



CITY OF BUELLTON

CITY COUNCIL AGENDA

**Regular Meeting of January 12, 2012 – 6:00 p.m.
City Council Chambers, 140 West Highway 246
Buellton, California**

Copies of staff reports or other written documentation relating to each item of business referred to on this Agenda are on file in the office of the City Clerk and are available for public inspection

CALL TO ORDER

Mayor Holly Sierra

PLEDGE OF ALLEGIANCE

Council Member Judith Dale

OATH OF OFFICE

Oath of Office of Temporary Council Member Leo Elovitz

ROLL CALL

Council Members Ed Andrisek, Judith Dale, Leo Elovitz, Mayor Pro Tem Dave King, and Mayor Holly Sierra

REORDERING OF AGENDA

PUBLIC COMMENTS

Speaker Slip to be completed and turned in to the City Clerk prior to commencement of meeting. Limited to matters not otherwise appearing on the agenda. Limited to three (3) minutes per speaker. No action will be taken at this meeting.

CONSENT CALENDAR

(ACTION)

The following items are scheduled for consideration as a group. Any Council Member, the City Attorney, or the City Manager may request that an item be withdrawn from the Consent Agenda to allow for full discussion.

- 1. Minutes of December 8, 2011 Regular City Council Meeting**
- 2. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2011-12**

- 3. Annual Report to Legislative Body**
❖ *(Staff Contact: Finance Director Muñoz)*

PRESENTATIONS

PUBLIC HEARINGS

(POSSIBLE ACTION)

- 4. Resolution No. 12-01 - “A Resolution of the City Council of the City of Buellton, California, Adopting the City of Buellton Bicycle and Pedestrian Master Plan and Making Findings in Support Thereof”**
❖ *(Staff Contact: Planning Director Bierdzinski and City Engineer Hess)*

COUNCIL MEMBER COMMENTS

COUNCIL ITEMS

WRITTEN COMMUNICATIONS

Written communications are included in the agenda packets. Any Council Member, the City Manager or City Attorney may request that a written communication be read into the record.

COMMITTEE REPORTS

This Agenda listing is the opportunity for Council Members to give verbal Committee Reports on any meetings recently held for which the Council Members are the City representatives thereto.

BUSINESS ITEMS

(POSSIBLE ACTION)

- 5. Request for City Support of Avenue of Flags Criterium**
❖ *(Staff Contact: Recreation Coordinator Abello)*
- 6. Discussion Regarding Painting Curbs Red in Front of Fire Hydrants near River View Park**
❖ *(Staff Contact: City Manager Kunkel)*
- 7. Discussion Regarding Date for Annual Retreat**
❖ *(Staff Contact: City Manager Kunkel)*

CITY MANAGER’S REPORT

ADJOURNMENT

The next meeting of the City Council will be held on Thursday, January 26, 2012 at 6:00 p.m.

CITY OF BUELLTON

CITY COUNCIL MEETING MINUTES
Regular Meeting of December 8, 2011
City Council Chambers, 140 West Highway 246
Buellton, California

CALL TO ORDER

Mayor Andrisek called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE

Council Member Dave King led the Pledge of Allegiance

ROLL CALL

Present: Council Members John Connolly, Judith Dale, Dave King, Mayor Pro Tem Holly Sierra, and Mayor Ed Andrisek

Staff: City Manager John Kunkel, City Attorney Ralph Hanson, City Engineer Rose Hess, Planning Director Marc Bierdzinski, Finance Director Annette Muñoz, Public Works Director Bill Albrecht, Station Commander Lt. Julie McCammon, and City Clerk Linda Reid

REORDERING OF AGENDA

None

PUBLIC COMMENTS

Geoff Alexander, Santa Barbara County Film Commission, requested that the City Council consider providing financial support for the Film Commission and spoke about how the filming industry brings revenue to Cities and surrounding communities. Mr. Alexander requested funding in the amount of \$5,000 and provided a letter for the record from the Buellton Chamber of Commerce supporting the Film Commission's request.

John Dorwin, Buellton, spoke about the disruption to the tenants at 90 West Highway 246 due to the Highway 246 Streetscape Project and requested a work schedule for the remainder of the work to be completed on the project.

Kathy Vreeland, Executive Director of the Buellton Chamber of Commerce and Visitors Bureau expressed support for the Santa Barbara County Film Commission and read a letter into the record.

Ms. Vreeland also read a letter into the record from the Buellton Chamber of Commerce Board of Directors regarding crosswalks and traffic enforcement on Highway 246.

CONSENT CALENDAR

1. **Minutes of November 10, 2011 Regular City Council Meeting**
2. **List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2011-12**
3. **Year 2012 Proposed Calendar of City Council Meetings**
4. **Acceptance of the 2010/11 Road Maintenance and Citywide Striping Project**
5. **Resolution No. 11-20 - “A Resolution of the City Council of the City of Buellton, California, Approving and Adopting an Amendment to and Restating the City of Buellton’s Deferred Compensation Plan and Trust”**
6. **Recordation of Central Avenue Condominiums Tract Map 31049**

RECOMMENDATION:

That the City Council approve the Consent Calendar as listed.

MOTION:

Motion by Mayor Pro Tem Sierra, seconded by Council Member King approving the consent calendar as listed.

VOTE:

Motion passed by a roll call vote of 5-0.

PRESENTATIONS

None

PUBLIC HEARINGS

None

COUNCIL MEMBER COMMENTS

Mayor Pro Tem Sierra thanked Council Member Connolly and Public Works Director Albrecht for their service to the City and announced tonight as their last meeting due to Council Member’s military deployment and Mr. Albrecht’s retirement.

Mayor Pro Tem Sierra thanked staff and other community members for organizing the December events.

Council Member Dale reiterated the need for additional crosswalks.

Mayor Andrisek spoke about the Highway 246 Streetscape Project and staff’s efforts to notify businesses and residents in the area.

COUNCIL ITEMS

- 7. Council Reorganization**
- A. Election of Mayor**
 - B. Election of Mayor Pro Tem**
 - C. Presentation to Outgoing Mayor Ed Andrisek**

NOMINATION:

Council Member King nominated Mayor Pro Tem Sierra as Mayor for 2012.

VOTE:

Nomination passed by a roll call vote of 5-0.

NOMINATION:

Mayor Sierra nominated Council Member King as Mayor Pro Tem for 2012.

VOTE:

Nomination passed by a roll call vote of 5-0.

Mayor Sierra thanked outgoing Mayor Andrisek for his service to the City of Buellton and presented him with a gift.

Outgoing Mayor Andrisek thanked his fellow Council Members, staff, and the community for providing support over the past year.

- 8. Appointments to Boards, Commissions and Committees**
- a. Central Coast Water Authority (CCWA)**
 - b. Library Advisory Committee**
 - c. Santa Barbara County Association of Governments (SBCAG)**
 - d. Air Pollution Control District (APCD)**
 - e. California Joint Powers Insurance Authority (CJPIA)**
 - f. League of California Cities (LOCC) – Voting Delegate**
 - g. Chamber of Commerce Board of Directors (Ex Officio Member)**
 - h. Multi-Jurisdictional Solid Waste Task Group**
 - i. Economic Development Task Force**
 - j. Joint Use Committee**
 - k. Public Visioning Steering Committee**

RECOMMENDATION:

That the City Council consider appointments to various boards, commissions, and committees for calendar year 2012.

DOCUMENTS:

Staff Report with attachment (Boards, Commissions, and Committees Meeting Schedule for 2011)

The City Council nominated the following Council Members to the following Boards, Commissions, and Committees for 2012:

- A. Central Coast Water Authority (CCWA)
Council Member Ed Andrisek
Mayor Holly Sierra**
- B. Library Advisory Committee
Council Member Judith Dale
Mayor Pro Tem Dave King (Alternate)**
- C. Santa Barbara County Association of Governments (SBCAG)
Mayor Holly Sierra
Mayor Pro Tem Dave King (Alternate)**
- D. Air Pollution Control District (APCD)
Mayor Holly Sierra
Mayor Pro Tem Dave King (Alternate)**
- E. California Joint Powers Insurance Authority (CJPIA)
Council Member Ed Andrisek
Mayor Holly Sierra (Alternate)**
- F. League of California Cities (LOCC)
Mayor Holly Sierra (Voting Delegate-Annual Conference)
Mayor Pro Tem Dave King (Alternate Voting Delegate-Annual Conference)**
- G. Chamber of Commerce Board of Directors (Ex Officio Member)
Council Member Judith Dale**
- H. Multi-Jurisdictional Solid Waste Task Group
Council Member Ed Andrisek
Mayor Pro Tem Dave King**
- I. Economic Development Task Force
Council Member Judith Dale
Mayor Pro Tem Dave King (Alternate)**
- J. City/School District Joint Use Committee
Council Members Leo Elovitz/John Connolly**
- K. Public Visioning Steering Committee
Council Member Judith Dale
Mayor Pro Tem Dave King**

MOTION:

Motion by Council Member Andrisek, seconded by Council Member Dale, confirming appointments to Boards, Commissions, and Committees (Items A through K) as referenced above.

VOTE:

Motion passed by a roll call vote of 5-0.

WRITTEN COMMUNICATIONS

None

COMMITTEE REPORTS

Mayor Sierra announced that she attended the Santa Barbara County Association of Governments (SBCAG) meeting and provided an oral report regarding the meeting.

BUSINESS ITEMS

9. **Ordinance No. 11-07 – “An Ordinance of the City Council of the City of Buellton, California, Amending Title 19 (Zoning) of the Buellton Municipal Code (11-ZOA-01) Relating to Revisions to the Mixed Use Regulations and Making Findings in Support Thereof” (Second Reading)**

RECOMMENDATION:

That the City Council consider the adoption of Ordinance No. 11-07.

STAFF REPORT:

Planning Director Bierdzinski presented the staff report.

DOCUMENTS:

Staff Report with attachment (Ordinance No. 11-07)

MOTION:

Motion by Mayor Pro Tem King, seconded by Council Member Connolly approving and adopting Ordinance No. 11-07 – “An Ordinance of the City Council of the City of Buellton, California, Amending Title 19 (Zoning) of the Buellton Municipal Code (11-ZOA-01) Relating to Revisions to the Mixed Use Regulations and Making Findings in Support Thereof” by title only and waive further reading.

VOTE:

Motion passed by a roll call vote of 5-0.

10. **Ordinance No. 11-09 – “An Ordinance of the City Council of the City of Buellton, California, Amending Title 19 (Zoning) of the Buellton Municipal Code (11-ZOA-03) Relating to Section 19.04.172.A.4, Temporary Signs and Making Findings in Support Thereof” (Second Reading)**

RECOMMENDATION:

That the City Council consider the adoption of Ordinance No. 11-09.

STAFF REPORT:

Planning Director Bierdzinski presented the staff report.

DOCUMENTS:

Staff Report with attachment (Ordinance No. 11-09)

MOTION:

Motion by Council Member Dale, seconded by Mayor Pro Tem King, approving and adopting Ordinance No. 11-09 – “An Ordinance of the City Council of the City of Buellton, California, Amending Title 19 (Zoning) of the Buellton Municipal Code (11-ZOA-03) Relating to Section 19.04.172.A.4, Temporary Signs and Making Findings in Support Thereof” by title only and waive further reading.

VOTE:

Motion passed by a roll call vote of 5-0.

11. Request for City Support of Avenue of Flags Criterium**RECOMMENDATION:**

That the City Council consider the request for City support of an Avenue of Flags Criterium and direct staff as appropriate.

STAFF REPORT:

Recreation Coordinator Abello presented the staff report.

DOCUMENTS:

Staff Report with attachment (Avenue of Flags criterium fact sheet)

SPEAKERS/DISCUSSION:

Mike Hecker defined a criterium bicycle race and answered questions from the City Council.

Scott Martin, Solvang, spoke about the criterium and provided support information regarding the race.

John Padfield, Solvang, spoke about the criterium and provided support information regarding the race; specifically how the event teaches kids how to get involved in bicycle racing and encouraged Council support for the criterium.

David Tonello, Los Alamos, stated he coaches the Santa Ynez Valley Cycling Club Junior Racing Team and provided his support of the criterium on behalf of children in the community who would like to get involved in bicycle racing.

Patrick Farrier, Buellton, suggested the City provide half of the funding up front and then provide the other half after successful completion of the event.

Craig Adams, Buellton, stated he supports the criterium in Buellton and suggested a contract fee or award system for the prize money. Mr. Adams stated that criterium events draw large crowds.

Corey Evans, owner of Dr. J's Bicycle Shop in Solvang provided a letter of support for the Avenue of Flags Criterium.

The City Council discussed the following issues:

- Costs associated with the criterium
- Safety support personnel needed for the criterium in the amount of approximately \$2,400
- The number of racers expected to participate
- Race entry fee being approximately \$30 per person
- Race date tentative scheduled for March 31, 2012
- Providing an alternate funding figure
- Map of the race
- There will be approximately 180 prizes distributed

MOTION:

Motion by Council Member Dale, seconded by Council Member Andrisek endorsing the criterium, waiving fees for traffic safety personnel, and requesting the formation of a sub-committee made up of Council Members, staff members, Chamber of Commerce Members, and event organizers to work out a budget and determine funding opportunities and agendize the discussion for the January 12, 2012 City Council meeting.

VOTE:

Motion passed by a roll call vote of 3-2, with Mayor Pro Tem King and Council Member Andrisek voting no.

CITY MANAGER'S REPORT

None

CLOSED SESSION ITEMS

- 12. CONFERENCE WITH LABOR NEGOTIATORS
(Government Code Section 54957.6)
All Employees
Negotiator: John Kunkel, City Manager**

- 13. The City Council will conduct a Closed Session pursuant to California Government Code Section 54957 concerning the following:**

PUBLIC EMPLOYEE PERFORMANCE EVALUATION – TWELVE MONTH REVIEW

Title: City Manager

City Attorney Hanson read the title of Items 12 and 13 and announced that following the conclusion of the Redevelopment Agency meeting, the City Council would reconvene the Regular City Council meeting in Closed Session.

Mayor Sierra called the Closed Session to order at 7:46 p.m. The City Council met in Closed Session to discuss Item Nos. 12 and 13, Conference with Labor Negotiators and Public Employee Performance Evaluation of the City Manager.

Following the Closed Session, the City Council reconvened in Open Session and City Attorney Hanson made the following Closed Session announcement:

“The City Council met in Closed Session with all members present and discussed Item Nos. 12. and 13. No final action was taken and there is nothing further to report.

CITY MANAGER’S REPORT

None

ADJOURNMENT

Mayor Sierra adjourned the regular meeting at 9:06 p.m. The next regular meeting of the City Council will be held on Thursday, January 12, 2012 at 6:00 p.m.

Holly Sierra
Mayor

ATTEST:

Linda Reid
City Clerk

BACK-UP/SUPPORT DATA IS AVAILABLE FOR COUNCIL REVIEW IN CITY HALL

The following is a list of claims to be ratified and approved for payment by the City Council at the **January 12, 2012** Council Meeting.

Listed below is a brief summary of the attached claims:

	EXHIBIT A		\$	<u>400,676.36</u>
	EXHIBIT B		\$	<u>131,073.01</u>
	PAYROLL	11/30/11	\$	43,217.36
	PAYROLL	12/15/11	\$	52,083.94
	Council Pay	12/23/11	\$	2,221.38
	PAYROLL	12/31/11	\$	<u>38,336.04</u>
TOTAL AMOUNT OF CLAIMS:			\$	<u><u>667,608.09</u></u>

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
The total amount of claims and demands paid by the City for the Fiscal Year through December 31, 2011	\$ 3,347,830.23	\$ 4,553,557.71

AUTHORIZATION IS HEREBY GIVEN TO THE CITY TREASURER TO PAY ALL CLAIMS AS REVENUES BECOME AVAILABLE.

FISCAL YEAR 2011-12 REVENUE AND EXPENDITURE RECAP

**As of November 30, 2011
41.7%
of the year elapsed**

<u>CITY</u>	<u>Budgeted</u>	<u>Year to Date</u>	<u>% of Total to Date</u>
Total Revenues	\$4,532,365.00	\$1,305,695.01	29%
Total Expenditures	\$6,330,205.00	\$2,657,232.17	42%
<u>WATER/SEWER</u>	<u>Budgeted</u>	<u>Year to Date</u>	<u>% of Budget to Date</u>
Total Revenues	\$2,044,800.00	\$916,478.67	45%
Total Expenditures	\$2,605,396.00	\$1,436,466.46	55%
<u>RDA</u>	<u>Budgeted</u>	<u>Year to Date</u>	<u>% of Budget to Date</u>
Total Revenues	\$825,000.00	\$59,094.95	7%
Total Expenditures	\$1,499,936.00	\$89,250.12	6%

The Revenue Status Report and Expenditure Status Report are available for your review.

The Cash Balances as of Deember 31, 2011 are as follows:

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
SAVINGS/INVESTMENTS	<u>\$ 18,038,639.29</u>	<u>\$ 16,630,009.22</u>
CHECKING (Rabobank)	<u>\$ 89,358.12</u>	<u>\$ 70,516.66</u>
TOTAL CASH BALANCE:	<u><u>\$ 18,127,997.41</u></u>	<u><u>\$ 16,700,525.88</u></u>

Check-Run	Seq#	Date	Vendor Name	Checking # Obls	Discount	Net amount	Status
25672-	493	1 11/30/2011	522 THOMAS E. ARMOR	1	.00	217.00	Logged
25673-	493	2 11/30/2011	698 CALIFORNIA STATE DISBURSEMENT	1	.00	1,890.50	Logged
25674-	494	1 12/07/2011	0 SIGN CRAFT	1	.00	56.50	Logged
25675-	494	2 12/07/2011	0 MEGAN BUSS	1	.00	45.84	Logged
25676-	494	3 12/07/2011	0 CENTRAL COAST SPRING & ALIGNME	1	.00	221.72	Logged
25677-	494	4 12/07/2011	5 ABALONE COAST ANALYTICAL, INC.	1	.00	431.00	Logged
25678-	494	5 12/07/2011	27 AQUA BEN CORPORATION	2	.00	4,478.72	Logged
25679-	494	6 12/07/2011	28 ARAMARK UNIFORM SERVICES	1	.00	334.64	Logged
25680-	494	7 12/07/2011	32 ARROWHEAD	3	.00	81.47	Logged
25681-	494	8 12/07/2011	35 ASSOC TRANSPORTATION ENGINEERS	1	.00	799.50	Logged
25682-	494	9 12/07/2011	59 MOTOR PRODUCTS INC. dba	1	.00	4.30	Logged
25683-	494	10 12/07/2011	90 Ca1PERS LONG-TERM CARE PROGRAM	1	.00	84.25	Logged
25684-	494	11 12/07/2011	91 CENTRAL COAST WATER AUTHORITY	1	.00	20,737.46	Logged
25685-	494	12 12/07/2011	101 CITY OF SOLVANG	1	.00	16,844.00	Logged
25686-	494	13 12/07/2011	105 CITY OF BUELLTON	2	.00	159.73	Logged
25687-	494	14 12/07/2011	122 COMCAST CABLE	1	.00	157.85	Logged
25688-	494	15 12/07/2011	142 DANIEL FITZGERALD dba	1	.00	960.00	Logged
25689-	494	16 12/07/2011	172 ECHO COMMUNICATIONS	1	.00	58.44	Logged
25690-	494	17 12/07/2011	176 EXCLUSIVE ALARMS	1	.00	324.00	Logged
25691-	494	18 12/07/2011	187 FARM SUPPLY COMPANY	1	.00	931.45	Logged
25692-	494	19 12/07/2011	201 G E CAPITAL	1	.00	160.55	Logged
25693-	494	20 12/07/2011	223 HDL COREN & CONE	1	.00	1,750.00	Logged
25694-	494	21 12/07/2011	230 HPC/EAGLE ENERGY	1	.00	1,027.17	Logged
25695-	494	22 12/07/2011	237 IRON MOUNTAIN	1	.00	40.43	Logged
25696-	494	23 12/07/2011	252 JIM VREELAND FORD	1	.00	281.91	Logged
25697-	494	24 12/07/2011	280 LEE CENTRAL COAST NEWSPAPERS	1	.00	489.82	Logged
25698-	494	25 12/07/2011	285 SANTA MARIA TIMES dba	1	.00	124.21	Logged
25699-	494	26 12/07/2011	286 LEAGUE OF CALIFORNIA CITIES	1	.00	875.00	Logged
25700-	494	27 12/07/2011	314 MAILBOXES, ETC.	1	.00	27.86	Logged
25701-	494	28 12/07/2011	372 PETTY CASH	1	.00	96.48	Logged
25702-	494	29 12/07/2011	379 POSTMASTER	1	.00	580.00	Logged
25703-	494	30 12/07/2011	380 PRAXAIR DISTRIBUTION, INC.	2	.00	194.70	Logged
25704-	494	31 12/07/2011	387 PURCHASE ADVANTAGE CARD	1	.00	194.23	Logged
25705-	494	32 12/07/2011	395 RAFAEL RUIZ CLEANING	2	.00	1,770.00	Logged
25706-	494	33 12/07/2011	397 RBF CONSULTING	1	.00	407.00	Logged
25707-	494	34 12/07/2011	429 SAFETY-KLEEN CORP.	1	.00	232.51	Logged
25708-	494	35 12/07/2011	438 SANTA YNEZ VALLEY HARDWARE	1	.00	790.16	Logged
25709-	494	36 12/07/2011	450 SB CO SHERIFF'S DEPARTMENT	1	.00	4,132.38	Logged
25710-	494	37 12/07/2011	454 SCOR CARDIAC CYCLISTS CLUB, IN	1	.00	1,122.89	Logged
25711-	494	38 12/07/2011	465 SP MAINTENANCE SERVICES, INC.	1	.00	2,821.00	Logged
25712-	494	39 12/07/2011	473 SPRINT SPECTRUM, L.P. dba	1	.00	109.20	Logged
25713-	494	40 12/07/2011	489 STEVE'S WHEEL & TIRE	1	.00	17.16	Logged
25714-	494	41 12/07/2011	507 THE GAS COMPANY	4	.00	370.49	Logged
25715-	494	42 12/07/2011	513 TURF STAR, INC.	1	.00	337.91	Logged
25716-	494	43 12/07/2011	521 TODD PIPE & SUPPLY	1	.00	883.58	Logged
25717-	494	44 12/07/2011	522 THOMAS E. ARMOR	1	.00	314.92	Logged
25718-	494	45 12/07/2011	529 TRANSFIRST	1	.00	323.64	Logged
25719-	494	46 12/07/2011	535 UNDERGROUND SERVICE ALERT	1	.00	12.00	Logged
25720-	494	47 12/07/2011	543 USA BLUEBOOK	1	.00	57.67	Logged
25721-	494	48 12/07/2011	555 VERIZON CALIFORNIA	1	.00	2,106.08	Logged
25722-	494	49 12/07/2011	570 WAYNE KREPS, JR. dba	1	.00	31.02	Logged
25723-	494	50 12/07/2011	617 ROGER L. FORTIER dba	1	.00	394.01	Logged
25724-	494	51 12/07/2011	649 FLUID RESOURCE MANAGEMENT, INC	1	.00	450.00	Logged

Check-Run	Seq#	Date	Vendor Name	Checking # Obls	Discount	Net amount	Status	
25725-	494	52	12/07/2011	655 COAST NETWORKX, INC.	2	.00	1,148.00	Logged
25726-	494	53	12/07/2011	661 AQUA-METRIC SALES, CO.	1	.00	2,846.49	Logged
25727-	494	54	12/07/2011	668 ONE STOP AUTO PARTS	1	.00	119.64	Logged
25728-	494	55	12/07/2011	679 COURIER SYSTEMS	1	.00	201.65	Logged
25729-	494	56	12/07/2011	692 SANTA YNEZ GLASS	2	.00	608.46	Logged
25730-	494	57	12/07/2011	693 ANDREW LAROCHE	1	.00	350.00	Logged
25731-	494	58	12/07/2011	718 AUTOSYS, INC.	2	.00	833.00	Logged
25732-	494	59	12/07/2011	725 G. SOSA CONSTRUCTION, INC.	1	.00	55,530.00	Logged
25733-	494	60	12/07/2011	726 FULL THROTTLE ENGINE REPAIR	1	.00	673.42	Logged
25734-	495	1	12/19/2011	698 CALIFORNIA STATE DISBURSEMENT	1	.00	1,890.50	Logged
25735-	496	1	12/21/2011	0 LANDS' END	1	.00	145.37	Logged
25736-	496	2	12/21/2011	0 FRED H. BELEN, JR.	1	.00	70.00	Logged
25737-	496	3	12/21/2011	0 SCOTT LAPOINTE	1	.00	40.00	Logged
25738-	496	4	12/21/2011	35 ASSOC TRANSPORTATION ENGINEERS	1	.00	1,947.50	Logged
25739-	496	5	12/21/2011	65 BURKE, WILLIAMS & SORENSEN, LL	7	.00	19,723.60	Logged
25740-	496	6	12/21/2011	75 CACEO	4	.00	300.00	Logged
25741-	496	7	12/21/2011	107 CITY OF LOMPOC	1	.00	1,666.66	Logged
25742-	496	8	12/21/2011	119 CRAIG ADAMS	1	.00	100.00	Logged
25743-	496	9	12/21/2011	121 COC/BBA/VISITORS INFORMATION	1	.00	9,005.28	Logged
25744-	496	10	12/21/2011	193 FIRST NATIONAL BANK OF OMAHA	7	.00	4,826.84	Logged
25745-	496	11	12/21/2011	199 FOSTER D. REIF	1	.00	100.00	Logged
25746-	496	12	12/21/2011	230 HPC/EAGLE ENERGY	1	.00	1,132.50	Logged
25747-	496	13	12/21/2011	241 J B DEWAR, INC.	1	.00	2,252.51	Logged
25748-	496	14	12/21/2011	242 JASON L. FUSSEL	1	.00	100.00	Logged
25749-	496	15	12/21/2011	258 JOHN P. SUREY dba	1	.00	680.93	Logged
25750-	496	16	12/21/2011	273 KURT GREER	1	.00	139.98	Logged
25751-	496	17	12/21/2011	281 LUBRICATION ENGINEERS, INC.	1	.00	482.29	Logged
25752-	496	18	12/21/2011	285 SANTA MARIA TIMES dba	2	.00	182.15	Logged
25753-	496	19	12/21/2011	303 ART MERCADO	1	.00	100.00	Logged
25754-	496	20	12/21/2011	327 MONIOT ELECTRIC, INC.	1	.00	831.40	Logged
25755-	496	21	12/21/2011	342 NIELSEN BUILDING MATERIALS,INC	1	.00	50.74	Logged
25756-	496	22	12/21/2011	352 P G & E	1	.00	23,878.56	Logged
25757-	496	23	12/21/2011	382 PROCARE JANITORIAL SUPPLY, INC	1	.00	417.85	Logged
25758-	496	24	12/21/2011	390 QUINN COMPANY	1	.00	408.56	Logged
25759-	496	25	12/21/2011	395 RAFAEL RUIZ CLEANING	4	.00	5,334.00	Logged
25760-	496	26	12/21/2011	401 TRI-POINT PRODUCTS, INC. dba	1	.00	28.90	Logged
25761-	496	27	12/21/2011	450 SB CO SHERIFF'S DEPARTMENT	6	.00	155,085.23	Logged
25762-	496	28	12/21/2011	469 STAPLES CONTRACT & COMMERCIAL,	3	.00	579.42	Logged
25763-	496	29	12/21/2011	477 STAPLES CREDIT PLAN	1	.00	209.06	Logged
25764-	496	30	12/21/2011	489 STEVE'S WHEEL & TIRE	1	.00	62.68	Logged
25765-	496	31	12/21/2011	522 THOMAS E. ARMOR	3	.00	958.98	Logged
25766-	496	32	12/21/2011	543 USA BLUEBOOK	1	.00	233.86	Logged
25767-	496	33	12/21/2011	545 KROS ANDRADE dba	1	.00	375.00	Logged
25768-	496	34	12/21/2011	554 VENCO WESTERN, INC.	2	.00	11,833.14	Logged
25769-	496	35	12/21/2011	556 VERIZON WIRELESS	1	.00	318.66	Logged
25770-	496	36	12/21/2011	582 VINTAGE WALK, LLC OWNERS ASSOC	1	.00	104.00	Logged
25771-	496	37	12/21/2011	587 KYLE ABELLO	1	.00	300.00	Logged
25772-	496	38	12/21/2011	589 GERALD T. WITCHER	1	.00	100.00	Logged
25773-	496	39	12/21/2011	598 ENGEL & GRAY, INC.	1	.00	4,225.26	Logged
25774-	496	40	12/21/2011	610 IKON FINANCIAL SERVICES	1	.00	498.89	Logged
25775-	496	41	12/21/2011	622 HUMBERTO TAPIA dba	1	.00	1,560.00	Logged
25776-	496	42	12/21/2011	629 ED ANDRISEK	2	.00	91.25	Logged
25777-	496	43	12/21/2011	655 COAST NETWORKX, INC.	1	.00	332.50	Logged

Run date: 01/04/2012 @ 10:44
 Bus date: 12/31/2011

City of Buellton
 Check Summary Report

Check-Run	Seq#	Date	Vendor Name	Checking # Objs	Discount	Net amount	Status
25778-	496	44 12/21/2011	669 HYDREX PEST CONTROL	1	.00	105.00	Logged
25779-	496	45 12/21/2011	677 WALLACE GROUP	1	.00	1,440.11	Logged
25780-	496	46 12/21/2011	706 SATCOM GLOBAL, INC.	1	.00	39.14	Logged
25781-	496	47 12/21/2011	713 COASTAL COPY, LP	1	.00	483.80	Logged
25782-	496	48 12/21/2011	714 SIERRA TURF, INC.	1	.00	2,000.00	Logged
25783-	496	49 12/21/2011	714 SIERRA TURF, INC.	1	.00	8,045.00	Logged
25784-	496	50 12/21/2011	718 AUTOSYS, INC.	1	.00	153.00	Logged
25785-	496	51 12/21/2011	727 ROSEWOOD DESIGNS	1	.00	164.00	Logged
25786-	496	52 12/21/2011	11142 CHRISTOPHE MILLNER	1	.00	427.00	Logged
25787-	496	53 12/21/2011	11163 DAN POSNEY dba	1	.00	210.00	Logged
25788-	496	54 12/21/2011	11166 DIANE CURRIDEN	1	.00	112.00	Logged
25789-	496	55 12/21/2011	11170 DONELLE MARTIN	1	.00	350.00	Logged
25790-	496	56 12/21/2011	11300 KAREN PALMER	1	.00	52.50	Logged
25791-	496	57 12/21/2011	11316 KRISTEN A. THOMSEN	1	.00	78.75	Logged
25792-	496	58 12/21/2011	11321 LAURA COGAN	1	.00	45.00	Logged
25793-	496	59 12/21/2011	11343 MARIANNE MADSEN	1	.00	360.00	Logged
25794-	496	60 12/21/2011	11476 STEPHEN F. DUNLAP	1	.00	252.00	Logged
					.00		
** Total check discount **					.00		
** Total check amount **						400,676.36	
					.00		

Payments via Electronic Fund Transfer (EFT):

Payroll Taxes	11/25/11	126.29
FSA-Council	11/28/11	200.00
FSA-Staff	11/30/11	701.08
Postage Meter Refill	11/30/11	800.00
Nov Bank Charges-Rabo	11/30/11	220.00
Nov Bank Charges-Montecito	11/30/11	33.30
Payroll Taxes	12/1/11	11,214.29
Health Premium	12/5/11	11,835.26
Deferred Compensation Plan	12/5/11	11,320.35
Aflac Sup Ins	12/5/11	175.00
Retirement Contribution	12/6/11	19,272.48
Dental/Vision Self Ins Dep	7/1/11	25,000.00
Dental/Vision Self Ins Dep	12/12/11	32,000.00
FSA-Staff	12/15/11	701.08
Payroll Taxes	12/16/11	10,986.77
Payroll Taxes	12/23/11	5,372.66
FSA-Council	12/28/11	200.00
Payroll Taxes	12/28/11	213.37
FSA-Staff	12/29/11	701.08
Total		\$ 131,073.01

CITY OF BUELLTN
City Council Agenda Staff Report

City Manager Review: JHK
Council Agenda Item No.: 3

To: The Honorable Mayor and City Council

From: Annette Muñoz, Finance Director

Meeting Date: January 12, 2012

Subject: Annual Report to Legislative Body

BACKGROUND

Section 33080.1 of the Health and Safety Code requires that each redevelopment agency within the State of California present an annual report to its legislative body within six months of the end of the agency's fiscal year. Accordingly, the following report covering fiscal year 2010-11 and containing the information required under Section 33080.1 is hereby submitted for your review and consideration:

- (a) An independent financial audit report for the previous fiscal year.

Please find attached a copy of the Buellton Redevelopment Agency Basic Financial Statements for the period ending June 30, 2011. The report includes an audit of the Agency's financial statements conducted by an independent auditor in accordance with generally accepted auditing standards and rules.

- (b) A fiscal statement for the previous fiscal year that contains the information required pursuant to Section 33080.5.

The Buellton Redevelopment Agency Basic Financial Statements for the period ending June 30, 2011, contain the information required pursuant to Section 33080.5.

- (c) A description of the agency's activities in the previous fiscal year affecting housing and displacement that contains the information required by Sections 33080.4 and 33080.7.

(1) There were no non-elderly and elderly households that were displaced or moved from their dwelling units as part of a redevelopment project of the Buellton Redevelopment Agency during the previous fiscal year or during the present fiscal year.

(2) No non-elderly and elderly households, other lower income households, or persons and families of moderate income, are estimated to be displaced or moved from their dwellings as part of a redevelopment project of the Agency during the present fiscal year.

- (3) There were no dwelling units housing very low income households, other low income households, or persons and families of moderate income, respectively, which were destroyed or removed from the low or moderate income housing market during the previous fiscal year as part of a redevelopment project of the Agency.
- (4) There were no Agency-assisted dwelling units constructed, rehabilitated, acquired, or subsidized during the previous fiscal year for occupancy at an affordable housing cost by elderly persons and families.
- (5) There were no new or rehabilitated units subject to paragraph (2) of subdivision (b) of Section 33413.
- (6) There were no expenditures from the Low and Moderate Income Housing Fund during fiscal year 2010-11.
- (7) An annual report for fiscal year 2010-11 was received from the manager of Central Gardens I, an affordable housing project serving persons and families of low or moderate income.
- (8) There were no funds expended for planning and general administrative costs of the HCP as defined in subdivisions (d) and (e) of Section 33334.3 during fiscal year 2010-11.
- (9) No other information is herewith provided in regard to housing programs.
- (10) Four dwelling units for very low and two dwelling units for low income households exist within Vintage Walk, which is managed by the Housing Authority of Santa Barbara County.
- (11) The date and amount of all deposits and withdrawals of monies deposited to and withdrawn from the Low and Moderate Income Housing Fund for fiscal year 2010-11 are as follows:

Deposits:	10/28/10	Tax Increment	\$17,980.04
	10/31/10	Interest	1,937.08
	11/29/10	Tax Increment	.67
	12/24/10	Tax Increment	90,873.55
	01/28/11	Tax Increment	392.34
	01/31/11	Interest	1,729.02
	04/29/11	Tax Increment	87,654.23
	04/30/11	Interest	1,550.75
	06/30/11	Tax Increment	102.15
	06/30/11	Interest	1,460.69
		Total:	<u>\$203,680.52</u>

Withdrawals:		None	
--------------	--	------	--

- (d) A description of the agency’s progress, including specific actions and expenditures, in alleviating blight in the previous fiscal year.

There were no activities of the Buellton Redevelopment Agency in the previous fiscal year to alleviate blight.

- (e) A list of, and status report on, all loans made by the redevelopment agency that are fifty thousand dollars (\$50,000) or more, that in the previous fiscal year were in default or not in compliance with the terms of the loan approved by the redevelopment agency.

There were no loans made by the Buellton Redevelopment Agency that were in default or not in compliance with the terms of the loan approved by the Agency during the previous fiscal year.

- (f) A description of the total number and nature of the properties that the agency owns and those properties the agency has acquired in the previous fiscal year.

The Buellton Redevelopment Agency owns one commercial unit in the Vintage Walk Development that is being leased to the Chamber of Commerce/Visitors Bureau.

- (g) Any other information that the agency believes useful to explain its programs including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.

No jobs were lost in the previous fiscal year as a result of activities of the Buellton Redevelopment Agency.

FISCAL IMPACT

There is no fiscal impact to the City as a result of the approval of this annual report. The cost of the Agency’s Audit is \$2,500.00 and is included in the Agency’s budget.

RECOMMENDATION

That the City Council review and accept the Agency Annual Report to Legislative Body and the Buellton Redevelopment Agency Basic Financial Statements for the period ended June 30, 2011.

ATTACHMENT

Attachment 1 - Buellton Redevelopment Agency Basic Financial Statements for the period ended June 30, 2011

BUELLTON REDEVELOPMENT AGENCY
BASIC FINANCIAL STATEMENTS
June 30, 2011

BUELLTON REDEVELOPMENT AGENCY
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MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Buellton Redevelopment Agency
Buellton, California

We have audited the accompanying financial statements of the governmental activities and each major fund of the Buellton Redevelopment Agency (Agency), a component unit of the City of Buellton, California (City), as of and for the fiscal year ended June 30, 2011, as listed in the foregoing table of contents. These financial statements are the responsibility of the Agency's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Agency, as of June 30, 2011, and the respective changes in the financial position thereof, for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in note 1 to basic financial statements effective July 1, 2010, the Buellton Redevelopment Agency adopted Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* and GASB Statement No. 59, *Financial Statements Omnibus*.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 28, 2011, on our consideration of the Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 4, and the budgetary information on page 17, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, are required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance

with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements taken as a whole. The Calculation of Excess Surplus on page 19 is presented for purposes of additional analysis and is not required parts of the financial statements. The Calculation of Excess Surplus is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

MOSS, LEVY & HARTZHEIM LLP

Moss, Levy & Hartzheim LLP

December 28, 2011

City of Buellton – Redevelopment Agency
107 West Highway 246
Buellton, CA 93427

Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2011

The discussion and analysis of the Redevelopment Agency's financial performance provides an overall review of the Agency's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the Agency's financial performance as a whole. Readers should also review the transmittal letter and the basic financial statements, as well as the prior year's report ended June 30, 2010, to enhance their understanding of the Agency's financial performance.

The financial section of this report has been prepared to show the results of the financial administration, financial condition, and operation of the Agency. The firm of Moss, Levy & Hartzheim, LLP, CPAs, whose opinion is incorporated into this report, has audited the combined financial statements included in the report. This report includes the financial statements for all funds.

BASIS OF ACCOUNTING AND FUND GROUPINGS

The accounting records of the Agency are maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures, other than accrued interest on long-term debt, are reported at the time liabilities are incurred and revenues are recorded when received in cash, except for measurable and available revenues which are accrued to properly reflect taxes levied and revenues earned. The Agency maintains funds in accordance with generally accepted accounting principles set forth by the GASB and other rule-making entities.

The following fund types are maintained by the Agency:

- Debt Service Fund for the repayment of principal and interest on Agency long-term debt.
- Capital Projects Fund to account for the resources available to acquire land and make improvements thereon, for eventual resale and redevelopment.
- Low and Moderate Fund for funding housing for low and moderate income families.

FINANCIAL HIGHLIGHTS

Tax Increment Revenue

For fiscal year end 2008 and 2009, the Redevelopment Project Area tax increment revenue increased at an average of 6 percent per year. Beginning fiscal year end 2010 there was a 4 percent decline. This decline is due to Proposition 8 reductions to residential properties. It is anticipated that tax increment revenue will decrease in the future.

The following compares the fiscal year 2010-11 tax increments receipts with the four previous years:

Valuation Year	2006	2007	2008	2009	2010
Fiscal Year Receipt	06-07	07-08	08-09	09-10	10-11
Total for the Year	\$524,807	\$728,216	\$753,573	\$817,468	\$788,012

Long-Term Debt

As of June 30, 2011 the Agency has long-term debt of \$1,876,208 consisting of advances from the City of Buellton.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, creditors, and investors, with a general overview of the Agency's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Annette Muñoz, Finance Director, PO Box 1819, Buellton, CA 93427. If you have questions regarding Agency programs, contact either John Kunkel, City Manager/Redevelopment Agency Executive Director or Marc Bierdzinski, Planning Director.

BASIC FINANCIAL STATEMENTS

BUELLTON REDEVELOPMENT AGENCY**STATEMENT OF NET ASSETS**June 30, 2011

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and investments	\$ 1,715,615
Receivables:	
Interest	6,737
Due from the City of Buellton	208,178
Prepaid items	<u>4,304</u>
Total assets	<u>1,934,834</u>
LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities	15,157
Noncurrent liabilities:	
Due in more than a year	<u>1,876,208</u>
Total liabilities	<u>1,891,365</u>
NET ASSETS	
Restricted for:	
Community development	201,866
Low and moderate housing	1,717,811
Unrestricted	<u>(1,876,208)</u>
Total net assets	<u>\$ 43,469</u>

The accompanying notes are an integral part of this statement.

BUELLTON REDEVELOPMENT AGENCY

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues			Total Program Revenues	Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
General government	\$ 403,163	\$ -	\$ -	\$ -	\$ -	\$ (403,163)
Total governmental activities	<u>\$ 403,163</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(403,163)</u>

General revenues:		
Property taxes		788,012
Investment earnings		<u>31,694</u>
Total general revenues		<u>819,706</u>
Change in net assets		416,543
Net assets, beginning of fiscal year		<u>(373,074)</u>
Net assets, end of fiscal year		<u>\$ 43,469</u>

The accompanying notes are an integral part of this statement.

BUELLTON REDEVELOPMENT AGENCY
GOVERNMENTAL FUNDS
BALANCE SHEET
 June 30, 2011

	Major Funds			Total Governmental Funds
	Low and Moderate Special Revenue Fund	RDA Capital Projects Fund	Community Development Fund	
ASSETS				
Cash and investments	\$ 1,715,615	\$ -	\$ -	\$ 1,715,615
Receivables:				
Interest	1,461	3,978	1,298	6,737
Due from the City of Buellton	735	877	206,566	208,178
Prepaid items			4,304	4,304
Total assets	\$ 1,717,811	\$ 4,855	\$ 212,168	\$ 1,934,834
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 15,157	\$ 15,157
Total liabilities			15,157	15,157
Fund Balances:				
Nonspendable:				
Prepaid items			4,304	4,304
Restricted:				
Community development		4,855	192,707	197,562
Housing	1,717,811			1,717,811
Total fund balances	1,717,811	4,855	197,011	1,919,677
Total liabilities and fund balances	\$ 1,717,811	\$ 4,855	\$ 212,168	\$ 1,934,834

The accompanying notes are an integral part of this statement.

BUELLTON REDEVELOPMENT AGENCY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET ASSETS
 June 30, 2011

Total Fund Balances - Governmental Funds \$ 1,919,677

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Long-term liabilities are not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet. The long-term liabilities were as follows:

Advances from the City of Buellton	<u>\$ 1,876,208</u>	
Total		<u>(1,876,208)</u>

Total Net Assets - Governmental Activities \$ 43,469

The accompanying notes are an integral part of this statement.

BUELLTON REDEVELOPMENT AGENCY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2011

	Major Funds			Total Governmental Funds
	Low and Moderate Special Revenue Fund	RDA Capital Projects Fund	Community Development Fund	
Revenues:				
Taxes	\$ 197,003	\$ 591,009	\$ -	\$ 788,012
Uses of money and property	6,678	18,159	6,857	31,694
Total revenues	203,681	609,168	6,857	819,706
Expenditures:				
Current:				
General government		103,904	260,398	364,302
Debt service:				
Interest			38,861	38,861
Principal			6,054,598	6,054,598
Total expenditures		103,904	6,353,857	6,457,761
Excess of revenues over (under) expenditures	203,681	505,264	(6,347,000)	(5,638,055)
Other Financing Sources (Uses)				
Transfers in			4,602,777	4,602,777
Transfers out		(4,602,777)		(4,602,777)
Total other financing sources (uses)		(4,602,777)	4,602,777	
Revenues and other financing sources over (under) expenditures and other financing uses	203,681	(4,097,513)	(1,744,223)	(5,638,055)
Fund balances, beginning of fiscal year	1,514,130	4,102,368	1,941,234	7,557,732
Fund balances, end of fiscal year	\$ 1,717,811	\$ 4,855	\$ 197,011	\$ 1,919,677

The accompanying notes are an integral part of this statement.

BUELLTON REDEVELOPMENT AGENCY

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**

For the Fiscal Year Ended June 30, 2011

Net Change in Fund Balances - Governmental Funds \$ (5,638,055)

Amounts reported for governmental activities in the statement of activities are different because:

In governmental funds, repayments of long-term debt are reported as expenditures.

In the government-wide statements, repayments of long-term debt are reported
as reductions of liabilities.

6,054,598

Change in Net Assets - Governmental Activities

\$ 416,543

The accompanying notes are an integral part of this statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Buellton Redevelopment Agency (Agency), a component unit of the City of Buellton, California, (City) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting purposes. The more significant of the Agency's accounting policies are described below.

A. Reporting Entity

The Buellton Redevelopment Agency (the Agency) is a separate government entity established in 1993, pursuant to the State of California Health and Safety Code, Section 33000 entitled "Community Redevelopment Law". Its purpose is to prepare and carry out plans for improvement, rehabilitation, and redevelopment of blighted areas within the City limits of Buellton. The State Health and Safety Code provides that, upon approval of a redevelopment plan, all future incremental increases in the tax base within the designated project area will be paid to the Agency until all indebtedness incurred to finance the project has been paid.

The City of Buellton exercises oversight responsibility over the Agency. This includes selection of its governing authority, the designation of its management, the City's ability to influence Agency's operations, financial interdependency, and the accountability for the Agency's fiscal matters. Based on this oversight criteria, the Agency is a component unit of the City of Buellton. Accordingly, the Agency's operations are also included in the City's basic financial statements.

B. Description of Funds

The accounts of the Agency are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. The Agency's resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The minimum number of funds is maintained consistent with legal and managerial requirements.

C. Government – wide Financial Statements

The Agency's government-wide financial statements include a Statement of Net Assets and a Statement of Activities. These statements present summaries of governmental activities for the Agency. The Agency does not have any business-type activities, therefore only governmental activities are reported.

These basic financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Agency's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Assets. The Statement of Activities presents changes in net assets. Under the accrual basis of accounting, expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the Agency in three categories: (1) charges for services, (2) operating grants and contributions, and (3) capital grants and contributions. This fiscal year has no program revenues.

D. Fund Financial Statements

Fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds. Accompanying reconciliations are presented to reconcile and explain the differences in fund balances as presented in these statements to the net assets presented in the government-wide financial statements. The Agency has presented all funds as major.

All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Financial Statements (Continued)

Revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after fiscal year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the Agency, are increment property tax, intergovernmental revenues, other taxes, interest revenues, rental revenues, and certain charges for services. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Deferred revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when the government received resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the deferred revenue from the balance sheet and revenue is recognized.

The Reconciliations of the Fund Financial Statements to the Government-wide Financial Statements are provided to explain the differences created by the integrated approach of GASB Statement No. 34.

E. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect the reported amounts of assets, liabilities, revenues, and expenditures or expenses, as appropriate. Actual results could differ from those estimates.

F. Property Tax Revenues

Incremental property tax revenues represent property taxes in each project area arising from increased assessed valuations over base valuations established at the inception of the project area. Incremental property taxes from each project area accrue to the Agency until all liabilities and commitments of the project area have been repaid (including cumulative funds provided or committed by the Agency). After all such indebtedness has been repaid, all property taxes from the project area revert back to the various taxing authorities.

G. Low and Moderate Income Housing

The California Health and Safety Code requires Agency project areas to deposit 20% of allocated incremental property tax revenues (or 20% of net bond proceeds plus 20% of incremental revenues in excess of debt service payments on the bond) into a Low and Moderate Income Housing Fund. Per City Ordinance No. 05-01, amendment number one of the redevelopment plan for the Buellton improvement project, the housing set aside was changed to 25% of the allocated incremental property tax revenues. This money is restricted for the purpose of increasing and improving the community's supply of low and moderate income housing. The Agency accounts for these revenues in a special revenue fund.

H. Deferred Revenue

Deferred revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as deferred revenue. On the governmental funds financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have also been recorded as deferred revenue.

I. Fund Balances

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Fund Balances (Continued)

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the Agency’s governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance – represents amounts which the Agency intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund’s primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the Agency.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the Agency considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Agency considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

J. Net Assets

Government-wide Financial Statements

Invested in Capital Assets, Net of Related Debt – This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted Net Assets – external creditors, grantors, contributors, and laws or regulations of other governments, restrict this amount.

Unrestricted Net Assets – This amount is all net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted net assets”.

K. New Accounting Pronouncements

Governmental Accounting Standards Board Statement No. 54

For the fiscal year ended June 30, 2011, the Agency implemented Governmental Accounting Standards Board (GASB) Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions.” The Statement is effective for periods beginning after June 15, 2010. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Implementation of the Statement and the impact on the Agency’s financial statements are explained in Note 1 – I Fund Balances.

BUELLTON REDEVELOPMENT AGENCY
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. New Accounting Pronouncements (Continued)

Governmental Accounting Standards Board Statement No. 59

For the fiscal year ended June 30, 2011, the Agency implemented Governmental Accounting Standards Board (GASB) Statement No. 59, "Financial Instruments Omnibus." The Statement is effective for periods beginning after June 15, 2010. The objective of this Statement is to update and improve existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. Implementation of the GASB Statement No. 59, did not have an impact on the Agency's financial statements for the fiscal year ended June 30, 2011.

NOTE 2 - CASH AND INVESTMENTS

Cash and investments at June 30, 2011, consisted of the following:

Cash and investments pooled with the City	<u>\$ 1,715,615</u>
Total cash and investments	<u>\$ 1,715,615</u>

See the City's Comprehensive Annual Financial Report for disclosures related to cash and investments pooled with the City and the related custodial risk categorization.

NOTE 3 - LONG-TERM DEBT

Advances From the City of Buellton

The City of Buellton has an agreement with the Agency providing for the advance of funds to finance improvements and operations relating to and within the project area. The interest rate charged by the City to the Agency is the average of the quarterly interest rate earned through LAIF. At June 30, 2011, the Agency has outstanding advances payable to the City of Buellton of \$1,876,208. No payment is due within one year.

Changes in Long-Term Debt Obligations

The following is a summary of long-term debt obligations during the 2010/11 fiscal year.

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2011</u>	<u>Due Within One Year</u>
Advances from City of Buellton	<u>\$ 7,930,806</u>	<u>\$ -</u>	<u>\$ 6,054,598</u>	<u>\$ 1,876,208</u>	<u>\$ -</u>
	<u>\$ 7,930,806</u>	<u>\$ -</u>	<u>\$ 6,054,598</u>	<u>\$ 1,876,208</u>	<u>\$ -</u>

NOTE 4 – INTERFUND TRANSACTIONS

Interfund transactions are reported as either loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers among governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Interfund Transfers

Interfund transfers consist of operating transfers from funds receiving revenue to funds through which the resources are to be expended.

Interfund transfers for the 2010-2011 fiscal year, are as follows:

	<u>Transfers In</u>	Transfers Out
Community Development Fund	\$ 4,602,777	\$ -
RDA Capital Projects Fund		4,602,777
	<u>\$ 4,602,777</u>	<u>\$ 4,602,777</u>

NOTE 5- SUBSEQUENT EVENT

Recent Changes in Legislation Affecting California Redevelopment Agencies

On June 29, 2011, the Governor of the State of California signed Assembly Bills X1 26 and 27 as part of the State’s budget package. Assembly Bill X1 26 requires each California redevelopment agency to suspend nearly all activities except to implement existing contracts, meet already-incurred obligations, preserve its assets and prepare for the impending dissolution of the agency. Assembly Bill X1 27 provides a means for redevelopment agencies to continue to exist and operate by means of a Voluntary Alternative Redevelopment Program. Under this program, each city would adopt an ordinance agreeing to make certain payments to the County Auditor Controller in fiscal year 2011-12 and annual payments each fiscal year thereafter. Assembly Bill X1 26 indicates that the City “may use any available funds not otherwise obligated for other uses” to make this payment. The City of Buellton intends to use available monies of its redevelopment agency for this purpose and the City and Agency have approved a reimbursement agreement to accomplish that objective. The amounts to be paid after fiscal year 2012-13 have yet to be determined by state legislature.

Assembly Bill X1 26 directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by Assembly Bill X1 26.

In the event that Assembly Bill X1 26 is upheld, the interagency receivable recognized by funds of the City that had previously loaned or advanced funds to the redevelopment agency may become uncollectible resulting in a loss recognized by such funds. The City might additionally be impacted if reimbursements previously paid by the redevelopment agency to the City for shared administrative services are reduced or eliminated.

The League of California Cities and the California Redevelopment Association (CRA) filed a lawsuit on July 18, 2011 on behalf of cities, counties and redevelopment agencies petitioning the California Supreme Court to overturn Assembly Bills X1 26 and 27 on the grounds that these bills violate the California Constitution. On August 11, 2011, the California Supreme Court issued a stay of all Assembly Bill X1 27 and most of Assembly Bill X1 26. The California Supreme Court stated in its order that “the briefing schedule is designed to facilitate oral argument as early as possible in 2011, and a decision before January 15, 2012.” A second order issued by the California Supreme Court on August 17, 2011 indicated that certain provisions of Assembly Bills X1 26 and 27 were still in effect and not affected by its previous stay, including requirements to file an appeal of the determination of the community remittance payment by August 15, the requirement to adopt an Enforceable Obligations Payment Schedule (“EOPS”) by August 29, 2011, and the requirement to prepare a preliminary draft of the initial Recognized Obligation Payment Schedule (“ROPS”) by September 30, 2011.

BUELLTON REDEVELOPMENT AGENCY
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2011

NOTE 5- SUBSEQUENT EVENT (Continued)

Because the stay provided by Assembly Bill XI 26 only affects enforcement, each agency must adopt an Enforceable Obligation Payment Schedule and draft Recognized Obligation Payment Schedule prior to September 30, as required by the statute. Enforceable obligations include bonds, loans and payments required by the federal or State government; legally enforceable payments required in connection with agency employees such as pension payments and unemployment payments, judgments or settlements; legally binding and enforceable agreements or contracts; and contracts or agreements necessary for the continued administration or operation of the agency that are permitted for purposes set forth in ABXI 26.

On August 15, 2011, City Ordinance No. 11-03 was adopted, indicating that the City will comply with the Voluntary Alternative Redevelopment Program in order to permit the continued existence and operation of the Agency, in the event Assembly Bills XI 26 and/or 27 are upheld as constitutional. The initial payment by the City is estimated to be \$372,698 with one half due on January 15, 2012 and the other half due May 15, 2012. Thereafter, an estimated \$87,470 will be due annually. The amounts to be paid after fiscal year 2012-13 have yet to be determined by the State Legislature. The semi-annual payments will be due on January 15 and May 15 of each year and would increase or decrease with changes in tax increment. Additionally, an increase amount would be due to schools if any "new debt" is incurred. Assembly Bill XI 27 allows a one-year reprieve on the Agency's obligation to contribute 20% of tax increment to the low-and-moderate-income housing fund so as to permit the Agency to assemble sufficient funds to make its initial payments. Failure to make these payments would require agencies to be terminated under the provisions of ABXI 26.

Management believes that the Agency will have sufficient funds to pay its obligations as they become due during the fiscal year ending June 30, 2012. The nature and extent of the operation of redevelopment agencies in the State of California beyond that time frame are dependent upon the outcome of litigation surrounding the actions of the state. In the event, that Assembly Bills XI 26 and/or 27 are specifically found by the courts to be unconstitutional, there is a possibility that future legislative acts may create new challenges to the ability of redevelopment agencies in the State of California to continue in view of the California State Legislature's stated intent to eliminate California redevelopment agencies and to reduce their funding.

REQUIRED SUPPLEMENTARY INFORMATION

BUELLTON REDEVELOPMENT AGENCY
LOW AND MODERATE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 120,000	\$ 120,000	\$ 197,003	\$ 77,003
Investment earnings	10,000	10,000	6,678	(3,322)
Total revenues	<u>130,000</u>	<u>130,000</u>	<u>203,681</u>	<u>73,681</u>
Expenditures:				
Current:				
General government	<u>28,500</u>	<u>28,500</u>		<u>28,500</u>
Total expenditures	<u>28,500</u>	<u>28,500</u>		<u>28,500</u>
Excess of revenues over (under) expenditures	101,500	101,500	203,681	102,181
Fund balance, beginning of fiscal year	<u>1,514,130</u>	<u>1,514,130</u>	<u>1,514,130</u>	
Fund balance, end of fiscal year	<u>\$ 1,615,630</u>	<u>\$ 1,615,630</u>	<u>\$ 1,717,811</u>	<u>\$ 102,181</u>

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COMPLIANCE SECTION

Buellton Redevelopment Agency
Excess Surplus Calculation
For the Fiscal Year Ended June 30, 2011

Fund Balance - Beginning of Year	<u>\$ 1,514,130</u>
Less Unavailable Funds - Included in beginning fund balance:	
Land held for resale	
ERAF loan receivable	
Total Unavailable Funds	<u>-</u>
Available Fund Balance-Beginning of Year	<u>1,514,130</u>
Current Year Proceeds/Uses	
Proceeds	203,681
Uses	
Changes in Unavailable Amounts	
Available Fund Balance-End of Year	<u>1,717,811</u>
Encumbrances	
Available Fund Balance-For Excess/Surplus	<u><u>\$ 1,717,811</u></u>

Does Available Fund Balance for Excess/Surplus exceed \$1,000,000? If so, enter Available Fund Balance and evaluate that amount against tax increment. If less enter zero. \$ 1,717,811

Does Available Fund Balance for Excess/Surplus exceed the greater of prior four years set-aside deposits or \$1,000,000?

Tax Increment Set-Aside Amounts	
Fiscal Year 2006-07	\$ 131,202
Fiscal Year 2007-08	182,054
Fiscal Year 2008-09	188,393
Fiscal Year 2009-10	204,367
Total Set-Aside Deposited into Fund	<u>\$ 706,016</u>
Greater of Tax Increment Deposits or \$1,000,000	<u>1,000,000</u>

Excess/Surplus Funds

Differences between Available Fund Balance for Excess/Surplus and prior four years tax increment set-aside deposits. \$ 717,811



MOSS, LEVY & HARTZHEIM LLP

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Buellton Redevelopment Agency
Buellton, California

We have audited the financial statements of the governmental activities and each major fund of the Buellton Redevelopment Agency (the Agency), a component unit of the City of Buellton, as of and for the fiscal year ended June 30, 2011, which collectively comprise the Agency's basic financial statements as listed in the table of contents, and have issued our report thereon dated December 28, 2011.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Such provisions include those provisions of laws and regulations identified in the Guidelines for Compliance Audits of California Redevelopment Agencies issued by the State Controller's Office, Division of Accounting and Reporting. However, providing an opinion on compliance with those provisions was

not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings as item 2011-1. The Agency's response to the finding identified in our audit is described in the accompany Schedule of Findings. We did not audit the Agency's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Agency's Board of Directors, Management, and the California State Controller's Office Division of Accounting and Reporting, and is not intended to be and should not be used by anyone other than these specified parties.

MOSS, LEVY & HARTZHEIM LLP

Moss, Levy & Hartzheim LLP

December 28, 2011



MOSS, LEVY & HARTZHEIM LLP

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**INDEPENDENT AUDITORS' REPORT ON
CALIFORNIA REDEVELOPMENT AGENCIES COMPLIANCE**

Board of Directors
Buellton Redevelopment Agency
Buellton, California

Compliance

We have audited the Buellton Redevelopment Agency's (Agency)'s compliance with the *Guidelines for Compliance Audits of California Redevelopment Agencies* issued by the California State Controller applicable to the agency for the fiscal year ended June 30, 2011. Compliance with the requirements referred to above is the responsibility of the Agency's management. Our responsibility is to express an opinion on the Agency's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Guidelines for Compliance Audits of California Redevelopment Agencies* issued by the California State Controller. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on State laws and regulations occurred. An audit includes examine, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Agency's compliance with those requirements. In our opinion, the Buellton Redevelopment Agency complied, in all material respects, with the compliance requirements referred to above that are applicable to the compliance requirements for the fiscal year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which are required to be reported in accordance with the California State Controller's, *Guidelines for Compliance Audits of California Redevelopment Agencies* and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2011-1. The Agency's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the Agency's response and, accordingly, we express no opinion on it.

Internal Control Over Compliance

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the Agency's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Agency's Board of Directors, management, and the California State Controller's Office Division of Accounting and Reporting, and is not intended to be and should not be used by anyone other than these specified parties.

MOSS, LEVY & HARTZHEIM LLP

Moss, Levy & Hartzheim LLP

December 28, 2011

FINDING 2011-1

Finding:

As of June 30, 2011, the Agency has excess surplus in the Low Moderate Special Revenue Fund in the amount of \$717,811.

Recommendation:

Management should prepare an appropriate course of action to eliminate the excess surplus by transferring the funds to a housing authority or other public agency or expend or encumber those funds. This decision should be made no later than June 30, 2012. The Agency has until June 30, 2012, to transfer, expend, or encumber those funds before incurring sanctions.

Agency's Response:

The Redevelopment Implementation Plan was adopted November 12, 2009 covering the period of 2010 to 2019. The issue of excess surplus in the Low Moderate Special Revenue Fund is addressed in part two of the Redevelopment Implementation Plan. Due to the recent mandate by the State to suspend nearly all Agency activities, for fiscal year ended June 30, 2011, no monies were expended, however, the Redevelopment Agency fully intends to implement the projected goals to transfer, expend or encumber the funds by June 30, 2012 if authorized to do so.

BUELLTON REVELOPMENT AGENCY
PRIOR FISCAL YEAR FINDINGS AND RECOMMENDATIONS
JUNE 30, 2011

FINDING 2010-1

Finding:

As of June 30, 2010, the Agency has excess surplus in the Low Moderate Special Revenue Fund in the amount of \$514,130.

Recommendation:

Management should prepare an appropriate course of action to eliminate the excess surplus by transferring the funds to a housing authority or other public agency or expend or encumber those funds. This decision should be made no later than June 30, 2010. The Agency has until June 30, 2012, to transfer, expend, or encumber those funds.

Status:

Not implemented, see current fiscal year finding 2011-1.

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: JHK
Council Agenda Item No.: 4

To: The Honorable Mayor and City Council

From: Planning Commission and Parks and Recreation Commission
By: Marc Bierdzinski, Planning Director
Rose Hess, City Engineer
Kyle Abello, Parks and Recreation Coordinator

Date: January 12, 2012

Subject: Resolution No. 12-01, “A Resolution of the City Council of the City of Buellton, California, Adopting the City of Buellton Bicycle and Pedestrian Master Plan and Making Findings in Support Thereof”

BACKGROUND

Over the past year, the Planning Commission and Parks and Recreation Commission have held numerous public workshops in order to receive public testimony and guidance in drafting a City of Buellton Bicycle and Pedestrian Master Plan (Master Plan). In addition to open forum discussions and brainstorming sessions, a walk-about/bike-along through the City was held to gain actual site information along various bicycle and pedestrian routes. The Appendices contain the public input and feedback we received. Please note that the Master Plan only applies to areas within the City Limits. Paths and routes shown outside the City Limits are from the County bikeway plan and shown for illustrative purposes.

All public input has been taken into consideration in developing the Master Plan. However, some public members had differing opinions on the location of routes and trails and staff had to weigh the pros and cons of the differing opinions. For instance, many community members desire a trail along the bluff of the Santa Ynez River within the City Limits. The City already has some of the necessary easements in this area west of Highway 101. Other community members are adamant that no trail be placed in or along the river as they feel that it would lead to unauthorized river access and trespassing on adjoining properties. A potential trail along the bluff overlooking the river within the City Limits is shown in master plan document. The trail would not be located within the river bed itself. A trail along the bluff was also a desire from the public visioning process.

In another example, the concern for trails and paths over private property has been addressed by giving these facilities the lowest construction priority until such time as the City obtains the necessary easements (including purchase). Trails and paths in existing rights-of-way or easements would be the higher priority for implementation.

The City Council should note that this is a Master Plan and not a construction document. In many instances, the City may not be able to obtain the necessary easements to construct a trail in a particular location. The Master Plan is a planning document similar to the General Plan. It plans for future pedestrian and bike routes that the community would like to see implemented. Will all the routes and trails shown in the document be constructed? No. As noted above, a priority ranking has been included for implementation.

The Planning Commission and Parks and Recreation Commission held a Joint Public Hearing on the Master Plan on December 12, 2011. The Commissions took public input and then adopted resolutions (Attachments 1 and 2) recommending that the City Council adopt the Master Plan with the following changes (changes are summarized in the January 2012 Errata Sheet included as Attachment 3):

1. References to City paths and trails outside the City Limits to be deleted.

The Errata Sheet clarifies the paths and trails under the jurisdiction of the City of Buellton and the status of the trails outside the City Limits.

2. Add additional wording to protect sensitive habitat and to discourage trespassing into the river.

Fencing requirements to discourage trespassing are already in the October 2011 Master Plan. Additional wording on habitat protection is included on the Errata Sheet.

3. Review the terms “Focus Group” and “Workshop” and revise terms if determined appropriate.

Focus Group changed to Focus/Stakeholder’s Group.

4. Provide a bike lane along McMurray Road from the river to Highway 246.

Path to be added to Master Plan as noted in Errata Sheet.

5. Add wording on additional protection for property owners with proposed trails on their property (Priority 4 trails). Both Commissions felt that the paths shown in the plan on private property should be kept in the plan but were concerned with protecting private property rights.

Additional wording included in Errata Sheet. This includes an opening statement that the trails are not existing and a statement that the City will not proceed with any trail implementation without 100% approval of the affected property owners.

6. Show a Class I/II bike lane along Highway 246.

Wording to be added to Master Plan as noted in Errata Sheet.

7. Add a disclaimer warning that the paths and trails shown are not public trails at this time. The concern here is that the public should not assume that the proposed trails shown in the Mater Plan are public at this time. They are just shown for planning purposes.

Wording added to beginning of Master Plan as noted in Errata Sheet.

The Planning Commission, on a 5-0 vote, adopted Resolution No. 11-06 (Attachment 1) recommending that the City Council adopt the Master Plan with the changes noted above. The Parks and Recreation Commission, on a 4-1 vote, adopted Resolution No. 11-01 (Attachment 2) also recommending that the City Council adopt the Master Plan with the changes noted above. The dissenting vote was from Commissioner Larry Bishop. Commissioner Bishop felt that major changes should not be made to the Master Plan now that it is ready for adoption. Staff indicated that the changes being developed were not major changes but slight modifications to the Master Plan that would not change the intent or remove any identified paths or trails.

A hard copy of the Master Plan has been provided to the City Council. The electronic copy of the Master Plan may be accessed on the City's website. An Errata Sheet (January 2012) to the Master Plan based on comments made at the December 12, 2011, Joint Meeting of the Parks and Recreation and Planning Commissions is provided as Attachment 3. The January 2012 Errata Sheet makes the changes noted above.

ENVIRONMENTAL REVIEW

This project is a Class 6 (Information Collection) Categorical Exemption from the California Environmental Quality Act because it is a study that may lead to future projects that have not been approved, adopted, or funded. Any potential bike route/path listed in the Master Plan will be processed individually with the appropriate level of environmental review.

FISCAL IMPACT

This item, in itself, has no fiscal impact to the City. Adoption of the Master Plan does not commit the City to construction of any the identified bicycle or pedestrian paths. Obtaining easements and authorizing expenditure of funds for construction would be brought before the City Council on a case-by-case basis.

RECOMMENDATION

That the City Council consider the adoption of Resolution No. 12-01, “A Resolution of the City Council of the City of Buellton, California, Adopting the City of Buellton Bicycle and Pedestrian Master Plan, and Making Findings in Support Thereof”

ATTACHMENTS

Attachment 1 – Planning Commission Resolution No. 11-06

Attachment 2 – Parks and Recreation Resolution No. 11-01

Attachment 3 – January 2012 Errata Sheet to the Draft City of Buellton Bicycle and Resolution No. 12-01

[Draft Bicycle and Pedestrian Master Plan](#) (hard copies to City Council, electronic copy available on the City’s website)

PLANNING COMMISSION RESOLUTION NO. 11-06

A Resolution of the Planning Commission of the City of Buellton, California, Making Recommendations to the City Council of the City of Buellton on the City of Buellton Bicycle and Pedestrian Master Plan, and Making Findings in Support Thereof

SECTION 1: The Planning Commission has held one workshop for the Bicycle and Pedestrian Master Plan, plus one joint workshop with the Buellton Parks and Recreation Commission, in order to solicit comments from the public and interested stakeholder groups.

SECTION 2: All proceedings having been duly taken as required by law; and upon review of the information provided in the staff report, consideration of the testimony given at the public hearing, as well as other pertinent information, the Planning Commission finds the following:

A. Record. Prior to rendering a decision on any aspect of the proposed Bicycle and Pedestrian Master Plan, the Planning Commission considered the following:

1. All Public testimony, both written and oral, received in conjunction with the public hearing conducted by the Planning Commission on December 12, 2011.
2. All oral, written and visual materials presented by City staff in conjunction with the Public Hearings.
3. The following informational documents which, by this reference, are incorporated herein.

a. The written reports submitted by the Planning/Parks and Recreation/Engineering Department dated December 12, 2011 (the "Staff Report").

B. Public Review. On the basis of evidence hereinafter listed, all administrative procedures and public participation requirements prescribed in the Buellton Municipal Code have been lawfully satisfied:

1. A Notice was published in a newspaper of general circulation on December 1, 2011 (the "Public Notice") a minimum of ten (10) days in advance of the Public Hearing conducted on December 12, 2011.
2. The Public Notice and Agenda for the Public Hearing was posted in three conspicuous public places on December 1, 2011, a minimum of 10 days before the Public Hearings.

- C. **Environmental Clearance.** This project is a Class 6 (Information Collection) Categorical Exemption from the California Environmental Quality Act because it is a study that may lead to future projects that have not been approved, adopted, or funded. Any potential bike route/path listed in the Master Plan will be processed individually with the appropriate level of environmental review.

- D. **Consistency Declarations.** Based on (i) the evidence presented in the Staff Report (incorporated herein by reference), (ii) consultations with affected City Departments, and (iii) testimony and comments received in connection with the public hearing, the Planning Commission does hereby declare as follows:

1. City of Buellton Bicycle and Pedestrian Master Plan.

a. Findings:

- i. The Bicycle and Pedestrian Master Plan is in the interest of the general community welfare.

- ii. The Bicycle and Pedestrian Master Plan is consistent with the General Plan, the requirements of the State Bicycle Transportation Act.

- iii. The Bicycle and Pedestrian Master Plan is consistent with good planning, recreation and transportation practices.

SECTION 3: The Planning Commission hereby recommends that the City Council adopt the City of Buellton Bicycle and Pedestrian Master Plan incorporated herein by reference with the following modifications to be made by staff in the document transmitted to City Council:

- 1. References to City paths and trails outside the City Limits to be deleted.
- 2. Add additional wording to protect sensitive habitat and to discourage trespassing into the river.
- 3. Review the terms “Focus Group” and “Workshop” and revise terms if determined appropriate.
- 4. Provide a bike lane along McMurray Road from the river to Highway 246.
- 5. Add wording on additional protection for property owners with proposed trails on their property (Priority 4 trails).
- 6. Show a Class I/II bike lane along Highway 246.
- 7. Add a disclaimer warning that the paths and trails shown are not public trails at this time.

SECTION 4: The Planning Commission Secretary shall certify as to the adoption of this Resolution and shall cause the same to be transmitted to the City Clerk for consideration by the City Council.

PASSED, APPROVED and ADOPTED this 12th day of December 2011.



Foster Reif, Planning Commission Chair

ATTEST:



Clare Barcelona, Planning Commission Secretary

PARKS AND RECREATION COMMISSION RESOLUTION NO. 11-01

A Resolution of the Parks and Recreation Commission of the City of Buellton, California, Making Recommendations to the City Council of the City of Buellton on the City of Buellton Bicycle and Pedestrian Master Plan, and Making Findings in Support Thereof

SECTION 1: The Parks and Recreation Commission has held seven workshops for the Bicycle and Pedestrian Master Plan, plus one joint workshop with the Buellton Planning Commission, in order to solicit comments from the public and interested stakeholder groups.

SECTION 2: All proceedings having been duly taken as required by law; and upon review of the information provided in the staff report, consideration of the testimony given at the public hearing, as well as other pertinent information, the Parks and Recreation Commission finds the following:

A. Record. Prior to rendering a decision on any aspect of the proposed Bicycle and Pedestrian Master Plan, the Parks and Recreation Commission considered the following:

1. All Public testimony, both written and oral, received in conjunction with the public hearing conducted by the Parks and Recreation Commission on December 12, 2011.
2. All oral, written and visual materials presented by City staff in conjunction with the Public Hearings.
3. The following informational documents which, by this reference, are incorporated herein.

a. The written reports submitted by the Planning/Parks and Recreation/Engineering Department dated December 12, 2011 (the "Staff Report").

B. Public Review. On the basis of evidence hereinafter listed, all administrative procedures and public participation requirements prescribed in the Buellton Municipal Code have been lawfully satisfied:

1. A Notice was published in a newspaper of general circulation on December 1, 2011 (the "Public Notice") a minimum of ten (10) days in advance of the Public Hearing conducted on December 12, 2011.
2. The Public Notice and Agenda for the Public Hearing was posted in three conspicuous public places on December 1, 2011, a minimum of 10 days before the Public Hearings.

C. Environmental Clearance. This project is a Class 6 (Information Collection) Categorical Exemption from the California Environmental Quality Act because it is a study that may lead to future projects that have not been approved,

adopted, or funded. Any potential bike route/path listed in the Master Plan will be processed individually with the appropriate level of environmental review.

- D. Consistency Declarations.** Based on (i) the evidence presented in the Staff Report (incorporated herein by reference), (ii) consultations with affected City Departments, and (iii) testimony and comments received in connection with the public hearing, the Parks and Recreation Commission does hereby declare as follows:

1. City of Buellton Bicycle and Pedestrian Master Plan.

a. Findings:

- i. The Bicycle and Pedestrian Master Plan is in the interest of the general community welfare.
- ii. The Bicycle and Pedestrian Master Plan is consistent with the General Plan, the requirements of the State Bicycle Transportation Act.
- iii. The Bicycle and Pedestrian Master Plan is consistent with good planning, recreation and transportation practices.

SECTION 3: The Parks and Recreation Commission hereby recommends that the City Council adopt the City of Buellton Bicycle and Pedestrian Master Plan incorporated herein by reference with the following modifications to be made by staff in the document transmitted to City Council:

1. References to City paths and trails outside the City Limits to be deleted.
2. Add additional wording to protect sensitive habitat and to discourage trespassing into the river.
3. Review the terms "Focus Group" and "Workshop" and revise terms if determined appropriate.
4. Provide a bike lane along McMurray Road from the river to Highway 246.
5. Add wording on additional protection for property owners with proposed trails on their property (Priority 4 trails).
6. Show a Class I/II bike lane along Highway 246.
7. Add a disclaimer warning that the paths and trails shown are not public trails at this time.

SECTION 4: The Parks and Recreation Commission Secretary shall certify as to the adoption of this Resolution and shall cause the same to be transmitted to the City Clerk for consideration by the City Council.

PASSED, APPROVED and ADOPTED this 12th day of December 2011.



Mark Cavanaugh
Parks and Recreation Commission Chair

ATTEST:



Clare Barcelona
Parks and Recreation Commission Secretary

STATE OF CALIFORNIA)
 COUNTY OF SANTA BARBARA) SS
 CITY OF BUELLTON)

I, Clare Barcelona, Parks and Recreation Commission Secretary of the City of Buellton, do hereby certify that the above and foregoing Resolution No. 11-01 was duly passed and adopted by the Parks and Recreation Commission of said City at a special meeting thereof, held on the 12th day of December 2011, by the following vote, to wit:

- AYES: (4) Commissioners David Bishop, Marie Chavis, Vice Chair Tom Armor and Chairman Mark Cavanaugh
- NOES: (1) Commissioner Larry Bishop
- ABSENT: (0)

IN WITNESS WHEREOF, I have hereunto set my hand this 12th day of December 2011.



 Clare Barcelona
 Parks and Recreation Commission Secretary

**BICYCLE AND PEDESTRIAN MASTER PLAN
JANUARY 2012 ERRATA SUMMARY SHEET**

PROPOSED CHANGES TO THE OCTOBER 2011 MASTER PLAN HAVE BEEN SUMMARIZED HERE AND WILL BE INCORPORATED UPON APPROVAL BY THE CITY COUNCIL.

Previous Language	Proposed Language	Reason	Location
n/a	"Maps shown in this document are for planning and grant purposes only. Maps shall not be construed as existing unless otherwise noted. These maps are not intended to imply approval for access by any property owner unless designated with an easement to the City."	Request of Park & Recreation and Planning Commission	To be placed as the first page, prior to the Table of Contents.
Focus Group	Focus/Stakeholder's Group	Request by SYV Ranchers regarding definition, recommended by Park & Recreation and Planning Commission	Various throughout document.
n/a	"The City will not proceed with design for a proposed trail segment without approval and consent of 100% of the affected property owners within the proposed segment. Approval and consent of the property owners will be documented through a grant of easement.	Request of Park & Recreation and Planning Commission	Page 19, as new 3 rd paragraph under <i>Property Owner Rights</i>
n/a	"The City recognizes the need to be proactive in the preservation of environmental resources. The City already has water quality and watershed protection initiatives in place. Any proposed trail design, particularly along the Santa Ynez River, would be required to comply. "	Request of Park & Recreation and Planning Commission	Page 20, as new 1 st paragraph after bullet list of proposed features.
"Proposed Class II Bicycle Routes" along Highway 246	"Proposed Class I/II Bicycle Routes, where possible" along Highway 246	Request of Park & Recreation and Planning Commission	Figure 4-4, page 27 and 27a.
n/a	Add proposed trail from south end of Proposed Class III Bicycle Route to south for trail connection.	Request by P.Brierton, recommended by Park & Recreation and Planning Commission	Figure 4-4, page 27 and 27a.
n/a	Show proposed trail from south Industrial Way to south.	Was previously shown but easement layer overshadowed.	Figure 4-4, page 27 and 27a. Figure 501, page 33 and 33a.
"Highway 246 – West City limit to East City limit – Class II"	"Highway 246 – West City limit to East City limit – Class I/II"	Request of Park & Recreation and Planning Commission	Table 4-1, page 28
"While there are no official ..."	"There are no official ..."	Request by SYV Ranchers, recommended by Park & Recreation and Planning Commission	Page 29.
"While this area is now outside the jurisdiction of the City of Buellton, it is possible	"These areas are outside of the City of Buellton city limits and are under the	Request by SYV Ranchers, recommended by Park & Recreation and Planning	Page 31.

that the trail proposed in the Buellton Bicycle and Pedestrian Master Plan may connect south on Avenue of Flags, over the Santa Ynez River through the parcels of the rock quarry. (As of November 23, 2011 Comments have not been received from the County of Santa Barbara to address trail routes outside the Buellton City limits)."	jurisdiction of County of Santa Barbara. The County has not yet made a determination regarding the feasibility of a Santa Ynez River Trail. Should the County proceed with a River Trail, the City of Buellton may establish a connection where appropriate and within the City of Buellton limits."	Commission	
n/a	Update pedestrian map legend.	Missing item on legend.	Page 33 and 33a.
"Install Class II bicycle facility on Highway 246..."	"Install Class I/II bicycle facility as possible on Highway 246..."	Request of Park & Recreation and Planning Commission	Appendix F, Recommended Capital Projects, Bullets 2, 3 and 4.

RESOLUTION NO. 12-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, ADOPTING THE CITY OF BUELLTON BICYCLE AND PEDESTRIAN MASTER PLAN AND MAKING FINDINGS IN SUPPORT THEREOF

BE IT RESOLVED by the City Council of the City of Buellton as follows:

SECTION 1: The Planning Commission has held one workshop for the Bicycle and Pedestrian Master Plan (Master Plan), plus one joint workshop with the Buellton Parks and Recreation Commission, in order to solicit comments from the public and interested stakeholder groups. On December 12, 2011, at a Joint Special meeting of the Planning Commission and Parks and Recreation Commission, the Planning Commission adopted Resolution No. 11-06 recommending approval of the Master Plan.

SECTION 2: The Parks and Recreation Commission has held seven workshops for the Bicycle and Pedestrian Master Plan, plus one joint workshop with the Buellton Planning Commission, in order to solicit comments from the public and interested stakeholder groups. On December 12, 2011, at a Joint Special meeting of the Planning Commission and Parks and Recreation Commission, the Parks and Recreation Commission adopted Resolution No. 11-01 recommending approval of the Master Plan.

SECTION 3: All proceedings having been duly taken as required by law, and upon review of the information provided in the staff report, consideration of the testimony given at the public hearing, as well as other pertinent information, the City Council finds the following:

- A. Record.** Prior to rendering a decision on the Project, the City Council considered the following:
1. All public testimony, both written and oral, received in conjunction with that certain joint public hearing conducted by the Planning Commission and Parks and Recreation Commission on December 12, 2011 (“Joint Commission Public Hearing”), as contained in Planning Commission Resolution No. 11-06 and Parks and Recreation Commission Resolution No. 11-01.
 2. All oral, written and visual materials presented by City staff in conjunction with that certain Joint Commission Public Hearing.
 3. All public testimony, both written and oral, received in conjunction with that certain public hearing conducted by the City Council on January 12, 2012 (“City Council Public Hearing”).
 4. All oral, written and visual materials presented by City staff in conjunction with that certain City Council Public Hearing.

5. The following informational documents, which by reference, are incorporated herein:
 - a. That certain written report submitted by the Planning Department dated January 12, 2012 (the “Staff Report”).
 - b. Planning Commission Resolution No. 11-06 and Parks and Recreation Commission Resolution No. 11-01.
 - c. The Draft City of Buellton Bicycle and Pedestrian Master Plan (October 2011) and January 2012 Errata Sheet.

B. Public Review. On the basis of evidence hereinafter listed, all administrative procedures and public participation requirements prescribed in the Buellton Zoning Ordinance have been lawfully satisfied:

1. A Notice was published in a newspaper of general circulation on December 1, 2011 (the “Public Notice”) a minimum of ten (10) days in advance of the Public Hearing conducted on December 12, 2011.
2. The Public Notice and Agenda for the Public Hearing was posted in three conspicuous public places on December 1, 2011, a minimum of 10 days before the Public Hearings.
3. A Notice of Public Hearing was published in a newspaper of general circulation on December 1, 2011 a minimum of 10 days in advance of the Joint Commission Public Hearing held on December 12, 2011.
4. The Public Notice and Agenda for the Joint Commission Public Hearing were posted in three public locations on December 1, 2011, a minimum of 10 days in advance of the Joint Commission Public Hearing held on December 12, 2011.
5. A notice of City Council Public Hearing was published in a newspaper of general circulation on December 29, 2011 (the “City Council Public Notice”), a minimum of 10 days in advance of the City Council Public Hearing conducted on January 12, 2012.
6. The City Council Public Notice was posted in three public locations on December 29, 2011, a minimum of 10 days in advance of the City Council Public Hearing.

C. Environmental Review. This project is a Class 6 (Information Collection) Categorical Exemption from the California Environmental Quality Act because it is a study that may lead to future projects that have not been approved, adopted, or funded. Any potential bike route/path listed in the Master Plan will be processed individually with the appropriate level of environmental review.

D. Consistency Declarations. Based on (i) the evidence presented in the Staff Report (incorporated herein by reference), (ii) consultations with affected City Departments, and (iii) testimony and comments received in connection with the public hearing, the Planning Commission does hereby declare as follows:

1. City of Buellton Bicycle and Pedestrian Master Plan.

a. Findings:

- i.** The Bicycle and Pedestrian Master Plan is in the interest of the general community welfare.
- ii.** The Bicycle and Pedestrian Master Plan is consistent with the General Plan, the requirements of the State Bicycle Transportation Act.
- iii.** The Bicycle and Pedestrian Master Plan is consistent with good planning, recreation and transportation practices.

SECTION 4: Based on the findings set forth in Sections 2 and 3, the City Council hereby approves the City of Buellton Bicycle and Pedestrian Master Plan and January 2012 Errata Sheet.

SECTION 5: The City Clerk shall certify as to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED this 12th day of January 2012

Holly Sierra
Mayor

Linda Reid
City Clerk

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: JHK
Council Agenda Item No.: 5

To: The Honorable Mayor and City Council

From: Kyle Abello, Recreation Coordinator

Meeting date: January 12, 2012

Subject: Request for City Support of Avenue of Flags Criterium

BACKGROUND

During public comment at the November 10, 2011 regular City Council meeting, Mr. Mike Hecker, owner of SG Productions and board member of the Santa Ynez Valley Cycling Club, a 501c3 non-profit organization, requested that the Council consider City support for an Avenue of Flags Criterium. At Council direction, the item was placed on the December 8, 2012 City Council agenda where Mr. Hecker gave a verbal presentation and the Council discussed the request for support. After voicing concerns regarding the lack of a written budget and the amount and nature of the request, a successful motion was made to approve the Criterium event in concept along with City provided law enforcement. In addition, the motion stipulated that Mr. Hecker convene an event committee meeting with a Council Member, a Buellton Chamber of Commerce representative, and SYV Cycling Club members and that the item return to the City Council on January 12 with a written budget forecast.

In accordance with Council direction, Mr. Hecker and the SYV Cycling Club have prepared the attached Event Overview and Budget Forecast. They are prepared to report on the outcome of the required Event Committee meeting and to present a revised request for City Sponsorship for the Avenue of Flags Criterium.

FISCAL IMPACT

The fiscal impact of this item, if the request is approved in full, would be \$10,000 from the General Fund.

RECOMMENDATION

That the City Council consider the request for City support of an Avenue of Flags Criterium and direct Staff as appropriate.

ATTACHMENT

Attachment 1 - Avenue of Flags Criterium Event Overview and Budget Forecast

OVERVIEW

Avenue of the Flags Criterium March 31, 2012

**Prepared Exclusively For:
Buellton City Council
January 3, 2012**

Madame Mayor and Distinguished Member of the Buellton City Council:

Overview:

Per your request during the City Council Meeting, following is a summary of our request for participation and budget forecast/ P&L for the event.

To review, a criterium is a race that normally takes place in a downtown setting where riders do laps of a course between roughly one half mile and a mile in length.

Riders race lap after lap with intermediate prizes for fastest laps and the like; truly a spectators event. This event will bring professionals to our area and their support crews; occupying hotel rooms and eating at restaurants.

City Participation:

My race promotions company, Stump Grinder Productions, to do the vast share of the labor in planning and conducting this race in conjunction with the volunteer efforts of members of Santa Ynez Valley Cycling Club who will bring 40 to 50 volunteers to the event.

We need your help, in the form of offsetting costs to host such an event. While a professional race can cost a host city upwards hundreds of thousands of dollars and hundreds of labor-hours, our enclosed budget forecasts expenses of less than \$43,000 to expose our city and local businesses to fans, family members and racers from throughout the world who will be spending money in Buellton.

As a race promoter, I will bill for the bulk of the costs and resources to put the race event on and request participation from the City of Buellton in terms of city-related expenses and a portion of the prize purse to be used for a professional prize purse and marketing for the event. We request participation in the form of a title sponsorship from the City of Buellton

Closing Statement:

Our passion for a healthy lifestyle for ourselves and our children drives us to be better people in this community.

We estimate roughly 600 participants in the events during this race weekend.

In conjunction with Santa Ynez Cycling Club, we will be promoting the event and conducting local bicycle safety and educational events at schools in our valley to build good will and encourage participating from local families.

Madame Mayor and Distinguished Council Members, we hope to count on your participation in the form of city-related expenses and \$10,000 to be title sponsor for the first annual, "BUELLTON AVENUE OF THE FLAGS CRITERIUM."

Thank you.

Mike Hecker

Budget Forecast

Expense Forecast

Avenue of the Flags Criterium Expenses		
Course/ Site		Estimated
USAC Officials		\$1,500.00
USAC Event Permit		\$1,000.00
USAC Event Insurance		\$1,800.00
Fencing		\$3,500.00
200 Street Cones		\$500.00
200 Wooden Stakes		\$125.00
Start/ Finish Truss/ Signage		\$7,000.00
No Parking Signs		\$100.00
Law Enforcement	\$0.00	
City Permits	\$0.00	
Hay Bales/ Misc		\$500.00
Total		\$16,025.00
Event Costs		
		Estimated
Announcer		\$250.00
Sound System		\$250.00
SG Productions Labor		\$4,000.00
Total		\$4,500.00
Publicity		
		Estimated
Graphics work		\$500.00
Photocopying/Printing		\$500.00
Advertising		\$2,000.00
Postage		\$250.00
Total		\$3,250.00
Prizes		
		Estimated
Purse		\$15,000.00
Total		\$15,000.00
Total Expenses		
		Estimated
		\$38,775.00

Income Forecast

Avenue of the Flags Criterium Income			
Rider Entries			Estimated
Estimated	Revenue		
600	\$30.00		\$18,000.00
			\$18,000.00
Event Sponsors			Estimated
Estimated	Revenue		
City of Buellton	\$10,000.00		\$10,000.00
2	\$3,500.00		\$7,000.00
6	\$500.00		\$3,000.00
			\$20,000.00
Total Income			Estimated
			\$38,000.00

Profit/Loss Forecast

Avenue of the Flags Criterium PROFIT/LOSS SUMMARY

	Estimated
Total income	\$38,000.00
Total expenses	\$38,775.00
Total profit (or loss)	(\$775.00)

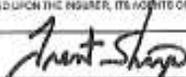
Supplemental Information

- Criterium Images
- Sample Insurance Policy
- Sample Race Flyer
- Educational and Bicycle Safety Outreach

criterium Images



Sample Event Insurance

ACORD CERTIFICATE OF LIABILITY INSURANCE						DATE (MM/DD/YYYY) 04/08/2010
PRODUCER: PHILADELPHIA INSURANCE COMPANIES 3889 BELT LINE ROAD SUITE 650 ADDISON, TEXAS 75001		Serial # 118929	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.			
INSURED: USA CYCLING, INC # 1332 TEAM COASTAL TREE CARE-SQBC 371 ALDER LN BUELLTON, CA 93427		INSURERS AFFORDING COVERAGE		NAIC#		
		INSURER A: PHILADELPHIA INSURANCE COMPANIES				
		INSURER B:				
		INSURER C:				
		INSURER D:				
		INSURER E:				
COVERAGES THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
TYPE	CLASS	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	PHPK00301	12/31/2008	12/31/2010	EACH OCCURRENCE \$ 1,000,000
		GENERAL AGGREGATE LIMIT APPLIES PER POLICY <input type="checkbox"/> OCC <input type="checkbox"/> LOG				CLAIMS TO BE PAID PER OCCURRENCE \$ 100,000 MEDICAL (No one party) \$ PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/PROP AGG \$ 1,000,000
		AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS NON-OWNED AUTOS HIRED AUTOS NON-OWNED AUTOS				OWNED SINGLE UNIT (Per accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GROUND LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY EA ACC \$ AUTO ONLY EA ACC \$
		BUSINESS/PERSONAL LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE \$ <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
		WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY ANY WORKERS' COMPENSATION OR EMPLOYERS' LIABILITY (If yes, describe under SPECIAL PROVISIONS below)				<input type="checkbox"/> NON-STATUTORY (LMS) <input type="checkbox"/> STATUTORY \$1,000,000 PER ACCIDENT \$1,000,000 PER EMPLOYEE \$1,000,000 PER POLICY LIMIT
		OTHER				
DESCRIPTION OF OPERATIONS, LOCATIONS, VEHICLES, EXCLUSIONS ADDED BY ENDORSEMENTS/SPECIAL PROVISIONS CERTIFICATE HOLDER IS AN ADDITIONAL INSURED WITH RESPECTS TO EVENT ID # 2010-1332 TEAM COASTAL TREE CARE-SQBC PRESENTS SANTA YNEZ VALLEY CLASSIC IN LOS OLIVOS, CA ON 4-9-2010, 4-10-2010 AND 4-11-2010, BUT ONLY WITH RESPECTS TO THE LIABILITY ARISING OUT OF THE NAMED INSURED'S OPERATIONS.						
CERTIFICATE HOLDER TED CHAMBERLIN RANCH PD BOX 218 LOS OLIVOS, CA 93441				CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL endeavor to MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE		
						

ACORD 25 (2001/06)
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Sample Race Flyer

The flyer features a central photograph of cyclists in a race. The background is a mix of yellow and grey. At the top left, there is a stylized bicycle logo made of colorful lines, with the text "DANA POINT GRAND PRIX OF CYCLING" below it. To the right, the "AMGEN" logo is displayed above the text "Breakaway from Cancer" with a stylized graphic of two large blue circles. A red starburst graphic on the right side contains the text "OVER \$30,000 Cash & Prizes". At the bottom, the date "SUNDAY, MAY 1, 2011" is written in large red letters. Below the date, a paragraph of text describes the race. The bottom of the flyer is filled with various logos and sponsors, including "Jack Hops", "City of Dana Point", "Pacific Meso Center", "ictv", "93.1 JACK FM", "COX", and "CLIF BAR". A vertical photo credit "Photo: Danny Mueson" is on the right side.

AMGEN
Breakaway from Cancer

DANA POINT GRAND PRIX
OF CYCLING

OVER \$30,000
Cash & Prizes

SUNDAY, MAY 1, 2011

Join top professionals, amateurs and kids as they race around downtown Dana Point on the best race course in America overlooking the beautiful Pacific Ocean and spectacular Dana Point Harbor.

Photo: Danny Mueson

Jack Hops
CITY OF DANA POINT
PACIFIC MESO CENTER
of Public Health, Long & Wood Products
ictv
93.1 JACK FM
playing what we want
COX
CLIF BAR

WYTHAM RACE CALENDAR

Educational and Bicycle Safety Outreach *'SYVCC Youth Activities'*

- Kids Races with Medals
- Bike Check Up Station Hosted by SYVCC Members
- Free Helmets for Those in Need
- Free Water Bottles
- ClifBar Products/ Samples
- Kid Porters to assist teams and race staff (selected by teachers)
- Criterium Education via Valley Schools including a fact sheet
- SYVCC Juniors Racers at Info Booth

Questions?

Thank you!

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: JHK
Council Agenda Item No.: 6

To: The Honorable Mayor and City Council

From: John Kunkel, City Manager

Meeting Date: January 12, 2012

Subject: Discussion Regarding Painting Curbs Red in Front of Fire Hydrants near River View Park

BACKGROUND

The City has traditionally chosen not to paint red curb areas in front of fire hydrants. This practice has several advantages in that we do not have to re-paint these areas and thus save time and money. However, there is a misconception that if the area in front of a fire hydrant is not painted red, then it is allowable to park in front of one. California Vehicle Code Section 22514 prohibits parking within 15 feet of a fire hydrant. Under subsection b of the above code, local authority can reduce this distance but if the distance is reduced to less than 10 feet it must be indicated by signs or curb markings. With the recent increased usage of River View Park for large events, some citations have been issued for parking in front of fire hydrants. There have been some complaints by the violators that they thought since it was not marked they could park there, but ignorance of the law is not an excuse. However, it would be allowable to paint only certain hydrants in the City and leave others unmarked. If we look at the area adjacent to River View Park, there are 6 hydrants that would require curb painting.

FISCAL IMPACT

Cost of time and materials to paint the curbs with work to be done by the Public Works Department.

RECOMMENDATION

If Council chooses to designate the above hydrants for curb painting staff would recommend the painted length to be five feet. If approved staff will prepare the necessary resolution and place it on the January 26th Council meeting.

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: JHK
Council Agenda Item No.: 7

To: The Honorable Mayor and City Council

From: John Kunkel, City Manager

Meeting Date: January 12, 2012

Subject: Discussion Regarding Date for Annual Retreat

BACKGROUND

The annual retreat is an informal meeting and a chance for Council and staff to set goals for the upcoming year. This is an open meeting and must be held within the jurisdictional confines of the City. Last year, we held the retreat on a Saturday. Council is free to choose any date that fits its schedule. Staff would also like to solicit items from the Council that they would like to see on the retreat agenda.

FISCAL IMPACT

None

RECOMMENDATION

That the City Council select a date for the retreat.



BUELLTON REDEVELOPMENT AGENCY

REGULAR AGENCY MEETING AGENDA

**Commencing Immediately Following the
Regular City Council Meeting of January 12, 2012 at 6:00 p.m.
City Council Chambers
140 West Highway 246, Buellton, California**

Copies of staff reports or other written documentation relating to each item of business referred to on this Agenda are on file in the office of the Agency Secretary and are available for public inspection

CALL TO ORDER

Agency Chair Holly Sierra

ROLL CALL

Agency Members Ed Andrisek, Judith Dale, Leo Elovitz, Agency Vice Chair Dave King, and Agency Chair Holly Sierra

REORDERING OF AGENDA

PUBLIC COMMENTS

Speaker Slip to be completed and turned in to the Agency Secretary prior to commencement of meeting. Limited to matters not otherwise appearing on the Agenda. Limited to three (3) minutes per speaker. No action will be taken at this meeting.

CONSENT CALENDAR

The following items are scheduled for consideration as a group. Any Agency Member, the Agency Attorney, or the Executive Director may request that an item be withdrawn from the Consent Agenda to allow for full discussion.

1. Minutes of December 8, 2011 Regular Redevelopment Agency Meeting

PRESENTATIONS

PUBLIC HEARINGS

AGENCY MEMBER COMMENTS

AGENCY ITEMS

WRITTEN COMMUNICATIONS

Written communications are included in the agenda packets. Any Agency Member, the Executive Director or Agency Attorney may request that a written communication be read into the record.

AGENCY BUSINESS ITEM

AGENCY ATTORNEY ITEMS

- 2. Report on the Status of the Redevelopment Agency following the Ruling of the California Supreme Court**
❖ (Staff Contact: City Attorney Hanson)

ADJOURNMENT

The next meeting of the Buellton Redevelopment Agency will be held on Thursday, January 26, 2012 following the regular City Council meeting.

BUELLTON REDEVELOPMENT AGENCY

REDEVELOPMENT AGENCY MEETING MINUTES

Regular Meeting of December 8, 2011
City Council Chambers, 140 West Highway 246
Buellton, California

CALL TO ORDER

Agency Chair Ed Andrisek called the meeting to order at 7:33 p.m.

ROLL CALL

Present: Agency Members John Connolly, Judith Dale, Dave King, Agency Vice Chair Holly Sierra, and Agency Chair Ed Andrisek

Staff: Executive Director John Kunkel, City Attorney Ralph Hanson, Planning Director Marc Bierdzinski, Public Works Director Bill Albrecht, City Engineer Rose Hess, Finance Director Annette Muñoz, Station Commander Lt. Julie McCammon, and Agency Secretary Linda Reid

REORDERING OF AGENDA

None

PUBLIC COMMENTS

None

CONSENT CALENDAR

- 1. Minutes of October 13, 2011 Regular Redevelopment Agency Meeting**
- 2. Year 2012 Proposed Calendar of Redevelopment Agency Meetings**

RECOMMENDATION:

That the Redevelopment Agency approve the Consent Calendar as listed.

MOTION:

Motion by Agency Vice Chair Sierra, seconded by Agency Member King to approve the Consent Calendar as listed.

VOTE:

Motion passed by a voice vote of 5-0.

PRESENTATIONS

None

PUBLIC HEARINGS

None

AGENCY MEMBER COMMENTS

None

AGENCY ITEMS

None

WRITTEN COMMUNICATIONS

None

AGENCY ITEMS

- 3. Agency Reorganization**
 - a. Election of Chair**
 - b. Election of Vice Chair**

MOTION:

Agency Member Dale nominated Agency Vice Chair Sierra as the Redevelopment Agency Chair for 2012 and Agency Member King as the Redevelopment Agency Vice Chair for 2012.

VOTE:

Motion passed by a roll call vote of 5-0

AGENCY ATTORNEY ITEMS

None

ADJOURNMENT

Agency Chair Sierra adjourned the Redevelopment Agency meeting at 7:35 p.m. The next regular meeting of the Redevelopment Agency will be held Thursday, January 12, 2012, following the regular City Council meeting.

Holly Sierra
Agency Chair

ATTEST:

Linda Reid
Agency Secretary