362
Budget to Budget Increase/(Decrease)						74,355
Percentage of Change						143.0%

Budget Highlights:

No Substantial Change
 Annual Bond Lease Payment Breakdown is located in the PFA Budget.

Development Impact Funds Budget

Development Impact Fees are collected when a permit is issued on a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project.

Revenue

Impact Fee Revenue Summary 11, 14, 17, 18, 58, 59, 91, 92, & 93

Description	Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year-End	Budget 2014-2015
General Impact Fees					
CIP Admin & Accounting (11.0)					
0000 344 50 00 CIP Administration Impact Fees	27,293	20,005	11,000	9,000	9,000
Facilities Construction (14.0)					
0000 344 50 00 Facilities Impact Fees	50,468	59,314	33,944	25,000	24,001
General Plan Update (17.0)					
0000 344 50 00 General Plan Update Impact Fees	9,079	13,979	7,880	3,500	5,253
0099 344 00 00 Transfer in From General Fund Reserves	-	-	-	-	35,000
Fire Facility (18.0)					
0000 344 50 00 Fire Station Impact Fees	33,294	34,895	16,170	10,000	13,250
0000 361 01 00 Interest Earnings	2,375	2,434	-	1,750	1,750
Park Development (58.0)					
0000 344 50 00 Park Development Impact Fees	18,016	4,599	43,480	17,000	43,296
Park Development - Quimby (59.0)					
0000 344 50 00 Park Development - Quimby I/F	33,076	1,716	14,360	15,000	12,144
Major Streets (91.0)					
0000 344 50 00 Major Street Impact Fees	47,226	8,354	35,316	20,000	30,592
0000 361 01 00 Interest Earnings	422	194	-	200	200
Street Signals (92.0)					
0000 344 50 00 Street Signals Impact Fees	10,349	4,283	6,010	7,500	3,392
0000 361 01 00 Interest Earnings	3,634	1,830	-	1,000	1,000
Railroad Crossing (93.0)					
0000 344 50 00 Railroad Crossing Impact Fees	13,214	5,469	7,674	6,000	5,608
0000 361 01 00 Interest Earnings	3,683	3,235	-	3,000	3,000
Subtotal	252,129	180,307	175,834	118,950	187,466
Fund 17 - Transfer in from General Fund Reserves for LAFCo \$10,000 & Housing Element Update \$25,000					
Enterprise Impact Fees					
WATER					
Water Front Footage (52.0)					
0000 344 50 00 Water Front Footage Impact Fees	3,088	6,760	13,605	1,000	13,605
0000 361 01 00 Interest Earnings	2,620	2,291	-	1,500	1,500
Water Oversize (53.0)					
0000 344 50 00 Water Oversize Impact Fees	13,478	2,231	6,402	5,500	5,591
0000 361 01 00 Interest Earnings	1,630	1,470	-	1,200	1,000
Water Major Facility (54.0)					
0000 344 50 00 Water Major Facility Impact Fees	93,813	10,429	43,041	30,000	36,142
0000 361 01 00 Interest Earnings	8,491	7,709	0	6,500	6,500
Subtotal	123,120	30,890	63,048	45,700	64,338
SEWER					
Sewer Front Footage (55.0)					
0000 344 50 00 Sewer Front Footage Impact Fees	3,733	814	14,512	1,000	14,512
0000 361 01 00 Interest Earnings	1,321	941	-	140	100
Sewer Oversize (56.0)					
0000 344 50 00 Sewer Oversize Impact Fees	21,524	5,295	12,625	8,000	10,338
0000 361 01 00 Interest Earnings	690	608	-	650	650
Sewer Major Facility (57.0)					
0000 344 50 00 Sewer Major Facility Impact Fees	123,694	29,656	46,599	45,000	39,933
0000 361 01 00 Interest Earnings	3,894	4,303	-	1,500	250
Subtotal	154,856	41,618	73,736	56,290	65,783
STORM DRAIN					
Storm Drain Basin Acquisition (48.0)					
0000 344 50 00 Storm Drain Basin Acquisition Impact Fees	33,820	30,000	7,007	7,000	6,332
0000 361 01 00 Interest Earnings	738	841	-	250	250
Storm Drain Construction (49.0)					
0000 344 50 00 Storm Drain Facilities Impact Fees	13,599	10,000	29,755	20,000	26,201
0000 361 01 00 Interest Earnings	218	501	-	500	500
Subtotal	48,375	41,342	36,762	27,750	33,283
Total Enterprise Impact Fees	326,351	113,850	173,546	129,740	163,404
Grand Total - All Impact Fees	578,480	274,157	349,380	248,690	350,890

Expenses

In Fiscal Year 2014/15 the City of Kerman is required to submit a Housing Element Update with an estimated cost of \$25,000. Additionally staff is anticipating an expense of \$15,000 in fees to LAFCo for an update to the City of Kerman’s sphere of influence.

These costs will be expensed to General Plan Updates (Fund 17) but due to the downturn in permits the revenues for the Development Impact Fees have been stagnant and no funds are available in this fund; therefore the total estimated cost of \$40,000 will be transferred in from General Fund Reserves.

Other expenses related to Development Impact Fees are listed in the Capital Budget on the following page.

Development Impact Funds

GENERAL PLAN UPDATES 17.0 4007

Description		Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
4007	410 10 00 Salaries	0	0	0	0	0
4007	410 30 00 Overtime	0	0	0	0	0
4007	420 00 00 Fringe Benefits	0	0	0	0	0
TOTAL PERSONNEL		0	0	0	0	0
OPERATIONS & MAINTENANCE						
4007	510 02 00 Sphere of Influence/App - LAFCo	0	0	0	0	15,000
4007	510 10 01 Professional Services-Housing Element Plan	0	0	0	0	25,000
TOTAL OPERATIONS & MAINTENANCE		0	0	0	0	40,000
TOTAL DEPARTMENT BUDGET		0	0	0	0	40,000

Budget Highlights:

Expenses for LAFCo and the Housing Element Update (required in FY 14/15) will be charged to Fund 17 and funds will be transferred in from the General Fund reserves to cover the expenses.