CITY OF BUELLTON

CITY COUNCIL AGENDA
Regular Meeting of January 25, 2018 – 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

ROLL CALL

Council Members Ed Andrisek, Art Mercado, Foster Reif, Vice Mayor 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. Any person may address the Council on any subject pertaining to City business, including all items on the agenda not listed as a Public Hearing, including the Consent Agenda and Closed Session. Limited to three (3) minutes per speaker. By law, no action may be taken at this meeting on matters raised during Public Comments not included on this agenda. Public Speakers using a translator are allotted a total of six (6) minutes to speak, unless simultaneous translation equipment is used.

CONSENT CALENDAR (ACTION)

The following items are considered routine and non-controversial and 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 Any Council Member, the City Attorney, or the City Manager may request that an item be withdrawn from the Consent Agenda to allow for full discussion. Members of the Public may speak on Consent Agenda items during the Public Comment period.

1. Minutes of January 11, 2018 Regular City Council Meeting

2. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2017-18

3. Revenue and Expenditure Reports through December 31, 2017

- *(Staff Contact: Finance Director Shannel Zamora)*

4. Financial Report for the Second Quarter Ending December 31, 2017
- *(Staff Contact: Finance Director Shannel Zamora)*

5. Monthly Treasurer's Report – December 31, 2017
- *(Staff Contact: Finance Director Shannel Zamora)*

PRESENTATIONS

PUBLIC HEARINGS

COUNCIL MEMBER COMMENTS/ITEMS

6. Recognition of Council Member Foster Reif's Service to the City of Buellton

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)

7. Award of Contract for Street Sweeping Services and Discussion and Direction on Street Sweeping Policies
- *(Staff Contact: Public Works Director Rose Hess)*

8. Resolution No. 18-01 – "A Resolution of the City Council of the City of Buellton, California, for the Purpose of Budget Amendments from Operational Changes Related to Fiscal Year 2017-18 Budget through the Second Quarter Ending December 31, 2017"
- *(Staff Contact: Finance Director Shannel Zamora)*

9. Review of Comprehensive Annual Financial Report (CAFR) for Fiscal Year Ending June 30, 2017
- *(Staff Contact: Finance Director Shannel Zamora)*

CITY MANAGER'S REPORT

ADJOURNMENT

The next meeting of the City Council will be held on Thursday, February 8, 2018 at 6:00 p.m.

City Manager Review: MPB
Council Agenda Item No.: 1

CITY OF BUELLTON

CITY COUNCIL MEETING MINUTES
Regular Meeting of January 11, 2018
City Council Chambers, 140 West Highway 246
Buellton, California

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

ROLL CALL

Present: Council Members Ed Andrisek, Art Mercado, Vice Mayor Dave King, and Mayor Holly Sierra

Absent: Council Member Foster Reif

Staff: City Manager Marc Bierdzinski, Finance Director Shannel Zamora, Public Works Director Rose Hess, City Attorney Steve McEwen (Via Telephone), Lt. Shawn O'Grady, and City Clerk Linda Reid

PUBLIC COMMENTS

Judith Dale, Buellton, thanked Lt. O'Grady for his service to the City of Buellton.

Michael Baker, representing United Boys and Girls Clubs of Santa Barbara County provided an update as to their program services in Buellton.

CONSENT CALENDAR

1. Minutes of December 14, 2017 Regular City Council Meeting

2. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2017-18

3. Acceptance of City of Buellton Transportation Development Act (TDA) Fund Financial Statements for Years Ended June 30, 2017 and 2016 with Independent Auditor's Report

4. Quarterly Report for July 1, 2017 through September 30, 2017 from Visit Santa Ynez Valley (VisitSYV)

5. Revenue and Expenditure Reports through November 30, 2017

6. Monthly Treasurer's Report – November 30, 2017

7. Monthly Activity Report – Enterprise Funds through November 30, 2017

8. Monthly Private Project Balance Report through November 30, 2017

MOTION:
Motion by Council Member Andrisek, seconded by Vice Mayor King approving Consent Calendar Items 1 through 8 as listed.

VOTE:
Motion passed by a roll call vote of 4-0.
Council Member Andrisek – Yes
Council Member Mercado – Yes as to items 2 through 8, abstention as to item 1 due to his absence from the December 14 Council meeting
Vice Mayor King - Yes
Mayor Sierra – Yes

PRESENTATIONS

None

PUBLIC HEARINGS

None

COUNCIL MEMBER COMMENTS/ITEMS

Council Member Andrisek stated that directional signs in the City are faded and need replacement. Staff will address the public and private signage in the City.

Council Member Andrisek requested that staff look into the timing of the crossing lights at La Lata Drive and Highway 246. Staff will investigate longer duration for the flashing lights.

Council Member Mercado thanked City Manager Bierdzinski for the updates he provides regarding activities in the City.

Vice Mayor King thanked Lt. O'Grady for his service to the City of Buellton.

Mayor Sierra announced the first Special Olympics basketball game is scheduled for January 21 at 5:00 p.m. and organizers are looking for volunteers to help with Special Olympics activities.

Mayor Sierra thanked staff for contacting Caltrans to install an audible crossing signal at Freear Drive and Highway 246.

Mayor Sierra thanked Lt. O'Grady for his service over the past four and a half years and stated that staff has a plaque for him but due to the mudslides in Montecito, staff was unable to obtain the plaque, so it will be delivered to him in a couple of weeks.

WRITTEN COMMUNICATIONS

None

COMMITTEE REPORTS

None

BUSINESS ITEMS

9. Discussion and Direction Regarding the City-Owned Property at 480 Central Avenue

RECOMMENDATION:
That the City Council provide direction to staff regarding the future use of 480 Central Avenue.

STAFF REPORT:
City Manager Bierdzinski presented the staff report.

DOCUMENTS:
Staff report with attachments as listed in the staff report.

SPEAKERS/DISCUSSION:
Peggy Brierton, Buellton, stated she would like to see a parking lot built on the property at 480 Central Avenue and provided a handout for the record.

Richard Kusmitch, Buellton, questioned why the City purchased the property at 480 Central Avenue. Mayor Sierra explained the reasoning for purchasing the property.

Judith Dale, Buellton, asked for the purchase price and sizes of the property. Ms. Dale does not believe the property should be turned over to a private entity to manage and suggested the property be used for a pocket park.

Joe Dieguez, representing Kosmont Companies answered questions regarding 480 Central Avenue via telephone.

The City Council discussed the following issues:

- Number and layout of residential units allowed on the property
- How the economic analysis of the parking lot was developed
- The process for partnering with an affordable housing agency to manage the units
- Provide further cost estimates for the parking lot and have Kosmont Companies prepare case studies for a public parking lot

DIRECTION:

The City Council agreed by consensus to direct staff to pursue the cost of building a public parking lot on the subject property.

CITY MANAGER'S REPORT

City Manager Bierdzinski provided an informational report to the City Council.

ADJOURNMENT

Mayor Sierra adjourned the regular meeting at 7:05 p.m. The next regular meeting of the City Council will be held on Thursday, January 25, 2018 at 6:00 p.m.

_____

Holly Sierra
Mayor

ATTEST:

_____

Linda Reid
City Clerk

CITY OF BUELLTON

City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 2

To:	The Honorable Mayor and City Council
From:	Shannel Zamora, Finance Director
Meeting Date:	January 25, 2018
Subject:	List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2017-18

BACKGROUND

Staff is required to submit a check register to the City Council for approval every council meeting for the most recently completed check register (Attachment 1).

The check register for the period 1/3/2018 through 1/16/2018 has been prepared in accordance to Government Code 37202 and City Code 3.08.070. The check register lists all vendor payments for the specified period above, along with claimant's name, a brief description of the goods or service purchased, amount of demand, check number, check date and the account number(s) associated with each payment.

The total amount of checks, 1/3/2018 through 1/16/2018, and electronic fund transfers issued for the period of 1/3/2018 through 1/16/2018 was $221,303.57.

FISCAL IMPACT

Payments made to the various vendors were consistent with the approved City's Biennial Budget for FY 2017/18 and FY 2018/19. Cash is available for the payment disbursements of the above liabilities.

RECOMMENDATION

That the City Council review and accept the check register for the period 1/3/2018 through 1/16/2018.

ATTACHMENTS

Attachment 1 – Claims

ATTACHMENT 1

CONSOLIDATED CLAIMS DISBURSEMENT

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 25, 2017** Council Meeting.

Listed below is a brief summary of the attached claims:

EXHIBIT A *	A/P Packet #APPKT00666	21,329.43	
	A/P Packet #APPKT00661	117,974.33	
	A/P Packet #APPKT00657	5,676.87	
	Total A/P Packets:	$144,980.63	(7 pages)
	Total Packets:	**$144,980.63**	
EXHIBIT B		$34,048.16	
Staff Payroll	1/5/2018	42,274.78	
	Total Payroll:	$42,274.78	
TOTAL AMOUNT OF CLAIMS:		**$221,303.57**	

* The A/P Packets above will be approved on Council Agenda date of 01/25/2018
Checks to be signed on 01/25/2018 tie to A/P Packet #APPKT00666
Checks previously signed by staff to avoid late fees relate to:
A/P Packets # APPKT00657 and APPKT00661

SB 1/17/18

EXHIBIT B

Payments via Electronic Fund Transfer (EFT):
From 01/03/2018 through 01/16/2018

DCP-AUL	1/8/2018	11,838.97
CalPERS - Classic	1/8/2018	6,137.93
Payroll Tax - EDD	1/8/2018	4,779.87
CalPERS - PEPRA	1/8/2018	2,322.10
Payroll Tax - IRS	1/8/2018	8,443.83
The Hartford	1/8/2018	525.46
Total		**34,048.16**

Check Report - APPKT #'s 00657, 00661 and 00666

City of Buellton, CA

By Payment Number

Payment Dates 01/03/2018 - 01/16/2018

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Project Account Key	Payment Amount / Item Amount
35635	1/3/2018	001184	ALBERTSONS/SAFEWAY			100.42
	INV0008709	12/09/2017 Misc Supplies		001-410-61130		42.40
	INV0008709	12/09/2017 Misc Supplies		005-701-60710		29.01
	INV0008709	12/09/2017 Misc Supplies		020-601-60710		29.01
35636	1/3/2018	000063	BUELLTON UNION SCHOOL DISTRICT			600.00
	INV0008702	Oct-Dec 2017 Qtrly Disbursement Fie		001-511-67140		600.00
35637	1/3/2018	000122	COMCAST CABLE			135.71
	INV0008705	12/18/17-01/17/18 CC Chambers Int		001-410-61292		135.71
35638	1/3/2018	001040	FRONTIER COMMUNICATIONS			1,860.30
	INV0008706	12/19/17-01/18/18 Phone Summary		001-410-67705		343.54
	INV0008706	12/19/17-01/18/18 Phone Summary		001-565-67705		426.67
	INV0008706	12/19/17-01/18/18 Phone Summary		005-701-67705		574.77
	INV0008706	12/19/17-01/18/18 Phone Summary		020-601-67705		515.32
35639	1/3/2018	000587	KYLE ABELLO			118.50
	INV0008703	12/19/2017 REIMBURSEMENT - Lom		001-511-67140	53002-050	118.50
35640	1/3/2018	000280	LEE CENTRAL COAST NEWSPAPERS			167.28
	116665	12/14/2017 Legal Notice (17-MND-0		001-22416	90043-070	167.28
35641	1/3/2018	000353	MICHAEL J. BOGGESS dba			100.00
	3849	1/3/2017 Website Updates		001-410-61292		100.00
35642	1/3/2018	000342	NIELSEN BUILDING MATERIALS,INC			61.97
	INV0008708	12/2017 Misc Maint/Repair Items		001-552-61140		14.96
	INV0008708	12/2017 Misc Maint/Repair Items		005-701-60250		47.01
35643	1/3/2018	000978	Staples Credit Plan			902.32
	INV0008707	11/15-12/15/2017 Misc Office Suppli		001-410-61130		265.92
	INV0008707	11/15-12/15/2017 Misc Office Suppli		001-420-61130		202.58
	INV0008707	11/15-12/15/2017 Misc Office Suppli		001-511-61130		215.47
	INV0008707	11/15-12/15/2017 Misc Office Suppli		001-558-61130		30.24
	INV0008707	11/15-12/15/2017 Misc Office Suppli		001-565-61130		127.63
	INV0008707	11/15-12/15/2017 Misc Office Suppli		005-701-61130		30.24
	INV0008707	11/15-12/15/2017 Misc Office Suppli		020-601-61130		30.24
35644	1/3/2018	000521	TODD PIPE & SUPPLY			370.49
	INV0008704	12/31/2017 Misc Maint/Repair Items		001-558-60250		116.16
	INV0008704	12/31/2017 Misc Maint/Repair Items		005-701-60250		208.27
	INV0008704	12/31/2017 Misc Maint/Repair Items		020-601-60250		19.17
	INV0008704	12/31/2017 Misc Maint/Repair Items		020-601-61127		23.36
	INV0008704	12/31/2017 Misc Maint/Repair Items		020-601-61140		3.53
35645	1/3/2018	000529	TRANSFIRST HEALTH & GOVERNMENT SVCS			179.75
	ARINV103552	Nov 2017 Monthly Merchant Fee		001-410-60900		179.75
35646	1/3/2018	000556	VERIZON WIRELESS			930.36
	9797674739	12/09/17-01/08/18 PW/CM Wireless		001-410-67705		66.22
	9797674739	12/09/17-01/08/18 PW/CM Wireless		001-511-61290		37.19
	9797674739	12/09/17-01/08/18 PW/CM Wireless		001-558-61127		116.38
	9797674739	12/09/17-01/08/18 PW/CM Wireless		001-558-67705		135.52
	9797674739	12/09/17-01/08/18 PW/CM Wireless		005-701-61127		116.39
	9797674739	12/09/17-01/08/18 PW/CM Wireless		005-701-67705		145.02
	9797674739	12/09/17-01/08/18 PW/CM Wireless		020-601-61127		116.39

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Project Account Key	Payment Amount / Item Amount
	9797674739	12/09/17-01/08/18 PW/CM Wireless		020-601-67705		197.25
35647	1/3/2018	001063	Wells Fargo Vendor Fin Serv			149.77
	67864122	2/1-2/28/2018 REC Copier Lease #72		001-511-60310		149.77
35648	1/10/2018	000005	ABALONE COAST ANALYTICAL, INC.			1,175.80
	3994	December 2017 Chemicals/Analysis		005-701-61111		995.80
	3994	December 2017 Chemicals/Analysis		020-601-61111		15.00
	3999	December 2017 DWTP Chemicals/An		020-601-61111		165.00
35649	1/10/2018	000509	ALAN NEEDHAM dba			24,836.84
	23901	12/11-29/2017 RVP Irrigation Repair		001-552-60258		8,516.36
	23919	December 2017 Landscape Maintena		001-552-60800		11,200.00
	23919	December 2017 Facilities & Streets		001-556-60800		3,820.00
	23919	December 2017 Facilities & Streets S-		001-556-60800		140.00
	23977	12/11/2017 Irrigation Repair		001-552-60800		769.64
	23978	12/12/2017 Irrigation Repair		001-552-60800		190.84
	24002	12/29/2017 Tree Trimming		001-556-60800		200.00
35650	1/10/2018	000019	AMERICAN INDUSTRIAL PIPE & SUPPLY			282.54
	0068524-IN	12/29/2017 WWTP Supplies		005-701-61140		282.54
35651	1/10/2018	000065	BURKE, WILLIAMS & SORENSEN, LLP			19,773.88
	221416	November 2017 - Lgl Srvcs - Retainer		001-22416	90044-070	1,516.30
	221416	November 2017 - Lgl Srvcs - Retainer		001-404-60840		8,721.20
	221418	November 2017 - Lgl Srvcs - Retainer		001-22416	90044-070	2,537.30
	221418	November 2017 - Lgl Srvcs - Retainer		001-404-60840		6,999.08
35652	1/10/2018	000090	CalPERS LONG-TERM CARE PROGRAM			168.50
	12097409	Long Term Care		001-22166		84.25
	INV0008710	Long Term Care		001-22166		84.25
35653	1/10/2018	000800	CARR'S BOOT SHOP, INC. dba			218.43
	3068	1/3/2018 Work Clothing Allowance		005-701-60131		218.43
35654	1/10/2018	000655	COAST NETWORX, INC.			647.50
	19789	12/15/2017 DWTP - IT Service		020-601-60800		47.50
	19801	11/7/2017 Barracuda Web flex Securi		001-410-60210		600.00
35655	1/10/2018	000118	COASTAL COPY, INC.			112.33
	767968	12/1-12/31/2017 REC - Overage Cove		001-511-61130		112.33
35656	1/10/2018	000122	COMCAST CABLE			176.52
	INV0008735	12/25/2017-01/24/2018 CH Internet		001-511-61290		176.52
35657	1/10/2018	000122	COMCAST CABLE			286.01
	INV0008733	12/26/2017-01/25/2018 CH Internet		001-410-61292		286.01
35658	1/10/2018	000122	COMCAST CABLE			236.01
	INV0008732	12/29/2017 to 01/28-2018 WWTP - B		005-701-60210		236.01
35659	1/10/2018	000679	COURIER SYSTEMS			150.00
	1325243	01/2018 DW/WWTP Water Sample D		005-701-60800		75.00
	1325243	01/2018 DW/WWTP Water Sample D		020-601-60800		75.00
35660	1/10/2018	000142	DANIEL FITZGERALD dba			1,200.00
	INV0008749	December 2017 Monthly Janitorial Se		001-558-60800		1,200.00
35661	1/10/2018	000172	ECHO COMMUNICATIONS			63.00
	INV0008734	12/2017 Msg Srvc & 01/2018 Answrn		001-558-60800		21.00
	INV0008734	12/2017 Msg Srvc & 01/2018 Answrn		005-701-60800		21.00
	INV0008734	12/2017 Msg Srvc & 01/2018 Answrn		020-601-60800		21.00

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Project Account Key	Payment Amount / Item Amount
35662	1/10/2018	000176	EXCLUSIVE ALARMS INC			138.00
	07299	Jan-Mar2018 CC/PO Alarm Service		001-558-60800		138.00
35663	1/10/2018	000187	FARM SUPPLY COMPANY			116.36
	28610	12/22/2017 Work Boots (KG)		005-701-67600		116.36
35664	1/10/2018	000193	FIRST NATIONAL BANK OF OMAHA			1,529.81
	INV0008738	KAbello - CC thru 12/18/2017		001-511-60800		79.95
	INV0008738	KAbello - CC thru 12/18/2017		001-511-67140		450.00
	INV0008739	MBierdzinski - CC thru 12/18/2017		001-410-60900		5.92
	INV0008740	RHess - CC thru 12/18/2017		001-558-60210		9.92
	INV0008740	RHess - CC thru 12/18/2017		001-558-60270		7.79
	INV0008740	RHess - CC thru 12/18/2017		001-558-61140		42.13
	INV0008740	RHess - CC thru 12/18/2017		005-701-60210		9.91
	INV0008740	RHess - CC thru 12/18/2017		005-701-60270		7.78
	INV0008740	RHess - CC thru 12/18/2017		005-701-61140		75.95
	INV0008740	RHess - CC thru 12/18/2017		020-601-60210		9.91
	INV0008740	RHess - CC thru 12/18/2017		020-601-60270		7.78
	INV0008740	RHess - CC thru 12/18/2017		020-601-61140		14.34
	INV0008741	BKnecht - CC thru 12/18/2017		001-511-60250		79.28
	INV0008741	BKnecht - CC thru 12/18/2017		001-511-60800		80.00
	INV0008741	BKnecht - CC thru 12/18/2017		001-511-67135		75.43
	INV0008741	BKnecht - CC thru 12/18/2017		001-511-67140		-184.80
	INV0008742	LReid - CC thru 12/18/2017		001-401-60900		269.92
	INV0008742	LReid - CC thru 12/18/2017		001-403-60650		90.00
	INV0008742	LReid - CC thru 12/18/2017		001-403-60900		51.89
	INV0008742	LReid - CC thru 12/18/2017		001-410-61130		139.71
	INV0008743	PSmith - CC thru 12/18/2017		001-511-67140		207.00
35666	1/10/2018	000649	FLUID RESOURCE MANAGEMENT, INC.			39,548.98
	C16663	12/28/2018 WWTP - Facility Repair It		092-706-74100		39,548.98
35667	1/10/2018	000813	HOME DEPOT CREDIT SERVICES			894.63
	INV0008744	December 2017 Misc Maint/Repair It		001-558-61127		194.07
	INV0008744	December 2017 Misc Maint/Repair It		005-701-61127		411.56
	INV0008744	December 2017 Misc Maint/Repair It		005-701-61140		163.65
	INV0008744	December 2017 Misc Maint/Repair It		020-601-61127		125.35
35668	1/10/2018	001173	JV Outdoor Power Equipment			137.20
	1063	12/1/2017 Tool Repair		001-558-60250		45.74
	1063	12/1/2017 Tool Repair		005-701-60250		45.73
	1063	12/1/2017 Tool Repair		020-601-60250		45.73
35669	1/10/2018	000779	LASH CONSTRUCTION, INC.			1,807.98
	11269	12/18/2017 Tkt# 11269 Leak Repair		020-601-60250		1,807.98
35670	1/10/2018	000280	LEE CENTRAL COAST NEWSPAPERS			419.52
	INV0008730	12/5&7/2017 #116228-1 Winter Brea		001-511-60510		79.92
	INV0008730	12/12&14/2017 #116477-1 Winter Br		001-511-60510		79.92
	INV0008730	12/19&21/2017 #116950-1 Winter Br		001-511-60510		129.84
	INV0008730	11/28&30/2017 #115861-1 All Access		001-511-60510		129.84
35671	1/10/2018	000835	METRO VENTURES LTD			5,670.00
	2017-0108-buel	12/2017 City Planner - Professional S		001-22416	90052-070	162.00
	2017-0108-buel	12/2017 City Planner - Professional S		001-565-60800		5,508.00
35672	1/10/2018	000332	MOSS LEVY & HARTZHEIM LLP			8,500.00
	6360	-> 12/31/2017 Audit Services to date		001-420-60021		1,500.00
	6360	-> 12/31/2017 Audit Services to date		005-701-60021		1,500.00
	6360	-> 12/31/2017 Audit Services to date		020-601-60021		1,500.00
	6365	-> 12/31/2017 CAFR Assistance		001-420-60021		1,333.34
	6365	-> 12/31/2017 CAFR Assistance		005-701-60021		1,333.33

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Project Account Key	Payment Amount / Item Amount
	6365	-> 12/31/2017 CAFR Assistance		020-601-60021		1,333.33
35673	1/10/2018	000059	MOTOR PRODUCTS INC. dba			87.21
	INV0008748	Dec-2017 Misc Maint/Repair Items		005-701-60250		14.74
	INV0008748	Dec-2017 Misc Maint/Repair Items		005-701-60270		37.62
	INV0008748	Dec-2017 Misc Maint/Repair Items		005-701-61140		34.85
35674	1/10/2018	000342	NIELSEN BUILDING MATERIALS,INC			101.39
	613921	12/21/2017 WWTP Stock/Maint/Corr		005-701-61140		101.39
35675	1/10/2018	000669	O'CONNOR & SONS dba			105.00
	30183085	1/2/2018 PO - Pest Control Service		001-558-60800		105.00
35676	1/10/2018	000350	OLIVERA'S REPAIR, INC			46.43
	118839	1/2/2018 Vehicle Maint (2010 Ford F		001-558-60270		46.43
35677	1/10/2018	000380	PRAXAIR DISTRIBUTION, INC.			156.59
	80500896	11/20-12/20/2017 Chemicals/Cyclind		020-601-61111		156.59
35678	1/10/2018	000381	PROPET DISTRIBUTORS, INC.			2,109.00
	120338	12/20/2017 Misc Supplies		001-552-61140		2,109.00
35679	1/10/2018	000032	READY REFRESH BY NESTLE			121.50
	07L0029154614	11/27-12/26/2017 Water Service		001-410-60800		20.93
	17L0029022365	11/27-12/26/2017 CH Water Service		001-410-60800		72.11
	17L0029022381	11/27-12/26/2017 CC/LIB Water Serv		001-410-60800		28.46
35680	1/10/2018	001238	Santa Barbara County			100.00
	INV0008745	12/06/2017 REFUND - Room Rental C		001-511-67140		100.00
35681	1/10/2018	000438	SANTA YNEZ VALLEY HARDWARE			113.00
	INV0008731	December 2017 Misc Maint/Repair It		001-410-60900		9.69
	INV0008731	December 2017 Misc Maint/Repair It		001-511-60250		14.20
	INV0008731	December 2017 Misc Maint/Repair It		001-558-61140		21.53
	INV0008731	December 2017 Misc Maint/Repair It		005-701-60250		31.20
	INV0008731	December 2017 Misc Maint/Repair It		005-701-61140		36.38
35682	1/10/2018	000450	SB CO SHERIFF'S DEPARTMENT			1,646.61
	18-162	12/5-12/2017 Labor Transactions		001-501-60800		483.29
	18-163	December 2017 Motorcycle (Vehicle#		001-501-60800		1,163.32
35683	1/10/2018	000681	STATEWIDE SAFETY & SIGNS, INC.			2,200.00
	3428087722	12/13/2017 Push Button Pedistal Inst		092-312-74100		2,200.00
35684	1/10/2018	000496	SYV SENIOR CITIZENS FOUNDATION			476.14
	INV0008746	1/19/2018 - Senior Dinner		001-511-67140		476.14
35685	1/10/2018	000507	THE GAS COMPANY			43.26
	INV0008737	11/22-12/21/2017 COC - Gas Service		001-510-61230		43.26
35686	1/10/2018	000507	THE GAS COMPANY			76.58
	INV0008736	11/25-12/26/2017 LIB/CCC Gas Servi		001-510-61230		76.58
35687	1/10/2018	001071	Tractor Supply Co			64.79
	INV0008747	12/01-12/29/2017 Misc Maint/Repai		001-552-60258		64.79
35688	1/10/2018	000535	UNDERGROUND SERVICE ALERT			24.85
	1220170070	1/1/2018 New Ticket Charges/Mnthl		005-701-60800		12.42
	1220170070	1/1/2018 New Ticket Charges/Mnthl		020-601-60800		12.43
35689	1/10/2018	000904	US BANK EQUIPMENT FINANCE			482.34
	347174534	12/20/2017-01/20/2018 Planning - C		001-565-60310		482.34
35690	1/10/2018	000768	WEX BANK			1,929.80
	52579059	December 2017 Fuel Charges		001-511-61280		658.43

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Project Account Key	Payment Amount / Item Amount
	52579059	December 2017 Fuel Charges		001-558-61280		423.79
	52579059	December 2017 Fuel Charges		005-701-61280		423.79
	52579059	December 2017 Fuel Charges		020-601-61280		423.79
35691	1/16/2018	000661	AQUA-METRIC SALES, CO.			2,575.00
	INV0008752	3/6/2018-3/5/2019 Annual Rnwl-520		020-15000		1,716.67
	INV0008752	3/6/2018-3/5/2019 Annual Rnwl-520		020-601-60210		858.33
35692	1/16/2018	000598	ENGEL & GRAY, INC.			6,380.03
	79309	12/1-31/2017 WWTP - Bio-Solids Coll		005-701-60800		6,380.03
35693	1/16/2018	000465	SP MAINTENANCE SERVICES, INC.			2,821.00
	64671	December 2017 - Street Sweeping pe		001-558-60800		2,821.00
35694	1/16/2018	000845	SWRCB ACCOUNTING OFFICE			8,019.50
	LW-1015825	7/1/2017-6/30/2018 Water System F		020-601-67575		8,019.50
35695	1/16/2018	001111	TETRA TECH, INC.			825.00
	51266462	Engineering Srvcs thru 11/24/2017 -		001-22416	90010-070	330.00
	51266463	Engineering Srvcs thru 11/24/2017 -		001-22416	90021-070	495.00
35696	1/16/2018	000862	TYLER TECHNOLOGIES, INC.			13.40
	025-211285	10/1-12/31/2017 UB Transaction Fee		005-701-60210		6.70
	025-211285	10/1-12/31/2017 UB Transaction Fee		020-601-60210		6.70
35697	1/16/2018	001239	WateReuse Association			695.50
	INV0008751	Jan-Dec 2018 - WateReuse Annual Re		005-701-60650		347.75
	INV0008751	Jan-Dec 2018 - WateReuse Annual Re		020-601-60650		347.75
					Payment Total:	**144,980.63**

Report Summary

Fund Summary

Fund	Payment Amount
001 - General Fund	71,517.07
005 - Sewer Fund	14,070.63
020 - Water Fund	17,643.95
092 - Capital Improvement Proj Fund	41,748.98
Grand Total:	**144,980.63**

Account Summary

Account Number	Account Name	Payment Amount
001-22166	Long-Term Care Deducti	168.50
001-22416	Developer Deposit	5,207.88
001-401-60900	Miscellaneous	269.92
001-403-60650	Membership & Publicati	90.00
001-403-60900	Miscellaneous	51.89
001-404-60840	Contract Services-Legal	15,720.28
001-410-60210	Computer Maintenance	600.00
001-410-60800	Contract Services	121.50
001-410-60900	Miscellaneous/CalPERS	195.36
001-410-61130	Office Supplies	448.03
001-410-61292	Internet Access/ Websit	521.72
001-410-67705	Telephone	409.76
001-420-60021	Audit	2,833.34
001-420-61130	Office Supplies	202.58
001-501-60800	Contract Services	1,646.61
001-510-61230	Utilities - Gas	119.84
001-511-60250	Maintenance/Repair	93.48
001-511-60310	Equipment Rental	149.77
001-511-60510	Advertising	419.52
001-511-60800	Contract Services	159.95
001-511-61130	Office Supplies	327.80
001-511-61280	Fuel-Vehicles	658.43
001-511-61290	Telephone/Internet	213.71
001-511-67135	Buellton Rec Program Tr	75.43
001-511-67140	Buellton Recreation Pro	1,766.84
001-552-60258	Maintenance/Repair-Riv	8,581.15
001-552-60800	Contract Services	12,160.48
001-552-61140	Operational Supplies	2,123.96
001-556-60800	Contract Services	4,160.00
001-558-60210	Computer Maintenance	9.92
001-558-60250	Maintenance / Repair	161.90
001-558-60270	Maintenance - Vehicles	54.22
001-558-60800	Contract Services	4,285.00
001-558-61127	Tools	310.45
001-558-61130	Office Supplies	30.24
001-558-61140	Operational Supplies	63.66
001-558-61280	Fuel - Vehicles	423.79
001-558-67705	Telephone	135.52
001-565-60310	Equipment Rental	482.34
001-565-60800	Contract Services	5,508.00
001-565-61130	Office Supplies	127.63
001-565-67705	Telephone	426.67
005-701-60021	Audit	2,833.33
005-701-60131	Laundry / Uniforms	218.43
005-701-60210	Computer Maintenance	252.62
005-701-60250	Maintenance / Repair	346.95
005-701-60270	Maintenance - Vehicles	45.40
005-701-60650	Membership & Publicati	347.75
005-701-60710	Travel & Training	29.01

Account Summary

Account Number	Account Name	Payment Amount
005-701-60800	Contract Services	6,488.45
005-701-61111	Chemicals / Analysis	995.80
005-701-61127	Tools	527.95
005-701-61130	Office Supplies	30.24
005-701-61140	Operational Supplies	694.76
005-701-61280	Fuel - Vehicles	423.79
005-701-67600	Safety Equipment	116.36
005-701-67705	Telephone	719.79
020-15000	Pre-Paid Expense	1,716.67
020-601-60021	Audit	2,833.33
020-601-60210	Computer Maintenance	874.94
020-601-60250	Maintenance / Repair	1,872.88
020-601-60270	Maintenance - Vehicles	7.78
020-601-60650	Membership & Publicati	347.75
020-601-60710	Travel & Training	29.01
020-601-60800	Contract Services	155.93
020-601-61111	Chemicals / Analysis	336.59
020-601-61127	Tools	265.10
020-601-61130	Office Supplies	30.24
020-601-61140	Operational Supplies	17.87
020-601-61280	Fuel - Vehicles	423.79
020-601-67575	Regulatory Compliance	8,019.50
020-601-67705	Telephone	712.57
092-312-74100	Hwy 246 Sidewalk (CalTr	2,200.00
092-706-74100	Improvements	39,548.98
	Grand Total:	**144,980.63**

Project Account Summary

Project Account Key	Payment Amount
None	139,654.25
53002-050	118.50
90010-070	330.00
90021-070	495.00
90043-070	167.28
90044-070	4,053.60
90052-070	162.00
Grand Total:	**144,980.63**

CITY OF BUELLTON

City Council Agenda Staff Report

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

To:	The Honorable Mayor and City Council
From:	Shannel Zamora, Finance Director
Meeting Date:	January 25, 2018
Subject:	Revenue and Expenditure Reports through December 31, 2017

BACKGROUND

The attached reports compare month-to-month data covering the period July 1, 2017 through December 31, 2017. The reports are prepared monthly and submitted to Council on the second meeting of each month. Monthly reports are posted to the City's website. Upon monthly review, adjustments may be necessary and staff will update the website.

The expenditures are in line with the budget and revenue is below target due to timing differences. Both are expected to meet budget by year end.

FISCAL IMPACT

The Revenue and Expenditure Reports provide the community with an understanding of the financial activity of the City's funds on a monthly basis.

RECOMMENDATION

That the City Council receive and file the attached reports.

ATTACHMENTS

Attachment 1 - Revenue and Expenditure Reports through December 31, 2017

ATTACHMENT 1

City of Buellton, CA

General Fund

Monthly Revenue (Unaudited)

For FY 2017-2018 - July 2017 Through June 2018, as of 12/31/17

		2017					50%	2018						
		July 2017-2018	August 2017-2018	September 2017-2018	October 2017-2018	November 2017-2018	December 2017-2018	January 2017-2018	February 2017-2018	March 2017-2018	April 2017-2018	May 2017-2018	June 2017-2018	FY 2017-2018
Fund: 001 - General Fund														
Revenue														
001-41005	Property Taxes - Secured	-	-	-	246.17	209,177.17	506,423.02	-	-	-	-	-	-	715,846.36
001-41010	Property Taxes - Unsecured	-	-	-	63,732.08	-	-	-	-	-	-	-	-	63,732.08
001-41015	Homeowners Exemptions	-	-	-	-	-	1,042.91	-	-	-	-	-	-	1,042.91
001-41020	Franchise Fees	7,597.86	8,998.38	21,218.02	11,649.01	7,616.50	-	-	-	-	-	-	-	57,079.77
001-41025	Sales Tax	154,500.00	154,500.00	205,900.00	239,591.01	-	-	-	-	-	-	-	-	754,491.01
001-41035	Transient Occupancy Tax	311,994.84	280,774.35	252,166.65	223,545.34	218,111.27	-	-	-	-	-	-	-	1,286,592.45
001-41040	Property Transfer Tax	3,519.45	1,799.60	1,958.00	6,909.37	2,575.10	-	-	-	-	-	-	-	16,761.52
001-42010	Zoning Clearance	135.00	135.00	90.00	180.00	90.00	90.00	-	-	-	-	-	-	720.00
001-42015	Small Permits	25.00	-	4,750.00	-	300.00	-	-	-	-	-	-	-	5,075.00
001-43005	Motor Vehicle in Lieu Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
001-43010	MV License Fee Compensation	-	-	-	-	-	-	-	-	-	-	-	-	-
001-43015	COPS grant	-	-	-	-	-	-	-	-	-	-	-	-	-
001-43020	CA Indian Gaming Grant	-	-	-	-	-	-	-	-	-	-	-	-	-
001-43035	CA Prop 1B Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
001-43040	Beverage Container Grant	-	5,000.00	-	-	-	-	-	-	-	-	-	-	5,000.00
001-44005	Buellton Recreation Program	27,356.70	7,053.24	6,239.97	6,276.96	12,589.33	8,421.00	-	-	-	-	-	-	67,937.20
001-44010	Recreation Program 50/50	-	-	18.85	2,435.05	(130.02)	-	-	-	-	-	-	-	2,323.88
001-44015	Buellton Rec Program Trips	9,649.30	5,389.27	799.00	433.00	(44.11)	108.00	-	-	-	-	-	-	16,334.46
001-44020	Park Reservation Fees	320.00	600.00	200.00	-	(40.00)	(40.00)	-	-	-	-	-	-	1,040.00
001-44025	Event Application Fee/Temp Use	-	255.00	155.00	155.00	(100.00)	-	-	-	-	-	-	-	465.00
001-44035	Cost Reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-
001-44105	Interest	417.21	451.90	11,905.70	461.30	(22.11)	(918.08)	-	-	-	-	-	-	12,295.92
001-44250	Miscellaneous	459.97	1,203.28	1,112.37	920.72	1,966.53	1,414.38	-	-	-	-	-	-	7,077.25
001-45005	Criminal Fines & Penalties	59.02	35.77	17.38	162.82	-	-	-	-	-	-	-	-	274.99
001-45010	Fines & Fees	1,903.46	1,844.15	1,896.67	1,852.53	-	-	-	-	-	-	-	-	7,496.81
001-49010	Rent	8,385.00	6,950.00	7,705.00	8,380.00	6,760.00	8,437.50	-	-	-	-	-	-	46,617.50
001-49526	CA Mandated Cost Reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-
001-49532	Code Enforcement Fines	-	-	-	-	-	-	-	-	-	-	-	-	-
001-49536	Conditional Use Permit	-	-	-	-	-	-	-	-	-	-	-	-	-
001-49548	Document Sales	-	-	-	-	-	-	-	-	-	-	-	-	-
001-49566	Home Occupation Permit	25.00	25.00	-	25.00	25.00	-	-	-	-	-	-	-	100.00
001-49585	Miscellaneous Permits	-	-	-	-	-	-	-	-	-	-	-	-	-
001-49609	Sale of Property	-	-	-	-	-	-	-	-	-	-	-	-	-
	Revenue Total:	**526,347.81**	**475,014.94**	**516,132.61**	**566,955.36**	**458,874.66**	**524,978.73**	**-**	**-**	**-**	**-**	**-**	**-**	**3,068,304.11**

Percentage Received:	**40%**
Original Budget	**$ 7,641,145.00**
Budget Amendment, Res. No. 17-21	**$ 60,000.00**
Revised Budget	**$ 7,701,145.00**

City of Buellton, CA

General Fund

Monthly Expenditures (Unaudited)

For FY 2017-2018 - July 2017 Through June 2018, as of 12/31/17

Department	July 2017-2018	August 2017-2018	September 2017-2018	October 2017-2018	November 2017-2018	December 2017-2018	January 2017-2018	February 2017-2018	March 2017-2018	April 2017-2018	May 2017-2018	June 2017-2018	FY 2017-2018
	2017					50%	2018						
Fund: 001 - General Fund													
Expense													
401 - CITY COUNCIL	13,273.01	9,342.55	14,763.84	8,538.96	8,729.25	9,627.09	-	-	-	-	-	-	64,274.70
402 - CITY MANAGER	17,171.36	17,093.84	24,653.61	16,987.80	16,986.16	17,292.81	-	-	-	-	-	-	110,185.58
403 - CITY CLERK	7,685.62	8,012.39	10,955.33	9,089.57	8,691.05	9,084.61	-	-	-	-	-	-	53,518.57
404 - CITY ATTORNEY	-	10,502.78	10,284.29	10,256.11	13,428.80	15,720.28	-	-	-	-	-	-	60,192.26
410 - NON-DEPARTMENTAL	302,081.42	57,014.54	41,051.36	58,210.60	58,234.91	42,664.68	-	-	-	-	-	-	559,257.51
420 - FINANCE	20,330.35	14,412.14	23,884.64	15,729.75	16,512.47	16,807.35	-	-	-	-	-	-	107,676.70
501 - PUBLIC SAFETY - POLICE/FIRE	-	285,393.74	335,922.21	143,593.07	54,134.38	143,036.61	-	-	-	-	-	-	962,080.01
510 - LEISURE SERVICES - LIBRARY	14.60	142,061.43	1,136.83	602.95	443.13	571.84	-	-	-	-	-	-	144,830.78
511 - RECREATION	73,661.10	59,270.03	41,920.70	46,367.19	30,789.31	35,251.10	-	-	-	-	-	-	287,259.43
550 - PUBLIC WORKS - STREET LIGHTS	-	4,994.65	5,204.24	5,162.13	5,217.76	5,381.66	-	-	-	-	-	-	25,960.44
551 - STORM WATER	(755.70)	10,165.60	11,366.75	-	19,910.50	2,672.00	-	-	-	-	-	-	43,359.15
552 - PUBLIC WORKS - PARKS	39,234.28	37,567.77	34,806.43	25,530.85	19,020.38	28,576.45	-	-	-	-	-	-	184,736.16
556 - PUBLIC WORKS - LANDSCAPE MAINTENANCE	1,478.29	10,885.88	14,999.78	8,916.66	7,273.47	7,326.98	-	-	-	-	-	-	50,881.06
557 - PUBLIC WORKS - ENGINEERING	-	360.00	-	-	-	-	-	-	-	-	-	-	360.00
558 - PUBLIC WORKS - GENERAL	34,727.01	42,855.94	58,558.61	41,345.69	40,937.91	37,821.15	-	-	-	-	-	-	256,246.31
565 - PLANNING	29,923.51	34,424.73	28,685.12	24,654.20	23,962.49	33,541.92	-	-		-	-	-	175,191.97
Transfer to CIP Fund 092 (Updated Quarterly)	-	-	170,517.86	-	-	186,217.62	-	-	-	-	-	-	356,735.48
Expense Total (Actual through December):	**538,824.85**	**744,358.01**	**828,711.60**	**414,985.53**	**324,271.97**	**591,594.15**	**-**	**-**	**-**	**-**	**-**	**-**	**3,442,746.11**

Percentage Spent:	**46%**
Original Budget	**$ 7,399,055.00**
Budget Amendment, Res. No. 17-21	**$ 25,000.00**
Revised Budget	**$ 7,424,055.00**

CITY OF BUELLTON

City Council Agenda Staff Report

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

To: The Honorable Mayor and City Council

From: Shannel Zamora, Finance Director

Meeting Date: January 25, 2018

Subject: Financial Report for the Second Quarter Ending December 31, 2017

BACKGROUND

Four times each year, City staff completes a comprehensive analysis of City finances, including projected fund balances, revenues to date, departmental budgets, expenditures, encumbrances and potential budget adjustments. This financial report focuses on the Second Quarter of FY 2017-18 and summarizes the quarter ended December 31, 2017 for the General Fund, Enterprise Funds and Capital Improvement Fund.

Attachment 1 provides an overview of the current economic outlook on the local, state and national levels; General Fund revenues, expenditures, projected fund balances; and activity in the two Enterprise Funds. Though this information is not audited and does not contain all the usual periodic adjustments, accruals or disclosures, the information does provide a picture of the City's activity and developing financial trends. Attachment 2 focuses on the status of the Capital Improvement Budget at the end of the quarter ended December 31, 2017.

FISCAL IMPACT

The Interim financial statement provides the community with an understanding of the financial activity of the City's primary funds.

RECOMMENDATION

That the City Council receive and file the Second Quarter Financial Report.

ATTACHMENTS

Attachment 1 – Quarterly Financial Report for the period December 31, 2017
Attachment 2 – Quarterly Capital Improvement Project Report for the period ending December 31, 20117

CITY OF BUELLTON

QUARTERLY FINANCIAL REPORT

Second Quarter Ending December 31, 2017

January 25, 2018

Overview

The purpose of this financial report is to provide financial information for the City of Buellton. This report focuses on the second quarter of fiscal year 2017-18 and covers the period July 1, 2017 through December 31, 2017. The report is presented quarterly and concentrates on the General Fund and Enterprise Funds. The quarterly financial report presents the City's financial position, considers economic factors and highlights trends based on the City's budget versus what actually occurred during the period. A discussion of other economic factors provides a means of comparing the local economy against larger economic events that may affect the City of Buellton. This quarterly financial report is a valuable tool to the Council, staff and general public.

U.S. Economy

The economy continues to show strength and the new tax reform is expected to influence consumer spending. The Federal Open Market Committee raised the current federal funds rate to 1.5 percent on December. The Committee had it raised to 1.25 percent on June. The interest hike affects savings, consumer spending and loans.

The national unemployment rate was 4.1 percent in December, slightly lower than a year ago at 4.6 percent. The unemployment rate is an economic indicator about the strength of the job market and status of household finances. Low unemployment rate indicates more jobs are available and fewer people looking for jobs which make recruitment difficult and often companies must pay more to attract candidates.

State Economy

According to the California Department Finance Department Bulletin, consumer prices overall increased in October from a year ago by 3.0 percent and 2 percent in the nation, with housing costs as the main factor up 4.5 percent in the state and 3.2 percent in the nation. California's seasonally adjusted unemployment rate fell by .3 percent to 4.6 percent in November 2017. This was a record low in a series dating back to 1976. The majority of job growth was in the educational and health services which grew by 16,700 new jobs.

As of November 1, 2017, gas tax in the state increased 12 cents per gallon and excise tax on diesel fuel increased by 20 cents per gallon, and the sales tax on diesel rose. The revenue derived from the increase is expected to be $5 billion per year to fund state and local transportation projects.

City of Buellton

The City's General fund ended the second quarter of 2017-18 with about $6.5 Million in fund balance and finished the quarter with over $6.1 Million in cash reserves. Revenues reached 40 percent of budget while expenditures remained within appropriations, ending the quarter at 47 percent. The Enterprise funds completed the quarter with mixed results. The Water Fund experienced a surplus, and Wastewater fund experienced a net operating loss during the quarter. Water and sewer rate increased in November 2017 to ease future operating deficits and fund planned capital improvement projects. A third rate increase is expected in July 2018. Details are provided in a later discussion.

GENERAL FUND

General Fund Balance

The chart below shows that with 50 percent of the year complete, revenues are slightly below projections at 40 percent while expenditures are below expected projections at 43 percent of appropriations. "Revenue versus budget" gaps are explained in the next paragraph.

General Fund - Fund Balance	Budget	Actual	Percent
Balance, at Start of Year	$ 6,000,000	$ 6,879,206	
Revenues *	7,641,145	3,068,304	40%
Expenditures *	(7,399,056)	(3,442,746)	47%
Balance, at End of Quarter	$ 6,242,089	$ 6,504,764	
* Includes Transfers			

The chart below provides summary comparison information on revenues and expenditures for the quarter ending December 31, 2017 versus the prior quarter December 31, 2016. Total revenues are higher in the prior year by almost $265 thousand. The major cause of this variance is due to timing of Franchise Fees, Sales Tax, and Transient Occupancy Tax. In addition, the City received higher Sales Tax revenue last fiscal year resulting from a one-time distribution from the Triple-Flip sales tax payment of about $280 thousand. Revenue flows are expected to be on target with budget as the fiscal year elapses.

Expenditures are higher in this fiscal year compared to the prior year by over $276 thousand. The increase is due to the expenditures incurred for Capital Improvement Projects (CIP) such as Road Maintenance projects and the Post Office fire alarm system replacement which totaled about $375 thousand.

General Fund	Q2 FY 2017-18	Q2 FY 2016-17	Over (Under)
Revenues:			
Taxes	2,895,546	3,151,979	(256,433)
Fees and Permits	5,795	6,771	(976)
Fines and Penalties	7,772	11,279	(3,507)
Charges For Current Services	88,101	89,896	(1,795)
Other Revenues	71,091	74,048	(2,957)
Total Revenues	3,068,304	3,333,973	(265,669)
Expenditures:			
General Government	3,364,083	3,077,089	286,994
Minor Capital	22,599	33,177	(10,578)
Total Expenditures	3,386,682	3,110,266	276,416

Top Five Revenues

Top Five Revenues	Budget	YTD Actual	Percent
Sales Tax	2,300,000	754,491	33%
TOT	1,900,000	1,286,592	68%
Property Tax	1,282,500	797,383	62%
MVLF Swap	427,200	-	0%
Franchise Fees	225,000	57,080	25%
Other Revenues*	1,506,445	172,758	11%
Total Revenues	7,641,145	3,068,304	40%

*Other Revenues include charges for current Park and Recreation Services, Grants, Interest, Rent and transfer from Reserves.

Sales Tax

The City received 33 percent of the total Sales Tax revenue as of December 31, 2017.Sales tax is below target because of payment delays. Payments are recorded when received and applied to the corresponding month of sales; usually payment is received two months later from the State of California. Only sales tax through October has been received resulting in four months total sales tax to date. Sales Tax payments fluctuate each month in conjunction with seasonal flows. Strong revenue streams from local sales tax are expected to increase as new businesses continue to open.

Transient Occupancy Tax (TOT)

TOT revenue is a major component of the City's General Fund. The City expects TOT revenue streams to exceed budgeted levels with total receipts at 68 percent at the end of the second quarter. The increase is contributed to the addition of the Hampton Inn. Payments for the reporting period are due on the 20th of the following month, and as previously mentioned, cause revenue streams to lag one month. TOT receipts have been received through November.

Property Tax

The City's property tax revenues are received later in the fiscal year at intervals set by the Santa Barbara County Auditor-Controller. Property tax is above target at 62 percent, and the City can expect to exceed target by the end of the fiscal year. In addition, the City's ongoing share of property tax is expected to increase based on new development in progress.

Property Tax in Lieu of Motor Vehicle License Fee (MVLF Swap)

Payments for 2017-18 are expected to be on course with the budget. Payments from the Santa Barbara County Auditor-Controller are received throughout the year, usually January and June. This revenue source is trending upwards based on historic receipts.

Franchise Fees

Franchise fees are received monthly, quarterly and annually. The majority of the City's Franchise Fees are collected from Marborg Industries, the City's solid waste service provider. Other franchise fees are received from various utilities. This revenue source is on target with budget timing delays in the second quarter.

Top Five Revenues for the City of Buellton' General Fund are Sales Tax, Property Tax, Transient Occupancy Tax (TOT), Motor Vehicle License Fee (MVLF) and Franchise Fees. These revenues account for almost 97% of total General Fund Revenues.

Expenditures

The chart below summarizes operating costs by department and shows that four Budget Units are over budget. The General fund is under budget at the end of the second quarter for all departments in total.

Department Expenditures	Budget	YTD Actual	% Expended
City Council	125,089	64,275	51%
City Manager	237,072	110,186	46%
City Clerk	115,896	53,519	46%
City Attorney	185,000	60,192	33%
Non-Departmental	1,011,901	559,259	55%
Finance	167,673	107,677	64%
Police and Fire	2,146,260	962,080	45%
Library	173,441	144,831	84%
Recreation	504,878	287,259	57%
Street Lights	60,000	25,960	43%
Storm Water	215,600	43,359	20%
Public Works - Parks	314,250	184,736	59%
Public Works - Landscape	106,000	50,881	48%
Public Works - Engineering	-	360	-
Public Works - General	652,904	256,246	39%
Planning (Comm Dev)	354,592	175,192	49%
Transfer to CIP Fund 92	1,028,500	356,735	35%
Total All Departments	**7,399,056**	**3,442,746**	**47%**

As of December 31, 2017, or 50 percent of the year expended, the General Fund ended the quarter at 43 percent spent (including CIP). Actual General Fund expenditures were approximately $ 3.4 Million. Almost all Budget Units ended the quarter within budget except for Non-departmental, Finance, Library, Recreation and Parks.

The Non-Departmental fund overage is due to annual payments paid early in the fiscal year. About $11 thousand more than budgeted was paid to CalPERS Unfunded liability this fiscal year prior to last year. This amount is expected to increase in the next fiscal years and will be budgeted accordingly. In addition, a majority of Community Support contributions were paid at the beginning of the fiscal year and increased about $8 thousand from the previous year. Even with the current quarter overage, appropriations are expected to be within budget at the end of the fiscal year.

The Finance Department purchased cubicle dividers for about $4 thousand dollars. The overage was also contributed to increase in Finance Hourly Employee wages and employer paid deferred compensation pension plan for management. This hourly wages is expected to decrease by the end of FY 17/18, and the budget unit is expected to be within budget.

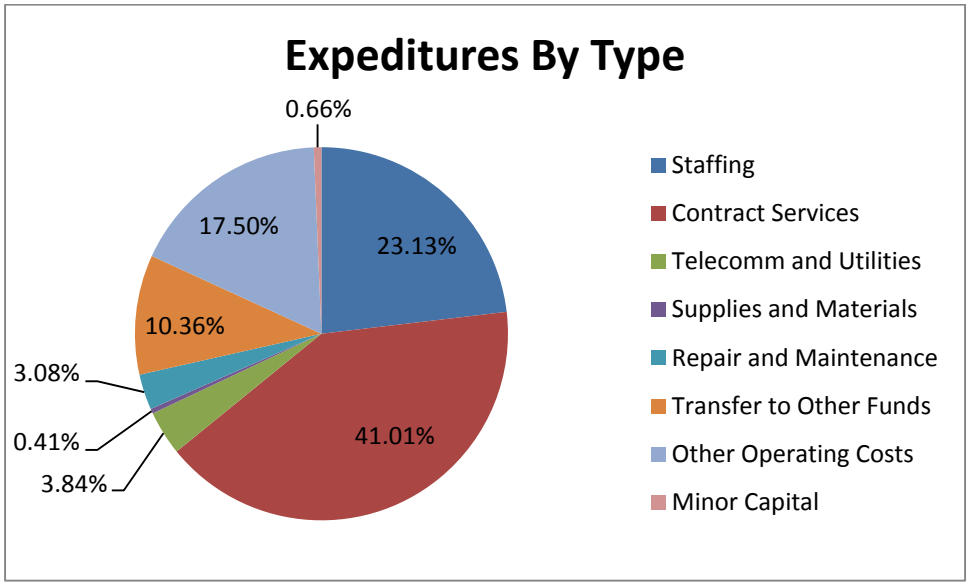
The Library Department should not experience much activity besides utility costs, as the whole contract amount was paid in August 2017.

The Recreation Department experienced an increase in operating activities. The Recreation department ran a Summer Teen Camp for the first time in conjunction with their Summer Camp, and increased their seasonal staffing. During the third quarter, the Recreation Center offered a three-day Thanksgiving Camp and a 2-week Winter Camp . The Recreation budget should even-out by the end of the fiscal year.

The Public Works- Parks budgetary unit resulted in an overage due to an increase in water service and water usage charges. The City has larger meters installed for irrigation which tend to have a larger monthly service charge. In addition, the City cleaned up the weeds at the Zaca Golf Course for about $12 thousand.

Major Expenditure Variances

Expenditures By Type	Budget	YTD Actual	% Expended
Staffing	1,569,505	796,265	51%
Contract Services	3,128,401	1,411,738	45%
Telecomm and Utilities	227,250	132,358	58%
Supplies and Materials	38,900	14,227	37%
Repair and Maintenance	232,700	106,188	46%
Transfer to Other Funds	1,178,500	356,735	30%
Other Operating Costs	964,300	602,636	62%
Minor Capital	59,500	22,599	38%
Total by Type	**7,399,056**	**3,442,746**	47%



The chart and graph above shows General Fund operating costs and minor capital expenditures summarized by type. With 50 percent of the year expended, all budget categories are within budget with the exception of Telecomm and Utilities and Other Operating Costs. The Telecomm and Utilities overage resulted from a water leak at one of the medians on Avenue of Flags. In addition, the water and sewer rate increases that went into effect in November contributed to the overage. The City gets charged for meters at City Parks, various irrigation meters, Wastewater Treatment Plant, Chamber of Commerce, Post Office, City Hall, and Police Station. Historically, water was charged to the appropriate account at the end of the fiscal year, but has been recorded on a monthly basis since the beginning of the fiscal year. This expenditure type should be within budget at the end of the fiscal year.

The Other Operating Costs category consists of payments to Community Support and various membership fees, as well as the CalPERS Unfunded Liability. These payments are paid at the beginning of the Fiscal year and should even-out by the end of the fiscal year.

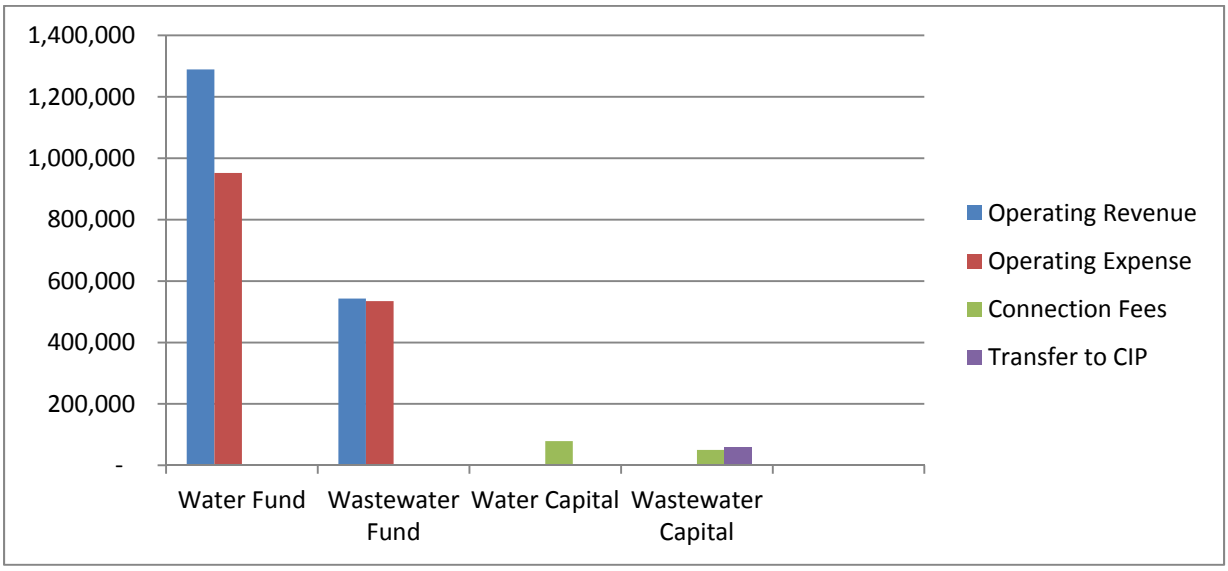
ENTERPRISE FUNDS

The Statement of Revenues and Expenses for the Second Quarter of Fiscal Year 2017-18 are shown below.

Revenues and Expenses

Enterprise Funds	Water	Wastewater	Water Capital	Wastewater Capital
Revenues				
Charge for Services	1,285,486	540,204	-	-
Interest Income	3,720	2,908	398	238
Connection Fees*	-	-	78,420	49,976
Total Operating Revenue	1,289,206	543,111	78,818	50,214
Other Revenues	26,493	5,043	-	-
Total Revenues	1,315,699	548,154	78,818	50,214
Expenses				
Operating	388,907	467,633	-	-
Depreciation**	88,500	125,000	-	-
State Water	474,489	-	-	-
Total Operating Expenses	951,896	592,633	-	-
Operating Profit(Loss)	363,803	(44,479)	78,818	50,214
Transfers Out - CIP		(57,883)		-

*Connection Fees used for CIP with restrictions; cannot be used for operating costs.
** Depreciation is estimated. Actual amount is posted at the end of the fiscal year.



Water Fund

Operating revenues have exceeded expenditures by over $360 thousand in the second quarter of Fiscal Year 2017-2018 (excludes Capital Improvement expenses which are recorded in the Water Capital Fund). The Water fund utilizes reserves to fund Capital Improvement Projects (CIPs) which are budgeted at $230,000 in the current fiscal year. The total CIP budget for fiscal year 2017-18 includes Water Treatment Plant Facilities Improvement, Water Treatment Backwash Reclamation Improvement Project, Water Meter Upgrades, Water Treatment Plant Booster Power Reliability, Water Distribution System Improvement, and Recycled Water Replacement Project.

On November 1, 2017, the second phase of water rate increases took effect, with the third phase becoming effective July 1, 2018. The rate increases will help reverse the operating deficit and fund the capital improvement projects. The operating loss has reversed as of the second quarter, and is currently operating with a surplus. The Water Fund ended the second quarter with approximately $2.3 Million in cash and fund balance of approximately $6 Million.

Water Fund 020	FY 17/18 Budget	FY 17/18 YTD	Percent
Revenues			
Charge for Services	1,798,000	1,285,486	71%
Interest Income	8,500	3,720	44%
Total Operating Revenue	1,806,500	1,289,206	71%
Other Revenues	11,500	26,493	230%
Transfer from Reserves	679,255	0	0%
Total Revenues	2,497,255	1,315,699	53%
Expenses			
Operating	1,160,256	388,907	34%
Depreciation**	177,000	88,500	50%
State Water	1,390,000	474,489	34%
Total Operating Expenses	2,727,256	951,896	35%
Transfers Out - CIP	(230,000)	-	0%

Water Capital

Water Capital Fund is a new fund to record Connection Fees and CIP expenditures. The change in fund balance is due to planned expenditures for CIPs exceeding estimated Connection Fee revenue and offset by any existing fund balance. CIP expenditures for FY 17/18 consisted of the above mentioned in the Water Fund.

Water Capital 021	FY 17/18 Budget	FY 17/18 YTD	Percent
Revenues			
Connection Fees	400,000	78,420	20%
Interest Income		398	
Transfer In from Fund 020	230,000	-	0%
Total Revenue	630,000	78,818	13%
Expenses			
Transfer to CIP Projects	680,000	-	0%

Wastewater Fund

Wastewater Fund Operating expenditures exceeded operating revenues causing the Wastewater fund to experience a net operating loss of over $44,000 in the second quarter of 2017-18 (excludes Capital Improvement Project expenses which are recorded in the Wastewater Capital Fund). The Wastewater fund utilizes reserves to fund Capital Improvement projects (CIPs) which are budgeted at $435,000 in 2017-18. The total CIP budget for fiscal year 2017-18 includes Wastewater Treatment Plant Facilities Improvements, Sewer Collection System Clean (CCTV) and Sewer Line Replacement.

On November 1, 2017, the second phase of water rate increases took effect, with the third phase becoming effective July 1, 2018. The rate increases will help reverse the operating deficit and fund the capital improvement projects. The operating loss has not reversed as of the First quarter report; however, the trend is expected to improve once the Wastewater fund experiences a full fiscal year of the rate increase. The Wastewater fund ended the second quarter with about $1.4 Million in cash and fund balance of approximately $3.5 Million.

Sewer Fund 005	FY 17/18 Budget	FY 17/18 YTD	Percent
Revenues			
Charge for Services	876,000	540,204	62%
Interest Income	7,000	2,908	42%
Total Operating Revenue	883,000	543,112	62%
Other Revenues	5,500	5,043	92%
Transfer from Reserves	300,308	0	0%
Total Revenues	1,188,808	548,155	46%
Expenses			
Operating	1,373,808	409,515	30%
Depreciation**	250,000	125,000	50%
Total Operating Expenses	1,623,808	534,515	33%
Transfers Out - CIP	(435,000)	(57,883)	13%

Wastewater Capital

Wastewater Capital Fund is a new fund to record Connection Fees and CIP expenditures. The change in fund balance is due to planned expenditures for CIPs exceeding estimated Connection Fee revenue and offset by any existing fund balance. CIP expenditures for FY 17/18 consisted of the above mentioned in the Wastewater Fund.

Wastewater Capital 006	FY 17/18 Budget	FY 17/18 YTD	Percent
Revenues			
Connection Fees	200,000	49,976	25%
Transfer In from Fund 005	435,000	57,883	13%
Total Revenue	635,000	107,859	17%
Expenses			
Transfer to CIP Projects	650,000	57,883	9%

ATTACHMENT 2

Capital Improvement Budget Report

City of Buellton, CA

Second Quarter Summary

For Fiscal: 2017-2018 Period Ending: 12/31/2017

		Original Total Budget	Current Total Budget	Fiscal Activity	Remaining Favorable (Unfavorable)	Percent Used
Fund: 092 - Capital Improvement Proj Fund						
Revenue						
092-49676	Transfer between 091/092	$ -	$ -		-	0%
092-49726	Transfer from Gas Tax Fund	$ 500,000.00	$ 500,000.00	211,264.99	288,735.01	42%
092-49727	Transfer from General Fund	$ 1,028,500.00	$ 1,028,500.00	356,735.48	671,764.52	35%
092-49728	Transfer from Measure A	$ 625,000.00	$ 625,000.00	327,103.21	297,896.79	52%
092-49729	Transfer from Sewer Fund	$ 650,000.00	$ 650,000.00	97,431.52	552,568.48	15%
092-49732	Transfer from Water Fund	$ 680,000.00	$ 680,000.00	-	680,000.00	0%
092-49733	Trsfr from Local Trans Fund	$ 95,000.00	$ 95,000.00	-	95,000.00	0%
	Revenue Total:	**$ 3,578,500.00**	**$ 3,578,500.00**	**992,535.20**	**2,585,964.80**	**28%**
Expense						
Department: 101 - Storm Drain Cleaning and Retrofit						
092-101-60800	Contract Services	$ -	$ -	-	-	0%
092-101-74100	Improvements	$ 20,000.00	$ 20,000.00	8,580.00	-	43%
092-101-76000	Contribution	$ -	$ -	-	-	0%
	Department: 101 - Storm Drain Cleaning and Retrofit Total:	**$ 20,000.00**	$ 20,000.00	**8,580.00**	**-**	43%

Status:
Most of the inlet and catch basins have been cleaned. There are still some areas where access is required.

Department: 102 - Storm Drain Outfall Repairs and Re-Establishment						
092-102-60800	Contract Services	$ -	$ -	-	-	0%
092-102-74100	Improvements	$ 25,000.00	$ 25,000.00	-	-	0%
Department: 102 - Storm Drain Outfall Repairs and Re-Establishment Total:		**$ 25,000.00**	$ 25,000.00	**-**	**-**	0%
Department: 201 - Facilities Maintenance and Painting						
092-201-60800	Contract Services	$ -	$ -	-	-	0%
092-201-74100	Improvements	$ 25,000.00	$ 25,000.00	-	-	0%
	Department: 201 - Facilities Maintenance and Painting Total:	**$ 25,000.00**	$ 25,000.00	**-**	**-**	**0%**
Department: 206 - Ave of Flags Park Pedestrian Sidewalk Impvmts						
092-206-74100	Riverview Park Pedestrian Sidewalk Improvements	$ 50,000.00	$ 50,000.00	-	-	0%
	Department: 206 - Riverview Park Pedestrian Sidewalk Impvmts Total:	**$ 50,000.00**	$ 50,000.00	**-**	**-**	**0%**

Status:
Project was included as part of 092-313 Road Maintenance Project.

Department: 207 -Santa Ynez River Trail						
092-207-74100	Conceptual Plan/feasibility	$ 20,000.00	$ 20,000.00	-	-	0%
	Department: 207 - City Hall Repairs Total:	**$ 20,000.00**	$ 20,000.00	**-**	**-**	**0%**
Department: 211 - Village Park Improvements						
092-211-74100	Village Park Improvements	$ 216,000.00	$ 216,000.00	-	-	0%
	Department: 211 - Village Park Improvements Total:	**$ 216,000.00**	$ 216,000.00	**-**	**-**	**0%**

Department: 213 - Post Office Fire Alarm System Replacement		Original Total Budget	Current Total Budget	Fiscal Activity	Remaining Favorable (Unfavorable)	Percent Used
092-213-74100	Improvements	$ 20,000.00	$ 20,000.00	9,759.00	10,241.00	49%
	Department: 213 - Post Office Fire Alarm System Replacement Total:	**$ 20,000.00**	$ 20,000.00	**9,759.00**	10,241.00	**49%**

Status:
Alarm system installation is complete. The project expended 49% of the budgeted amount.

Department: 214 - City Hall Generator/Electrical Replacement						
092-214-8000	Contract Services	$ -	$ -	-	-	0%
092-213-74100	Improvements	$ 40,000.00	$ 40,000.00	-	-	0%
	Department: City Hall Generator/Electrical Replacement Total:	**$ 40,000.00**	$ 40,000.00	**-**	**-**	0%

Department: 306 - Phase III Hwy 246/Sycamore Ped Xing						
092-306-60800	Contract Services	$ 70,000.00	$ 70,000.00	-	-	0%
092-306-74100	Improvements	$ -	$ -	-	-	0%
	Department: 306 - Phase III Hwy 246/Sycamore Ped Xing Total:	**$ 70,000.00**	$ 70,000.00	**-**	**-**	**0%**

Department: 307 - McMurray Road Widening/TS (13/14)						
092-307-60800	Contract Services		$ -	-	-	0%
092-307-71200	Right of Way Acquisition	$ 25,000.00	$ 25,000.00	-	-	0%
092-307-74100	Improvements	$ -	$ -	-	-	0%
	Department: 307 - McMurray Road Widening/TS (13/14) Total:	**$ 25,000.00**	$ 25,000.00	**-**	**-**	**0%**

Department: 308 - No. Ave of the Flags Prk and Ride						
092-308-60800	Contract Services	$ 75,000.00	$ 75,000.00	-	-	0%
092-308-74100	Improvements	$ -	$ -	-	-	0%
	Department: 308 - No. Ave of the Flags Prk and Ride Total:	**$ 75,000.00**	$ 75,000.00	**-**	**-**	**0%**

Department: 311 - Industrial Way Street Lights						
092-311-60800	Contract Services	$ 82,500.00	$ 82,500.00	372.50	-	0%
092-311-74100	Improvements	$ -	$ -		-	0%
	Department: 311 - Industrial Way Street Lights Total:	**$ 82,500.00**	$ 82,500.00	**372.50**	**-**	**0.5%**

Status:
Staff is still working on coordination with PG&E.

Department: 312 - Hwy 246 /Sidewalk (CalTrans)						
092-312-60800	Contract Services	$ 24,000.00	$ 24,000.00	12,635.00	11,365.00	53%
092-312-74100	Improvements	$ 56,000.00	$ 56,000.00	60,950.22	(4,950.22)	109%
	Department: 312 - Hwy 246 /Sidewalk (CalTrans) Total:	**$ 80,000.00**	$ 80,000.00	**73,585.22**	6,414.78	**92%**

Status:
Pedestrian lights are complete. Minor items are pending to finish reinstallation of crosswalk signs.

Department: 313 - Road Mtce Project 15-16 and 16/17						
092-313-60800	Contract Services	$ 113,605.00	$ 113,605.00	40,570.00	73,035.00	36%
092-313-74100	Improvements	$ 836,395.00	$ 836,395.00	762,236.96	74,158.04	91%
	Department: 313 - Road Mtce Project 15-16 Total:	**$ 950,000.00**	$ 950,000.00	**802,806.96**	147,193.04	**85%**

Status:
Project is near completion. Punch list items remain, but the bulk of work is complete.

Department: 315 - Ave of Flags Pedestrian/Drainage Improvement		Original Total Budget	Current Total Budget	Fiscal Activity	Remaining Favorable (Unfavorable)	Percent Used
092-315-60800	Contract Services	$ 100,000.00	$ 100,000.00	-	-	0%
092-315-74100	Road Maintenance Project 15-16	$ -	$ -	-	-	0%
	Department: 315 - Ave of Flags Pedestrian/Drainage Improvement	**$ 100,000.00**	$ 100,000.00	**-**	**-**	**0%**
Department: 316- Road Maintenance Project (17/18)						
092-316-60800	Contract Services	$ 180,000.00	$ 180,000.00			0%
092-316-74100	Improvements	$ 270,000.00	$ 270,000.00			0%
	Department: 316 - Road Maintenance Project (17/18)	**$ 450,000.00**	$ 450,000.00			**0%**
Department: 603 - WTP Facilities Improvement						
092-603-60800	Contract Services	$ -	$ -	-	-	0%
092-603-74100	Improvements	$ 100,000.00	$ 100,000.00	-	-	0%
	Department: 603 - WTP Facilities Improvement:	**$ 100,000.00**	$ 100,000.00	**-**	**-**	**0%**
Department: 607 - Water Meter Upgrades						
092-607-74100	Improvements	$ 50,000.00	$ 50,000.00	-	-	0%
	Department: 607 - WTP Backwash Reclamation Improvement Project Total:	**$ 50,000.00**	$ 50,000.00	**-**	**-**	**0%**
Department: 608 - WTP/Booster Power Reliability						
092-608-74100	Improvements	$ 300,000.00	$ 300,000.00	-	-	0%
	Department: 608 - WTP/Booster Power Reliability	**$ 300,000.00**	**$ 300,000.00**	**-**	**-**	**0%**
Department: 610 - Water Distribution System Improvements						
092-610-74100	Water Distribution System Improvements	$ 200,000.00	$ 200,000.00	-	-	0%
	Department: 610 - Water Distribution System Improvements Total:	**$ 200,000.00**	$ 200,000.00	**-**	**-**	**0%**
Department: 611 - Recycled Water Program						
092-611-60800	Contract Services	$ -	$ -	-	-	0%
092-611-74100	Improvements	$ 30,000.00	$ 30,000.00	-	-	0%
	Department: 611 - Recycled Water Program Total:	**$ 30,000.00**	$ 30,000.00	**-**	**-**	**0%**
Department: 702 - Sewer Collections System Cleaning						
092-702-60800	Contract Services	$ -	$ -	-	-	0%
092-702-74100	Improvements	$ 50,000.00	$ 50,000.00	44,266.66	5,733.34	89%
	Department: 702 - Sewer Collections System Cleaning Total:	**$ 50,000.00**	**$ 50,000.00**	**44,266.66**	**5,733.34**	**89%**

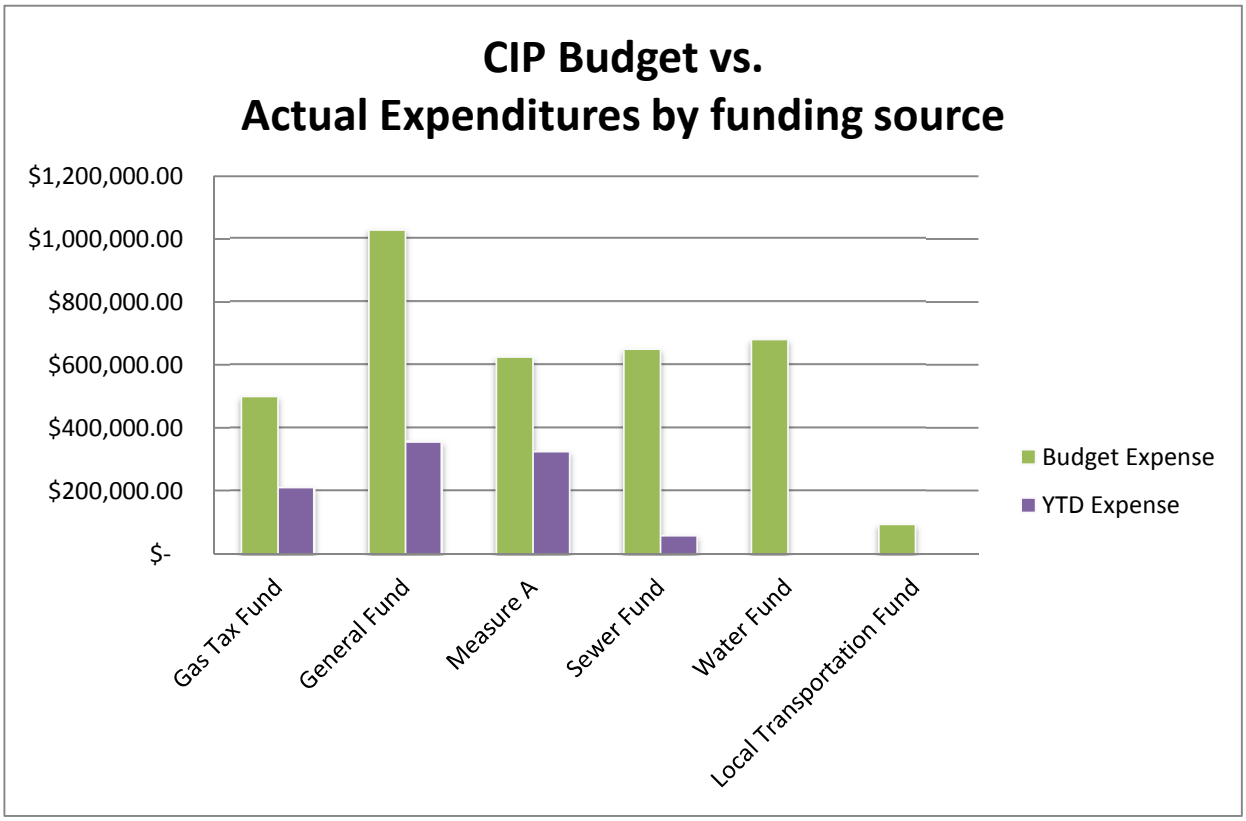
Status:
Most of the sewer system cleaning has been completed. There are a few areas with access issues that will need to be revisited.

Department: 704 - Sewer Line Replacement						
092-704-60800	Contract Services	$ -	$ -	-	-	0%
092-704-74100	Improvements	$ 100,000.00	$ 100,000.00	-	-	0%
	Department: 704 - Sewer Line Replacement Total:	**$ 100,000.00**	$ 100,000.00	**-**	**-**	**0%**
Department: 706 - WWTP Facilities Improvement						
092-706-60800	Contract Services	$ -	$ -	-	-	0%
092-706-74100	Improvements	$ 500,000.00	$ 500,000.00	53,164.86	-	11%
	Department: 706 - WWTP Facilities Improvement Total:	**$ 500,000.00**	$ 500,000.00	**53,164.86**	**-**	**11%**

Status:
Repairs for clarifiers have started.

Fund: 092 - Capital Improvement Proj Fund Surplus (Deficit):	**$ 3,578,500.00**	**3,578,500.00**	**992,535.20**	**2,585,964.80**	**28%**

Capital Improvement Project (CIP) Analysis



The Capital Improvement Plan includes completion of current projects, new investments, and important reinvestments in critical infrastructure projects. The CIP budget includes line item details explaining expenditures and funding source. The bar graph above shows that the CIPs in progress are within budgeted amounts.

Of the six CIPs currently in progress, four CIPs are near completion. These include Storm Drain Cleaning, Highway 246 and Ave of Flags Pedestrian Improvements, FY 15/16 and 16/17 Road Maintenance Project, and Sewer Collection System Cleaning. The Post Office alarm system replacement was completed with only 49 percent of the budget expended.

At the end of the second quarter, the following projects have began their initial phases: Industrial Way Street Lights and Wastewater Treatment Plant Improvements.

CITY OF BUELLTON

City Council Agenda Staff Report

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

To:	The Honorable Mayor and City Council
From:	Shannel Zamora, Finance Director
Meeting Date:	January 25, 2018
Subject:	Monthly Treasurer's Report – December 31, 2017

BACKGROUND

California Government Code Section 53646(b)(3) provides mandatory investment reporting requirements for California public agencies. The attached Treasurer's Report complies with the State's reporting requirement.

On June 8, 2017, Council adopted the current Investment Policy per Resolution 17-10 which states the City Finance Director, as the investment officer, must submit monthly reports to City Council to demonstrate that sufficient cash flow liquidity is available to meet the succeeding month's estimated expenditures.

This Treasurer's Report is for December 31, 2017. Treasurer's Reports are presented on a monthly basis.

FISCAL IMPACT

There is no fiscal impact; this report is intended to show the City Council the financial performance of the City's investment portfolio of idle funds.

RECOMMENDATION

That the City Council receive and file the Treasurer's Report for the month ending in December 31, 2017.

ATTACHMENTS

Attachment 1 – Monthly Treasurer's Report – December 31, 2017

City of Buellton

City of Buellton
Monthly Treasurer's Report
As of December 31, 2017

January 25, 2018

This report presents the City's cash activity and investment portfolio as of December 31, 2017. The report includes:

1) Cash and investments at December 31, 2017 compared to the prior month;

2) A reconciliation of cash and investments to City ledger balances;

3) All investments managed by the City on its own behalf;

4) Beginning of year fund balance, revenues, expenditures and ending fund balance for each fund at December 31, 2017

The following schedule is a summary of the City's cash and investments based on recorded value as of December 31, 2017 compared with the prior month.

	December 31, 2017	November 30, 2017
Cash	$ 2,826,895.36	$ 2,560,381.93
Investments held by the City	8,834,387.08	8,835,305.16
TOTAL CASH AND INVESTMENTS	$ 11,661,282.44	$ 11,395,687.09

Summary of activity for the Month and Future Liquidity: The increase of about $267 thousand in cash in December is due to the receipt of secured property tax revenues and receipt of Sales Tax for the month of October as well as receipt of the third quarter sales tax advance received from the state. The market value of investments held by the city decreased about $900. The portfolio is sufficiently liquid to meet expected expenditures for the coming six months.

The following schedule is a reconciliation of Cash and Investments to City ledger:

Pooled Cash Report

City of Buellton, CA
For the Period Ending 12/31/2017

ACCOUNT #	ACCOUNT NAME	11/30/2017 BALANCE	CURRENT ACTIVITY	12/31/2017 BALANCE
CLAIM ON CASH				
001-10000	Claim On Pooled Cash	5,921,064.19	270,952.08	6,192,016.27
005-10000	Claim On Pooled Cash	1,482,071.00	(43,125.77)	1,438,945.23
006-10000	Claim on Pooled Cash	117,396.73	-	117,396.73
020-10000	Claim On Pooled Cash	2,175,921.22	132,500.07	2,308,421.29
021-10000	Claim on Pooled Cash	180,774.90	-	180,774.90
023-10000	Claim On Pooled Cash	475,505.08	-	475,505.08
024-10000	Claim On Pooled Cash	20,384.02	-	20,384.02
025-10000	Claim On Pooled Cash	348,152.98	(36,899.99)	311,252.99
027-10000	Claim On Pooled Cash	43,664.78	(1,275.34)	42,389.44
029-10000	Claim On Pooled Cash	22,328.50	(9,270.00)	13,058.50
031-10000	Claim On Pooled Cash	461,052.60	(125,005.92)	336,046.68
072-10000	Claim on Pooled Cash	-	-	-
075-10000	Claim On Pooled Cash	225,091.31	-	225,091.31
090-10000	Claim On Pooled Cash	-	-	-
091-10000	Claim On Pooled Cash	-	-	-
092-10000	Claim On Pooled Cash	(77,720.22)	77,720.22	-
TOTAL CLAIM ON CASH		11,395,687.09	265,595.35	11,661,282.44
CASH IN BANK				
Cash in Bank				
999-10001	Pooled Cash - General Checking	2,546,486.29	267,547.98	2,814,034.27
999-10002	Pooled Cash - Money Market	205,715.84	32.68	205,748.52
999-10003	Pooled Cash - FSA	13,895.64	(1,034.55)	12,861.09
999-10004	Pooled Cash - Brokerage	249,211.65	(131.97)	249,079.68
999-10005	Pooled Cash - LAIF	8,131,346.65	-	8,131,346.65
999-10006	Pooled Cash - Morgan Stanley	249,031.02	(818.79)	248,212.23
TOTAL: Cash in Bank		11,395,687.09	265,595.35	11,661,282.44

Per Statements:	**12/31/2017**
Rabobank General Checking	3,078,594.51
Rabobank Money Market	205,748.52
Rabobank FSA	12,861.09
Local Agency Investment Fund	8,131,346.65
First Empire	249,079.68
Morgan Stanley	248,212.23
Total Cash per Statements:	**11,925,842.68**

Claim on Cash vs. Total Cash Per Statements:	(264,560.24)
Outstanding items per System Reconciliation	(264,560.24)
Difference:	-

City of Buellton
Investment Summary
December 31, 2017

Investment Portfolio	Interest Rate	Type	Market Value	Maturity Term	Maturity Date
Local Agency Investment Fund - LAIF	1.111%	Government - State Pool	$ 8,131,346.65	NA	NA
Berkshire Bank*	1.35%	Negotiable Certificate of Deposit	249,079.68	5 years	4/30/2018
Rabobank Money Market	0.20%	Public Investment Money Market	205,748.52	NA	NA
Wells Fargo Bank**	2.25%	Certificate of Deposit	246,337.50	5 Years	8/16/2022
Total Invested:			**$ 8,832,512.35**		
Cash in Portfolio Holding Account					
Portfolio Holding**		Cash Balance	1,874.73		
Total Cash in Investments:			1,874.73		
Total:			**$ 8,834,387.08**		

*Held by First Empire
**Held by Morgan Stanley

Currently, short-term excess cash is primarily invested in the Local Agency Investment Fund (LAIF) administered by the State Treasurer. This is a high quality investment available in terms of safety, liquidity, and yield. Due to fluctuations in the marketplace, the City may have some investments with a current market value that is greater or less than the recorded value. This difference has no effect on investment yield as the City intends to hold the securities to maturity. However, generally accepted accounting principles require that market gains and losses be reported as interest earnings or losses at year-end.

The following is a fund balance schedule showing beginning fund balance at July 1, 2017 plus revenues minus expenditures for the period, resulting in ending fund balance at December 31, 2017. Fund balance includes total assets and liabilities of the City.

City of Buellton, CA

Fund Balance Report

As Of 12/31/2017

Fund	July 1, 2017 Balance	Total Revenues	Total Expenses	December 31, 2017 Balance
001 - General Fund	6,879,205.82	3,068,304.11	3,442,746.11	6,504,763.82
005 - Sewer Fund	3,486,348.95	548,153.68	507,182.08	3,527,320.55
006 - Wastewater Capital	81,915.55	50,213.44	-	132,128.99
020 - Water Fund	5,638,570.87	1,315,698.76	863,395.80	6,090,873.83
021 - Water Capital	-	78,817.89	-	78,817.89
023 - Housing Fees	476,537.26	967.82	2,000.00	475,505.08
024 - Traffic Mitigation Fund	12,648.71	7,735.31	-	20,384.02
025 - Gas Tax Fund	353,635.43	55,921.05	230,832.49	178,723.99
027 - Local Transportation Fund	49,453.33	2,142.73	13,166.62	38,429.44
029 - Transportation Planning	(132,106.10)	17,944.00	20,035.00	(134,197.10)
031 - Measure A	210,042.53	179,730.36	327,103.21	62,669.68
072 - Landscape Maintenance Fund	-	-	-	-
075 - Trust & Agency Fund	2,145.00	465.05	-	2,610.05
090 - Long Term Debt	(2,524,366.00)	-	-	(2,524,366.00)
091 - General Fixed Assets	17,240,627.54	-	-	17,240,627.54
092 - Capital Improvement Proj Fund	-	992,535.20	992,535.20	-
Report Total:	**31,774,658.89**	**6,318,629.40**	**6,398,996.51**	**31,694,291.78**

As required by Government Code Section 5346 (b) (3), the chief officer for the City declares that there is sufficient funds to meet all obligations for the next six months.

Shannel Zamora

Shannel Zamora
Finance Director

CITY OF BUELLTON

City Council Agenda Staff Report

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

To:	The Honorable Mayor and City Council
From:	Rose Hess, Public Works Director
Meeting Date:	January 25, 2018
Subject:	Award of Contract for Street Sweeping Services and Discussion and Direction on Street Sweeping Policies

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BACKGROUND

On December 21, 2017, the City republished a Request for Proposals (RFP) for Street Sweeping Services (Attachment 1). The scope of work for the service includes sweeping on all City arterials, collectors, commercial/industrial and residential streets, alleys, and City parking lots twice a month. The areas include the entire length of all curbs (including along median curbs on Ave of Flags), uncurbed pavement edges, painted 2-way left turn lanes, mid-blocks between raised medians and painted medians, and intersection cross gutters.

Included within the RFP are Performance Standards which specifies that the City will withhold and deduct appropriate payment from the Contractor until services are rendered according to the specifications. The standards include:

- Safe Work/Operating Conditions – to ensure equipment in good operating conditions.
- Road Conditions – Operations shall not damage pavement surface and streets/curbs/gutters shall be free off debris after sweeping regardless of the number of passes.
- Days/Hours – Operations shall occur on Monday between 6 am - 2 pm (for streets) 5 am - 6 am for city parking lots.
- Sweeping Logs – the Contractor shall submit the log for each sweep with the locations of streets swept, cub yards of materials collected, speed of vehicle and type of sweeper used.
- Equipment and Storage – the Contractor shall provide their own storage of equipment and shall be conforming to the required specifications. In addition, the Contractor must maintain at least 2 sweepers at all time to ensure that equipment failure will not result in missed sweeping days. No make-up days will be allowed (unless due to weather and with concurrence from the City).

It is expected the same schedule of 2nd and 4th Mondays to continue. The term of the contract is through June 2020 with an option for three 1-year extensions.

The City received proposals from 2 companies: SP Maintenance Services, Inc. and Surface Management (Attachment 2). A summary comparing the proposals is listed below:

	SP Maintenance	**Surface Maintenance**
Cover	Included	Included
Respondent info: Qualifications, similar contracts, size of workforce, current ops/ability to complete, License no, supplement materials	City of Pismo Beach City of Solvang City of Morro Bay Missions Hills CSD Other materials submitted	Santa Barbara Cottage Hospital, UCSB City of Goleta
Statement of Work Understanding	Included in RFP	Included in RFP
Sweeper pictures/video of actual equipment proposed	None	All Compliant with AQMD Rule 1186 and PM10 Certified, Tymco 435 and Schwarze A4000
References – 4	Included	Included
Subs	none	none
Unit Cost – hourly rate	$80	$160
Total Cost Proposal	$30,198/yr	$77,892/yr
Addenda	Signed	Signed
Exceptions Noted	Concerns during heavy leaf season and issues raised regarding residents pushing leaves into street, particularly in Rancho de Maria	One pass only, excessive dirt/leaves will not be completely clean. Will not handle excessive leaves and debris blowed or pushed by residents into the street. During heavy leaf season, may require additional weekly passes to pick-up. Minimum charge is $640 for unscheduled areas. Cannot segregate contract to just one lot or small area. Dump fees will be extra, and will be upon city to find alternate facility if SY Transfer Station unavailable. Parked cars will create areas not swept.

Staff is also seeking City Council direction on any policy changes the City Council desires to help make the street sweeping function more efficient (such as ways to get cars off of the street during sweeping days).

FISCAL IMPACT

The City currently has allocated $34,800 in the budget for Street Sweeping Services for both Fiscal Years 2017-18 and 2018-19.

RECOMMENDATION

Staff recommends that the City Council award the Street Sweeping Services Contract to SP Maintenance and authorize the City Manager and City Attorney to execute the contract.

In addition, staff will research any direction provided by the City Council on street sweeping policies.

ATTACHMENTS

Attachment 1 - Street Sweeping RFP
Attachment 2 - Proposals

ATTACHMENT 1

REQUEST FOR PROPOSALS

FOR

STREET SWEEPING SERVICES

December 2017

SUBMITTAL:

One original and five copies must be received on or before 5pm: January 15, 2018

ADDRESSED TO:

City of Buellton
Attn: Rose Hess, Public Works Director
107 West Highway 246
P.O. Box 1819
Buellton, CA 93427

MARK ENVELOPE:

"PROPOSAL – STREET SWEEPING SERVICES"

PROPOSALS RECEIVED AFTER THE TIME AND DATE STATED ABOVE SHALL BE RETURNED UNOPENED TO THE SENDER

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APPENDIX A - KEY MAPS and SITE DESCRIPTIONS
APPENDIX B - STANDARD CONTRACT and INSURANCE

SECTION A - GENERAL INFORMATION

SECTION A1 - CITY CONTACT

All questions regarding this RFP are to be submitted in writing via U.S. mail or e-mail to:

CITY OF BUELLTON
Attn: Rose Hess
Subject: 2017 Street Sweeping Services RFP Question/Clarification
107 West Highway 246
P.O. Box 1819
Buellton, California 93427
Email: roseh@cityofbuellton.com

All contacts during the proposal process shall be through the City of Buellton. Attempts by the Respondent to contact department representatives may result in disqualification of the Respondent from the proposal process.

SECTION A2 – RFP Schedule

Milestone Date

Proposal issued	December 21, 2017
Written Questions Due	January 8, 2018
Proposal Due	January 15, 2018
Tentative Award Date	January 25, 2018
Tentative Contract Start Date	February 1, 2018

Award and start dates are approximate. It is the responsibility of each Respondent to be familiar with all of the specifications, Contract terms and conditions and Site conditions. The Respondent agrees and acknowledges all RFP specifications, terms, and conditions and indicates the ability to perform by submission of a proposal. By the submission of a proposal, the Respondent certifies that if awarded a contract it will make no claim against the City based upon ignorance of conditions or misunderstanding of the specifications.

SECTION A3 –DEFINITIONS

Agreement: The standard form of agreement contained in Appendix D as modified pursuant to Section E1.1 of the RFP.

Authorized Representative: The person designated by the City as having the authority and responsibility for administering the Project.

City: City of Buellton, California.

Contract Documents: The Agreement, as modified, together with the terms and conditions set forth in Section E of the RFP

Contractor: The successful Respondent to the RFP to whom contract is awarded.

Curb Mile: Curb mile shall be defined as the distance the sweeping machine travels with an effective sweeping width of eight (8) feet from the curb face along an improved street.

Emergency Service: That service which can be requested by the City to be performed outside the bounds of the scheduled service within two (2) hours of being notified to provide such service.

Inclement Weather: Weather conditions that prohibit the effective operation of sweeping operations, such as heavy rain or winds.

Leaf Season: The four months of the year when leaf fall is the heaviest. This period is typically runs from October 15th until February 15th. This timeframe is subject to change, and will be communicated to the contractor by the Director of Public Works or her designee.

Non-Leaf Season: The eight months of the year where leaf fall is not expected to be heavy. This period typically runs from February 16th through October 14th. This timeframe is subject to change, and will be communicated to the contractor by the Director of Public Works or her designee.

Maintenance Specifications: The specifications set forth in Section F of the RFP which includes.

Project: The Statement of Work described in Section B of the RFP.

Respondent: The party or parties who submit a proposal in response to the RFP.

RFP: Request for Qualifications/Request for Proposals for the Project.

Scheduled Service: Sweeping frequency as defined in the contract documents which must be performed on the schedule set forth in the contract documents.

Site: The physical location of the Project and includes each and every area listed and described in Appendix A and B of the RFP. All locations are city owned facilities and paved dedicated public rights-of-way.

Street Debris: All loose, inert, dry waste material including refuse, dirt, rocks, sticks, sand, glass, metal fragments, cans, bottles, leaves, and typical street litter.

Unscheduled Service: That service which can be reques ted by the City to be performed outside the bounds of the scheduled service which c an be anticipated a minimum of twenty-four (24) hours in advance.

Work: The provision of management, tools, supplies, equipment, and labor necessary to undertake the Project.

SECTION B – GENERAL REQUIREMENTS

SECTION B1 - PROJECT SUMMARY

The intent of these specifications is to provide street sweeping ce rvices to the City of Buellton on a regularly scheduled basis on arterial, colle ctor, commercial/industrial, and residential streets, alleys, cul-de-sacs, and parking lots to remove litter, leaves, dirt, and debris. Locations are designated in Appendix A (Key Maps) and Appendi x B (Site Descriptions). The entire length of all curbs (i ncluding median curbs and curb returns), uncurbed pavement edges, painted (2-way) left turn lanes, mid-bl ocks between raised medians and flush painted medians, and intersection cross gutter areas shall be swept each time the street is swept.

The program shall leave thes e areas with a presentable appe arance and help red uce the accumulation of dust and debris created by tr affic, storm runoff and other causes. The Contractor shall provide all management, tools, supplies, equi pment, and labor necess ary to insure that maintenance servic es are pr operly performed for all areas designated as scheduled. This cont ract has s pecific standards for service le vel including the assurance of readily available back-up sweepers to ensure that the sweep ing schedule is maintained without the need of a make-up day. This c ontract requires a supervisor to be available to the City via phone/email to ensure that the highest level of service is provided.

The Contractor shall use and fur nish at their own expense all labor, equipment and m aterials necessary for the satisfactory performance of the street sweeping requirements set forth.

SECTION B2 - PERFORMANCE STANDARDS

All work s hall be performed in accordance wit h the highest street sweeping standard. Standards and frequencies may be m odified from time to time as deemed necessary by the City for proper maintenance of the sites.

If, in the judgment of the City, t he level of maintenance is less t han that specified herein, the City shall, at its option, in addition to or in lieu of other remedies provided herein, **withhold and deduct appropriate payment from the Contractor until services are rendered in accordance with specifications set for within this document and providing no other arrangements have been made between the Contractor and the City. Failure to notify of a change and/or failure to perform an item or work on a scheduled day may result in a deduction of payment for that date or week. Payment shall be deducted for work not performed. Payment shall NOT resume until such time as the work is performed to City standard, nor shall reimbursement for prior inadequate work be given.**

The Contractor is required to correct deficiencies within the time specified by the City. If not ed deficient work has not been c ompleted, payment for subject deficien cy shall be withheld for current billing period, and sha ll continue to be withh eld until deficiency is corrected, without right to retroactive payments.

The following are addition performance standards:

B2.1 Safe Work/Operating Conditions. The Contractor shall be solely and completely responsible for equipment operating conditions during the course of maintenance performed on each Site. The Contractor shall exercise caution at all times for the protection of persons and property. The Contractor shall install adequate safety guards and protective devices and ensure proper regular maintenance for all equipment and machinery used in the Work place. The Contractor is responsible for any debris/broken equipment parts, etc. from its vehicles and equipment which may be left behind in the public right-of-way.

In addition, the Contractor shall operate the sweepers between four and five miles per hour when sweeping in order to ensure safe practice and complete pick-up of all street debris. Unless it can be proven, to the satisfaction of the City, the sweeper can operate at a higher speed and still operate efficiently and safely.

B2.2 Road Conditions. The Contractor shall take precautions to avoid scalping, rutting, or damaging any pavement surfaces (this includes damage caused by lack of maintenance or neglect on the part of the Contractor during their operations. Any pavement conditions found that are existing and may cause potential issues shall be reported to the city immediately.

The Contractor shall ensure after sweeping, curbs and gutters shall be left in a clean condition free from residue and debris. The Contractor shall make as many passes as are deemed necessary by the City to leave the streets, alleys and parking lots in a clean condition at no additional charge.

B2.3 Days/Hours of Sweeping. All regular scheduled street sweeping shall be performed on days that do not have trash pick-ups, these days include Monday and Thursdays. Currently Street Sweeping occurs on the second and fourth Mondays of the month. The City would like to maintain this schedule. All regular scheduled street sweeping shall be performed between the hours of 6 am and 2 pm. Regular scheduled sweeping of public parking lot facilities shall be completed between the hours of 5 am and 6 am, with the exception of the Oak Valley Park parking lot, which shall conform with the hours of 6 am to 2 pm.

Sweeping days missed due to inclement weather may be skipped and no charge for that day shall be made to the City. If weather permits on the Thursday immediately following, sweeping may be made up. Contractor shall notify the City of any days missed that same morning. Sweeping days due to the Holidays shall be made up on the Thursday immediately following.

B2.4 Sweeping Log. The Contractor shall submit weekly Sweeping Log monthly with Billing Statement for the period. The log shall include a daily starting and ending odometer readings, name of street, cubic yards of materials collected, speed of vehicle and type of sweeper used.

B2.5 Equipment and Storage. The Contractor shall perform work with equipment suitable to produce the quality of work prescribed within this RFP. All equipment shall be subject to the City's approval prior to use. All sweeping equipment shall have appropriate safety markings consisting of highway lighting, flashing and warning lights, clearance lights, and warning flags, all in accordance with the State Vehicle Code and approved by the City.

The Contractor shall properly maintain a minimum of or have two (2) working machine sweepers, both in good condition and appearance, for use on the work under this contract at

all times. Sweepers shall comply with all local sound control and noise level rules, regulations and ordinances which apply to any work performed pursuant to the contract or replaced with a sweeper which does meet the limits. Therefore, no make-up days will be allowed or are to be expected as Contractor shall assure a back-up vehicle to complete the work as scheduled.

The Contractor must provide his own storage for equipment such as sweepers, brooms, tires, gas, oil and other parts and materials. The City will not provide storage for any Contractor equipment.

B2.6 Disposal of Refuse. The Contractor is responsible for disposal of all debris collected through sweeping. The City does not have any dump sites available within the City Limits.

B2.7 Water. The contractor shall use water as an effective means to minimize dust from the sweeping process. No dry sweeping will be allowed.

B2.8 Regulatory. The Contractor shall follow and comply with all applicable regulatory requirements (federal, state, county, city or governmental department or agency) including but not limited to the Air Pollution Control District and Regional Water Quality Control Board. Specifically, the Contractor shall implement all Best Management Practices required under the City's NPDES permit.

SECTION C - SUBMISSION OF PROPOSALS

SECTION C1- PROPOSAL CONTENTS

C1.1 Proposal Contents. The content and sequence of the proposals shall be as follows:

a. Cover Letter. A one-page cover letter and introduction including the company name and address of the Respondent and the name, address and telephone number of the person or persons to be used for contact and who will be authorized to make representations for the Respondent. Whether the Respondent is an individual, partnership or corporation shall also be stated. It will be signed by the individual, partner, or an officer or agent of the corporation authorized to bind the corporation, depending upon the legal nature of the Respondent. A corporation submitting a proposal may be required before the contract is finally awarded to furnish a certificate as to its corporate existence, and satisfactory evidence as to the officer or officers authorized to execute the contract on behalf of the corporation.

b. Respondent Information. Information which describes and demonstrates:

(i) qualifications and expertise for performing the services, as well as the Respondent's understanding of the proposed project;
(ii) similar or related contracts under which the Respondent has provided services of the type and nature sought under the RFP;
(iii) size of the Respondent's Workforce, proposed use of subcontractors (if any) and qualifications of the individual(s) who will be assigned to the Project;
(iv) current operations and ability to complete the required Project in a timely manner;
(v) State Contractor's License Number and expiration date; and

(vi) any supplemental material (including letters of support or endorsement) indicative of the Respondent's capability. Include resumes as appropriate.

c. Statement of Work. A general discussion of the Respondent's understanding of the Project, the scope of services proposed (including any deviations in the Statement of Work included in this RFP) and their ability to meet the performance standards as specified in Section B2. Respondents are encouraged to explain what unique talents, skills and resources that distinguish them from other Respondents. This portion of the proposal will also note any exceptions to the requirements and conditions set forth in the RFP. If exceptions are not noted, the City will assume that the Respondent's proposal meets all requirements of the RFP. **The Statement of Work shall include details, pictures and video file of the actual equipment/sweeper proposed for the project.**

d. Job References. A list of at least four references of comparable projects for which the Respondent has been employed. For each reference, the following information shall be furnished:

(i) name and location of the project;
(ii) description of services provided;
(iii) name of owner, contact person, telephone number and mailing address; and
(iv) size of contract (geographic area and dollar value) and status of completion.

e. List of Subcontractors. A list of the name and address of each subcontractor to whom the Respondent proposes to sublet portions of the Work in excess of one-half of one percent of the total amount of its proposal or ten thousand dollars ($10,000), whichever is greater. For the purpose of this paragraph, a subcontractor is defined as one who contracts with the Respondent to furnish materials and labor, or labor only for the performance of Work at the Site of the Work or who will specially fabricate a portion of the Work off the site.

f. Unit Costs. A fee schedule showing hourly rates should be included. This fee schedule shall be the basis of extra work that may be authorized as a special project or needs through the duration of the contract.

g. Cost Proposal. In order for the City to make a fair comparison between Respondent fee proposals, each Respondent shall detail their fee proposal as specified below. The fee quotation shall include all services, materials, equipment, etc., necessary to undertake the Project. In addition, each Respondent shall indicate the labor force, job classifications, hourly rate and estimated hours of Work of each person the Respondent intends to employee on the Project. Each Respondent may provide options for the City to increase or reduce the scope of the Work. See Table below to be submitted as part of your package:

CITY OF BUELLTON STREET SWEEPING COST PROPOSAL				
DESCRIPTION	**QTY**	**Unit cost**	**EXTENDED $ Per WEEK**	**EXTENDED $ Per Month**
Curb-miles	**31 miles**			
No Curb Roads	**1.8 miles**			
Alleys	**0.7 miles**			
Parking Lot 1 (Oak Park)	**Miles included above**			
Parking Lot 2 (Riverview Park)	**Lump Sum**			
Parking Lot 3 (Sheriff/Library/PO)	**Lump Sum**			
Parking Lot 4 (Rear Post Office)	**Lump Sum**			
Parking Lot 5 (City Hall)	**Lump Sum**			
Parking Lot 6 (Park n Ride)	**Lump Sum**			
Hourly Rate For Sweeper:				
Total Monthly Cost: (2xs/mo)				
Total Annual Cost:				
Contractor Name:		**Signature:**		
Date:		**Print Name:**		

g. Addenda. Each proposal shall include specific acknowledgment that the Respondent has received all addenda (if any) issued during the proposal period. Failure to so acknowledge may result in the proposal being rejected as not responsive.

h. Page Limits. Proposals will be limited to 15 pages maximum. (single side pages, 12 pt font)

C1.2 Qualifications of Respondent. Each Respondent shall be skilled and regularly engaged in the general class or type of Work called for under the Statement of Work described in Section B. Each Respondent shall also have no less than five (5) years experience in the magnitude and character of the Project. It is the intention of the City to award a contract to a Respondent who furnishes satisfactory evidence that it has the requisite experience and ability, and that it has sufficient capital, facilities, and plant to enable it to prosecute the Work successfully and properly, and to complete the Project within the time named in the contract. To determine the degree of responsibility to be credited to the Respondent, the City will weigh any evidence that the Respondent has performed satisfactorily other contracts of like nature, magnitude and comparable difficulty and comparable rates of progress. If in the opinion of the City, a Respondent is determined to be insufficiently qualified, then that proposal will not be considered for award of the contract.

C1.3 Proposal Execution. The cover letter required pursuant to Section C1 shall be signed by the individual, partner, or an officer or agent of the corporation authorized to bind the corporation, depending upon the legal nature of the Respondent. Execution of the cover letter shall constitute acknowledgement and acceptance by the Respondent of the specifications, terms and conditions of the *RFP* unless otherwise stipulated in the proposal pursuant to Section C1. Each proposal shall be enclosed in a sealed envelope, labeled as specified in the cover sheet of the *RFP.* No oral, telegraphic or telephonic proposals or modifications will be considered.

C1.4 Costs and Pricing. Price quotations shall include everything necessary for the completion of the Project and fulfillment of the contract including but not limited to furnishing all materials, equipment, tools, plant and other facilities and all management, supervision, labor and services, except as may be provided otherwise in the contract. In addition, the proposal shall include allowance for all federal, state and local taxes, as applicable. In preparing cost quotations, each Responder represents that it has carefully examined the Contract Documents (as set forth in Section E) and the Site where the Work is to be performed and has familiarized itself with all local conditions and federal, state and local laws, ordinances, rules, and regulations that may affect, in any manner, the performance of the Work. The submittal of a proposal shall be conclusive evidence that the Respondent has investigated and is satisfied as to the conditions to be encountered, including locality, uncertainty of weather and all other contingencies, and as to the character, quality, quantities, and scope of the Work.

C1.5 Modification of Proposal. A modification of a proposal already received will be considered only if the modification is received prior to the time announced for the opening of proposals. All modifications shall be made in writing, executed and submitted in the same form and manner as the original proposal.

C1.6 Submittal. Each Respondent shall submit one fully executed original and five copies of its proposal in a sealed envelope with Project name and closing date/time written on the

outside of the package. Proposals received after the closing time will not be considered. After award, all proposals shall be opened for public inspection. The City assumes no responsibility for the confidentiality of information furnished in a proposal. The City will not be held liable for any cost incurred by Respondents in submitting a proposal.

SECTION C2 - CONTRACTOR OBLIGATIONS

C2.1 Inspection of Sites. Respondents are required to inspect the Site of the Work in order to satisfy themselves, by personal examination or by such other means as they may prefer, of the location of the proposed Work and as to the actual conditions of and at each Site. If, during the course of its examination, a Respondent finds facts or conditions which appear to conflict with the letter or spirit of the Contract Documents, or with any other data furnished in the RFP, it may apply to the City for additional information and explanation before submitting its proposal. The submission of a proposal by the Respondent shall constitute the acknowledgment that, if awarded the contract, it has relied and is relying on its own examination of:

(i) the Site of the Work;
(ii) the access to each Site; and
(iii) all other data, matters, and things requisite to the fulfillment of the Work.

No claim for additional compensation will be allowed which is based upon a lack of knowledge of the aforesaid items.

C2.2 Examination of Contract Documents. The submission of a proposal shall constitute an acknowledgment upon which the City may rely that the Respondent has thoroughly examined and is familiar with the Contract Documents. The failure or neglect of a Respondent to receive or examine any of the Contract Documents shall in no way relieve it from any obligations with respect to its proposal or to the contract. No claim for additional compensation will be allowed which is based upon a lack of knowledge of any Contract Document.

C2.3 Interpretation of Contract Documents. No oral interpretations will be made to any Respondent as to the meaning of the Contract Documents. Requests for an interpretation shall be made in writing and delivered to the City no later than the date designated as the deadline for written questions. Interpretations by the City will be in the form of an addendum to the Contract Documents and, when issued, will be sent as promptly as is practical to all parties to whom the Contract Documents have been issued. All such addenda shall become part of the contract.

SECTION C3 - BACKGROUND INFORMATION

C3.1 Contract Scope of Work. At this time, the proposal provides detail to all possible locations that may be included within this contract. The City Council, however, may elect to modify the scope and/or requirements and performance standards as necessary. The City Council may also elect to segregate work areas and award multiple contracts.

C3.2 Deviations in Requested Services. Under Section C1 (Statement of Work), Respondents may include " ... any alternative solutions or approaches to accomplishing the desired results ... " as part of their proposal. However, Section C1 also requires that each proposal" ...note any exceptions to the requirements and conditions set forth in the RFP."

SECTION D - AWARD OF CONTRACT

SECTION D1 - REVIEW OF PROPOSALS

D1.1 Postponement of Opening. The City reserves the right to postpone the due date and time for proposals at any time prior to the date and time stated in Section A2.

D1.2 Disqualification of Respondent. If there is reason to believe that collusion exists among the Respondents, none of the proposals of the participants in such collusion will be considered.

D1.3 Rejection of Proposals. The City reserves the right to reject any proposals which are incomplete, obscure or irregular; any proposal which omit anyone or more items specified in Section C1.1; any proposal which fail to itemize costs according to each Site; any proposal in which line prices are unbalanced in the opinion of the City; and any proposals from Respondents who have previously failed to perform properly or to complete on time contracts of any nature.

D1.4 Waivers and Deviations. The City reserves the right to waive any informalities or irregularities and any technical or clerical errors in any proposal as the City may deem appropriate. The City further reserves the right to negotiate deviations from the prescribed terms, conditions and requirements of the selected Respondent.

D1.5 Award of Contract. Within 45 calendar days after the due date for proposals, the City will act either to accept a proposal or to reject all proposals. The acceptance of a proposal will be evidenced by a notice of award of contract in writing, delivered by mail to the Respondent whose proposal is accepted. No other act of the City shall constitute acceptance of a proposal. The award of contract shall obligate the Respondent whose proposal is accepted to furnish evidence of insurance and execute the contract set forth herein. Immediately following the award of contract, the Respondent will be required to meet with the City in a "Pre-Contract Conference" to review the Contract Documents to ensure that the documents will be properly executed and returned by the Respondent in a form acceptable to the City.

D1.6 Execution of Contract. The Agreement (as described in Section E1.1) shall be executed in duplicate by the successful Respondent and returned, together with the evidence of insurance, within ten (10) calendar days after the Notice of Award in Section D1. After execution by the City, one original contract shall be returned to the Contractor.

SECTION D2 - EVALUATION CRITERIA

When assessing performance, the following factors will be considered:

- Respondents whose work experience is comparable in scope to the services requested under the RFP.
- Qualifications of the individuals who will be assigned to perform the Work.
- Quality of past performance for comparable Work.
- Qualifications of individuals responsible for supervising the Work and managing the Project.

- Adequacy of personnel to perform the Work.
- Demonstrated ability to work effectively with City staff and related parties.
- Demonstrated ability to keep costs reasonable in relation to Project scope.
- Knowledge of local conditions.
- Demonstrated knowledge of cost containment procedures and practices.
- Demonstrated record of abiding by terms of contracts for comparable Projects.
- Completeness of proposal.
- Reasonableness of proposed compensation.
- Accessibility (i.e., ability to respond to service calls in a timely manner).

SECTION D3 - SELECTION PROCEDURE

D3.1 Selection Committee. All proposals will be evaluated by a Selection Committee comprised of City staff. The Selection Committee will screen the responses to the RFP and may select three or more firms as finalists. If necessary, finalists may be requested to interview with the Selection Committee as a part of the evaluation process. The finalist's Project Manager shall be required to attend the interview and respond to questions from the Selection Committee. Selection Committee will make a final recommendation to City Council.

D3.2 Assessment Process. The Selection Committee will employ several approaches in assessing performance including: (i) reviewing the experience listed in each proposal; (ii) seeking additional present and past information through the use of questionnaires; (iii) using data independently obtained from other information sources; and (iv) reviewing the proposed equipment/sweeper data/pictures/video. As part of this process, the City reserves the right to conduct a background inquiry of each Respondent that may include the collection of appropriate criminal history information, contractual and business associations and practices, employment histories, and reputation in the business community.

D3.3 Interviews. Should an interview process be necessary, all Respondents shall be prepared to present technical oral presentations within five (5) days after being notified by the Selection Committee. Failure to be available for oral presentations when scheduled shall render a Respondent's proposal unacceptable. Technical oral presentations shall consist of an oral presentation of approximately one-hour in duration and consist of the following topics:

(i) staffing and organization required to execute the Project;
(ii) understanding of the Project and services requested;
(iii) methodology and approach for implementing an effective quality control system; and
(iv) questions the Selection Committee may have on the Respondent's written proposal.

D3.3 Award. Upon recommendation of the Selection Committee, final selection and contract award will be made by the City Council. The Selection Committee's recommendation will be based on the Respondent's written proposal, background investigation and oral presentation. Strong emphasis will be placed on the degree to which the Respondent has consistently demonstrated a commitment to customer satisfaction, timely delivery of services at a fair and

reasonable cost, and adherence to proposal representations and contract terms in previous awards. The City Council shall be the sole judge in making the final selection.

SECTION E - CONTRACT PROVISIONS

SECTION E1- CONTRACT DOCUMENTS

E1.1 Form of Agreement. The standard form of agreement used by the City is set forth in Appendix B. This Agreement will be modified as necessary to incorporate the Definitions (Section A), Statement of Work (Section B), Cost Proposal (Section C) and the remainder of the Sections within this RFP. In addition, the City reserves the right to further modify the standard form of agreement to incorporate such terms and conditions that are mutually acceptable to the City and Contractor. In the event of conflict between the provisions of the Agreement and the contract provisions set forth herein, the City, at its sole discretion, shall elect which provisions governs.

E1.2 Term of Contract. The initial term of the Agreement shall be for a period of thirty (30) months - ending June 30, 2020 (assuming Council award in December 2017), with an option for three (3) additional one (1) year agreement extensions available. Subject to satisfactory performance and terms acceptable to the City. If the City elects to send out an RFP at the end of any portion of the term, the contract will automatically become month-to-month.

E1.3 Payment. Subject to the terms and conditions set forth in the Agreement, the Contractor shall be compensated by the City pursuant to the terms set forth in the RFP. Each month the Contractor shall furnish to the City an original invoice for all work performed, including the required supporting documentation for the work performed, during the preceding month. Should any extra work be performed at the request of the City, that work shall be separately itemized. The City shall independently review each invoice submitted by the Contractor to determine whether the Work performed and expenses included are in compliance with the provisions of the Agreement. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the payment request.

a. Property Damage. If the Contractor damages any property belonging to the City, the City may either retain from the money due to the Contractor an amount sufficient to repair the damage or require the Contractor to repair the damage to the satisfaction of the City at the Contractor's expense.

b. Alternative Payments. It is agreed and understood that if the Contractor fails to perform the Work as specified herein, the City will withhold or deduct appropriate payment from the Contractor. If, in the judgment of the City, the level of maintenance is less than that specified herein, the City shall, at its option, in addition to or in lieu of other remedies, withhold and deduct appropriate payment from the Contractor until services are rendered in accordance with the specifications set forth within this documents. Failure to notify of a change and/or failure to perform an item or work on a scheduled day may result in deduction of payment for that date or week or month. Payment shall be deducted for work not performed. Payment shall be deducted for work poorly performed and which does not meet the expected standard.

Payment shall NOT resume until such time as the work is performed to the City standard, nor shall reimbursement for prior inadequate work be given.

The Contractor is required to correct deficiencies within the time specified by the City. If noted deficient work has not been completed, payment for subject deficiency shall be withheld for current billing period, and shall continue to be withheld until deficiency is corrected, without right to retroactive payments.

E1.4 Termination Provisions. Subject to the notice provisions set forth in the Agreement (Appendix H), the City may terminate the Agreement, at its convenience, with or without cause of action. Contractual deficiencies justifying immediate termination include:

(i) failure of the Contractor to perform all specific tasks outlined in the Statement of Work;
(ii) failure of the Contractor to recognize and correct valid customer complaints in accordance with response times (poor customer satisfaction);
(iii) failure of the Contractor to perform regularly scheduled Site maintenance during the month; and
(iv) failure of the Contractor to adhere to its Quality Control Plan.

SECTION E2 - LABOR PROVISIONS

E2.1 Prevailing Wages. This Project and all Work performed there under IS NOT subject to prevailing wage law as stipulated in the California Labor Code. ~~The Contractor shall pay the general prevailing rates of per diem wages and general prevailing rate for holiday and overtime in this locality for each and all craft or type of Workman needed to execute the Work. It is the contractor's responsibility to be aware of current rates.~~

~~**a. Payroll Reports.** The Contractor shall file certified payrolls for each week of Work performed. Reports shall be made readily available to the City upon request. If it is determined that the Contractor has paid its Workers less than the prevailing wage rates, as established by the California Department of Industrial Relations, then the cost of the City's investigation of the payroll discrepancies shall be deducted from the final contract amount. In addition, the City shall pursue its requirements under the California Labor Code.~~

~~**b. Wage Posting.** The Contractor shall be responsible for posting the current prevailing wage rates at the job site as published by the Department of Industrial Relations pursuant to the California Labor Code. A wage survey may be conducted by the City to insure that current prevailing wage rates are being paid to employees of the Contractor in accordance with the provisions of the Labor Code.~~

E2.2 Hours and Working Conditions. The City is a public entity in the State of California and is subject to the provisions of the Government Code and the Labor Code of the State. It is stipulated and agreed that all provisions of applicable law are a part of the Agreement to the same extent as though set forth herein and will be complied with by the Contractor.

E2.3 Non-Discriminatory Employment. In performing the Work, the Contractor agrees as follows:

Basic Provisions.

1. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physical handicap, medical condition, marital status or pregnancy (as those items are defined by the California Fair Employment and Housing Act—Government Code Section 12900-12996), except where such discrimination is based on a bona fide occupational qualification. The Contractor will take positive action or ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physical handicap, medical condition, marital status or pregnancy (as those terms are defined by the California Fair Employment and Housing Act--Government Code Section 12900-12996), except where such discrimination is based on a bona fide occupational qualification. The Contractor will take positive action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, creed, color, religion, ancestry, sex or national origin. Such action shall include but not be limited to the following: Employment upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause.

2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physical handicap, medical condition, marital status or pregnancy (as those items are defined by the California Fair Employment and Housing Act--Government Code Section 12900-12996), except where such discrimination is based on a bona fide occupational qualification.

3. The Contractor will send to each labor union or representative of Workers, with which it has a collective bargaining agreement or other contract understanding, a notice to be provided by the City advising the said labor union or Workers' representative of the Contractor's commitments under this provision, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. The Contractor will permit access to its records of employment, employment advertisements, application forms, and other pertinent data and records by the City, the Fair Employment Practices Commission, or any other appropriate agency of the State designated by the City for the purposes of investigation to ascertain compliance with the Contractor's Obligation for Nondiscriminatory Employment provisions of the Agreement, or Fair Employment Practices statute.

5. A finding of willful violation of the nondiscriminatory employment practices article of the Agreement or of the Fair Employment Practices Act shall be regarded by the City as a basis for determining that as to future contracts for which the Contractor may submit bids, the Contractor is a "disqualified bidder" for being "non-responsible".

d. Willful Violations. The City shall deem a finding of willful violation of the Fair Employment Practices Act to have occurred upon receipt of written notice from the Fair Employment Practices Commission that it has investigated and determined that the Contractor has violated the Fair Employment Practices Act and has issued an order under Labor Code Section 1426 or obtained an injunction under Labor Code Section 1429. Upon receipt of any such written notice, the City shall notify the Contractor that unless it demonstrates to the satisfaction of the City within a stated period that the violation has been connected it shall be declared a "disqualified bidder" until such time as the Contractor can demonstrate that it has implemented remedial measures, satisfactory to the City, to eliminate the discriminatory employment practices which constituted the violation found by the Fair Employment Practices Commission.

e. Alleged Violations. Upon receipt from any person of a complaint of alleged discrimination under any City contract, the City Manager shall ascertain whether probable cause for such complaint exists. If probable cause for the complaint is found, the Manager shall request the City Council to hold a public hearing to determine the existence of a discriminatory practice in violation of the Agreement. In addition to any other remedy or action provided by law or the terms of the Agreement, the Contractor agrees, that should the City Council determine after a public hearing duly noticed to the Contractor that the Contractor has not complied with the nondiscriminatory employment practices provisions of the Agreement or has willfully violated such provisions, the City may, without liability of any kind terminate, cancel, or suspend the Agreement, in whole or in part. In addition, upon such determination the Contractor shall, as a penalty to the City forfeit a penalty of two hundred fifty dollar ($250.00) per day, or portion thereof, for each person who was denied employment as a result of such noncompliance. Such moneys shall be recovered from the Contractor. The City may deduct any such penalties from any moneys due the Contractor from the City.

f. Contractor Compliance. The Contractor certifies to the City that it has met or will meet the following standards for positive compliance, which shall be evaluated in each case by the City:

1. The Contractor shall notify all supervisors, foremen and other personnel officers in writing of the content of the nondiscrimination provision and their responsibilities under it.

2. The Contractor shall notify all sources of employee referrals (including unions, employment agencies, advertisements, Department of Employment) of the content of the nondiscrimination provision.

3. The Contractor shall file a basic compliance report as required by the City. Willfully false statements made in such reports shall be punishable as provided by law. The compliance report shall also specify the sources of the Work force and who has the responsibility for determining whom to hire, or whether or not to hire.

4. The Contractor shall notify the City of opposition to the nondiscrimination provision by individuals, firms or organizations during the period of the Agreement.

g. Lawful Remedies. Nothing contained herein shall be construed in any manner to prevent the City from pursuing any other remedies that may be available at law.

f. Subcontractors and Suppliers. The Contractor certifies to the City that it will comply with the following requirements with regard to all subcontractors and suppliers:

1. In the performance of the Work under the Agreement, the Contractor will include the provisions set forth above in all subcontracts and in any supply contract to be performed within the State of California, so that such provisions will be equally binding upon each subcontractor and each supplier.

2. The Contractor will take such action with respect to any subcontract or purchase order as the City may direct as a means of enforcing such provisions including sanctions for noncompliance: provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation's with a subcontractor or supplier as a result of such direction by the City, the Contractor may request the City to enter into such litigation to protect the interests of the City.

SECTION E3 – INSURANCE

E3.1 General Provisions. Prior to the beginning of and throughout the duration of the Work, the Contractor shall maintain insurance in conformance with the requirements set forth in Section E.3.2 below. The Contractor will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, it will be amended to do so. The Contractor acknowledges that the insurance coverage and policy limits set forth in Section E3.2 constitute the minimum amount of coverage required. Any insurance proceeds available to the City in excess of the limits and coverage required in this agreement and which is applicable to a given loss, will be available to the City. The exact form, terms and conditions of insurance are expressly set forth in Appendix B Section E.

E3.2 Insurance Coverage. The Contractor shall provide the types and amounts of insurance as set forth in Appendix B, Section E.

SECTION E4 - WORK EXECUTION

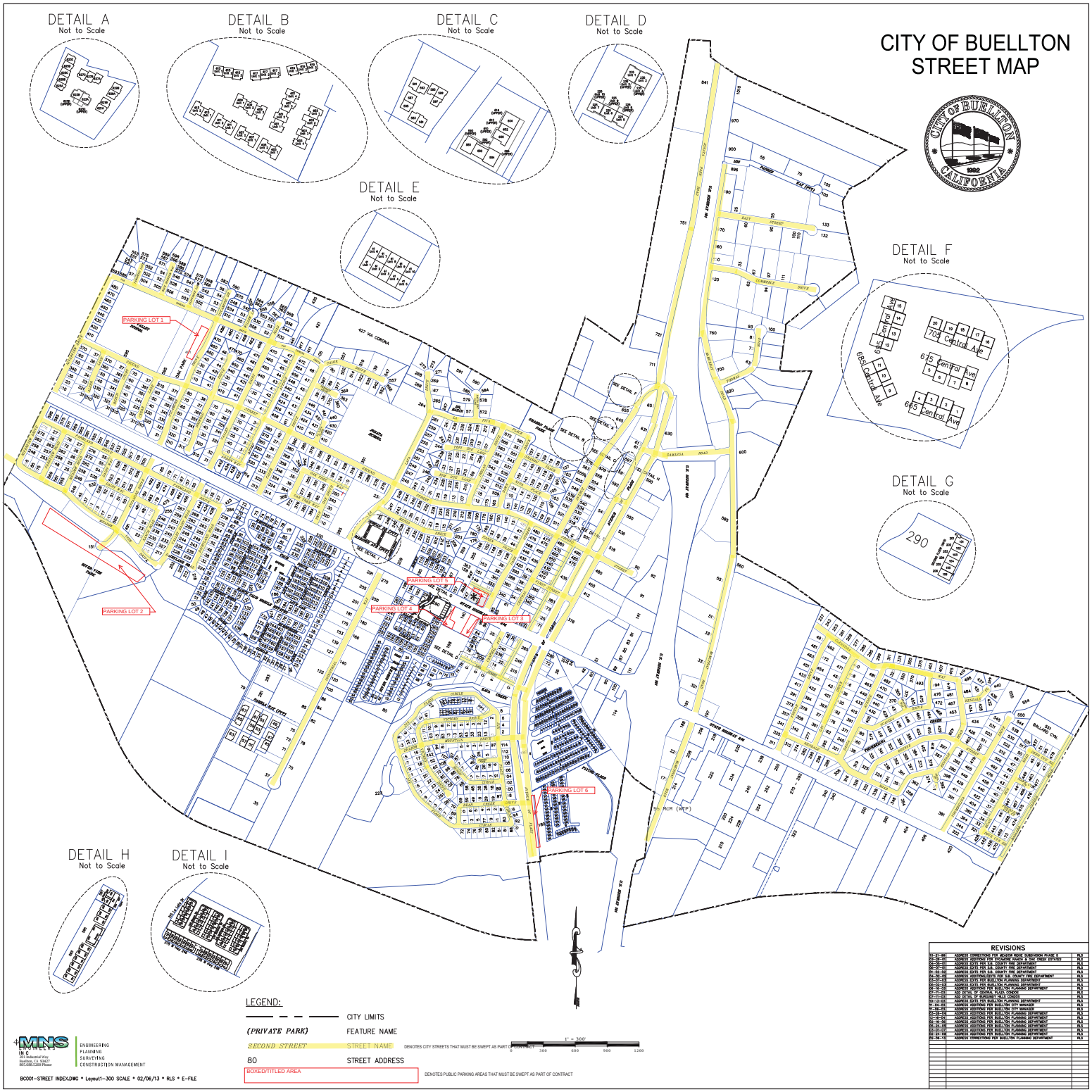
E4.1 Notice to Proceed. A written Notice to Proceed will be given by the City to the Contractor, denoting those Sites for which maintenance shall begin.

E4.2 Pre-Commencement Conference. With five (5) days of issuance of the Notice to Proceed and prior to commencement of Work, the City and Contractor shall conduct a Pre-Commencement Conference to coordinate execution of the Project. As part of the Pre-Commencement Conference, the City and Contractor shall jointly perform a field review of each site to establish baseline conditions including, but not limited to:

(i) status of landscape installation and City assumption of maintenance responsibilities;
(ii) functionality of irrigation systems including coverage, automatic timing and water pressure;
(iii) plant materials requiring immediate attention; and
(iv) modifications requiring issuance of a Change Order. The pre-commencement meeting shall be conducted prior to commencement of maintenance at a time and place designated by the City. One week prior to the Pre-Commencement Conference the Contractor shall submit its Traffic Control Plan (if any).

E4.3 Change Orders. The City and Contractor may request changes in the Agreement, but no Work will be performed on such changes until the parties jointly approve the request in writing. Subject to mutual agreement by the parties, the contract price shall be adjusted for any change, which requires a different quantity or quality of labor, materials, or equipment from that originally required. Changed Work shall be performed in accordance with the original contract requirements except as modified by an amendment. Except as herein provided, the Contractor shall have no claim for any other compensation due to changes in the Work. Any changes or deviation from the Agreement made without authority in writing from the City's Authorized Representative will be at the Contractor's own risk. No such change shall be made nor adjustment in compensation granted unless the Contractor receives an executed amendment prior to making the change.

APPENDIX A: KEY MAPS and SITE DESCRIPTION


CITY OF BUELLTON
STREET MAP
DETAIL A
Not to Scale
DETAIL B
Not to Scale
DETAIL C
Not to Scale
DETAIL D
Not to Scale
DETAIL E
Not to Scale
DETAIL F
Not to Scale
DETAIL G
Not to Scale
DETAIL H
Not to Scale
DETAIL I
Not to Scale
PARKING LOT 1
PARKING LOT 2
PARKING LOT 3
PARKING LOT 4
PARKING LOT 5
PARKING LOT 6
LEGEND:
CITY LIMITS
(PRIVATE PARK)
FEATURE NAME
SECOND STREET
STREET NAME
DENOTES CITY STREETS THAT MUST BE SWEPT AS PART OF CONTRACT
80
STREET ADDRESS
BOXED/TITLED AREA
DENOTES PUBLIC PARKING AREAS THAT MUST BE SWEPT AS PART OF CONTRACT
1" = 300'
MNS ENGINEERS INC
ENGINEERING
PLANNING
SURVEYING
CONSTRUCTION MANAGEMENT
BC001-STREET INDEX.DWG * Layout1-300 SCALE * 02/06/13 * RLS * E-FILE
REVISIONS

Description	Length (feet)	Length (miles)	Notes
Curbs	161,994	31	Mainly neighborhoods
No curb roads	9,360	1.8	Ballard, Jonata, some of AOF
Alleys	3,576	0.7	Behind City Hall and between Central and AOF
Parking Lots	5 Lots	n/a	Riverview Park, City Hall, Rear Post Office, Sherriff/Library/PO, Park and Ride
Totals	**5 lots**	**33.5**	

APPENDIX B: STANDARD CONTRACT and INSURANCE

AGREEMENT FOR PROFESSIONAL SERVICES – for
CITYWIDE STREET SWEEPING
BETWEEN
THE CITY OF BUELLTON
AND
CONTRACTOR/CONSULTANT

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AGREEMENT FOR PROFESSIONAL SERVICES – for
CITYWIDE STREET SWEEPING
BETWEEN
THE CITY OF BUELLTON
AND
CONTRACTOR/CONSULTANT

This AGREEMENT FOR PROFESSIONAL SERVICES **– for CITYWIDE STREET SWEEPING** BETWEEN THE CITY OF BUELLTON AND **CONTRACTOR/CONSULTANT** ("AGREEMENT"), is made and entered into this 14th day of December 2017, by and among the City of BUELLTON a municipal corporation ("CITY") and **CONTRACTOR/CONSULTANT** (CONSULTANT).

In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

SECTION 1. TERM OF AGREEMENT.

Subject to the provisions of SECTION 19 "TERMINATION OF AGREEMENT" of this AGREEMENT, the term of this AGREEMENT shall be for a period of thirty (30) months ending June 30, 2020 with an option for three (3) additional one (1) year agreement extensions available. Subject to satisfactory performance and terms acceptable to the City upon written agreement of both parties to this AGREEMENT.

SECTION 2. SCOPE OF SERVICES.

CONSULTANT agrees to perform the services set forth in EXHIBIT "A", "SCOPE OF SERVICES/PROPOSAL" and made a part of this AGREEMENT.

SECTION 3. ADDITIONAL SERVICES.

CONSULTANT shall not be compensated for any services rendered in connection with its performance of this AGREEMENT which are in addition to or outside of those set forth in this AGREEMENT or listed in EXHIBIT "A" unless such additional services are authorized in advance and in writing by the City Council or City Manager of CITY. CONSULTANT shall be compensated for any such additional services in the amounts and in the manner agreed to by the City Council or City Manager.

SECTION 4. COMPENSATION AND METHOD OF PAYMENT.

(a) Subject to any limitations set forth in this AGREEMENT, CITY agrees to pay CONSULTANT the amounts specified in EXHIBIT "A" and made a part of this AGREEMENT. The total compensation, including reimbursement for actual expenses, shall not exceed xxxxxxx DOLLARS ($xxxxx), unless additional compensation is approved in writing by the City Council or City Manager.

(b) Each month CONSULTANT shall furnish to CITY an original invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories: labor (by sub-category), travel, materials, equipment, supplies, sub-consultant contracts and miscellaneous expenses. CITY shall independently

review each invoice submitted by the CONSULTANT to determine whether the work performed and expenses incurred are in compliance with the provisions of this AGREEMENT. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event CITY disputes any charges or expenses, the original invoice shall be returned by CITY to CONSULTANT for correction and resubmission.

(c) Except as to any charges for work performed or expenses incurred by CONSULTANT which are disputed by CITY, CITY will use its best efforts to cause CONSULTANT to be paid within thirty (30) days of receipt of CONSULTANT invoice.

(d) Payment to CONSULTANT for work performed pursuant to this AGREEMENT shall not he deemed to waive any defects in work performed by CONSULTANT.

SECTION 5. INSPECTION AND FINAL ACCEPTANCE.

CITY may inspect and accept or reject any of CONSULTANT's work under this AGREEMENT, either during performance or when completed. CITY shall reject or finally accept CONSULTANT's work within sixty (60) days after submitted to CITY. CITY shall reject work by a timely written explanation, otherwise CONSULTANT's work shall be deemed to have been accepted. CITY's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any of CONSULTANT's work by CITY shall not constitute a waiver of any of the provisions of this AGREEMENT including, but not limited to, sections 15 and 16, pertaining to indemnification and insurance, respectively.

SECTION 6. OWNERSHIP OF DOCUMENTS.

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by CONSULTANT in the course of providing any services pursuant to this AGREEMENT shall become the sole property of CITY and may be used, reused or otherwise disposed of by CITY without the permission of the CONSULTANT. Upon completion, expiration or termination of this AGREEMENT, CONSULTANT shall turn over to CITY all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

SECTION 7. CONSULTANTS BOOKS AND RECORDS.

(a) CONSULTANT shall maintain any and all documents and records demonstrating or relating to CONSULTANT's performance of services pursuant to this AGREEMENT. CONSULTANT shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to CITY pursuant to this AGREEMENT. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by CONSULTANT pursuant to this AGREEMENT. Any and all such documents or records shall be maintained for three years from the date of execution of this AGREEMENT and to the extent required by laws relating to audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon written request by CITY or its designated representative. Copies of such documents or records shall be provided directly to the CITY for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at CONSULTANT's address indicated for receipt of notices in this AGREEMENT.

(c) Where CITY has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of CONSULTANT's business, CITY may, by written request, require that custody of such documents or records be given to the requesting party and that such documents and records be maintained by the requesting party. Access to such documents and records shall be granted to CITY, as well as to its successors-in-interest and authorized representatives.

SECTION 8. STATUS OF CONSULTANT.

(a) CONSULTANT is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of CITY. CONSULTANT shall have no authority to bind CITY in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against CITY; whether by contract or otherwise, unless such authority is expressly conferred under this AGREEMENT or is otherwise expressly conferred in writing by CITY.

(b) The personnel performing the services under this AGREEMENT on behalf of CONSULTANT shall at all times be under CONSULTANT's exclusive direction and control. Neither CITY, nor any elected or appointed boards, officers, officials, employees or agents of CITY, shall have control over the conduct of CONSULTANT or any of CONSULTANT's officers, employees or agents, except as set forth in this AGREEMENT. CONSULTANT shall not at any time or in any manner represent that CONSULTANT or any of CONSULTANT's officers, employees or agents are in any manner officials, officers, employees or agents of CITY.

(c) Neither CONSULTANT, nor any of CONSULTANT's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to CITY's employees. CONSULTANT expressly waives any claim CONSULTANT may have to any such rights.

SECTION 9. STANDARD OF PERFORMANCE.

CONSULTANT represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the services required under this AGREEMENT in a thorough, competent and professional manner. CONSULTANT shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. In meeting its obligations under this AGREEMENT, CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of CONSULTANT under this AGREEMENT.

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS, PERMITS AND LICENSES.

CONSULTANT shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during

the term of this AGREEMENT. CONSULTANT shall obtain any and all licen ses, permits and authorizations necessary to perform the service s set forth in this AGREEMENT. Neither CITY, nor any elected or app ointed boards, officers, officials, employees or agents of CITY, shall be liable, at law or in equity, as a result of any failure of CONSULTANT to comply with this section.

SECTION 11. NONDISCRIMINATION.

Basic Provisions. In performing the Work, CONSULTANT agrees as follows:

(1) CONSULTANT will not discriminate against any employee or applicant from employment because of race, creed, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physical handicap, medical condition, marital status or pregnancy (as those terms are defined by the California F air Employment and Housing Act —Government Code Section 12900-12996), except where such discr imination is b ased on a bona fide occupational qualification. CONSULTANT will take positive action or ensure that applicants ar e employed, and that employees a re treated during employment, without regard to their race , creed, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physical handicap, medical condition, marital status or preg nancy (as those terms are defined by the California Fair Employment and Housing Act—Government Code Section 12900-12996), except where such discrimination is based on a bona fid e occupational qualification. Such action shall include but not be limited to the following: Employment upgrading, demotion or transfer; recruitment or recruitment advertising; la yoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. CONSULTANT agrees to post in conspicuous pla ces, available to employees and applicants for employment, notices to be provided by CITY setting forth the provisions of this nondiscrimination clause.

(2) CONSULTANT will, in all solicit ations or advertisements for employees placed by or on behalf of CONSULTANT, state that all qualified applicants will receive consideration for employment without regard to race cree d, color, na tional origin, ancestry, sexual orientation, polit ical affiliation or beliefs, sex, age, physical han dicap, medical condition, marital status or pregnancy (as those terms ar e defined by the California Fair Employment an d Housing Act—Government Code Section 1290 0-12996), except where such discrimination is based on a bona fide occupational qualification.

SECTION 12. UNAUTHORIZED ALIENS.

CONSULTANT hereby promises an d agrees to comply with all o f the provisions of the Feder al Immigration and Nationality Act, 8 U.S.C.A. §1101, *et seq.* as amended, and in connection therewith, shall not employ unau thorized aliens as defined therein. Should CONSULTANT so employ such unauthorized aliens for the performance of work and/or services covered by this AGREEMENT, and should any liability or sa nctions be imposed against CITY for such use of unauthorized aliens, CONSULTANT hereby agrees to and shall reimburse CITY for the cost of all such liabilities or sanctions imposed, together with any and all co sts, including attorneys' fees, incurred by CITY.

SECTION 13. CONFLICTS OF INTEREST.

(a) CONSULTANT covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or i ndirectly, which would conflict in any manner with the interests of CITY or which w ould in any way hinder CONSUL TANT's performance o f services under this AGREEMENT. CONSULTANT further covenants that in the performance of

this AGREEMENT, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. CONSULTANT agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of CITY in the performance of this AGREEMENT.

(b) CITY understands and acknowledges that CONSULTANT is, as of the date of execution of this AGREEMENT, independently involved in the performance of non-related services for other governmental agencies and private parties. CONSULTANT is unaware of any stated position of CITY relative to such projects. Any future position of CITY on such projects shall not be considered a conflict of interest for purposes of this section.

SECTION 14. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

(a) All information gained or work product produced by CONSULTANT in performance of this AGREEMENT shall be considered confidential, unless such information is in the public domain or already known to CONSULTANT. CONSULTANT shall not release or disclose any such information or work product to persons or entities other than CITY without prior written authorization from the City Manager, except as may be required by law.

(b) CONSULTANT, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of CITY, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this AGREEMENT. Response to a subpoena or court order shall not be considered "voluntary" provided CONSULTANT gives CITY notice of such court order or subpoena.

(c) If CONSULTANT, or any officer, employee, agent or subcontractor of CONSULTANT, provides any information or work product in violation of this AGREEMENT, then CITY shall have the right to reimbursement and indemnity from CONSULTANT for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of CONSULTANT's conduct.

(d) CONSULTANT shall promptly notify CITY should CONSULTANT, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this AGREEMENT and the work performed thereunder. CITY retains the right, but has no obligation, to represent CONSULTANT or be present at any deposition, hearing or similar proceeding. CONSULTANT agrees to cooperate fully with CITY and to provide CITY with the opportunity to review any response to discovery requests provided by CONSULTANT. However, this right to review any such response does not imply or mean the right by CITY to control, direct, or rewrite said response.

SECTION 15. INDEMNIFICATION.

INDEMNITY FOR PROFESSIONAL LIABILITY: When the law establishes a professional standard of care for CONSULTANT's services, to the fullest extent permitted by law, CONSULTANT shall indemnify, defend and hold harmless CITY and any and all of it's boards, officials, employees, and agents ("Indemnified Parties") from and against all losses, liabilities, damages, costs and expenses, including attorney's fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of

CONSULTANT, its officers, agents, employees or subconsultants (or any entity or individual for which CONSULTANT shall bear legal liability) in the performance of professional services under this agreement.

INDEMNITY FOR OTHER THAN PROFESSIONAL LIABILITY: Other than in the performance of professional services and to the full extent permitted by law, CONSULTANT shall indemnify, defend and hold harmless CITY, and any and all of its boards, employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this AGREEMENT by CONSULTANT or by any individual or entity for which CONSULTANT is legally liable, including but not limited to officers, agents, employees or subcontractors of CONSULTANT.

SECTION 16. INSURANCE.

CONSULTANT agrees to obtain and maintain in full force and effect during the term of this AGREEMENT the insurance policies set forth in EXHIBIT "B" "INSURANCE" and made a part of this AGREEMENT. All insurance policies shall be subject to approval by CITY as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager. CONSULTANT agrees to provide CITY with copies of required policies upon request.

SECTION 17. ASSIGNMENT.

The expertise and experience of CONSULTANT are material considerations for this AGREEMENT. CITY has an interest in the qualifications of and capability of the persons and entities who will fulfill the duties and obligations imposed upon CONSULTANT under this AGREEMENT. In recognition of that interest, CONSULTANT shall not assign or transfer this Agreement or any portion of this AGREEMENT or the performance of any of CONSULTANT's duties or obligations under this AGREEMENT without the prior written consent of the City Council. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this AGREEMENT entitling CITY to any and all remedies at law or in equity, including summary termination of this AGREEMENT. CITY acknowledges, however, that CONSULTANT, in the performance of its duties pursuant to this AGREEMENT, may utilize subcontractors.

SECTION 18. CONTINUITY OF PERSONNEL.

CONSULTANT shall make every reasonable effort to maintain the stability and continuity of CONSULTANT's staff assigned to perform the services required under this AGREEMENT. CONSULTANT shall notify CITY of any changes CONSULTANT's staff assigned to perform the services required under this AGREEMENT, prior to any such performance.

SECTION 19. TERMINATION OF AGREEMENT.

(a) CITY may terminate this AGREEMENT, with or without cause, at any time by giving thirty (30) days written notice of termination to CONSULTANT. In the event such notice is given, CONSULTANT shall cease immediately all work in progress.

(b) CONSULTANT may terminate this AGREEMENT at any time upon thirty- (30) days written notice of termination to CITY.

(c) If either CONSULTANT or CITY fail to perform any material obligation under this AGREEMENT, then, in addition to any other remedies, either CONSULTANT, or CITY may terminate this AGREEMENT immediately upon written notice.

(d) Upon termination of this AGREEMENT by either CONSULTANT or CITY, all property belonging exclusively to CITY, which is in CONSULTANT's possession, shall be returned to CITY. CONSULTANT) shall furnish to CITY a final invoice for work performed and expenses incurred by CONSULTANT prepared as set forth in SECTION 4 of this AGREEMENT. This final invoice shall be reviewed and paid in the same manner as set forth in SECTION 4 of this AGREEMENT.

SECTION 20. DEFAULT.

In the event that CONSULTANT is in default under the terms of this AGREEMENT, the CITY shall not have any obligation or duty to continue compensating CONSULTANT for any work performed after the date of default and may terminate this AGREEMENT immediately by written notice to the CONSULTANT.

SECTION 21. EXCUSABLE DELAYS.

CONSULTANT shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of CONSULTANT. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state or local governments, acts of CITY, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this AGREEMENT shall be equitably adjusted for any delays due to such causes.

SECTION 22. COOPERATION BY CITY.

All public information, data, reports, records, and maps as are existing and available to CITY as public records, and which are necessary for carrying out the work as outlined in the EXHIBIT "A" "SCOPE OF SERVICES/PROPOSAL", shall be furnished to CONSULTANT in every reasonable way to facilitate, without undue delay, the work to be performed under this AGREEMENT.

SECTION 23. NOTICES.

All notices required or permitted to be given under this AGREEMENT shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To CITY: City of Buellton
Attn: Rose Hess
P.O. Box 1819
107 W. Highway 246
Buellton, CA 93427

To:

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 24. AUTHORITY TO EXECUTE.

The person or persons executing this AGREEMENT on behalf of CONSULTANT represents and warrants that he/she/they has/have the authority to so execute this AGREEMENT and to bind CONSULTANT to the performance of its obligations hereunder.

SECTION 25. BINDING EFFECT.

This AGREEMENT shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

SECTION 26. MODIFICATION OF AGREEMENT.

No amendment to or modification of this AGREEMENT shall be valid unless made in writing and approved by the CONSULTANT and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void. In the event of any conflict between the terms and conditions of this AGREEMENT and attached Exhibit "A", the terms and conditions of this AGREEMENT shall control. In the event of any conflict between the terms and conditions of this AGREEMENT and any attached exhibits, the terms and conditions of this AGREEMENT will control.

SECTION 27. WAIVER.

Waiver by any party to this AGREEMENT of any term, condition, or covenant of this AGREEMENT shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this AGREEMENT shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any

provision of this AGREEMENT. Acceptance by CITY of any work or services by CONSULTANT shall not constitute a waiver of any of the provisions of this AGREEMENT.

SECTION 28. LAW TO GOVERN; VENUE.

This AGREEMENT shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Santa Barbara. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Los Angeles.

SECTION 29. ATTORNEYS FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this AGREEMENT, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may he entitled.

SECTION 30. ENTIRE AGREEMENT.

This AGREEMENT, including the attached EXHIBITS "A" and “B", is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between CONSULTANT and CITY prior to the execution of this AGREEMENT. No statements, representations or other agreements, whether oral or written, made by any party which are not embodied herein shall be valid and binding. No amendment to this AGREEMENT shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

SECTION 31. SEVERABILITY.

If a term, condition or covenant of this AGREEMENT is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this AGREEMENT shall not be affected thereby and the AGREEMENT shall be read and construed without the invalid, void or unenforceable provision(s).

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed the day and year first above written.

.

By: _____ By: _____

Title: _____ Title: _____

CITY OF BUELLTON APRROVED AS TO FORM:

By: _____ _____

CITY MANAGER Steve McEwen, City Attorney

EXHIBIT "A"

SCOPE OF SERVICES/PROPOSAL

[NOTE: Scope of Services and xx Compensation is set forth in the proposal from xx - dated xx, attached hereto and incorporated herein by this reference. Total compensation shall not exceed $xx.]

EXHIBIT "B"

INSURANCE

A. Insurance Requirements. CONSULTANT shall provide and maintain insurance, acceptable to the City Manager or City Council, in full force and effect throughout the term of this AGREEMENT, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by CONSULTANT, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII. CONSULTANT shall provide the following scope and limits of insurance:

1. Minimum Scope of Insurance. Coverage shall be at least as broad as:

(1) Insurance Services Office form Commercial General Liability coverage (Occurrence Form CG 0001).

(2) Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, including code 1 "any auto" and endorsement CA 0025, or equivalent forms subject to the written approval of the City.

(3) Workers' Compensation insurance as required by the Labor Code of State of California and Employer's Liability insurance and covering all persons providing services on behalf of the CONSULTANT and all risks to such persons under this AGREEMENT.

(4) Errors and omissions liability insurance appropriate to the *(CONSULTANT)*'s profession.

2. Minimum Limits of Insurance. CONSULTANT shall maintain limits of insurance no less than:

(1) General Liability: $1,000,000 general aggregate for bodily injury, personal injury and property damage.

(2) Automobile Liability: $2,000,000 per accident for bodily injury and property damage.

(3) Workers' Compensation and Employer's Liability: Workers' Compensation as required by the Labor Code of the State of California and Employers Liability limits of $1,000,000 per accident.

(4) Errors and omissions Liability: $1,000,000 per occurrence.

B. Other Provisions. Insurance policies required by this AGREEMENT shall contain the following provisions:

1. All Policies. Each insurance policy required by this paragraph 5 shall be endorsed and state the coverage shall not be suspended, voided, cancelled by the insurer or either party to this AGREEMENT, reduced in coverage or in limits except after 30 days' prior written notice by Certified mail, return receipt requested, has been given to the CITY FINANCE DIRECTOR.

2. General Liability Accident -- Mobile Liability Rates.

(1) CITY and its respective elected and appointed officers, officials, and employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities CONSULTANT performs; products and completed operations of CONSULTANT; premises owned, occupied or used by CONSULTANT; or automobiles owned, leased, hired or borrowed by CONSULTANT. The coverage shall contain no special limitations on the scope of protection afforded to CITY, and their respective elected and appointed officers, officials, or employees.

(2) CONSULTANT's insurance coverage shall be primary insurance with respect to CITY, and its respective elected and appointed, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by CITY, and its respective elected and appointed officers, officials, employees or volunteers, shall apply in excess of, and not contribute with, CONSULTANT's insurance.

(3) CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(4) Any failure to comply with the reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to CITY, and its respective elected and appointed officers, officials, employees or volunteers.

3. Workers' Compensation and Employer's Liability Coverage. Unless the City Manager otherwise agrees in writing, the insurer shall agree to waive all rights of subrogation against CITY, and its respective elected and appointed officers, officials, employees and agents for losses arising from work performed by CONSULTANT.

C. Other Requirements. CONSULTANT agrees to deposit with CITY, at or before the effective date of this contract, certificates of insurance necessary to satisfy CITY that the insurance provisions of this contract have been complied with. The City Attorney may require that CONSULTANT furnish CITY with copies of original endorsements effecting coverage required by this Section. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. CITY reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

1. CONSULTANT shall furnish certificates and endorsements from each subcontractor identical to those CONSULTANT provides.

2. Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects CITY or its respective elected or appointed officers, officials, employees and volunteers or the CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

3. The procuring of such required policy or policies of insurance shall not be construed to limit CONSULTANT's liability hereunder nor to fulfill the indemnification provisions and requirements of this AGREEMENT.

SP Maintenance Services, Inc.
734 Ralcoa Way, Arroyo Grande, CA 93420
(P) 805-343-9999 (F) 805-343-9989

ATTACHMENT 2

Proposal – Street Sweeping Services

City of Buellton
Attn: Rose Hess, Public Works Director
107 West Highway 246
PO Box 1819
Buellton, CA 93427

SP Maintenance Services, Inc. is a California S Corporation with an office located at 734 Ralcoa Way in Arroyo Grande, CA 93420. The office phone number is (805) 343-9999 and fax number is (805) 343-9989. Services offered include street and parking lot sweeping, pressure washing, lighting, and general maintenance.

Contacts:

Thomas Richards – Operations Manager
Office: (805) 343-9999 Cell: (805) 440-5884
Email: Thomas@spmaintenance.com
734 Ralcoa Way, Arroyo Grande, CA 93420

Jesse Lopez – Street Sweeping Manager
Office: (805) 343-9999 Cell: (805) 234-5225
Email: Jesse@spmaintenance.com
734 Ralcoa Way, Arroyo Grande, CA 93420

Mary Tappan – Administrative Assistant
Office: (805) 343-9999
Email: Mary@spmaintenance.com
734 Ralcoa Way, Arroyo Grande, CA 934020

Thomas Richards
Operations Manager
SP Maintenance Services, Inc.

January 8, 2018
Date

SP Maintenance Services, Inc.
734 Ralcoa Way, Arroyo Grande, CA 93420
(P) 805-343-9999 (F) 805-343-9989

SP Maintenance Services, Inc. has been serving San Luis Obispo and Santa Barbara counties in street and parking lot sweeping for the last twenty years. We have a fleet of trucks and highly trained personnel who understand the scope of a project such as this. In addition, SP has been blessed to service the City of Buellton for the last six years, which gives us an intimate knowledge of the project and scope.

SP Maintenance Services, Inc. currently works with the City of Pismo Beach, City of Solvang, City of Morro Bay, and Mission Hills Community Services District providing similar service.

City of Pismo Beach
PO Box 1819
Buellton, CA 93427
Contact: Cindy Ransdell
Phone: 805-773-7053
Annual contract: $27,978.72

City of Solvang
1644 Oak Street
Solvang, CA 93463
Contact: Tim Keaty
Phone: 805-688-5575 x228
Annual contract: $36,000.00

City of Morro Bay
595 Harbor Street
Morro Bay, CA 93442
Contact: Mike Wilcox
Phone: 805-772-6278
Annual contract: $37,582.56

Mission Hills Community Services District
1550 East Burton Mesa Blvd
Lompoc, CA 93436
Contact: Casey Fowler
Phone: 805-733-4366 x200
Annual contract: $8,040.00

SP Maintenance Services, Inc. has two heavy duty vacuum vehicles and two heavy duty sweeper (tail broom) trucks in rotation. Our heavy duty drivers have a combined experience of over twenty five years. Of our 45 employees, five are dedicated full time to heavy duty sweeping. We do not, and will not, use subcontractors for this type of work.

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 9/21/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Leavitt Central Coast Insurance Services, Inc.
License #0G39781
950 East Blanco Rd, Suite 103
Salinas CA 93901

CONTACT NAME: Candi Renteria
PHONE (A/C, No, Ext): (831) 424-6404 FAX (A/C, No): (831) 424-0140
E-MAIL ADDRESS: candi-renteria@leavitt.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: West American Insurance Company	44393
INSURER B: National Union Fire Ins Co of PA	a19445
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

INSURED
SP MAINTENANCE SERVICES INC
734 Ralcoa Way
Arroyo Grande CA 93420

COVERAGES CERTIFICATE NUMBER: 17-18 MASTER REVISION NUMBER:

THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT X LOC OTHER:			BKW56140789	9/24/2017	9/24/2018	EACH OCCURRENCE	$	1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$	500,000
							MED EXP (Any one person)	$	15,000
							PERSONAL & ADV INJURY	$	1,000,000
							GENERAL AGGREGATE	$	2,000,000
							PRODUCTS - COMP/OP AGG	$	2,000,000
								$	
A	AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS X COMP/1,000 X COLL/1,000			BAW56140789	9/24/2017	9/24/2018	COMBINED SINGLE LIMIT (Ea accident)	$	1,000,000
							BODILY INJURY (Per person)	$	
							BODILY INJURY (Per accident)	$	
							PROPERTY DAMAGE (Per accident)	$	
								$	
B	UMBRELLA LIAB X OCCUR X EXCESS LIAB CLAIMS-MADE DED RETENTION $			EBU019506849	9/24/2017	9/24/2018	EACH OCCURRENCE	$	5,000,000
							AGGREGATE	$	5,000,000
							Prod/Completed Ops	$	5,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A					PER STATUTE OTH-ER		
							E.L. EACH ACCIDENT	$	
							E.L. DISEASE - EA EMPLOYEE	$	
							E.L. DISEASE - POLICY LIMIT	$	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
City of Buellton and its respective elected and appointed officers, officials, and employees and volunteers are named as Additional Insureds under the General Liability.

CERTIFICATE HOLDER

City of Buellton
107 West Hwy 246
Buellton, CA 93427

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Francis Svedas/CARENT

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REQUEST FOR PROPOSALS

FOR

STREET SWEEPING SERVICES

December 2017

SUBMITTAL:

One original and five copies must be received on or before 5pm: January 15, 2018

ADDRESSED TO:

City of Buellton
Attn: Rose Hess, Public Works Director
107 West Highway 246
P.O. Box 1819
Buellton, CA 93427

MARK ENVELOPE:

"PROPOSAL – STREET SWEEPING SERVICES"

PROPOSALS RECEIVED AFTER THE TIME AND DATE STATED ABOVE SHALL BE RETURNED UNOPENED TO THE SENDER

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LIST OF APPENDICES

APPENDIX A - KEY MAPS and SITE DESCRIPTIONS
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SECTION A - GENERAL INFORMATION

SECTION A1 - CITY CONTACT

All questions regarding this RFP are to be submitted in writing via U.S. mail or e-mail to:

CITY OF BUELLTON
Attn: Rose Hess
Subject: 2017 Street Sweeping Services RFP Question/Clarification
107 West Highway 246
P.O. Box 1819
Buellton, California 93427
Email: roseh@cityofbuellton.com

All contacts during the proposal process shall be through the City of Buellton. Attempts by the Respondent to contact department representatives may result in disq ualification of the Respondent from the proposal process.

SECTION A2 – RFP Schedule

Milestone Date

Proposal issued	December 21, 2017
Written Questions Due	January 8, 2018
Proposal Due	January 15, 2018
Tentative Award Date	January 25, 2018
Tentative Contract Start Date	February 1, 2018

Award and start dates are appr oximate. It is the responsibility of each Responde nt to be familiar with all of the specifications, Contract terms and con ditions and Site conditio ns. The Respondent agrees and a cknowledges all RFP specifications, terms, and conditions and indicates the ability to perform by submiss ion of a proposal. By the subm ission of a proposal, the Respondent certifies that if awarded a contract it will make no claim against the City based upon ignorance of conditions or misunderstanding of the specifications.

SECTION A3 –DEFINITIONS

Agreement: The standard form of agreemen t contained in Ap pendix D as modified pursuant to Section E1.1 of the RFP.

Authorized Representative: The person designat ed by the Cit y as having the authority and responsibility for administering the Project.

City: City of Buellton, California.

Contract Documents: The Agreement, as modified, together with the terms and conditions set forth in Section E of the RFP

CITY OF BUELLTON STREET SWEEPING COST PROPOSAL				
DESCRIPTION	**QTY**	**Unit cost**	**EXTENDED $ Per WEEK**	**EXTENDED $ Per Month**
Curb-miles	**31 miles**	$32.00	$992.00	$1,984.00
No Curb Roads	**1.8 miles**	$32.00	$57.60	$115.20
Alleys	**0.7 miles**	$32.00	$22.40	$44.80
Parking Lot 1 (Oak Park)	**Miles included above**			
Parking Lot 2 (Riverview Park)	**Lump Sum**	$63.25	$63.25	$126.50
Parking Lot 3 (Sheriff/Library/PO)	**Lump Sum**	$33.25	$33.25	$66.50
Parking Lot 4 (Rear Post Office)	**Lump Sum**	$23.25	$23.25	$46.50
Parking Lot 5 (City Hall)	**Lump Sum**	$23.25	$23.25	$46.50
Parking Lot 6 (Park n Ride)	**Lump Sum**	$43.25	$43.25	$86.50
Hourly Rate For Sweeper:		$80.00		
Total Monthly Cost: (2xs/mo)				$2,516.50
Total Annual Cost:				$30,198.00
Contractor Name:	SP Maintenance Services, Inc	**Signature:**		
Date:	01/08/2018	**Print Name:**	Thomas Richards	

g. Addenda. Each proposal shall incl ude specific acknowledgment that the Respondent has received all addenda (if any) issued during the proposal period. Failure to so acknowledge may result in the proposal being rejected as not responsive.

h. Page Limits. Proposals will be limited to 15 pages maximum. (single side pages, 12 pt font)

C1.2 Qualifications of Respondent. Each Respondent shall be skilled and regularly engaged in the general class or type of Work called for under the Statement of Work described in Section B. Each Res pondent shall also have no les s than five (5) years experience in the magnitude and character of the Project. It is the intent ion of the City to award a contra ct to a Respondent who furnishes satis factory evidence that it has the r equisite experience and ability, and that it has sufficient capital, facilitie s, and plant to enable it to prosecute the Work successfully and properly, and to complete the Proj ect within the time named in the contract. To determine the deg ree of responsibility to be credited to the Respondent, the City will weigh any evidence that the Respondent has performed satisfactorily ot her contracts of like nature, magnitude and comparable diffic ulty and comparable rates of progress. If in the opinion of the City, a Respondent is determined to be insufficiently qualified, t hen that proposal will not be considered for award of the contract.

C1.3 Proposal Execution. The cover letter required pursuant to Section C1 shall be s igned by the individual, partner, or an officer or agent of the corporation authorized to bind the corporation, depending upon the l egal nature of the Re spondent. Execution of the cove r letter shall constitute acknowledgement and acc eptance by the Respondent of the spec ifications, terms and conditions of the *RFP* unless otherwise stipulated in the proposal pur suant to Section C1. Each propos al shall be enclosed in a s ealed envelope, labeled as specified in the cover sheet of the *RFP.* No oral, telegraphic or telephonic proposals or modifications will be considered.

C1.4 Costs and Pricing. Price quotations shall include everything necessary for the completion of the Project and fulfillment of the contract including but not limited to furnishing all materials, equipment, tools, plan t and other facilities and all man agement, supervision, labor and services, except as may be provided otherwise in the contra ct. In addition, the pr oposal shall include allowanc e for all federal, state and loc al taxes, as applicable. In preparing cost quotations, each Responder represents that it has carefully exam ined the Contract Documents (as set forth in Section E) and the Site wher e the Work is to be performed and has familiarized itself with all local c onditions and feder al, state and loc al laws, ordinances, rules, and regulations that may affect, in any manner, the performance of the Work. The submittal of a proposal shall be conclusive evidence that the Respondent has investigated and is satisfied as to the conditions to be encountered, including locality, uncertainty of weather and all other contingencies, and as to the character, quality, quantities, and scope of the Work.

C1.5 Modification of Proposal. A modif ication of a proposal already received will be considered only if the modification is receiv ed prior to the time announc ed for the opening o f proposals. All modifications shall be made in writing, executed and submitted in the same form and manner as the original proposal.

C1.6 Submittal. Each Respondent shall s ubmit one fully executed original and five copies of its proposal in a s ealed envelope with Project name and closi ng date/time written on the

outside of the package. Proposals received after the closing time will not be considered. After award, all proposals shall be opened for public inspection. The City assumes no responsibility for the confidentiality of information furnished in a proposal. The City will not be held liable for any cost incurred by Respondents in submitting a proposal.

SECTION C2 - CONTRACTOR OBLIGATIONS

C2.1 Inspection of Sites. Respondents are required to inspect the Site of the Work in order to satisfy themselves, by personal examination or by such other means as they may prefer, of the location of the proposed Work and as to the actual conditions of and at each Site. If, during the course of its examination, a Respondent finds facts or conditions which appear to conflict with the letter or spirit of the Contract Documents, or with any other data furnished in the RFP, it may apply to the City for additional information and explanation before submitting its proposal. The submission of a proposal by the Respondent shall constitute the acknowledgment that, if awarded the contract, it has relied and is relying on its own examination of:

(i) the Site of the Work;
(ii) the access to each Site; and
(iii) all other data, matters, and things requisite to the fulfillment of the Work.

No claim for additional compensation will be allowed which is based upon a lack of knowledge of the aforesaid items.

C2.2 Examination of Contract Documents. The submission of a proposal shall constitute an acknowledgment upon which the City may rely that the Respondent has thoroughly examined and is familiar with the Contract Documents. The failure or neglect of a Respondent to receive or examine any of the Contract Documents shall in no way relieve it from any obligations with respect to its proposal or to the contract. No claim for additional compensation will be allowed which is based upon a lack of knowledge of any Contract Document.

C2.3 Interpretation of Contract Documents. No oral interpretations will be made to any Respondent as to the meaning of the Contract Documents. Requests for an interpretation shall be made in writing and delivered to the City no later than the date designated as the deadline for written questions. Interpretations by the City will be in the form of an addendum to the Contract Documents and, when issued, will be sent as promptly as is practical to all parties to whom the Contract Documents have been issued. All such addenda shall become part of the contract.

SECTION C3 - BACKGROUND INFORMATION

C3.1 Contract Scope of Work. At this time, the proposal provides detail to all possible locations that may be included within this contract. The City Council, however, may elect to modify the scope and/or requirements and performance standards as necessary. The City Council may also elect to segregate work areas and award multiple contracts.

C3.2 Deviations in Requested Services. Under Section C1 (Statement of Work), Respondents may include " ... any alternative solutions or approaches to accomplishing the desired results ... " as part of their proposal. However, Section C1 also requires that each proposal" ...note any exceptions to the requirements and conditions set forth in the RFP."

SECTION D - AWARD OF CONTRACT

SECTION D1 - REVIEW OF PROPOSALS

D1.1 Postponement of Opening. The City reserves the right to postpone the due date and time for proposals at any time prior to the date and time stated in Section A2.

D1.2 Disqualification of Respondent. If there is reason to believe that collusion exists among the Respondents, none of the proposals of the participants in such collusion will be considered.

D1.3 Rejection of Proposals. The City reserves the right to reject any proposals which are incomplete, obscure or irregular; any proposal which omit anyone or more items specified in Section C1.1; any proposal which fail to itemize costs according to each Site; any proposal in which line prices are unbalanced in the opinion of the City; and any proposals from Respondents who have previously failed to perform properly or to complete on time contracts of any nature.

D1.4 Waivers and Deviations. The City reserves the right to waive any informalities or irregularities and any technical or clerical errors in any proposal as the City may deem appropriate. The City further reserves the right to negotiate deviations from the prescribed terms, conditions and requirements of the selected Respondent.

D1.5 Award of Contract. Within 45 calendar days after the due date for proposals, the City will act either to accept a proposal or to reject all proposals. The acceptance of a proposal will be evidenced by a notice of award of contract in writing, delivered by mail to the Respondent whose proposal is accepted. No other act of the City shall constitute acceptance of a proposal. The award of contract shall obligate the Respondent whose proposal is accepted to furnish evidence of insurance and execute the contract set forth herein. Immediately following the award of contract, the Respondent will be required to meet with the City in a "Pre-Contract Conference" to review the Contract Documents to ensure that the documents will be properly executed and returned by the Respondent in a form acceptable to the City.

D1.6 Execution of Contract. The Agreement (as described in Section E1.1) shall be executed in duplicate by the successful Respondent and returned, together with the evidence of insurance, within ten (10) calendar days after the Notice of Award in Section D1. After execution by the City, one original contract shall be returned to the Contractor.

SECTION D2 - EVALUATION CRITERIA

When assessing performance, the following factors will be considered:

- Respondents whose work experience is comparable in scope to the services requested under the RFP.
- Qualifications of the individuals who will be assigned to perform the Work.
- Quality of past performance for comparable Work.
- Qualifications of individuals responsible for supervising the Work and managing the Project.

- Adequacy of personnel to perform the Work.
- Demonstrated ability to work effectively with City staff and related parties.
- Demonstrated ability to keep costs reasonable in relation to Project scope.
- Knowledge of local conditions.
- Demonstrated knowledge of cost containment procedures and practices.
- Demonstrated record of abiding by terms of contracts for comparable Projects.
- Completeness of proposal.
- Reasonableness of proposed compensation.
- Accessibility (i.e., ability to respond to service calls in a timely manner).

SECTION D3 - SELECTION PROCEDURE

D3.1 Selection Committee. All proposals will be evaluated by a Selection Committee comprised of City staff. The Selection Committee will screen the responses to the RFP and may select three or more firms as finalists. If necessary, finalists may be requested to interview with the Selection Committee as a part of the evaluation process. The finalist's Project Manager shall be required to attend the interview and respond to questions from the Selection Committee. Selection Committee will make a final recommendation to City Council.

D3.2 Assessment Process. The Selection Committee will employ several approaches in assessing performance including: (i) reviewing the experience listed in each proposal; (ii) seeking additional present and past information through the use of questionnaires; (iii) using data independently obtained from other information sources; and (iv) reviewing the proposed equipment/sweeper data/pictures/video. As part of this process, the City reserves the right to conduct a background inquiry of each Respondent that may include the collection of appropriate criminal history information, contractual and business associations and practices, employment histories, and reputation in the business community.

D3.3 Interviews. Should an interview process be necessary, all Respondents shall be prepared to present technical oral presentations within five (5) days after being notified by the Selection Committee. Failure to be available for oral presentations when scheduled shall render a Respondent's proposal unacceptable. Technical oral presentations shall consist of an oral presentation of approximately one-hour in duration and consist of the following topics:

(i) staffing and organization required to execute the Project;
(ii) understanding of the Project and services requested;
(iii) methodology and approach for implementing an effective quality control system; and
(iv) questions the Selection Committee may have on the Respondent's written proposal.

D3.3 Award. Upon recommendation of the Selection Committee, final selection and contract award will be made by the City Council. The Selection Committee's recommendation will be based on the Respondent's written proposal, background investigation and oral presentation. Strong emphasis will be placed on the degree to which the Respondent has consistently demonstrated a commitment to customer satisfaction, timely delivery of services at a fair and

reasonable cost, and adherence to propos al representations and contract terms in previo us awards. The City Council shall be the sole judge in making the final selection.

SECTION E - CONTRACT PROVISIONS

SECTION E1- CONTRACT DOCUMENTS

E1.1 Form of Agreement. The standard f orm of agreement us ed by the City is set forth in Appendix B. This Ag reement will be mod ified as n ecessary to incorporat e the Definitions (Section A), Statement of Work (Section B), Cost Proposal (Section C) and the remainder of the Sections within this RF P. In addition, the City reserves the right to further modify the standard form of agreement to incorporat e such terms and c onditions that are mutually acceptable to the Cit y and Contract or. In the event of conflict between the provisions of the Agreement and the contract provisi ons set forth herein, the City, at its sole discretion, shall elect which provisions governs.

E1.2 Term of Contract. The initial term of the Agreement s hall be for a period of thirty (30) months - ending June 30, 2020 (assuming Counc il award in Dec ember 2017), with an option for three (3) additional one (1) year agreement exte nsions available. Subj ect to satisfactory performance and terms acceptable to the City. If the City elects to send out an RFP at the end of any portion of the term, the contract will automatically become month-to-month.

E1.3 Payment. Subject to the terms and conditions set forth in the Agreement, the Contractor shall be compensated by the City pursuant to the terms set forth in the RFP. Each month the Contractor shall furnish to the City an original invoice for all work performed, including the required supporting documentation for the work performed, during t he preceding month. Should any extra work be performed at the request of the City, that work shall be sep arately itemized. The City shall independently review eac h invoice submitted by the Contrac tor to determine whether the Work performed and expens es included are in compliance with the provisions of the Agr eement. In the event t hat no c harges or expens es are disputed, the invoice shall be approved and paid according to the payment request.

a. Property Damage. If the Contractor damages any property belonging to the City, the City may either retain from the money due to the Contractor an amount sufficient to repair the damage or require the Contractor to repair the damage to the sa tisfaction of the City at the Contractor's expense.

b. Alternative Payments. It is agreed and understood that if the Contractor fails to perform the Work as specified herein, t he City will withhold or deduct ap propriate payment from the Contractor. If, in the j udgment of the City, the le vel of maintenance is le ss than that specified herein, the C ity shall, at i ts option, in addition to or i n lieu of other remedi es, withhold and deduct appropriate payment from the Contractor until services are rendered in accordance with the specifications set forth within this documents. Failure to notify of a change and/or failure to perform an item or work on a sc heduled day may result in deduction of paym ent for that date or week or month. Payment shall be deducted for work not pe rformed. Payment shall be deducted for work poorly perfo rmed and whic h does not m eet the expected standard.

Payment shall NOT resume until such time as the work is performed to the City standard, nor shall reimbursement for prior inadequate work be given.

The Contractor is required to correct deficiencies within the time specified by the City. If not ed deficient work has not been c ompleted, payment for subject deficiency shall be withheld for current billing period, and sha ll continue to be withh eld until deficiency is corrected, without right to retroactive payments.

E1.4 Termination Provisions. Subjec t to the notice provisions set forth in the Agreement (Appendix H), the City may terminate the Agreement, at its convenience, with or without cause of action. Contractual deficiencies justifying immediate termination include:

(i) failure of the Contractor to perform all specific tasks outlined in the Statement of Work;
(ii) failure of the Contractor to recognize and correct valid customer complaints in accordance with response times (poor customer satisfaction);
(iii) failure of the Contractor to perform regularly scheduled Site maintenance during the month; and
(iv) failure of the Contractor to adhere to its Quality Control Plan.

SECTION E2 - LABOR PROVISIONS

E2.1 Prevailing Wages. This Project and all Work performed there under IS NOT subject to prevailing wage law as stipulat ed in the California Labor Code. The Contractor shall pay the general prevailing rates of per diem wages and general prevailing rate for holiday and overtime in this locality for each and all craft or type of Workman needed to execut e the Work. It is the contractor's responsibility to be aware of current rates.

a. Payroll Reports. The Contractor shall file c ertified payrolls for each week of Work performed. Reports shall be made readily available to the City upon request. If it is determined that the Contractor has paid its Workers less than the prevailing wage rates, as established by the California Department of Industrial Relations, then the cost of the City's investigation of the payroll discrepancies shall be deduc ted from the final contract amount. In addition, the Cit y shall pursue its requirements under the California Labor Code.

b. Wage Posting. The Contractor shall be responsib le for posting the current prevailing wage rates at the job site as publis hed by the Department of Industr ial Relations pursuant to the California Labor Code. A wage survey may be c onducted by the City to insure that current prevailing wage rates are being paid to employees of the Contractor in accordance with the provisions of the Labor Code.

E2.2 Hours and Working Conditions. The City is a public entity in the State of California and is subject to the provisions of the Governm ent Code and the Labor Code of the State. It is stipulated and agreed t hat all provisions of applic able law are a part of the Agreeme nt to the same extent as though set forth herein and will be complied with by the Contractor.

E2.3 Non-Discriminatory Employment. In performing the Work, the Contractor agrees as follows:

Basic Provisions.

1. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, colo r, national or igin, ancestry, sexual orientation, political affiliation or beliefs, sex, age , physical handica p, medical condition, marital status or pregnancy (as those items are defined by the California Fair Employment and Housing Act—Governm ent Code Section 12900-12996), except where such discrimination is based on a bona fide occupat ional qualification. The Contractor will take positive action or ens ure that applicants ar e employed, and that employees are treated during employment, wit hout regard to their race, creed, color, national origin, ancest ry, sexual orientation, political affiliation or beliefs, sex, ag e, physical handicap, medical co ndition, marital status or pregnancy (as those terms are defined by the California Fair Employ ment and Housing Act--Government Code Section 12900-12996), except w here such discrimination is based on a b ona fide occupational qualification. The Contractor will take positiv e action to ensure that applicants are employed, and th at employees are treated during employment without regard to their race, creed, color, religion, anc estry, sex or national origin. Such action shall include but not be lim ited to the following: Employ ment upgrading, dem otion or transfer; recruitment or recr uitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including a pprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be pr ovided by the City setting forth the provisions of this nondiscrimination clause.

2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state th at all qua lified applicants will receive consideration for employment without regard to race, creed, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physica l handicap, medical condition, marital status or pregna ncy (as those items are define d by the California Fair Employment and Housin g Act--Government Code Section 12900-12996), except wher e such dis crimination is bas ed on a bona fide occ upational qualification.

3. Th e Contractor will send to each labor union or r epresentative of Workers, with which it has a collective bargaining agr eement or other cont ract understanding, a notice to be provided by the City advis ing the said labor union or Workers' representative of the Contra ctor's commitments under this provision, and shall post copies of the notic e in cons picuous places available to employees and applicants for employment.

4. The C ontractor will permit access to its records of empl oyment, employment advertisements, application forms, and other pertinent data and records by the City, the Fair Employment Practices Commission , or any other appropriate agency of the State designated by the City fo r the purposes of investigation to ascertain complianc e with the Contractor's Obligat ion for Nondis criminatory Employment provisions of the Agreement, or Fair Employment Practices statute.

5. A finding of willful violation of the nondiscriminatory employment practices article of the Agreement or of the Fair Employment Practices Act shall be regarded by the City as a basis for determining that as to future contracts for which the Contractor may submit bids, the Contractor is a "disqualified bidder" for being "non-responsible".

d. Willful Violations. The City shall deem a finding of willful violation of the Fair Employment Practices Act to have occurred upon receipt of written notice from the Fair Employment Practices Commission that it has investigated and determined that the Contractor has violated the Fair Employment Practices Act and has issued an order under Labor Code Section 1426 or obtained an injunction under Labor Code Section 1429. Upon receipt of any such written notice, the City shall notify the Contractor that unless it demonstrates to the satisfaction of the City within a stated period that the violation has been connected it shall be declared a "disqualified bidder" until such time as the Contractor can demonstrate that it has implemented remedial measures, satisfactory to the City, to eliminate the discriminatory employment practices which constituted the violation found by the Fair Employment Practices Commission.

e. Alleged Violations. Upon receipt from any person of a complaint of alleged discrimination under any City contract, the City Manager shall ascertain whether probable cause for such complaint exists. If probable cause for the complaint is found, the Manager shall request the City Council to hold a public hearing to determine the existence of a discriminatory practice in violation of the Agreement. In addition to any other remedy or action provided by law or the terms of the Agreement, the Contractor agrees, that should the City Council determine after a public hearing duly noticed to the Contractor that the Contractor has not complied with the nondiscriminatory employment practices provisions of the Agreement or has willfully violated such provisions, the City may, without liability of any kind terminate, cancel, or suspend the Agreement, in whole or in part. In addition, upon such determination the Contractor shall, as a penalty to the City forfeit a penalty of two hundred fifty dollar ($250.00) per day, or portion thereof, for each person who was denied employment as a result of such noncompliance. Such moneys shall be recovered from the Contractor. The City may deduct any such penalties from any moneys due the Contractor from the City.

f. Contractor Compliance. The Contractor certifies to the City that it has met or will meet the following standards for positive compliance, which shall be evaluated in each case by the City:

1. The Contractor shall notify all supervisors, foremen and other personnel officers in writing of the content of the nondiscrimination provision and their responsibilities under it.

2. The Contractor shall notify all sources of employee referrals (including unions, employment agencies, advertisements, Department of Employment) of the content of the nondiscrimination provision.

3. The Contractor shall file a basic compliance report as required by the City. Willfully false statements made in such reports shall be punishable as provided by law. The compliance report shall also specify the sources of the Work force and who has the responsibility for determining whom to hire, or whether or not to hire.

4. The Contractor shall notify the City of opposition to the nondiscrimination provision by individuals, firms or organizations during the period of the Agreement.

g. Lawful Remedies. Nothing contained herein shall be c onstrued in any manner to prevent the City from pursuing any other remedies that may be available at law.

f. Subcontractors and Suppliers. The Contractor certifies to th e City that it will comp ly with the following requirements with regard to all subcontractors and suppliers:

1. In the performance of the Wor k under the Agreement, the Contractor will include the provisions set forth above in all subcontracts and in any supply contract to be performed within the State of Calif ornia, so that such provisions will be equally binding upon eac h subcontractor and each supplier.

2. The Co ntractor will take such action wit h respect to any subcontract or purchas e order as the City may direct as a means of enforcing such provisions including sanctions for noncompliance: provided, however, t hat in the event the Contractor becomes involved in, or is th reatened with, litigation's with a subcontractor or supplier as a result of such direction by the City, the Contractor may request the City to enter into such litigation to protect the interests of the City.

SECTION E3 – INSURANCE

E3.1 General Provisions. Prior to the beginning of and thr oughout the duration of the Work, the Contractor shall maintain insurance in conformance with the requirements set forth in Section E.3.2 below. The Con tractor will use exist ing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, it will be amended to do so. The Contractor acknowledges that the insurance coverage and policy limits set forth in Section E3.2 constitute the mini mum amount of coverage required. Any ins urance proceeds available to the City in excess of the limits and covera ge required in this agreement and which is applicable to a given loss, will be available to the City. The exact form, terms and conditions of insurance are expressly set forth in Appendix B Section E.

E3.2 Insurance Coverage. The Contractor shall provide t he types and amounts of insurance as set forth in Appendix B, Section E.

SECTION E4 - WORK EXECUTION

E4.1 Notice to Proceed. A written Notice to Proceed will be given by the City to the Contractor, denoting those Sites for which maintenance shall begin.

E4.2 Pre-Commencement Conference. With five (5) days of issuanc e of the Notice to Proceed and prior to commencement of Work, t he City and Contractor shall conduct a Pre-Commencement Conference to coordinate execut ion of the Project. As part of the Pre-Commencement Conference, the Cit y and Contractor shall jointl y perform a field re view of each site to establish baseline conditions including, but not limited to:

(i) status of landscape installation and City assumption of maintenance responsibilities;

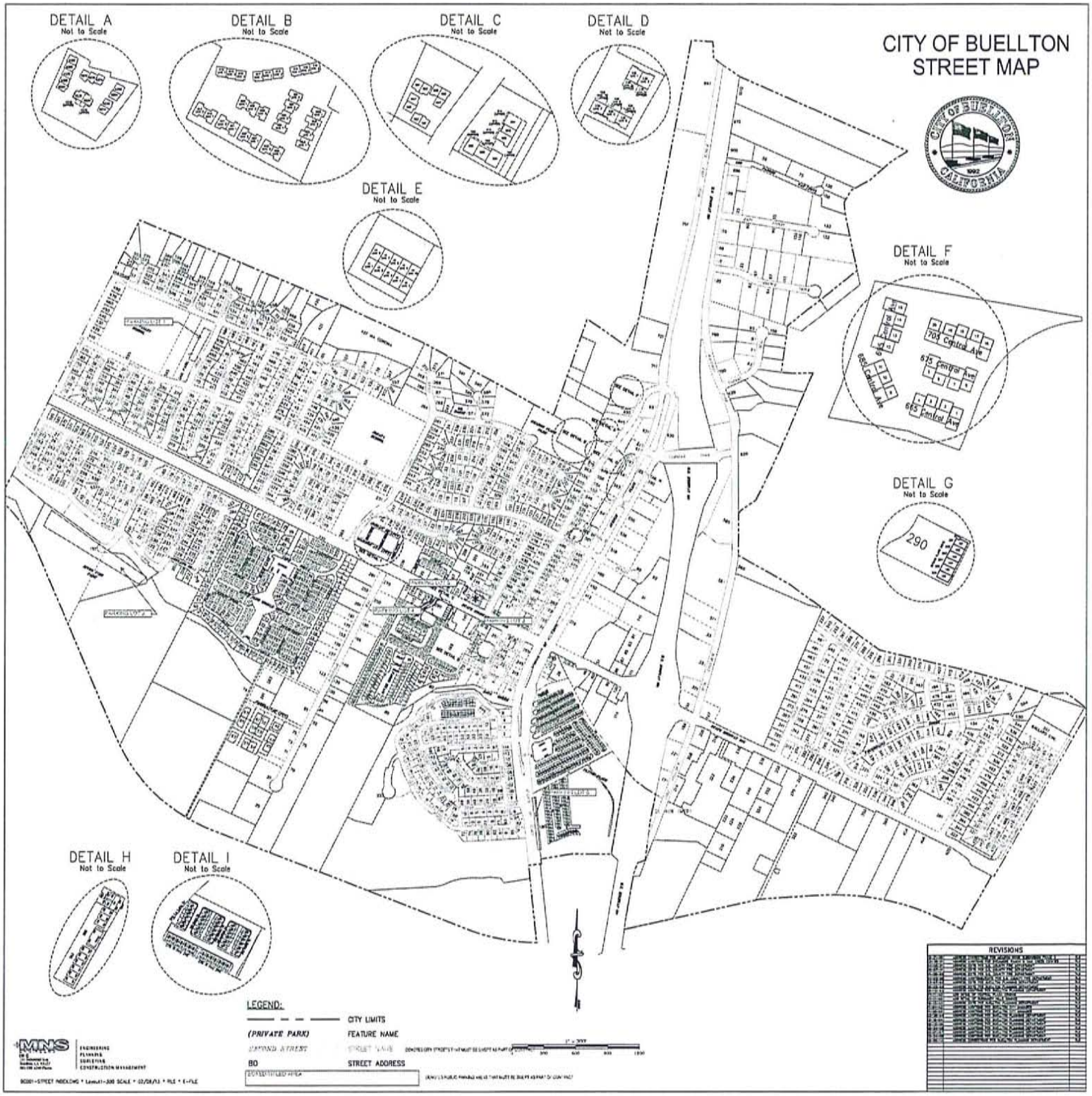
(ii) functionality of irrigation systems including coverage, automatic timing and water pressure;

(iii) plant materials requiring immediate attention; and

(iv) modifications requiring issuance of a Change Order. The pre-commencement meeting shall be conducted prior to commencement of maintenance at a time and place designated by the City. One week prior to the Pre-Commencement Conference the Contractor shall submit its Traffic Control Plan (if any).

E4.3 Change Orders. The City and Contractor may request changes in the Agreement, but no Work will be performed on such changes until the parties jointly approve the request in writing. Subject to mutual agreement by the parties, the contract price shall be adjusted for any change, which requires a different quantity or quality of labor, materials, or equipment from that originally required. Changed Work shall be performed in accordance with the original contract requirements except as modified by an amendment. Except as herein provided, the Contractor shall have no claim for any other compensation due to changes in the Work. Any changes or deviation from the Agreement made without authority in writing from the City's Authorized Representative will be at the Contractor's own risk. No such change shall be made nor adjustment in compensation granted unless the Contractor receives an executed amendment prior to making the change.

APPENDIX A: KEY MAPS and SITE DESCRIPTION


CITY OF BUELLTON
STREET MAP
DETAIL A
Not to Scale
DETAIL B
Not to Scale
DETAIL C
Not to Scale
DETAIL D
Not to Scale
DETAIL E
Not to Scale
DETAIL F
Not to Scale
905 Central Ave
675 Central Ave
665 Central Ave
DETAIL G
Not to Scale
290
DETAIL H
Not to Scale
DETAIL I
Not to Scale
LEGEND:
CITY LIMITS
(PRIVATE PARK)
FEATURE NAME
STREET NAME
80
STREET ADDRESS
REVISIONS

Description	Length (feet)	Length (miles)	Notes
Curbs	161,994	31	Mainly neighborhoods
No curb roads	9,360	1.8	Ballard, Jonata, some of AOF
Alleys	3,576	0.7	Behind City Hall and between Central and AOF
Parking Lots	5 Lots	n/a	Riverview Park, City Hall, Rear Post Office, Sherriff/Library/PO, Park and Ride
Totals	**5 lots**	**33.5**	

REQUEST FOR PROPOSALS FOR: STREET SWEEPING SERVICES
ADDENDUM NO. 1
January 12, 2018

The following changes, additions and clarifications are hereby made part of the contract documents for the above referenced project and shall be taken into account in the preparation of all proposals and execution of all work. Work shall conform to the requirements of the original contract documents and addenda wherever they apply. All respondents shall acknowledge receipt of this addendum in their proposals. Failure to include this Addendum in the proposal will void the proposal.

1. **DEADLINE FOR PROPOSAL SUBMITTAL**

The original proposal due date was 5pm by January 15, 2018. The submittal deadline has been ***extended to 5pm Tuesday, JANUARY 16, 2018.*** *Due to City Hall being closed on Monday for Holiday.*

Respondent Acknowledgement:

Jan 02, 2018
DATE

Mary Tappan Mary Tappan
SIGNATURE (print and sign)

Administrative Assistant
TITLE

SP Maintenance Services, Inc.
COMPANY

ORIGINAL

City of Buellton

REQUEST FOR PROPOSALS
FOR
STREET SWEEPING SERVICES

City of Buellton
Attn: Rose Hess, Public Works Director
107 West Highway 246
P.O. Box 1819
Buellton, CA 93427

Cover Letter from Respondent

SURFACE MANAGEMENT

Surface Management, Inc.
DBA, WaterWorks
1217 ½ Gillespie Street – Santa Barbara, CA 93101
Office:805-884-0215 – Cell: 805-453-3091
www.surfmaninc.com

Surface Management, a California Corporation #C3210268, is submitting this proposal for Street Sweeping services in the City of Buellton. We believe that our company is an excellent candidate for this project for several reasons.

- We have been successful in the commercial cleaning industry for the last 20 years.
- We have extensive experience in this industry
- Our management and staff are well trained and experience and treat every job with professionalism, promptness and consideration.

From our first day of operations we have been proud to provide "Best Management Practices (BMP)" in compliance with environmental regulations. Our Truck sweepers comply with South Coast Air Quality Management District (AQMD) Rule 1186 and are PM10 certified. They conserve water while providing excellent dust control. We service accounts of various sizes and schedules from cleaning up construction sites to monthly maintenance of various institutional organization in our area. We are currently involved with the cleaning up of ash and now mud following the Thomas Fire.

We pride ourselves in our communications skills and respond to client requests in a timely manner. All our employees carry cellular smart devises and administration and management have access to their email on their cellular devises at all times. There are several avenues to reach us:

Administration: Vicky Allbrett - Vice President of the Corporation
Email – Vicky@surfmaninc.com
Office phone 805-884-0215 / Cell – 805-453-3091
Operations Manager: Loyrs Allbrett – President of the Corporation
Cell – 805-455-9274

Thank you for the opportunity to submit this information to you and for your consideration in awarding Surface Management this work. It is our intent to have a very successful and long term relationship with the City of Buellton.

Vicky Allbrett
Vice President

Respondent Information

i. Surface Management is qualified and has the expertise to perform the services for this project. We are familiar with all the specifications of the contract including the terms and conditions and the site conditions. Any exceptions to any of the requirements and conditions will be clarified in this proposal

ii. Similar or related contracts performed by Surface Management in the past:

- We have recently swept walkways and pathways, parking lots and patios at several schools & colleges to clean up from the Thomas Fire
- We spent several years maintaining the parking lots and staff facilities at Santa Barbara Cottage Hospital on a weekly basis
- We spent two years sweeping up a construction site for the building of residential housing at UCSB
- We have cleaned the sidewalks for the City of Goleta on a twice a year schedule
- We have spent several years sweeping the parking lots at the University's residential housing.
- We have swept the majority of main roads in Goleta, Montecito and Summerland to clean up the ash from the Thomas Fire
- Over the past 20 years we have pressure washed various patios and buildings on the University campus

These are just a few examples of our work experience. Our growing account base has been establish and maintained through our customer's confidence that their work will be completed professionally no matter how large or small the project.

iii. We will have 2 qualified employee assigned to this project. One employee will be the main employee to cover this work on a regular basis. The second employee will be a backup employee to cover sick days and vacations. Our employees go through extensive training prior to working on any sweeping site. No subcontractors will be assigned to any work on this project.

iv. The current operations and workforce of Surface Management will give us the complete ability to work on this project. We will work with the Public Works department to ensure that the sweeping is performed on days that work for both parties. We understand that sweeping should be performed on days that refuse disposal does not occur.

v. Contractor's State License # 941887 01/31/2020

vi. Surface Management is a closely held corporation that has operated successfully with integrity, reliability and skill for 20 years. The education and hands on experience we have accumulated operating this entity shows that we are a good choice for this type of work. Our experience and job references allow you to verify our work performance.

Statement of Work

We have read all previsions and understand this project. Surface Management has the complete ability to meet the performance standards as set out in Section B2 unless stated specifically in the proposal.

Safe Work / Operating Conditions

Surface Management takes safety very seriously. Our employees go through extensive training with safety in mind. When sweeping parking lots and streets, our sweeper operators are trained to be aware of pedestrians. The trucks use safety lights and a reverse audible warning system so that pedestrians can also be aware of the truck.

Our equipment and vehicles are maintained on a strict schedule which makes our trucks and equipment run reliably and at optimum levels for all scheduled work. We usually run the sweepers between 3-5 miles per hour when sweeping to ensure safety and provide a more efficient pick up of street debris.

Road Conditions

Our operators will take precautions not to scalp, rut or damage the pavement surface, but scalping and rutting will occur as a regular part of the sweeping process and Surface Management will not be responsible for any repairs if this occurs. No sweepers will use a steel plate to prevent tire scuffing against the curb. If an operator is aware of any pavement condition that could case potential issues they will report it to the City immediately when possible.

Days/Hours of Sweeping

We understand that the optimum days and times for street sweeping are Mondays and Thursdays between 6:00 am and 2:00 pm. The optimum time for sweeping the parking lots are between the hours of 5:00 and 6:00 am except Oak Valley Park parking lot which the optimum hours are between 6:00 am and 2:00 pm. Surface Management will adhere to this optimum sweeping schedule if possible – if there is a need to deviate from this schedule we would work with the City to make sure both parties are in agreement with any deviations.

A proposed schedule which will be mutually agreed upon with the City's Public Works staff and Surface Management prior to the start of the contract, we will provide flexibility to work with the City to accommodate the best times and days to sweep.

No guarantee is given that we will always sweep the optimum days, on occasions that we cannot accommodate the city it will be discussed and notice will be give

Emergency Response: We are very responsive to our contracted client and can be accessed 24 hours a day in an emergency. In most cases we can respond between 1 to 12 hours depending on the City's need for response. We understand that if it is an immediate safety issue that our response time will be essential and our schedule could be moved to accommodate as soon as possible.

Sweeping Log
We will provide a sweeping log on a monthly basis along with the billing statement for the period. The sweeping log will include: Starting and ending odometer readings, names of streets swept, estimated cubic yards of material collected, speed of vehicle and type of sweeper used.

We will estimate the cubic yards of debris collected. The estimate would be based on the knowledge of the size of the hopper for example the Tymco hopper is a 3.1 yard hoper. An employee would start with an empty hopper and can give an estimation of the % of debris at the end of the sweeping.

We are very capable of making reports and producing the information that the City of Buellton deems necessary. Our employees in the field and our administrative team communicate well to produce and report project information.

Equipment & Storage
All equipment will be stored at our operations yard in the City of Goleta

It's important to Surface Management to give all information and to communicate with integrity, respect and honesty. We like to be direct and upfront prior to any issues arising.

We are presenting this project with 2 sweepers in mind. It is possible that during the heavy leaf season we will need a larger sweeper than we currently own. If we are awarded this project we will consider purchasing the required equipment for the heavy leaf season if necessary.

2 sweeper trucks will be allocated for this project. One truck will be the main truck to operate the scheduled work. The second truck would be a backup truck in the event the first truck incurs any mechanical failure.

In the processes of sweeping only one pass will be made along the curb line. When there is excessive dirt and leaves this will not come completely clean.

The Types of sweeper trucks that will work on this project are as follows:
See attached photos.

Tymco 435 2007 is built using high-efficiency Tymco Regenerative Air System and is a very versatile mid-sized sweeper. This sweeper is PM-10 efficient and meets with the requirements of Rule 1186 AQMD
Pick-Up Head The TYMCO Model 435 heavy duty pick-up head incorporates full-width air blast and suction and is designed to work effortlessly with the TYMCO Regenerative Air System to pick up a wide variety of street and construction site debris from leaves and trash to heavy dirt, sand and rocks.
Hopper The Model 435's powerful piggyback hopper dump cylinders lift the hopper up to 72 inches for dumping into large dumpsters. These heavy duty dump cylinders allow the Model 435 to high dump even the heaviest of loads. A

built-in safety strut is permanently attached to the hopper frame for easy accessibility when performing routine maintenance.

Gutter Broom The 32" diameter Model 435 gutter broom removes debris from curbs, gutters and around obstacles along city streets such as parked cars and maintenance equipment. The tilt adjuster allows you to reach down into the deepest curbs or gutters.

Power Unit The Model 435 is powered by a Kubota auxiliary engine. This engine powers all hydraulic functions through a gear driven pump and directly belt drives the blower. The lightweight aluminum alloy blower that drives the TYMCO Regenerative Air System only requires a modest amount of horsepower; therefore TYMCO's engineers designed the Model 435 around a smaller, more fuel efficient auxiliary engine.

Blower Wheel The Model 435 is the only mid-sized street sweeper that utilizes a super-efficient aluminum alloy blower that is self-cleaning and reduces fuel consumption because of its lightweight design requiring less horsepower. The blower is designed to work with the TYMCO Regenerative Air System to both push and pull air which delivers even greater sweeping performance.

SCHWARZE INDUSTRIES A4000 SWEEPER is a chassis-mounted, regenerative air sweeper. The basic design of the A4000 street sweeper is relatively compact in size and offers great maneuverability. With its sweeping power and environmentally-friendly regenerative air design, the A4000 is an ideal choice for use in a wide range of demanding road sweeping applications.

Pick-Up Head The Schwarze A4000 blower system generates a high velocity air that loosens the debris from the pavement surface. This highly efficient system ensures that even hard-to reach particles hidden within pavement cracks are removed. The Regenerative Air System allows the A4000 to pick up a wide variety of street and construction site debris from leaves and trash to heavy dirt, sand and rocks.

Hopper The A4000 powerful piggyback hopper dump cylinders lift the hopper up to 67 inches for dumping into large dumpsters. These heavy duty dump cylinders allow the A4000 to high dump even the heaviest of loads. A built-in safety strut is attached to the hopper frame for easy accessibility when performing routine maintenance.

Gutter Broom The 39" diameter gutter broom removes debris from curbs, gutters and around obstacles along city streets such as parked cars and maintenance equipment. The tilt adjuster allows you to reach down into the deepest curbs or gutters.

Power Unit The A4000 is powered by a perkins auxiliary engine. This engine powers all hydraulic functions through a gear driven pump and directly belt drives the blower.

Blower Wheel The A4000 includes the Schwarze's WhisperWheel SM fan system, which lets Schwarze air sweepers run over 70% quieter and with less fuel consumption. The blower is designed to work with the Regenerative Air System to both push and pull air which delivers even greater sweeping performance

Disposal of Refuse

Surface Management will transport and dispose of all collected debris at the Santa Ynez Transfer Station. Any dump fees associated with the dumping of debris will be billed directly as charged to the City of Buellton at the end of the month.

If there is any problems with the Santa Ynez transfer station accepting the debris due to the nature of debris collected it will be the City of Buellton's responsibility to find an alternate facility to dispose of this refuse. Any extra cost associated with finding an alternate facility such as extra time to transport to a new facility and disposal fees, will be added to the billing at month end. We understand that the City of Buellton has used a contractor for this work in the past and assume that the disposal of refuse should not be a problem but Surface Management does not have this knowledge. The above notation is to make sure that we do not become liable and responsible for refuse that cannot be disposed of for some unknown reason.

Water

Surface Management will not perform dry sweeping. When required Surface Management will obtain water for the holding tank from the City of Buellton at no cost to Surface Management.

Regulatory

Dust Control: Our employees go through extensive training when using our sweepers and are educated in operating the equipment to optimize the effectiveness of picking up dust and debris and using the appropriate amount of water for the debris being collected. Each sweeper we operate has in its own way of controlling dust:

Tymco 435

- has a high-efficiency centrifugal dust separator for maximum fine dust particulate separation which provides excellent dust control while using less water
- has a water capacity of 150 gallons which provides hours of sweeping while maintaining excellent dust control.
- TYMCO's inherent design for conserving water while providing excellent dust control allows the Model 435 to pass the strict South Coast Air Quality Management District (AQMD) Rule 1186 standard for excellent dust and PM10 control.

Schwartz A4000

- has been certified as 'Rule 1186 Compliant' by the South Coast Air Quality Management District.
- To assure debris transfer with minimal fugitive dust escapement, double-belted curtains on the front and rear of the sweeping head contain the circulating air flow. This prevents dirty, debris-laden air from entering into the atmosphere as fugitive dust particles.
- picks up more of the micron-sized contaminates that accumulate on roads and streets. Using the regenerative air Schwarze A4000 sweeper results in a cleaner surface and a cleaner environment.

- has Dust Control System has water capacity of 130 gallons which provides hours of sweeping while maintaining excellent dust control.

Air Quality

Both the Tymco 435 and the Schwarts A4000 are on the list of the street sweeping equipment that has currently been certified for the South Coast Air Quality Management District (AQMD) Rule 1186 (PM10 Emissions from Paved and Unpaved Roads, and Livestock Operations) Our equipment will be operated and maintained in accordance with the manufacturer's specifications

Water Pollution Control

- Surface Management is a Clean Waters Act Compliant Company and shall implement Best Management Practices required under the City's NPDES permit.
- We have vacuum recovery pressure washing equipment available upon request.
- We have facilitated numerous construction sites to aid in their compliance with their SWPPP program.
- All our trucks carry spill cleanup kits available to the operator when needed.
- Our operators know to use the minimal amount of water for maximum efficiency when sweeping.
- Surface Management is City of Santa Barbara Clean Creeks Certified
- Surface Management is a certified water reclaimer with the organization Power Washers of North America PWNA
- Surface Management complies with City of Santa Barbara Title 16-15, Urban Pollutions Controls

Surface Management unique Innovations

Surface Management strives to be an innovative problem solver when approaching any project. For example:

Following the recent Thomas fire in the Santa Barbara area Surface Management saw a need for a small compact sweeper which would accommodate hard to reach areas, while providing a minimum amount of agitation of the fine dust. We own and operate a 636 Green Machine made by Tennant Sweepers. This sweeper was an excellent solution for sweeping up the ash. Although this would not be appropriate for this project it is an example of Surface management thinking outside of the normal sweeping company. It also could accommodate the City of Buellton if the need for this type of sweeper should arise.

The 636 Green Machines Compact Air Sweeper Is a small sweeper that can clean where other larger sweepers can't with this easy-to-maneuver, quiet-operating sweeper. The Green Machines is easy to use, even in congested public spaces, and it protects people from potentially harmful dust with its CloudMaker wet dust control technology and three-stage cyclonic dust filtration system. It is designed with safety in mind. Its increased suction power allows for effective pick up of almost all types of debris.

Surface Management has from inception complied with all City, State and Federal clean waters act regulations and used "Best Management Practices (BMP)" in wastewater management and pollution minimization. We developed equipment that is unique and propriety which provides vacuum recovery and disposal of generated waste water from pressure washing services. Although this would not be appropriate for this project it is an example of Surface management thinking outside of the normal commercial cleaning company. It also could accommodate the City of Buellton if the need for pressure washing or steam cleaning of any structures should arise.

We have also adhered Santa Barbara Municipal Code SBMC 9.16.020 by using innovative leaf blowers that are not gasoline powered. Although blowing is not part of this project is shows how our company can be an innovative problem solving entity.

Exceptions, Deviations and General Notations

- City of Buellton as it is stated in the RFP can segregate work and modify work. At no time will Surface Management be willing to sweep just one parking lot or a small section of road way at the price stated on our proposal as this would make the work financially impossible to complete. The proposal includes travel time from Goleta we have no yard in the City of Buellton. If the City of Buellton requested a small amount of work to be cleaned at one time there would be a minimum charge of $640.00. For example if Parking Lot 5 was requested to be swept on an unscheduled day the cost would be $640.00 at a minimum.
- Surface Management will present an estimation of cubic yards of collected debris
- No blowing will be performed as part of this contract
- We will use one truck to perform this work. We will use both trucks Tymco 435 and Schwartz A4000 to service this account. One Truck to complete the work the second truck to be a backup if required.
- In the processes of sweeping only one pass will be made along the curb line. When there is excessive dirt and leaves this will not come completely clean.
- In the Leaf Season if it proves that our current sweepers are not large enough to efficiently pick up leaves and debris in one pass we will consider purchasing a larger sweeper truck to perform the work.
- If we purchase a new larger truck and the leaf and debris is still too much to pick up in one pass then it would be our suggestion that in the Leaf Season the City of Buellton moves to a weekly schedule.
- Surface Management will not be responsible for excessive leaves & debris that are produced by local residents raking leaves & debris from their properties into the street. These leaves and debris must be collected and disposed of into their green waste trash cans for collection.
- No guarantee is given that Surface Management will always sweep the optimum days suggested by the City of Buellton. On occasions that we cannot accommodate the city it will be discussed and notice will be given.

- There may be circumstances when Surface Management may choose to sweep the proposed work in two days instead of one.
- Public Works staff and Surface Management prior to the start of the contract will establish a schedule that works for both parties, we will provide flexibility to work with the City to accommodate the best times and days to sweep.
- If Water is required for the truck it will be obtained from the City of Buellton at no extra charge to Surface Management
- Disposal of Refuse: Surface Management will transport and dispose of all collected debris at the Santa Ynez Transfer Station. Any dump fees associated with the dumping of debris will be billed directly as charged to the City of Buellton at the end of the month.
- If there is any problems with the Santa Ynez transfer station accepting the debris due to the nature of debris collected it will be the City of Buellton's responsibility to find an alternate facility to dispose of this refuse. Any extra cost associated with finding an alternate facility such as extra time to transport to a new facility and disposal fees, will be added to the billing at month end. We understand that the City of Buellton has used a contractor for this work in the past and assume that the disposal of refuse should not be a problem but Surface Management does not have this knowledge. The above notation is to make sure that we do not become liable and responsible for refuse that cannot be disposed of for some unknown reason.
- Surface Management will sweep only the areas that are safely accessible by the truck sweepers. We will not sweep where there is excessive low hanging tree branches or vegetation. We will let the City know where the vegetation should be trimmed.
- Scalping and Rutting will occur as a regular part of the sweeping process and Surface Management will not be responsible for repairs needed as a result of this occurring.
- Not all loose, inert, dry waste material including refuse, dirt, rocks, sticks, sand, glass, metal fragments, cans, bottles, leaves, and typical street litter will be collected at every sweeping. It is physically impossible to guarantee that all refuse will be removed every time.
- Not all curb line can be swept due to obstructions such as parked cars.

Please note we realize we have a large number of exceptions, deviations and general notations. We hope that this shows the City of Buellton that we have taken the time to examine this proposal and that are making a serious and plausible bid. We are a reliable organization and if awarded this bid we will take this work seriously. It is our intent to have a very successful and long term relationship with the City of Buellton.

Job References

UCSB Residential Housing San Joaquin Apartments

Sweeping for construction cleanup of the project to build San Joaquin apartments – UCSB residential housing. Assisting with compliance of SWPPP program
Harper Construction Company, Inc
Marc Doig 619-602-0204
2241 Kettner Blvd., Ste. 300
San Diego, CA 92101
Approx. 12 miles per day
$100,000 Total Project - Completed

Housing and Residential Services U.C.S.B. Parking Lots

Sweeping to maintain the parking lots at UCSB residential housing on a regular schedule
UCSB
Rafael R Velasquez 805 893-5359
3201 Student Affairs & Admin Services
(SAASB)
Santa Barbara, Ca. 93106-2040
Approx. 20 Miles per month
$177,000 Total Project - Completed

Santa Barbara Cottage Hospital

Cleaning to maintain the parking structure at Santa Barbara Cottage Hospital including sweeping pressure washing and janitorial work
Santa Barbara Cottage Hospital
Rogelio Peinado 805-569-7318 / 805.478.7191 cell
PO Box 689
Pueblo at Bath Street
Santa Barbara, CA 93102-0689
Approx. 6 miles per week
$92,177 Total Project - Completed

City of Goleta – Old Town Sidewalks

Cleaning to maintain the sidewalk on both side of the street in Old Town Goleta.
City of Goleta
Rogelio Peinado 805-961-7500
Robert P Morgenstern
130 Cremona Drive, Suite B
Goleta, CA 93117
Aprox 4 miles annually
$11,000 Total Project – Completed

List of Subcontractors

None – not applicable

Unit Cost

Hourly fees schedule per truck $160 per hour with a four hour minimum $640.00 and $160 per hour after the four hours. This includes any travel time to and from our yard in Goleta

See attached proposals

Addendum

See attached signed addendum

CITY OF BUELLTON STREET SWEEPING COST PROPOSAL

DESCRIPTION	QTY	Unit cost	EXTENDED $ Per WEEK	EXTENDED $ Per Month
Curb-miles	31 miles	77	2387	4774
No Curb Roads	1.8 miles	77	139	277
Alleys	0.7 miles	77	54	108
Parking Lot 1 (Oak Park)	Miles included above			
Parking Lot 2 (Riverview Park)	Lump Sum	111	111	222
Parking Lot 3 (Sheriff/Library/PO)	Lump Sum	111	111	222
Parking Lot 4 (Rear Post Office)	Lump Sum	111	111	222
Parking Lot 5 (City Hall)	Lump Sum	111	111	222
Parking Lot 6 (Park n Ride)	Lump Sum	111	111	222
Hourly Rate For Sweeper:	160.00			
Total Monthly Cost: (2xs/mo)			3246	6491
Total Annual Cost:				77,892
Contractor Name: Surface Management		Signature:	[signature]	
Date: 1/15/2018		Print Name:	Vicky Allbrett	

SURFACE MANAGEMENT
a division of WaterWorks
1217 1/2 Gillespie Street
Santa Barbara, CA 93101
(805) 884-0215 vicky@surfmaninc.com
Contractors License # 941887

Proposal

Date	Proposal #
1/14/2018	2447

Name / Address
City of Buellton Rose Hess, PW Director 107 West Highway 246 PO Box 1819 Buellton, CA 93427

Description	Total
This proposed rate is for any extra work performed in addition to our regular schedule that occurs on that same day when the sweeper truck and employee is already on site.	160.00
The rate for work performed beyond the proposals scope of work will be performed at a minimum of $160.00 per hour per truck.	
Sales Tax	0.00
Thank you for the opportunity to submit this proposal	**Total** $160.00

SURFACE MANAGEMENT
a division of WaterWorks
1217 1/2 Gillespie Street
Santa Barbara, CA 93101
(805) 884-0215 vicky@surfmaninc.com
Contractors License # 941887

Proposal

Date	Proposal #
1/14/2018	2446

Name / Address
City of Buellton Rose Hess, PW Director 107 West Highway 246 PO Box 1819 Buellton, CA 93427

Description	Total
This proposed rate is for a one time cleaning for a special project outside of the regular sweeping schedule.	640.00
This proposed rate is for cleaning segregated work to be performed out side of the normal sweeping schedule.	
The rate is $640.00 which is our 4 hour minimum and includes travel time to and from our yard in Goleta. Any time spent over the four hour minimum will be billed at $160.00 per hour per truck.	
Sales Tax	0.00
Thank you for the opportunity to submit this proposal — **Total**	$640.00

REQUEST FOR PROPOSALS FOR: STREET SWEEPING SERVICES
ADDENDUM NO. 1
January 12, 2018

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1. DEADLINE FOR PROPOSAL SUBMITTAL

The original proposal due date was 5pm by January 15, 2018. The submittal deadline has been ***extended to 5pm Tuesday, JANUARY 16, 2018.*** *Due to City Hall being closed on Monday for Holiday.*

Respondent Acknowledgement:

1/16/2018
DATE

Vicky Allbrett
SIGNATURE (print and sign)

Vice President
TITLE

Surface Management
COMPANY

435

ISUZU
435

SCHWARZE
A4000

CITY OF BUELLTON

City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 8

To: The Honorable Mayor and City Council

From: Shannel Zamora, Finance Director

Meeting Date: January 25, 2018

Subject: Resolution No. 18-01 - "A Resolution of the City Council of the City of Buellton, California, for the Purpose of Budget Amendments from Operational Changes Related to Fiscal Year 2017-18 Budget through the Second Quarter Ending December 31, 2017"

BACKGROUND

As part of the City's budget process, staff periodically presents to the City Council for consideration various operational and personnel adjustments in conjunction with the quarterly financial report. Amendments during the first twelve month period are accomplished at quarterly intervals while staff outlines current economic conditions. At the end of the first Budget year (June 2018), a mid-cycle review will be presented to make any appropriate amendments to the 2018-19 Budget.

Staff is presenting the following personnel and operational recommendations for incorporation into the 2017-18 Budget (Attachment 1).

General Government - Increase Appropriations to increase dental benefit ($7,735)

On October 26, 2017, the City of Council adopted Resolution No. 17-20, approving an increased annual maximum benefit per person for dental coverage from $1,500 to $2,000 with the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA), effective January 1, 2018. The monthly payment is distributed among the Water, Sewer Funds and into the following departments from the General Fund: City Council, City Manager, City Clerk, Finance, Recreation, Parks, and Public Works.

General Government - Increase Appropriations: Set Up Water Meter Program ($25,000)

- Water Fund: On November 9, 2017, City Council authorized staff to establish a Meter Program Fund for Commercial and Industrial Classifications. Commercial and Industrial customers were given 90 days beginning in December 2017 to apply for the meter replacement program. Council capped the program funding to $25,000.

FISCAL IMPACTS

The proposed appropriation for the General Fund amounts to a net increase of $5,309, a net increase for the Wastewater Fund of $1,213, and a net increase for the Water Fund of $26,213.

RECOMMENDATION

That the City Council consider adoption of Resolution No. 18-01 - "A Resolution of the City Council of the City of Buellton, California, for the Purpose of Budget Amendments from Operational Changes Related to Fiscal Year 2017-18 Budget through the Second Quarter Ending December 31, 2017"

ATTACHMENTS

Resolution No. 18-01
Attachment 1 – Fiscal Year 2018 Mid-Year Budget Review and Budget Adjustments

RESOLUTION NO. 18-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, FOR THE PURPOSE OF BUDGET AMENDMENTS FROM OPERATIONAL CHANGES RELATED TO FISCAL YEAR 2017-18 BUDGET THROUGH THE SECOND QUARTER ENDING DECEMBER 31, 2017

WHEREAS, the City Council adopted the Biennial Fiscal Year 2017-18 and 2018-19 Budget; and

WHEREAS, it is necessary to make amendments to Biennial Fiscal Year 2017-18 Budget as part of the Second Quarter Financial Report.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Buellton as follows:

That the following budget amendments to the fiscal Year 2017-18 budget are approved:

1.) **Increase appropriations for Dental Benefit:** **(+5,309)**
Account #s:
001-401-50400 [Expenditure]
001-402-50400
001-403-50400
001-410-50400
001-420-50400
001-511-50400
001-558-50400
001-565-50400

2.) **Increase appropriations for Dental Benefit:** **(+1,213)**
Account # 005-701-50400 [Expenditure]

3.) **Increase appropriations for Dental Benefit:** **(+1,213)**
Account # 020-601-50400 [Expenditure]

4.) **Increase appropriations for Meter Expense:** **(+25,000)**
Account # 020-601-61240 [Expenditure]

PASSED, APPROVED and ADOPTED this 25th day of January, 2018.

_____
Holly Sierra
Mayor

ATTEST:

_____
Linda Reid
City Clerk

City of Buellton
Fiscal Year 2018 Mid-Year Budget Review and Budget Adjustments

JANUARY 25, 2018

Budget Adjustments YTD

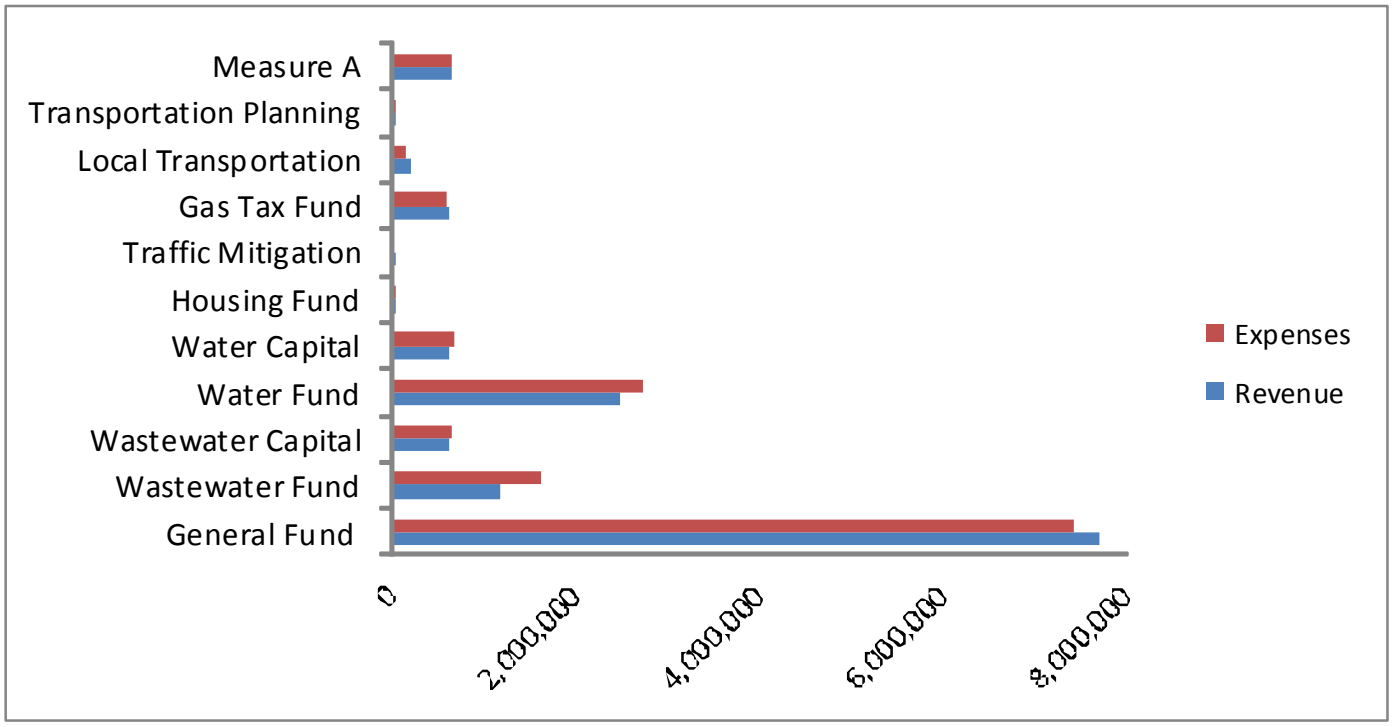
- Resolution No. 17-16
Revenue increase of $113,000 to the Gas Tax Fund due to annual SB1 allocation

- Resolution No. 17-21
General Fund appropriation increase of $25,000 to cover Recreation Department part-time employee salaries and related payroll expenses

General Fund Revenue increase of $60,000 to Buellton Recreation Program Revenue

Adjusted Budget at a Glance

	Revenue	Expenses	Surplus(Deficit)
General Fund	7,701,145	7,429,364	271,781
Wastewater Fund	1,188,808	1,625,021	(436,213)
Wastewater Capital	635,000	650,000	(15,000)
Water Fund	2,497,255	2,753,468	(256,213)
Water Capital	630,000	680,000	(50,000)
Housing Fund	2,400	3,000	(600)
Traffic Mitigation	20,150	-	20,150
Gas Tax Fund	615,000	602,000	13,000
Local Transportation	193,954	139,000	54,954
Transportation Planning	45,000	45,000	-
Measure A	664,100	664,100	-
Total	**$ 14,192,812**	**$ 14,590,953**	**$ (398,141)**



Schedule of Revenues for FY 2017-18; 1st year of Biennial Budget

	Original Budget	Budget Adjustement	Revised Projections	% Change	% of Total Budget
General Fund	$ 7,641,145	$ 60,000	$ 7,701,145	1%	54.26%
Wastewater Fund	1,188,808	-	1,188,808	0%	8.38%
Wastewater Capital	635,000		635,000	0%	4.47%
Water Fund	2,497,255		2,497,255	0%	17.60%
Water Capital	630,000		630,000	0%	4.44%
Housing Fund	2,400		2,400	0%	0.02%
Traffic Mitigation	20,150		20,150	0%	0.14%
Gas Tax Fund	502,000	113,000	615,000	23%	4.33%
Local Transportation	193,954		193,954	0%	1.37%
Transportation Planning	45,000		45,000	0%	0.32%
Measure A	664,100		664,100	0%	4.68%
Grand Total	**$ 14,019,812**	**$ 173,000**	**$ 14,192,812**	**1%**	**100%**
Special Revenue	$ 1,427,604	$ 113,000.0	$ 1,540,604.0	8%	10.85%
Total General	$ 7,641,145	$ 60,000	$ 7,701,145	1%	54.26%
Enterprise Total	$ 4,951,063	$ -	$ 4,951,063	0%	34.88%

Changes in Revenue Assumptions

The Buellton Recreation Program revenue is projected to be similar to the previous year which is about $170,000. A $60,000 budget increase was adopted to reflect the recreation revenue increase. The original budgeted projection was $110,000. The reason for the recreation revenue increase is due to the higher volume of recreation activities offered such as a new Teen Camp.

On April 28, 2017 Gov. Jerry Brown signed SB1 (Beall, Chapter 5, Statues of 2017), the Roads Repair and Accountability Act of 2017. SB 1 will generate $5.2 billion annually and will distribute about $26 billion annually to cities and counties. The City of Buellton will receive $113,000 for the FY 2017/18. The amount was previously omitted from the budget because the amount was not known at the time. The money received from SB1 is restricted to address repairs to local streets and roads and was budgeted to the Gas Tax Fund.

City of Buellton
Fiscal Year 2018 Mid-Year Budget Review and Budget Adjustments

Schedule of Expenses for FY 2017-18; 1st year of Biennial Budget						
	Original Budget	Budget Adjustement	Proposed Adjustments	Revised Budget	% Change	% of Budget
General Fund	$ 7,399,055	$ 25,000	$ 5,309	$ 7,429,364	0.4%	50.92%
Wastewater Fund	1,623,808	-	1,213	1,625,021	0.1%	11.14%
Wastewater Capital	650,000		-	650,000	0.0%	4.45%
Water Fund	2,727,255		26,213	2,753,468	1.0%	18.87%
Water Capital	680,000			680,000	0.0%	4.66%
Housing Fund	3,000			3,000	0.0%	0.02%
Traffic Mitigation	-			-	0.0%	0.00%
Gas Tax Fund	602,000			602,000	0.0%	4.13%
Local Transportation	139,000			139,000	0.0%	0.95%
Transportation Planning	45,000			45,000	0.0%	0.31%
Measure A	664,100			664,100	0%	4.55%
Grand Total	**$ 14,533,217**	**$ 25,000**	**$ 32,735**	**$ 14,590,953**	**0.40%**	**100.00%**
Special Revenue	$ 1,453,100	$ -		$ 1,453,100	0.0%	10%
Total General	$ 7,399,055	$ 25,000		$ 7,424,055	0.3%	51%
Enterprise Total	$ 5,681,063	$ -		$ 5,681,063	0.0%	39%

FY 2017-18 Mid-Year Review Budget Adjustment Requests

Fund	Budget Action	Adjustment Amount	Council Action
General Fund	Increase Annual Maximum Benefit Per Person Dental Coverage	$ 5,309	City Council approved Resolution No. 17-20 approving the increase
Wastewater Fund	Increase Annual Maximum Benefit Per Person Dental Coverage	$ 1,213	City Council approved Resolution No. 17-20 approving the increase
Water Fund	Increase Annual Maximum Benefit Per Person Dental Coverage	$ 1,213	City Council approved Resolution No. 17-20 approving the increase
Water Fund	Increase appropriation to institute a Meter Program Fund for Commercial/Industrial Classification	$ 25,000	On Novembers 9, 2017, council authorized staff to establish a Meter Program Fund and adjust the Water fund to accommodate the program
	Budget Adjustment Total:	**$ 32,735**	

CITY OF BUELLTON

City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 9

To:	The Honorable Mayor and City Council
From:	Shannel Zamora, Finance Director
Meeting Date:	January 25, 2018
Subject:	Review of Comprehensive Annual Financial Report (CAFR) for Fiscal Year Ending June 30, 2017

BACKGROUND

Staff is pleased to present the Comprehensive Annual Financial Report (CAFR) for the fiscal year July 1, 2016 through June 30, 2017 (Attachment 1). Although submitted to the Mayor and City Council for consideration, the CAFR is also intended to provide relevant financial information to the residents of Buellton, taxpayers, creditors, investors and other interested parties.

The CAFR was prepared at the request of the City Manager to ensure a more comprehensive financial presentation of the City's fiscal position which provides a broader scope than the basic audited financial statements prepared in the past. The City has won its fourth consecutive Certificate of Achievement for Excellence in Financial Reporting Award for the CAFR from the Government Finance Officers Association (GFOA). We will continue to prepare and submit the CAFR to the GFOA in anticipation of receiving the Certificate of Achievement for Excellence in Financial Reporting each year.

Attachment 2 is a glossary of terms within the CAFR. A detailed general ledger report showing revenue and expenditures (budget vs. actual) is also attached for reference purposes (Attachment 3). Page 24 of the CAFR presents descriptions of the major funds presented in the Fund Financial Statements.

The City contracted with Moss, Levy and Hartzheim, LLP, a firm of licensed certified public accountants, licensed to practice in the State of California, to perform the annual independent audit. The auditors expressed an opinion that the City's financial statements for fiscal year 2016-2017 are fairly stated in conformity with accounting principles generally accepted in the United States. This is the most favorable conclusion and is commonly known as an "unmodified" or "clean" opinion. The independent auditor's report is included in the Financial Section of this report. As part of the audit, Moss, Levy & Hartzheim also reviewed and performed tests of the City's internal accounting control

procedures to determine if there are any material weaknesses or instances of non-compliance. Attachment 4 is the Letter of Government Auditing Standards that reflects two findings as a result of the internal control review. The findings have been addressed by finance staff. Ron Levy from Moss, Levy and Hartzheim will be in attendance at the meeting to answer questions.

As shown on Page 4 of the CAFR, it is organized into three sections:

- The Introductory Section is intended to familiarize the reader with the general organizational structure of the City, the nature and scope of City services and specifics of the City's legal operating environment. It includes a transmittal letter that provides this background information and acknowledges the efforts and awards bestowed upon the City through a concerted effort of Finance and department management staff.

- The Financial Section includes Management's Discussion & Analysis, the Basic Financial Statements, which include the government-wide financial statements that present an overview of the City's entire financial operations from a long-term perspective (Pages 20-23) and the fund financial statements along with the notes to the basic financial statements, that present financial information for each of the City's major funds, non-major governmental funds, as well as enterprise funds, internal service funds and fiduciary funds. This section also contains the independent auditor's report on the Basic Financial Statements.

- The Statistical Section presents up to ten years of unaudited statistical data on the City's financial trends, revenue capacity, debt capacity, demographic and economic financial statements and note disclosures in order to gain a context of whether the City's financial health is improving or deteriorating over time.

FISCAL IMPACT

There is no fiscal impact to the City as a result of the 2016-17 CAFR.

RECOMMENDATION

That the City Council review and file the Comprehensive Annual Financial Report for Fiscal Year ending June 30, 2017.

ATTACHMENTS

Attachment 1 – Comprehensive Annual Financial Report for June 30, 2017
Attachment 2 – Glossary of terms
Attachment 3 – Financial Report – 2016-17 Revenue and Expenditures (Detail versus Budget Report)
Attachment 4 – Independent Auditor's Report on Internal Control

City of Buellton

CITY OF BUELLTON
CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
June 30, 2017

Buellton City Hall drought tolerant landscape.

INTRODUCTORY SECTION

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June 30, 2017

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December 21, 2017

To the Honorable Mayor, Members of the City Council and Citizens of the City of Buellton:

We are pleased to present the Comprehensive Annual Financial Report ("CAFR") of the City of Buellton ("City") for the fiscal year July 1, 2016 through June 30, 2017. Although submitted to the Mayor and City Council ("Council") for consideration, the CAFR is also intended to provide relevant financial information to the residents of Buellton, taxpayers, creditors, investors and other interested parties.

The Letter of Transmittal provides a non-technical summary of City finances, services, achievements and economic prospects. We ask that readers who wish a more detailed discussion of the City's financial results refer to Management's Discussion & Analysis ("MD&A"). The City's MD&A can be found immediately following the report by the independent auditor. State law requires that every general purpose local government publish, within twelve months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2017.

The City Administration is responsible for the accuracy of the information contained in this report, the adequacy of its disclosures and the fairness of its presentation. We believe this CAFR to be complete and reliable in all material respects. To provide a reasonable basis for making this representation, we have established a comprehensive system of internal controls designed to protect City assets from loss, to identify and record transactions accurately, and to compile the information necessary to produce financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of control should not exceed the benefit derived; the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements.

The City contracted with Moss, Levy and Hartzheim, LLP, a firm of licensed certified public accountants, to practice in the State of California, to perform the annual independent audit. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The auditors expressed an opinion that the City's financial statements for fiscal year 2016-2017 are fairly stated in conformity with accounting principles generally accepted in the United States. This is the most favorable conclusion and is commonly known as an "unmodified" or "clean" opinion. The independent auditor's report is included in the Financial Section of this report.

REPORTING ENTITY

The City of Buellton has operated under the Council-Manager form of government since incorporation in February 1992. The Mayor and Council form the legislative body that represents the community and is empowered to formulate citywide policy. Council members serve four-year terms, with three members elected every two years. Starting in 2016, the City transitioned from an appointed Mayor to an elected Mayor with a two-year term. The City Manager is appointed by the Council and serves as the chief administrative officer of the organization responsible for the administration of City affairs, day-to-day operations and implementation of Council policies. In addition to the City Manager, the City Attorney is appointed by and reports directly to the Council.

The City of Buellton, California was incorporated in 1992 and is in the central coast part of the state, within the Santa Ynez Valley. It is located at the regional intersection of Highways 101 and 246 about 45 miles North of the City of Santa Barbara. Buellton occupies an area of 1.6 miles and serves a population of about 5,129 consisting of 1,860 households within the City. Thousands of travelers have come to know Buellton as the Home of the Split Pea Soup, giving credit to Andersen's Split Pea Soup Restaurant. The City is surrounded by cattle ranches, the beautiful Santa Ynez Mountains, vineyards and wineries. No longer merely a crossroads stop for tourists and travelers, the City has evolved into a highly desirable place to live and work. Buellton's scenic biking routes, hiking trails and wine trails are a popular recreational attraction. The botanical gardens at Riverview Park are a picturesque vista for locals and tourists alike.

The City of Buellton provides a full range of services, including police and fire protection; refuse collection; off-street parking; building inspections; licenses and permits; the construction and maintenance of highways, streets, and other infrastructure; recreational and cultural activities; library services; low-income housing; and transit services. The City contracts with the County of Santa Barbara for Police and Fire services. Refuse collection services are under contract with Marborg Industries. Water distribution and sanitary sewer services are provided through departments of the City of Buellton and are maintained as separate funds in the proprietary section of these financial statements.

The CAFR includes all funds of the City, as well as all governmental organizations and activities for which the Council has financial accountability.

ECONOMIC CONDITION AND FISCAL OUTLOOK

Fiscal year 2016-17 ended with a continued solid growth in a number of revenue categories such as Sales Tax and Transient Occupancy Tax. With revenue increases from a stronger economy and the careful management of expenses, the City's budget continued to be on target in 2016-17. Transient Occupancy increased due to increased occupancy rates, and the opening of the Hampton Inn in Mid-June. In addition, the City experienced strong sales tax revenue increase in the Auto and Transportation, Fuel and Service Stations, and Restaurants and Hotel Industries. Property tax revenues also experienced strong revenue. Growth in property values and construction of the Buellton Chumash Apartments and the Village Town Homes project has contributed to the increase in property tax. The Village Townhomes include 156 units which will

contribute to future property tax growth. The approval of the Commons Project, Industrial Hub and Industrial Network Projects will contribute to the growth in property and sales tax revenue in the future.

The 2016-17 Adopted Budget was developed with the assumption of continued economic strength. Economic indicators and actual revenue performance support this assumption during 2016-17. The City Council adopted a balanced budget which anticipated an operating budget maintaining City services and allowing for incremental increases in employee compensation. The City prioritized funding Buellton Library to provide a full time library supervisor. Community Organization Support increased slightly over the prior year with contributions to the Senior Center, People Helping People, Food Bank of Santa Barbara County, Santa Ynez Valley Fruit and Vegetable Rescue, and Nature Track. Funding was provided to the Buellton Visitor's Bureau to promote tourism and economic development. The payment for the first four months of the fiscal year was based on a percentage of Transient Occupancy Tax ("TOT") received which changed proportionately with TOT received per month. In November 2016, the contract was renewed to an annual contract totaling $400,000, or $33,333.33 per month.

The City attracts a significant visitor population and numerous employees coming from neighboring Santa Barbara County jurisdictions. Employment is concentrated within accommodation and food services, manufacturing, retail trade and agriculture. The median household income is $71,667 compared to $63,985 for Santa Barbara County. The households are mostly owner-occupied, newer housing. There is a large mobile home population consisting of about 20% of the population. The annual population growth rate through 2017 is expected to be .65 percent per year. According to Zillow Home Value Index, Buellton's home value peaked in 2005 at $683,700. The June 2017 value is $537,000. The median home value for Santa Barbara County compares at $559,400 along with the California value of $502,000.

The unemployment rate in Buellton ended the fiscal year at 2.7 percent, slightly lower than the same period in the previous year. This rate continues to stay well below the statewide average. According to the Bureau of Labor Statistics (BLS), the unemployment rate for California in June 2017 was 4.7 percent. The National Unemployment Rate was lower than California at 4.4 percent.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

Examples of Long-Term Financial Planning and Major Initiatives for the fiscal year ended June 30, 2017. Include the following:

- The City's Economic Development Task Force continued to work with the City's Economic consultant, Kosmont Companies. Consideration of a variety of economic development initiatives will allow the City to bring development projects that will expand the tax base and provide cash flow for funding the City's business plan.

- In the month of July 2016, the City held two public workshops for resident input for the Avenue of Flags Specific Plan. The "Avenue" is located in the heart of Buellton's downtown and is a focal point of economic development.

- On September 22, 2016, City adopted Resolution No. 16-19 which increased water and sewer rates within three phases over the next three years. The first phase became effective November 1, 2016, the second effective November 1, 2017 and the third phase will be effective July 1, 2018. The rate increase was implemented to provide water and wastewater services and sustain infrastructure. The City's operational costs for both water and wastewater have not been sustained through the existing rates. The rate increase is expected to slow down the rate in which water and sewer reserve funds are used to cover fund deficits.

- The County (along with participating cities including Buellton) received a Prop 1 Grant to prepare a County-wide Integrated Stormwater Resource Plan. The Stormwater Resource Plan is a required element in our Stormwater Program regulated by the Regional Water Quality Control Board. The City used grant money to increase public awareness about the importance of "Only Rain Down the Storm Drain" at the May 2017 Earth Day event and at various events at local schools.

- The Recreation Department continues to operate its Summer Camp at its maximum capacity for its 9-week program. The Recreation Department offered a successful trial Teen Camp which will continue to be offered next fiscal year.

- The City purchased land that may be used for a public parking lot, community garden, affordable housing, or a museum. Kosmont Companies is working with the City to determine the best uses of the property.

- In Mid-June 2017, the Hampton Inn & Suites opened its doors. The new hotel will generate additional transient occupancy tax in the next fiscal year.

CAPITAL IMPROVEMENT PLAN

The use of a Capital Improvement Fund not only tracks costs but guides the City in the planning, scheduling and budgeting of capital improvement projects. The City has completed the development of a Five-year Capital Improvement Plan ("CIP") and has included it in its Biennial Budget. The City-wide capital improvement fund summarizes each project by "start date" and "end date". The CIP is updated annually and approved by Council. The CIP is the blueprint for resource investments to improve and rehabilitate existing public infrastructure while also making targeted investments that align with the City's expansion plans. In total, the City's 2017-18 CIP budget was about $3.5 Million and reflects no percentage increase from 2016-17. The CIP includes large investments to upgrade Water and Wastewater Treatment facilities and infrastructure upgrades such as Streets and Sidewalks.

Key components of the Capital Improvement Program for 2017-22 include:

- Circulation Improvements –McMurray Road Widening, Avenue of the Flags Park and Ride structure and Bus Shelter improvements are still in progress with incremental progress assisting with traffic flow. The majority of funding is through the City General Fund and property owners are benefitting at the Town Center project.

- Road Maintenance and Storm Drain Retrofit –Phase III Highway 246 Pedestrian Crossing and Street and Pavement rehabilitation activities are ongoing. The majority of this funding is through Measure A and Gas Tax with contractor reimbursement for Phase III Highway 246 Pedestrian Crossing.

- Water Treatment Plant Capital Program – Water Facilities Improvements, Water Treatment Plant Pump Booster Reliability Project, Backwash Reclamation, Recycled Study, Water Distribution and Water Meter upgrades.

- Sanitary Sewer System Capital Program –Sewer Collection System (CCTV) project, Sewer Line Replacement, and Head-Works Improvement.

- Parks, Facilities and Miscellaneous – Facilities Maintenance and Painting, Post Office Alarm Replacement, City Hall Generator and Electrical Replacement, Ave of Flags Pedestrian Paths Improvements, Village Park (combine funding with Developer) and Santa Ynez River Trail.

FINANCIAL INFORMATION

Budgetary Controls

The City maintains budgetary controls through the City Council's adoption of an annual balanced budget. Expenditures for City operations cannot exceed revenues. The budgeted amounts approved in the annual budget are recorded in the City's accounting system for each fund. Fund level monitoring is performed monthly. Quarterly reports to Council include budget versus actual trend analysis. Budget amendments are submitted to Council when a fund's actual expenditures are expected to exceed budget.

The City continues to meet its responsibility for sound financial management as demonstrated by the statements and schedules included in the financial section of this report.

Cash and Investment Policy

The City invests unreserved idle cash in order to enhance the economic status of the City while protecting its pooled cash. The City's Investment Policy is to exercise prudent judgment and care when investing. The criteria for selecting investments and the order of priority are Safety, Liquidity and Yield. The city attempts to obtain the highest yield obtainable as long as investments meet the criteria established for safety and liquidity. The Statement of Investment Policy is updated annually and approved by the City Council.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded its Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2016. This marks the 4th consecutive year the City has received this prestigious award. To qualify for the Certificate of Achievement, the governmental entity must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. Such report must satisfy accounting principles generally accepted in the United States of America, as well as all applicable legal requirements.

A Certificate of Achievement is valid for only one year. The City believes this CAFR continues to conform to the Certificate of Achievement Program requirements and will be submitting it to the GFOA for consideration of the annual award.

ACKNOWLEDGMENTS

The preparation of the CAFR represents the culmination of a concerted team effort by the entire staff of the Finance Department. Many members of the Departments demonstrated commendable dedication and long days of focused attention to produce this document.

In addition, staff in all City departments should be recognized. The City also recognizes the contributions and positive working relationship with Moss, Levy, and Hartzheim LLP.

On behalf of the entire Finance staff, we express our appreciation to the Mayor and City Council for providing policy direction and support for achieving financial excellence in all aspects of financial reporting.

Respectfully Submitted,

Shannel Zamora
Finance Director

City of Buellton, California
Comprehensive Annual Financial Report
For the year ended June 30, 2017

Certificate of Achievement for Excellence in Financial Reporting

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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Buellton

California

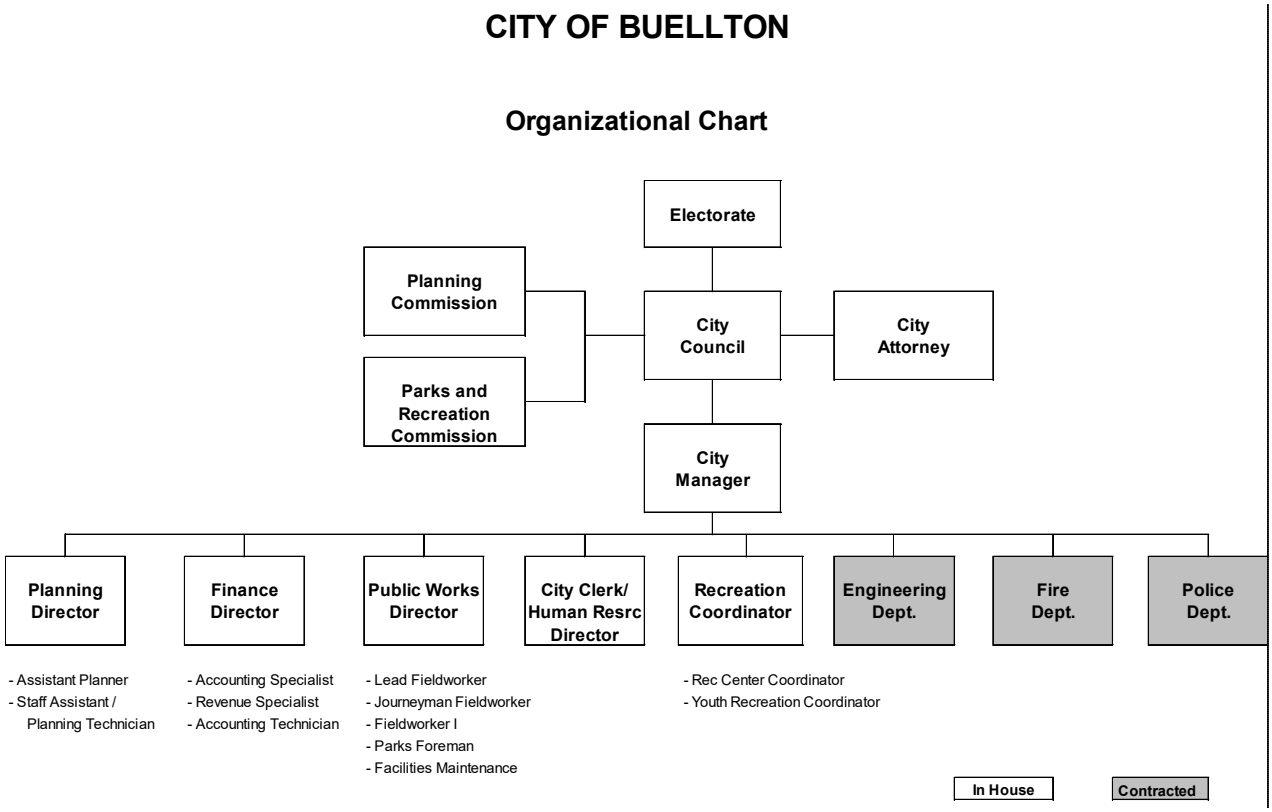
For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2016

Christopher P. Morrill

Executive Director/CEO

Organization Chart



CITY COUNCIL

- Holly Sierra, Mayor
- Ed Andrisek, Vice Mayor
- Foster Reif
- Dave King
- John Connolly

CITY OFFICIALS

- Marc Bierdzinski, City Manager/Planning Director
- Carolyn Galloway-Cooper, CPA, Finance Director
- Rose Hess, Public Works Director/ City Engineer
- Linda Reid, City Clerk/ Human Resources Director
- Kyle Abello, Parks & Recreation Coordinator
- Barbara Knecht, Recreation Center Coordinator

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FINANCIAL SECTION

Moss, Levy & Hartzheim LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

City Council of the City of Buellton
Buellton, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Buellton, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles general accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Buellton, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 19, the budgetary information on pages 59 through 60, the schedule of funding progress for postemployment benefits on page 61, the schedule of proportionate share of net pension liability on page 62, and the schedule of pension contributions on page 63, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is 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 inquires 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.

2400 Professional Parkway, Suite 205 Santa Maria, CA 93455 Tel 805.925.2579 Fax 805.925.2147 mlhcpas.com

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Other information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Buellton's basic financial statements. The introductory section, statistical section, combining and individual nonmajor fund financial statements and schedules, and the fiduciary fund statement of changes in assets and liabilities are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules and the fiduciary fund statement of changes in assets and liabilities are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, nonmajor funds budgetary comparison schedules, and the fiduciary funds statement of changes in assets and liabilities are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2017, on our consideration of the City of Buellton's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Moss, Levy & Hartzheim LLP

Santa Maria, California
December 21, 2017

Management's Discussion and Analysis

This section provides a narrative overview and analysis of the financial activities of the City of Buellton (City) for the fiscal year ended June 30, 2017. It should be read in conjunction with the accompanying transmittal letter and basic financial statements.

FINANCIAL HIGHLIGHTS

- As of June 30, 2017 the City's net position was $34,680,809. Of this amount, $8,039,995 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

- The Government's total Net Position increased by $927,220. This increase is attributable to the increase in sales tax revenue received from new commercial businesses at the Crossroads Shopping Center. Acquisition of land and capital improvements of about $799 thousand also contributed to the net position increase. A summary of transactions reflecting Net Position is found on page 8 of this report.

- As of the close of the current fiscal year, the City of Buellton's governmental funds reported combined ending fund balances of $8,343,154, an increase of $561,505 in comparison with the prior fiscal year. Approximately 82 percent of this total amount, $6,807,135 is available for spending at the government's discretion (unassigned fund balance).

- The City recorded a prior period adjustment to the General Fund and Water Fund to reverse certain accounts payable recorded in prior years and not removed from the Balance Sheet (Statement of Net Position), inventory not properly reported, and an adjustment for the difference between amounts recorded as accounts receivable and the amount actually received. In addition, the Governmental Fund adjusted $19,800 for Tree-in-Lieu mitigation deposits previously recorded as general fund revenue, instead of a liability in the Agency Fund.

- At the end of the current fiscal year, there was an unassigned fund balance for the general fund of $6,939,241. Management's suggested minimum reserve goal is to maintain 25 percent of budgeted operating expenditures or a "non-spendable" fund balance figure of $1,734,810. The unassigned fund balance is in substantial excess of the suggested minimum reserve, or $5,204,431 is "spendable".

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

This Comprehensive Annual Financial Report is in three major parts:

1) **Introductory section**, which includes general information;

2) **Financial section**, which includes the Management's Discussion and Analysis (current section), the Basic Financial Statements, which include the Government-wide and the Fund Financial Statements along with the notes to these financial statements, and Combining and Individual Fund Financial Statements and Schedules.

3) **Statistical section,** which includes detailed information as a context for understanding what the information in the financial statements, and footnotes says about the City's overall financial health**.**

The Basic Financial Statements

The Basic Financial Statements are comprised of the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of the City's financial activities and financial position.

The Government-wide Financial Statements

The Government-wide Financial Statements provide a broad overview of the City's activities as a whole and comprise the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the City as a whole, including all its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all the City's revenues and all its expenses, also on the full accrual basis, with emphasis on measuring net revenues or expenses of each of the City's programs. The Statement of Activities explains in detail the change in Net Position for the year.

All of the City's activities are grouped into Governmental Activities and Business-type activities, as explained below. All the amounts in the Statement of Net Position and the Statement of Activities are separated into Governmental Activities and Business-type Activities in order to provide a summary of these two activities of the City as a whole.

- ***Governmental activities*** – All of the City's basic services are considered to be governmental activities, including general government, community development, culture and leisure, public safety, and public works. These services are supported by general City revenues such as taxes and by specific program revenues such as developer fees.

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT, Continued

The Government-wide Financial Statements, Continued

- ***Business-type activities*** – All the City's enterprise activities are reported here, including Water and Wastewater. Unlike governmental services, these services are supported by charges paid by users based on the amount of the service they use.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, Governmental Fund Financial Statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the Governmental Fund Financial Statements is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Government-wide Financial Statement. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The Governmental Fund Financial Statements provide detailed information about each of the City's most significant funds, called major funds. The concept of major funds, and the determination of which are major funds, was established by GASB Statement No. 34 and replaces the concept of combining like funds and presenting them as one total. Instead, each major fund is presented individually, with all non-major funds summarized and presented only in a single column. Subordinate schedules present the detail of these non-major funds. Major funds present the major activities of the City for the year and may change from year to year as a result of changes in the pattern of the City's activities.

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT, Continued

Fund Financial Statements, Continued

For the fiscal year ended June 30, 2017, the City's major funds are as follows:

GOVERNMENTAL FUNDS:

- General Fund
- Transportation Planning Special Revenue Fund

PROPRIETARY FUNDS:

- Water Enterprise Fund
- Wastewater Enterprise Fund

Proprietary funds. The City maintains Enterprise-type proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the Government-wide Financial Statements. The City uses enterprise funds to account for Water and Wastewater operations. Proprietary funds provide the same type of information as the Government-wide Financial Statements, only in more detail.

Fiduciary funds. The City maintains one agency fiduciary fund. The agency fund is used to account for resources held for the benefit of parties outside the government. Since agency funds are custodial in nature, (i.e. assets equal liabilities), they do not involve the measurement of results of operations.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. The notes to the basic financial statements can be found on pages 35-58 of this report.

Combining and Individual Fund Financial Statements and Schedules

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements can be found on pages 66-73 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, Net Position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by $34,680,809 as of June 30, 2017.

The Summary of Net Position as of June 30, 2017, and 2016, follows:

Summary of Net Position

	2017			2016		
	Govern-mental Activities	Business-type Activities	Total	Govern-mental Activities	Business-type Activities	Total
Current and other assets	$ 8,906,739	$ 4,312,357	$ 13,219,096	$ 8,257,074	$ 3,923,681	$ 12,180,755
Noncurrent assets						
Capital assets,net	19,502,618	5,644,028	25,146,646	18,960,813	6,076,811	25,037,624
Total assets	28,409,357	9,956,385	38,365,742	27,217,887	10,000,492	37,218,379
Deferred outflows of resources	436,805	112,573	549,378	336,062	106,492	442,554
Total assets and deferred outflows of resources	28,846,162	10,068,958	38,915,120	27,553,949	10,106,984	37,660,933
Current and other liabilities	563,585	136,464	700,049	475,425	108,934	584,359
Noncurrent liabilities	2,727,945	512,984	3,240,929	2,172,779	442,335	2,615,114
Total liabilities	3,291,530	649,448	3,940,978	2,648,204	551,269	3,199,473
Deferred inflows of resources	233,226	60,107	293,333	537,642	170,229	707,871
Total liabilities and deferred inflow of resources	3,524,756	709,555	4,234,311	3,185,846	721,498	3,907,344
Net Position:						
Net investment in capital assets	19,488,470	5,644,028	25,132,498	18,960,813	6,076,811	25,037,624
Restricted	1,508,316	-	1,508,316	1,202,636	-	1,202,636
Unrestricted	4,324,620	3,715,375	8,039,995	4,204,654	3,308,675	7,513,329
Total net position	$ 25,321,406	$ 9,359,403	$ 34,680,809	$ 24,368,103	$ 9,385,486	$ 33,753,589

The largest portion (73 percent) of the City's net position reflects its investment of $25.1 million in capital assets (land, building and improvements, equipment and infrastructure, net of accumulated depreciation). The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending.

About $1.5 million (4 percent) of the City's net position represents resources that are subject to external restrictions on how they may used. These restrictions include Housing and Streets, Roads and Transportation.

$8 million of the net position (23 percent) is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors. Of this amount, $3.7 million is held by the business-type activities and $4.3 million held by the governmental activities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The statement of activities shows how the City's net position changed during fiscal year 2016-17 compared to the prior year. The City's net position increased overall by $927,220 during the fiscal year which shows the City's financial health is better than the previous year. These increases are explained in the government and business-type activities on the following pages. Provided below is a summary of changes in Net Position for the fiscal years ended June 30, 2017, and 2016.

	Govern-mental Activities	Business-type Activities	Total	Govern-mental Activities	Business-type Activities	Total
Revenues:						
Program revenues:						
Charges for services	$ 226,932	$ 2,773,222	$ 3,000,154	$ 447,451	$ 2,153,981	$ 2,601,432
Grants and contributions:						
Operating	1,405,359	-	1,405,359	544,749	824,934	1,369,683
Capital	-	224,907	224,907	-	-	-
General revenues:						
Secured and unsecured property taxes	1,297,795	-	1,297,795	2,396,533	-	2,396,533
Sales and use tax	2,521,898	-	2,521,898	2,044,067	-	2,044,067
Transient lodging tax	1,938,720	-	1,938,720	1,783,807	-	1,783,807
Franchise taxes	221,847	-	221,847	434,866	-	434,866
Other taxes	43,555	-	43,555	223,302	-	223,302
Investment income	25,396	17,030	42,426	104,364	10,711	115,075
Other general revenues	142,325	-	142,325	39,300	-	39,300
Gain on sale of capital assets	11,372	-	11,372	-	287,690	287,690
Total revenues	7,835,199	3,015,159	10,850,358	8,018,439	3,277,316	11,295,755
Expenses:						
Governmental activities:						
General government	1,784,167	-	1,784,167	849,291	-	849,291
Community development	364,935	-	364,935	1,115,702	-	1,115,702
Culture and leisure	790,357	-	790,357	523,974	-	523,974
Public safety	1,922,881	-	1,922,881	1,808,093	-	1,808,093
Public works	1,722,304	-	1,722,304	1,358,122	-	1,358,122
Interest on long term debt	645	-	645	-	-	-
Business-type activities:						
Water	-	1,955,852	1,955,852	-	1,947,565	1,947,565
Sewer	-	1,099,822	1,099,822	-	1,025,834	1,025,834
Total expenses	6,585,289	3,055,674	9,640,963	5,655,182	2,973,399	8,628,581
Excess (Deficiency) of revenues over expenses before transfers	1,249,910	(40,515)	1,209,395	2,363,257	303,917	2,667,174
Special Items						
Write off of Advance to Successor Agency Private Purpose Trust	-	-	-	(1,876,208)	-	(1,876,208)
Release of funds to Successor Agency Private Purpose Trust	-	-	-	(6,067,368)	-	(6,067,368)
Change in net position	1,249,910	(40,515)	1,209,395	(5,580,319)	303,917	(5,276,402)
Net position:						
Beginning of year	24,368,103	9,385,486	33,753,589	29,948,422	9,081,569	39,029,991
Adjustments	(296,607)	14,432	(282,175)	-	-	-
Beginning of year, as adjusted	24,071,496	9,399,918	33,471,414	29,948,422	9,081,569	39,029,991
End of year	$ 25,321,406	$ 9,359,403	$ 34,680,809	$ 24,368,103	$ 9,385,486	$ 33,753,589

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Revenues

The City's total revenues for governmental and business-type activities were $10,850,358 for the fiscal year ended June 30, 2017. Total revenue from government-type activities were $7,835,199. Approximately 91% or $7,163,772 of the City's key governmental revenues is generated from four major sources: Sales, property, transient occupancy taxes, and grant and contributions.

The following discusses variances in key revenues from the prior fiscal year:

1. **Sales and Use Taxes –** The more than 23% positive change in sales and use tax was mainly due to local vendor retail sales growth, new commercial businesses such as The Habit Burger, Tractor Supply, and Chipotle, and an overall generally improving economy in California. Sales tax compensation from the County of Santa Barbara contributed to the increase in sales tax. This is due to the final payment of the Sales Tax Triple Flip Economic Recovery Bond Fund. Strong revenue streams from local sales tax are expected to increase as new businesses continue to open, but will grow at a much steadier pace.

2. **Secured and Unsecured Property Taxes –** Annual receipts decreased by approximately 46% due to a one-time property tax revenue distribution for the dissolution of the Successor's Agency in FY 15/16 of about $1.1 million. Property tax is expected to increase at a steady rate as home values in the County continue to rise, and as new construction development progresses.

3. **Grants and Contributions – Governmental and Business-Type Activities Operating –** Grants continue to be a consistent source of revenue for public works uses under Business and Governmental-type activities. This was mainly due to street, road, and community enhancement operating grants for maintenance and operations renewed in the current year.

4. **Transient Occupancy Tax – Governmental Activities Operating –** This revenue source is a major component and top revenue source of the City's General Fund. Transient Occupancy Tax (TOT) increased about 8.7% due to the increased occupancy during the busy Spring season in addtion to the opening of the Hampton Inn in Mid-June 2017.

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

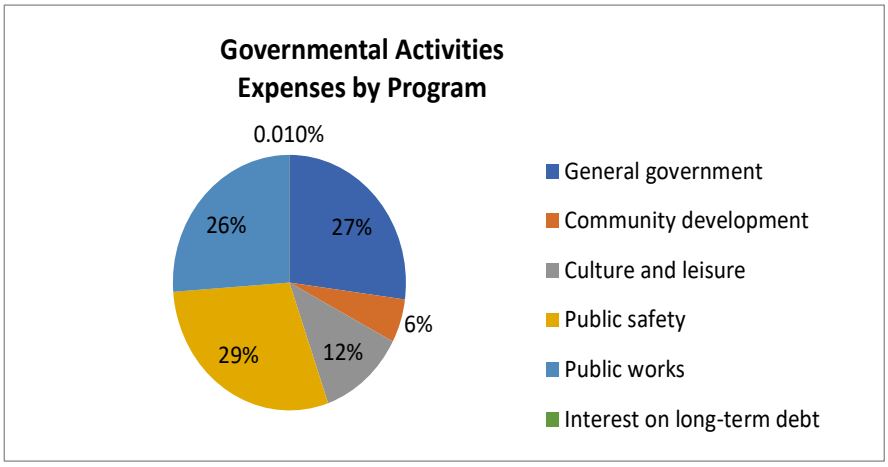
Expenses

Governmental and business-type activity expenses of the City for the year totaled $9,640,963. Governmental activity expenses totaled $6,585,289, or about 68% of total expenses. Business-type activities incurred $3,055,674 of expenses during the fiscal year.

Governmental Activities

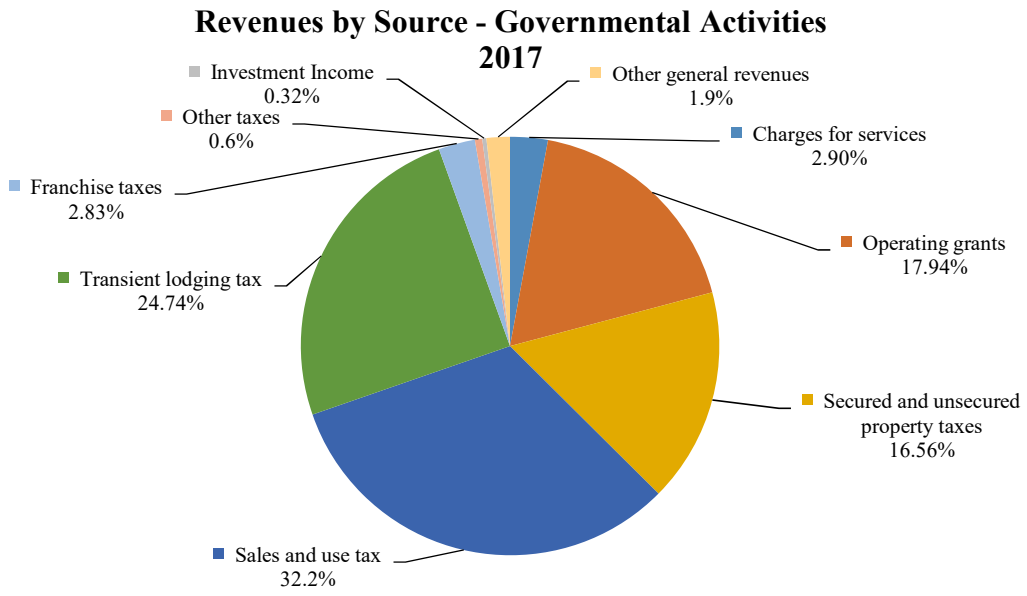
The following table shows the cost of each of the City's major programs and the net cost of the programs. Net cost is the total cost less fees and other direct revenue generated by the activities. The net cost reflects the financial burden that was placed on the City's taxpayers by each of the programs. Public Safety costs of $1,922,881 represented about 29% of total governmental activities expenses, which represented the largest single expense for governmental activities. The total cost of services and the net cost of services for the fiscal years ended June 30, 2017, and 2016, are as follows:

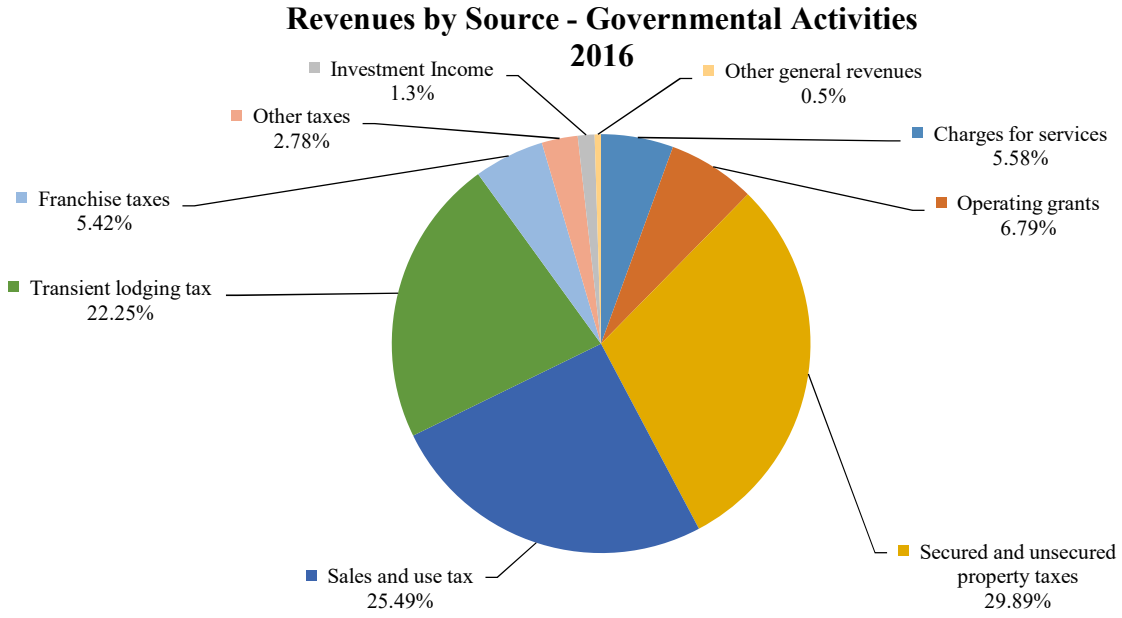
	2017		2016	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	$ 1,784,167	$ 1,784,167	$ 849,291	$ 839,031
Community development	364,935	359,935	1,115,702	1,058,302
Culture and leisure	790,357	563,425	523,974	251,292
Public safety	1,922,881	1,922,881	1,808,093	1,768,218
Public works	1,722,304	321,945	1,358,122	746,139
Interest on long-term debt	645	645	-	-
Total	$ 6,585,289	$ 4,952,998	$ 5,655,182	$ 4,662,982



GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Revenues by source for the fiscal years ended June 30, 2017, and 2016, are as follows:





GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

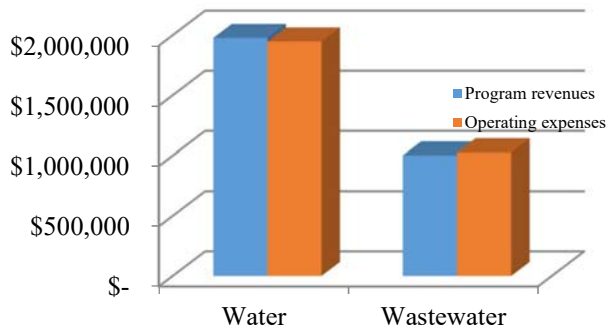
Business-type activities. Business-type activities decreased the City's Net Position by $26,083. The City has two business-type activities: Water and Wastewater. Water accounts for 69% of total business-type activity revenue, and Wastewater accounts for 31%.

Total revenues for the Fiscal Year ended June 30, 2017 were $3 Million, a decrease of $262 thousand from the prior year. Charges for services increased about $600 thousand due to water and sewer rate increases that became effective in November 2016. Revenue from grants and contributions decreased by $600 thousand due to less water and sewer connections in the City. The remaining revenue decrease was mainly due to the gain on sale of capital assets. In the current year, there was no sale of capital assets compared to $287 thousand gain on sale of capital assets in the prior year.

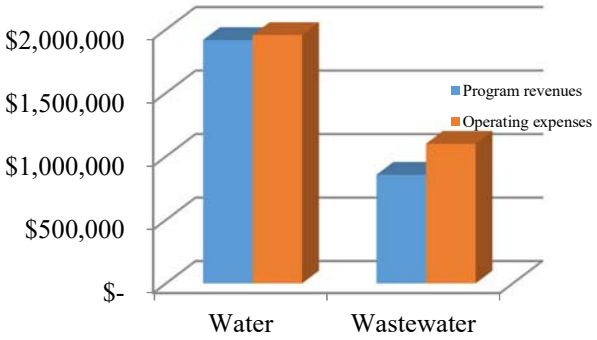
Expenses of the business-type activities for the Fiscal Year ended June 30, 2017, totaled $3 Million, an increase of $82 thousand from the prior year. The majority of the increase is in the Sewer Fund ($74 thousand) from the timing of deprecation from the sewer system. It was not depreciated in the prior year.

The expenses and program revenues summary for the business-type activities for the fiscal year ended June 30, 2017, and 2016, are as follows:

Expenses and Program Revenues
Business-type Activities
2017



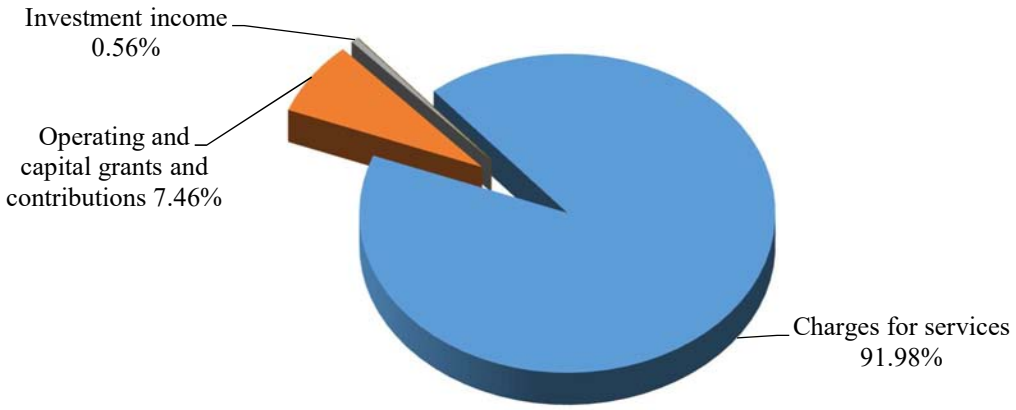
Expenses and Program Revenues
Business-type Activities
2016



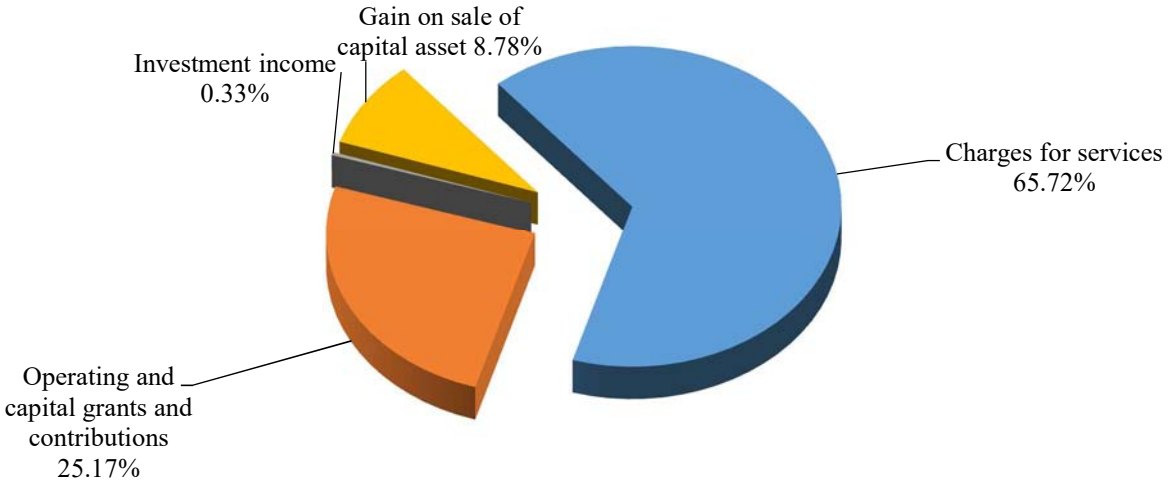
GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The revenues by source for the business-type activities for the fiscal years ended June 30, 2017, and 2016, are as follows:

Revenues by Source - Business-type Activities
2017



Revenues by Source - Business-type Activities
2016



GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Financial Analysis of the Government's Funds

The City of Buellton uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide financial statements.

Governmental funds. The focus of the City of Buellton's governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Buellton's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Buellton's governmental funds reported combined ending fund balances of $8,343,154 an increase of $561,505 in comparison with the prior fiscal year. This increase is due to greater tax revenue associated from new residential and commercial development.

Approximately 82 percent of this total amount ($6,807,135) constitutes unassigned fund balance. The remainder of fund balance is "non-spendable," or restricted to indicate that it is not available for new spending because it has already been committed to fund amounts prepaid for the following fiscal year ($27,703) and restricted by other parties for a specific purpose ($1,508,316).

The General Fund is the chief operating fund of the City of Buellton. The total fund balance in the general fund is $6,965,277, of which $6,939,241 is shown as "unassigned."

The fund balance of the City of Buellton's General Fund increased by $229,644 during the current fiscal year. Key factors in this increase are as follows:

- General Fund operations resulted in revenues over expenditures by $521,724.
- Proceeds from capital lease of copier from Coastal Copy for the amount of $16,359.
- Prior-year adjustment for the amount of -$283,439. (See note 13 for more detail)

Proprietary funds. The City of Buellton's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted Net Position of the water fund at the end of the fiscal year amounted to $2,418,759 and Unrestricted Net Position of the wastewater fund amounted to $1,296,616. The total change

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

in Net Position for both funds were $113,741 and -$154,256 respectively. The overall change in net position is primarily attributable to an increase in water and sewer revenues derived from a rate increase. The decrease in net position for the Wastewater Fund is attributed to the sewer collection clean-up project and the catch-up of the sewer system depreciation. The sewer system was not depreciated in the prior fiscal year, thus two years of depreciation was recorded during FY 16/17.

General Fund Budgetary Highlights

	Budgeted Amounts		Actual	Variance from
Revenues:	Original Budget	Final Budget	Amounts	Final Budget
Taxes	$ 5,543,000	$ 5,543,000	$ 6,023,815	$ 480,815
Licenses, Permits, Fees	16,700	16,700	11,275	(5,425)
Intergovernmental	527,400	527,400	427,826	(99,574)
Charges for Services	179,500	179,500	226,932	47,432
Fines and forfeitures	42,000	42,000	25,396	(16,604)
Use of money and property	85,000	85,000	133,387	48,387
Other revenues	30,000	30,000	14,565	(15,435)
Total Revenues	6,423,600	6,423,600	6,863,196	439,596
Other Financing Sources:				
Proceeds from Capital leas	-	-	16,359	16,359
Total Revenues	6,423,600	6,423,600	6,879,555	455,955
Expenditures:				
General Government	$ 1,658,619	$ 1,658,619	$ 1,686,194	(27,575)
Community Development	473,314	473,314	350,580	122,734
Cultural and leisure	630,445	630,445	670,726	(40,281)
Public Safety	1,981,688	1,981,688	1,922,881	58,807
Public Works	1,370,371	1,370,371	1,144,263	226,108
Capital Outlay	685,500	685,500	563,972	121,528
Debt Service:				-
Principal	-	-	2,211	(2,211)
Interest	-	-	645	(645)
Total Expenditures	6,799,937.0	6,799,937	6,341,472	458,465
Transfers Out	200,000	200,000	25,000	175,000
Total Expenditures	6,999,937	6,999,937	6,366,472	633,465
Excess of Revenues over(under expenditures)	(576,337)	(576,337)	513,083	1,089,420
Prior Year Adjustment	-	-	(283,439)	(283,439)
Net Change in Fund Balance	-	-	$ 229,644	

General Fund Budgetary Highlights, Continued

In fiscal year 2017, there were no appropriation changes between the original and final budgets. The General Fund experienced slight increases or decreases in various revenue streams and a significant increase in revenue from taxes. Expenditure savings occurred within the General Fund departments of Community Development and Public Works. The result was that the General Fund had a budget surplus for the fiscal year.

Capital Assets

The City of Buellton's investment in capital assets for its governmental and business-type activities as of June 30, 2017, amounts to $25,146,646 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment and infrastructure. The total increase in the City's investment in capital assets for the current fiscal year was $109,022. Of the total increase, governmental activities showed an increase of $541,805, resulting from an increase in net depreciable capital assets. Business-type activities decreased by $432,783 due to a decrease in net depreciable capital assets.

	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Land	$ 1,827,166	$ 1,536,248	$ 247,691	$ 247,691	$ 2,074,857	$ 1,783,939
Total Nondepreciable Capital Assets	1,827,166	1,536,248	247,691	247,691	2,074,857	1,783,939
Buildings and improvements	5,829,209	5,806,438	574,387	574,387	6,403,596	6,380,825
Equipment	632,269	598,224	897,367	894,291	1,529,636	1,492,515
Infrastructure	17,604,230	16,939,604	12,570,229	12,451,313	30,174,459	29,390,917
Total Depreciable Capital Assets	24,065,708	23,344,266	14,041,983	13,919,991	38,107,691	37,264,257
Less: Accumulated Depreciation	6,390,256	5,919,701	8,645,646	8,090,871	15,035,902	14,010,572
Net Depreciable Capital Assets	17,675,452	17,424,565	5,396,337	5,829,120	23,071,789	23,253,685
Net Capital Assets	$ 19,502,618	$ 18,960,813	$ 5,644,028	$ 6,076,811	$ 25,146,646	$ 25,037,624

More detail of the capital assets and current activity can be found in the notes to the financial statements on Page 39 for significant accounting policies and Note 3 on Page 46 for other capital asset information.

Debt Administration

At the end of the current and previous fiscal year, the City of Buellton had $14,148 in capital leases payable. The City has no general obligation or revenue bonds.

Buellton enjoys a relatively healthy local economy; however, it does not currently have a bond rating because it has zero bonded debt on its balance sheet. When the City decides to go to Wall Street to sell bonds for future infrastructure improvements for Water or Wastewater systems, the City will go before Moody's Investor Service or Fitch's Rating Service for a credit rating. There is a definite need to update the user fees for Water and Wastewater services. An adequate multi year rate management program will provide the best opportunity for obtaining an investment-grade credit rating for the City of Buellton in the future.

Economic Outlook

- The City completed 2016-17 with better operating financial results in some categories than expected when the 2016-17 Adopted Budget was developed. The City finished the year exceeding budgeted revenues in the categories of Taxes and Charges for Current Services. In May of 2016, the City Council approved a balanced General fund budget for 2016-17 that used consistent resources available on an ongoing basis while delivering essential services.

- The General Fund cash reserves are at over $6 Million and revenues exceed expenditures in the 2016-17 budget by approximately $540,000.

- The City's sales tax revenues are expected to increase with the new Crossroads Shopping Center, and future revenue from the approved Commons Project which consists of commercial and retail spaces. The expected increase is expected to be steady for the next year until construction of the project is completed.

- The City expects to receive additional transient occupancy due to an addition of a new hotel. The expected increase in transient tax revenue is about 3 percent.

- The City Council approved utility rate increases to address maintenance and capital needs. Financial viability of the water and wastewater fund was a key factor in their decision. The effective date of the increases was November 2016 with two additional rate increase stages. The next rate increase is effective November 1, 2017, and the next increase is scheduled to occur on July 1, 2018.

- Quarterly reports to support the financial management of City resources continue to provide information to the City Council and public. As part of the mid-year budget review, the City prepares a report on financial position, considers economic factors and highlights trends based on the City's budget versus what actually occurred during the period. A discussion of other economic factors provides a means of comparing the local economy against the larger economic events that may affect the City. This provides Council with a budget review at four periods during the year. Council has a better control of costs, while identifying financial requirements prior to the close of the fiscal year. Modifications to the original budget take place each quarter as needed.

- The General Fund ended the 2016-17 fiscal year with a fund balance of $6,965,277. Operating expenditures approved in 2017-18 budget amount to $6,370,555. The result is a coverage ratio of about 110%. Because it is difficult to fully anticipate dramatic changes in the national and local economies, the Council has set an unassigned fund balance goal of 25% of the general fund's operating expenditures.

NEXT YEAR'S BUDGETED APPROPRIATIONS

The adopted budget for all City funds for the new fiscal year of 2017-2018 was $14,533,217. The adopted budget for fiscal year 2016-17 totals $12,613,223 and is summarized, with CIP expenditures shown in the Citywide CIP row of the chart below for consistent comparison as follows:

	FY 2017-18	FY 2016-17	Amount Change	Percentage Change
General fund	$ 6,370,555	$ 6,383,937	$ (13,382)	(0.2)%
Water & Sewer Funds	4,351,063	3,736,626	614,437	14%
Citywide CIP Fund	3,578,500	2,386,000	1,192,500	33%
Special revenue funds	233,100	106,660	126,440	54%
Total budget	$ 14,533,218	$ 12,613,223	$ 1,919,995	100%

1. General Fund – Shows a decrease of about .2%. Although spending for capital improvement projects increased for FY 17/18, an appropriation for the Planning Director position was eliminated. The City Manger currently acts as the Planning Director and no funding is needed for that position.

2. Water & Sewer Funds – Shows an increase of about $614,000, or over 14 percent. The increase is due to additional costs related to the increase in state water costs and transfers to the Water and Wastewater Capital Funds for Capital Improvement programs such as water and waste water treatment plant facility improvements, water treatment plant booster power reliability, water meter upgrades, water distribution system improvements, sewer collection system cleaning, and sewer line replacement.

3. Citywide Capital Improvement Program (CIP) Fund – The CIP Fund expenditures relate to Capital Improvements. CIP fund shows an increase of $1.1 Million, or approximately 33 percent as a result of project completions and rolling forward portions of uncompleted projects. A combined project summary of circulation improvements, water and sewer facilities, water reservoirs, water recycling, road maintenance, parks and maintenance projects are scheduled in 2017-18.

4. Special Revenue Funds – Shows an increase of $106,660, or approximately 54 percent. The increase is due to planned road maintenance costs to repair city roads with money received from SB 1.

Requests for Information

This Comprehensive Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the City's finances. If you have any questions about this report, need additional financial information, or would like to obtain component unit financial statements, contact Finance Director, 107 West Highway 246, Buellton, CA 93427, or visit the City's web page at www.cityofbuellton.com.

CITY OF BUELLTON
STATEMENT OF NET POSITION
June 30, 2017

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	$ 7,755,871	$ 3,014,032	$ 10,769,903
Accounts receivable, net	1,109,699	293,482	1,403,181
Interest receivable	13,466	4,824	18,290
Inventory		53,050	53,050
Prepaid items	27,703	946,969	974,672
Capital assets:			
Non Depreciable:			
Land	1,827,166	247,691	2,074,857
Depreciable:			
Buildings and improvements	5,829,209	574,387	6,403,596
Equipment	632,269	897,367	1,529,636
Infrastructure	17,604,230	12,570,229	30,174,459
Accumulated depreciation	(6,390,256)	(8,645,646)	(15,035,902)
Total assets	28,409,357	9,956,385	38,365,742
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension	436,805	112,573	549,378
Total deferred outflows of resources	436,805	112,573	549,378
LIABILITIES			
Accounts payable	390,926	86,110	477,036
Accrued wages	108,737	20,643	129,380
Unearned revenue			
Noncurrent liabilities:			
Due within one year	25,117	3,481	28,598
Due in more than one year	2,702,828	512,984	3,215,812
Total liabilities	3,291,530	649,448	3,940,978
DEFERRED INFLOWS OF RESOURCES			
Deferred pension	233,226	60,107	293,333
Total deferred inflows of resources	233,226	60,107	293,333
NET POSITION			
Net investment in capital assets	19,488,470	5,644,028	25,132,498
Restricted for:			
Housing	476,537		476,537
Streets and roads	1,031,779		1,031,779
Unrestricted	4,324,620	3,715,375	8,039,995
Total net position	$ 25,321,406	$ 9,359,403	$ 34,680,809

The notes to basic financial statements are an integral part of this statement.

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CITY OF BUELLTON
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2017

		Program Revenues		
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Governmental activities:				
General government	$ 1,784,167	$ -	$ -	$ -
Community development	364,935		5,000	
Cultural and leisure	790,357	226,932		
Public safety	1,922,881			
Public works	1,722,304		1,400,359	
Interest on long-term debt	645			
Total governmental activities	6,585,289	226,932	1,405,359	
Business-type activities:				
Water	1,955,852	1,917,538		142,948
Wastewater	1,099,822	855,684		81,959
Total business-type activities	3,055,674	2,773,222		224,907
Total	$ 9,640,963	$ 3,000,154	$ 1,405,359	$ 224,907

General Revenues
Taxes:
Property taxes
Sales and use taxes
Transient lodging tax
Franchise taxes
Other taxes
Fines and forfeitures
Investment income
Other general revenues

Total general revenues

Change in net position

Net position, beginning of fiscal year

Prior-period adjustment

Net position, July 1, restated

Net position, end of fiscal year

The notes to basic financial statements are an integral part of this statement.

Net (Expenses) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
$ (1,784,167)	$ -	$ (1,784,167)
(359,935)		(359,935)
(563,425)		(563,425)
(1,922,881)		(1,922,881)
(321,945)		(321,945)
(645)		(645)
(4,952,998)		(4,952,998)
	104,634	104,634
	(162,179)	(162,179)
	(57,545)	(57,545)
(4,952,998)	(57,545)	(5,010,543)
1,297,795		1,297,795
2,521,898		2,521,898
1,938,720		1,938,720
221,847		221,847
43,555		43,555
25,396		25,396
142,325	17,030	159,355
11,372		11,372
6,202,908	17,030	6,219,938
1,249,910	(40,515)	1,209,395
24,368,103	9,385,486	33,753,589
(296,607)	14,432	(282,175)
24,071,496	9,399,918	33,471,414
$ 25,321,406	$ 9,359,403	$ 34,680,809

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FUND FINANCIAL STATEMENTS

MAJOR FUNDS

Fund	Description
Governmental Funds:	
General Fund	Primary operating fund of the City; accounts for all activities except those legally or administratively required to be accounted for in other funds.
Transportation Planning Special Revenue Fund	Accounts for funds used in the planning for transportation projects restricted by other governments.

CITY OF BUELLTON
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2017

	General Fund	Transportation Planning Special Revenue Fund	Other Governmental Funds	Totals
ASSETS				
Cash and investments	$ 6,298,334	$ -	$ 1,457,537	$ 7,755,871
Accounts receivable	993,609	43,876	72,214	1,109,699
Interest receivable	11,033		2,433	13,466
Due from other funds	165,200			165,200
Prepaid items	26,036		1,667	27,703
Total assets	$ 7,494,212	$ 43,876	$ 1,533,851	$ 9,071,939
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 356,276	$ 10,782	$ 23,868	$ 390,926
Accrued wages and benefits	108,737			108,737
Deposits	63,922			63,922
Due to other funds		165,200		165,200
Total liabilities	528,935	175,982	23,868	728,785
Fund Balances:				
Nonspendable:				
Prepaid items	26,036		1,667	27,703
Restricted:				
Housing			476,537	476,537
Streets, roads, and transportation			1,031,779	1,031,779
Unassigned	6,939,241	(132,106)		6,807,135
Total fund balances	6,965,277	(132,106)	1,509,983	8,343,154
Total liabilities and fund balances	$ 7,494,212	$ 43,876	$ 1,533,851	$ 9,071,939

The notes to basic financial statements are an integral part of this statement.

CITY OF BUELLTON
RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2017

Total fund balances - governmental funds		$	8,343,154
In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation.			
Capital assets at historical cost	$ 25,892,874		
Accumulated depreciation	(6,390,256)		
Net			19,502,618
Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:			
Compensated absences payable	$ 108,242		
Capital leases payable	14,148		
OPEB payable	1,139,334		
Net pension liability	1,466,221		
Total			(2,727,945)
In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.			203,579
Total net position - governmental activities		$	25,321,406

The notes to basic financial statements are an integral part of this statement.

CITY OF BUELLTON
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2017

	General Fund	Transportation Planning Special Revenue Fund	Nonmajor Governmental Funds	Totals
Revenues:				
Taxes	$ 6,023,815	$ -	$ -	$ 6,023,815
Licenses, permits, and fees	11,275		21,648	32,923
Intergovernmental	427,826	43,876	900,734	1,372,436
Charges for services	226,932			226,932
Fines and forfeitures	25,396			25,396
Use of money and property	133,387		8,938	142,325
Other	14,565			14,565
Total revenues	6,863,196	43,876	931,320	7,838,392
Expenditures:				
General government	1,686,194			1,686,194
Community development	350,580		700	351,280
Cultural and leisure	670,726			670,726
Public safety	1,922,881			1,922,881
Public works	1,144,263	51,845	143,566	1,339,674
Capital outlay	563,972		472,224	1,036,196
Debt Service:				
Principal	2,211			2,211
Interest	645			645
Total expenditures	6,341,472	51,845	616,490	7,009,807
Excess of revenues over (under) expenditures	521,724	(7,969)	314,830	828,585
Other financing sources (uses):				
Proceeds from capital lease	16,359			16,359
Transfers in		25,000	26,500	51,500
Transfers out	(25,000)		(26,500)	(51,500)
Total other financing sources (uses)	(8,641)	25,000		16,359
Net change in fund balances	513,083	17,031	314,830	844,944
Fund balances - July 1	6,735,633	(149,137)	1,195,153	7,781,649
Prior-period adjustment	(283,439)			(283,439)
Fund balances - July 1, restated	6,452,194	(149,137)	1,195,153	7,498,210
Fund balances - June 30	$ 6,965,277	$ (132,106)	$ 1,509,983	$ 8,343,154

The notes to basic financial statements are an integral part of this statement.

CITY OF BUELLTON
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2017

Total net change in fund balances - governmental funds	$	844,944
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which additions to capital outlay of $1,036,196 exceed depreciation expense ($491,198) and loss on disposal of capital assets ($3,193) in the period.		541,805
In the statement of activities, compensated absences are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts paid). This fiscal year, vacation earned exceeded the amounts used by $19,132.		(19,132)
In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This fiscal year, the difference between OPEB costs and actual employer contribution was:		(102,752)
In governmental funds, proceeds from debt are recognized as other financing sources. In the government-wide statements, proceeds from debt are reported as increases to liabilities. Amounts recognized in governmental funds as proceeds from debt, net of issue premium or discount, was:		(16,359)
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.		2,211
In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:		(807)
Changes in net position - governmental activities	$	1,249,910

The notes to basic financial statements are an integral part of this statement.

PROPRIETARY FUNDS

Fund	Description
Major Funds:	
Water Fund	Accounts for revenues and expenses associated with the City's Water enterprise operation.
Wastewater Fund	Accounts for all activities associated with the operation and maintenance of providing Sewer services.

CITY OF BUELLTON
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
June 30, 2017

	Water Fund	Wastewater Fund	Totals
ASSETS			
Current assets:			
Cash and investments	$ 1,519,965	$ 1,494,067	$ 3,014,032
Accounts receivable, net	201,245	92,237	293,482
Interest receivable	2,358	2,466	4,824
Inventory	53,050		53,050
Prepaid items	946,369	600	946,969
Total current assets	2,722,987	1,589,370	4,312,357
Capital assets:			
Land	247,691		247,691
Buildings and improvements	574,387		574,387
Equipment	430,082	467,285	897,367
Infrastructure	6,516,997	6,053,232	12,570,229
	7,769,157	6,520,517	14,289,674
Less accumulated depreciation	(4,401,833)	(4,243,813)	(8,645,646)
Total capital assets (net of accumulated depreciation)	3,367,324	2,276,704	5,644,028
Total assets	6,090,311	3,866,074	9,956,385
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension	54,896	57,677	112,573
Total deferred outflows of resources	54,896	57,677	112,573
LIABILITIES			
Current liabilities:			
Accounts payable	40,059	46,051	86,110
Accrued wages and benefits	10,140	10,503	20,643
Deposits	26,230		26,230
Debt due within one year	1,704	1,777	3,481
Total current liabilities	78,133	58,331	136,464
Noncurrent liabilities:			
Compensated absences	6,818	7,107	13,925
OPEB payable	60,594	60,594	121,188
Net pension liability	184,268	193,603	377,871
Total noncurrent liabilities	251,680	261,304	512,984
Total liabilities	329,813	319,635	649,448
DEFERRED INFLOWS OF RESOURCES			
Deferred pension	29,311	30,796	60,107
Total deferred inflows of resources	29,311	30,796	60,107
NET POSITION			
Net investment in capital assets	3,367,324	2,276,704	5,644,028
Unrestricted	2,418,759	1,296,616	3,715,375
Total net position	$ 5,786,083	$ 3,573,320	$ 9,359,403

The notes to basic financial statements are an integral part of this statement.

CITY OF BUELLTON
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2017

	Water Fund	Wastewater Fund	Totals
Operating Revenues:			
Charges for services	$ 1,910,973	$ 855,684	$ 2,766,657
Other operating revenues	6,565		6,565
Total operating revenues	1,917,538	855,684	2,773,222
Operating Expenses:			
Personnel services	310,819	296,193	607,012
Operations and maintenance	1,363,903	529,984	1,893,887
Depreciation	281,130	273,645	554,775
Total operating expenses	1,955,852	1,099,822	3,055,674
Operating income (loss)	(38,314)	(244,138)	(282,452)
Non-Operating Revenues (Expenses):			
Interest income	9,107	7,923	17,030
Total non-operating revenues (expenses)	9,107	7,923	17,030
Income (loss) before capital contributions	(29,207)	(236,215)	(265,422)
Capital Contributions:			
Capital impact fees	142,948	81,959	224,907
Total capital contributions	142,948	81,959	224,907
Change in net position	113,741	(154,256)	(40,515)
Net position, July 1	5,657,910	3,727,576	9,385,486
Prior-period adjustment	14,432		14,432
Net position, July 1, restated	5,672,342	3,727,576	9,399,918
Net position, June 30	$ 5,786,083	$ 3,573,320	$ 9,359,403

The notes to basic financial statements are an integral part of this statement.

CITY OF BUELLTON
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2017

	Water Fund	Wastewater Fund	Totals
Cash Flows From Operating Activities:			
Receipts from customers	$ 1,850,911	$ 828,968	$ 2,679,879
Payments to suppliers	(1,420,689)	(557,518)	(1,978,207)
Payments to employees	(338,010)	(335,521)	(673,531)
Net cash provided (used) by operating activities	92,212	(64,071)	28,141
Cash Flows From Capital and Related Financing Activities:			
Acquisition of capital assets	(58,526)	(63,466)	(121,992)
Capital contributions	142,948	81,959	224,907
Net cash provided by capital and related financing activities	84,422	18,493	102,915
Cash Flows From Investing Activities:			
Interest income	8,506	7,204	15,710
Net cash provided by investing activities	8,506	7,204	15,710
Net increase (decrease) in cash and cash equivalents	185,140	(38,374)	146,766
Cash and cash equivalents - July 1	1,307,248	1,520,791	2,828,039
Cash and cash equivalents - June 30	$ 1,492,388	$ 1,482,417	$ 2,974,805
	(27,577)	(11,650)	(39,227)
Reconciliation of operating (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ (38,314)	$ (244,138)	$ (282,452)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	281,130	273,645	554,775
Change in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:			
Receivables, net	(69,720)	(26,716)	(96,436)
Prepaid expenses	(60,875)	(367)	(61,242)
Inventories	(29,253)		(29,253)
Accounts and other payables	33,342	(27,167)	6,175
Accrued wages and benefits	10,140	10,503	20,643
Deposits	3,093		3,093
Compensated absences	5,591	5,953	11,544
OPEB payable	5,708	5,708	11,416
Deferred outflows of resources - pension	(6,092)	11	(6,081)
Net pension liability	33,669	11,639	45,308
Deferred inflows of resources - pension	(48,630)	(61,492)	(110,122)
Net cash provided (used) by operating activities	$ 119,789	$ (52,421)	$ 67,368

The notes to basic financial statements are an integral part of this statement.

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FIDUCIARY FUND

Fund	Description
Agency Fund:	
Deposits Agency Fund	This fund accounts for various deposits that are held on behalf of the City for various projects or programs

CITY OF BUELLTON
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUND
June 30, 2017

	Deposits Agency Fund
Assets	
Cash and cash equivalents	$ 228,527
Interest receivable	341
Total assets	$ 228,868
Liabilities	
Refundable deposits and accruals	$ 228,868
Total liabilities	$ 228,868

The notes to basic financial statements are an integral part of this statement.

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NOTES TO THE FINANCIAL STATEMENTS

CITY OF BUELLTON
INDEX TO NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2017

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The reporting entity is the City of Buellton. There are no component units included in this report that meet the reporting entity definition criteria of GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, GASB Statement No. 61, and GASB Statement No. 80. The City of Buellton (City) was incorporated in 1992, under the laws and regulations of the State of California (State). The City operates under a City Council/Manager form of government and provides the following services: public safety (Police and Fire), highways and streets, water service, wastewater, public improvements, planning and zoning, and general administration.

B. Basis of Presentation

The City's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

Government-wide Statements

The Statement of Net Position and the Statement of Activities display information about the primary government (the City) and its component unit. These statements include the financial activities of the overall City government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Government activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a program, and (c) fees, grants, and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The fund financial statements provide information about the City's funds. Separate statements for each fund category-*governmental, proprietary and fiduciary*-are presented. The emphasis of fund financial statements is on major individual funds, each of which is displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows for all proprietary funds.

Proprietary funds and fiduciary funds are accounted for using the *"economic resources"* measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non-current) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which liability is incurred.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

Operating revenues in the proprietary funds are those revenues that are generated from the primary operation of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Fiduciary funds use the full accrual basis of accounting for reporting receivables and payables. Fiduciary funds are reported in the fund financial statements but are not included for government-wide reporting purposes.

C. Major Funds

GASB Statement No. 34 defines major funds and requires that the City's major funds are identified and presented separately in the fund financial statements. All other funds, called non-major funds, are combined and reported in a single column in the Fund Statements as Other Governmental Funds, regardless of their fund-type.

Major funds are defined as funds that have either assets, liabilities, revenues, or expenditures/expenses equal to ten percent of their fund-type total. The General Fund is always a major fund. The City may also voluntarily select other funds it believes should be presented as major funds.

The City reported the following major governmental funds in the accompanying financial statements:

General Fund – Accounts for all general revenues of the city not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of a governmental unit which are not accounted for in other funds.

Transportation Planning Special Revenue Fund – Accounts for revenue used in the planning for transportation projects restricted by other governments. Funds are a State grant derived from a 1/4-cent share of retail sales tax collected statewide.

The City reported the following major proprietary funds:

Water Fund – This fund was established as a separate fund to account for the operation of the City's water utility. It is a self-supporting activity that provides services on a user-charge basis to residents and businesses located in the City.

Wastewater Fund – This fund was established as a separate fund to account for the operation of the City's wastewater utility. It is a self-supporting activity that provides services on a user-charge basis to residents and businesses located in the City.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Major Funds (Continued)

The City reported the following fiduciary fund:

Deposits Agency Fund – Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They are accounted for using the accrual basis of accounting. This fund accounts for the carious deposits that are held on behalf of the City for various specific projects or programs.

D. Basis of Accounting

The government-wide, proprietary funds, and the fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *full accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable and available.* The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent that they have matured.

Capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as *other financing sources.*

Non-exchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Other revenues susceptible to accrual include other taxes, intergovernmental revenues, interest, and charges for services.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the City may fund certain programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net assets may be available to finance program expenditures/expenses. The City's policy is to first apply restricted grant resources to such programs, followed by general revenues, if necessary.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Property Taxes

California Constitution Article XIII A limits the combined property tax rate to one percent of a property's assessed valuation. Additional taxes may be imposed with voters' approval. Assessed value is calculated at one hundred percent of a property's fair value, as defined by Article XIII A, and may be increased no more than two percent per year, unless a change in ownership or new construction occurs. The State legislature has determined the method of distributing the one percent tax levy among the various taxing jurisdictions.

Property tax revenues are recognized in the fiscal year for which taxes have been levied and collected within sixty days of fiscal year end. Property taxes are billed and collected as follows:

	Secured	Unsecured
Valuation/Lien Dates	January 1	January 1
Levy Dates	July 1	July 1
Due Dates	November 1 (50%) February 1 (50%)	August 1
Delinquency Dates	December 10 (Nov.) April 10 (Feb.)	August 31

F. 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 assumptions that affect the reported amounts of assets, liabilities, revenues, expenditures or expenses as appropriate. Actual results could differ from those estimates.

G. Cash, Cash Equivalents, and Investments

The City pools its available cash for investment purposes. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments. For purposes of the statement of cash flows of the proprietary fund types, cash and cash equivalents include all investments, as the City operates an internal cash management pool which maintains the general characteristics of a demand deposit account.

Disclosure requirements for Deposits and Investment Risks were made in the following areas:
- Interest Rate Risk
- Credit Risk
  - Overall
  - Custodial Credit Risk
  - Concentrations of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end, and other disclosures.

Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

The City participates in the Local Agency Investment Fund (LAIF), an investment pool managed by the State of California. LAIF has invested a portion of the pool funds in Structured Notes and Asset- Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as a result of changes in interest rates.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Inventories

The City accounts for inventories using the first-in, first-out method. Inventories in the Water Fund consist primarily of meters and are carried at cost.

I. Capital Assets

Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets, donated works of art and similar items, and capital assets received in a service concession arrangement are valued at their acquisition value. City policy is to capitalize all capital assets with costs exceeding a minimum threshold of $5,000 and with useful lives exceeding one year. Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

Structures and Improvements	50 years
Machinery and Equipment	3-15 years
Infrastructure	15-100 years

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include streets, wastewater, park lands, and buildings. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, landscaping, and land.

These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

Interest accrued during capital assets construction, if any, is capitalized for the business-type and proprietary funds as part of the asset cost. For all infrastructure systems, the City elected to use the Basic Approach defined by GASB Statement No. 34, which requires all infrastructures be reported at historical cost and be depreciated over their estimated useful lives.

J. Long-term Liabilities

Government-Wide Financial Statements

Long-term debt and other financial obligations are reported as liabilities in the appropriate activities. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable premium or discount. Issuance costs are reported as deferred outflows if they constitute bond insurance.

Fund Financial Statements

The Governmental Fund Financial Statements do not present long-term debt. Consequently, long-term debt is shown as a reconciling item in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position. Governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financial sources. Premiums received on debt issuance are reported as other financing

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Long-term Liabilities (Continued)

sources while discounts on debt issuance reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Proprietary Fund Financial Statements use the same principles as those used in the Government-Wide Financial Statements.

K. Compensated Absences

Government-Wide Financial Statements

For governmental and business-type activities, compensated absences are recorded as incurred and the related expenses and liabilities are reported in the appropriate activity.

Fund Financial Statements

In compliance with Governmental Accounting Standards Board Statement No. 16, the City has established a liability for accrued vacation in relevant funds. For governmental type funds, the current liability appears in the respective funds. All vacation paid is accrued when incurred in the governmentwide and proprietary funds financial statements. This liability is set up for the current employees at the current rates of pay. Each fiscal year, an adjustment to the liability is made based on pay rate changes and adjustments for the current portion. The General Fund is primarily responsible for the repayment of the governmental portion of compensated absences. Accumulated employee sick leave benefits are not recognized as liabilities of the City. The City's policy is to record sick leave as an operating expense in the period taken since such benefits do not vest nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

L. Unearned Revenue

Unearned 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 unearned revenue.

M. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*," and GASB Statement No. 65, "*Items Previously Reported as Assets and Liabilities,*" the City recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The City has one item that qualifies for reporting in this category; refer to Note 9 for detailed listing of the deferred outflows of resources the City has reported.

In addition to liabilities, the Statement of Net Position and the Governmental Funds – Balance Sheet will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the City that is applicable to a future reporting period. The City has one item that qualifies for reporting in this category; refer to Note 9 for detailed listing of the deferred inflows of resources the City has reported.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Buellton's California Public Employee's Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

O. 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 are 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.

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the City'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 that the City 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 City.

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

P. Net Position

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources, and liabilities added to the deferred inflows of resources, be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Net Position (Continued)

Net position that is net investment in capital assets, consists of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislations. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

Q. Interfund Balances/Internal Balances

Advances to and advances from other funds represent interfund loans in the fund financial statements. Advances between funds are offset by a fund liability or by deferred revenue in the applicable governmental funds to indicate that they are not expendable available financial resources. Any unpaid interest due to lack of funds in the borrowing fund increases the principal owed and is reported in the lending fund as deferred revenue.

All other outstanding balances between funds are reported as due to and due from other funds. These are generally repaid within the following fiscal year.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the Government-Wide Financial Statements as "internal balances."

R. Budgetary Accounting

The City Council establishes budgets for the General Fund and all Special Revenue Funds, except for certain Special Revenue Funds for which expenditures are controlled by grant funding or by assessments received. Budgetary control is legally maintained at the fund level for these funds. Department heads submit budget requests to the City Manager. The City Manager prepares an estimate of revenues and prepares recommendations for the next year's budget. The preliminary budget may or may not be amended by the City Council and is adopted by resolution by the City Council on or before June 30 in accordance with the municipal code. The City Council may amend the budget by motion during the fiscal year. Only the Council can authorize transfers between funds and approve inter-fund loans. The City Manager is authorized to transfer budgeted amounts within a fund without formal council action or approval. The City Manager is authorized to increase expenditures in relation to revenues in funds receiving assigned revenues without approval by the City Council.

Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. Supplemental appropriations, which increase appropriations, may be made during the fiscal year. There were no material supplemental appropriations made for the fiscal year ended June 30, 2017. Budget information is presented for the General and budgeted Special Revenue Funds in the fund financial statements. The budget information is presented on a basis consistent with generally accepted accounting principles. Appropriations, except open project appropriations, and unexpended grant appropriations, lapse at the end of each fiscal year.

Appropriations lapse at the end of the fiscal year and then are rebudgeted for the coming year. Under Article XIIIB of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fees schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2017, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit. Budgeted appropriations for the various governmental funds become effective each July 1.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 75	"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
Statement No. 81	"Irrevocable Split-Interest Agreements"	The provisions of this statement are effective for fiscal years beginning after December 15, 2016.
Statement No. 82	"Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
Statement No. 83	"Certain Asset Retirement Obligations"	The provisions of this statement are effective for fiscal years beginning after June 15, 2018.
Statement No. 84	"Fiduciary Activities"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.
Statement No. 85	"Omnibus 2017"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
Statement No. 86	"Certain Debt Extinguishment Issues"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
Statement No, 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.

NOTE 2 – CASH AND INVESTMENTS

The composition of cash and investments as of June 30, 2017, is as follows:

Cash on hand	$ 650
Deposits with financial institutions	2,202,915
Investments	8,794,865
Total cash and investments	$ 10,998,430

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of the City's debt instruments or Agency's agreements:

Statement of Net Position:	
Cash and investments	$ 10,769,903
Fiduciary Funds:	
Cash and investments	228,527
Total cash and investments	$ 10,998,430

NOTE 2 – CASH AND INVESTMENTS (Continued)

Governmental Accounting Standards Board (GASB) Statement No. 72, "Fair Value Measurements and Application," provides the framework for measuring fair value. The framework categorizes a fair value hierarch that is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2017:

		Fair Value Measurement Using		
Investment Type	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
Negotiable certificates of deposit	$ 498,555	$ 498,555	$ -	$ -
Total investments measured at fair value	498,555	$ 498,555	$ -	$ -
Investments measured at amortized cost:				
Money market funds	205,544			
LAIF	8,090,766			
Total investments	$ 8,794,865			

A. Investments Authorized by the California Government Code and the City's Investment Policy

The table below identifies the investment types that are authorized for the City by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Bankers' Acceptance	180 days	40%	30%
Commercial Paper	270 days	15%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20%	None
Money Market Mutual Funds	N/A	20%	10%
Local Agency Investment Fund (LAIF)	N/A	None	None

B. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments, and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flows and liquidity needed for operations.

NOTE 2 – CASH AND INVESTMENTS (Continued)

B. Disclosures Relating to Interest Rate Risk (Continued)

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

		Remaining Maturity (in Months)			
Investment Type	Carrying Amount	12 Months Or Less	13-24 Months	25-60 Months	More than 60 Months
LAIF	$ 8,090,766	$ 8,090,766	$ -	$ -	$ -
Negotiable certificates of deposit	498,555	249,025	249,530		
Money market funds	205,544	205,544			
Total	$ 8,794,865	$ 8,545,335	$ 249,530	$ -	$ -

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code, and the actual rating as of fiscal year end for each investment type.

		Minimum	Exempt		
	Carrying	Legal	From	Ratings as of Fiscal Year End	
Investment Type	Amount	Rating	Disclosure	AAA	Not Rated
LAIF	$ 8,090,766	N/A	$ -	$ -	$ 8,090,766
Negotiable certificates of deposit	498,555	N/A			498,555
Money market funds	205,544	N/A		205,544	
Total	$ 8,794,865		$ -	$ 205,544	$ 8,589,321

C. Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represents 5% or more of the total City's investments.

D. Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the City's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

None of the City's deposits with financial institutions in excess of the Federal Depository Insurance Corporation's limits were held in uncollateralized accounts.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or governmental investment pools (such as LAIF).

NOTE 2 – CASH AND INVESTMENTS (Continued)

E. Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying basic financial statements at the amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

NOTE 3 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2017, was as follows:

	July, 1 2016	Additions	Deletions	June 30, 2017
Governmental Activities				
Nondepreciable capital assets:				
Land	$ 1,536,248	$ 290,918	$ -	$ 1,827,166
Total nondepreciable capital assets	$ 1,536,248	$ 290,918	$ -	$ 1,827,166
Depreciable capital assets:				
Buildings and improvements	$ 5,806,438	$ 22,771	$ -	$ 5,829,209
Property and equipment	598,224	57,881	23,836	632,269
Infrastructure	16,939,604	664,626		17,604,230
Total depreciable capital assets	23,344,266	745,278		24,065,708
Less accumulated depreciation	5,919,701	491,198	20,643	6,390,256
Net depreciable capital assets	17,424,565	$ 254,080	$ 3,193	$ 17,675,452
Net capital assets	$ 18,960,813	$ 544,998	$ 3,193	$ 19,502,618
Business-Type Activities				
Nondepreciable capital assets:				
Land	$ 247,691	$ -	$ -	$ 247,691
Total nondepreciable capital assets	$ 247,691	$ -	$ -	$ 247,691
Depreciable capital assets:				
Buildings and improvements	$ 574,387	$ -	$ -	$ 574,387
Property and equipment	894,291	3,076		897,367
Infrastructure	12,451,313	118,916		12,570,229
Total depreciable capital assets	13,919,991	121,992		14,041,983
Less accumulated depreciation	8,090,871	554,775		8,645,646
Net depreciable capital assets	$ 5,829,120	$ (432,783)	$ -	$ 5,396,337
Net capital assets	$ 6,076,811	$ (432,783)	$ -	$ 5,644,028

NOTE 3 – CAPITAL ASSETS (Continued)

Depreciation expense was charged to function and programs based on their usage of the related assets. The amounts allocated to each function or program were as follows:

Governmental Activities:	
General government	$ 49,538
Cultural and leisure	89,850
Public works	351,810
Total depreciation expense-governmental activities	$ 491,198
Business-type Activities:	
Water	$ 281,130
Sewer	273,645
Total depreciation expense-business-type activities	$ 554,775

NOTE 4 – LONG-TERM DEBT

A. Compensated Absences

Governmental Accounting Standards Board Statement No. 16 identifies certain items that should be accrued as a liability as benefits are earned by employees, but only to the extent it is probable that the employer will compensate the employees for the benefits through cash payments conditioned on the employee's termination or retirement.

The City's employees accumulate earned but unused benefits, which can be converted to cash at termination of employment. The non-current portion of these vested benefits, payable in accordance with various collective bargaining agreements, at June 30, 2017, total $108,242 for governmental activities and $17,406 for business-type activities.

B. Capital Leases Payable

On October 18, 2016, the City entered into a capital lease agreement with Coastal Copy, Inc. The lease proceeds were used to purchase two copiers for City Hall. The amount of the lease was $16,359 and accrues interest at 6.3586%. Annual lease payments are due each year commencing October 2016. Future minimum lease payments are as follows:

Ending June 30	Amount
2018	$ 3,808
2019	3,808
2020	3,808
2021	3,808
2022	952
Total minimum lease payments	16,184
Less amount representing interest	(2,036)
Present value on net minimum lease payments	$ 14,148

NOTE 5 – CHANGES IN LONG-TERM LIABILITIES

The following is a summary of long-term liability activities for the fiscal year ended June 30, 2017:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017	Due Within One Year
Governmental activities:					
Compensated absences	$ 89,110	$ 95,777	$ 76,645	$ 108,242	$ 22,123
Capital leases payable		16,359	2,211	14,148	2,994
Net OPEB obligation	1,036,582	158,598	55,846	1,139,334	
Net pension liability	1,060,255	572,719	166,753	1,466,221	
Total	$ 2,185,947	$ 843,453	$ 301,455	$ 2,727,945	$ 25,117

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017	Due Within One Year
Business-type activities:					
Compensated absences	$ 5,862	$ 35,808	$ 24,264	$ 17,406	$ 3,481
Net OPEB obligation	109,772	17,622	6,206	121,188	
Net pension liability	332,563	88,283	42,975	377,871	
Total	$ 448,197	$ 141,713	$ 73,445	$ 516,465	$ 3,481

NOTE 6 – FUND BALANCES

Nonspendable, Restricted, and Unassigned (deficit) fund balance consisted of the following at June 30, 2017:

	General Fund	Transportation Planning Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable				
Prepaid items	$ 26,036	$ -	$ 1,667	$ 27,703
Restricted				
Housing			476,537	476,537
Streets, roads, and transportation			1,031,779	1,031,779
Unassigned (deficit)	6,939,241	(132,106)		6,807,135
Total	$ 6,965,277	$ (132,106)	$ 1,509,983	$ 8,343,154

NOTE 7 – 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.

NOTE 7 – INTERFUND TRANSACTIONS (Continued)

A. Due From/To Other Funds

Due to and from balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Individual fund interfund receivable and payable balances at June 30, 2017, are as follows:

Fund	Due From	Due To
Major Governmental Fund:		
General Fund	$ 165,200	$ -
Transportation Planning Special Revenue Fund		165,200
Total	$ 165,200	$ 165,200

C. 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 2016-2017 fiscal year are as follows:

Fund	Transfers In	Transfers Out
Major Governmental Funds:		
General Fund	$ -	$ 25,000
Transportation Planning Special Revenue Fund	25,000	
Nonmajor Governmental Funds:		
Measure A Fund		26,500
Local Transportation Fund	26,500	
	$ 51,500	$ 51,500

NOTE 8 – RISK MANAGEMENT

A. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of Buellton is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 122 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine member Executive Committee.

NOTE 8 – RISK MANAGEMENT (Continued)

B. Self-Insurance Programs of the Authority

Amount	Coverage Provider	Payment Source
General and Automobile Liability Claims:		
$0 - $30,000	Charged directly to the City's primary deposit	City funds
30,001 - 750,000	Pooled based on the City's share of losses under $30,000	City funds
750,001 - 5,000,000	Pooled based on payroll	Authority
5,000,001 - 10,000,000	Paid under reinsurance policies	Authority
10,000,001 - 50,000,000	Covered through purchase of excess insurance policies	Authority
Workers' Compensation Claims:		
$0 - $50,000	Charged directly to the City's primary deposit	City funds
50,001 - 100,000	Pooled based on the City's share of losses under $50,000	City funds
100,001 - 2,000,000	Pooled based on payroll	Authority
2,000,001 - 4,000,000	Covered through purchase of excess insurance policies	Authority
4,000,001 - 10,000,000	Covered through purchase of excess insurance policies	Authority

C. Purchased Insurance

Environmental Insurance – The City of Buellton participates in the pollution legal liability and remediation legal liability insurance which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Buellton. Coverage is on a claims-made basis. There is a $50,000 deductible.

Earthquake and Flood Insurance – The City of Buellton purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of Buellton property currently has earthquake protection in the amount of $6,262,385. There is a deductible of 5% per unit of value with a minimum deductible of $100,000. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

Crime Insurance – The City of Buellton purchases crime insurance coverage in the amount of $1,000,000 with a $2,500 deductible. The fidelity coverage is provided through the Authority. Premiums are paid annually and are not subject to retroactive adjustments.

D. Adequacy of Protection

During the past three fiscal (claims) years, none of the above programs of protection have had settlements or judgements that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior fiscal year.

NOTE 9 – PENSION PLAN

A. General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan), administered by the California Public Employees' Retirement System (CalPERS). The Plan's benefit provisions are established by statute. The Plan is included as a pension trust fund in the CalPERS Comprehensive Annual Financial Report, which is available online at www.calpers.ca.gov.

NOTE 9 – PENSION PLAN (Continued)

A. General Information about the Pension Plans (Continued)

The Plan consists of a miscellaneous pool and a safety pool (referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively, including those of the City of Buellton. The City of Buellton's employer rate plans in the miscellaneous risk pool include the Miscellaneous plan (Miscellaneous) and the PEPRA Miscellaneous plan (PEPRA Misc.). The City of Buellton does not have any rate plans in the safety risk pool.

Benefits Provided

The Plan provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Classic members and PEPRA Safety members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. PEPRA Miscellaneous members with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The death benefit is the Basic Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2017, are summarized as follows:

	Miscellaneous	
Hire Date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	52-67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.0%	6.5%
Required employer contribution rates	9.558% + $81,228	6.930% + $88

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Contributions to the pension plan from the City were $209,728 for the fiscal year ended June 30, 2017.

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2017, the City reported a liability of $1,844,092 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan participants, actuarially determined. The City's proportion share of net pension liability for miscellaneous plans as of June 30, 2016, and 2015 was as follows:

NOTE 9 – PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

	Miscellaneous
Proportion-June 30, 2015	0.05077%
Proportion-June 30, 2016	0.05308%
Change-Increase (Decrease)	0.00231%

For the fiscal year ended June 30, 2017, the City recognized pension expense of $139,640. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 4,809	$ -
Changes in assumptions		59,017
Net difference between projected and actual earnings on retirement plan investments	307,163	
Changes in proportion and differences between City contributions and proportionate share of contributions		168,539
Adjustment due to differences in proportion	27,678	65,777
City contributions subsequent to the measurement date	209,728	
	$ 549,378	$ 293,333

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability, to be recognized in future periods in a systematic and rational manner.

$209,728 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2017.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expenses as follows:

Fiscal year Ending June 30,	Amount
2018	$ (98,680)
2019	(70,673)
2020	136,111
2021	79,559
	$ 46,317

NOTE 9 – PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions:

	Miscellaneous
Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.50%
Mortality	Derived using CalPERS' Membership Data for all Funds (1)
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies; 2.75% therafter

(1) The mortality table used was developed based on CalPERs' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table please refer to the 2014

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of the discount rate for public agency plans (including PERF C), CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.65 percent discount rate is appropriate and the use of municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund, including PERF C. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB No. 68 section.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB No. 67 and No. 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net pension plan investment expense and inflation) are developed for each major asset class.

NOTE 9 – PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits were calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1-10(a)	Real Return Years 11+(b)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	20.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	1.0%	-0.55%	-1.05%
Total	100.0%		

(a) An expected inflation of 2.5% was used for this period.
(b) An expected inflation of 3.0% was used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 7.65 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.65 percent) or one percentage point higher (8.65 percent) than the current rate:

	1% Decrease 6.65%	Current Discount Rate 7.65%	1% Increase 8.65%
City's proportionate share of net pension plan liability	$ 2,917,540	$ 1,844,092	$ 956,940

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 9 – PENSION PLAN (Continued)

C. Payable to the Pension Plan

At June 30, 2017, the City had no amount outstanding for contributions to the pension plan required for the fiscal year ended June 30, 2017.

NOTE 10 – POSTEMPLOYMENT HEALTH CARE BENEFITS

A. Plan Description

Medical coverage is provided through a single-employer CalPERS Plan under the Public Employees' Medical and Hospital Care Act (PEMHCA), also referred to as PERS Health. The City contributes up to $800 per month on behalf of each active employee and covered dependents. The employee is responsible for excess, if any of the total PEMHCA premium over $800 per month. The City offers the same medical plans to its retirees as to its active employees, with the general exception that upon reaching age 65 and becoming eligible for Medicare, the retiree must join one of the Medicare Supplement coverage's offered under PEMHCA. Employees become eligible to retire and receive City-paid healthcare benefits upon attainment of age 50 and 5 years of covered PERS service, or by attaining qualifying disability retirement status. The City's contribution on behalf of retirees is the same as for active employees - 100% of PEMHCA premium for retiree and covered dependents, but not to exceed $800 per month. Benefits continue for the lifetime of the retiree with survivor benefits extended to surviving spouses. Membership of the plan consisted of nine retirees currently receiving benefits. The City pays a 0.34% of premium administrative fee on behalf of employees and retirees.

B. Funding Policy

As required by GASB Statement No. 45, an actuary will determine the City's Annual Required Contribution (ARC) at least once every two fiscal years. The ARC is calculated in accordance with certain parameters, and includes (I) the Normal Cost for one year, and (2) a component for amortization of the total unfunded actuarial accrued liability (UAL) over a period not to exceed 30 years. GASB Statement No. 45 does not require pre-funding of OPEB benefits. Therefore, the City's funding policy is to continue to pay healthcare premiums for retirees as they fall due. The City has elected not to establish an irrevocable trust at this time. The City Council reserves the authority to review and amend this funding policy from time to time, in order to ensure that the funding policy continues to best suit the circumstances of the City. Typically, the General Fund has been used in the past to liquidate the net OPEB obligation.

The City's annual other postemployment benefit cost (expense) is calculated based on the annual required contribution (ARC) of the employer. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following table shows the components of the City's annual OPEB Cost for the fiscal year ended June 30, 2017, the amount actually contributed to the plan, and changes in the City's Net OPEB obligation:

NOTE 10 – POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)

B. Funding Policy (Continued)

Annual required contribution (ARC)	$	196,660
Interest on net OPEB obligation		45,854
Adjustment to ARC		(66,294)
Annual OPEB cost		176,220
Contributions made (including implicit subsidy)		(62,052)
Increase (Decrease) in net OPEB Obligation		114,168
Net OPEB obligation (asset) - beginning of fiscal year		1,146,354
Net OPEB obligation (asset) - end of fiscal year	$	1,260,522

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for fiscal year ended June 30, 2017 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Actual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2015	$ 249,198	$ 32,095	12.9%	$ 1,057,722
6/30/2016	177,958	80,520	45.2%	1,146,354
6/30/2017	176,220	62,052	35.2%	1,260,522

C. Funded Status and Funding Progress

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the District are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The funded status of the Plan as of June 30, 2015, the Plan's most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	$	2,102,341
Actuarial value of Plan assets		
Unfunded actuarial accrued liability (UAAL)	$	2,102,341
Funded ratio (actuarial value of Plan assets/AAL)		0.00%
Covered payroll (active Plan participants)	$	632,148
UAAL as a percentage of covered payroll		332.57%

D. Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and the pattern of sharing of costs between the employer and plan members to that point. Consistent with the long-term perspective of actuarial calculations, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities for benefits.

NOTE 10 – POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)

D. Actuarial Methods and Assumptions (Continued)

The following is a summary of the actuarial assumptions and methods:

Valuation date	6/30/2015
Actuarial cost method	Entry age normal cost method
Amortization method	Level percent of payroll amortization
Remaining amortization period	30 Year as of the valuation date
Asset valuation method	30 Year smoothed marked
Actuarial assumptions:	
Investment rate of return	4.00%
Projected salary increase	4.00%
Inflation - discount rate	5.00%
Health care - trend rate	5.00%

NOTE 11 – CONTINGENCIES AND COMMITMENTS

A. Legal

The City is a party to claims and lawsuits arising in the ordinary course of business. The City's management and legal council are of the opinion that the ultimate liability, if any, arising from these claims will not have material adverse impact on the financial position of the City.

B. Grant Programs

The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

C. Construction and Other Significant Commitments

Listed below are the projects for uncompleted contracts outstanding as of June 30, 2017.

FY 2016-17 Road Maintenance Project with GLR Construction	$ 844,186

NOTE 12 – JOINT OPERATING AGREEMENTS

Water operations – The Central Coast Water Authority (CCWA) is a Joint Power Authority authorized to finance, develop, operate, and maintain the Mission Hills and Santa Ynez extension to the Coastal Branch Phase II Extension of the California aqueduct of the State water project. Each member has entered into a water supply agreement with the Authority to pay their proportionate share of the project costs from local water revenues. These costs are reported in the Water Fund as operations and maintenance.

NOTE 13 – PRIOR PERIOD ADJUSTMENTS

Prior period adjustments consisted of the following:

	Statement of Activities		Fund Statements	
	Governmental Activities	Business-type Activities	Governmental Funds	Proprietary Funds
Governmental Funds:				
General Fund				
Difference between the amount recorded as accounts payable in prior fiscal year and the actual amount paid in the current fiscal year.	$ (263,639)	$ -	$(263,639)	$ -
Amount previously recorded as revenue that was actually for a Tree-In-Lieu mitigation deposit.	(19,800)		(19,800)	
Change in reporting of compensated absences	(13,168)			
Proprietary Funds:				
Water Fund				
Difference between the amount recorded as accounts receivable in prior fiscal year and the actual amount received in the current fiscal year.		886		886
Difference between the amount recorded as inventory in the prior fiscal year and the actual balance on hand.		13,546		13,546
	$ (296,607)	$ 14,432	$(283,439)	$ 14,432

REQUIRED SUPPLEMENTAL INFORMATION SECTION

CITY OF BUELLTON
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
Revenues:				
Taxes	$ 5,543,000	$ 5,543,000	$ 6,023,815	$ 480,815
Licenses, permits, and fees	16,700	16,700	11,275	(5,425)
Intergovernmental	527,400	527,400	427,826	(99,574)
Charges for services	179,500	179,500	226,932	47,432
Fines and forfeitures	42,000	42,000	25,396	(16,604)
Use of money and property	85,000	85,000	133,387	48,387
Other revenues	30,000	30,000	14,565	(15,435)
Total revenues	6,423,600	6,423,600	6,863,196	439,596
Expenditures:				
General government	1,658,619	1,658,619	1,686,194	(27,575)
Community development	473,314	473,314	350,580	122,734
Cultural and leisure	630,445	630,445	670,726	(40,281)
Public safety	1,981,688	1,981,688	1,922,881	58,807
Public works	1,370,371	1,370,371	1,144,263	226,108
Capital outlay	685,500	685,500	563,972	121,528
Debt Service:				
Principal			2,211	(2,211)
Interest			645	(645)
Total expenditures	6,799,937	6,799,937	6,341,472	458,465
Excess of revenues over (under) expenditures	(376,337)	(376,337)	521,724	898,061
Other financing sources (uses):				
Proceeds from capital lease			16,359	16,359
Transfers out	(200,000)	(200,000)	(25,000)	175,000
Total other financing sources (uses)	(200,000)	(200,000)	(8,641)	191,359
Net change in fund balance	(576,337)	(576,337)	513,083	1,089,420
Fund balance - July 1	6,735,633	6,735,633	6,735,633	
Prior-period adjustment			(283,439)	(283,439)
Fund balance - July 1, restated	6,735,633	6,735,633	6,452,194	(283,439)
Fund balance - June 30	$ 6,159,296	$ 6,159,296	$ 6,965,277	$ 805,981

CITY OF BUELLTON
TRANSPORTATION PLANNING SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
Revenues:				
Intergovernmental	$ 20,000	$ 20,000	$ 43,876	$ 23,876
Total revenues	20,000	20,000	43,876	23,876
Expenditures:				
Public works	45,000	45,000	51,845	(6,845)
Total expenditures	45,000	45,000	51,845	(6,845)
Excess of revenues over (under) expenditures	(25,000)	(25,000)	(7,969)	17,031
Other financing sources (uses):				
Transfers in	25,000	25,000	25,000	
Total other financing sources (uses)	25,000	25,000	25,000	
Net change in fund balance			17,031	17,031
Fund balance - July 1	(149,137)	(149,137)	(149,137)	
Fund balance - June 30	$ (149,137)	$ (149,137)	$ (132,106)	$ 17,031

CITY OF BUELLTON
SCHEDULE OF FUNDING PROGESS FOR POSTEMPLOYMENT BENEFITS
OTHER THAN PENSIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

The following table provides required supplementary information regarding the City's postemployment healthcare benefits.

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Cost (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll	UAAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 2009	$ -	$ 1,210,956	$ 1,210,956	0.00%	$ 1,077,040	112.43%
June 30, 2012	-	1,862,711	1,862,711	0.00%	1,164,087	160.01%
June 30, 2015	-	2,102,341	2,102,341	0.00%	632,148	332.57%

CITY OF BUELLTON
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Last 10 Years*
As of June 30, 2017

The following table provides required supplementary information regarding the City's Pension Plan.

	2017	2016	2015
Proportion of the net pension liability	0.00746%	0.00559%	0.00547%
Proportionate share of the net pension liability	$ 1,844,092	$ 1,392,818	$ 1,345,267
Covered- employee payroll	$ 1,313,499	$ 1,151,073	$ 1,208,413
Proportionate share of the net pension liability as percentage of covered-employee payroll	140.40%	121.00%	111.33%
Plan's total pension liability	$ 33,358,627,624	$ 31,771,217,402	$ 30,829,966,631
Plan's fiduciary net position	$ 24,705,532,291	$ 24,907,305,871	$ 24,607,502,515
Plan fiduciary net position as a percentage of the total pension liability	74.06%	78.40%	79.82%

Notes to Schedule:
Changes in assumptions
In 2016, the discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent for an adjustment to exclude administrative expense.

In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees.

*- Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

CITY OF BUELLTON
SCHEDULE OF CONTRIBUTIONS
Last 10 Years*
As of June 30, 2017

The following table provides required supplementary information regarding the City's Pension Plan.

	2017	2016	2015
Contractually required contribution (actuarially determined)	$ 209,728	$ 180,244	$ 234,747
Contribution in relation to the actuarially determined contributions	(209,728)	(180,244)	(234,747)
Contribution deficiency (excess)	$ -	$ -	$ -
Covered- employee payroll	$ 1,472,850	$ 1,313,499	$ 1,151,073
Contributions as a percentage of covered-employee payroll	14.24%	13.72%	20.39%

Notes to Schedule

Valuation Date:	6/30/2015
Methods and assumptions used to determine contribution rates:	
Discount Rate	7.65%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.5% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality Rate Table (1)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

(1) The mortality table used was developed based on CalPERs' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table please refer to the 2014 experience study report.

*- Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

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SUPPLEMENTAL INFORMATION SECTION

NONMAJOR GOVERNMENTAL FUNDS

Fund	Description
Non-Major Funds:	
Housing Fund	Accounts for funds used to maintaln the City's supply of affordable housing.
Traffic Mitigation Fund	Accounts for traffic congestion relief funds received for street purposes.
Gas Tax Fund	Accounts for funds received and expended for street maintenance as defined in the Streets and Highways Code.
Measure A Fund	Accounts for revenues and expenditures of Measure A funds.
Local Transportation Fund	Accounts for revenues and expenditures used for local transportation funds.

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CITY OF BUELLTON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2017

	Special Revenue Funds			
	Housing Fund	Traffic Mitigation Fund	Gas Tax Fund	Measure A Fund
ASSETS				
Cash and investments	$ 475,953	$ 12,612	$ 436,888	$ 480,423
Accounts receivable			72,214	
Interest receivable	784	37	730	797
Prepaid items				
Total assets	$ 476,737	$ 12,649	$ 509,832	$ 481,220
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 200	$ -	$ 23,668	$ -
Total liabilities	200		23,668	
Fund Balances:				
Nonspendable				
Restricted	476,537	12,649	486,164	481,220
Total fund balances	476,537	12,649	486,164	481,220
Total liabilities and fund balances	$ 476,737	$ 12,649	$ 509,832	$ 481,220

Special Revenue Funds	
Local Transportation Fund	Totals
$ 51,661	$ 1,457,537
	72,214
85	2,433
1,667	1,667
$ 53,413	$ 1,533,851
$ -	$ 23,868
	23,868
1,667	1,667
51,746	1,508,316
53,413	1,509,983
$ 53,413	$ 1,533,851

CITY OF BUELLTON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2017

	Special Revenue Funds			
	Housing Fund	Traffic Mitigation Fund	Gas Tax Fund	Measure A Fund
Revenues:				
Licenses, permits, and fees	$ -	$ 21,648	$ -	$ -
Intergovernmental			354,338	529,677
Use of money and property	2,654	151	2,196	3,830
Total revenues	2,654	21,799	356,534	533,507
Expenditures:				
Community development	700			
Public works			112,359	
Capital outlay			152,625	319,599
Total expenditures	700		264,984	319,599
Excess of revenues over (under) expenditures	1,954	21,799	91,550	213,908
Other financing sources (uses):				
Transfers in				
Transfers out				(26,500)
Total other financing sources (uses)				(26,500)
Net change in fund balances	1,954	21,799	91,550	187,408
Fund balances - July 1	474,583	(9,150)	394,614	293,812
Fund balances - June 30	$ 476,537	$ 12,649	$ 486,164	$ 481,220

Special Revenue Funds	
Local Transportation Fund	Totals
$ -	$ 21,648
16,719	900,734
107	8,938
16,826	931,320
	700
31,207	143,566
	472,224
31,207	616,490
(14,381)	314,830
26,500	26,500
	(26,500)
26,500	
12,119	314,830
41,294	1,195,153
$ 53,413	$ 1,509,983

CITY OF BUELLTON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2017

	Special Revenue Funds					
	Housing Fund			Traffic Mitigation Fund		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues						
Licenses, permits, and fees	$ -	$ -	$ -	$ 50,000	$ 21,648	$ (28,352)
Intergovernmental						
Use of money and property	5,000	2,654	(2,346)	25	151	126
Total revenues	5,000	2,654	(2,346)	50,025	21,799	(28,226)
Expenditures						
Community development	3,000	700	2,300			
Public works				10,000		10,000
Capital outlay						
Total expenditures	3,000	700	2,300	10,000		10,000
Excess of revenues over (under) expenditures	2,000	1,954	(46)	40,025	21,799	(18,226)
Other financing sources (uses):						
Transfers in						
Transfers out						
Total other financing sources (uses)						
Net change in fund balances	$ 2,000	1,954	$ (46)	$ 40,025	21,799	$ (18,226)
Fund balances - July 1		474,583			(9,150)	
Fund balances - June 30		$ 476,537			$ 12,649	

CITY OF BUELLTON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2017

	Special Revenue Funds					
	Gas Tax Fund			Measure A Fund		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues						
Licenses, permits, and fees	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	250,000	354,338	104,338	342,729	529,677	186,948
Use of money and property	2,000	2,196	196	300	3,830	3,530
Total revenues	252,000	356,534	104,534	343,029	533,507	190,478
Expenditures						
Community development						
Public works	2,000	112,359	(110,359)			
Capital outlay	250,000	152,625	97,375	595,000	319,599	275,401
Total expenditures	252,000	264,984	(12,984)	595,000	319,599	275,401
Excess of revenues over (under) expenditures	-	91,550	91,550	(251,971)	213,908	465,879
Other financing sources (uses):						
Transfers in						
Transfers out				(26,500)	(26,500)	
Total other financing sources (uses)				(26,500)	(26,500)	
Net change in fund balances	$ -	91,550	$ 91,550	$ (278,471)	187,408	$ 465,879
Fund balances - July 1		394,614			293,812	
Fund balances - June 30		$ 486,164			$ 481,220	

CITY OF BUELLTON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2017

	Special Revenue Funds					
	Local Transportation Fund			Totals		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues						
Licenses, permits, and fees	$ -	$ -	$ -	$ 50,000	$ 21,648	$ (28,352)
Intergovernmental	9,781	16,719	6,938	602,510	900,734	298,224
Use of money and property	20	107	87	7,345	8,938	1,593
Total revenues	9,801	16,826	7,025	659,855	931,320	271,465
Expenditures						
Community development				3,000	700	2,300
Public works	26,200	31,207	(5,007)	38,200	143,566	(105,366)
Capital outlay	175,000		175,000	1,020,000	472,224	547,776
Total expenditures	201,200	31,207	169,993	1,061,200	616,490	444,710
Excess of revenues over (under) expenditures	(191,399)	(14,381)	177,018	(401,345)	314,830	716,175
Other financing sources (uses):						
Transfers in	195,359	26,500	(168,859)	195,359	26,500	(168,859)
Transfers out				(26,500)	(26,500)	
Total other financing sources (uses)	195,359	26,500	(168,859)	168,859		(168,859)
Net change in fund balances	$ 3,960	12,119	$ 8,159	$ (232,486)	314,830	$ 547,316
Fund balances - July 1		41,294			1,195,153	
Fund balances - June 30		$ 53,413			$ 1,509,983	

CITY OF BUELLTON
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
DEPOSITS AGENCY FUND
June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
Assets				
Cash and cash equivalents	$ 234,950	$ 46,948	$ 53,371	$ 228,527
Interest receivable	222	342	222	342
Total assets	$ 235,172	$ 47,290	$ 53,593	$ 228,869
Liabilities				
Refundable deposits and accruals	$ 235,172	$ 47,290	$ 53,593	$ 228,869
Total liabilities	$ 235,172	$ 47,290	$ 53,593	$ 228,869

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STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Buellton's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, footnotes, and required supplementary information says about the City's overall financial health.

Contents	Pages
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	76-85
Revenue Capacity These schedules contain information to help assess the government's most significant local revenue sources.	86-92
Debt Capacity These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt.	93-95
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	96
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	97-103

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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City of Buellton, California
Net Position by Component
Last Ten Fiscal Years
(Fiscal year ended June 30)
(Accrual basis of accounting)

	2008	2009	2010	2011
Governmental activities				
Net investment in capital assets	$ 16,246,876	$ 17,157,515	$ 16,562,754	$ 16,445,038
Restricted	-	-	-	4,282,496
Unrestricted	12,960,500	12,919,389	12,391,360	8,470,455
Total governmental activities net position	$ 29,207,376	$ 30,076,904	$ 28,954,114	$ 29,197,989
Business-type activities				
Net investment in capital assets	$ 5,389,703	5,151,913	$ 5,096,842	$ 5,530,407
Restricted	-	-	-	-
Unrestricted	6,514,815	6,653,810	6,381,738	5,604,145
Total business-type activities net position	$ 11,904,518	$ 11,805,723	$ 11,478,580	$ 11,134,552
Primary government				
Net investment in capital assets	$ 21,636,579	$ 22,309,428	$ 21,659,596	$ 21,975,445
Restricted	-	-	-	4,282,496
Unrestricted	19,475,315	19,573,199	18,773,098	14,074,600
Total primary government net position	$ 41,111,894	$ 41,882,627	$ 40,432,694	$ 40,332,541

Source: City Finance Department

2012	2013	2014	2015	2016	2017
$ 17,403,453	$ 17,650,808	$ 17,499,108	$ 18,152,109	$ 18,960,813	$ 19,488,470
1,848,781	7,993,664	7,986,418	7,483,555	1,202,636	1,508,316
11,014,594	5,323,390	5,301,357	4,312,758	4,204,654	4,324,620
$ 30,266,828	$ 30,967,862	$ 30,786,883	$ 29,948,422	$ 24,368,103	$ 25,321,406
$ 5,563,438	$ 5,420,400	$ 5,555,611	$ 5,573,002	$ 6,076,811	$ 5,644,028
-	-	-	-	-	-
5,136,194	4,859,019	4,218,343	3,508,567	3,308,675	3,715,375
$ 10,699,632	$ 10,279,419	$ 9,773,954	$ 9,081,569	$ 9,385,486	$ 9,359,403
$ 22,966,891	$ 23,071,208	$ 23,054,719	$ 23,725,111	$ 25,037,624	$ 25,132,498
1,848,781	7,993,664	7,986,418	7,483,555	1,202,636	1,508,316
16,150,788	10,182,409	9,519,700	7,821,325	7,513,329	8,039,995
$ 40,966,460	$ 41,247,281	$ 40,560,837	$ 39,029,991	$ 33,753,589	$ 34,680,809

City of Buellton, California
Changes in Net Position
Last Ten Fiscal Years
(Fiscal year ended June 30)
(Accrual basis of accounting)

	2008	2009	2010	2011
Expenses				
Governmental activities:				
General government	$ 1,139,402	$ 952,729	$ 1,027,858	$ 1,040,330
Community development	617,300	908,792	1,343,533	947,844
Culture and leisure	2,311,368	607,147	648,944	638,904
Public safety	1,563,977	1,640,233	1,755,474	1,804,188
Public works	795,921	886,380	1,743,224	819,223
Interest on long-term debt	-	-	-	-
Unallocated depreciation	685,152	705,212	723,587	737,978
Total governmental activities expenses	7,113,120	5,700,493	7,242,620	5,988,467
Business-type activities:				
Water Utility	1,543,927	1,591,019	1,633,422	1,623,335
Wastewater Utility	825,680	869,595	909,121	842,378
Total business-type activities expenses	2,369,607	2,460,614	2,542,543	2,465,713
Total primary government expenses	9,482,727	8,161,107	9,785,163	8,454,180
Program revenues				
Governmental activities:				
Charges for services:				
General government	338,389	186,909	133,995	92,618
Community development	-	42,818	42,818	160,854
Culture and leisure	74,040	82,900	183,933	155,316
Public safety	32,747	12,210	58,207	66,616
Public works	-	-	-	-
Operating grants and contributions	313,596	286,756	400,787	356,627
Capital grants and contributions	797,368	474,562	225,429	182,490
Total governmental activities program revenues	1,556,140	1,086,155	1,045,169	1,014,521
Business-type activities:				
Charges for services:				
Water utility	1,495,709	1,467,933	1,467,931	1,387,651
Sewer utility	562,467	556,822	569,344	572,545
Operating grants and contributions	-		-	-
Capital grants and contributions	563,863	179,062	108,960	114,575
Total business-type activities program revenues	2,622,039	2,203,817	2,146,235	2,074,771
Total primary government program revenues	4,178,179	3,289,972	3,191,404	3,089,292
Net (Expense)/Revenue				
Governmental activities	(5,556,980)	(4,614,338)	(6,197,451)	(4,973,946)
Business-type activities	252,432	(256,797)	(396,308)	(390,942)
Total primary government net expense	(5,304,548)	(4,871,135)	(6,593,759)	(5,364,888)

2012	2013	2014	2015	2016	2017
$ 1,484,345	$ 1,519,771	$ 1,771,834	$ 783,769	$ 849,291	$ 1,784,167
1,131,764	313,216	469,675	1,192,571	1,115,702	364,935
621,570	588,733	595,098	607,761	523,974	790,357
1,350,473	1,872,020	1,792,569	1,801,989	1,808,093	1,922,881
862,578	1,526,752	2,568,183	1,959,864	1,358,122	1,722,304
-	-	-	-	-	645
-	-	-	-	-	-
5,450,730	5,820,492	7,197,359	6,345,954	5,655,182	6,585,289
1,699,457	1,734,083	1,679,681	1,822,088	1,947,565	1,955,852
771,940	847,522	453,728	957,261	1,025,834	1,099,822
2,471,397	2,581,605	2,133,409	2,779,349	2,973,399	3,055,674
7,922,127	8,402,097	9,330,768	9,125,303	8,628,581	9,640,963
1,712	3,975	51,250	9,095	10,260	-
-	-	-	-	52,400	-
59,786	231,337	271,231	306,560	272,682	226,932
48,678	47,982	38,129	37,594	39,875	-
88,865	9,480	27,840	106,974	72,234	-
1,225,407	919,707	639,327	555,856	544,749	1,405,359
-	-	-	-	-	-
1,424,448	1,212,481	1,027,777	1,016,079	992,200	1,632,291
1,388,813	1,460,658	1,549,410	1,436,127	1,426,171	1,917,538
597,963	649,703	695,725	734,289	727,810	855,684
462	3,250	1,699	293,817	824,934	-
34,720	36,380	-	-	-	224,907
2,021,958	2,149,991	2,246,834	2,464,233	2,978,915	2,998,129
3,446,406	3,362,472	3,274,611	3,480,312	3,971,115	4,630,420
(4,026,282)	(4,608,011)	(6,169,582)	(5,329,875)	(4,662,982)	(4,952,998)
(449,439)	(431,614)	113,425	(315,116)	5,516	(57,545)
(4,475,721)	(5,039,625)	(6,056,157)	(5,644,991)	(4,657,466)	(5,010,543)

(continued)

City of Buellton, California
Changes in Net Position, Continued
Last Ten Fiscal Years
(Fiscal year ended June 30)
(Accrual basis of accounting)

	2008	2009	2010	2011
Continued from previous page:				
General Revenues and Other Changes in Net Position:				
Governmental activities:				
Taxes:				
Secured and unsecured property taxes	1,683,116	1,713,355	1,750,774	1,718,074
Sales and use tax	1,878,982	1,539,733	1,414,049	1,552,752
Transient lodging tax	1,290,705	1,223,797	1,164,409	1,193,216
Franchise taxes	136,557	142,731	131,659	209,220
Other taxes	384,178	405,637	403,748	411,514
Fines and forfeitures	-	-	-	-
Investment income	814,768	448,519	129,300	127,128
Other general revenues	25,246	10,094	13,632	5,917
Transfer from fiduciary activities	-	-	-	-
Transfer in (out)	-	-	-	-
Special item	-	-	-	-
Extraordinary item	-	-	-	-
Total governmental activities	6,213,552	5,483,866	5,007,571	5,217,821
Business-type activities:				
Use of money and property	252,798	131,760	39,922	23,774
Other revenues	32,006	26,242	29,243	23,140
Transfer in (out)	-	-	-	-
Total business-type activities	284,804	158,002	69,165	46,914
Total primary government	6,498,356	5,641,868	5,076,736	5,264,735
Changes in Net Position				
Governmental activities	656,572	869,528	(1,189,880)	243,875
Business-type activities	537,236	(98,795)	(327,143)	(344,028)
Total primary government	$ 1,193,808	$ 770,733	$ (1,517,023)	$ (100,153)

Source: City Finance Department

2012	2013	2014	2015	2016	2017
1,679,732	1,528,000	1,116,510	1,146,289	2,396,533	1,297,795
1,611,788	1,744,085	1,935,411	1,943,723	2,044,067	2,521,898
1,239,617	1,344,904	1,604,086	1,830,275	1,783,807	1,938,720
202,981	207,922	216,444	418,586	434,866	221,847
383,604	381,358	387,905	220,140	223,302	43,555
-	-	-	-	-	25,396
268,680	102,197	41,160	107,885	104,364	142,325
-	579	1,192	54,257	39,300	11,372
-	-	59,073	-	-	-
-	-	626,822	-	-	-
-	-	-	-	(7,943,576)	-
(291,281)	-	-	-	-	-
5,095,121	5,309,045	5,988,603	5,721,155	(917,337)	6,202,908
14,519	11,401	7,932	8,146	10,711	17,030
-	-	-	-	287,690	-
-	-	(626,822)	-	-	-
14,519	11,401	(618,890)	8,146	298,401	17,030
5,109,640	5,320,446	5,369,713	5,729,301	(618,936)	6,219,938
1,068,839	701,034	(180,979)	391,280	(5,580,319)	1,249,910
(434,920)	(420,213)	(505,465)	(306,970)	303,917	(40,515)
$ 633,919	$ 280,821	$ (686,444)	$ 84,310	$ (5,276,402)	$ 1,209,395

(concluded)

City of Buellton, California
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Fiscal year ended June 30)
(Modified accrual basis of accounting)

	2008	2009	2010	2011	2012
General Fund:					
Nonspendable	$ 7,782,741	$ 7,957,130	$ 8,067,010	$ 2,968,765	$ 114,737
Restricted	-	-	-	-	-
Committed	-	-	-	25,000	-
Unassigned	2,768,083	2,974,145	3,187,103	9,045,094	11,334,055
Total general fund	10,550,824	10,931,275	11,254,113	12,038,859	11,448,792
All Other Governmental Funds:					
Nonspendable	205,181	208,069	225,917	5,971	200,000
Restricted	6,123,560	6,751,213	7,016,895	4,282,496	1,848,781
Unassigned (deficit)	(3,869,785)	(4,916,803)	(6,091,969)	(3,439,610)	(277,578)
Total all other governmental funds	2,458,956	2,042,479	1,150,843	848,857	1,771,203
Total all governmental funds	$ 13,009,780	$ 12,973,754	$ 12,404,956	$ 12,887,716	$ 13,219,995

Source: City Finance Department

2013	2014	2015	2016	2017
$ 98,630	$ 267,916	$ 211,871	$ 1,727	$ 26,036
6,169,316	6,173,046	6,185,439	-	
-	-	-	-	-
5,829,005	6,050,021	6,482,765	6,733,906	6,939,241
12,096,951	12,490,983	12,880,075	6,735,633	6,965,277
201,667	1,667	1,667	1,667	1,667
1,824,348	1,813,372	1,298,116	1,202,636	1,508,316
(273,652)	(245,469)	(193,192)	(158,287)	(132,106)
1,752,363	1,569,570	1,106,591	1,046,016	1,377,877
$ 13,849,314	$ 14,060,553	$ 13,986,666	$ 7,781,649	$ 8,343,154

City of Buellton, California
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Fiscal year ended June 30)
(Modified accrual basis of accounting)

	2008	2009	2010
Revenues:			
Taxes	$ 5,002,441	$ 4,641,967	$ 4,339,672
Licenses, permits, and fees	254,325	90,702	74,144
Intergovernmental	1,337,608	1,068,235	1,027,513
Charges for services	74,040	82,900	183,933
Fines and forfeitures	38,240	36,951	44,809
Use of money and property	874,615	508,368	189,152
Other	188,423	140,898	48,632
Total revenues	7,769,692	6,570,021	5,907,855
Expenditures:			
Current:-			
General government	964,392	946,501	995,266
Community development	616,123	1,084,618	1,312,599
Culture and leisure	2,306,960	606,549	629,171
Public safety	1,560,994	1,638,619	1,755,474
Public works	794,403	885,508	1,540,579
Capital outlay	307,168	1,444,252	310,654
Debt Service			
Principal	-	-	-
Interest	-	-	-
Total expenditures	6,550,040	6,606,047	6,543,743
Reconciliation of Governmental Revenues Less Expenditures to Fund Equity:			
Revenues over (under) expenditures	$ 1,219,652	$ (36,026)	$ (635,888)
Other financing sources (uses):			
Write off of Advance to Successor Agency Private Purpose Trust	-	-	-
Release of funds to Successor Agency Private Purpose Trust	-	-	-
Proceeds from sales of assets	-	-	-
Transfer from Successor Agency Private Purpose Trust	-	-	-
Extraordinary loss on dissolution of redevelopment	-	-	-
Proceeds from capital lease	-	-	-
Transfers in	1,800,000	-	-
Transfers out	(1,800,000)	-	-
Payment to Santa Barbara County	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	$ 1,219,652	$ (36,026)	$ (635,888)
Debt service as a percentage of noncapital expenditures	0%	0%	0%

Source: City Finance Department

2011	2012	2013	2014	2015	2016	2017
$ 4,696,667	$ 4,917,859	$ 5,246,898	$ 5,260,356	$ 5,179,413	$ 6,479,828	$ 6,023,815
30,049	85,777	13,666	79,181	10,854	21,056	32,923
1,106,355	1,230,607	879,078	639,327	942,106	954,116	1,372,436
155,316	-	165,717	189,475	284,829	296,128	226,932
48,342	49,223	49,261	39,203	37,508	39,875	25,396
189,696	525,508	162,312	108,775	107,885	104,364	142,325
5,917	1,876	4,594	14,168	169,351	123,072	14,565
6,232,342	6,810,850	6,521,526	6,330,485	6,731,946	8,018,439	7,838,392
1,002,400	1,046,267	1,317,924	1,511,614	568,229	638,552	1,686,194
911,843	1,131,764	313,216	262,175	1,192,571	1,115,702	351,280
621,181	608,804	575,128	590,873	591,096	507,894	670,726
1,804,188	1,350,473	1,872,020	1,792,569	1,801,989	1,808,093	1,922,881
789,708	660,515	1,303,965	1,225,306	1,567,534	1,709,883	1,339,674
620,262	1,389,467	510,038	1,215,104	1,089,702	499,756	1,036,196
-	-	-	-	-	-	2,211
-	-	-	-	-	-	645
5,749,582	6,187,290	5,892,291	6,597,641	6,811,121	6,279,880	7,009,807
$ 482,760	$ 623,560	$ 629,235	$ (267,156)	$ (79,175)	$ 1,738,559	$ 828,585
-	-	-	-	-	(1,876,208)	-
-	-	-	-	-	(6,067,368)	-
-	-	-	-	5,288	-	-
-	-	-	59,073	-	-	-
-	(291,281)	-	-	-	-	-
-	-	-	-	-	-	16,359
4,602,777	-	-	1,264,556	1,256,482	557,213	51,500
(4,602,777)	-	-	(637,734)	(1,256,482)	(557,213)	(51,500)
-	-	-	(207,500)	-	-	-
-	(291,281)	-	478,395	5,288	(7,943,576)	16,359
$ 482,760	$ 332,279	$ 629,235	$ 211,239	$ (73,887)	$ (6,205,017)	$ 844,944
0%	0%	0%	0%	0%	0%	0%

City of Buellton, California
Assessed Value and Actual Value of Taxable Property
For the last ten fiscal years

	City			Former Redevelopment Agency			
	Secured	Unsecured	Taxable Assessed Value	Secured	Unsecured	Taxable Assessed Value	Total Direct Tax Rate
FY 07-08	$ 679,402,694	$ 28,649,150	$ 708,051,844	$ 88,497,770	$ 7,892,351	$ 96,390,121	1.000%
FY 08-09	707,619,233	34,655,099	742,274,332	103,932,132	8,554,860	112,486,992	1.000%
FY 09-10	686,233,598	53,552,918	739,786,516	107,966,325	9,107,721	117,074,046	1.000%
FY 10-11	684,320,951	55,490,755	739,811,706	108,444,880	8,877,972	117,322,852	1.000%
FY 11-12	683,948,070	58,348,786	742,296,856	108,257,121	7,676,358	115,933,479	1.000%
FY 12-13	677,670,315	56,809,979	734,480,294	107,901,412	7,364,330	115,265,742	1.000%
FY 13-14	693,882,411	58,627,154	752,509,565	109,941,037	7,636,523	117,577,560	1.000%
FY 14-15	715,256,461	48,056,143	763,312,604	111,820,186	7,764,135	119,584,321	1.000%
FY 15-16	749,194,282	61,290,514	810,484,796	116,980,297	8,401,492	125,381,789	1.000%
FY 16-17	787,460,650	63,404,746	850,865,396	122,962,558	8,346,976	131,309,534	1.000%

Note: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: County of Santa Barbara Auditor-Controller's Office

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City of Buellton, California
Direct and Overlapping Tax Rates
For the last ten fiscal years
(Rate per $100 of assessed value)

	Direct Rates		Overlapping Rates	
	Basic Rate	Total Direct	Buellton Union School District 1992	Buellton Union School District 2004
FY 07-08	1.000	1.000	0.0234	0.0279
FY 08-09	1.000	1.000	0.0231	0.0279
FY 09-10	1.000	1.000	0.0242	0.0279
FY 10-11	1.000	1.000	0.0242	0.0279
FY 11-12	1.000	1.000	0.0250	0.0288
FY 12-13	1.000	1.000	0.0250	0.0298
FY 13-14	1.000	1.000	0.0250	0.0298
FY 14-15	1.000	1.000	0.0250	0.0298
FY 15-16	1.000	1.000	0.0250	0.0298
FY 16-17	1.000	1.000	0.0231	0.0313

Note: In 1978, California voters passed Proposition 13, which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies whose boundaries include the subject property. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of debt issued by the taxing agencies shown above.

* The RDA rate is based on the largest RDA tax rate area (TRA) and includes only rates from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values.In accordance with the timeline set forth in AB1x26 (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

Source: County of Santa Barbara Auditor-Controller's Office

AHCC Bond 2006	Total Tax Rate	Redevelopment Agency *
0.0248	1.07609	1.07609
0.0250	1.07599	1.07599
0.0250	1.07714	1.07714
0.0250	1.07714	1.07714
0.0250	1.07871	-
0.0250	1.07972	-
0.0250	1.07972	-
0.0250	1.07972	-
0.0250	1.07972	-
0.0250	1.07936	-

City of Buellton, California
Principal Property Tax Payers - Secured Roll Only
Current Year and Seven Years Ago

	FY 2016-17			FY 2010-11		
Property Owner	Assessed Valuation	Rank	% of Total	Assessed Valuation	Rank	% of Total
FPA Flying Flags Associates, LP	$ 16,548,334	1	20.1%	$ 14,433,410	2	17.4%
RREFF II-CPD Buellton, LLC	9,441,826	2	11.5%	-	-	0.0%
Kang Family Partners	8,854,216	3	10.8%	7,797,001	4	9.4%
Buellton Village Center, LLC	8,091,369	4	9.8%	-	-	0.0%
Buellton Self-Storage, LP	7,376,532	5	9.0%	6,429,928	5	7.8%
Kaywine, LLC	7,213,268	6	8.8%	-	-	0.0%
ABS CA-O LLC	6,753,293	7	8.2%	-	-	0.0%
Los Olivos Meadows LLC	6,500,302	8	7.9%	-	-	0.0%
Santa Ynez Self Storage, LLC	6,105,867	9	7.4%	5,612,061	7	6.8%
Hauber Family Trust	5,412,331	10	6.6%	5,038,509	8	6.1%
Oak Springs Village Properties LLC	-	-	-	15,569,013	1	18.8%
Buellton Industrial Partners II, LLC	-	-	-	12,166,100	3	14.7%
New Albertson's Inc	-	-	-	6,193,352	6	7.5%
Los Padres Properties	-	-	-	4,868,000	9	5.9%
Santa Ynez Band of Mission Indians	-	-	-	4,811,730	10	5.8%
	$82,297,338		100.0%	$82,919,104		100.0%

Source: County of Santa Barbara Auditor-Controller's Office

City of Buellton, California

Schedule of Top 25 Principal Sales Tax Remitters (listed in alphabetical order)
Current Year and Five Years Ago

Apr-June 2017	Apr-June 2012
AJ Spurs Saloon & Dining Hall	AJ Spurs Saloon & Dining Hall
Albertsons	Albertsons
Andersens Pea Soup	Andersens Pea Soup
Buellton Mobil	Arco
Buellton Shell	Buellton Shell
Chevron	Carls Jr
Coast Auto Sales	Chevron
Conserv Fuel	Circle K
CVS	Coast Auto Sales
Eagle Energy	CVS
Farm Supply	Farm Supply
Habit	Firestone Walker Brewing
Industrial Eats	Jim Vreeland Ford
Jim Vreeland Ford	McDonalds
McDonalds	Moller Investments
Platinum Performance	One Stop Auto Parts
Platinum Performance Vet	Platinum Performance
Rio Vista Chevrolet	Platinum Performance Vet
Sky River RV	Rio Vista Chevrolet
Taproom & Barrelworks	Santa Ynez Valley Marriott
Tesoro Refining & Marketing	Steves Wheel & Tires
The Hitching Post II	The Hitching Post II
Todd Pipe & Supply	Thin Film Technology
Toms Gas & Market	Todd Pipe & Supply
Tractor Supply	Toms Gas & Market

Note: The lists above includes both public and private entities for the most recent and prior comparable period available and therefore the dollar values have been omitted because the information is not public information. Rankings are determined by the sales dollar amount.

Source: City Finance Department

City of Buellton, California
Property Tax Levies and Collections
For the last ten fiscal years

Fiscal Year Ended June 30,	Countywide Full Cash Value	Taxes Levied for the Fiscal Year*	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2008	$ 58,033,893,974	$ 1,024,612	$ 999,816	97.6%	$ 24,453	$ 1,024,269	100.0%
2009	60,696,539,168	1,087,350	1,056,581	97.2%	30,002	1,086,584	99.9%
2010	61,175,442,005	1,098,733	1,071,856	97.6%	25,666	1,097,522	99.9%
2011	61,464,193,266	1,099,024	1,080,276	98.3%	17,323	1,097,599	99.9%
2012	62,347,291,820	1,100,892	1,086,758	98.7%	12,865	1,099,623	99.9%
2013	62,997,084,030	1,098,286	1,087,164	99.0%	9,841	1,097,005	99.9%
2014	65,564,638,917	1,118,521	1,109,598	99.2%	7,690	1,117,288	99.9%
2015	69,060,903,131	1,137,192	1,127,669	99.2%	7,881	1,135,550	99.9%
2016	72,467,182,665	1,209,841	1,197,790	99.0%	6,465	1,204,255	99.5%
2017	75,421,928,742	1,267,225	1,256,864	99.2%	-	1,256,864	99.2%

Source: Santa Barbara County Auditor-Controller's Office

Note: For the fiscal year ended June 30, 2017 as of 6/30/17

City of Buellton, California
Direct and Overlapping Debt
Current Year
June 30, 2017

2016-17 Assessed Valuation: $ 850,865,396

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	Debt Outstanding (1)	% Applicable (2)	Estimate Share of Debt
Allan Hancock Joint Community College District - GO Bonds	$ 128,079,576	3.447%	$ 4,414,714
Buellton Union School District - GO Bonds and Bond Anticipation Notes	$ 5,455,887	77.332%	$ 4,219,153
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT	$ 133,535,463		$ 8,633,867
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Buellton Union School District - Certificates of Participation	$ 268,000	77.332%	$ 207,250
Santa Ynez Valley Union High School District - Certificates of Participation	$ 2,412,000	13.222%	$ 318,919
Santa Barbara County Certificates of Participation	$ 50,190,000	1.125%	$ 564,833
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT	$ 52,870,000		$ 1,091,003
COMBINED TOTAL DEBT			$ 9,724,870 (3)

(1) Bond Principal Balance as of 6/30/2016, Certificate Balance as of 8/1/2016

(2) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total assessed value.

(3) Excludes tax and revenue anticipation notes, enterprise revenue and mortgage revenue bonds and non-bonded lease obligations.

Ratios to 2016-17 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.01%
Combined Total Debt	1.14%

Source: Santa Barbara County Auditor-Controller's Office

City of Buellton, California
Legal Debt Margin Information
Last Ten Fiscal Years
(Dollars in thousands)

	2008	2009	2010	2011	2012
Assessed Value	$ 679,402,694	$ 707,619,233	$ 686,233,598	$ 684,320,951	$ 683,948,070
Conversion Percentage	25%	25%	25%	25%	25%
Adjusted Assessed Value	169,850,674	176,904,808	171,558,400	171,080,238	170,987,018
Debt Limit Percentage	15%	15%	15%	15%	15%
Debt limit	25,477,601	26,535,721	25,733,760	25,662,036	25,648,053
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	$ 25,477,601	$ 26,535,721	$ 25,733,760	$ 25,662,036	$ 25,648,053
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

Notes: The Government Code of the State of California provides for a legal debt limit of 15% of grossed assessed secured tax valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of the assessed value for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was The City does not have any outstanding general obligation debt subject to the limit.

Source: City Finance Department

2013	2014	2015	2016	2017
$ 677,670,315	$ 693,882,411	$ 715,256,461	$ 749,194,282	$ 787,460,650
25%	25%	25%	25%	25%
169,417,579	173,470,603	178,814,115	187,298,571	196,865,163
15%	15%	15%	15%	15%
25,412,637	26,020,590	26,822,117	28,094,786	29,529,774
-	-	-	-	-
$ 25,412,637	$ 26,020,590	$ 26,822,117	$ 28,094,786	$ 29,529,774
0%	0%	0%	0%	0%

City of Buellton, California
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population [1]	Personal Income Santa Barbara County (in thousands) [2]	Per Capita Personal Income Santa Barbara County [3]	Unemployment Rate Santa Barbara County [4]
2008	4,700	$ 19,100,000	$ 44,500	5.2%
2009	4,740	18,100,000	42,000	8.2%
2010	4,833	18,600,000	42,900	8.8%
2011	4,878	19,000,000	44,600	8.9%
2012	4,858	19,000,000	44,500	7.9%
2013	4,863	19,300,000	45,000	6.3%
2014	4,893	20,600,000	47,600	5.4%
2015	4,931	21,700,000	49,700	4.7%
2016	4,957	22,300,000	49,900	4.9%
2017	5,129	24,200,000	53,700	4.3%

Notes:
** Information presented is for the Santa Barbara County Region, except for population data which relate to the City's population, since separate data is not available for the City of Buellton.

Sources:
[1] State Department of Finance, numbers are based on January 1, 2017
[2] U.S. Dept. of Commerce Bureau of Economic Analysis.
[3] U.S. Dept. of Commerce Bureau of Economic Analysis.
[4] Bureau of Labor Statistics.

City of Buellton, California

Full-time and Part-time City Employees by Function (Full Time Equivalent)
Last Ten Fiscal Years
(Fiscal year ended June 30)

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
- City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
- City Clerk / HR	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
- City Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
- City Attorney *	1.00	-	-	-	-	-	-	-	-	-
- Finance	4.00	4.00	3.00	3.00	3.00	3.00	3.28	4.05	3.55	3.55
Community Development										
- Planning	3.00	3.00	3.05	3.13	3.19	3.10	3.16	2.45	2.45	2.45
Culture and Leisure										
- Parks & Recreation	1.00	2.51	3.35	3.43	3.61	3.97	5.09	6.65	6.60	7.80
- Library **	-	-	-	-	-	-	-	-	-	-
Public Safety										
- Police ***	-	-	-	-	-	-	-	-	-	-
- Fire ****	-	-	-	-	-	-	-	-	-	-
Public works										
- Street Lights	-	-	-	-	-	-	-	-	-	-
- Engineering	-	-	-	-	-	-	-	-	-	-
- General	7.00	7.00	6.09	6.53	7.40	7.00	9.05	8.80	8.80	8.80
Total	23.00	23.51	22.49	23.09	24.21	24.07	27.58	28.95	28.40	29.60

Note:
* Starting in FY2009 the City Attorney is contract personnel .
** The City of Buellton contracted with City of Lompoc Library System to manage the Buellton Branch of the County Library.
*** Contract with Santa Barbara County Sheriff Department for law enforcement services.
**** Contract with Santa Barbara County Fire Department to provide staffing at County Fire Station 31 in Buellton.

Source: City Finance Department

City of Buellton, California
Operating Indicators by Function
Last Ten Fiscal Years
(Fiscal year ended June 30)

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Police *										
- Arrests	412	339	429	313	260	231	147	127	107	176
- Non-criminal Citations	489	507	644	452	292	348	768	667	402	693
Total Police Actions	901	846	1,073	765	552	579	915	794	509	869
Fire **										
- Number of Calls for Service	NA	NA	NA	167	526	777	538	796	479	577
- Emergency Call Responses	NA	NA	NA	119	197	186	351	508	492	577
- Fire Prevention Activities	NA	NA	NA	2	19	21	14	29	55	81
Total Fire Actions				288	742	984	903	1,333	1,026	1,235
Planning Permits:										
- Certificate of Compliance	-	-	-	-	-	-	-	-	-	-
- Conditional Use	2	-	3	1	-	2	1	-	3	-
- Development Plan Modification	1	2	-	-	-	-	-	1	1	2
- Final Development Plan	1	3	-	1	2	1	5	3	2	3
- General Plan Amendment	-	3	-	-	-	-	-	3	-	1
- Preliminary Development Plan	-	-	-	-	-	1	-	-	-	-
- Home Occupation	3	5	1	2	5	3	4	7	7	7
- Land Use Exemption ***	73	78	35	42	49	48	68	63	87	77
- Lot Line Adjustment	1	-	1	-	-	-	2	-	-	3
- Minor Use Permit	2	2	-	1	-	-	-	1	2	1
- Sign Ordinance Exemption	1	1	-	-	1	2	-	1	1	1
- Specific Plan	-	-	-	-	-	1	-	-	-	1
- Time Extensions	3	2	-	-	-	2	2	-	-	-
- Tentative Parcel Map	2	1	-	-	1	-	-	-	-	1
- Tentative Tract Map	1	-	-	-	-	-	1	-	1	1
- Variance	-	-	-	-	-	-	-	-	-	-
- Zoning Clearance	16	54	39	37	42	41	27	38	69	75
- Zoning Ordinance Amendment	-	4	2	2	1	-	1	1	2	-
Total planning actions	106	155	81	86	101	101	111	118	175	173

*Police services are provided by the Santa Barbara County Sheriff's Office.
** Fire services are provided by the Santa Barbara County Fire Department
1. FY2011 data is for Apr - June 2011 activities
2. FY2012 data is for Oct 2011 - June 2012 activities
3. FY2015 data is for July 2013 - Dec 2013 & Apr 2015 - June 2015
NA indicates the information is not available.

Source: City Finance, Public Works and Planning Departments

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City of Buellton, California
Capital Asset Statistics by Function
Last Ten Fiscal Years
(Fiscal year ended June 30)

Function	2008	2009	2010	2011	2012
Police *:					
Stations	1	1	1	1	1
Fire *					
Fire stations	1	1	1	1	1
Public works					
Streets (miles)	22	22	22	22	22
Streetlights	50	50	50	64	64
Parks and recreation					
Parks	2	2	2	2	2
Sewer					
Sanitary sewers (miles)	18	18	18	18	18
Number of pump stations	2	2	2	2	2
Wastewater treatment plant	1	1	1	1	1
Water					
Water lines	27	27	27	27	27
Wells	5	5	5	5	5
Water treatment plants	2	2	2	2	2
Reservoirs	3	3	3	3	3

* Services are provided by the County or Special Districts, which are separate from the City. The data provided are for those portions of the system located within the City of Buellton.

Source: City Finance, Public Works and Planning Departments

2013	2014	2015	2016	2017
1	1	1	1	1
1	1	1	1	1
22 64	22 64	22 64	22 64	22 64
2	4	4	4	4
18 2 1	18 2 1	18 2 1	18 2 1	18 2 1
27 5 2 3	27 5 2 3	27 5 2 3	27 5 2 3	27 5 2 3

City of Buellton, California
Capital Asset Statistics by Funds
Last Ten Fiscal Years
(Fiscal year ended June 30)

	2008	2009	2010	2011
Governmental-type				
Land	$ 1,118,648	$ 1,118,648	$ 1,118,648	$ 1,536,248
Construction-in-progress	-	92,397	-	-
Buildings and improvements	7,759,526	8,388,508	8,318,333	8,346,414
Equipment	376,438	292,115	306,543	392,039
Infrastructure	14,986,648	15,824,033	16,094,430	16,183,515
Total	24,241,260	25,715,701	25,837,954	26,458,216
Accumulated depreciation				
Total Accumulated depreciation	(7,994,384)	(8,558,186)	(9,275,200)	(10,013,178)
Total Governmental net capital assets	$ 16,246,876	$ 17,157,515	$ 16,562,754	$ 16,445,038
Business-type Activities				
Land	$ 247,691	$ 247,691	$ 247,691	$ 247,691
Construction-in-progress	-	-	88,645	-
Buildings and improvements	-	-	-	-
Equipment	428,084	428,084	552,625	557,499
Infrastructure	9,985,252	10,065,452	10,116,246	10,968,077
Total	10,661,027	10,741,227	11,005,207	11,773,267
Accumulated depreciation				
Total accumulated depreciation	(5,271,324)	(5,589,314)	(5,908,365)	(6,242,860)
Total Business-type net capital assets	$ 5,389,703	$ 5,151,913	$ 5,096,842	$ 5,530,407

Source: City Finance Department

2012	2013	2014	2015	2016	2017
$ 1,536,248	$ 1,536,248	$ 1,536,248	$ 1,536,248	$ 1,536,248	$ 1,827,166
-	-	-	-	-	-
4,221,448	4,221,448	4,221,448	4,221,448	5,806,438	5,829,209
385,766	425,998	444,765	528,043	598,224	632,269
15,815,655	16,279,484	16,364,557	17,367,786	16,939,604	17,604,230
21,959,117	22,463,178	22,567,018	23,653,525	24,880,514	25,892,874
(4,555,664)	(4,812,370)	(5,067,910)	(5,501,416)	(5,919,701)	(6,390,256)
$ 17,403,453	$ 17,650,808	$ 17,499,108	$ 18,152,109	$ 18,960,813	$ 19,502,618
$ 247,691	$ 247,691	$ 247,691	$ 247,691	$ 247,691	$ 247,691
-	-	-	-	-	-
574,387	574,387	574,387	574,387	574,387	574,387
582,952	740,718	773,522	815,800	894,291	897,367
10,729,454	10,765,834	11,207,646	11,578,959	12,451,313	12,570,229
12,134,484	12,328,630	12,803,246	13,216,837	14,167,682	14,289,674
(6,571,046)	(6,908,230)	(7,247,635)	(7,643,835)	(8,090,871)	(8,645,646)
$ 5,563,438	$ 5,420,400	$ 5,555,611	$ 5,573,002	$ 6,076,811	$ 5,644,028

GLOSSARY OF TERMS

Net Position	Total Assets minus Total Liabilities for the period.
Changes in Net Position	Net position changes by adding revenues minus expenditures (including transfers) for the period.
Special Revenue Funds	Governmental Fund type used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes, i.e., Measure A and Gas Tax.
Major Funds	Governmental fund or enterprise fund reported as a separate column in the basic fund financial statements and subject to a separate opinion in the independent auditor's report. Funds whose revenues, expenditures/expenses, assets or liabilities (excluding extraordinary items)are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. The General Fund is always a major fund.
Non-Major Funds	Governmental fund or enterprise fund not meeting the criteria of a major fund.
Program Revenue	Charges for Services, i.e., Fees, Licenses, permits rental income, Fines and Forfeitures.
General Revenue	All taxes and non-tax revenue that do not meet the criteria for Program Revenue.
Governmental Funds	The funds through which most government functions typically are financed. Used to account for essentially the same functions reported as governmental activities in the Government-wide Financial Statements.
Intergovernmental	An annual financial plan that identifies estimated revenues, specific types and levels of services to be provided, and establishes the amount of money which can be spent.
General Government	Is charged with all expenditures for the legislative and judicial branches of a government. It is also charged with the expenditures made by the chief executive officer and other top-level auxiliary and staff agencies in the administrative branch of the government. The accounts are subdivided into three groups; legislative, judicial, and executive.
Community Development	Sometimes referred to as Community Services. It is a broad term covering Housing and Community Support Services. This category does not include the "Community Development – Planning" section of the Buellton Budget.

Public Works	Is charged with streets, traffic congestion, zoning, signs, park services, street lights, engineering, storm drains and landscape maintenance. The “Community Development – Planning” section of the Buellton Budget is located within this category.
Culture and Leisure	A major function of government, includes all library, cultural and recreational activities maintained for the benefit of residents and visitors.
.	
Grants and Contributions	Grants and related earnings are externally restricted to the acquisition of specified asset or specified purpose.

City of Buellton, CA

Detail vs Budget Report

Governmental Funds Revenue Summary

Date Range: 07/01/2016 - 06/30/2017

Account	Name	Fiscal Budget	Total Activity	Ending Balance	Budget Remaining	% Remaining
001 - General Fund						
Revenue						
001-41005	Property Taxes - Secured	(1,150,000.00)	(1,239,765.54)	(1,239,765.54)	89,765.54	7.81%
001-41010	Property Taxes - Unsecured	(41,000.00)	(52,425.73)	(52,425.73)	11,425.73	27.87%
001-41015	Homeowners Exemptions	(7,000.00)	(5,603.88)	(5,603.88)	(1,396.12)	-19.94%
001-41020	Franchise Fees	(220,000.00)	(221,847.45)	(221,847.45)	1,847.45	0.84%
001-41025	Sales Tax	(2,250,000.00)	(2,242,051.87)	(2,242,051.87)	(7,948.13)	-0.35%
001-41030	Sales Tax Compensation	-	(279,846.23)	(279,846.23)	279,846.23	0.00%
001-41035	Transient Occupancy Tax	(1,850,000.00)	(1,938,719.81)	(1,938,719.81)	88,719.81	4.80%
001-41040	Property Transfer Tax	(25,000.00)	(43,554.76)	(43,554.76)	18,554.76	74.22%
001-42010	Zoning Clearance	(1,700.00)	(2,430.00)	(2,430.00)	730.00	42.94%
001-42015	Small Permits	(15,000.00)	(7,795.00)	(7,795.00)	(7,205.00)	-48.03%
001-43005	Motor Vehicle in Lieu Tax	(2,400.00)	(2,220.73)	(2,220.73)	(179.27)	-7.47%
001-43010	MV License Fee Compensation	(420,000.00)	(420,605.00)	(420,605.00)	605.00	0.14%
001-43015	COPS grant	(100,000.00)	-	-	(100,000.00)	-100.00%
001-43040	Beverage Container Grant	(5,000.00)	(5,000.00)	(5,000.00)	-	0.00%
001-43050	Staffing Charges - CIP	(10,000.00)	-	-	(10,000.00)	-100.00%
001-44005	Buellton Recreation Program	(90,000.00)	(173,298.92)	(173,298.92)	83,298.92	92.55%
001-44010	Recreation Program 50/50	(5,000.00)	(11,550.50)	(11,550.50)	6,550.50	131.01%
001-44015	Buellton Rec Program Trips	(45,000.00)	(33,597.95)	(33,597.95)	(11,402.05)	-25.34%
001-44020	Park Reservation Fees	(8,000.00)	(6,690.00)	(6,690.00)	(1,310.00)	-16.38%
001-44025	Event Application Fee/Temp Use	(1,500.00)	(1,795.00)	(1,795.00)	295.00	19.67%
001-44035	Cost Reimbursement	(20,000.00)	-	-	(20,000.00)	-100.00%
001-44040	Transfer from Reserves	(575,837.00)	-	-	(575,837.00)	-100.00%
001-44105	Interest	(10,000.00)	(40,872.82)	(40,872.82)	30,872.82	308.73%
001-44250	Miscellaneous	(30,000.00)	(11,616.24)	(11,616.24)	(18,383.76)	-61.28%
001-45005	Criminal Fines & Penalties	(2,000.00)	(694.31)	(694.31)	(1,305.69)	-65.28%
001-45010	Fines & Fees	(40,000.00)	(24,401.54)	(24,401.54)	(15,598.46)	-39.00%
001-49010	Rent	(75,000.00)	(92,513.75)	(92,513.75)	17,513.75	23.35%
001-49532	Code Enforcement Fines	-	(300.00)	(300.00)	300.00	0.00%
001-49566	Home Occupation Permit	-	(50.00)	(50.00)	50.00	0.00%
001-49584	Minor Use Permit	-	(1,000.00)	(1,000.00)	1,000.00	0.00%
001-49617	Surplus Property Sales	-	(2,949.10)	(2,949.10)	2,949.10	0.00%
001-49737	Capital Lease Proceeds	-	(16,358.97)	(16,358.97)	16,358.97	0.00%
	Revenue Totals:	**(6,999,437.00)**	**(6,879,555.10)**	**(6,879,555.10)**	**(119,881.90)**	**-1.71%**

Detail vs Budget Report

Account	Name	Fiscal Budget	Total Activity	Ending Balance	Budget Remaining	% Remaining
Revenue						
023-44105	Interest	(5,000.00)	(2,653.93)	(2,653.93)	(2,346.07)	-46.92%
	Revenue Totals:	**(5,000.00)**	**(2,653.93)**	**(2,653.93)**	**(2,346.07)**	**-46.92%**
	023 - Housing Fees Totals:	**(5,000.00)**	**(2,653.93)**	**(2,653.93)**	**(2,346.07)**	**-46.92%**
024 - Traffic Mitigation Fund						
Revenue						
024-44105	Interest	(25.00)	(150.91)	(150.91)	125.91	503.64%
024-47010	Traffic Mitigation Fees	(50,000.00)	(21,648.00)	(21,648.00)	(28,352.00)	-56.70%
	Revenue Totals:	**(50,025.00)**	**(21,798.91)**	**(21,798.91)**	**(28,226.09)**	**-56.42%**
	024 - Traffic Mitigation Fund Totals:	**(50,025.00)**	**(21,798.91)**	**(21,798.91)**	**(28,226.09)**	**-56.42%**
025 - Gas Tax Fund						
Revenue						
025-44035	Cost Reimbursement	-	(185,913.00)	(185,913.00)	185,913.00	0.00%
025-44040	Transfer from Reserves	(63,000.00)	-	-	(63,000.00)	-100.00%
025-44105	Interest	(2,000.00)	(2,195.96)	(2,195.96)	195.96	9.80%
025-47110	Surface Transportation Program	(70,000.00)	(72,214.00)	(72,214.00)	2,214.00	3.16%
025-47120	Gas Tax 2105	(27,000.00)	(27,852.99)	(27,852.99)	852.99	3.16%
025-47125	Gas Tax 2106	(19,000.00)	(18,814.59)	(18,814.59)	(185.41)	-0.98%
025-47130	Gas Tax 2107	(30,000.00)	(35,313.06)	(35,313.06)	5,313.06	17.71%
025-47135	Gas Tax 2107.5	(1,000.00)	(1,000.00)	(1,000.00)	-	0.00%
025-47140	Gas Tax 2103/R & T 7360	(40,000.00)	(13,230.48)	(13,230.48)	(26,769.52)	-66.92%
	Revenue Totals:	**(252,000.00)**	**(356,534.08)**	**(356,534.08)**	**104,534.08**	**41.48%**
	025 - Gas Tax Fund Totals:	**(252,000.00)**	**(356,534.08)**	**(356,534.08)**	**104,534.08**	**41.48%**
027 - Local Transportation Fund						
Revenue						
027-44105	Interest	(20.00)	(108.49)	(108.49)	88.49	442.45%
027-44250	Miscellaneous	-	(12,787.53)	(12,787.53)	12,787.53	0.00%
027-47310	LTF - Bikeways	(3,960.00)	(3,931.40)	(3,931.40)	(28.60)	-0.72%
027-47415	Transfer from General Fund	(195,359.00)	-	-	(195,359.00)	-100.00%
027-49672	STA Funding	(5,821.00)	-	-	(5,821.00)	-100.00%
027-49690	Transfer from Other Funds	-	(26,500.00)	(26,500.00)	26,500.00	0.00%
	Revenue Totals:	**(205,160.00)**	**(43,327.42)**	**(43,327.42)**	**(161,832.58)**	**-78.88%**
	027 - Local Transportation Fund Totals:	**(205,160.00)**	**(43,327.42)**	**(43,327.42)**	**(161,832.58)**	**-78.88%**

029 - Transportation Planning

Revenue						
029-47410	STA Funding	(20,000.00)	(43,876.00)	(43,876.00)	23,876.00	119.38%
029-47415	Transfer from General Fund	(25,000.00)	(25,000.00)	(25,000.00)	-	0.00%
	Revenue Totals:	**(45,000.00)**	**(68,876.00)**	**(68,876.00)**	**23,876.00**	**53.06%**
	029 - Transportation Planning Totals:	**(45,000.00)**	**(68,876.00)**	**(68,876.00)**	**23,876.00**	**53.06%**

031 - Measure A

Account	Name	Fiscal Budget	Total Activity	Ending Balance	Budget Remaining	% Remaining
Revenue						
031-44035	Cost Reimbursement	-	(185,913.00)	(185,913.00)	185,913.00	0.00%
031-44105	Interest	(300.00)	(3,829.91)	(3,829.91)	3,529.91	1176.64%
031-47510	Measure A	(342,729.00)	(343,763.64)	(343,763.64)	1,034.64	0.30%
031-49736	Transfer from Reserves	(278,471.00)	-	-	(278,471.00)	-100.00%
	Revenue Totals:	**(621,500.00)**	**(533,506.55)**	**(533,506.55)**	**(87,993.45)**	**-14.16%**
	031 - Measure A Totals:	**(621,500.00)**	**(533,506.55)**	**(533,506.55)**	**(87,993.45)**	**-14.16%**
	Report Total:	**(8,178,122.00)**	**(7,906,251.99)**	**(7,906,251.99)**	**(271,870.01)**	**-3.32%**

Detail vs Budget Report

Fund Summary

Fund	Fiscal Budget	Total Activity	Ending Balance	Budget Remaining	% Remaining
001 - General Fund	(6,999,437.00)	(6,879,555.10)	(6,879,555.10)	(119,881.90)	-1.71%
023 - Housing Fees	(5,000.00)	(2,653.93)	(2,653.93)	(2,346.07)	-46.92%
024 - Traffic Mitigation Fund	(50,025.00)	(21,798.91)	(21,798.91)	(28,226.09)	-56.42%
025 - Gas Tax Fund	(252,000.00)	(356,534.08)	(356,534.08)	104,534.08	41.48%
027 - Local Transportation Fund	(205,160.00)	(43,327.42)	(43,327.42)	(161,832.58)	-78.88%
029 - Transportation Planning	(45,000.00)	(68,876.00)	(68,876.00)	23,876.00	53.06%
031 - Measure A	(621,500.00)	(533,506.55)	(533,506.55)	(87,993.45)	-14.16%
Revenue Total:	**(8,178,122.00)**	**(7,906,251.99)**	**(7,906,251.99)**	**(271,870.01)**	**-3.32%**

CAFR Reconciliation on Pg. 27	
Total Revenues	7,838,392.00
Capital Lease Proceeds	16,359.00
Transfers In	51,500.00
Total Revenues	$ 7,906,251.00

City of Buellton, CA

Detail vs Budget Report

Governmental Funds Expenditure Summary

Date Range: 07/01/2016 - 06/30/2017

Account	Name	Fiscal Budget	Total Activity	Ending Balance	Budget Remaining	% Remaining
001 - General Fund						
Expense						
001-401-50000	Salaries	49,403.00	49,342.83	49,342.83	60.17	0.12%
001-401-50020	Council Salaries	26,400.00	26,840.00	26,840.00	(440.00)	-1.67%
001-401-50025	Council Car Allowance	4,500.00	4,575.00	4,575.00	(75.00)	-1.67%
001-401-50120	Employer SS/MC	1,270.00	1,253.60	1,253.60	16.40	1.29%
001-401-50130	UI & Employee Training Tax	1,380.00	1,710.04	1,710.04	(330.04)	-23.92%
001-401-50200	PERS Retirement	12,050.00	11,385.69	11,385.69	664.31	5.51%
001-401-50300	Workers Compensation	2,090.00	2,007.00	2,007.00	83.00	3.97%
001-401-50400	Medical Benefit	9,400.00	8,352.46	8,352.46	1,047.54	11.14%
001-401-50410	Employer Paid DCP	2,970.00	2,851.90	2,851.90	118.10	3.98%
001-401-50500	Group Life Ins Benefit	40.00	43.64	43.64	(3.64)	-9.10%
001-401-60013	Election Expense	5,500.00	3,763.06	3,763.06	1,736.94	31.58%
001-401-60210	Computer Maintenance &Software	3,000.00	3,160.00	3,160.00	(160.00)	-5.33%
001-401-60710	Travel & Training	12,000.00	5,457.54	5,457.54	6,542.46	54.52%
001-401-60900	Miscellaneous	1,000.00	1,943.31	1,943.31	(943.31)	-94.33%
001-401-61130	Office Supplies	500.00	677.28	677.28	(177.28)	-35.46%
001-401-72300	Computer Equipment	-	1,990.60	1,990.60	(1,990.60)	0.00%
001-402-50000	Salaries	169,841.00	170,809.44	170,809.44	(968.44)	-0.57%
001-402-50025	Car Allowance	3,600.00	-	-	3,600.00	100.00%
001-402-50120	Employer SS/MC	2,470.00	2,529.93	2,529.93	(59.93)	-2.43%
001-402-50130	UI & Employee Training Tax	290.00	390.73	390.73	(100.73)	-34.73%
001-402-50200	PERS Retirement	27,530.00	26,745.87	26,745.87	784.13	2.85%
001-402-50300	Workers Compensation	4,410.00	4,247.00	4,247.00	163.00	3.70%
001-402-50400	Medical Benefit	10,800.00	10,669.12	10,669.12	130.88	1.21%
001-402-50410	Employer Paid DCP	10,190.00	9,696.24	9,696.24	493.76	4.85%
001-402-50500	Group Life Ins Benefit	100.00	101.30	101.30	(1.30)	-1.30%
001-402-60210	Computer Maintenance &Software	200.00	200.00	200.00	-	0.00%
001-402-60650	Membership & Publications	700.00	794.99	794.99	(94.99)	-13.57%
001-402-60710	Travel & Training	2,500.00	727.18	727.18	1,772.82	70.91%
001-402-60900	Miscellaneous	500.00	380.00	380.00	120.00	24.00%
001-402-61130	Office Supplies	250.00	127.17	127.17	122.83	49.13%
001-402-72200	Office Furniture	-	3,239.20	3,239.20	(3,239.20)	0.00%
001-402-72300	Computer Equipment	-	1,109.16	1,109.16	(1,109.16)	0.00%
001-403-50000	Salaries	74,105.00	74,014.09	74,014.09	90.91	0.12%

001-403-50120	Employer SS/MC	1,230.00	1,196.96	1,196.96	33.04	2.69%
001-403-50130	UI & Employee Training Tax	180.00	227.56	227.56	(47.56)	-26.42%
001-403-50200	PERS Retirement	12,270.00	11,799.55	11,799.55	470.45	3.83%
001-403-50300	Workers Compensation	1,930.00	1,853.00	1,853.00	77.00	3.99%
001-403-50400	Medical Benefit	6,500.00	6,446.27	6,446.27	53.73	0.83%
001-403-50410	Employer Paid DCP	4,450.00	4,277.65	4,277.65	172.35	3.87%
001-403-50500	Group Life Ins Benefit	60.00	59.39	59.39	0.61	1.02%
001-403-60012	Code Updates	3,000.00	1,856.27	1,856.27	1,143.73	38.12%
001-403-60210	Computer Maintenance &Software	1,000.00	795.00	795.00	205.00	20.50%
001-403-60520	Advertising - Legal	3,500.00	3,222.15	3,222.15	277.85	7.94%
001-403-60650	Membership & Publications	800.00	783.00	783.00	17.00	2.13%
001-403-60710	Travel & Training	3,000.00	2,374.61	2,374.61	625.39	20.85%
001-403-60900	Miscellaneous	1,000.00	341.47	341.47	658.53	65.85%
001-403-61130	Office Supplies	1,000.00	855.25	855.25	144.75	14.48%
001-403-72200	Office Furniture	2,500.00	2,509.57	2,509.57	(9.57)	-0.38%
001-404-60840	Contract Services-Legal Fees	175,000.00	134,218.86	134,218.86	40,781.14	23.30%
001-410-50400	Medical Benefit	55,770.00	44,939.22	44,939.22	10,830.78	19.42%
001-410-50600	Insurance - Liability	85,689.00	58,726.33	58,726.33	26,962.67	31.47%
001-410-50610	Insurance - Property	5,000.00	5,000.00	5,000.00	-	0.00%
001-410-60014	Emergency Operations	9,000.00	13,491.74	13,491.74	(9,630.15)	-107.00%
001-410-60015	Animal Control	36,637.00	36,637.00	36,637.00	-	0.00%
001-410-60022	Recruitment Expense	2,000.00	5,149.29	5,149.29	(3,149.29)	-157.46%
001-410-60210	Computer Maintenance &Software	14,000.00	23,490.36	23,490.36	(9,490.36)	-67.79%
001-410-60250	Maintenance / Repair	-	21.19	21.19	(21.19)	0.00%
001-410-60310	Equipment Rental	11,000.00	8,851.68	8,851.68	(1,679.68)	-15.27%
001-410-60650	Membership & Publications	10,000.00	11,866.95	11,866.95	(1,866.95)	-18.67%
001-410-60710	Travel & Training	1,000.00	335.62	335.62	664.38	66.44%
001-410-60800	Contract Services	-	7,947.47	7,947.47	(7,947.47)	0.00%
001-410-60900	Miscellaneous/CalPERS Unfunded Liability	62,000.00	80,504.74	80,504.74	(18,504.74)	-29.85%
001-410-60910	Misc Recognition Items	2,000.00	5,547.67	5,547.67	(3,547.67)	-177.38%
001-410-61130	Office Supplies	10,000.00	12,603.72	12,603.72	(2,603.72)	-26.04%
001-410-61131	Postage	500.00	2,216.00	2,216.00	(1,716.00)	-343.20%
001-410-61210	Utilities - Sewer	900.00	2,150.08	2,150.08	(1,250.08)	-138.90%
001-410-61211	Utilities - Water	1,800.00	2,788.02	2,788.02	(988.02)	-54.89%
001-410-61230	Utilities - Gas	900.00	641.09	641.09	258.91	28.77%
001-410-61241	Utilities - Electric	10,000.00	8,892.56	8,892.56	1,107.44	11.07%
001-410-61292	Internet Access/ Website Maint	6,000.00	8,968.53	8,968.53	(2,968.53)	-49.48%
001-410-61410	Newsletter	-	544.05	544.05	(544.05)	0.00%
001-410-67200	Community Organization Support	78,900.00	78,900.00	78,900.00	-	0.00%
001-410-67370	H/R Expense	-	964.00	964.00	(964.00)	0.00%
001-410-67430	LAFCO Contribution	2,000.00	1,501.00	1,501.00	499.00	24.95%
001-410-67551	Surplus auction sales premium	-	268.10	268.10	(268.10)	0.00%
001-410-67620	SB Co Mntl Hlth Mbl Crisis Svc	4,000.00	2,754.00	2,754.00	1,246.00	31.15%

001-410-67705	Telephone	5,000.00	4,815.04	4,815.04	184.96	3.70%
001-410-67790	Visitors Bureau	400,000.00	447,098.02	447,098.02	(47,098.02)	-11.77%
001-410-67821	Write-Off	-	4,282.45	4,282.45	(4,282.45)	0.00%
001-410-69100	Transfer to Other Funds	791,000.00	25,000.00	25,000.00	766,000.00	96.84%
001-410-69600	Undesignated Misc Support	3,000.00	425.00	425.00	2,575.00	85.83%
001-410-72200	Office Furniture	-	114.75	114.75	(114.75)	0.00%
001-410-72300	Computer Equipment	-	5,094.00	5,094.00	(5,094.00)	0.00%
001-410-77000	Capital Outlay	-	198,853.65	198,853.65	(198,853.65)	0.00%
001-420-50000	Salaries	105,652.00	126,134.86	126,134.86	(20,482.86)	-19.39%
001-420-50030	Hourly Employee	5,732.00	-	-	5,732.00	100.00%
001-420-50120	Employer SS/MC	2,160.00	1,896.10	1,896.10	263.90	12.22%
001-420-50130	UI & Employee Training Tax	400.00	677.62	677.62	(277.62)	-69.41%
001-420-50200	PERS Retirement	13,420.00	13,639.56	13,639.56	(219.56)	-1.64%
001-420-50300	Workers Compensation	2,750.00	2,928.00	2,928.00	(178.00)	-6.47%
001-420-50400	Medical Benefit	14,750.00	14,937.22	14,937.22	(187.22)	-1.27%
001-420-50410	Employer Paid DCP	3,620.00	3,485.82	3,485.82	134.18	3.71%
001-420-50500	Group Life Ins Benefit	130.00	140.95	140.95	(10.95)	-8.42%
001-420-60021	Audit	7,500.00	23,250.34	23,250.34	(15,750.34)	-210.00%
001-420-60210	Computer Maintenance &Software	1,500.00	500.00	500.00	1,000.00	66.67%
001-420-60211	Data Processing Contract Maint	5,000.00	-	-	5,000.00	100.00%
001-420-60650	Membership & Publications	1,000.00	860.00	860.00	140.00	14.00%
001-420-60710	Travel & Training	5,000.00	2,457.79	2,457.79	2,542.21	50.84%
001-420-60800	Contract Services	15,000.00	17,220.68	17,220.68	(2,220.68)	-14.80%
001-420-60900	Miscellaneous	1,000.00	261.67	261.67	738.33	73.83%
001-420-61130	Office Supplies	3,000.00	1,097.60	1,097.60	1,902.40	63.41%
001-420-72200	Office Furniture	-	2,336.85	2,336.85	(2,336.85)	0.00%
001-420-72300	Computer Equipment	2,000.00	1,289.52	1,289.52	710.48	35.52%
001-501-60800	Contract Services	1,780,000.00	1,722,388.03	1,722,388.03	57,611.97	3.24%
001-501-60810	Contract Services - Fire Dept	195,688.00	195,604.00	195,604.00	84.00	0.04%
001-501-60820	Contract Svcs - Police -CA IGG	-	89.00	89.00	(89.00)	0.00%
001-501-61241	Utilities - Electric	6,000.00	4,800.19	4,800.19	1,199.81	20.00%
001-510-60800	Contract Services	141,641.00	141,641.00	141,641.00	-	0.00%
001-510-61211	Utilities - Water	1,800.00	1,980.62	1,980.62	(180.62)	-10.03%
001-510-61230	Utilities - Gas	1,000.00	78.25	78.25	921.75	92.18%
001-510-61241	Utilities - Electric	4,100.00	3,202.39	3,202.39	897.61	21.89%
001-511-50000	Salaries	200,634.00	201,855.77	201,855.77	(1,221.77)	-0.61%
001-511-50030	Hourly Employees	37,000.00	73,068.00	73,068.00	(36,068.00)	-97.48%
001-511-50120	Employer SS/MC	6,020.00	8,170.70	8,170.70	(2,150.70)	-35.73%
001-511-50130	UI & Employee Training Tax	2,350.00	4,345.89	4,345.89	(1,995.89)	-84.93%
001-511-50200	PERS Retirement	28,670.00	30,726.70	30,726.70	(2,056.70)	-7.17%
001-511-50300	Workers Compensation	6,170.00	5,943.00	5,943.00	227.00	3.68%
001-511-50400	Medical Benefit	35,100.00	34,288.49	34,288.49	811.51	2.31%
001-511-50410	Employer Paid DCP	9,140.00	8,371.41	8,371.41	768.59	8.41%

001-511-50500	Group Life Ins Benefit	320.00	320.54	320.54	(0.54)	-0.17%
001-511-60250	Maintenance/Repair	12,000.00	9,791.44	9,791.44	2,208.56	18.40%
001-511-60252	Maintenance/Repair-Joint Use	4,000.00	841.25	841.25	3,158.75	78.97%
001-511-60270	Maintenance-Vehicles	4,000.00	3,430.14	3,430.14	569.86	14.25%
001-511-60310	Equipment Rental	-	788.69	788.69	(788.69)	0.00%
001-511-60510	Advertising	6,500.00	7,034.50	7,034.50	(534.50)	-8.22%
001-511-60800	Contract Services	30,000.00	27,574.06	27,574.06	2,425.94	8.09%
001-511-60900	Miscellaneous	1,000.00	2,427.13	2,427.13	(1,427.13)	-142.71%
001-511-61130	Office Supplies	3,000.00	3,277.47	3,277.47	(277.47)	-9.25%
001-511-61280	Fuel-Vehicles	9,000.00	7,854.90	7,854.90	1,145.10	12.72%
001-511-61290	Telephone/Internet	3,000.00	2,628.86	2,628.86	371.14	12.37%
001-511-67135	Buellton Rec Program Trips	29,500.00	21,778.29	21,778.29	7,721.71	26.18%
001-511-67140	Buellton Recreation Program	49,500.00	60,956.41	60,956.41	(11,456.41)	-23.14%
001-511-67570	Recreation Program 50/50	5,000.00	5,081.54	5,081.54	(81.54)	-1.63%
001-511-73500	Equipment	-	3,268.60	3,268.60	(3,268.60)	0.00%
001-550-61241	Utilities - Electric	55,000.00	65,778.55	65,778.55	(10,778.55)	-19.60%
001-551-60650	Memberships & Publications	600.00	490.00	490.00	110.00	18.33%
001-551-60800	Contract Services	155,000.00	140,443.03	140,443.03	8,271.57	5.34%
001-551-67575	Regulatory Compliance	15,000.00	12,076.83	12,076.83	2,923.17	19.49%
001-551-69100	Transfer to Other Funds	25,000.00	-	-	25,000.00	100.00%
001-551-77000	Capital Outlay	-	26,130.00	26,130.00	(26,130.00)	0.00%
001-552-60254	Maintenance/Repair-A&F Medians	5,000.00	-	-	5,000.00	100.00%
001-552-60255	Maintenance/Repair-Golf Course	20,000.00	6,467.78	6,467.78	13,532.22	67.66%
001-552-60256	Maintenance/Repair-Oak Park	20,000.00	6,753.12	6,753.12	13,246.88	66.23%
001-552-60257	Maintenance/Repair-Paws Park	16,000.00	16,666.32	16,666.32	(666.32)	-4.16%
001-552-60258	Maintenance/Repair-Riverview	40,000.00	38,364.21	38,364.21	1,635.79	4.09%
001-552-60310	Equipment Rental	1,000.00	-	-	1,000.00	100.00%
001-552-60800	Contract Services	159,000.00	160,580.08	160,580.08	(1,580.08)	-0.99%
001-552-61110	Chemicals	1,000.00	67.67	67.67	932.33	93.23%
001-552-61125	Small Equipment	3,000.00	189.70	189.70	2,810.30	93.68%
001-552-61140	Operational Supplies	4,000.00	1,201.98	1,201.98	2,798.02	69.95%
001-552-61211	Utilities - Water	40,000.00	44,204.57	44,204.57	(4,204.57)	-10.51%
001-552-61241	Utilities - Electric	2,000.00	8,340.16	8,340.16	(6,340.16)	-317.01%
001-552-73500	Equipment	20,000.00	-	-	20,000.00	100.00%
001-556-60250	Maintenance/Repair	5,000.00	533.49	533.49	4,466.51	89.33%
001-556-60800	Contract Services	70,000.00	53,970.75	53,970.75	16,029.25	22.90%
001-556-61211	Utilities - Water	22,000.00	25,330.20	25,330.20	(3,330.20)	-15.14%
001-556-61241	Utilities - Electric	9,000.00	1,088.44	1,088.44	7,911.56	87.91%
001-557-60800	Contract Services	85,000.00	-	-	85,000.00	100.00%
001-557-60830	Contract Services-Engineering	25,000.00	-	-	25,000.00	100.00%
001-558-50000	Salaries	269,959.00	284,515.42	284,515.42	(14,556.42)	-5.39%
001-558-50035	Hourly	12,192.00	-	-	12,192.00	100.00%
001-558-50120	Employer SS/MC	6,160.00	3,676.89	3,676.89	2,483.11	40.31%

001-558-50130	UI & Employee Training Tax	1,370.00	1,641.87	1,641.87	(271.87)	-19.84%
001-558-50200	PERS Retirement	38,470.00	36,477.75	36,477.75	1,992.25	5.18%
001-558-50300	Workers Compensation	6,740.00	6,875.00	6,875.00	(135.00)	-2.00%
001-558-50400	Medical Benefit	44,300.00	43,043.39	43,043.39	1,256.61	2.84%
001-558-50410	Employer Paid DCP	12,740.00	12,170.11	12,170.11	569.89	4.47%
001-558-50500	Group Life Ins Benefit	370.00	352.73	352.73	17.27	4.67%
001-558-60131	Laundry / Uniforms	1,800.00	813.87	813.87	986.13	54.79%
001-558-60210	Computer Maintenance &Software	2,000.00	2,099.07	2,099.07	(99.07)	-4.95%
001-558-60250	Maintenance / Repair	50,000.00	56,839.02	56,839.02	(16,114.02)	-32.23%
001-558-60270	Maintenance - Vehicles	15,000.00	8,630.54	8,630.54	6,369.46	42.46%
001-558-60560	Signs	15,000.00	5,212.80	5,212.80	9,787.20	65.25%
001-558-60650	Membership & Publications	1,000.00	560.00	560.00	440.00	44.00%
001-558-60710	Travel & Training	2,500.00	534.91	534.91	1,965.09	78.60%
001-558-60800	Contract Services	75,000.00	55,246.19	55,246.19	18,553.81	24.74%
001-558-60900	Miscellaneous	500.00	348.44	348.44	151.56	30.31%
001-558-61127	Tools	4,000.00	577.77	577.77	3,422.23	85.56%
001-558-61130	Office Supplies	1,200.00	1,251.66	1,251.66	(51.66)	-4.31%
001-558-61131	Postage	-	29.87	29.87	(29.87)	0.00%
001-558-61140	Operational Supplies	7,000.00	4,911.79	4,911.79	2,088.21	29.83%
001-558-61211	Utilities - Water	32,000.00	23,191.92	23,191.92	8,808.08	27.53%
001-558-61241	Utilities - Electric	950.00	-	-	950.00	100.00%
001-558-61280	Fuel - Vehicles	8,000.00	5,136.19	5,136.19	2,863.81	35.80%
001-558-67555	Property Acquisition fees	-	677.88	677.88	(677.88)	0.00%
001-558-67575	Regulatory Compliance	2,500.00	-	-	2,500.00	100.00%
001-558-67600	Safety Equipment	1,520.00	2,640.88	2,640.88	(1,120.88)	-73.74%
001-558-67705	Telephone	5,500.00	1,727.74	1,727.74	3,772.26	68.59%
001-558-71100	Property Acquisition	-	292,750.00	292,750.00	(292,750.00)	0.00%
001-558-73100	Vehicles	25,000.00	26,267.89	26,267.89	(1,267.89)	-5.07%
001-558-73500	Equipment	10,000.00	6,955.60	6,955.60	3,044.40	30.44%
001-558-74100	Improvements	10,000.00	-	-	10,000.00	100.00%
001-565-50000	Salaries	218,394.00	122,759.09	122,759.09	95,634.91	43.79%
001-565-50010	Planning Commission Salaries	6,000.00	3,300.00	3,300.00	2,700.00	45.00%
001-565-50120	Employer SS/MC	4,880.00	1,860.80	1,860.80	3,019.20	61.87%
001-565-50130	UI & Employee Training Tax	1,160.00	865.94	865.94	294.06	25.35%
001-565-50200	PERS Retirement	19,300.00	12,760.54	12,760.54	6,539.46	33.88%
001-565-50300	Workers Compensation	3,120.00	3,364.00	3,364.00	(244.00)	-7.82%
001-565-50400	Medical Benefit	32,800.00	20,619.16	20,619.16	12,180.84	37.14%
001-565-50410	Employer Paid DCP	12,250.00	2,656.17	2,656.17	9,593.83	78.32%
001-565-50500	Group LIfe Ins Benefit	310.00	202.07	202.07	107.93	34.82%
001-565-60011	Code Enforcement Expenses	500.00	-	-	500.00	100.00%
001-565-60210	Computer Maintenance &Software	3,500.00	3,485.38	3,485.38	14.62	0.42%
001-565-60250	Maintenance / Repair	1,000.00	194.07	194.07	805.93	80.59%
001-565-60310	Equipment Rental	5,000.00	5,987.09	5,987.09	(987.09)	-19.74%

001-565-60520	Advertising - Legal	3,000.00	327.51	327.51	2,672.49	89.08%
001-565-60650	Membership & Publications	2,000.00	262.49	262.49	1,737.51	86.88%
001-565-60710	Travel & Training	5,000.00	4,732.87	4,732.87	267.13	5.34%
001-565-60800	Contract Services	140,000.00	124,691.42	124,691.42	15,308.58	10.93%
001-565-60830	Contract Services-Engineering	6,000.00	30,298.31	30,298.31	(24,298.31)	-404.97%
001-565-60900	Miscellaneous	1,000.00	997.80	997.80	2.20	0.22%
001-565-61130	Office Supplies	2,000.00	2,638.65	2,638.65	(638.65)	-31.93%
001-565-61131	Postage	-	376.64	376.64	(376.64)	0.00%
001-565-61241	Utilities - Electric	2,500.00	2,680.42	2,680.42	(180.42)	-7.22%
001-565-67705	Telephone	3,600.00	4,985.39	4,985.39	(1,385.39)	-38.48%
001-565-72200	Office Furniture	-	534.60	534.60	(534.60)	0.00%
	Expense Totals:	**6,999,937.00**	**6,366,471.57**	**6,366,471.57**	**607,738.62**	**8.68%**
	001 - General Fund Totals:	**6,999,937.00**	**6,366,471.57**	**6,366,471.57**	**607,738.62**	**8.68%**
023 - Housing Fees						
Expense						
023-580-67470	Mobile Home Repair	3,000.00	700.00	700.00	2,300.00	76.67%
	Expense Totals:	**3,000.00**	**700.00**	**700.00**	**2,300.00**	**76.67%**
	023 - Housing Fees Totals:	**3,000.00**	**700.00**	**700.00**	**2,300.00**	**76.67%**
025 - Gas Tax Fund						
Expense						
025-553-67695	TCRF Audit	2,000.00	-	-	2,000.00	100.00%
025-554-60800	Contract Services	-	85,435.00	85,435.00	(85,435.00)	0.00%
025-554-60830	Contract Services - Engineering	-	8,469.00	8,469.00	(8,469.00)	0.00%
025-554-67265	Development Permit Processing	-	14,542.50	14,542.50	(14,542.50)	0.00%
025-554-69100	Transfer to Other Funds	250,000.00	-	-	250,000.00	100.00%
025-554-77000	Capital Outlay	-	152,624.77	152,624.77	(152,624.77)	0.00%
025-557-60800	Contract Services	-	3,912.50	3,912.50	(3,912.50)	0.00%
	Expense Totals:	**252,000.00**	**264,983.77**	**264,983.77**	**(12,983.77)**	**-5.15%**
	025 - Gas Tax Fund Totals:	**252,000.00**	**264,983.77**	**264,983.77**	**(12,983.77)**	**-5.15%**
027 - Local Transportation Fund						
Expense						
027-559-67115	Breeze Extension Pilot	5,000.00	10,006.87	10,006.87	(5,006.87)	-100.14%
027-559-67445	Lompoc- Wine Country Express	20,000.00	19,999.98	19,999.98	0.02	0.00%
027-559-67685	SYVT Dial-A-Ride Subsidy	1,200.00	1,200.00	1,200.00	-	0.00%
027-559-69100	Transfer to Other Funds	175,000.00	-	-	175,000.00	100.00%
027-559-69400	Transfer to Reserves	3,960.00	-	-	3,960.00	100.00%
	Expense Totals:	**205,160.00**	**31,206.85**	**31,206.85**	**173,953.15**	**84.79%**

	027 - Local Transportation Fund Totals:	**205,160.00**	**31,206.85**	**31,206.85**	**173,953.15**	**84.79%**
029 - Transportation Planning						
Expense						
029-557-60800	Contract Services	45,000.00	51,845.00	51,845.00	(6,845.00)	-15.21%
	Expense Totals:	**45,000.00**	**51,845.00**	**51,845.00**	**(6,845.00)**	**-15.21%**
	029 - Transportation Planning Totals:	**45,000.00**	**51,845.00**	**51,845.00**	**(6,845.00)**	**-15.21%**
031 - Measure A						
Expense						
031-560-69100	Transfer to Other Funds	621,500.00	26,500.00	26,500.00	595,000.00	95.74%
031-560-77000	Capital Outlay	-	319,599.34	319,599.34	(319,599.34)	0.00%
	Expense Totals:	**621,500.00**	**346,099.34**	**346,099.34**	**275,400.66**	**44.31%**
	031 - Measure A Totals:	**621,500.00**	**346,099.34**	**346,099.34**	**275,400.66**	**44.31%**
	Report Total:	**8,126,597.00**	**7,061,306.53**	**7,061,306.53**	**1,039,563.66**	**12.79%**

Detail vs Budget Report

Date Range: 07/01/2016 - 06/30/2017

Fund Summary

Fund	Fiscal Budget	Total Activity	Ending Balance	Budget Remaining	% Remaining
001 - General Fund	6,999,937.00	6,366,471.57	6,366,471.57	607,738.62	8.68%
023 - Housing Fees	3,000.00	700.00	700.00	2,300.00	76.67%
025 - Gas Tax Fund	252,000.00	264,983.77	264,983.77	(12,983.77)	-5.15%
027 - Local Transportation Fund	205,160.00	31,206.85	31,206.85	173,953.15	84.79%
029 - Transportation Planning	45,000.00	51,845.00	51,845.00	(6,845.00)	-15.21%
031 - Measure A	621,500.00	346,099.34	346,099.34	275,400.66	44.31%
ıpenditure Total:	**8,126,597.00**	**7,061,306.53**	**7,061,306.53**	**1,039,563.66**	**12.79%**

CAFR Reconciliation on Pg. 27	
Total Expenditures	7,009,807.00
Transfers Out	51,500.00
Total Revenues	$ 7,061,307.00

City of Buellton, CA

Detail vs Budget Report

Proprietary Funds Revenue Summary

Date Range: 07/01/2016 - 06/30/2017

Account	Name	Fiscal Budget	Total Activity	Ending Balance	Budget Remaining	% Remaining
005 - Sewer Fund						
Revenue						
005-44105	Interest	(2,000.00)	(7,884.43)	(7,884.43)	5,884.43	294.22%
005-44110	Sales	(800,000.00)	(849,704.57)	(849,704.57)	49,704.57	6.21%
005-44120	Set-Up Fees	(1,000.00)	(1,150.00)	(1,150.00)	150.00	15.00%
005-44125	Late Charges	(5,000.00)	(4,829.41)	(4,829.41)	(170.59)	-3.41%
005-49652	Transfer from Reserves	(321,831.00)	-	-	(321,831.00)	-100.00%
	Revenue Totals:	**(1,129,831.00)**	**(863,568.41)**	**(863,568.41)**	**(266,262.59)**	**-23.57%**
	005 - Sewer Fund Totals:	**(1,129,831.00)**	**(863,568.41)**	**(863,568.41)**	**(266,262.59)**	**-23.57%**
006 - Wastewater Capital						
Revenue						
006-44105	Interest	-	(39.35)	(39.35)	39.35	0.00%
006-44115	Connection Fees	-	(81,958.50)	(81,958.50)	81,958.50	0.00%
	Revenue Totals:	**-**	**(81,997.85)**	**(81,997.85)**	**81,997.85**	**0.00%**
	006 - Wastewater Capital Totals:	**-**	**(81,997.85)**	**(81,997.85)**	**81,997.85**	**0.00%**
020 - Water Fund						
Revenue						
020-44105	Interest	(3,000.00)	(8,964.86)	(8,964.86)	5,964.86	198.83%
020-44120	Set-Up Fees	(1,000.00)	(1,110.00)	(1,110.00)	110.00	11.00%
020-44125	Late Charges	(15,000.00)	(9,681.86)	(9,681.86)	(5,318.14)	-35.45%
020-44210	Bulk Water	(100,000.00)	(22,040.79)	(22,040.79)	(77,959.21)	-77.96%
020-44215	Sales	(1,350,000.00)	(1,843,082.95)	(1,843,082.95)	493,082.95	36.52%
020-44220	Meter Service Installation	(50,000.00)	(33,600.00)	(33,600.00)	(16,400.00)	-32.80%
020-44240	Service Reinstatement Fee	(1,000.00)	(1,458.00)	(1,458.00)	458.00	45.80%
020-44250	Miscellaneous	-	(3,964.62)	(3,964.62)	3,964.62	0.00%
020-49656	Hydrant Permits	-	(2,600.00)	(2,600.00)	2,600.00	0.00%
020-49661	Transfer from Reserves	(1,086,795.00)	-	-	(1,086,795.00)	-100.00%
	Revenue Totals:	**(2,606,795.00)**	**(1,926,503.08)**	**(1,926,503.08)**	**(680,291.92)**	**-26.10%**
	020 - Water Fund Totals:	**(2,606,795.00)**	**(1,926,503.08)**	**(1,926,503.08)**	**(680,291.92)**	**-26.10%**
021 - Water Capital						
Revenue						
021-44105	Interest	-	(141.93)	(141.93)	141.93	0.00%
021-44115	Connection Fees	-	(142,948.00)	(142,948.00)	142,948.00	0.00%
	Revenue Totals:	**-**	**(143,089.93)**	**(143,089.93)**	**143,089.93**	**0.00%**
	021 - Water Capital Totals:	**-**	**(143,089.93)**	**(143,089.93)**	**143,089.93**	**0.00%**
	Report Total:	**(3,736,626.00)**	**(3,015,159.27)**	**(3,015,159.27)**	**(721,466.73)**	**-19.31%**

Date Range: 07/01/2016 - 06/30/2017

Fund Summary

Fund	Fiscal Budget	Total Activity	Ending Balance	Budget Remaining	% Remaining
005 - Sewer Fund	(1,129,831.00)	(863,568.41)	(863,568.41)	(266,262.59)	-23.57%
006 - Wastewater Capital	-	(81,997.85)	(81,997.85)	81,997.85	0.00%
020 - Water Fund	(2,606,795.00)	(1,926,503.08)	(1,926,503.08)	(680,291.92)	-26.10%
021 - Water Capital	-	(143,089.93)	(143,089.93)	143,089.93	0.00%
Report Total:	**(3,736,626.00)**	**(3,015,159.27)**	**(3,015,159.27)**	**(721,466.73)**	**-19.31%**

CAFR Reconciliation on Pg. 30	
Total Revenues	2,773,222.00
Investment Income	17,030.00
Capital Impact Fees	224,907.00
Total Revenues	$ 3,015,159.00

City of Buellton, CA

Detail vs Budget Report

Proprietary Funds Expenditure Summary

Date Range: 07/01/2016 - 06/30/2017

Account	Name	Fiscal Budget	Total Activity	Ending Balance	Budget Remaining	% Remaining
005 - Sewer Fund						
Expense						
005-701-50000	Salaries	226,980.00	256,977.63	256,977.63	(29,997.63)	-13.22%
005-701-50035	Hourly	11,465.00	-	-	11,465.00	100.00%
005-701-50120	Employer SS/MC	4,590.00	3,598.32	3,598.32	991.68	21.61%
005-701-50130	UI & Employee Training Tax	900.00	1,417.34	1,417.34	(517.34)	-57.48%
005-701-50200	PERS Retirement	30,600.00	(20,259.14)	(20,259.14)	50,859.14	166.21%
005-701-50300	Workers Compensation	5,900.00	5,890.00	5,890.00	10.00	0.17%
005-701-50400	Medical Benefit	35,400.00	39,422.77	39,422.77	(4,022.77)	-11.36%
005-701-50410	Employer Paid DCP	9,120.00	8,844.00	8,844.00	276.00	3.03%
005-701-50500	Group Life Ins Benefit	320.00	301.64	301.64	18.36	5.74%
005-701-50600	Insurance - Liability	13,206.00	7,545.33	7,545.33	5,660.67	42.86%
005-701-50610	Insurance - Property	10,500.00	7,638.00	7,638.00	2,862.00	27.26%
005-701-60021	Audit	7,100.00	9,774.33	9,774.33	(2,674.33)	-37.67%
005-701-60131	Laundry / Uniforms	1,100.00	876.62	876.62	223.38	20.31%
005-701-60210	Computer Maintenance &Software	1,650.00	4,450.34	4,450.34	(2,800.34)	-169.72%
005-701-60211	Data Processing Contract Maint	1,300.00	-	-	1,300.00	100.00%
005-701-60250	Maintenance / Repair	50,000.00	36,794.32	36,794.32	13,205.68	26.41%
005-701-60270	Maintenance - Vehicles	8,000.00	9,136.08	9,136.08	(1,136.08)	-14.20%
005-701-60650	Membership & Publications	500.00	1,085.82	1,085.82	(585.82)	-117.16%
005-701-60710	Travel & Training	4,000.00	758.98	758.98	3,241.02	81.03%
005-701-60800	Contract Services	250,000.00	232,860.17	232,860.17	17,139.83	6.86%
005-701-60830	Contract Services-Engineering	55,000.00	6,497.50	6,497.50	48,502.50	88.19%
005-701-60900	Miscellaneous/CalPERS Unfunded Liability	12,000.00	11,527.39	11,527.39	472.61	3.94%
005-701-61111	Chemicals / Analysis	25,000.00	30,795.77	30,795.77	(5,795.77)	-23.18%
005-701-61127	Tools	1,000.00	774.44	774.44	225.56	22.56%
005-701-61130	Office Supplies	2,000.00	1,419.78	1,419.78	580.22	29.01%
005-701-61131	Postage	5,000.00	5,580.29	5,580.29	(580.29)	-11.61%
005-701-61140	Operational Supplies	4,000.00	2,745.96	2,745.96	1,254.04	31.35%
005-701-61211	Utilities - Water	23,000.00	3,966.48	3,966.48	19,033.52	82.75%
005-701-61241	Utilities - Electric	100,000.00	113,474.22	113,474.22	(13,474.22)	-13.47%
005-701-61280	Fuel - Vehicles	6,000.00	5,096.17	5,096.17	903.83	15.06%
005-701-67575	Regulatory Compliance	20,000.00	26,378.67	26,378.67	(6,378.67)	-31.89%
005-701-67600	Safety Equipment	2,000.00	1,586.88	1,586.88	413.12	20.66%
005-701-67705	Telephone	7,200.00	8,957.22	8,957.22	(1,757.22)	-24.41%
005-701-68110	Depreciation	170,000.00	273,562.86	273,562.86	(103,562.86)	-60.92%
005-701-73500	Equipment	25,000.00	261.94	261.94	17,667.06	70.67%
	Expense Totals:	**1,129,831.00**	**1,099,738.12**	**1,099,738.12**	**23,021.88**	**2.04%**
	005 - Sewer Fund Totals:	**1,129,831.00**	**1,099,738.12**	**1,099,738.12**	**23,021.88**	**2.04%**
006 - Wastewater Capital						
Expense						
006-701-68110	Depreciation	-	82.30	82.30	(82.30)	0.00%
	Expense Totals:	**-**	**82.30**	**82.30**	**(82.30)**	**0.00%**
	006 - Wastewater Capital Totals:	**-**	**82.30**	**82.30**	**(82.30)**	**0.00%**
020 - Water Fund						

Expense						
020-601-50000	Salaries	238,445.00	245,564.71	245,564.71	(7,119.71)	-2.99%
020-601-50035	Hourly	7,200.00	-	-	7,200.00	100.00%
020-601-50120	Employer SS/MC	5,140.00	3,434.37	3,434.37	1,705.63	33.18%
020-601-50130	UI & Employee Training Tax	1,200.00	1,416.65	1,416.65	(216.65)	-18.05%
020-601-50200	PERS Retirement	30,600.00	7,103.41	7,103.41	23,496.59	76.79%
020-601-50300	Workers Compensation	6,270.00	6,251.00	6,251.00	19.00	0.30%
020-601-50400	Medical Benefit	35,120.00	38,340.23	38,340.23	(3,220.23)	-9.17%
020-601-50410	Employer Paid DCP	9,120.00	8,419.91	8,419.91	700.09	7.68%
020-601-50500	Group Life Ins Benefit	320.00	288.87	288.87	31.13	9.73%
020-601-50600	Insurance - Liability	13,580.00	7,545.34	7,545.34	6,034.66	44.44%
020-601-50610	Insurance - Property	10,500.00	7,638.00	7,638.00	2,862.00	27.26%
020-601-60021	Audit	71,000.00	9,775.33	9,775.33	61,224.67	86.23%
020-601-60131	Laundry / Uniforms	1,100.00	514.79	514.79	585.21	53.20%
020-601-60210	Computer Maintenance &Software	4,000.00	4,048.45	4,048.45	(488.45)	-12.21%
020-601-60211	Data Processing Contract Maint	1,300.00	-	-	1,300.00	100.00%
020-601-60250	Maintenance / Repair	50,000.00	65,219.74	65,219.74	(15,219.74)	-30.44%
020-601-60270	Maintenance - Vehicles	8,000.00	5,743.17	5,743.17	2,256.83	28.21%
020-601-60550	Printing	900.00	-	-	900.00	100.00%
020-601-60650	Membership & Publications	7,000.00	1,536.50	1,536.50	5,463.50	78.05%
020-601-60710	Travel & Training	5,000.00	1,438.12	1,438.12	3,561.88	71.24%
020-601-60800	Contract Services	95,000.00	89,459.47	89,459.47	5,540.53	5.83%
020-601-60830	Contract Services-Engineering	75,000.00	34,342.50	34,342.50	40,657.50	54.21%
020-601-60900	Miscellaneous/CalPers Unfunded Liability	12,500.00	12,253.73	12,253.73	246.27	1.97%
020-601-61111	Chemicals / Analysis	40,000.00	38,066.11	38,066.11	1,933.89	4.83%
020-601-61127	Tools	1,500.00	510.98	510.98	989.02	65.93%
020-601-61130	Office Supplies	2,000.00	1,038.84	1,038.84	961.16	48.06%
020-601-61131	Postage	4,500.00	5,608.32	5,608.32	(1,108.32)	-24.63%
020-601-61140	Operational Supplies	4,000.00	1,098.80	1,098.80	2,901.20	72.53%
020-601-61240	Meter Expense	40,000.00	-	-	37,500.00	93.75%
020-601-61241	Utilities - Electric	163,500.00	152,025.32	152,025.32	11,474.68	7.02%
020-601-61280	Fuel - Vehicles	7,000.00	5,096.17	5,096.17	1,903.83	27.20%
020-601-67575	Regulatory Compliance	22,000.00	7,992.01	7,992.01	14,007.99	63.67%
020-601-67600	Safety Equipment	3,000.00	483.88	483.88	2,516.12	83.87%
020-601-67610	Santa Ynez River Appropriation	11,000.00	15,062.87	15,062.87	(4,062.87)	-36.94%
020-601-67635	State Water Project	1,390,000.00	885,260.57	885,260.57	504,739.43	36.31%
020-601-67705	Telephone	10,000.00	8,433.05	8,433.05	1,566.95	15.67%
020-601-67820	Write-Off Utility Plant	-	1,639.59	1,639.59	(1,639.59)	0.00%
020-601-68110	Depreciation	165,000.00	280,496.65	280,496.65	(115,496.65)	-70.00%
020-601-73500	Equipment	25,000.00	78.65	78.65	24,921.35	99.69%
020-601-74100	Improvements	30,000.00	1,993.00	1,993.00	28,007.00	93.36%
	Expense Totals:	**2,606,795.00**	**1,955,219.10**	**1,955,219.10**	**648,635.90**	**24.88%**
	020 - Water Fund Totals:	**2,606,795.00**	**1,955,219.10**	**1,955,219.10**	**648,635.90**	**24.88%**
021 - Water Capital						
Expense						
021-601-68110	Depreciation	-	633.13	633.13	(633.13)	0.00%
	Expense Totals:	**-**	**633.13**	**633.13**	**(633.13)**	**0.00%**
	021 - Water Capital Totals:	**-**	**633.13**	**633.13**	**(633.13)**	**0.00%**
	Report Total:	**3,736,626.00**	**3,055,672.65**	**3,055,672.65**	**670,942.35**	**17.96%**

Fund Summary

Fund	Fiscal Budget	Total Activity	Ending Balance	Budget Remaining	% Remaining
005 - Sewer Fund	1,129,831.00	1,099,738.12	1,099,738.12	23,021.88	2.04%

006 - Wastewater Capital	-	82.30	82.30	(82.30)	0.00%
020 - Water Fund	2,606,795.00	1,955,219.10	1,955,219.10	648,635.90	24.88%
021 - Water Capital	-	633.13	633.13	(633.13)	0.00%
Report Total:	**3,736,626.00**	**3,055,672.65**	**3,055,672.65**	**670,942.35**	**17.96%**

CAFR Reconciliation on Pg. 30	
Total Expenditures	3,055,674.00
Transfers Out	
Total Revenues	3,055,674.00

Moss, Levy & Hartzheim LLP
Certified Public Accountants

December 21, 2017

To the City Council of the
City of Buellton

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Buellton as of and for the fiscal year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 26, 2017. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Buellton are described in Note 1 to the financial statements. We noted no transactions entered into by the governmental unit during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

> Management's estimate of the useful lives of capital assets is based on experience with other capital assets and on their standard table of useful lives. We evaluated the key factors and assumptions used to develop the useful lives of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of the allowance for bad debt is based on their past experience with the collectability of the billings to their customers. We evaluated the key factors and assumptions used to develop the allowance for bad debt in determining that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of the net pension liability and deferred inflows and outflows related to pension are based on the CalPERS actuary's expertise and experience. We evaluated the key factors and assumptions used to develop the net pension liability and deferred inflows and outflows related to pension in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

> The disclosure of the Pension Plan in Note 9 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

2400 Professional Parkway, Suite 205 Santa Maria, CA 93455 Tel 805.925.2579 Fax 805.925.2147 mlhcpas.com
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Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 21, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the City Council and management of the City of Buellton and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Moss, Levy & Hartzheim LLP

Santa Maria, California

Moss, Levy & Hartzheim LLP
Certified Public Accountants

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*

Honorable Mayor and City Council
City of Buellton
Buellton, California

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Buellton (the City), as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 21, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control over financial reporting, described in the accompanying schedule of findings and responses that we consider to be a significant deficiency in internal control over financial reporting. Findings 2017-1 and 2017-2, as detailed on pages 3-4, is a deficiency in internal control over financial reporting that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

City of Buellton's Responses to Findings

The City of Buellton's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The City of Buellton's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

2400 Professional Parkway, Suite 205 Santa Maria, CA 93455 Tel 805.925.2579 Fax 805.925.2147 mlh@mlhcpa.com

BEVERLY HILLS · CULVER CITY · SANTA MARIA

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss, Levy & Hartzheim LLP

Santa Maria, California
December 21, 2017

FINDING 2017-1
PAYROLL

Criteria:
All employees should have pay rates that are positioned on a City Council approved salary schedule.

Condition:
During our testing of employee payroll transactions, we noted that there was no City Council approved salary schedule or pay range for part-time employees but rather the Recreation Department was setting their pay at the department's discretion.

Effect:
Proper authorization of the hourly pay rate for part-time employees is lacking if there is no City Council formally approved pay rate or pay rate range for those employees.

Cause:
City oversight.

Recommendation:
The City should either amend the salary schedule or separately take a resolution to the City Council to either specifically set a pay rate or pay rate range for part-time employees.

City's Corrective Action Plan:
On August 24,2017, the City Council of the City of Buellton approved Resolution No.17-15, approving the compensation policy for the part-time employees.

FINDING 2017-2
CAPITAL ASSETS

Criteria:
The City should have a method of tracking capital assets and calculating their value and depreciation that agrees with their general ledger accounting records.

Condition:
During our examination of the capital assets, we found that the capital assets as tracked in the financial system capital asset module, do not match up by category with the accounts as recorded in the trial balance. While they total asset values for both the governmental and enterprise type capital assets match with the net value in the general ledger, they are not categorized in the same asset categories between the capital asset module and the general ledger.

Effect:
No net effect besides the inability to reconcile asset categories from the capital asset module to the general ledger.

Cause:
The City did not reconcile assets by asset type when they began using the capital asset module.

Recommendation:
The City should take the time to review capital asset categorization and make appropriate adjustments in the capital asset module and/or the general ledger so that the accounting is transparent and categories reconcile between the two systems.

City's Corrective Action Plan:
Finance Staff has been reviewing the asset categories in the Fixed Asset Module one by one. To date, it has corrected four assets in the Fixed Asset Module to reconcile to the General Ledger. When a correction is needed, Staff will utilize the Transfer Process in Tyler to have an auditing trail. This will generate a report with the current classification and the new asset classification. Staff plans to individually go through all 244 assets recorded in the Asset Module and reconcile them to the pre-Tyler spreadsheets used to track assets. Due to the Tyler conversion during FY 15/16, some assets were misclassified and staff is making sure these discrepancies are corrected for better transparency.