

City of Calistoga Budget



**Fiscal Year
2012-13**

**Operating & Capital
Improvement Budgets**

CITY OF CALISTOGA MISSION STATEMENT

To set policy and direction through a process of trust and transparency that reflects the goals of the community and ensures their safety and well being.

We are dedicated to serving the needs and desires of our citizens by:

- Maintaining and enhancing economic viability.
- Offering excellent professional services to all customers.
- Establishing, improving and maintaining City infrastructure.
- Creating an environmentally sustainable community.
- Maintaining the small-town, rural character of Calistoga.
- Expanding and improving recreational services and facilities.

City Council

Jack Gingles, Mayor
Michael Dunsford, Vice Mayor
Chris Canning, Councilmember
Gary Kraus, Councilmember
Karen Slusser, Councilmember

City Management Staff

Richard Spitler, City Manager/City Clerk
Michelle Marchetta Kenyon, City Attorney
Steve Campbell, Fire Chief
Susan Jones, Acting Police Chief
Dan Takasugi, City Engineer & Public Works Director
Gloria Leon, Administrative Services Director/City Treasurer
Ken MacNab, Planning & Building Manager
Olivia Lemen, Recreation Manager
Amanda Davis, Deputy City Clerk

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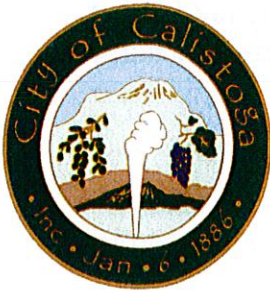
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June 19, 2012

Honorable Mayor and Council Members:

I am pleased to present the City of Calistoga's Proposed Budget for Fiscal Year 2012-13 for your consideration. It has been balanced with realistic conservative projections of revenues and expenditures. The budget maintains General Fund reserves of 19% as of June 30, 2013. The Water, Wastewater and Special Funds budgets are also included in this document.

Budget Process

The City practices an ongoing budget process, which calls for multiple reviews and updates periodically during the fiscal year. Shortly after the budget is adopted in June, a Fall Financial Update is prepared and presented to the City Council in October. In February a Mid Year Financial Update is presented and in the spring an additional update is given. Economic projections, revenue and expenditure updates, and recommended budget changes are proposed and reviewed in conjunction with the financial updates.

In 2012, the Council adopted short-term goals and key priority projects during a strategic planning session. Staff has incorporated this policy direction into the FY 2012-13 Budget.

The City has broad responsibilities to maintain the health and welfare of the community and has adopted a mission statement which establishes policies to implement these responsibilities. In order to accomplish these policies the City has entered into formal and informal agreements with various government agencies, non-profit and community organizations and private companies. These agreements form strategic partnerships that allow the City to implement programs and deliver services.

Budget Summary

Staff has long approached budgeting with strong emphasis on realistic projections of revenue and operating expenses to insure that the adopted budgets are conservative and will allow for adjustments during the years for change in services or projects or an unforeseen expense or revenue loss. In

addition, it is important that the City's financial condition is accurately presented and that this financial position remains sound. We will continue these practices with this budget and projections.

The General Fund Budget for FY 2012-13 can be summarized as follows:

- Revenues are estimated conservatively taking into account economic conditions and known actions that will affect revenues.
- Operating expenditures reflect an increase of \$13,821 (.2%) from the prior year's mid-year revised budget.
- FY 2012-13 is projected to end with fund balance and reserves of \$1.2M or 19% of the Operating expenditures.

The FY 2012-13 budget reflects a continuation of the same level of services provided currently. There is no projected expansion of services. The Capital Improvement projects include the completion of the pool project and new projects that have been previously discussed with the City Council. There are new special projects that directly address the City Council's priorities soils remediation and updates to the Services and Development Impact Fees.

Economic conditions

The City's major revenues are Transient Occupancy Tax (52%), Property Tax (21%) and Sales Tax (12.5%), which provides in total 85.5% of the General Fund operating revenues. The Transient Occupancy and Sales Taxes are primarily driven by tourism and are fairly sensitive to economic conditions. The economy has been more stable and we should see growth in tourism and the revenues. The City's wine, spas and health venues and proximity to the Bay Area population will likely maintain tourism slightly above the current levels. The City and Chamber of Commerce are monitoring the indicators very closely to identify trends and opportunities. That said, the projections for the Transient Occupancy Tax revenue reflect a three and one half percent increase over the prior fiscal year. Sales Tax revenues for FY 2012-13 are anticipated to grow approximately 9.5% based on information from HDL, sales tax consultants.

Property Tax revenues are based on assessed valuation of property and not really driven by tourism. As the City entered 2011, sale prices started to decline again and the City ended the 2011 calendar year with 34 sales transactions at a median sales price that was 28.8% lower than 2010. The assessor uses the 2011 information to set market values on recent sales for the 2012-13 tax roll as well as some reduction in previous years for properties still above current market values. This means that the properties that were purchased in 2011 were probably purchased below market value and should receive a reduction per Proposition 8, according to HDL, property tax consultants for the City. Whether the assessor will reduce all properties that sold last year will not be known until the roll is released for purchase in August 2012.

In 2011 the Assessor applied the CPI factor of 2%. While this is seen as a positive step to aiding cities to see a more positive property tax view overall, all properties that have been granted Prop 8 reductions are required to be reviewed each year outside of the CPI adjustment. If the property's market values have moved lower, additional reductions will be granted; if the prices have not moved up or down, the same value enrolled last year will be enrolled for the coming fiscal year and when values begin to move upward, the assessor will begin to recapture values as required per Prop 8. It is estimated by the County Assessor that there has been a revaluation of a number of single family residences. We have not factored in any new construction or any successful appeals that will result in tax payer refunds which are seen as negative adjustments to property tax apportionments. These reductions are pooled countywide, so the City will suffer a share of these reductions from all successful appeals irrespective of where they are located in the County. Based on these factors the projections for Property Tax have been estimated to decrease by 3.9% from the prior fiscal year.

Other major General Fund revenues are fees for services, which should be set to recover the direct and indirect cost to provide services to users. The revenue estimates from building permits and other development related fees have been reduced to reflect a slowdown in development. Also included in this budget is a special project to review and update the fees for services and development impact fees on new or expanded development.

The State Budget

The State has a significant FY 2011-12 budget imbalance amounting to a multi-billion dollar deficit. This is more than just an economic downturn affecting revenues or a service delivery issue – it is a major and long term structural problem that has been growing over the last 30 years and annually “fixed” by increasing taxes, cutting expenditures, shifting costs to and revenues from others – Counties, Cities, Schools and Special Districts.

In 2006, Proposition 1a was passed which realigned property and sales tax allocations and provided a major level of protection of Local Government property tax revenues from the State. However, there are still actions that the State could implement that would have an impact on Local Governments and Calistoga, to a degree.

The Budget proposals by the Governor, Legislative Analyst and Legislative committees are working through the State Budget process. There is much disagreement on what the problem is and how to solve it and it is projected that the budget will not be adopted for some time.

The current discussion and thinking at the State level, as conveyed by our League of California Cities representatives, is that substantial seizing of local revenues, particularly those enjoyed by Calistoga, will likely not occur. Still, some effects on the State budget solution may be experienced by Calistoga. As

the impact becomes known we will bring back information and possible budget adjustments to the City Council during one of our scheduled Financial Updates.

General Fund Revenues

Total revenues next fiscal year are projected to approximate \$7.36 million. This amount is up slightly from the prior fiscal year. Property taxes are projected to decrease by 3.9% from the prior year as we see the effects of Proposition 8. Sales taxes are expected to be up by 9.5% due to increase in tourism. Transient Occupancy Tax is projected to be 3.5% more than the prior year again due to increase in tourism. Interest earnings are projected to be down 47% due to fewer funds available to invest and interest rates being so low. Charges for services are projected to be down \$78,477 due to low development. Fines, forfeitures and penalties will be down \$3,000 which is 6% less than FY 2011-12.

General Fund Operating Expenditures

Operating expenditures are projected to be up \$13,821 from fiscal year 2011-12 mid-year revised amounts due to filling a vacancy in the City Managers' office. Planning and Building services are up due to several reasons; less development and the filling of a one half Administrative Secretary position which is currently vacant. The Fire department shows an increase of \$77,796 and the Police department reflects a decrease of \$128,498. The reason for these changes is that a portion of the fire salaries was inadvertently placed in the police department in FY 2011-12 mid-year revisions. In addition the Emergency Services Department was moved from the Police department to the Fire department in FY 12-13. Public Works services and Recreation services are showing a budget decrease due in part to employee concessions in fiscal year 2011-12 and reorganization of Recreation services.

Special Projects

The budget includes one special project that is not part of ongoing operations and would tend to distort the operating budgets of the Departments. The one special project is as follows:

- Services Fee Updates – to update the fees currently being charged for Planning and Building services

Capital Improvement Projects

The budget includes \$106,000 in capital Improvement projects for fiscal year 2012-13. They include \$100,000 to complete the pool project and \$6,000 for soils remediation.

Selected Programs

As mentioned earlier, last year's budget was reduced significantly due to economic conditions. The budget for next fiscal year continues to include funding for some efforts and special projects identified by staff and the Council:

- Soils Remediation (\$6,000)
- American Disabilities Act Compliance Sidewalk Project to be funded from Local Transportation Street Funds (\$60,000)
- Access Facility and Sidewalk Improvements (\$52,000)
- Chamber Marketing and Promotion Contract (\$252,000)
- Planning and Building Department service update fee study (\$56,000)
- Completion of the Pool Project (\$100,000)

General Fund Reserves

The Council has maintained healthy reserves during past years as a cornerstone of the budgeting philosophy. Unfortunately, due to the enterprise revenue funds shortfall last year, the budget for the upcoming fiscal year projects reserves to approximate 17.4% of Operating Expenditures. The Council has had a practice of setting aside funds equivalent to at least 30% of Operating Expenditures in previous years. It will be important to attempt to rebuild reserves as we progress out of the current economic situation.

Enterprise Fund Overview

The Water Operations Enterprise Revenue Fund is anticipating an ending balance of approximately \$231,577 as of June 30, 2012. Based on activity during the 2012-13 fiscal year, it is anticipated that the fund balance will have a deficit of \$46,535 by June 30, 2013. The general fund will transfer \$46,535 to the water operations fund to cover the deficit. The primary reason for the deficit is the commencement of paying the \$3.75 million Rural Development Loan from the United States Department of Agriculture issued in 2011 for the construction of the 1.5 million gallon Mt. Washington tank.

The Water Capital Fund is expected to end fiscal year 2012-13 with a deficit fund balance of \$37,023 which will be covered by the general fund balance. This is primarily because revenue from connection fees will be low due to no anticipation of new development in the City. Projects to be undertaken for the 2012-13 include the Mt. Washington Water Tank, NBA Pump Station design to increase water delivery reliability, repairing of the Feige Water Tank and the bypass structure.

The Wastewater Operations Fund is expected to end fiscal year 2011-12 with a deficit balance of approximately \$209,605. The general fund will transfer \$131,605 and the Wastewater Capital Fund will transfer \$78,000 to cover the deficit balance. As discussed many times during the water and wastewater rate

study, expenditures to run the treatment plant have continued to outpace revenues. Though rates were increased they have not been sufficient to keep up with expenditures. The FY 2012-13 budget shows an ending deficit fund balance of approximately \$92,821. The General Fund will transfer out \$92,821 to the Wastewater Fund to cover the deficit balance. Since expenditures during FY 2011-12 were kept only to the purchase of critical items FY 2012-13 amounts have been projected based on our best estimate of what will be needed to operate the utility.

City staff with the assistance of a consultant will complete a comprehensive review of the adopted Water and Wastewater rate studies to determine why the various assumptions in the rate studies have not generated the working capital projected.

The Wastewater Capital Improvements Fund is expected to end fiscal year 2011-12 with a slight surplus balance of \$78,000 which will be used to cover the deficit wastewater operations fund. This is due to the fact that capital spending has been kept to a minimum during the past year. The ending fund balance in FY 2012-13 is anticipated to be negative \$33,612. The General Fund will transfer out \$33,612 to cover the deficit ending fund balance. Three capital projects will be undertaken in FY 12-13. The projects consist of replacement of sewer laterals, Valve Demolition and installation of a gate valve and an Aerator-Mixer for Effluent Storage Pond.

Special Revenue Funds Overview

Total Special Revenue Funds had a beginning balance of approximately \$1.1 million as of July 1, 2011. Based on activity during the fiscal year, it is anticipated that the fund balance will be reduced to about \$930,933 by June 30, 2012 and reduced to \$693,668 by June 30, 2013. Out of the 20 special revenue funds, the Mobile Home Park Program fund will be the only one anticipated to end with a deficit balance of \$44,864 for Fiscal Year 2012-13. The Community Development Fund will transfer out \$44,864 to the Mobile Home Park Program during Fiscal Year 2012-13. Staff will be reviewing the Mobile Home Park Program Fund to turn it around with a positive cash flow. The Community Development Fund will fund the sidewalk replacement capital project for an amount of \$52,000 and it will transfer \$56,000 to the general fund for legal costs associated with the defense of the arbitration results on the rent stabilization of the Rancho De Calistoga mobile home park. Risks associated with next year's budget include the possibility of a State take away of gas tax or Police grants funding along with less than anticipated impact fees.

Conclusion

The City's Fiscal Year 2012-13 budget continues to present realistic projections of income and costs and more readily available information regarding our

budgeting decisions and financial resources. We are maintaining our level of service in our core service areas after significant budget reductions last fiscal year. We continue our strong practice of maintaining adequate reserves to guard against unforeseen circumstances and to provide flexibility to the Council for unanticipated budget needs and opportunities. There are, however, significant risks associated with the FY 2012-13 budget. They include unforeseen economic deterioration, inadequate development related fees to pay debt service, and unanticipated state take-aways. These risks will be closely monitored during the fiscal year and periodic updates will be brought back to the City Council for consideration.

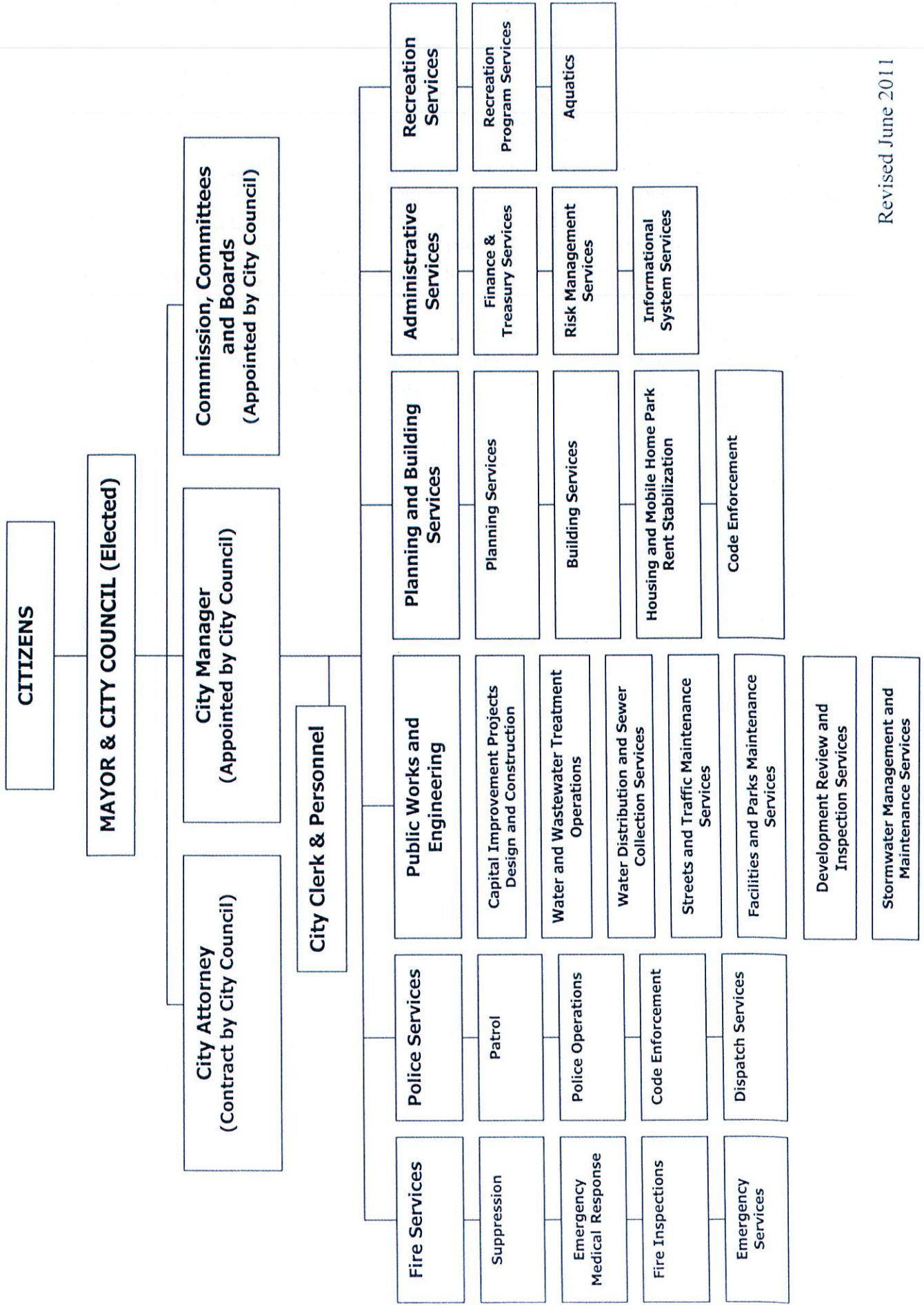
I would like to thank the City Council for providing focused overall policy direction and leadership throughout the budget development process. I would like to thank all of the City employees' for their input and suggestions in preparing the proposed budget.

Sincerely,

A handwritten signature in blue ink, appearing to read 'R Spitler', with a long horizontal flourish extending to the right.

Richard Spitler
City Manager

CITY OF CALISTOGA ORGANIZATIONAL CHART



City Council Goals And Objectives

FY 2012/2013

April 3, 2012

Maintain and enhance the economic vitality of the community.

Objectives:

- Encourage, manage and advance key private development and renovation projects.
- Evaluate and revise as necessary development impact fees.
- Develop and adopt a long-term General Fund revenue, expenditure and capital improvement projects forecast.
- Enhance the General Fund Reserves to 25% of total operating expenses within three years.
- Adopt a fiscal year budget with conservative assumptions and with the enhancement of reserve funds.
- Continue to reduce City operating costs.
- Capitalize on potential projects to stimulate economic vitality and to avoid stagnation.

Priority Projects:

- Increase contributions to General Fund reserve each year for a three year time period to bring it back up to 25% of total operating expenses (approx. \$1.6 million). For Fiscal Year 2012/13 the contribution will be at least \$183,000.
- Update development impact fees so that they are defensible and more responsive to economic realities and commensurate with the impact of new development on the community. Estimated one time cost is \$50,000.

Offer excellent professional services to all customers.

Objectives:

- Continue to provide a high standard in the delivery of emergency and general municipal services.
- Improve the delivery of private development related services.
- Streamline and simplify processes.
- Expand and improve communication and transparency.
- Maintain focus on existing key assignments and priorities. Evaluate available time and resource demands before committing to or assigning new tasks. Evaluate and adjust staffing levels as necessary to reflect increased demands.

Priority Project:

- Adopt a City file achieve system, prepare a schedule for each department and implement system.

Establish, improve and maintain City infrastructure.

Objectives:

- Continue to maintain the high level of service and reliability available to the community through our infrastructure systems and facilities.
- Complete construction of the 1.5 million gallon water storage tank at Mt. Washington.
- Continue program for long term maintenance and repair of City sidewalks.
- Support local efforts to design and construct a new gazebo at Pioneer Park.
- Provide routine maintenance and cleaning of downtown sidewalks from May to the end of October.
- Support efforts to fund street maintenance and repair and to educate Calistoga citizens about the condition and cost of maintaining and repairing city streets.

Priority Projects:

- Continue the Sidewalk Repair and Maintenance Mitigation Program. This is an annual sidewalk inspection, minor trip hazard repair, and major trip hazard cost-share program for specific areas of town. Estimated cost is \$60,000 per year.
- Provide City non-financial support to local efforts to design a new gazebo at Pioneer Park.
- Complete construction of the Mt. Washington 1.5 million gallon water storage tank.

Create an environmentally sustainable community.

Objectives:

- Implement "green" environmental sustainability policies and initiatives.
- Continue to pursue funding opportunities for geothermal and photovoltaic system improvements.
- Adopt a local Climate Protection Plan.
- Improve and enhance pedestrian walkways and bicycle trails.

Priority Project:

- Adopt a local Climate Protection Plan after Napa County has approved a countywide plan.

Maintain the small-town rural character and economy of Calistoga.

Objectives:

- Develop and implement a work plan to address General Plan and Municipal Code conflicts, inconsistencies and needed policy direction.

Priority Project:

- Prepare a work plan that addresses potential conflicts and inconsistencies between General Plan policies and Municipal Code. Present to City Council with a schedule to accomplish needed changes.

Expand and improve recreational facilities.

Objectives:

- Work with the County to improve the Calistoga Library.
- Work with citizen efforts to install a community dog park and bocce ball courts at Logvy Park.

Priority Projects:

- Assist community members in their efforts to install a community dog park and bocce ball courts at Logvy Park.

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City of Calistoga
2012-13 Budget Summary for General and Enterprise Funds
AT A GLANCE

	General Fund	Water Operations	Water Capital	WW Operations	WW Capital	Totals
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Revenues	7,358,931	2,274,125	8,977	2,257,930	22,888	11,922,851
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Expenditures						
Operating Expenditures	(6,332,324)	(2,011,601)	(3,869,390)	(1,656,284)	(56,500)	(13,926,099)

Transfers						
Transfers In from Gas Tax, COPS	165,000					165,000
Measure A for Debt Service		141,200				141,200
Measure A for CIP projects			545,000			545,000
Mobile Home Park	11,000					11,000
Abandoned Vehicle	4,600					4,600
Community Development Fund	56,000					56,000
Debt payments	(477,165)	(681,835)		(694,466)		(1,853,466)
Deutsche Loan Proceeds	100,000					100,000
USDA loan proceeds			3,277,559			3,277,559

Special Projects						
Reserves replenishment			831			831
Development impact fees Update	(56,000)					(56,000)
Soils remediation	(6,000)					(6,000)
Community Pool Facility	(100,000)					(100,000)

Total Net Change in Cash Balances 12-13	724,042	(278,111)	(37,023)	(92,820)	(33,612)	282,476
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Ending Projected Fund Balance FY 11-12	717,752	231,576		(131,605)		817,723
Adjustments to FY 11-12 Budget to cover deficit	(131,605)			131,605		0
Revised Ending Projected Fund Balance FY 11-12	586,147	231,576	0	0	0	817,723
Total Net Change in Cash Balances FY 12-13	724,042	(278,111)	(37,023)	(92,820)	(33,612)	282,476

Ending Fund Balance FY 12-13	1,310,189	(46,535)	(37,023)	(92,820)	(33,612)	1,100,199
<i>Adjustments to Fund Balance to Cover Deficit Balances:</i>						
Transfers from General Fund to Cover Deficit Water	(46,535)	46,535				0
Transfers from General Fund to Cover Deficit Water Capital	(37,023)		37,023			0
Transfers from General Fund to Cover Deficit WWTP	(92,820)			92,820		0
Transfers from General Fund to Cover Deficit WWTP Capital	(33,612)				33,612	0

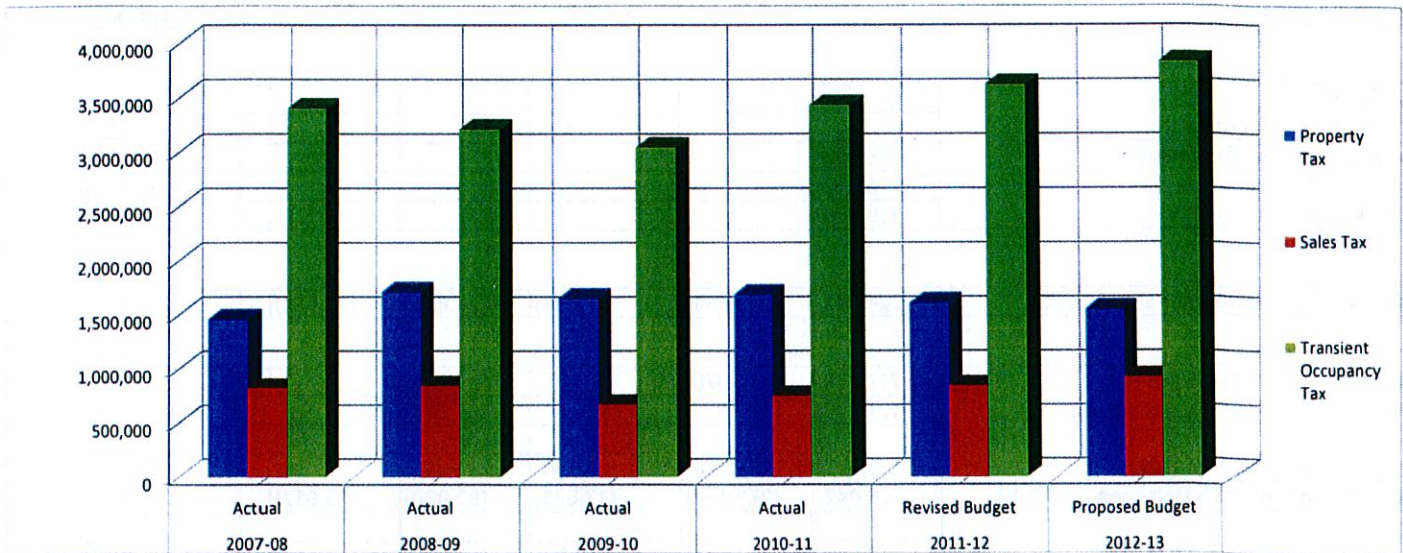
Adjusted Total Fund Balance FY 12-13	1,100,199	(0)	-	-	-	1,100,199
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CITY OF CALISTOGA
General Fund Revenue Budget Summary
FY 2012-13

2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Dollar	Percent
Actual	Actual	Actual	Actual	Revised Budget	Proposed Budget	Change	Change

Property Tax	1,460,792	1,709,998	1,654,593	1,685,569	1,609,900	1,547,369	-62,531	-3.9%
Sales Tax	819,646	842,611	670,908	746,907	840,000	920,000	80,000	9.5%
Transient Occupancy Tax	3,402,228	3,208,611	3,042,315	3,430,486	3,620,000	3,829,500	209,500	5.8%
Other Taxes	329,146	311,292	292,757	312,784	289,100	310,182	21,082	7.3%
Licenses and Permits	84,431	93,964	69,219	68,287	72,000	62,100	-9,900	-13.8%
Fines, Forfeits & Penalties	49,296	49,811	42,577	53,486	49,000	46,000	-3,000	-6.1%
Use of Money & Property	32,002	24,231	30,393	25,089	25,000	13,100	-11,900	-47.6%
Funds from Other Agencies	84,490	75,943	71,192	80,354	61,000	60,000	-1,000	-1.6%
Grants	77,131	5,000	5,000	0	14,000	5,000	-9,000	-64.3%
Charges for Services	621,652	565,557	642,201	597,056	634,157	555,680	-78,477	-12.4%
Other Revenue	79,084	215,283	780,949	109,216	135,000	10,000	-125,000	-92.6%

Total General Fund Revenues	7,039,898	7,102,301	7,302,104	7,109,234	7,349,157	7,358,931	9,774	0.1%
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**** Please Note:**

Property Tax and Sales Tax are projections from our consultants HDL.
Transient Occupancy Tax is estimated to be \$3,700,000 for FY 11-12 therefore based on this amount we are projecting for FY 12-13 a 3.5% increase.
There were 2 grants in FY 11-12 and we are projecting 1 grant in FY 12-13.
Use of Money and Property we are projecting less in interest earnings.
Charges for Services - Projecting less development and less revenues from recreation activities.
Other Revenue are one time types of revenues so this fluctuates from year to year.

General Fund Sources and Uses FY 07-08 through 12-13 Budgets

Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
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Other Revenues

Property Tax	1,460,792	1,709,998	1,654,593	1,685,569	1,546,129	1,609,900	1,547,369
Sales Tax	819,646	842,611	670,908	746,907	781,311	840,000	920,000
Transient Occupancy Tax	3,402,228	3,208,611	3,042,315	3,430,486	3,477,521	3,620,000	3,829,500
Other Taxes	329,146	311,292	292,757	312,784	294,880	289,000	310,182
Licenses and Permits	84,431	93,964	69,219	68,287	67,235	72,000	62,100
Fines, Forfeitures and Penalties	49,296	49,811	42,577	53,486	34,000	49,000	46,000
Interest and Use of Property	32,002	24,231	30,393	25,089	35,100	25,000	13,100
Revenues From Other Agencies	84,490	75,943	71,192	80,354	60,000	61,000	60,000
Grants - Operations	77,131	5,000	5,000	-	5,000	14,000	5,000
Charges for Services	621,652	565,557	642,201	597,056	634,157	634,157	555,680
Other Revenues	79,084	215,283	780,949	109,216	35,000	135,000	10,000

Other Uses

Support Services	1,390,796	1,413,358	1,269,440	1,657,708	1,060,208	1,378,132	1,434,456
City Council & City Clerk	160,726	167,873	147,922	171,588	155,979	147,807	165,110
Fire Services	678,681	776,844	803,942	753,329	762,084	681,555	759,351
Planning & Building	604,125	694,242	649,714	602,201	428,866	408,547	437,708
Police Services	2,181,776	2,273,600	2,218,018	2,249,220	2,321,079	2,269,944	2,141,446
Public Works	993,318	1,025,257	889,242	962,660	1,009,285	889,061	873,769
Recreation Services	516,520	665,636	724,108	802,776	536,443	543,457	520,484

Debt Proceeds

Debt Proceeds		1,908,121				1,415,000	-
Deutsche Lease Financing						855,000	100,000
Grants - Improvements		833,107	273,603	1,021,350	-		-

Other Uses

Special Projects	87,163	186,553	16,345	5,800	66,500	23,000	56,000
Capital Improvement Projects							
Streets	837,767	61,331	6,770	600,000		-	-
Parks	35,106	-	-	-		-	-
Buildings	1,540,746	3,726,197	1,057,445	875,504	10,000	865,000	100,000
Other	36,881	24,155	23,540	43,130	72,000	(32,000)	6,000
Total Capital Projects	2,450,500	3,811,683	1,087,755	1,518,633	82,000	833,000	106,000

General Fund Sources and Uses FY 07-08 through 12-13 Budgets

	Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
Debt Payments - TRAN Issue Co	100,000	125,000	-	39,930	-	1,453,043	-

Transfers From or (To) Other Funds							
Capital Facilities Fund			579,466	1,176,748			
Gas Tax Fund	418,377	115,031		80,000	95,000	95,000	95,000
Police Grants Fund	88,693	18,312	60,000	78,910	70,000	70,000	70,000
Recreation Donations & Vamo Fur	19,000	12,000	16,619	12,000	-	-	-
Landscape Maintenance Funds	(340)	-	-	4,750	2,000	1,210	-
Mobile Home Park Programs Fund	2,815	10,468	5,000	10,500	-	11,000	11,000
Community Pool Fund	-	667,816	-	-	-	-	-
CDBG Fund	-	70,000	25,041	-	-	-	-
Abandoned Vehicle Fund	-	4,350	4,350	4,600	4,600	4,600	4,600
Quality of Life Fund	-	295,854	-	-	-	-	-
Adjustment YE (Adjust Transfers In)	900,156	30,745	(18,811)	(279,542)	-	-	-
Advance to WWTP Operations	-	-	(897,107)	(397,408)	-	(131,605)	(92,820)
Advance to WWTP Capital	-	-	-	-	-	-	(33,612)
Advance to Water Operations	(21,088)	-	-	(462,400)	-	-	(46,535)
Advance to Water Capital	-	-	-	-	-	-	(37,023)
Community Development Fund	660,200	-	-	-	-	50,000	56,000
Debt Service Fund	(119,050)	(249,471)	-	(510,990)	(559,000)	(522,480)	(477,165)
Net All Transfers	1,948,763	975,105	(225,442)	(282,832)	(387,400)	(422,275)	(450,555)

Net Fund Surplus or (Deficit)	(174,944)	(321,412)	(456,219)	(916,093)	160,489	569,236	514,052
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Beginning Fund Balance	1,885,574	1,710,630	1,389,218	932,999	597,911	16,911	586,147
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Ending Fund Balance	1,710,630	1,389,218	932,999	16,905	758,400	586,147	1,100,199
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** An adjustment is expected in FY 11-12 of \$131,605 to be transferred out to the Wastewater for a Deficit Balance

Fund Balance							
Emergencies and General Contingency - Policy of 30% of Operations	1,605,630	701,681	670,238	(88,095)	653,400	481,147	895,199
General Contingency	-	582,537	157,760	-	-	-	-
PERS Increase in Rates	-	-	-	-	-	-	50,000
GASB 45 Regulations for Retiree Benefits	-	-	-	-	-	-	50,000
General Liability Claims	105,000	105,000	105,000	105,000	105,000	105,000	105,000
Total Reserves	1,710,630	1,389,218	932,999	16,905	758,400	586,147	1,100,199

Emergency & Contingency Reserves As A Percent of Operating Expenditures	0%	0%	-1.2%	10.4%	7.6%	14.1%
All Reserves As A Percent of Operating Expenditures	20%	14%	0.2%	12.1%	9.3%	17.4%

General Fund CIP Project Summary

Project #	Description	Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
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Streets								
5123	Pavement Management System	-	-	-	-	-	-	-
New	Bus Shelters	8,476	-	-	-	-	-	-
5402	Pavement Maintenance	829,291	49,311	6,770	-	-	-	-
5461	Grant St Reconstruction- Stevenson/Lake	-	-	-	-	-	-	-
5464	Washington St Bike Ln- Corp Yard to Duna	-	-	-	-	-	-	-
5488	Depot Parking Lot Repair	-	-	-	-	-	-	-
5489	Fire Station Parking Lot	-	-	-	-	-	-	-
5487	Ceder St Reconstruction - Lillie to So Oak	-	-	-	-	-	-	-
5508	24" Storm Drain Culvert Repair	-	12,020	-	-	-	-	-
5453	SE Storm Drainage	-	-	-	600,000	-	-	-
SUBTOTAL STREETS		837,767	61,331	6,770	600,000	0	0	0

Parks								
5405	Logvy Community Park Improvements	-	-	-	-	-	-	-
5155	Pioneer Park Improvements	35,106	-	-	-	-	-	-
5462	Bank Stabilization - Centennial Park	-	-	-	-	-	-	-
SUBTOTAL PARKS		35,106	0	0	0	0	0	0

General Fund CIP Project Summary

Project #	Description	Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
Buildings & Facilities								
5408	Public Works Facility	22,058	10,727	-	-	-	-	-
5503	Monhoff Facility Improvements	2,307	-	75,028	-	-	-	-
5159	Teen/Art Center	66,957	251,005	4,207	-	-	-	-
5409	Fire House Seismic Renovation & Rehabili	53,561	80,908	863,593	759,674	-	-	-
5451	Community Pool Facility	1,378,899	3,364,346	110,374	88,623	-	850,000	100,000
5505	Community Pool Geothermal	-	-	-	-	-	-	-
5469	Community Center Audio/Visual Improvem	-	-	-	-	-	-	-
5501	Facility Improvements City Hall	16,964	5,602	4,243	27,207	10,000	15,000	-
5507	Facility Improvements - Police	-	13,032	-	-	-	-	-
5506	Facility Improvements - Planning	-	577	-	-	-	-	-
SUBTOTAL BUILDINGS & FACILITIES		1,540,746	3,726,197	1,057,445	875,604	10,000	865,000	100,000
Other Improvements								
5187	Soils Remediation	16,881	13,967	14,837	16,245	20,000	20,000	6,000
5504	Bicycle Transportation Plan Implementation	20,000	1,350	8,703	6,650	-	-	-
5502	Access Facility & Sidewalk Improvements	-	8,838	-	20,235	52,000	(52,000)	-
5510	Bus Shelter Improvements	-	-	-	-	-	-	-
SUBTOTAL OTHER		36,881	24,155	23,540	43,130	72,000	(32,000)	6,000
Total All General Fund Projects		2,450,500	3,811,683	1,087,755	1,518,633	82,000	833,000	106,000

General Fund

Department and Program Summaries

FY 07-08 through 12-13

Program #	Department and Program	Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
SUPPORT SERVICES								
4114	City Manager	157,557	183,868	157,258	124,464	130,234	119,015	146,575
4176	Economic Vitality	303,513	314,293	338,851	326,544	322,919	321,246	270,837
4113	Legal Services	64,361	142,675	39,593	174,498	120,000	120,000	120,000
4108	Finance	314,881	279,372	240,995	220,498	262,887	221,010	218,240
4170	Risk Management	362,156	319,369	327,371	539,433	346,635	318,664	365,147
4172	Personnel	75,241	63,628	59,356	106,386	75,374	88,009	125,226
4119	Non-Departmental	113,086	110,153	106,017	165,886	(197,841)	190,188	188,431
Total		1,390,796	1,413,358	1,269,440	1,657,708	1,060,208	1,378,132	1,434,456
Year over Year Change			2%	-10%	31%	-36%	-17%	4.1%
CITY COUNCIL & CITY CLERK								
4110	City Council	45,180	59,033	40,616	57,695	48,892	46,707	49,972
4111	City Clerk	104,440	91,701	97,420	99,077	97,978	95,491	107,738
4133	Elections	11,106	17,139	9,886	14,816	9,109	5,609	7,400
4112	City Treasurer	-	-	-	-	-	-	-
Total		160,726	167,873	147,922	171,588	155,979	147,807	165,110
Year over Year Change			4%	-12%	16%	-9%	-14%	11.7%
FIRE SERVICES								
4117	Fire Services	678,681	776,844	803,942	753,329	762,084	681,555	759,351
Total		678,681	776,844	803,942	753,329	762,084	681,555	759,351
Year over Year Change			14%	3%	-6%	1%	-10%	11.4%
PLANNING & BUILDING								
4109	Planning Commission	1,426	6,341	6,619	3,725	8,350	6,159	6,775
4120	Bicycle Advisory Committee	87	223	378	0	1,400	1,400	1,200
4177	Building & Fire Code Board of Ap	-	-	177	-	-	-	100
4178	Design Advisory Panel	-	-	-	-	-	-	-
4115	Planning	254,968	396,738	370,979	375,913	270,124	247,242	266,365
4125	Building Inspection Services	347,643	290,940	271,561	222,562	148,993	153,746	163,268
Total		604,125	694,242	649,714	602,201	428,866	408,547	437,708
Year over Year Change			15%	-6%	-7%	-29%	-32%	7.1%
POLICE SERVICES								
4116	Police Services	1,674,404	1,712,006	1,746,160	1,767,130	1,839,481	1,792,684	1,698,097
4129	Police Dispatch	454,487	489,128	455,006	464,148	462,094	461,012	443,349
4138	Emergency Services	52,885	72,466	16,852	17,942	19,504	16,248	-
Total		2,181,776	2,273,600	2,218,018	2,249,220	2,321,079	2,269,944	2,141,446
Year over Year Change			4%	-2%	1%	3%	1%	-5.7%
PUBLIC WORKS								
4121	Public Works Administration	140,905	137,129	126,542	102,541	145,487	124,490	111,533
4122	Streets	326,706	296,725	267,098	334,824	315,255	246,544	227,846
4123	Park Maintenance	233,984	211,776	195,489	183,916	201,932	182,546	187,045
4126	Pool Maintenance	-	62,785	67,060	107,193	107,956	120,328	126,218
4124	Maintenance Shop	28,631	28,605	25,475	24,646	29,859	25,628	23,289
4127	Building Maintenance	263,092	288,237	207,577	209,541	208,796	189,525	197,838
Total		993,318	1,025,257	889,242	962,660	1,009,285	889,061	873,769
Year over Year Change			3%	-13%	8%	5%	-8%	-1.7%

General Fund Department and Program Summaries FY 07-08 through 12-13

Program #	Department and Program	Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
RECREATION SERVICES								
4150	Community Resources Commissi	419	44	8	4,429	-	-	-
4152	Recreation Programs	260,141	332,508	277,084	335,017	123,261	130,341	114,851
4153	Education/Recreation Courses	60,690	43,916	61,943	85,315	86,076	75,329	57,308
4154	Senior Activities	13,838	16,630	10,971	14,170	2,750	14,050	34,117
4156	Aquatic Services	6,782	92,270	209,765	181,041	153,340	145,331	161,857
4107	Community Promotions	35,861	36,143	30,738	22,200	20,000	24,500	15,000
4155	Community Activities	41,526	39,167	27,647	51,978	28,928	30,572	28,100
4174	Library Services	68,575	77,222	74,294	72,846	84,440	83,930	74,809
4173	Sharpsteen Museum	17,735	18,222	16,365	18,010	22,648	24,404	24,442
4405	Transit - Shuttle	10,953	9,514	15,293	17,771	15,000	15,000	10,000
Total		516,520	665,636	724,108	802,776	536,443	543,457	520,484
Year over Year Change			29%	9%	11%	-33%	-32%	-4.2%
Total Operations		6,525,942	7,016,810	6,702,384	7,199,481	6,273,944	6,318,503	6,332,324
			8%	-4%	7%	-13%	-12%	0.2%
Equipment/Replacement								
Special Projects								
4402	Urban Design Plan	26,890	(754)	3,121	25	9,000	9,000	-
4670	Housing Element	-	-	5,117	415	-	14,000	-
4671	CDBG Econ Dev & Planning	-	-	-	-	-	-	-
4604	Busk Abatement 2007	43,188	154,434	6,380	-	-	-	-
4605	Karpak Abatement 2008	12,552	12,556	-	-	-	-	-
4606	Community Enhancement and Beautification	4,533	19,451	716	-	-	-	-
4607	Services and Development Impact Fee Updates	-	-	-	3,070	55,000	-	56,000
4608	Green Initiatives	-	866	1,011	2,290	2,500	-	-
4609	Conservation and Safety General Plan Updates	-	-	-	-	-	-	0
Total Special Projects		87,163	186,553	16,345	5,800	66,500	23,000	56,000
Capital Improvements								
	Streets	837,767	61,331	6,770	600,000	-	-	-
	Parks	35,106	-	-	-	-	-	-
	Buildings & Facilities	1,540,746	3,726,197	1,057,445	875,504	10,000	865,000	100,000
	Other	36,881	24,155	23,540	43,130	72,000	(32,000)	6,000
Total Capital Improvements		2,450,500	3,811,683	1,087,755	1,518,633	82,000	833,000	106,000
Total General Fund Appropriations		9,063,605	11,015,046	7,806,484	8,723,915	6,422,444	7,174,503	6,494,324

General Fund

Department and Program Summaries

FY 07-08 through 12-13

Program #	Department and Program	Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
Debt Service								
4430	Debt Service Payments	100,000	125,000	125,000	39,930	-	1,453,043	-
Total Debt Service		100,000	125,000	125,000	39,930		1,453,043	
Other Uses								
Transfers Out								
	Water Operations/WWTP Operati	21,088	-	897,107	397,408	-	-	126,432
	Debt Service	119,050	249,471	-	510,990	559,000	522,480	477,165
	Silverado/Palisades Districts	340	-	-	-	-	-	-
	Water Operations	-	-	-	462,400	-	-	-
	Transit	-	-	-	-	-	-	-
	Equipment Fund	-	-	-	-	-	-	-
	Mobile Home Park Programs Fun	-	-	-	-	-	-	-
	Police Grants	-	-	-	-	-	19,245	-
	Quality of Life Fund	-	-	-	-	-	-	-
Total Other		140,478	249,471	897,107	1,370,798	559,000	541,725	603,597
Total General Fund Uses		9,304,083	11,389,517	8,828,591	10,134,643	6,981,444	9,169,273	7,097,921

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City Council

Calistoga voters, at large, elect a five-member City Council to serve as the City's legislative and governing body with the power to enact and enforce all ordinances and resolutions. The Calistoga City Council is composed of a Mayor, Vice Mayor and three City Councilmembers. The Mayor is directly elected every two years and the other City council members for staggered four year terms. The Vice Mayor is selected annually from the members of the City Council.

Regular meetings of the Calistoga City Council are held on the first and third Tuesdays of every month 7:00 p.m. in the Calistoga Community Center, located at 1307 Washington Street. The public is welcome to attend and participate in all public sessions of the Council. City Council Meetings are rebroadcast following the meetings on Channel 28, starting on Wednesday at 7 p.m., Thursday at 2 p.m. and Saturday at 5 p.m.

Annually, the City Council holds a special study session to develop a series of Priority Projects and to identify areas of interest for the up-coming fiscal year and longer term efforts. The listings of Priority Projects for FY 12-13 are included in the FY 12-13 Budget Document.

City Clerk

The Office of the City Clerk consists of the City Clerk and the Executive Secretary/Deputy City Clerk. The responsibilities include duties mandated by the State, the Calistoga Municipal Code and additional duties set by the City Manager. Below is a listing of the activities of the City Clerk:

- Municipal Code Update;
- Prepares agenda, attends, and records the proceedings of all City Council meetings;
- Edits and compiles minutes of City Council meetings;
- Maintains records of all rules, ordinances, actions and resolutions of the City Council;
- Acts as a custodian of the City Seal;
- Administers the Oath of Office to all Officials who apply to be sworn;
- Posts meeting notices filed by City Boards and Commissions;
- Performs all legal advertising for the City Council;
- Schedules, coordinates, and plans special events and functions for the City Council;
- Files campaign statements as required and conflict of interest statements by the Fair Political Practices Commission (FPPC);
- Conducts general municipal and special elections;
- Manages the citywide records management program;
- Provides general administrative and clerical assistance to the City Council.
- Other services to the public include:
 - Public Information/Public Records
 - Small claims forms
 - Certifying documents

- Community Bulletin Board (Public Access Television Station-Channel28)

MAJOR DEPARTMENT TASKS COMPLETED FISCAL YEAR 2011-12

- ☑ Attended 31 City Council meetings and recorded the official proceedings;
- ☑ Processed approximately 60 requests for public records;
- ☑ Provided 30 official notifications for City Council public hearings items;
- ☑ Completed an upgrade of the recording/broadcasting equipment for public meetings;

MAJOR DEPARTMENTAL GOALS FOR FISCAL YEAR 2012-13

- Continue to deliver a high level of service and continue to reduce City operating costs
- Finalize the City's Record Retention Policy, agendize for the adoption by the City Council and commence implementation*

* A City Council Objective or Priority Project.

CITY MANAGER

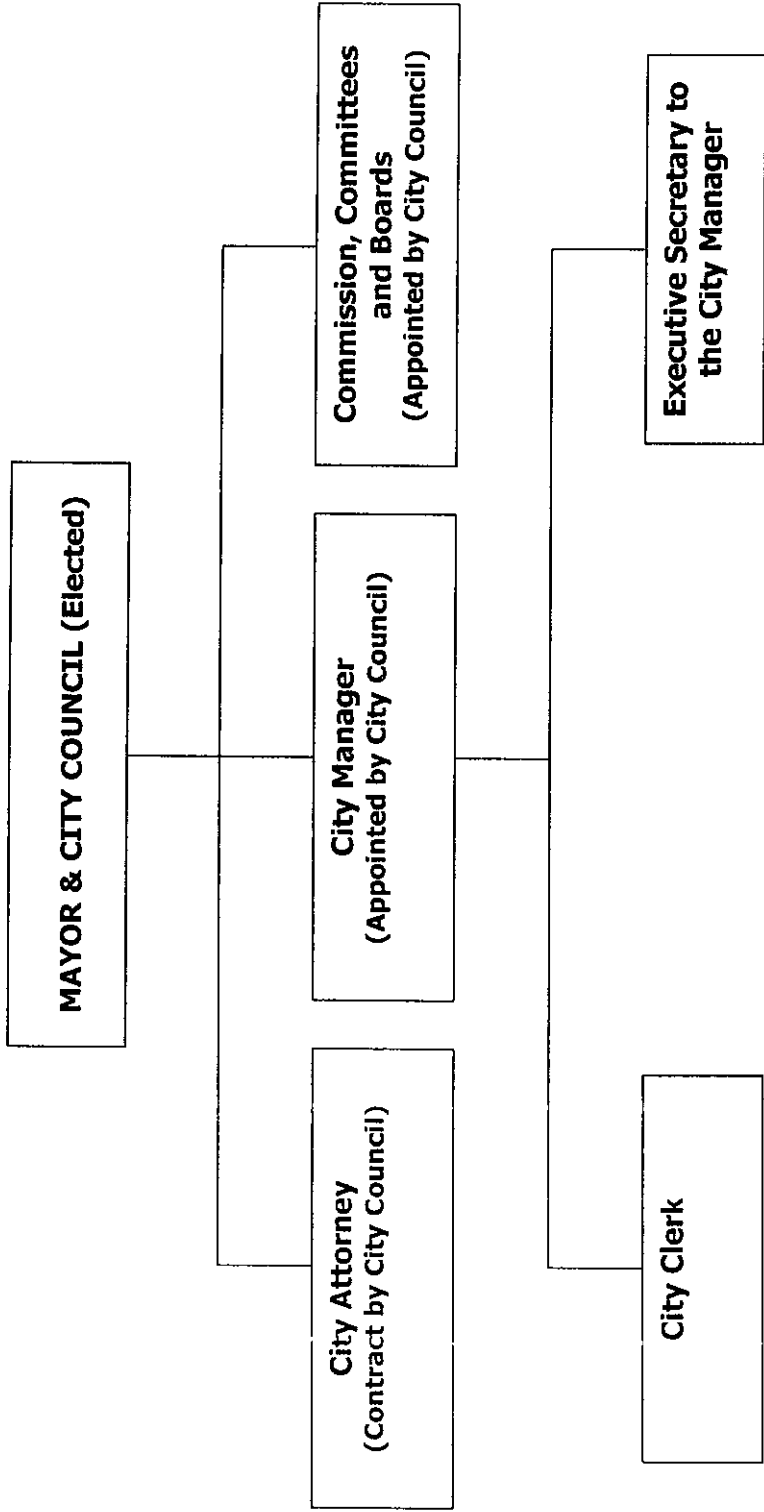
MAJOR DEPARTMENT TASKS COMPLETED FISCAL YEAR 2011-12

- ☑ Initiated and completed three labor negotiations
- ☑ Coordinated adoption of FY 2012-13 operations and capital budgets
- ☑ Initiated, completed or continued negotiations on development agreements with five potential commercial developers

MAJOR DEPARTMENTAL GOALS FOR FISCAL YEAR 2012-13

- Complete labor negotiations
- Update personnel rules and regulations manual
- Conclude at least two development agreements for major projects*
- Continue to communicate with local newspapers and attend various non-profit events to communicate City priorities and to obtain information on local needs and concerns*
- Organize staff work priorities to align with Council goals, objectives and priority projects*

* A City Council Objective or Priority Project.

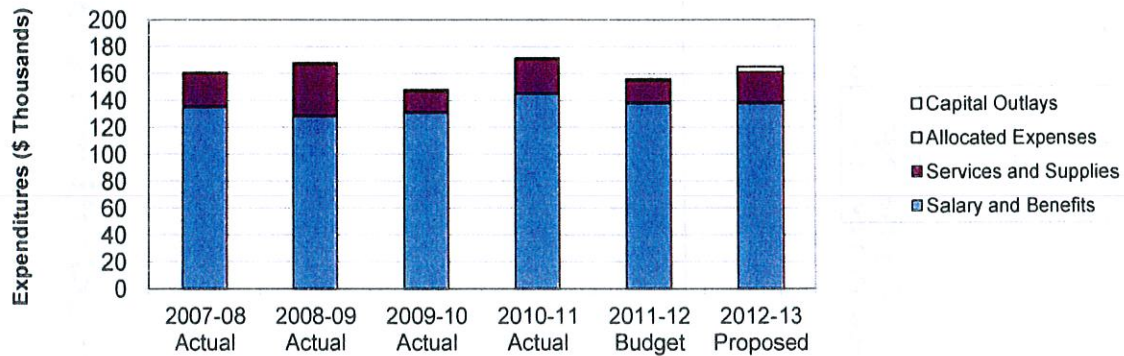


**City of Calistoga Administration Organizational Chart
FY 2012-2013**

City Council
Expenditure Summary

EXPENDITURES BY CATEGORY	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Proposed
Salary and Benefits	134,972	128,273	130,944	144,908	137,799	137,897
Services and Supplies	24,454	38,050	15,328	25,030	16,530	23,100
Allocated Expenses	1,400	1,550	1,650	1,650	1,650	4,113
Capital Outlays	-	-	-	-	-	-
TOTAL	160,826	167,873	147,922	171,588	155,979	165,110

City Council
Trend in Expenditures (\$ Thousands)



Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
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Department: **City Council**
 Program: **City Council**
 Account Code: **01-4110**

PERSONNEL SERVICES								
4303	FICA/MEDICARE	920	918	918	1,130	29,709	2,729	924
4308	ELECTED PART-TIME SALARIES	12,000	12,000	12,000	12,100	12,133	12,000	12,000
4311	MEDICAL/DENTAL	19,469	26,700	21,813	37,826		26,923	32,260
4312	WORKERS COMP	83	85	118	123		337	688
4313	OTHER BENEFITS	192	195	187	197		198	100
SUBTOTAL		32,662	39,898	35,037	51,375	41,842	42,187	45,972
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	248	208	253	174	50	320	300
4402	CONTRACT SERVICES	-	6,849	40				
4410	ADVERTISING	3,165	2,317	2,392	2,002	1,500	700	500
4664	COUNCILMEMBER GARCIA	155						
4663	MAYOR GINGLES	6,208	5,513	1,837	2,306	3,000	3,000	2,800
4671	COUNCILMEMBER SLUSSER	1,509	2,050	75	85	200	200	100
4665	VICE MAYOR DUNSFORD	80	40	50	40	200	200	100
4666	COUNCILMEMBER KRAUS	299	66		-	100	100	100
4667	COUNCILMEMBER CANNING	-	120	170	1,714	2,000	-	100
4808	PROMOTION	853	1,972	762				
SUBTOTAL		12,517	19,135	5,579	6,320	7,050	4,520	4,000
TOTAL PROGRAM BUDGET		45,180	59,033	40,616	57,695	48,892	46,707	49,972

Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
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Department: **City Clerk**
 Program: **City Clerk**
 Account Code: **01-4111**

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	60,248	49,877	57,432	53,642	57,830	56,923	56,501
4303	FICA/MEDICARE	4,573	3,650	4,179	3,987	29,018	4,357	4,498
4305	INCENTIVE PAY	-	-	60	-	-	917	1,919
4308	PART TIME SALARIES	1,545	-	-	-	-	-	-
4310	PERS	15,225	14,447	14,667	13,696	-	11,462	11,890
4311	MEDICAL/DENTAL	9,773	9,534	9,075	12,463	-	8,789	13,459
4312	WORKERS COMP	432	460	629	643	-	1,644	3,347
4313	OTHER BENEFITS	337	225	249	250	-	224	311
SUBTOTAL		92,134	78,193	86,291	84,681	86,848	84,316	91,925
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	4,198	2,742	3,202	5,034	2,980	2,980	2,900
4402	CONTRACT SERVICES	2,503	3,934	3,963	6,164	4,400	5,200	5,200
4405	TRAINING & MEETINGS	819	138	354	30	-	-	1,000
4410	ADVERTISING	80	-	-	-	-	-	-
4415	POSTAGE & REPRODUCTION	963	1,016	438	908	900	900	900
4429	PHONE	723	1,381	994	-	800	-	-
4430	DUES & SUBSCRIPTIONS	629	315	347	291	155	200	200
4650	TRAINING & MEETINGS	993	2,432	181	319	245	245	1,500
4510	EQUIPMENT FUND RENTAL	1,400	1,550	1,650	1,650	1,650	1,650	4,113
SUBTOTAL		12,307	13,508	11,129	14,396	11,130	11,175	15,813
TOTAL PROGRAM BUDGET		104,440	91,701	97,420	99,077	97,978	95,491	107,738

	Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
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Department: **City Clerk**
 Program: **Elections**
 Account Code: **01-4133**

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	6,495	6,650	6,450	5,535	6,038	3,888	-
4303	FICA/MEDICARE	477	487	474	404	3,071	288	-
4310	PERS	1,875	1,693	1,650	1,396		721	-
4311	MEDICAL/DENTAL	1,149	1,271	948	1,428		673	-
4312	WORKERS COMP	43	51	66	64		28	-
4313	OTHER BENEFITS	37	30	29	25		11	-
SUBTOTAL		10,076	10,182	9,616	8,852	9,109	5,609	0
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	297	153	163	55	-	-	100
4402	CONTRACT SERVICES	-	6,804		5,909	-	-	7,000
4410	ADVERTISING	120		107	-	-	-	100
4415	POSTAGE & REPRODUCTION	-						-
4650	TRAINING & MEETINGS	613						200
SUBTOTAL		1,030	6,957	270	5,964	0	0	7,400
TOTAL PROGRAM BUDGET		11,106	17,139	9,886	14,816	9,109	5,609	7,400

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Support Services

City Manager

The City Manager is the Chief Executive Officer of the City of Calistoga and is appointed by the City Council. The City Manager appoints the Department Directors and other City staff, except the City Attorney.

The City Manager is responsible for the implementation of decisions made by the City Council and for the overall management of all City departments; provides recommendations to the City Council on development and formulation of policies, goals and objectives on community issues and projects.

The City Manager also represents the City's interests throughout the region and beyond through coordination of activities with various local, State and Federal agencies.

Economic Vitality

In recent years, there has been, and continues to be, an effort by the City Council, community and businesses to develop economic development initiatives to insure the long term economic growth and stability, and maintain the character of the community.

Legal Services

The City Attorney is appointed by the City Council on a contract basis. The City also contracts with various legal firms for legal advice and services for specific projects or operations.

Administrative Services

The Administrative Services Department is a combination of several support services functions that are described below

- **Finance services** include management, accounting and reporting for all of the funds and departments of the City. This includes payroll and benefit services, payment for services and supplies; cashiering and collection taxes, fees and other revenues; accounting for all financial and related transactions; compliance with State and Federal regulations for employees and people or companies doing business with the City; and administration of the Business License and Transient Occupancy Tax codes.
- **Financial planning** includes budget development and projections; budgeting and financial policies; and financial advisory services to the other departments. This also includes the financial advice and strategic

planning for current and future operations, capital improvement projects and economic development projects with private developers. Administrative Services also develops and or administers special finance related studies and reports such as utility rate studies, tax audits, fee for services studies, reorganization proposals and other organizational support studies as required.

- **Financial Reporting** includes the City's issuance of an independently audited Comprehensive Annual Financial Report summarizing all of the City annual financial transactions for a fiscal year (from July 1st to the following June 30th). In addition, there are several required year end State Reports. The Department produces several periodic budget reports on the status and projections of revenues and expenditures. Administrative Services also provides research and development services and additional reporting for the other departments.
- **Treasury Administration** for City investments and Debt/Lease obligation management. The treasury services includes the management of the City bank accounts; collections, deposits and transfers of funds between accounts, online banking services and reporting systems, automated clearing house payment services, credit card processing; administration of the City Investment Policy and investment of available cash; issuance and administration of all City debt and lease obligations.
- **City Computer Systems** and Networks for the City organization are managed by the Department. The City has a comprehensive system that integrates phone, video, telemetry and information systems, and connects all major City facilities together. The daily management of the network and planning for replacement and upgrades to meet the organizations needs is also coordinated by Administrative Services.
- **Utility Billing** for City operation of the water and wastewater systems which includes the administration of the City's Municipal Code requirements for utility billing. This includes maintenance of the utility account and meter inventory system, coordination of service requests, meter reading with Public works and customer services.

Administrative Services Staffing

Administrative Services is directly staffed with three full time positions and one part time position; Administrative Services Director/City Treasurer, Administrative Services Technician, Senior Account Clerk and a Part-Time Office Assistant. The Department also uses other department staff, as appropriate to provide project support services such as grant development and administration, special reports, and some clerical support. In addition, the Administrative Services Department relies on outside professionals to provide on going and one time services. Below is a list of the major services and providers:

- Computer system network and equipment – Fischer Computer Services.
- Property and Sales Tax review and reporting – HdL Companies
- Debt related financial advice and support – various financial and legal firms
- Risk Management – PARSAC, Bragg & Associates

Administrative Services FY 12-13 Budget Projects:

- Assist Planning and Building department with a comprehensive fees for services study;
- Integrate a long term forecasting process into the financial reporting cycle;
- Continue reviewing and implementing the Mt. Washington Water Storage Tank financing plan;
- Review and make recommendations relating to water and wastewater rates;
- Continue to refine and enhance the quarterly financial reporting process;
- Update the business license tax ordinance;
- Update the City's Personnel Rules and Regulations Manual and coordinate City policies and practices with various Federal and State requirements;
- Complete year-end closing and the preparation of Calistoga's Comprehensive Annual Financial Report (CAFR) for June 30, 2013;
- Analyze Other Post Employment Benefit (OPEB) obligations and implement reporting related to GASB 45 (Governmental Accounting Standards Board) into CAFR;
- Implement labor negotiation memorandum of understanding for three bargaining units.
- Develop a Request for Proposal for Auditing Services.

Risk Management

This is an important activity to reduce hazards and injury to people, and damage to property in providing City services and implementing projects. The City is a member of a joint powers authority, Public Agency Risk Sharing Authority of California (PARSAC), for the management and insuring of general liability, property, employee, workers compensation and other risks. The City Manager is the City's representative and the Administrative Services Director is the alternate to PARSAC. The City Clerk's office is responsible for any liability or property claims processing and management of the insurance certificates required by agreements. Other activities are the annual review of the City's self-insured retentions, insurance coverage, and programs for training of City staff on safety in the work place and other work risks. Periodic appraisals and surveys of City facilities, programs and services are conducted to identify hazards and develop a plan to reduce to a cost effective level. A review of construction and other agreements with others are done to identify risks in the activity and mitigate or transfer the risk.

Personnel

The City Manager is the Personnel Officer that is responsible for the administration of the personnel rules and regulations, the labor memorandum of understanding agreements, the recruitment process, and other labor related issues. The Administrative Services Department also provides support for labor negotiations and periodic medical coverage, and other labor related issues.

Support Services Staffing

In addition to the Administrative Services staffing described above, support services staff includes all or portions of the City Manager, Executive Secretary, and City Clerk.

MAJOR DEPARTMENT TASKS COMPLETED FISCAL YEAR 2011-12

- Reduction of City operating costs.
- Recruitment of an Administrative Services Director
- Implemented revised salary ranges
- Completed year-end closing and the preparation of Calistoga's Comprehensive Annual Financial Report (CAFR) for June 30, 2011
- Adopt a fiscal year budget with conservation assumptions and with the enhancement of reserve funds *

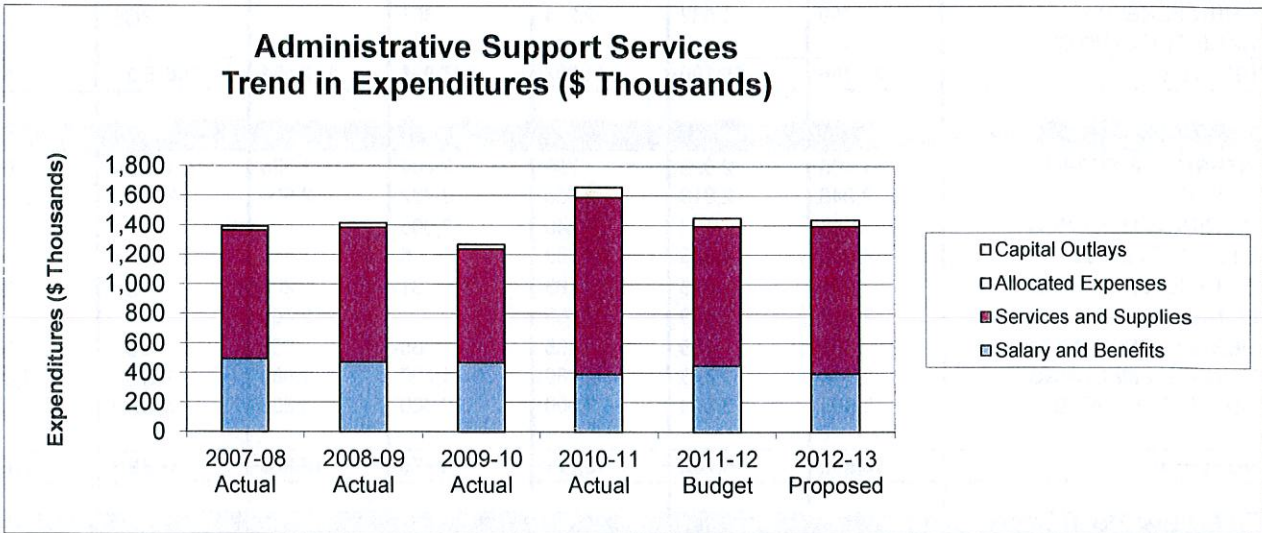
MAJOR DEPARTMENTAL GOALS FOR FISCAL YEAR 2012-13

- Continue to reduce City operating costs
- Assist Planning and Building department with a comprehensive fee study*
- Develop and adopt a long-term General Fund revenue, expenditure and capital improvement projects forecast*
- Enhance the General Fund Reserves to 25% in three years*
- Adopt a fiscal year budget with conservative assumptions and with the enhancement of reserve funds*
- Work with an ad-hoc committee to be established to address items not considered in the recently adopted water and wastewater studies
- Complete year-end closing and the preparation of Calistoga's Comprehensive Annual Financial Report (CAFR) for June 30, 2012
- Develop a Request for Proposal for Auditing Services

* A City Council Objective or Priority Project.

Administrative Support Services
Expenditure Summary

EXPENDITURES BY CATEGORY	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Proposed
Salary and Benefits	491,980	470,039	466,211	389,662	446,419	393,863
Services and Supplies	870,817	912,519	770,430	1,196,917	945,018	997,207
Allocated Expenses	28,000	30,800	32,800	71,130	56,800	43,386
Capital Outlays	0	0	0	0	0	0
TOTAL	1,390,797	1,413,358	1,269,441	1,657,709	1,448,237	1,434,456



Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
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Department: **Support Services**
 Program: **City Manager**
 Account Code: **01-4114**

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	87,725	113,065	107,215	78,433	85,928	76,374	89,666
4303	FICA/MEDICARE	6,237	7,440	6,211	6,419	25,978	5,019	7,023
4305	INCENTIVE PAY	-	3,300	30	1,950	3,600	2,913	1,543
4308	PART TIME SALARIES	9,193	2,096	512	1,848	1,848	-	-
4310	PERS	23,540	26,851	17,066	12,804		17,982	18,563
4311	MEDICAL/DENTAL	10,009	9,674	5,851	3,423		3,275	10,889
4312	WORKERS COMP	1,513	1,618	2,207	2,251		2,807	5,226
4313	OTHER BENEFITS	489	1,062	2,244	863		265	369
4314	SHARE THE SAVINGS	-	-	-	-		-	800
SUBTOTAL		138,706	165,106	141,337	107,991	117,354	108,635	134,079
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	1,105	2,098	758	2,004	1,800	1,800	1,000
4403	UTILITIES	2,946	2,913	2,856	2,262	2,500	2,500	2,500
4405	TRAINING & MEETINGS	683	112	1,440	7,005	-	-	500
4406	AUTO ALLOWANCE	4,800	4,800	4,400	5	-	-	-
4415	POSTAGE & REPRODUCTION	231	616	163	31	200	200	200
4429	PHONE	2,712	3,060	2,059	-	2,500	-	-
4430	DUES & SUBSCRIPTIONS	631	485	465	65	600	600	900
4650	TRAINING & MEETINGS	2,744	1,378	480	1,800	1,980	1,980	1,800
4510	EQUIP FUND RENTAL	3,000	3,300	3,300	3,300	3,300	3,300	5,596
SUBTOTAL		18,852	18,762	15,921	16,473	12,880	10,380	12,496
TOTAL PROGRAM BUDGET		157,557	183,868	157,258	124,464	130,234	119,015	146,575

Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
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Department: **Support Services**

Program: **Legal Services**

Account Code: **01-4113**

SERVICES & SUPPLIES								
4402	CONTRACT SERVICES							
4402	City Attorney	64,361	142,675	39,593	174,346	100,000	100,000	100,000
4410	Special Legal Counsel & Litigation	-			152	20,000	20,000	20,000
SUBTOTAL		64,361	142,675	39,593	174,498	120,000	120,000	120,000
TOTAL PROGRAM BUDGET		64,361	142,675	39,593	174,498	120,000	120,000	120,000

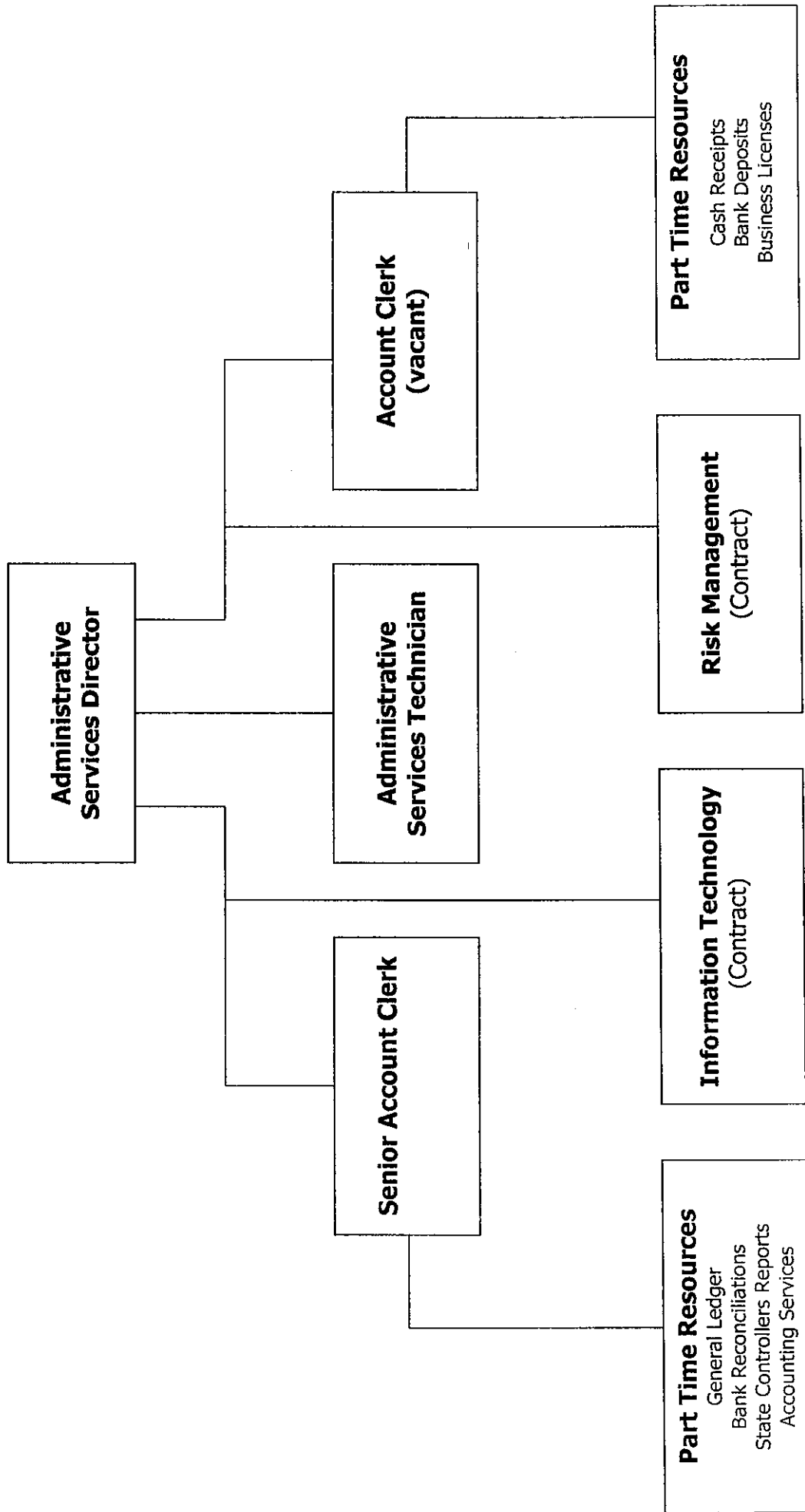
Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
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Department: **Support Services**

Program: **Economic Vitality**

Account Code: **01-4176**

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	14,542	15,427	23,451	15,775	17,676	14,108	13,775
4303	FICA/MEDICARE	825	869	1,300	1,179		869	1,075
4305	INCENTIVE PAY	-	-		-		180	180
4310	PERS	3,707	3,911	3,572	2,046		3,397	2,840
4311	MEDICAL/DENTAL	1,638	1,681	981	59		118	124
4312	WORKERS COMP	234	341	450	464		534	800
4313	OTHER BENEFITS	80	64	59	22	3,243	40	43
SUBTOTAL		21,026	22,293	29,814	19,544	20,919	19,246	18,837
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	-						
4402	CONTRACT SERVICES Calistoga Chamber of Commerce - Visitors Bureau	282,023	292,000	309,037	307,000	302,000	302,000	252,000
4405	TRAINING & MEETINGS	-						
4415	POSTAGE & REPRODUCTION	-						
4430	DUES & SUBSCRIPTIONS	465						
SUBTOTAL		282,488	292,000	309,037	307,000	302,000	302,000	252,000
TOTAL PROGRAM BUDGET		303,513	314,293	338,851	326,544	322,919	321,246	270,837



**City of Calistoga Administrative Services Department Staffing Chart
FY 2012/2013**

Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
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Department: **Support Services - Administrative Services**

Program: **Finance**

Account Code: **01-4108**

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	163,718	144,036	141,219	115,520	147,088	107,187	112,200
4302	OVERTIME	6			350	500	-	
4303	FICA/MEDICARE	12,053	9,189	10,644	9,296	69,791	8,720	9,194
4305	INCENTIVE PAY	-	-	30	-		466	-
4308	PART TIME SALARIES	-	1,024	1,366	7,384	9,058	7,008	7,200
4310	PERS	41,886	34,055	35,377	28,733		21,357	22,835
4311	MEDICAL/DENTAL	27,287	23,007	16,754	21,763		14,642	13,829
4312	WORKERS COMP	1,827	1,840	2,593	2,718		3,920	6,842
4313	OTHER BENEFITS	926	668	602	455		410	484
SUBTOTAL		247,704	213,819	208,584	186,219	226,437	163,710	172,584
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	3,170	2,957	4,016	3,047	2,500	3,000	2,210
4402	CONTRACT SERVICES							
	Accounting Services	-	46,765	14,969	8,500	8,500	8,500	14,174
	Business License System	2,580			2,800	3,600	3,600	3,000
	Revenue Enhancement Program	46,148			8,330	7,000	29,500	11,000
4403	UTILITIES	3,001	3,055	3,059	2,103	2,800	2,000	2,100
4405	TRAINING & MEETINGS	192	988	145	32	100	100	100
4415	POSTAGE & REPRODUCTION	2,290	3,269	2,743	3,372	2,800	4,600	4,300
4429	PHONE	2,727	2,134	1,509	-	2,500	-	-
4430	DUES & SUBSCRIPTIONS	425	445	195	573	400	500	345
4650	TRAINING & MEETINGS	1,645	440	275	21	750	-	-
4510	EQUIPMENT FUND RENTAL	5,000	5,500	5,500	5,500	5,500	5,500	8,427
SUBTOTAL		67,177	65,553	32,411	34,279	36,450	57,300	45,656
TOTAL PROGRAM BUDGET		314,881	279,372	240,995	220,498	262,887	221,010	218,240

Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
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Department: **Support Services**
 Program: **Non Departmental**
 Account Code: **01-4119**

SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	9,650	9,283	6,145	4,682	3,300	2,500	2,500
4402	CONTRACT SERVICES		33,457					
	NCTPA Support	-		28,408	4,482	4,500	6,460	6,500
	LAFCO Support	8,150			10,645	8,174	11,393	12,000
	NCLOG - Task Force Programs	200						
	Napa Cty - PropTax Collection	14,970			19,500	19,500	19,500	22,000
	City Meeting Recording	3,500						
	Other	5,000			682	500	5,500	5,000
4404	REPAIRS & MAINTENANCE	121						
4405	TRAINING & MEETINGS	-	350		-	-	-	
4414	AUDITING SERVICES	17,100	22,600	25,200	28,650	25,000	25,000	29,100
4415	POSTAGE & REPRODUCTION	10,932	1,248	759	838	500	500	2,552
4417	FUEL & OIL	1,244	992	926	873	550	2,500	2,300
4430	DUES & SUBSCRIPTIONS	6,437	10,013	5,733	7,307	5,935	5,935	5,618
4431	FEES	129			1,895		2,700	2,940
4432	LEASE PAYMENTS	2,806	2,052	3,456	-	1,500	1,500	-
4466	STAFF CELEBRATION	7,846	7,357	8,742	3,679	3,700	3,700	3,558
	EMPLOYEE CONCESSIONS					(445,000)	-	-
4499	CONTINGENCY	5,000	801	2,648	20,322	30,000	15,000	15,000
4501	SEPARATION EXPENSES	-			-	120,000	40,000	50,000
4510	EQUIP. FUND RENTAL	20,000	22,000	24,000	62,330	24,000	48,000	29,363
	SUBTOTAL	113,086	110,153	106,017	165,886	(197,841)	190,188	188,431
	TOTAL PROGRAM BUDGET	113,086	110,153	106,017	165,886	(197,841)	190,188	188,431

Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
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Department: **Support Services -Administrative Services**

Program: **Risk Management**

Account Code: **01-4170**

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	39,145	32,147	36,597	29,051	32,073	25,238	23,991
4303	FICA/MEDICARE	2,616	1,976	2,284	2,172		1,718	1,861
4305	INCENTIVE PAY	-	-				180	180
4310	PERS	9,945	7,426	6,923	5,435		5,244	4,919
4311	MEDICAL/DENTAL	5,346	3,616	2,509	2,628		1,073	890
4312	WORKERS COMP	622	613	875	926		967	1,385
4311	OTHER BENEFITS	203	134	109	68	11,362	68	79
SUBTOTAL		57,876	45,912	49,297	40,280	43,435	34,488	33,305
SERVICES & SUPPLIES								
4402	CONTRACT SERVICES							
	Liability & Property Claims Mgmt	-						
	Employment Claims Mgmt - IEDA	2,600						
	Legal Services - Claims Mgmt	21,810	8,077					
	Other	-					4,500	1,500
4405	TRAINING & MEETINGS	-	10					
4411	INSURANCE DEPOSITS/PREMIUMS							
	Liability Deposit	117,800	197,337	276,527	207,063	150,000	176,400	170,278
	Property Deposit	16,900			24,366	25,000	30,076	30,076
	Volunteer Insurance	824			2,209	2,200	2,200	700
	Flood Insurance	9,500						
	Public Employee Bond	1,200			963	1,000	1,000	908
	Workers Comp Adjustment	-			27,740		50,000	53,380
4435	CLAIMS RESERVE/PAYMENTS	133,645	68,033	1,547	236,813	125,000	20,000	75,000
SUBTOTAL		304,280	273,457	278,074	499,153	303,200	284,176	331,842
TOTAL PROGRAM BUDGET		362,156	319,369	327,371	539,433	346,635	318,664	365,147

Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Adopted FY 11-12	Revised Budget FY 11-12	Proposed Budget FY 12-13
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Department: **Support Services**
 Program: **Personnel**
 Account Code: **01-4172**

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	18,385	15,427	28,250	26,643	29,223	19,998	22,833
4303	FICA/MEDICARE	1,118	869	1,634	2,008	9,051	1,313	1,772
4305	INCENTIVE PAY	-	-	30			180	180
4308	PART TIME SALARIES	-	-	-	126		1	-
4310	PERS	4,656	4,493	4,718	4,734		4,949	4,684
4311	MEDICAL/DENTAL	2,023	1,681	1,961	1,526		888	4,171
4312	WORKERS COMP	386	375	510	519		557	1,319
4313	OTHER BENEFITS	100	64	76	73		173	99
SUBTOTAL		26,668	22,909	37,179	35,628	38,274	28,059	35,058
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	48			187	300	300	200
4402	CONTRACT SERVICES							
	Personnel Services	5,000	32,589	13,727	49,330	20,000	50,000	21,140
	Pre-Employment Check & Testing	23,544			7,160	3,000	-	2,713
	Preventative Medical	5,000			950			16,462
	CalPERS Medical	1,500			4,585	6,000	-	4,192
	Other (Unemployment claims)	1,800			1,940	500	-	33,000
4405	TRAINING & MEETINGS	386	210		208	1,000	1,000	1,000
4410	ADVERTISING	6,065	2,314	2,539	204	200	2,500	3,000
4415	POSTAGE & REPRODUCTION	-		6	-	100	100	100
4424	HEALTH	5,231	5,606	5,905	6,194	6,000	6,000	8,361
4466	CELEBRATION						50	-
4499	CONTINGENCY						-	-
SUBTOTAL		48,573	40,719	22,177	70,758	37,100	59,950	90,168
TOTAL PROGRAM BUDGET		75,241	63,628	59,356	106,386	75,374	88,009	125,226

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