CITY OF BUELLTON

CITY COUNCIL AGENDA
Regular Meeting of September 27, 2018 at 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 Any Council Member, the City Attorney, or the City Manager may request that an item be withdrawn from the Consent Agenda to allow for full discussion.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 September 13, 2018 Regular City Council Meeting

2. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2018/19

3. Financial Report for the Fourth Quarter Ending June 30, 2018
- *(Staff Contact: Finance Director Shannel Zamora)*

4. Monthly Treasurer's Report – August 31, 2018
- *(Staff Contact: Finance Director Shannel Zamora)*

PRESENTATIONS

5. Proclamation Declaring September 27, 2018 as the Hancock Promise Day in Buellton

PUBLIC HEARINGS

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)

6. First Contract Amendment with the Buellton Business Association/Chamber of Commerce for Operation of a Visitor's Bureau
- *(Staff Contact: City Manager Marc Bierdzinski)*

7. Acceptance of the 2017/2018 Road Maintenance Project
- *(Staff Contact: Public Works Director Rose Hess)*

CITY MANAGER'S REPORT

CLOSED SESSION ITEMS (POSSIBLE ACTION)

8. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of litigation pursuant to Government Code Section 54956.9, subdivision (d)(4) (2 cases)

ADJOURNMENT

The next meeting of the City Council will be held on Thursday, October 11, 2018 at 6:00 p.m.

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

CITY OF BUELLTON

CITY COUNCIL MEETING MINUTES
Regular Meeting of September 13, 2018
City Council Chambers, 140 West Highway 246
Buellton, California

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

ROLL CALL

Present: Council Members Ed Andrisek and Art Mercado and Mayor Holly Sierra

Excused Absence: Vice Mayor Dave King

Staff: City Manager Marc Bierdzinski, City Attorney Steve McEwen (Via Telephone), Finance Director Shannel Zamora, Senior Deputy Charlie Uhrig, and City Clerk Linda Reid

PUBLIC COMMENTS

Caroline Abate, spoke in support of President Trump.

Dawn Wafer, Buellton spoke about the RV parking ordinance and provided copies of photographs for the record.

Randall Haggard, Ph.D., Superintendent of Buellton Union School District spoke about the Measure A Parcel Tax that will be on the November ballot.

Kathy Vreeland, Executive Director of the Buellton Chamber of Commerce and Visitor's Bureau discussed the Avenue of Flags 50 year anniversary ceremony scheduled for September 22 from 10:30 to 11:30 a.m. and the Vintage Trailer Bash at Flying Flags RV Resort the same day. Ms. Vreeland provided Avenue of Flags 50 year anniversary posters for the record.

Larry Bishop, Buellton, discussed the Green Team meeting, specifically Community Choice Energy.

Jerrie Domingos, Buellton, asked about increasing Buellton Recreation staff with a part-time person to run Special Olympics programs.

CONSENT CALENDAR

1. Minutes of August 9, 2018 Regular City Council Meeting

2. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2018/19

3. Quarterly Report for April 1, 2018 through June 30, 2018 from Visit Santa Ynez Valley (VisitSYV)

4. Resolution No. 18-17 – "A Resolution of the City Council of the City of Buellton, California, Declaring a Shelter Crisis Pursuant to SB 850 (Chapter 48, Statutes of 2018 and Government Code Section 8698.2)"

5. Resolution No. 18-18 – "A Resolution of the City Council of the City of Buellton, California, Adopting the 2018 City of Buellton Emergency Management Plan (EMP)

6. Monthly Treasurer's Report – July 31, 2018

MOTION:
Motion by Council Member Andrisek, seconded by Council Member Mercado, approving Consent Calendar Items 1 through 6 as listed.

VOTE:
Motion passed by a roll call vote of 3-0.
Council Member Andrisek – Yes
Council Member Mercado – Yes
Mayor Sierra – Yes

PRESENTATIONS

7. Proclamation Recognizing Volunteers of the Buellton Senior Thrift Shop

Mayor Sierra presented volunteers of the Senior Thrift Shop with a proclamation recognizing their service to the community. Rosemary Hrehor, Diane Day, and Pam Gnekow thanked the Council for their support.

PUBLIC HEARINGS

None

COUNCIL MEMBER COMMENTS/ITEMS

Council Member Mercado thanked Buellton Recreation for hosting the Crab Feast Gala and stated it was a great event.

Council Member Andrisek stated that everyone should register to vote.

Mayor Sierra spoke about Special Olympics Soccer Season. Mayor Sierra announced the Senior Center is hosting a candidate forum as part of their monthly dinner.

WRITTEN COMMUNICATIONS

None

COMMITTEE REPORTS

Council Member Mercado stated he attended the Green Team meeting and provided an oral report regarding the meeting. Council Member Mercado also stated that the City Attorney Ad Hoc Committee met regarding the proposals.

Mayor Sierra announced that she attended the Santa Barbara County Association of Governments North County Sub-Regional Committee meeting and provided an oral report for the record.

BUSINESS ITEMS

8. First Contract Amendment with the Buellton Business Association/Chamber of Commerce for Operation of a Visitor's Bureau

RECOMMENDATION:
That the City Council approve the First Amendment to the Service Contract and authorize the City Manager to execute the amendment.

STAFF REPORT:
City Manager Bierdzinski presented the staff report.

SPEAKERS/DISCUSSION:
Mayor Sierra requested this item be continued to the meeting of September 27, 2018 to allow a full Council to be present to vote on this item.

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

DIRECTION:
The City Council agreed by consensus to continue this item to the meeting of September 27, 2018 to allow a full Council to be present to vote on this item.

9. Discussion of Truck Parking along McMurray Road

RECOMMENDATION:
That the City Council provide direction to staff regarding truck parking along McMurray Road.

STAFF REPORT:
City Manager Bierdzinski presented the staff report.

SPEAKERS/DISCUSSION:
Correspondence regarding this item was received, provided to the City Council, and made part of the record from Susan Perry and Eckart Mathias, Ph.D.

Lorena Simpson, Buellton discussed truck parking on McMurray Road and how it impacts residents at Vineyard Village.

Susan Perry, Buellton, discussed truck parking on McMurray Road and how the large trucks create a dangerous condition for drivers in the area.

Jim Perry, Buellton, discussed truck parking on McMurray Road and how it is impacting residents in the area.

Sandy Lincoln, Buellton, suggested that trucks park across the street from Firestone Walker Brewing Company.

Bob Meneley, Buellton, discussed the limited truck parking in Buellton and that the existing truck parking needs to be kept in place.

Chris Atkinson with Pacific Property Partners discussed truck parking on McMurray Road and how truck parking will impact the new hotels being proposed on the Village site.

Kristin Raja, Buellton, spoke about truck parking on McMurray Road and possibly shuttling truckers from another location into town for food and lodging.

The City Council discussed the following issues:

- Alternative locations for truck parking on McMurray Road
- The history of the trucking industry in Buellton
- Pursuing parking at Pea Soup Andersens, Motel 6, south end of McMurray Road, Dr. Buell's property, and the north end of Avenue of Flags

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

DIRECTION:
The City Council agreed by consensus to have staff continue to work with property owners regarding locations for large truck parking in Buellton.

CITY MANAGER'S REPORT

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

ADJOURNMENT

Mayor Sierra adjourned the regular meeting at 7:10 p.m. The next regular meeting of the City Council will be held on Thursday, September 27, 2018 at 6:00 p.m.

_____

Holly Sierra
Mayor

ATTEST:

_____

Linda Reid
City Clerk

CITY OF BUELLTON

City Council Agenda Staff Report

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

To:	The Honorable Mayor and City Council
From:	Shannel Zamora, Finance Director
Meeting Date:	September 27, 2018
Subject:	List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2018/19

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 9/5/2018 through 9/18/2018 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, 9/5/2018 through 9/18/2018, and electronic fund transfers issued for the period of 9/5/2018 through 9/18/2018 was $284,711.60.

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 9/5/2018 through 9/18/2018.

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 **September 27, 2018** Council Meeting.

Listed below is a brief summary of the attached claims:

EXHIBIT A *	A/P Packet #APPKT00848	126,507.75
	A/P Packet #APPKT00847	49,812.50
	A/P Packet #APPKT00841	2,652.71
	Total A/P Packets:	$178,972.96 (5 pages)
	Total Packets:	**$178,972.96**
EXHIBIT B		$60,387.06
Staff Payroll	9/14/2018	45,351.58
	Total Payroll:	$45,351.58
TOTAL AMOUNT OF CLAIMS:		**$284,711.60**

* The A/P Packets above will be approved on Council Agenda date of 09/27/2018
Checks previously signed by staff to avoid late fees relate to:
A/P Packet # APPKT00841, APPKT00847 and APPKT00848

SB 9/19/18

Payments via Electronic Fund Transfer (EFT):
From 09/05/2018 through 09/18/2018

CalPERS - Medical	9/6/2018	19,613.87
DCP-AUL	9/6/2018	19,485.72
The Hartford	9/6/2018	554.43
AFLAC	9/12/2018	662.45
Payroll Tax - IRS	9/17/2018	7,929.13
CalPERS - Classic	9/17/2018	6,544.99
Payroll Tax - EDD	9/17/2018	2,810.74
CalPERS - PEPRA	9/17/2018	2,785.73
Total		**60,387.06**

Check Report - City Council Meeting - 9/27/2018

City of Buellton, CA

By Payment Number

Payment Dates 09/05/2018 - 09/18/2018

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Project Account Key	Payment Amount / Item Amount
36795	9/5/2018	000718	AUTOSYS, INC.			405.00
	2185	8/24/2018 - Well 8 - SCADA - In Field T		020-601-60800		405.00
36796	9/5/2018	000043	BARBARA KNECHT			201.49
	INV0009663	9/7/2018 - REIMBURSEMENT CRAB FE.		001-511-67140		141.11
	INV0009664	9/7/2018 - REIMBURSEMENT - CRAB F		001-511-67140		60.38
36797	9/5/2018	000118	COASTAL COPY, INC.			205.78
	809253	8/1-31/2018 - REC - Copier Overage Ch		001-511-61130		205.78
36798	9/5/2018	000122	COMCAST CABLE			286.01
	INV0009668	8/26-9/25/2018 - CH - Internet Service		001-410-61292		286.01
36799	9/5/2018	000122	COMCAST CABLE			236.01
	INV0009666	9/29-9/28/2018 - WWTP - Internet Ser		005-701-60210		236.01
36800	9/5/2018	000172	ECHO COMMUNICATIONS			115.95
	INV0009665	9/1-9/30/2018 - MsgSrvc & Ansrng Srv		001-558-60800		38.65
	INV0009665	9/1-9/30/2018 - MsgSrvc & Ansrng Srv		005-701-60800		38.65
	INV0009665	9/1-9/30/2018 - MsgSrvc & Ansrng Srv		020-601-60800		38.65
36801	9/5/2018	000187	FARM SUPPLY COMPANY			292.23
	33441	8/29/2018 - WWTP - Weed Abatemen		005-701-61111		292.23
36802	9/5/2018	001301	MARIA ROJO			100.00
	INV0009673	9/1/2018 - REFUND - RVP SECURITY DE		001-22510		100.00
36803	9/5/2018	000353	MICHAEL J. BOGGESS dba			435.00
	3927	8/1/2018 - COB - Website Updates		001-410-61292		80.00
	3933	Sept 2018 - Web Hosting/Updates		001-410-61292		355.00
36804	9/5/2018	000032	READY REFRESH BY NESTLE			132.50
	18H0029022365	7/27-8/26/2018 - CH - Water Service		001-410-60800		77.11
	18H0029022381	7/27-8/26/2018 - LIB/CC - Water Servi		001-410-60800		31.46
	18H0029154614	7/27-8/26/2018 - Plng - Water Service		001-410-60800		23.93
36805	9/5/2018	000439	SANTA YNEZ VALLEY NEWS			21.00
	INV0009667	9/2018-8/2018 - Plng - SYVNews - Sub:		001-565-60650		21.00
36806	9/5/2018	000507	SoCalGas			17.07
	INV0009669	7/25-8/24/2018 - CH - Gas Services		001-510-61230		17.07
36807	9/5/2018	000507	SoCalGas			14.79
	INV0009670	7/25-8/24/2018 - LIB/CCC - Gas Servic		001-510-61230		14.79
36808	9/5/2018	000521	TODD PIPE & SUPPLY			78.32
	INV0009671	August 2018 - Misc Maint/Repair Item:		001-552-60256		6.64
	INV0009671	August 2018 - Misc Maint/Repair Item:		001-552-60258		71.68
36809	9/5/2018	000765	VICTOR RODRIGUEZ dba			111.56
	38327	8/29/2018 - Vehicle Maintenance		001-558-60270		111.56

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Project Account Key	Payment Amount / Item Amount
36810	9/12/2018	000326	MNS ENGINEERS, INC.			49,812.50
	70984	7/1-31/2018 City Engineer/Public Wor		025-554-60800		3,547.50
	70985	7/1-31/2018 - City/Transportation Plar		029-557-60800		2,475.00
	70986	7/1-31/2018 - City/Sewer Network		005-701-60830		285.00
	70987	7/1-31/2018 - City/Traffic Studies		025-554-67265		6,230.00
	70988	7/1-31/2018 - City/Misc Planning Supp		001-565-60830		1,150.00
	70989	7/1-31/2018 - Crossroads Center at th		001-22416	90010-070	150.00
	70990	7/1-31/2018 - PedSfty Improvements I		092-306-60800		787.50
	70991	7/1-31/2018 - Neighborhood Park at tl		001-22416	90017-070	150.00
	70992	7/1-31/2018 - Backflow Prevention Pr		020-601-60830		5,437.50
	70993	7/1-31/2018 - Village Townhomes		001-22416	90021-070	420.00
	70994	7/1-31/2018 - Industrial Way Street Lig		092-311-60800		1,820.00
	70995	7/1-31/2018 - Figueroa Mountain Brev		001-22416	90037-070	390.00
	70996	7/1-31/2018 - 2017/18 Road Maint&Ci		092-316-60800		14,187.50
	71046	7/1-31/2018 - City Storm Water Mana		001-551-60800		12,782.50
36811	9/12/2018	000005	ABALONE COAST ANALYTICAL, INC.			3,027.55
	4248	August 2018 - WWTP - Chemicals/Anal		005-701-61111		598.80
	4252	August 2018 - Chemicals/Analysis		020-601-61111		2,428.75
36812	9/12/2018	000820	ACWA/JPIA			3,194.89
	0572967	October 2018 - Dental/Vision/EAP Prer		001-401-50400		548.18
	0572967	October 2018 - Dental/Vision/EAP Prer		001-402-50400		115.02
	0572967	October 2018 - Dental/Vision/EAP Prer		001-403-50400		69.02
	0572967	October 2018 - Dental/Vision/EAP Prer		001-420-50400		313.14
	0572967	October 2018 - Dental/Vision/EAP Prer		001-511-50400		431.91
	0572967	October 2018 - Dental/Vision/EAP Prer		001-558-50400		565.87
	0572967	October 2018 - Dental/Vision/EAP Prer		001-565-50400		182.14
	0572967	October 2018 - Dental/Vision/EAP Prer		005-701-50400		484.81
	0572967	October 2018 - Dental/Vision/EAP Prer		020-601-50400		484.80
36813	9/12/2018	000019	AMERICAN INDUSTRIAL PIPE & SUPPLY			32.87
	0322816-IN	9/4/2018 - WWTP - Matls/Supplies		005-701-61127		32.87
36814	9/12/2018	000718	AUTOSYS, INC.			1,160.00
	2191	8/28/2018 - DWTO - SCADA Programm		020-601-60800		580.00
	2192	8/28/2018 - WWTP Scada - Programm		005-701-60800		580.00
36815	9/12/2018	001099	Ben Hernandez			409.50
	INV0009695	9/10/2018 - GFOA Training & Exam - G		001-420-60710		409.50
36816	9/12/2018	000142	DANIEL FITZGERALD dba			960.00
	INV0009697	August 2018 - Monthly Janitorial Servic		001-558-60800		960.00
36817	9/12/2018	000176	EXCLUSIVE ALARMS INC			414.00
	07979	Oct-Dec2018 -CC/PO- MntrngSrvc (43-		001-558-60800		414.00
36818	9/12/2018	000187	FARM SUPPLY COMPANY			47.39
	33563	9/6/2018 - Misc Matl/Supplies		005-701-61140		47.39
36819	9/12/2018	000189	FISHER PUMP & WELL SERVICE, INC.			954.00
	5685	8/15&17/2018 - Maint/Repair Pump W		020-601-60250		954.00
36820	9/12/2018	000203	Gary Brown Service & Repair, Inc.			155.70
	7779	8/10/2018 - CCChmbrs - VACH Repair		001-558-60250		155.70
36821	9/12/2018	000835	METRO VENTURES LTD			5,224.50
	2018-0910-buel	August 2018 - Prof Services/Private Pr		001-22416	90052-070	162.00
	2018-0910-buel	August 2018 - Professional Services - C		001-565-60800		5,062.50
36822	9/12/2018	000350	OLIVERA'S REPAIR, INC			60.00
	123547	8/7/2018 - Vehicle Service		001-558-60270		60.00

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Project Account Key	Payment Amount / Item Amount
36823	9/12/2018	000801	O'REILLY AUTOMOTIVE STORES, INC.			37.92
	INV0009698	August 2018 - Misc Maint/Repair Item:		001-511-60270		22.86
	INV0009698	August 2018 - Misc Maint/Repair Item:		001-558-61140		6.45
	INV0009698	August 2018 - Misc Maint/Repair Item:		020-601-60270		8.61
36824	9/12/2018	000352	P G & E			36,861.31
	INV0009696	8/3-9/4/2018 Electric Service		001-410-61241		840.59
	INV0009696	8/3-9/4/2018 Electric Service		001-501-61241		381.50
	INV0009696	8/3-9/4/2018 Electric Service		001-510-61241		324.56
	INV0009696	8/3-9/4/2018 Electric Service		001-550-61241		5,280.72
	INV0009696	8/3-9/4/2018 Electric Service		001-552-61241		470.01
	INV0009696	8/3-9/4/2018 Electric Service		001-556-61241		93.35
	INV0009696	8/3-9/4/2018 Electric Service		001-565-61241		234.95
	INV0009696	8/3-9/4/2018 Electric Service		005-701-61241		10,296.37
	INV0009696	8/3-9/4/2018 Electric Service		020-601-61241		18,939.26
36825	9/12/2018	001290	PAVEMENT COATINGS CO.			64,271.30
	PCI000000089	8/30/2018 - Road Maintenance		092-316-74100		64,271.30
36826	9/12/2018	000861	POLYDYNE INC.			1,260.68
	1275611	9/5/2018 BL#6627537 - Chemicals		005-701-61111		1,260.68
36827	9/12/2018	000381	PROPET DISTRIBUTORS, INC.			2,109.00
	123350	9/4/2018 - Materials/Supplies		001-552-61140		2,109.00
36828	9/12/2018	000763	RIO VISTA CHEVROLET, INC.			70.00
	84049	9/10/2018 - Vehicle Maintenance - 20:		001-558-60270		23.34
	84049	9/10/2018 - Vehicle Maintenance - 20:		005-701-60270		23.33
	84049	9/10/2018 - Vehicle Maintenance - 20:		020-601-60270		23.33
36829	9/12/2018	000465	SP MAINTENANCE SERVICES, INC.			2,516.50
	67722	August 2018 - Street Sweeping per Cor		001-558-60800		2,516.50
36830	9/12/2018	000978	Staples Credit Plan			411.99
	INV0009694	7/21-8/11/2018 - Misc Office Supplies		001-410-61130		321.85
	INV0009694	7/21-8/11/2018 - Misc Office Supplies		001-565-61130		90.14
36831	9/12/2018	000489	STEVE'S WHEEL & TIRE			325.96
	1-71204	8/23/2018 Vehicle Maintenance (2010		001-511-60270		325.96
36832	9/12/2018	001168	The DocuTeam			27.00
	0149926	8/1-31/2018 - Shredding Service (WO#		001-410-60900		27.00
36833	9/12/2018	000529	TRANSFIRST HEALTH & GOVERNMENT SVCS			119.40
	ARINV105770	August 2018 - Merchant Fees (413998(		001-410-60900		119.40
36834	9/12/2018	000535	UNDERGROUND SERVICE ALERT			28.15
	820180069	August 2018 - NewTcktChrgs/DB Main		005-701-60800		14.08
	820180069	August 2018 - NewTcktChrgs/DB Main		020-601-60800		14.07
36835	9/12/2018	000768	WEX BANK			2828.14
	55659991	August 2018 Fuel Charges		001-511-61280		855.73
	55659991	August 2018 Fuel Charges		001-558-61280		657.47
	55659991	August 2018 Fuel Charges		005-701-61280		657.47
	55659991	August 2018 Fuel Charges		020-601-61280		657.47
					Payment Total:	**178,972.96**

Report Summary

Fund Summary

Fund	Payment Amount
001 - General Fund	40,835.03
005 - Sewer Fund	14,847.69
020 - Water Fund	29,971.44
025 - Gas Tax Fund	9,777.50
029 - Transportation Planning	2,475.00
092 - Capital Improvement Proj Fund	81,066.30
Grand Total:	**178,972.96**

Account Summary

Account Number	Account Name	Payment Amount
001-22416	Developer Deposit	1,272.00
001-22510	Park/Damage Charge	100.00
001-401-50400	Medical Benefit	548.18
001-402-50400	Medical Benefit	115.02
001-403-50400	Medical Benefit	69.02
001-410-60800	Contract Services	132.50
001-410-60900	Miscellaneous/CalPERS U	146.40
001-410-61130	Office Supplies	321.85
001-410-61241	Utilities - Electric	840.59
001-410-61292	Internet Access/ Website	721.01
001-420-50400	Medical Benefit	313.14
001-420-60710	Travel & Training	409.50
001-501-61241	Utilities - Electric	381.50
001-510-61230	Utilities - Gas	31.86
001-510-61241	Utilities - Electric	324.56
001-511-50400	Medical Benefit	431.91
001-511-60270	Maintenance-Vehicles	348.82
001-511-61130	Office Supplies	205.78
001-511-61280	Fuel-Vehicles	855.73
001-511-67140	Buellton Recreation Progr	201.49
001-550-61241	Utilities - Electric	5,280.72
001-551-60800	Contract Services	12,782.50
001-552-60256	Maintenance/Repair-Oak	6.64
001-552-60258	Maintenance/Repair-Rive	71.68
001-552-61140	Operational Supplies	2,109.00
001-552-61241	Utilities - Electric	470.01
001-556-61241	Utilities - Electric	93.35
001-558-50400	Medical Benefit	565.87
001-558-60250	Maintenance / Repair	155.70
001-558-60270	Maintenance - Vehicles	194.90
001-558-60800	Contract Services	3,929.15
001-558-61140	Operational Supplies	6.45
001-558-61280	Fuel - Vehicles	657.47
001-565-50400	Medical Benefit	182.14
001-565-60650	Membership & Publicatio	21.00
001-565-60800	Contract Services	5,062.50
001-565-60830	Contract Services-Enginee	1,150.00
001-565-61130	Office Supplies	90.14
001-565-61241	Utilities - Electric	234.95
005-701-50400	Medical Benefit	484.81
005-701-60210	Computer Maintenance &	236.01
005-701-60270	Maintenance - Vehicles	23.33

Account Summary

Account Number	Account Name	Payment Amount
005-701-60800	Contract Services	632.73
005-701-60830	Contract Services-Enginee	285.00
005-701-61111	Chemicals / Analysis	2,151.71
005-701-61127	Tools	32.87
005-701-61140	Operational Supplies	47.39
005-701-61241	Utilities - Electric	10,296.37
005-701-61280	Fuel - Vehicles	657.47
020-601-50400	Medical Benefit	484.80
020-601-60250	Maintenance / Repair	954.00
020-601-60270	Maintenance - Vehicles	31.94
020-601-60800	Contract Services	1,037.72
020-601-60830	Contract Services-Enginee	5,437.50
020-601-61111	Chemicals / Analysis	2,428.75
020-601-61241	Utilities - Electric	18,939.26
020-601-61280	Fuel - Vehicles	657.47
025-554-60800	Contract Services	3,547.50
025-554-67265	Development Permit Proc	6,230.00
029-557-60800	Contract Services	2,475.00
092-306-60800	Contract Services	787.50
092-311-60800	Contract Services	1,820.00
092-316-60800	Contract Services	14,187.50
092-316-74100	Improvements	64,271.30
	Grand Total:	**178,972.96**

Project Account Summary

Project Account Key		Payment Amount
None		177,700.96
90010-070		150.00
90017-070		150.00
90021-070		420.00
90037-070		390.00
90052-070		162.00
	Grand Total:	**178,972.96**

CITY OF BUELLTON

City Council Agenda Staff Report

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

To: The Honorable Mayor and City Council

From: Shannel Zamora, Finance Director

Meeting Date: September 27, 2018

Subject: Financial Report for the Fourth Quarter Ending June 30, 2018

BACKGROUND

Four times each year, City staff completes a comprehensive analysis of City finances, including projected fund balances, revenues to date, departmental budgets, expenditures, encumbrances and potential budget adjustments. This financial report focuses on the Fourth Quarter of FY 2017-18 and summarizes the quarter ended June 30, 2018 for the General Fund, Enterprise Funds and Capital Improvement Fund.

Attachment 1 provides an overview of the current economic outlook on the local, state and national levels; General Fund revenues, expenditures, projected fund balances; and activity in the Enterprise Funds. Though this information is not audited and does not contain all the usual periodic adjustments, accruals or disclosures, the information does provide a picture of the City's activity and developing financial trends. Attachment 2 focuses on the status of the Capital Improvement Budget at the end of the quarter ended June 30, 2018.

FISCAL IMPACT

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

RECOMMENDATION

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

ATTACHMENT

Attachment 1 - Quarterly Financial Report for the period June 30, 2018
Attachment 2 - Quarterly Capital Improvement Project Report for the period ending June 30, 2018

CITY OF BUELLTON

QUARTERLY FINANCIAL REPORT

Fourth Quarter Ending June 30, 2018

September 27, 2018

Overview

The purpose of this financial report is to provide financial information for the City of Buellton. This report focuses on the fourth quarter of fiscal year 2017-18 and covers the period July 1, 2017 through June 30, 2018. The report is presented quarterly and concentrates on the General Fund and Enterprise Funds. The quarterly financial report presents the City's financial position, considers economic factors and highlights trends based on the City's budget versus what actually occurred during the period. A discussion of other economic factors provides a means of comparing the local economy against larger economic events that may affect the City of Buellton. This quarterly financial report is a valuable tool to the Council, staff and general public.

U.S. Economy

The U.S. economic growth was a bit stronger than anticipated during the 2018 second quarter. It was the economy's best performance in nearly four years. According to the Commerce Department, the gross domestic product (GDP) increased at 4.2 percent and was the fastest growth rate since the third quarter of 2014. Compared to the second quarter of 2017, the economy grew 2.9 percent. The growth is contributed to increased business spending and consistently strong consumer spending despite a decline in sales of new and previously owned homes.

Consumer Price Index (CPI) rose 2.9 percent for the 12 months ending June; this was the largest 12-month increase since the period ending February 2012.

State Economy

According to the U.S. Bureau of Labor Statistics, the U.S. unemployment rate rose to 4 percent in June 2018 while California unemployment rate remains unchanged for the fourth consecutive month at 4.2 percent. Job growth occurred in educational and health services, information, government, and professional services. Consumer price inflation rose 3.9 percent in California.

According to the Department of Finance, California's median home price hit a new high of $602,760 up 0.3 percent from May. Statewide sales of existing, single-family homes totaled 410,800, up 0.4 percent from May and down 7.3 percent from June 2017, the biggest year-over-year sales decline in over four years.

City of Buellton

The City's General Fund ended the fourth quarter of 2017-18 with about $8.4 Million in fund balance and finished the quarter with over $7.4 Million in cash balance. Revenues reached 101 percent of budget while expenditures remained within appropriations, ending the quarter at 85 percent.

The Enterprise funds completed the quarter with mixed results. The Water Fund experienced a surplus, and Wastewater Fund experienced a net operating loss during the quarter. The Water Fund ended the quarter with a fund balance of about $6.1 Million and $2 Million in cash. The Sewer Fund ended the quarter with a fund balance of $3.4 Million and $1.3 Million in cash. Water and sewer rates increased in November 2017 to ease future operating deficits and fund planned capital improvement projects. A third rate increase is expected in July 2018. The rate increases were enacted to stabilize the rate in which the Enterprise Funds used up reserves to fund operating expenses. Details are provided in a later discussion.

GENERAL FUND

General Fund Balance

Tabel 1 below shows that with 100 percent of the year complete, revenues exceed projections at 101 percent while expenditures are below expected projections at 85 percent of appropriations. The General Fund did not require transfers from reserves for Capital Improvement Projects, and only 45 percent of budgeted Capital Improvement Projects were expended. General Fund Balance increased by $1,462,636 which is about a 21 percent increase in Fund Balance. "Revenue versus budget" gaps are explained in the next paragraph.

General Fund - Fund Balance	Original Budget	Current Budget	Actual	Percent
Balance, at Start of Year	$ 6,000,000	$ 6,000,000	$ 6,965,278	
Revenues *	7,641,145	7,701,145	7,805,301	101%
Expenditures *	(7,399,056)	(7,429,365)	(6,342,665)	85%
Balance, at End of Year	$ 6,242,089	$ 6,271,780	$ 8,427,913	
* Includes Transfers				

Table 1: General Fund Balance

Table 2 below provides summary comparison information on revenues and expenditures for the quarter ending June 30, 2018 versus the prior year June 30, 2017. Further revenue and expenditure analysis will be discussed later in this report. Total revenues are higher in the current year by about $925 thousand, or 13 percent. The major cause of this variance is due to the increase in transient occupancy tax (TOT) received by the addition of the Hampton Inn. In addition, the rise in home values and new development has contributed to greater property tax revenue.

Expenditures for FY 17/18 versus FY 16/17 were consistent. Spending was about $23 thousand less than the previous year. There were more minor capital expenditures in the previous year. During FY 16/17, a new truck was purchased, computers, office chairs, and desks were replaced. Whereas, in FY 17/18, the server equipment was replaced, new cubicle walls were installed and other equipment replacements.

	Q4 FY 2017-18	Q4 FY 2016-17	Over (Under)	Percent
Revenues:				
Taxes	$ 6,907,807	$ 6,023,815	$ 883,992	15%
Fees and Permits	8,975	11,275	$ (2,300)	-20%
Fines and Penalties	23,097	25,396	$ (2,299)	-9%
Charges for Current Services	236,551	226,932	$ 9,618	4%
Other Revenue	628,871	592,137	$ 36,735	6%
Total Revenue	$ 7,805,301	$ 6,879,555	$ 925,746	13%
Expenditures:				
General Government	$ 6,312,977	$ 6,311,762	$ 1,215	0.02%
Minor Capital	29,688	54,710	(25,022)	-84%
Total Expenditures	$ 6,342,665	$ 6,366,472	(23,807)	-0.4%
Change in Fund Balance	$ 1,462,636	$ 513,083	949,553	185%

Table 2: Previous Year Comparison

Top Five Revenues

Top Five Revenues	Original Budget	Current Budget	YTD Actual	Percent
Sales Tax	2,300,000	2,300,000	2,342,222	102%
TOT	1,900,000	1,900,000	2,832,056	149%
Property Tax	1,282,500	1,282,500	1,483,270	116%
MVLF Swap	427,200	427,200	457,454	107%
Franchise Fees	225,000	225,000	250,259	111%
Other Revenues*	1,506,445	1,566,445	440,040	28%
Total Revenues	7,641,145	7,701,145	7,805,301	101%

Table 3

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

Sales Tax

Sales tax receipts exceeded budget amounts and ended the fiscal year at 102 percent. Sales tax revenue fluctuates every month in conjunction with seasonal flows. Sales tax is one of the city's top revenue sources in the General Fund. Strong revenue streams are attributed to additional local sales tax received from the new Crossroads Shopping Center. Sales tax is expected to increase at a steadier pace as new businesses begin to settle.

Transient Occupancy Tax (TOT)

TOT revenue is a major component of the City's General Fund. TOT payments for the reporting period are due on the 20th, and all TOT receipts have been recorded through June 2018. The City exceeded its goal for TOT revenue. Total receipts ended the fiscal year at 149 percent of expected revenue. The increase in TOT is attributed to the opening of the Hampton Inn and increased occupancy in existing hotels as a result of renovations. There is potential for future TOT growth as new hotel projects have been proposed.

Property Tax

The City's property tax revenues are received later in the fiscal year at intervals set by the Santa Barbara County Auditor-Controller. Property tax exceeded budget projections at 116 percent. Rising property values, commercial and residential growth are attributed to the increase in property taxes. In addition, the City's ongoing share of property tax is expected to increase as new development continues to progress.

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

Payments for 2017-18 ended the fiscal year at 107 percent. Payments from the Santa Barbara County Auditor-Controller are received throughout the year, usually January and June. This revenue source is trending upwards based on historic receipts.

Franchise Fees

Franchise fees are received monthly, quarterly and annually. The majority of the City's Franchise Fees are collected from Marborg Industries, the City's solid waste service provider. Other franchise fees are received from Comcast, PG&E and SoCal Gas. Franchise fees exceeded budget ending the fiscal year at 111 percent.

Top Five Revenues for the City of Buellton' General Fund are Sales Tax, Property Tax, Transient Occupancy Tax (TOT), Motor Vehicle License Fee (MVLF) and Franchise Fees. These revenues account for almost 95% of total General Fund Revenues.

Unaudited Financial Data

Expenditures

Table 4 below summarizes operating costs by department and shows that four Budget Units are over budget. Overall, the General fund is under budget at the end of the fourth quarter for all departments in total.

Department Expenditures	Original Budget	Current Budget	YTD Actual	% Expended
City Council	125,089	126,714	124,021	98%
City Manager	237,072	237,304	228,942	96%
City Clerk	115,896	116,050	111,042	96%
City Attorney	185,000	185,000	148,916	80%
Non-Departmental	1,011,901	1,011,901	964,781	95%
Finance	167,673	168,362	178,228	106%
Police and Fire	2,146,260	2,146,260	1,919,643	89%
Library	173,441	173,441	148,540	86%
Recreation	504,878	530,787	543,409	102%
Street Lights	60,000	60,000	62,389	104%
Storm Water	215,600	215,600	149,379	69%
Public Works - Parks	314,250	314,250	342,596	109%
Public Works - Landscape	106,000	106,000	101,426	96%
Public Works - General	652,904	654,218	531,196	81%
Planning (Comm Dev)	354,592	354,978	330,000	93%
Transfer to CIP Fund 92	1,028,500	1,028,500	458,160	45%
Total All Departments	**7,399,056**	**7,429,365**	**6,342,665**	**85%**

Table 4: General Fund Expenditures by Department

As of June 30, 2018, or 100 percent of the year expended, the General Fund ended the quarter at 85 percent spent (including CIP). Actual General Fund expenditures were approximately $ 6.3 Million. Almost all Budget Units ended the quarter within budget except for Finance, Recreation, Street Lights, and Parks.

The Finance Department purchased cubicle dividers for about $4,000 dollars at the beginning of the fiscal year. The overage was also contributed to increase in Finance Employee wages and employer paid deferred compensation pension plan for management. All four Finance Staff received their step level increases during the fiscal year.

The Recreation Department experienced an increase in operating activities. During the fiscal year, the Recreation Center offered a one-week February Camp to accommodate the extra week taken off by students in the Buellton School Districts, and added more activities to their Summer Camps. In addition, the Recreation Department celebrated its 10th Anniversary in February and additional money was expended to advertise and organize the 10th Anniversary celebration.

The Street Lights Department experienced an overage of 4 percent due to electricity rate increases imposed by PG&E.

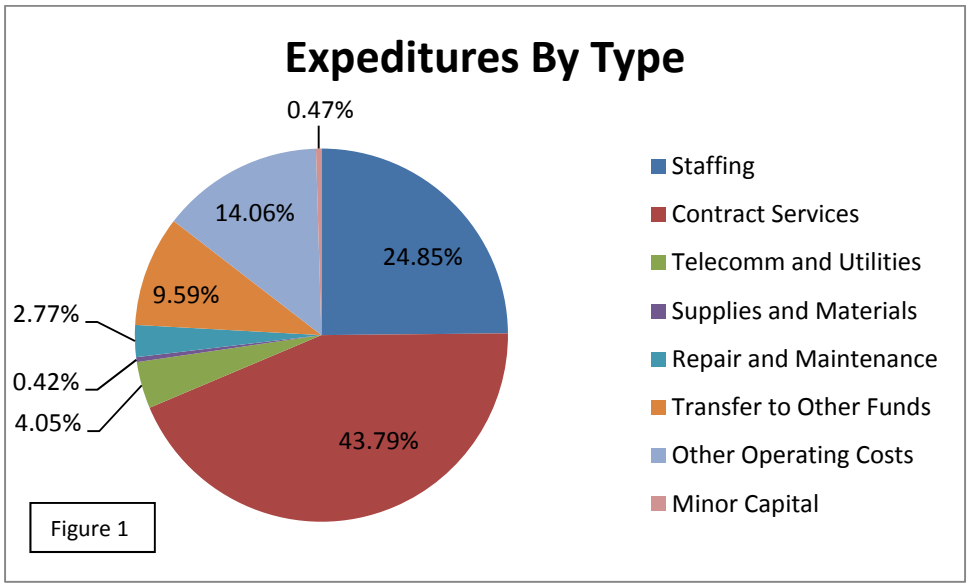
The Public Works-Parks Department resulted in an overage due to a rate increase for water service and water usage rates which caused utility expenditures to go over budget by about $17,000. The City has nine meters installed in City Parks which range in sizes from 1 inch to 2 inches which tend to have greater monthly service charges. In addition, there were several sprinkler replacements and irrigation repairs at Riverview Park throughout the fiscal year.

The overall CIP expenditures include Post Office Fire Alarm System Replacement, Industrial Way Street Lights, Road Maintenance Project FY 15/16, Ave of Flags Pedestrian/Drainage Improvement and Road Maintenance Project FY 17/18.

Major Expenditure Variances

Expenditures By Type	Original Budget	Current Budget	YTD Actual	% Expended
Staffing	1,569,505	1,599,814	1,574,755	98%
Contract Services	3,128,401	3,128,401	2,777,761	89%
Telecomm and Utilities	227,250	227,250	257,145	113%
Supplies and Materials	38,900	38,900	26,432	68%
Repair and Maintenance	232,700	232,700	176,562	76%
Transfer to Other Funds	1,178,500	1,178,500	608,158	52%
Other Operating Costs	964,300	964,300	892,162	93%
Minor Capital	59,500	59,500	29,688	50%
Total by Type	**7,399,056**	**7,429,365**	**6,342,665**	85%

Table 5: Expenditure Categories



The chart and graph above shows General Fund operating costs and minor capital expenditures summarized by type. With 100 percent of the year expended, all budget categories are within budget with the exception of Telecomm and Utilities. The Telecomm and Utilities overage resulted from water and sewer rate increases that went into effect on November 1, 2017. These rate increases were not taken into consideration when the budget was developed. The City gets charged for meters and water usage at City Parks, various irrigation meters, Wastewater Treatment Plant, Chamber of Commerce, Post Office, City Hall, and Police Station. Historically, water was charged to the appropriate account at the end of the fiscal year which made budgeting difficult. As a solution to better monitor water and sewer charges, the City of Buellton currently records water and sewer expenditures on a monthly basis.

The top three spending categories are: Contract Services, Staffing, and Other Operating Costs. Contract Services include services for Police, Fire Department, Legal Services, Engineering, and other services. Staffing consists of almost a quarter of general fund expenditures. Other Operating Costs accounts for about 14 percent of general fund expenditures. The other operating cost category consists of payments to non-profit organizations, payment for the CalPERS Unfunded Liability, Buellton Recreation expenditures, and contract payments to the Visitor's Bureau.

ENTERPRISE FUNDS

The Enterprise Fund Balance and Statement of Net Position for the fourth quarter of Fiscal Year 2017-18 are shown below.

Fund Balance Summary

Enterprise Fund Balance	Water	Water Capital	Wastewater	Wastewater Capital
Beginning Fund Balance	***$ 5,643,729***	***$ 142,457***	***$ 3,491,452***	***$ 81,916***
Operating Revenue	2,491,757	184,115	1,104,588	114,796
Operating Expenses	(1,970,107)	(1,383)	(1,123,826)	(495)
Operating Profit(Loss)	$ 521,650	$ 182,732	$ (19,238)	$ 114,301
Transfers Out for CIP	-	-	-	-
Ending Fund Balance	***$ 6,165,379***	***$ 325,189***	***$ 3,472,214***	***$ 196,217***

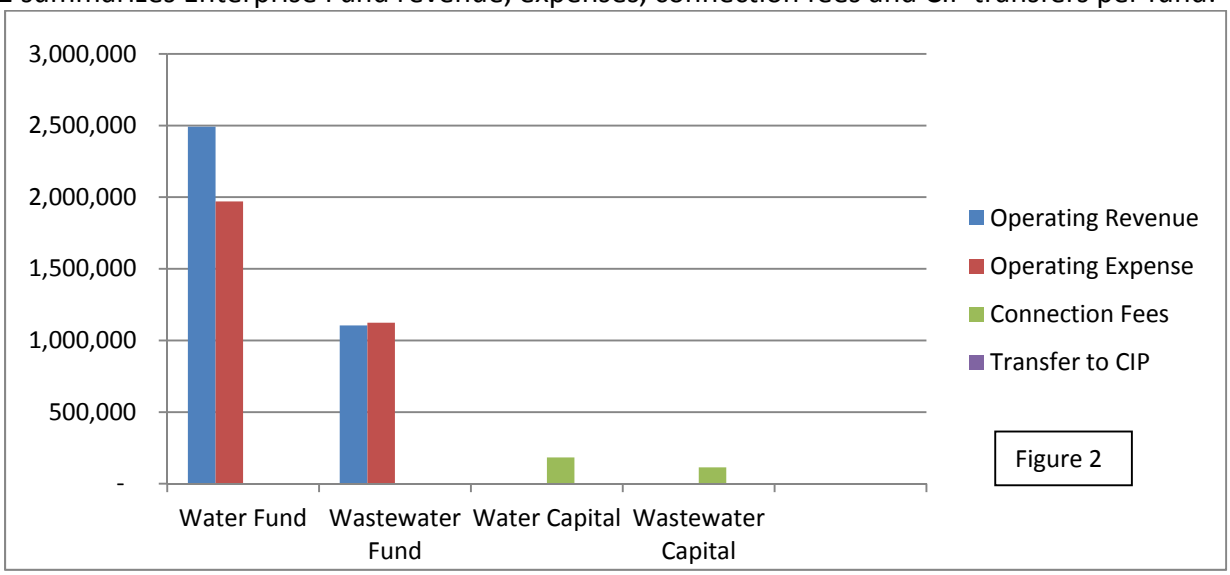
Table 6

Table 6 illustrates the ending fund balance of each Enterprise Fund. All but the Wastewater Fund experienced an increase in fund balance. The change in fund balance is attributed to the excess or deficit of revenue over expenses. The Statement of Net Position (Table 7) illustrates total assets minus total liabilities for the period.

Statement of Net Position	Water	Water Capital	Wastewater	Wastewater Capital
ASSETS				
Current assets:				
Cash and Investments	2,080,024	288,164	1,358,238	185,152
Receivables	228,994	863	112,023	555
Inventory	34,282	-	-	-
Prepaid Items	1,028,749	-	26,033	-
Total current assets	3,372,050	289,027	1,496,294	185,707
Capital assets (net of accumulated depreciation)	3,109,987	39,117	2,265,804	14,238
Other assets	54,896	-	57,677	-
Total Assets:	$ 6,536,933	$ 328,144	$ 3,819,775	$ 199,945
LIABILITIES				
Current Liabilities	97,380	2,955	62,568	3,728
Noncurrent Liabilities	244,862	-	254,197	
Other Liabilities	29,311	-	30,796	
Total Liabilities:	$ 371,553	$ 2,955	$ 347,561	$ 3,728
NET POSITION (Assets - Liabilities)	**$ 6,165,379**	**$ 325,189**	**$ 3,472,214**	**$ 196,217**
Net Position Breakdown				
Net Investment in Capital Assets	3,109,987	39,117	2,265,804	14,238
Unrestricted	3,055,392	286,072	1,206,410	181,979
Total Net Position	$ 6,165,379	$ 325,189	$ 3,472,214	$ 196,217

Table 7

Figure 2 summarizes Enterprise Fund revenue, expenses, connection fees and CIP transfers per fund:



Water Fund

Revenue and Expenses

Water Funds	Water	Water Capital	Total
Beginning Fund Balance	***5,643,626***	***142,457***	***5,786,083***
Revenues			
Charge for Services	2,465,612	-	2,465,612
Interest Income	21,336	2,270	23,605
Connection Fees*	-	181,845	181,845
Total Operating Revenue	2,486,947	184,115	205,450
Other Revenues	4,810	-	4,810
Total Revenues	2,491,757	184,115	210,260
Expenses			
Operating	800,454	-	800,454
Depreciation**	216,836	1,383	218,218
State Water	952,817	-	952,817
Total Operating Expenses	1,970,107	1,383	1,971,490
Operating Profit(Loss)	521,650	182,732	(1,761,229)
Transfers Out - CIP	-	-	-
Transfers from Reserves	-	-	-
Ending Fund Balance	***6,165,276***	***325,189***	***6,490,465***

Table 8

Table 8 summarizes Revenue and Expenditures for the Water and Water Capital Funds. On the Financial Statements, both funds are combined as one fund. The Water Capital Fund is structured to record capital contributions and used to record capital improvements. Water Capital will be discussed in detail later in this report.

Water Fund operating revenues have exceeded expenditures by over $521 thousand at the end of Fiscal Year 2017-2018 (excludes Capital Improvement expenses). On November 1, 2017, the second phase of water rate increases took effect, with the third phase becoming effective July 1, 2018. The water rate increase will help reverse the operating deficit. As seen on Table 8 above, the Water and Water Capital Funds both experienced an increase in Fund Balance. The Water Fund operating loss has reversed as of the fourth quarter, and is currently operating with a surplus. The Water Fund ended the fourth quarter with approximately $2 Million in cash (Table 7) and fund balance of approximately $6.1 Million.

Table 9 illustrates the Water Fund budget to actuals. Charges for Services exceeded budget projections by 134%. The increase was due to the water rate increases that occurred in November. All other revenue categories also exceeded projections. Since the Water Fund ended the fiscal year with a surplus, the fund did not require transfers from reserve to cover operating expenses.

The Water Fund utilizes reserves to fund Capital Improvement projects (CIPs) which are budgeted at $230,000 in the current fiscal year. There were no capital expenses during the year therefore there was no use of reserves. Overall, Water Fund expenses were under budget at 72 percent expended.

Water Fund 020	FY 17/18 Original Budget	FY 17/18 Current Budget	FY 17/18 YTD	Percent
Revenues				
Charge for Services	1,798,000	1,798,000	2,416,040	134%
Interest Income	8,500	8,500	21,336	251%
Total Operating Revenue	1,806,500	1,806,500	2,437,376	135%
Other Revenues	11,500	11,500	54,382	473%
Transfer from Reserves	679,255	679,255	-	0%
Total Revenues	2,497,255	2,497,255	2,491,757	100%
Expenses				
Operating	1,160,256	1,186,469	800,454	67%
Depreciation**	177,000	177,000	216,836	123%
State Water	1,390,000	1,390,000	952,817	69%
Total Operating Expenses	2,727,256	2,753,469	1,970,107	72%
Transfers Out - CIP	(230,000)	(230,000)	-	0%

Table 9

Water Capital

Water Capital Fund is a new fund to record Connection Fees and CIP expenditures. The change in fund balance is due to planned expenditures for CIPs exceeding estimated Connection Fee revenue and offset by any existing fund balance. The fund balance at the end of the fourth quarter is about $325 thousand (Table 8). As mentioned in the Water Fund portion, none of the budgeted CIP expenses for the fiscal year occurred. Table 10 on the next page illustrates the Water Capital budget to actuals. Both revenue and expenditures performed below expected budget.

Water Capital 021	FY 17/18 Budget	FY 17/18 YTD	Percent
Revenues			
Connection Fees	400,000	181,845	45%
Interest Income		2,270	
Transfer In from Fund 020	230,000	-	0%
Total Revenue	630,000	184,115	29%
Expenses			
Depreciation	-	1,383	-
Transfer to CIP Projects	680,000	-	0%

Table 10

Wastewater

Revenue and Expenses

Wastewater and Wastewater Capital Funds	Wastewater	Wastewater Capital	Wastewater Total
Beginning Fund Balance	***3,491,404***	***81,916***	***3,573,320***
Revenues			
Charge for Services	1,091,322	-	1,091,322
Interest Income	13,266	1,444	14,710
Connection Fees*	-	113,352	113,352
Total Operating Revenue	1,104,588	114,796	1,219,384
Other Revenues	-	-	-
Total Revenues	1,104,588	114,796	1,219,384
Expenses			
Operating	858,066	-	858,066
Depreciation**	265,760	494	266,254
Total Operating Expenses	1,123,826	494	1,124,319
Operating Profit(Loss)	(19,237)	114,302	95,064
Transfers Out - CIP	-	-	-
Transfers from Reserves	-	-	-
Ending Fund Balance	***3,472,167***	***196,217***	***3,668,384***

Table 11

Table 11 summarizes Revenue and Expenditures for the Wastewater and Wastewater Capital Funds. On the Financial Statements, both funds are combined as one fund. The Wastewater Capital Fund is structured to record capital contributions and used to record capital improvements. Wastewater Capital will be discussed in detail later in this report.

Wastewater Fund Operating expenditures exceeded operating revenues causing the Wastewater fund to experience a net operating loss of about $19,000 in the fourth quarter of 2017-18 (excluding Capital Improvement Project expenses which will be recorded in the Wastewater Capital Fund). On November 1, 2017, the second phase of sewer rate increases took effect, with the third phase becoming effective July 1, 2018. The rate increases will help reverse the operating deficit and fund the capital improvement projects. The operating loss has not reversed as of the fourth quarter report; however, the trend is expected to improve once the Wastewater fund experiences the last rate increase. The Wastewater fund ended the fiscal year with

about $1.3 Million in cash (Table 8) and fund balance of approximately $3.4 Million. The Wastewater Fund experienced a reduction in fund balance while the Wastewater Capital Fund experienced an increase in fund balance.

Table 12 illustrates the Wastewater Fund budget to actuals. Charges for Services exceeded budget projections by 123%. The increase was due to the sewer rate increases that occurred in November. All other revenue categories also exceeded projections. Since the Wastewater Fund ended the fiscal year with a deficit, $19,237 will be used from reserves to cover expenses.

The Wastewater Fund utilizes reserves to fund Capital Improvement Projects (CIPs) which are budgeted at $435,000 in the current fiscal year, but there was enough revenue to cover the CIP expenditures. The total CIP completed for fiscal year 2017-18 includes Sewer Collection System Cleaning (CCTV).

Sewer Fund 005	FY 17/18 Original Budget	FY 17/18 Current Budget	FY 17/18 YTD	Percent
Revenues				
Charge for Services	876,000	876,000	1,080,372	123%
Interest Income	7,000	7,000	13,266	190%
Total Operating Revenue	883,000	883,000	1,093,638	124%
Other Revenues	5,500	5,500	10,950	199%
Transfer from Reserves	300,308	300,308	-	0%
Total Revenues	1,188,808	1,188,808	1,104,588	93%
Expenses				
Operating	1,373,808	1,375,021	848,569	62%
Depreciation**	250,000	250,000	265,760	106%
Total Operating Expenses	1,623,808	1,625,021	1,114,329	69%
Transfers Out - CIP	(435,000)	(435,000)	(261,739)	60%

Table 12

Wastewater Capital

Wastewater Capital Fund is a new fund to record Connection Fees and CIP expenditures. The change in fund balance is due to planned expenditures for CIPs exceeding estimated Connection Fee revenue and offset by any existing fund balance. The fund balance at the end of the fourth quarter is $196,217 (Table 8). Table 13 below illustrates the Wastewater Capital budget to actuals. Both revenue and expenditures performed below expected budget.

Wastewater Capital 006	FY 17/18 Budget	FY 17/18 YTD	Percent
Revenues			
Connection Fees	200,000	113,352	57%
Interest Income	-	1,444	0%
Transfer In from Fund 005	435,000	-	0%
Total Revenue	635,000	114,796	18%
Expenses			
Depreciation	-	494	-
Transfer to CIP Projects	650,000	-	0%

Table 13

ATTACHMENT 2

Capital Improvement Budget Report

City of Buellton, CA

Fourth Quarter Summary

For Fiscal: 2017-2018 Period Ending: 06/30/2018

		Original Total Budget	Current Total Budget	Fiscal Activity	Remaining Favorable (Unfavorable)	Percent Used
Fund: 092 - Capital Improvement Project Fund						
Funding Source						
092-49676	Transfer between 091/092	$ -	$ -		-	0%
092-49726	Transfer from Gas Tax Fund	$ 500,000.00	$ 500,000.00	282,844.26	217,155.74	57%
092-49727	Transfer from General Fund	$ 1,028,500.00	$ 1,028,500.00	458,158.83	570,341.17	45%
092-49728	Transfer from Measure A	$ 625,000.00	$ 625,000.00	458,746.34	166,253.66	73%
092-49729	Transfer from Sewer Fund	$ 650,000.00	$ 650,000.00	261,738.94	388,261.06	40%
092-49732	Transfer from Water Fund	$ 680,000.00	$ 680,000.00	-	680,000.00	0%
092-49733	Transfer from Local Transportation Fund	$ 95,000.00	$ 95,000.00	-	95,000.00	0%
	Funding Total:	**$ 3,578,500.00**	**$ 3,578,500.00**	**1,461,488.37**	**2,117,011.63**	**41%**
Expense						
Project: 101 - Storm Drain Cleaning and Retrofit						
092-101-60800	Contract Services	$ -	$ -	-	-	0%
092-101-74100	Improvements	$ 20,000.00	$ 20,000.00	8,880.00	11,120.00	44%
092-101-76000	Contribution	$ -	$ -	-	-	0%
	Project: 101 - Storm Drain Cleaning and Retrofit Total:	**$ 20,000.00**	$ 20,000.00	**8,880.00**	**11,120.00**	44%

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

Project: 102 - Storm Drain Outfall Repairs and Re-Establishment						
092-102-60800	Contract Services	$ -	$ -	-	-	0%
092-102-74100	Improvements	$ 25,000.00	$ 25,000.00	-	-	0%
	Project: 102 - Storm Drain Outfall Repairs and Re-Establishment Total:	**$ 25,000.00**	$ 25,000.00	**-**	**-**	0%

Status:
Project will be carried over to FY 18/19.

Project: 201 - Facilities Maintenance and Painting						
092-201-60800	Contract Services	$ -	$ -	-	-	0%
092-201-74100	Improvements	$ 25,000.00	$ 25,000.00	-	-	0%
	Project: 201 - Facilities Maintenance and Painting Total:	**$ 25,000.00**	$ 25,000.00	**-**	**-**	**0%**

Status:
Project will be carried over to FY 18/19.

Project: 206 - Ave of Flags Pedestrian Sidewalk Improvements						
092-206-74100	Improvements	$ 50,000.00	$ 50,000.00	50,000.00	-	100%
	Project: 206 - Ave of Flags Ped Improvements Total:	**$ 50,000.00**	$ 50,000.00	**50,000.00**	**-**	**100%**

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

		Original Total Budget	Current Total Budget	Fiscal Activity	Remaining Favorable (Unfavorable)	Percent Used
Project: 207 -Santa Ynez River Trail						
092-207-74100	Conceptual Plan/feasibility	$ 20,000.00	$ 20,000.00	-	-	0%
	Project: 207 - Santa Ynez River Trail Total:	**$ 20,000.00**	$ 20,000.00	**-**	**-**	**0%**

Status:
$20,000 will be placed in the reserves account. Project will be carried over to FY 18/19.

Project: 211 - Village Park Improvements						
092-211-74100	Village Park Improvements	$ 216,000.00	$ 216,000.00	-	-	0%
	Project: 211 - Village Park Improvements Total:	**$ 216,000.00**	$ 216,000.00	**-**	**-**	**0%**

Status:
Project is not complete. Carried over to FY 18/19.

Project: 213 - Post Office Fire Alarm System Replacement						
092-213-74100	Improvements	$ 20,000.00	$ 20,000.00	9,759.00	10,241.00	49%
	Project: 213 - Post Office Fire Alarm System Replacement Total:	**$ 20,000.00**	$ 20,000.00	**9,759.00**	10,241.00	**49%**

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

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

Status:
Not complete. Carried over to FY 18/19. City has applied for a grant for the generator.

Project: 306 - Phase III Hwy 246/Sycamore Ped Xing						
092-306-60800	Contract Services	$ 70,000.00	$ 70,000.00	52,522.50	17,477.50	75%
092-306-74100	Improvements	$ -	$ -	-	-	0%
	Project: 306 - Phase III Hwy 246/Sycamore Ped Xing Total:	**$ 70,000.00**	$ 70,000.00	**52,522.50**	**17,477.50**	**75%**

Status:
Design has commenced, survey for base map completed.

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

Status:
Not completed. Roll over to FY 18/19. Attorneys are preparing letters to Thrifty Oil regarding Right of Way acquisition.

		Original Total Budget	Current Total Budget	Fiscal Activity	Remaining Favorable (Unfavorable)	Percent Used
Project: 308 - No. Ave of Flags Park and Ride						
092-308-60800	Contract Services	$ 75,000.00	$ 75,000.00	-	-	0%
092-308-74100	Improvements	$ -	$ -	-	-	0%
	Project: 308 - No. Ave of Flags Park and Ride Total:	**$ 75,000.00**	$ 75,000.00	**-**	**-**	**0%**

Status:
Not completed. Roll over to FY 18/19.

Project: 311 - Industrial Way Street Lights						
092-311-60800	Contract Services	$ 82,500.00	$ 82,500.00	5,240.00	77,260.00	6%
092-311-74100	Improvements	$ -	$ -	-	-	0%
	Project: 311 - Industrial Way Street Lights Total:	**$ 82,500.00**	$ 82,500.00	**5,240.00**	**77,260.00**	**6.4%**

Status:
Council has provided direction on fixture type. Coordinating with PG&E and electrical engineer on additional design information.

Project: 312 - Hwy 246 /Sidewalk (Caltrans)						
092-312-60800	Contract Services	$ 24,000.00	$ 24,000.00	13,335.00	10,665.00	56%
092-312-74100	Improvements	$ 56,000.00	$ 56,000.00	60,950.22	(4,950.22)	109%
	Project: 312 - Hwy 246 /Sidewalk (Caltrans) Total:	**$ 80,000.00**	$ 80,000.00	**74,285.22**	5,714.78	**93%**

Status:
Project is complete.

Project: 313 - Road Maintenance Project 15/16 and 16/17						
092-313-60800	Contract Services	$ 113,605.00	$ 113,605.00	95,420.36	18,184.64	84%
092-313-74100	Improvements	$ 836,395.00	$ 836,395.00	866,269.86	(29,874.86)	104%
	Project: 313 - Road Maintenance Project Total:	**$ 950,000.00**	$ 950,000.00	**961,690.22**	(11,690.22)	**101%**

Status:
Project is complete. City Council approved Notice of Completion on March 22, 2018.

Project: 315 - Ave of Flags Pedestrian/Drainage Improvement						
092-315-60800	Contract Services	$ 100,000.00	$ 100,000.00	-	-	0%
092-315-74100	Improvements	$ -	$ -	-	-	0%
	Project: 315 - Ave of Flags Pedestrian/Drainage Improvement Total:	**$ 100,000.00**	$ 100,000.00	**-**	**-**	**0%**

Status:
Roll over to FY 18/19.

Project: 316- Road Maintenance Project (17/18)						
092-316-60800	Contract Services	$ 180,000.00	$ 180,000.00	37,372.50	142,627.50	21%
092-316-74100	Improvements	$ 270,000.00	$ 270,000.00	-	-	0%
	Project: 316 - Road Maintenance Project (17/18) Total:	**$ 450,000.00**	$ 450,000.00	**37,372.50**	**142,627.50**	**8%**

Status:
Project contract has been awarded and is under construction. Estimated completion by September 2018. Roll over to FY 18/19.

		Original Total Budget	Current Total Budget	Fiscal Activity	Remaining Favorable (Unfavorable)	Percent Used
Project: 603 - Water Treatment Plant Facilities Improvement						
092-603-60800	Contract Services	$ -	$ -	-	-	0%
092-603-74100	Improvements	$ 100,000.00	$ 100,000.00	-	-	0%
	Project: 603 - WTP Facilities Improvement Total:	**$ 100,000.00**	$ 100,000.00	**-**	**-**	**0%**

Status:
Roll over to FY 18/19.

Project: 607 - Water Meter Upgrades						
092-607-74100	Improvements	$ 50,000.00	$ 50,000.00	-	-	0%
	Project: 607 - Water Meter Upgrades Total:	**$ 50,000.00**	$ 50,000.00	**-**	**-**	**0%**

Status:
Roll over to FY 18/19.

Project: 608 - Water Treatment Plant/Booster Power Reliability						
092-608-74100	Improvements	$ 300,000.00	$ 300,000.00	-	-	0%
	Project: 608 - WTP/Booster Power Reliability Total:	**$ 300,000.00**	**$ 300,000.00**	**-**	**-**	**0%**

Status:
Roll over to FY 18/19.

Project: 610 - Water Distribution System Improvements						
092-610-74100	Water Distribution System Improvements	$ 200,000.00	$ 200,000.00	-	-	0%
	Project: 610 - Water Distribution System Improvements Total:	**$ 200,000.00**	$ 200,000.00	**-**	**-**	**0%**

Status:
Roll over to FY 18/19.

Project: 611 - Recycled Water Program						
092-611-60800	Contract Services	$ -	$ -	-	-	0%
092-611-74100	Improvements	$ 30,000.00	$ 30,000.00	-	-	0%
	Project: 611 - Recycled Water Program Total:	**$ 30,000.00**	$ 30,000.00	**-**	**-**	**0%**

Status:
Roll over to FY 18/19.

Project: 702 - Sewer Collections System Cleaning						
092-702-60800	Contract Services	$ -	$ -	-	-	0%
092-702-74100	Improvements	$ 50,000.00	$ 50,000.00	44,266.66	5,733.34	89%
	Project: 702 - Sewer Collections System Cleaning Total:	**$ 50,000.00**	**$ 50,000.00**	**44,266.66**	**5,733.34**	**89%**

Status:
Project is complete.

		Original Total Budget	Current Total Budget	Fiscal Activity	Amount Remaining Favorable	Percent Used
Project: 704 - Sewer Line Replacement						
092-704-60800	Contract Services	$ -	$ -	-	-	0%
092-704-74100	Improvements	$ 100,000.00	$ 100,000.00	-	-	0%
	Project: 704 - Sewer Line Replacement Total:	**$ 100,000.00**	$ 100,000.00	**-**	**-**	**0%**

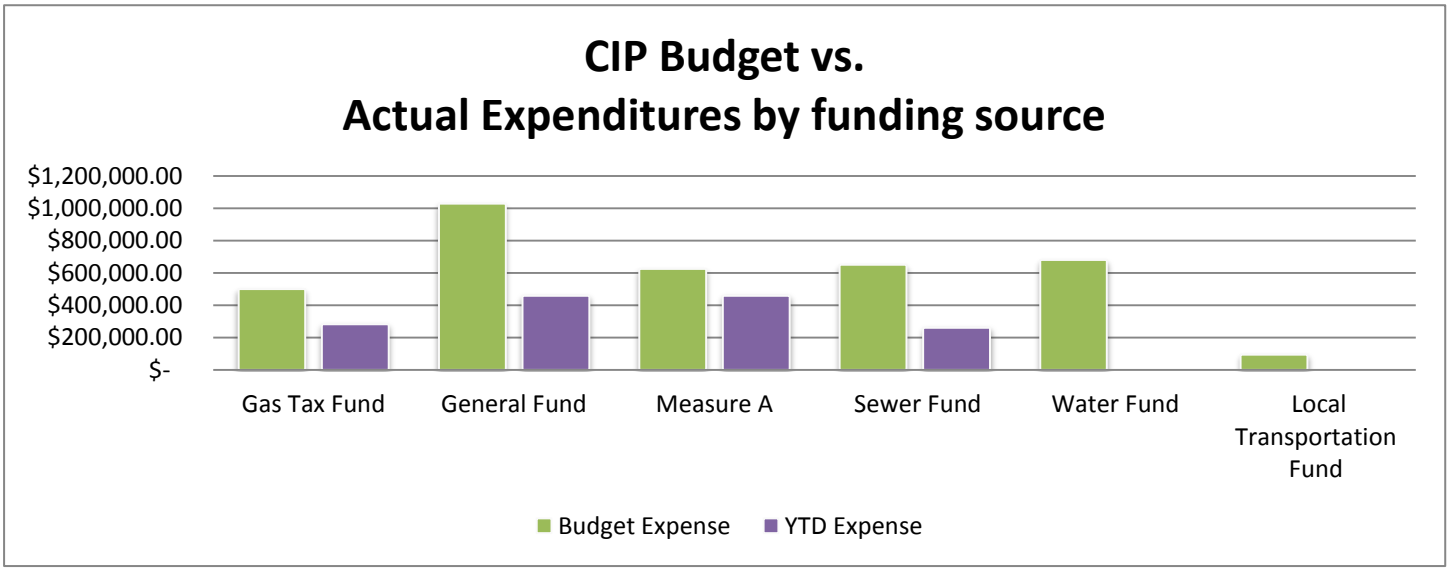
Status:
Roll over to FY 18/19.

Project: 706 - Wastewater Treatment Plant Facilities Improvement						
092-706-60800	Contract Services	$ -	$ -	-	-	0%
092-706-74100	Improvements	$ 500,000.00	$ 500,000.00	217,472.27	282,527.73	43%
	Project: 706 - WWTP Facilities Improvement Total:	**$ 500,000.00**	$ 500,000.00	**217,472.27**	**282,527.73**	**43%**

Status:
Repairs for Clarifiers have been completed. Headwork repairs and auger replacement is still underway and manufacture had delays to September 2018.

Fund: 092 - Capital Improvement Project Fund Surplus (Deficit):	**$ 3,578,500.00**	**3,578,500.00**	**1,461,488.37**	**2,117,011.63**	**41%**

Capital Improvement Project (CIP) Analysis



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

Of the budgeted CIPs, five projects have been completed. The Post Office alarm system replacement was completed with only 49 percent of the budget expended. The Avenue of Flags Park and Pedestrian sidewalk repairs, Hwy 246 sidewalk , and Sewer Collections System Cleaning projects were completed under budget. FY 15/16 and FY 16/17 Road Maintenance Project was completed slightly over budget. The Storm Drain Cleaning Project, and Wastewater facilities improvements are in progress and spending will be rolled over to Fiscal Year 2018/19.

At the end of the fourth quarter, the following projects have began their initial phases: Industrial Way Street Lights, Phase III Hwy 246 Sycamore Pedestrian Xing, and FY 17/18 Road Maintenance Project. The projects are expected to be completed during the next fiscal year. Other CIPs that were not completed by June 30, 2018 will be rolled over to Fiscal Year 2018/19.

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: September 27, 2018

Subject: Monthly Treasurer's Report – August 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 14, 2018, Council adopted the current Investment Policy per Resolution 18-15 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 August 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 receive and file the Treasurer's Report for the month ending August 31, 2018.

ATTACHMENTS

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

City of Buellton

City of Buellton
Monthly Treasurer's Report
August 31, 2018

September 27, 2018

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

1) Cash and investments at August 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 August 31, 2018

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

	August 31, 2018	July 31, 2018
Cash	$ 3,972,010.85	$ 3,454,013.71
Investments held by the City	9,277,677.97	9,275,997.11
TOTAL CASH AND INVESTMENTS	$ 13,249,688.82	$ 12,730,010.82

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 receipt of June 2018 sales tax.* 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 - Bank Reconciliation

City of Buellton, CA

For the Period Ending 8/31/2018

ACCOUNT #	ACCOUNT NAME	07/31/2018 BALANCE	CURRENT ACTIVITY	08/31/2018 BALANCE
CLAIM ON CASH				
001-10000	Claim On Pooled Cash	7,256,130.77	290,032.08	7,546,162.85
005-10000	Claim On Pooled Cash	1,372,177.31	30,103.18	1,402,280.49
006-10000	Claim on Pooled Cash	181,979.12	-	181,979.12
020-10000	Claim On Pooled Cash	2,219,560.77	164,082.37	2,383,643.14
021-10000	Claim on Pooled Cash	286,071.93	-	286,071.93
023-10000	Claim On Pooled Cash	479,112.54	-	479,112.54
024-10000	Claim On Pooled Cash	30,127.75	-	30,127.75
025-10000	Claim On Pooled Cash	185,090.50	13,886.36	198,976.86
027-10000	Claim On Pooled Cash	172,548.40	(1,365.59)	171,182.81
029-10000	Claim On Pooled Cash	15,244.30	-	15,244.30
031-10000	Claim On Pooled Cash	304,482.26	27,261.32	331,743.58
075-10000	Claim On Pooled Cash	227,886.50	-	227,886.50
090-10000	Claim On Pooled Cash	-	-	-
091-10000	Claim On Pooled Cash	(4,723.05)	-	(4,723.05)
092-10000	Claim On Pooled Cash	4,321.72	(4,321.72)	-
TOTAL CLAIM ON CASH		12,730,010.82	519,678.00	13,249,688.82
CASH IN BANK				
Cash in Bank				
999-10001	Pooled Cash - General Checking	3,441,380.76	517,972.98	3,959,353.74
999-10002	Pooled Cash - Money Market	205,989.91	34.99	206,024.90
999-10003	Pooled Cash - FSA	12,632.95	24.16	12,657.11
999-10004	Pooled Cash - Brokerage	299,355.00	124.00	299,479.00
999-10005	Pooled Cash - LAIF	8,225,223.48	-	8,225,223.48
999-10006	Pooled Cash - Morgan Stanley	545,428.72	1,521.87	546,950.59
TOTAL: Cash in Bank		12,730,010.82	519,678.00	13,249,688.82

Per Statements:	**8/31/2018**
Rabobank General Checking	4,123,140.61
Rabobank Money Market	206,024.90
Rabobank FSA	12,657.11
Local Agency Investment Fund	8,225,223.48
Multi-Securites Bank	299,479.00
Morgan Stanley	546,950.59
Total Cash per Statements:	**13,413,475.69**

Claim on Cash vs. Total Cash Per Statements:	(163,786.87)
Outstanding items per System Reconciliation	(163,786.87)
Difference:	(0.00)

City of Buellton
Investment Summary
August 31, 2018

City of Buellton
Summary of City Cash and Investments

As of August 31, 2018

	Percent of Portfolio	Yield	Maturity Term	Maturity Date	Par Value	Market Value
Local Agency Investment Fund - LAIF	88.60%	1.71%	n/a	n/a	$8,225,223.48	$ 8,225,223.48
Certificates of Deposits (Held with Morgan Stanley)						
Wells Fargo Bank NA	2.68%	2.25%	5 yrs.	8/16/2022	249,000.00	238,947.19
Goldman Sachs Bank	2.15%	2.75%	2 yrs.	5/11/2020	200,000.00	201,903.80
City National Bank	1.11%	2.20%	1 yr.	5/24/2019	$ 103,000.00	$ 103,634.18
Morgan Stanley - Cash in Holding						$ 2,465.42
Certificates of Deposits (Held with Multi-Securities Bank)						
Morgan Stanley Bank	1.08%	2.90%	3 yrs.	5/10/2021	100,000.00	99,886.00
JPMorgan Chase Bank	1.08%	3.05%	4 yrs.	5/16/2022	100,000.00	99,855.00
Sallie Mae Bank	1.08%	3.20%	5 yrs.	5/9/2023	100,000.00	99,738.00
Money Market (Held with Rabobank)	2.22%	0.20%		n/a	206,024.90	206,024.90
Total City Investments	100.00%	3.65%			$9,283,248.38	$ 9,277,677.97

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, 2018 plus revenues minus expenditures for the period, resulting in ending fund balance at August 31, 2018. Fund balance includes total assets and liabilities of the City.

City of Buellton, CA

Fund Balance Report

As Of 08/31/2018

Fund	July 1, 2018 Balance	Total Revenues	Total Expenses	August 31, 2018 Balance
001 - General Fund	8,427,913.48	410,372.99	1,188,318.62	7,649,967.85
005 - Sewer Fund	3,472,214.27	228,043.24	146,708.48	3,553,549.03
006 - Wastewater Capital	196,217.58	-	-	196,217.58
020 - Water Fund	6,165,379.27	502,498.09	370,423.08	6,297,454.28
021 - Water Capital	325,189.20	-	-	325,189.20
023 - Housing Fees	479,112.54	-	-	479,112.54
024 - Traffic Mitigation Fund	30,127.75	-	-	30,127.75
025 - Gas Tax Fund	264,136.29	18,366.29	93,939.47	188,563.11
027 - Local Transportation Fund	175,558.15	624.64	4,999.98	171,182.81
029 - Transportation Planning	(129,427.38)	-	2,475.00	(131,902.38)
031 - Measure A	338,030.43	56,199.63	62,486.48	331,743.58
075 - Trust & Agency Fund	4,335.99	-	-	4,335.99
091 - General Fixed Assets	20,239,904.96	-	-	20,239,904.96
092 - Capital Improvement Proj Fund	-	200,027.91	281,094.21	(81,066.30)
	39,988,692.53	**1,416,132.79**	**2,150,445.32**	**39,254,380.00**

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

PROCLAMATION DECLARING SEPTEMBER 27, 2018 AS ALLAN HANCOCK COLLEGE PROMISE DAY

WHEREAS, Allan Hancock College has launched an innovative new program called The Hancock Promise, designed to 'change the odds' for local Santa Ynez Valley students entering college; and

WHEREAS, this program is already having an impact within our community - resulting in a six-fold increase in the number of high school graduates attending Allan Hancock College as first year students. In fact, 45 students from our Valley alone will be among the first 'co-hort' of Promise students beginning fall 2018; and

WHEREAS, these students will join many alums in our City and Valley who have launched successful careers and become valuable community leaders. Or others who have embodied the college's mantra of "Start here, Go Anywhere;" and

WHEREAS, Allan Hancock College's innovative approach to making college both affordable and accessible is now beginning in the fifth grade with a program called Bulldog Bound; and

WHEREAS, in its first year of implementation, Bulldog Bound already provided on-campus experiential learning activities to more than 2000 fifth and six graders within the district with many more slated to attend this next year; and

WHEREAS, today, Thursday September 27, 2018, is declared The Hancock Promise Day in Buellton as this program truly illustrates our community's commitment to assist students pursuing academic, transfer, career, and technical educational programs; and

WHEREAS, we extend our deep gratitude and thanks to our local donors, business and education leaders, and organizations who have supported this program. We applaud the efforts of College, Community and Foundation leaders working diligently to help students experience their 'First Year Free at AHC."

NOW, THEREFORE, I, Holly Sierra, Mayor of the City of Buellton, on behalf of the Buellton City Council, hereby honor the **ALLAN HANCOCK COLLEGE PROMISE** for their commitment to students in our community.

PASSED, APPROVED, and ADOPTED this 27th day of September 2018.

Mayor

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:	September 27, 2018
Subject:	First Contract Amendment with the Buellton Business Association/Chamber of Commerce for Operation of a Visitor's Bureau

BACKGROUND

On August 9, 2018, the City Council authorized an additional $50,000 in funding for the Buellton Visitor's Bureau, bringing the Fiscal Year 2018-19 funding to $450,000. The City Council continued this item to this meeting so a full City Council may act on the item.

Attachment 1 is the First Amendment to the service contract with the Buellton Business Association/Chamber of Commerce (BBA/COC) for operation of the Visitor's Bureau. The contract amendment reflects the $450,000 funding for Fiscal Year 2018-19. Attachment 2 is the revised budget for operation of the Visitor's Bureau. The $50,000 has been applied to Web Advertising, Marketing Consultant, Media Expenses, and Other Events (highlighted on Attachment 2). The budget as proposed is balanced. I talked with Kathy Vreeland and additional money is allocated towards both Winterfest and the Avenue of Flags rededication (budget line item 5460). Whatever is not spent on the Avenue rededication will be applied towards Winterfest.

The current year-to-date 18-19 budget shows a negative amount. Revenues exceed expenditures due to timing of revenue receipts which often lags a month or two. Revenue and expenditures are expected to meet budget by the end of the fiscal year.

RECOMMENDATION

That the City Council receives the Buellton Visitor's Bureau Fiscal Year 2018-19 Budget and approve the First Amendment to the Service Contract (Attachment 1) and authorize the City Manager to execute the amendment.

ATTACHMENTS

Attachment 1 – First Amendment to the BBA/COC Service Contract
Attachment 2 – Proposed Fiscal Year 2018-19 Budget

FIRST AMENDMENT TO SERVICE CONTRACT
between
CITY OF BUELLTON
and
BUELLTON BUSINESS ASSOCIATION/CHAMBER OF COMMERCE FOR OPERATION OF A VISITORS BUREAU

This **FIRST AMENDMENT TO SERVICE CONTRACT** (the "Amendment") is made and entered into this 27th day of September 2018, by and between the City of Buellton, a Municipal corporation ("City"), and Buellton Business Association/Chamber of Commerce ("BBA/COC").

1. RECITALS

A. On November 10, 2016, the City and BBA/COC entered into that Service Contract to provide Visitors Bureau services to the City from October 27, 2016, to June 30, 2020 (the "Contract"); and,

B. The City and BBA/COC desire to amend the Contract to provide additional funding for Fiscal Year 2018-2019.

2. AMENDMENT

In consideration of the mutual covenants and recitals contained in the Contract and this Amendment, which are incorporated herein, City and BBA/COC agree as follows:

1. Section 3 of the Contract is hereby amended to read as follows:

"SECTION 3. CONSIDERATION TO BE PAID FOR SERVICES OF BBA/COC'S OPERATION OF BUREAU.

For Fiscal Year 2018-19 only, the City will provide a sum of $450,000 to the BBA/COC in monthly installments of $37,500 per month (the additional funds for the months of July, August and September will be provided with the October installment). All other provisions of this Section remain as worded.

2. Except as expressly modified herein, all the terms referenced in this Amendment shall have the same meaning as the terms defined in the Contract.

3. Except as expressly modified by this Amendment, all terms and provisions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the City and BBA/COC have executed the First Amendment as of the day and year first noted above.

Buellton Business Association/Chamber of Commerce

By: _____

Title: _____

By: _____

Title: _____

CITY OF BUELLTON

_____
Marc Bierdzinski, City Manager

Approve as to Form

_____
Stephen A. McEwen, City Attorney

Attest:

_____
Linda Reid, City Clerk

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

3:23 PM
08/31/2018
Cash Basis

	Jul '18 - Jun 19	Budget	$ Over Budget	% of Budget	Breakdown of the $50,000
Ordinary Income/Expense					
Income					
4000 · Income					
4100 · Program Service Income					
4110 · TOT Funding	66,666.66	450,000.00	-383,333.34	14.82%	
Total 4100 · Program Service Income	66,666.66	450,000.00	-383,333.34	14.82%	
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	66,666.66	450,000.00	-383,333.34	14.82%	
Total Income	66,666.66	450,000.00	-383,333.34	14.82%	
Expense					
5700 · T-1 Operation of Visitor Center					
5003 · Conference and Meeting					
5103 · Vehicle Mileage	67.91	2,000.00	-1,932.09	3.4%	
5003 · Conference and Meeting - Other	0.00	2,500.00	-2,500.00	0.0%	
Total 5003 · Conference and Meeting	67.91	4,500.00	-4,432.09	1.51%	
6100 · Employee Services					
6110 · Wages & Salaries	21,710.15	107,000.00	-85,289.85	20.29%	
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	137.73	600.00	-462.27	22.96%	
6320 · Liability Insurance	1,155.00	2,000.00	-845.00	57.75%	
Total 6300 · Insurance	1,292.73	2,600.00	-1,307.27	49.72%	
Total 6100 · Employee Services	23,002.88	118,800.00	-95,797.12	19.36%	

	Jul '18 - Jun 19	Budget	$ Over Budget	% of Budget	Breakdown of the $50,000
6400 · Taxes					
6410 · Property Tax - Unsecured	393.05	450.00	-56.95	87.34%	
Total 6400 · Taxes	393.05	450.00	-56.95	87.34%	
7000 · Maintenance Expense					
7100 · Office Expense					
7110 · Office Supplies	360.70	2,500.00	-2,139.30	14.43%	
7115 · Website Maintenance	0.00	600.00	-600.00	0.0%	
7120 · Telephone/Internet	306.69	1,800.00	-1,493.31	17.04%	
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	406.40	1,800.00	-1,393.60	22.58%	
7133 · Maintenance	311.99	1,200.00	-888.01	26.0%	
Total 7130 · Office Equipment	718.39	3,400.00	-2,681.61	21.13%	
7140 · Computer Equipment	0.00	1,000.00	-1,000.00	0.0%	
7150 · Cleaning & Janitorial	90.00	1,400.00	-1,310.00	6.43%	
7170 · Postage & Shipping	33.50	1,800.00	-1,766.50	1.86%	
7180 · Rent - Storage	486.00	1,900.00	-1,414.00	25.58%	
7190 · Building Repairs & maintenance	1,006.99	100.00	906.99	1,006.99%	
7195 · Miscellaneous	0.00	100.00	-100.00	0.0%	
Total 7100 · Office Expense	3,002.27	14,950.00	-11,947.73	20.08%	
7200 · Professional Fees					
7210 · Accounting	0.00	3,500.00	-3,500.00	0.0%	
7220 · Bookkeeping & Accounting	300.00	2,000.00	-1,700.00	15.0%	
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	300.00	7,000.00	-6,700.00	4.29%	
Total 7000 · Maintenance Expense	3,302.27	21,950.00	-18,647.73	15.05%	
Total 5700 · T-1 Operation of Visitor Center	26,766.11	145,700.00	-118,933.89	18.37%	
5705 · T-2 Grants/Specific Projects					

	Jul '18 - Jun 19	Budget	$ Over Budget	% of Budget	Breakdown of the $50,000
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%	
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	1,160.00	2,000.00	-840.00	58.0%	
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	5,330.00	13,720.00	-8,390.00	38.85%	
5360 · Web	17,880.00	40,120.00	-22,240.00	44.57%	$15,000
5370 · Graphic Design	6,375.00	20,000.00	-13,625.00	31.88%	
5371 · Photography	0.00	5,000.00	-5,000.00	0.0%	
5380 · E Marketing					
5381 · Social Media	2,554.24	15,000.00	-12,445.76	17.03%	
5384 · SEO/SEM	0.00	30,000.00	-30,000.00	0.0%	
5380 · E Marketing - Other	22.50	0.00	22.50	100.0%	
Total 5380 · E Marketing	2,576.74	45,000.00	-42,423.26	5.73%	
5382 · Marketing Consultant	7,000.00	48,000.00	-41,000.00	14.58%	$25,540.00
5383 · Public Relations	8,000.00	48,000.00	-40,000.00	16.67%	
5386 · Media Expenses	0.00	10,000.00	-10,000.00	0.0%	$5,000
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	47,161.74	255,840.00	-208,678.26	18.43%	
5400 · Event Expenses					
5460 · Other Events					
5463 · Buellton Winter Fest	0.00	10,000.00	-10,000.00	0.0%	
5460 · Other Events - Other	0.00	4,460.00	-4,460.00	0.0%	$4,460

	Jul '18 - Jun 19	Budget	$ Over Budget	% of Budget	Breakdown of the $50,000
Total 5460 · Other Events	0.00	14,460.00	-14,460.00	0.0%	This is to pay
Total 5400 · Event Expenses	0.00	14,460.00	-14,460.00	0.0%	for the AOF
5500 · Trade Shows					remainder to
5501 · Trade Shows	1,766.39	15,000.00	-13,233.61	11.78%	Winterfest
5500 · Trade Shows - Other	0.00	0.00	0.00	0.0%	
Total 5500 · Trade Shows	1,766.39	15,000.00	-13,233.61	11.78%	
Total 5775 · T-4 Promo/Advertising	50,088.13	287,300.00	-237,211.87	17.43%	
Total Expense	76,854.24	450,000.00	-373,145.76	17.08%	
Net Ordinary Income	-10,187.58	0	-10,187.58	100.0%	$50,000

CITY OF BUELLTON

City Council Agenda Staff Report

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

To:	The Honorable Mayor and City Council
From:	Rose Hess, Public Works Director/City Engineer
Meeting Date:	September 27, 2018
Subject:	Acceptance of the 2017/2018 Road Maintenance Project

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BACKGROUND

At the May 24, 2018 Council Meeting, the City Council awarded Pavement Coatings Co. in the amount of $272,352.00 for the 2017/2018 Road Maintenance Project. The project scope included the slurry seal of the Sycamore Ranch neighborhood, various traffic markings and signage within the project slurry limits, and localized pavement repairs throughout the city. Staff inspected the construction and is satisfied that the project plans and specifications have been met and the project is complete as of September 7, 2018.

FISCAL IMPACT

The final construction cost of the project, including change orders, was $263,365.40. Funding for the construction of the project was allocated from Measure A Local Funds, General Fund and Gas Tax.

RECOMMENDATION

That the City Council accept the 2017/2018 Road Maintenance Project and instruct the City Engineer to file the attached Notice of Completion.

ATTACHMENTS

Attachment 1 - Notice of Completion

ATTACHMENT 1

NOTICE OF COMPLETION

Notice is hereby given that:

1. The undersigned is the owner or corporate officer of the interest or estate hereinafter described:

2. The full name of the owner is: City of Buellton

3. The full address of the owner is: 107 West Highway 246
P.O. Box 1819
Buellton, California 93427

4. The nature of the interest or estate of the owner is "in fee"

5. A work of improvement on the property hereinafter was completed on September 7, 2018.
The work done includes pavement maintenance, slurry seal of the Sycamore Ranch neighborhood, various traffic markings and signage within the project slurry limits as well as localized pavement repairs throughout the city were completed. All improvements are within the City limits of the City of Buellton.

6. The name of the contractor, if any, for such work of improvement was Pavement Coatings Co.

7. The property on which said work of improvement was completed is in the City of Buellton, County of Santa Barbara, State of California, and is described as various streets within the City limits of the City of Buellton.

Dated: _____ _____

Linda Reid, City Clerk

VERIFICATION

I, the undersigned, declare that I am the City Engineer of the declarant of the foregoing Notice of Completion. I have read said Notice of Completion and know the contents thereof and the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on September 27, 2018, at Buellton, California.

_____

Rose M. Hess, Public Works Director/City Engineer