

Corey Middleton, Mayor
Paul McCoy, Mayor Pro tempore
Colleen Baker, Councilmember
Drake Davis, Councilmember
Duane Kegg, Councilmember



Jason Ledbetter, City Manager
Rhetta Hogan, Asst. City Manager and Clerk
Emily Aldrich, Finance Director
Matthew Bray, Public Works Director
John Elsnab, Human Resources Director
Mark Gilman, Police Chief
Dohn Henion, City Attorney
Jerry Lemos, Fire Chief
Juliana Lucchesi, Planning Director

**YREKA CITY FINANCE COMMITTEE
SPECIAL MEETING AGENDA**

June 13, 2023

Special Meeting: 10:00 AM

Yreka City Council Chamber, 701 Fourth Street, Yreka, CA

Phone 530-841-2386, Facsimile 530-842-4836, email: cityclerk@ci.yreka.ca.us

The full agenda packet can be found on the City's website: www.ci.yreka.ca.us/AgendaCenter

Join this meeting via Zoom:

Link: <https://us02web.zoom.us/j/6194957056>
Meeting ID# 619-495-7056

Members of the public may also remotely listen to and participate in the meeting via teleconference. If you wish to listen or participate in this meeting through teleconference, simply dial into the conference number below, and enter the meeting ID#.

Conference call in Number: 669-900-6833 (Toll-Free 888 788 0099)

"RAISE YOUR HAND" to provide public comment for your desired item. Speakers will be asked to identify themselves.

- **Online:** If you are online, click on "raise hand" on the bottom of your screen.
- **Mobile App:** In the mobile app, you can raise your hand by tapping the "Raise Hand" option in the "More" tab.
- **Telephone:** If you are calling in via telephone, to raise your hand, dial *9 (star-nine). Speakers will be called on by the last four digits of their phone number. To unmute yourself dial *6 (star-six).

1. CALL TO ORDER and PLEDGE OF ALLEGIANCE:

The Finance Committee is a standing subcommittee consisting of two (2) councilmembers, currently Paul McCoy and Colleen Baker, the City Manager, the City Treasurer, and the Finance Director.

The Finance Committee considers and makes recommendations on matters referred to it by the City Council relating to finance, budget, audits, capital planning and debt.

2. PUBLIC COMMENTS:

Public participation is limited to those items listed on the agenda.

If your comments do not concern an item listed on this Agenda, please address the City Council at the next regular meeting.

The City requests that persons addressing the Finance Committee refrain from making personal, slanderous, profane, or disruptive remarks.

Committee Members, when recognized by the Committee Chair may ask questions from the presenter but no action may be taken by the Committee during the public comment section of the meeting. Under the

Brown Act, the Committee is prohibited from discussing or taking action on any item not listed on the posted agenda.

- Please speak from the podium.
- Please state your name for the record prior to providing your comments.
- Please address the Council as a whole.
- If you have documents to present, please provide a minimum of six (6) copies.
- Please limit your remarks to three (3) minutes.

3. PUBLIC COMMENT FOLLOW-UP:

This is the time for the Finance Committee or the City Manager to respond to public comments and may direct staff to prepare a report or place an item on a future agenda.

4. DISCUSSION:

- a. Presentation/Discussion of Utility Rate Study with PACE Engineering
- b. Discussion full time Clerk Position
- c. Recommendation of Consultant on Safety Initiative RFP
- d. Update of Budget Process

5. ADJOURNMENT.

In compliance with the requirements of the Brown Act, notice of this special meeting has been posted in a publicly accessible place, 24 hours in advance of the meeting.

All documents produced by the City which are related to an open session agenda item and distributed to the City Council are made available for public inspection in the City Clerk's Office during normal business hours.

Public Hearings: If, in the future, you wish to challenge in court any of the matters on an agenda for which a public hearing is to be conducted, you may be limited to raising only those issues which you (or someone else) raised orally at the public hearing or in written correspondence received by the City at or before the hearing. Any person seeking to challenge a City Council decision made as a result of a proceeding in which by law a hearing is required to be given, evidence is required to be taken, and the discretion in the determination of facts is vested in the City Council, shall be required to commence that action 90 days following the date on which the decision becomes final as provided in Code of Civil Procedure Section 1094.6. Please refer to Code of Civil Procedure 1094.6 to determine how to calculate when a decision becomes "final."

"CHALLENGING DECISIONS OF CITY ENTITIES The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City of Yreka is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision, including without limitation Government Code section 65009 applicable to many land use and zoning decisions, Government Code section 66499.37 applicable to the Subdivision Map Act, and Public Resources Code section 21167 applicable to the California Environmental Quality Act (CEQA). Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. Government Code section 65009 and 66499.37, and Public Resources Code section 21167, impose shorter limitations periods and requirements, including timely service in addition to filing. If a person wishes to challenge the above actions in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Yreka, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies."

The City of Yreka does not discriminate on the basis of race, color, national origin, religion, age, gender, sexual orientation, disability, or any other legally protected classes in employment or provision of services. In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the City Clerk 2 hours prior to the meeting at (530) 841-2336 or by notifying the Clerk at clerk@ci.yreka.ca.us.

AFFIDAVIT OF NOTIFICATION AND POSTING

STATE OF CALIFORNIA)
COUNTY OF SISKIYOU) SS
CITY OF YREKA)

I, Rhetta Hogan, City Clerk for the City of Yreka, hereby declare under penalty of perjury that a copy of the above Agenda of the Regular Meeting of the City Council of the City of Yreka, California, was delivered and/or notice by email not less than 24 hours, before the hour of [10:00AM on June 13, 2023](#) to the members of the governing agency, and caused the agenda to be posted on the City's website at www.ci.yreka.ca.us and posted at Yreka City Hall, 701 Fourth St., Yreka, California.

TECHNICAL MEMORANDUM – REV-1

TO: City of Yreka Finance Committee and Staff
FROM: Paul J. Reuter, P.E.
CC:
DATE: June 13, 2023
JOB NO.: 0069.66
SUBJECT: 2023 Water and Wastewater Utility Rate Study Update

Background

For the last fifteen (15) years, the City has attempted to adjust its water and wastewater utility rates every five (5) years. The first rate studies, in 2008, required a doubling of rates because annual rate increases were not implemented leading up to that point. The 2013 rate studies were not adopted, which put the City behind for five (5) years. However, the 2018 rates were adopted, and the City is still recovering ground lost by not adopting the 2013 rates. To avoid substantial future rate increases, it is important for the City to consider smaller annual incremental rate increases.

The “rate making” approach consists of evaluating actual revenues and expenditures for each utility enterprise and developing a cost-of-service analysis to determine the fairest approach for apportioning rates between user classes within each enterprise. Next, a five-year financial plan is developed that anticipates future revenue needs to cover projected operating expenditures, capital improvement needs, and reserve funding allocations for each enterprise.

These projected future revenue needs dictate the required utility rates within each enterprise over the next five (5) years. Proposition 218, named the “Right to Vote on Taxes Act,” was passed by California voters in 1996 and requires public agencies to seek user input for any increases in public utility rates. Users do not vote on proposed rate increases; they are only allowed to protest planned increases. Should the majority of users protest planned rate increases, the increases cannot go forward.

Proposition 218 does not allow public agencies to adopt future utility rates for longer than five years into the future.

The City of Yreka’s current water and wastewater utility rates are effective until January 1, 2024.

Previous Study

The City’s previous water and wastewater utility rate study was completed in late 2018. Revenue requirements for both the water and wastewater enterprises were projected to

increase about 4% per year from 2019 through 2023. Actual inflation on expenditures over this period was about 9.3%/year for Water and about 8.4%/year for Wastewater. In terms of financial impacts to the enterprise funds, the higher-than-expected inflation was offset somewhat by, 1) delayed planned capital improvements and 2) the City’s success in obtaining grants for some substantial capital improvement projects.

Water Fund

The City’s adopted fiscal year (FY) 21-22 and 22-23 budgets were used as a basis for establishing future revenue needs in the Water Fund. Two primary factors must be considered to establish future revenue needs: 1) Projected annual inflation on expenditures, and 2) amount of capital improvements to be funded with City funds. The City has identified approximately \$4.02M in capital improvements over the next five (5) years. About \$1.8M of this amount is scheduled to occur during the current FY22-23. Refer to Table 1, below.

Table 1 – Water Rate Increase Scenarios

Current Water Rate, 5/8” base	Projected Unrestricted Cash, 6-30-23	Self-Funded Water Replacement Work	Percentage Annual Rate Increase	Projected Water Rate @ End of Five Years	Projected Unrestricted Cash, 6-30-28
\$38.45	\$2.3M	\$1.8M ¹	8.4%	\$57.55	\$2.3M
\$38.45	\$2.3M	\$2.65M	9.9%	\$61.64	\$2.3M
\$38.45	\$2.3M	\$4.02M	12.8%	\$70.22	\$2.3M

As indicated in Table 1, an 8.4% per year increase would allow the City to complete the \$1.8M in self-funded capital improvements this year and maintain an unrestricted cash balance at the end of five years at roughly equivalent to what the City currently has. This should be considered the minimum considered rate increase to avoid spending down current cash reserves. The City could perform more self-funded capital improvements, but annual rate increases would need to be higher, as shown in the next two rows in Table 1.

In the last couple of years, the City has been awarded nearly \$10M in grant dollars to make substantial improvements to its water supply and storage infrastructure and replace filters at the water treatment plant. The City is also applying for grant dollars to develop a water treatment facility to utilize its water right to Greenhorn Reservoir water and make other water improvements to the system. These sizable grant allocations dampen the requirement for higher utility rate increases.

Attached Table 9 shows actual, budgeted, and projected (FY23-24 through FY27-28) expenditures for the major departments that make up the Water Enterprise. Annual projected inflation percentages are shown for each expense item.

Wastewater Fund

Like the Water Fund, the City’s adopted FY21-22 and 22-23 budgets were used as a basis for establishing the revenue needs for the Wastewater Fund. Like the Water Fund, the City has been successful in securing grants in recent years for improvements to its wastewater infrastructure: Within the next month, it will begin construction on the \$5.1M grant-funded collection system improvement project. It has also applied for grant funding for the \$4.5M Yreka Creek Sewer Improvement Project and will be applying, in the near future, for a major improvement project to the wastewater treatment plant, estimated to cost upwards of \$30M.

Despite the City’s aggressive pursuit of grant funding, there is approximately \$6.7M worth of growth-related improvements that was identified in the City’s recent Development Impact Fee (DIF) study. The \$6.7M represents the City’s portion of improvements needed to accommodate planned growth. For example, some improvements needed to accommodate growth benefit existing rate payers as well. It is difficult to secure grant dollars to fund improvements designed for growth, so the City will need to fund this portion with rate revenue, loan financing, or some combination of the two.

Historically, growth induced improvements were not funded by revenue collected through DIF. So, the City had to incur debt to fund these improvements. With the City’s recent adoption of DIF’s for all major water and wastewater infrastructure components, future development will help offset the City’s debt obligations attributable to growth.

Like the Water Fund, future rate increases will be based on, 1) Projected annual inflation on expenditures, and 2) amount of capital improvements to be funded with City funds. Table 2, below, shows a comparison of wastewater rate scenarios.

Table 2 – Wastewater Rate Increase Scenarios

Current Wastewater Rate	Projected Unrestricted Cash, 6-30-23	Self-Funded Sewer Replacement Work	Percentage Annual Rate Increase	Projected Wastewater Rate @ End of Five Years	Projected Unrestricted Cash, 6-30-28
\$51.10	\$4.1M	\$2.5M	7.25%	\$72.50	\$4.1M
\$51.10	\$4.1M	\$4.0M	10.1%	\$82.66	\$4.1M
\$51.10	\$4.1M	\$6.7M	14.5%	\$100.56	\$4.1M

As indicated in Table 2, if the City chose to self-fund \$2.5M of the \$6.7M of development-related improvements, it would require a 7.25% per year rate increase to maintain the current level of unrestricted cash at the end of five years. The bottom two rows in the table show higher annual rate increases to self-fund a larger component of the growth-related projects, including a 14.5% per year increase to self-fund the entire \$6.7M of growth-related

improvements. If the City is unable to stay ahead of infrastructure improvements needed to accommodate development, the development community may need to front the cost of these improvements and enter into a reimbursement agreement with the City that will pay back the developer when future development occurs that will benefit from this installed infrastructure.

It is not recommended the City implement rate increases that will leave it with less unrestricted cash at the end of five years than what it currently has.

Attached Table 17 shows actual, budgeted, and projected (FY23-24 through FY27-28) expenditures for the major departments that make up the Wastewater Enterprise. Note annual inflation percentages are shown for each expense item.

TABLE 9
City of Yreka-Water Utility
Budgeted and Projected Expenditures

Fund	Depart	Code	Account Description	Inflation Factor	Actual (FY 21-22)	Budgeted (FY 22-23)	Projected (FY 23-24)	Projected (FY 24-25)	Projected (FY 25-26)	Projected (FY 26-27)	Projected (FY 27-28)
FINANCE											
70	30	100 thru 104	Wages	4%	\$104,831	\$100,644	\$111,638	\$116,104	\$120,748	\$125,578	\$130,601
70	30	310 thru 390	Employee Benefits	5%	\$76,347	\$75,302	\$78,937	\$82,884	\$87,028	\$91,379	\$95,948
70	30	100 thru 390	ACM (Split 25/25/50 Water/Waste/GF)	3.5%	\$0	\$0	\$48,000	\$49,680	\$51,419	\$53,218	\$55,081
			UAL Funding	2.0%	\$0	\$0	\$30,000	\$30,600	\$31,212	\$31,836	\$32,473
70	30	510 thru 513	Clothing, Dues, Travel & Training	3%	\$1,325	\$3,600	\$3,708	\$3,819	\$3,934	\$4,052	\$4,173
70	30	515 thru 517	Supplies	3%	\$22,300	\$29,000	\$29,870	\$30,766	\$31,689	\$32,640	\$33,619
70	30	525 & 526	Professional & Contract Services	3%	\$57,427	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275	\$57,964
			Subtotal		\$262,230	\$258,546	\$353,653	\$366,898	\$380,666	\$394,979	\$409,859
PUBLIC WORKS ADMINISTRATION											
70	300	100 thru 104	Wages	4%	\$98,746	\$110,482	\$114,901	\$119,497	\$124,277	\$129,248	\$134,418
70	300	310 thru 390	Employee Benefits	5%	\$71,982	\$83,010	\$87,161	\$91,519	\$96,094	\$100,899	\$105,944
70	300	100 thru 390	PW Foreman (30% of cost)	3.5%	\$0	\$0	\$0	\$36,038	\$37,299	\$38,605	\$39,956
70	300	100 thru 390	Planning Support (Split 25/25/50 Water/Waste/GF)	3.5%	\$0	\$0	\$27,750	\$28,721	\$29,726	\$30,767	\$31,844
70	300	515 thru 517	Supplies & Communications	3%	\$4,426	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159
70	300	519	Advertising	3%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70	300	525	Professional Services & Ord. Update	3%	\$29,959	\$74,000	\$76,220	\$78,507	\$80,862	\$83,288	\$85,786
			Subtotal		\$205,113	\$268,492	\$307,062	\$355,343	\$369,352	\$383,932	\$399,108
WATER DISTRIBUTION											
70	500	100 thru 104	Wages	4%	\$196,796	\$305,824	\$240,569	\$250,192	\$260,199	\$270,607	\$281,432
70	500	310 thru 390	Employee Benefits	5%	\$158,750	\$238,079	\$172,476	\$181,100	\$190,155	\$199,663	\$209,646
70	550	100 thru 390	New Operator	3.5%	\$0	\$0	\$126,000	\$130,410	\$134,974	\$139,698	\$144,588
70	500	416	Special Department Supplies	3%	\$10,980	\$24,000	\$24,720	\$25,462	\$26,225	\$27,012	\$27,823
70	500	420	Maintenance and Operations	3%	\$36,384	\$57,500	\$59,225	\$61,002	\$62,832	\$64,717	\$66,658
70	500	422 & 450	Small Tools & Equipment	3%	\$15,011	\$17,800	\$18,334	\$18,884	\$19,451	\$20,034	\$20,635
70	500	4__	Short-Term Asset Replacement	3%	\$0	\$194,512	\$200,347	\$206,358	\$212,549	\$218,925	\$225,493
70	500	510 thru 513	Training	3%	\$7,677	\$7,300	\$7,519	\$7,745	\$7,977	\$8,216	\$8,463
70	500	515 thru 517	Office Supplies & Communications	3%	\$5,844	\$7,300	\$7,519	\$7,745	\$7,977	\$8,216	\$8,463
70	500	520	Chargeback Amounts	3%	\$94,615	\$85,594	\$88,162	\$90,807	\$93,531	\$96,337	\$99,227
70	500	525	Professional & Backflow Services	3%	\$39,568	\$18,000	\$18,540	\$19,096	\$19,669	\$20,259	\$20,867
70	500	526	Contract Services	3%	\$0	\$19,000	\$19,570	\$20,157	\$20,762	\$21,385	\$22,026
70	500	530	Insurance & claims	3%	\$2,265	\$1,396	\$1,438	\$1,481	\$1,525	\$1,571	\$1,618
70	500	535	Fees - Distribution Cert	3%	\$270	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159
			Subtotal		\$568,159	\$977,305	\$985,449	\$1,021,498	\$1,058,919	\$1,097,766	\$1,138,097
WATER SUPPLY AND TREATMENT											
70	510	100 thru 104	Wages	4%	\$279,013	\$266,637	\$307,911	\$320,227	\$333,037	\$346,358	\$360,212
70	510	310 thru 390	Employee Benefits	5%	\$195,954	\$179,158	\$263,699	\$276,884	\$290,728	\$305,265	\$320,528
70	510	416	Special Department Supplies	3%	\$1,959	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637
70	510	416	Outside Lab Testing	3%	\$3,226	\$4,500	\$4,635	\$4,774	\$4,917	\$5,065	\$5,217
70	510	420	Maintenance and Operations	3%	\$31,953	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138	\$28,982
70	510	420	Telemetry Maintenance	3%	\$9,811	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593
70	510	420	Chemicals	5%	\$31,964	\$40,000	\$42,000	\$44,100	\$46,305	\$48,620	\$51,051
70	510	420	Fall Creek Pipeline & PS Maintenance	3%	\$12,400	\$18,000	\$18,540	\$19,096	\$19,669	\$20,259	\$20,867
70	510	422	Small Tools	3%	\$2,712	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159
70	510	4__	Short-Term Asset Replacement	3%	\$0	\$121,238	\$124,875	\$128,621	\$132,480	\$136,455	\$140,548

TABLE 9
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Fund	Depart	Code	Account Description	Inflation Factor	Actual (FY 21-22)	Budgeted (FY 22-23)	Projected (FY 23-24)	Projected (FY 24-25)	Projected (FY 25-26)	Projected (FY 26-27)	Projected (FY 27-28)
70	510	450	Equip. & Meter Calibration	3%	\$4,065	\$8,500	\$8,755	\$9,018	\$9,288	\$9,567	\$9,854
70	510	510 thru 513	Training	3%	\$2,775	\$4,500	\$4,635	\$4,774	\$4,917	\$5,065	\$5,217
70	510	515 thru 517	Office Supplies & Communications	3%	\$14,242	\$9,000	\$9,270	\$9,548	\$9,835	\$10,130	\$10,433
70	510	518	Electric & Propane	3%	\$236,495	\$289,000	\$297,670	\$306,600	\$315,798	\$325,272	\$335,030
70	510	520	Chargeback Amounts	3%	\$36,328	\$24,898	\$25,645	\$26,415	\$27,207	\$28,023	\$28,864
70	510	521	Building Maintenance	3%	\$2,748	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637
70	510	525	Professional & Legal Services	3%	\$24,156	\$75,000	\$77,250	\$79,568	\$81,955	\$84,413	\$86,946
70	510	525	FERC & EIS/EIR Prof Services	3%	\$338	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796
70	510	526	Contractual Services	3%	\$0	\$500	\$515	\$530	\$546	\$563	\$580
70	510	530	Property Insurance	3%	\$66,375	\$57,758	\$59,491	\$61,275	\$63,114	\$65,007	\$66,957
70	510	534	County Prop Taxes - Water	3%	\$124	\$200	\$206	\$212	\$219	\$225	\$232
70	510	535	Fees - State/County/Agencies	3%	\$14,001	\$20,600	\$21,218	\$21,855	\$22,510	\$23,185	\$23,881
Subtotal					\$970,639	\$1,168,490	\$1,316,785	\$1,365,482	\$1,416,068	\$1,468,622	\$1,523,221
WATER CONSERVATION (BMP)											
70	520	100 thru 104	Wages	4%	\$5,804	\$5,873	\$6,149	\$6,395	\$6,651	\$6,917	\$7,193
70	520	310 thru 390	Employee Benefits	5%	\$4,126	\$3,362	\$3,830	\$4,022	\$4,223	\$4,434	\$4,655
70	520	510	Clothing & Personal Expense	3%	\$0	\$100	\$103	\$106	\$109	\$113	\$117
70	520	515 thru 517	Supplies and Communications	3%	\$975	\$1,100	\$1,133	\$1,167	\$1,202	\$1,238	\$1,275
70	520	519	Advertising	3%	\$0	\$2,500	\$0	\$0	\$0	\$0	\$0
70	520	520	Fuel Chargeback-Fleet	3%	\$0	\$100	\$103	\$106	\$109	\$113	\$117
70	520	525	Urban Water Management Plan	3%	\$1,374	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796
Subtotal					\$12,279	\$18,035	\$16,468	\$17,100	\$17,758	\$18,441	\$18,920
GREENHORN RESERVOIR											
70	530	100 thru 109	Wages	4%	\$0	\$54,760	\$87,762	\$91,272	\$94,923	\$98,720	\$102,669
70	530	310 thru 390	Employee Benefits	5%	\$0	\$44,955	\$70,584	\$74,113	\$77,819	\$81,710	\$85,795
70	530	416-450	Maintenance & Operations, Tools, Security	3%	\$0	\$17,544	\$18,070	\$18,612	\$19,171	\$19,746	\$20,334
70	530	4__	Short-Term Asset Replacement	3%	\$0	\$22,700	\$23,381	\$24,082	\$24,805	\$25,549	\$26,316
70	530	515 thru 517	Supplies and Communications	3%	\$0	\$360	\$371	\$382	\$393	\$405	\$417
70	530	518	Water/Sewer/LFF	3%	\$0	\$16,135	\$16,619	\$17,118	\$17,631	\$18,160	\$18,705
70	530	834	County Property Taxes	3%	\$0	\$897	\$924	\$951	\$980	\$1,009	\$1,038
70	530	520	Maintenance & Operations	3%	\$89,161	-\$4,458	-\$4,592	-\$4,730	-\$4,871	-\$5,018	-\$5,168
Subtotal					\$89,161	\$152,892	\$213,119	\$221,802	\$230,851	\$240,282	\$236,021
CAPITAL PROJECTS-WATER DISTRIBUTION											
71	300	650	Capitalized Equipment		\$0	\$0	\$0	\$0	\$0	\$0	\$0
71	500	100 thru 390	Wages and Benefits		\$34,590	\$0	\$0	\$0	\$0	\$0	\$0
71	500	525 & 526	Professional Services & Fees		\$0	\$0	\$0	\$0	\$0	\$0	\$0
71	500	625	HWY 3 Paving		\$0	\$0	\$0	\$0	\$0	\$0	\$0
71	500	625	Fairgrounds Water Line		\$0	\$0	\$0	\$0	\$0	\$0	\$0
71	500	625	STIP - Foothill Water Main/Lennox		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Near-term Item Nos. 4 & 5 in WMP											
E. Lennox Pipeline Replacement					\$0	\$100,000	\$0	\$0	\$0	\$0	\$0
71	500	6036-625	STIP N. Oregon PPNO2518		\$0	\$0	\$0	\$0	\$0	\$0	\$0
71	500	6037-625	STIP S. Oregon PPNO2500		\$0	\$300,000	\$0	\$0	\$0	\$0	\$0

TABLE 9
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Budgeted and Projected Expenditures

Fund	Depart	Code	Account Description	Inflation Factor	Actual (FY 21-22)	Budgeted (FY 22-23)	Projected (FY 23-24)	Projected (FY 24-25)	Projected (FY 25-26)	Projected (FY 26-27)	Projected (FY 27-28)
Portion of Long-term Item Nos. 4 & 5 in WMP			HWY 3 Water Project		\$0	\$1,734,000	\$0	\$0	\$0	\$0	\$0
Near-term Item No. 6 in WMP			Ongoing steel water main & service replacement		\$0	\$0	\$0	\$0	\$0	\$0	\$0
			Water Master Plan Update		\$0	\$0	\$11,000	\$11,000	\$0	\$0	\$0
Near-term Item No. 7 in WMP			Cellular Meter Head Upgrade		\$0	\$0	\$0	\$0	\$0	\$0	\$0
			City Hall Upgrade		\$0	\$0	\$0	\$0	\$0	\$0	\$0
			Subtotal		\$34,590	\$2,134,000	\$11,000	\$11,000	\$0	\$0	\$0
CAPITAL PROJECTS-WATER SUPPLY & TREATMENT											
71	510	100 thru 390	Wages and Benefits		\$0	\$0	\$0	\$0	\$0	\$0	\$0
71	510	525	Professional Services		\$0	\$0	\$0	\$0	\$0	\$0	\$0
71	510	650	Capitalized Equipment		\$0	\$0	\$0	\$0	\$0	\$0	\$0
71	510	650 thru 690	Capitalized Equip (Trucks) & Expenses		\$0	\$0	\$0	\$0	\$0	\$0	\$0
			Water Supply and Storage Improvements		\$0	\$4,939,000	\$0	\$0	\$0	\$0	\$0
Near-term Item No. 8 in WMP			South Yreka Water Supply Distributuion Improvements (Greenhorn Reservoir Intake & Treatment)(Anticipate Grant Funding)		\$0	\$0	\$0	\$0	\$32,271,000	\$0	\$0
71	510	625	E. Lennox: Replace Filters		\$0	\$1,016,721	\$0	\$0	\$0	\$0	\$0
71	510	625	Cathodic Protection Survey		\$0	\$0	\$0	\$40,000	\$0	\$0	\$0
71	510	625	Fall Creek Master Meter replacement		\$0	\$0	\$0	\$0	\$0	\$150,000	\$0
71	510	625	Fall Creek Pipeline Assessment		\$0	\$0	\$0	\$0	\$0	\$0	\$0
71	510	625	Upgrade SCADA Services		\$0	\$0	\$55,000	\$0	\$0	\$0	\$0
Near-term Item No. 3 in WMP			Supplemental Water Supply Feasibility Study(2025-2030)		\$0	\$0	\$0	\$0	\$0	\$43,000	\$0
			Alternative Water Supply		\$0	\$0	\$0	\$0	\$0	\$0	\$0
			Land Acquisition Watershed Protection		\$0	\$0	\$0	\$0	\$0	\$0	\$0
			Subtotal		\$0	\$5,955,721	\$55,000	\$40,000	\$32,271,000	\$193,000	\$0
WATER DEBT SERVICING											
72	500	740 & 745	Capital Lease		\$86,252	\$86,252	\$86,252	\$86,252	\$86,252	\$86,252	\$86,252
72	510	740 & 745	USDA Rural Development Loan Payment (2010)		\$263,080	\$262,986	\$262,986	\$262,986	\$262,986	\$262,986	\$262,986
			Subtotal		\$349,332	\$349,238	\$349,238	\$349,238	\$349,238	\$349,238	\$349,238
INTERNAL SERVICES											
ICA Expense			70-000-0000-760-001	4%	\$274,666	\$229,267	\$238,438	\$247,975	\$257,894	\$268,210	\$278,938
			Subtotal		\$274,666	\$229,267	\$238,438	\$247,975	\$257,894	\$268,210	\$278,938
Total Expenditures, Capital and Transfers					\$2,766,169	\$11,511,986	\$3,846,212	\$3,996,335	\$36,351,745	\$4,414,470	\$4,353,403

Capital Improvement funded by grants.
 City portion of rate-funded Capital Improvements per Water Master Plan and DIF Study.

TABLE 17
City of Yreka-Wastewater Utility
Budgeted and Projected Expenditures

Fund	Depart	Code	Account Description	Inflation Factor	Actual (FY 21-22)	Budgeted (FY 22-23)	Projected (FY 23-24)	Projected (FY 24-25)	Projected (FY 25-26)	Projected (FY 26-27)	Projected (FY 27-28)
FINANCE											
80	30	100 thru 104	Wages	4%	\$103,885	\$100,644	\$123,089	\$128,013	\$133,133	\$138,458	\$143,997
80	30	310 thru 390	Employee Benefits	5%	\$70,987	\$75,302	\$97,486	\$102,360	\$107,478	\$112,852	\$118,495
80	30	100 thru 390	ACM (split 25/25/50 Water/Waste/GF)	3.5%	\$0	\$0	\$48,000	\$49,680	\$51,419	\$53,218	\$55,081
			UAL Funding	2.0%	\$0	\$0	\$30,000	\$30,600	\$31,212	\$31,836	\$32,473
80	30	511 thru 513	Dues, Training and Travel	3%	\$93	\$3,600	\$3,708	\$3,819	\$3,934	\$4,052	\$4,173
80	30	515 thru 517	Supplies	3%	\$16,947	\$21,000	\$21,630	\$22,279	\$22,947	\$23,636	\$24,345
80	30	526 & 526	Professional & Contract Services	3%	\$52,541	\$48,410	\$48,410	\$49,862	\$51,358	\$52,899	\$54,486
			Subtotal		\$244,453	\$247,546	\$372,323	\$386,613	\$401,481	\$416,952	\$433,050
PUBLIC WORKS ADMINISTRATION											
80	300	100 thru 104	Wages	4%	\$98,848	\$110,482	\$108,377	\$112,712	\$117,221	\$121,909	\$126,786
80	300	310 thru 390	Employee Benefits	5%	\$67,049	\$83,010	\$80,636	\$84,668	\$88,901	\$93,346	\$98,014
80	300	100 thru 390	PW Foreman (30% of cost)	3.5%	\$0	\$0	\$46,038	\$47,649	\$49,317	\$51,043	\$52,830
70	30	100 thru 390	Planning Support (Split 25/25/50 Water/Waste/GF)	3.5%	\$0	\$0	\$37,750	\$39,071	\$40,439	\$41,854	\$43,319
80	300	515 thru 519	Supplies and Advertising	3%	\$3,501	\$1,030	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159
80	300	525 thru 526	Professional Services & Ord. Updates	3%	\$26,277	\$37,000	\$38,110	\$39,253	\$40,431	\$41,644	\$42,893
			Subtotal		\$195,675	\$231,492	\$311,941	\$324,415	\$337,401	\$350,922	\$365,000
WASTEWATER COLLECTION											
80	550	100 thru 104	Wages	4%	\$91,082	\$202,812	\$210,924	\$219,361	\$228,135	\$237,261	\$246,751
80	550	310 thru 390	Employee Benefits	5%	\$67,040	\$144,937	\$152,184	\$159,793	\$167,783	\$176,172	\$184,980
80	550	100 thru 390	OIT	3.5%	\$0	\$0	\$100,000	\$103,500	\$107,123	\$110,872	\$114,752
80	550	416	Special Department Supplies	3%	\$14,589	\$23,000	\$23,690	\$24,401	\$25,133	\$25,887	\$26,663
80	550	420 & 421	Maintenance and Operations	3%	\$7,580	\$45,000	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167
80	550	422 & 450	Small Tools & Equipment	3%	\$1,301	\$7,500	\$7,725	\$7,957	\$8,195	\$8,441	\$8,695
80	550	426	Contract Services-SSO Sampling	3%	\$0	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159
80	550	4__	Short-Term Asset Replacement	3%	\$0	\$121,243	\$124,880	\$128,627	\$132,485	\$136,460	\$140,554
80	550	510 thru 513	Clothing, Travel, Training	3%	\$3,598	\$2,200	\$2,266	\$2,334	\$2,404	\$2,476	\$2,550
80	550	515 thru 517	Office Supplies & Communications	3%	\$4,428	\$3,500	\$3,605	\$3,713	\$3,825	\$3,939	\$4,057
80	550	518	Electric	3%	\$2,102	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377	\$3,478
80	550	519	Advertising	3%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
80	550	520	Chargeback	3%	\$88,440	\$87,880	\$90,517	\$93,232	\$96,029	\$98,910	\$101,877
80	550	521	Building Maintenance	3%	\$112	\$200	\$206	\$212	\$219	\$225	\$232
80	550	525 & 526	Professional & Contract Services	3%	\$1,862	\$56,600	\$58,298	\$60,047	\$61,848	\$63,704	\$65,615
80	550	530	Insurance & claims	4%	\$3,458	\$3,396	\$3,532	\$3,673	\$3,825	\$3,973	\$4,132
80	550	535	Fees-State/County Agencies	3%	\$2,031	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377	\$3,478
80	550	1027-525	Professional Services-FOG	3%	\$83,160	\$35,000	\$0	\$0	\$0	\$0	\$0
			Subtotal		\$370,783	\$740,268	\$831,386	\$862,016	\$893,821	\$926,846	\$961,141
WASTEWATER DISPOSAL											
80	560	100 thru 104	Wages	4%	\$248,096	\$243,128	\$282,937	\$294,254	\$306,025	\$318,266	\$330,996
80	560	310 thru 390	Employee Benefits	5%	\$170,654	\$193,931	\$230,777	\$242,316	\$254,432	\$267,153	\$280,511
80	560	416	Special Department Supplies	3%	\$25	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377	\$3,478
80	560	416	Outside Lab Testing	3%	\$15,716	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765	\$34,778
80	560	416	Chemicals	5%	\$170,506	\$165,000	\$173,250	\$181,913	\$191,008	\$200,559	\$210,586
80	560	420	Maintenance and Operations	3%	\$66,260	\$57,000	\$58,710	\$60,471	\$62,285	\$64,154	\$66,079
80	560	420 & 421	Sludge Disposal	3%	\$86,473	\$65,000	\$66,950	\$68,959	\$71,027	\$73,158	\$75,353
80	560	422	Small Tools	3%	\$0	\$2,000	\$2,060	\$2,122	\$2,185	\$2,251	\$2,319
80	560	425	Professional Services	3%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
80	560	450	Gas Detector	3%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
80	560	4__	Short-Term Asset Replacement	3%	\$0	\$164,238	\$169,165	\$174,240	\$179,467	\$184,851	\$190,397
80	560	510 thru 513	Clothing, Dues, Travel & Training	3%	\$1,241	\$6,300	\$6,489	\$6,684	\$6,884	\$7,091	\$7,303
80	560	515 thru 517	Office Supplies & Communication	3%	\$3,636	\$3,400	\$3,502	\$3,607	\$3,715	\$3,827	\$3,942
80	560	518	Electric & Propane	3%	\$136,511	\$173,000	\$178,190	\$183,536	\$189,042	\$194,713	\$200,554
80	560	518	Water/Sewer/LFF	3%	\$48,631	\$45,000	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167
80	560	518	Garbage	3%	-\$1,885	\$800	\$824	\$849	\$874	\$900	\$927
80	560	519	Advertising	3%	\$0	\$300	\$309	\$318	\$328	\$338	\$348
80	560	520	Chargeback Amounts	3%	\$20,053	\$20,387	\$20,998	\$21,628	\$22,277	\$22,945	\$23,634
80	560	521	Building Maintenance	3%	\$3,000	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593

TABLE 17
City of Yreka-Wastewater Utility
Budgeted and Projected Expenditures

Fund	Depart	Code	Account Description	Inflation Factor	Actual (FY 21-22)	Budgeted (FY 22-23)	Projected (FY 23-24)	Projected (FY 24-25)	Projected (FY 25-26)	Projected (FY 26-27)	Projected (FY 27-28)	
80	560	525	Professional & Legal Services	3%	\$784	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	
80	560	526	Janitorial/Custodial	3%	\$3,600	\$3,600	\$3,708	\$3,819	\$3,934	\$4,052	\$4,173	
80	560	530	Property Insurance	3%	\$44,703	\$27,112	\$27,925	\$28,763	\$29,626	\$30,515	\$31,430	
80	560	535	Fees - State/County/Agencies	3%	\$29,611	\$28,000	\$28,840	\$29,705	\$30,596	\$31,514	\$32,460	
			Subtotal		\$1,047,615	\$1,251,196	\$1,355,575	\$1,407,152	\$1,460,794	\$1,516,586	\$1,574,621	
WASTEWATER COLLECTION CAPITAL PROJECTS												
81	000	760	Interfund Transfer Out - Fund 65		\$0	\$375,000	\$0	\$0	\$0	\$0	\$0	
81	550	450	Non-Capitalized Equipment		\$0	\$14,877	\$0	\$0	\$0	\$0	\$0	
81	550	Various	Capitalized Equipment & Expenses		\$289,454	\$110,131	\$0	\$0	\$0	\$0	\$0	
81	550	3324-625	USDA Hwy 3 Sewer (\$6.1M Loan)-City Portion		\$0	\$500,700	\$0	\$0	\$0	\$0	\$0	
81	550	6037-625	Sewer - STIP S. Oregon		\$0	\$300,000	\$0	\$0	\$0	\$0	\$0	
Shown as 2020 Improvements in the Sewer Master Plan (Covers Item Nos. 1-9 in SMP Table 5)			Wastewater Collection System Improvements - Construction Grant		\$0	\$5,075,000	\$0	\$0	\$0	\$0	\$0	
Shown in the Sewer Master Plan (Covers Item Nos. 12,15, 19, 25, 29, & 30 in SMP Table 5)			Yreka Creek Sewer Improvement Project - CWSRF Planning Grant		\$0	\$0	\$0	\$500,000	\$0	\$0	\$4,000,000	
Improvements scheduled for 2026-2030 in DIF Study (Covers Item Nos. 13,14,16-18, & 34 in SMP Table 5)			General Sewer Improvements		\$0	\$0	\$0	\$0	\$0	\$1,066,000	\$0	
			Center St. Area Sewer Improvements		\$0	\$0	\$0	\$0	\$0	\$1,450,000	\$0	
			Yama St. Area Sewer Improvements-Phase 2		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
			South St. Area Sewer Improvements		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
			S. West St. Area Sewer Improvements		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
			Aging Sewer Main Replacements (2026-2030)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
			Industrial Waste Permit Expense		\$0	\$0	\$10,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
			Wastewater Master Plan Update		\$0	\$0	\$0	\$11,000	\$11,000	\$0	\$0	
			City Hall Upgrade		\$0	\$0	\$375,000	\$375,000	\$0	\$0	\$0	
			Subtotal		\$289,454	\$6,375,708	\$385,000	\$887,000	\$12,000	\$2,517,000	\$4,001,000	
WASTEWATER DISPOSAL CAPITAL PROJECTS												
81	560	0000-450	Non-Capitalized Equipt		\$0	\$122,690	\$0	\$0	\$0	\$0	\$0	
81	560	0000-525	Professional Services		\$0	\$191,400	\$0	\$0	\$0	\$0	\$0	
81	560	0000-650	Capitalized Equipt		\$0	\$28,982	\$0	\$0	\$0	\$0	\$0	
Improvements scheduled for 2021-2025 in Sewer Master Plan & DIF Study (Covers Rate Payer's portion of Item Nos. 33-39,41,43, & 44 in SMP Table 5.)			AC Pavement Rehab at WWTP		\$0	\$0	\$0	\$0	\$32,000,000	\$0	\$0	
			Overall Plant SCADA System Improvements		\$0	\$0	\$0	\$0		\$0		
			Install Headworks Flowmeters		\$0	\$0	\$0	\$0		\$0		
			Rehabilitate/Optimize Secondary Clarifiers		\$0	\$0	\$0	\$0		\$0		
			Rehabilitate/Expand Chlorine Contact Basin		\$0	\$0	\$0	\$0		\$0		
			Filtration Improvements		\$0	\$0	\$0	\$0		\$0		
			Digester Improvements		\$0	\$0	\$0	\$0		\$0		
Enhanced improvements not discussed in the SMP			Other WWTP Improvements		\$0	\$0	\$0	\$0	\$0	\$0		
Item No. 40 in SMP Table 5 (Cover's Rate-Payer's portion of cost)			Wastewater Treatment Plant Eval./Feas. Study		\$0	\$0	\$0	\$0	\$0	\$0	\$70,000	
			Subtotal		\$0	\$343,072	\$0	\$0	\$32,000,000	\$0	\$70,000	
WASTEWATER DEBT SERVICE (INCLUDING DEBT RESERVES)												
82	550	3024-740/745	2012 Sewer Improvements-USDA		\$206,234	\$206,855	\$206,855	\$206,855	\$206,855	\$206,855	\$206,855	
82	550	3324-745	Banner Bank Anticipation Note		\$55,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	
			SR3/Main St. Sewer Upgrade (\$6.098M Loan)		\$0	\$0	\$234,640	\$234,640	\$234,640	\$234,640	\$234,640	
			Subtotal		\$261,234	\$316,855	\$551,495	\$551,495	\$551,495	\$551,495	\$551,495	
INTERNAL SERVICES												
80	000	760	Overhead Recovery Expenses	3%	\$208,577	\$216,530	\$223,026	\$229,717	\$236,608	\$243,706	\$251,018	
			Subtotal		\$208,577	\$216,530	\$223,026	\$229,717	\$236,608	\$243,706	\$251,018	
Total Expenditures and Transfers					\$2,617,791	\$9,722,666	\$4,030,746	\$4,648,408	\$35,893,600	\$6,523,508	\$8,207,325	
<div style="display: flex; align-items: center;"> <div style="width: 20px; height: 10px; background-color: yellow; margin-right: 5px;"></div> Project to be funded with grant dollars. </div> <div style="display: flex; align-items: center;"> <div style="width: 20px; height: 10px; background-color: yellow; margin-right: 5px;"></div> City portion of rate-funded Capital Improvements per Sewer Master Plan and DIF Study. </div>												