

## BUDGET SUMMARY

The annual budget for the City of Petaluma is divided into three major components, which include all appropriations for the City.

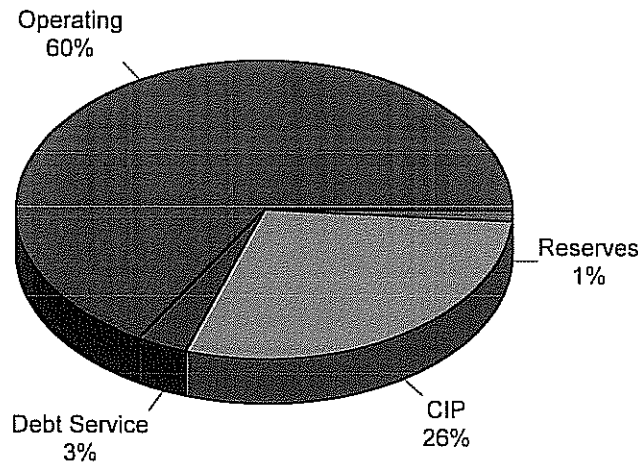
The Operating Budget of \$109,137,550 funds the day to day operations of the City. This includes salary and benefits for over 340 City staff.

The capital improvement budget component funds the construction of City facilities, such as roads, buildings and utility infrastructure. This year's capital improvement budget total is \$47,284,000, which includes approximately \$22 million for the continuing construction of the new wastewater treatment plant.

The next component is debt service. This budget is used to repay money borrowed by the City for capital improvement projects in the airport, public works, utility funds and redevelopment areas. Budgeted debt service for the redevelopment agency is \$4,723,800. Debt service budgeted in utility, marina and airport funds total \$5,166,200.

The City of Petaluma's total budget appropriations for FY 07-08 total \$182,691,550 (including interfund transfers of \$25,495,000).

### FY 2007-08 TOTAL APPROPRIATIONS



The City of Petaluma's budget is presented and shown by nine funds or categories, which include all appropriations for the City. The operating budget is classified as the City's "General Fund" which includes all operating departments. The General Fund operations total \$40,360,600 including transfers out. The General Fund is where all salaries, benefits, operating supplies and services and minor capital improvements are accounted for and classified.

The Special Revenue funds, including Low and Moderate Income Housing Funds, totals \$20,017,350 including transfers. The Special Revenue Funds include State Gas Tax, Developer Impact Fees, Grant Funds, Landscape Assessment District Funds, Street Maintenance, Transient Occupancy Tax (TOT) Funds, Donations and Developer Contributions. These funds are used for various projects and programs throughout the City and are generally handled through transfers out that provide resources for the projects and programs.

The Enterprise Funds total \$63,933,850. This includes the Water Utility, Wastewater Utility, Public Transit, Airport Operations, Ambulance Service, Community Development and Marina. The above number includes \$26,799,300 of projected capital project expenditures.

The Internal Service Funds total \$7,531,250. This includes Information Technology, Employee Benefits, Worker's Compensation, Risk Management/Liability, General Services and Vehicle Replacement. All of the Internal Service Fund costs are charged back to departments throughout the City.

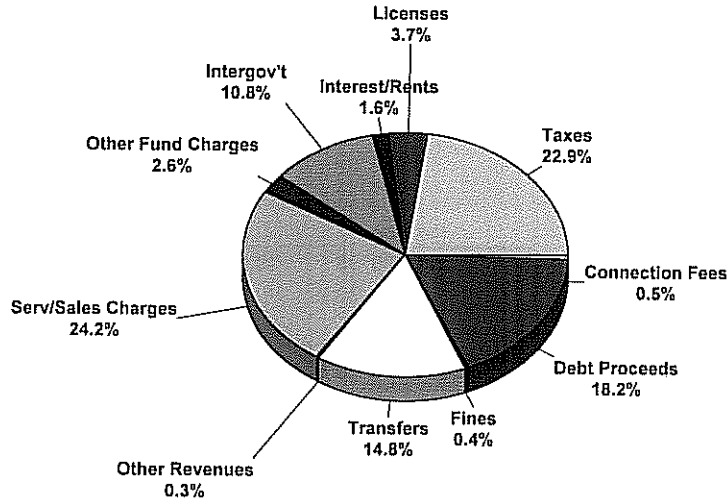
The Trust Funds total \$2,000 and include the Thomas Lee Charity, Public Purpose Trust and the Child Care Private Purpose Trust.

The Petaluma Community Development Commission (PCDC) Merged Project Area totals \$39,681,650. This includes appropriations for program expenditures, debt service payments and intergovernmental charges. The Capital Improvement Projects (CIP) in the amount of \$7,579,000 included in the above number, are listed in the Capital Projects funds.

Finally, the Capital Projects total is \$48,034,000. This includes capital projects for Public Transportation, Airport, Transit, Community Facilities, FEMA, the Petaluma Community Development Commission (PCDC), Parks and Recreation, Flood and Surface Water projects, Water and Wastewater Utility projects.

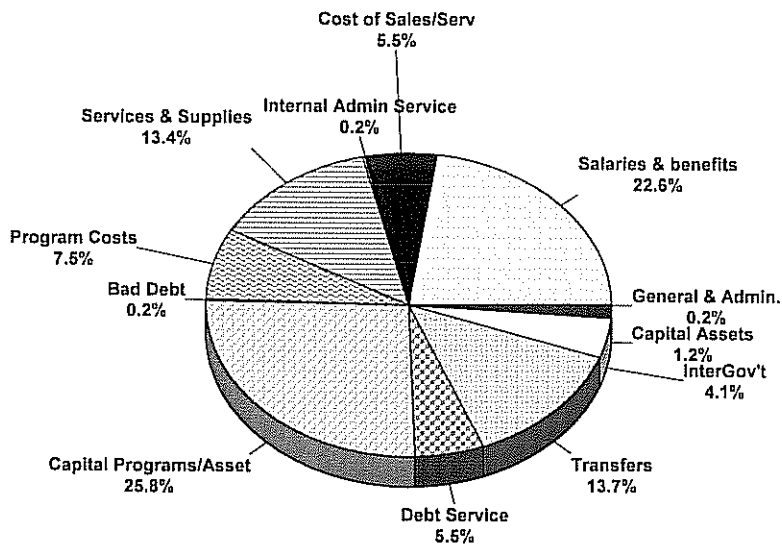
## WHERE THE MONEY COMES FROM...

**2007-2008  
 ESTIMATED REVENUES - \$172,743,300**



## WHERE THE MONEY GOES...

**2007-2008  
 BUDGET - \$182,691,550**



\*This additional \$20,000,000 from FY 06-07 PCDC bonds is a source for expenditures not reflected in the FY 07-08 estimated revenue chart above.

**SOURCES AND USES OF FUNDS**

	General Fund	Special Revenue Funds incl. LMH	PCDC Debt Service	Enterprise Funds
<b>Revenue</b>				
Property Taxes	\$ 7,300,000	\$ -	\$ -	\$ -
Sales Taxes	11,130,000	-	-	-
Other Taxes	4,895,000	4,200,000	-	-
Licenses, Permits and Fees	2,249,500	4,109,200	-	-
Fines, Forfeitures and Penalties	604,000	47,000	-	-
Investment Earnings and Rent	917,500	298,700	1,000,000	293,600
Debt Proceeds	-	-	-	31,464,000
Intergovernmental	5,222,000	9,378,650	-	3,538,500
Charges for Services/Sales	6,698,450	369,500	-	31,577,000
Charges to Other Funds	-	-	-	-
Connection Fees	-	-	-	865,000
Undetermined	-	-	-	-
Other Revenue	195,500	174,000	-	80,000
<b>Total Revenues</b>	<b>\$ 39,211,950</b>	<b>\$ 18,577,050</b>	<b>\$ 1,000,000</b>	<b>\$ 67,818,100</b>
<b>Other Sources:</b>				
Transfers In	1,180,000	1,009,000	3,973,000	-
<b>Total Revenue and Other Sources</b>	<b>\$ 40,391,950</b>	<b>\$ 19,586,050</b>	<b>\$ 4,973,000</b>	<b>\$ 67,818,100</b>
<b>Expenditures and Expenses</b>				
Salaries and Benefits	\$ 30,547,550	\$ 1,227,000	\$ -	\$ 6,670,850
Cost of Sales and Services	-	-	10,000	7,144,750
Services and Supplies	6,358,600	1,070,900	-	14,399,550
General and Administrative	-	58,175	27,050	-
Program Expenditures/Pass Throughs	-	8,228,425	-	-
Capital Assets	223,000	-	-	687,000
Capital Improvement Projects	-	-	-	26,152,000
Debt Service-Principal and Interest	-	-	4,686,750	5,166,200
Bad Debt Write Off	-	-	-	300,000
Street/Sidewalk Maintenance	-	1,000,000	-	-
Charges for Internal Admin Services	-	364,500	-	-
Intragovernmental Charges	2,918,450	258,350	-	3,413,500
<b>Total Expenditures and Expenses</b>	<b>\$ 40,047,600</b>	<b>\$ 12,207,350</b>	<b>\$ 4,723,800</b>	<b>\$ 63,933,850</b>
<b>Other Uses:</b>				
Transfers Out	313,000	7,810,000	-	-
<b>Total Expenditures, Expenses and Other Uses</b>	<b>\$ 40,360,600</b>	<b>\$ 20,017,350</b>	<b>\$ 4,723,800</b>	<b>\$ 63,933,850</b>

Internal Service Funds	Private Purpose/ Permanent Trust	PCDC Merged	Capital Project Funds	All City Funds
\$ -	\$ -	\$ -	\$ -	\$ 7,300,000
-	-	12,000,000	-	23,130,000
-	-	-	-	9,095,000
-	-	-	-	6,358,700
-	-	-	-	651,000
193,500	3,500	16,000	-	2,722,800
-	-	-	-	31,464,000
-	-	-	562,000	18,701,150
1,629,200	-	-	-	40,274,150
4,571,000	-	-	-	4,571,000
-	-	-	-	865,000
-	-	-	1,600,000	1,600,000
-	-	-	66,000	515,500
<u>\$ 6,393,700</u>	<u>\$ 3,500</u>	<u>\$ 12,016,000</u>	<u>\$ 2,228,000</u>	<u>\$ 147,248,300</u>
300,000	-	-	19,033,000	25,495,000
<u>\$ 6,693,700</u>	<u>\$ 3,500</u>	<u>\$ 12,016,000</u>	<u>\$ 21,261,000</u>	<u>\$ 172,743,300</u>
\$ 1,451,600	\$ -	\$ 464,650	\$ 550,000	40,911,650
2,868,000	-	-	-	10,022,750
1,790,750	-	677,000	-	24,296,800
-	-	245,000	-	330,225
-	3,000	5,300,000	-	13,531,425
1,344,400	-	-	-	2,254,400
-	-	-	20,711,000	46,863,000
-	-	-	-	9,852,950
-	-	-	-	300,000
-	-	-	-	1,000,000
-	-	-	-	364,500
76,500	-	802,050	-	7,468,850
<u>\$ 7,531,250</u>	<u>\$ 3,000</u>	<u>\$ 7,488,700</u>	<u>\$ 21,261,000</u>	<u>\$ 157,196,550</u>
-	-	17,372,000	-	25,495,000
<u>\$ 7,531,250</u>	<u>\$ 3,000</u>	<u>\$ 24,860,700</u>	<u>\$ 21,261,000</u>	<u>\$ 182,691,550</u>

FUND SUMMARY  
 FISCAL YEAR 2006-2007

Fund Description	Beg. Bal. 7/1/2006	Estimated Revenues	Estimated Expenditures	Transfers in/Out	Est. Fund Bal. 6/30/2007
	\$	\$	\$	\$	
<b>GENERAL FUND</b>	<b>8,570,320</b>	<b>38,110,650</b>	<b>(37,836,050)</b>	<b>(48,000)</b>	<b>8,796,920</b>
<b>SPECIAL REVENUE FUNDS</b>					
Community Development Block Grant	49,443	482,400	(482,400)	-	49,443
Home/Begin Grants	583,536	4,000,000	(4,000,000)	-	583,536
Low/Moderate Income Housing	15,376,571	2,548,000	(3,318,550)	-	14,606,021
Community Facilities Impact Fees	1,001,638	131,000	(8,000)	-	1,124,638
Library Facility Impact Fees	17,196	24,000	(1,400)	-	39,796
Public Facilities Impact Fees	(107,722)	104,000	(6,000)	(76,000)	(85,722)
Fire Suppression Impact Fees	4,369	62,000	(3,600)	-	62,769
Storm Drainage Impact Fees	2,526,774	120,000	(7,900)	(620,000)	2,018,874
Housing In-Lieu Fees	6,900,131	1,558,000	(1,449,350)	-	7,008,781
Commercial Linkage Fees	213,651	50,000	(147,900)	-	115,751
Park Development Impact Fees	-	-	-	-	-
Park Land Acquisition Impact Fees	723	1,080,000	(62,500)	(295,000)	723,223
Aquatic Facility Impact Fees	1,252	15,000	(900)	-	15,352
Police Facility Impact Fees	34,945	55,000	(3,200)	-	86,745
Traffic Mitigation Impact Fees	2,806,313	1,350,000	(76,900)	(2,404,800)	1,674,613
General Government Grants	-	-	-	-	-
Community Development Grants	-	-	-	-	-
PCDC Grants	-	1,485,000	-	(1,485,000)	-
Police Grants	(105,298)	319,300	(319,300)	-	(105,298)
Parks and Rec Grants	-	-	-	-	-
Public Works Grants	(196,041)	2,267,000	-	(1,860,000)	210,959
Gas Tax	421,525	1,115,000	(96,000)	(1,000,000)	440,525
Supplemental Law Enforcement	59,407	100,500	-	(100,000)	59,907
Landscape Assessment Districts	530,193	335,000	(253,650)	13,000	624,543
Abandoned Vehicle Abatement	11,580	30,000	-	(30,000)	11,580
Asset Seizures	163,582	25,000	(50,000)	-	138,582
Street Maintenance	710,480	529,000	(2,015,950)	1,500,000	723,530
Street Reconstruction	327,950	10,000	(1,000)	(347,200)	(10,250)
Transient Occupancy Tax	351,911	1,205,000	(313,550)	(1,000,000)	243,361
Haz Mat Fines	14,662	2,000	(10,000)	-	6,662
Fire in-Lieu Fees	19,118	45,700	-	-	64,818
Donations	503,649	150,000	(110,000)	(46,000)	497,649
PCDC Donations	6,371	328,000	-	(328,000)	6,371
Prince Park Trust	992,248	15,000	-	-	1,007,248
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>33,220,157</b>	<b>19,540,900</b>	<b>(12,738,050)</b>	<b>(8,079,000)</b>	<b>31,944,007</b>

FUND SUMMARY  
FISCAL YEAR 2007-2008

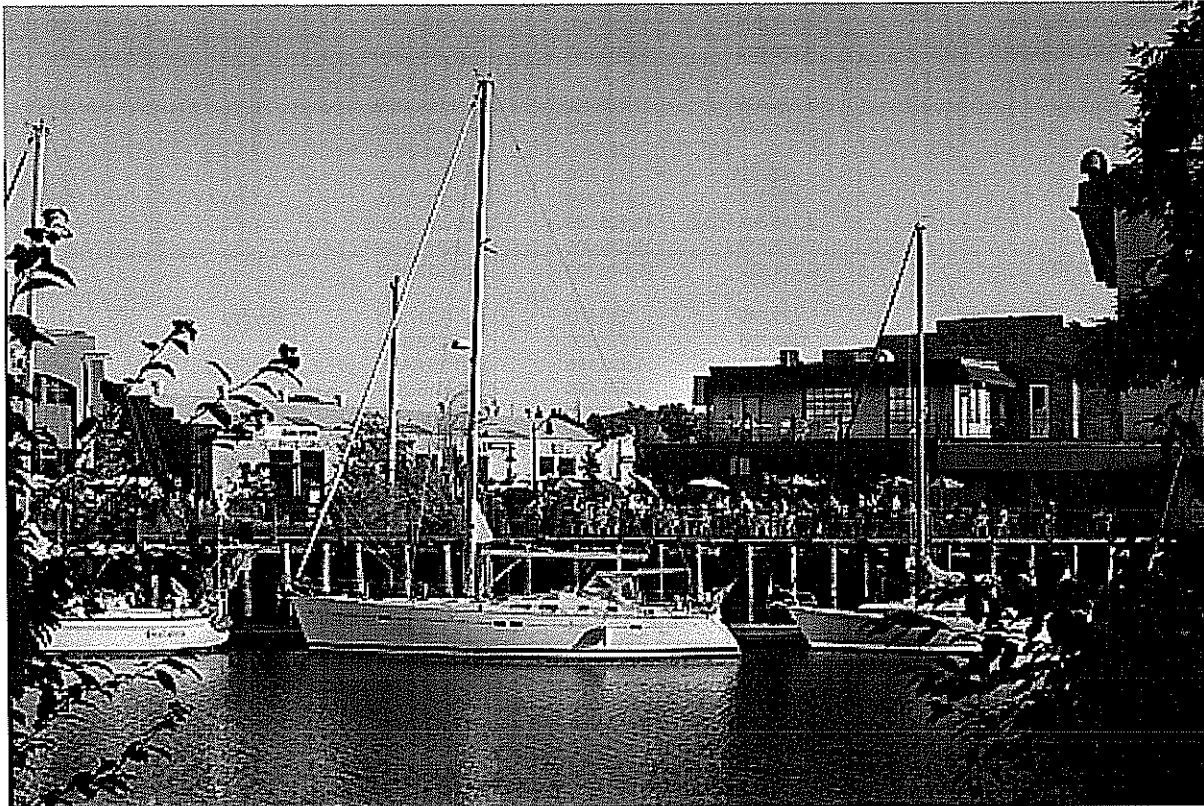
Fund Description	Est. Fund Bal. 7/01/2007	Budgeted Revenues	Budgeted Expenditures	Budgeted Transfers In	Budgeted Transfers Out	Proj. Fund Bal. 6/30/2008
	\$	\$	\$	\$	\$	\$
<b>GENERAL FUND</b>	8,796,920	39,211,950	(40,047,600)	1,180,000	(313,000)	8,828,270
<b>SPECIAL REVENUE FUNDS</b>						
Community Development Block Grant	49,443	357,400	(357,400)	-	-	49,443
Home/Begin Grants	583,536	4,010,700	(3,950,700)	-	-	643,536
Low/Moderate Income Housing	14,606,021	2,857,500	(2,518,150)	-	-	14,945,371
Community Facilities Impact Fees	1,124,638	169,000	(10,200)	-	(508,000)	775,438
Library Facility Impact Fees	39,796	22,000	(1,200)	-	-	60,596
Public Facilities Impact Fees	(85,722)	81,000	(5,300)	-	-	(10,022)
Fire Suppression Impact Fees	62,769	47,000	(3,200)	-	-	106,569
Storm Drainage Impact Fees	2,018,874	154,500	(7,300)	-	(469,000)	1,697,074
Housing In-Lieu Fees	7,008,781	1,435,000	(1,609,750)	-	-	6,834,031
Commercial Linkage Fees	115,751	104,000	(31,600)	-	-	188,151
Park Development Impact Fees	-	-	-	-	-	-
Park Land Acquisition Impact Fees	723,223	840,600	(54,800)	-	(400,000)	1,109,023
Aquatic Facility Impact Fees	15,352	13,000	(700)	-	(26,000)	1,652
Police Facility Impact Fees	86,745	29,000	(1,900)	-	-	113,845
Traffic Mitigation Impact Fees	1,674,613	1,340,000	(86,300)	-	(864,000)	2,064,313
General Government Grants	-	-	-	-	-	-
Community Development Grants	-	-	-	-	-	-
PCDC Grants	-	630,000	-	-	(630,000)	-
Police Grants	(105,298)	155,450	(155,450)	-	-	(105,298)
Parks and Rec Grants	-	-	-	-	-	-
Public Works Grants	210,959	2,707,000	-	-	(2,707,000)	210,959
Gas Tax	440,525	1,030,000	(103,000)	-	(1,020,000)	347,525
Supplemental Law Enforcement	59,907	100,900	-	-	(100,000)	60,807
Landscape Assessment Districts	624,543	365,000	(295,950)	13,000	-	706,593
Abandoned Vehicle Abatement	11,580	32,800	-	-	-	44,380
Asset Seizures	138,582	48,000	(150,000)	-	-	36,582
Street Maintenance	723,530	386,500	(2,280,450)	996,000	-	(174,420)
Street Reconstruction	(10,250)	-	-	-	-	(10,250)
Transient Occupancy Tax	243,361	1,406,200	(426,000)	-	(1,000,000)	223,561
Haz Mat Fines	6,662	2,000	(10,000)	-	-	(1,338)
Fire in-Lieu Fees	64,818	18,500	(20,000)	-	-	63,318
Donations	497,649	194,000	(128,000)	-	(46,000)	517,649
PCDC Donations	6,371	-	-	-	-	6,371
Prince Park Trust	1,007,248	40,000	-	-	(40,000)	1,007,248
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>31,944,007</b>	<b>18,577,050</b>	<b>(12,207,350)</b>	<b>1,009,000</b>	<b>(7,810,000)</b>	<b>31,512,707</b>

FUND SUMMARY  
FISCAL YEAR 2006-2007

Fund Description	Beg. Bal. 7/1/2006	Estimated Revenues	Estimated Expenditures	Transfers In/Out	Est. Fund Balance 6/30/2007
Petaluma Community Develop Debt Service	686,805	2,000	(3,277,100)	3,277,100	688,805
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>686,805</b>	<b>2,000</b>	<b>(3,277,100)</b>	<b>3,277,100</b>	<b>688,805</b>
Wickersham Park Trust	25,596	200	-	-	25,796
<b>TOTAL PERMANENT TRUST FUNDS</b>	<b>25,596</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>25,796</b>
Thomas Lee Charity Trust	20,951	200	(600)	-	20,551
Child Care Trust	149,374	2,000	(2,000)	-	149,374
<b>TOTAL PRIVATE PURPOSE TRUST FUNDS</b>	<b>170,325</b>	<b>2,200</b>	<b>(2,600)</b>	<b>-</b>	<b>169,925</b>
Petaluma Community Development	3,425,113	21,830,000	(7,347,350)	(12,909,100)	4,998,663
<b>TOTAL REDEVELOPMENT FUNDS</b>	<b>3,425,113</b>	<b>21,830,000</b>	<b>(7,347,350)</b>	<b>(12,909,100)</b>	<b>4,998,663</b>
Airport Operations	749,026	1,912,150	(1,720,800)	425,000	1,365,376
Ambulance Services	519	1,800,000	(2,631,750)	-	(831,231)
Community Development	-	1,295,000	(1,295,000)	-	-
Marina	338	200,800	(254,450)	-	(53,312)
Public Transportation	359,295	3,948,350	(3,739,250)	(50,000)	518,395
Waste Water Utility	7,346,981	96,642,450	(99,419,050)	(334,000)	4,236,381
Water Utility	2,795,673	18,205,000	(13,566,300)	(360,000)	7,075,373
<b>TOTAL ENTERPRISE FUNDS</b>	<b>11,252,832</b>	<b>124,004,750</b>	<b>(122,627,600)</b>	<b>(319,000)</b>	<b>12,310,982</b>
Employee Benefits	388,269	691,500	(691,500)	100,000	488,269
General Services	247,945	374,350	(372,500)	-	249,795
Information Technology	306,357	1,539,950	(1,538,600)	-	307,707
Risk Management (Liability)	3,858,095	1,951,350	(1,922,950)	-	3,886,495
Vehicle and Equipment Replacement	2,164,239	21,700	(450,000)	430,000	2,165,939
Workers' Compensation	4,667,990	1,516,150	(1,516,150)	-	4,667,990
<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b>11,632,895</b>	<b>6,095,000</b>	<b>(6,491,700)</b>	<b>530,000</b>	<b>11,766,195</b>
<b>CAPITAL PROJECT FUNDS</b>					
General Government CIP	(2,275)	10,000	(86,000)	76,000	(2,275)
Community Development CIP	3,006	-	-	-	3,006
Police CIP	24,889	-	(1,129,000)	1,129,000	24,889
Fire CIP	(38,224)	-	(40,000)	40,000	(38,224)
Parks and Recreation CIP	(117,550)	-	-	301,000	183,450
Public Works CIP	11,804,251	-	(9,006,000)	9,182,000	11,980,251
FEMA Permanent CIP	(28,814)	-	-	-	(28,814)
PCDC CIP	(2,149,960)	2,000,000	(8,820,000)	6,820,000	(2,149,960)
<b>TOTAL CAPITAL PROJECT FUNDS</b>	<b>9,495,323</b>	<b>2,010,000</b>	<b>(19,081,000)</b>	<b>17,548,000</b>	<b>9,972,323</b>
<b>GRAND TOTAL</b>	<b>\$ 78,479,366</b>	<b>\$ 211,595,700</b>	<b>\$ (209,401,450)</b>	<b>\$ -</b>	<b>\$ 80,673,616</b>

FUND SUMMARY  
FISCAL YEAR 2007-2008

Fund Description	Est. Fund Bal. 7/01/2007	Budgeted Revenues	Budgeted Expenditures	Budgeted Transfers In	Budgeted Transfers Out	Proj. Fund Bal. 6/30/2008
Petaluma Community Develop Debt Service	688,805	1,000,000	(4,723,800)	3,973,000	-	938,005
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>688,805</b>	<b>1,000,000</b>	<b>(4,723,800)</b>	<b>3,973,000</b>	<b>-</b>	<b>938,005</b>
Wickersham Park Trust	25,796	500	-	-	-	26,296
<b>TOTAL PERMANENT TRUST FUNDS</b>	<b>25,796</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,296</b>
Thomas Lee Charity Trust	20,551	1,000	(1,000)	-	-	20,551
Child Care Trust	149,374	2,000	(2,000)	-	-	149,374
<b>TOTAL PRIVATE PURPOSE TRUST FUNDS</b>	<b>169,925</b>	<b>3,000</b>	<b>(3,000)</b>	<b>-</b>	<b>-</b>	<b>169,925</b>
Petaluma Community Development	4,998,663	12,016,000	(7,488,700)	-	(17,372,000)	(7,846,037)
<b>TOTAL REDEVELOPMENT FUNDS</b>	<b>4,998,663</b>	<b>12,016,000</b>	<b>(7,488,700)</b>	<b>-</b>	<b>(17,372,000)</b>	<b>(7,846,037)</b>
Airport Operations	1,365,376	1,625,000	(1,601,000)	-	-	1,389,376
Ambulance Services	(831,231)	1,800,000	(2,484,150)	-	-	(1,515,381)
Community Development	-	1,350,000	(1,401,550)	-	-	(51,550)
Marina	(53,312)	201,500	(471,500)	-	-	(323,312)
Public Transportation	518,395	2,757,100	(2,567,200)	-	-	708,295
Waste Water Utility	4,236,381	42,425,500	(42,197,250)	-	-	4,464,631
Water Utility	7,075,373	17,659,000	(13,211,200)	-	-	11,523,173
<b>TOTAL ENTERPRISE FUNDS</b>	<b>12,310,982</b>	<b>67,818,100</b>	<b>(63,933,850)</b>	<b>-</b>	<b>-</b>	<b>16,195,232</b>
Employee Benefits	488,259	592,300	(731,100)	100,000	-	449,469
General Services	249,795	770,600	(366,300)	-	-	654,095
Information Technology	307,707	1,890,150	(1,887,450)	-	-	310,407
Risk Management (Liability)	3,886,495	1,979,150	(1,916,850)	-	-	3,948,795
Vehicle and Equipment Replacement	2,165,939	43,400	(1,137,400)	200,000	-	1,271,939
Workers' Compensation	4,667,990	1,118,100	(1,492,150)	-	-	4,293,940
<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b>11,766,195</b>	<b>6,393,700</b>	<b>(7,531,250)</b>	<b>300,000</b>	<b>-</b>	<b>10,928,645</b>
<b>CAPITAL PROJECT FUNDS</b>						
General Government CIP	(2,275)	-	(358,000)	358,000	-	(2,275)
Community Development CIP	3,006	-	(200,000)	200,000	-	3,006
Police CIP	24,889	-	(1,000,000)	1,000,000	-	24,889
Fire CIP	(38,224)	-	(1,400,000)	1,400,000	-	(38,224)
Parks and Recreation CIP	183,450	1,600,000	(2,032,000)	432,000	-	183,450
Public Works CIP	11,980,251	628,000	(6,972,000)	6,344,000	-	11,980,251
FEMA Permanent CIP	(28,814)	-	(1,720,000)	1,720,000	-	(28,814)
PCDC CIP	(2,149,960)	-	(7,579,000)	7,579,000	-	(2,149,960)
<b>TOTAL CAPITAL PROJECT FUNDS</b>	<b>9,972,323</b>	<b>2,228,000</b>	<b>(21,261,000)</b>	<b>19,033,000</b>	<b>-</b>	<b>9,972,323</b>
<b>GRAND TOTAL</b>	<b>\$ 80,673,616</b>	<b>\$ 147,248,300</b>	<b>\$ (157,196,550)</b>	<b>\$ 25,495,000</b>	<b>\$ (25,495,000)</b>	<b>\$ 70,725,366</b>



The Petaluma Yacht Club draws many boaters who take advantage of the excellent river dining opportunities.