



CITY OF BUELLTON

CITY COUNCIL AGENDA

**Regular Meeting of July 12, 2018 – 6:00 p.m.
City Council Chambers, 140 West Highway 246
Buellton, California**

Materials related to an item on this agenda, as well as materials submitted to the City Council after distribution of the agenda packet, are available for public inspection in the Office of the City Clerk, located at 107 West Highway 246, during normal business hours.

CALL TO ORDER

Mayor Holly Sierra

PLEDGE OF ALLEGIANCE

ROLL CALL

Council Members Ed Andrisek, Art Mercado, 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 Any Council Member, the City Attorney, or the City Manager may request that an item be withdrawn from the Consent Agenda to allow for full discussion.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 June 28, 2018 Regular City Council Meeting**
- 2. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2017/18**
- 3. Designation of Voting Delegate and Alternate for 2018 League of California Cities Annual Conference Business Meeting**
❖ (Staff Contact: City Clerk Linda Reid)

- 4. **Monthly Treasurer’s Report – May 31, 2018**
❖ *(Staff Contact: Finance Director Shannel Zamora)*
- 5. **Quarterly Report for January 1, 2018 through March 31, 2018 from Visit Santa Ynez Valley (VisitSYV)**
❖ *(Staff Contact: Finance Director Shannel Zamora)*
- 6. **City of Buellton’s Response to Santa Barbara County Grand Jury Report “Pensions in Santa Barbara County”**
❖ *(Staff Contact: City Manager Marc Bierdzinski)*

PRESENTATIONS

PUBLIC HEARINGS

(POSSIBLE ACTION)

- 7. **Ordinance No. 18-02 – “An Ordinance of the City Council of the City of Buellton, California, Repealing Municipal Code Chapter 9.08 and Adding Municipal Code Chapter 19.20 Regarding Commercial Cannabis Activities and Cannabis Cultivation” (Introduction and First Reading)**
❖ *(Staff Contact: City Manager Marc Bierdzinski)*

COUNCIL MEMBER COMMENTS/ITEMS

WRITTEN COMMUNICATIONS

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

COMMITTEE REPORTS

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

BUSINESS ITEMS

(POSSIBLE ACTION)

- 8. **Visitor’s Bureau Proposed Fiscal Year 2018-19 Budget and Request for Additional Funding**
❖ *(Staff Contact: City Manager Marc Bierdzinski)*
- 9. **Approval of Storage Improvements at City Hall**
❖ *(Staff Contact: Public Works Director Rose Hess)*

CITY MANAGER’S REPORT

ADJOURNMENT

The next regular meeting of the City Council will be held on Thursday, July 26, 2018 at 6:00 p.m.

CITY OF BUELLTON

CITY COUNCIL MEETING MINUTES

Regular Meeting of June 14, 2018

City Council Chambers, 140 West Highway 246
Buellton, California

CALL TO ORDER

Vice Mayor Dave King called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL

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

Via Telephone: Mayor Holly Sierra

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

PUBLIC COMMENTS

Caroline, Goleta, spoke about her support for President Trump's immigration policy and border security.

Finn Runge, Buellton, spoke about the public art display on the Avenue of Flags and said the grass needs to be cut underneath the artwork.

Kathy Vreeland, Executive Director of the Buellton Visitors Bureau and Chamber of Commerce announced there will be a 50th anniversary re-dedication of the Avenue of Flags on September 22, with more details to follow. Ms. Vreeland announced there is a new Buellton Business Directory and Community Guide available at City Hall.

CONSENT CALENDAR

Mayor Sierra requested and the Council agreed by consensus to pull Item No. 6 for discussion.

1. Minutes of May 24, 2018 Regular City Council Meeting

2. **List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2017-18**
3. **Resolution No. 18-15 – “A Resolution of the City Council of the City of Buellton, California, Acknowledging the Receipt of and Ordering the Filing of the Annual Statement of Investment Policy for Fiscal Year 2018-19 with the City Council”**
4. **Resolution No. 18-16 – “A Resolution of the City Council of the City of Buellton, California, Establishing an Appropriation Limit for Fiscal Year 2018-19”**
5. **Biennial Review of Conflict of Interest Code**

MOTION:

Motion by Council Member Andrisek, seconded by Council Member Mercado approving Consent Calendar Items 1 through 5 as listed.

VOTE:

Motion passed by a roll call vote of 4-0.

Council Member Andrisek – Yes

Council Member Mercado – Yes

Vice Mayor King – Yes as to Items 2-5 and abstain as to Item 1

Mayor Sierra – Yes

6. **Reduction of Bond for Crossroads Development**

Mayor Sierra requested that City Manager Bierdzinski explain this item in further detail. City Manager Bierdzinski discussed the bond reduction.

MOTION:

Motion by Mayor Sierra, seconded by Vice Mayor King approving Consent Calendar Item 6.

VOTE:

Motion passed by a roll call vote of 4-0.

Council Member Andrisek – Yes

Council Member Mercado – Yes

Vice Mayor King – Yes

Mayor Sierra – Yes

PRESENTATIONS

None

PUBLIC HEARINGS

- 7. **Resolution No. 18-10 – “A Resolution of the City Council of the City of Buellton, California, Regarding the Commitments and Publishing the Report Required by Central Coast Water Authority Resolution Nos. 92-02 and 92-11”**

RECOMMENDATION:

That the City Council consider approval of Resolution No. 18-10.

STAFF REPORT:

Public Works Director Hess presented the staff report.

DISCUSSION:

Vice Mayor King opened the public hearing at 6:16 p.m. There being no public comment, Vice Mayor King closed the Public Hearing at 6:17 p.m.

DOCUMENTS:

Staff report with attachments as listed in the staff report.

MOTION:

Motion by Council Member Andrisek, seconded by Council Member Mercado approving Resolution No. 18-10 – “A Resolution of the City Council of the City of Buellton, California, Regarding the Commitments and Publishing the Report Required by Central Coast Water Authority Resolution Nos. 92-02 and 92-11”

VOTE:

- Motion passed by a roll call vote of 4-0.
- Council Member Andrisek - Yes
- Council Member Mercado – Yes
- Vice Mayor King – Yes
- Mayor Sierra – Yes

COUNCIL MEMBER COMMENTS/ITEMS

Mayor Sierra announced the Buellton Historical Society is hosting a presentation at Pea Soup Andersen’s tonight and the public is welcome.

Council Member Mercado announced that he and Vice Mayor King attended the California Joint Powers Insurance Authority’s New Council Member Academy in Laguna and said it was very well done.

WRITTEN COMMUNICATIONS

None

COMMITTEE REPORTS

Vice Mayor King announced he attended the Library Advisory Committee meeting and provided an oral report regarding the meeting.

Council Member Andrisek announced that he attended the ribbon cutting ceremony for the Highway 246 passing lanes.

BUSINESS ITEMS

None

CITY MANAGER’S REPORT

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

ADJOURNMENT

Vice Mayor King adjourned the regular meeting at 6:25 p.m. The next regular meeting of the City Council will be held on Thursday, July 12, 2018 at 6:00 p.m.

Dave King
Vice 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: July 12, 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 6/6/2018 through 7/3/2018 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, 6/6/2018 through 7/3/2018, and electronic fund transfers issued for the period of 6/6/2018 through 7/2/2018 was \$609,220.19.

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 6/6/2018 through 7/3/2018.

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 **July 12, 2018** Council Meeting.

Listed below is a brief summary of the attached claims:

EXHIBIT A *	A/P Packet #APPKT00787	103,462.35
	A/P Packet #APPKT00783	82,050.12
	A/P Packet #APPKT00782	7,781.25
	A/P Packet #APPKT00780	4,252.50
	A/P Packet #APPKT00778	47,929.56
	A/P Packet #APPKT00774	221,175.07
	Total A/P Packets:	<u>\$466,650.85</u> (11 pages)
	Utility Packet #UBPKT01160	154.75 (1 page)
	Utility Packet #UBPKT01177	57.27 (1 page)
	Total Packets:	<u>\$466,862.87</u>
EXHIBIT B		<u>\$52,396.32</u>
Staff Payroll	6/8/2018	43,601.89
CC Payroll	6/21/2018	1,634.83
Staff Payroll	6/22/2018	44,724.28
	Total Payroll:	<u>\$89,961.00</u>
TOTAL AMOUNT OF CLAIMS:		<u><u>\$609,220.19</u></u>

* The A/P Packets above will be approved on Council Agenda date of 07/12/2018
 Checks to be signed on 07/12/2018 tie to A/P Packet #APPKT00787
 Checks previously signed by staff to avoid late fees relate to:
 A/P Packet # APPKT00774, APPKT00778, APPKT00780, APPKT00782, and APPKT00783
 Utility Packet # UBPKT01160 and UBPKT01177

52-113118

Payments via Electronic Fund Transfer (EFT):
From 06/06/2018 through 07/02/2018

Bank Fee	6/6/2018	20.00
CalPERS - Classic	6/11/2018	6,158.39
CalPERS - PEPRA	6/11/2018	2,446.80
Payroll Tax - EDD	6/11/2018	2,432.73
Hassler - Postage	6/11/2018	900.00
Payroll Tax - IRS	6/11/2018	7,194.47
AFLAC	6/15/2018	662.45
CalPERS - Classic	6/22/2018	146.08
CalPERS - PEPRA	6/22/2018	59.00
Payroll Tax - EDD	6/22/2018	100.96
Payroll Tax - IRS	6/22/2018	69.82
CalPERS - Classic	6/25/2018	6,158.39
Payroll Tax - EDD	6/25/2018	2,705.34
CalPERS - PEPRA	6/25/2018	2,469.33
Payroll Tax - IRS	6/25/2018	7,628.44
DCP-AUL	6/27/2018	13,146.42
Bank Fees	6/29/2018	97.70

Total

52,396.32



Report - APPKT#'s 00774, 00778, 00780, 00782, 00783 and 00787

City of Buellton, CA

By Payment Number

Payment Dates 06/06/2018 - 07/03/2018

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
36393	6/14/2018 4162 4167	000005 May 2018 - Chemicals/Analysis May 2018 Chemicals/Analysis	ABALONE COAST ANALYTICAL, INC.	005-701-61111 020-601-61111		750.20 585.20 165.00
36394	6/14/2018 0557150 0557150 0557150 0557150 0557150 0557150 0557150 0557150 0557150	000820 July 2018 - Dental/Vision/EAP Premiu July 2018 - Dental/Vision/EAP Premiu	ACWA/JPIA	001-401-50400 001-402-50400 001-403-50400 001-420-50400 001-511-50400 001-558-50400 001-565-50400 005-701-50400 020-601-50400		3,194.89 548.18 115.02 69.02 313.14 431.91 565.87 182.14 484.81 484.80
36395	6/14/2018 INV0009334	011105 5/10-6/8/2018 - CYCLE TRAINING	ADRIENNE WALTER	001-511-67140		18.00 18.00
36396	6/14/2018 24557 24614 24614 24719	000509 5/4/2018 - PAWS - Grounds Mainten May 2018 - Landscape Maintenance May 2018 - Landscape Maintenance 5/8&9/2018 - RVP - Irrigation Repair	ALAN NEEDHAM dba	001-552-60800 001-552-60800 001-556-60800 001-552-60258		16,653.94 500.00 11,200.00 3,960.00 993.94
36397	6/14/2018 INV0009338 INV0009338	000028 May 2018 - Mats/Towels Service May 2018 - Mats/Towels Service	ARAMARK UNIFORM SERVICES INC	001-558-60800 005-701-60800		413.16 330.53 82.63
36398	6/14/2018 2133 2134 2139 2140	000718 5/7/2018 - Field Technical Service 5/8/2018 IT/Programming - SCADA Sf 5/25/2018 - IT/Programmer SCADA S 5/17&24/2018 IT/Programming Servi	AUTOSYS, INC.	005-701-60800 020-601-60800 020-601-60800 005-701-60800		3,472.50 1,080.00 580.00 435.00 1,377.50
36399	6/14/2018 INV0009322	000062 May 2018 - Pre-employ/Drug Screeni	BUELLTON MEDICAL CENTER	001-410-60022		185.00 185.00
36400	6/14/2018 PRIM01516 PRIM01516 PRIM01516 PRIM01516 PRIM01516 PRIM01516	000072 2018-19 Annual Contribution Liability 2018-19 Annual Contribution Liability	CA JOINT POWERS INS AUTHORITY	001-15000 001-15000 005-15000 005-15000 020-15000 020-15000		128,251.00 68,543.00 31,678.00 5,447.00 8,568.00 5,447.00 8,568.00
36401	6/14/2018 12338331	000090 6/1-6/15/2018 CalPERS Long Term Ca	CalPERS LONG-TERM CARE PROGRAM	001-22166		84.25 84.25
36402	6/14/2018 3783 4242	000800 6/11/2018 - Clothing/Shoes 5/29/2018 - Clothing/Shoes	CARR'S BOOT SHOP, INC. dba	005-701-67600 005-701-67600		140.39 -5.40 145.79
36403	6/14/2018 INV0009326	000091 10/1-12/31/2018 CCWA Qtrly Variabl	CENTRAL COAST WATER AUTHORITY	020-15000		263.25 263.25

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
36404	6/14/2018 22073049	000112 5/19/2018 - PD/LIB - Pest Control	CLARK PEST CONTROL	001-558-60800		159.00 159.00
36405	6/14/2018 20275 20275 20275	000655 May 2018 - Misc IT/PC/Server Service May 2018 - Misc IT/PC/Server Service May 2018 - Misc IT/PC/Server Service	COAST NETWORKX, INC.	001-410-60210 001-511-60210 001-565-60210		472.50 52.50 210.00 210.00
36406	6/14/2018 INV0009323	000142 May 2018 - Monthly Janitorial Service	DANIEL FITZGERALD dba	001-558-60800		960.00 960.00
36407	6/14/2018 85X00004	000598 May 2018 - Bio Solid Waste Handling	ENGEL & GRAY, INC.	005-701-60800		7,962.96 7,962.96
36408	6/14/2018 07755	000176 July-Sept 2018 - Security System Mon	EXCLUSIVE ALARMS INC	001-558-60800		414.00 414.00
36409	6/14/2018 31611	000187 6/1/2018 - WWTP - Herbicide	FARM SUPPLY COMPANY	005-701-61111		193.93 193.93
36410	6/14/2018 F17101	000649 Apr-June 2018 - Quarterly Service Fe	FLUID RESOURCE MANAGEMENT, INC.	005-701-60800		870.40 870.40
36411	6/14/2018 INV0009335	001089 5/5-6/8/2018 - FLOW-YO YOGA	GINA SIGMAN	001-511-67140		72.00 72.00
36412	6/14/2018 INV0009332	001241 5/5-6/8/2018 - KUNDALINI YOGA	GIOIA MARCHESE	001-511-67140		162.00 162.00
36413	6/14/2018 0029263-IN 0029263-IN	001028 2017-Q2 Sales Tax Contract Services 2017-Q4 Sales Tax Audit Services	Hinderliter de Llamas & Associates (hdl)	001-420-60800 001-420-60800		3,408.79 1,050.00 2,358.79
36414	6/14/2018 1156	000395 June 2018 - Monthly Janitorial Servic	JOSE RAFAEL RUIZ dba	001-552-60800		1,650.00 1,650.00
36415	6/14/2018 INV0009330	011300 5/10-6/12/2018 - KUNDALINI YOGA	KAREN PALMER	001-511-67140		38.50 38.50
36416	6/14/2018 1707.1-009	000812 5/1-5/31/2018 - ED Services - 2017-2	KOSMONT & ASSOCIATES, INC.	001-565-60800		237.90 237.90
36417	6/14/2018 INV0009327	011336 5/10-6/12/2018 - FLAMENCO DANCE	LAURA GARCIA dba	001-511-67140		126.00 126.00
36418	6/14/2018 125300	000280 5/24/2018 NtcPblcHrng - Res#18-04	LEE CENTRAL COAST NEWSPAPERS	001-565-60520		185.61 185.61
36419	6/14/2018 INV0009333	001132 5/11-6/12/2018 PERSONAL TRAININ	MAILE INEMAN	001-511-67140		283.50 283.50
36420	6/14/2018 4313002 4329577	000310 4/27/2018 - Contract Services 5/7-10/2018 - 17 YD Roll Off Rental	MARBORG INDUSTRIES	005-701-60800 005-701-60250		1,594.07 59.32 1,534.75
36421	6/14/2018 INV0009329	011343 5/5-6/8/2018 - YOGA CLASS	MARIANNE MADSEN	001-511-67140		480.00 480.00
36422	6/14/2018 CF12764	000324 5/1/2018 Misc Maint/Repair Items	MISCO WATER CO.	020-601-60250		6,283.44 6,283.44
36423	6/14/2018 15541 15541 15541	000332 -> 5/31/2018 Audit Services to date -> 5/31/2018 Audit Services to date -> 5/31/2018 Audit Services to date	MOSS LEVY & HARTZHEIM LLP	001-420-60021 005-701-60021 020-601-60021		6,000.00 2,000.00 2,000.00 2,000.00

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
36424	6/14/2018 642615	000342 5/23/2018 - Misc Maint/Repair Items	NIELSEN BUILDING MATERIALS,INC	005-701-60250		16.55 16.55
36425	6/14/2018 30194047	000669 6/1/2018 - PO - Pest Control	O'CONNOR & SONS dba	001-558-60800		105.00 105.00
36426	6/14/2018 121759 122108	000350 5/16/2018 - Vehicle Maint (2012 Silv 6/4/2018 - Vehicle Maintenance	OLIVERA'S REPAIR, INC	005-701-60270 005-701-60270		352.58 159.29 193.29
36427	6/14/2018 4372-400913	000801 5/22/2018 RVP Supplies	O'REILLY AUTOMOTIVE STORES, INC.	001-558-60270		40.89 40.89
36428	6/14/2018 INV0009324 INV0009324	000379 June 2018 - UB Postage June 2018 - UB Postage	POSTMASTER	005-701-61131 020-601-61131		550.00 275.00 275.00
36429	6/14/2018 83088257	000380 4/20-5/20/2018 Cylindar Rental	PRAXAIR DISTRIBUTION, INC.	005-701-61111		48.38 48.38
36430	6/14/2018 INV0009337 INV0009337 INV0009337 INV0009337	000438 May 2018 - Misc Maint/Repair Items May 2018 - Misc Maint/Repair Items May 2018 - Misc Maint/Repair Items May 2018 - Misc Maint/Repair Items	SANTA YNEZ VALLEY HARDWARE	001-558-61127 005-701-60250 005-701-60250 020-601-60250		160.48 41.99 59.25 37.23 22.01
36431	6/14/2018 379	000441 5/25/17-COB Cost/share per Pollutan	SB CO - PUBLIC WORKS DEPT	001-551-67575		1,584.67 1,584.67
36432	6/14/2018 66451	000465 May 2018 - Street Sweeping per Cont	SP MAINTENANCE SERVICES, INC.	001-558-60800		2,516.50 2,516.50
36433	6/14/2018 03010036	000681 5/24/2018 - Misc Signs	STATEWIDE SAFETY & SIGNS, INC.	001-558-60560		842.29 842.29
36434	6/14/2018 INV0009331	001236 5/10-6/12/2018 - BALLEY/TAP	SUZIE URICH	001-511-67140		494.20 494.20
36435	6/14/2018 INV0009336	011491 5/10-6/12/2018 - ARCHERY	THOMAS CHAMBERLAIN	001-511-67140		245.00 245.00
36436	6/14/2018 520180069 520180069	000535 May 2018 - New Ticket Charges/Mon May 2018 - New Ticket Charges/Mon	UNDERGROUND SERVICE ALERT	005-701-60800 020-601-60800		19.90 9.95 9.95
36437	6/14/2018 570053 570053 576401 588527	000543 5/11/2018 - Maint & Repair/Tools 5/11/2018 Misc Maint/Repair & Tool 5/18/2018 Misc Maint/Repair Suppli 6/4/2018 - WWTP - Misc Maint/Repa	USA BLUEBOOK INC	005-701-60250 005-701-61140 005-701-61140 005-701-60250		2,900.29 91.74 324.44 189.52 2,294.59
36438	6/14/2018 37675	000765 6/5/2018 - Vehicle Maint	VICTOR RODRIGUEZ dba	001-558-60270		28.68 28.68
36439	6/14/2018 01-1249417-1	000563 6/6/2018 - RVP - Prev Maint & Repair	VORTEX INDUSTRIES, INC.	001-552-60258		303.00 303.00
36440	6/14/2018 INV707756 INV707756 INV707756 INV707756 INV707756 INV707756 INV707756	001207 April 2018 - FSA/AFLAC Admin Fees April 2018 - FSA/AFLAC Admin Fees	WAGEWORKS INC.	001-401-50400 001-402-50400 001-403-50400 001-420-50400 001-511-50400 001-558-50400 001-565-50400		141.00 21.69 10.85 10.85 18.52 19.25 17.35 9.45

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
36452	6/20/2018 W17012	000649 5/31/2018 - MAINT/REPAIR SERVICES	FLUID RESOURCE MANAGEMENT, INC.	092-706-74100		3,748.77 3,748.77
36453	6/20/2018 W17689	000252 6/14/2018 - VEHICLE MAINTENANCE	JIM VREELAND FORD	001-558-60270		662.06 662.06
36454	6/20/2018 INV0009339	011306 6/11-6/21/2018 - KARLIN - DAY CAM	KARLIN LADERA	001-511-67140	51002-070	960.00 960.00
36455	6/20/2018 INV0009356	001281 6/2/2018 - RVP - REFUND DEPOSIT	Kristy Michealsen	001-22510		100.00 100.00
36456	6/20/2018 INV0009342	001058 6/6/2018 - REFUND - PARK DEPOSIT	Los Olivos School District	001-22510		200.00 200.00
36457	6/20/2018 645082	000342 6/6/2018 - Misc Maint/Repair Items	NIELSEN BUILDING MATERIALS, INC	001-558-60250		10.23 10.23
36458	6/20/2018 4372-405554	000801 6/14/2018 - MISC MAINT/REPAIR ITE	O'REILLY AUTOMOTIVE STORES, INC.	020-601-60270		13.77 13.77
36459	6/20/2018 INV0009341 INV0009341 INV0009341 INV0009341 INV0009341 INV0009341 INV0009341 INV0009341 INV0009341	000352 5/4-6/4/2018 - ELECTRIC SERVICES 5/4-6/4/2018 - ELECTRIC SERVICES	P G & E	001-410-61241 001-501-61241 001-510-61241 001-550-61241 001-552-61241 001-556-61241 001-565-61241 005-701-61241 020-601-61241		31,594.60 652.25 219.02 226.41 5,155.44 497.17 89.53 213.92 9,820.04 14,720.82
36460	6/20/2018 18-308	000450 5/30/2018 - BUELLTON PATROL	SB CO SHERIFF'S DEPARTMENT	001-501-60800		309.89 309.89
36461	6/20/2018 ARINV105039	000529 MAY 2018 - MERCHANT FEES (41399	TRANSFIRST HEALTH & GOVERNMENT SVCS	001-410-60900		659.40 659.40
36462	6/20/2018 590500	000543 6/5/2018 - MISC MAINT/REPAIR ITE	USA BLUEBOOK INC	020-601-60250		185.62 185.62
36463	6/20/2018 68461502	001063 JULY 2018 - CH - COPIER LEASE	Wells Fargo Vendor Fin Serv	001-410-60310		340.81 340.81
36464	6/22/2018 2018-0606-buel 2018-0606-buel	000835 May 2018 - City Planner - Professiona May 2018 - City Planner - Professiona	METRO VENTURES LTD	001-22416 001-565-60800	90041-070	4,252.50 81.00 4,171.50
36470	6/29/2018 51316106 51316110 51316112 51316114 51316116 51316119	001111 EngSrvcs thru 4/27/2018 - Permits EngSrvcs thru 4/27/2018 - McMurray EngSrvcs thru 4/27/2018 - Townhom EngSrvcs thru 4/27/2018 - Figueroa EngSrvcs thru 4/27/2018 - 35 Zaca Str EngSrvcs thru 4/27/2018 - 270 Indust	TETRA TECH, INC.	025-557-60800 001-22416 001-22416 001-22416 001-22416 001-22416	90010-070 90021-070 90037-070 90050-070 80000-070	7,781.25 281.25 906.25 968.75 1,343.75 2,281.25 2,000.00
36471	6/29/2018 INV0009400 INV0009400	001184 June 2018 - Misc Supplies June 2018 - Misc Supplies	ALBERTSONS/SAFEWAY	001-410-61130 001-511-67140	51001-040	87.16 56.90 30.26
36472	6/29/2018 37490	000027 6/8/2018 - WWTP - CHEMICALS	AQUA BEN CORPORATION	005-701-61111		2,306.48 2,306.48

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
36473	6/29/2018 INV0009384	000868 6/7/2018 - Planning Commission Me	BRIAN DUNSTAN	001-565-50010		50.00 50.00
36474	6/29/2018 1806-523091 1806-523401	000076 2018-06-15 Misc Maint/Repair Items 6/19/2018 - WWTP - MISC MAINT/RE	CAL-COAST IRRIGATION, INC.	005-701-60250 005-701-60250		204.91 96.59 108.32
36475	6/29/2018 2004	001092 4/17/2018 DOD/BAT - PSmith	CENTRAL COAST DRUG TESTING	001-410-67370		80.00 80.00
36476	6/29/2018 INV0009395	001283 6/23/2018 - REFUND - RV PARK SECU	CESAR LOPEZ	001-22510		200.00 200.00
36477	6/29/2018 INV0009397	000097 7/6/2018 - LOCC - Dinner Meeting - G	CHANNEL COUNTIES DIVISIONV- LOCC	001-401-60710		245.00 245.00
36478	6/29/2018 100723	000107 July 2018 - Monthly Transit Billing	CITY OF LOMPOC	001-15000		1,666.66 1,666.66
36479	6/29/2018 796996 798484	000118 5/18-6/17/2018 - CH - COPIER OVERA 5/16-6/15/2018 - CH-HR - COPIER OV	COASTAL COPY, INC.	001-410-61130 001-410-61130		684.51 649.01 35.50
36480	6/29/2018 INV0009391	000121 JUNE 2018 - TOT ALLOCATION	COC/BBA/VISITORS INFORMATION	001-410-67790		33,333.33 33,333.33
36481	6/29/2018 INV0009389	000122 6/18-7/17/2018 - CC Chambers - Inte	COMCAST CABLE	001-410-61292		135.70 135.70
36482	6/29/2018 INV0009401	000122 6/26-7/25/2018 - CH - Internet Servic	COMCAST CABLE	001-410-61292		286.01 286.01
36483	6/29/2018 INV0009393	000122 6/25-7/24/2018 - REC - Internet/Pho	COMCAST CABLE	001-511-61290		176.67 176.67
36484	6/29/2018 31917	000187 6/18/2018 - MISC MAINT/REPAIR ITE	FARM SUPPLY COMPANY	005-701-60250		16.38 16.38
36485	6/29/2018 INV0009392	001174 7/10/2017 - REFUND - RV PARK SECU	Florentino Navarro	001-22510		100.00 100.00
36486	6/29/2018 INV0009396 INV0009396 INV0009396 INV0009396	001040 6/19-7/18/2018 - Phone Summary Bil 6/19-7/18/2018 - Phone Summary Bil 6/19-7/18/2018 - Phone Summary Bil 6/19-7/18/2018 - Phone Summary Bil	FRONTIER COMMUNICATIONS	001-410-67705 001-565-67705 005-701-67705 020-601-67705		1,722.18 316.26 397.52 534.00 474.40
36487	6/29/2018 760123 760207	000248 6/21/2018 - BOL#559626 - CHEMICAL 6/21/2018 - BOL# 559626 - CONTAIN	JCI JONES CHEMICALS, INC.	020-601-61111 020-601-61111		4,037.14 5,087.13 -1,049.99
36488	6/29/2018 INV0009387	001256 6/17/2018 - REFUND - RV PARK DEPO	JOSE MARTIN	001-22510		200.00 200.00
36489	6/29/2018 INV0009394	000587 1/29/2018 - SUMMER CAMP CHARGE	KYLE ABELLO	001-511-67140	51001-040	843.72 843.72
36490	6/29/2018 INV0009399 INV0009399 INV0009399 INV0009399	000280 6/19&21/2018 - #126761-1 - Sports C 6/5&7/2018 - #125925-1 - Sizzling Su 6/12&14/2018 - #126346-1 - Sports C 5/29&31/2018 - #125616-1 - Sizzling	LEE CENTRAL COAST NEWSPAPERS	001-511-60510 001-511-60510 001-511-60510 001-511-60510		369.60 79.92 129.84 79.92 79.92
36491	6/29/2018 124345	000280 5/22/2018 - Planning Director - Help	LEE CENTRAL COAST NEWSPAPERS	001-403-60520		560.94 560.94

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
36492	6/29/2018 INV0009386	001225 6/7/2018 - Planning Commission Me	MARCILO SARQUILLA	001-565-50010		50.00 50.00
36493	6/29/2018 050963	001003 6/27/2018 - Keys Cut & Stamped	MIKE'S TRI-COUNTY LOCKSMITHS	001-511-60250		55.71 55.71
36494	6/29/2018 4372-407108	000801 6/22/82018 - VEHICLE MAINT/REPAIR	O'REILLY AUTOMOTIVE STORES, INC.	001-558-60270		37.22 37.22
36495	6/29/2018 INV0009385	001187 6/7/2018 - Planning Commission Me	PATTY J HAMMEL	001-565-50010		50.00 50.00
36496	6/29/2018 0518-533 0518-533 0518-533	000848 May2018 - COB ArchDsgn Rvw-LiveO May2018 - COB ArchDsgn Rvw-LiveO May2018 - COB ArchDsgn Rvw-LiveO	RAVATT, ALBRECHT & ASSOC, INC.	001-22416 001-22416 001-565-60800	90056-070 90055-070	524.90 150.00 362.50 12.40
36497	6/29/2018 18-329	000450 6/11/2018 - Overtime Services	SB CO SHERIFF'S DEPARTMENT	001-501-60800		207.29 207.29
36498	6/29/2018 41244065-01 41244065-01	000832 6/1/18-5/31/19 - BALANCE DUE - CLE 6/1/18-5/31/19 - BALANCE DUE - CLE	SCHNEIDER ELECTRIC USA, INC.	020-15000 020-601-60210		195.30 179.03 16.27
36499	6/29/2018 CM0000087 INV0009398 INV0009398 INV0009398 INV0009398 INV0009398 INV0009398	000978 5/16-6/15/2018 - Credit for Returned 5/16-6/15/2018 Misc Office Supplies 5/16-6/15/2018 Misc Office Supplies	Staples Credit Plan	001-420-61130 001-410-61130 001-420-61130 001-511-61130 001-558-61130 001-565-61130 005-701-61130		723.80 -128.20 284.44 25.84 32.30 9.69 409.23 90.50
36500	6/29/2018 79419350-0001	001282 6/6-7/2018 - MANLIFT RENTAL	SUNBELT RENTALS, INC.	001-558-61127		544.87 544.87
36501	6/29/2018 9808657809 9808657809 9808657809 9808657809 9808657809	000556 6/9-7/8/2018 - PW/CM WIRELESS PH 6/9-7/8/2018 - PW/CM WIRELESS PH 6/9-7/8/2018 - PW/CM WIRELESS PH 6/9-7/8/2018 - PW/CM WIRELESS PH 6/9-7/8/2018 - PW/CM WIRELESS PH	VERIZON WIRELESS	001-410-67705 001-511-61290 001-558-67705 005-701-67705 020-601-67705		528.82 66.22 34.96 127.22 123.04 177.38
36502	6/29/2018 INV0009388	000582 June 2018 - COC - Monthly HOA Dues	VINTAGE WALK, LLC OWNERS ASSOC.	001-410-60900		104.00 104.00
36503	6/29/2018 CM0000085 INV0009390	000894 MAY 2018 - SYVTBID - ADMIN FEES MAY 2018 - SYVTBID FEES	VISITSYV	001-44250 001-22160		31,431.05 -641.45 32,072.50
36504	6/29/2018 INV763809 INV763809 INV763809 INV763809 INV763809 INV763809 INV763809 INV763809 INV763809 INV763809	001207 MAY 2018 - FSA/AFLAC ADMIN FEES MAY 2018 - FSA/AFLAC ADMIN FEES	WAGEWORKS INC.	001-401-50400 001-402-50400 001-403-50400 001-420-50400 001-511-50400 001-558-50400 001-565-50400 005-701-50400 020-601-50400		141.00 21.69 10.85 10.85 18.52 19.25 17.35 9.45 16.52 16.52
36505	6/29/2018 68489845	001063 8/1-8/31/2018 - REC - Copier Lease	Wells Fargo Vendor Fin Serv	001-511-60310		149.77 149.77

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
36506	7/3/2018	000065	BURKE, WILLIAMS & SORENSEN, LLP			18,372.52
	227944	May 2018 - Legal Services - Retainer		001-404-60840		7,932.01
	227946	May 2018 - Legal Services - Retainer		001-404-60840		10,440.51
36507	7/3/2018	000197	FOODBANK OF SB COUNTY			6,528.00
	INV0009405	FY2018-2019 - Non-Profit Funding		001-410-67200		6,528.00
36508	7/3/2018	000379	POSTMASTER			550.00
	INV0009403	JULY 2018 - POSTAGE - WATER/SEWE		005-701-61131		275.00
	INV0009403	JULY 2018 - POSTAGE - WATER/SEWE		020-601-61131		275.00
36509	7/3/2018	011475	SUE EISAGUIRRE dba			1,836.00
	INV0009406	FY2018-2019 - Non-Profit Funding		001-410-67200		1,836.00
36510	7/3/2018	000496	SYV SENIOR CITIZENS FOUNDATION			60,874.00
	INV0009404	FY2018-2019 - Non-Profit Funding		001-410-67200		60,874.00
36511	7/3/2018	000862	TYLER TECHNOLOGIES, INC.			15,301.83
	025-226644	8/1/2018-7/31/2019 - Software Main		001-410-60210		5,100.61
	025-226644	8/1/2018-7/31/2019 - Software Main		005-701-60210		5,100.61
	025-226644	8/1/2018-7/31/2019 - Software Main		020-601-60210		5,100.61
Payment Total:						466,650.85

Report Summary

Fund Summary

Fund	Payment Amount
001 - General Fund	334,803.13
005 - Sewer Fund	77,370.19
020 - Water Fund	50,447.51
025 - Gas Tax Fund	281.25
092 - Capital Improvement Proj Fund	3,748.77
Grand Total:	466,650.85

Account Summary

Account Number	Account Name	Payment Amount
001-15000	Pre-Paid Expense	101,887.66
001-22160	SYVTBID Payable	32,072.50
001-22166	Long-Term Care Deducti	168.50
001-22416	Developer Deposit	8,093.50
001-22418	Special Event Deposit	500.00
001-22510	Park/Damage Charge	800.00
001-401-50400	Medical Benefit	591.56
001-401-60710	Travel & Training	568.89
001-401-61130	Office Supplies	30.58
001-402-50400	Medical Benefit	136.72
001-403-50400	Medical Benefit	90.72
001-403-60520	Advertising - Legal	560.94
001-403-60710	Travel & Training	349.00
001-404-60840	Contract Services-Legal	18,372.52
001-410-60022	Recruitment Expense	185.00
001-410-60210	Computer Maintenance	5,153.11
001-410-60310	Equipment Rental	340.81
001-410-60900	Miscellaneous/CalPERS	880.89
001-410-61130	Office Supplies	1,025.85
001-410-61241	Utilities - Electric	652.25
001-410-61292	Internet Access/ Websit	421.71
001-410-67200	Community Organizatio	69,238.00
001-410-67370	H/R Expense	80.00
001-410-67705	Telephone	382.48
001-410-67790	Visitors Bureau	33,333.33
001-420-50400	Medical Benefit	350.18
001-420-60021	Audit	2,000.00
001-420-60800	Contract Services	3,408.79
001-420-61130	Office Supplies	-102.36
001-44250	Miscellaneous	-641.45
001-501-60800	Contract Services	517.18
001-501-61241	Utilities - Electric	219.02
001-510-61241	Utilities - Electric	226.41
001-511-50400	Medical Benefit	470.41
001-511-60210	Computer Maint & Soft	210.00
001-511-60250	Maintenance/Repair	288.37
001-511-60310	Equipment Rental	149.77
001-511-60510	Advertising	369.60
001-511-60800	Contract Services	199.94
001-511-61130	Office Supplies	42.43
001-511-61280	Fuel-Vehicles	293.69
001-511-61290	Telephone/Internet	211.63
001-511-67135	Buellton Rec Program Tr	446.06
001-511-67140	Buellton Recreation Pro	6,194.22
001-511-67570	Recreation Program 50/	2,163.78
001-550-61241	Utilities - Electric	5,155.44
001-551-67575	Regulatory Compliance	1,584.67
001-552-60258	Maintenance/Repair-Riv	936.94

Account Summary

Account Number	Account Name	Payment Amount
001-552-60800	Contract Services	13,350.00
001-552-61241	Utilities - Electric	497.17
001-556-60800	Contract Services	3,960.00
001-556-61241	Utilities - Electric	89.53
001-558-50400	Medical Benefit	600.57
001-558-60250	Maintenance / Repair	1,288.73
001-558-60270	Maintenance - Vehicles	768.85
001-558-60560	Signs	842.29
001-558-60710	Travel & Training	175.00
001-558-60800	Contract Services	4,608.03
001-558-61127	Tools	586.86
001-558-61130	Office Supplies	26.92
001-558-61280	Fuel - Vehicles	512.60
001-558-67705	Telephone	127.22
001-565-50010	Planning Commission Sal	150.00
001-565-50400	Medical Benefit	201.04
001-565-60210	Computer Maintenance	210.00
001-565-60520	Advertising - Legal	185.61
001-565-60710	Travel & Training	569.00
001-565-60800	Contract Services	4,421.80
001-565-61130	Office Supplies	409.23
001-565-61241	Utilities - Electric	213.92
001-565-67705	Telephone	397.52
005-15000	Pre-Paid Expense	14,015.00
005-701-50400	Medical Benefit	517.85
005-701-60021	Audit	2,000.00
005-701-60210	Computer Maintenance	5,100.61
005-701-60250	Maintenance / Repair	4,255.40
005-701-60270	Maintenance - Vehicles	352.58
005-701-60710	Travel & Training	175.00
005-701-60800	Contract Services	35,413.37
005-701-61111	Chemicals / Analysis	3,133.99
005-701-61130	Office Supplies	181.05
005-701-61131	Postage	550.00
005-701-61140	Operational Supplies	545.28
005-701-61241	Utilities - Electric	9,820.04
005-701-61280	Fuel - Vehicles	512.59
005-701-67600	Safety Equipment	140.39
005-701-67705	Telephone	657.04
020-15000	Pre-Paid Expense	14,457.28
020-601-50400	Medical Benefit	517.84
020-601-60021	Audit	2,000.00
020-601-60210	Computer Maintenance	5,116.88
020-601-60250	Maintenance / Repair	6,491.07
020-601-60270	Maintenance - Vehicles	13.77
020-601-60710	Travel & Training	175.00
020-601-60800	Contract Services	1,024.95
020-601-61111	Chemicals / Analysis	4,202.14
020-601-61131	Postage	550.00
020-601-61140	Operational Supplies	13.39
020-601-61241	Utilities - Electric	14,720.82
020-601-61280	Fuel - Vehicles	512.59
020-601-67705	Telephone	651.78
025-557-60800	Contract Services	281.25
092-706-74100	Improvements	3,748.77
	Grand Total:	466,650.85

Project Account Summary

Project Account Key	Payment Amount
None	454,201.93
51001-040	2,069.03
51002-040	931.39
51002-070	960.00
54005-040	395.00
80000-070	2,000.00
90010-070	906.25
90021-070	968.75
90037-070	1,343.75
90041-070	81.00
90050-070	2,281.25
90055-070	362.50
90056-070	150.00
Grand Total:	466,650.85



Refund Check Register

Refund Check Detail

UBPKT01160 - Refunds 01 UBPKT01159 Regular

Account	Name	Date	Check #	Amount	Code	Receipt	Amount	Type
03-02700-010	LEANY, LAUREN	6/27/2018	36465	82.51			82.51	Generated From Billing
04-18200-001	NAVARRO, JAMES	6/27/2018	36466	72.24			72.24	Generated From Billing
Total Refunds: 2				Total Refunded Amount:	154.75			

Revenue Code Summary

Revenue Code	Amount
996 - UNAPPLIED CREDITS	154.75
Revenue Total:	154.75

General Ledger Distribution

Posting Date: 06/27/2018

Account Number	Account Name	Posting Amount	IFT
Fund: 020 - WATER FUND			
020-10000	Claim On Pooled Cash	-154.75	Yes
020-22420	Unapplied Credits	154.75	
020 Total:		0.00	
Fund: 999 - POOLED CASH			
999-10001	Pooled Cash - General Checking	-154.75	
999-27000	Due To Other Funds	154.75	Yes
999 Total:		0.00	
Distribution Total:		0.00	



UBPKT01177 - Refunds 01 UBPKT01176 Disconnect

Account	Name	Date	Check #	Amount	Code	Receipt	Amount	Type
04-14600-001	GONZALES, CHRIS	6/30/2018	36467	20.01			20.01	Generated From Billing
04-16700-001	MARTINEZ, TRICIA	6/30/2018	36468	17.25			17.25	Generated From Billing
04-18300-001	BECK, JILLIAN	6/30/2018	36469	20.01			20.01	Generated From Billing
Total Refunds: 3				Total Refunded Amount:	57.27			

Revenue Code Summary

Revenue Code	Amount
996 - UNAPPLIED CREDITS	57.27
Revenue Total:	57.27

General Ledger Distribution

Posting Date: 06/30/2018

Account Number	Account Name	Posting Amount	IFT
Fund: 020 - WATER FUND			
020-10000	Claim On Pooled Cash	-57.27	Yes
020-22420	Unapplied Credits	57.27	
020 Total:		0.00	
Fund: 999 - POOLED CASH			
999-10001	Pooled Cash - General Checking	-57.27	
999-27000	Due To Other Funds	57.27	Yes
999 Total:		0.00	
Distribution Total:		0.00	

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: Linda Reid, City Clerk

Meeting Date: July 12, 2018

Subject: Designation of Voting Delegate and Alternate for 2018 League of California Cities Annual Conference Business Meeting

BACKGROUND

The League of California Cities Annual Conference is scheduled for September 12 through 14, 2018 in Long Beach. An important part of the Annual Conference is the Annual Business Meeting, scheduled for Friday, September 14, at 12:30 p.m., at which time the League membership considers and takes action on resolutions that establish League policy.

In order to vote at the Annual Business Meeting, the City Council must designate a voting delegate and alternate voting delegate. Designation of the voting delegate and alternate must be done by City Council action and cannot be accomplished by simply notifying the League office of the City's representatives to the Annual Business Meeting.

Typically, the Mayor and the Vice Mayor are designated as the City's representatives to the Annual Business Meeting. Upon the decision of the City Council as to the voting delegate and the alternate voting delegate, the City Clerk will submit the required designation form with affirmation by the City Clerk of the City Council's action.

FISCAL IMPACT

This item in itself will not cause any fiscal impact to the City.

RECOMMENDATION

That the City Council designate the Mayor as the City's voting delegate and the Vice Mayor as the alternate voting delegate to the League of California Cities Annual Business Meeting.

ATTACHMENTS

Attachment 1 - 2018 Annual Conference Voting Delegate/Alternate Form



CITY: Buellton

2018 ANNUAL CONFERENCE
VOTING DELEGATE/ALTERNATE FORM

Please complete this form and return it to the League office by Friday, August 31, 2018. Forms not sent by this deadline may be submitted to the Voting Delegate Desk located in the Annual Conference Registration Area. Your city council may designate one voting delegate and up to two alternates.

In order to vote at the Annual Business Meeting (General Assembly), voting delegates and alternates must be designated by your city council. Please attach the council resolution as proof of designation. As an alternative, the Mayor or City Clerk may sign this form, affirming that the designation reflects the action taken by the council.

Please note: Voting delegates and alternates will be seated in a separate area at the Annual Business Meeting. Admission to this designated area will be limited to individuals (voting delegates and alternates) who are identified with a special sticker on their conference badge. This sticker can be obtained only at the Voting Delegate Desk.

1. VOTING DELEGATE

Name: Holly Sierra

Title: Mayor

2. VOTING DELEGATE - ALTERNATE

Name: Dave King

Title: Vice Mayor

3. VOTING DELEGATE - ALTERNATE

Name:

Title:

PLEASE ATTACH COUNCIL RESOLUTION DESIGNATING VOTING DELEGATE AND ALTERNATES.

OR

ATTEST: I affirm that the information provided reflects action by the city council to designate the voting delegate and alternate(s).

Name: Linda Reid E-mail: lindar@cityofbuellton.com

Mayor or City Clerk (circle one) Linda Reid (signature) Phone: 805-688-5177

Date: July 13, 2018

Please complete and return by Friday, August 31, 2018

League of California Cities
ATTN: Kayla Curry
1400 K Street, 4th Floor
Sacramento, CA 95814

FAX: (916) 658-8240
E-mail: kcurry@cacities.org
(916) 658-8254

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: July 12, 2018

Subject: Monthly Treasurer's Report – May 31, 2018

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 May 31, 2018. 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 receives and files the Treasurer's Report for the month ending in May 31, 2018.

ATTACHMENTS

Attachment 1 – Monthly Treasurer's Report – May 31, 2018



City of Buellton

City of Buellton

Monthly Treasurer's Report

As of May 31, 2018

July 12, 2018

This report presents the City's cash activity and investment portfolio as of May 31, 2018. The report includes:

- 1) Cash and investments at May 31, 2018 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 May 31, 2018

The following schedule is a summary of the City's cash and investments based on recorded value as of May 31, 2018 compared with the prior month.

	May 31, 2018	April 30, 2018
Cash	\$ 3,502,160.05	\$ 4,360,454.22
Investments held by the City	9,235,793.37	8,637,055.24
TOTAL CASH AND INVESTMENTS	\$ 12,737,953.42	\$ 12,997,509.46

Summary of activity for the Month and Future Liquidity: *The majority of the difference in the recorded value for cash and investments held by the City from last month is a result of the annual payment to the Central Coast Water Authority for State Water. Additional funds were invested in Certificate of Deposits, thus the increase in investments in the month of May. 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 5/31/2018

ACCOUNT #	ACCOUNT NAME	4/30/2018 BALANCE	CURRENT ACTIVITY	5/31/2018 BALANCE
CLAIM ON CASH				
001-10000	Claim On Pooled Cash	7,074,835.11	491,688.86	7,566,523.97
005-10000	Claim On Pooled Cash	1,358,746.44	22,966.59	1,381,713.03
006-10000	Claim on Pooled Cash	164,648.49	20,504.00	185,152.49
020-10000	Claim On Pooled Cash	2,775,016.15	(811,827.61)	1,963,188.54
021-10000	Claim on Pooled Cash	255,658.73	32,505.00	288,163.73
023-10000	Claim On Pooled Cash	477,681.64	-	477,681.64
024-10000	Claim On Pooled Cash	27,444.38	3,058.00	30,502.38
025-10000	Claim On Pooled Cash	276,171.25	(936.02)	275,235.23
027-10000	Claim On Pooled Cash	11,953.12	336.29	12,289.41
029-10000	Claim On Pooled Cash	11,138.42	(4,492.50)	6,645.92
031-10000	Claim On Pooled Cash	379,184.03	33,687.21	412,871.24
072-10000	Claim on Pooled Cash	-	-	-
075-10000	Claim On Pooled Cash	226,766.21	-	226,766.21
090-10000	Claim On Pooled Cash	-	-	-
091-10000	Claim On Pooled Cash	-	-	-
092-10000	Claim On Pooled Cash	(41,734.51)	(47,045.86)	(88,780.37)
TOTAL CLAIM ON CASH		<u>12,997,509.46</u>	<u>(259,556.04)</u>	<u>12,737,953.42</u>
CASH IN BANK				
Cash in Bank				
999-10001	Pooled Cash - General Checking	4,348,458.61	(857,984.08)	3,490,474.53
999-10002	Pooled Cash - Money Market	205,886.10	34.97	205,921.07
999-10003	Pooled Cash - FSA	11,995.61	(310.09)	11,685.52
999-10004	Pooled Cash - Brokerage	-	299,762.00	299,762.00
999-10005	Pooled Cash - LAIF	8,186,378.49	-	8,186,378.49
999-10006	Pooled Cash - Morgan Stanley	244,790.65	298,941.16	543,731.81
TOTAL: Cash in Bank		<u>12,997,509.46</u>	<u>(259,556.04)</u>	<u>12,737,953.42</u>
Per Statements:		5/31/2018		
Rabobank General Checking		3,594,031.14		
Rabobank Money Market		205,921.07		
Rabobank FSA		11,685.52		
Local Agency Investment Fund		8,186,378.49		
Multi-Securites Bank		299,762.00		
Morgan Stanley		543,731.81		
Total Cash per Statements:		12,841,510.03		
Claim on Cash vs. Total Cash Per Statements:		(103,556.61)		
Outstanding items per System Reconciliation		(103,556.61)		
Difference:		(0.00)		

City of Buellton
Investment Summary
May 31, 2018

	Percent of Portfolio	Yield	Maturity Term	Maturity Date	Par Value	Market Value
Local Agency Investment Fund - LAIF	88.56%	1.71%	n/a	n/a	\$8,186,378.49	\$ 8,186,378.49
Certificates of Deposits (Held with Morgan Stanley)						
Wells Fargo Bank NA	2.69%	2.25%	5 yrs.	8/16/2022	249,000.00	239,153.86
Goldman Sachs Bank	2.16%	2.75%	2 yrs.	5/11/2020	200,000.00	200,404.80
City National Bank	1.11%	2.20%	1 yr.	5/24/2019	\$ 103,000.00	\$ 102,970.33
Morgan Stanley - Cash in Holding						\$ 1,202.82
Certificates of Deposits (Held with Multi-Securities Bank)						
Morgan Stanley Bank	1.08%	2.90%	3 yrs.	5/10/2021	100,000.00	99,834.00
JPMorgan Chase Bank	1.08%	3.05%	4 yrs.	5/16/2022	100,000.00	100,044.00
Sallie Mae Bank	1.08%	3.20%	5 yrs.	5/9/2023	100,000.00	99,884.00
Money Market (Held with Rabobank)	2.23%	0.20%		n/a	205,921.07	205,921.07
Total City Investments	<u>100.00%</u>	<u>3.65%</u>			<u>\$9,244,299.56</u>	<u>\$ 9,235,793.37</u>

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 May 31, 2018. Fund balance includes total assets and liabilities of the City.



City of Buellton, CA

Fund Balance Report

As Of 05/31/2018

Fund	July 1, 2017 Balance	Total Revenues	Total Expenses	May 31, 2018 Balance
001 - General Fund	6,879,205.82	6,509,624.18	5,839,068.05	7,549,761.95
005 - Sewer Fund	3,486,396.62	999,682.86	994,704.01	3,491,375.47
006 - Wastewater Capital	81,915.55	117,969.20	-	199,884.75
020 - Water Fund	5,638,674.38	2,256,572.22	1,548,757.23	6,346,489.37
021 - Water Capital	142,456.80	186,206.72	-	328,663.52
023 - Housing Fees	476,537.26	3,144.35	1,999.97	477,681.64
024 - Traffic Mitigation Fund	12,648.71	17,853.67	-	30,502.38
025 - Gas Tax Fund	353,635.43	118,969.18	329,898.38	142,706.23
027 - Local Transportation Fund	49,453.33	3,831.07	46,621.65	6,662.75
029 - Transportation Planning	(132,106.10)	17,998.92	26,502.50	(140,609.68)
031 - Measure A	210,042.53	325,708.99	394,057.28	141,694.24
072 - Landscape Maintenance Fund	-	-	-	-
075 - Trust & Agency Fund	2,145.00	1,496.95	-	3,641.95
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	-	1,325,507.51	1,414,287.88	(88,780.37)
Report Total:	31,917,266.87	11,884,565.82	10,595,896.95	33,205,935.74

As required by Government Code Section 53646 (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.: 5

To: The Honorable Mayor and City Council

From: Shannel Zamora, Finance Director

Meeting Date: July 12, 2018

Subject: Quarterly Report for January 1, 2018 through March 31, 2018 from Visit Santa Ynez Valley (VisitSYV)

BACKGROUND

Attached is the 2018 first quarter report from Visit Santa Ynez Valley.

RECOMMENDATION

That the City Council receive and file the 2018 first quarter report from Visit Santa Ynez Valley.

ATTACHMENTS

Attachment 1 – Quarterly Report for the first quarter of 2018 from Visit Santa Ynez Valley.



1st Quarter 2018 Report of the Santa Ynez Valley Hotel Association (dba Visit the Santa Ynez Valley) – Submitted 6/27/18

VisitSYV is reporting activity since the 2017 Annual Report. This report is submitted to the City of Solvang, the City of Buellton and the Santa Barbara County Board of Supervisors, in accordance with the fulfillment of the provisions of the SYVTBID.

Financial

Beginning balance on January 1st, 2018: \$329,235

Reserve funds earmarked for 2018 budget: (\$100,000)

Actual balance on January 1st, 2018: \$229,235

Q1 Income

TBID Funding received 1/1/18 through 3/31/18: \$201,915

Membership income: \$5,625

Total Income received 1st quarter: \$207,540

Expenses

Advertising/Marketing: \$133,688

Grants/Special Projects: \$19,712

Travel & Conventions: \$14,944

Personnel Costs: \$57,108

Contract services: \$9,560

Facilities/equipment: \$1,885

Operations: \$1,870

Other types of expenses: \$3,649

Total expenses 1st quarter: \$242,416

Ending Balance as of March 31, 2018: \$194,359

SANTA YNEZ VALLEY

CALIFORNIA



VISITSYV.COM

Membership

We receive TBID funding from 33 lodging properties and currently have **209 members** that pay a basic membership fee of \$250, a nonprofit fee of \$125, and trade members where services are traded for membership such as wine, catering, photography.

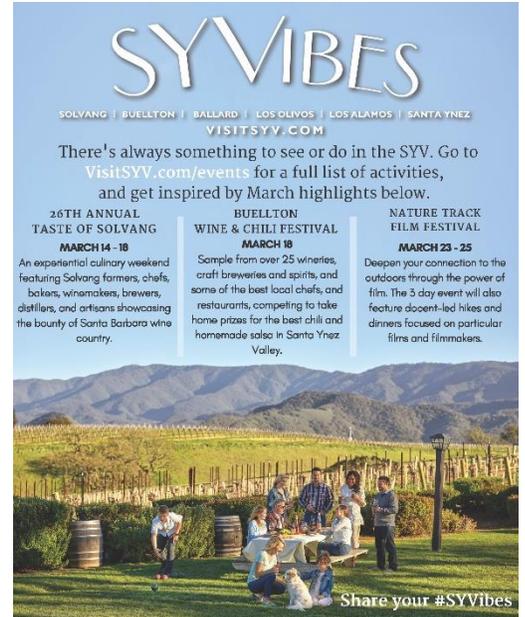
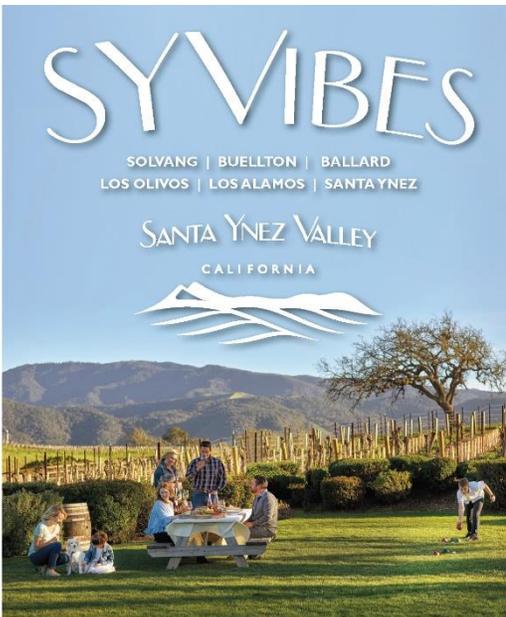
Marketing (January 1, 2018 – March 31, 2018)

Santa Ynez Valley Marketing Campaign

The year began with a new marketing campaign for the Santa Ynez Valley. The 2018 VisitSYV Marketing Campaign consists of VisitSYV as the sole stakeholder with \$200k invested. DVA Advertising & PR Agency continues to be our ad agency. VisitSYV is pleased to report on the metrics supporting the benefits of the marketing program. First quarter marketing results are detailed below.

Creative

VisitSYV kicked off 2018's marketing program with a continuation of the creative campaign developed in 2016, though we featured new photography assets and focused on "SYVibes" as the branded headline. The creative campaign plays on VisitSYV's name and URL to speak to the valley's unique atmosphere & offerings.



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Public Relations Campaign

Public relations efforts for 2018 have focused on outreach to major regional and national media outlets, drive markets including Los Angeles, San Diego, and San Francisco, and an increased outreach effort targeting Santa Barbara airport direct flight markets (Dallas, Denver, Phoenix, Portland, Seattle). Media visits planned or completed in the first quarter of 2018 included Julie Arnan from Seattle's 425 Magazine (Feb. 9-11), and Rich Rubin from Passport Magazine (March 28-30).

Public Relations Results

Total value of public relations media coverage for Q1 2018: **\$335,056**

Total circulation/viewership of editorial coverage for Q1 2018: **14,233,264**

Total unique visitors/month of editorial coverage for Q1 2018: **437,684,192**

Digital Results

In Q1 of 2018 VisitSYV introduced search and retargeting alongside paid social and digital display as part of a comprehensive and targeted digital strategy. See the metrics below.

Facebook (including retargeting)

367,161 total impressions

5,697 clicks

1.55% CTR

Display

1,109,883 total impressions

1,564 clicks

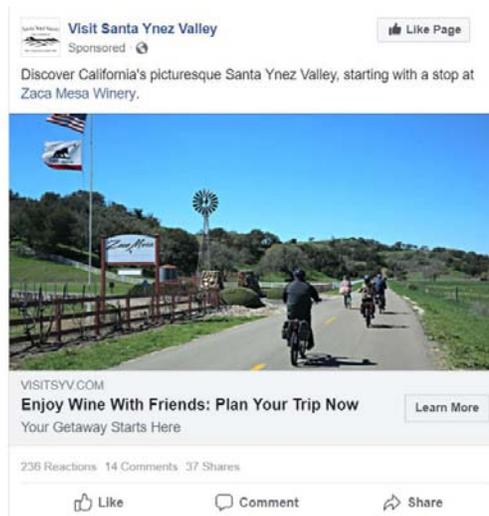
0.19% CTR

Search

21,105 total impressions

641 clicks

3.04% CTR





2018 Santa Ynez Valley Destination Guide

VisitSYV worked with Griffin Publishing to create the 2018 destination guide, with over 90 pages covering the Santa Ynez Valley. **95,000** copies were printed, with distribution taking place via trade shows, California festivals, the Solvang Visitors Center, the Buellton Visitors Center, the Santa Barbara Visitors Center, and direct mailings to **18,339** homes in Santa Barbara, the Santa Ynez Valley, Laguna and Newport Beach. The guides are also distributed on a monthly basis to our hotels, museums, and popular restaurants and retailers. The guides are also being distributed to the 35 cruise ships that enter the region through Santa Barbara.

Website

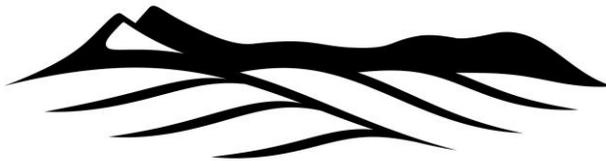
Since our **website** debuted on April 6, 2014, we have now received **1,611,362** pageviews. The site has also garnered **104,208** clicks to our members' individual websites. The top 5 most popular pages on the site are as follows: (1) **Homepage**; (2) **Wine Tasting**; (3) **Restaurant Week**; (4) **Events**; (5) **Discover Los Olivos**.

VisitSYV Promotions

SYV Restaurant week (January 21-27, 2018) is an annual VisitSYV promotion which ties in with Visit California's Restaurant Month promotion. DineSYV.com received 23,410 pageviews with over 3,000 users from San Francisco and 2,000 users from Los Angeles; remaining users came from the Central Coast. VisitSYV's Restaurant Week advertising campaign reached consumers via Facebook (**46,722** impressions, **2,104** clicks to DineSYV.com, and an average **2.53%** CTR), 3 issues of The Independent (**40,000** printed), the Santa Ynez Valley Star, the Santa Ynez Valley News, and printed poster (**100** printed) and postcard distribution (**4,000** printed). Restaurant Week presents an opportunity for increased engagement and visitation for our website, and acts as a great opportunity to showcase our members and show appreciation. A total of 30 VisitSYV restaurants participated, 5 hoteliers offered packages and discounts, and an added 9 wineries participated as a pairing feature. Please see analytic reports below.

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VISITSYV.COM

DineSYV.com

Total Page views for DineSYV.com: **23,410**

Avg Time Spent on page: **00:04:07 (15.39% YOY increase)**

Top Traffic Sources

Google: **9,504**

Direct: **5,663*** *direct traffic can be attributed to print advertising, posters & postcards*

Facebook: **3,671**

SolvangUSA.com: **2,474** (786.74% YOY increase from 279 in 2017)

Social Media Stats

- Our **Facebook** audience has increased to over **14,997** likes.
- VisitSYV **Twitter** account has **3,941** followers.
- VisitSYV **Instagram** continues to climb in followers, with **3,091** followers.

Additional Print Advertising

2018 California Visitors Guide & Central Coast Insert

VisitSYV partnered with the California Central Coast Tourism Council for an insert listing and a directory listing in the Official 2018 California Visitors Guide (**500,000 copies printed**). Distribution takes place via newsstand copies, Visit California and Sunset events, direct mailings to qualified consumers, and targeted distribution via auto clubs, rental car agencies, visitor centers, and more. The co-op partnership allowed for both a featured listing in the insert, and a featured listing in the guide's directory, doubling VisitSYV's coverage within the guide.

Santa Barbara Visitors Magazine

VisitSYV sponsored a 4 page editorial spread on the Santa Ynez Valley in Visit Santa Barbara's annual visitors magazine (**100,000 copies printed**). VisitSYV partners, Solvang Conference & Visitors Bureau and Buellton Chamber & Visitors Bureau, also sponsored a single page each, allowing the Santa Ynez Valley to have a 6+ page spread.



Santa Barbara Seasons Magazine

VisitSYV purchased a 1/3 page ad in the Spring 2018 issue of Seasons Magazine (**23,000+ copies printed**). Santa Barbara Seasons is mailed to southern Santa Barbara County's 11,635 residents with a recorded minimum household income of \$250,000. In addition, 12,000 copies of each issue are allocated for prominent display within more than 3,000 guest rooms at Santa Barbara County hotels and inns, providing access to more than 350,000 visitors each issue. Seasons is also sold on newsstands throughout the county and by subscription, and is complimentary at many hospitality locations and events.

Westways: Discover March/April 2018

VisitSYV partnered with the Buellton Chamber & Visitors Bureau & Solvang Conference & Visitors Bureau for a 2-page advertorial co-op spread in *Westways'* Discover March/April edition. This special insert went to **500,000 Westways** households in California with household incomes of +\$75,000. This was our fourth annual *Westways* co-op with the Buellton Chamber & Visitors Bureau, and the third time bringing on the Solvang Conference & Visitors Bureau as a *Westways* partner.

Touring & Tasting Magazine

VisitSYV purchased a 2-page advertorial spread in the Spring/Summer issue of Touring & Tasting magazine (**60,000 copies printed**). Touring & Tasting is distributed nationally to both consumers and travel and meeting planners via newsstands, regional distribution, and consumer wine events.

Santa Ynez Valley Star

VisitSYV continues to sponsor the monthly events calendar in the Santa Ynez Valley Star newspaper, and receives a monthly 1/4 page ad, which is used to highlight upcoming special events and draw users back to our events calendar at VisitSYV.com/events.

Additional Display Advertising

Santa Barbara International Film Festival

VisitSYV was the proud sponsor of the Santa Ynez Valley Lounge at the Santa Barbara International Film Festival, January 31 – February 10, 2018, for the third year in a row. We hosted educational film related seminars and panel discussions during the day and happy hours in the evening. Our full screen ad was played before over 300 screenings during the festival, and our logo was included before each tribute and award ceremony. Our goal was to increase VisitSYV's presence within Santa Barbara County and inspire the 90,000 festival attendees from around the globe to spend a few days with us here in the SYV, and also to collect data from VIP attendees in our lounge through a giveaway package.



Airport Digital Display Ad Buy

VisitSYV continues to run digital display advertising in the Santa Barbara Airport which encourages travelers to visit the Santa Ynez Valley, highlighting that we are only 30 minutes north of the airport. Our ads play on a digital screen strategically placed by baggage claim and tourist information. Ads began June 1, 2017 and continue through June 2019. In addition, VisitSYV has partnered with the Solvang Conference & Visitors Bureau via Certified Folder to display our 2018 Destination Guide in the airport, featured just below our digital display advertising.

Trade Shows

SF/Bay Area Travel & Adventure 2018

VisitSYV had a booth at the SF/Bay Area Travel & Adventure Show at the Santa Clara Convention Center, February 17-18, 2018. Vice President of Marketing, Danielle Laudon Ruse, and Digital Coordinator & Member Services, Marisa Yott, engaged with consumers over the course of the 2-day show, and distributed over 450 SYV Destination Guides. The Bay Area Travel & Adventure Show continues to serve as an excellent way to gain engagement and brand awareness in the Bay Area, one of our top two drive markets. **72%** of show attendees earn over \$100,000, demonstrating a high value target consumer.

Los Angeles Travel & Adventure 2018

VisitSYV had a booth at the Los Angeles Travel & Adventure Show at the Los Angeles Convention Center, February 24-25, 2018. President & CEO, Shelby Sim, and Vice President of Marketing, Danielle Laudon Ruse, engaged with consumers over the course of the 2-day show, and distributed over 550 SYV Destination Guides. The 2018 Los Angeles Travel & Adventure Show was another excellent show for increased engagement and brand awareness in Los Angeles, one of our top two drive markets. **63%** of show attendees earn over \$100,000, also demonstrating a high value target consumer.



Education

Spirit of the Valley

2018 saw the third year of our Spirit of the Valley education program. We developed our SPIRIT program to enhance the visitor experience. We held our SPIRIT 1.0 program at Rideau Winery in Solvang on March 29, 2018 and had over 30 hospitality professionals in attendance. The program teaches Four Seasons style customer service as well as information about each of our communities such as things to do after 5pm and activities for families. After over 2 years of successful programming, VisitSYV will be creating a SPIRIT 2.0 program to expand upon the ideas and teachings of the original, and hone in on teaching guest services more about the unique offerings each of our 6 communities possess. Attendees will walk away with *new* knowledge on the Santa Ynez Valley, and the resources necessary to assist visitors.

Staff & Board Development

Visit California Travel Outlook

Shelby Sim and Danielle Laudon Ruse attended the Visit California Travel Outlook in Anaheim at Disney's Grand Californian Hotel February 14 – 15, 2018. VisitSYV staff was able to network with Visit California's international representatives and fostered both new and existing relationships. Staff also learned about current travel trends and strategies.

DMA West Tech Summit

Danielle Laudon Ruse attended DMA West's three-day tech conference in Spokane, Washington March 21 – 23, 2018, which included expert-led general sessions, labs and workshops. Laudon Ruse learned about DMO marketplace changes and how to evolve and adapt VisitSYV's current marketing and engagement strategies. Topics included how DMO's can better partner in the Google content landscape, how to integrate influencers into an entire campaign, how to analyze and implement strategy via Google Analytics, and how to use video to effectively market your destination.



Grants & Special Projects 1st Quarter 2018

The purpose of our grants program continues to be to assist with publicity and outreach for valley events which encourage overnight stays. Primary consideration goes to events which occur mid-week (Sunday to Thursday) and/or in off-season. For marketing of valley events, grants were given to:

- Taste of Solvang, produced by Solvang Conference & Visitors Bureau: **\$3,500**
- Wine & Chili Festival, produced by the Buellton Visitors Bureau: **\$3,500**
- NatureTrack Film Festival, produced by NatureTrack: **\$4,000**
- Garagiste Festival, produced by Garagiste Events, Inc.: **\$3,000**

Collaborations with Santa Barbara County DMOs and other organizations

VisitSYV collaborates actively with other county destination marketing organizations, including the Solvang Conference & Visitors Bureau, Buellton Visitors Bureau, the Santa Barbara County Vintners Association, Visit Santa Barbara, the Los Olivos, Buellton, Solvang, and Santa Ynez Chambers as well as the Santa Barbara Film Commission, The Chumash Foundation, the Santa Barbara County Association of Governments, and the Santa Barbara International Film Festival.

Public comment

Members of the board and the President continue to be called upon to make written and/or verbal public comment on a number of hotel and tourism related issues. Each question is raised on a board agenda and voted upon by the board, or authorized by the president, before comment is made. Ongoing participation with our water challenges, wine ordinance and special events ordinance hearings is anticipated by President, Shelby Sim, and, when needed, Linda Johansen, Chairman.



Organization

On January 1st, Shelby Sim was promoted to President and CEO and signed a 5-year contract. Linda Johansen's title was changed from President to Chairman, Barry Prescott's title changed from Vice President to Vice Chairman. Danielle Laudon Ruse was promoted to Vice President of Marketing. Marisa Yott was brought on as a full-time employee (from part-time) as Digital Coordinator and Member Services. Felipe Murcia left the Fess Parker Wine Country Inn, and was replaced on the board by Jamie Farlow, Director of Marketing for the Fess Parker Wine Country Inn.

The board continues to meet monthly, normally the 2nd Thursday of the month, 9:00 a.m. at The Landsby in Solvang. The board consists of nine individuals, seven of which are from the hotel industry and the other two are an at large representation of the membership base.

Staff & Board of Directors

President & CEO - Shelby Sim

Vice President of Marketing - Danielle Laudon Ruse

Digital Coordinator & Member Services – Marisa Yott

The board members are:

Chairman – Linda Johansen, Owner, Pea Soup Andersen's Inn, Buellton

Vice Chairman – Barry Prescott, General Manager, The Landsby, Solvang

Secretary – Sherrie FitzGerald, Director of Marketing, Alisal Guest Ranch and Resort, Solvang

Treasurer – Bryan Maroun, General Manager, Sunstone Winery, Santa Ynez

Andrew Economon, Director of Hospitality, Chumash properties, including Hotel Corque and Hadsten House

Jamie Farlow, Director of Marketing, Fess Parker Wine Country Inn, Los Olivos

Budi Kazali, Owner, Ballard Inn, Ballard

Karla Azahar, General Manager, Santa Ynez Valley Marriott, Buellton

Luca Crestanelli, Owner/Executive Chef, S.Y. Kitchen, Santa Ynez

Respectfully submitted by:

Shelby Sim, President and CEO

Santa Ynez Valley Hotel Association, dba Visit the Santa Ynez Valley

Shelby@VisitSYV.com

PO Box 633, Solvang, CA 93464

www.visitsyv.com, 805-325-3528

CITY OF BUELLTON
City Council Agenda Staff Report

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

To: The Honorable Mayor and City Council

From: Marc Bierdzinski, City Manager

Meeting Date: July 12, 2018

Subject: City of Buellton’s Response to Santa Barbara County Grand Jury Report “Pensions in Santa Barbara County”

BACKGROUND

Attachment 1 is the June 18, 2018, report on *Pensions in Santa Barbara County* prepared by the Santa Barbara County Grand Jury. The City is required to respond to certain findings and recommendations within 90 days. Attachment 2 is the City’s proposed response letter.

The City of Buellton has been proactive in response to our pension issues and has already implemented the two recommendations from the Grand Jury report.

RECOMMENDATION

That the City Council authorize the City Manager to send a response letter to the Santa Barbara County Grand Jury regarding their report “Pensions in Santa Barbara County.”

ATTACHMENTS

Attachment 1 – Grand Jury Pension Report
Attachment 2 – Buellton Response Letter

MAILING ADDRESS:

COUNTY COURTHOUSE
1100 ANACAPA STREET
SANTA BARBARA, CA 93101



PHONE: (805) 568-2291
FAX: (805) 569-3301
EMAIL: SBCGJ@SBCGJ.ORG
HTTP://WWW.SBCGJ.ORG

**GRAND JURY
SANTA BARBARA COUNTY**

June 18, 2018

City Council
City of Buellton
107 West Highway 246
Buellton, CA 93427

RECEIVED

JUN 18 2018

CITY OF BUELLTON

Dear Council Members:

On behalf of the 2017-18 Santa Barbara County Grand Jury, I am enclosing a copy of the report for your review and response:

Pensions in Santa Barbara County

The Grand Jury, County Counsel and the Presiding Judge, Patricia L. Kelly, have approved this report. The pertinent sections of the California Penal Code §933.05 require the following:

- You are receiving this report two working days prior to its release to the public; you shall not disclose this report prior to its public release.
- You must respond to each relevant Finding and Recommendation in this report.
- You must submit your original response to Presiding Judge Kelly.
- If you are an elected county officer or agency head, the response time is no later than 60 days from the date of receipt of the report.
- If you are the governing body of a public agency subject to the reviewing authority of the Grand Jury, the response time is no later than 90 days of receipt of the report.
- If your response to a Recommendation is "Requires Further Analysis," you must provide an analysis completion schedule which shall not exceed six months from the report publication date.

Your response will be posted on the Grand Jury website. Please send your response to:

The Honorable Patricia L. Kelly
Superior Court Presiding Judge
County of Santa Barbara
1100 Anacapa Street
Santa Barbara, CA 93101

We request that you send a copy of your response to:

Santa Barbara County Grand Jury
1100 Anacapa Street
Santa Barbara, CA 93101

Respectfully yours,

A handwritten signature in cursive script that reads "Mary Tighe".

Mary Tighe
Foreperson
2017-18 Santa Barbara County Grand Jury

PENSIONS IN SANTA BARBARA COUNTY

SUMMARY

The 2017-18 Santa Barbara County Jury (Jury) received complaints about the nine principal public pension systems in Santa Barbara County (County) – the County of Santa Barbara Employee Retirement System (SBCERS), which is not part of the California Public Employee Retirement System (CalPERS) risk pool, and the eight municipal systems of Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Maria, the City of Santa Barbara and Solvang, which manage 32 plans within the CalPERS risk pool.¹ Following those complaints and given the public concern about the viability of defined benefit pensions in the County, the Jury analyzed risks to the County and municipal pension systems over the period 2018-2047.

The Jury found the highest risks in the plans of Lompoc (six pension plans), the City of Santa Barbara (four pension plans), and Santa Maria (seven pension plans), which are the largest in the County. It found moderate risks in Guadalupe (five pension plans) and Solvang (three pension plans). It found minimal to moderate risks in Buellton (two pension plans) and Goleta (two pension plans). Risks in SBCERS are moderate and well managed.

INTRODUCTION

Citizens and public officials have occasionally expressed concern about the viability of public pensions in the County.² An independent analysis³ of the risks to California’s public defined benefit pension systems found that several of the Santa Barbara systems have among the highest employer’s contributions rates in the State and that such high rates might not be sustainable without new revenue or changes in benefit structures. Such claims justify a transparent analysis by the Jury of threats to the viability of pension plans in the County.

PEPRA is the California Public Employees’ Pension Reform Act, which took effect on January 1, 2013. It “changes the way CalPERS retirement and health benefits are applied and places compensation limits on members” (<https://www.calpers.ca.gov/page/about/laws-regulations/regulatory-actions/pepra>). The summary of PEPRA, which may be found at <https://www.calpers.ca.gov/docs/forms-publications/summary-pension-act.pdf>, defines its effects

¹ In this Report a “pension plan” is a given package of retirement contributions and benefits, for example, the Miscellaneous Plan of the City of Goleta. A “pension system” is the set of pension plans under one management; for example, the pension system of the City of Goleta consists of the Miscellaneous Plan of Goleta and the PEPRA Miscellaneous Plan of Goleta.

² 2010-11 Santa Barbara County Grand Jury Report: “Local Government Post-Employment Benefits in Santa Barbara County: Complicated and Costly.”

³[http://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Hot-Issues/Retirement-System-Sustainability/League-Pension-Survey-\(web\)-FINAL.aspx](http://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Hot-Issues/Retirement-System-Sustainability/League-Pension-Survey-(web)-FINAL.aspx)

PENSIONS IN SANTA BARBARA COUNTY

in such important areas as definition of classic and new members, benefit formulas, retirement ages, replacement plans, and “Employer Paid Member Contributions.”

Table 1 presents measures of system size, assets and liabilities in the eight municipal systems and in SBCERS. As Table 1 shows, the eight cities of the County manage 32 plans that participate in the CalPERS risk pool.⁴ The ninth system – the SBCERS – manages 15 different plans in a separate risk pool. The SBCERS plans, like those of the eight cities, are governed by the California State Public Employees’ Pension Reform Act (PEPRA) which took effect in January 2013. Each of the eight municipal pension systems manages a Miscellaneous Plan for employees hired before December 31, 2012 and a PEPRA Miscellaneous Plan for employees hired after that date. There are separate plans for the police and fire services in Guadalupe, Santa Maria, Lompoc and the City of Santa Barbara, including PEPRA variants, except in the City of Santa Barbara.

Table 1: Santa Barbara Pension Systems in Recent Fiscal Years

City	Population (~mid-2018)	Plans in system (number)	2016-17 Active Staff (FTE)	Forecast 2017-18 Contributions (\$, in 000s)	Forecast 2017-18 Contributions % payroll	2015-16 Accrued Liability (AL in \$, 000s)	2015-16 Market Value of Assets (MVA in \$, 000s)	2015-16 Unfunded Accrued Liability (UAL in \$, 000s)
Buellton	5,021	2	19	330	15.8	8,102	6,027	2,076
Carpinteria	13,553	3	43	868	18.9	26,575	19,255	7,320
Goleta	30,850	2	60	957	11.2	13,220	10,526	2,693
Guadalupe	7,252	5	31	504	11.5	12,625	9,644	2,981
Lompoc	43,712	6	395	9,727	40.1	261,383	180,153	81,230
Santa Barbara	91,930	4	1,035	38,434	51.6	965,108	645,059	320,049
Santa Maria	103,642	7	498	15,962	31.7	397,017	275,946	121,071
Solvang	5,363	3	35	662	27.1	14,786	10,924	3,862
Municipal totals	301,323	32	2,116	67,445	41.4	1,698,815	1,157,533	541,282

⁴ There are a total of 76 pension plans in the County, of which 32 plans are in the eight cities and one is managed by the County. The other 43 are in Special Districts, Fire Districts, Insurance and Risk Management institutions, a Law Library, the various sanitation districts, and other public institutions. This Report does not discuss those 43 plans. Nor does it analyze the California Teachers Retirement System or other non-pension benefit systems in SB County.

PENSIONS IN SANTA BARBARA COUNTY

County of Santa Barbara	148,677	15	4,218	171,858	48.8	2,742,012	2,156,247	585,765
County totals ⁵	450,000	47	6,334	239,303	NA	4,440,827	3,313,780	1,127,047

METHODOLOGY

To carry out its analysis, the Jury reviewed:

- the audited financial reports of the County of Santa Barbara and of the eight cities for various years plus related data in the public domain and as provided by the eight municipalities;
- the 2014, 2015, and 2016 CalPERS valuation reports for the 32 plans within the eight municipal systems, plus related data in the public domain and as provided by the municipal plan administrators;
- SBCERS Annual Reports and data provided by SBCERS; and
- published analyses of public defined pension plans included in the sample of this report.

Based on the information in the documents reviewed and from the interviews with various officials of the eight cities, the County and SBCERS, the Jury constructed a numeric model to verify the existing risk analyses for 32 municipal plans and to conduct complementary risk analyses of those plans as discussed in Appendix B. The Jury examined the risk analyses done for SBCERS and notes salient findings therefrom. <http://cosb.countyofsb.org/sbcers/default.aspx?id=19048>

This report applies the CalPERS definitions of various technical terms, as shown at <https://www.calpers.ca.gov/page/employers/actuarial-services/employer-contributions/public-agency-actuarial-valuation-reports>, and in the Glossary found in Appendix A.

OBSERVATIONS AND ANALYSIS

Risks to the Pension Systems

Solvency and Liquidity of Pension Risks ⁶

⁵ Notes to Table 1: "FTE" is Full Time Employee. "Contributions" include employee contributions, normal cost employer contributions, and contributions to repay unfunded liabilities. "Accrued Liability" means, "The total dollars needed as of the valuation date to fund all benefits earned in the past for current members," as shown in Appendix A ("Glossary"). "Market Value of Assets" is the net present value of assets held by a pension date on the stated valuation date. "Unfunded accrued liability" means, "When a plan or pool's Value of Assets is less than its Accrued Liability, the difference is the plan or pool's Unfunded Accrued Liability." Sources: CALPERS Valuation Reports, 2015-16, for municipal plans, aggregated to system levels, and municipal CAFR 2016-17; SBCERS Valuation Reports and SBCERS Annual Reports.

⁶ Appendix B gives some simple pension analytics for this report.

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The Jury defined “solvency risks” as threats to the long-term capacity of the plan to pay benefits. The indicator of this risk is its “funded ratio” -- the market value of assets (MVA) divided by the value of actuarial liabilities (AL) at the end of a fiscal year.⁷ A plan with a funded ratio less than 1 is said to be “underfunded.”

The Jury defines “liquidity risks” as threats to a plan’s annual cash flow. One specific measure of liquidity risk is that benefit payments to retirees will exceed the sum of contributions - employee, normal cost employer, and payments on the unfunded actuarial liabilities (UAL) - plus the return on the MVA in any given year. A second measure of liquidity risk is that total employer’s contributions - normal cost employer plus payments on the UAL - exceed some threshold ratio to municipal payroll. The first indicator of liquidity risk used in this report is the number of years, between 2018 and 2047 with plan negative cash flow, meaning benefit payments are greater than the sum of contributions plus return on MVA in a given year. A second indicator is the number of years following 2017-18 in which the employer’s contribution to payment of the UALs exceeds the employer’s normal cost contribution, both expressed as a share of municipal payroll.⁸

Solvency Risks in the Municipal Plans

Appendix C gives funded ratios for the 32 municipal plans. The Jury defines three categories of solvency risk for this Report: high risk, moderate risk and minimal risk. Plans with funded ratios less than 0.7 are said to be at “high risk” because they have elevated ratios of unfunded liabilities to assets. Plans with funded ratios greater than or equal to 0.7 and less than 0.9 are said to be at “moderate risk” because they have lower ratios of unfunded liabilities to assets. Plans with funded ratios greater than or equal to 0.9 are said to be at “minimal risk” because their ratios of unfunded liabilities are low compared to their assets.

There are six large municipal plans with high solvency risks: Carpinteria Safety⁹; Lompoc Safety, City of Santa Barbara Miscellaneous, City of Santa Barbara Fire, City of Santa Barbara Police, and City of Santa Maria Miscellaneous. Those plans show a weighted average 2017-18 funded ratio of 0.67 (range of 0.63 to 0.68) and hold 75 percent of municipal liabilities in the County, not counting SBCERS liabilities. The six plans at high risk have 78 percent of the total of unfunded liabilities among the 32 municipal plans. Santa Maria has taken steps to end their policy of employer contributions in lieu of employee contributions in its pension plans; this step moves some of the burden of repaying its unfunded pension liabilities from the City to its active employees.

⁷ The CalPERS Valuation Reports define the AL “as the total dollars needed as of the valuation date to fund all benefits earned in the past for current members.” The Valuation Reports further define the Present Value of Benefits (PVB) as the “total dollars needed as of the valuation date to fund all benefits earned in the past or expected to be earned in the future for current members.” For the new PEPRA plans, which began in 2014, the PVB is higher than the AL because the former counts expected future benefits for current members and the latter does not.

⁸ We use “municipal payroll” rather than “plan payroll” because municipal revenue is fungible and can be used to pay pension liabilities from any plan in a given system.

⁹ Among the six plans with “high” risk, the Carpinteria Safety Plan is closed with no active members and no payroll. Projecting with the current CalPERS actuarial discount rate, the Carpinteria Safety Plan will fully amortize its UAL by 2047.

PENSIONS IN SANTA BARBARA COUNTY

There are 18 municipal plans at moderate risk. They have a weighted average 2017-18 funded ratio of 0.71 (range of 0.70 to 0.90), 25 percent of the total amount of all municipal liabilities and 22 percent of all unfunded liabilities.

There are eight municipal plans¹⁰ at minimal risk. They have a weighted average 2017-18 funded ratio of 0.95 (range of 0.91 to 1.00) and less than 1 percent of actuarial liabilities in the 32 plans.

PEPRA is the California Public Employee's Pension Reform Act, which reduced pension benefits for employees hired on or after January 1, 2013. The 12 PEPRA plans have less than 1 percent of the municipal liabilities and a weighted average funded ratio of 0.90. The 20 non-PEPRA plans have more than 99 percent of municipal liabilities and an average funded ratio of 0.68.

CalPERS Risk Analysis

CalPERS analyzes pension fund risks with respect to "discount rate assumption." The actuarial discount rate is a nominal rate that converts the flow of future annual liabilities – payments to pension holders – into net present value terms, as given by the term AL in equation (1). See Appendix B. The CalPERS Valuation Reports present funded ratios for each plan at discount rates of 6 percent, 7 percent, and 8 percent. The resulting funded ratios are shown in Appendix C (column labelled "Funded Ratio (range by discount rate)"). At a discount rate of 6 percent, the lowest rate modeled by CalPERS, the Safety Plans of Lompoc and the City of Santa Barbara, and the Miscellaneous Plan of Santa Maria have funded ratios less than 0.6; at a discount rate of eight percent, the highest rate modeled by CalPERS, the plans at greatest solvency risks (Lompoc Safety, Santa Barbara Safety Police and Safety Fire) do have higher funded ratios but they rarely increase above 0.75.

CalPERS further reports the effects of "future investment returns" on participating plans. CalPERS simulated returns at a plus 7 percent long-term average, a plus 3 percent average (called here the "second worst rate"), and a minus 3 percent average (called here the "worst rate") over the period 2019-20 to 2022-23.

Table 2 summarizes the CalPERS analyses of investment returns, as presented in its June 30, 2016 Valuation Reports for each of the 32 funds, aggregated to the system level for each city.

The CalPERS liquidity risk analysis for each plan first "determine[s] the effects of various future investment returns on required employer contributions" over the period 2017-18 through 2022-23. The "required employer contributions" are the employer's normal cost contributions plus required payments of the UAL, expressed as a percentage of the municipal payroll in each system. The lower returns have weak effects on the ability of most plans to sustain benefits; for example, cutting the CalPERS return from the actuarial average of plus 7.0 percent to the postulated "worst" of minus 3 percent would only increase the ratio of employer contributions to total payroll by more than 1 percentage point in five of the eight municipal systems (this is the change from column (1) to column (2) in Table 2). The weak effect of low returns on employer contributions is partly due

¹⁰ Among the eight plans with "minimal" risk, the Solvang Safety Plan is closed with no active members and no payroll. Projecting with the current CalPERS actuarial discount rate, the Solvang Safety Plan will fully amortize its UAL by 2026.

PENSIONS IN SANTA BARBARA COUNTY

to the structure of the CalPERS analysis, which assumes that returns revert to the actuarial investment return of 7 percent after only four bad years.

Table 2: Pension System Liquidity Risks Caused by Revenue Growth and CalPERS Investment Returns

	<u>Average revenue growth (3% /year)</u>		<u>Negative revenue growth (- 2 % year)</u>	
	<u>CalPERS average return</u>	<u>CalPERS worst return</u>	<u>CalPERS average return</u>	<u>CalPERS worst return</u>
	(1)	(2)	(3)	(4)
Buellton				
Employer's contributions of pay	15.8	16.7	15.2	16.1
Years of negative cash flow	0	9	2	16
Carpinteria				
Employer's contributions of pay	17.9	19.0	17.9	19.0
Years of negative cash flow	9	10	9	10
Goleta				
Employer's contributions of pay	7.9	8.3	8.0	8.3
Years of negative cash flow	0	0	0	0
Guadalupe				
Employer's contributions of pay	10.6	11.2	10.6	11.2
Years of negative cash flow	6	6	6	6
Lompoc				
Employer's contributions of pay	40.5	41.7	40.5	41.7
Years of negative cash flow	8	7	8	7
City of Santa Barbara				
Employer's contributions of pay	50.2	51.9	50.2	51.9
Years of negative cash flow	8	8	8	8
Santa Maria				
Employer's contributions of pay	30.0	31.2	30.0	31.2
Years of negative cash flow	7	7	7	7
Solvang				
Employer's contributions of pay	23.7	24.8	24.8	26.0
Years of negative cash flow	5	5	5	5

Source: Calculated by 2017-18 Grand Jury.

In Santa Maria, liquidity risks are lower than in Lompoc and the City of Santa Barbara in that Santa Maria projects no years of negative cash flows. However, Santa Maria would have negative cash flow if CalPERS investment returns fall below their projected actuarial values.

Complementary Risk Analysis

The Jury did a complementary risk analysis that considered the effects of “revenue shocks” on the municipal pension plans. A “revenue shock” is an unexpected fall in municipal revenue, due to, for example, the effects of the Thomas Fire on property valuations and business activity. Revenue shocks are modeled for the eight municipal plans as follows:

- A six-year period from 2017-18 through 2022-23 in which municipal revenue, from all sources, grows at a rate of minus 2 percent per year; compared to
- A six-year period from 2019 through 2024 in which municipal revenue, from all sources, grows at the rate as projected by CalPERS of plus 3 percent per year

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- Both scenarios are computed under an average CalPERS “future investment return” of plus 7 percent and again under a “worst” investment return of plus 3 percent.

Table 2 shows that cutting revenue projections from the CalPERS projected average of plus 3 percent to minus 2 percent would not add much to the fiscal burden of the plans consolidated at the city levels under a “worst return” scenario; this is the change from column (2) to column (4) in Table 2. However, the effect of lower revenue projections would be much stronger for the Lompoc (3 percent), Santa Barbara (4 percent), and Santa Maria systems (2.20 percent) in increased employer’s contributions, as shown by the change from column (2) to column (4) in Table 2. The City of Santa Barbara is the only one of the four cities¹¹ that has not created a separate PEPRA plan for new members of its police force hired after December 31, 2012. (It has created a PEPRA plan for new fire department employees hired after that date.)

Effects of the PEPRA Law

The PEPRA law of 2012 that went into effect in 2013 made significant changes in California pension systems. PEPRA plans typically increased the retirement age at which members became eligible for a given benefit formula, changed the annual benefit factor for which members become eligible, capped the annual salary used to calculate the benefit base, and forbade the practice of “Employer Paid Member Contributions” for new PEPRA members. While specific PEPRA options vary within each plan and system, the general effect of the PEPRA law will be to reduce future liabilities. Though specific PEPRA plans do not yet cover 1 percent of the total liabilities across the 32 municipal plans in the County, they do seem to be more solvent than the older plans; the 12 PEPRA plans have a funded ratio of 0.90 and the 20 non-PEPRA plans have a funded ratio of 0.68. It is not possible with the information available to the Jury to calculate funded ratios for PEPRA options *within* the Miscellaneous Plans of the largest cities (Lompoc, Santa Maria and the City of Santa Barbara),¹² in which most of the AL are held.

Policy Measures Beyond the PEPRA Law

Funding the SBCERS and many of the municipal plans could, at some point, require new policy measures by governments. Such new measures might include freezing public salaries or drawing on General Fund (GF) reserves to pay employers contributions.¹³ Accordingly, we have modeled the pension systems of the three largest cities (Lompoc, Santa Barbara and Santa Maria), noting that those systems hold 96 percent of the AL in the eight cities.

- Freezing public payrolls -- the Jury examined the effect on total employer’s contributions rates of freezing public payrolls for 5 years, beginning in 2019-20; and
- Drawing on GF Reserves -- the Jury considered the effect on total employer’s contributions rates of lowering the GF reserve target from 25 percent of GF revenue to 20 percent.

¹¹ Buellton, Carpinteria, Goleta and Solvang contract with the County of Santa Barbara for public safety services and therefore do not have municipal pension plans for their safety services.

¹² Lompoc, Santa Maria and the City of Santa Barbara include PEPRA options for new hires in their Miscellaneous Plans without having separate “PEPRA Miscellaneous Plans,” as do Buellton, Carpinteria, Goleta, Guadalupe, and Solvang.

¹³ Increases in employees’ contributions cannot be modeled because they are part of labor negotiations and hence feasible solutions are unknown.

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Neither measure had any significant effect on total employer's contribution rates in Lompoc, Santa Maria or the City of Santa Barbara.

One other possible measure would be to freeze capital spending. The Jury was unable to examine the effect on total employer's contributions rates of freezing public capital due to the wide disparities in relative capital spending among cities and between the cities and the County. Moreover, because much of capital spending at all levels depends on grants from the State and from the Federal Government, such spending has a random element outside the control of city and County governments that cannot be easily modeled. Another measure might be to cut numbers of staff by attrition or layoffs. The Jury did not look at the potential impact of staff layoffs given that the terms of any future layoffs would have to be negotiated with labor unions and it is impossible to predict the outcome. The Jury notes that city and County governments could analyze all existing taxes and revenue sources under their control for possible increases.

SBCERS Risk Analyses

SBCERS managed about \$2.16 billion dollars in assets on the valuation date of June 30, 2017.¹⁴ The funded ratio was 0.78 on that valuation date. The SBCERS analysis done of its discount rate sensitivity gave values from 0.66 at a discount rate of 6 percent to 0.86 at a discount rate of eight percent. SBCERS has done a comprehensive analysis of its systemic risks, in addition to modeling the discount rate, and the Jury has nothing different to complement the SBCERS analysis. It further notes that SBCERS has achieved portfolio returns comparable to those of CalPERS over the past 25 years.

CONCLUSION

There are substantial liquidity and solvency risks to the sustainability of many of the public defined benefit pension plans in the County. Management of those risks may require new policy measures. The 2017-18 Santa Barbara County Grand Jury concludes that the State of California, in passing the new PEPR law, which went into effect on January 1, 2013, has already imposed a statewide measure which has had a modest positive effect on the liquidity and solvency of the Santa Barbara County public pension systems. However, if there are additional fiscal shocks, such as an exogenous fall in tax revenue or a period of low returns on pension assets held by CalPERS, then other new policies may be required. Such measures could be to reduce salaries and other non-pension benefits, to raise employee and employer contributions or to cut benefits, apply fiscal measures to fund higher employer contributions, as well as start new negotiations with labor unions to raise contributions from employees, or to otherwise modify benefits not covered by the new PEPR Law of 2013.

¹⁴ The estimated SBCERS valuation on March 31, 2018 was roughly \$2.8 billion.

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FINDINGS AND RECOMMENDATIONS

Finding 1

Pension solvency risks are moderate in Buellton and Goleta; pension liquidity risks, as indicated by projected years of negative cash flow under projected CalPERS actuarial returns, are nil.

Finding 2

In Carpinteria, Guadalupe and Solvang, pension solvency risks are minimal to moderate, except in the closed Carpinteria Safety Plan. Pension liquidity risks in those cities are higher, with several years in all three cities having projected negative cash flows under projected CalPERS actuarial returns.

Finding 3

In Lompoc, Santa Maria and the City of Santa Barbara, solvency risks are high in the pre-PEPRA plans that have most of the Actuarial Liabilities in the municipal plans.

Finding 4

In Lompoc and the City of Santa Barbara, liquidity risks are high as measured by projected years of negative cash flow. Managing those risks will require employer's pension contributions of 40 percent of payroll in Lompoc and 50 percent in the City of Santa Barbara at least until 2030.

Finding 5

While the City of Santa Barbara does not have a "PEPRA Police Plan," it does respect the 2013 PEPRA Law for those hired after December 31, 2012. Therefore, the absence of a "PEPRA Police Plan" does not adversely affect the funded ratio or other risk indicators for the City of Santa Barbara system.

Finding 6

Liquidity risks in Santa Maria are lower than in Lompoc and the City of Santa Barbara, in that Santa Maria projects no years of negative cash flows. However, Santa Maria would have negative cash flow if CalPERS investment returns fall below their projected actuarial values. Managing that liquidity risk requires that Santa Maria maintain high total employer contributions to its pension plans until at least 2034.

Finding 7

The City of Santa Maria faces greater pension risks because of its comparatively low General Fund revenue per capita, which is less than 50 percent of that of the City of Santa Barbara and less than 67 percent of that of Lompoc. Santa Maria has taken steps to end employer contributions in lieu of employee contributions in its pension plans; this step moves some of the burden of repaying its unfunded pension liabilities from the City to its active employees.

Finding 8

The 12 PEPRA plans in the cities of the County of Santa Barbara have a funded ratio of 0.90 and the 20 non-PEPRA plans have a funded ratio of 0.68. This is a small, but positive, sign that the

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PEPRA law is having the intended effect of strengthening the security of pension benefits in the County.

Finding 9

Funded ratios of the municipal pension systems in Santa Barbara County are sensitive to the discount rate applied by CalPERS. A cut in that rate to 6 percent, from the 2018-19 rate of 7 percent, would push the funded ratios of several municipal systems close to 0.5 and might impose further increases in the employer's contributions in Lompoc, in the City of Santa Barbara and in Santa Maria.

Finding 10

It is unlikely that the largest municipal plans - Lompoc Safety; City of Santa Barbara Miscellaneous; City of Santa Barbara Fire; City of Santa Barbara Police; and City of Santa Maria Miscellaneous - can apply the revised CalPERS amortization schedule of 20 years to all their unfunded liabilities without higher new employer's contributions. Such new contributions would be particularly problematic in Lompoc and in the City of Santa Barbara given the high employer's contribution rates that already apply in those cities.

Finding 11

The solvency risks to the SBCERS plans are moderate and manageable. The SBCERS decision to apply an accelerated amortization schedule to the unfunded liabilities generated during the 2007-09 period of low asset returns is appropriate because it will shorten the period in which high employer contributions are necessary.

Finding 12

The SBCERS policy of not participating in the CalPERS risk pool is appropriate because SBCERS has achieved portfolio returns comparable to those of CalPERS over the past 25 years.

Recommendation 1

That in view of the 12 Findings, the governments of the cities of Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria and Solvang and of the County of Santa Barbara analyze capital spending, employer/employee contribution rates, staffing levels, and all existing taxes and revenue sources under their control to identify potential revenue gains and cost savings.

Recommendation 2

That the governments of the cities of Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria and Solvang and of the County of Santa Barbara issue public reports, to be discussed at open sessions of their respective governing bodies, on the potential revenue gain and cost-saving measures that may be necessary to ensure continued adequate funding of their pension plans.

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REQUEST FOR RESPONSE

Pursuant to *California Penal Code §933 and §933.05*, the Grand Jury requests each entity or individual named below to respond to the enumerated Findings and Recommendations within the specified statutory time limit:

Responses to Findings shall be either:

- Agree
- Disagree Wholly, with an explanation
- Disagree Partially, with an explanation

Responses to Recommendations shall be one of the following:

- Has been implemented, with a brief summary of the implemented actions
- Will be implemented, with an implementation schedule
- Requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a completion date that is not more than 6 months after the issuance of this report
- Will not be implemented because it is not warranted or is not reasonable, with an explanation

City Council of Buellton - 90 Days

Finding 1, 8, 9

Recommendation 1, 2

City Council of Carpinteria - 90 Days

Finding 2, 8, 9

Recommendation 1, 2

City Council of Goleta - 90 Days

Finding 1, 8, 9

Recommendation 1, 2

City Council of Guadalupe - 90 Days

Finding 2, 8, 9

Recommendation 1, 2

City Council of Lompoc - 90 Days

Finding 4, 7, 8, 9, 10

Recommendation 1, 2

City Council of Santa Barbara - 90 Days

Finding 3, 4, 5, 6, 7, 8, 9, 10

Recommendation 1, 2

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City Council of Santa Maria - 90 Days

Finding 3, 6, 7, 8, 9, 10

Recommendation 1, 2

City Council of Solvang- 90 Days

Finding 2, 8, 9

Recommendation 1, 2

Santa Barbara County Board of Supervisors – 90 Days

Finding 11, 12

Recommendation 1, 2

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APPENDIX A Glossary

CalPERS Pension Terms

Accrued Liability (also called Actuarial Accrued Liability or Entry Age Normal Accrued Liability) The total dollars needed as of the valuation date to fund all benefits earned in the past for current members.

Actuarial Valuation The determination, as of a valuation date of the Normal Cost, Accrued Liability, and related actuarial present values for a pension plan. These valuations are performed annually or when an employer is contemplating a change to their plan provisions.

Classic Member (under PEPRA) A classic member is a member who joined CalPERS prior to January, 1, 2013 and who is not defined as a new member under PEPRA. (See definition of new member below)

Discount Rate Assumption The actuarial assumption that was called "investment return" in earlier CalPERS reports or "actuarial interest rate" in Section 20014 of the California Public Employees' Retirement Law (PERL).

Funded Status A measure of how well funded, or how "on track" a plan or risk pool is with respect to assets versus accrued liabilities. A ratio greater than 100 percent means the plan or risk pool has more assets than liabilities and a ratio less than 100 percent means liabilities are greater than assets.

GASB 68 Statement No. 68 of the Governmental Accounting Standards Board The accounting standard governing a state or local governmental employer's accounting and financial reporting for pensions. GASB 68 replaces GASB 27 effective the first fiscal year beginning after June 15, 2014.

New Member (under PEPRA) A new member includes an individual who becomes a member of a public retirement system for the first time on or after January 1, 2013, and who was not a member of another public retirement system prior to that date, and who is not subject to reciprocity with another public retirement system.

Normal Cost The annual cost of service accrual for the upcoming fiscal year for active employees. The normal cost should be viewed as the long-term contribution rate.

PEPRA The California Public Employees' Pension Reform Act of 2013.

Present Value of Benefits (PVB) The total dollars needed as of the valuation date to fund all benefits earned in the past or expected to be earned in the future for current members.

Unfunded Accrued Liability (UAL) When a plan or pool's Value of Assets is less than its Accrued Liability, the difference is the plan or pool's Unfunded Accrued Liability (or unfunded

PENSIONS IN SANTA BARBARA COUNTY

liability). If the unfunded liability is positive, the plan or pool will have to pay contributions exceeding the Normal Cost.

OTHER TERMS

Benefit Factor. The percentage of pay to which members are entitled for each year of service.

Complementary risk analysis. Additional risk analysis beyond what is presented in the CalPERS Valuation Reports.

“Employer Paid Member Contributions” refers to the practice of pension plan employers paying the employee’s contributions in some instances.

Pension plan. In this Report, a “pension plan” is a given package of retirement contributions and benefits, for example, the Miscellaneous Plan of the City of Goleta.

Pension system. In this Report, a “pension system” is a set of pension plans under one management; for example, the pension system of the City of Goleta consists of the Miscellaneous Plan of Goleta and the PEPRM Miscellaneous Plan of Goleta.

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APPENDIX B Pension Analytics

Pension analytics for a given plan are expressed by the identity

$$AL - MVA = UAL$$

where AL is actuarial liabilities (expected pension payments to beneficiaries) in net present value (NPV) terms, UAL is unfunded actuarial liabilities in NPV terms, and MVA is the market value of the assets held by the plan at the valuation date. CalPERS defines the AL “as the total dollars needed as of the valuation date to fund all benefits earned in the past for current members”¹⁵. The valuation date of June 30, 2016 is used here for municipal plans in Santa Barbara County because it is the date for which the most recent CalPERS valuations are available.

The “funded ratio” is MVA/AL . A plan with zero UAL has a funded ratio of 1. A plan with MVA equal to 75 percent of its AL has a funded ratio of 0.75. An example is the Lompoc Miscellaneous Plan which, at the most recent CalPERS valuation date of June 30, 2016, had an AL of \$175.1 million, an MVA of \$122.6 million giving a funded ratio of 0.70 (i.e., $122.6/175.1$) and a UAL of \$52.5 million (i.e., \$175.1 million – \$122.6 million).

A second analytic relation is the annual cash flow of a plan, expressed as

$$C + rMVA - PB = CF.$$

The term C is the sum of contributions (employee, normal cost employer, and employer contributions to service the debt represented by the unfunded liabilities), r is the projected actuarial return on assets given by CalPERS, MVA is the market value of assets held for the plan in the CalPERS risk pool, PB is pension benefits paid, and CF is cash flow.¹⁶ An analogous relation holds for SBCERS but without the intermediation of CalPERS.

¹⁵ The CalPERS Valuation Reports define the Present Value of Benefits (PVB) as the “total dollars needed as of the valuation date to fund all benefits earned in the past or expected to be earned in the future for current members.” For the new PEPRAs plans, which began in 2014, the PVB is higher than the AL because the former counts expected present and future benefits for current members and the latter only counts present benefits for current members. The total PVB for the 32 municipal plans is \$1.96 billion.

¹⁶ This formulation does not take account of administration costs at the plan or CalPERS levels, nor does it consider changes in actuarial parameters such as life expectancy or retirement age decisions.

APPENDIX C – Santa Barbara Municipal Pension Plans, 2017-18

City	Plan	2017-18 GF	Payroll in 000s \$	Contributions in 000s \$	2015- 2016	AL ²	2015- 2016	MVA ²	2015- 2016	UAL ²	2015- 2016	Funded Ratio	Funded Ratio	Solvency Risk
Buellton	PEPRA Misc.	2,095	12	31	28	3	0.90	.66 - .13	Moderate					
Buellton	Misc.	2,095	317	8,071	5,998	2,072	0.74	.63 - .8	Moderate					
Carpinteria	Safety Plan	906	204	9,342	6,365	2,976	0.68	.6 - .72	High					
Carpinteria	Misc.	906	632	17,149	12,814	4,335	0.75	.63 - .8	Moderate					
Carpinteria	PEPRA Misc.	906	31	83	73	9	0.89	.61 - .15	Moderate					
Goleta	PEPRA Misc.	1,443	110	328	294	33	0.90	.69 - .1	Moderate					
Goleta	Misc.	1,443	846	12,891	10,231	2,660	0.79	.64 - .87	Moderate					
Guadalupe	Misc.	3,060	258	6,957	5,182	1,774	0.74	.62 - .8	Moderate					
Guadalupe	PEPRA Misc.	3,060	10	24	22	2	0.89	.66 - .11	Moderate					
Guadalupe	PEPRA Safety Police	3,060	40	103	92	11	0.89	.7 - .98	Moderate					
Guadalupe	PEPRA Safety Fire	3,060	8	7	6	0	0.93	.69 - .16	Minimal					
Guadalupe	Safety	3,060	187	5,531	4,340	1,191	0.78	.64 - .86	Moderate					
Lompoc	Safety Plan	13,883	2,993	84,988	56,367	28,621	0.66	.55 - .72	High					
Lompoc	Misc.	13,883	6,246	175,064	122,561	52,502	0.70	.59 - .75	Moderate					
Lompoc	PEPRA Safety Police	13,883	101	210	188	22	0.89	.68 - .11	Moderate					
Lompoc	Safety Police Second Tier	13,883	133	365	340	25	0.93	.66 - .18	Minimal					
Lompoc	Safety Fire Second Tier	13,883	95	409	382	27	0.93	.73 - .13	Minimal					

PENSIONS IN SANTA BARBARA COUNTY

City	Plan	2017-18 GF	2017-18 Total Contributions in 000s \$	2015- 2016	2015- 2016	2015- 2016	2015- 2016	Funded Ratio	Funded Ratio	Funded Ratio (range by discount rate)	Solvency Risk
		Payroll in 000s \$	AL ²	MVA ²	UAL ²	(MVA/AL)					
Lompoc	PEPRA Safety Fire	13,883	156	344	313	31	0.91			.66-.14	Minimal
Santa Barbara	Misc. Plan	66,300	23,270	538,824	367,521	171,302	0.68			.57-.73	High
Santa Barbara	PEPRA Safety Fire	66,300	45	276	251	25	0.91			.66-.15	Minimal
Santa Barbara	Safety Fire	66,300	7,041	177,687	112,520	65,166	0.63			.53-.68	High
Santa Barbara	Safety Police	66,300	8,076	248,320	164,765	83,555	0.66			.56-.72	High
Santa Maria	PEPRA Safety Fire	49,079	149	317	281	35	0.89			.67-.1.	Moderate
Santa Maria	Misc.	49,079	8,645	214,526	145,538	68,987	0.68			.57-.73	High
Santa Maria	PEPRA Safety Police	49,079	549	1,072	953	118	0.89			.66-.11	Moderate
Santa Maria	Safety Fire First Tier	49,079	2,210	57,908	41,990	15,918	0.73			.61-.78	Moderate
Santa Maria	Safety Fire Second Tier	49,079	181	759	725	34	0.95			.68-.1.11	Minimal
Santa Maria	Safety Police First Tier	49,079	4,168	121,692	85,719	35,972	0.70			.59-.76	Moderate
Santa Maria	Safety Police Second Tier	49,079	57	741	737	3	10			.77-.1.11	Minimal
Solvang	PEPRA Misc.	1,100	21	51	46	4	0.91			.64-.17	Minimal
Solvang	Misc.	1,100	629	14,172	10,374	3,797	0.73			.61-.79	Moderate
Solvang	Safety	1,100	9	562	502	59	0.89			.75-.96	Moderate
TOTAL		720,452	67,444	1,698,815	1,157,533	541,282	NA	NA	NA	NA	NA

2017-18 Santa Barbara County Grand Jury



City of Buellton

July 12, 2018

The Honorable Patricia L. Kelly
 Superior Court Presiding Judge
 County of Santa Barbara
 Santa Barbara, CA 93101

RE: Grand Jury Report: *Pensions in Santa Barbara County*

Honorable Judge Kelly,

We have received the above Grand Jury Report dated June 18, 2018, and offer the following responses.

Finding 1: Pension solvency risks are moderate in Buellton and Goleta; pension liquidity risks, as indicated by projected years of negative cash flow under projected CalPERS actuarial returns, are nil.

Response: Agree.

Finding 8: The 12 PEPRAs in the cities of the County of Santa Barbara have a funded ratio of 0.90 and the 20 non-PEPRA plans have a funded ratio of 0.68. This is small, but positive, sign that the PEPRAs law is having the intended effect of strengthening the security of pension benefits in the County.

Response: Agree.

Finding 9: Funded ratios on the municipal pension systems in Santa Barbara County are sensitive to the discount rate applied by CalPERS. A cut in that rate to 6 percent, from the 2018-19 rate of 7 percent, would push the funded ratios of several municipal systems close to 0.5 and might impose further increases in the employer's contributions in Lompoc, in the City of Santa Barbara and in Santa Maria.

Response: Agree.

Recommendation 1: That in view of the 12 findings, the governments of the cities of Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria and Solvang and the County of Santa Barbara analyze capital spending, employer/employee contribution rates,

staffing levels, and all existing taxes and revenue sources under the control to identify potential revenue gains and cost savings..

Recommendation 9: That the governments of the cities of Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria and Solvang and of the County of Santa Barbara issue public reports. To be discussed at open sessions of their respective governing bodies, on the potential revenue gain and cost-saving measures that may be necessary to ensure continued adequate funding of their pension plans.

Response: Have been implemented. The Buellton City Council received a full pension report at their May 24, 2018, public meeting including potential cost saving measures. The City Council directed staff to implement the following:

- Begin paying the unfunded liability with a 20-year amortization period to save interest costs
- Pay into a “rainy day” fund each year to cover unanticipated pension costs

If you have any questions or require further information, please contact me at 805-688-5177.

Sincerely,



Marc P. Bierdzinski
City Manager

CC: Santa Barbara County Grand Jury

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: Planning Commission
By: Marc Bierdzinski, City Manager, and Steve McEwen,
City Attorney

Meeting Date: July 12, 2018

Subject: Ordinance No. 18-02 – “An Ordinance of the City Council of the City of Buellton, California, Repealing Municipal Code Chapter 9.08 and Adding Municipal Code Chapter 19.20 Regarding Commercial Cannabis Activities and Cannabis Cultivation” (Introduction and First Reading)

BACKGROUND

In 2008, the City Council approved Municipal Code Chapter 9.08, which prohibits medical marijuana dispensaries. Since then, California’s cannabis laws have undergone significant changes, including the establishment through Proposition 64 of a comprehensive regulatory scheme for adult use or recreational commercial cannabis businesses. At its April 12, 2018, meeting, the City Council directed staff to prepare an ordinance amending the Municipal Code to prohibit commercial cannabis facilities and to regulate cannabis cultivation. Pursuant to that direction, the proposed ordinance would broaden the City’s existing cannabis regulations to prohibit all types of commercial cannabis businesses recognized under state law. The proposed ordinance would also impose regulations on cannabis deliveries and private cannabis cultivation in accordance with state law and City Council direction. The Planning Commission unanimously adopted Resolution No. 18-04 (Attachment 1) recommending that the City Council adopt an ordinance prohibiting commercial cannabis activities within the City of Buellton with the wording noted in Ordinance No. 18-02.

There have been four major developments in California’s cannabis laws over the past three years:

- On October 9, 2015, Assembly Bills 243 and 266 and Senate Bill 643 (collectively, the “Medical Cannabis Regulation and Safety Act” or “MCRSA”) were enacted to create a state regulatory and licensing system governing the cultivation, testing, and distribution of medical marijuana, the manufacturing of medical marijuana products, and physician recommendations for medical marijuana. MCRSA expressly preserved local control over medical marijuana facilities and land uses, including the authority to prohibit medical marijuana facilities and cultivation completely.

- On November 8, 2016, the voters of the State of California approved Proposition 64, entitled the “Control, Regulate and Tax Adult Use of Marijuana Act” (the “AUMA”). Under Proposition 64, individuals may possess and use specified amounts of cannabis and may cultivate up to six cannabis plants per private residence. Under Health and Safety Code section 11362.2(b), cities may prohibit private outdoor cannabis cultivation, but may not prohibit completely private indoor cultivation of six cannabis plants or less. Cities, however, may reasonably regulate private indoor cultivation of six cannabis plants or less. Proposition 64 also established a regulatory system for commercial cannabis businesses commencing at Business and Professions Code section 26000. Under Proposition 64, recreational cannabis cultivators, manufacturers, distributors, retailers, and testing laboratories may operate lawfully if they obtain a state license to operate and comply with local ordinances. The state will not issue licenses if the proposed cannabis business violates a local ordinance. Business and Professions Code section 26200, which is part of Proposition 64, expressly recognized the ability of cities to completely prohibit all recreational cannabis businesses or to regulate such businesses.
- On June 27, 2017, the Governor signed Senate Bill 94, which repealed MCRSA and included provisions from MCRSA regarding medical cannabis in the AUMA, so that the regulations governing both medical and non-medical cannabis were contained under one regulatory structure. Senate Bill 94 renamed the AUMA as the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”). In addition to consolidating state laws regarding medical cannabis and adult-use cannabis, Senate Bill 94 introduced more uniform terminology. Senate Bill 94 revised references in existing law to “marijuana” or “medical marijuana” to instead refer to “cannabis” or “medicinal cannabis”, and revised references to “nonmedical” to “adult-use.”
- On September 16, 2017, the Governor signed Assembly Bill 133, which further revised MAUCRSA’s provisions regarding cannabis deliveries, the state licensing of cannabis businesses, and cannabis taxation.

In light of these developments, the City Council supplemented its existing medical marijuana dispensary ban by adopting a temporary moratorium against all non-medical commercial cannabis activities under Ordinance Nos. 17-01, 17-03, and 17-05. This moratorium will expire in January 2019. On April 12, 2018, the City Council directed staff to draft an ordinance amending the Zoning Ordinance to prohibit both medicinal and non-medicinal commercial cannabis facilities and to regulate cannabis deliveries and personal cannabis cultivation.

The proposed ordinance will repeal Chapter 9.08 and consolidate the City’s cannabis regulations within the Zoning Code. The proposed ordinance adds Chapter 19.20 which will prohibit all commercial cannabis businesses within the City. State-licensed retailers located outside the City could deliver to residents within Buellton provided that such delivery services comply with all applicable state cannabis laws. Finally, the proposed ordinance will allow individuals to cultivate up to six cannabis plants per private residence in accordance with MAUCRSA.

Attached Ordinance No. 18-02 provides the proposed changes to the Municipal Code as directed by the City Council.

ENVIRONMENTAL

Pursuant to the California Environmental Quality Act (CEQA), the Planning Commission exercises its independent judgment and finds that this ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, sections: 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment); 15060(c)(3) (the activity is not a project as defined in Section 15378); and 15061(b)(3), because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Buellton has never allowed any commercial cannabis activity under the Municipal Code. The proposed ordinance, therefore, maintains the status quo. Because there is no possibility that this ordinance may have a significant adverse effect on the environment, the adoption of this ordinance is exempt from CEQA.

RECOMMENDATION

Staff recommends that the City Council consider the introduction and first reading of Ordinance No. 18-02 - “An Ordinance of the City Council of the City of Buellton, California, Repealing Municipal Code Chapter 9.08 and Adding Municipal Code Chapter 19.20 Regarding Commercial Cannabis Activities and Cannabis Cultivation” by title only and waive further reading.

ATTACHMENTS

Ordinance No. 18-02

Attachment 1 – Planning Commission Resolution No. 18-04

ORDINANCE NO. 18-02

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, REPEALING MUNICIPAL CODE CHAPTER 9.08 AND ADDING MUNICIPAL CODE CHAPTER 9.20 REGARDING COMMERCIAL CANNABIS ACTIVITIES AND CANNABIS CULTIVATION

WHEREAS, the City would like to amend the regulations associated with all commercial cannabis activities; and

WHEREAS, all legal prerequisites have occurred prior to adoption of this Ordinance.

THE CITY COUNCIL OF THE CITY OF BUELLTON DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1: All proceedings having been duly taken as required by law, and upon review of the information provided in the staff report, consideration of the testimony given at the public hearing, as well as other pertinent information, the City Council finds the following:

A. Record. Prior to rendering a decision on any aspect of the proposed ordinance amendments, the City Council considered the following:

1. All public testimony, both written and oral, received in conjunction with that certain public hearing conducted by the City Council on July 12, 2018 (“Public Hearing”).
2. All oral, written and visual materials presented by City staff in conjunction with the Public Hearing.
3. The following informational documents which, by this reference, are incorporated herein.
 - a. That certain written report submitted to the City Council dated July 12, 2018 (the “Staff Report”).
 - b. The report and recommendation of the Planning Commission approved on June 7, 2018, and set forth in Resolution No. 18-04.

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

1. A notice was published in a legal section of a newspaper on June 28, 2018 (the “Public Notice”), more than a minimum of ten (10) days in advance of the Public Hearing conducted on July 12, 2018.

2. The Public Notice was posted in two public locations on June 28, 2018, more than a minimum of 10 days in advance of the Public Hearing.

C. Environmental Clearance. Pursuant to the California Environmental Quality Act (CEQA), the Planning Commission exercises its independent judgment and finds that this ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, sections: 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment); 15060(c)(3) (the activity is not a project as defined in Section 15378); and 15061(b)(3), because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Buellton has never allowed any commercial cannabis activity under the Municipal Code. The proposed ordinance, therefore, maintains the status quo. Because there is no possibility that this ordinance may have a significant adverse effect on the environment, the adoption of this ordinance is exempt from CEQA.

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

1. Zoning Ordinance Amendments.

a. Findings:

i. That the form and substance of the Project, as well as the process used in its preparation and adoption, are consistent with the requirements set forth in the Buellton Municipal Code Section 19.10.110(C), in that the proposed ordinance will promote the general community welfare, is consistent with the General Plan, state planning and zoning laws, and the Buellton Zoning Ordinance, and is consistent with good zoning and planning practices.

ii. That the Project is in conformance with all applicable policies and implementation programs set forth in the 2025 Buellton General Plan.

iii. That the Project will not be detrimental to the health, safety, comfort, convenience, property values and general welfare of the community.

SECTION 2. The following sections of the Buellton Municipal Code are hereby amended, in words and figures, as follows (additions in underline, deletions in strikeout):

~~Chapter 9.08 MEDICINAL MARIJUANA DISPENSARIES PROHIBITED~~

~~9.08.010 Prohibition of medicinal marijuana dispensaries.~~

~~A.— No person shall establish, operate, or permit to be operated, a medicinal marijuana dispensary in or upon any premises in the city of Buellton, nor operate such a dispensary as a mobile vendor. It is a violation of this chapter for any person to knowingly allow property of which he or she is the tenant or owner to be used as a medicinal marijuana dispensary.~~

~~B.— No medicinal marijuana dispensary shall be established or located or operated within the city of Buellton, nor shall any building permit, conditional use permit, development plan, zoning clearance, or other entitlement for use be issued for any medicinal marijuana dispensary, nor shall any existing uses be modified to add a medicinal marijuana dispensary. (Ord. 08-01 § 3, 2008)~~

~~9.08.020 Definitions.~~

~~For the purposes of this chapter, unless otherwise apparent from the context, the following definitions apply.~~

~~“Marijuana” means all parts of organically grown Cannabis plants, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seed, or its resin. “Marijuana” does not include the mature stalks of the plant, fiber produced from the stalks, oil, or cake made from the seeds of the plant, or any other compound, manufacture, salt, derivative, mixture, or preparation of mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.~~

~~“Medical marijuana dispensary,” “medicinal marijuana dispensary,” “dispensary,” and “medical/medicinal marijuana clinic” means any facility, site, cooperative, location, use, or mobile vending vehicle where medicinal marijuana is cultivated, distributed, sold, exchanged, given away, or made available for medical purposes in accordance with Health and Safety Code Section 11362.5. It shall not include the following uses, as long as the location of such uses is otherwise regulated by the Buellton Municipal Code or other applicable laws: a clinic licensed pursuant to Chapter 1 of Division 2 (Sections 1200 et seq.) of the Health and Safety Code; a health care facility licensed pursuant to Chapter 1 of Division 2 (Sections 1250 et seq.) of the Health and Safety Code; a residential care facility for persons with chronic life-threatening illnesses licensed pursuant to Chapter 3.01 of Division 2 (Sections 1568.01 et seq.) of the Health and Safety Code; a residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 (Sections 1569.2 et seq.) of the Health and Safety Code; and a residential~~

~~hospice or home health agency licensed pursuant to Chapter 8 of Division 2 (Sections 1725 et seq.) of the Health and Safety Code.~~

~~“Medicinal marijuana” means marijuana authorized in strict compliance with California Health and Safety Code Sections 11362.5 through 11362.9. (Ord. 08-01 § 3, 2008)~~

Chapter 19.20 COMMERCIAL CANNABIS ACTIVITIES AND CANNABIS CULTIVATION

19.20.010 Purpose

19.20.020 Definitions

19.20.030 Prohibition of Commercial Cannabis Facilities

19.20.040 Regulation of Cannabis Cultivation

19.20.050 Enforcement

19.20.010 Purpose

The purpose and intent of this chapter is to prohibit any commercial cannabis facility and to regulate cannabis cultivation within the city limits. It is recognized that it is a federal violation under the Controlled Substances Act to possess or distribute cannabis even if for medical purposes. Additionally, there is evidence of an increased incidence of crime-related secondary impacts in locations associated with a cannabis facility, which is contrary to policies that are intended to promote and maintain the public's health, safety, and welfare.

19.20.020 Definitions

As used in this chapter, the following words and phrases shall have the meaning set forth below:

Cannabis or marijuana has the meaning set forth in Business and Professions Code section 26001(f) and includes all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. Cannabis or marijuana also means the separated resin, whether crude or purified, obtained from cannabis. Cannabis or marijuana does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of

the plant which is incapable of germination. Cannabis or marijuana does not mean “industrial hemp” as defined by Section 11018.5 of the Health and Safety Code.

Commercial cannabis activity has the meaning set forth in Business and Professions Code section 26001(k).

Commercial cannabis facility means any building, facility, use, establishment, property, or location where any person or entity establishes, commences, engages in, conducts, or carries on, or permits another person or entity to establish, commence, engage in, conduct, or carry on, any commercial cannabis activity that requires a state license or nonprofit license under Business and Professions Code sections 26000 and following, including but not limited to cannabis cultivation, cannabis distribution, cannabis transportation, cannabis storage, manufacturing of cannabis products, cannabis processing, the sale of any cannabis or cannabis products, and the operation of a cannabis microbusiness.

Cultivation has the meaning set forth in Business and Professions Code section 26001(l) and includes any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

State Cannabis Laws shall mean and include California Health and Safety Code Sections 11362.1 through 11362.45; California Health and Safety Code Section 11362.5 (Compassionate Use Act of 1996); California Health and Safety Code Sections 11362.7 to 11362.83 (Medical Marijuana Program Act); California Health and Safety Code Sections 26000 through 26211 (Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”)); California Health and Safety Code Sections 26220 through 26231.2; the California Attorney General’s Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use issued in August, 2008, as such guidelines may be revised from time to time by action of the Attorney General; California Labor Code Section 147.5; California Revenue and Taxation Code Sections 31020 and 34010 through 34021.5; California Fish and Game Code Section 12029; California Water Code Section 13276; all state regulations adopted pursuant to MAUCRSA; and all other applicable laws of the state of California.

19.20.030 Prohibition of Commercial Cannabis Facilities

A. Commercial cannabis facilities are prohibited in all zoning districts in the City and may not be established or operated anywhere in the City.

B. The prohibition in Paragraph A shall not prohibit a state licensed retailer located outside the City from delivering to customers in the City, provided that such deliveries are in strict compliance with State Cannabis Laws.

19.20.040 Regulation of Cannabis Cultivation

No person or entity may cultivate cannabis at any location in the City, except that a person may cultivate no more than six living cannabis plants inside his or her private residence, or inside an accessory structure to his or her private residence located upon the grounds of that private residence that is fully enclosed and secured against unauthorized entry, provided that the owner of the property provides written consent expressly allowing the cannabis cultivation to occur, the person conducting the cannabis cultivation complies with all applicable Building Code requirements set forth in Title 17 of this code, there is no use of gas products (CO₂, butane, propane, natural gas, etc.) on the property for purposes of cannabis cultivation, and the cannabis cultivation complies with Health and Safety Code section 11362.2(a)(3).

19.20.050 Enforcement

Any violation of the chapter shall be enforced pursuant to Section 19.10.300.

SECTION 3: If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance irrespective of the fact that any one or more sections, subsections, subdivision, sentences, clauses, phrases or portions thereof be declared invalid or unconstitutional.

SECTION 4: The City Clerk: (i) shall certify as to the passage of this Ordinance and shall cause the same to be published as required by law; (ii) is hereby authorized and directed to make typographical, grammatical and similar corrections in the final text of the Ordinance so long as such corrections do not constitute substantive changes in context; and (iii) cause the Buellton Municipal Code to be reprinted by adding the language contained within Section 2 of this Ordinance.

PASSED, APPROVED, AND ADOPTED this _____ of July 2018.

Holly Sierra
Mayor

ATTEST:

Linda Reid
City Clerk

PLANNING COMMISSION RESOLUTION NO. 18-04

A Resolution of the Planning Commission of the City of Buellton, California, Recommending City Council Approval of an Ordinance Repealing Municipal Code Chapter 9.08 and Adding Municipal Code Chapter 19.20 Regarding Commercial Cannabis Activities and Cannabis Cultivation, and Making Findings in Support Thereof

BE IT RESOLVED by the Planning Commission of the City of Buellton as follows:

SECTION 1: The City Council has proposed amending the Zoning Ordinance to prohibit commercial cannabis facilities and regulate commercial cannabis activities and private cannabis cultivation.

SECTION 2: The proposed Project consists of the following addition to the City's Zoning Ordinance:

1. Repealing Chapter 9.08, which previously prohibited medical marijuana facilities.
2. Adopting Chapter 19.20, prohibiting commercial cannabis facilities in the City of Buellton and prohibiting cannabis cultivation, except allowing a person to cultivate no more than six living cannabis plants inside his or her private residence, or inside an accessory structure to his or her private residence.

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

- A. Record.** Prior to rendering a decision on the Project, the Planning Commission considered the following:
1. All public testimony, both written and oral, received in conjunction with that certain public hearing conducted by the Planning Commission on June 7, 2018 ("Public Hearing").
 2. All oral, written and visual materials presented in conjunction with that certain Public Hearing.
 3. The staff report dated June 7, 2018.
- B. Public Review.** On the basis of evidence hereinafter listed, all administrative procedures and public participation requirements prescribed in the Buellton Zoning Ordinance have been lawfully satisfied:

1. A notice of Planning Commission Public Hearing was published in a newspaper of general circulation on May 24, 2018 (the "Public Notice"), more than the minimum of 10 days in advance of the Public Hearing conducted on June 7, 2018.
 2. The Public Notice was posted in two public locations on May 24, 2018, more than the minimum of 10 days in advance of the Public Hearing.
- C. Environmental Review.** Pursuant to the California Environmental Quality Act (CEQA), the Planning Commission exercises its independent judgment and finds that this ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, sections: 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment); 15060(c)(3) (the activity is not a project as defined in Section 15378); and 15061(b)(3), because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Buellton has never allowed any commercial cannabis activity under the Municipal Code. The proposed ordinance, therefore, maintains the status quo. Because there is no possibility that this ordinance may have a significant adverse effect on the environment, the adoption of this ordinance is exempt from CEQA.
- D. Consistency Declarations.** Based on (i) the evidence presented in the Project file (incorporated herein by reference), (ii) consultations with affected City Departments, and (iii) testimony and comments received in connection with the Public Hearing, the Planning Commission does hereby declare as follows:

1. Zoning Ordinance Amendment

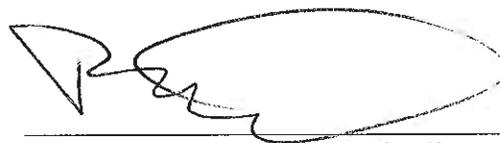
a. Findings:

- i.** That the form and substance of the Project, as well as the process used in its preparation and adoption, are consistent with the requirements set forth in the Buellton Municipal Code Section 19.10.110(C), in that the proposed ordinance will promote the general community welfare, is consistent with the General Plan, state planning and zoning laws, and the Buellton Zoning Ordinance, and is consistent with good zoning and planning practices.
- ii.** That the Project is in conformance with all applicable policies and implementation programs set forth in the 2025 Buellton General Plan.
- iii.** That the Project will not be detrimental to the health, safety, comfort, convenience, property values and general welfare of the community.

SECTION 4: Based upon the forgoing findings, facts and conclusions, including, but not limited to, the review of the information provided in the Staff Report, consideration of the testimony given at the Planning Commission Public Hearing, as well as other pertinent information, the Planning Commission hereby recommends that the City Council adopt the proposed ordinance wording contained in Exhibit A, attached hereto.

SECTION 5: The Planning Commission Secretary shall certify as to the adoption of this Resolution and shall cause the same to be transmitted to the City Clerk for consideration by the City Council.

PASSED, APPROVED and ADOPTED this 7th day of June, 2018.



Brian Dunstan
Chair

ATTEST:



Clare Barcelona
Planning Commission Secretary

Exhibit A – Proposed Ordinance

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

I, Clare Barcelona, Planning Commission Secretary of the City of Buellton, do hereby certify that the foregoing Resolution No. 18-04 was duly approved by the Planning Commission of the City of Buellton at a meeting held on the 7th day of June, 2018, by the following vote, to wit.

AYES: (3) Commissioners Patty Hammel, Marcelo Sarquilla and Chair Brian Dunstan

NOES: (0)

ABSENT: (2) Commissioner Joe Padilla and Vice Chair Dan Heedy

NOT VOTING: (0)

IN WITNESS WHEREOF, I have hereunto set my hand this 7th day of June, 2018.



 Clare Barcelona
 Planning Commission Secretary

EXHIBIT A
PROPOSED ORDINANCE AMENDMENTS

Text being deleted in ~~strikeout~~ and text being added is underlined.

Delete Chapter 9.08 of the Buellton Municipal Code.

~~Chapter 9.08 MEDICINAL MARIJUANA DISPENSARIES PROHIBITED~~

~~9.08.010 Prohibition of medicinal marijuana dispensaries.~~

~~A. — No person shall establish, operate, or permit to be operated, a medicinal marijuana dispensary in or upon any premises in the city of Buellton, nor operate such a dispensary as a mobile vendor. It is a violation of this chapter for any person to knowingly allow property of which he or she is the tenant or owner to be used as a medicinal marijuana dispensary.~~

~~B. — No medicinal marijuana dispensary shall be established or located or operated within the city of Buellton, nor shall any building permit, conditional use permit, development plan, zoning clearance, or other entitlement for use be issued for any medicinal marijuana dispensary, nor shall any existing uses be modified to add a medicinal marijuana dispensary. (Ord. 08-01 § 3, 2008)~~

~~9.08.020 Definitions.~~

~~For the purposes of this chapter, unless otherwise apparent from the context, the following definitions apply:~~

~~“Marijuana” means all parts of organically grown Cannabis plants, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seed, or its resin. “Marijuana” does not include the mature stalks of the plant, fiber produced from the stalks, oil, or cake made from the seeds of the plant, or any other compound, manufacture, salt, derivative, mixture, or preparation of mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.~~

~~“Medical marijuana dispensary,” “medicinal marijuana dispensary,” “dispensary,” and “medical/medicinal marijuana clinic” means any facility, site, cooperative, location, use, or mobile vending vehicle where medicinal marijuana is cultivated, distributed, sold, exchanged, given away, or made available for medical purposes in accordance with Health and Safety Code Section 11362.5. It shall not include the following uses, as long as the location of such uses is~~

~~otherwise regulated by the Buellton Municipal Code or other applicable laws: a clinic licensed pursuant to Chapter 1 of Division 2 (Sections 1200 et seq.) of the Health and Safety Code; a health care facility licensed pursuant to Chapter 1 of Division 2 (Sections 1250 et seq.) of the Health and Safety Code; a residential care facility for persons with chronic life-threatening illnesses licensed pursuant to Chapter 3.01 of Division 2 (Sections 1568.01 et seq.) of the Health and Safety Code; a residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 (Sections 1569.2 et seq.) of the Health and Safety Code; and a residential hospice or home health agency licensed pursuant to Chapter 8 of Division 2 (Sections 1725 et seq.) of the Health and Safety Code.~~

~~“Medicinal marijuana” means marijuana authorized in strict compliance with California Health and Safety Code Sections 11362.5 through 11362.9. (Ord. 08-01 § 3, 2008)~~

Add Chapter 19.20 to the Buellton Municipal Code.

Chapter 19.20 COMMERCIAL CANNABIS ACTIVITIES AND CANNABIS CULTIVATION

- 19.20.010 Purpose
- 19.20.020 Definitions
- 19.20.030 Prohibition of Commercial Cannabis Facilities
- 19.20.040 Regulation of Cannabis Cultivation
- 19.20.050 Enforcement

19.20.010 Purpose

The purpose and intent of this chapter is to prohibit any commercial cannabis facility and to regulate cannabis cultivation within the city limits. It is recognized that it is a federal violation under the Controlled Substances Act to possess or distribute cannabis even if for medical purposes. Additionally, there is evidence of an increased incidence of crime-related secondary impacts in locations associated with a cannabis facility, which is contrary to policies that are intended to promote and maintain the public's health, safety, and welfare.

19.20.020 Definitions

As used in this chapter, the following words and phrases shall have the meaning set forth below:

Cannabis or marijuana has the meaning set forth in Business and Professions Code section 26001(f) and includes all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative,

mixture, or preparation of the plant, its seeds, or resin. Cannabis or marijuana also means the separated resin, whether crude or purified, obtained from cannabis. Cannabis or marijuana does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. Cannabis or marijuana does not mean “industrial hemp” as defined by Section 11018.5 of the Health and Safety Code.

Commercial cannabis activity has the meaning set forth in Business and Professions Code section 26001(k), and includes the cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, distribution, or sale of medical cannabis or a medical cannabis product related to qualifying patients and primary caregivers.

Commercial cannabis facility means any building, facility, use, establishment, property, or location where any person or entity establishes, commences, engages in, conducts, or carries on, or permits another person or entity to establish, commence, engage in, conduct, or carry on, any commercial cannabis activity that requires a state license or nonprofit license under Business and Professions Code sections 26000 and following, including but not limited to cannabis cultivation, cannabis distribution, cannabis transportation, cannabis storage, manufacturing of cannabis products, cannabis processing, the sale of any cannabis or cannabis products, and the operation of a cannabis microbusiness.

Cultivation has the meaning set forth in Business and Professions Code section 26001(l) and includes any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

State Cannabis Laws shall mean and include California Health and Safety Code Sections 11362.1 through 11362.45; California Health and Safety Code Section 11362.5 (Compassionate Use Act of 1996); California Health and Safety Code Sections 11362.7 to 11362.83 (Medical Marijuana Program Act); California Health and Safety Code Sections 26000 through 26211 (Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”)); California Health and Safety Code Sections 26220 through 26231.2; the California Attorney General’s Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use issued in August, 2008, as such guidelines may be revised from time to time by action of the Attorney General; California Labor Code Section 147.5; California Revenue and Taxation Code Sections 31020 and 34010 through 34021.5; California Fish and Game Code Section 12029; California Water Code Section 13276; all state regulations adopted pursuant to MAUCRSA; and all other applicable laws of the state of California.

19.20.030 Prohibition of Commercial Cannabis Facilities

A. Commercial cannabis facilities are prohibited in all zoning districts in the City and may not be established or operated anywhere in the City.

B. The prohibition in Paragraph A shall not prohibit a state licensed retailer located outside the City from delivering to customers in the City, provided that such deliveries are in strict compliance with State Cannabis Laws.

19.20.040 Regulation of Cannabis Cultivation

No person or entity may cultivate cannabis at any location in the City, except that a person may cultivate no more than six living cannabis plants inside his or her private residence, or inside an accessory structure to his or her private residence located upon the grounds of that private residence that is fully enclosed and secured against unauthorized entry, provided that the owner of the property provides written consent expressly allowing the cannabis cultivation to occur, the person conducting the cannabis cultivation complies with all applicable Building Code requirements set forth in Title 17 of this code, there is no use of gas products (CO2, butane, propane, natural gas, etc.) on the property for purposes of cannabis cultivation, and the cannabis cultivation complies with Health and Safety Code section 11362.2(a)(3).

19.20.050 Enforcement

Any violation of the chapter shall be enforced pursuant to Section 19.10.300.

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: Marc Bierdzinski, City Manager

Date: July 12, 2018

Subject: Visitor's Bureau Proposed Fiscal Year 2018-19 Budget and Request for Additional Funding

BACKGROUND

Attachment 1 is the proposed Fiscal Year 2018-19 budget for the Buellton Visitor's Bureau as required by the City's contract with the Buellton Chamber of Commerce for operation of the Visitor's Bureau. The current contract is in effect until June 30, 2020.

The Visitor's Bureau is also requesting an increase in City funding in the amount of \$175,000. Attachment 2 is the funding request with the rationale behind the request. This would increase the yearly funding to the Visitor's Bureau to \$575,000 if approved. Any additional funding granted by the City Council would be brought back for final approval via a budget adjustment resolution and an amendment to the contract with the Buellton Chamber of Commerce.

RECOMMENDATION

That the City Council receive the Buellton Visitor's Bureau Fiscal Year 2018-19 Budget and consider and provide direction on the request for additional funding in the amount of \$175,000.

ATTACHMENTS

Attachment 1 – Proposed Fiscal Year 2018-19 Budget
Attachment 2 – Request for Additional Funds

3:09 PM
06/07/18
Cash Basis

BUELLTON VISITOR'S BUREAU Profit & Loss Budget vs. Actual July 2018 through June 2019

	Jul '18 - Jun 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Income				
4100 · Program Service Income				
4110 · TOT Funding	0.00	400,000.00	-400,000.00	0.0%
Total 4100 · Program Service Income	0.00	400,000.00	-400,000.00	0.0%
4300 · Advertising				
4350 · Website Income	0.00	0.00	0.00	0.0%
Total 4300 · Advertising	0.00	0.00	0.00	0.0%
Total 4000 · Income	0.00	400,000.00	-400,000.00	0.0%
Total Income	0.00	400,000.00	-400,000.00	0.0%
Expense				
5700 · T-1 Operation of Visitor Center				
5003 · Conference and Meeting				
5103 · Vehicle Mileage	0.00	2,000.00	-2,000.00	0.0%
5003 · Conference and Meeting - Other	0.00	2,500.00	-2,500.00	0.0%
Total 5003 · Conference and Meeting	0.00	4,500.00	-4,500.00	0.0%
6100 · Employee Services				
6110 · Wages & Salaries	0.00	107,000.00	-107,000.00	0.0%
6120 · Payroll Taxes (Employer only)	0.00	9,200.00	-9,200.00	0.0%
6200 · Contract Labor	0.00	0.00	0.00	0.0%
6300 · Insurance				
6310 · Workmens Comp	0.00	600.00	-600.00	0.0%
6320 · Liability Insurance	0.00	2,000.00	-2,000.00	0.0%
Total 6300 · Insurance	0.00	2,600.00	-2,600.00	0.0%
Total 6100 · Employee Services	0.00	118,800.00	-118,800.00	0.0%
6400 · Taxes				
6410 · Property Tax - Unsecured	0.00	450.00	-450.00	0.0%
Total 6400 · Taxes	0.00	450.00	-450.00	0.0%
7000 · Maintenance Expense				
7100 · Office Expense				
7110 · Office Supplies	0.00	2,500.00	-2,500.00	0.0%
7115 · Website Maintenance	0.00	600.00	-600.00	0.0%
7120 · Telephone/Internet	0.00	1,800.00	-1,800.00	0.0%
7125 · Office Alarm	0.00	350.00	-350.00	0.0%
7130 · Office Equipment				
7131 · Purchase	0.00	400.00	-400.00	0.0%
7132 · Rental	0.00	1,800.00	-1,800.00	0.0%
7133 · Maintenance	0.00	1,200.00	-1,200.00	0.0%
Total 7130 · Office Equipment	0.00	3,400.00	-3,400.00	0.0%
7140 · Computer Equipment	0.00	1,000.00	-1,000.00	0.0%
7150 · Cleaning & Janitorial	0.00	1,400.00	-1,400.00	0.0%
7170 · Postage & Shipping	0.00	1,800.00	-1,800.00	0.0%
7180 · Rent - Storage	0.00	1,900.00	-1,900.00	0.0%
7190 · Building Repairs & maintenance	0.00	100.00	-100.00	0.0%
7195 · Miscellaneous	0.00	100.00	-100.00	0.0%
Total 7100 · Office Expense	0.00	14,950.00	-14,950.00	0.0%
7200 · Professional Fees				
7210 · Accounting	0.00	3,500.00	-3,500.00	0.0%
7220 · Bookkeeping & Accounting	0.00	2,000.00	-2,000.00	0.0%
7230 · Legal	0.00	1,500.00	-1,500.00	0.0%
7240 · Consulting	0.00	0.00	0.00	0.0%
Total 7200 · Professional Fees	0.00	7,000.00	-7,000.00	0.0%
Total 7000 · Maintenance Expense	0.00	21,950.00	-21,950.00	0.0%
Total 5700 · T-1 Operation of Visitor Center	0.00	145,700.00	-145,700.00	0.0%
5705 · T-2 Grants/Specific Projects				
5002 · Sponsorships and Donations	0.00	12,000.00	-12,000.00	0.0%
9000 · Opportunity Reserves	0.00	2,000.00	-2,000.00	0.0%
Total 5705 · T-2 Grants/Specific Projects	0.00	14,000.00	-14,000.00	0.0%

BUELLTON VISITOR'S BUREAU
Profit & Loss Budget vs. Actual
 July 2018 through June 2019

	Jul '18 - Jun 19	Budget	\$ Over Budget	% of Budget
5750 · T-3 Economic Development				
5004 · Economic Development	0.00	3,000.00	-3,000.00	0.0%
Total 5750 · T-3 Economic Development	0.00	3,000.00	-3,000.00	0.0%
5775 · T-4 Promo/Advertising				
5001 · Member Dues & Subscriptions	0.00	2,000.00	-2,000.00	0.0%
5300 · Advertising				
5330 · Billboards	0.00	22,500.00	-22,500.00	0.0%
5340 · Coop Advertising	0.00	0.00	0.00	0.0%
5350 · Print & Digital Advertising	0.00	13,720.00	-13,720.00	0.0%
5360 · Web	0.00	25,120.00	-25,120.00	0.0%
5370 · Graphic Design	0.00	20,000.00	-20,000.00	0.0%
5371 · Photography	0.00	5,000.00	-5,000.00	0.0%
5380 · E Marketing				
5381 · Social Media	0.00	15,000.00	-15,000.00	0.0%
5384 · SEO/SEM	0.00	30,000.00	-30,000.00	0.0%
5380 · E Marketing - Other	0.00	0.00	0.00	0.0%
Total 5380 · E Marketing	0.00	45,000.00	-45,000.00	0.0%
5382 · Marketing Consultant	0.00	48,000.00	-48,000.00	0.0%
5383 · Public Relations	0.00	48,000.00	-48,000.00	0.0%
5386 · Media Expenses	0.00	5,000.00	-5,000.00	0.0%
5390 · Promotional Items	0.00	3,500.00	-3,500.00	0.0%
5300 · Advertising - Other	0.00	0.00	0.00	0.0%
Total 5300 · Advertising	0.00	235,840.00	-235,840.00	0.0%
5400 · Event Expenses				
5460 · Other Events				
5463 · Buellton Winter Fest	0.00	10,000.00	-10,000.00	0.0%
Total 5460 · Other Events	0.00	10,000.00	-10,000.00	0.0%
Total 5400 · Event Expenses	0.00	10,000.00	-10,000.00	0.0%
5500 · Trade Shows				
5501 · Trade Shows	0.00	15,000.00	-15,000.00	0.0%
5500 · Trade Shows - Other	0.00	0.00	0.00	0.0%
Total 5500 · Trade Shows	0.00	15,000.00	-15,000.00	0.0%
Total 5775 · T-4 Promo/Advertising	0.00	262,840.00	-262,840.00	0.0%
Total Expense	0.00	425,540.00	-425,540.00	0.0%
Net Ordinary Income	0.00	-25,540.00	25,540.00	0.0%
Other Income/Expense				
Other Income				
8100 · Other Funding Sources				
4109 · Committed Project Allocation	0.00	40,313.31	-40,313.31	0.0%
4111 · Balance Forward	0.00	60,245.38	-60,245.38	0.0%
4120 · SB County Funding	0.00	2,758.00	-2,758.00	0.0%
Total 8100 · Other Funding Sources	0.00	103,316.69	-103,316.69	0.0%
Total Other Income	0.00	103,316.69	-103,316.69	0.0%
Other Expense				
8500 · Other Expense				
8510 · Bank Service Charges	0.00	0.00	0.00	0.0%
Total 8500 · Other Expense	0.00	0.00	0.00	0.0%
8505 · Other Funding Expenses				
8515 · Economic Development	0.00	20,819.56	-20,819.56	0.0%
8520 · Billboards	0.00	7,032.85	-7,032.85	0.0%
8525 · Probable projects/opportunities	0.00	75,464.28	-75,464.28	0.0%
8530 · Marketing Consultant	0.00	0.00	0.00	0.0%
Total 8505 · Other Funding Expenses	0.00	103,316.69	-103,316.69	0.0%
Total Other Expense	0.00	103,316.69	-103,316.69	0.0%
Net Other Income	0.00	0.00	0.00	0.0%
Net Income	0.00	-25,540.00	25,540.00	0.0%



June 6, 2018

Attn: Madam Mayor and City Council Members

RE: Buellton Visitors Bureau request for additional funding

Dear Madam Mayor and City Council Members,

On behalf of the Board of Directors for the Buellton Chamber of Commerce and Visitors Bureau, I would like to thank you for the opportunity to market our growing city. We have seen great results from our marketing efforts and are proud that we have maintained our position as one of the top revenue generators for the city.

As per our contract, beginning in 2016, we were given the opportunity to come back in two years to make a request for additional funding. We feel we have been responsible with our spending at the Visitors Bureau and have used our funds in the best interest of Buellton. With our current funds, we have been able to hire a PR firm that works directly with travel media; we've developed a Marketing Strategic Plan and have contracted with a Marketing Consultant to assist with the implementation of the plan. We have been able to implement various programs that assist with our digital marketing and branding, which contribute to our growing marketing efforts and allow us to keep Buellton on the map as a destination.

In the upcoming months and years, we will be celebrating some milestones in Buellton. September 2018 we will celebrate the 50th Anniversary of the Avenue of Flags dedication, June 2019 will be the 95th Anniversary for Pea Soup Andersen's, October 2019 will be the 15th Anniversary since the movie Sideways was filmed here, and the year 2020 will mark the Centennial for Buellton which we'll want to celebrate throughout the year.

In addition to these milestones, we will continue to expand our marketing efforts so we may maintain our presence in the digital realm and stay relevant to our consumers. Currently we have a staff of 2 full-time and one part-time, who perform duties for both the Chamber of Commerce and Visitors Bureau. We would like to bring on additional staff to assist with Sales & Marketing as well as events. With the growing number of hotel rooms in Buellton, it is imperative that we work closely with our hotels and assist with leads to fill the vacancies.

As you can see in our proposed 2018/2019 fiscal year budget, we are showing a deficit. This budget does not accommodate for the events listed above or additional staff to assist with the ongoing sales and marketing efforts. We have really stretched our dollars to accommodate what we can to stay relevant, but in order to maintain, grow and celebrate these milestones, additional funding will be needed.

In looking ahead at the items stated above, we would like to make a request for an additional \$175 thousand dollars to accommodate our needs. This would make our allocation a total \$575 thousand per year of which 100% goes into the marketing of Buellton and operations of the Buellton Visitors Bureau.

I would be happy to sit down and go over any of these areas with staff and/or Council if you have questions. It has been and continues to be our pleasure to market Buellton and contribute to our City's financial stability. Tourism is one of our top industries for the City and we take great pride in promoting Buellton. I look forward to hearing from you with regards to our request and am available for any questions.

Most Sincerely,

A handwritten signature in cursive script, appearing to read "Kathy Vreeland".

Kathy Vreeland, Executive Director

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: Rose Hess, Public Works Director

Meeting Date: July 12, 2018

Subject: Approval of Storage Improvements at City Hall

BACKGROUND

City Hall needs a storage facility for archived files that must be maintained for all departments, specifically administration, finance, public works and planning. Currently, storage boxes have been kept in the rear shed, in the building attic and underneath existing desk workspaces (Attachment 1). There is no room within any existing areas of City Hall or Planning for proper and secure storage. The current “designated” locations of the attic and rear shed are not safe or appropriate. The attic has poor access, via a wall ladder with a drop off and is a safety hazard. The rear shed is also stores miscellaneous items from various departments, which include paints and chemicals, which is not a good combination for document storage. Archived files need to be kept in safe condition.

Fortunately, there is space within the existing property at City Hall. The west side of the building has room for a shed as large a 12’ x 35’. Improvement requirements would consist of removal of existing vegetation, minor grading and installation of a concrete slab and relocation of the sideyard fence. Cost estimates for these improvements are as follows:

Clear and Grub:	\$ 1,000
Concrete Pad (with base):	\$ 8,000
Fence:	\$ 3,000
Shelving	\$ 1,000
Tuff Shed:	\$14,400
Total Estimate:	<u>\$27,400</u>

The shed would provide enough storage for relocation of all existing archive boxes and have room for growth for future archive files.

FISCAL IMPACT

Storage improvements was not budgeted for the 2018/2019 Fiscal year. Approval of the item would require a budget adjustment to the Capital Improvement Fund (092), funded by the General Fund in an amount of \$27,400 for the 2018/2019 Fiscal year.

Using an off-site storage facility was considered but the monthly rent would exceed the cost of the permanent facility in a matter of a few years. Also, staff would have to travel to the off-site facility.

RECOMMENDATION

That the Council authorize the City Manager to implement the storage improvements at City Hall for a not to exceed cost of \$27,400, and amend the 2018/19 FY budget by this amount at the next budget adjustment.

ATTACHMENTS

Attachment 1 – Pictures of Existing Storage Conditions

ATTACHMENT 1 – PICTURES OF EXISTING STORAGE CONDITIONS









06.28.2018



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06.28.2018