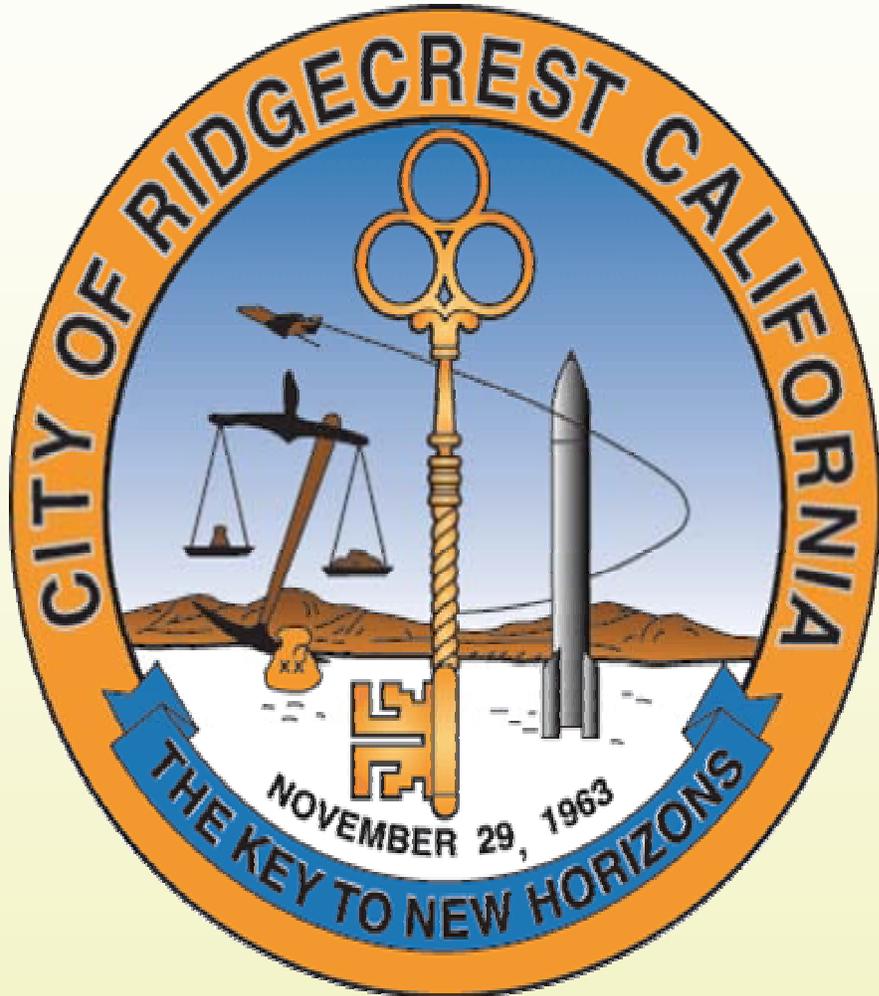


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Provisional Budget

CITY COUNCIL/REDEVELOPMENT AGENCY AGENDA ITEM

SUBJECT:

Adoption of the Fiscal Year 2005-06 "Provisional" Budget

PRESENTED BY: James C. Winegardner, Deputy City Manager

SUMMARY: The Fiscal Year 2006 Provisional Budget major theme is consistency with the prior year and a focus on BRAC initiatives.

Total budgeted expenditures for the 2005 in the General Fund are a little over \$10 million. Year-end estimates show a 4% savings totaling \$371,278. This is supported by estimated revenues of \$8,826,081. Total Year-End projected revenues subject to revision are estimated at \$10,225,629. This is a difference of 15.9%. Primarily in one-time revenues.

The overall difference between Revenues and Expenditures at the estimated year-end is \$502,265. This is subject to change based on year-end closing adjustments. Major highlights include major positive revenue performance by the Parks and Recreation Department, Police Department, Finance Division – Business Licenses and of course the ongoing booming local sales tax.

The Support Services Divisions of the General Fund (General Government) finished under budget by some 13%. This represents an overall savings of \$278,405. Other significant savings were incurred by the Community Development Department.

Summary of Initiatives:

- ⊕ Major Focus on BRAC Transition
- ⊕ Ongoing funding for Council Legislative Travel
- ⊕ Local Funding for support of Police Technology Support

Other Options for Future Budget Amendments:

- ⊕ Addition of four Police Officers
- ⊕ Addition of 1 Engineer II
- ⊕ Addition of 1 Engineer Technician
- ⊕ Addition of Engineering Clerical Support

- ⊕ The budget also includes funding for restricted funds such as:
 - ⊕ Waste Water – FY 2006 \$2,015,526.
 - ⊕ Gas Tax – (Street Maintenance & Street Lights)- \$ 1,386,389
 - ⊕ Redevelopment- \$2,685,425
 - ⊕ Redevelopment Housing - \$1,263,023

- Redevelopment – Debt Service - \$3,932,312
- Transit - \$1,056,251

The resolution seeks authorization to adopt this “provisional” budget and directs staff to amend the budget by 30-September-2005 following the adoption of the State’s budget and other major factors that have influenced the slow production of this fiscal year’s budget.

FISCAL IMPACT: None

Reviewed by Deputy City Manager-Administrative Services:

ACTION REQUESTED: Adoption of the attached resolution enacting the Fiscal Year 2006 budget.

CITY MANAGER ‘S RECOMMENDATION:

Action as requested:

Submitted by: J. Winegardner

Action Date: 15-Jun-05

RESOLUTION NO. 05-

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL
AND THE RIDGECREST REDEVELOPMENT AGENCY
ADOPTING THE PROVISIONAL BUDGET FOR FISCAL
YEAR 2005-06, ESTABLISHING APPROPRIATIONS,
ESTIMATING REVENUES, AND ESTABLISHING THE
POLICIES BY WHICH THE BUDGET MAY BE AND
SHALL BE AMENDED.**

WHEREAS, the City Council and the Redevelopment Agency has received and reviewed the proposed Fiscal Year 2005-06 City of Ridgecrest/Redevelopment Agency budget; and

WHEREAS, public budget review meetings were held during which the public was provided opportunities to comment on the proposed budget; and

WHEREAS, final adjustments to the budget have been made.

NOW, THEREFORE, BE IT RESOLVED,

1. That the fiscal year 2005-06 City of Ridgecrest/Ridgecrest Redevelopment Agency provisional budget is hereby adopted.
2. Tax Increment, TOT, and Sales Tax Sharing Agreements currently in force and duly approved by the City Council or the Ridgecrest Redevelopment Agency are hereby renewed and appropriated for Fiscal Year 2006;
3. The Budget Revision Policy, herein identified as Exhibit "A" is hereby adopted;
4. Schedules such as:
 - A.) The purchasing limits adopted in resolution 02-134, reflected in Exhibit "B" are reaffirmed and adopted;
 - B.) The Fee Schedule reflected in Exhibit "C" is reaffirmed and adopted; and the City Council reaffirms that the fees reflected therein do not exceed the cost for collection and or administration;

Are hereby reaffirmed until rescinded by future budget resolution;

5. All "Temporary Employment Services", formerly "Contract Labor", shall require City Manager or Deputy City Manager written authorization prior to budget amendment or expenditure;
6. Funding for specific Capital Construction Projects shall be identified and certified by the City Manager or Deputy City Manager prior to the expenditure of any funds on said projects.
7. Staff is hereby directed to submit a budget revision for the "Final" Budget by September 30, 2005.
8. Fiscal Year-end Encumbrances from prior fiscal years are hereby appropriated
9. All previous and conflicting resolutions are hereby rescinded, revoked, and made null.

APPROVED AND ADOPTED this ____ Day of June 2005 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marshall G. "Chip", Mayor

ATTEST:

Rita L. Gable, City Clerk

EXHIBIT 'A'
BUDGET REVISION POLICY

1. All funds are appropriated at the fund level; No expenditure, encumbrance, or contract shall be made or agreed to that exceeds total Fund Appropriations without prior Council/Agency Authorization as appropriate. All increases in appropriations shall be made by Council/Agency Resolution.
2. All Appropriations within said funds are managed at the Department level. The City Manager is herein authorized to make transfers within and between Departments as appropriate.
3. All Temporary Employment Services shall require City Manager or Deputy City Manager –Administrative Services written authorization prior to expenditure of such funds or prior to transferring such funds to other accounts.
4. Estimated Revenues may be administratively increased in excess of the original estimate once the City Manager and Deputy City Manager—Administrative Services certify that such estimates at the fund and source levels have been exceeded. Notwithstanding the requirement in item 1 above, subsequent increases in appropriations stemming from the increases in estimated revenues, may be granted from increased estimated revenues administratively.
5. Unliquidated Outstanding encumbrances from the prior fiscal year are hereby appropriated.
6. Unexpended and unobligated capital projects' funds' budgets from the prior fiscal year are hereby appropriated.

Exhibit 'B'

Purchasing Authority and Limits

The positions authorized to make purchases or purchasing decisions for the City are:

- Department Heads (purchases of up to \$2,500 with purchase requisitions required at \$1,000; purchasing authority, including payment requests may be delegated by the Department Head to appropriate mid-management and supervisory-level employees);
- Deputy City Manager –Administrative Services (authorization of purchases up to \$10,000);
- City Manager (authorization of purchases of up to \$25,000);
- City Council (purchases greater than \$25,000 and all public improvement contracts greater than \$5,000 also require sealed bids and approved by the City Council)
- A purchase is defined as cost of acquisition, shipping, tax, installation, and all associated ancillary costs.

No changes have been made to the purchasing resolution.

REVENUE SUMMARY
1 - GENERAL FUND
FISCAL YEAR 2005 - 2006

Revenue Account Revenue Description	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
3100- TAXES	4,593,813	4,878,792	4,716,521
3200- INTERGOVERNMENTAL	1,663,996	1,540,970	1,690,858
3300- LICENSES AND PERMITS	234,285	316,072	234,285
3400- FINES AND FORFEITURES	81,100	93,360	81,100
3500- USE OF PROPERTY & MONEY	110,150	119,390	110,150
3600- CURRENT SERVICE CHARGES	572,150	633,664	627,150
3800- TRANSFER FROM OTHER FUNDS	1,484,363	2,469,544	2,213,045
3900- OTHER REVENUE	86,224	173,837	156,174
1 GENERAL FUND	8,826,081	10,225,629	9,829,283

**City of Ridgecrest
Budget Level Comparison
Fiscal Year 2005- 2006
FUND: 1 - GENERAL FUND**

Dept	Department Description	05 ADJ BGT	05 YE	06 PROV BGT
41	GENERAL GOVERNMENT	2,164,251	1,885,846	2,134,143
42	PUBLIC SAFETY	4,037,875	4,092,619	4,149,757
44	COMMUNITY DEVELOPMENT	654,543	520,730	654,543
45	HEALTH	9,582	9,390	16,683
46	CULTURE & LEISURE	1,375,681	1,339,456	1,412,045
47	PUBLIC WORKS	561,006	600,179	669,956
49	OTHER FINANCING USES	1,291,704	1,275,144	1,545,151
GENERAL FUND		<u>10,094,642</u>	<u>9,723,364</u>	<u>10,582,278</u>

REVENUE SUMMARY
2 - GAS TAX FUND
FISCAL YEAR 2005 - 2006

Revenue Account Revenue Description	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
3200- INTERGOVERNMENTAL	430,565	430,565	430,565
3500- USE OF PROPERTY & MONEY	100	0	100
3800- TRANSFER FROM OTHER FUNDS	839,902	839,902	839,902
2 GAS TAX FUND	1,270,567	1,270,467	1,270,567

City of Ridgecrest
Budget Level Comparison
Fiscal Year 2005- 2006
FUND: 2 - GAS TAX FUND

<i>Dept</i>	<i>Department Description</i>	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
42	PUBLIC SAFETY	150,000	150,000	150,000
43	TRANSPORTATION	779,688	724,110	779,688
49	OTHER FINANCING USES	430,780	387,407	456,951
GAS TAX FUND		<u>1,360,468</u>	<u>1,261,517</u>	<u>1,386,639</u>

REVENUE SUMMARY
3 - T.D.A. TRANSIT
FISCAL YEAR 2005 - 2006

Revenue Account Revenue Description	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
3100- TAXES	738,376	725,226	738,376
3200- INTERGOVERNMENTAL	0	0	61,728
3600- CURRENT SERVICE CHARGES	176,495	104,668	176,495
3900- OTHER REVENUE	400	0	400
3 T.D.A. TRANSIT	915,271	829,894	976,999

City of Ridgecrest
Budget Level Comparison
Fiscal Year 2005- 2006
FUND: 3 - T.D.A. TRANSIT

Dept	Department Description	05 ADJ BGT	05 YE	06 PROV BGT
43	TRANSPORTATION	683,929	658,485	710,894
49	OTHER FINANCING USES	300,087	291,840	345,357
T.D.A. TRANSIT		<u>984,016</u>	<u>950,325</u>	<u>1,056,251</u>

REVENUE SUMMARY
5 - WASTEWATER ENTERPRISE FND
FISCAL YEAR 2005 - 2006

Revenue Account Revenue Description	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
3500- USE OF PROPERTY & MONEY	230,000	255,000	230,000
3600- CURRENT SERVICE CHARGES	1,636,100	1,732,000	1,636,100
3900- OTHER REVENUE	106,000	14,000	106,000
5 WASTEWATER ENTERPRISE FND	1,972,100	2,001,000	1,972,100

City of Ridgecrest
Budget Level Comparison
Fiscal Year 2005- 2006
FUND: 5 - WASTEWATER ENTERPRISE
FND

<i>Dept</i>	<i>Department Description</i>	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
45	HEALTH	697,185	681,512	702,185
49	OTHER FINANCING USES	297,097	952,046	1,313,341
WASTEWATER ENTERPRISE		<u>994,282</u>	<u>1,633,558</u>	<u>2,015,526</u>

REVENUE SUMMARY
10 - SELF INSURANCE FUND
FISCAL YEAR 2005 - 2006

Revenue Account Revenue Description	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
3500- USE OF PROPERTY & MONEY	30,000	30,000	30,000
3600- CURRENT SERVICE CHARGES	186,049	179,261	186,049
3800- TRANSFER FROM OTHER FUNDS	386,154	456,857	750,042
3900- OTHER REVENUE	121,874	523,022	121,874
10 SELF INSURANCE FUND	724,077	1,189,140	1,087,965

City of Ridgecrest
Budget Level Comparison
Fiscal Year 2005- 2006
FUND: 10 - SELF INSURANCE FUND

Dept	Department Description	05 ADJ BGT	05 YE	06 PROV BGT
41	GENERAL GOVERNMENT	822,541	592,970	857,541
49	OTHER FINANCING USES	92,201	86,564	92,201
SELF INSURANCE FUND		<u>914,742</u>	<u>679,534</u>	<u>949,742</u>

REVENUE SUMMARY
900 - CITY DEBT SERVICE
FISCAL YEAR 2005 - 2006

Revenue Account Revenue Description	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
3800- TRANSFER FROM OTHER FUNDS	179,739	179,739	185,515
900 CITY DEBT SERVICE	179,739	179,739	185,515

City of Ridgecrest
Budget Level Comparison
Fiscal Year 2005- 2006
FUND: 900 - CITY DEBT SERVICE

Dept	Department Description	05 ADJ BGT	05 YE	06 PROV BGT
41	GENERAL GOVERNMENT	193,897	174,535	199,673
42	PUBLIC SAFETY	5,712	5,204	5,712
CITY DEBT SERVICE		<u>199,609</u>	<u>179,739</u>	<u>205,385</u>

REVENUE SUMMARY
11 - BUSINESS DEVELOPMENT CNTR
FISCAL YEAR 2005 - 2006

Revenue Account Revenue Description	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
3500- USE OF PROPERTY & MONEY	10,000	16,500	16,239
3800- TRANSFER FROM OTHER FUNDS	0	5,900	0
11 BUSINESS DEVELOPMENT CNTR	10,000	22,400	16,239

City of Ridgecrest
Budget Level Comparison
Fiscal Year 2005- 2006
FUND: 11 - BUSINESS DEVELOPMENT
CNTR

<i>Dept</i>	<i>Department Description</i>	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
44	COMMUNITY DEVELOPMENT	27,630	27,630	27,630
BUSINESS DEVELOPMENT C		<u>27,630</u>	<u>27,630</u>	<u>27,630</u>

REVENUE SUMMARY
9 - REDEVELOPMENT AGENCY FUND
FISCAL YEAR 2005 - 2006

Revenue Account Revenue Description	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
3200- INTERGOVERNMENTAL	0	0	11,486
3500- USE OF PROPERTY & MONEY	0	25,000	0
3800- TRANSFER FROM OTHER FUNDS	1,109,694	1,109,694	1,109,694
3900- OTHER REVENUE	0	249,899	0
9 REDEVELOPMENT AGENCY FUND	1,109,694	1,384,593	1,121,180

City of Ridgecrest
Budget Level Comparison
Fiscal Year 2005- 2006
FUND: 9 - REDEVELOPMENT AGENCY
FUND

<i>Dept</i>	<i>Department Description</i>	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
44	COMMUNITY DEVELOPMENT	1,064,429	854,702	1,075,915
49	OTHER FINANCING USES	1,600,762	250,599	1,609,510
REDEVELOPMENT AGENCY I		<u>2,665,191</u>	<u>1,105,301</u>	<u>2,685,425</u>

REVENUE SUMMARY
19 - RDA-HOUSING SET ASIDE
FISCAL YEAR 2005 - 2006

Revenue Account Revenue Description	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
3500- USE OF PROPERTY & MONEY	0	30,000	0
3800- TRANSFER FROM OTHER FUNDS	763,000	763,000	763,000
3900- OTHER REVENUE	0	30,178	0
19 RDA-HOUSING SET ASIDE	763,000	823,178	763,000

City of Ridgecrest
Budget Level Comparison
Fiscal Year 2005- 2006
FUND: 19 - RDA-HOUSING SET ASIDE

<i>Dept</i>	<i>Department Description</i>	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
44	COMMUNITY DEVELOPMENT	544,488	85,249	544,488
49	OTHER FINANCING USES	713,091	607,969	718,535
<i>RDA-HOUSING SET ASIDE</i>		<u>1,257,579</u>	<u>693,218</u>	<u>1,263,023</u>

REVENUE SUMMARY
929 - RRA DEBT SERVICE FUND
FISCAL YEAR 2005 - 2006

Revenue Account Revenue Description	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
3100- TAXES	2,938,000	2,938,000	2,938,000
3200- INTERGOVERNMENTAL	145,000	145,000	145,000
3500- USE OF PROPERTY & MONEY	19,000	19,000	19,000
3800- TRANSFER FROM OTHER FUNDS	566,843	566,843	566,843
929 RRA DEBT SERVICE FUND	3,668,843	3,668,843	3,668,843

City of Ridgecrest
Budget Level Comparison
Fiscal Year 2005- 2006
FUND: 929 - RRA DEBT SERVICE FUND

<i>Dept</i>	<i>Department Description</i>	<i>05 ADJ BGT</i>	<i>05 YE</i>	<i>06 PROV BGT</i>
44	COMMUNITY DEVELOPMENT	1,969,463	1,969,463	1,969,463
49	OTHER FINANCING USES	1,872,694	2,450,141	1,962,849
<i>RRA DEBT SERVICE FUND</i>		<u>3,842,157</u>	<u>4,419,604</u>	<u>3,932,312</u>