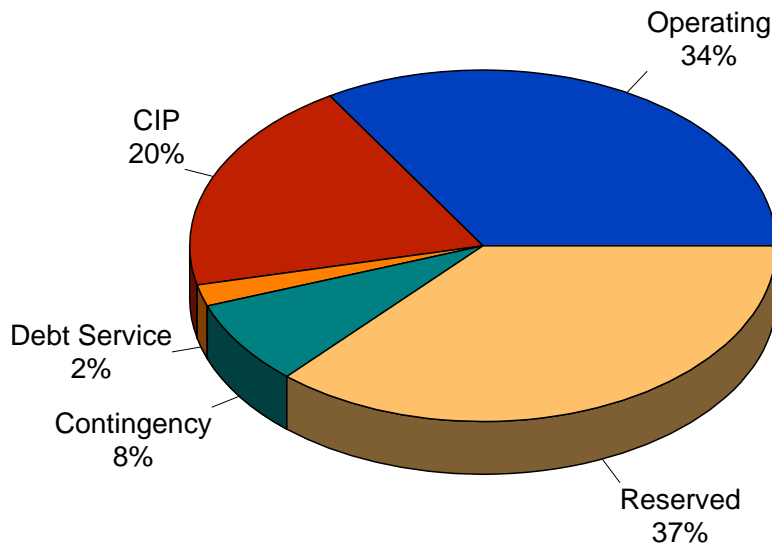


**BUDGET SUMMARY**

The annual budget for the City of Petaluma is divided into four major components, which include all appropriations for the City. The operating budget finances the day-to-day provision of City services and totals \$103,397,000 for all funds which includes \$36,073,600 in the General Fund. The capital improvement budget component funds the construction of City facilities, such as roads, buildings and utility infrastructure. This year's capital improvement budget totals \$60,160,000, which includes \$30 million for the beginning of the 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 and utility funds and in the redevelopment areas. Budgeted debt service for the redevelopment area is \$2,836,400. Debt service budgeted in utility and airport funds total \$2,048,600. The final component of the budget is the contingency appropriation, which equals \$1 million in the General Fund. This is available to cover emergency expenses or revenue shortages. Estimated fund balances and net assets for all funds at June 30, 2006 are \$134,571,000. Of that amount, \$112,214,000 is reserved/designated/restricted. This leaves \$22,357,000 of additional funds available, in addition to the budgeted contingency, to cover emergency expenses or revenue shortages.

The City of Petaluma's total budget appropriations for FY 05-06 total \$168,442,000 (including interfund transfers, excluding contingency).

**FISCAL YEAR 2006 APPROPRIATIONS**



The City of Petaluma's budget is presented and shown by eight 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 \$36,073,600 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 \$20,308,484 including transfers out. The Special Revenue Funds include Gas Tax allocation from the State, Developer Impact Fees, Grant Funds, Landscape Assessment District Funds, Street Maintenance, Street Reconstruction, Transient Occupancy Tax (TOT) Funds, and 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 Governmental Debt Service accounts for General Fund debt. General Fund debt has been paid off, therefore no expenditures or appropriations are shown.

The Enterprise Funds total \$75,659,150. This includes the Water Utility, Wastewater Utility, Public Transit, Airport Operations, Ambulance Service and Marina. The Enterprise Funds include \$44,719,400 of capital projects.

The Internal Service Funds total \$6,547,400. This includes Information Services, Employee Benefits, Worker's Compensation, Risk Management/Liability, General Services and Vehicle Replacement. The vast majority of Internal Service Fund costs are charged back to departments throughout the City.

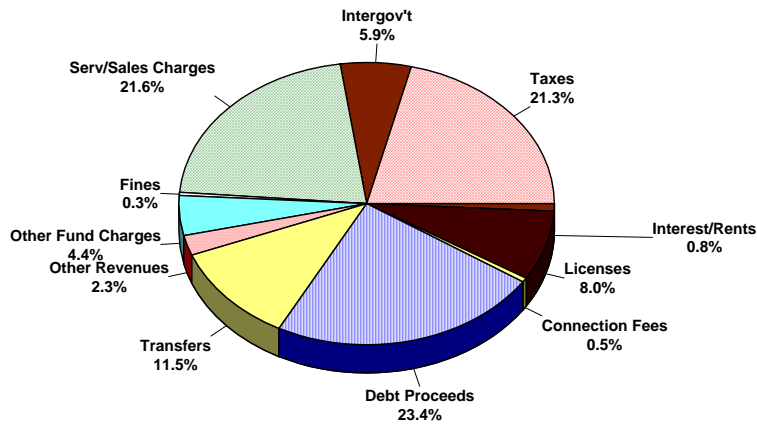
The Trust Funds total \$2,950 and include the Thomas Lee Charity, Public Purpose Trust and the Child Care Private Purpose Trust.

The Petaluma Community Development Commission (PCDC) totals \$11,573,400 including both the Central Business District (CBD) and the Petaluma Community District (PCD). This includes appropriations for program expenditures, debt service payments and intergovernmental charges. The Capital Improvement Projects (CIP) are listed in the Capital Projects funds.

Finally, the Capital Projects Funds total \$59,266,200. This includes capital projects for Public Transportation, Community Facilities, the Petaluma Community Development Commission (PCDC), Parks and Recreation, Flood and Surface Water projects, Water and Wastewater Utility projects.

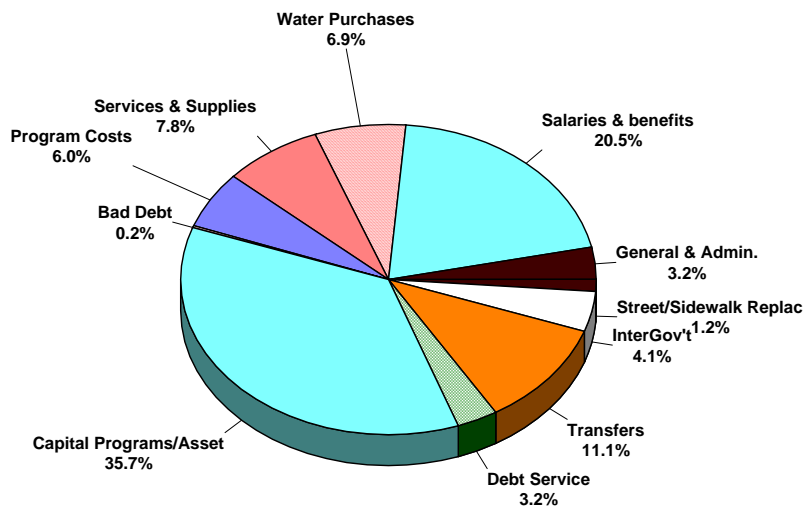
## WHERE THE MONEY COMES FROM...

**2005-2006  
 ESTIMATED REVENUES  
 \$162,658,840**



## WHERE THE MONEY GOES...

**2005-2006  
 ADOPTED BUDGET  
 \$168,441,984**



**SOURCES AND USES OF FUNDS**

	General Fund	Special Revenue Funds incl. LMH	Governmental Debt Service	Enterprise Funds
<b>Revenue</b>				
Property Taxes	\$ 5,423,000	\$ 3,740,300	\$ -	\$ -
Sales Taxes	10,600,000	-	-	-
Other Taxes	3,865,000	265,300	-	-
Licenses, Permits and Fees	3,247,500	9,703,000	-	-
Fines, Forfeitures and Penalties	521,000	10,000	-	-
Investment Earnings and Rent	490,300	343,000	-	266,000
Debt Proceeds	-	-	-	38,009,000
Intergovernmental	3,266,000	4,256,400	-	2,072,350
Charges for Services/Sales	7,334,000	258,150	-	27,571,700
Charges to Other Funds	-	-	-	-
Connection Fees	-	-	-	800,000
Other Revenue	270,000	3,457,500	-	-
<b>Total Revenues</b>	<b>\$ 35,016,800</b>	<b>\$ 22,033,650</b>	<b>\$ -</b>	<b>\$ 68,719,050</b>
<b>Other Sources:</b>				
Debt Proceeds			(23,006,650)	
Transfers In	1,164,000	1,022,484	2,836,906	201,800
<b>Total Revenue and Other Sources</b>	<b>\$ 36,180,800</b>	<b>\$ 23,056,134</b>	<b>\$ (20,169,744)</b>	<b>\$ 68,920,850</b>
<b>Expenditures and Expenses</b>				
Salaries and Benefits	\$ 27,689,650	\$ 270,750	\$ -	\$ 4,977,100
Cost of Sales and Services	-	-	-	7,161,350
Services and Supplies	5,253,750	432,450	-	6,091,350
General and Administrative	-	58,400	11,700	5,030,050
Program Expenditures/Pass Throughs	-	4,271,250	-	-
Capital Assets	130,000	-	-	133,000
Capital Improvement Projects	-	-	-	44,719,400
Debt Service-Principal and Interest	-	-	2,824,700	2,306,200
Bad Debt Write Off	-	-	-	350,000
Street/Sidewalk Maintenance	-	2,000,000	-	-
Intragovernmental Charges	2,687,200	125,350	-	3,791,100
<b>Total Expenditures and Expenses</b>	<b>\$ 35,760,600</b>	<b>\$ 7,158,200</b>	<b>\$ 2,836,400</b>	<b>\$ 74,559,550</b>
<b>Other Uses:</b>				
Transfers Out	313,000	13,150,284	-	1,099,600
<b>Total Expenditures, Expenses and Other Uses</b>	<b>\$ 36,073,600</b>	<b>\$ 20,308,484</b>	<b>\$ 2,836,400</b>	<b>\$ 75,659,150</b>
7/1/05 Estimated Fund Balance/Equity	\$ 6,665,232	\$ 34,461,828	\$ 23,193,503	\$ 79,414,007
Budgeted Increase/(Decrease) in Fund	107,200	2,747,650	(23,006,144)	(6,738,300)
Adjustment for Notes Receivable	-	66,000	-	-
Adjustment for Depreciation	-	-	-	(3,312,494)
Adjustment for Debt Princ/Proceeds	-	-	-	(37,132,000)
Adjustment for Capital Expenditures	-	-	-	44,852,400
6/30/06 Estimated Fund Balance/Equity	6,772,432	37,275,478	187,359	77,083,613
<b>Reserves:</b>				
Loans Rec/Interfund and Deposits	3,971,782	21,377,762	-	-
Debt Service	-	-	187,359	10,282,748
Future Retirements	-	-	-	-
Capital Assets/Improvement Projects	-	-	-	62,311,377
Contingency	1,000,000	-	-	-
Reserve for Lucchessi Field	-	-	-	-
Encumbrances and Specific Projects	1,400,000	-	-	-
Land	-	-	-	-
<b>Total Reserves</b>	<b>6,371,782</b>	<b>21,377,762</b>	<b>187,359</b>	<b>72,594,125</b>
<b>Ending Unreserved Fund Balance/ Equity</b>	<b>\$ 400,650</b>	<b>\$ 15,897,716</b>	<b>\$ -</b>	<b>\$ 4,489,488</b>

Internal Service Funds	Private Purpose/ Permanent Trust	PCDC CBD/PCD	Capital Project Funds	All City Funds
\$ -	\$ -	\$ 10,731,800	\$ -	\$ 19,895,100
-	-	-	-	10,600,000
-	-	-	-	4,130,300
-	-	-	-	12,950,500
-	-	-	-	531,000
95,000	3,300	96,400	-	1,294,000
-	-	-	-	38,009,000
-	-	-	-	9,594,750
-	-	-	-	35,163,850
7,179,050	-	-	-	7,179,050
-	-	-	-	800,000
30,000	-	-	-	3,757,500
<b>\$ 7,304,050</b>	<b>\$ 3,300</b>	<b>\$ 10,828,200</b>	<b>\$ -</b>	<b>\$ 143,905,050</b>
		23,006,650		-
530,000	-	-	12,998,600.00	18,753,790
<b>\$ 7,834,050</b>	<b>\$ 3,300</b>	<b>\$ 33,834,850</b>	<b>\$ 12,998,600</b>	<b>\$ 162,658,840</b>
\$ 1,138,950	\$ -	\$ 394,150	\$ -	\$ 34,470,600
3,768,000	-	-	727,900	11,657,250
1,062,800	-	299,050	-	13,139,400
-	-	197,700	165,900	5,463,750
-	2,900	5,861,000	-	10,135,150
541,000	-	-	-	804,000
-	-	-	14,546,800	59,266,200
-	-	300,000	-	5,430,900
-	-	-	-	350,000
-	-	-	-	2,000,000
36,650	50	330,700	-	6,971,050
<b>\$ 6,547,400</b>	<b>\$ 2,950</b>	<b>\$ 7,382,600</b>	<b>\$ 15,440,600</b>	<b>\$ 149,688,300</b>
-	-	4,190,800	-	18,753,684
<b>\$ 6,547,400</b>	<b>\$ 2,950</b>	<b>\$ 11,573,400</b>	<b>\$ 15,440,600</b>	<b>\$ 168,441,984</b>
\$ 2,400,727	\$ 194,353	\$ (13,706,948)	\$ 13,640,944	\$ 146,263,646
1,286,650	350	22,261,450	(2,442,000)	(5,783,144)
-	-	50,000	-	116,000
(58,478)	-	-	-	(3,370,972)
-	-	-	-	(37,132,000)
824,000	-	-	-	45,676,400
4,452,899	194,703	8,604,502	11,198,944	134,570,986
-	-	7,875,391	-	33,224,935
-	-	-	-	10,470,107
353,850	-	-	-	353,850
2,856,499	-	-	11,198,944	65,167,876
-	-	-	-	1,000,000
-	-	-	-	-
-	194,703	-	-	1,594,703
-	-	402,053	-	402,053
<b>3,210,349</b>	<b>194,703</b>	<b>8,277,444</b>	<b>11,198,944</b>	<b>112,213,524</b>
<b>\$ 1,242,550</b>	<b>\$ -</b>	<b>\$ 327,058</b>	<b>\$ -</b>	<b>\$ 22,357,462</b>

**FUND SUMMARY**  
**FISCAL YEAR 2004-2005**

Fund Description	Beg. Bal. 7/1/2004	Estimated Revenues	Estimated Expenditures	Transfers In/(Out)	Est. Fund Balance 6/30/2004
<b>GENERAL FUND</b>	<b>\$ 6,665,232</b>	<b>\$ 31,096,700</b>	<b>\$ (31,687,700)</b>	<b>\$ 591,000</b>	<b>6,665,232</b>
Community Development Block Grant	5,841	595,000	(602,600)	-	(1,759)
Home/Begin Grants	516,689	7,000	(105,950)	-	417,739
Low/Moderate Income Housing	11,917,395	2,536,000	(3,427,800)	(150,000)	10,875,595
Community Facilities Impact Fees	887,878	520,000	(1,000)	(272,500)	1,134,378
Library Facility Impact Fees	-	40,000	-	-	40,000
Public Facilities Impact Fees	(1,227)	100,000	-	-	98,773
Fire Suppression Impact Fees	(1,226)	60,000	-	(60,000)	(1,226)
Storm Drainage Impact Fees	3,804,526	375,000	(1,000)	(1,662,000)	2,516,526
Housing In-Lieu Fees	8,740,173	1,800,000	(1,105,300)	-	9,434,873
Commercial Linkage Fees	-	-	-	-	-
Park Development Impact Fees	955,164	21,000	(1,000)	(664,680)	310,484
Park Land Acquisition Impact Fees	67,078	1,300,000	-	(850,320)	516,758
Aquatic Facility Impact Fees	-	20,000	-	-	20,000
Police Facility Impact Fees	(1,226)	50,000	-	-	48,774
Traffic Mitigation Impact Fees	3,714,176	2,100,000	(6,000)	(2,455,300)	3,352,876
General Government Grants	-	653,000	-	(653,000)	-
Community Development Grants	-	20,500	-	(20,500)	-
PCDC Grants	-	200,000	-	(200,000)	-
Police Grants	53,813	282,000	(282,000)	-	53,813
Parks and Rec Grants	-	1,259,900	(274,900)	(985,000)	-
Public Works Grants	(135,312)	1,664,600	-	(1,664,600)	(135,312)
Gas Tax	577,302	1,120,000	(1,000)	(1,783,000)	(86,698)
Supplemental Law Enforcement	67,561	110,000	-	(110,000)	67,561
Landscape Assessment Districts	531,795	304,500	(242,150)	13,000	607,145
Abandoned Vehicle Abatement	8,002	30,000	-	-	38,002
Asset Seizures	15,006	2,000	-	-	17,006
Street Maintenance	(55,842)	258,000	(2,541,200)	1,724,000	(615,042)
Street Reconstruction	4,434,324	-	-	-	4,434,324
Transient Occupancy Tax	289,094	1,000,000	(301,700)	(915,000)	72,394
Haz Mat Fines	28,637	-	-	-	28,637
Fire in-Lieu Fees	-	-	-	-	-
Donations	206,184	4,411,000	(133,000)	(4,278,000)	206,184
PCDC Donations	5,020	2,415,000	-	(2,415,000)	5,020
Prince Park Trust	1,005,003	15,000	-	(15,000)	1,005,003
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>37,635,828</b>	<b>23,269,500</b>	<b>(9,026,600)</b>	<b>(17,416,900)</b>	<b>34,461,828</b>

**FUND SUMMARY**  
**FISCAL YEAR 2005 - 2006**

Fund Description	Est. Fund Bal. 7/01/2005	Budgeted Revenues	Budgeted Expenditures	Budgeted Transfers In/(Out)	Proj. Fund Bal. 6/30/2006
<b>GENERAL FUND</b>	<b>\$ 6,665,232</b>	<b>\$ 35,016,800</b>	<b>\$ (35,760,600)</b>	<b>\$ 851,000</b>	<b>\$ 6,772,432</b>
Community Development Block Grant	(1,759)	402,000	(402,000)	-	(1,759)
Home/Begin Grants	417,739	66,000	(66,000)	-	417,739
Low/Moderate Income Housing	10,875,595	2,673,650	(2,477,600)	-	11,071,645
Community Facilities Impact Fees	1,134,378	272,000	(1,000)	(12,000)	1,393,378
Library Facility Impact Fees	40,000	77,000	-	-	117,000
Public Facilities Impact Fees	98,773	248,000	-	(194,000)	152,773
Fire Suppression Impact Fees	(1,226)	182,000	-	(60,000)	120,774
Storm Drainage Impact Fees	2,516,526	1,114,000	(1,500)	(1,671,000)	1,958,026
Housing In-Lieu Fees	9,434,873	2,600,000	(1,389,050)	-	10,645,823
Commercial Linkage Fees	-	90,000	-	-	90,000
Park Development Impact Fees	310,484	-	-	(310,484)	-
Park Land Acquisition Impact Fees	516,758	2,300,000	(1,000)	(1,210,516)	1,605,242
Aquatic Facility Impact Fees	20,000	47,000	-	-	67,000
Police Facility Impact Fees	48,774	168,000	-	(25,000)	191,774
Traffic Mitigation Impact Fees	3,352,876	2,747,000	(1,500)	(554,000)	5,544,376
General Government Grants	-	-	-	-	-
Community Development Grants	-	-	-	-	-
PCDC Grants	-	472,000	-	(472,000)	-
Police Grants	53,813	147,400	(147,400)	-	53,813
Parks and Rec Grants	-	245,000	-	(245,000)	-
Public Works Grants	(135,312)	1,443,000	-	(1,443,000)	(135,312)
Gas Tax	(86,698)	1,054,000	(1,000)	(934,000)	32,302
Supplemental Law Enforcement	67,561	100,000	-	(100,000)	67,561
Landscape Assessment Districts	607,145	251,800	(252,100)	13,000	619,845
Abandoned Vehicle Abatement	38,002	30,000	-	(30,000)	38,002
Asset Seizures	17,006	-	-	-	17,006
Street Maintenance	(615,042)	570,300	(2,000,500)	699,000	(1,346,242)
Street Reconstruction	4,434,324	100,000	-	(1,201,800)	3,332,524
Transient Occupancy Tax	72,394	1,134,000	(311,050)	(1,000,000)	(104,656)
Haz Mat Fines	28,637	10,000	(10,000)	-	28,637
Fire in-Lieu Fees	-	18,000	-	-	18,000
Donations	206,184	1,932,500	(96,500)	(1,838,000)	204,184
PCDC Donations	5,020	1,515,000	-	(1,515,000)	5,020
Prince Park Trust	1,005,003	24,000	-	(24,000)	1,005,003
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>34,461,828</b>	<b>22,033,650</b>	<b>(7,158,200)</b>	<b>(12,127,800)</b>	<b>37,209,478</b>

**FUND SUMMARY**  
**FISCAL YEAR 2004-2005**

Fund Description	Beg. Bal. 7/1/2004	Estimated Revenues	Estimated Expenditures	Transfers In/(Out)	Est. Fund Balance 6/30/2004
City Debt Service	-	-	-	-	-
Central Business District Debt Service	175,747	1,000	(137,400)	137,400	176,747
Petaluma Community Develop Debt Service	22,996,756	20,000	(2,720,000)	2,720,000	23,016,756
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>23,172,503</b>	<b>21,000</b>	<b>(2,857,400)</b>	<b>2,857,400</b>	<b>23,193,503</b>
Wickersham Park Trust	25,318	600	-	-	25,918
<b>TOTAL PERMANENT TRUST FUNDS</b>	<b>25,318</b>	<b>600</b>	<b>-</b>	<b>-</b>	<b>25,918</b>
Thomas Lee Charity Trust	20,441	300	(600)	-	20,141
Child Care Trust	148,294	2,500	(2,500)	-	148,294
<b>TOTAL PRIVATE PURPOSE TRUST FUNDS</b>	<b>168,735</b>	<b>2,800</b>	<b>(3,100)</b>	<b>-</b>	<b>168,435</b>
Central Business District	(17,597,782)	785,300	(1,523,200)	(12,044,400)	(30,380,082)
Petaluma Community Development	13,549,334	19,845,900	(6,290,100)	(10,432,000)	16,673,134
<b>TOTAL REDEVELOPMENT FUNDS</b>	<b>(4,048,448)</b>	<b>20,631,200</b>	<b>(7,813,300)</b>	<b>(22,476,400)</b>	<b>(13,706,948)</b>
Airport Operations	3,892,179	991,400	(991,400)	-	3,892,179
Ambulance Services	422,492	2,293,500	(2,293,500)	-	422,492
Marina	224,294	188,000	(702,250)	-	4,830
Public Transportation	-	1,365,850	(1,365,850)	-	-
Waste Water Utility	4,808,070	24,915,000	(23,554,950)	(960,000)	3,569,625
Water Utility	9,542,521	10,930,000	(17,772,450)	(359,000)	4,056,285
<b>TOTAL ENTERPRISE FUNDS</b>	<b>18,889,556</b>	<b>40,683,750</b>	<b>(46,680,400)</b>	<b>(1,319,000)</b>	<b>11,945,411</b>
Employee Benefits	510,344	895,800	(895,800)	-	510,344
General Services	227,641	384,000	(384,000)	-	227,641
Information Services	285,448	754,700	(754,700)	-	285,448
Risk Management (Liability)	2,935,074	1,893,250	(1,924,200)	-	2,904,124
Vehicle and Equipment Replacement	3,554,024	45,000	(800,000)	800,000	3,599,024
Workers' Compensation	1,695,902	1,329,050	(1,329,050)	-	1,695,902
<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b>9,208,433</b>	<b>5,301,800</b>	<b>(6,087,750)</b>	<b>800,000</b>	<b>9,222,483</b>
<b>CAPITAL PROJECT FUNDS</b>					
General Government CIP	(8,358)	-	(689,000)	689,000	(8,358)
Community Development CIP	150,309	-	(792,000)	755,000	113,309
Central Business District CIP	8,650,127	-	(15,903,000)	15,141,000	7,888,127
Petaluma Comm Develop CIP	1,616,756	-	(6,258,000)	3,843,000	(798,244)
Police CIP	-	-	-	-	-
Fire CIP	-	-	-	-	-
Parks and Recreation CIP	1,224,428	-	(6,269,000)	6,115,000	1,070,428
Public Works CIP	4,471,482	-	(9,516,700)	10,420,900	5,375,682
<b>TOTAL CAPITAL PROJECT FUNDS</b>	<b>16,104,744</b>	<b>-</b>	<b>(39,427,700)</b>	<b>36,963,900</b>	<b>13,640,944</b>
<b>GRAND TOTAL</b>	<b>\$ 107,821,901</b>	<b>\$ 121,007,350</b>	<b>\$ (143,583,950)</b>	<b>\$ -</b>	<b>\$ 85,616,806</b>

**FUND SUMMARY**  
**FISCAL YEAR 2005 - 2006**

Fund Description	Est. Fund Bal. 7/01/2005	Budgeted Revenues	Budgeted Expenditures	Budgeted Transfers In/(Out)	Proj. Fund Bal. 6/30/2005
City Debt Service	-	-	-	-	-
Central Business District Debt Service	176,747	-	(132,600)	133,000	177,147
Petaluma Community Develop Debt Service	23,016,756	(23,006,650)	(2,703,800)	2,703,800	10,106
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>23,193,503</b>	<b>(23,006,650)</b>	<b>(2,836,400)</b>	<b>2,836,800</b>	<b>187,253</b>
Wickersham Park Trust	25,918	400	-	-	26,318
<b>TOTAL PERMANENT TRUST FUNDS</b>	<b>25,918</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>26,318</b>
Thomas Lee Charity Trust	20,141	400	(400)	-	20,141
Child Care Trust	148,294	2,500	(2,550)	-	148,244
<b>TOTAL PRIVATE PURPOSE TRUST FUNDS</b>	<b>168,435</b>	<b>2,900</b>	<b>(2,950)</b>	<b>-</b>	<b>168,385</b>
Central Business District	(30,380,082)	680,400	(983,200)	(971,000)	(31,653,882)
Petaluma Community Development	16,673,134	33,154,450	(6,399,400)	(3,219,800)	40,208,384
<b>TOTAL REDEVELOPMENT FUNDS</b>	<b>(13,706,948)</b>	<b>33,834,850</b>	<b>(7,382,600)</b>	<b>(4,190,800)</b>	<b>8,554,502</b>
Airport Operations	3,892,179	4,902,200	(4,900,850)	-	3,892,179
Ambulance Services	422,492	1,418,500	(2,446,550)	-	422,492
Marina	4,830	193,700	(480,300)	-	4,830
Public Transportation	-	1,845,550	(2,047,300)	201,800	-
Waste Water Utility	3,569,625	48,454,100	(50,399,200)	(165,000)	3,569,625
Water Utility	4,056,285	11,905,000	(14,285,350)	(934,600)	4,056,285
<b>TOTAL ENTERPRISE FUNDS</b>	<b>11,945,411</b>	<b>68,719,050</b>	<b>(74,559,550)</b>	<b>(897,800)</b>	<b>11,945,411</b>
Employee Benefits	510,344	792,000	(689,950)	100,000	712,394
General Services	227,641	381,750	(376,750)	-	232,641
Information Services	285,448	1,175,700	(1,175,700)	-	285,448
Risk Management (Liability)	2,904,124	1,958,600	(1,918,600)	-	2,944,124
Vehicle and Equipment Replacement	3,599,024	28,000	(400,000)	430,000	3,657,024
Workers' Compensation	1,695,902	2,968,000	(1,986,400)	-	2,677,502
<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b>9,222,483</b>	<b>7,304,050</b>	<b>(6,547,400)</b>	<b>530,000</b>	<b>10,509,133</b>
<b>CAPITAL PROJECT FUNDS</b>					
General Government CIP	(8,358)	-	-	-	(8,358)
Community Development CIP	113,309	-	(194,000)	194,000	113,309
Central Business District CIP	7,888,127	-	(1,737,600)	1,737,600	7,888,127
Petaluma Comm Develop CIP	(798,244)	-	(2,507,000)	2,507,000	(798,244)
Police CIP	-	-	(25,000)	25,000	-
Fire CIP	-	-	(60,000)	60,000	-
Parks and Recreation CIP	1,070,428	-	(3,292,000)	3,292,000	1,070,428
Public Works CIP	5,375,682	-	(7,625,000)	5,183,000	2,933,682
<b>TOTAL CAPITAL PROJECT FUNDS</b>	<b>13,640,944</b>	<b>-</b>	<b>(15,440,600)</b>	<b>12,998,600</b>	<b>11,198,944</b>
<b>GRAND TOTAL</b>	<b>\$ 85,616,806</b>	<b>\$ 143,905,050</b>	<b>\$ (149,688,300)</b>	<b>\$ -</b>	<b>\$ 86,571,856</b>



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**CITY OF PETALUMA, CALIFORNIA  
GENERAL FUND BUDGET SUMMARY**

	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2006 Budget
<b>Revenue/Rev. Budget Revenue</b>					
Taxes	\$17,578,441	\$18,711,353	\$19,026,443	\$18,839,550	\$19,888,000
Licenses, Permits and Fees	1,407,904	1,849,819	2,516,377	1,922,050	3,247,500
Fines, Forfeitures, Penalties	386,269	510,565	464,499	469,250	521,000
Investment Earnings and Rent	514,047	494,048	622,044	485,250	490,300
Intergovernmental	4,540,932	4,300,005	3,383,093	3,058,750	3,266,000
Charges for Services	4,251,631	4,897,219	5,708,614	6,080,950	7,334,000
Other Revenue	269,838	215,866	276,631	240,900	270,000
Transfers In	<u>1,610,412</u>	<u>2,254,000</u>	<u>1,277,350</u>	<u>1,040,000</u>	<u>1,164,000</u>
<b>Total Revenue/Rev. Budget Revenue</b>	<b><u>\$30,559,474</u></b>	<b><u>\$33,232,875</u></b>	<b><u>\$33,275,051</u></b>	<b><u>\$32,136,700</u></b>	<b><u>\$36,180,800</u></b>
<b>Expenditures/Appropriations</b>					
Salaries	\$16,562,697	\$17,785,650	\$17,960,786	\$17,830,850	\$18,791,800
Benefits	4,835,134	5,340,738	5,998,042	7,727,650	8,964,250
Services and Supplies	6,769,263	5,840,611	6,106,078	4,176,100	5,187,350
Capital	731,923	629,527	155,521	150,000	130,000
Debt Principal and Interest	-	120,000	-	-	-
Transfers Out	-	1,583,000	1,016,581	449,000	313,000
Intragovernmental	1,651,416	1,645,400	1,690,900	1,803,100	2,687,200
GAAP Adjustment (Encumbrances)	<u>(218,950)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures/Appropriations</b>	<b><u>\$30,331,483</u></b>	<b><u>\$32,944,926</u></b>	<b><u>\$32,927,908</u></b>	<b><u>\$32,136,700</u></b>	<b><u>\$36,073,600</u></b>
<b>Difference</b>	<b><u>\$ 227,991</u></b>	<b><u>\$ 287,949</u></b>	<b><u>\$ 347,143</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 107,200</u></b>
<b>Beginning Fund Balance</b>	<b>\$ 7,076,323</b>	<b>\$ 6,054,314</b>	<b>\$ 6,343,172</b>	<b>\$ 6,665,232</b>	<b>\$ 6,665,232</b>
<b>Net Equity Transfers Out</b>	<b>(1,250,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Prior Period Adjustment (Audit)</b>	<b>-</b>	<b>909</b>	<b>(25,083)</b>	<b>-</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b><u>\$ 6,054,314</u></b>	<b><u>\$ 6,343,172</u></b>	<b><u>\$ 6,665,232</u></b>	<b><u>\$ 6,665,232</u></b>	<b><u>\$ 6,772,432</u></b>
<b>Reserves</b>					
<b>Specific Projects/Encumbrances</b>	<b>\$ 1,375,956</b>	<b>\$ 1,494,300</b>	<b>\$ 1,413,097</b>	<b>\$ 1,300,000</b>	<b>\$ 1,400,000</b>
<b>Reserve - Contingencies</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>3,908,964</b>	<b>2,000,000</b>	<b>1,000,000</b>
<b>Reserve - Lucchessi Field</b>	<b>-</b>	<b>60,000</b>	<b>-</b>	<b>125,000</b>	<b>-</b>
<b>Reserve - Other Uses</b>	<b>-</b>	<b>320,540</b>	<b>62,818</b>	<b>-</b>	<b>-</b>
<b>Reserve - Street Improvements</b>	<b><u>500,000</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Reserves</b>	<b><u>\$ 3,875,956</u></b>	<b><u>\$ 3,874,840</u></b>	<b><u>\$ 5,384,879</u></b>	<b><u>\$ 3,425,000</u></b>	<b><u>\$ 2,400,000</u></b>
<b>Unobligated Fund Balance</b>	<b><u>\$ 2,178,358</u></b>	<b><u>\$ 2,468,332</u></b>	<b><u>\$ 1,280,353</u></b>	<b><u>\$ 3,240,232</u></b>	<b><u>\$ 4,372,432</u></b>

**SUMMARY**

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Revenue	\$ 33,232,875	\$ 32,752,491	\$ 32,136,700	\$ 36,180,800
Operating Expenses	<u>32,944,926</u>	<u>32,927,908</u>	<u>32,136,700</u>	<u>36,073,600</u>
Operating Surplus	287,949	(175,417)	-	107,200
Adjustments	<u>1,494,300</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Addition to/(use of) reserves	<u>\$ 1,782,249</u>	<u>\$ (175,417)</u>	<u>\$ -</u>	<u>\$ 107,200</u>

**Expenditures**

The preliminary financial plan for the General Fund achieves the financial goal of balancing the operating budget without the use of reserves. The budget for FY 2006 is also expected to be in balance, with a reserve of approximately \$107,200. In addition, the General Fund will provide set-asides to finance the Vehicle and Equipment Replacement program in the amount of \$200,000.

Overall, General Fund operating expenditures are proposed to increase to \$36,073,600, an increase of \$3,936,900 or an 11% increase from FY 2005 budget. This includes transfers out of \$313,000 for FY 05-06 and \$449,000 for FY 04-05. The budget includes funding for four new police officers, a half-time person in Information Services to handle the increasing technological needs of City staff, an increase in funding for additional summer parks maintenance workers and fully funding for General Services, Information Services and Liability claims. There is no funding identified for salary increases from bargaining unit negotiations for all City staff. Services and Supplies increased largely due to departments budgeting for reoccurring expenses more realistically.

The balance of this General Fund overview will focus on revenues and expenditures issues affecting the General Fund overall. Details on operating expenditures by department and program (division) can be found in the “Materials and Operations” section of this document.

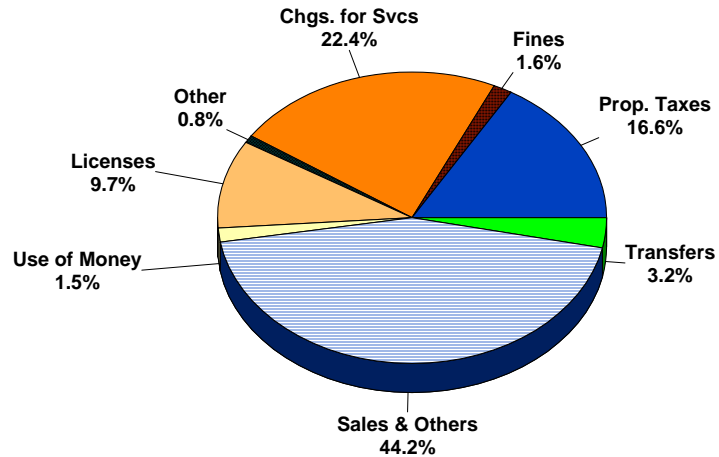
**Revenues**

In total, General Fund revenues are projected at \$36,180,800 for FY 2006. This represents an increase of \$4,044,100 or 12% from the previous fiscal year budget estimates. The major increases are in Permits and Fees (65%) and Charges for Services (21%). These increases are due to additional new development.

Overall, the revenue growth rate projections used to develop the FY 2006 budget are consistent with recent experience and they are considered reasonable. However, if the economy continues to degrade and the State targets additional local revenue sources to solve their problems a further erosion of local resources will be felt.

The chart to the right displays the major revenue sources. As the chart indicates, Taxes (58.8%) constitutes the largest source of General Fund revenue. Charges for Services are the second largest category at 22.4%.

## General Fund Revenues



In developing the revenue estimates for the budget, staff began by identifying those revenues that were susceptible to growth based upon economic activity. Certain revenues, such as investment income, fines and forfeitures and most intergovernmental revenues, do not grow based upon economic activity levels.

Estimates for these revenues were developed based upon historical experience and, in the case of State intergovernmental revenues, guidance provided by the State. For revenues such as taxes and fees, which are susceptible to economic activity, staff has traditionally used a modest growth rate for budgetary projections. However, in FY 2005, staff examined the underlying basis for all of the fees and projected revenue for 2006 based on the anticipated demand factoring the fee increase into the estimate.

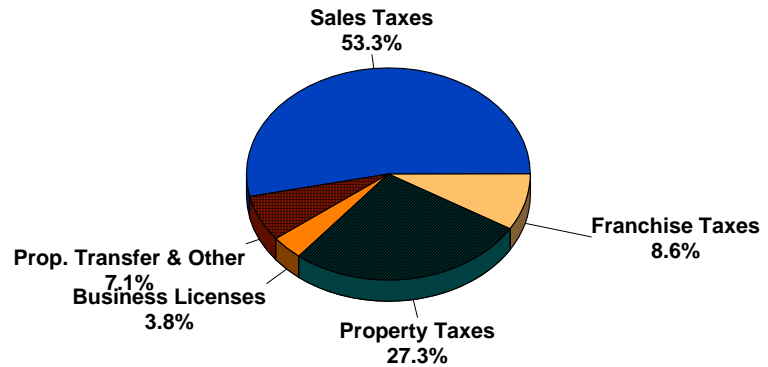
### Taxes

Overall, the proposed fiscal year 2006 budget for tax revenue is \$1,088,450 or 5% above the fiscal year 2005 estimated budget revenue. One of the wildcards in these projections is the property transfer tax that the City receives. This is dependant on the sale of property within the City and is difficult to project. The 2005 estimate was overly optimistic and has been lowered by two thirds for 2006.

	Fiscal Budget Year		Percent Growth
	2005	2006	
Property Taxes	\$ 5,298,550	\$ 5,423,000	2.35%
Sales Taxes	10,000,000	10,600,000	6.00%
Franchise Fees:			
Waste	582,000	715,000	22.85%
Cable	569,000	590,000	3.69%
Electric/Gas	390,000	400,000	2.56%
Business License	900,000	750,000	-16.67%
Property Transfer	950,000	1,400,000	47.37%
In-Lieu & Development	150,000	50,000	-66.67%
	<u>\$ 18,839,550</u>	<u>\$ 19,928,000</u>	5.78%

Although the comparison in the table is budget to budget, in developing the revenue projections for the budget, staff began by evaluating fiscal year 2005 year-to-date amounts. Property taxes are projected to meet budget estimates. This estimate does take into account only what was budgeted for “supplemental property taxes”. It is expected, due to the robust housing resale market, that this resource will exceed estimates, which will result in overall property tax receipts to exceed budget estimates. Business license taxes are exceeding budget estimates in 2005, but they are expected to decrease due to 2005 revenues included penalties as a result of the business license audit.

## General Fund Taxes



Business license taxes are exceeding budget estimates in 2005, but they are expected to decrease due to 2005 revenues included penalties as a result of the business license audit.

### PROPERTY AND SALES TAXES

Sales tax and property taxes continue to make up a large segment of the total General Fund revenues. Sales Taxes account for approximately 29.4% of the General Fund revenues. Property Taxes account for 15.1%. Both are projected to remain relatively stable in FY 2006. Property tax will increase 2% while sales tax will increase 6% in fiscal year 2006. The City has continually relied on this revenue source for expanded services in the past. Property taxes will continue to rise due to the turnover in property as the result of sales and the robust housing market that still has not been affected by the recession. Under Proposition 13, whenever a property changes owners, the property is reassessed at the sales price. This not only produces one-time supplemental property tax but also raises the overall assessed valuation of the City for property tax purposes.

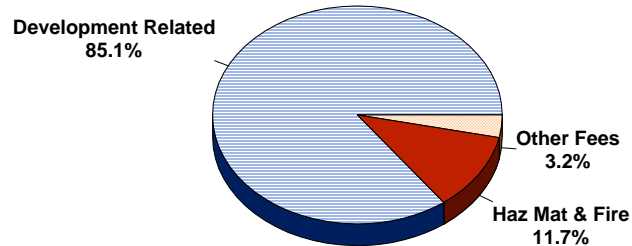
### OTHER TAXES

The other taxes, which include Franchise Fees, Business Licenses, and Property Transfer Tax are, except for Business License, are projected to increase in FY 2006. In FY 2005, Business License revenues were unusually high due to the audit that collected past due taxes. Although it is anticipated that utility rates will increase in FY 2006, cable television will continue to be impacted by satellite television, which does not pay franchise fees.

### **Licenses /Permits and Fees**

Licenses, Permits and Fees are expected to significantly increase in FY 2006. The large projected increase in this category is due to the continued increase in new development. Across the board increases in Planning Fees, Building Permits and Fire Plan Check Fees make up over 90% of the increase.

## Licenses/Permits/Fees



### **Fines and Forfeitures**

Fines and Forfeitures represent a small portion of the overall General Fund budget. A total \$521,000 is projected and includes Vehicle Code fines, Criminal Court fines, Parking fines, Business License penalties, and False Alarm fines. Abandoned Vehicle fines have been transferred to a Special Revenue fund, as these funds are restricted in their use. The revenue estimates provide for a slight increase of \$51,750 over FY 2005 revenue estimates. The Parking Enforcement function was transferred to the Finance Department in January 2003. Additionally, the acquisition of new vehicles and the implementation of automated ticket production have proven to be beneficial to this revenue category.

### **INVESTMENT EARNINGS AND RENTS**

Investment earnings and rent also provide a small portion of the General Fund budget. The City should receive \$490,300 in interest earnings, rental of City buildings and ads in City publications during FY 2005. The interest market continues to be sluggish and only \$200,000 is estimated, which is a slight increase from FY 2005 budget estimates.

## **Intergovernmental**

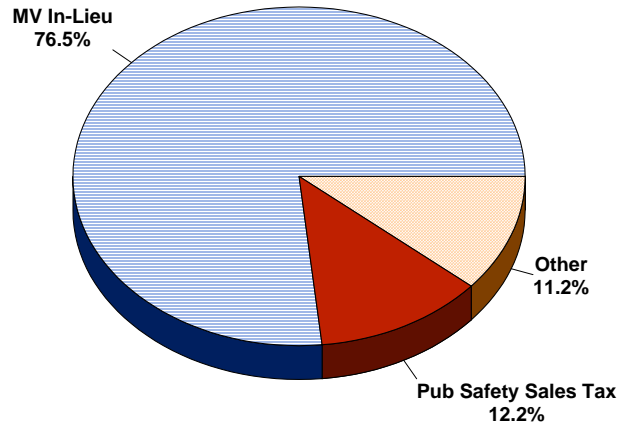
Intergovernmental revenues include various State grants, Federal grants, State subventions, Peace Officers Standard Training (POST) reimbursements and Public Safety Augmentation funds. The major revenue source in this category is the State Motor Vehicle In-Lieu Fees (MVLF). This revenue source has been the major target for attack by the State in balancing its budget shortfalls. For three months in FY 2004, the State withheld the “backfill” amount of the motor Vehicle In-Lieu payments that are made to cities based on population. This revenue resource has typically provided over \$3 million in funding for the City. In October, 2003, the motor vehicle registration fees were restored to the prior amounts and the State began full payments to cities. After the general election of Gray Davis, the registration fees were restored to the prior amounts and the State began full payments to cities. After the recall election, the registration fees were again reduced and “backfill” payments were withheld. In late December, 2004 a compromise was reached, and the State guaranteed MVLF payments through the end of the fiscal year.

However, for the three month period, local governments lost about \$1.2 billion due to the suspension of the MVLF “backfill”. For the City of Petaluma, this equated to approximately \$951,000 in reduced MVLF revenues. The State’s 2004 budget included repayment of this \$1.2 billion loss to local governments as well as a permanent reduction in the VLF rate from 2% to 0.65%. By the passage of Proposition 1-A, the reduction of VLF revenues will be replaced by property taxes. However, for 2005 and 2006, the payments will be reduced by a total of \$700 million to assist the State in balancing its budget. Commencing in FY 2006-07, local governments will receive their full share of replacement property taxes. For FY 2005, the replacement property taxes were \$1.7 million, or approximately 72% of the total budgeted for FY 2005.

Total Intergovernmental revenues for FY 2006 are estimated to be \$3,266,000, or 7% greater than 2005 projections. MVLF fees are estimated to increase by 3% to \$2.5 million through the property tax replacement program. However, this revenue remains approximately \$1 million less than the FY 2002-03 levels.

In March, 2005, the City sold its receivable MVLF through the California Statewide Community Development Authority (CSCDA) for 90% of its value, or approximately \$870,000. These funds were received in FY 2004-05.

## Intergovernmental

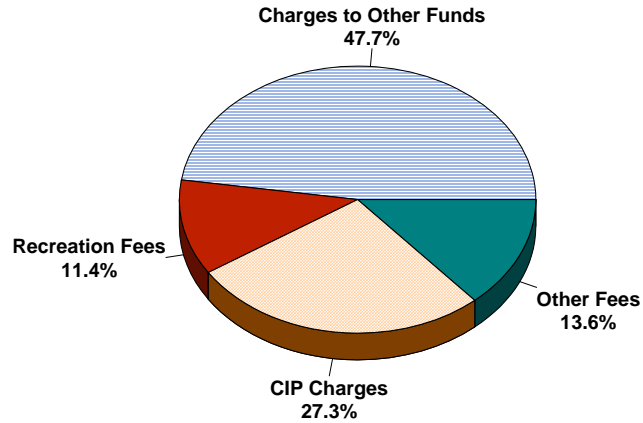


## **Charges for Services**

Charges for Service will account for 18.97% of the total General Fund revenue sources. The estimate for fiscal year 2006 of \$7,334,000 represents an increase of \$1,253,050 or 21% from FY 2005 budget estimates. Cost Recovery, Charges to Other Funds and CIP Administration make up all but \$212,200 of this increase. All CIP is assessed a 5% administrative charge that provides reimbursement to the General Fund. In FY 2005, this resource was expected to generate \$1,500,000 based on \$30

million of capital expenditures. As of February 28, 2005, actual project expenditures were \$942,332. It is projected that revenues generated will meet budget for FY 2005, due to spring time construction completions. In FY 2006, it is estimated that \$71 million in capital expenditures will occur and therefore this resource has increased to \$3,400,000. A portion of these funds will be transferred to future administrative overhead reserve account for ongoing administration generated by the capital improvements. The above chart provides a visual rendition of the major sub-categories in this group.

## Charges for Services



Transfers in to the General Fund will be \$1,164,000. This budget assumes that \$1,000,000 of the revenues from the Transient Occupancy Tax (TOT) will be transferred to the General Fund for operations. If that is not the case, further cuts may be required in the General Fund operating area. No transfers of Gas Tax funds will be made to this fund. All of those funds will be used for street maintenance. The transfers consist of the following:

- ❑ Transfer of \$1,000,000 from the Transient Occupancy Tax Fund to support General Fund activities.
- ❑ Transfer of \$24,000 from the Prince Trust Fund to support ongoing maintenance costs at Prince Park.
- ❑ Transfer of \$40,000 from Donations for Fireworks to support City celebration activities.
- ❑ Transfer of \$100,000 from the Supplemental Law Enforcement Grant.

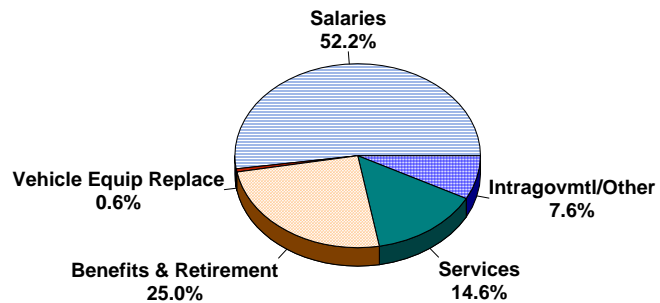
**EXPENDITURES**

	FISCAL YEAR			
	2003	2004	2005	2006
Salaries	\$ 17,785,650	\$ 17,960,786	\$ 17,830,850	\$ 18,791,800
Benefits	5,340,738	5,998,042	7,727,650	8,964,250
Services & Supplies	5,840,611	6,106,078	4,176,100	5,187,350
Capital	629,527	155,521	150,000	130,000
Debt	120,000	-	-	-
Transfers Out	1,183,000	1,016,581	449,000	313,000
Intergovernmental	1,645,400	1,690,900	1,803,100	2,687,200
Other	400,000	-	-	-
Total	<u>\$ 32,944,926</u>	<u>\$ 32,927,908</u>	<u>\$ 32,136,700</u>	<u>\$ 36,073,600</u>

The overall proposed General Fund operating expenditures is \$36,073,600 including transfers out. Although capital expenditures are included in that number they represent an insignificant amount. All departments show increased budgets except City Clerk which shows a small reduction due to no election costs in FY 2006. The largest increases are in Public Safety benefits/retirement due to PERS cost of \$744,950. Other increases in Police are due to the addition of four officers (\$432,000).

This General Fund budget includes appropriations of \$200,000 for Vehicle and Equipment Replacement. Although this budget does not delineate the charges to each of the individual departments for vehicle replacement, sufficient funds have been included in the preliminary workup to cover amortization costs of the existing vehicle fleet. The adopted budget will show this breakdown by department. The chart provides a visual depiction of the General Fund expenditure categories.

**General Fund Expenditures**



Individual increases will be discussed below. However, as with most service organizations, salaries and benefits represent the largest portion of the budget. These have been impacted in the last three years with the enhanced retirement package that was provided to public safety employees in fiscal year 2001. This has increased the cost of benefits from \$2,783,968 in fiscal year 2001 to \$8,964,250 in fiscal year 2006. This represents an increase of \$6,180,282 in a period of six years. Although health care costs have experienced significant increases during that time period, the majority of the increase is the result of the increase in the PERS Employer Rate. The public safety portion of that rate has risen from approximately 6% of salary in FY 2001 to over 34% of salary in FY 2006. This increase in retirement costs has fueled the rise in public safety costs. On the other hand, the non-safety PERS employee contribution rate has increased from 0% in FY 2003 to over 12% in FY 2006. Overall, the increase in retirement costs, in the General Fund alone, will add \$651,000 in costs in FY 2006. Public Safety bargaining groups, along with the all of the remaining miscellaneous groups will be re-negotiating the MOU's during this fiscal year.

This budget added four (4) additional Police Officers. In FY 2005, the Police Department decreased their sworn staffing by three (3) positions in order to address the necessary budget reductions. Those positions were unfilled at the time of the reduction. Intragovernmental charges will increase 67% from FY 2005. This is in large part due to not fully funding General Services, Information Services and Risk Management/Liability last year by approximately \$785,000.

Services and Supplies increased in FY 2006. Over the last few years, budgets in these categories have been reduced to an unrealistic level that did not accurately reflect actual expenses like utility charges as an example. A management decision was made to budget appropriately.

Historically, in terms of sheer numbers, the greatest increase in General Fund expenditures has been in public safety. In fiscal year 1990, \$7.25 million was spent on Public Safety. In fiscal year 2006, \$21.08 million is requested for public safety. This represents an increase of \$13.83 million in the 16-year period. Spending for the other departments that are supported by the General Fund also seen similar percentage increases. General Government spending has increased from \$1.89 million in 1990 to \$4.15 million in 2006. Spending for Community Development activities have increased from \$973,000 in 1990 to \$2.79 million in 2006. Public Work's spending has increased during the same time period from \$1.63 million to \$3.82 million. Parks and Recreation has increased from \$1.87 million to \$3.9 million or during the period. While you can't make direct comparisons for each of these activities, non-public safety spending has increased from \$6.3 million in FY 1990 to \$14.92 million in FY 2006.

**Salaries and Benefits**

This category represents 78.8% of the total General Fund budget. This compares to 79.7% in FY 2005. Overall, salaries and benefits will increase by \$2,131,150 in FY 2006. This is the result of significant increases in PERS costs.

	FISCAL YEAR		Percentage Change
	2005	2006	
<b>SALARIES</b>			
General Government	\$ 1,931,400	\$ 1,976,950	2.36%
Police	7,292,650	7,375,350	1.13%
Fire	3,870,050	4,148,650	7.20%
Community Development	1,538,600	1,817,900	18.15%
Public Works	1,406,200	1,521,350	8.19%
Parks and Recreation	1,791,950	1,951,600	8.91%
<b>TOTAL</b>	<b>\$ 17,830,850</b>	<b>\$ 18,791,800</b>	<b>5.39%</b>

Benefits are expected to increase by 16% in fiscal year 2006 due to a significant increase in the public safety retirement program and the increase in the employer rate for non-sworn personnel.

	FISCAL YEAR		Percentage Change
	2005	2006	
<b>BENEFITS</b>			
General Government	\$ 517,900	\$ 611,250	18.02%
Police	3,560,400	3,977,350	11.71%
Fire	2,295,400	2,623,400	14.29%
Community Development	420,150	596,600	42.00%
Public Works	506,800	627,600	23.84%
Parks and Recreation	427,000	528,050	23.67%
<b>TOTAL</b>	<b>\$ 7,727,650</b>	<b>\$ 8,964,250</b>	<b>16.00%</b>

This category represents 78.8% of the total General Fund budget. This compares to 79.7% in FY 2005. As can be seen, salaries and benefits require a large share the General Fund. Overall, salaries and benefits are budgeted to increase by \$2,131,150 in FY 2006. This is the result of continued increases in the cost of the CalPERS retirement program and health insurance.

Benefits are planned to increase by 16% in fiscal year 2006. This is due to the increase in the employer contribution rate required by CalPERS to adequately fund the public safety and non-safety retirement programs. Further the City is required by its labor contracts to provide employees with a certain health insurance contribution amount. The contribution amount is the cost of providing insurance under the Kaiser Health plan and ranges from \$355 to \$922 depending on family status. Other benefits include the City's vision and dental plans. These funds are self-funded and we expect modest increases.

**Materials, Supplies and Services**

Materials, supplies and services are expected to increase by 24.4% or \$1,030,050 in fiscal year 2006. The major increases are in the cost of the CAD/RMS project in the Police Department and the increase in Community Development expenditures. In addition to these figures, an additional \$130,000 is budgeted for capital items.

SERVICES & SUPPLIES	FISCAL YEAR		Percentage Change
	2005	2006	
General Government	\$ 1,040,150	\$ 1,075,800	3.43%
Police	869,950	1,479,650	70.08%
Fire	361,150	395,050	9.39%
Community Development	152,350	180,000	18.15%
Public Works	699,450	879,200	25.70%
Parks and Recreation	<u>1,100,650</u>	<u>1,177,650</u>	7.00%
TOTAL	<u>\$ 4,223,700</u>	<u>\$ 5,187,350</u>	22.82%

**Intragovernmental**

Intragovernmental charges will increase 67% from FY 2005. This is in large part due to not fully funding General Services, Information Services and Risk Management/Liability last year by approximately \$785,000. Each of these Internal Service Funds

INTRAGOVERNMENTAL	FISCAL YEAR		Percentage Change
	2005	2006	
General Government	\$ 282,900	\$ 409,450	44.73%
Police	624,500	933,050	49.41%
Fire	66,400	97,850	47.36%
Community Development	137,050	203,950	48.81%
Public Works	527,600	796,650	51.00%
Parks and Recreation	<u>164,650</u>	<u>246,250</u>	49.56%
TOTAL	<u>\$ 1,803,100</u>	<u>\$ 2,687,200</u>	49.03%

have exceeded their original 2005 budget and required mid-year budget corrections, thus reducing the actual overall increase of approximately \$99,000.

**OTHER EXPENDITURE CATEGORIES**

Since all general fund related debt has been paid off the, City can use these funds to deliver services to the community instead of paying for infrastructure that was well past its' prime.

**SUMMARY**

Overall, the General Fund budget for fiscal year 2006 is balanced. This budget continues to meet the healthy objective of putting aside funds for rainy days. If the Council had not followed this practice in the late 1990's and early 2000's this preliminary budget would be considerably worse. The Council should continue to apply prudent financial considerations when looking at increasing and/or decreasing service levels.

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**Community Development Block Grants**

**COMMUNITY DEVELOPMENT BLOCK GRANTS  
 FUND SUMMARY**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2006 Budget
<b>Beginning Balance</b>	<b>\$ 821,529</b>	<b>\$ 835,880</b>	<b>\$ 5,841</b>	<b>\$ (1,759)</b>
<b>Revenues:</b>				
Investment Earnings	75,539	403	169,000	-
Intergovernmental	<u>377,443</u>	<u>535,660</u>	<u>426,000</u>	<u>402,000</u>
Total Revenues	452,982	536,063	595,000	402,000
 Total Resources Available	 <u>1,274,511</u>	 <u>1,371,943</u>	 <u>600,841</u>	 <u>400,241</u>
<b>Expenditures:</b>				
General and Administrative	3,000	6,000	2,000	2,000
Salaries	46,215	52,726	45,100	40,250
Benefits	4,751	6,658	10,500	11,200
Services and Supplies	5,870	11,546	19,700	11,050
Program Expenditures	422,887	425,384	509,400	321,600
Capital Improvement Projects	21,608	8,637	-	-
Intragovernmental Charges	<u>1,300</u>	<u>19,150</u>	<u>15,900</u>	<u>15,900</u>
Total Expenditures	505,631	530,101	602,600	402,000
 Transfers Out	 -	 -	 -	 -
 Prior Period Adjustment	 <u>67,000</u>	 <u>(836,001)</u>	 <u>-</u>	 <u>-</u>
 <b>Ending Balance</b>	 <b><u>\$ 835,880</u></b>	 <b><u>\$ 5,841</u></b>	 <b><u>\$ (1,759)</u></b>	 <b><u>\$ (1,759)</u></b>
 Reserved for Notes Receivable	 <u>\$ 836,000</u>	 <u>\$ 836,000</u>	 <u>\$ 836,000</u>	 <u>\$ 836,000</u>

The City's Community Development Block Grant (CDBG) fund is used to account for the annual federal block grant received by the City from the U.S. Department of Housing and Urban Development. This annual grant supports programs, which serve persons of low and moderate incomes. Priorities for expenditures of these funds were approved by the City Council and include the following allocations:

CRI Disabled Rehab	\$75,000
COTS Mary Isaak Center	86,300
Rebuilding Together	100,000
PPSC Fair Housing	34,000
PPSC Meals on Wheels	<u>26,300</u>
	<u>\$321,600</u>

**HOME/Begin Grants**

**HOME/BEGIN GRANTS  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ 2,466,025</b>	<b>\$ 2,553,197</b>	<b>\$ 516,689</b>	<b>\$ 417,739</b>
<b>Revenues:</b>				
Investment Earnings	105,398	65,598	7,000	-
Intergovernmental	-	<u>4,133,658</u>	-	<u>66,000</u>
Total Revenues	105,398	4,199,256	7,000	66,000
Total Resources Available	<u>2,571,423</u>	<u>6,752,453</u>	<u>523,689</u>	<u>483,739</u>
<b>Expenditures:</b>				
General and Administrative	300	-	2,200	-
Services and Supplies	16,843	185	-	-
Program Expenditures	-	4,009,618	-	66,000
Intragovernmental Charges	-	<u>91,900</u>	<u>103,750</u>	-
Total Expenditures	17,143	4,101,702	105,950	66,000
Prior Period Adjustment	<u>(1,083)</u>	<u>(2,134,062)</u>	-	-
<b>Ending Balance</b>	<b><u>\$ 2,553,197</u></b>	<b><u>\$ 516,689</u></b>	<b><u>\$ 417,739</u></b>	<b><u>\$ 417,739</u></b>
Reserved for Notes Receivable	<u>\$ 2,134,061</u>	<u>\$ 6,015,742</u>	<u>\$ 6,015,742</u>	<u>\$ 6,015,742</u>

Downtown River Apartments      \$66,000

The HOME fund is a federally funded program, administered through the California State Department of Housing and Community Development. There are annual notices of funding availability for HOME program funding. The City can apply for funding for projects within the City that meet the eligibility requirements. FY 2006, the only activity in this fund is the completion of the Downtown River Apartment Project.

**Low/Moderate Income Housing**

**LOW/MODERATE INCOME HOUSING  
 FUND SUMMARY**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
<b>Beginning Balance</b>	<b>\$ 6,774,725</b>	<b>\$ 7,355,241</b>	<b>\$ 11,917,395</b>	<b>\$ 10,875,595</b>
<b>Revenues:</b>				
Taxes	2,118,293	2,276,239	2,473,000	2,610,300
Investment Earnings	73,472	48,470	41,000	41,000
Intergovernmental	29,963	60,803	-	-
Charges for Services	17,685	18,165	12,000	12,350
Other	<u>59</u>	<u>12,200</u>	<u>10,000</u>	<u>10,000</u>
Total Revenues	2,239,472	2,415,877	2,536,000	2,673,650
Total Resources Available	<u>9,014,197</u>	<u>9,771,118</u>	<u>14,453,395</u>	<u>13,549,245</u>
<b>Expenditures:</b>				
General and Administrative	43,683	48,900	46,400	47,900
Salaries	75,733	30,632	118,600	118,100
Benefits	8,340	10,260	31,650	40,300
Services and Supplies	23,832	238,700	98,250	74,600
Program Expenditures	1,345,268	140,693	3,062,900	1,912,400
Capital Improvement Projects	-	-	-	200,000
Intragovernmental Charges	<u>162,100</u>	<u>65,650</u>	<u>70,000</u>	<u>84,300</u>
Total Expenditures	1,658,956	534,835	3,427,800	2,477,600
Transfers Out	-	-	150,000	-
Prior Period Adjustment	<u>-</u>	<u>2,681,112</u>	<u>-</u>	<u>-</u>
<b>Ending Balance</b>	<b><u>\$ 7,355,241</u></b>	<b><u>\$ 11,917,395</u></b>	<b><u>\$ 10,875,595</u></b>	<b><u>\$ 11,071,645</u></b>
Reserved for Notes Receivable	<u>\$ 5,538,117</u>	<u>\$ 10,029,629</u>	<u>\$ 10,029,629</u>	<u>\$ 10,029,629</u>

**Low/Moderate Income Housing**

Under California Redevelopment law, the Redevelopment Agency is required to set-aside 20% of its total tax increment for low and moderate-income housing. Projects to be funded FY 2006 in the Low and Moderate Income Housing Fund are as follows:

Salvation Army PATH	\$275,000
COTS Transitional Housing Rehab	334,000
PEP Casa Grande	565,000
PEP Preservation	26,000
Mobile home Rent Stabilization	2,000
Mortgage Certificate Program	2,000
Facility Maintenance	100,000
Eden Land Trust Workforce Housing	500,000
PEP Senior Housing Rehab	71,500
COTS Support House	7,500
Assessment Payments	<u>29,400</u>
	<u>\$1,912,400</u>

## **Development Impact Fees**

The City imposes impact fees on development in the following categories:

- Community Facilities
- Library Facility
- Public Facilities
- Fire Suppression
- Storm Drainage
- Housing in-Lieu
- Commercial Linkage Fees
- Parkland Acquisition
- Aquatic Facility
- Police Facility
- Traffic Mitigation

These funds are restricted in their use and the Special Revenue Funds are used to account for the impact fees received.

The funds are used for the specific purpose for which they are collected. Appropriations of these funds are dependent on two factors: 1.) A project is identified and 2.) Sufficient funds are available. Descriptions of those projects are provided in the Capital Improvement section of this budget.

Following are the anticipated revenues and expenditures for the various impact fee funds.

**COMMUNITY FACILITIES IMPACT FEES  
 FUND SUMMARY**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2006 Budget
<b>Beginning Balance</b>	<b>\$ 2,188,270</b>	<b>\$ 1,775,074</b>	<b>\$ 887,878</b>	<b>\$ 1,134,378</b>
<b>Revenues:</b>				
Community Facilities Impact Fees	277,564	828,613	500,000	262,000
Investment Earnings	31,943	42,493	20,000	10,000
Intergovernmental:	600	-	-	-
Other	12,692	3,850	-	-
<b>Total Revenues</b>	<b>322,799</b>	<b>874,956</b>	<b>520,000</b>	<b>272,000</b>
<b>Total Resources Available</b>	<b><u>2,511,069</u></b>	<b><u>2,650,030</u></b>	<b><u>1,407,878</u></b>	<b><u>1,406,378</u></b>
<b>Expenditures:</b>				
General and Administrative	2,441	1,000	1,000	1,000
Services and Supplies	-	4,752	-	-
Capital Improvement Projects	36,129	-	-	-
<b>Total Expenditures</b>	<b>38,570</b>	<b>5,752</b>	<b>1,000</b>	<b>1,000</b>
<b>Transfers Out</b>	<b><u>697,425</u></b>	<b><u>1,756,400</u></b>	<b><u>272,500</u></b>	<b><u>12,000</u></b>
<b>Ending Balance</b>	<b><u>\$ 1,775,074</u></b>	<b><u>\$ 887,878</u></b>	<b><u>\$ 1,134,378</u></b>	<b><u>\$ 1,393,378</u></b>

The Community Facilities Impact Fee Fund was established to collect fees from developments causing impacts on existing facilities, or necessitating the construction of new community facilities to ease the impacts. The fee ranges from \$224-\$653 per residential dwelling unit. This fee no longer exists for non-residential development. Thus a decrease is forecasted FY 2006.

For detail on projects being funded with these fees, see the capital improvement section of the budget.

**LIBRARY FACILITY IMPACT FEES  
 FUND SUMMARY**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ -	\$ 40,000
<b>Revenues:</b>				
Library Facility Impact Fees	-	-	40,000	77,000
Investment Earnings	-	-	-	-
Other	-	-	-	-
<b>Total Revenues</b>	-	-	40,000	77,000
<b>Total Resources Available</b>	-	-	40,000	117,000
<b>Expenditures:</b>				
General and Administrative	-	-	-	-
Services and Supplies	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-
<b>Transfers Out</b>	-	-	-	-
<b>Ending Balance</b>	\$ -	\$ -	\$ 40,000	\$ 117,000

The Library Facility Impact Fee Fund was a new fund in 2005. It is specifically for the collection of fees to be used for the City of Petaluma’s Library capital improvement project. These funds can be used for renovations or expansion of the facility. The fee ranges from \$87-\$254 per unit for residential development.

No projects are scheduled for FY 2006.

**PUBLIC FACILITIES IMPACT FEES  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ (1,227)	\$ 98,773
<b>Revenues:</b>				
Public Facilities Impact Fees	-	-	100,000	248,000
Investment Earnings	-	-	-	-
Other	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>248,000</u>
<b>Total Resources Available</b>	<u>-</u>	<u>-</u>	<u>98,773</u>	<u>346,773</u>
<b>Expenditures:</b>				
General and Administrative	-	-	-	-
Services and Supplies	-	1,227	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>1,227</u>	<u>-</u>	<u>-</u>
<b>Transfers Out</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>194,000</u>
<b>Ending Balance</b>	<u>\$ -</u>	<u>\$ (1,227)</u>	<u>\$ 98,773</u>	<u>\$ 152,773</u>

The Public Facilities Impact Fee Fund was a new fund in 2005. It is specifically to collect fees for capital improvements, expansion or remodeling of public facilities, owned and operated by the City of Petaluma. The fee is \$543 per unit for residential development, and \$63 per unit, or \$.259 per square foot for non-residential development.

**FIRE SUPPRESSION IMPACT FEES  
 FUND SUMMARY**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2006 Budget
<b>Beginning Balance</b>	\$ -	\$ -	\$ (1,226)	\$ (1,226)
<b>Revenues:</b>				
Fire Suppression Impact Fees	-	-	60,000	182,000
Investment Earnings	-	-	-	-
Other	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>60,000</u>	<u>182,000</u>
<b>Total Resources Available</b>	<u>-</u>	<u>-</u>	<u>58,774</u>	<u>180,774</u>
<b>Expenditures:</b>				
General and Administrative	-	-	-	-
Services and Supplies	-	<u>1,226</u>	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>1,226</u>	<u>-</u>	<u>-</u>
<b>Transfers Out</b>	<u>-</u>	<u>-</u>	<u>60,000</u>	<u>60,000</u>
<b>Ending Balance</b>	<u>\$ -</u>	<u>\$ (1,226)</u>	<u>\$ (1,226)</u>	<u>\$ 120,774</u>

The Fire Suppression Impact Fee Fund was a new fund in 2005. It is specifically for the collection of fees for capital improvement projects for Fire House relocations, expansions or renovations. Fees vary from \$349-\$594 per unit for residential development, and \$528-\$1,139 per unit, or \$.027-\$.152 per square foot for non-residential development.

Relocation of fire station # 1 has expenditures budgeted FY 2006. Details are provided in the capital improvement section of the budget.

**STORM DRAINAGE IMPACT FEES  
 FUND SUMMARY**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2006 Budget
<b>Beginning Balance</b>	<b>\$ 4,266,388</b>	<b>\$ 5,210,672</b>	<b>\$ 3,804,526</b>	<b>\$ 2,516,526</b>
<b>Revenues:</b>				
Flood Mitigation and Drainage Impact Fees	97,395	219,083	300,000	1,089,000
Investment Earnings	180,848	70,914	75,000	25,000
Intergovernmental:				
State Dept. of Water Res.	-	32,315	-	-
US Army Corp of Engineers	1,917,793	-	-	-
Other	<u>1,290</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Revenues</b>	<b>2,203,326</b>	<b>322,312</b>	<b>375,000</b>	<b>1,114,000</b>
<b>Total Resources Available</b>	<b><u>6,469,714</u></b>	<b><u>5,532,984</u></b>	<b><u>4,179,526</u></b>	<b><u>3,630,526</u></b>
<b>Expenditures:</b>				
General and Administrative	17,696	1,000	1,000	1,500
Services and Supplies	63,052	77,458		
Capital Improvement Projects	1,128,344	-	-	-
Intragovernmental Charges	<u>49,950</u>	<u>55,000</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<b>1,259,042</b>	<b>133,458</b>	<b>1,000</b>	<b>1,500</b>
Transfers Out	<u>-</u>	<u>1,595,000</u>	<u>1,662,000</u>	<u>1,671,000</u>
<b>Ending Balance</b>	<b><u>\$ 5,210,672</u></b>	<b><u>\$ 3,804,526</u></b>	<b><u>\$ 2,516,526</u></b>	<b><u>\$ 1,958,026</u></b>

Storm Drainage Impact Fees were established as a revenue source to be used for projects related to the mitigation of storm drainage impacts, which result from new developments. The Storm Drainage Fund accounts for these fees, which are calculated based upon a runoff computation.

These funds provide for the construction of on-site or off-site detention areas, or the payment of fees, to assist in mitigating potential flooding, which result from new construction.

FY 2006 projects related to flood mitigation are detailed in the capital improvement section of the budget.

**HOUSING IN-LIEU IMPACT FEES  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ 10,458,190</b>	<b>\$ 9,727,266</b>	<b>\$ 8,740,173</b>	<b>\$ 9,434,873</b>
<b>Revenues:</b>				
Housing in-Lieu Impact Fees	40,800	1,223,629	1,800,000	2,500,000
Investment Earnings	810,936	(144,919)	-	100,000
Other	<u>325,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Revenues</b>	<b>1,176,736</b>	<b>1,078,710</b>	<b>1,800,000</b>	<b>2,600,000</b>
<b>Total Resources Available</b>	<b><u>11,634,926</u></b>	<b><u>10,805,976</u></b>	<b><u>10,540,173</u></b>	<b><u>12,034,873</u></b>
<b>Expenditures:</b>				
General and Administrative	15,554	1,000	5,000	1,500
Program Expenditures	1,867,316	2,059,412	1,100,000	1,365,750
Capital Improvement Projects	-	5,141	-	-
Intragovernmental Charges	<u>50</u>	<u>250</u>	<u>300</u>	<u>21,800</u>
<b>Total Expenditures</b>	<b>1,882,920</b>	<b>2,065,803</b>	<b>1,105,300</b>	<b>1,389,050</b>
Transfers Out	-	-	-	-
Prior Period Adjustment	<u>(24,840)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Balance</b>	<b><u>\$ 9,727,166</u></b>	<b><u>\$ 8,740,173</u></b>	<b><u>\$ 9,434,873</u></b>	<b><u>\$ 10,645,823</u></b>
 Reserved for Notes Receivable	 <u>\$ 4,947,410</u>	 <u>\$ 4,496,391</u>	 <u>\$ 4,496,391</u>	 <u>\$ 4,496,391</u>

Housing In-Lieu Impact Fees are collected from developers of residential units (five or more). The fee ranges from \$2,400 through \$22,500 per unit, depending on square footage. In FY 2003, the City Council revised its policy and permitted these funds to be used for social service programs. In the FY 2006 the following programs have been budgeted:

First Time Homebuyers	\$500,000
PPSC Housing Assistance	96,750
Boys and Girls Club	239,000
COTS Family Shelter	265,000
COTS Mary Issak Center	<u>265,000</u>
	<b><u>\$1,365,750</u></b>

**COMMERCIAL LINKAGE IMPACT FEES  
 FUND SUMMARY**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Beginning Balance</b>	\$ -	\$ -	\$ -	\$ -
<b>Revenues:</b>				
Housing in-Lieu Impact Fees	-	-	-	90,000
Investment Earnings	-	-	-	-
Other	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	-	-	-	90,000
 Total Resources Available	<hr/>	<hr/>	<hr/>	<hr/>
 <b>Expenditures:</b>				
General and Administrative	-	-	-	-
Program Expenditures	-	-	-	-
Capital Improvement Projects	-	-	-	-
Intragovernmental Charges	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	-	-	-	-
 <b>Ending Balance</b>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ -	\$ -	\$ -	\$ <b>90,000</b>

The Commercial Linkage Impact Fee became effective January, 2005. The purpose of the revenue collected from this fee is the mitigation of non-residential development impact on affordable housing. The fee is based upon square footage for commercial, retail, and industrial development, and is slated to increase from \$.69, \$1.19, \$.71, respectively, to \$2.08, \$3.59, and \$2.15 respectively, in January 2007.

There are no specific housing activities planned for the fees collected during FY 2006.

**PARK DEVELOPMENT IMPACT FEES  
 FUND SUMMARY**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2006 Budget
<b>Beginning Balance</b>	<b>\$ 1,220,245</b>	<b>\$ 1,517,680</b>	<b>\$ 955,164</b>	<b>\$ 310,484</b>
<b>Revenues:</b>				
Park Development Impact Fees	349,835	653,228	-	-
Investment Earnings	7,474	60,369	21,000	-
Intergovernmental	38,000	-	-	-
Other	<u>15,812</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	411,121	713,596	21,000	-
Transfers In	<u>115,888</u>	<u>204,000</u>	<u>-</u>	<u>-</u>
Total Resources Available	<u>1,747,254</u>	<u>2,435,276</u>	<u>976,164</u>	<u>310,484</u>
<b>Expenditures:</b>				
General and Administrative	7,420	1,000	1,000	-
Services and Supplies	-	8,112	-	-
Capital Improvement Projects	<u>222,154</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	229,574	9,112	1,000	-
Transfers Out	<u>-</u>	<u>1,471,000</u>	<u>664,680</u>	<u>310,484</u>
<b>Ending Balance</b>	<b><u>\$ 1,517,680</u></b>	<b><u>\$ 955,164</u></b>	<b><u>\$ 310,484</u></b>	<b><u>\$ 0</u></b>

The Park Development Impact Fee Fund is no longer used. It has been replaced by the Parkland Acquisition Impact Fee Fund. Remaining fund balance in old fund will be transferred to the new fund.

**PARK LAND ACQUISITION IMPACT FEES  
 FUND SUMMARY**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2006 Budget
<b>Beginning Balance</b>	\$ -	\$ -	\$ 67,078	\$ 516,758
<b>Revenues:</b>				
Park Land Acquisition Impact Fees	-	66,597	1,300,000	2,300,000
Investment Earnings	-	481	-	-
Other	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>67,078</u>	<u>1,300,000</u>	<u>2,300,000</u>
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>310,484</u>
<b>Total Resources Available</b>	<u>-</u>	<u>67,078</u>	<u>1,367,078</u>	<u>3,127,242</u>
<b>Expenditures:</b>				
General and Administrative	-	-	-	1,000
Services and Supplies	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
Transfers Out	<u>-</u>	<u>-</u>	<u>850,320</u>	<u>1,521,000</u>
<b>Ending Balance</b>	<u><u>\$ -</u></u>	<u><u>\$ 67,078</u></u>	<u><u>\$ 516,758</u></u>	<u><u>\$ 1,605,242</u></u>

The Park Land Acquisition Impact Fee Fund was a new fund in 2005, specifically for the collection of fees for capital land acquisition for new parks in the City of Petaluma. This fees ranges from \$2,440-\$7,113 per unit for residential development, \$338 per unit for commercial lodging, and \$.349-\$.737 per 1,000 square foot for commercial development.

FY 2006 projects to be funded with these fees are included in the capital improvement section of the budget.

**AQUATIC FACILITY IMPACT FEES  
 FUND SUMMARY**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2006 Budget
<b>Beginning Balance</b>	\$ -	\$ -	\$ -	\$ 20,000
<b>Revenues:</b>				
Aquatic Facility Impact Fees	-	-	20,000	47,000
Investment Earnings	-	-	-	-
Other	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>47,000</u>
<b>Total Resources Available</b>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>67,000</u>
<b>Expenditures:</b>				
General and Administrative	-	-	-	-
Services and Supplies	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Transfers Out</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 67,000</u>

The Aquatic Facility Impact Fee Fund was a new fund in 2005. It is specifically for the collection of fees for the capital improvement projects related to the aquatic facilities in the City of Petaluma. The fees range from \$53-\$154 per unit for residential development.

No capital expenditures are planned FY 2006.

**POLICE FACILITY IMPACT FEES  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ (1,226)	\$ 48,774
<b>Revenues:</b>				
Police Facility Impact Fees	-	-	50,000	168,000
Investment Earnings	-	-	-	-
Other	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>168,000</u>
<b>Total Resources Available</b>	<u>-</u>	<u>-</u>	<u>48,774</u>	<u>216,774</u>
<b>Expenditures:</b>				
General and Administrative	-	-	-	-
Services and Supplies	-	1,226	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>1,226</u>	<u>-</u>	<u>-</u>
<b>Transfers Out</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
<b>Ending Balance</b>	<u>\$ -</u>	<u>\$ (1,226)</u>	<u>\$ 48,774</u>	<u>\$ 191,774</u>

The Police Facility Impact Fee Fund was a new fund in 2005. It is specifically for the collection of fees to be used for capital improvements of existing or new police facilities in the City . The fee ranges between \$137-\$431 per unit for residential development, and \$48-\$431 per unit, or \$.036-\$.719 per square foot for non-residential development.

The capital improvement section of the budget includes the detail of the FY 2006 appropriations related to this fund's projects.

**TRAFFIC MITIGATION IMPACT FEE  
FUND SUMMARY**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2006 Budget
<b>Beginning Balance</b>	<b>\$ 9,111,877</b>	<b>\$ 7,771,884</b>	<b>\$ 3,714,176</b>	<b>\$ 3,352,876</b>
<b>Revenues:</b>				
Traffic Mitigation Impact Fees	1,134,053	2,146,371	2,000,000	2,722,000
Investment Earnings	292,686	63,372	100,000	25,000
Intergovernmental:				
ISTEA (Dept of Transportation)	-	469,012	-	-
Other	<u>5,000</u>	<u>2,090</u>	<u>-</u>	<u>-</u>
Total Revenues	1,431,739	2,680,845	2,100,000	2,747,000
Transfers In	<u>1,300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Resources Available	<u>11,843,616</u>	<u>10,452,729</u>	<u>5,814,176</u>	<u>6,099,876</u>
<b>Expenditures:</b>				
General and Administrative	8,482	1,000	6,000	1,500
Capital Improve Projects (Streets)	3,612,115	-	-	-
Capital Improve Projects (Signals)	1,035	-	-	-
Capital Improve Projects (Alt Trans)	1,700	-	-	-
Services and Supplies	-	6,453	-	-
Intragovernmental Charges	<u>248,400</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	3,871,732	7,453	6,000	1,500
Transfers Out	<u>200,000</u>	<u>6,731,100</u>	<u>2,455,300</u>	<u>614,000</u>
<b>Ending Balance</b>	<b><u>\$ 7,771,884</u></b>	<b><u>\$ 3,714,176</u></b>	<b><u>\$ 3,352,876</u></b>	<b><u>\$ 5,484,376</u></b>

The Traffic Mitigation Impact Fee Fund was established to collect development fees for the construction and improvements to key elements of the citywide transportation system. Improvements requirements result from the increased traffic volumes generated by new development. For residential units, the fees range from \$2,736 to \$5,424. Commercial fees are \$1,226-\$2,783 per unit, or \$5.517-9.77 per square foot.

A 33% increase in projects subject to traffic mitigation fees is projected for FY 2006, which result in an increase in budgeted revenue of \$722,000.

Detail of 2006 projects which will be funded by traffic mitigation fees is in the capital improvement section of the budget.

**Grant Funds**

The grant special revenue funds provide accounting for the revenues and expenditures associated with grant projects. Previously these amounts were accounted for in the General Fund.

<b>GENERAL GOVERNMENT GRANTS FUND SUMMARY</b>				
	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ -	\$ -
<b>Revenues:</b>				
TDA	-	-	225,000	-
FAA/California Aviation	-	-	<u>428,000</u>	-
<b>Total Revenues</b>	-	-	653,000	-
<b>Transfers In</b>	-	-	-	-
<b>Total Resources Available</b>	-	-	<u>653,000</u>	-
<b>Expenditures:</b>				
Program Expenditures	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-
<b>Transfers Out</b>	-	-	<u>653,000</u>	-
<b>Ending Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No general government grants are anticipated in FY 2006.

**COMMUNITY DEVELOPMENT GRANTS  
 FUND SUMMARY**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2006 Budget
<b>Beginning Balance</b>	\$ -	\$ -	\$ -	\$ -
<b>Revenues:</b>				
Community Develop Block Grant	-	-	20,500	-
<b>Total Revenues</b>	-	-	20,500	-
Transfers In	-	-	-	-
<b>Total Resources Available</b>	-	-	20,500	-
<b>Expenditures:</b>				
Program Expenditures	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-
Transfers Out	-	-	20,500	-
<b>Ending Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

No community development grants are anticipated in FY 2006.

**POLICE DEPARTMENT GRANTS  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ 53,813	\$ 53,813
<b>Revenues:</b>				
CA Board of Corrections	-	1,197	-	6,000
CA Office of Homeland Sec/OES	-	69,449	-	83,000
Bureau of Justice	-	-	4,500	-
Office of Criminal Justice(CA)	-	35,152	83,000	-
Petaluma School District	-	143,576	115,000	-
Office of Criminal Justice Planning	-	280,230	63,000	9,800
Office of Traffic Safety	-	37,496	16,500	48,600
Investments	-	360	-	-
<b>Total Revenues</b>	-	567,460	282,000	147,400
Transfers In	-	-	-	-
<b>Total Resources Available</b>	-	567,460	335,813	201,213
<b>Expenditures:</b>				
Salaries	-	207,692	-	60,900
Benefits	-	43,632	-	-
Program Expenditures	-	262,323	282,000	86,500
<b>Total Expenditures</b>	-	513,647	282,000	147,400
Transfers Out	-	-	-	-
<b>Ending Balance</b>	\$ -	\$ 53,813	\$ 53,813	\$ 53,813

Police grant funding is expected to decrease by approximately 50% FY 2006. Domestic violence program will receive the same funding amount as during FY 2005.

Office of Traffic Safety has approved a variety of traffic safety grants FY 2006.

**PARK & RECREATION GRANTS  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ -	\$ -
<b>Revenues:</b>				
State Parks and Rec Grant	-	-	85,000	-
State Per Capita Park Grant	-	-	399,000	-
BART Coastal Conservancy	-	-	20,000	-
State of California Prop 12	-	-	481,000	-
State of California Prop 40	-	-	<u>274,900</u>	<u>245,000</u>
Total Revenues	-	-	1,259,900	245,000
Transfers In	-	-	-	-
Total Resources Available	-	-	<u>1,259,900</u>	<u>245,000</u>
<b>Expenditures:</b>				
Program Expenditures	-	-	-	-
Maintenance Projects	-	-	<u>274,900</u>	-
Total Expenditures	-	-	274,900	-
Transfers Out	-	-	<u>985,000</u>	<u>245,000</u>
<b>Ending Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

State of California Proposition 40 grant is expected during FY 2006, and will be used to fund approved Prop 40 projects, which are detailed in capital improvement section of the budget.

**PUBLIC WORKS GRANTS  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ (135,312)	\$ (135,312)
<b>Revenues:</b>				
Open Space District Grant	-	-	199,000	-
Coastal Conservancy	-	-	367,000	-
Federal Aviation Administration	-	14,337	-	-
California Depart of Transportator	-	(150,365)	-	-
California Energy Commission	-	61,200	-	-
Transportation Fund Clean Air	-	-	52,000	-
Sonoma County Water Agency	-	-	274,900	-
State Dept Water Resources	-	70,981	331,000	-
Caltrans/HBRR	-	-	416,000	-
Metropolitan Transit Commission	-	-	24,700	-
STP/CMAQ	-	-	-	1,443,000
Investments	-	716	-	-
<b>Total Revenues</b>	-	(3,132)	1,664,600	1,443,000
Transfers In	-	-	-	-
<b>Total Resources Available</b>	-	(3,132)	1,529,288	1,307,688
<b>Expenditures:</b>				
Program Expenditures	-	61,200	-	-
<b>Total Expenditures</b>	-	61,200	-	-
Transfers Out	-	70,981	1,664,600	1,443,000
<b>Ending Balance</b>	\$ -	\$ (135,312)	\$ (135,312)	\$ (135,312)

A grant from STP/CMAQ Cycle 2 is budgeted FY 2006. The proceeds will be used to fund Bodega/McDowell Rehab project, which is included in the capital improvement section of the budget.

**Gas Tax**

**GAS TAX  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ 925,466</b>	<b>\$ 483,592</b>	<b>\$ 577,302</b>	<b>\$ (86,698)</b>
<b>Revenues:</b>				
Investment Earnings	31,313	13,395	9,000	4,000
Intergovernmental:				
Gas Tax	966,836	1,184,805	1,011,000	1,050,000
Traffic Congestion Relief	231,942	-	100,000	-
Other	<u>10,370</u>	<u>100</u>	-	-
Total Revenues	1,240,461	1,198,300	1,120,000	1,054,000
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Resources Available	<u>2,165,927</u>	<u>1,681,892</u>	<u>1,697,302</u>	<u>967,302</u>
<b>Expenditures:</b>				
General and Administrative	16,518	1,000	1,000	1,000
Services and Supplies	-	28,590	-	-
Capital Improve Projects (Streets)	201,764	-	-	-
Sidewalk Maintenance	51,053	-	-	-
Street Maintenance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	269,335	29,590	1,000	1,000
Transfers Out	<u>1,413,000</u>	<u>1,075,000</u>	<u>1,783,000</u>	<u>934,000</u>
<b>Ending Balance</b>	<b><u>\$ 483,592</u></b>	<b><u>\$ 577,302</u></b>	<b><u>\$ (86,698)</u></b>	<b><u>\$ 32,302</u></b>

The Gas Tax revenue, received by the City, is a portion of the state's 18 cent per gallon tax on fuel. Article XIX of the California Constitution restricts the use of gas tax revenue to research, planning, construction, improvement, maintenance and operation of public streets and highways or public mass transit.

Gas tax revenue is initially accounted for in the City's Gas Tax Special Revenue Fund. In FY 2005, all gas tax funds were transferred to the Street Maintenance Fund for maintenance projects. FY 2006, a portion of gas tax funds will be transferred to street capital improvement projects, and the balance will be transferred to the Street Maintenance Fund. Details of planned appropriations for street projects are detailed in the capital improvement section of the budget.

**Supplemental Law Enforcement Funds**

**SUPPLEMENTAL LAW ENFORCEMENT  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ 481,095</b>	<b>\$ 74,910</b>	<b>\$ 67,561</b>	<b>\$ 67,561</b>
<b>Revenues:</b>				
Investment Earnings	4,383	2,651	-	-
Intergovernmental	111,432	100,000	110,000	100,000
Other	-	-	-	-
<b>Total Revenues</b>	<b>115,815</b>	<b>102,651</b>	<b>110,000</b>	<b>100,000</b>
Transfers In	-	-	-	-
<b>Total Resources Available</b>	<b>596,910</b>	<b>177,561</b>	<b>177,561</b>	<b>167,561</b>
<b>Expenditures:</b>				
Services and Supplies	522,000	-	-	-
<b>Total Expenditures</b>	<b>522,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transfers Out	-	110,000	110,000	100,000
<b>Ending Balance</b>	<b>\$ 74,910</b>	<b>\$ 67,561</b>	<b>\$ 67,561</b>	<b>\$ 67,561</b>

Supplemental law enforcement funds are received from the State, and are required to be spent on specific law enforcement programs. As in prior years, these funds will be used to help maintain the CAD/RMS system.

**Landscape Assessment Districts**

**LANDSCAPE ASSESSMENT DISTRICTS  
 FUND SUMMARY**

	FY 2003	FY 2004	FY 2005	FY 2006
	Actual	Actual	Budget	Budget
<b>Beginning Balance</b>	<b>\$ 238,324</b>	<b>\$ 259,227</b>	<b>\$ 531,795</b>	<b>\$ 607,145</b>
<b>Revenues:</b>				
Charges for Services	302,689	306,513	300,000	245,800
Investment Earnings	7,433	10,435	4,500	6,000
Other	<u>-</u>	<u>282,215</u>	<u>-</u>	<u>-</u>
Total Revenues	310,122	599,163	304,500	251,800
Transfers In	<u>13,000</u>	<u>13,000</u>	<u>13,000</u>	<u>13,000</u>
Total Resources Available	<u>561,446</u>	<u>871,390</u>	<u>849,295</u>	<u>871,945</u>
<b>Expenditures:</b>				
General and Administrative	-	1,000	500	1,000
Services and Supplies	301,569	337,895	241,000	250,300
Intragovernmental Charges	<u>650</u>	<u>700</u>	<u>650</u>	<u>800</u>
Total Expenditures	302,219	339,595	242,150	252,100
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Balance</b>	<b><u>\$ 259,227</u></b>	<b><u>\$ 531,795</u></b>	<b><u>\$ 607,145</u></b>	<b><u>\$ 619,845</u></b>

The City maintains 47 landscape assessment districts. These districts collect funds to be used for maintenance of common areas, from the property owners.

A list of individual assessment district fund balances is provided on the following page.

LANDSCAPE ASSESSMENT DISTRICT DETAIL

	Est. Fund Bal. 6/30/2005	Revenue	Appropriation	Est. Fund Bal. 6/30/2006
Unallocated	\$ 11,431	\$ 6,000	\$ (1,800)	\$ 15,631
Adobe Creek	4,459	-	-	4,459
Adobe Weir	21,798	-	-	21,798
Americana	21,329	3,700	(4,292)	20,737
Anna's Meadows	(690)	1,821	(4,355)	(3,224)
Benson Estates	966	-	-	966
Cader Farms	12,018	25,631	(20,306)	17,343
Cader Farms Highlands	9,430	4,339	(7,000)	6,769
Casa Del Oro	(2,979)	2,997	(1,475)	(1,457)
Corona Creek	13,277	4,000	(2,566)	14,711
Country Club Estates	6,811	2,313	(4,987)	4,137
Crane Glen	(151)	1,223	(852)	220
Cross Creek	60,500	10,000	(12,640)	57,860
Factory Outlet	2,436	-	-	2,436
Fairway Meadows	(23,406)	9,725	(7,703)	(21,384)
Glenbrook	(5,072)	4,055	(4,051)	(5,068)
Greystone Creek	11,988	16,000	(12,763)	15,225
Hillview Oaks	11,974	1,200	(20)	13,154
Judith Court	(2,343)	1,843	(2,418)	(2,918)
Kingsfield	6,788	700	(1,326)	6,162
Kingsmill	(1,438)	10,619	(7,947)	1,234
Lansdowne	111,293	4,850	(5,055)	111,088
Liberty Farms	1,977	6,585	(6,671)	1,891
Magnolia Terrace	10,275	600	(1,797)	9,078
McNear Landing	39,352	4,625	(12,905)	31,072
Meadow Park	13,204	17,729	(12,212)	18,721
Mountain Valley	(414)	10,264	(9,555)	295
Park Place	(1,279)	2,553	(1,334)	(60)
Sequoia Estates	124	623	(798)	(51)
Shelter Hills	2,863	2,394	(995)	4,262
Sonoma Glen	(27,205)	21,859	(27,121)	(32,467)
Spring Meadows	16,545	5,995	(2,474)	20,066
St. James Estates	5,454	1,118	(1,127)	5,445
Stoneridge	37,676	4,465	(3,784)	38,357
Sycamore Heights (Casa Oro 3)	5,683	1,544	(505)	6,722
Tatum	(4,055)	45	(168)	(4,178)
Turnbridge	5,297	9,795	(5,076)	10,016
Twin Creeks	66,304	5,000	(5,970)	65,334
Village East	12,487	4,594	(2,195)	14,886
Village Meadows	(1,990)	8,006	(6,363)	(347)
Westridge	(10,732)	11,181	(9,069)	(8,620)
Westview Estates	57,618	5,250	(5,815)	57,053
Willow Glen	95,230	23,600	(30,200)	88,630
Wisteria	7,363	2,800	(1,741)	8,422
Woodside Village	4,946	3,194	(2,644)	5,496
	607,142	264,835	(252,075)	619,902
Rounding				(57)
TOTAL				<u>\$ 619,845</u>

**Abandoned Vehicle Fund**

**ABANDONED VEHICLE ABATEMENT  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,002</b>	<b>\$ 38,002</b>
<b>Revenues:</b>				
Investment Earnings	-	-	-	-
Intergovernmental	-	8,002	30,000	30,000
Other	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>8,002</b>	<b>30,000</b>	<b>30,000</b>
Transfers In	-	-	-	-
<b>Total Resources Available</b>	<b>-</b>	<b>8,002</b>	<b>38,002</b>	<b>68,002</b>
<b>Expenditures:</b>				
Program Costs	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transfers Out	-	-	-	30,000
<b>Ending Balance</b>	<b>\$ -</b>	<b>\$ 8,002</b>	<b>\$ 38,002</b>	<b>\$ 38,002</b>

Intergovernmental revenues for abandon vehicle abatement are restricted and accounted for in this special revenue fund. FY 2006 appropriations include a transfer to Vehicle/Equipment Replacement Fund for the purchase of a Community Service Officer vehicle. This vehicle will be used in the continuing effort to remove abandoned vehicle from City streets.

**Asset Seizure**

**ASSET SEIZURE  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ 187,999</b>	<b>\$ 123,066</b>	<b>\$ 15,006</b>	<b>\$ 17,006</b>
<b>Revenues:</b>				
Fines and Forfeitures	68,989	9,094	-	-
Investment Earnings	3,078	1,898	2,000	-
Other	-	-	-	-
<b>Total Revenues</b>	<b>72,067</b>	<b>10,993</b>	<b>2,000</b>	<b>-</b>
Transfers In	-	-	-	-
<b>Total Resources Available</b>	<b>260,066</b>	<b>134,059</b>	<b>17,006</b>	<b>17,006</b>
<b>Expenditures:</b>				
Capital Equipment	-	94,053	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>94,053</b>	<b>-</b>	<b>-</b>
Transfers Out	137,000	25,000	-	-
<b>Ending Balance</b>	<b>\$ 123,066</b>	<b>\$ 15,006</b>	<b>\$ 17,006</b>	<b>\$ 17,006</b>

The City foresees no revenue from this program FY 2006.

**Street Maintenance Fund**

**STREET MAINTENANCE  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	\$ -	\$ 1,123,242	\$ (55,842)	\$ (615,042)
<b>Revenues:</b>				
Franchise Fees	123,644	228,901	250,000	265,300
Taxes Other	-	16,417	-	-
Other Revenue- Measure M	-	764,000	-	301,000
Investment Earnings	<u>3,787</u>	<u>39,101</u>	<u>8,000</u>	<u>4,000</u>
Total Revenues	127,431	1,048,419	258,000	570,300
Transfers In	<u>1,544,000</u>	<u>664,750</u>	<u>1,724,000</u>	<u>699,000</u>
Total Resources Available	<u>1,671,431</u>	<u>2,836,411</u>	<u>1,926,158</u>	<u>654,258</u>
<b>Expenditures:</b>				
General and Administrative	-	-	-	-
Salaries	-	206,953	-	-
Benefits	-	66,301	-	-
Services and Supplies	-	834,577	-	-
Street Maintenance	548,189	1,783,972	2,540,800	2,000,000
Intragovernmental Charges	<u>-</u>	<u>450</u>	<u>400</u>	<u>500</u>
Total Expenditures	548,189	2,892,253	2,541,200	2,000,500
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Balance</b>	<b><u>\$ 1,123,242</u></b>	<b><u>\$ (55,842)</u></b>	<b><u>\$ (615,042)</u></b>	<b><u>\$ (1,346,242)</u></b>
<b>Transfer in Detail</b>				
General Fund Contribution	\$ 500,000	\$ -	\$ -	\$ -
Gas Tax Fund	563,000	494,750	1,724,000	699,000
Water Utility	283,000	105,000	-	-
Waste Water Utility	198,000	65,000	-	-
Assessment District #21	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTALS</b>	<b><u>\$ 1,544,000</u></b>	<b><u>\$ 664,750</u></b>	<b><u>\$ 1,724,000</u></b>	<b><u>\$ 699,000</u></b>

The Street Maintenance fund was created in FY 2003 to account for activities associated with street maintenance. This activity has taken on significant importance in the City and a fund was established to track resources attributed to this activity and the related expenditures. The cost of street maintenance activities, which had traditionally been accounted for in the General Fund, are now accounted for in this fund.

Gas tax revenue is transferred into this fund, and is a major resource for street maintenance activity. Additionally, solid-waste surcharge revenue is used to fund maintenance projects. This surcharge is imposed on the City waste hauler. It is part of the garbage franchise fee paid to the City by the waste hauler, who passes along the surcharge amount to the ratepayers. The franchise fee increased from 10% of collected revenue, to 13.22% in January, 2003. The incremental difference, the surcharge, generates approximately \$250,000 annually to be used for street maintenance.

The projects to be funded during FY 2006 will be determined by the City Council, based upon the recommendations from the Public Works Department.

**Street Reconstruction Fund**

**STREET RECONSTRUCTION  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ 4,434,324	\$ 4,434,324
<b>Revenues:</b>				
Investment Earnings	-	(41,676)	-	100,000
Total Revenues	-	(41,676)	-	100,000
Transfers In	-	11,653,000	10,569,000	-
Total Resources Available	-	11,611,324	15,003,324	4,534,324
<b>Expenditures:</b>				
Capital Improvement Projects	-	-	-	-
Total Expenditures	-	-	-	-
Transfers Out	-	7,177,000	10,569,000	1,201,800
<b>Ending Balance</b>	<u>\$ -</u>	<u>\$ 4,434,324</u>	<u>\$ 4,434,324</u>	<u>\$ 3,332,524</u>

This fund was established in FY 2004 to account for resources dedicated to street reconstruction. All resources, from various sources, which are dedicated to street reconstruction, are accumulated in this fund.

Resources related to street reconstruction projects are then transferred into various Capital Improvement Project Funds. Details of FY 2006 appropriations are detailed in the capital improvement section of the budget.

**Transient Occupancy Tax**

**TRANSIENT OCCUPANCY TAX  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ 22,578</b>	<b>\$ 185,829</b>	<b>\$ 289,094</b>	<b>\$ 72,394</b>
<b>Revenues:</b>				
Taxes	887,126	1,115,868	1,000,000	1,130,000
Investment Earnings	<u>(846)</u>	<u>10,429</u>	<u>-</u>	<u>4,000</u>
Total Revenues	886,280	1,126,297	1,000,000	1,134,000
Transfers In	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Resources Available	<u>1,208,858</u>	<u>1,312,126</u>	<u>1,289,094</u>	<u>1,206,394</u>
<b>Expenditures:</b>				
General and Administrative	3,580	-	-	-
Program Expenditures	517,649	521,133	300,000	309,000
Intragovernmental Charges	<u>1,800</u>	<u>1,900</u>	<u>1,700</u>	<u>2,050</u>
Total Expenditures	523,029	523,033	301,700	311,050
Transfers Out	<u>500,000</u>	<u>500,000</u>	<u>915,000</u>	<u>1,000,000</u>
<b>Ending Balance</b>	<b><u>\$ 185,829</u></b>	<b><u>\$ 289,094</u></b>	<b><u>\$ 72,394</u></b>	<b><u>\$ (104,656)</u></b>

The City charges a 10% tax on all hotel and motel rentals in the City. Historically, these funds were used to pay for special community events. In prior years, approximately ½ of the funds that were received were used to cover costs of various non-profit groups in the City. A large portion of those grants went to the Petaluma Visitors Program, which promotes tourism in the City.

It is proposed to use most of the funds to cover ongoing costs in the General Fund. Therefore FY 2006 appropriations include an \$895,000 transfer to the General Fund.

**Fire Fees**

**HAZ MAT FINES - FIRE  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 28,637</b>	<b>\$ 28,637</b>
<b>Revenues:</b>				
Fines	-	50,769	-	10,000
Investment Earnings	-	424	-	-
<b>Total Revenues</b>	<b>-</b>	<b>51,193</b>	<b>-</b>	<b>10,000</b>
Transfers In	-	-	-	-
<b>Total Resources Available</b>	<b>-</b>	<b>51,193</b>	<b>28,637</b>	<b>38,637</b>
<b>Expenditures:</b>				
General and Administrative	-	-	-	-
Program Expenditures	-	22,556	-	10,000
Intragovernmental Charges	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>22,556</b>	<b>-</b>	<b>10,000</b>
Transfers Out	-	-	-	-
<b>Ending Balance</b>	<b>\$ -</b>	<b>\$ 28,637</b>	<b>\$ 28,637</b>	<b>\$ 28,637</b>

Fines are collected for hazardous incidents and expenditures are related to the program.

**FIRE IN-LIEU FEES  
 FUND SUMMARY**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2006 Budget
<b>Beginning Balance</b>	\$ -	\$ -	\$ -	\$ -
<b>Revenues:</b>				
In-Lieu Fees	-	-	-	18,000
Investment Earnings	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,000</u>
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Resources Available</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,000</u>
<b>Expenditures:</b>				
General and Administrative	-	-	-	-
Program Expenditures	-	-	-	-
Intragovernmental Charges	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Balance</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 18,000</u></u>

Fire In-Lieu fees collected are for the purchase of a fire truck in lieu of a required access road.

**Donations**

**DONATIONS  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 206,184</b>	<b>\$ 206,184</b>
<b>Revenues:</b>				
General Donations	-	94,807	20,000	4,500
Animal Services Donations	-	12,143	50,000	30,000
Police Department Donations	-	62,400	40,000	58,000
Fire Department Donations	-	2,354	20,000	-
Parks Other Donations	-	58,429	3,000	42,000
Parks CIP Donations	-	4,070	413,000	-
Developer Contributions-Park CIP	-	-	3,865,000	1,514,000
Developer Contributions-Pub Wk CIP	-	-	-	284,000
Investment Earnings	-	3,795	-	-
Other Revenue	-	<u>38,000</u>	-	-
<b>Total Revenues</b>	<b>-</b>	<b>275,998</b>	<b>4,411,000</b>	<b>1,932,500</b>
Transfers In	-	-	-	-
<b>Total Resources Available</b>	<b>-</b>	<b>275,998</b>	<b>4,617,184</b>	<b>2,138,684</b>
<b>Expenditures:</b>				
Services and Supplies	-	<u>69,814</u>	<u>133,000</u>	<u>96,500</u>
<b>Total Expenditures</b>	<b>-</b>	<b>69,814</b>	<b>133,000</b>	<b>96,500</b>
Transfers Out	-	-	<u>4,278,000</u>	<u>1,838,000</u>
<b>Ending Balance</b>	<b>\$ -</b>	<b>\$ 206,184</b>	<b>\$ 206,184</b>	<b>\$ 204,184</b>

General government donations and related expenditures are now accounted for in a special revenue fund. Revenues are estimates and classified by function.

The developer contributions will be used to fund capital improvement projects. See the capital improvement section of the budget. The balance of the revenue will be used to offset operating expenditures in the recipient departments.

**PCDC DONATIONS  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ 5,020	\$ 5,020
<b>Revenues:</b>				
General Donations	-	-	-	-
Developer CIP Contributions	-	5,020	2,415,000	1,515,000
Investment Earnings	-	-	-	-
Other Revenue	-	-	-	-
<b>Total Revenues</b>	-	5,020	2,415,000	1,515,000
Transfers In	-	-	-	-
<b>Total Resources Available</b>	-	5,020	2,420,020	1,520,020
<b>Expenditures:</b>				
Services and Supplies	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-
Transfers Out	-	-	2,415,000	1,515,000
<b>Ending Balance</b>	\$ -	\$ 5,020	\$ 5,020	\$ 5,020

**Prince Park Trust**

**PRINCE PARK TRUST  
 FUND SUMMARY**

	FY 2003	FY 2004	FY 2005	FY 2006
	Actual	Actual	Budget	Budget
<b>Beginning Balance</b>	<b>\$ 996,266</b>	<b>\$ 1,002,143</b>	<b>\$ 1,005,003</b>	<b>\$ 1,005,003</b>
<b>Revenues:</b>				
Investment Earnings	35,877	32,860	15,000	24,000
Total Revenues	35,877	32,860	15,000	24,000
Transfers In	-	-	-	-
Total Resources Available	1,032,143	1,035,003	1,020,003	1,029,003
<b>Expenditures:</b>				
Trust Expenditures	-	-	-	-
Total Expenditures	-	-	-	-
Transfers Out	30,000	30,000	15,000	24,000
<b>Ending Balance</b>	<b>\$ 1,002,143</b>	<b>\$ 1,005,003</b>	<b>\$ 1,005,003</b>	<b>\$ 1,005,003</b>

This trust, administered by the Parks and Recreation Department, provides funds for the ongoing maintenance of Prince Park. This fund will transfer \$24,000, the estimated interest to be received during FY 2006, to the General Fund for FY 2006 park maintenance.

**CAPITAL PROJECT FUND - GENERAL GOVERNMENT  
 FUND SUMMARY**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ (8,358)	\$ (8,358)
<b>Revenues:</b>				
Investment Earnings	-	-	-	-
Intergovernmental	-		-	-
Other	-	-	-	-
Total Revenues	-	-	-	-
Transfers In	-	59,850	1,095,200	-
Total Resources Available	-	59,850	1,086,842	(8,358)
<b>Expenditures:</b>				
Capital Expenses		64,960	1,095,200	
Intragovernment Charges	-	3,248	-	-
Total Expenditures	-	68,208	1,095,200	-
Transfers Out	-	-	-	-
<b>Ending Balance</b>	\$ -	\$ (8,358)	\$ (8,358)	\$ (8,358)

No general government capital improvement projects are budgeted in FY 2006.

**CAPITAL PROJECT FUND - COMMUNITY DEVELOPMENT  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ 150,309	\$ 113,309
<b>Revenues:</b>				
Investment Earnings	-	1,108	-	-
Intergovernmental	-	125,605	-	-
Other	-	-	-	-
Total Revenues	-	126,714	-	-
Transfers In	-	473,000	755,000	194,000
Total Resources Available	-	599,714	905,309	307,309
<b>Expenditures:</b>				
Capital Expenses		428,052	792,000	194,000
Intragovernment Charges	-	21,353	-	-
Total Expenditures	-	449,405	792,000	194,000
Transfers Out	-	-	-	-
<b>Ending Balance</b>	\$ -	\$ 150,309	\$ 113,309	\$ 113,309

Miscellaneous facilities improvements are budgeted in FY 2006 in the Community Development Capital Project Fund.

Details are presented in the capital improvement section of the budget.

**CAPITAL PROJECT FUND - CBD  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ 8,650,127	\$ 7,888,127
<b>Revenues:</b>				
Investment Earnings	-	-	-	-
Intergovernmental	-	-	-	-
Other	-	<u>1,254</u>	-	-
<b>Total Revenues</b>	-	1,254	-	-
Transfers In	-	<u>14,733,300</u>	<u>16,977,400</u>	<u>1,737,600</u>
<b>Total Resources Available</b>	-	<u>14,734,554</u>	<u>25,627,527</u>	<u>9,625,727</u>
<b>Expenditures:</b>				
Salaries	-	104,677	-	372,450
Benefits	-	17,258	-	99,850
Services and Supplies	-	-	-	92,700
Capital Expenses	-	5,672,231	17,739,400	1,172,600
Intragovernment Charges	-	<u>290,262</u>	-	-
<b>Total Expenditures</b>	-	6,084,427	17,739,400	1,737,600
Transfers Out	-	-	-	-
<b>Ending Balance</b>	<u>\$ -</u>	<u>\$ 8,650,127</u>	<u>\$ 7,888,127</u>	<u>\$ 7,888,127</u>

Two capital projects are budgeted in FY 2006 in the Central Business District Capital Project Fund, the Theater District and the Railroad Depot Restoration. Details of FY 2006 appropriations are in the capital improvement section of the budget.

**CAPITAL PROJECT FUND - PCD  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ 1,616,756	\$ (798,244)
<b>Revenues:</b>				
Investment Earnings	-	1,818	-	-
Intergovernmental	-	275,042	-	-
Other	-	<u>1,581</u>	-	-
<b>Total Revenues</b>	-	<u>278,441</u>	-	-
Transfers In	-	<u>1,642,000</u>	<u>7,875,200</u>	<u>2,507,000</u>
<b>Total Resources Available</b>	-	<u>1,920,441</u>	<u>9,491,956</u>	<u>1,708,756</u>
<b>Expenditures:</b>				
Salaries	-	27,550	-	211,450
Benefits	-	4,528	-	44,150
Services and Supplies	-	-	-	73,200
Capital Expenses	-	257,488	10,290,200	2,178,200
Intragovernment Charges	-	<u>14,120</u>	-	-
<b>Total Expenditures</b>	-	<u>303,685</u>	<u>10,290,200</u>	<u>2,507,000</u>
Transfers Out	-	-	-	-
<b>Ending Balance</b>	<u>\$ -</u>	<u>\$ 1,616,756</u>	<u>\$ (798,244)</u>	<u>\$ (798,244)</u>

Three projects are budgeted in FY 2006 in the Petaluma Community Development Capital Project Fund, Caulfield Extension, Lakeville/Washington to Caulfield project, and D Street Bridge. Details of appropriations are provided in the capital improvement section of the budget.

**CAPITAL PROJECT FUND - POLICE  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ -	\$ -
<b>Revenues:</b>				
Investment Earnings	-	-	-	-
Intergovernmental	-	-	-	-
Other	-	-	-	-
Total Revenues	-	-	-	-
Transfers In	-	-	-	25,000
Total Resources Available	-	-	-	25,000
<b>Expenditures:</b>				
Capital Expenses	-	-	-	25,000
Intragovernment Charges	-	-	-	-
Total Expenditures	-	-	-	25,000
Transfers Out	-	-	-	-
<b>Ending Balance</b>	\$ -	\$ -	\$ -	\$ -

Replacement of the Police Department building roof is scheduled in FY 2006 in the Police Capital Project Fund. See the capital improvement section of the budget for details.

**CAPITAL PROJECT FUND - FIRE  
 FUND SUMMARY**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2006 Budget
<b>Beginning Balance</b>	\$ -	\$ -	\$ -	\$ -
<b>Revenues:</b>				
Investment Earnings	-	-	-	-
Intergovernmental	-	-	-	-
Other	-	-	-	-
<b>Total Revenues</b>	-	-	-	-
Transfers In	-	-	-	60,000
<b>Total Resources Available</b>	-	-	-	60,000
<b>Expenditures:</b>				
Capital Expenses	-	-	-	60,000
Intragovernment Charges	-	-	-	-
<b>Total Expenditures</b>	-	-	-	60,000
Transfers Out	-	-	-	-
<b>Ending Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Relocation of Fire Station # 1 is scheduled to begin in FY 2006, and will be accounted for in the Fire Capital Project Fund. The transfer in is from Fire Suppression Impact Fees.

See the capital improvement section of the budget for details.

**CAPITAL PROJECT FUND - PARKS & RECREATIONS  
 FUND SUMMARY**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2006 Budget
<b>Beginning Balance</b>	\$ -	\$ -	\$ 1,224,428	\$ 1,070,428
<b>Revenues:</b>				
Investment Earnings	-	8,888	-	-
Intergovernmental	-	75,000	-	-
Other	-	-	-	-
<b>Total Revenues</b>	-	83,888	-	-
Transfers In	-	1,471,000	8,025,000	3,292,000
<b>Total Resources Available</b>	-	1,554,888	9,249,428	4,362,428
<b>Expenditures:</b>				
Capital Expenses	-	314,724	8,179,000	3,292,000
Intragovernment Charges	-	15,736	-	-
<b>Total Expenditures</b>	-	330,460	8,179,000	3,292,000
Transfers Out	-	-	-	-
<b>Ending Balance</b>	<u>\$ -</u>	<u>\$ 1,224,428</u>	<u>\$ 1,070,428</u>	<u>\$ 1,070,428</u>

Parks and Recreation Capital Project Fund includes appropriations for eleven projects in FY 2006. See the capital improvement section of the budget for project details.

**CAPITAL PROJECT FUND - PUBLIC WORKS  
 FUND SUMMARY**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
<b>Beginning Balance</b>	\$ -	\$ -	\$ 4,471,482	\$ 5,375,682
<b>Revenues:</b>				
Investment Earnings	-	(58,063)	-	-
Intergovernmental	-	(376)	-	-
Other	-	<u>56</u>	-	-
Total Revenues	-	(58,383)	-	-
Transfers In	<u>-</u>	<u>9,774,981</u>	<u>6,344,200</u>	<u>5,183,000</u>
Total Resources Available	<u>-</u>	<u>9,716,597</u>	<u>10,815,682</u>	<u>10,558,682</u>
<b>Expenditures:</b>				
Salaries		68,168		
Benefits		11,222		
Capital Expenses		4,915,964	5,440,000	7,625,000
Intragovernment Charges	-	<u>249,761</u>	-	-
Total Expenditures	-	5,245,116	5,440,000	7,625,000
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Balance</b>	<b><u>\$ -</u></b>	<b><u>\$ 4,471,482</u></b>	<b><u>\$ 5,375,682</u></b>	<b><u>\$ 2,933,682</u></b>

Public Works Capital Project Fund includes seven projects for FY 2006.

See the capital improvement section of the budget for project details.

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**Governmental Debt Service**

**CITY DEBT SERVICE  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ 1,970,637</b>	<b>\$ 2,173,828</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Revenues:</b>				
Taxes	370	-	-	-
Investment Earnings	(2,702)	15,031	-	-
Other	-	-	-	-
Total Revenues	(2,332)	15,031	-	-
Transfers In	771,250	1,815,131	-	-
Total Resources Available	2,739,555	4,003,990	-	-
<b>Expenditures:</b>				
General and Administrative	3,211	2,867	-	-
Debt Service:				
Principal	320,000	3,772,000	-	-
Interest	215,616	199,123	-	-
Intragovernmental Charges	26,900	30,000	-	-
Total Expenditures	565,727	4,003,990	-	-
Transfers Out	-	-	-	-
<b>Ending Balance</b>	<b>\$ 2,173,828</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

This fund accounts for debt service that is backed primarily from General Fund and Special Revenue resources. There is no longer any outstanding debt associated with general governmental resources.

**Petaluma Community Development Commission Debt Service**

**CBD DEBT SERVICE  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ 106,567</b>	<b>\$ 110,127</b>	<b>\$ 175,747</b>	<b>\$ 176,747</b>
<b>Revenues:</b>				
Investment Earnings	3,647	19,869	1,000	-
Other	-	42,805	-	-
<b>Total Revenues</b>	<b>3,647</b>	<b>62,674</b>	<b>1,000</b>	<b>-</b>
Transfers In	129,900	139,000	137,400	133,000
<b>Total Resources Available</b>	<b>240,114</b>	<b>311,801</b>	<b>314,147</b>	<b>309,747</b>
<b>Expenditures:</b>				
General and Administrative	2,190	2,174	2,400	2,400
Debt Service:				
Principal	85,000	95,000	100,000	100,000
Interest	42,797	38,880	35,000	30,200
Intragovernmental Charges	-	-	-	-
<b>Total Expenditures</b>	<b>129,987</b>	<b>136,054</b>	<b>137,400</b>	<b>132,600</b>
Transfers Out	-	-	-	-
<b>Ending Balance</b>	<b>\$ 110,127</b>	<b>\$ 175,747</b>	<b>\$ 176,747</b>	<b>\$ 177,147</b>

Central Business District has one debt issue outstanding, the 2000B TAB. Outstanding principal balance at June, 2005 is \$685,000.

**PCD DEBT SERVICE  
FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ 774,218</b>	<b>\$ 53,664</b>	<b>\$ 22,996,756</b>	<b>\$ 23,016,756</b>
<b>Revenues:</b>				
Investment Earnings	18,000	167,564	20,000	-
Other	-	-	-	-
<b>Total Revenues</b>	<b>18,000</b>	<b>167,564</b>	<b>20,000</b>	<b>-</b>
Transfers In	2,140,000	3,031,500	2,720,000	2,703,800
Debt Proceeds	-	<u>23,615,783</u>	-	<u>(23,006,650)</u>
<b>Total Resources Available</b>	<b><u>2,932,218</u></b>	<b><u>26,868,511</u></b>	<b><u>25,736,756</u></b>	<b><u>2,713,906</u></b>
<b>Expenditures:</b>				
General and Administrative	14,665	844,773	15,000	9,300
Debt Service:				
Principal	1,259,876	449,000	395,000	482,000
Interest	1,604,013	2,577,982	2,182,000	2,212,500
Other Expenditure	-	-	128,000	-
Intragovernmental Charges	-	-	-	-
<b>Total Expenditures</b>	<b>2,878,554</b>	<b>3,871,755</b>	<b>2,720,000</b>	<b>2,703,800</b>
Transfers Out	-	-	-	-
Debt Refunding	-	-	-	-
<b>Ending Balance</b>	<b><u>\$ 53,664</u></b>	<b><u>\$ 22,996,756</u></b>	<b><u>\$ 23,016,756</u></b>	<b><u>\$ 10,106</u></b>
		principal	interest	other
2000A TAB		135,000	973,000	2,100
2001A TAB		275,000	121,400	3,100
2003A TAB		-	1,072,100	4,100
AD 19 Reim		72,000	46,000	-
Benson		-	-	-
		<u>482,000</u>	<u>2,212,500</u>	<u>9,300</u>

Petaluma Community Development has four debt issues outstanding. The principal balance as of June 30, 2005 for each is: 2000A TAB--\$17,265,000, 2001A TAB--\$2,975,000, 2003A TAB--\$23,630,000, AD 19 Reimbursements--\$570,000.

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**Airport Fund**

**AIRPORT OPERATIONS  
 FUND SUMMARY**

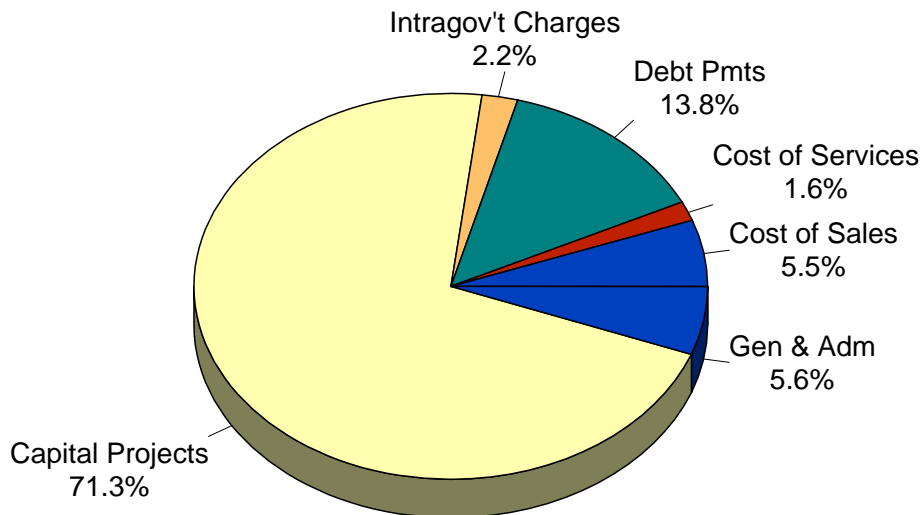
	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
<b>Beginning Balance</b>	<b>\$ 407,640</b>	<b>\$ 391,939</b>	<b>\$ 3,892,179</b>	<b>\$ 3,892,179</b>
<b>Revenues:</b>				
Charges for Sales	419,114	433,877	450,000	528,450
Charges for Services	443,968	550,325	478,400	716,050
Debt Proceeds	-	6,295,000	-	3,109,000
Intergovernmental	56,467	48,052	57,000	434,000
Investment Earnings & Rent	<u>111,743</u>	<u>34,172</u>	<u>6,000</u>	<u>114,700</u>
Total Revenues	1,031,292	7,361,426	991,400	4,902,200
Transfers In	-	-	-	-
Total Resources Available	<u>1,438,932</u>	<u>7,753,365</u>	<u>4,883,579</u>	<u>8,794,379</u>
<b>Expenditures:</b>				
Cost of Sales	300,685	317,992	335,800	267,300
Cost of Services	88,619	100,271	90,000	80,800
General and Administrative	106,364	326,651	107,000	273,500
Capital Outlay	17,175	-	-	-
Capital Improvement Projects	-	171,820	-	3,492,000
Debt Principal	155,139	2,468,019	185,600	307,000
Debt Interest	159,967	295,439	180,500	371,300
Intragovernmental Charges	<u>80,350</u>	<u>83,600</u>	<u>92,500</u>	<u>108,950</u>
Total Expenditures	908,299	3,763,792	991,400	4,900,850
Transfers Out	-	-	-	-
Changes in Assets/Liabilities	<u>138,694</u>	<u>97,394</u>	-	<u>1,350</u>
<b>Ending Balance</b>	<b><u>\$ 391,939</u></b>	<b><u>\$ 3,892,179</u></b>	<b><u>\$ 3,892,179</u></b>	<b><u>\$ 3,892,179</u></b>

The City maintains a municipal airport that provides service for mainly small aircraft. Approximately 58,000 take-offs and landings are recorded annually. There are 123 aircraft storage hangars and 125 tie-down spaces. A Council approved commission oversees the general operations of the Airport. The Commission hires an airport manager, who serves as liaison to the commission. The Airport Manager is considered to be a contract employee.

In fiscal year 2006 the City will use debt financing and FAA grants to fund the construction of additional hangars at the Airport. These 55 additional hangars are expected to meet the growing demand for storage space.

The Airport continues to be self-sufficient with fees charged for hangar rentals and tie-downs accounting for approximately 50% of total revenue. Charges for sales, which include fuel sales, account for the other half. Minor amounts are generated from intergovernmental fees and interest earnings.

## AIRPORT



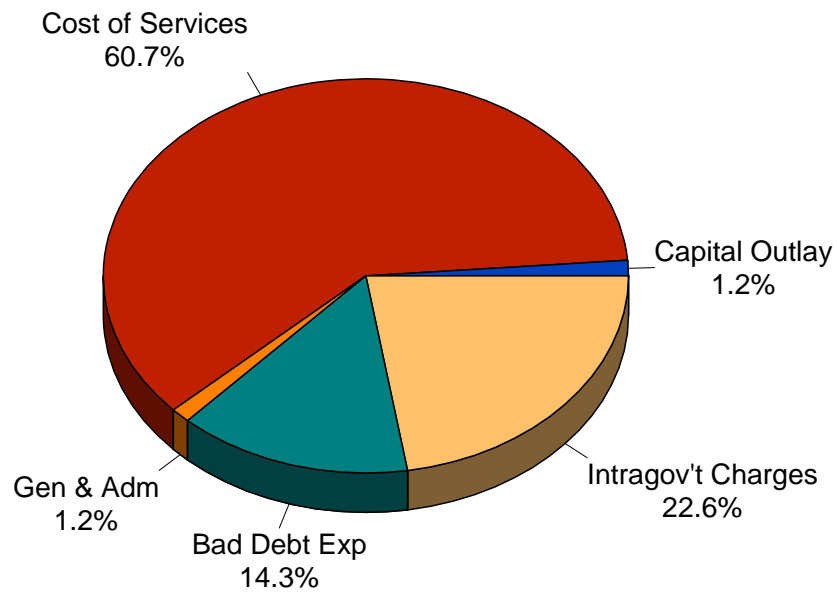
**Ambulance Fund**

**AMBULANCE OPERATIONS  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ 884,926</b>	<b>\$ 749,994</b>	<b>\$ 422,492</b>	<b>\$ 422,492</b>
<b>Revenues:</b>				
Charges for Services (net)	1,483,084	1,763,361	2,273,500	1,400,000
Intergovernmental	-	-	-	-
Investment Earnings	<u>25,297</u>	<u>18,516</u>	<u>20,000</u>	<u>18,500</u>
Total Revenues	1,508,381	1,781,877	2,293,500	1,418,500
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Resources Available	<u>2,393,307</u>	<u>2,531,871</u>	<u>2,715,992</u>	<u>1,840,992</u>
<b>Expenditures:</b>				
Cost of Services	872,015	1,251,110	1,175,550	1,484,400
General and Administrative	145,177	18,126	230,650	30,300
Capital Outlay	142,234	-	30,000	30,000
Bad Debt Expense	101,323	73,516	350,000	350,000
Intragovernmental Charges	<u>490,650</u>	<u>556,150</u>	<u>507,300</u>	<u>551,850</u>
Total Expenditures	1,751,399	1,898,902	2,293,500	2,446,550
Transfers Out	-	-	-	-
Changes in Assets/Liabilities	<u>(108,086)</u>	<u>210,477</u>	<u>-</u>	<u>(1,028,050)</u>
<b>Ending Balance</b>	<b><u>\$ 749,994</u></b>	<b><u>\$ 422,492</u></b>	<b><u>\$ 422,492</u></b>	<b><u>\$ 422,492</u></b>

The City operates three fire stations in the north, south and central parts of the City. Ambulances are operated out of the north and south stations and provide Emergency Medical Services (EMS) and Paramedic services to all residents of the City. The City charges a fee for this service. The cost ranges from \$371 to \$1200, depending on the distance traveled. While the service is provided for by the Fire Department, billing done by a third party billing service.

## AMBULANCE



**Marina Fund**

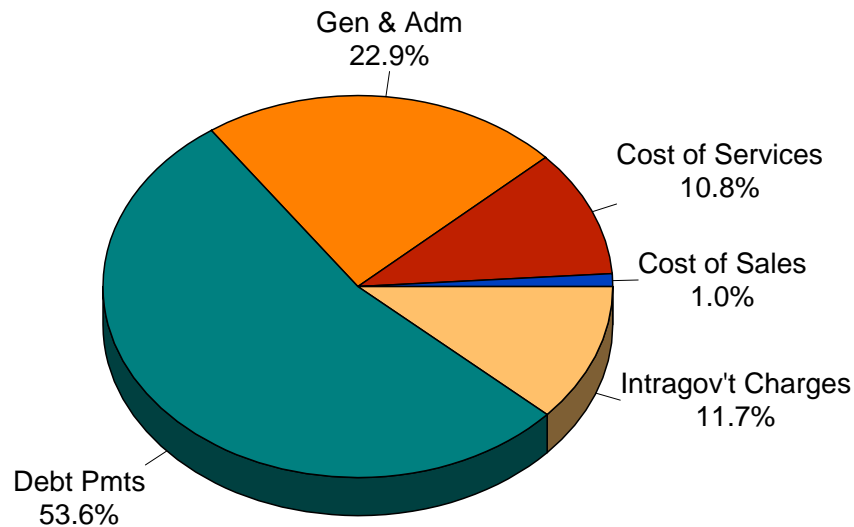
**MARINA OPERATIONS  
 FUND SUMMARY**

	FY 2003	FY 2004	FY 2005	FY 2006
	Actual	Actual	Budget	Budget
<b>Beginning Balance</b>	<b>\$ 2,572</b>	<b>\$ 4,830</b>	<b>\$ 224,294</b>	<b>\$ 4,830</b>
<b>Revenues:</b>				
Charges for Sales	9,268	9,931	10,000	10,000
Charges for Services	175,677	218,147	176,000	176,000
Investment Earnings & Rent	<u>2,038</u>	<u>7,755</u>	<u>2,000</u>	<u>7,700</u>
Total Revenues	186,983	235,833	188,000	193,700
Transfers In	<u>54,000</u>	<u>273,000</u>	-	-
Total Resources Available	<u>243,555</u>	<u>513,663</u>	<u>412,294</u>	<u>198,530</u>
<b>Expenditures:</b>				
Cost of Sales	5,000	5,637	5,000	5,000
Cost of Services	48,333	38,973	48,000	51,700
General and Administrative	134,881	110,605	102,600	109,950
Debt Interest:				
Interfund Loans	37,716	23,198	47,000	47,000
Boating & Waterways	208,353	198,133	182,000	210,600
Dredging	-	-	273,000	-
Intragovernmental Charges	<u>40,850</u>	<u>42,578</u>	<u>44,650</u>	<u>56,050</u>
Total Expenditures	475,133	419,124	702,250	480,300
Transfers Out	-	-	-	-
Changes in Assets/Liabilities	<u>(236,408)</u>	<u>(129,755)</u>	<u>(294,786)</u>	<u>(286,600)</u>
<b>Ending Balance</b>	<b><u>\$ 4,830</u></b>	<b><u>\$ 224,294</u></b>	<b><u>\$ 4,830</u></b>	<b><u>\$ 4,830</u></b>

The City operates a public marina with 190 slips. Situated in a redevelopment project area, the complex includes three office buildings, marina office and a hotel. The City operates only the Marina while the remaining property is privately owned. The City constructed the Marina in 1990 with a \$3,960,000 loan from the State Department of Boating and Waterways. Over the ensuing years, the Marina borrowed \$966,700 from the City's Redevelopment Agency and \$244,525 from the General Fund for ongoing operating and debt service purposes. In fiscal year 2000, the City stopped making payments on its loans. Currently the City is in default to the State Departments of Boating and Waterways. For accounting purposes, the City is accruing the interest and penalties to the total debt obligations of the fund.

The Parks and Recreation department manages the Marina, and they in turn hire a Marina manager who is a contract employee. The City also employs part-time Marina attendants. The majority of the costs associated with operating the Marina are personnel related. The other main cost is the debt service, which is shown in the budget each year. Although the City does not pay interest, the expense is recorded in the City's ledger.

## MARINA



**Public Transportation Fund**

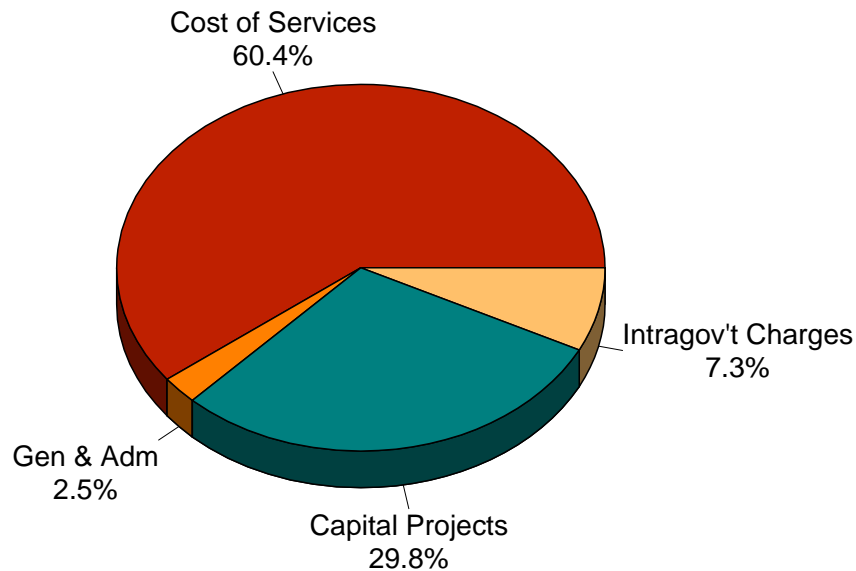
**PUBLIC TRANSPORTATION  
 FUND SUMMARY**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
<b>Beginning Balance</b>	<b>\$ 78,765</b>	<b>\$ 90,348</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Revenues:</b>				
Charges for Services	170,235	158,719	178,000	204,700
Intergovernmental	1,075,725	1,275,584	1,170,850	1,638,350
Investment Earnings	<u>18,238</u>	<u>2,479</u>	<u>17,000</u>	<u>2,500</u>
Total Revenues	1,264,198	1,436,782	1,365,850	1,845,550
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>201,800</u>
Total Resources Available	<u>1,342,963</u>	<u>1,527,130</u>	<u>1,365,850</u>	<u>2,047,350</u>
<b>Expenditures:</b>				
Cost of Services	872,218	1,140,867	1,011,050	1,235,850
General & Administrative	222,527	44,657	230,000	51,500
Capital Improvement Projects	65,123	403,535	-	610,400
Capital Outlay	15,579	562,554	-	-
Intragovernmental Charges	<u>111,150</u>	<u>117,100</u>	<u>124,800</u>	<u>149,550</u>
Total Expenditures	1,286,597	2,268,713	1,365,850	2,047,300
Transfers Out	-	-	-	-
Changes in Assets/Liabilities	<u>(33,982)</u>	<u>(741,583)</u>	<u>-</u>	<u>50</u>
<b>Ending Balance</b>	<b><u>\$ 90,348</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

The City maintains a fleet of buses that provide fixed route and dial-a-ride (Para transit) services. The bus routes operate within four blocks of 90% of the City's population. Transit services are coordinated with other transit agencies. All transportation personnel, except for the one position in the City, are provided by outside contractors. The City owns the buses and other equipment. No replacement expenses are recognized since replacement of equipment is accomplished with federal and state grants.

The primary source of revenue is from the federal and state sources totaling \$1.6 million. Charges for services (bus fares) are expected to increase to \$204,700.

## PUBLIC TRANSPORTATION



**Wastewater Utility Fund**

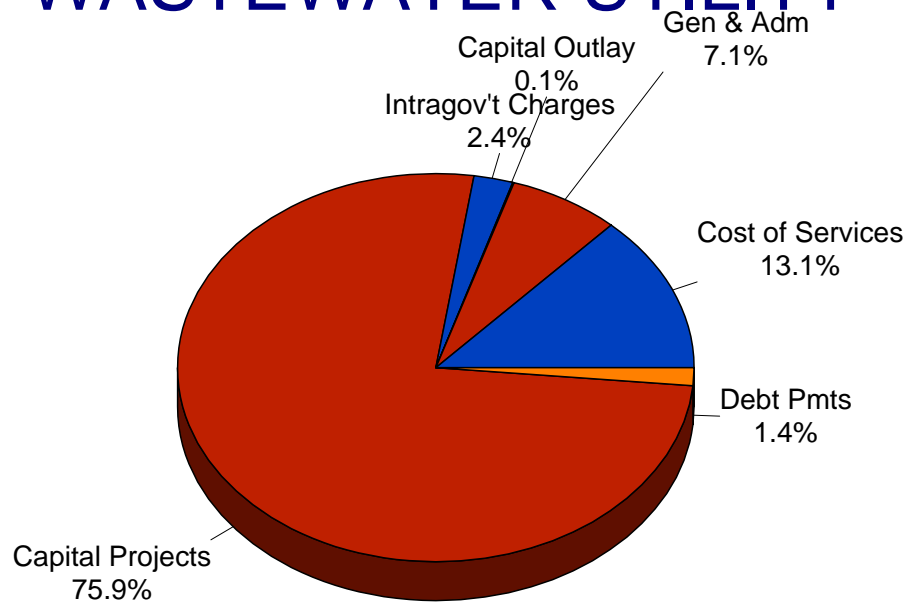
**WASTE WATER UTILITY FUND  
 FUND SUMMARY**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
<b>Beginning Balance</b>	<b>\$ 9,247,332</b>	<b>\$ 7,765,891</b>	<b>\$ 4,808,070</b>	<b>\$ 3,569,625</b>
<b>Revenues:</b>				
Charges for Services	11,048,668	12,037,906	13,900,000	13,036,500
Connection Fees	694,873	1,406,599	500,000	500,000
Debt Proceeds	-	-	9,839,000	34,900,000
Intergovernmental	-	3,122,611	566,000	-
Investment Earnings	<u>182,978</u>	<u>114,167</u>	<u>110,000</u>	<u>17,600</u>
Total Revenues	11,926,519	16,681,283	24,915,000	48,454,100
Transfers In	<u>-</u>	<u>7,509,000</u>	<u>-</u>	<u>-</u>
Total Resources Available	<u>21,173,851</u>	<u>31,956,174</u>	<u>29,723,070</u>	<u>52,023,725</u>
<b>Expenditures:</b>				
Cost of Services	3,912,878	3,355,419	5,453,950	6,620,500
General and Administrative	1,718,919	1,763,287	1,900,000	3,564,850
Capital Improvement Projects	6,206,511	10,693,770	14,423,000	38,236,000
Capital Outlay	59,877	18,902	116,750	44,000
Debt Principal	295,000	310,000	325,000	340,000
Debt Interest	26,771	242,392	389,300	375,100
Intragovernmental Charges	<u>809,400</u>	<u>867,950</u>	<u>946,950</u>	<u>1,218,750</u>
Total Expenditures	13,029,356	17,251,720	23,554,950	50,399,200
Transfers Out	573,000	9,645,000	960,000	165,000
Changes in Assets/Liabilities	<u>(194,396)</u>	<u>251,384</u>	<u>1,638,495</u>	<u>(2,110,100)</u>
<b>Ending Balance</b>	<b><u>\$ 7,765,891</u></b>	<b><u>\$ 4,808,070</u></b>	<b><u>\$ 3,569,625</u></b>	<b><u>\$ 3,569,625</u></b>

This fund's operations are financed through charges for wastewater usage, connection fees and interest earnings. Residential wastewater rates are based on average wintertime usage in order to approximate wastewater (sewer) flows, and they include a flat bimonthly charge of \$25.48.

Additionally, the City is pursuing a major capital improvement program, which includes a new sewage treatment plant. A total of \$38.2 million will be spent in FY 2006 on this project. Construction is expected to begin this fiscal year and be completed by 2008. The total cost of the plant is expected to exceed \$99 million. Other capital projects are discussed in the Capital Improvement section of this budget. A State loan is being pursued to finance most of this project.

## WASTEWATER UTILITY



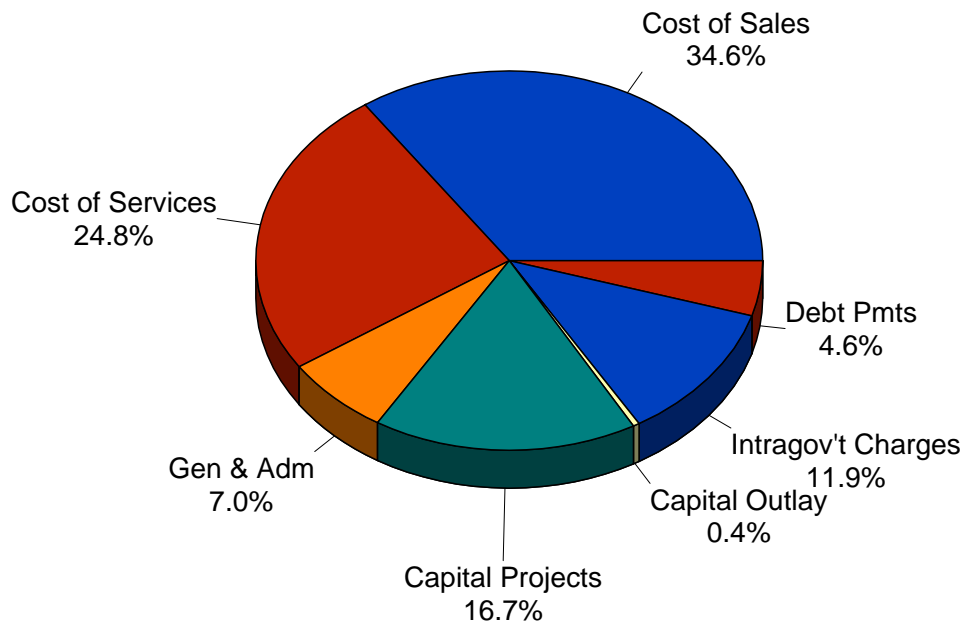
**Water Utility Fund**

**WATER UTILITY FUND  
 FUND SUMMARY**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
<b>Beginning Balance</b>	<b>\$ 10,473,180</b>	<b>\$ 10,549,101</b>	<b>\$ 9,542,521</b>	<b>\$ 4,056,285</b>
<b>Revenues:</b>				
Charges for Sales	8,478,129	9,395,635	10,200,000	11,370,000
Charges for Services	133,402	224,567	130,000	130,000
Connection Fees	475,220	776,515	300,000	300,000
Debt Proceeds	-	-	-	-
Intergovernmental	-	-	-	-
Investment Earnings	<u>303,012</u>	<u>62,516</u>	<u>300,000</u>	<u>105,000</u>
Total Revenues	9,389,763	10,459,233	10,930,000	11,905,000
Transfers In	<u>-</u>	<u>9,267,000</u>	<u>-</u>	<u>-</u>
Total Resources Available	<u>19,862,943</u>	<u>30,275,334</u>	<u>20,472,521</u>	<u>15,961,285</u>
<b>Expenditures:</b>				
Cost of Sales	4,271,683	4,677,916	4,800,000	4,939,050
Cost of Services	1,884,383	2,061,725	2,342,600	3,545,200
General and Administrative	601,485	569,750	836,000	999,950
Capital Improvement Projects	1,193,629	1,679,307	7,613,000	2,381,000
Capital Outlay	263,167	22,008	212,750	59,000
Debt Principal	210,000	215,000	220,000	230,000
Debt Interest	207,899	465,600	436,800	425,200
Intragovernmental Charges	<u>1,175,600</u>	<u>1,222,850</u>	<u>1,311,300</u>	<u>1,705,950</u>
Total Expenditures	9,807,846	10,914,157	17,772,450	14,285,350
Transfers Out	658,000	8,830,000	359,000	934,600
Changes in Assets/Liabilities	<u>(1,152,004)</u>	<u>988,656</u>	<u>(1,715,214)</u>	<u>(3,314,950)</u>
<b>Ending Balance</b>	<b><u>\$ 10,549,101</u></b>	<b><u>\$ 9,542,521</u></b>	<b><u>\$ 4,056,285</u></b>	<b><u>\$ 4,056,285</u></b>

The Water Utility Fund is self-financed; it uses sales and service charges to provide resources to operate the utility. Resources include water usage charges, initial connection fees, and interest earnings. Charges for sales have shown an increase in the past three years (FY 2003 through FY 2005) as a result of cost increases that have been fueled by the increase in the cost of water and the need to fund infrastructure replacement. Future rate increases will be implemented to cover the cost of capital improvements and the increase in the cost of water to the City from the Sonoma County Water Agency.

## WATER UTILITY





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**Employee Benefits Fund**

**EMPLOYEE BENEFITS  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ 151,210</b>	<b>\$ 607,285</b>	<b>\$ 510,344</b>	<b>\$ 510,344</b>
<b>Revenues:</b>				
Charges to Other Funds	496,300	575,105	888,800	788,000
Investment Earnings	14,308	23,577	7,000	4,000
Other	-	-	-	-
<b>Total Revenues</b>	<b>510,608</b>	<b>598,682</b>	<b>895,800</b>	<b>792,000</b>
Transfers In	550,000	-	-	100,000
<b>Total Resources Available</b>	<b>1,211,818</b>	<b>1,205,967</b>	<b>1,406,144</b>	<b>1,402,344</b>
<b>Expenditures:</b>				
Salaries and Benefits	130,323	269,270	28,950	35,950
Services and Supplies	56,789	22,585	79,250	141,000
Claims and Premiums	417,956	388,683	787,600	413,000
Allowances for Retirements	-	-	-	100,000
<b>Total Expenditures</b>	<b>605,068</b>	<b>680,538</b>	<b>895,800</b>	<b>689,950</b>
Transfers Out	-	-	-	-
Changes in Assets/Liabilities	(535)	15,085	-	-
<b>Ending Balance</b>	<b>\$ 607,285</b>	<b>\$ 510,344</b>	<b>\$ 510,344</b>	<b>\$ 712,394</b>

This fund provides for a number of employee related expenses and provides funding for the City's self-insured benefit plans. It also provides funds for post-retirement health care payments that are reimbursed to the City by retiree payments.

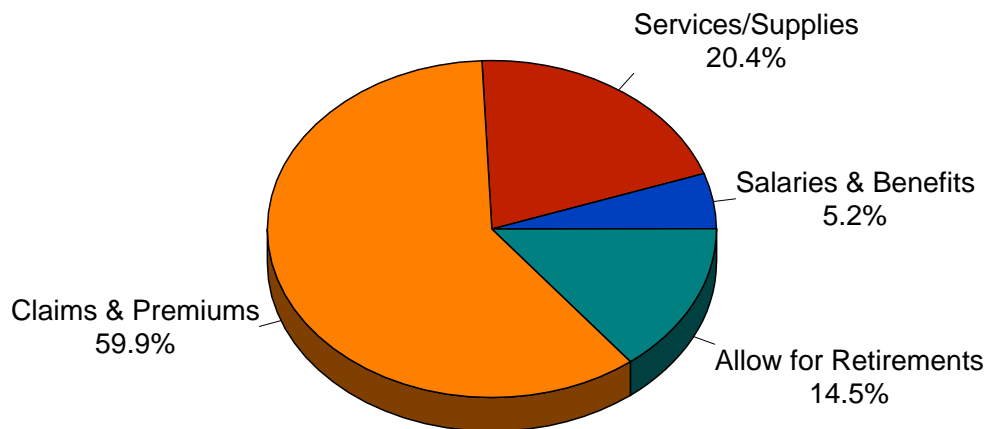
All funds are charged an amount that is calculated each year for the cost of benefits. These charges are detailed in the Appendix. These funds are transferred to the Employee Benefit fund and used to pay the various benefits. These are:

- Unemployment
- Dental Insurance
- Vision Insurance
- Life Insurance

Health insurance benefits are charged directly to the department where the employee resides and paid directly from that source.

This fund continues to be self-sustaining, as the City has consistently provided sufficient funds to cover all of the costs of the programs that utilize this fund for resources.

## EMPLOYEE BENEFITS



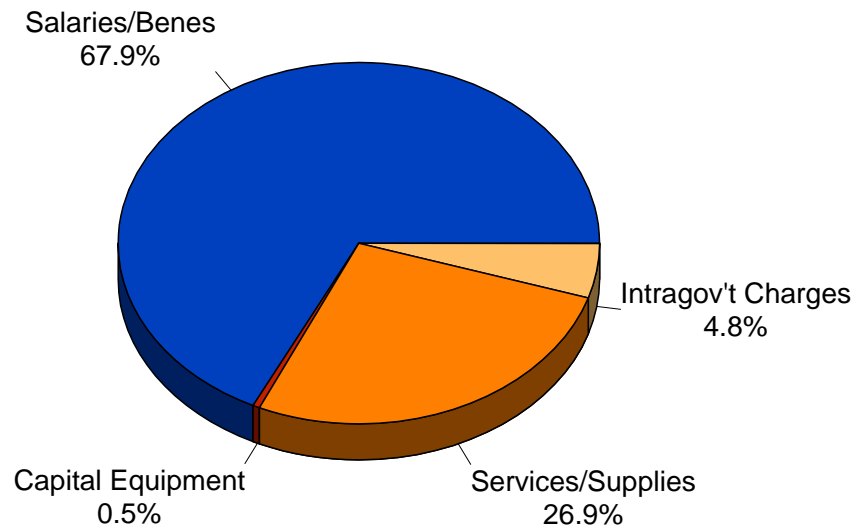
**General Services Fund**

**GENERAL SERVICES  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ 200,240</b>	<b>\$ 221,395</b>	<b>\$ 227,641</b>	<b>\$ 227,641</b>
<b>Revenues:</b>				
Charges to Other Funds	339,911	357,314	377,000	376,750
Investment Earnings	<u>7,605</u>	<u>7,458</u>	<u>7,000</u>	<u>5,000</u>
Total Revenues	347,516	364,772	384,000	381,750
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Resources Available	<u>547,756</u>	<u>586,167</u>	<u>611,641</u>	<u>609,391</u>
<b>Expenditures:</b>				
Salaries and Benefits	177,397	240,735	248,200	269,400
Services and Supplies	126,048	119,057	123,050	89,150
Intragovernmental	<u>13,600</u>	<u>14,150</u>	<u>12,750</u>	<u>18,200</u>
Total Expenditures	317,045	373,942	384,000	376,750
Transfers Out	-	-	-	-
Changes in Assets/Liabilities	<u>230,711</u>	<u>212,225</u>	<u>-</u>	<u>-</u>
<b>Ending Balance</b>	<b><u>\$ 221,395</u></b>	<b><u>\$ 227,641</u></b>	<b><u>\$ 227,641</u></b>	<b><u>\$ 232,641</u></b>

General Services provides centralized purchasing services for the City for services and supplies. Public work contracts are the responsibility of the individual departments. This internal service fund also provides centralized mail, copying and limited supplies inventory. The resources of the fund are provided by internal charges to the departments.

## GENERAL SERVICES



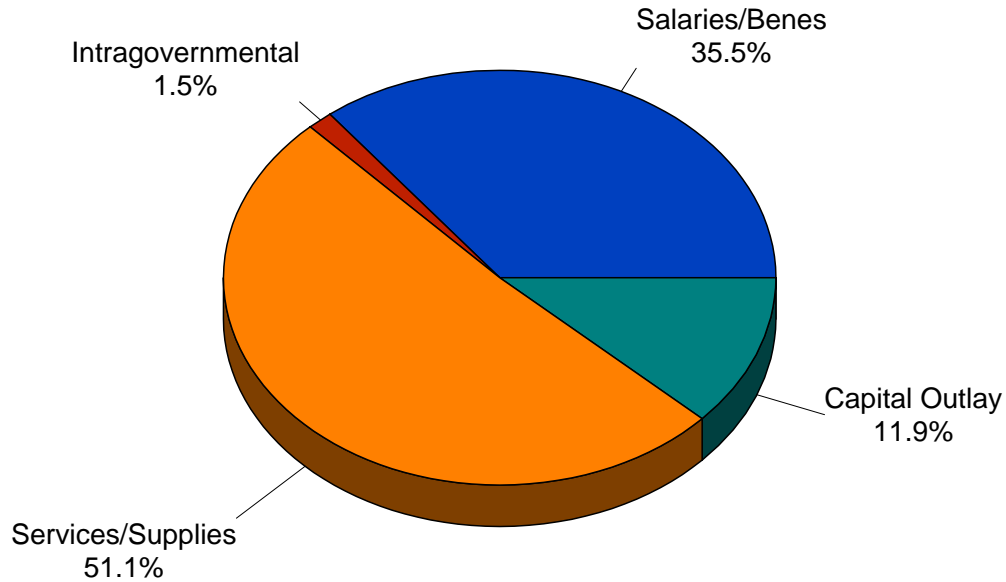
**Information Services Fund**

**INFORMATION SERVICES  
 FUND SUMMARY**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
<b>Beginning Balance</b>	<b>\$ 53,837</b>	<b>\$ 103,694</b>	<b>\$ 285,448</b>	<b>\$ 285,448</b>
<b>Revenues:</b>				
Charges to other funds	805,750	841,770	753,700	1,175,700
Investment Earnings	<u>2,089</u>	<u>5,824</u>	<u>1,000</u>	<u>-</u>
Total Revenues	807,839	847,594	754,700	1,175,700
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Resources Available	<u>861,676</u>	<u>951,288</u>	<u>1,040,148</u>	<u>1,461,148</u>
<b>Expenditures:</b>				
Salaries and Benefits	337,649	392,054	377,250	421,300
Services and Supplies	393,256	292,313	346,100	604,550
Intragovernmental Charges	7,850	8,150	7,350	8,850
Capital Outlay	<u>-</u>	<u>-</u>	<u>24,000</u>	<u>141,000</u>
Total Expenditures	738,755	692,517	754,700	1,175,700
Transfers Out				
Changes in Assets/Liabilities	<u>19,227</u>	<u>(26,677)</u>	<u>-</u>	<u>-</u>
<b>Ending Balance</b>	<b><u>\$ 103,694</u></b>	<b><u>\$ 285,448</u></b>	<b><u>\$ 285,448</u></b>	<b><u>\$ 285,448</u></b>

Information Services (IS) provides computer related services to all City departments. The department consists of 4 full-time employees. Charges are made to each department (Intragovernmental charge) based on the use of the IS personnel by the department. Allocations are updated annually. The individual charges to each department is provided in the Appendix.

## INFORMATION SERVICES



**Risk Management Fund**

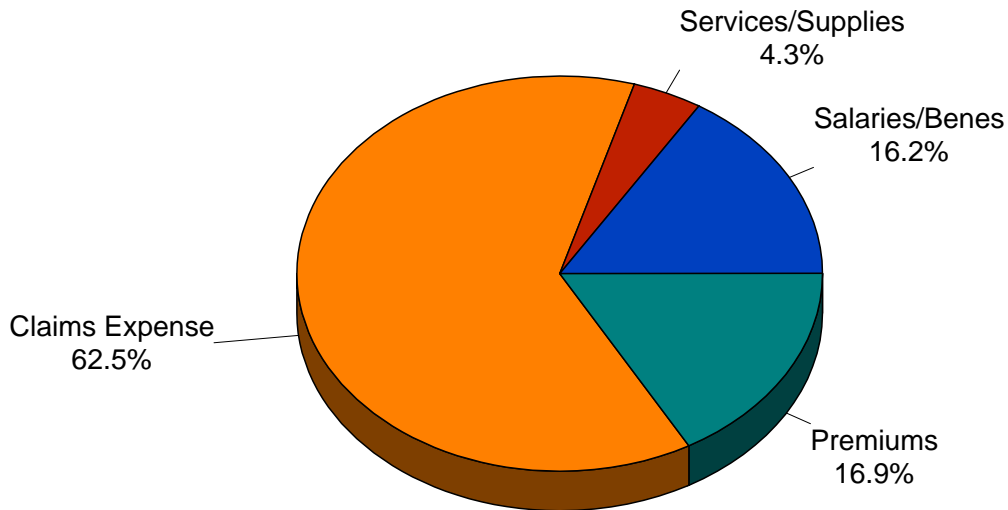
**RISK MANAGEMENT  
 FUND SUMMARY**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2006 Budget
<b>Beginning Balance</b>	<b>\$ 617,066</b>	<b>\$ 647,949</b>	<b>\$ 2,935,074</b>	<b>\$ 2,904,124</b>
<b>Revenues:</b>				
Charges for Services	969,000	2,133,500	1,830,250	1,918,600
Investment Earnings	18,999	(17,581)	13,000	10,000
Subrogation Recoveries (Net)	35,000	1,826	10,000	-
CJPRMA Refunds	<u>132,201</u>	<u>143,110</u>	<u>40,000</u>	<u>30,000</u>
Total Revenues	1,155,200	2,260,855	1,893,250	1,958,600
Transfers In	<u>-</u>	<u>1,000,000</u>	<u>-</u>	<u>-</u>
Total Resources Available	<u>1,772,266</u>	<u>2,908,804</u>	<u>4,828,324</u>	<u>4,862,724</u>
<b>Expenditures:</b>				
Salaries and Benefits	51,122	257,262	282,450	310,500
Services and Supplies	615,782	337,179	47,750	83,100
Claims Expense	<u>457,413</u>	<u>362,275</u>	<u>1,594,000</u>	<u>1,525,000</u>
Total Expenditures	1,124,317	956,715	1,924,200	1,918,600
Transfers Out	-	-	-	-
Changes in Assets/Liabilities	<u>-</u>	<u>(982,985)</u>	<u>-</u>	<u>-</u>
<b>Ending Balance</b>	<b><u>\$ 647,949</u></b>	<b><u>\$ 2,935,074</u></b>	<b><u>\$ 2,904,124</u></b>	<b><u>\$ 2,944,124</u></b>

This fund now accounts for all liability related costs that the City incurs. Generally these are related to claims made against the City by outside third parties. Prior to FY 2004, this function was largely managed by outside contractors. In FY 2004, the City brought the entire operations within the City organization. This added a full-time Risk Manager, Risk Claims Administrator and a part-time Risk Claims Analyst.

Funding for this activity is based on previous loss experience that has not been updated in a number of years. An actuarial study was completed in FY 2005. Funding assumptions for FY 2006 are a direct result of the study. While the above balances represent “cash” on hand, the actual retained earnings is still negative due to accrued liabilities.

## RISK MANAGEMENT



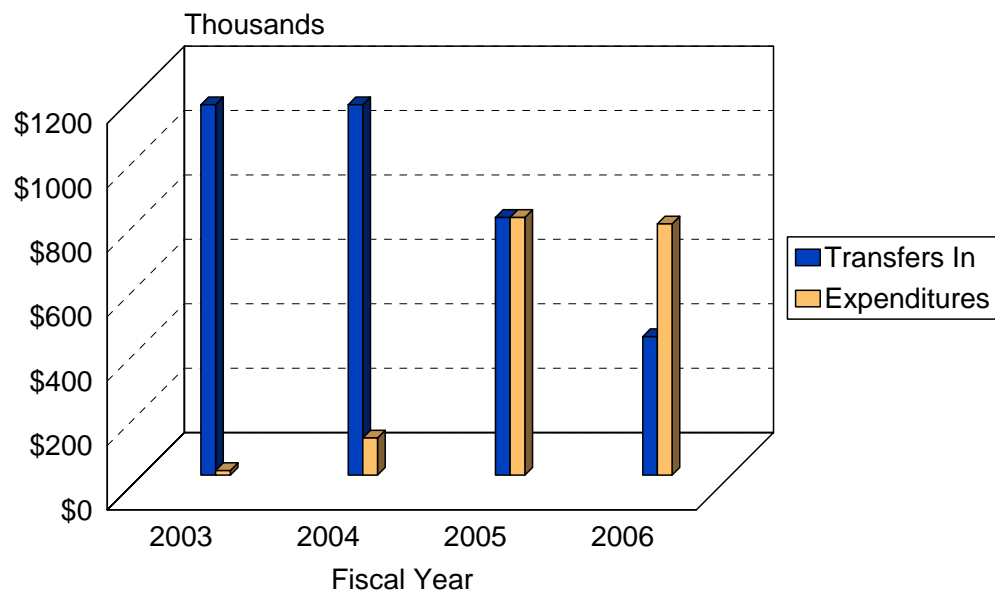
**Vehicle and Equipment Replacement Fund**

**VEHICLE AND EQUIPMENT REPLACEMENT FUND  
 FUND SUMMARY**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
<b>Beginning Balance</b>	<b>\$ 1,875,004</b>	<b>\$ 3,070,337</b>	<b>\$ 3,554,024</b>	<b>\$ 3,599,024</b>
<b>Revenues:</b>				
Investment Earnings	<u>59,492</u>	<u>32,910</u>	<u>45,000</u>	<u>28,000</u>
Total Revenues	59,492	32,910	45,000	28,000
Transfers In	<u>1,150,000</u>	<u>1,150,000</u>	<u>800,000</u>	<u>430,000</u>
Total Resources Available	<u>3,084,496</u>	<u>4,253,247</u>	<u>4,399,024</u>	<u>4,057,024</u>
<b>Expenditures:</b>				
General and Administrative	14,159	14,364	-	-
Vehicle Purchases	<u>-</u>	<u>398,359</u>	<u>800,000</u>	<u>400,000</u>
Total Expenditures	14,159	412,723	800,000	400,000
Transfers Out	<u>-</u>	<u>286,500</u>	<u>-</u>	<u>-</u>
<b>Ending Balance</b>	<b><u>\$ 3,070,337</u></b>	<b><u>\$ 3,554,024</u></b>	<b><u>\$ 3,599,024</u></b>	<b><u>\$ 3,657,024</u></b>

In fiscal year 2001, the City established the Vehicle and Equipment Replacement Fund to provide ongoing resources to replace City vehicles on a regular basis. Previously the cost of these replacements was the responsibility of individual departments. This resulted in vehicle not being replaced on a regular basis due to funding shortfalls. To prevent this from reoccurring, this fund was established. Initially funded from General Fund Reserves (\$2,250,000) in fiscal year 2001 and 2002, actual charges to individual departments will begin in FY 2005. From FY 2003 through FY 2005, the City transferred funds from both its General Fund, Water Utility and Waste Water Utility funds.

## Vehicle Replacement Fund



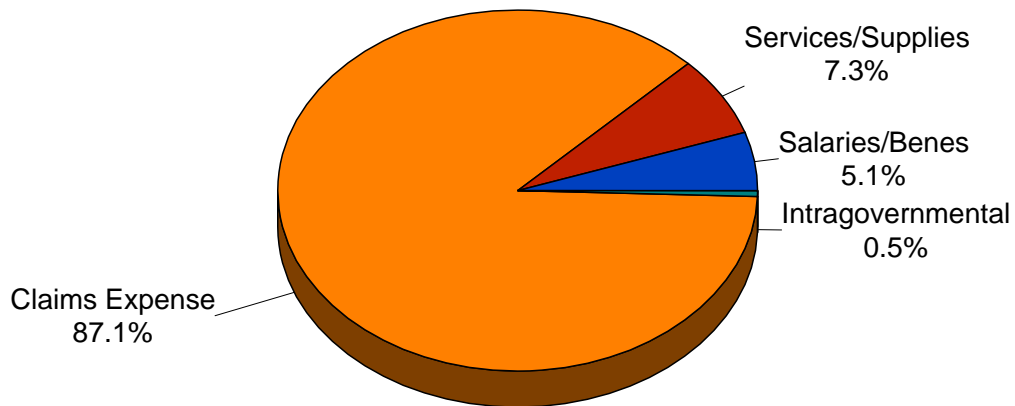
**Worker's Compensation Fund**

**WORKERS' COMPENSATION  
 FUND SUMMARY**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
<b>Beginning Balance</b>	<b>\$ 1,254,905</b>	<b>\$ 1,746,343</b>	<b>\$ 1,695,902</b>	<b>\$ 1,695,902</b>
<b>Revenues:</b>				
Charges for Services	1,830,931	1,069,741	1,316,050	2,920,000
Investment Earnings	6,333	65,926	13,000	48,000
<b>Total Revenues</b>	<b>1,837,264</b>	<b>1,135,667</b>	<b>1,329,050</b>	<b>2,968,000</b>
Transfers In	-	-	-	-
<b>Total Resources Available</b>	<b>3,092,169</b>	<b>2,882,010</b>	<b>3,024,952</b>	<b>4,663,902</b>
<b>Expenditures:</b>				
Salaries and Benefits	80,433	83,186	81,400	101,800
Services and Supplies	111,580	151,871	493,000	145,000
Claims and Premiums	1,148,863	1,361,499	750,000	1,730,000
Intragovernmental Charges	4,950	38,100	4,650	9,600
<b>Total Expenditures</b>	<b>1,345,826</b>	<b>1,634,656</b>	<b>1,329,050</b>	<b>1,986,400</b>
Transfers Out	-	-	-	-
Changes in Assets/Liabilities	-	(448,548)	-	-
<b>Ending Balance</b>	<b>\$ 1,746,343</b>	<b>\$ 1,695,902</b>	<b>\$ 1,695,902</b>	<b>\$ 2,677,502</b>

The fund provides for payment of all workers' compensation claims, except for worker's compensation salary continuation payments. Those are paid out of the individual department's budgets. The City had traditionally under funded the workers' compensation program and operated on a "pay-as-you-go" system. Beginning in FY 2003, the City began to aggressively address the built up negative accrued retained earnings in workers' compensation. An actuarial study was completed for June 30, 2002, which provided a basis for future funding of this fund. Beginning in FY 2004, the City is funding this program at levels consistent with that actuarial study and our loss history. The balance shown above is the cash balance, while the actual retained earnings is less due to accrued liabilities.

## WORKER'S COMPENSATION





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**Permanent Trust**

**WICKERSHAM TRUST  
 FUND SUMMARY**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
<b>Beginning Balance</b>	<b>\$ 24,311</b>	<b>\$ 25,034</b>	<b>\$ 25,318</b>	<b>\$ 25,918</b>
<b>Revenues:</b>				
Investment Earnings	723	284	600	400
Total Revenues	723	284	600	400
Transfers in	-	-	-	-
Total Resources Available	25,034	25,318	25,918	26,318
<b>Expenditures:</b>				
Trust Expenditures	-	-	-	-
Total Expenditures	-	-	-	-
Transfers Out	-	-	-	-
<b>Ending Balance</b>	<b>\$ 25,034</b>	<b>\$ 25,318</b>	<b>\$ 25,918</b>	<b>\$ 26,318</b>

Wickersham Park Trust is a non-expendable trust. The investment earnings provide for the ongoing maintenance of Wickersham Park, which is under the direction of the Parks and Recreation Department.

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**Private Purpose Trust**

**THOMAS LEE CHARITY PRIVATE PURPOSE TRUST  
 FUND SUMMARY**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
<b>Beginning Balance</b>	<b>\$ 20,013</b>	<b>\$ 20,283</b>	<b>\$ 20,441</b>	<b>\$ 20,141</b>
<b>Revenues:</b>				
Investment Earnings	565	658	300	400
Total Revenues	565	658	300	400
Transfers In	-	-	-	-
Total Resources Available	20,578	20,941	20,741	20,541
<b>Expenditures:</b>				
Trust Expenditures	295	500	600	400
Total Expenditures	295	500	600	400
Transfers Out	-	-	-	-
<b>Ending Balance</b>	<b>\$ 20,283</b>	<b>\$ 20,441</b>	<b>\$ 20,141</b>	<b>\$ 20,141</b>

Thomas Lee Charity Trust, administered by the Police Department, provides assistance to needy people in the community. The estimated expenditures for FY 2006 are \$400, which is equal to the estimated interest earnings for this fund in FY 2006.

**CHILD CARE PRIVATE PURPOSE TRUST  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ 149,912</b>	<b>\$ 145,626</b>	<b>\$ 148,294</b>	<b>\$ 148,294</b>
<b>Revenues:</b>				
Investment Earnings	3,546	4,797	2,500	2,500
Other	<u>210</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	3,756	4,797	2,500	2,500
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Resources Available	<u>153,668</u>	<u>150,423</u>	<u>150,794</u>	<u>150,794</u>
<b>Expenditures:</b>				
Trust Expenditures	7,242	1,279	1,550	2,500
Intragovernmental Charges	<u>800</u>	<u>850</u>	<u>950</u>	<u>50</u>
Total Expenditures	8,042	2,129	2,500	2,550
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Balance</b>	<b><u>\$ 145,626</u></b>	<b><u>\$ 148,294</u></b>	<b><u>\$ 148,294</u></b>	<b><u>\$ 148,244</u></b>

Child Care Trust, which is administered by the Parks and Recreation Department, provides funds to needy families for childcare purposes. The estimated program expenditures in FY 2006 are \$2,500, which equal the estimated interest earnings FY 2006.



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### **Petaluma Community Development Commission**

The Petaluma Community Development Commission (PCDC) began on December 1, 1975 and adopted the Redevelopment Plan for the Central Business District Project Area, on September 27, 1976. In 1988, the PCDC adopted the Petaluma Community Development Project Area. In adopting the redevelopment project areas, the PCDC exercises all redevelopment powers authorized under the Constitution and the Health and Safety Code of the State of California. The seven members of the PCDC are the members of the Petaluma City Council. The City Manager acts as the Commission's Executive Director. The Administrative Services Director acts as the Commission's Treasurer.

Currently, the City is undergoing a major renovation of the downtown business district, which is included in the smaller Central Business District project area. In order to provide sufficient funds for over \$40 million dollars of infrastructure and other improvements, the CBD is borrowing from the Petaluma Community District (PCD). Staff is currently reviewing procedures to combine the two districts. If the districts are combined, the fund balances would merge and the inter-agency loans would be removed.

**Central Business District Redevelopment Project Area**

**CENTRAL BUSINESS DISTRICT  
 FUND SUMMARY**

	FY 2003	FY 2004	FY 2005	FY 2006
	Actual	Actual	Budget	Budget
<b>Beginning Balance</b>	<b>\$ (688,285)</b>	<b>\$ (2,540,528)</b>	<b>\$ (17,597,782)</b>	<b>\$ (30,380,082)</b>
<b>Revenues:</b>				
Taxes	510,566	573,869	616,800	676,900
Licenses, Permits and Fees	27,706	1,300	-	-
Investment Earnings	5,268	1,213	1,500	3,500
Charges for Services	10,156	18,184	-	-
Other	<u>1,942</u>	<u>1,179</u>	<u>167,000</u>	<u>-</u>
Total Revenues	555,638	595,745	785,300	680,400
Transfers In	<u>-</u>	<u>280,000</u>	<u>-</u>	<u>-</u>
Total Resources Available	<u>(132,647)</u>	<u>(1,664,783)</u>	<u>(16,812,482)</u>	<u>(29,699,682)</u>
<b>Expenditures:</b>				
General and Administrative	13,134	5,000	15,000	17,700
Salaries	92,878	119,397	36,050	36,300
Benefits	11,819	14,865	8,500	10,500
Services and Supplies	132,549	495,735	119,450	116,700
Program Expenditures	330,471	55,000	350,000	235,000
Program Loans	-	-	200,000	50,000
Capital Improvement Projects	1,500,134	-	-	-
Interest and Fees	12,376	70,075	621,100	300,000
ERAF/Pass-through Payments	14,670	32,326	34,600	48,000
Intragovernmental Charges	<u>169,950</u>	<u>268,300</u>	<u>138,500</u>	<u>169,000</u>
Total Expenditures	2,277,981	1,060,698	1,523,200	983,200
Transfers Out	<u>129,900</u>	<u>14,872,300</u>	<u>12,044,400</u>	<u>971,000</u>
<b>Ending Balance</b>	<b><u>\$ (2,540,528)</u></b>	<b><u>\$ (17,597,782)</u></b>	<b><u>\$ (30,380,082)</u></b>	<b><u>\$ (31,653,882)</u></b>

PROGRAM EXPENDITURES

URM Projects	p201070	50,000
Depot Rent	p201110	35,000
Business Assoc	p201020	50,000
Landscape Imp	p201040	<u>100,000</u>
		<u><u>235,000</u></u>

**Petaluma Community Development**

**PETALUMA COMMUNITY DEVELOPMENT  
 FUND SUMMARY**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>
<b>Beginning Balance</b>	<b>\$ 17,093,695</b>	<b>\$ 20,864,842</b>	<b>\$ 13,549,334</b>	<b>\$ 16,673,134</b>
<b>Revenues:</b>				
Taxes	8,459,663	9,068,331	9,357,000	10,054,900
Intergovernmental	3,482,118	-	600,000	-
Investment Earnings	381,186	220,369	1,258,900	92,900
Charges for Services			-	-
Other	<u>88</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>12,323,055</u>	<u>9,288,701</u>	<u>11,215,900</u>	<u>10,147,800</u>
Transfers In	-	-	-	-
Debt Proceeds	<u>-</u>	<u>-</u>	<u>8,630,000</u>	<u>23,006,650</u>
Total Resources Available	<u>29,416,750</u>	<u>30,153,543</u>	<u>33,395,234</u>	<u>49,827,584</u>
<b>Expenditures:</b>				
General and Administrative	151,795	5,000	166,250	180,000
Salaries	196,140	271,906	302,000	286,400
Benefits	14,249	36,312	49,350	60,950
Services and Supplies	44,609	449,532	119,200	182,350
Program Expenditures	260,691	3,519	626,000	406,000
Capital Improvement Projects	106,390	-	-	-
ERAF/Pass-through Payments	3,568,684	4,078,290	4,893,450	5,122,000
Intragovernmental Charges	<u>415,350</u>	<u>234,150</u>	<u>133,850</u>	<u>161,700</u>
Total Expenditures	<u>4,757,908</u>	<u>5,078,709</u>	<u>6,290,100</u>	<u>6,399,400</u>
Transfers Out	<u>3,794,000</u>	<u>11,525,500</u>	<u>10,432,000</u>	<u>3,219,800</u>
<b>Ending Balance</b>	<b><u>\$ 20,864,842</u></b>	<b><u>\$ 13,549,334</u></b>	<b><u>\$ 16,673,134</u></b>	<b><u>\$ 40,208,384</u></b>

PROGRAM EXPENDITURES

URM Projects	p201070	1,000
Proj Area Merge	p201120	250,000
Landscape Imp	p201040	100,000
Economic Devel	p201090	10,000
Auto Plaza Proj	p201030	20,000
Assessments	p201010	<u>25,000</u>
		<u>406,000</u>

**CITY OF PETALUMA  
 GENERAL FUND REVENUES – SUMMARY  
 PRIOR YEAR COMPARISONS**

	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Budget	FY 05-06 Budget	% Change From Budget
PROPERTY TAXES	\$ 5,034,204	\$ 5,306,078	\$ 5,298,550	\$ 5,423,000	2%
SALES TAX	10,256,559	10,030,124	10,000,000	10,600,000	6%
OTHER TAXES	3,413,933	3,690,241	3,541,000	3,870,000	9%
LICENSES, PERMITS AND FEES	1,849,415	2,586,279	1,922,050	3,407,500	77%
FINES/ FORFEITURES/PENALTIES	485,961	464,499	469,250	521,000	11%
INVESTMENT EARNINGS AND RENT	494,049	622,044	485,250	490,300	1%
INTERGOVERNMENTAL	4,300,005	3,383,093	3,058,750	3,266,000	7%
CHARGES FOR SERVICES	4,895,639	5,638,712	6,080,950	7,169,000	18%
OTHER REVENUE	<u>242,466</u>	<u>276,631</u>	<u>240,900</u>	<u>270,000</u>	12%
TOTAL	<u>\$ 30,972,231</u>	<u>\$ 31,997,701</u>	<u>\$ 31,096,700</u>	<u>\$ 35,016,800</u>	13%
TRANSFERS IN	<u>2,260,644</u>	<u>1,277,350</u>	<u>1,040,000</u>	<u>1,164,000</u>	12%
TOTAL GENERAL FUND REVENUES	<u>\$ 33,232,875</u>	<u>\$ 33,275,051</u>	<u>\$ 32,136,700</u>	<u>\$ 36,180,800</u>	13%

CITY OF PETALUMA  
 GENERAL FUND REVENUES – SUMMARY  
 PRIOR YEAR COMPARISONS

	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Budget	FY 05-06 Budget
PROPERTY TAX				
Secured	\$ 4,457,337	\$ 4,742,377	\$ 4,778,350	\$ 4,873,000
Unsecured	289,275	293,393	286,100	300,000
Supplement-Sec/Unsecured	<u>287,592</u>	<u>270,308</u>	<u>234,100</u>	<u>250,000</u>
TOTAL PROPERTY TAXES	<u>\$ 5,034,204</u>	<u>\$ 5,306,078</u>	<u>\$ 5,298,550</u>	<u>\$ 5,423,000</u>
SALES TAX				
SALES & USE TAX	<u>\$ 10,256,559</u>	<u>\$ 10,030,124</u>	<u>\$ 10,000,000</u>	<u>\$ 10,600,000</u>
OTHER TYPES OF TAXES				
Other Taxes	-	44,231	-	-
Business License Tax	710,115	645,258	900,000	750,000
Property Transfer Tax	1,062,113	1,407,014	950,000	1,400,000
Franchise Fee - Cable	558,607	579,050	569,000	590,000
Franchise Fee - Garbage	708,299	616,688	582,000	715,000
Franchise Fee - Utilities	349,952	388,884	390,000	400,000
Impact Administrative Fee	<u>24,847</u>	<u>9,116</u>	<u>150,000</u>	<u>15,000</u>
TOTAL OTHER TAXES	<u>\$ 3,413,933</u>	<u>\$ 3,690,241</u>	<u>\$ 3,541,000</u>	<u>\$ 3,870,000</u>
TOTAL TAXES	<u>\$ 18,704,696</u>	<u>\$ 19,026,443</u>	<u>\$ 18,839,550</u>	<u>\$ 19,893,000</u>

**CITY OF PETALUMA  
 GENERAL FUND REVENUES – SUMMARY  
 PRIOR YEAR COMPARISONS**

	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Budget	FY 05-06 Budget
<b>LICENSES, PERMITS AND FEES</b>				
Animal Licenses	\$ 55,095	\$ 67,947	\$ 50,000	\$ 70,000
Police Licenses/Permits	658	(15)	-	-
Fire Fees	50,715	27,327	-	7,000
Fire Alarms	47,140	2,295	2,000	2,500
Fire Sprinkler Fees	-	72,487	65,000	75,000
Fire Permits	121,583	82,092	80,000	80,000
Fire Hazardous Materials	-	950	500	-
Fire Haz Mat Permit Fees Range 1	13,949	15,462	17,850	12,000
Fire Haz Mat Permit Fees Range 2-8	74,075	73,401	85,000	75,000
Fire Underground Tank Fees	21,100	24,499	28,000	18,000
Turning Basin Transient Parking	-	14,142	10,500	30,000
Other Parking	-	10,559	7,700	13,000
CDD Building Permits	527,219	819,171	600,000	2,064,800
CDD Electrical	65,093	70,407	40,000	-
CDD Engineering Permit Fees	-	175	250	-
CDD Encroachment Permits	27,075	77,385	65,000	40,000
CDD Bldg Permit Incremental	269,816	456,583	350,000	500,000
CDD Plumbing/Mechanical	87,539	91,393	55,000	-
CDD CSIF	331	429	-	200
CDD Energy Fee	74,167	154,906	75,000	-
CDD Records Management Fee	11,242	20,482	-	30,000
Fire Plan Check	84,074	146,300	275,000	150,000
CDD Plan Check	301,976	317,807	85,000	185,000
Other Permits	935	3,401	500	12,000
Film	6,098	5,550	2,250	8,000
Taxi Permits	68	(75)	-	-
Other Fees	<u>9,467</u>	<u>31,219</u>	<u>27,500</u>	<u>35,000</u>
<b>TOTAL LICENSES, PERMITS AND FEES</b>	<u>\$ 1,849,415</u>	<u>\$ 2,586,279</u>	<u>\$ 1,922,050</u>	<u>\$ 3,407,500</u>

**CITY OF PETALUMA  
 GENERAL FUND REVENUES – SUMMARY  
 PRIOR YEAR COMPARISONS**

	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Budget	FY 05-06 Budget
<b>FINES/FORFEITURES/PENALTIES</b>				
Fines Penalties, Forfeitures	\$ 117,078	\$ 35,117	\$ 50,000	\$ 35,000
Police Criminal Fines	5,750	35,707	18,500	15,000
Police Health & Safety Fines	990	730	750	1,000
Parking Fines	150,663	240,628	225,000	250,000
Police Vehicle Code Fines	<u>211,480</u>	<u>152,317</u>	<u>175,000</u>	<u>220,000</u>
TOTAL FINES/FORFEITURES/ PENALTIES	<u>\$ 485,961</u>	<u>\$ 464,499</u>	<u>\$ 469,250</u>	<u>\$ 521,000</u>
<b>INVESTMENT EARNINGS AND RENT</b>				
Lease - Real Property	\$ 55,279	\$ 14,408	\$ 3,000	\$ 38,000
Lease - Other	7,043	41,725	48,000	10,000
Parks/Rec Facilities Rentals	229,878	244,105	257,000	240,000
Advertising	3,330	3,287	2,250	2,300
Interest	198,519	417,911	175,000	200,000
Gain (Loss) Sale Investments	-	(14,260)	-	-
GASB 31 Unearned Investment Income	<u>-</u>	<u>(85,132)</u>	<u>-</u>	<u>-</u>
TOTAL INVESTMENT AND RENT	<u>\$ 494,049</u>	<u>\$ 622,044</u>	<u>\$ 485,250</u>	<u>\$ 490,300</u>

**CITY OF PETALUMA  
GENERAL FUND REVENUES – SUMMARY  
PRIOR YEAR COMPARISONS**

	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Budget	FY 05-06 Budget
<b>INTERGOVERNMENTAL</b>				
County Receipts	\$ 79,366	\$ 89,049	\$ 97,500	\$ 150,000
State Grants	158,013	8,460	-	-
Other State Subventions	12,377	544	-	-
Police State Booking Fees	-	133,224	-	133,000
State Mandated Costs Reimb	-	(1,150)	-	-
Motor Vehicle In Lieu	3,226,034	2,557,079	2,420,000	2,500,000
Off Hwy Motor Vehicle	1,566	645	750	3,000
Police POST Reimbursement	77,252	71,115	47,000	80,000
Federal Grants	191,209	-	-	-
Federal Other Receipts	-	18,106	-	-
School District Grants	88,674	-	-	-
Public Safety Augment (Prop 172)	373,357	413,172	400,000	400,000
Homeowners Prop Tax Exemption	<u>92,157</u>	<u>92,849</u>	<u>93,500</u>	<u>-</u>
<b>TOTAL INTERGOVERNMENTAL</b>	<b><u>\$ 4,300,005</u></b>	<b><u>\$ 3,383,093</u></b>	<b><u>\$ 3,058,750</u></b>	<b><u>\$ 3,266,000</u></b>
<b>CHARGES FOR SERVICES</b>				
Animal Shelter Fees	\$ 31,540	\$ -	\$ 29,200	\$ 30,000
CDD Fee For Service/Cost Recovery	23,654	(60,669)	144,500	300,000
Charges to Other Funds	3,371,100	3,468,163	3,024,150	3,500,000
CIP Administration	-	663,274	1,500,000	2,000,000
Admin Reimb for Services	2,175	14,260	12,000	20,000
Mntc Chg - Civic Center	63,772	83,062	52,000	-
Domestic Partner Registration	1,040	780	800	500
Mntc Chg - Library	-	2,800	2,850	-
Civil Subpoena Fees	2,250	875	1,200	1,500
CDD Developer Services	18,613	16,658	10,500	-
CDD Engineering Fees	120,623	120,737	70,000	-
CDD Technology Fee	16,971	63,796	72,000	50,000
CDD Inc. Zoning & Subdivision	118,480	184,728	165,000	165,000
Police DUI Fees	24,605	5,047	7,500	25,000
Police Charges Svc Restitution/Booking	5,407	9,142	17,500	40,000
Police Charges Svc-Tow Service Admin	194,480	89,162	95,000	70,000
Police Charges Svc-Towing Fee	27,369	36,700	18,500	70,000
Police Overtime Reimbursement	46,584	55,899	17,500	30,000
Fire Weed Abatement	13,960	11,017	25,000	12,000
Park/Recreation Fees - Resident	801,397	878,582	815,250	835,000
Other Charges for Services	<u>11,619</u>	<u>(5,301)</u>	<u>500</u>	<u>20,000</u>
<b>TOTAL CHARGES FOR SERVICES</b>	<b><u>\$ 4,895,639</u></b>	<b><u>\$ 5,638,712</u></b>	<b><u>\$ 6,080,950</u></b>	<b><u>\$ 7,169,000</u></b>

**CITY OF PETALUMA  
GENERAL FUND REVENUES – SUMMARY  
PRIOR YEAR COMPARISONS**

	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Budget	FY 05-06 Budget
<b>OTHER REVENUE</b>				
Adopted Animals	\$ 26,601	\$ 26,289	\$ 27,500	\$ 28,000
Sale of Documents/Copies	16,799	18,382	19,500	30,000
Sale of Documents	12,658	14,453	12,500	-
GIS Data Service	279	55	100	-
Sale of Property	14,046	12,053	10,000	12,000
Other Miscellaneous Revenue	126,625	158,490	125,000	150,000
Cash Over/Short	516	(180)	(350)	-
Donations	44,898	14,972	46,650	-
Damages to Property	44	32,117	-	50,000
<b>TOTAL OTHER REVENUE</b>	<u>242,466</u>	<u>276,631</u>	<u>240,900</u>	<u>270,000</u>
<b>TOTAL</b>	<u>30,972,231</u>	<u>31,997,701</u>	<u>31,096,700</u>	<u>35,016,800</u>
<b>TRANSFERS IN</b>				
Gas Tax	850,000	555,250	-	-
Transient Occupancy Tax	500,000	500,000	865,000	1,000,000
Community Facilities Fees	15,000	-	-	-
Traffic Mitigation	200,000	57,100	-	-
Asset Seizure	137,000	25,000	-	-
Supplemental Law Enforcement	522,000	110,000	110,000	100,000
Donations - Fireworks	-	-	-	40,000
Unreconciled Differences	6,644	-	-	-
Prince Trust	30,000	30,000	15,000	24,000
<b>TRANSFERS IN</b>	<u>2,260,644</u>	<u>1,277,350</u>	<u>1,040,000</u>	<u>1,164,000</u>
<b>TOTAL GENERAL FUND REVENUES</b>	<u>\$ 33,232,875</u>	<u>\$ 33,275,051</u>	<u>\$ 32,136,700</u>	<u>\$ 36,180,800</u>

**CITY OF PETALUMA  
 SPECIAL REVENUE FUNDS  
 REVENUE SUMMARY BY TYPE**

	FY 02-03	FY 03-04	FY 04-05	FY 05-06	% Change
	Actual	Actual	Budget	Budget	From Budget
<b>Taxes</b>					
Community Development and Housing					
Low/Mod Income Housing (2130)	\$ 2,118,293	\$ 2,276,239	\$ 2,473,000	\$ 2,610,300	6%
Transient Occupancy Tax (2650)	887,126	1,115,868	1,000,000	1,130,000	13%
Public Works					
Street Maintenance (2630)	123,644	245,318	250,000	265,300	6%
<b>Total Taxes</b>	<b>\$ 3,129,063</b>	<b>\$ 3,637,425</b>	<b>\$ 3,723,000</b>	<b>\$ 4,005,600</b>	<b>8%</b>
<b>Licenses, Permits and Fees</b>					
Community Development and Housing					
Community Facilities Impact Fees (2210)	\$ 277,564	\$ 828,613	\$ 500,000	\$ 262,000	-48%
Library Facility Impact Fees (2211)	-	-	40,000	77,000	93%
Public Facilities Impact Fees (2212)	-	-	100,000	248,000	148%
Housing in Lieu Impact Fees (2240)	40,800	1,223,629	1,800,000	2,500,000	39%
Commercial Linkage Impact Fees (2241)	-	-	-	90,000	100%
Public Safety					
Fire Suppression Impact Fees (2220)	-	-	60,000	182,000	203%
Police Facility Impact Fees (2260)	-	-	50,000	168,000	236%
Fire in-Lieu Fees (2665)	-	-	-	18,000	100%
Parks and Recreation					
Park Development Impact Fees (2250)	349,835	653,228	-	-	
Park Land Acquisition Impact Fees (2251)	-	66,597	1,300,000	2,300,000	77%
Aquatic Facility Impact Fees (2252)	-	-	20,000	47,000	135%
Public Works					
Storm Drainage Impact Fees (2230)	97,395	219,083	300,000	1,089,000	263%
Traffic Mitigation Impact Fees (2270)	1,134,053	2,146,371	2,000,000	2,722,000	36%
<b>Total Licenses, Permits and Fees</b>	<b>\$ 1,899,647</b>	<b>\$ 5,137,521</b>	<b>\$ 6,170,000</b>	<b>\$ 9,703,000</b>	<b>57%</b>
<b>Fines, Forfeitures and Penalties</b>					
Public Safety					
Asset Seizures (2620)	\$ 68,989	\$ 9,094	\$ -	\$ -	
Haz Mat Fines (2660)	-	51,193	-	10,000	100%

**CITY OF PETALUMA  
SPECIAL REVENUE FUNDS  
REVENUE SUMMARY BY TYPE**

	FY 02-03	FY 03-04	FY 04-05	FY 05-06	% Change
	Actual	Actual	Budget	Budget	From Budget
<b>Investment Earnings and Rent</b>					
<b>Community Development and Housing</b>					
Comm Develop Block Grant (2110)	\$ 75,539	\$ 403	\$ 169,000	\$ -	-100%
Home/Begin Grants (2120)	105,398	65,598	7,000	-	-100%
Low/Mod Income Housing (2130)	73,472	48,470	41,000	41,000	0%
Community Facilities Impact Fees (2210)	31,943	42,493	20,000	10,000	-50%
Housing in Lieu Impact Fees (2240)	810,936	(144,919)	-	100,000	100%
Transient Occupancy Tax (2650)	(846)	10,429	-	4,000	100%
Donations (2670)	-	3,795	-	-	
<b>Public Safety</b>					
Police Grants (2330)	-	360	-	-	
Supplemental Law Enforcement (2420)	4,383	2,651	-	-	
Asset Seizures (2620)	3,078	1,898	2,000	-	-100%
<b>Parks and Recreation</b>					
Park Development Impact Fees (2250)	7,474	60,369	21,000	-	-100%
Parkland Acquisition Impact Fees (2251)	-	481	-	-	
Landscape Assessment Districts (2510-2552)	7,433	10,435	4,500	6,000	33%
Prince Park Trust (2710)	35,877	32,860	15,000	24,000	60%
<b>Public Works</b>					
Storm Drainage Impact Fees (2230)	180,848	70,914	75,000	25,000	-67%
Traffic Mitigation Impact Fees (2270)	292,686	63,372	100,000	25,000	-75%
Public Works Grants (2360)	-	716	-	-	
Gas Tax (2410)	31,313	13,395	9,000	4,000	-56%
Street Maintenance (2630)	3,787	39,101	8,000	4,000	-50%
Street Reconstruction (2640)	-	(41,676)	-	100,000	100%

**CITY OF PETALUMA  
SPECIAL REVENUE FUNDS  
REVENUE SUMMARY BY TYPE**

	FY 02-03	FY 03-04	FY 04-05	FY 05-06	% Change
	Actual	Actual	Budget	Budget	From Budget
<b>Intergovernmental</b>					
Community Development and Housing					
Comm Develop Block Grant (2110)	\$ 377,443	\$ 535,660	\$ 426,000	\$ 402,000	-6%
Home/Begin Grants (2120)	-	4,133,658	-	66,000	100%
Low/Mod Income Housing (2130)	29,963	60,803	-	-	0%
Community Facilities Impact Fees (2210)	600	-	-	-	0%
General Government Grants (2310)	-	-	653,000	-	-100%
Community Develop Grants (2320)	-	-	220,500	-	-100%
PCDC Grants (2325)	-	-	-	472,000	100%
Public Safety					
Police Department Grants (2330)	-	567,100	282,000	147,400	-48%
Supplemental Law Enforcement (2420)	111,432	100,000	110,000	100,000	-9%
Abandoned Vehicle Abatement (2610)	-	8,002	30,000	30,000	0%
Parks and Recreation					
Park Development Impact Fees (2250)	38,000	-	-	-	
Parks and Rec Grants (2350)	-	-	1,259,900	245,000	-81%
Public Works					
Storm Drainage Impact Fees (2230)	1,917,793	32,315	-	-	
Traffic Mitigation Impact Fees (2270)	-	469,012	-	-	
Public Works Grants (2360)	-	(3,848)	1,664,600	1,443,000	-13%
Gas Tax (2410)	1,198,778	1,184,805	1,111,000	1,050,000	-5%
Street Maintenance (2630)	-	-	-	301,000	100%
<b>Total Intergovernmental</b>	<b><u>\$ 3,674,009</u></b>	<b><u>\$ 7,087,507</u></b>	<b><u>\$ 5,757,000</u></b>	<b><u>\$ 4,256,400</u></b>	<b>-26%</b>
<b>Charges for Services</b>					
Community Development and Housing					
Low/Mod Income Housing (2130)	\$ 17,685	\$ 18,165	\$ 12,000	\$ 12,350	3%
Parks and Recreation					
Landscape Assessment Districts (2510-2552)	<u>302,689</u>	<u>306,513</u>	<u>300,000</u>	<u>245,800</u>	-18%
<b>Total Charges for Services</b>	<b><u>\$ 320,374</u></b>	<b><u>\$ 324,678</u></b>	<b><u>\$ 312,000</u></b>	<b><u>\$ 258,150</u></b>	<b>-17%</b>

**CITY OF PETALUMA  
SPECIAL REVENUE FUNDS  
REVENUE SUMMARY BY TYPE**

	FY 02-03	FY 03-04	FY 04-05	FY 05-06	% Change
	Actual	Actual	Budget	Budget	From Budget
<b>Donations and Other Revenue</b>					
Community Development and Housing					
Low/Mod Income Housing (2130)	\$ 59	\$ 12,200	\$ 10,000	\$ 10,000	0%
Community Facilities Impact Fees (2210)	12,692	3,850	-	-	
Housing in Lieu Impact Fees (2240)	325,000	-	-	-	
Donations (2670)	-	272,203	6,826,000	1,932,500	-72%
PCDC Donations (2675)	-	5,020	-	1,515,000	100%
Parks and Recreation					
Park Development Impact Fees (2250)	15,812	-	-	-	
Landscape Assessment Districts (2510-2552)	-	282,215	-	-	
Public Works					
Storm Drainage Impact Fees (2230)	7,290	-	-	-	
Traffic Mitigation Impact Fees (2270)	5,000	2,090	-	-	
Gas Tax (2410)	10,370	100	-	-	
Street Maintenance (2630)	-	764,000	-	-	
<b>Total Other Revenue</b>	<b>\$ 376,223</b>	<b>\$ 1,341,678</b>	<b>\$ 6,836,000</b>	<b>\$ 3,457,500</b>	<b>-49%</b>
<b>Transfers In</b>					
Community Development and Housing					
Transient Occupancy Tax (2650)	\$ 300,000	\$ -	\$ -	\$ -	
Parks and Recreation					
Park Development Impact Fees (2250)	115,888	204,000	-	-	
Parkland Acquisition Impact Fees (2251)	-	-	-	310,484	100%
Landscape Assessment Districts (251002552)	13,000	13,000	13,000	13,000	0%
Public Works					
Traffic Mitigation Impact Fees (2270)	1,300,000	-	-	-	
Street Maintenance (2630)	1,544,000	664,750	1,724,000	699,000	-59%
Street Reconstruction (2640)	-	11,653,000	1,056,900	-	-100%
<b>Total Transfers In</b>	<b>\$ 3,272,888</b>	<b>\$ 12,534,750</b>	<b>\$ 2,793,900</b>	<b>\$ 1,022,484</b>	<b>-63%</b>
<b>Total Sp Rev Fund Revenue</b>	<b>\$ 14,404,514</b>	<b>\$ 30,404,991</b>	<b>\$ 26,063,400</b>	<b>\$ 23,056,134</b>	<b>-12%</b>

**CITY OF PETALUMA  
 ENTERPRISE FUNDS  
 REVENUE SUMMARY BY TYPE**

	FY 02-03	FY 03-04	FY 04-05	FY 05-06	% Change
	Actual	Actual	Budget	Budget	From Budget
<b>Investment Earnings and Rent</b>					
Fire Department - Ambulance (6200)	\$ 25,297	\$ 18,516	\$ 20,000	\$ 18,500	-8%
Public Facilities and Services					
Transit (6400)	18,238	2,479	17,000	2,500	-85%
Airport (6100)	111,743	34,172	6,000	114,700	1812%
Parks and Recreation - Marina (6300)	2,038	7,755	2,000	7,700	285%
Water Resources and Conservation					
Water Utility (6520)	303,012	62,516	300,000	105,000	-65%
Waste Water Utility (6510)	<u>182,978</u>	<u>114,167</u>	<u>110,000</u>	<u>17,600</u>	-84%
<b>Total Investment Earnings and Rent</b>	<b><u>643,306</u></b>	<b><u>239,605</u></b>	<b><u>455,000</u></b>	<b><u>266,000</u></b>	<b>-42%</b>
<b>Intergovernmental</b>					
Public Facilities and Services					
Transit (6400)	\$ 1,075,725	\$ 1,275,584	\$ 1,170,850	\$ 1,638,350	40%
Airport (6100)	56,467	48,052	57,000	434,000	661%
Waste Water Utility (6510)	<u>-</u>	<u>3,122,611</u>	<u>566,000</u>	<u>-</u>	-100%
<b>Total Intergovernmental</b>	<b><u>1,132,192</u></b>	<b><u>4,446,247</u></b>	<b><u>1,793,850</u></b>	<b><u>2,072,350</u></b>	<b>16%</b>
<b>Debt Proceeds</b>					
Public Facilities and Services					
Airport (6100)	\$ -	\$ 6,295,000	\$ -	\$ 3,109,000	100%
Water Resources and Conservation					
Waste Water Utility (6510)	<u>-</u>	<u>-</u>	<u>9,839,000</u>	<u>34,900,000</u>	255%
<b>Total Debt Proceeds</b>	<b><u>-</u></b>	<b><u>6,295,000</u></b>	<b><u>9,839,000</u></b>	<b><u>38,009,000</u></b>	<b>100%</b>

CITY OF PETALUMA  
ENTERPRISE FUNDS  
REVENUE SUMMARY BY TYPE

	FY 02-03	FY 03-04	FY 04-05	FY 05-06	% Change
	Actual	Actual	Budget	Budget	From Budget
<b>Charges for Sales</b>					
Public Facilities and Services -					
Airport (6100)	\$ 419,114	\$ 433,877	\$ 450,000	\$ 528,450	17%
Parks and Recreation - Marina (6300)	9,268	9,931	10,000	10,000	0%
Water Resources and Conservation					
Water Utility (6520)	<u>8,478,129</u>	<u>9,395,635</u>	<u>10,200,000</u>	<u>11,370,000</u>	11%
<b>Total Charges for Sales</b>	<b><u>8,906,511</u></b>	<b><u>9,839,443</u></b>	<b><u>10,660,000</u></b>	<b><u>11,908,450</u></b>	<b>12%</b>
<b>Charges for Services</b>					
Fire Department - Ambulance (6200)	\$ 1,483,084	\$ 1,763,361	\$ 2,273,500	\$ 1,400,000	-38%
Public Facilities and Services					
Transit (6400)	170,235	158,719	178,000	204,700	15%
Airport (6100)	443,968	550,325	478,400	716,050	50%
Parks and Recreation - Marina (6300)	175,677	218,147	176,000	176,000	0%
Water Resources and Conservation					
Water Utility (6520)	133,402	224,567	130,000	130,000	0%
Waste Water Utility (6510)	<u>11,048,668</u>	<u>12,037,906</u>	<u>13,900,000</u>	<u>13,036,500</u>	-6%
<b>Total Charges for Services</b>	<b><u>13,455,034</u></b>	<b><u>14,953,025</u></b>	<b><u>17,135,900</u></b>	<b><u>15,663,250</u></b>	<b>-9%</b>
<b>Connection Fees</b>					
Water Resources and Conservation					
Water Utility (6520)	\$ 475,220	\$ 776,515	\$ 300,000	\$ 300,000	0%
Waste Water Utility (6510)	<u>694,873</u>	<u>1,406,599</u>	<u>500,000</u>	<u>500,000</u>	0%
<b>Total Connection Fees</b>	<b><u>1,170,093</u></b>	<b><u>2,183,114</u></b>	<b><u>800,000</u></b>	<b><u>800,000</u></b>	<b>0%</b>
<b>Transfers In</b>	<u>54,000</u>	<u>17,049,000</u>	<u>-</u>	<u>201,800</u>	100%
<b>Total Enterprise Funds Revenue</b>	<b><u>\$ 25,361,136</u></b>	<b><u>\$ 55,005,434</u></b>	<b><u>\$ 40,683,750</u></b>	<b><u>\$ 68,920,850</u></b>	<b>69%</b>

**CITY OF PETALUMA  
INTERNAL SERVICE FUNDS  
REVENUE SUMMARY BY TYPE**

	FY 02-03	FY 03-04	FY 04-05	FY 05-06	% Change
	Actual	Actual	Budget	Budget	From Budget
<b>Investment Earnings and Rent</b>					
Administrative Services-					
Employees Benefits	\$ 14,308	\$ 23,577	\$ 7,000	\$ 4,000	-43%
General Services	7,605	7,458	7,000	5,000	-29%
Information Services	2,089	5,824	1,000	-	-100%
City Manager-					
Risk Management-Liability	18,999	(17,581)	13,000	10,000	-23%
Administrative Services-					
Vehicle/Equipment Replacement	59,492	32,910	45,000	28,000	-38%
Workers' Compensation	<u>6,333</u>	<u>65,926</u>	<u>13,000</u>	<u>48,000</u>	269%
<b>Total Investment Earnings and Rent</b>	<b><u>108,826</u></b>	<b><u>118,114</u></b>	<b><u>86,000</u></b>	<b><u>95,000</u></b>	<b>10%</b>
<b>Charges to Other Funds</b>					
Administrative Services-					
Employees Benefits	\$ 496,330	\$ 575,105	\$ 888,800	\$ 788,000	-11%
General Services	339,911	357,314	377,000	376,750	0%
Information Services	805,750	841,770	754,700	1,175,700	56%
City Manager-					
Risk Management-Liability	969,000	2,133,500	1,830,250	1,918,600	5%
Administrative Services-					
Vehicle/Equipment Replacement	-	-	-	-	0%
Workers' Compensation	<u>1,830,931</u>	<u>1,069,741</u>	<u>1,316,050</u>	<u>2,920,000</u>	122%
<b>Total Charges to Other Funds</b>	<b><u>4,441,922</u></b>	<b><u>4,977,430</u></b>	<b><u>5,166,800</u></b>	<b><u>7,179,050</u></b>	<b>39%</b>
<b>Other Revenue</b>					
City Manager-					
Risk Management - Liability	<u>167,201</u>	<u>144,936</u>	<u>50,000</u>	<u>30,000</u>	-40%
<b>Total Other Revenue</b>	<b><u>167,201</u></b>	<b><u>144,936</u></b>	<b><u>50,000</u></b>	<b><u>30,000</u></b>	<b>-40%</b>
<b>Transfers In</b>					
Administrative Services-					
Employees Benefits	\$ 550,000	\$ -	\$ -	\$ 100,000	100%
City Manager-					
Risk Management-Liability	-	1,000,000	-	-	0%
Administrative Services-					
Vehicle/Equipment Replacement	<u>1,150,000</u>	<u>1,150,000</u>	<u>800,000</u>	<u>430,000</u>	-46%
<b>Total Transfers In</b>	<b><u>1,700,000</u></b>	<b><u>2,150,000</u></b>	<b><u>800,000</u></b>	<b><u>530,000</u></b>	<b>-34%</b>
<b>Total Internal Service Fund Revenue</b>	<b><u>\$ 6,417,949</u></b>	<b><u>\$ 7,390,480</u></b>	<b><u>\$ 6,102,800</u></b>	<b><u>\$ 7,834,050</u></b>	<b>28%</b>



**CITY OF PETALUMA, CALIFORNIA  
 GENERAL FUND EXPENDITURE SUMMARY BY DEPARTMENT**

	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Budget	FY 05-06 Budget	% Change From Budget
<b>OPERATING DEPARTMENTS</b>					
City Council	\$ 212,018	\$ 221,685	\$ 236,750	\$ 282,350	19%
City Clerk	275,171	323,361	338,200	338,700	0%
City Attorney	521,579	475,037	353,450	357,250	1%
City Manager	390,763	303,498	309,350	334,800	8%
General Plan Admin	668,046	427,863	298,000	330,450	0%
Animal Services	653,628	647,056	621,000	674,850	9%
Administrative Services	1,577,932	2,067,786	1,708,000	1,835,050	8%
Police	12,199,194	11,958,090	12,347,500	13,815,400	12%
Fire	5,695,792	6,186,133	6,593,000	7,264,950	10%
Community Development	2,195,746	2,383,825	2,248,150	2,183,900	-3%
Parks and Recreation	3,477,294	3,749,844	3,494,250	3,903,550	12%
Public Facilities and Services	<u>3,504,718</u>	<u>3,151,871</u>	<u>3,140,050</u>	<u>4,439,350</u>	41%
<b>TOTAL GENERAL FUND OPERATIONS</b>	<b><u>\$ 31,371,881</u></b>	<b><u>\$ 31,896,049</u></b>	<b><u>\$ 31,687,700</u></b>	<b><u>\$ 35,760,600</u></b>	13%
Debt Service	120,000	-	-	-	0%
Transfers Out	1,583,000	1,016,581	49,000	13,000	-73%
Allowance for Retirements	-	-	-	100,000	100%
Allowance for Salary Savings	(529,955)	15,278	-	-	0%
Transfers Out for Vehicle Replacement	<u>400,000</u>	<u>-</u>	<u>400,000</u>	<u>200,000</u>	-50%
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b><u>\$ 32,944,926</u></b>	<b><u>\$ 32,927,908</u></b>	<b><u>\$ 32,136,700</u></b>	<b><u>\$ 36,073,600</u></b>	12%

**CITY OF PETALUMA, CALIFORNIA  
GENERAL FUND EXPENDITURE SUMMARY BY DEPARTMENT**

	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Budget	FY 05-06 Budget	% Change From Budget
<b>1110 CITY COUNCIL</b>	<b>\$ 212,018</b>	<b>\$ 221,685</b>	<b>\$ 236,750</b>	<b>\$ 282,350</b>	<b>19%</b>
<b>CITY CLERK</b>					
1210 Administration	\$ 188,705	\$ 197,948	\$ 209,650	\$ 217,050	29%
1220 Elections	<u>86,466</u>	<u>125,413</u>	<u>128,550</u>	<u>121,650</u>	<u>-25%</u>
<b>TOTAL CITY CLERK</b>	<b>\$ 275,171</b>	<b>\$ 323,361</b>	<b>\$ 338,200</b>	<b>\$ 338,700</b>	<b>0%</b>
<b>1310 CITY ATTORNEY</b>	<b>\$ 521,579</b>	<b>\$ 475,037</b>	<b>\$ 353,450</b>	<b>\$ 357,250</b>	<b>1%</b>
<b>2010 CITY MANAGER</b>	<b>\$ 390,763</b>	<b>\$ 303,498</b>	<b>\$ 309,350</b>	<b>\$ 334,800</b>	<b>8%</b>
<b>2020 GENERAL PLAN ADMINISTRATION</b>	<b>\$ 668,046</b>	<b>\$ 427,863</b>	<b>\$ 298,000</b>	<b>\$ 330,450</b>	<b>11%</b>
<b>3010 ANIMAL SERVICES</b>	<b>\$ 653,628</b>	<b>\$ 647,056</b>	<b>\$ 621,000</b>	<b>\$ 674,850</b>	<b>9%</b>
<b>ADMINISTRATIVE SERVICES</b>					
3110 Administration	\$ 463,894	\$ 934,138	\$ 420,300	\$ 400,050	-5%
3120 Accounting	379,859	424,092	450,750	492,850	9%
3130 Commercial Services	294,077	235,224	296,200	282,600	-5%
3040 Parking Enforcement	<u>149,895</u>	<u>180,716</u>	<u>178,950</u>	<u>283,200</u>	<u>58%</u>
<b>TOTAL FINANCE</b>	<b>\$ 1,287,725</b>	<b>\$ 1,774,170</b>	<b>\$ 1,346,200</b>	<b>\$ 1,458,700</b>	<b>8%</b>
<b>3030 HUMAN RESOURCES</b>	<b>\$ 290,207</b>	<b>\$ 293,616</b>	<b>\$ 361,800</b>	<b>\$ 376,350</b>	<b>4%</b>
<b>TOTAL ADMINISTRATIVE SERVICES</b>	<b>\$ 1,577,932</b>	<b>\$ 2,067,786</b>	<b>\$ 1,708,000</b>	<b>\$ 1,835,050</b>	<b>7%</b>
<b>POLICE</b>					
4000 Administration	\$ 1,364,486	\$ 1,262,829	\$ 1,412,750	\$ 1,785,950	26%
4010 Auto Theft	140,737	184,326	131,750	139,000	6%
4020 CAD/RMS	981,045	204,475	160,800	220,300	37%
4030 Communication	1,110,788	1,101,205	1,207,850	1,329,450	10%
4040 Crime Prevention	356,019	208,386	238,650	251,550	5%
4050 Domestic Violence	124,901	34,681	-	-	0%
4060 Drug Enforcement	120,359	215,885	130,000	141,650	9%
4070 Investigation	725,368	849,887	840,800	901,650	7%
4080 Patrol	6,359,513	6,943,415	7,148,900	7,854,200	10%
4090 Records	361,715	401,630	402,250	479,800	19%
4100 Traffic Safety	<u>554,263</u>	<u>551,371</u>	<u>673,750</u>	<u>711,850</u>	<u>6%</u>
<b>TOTAL POLICE</b>	<b>\$ 12,199,194</b>	<b>\$ 11,958,090</b>	<b>\$ 12,347,500</b>	<b>\$ 13,815,400</b>	<b>12%</b>

**CITY OF PETALUMA, CALIFORNIA  
 GENERAL FUND EXPENDITURE SUMMARY BY DEPARTMENT**

	FY 02-03	FY 03-04	FY 04-05	FY 05-06	% Change
	Actual	Actual	Budget	Budget	From Budget
<b>FIRE</b>					
5000 Administration	\$ 479,567	\$ 438,054	\$ 515,300	\$ 553,700	7%
5010 Disaster Preparedness	4,095	2,225	11,900	11,850	0%
5020 Fire Prevention	229,819	262,843	292,650	339,950	16%
5030 Hazardous Materials	87,153	135,585	111,350	128,100	15%
5040 Suppression	<u>4,895,158</u>	<u>5,347,426</u>	<u>5,661,800</u>	<u>6,231,350</u>	<u>10%</u>
<b>TOTAL FIRE</b>	<b>\$ 5,695,792</b>	<b>\$ 6,186,133</b>	<b>\$ 6,593,000</b>	<b>\$ 7,264,950</b>	<b>10%</b>
<b>COMMUNITY DEVELOPMENT</b>					
6000 Administration	\$ 581,680	\$ 1,147,809	\$ 893,150	\$ 866,650	-3%
6010 Engineering Services	339,682	99,355	103,850	-	-100%
6020 Inspection Services	4,307	455,727	444,400	274,850	-38%
6030 Permit Services	635,738	197,555	299,650	290,800	-3%
6040 Planning Services	476,318	332,546	347,950	548,350	58%
8020 GIS	<u>158,021</u>	<u>150,833</u>	<u>159,150</u>	<u>203,250</u>	<u>28%</u>
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<b>\$ 2,195,746</b>	<b>\$ 2,383,825</b>	<b>\$ 2,248,150</b>	<b>\$ 2,183,900</b>	<b>-3%</b>
<b>PARKS &amp; RECREATION</b>					
7001 Administration	\$ 659,705	\$ 688,945	\$ 693,950	\$ 813,900	17%
7010 Cavanagh Center	16,405	17,070	18,200	18,150	0%
7011 Community Center	118,429	209,675	169,500	168,950	0%
7014 Library/Museum	46,379	30,724	36,350	35,150	-3%
7017 Parks Maintenance	1,669,751	1,702,565	1,597,000	1,787,850	12%
7018 Prince Park	140,003	136,700	131,550	138,650	5%
7112 Tiny Tots	96,450	49,744	108,050	128,700	19%
7115 Youth Programs	244,635	309,495	225,250	248,200	10%
7130 Contract Classes	125,225	137,821	100,450	100,100	0%
7140 Sports/Athletics	109,587	94,526	125,750	126,350	0%
7150 Aquatics	140,878	249,713	185,000	184,950	0%
7160 Senior Programs	84,065	95,427	100,300	109,800	9%
7190 Special Events	<u>25,782</u>	<u>27,439</u>	<u>2,900</u>	<u>42,800</u>	<u>1376%</u>
<b>TOTAL PARKS &amp; RECREATION</b>	<b>\$ 3,477,294</b>	<b>\$ 3,749,844</b>	<b>\$ 3,494,250</b>	<b>\$ 3,903,550</b>	<b>12%</b>

**CITY OF PETALUMA, CALIFORNIA  
 GENERAL FUND EXPENDITURE SUMMARY BY DEPARTMENT**

	FY 02-03	FY 03-04	FY 04-05	FY 05-06	% Change
	Actual	Actual	Budget	Budget	From Budget
<b>PUBLIC FACILITIES &amp; SERVICES</b>					
8000 Administration	\$ 857,498	\$ 837,490	\$ 860,750	\$ 1,235,050	43%
8010 Engineering Services	176,550	198,013	294,750	926,000	214%
8031 Building/Facilities Maintenance	781,488	716,968	623,000	886,400	42%
8050 Vehicle & Equipment Maintenance	239,194	255,623	268,800	281,250	5%
8060 Street Signals	186,091	221,615	227,450	264,350	16%
8061 Streets	363,406	-	-	-	0%
8062 Street Signs	459,128	437,222	461,450	470,050	2%
8063 Street Lights	433,963	473,526	392,150	369,700	-6%
8070 Turning Basin Operations	3,390	9,104	7,650	6,550	-14%
8052 Casa Grande Landfill	<u>4,010</u>	<u>2,310</u>	<u>4,050</u>	<u>-</u>	<u>-100%</u>
<b>TOTAL PUBLIC FACILITIES &amp; SERVICES</b>	<b>\$ 3,504,718</b>	<b>\$ 3,151,871</b>	<b>\$ 3,140,050</b>	<b>\$ 4,439,350</b>	<b>41%</b>
<b>TOTAL GENERAL FUND OPERATIONS</b>	<b>\$ 31,371,881</b>	<b>\$ 31,896,049</b>	<b>\$ 31,687,700</b>	<b>\$ 35,760,600</b>	<b>13%</b>
Debt Service	120,000	-	-	-	0%
Transfers Out	1,583,000	1,016,581	49,000	13,000	-73%
Allowance for Retirements	-	-	-	100,000	100%
Unreconciled Differences	(529,955)	15,278	-	-	0%
Transfers Out for Vehicle Replacement	<u>400,000</u>	<u>-</u>	<u>400,000</u>	<u>200,000</u>	<u>-50%</u>
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b><u>\$ 32,944,926</u></b>	<b><u>\$ 32,927,908</u></b>	<b><u>\$ 32,136,700</u></b>	<b><u>\$ 36,073,600</u></b>	<b>12%</b>

**CITY OF PETALUMA, CALIFORNIA  
SPECIAL REVENUE FUNDS  
EXPENDITURE SUMMARY BY DEPARTMENT**

	FY 02-03	FY 03-04	FY 04-05	FY 05-06	% CHANGE
	ACTUAL	ACTUAL	BUDGET	BUDGET	FROM BUDGET
<b>Community Development and Housing</b>					
Comm Develop Block Grants (2110)	\$ 505,631	\$ 530,101	\$ 602,600	\$ 402,000	-33%
Home/Begin Grants (2120)	17,143	4,101,702	105,950	66,000	-38%
Low/Mod Income Housing (2130)	1,658,956	534,835	3,577,800	2,477,600	-31%
Community Facilities Impact Fees (2210)	735,995	1,762,152	273,500	13,000	-95%
Library Facility Impact Fees (2211)	-	-	-	-	
Public Facilities Impact Fees (2212)	-	1,227	-	194,000	
Housing in Lieu Impact Fees (2240)	1,882,920	2,065,803	1,105,300	1,389,050	26%
General Government Grants (2310)	-	-	653,000	-	
Community Development Grants (2320)	-	-	220,500	-	
PCDC Grants (2325)	-	-	-	472,000	100%
Transient Occupancy Tax (2650)	1,023,029	1,023,033	1,216,700	1,311,050	8%
Donations (2670)	-	69,814	6,826,000	1,934,500	-72%
PCDC Donations (2675)	-	-	-	<u>1,515,000</u>	100%
<b>Total Comm Develop/Housing</b>	<b>5,823,674</b>	<b>10,088,667</b>	<b>14,581,350</b>	<b>9,774,200</b>	<b>-33%</b>
<b>Parks and Recreation</b>					
Park Development Fees (2250)	229,574	1,480,112	665,680	310,484	-53%
Park Land Acquisition Impact Fees (2251)	-	-	850,320	1,522,000	79%
Aquatic Facility Impact Fees (2252)	-	-	-	-	
Parks and Rec Grants (2350)	-	-	1,259,900	245,000	-81%
Landscape Assessment Districts (2510-2552)	302,219	339,596	242,150	252,100	4%
Prince Park Trust (2710)	<u>30,000</u>	<u>30,000</u>	<u>15,000</u>	<u>24,000</u>	60%
<b>Total Parks and Recreation</b>	<b>561,793</b>	<b>1,849,708</b>	<b>3,033,050</b>	<b>2,353,584</b>	<b>-22%</b>
<b>Public Safety</b>					
Fire Suppression Impact Fees (2220)	-	1,226	60,000	60,000	0%
Police Facility Impact Fees (2260)	-	1,226	-	25,000	100%
Police Department Grants (2330)	-	513,647	282,000	147,400	-48%
Supplemental Law Enforcement (2420)	522,000	110,000	110,000	100,000	-9%
Abandoned Vehicle Abatement (2610)	-	-	-	30,000	100%
Asset Seizures (2620)	137,000	119,053	-	-	
Haz Mat Fines-Fire (2660)	-	22,556	-	10,000	100%
Fire in-Lieu Fees (2665)	-	-	-	-	
<b>Total Public Safety</b>	<b>659,000</b>	<b>767,708</b>	<b>452,000</b>	<b>372,400</b>	<b>-18%</b>
<b>Public Works</b>					
Storm Drainage Impact Fees (2230)	1,259,042	1,728,458	1,663,000	1,672,500	1%
Traffic Mitigation Impact Fees (2270)	4,071,732	6,738,553	2,461,300	555,500	-77%
Public Works Grants (2360)	-	132,181	1,664,600	1,443,000	-13%
Gas Tax (2410)	1,682,335	1,104,590	1,784,000	935,000	-48%
Street Maintenance (2630)	548,189	2,892,253	2,541,200	2,000,500	-21%
Street Reconstruction (2640)	-	<u>7,177,000</u>	<u>10,569,000</u>	<u>1,201,800</u>	-89%
<b>Total Public Works</b>	<b>7,561,298</b>	<b>19,773,035</b>	<b>20,683,100</b>	<b>7,808,300</b>	<b>-62%</b>
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b><u>\$ 14,605,765</u></b>	<b><u>\$ 32,479,118</u></b>	<b><u>\$ 38,749,500</u></b>	<b><u>\$ 20,308,484</u></b>	<b>-48%</b>

**CITY OF PETALUMA, CALIFORNIA  
 ENTERPRISE FUNDS EXPENSE SUMMARY  
 BY DEPARTMENT AND DIVISION**

	FY 02-03 ACTUAL	FY 03-04 ACTUAL	FY 04-05 BUDGET	FY 05-06 BUDGET	% CHANGE FROM BUDGET
<b>FIRE DEPARTMENT</b>					
<b>Ambulance</b>					
5199 Ambulance	\$ 1,751,399	\$ 1,898,902	\$ 2,293,500	\$ 2,446,550	7%
<b>Total Ambulance</b>	<b>\$ 1,751,399</b>	<b>\$ 1,898,902</b>	<b>\$ 2,293,500</b>	<b>\$ 2,446,550</b>	<b>7%</b>
<b>ADMINISTRATIVE SERVICES</b>					
<b>Transit</b>					
3397 Fixed Route	\$ 833,647	\$ 1,391,702	\$ 974,400	\$ 1,030,100	6%
3398 Para-Transit	387,827	473,476	391,450	406,800	4%
3399 Capital Improvement Projects	65,123	403,535	-	610,400	100%
<b>Total Transit</b>	<b>\$ 1,286,597</b>	<b>\$ 2,268,713</b>	<b>\$ 1,365,850</b>	<b>\$ 2,047,300</b>	<b>50%</b>
<b>Airport</b>					
3296 Operations	\$ 493,845	\$ 3,004,391	\$ 507,500	\$ 240,850	-53%
3297 Fueling	343,630	459,726	357,800	478,800	34%
3298 Hangars	70,824	127,855	126,100	689,200	447%
3299 Capital Improvement Projects	-	171,820	-	3,492,000	100%
<b>Total Airport</b>	<b>\$ 908,299</b>	<b>\$ 3,763,792</b>	<b>\$ 991,400</b>	<b>\$ 4,900,850</b>	<b>394%</b>
<b>PARKS AND RECREATION DEPARTMENT</b>					
<b>Marina</b>					
7198 Operations	\$ 475,133	\$ 419,124	\$ 702,250	\$ 480,300	-32%
<b>Total Marina</b>	<b>\$ 475,133</b>	<b>\$ 419,124</b>	<b>\$ 702,250</b>	<b>\$ 480,300</b>	<b>-32%</b>

**CITY OF PETALUMA, CALIFORNIA  
 ENTERPRISE FUNDS EXPENSE SUMMARY  
 BY DEPARTMENT AND DIVISION**

	FY 02-03	FY 03-04	FY 04-05	FY 05-06	% CHANGE
	ACTUAL	ACTUAL	BUDGET	BUDGET	FROM
					BUDGET
<b>WATER RESOURCES &amp; CONSERVATION</b>					
<b>Waste Water Utility</b>					
8200 Administration	\$ 4,688,181	\$ 4,509,188	\$ 5,798,250	\$ 8,112,150	40%
8210 Industrial Waste	219,710	200,375	249,500	256,700	3%
8220 Storm Drain	438,230	228,584	745,650	709,650	-5%
8221 Collection System	477,194	427,388	807,450	2,019,800	150%
8230 Water Reclamation	999,530	1,192,415	1,531,100	947,450	-38%
8240 Customer Service	-	-	-	107,450	100%
8250 Casa Grande Landfill	-	-	-	10,000	100%
8299 Capital Improvement Projects	<u>6,206,511</u>	<u>10,693,770</u>	<u>14,423,000</u>	<u>38,236,000</u>	165%
<b>Total Waste Water Utility</b>	<b><u>\$ 13,029,356</u></b>	<b><u>\$ 17,251,720</u></b>	<b><u>\$ 23,554,950</u></b>	<b><u>\$ 50,399,200</u></b>	<b>114%</b>
<b>Water Utility</b>					
8300 Administration	\$ 2,369,391	\$ 2,495,713	\$ 2,533,250	\$ 3,295,750	30%
8310 Water Conservation	171,271	187,033	492,850	341,150	-31%
8320 Customer Service	351,720	397,866	488,950	393,650	-19%
8330 Leak Detection/Cross Connect	68,785	72,916	77,350	80,500	4%
8340 Pumping	47,989	21,544	30,550	16,700	-45%
8350 Source of Supply	4,313,087	4,720,352	4,827,800	4,950,600	3%
8360 Transmission & Distribution	1,290,290	1,339,377	1,705,650	2,823,000	66%
8370 Sonoma Mtn. Watershed	1,684	50	3,050	3,000	-2%
8399 Capital Improvement Projects	<u>1,193,629</u>	<u>1,679,307</u>	<u>7,613,000</u>	<u>2,381,000</u>	-69%
<b>Total Water Utility</b>	<b><u>\$ 9,807,846</u></b>	<b><u>\$ 10,914,157</u></b>	<b><u>\$ 17,772,450</u></b>	<b><u>\$ 14,285,350</u></b>	<b>-20%</b>
<b>TOTAL ENTERPRISE FUNDS</b>	<b><u>\$ 27,258,630</u></b>	<b><u>\$ 36,516,408</u></b>	<b><u>\$ 46,680,400</u></b>	<b><u>\$ 74,559,550</u></b>	<b>60%</b>
<b>Transfers Out</b>	<u>1,231,000</u>	<u>18,475,000</u>	<u>1,319,000</u>	<u>1,099,600</u>	-17%
<b>TOTAL ENTERPRISE FUNDS</b>	<b><u>\$ 28,489,630</u></b>	<b><u>\$ 54,991,408</u></b>	<b><u>\$ 47,999,400</u></b>	<b><u>\$ 75,659,150</u></b>	<b>58%</b>

**CITY OF PETALUMA, CALIFORNIA  
INTERNAL SERVICE FUNDS EXPENSE SUMMARY  
BY DEPARTMENT AND DIVISION**

	FY 02-03	FY 03-04	FY 04-05	FY 05-06	% Change
	Actual	Actual	Budget	Budget	From Budget
<b>Investment Earnings and Rent</b>					
Administrative Services-					
Employees Benefits	\$ 14,308	\$ 23,577	\$ 7,000	\$ 4,000	-43%
General Services	7,605	7,458	7,000	5,000	-29%
Information Services	2,089	5,824	1,000	-	-100%
City Manager-					
Risk Management-Liability	18,999	(17,581)	13,000	10,000	-23%
Administrative Services-					
Vehicle/Equipment Replacement	59,492	32,910	45,000	28,000	-38%
Workers' Compensation	<u>6,333</u>	<u>65,926</u>	<u>13,000</u>	<u>48,000</u>	269%
<b>Total Investment Earnings and Rent</b>	<b><u>108,826</u></b>	<b><u>118,114</u></b>	<b><u>86,000</u></b>	<b><u>95,000</u></b>	<b>10%</b>
<b>Charges to Other Funds</b>					
Administrative Services-					
Employees Benefits	\$ 496,330	\$ 575,105	\$ 888,800	\$ 788,000	-11%
General Services	339,911	357,314	377,000	376,750	0%
Information Services	805,750	841,770	754,700	1,175,700	56%
City Manager-					
Risk Management-Liability	969,000	2,133,500	1,830,250	1,918,600	5%
Administrative Services-					
Vehicle/Equipment Replacement	-	-	-	-	0%
Workers' Compensation	<u>1,830,931</u>	<u>1,069,741</u>	<u>1,316,050</u>	<u>2,920,000</u>	122%
<b>Total Charges to Other Funds</b>	<b><u>4,441,922</u></b>	<b><u>4,977,430</u></b>	<b><u>5,166,800</u></b>	<b><u>7,179,050</u></b>	<b>39%</b>
<b>Other Revenue</b>					
City Manager-					
Risk Management - Liability	<u>167,201</u>	<u>144,936</u>	<u>50,000</u>	<u>30,000</u>	-40%
<b>Total Other Revenue</b>	<b><u>167,201</u></b>	<b><u>144,936</u></b>	<b><u>50,000</u></b>	<b><u>30,000</u></b>	<b>-40%</b>
<b>Transfers In</b>					
Administrative Services-					
Employees Benefits	\$ 550,000	\$ -	\$ -	\$ 100,000	100%
City Manager-					
Risk Management-Liability	-	1,000,000	-	-	0%
Administrative Services-					
Vehicle/Equipment Replacement	<u>1,150,000</u>	<u>1,150,000</u>	<u>800,000</u>	<u>430,000</u>	-46%
<b>Total Transfers In</b>	<b><u>1,700,000</u></b>	<b><u>2,150,000</u></b>	<b><u>800,000</u></b>	<b><u>530,000</u></b>	<b>-34%</b>
<b>Total Internal Service Fund Revenue</b>	<b><u>\$ 6,417,949</u></b>	<b><u>\$ 7,390,480</u></b>	<b><u>\$ 6,102,800</u></b>	<b><u>\$ 7,834,050</u></b>	<b>28%</b>

## APPROVED CAPITAL EQUIPMENT

FY 2005-2006

The following repairs/upgrades have been determined to be a priority for this fiscal year:

<u>Department</u>	<u>Project Cost</u>
Police Department	
Roof Repair	\$25,000
Parks & Recreation Department	
Cavanagh Rec Center	
Replace Exterior Doors and Frames	\$25,000
Replace Two Furnaces	\$6,000
Community Center	
Replace Roof Gutter	\$15,000
Install Security System	\$31,000
Teen Center	
Replace Heater for Southside of Building	\$3,000
Repair Roof	\$10,000
Fire Department	
Replace HVAC System in either Station 2 or 3	\$17,500
City Hall	
Repair and Paint Exterior	\$70,000

