



# CITY OF WHEATLAND

## CITY COUNCIL MEETING STAFF REPORT March 28, 2023

**SUBJECT:** FISCAL YEAR 2022-2023 MID-YEAR BUDGET REVIEW  
AND AMENDMENT

**PREPARED BY:** Steve Wong, Finance Director

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### **Recommendation**

Receive and File the fiscal year (FY) 2023 Mid-Year Budget Review report.

### **Background**

The FY 23 budget was adopted by Council on June 28, 2022, Resolution No. 19-22. The General Fund and the other operating funds were projected to have positive fund balances with adequate reserves and the Water and Wastewater enterprise funds were projected to have positive net positions.

### **Discussion**

#### **General Fund**

The General Fund is currently projected to have net income of \$248,425 for the year ending June 30, 2023, increasing the Fund Balance to \$2,160,452 (Page 1).

With completion of the FY 22 audit and annual financial report, the General Fund balance at July 1, 2022 was \$1,912,027, \$157,967 greater than the estimated balance of \$1,754,060 at the time of FY 23 budget preparation. A detailed review of General Fund revenues is presented on page 2. Current year property tax revenue of \$895,000 is projected to be approximately \$30,000 more than budget, a 2.4% increase over FY 22 and sales and transaction tax revenues of \$975,000 are projected to be approximately \$74,000 more than budget, a 9.3% increase over FY 22.

Revenue from excise taxes was \$3,349 in FY 20, \$1,336 in FY 21 and \$102,445 in FY 22. The FY 23 Adopted Budget assumed \$-0- in excise tax revenue, \$33,417 has been actually received so far this year. The General Fund portion of admissions fees from Bishop's Pumpkin Farm, \$86,001 exceeded the budget estimate of \$72,450 and the FY

22 revenue amount of \$69,033. Interest income will be higher this year for all City funds, interest income of \$20,000 is currently projected for the General Fund.

With General Fund department operating expenses, the police department actual expenses were running slightly higher than budgeted. In reviewing the accounts, it has been determined that a portion of the Department's salaries and benefits have been incorrectly charged to the General Fund, correcting the account coding will bring the Department's actual expenses closer to the budget estimate. An unbudgeted new lawn mower was obtained for \$12,500 causing the Parks projected expenses to exceed the FY 23 budget.

Most, if not all, of the usual annual inter-fund transfers, were not processed in FY 22. Processing both the FY 22 and FY 23 transfers this fiscal year will positively increase this year's General Fund fund balance. The General Fund fund balance includes reserves of \$30,000 for the CIRA SIR, and \$100,000 for the new Vehicle and Technology replacement reserve.

#### Other Funds

Summaries of revenues, expenses, net position and fund balance for other funds with operating activities, the Water Fund, Wastewater Fund and Gas Tax, are also reported on page 3 of the report.

Review and analysis of the City's special revenue, impact fees and capital project funds is on-going. There are no significant variations from the adopted budgets for these funds to report at this time.

#### Fiscal Impact

There are no fiscal impacts from receiving and filing the attached report.

#### Attachments

1. FY 2023 Mid-Year Budget Review report

**CITY OF WHEATLAND**  
**Fiscal Year 2022-2023**  
**Mid-Year Budget Review**  
**General Fund Summary**

	Actual 2020/2021	Actual 2021/2022	Adopted Budget 2022/2023	Projected 2022/2023	Actual Through 3/14/2023
<b>REVENUES</b>					
Taxes	1,903,520	2,045,673	1,939,225	2,075,917	1,164,854
Fees, Charges, and Reimbursements	250,729	272,511	283,120	277,476	182,581
Interest Earnings	10,810	5,662	7,000	20,000	10,833
Other Revenue	509,736	306,213	462,843	632,843	168,227
<b>Total Revenue</b>	<b>2,674,795</b>	<b>2,630,059</b>	<b>2,692,188</b>	<b>3,006,236</b>	<b>1,526,495</b>
<b>EXPENSES</b>					
<b>BY DEPARTMENT</b>					
City Council	10,714	8,091	14,117	14,700	5,302
Administration	333,485	323,661	401,744	403,547	249,819
Finance	150,479	159,419	154,360	131,900	73,620
Community Development	161,024	209,837	219,610	220,228	114,749
Building Inspection	1,747	254	-	-	-
Police	1,395,237	1,329,614	1,393,987	1,462,000	1,040,132
Fire	160,210	165,817	179,580	179,580	179,580
Public Works	82,214	56,116	96,152	64,000	36,876
Parks	77,250	74,018	89,127	109,700	55,832
<b>Total Expenses by Department</b>	<b>2,372,360</b>	<b>2,326,827</b>	<b>2,548,677</b>	<b>2,585,655</b>	<b>1,755,910</b>
<b>OTHER USES OF FUNDS</b>					
Transfer out - Street Maintenance	60,000	0	60,000	120,000	-
Transfer out - Other	7,336	-	-	-	-
Transfer out - Landscape Districts	29,000	0	26,078	52,156	-
<b>Total Other Expenses</b>	<b>96,336</b>	<b>0</b>	<b>86,078</b>	<b>172,156</b>	<b>0</b>
<b>Total Expenses</b>	<b>2,468,696</b>	<b>2,326,827</b>	<b>2,634,755</b>	<b>2,757,811</b>	<b>1,755,910</b>
<b>Net Income before Capital Items</b>	<b>206,099</b>	<b>303,232</b>	<b>57,433</b>	<b>248,425</b>	<b>(229,415)</b>
<b>Capital Items</b>	<b>85,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Increase (Decrease) to Fund</b>	<b>121,099</b>	<b>303,232</b>	<b>57,433</b>	<b>248,425</b>	<b>(229,415)</b>
<b>FUND BALANCE</b>					
Beginning Fund Balance	1,487,697	1,608,795	1,754,060	1,912,027	1,912,027
<b>Ending Fund Balance</b>	<b>1,608,795</b>	<b>1,912,027</b>	<b>1,811,493</b>	<b>2,160,452</b>	<b>1,682,612</b>
Reserved for PARSAC SIR	30,000	30,000	30,000	30,000	30,000
Reserved for Contingent Sales Tax	401,858	401,858	401,858	0	0
Reserve (40% of expenses)	987,478	930,731	1,053,902	1,103,124	702,364
Vehicle & Technology replacement	-	-	100,000	100,000	100,000
Unreserved	189,458	549,439	225,733	927,328	850,248
<b>Ending Fund Balance</b>	<b>1,608,795</b>	<b>1,912,027</b>	<b>1,811,493</b>	<b>2,160,452</b>	<b>1,682,612</b>

**CITY OF WHEATLAND**  
**Fiscal Year 2022-2023**  
**Mid-Year Budget Review**  
**General Fund Revenues**

	Actual 2019/2020	Actual 2020/2021	Actual 2021/2022	Adopted Budget 2022/2023	Projected 2022/2023	Actual Through 3/14/2023
<b>TAX REVENUE</b>						
Property Taxes	415,627	439,173	486,524	462,200	555,000	313,904
Property Taxes in Lieu of MVLF	358,667	375,881	387,286	402,775	340,000	158,009
Sales Tax	297,968	366,482	330,985	360,500	375,000	238,169
Transactions Tax	420,348	559,196	561,059	540,750	600,000	347,467
Franchise Fees	118,257	126,639	142,337	140,000	140,000	54,990
Business License Tax	11,901	15,758	11,191	12,000	12,000	9,322
Real Property Transfer Tax	13,203	19,055	23,846	21,000	20,500	9,576
Excise Tax	3,349	1,336	102,445	-	33,417	33,417
Total Tax Revenue	1,639,320	1,903,520	2,045,673	1,939,225	2,075,917	1,164,854
<b>FEES, CHARGES, AND REIMBURSEMENTS</b>						
Building Permits	4,974	5,939	9,104	4,000	3,000	2,735
Plan Check	-	-	325	-	-	-
Encroachment Permits	16,741	18,573	16,000	10,000	10,000	9,500
FOG Permits	2,833	2,832	2,940	2,800	3,500	3,430
Planning Fees	697	210	1,200	-	2,300	2,292
Admissions Fee - General Use	45,892	72,301	69,033	72,450	86,001	86,001
Fines	5,510	6,807	9,624	7,000	5,000	192
Police Miscellaneous Fees	750	842	596	1,000	3,525	3,525
POST Training Reimbursement	3,111	3,655	1,794	1,000	2,700	2,679
Proposition 172	11,952	13,550	17,882	19,000	19,000	12,489
Vehicle Abatement	3,236	2,150	2,263	1,500	1,500	782
Motor Vehicle in Lieu	2,931	2,670	4,170	4,170	-	-
Police Reimbursement	5,848	1,003	33,055	72,000	72,000	2,000
Sale of Property	-	45,421	235	-	-	-
Rents from City Property	49,056	51,557	56,602	56,000	53,100	44,896
Community Center & Parks Rent	5,805	(235)	14,255	15,000	10,000	6,451
Tow / Impound	2,100	900	3,100	2,200	2,750	2,500
Miscellaneous Income	38,732	22,554	30,333	15,000	3,100	3,109
Total Fees, Charges, Reimbursements	200,168	250,729	272,511	283,120	277,476	182,581
<b>INTEREST</b>						
	41,554	10,810	5,662	7,000	20,000	10,833
<b>OTHER REVENUE</b>						
General Fund - Cost allocation	243,791	259,442	295,326	302,243	302,243	168,227
Recovery of Labor & Benefits	22,000	38,748	10,887	20,600	20,600	-
Transfers In (from SLES)	157,197	211,546	-	140,000	310,000	-
Total Other Revenue	422,988	509,736	306,213	462,843	632,843	168,227
<b>Total General Fund Revenues</b>	<b>2,304,029</b>	<b>2,674,795</b>	<b>2,630,059</b>	<b>2,692,188</b>	<b>3,006,236</b>	<b>1,526,495</b>

**CITY OF WHEATLAND**  
**Fiscal Year 2022-2023**  
**Mid-Year Budget Review**  
**Summary of Other Operating Funds**

	Actual 2020/2021	Actual 2021/2022	Adopted Budget 2022/2023	Projected 2022/2023	Actual Through 3/15/2023
<b>WATER FUND (FUND 110000)</b>					
<b>REVENUES</b>					
Utility Revenue	1,106,129	1,129,124	1,175,000	1,175,000	914,575
Grant Revenue	126,586	0	-	-	-
Interest Income	3,332	2,824	2,000	16,000	8,156
Misc Income/Donations	0	493,095	0	23,677	23,677
<b>Total Revenue</b>	<b>1,236,047</b>	<b>1,625,043</b>	<b>1,177,000</b>	<b>1,214,677</b>	<b>946,408</b>
<b>EXPENSES</b>					
Personnel	329,377	389,116	426,876	395,500	257,738
Supplies & Services (incl depreciation)	653,183	671,717	746,658	755,858	339,931
<b>Total Expenses</b>	<b>982,559</b>	<b>1,060,833</b>	<b>1,173,534</b>	<b>1,151,358</b>	<b>597,669</b>
<b>Net Increase (Decrease) to Net Position</b>	<b>253,488</b>	<b>564,210</b>	<b>3,466</b>	<b>63,319</b>	<b>348,739</b>
<b>NET POSITION</b>					
Beginning Net Position	535,048	788,536	788,536	1,352,746	1,352,746
<b>Ending Net Position</b>	<b>788,536</b>	<b>1,352,746</b>	<b>792,002</b>	<b>1,416,065</b>	<b>1,701,485</b>
<b>WASTEWATER FUND (FUND 120000)</b>					
<b>REVENUES</b>					
Utility Revenue	993,845	1,026,612	1,058,840	1,060,000	806,263
Contributed Capital	342,982	1,792,791	0	0	0
Interest Income	4,171	2,943	2,400	15,000	7,613
<b>Total Revenue</b>	<b>1,340,997</b>	<b>2,822,346</b>	<b>1,061,240</b>	<b>1,075,000</b>	<b>813,876</b>
<b>EXPENSES</b>					
Personnel	354,607	382,446	381,033	355,000	251,261
Supplies & Services (incl depreciation)	777,853	810,617	889,802	895,002	301,655
<b>Total Expenses</b>	<b>1,132,459</b>	<b>1,193,063</b>	<b>1,270,835</b>	<b>1,250,002</b>	<b>552,916</b>
<b>Net Increase (Decrease) to Net Position</b>	<b>208,538</b>	<b>1,629,283</b>	<b>(209,595)</b>	<b>(175,002)</b>	<b>260,960</b>
<b>NET POSITION</b>					
Beginning Net Position	396,441	604,979	604,979	2,234,262	2,234,262
<b>Ending Net Position</b>	<b>604,979</b>	<b>2,234,262</b>	<b>395,383</b>	<b>2,059,260</b>	<b>2,495,222</b>
<b>GAS TAX FUND (FUND 102000)</b>					
<b>REVENUES</b>					
Gas Tax revenue	83,877	89,650	103,372	98,155	67,558
Yuba County Measure D	14,293	15,638	4,000	0	0
Interest	563	100	120	100	26
Transfers In	60,000	5,489	60,000	120,000	0
<b>Total Revenue</b>	<b>158,733</b>	<b>111,364</b>	<b>167,492</b>	<b>218,255</b>	<b>67,584</b>
<b>EXPENSES</b>					
Personnel	82,190	81,688	82,673	72,609	49,284
Supplies & Services	74,905	76,037	90,625	103,836	50,635
Capital Outlay	35,035	0	23,500	23,500	0
<b>Total Expenses</b>	<b>192,131</b>	<b>157,725</b>	<b>196,798</b>	<b>199,945</b>	<b>99,919</b>
<b>Net Increase (Decrease) to Fund Balance</b>	<b>(33,398)</b>	<b>(46,361)</b>	<b>(29,306)</b>	<b>18,310</b>	<b>(32,335)</b>
<b>FUND BALANCE</b>					
Beginning Fund Balance	92,611	59,214	65,917	12,853	12,853
<b>Ending Fund Balance</b>	<b>59,214</b>	<b>12,853</b>	<b>36,611</b>	<b>31,163</b>	<b>(19,482)</b>

