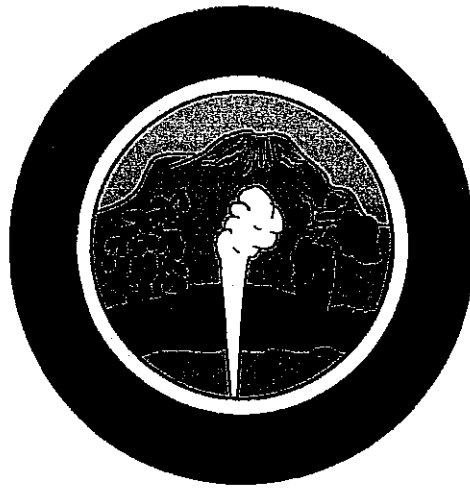


City of Calistoga Budget



**Fiscal Year
2013-14**

**Operating & Capital
Improvement Budgets**

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June 18, 2013

Honorable Mayor and Council Members:

I am pleased to present the City of Calistoga's Proposed Budget for Fiscal Year 2013-14 for your consideration. It has been balanced with realistic conservative projections of revenues and expenditures. The budget maintains General Fund reserves of 27.3% as of June 30, 2014. 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. 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 2013, the Council adopted short-term goals and key priority projects during a strategic planning session. Staff has incorporated this policy direction into the FY 2013-14 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 year for change in services 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 2013-14 can be summarized as follows:

- Revenues are estimated conservatively taking into account economic conditions and known actions that will affect revenues. Revenues will increase by 9.2%.
- Operating expenditures reflect an increase of \$886,481 (13.7%) from the prior year's mid-year revised budget.
- FY 2013-14 is projected to end with fund balance and reserves of \$2.0M or 27.3% of the Operating expenditures.

The FY 2013-14 budget reflects a continuation of the same level of services provided currently. For the most part there is no projected expansion of services with the exception being Animal Control Services. The Capital Improvement projects include funding water and wastewater operations and new projects that have been previously discussed with the City Council.

Economic conditions

The City's major revenues are Transient Occupancy Tax (46%), Property Tax (19%) and Sales Tax (10.8%), which provides in total 75.8% 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 have seen growth in tourism and associated revenues. The City's economic development program includes support of three luxury resort projects which should bring significant investment in the community over the next five years. 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 percent increase over the prior fiscal year. Sales Tax revenues for FY 2013-14 are anticipated to grow approximately .2% based on information from HDL, sales tax consultants.

Property Tax revenues are based on assessed valuation of property. With development of the resort projects property valuation should rise, although it is not anticipated to be suddenly. As the City entered 2013, sale prices started to rise and there is high demand because of low interest rates and few homes on the market.

The assessor uses the 2012 information to set market values on recent sales for the 2013-14 tax roll. Based on several factors the projections for Property Tax have been estimated to increase by .4% 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 increased significantly due to anticipated new 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 shown a sudden positive increase in revenues due to the improved economy and changes to the tax code. This will not have any direct impact on Calistoga.

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. It is not anticipated that the State will implement any measures that would have an impact on Local Governments and Calistoga. However, the budget proposals by the Governor, Legislative Analyst and Legislative committees are working through the State Budget process.

General Fund Revenues

Total revenues next fiscal year are projected to approximate \$8.3 million (excludes transfers in). This amount is up slightly from the prior fiscal year. Property taxes are projected to remain flat from the prior year as we see the effects of Proposition 8. Sales taxes are expected to be flat as well. Transient Occupancy Tax is projected to be 3.0% more than the prior year again due to increase in tourism. Interest earnings are projected to be down 9.5% due to fewer funds available to invest and interest rates being so low. Charges for services are projected to be up \$322,795 due to new development. Fines, forfeitures and penalties will be down \$14,000 which is 36.4% less than FY 2012-13.

General Fund Operating Expenditures

Operating expenditures are projected to be up \$886,481 from fiscal year 2012-13 mid-year revised amounts due to Planning and Building services expected to increase due to inspection services for new development

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 \$380,540 in capital improvement projects for fiscal year 2013-14. They include \$215,000 for streets; \$30,000 for parks; \$75,540 for buildings and \$60,000 for soils remediation at the public works corporation yard.

Selected Programs

The budget for next fiscal year continues to include funding for some efforts and special projects identified by staff and the Council:

- Soils Remediation (\$60,000)
- American Disabilities Act Compliance Curb Ramp Project to be funded from Local Transportation Street Funds (\$28,000)
- Access Facility and Sidewalk Improvements (\$52,000)
- Chamber Marketing and Promotion Contract (\$300,000)
- Planning and Building Department service update fee study (\$49,000)
- Completion of the Pool Project (\$21,500)
- Tennis Court Improvements with City paying ½ the expenditure up to a maximum (\$10,000)

General Fund Reserves

The Council has set an objective to have the General Fund reserve to be at least 25% of Operating Expenditures for fiscal year 2013-14. For the following year the objective is to have 30% operating reserves in the General Fund.

It is important to maintain reserves as we progress out of the current economic situation.

Water Enterprise Fund Overview

The Water Operations Enterprise Revenue Fund is anticipating an ending deficit working balance of approximately \$30,797 as of June 30, 2013. The general fund will transfer \$30,797 to cover the deficit. Based on activity during the 2013-14 fiscal year, it is anticipated that the fund balance will have a working capital balance of \$270,405 by June 30, 2014. The water capital fund will transfer \$659,291 to the water operations fund for debt service payments.

The Water Capital Fund is expected to end fiscal year 2012-13 with a deficit working capital balance of \$69,523. The general fund will transfer \$69,523 to cover the deficit. With the anticipation of new development the capital fund will end the fiscal year with a working capital balance of \$374,009. Projects to be undertaken for the 2013-14 include the NBA Pump Station design to increase water delivery reliability, Bypass structure, and the pipeline Myrtle Dale Grant/Kimball Main. Development impact fees will bring in \$1,547,487 should all

proposed projects take place. Measure A will provide funding in the amount of \$302,000.

Wastewater Enterprise Fund Overview

The Wastewater Operations Fund is expected to end fiscal year 2012-13 with a deficit balance of approximately \$70,756. The Wastewater Capital Fund will transfer \$70,756 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 2013-14 budget shows an ending working capital balance of approximately \$191,237. The Wastewater Capital Fund will transfer out \$695,583 to the Wastewater Fund to cover debt service payments for the fiscal year.

The Wastewater Capital Improvements Fund is expected to end fiscal year 2012-13 with a fund balance of \$1,640,377 due to the Silver Rose development fee payment in March 2013. The ending fund balance in FY 2013-14 is anticipated to be \$563,996. Projects in the amount of \$750,000 will be undertaken by the Public Works Department. They include GIS survey, Pine Street Lift Station, Sewer lateral replacement, new effluent storage pond, Palisades Lift Station and an upgrade to the High School reclaimed water system.

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.

Special Revenue Funds Overview

Total Special Revenue Funds had a beginning balance of approximately \$1.1 million as of July 1, 2012. Based on activity during the fiscal year, it is anticipated that the fund balance will remain the same at \$1.1 million by June 30, 2013 and increase by \$408,267 by June 30, 2014 for a fund balance of \$1,525,793 for all funds. All of the 24 special revenue funds will either have a fund balance or a zero fund balance for Fiscal Year 2013-14.

The Community Development Fund will fund the sidewalk replacement capital project for an amount of \$52,000; low income housing programs in the amount of \$66,200 and it will transfer \$49,000 to the general fund for a development impact fee study. 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.

The Metropolitan Transportation Commission will provide \$343,000 for Berry Street bridge replacement and ADA Curb ramp improvements.

With the anticipation of new development Quality of Life and Public Safety impact fees will provide the annual debt service on the 2007 financing of building the pool, improvements at Logvy Park, the Fire Station and Monhoff recreation Building for Fiscal Year 2013-14.

Equipment Replacement Fund

This fund is to account for all operating and maintenance costs related to the City's computer network, workstation system, maintenance of vehicles, as well as fixed and maintenance costs related to information technology that benefit all other City funds and programs.

The Fiscal Year 2013-14 budget includes the purchase of a vehicle for the police department to replace one of the older vehicles that is requiring quite a bit of maintenance. The budget also includes the replacement of a server and accessories, computers and anti-virus software. The Public Safety Fund will contribute \$37,000 for the purchase of the vehicle and \$10,000 for defibrillators. The General Fund will transfer \$200,000 to this fund for debt service payments and for the replacement of equipment. This fund will have a fund balance of \$237,487 at the end of fiscal year 2013-14 for unanticipated expenditures and reserves.

Development Impact Fees

An important revenue source for the Fiscal Year 2013-14 budget is the \$2.7 million in development impact fees that are expected from new developments. This coupled with \$2 million from the previous fiscal year will greatly enhance the City's ability to fund much-needed capital projects and to pay debt for prior capital improvements.

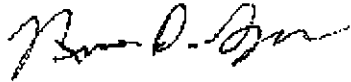
Conclusion

The City's Fiscal Year 2013-14 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 in previous fiscal years. 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 2013-14 budget. They include unforeseen economic deterioration and moderate dependence on new development to bring impact fees to fund capital projects and to pay capital debt. 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 and the Calistoga community for giving us timely feedback during the budget preparation process.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Spittler". The signature is fluid and cursive, with a long horizontal stroke at the end.

Richard Spittler
City Manager

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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

Chris Canning, Mayor

Michael Dunsford, Vice Mayor

Gary Kraus, Councilmember

Jim Barnes, Councilmember

Irais Lopez-Ortega, Councilmember

City Management Staff

Richard Spittler, City Manager/City Clerk

Michelle Marchetta Kenyon, City Attorney

Steve Campbell, Fire Chief

Mitchell Celaya, Police Chief

Michael Kirn, Public Works Director

Gloria Leon, Administrative Services Director/City Treasurer

Lynn Goldberg, Planning & Building Director

Olivia Lemen, Recreation Manager

Amanda Davis, Deputy City Clerk

INTRODUCTION

BUDGET PROCESS

The City of Calistoga normally creates a budget for a one year fiscal period, which begins on July 1st and ends on June 30th. A local government budget is a plan to match existing resources with the needs of the community. The functions of local government stem from three levels of policy direction; federal, state and local. Local government has the responsibility to provide basic public services such as maintaining streets and roadways, providing traffic management systems, maintaining parks, providing community services, and ensuring public safety.

The budget and this document is the collaboration in which the community through its elected leaders, commission members, public hearings and the advice of City staff decide upon the services it shall receive from its government under the constraint of resources available to it through taxes, fees, and transfers from the federal, state, and county governments. This document reflects the priorities of residents in the community while balancing revenues and expenditures over the long term.

The budget process starts in February with the City Council setting workshop dates for Council goals. During the month of March several study session workshops are held where the council hears the stated priorities of the community and its elected leaders and determine the goals for the upcoming fiscal year. During this month department managers prepare their budgets and are then submitted to the finance director. Concurrently, the Finance Department projects revenues for the same period. Department meetings are then held with the City Manager and budgets are reviewed and adjustments are made to keep the budget in balance.

The proposed budgets are then submitted to the City Council which then holds several work sessions in which the priorities are further defined. A public hearing during the month of June on the proposed budget is submitted by City staff. The City Council will then adjust department budgets to reflect the community's priorities taking into consideration the resources available to meet those objectives. After all adjustments are made, the City Council passes a resolution at a June Council Meeting adopting a budget which reflects estimated revenues and appropriations of monies to be spent, which in turn gives each of the City's departments the authority to spend money based on the adopted budget.

After the adoption of the budget, throughout the year scheduled reviews of the budget progress are presented to the Council. In February of the fiscal year, there is a mid-year review in which revenues and expenditures are reviewed and adjustments are made if necessary. Should the budget require any adjustments a City Council Resolution must be adopted.

INTRODUCTION

USING THIS DOCUMENT

Introduction

Provides a description of the budget development process and the citywide organization chart.

City Manager's Budget Message

Overview of the budget including a summary of critical economic issues. City Council directed core services and basic operations for FY 2013-14.

City Council Goals, Objectives & Priority Projects

Overview of the City Council goals, objectives and priority projects for the community and financial stability of the City.

Budget summary

Comprehensive review of revenues and expenditures for all funds, as well as fund balances.

Revenue Estimates

General Fund revenue overview, description of revenue assumptions and methodology used to develop revenue estimates, revenue summary by category and historical trends.

Personnel and Staffing

Summary of funded personnel and staffing as well as a list of full-time personnel by position.

Department Sections

Presents summary information on the City's operating departments:

City Council	Public Safety
City Manager's Office	Public Works
Finance Department	Community Resources
Planning and Building	

Department-wide summary information includes strategic goals and accomplishments, organizational charts as well as, expenditures over five fiscal years.

Enterprise Funds

The Enterprise funds consist of Water and Wastewater. The water distribution program maintains all of the City's water mains, carries out replacement projects when necessary and installs new water mains when required. Water meter reading is

INTRODUCTION

performed by this program as well reading over 3,000 water meters. The water treatment program operates and maintains the Kimball Water Treatment Facility, the Feige Canyon Water Tank and the North Bay Aqueduct pump station to ensure that safe potable water is delivered to the City's residents.

The sewer collection program maintains four sewer lift stations in the City and all of the City's existing sewer mains and reclaimed water mains, 329 sewer manholes, making repairs and replacements when necessary and installing new sewer mains and reclaimed water mains when required. The wastewater treatment program operates and maintains the Calistoga Wastewater Treatment Facility and disposal system.

Special Funds

Overview of each of the City's Special Funds, including fund descriptions, revenues and expenditures. Special funds account for revenues and expenditures that are restricted by law or set aside for a special purpose.

Equipment Replacement Fund

Overview of the operating and maintenance costs related to the City's computer network, workstation system, purchase and maintenance of vehicles, as well as fixed and maintenance costs related to information technology that benefit all other City funds and programs.

Capital Improvement Program Budget

The Capital Improvement Program (CIP) budget details the acquisition, construction or rehabilitation of major capital facilities and infrastructure. The CIP budget is used to account for the receipt and disbursement of funds for specific CIP projects. For several projects, revenue resources and expenditures may extend over several years.

Responsibility for Preparation

The finance department, a division of the City Manager's office is responsible for coordinating all revenue estimates contained in the budget. Estimates are reached by analyzing revenue history; national and local economic trends, development patterns in the local economy, and projections by outside consultants. Revenue projections used in the annual budget are based on conservative assumptions to ensure the City has adequate financial resources to meet the obligations and complete all programs approved by the City Council within the course of the fiscal year.

The finance department also coordinates the development of all expenditure budgets with respective departments, publishes the Budget books and prepares the staff reports.

INTRODUCTION

Budget Adoption

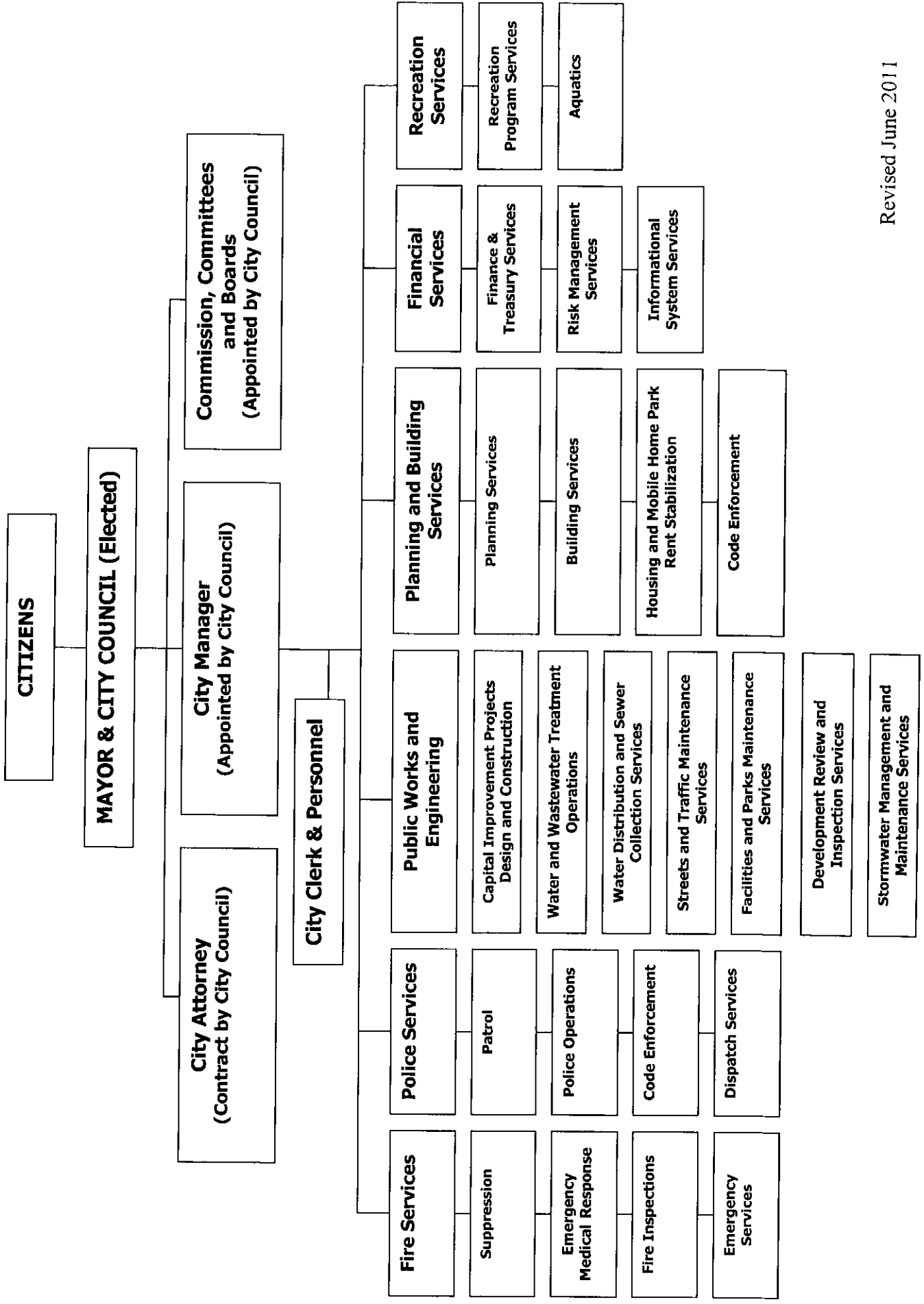
Copies of the preliminary budget are made available to the general public in May. After providing opportunities for public review and discussion at workshops and City Council meetings, the budget is adopted by the City Council prior to June 30 at either a special or regular City Council meeting. After adoption the budget may be amended by the City manager if an amendment does not exceed existing appropriations in any separate fund.

If during the year a department finds that more money is needed to be spent on a program that was originally adopted by Council or there are new funded or unfunded needs to be met there is a process for amending the budget. The department must present to City Council the reason for requesting the budget adjustment. If Council finds it appropriate to adjust the budget a resolution must be adopted before a department can spend money amounting to more than the original appropriation.

Organizational Chart

Additional information about the services provided by the City is included in each department chapter in this document. Information about the City services can also be found on the City's website (www.ci.calistoga.ca.us).

CITY OF CALISTOGA ORGANIZATIONAL CHART



City Council Goals, Objectives & Priority Projects**Fiscal Year 2013-14****Goal 1: Maintain and enhance the economic vitality of the community and the financial stability of the City.**Objectives

1. Encourage, manage and advance key private development and renovation projects to stimulate economic vitality and avoid stagnation.
2. Promote the qualities of Calistoga that are attractive to residents and visitors.
3. Ensure that development impact and in-lieu fees are defensible and responsive to economic realities, and are commensurate with the impact of new development on the community.
4. Develop and adopt a long-term General Fund revenue, expenditure and capital improvement projects forecast.
5. Adopt a fiscal year budget with conservative assumptions that increases General Fund reserves to 25% and by Fiscal Year 2014-15 to 30% and maintain them at adequate levels.
6. Increase the Water and Wastewater Fund reserves to a minimum of 20% within three fiscal years and increase the CIP and Equipment Replacement Fund reserves to meet anticipated needs over the next three fiscal years.
7. Maintain City operating costs at the lowest feasible level.

Priority Projects

1. Increase the General Fund reserve to a minimum of 25% of total operating funds (approximately \$1.6 million) and to 30% by Fiscal Year 2014-15.
2. Update development impact and in-lieu fees.
3. Explore establishing a program to encourage façade and other aesthetic improvements to Lincoln Avenue businesses.
4. Consider extending the economic development measures provided by CMC Chapter 17.12 that expire in February 2014.
5. Review opportunities to refinance major city debt to lower interest rates.
6. Revise water and wastewater rates to bring the Water and Wastewater Funds into balance and achieve a 20% fund reserve within three fiscal years.

Goal 2: Offer excellent professional services to all customers.Objectives

1. Provide a high standard in the delivery of emergency and general municipal services.
2. Streamline and simplify processes.
3. Promote communication and transparency.

<p style="text-align: center;">City Council Goals, Objectives & Priority Projects Fiscal Year 2013-14</p>

Goal 2: (cont.)

4. 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 to reflect increased demands.
5. Address the animal control services provided by the City and explore formalized outside service provision.
6. Enhance community disaster preparation.

Priority Projects

1. Research and implement various opportunities for outside service agencies or private companies to provide routine city functions in order to free City staff for higher-level activities and special projects, and reduce the need for additional employees.
2. Adopt a City file archive system, prepare a schedule for each department and implement system.
3. Resurrect a Calistoga Disaster Council to bring local businesses and service providers into the City's emergency response program and continue to train key City staff on their duties and responsibilities during emergencies.

Goal 3: Establish, improve and maintain City infrastructure.Objectives

1. Maintain the high level of service and reliability of the city's infrastructure systems and facilities.
2. Upgrade and maintain the long-term reliability of the city's water supply.
3. Provide for long term maintenance and repair of City sidewalks.
4. Support efforts to fund bridge and street maintenance and repair.
5. Educate Calistoga citizens about the condition and cost of maintaining and repairing city streets and bridges.
6. Improve the safety and functioning of the city's primary intersections.
7. Improve all forms of transportation, including active transportation, such as walking and cycling.

Priority Projects

1. Coordinate with Caltrans on replacing the Lincoln Avenue and Berry Street bridges in a manner that minimizes disruption to the community and is aesthetically-pleasing.

City Council Goals, Objectives & Priority Projects**Fiscal Year 2013-14****Goal 3: (cont.)**

2. Work with Caltrans and NCPTA on a roundabout design that improves safety at the Silverado Trail/Lincoln Avenue intersection, while meeting the access needs of nearby residents and businesses.
3. Initiate the preparation of conceptual plans for the Foothill Boulevard/Lincoln Avenue and Foothill Boulevard/Petrified Forest Road intersections.
4. Continue the sidewalk trip hazard repair program, including the notification of utility companies and property owners of trip hazards that require sidewalk replacement where they cannot be repaired. Offer to share replacement costs.
5. Complete design work for improvements to Kimball Reservoir that are necessary to meet state standards and maintain its functionality, including replacement of the intake tower and drain valves, and the installation of required gauges as necessary to implement the Interim Bypass Plan.
6. Complete the water master study.
7. Begin data collection for a citywide sewer model.
8. Replace the Grant Street storm drain culvert.
9. Provide routine maintenance and cleaning of downtown sidewalks from May through October.
10. As part of the development impact fee study, expand the traffic signal mitigation fee to a citywide transportation fee to include all transportation facilities and improvements.
11. Facilitate replacement of the lower Washington Street sewer trunk line.

Goal 4: Create an environmentally-sustainable community.Objectives

1. Implement "green" environmental sustainability policies and initiatives.
2. Reduce greenhouse gas emissions.
3. Improve and enhance walkways and bicycle trails.

Priority Projects

1. Adopt a local climate protection plan.
2. Work on the design, environmental documentation and construction of the Calistoga segment of the Napa Valley Vine Trail to expand the active transportation network.
3. Submit a Bicycle Friendly Community application to the League of American Bicyclists.

City Council Goals, Objectives & Priority Projects**Fiscal Year 2013-14****Goal 5: Maintain the small-town rural character of Calistoga.**Objectives

1. Promote Calistoga as a walking- and cycling-friendly city.
2. Educate our youth on crime prevention and substance abuse awareness.
3. Seek to enhance the City's code enforcement program to address neighborhood property maintenance.

Priority Projects

1. Review the Calistoga Bicycle Plan and other documents for projects that will promote bicycling and walking at minimal cost to the City.
2. Work with local schools on youth gang and substance abuse issues and support the crime intervention activities of the Boys and Girls Club.
3. Review the City's code enforcement regulations and enforcement policies to address neighborhood property maintenance.

Goal 6: Expand and improve recreational facilities.Objectives

1. Provide diverse and affordable recreational programs, including senior fitness. Collaborate with other agencies and groups to achieve this objective.
2. Work with the County to improve the Calistoga Library.
3. Support local efforts to improve Pioneer and Logvy Parks.
4. Identify additional areas for the development of recreational facilities, including picnicking facilities.

Priority Projects

1. Support efforts to establish a new Boys and Girls Club facility in Calistoga.
2. Update the Logvy Park Master Plan to reflect current and projected needs. Collaborate with other agencies and groups to achieve this objective.
3. Work with citizen efforts to install bocce courts at Logvy Park and improve the gazebo at Pioneer Park.
4. Work with Napa Valley Vine Trail and Napa County Regional Park and Open Space District to provide facilities at or near the Oat Hill Mine Trail trailhead, particularly public parking and restrooms for trail users.

Goal 7: Address the community's housing needs.Objectives

1. Maintain the existing housing stock in good condition.
2. Expand housing opportunities, including workforce housing.

City Council Goals, Objectives & Priority Projects

Fiscal Year 2013-14

Goal 7: (cont.)

3. Protect and promote special needs housing for such groups as seniors, the disabled and farmworkers.

Priority Projects

1. Study the viability of mobile home parks as an affordable housing option and develop means to keep them affordable to residents.
2. Update the Housing Element of the General Plan to incorporate the city's regional fair share of housing need for the next planning cycle, update demographic and housing data, and identify additional housing programs.
3. Identify feasible sites and funding that could be used to land bank properties for needed housing development, including workforce housing.
4. Support the "Rebuilding Calistoga" housing rehabilitation efforts by Calistoga Affordable Housing.

**Budget Summary
All Funds Summary**

	General Fund	Water Fund	Water Capital	WWTP Fund	WWTP Capital	Equip Replc	Special Revenue
Revenues	8,279,276	2,373,091	1,547,487	2,325,106	369,202	342,861	1,564,229
Expenditures	7,374,918	2,638,484	-	2,573,879	-	259,000	622,037
Net Surplus/Deficit	904,358	(265,393)	1,547,487	(248,773)	369,202	83,861	942,192
Other Sources	211,500	113,798	302,450	-	-	47,000	
Special Projects Expenses	(49,100)	-	-	-	-	-	-
Capital Projects Expenses	(380,540)	-	(668,000)	-	(750,000)	-	-
Equipment Purchases		(38,000)		(201,990)		(121,800)	
Debt Payments	(29,188)	(659,291)	(148,637)	(695,583)		(156,729)	(342,643)
Transfers In	277,570	659,291	-	695,583	-	200,000	446,643
Transfers Out	(304,000)	-	(659,291)		(695,583)	-	(637,925)
Add non-cash Depreciation	-	460,000		642,000	-	135,000	-
Total Net Chg FY 13-14	630,600	270,405	374,009	191,237	(1,076,381)	187,332	408,267
Beg Fund Balance 07/01/13	1,379,074	-	-	-	1,640,377	50,155	1,117,526
End Fund Balance 06/30/14	2,009,674	270,405	374,009	191,237	563,996	237,487	1,525,793
Total City-Wide Fund Balances 06/30/13			4,187,132				
Total City-Wide Fund Balances 06/30/14			5,172,601				

Revenue and Resource Estimates**General Fund****Introduction**

The City utilizes several techniques to forecast recurring revenues. These techniques allow for multiple variables to be considered in the development of the forecasts, including institutional forecasts; the expert opinion of the City's sales and property tax consultant HdL Coren & Cone; various national, state and local economic indicators; and established formulas that measure relationships between revenue categories and growth within the City.

The financial forecast is a planning tool to assist staff in identifying important trends and anticipate the longer-term consequences of budget decisions. The ability to model cost and revenue trends beyond the next budget year helps the City to make proactive budget decisions early in an economic cycle.

The forecast is not a plan, but a model based on cost and revenue assumptions which are updated regularly as new information becomes available. Future cost projections based on known costs are relatively reliable. Revenue forecasts on the other hand, are based on assumptions related to future economic conditions which come with uncertainty.

City staff uses a variety of tools, including trend analysis, judgmental forecasting and expert opinion. Trend data includes historical fiscal performance and historical and projected data modified for known past, current and the future. In the end, forecasts are based on judgment that incorporates information provided through various methods; known and potential legislative and political impacts; and national, state and local conditions expected to affect local revenue sources.

With the anticipation of several resorts and an apartment complex the City's total General Fund revenues for FY 2013-14 are projected to increase by \$698,290 or 9.2% (excluding transfers in) from current estimates for FY 2012-13. The three main sources of revenue for the City which include Transient Occupancy Tax, Property Tax and Sales tax will increase modestly. The City will see the biggest increase in Licenses and Permits and Charges for Services as new development comes on board.

Revenue and Resource Estimates

General Fund

Summary of General Fund Resources

Table 1 summarizes and compares actual General Fund resources realized in FY 2011-12, an estimate of FY 2012-13 resources and projected FY 2013-14 revenues. The emphasis of this table is to provide a comparison between the FY 2012-13 revenues and resource estimate and FY 2013-14's projection.

Table 1 Resources BY Category	FY 2011-12	FY 2012-13	Fy 2013-14	Increase/(Decrease)	
	Actual	Estimate	Adopted	\$	%
Property Tax	1635,425	1619,620	1626,178	6,558	0.4%
Sales Tax	903,027	920,000	922,257	2,257	0.2%
Transient Occupancy Tax	3,768,443	3,829,500	3,944,385	114,885	3.0%
Other Taxes	323,873	310,182	311,882	1,700	0.5%
Licenses and Permits	69,708	63,100	342,750	279,650	443.2%
Fines, Forfeitures & Penalties	55,990	38,500	24,500	(14,000)	-36.4%
Use of Money and Property	21,708	21,600	19,545	(2,055)	-9.5%
Funds from Other Agencies & Grants	89,509	65,000	65,000	-	0.0%
Charges for Services	695,639	686,484	1,009,279	322,795	47.0%
Other Revenue	113,269	27,000	13,500	(13,500)	-50.0%
Total Revenues by Category	7,676,591	7,580,986	8,279,276	698,290	9.2%
Other Transfers In	287,027	336,471	277,570	(58,901)	-17.5%
Total General Fund Resources	7,963,618	7,917,457	8,556,846	639,389	8.1%

In FY 2013-14, it is anticipated that General Fund operating revenues will increase 9.2% compared to FY 2012-13 estimates, while total General Fund resources (including transfers-in) will increase by 8.0%. The increase is due primarily to the anticipated increase in permits and permit valuations, plan check and building inspections, Calistoga Family Apartments, Indian Springs and Brian Arden Winery. Property Tax and sales tax are expected to remain flat. Other revenue are one time revenues and for FY 13-14 we are projecting less.

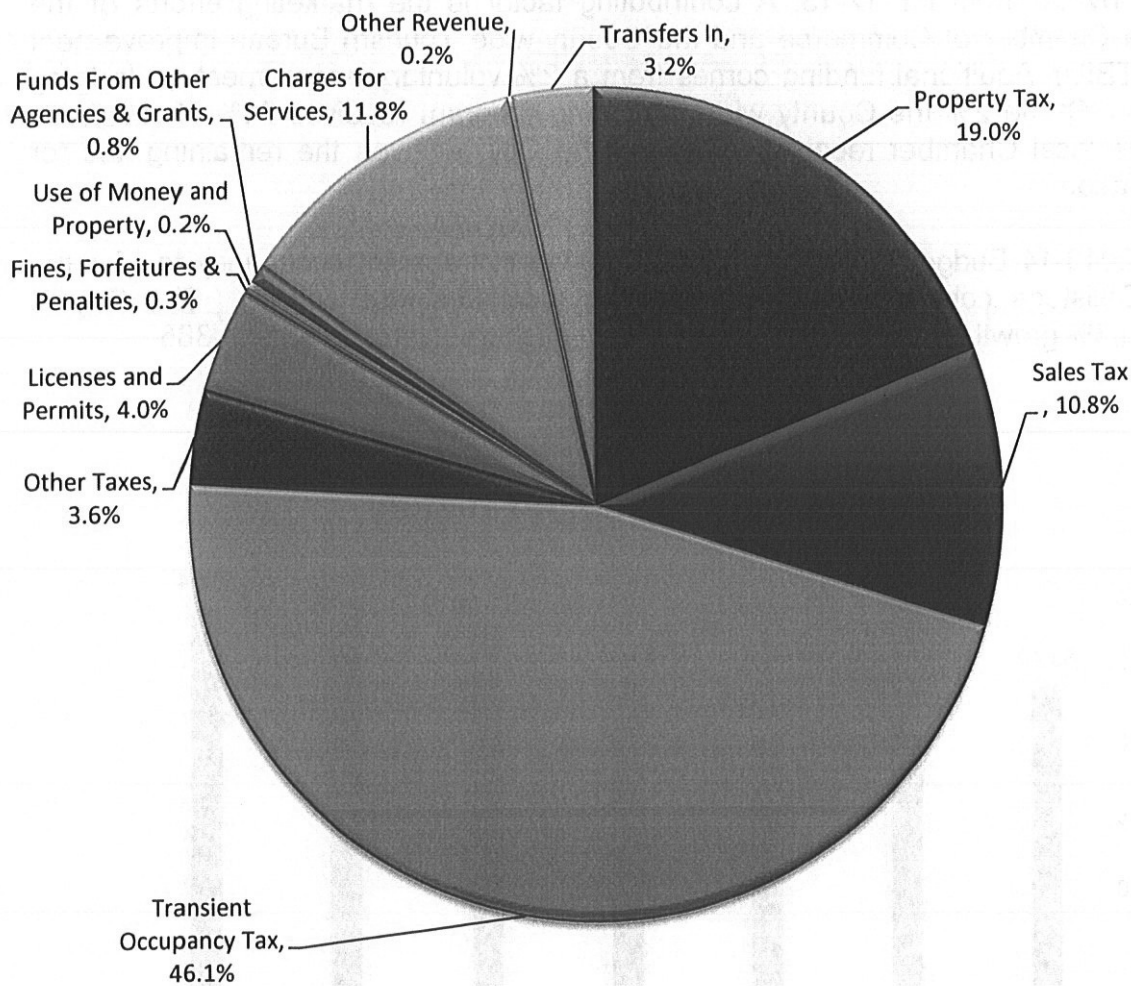
Table 2 summarizes and compares actual General Fund resources realized in FY 2011-12, the adopted FY 2012-13 Budget, and projected FY 2013-14 resources. The emphasis of this table is to provide a comparison between the FY 2012-13 revenue and resource budget and FY 2013-14's projection.

Table 2 Resources BY Category	FY 2011-12	FY 2012-13	Fy 2013-14	Increase/(Decrease)	
	Actual	Budget	Adopted	\$	%
Property Tax	1635,425	1547,369	1626,178	78,809	5.1%
Sales Tax	903,027	920,000	922,257	2,257	0.2%
Transient Occupancy Tax	3,768,443	3,829,500	3,944,385	114,885	3.0%
Other Taxes	323,873	310,182	311,882	1,700	0.5%
Licenses and Permits	69,708	62,100	342,750	280,650	451.9%
Fines, Forfeitures & Penalties	55,990	46,000	24,500	(21,500)	-46.7%
Use of Money and Property	21,708	13,100	19,545	6,445	49.2%
Funds from Other Agencies & Grants	89,509	65,000	65,000	-	0.0%
Charges for Services	695,639	555,680	1,009,279	453,599	81.6%
Other Revenue	113,269	10,000	13,500	3,500	35.0%
Total Revenues by Category	7,676,591	7,358,931	8,279,276	920,345	12.5%
Other Transfers In	287,027	236,600	277,570	40,970	17.3%
Total General Fund Resources	7,963,618	7,595,531	8,556,846	961,315	12.7%

Revenue and Resource Estimates
General Fund

General Fund resources are anticipated to increase from the FY 2012-13 budget by \$639,389 or 8.1%, due primarily to the anticipated increase in permits and permit valuations, plan check and building inspections, Calistoga Family Apartments, Indian Springs and Brian Arden Winery.

The following chart illustrates the composition of the City's General Fund resources projected for FY 2013-14 at **\$8,556,846**.



Revenue Profiles

The following section provides a profile of the City's major General Fund (operating budget) revenue categories.

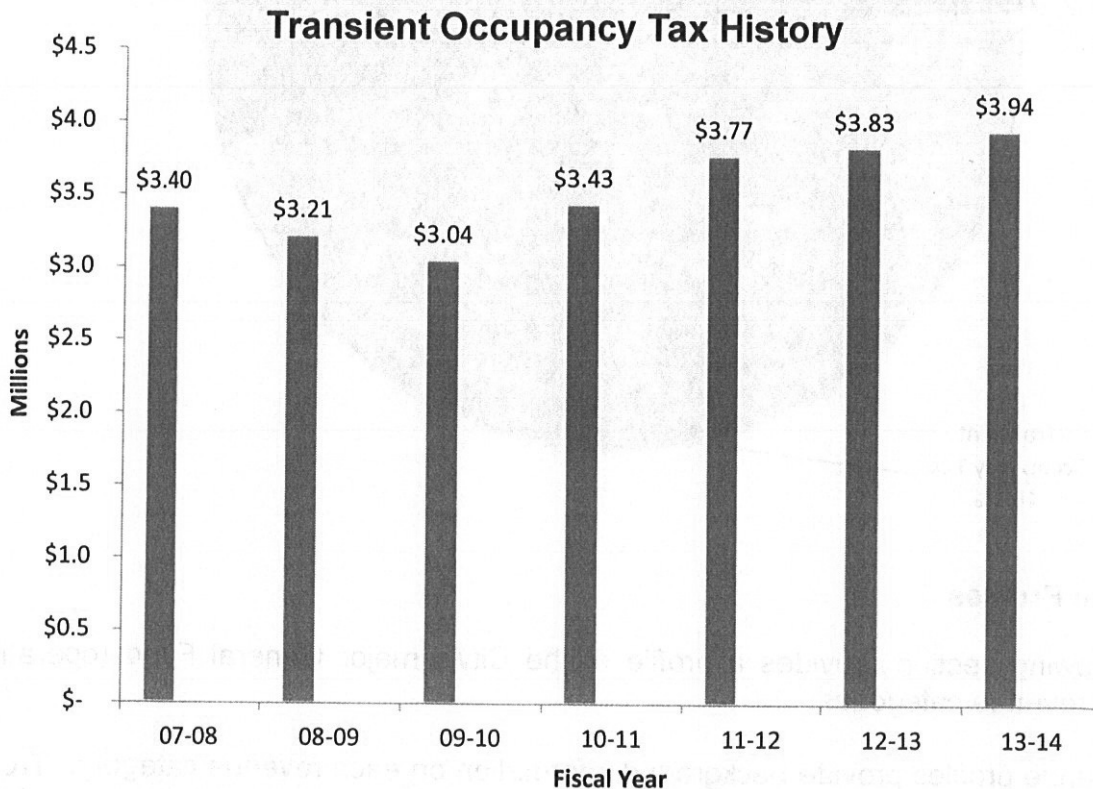
The revenue profiles provide background information on each revenue category. Trend information, including a 7-year graph, is also provided as well as a discussion of the future outlook for each category.

Revenue and Resource Estimates
Transient Occupancy Tax

Transient Occupancy Tax is a 12% tax applied to the cost of lodging stays. Factors influencing transient occupancy tax revenues include business and leisure travel, local business activity and room rate increases. Transient taxes are the largest revenue for the General Fund and accounts for 46.1% of all projected General Fund resources next year.

Transient Occupancy Tax has rebounded strongly from the recessionary bottom in FY 2008-09 and FY 2009-10. It is estimated for FY 13-14 the transient occupancy tax will increase by 3% from FY 12-13. A contributing factor is the marketing efforts of the Calistoga Chamber of Commerce and the County-wide Tourism Bureau Improvement District (TBID). Additional funding comes from a 2% voluntary assessment on lodging revenues. Of the 2% the County wide marketing program receives 74% of revenues while the local Chamber receives 25% and the City receives the remaining 1% for administration.

The FY 2013-14 Budget projects continued growth in transient occupancy tax for the City of Calistoga consistent with increases in local business activity. The City is projecting 3% growth in transient occupancy tax which translates to \$3,944,385.



Revenue and Resource Estimates

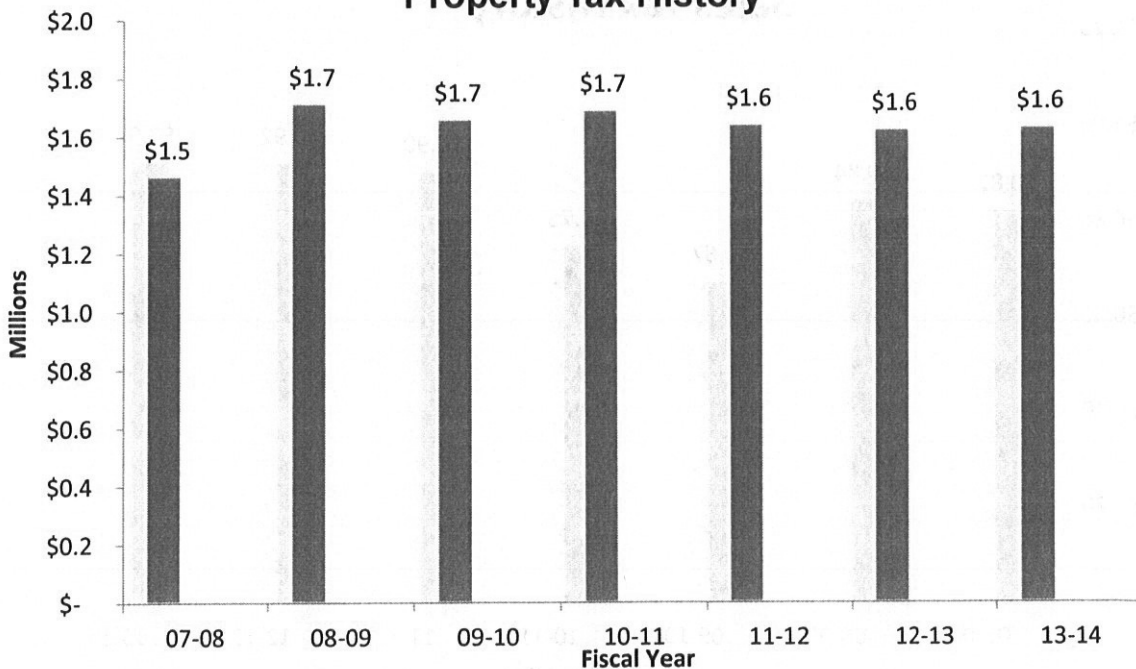
Property Tax

Property tax is an ad valorem tax imposed on real property, such as land, buildings and tangible personal property. Property tax revenue is collected by the County and allocated according to state law among cities, counties, school districts and special districts. Calistoga property owners pay a basic tax equal to 1% of the assessed value on real property. As part of the State Budget Act of 2004, the legislature reduced motor vehicle license fee (VLF) revenue allocations to cities, replacing this funding with additional property tax allocations that change proportionately with the City's annual assessed valuation (property tax in-lieu of VLF revenue). In total (including in-lieu of VLF revenue), the City receives approximately 20¢ of every dollar collected of property tax collected with larger shares going to local schools, community colleges and Napa County. Property tax accounts for 19% of all General Fund resources projected next year.

Home sales have begun to rebound in many parts of the State. The increased sales are due to less distressed homes on the market, low mortgage rates and affordable prices are proving attractive for buyers and finally convincing them to reenter the market.

The City works with a property tax consultant in projecting property tax revenue, an estimate made with five factors in mind: property turnover rate, pricing and appeals exposure, new construction activity, Proposition 8 administrative reductions and Proposition 13's annual inflation adjustment. After considering these factors, the City has projected Calistoga's property tax revenue will increase by .4% in FY 2013-14.

Property Tax History

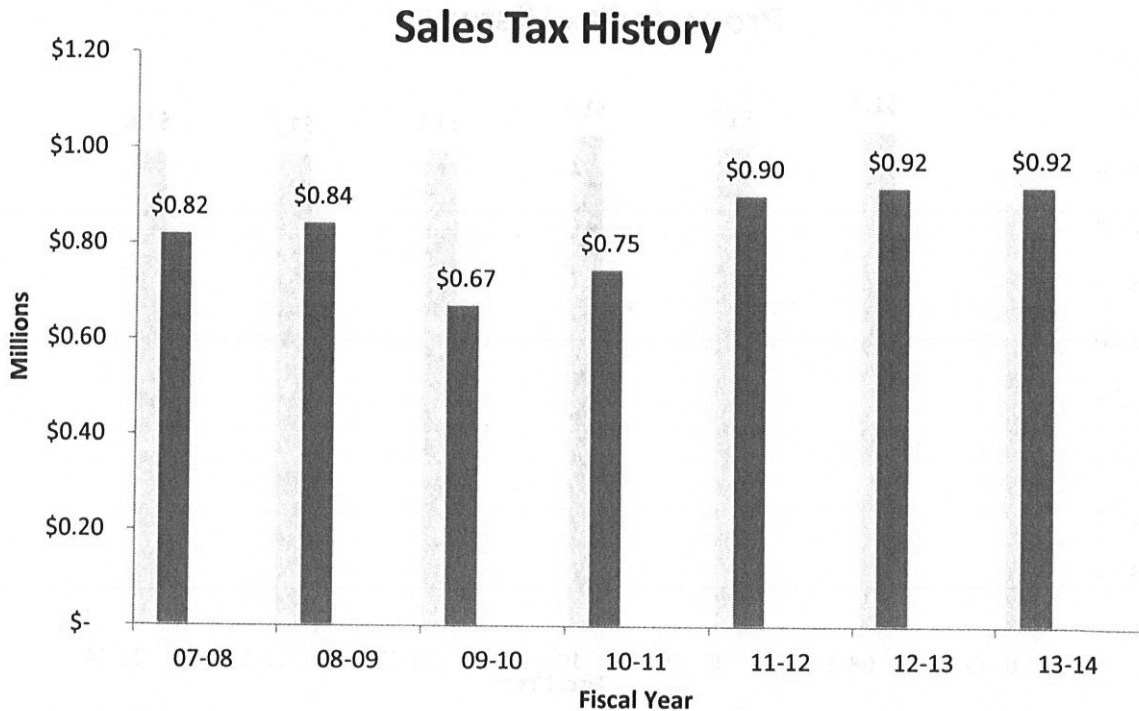


Revenue and Resource Estimates
Sales Tax

California sales tax is imposed on the total retail price of any tangible personal property (excluding a variety of state mandated exemptions), while use tax is imposed on the purchaser for eligible transactions when sales tax has not been collected. The sales and use tax rate in Napa County is currently 8% of which Calistoga receives 1% from the California Board of Equalization for transactions occurring within the City. Sales tax makes up 10.8% of next year's overall General Fund resources.

Sales tax revenues have increased in the last year as consumers and businesses have regained confidence since the end of the recession. Gross taxable sales in the City of Calistoga were up 20.9% in calendar year 2012 compared to 2011.

The City works closely with the sales tax consultant, HDL, Coren & Cone, in projecting sales tax revenue. Based on HdL's analysis of the trend in year-to-date tax receipts and an examination of local business data, the consultant anticipates the City will receive sales tax revenue of \$922,257 this year. For FY 13-14 revenues are anticipated to stay flat from FY 12-13.



Revenue and Resource Estimates

Other Taxes

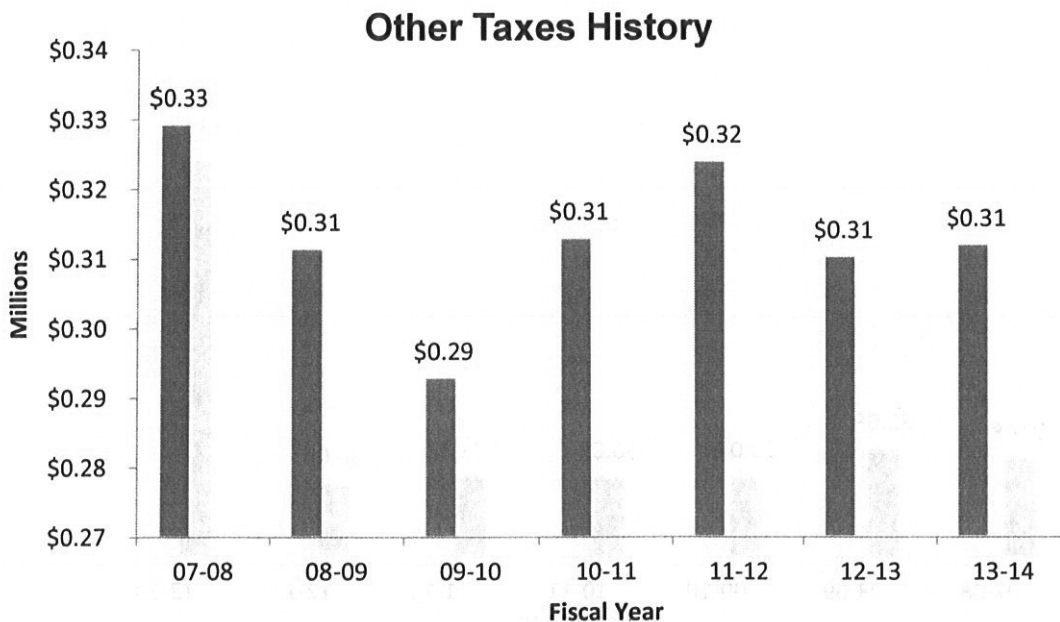
For the City of Calistoga other taxes include Franchise taxes, manufacturing taxes and business license taxes.

Franchise tax revenue consists of a tax on electric, gas, cable television and refuse. The state sets electric and gas tax rates that equal 1% of gross annual revenues, refuse revenue is 6% of annual gross revenues and 5% of gross cable television annual revenues from within the City of Calistoga.

Manufacturing tax revenues consists of a tax on manufacturing and/or wholesaling of mineral water, geothermal water products and byproducts, and for marketing, selling and distributing thereof. The City of Calistoga Municipal Code 5.04.255 set the tax rate at one dollar and twenty cents per thousand dollars of the monthly gross receipts.

Business License tax revenues consist of a tax required from any person who is doing business within the City as defined in the Municipal Code. On January 1, 2013, Senate Bill 1186 became effective of the California Government Code. It imposed a one dollar (\$1) state-mandated fee on any applicant for a local business license. Of the \$1.00 the City retains .70¢ and the .30¢ is forwarded to the State. These fees will be deposited in the Disability Access and Education Revolving Fund.

Other taxes remain stable and consistent over the long-term. Other taxes are impacted by changes in gas and electric pricing and number of businesses. For FY 13-14 other taxes are estimated at \$311,882 which is flat from FY 12-13 at \$310,182.



Revenue and Resource Estimates

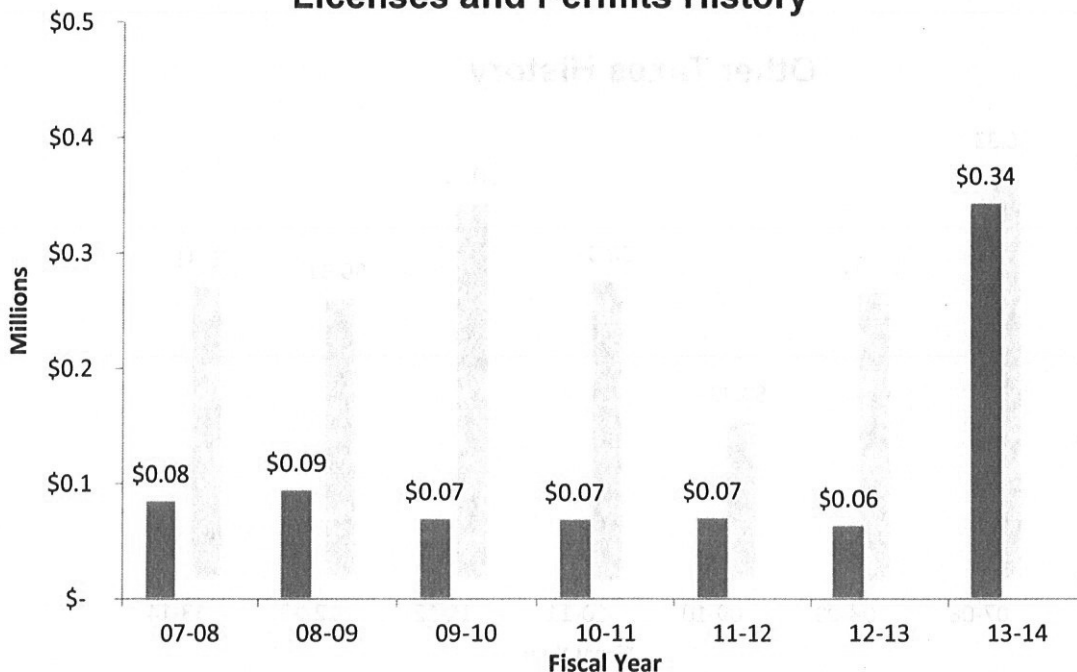
Licenses and Permits

Licenses and Permits mainly represent fees collected for inspection and licensing for construction of new residential, commercial and industrial sites. Licenses and Permits account for 4.0% of the General Fund resources next year.

Licenses and Permits dipped significantly in FY 09-10, FY 10-11, FY 11-12 and FY 12-13 due to the recession.

It is estimated for FY 13-14, licenses and permits will increase 443% from FY 12-13 primarily due to anticipated development projects; Calistoga Family Apartments, Indian Springs, Brian Arden Winery. The FY 13-14 Budget projects revenues at \$342,750.

Licenses and Permits History



Revenue and Resource Estimates

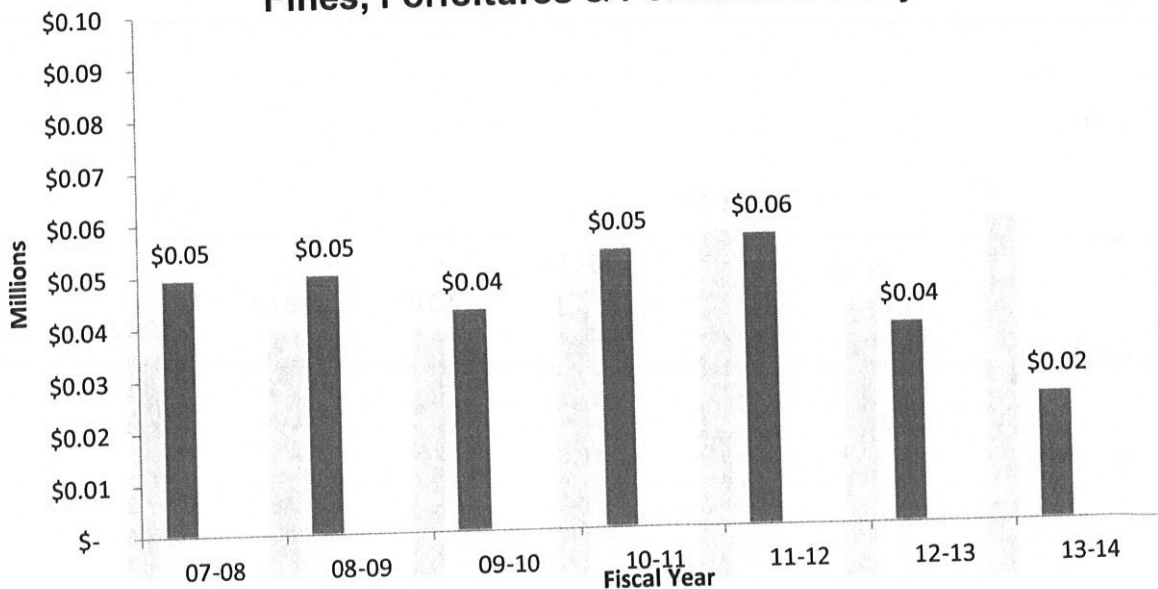
Fines, Forfeitures and Penalties

Fines, forfeitures and penalties are fees collected through vehicles, fines, misdemeanors, local parking fines and delinquent penalties on unpaid fees. Vehicle fines and misdemeanor revenue is collected by the County. Fines, forfeitures and penalties account for .3% of all General Fund resources projected next year.

Fines, forfeitures and penalties go up and down depending on consumer habits. Vehicle code fines for FY 12-13 are estimated to be 7% more than FY 11-12. Misdemeanor fines for FY 12-13 are estimated to be 41% less than FY 11-12. Delinquent Penalties are estimated to be 75% less than FY 11-12.

The City has projected Calistoga's fines, forfeitures and penalties will decrease by 36% in FY 2013-14 to \$24,500.

Fines, Forfeitures & Penalties History



Revenue and Resource Estimates

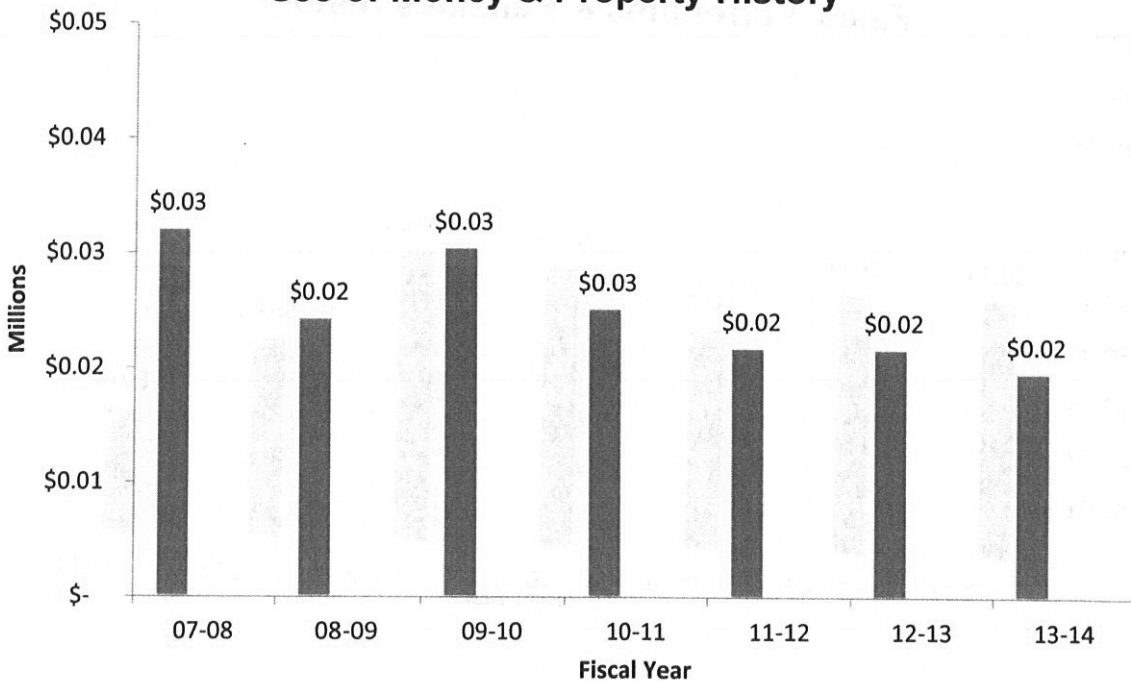
Use of Money and Property

Use of money and property represents earnings on the General Fund's investments (mainly fund balances) and any funds received from City owned facility rentals. The City keeps any excess funds in the Local Agency Investment Fund (LAIF). LAIF is a voluntary program created by statute, began in 1977 as an investment alternative for California's local governments and special districts. The program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office investment staff at no additional cost to the taxpayer. As of March 13, 2013 LAIF's average monthly yield was .285. City owned facilities are rented out to the community for special events throughout the year. In addition the City rents a facility to EMS Management LLC for ambulance services.

Use of money and property account for .2% of the General Fund resources projected next year. Use of money and property fluctuates from year to year as excess funds for the City fluctuate as well.

Based on current yields and historical yields of LAIF the City is projecting \$19,545 for FY 13-14 for the use of money and property.

Use of Money & Property History



Revenue and Resource Estimates

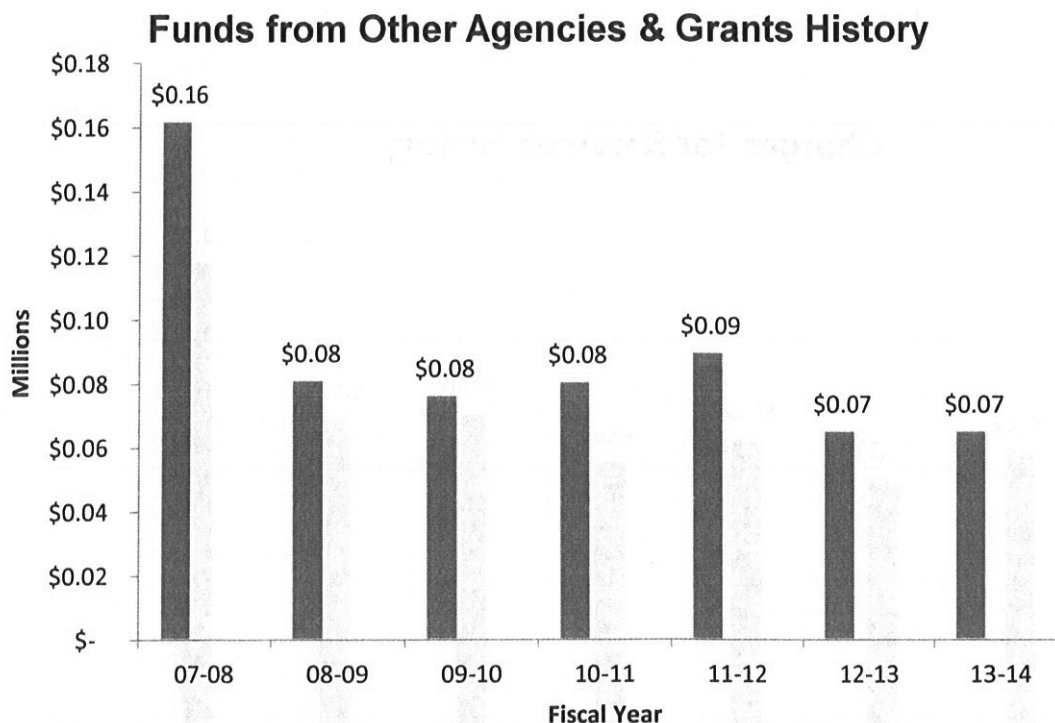
Funds from Other Agencies & Grants

Funds from other agencies and grants category consists of funding from the State’s Public Safety Augmentation Fund, Motor Vehicle in-lieu fees, homeowner property tax exemptions and State grants for FY 13-14

Motor vehicle license fee (VLF) made up a significant portion of the City’s overall revenues until 2004 when Governor Schwarzenegger reduced the vehicle license fee rate, replacing this revenue with increased City and County allocations of property tax. With the adoption of the State of California’s FY 2011-12 Budget, the City will no longer be receiving the same level of VLF revenues. The City’s VLF revenue has decreased from nearly \$229,000 in FY 2003-04 to the FY 2013-14 estimate of \$4,000.

The state grants the City has been receiving have been used for recycling projects.

Funds from other agencies and grants have decreased over the long-term. For FY 13-14 funds from the State Public Safety Augmentation to be received are \$50,000; 4,000 from Motor Vehicle in-lie fees; \$6,000 from Homeowner Property Tax Exemptions and State Grants of \$5,000 for a total estimated at \$65,000 which is flat from FY 12-13 at \$65,000.



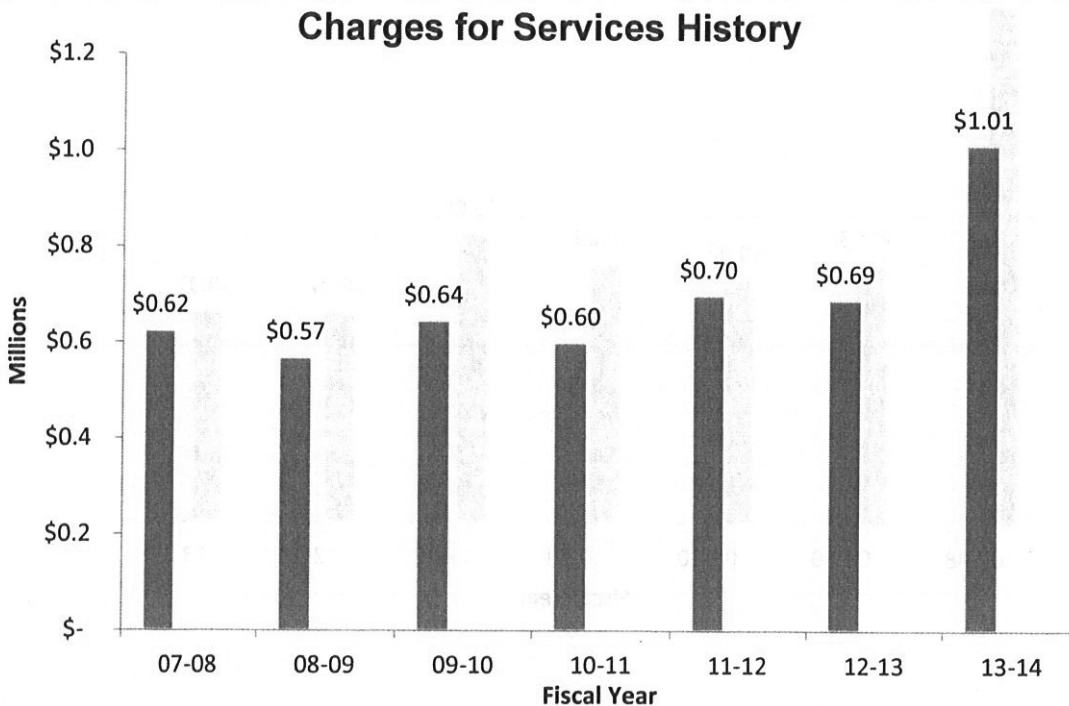
Revenue and Resource Estimates
Charges for Services

Charges for services revenue category consists primarily of fees for police services, fire services, planning services, public works services, community services recreational and community activities, plan check fees, reimbursement for services and central service overhead fees. Charges for Services account for 11.8% of the General Fund resources next year.

Charges for services revenue has fluctuated from fiscal year to year primarily due to little or no growth in development and Community Service’s program offerings.

Revenue estimates are based on the projected number of classes, number of participants and fee charges and staff’s estimate regarding the demand for classes and programs. There has been strong demand for swimming classes in the City and these program revenues have demonstrated continuing growth in recent years.

It is estimated for FY 13-14, charges for services will increase 47% from FY 12-13 primarily due to continued interest in recreational activities and anticipated development projects; Calistoga Family Apartments, Indian Springs and Brian Arden Winery. The FY 13-14 Budget projects revenues at \$1,009,279.



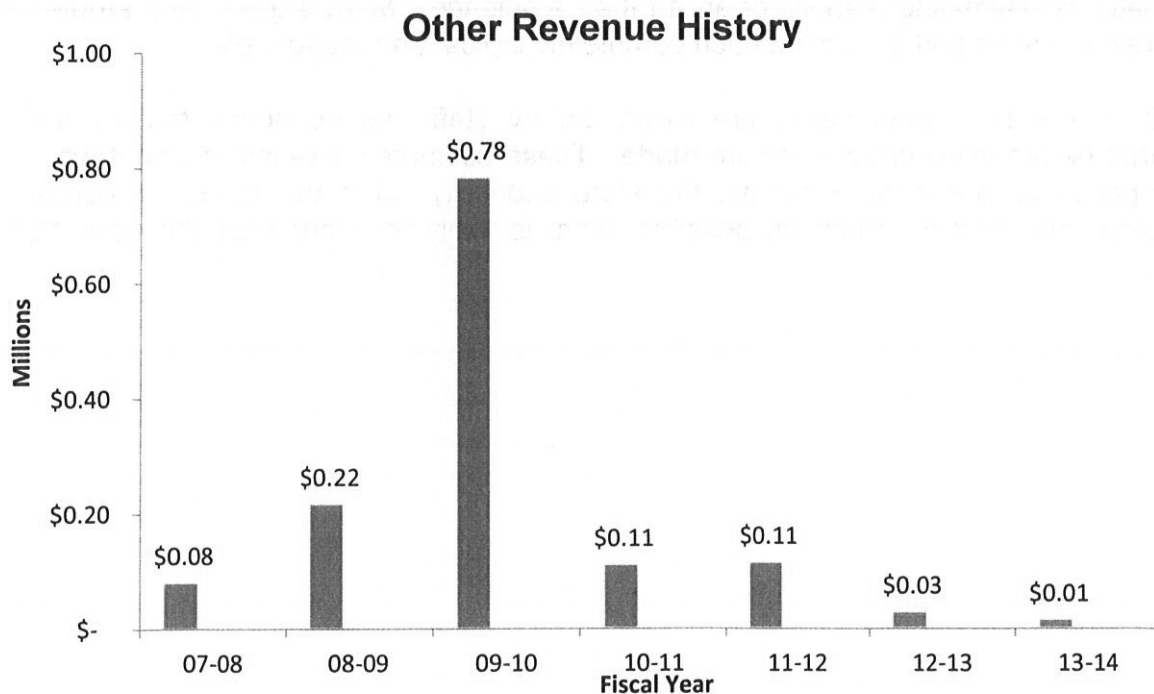
Revenue and Resource Estimates

Other Revenue

Other revenue category fees collected are fees for public records requests, Cal Card incentives for timely payments, police and fire reimbursements for Lexipol (policy manuals) and reimbursements from PARSAC, the City's risk management carrier for liability, property, fraud, automobile and workers compensation premiums. The other revenue category accounts for .2% of all General Fund resources projected next year.

The chart below shows in FY 2009-10 other revenues as \$780,949. The reason for the increase in revenues was due to the retention being held for the swimming pool construction which eventually ended in a settlement with the construction company.

Revenue estimates are based on trend analysis. The City has projected that Calistoga's other revenue will decrease by 50% in FY 2013-14. Other revenues will include reimbursements from Cal Card, Lexipol policy for fire and police, and PARSAC insurance premiums for a total of \$13,500.



Revenue and Resource Estimates**Transfers In**

Transfers in include overhead and operating reimbursements, as well as one-time transfers which include fund and project close-outs.

The amount of general City support costs is based on costs attributable to development services. Direct costs of developed related services and all development services revenue are budgeted in special funds. The portion of the fee revenues attributable to overhead support costs are shown as a transfer to the General Fund to reimburse the City of general overhead support. In FY 2013-14, the overhead reimbursement transfer is estimated at \$277,570.

For FY 2013-14 the Gas tax fund will contribute \$95,000 for street operations; Police grant fund \$75,322 for front-line police operations; Recreation fund \$5,000 to offset the longer pool season; mobile home park fund \$8,985 for staff time spent on inspections; Public Safety Impact Fund \$38,540 for Police Facility Improvements; Community Development \$49,000 for development impact fee study; CDBG grant \$1,123 for staff time; and Abandoned Vehicle fund \$4,600 for police operations.

For FY 2013-14, the difference between ongoing revenues and ongoing expenditures is a surplus of approximately \$904,358 before transfers or capital projects.

Conclusion

Revenue forecasting is used to predict resources available and forecasting can be problematic as estimating is more of an art than a science. Many experts and studies offer varied opinions and forecasts, each completely logical and reasonable.

Patterns or trends in prior years are examined by staff and economic factors are considered before initial projections are made. These estimates take into account what has happened to our local economy, the state economy, what our current revenue experiences are, and as much as possible, what is likely to occur over the next 12 months.

<p>Personnel and Staffing Full Time Personnel by Position</p>
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Position	Adopted Budget FY 2013-14
Administrative Analyst	1.00
Administrative Secretary	1.00
Administrative Services Technician	1.00
Aquatics/Recreation Manager	1.00
Chief of Police	1.00
City Manager	1.00
Deputy City Clerk	1.00
Director of Administrative Services	1.00
Director of Planning and Building	1.00
Director of Public Works	1.00
Dispatcher	3.00
Dispatcher Supervisor	1.00
Executive Secretary to the City Manager	1.00
Fire Chief	1.00
Firefighter	3.00
Maintenance Superintendent	1.00
Maintenance Technician I	3.00
Maintenance Technician II	2.00
Maintenance Technician III	2.00
Plant Operator I	3.00
Plant Operator II	3.00
Plant Superintendent	1.00
Police Lieutenant	1.00
Police Officer	5.00
Police Sergeant	2.00
Senior Account Clerk	1.00
Senior Civil Engineer	1.00
Senior Planner	1.00
Senior Police Officer	1.00
Total Full Time Funded Personnel by Position	46.00

<p>Personnel and Staffing</p> <p>Funded Personnel</p>

Department	Adopted Budget FY 2013-14
Administration	1.70
City Clerk	1.10
Finance	2.13
Planning & Building	2.50
Police	15.80
Fire	7.00
Public Works Administration	0.65
Public Works Streets	1.46
Public Works Parks	1.23
Public Works Pool	0.15
Public Works Maintenance	0.15
Public Works Government Buildings	1.45
Public Works Sharpsteen Museum	0.06
Recreation	6.57
Water Distribution	3.12
Water Treatment	3.13
Water Conservation	0.15
Sewer Collection	3.32
Sewer Treatment	5.33
Total Full Time Equivalent Funded	57.00

<p style="text-align: center;">Budget Summary General Fund Summary</p>
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Budget at a Glance

Introduction

The City's Budget consists of five components: General Fund Budget (general operations), Enterprise Funds, Special Funds Budget, Equipment Replacement Fund and Capital Improvement Program (CIP).

The General Fund Budget is the City's fiscal operating blueprint. The FY 2013-14 General Fund operating budget is based on resource projections which includes transfers in of \$8,556,846. Departmental operating expenditures and transfers out are budgeted at \$7,708,106.

As we move forward into the new fiscal year it is important to remember that the City's budgets will, once again, be very tight. The proposed Fiscal Year 2013-14 budget contains cuts in expenditures over what was initially requested by most of the departments, as necessary to reach a balanced budget. However, several Capital Improvement Projects (CIP's) are recommended for funding. The reason is that most of the projects fall into the deferred maintenance category. The City simply did not have adequate funding in prior years to address them. With the potential for payment of significant development impact fees, it is anticipated that there will be adequate funds to allow these projects to proceed.

This proposed budget continues to maintain the existing level of service and reliability to the community through our infrastructure systems and facilities. However, as previously indicated, there are many facilities that are not receiving maintenance and replacement as they should. There are no anticipated layoffs of staff. The City currently is in negotiations with the labor groups. It is anticipated signed Memorandums of Understanding will be in place by the end of July 2013. The budget and this document is the collaboration in which the community through its elected leaders, commission members, public hearings and the advice of City staff decide upon the services it shall receive from its government under the constraint of resources available to it through taxes, fees, and transfers from the federal, state, and county governments. This document reflects the priorities of residents in the community while balancing revenues and expenditures over the long term.

General Fund

The City Council adopted goals and objectives for Fiscal Year 2013-14 calls for a 25% reserve in its General Fund by year's end. Based on staff recommendations the City

<p style="text-align: center;">Budget Summary General Fund Summary</p>
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will end Fiscal Year 2013-14 with a fund balance of \$2,009,674 which is in excess of the 25% objective. Revenue resources of \$50,000 will be committed to PERS for rate increases and \$50,000 will be committed to future Retiree Benefits.

It should be noted that while the General Fund reserve is increasing, it is largely due to one-time development fee payments. This has made funds available for community projects and recreational activities. However, the one-time development fees together, with the highly uncertain demands for capital improvement projects and other emergencies, means that a cautious spending approach should be taken over the next fiscal year.

A financial summary of the General Fund is provided in the following pages.

Departmental Summaries

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.

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. The activities of the City Clerk include many tasks including processing updates to the municipal code, preparing the agenda packets, posting of legal notices and meetings, responding to public records requests and ensuring compliance with FPPC filing requirements. The department's budget is based on the continuation of essential, mandated and City Council directed services and includes the General Fund expenditures of \$162,502.

<p style="text-align: center;">Budget Summary General Fund Summary</p>
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City Manager's Office

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. The department's budget is based on the continuation of essential, mandated and City Council directed services and includes the General Fund expenditures of \$7,708,106.

Administrative Services

The City Manager oversees this department which includes economic vitality, legal services, payroll, fiscal services, purchasing and information technology, utility billing, risk management, non-departmental and human resources. The department's budget is based on the continuation of essential, mandated and City Council directed services and includes General Fund expenditures of \$1,626,278.

Fire Services

The Fire Department is entrusted with providing for services to the residents, businesses and visitors of greater Calistoga which protects their lives, property and environment from fires, medical emergencies, hazardous materials incidents and disasters. The department's budget is based on the continuation of essential, mandated and City Council directed services and includes General Fund expenditures of \$819,203 and revenues of \$220,000.

Police Services

The Police Department is entrusted with providing for the public's safety within the City's residential communities and commercial centers. The department's budget is based on the continuation of essential, mandated and City Council directed services and includes General Fund expenditures of \$2,308,342 and revenues of \$173,500.

<p style="text-align: center;">Budget Summary General Fund Summary</p>
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Planning and Building Services

The Planning and Building Department provide a complete range of planning and building services to the community. The Department's primary function is to guide private development in accordance with state law and the City's General Plan, Zoning Code and other local land use programs. The department's budget is based on the continuation of essential, mandated and City Council directed services and includes General Fund expenditures of \$896,348 and revenues of \$742,337.

Public Works

The Public Works Department is responsible for maintaining, operating, and improving the City's infrastructure to serve the needs of its citizens. The Department is responsible for managing and monitoring streets, water treatment and distribution, wastewater collection and treatment, storm drains, parks, City-owned streetlights, City-owned buildings, the City-owned cemetery, engineering and capital improvement project administration and inspection. The Department serves a coordination role for solid waste collection services and public transit services. The department's budget is based on the continuation of essential, mandated and City Council directed services and includes General Fund expenditures of \$979,354 and revenues of \$42,800.

Recreation Services

The Recreation Services Division is responsible for management and operation of the fitness and recreation programs, adult and senior community classes, special event permitting, transit services, City sponsored special events, weekend janitorial of City facilities, and the Calistoga Community Pool. The department's budget is based on the continuation of essential, mandated and City Council directed services and includes General Fund expenditures of \$582,891 and revenues of \$149,000.

General Fund Resources

General Fund Revenues total \$8,279,276. In addition General Fund resources include transfers in of \$277,570 to offset the cost of City overhead support For FY 2013-14; the Gas tax fund will contribute \$95,000 for street operations; Police grant fund \$75,322 for front-line police operations; Recreation fund \$5,000 to offset the longer pool season; Mobile home park fund \$8,985 for staff time spent on inspections; Public Safety Impact Fund \$38,540 for Police Facility Improvements; Community Development \$49,000 for development impact fee study; CDBG grant \$1,123 for staff time; and Abandoned Vehicle fund \$4,600 for police operations. See the Resources table on next page for revenue and transfers in details.

Budget Summary General Fund Summary
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General Fund Resources

General Fund resources are \$8,556,846.

<u>RESOURCES</u>	FY 11-12 <u>Actual</u>	FY 12-13 <u>Adjusted</u>	FY 13-14 <u>Projected</u>
Revenues			
Property Tax	\$ 1,635,425	\$ 1,619,620	\$ 1,626,178
Sales Tax	903,027	920,000	922,257
Transient Occupancy Tax	3,768,443	3,829,500	3,944,385
Other Taxes	323,873	310,182	311,882
Licenses and Permits	69,708	63,100	342,750
Fines, Forfeitures	55,990	38,500	24,500
Interest & Use of Property	21,708	21,600	19,545
Revenues from other Agencies	71,378	60,000	60,000
Grants- Operations	18,131	5,000	5,000
Charges for Services	695,639	686,484	1,009,279
Other Revenues	113,269	27,000	13,500
<i>Sub - Total General Fund Revenues</i>	\$ 7,676,591	\$ 7,580,986	\$ 8,279,276
General Fund Transfers in (from)			
Fund 21 (Gas Tax)	\$ 95,000	\$ 95,000	\$ 95,000
Fund 40 (Public Safety)	-	-	38,540
Fund 41 (Police Grants)	120,093	130,875	75,322
Fund 87 (Recreation)	2,061	13,996	5,000
Fund 33 (Landscape Maintenance)	2,671	-	-
Fund 27 (Mobile Home Park- Administration)	5,407	11,000	8,985
Fund 38 (CDBG- Administration)	-	-	1,123
Fund 79 (Abandoned Vehicle)	6,900	4,600	4,600
Fund 39 (Community Development)	53,455	81,000	49,000
<i>Sub - Total General Fund Transfers In</i>	\$ 285,587	\$ 336,471	\$ 277,570
TOTAL GENERAL FUND RESOURCES	\$ 7,962,178	\$ 7,917,457	\$ 8,556,846

Budget Summary General Fund Summary
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General Fund Expenditures

General Fund expenditures are \$7,708,106.

APPROPRIATIONS

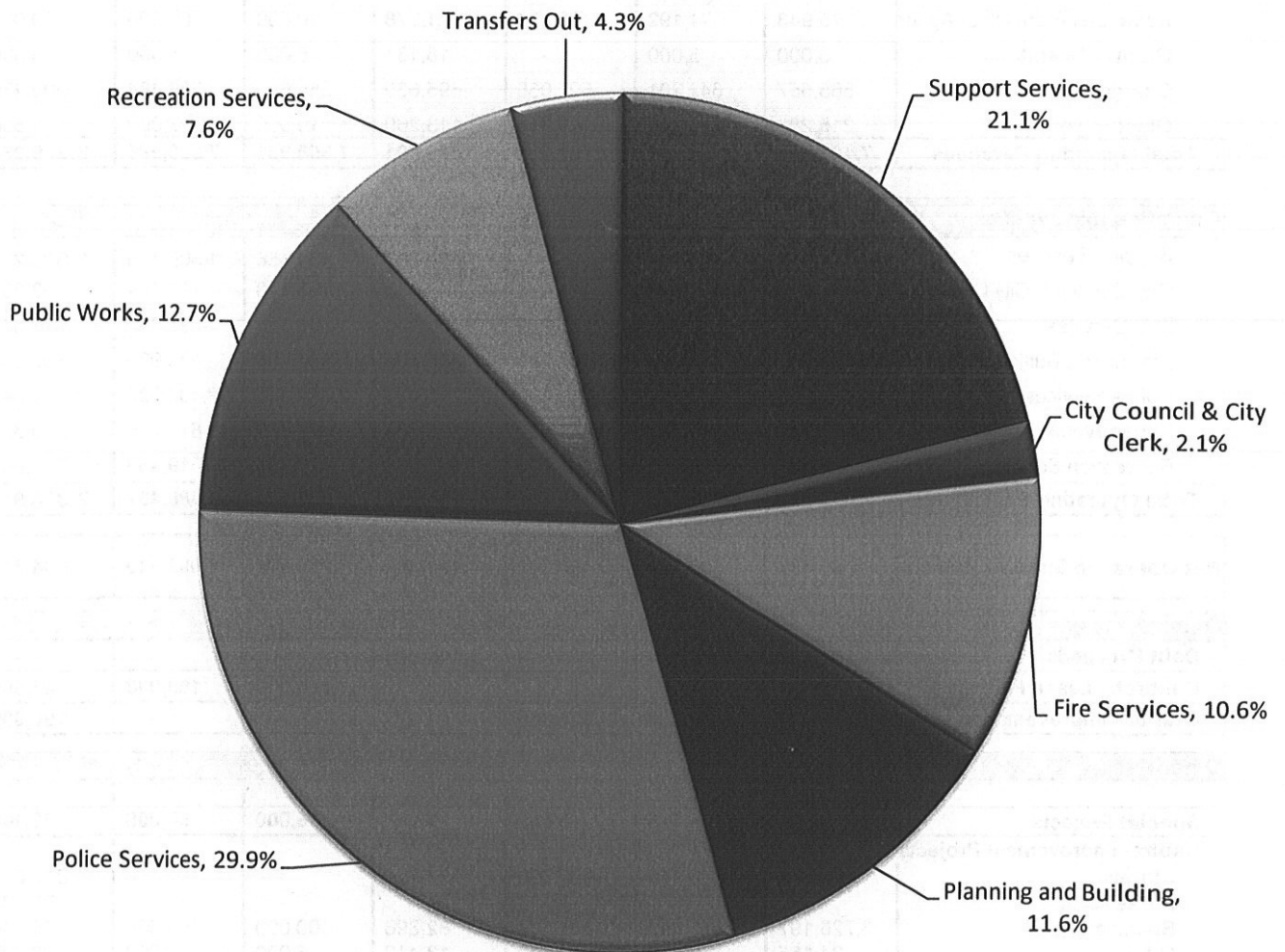
	FY 11-12	FY 12-13	FY 13-14
	<u>Actual</u>	<u>Adjusted</u>	<u>Projected</u>
<u>Operating Appropriations</u>			
City Council and City Clerk	\$ 147,538	\$ 173,164	\$ 162,502
Support services	1,409,322	1,505,776	1,626,278
Fire Services	750,135	797,315	819,203
Planning & Building	395,209	433,935	896,348
Police Services	2,111,420	2,188,022	2,308,342
Public Works	850,384	870,789	979,354
Recreation Services	521,234	519,436	582,891
<i>Total Operating Appropriations</i>	<u>\$ 6,185,242</u>	<u>\$ 6,488,437</u>	<u>\$ 7,374,918</u>
<u>Operating Transfers Out (To)</u>			
MTC Grant Fund	\$ -	\$ -	\$ 4,000
Future Employee Benefits	\$ -	\$ 100,000	\$ 100,000
Wastewater Fund	311,925		
Water Fund	-	100,320	
Equipment Repl Fund	-	-	200,000
Debt Service Fund	699,483	433,791	29,188
<i>Total Operating Transfers Out</i>	<u>\$ 1,011,408</u>	<u>\$ 634,111</u>	<u>\$ 333,188</u>
TOTAL APPROPRIATIONS	7,196,650	7,122,548	7,708,106
AVAILABLE FOR ALLOCATION OF LIABILITY CLAIMS			\$ 105,000
PROJECTED RESERVE FUND (AT YEAR END)			\$ 2,009,674
Percent of GF budgeted appropriations			27.30%

Operating Expenditures & Transfers Out

General Fund

General Fund expenditures are anticipated to increase from the FY 2012-13 budget by \$585,558 or 8%, due primarily to increases in salaries, health insurance, deferred repairs and maintenance and the anticipated increase in contract services for review of permits and permit valuations, plan check and building inspections for Calistoga Family Apartments, Indian Springs and Brian Arden Winery developments. Also projected in the budget is a classification and compensation study to be completed by the end of the FY 2013-14; additional costs for retiree benefits and the additional cost for a pool consultant.

The following chart illustrates the composition of the City's General Fund expenditures by department projected for FY 2013-14 at **\$7,708,106**.



General Fund
Sources and Uses

Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	Adopted Budget FY 12-13	Revised Budget FY 12-13	Proposed Budget FY 13-14
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Operating Revenues

Property Tax	1,709,998	1,654,593	1,685,569	1,635,425	1,547,369	1,619,620	1,626,178
Sales Tax	842,611	670,908	746,907	903,027	920,000	920,000	922,257
Transient Occupancy Tax	3,208,611	3,042,315	3,430,486	3,768,443	3,829,500	3,829,500	3,944,385
Other Taxes	311,292	292,757	312,784	323,873	310,182	310,182	311,882
Licenses and Permits	93,964	69,219	68,287	69,708	62,100	63,100	342,750
Fines, Forfeitures and Penalties	49,811	42,577	53,486	55,990	46,000	38,500	24,500
Interest and Use of Property	24,231	30,393	25,089	21,708	13,100	21,600	19,545
Revenues From Other Agencies	75,943	71,192	80,354	71,378	60,000	60,000	60,000
Grants - Operations	5,000	5,000	-	18,131	5,000	5,000	5,000
Charges for Services	565,557	642,201	597,056	695,639	555,680	686,484	1,009,279
Other Revenues	215,283	780,949	109,216	113,269	10,000	27,000	13,500
Total Operating Revenues	7,102,301	7,302,104	7,109,234	7,676,591	7,358,931	7,580,986	8,279,276

Operating Expenditures

Support Services	1,413,358	1,269,440	1,657,708	1,409,322	1,434,456	1,505,776	1,626,278
City Council & City Clerk	167,873	147,922	171,588	147,538	165,110	173,164	162,502
Fire Services	776,844	803,942	753,329	750,135	759,351	797,315	819,203
Planning & Building	694,242	649,714	602,201	395,209	437,708	433,935	896,348
Police Services	2,273,600	2,218,018	2,249,220	2,111,420	2,141,446	2,188,022	2,308,342
Public Works	1,025,257	889,242	962,661	850,384	873,769	870,789	979,354
Recreation Services	665,636	724,108	802,776	521,234	520,484	519,436	582,891
Total Operating Expenditures	7,016,810	6,702,384	7,199,481	6,185,242	6,332,324	6,488,437	7,374,918

Net Operating Surplus/ (Deficit)	85,491	599,720	(90,247)	1,491,349	1,026,607	1,092,549	904,358
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Other Sources

Debt Proceeds	1,908,121			1,415,000	-	-	-
Deutsche Lease Financing					100,000	100,000	21,500
Grants - Improvements	833,107	273,603	1,021,350	-	-	-	190,000

Other Uses

Special Projects	186,553	16,345	5,800	3,963	56,000	56,000	49,100
Capital Improvement Projects							
Streets	61,331	6,770	600,000	-	-	-	215,000
Parks	-	-	-	-	-	-	30,000
Buildings	3,726,197	1,057,445	875,504	82,396	100,000	100,000	75,540
Other	24,155	23,540	43,130	13,412	6,000	6,000	60,000
Total Capital Projects	3,811,683	1,087,755	1,518,633	95,808	106,000	106,000	380,540
Debt Payments - TRAN Issue	125,000	-	39,930	1,452,943	-	-	-

General Fund
Sources and Uses

Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	Adopted Budget FY 12-13	Revised Budget FY 12-13	Proposed Budget FY 13-14
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Transfers From or (To) Other Funds							
Capital Facilities Fund	-	579,466	1,176,748	-	-	-	-
Gas Tax Fund	115,031	-	80,000	95,000	95,000	95,000	95,000
Public Safety Fund	-	-	-	1,440	-	-	38,540
Police Grants Fund	18,312	60,000	78,910	120,093	70,000	130,875	75,322
Recreation Donations	12,000	16,619	12,000	2,061	-	13,996	5,000
Landscape Mntc Funds	-	-	4,750	2,671	-	-	-
Mobile Home Park Fund	10,468	5,000	10,500	5,407	11,000	11,000	8,985
MTC Grants Fund	-	-	-	-	-	-	(4,000)
Quality of Life Fund	-	-	-	-	-	-	-
Community Pool Fund	667,816	-	-	-	-	-	-
CDBG Fund	70,000	25,041	-	-	-	-	1,123
Abandoned Vehicle Fund	4,350	4,350	4,600	6,900	4,600	4,600	4,600
Quality of Life Fund	295,854	-	-	-	-	-	-
Adj. YE (Adj Transfers)	30,745	(18,811)	(279,542)	(105,925)	-	-	-
Advance to WWTP Operations	-	(897,107)	(397,408)	(206,000)	(92,820)	-	-
Advance to WWTP Capital	-	-	-	-	(33,612)	-	-
Advance to Water Operations	-	-	(462,400)	-	(46,535)	(30,797)	-
Advance to Water Capital	-	-	-	-	(37,023)	(69,523)	-
Equipment Fund	-	-	-	-	-	-	(200,000)
Public Emp Retirement System	-	-	-	-	-	(50,000)	(50,000)
GASB 45 Retiree Benefits	-	-	-	-	-	(50,000)	(50,000)
Community Development Fund	-	-	-	53,455	56,000	81,000	49,000
Debt Service Fund	(249,471)	-	(510,990)	(699,483)	(477,165)	(433,791)	(29,188)
Net All Transfers	975,105	(225,442)	(282,832)	(724,381)	(450,555)	(297,640)	(55,618)
Net Fund Surplus or (Deficit)	(321,412)	(456,219)	(916,093)	629,254	514,052	732,909	630,600
Beginning Fund Balance	1,710,630	1,389,218	932,999	16,911	586,147	646,165	1,379,074
Ending Fund Balance	1,389,218	932,999	16,905	646,165	1,100,199	1,379,074	2,009,674

Fund Balance Allocation to Reserves							
Emergencies and General Contingency - Policy of 30% of Operations	701,681	670,238	(88,095)	541,165	995,199	1,274,074	1,904,674
General Contingency	582,537	157,760	-	-	-	-	-
PERS Increase in Rates	-	-	-	-	-	-	-
GASB 45 Regulations for Retiree General Liability Claims	105,000	105,000	105,000	105,000	105,000	105,000	105,000
Total Reserves	1,389,218	932,999	16,905	646,165	1,100,199	1,379,074	2,009,674

Emergency & Contingency Reserves As A Percent of Operating Expenditures	0%	0%	-1.2%	8.7%	15.7%	19.6%	25.8%
All Reserves As A Percent of Operating Expenditures	20%	14%	0.2%	10.4%	17.4%	21.3%	27.3%

General Fund

Department and Program Summaries

Program #	Department and Program	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	Adopted Budget FY 12-13	Revised Budget FY 12-13	Proposed Budget FY 13-14
SUPPORT SERVICES								
4114	City Manager	183,868	157,258	124,464	116,542	146,575	145,287	155,959
4176	Economic Vitality	314,293	338,851	326,544	320,889	270,837	270,837	320,162
4113	Legal Services	142,675	39,593	174,498	204,581	120,000	220,000	220,000
4108	Finance	279,372	240,995	220,498	219,363	218,240	216,301	227,345
4170	Risk Management	319,369	327,371	539,433	292,374	365,147	365,147	356,163
4172	Personnel	63,628	59,356	106,386	127,181	125,226	110,226	159,325
4119	Non-Departmental	110,153	106,017	165,886	128,392	188,431	177,978	187,324
Total		1,413,358	1,269,440	1,657,708	1,409,322	1,434,456	1,505,776	1,626,278
Year over Year Change		2%	-10%	31%	-15%	1.8%	6.8%	8.0%
CITY COUNCIL & CITY CLERK								
4110	City Council	59,033	40,616	57,695	46,636	49,972	49,972	44,803
4111	City Clerk	91,701	97,420	99,077	94,664	107,738	106,792	117,699
4133	Elections	17,139	9,886	14,816	6,238	7,400	16,400	-
Total		167,873	147,922	171,588	147,538	165,110	173,164	162,502
Year over Year Change		4%	-12%	16%	-14%	11.9%	17.4%	-6.2%
FIRE SERVICES								
4117	Fire Services	776,844	803,942	753,329	750,135	759,351	797,315	819,203
Total		776,844	803,942	753,329	750,135	759,351	797,315	819,203
Year over Year Change		14%	3%	-6%	0%	1.2%	6.3%	2.7%
PLANNING & BUILDING								
4109	Planning Commission	6,341	6,619	3,725	6,821	6,775	6,775	6,825
4120	Active Transp. Advisory Committee	223	378	0	-	1,200	1,200	300
4177	Building & Fire Code Board of Appeals	-	177	-	-	100	100	290
4115	Planning	396,738	370,979	375,913	242,524	266,365	264,026	270,960
4125	Building Inspection Services	290,940	271,561	222,562	145,864	163,268	161,834	617,973
Total		694,242	649,714	602,201	395,209	437,708	433,935	896,348
Year over Year Change		15%	-6%	-7%	-34%	10.8%	9.8%	106.6%
POLICE SERVICES								
4116	Police Services	1,712,006	1,746,160	1,767,130	1,661,564	1,698,097	1,665,173	1,797,683
4129	Police Dispatch	489,128	455,006	464,148	433,499	443,349	522,849	510,659
4138	Emergency Services	72,466	16,852	17,942	16,357	-	-	-
Total		2,273,600	2,218,018	2,249,220	2,111,420	2,141,446	2,188,022	2,308,342
Year over Year Change		4%	-2%	1%	-6%	1.4%	3.6%	5.5%
PUBLIC WORKS								
4121	Public Works Administration	137,129	126,542	102,541	113,297	111,533	110,555	122,634
4122	Streets	296,725	267,098	334,824	213,667	227,846	225,844	273,854
4123	Park Maintenance	211,776	195,489	183,916	176,521	187,045	187,045	203,021
4126	Pool Maintenance	62,785	67,060	107,193	115,624	126,218	126,218	134,283
4124	Maintenance Shop	28,605	25,475	24,646	23,658	23,289	23,289	25,937
4127	Building Maintenance	288,237	207,577	209,541	207,617	197,838	197,838	219,625
Total		1,025,257	889,242	962,661	850,384	873,769	870,789	979,354
Year over Year Change		3%	-13%	8%	-12%	2.7%	2.4%	12.5%

General Fund
Department and Program Summaries

Program #	Department and Program	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	Adopted Budget FY 12-13	Revised Budget FY 12-13	Proposed Budget FY 13-14
RECREATION SERVICES								
4150	Community Res. Commission	44	8	4,429	1	-	-	-
4152	Recreation Programs	332,508	277,084	335,017	129,384	114,851	113,803	120,236
4153	Education/Recreation Courses	43,916	61,943	85,315	63,997	57,308	57,308	59,404
4154	Senior Activities	16,630	10,971	14,170	22,099	34,117	34,117	30,921
4156	Aquatic Services	92,270	209,765	181,041	155,102	161,857	161,857	193,407
4107	Community Promotions	36,143	30,738	22,200	19,750	15,000	15,000	44,333
4155	Community Activities	39,167	27,647	51,978	28,729	28,100	28,100	24,009
4174	Library Services	77,222	74,294	72,846	74,441	74,809	74,809	75,000
4173	Sharpsteen Museum	18,222	16,365	18,010	17,993	24,442	24,442	25,081
4405	Transit - Shuttle	9,514	15,293	17,771	9,738	10,000	10,000	10,500
Total		665,636	724,108	802,776	521,234	520,484	519,436	582,891
Year over Year Change		29%	9%	11%	-35%	-0.1%	-0.3%	12.2%
Total Operations		7,016,810	6,702,384	7,199,481	6,185,242	6,332,324	6,488,437	7,374,918
		8%	-4%	7%	-14%	2.4%	4.9%	13.7%
Equipment Replacement				-	-			
Special Projects								
4402	Urban Design Plan	(754)	3,121	25	3,963	-	-	-
4670	Housing Element	-	5,117	415	-	-	-	-
4604	Busk Abatement 2007	154,434	6,380	-	-	-	-	-
4605	Karpak Abatement 2008	12,556	-	-	-	-	-	-
4606	Community Enhancement and Beautification	19,451	716	-	-	-	-	-
4607	Services and Development Impact Fee Updates	-	-	3,070	-	56,000	56,000	49,000
4608	Green Initiatives	866	1,011	2,290	-	-	-	100
Total Special Projects		186,553	16,345	5,800	3,963	56,000	56,000	49,100
Capital Improvements								
	Streets	61,331	6,770	600,000	-	-	-	215,000
	Parks	-	-	-	-	-	-	30,000
	Buildings & Facilities	3,726,197	1,057,445	875,504	82,396	100,000	100,000	75,540
	Other	24,155	23,540	43,130	13,412	6,000	6,000	60,000
Total Capital Improvements		3,811,683	1,087,755	1,518,633	95,808	106,000	106,000	380,540
Total General Fund Appropriations		11,015,046	7,806,484	8,723,915	6,285,013	6,494,324	6,650,437	7,804,558

General Fund
Department and Program Summaries

Program #	Department and Program	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	Adopted Budget FY 12-13	Revised Budget FY 12-13	Proposed Budget FY 13-14
Debt Service								
4430	Debt Service Payments	125,000	125,000	39,930	1,452,943	-	-	-
Total Debt Service		125,000	125,000	39,930	1,452,943	-	-	-
Other Uses								
Transfers Out								
	Water & WWTP Operations	-	897,107	397,408	-	209,990	100,320	-
	Debt Service	249,471	-	510,990	681,946	477,165	433,791	29,188
	Water Operations	-	-	462,400	-	-	-	-
	Employee Benefits	-	-	-	-	-	-	100,000
	Equipment Fund	-	-	-	-	-	-	200,000
	MTC Grant Funds	-	-	-	-	-	-	4,000
	Police Grants	-	-	-	19,245	-	-	-
Total Other		249,471	897,107	1,370,798	701,191	687,155	534,111	333,188
Total General Fund Uses		11,389,517	8,828,591	10,134,643	8,439,147	7,181,479	7,184,548	8,137,746

**General Fund
CIP Project Summary**

Project #	Description	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	Adopted Budget FY 12-13	Revised Budget FY 12-13	Proposed Budget FY 13-14
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Streets

5402	Pavement Maintenance	49,311	6,770	-	-	-	-	-
5519	Logvy Storm Drain Outfall	-	-	-	-	-	-	15,000
5508	24" Storm Drain Culvert Repair	12,020	-	-	-	-	-	-
5520	Culvert Repair Grant Street	-	-	-	-	-	-	175,000
5326	GIS Survey	-	-	-	-	-	-	25,000
5453	SE Storm Drainage	-	-	600,000	-	-	-	-
SUBTOTAL STREETS		61,331	6,770	600,000	-	-	-	215,000

Parks

5178	Tennis Court Improvements	-	-	-	-	-	-	10,000
5463	Bank Stabilization - Pioneer Park	-	-	-	-	-	-	20,000
SUBTOTAL PARKS		-	-	-	-	-	-	30,000

Buildings & Facilities

5408	Public Works Facility	10,727	-	-	-	-	-	-
5503	Monhoff Facility Improvements	-	75,028	-	-	-	-	-
5159	Teen/Art Center	251,005	4,207	-	-	-	-	-
5409	Fire House Seismic Renovation & Rehabilitation	80,908	863,593	759,674	-	-	-	-
5451	Community Pool Facility	3,364,346	110,374	88,623	82,396	100,000	100,000	21,500
5469	Facility Improvements Community Center	-	-	-	-	-	-	15,500
5501	Facility Improvements City Hall	5,602	4,243	27,207	-	-	-	-
5507	Facility Improvements - Police	13,032	-	-	-	-	-	38,540
5506	Facility Improvements - Planning	577	-	-	-	-	-	-
SUBTOTAL BUILDINGS & FACILITIES		3,726,197	1,057,445	875,504	82,396	100,000	100,000	75,540

Other Improvements

5187	Soils Remediation	13,967	14,837	16,245	13,412	6,000	6,000	60,000
5504	Bicycle Transportation Plan Implementation	1,350	8,703	6,650	-	-	-	-
5502	Access Facility & Sidewalk Improvements	8,838	-	20,235	-	-	-	-
SUBTOTAL OTHER		24,155	23,540	43,130	13,412	6,000	6,000	60,000

Total All General Fund Projects		3,811,683	1,087,755	1,518,633	95,808	106,000	106,000	380,540
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<p style="text-align: center;">City Manager's Office City Council and City Clerk</p>

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 13-14 are included in the FY 13-14 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. The activities of the City Clerk include many tasks including processing updates to the municipal code, preparing the agenda packets, posting of legal notices and meetings, responding to public records requests and ensuring compliance with FPPC filing requirements.

MAJOR DEPARTMENT TASKS COMPLETED FISCAL YEAR 2012-13

- Attended 28 City Council meetings and recorded the official proceedings;
- Processed approximately 70 requests for public records;
- Provided 44 official notifications for City Council public hearings items;
- Held one general election and one special election, including two ballot measures

City Manager's Office City Council and City Clerk
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City Clerk (continued)**MAJOR DEPARTMENTAL GOALS FOR FISCAL YEAR 2013-14**

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

* A City Council Objective or Priority Project.

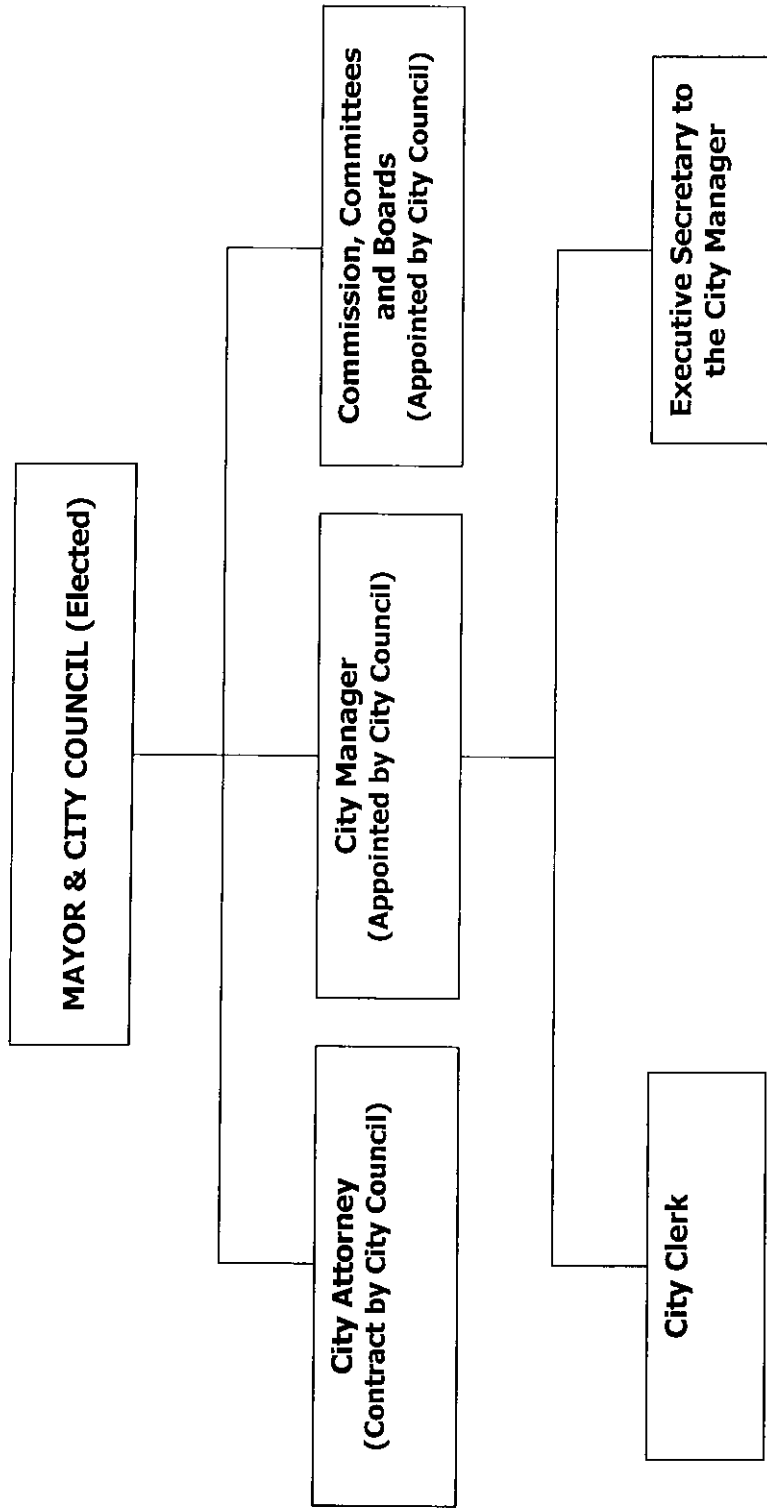
City Manager**MAJOR DEPARTMENT TASKS COMPLETED FISCAL YEAR 2012-13**

- Initiated and completed three labor negotiations
- Coordinated adoption of FY 2013-14 operations and capital budgets
- Initiated, completed or continued negotiations on development agreements with five potential commercial developers
- As Acting City Clerk oversaw two elections and ballot initiatives

MAJOR DEPARTMENTAL GOALS FOR FISCAL YEAR 2013-14

- Update personnel rules and regulations manual
- 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*
- Prepare updates to Water and Wastewater Rates for adoption*

* A City Council Objective or Priority Project.



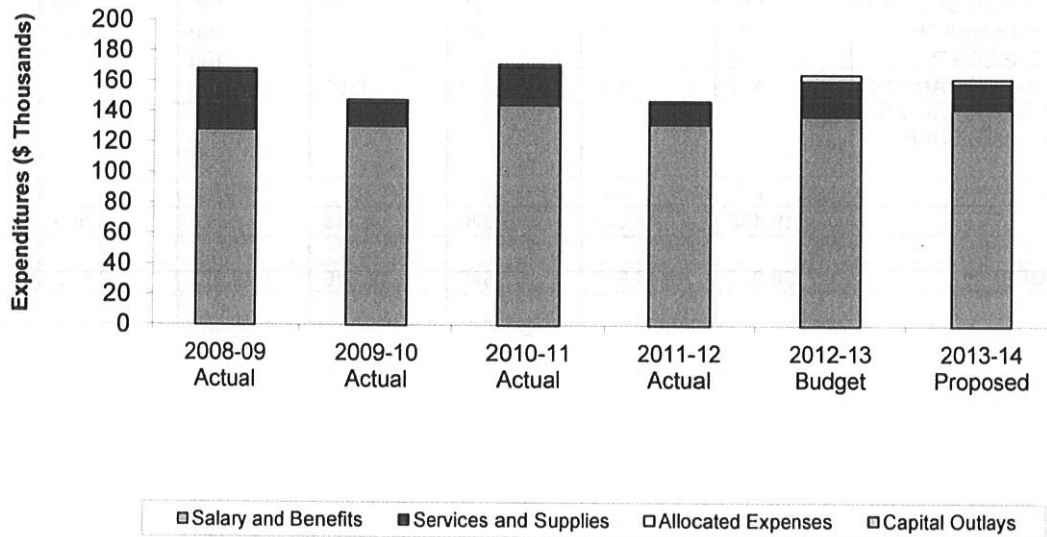
**City of Calistoga Administration Organizational Chart
FY 2013-2014**

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City Council
Expenditure Summary

EXPENDITURES BY CATEGORY	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-14 Proposed
Salary and Benefits	128,273	130,944	144,908	132,456	137,897	142,919
Services and Supplies	38,050	15,328	25,030	13,964	23,100	16,600
Allocated Expenses	1,550	1,650	1,650	1,118	4,113	2,983
Capital Outlays	-	-	-	-	-	-
TOTAL	167,873	147,922	171,588	147,538	165,110	162,502

City Council
Trend in Expenditures (\$ Thousands)



Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget	Proposed Budget
FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 12-13	FY 13-14

Department: City Council
 Program: City Council
 Account Code: 01-4110

PERSONNEL SERVICES								
4303	FICA/MEDICARE	918	918	1,130	867	924	924	918
4308	ELECTED PART TIME SALARIES	12,000	12,000	12,100	12,000	12,000	12,000	12,000
4311	MEDICAL/DENTAL	26,700	21,813	37,826	29,172	32,260	32,260	26,936
4312	WORKERS COMP	85	118	123	106	688	688	649
4313	OTHER BENEFITS	195	187	197	195	100	100	100
SUBTOTAL		39,898	35,037	51,375	42,340	45,972	45,972	40,603
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	208	253	174	218	300	300	400
4402	CONTRACT SERVICES	6,849	40					
4410	ADVERTISING	2,317	2,392	2,002	1,028	500	500	600
4663	MAYOR GINGLES	5,513	1,837	2,306	3,370	2,800	2,800	
4671	COUNCILMEMBER SLUSSER	2,050	75	85	40	100	100	
4665	VICE MAYOR DUNSFORD	40	50	40	-	100	100	640
4666	COUNCILMEMBER KRAUS	66				100	100	640
4667	CNCLMBR/MAYOR CANNING	120	170	1,714	(360)	100	100	640
4673	COUNCILMEMBER BARNES							640
	COUNCILMEMBER LOPEZ-ORTEGA							640
4668								640
4808	PROMOTION	1,972	762	-	-	-	-	-
SUBTOTAL		19,135	5,579	6,320	4,296	4,000	4,000	4,200
TOTAL PROGRAM BUDGET		59,033	40,616	57,695	46,636	49,972	49,972	44,803

Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	Adopted Budget FY 12-13	Revised Budget FY 12-13	Proposed Budget FY 13-14
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Department: City Clerk
 Program: City Clerk
 Account Code: 01-4111

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	49,877	57,432	53,642	58,186	56,501	56,501	64,470
4303	FICA/MEDICARE	3,650	4,179	3,987	4,352	4,498	4,498	5,103
4305	INCENTIVE PAY	-	60	-	-	1,919	1,919	2,232
4310	PERS	14,447	14,667	13,696	11,498	11,890	11,890	14,400
4311	MEDICAL/DENTAL	9,534	9,075	12,463	8,790	13,459	13,459	12,191
4312	WORKERS COMP	460	629	643	1,523	3,347	3,347	3,609
4313	OTHER BENEFITS	225	249	250	139	311	311	311
SUBTOTAL		78,193	86,291	84,681	84,488	91,925	91,925	102,316
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	2,742	3,202	5,034	2,099	2,900	2,900	2,900
4402	CONTRACT SERVICES	3,934	3,963	6,164	3,896	5,200	5,200	4,400
4405	TRAINING & MEETINGS	138	354	30	177	1,000	1,000	1,500
4410	ADVERTISING	-	-	-	911	-	-	1,000
4415	POSTAGE & REPRODUCTION	1,016	438	908	615	900	900	900
4429	PHONE	1,381	994	-	-	-	-	-
4430	DUES & SUBSCRIPTIONS	315	347	291	285	200	200	200
4650	TRAINING & MEETINGS	2,432	181	319	1,075	1,500	1,500	1,500
4510	EQUIPMENT FUND RENTAL	1,550	1,650	1,650	1,118	4,113	3,167	2,983
SUBTOTAL		13,508	11,129	14,396	10,176	15,813	14,867	15,383
TOTAL PROGRAM BUDGET		91,701	97,420	99,077	94,664	107,738	106,792	117,699

Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget	Proposed Budget
FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 12-13	FY 13-14

Department: City Clerk
 Program: Elections
 Account Code: 01-4133

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	6,650	6,450	5,535	3,888	-	-	-
4303	FICA/MEDICARE	487	474	404	288	-	-	-
4310	PERS	1,693	1,650	1,396	721	-	-	-
4311	MEDICAL/DENTAL	1,271	948	1,428	676	-	-	-
4312	WORKERS COMP	51	66	64	55	-	-	-
4313	OTHER BENEFITS	30	29	25	-	-	-	-
SUBTOTAL		10,182	9,616	8,852	5,628	0	0	0
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	153	163	55	115	100	100	-
4402	CONTRACT SERVICES	6,804		5,909	495	7,000	16,000	-
4410	ADVERTISING		107	-	-	100	100	-
4650	TRAINING & MEETINGS			-	-	200	200	-
SUBTOTAL		6,957	270	5,964	610	7,400	16,400	0
TOTAL PROGRAM BUDGET		17,139	9,886	14,816	6,238	7,400	16,400	-

City Manager's Office 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 ensure 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.

Finance Department

The Finance 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.

City Manager's Office Support Services

- **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. The Finance Department 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. The Finance Department 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 the Finance Department.
- **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.

City Manager's Office Support Services

Finance Department Staffing

The Finance department 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/Account Clerk. 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 Finance Department relies on outside professionals to provide on going and one time services. The following lists 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

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.

Human Resources

The City Manager is the Human Resources 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 Finance Department also provides support for personnel services, labor negotiations and periodic medical coverage, and other labor related issues.

City Manager's Office Support Services

Support Services Staffing

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

MAJOR DEPARTMENT TASKS COMPLETED FISCAL YEAR 2012-13

- Reduction of City operating costs.
- Implemented revised salary ranges
- Successful recruitment of a Planning Director, Chief of Police and Executive Secretary to the City Manager
- Completed the Request for Proposal for Auditing Services and selected R.J. Ricciardi Inc., as the auditors.
- Completed year-end closing and the preparation of Calistoga's Comprehensive Annual Financial Report (CAFR) for June 30, 2012
- Adopted a fiscal year budget with conservation assumptions and with the enhancement of reserve funds *

MAJOR DEPARTMENTAL GOALS FOR FISCAL YEAR 2013-14

- 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*
- Review and make recommendations relating to water and wastewater rates;
- 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, 2013
- Develop a Request for Proposal for OPEB Services
- 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;
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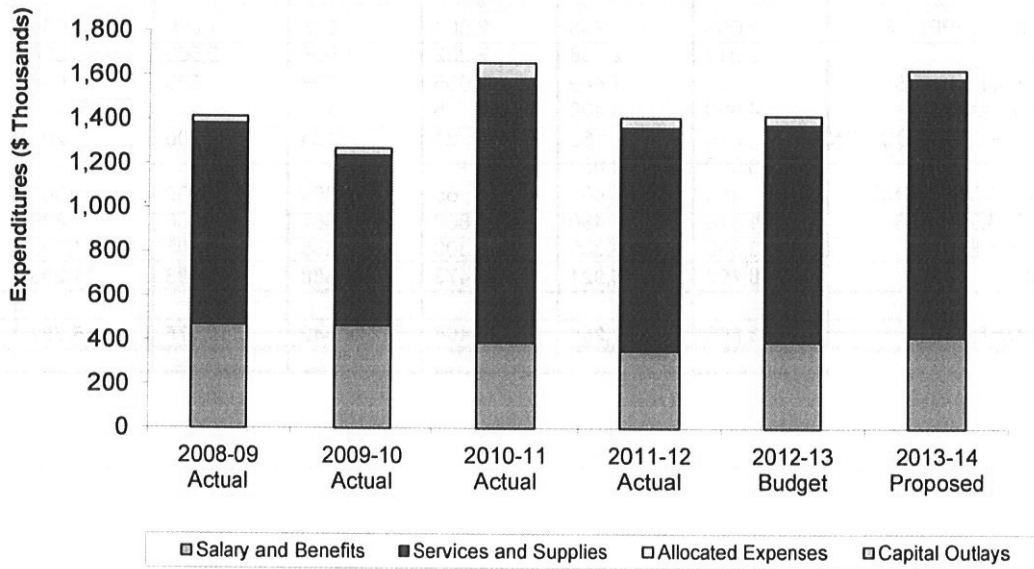
* A City Council Objective or Priority Project.

Administrative Support Services

Expenditure Summary

EXPENDITURES BY CATEGORY	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-14 Proposed
Salary and Benefits	470,039	466,211	389,662	352,612	393,863	415,174
Services and Supplies	912,519	770,430	1,196,917	1,010,259	982,207	1,172,260
Allocated Expenses	30,800	32,800	71,130	46,451	43,386	38,844
Capital Outlays	-	-	-	-	-	-
TOTAL	1,413,358	1,269,441	1,657,709	1,409,322	1,419,456	1,626,278

**Administrative Support Services
Trend in Expenditures (\$ Thousands)**



Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget	Proposed Budget
FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 12-13	FY 13-14

Department: Support Services

Program: City Manager

Account Code: 01-4114

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	113,065	107,215	78,433	77,067	89,666	89,666	96,960
4303	FICA/MEDICARE	7,440	6,211	6,419	5,012	7,023	7,023	7,601
4305	INCENTIVE PAY	3,300	30	1,950	2,100	1,543	1,543	1,677
4308	PART TIME SALARIES	2,096	512	1,848	-	-	-	-
4310	PERS	26,851	17,066	12,804	17,871	18,563	18,563	21,449
4311	MEDICAL/DENTAL	9,674	5,851	3,423	3,285	10,889	8,089	9,382
4312	WORKERS COMP	1,618	2,207	2,251	2,101	5,226	5,226	5,375
4313	OTHER BENEFITS	1,062	2,244	863	238	369	369	369
4314	SHARE THE SAVINGS	-	-	-	1,500	800	3,600	720
SUBTOTAL		165,106	141,337	107,991	109,174	134,079	134,079	143,533
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	2,098	758	2,004	316	1,000	1,000	2,000
4403	UTILITIES	2,913	2,856	2,262	1,909	2,500	2,500	2,500
4405	TRAINING & MEETINGS	112	1,440	7,005	208	500	500	750
4406	AUTO ALLOWANCE	4,800	4,400	5	-	-	-	-
4415	POSTAGE & REPRODUCTION	616	163	31	134	200	200	300
4429	PHONE	3,060	2,059	-	-	-	-	-
4430	DUES & SUBSCRIPTIONS	485	465	65	899	900	900	900
4650	TRAINING & MEETINGS	1,378	480	1,800	1,667	1,800	1,800	2,000
4510	EQUIP FUND RENTAL	3,300	3,300	3,300	2,235	5,596	4,308	3,976
SUBTOTAL		18,762	15,921	16,473	7,368	12,496	11,208	12,426
TOTAL PROGRAM BUDGET		183,868	157,258	124,464	116,542	146,575	145,287	155,959

Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	Adopted Budget FY 12-13	Revised Budget FY 12-13	Proposed Budget FY 13-14
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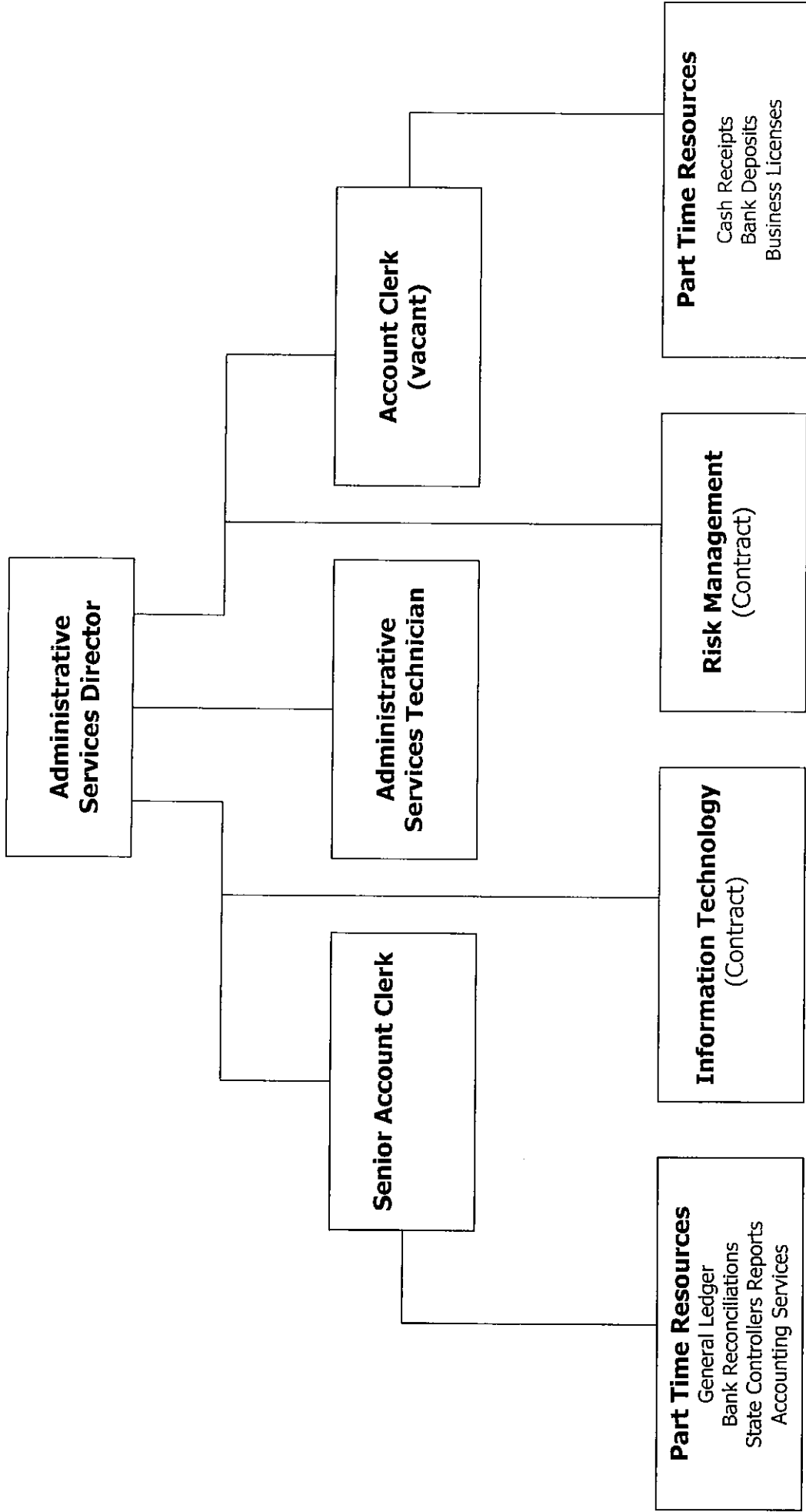
Department: Support Services
 Program: Legal Services
 Account Code: 01-4113

SERVICES & SUPPLIES								
4402	City Attorney	142,675	39,593	174,346	204,581	100,000	200,000	200,000
	Special Legal Counsel &							
4410	Litigation			152	-	20,000	20,000	20,000
SUBTOTAL		142,675	39,593	174,498	204,581	120,000	220,000	220,000
TOTAL PROGRAM BUDGET		142,675	39,593	174,498	204,581	120,000	220,000	220,000

Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	Adopted Budget FY 12-13	Revised Budget FY 12-13	Proposed Budget FY 13-14
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Department: Support Services
 Program: Economic Vitality
 Account Code: 01-4176

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	15,427	23,451	15,775	14,107	13,775	13,775	14,500
4303	FICA/MEDICARE	869	1,300	1,179	865	1,075	1,075	1,137
4305	INCENTIVE PAY	-	-	-	-	180	180	360
4310	PERS	3,911	3,572	2,046	3,363	2,840	2,840	3,208
4311	MEDICAL/DENTAL	1,681	981	59	118	124	124	110
4312	WORKERS COMP	341	450	464	399	800	800	804
4313	OTHER BENEFITS	64	59	22	37	43	43	43
SUBTOTAL		22,293	29,814	19,544	18,889	18,837	18,837	20,162
SERVICES & SUPPLIES								
4402	Calistoga Chamber of Commerce - Visitors Bureau	292,000	309,037	307,000	302,000	252,000	252,000	300,000
SUBTOTAL		292,000	309,037	307,000	302,000	252,000	252,000	300,000
TOTAL PROGRAM BUDGET		314,293	338,851	326,544	320,889	270,837	270,837	320,162



**City of Calistoga Finance Department Staffing Chart
FY 2013/2014**

Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget	Proposed Budget
FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 12-13	FY 13-14

Department: Support Services - Finance Department

Program: Finance

Account Code: 01-4108

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	144,036	141,219	115,520	107,975	112,200	112,200	110,876
4302	OVERTIME			350	-		-	-
4303	FICA/MEDICARE	9,189	10,644	9,296	8,523	9,194	9,194	9,475
4305	INCENTIVE PAY	-	30	-	-	-	-	2,660
4308	PART TIME SALARIES	1,024	1,366	7,384	6,558	7,200	7,200	10,314
4310	PERS	34,055	35,377	28,733	21,441	22,835	22,835	26,737
4311	MEDICAL/DENTAL	23,007	16,754	21,763	14,682	13,829	13,829	11,359
4312	WORKERS COMP	1,840	2,593	2,718	2,341	6,842	6,842	6,700
4313	OTHER BENEFITS	668	602	455	378	484	484	484
SUBTOTAL		213,819	208,584	186,219	161,898	172,584	172,584	178,605
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	2,957	4,016	3,047	3,557	2,210	2,210	4,660
4402	CONTRACT SERVICES							
	Accounting Services	46,765	14,969	8,500	14,449	14,174	14,174	17,050
	Business License System			2,800	2,858	3,000	3,000	3,000
	Revenue Enhancement							
	Program			8,330	26,399	11,000	11,000	11,000
4403	UTILITIES	3,055	3,059	2,103	2,078	2,100	2,100	2,100
4405	TRAINING & MEETINGS	988	145	32	103	100	100	925
4415	POSTAGE & REPRODUCTION	3,269	2,743	3,372	4,001	4,300	4,300	3,900
4429	PHONE	2,134	1,509	-	-	-	-	-
4430	DUES & SUBSCRIPTIONS	445	195	573	118	345	345	360
4456	BAD DEBT EXPENSE				175			
4650	TRAINING & MEETINGS	440	275	21	-	-	-	-
4510	EQUIPMENT FUND RENTAL	5,500	5,500	5,500	3,726	8,427	6,488	5,745
SUBTOTAL		65,553	32,411	34,279	57,465	45,656	43,717	48,740
TOTAL PROGRAM BUDGET		279,372	240,995	220,498	219,363	218,240	216,301	227,345

Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget	Proposed Budget
FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 12-13	FY 13-14

Department: Support Services
 Program: Non Departmental
 Account Code: 01-4119

SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	9,283	6,145	4,682	2,661	2,500	2,500	2,846
4402	CONTRACT SERVICES	33,457						
	NCTPA Support		28,408	4,482	6,460	6,500	6,500	6,500
	LAFCO Support			10,645	11,393	12,000	12,000	12,450
	Napa Cty - PropTax Collection			19,500	22,047	22,000	22,000	22,000
	Other			682	10,000	5,000	5,000	5,000
4405	TRAINING & MEETINGS	350			154			
4414	AUDITING SERVICES	22,600	25,200	28,650	21,250	29,100	29,100	28,100
4415	POSTAGE & REPRODUCTION	1,248	759	838	895	2,552	2,552	2,452
4417	FUEL & OIL	992	926	873	1,644	2,300	2,300	2,000
4430	DUES & SUBSCRIPTIONS	10,013	5,733	7,307	5,601	5,618	5,618	5,553
4431	FEES			1,895	2,555	2,940	2,940	2,800
4432	LEASE PAYMENTS	2,052	3,456	-	-	-	-	-
4466	STAFF CELEBRATION	7,357	8,742	3,679	1,488	3,558	3,558	3,500
4499	CONTINGENCY	801	2,648	20,322	1,754	15,000	6,000	15,000
4501	SEPARATION EXPENSES			-	-	50,000	50,000	50,000
4510	EQUIP. FUND RENTAL	22,000	24,000	62,330	40,490	29,363	27,910	29,123
	SUBTOTAL	110,153	106,017	165,886	128,392	188,431	177,978	187,324
	TOTAL PROGRAM BUDGET	110,153	106,017	165,886	128,392	188,431	177,978	187,324

Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget	Proposed Budget
FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 12-13	FY 13-14

Department: Support Services
 Program: Risk Management
 Account Code: 01-4170

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	32,147	36,597	29,051	25,238	23,991	23,991	25,142
4303	FICA/MEDICARE	1,976	2,284	2,172	1,708	1,861	1,861	1,992
4305	INCENTIVE PAY	-	-	-	-	180	180	892
4310	PERS	7,426	6,923	5,435	5,210	4,919	4,919	5,620
4311	MEDICAL/DENTAL	3,616	2,509	2,628	1,075	890	890	922
4312	WORKERS COMP	613	875	926	797	1,385	1,385	1,408
4313	OTHER BENEFITS	134	109	68	58	79	79	79
SUBTOTAL		45,912	49,297	40,280	34,086	33,305	33,305	36,055
SERVICES & SUPPLIES								
4402	CONTRACT SERVICES							
	Legal Services - Claims Mgmt	8,077	-	-	-	-	-	-
	Other	-	-	-	4,500	1,500	1,500	1,500
4405	TRAINING & MEETINGS	10	-	-	-	-	-	-
4411	INSURANCE DEPOSITS & PREMIUMS							
	Liability Deposit	197,337	276,527	207,063	180,278	170,278	170,278	160,000
	Property Deposit	-	-	24,366	30,076	30,076	30,076	32,000
	Volunteer Insurance	-	-	2,209	-	700	700	700
	Public Employee Bond	-	-	963	908	908	908	908
	Workers Comp Adjustment	-	-	27,740	41,450	53,380	53,380	50,000
4435	CLAIMS RESERVE/PAYMENTS	68,033	1,547	236,813	1,077	75,000	75,000	75,000
SUBTOTAL		273,457	278,074	499,153	258,288	331,842	331,842	320,108
TOTAL PROGRAM BUDGET		319,369	327,371	539,433	292,374	365,147	365,147	356,163

Actual	Actual	Actual	Actual	Adopted	Revised	Proposed
FY 08-09	FY 09-10	FY 10-11	FY 11-12	Budget	Budget	Budget
				FY 12-13	FY 12-13	FY 13-14

Department: Support Services
 Program: Personnel
 Account Code: 01-4172

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	15,427	28,250	26,643	20,130	22,833	22,833	24,414
4303	FICA/MEDICARE	869	1,634	2,008	1,320	1,772	1,772	1,895
4305	INCENTIVE PAY	-	30	-	-	180	180	360
4308	PART TIME SALARIES	-	-	126	-	-	-	-
4310	PERS	4,493	4,718	4,734	4,925	4,684	4,684	5,348
4311	MEDICAL/DENTAL	1,681	1,961	1,526	1,371	4,171	4,171	3,363
4312	WORKERS COMP	375	510	519	447	1,319	1,319	1,340
4313	OTHER BENEFITS	64	76	73	372	99	99	99
SUBTOTAL		22,909	37,179	35,628	28,565	35,058	35,058	36,819
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES			187	22	200	200	200
4402	CONTRACT SERVICES							
	Personnel Services	32,589	13,727	49,330	85,773	21,140	21,140	21,000
	Pre-Employment Check							
	& Testing			7,160		2,713	2,713	4,706
	Preventative Medical			950		16,462	16,462	10,000
	CalPERS Medical			4,585		4,192	4,192	5,500
	Other (Unemployment claims)			1,940		33,000	18,000	10,000
	Classification & Comp Study							50,000
4405	TRAINING & MEETINGS	210		208	100	1,000	1,000	1,000
4410	ADVERTISING	2,314	2,539	204	3,301	3,000	3,000	3,000
4415	POSTAGE & REPRODUCTION		6	-	-	100	100	100
4424	HEALTH	5,606	5,905	6,194	9,389	8,361	8,361	17,000
4466	CELEBRATION				31	-	-	-
SUBTOTAL		40,719	22,177	70,758	98,616	90,168	75,168	122,506
TOTAL PROGRAM BUDGET		63,628	59,356	106,386	127,181	125,226	110,226	159,325

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Fire Department Fire Services
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The mission of the Calistoga Fire Department is to provide those services to the residents, businesses, and visitors of greater Calistoga, which protects their lives, property and environment from fires, medical emergencies, hazardous materials incidents and disasters.

We accomplish this mission by providing services in two ways:

- I. Proactively
 - Public Education
 - Building Inspections
 - Weed Abatement
 - Plan Checking
 - Pre-Incident Planning
 - Burn Permits
 - Insurance Rating Requests
 - Firefighter Training and Preparedness

- II. Reactively
 - Fire Suppression
 - Emergency Medical Response (EMT 1 D Scope of Practice)
 - Public Service (Wires Down, Lockouts, Standby)
 - Hazardous Materials Release Response
 - Fire Investigations
 - Responses Outside the City Limits (Contract, Automatic Aid, Mutual Aid and Strike Teams)

The Fire Department is staffed with four (4) full-time employees (Fire Chief, three (3) Firefighters and twelve (12) part-time Firefighters. The full-time firefighters are paired up with 1 part-time firefighters working 48-hour shifts. The fire chief works a 40+-hour week and is on call for any emergency that may occur.

This schedule enhances service by reducing response times and greatly reducing overtime cost. The Department response times are outstanding, from 6:30am to 9:00pm response times are under 2 minutes and from 9:00pm to 6:30am response times are just over 2 minutes, for an average of 2:15. These response times are achieved by having the Department staffed 24 hours a day and by great teamwork from the Police Department.

Fire Department Fire Services
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The Fire Station is located at 1113 Washington Street. All Fire Department operations are based at the Fire Station. The Fire Station houses the Department's in-service equipment, which includes: 2 Structure Fire Engines, 1 Wildland Fire Engine, 1 Water Tender, 1 Utility Truck and 1 Patrol Truck. The Department also has one staff vehicle used by the Fire Chief.

The Fire Department responded to 866 incidents during 2012. Of that number, 250, or approximately 28.0%, were for incidents outside the City limits. With respect to the remaining 616 incidents, approximately 68% were medical emergencies, 17% were fire related with the remaining 15% coming from public service activities. The two segments of our community which most impact the fire department with request for services are our senior citizens and tourism.

Funding for City related fire services is provided by the City General Fund.

The City has a current contract with Napa County that is set to expire on June 30, 2013, to provide emergency response services to all incidents in the county area surrounding Calistoga. Under the contract, the City will receive \$822 per call for these services which will be approximately \$205,500. We are currently working with the County on a new contract that would begin on July 1, 2013.

In FY 2012-13, the City invoiced the Governors' Office of Emergency Services \$41,857 for reimbursement for services rendered during two Strike Team Assignments.

MAJOR DEPARTMENT TASKS COMPLETED FISCAL YEAR 2012-13

- Continued with fire prevention programs for children;
- Continued the Building Inspection Program utilizing the California fire code by inspection 100% of commercial buildings in the City;
- Provided CPR classes to the public;
- Improved medical aid response time;
- Improved response to fires and major incidents by continuing to recruit personnel to fill Part-time firefighter positions

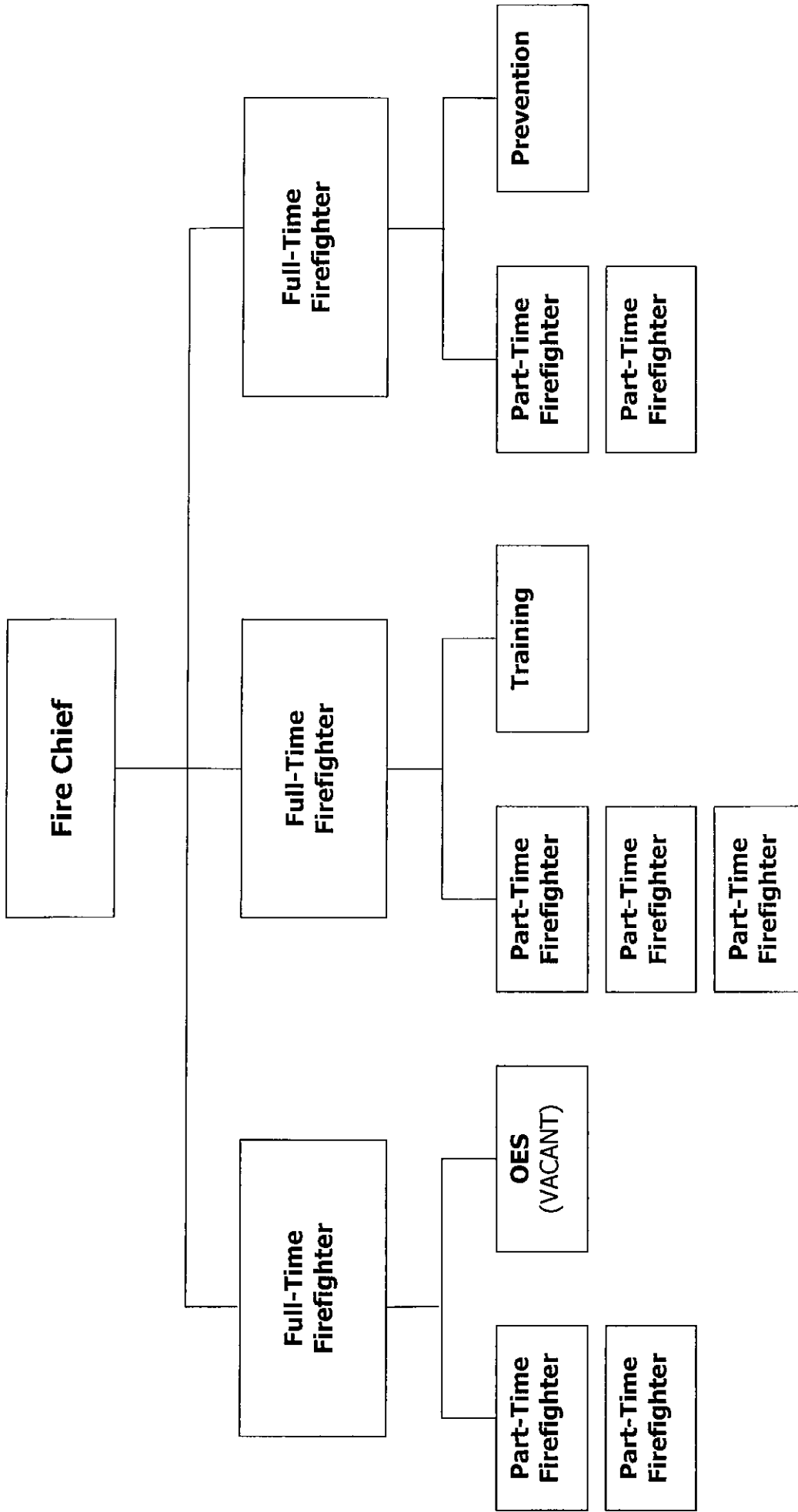
MAJOR DEPARTMENTAL GOALS FOR FISCAL YEAR 2013-14

1. Prevent fires, injuries, loss of live and property damage
 - Install and inspect smoke detectors in any home that makes a request;
 - Continue with fire prevention programs for children;
 - Continue the Building Inspection Program utilizing the California fire Code by inspecting 100% of commercial buildings in the City;

Fire Department Fire Services
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- Institute employee first responder fire training classes for local businesses by offering at least four such classes each year, and
 - Gain 100% compliance with weed abatement notices by June 1, 2012.
 - Utilize Napa County Fire Safe Communities Program to assist homeowners with Hazard Reduction for properties South of Foothill Blvd.
 - Offer CPR classes four times a year to the public.
 - Implement the new Lexipol Fire Policies Manual.
2. Emergency Response
- Improve medical aid response by ensuring a minimum of two, and ideally, three EMT personnel respond to each call;
 - Respond to 90% of all emergencies within the City in 4 minutes or less.
 - Improve firefighter safety by continuing to establish Standard Operating Procedures; and
 - Improve response to fires and major incidents by continuing to recruit personnel for the Part-time Firefighters.
3. Training
- Have all personnel trained to EMT 1 A standards or higher (when available).
 - Have all PCF personnel trained to FFTR 1 standards or higher.
 - 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.

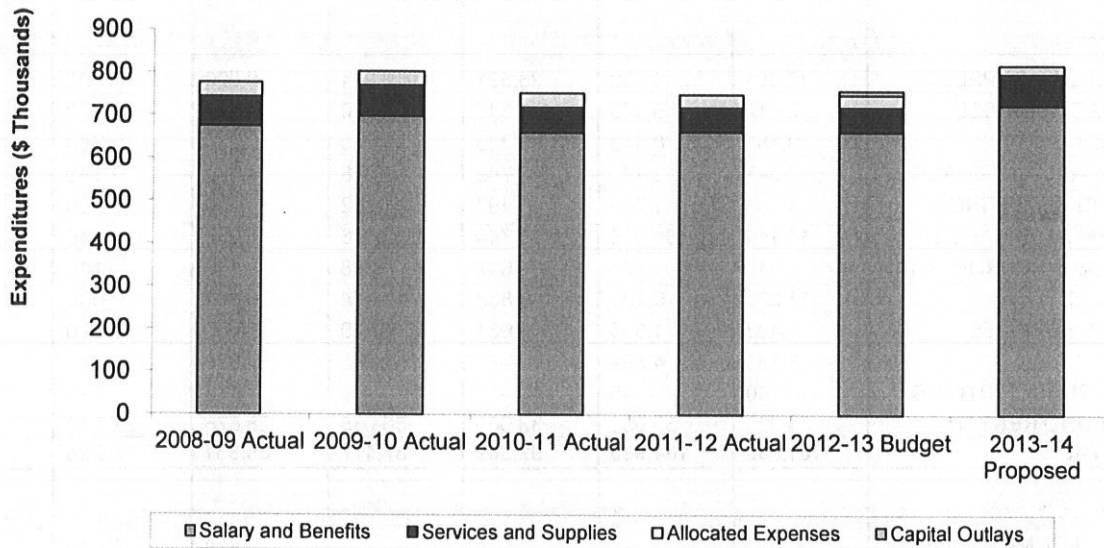


**City of Calistoga Fire Department Staffing Chart
FY 2013-2014**

Fire
Expenditure Summary

EXPENDITURES BY CATEGORY	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-14 Proposed
Salary and Benefits	675,542	698,953	660,959	662,958	663,484	725,463
Services and Supplies	68,302	71,989	59,369	57,142	57,705	73,980
Allocated Expenses	33,000	33,000	33,000	30,035	28,626	19,760
Capital Outlays	-	-	-	-	9,536	-
TOTAL	776,844	803,942	753,328	750,135	759,351	819,203

Fire
Trend in Expenditures (\$ Thousands)



**Fire Department acquired Emergency Services in FY 12-13

Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	Adopted Budget FY 12-13	Revised Budget FY 12-13	Proposed Budget FY 13-14
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Department: Fire Services

Program: Fire Operations

Account Code: 01-4117

PERSONNEL SERVICES

4301	FULL-TIME SALARIES	284,184	299,764	279,491	321,262	299,701	299,701	296,416
4302	OVERTIME	60,729	81,353	10,795	14,914	18,000	43,000	40,000
4303	FICA/MEDICARE	34,059	33,947	29,985	32,479	31,242	31,242	33,975
4308	PART TIME SALARIES	59,230	47,980	134,493	88,735	88,626	93,626	100,765
4309	SPECIAL PAY	39,535	38,428	6,850	7,139	14,344	14,344	30,434
4310	PERS	112,983	124,466	114,382	119,419	100,526	100,526	107,311
4311	MEDICAL/DENTAL	59,075	41,650	60,037	57,709	69,116	69,116	73,155
4312	WORKER'S COMP	22,912	27,912	23,053	19,851	23,249	23,249	24,027
4313	OTHER BENEFITS	2,835	3,454	1,874	1,450	1,520	1,520	1,481
SUBTOTAL		675,542	698,953	660,959	662,958	646,324	676,324	707,564

SERVICES & SUPPLIES

4401	MATERIALS & SUPPLIES	12,051	4,592	23,591	9,974	8,500	8,500	8,500
4402	CONTRACT SERVICES	2,912	5,105	5,346	4,520	4,570	7,570	9,320
4403	UTILITIES	10,181	8,448	8,335	11,249	10,230	10,230	12,600
4404	REPAIRS & MAINTENANCE	3,545	2,180	3,749	5,578	4,690	9,190	4,950
4405	TRAINING & MEETINGS	4,131	1,703	193	1,132	1,500	1,500	2,250
4408	UNIFORM ALLOWANCE	14,144	34,195	5,744	12,338	6,950	6,950	8,800
4415	POSTAGE & REPRODUCTION	140	56	612	98	140	140	200
4417	FUEL & OIL	11,335	9,121	9,868	10,114	10,000	10,000	12,000
4420	MEDICAL SUPPLIES	1,403	1,955	1,931	2,139	3,000	3,000	3,000
4429	PHONE	8,360	4,594	-	-	7,950	-	-
4430	DUES & SUBSCRIPTIONS	100	40	-	-	175	175	175
4510	EQUIP FUND RENTAL	33,000	33,000	33,000	30,035	28,626	22,040	19,760
SUBTOTAL		101,302	104,989	92,369	87,177	86,331	79,295	81,555

Other

5512	ANGUS HI-COMBAT HOSE					9,536	9,536	-
SUBTOTAL		-	-	-	-	9,536	9,536	-

TOTAL PROGRAM BUDGET		776,844	803,942	753,329	750,135	742,191	765,155	789,119
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ESTIMATED PROGRAM REVENUES

3243	Fire Services Reimbursements	131,286	190,486	50,020	165,304	130,000	230,604	220,000
TOTAL PROGRAM REVENUES		131,286	190,486	50,020	165,304	130,000	230,604	220,000

Net Program Subsidy by General Fund		645,558	613,456	703,309	584,831	612,191	534,551	569,119
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Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	Adopted Budget FY 12-13	Revised Budget FY 12-13	Proposed Budget FY 13-14
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Department: ****Fire Services**
 Program: **Emergency Services**
 Account Code: **01-4138**

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	45,683	10,080	10,639	9,967	10,382	10,382	10,642
4302	OVERTIME	841			-	-	-	
4303	FICA/MEDICARE	3,603	793	828	800	799	799	824
4305	INCENTIVE PAY	-	-	-	-	-	-	135
4308	PART TIME SALARIES	2,252			-	-	-	-
4310	PERS	10,829	4,459	4,157	3,843	3,323	3,323	3,538
4311	MEDICAL/DENTAL	7,105	921	1,101	696	2,024	2,024	2,140
4312	WORKER'S COMP	1,056	-	1,183	1,019	595	595	583
4313	OTHER BENEFITS	93	36	34	32	37	37	37
SUBTOTAL		71,462	16,289	17,942	16,357	17,160	17,160	17,899
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	81	499	-	-	-	15,000	2,535
4402	CONTRACT SERVICES	-			-	-	-	4,250
4405	TRAINING & MEETINGS	151	64	-	-	-	-	5,400
4429	PHONE	772			-	-	-	-
SUBTOTAL		1,004	563	-	-	-	15,000	12,185
TOTAL PROGRAM BUDGET		72,466	16,852	17,942	16,357	17,160	32,160	30,084

** Prior to Fy 12-13 this department was under Police Department

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<p style="text-align: center;">Police Department Police Services</p>
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The Mission of the Calistoga Police Department is to maintain the quality of life for those who reside, work, and visit our community by delivering the highest quality of police service through a proactive policing philosophy which encourages innovation, community involvement and accessibility.

The Police Department seeks to maximize its effectiveness by promoting a collaborative and engaging atmosphere and embraces teamwork which values our officers and staff, encourages their commitment and involvement in problem solving and continuous improvement in the operation of the organization.

The Calistoga Police Department performs a full range of municipal law enforcement services in the incorporated areas of the city. These services include administration, 24/7 patrol and dispatch services, investigations, traffic enforcement, crime prevention, and community outreach efforts. .

Police Services

The Police Services Fund encompasses the unformed police function of the Calistoga Police Department. This fund is used to cover expenses relating to administration, patrol, investigations and traffic. Staffing consists of the Police Chief, Lieutenant, 2 Sergeants, 2 Senior Officers and 4 Officers. In addition to the full time staff there are part time staff that include two Reserve officers, 1 Community Service Officer, 2 Parking Enforcement Officers, and 1 Police Technician.

The Police Department operates a bicycle patrol detail which is deployed during high activity periods and special events; a K-9 program, a Juvenile Diversion program, Parking Enforcement detail and Community Police Technician program, which provides code enforcement and live-scan fingerprinting services.

The Police Department receives additional funding from the Felgenhauer Trust, an endowment set up to enhance police services by purchasing non budgeted goods or services which otherwise burden city finances. The Trust typically expends an amount from \$12,000 to \$16,000 a year and expenditures range from computers, digital cameras, facility improvements, and patrol and uniform supplies.

The Police Department receives additional funding from several grant sources:

Citizens Option for Public Safety (COPS) provides \$100,000 of state grant money for "front-line" law enforcement services and equipment. Currently this money is used to cover 2 Community Police Technicians, 50% of a Juvenile Diversion Officer FTE, 25% of a full time dispatch position and covers annual

<p style="text-align: center;">Police Department Police Services</p>
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maintenance fees for the live-scan computer service. There are no matching fund requirements for this grant.

The Gang Violence Suppression Grant administered by the Napa County District Attorney's Office provides \$8,000. This money is used to fund staffing for the local teen center to provide summer programs for at risk youth, and to pay for overtime for patrol and investigative overtime for gang related case work. This grant has just been extended for one more year. There is no matching funds requirement by our agency.

The Bulletproof Vest Partnership Grant Program is offered through the federal Bureau of Justice Assistance and covers up to 50% of the cost of bulletproof vests for our officers.

In addition, the Police Department is reimbursed for some special event activities such as parades and motion picture filming. The Police Department is also reimbursed overtime expenses for participation in county-wide grant programs such as the "Avoid the Nine" DUI patrols and Napa District Attorney's office ADA grant program.

Police Dispatch

The Police Dispatch Services Fund encompasses the Dispatch Center and Records Bureau of the Police Department. Dispatch staff consists of one Dispatch Supervisor, 3 full-time Dispatchers and 3 part-time Dispatchers. The Records Bureau maintains files of police reports, citations and other correspondence. Operation of the Records Bureau is the responsibility of the Dispatch Supervisor and is highly technical and closely regulated by state law concerning dissemination of crime reports, criminal offender information and public access rights.

The Dispatch Center fields all in-coming phone calls on business and emergency lines, monitors all local radio traffic and accesses state, federal, and local databases for officers in the course of their investigations. Dispatchers also handle all front counter contacts, monitor alarms and security cameras.

Parking Enforcement

The Police Department's enforcement of the downtown parking areas is primarily accomplished through two part-time parking enforcement officers. During peak season, parking enforcement is in effect approximately 20 hours a week. Parking enforcement officers walk the downtown corridor enforcing three hour parking limit, red zones, yellow zones and other parking violations.

Police Department Police Services
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Training

Members of the department receive on-going training to maintain their professional skills & expertise, keep up with evolving case law & technologies. The police department uses computer programs and DVDs distributed by the California Commission on Peace Officers Standards and Training (POST) for in house training and department staff for weapons and weaponless defense training. Officers and dispatchers regularly attend continuing professional training courses for further specialized training, such as interview and interrogation courses, leadership classes and gang awareness.

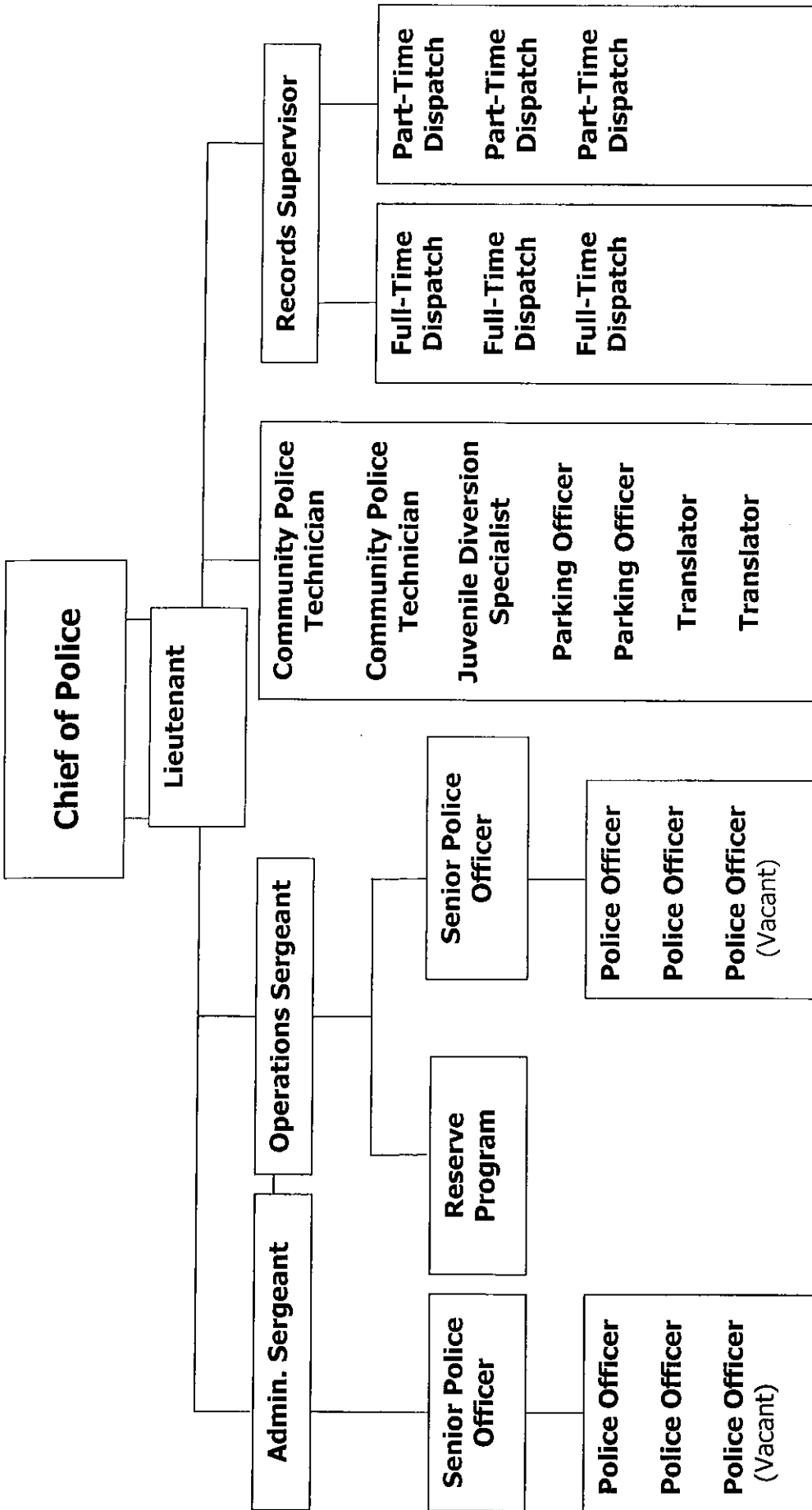
MAJOR DEPARTMENT TASKS COMPLETED FISCAL YEAR 2012-13:

- Continued to monitor activities of gang related individuals and provided effective solutions to address gang activity in the City of Calistoga
- Expanded public outreach by meetings with neighborhood, school, church groups, service clubs and organizations
- Enhanced delivery of police services through on-going professional development of staff
- Increased officers visibility and accessibility by augmenting foot and bicycle patrols
- Continued to deliver high level of service*

MAJOR DEPARTMENTAL GOALS FOR FISCAL YEAR 2013-14:

- Improve and enhance community engagement and community outreach efforts
- Identify and incorporate new technologies and processes that improve effectiveness and efficiencies of the police department
- Develop and implement an activity and workload measurement report that assists in identifying potential issues, crime trends, equipment needs, and deployment of resources
- Develop a capital improvement plan encompassing facility and equipment needs
- Identify and incorporate "Green" and sustainable solutions to enhance current operations and service
- Review and implement a department training plan which provides for on-going professional development of staff that addresses supervision, leadership, and succession planning
- Purchase patrol vehicle
- Address police department facility needs (communications center, locker room, replace carpet, etc...)

* A City Council Objective or Priority Project.

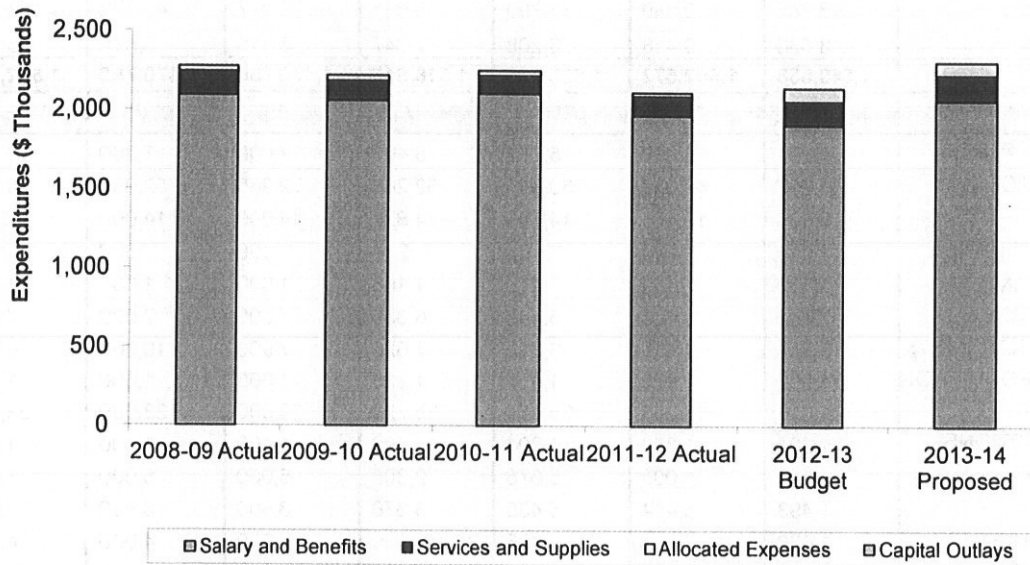


**City of Calistoga Police Department Staffing Chart
FY 2013-2014**

Police
Expenditure Summary

EXPENDITURES BY CATEGORY	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-14 Proposed
Salary and Benefits	2,090,125	2,057,506	2,104,246	1,965,118	1,907,729	2,065,013
Services and Supplies	150,925	126,962	111,424	123,303	151,465	161,096
Allocated Expenses	32,550	33,550	33,550	22,999	82,252	82,233
Capital Outlays	-	-	-	-	-	-
TOTAL	2,273,600	2,218,018	2,249,220	2,111,420	2,141,446	2,308,342

Police
Trend in Expenditures (\$ Thousands)



Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	Adopted Budget FY 12-13	Revised Budget FY 12-13	Proposed Budget FY 13-14
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Department: Police Services
 Program: Police Operations
 Account Code: 01-4116

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	823,884	845,292	842,445	786,433	767,400	759,900	815,635
4302	OVERTIME	57,006	44,081	70,900	103,016	123,020	123,020	121,775
4303	FICA/MEDICARE	75,071	76,581	77,426	75,171	72,535	81,535	81,696
4305	INCENTIVE PAY	7,200	7,200	7,200	5,100	6,000	-	-
4308	PART TIME SALARIES	42,619	36,704	21,528	25,515	14,878	54,000	22,234
4309	SPECIAL PAY	54,572	72,965	66,502	74,394	86,376	89,876	108,280
4310	PERS	332,104	372,656	357,430	309,855	275,214	265,214	297,430
4311	MEDICAL/DENTAL	99,921	70,888	104,897	66,443	68,061	51,439	53,973
4312	WORKER'S COMP	53,745	72,789	73,790	63,541	53,977	41,977	57,775
4313	OTHER BENEFITS	3,536	3,416	3,208	7,347	3,319	3,819	3,319
SUBTOTAL		1,549,658	1,602,572	1,625,325	1,516,815	1,470,780	1,470,780	1,562,117

SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	9,291	9,932	5,774	5,463	7,000	7,000	10,000
4402	CONTRACT SERVICES	51,707	48,038	35,524	52,268	72,965	52,965	70,733
4403	UTILITIES	16,606	16,468	14,709	14,824	14,000	14,000	14,000
4404	REPAIRS & MAINTENANCE	619	220	65	284	500	500	1,900
4405	TRAINING & MEETINGS	1,132	413	116	1,168	1,000	1,000	1,500
4408	UNIFORM ALLOWANCE	7,241	3,468	5,448	6,339	7,000	7,000	7,000
4409	TRAINING & SEMINARS: POST	15,658	4,416	6,312	7,626	7,000	10,000	10,000
4415	POSTAGE & REPRODUCTION	1,900	1,028	1,404	1,225	1,600	1,600	1,200
4417	FUEL & OIL	21,816	18,308	25,454	25,722	23,000	23,000	23,000
4430	DUES & SUBSCRIPTIONS	1,204	1,322	1,204	590	1,400	1,400	1,400
4431	FEES - BOOKING	-	1,009	6,675	2,308	5,000	5,000	5,000
4461	K-9 PROGRAM	1,493	5,414	5,435	3,878	3,600	3,600	3,600
4650	TRAINING & MEETINGS	1,130	-	135	55	1,000	4,000	4,000
4510	EQUIP FUND RENTAL	32,550	33,550	33,550	22,999	82,252	63,328	82,233
SUBTOTAL		162,347	143,586	141,804	144,749	227,317	194,393	235,566

TOTAL PROGRAM BUDGET	1,712,006	1,746,160	1,767,130	1,661,564	1,698,097	1,665,173	1,797,683
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ESTIMATED PROGRAM REVENUES								
41-3358	COPS Funding	100,000	100,191	100,000	112,114	100,000	100,000	100,000
3226/3256	Police Services	76,791	66,044	59,228	107,495	40,000	40,000	72,000
3210	POST Reimbursements	12,885	2,866	1,420	1,745	2,500	2,500	1,500
TOTAL PROGRAM REVENUES		189,676	169,101	160,648	221,354	142,500	142,500	173,500

Net Program Subsidy by General Fund	1,522,330	1,577,059	1,606,482	1,440,210	1,555,597	1,522,673	1,624,183
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Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget	Proposed Budget
FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 12-13	FY 13-14

Department: Police Services
 Program: Dispatch
 Account Code: 01-4129

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	225,777	222,902	241,425	213,211	222,072	212,072	230,035
4302	OVERTIME	20,809	5,067	879	14,583	4,500	68,500	46,445
4303	FICA/MEDICARE	23,083	22,761	21,834	20,717	23,599	23,599	27,461
4308	PART TIME SALARIES	41,564	52,583	37,503	47,478	50,670	75,670	51,291
4309	SPECIAL PAY	30,994	25,643	19,782	27,518	28,029	32,029	31,202
4310	PERS	63,026	61,172	67,060	53,324	50,901	50,901	56,396
4311	MEDICAL/DENTAL	60,890	45,105	69,154	52,287	38,376	36,376	39,424
4312	WORKER'S COMP	1,721	2,268	2,243	1,932	17,561	14,061	19,420
4313	OTHER BENEFITS	1,141	1,145	1,098	896	1,241	1,241	1,222
SUBTOTAL		469,005	438,645	460,979	431,946	436,949	514,449	502,896
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	1,401	1,239	1,210	735	1,500	1,500	1,500
4404	REPAIRS & MAINTENANCE	-	-	358	2	500	500	500
4405	TRAINING & MEETINGS	1,604	1,302	773	79	1,000	1,000	1,700
4408	UNIFORM ALLOWANCE	1,503	1,133	679	728	1,900	1,900	1,900
4409	TRAINING & SEMINARS: POST	1,793	348	149	9	1,500	3,500	1,700
4415	POSTAGE & REPRODUCTION	-	-	-	-	-	-	-
4429	PHONE	13,822	12,339	-	-	-	-	-
4430	DUES & SUBSCRIPTIONS	-	-	-	-	-	-	463
SUBTOTAL		20,123	16,361	3,169	1,553	6,400	8,400	7,763
TOTAL PROGRAM BUDGET		489,128	455,006	464,148	433,499	443,349	522,849	510,659

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<p style="text-align: center;">Planning and Building Department Planning and Building</p>

The Planning and Building Department provides a complete range of planning and building services to the community. The Department's primary function is to guide private development in accordance with state law and the City's General Plan, Zoning Code and other local land use programs. Major tasks include administration of planning and building regulations, assisting developers and business owners with land use and building permit applications, conducting environmental review, providing staff assistance to the Planning Commission, City Council, Bicycle Advisory Committee and Green Committee, and enforcement of the City's building codes and land use regulations. The Department also provides advance (long-range) planning services and participates in county-wide and regional planning efforts relating to land use, housing and transportation.

Current Planning / Development Review

The Department administers and implements land use related provisions of the City's Municipal Code addressing zoning, environmental protection, growth management, subdivision of property, noise, building standards, and flood protection. The department also processes land use and building permit applications, responds to public inquiries about zoning and entitlement permits, coordinates interdepartmental review of development applications, and prepares reports on topical land use issues for Planning Commission and City Council review.

Advance / Long Range Planning

The Department prepares and amends documents that guide public and private development activities in Calistoga, such as the Calistoga General Plan and Calistoga Bicycle Plan. The Department also prepares and/or coordinates special planning studies such as the Climate Action Plan. In addition to regulatory documents, the Department develops and implements policy-based programs such as the Mobile Home Rent Stabilization Ordinance, the Down Payment Assistance Program for first time home buyers, the Mills Act program for historic preservation, and the City's Local Preference Policy for filling subsidized housing vacancies.

Plan Check and Building Inspection Services

The Department is responsible for implementation of state and local building standards for the protection of public health and safety. The Department reviews building plans and inspects all building-related activities within Calistoga to ensure compliance with adopted standards, including building and fire safety, energy efficiency, and disabled accessibility. Department staff provides public assistance to facilitate plan submittals and to provide an understanding of the building permit review process. The Department coordinates permitting activities with other city departments and outside agencies.

**Planning and Building Department
Planning and Building**

Housing Programs

The Department coordinates the administration of the city's affordable and special needs housing program with local housing agencies and groups, including Calistoga Affordable Housing, Napa City and Napa County Housing Authorities, Community Action of Napa Valley, Napa Valley Fair Housing, Calistoga Family Center and Calistoga Farmworker Center.

Department responsibilities also include advising residents on issues relating to the Mobile Home Rent Stabilization Ordinance (RSO) and assisting with resolution of disputes between park residents and park owners, where possible. The Department also conducts inspections of mobile home parks for compliance with State and local building codes.

Code Enforcement

The Department enforces City regulations pertaining to land use, noise and construction. Areas of responsibility include investigating public complaints about violations of the City's Zoning Code, noise regulations, building and fire code requirements and other nuisances or safety regulations. The Department works closely with other city departments, particularly public safety, in coordinating and carrying out enforcement activities.

Regional Planning

The Department works with state, regional and county agencies on matters pertaining to land use, housing, transportation and other issues of county or regional significance. The Department reviews proposed changes in regulations and/or new regulatory requirements affecting local policies, prepares state-mandated reports on housing production to the State, analyzes land use and housing data used by the Association of Bay Area Governments, and participates in county-wide technical and planning advisory committees.

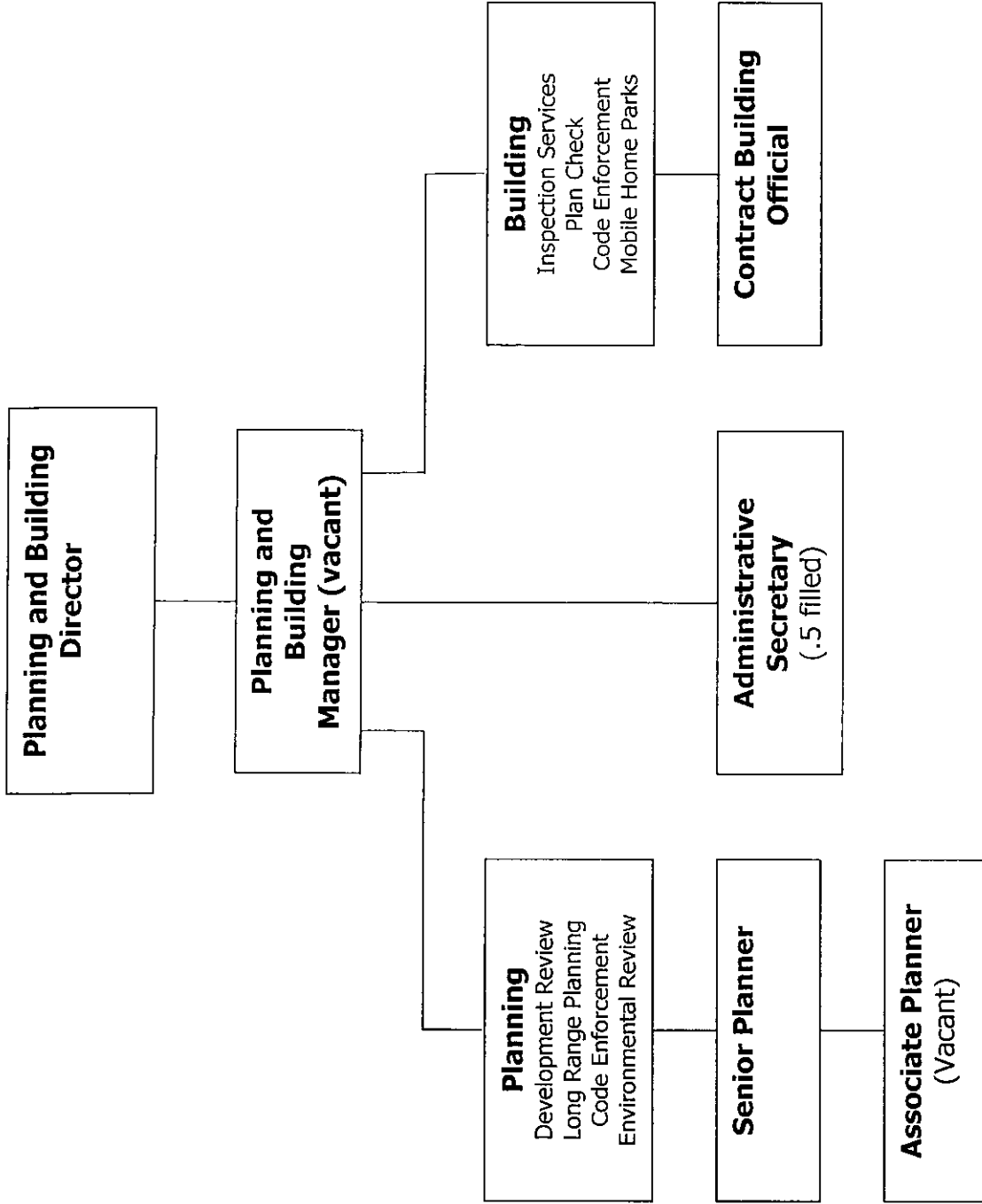
MAJOR DEPARTMENT TASKS COMPLETED FISCAL YEAR 2012-13

- Completed processing of the land use entitlements for Enchanted Resorts and Indian Springs Resort expansion.
- Worked extensively with Calistoga Inn to provide support for insurance claims and provide timely inspections to facilitate repairs.
- Issued 156 building permits and conducted 225 inspections (to date)
- Worked on 29 new code enforcement cases
- Updated Calistoga Bicycle Plan
- Amended General Plan with key elements of Urban Design Plan

**Planning and Building Department
Planning and Building**

MAJOR DEPARTMENTAL GOALS FOR FISCAL YEAR 2013-14

- Provide inspections for Indian Springs and Silver Rose construction projects
- Process Calistoga Family Apartments application
- Update Housing, Public Safety & Circulation Elements
- Coordinate impact and in-lieu fee study
- Coordinate mobile home park affordability study
- Submit Bicycle Friendly Community application
- Draft Climate Protection Plan
- Coordinate pathway extensions



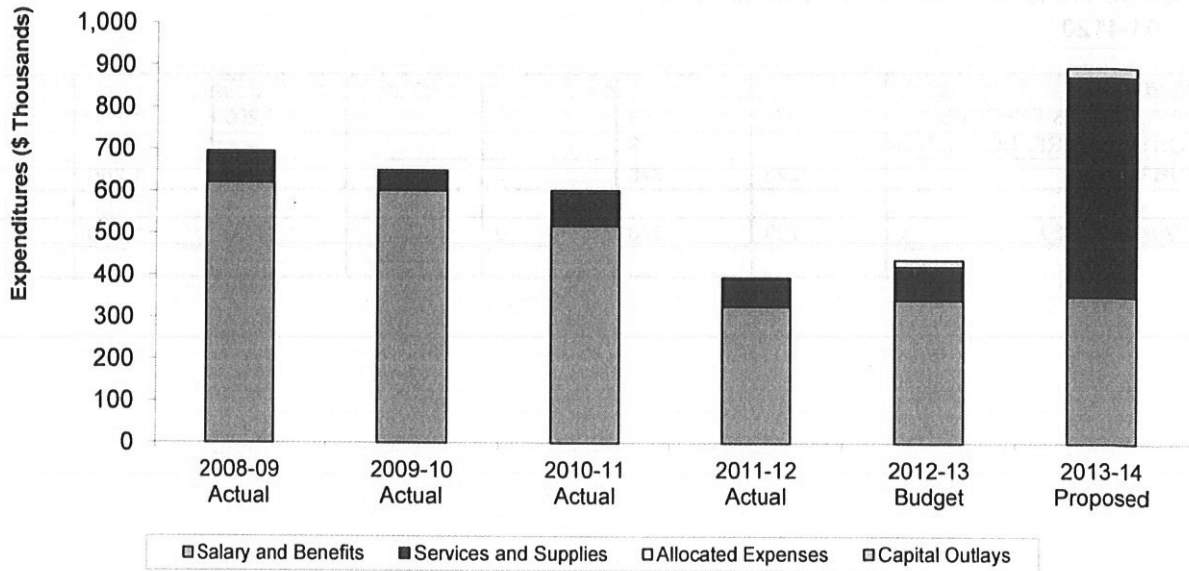
**City of Calistoga Planning and Building Department Staffing Chart
FY 2013-2014**

Planning and Building

Expenditure Summary

EXPENDITURES BY CATEGORY	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-14 Proposed
Salary and Benefits	619,898	601,313	518,195	326,481	342,331	351,325
Services and Supplies	68,294	41,946	77,583	64,393	78,975	522,543
Allocated Expenses	6,050	6,455	6,422	4,335	16,402	22,480
Capital Outlays	0	0	0	0	0	0
TOTAL	694,242	649,714	602,200	395,209	437,708	896,348

**Planning and Building
Trend in Expenditures (\$ Thousands)**



Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget	Proposed Budget
FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 12-13	FY 13-14

Department: Planning & Building
 Program: Planning Commission
 Account Code: 01-4109

SERVICES & SUPPLIES							
4401	MATERIALS & SUPPLIES:	1,660	104	90	184	100	100
4402	CONTRACT SERVICES	181	1,690	1,214	1,460	1,575	1,575
4405	TRAINING & MEETINGS	-	107	40	-	100	150
4410	ADVERTISING	-	128	81	477	-	-
4443	COMMISSION STIPEND	4,500	4,590	2,300	4,700	5,000	5,000
SUBTOTAL		6,341	6,619	3,725	6,821	6,775	6,825
TOTAL PROGRAM BUDGET		6,341	6,619	3,725	6,821	6,775	6,825

Department: Planning & Building
 Program: Active Transportation Advisory Committee
 Account Code: 01-4120

SERVICES & SUPPLIES							
4401	MATERIALS & SUPPLIES:	223	369	0	-	1,200	200
4415	POSTAGE & REPRODUCTION	-	9	-	-	-	100
SUBTOTAL		223	378	0	-	1,200	300
TOTAL PROGRAM BUDGET		223	378	0	-	1,200	300

Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget	Proposed Budget
FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 12-13	FY 13-14

Department: Planning & Building
 Program: Planning
 Account Code: 01-4115

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	241,611	242,071	240,976	149,974	158,514	158,514	164,391
4302	OVERTIME	7,246	-	357	50	99	99	99
4303	FICA/MEDICARE	18,057	17,994	20,924	11,129	12,213	12,213	12,618
4305	INCENTIVE PAY	-	-	-	-	-	-	450
4308	PART TIME SALARIES	1,609	527	1,484	-	-	-	-
4310	PERS	62,077	60,948	51,341	33,494	32,261	32,261	35,586
4311	MEDICAL/DENTAL	36,463	25,878	37,706	30,889	33,724	33,724	30,229
4312	WORKERS COMP	4,804	4,851	3,441	2,963	9,089	9,089	8,923
4313	OTHER BENEFITS	1,402	1,233	6,107	4,101	596	596	596
SUBTOTAL		373,269	353,502	362,336	232,600	246,496	246,496	252,892

SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	3,142	2,636	1,929	911	1,250	1,250	1,250
4402	CONTRACT SERVICES	929	544	1,286	-	-	-	-
4403	UTILITIES	3,122	2,636	2,262	1,909	2,200	2,200	2,200
4405	TRAINING & MEETINGS	704	505	190	-	1,000	1,000	1,000
4410	ADVERTISING	3,699	1,438	1,022	668	500	500	2,000
4415	POSTAGE & REPRODUCTION	2,599	1,150	1,528	2,594	3,000	3,000	3,000
4429	PHONE	3,354	2,823	-	-	-	-	-
4430	DUES & SUBSCRIPTIONS	1,520	1,145	760	726	750	750	750
4650	TRAINING & MEETINGS	-	-	-	-	1,000	1,000	1,000
4510	EQUIP FUND RENTAL	4,400	4,600	4,600	3,116	10,169	7,830	6,868
SUBTOTAL		23,469	17,477	13,577	9,924	19,869	17,530	18,068

TOTAL PROGRAM BUDGET	396,738	370,979	375,913	242,524	266,365	264,026	270,960
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ESTIMATED PROGRAM REVENUES								
3219	Other Licenses & Permits	4,211	3,793	4,115	6,032	2,500	3,500	3,500
3244	Planning Services	54,137	46,749	68,152	57,984	18,200	43,200	27,852
3261	Other Filing Fees	1,245	300	3,050	450	-	200	100
3261-0001	Growth Mgmt Allocation Fees	3,000	-	600	-	-	-	-
3299	CDBG Grant Adm Support (39)	-	-	-	-	-	-	1,123
3299	Mobile Home Park - Adm Support (27)	-	-	-	-	-	-	2,520
TOTAL PROGRAM REVENUES		62,593	50,842	75,917	64,466	20,700	46,900	35,095

Net Program Subsidy By General Fund	334,145	320,137	299,996	178,058	245,665	217,126	235,865
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Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget	Proposed Budget
FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 12-13	FY 13-14

Department: Planning & Building
 Program: Building Inspection Services
 Account Code: 01-4125

PERSONNEL SERVICES								
4301	FULL-TIME SALARIES	160,227	166,505	103,301	55,341	62,010	62,010	64,198
4302	OVERTIME	(1,352)	-	119	50	99	99	99
4303	FICA/MEDICARE	12,057	12,351	7,993	4,115	4,782	4,782	4,930
4305	INCENTIVE PAY	-	-	-	-	-	-	150
4308	PART TIME SALARIES	313	527	3,365	-	-	-	-
4310	PERS	41,513	42,225	20,831	12,186	12,620	12,620	13,892
4311	MEDICAL/DENTAL	31,024	21,723	15,223	11,183	12,518	12,518	11,430
4312	WORKERS COMP	2,180	3,856	4,715	4,060	3,559	3,559	3,487
4313	OTHER BENEFITS	667	624	313	6,946	247	247	247
SUBTOTAL		246,629	247,811	155,859	93,881	95,835	95,835	98,433
SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES	1,865	4,072	717	346	750	750	1,250
4402	CONTRACT SERVICES	35,651	12,490	62,863	49,920	60,000	60,000	501,878
4404	REPAIRS & MAINTENANCE	-	-	-	8	-	-	-
4405	TRAINING & MEETINGS	1,772	1,953	-	-	-	-	-
4408	UNIFORM ALLOWANCE	519	525	-	-	-	-	-
4415	POSTAGE & REPRODUCTION	22	747	98	35	100	100	100
4417	FUEL & OIL	716	713	198	455	350	350	700
4429	PHONE	1,226	1,019	-	-	-	-	-
4430	DUES & SUBSCRIPTIONS	890	376	1,005	-	-	-	-
4510	EQUIP RENTAL FUND	1,650	1,855	1,822	1,219	6,233	4,799	15,612
SUBTOTAL		44,311	23,750	66,703	51,983	67,433	65,999	519,540
TOTAL PROGRAM BUDGET		290,940	271,561	222,562	145,864	163,268	161,834	617,973
ESTIMATED PROGRAM REVENUES								
3212	Building Permit Fees	84,197	54,724	52,524	58,757	55,000	55,000	334,250
3282.0001	Building Inspection Fees	-	-	-	-	-	-	204,839
3263	Plan Check Fees	44,228	41,081	45,950	43,903	40,000	40,000	161,688
3299	Mobile Home Park Adm Support (27)	-	-	-	-	-	-	6,465
TOTAL PROGRAM REVENUES		128,425	95,805	98,474	102,660	95,000	95,000	707,242
Net Program Subsidy By General Fund		162,515	175,756	124,088	43,204	68,268	66,834	(89,269)

Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	Adopted Budget FY 12-13	Revised Budget FY 12-13	Proposed Budget FY 13-14
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Department: Planning & Building

Program: Building & Fire Code Board of Appeals

Account Code: 01-4177

SERVICES & SUPPLIES								
4401	MATERIALS & SUPPLIES:	-	100	-	-	-	-	-
4405	TRAINING & SEMINARS							240
4415	POSTAGE & REPRODUCTION	-	77	-	-	100	100	50
SUBTOTAL		-	177	-	-	100	100	290
TOTAL PROGRAM BUDGET		-	177	-	-	100	100	290

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Public Works Administration and Streets

The Mission of the Public Works Department is to maintain, operate, and improve the City's infrastructure to serve the needs of its citizens. The Department is responsible for managing and monitoring streets, water treatment and distribution, wastewater collection and treatment, storm drains, parks, City-owned streetlights, City-owned buildings, and the City-owned cemetery. The Department serves a coordination role for solid waste collection services and public transit services. The Department provides City Engineering services.

Public Works Administration

Public Works Administration consists of the Director of Public Works/City Engineer, two office assistants, the Senior Civil Engineer, the Maintenance Superintendent and the Water Systems Superintendent. The program is responsible for the overall administration and support of all Public Works Department Programs and Capital Improvement Projects. Administration manages and monitors all public works, including streets, the entire water distribution system, water treatment and storage facilities, the sewer collection system and lift stations, the wastewater treatment facility and reclamation system, the City's network of storm drainage facilities, City-owned street lights, eight parks, two bike paths and general maintenance for all City-owned buildings including City Hall, Public Works, Police Department, Fire Station, Library, Sharpsteen Museum, Community Center, Monhoff Recreation Center, and the City-owned Cemetery. Public Works Administration also provides coordination for transit bus services, solid waste collection services as well as providing for City Engineering services.

Primary activities include responding to citizen inquiries, managing all capital improvement projects, pursuing grants for projects, reviewing plans for private development projects, developing policies, administering the backflow prevention program, and issuing permits for construction encroachments, grading and tree work. The goal of Public Works Administration is to provide the support structure for all of the services provided by the Department.

Streets

The Street Program maintains the City's streets, bridges and rights-of-ways (15.5 centerline miles and 3 City-maintained bridges). In addition the streets program maintains, manages, and oversees permit compliance with the storm drainage system for the City. The City's latest Pavement Condition Index (PCI) is at 58, putting City streets in "Good (Some "At Risk") condition. Although this category is designated as "Good", pavements in the 50-60 PCI range are also designated as "At Risk". Based on the lead time needed to fund and plan maintenance treatments for this pavement rating, studies have shown that most pavements assessed in this category actually end up being in the "Poor" category by the

<p style="text-align: center;">Public Works Streets (cont.), Parks, Pool and Maintenance</p>
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time they are addressed. Services include street sweeping, street maintenance, street light maintenance, pothole repair, downtown sidewalk cleaning, drainage ditch clearing, catch basin cleaning, and weed abatement. The goal of this Program is to continue to maintain the City's streets, bridges and of-way. Code enforcement of street encroachments, storm drainage discharge, and sidewalk repairs is also included in this program. Asphalt overlays, seal coats and other pavement treatments are identified as Capital Improvement Projects elsewhere in the budget.

Parks

The Parks Program maintains all eight (8) City parks, two bike paths, and associated trash and recycling bins. The Program also implements City beautification projects, installs memorial benches, and maintains landscaping for all City-owned buildings. The goal of this Program is to continue to maintain and improve the City parks, bike lanes and City-owned landscape to provide safe and pleasant places to play and work in the City of Calistoga.

Pool Maintenance

The Pool Maintenance Program provides building and ground maintenance activities for the Community Pool facility. In April of 2012, the City hired Diamond Quality Pool's (a private pool company) to provide general operational maintenance activities to the pool facility. The pool facility includes a 25-yard 6-lane lap pool with a deep end for diving, a shallow training pool with spray structures, a 2,913 square foot pool building, pool decking, and landscaping surrounding the pool, building, and parking area. The goal of this Program is to provide a safe, reliable and clean pool facility for the public.

Operational systems work includes: work in the pool's pump room such as maintenance of hazardous chemicals, filters, pumps, boilers and dosing equipment. Maintenance is regulated and inspected by the County Department of Environmental Health. Primary activities of pool facility maintenance include repairs to plumbing systems, electrical systems, the pool deck, vandalism, furnishings, pest management, storm damage, interior and exterior finishes, parking lot, storm drainage infrastructure, landscaping, and minor facility corrections as needed for pool programs.

Maintenance Shop

The Maintenance Shop maintains the City's equipment and provides minor repair work for the City's vehicles and equipment. The goal of the Maintenance Shop is to keep vehicles and equipment in safe and efficient working order to maximize cost-efficiency for the City.

Public Works Building Maintenance
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Building Maintenance

The Building Maintenance Program provides general maintenance and janitorial services for all City-owned buildings including City Hall, the Sharpsteen Museum, Public Works buildings at our Corporation Yard and water and wastewater facilities, Police Department, Fire Department, Community Center, Community Pool facility, and Monhoff Recreation Center. The total maintained square footage is around 50,000 square feet. Energy monitoring and conservation are a part of the building maintenance program. The goal of this Program is to continue to provide general maintenance and janitorial services for the City's buildings to provide a safe and pleasant environment for the public utilizing our facilities and for the City's employees who provide public service

Major Department Tasks Completed Fiscal Year 2012-13

- Completed Phase 2 of the site closure plan for the Public Works Yard soil remediation site
- Updated Cemetery Mapping
- Worked closely with Caltrans to complete the overlay paving of Lincoln Avenue (SR29) and Foothill Boulevard (SR 128 from High Street to Lincoln Avenue.)
- Completed Phase I of the ADA transition plan curb ramp projects funded by TDA-3 grant funds
- Supported local efforts to design and construct a Dog Park at Logvy Park *
- Completed painting and concrete floor repairs at the Calistoga Pool Facility

Major Departmental Goals for Fiscal Year 2013-14

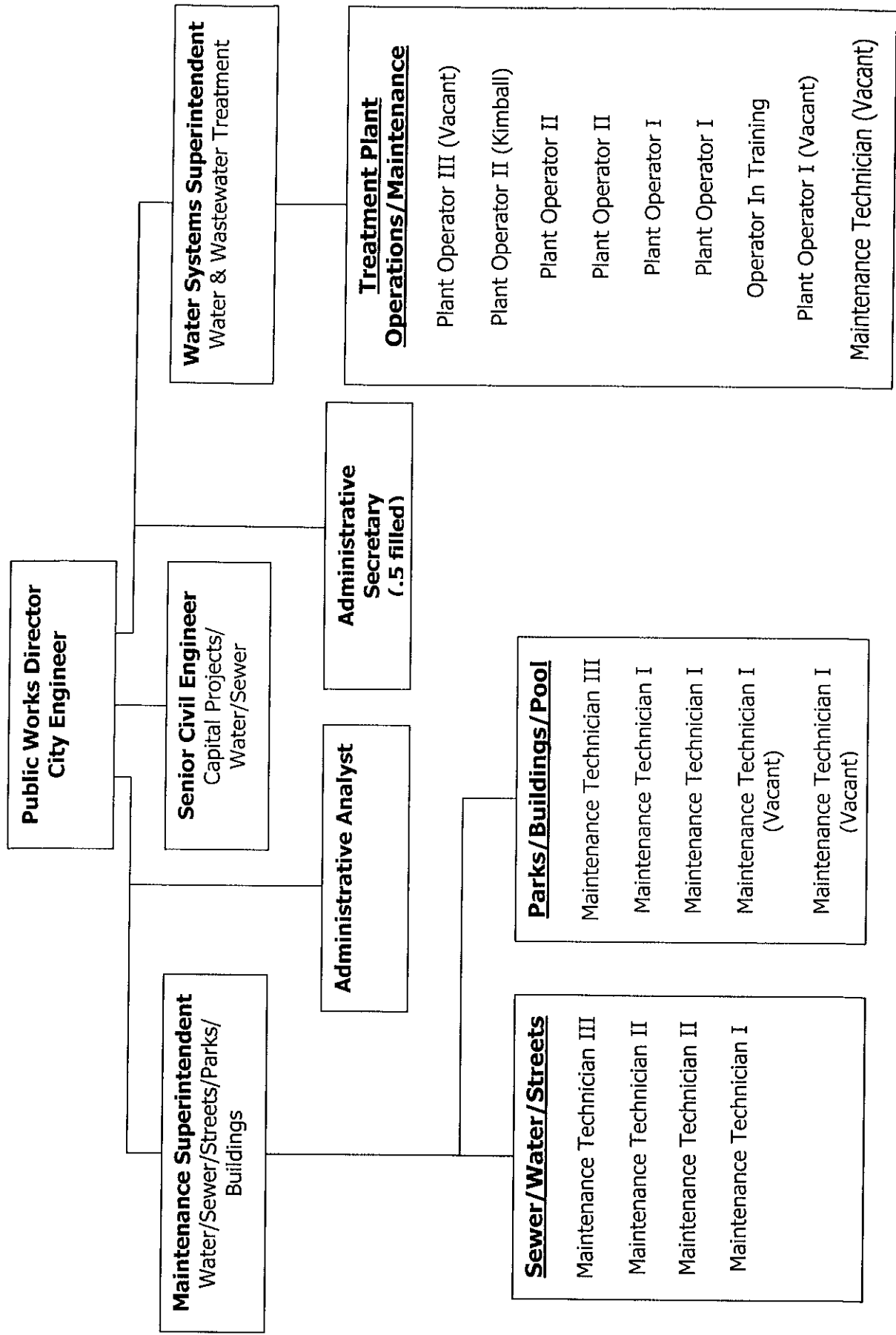
- Complete Phase II of the site closure plan for the Public Works Yard soil remediation site
- Complete Design and begin phase I of the Grant Street culvert repair
- Work to coordinate and process developer's improvement plans for both large scale and small developments within the City (e.g. Calistoga Inn, Indian Springs, Enchanted Resorts, Silver Rose, etc...)
- Complete remaining unfinished and unsatisfactory construction work at the Community Pool Facility
- Continue with Phase 2 of the Sidewalk Trip Hazard Repair Program*
- Work closely with Caltrans to begin environmental and design work for replacement of the Lincoln Avenue bridge at the Napa River

<p>Public Works Goals (cont.)</p>
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Major Departmental Goals for Fiscal Year 2013-14 (cont.)

- Attain essential compliance with the new Phase II MS4 Storm water General Permit. Complete NOI, LRP, mapping and Guidance Document requirements.
- Support local efforts to design a new gazebo at Pioneer Park*

* A City Council Objective or Priority Project.



**City of Calistoga Public Works Department Staffing Chart
FY 2013-2014**

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