City of St. Helena
Regular City Council Meeting
Tuesday, April 25, 2017 @ 6:00 PM
Vintage Hall Board Room - Second Floor
465 Main Street, St. Helena

PLEASE NOTE: Any person who wishes to speak regarding an item on the agenda or make a comment under the "Oral Communication" portion of the agenda may do so, but <u>please observe the time limit of three minutes.</u>

Page

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL
Mayor: Alan Galbraith
Vice Mayor: Peter White
City Council: Paul Dohring
Geoff Ellsworth
Mary Koberstein

4. PUBLIC FORUM:
Members of the public are entitled to speak on matters of municipal concern not on the agenda during Public Forum. Each person's comments shall be limited to <u>3 minutes</u>. Each person is entitled to speak on any non-agendized item only once at any meeting. Brief questions by Councilmembers for clarifications may be posed and answered, and Councilmembers may make requests that items be placed on future agendas, but in accordance with state law, no substantive discussion or action may take place unless and until the matter properly appears on the agenda.

5. REPORTS BY STAFF AND CITY COUNCIL, FUTURE AGENDA ITEMS, AND AB 1234 REPORTS:
Reports by staff and/or Councilmembers on items of general interest. Brief questions for clarification may be posed and answered, and Councilmembers may request that items be placed on a future agenda. Except under certain circumstances, the Brown Act prohibits any other discussion or action by the City Council.

6. STAFF BRIEFING

   6.1. None

7. PRESENTATIONS AND PUBLIC RECOGNITIONS

   7.1. Proclamation - National Volunteer Week presented to Outreach Services Librarian Mari Martiinez and St. Helena Library Director Chris Kreiden — 7

   Item 7.1 2017 Volunteer Week Proclamation

8. CONSENT ITEMS
Members of the Council or the public may ask that any items be considered individually for purposes of considering alternative action, for extended

discussion, or for public comment. Unless that is done, one motion may be used to adopt all recommended actions. (Roll Call Vote)

8.1. Consideration and proposed approval of Regular Meeting Minutes of March 14, 2017. 9 - 16

CEQA Determination: Not a CEQA project
Prepared By: Cindy Black, City Clerk
Recommendation: Approve
Item 8.1 03-14-2017 Minutes

8.2. Consideration and Proposed Approval of a Resolution approving an Employment Agreement with Erica Ahmann Smithies and Ratifying the City Managers Appointment to serve as the City Public Works Director 17 - 27

CEQA Determination: Not a CEQA project
Prepared By: Larry Pennell, Interim City Manager
Recommendation: Adopt
Item 8.2 Staff Report
Item 8.2 Attachment 1 - Resolution
Item 8.2 Attachment 2 - Employment Agreement

8.3. Council consideration and possible approval of a resolution reiterating the City of St. Helena's commitment to complete the project for the removal of the Upper York Creek Dam by the end of 2018. 29 - 35

CEQA Determination: Not a CEQA project
Prepared By: Erica Ahman Smithies, Acting Public Works Director
Recommendation: Adopt
Item 8.3 Staff Report
Item 8.3 Attachment 1 - Resolution

8.4. Consideration and Proposed Approval of a Resolution Approving a Request for Waiver of Use Permit Planning Application Fee and Building Permit Fees, not to Exceed $10,800, for the St. Helena Fire Department's Application for St. Helena Fire Department Station #2 at 1025 Dowdell Lane 37 - 39

CEQA Determination: Not a CEQA project
Prepared By: Allison Mattioli, Management Analyst
John Sorensen, Fire Chief
Recommendation: Adopt
Item 8.4 Staff Report
Item 8.4 Attachment 1 - Resolution

8.5. Consideration and proposed approval of a resolution approving a sole source purchase for one Channel Monster Wastewater Grinder from JWC Environmental in an amount not to exceed $32,000 and authorize the Finance Director to execute a budget transfer of $32,000 from Wastewater Reserves 41 - 52

CEQA Determination: Not a CEQA project
Prepared By: Tobias Barr, Public Works Project Manager

Erica Ahmann Smithies, PE, Director of Public Works/City Engineer
Recommendation: Adopt

Item 8.5 Staff Report
Item 8.5 Attachment 1 - Channel Monster Quote
Item 8.5 Attachment 2 - Sole Source Letter
Item 8.5 Attachment 3 - Resolution

8.6. Receive and File Grant Quarterly Report for FY 2017 Q3, for the period ending March 31, 2017 — 53 - 56

CEQA Determination: Not a CEQA project
Prepared By: April Mitts, Finance Director
Tracey Perkosky, Grants & Finance Manager
Recommendation: Receive and file

Item 8.6 Staff Report

8.7. Consideration and proposed approval of Resolution approving the SHES/SHPS Parent Teacher Group to host musical entertainment, and vendors at Lyman Park on Friday, May 5, 2017, between the hours of 2:00 pm and 10:00 pm, and waive the Encroachment Permit fee in the amount of $200.00, and authorizing City staff to assist with set-up and tear down of equipment — 57 - 62

CEQA Determination: Not a CEQA project
Prepared By: Erica Ahmann Smithies, PE, Director of Public Works/City Engineer
Recommendation: Adopt

Item 8.7 Staff Report
Item 8.7 Attachment 1 - Resolution
Item 8.7 Attachment 2

8.8. Consideration of proposed adoption of a Resolution Designating No Parking Zones on Elmhurst Avenue and Main Street — 63 - 80

CEQA Determination: Categorically Exempt, Section 15304, Minor Alterations to Land
Prepared By: Erica Ahmann Smithies, PE, Acting Director of Public Works/City Engineer
Recommendation: Adopt

Item 8.8 Staff Report
Item 8.8 Attachment 2 - Resolution

8.9. Consideration and proposed approval of resolutions: — 81 - 87

(1) Authorizing a Budget Adjustment of $6,908.38 to #101-4100-2405 for the amount owed for the low income subsidy for FY 2016/17 Q3. Of this amount $2,423.55 will be transferred to the Water Fund Revenue Account and $2,343.23 will be transferred to the Waste Water Fund Revenue Account; and

(2) Authorizing a transfer from #101-4000-2408 Leak Adjustments to #561-3470-0000 Other Revenue for the amount owed for Leak

Adjustments for FY 2016/17 Q3 totaling $1,367.30.

CEQA Determination: Not a CEQA project
Prepared By: April Mitts, Finance Director
Recommendation: Adopt
Item 8.9 Staff Report
Item 8.9 Attachment 1 - Resolution
8.9 Attachment 2 - Resolution

9. NEW BUSINESS

9.1. Interim City Manager proposal for interviewing City Manager candidates 89 - 90

CEQA Determination: Not a CEQA project
Prepared By: Larry Pennell, City Manager
Recommendation: Approve
Item 9.1 Staff Report

9.2. Presentation of the Fiscal Year 2016 Comprehensive Annual Financial Report (CAFR) and Independent Auditor's Report on Internal Control Over Financial Reporting 91 - 295

CEQA Determination: Not a CEQA project
Prepared By: April Mitts, Finance Director
Mandy Kellogg, Administrative Services Manager
Recommendation: Receive and file
Item 9.2 Staff Report
Item 9.2 Attachment 1
Item 9.2 Attachment 2
CAFR Council Power Point Presentation

9.3. Fiscal Year 2016/17 3rd Quarter Finance Report 297 - 300

CEQA Determination: Not a CEQA project
Prepared By: April Mitts, Finance Director
Recommendation: Receive and file
Item 9.3 Staff Report

9.4. Councilmember Koberstein - Continued discussion, consideration of City Attorney memorandum and possible direction re: City regulation of noise, entertainment and music, and related code enforcement tools. 301 - 310

Item 9.4 Memorandum

9.5. Councilmember Ellsworth - Discussion regarding a possible large commercial truck ordinance 311

Item 9.5 Information

10. ITEMS LIKELY TO BE PLACED ON THE NEXT OR FUTURE MEETING AGENDA:

10.1. *May:*
1. 5/9 PD Senior Volunteer Program - Bill
2. 5/9 PH Hearing Notice - Appeal of Administrative decision

for 395 S. Crane Ave. – Erica

3. 5/9 PH Hearing Notice - CIA Appeal - Noah
4. 5/9 PH Hearing Notice - Recreational Cannabis Ordinance – Noah
5. 5/9 Fire Chief/Fire Marshall Contract - Larry
6. 5/9 Adopt NVTA Regional Pedestrian Master Plan (NVTA to attend) – Erica
7. 5/9 update fee schedule - Recreation
8. 5/9 Bell Canyon intake tower
9. 5/9 Magnolia Oaks Sewer Annexation
10. 5/9 Chamber Music in the Parks – Erica
11. 5/9 Annual WWTP Instrumentation Maintenance and Repair Services
12. 5/23 OTSH proposed acquisition of City owned railroad property - Noah
13. 5/23 Discussion of next steps on evaluating responses to Adams Street RFP’s – Larry
14. 5/23 PH Hearing Notice - Accessory Dwelling Unit Ordinance
15. 5/23 Stale dated checks – April
16. 5/23 Forensic Accounting - April
17. 5/23 Chamber Annual Report to the Council

June:

18. 6/13 Little League Contract Amendment - Carlos
19. 6/13 Budget adoption – April

11. ADJOURNMENT

The next Regular City Council meeting is scheduled for May 9, 2017, at 6:00 p.m. in the Vintage Hall Board Room located at 465 Main Street.

This agenda was posted at City Hall, 1480 Main Street, and at Vintage Hall, 465 Main Street, St. Helena, California on April 21, 2017.

Cindy Black

Cindy Black, City Clerk

In Compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please call the City Clerk’s Office (707) 967-2792. Notification 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act will enable the City to make reasonable arrangements to ensure accessibility to this meeting

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 St. Helena 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 St. Helena, 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.

SUPPLEMENTAL MATERIAL RECEIVED AFTER THE POSTING OF THE AGENDA

Any supplemental writings or documents distributed to a majority of the City Council regarding any item on this Agenda, after the posting of the Agenda, will be available for public review in the City Clerk's Office located at 1480 Main Street, St. Helena, California, during normal business hours. In addition, such writings or documents will be made available on the City's web site at https://sthelena.civicweb.net and will be available for public review at the respective meeting.

City of St. Helena
PROCLAMATION

National Volunteer Week
April 23-29, 2017

WHEREAS, the entire community can inspire, equip and mobilize people to take action that changes the world; and

WHEREAS, individuals and communities are at the center of social change, discovering their power to make a difference; and

WHEREAS, the giving of oneself in service to another empowers the giver and the recipient; and

WHEREAS, our country's volunteer force of over 61 million is a great treasure; and

WHEREAS, volunteers are vital to our future as a caring and productive nation; and

NOW, THEREFORE, BE IT PROCLAIMED, that I, Alain Galbraith, Mayor for the City of St. Helena do hereby proclaim April 23-29, 2017, National Volunteer Week in St. Helena. In so doing, I urge my fellow citizens to volunteer and help to renew and sustain the St. Helenian spirit by committing themselves to address the needs of our community through voluntary action.

Dated: April 25, 2017

____

Alan Galbraith, Mayor

City of St. Helena

Minutes
City of St. Helena
Regular City Council Meeting
Tuesday, March 14, 2017 @ 6:00 PM
Vintage Hall Board Room - Second Floor
465 Main Street, St. Helena

A complete video recording of this meeting, except for closed session, can be found at https://sthelena.civicweb.net/Portal/ or by calling the City Clerk at (707) 967-2792. The City Council video is the official record of the Council meeting.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL
Present: Councilmembers Koberstein, Ellsworth, Dohring, White, Mayor Galbraith
Absent: None

Mayor Galbraith provided a statement on the recent passing of long time St. Helena employee Juan Diaz. Mayor Galbraith also called for a moment of silence in Juan's honor.

4. PUBLIC FORUM:

Pat Dell, citizen, Barret Dahl and Rodney Frederick addressed the City Council.

5. REPORTS BY STAFF AND CITY COUNCIL, FUTURE AGENDA ITEMS, AND AB 1234 REPORTS:
Reports by staff and/or Councilmembers on items of general interest. Brief questions for clarification may be posed and answered, and Councilmembers may request that items be placed on a future agenda. Except under certain circumstances, the Brown Act prohibits any other discussion or action by the City Council.

City Attorney Thomas B. Brown noted no reportable action was taken at the March 14, 2017 special closed session meeting.

Finance Director April Mitts announced the upcoming May 2, 2017 Budget Workshop.

Planning Director Noah Housh provided a building official recruitment update and current building inspections services schedule.

Acting Public Works Director Erica Ahmann Smithies announced the upcoming Waste Water Treatment Plant feasibility study community workshop.

Police Chief William Imboden announced an upcoming traffic enforcement campaign.

Councilmember Ellsworth noted bottles of water are available to the community in the back of the meeting room.

Councilmember Dohring reported on the recent March 6, 2017 LAFCO strategic planning session. He also requested for committees, boards and commissions to report out at future City Council meetings.

Vice Mayor White announced the upcoming Napa Valley Transportation Authority (NVTA) Board of Directors meeting retreat.

6. PRESENTATIONS AND PUBLIC RECOGNITIONS

6.1. Proclamation - Proclaiming March as American Red Cross Month was presented to American Red Cross CA Northwest Chapter Board Member Annie McCallum, Volunteer Marjorie Arroyo and Volunteer Marcia Vallerga Ciaro

7. CONSENT ITEMS

Members of the Council or the public may ask that any items be considered individually for purposes of considering alternative action, for extended discussion, or for public comment. Unless that is done, one motion may be used to adopt all recommended actions. (Roll Call Vote)

7.1. Consideration and Proposed approval of a Resolution 2017-27 approving the second amendment in the amount of $15,900 to the professional services agreement with Green Valley Consulting Engineering for the design of Holmes Tank Upgrade, Capital Improvement Project W-86

CEQA Determination: Categorically Exempt, Article 19 Section 15302 Replacement or Reconstruction, and Article 19 Section 15303 New Construction or Conversion of Small Structures
Prepared By: Tobias Barr, Public Works Project Manager
Erica Smithies, PE, Acting Public Works Director/City Engineer
Recommendation: Adopt

7.2. Consideration and Proposed Approval of a Resolution 2017-28 authorizing a budget transfer of $75,070 from Wastewater Reserves and authorizing the bulk purchase of 12,000 lbs. of Ascorbic Acid for $90,201.60 from Integra Chemicals for treated wastewater dechlorination.

CEQA Determination: Not a CEQA project
Prepared By: Tobias Barr, Public Works Project Manager
Erica Smithies, PE, Acting Public Works Director/City Engineer
Recommendation: Adopt

7.3. Resolution 2017-29 approving the waiver of a tent permit fee in the amount of $477, Encroachment Permit fee in the amount of $200 and a Noise Permit in the amount of $25 for the St. Helena Volunteer Firefighter Association's Lobster Feed Fundraiser to be held on March 25, 2017

CEQA Determination: Not a CEQA project
Prepared By: Allison Mattioli, Management Analyst
Recommendation: Adopt

Item 7.4 was pulled from Consent.

Councilmember Dohring moved to approve Consent items 7.1 to 7.3. The motion was seconded by Vice Mayor White and on roll call carried by the following vote:

AYES: Councilmembers Dohring, White, Koberstein, Ellsworth and Mayor Galbraith
NOES: None
ABSENT: None

7.4. Consideration and proposed resolution approving an agreement with the City of Calistoga to provide reciprocal building inspection services

CEQA Determination: The proposed agreement is not a project as defined by the California Environmental Quality Act and is therefore not subject to environmental review.
Prepared By: Noah Housh, Planning and Community Improvement Director
Recommendation: Adopt

Planning and Community Improvement Director Noah Housh reported on this item.

Bobbi Monnette addressed the City Council

Councilmember Dohring moved to approve Consent item 7.4. The motion was seconded by Vice Mayor White and on roll call carried by the following vote:

AYES: Councilmembers Dohring, White, Koberstein, Ellsworth and Mayor Galbraith
NOES: None
ABSENT: None

8. NEW BUSINESS

8.1. Consideration and proposed approval of a resolution 2017-31 appointing members to the Ad Hoc Utility Rate Committee

CEQA Determination: Not a CEQA project
Prepared By: Cindy Black, City Clerk
Recommendation: Appoint

It was the consensus of the City Council to appoint 7 members to the Ad Hoc Utility Rate Committee.

Anthony Michelli and Mark Smithers addressed the City Council

Mayor Galbraith nominated Bonnie Long to the Ad Hoc Utility Rate Committee.

Councilmember Koberstein moved to approve the nomination of Bonnie Long. Councilmember Ellsworth seconded the nomination and on roll call carried by the following vote:

AYES: Councilmembers Koberstein, Ellsworth, Dohring, White and Mayor Galbraith
NOES: None
ABSENT: None

Mayor Galbraith nominated Chris Dann to the Ad Hoc Utility Rate Committee.

Councilmember Dohring moved to approve the nomination of Chris Dann. Councilmember Koberstein seconded the nomination and on roll call carried by the following vote:

AYES: Councilmembers Dohring, Koberstein, Ellsworth, White and Mayor Galbraith
NOES: None
ABSENT: None

Mayor Galbraith nominated Lester Hardy to the Ad Hoc Utility Rate Committee.

Mayor Galbraith moved to approve the nomination of Lester Hardy. Councilmember Koberstein seconded the nomination and on roll call carried by the following vote:

AYES: Mayor Galbraith and Councilmembers Koberstein, Dohring, Ellsworth and White
NOES: None
ABSENT: None

Mayor Galbraith nominated Joel Gott to the Ad Hoc Utility Rate Committee.

Mayor Galbraith moved to approve the nomination of Joel Gott. Vice Mayor White seconded the nomination and on roll call carried by the following vote:

AYES: Mayor Galbraith and Councilmembers White, Koberstein and Ellsworth
NOES: Councilmember Dohring
ABSENT: None

Mayor Galbraith nominated Doug Cutting to the Ad Hoc Utility Rate Committee.

Mayor Galbraith moved to approve the nomination of Doug Cutting. Councilmember Dohring seconded the nomination and on roll call carried by the following vote:

AYES: Mayor Galbraith and Councilmembers Dohring, Koberstein, Ellsworth and White
NOES: None
ABSENT: None

Mayor Galbraith nominated Jack Stuart to the Ad Hoc Utility Rate Committee.

Mayor Galbraith moved to approve the nomination of Jack Stuart. Vice Mayor White seconded the nomination and on roll call carried by the following vote:

AYES: Mayor Galbraith and Vice Mayor White
NOES: Councilmembers Koberstein, Dohring and Ellsworth
ABSENT: None

The nomination of Jack Stuart failed due to lack of votes.

Mayor Galbraith nominated Mark Smithers to the Ad Hoc Utility Rate Committee.

Mayor Galbraith moved to approve the nomination of Mark Smithers. Councilmember Dohring seconded the nomination and on roll call carried by the following vote:

AYES: Mayor Galbraith and Councilmembers Dohring, Koberstein, Ellsworth and White
NOES: None
ABSENT: None

Mayor Galbraith moved to approve the nominations of Bonnie Long, Tom Vence, Chris Dann, Lester Hardy, Joel Gott, Doug Cutting and Mark Smithers to the Ad Hoc Utility Committee. Vice Mayor White seconded the nomination and on roll call carried by the following vote:

AYES: Mayor Galbraith and Councilmembers White, Dohring, Koberstein and Ellsworth
NOES: None
ABSENT: None

It was the consensus of the City Council to agendize the appointment of the City Council liaisons to the committee and also defining the committee's role.

8.2. Consideration and proposed approval of a resolution authorizing the use of General Fund Reserves in the amount of $45,665 and authorizing the Interim City Manager to execute a contract with Bread of Life to provide services related to a Good Governance Project for the City of St. Helena for a total amount not to exceed $45,665.

CEQA Determination: Not a CEQA project
Prepared By: Larry Pennell, Interim City Manager
Recommendation: Adopt

Interim City Manager Larry Pennell reported on this item.

Bread of Life Center Director of Dialogue Programs Jean Holsten addressed the City Council.

Pat Dell, Grace Kistner and Bobbi Monnette addressed the City Council.

Vice Mayor White moved to approve a resolution authorizing the use of General Fund Reserves in the amount of $45,665 and authorizing the Interim City Manager to execute a contract with Bread of Life to provide services related to a Good Governance Project for the City of St. Helena for a total amount not to exceed $45,665. Councilmember Dohring seconded the nomination and on roll call carried by the following vote:

AYES: Councilmembers White, Dohring, Koberstein, Ellsworth and Mayor Galbraith
NOES: None
ABSENT: None

8.3. Discussion of including a Low-Medium Residential Land Use Designation as a part of the 2035 General Plan Update

CEQA Determination: This request for direction is not a project under CEQA however the 2035 General Plan Update itself will be analyzed for potential environmental impacts under an Environmental Impact Report (EIR) currently under way.
Prepared By: Noah Housh, Planning and Community Improvement Director
Recommendation: Provide direction

Planning and Community Improvement Director Noah Housh reported on this item.

Bobbi Monnette addressed the City Council.

Vice Mayor White moved to including a Low-Medium Residential Land Use Designation as a part of the 2035 General Plan Update. Councilmember Dohring seconded the nomination and on roll call carried by the following vote:

AYES: Councilmembers White, Dohring, Koberstein, Ellsworth and Mayor Galbraith
NOES: None
ABSENT: None

8.4. Consideration and Proposed approval of a Resolution 2017-33 to Approve and Submit Annual Housing Element Progress Reports for Calendar Years 2011 through 2016

CEQA Determination: Not a CEQA project
Prepared By: Noah Housh, Planning and Community Improvement Director
Recommendation: Adopt

Planning and Community Improvement Director Noah Housh reported on this item.

Pat Dell addressed the City Council.

Vice Mayor White moved to approve a Resolution to Submit Annual Housing Element Progress Reports for Calendar Years 2011 through 2016. Councilmember Koberstein seconded the nomination and on roll call carried by the following vote:

AYES: Councilmembers White, Koberstein, Dohring, Ellsworth and Mayor Galbraith
NOES: None
ABSENT: None

8.5. Councilmember Geoff Ellsworth - Continued discussion from Feb. 28th SH City Council meeting. The City of St. Helena has been made aware that a private use helicopter port permit (UP#000261UP) is being processed at the Napa County level. Further discussion and possible Council Action such as a possible resolution in opposition of approval of private use heliports in Napa County and St.Helena, as well as a possible letter of concern to Napa County addressing the concerns.

Councilmember Ellsworth reported on this item.

No public comment received.

It was the consensus of the City Council for Planning Director Noah Housh to craft a letter to the County relaying the City Council's concerns and also for the Planning Commission to consider this issue for further analysis at some later point in time.

9. ADJOURNMENT -

Vice Mayor White adjourned the meeting in memory of Juan Diaz.

ADJOURNMENT

Mayor Galbraith adjourned the meeting at 8:09 p.m.

The March 14, 2017 minutes were approved at the April 25, 2017 City Council meeting.

APPROVED:	ATTEST:
Alan Galbraith, Mayor	Cindy Black, City Clerk

Report to the City Council
Council Meeting of April 25, 2017

Agenda Section: **Consent**

Subject: **Consideration and Proposed Approval of a Resolution approving an Employment Agreement with Erica Ahmann Smithies and Ratifying the City Managers Appointment to serve as the City Public Works Director**

CEQA Status: **Not a CEQA project**

Prepared By: **Larry Pennell, Interim City Manager**

Approved By: **Larry Pennell, Interim City Manager**

BACKGROUND
The City's Public Works Director resigned in March 2017. At time of the resignation Assistant Public Works Director Erica Ahmann Smithies began serving as Acting Public Works Director. During this time the City conducted a recruitment for the Public Works Director position and the top candidate has been identified.

DISCUSSION
Erica Ahmann Smithies was interviewed and has been selected to serve as the City's next Public Works Director. Ms. Ahmann Smithies joined the City of St. Helena as the Assistant Public Works Director in October 2016. Ms. Ahmann Smithies holds her P.E. and meets all other requirements for the Director position. I have agreed to a three (3) month severance payment which is one (1) month longer than stated in the Unrepresented Employee policy, but is warranted in this case.

FISCAL IMPACT
Funding for this position is included in the FY 16/17 adopted budget and is funded by the General Fund, Water Fund, and Wastewater Fund.

RECOMMENDED ACTION
Staff recommends the City Council adopt the resolution approving the Employment Agreement with Erica Ahmann Smithies and ratifying the City Manager's appointment of Erica Ahmann Smithies.

ATTACHMENTS

1. Attachment 1 – Resolution 2017-____

2. Attachment 2 – Employment Agreement with Erica Ahmann Smithies

Attachment 1

CITY OF ST. HELENA

RESOLUTION NO. 2017-____

RATIFYING THE CITY MANAGERS APPOINTMENT OF ERICA AHMANN SMITHIES AS THE PUBLIC WORKS DIRECTOR AND APPROVING AN EMPLOYMENT AGREEMENT BETWEEN THE CITY OF ST. HELENA AND ERICA AHMANN SMITHIES

RECITALS

A. The City of St. Helena conducted a recruitment process for a Public Works Director; and
B. Erica Ahmann Smithies participated in that process and ultimately emerged as the preferred candidate.

RESOLUTION

The City Council of the City of St. Helena hereby resolves as follows:

1. Ratify City Manager's appointment of Erica Ahmann Smithies as Public Works Director; and
2. Approve and authorize the City Manager to enter into an employment agreement effective April 25, 2017 with Erica Ahmann Smithies as the Public Works Director of the City of St. Helena.

Approved at a Regular Meeting of the St. Helena City Council on April 25, 2017 by the following vote:

Mayor Galbraith:	__________________
Vice Mayor White:	__________________
Councilmember Dohring:	__________________
Councilmember Ellsworth:	__________________
Councilmember Koberstein:	__________________

APPROVED: ATTEST:

_________________________ ____________________________
Alan Galbraith, Mayor Cindy Black, City Clerk

EMPLOYMENT AGREEMENT FOR PUBLIC WORKS DIRECTOR AND CITY ENGINEER

Between

CITY OF ST. HELENA AND ERICA AHMANN SMITHIES

THIS EMPLOYMENT AGREEMENT (the Agreement) is entered into as of April 25, 2017, between THE CITY OF ST. HELENA, a municipal corporation (City), and ERICA AHMANN SMITHIES (Director or Employee), collectively "the Parties."

RECITALS

WHEREAS, City desires to employ Erica Ahmann Smithies as Public Works Director and City Engineer for the City of St. Helena.

WHEREAS, Erica Ahmann Smithies desires to serve as Public Works Director and City Engineer of the City of St. Helena beginning on April 25, 2017.

WHEREAS, Erica Ahmann Smithies has the necessary education, experience, skills and expertise to serve as the City's Public Works Director and City Engineer; and

WHEREAS, the City Manager, as appointing power, and Erica Ahmann Smithies desire to agree in writing to the terms and conditions of Erica Ahmann Smithies' employment as Public Works Director and City Engineer;

NOW, THEREFORE, in consideration of the above recitals, promises and conditions contained herein, the Parties agree as follows:

AGREEMENT

1. Powers and Duties of the Public Works Director and City Engineer

(a) Director shall have the powers and shall perform the functions and duties specified in state and federal law, the St. Helena Municipal Code, and the ordinances and resolutions of City, and to perform other legally permissible and proper duties and functions as City Manager may from time to time assign.

(b) Director shall perform her duties to the best of her ability in accordance with the professional and ethical standards of the profession and shall comply with the laws of the State of California, the Municipal Code of the City, and Ordinances and Resolutions of the City, and as they may be amended.

(c) Director shall not engage in any activity which is or may become a conflict of interest, prohibited contract, or which may create an incompatibility of office as defined under California law. Prior to performing any services under this Agreement and annually thereafter, Employee must complete disclosure forms required by law.

(d) Director shall report to the City Manager who has authority to dismiss, discipline, and give direction to the Public Works Director.

(e) Director shall devote full time to the performance of his duties; the Director shall notify the City Manager of any outside employment, which employment shall not interfere with the Director's City job duties, pose a conflict of interest, or be inappropriate for a City employee.

(f) Director shall maintain a valid California Driver's License as a condition of her employment unless it is not possible because of a documented medical reason. Director shall also maintain a valid California Professional Engineer registration.

2. Term

This Agreement is effective April 25, 2017, and will continue in effect until terminated as provided herein. As stated in Section 3, Director's employment is for no defined term or period, and may be terminated by the City Manager at any time pursuant to Section 4. For purposes of Section 4 and Government Code Section 53260 only, Director's employment shall be deemed to have an unexpired term of three (3) months in the event of involuntary termination without cause pursuant to Section 4 (c).

3. At-Will Employment

(a) The Parties recognize and affirm that: (1) the Director is an "at will" employee whose employment may be terminated by the City Manager at any time with or without cause, (2) there is no express or implied promise made to the Director for any form of continued employment and (3) upon termination of this Agreement, the Director understands that she has no right to any further employment, in any capacity, with the City. This Agreement is the sole and exclusive basis for an employment relationship between the Director and the City.

(b) Termination for cause means termination based upon a breach of any of the terms of this Agreement, malfeasance of any nature occurring during the course and scope of the Employee's duties as Director of Public Works and City Engineer; or a conviction, plea bargain, or personal adverse State or federal determination against Employee individually involving any felony, intentional tort, crime of moral turpitude, violation of statute or law constituting forfeiture of office, misconduct in office for personal gain, misuse of public funds for personal benefit, conflict of interest resulting in conviction, or any other incompatible activity or conflict of interest.

4. Termination of Agreement

This Agreement may be terminated as follows:

(a) **By Mutual Agreement**. The City Manager and Director may terminate this Agreement at any time by mutual written agreement.

(b) **Termination by City**. The City Manager may, in his or her sole and unrestricted discretion, terminate this Agreement with or without cause at any time upon written notice to the Director.

(c) **Severance**. Subject to the limitations of Government Code Sections 53260 and 53261, if the City Manager terminates this Agreement without cause while the Director is still willing and able to perform the duties of Public Works Director and City Engineer, the Director shall be entitled to two (2) months' base salary, less applicable deductions, plus applicable accrued leaves as provided in this Agreement together with any extension of benefits required under California and federal law. No time served by the Director after notice of the termination shall be debited from the period of severance pay. However, in the event the Director is terminated for cause, the Director shall be entitled to only the compensation earned and accrued and such other termination benefits and payments as may be required by law. Director shall not be entitled to any severance benefits.

(d) **Resignation by Director**. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Director to resign at any time from her position as Public Works Director and City Engineer. Director may terminate this Agreement by submitting written notice of his resignation to City. As a courtesy, Director shall give the City thirty (30) days written notice of his intention to resign.

(e) **Rights and Remedies of Director upon Termination**. Nothing in this Agreement is intended to, or does, confer upon Director any due process right to a hearing or other administrative process pertaining to termination, before or after a decision by the City to terminate her employment, unless Director is entitled to a name clearing hearing under California or federal law. Director may appeal a determination of for cause termination to the City Council for the sole purpose of qualifying for severance pay; the City Council shall not have the authority to overturn the termination.

(f) **Resignation in Lieu of Termination**. If the Director is terminated without cause, the Director shall have the opportunity to resign in lieu of being terminated. In such an event, any public announcement issued by the City will state that the Director resigned.

(g) **Administrative Leave.** The City Manager may place the Director on administrative leave with or without pay pending investigation of any allegations of misconduct.

5. Compensation and Benefits.

(a) City agrees to pay Director for her services pursuant to the City's publicly available salary schedule for the Public Works Director. Effective _April 25, 2017, the Director shall be placed at Step B of the Public Works Director's salary schedule (currently $146,576). Salary for the Director shall be payable in instalments at the same time as other employees of City are paid and subject to all applicable payroll taxes and withholdings. Such salary may be adjusted from time to time at the sole discretion of the City Manager. The Director shall be an "exempt" employee under all applicable state and federal labor laws, including, but not limited to, the Federal Labor Standards Act and the regulations of the California Industrial Welfare Commission.

(b) Performance Review. The City Manager shall evaluate the Director's performance by June 30, 2017 and at least annually thereafter. ***[May want to make the first performance evaluation date later in 2017, and annual evaluations thereafter by June 30.]***

(c) CalPERS. Employee shall continue to be included in the City's Miscellaneous Plan with the California Public Employees' Retirement System ("CalPERS") as a Tier Two Classic Member (2%@60), as described in the Unrepresented Compensation Program. Employee shall contribute the total "employee contribution," and any applicable cost sharing requirements applicable to City Department Heads as set forth in the Unrepresented Compensation Program (currently 1% cost sharing). The City must comply with the requirements of law and CalPERS rules and regulations governing the CalPERS retirement program, and makes no promises regarding any particular level of benefits that will be provided under that program.

(d) The City participates in Social Security; the employee contribution (6.2%) will be deducted from the Director's gross pay.

(e) Director shall be entitled to all benefits, rights and privileges accorded to Department Heads as set forth in the Unrepresented Compensation Program, as may be amended from time to time, except as otherwise provided in this Agreement or as they may conflict with the Director's status as an "At-will" employee. If there is any conflict between this Agreement and any resolution or policy fixing compensation and benefits for City Department Heads or other unclassified employees, this Agreement shall control.

(f) Vehicle Use. Director will have access and full use of a City vehicle for City business, and may drive the City vehicle home so that the City vehicle will be available for use for City business outside of regular business hours.

(g) Communications. Director will have the use of a City cellular phone and iPad pursuant to policies established by the City.

(h) Professional Development and Training. City shall pay for Director's annual training required for maintaining the Professional Engineer registration and membership to essential professional associations.

(i) Hours of Work. The Director is an exempt employee but is expected to engage in those hours of work that are necessary to fulfill the obligations of the Director position. If mutually agreed to between the City Manager and the Director, the Director may have a modified work schedule, such as 4/10 or 9/80 or have the opportunity to telecommute as deemed appropriate by the City Manager.

6. Return of City Property

In the event of termination, any City equipment or property will be promptly returned to the City. In addition, any and all finished and unfinished documents, data, reports and materials are the property of the City and shall be promptly delivered to the City Manager. Director shall keep all information acquired through this position in the strictest confidence.

7. Indemnification

To the extent required by, and in accordance with the terms, conditions, and limitations of the Government Claims Act (Gov't Code §§ 810 et seq.), City shall defend, save harmless, and indemnify the Director against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Director's duties as Public Works Director and City Engineer. City will determine whether to compromise and settle any such claim or suit and the amount of any settlement or judgment rendered thereon. Notwithstanding the foregoing, such indemnification shall be limited as stated in paragraph 8 below.

8. Limitations/Reimbursements

Notwithstanding any other provision in this Agreement, and in accordance with California Government Code Sections 3511.1, 3511.2, 53243, 53243.1 and 53243.2, the following limitations apply to City's obligations to Director:

(a) In the event Director is placed on paid leave pending an investigation, Director shall reimburse such pay to City if she is subsequently convicted of a crime that constitutes "abuse of office or position" as defined in Government Code Section 53243.4.

(b) In the event City pays for Director's legal criminal defense, she shall fully reimburse such funds to the City if she is subsequently convicted of a crime that constitutes "abuse of office or position" as defined in Government Code Section 53243.4.

(c) If this contract is terminated, any cash settlement related to the termination that Director may receive from City must be fully reimbursed to City if she is subsequently convicted of a crime that constitutes "abuse of office or position" as defined in Government Code Section 53243.4.

9. Attorney's Fees

In the event of any mediation, arbitration or litigation to enforce any of the provisions of this Agreement, each party shall bear its own attorney's fees and costs.

10. Jurisdiction and Venue

This Agreement shall be construed in accordance with the laws of the State of California, and the Parties agree that venue shall be in Napa County, California.

11. Notices

Any notices required by this Agreement shall be in writing and either given in person or by first class mail with postage prepaid and addressed as follows:

TO CITY:	City Manager City of St. Helena 1480 Main Street St. Helena, CA 94574
TO EMPLOYEE:	Erica Ahmann Smithies Last home address on file with the City

12. Entire Agreement

This Agreement is the final expression of the complete agreement of the parties with respect to the matters specified herein and supersedes all prior oral or written understandings. However, the Agreement may be amended or altered by the City Manager at any time. Any such amendments or alterations must be in writing, signed by Director and the City Manager and approved by the City Council.

13. Severability

If any provision of this Agreement is found to be unenforceable by judgment or court order, the remainder of the Agreement shall remain in full force and effect, as if the unenforceable provision had never been included.

14. Assignment

Director may not assign or transfer any rights granted or obligations assumed under this Agreement.

15. Informed and Voluntary Agreement

Director acknowledges that she has had the opportunity to receive legal representation and advice in connection with this Agreement and that she voluntarily enters in to this Agreement fully informed about the rights and obligations she assumes and waives by entering into this Agreement.

16. Agreement Subject to Council Ratification

As stated in Municipal Code Section 2.12.060(B)(2), this Agreement is subject to ratification by the City Council at a regular meeting.

IN WITNESS WHEREOF, City and the Public Works Director have entered into and executed this Agreement as of the __th day of April, 2017.

CITY OF ST. HELENA
A Municipal Corporation

By: ____________________
Larry Pennell
Interim City Manager

PUBLIC WORKS DIRECTOR

By: _________________________
Erica Ahmann Smithies

Approved as to Form:

By: ______________________
Thomas B. Brown
City Attorney

Report to the City Council
Council Meeting of April 25, 2017

Agenda Section: **Consent**

Subject: **City Council Consideration And Possible Approval Of A Resolution Reiterating The City of St. Helena's Commitment To Complete The Project For The Removal Of The Upper York Creek Dam By The End of 2018.**

CEQA Status: **The City Council Previously Certified An EIR For The Project**

Prepared By: **Erica Ahmann Smithies, Acting Public Works Director**

Approved By: **Larry Pennell, Interim City Manager**

BACKGROUND AND DISCUSSION

The City of St. Helena has been working for several years to remove the Upper York Creek Dam and restore the York Creek streambed. The dam was originally constructed in 1900, and is no longer managed as a water supply facility. Since the City has owned the Upper York Creek Dam, four documented silt discharges from the dam into York Creek occurred, in 1965, 1973, 1975, and 1992. After the 1992 discharge, the Department of Fish and Game ("DFG") filed a complaint with the Napa County District Attorney's Office. In 1993, DFG and the Napa County District Attorney's Office obtained an injunction ordering the City to remove the Upper York Creek Dam. As a result of the legal action, the City agreed to a settlement in 1993 that mandated removal of the Upper York Creek Dam. In 2002, the Napa County Superior Court lifted the injunction against the City at the parties' request, as the injunctive order impaired the City's ability to pursue grant funding to assist with the dam removal project. In 2010, the City entered into an agreement with the Department of Commerce National Oceanic and Atmospheric Administration ("NOAA") to remove the Upper York Creek Dam. The terms of this agreement state that the City must pay to NOAA $70 per day for each day beyond October 31, 2012 that the dam continues to block fish passage to Upper York Creek, and the City has done so.

On April 28, 2015, the City Council approved resolution 2015-48, which certified the Environmental Impact Report ("EIR") for the Upper York Creek Ecosystem Restoration Project ("Project"), adopted CEQA findings of fact and a statement of overriding considerations, adopted a mitigation monitoring and reporting program, and approved the Upper York Creek Dam Removal Project by authorizing staff to proceed with

OAK #4819-5412-4871 v1

securing final funding and developing Project design and construction bidding documents. The EIR was reviewed by and/or submitted to various public agencies, including the Division of Safety of Dams, the State Water Resources Control Board, Division of Water Rights, the California Department of Fish and Game, and the California Regional Water Quality Control Board, San Francisco Bay Region;

On December 28, 2015, the City's Director of Public Works released a Request for Proposals for final engineering, permitting, and construction support for the Project. On April 26, 2016, the City Council approved a professional services agreement with Michael Baker International for these services. The total estimated Project cost is $6,500,000. The City has received grant commitments for $987,876 in funding from the San Francisco Bay Water Quality Improvement Fund and $800,000 from Proposition 84 Integrated Regional Water Management funds. The City has committed $3,016,349 in existing bond proceeds to the project. The $1,695,775 remainder is currently planned to be funded from estimated cash reserves in the Water Enterprise.

The City is committed to the prompt removal of the Upper York Creek Dam, and current grant commitments—such as the Proposition 84 Integrated Regional Water Management funds—require that the City remove the Dam by December 31, 2018. The current Project scope includes removal of a portion of the dam consistent with the small notch alternative approved by the City in Resolution 2015-48.

The Project will provide access to spawning and rearing habitat for steelhead trout and habitat connectivity for both anadromous and resident fish and other aquatic and riparian species, provide a permanent solution to prevent short-term aquatic habitat impairment associated with possible dam breach/failure, and provide access to 1.5 miles of high-quality in-stream habitat. The City is considering utilizing storm flows in late 2018 to move sediment downstream, coupled with an adaptive management plan to see if any additional work for fish passage and sediment transport is needed, as part of a second phase, which was recently suggested by National Marine Fisheries Service / NOAA. Restoration of natural sediment transport processes will occur through the Project site. Additionally, disturbed areas in the Project site will be revegetated with a palette of multistory native plants to provide diverse habitats for aquatic, riparian, and terrestrial species.

Permit applications with 65% design plans will be submitted to applicable regulatory agencies in May 2017, including the U.S. Army Corps of Engineers, the San Francisco Regional Water Quality Control Board, and the California Department of Fish and Wildlife. Permits and 100% plans and specifications are expected to be completed by the end of 2017. Plans and specifications will then go to the City Council for approval with authorization to advertise for bids in early 2018. A contract will then be awarded with a tentative construction start date in late summer to fall 2018. Dam removal should be completed by the end of 2018, weather permitting.

Staff feels it is appropriate for the City Council to update the public about the status of its continuing efforts, with the cooperation and input of all regulatory and permitting agencies, and to consider reiterating its commitment to timely complete the dam removal project.

FISCAL IMPACT

The total estimated Project cost is $6,500,000. The City has received grant commitments for $987,876 in funding from the San Francisco Bay Water Quality Improvement Fund and $800,000 from Proposition 84 Integrated Regional Water Management funds. The City has committed $3,016,349 in existing bond proceeds to the project. The $1,695,775 remainder is currently planned to be funded from estimated cash reserves in the Water Enterprise.

RECOMMENDED ACTION

Staff recommends approval of the resolution reiterating the City of St. Helena's commitment to complete the project for the removal of the Upper York Creek Dam by the end of 2018.

ATTACHMENTS

Resolution

CITY OF ST. HELENA

RESOLUTION NO. 2017-

SETTING FORTH THE CITY OF ST. HELENA'S COMMITMENT AND TIMETABLE FOR THE REMOVAL OF THE YORK DAM.

RECITALS

WHEREAS, the City of St. Helena ("City") is progressing with diligence in accomplishing the removal of the Upper York Creek Dam;

WHEREAS, the City is willing to adopt this resolution confirming its prior approval of and describing its commitment to the Upper York Creek Dam Removal Project by a date certain;

WHEREAS, the City has been working for several years to remove the Upper York Creek Dam and restore the York Creek streambed;

WHEREAS, the dam was originally constructed in 1900, and is no longer managed as a water supply facility;

WHEREAS, since the City has owned the Upper York Creek Dam, four documented silt discharges from the dam into York Creek occurred, in 1965, 1973, 1975, and 1992;

WHEREAS, after the 1992 discharge, the Department of Fish and Game ("DFG") filed a complaint with the Napa County District Attorney's Office. In 1993, DFG and the Napa County District Attorney's Office obtained an injunction ordering the City to remove the Upper York Creek Dam. As a result of the legal action, the City agreed to a settlement in 1993 that mandated removal of the Upper York Creek Dam. In 2002, the Napa County Superior Court lifted the injunction against the City at the parties' request, as the injunctive order impaired the City's ability to pursue grant funding to assist with the dam removal project;

WHEREAS, in 2010, the City entered into an agreement with the Department of Commerce National Oceanic and Atmospheric Administration ("NOAA") to remove the Upper York Creek Dam. The terms of this agreement state that the City must pay to NOAA $70 per day for each day beyond October 31, 2012 that the dam continues to block fish passage to Upper York Creek, and the City has done so;

WHEREAS, on April 28, 2015, the City Council approved resolution 2015-48, which certified the Environmental Impact Report ("EIR") for the Upper York Creek Ecosystem Restoration Project ("Project"), adopted CEQA findings of fact and a statement of overriding considerations, adopted a mitigation monitoring and reporting program, and approved the Upper York Creek Dam Removal Project by authorizing staff to proceed with securing final funding and developing Project design and construction bidding documents. The EIR was reviewed by and/or submitted to various public agencies, including the Division of Safety of Dams, the State Water Resources Control Board, Division of Water Rights, the California Department of Fish and Game, and the California Regional Water Quality Control Board, San Francisco Bay Region;

WHEREAS, on December 28, 2015, the City's Director of Public Works released a Request for Proposals for final engineering, permitting, and construction support for the Project. On April 26, 2016, the City Council approved a professional services agreement with Michael Baker International for these services;

WHEREAS, the total estimated Project cost is $6,500,000. The City has received grant commitments for $987,876 in funding from the San Francisco Bay Water Quality Improvement Fund and $800,000 from Proposition 84 Integrated Regional Water Management funds. The City has committed $3,016,349 in existing bond proceeds to the project. The $1,695,775 remainder is currently planned to be funded from estimated cash reserves in the Water Enterprise;

WHEREAS, the City is committed to the prompt removal of the Upper York Creek Dam, and current grant commitments—such as the Proposition 84 Integrated Regional Water Management funds—require that the City remove the Dam by December 31, 2018;

WHEREAS, the current Project scope includes removal of a portion of the dam consistent with the small notch alternative approved by the City in Resolution 2015-48;

WHEREAS, the Project will provide access to spawning and rearing habitat for steelhead trout and habitat connectivity for both anadromous and resident fish and other aquatic and riparian species, provide a permanent solution to prevent short-term aquatic habitat impairment associated with possible dam breach/failure, and provide access to 1.5 miles of high-quality in-stream habitat. The City is considering utilizing storm flows in late 2018 to move sediment downstream, coupled with an adaptive management plan to see if any additional work for fish passage and sediment transport is needed, as part of a second phase, which was recently suggested by National Marine Fisheries Service / NOAA. Restoration of natural sediment transport processes will occur through the Project site. Additionally, disturbed areas in the Project site will be revegetated with a palette of multistory native plants to provide diverse habitats for aquatic, riparian, and terrestrial species; and

WHEREAS, permit applications with 65% design plans will be submitted to applicable regulatory agencies in May 2017, including the U.S. Army Corps of Engineers, the San Francisco Regional Water Quality Control Board, and the California Department of Fish and Wildlife. Permits and 100% plans and specifications are expected to be completed by the end of 2017. Plans and specifications will then go to the City Council for approval with authorization to advertise for bids in early 2018. A contract will then be awarded with a tentative construction start date in late summer to fall 2018. Dam removal should be completed by the end of 2018, weather permitting.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ST. HELENA AS FOLLOWS:

1. The City Council hereby adopts the above recitals, and incorporates them herein by this reference.

2. The City Council hereby commits that it intends to satisfy the commitments and adhere to the schedule for the removal of the Upper York Creek Dam set forth herein.

Approved at a Regular Meeting of the St. Helena City Council on April ___, 2017, by the following vote:

Mayor Galbraith: ___________

Vice Mayor White: ___________

Councilmember Dohring: ___________

Councilmember Koberstein: ___________

Councilmember Ellsworth: ___________

APPROVED: ATTEST:

_________________________ _________________________

Alan Galbraith, Mayor Cindy Black, City Clerk

Report to the City Council
Council Meeting of April 25, 2017

Agenda Section: **<u>Consent</u>**

Subject: **Consideration and Proposed Approval of a Resolution Approving a Request for Waiver of Use Permit Planning Application Fee and Building Permit Fees, not to Exceed $10,800, for the St. Helena Fire Department's Application for St. Helena Fire Department Station #2 at 1025 Dowdell Lane**

CEQA Status: **Not a CEQA project**

Prepared By: **<u>Allison Mattioli, Management Analyst</u>**

<u>John Sorensen, Fire Chief</u>

Approved By: **<u>Larry Pennell, Interim City Manager</u>**

BACKGROUND

The City of St. Helena's Fire Department has provided fire/life safety protection and response services since 1911. Due to increased calls for service, as well as increased traffic congestion concerns, it has become necessary for the Fire Department to consider alternative methods of meeting the growing demands of the public, in order to maintain high standards of service, and rapid response times.

DISCUSSION

The St. Helena Fire Department intends to submit a use permit application to the City of St. Helena's Planning Commission, to request modification of the use of the property located at 1025 Dowdell Lane, in order to operate one fire apparatus, and house fire personnel, in an effort to effectively maintain the standards of service and call response times.

The Department intends to make modifications to the existing garage structure in order to house the apparatus, while the St. Helena Volunteer Fire Department Association will furnish the fees associated with the existing residence on the property.

The City of St. Helena's Municipal Code § 17.08.190 (D) (1) Payment and Processing of Fees, provides the following language, requiring action from Council in order to waive the application processing fee:

> *No application for a development project may be filed without a deposit in an amount estimated to cover processing costs unless payment of processing fees have been waived by action of the council. The city shall make subsequent periodic invoices to ensure that the balance in the project account remains sufficient to cover anticipated processing costs, and it shall be the responsibility of those liable for payment to make such payments.*

FISCAL IMPACT

The use permit Planning application fee, totaling $5,800, and the building permit fees not to exceed in the amount of $5,000 for the modification of the garage, for a total waiver of not to exceed $10,800.

RECOMMENDED ACTION

Staff recommends approval of the waiver of the use permit application fee and building permit fees associated with modification of the garage structure.

ATTACHMENTS

Resolution

CITY OF ST. HELENA

RESOLUTION NO. 2017-

APPROVING THE WAIVER OF USE PERMIT APPLICATION FEE AND BUILDING PERMIT FEES FOR THE ST. HELENA FIRE DEPARTMENT'S APPLICATION AT 1025 DOWDELL LANE NOT TO EXCEED $10,800

RECITALS

A. The St. Helena Fire Department intends to submit a use permit application to the City of St. Helena's Planning Commission.

B. The application is to request modification of the use of the property located at 1025 Dowdell Lane in order to operate one fire apparatus, and house fire personnel.

C. The Fire Department wishes to submit the application in an effort to effectively maintain the standards of service and call response times.

D. The application fee waiver will have no direct fiscal impact to the City.

RESOLUTION

The City Council of the City of St. Helena hereby resolves as follows:

1. Permission is hereby granted to waive the use permit application fee in the amount of $5,800.
2. Permission is hereby granted to waive the building permit fees associated with modification of the garage structure, in an amount not to exceed $5,000.

I HEREBY CERTIFY that this Resolution was adopted at a regular meeting of the City Council held on April 25, 2017 by the following roll call vote:

Mayor Galbraith: ___________

Vice Mayor White: ___________

Councilmember Dohring: ___________

Councilmember Ellsworth: ___________

Councilmember Koberstein: ___________

APPROVED: ATTEST:

___________________________ ___________________________

Alan Galbraith, Mayor Cindy Black, City Clerk

Report to the City Council
Council Meeting of April 25, 2017

Agenda Section: **Consent**

Subject: Consideration and proposed approval of a resolution approving a sole source purchase for one Channel Monster Wastewater Grinder from JWC Environmental in an amount not to exceed $32,000 and authorize the Finance Director to execute a budget transfer of $32,000 from Wastewater Reserves

CEQA Status: **Not a CEQA project**

Prepared By: **Tobias Barr, Public Works Project Manager**
Erica Ahmann Smithies, PE, Director of Public Works/City Engineer

Approved By: **Larry Pennell, Acting City Manager**

BACKGROUND

In August 2016, City Council approved Resolution No. 2016-104 approving the sole source agreement to purchase a back-up Channel Monster Wastewater Grinder at the Wastewater Treatment Plant from JWC Environmental, of Santa Ana California. Prior to 2016, the City had not purchased a grinder since 2005. The grinder is a critical piece of equipment at the Wastewater Treatment Plant. Without this equipment, the plant would not be able to properly process the solid waste that comes into the plant for treatment.

The main Channel Monster, which has provided continuous operation for approximately 12 years recently ceased and failed to operate. Over its life the Channel Monster unit had been rebuilt four times so its failure was inconvenient, but not unexpected. Because City Council had approved a back-up unit in August of 2016, the treatment plant has been continuing to operate on the second grinder unit. However, it’s important to note that if operators did not have the second Channel Monster Wastewater Grinder, the treatment plants operations would have been critically impacted.

Redundancy and good management practices of plant operations require that a new unit be purchased so that the plant may have a backup grinder for emergencies, equipment failure, and for scheduled maintenance purposes. Without the grinder, City Staff would be required to manually remove solids and trash from the influent wastewater during unit failure or scheduled maintenance.

DISCUSSION

City Staff wishes to purchase a grinder that is similar to the existing Channel Monster and made by the same manufacturer. The current grinder has performed well, and Staff understands how to operate, maintain, and repair the grinder. Purchasing a second grinder from the same manufacturer will simplify maintenance and repair. Additionally, the City will achieve some savings by returning the ceased Channel Monster under the exchange program. By returning the failed Channel Monster unit as an exchange, JWC Environmental will credit some money back to the City..

JWC Environmental is the inventor, owner, manufacturer, and sole provider of the Channel Monster equipment as well as the exclusive provider for service parts. A price quote and sole source letter from JWC Environmental has been included in this staff report as Attachments 1 and 2.

St. Helena Municipal Code, Section 3.04.140 B provides that commodities or services that can be obtained from only one vendor, or one distributor authorized to sell in this area, are exempt from the competitive bidding requirements in Section 3.04.100 provided that written documentation indicating the facts and nature supporting the determination of a sole source. Approval of any sole source acquisition shall be obtained from City Council for an award of a contract or purchase order greater than twenty-five thousand dollars ($25,000.00).

FISCAL IMPACT

The Channel Monster including the deduction for the returned failed unit will cost $27,590.18 plus tax and shipping, for a not to exceed amount of $32,000. Funds for the purchase of a replacement Channel Monster were not included in the adopted FY 2016/17 Waste Water Treatment Plant operating budget and will require a transfer of $32,000 from reserves.

RECOMMENDED ACTION

Approve the attached resolution approving the sole source purchase for one Channel Monster from JWC Environmental in an amount not to exceed $32,000 and authorize the Finance Director to execute a budget transfer of $32,000 from Wastewater Reserves to complete the purchase.

ATTACHMENTS

1. JWC Environmental Quote
2. Letter of Sole Source
3. Resolution

JWC Environmental®

Attachment 1

Customer Service Center
2600 S. Garnsey Street
Santa Ana, CA 92707 USA
Phone: 949 833-3888
Toll Free: 800 331-2277
Fax: 714 549-4007

Customer: 6002940
Michael Sample
St. Helena, City of
1480 Main Street
St. Helena, CA 94574
US

707-967-2878

michaels@cityofsthelena.org

Quote Number: **28329RevA**
Quote Date: **03/08/2017**
Terms: **NET 30 DAYS**
Pricing: **Valid 60 Days**
FOB: **Origin**
Lead Time: **6-8 Weeks ARO both ways Shipping & Handling included in the price**
Grinder Serial #: **102451-1-1**

Project: City of St. Helena

All orders will be billed the applicable sales tax, based on the "ship to address", unless a valid tax exemption certificate is provided prior to shipment.

Part Number	Description	Qty	Unit Price	Extended Price
EVAL_CA	CDD3210-ADUpgrade Return Expected Return Grinder SN: 102451-1-1	1	$0.00	$0.00
CDD3210-XDS2.0	CDD3210-XDS2.0 Upgrade 11 Tooth cam cutters 1:1 Stack Alloy Steel Buna N Elastomers Motor Type Hydraulic With 1/2 Perf Drum With Vertical Shaft support with grease lines Less Motor Less Reducer Less Spool Grinder SN:TBD **************** Paint: Epoxy Green	1	$27,162.00	$27,162.00
UC-SA	Upgrade Return Santa Ana *** UPGRADE RETURN Please return your old unit within 30 days to activate the Warranty on your Cutter Cartridge. Return equipment to: *** JWC Environmental 2600 South Garnsey Street Santa Ana, CA 92707	1	$0.00	$0.00
Shipping	Shipping & Handling	1	$0.00	$0.00

Customer Service Center
2600 S. Garnsey Street
Santa Ana, CA 92707 USA
Phone: 949 833-3888
Toll Free: 800 331-2277
Fax: 714 549-4007

A34049-0002	TRQ MTR ASSY 4.3GPM 5HP	1	$1,709.59	$1,709.59

Please verify serial number is correct.

Sub Total	**$28,871.59**
Tax	
Total	**$28,871.59**

Notes:
1. Please fax or mail a purchase order for the total amount and we can process your order.
   Please include the following:
   Billing Address, Ship to Address, and sales tax exemption certificate.
2. Please reference our quote number on your purchase order.
3. Availability of parts are subject to change at any time.
4. 20% restocking fee on all returns.
5. Sales tax is not included in price.
6. JWCE standard one year warranty included except for older models i.e. GTS, MS and SPF models.
7. Call or e-mail with any questions or concerns.

Thank-You for your Business!

JWC Environmental LLC
Erik Martinez
Customer Service

JWC Environmental®

Customer Service Center
2600 S. Garnsey Street
Santa Ana, CA 92707 USA
Phone: 949 833-3888
Toll Free: 800 331-2277
Fax: 714 549-4007

Please provide the following information. Failure to do so may delay processing of order. **Quote #: 28329RevA**

Bill To Name & Address: **Ship To Name & Address:**

______________________________ ______________________________

______________________________ ______________________________

______________________________ ______________________________

______________________________ ______________________________

Email Address: ___________________________

PO# __________________________ **Payment terms: Net 30** **FOB: Origin**

Please select a shipping method:

__ **Prepay & Add to Invoice**

__ **Collect** **Account #:** ______________ **Carrier:** _______________________

JWCE will add shipping and handling charges to invoices unless otherwise specified.

Please fax or email your PO and most recent tax certificate to:
Fax (714) 549-4007
Email servicesales@jwce.com

Credit cards:
__ **I authorize JWCE to process this order on my credit card and add shipping and handling charges.**
Call Customer Service at (800) 331-2277 for credit card processing.

Signature: ________________________ **Date:** _______________

Customer Service Center
2600 S. Garnsey Street
Santa Ana, CA 92707 USA
Phone: 949 833-3888
Toll Free: 800 331-2277
Fax: 714 549-4007

JWC ENVIRONMENTAL
TERMS AND CONDITIONS OF SALE

Unless otherwise specifically agreed to in writing by the buyer ("Buyer") of the products and or related services purchased hereunder (the "Products") and JWC Environmental (the "Seller"), the sale of the Products is made only upon the following terms and conditions. Whether these terms are included in an offer or an acceptance by Seller, such offer or acceptance is conditioned on Buyer's assent to these terms. Seller rejects all additional, conditional and different terms in Buyer's form or documents.

PAYMENT TERMS

Subject to any contrary terms set forth in our price quotation, order acceptance or invoice the full net amount of each invoice is due and payable in cash within 30 days from the date of the invoice. If any payment is not received within such 30-day period, Buyer shall pay Seller the lesser of 1 ½% per month or the maximum legal rate on all amounts not received by the due date of the invoice, from the 31st day after the date of invoice until said invoice and charges are paid in full. Unless Sellers documents provide otherwise, freight, storage, insurance and all taxes, duties or other governmental charges related to the Products shall be paid by the Buyer. If Seller is required to pay any such charges, Buyer shall immediately reimburse Seller for said charges. In all cases, regardless of partial payment, title to the Products shall remain the Sellers until payment for the Products has been made in full. All orders are subject to credit approval by Seller. All offers by Seller and/or acceptance of Buyer's order shall be nullified by any failure of Buyer to obtain credit approval. Furthermore, Buyer shall not assert any claim against Seller due to Buyer's inability to obtain credit approval. Irrevocable Letter of Credit from Buyer in form and term acceptable to Seller is required for Product orders delivered outside the United States of America

DELIVERY

Unless otherwise provided in our price quotation, delivery of the Products shall be made F.O.B. place of manufacture. Any shipment, delivery, installation or service dates quoted by the Seller are estimated and the Seller shall be obligated only to use reasonable efforts to meet such dates. The Seller shall in no event be liable for any delays in delivery or failure to give notice of delay or for any other failure to perform hereunder due to causes beyond the reasonable control of the Seller. Such causes shall include, but not be limited to, acts of God, the elements, acts or omissions of manufacturers or suppliers of the Products or parts thereof, acts or omissions of Buyer or civil and military authorities, fires, labor disputes or any other inability to obtain the Products, parts thereof, or necessary power, labor, materials or supplies. The Seller will be entitled to refuse to make, or to delay, any shipments of the Products if Buyer shall fail to pay when due any amount owed by it to the Seller, whether under this or any other contract between the Seller and Buyer. Any claims for shortages must be made to the Company in writing within five calendar days from the delivery date and disposition of the claim is solely subject to Sellers determination

PRICES

Prices of the Seller's Products are subject to change without notice. Quotations are conditioned upon acceptance within 30 days unless otherwise stated and are subject to correction for errors and/or omissions. Prices include charges for regular packaging but, unless expressly stated, do not include charges for special requirements of government or other purchaser. Prices are subject to adjustment should Buyer place an order past the validity period of the quotation or delay delivery of Products beyond the quoted lead time for any reason.

RETURNS

No Products may be returned for cash. No Product may be returned for credit after delivery to Buyer without Buyer first receiving written permission from the Seller. Buyer must make a request for return of Product in writing to Seller at its place of business in Costa Mesa, California. A return material authorization number must be issued by the Seller to the Buyer before a Product may be returned. Permission to return Product to Seller by Buyer is solely and exclusively the Sellers. Product must be returned to Seller at Buyers expense, including packaging, insurance, transportation and any governmental fees. Any credit for Product returned to Seller shall be subject to the inspection of and acceptance of the Product by the Seller and is at the sole discretion of the Seller.

LIMITED WARRANTY

Subject to the terms and conditions hereof, the Seller warrants until one year after commissioning (written notification to Seller by Buyer required) of the Product or until 18 months after delivery of such Product to Buyer, whichever is earlier, that each Product will be free of defects in material and workmanship. If (a) the Seller receives written notification of such defect during the warranty period and the defective Products use is discontinued promptly upon discovery of alleged defect, and (b) if the owner ("Owner") forwards the Product to the Seller's nearest service/repair facility, transportation and related insurance charges prepaid. The Seller will cause any Products whose defect is covered under this warranty to either be replaced or be repaired at no cost to the Owner. The foregoing warranty does not cover repairs required due to repair or alteration other than by the Seller's personnel, accident, neglect, misuse, transportation or causes other than ordinary use and maintenance in accordance with the Seller's instructions and specifications. In addition, the foregoing warranty does not cover any Products, or components thereof, which are not directly manufactured by the Seller. To the extent a warranty for repair or replacement of such Products or components not manufactured directly by the Seller is available to Buyer under agreements of the Seller with its vendors; the Seller will make such warranties available to Buyer. Costs of transportation of any covered defective item to and from the nearest service/repair center and related insurance will be paid or reimbursed by Buyer. Any replaced Products will become the property of the Seller. Any replacement Products will be warranted only for any remaining term of the original limited warranty period and not beyond that term.

DISCLAIMER OF WARRANTIES AND LIMITATIONS OF LIABILITIES

THE SELLER'S FOREGOING LIMITED WARRANTY IS THE EXCLUSIVE AND ONLY WARRANTY WITH RESPECT TO THE PRODUCTS AND SHALL BE IN LIEU OF ALL OTHER WARRANTIES (OTHER THAN THE WARRANTY OF TITLE), EXPRESS, STATUTORY OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND ANY STATEMENTS MADE BY EMPLOYEES, AGENTS OF THE SELLER OR OTHERS REGARDING THE PRODUCTS. THE OBLIGATIONS OF THE SELLER UNDER THE FOREGOING WARRANTY SHALL BE FULLY SATISFIED BY THE REPAIR OR THE REPLACEMENT OF THE DEFECTIVE PRODUCT OR PART, AS PROVIDED ABOVE. IN NO EVENT SHALL THE SELLER BE LIABLE FOR LOST PROFITS OR OTHER SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, EVEN IF THE SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE TOTAL LIABILITY OF THE SELLER TO BUYER AND OTHERS ARISING FROM ANY CAUSE WHATSOEVER IN CONNECTION WITH BUYER'S PURCHASE, USE AND DISPOSITION OF ANY PRODUCT COVERED HEREBY SHALL, UNDER NO CIRCUMSTANCES, EXCEED THE PURCHASE PRICE PAID FOR THE PRODUCT BY BUYER. NO ACTION, REGARDLESS OF FORM, ARISING FROM THIS AGREEMENT OR BASED UPON BUYER'S PURCHASE, USE OR DISPOSITION OF THE PRODUCTS MAY BE BROUGHT BY EITHER PARTY MORE THAN ONE YEAR AFTER THE CAUSE OF ACTION ACCRUES, EXCEPT THAT ANY CAUSE OF ACTION FOR THE NONPAYMENT OF THE PURCHASE PRICE MAY BE BROUGHT AT ANY TIME

The remedies provided to Buyer pursuant to the limited warranty, disclaimer of warranties and limitations of liabilities, described herein are the sole and exclusive remedies.

Unless specifically agreed to in writing by the Seller, no charges may be made to the Seller by Buyer or any third party employed by buyer for removing, installing or modifying any Product.

The Seller and its representatives may furnish, at no additional expense, data and engineering services relating to the application, installation, maintenance or use of the Products by Buyer. The Seller will not be responsible for, and does not assume any liability whatsoever for, damages of any kind sustained either directly or indirectly by any person through the adoption or use of such data or engineering services in whole or in part.

CONFIDENTAIL INFORMATION

Except with the Seller's prior written consent, Buyer shall not use, duplicate or disclose any confidential proprietary information delivered or disclosed by the Seller to Buyer for any purpose other than for operation or maintenance of the Products.

CANCELLATION AND DEFAULT

Absolutely no credit will be allowed for any change or cancellation of an order for Products by Buyer after fabrication of the Products to fill Buyer's order has been commenced. If Buyer shall default in paying for any Products purchased hereunder, Buyer shall be responsible for all reasonable costs and expenses, including (without limitation) attorney's fees incurred by the Seller in collecting any sums owed by Buyer. All rights and remedies to the Seller hereunder or under applicable laws are cumulative and none of them shall be exclusive of any other right to remedy. No failure by the Seller to enforce any right or remedy hereunder shall be deemed to be a waiver of such right or remedy, unless a written waiver is signed by an authorized management employee of the Seller and the Seller's waiver of a breach of this agreement by Buyer shall not be deemed to be a waiver of any other breach of the same or any other provision.

CHANGES IN PRODUCTS

Changes may be made in materials, designs and specifications of the Products without notice. The Seller shall not incur any obligation to furnish or install any such changes or modifications on Products previously ordered by, or sold to, Buyer.

APPLICABLE LAW, RESOLUTION OF DISPUTES AND SEVERABILITY

This agreement is entered into in Costa Mesa, California. This agreement and performance by the parties hereunder shall be construed in accordance with, and governed by, the laws of the State of California. Any claim or dispute arising from or based upon this agreement or the Products which form its subject matter shall be resolved by binding arbitration before the American Arbitration Association in Los Angeles, California, pursuant to the Commercial Arbitration Rules, excepting only that each of the parties shall be entitled to take no more than two depositions, and serve no more than 30 interrogatories, 10 requests for admissions and 20 individual requests for production of documents, such discovery to be served pursuant to the California Code of Civil Procedure. Any award made by the arbitrator may be entered as a final judgment, in any court having jurisdiction to do so. If any provision of this agreement shall be held by a court of competent jurisdiction or an arbitrator to be unenforceable to any extent, that provision shall be enforced to the full extent permitted by law and the remaining provisions shall remain in full force and effect.

ASSIGNMENT

This agreement shall be binding upon the parties and their respective successors and assigns. However, except for rights expressly provided to subsequent Owners of the Products under "Limited Warranty" above, any assignment of this agreement or any rights hereunder by Buyer shall be void without the Company's written consent first obtained. Any exercise of rights by an Owner other than Buyer shall be subject to all of the limitations on liability and other related terms and conditions set forth in this agreement.

Customer Service Center
2600 S. Garnsey Street
Santa Ana, CA 92707 USA
Phone: 949 833-3888
Toll Free: 800 331-2277
Fax: 714 549-4007

EXCLUSIVE TERMS AND CONDITIONS

The terms and conditions of this agreement may be changed or modified only by an instrument in writing signed by an authorized management employee of the Seller. This instrument, together with any amendment or supplement hereto specifically agreed to in writing by an authorized management employee of the Seller, contains the entire and the only agreement between the parties with respect to the sale of the Products covered hereby and supersedes any alleged related representation, promise or condition not specifically incorporated herein.

SELLER'S PRODUCTS ARE OFFERED FOR SALE AND SOLD ONLY ON THE TERMS AND CONDITIONS CONTAINED HEREIN. NOTWITHSTANDING ANY DIFFERENT OR ADDITIONAL TERMS OR CONDITIONS CONTAINED IN BUYER'S SEPARATE PURCHASE ORDERS OR OTHER ORAL OR WRITTEN COMMUNICATION, BUYER'S ORDER IS OR SHALL BE ACCEPTED BY THE COMPANY ONLY ON THE CONDITION THAT BUYER ACCEPTS AND CONSENTS TO THE TERMS AND CONDITIONS CONTAINED HEREIN. IN THE ABSENCE OF BUYER'S ACCEPTANCE OF THE TERMS AND CONDITIONS CONTAINED HEREIN THE SELLER'S COMMENCEMENT OF PERFORMANCE AND/OR DELIVERY OF THE PRODUCTS, OR THE SELLER'S STATEMENT OF ACKNOWLEDGMENT OF THE RECEIPT OF BUYER'S PURCHASE ORDER, SHALL BE FOR BUYER'S CONVENIENCE ONLY AND SHALL NOT BE DEEMED OR CONSTRUED TO BE ACCEPTANCE OF BUYER'S DIFFERING TERMS OR CONDITIONS, OR ANY OF THEM. ANY DIFFERENT OR ADDITIONAL TERMS ARE HEREBY REJECTED UNLESS SPECIFICALLY AGREED UPON IN WRITING BY AN AUTHORIZED MANAGEMENT EMPLOYEE OF THE SELLER. IF A CONTRACT IS NOT EARLIER FORMED BY MUTUAL AGREEMENT IN WRITING, BUYER'S ACCEPTANCE OF ANY PRODUCTS COVERED HEREBY SHALL BE DEEMED ACCEPTANCE OF ALL OF THE TERMS AND CONDITIONS STATED HEREIN. THE SELLER'S FAILURE TO OBJECT TO PROVISIONS INCONSISTENT HEREWITH CONTAINED IN ANY COMMUNICATION FROM BUYER SHALL NOT BE DEEMED A WAIVER OF THE PROVISIONS CONTAINED HEREIN.

F360JWCE0107

ATTACHMENT 2

Western Region Sales
36957 Silk Tree Ct.
Winchester, CA 92596
Cell: 714-618-4941

Date: 6-21-16

Subject: Sole Source for Muffin Monster/Parts

JWC Environmental is the inventor and owner of the Muffin Monster®, Channel Monster®, Auger Monster®, Screenings Washer Monster™, Honey Monster™ and Monster Screening Systems™. We hold numerous patents and trademarks on these products.

JWC Environmental is the sole manufacturer of these products and the exclusive source for service parts for this equipment.

Misco is the exclusive JWC Environmental representative for California, Arizona, New Mexico, Colorado, Wyoming, and parts of Nevada and Texas.

Please feel free to contact me at 714-618-4941 or daveb@jwce.com if we can provide any additional information.

Sincerely,

David Barkey
Sales Operations Manager - West

*The **Monster** Family is Growing*
*www.jwce.com/**headworks***

ATTACHMENT 3

CITY OF ST. HELENA

RESOLUTION NO. 2017-

APPROVING A SOLE SOURCE PURCHASE FOR ONECHANNEL MONSTER WASTEWATER GRINDER FROM JWC ENVIRONMENTAL IN AN AMOUNT NOT TO EXCEED $32,000 AND AUTHORIZE THE FINANCE DIRECTOR TO EXECUTE A BUDGET TRANSFER OF $32,000 FROM WASTEWATER RESERVES

RECITALS

A. In 2016 City Council approved Resolution No. 2016-104 for the approval of the purchase of a back-up Wastewater Grinder.

B. In early 2017, the primary Wastewater Grinder failed and could not be repaired by plant operators causing the back-up Wastewater Grinder to be put into primary service.

C. The Channel Monster is a critical piece of equipment at the Wastewater Treatment Plant. Without this equipment, the plant would not be able to properly process the solid waste that comes into the plant for treatment.

D. Redundancy and good management practices of plant operations require that a new unit be purchased so that the plant may have a back-up grinder for emergencies, equipment failure, and for scheduled maintenance purposes.

E. JWC Environmental is the inventor, owner and sole manufacturer of the Channel Monster equipment as well as the exclusive provider for service parts.

F. Funds for the replacement of the second Channel Monster were not included in the adopted Fiscal Year 2016/17 budget and require a budget adjustment.

G. St. Helena Municipal Code, Section 3.04.140 requires City Council approval for sole source purchases greater than $25,000.

H. JWC Environmental has provided a firm quotation for the specified machinery and documented its status as the one distributor of the specified machinery authorized to sell in this area to the satisfaction of the Director of Public Works.

ATTACHMENT 3

RESOLUTION

NOW, THEREFORE, the City Council of the City of St. Helena resolves as follows:

1. Approve the purchase of one Channel Monster Wastewater Grinder, from JWC Environmental, of Santa Ana, California in an amount not to exceed $32,000.

2. Authorize the Finance Director to transfer $32,000 from Wastewater Reserves for the purchase of the back-up Channel Monster Wastewater Grinder.

Approved at a Regular Meeting of the St. Helena City Council on April 25, 2017 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:	ATTEST:
__________________________	__________________________
Alan Galbraith	Cindy Black
Mayor	City Clerk

Report to the City Council
Council Meeting of April 28, 2017

Agenda Section: **Consent**

Subject: **Receive and File Grant Quarterly Report for FY 2017 Q3, for the period ending March 31, 2017**

CEQA Status: **Not a CEQA Project**

Prepared By: **April Mitts, Finance Director**
Tracey Perkosky, Grants & Finance Manager

Approved By: **Larry Pennell, Interim City Manager**

BACKGROUND

This report covers grant activity for year to date through the 3rd Quarter of Fiscal Year (FY) 2017.

DISCUSSION

New Awarded Grant Applications in FY 2017

The City of St Helena was awarded the following new grants:

Agency	Project	Amount
Friends & Foundation	Enhancements for Library (PT Staff, Spanish/Youth/Adult Programs, Materials, Elsie the Cat, Supplies)	$134,500
NVTA/Transportation Fund for Clean Air	Pope St Bike Lanes (Project Shortfall)	$17,000
NorthNet Library System	Training for Library Staff	$1,000

Applications Pending

The following applications were submitted and are awaiting award notifications:

Agency	Project	Amount
OBAG2	Main Street Pedestrian Improvements	$ 1,370,000
OBAG2	Grayson Ave Resurfacing Project	$ 913,000

Active Grants

These are grant awards with signed agreements. This chart shows the grant award, required match and percent expended. Staff is currently managing $4.96 million in active grant funds.

Grant	Project	Award Amount	Cash Match	% Grant Funds Expended	Notes
Environmental Protection Agency (EPA)	Upper York Creek Ecosystem Restoration	$ 987,876	$ 987,876	0.5%	Project is moving forward; reserving grant funds for construction phase
SF Bay Area Integrated Regional Water Management Grant (IRWM)	Upper York Creek Ecosystem Restoration	$ 800,000	$ 1,174,119	0.0%	City is currently submitting proof of match requirement.
Transportation Fund for Clean Air	Design & Install Pope St Bike Lanes	$ 57,000	$ -	23.8%	Amendment Completed; Reimbursement in Process for Design
Department of Water Resources (DWR)	Comprehensive Flood Control Project	$2,371,333	$20,000,000	100.0%	Holding $237,000 in retention until Conservation Easement completed
Bay Area Air Quality Management District (BAAQMD)	Bike Racks near City Hall	$ 600	$ 61.85	100%	Completed
Department of Housing and Community Development – HOME	Home repairs for Low-Income individuals via 0% interest loans	$500,000	$ --	0%	Contract with Napa County HA tentative for May 22
Transportation Development Act – Article 3	Railroad Avenue ADA Ramps	$51,500	$ -	0%	
CA Board of State and Community Corrections	Police Projects TBD	$9,504	$ ---	0%	
U.S. Department of Justice	Bulletproof Vest Program	$3,666.25	$3,666.25	100%	Completed
CA Housing and Community Development (HCD)	Community Development Block Grant	$50,000	$50,000	100%	Reimbursement lost in mail. Contract extension in process to claim funds

Friends & Foundation	Library Enhancements (Staff, Programs, Elsie, Materials)	$ 134,500	$ -	84%	

Closed Out Grants

Grant	Project	Award Amount	Cash Match	% Grant Funds Expended	Notes
Transportation Development Act - 3 (TDA-3)	Mitchell Sidewalks	$ 107,278	$ 18,722	100.0%	Project Completed, All Funds Received, Audit Completed with No Findings

Flood Projects (Measure A, Hazard Mitigation Grant, Department of Water Resources, State Revolving Loan Fund, and Incidental Take Permit)
The Forensic Accountant report will be completed in May 2017. Once the report is complete, the audit with Napa County for Measure A can begin. After the audit is complete, a contract amendment will be initiated for the State Revolving Loan Repayment project. Staff is awaiting guidance from the Department of Water Resources on the conservation easement before moving forward. The deed restriction for the Incidental Take Permit will be completed after the conservation easement. Staff has also learned that the remaining Mishewal-Wappo artifacts have not been transferred to Sonoma State University and additional artifacts will need to repatriated to the tribe. Additional funds will be needed to complete all of these unfinished project elements which are requested as part of the FY 17/18 Operating Budget.

Non-Profit Grant Applications
For FY 2016 nine applications were funded, totaling $35,050. As of March 31, 2016 the following organizations have completed their projects and received full reimbursements:

- St. Helena Preschool for All, Inc.;
- Reading is Fun (RIF)/Federated Women of Upper Napa Valley;
- Rianda House Senior Activity Center;
- St. Helena Historical Society; and
- Boys and Girls Club of St. Helena and Calistoga.

There are four projects which are in progress and are awaiting submittal of a reimbursement request:

- Friends of the Cameo;
- St. Helena Little League;
- Nimbus Arts LLC; and
- UpValley Family Centers.

The FY 2017 application process closed on March 31st. Thirteen applications were received totaling $110,600. Funding decisions will be made during the budget process.

FISCAL IMPACT

There is no fiscal impact associated with this report.

RECOMMENDED ACTION

Receive and file report.

Report to the City Council
Meeting of April 25, 2017

Agenda Section: **Consent**

Subject: **Consideration and proposed approval of Resolution approving the SHES/SHPS Parent Teacher Group to host musical entertainment, and vendors at Lyman Park on Friday, May 5, 2017, between the hours of 2:00 pm and 10:00 pm, and waive the Encroachment Permit fee in the amount of $200.00, and authorizing City staff to assist with set-up and tear down of equipment**

CEQA Status: **Categorically exempt from CEQA, Sections 15323, 15061**

Prepared By: **Erica Ahmann Smithies, PE, Director of Public Works/City Engineer**

Approved By: **Larry Pennell, Interim City Manager**

BACKGROUND

The St Helena Elementary School and Primary School (SHES/SHPS) Parent Teacher Group has requested permission to host the Primary & Elementary Schools Community Cinco de Mayo Celebration. The celebration will be full of music, dancing, food and vendor booths at Lyman Park on May 5, 2017, between the hours of 5:00 pm and 10:00 pm. This event, Community Cinco de Mayo Celebration in Lyman Park, has become a tradition for the Primary & Elementary Schools to celebrate with the community. This is the 5th annual event the SHES/SHPS Parent Teacher Group hosts for the Primary & Elementary School children and the St. Helena community. The event raises funds to help support enrichment programs, field trips and art programs for the Primary & Elementary School children. The SHES/SHPS Parent Teacher Group has also requested a waiver of the encroachment permit fee for the event.

DISCUSSION

Current City municipal code does not include provisions for reserving Lyman Park, or allow staff to waive fees. Staff is requesting City Council approve these items.

Since the City does not have a permit process for reserving the entire park, Staff is requiring the SHES/SHPS Parent Teacher Group to submit an encroachment permit along with the required insurance and fee.

The SHES/SHPS Parent Teacher Group is also requesting to utilize the portable City stage, and have City staff assistance to setup and take down the stage. Staff effort is estimate to require 4 staff member for two hours to setup, and three staff members for two hours to take down.

FISCAL IMPACT

Waiver of the encroachment permit fee in the amount of $200 and the Gazebo rental fee of $150. Also, the staff time to set-up and tear down to provide assistance, estimated to be a total of 14 man hours to setup and take down.

RECOMMENDED ACTION

Staff recommends adopting the attached resolution, waiving the encroachment fee, rental fees and authorizing staff assistance of approximately 14 man hours.

ATTACHMENTS

Attachment 1 – Resolution
Attachment 2 – Encroachment Permit Application

CITY OF ST. HELENA

RESOLUTION NO. 2017-____

APPROVING THE SHES/SHPS PARENT TEACHER GROUP TO HOST MUSICAL ENTERTAINMENT AND VENDORS AT LYMAN PARK ON FRIDAY, MAY 5, 2017; WAIVING FEES; AND AUTHORIZE CITY STAFF TO SETUP AND TAKE DOWN THE CITY'S PORTABLE STAGE

RECITALS

A. The St. Helena City Council has the authority to regulate the use of public property; and

B. This event will be open to the general community; and

C. The SHES/SHPS Parent Teacher Group has requested permission to host musical entertainment and vendors at Lyman Park on Friday, May 5, 2017, between the hours of 5:00 pm and 10:00 pm.

RESOLUTION

NOW, THEREFORE, the City Council of the City of St. Helena resolves as follows:

1. Permission is hereby granted to SHES/SHPS Parent Teacher Group to use Lyman Park for their "Musical Picnic" events.
2. The encroachment fee in the amount of $200 is waived.
3. The gazebo rental fees in the amount of $150.00 are waived.
4. City staff is authorized to setup and take down the City's portable stage.

I HEREBY CERTIFY that this Resolution was adopted at a regular meeting of the City Council held on April 25, 2017 by the following roll call vote:

Mayor Galbraith: ___________

Vice Mayor White: ___________

Councilmember Dohring: ___________

Councilmember Ellsworth: ___________

Councilmember Koberstein: ___________

APPROVED: ATTEST:

___________________________ ___________________________

Alan Galbraith, Mayor Cindy Black, City Clerk

"REQUIRED INSURANCE FORM"

POLICY NUMBER: CA254460

COMMERCIAL GENERAL LIABILITY
CG 20 12 07 98

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – STATE OR POLITICAL SUBDIVISIONS - PERMITS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

State Or Political Subdivision:

The City of St. Helena, its Agents, Officers, Officials, Employees, and Volunteers

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Section II – Who Is An Insured is amended to include as an insured any state or political subdivision shown in the Schedule, subject to the following provisions:

1. This insurance applies only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.
2. This insurance does not apply to:
   a. "Bodily injury," "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
   b. "Bodily injury" or "property damage" included within the "products-completed operations hazard".

Must reference/include insured's policy # PT P001 4985

Should also include: effective dates, insured's name

10/27/16 - 10/27/17

SHUSD
SHPS/SHES Parent Teacher Group
City of St Helena

[signature]
Signature – Authorized Representative

1512 Stockton St
St Helena CA 94574
Address

PERMIT # ________

CITY OF ST. HELENA
ENCROACHMENT PERMIT
APPLICATION

TO: DEPARTMENT OF PUBLIC WORKS
1480 MAIN STREET
ST. HELENA, CA 94574

Applicant: SHPS/SHES Parent Teacher Group
(Property Owner or Contractor)

Email: kellyschaeffer7@mac.com

Phone: 707.815.1739

Job Location: Lyman Park

I (or we) hereby apply for an encroachment permit to carry out the following work:
Cinco de Mayo Festival

Estimated Start Date 5/5/17 Estimated Completion Date 5/5/17

DIAGRAM OF LOCATION OF PROPOSED WORK
Attach diagram on separate sheet(s) if necessary

Permittee agrees to comply with all ordinances, regulations, specifications and conditions which may apply or be required as a condition of this Permit/Contract. (See insurance requirements and general and special conditions pages).

Permittee shall indemnify, defend and hold harmless The City of St. Helena and its agents, officers, officials employees and volunteers in interest from and against all claims, damages, losses and expenses including attorney fees arising out of or in connection with work performed under this Permit/Contract, except where caused by the sole negligence or willful misconduct of The City of St. Helena. This obligation of Permittee to indemnify, defend and hold harmless shall continue in effect after the completion of the project authorized under this Permit/Contract.

State Law required U.S.A. to be alerted for all underground work two (2) working days prior to start date

Applicant: [signature] Member 4/17/17
Signature Title Date

Conditions: ________

Approved By: ________
Public Works Staff Date

Encroachment Permit Application
6/16/15

4

Report to the City Council
Council Meeting of April 25, 2017

Agenda Section: **Consent**

Subject: Consideration of proposed adoption of a Resolution Designating No Parking Zones on Elmhurst Avenue and Main Street

CEQA Status: **Categorically Exempt, Section 15304, Minor Alterations to Land**

Prepared By: **Erica Ahmann Smithies, PE, Acting Director of Public Works/City Engineer**

Approved By: **Larry Pennell, Acting City Manager**

BACKGROUND

As construction of the Las Alcobas Hotel Project, located at 1915 Main Street nears completion, there has been a significant increase of on street parking observed along various City streets. Members of the public have been voicing concerns with traffic safety with the influx of parking. Staff members from the City Fire Department, Police Department and Public Works Department have been monitoring the area closely and are currently recommending that additional no parking zones be added at the intersection of Elmhurst Avenue and Main Street.

The concern at Elmhurst Avenue and Main Street is that vehicles parking up to the corner of the intersection prevents eastbound Elmhurst drivers from seeing southbound Main Street traffic until entering the southbound travel lane. In addition to visibility, buses turning on to Elmhurst Avenue from southbound Main Street were observed having difficulty staying in their travel lane. Adding no parking zones along the intersection corners will increase driver visibility and allow for a non-obstructed turning radius.

A Location Map is included as Attachment 1.

DISCUSSION

The property owners at the corners of the Elmhurst Avenue and Main Street intersection were contacted April 13, 2017 to discuss the no parking zones and both were supportive of the addition. City staff moved forward with painting the curbs red in advance of this staff report due to safety concerns. City staff will continue to monitor the area of the hotel as well as traffic circulation.

The work involves painting curbs red on existing City streets with no expansion of capacity. It is therefore, categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15304, Minor Alterations to Land.

City Council Resolution No. 2016-69 authorizing specific no parking zones throughout the City has been updated to include additional areas on Elmhurst Avenue and Main Street.

FISCAL IMPACT
City staff will paint the curbs red during regular business hours.

RECOMMENDED ACTION
Staff recommends that the City Council adopt a resolution designating the additional no parking zones on Elmhurst Avenue and Main Street.

ATTACHMENTS
1. No Parking Exhibit (Will be provided under separate cover)
2. Resolution Approving No Parking Zone

ATTACHMENT 2

CITY OF ST. HELENA

RESOLUTION NO. 2017

ADDING RED ZONES ON PORTIONS OF ELMHURST AVENUE AND MAIN STREET TO THE CITY'S LIST OF RED ZONES (PARKING PROHIBITIONS) AND RESCINDING PRIOR RESOLUTION NO. 2016-69

RECITALS

The Police Chief, Fire Chief and the Public Works Director have identified certain locations for which no parking is recommended in addition to those already in existence. New locations are identified with an underline in the following resolution. Locations not marked by an underline are locations already designated as no parking zones.

RESOLUTION

1. No parking zones or No stopping zones established within Resolution No. 2016-69 are hereby rescinded except to the extent that they are re-established below in this resolution.

2. For purposes of this resolution:

   "Curb" means the concrete curbing installed along the side of the street or roadway or, if there is none, the edge of the traveled portion of the street or roadway.

   "Intersection" means the point established by extending curb lines of the designated streets without regard for an arced curb installed to provide a turning radius between roadways.

3. Pursuant to Sections 10.10 and 10.11.1 of the City Code the following locations are designated as no parking or no stopping zones within which parking of vehicles on City streets is prohibited.

A) **ADAMS STREET**

   1. Commencing at the northeast intersection of Adams and Kearney Streets thence 25 feet easterly along the north side of Adams Street.

   2. Commencing at the southeast intersection of Adams and Kearney Streets thence 72 feet westerly along the south side of Adams Street.

   3. Commencing at the southeast intersection of Adams Street and Money Way thence 30 feet easterly along the south side of Adams Street.

   4. Commencing at the southeast intersection of Adams Street and Napa Valley Wine Train Tracks thence easterly 30 feet along the south side of Adams Street.

ATTACHMENT 2

5. Commencing at the southeast intersection of Adams Street and Main Street 42 feet easterly to the point of beginning, thence 20 feet easterly along the south side of Adams Street.

6. Commencing on the south side of Adams Street 138 feet easterly from Main Street thence 20 feet easterly along the south side of Adams Street.

7. Commencing at the northwest intersection of Adams Street and Railroad Avenue thence westerly 28 feet along the north side of Adams Street.

8. Commencing at a point 65 feet east of Main Street thence easterly 20 feet along the north side of Adams Street.

9. Commencing at the northeast intersection of Adams Street and Oak Avenue thence easterly 20 feet on the north side of Adams Street.

10. Commencing at the southeast intersection of Adams Street and Oak Avenue thence easterly 30 feet along the south side of Adams Street.

11. Commencing at the northeast intersection of Adams Street and Oak Avenue thence easterly 25 feet along the north side of Adams Street.

12. Commencing at the southwest intersection of Adams Street and Main Street thence westerly 31 feet along the south side of Adams Street.

13. Commencing at the westerly edge of the westerly driveway of 899 Adams Street thence westerly 30 feet along the south side of Adams Street.

14. Commencing at the easterly edge of the most easterly driveway of the 1010 Adams Street Bank Building and Pharmacy, thence easterly thirty (30) feet along the south side of Adams.

B) **ALEXANDER COURT**

1. Commencing at the southerly intersection of Alexander Court and Main Street thence westerly along the north side of Alexander Court 160 feet, thence northerly along a curve to the right 160 feet, thence easterly along the southerly side 160 feet to the northerly intersection of Alexander Court and Main Street.

C) **CHARTER OAK**

1. Commencing at the northeast intersection of Charter Oak and Wine Train Railroad Tracks thence easterly 180 feet along the north side of Charter Oak.

2. Commencing at the southeast intersection of Charter Oak and Wine Train Railroad Tracks thence easterly 197 feet along the south side of Charter Oak.

ATTACHMENT 2

3. Commencing at the east intersection of Allison Avenue and Charter Oak thence along both sides of Charter Oak Avenue to the easterly end of the street.

D) **CHILES AVENUE**

1. Beginning at a point lying 84 feet westerly of the northwest bridge abutment corner at Pope Street crossing Sulphur Creek; thence northwesterly 58 feet along the east curb at Chiles Avenue and Pope Street.

2. Beginning at a point lying 154 feet westerly of the northwest bridge abutment corner at Pope Street crossing Sulphur Creek; thence northerly 84 feet along the west curb at Chiles Avenue and Pope Street.

E) **CHURCH STREET**

1. Commencing at the southeast intersection of Church Street and Hunt Avenue thence southerly along the east side of Church Street to the northeasterly intersection of Pope Street.

2. West side of Church Street five (5) feet north and five (5) feet south of the entrance and exit driveway of the parking lot of the business located at 1120 Pope Street.

F) **COLLEGE AVENUE**

1. Commencing at the southeast intersection of College Avenue and Pope Street thence southerly 360 feet along the east side of College Avenue.

2. Commencing at the southwest intersection of College Avenue and Pope Street thence southerly 360 feet along the west side of College Avenue.

G) **CRANE AVENUE**

1. Commencing at the southeast intersection of Crane Avenue and Grayson Avenue thence southerly 50 feet along the east side of Crane Avenue. This is a 24-hour "No Stopping" zone.

2. Commencing at a point 50 feet south of the southeast intersection of Crane Avenue and Grayson Avenue thence southerly 413 feet along the east side of Crane Avenue. This is a "No Stopping" zone during the hours of 7:30 a.m. – 3:00 p.m. on school days.

3. Commencing at the northeast intersection of Crane Avenue and Grayson Avenue thence northerly 50 feet along the east side of Crane Avenue. This is a 24-hour "No Stopping" zone.

ATTACHMENT 2

4. Commencing at a point 50 feet north of the northeast intersection of Crane Avenue and Grayson Avenue thence northerly 450 feet along t e east side of Crane Avenue to the bridge. This is a “No Stopping” zone during the hours of 7:30 a.m. – 3:00 p.m. on school days.

H) **DOWDELL LANE**

1. Commencing at the east right-of-way of the Wine Train crossing at Dowdell Lane thence easterly 180 feet along the north and south side of Dowdell Lane.

2. Commencing at the driveway to 899 Dowdell Lane thence 12 feet in both the easterly and westerly direction from the edge of said driveway a distance of 12 feet along the northerly side of Dowdell Lane.

3. DOWDELL AND MCCORMICK

   a. Commencing at the southeast intersection of McCormick Street and Dowdell Lane thence 25 feet northwesterly along the east side of McCormick Street.

   b. Commencing at the southeast intersection of McCormick Street and Dowdell Lane thence 28 feet northeasterly along the south side of Dowdell Lane.

I) **EDWARDS STREET**

1. Commencing at the southeast corner of Edwards Street and Hunt Avenue thence southerly 20 feet along the east side of Edwards Street.

2. Commencing at the southwest corner of Edwards Street and Hunt Avenue thence southerly 20 feet along the west side of Edwards Street.

J) **EL BONITA AVENUE**

1. Commencing at a point 35 feet west of Community Drive thence westerly 60 feet along the north side of El Bonita Avenue.

2. Commencing at the intersection of El Bonita Avenue and Community Drive thence easterly 80 feet along the south side of El Bonita Avenue.

K) **ELMHURST AVENUE**

1. Commencing at the northeast intersection of Elmhurst Avenue and Granger Way thence easterly 30 feet along the north side of Elmhurst Avenue.

2. Commencing at the southeast intersection of Elmhurst Avenue and Spring Mountain Road thence easterly 75 feet along the south side of Elmhurst Avenue.

3. <u>Commencing at the intersection of Elmhurst Avenue and Main Street thence westerly 30 feet along both sides of Elmhurst Avenue.</u>

ATTACHMENT 2

L) **FULTON LANE**

1. Commencing at the northeast and southeast intersection of Fulton and Main Streets thence easterly 90 feet along the north and south sides of Fulton Lane.

2. Commencing at the easterly intersection of Fulton Lane and Railroad Avenue thence easterly 120 feet along both the north and south sides of Fulton Lane.

M) **GRAYSON AVENUE**

1. South side of Grayson Avenue from the southwest intersection of Main Street and Grayson Avenue westerly for a distance of 100 feet.

2. North side of Grayson beginning at a point 665 feet westerly of the westerly line of Main Street then west along the north side of Grayson for a distance of 1,165.6 feet between the hours of 7:30 a.m. and 3:00 p.m., Mon. - Fri.

3. Commencing at the northeast intersection of Grayson Avenue and Crane Avenue thence easterly 50 feet along the north side of Grayson Avenue. This is a 24-hour "No Stopping zone.

4. Commencing at a point 50 feet north of the northeast intersection of Grayson Avenue and Crane Avenue thence 700 feet along the north side of Grayson Avenue. This is a "No Stopping" zone during the hours of 7:30 a.m. – 3:00 p.m. on school days.

5. Commencing at the intersection of the easterly driveway of the Primary School Parking Lot and Grayson Avenue thence westerly along the southerly curb line a distance of 25 feet.

N) **GROVE COURT**

1. Commencing at the northeast intersection of Grove Court and Hunt Avenue thence northerly 205 feet along the east side of Grove Court.
2. Commencing 100 feet northerly of the northwest intersection of Grove Court and Hunt Avenue thence northerly 100 feet along the west side of Grove Court adjacent to the heritage oak tree.

O) **HUNT AVENUE**

1. Commencing at the northeast intersection of Hunt Avenue and Starr Avenue thence westerly 307 feet along the north side of Hunt Avenue.

2. Commencing at the southwest intersection of Hunt Avenue and Starr Avenue thence westerly 465 feet along south side of Hunt Avenue to 105 feet west of Monte Vista extended center line.

ATTACHMENT 2

3. Commencing at the southeast corner of Hunt Avenue and Edwards Street thence easterly 40 feet along the south side of Hunt Avenue.

4. Commencing at the southwest corner of Hunt Avenue and Edwards Street thence westerly 30 feet along the south side of Hunt Avenue.

5. Commencing on the north side of Hunt Avenue fifteen (15) feet west and fifteen (15) feet east of the most eastern entrance and exit driveway of the Safeway parking lot. This is a 24-hour “No Stopping Zone”.

6. Commencing at a point fourty (40) feet east of the most eastern entrance and exit driveway of the Safeway parking lot, thence thirty (30) feet along the north side of Hunt Avenue.

P) **JUNE LANE**

1. Commencing at a point lying 184 feet north of the intersection of Chiles and June Lane; thence along the east curb to the right a distance of 30 feet to the south curb of Hunt Avenue.

2. Commencing at a point lying 184 feet north of the intersection of Chiles Avenue and June Lane; thence along the west curb to the left a distance of 30 feet to the south curb of Hunt Avenue.

Q) **KEARNEY STREET**

1. Commencing at the northeast intersection of Kearney Street and Spring Street thence northerly along the east side of Kearney Street to Tainter Street.

2. Commencing 143 feet north of the northeast corner of Adams Street and Kearney Street thence northerly a distance of 51 feet along the east side of Kearney Street.

3. Commencing 399 feet north of the northeast corner of Adams Street and Kearney Street thence northerly a distance of 33 feet along the east side of Kearney Street.

R) **LA FATA STREET**

1. Commencing 215 feet southerly from the southeast corner of La Fata Street and Dowdell Lane thence 60 feet southerly along the easterly curb of La Fata Street.

2. Commencing 398 feet southerly from the southeast corner of La Fata Street and Dowdell Lane thence 40 feet southerly along the easterly curb of La Fata Street.

3. Commencing at the driveway to 899 Dowdell Lane located on La Fata Street thence 12 feet in both the northerly and southerly direction from the edge of said driveway a distance of 12 feet along the westerly side of La Fata Street.

ATTACHMENT 2

S) **LIBRARY LANE**

1. Commencing at the north side of the white painted load zone at the St. Helena Library at 1480 Library lane, then twenty-one (21) feet along the east side of Library Lane.

T) **MADRONA AVENUE**

1. Commencing at the intersection of Madrona and Oak Avenues thence easterly and westerly along the north and south sides of Madrona Avenue 20 feet from each intersection.

2. Commencing at the northwest and southwest intersections of Madrona Avenue and Main Street thence westerly 90 feet along the north and south side of Madrona Avenue.

U) **MAIN STREET**

1. Commencing at the intersection of Main Street and Madrona Avenue thence southerly 155 feet along both sides of Main Street.

2. Commencing at the intersection of Main Street and Madrona Avenue thence northerly 155 feet along both sides.

3. Commencing at the southwest intersection of Main Street and Sulphur Springs Avenue thence 310 feet southerly along the west side of Main Street.

4. Commencing at Main Street and the Sulphur Creek bridge thence southerly to Sulphur Springs Avenue along both sides of Main Street and northerly 175 feet to Mitchell Avenue along the west side of Main Street.

5. Commencing at the northwest intersection of Main Street and Mitchell Drive thence northerly 20 feet.

6. Commencing at the intersection of Main Street and Spring Street thence 25 feet southerly along the west side.

7. Commencing at the southeast intersection of Main Street and Adams Street thence southerly 50 feet along the east side.

8. Commencing at the southeast intersection of Main Street and Adams Street 120 feet southerly to the point of beginning thence southerly 37 feet along the east side.

9. Commencing at the intersection of Main Street and Hunt Avenue thence northerly and southerly 30 feet along the east side.

ATTACHMENT 2

10. Commencing at the intersection of Main Street and Spring Street 145 feet northerly to a point of beginning thence northerly 22 feet along the east side.

11. Commencing at the Main Street crosswalk at the south line of Spring Street thence southerly 24 feet along the east side of Main Street.

12. Commencing at the northwest intersection of Main Street and Adams Street thence northerly 35 feet along the west side.

13. Commencing at the southwest intersection of Main Street and Adams Street thence southerly 40 feet along the west side.

14. Commencing at the northwest intersection of Main Street and Spring Street 540 feet northerly to a point of beginning thence northerly 30 feet along the west side.

15. Commencing at the northwest intersection of Main Street and Spring Street 230 feet northerly to a point of beginning thence northerly 90 feet along the west side.

16. Commencing at the northwest intersection of Main Street and Spring Street thence northerly 40 feet along the west side.

17. Commencing at the northwest intersection of Main Street and Elmhurst 400 feet to a point of beginning thence northerly 330 feet along the west side of Main Street.

18. Commencing at the southeast intersection of Main Street and Pope Street thence southerly 170 feet along the east side of Main Street.

19. Commencing at the southeast intersection of Main Street and Pine Street thence south a distance of 28 feet along the east side of Main Street.

20. Commencing at the southwest intersection of Main Street and Pine Street thence south a distance of 28 feel along the west side of Main Street.

21. West side of Main Street from a point one hundred (100) feet south of Grayson Avenue southerly a distance of one thousand six hundred ninety (1,690) feet.

22. East side of Main Street from the south line of Grayson Avenue southerly a distance of one thousand five hundred eighty-five (1,585) feet.

23. East side of Main Street beginning at a point one thousand five hundred eighty-five (1,585) feet south of the south line of Grayson Avenue, southerly for a distance of two hundred eighteen (218) feet between the hours of 7:30 a.m. and 5:30 p.m.

24. East side of Main Street beginning at a point one thousand eight hundred three (1,803) feet south of the south line of Grayson Avenue, southerly for a distance of two hundred seventy-two (272) feet.

ATTACHMENT 2

25. West side of Main Street from the northwest corner of Main Street and Grayson Avenue approximately 85 feet across the frontage of A&W Restaurant located at 501 Main Street.

26. Commencing at the southwest corner of Main Street and the York Creek Bridge thence south 360 feet along the west side of Main Street.

27. Commencing at the northeast corner of Pratt Avenue and Main Street thence north along the west side of Main Street to the York Creek Bridge

28. Commencing at a point 45 feet north of the northeast intersection of Main Street and Pope Street thence north 29 feet along the east side of Main Street.

29. Commencing at Deer Park Road south along both sides of Main Street to the York Creek Bridge<u>.*</u>

    *The area in the Tunnel of Trees is a "No Stopping" zone on both sides of Main Street.

30. Commencing at a point 99 feet west of the northwest intersection of Main Street and Pine Street thence 22 feet west along the north side of Pine Street.

31. Commencing at the southwest corner of Main Street and Charter Oak extending westerly 50 feet on the south side of Charter Oak. This is a 24 Hour "No Parking" Zone.

32. <u>Commencing at the intersection of Main Street and Elmhurst Avenue thence southerly 30 feet along the west side of Main Street.</u>

33. <u>Commencing at the intersection of Main Street and Elmhurst Avenue thence northerly 30 feet along the west side of Main Street.</u>

V) **McCORMICK AVENUE**

1. Commencing at the southwest intersection of McCormick Street and Dowdell Lane 170 feet southerly to a point of beginning thence southerly 15 feet along the west side of McCormick Street.

2. Commencing at the southwest intersection of McCormick Street and Dowdell Lane 310 feet southerly to a point of beginning thence southerly 30 feet along the west side of McCormick Street.

3. Commencing at the northwest intersection of McCormick and Vintage Streets 320 feet northerly to the point of beginning thence northerly 25 feet along the west side of McCormick Street.

ATTACHMENT 2

4. Commencing at the southwest intersection of McCormick Street and Dowdell Lane 530 feet southerly to the point of beginning thence 20 feet southerly along the east side of McCormick Street.

5. Commencing at the southwest intersection of McCormick Street and Dowdell Lane 270 feet southerly to the point of beginning thence 50 feet southerly along the east side of McCormick Street.

W) **MITCHELL DRIVE**

1. Commencing at the southwesterly intersection of Mitchell Drive and St. James Drive thence westerly along the south side of Mitchell Drive to the southeast intersection of North Crane and Mitchell Drive and easterly 300 feet.

2. Commencing at the southwest intersection of Mitchell and Main Street thence 80 feet westerly along the south side of Mitchell Drive.

3. Commencing 230 feet west of the intersection of Main Street and Mitchell Drive thence 88 feet westerly along the south side of Mitchell Drive.

4. Commencing at the northwest intersection of Mitchell Drive and Oak Avenue thence 50 feet westerly along the northerly side of Mitchell Drive.

5. Commencing at the easterly corner of the most easterly intersection of Mitchell Drive and St. James Drive, thence ninety (90) feet along the south side of Mitchell Drive.

X) **MONTE VISTA AVENUE**

1. Commencing at the cul de sac northerly of Hunt Avenue thence around the perimeter of the 25 foot diameter island.

Y) **OAK AVENUE**

1. Commencing at the southwest intersection of Oak Avenue and Hillview Place thence southerly 65 feet.

2. Commencing at the northeast, northwest, and southwest intersections of Oak Avenue and Pine Street thence 20 feet northerly and southerly along the east and west sides of Oak Avenue.

3. Commencing at the southwest intersection of Oak Avenue and Pine Street thence 30 feet southerly along the west side of Oak Avenue.

4. Commencing at the northeast intersection of Oak Avenue and Adams Street thence northerly 18 feet.

ATTACHMENT 2

5. Commencing at the southwest intersection of Oak Avenue and Tainter Street 55 feet southerly to a point of beginning thence southerly 20 feet on the west side of Oak Avenue.

6. Commencing at a point easterly of the southwest intersection of Oak Avenue and Tainter Street thence southerly 22 feet along the east side of Oak Avenue at the crosswalk.

7. Commencing at the northwest intersection of Oak Avenue and Spring Street thence northerly 20 feet along Oak Avenue.

8. Commencing at the point of curvature of the southeasterly curve on the east side of Oak Avenue thence southeasterly 160 feet to the point of tangency with the north side of Mitchell Drive.

9. Beginning at a point 339 feet north of Spring Street extending northerly to a point 419 feet on the east side of Oak Avenue.

10. Beginning at the northwest corner of Oak Avenue and Tainter Street thence extending northerly 35 feet on Oak Avenue.

11. Twenty (20) feet southerly from the driveway at 1255 Oak Avenue.

Z) **PINE STREET**

1. Commencing at the northwest intersection of Pine Street and Main Street thence along the north side of Pine Street to Oak Avenue excepting a 25 foot yellow zone terminating 180 feet from the northeast intersection of Pine Street and Oak Avenue.

2. Commencing at the northwest and southwest intersections of Pine Street and Oak Avenue thence westerly 20 feet.

3. Commencing at the southeast intersection of Pine Street and Oak Avenue thence easterly 20 feet.

4. Commencing at the southwest intersection of Pine Street and Main Street thence westerly 10 feet.

5. Commencing at the southeast intersection of Pine Street and Main Street thence easterly 115 feet.

6. Commencing at the northeast intersection of Pine Street and Main Street easterly 140 feet.

AA) **PINOT WAY**

ATTACHMENT 2

1. Commencing at the centerline of the utility and pedestrian access alley that connects Pinot Way to Sylvaner Avenue thence southwesterly 10 feet and northeasterly 10 feet creating a 20 foot long segment centered on the end of the alley.

AB) **POPE STREET**

1. Commencing at the southeast and northeast intersections of Pope Street and Main Street thence east 80 feet to the Wine Train railroad right-of-way.

2. Commencing at the east terminus of Pope Street at the Napa River thence westerly along Stonebridge Park 345 feet on the north side of Pope Street.

3. Commencing at the northeast corner of Paseo Grand Drive and Pope Street then easterly 154 feet on the north side of Pope Street.

4. Commencing at the east terminus of Pope Street at the Napa River thence westerly 400 feet along the south side of Pope Street.

5. Commencing at the southeast intersection of Pope Street and College Avenue thence 340 feet easterly along the south side of Pope Street.

6. Commencing at the southwest intersection of Pope Street and College Avenue thence 680 feet westerly along the south side of Pope Street.

7. Commencing at the intersection of Pope Street and College Avenue thence easterly 680 feet on the north side of Pope Street.

8. Commencing at the northeast intersection of Pope Street and Church Street thence easterly 35 feet along the north side of Pope Street.

9. Commencing at the southeast intersection of Pope Street and the Napa Valley Wine Train Tracks thence easterly 25 feet along the south side of Pope Street.

10. Commencing at the northeast intersection of Pope Street and the Napa Valley Wine Train Tracks thence easterly 145’ to the intersection of Pope Street and Church Street.

11. Commencing at the Northeast intersection of Pope Street and Chiles Ave thence easterly 950 feet along the north and south sides of Pope Street.

12. Commencing at the northwest intersection of Pope Street and Starr Avenue thence westerly 392 feet along the north side of Pope Street.

AC) **PRATT AVENUE**

1. Commencing at the southeastern intersection of Pratt Avenue and the Napa Valley Wine Train and thence easterly a distance of 570 feet along the south shoulder of Pratt Avenue.

ATTACHMENT 2

AD) **RAILROAD AVENUE**

1. Commencing at the northwest intersection of Railroad Avenue and Adams Street thence 31 feet north along the west side of Railroad Avenue.

2. Commencing at a portion 400 feet north of the northeast corner of the intersection of Adams Street and Railroad Avenue thence north a distance of 50 feet along the east side of Railroad Avenue.

3. Commencing at the south exit of the City Parking lot on Railroad Avenue thence south a distance of 16 feet.

4. Commencing at the north side of the south exit of the City Parking lot on Railroad Avenue thence north a distance of 24 feet.

5. Commencing at the north exit of the City Parking lot on Railroad Avenue thence north a distance of 20 feet.

6. Commencing at the north exit of the City Parking lot on Railroad Avenue thence south a distance of 15 feet.

7. Commencing at the curb beginning at the Napa Valley Wine Train tracks at the northeast corner of the intersection of Adams Street and Railroad Avenue northward through the curb return and thence northerly a distance of 281 feet along the east side of Railroad Avenue.

AE) **SILVERADO TRAIL**

1. Commencing at the southeast intersection of Howell Mountain Road and Silverado Trail thence south 400 feet along the east side of Silverado Trail.

AF) **SPRING STREET**

1. Commencing at the northwest intersection of Spring Street and Main Street thence westerly 35 feet along the north side of Spring Street.

2. Commencing at the northwest intersection of Spring Street and Main Street westerly 120 feet to a point of beginning thence westerly 30 feet along the north side of Spring Street.

3. Commencing at the shopping center driveway at the intersection of Spring Street and Money Way thence 15 feet westerly and 65 feet easterly along the south side of Spring Street.

4. Commencing at the northeast and the southeast intersections of Spring Street and Oak Avenue thence 33 feet easterly along Spring Street.

ATTACHMENT 2

5. Commencing at the northwest and southwest intersections of Spring Street and Oak Avenue thence 33 feet westerly along Spring Street.

6. Commencing at the southwest intersection of Spring Street and Oak Avenue westerly 70 feet to a point of beginning thence westerly 70 feet along the south

7. Commencing at the southwest intersection of Spring Street and Oak Avenue westerly 25 feet to a point of beginning thence westerly 50 feet along the south side.

8. Commencing at the intersection of Spring Street and Kearney Street thence easterly 60 feet along the south side.

9. Commencing at the northwest intersection of Spring Street and Kearney Street 70 feet westerly to a point of beginning thence 60 feet westerly along Spring Street.

10. Commencing at the northwest intersection of Spring Street and East Sylvaner 135 feet westerly to a point of beginning thence 70 feet westerly along Spring Street.

11. Twenty (20) feet on both sides of driveway at 2322 Spring Street.

12. Twenty (20) feet on west side of driveway and that strip on the easterly side to adjacent driveway at 1428 Spring Street.

13. Twenty (20) feet east from the west driveway and twenty (20) feet from both sides of the east driveway at 1343 Spring Street.

14. Ten (10) feet from both sides of the driveway to the parking lot east of the building at 1313 Spring Street.

AG) **SPRING MOUNTAIN ROAD**

1. Commencing at the southeast corner of Spring Mountain Road and Elmhurst Avenue thence 75 feet southerly along the east side of Spring Mountain Road.

AH) **STARR AVENUE**

1. Commencing at the northwest intersection of Starr Avenue and Harvest Lane thence 285 feet northerly along the west side of Starr Avenue.

2. Commencing at the northwest intersection of Harvest Lane and Starr Ave. northerly 45 feet to a point of beginning thence northerly 150 feet to the southeast corner of Meadowcreek Circle along the east side of Starr Avenue.

3. Commencing at the extended center line of Meadowcreek Circle (north) thence 22 feet south along the west side of Starr Avenue.

ATTACHMENT 2

4. Commencing at the northeast intersection of Meadowcreek Circle (south) and Starr Avenue 83 feet northerly to a point of beginning thence northerly 32 feet to the south side of Hunt Avenue.

AI) **STOCKTON STREET**

1. Commencing at the northwest intersection of Stockton Street and Spring Street thence northerly along the west side of Stockton Street to the Madrona Street and Stockton Street intersection.

AJ) **SULPHUR SPRINGS AVENUE**

1. Commencing at the southwest intersection of Main Street and Sulphur Springs Avenue thence 50 feet westerly along the south side of Sulphur Springs Avenue.

2. Commencing at the northwest intersection of Main Street and Sulphur Springs westerly 253 feet to a point of beginning thence westerly 23 feet along the north side of Sulphur Springs Avenue.

3. Commencing at the northwest intersection of Main Street and Sulphur Springs westerly 289 feet to a point of beginning thence westerly 15 feet along the north side of Sulphur Springs Avenue.

AK) **SYLVANER AVENUE**

1. Commencing at the centerline of the utility and pedestrian access alley that connects Sylvaner Avenue to Pinot Way thence southwesterly 10 feet and northeasterly 10 feet creating a 20 foot long segment centered on the end of the alley.

AL) **TAINTER STREET**

1. Commencing at the intersection of Tainter Street and Kearney thence easterly along the south side of Tainter Street to the intersection of Oak Avenue and Tainter Street except Mon.-Fri. 7:30 a.m. - 9:00 a.m. and 2:00 p.m. - 4:00 p.m.

2. Commencing at the northwest intersection of Tainter Street and Kearney Street thence 80 feet easterly along the north side of Tainter Street.

3. South side of Tainter Street between Stockton Street and Kearney Street.

AM) **VINTAGE AVENUE**

1. Commencing at the northwest intersection of Vintage Avenue and McCormick Street westerly 228 feet to a point of beginning thence 12 feet west of said driveway 168 feet along the north side to the Napa Valley Wine Train right-of-way.

ATTACHMENT 2

2. Commencing at the intersection of Vintage Avenue and McCormick Street westerly 250 feet to a point of beginning thence westerly 180 feet along the south side.

AN) **VOORHEES CIRCLE**

1. Commencing at the westerly intersection of Voorhees Circle and Mitchell Avenue south of Mitchell and west of Voorhees Circle thence southerly along the west side, easterly along the south side and northerly along the east side a distance of 1100 feet to the easterly intersection of Voorhees Circle and Mitchell Avenue.

Approved at a regular meeting of the City Council held on April 25, 2017 by the following vote:

AYES:
NOES:
ABSTAIN:

APPROVED:	ATTEST:
____________________________	________________________________
Alan Galbraith, Mayor	Cindy Black, City Clerk

Report to the City Council
Council Meeting of April 25, 2017

Agenda Section: **New Business**

Subject: **Consideration and proposed approval of resolutions:**

(1) Authorizing a Budget Adjustment of $6,908.38 to #101-4100-2405 for the amount owed for the low income subsidy for FY 2016/17 Q3. Of this amount $2,423.55 will be transferred to the Water Fund Revenue Account and $2,343.23 will be transferred to the Waste Water Fund Revenue Account; and

(2) Authorizing a transfer from #101-4000-2408 Leak Adjustments to #561-3470-0000 Other Revenue for the amount owed for Leak Adjustments for FY 2016/17 Q3 totaling $1,367.30.

CEQA Status: **Not a CEQA project**

Prepared By: **April Mitts, Finance Director**

Approved By: **Larry Pennell, Interim City Manager**

BACKGROUND

On November 29, 2016 City Council adopted Resolution 2016-161 approving a policy on water leak adjustments and on February 14, 2017 City Council adopted Resolution No. 2017-18 approving a policy on subsidies for low income water and wastewater rates. As part of both policies quarterly a staff reports will be given to City Council for the approval of the amount to be transferred from the General Fund to the Water and Wastewater Funds for these subsidy's.

DISCUSSION

CARE Rates

Under the new CARE low income subsidy program the City has a total of 87 participants, as of March 31, 2017. Table 1 below is a breakdown of the participants and Table 2 is a breakdown of participants by category.

Table 1 – Total Participants

Water Only	9

Water and Wastewater	78
TOTAL	**87**

Table 2 – Participants by Category

Mobile/Manufactured Home	40
Multi-Family	1
Single Family	46
TOTAL	**87**

The total amount of the subsidy to from the General Fund to the Water and Wastewater Funds for FY 2016/17 Q3 (January – March) is $6,908.38. Table 3 is a breakdown by month and fund.

Table 3

	JANUARY	FEBRUARY	MARCH	TOTAL
Water	$457.04	$1,211,24	$1,728.20	$2,944.35
Wastewater	$579.69	$1,656.14	$1,728.20	$3,964.03
	$1,036.73	$2,867.38	$3,004.27	**$6,908.38**

Most recipients of the CARE program receive a credit on their monthly utility bill. If a recipient has a shared meter the City is required to have an agreement with the owner of the meter to ensure the discounted rate is applied directly to the qualifying recipient. Where agreements are not in place; a physical check is mailed to the qualifying recipient. During FY 2016/17 Q3 $2,141.60 was mailed directly to recipients and $4,766.78 was given in the form of a credit on the utility account. A budget adjustment of $6,908.38 to #101-4200-2405 is necessary for the total amount of low income assistance given in FY 2016/17 Q3. Of this amount $4,766.78 will be transferred to the Water and Wastewater Fund revenues to offset the low income subsidy credits applied to customer accounts and the remaining $2,141.60 will remain in 101-4100-2405 to offset the amount paid directly to qualifying recipients.

Leak Adjustments
The new leak adjustment policy went into effect January 9, 2017. From January 9, 2017-March 31, 2017 the City received 2 of leak adjustments totaling $1,367.30. Funding for leak adjustments is contained in the FY 2017/18 Budget.

FISCAL IMPACT
The fiscal impact for FY 2016/17 Q3 to the General, Water, and Wastewater Funds is the following:

CARE Rate
1. Budget adjustment to #101-4100-2405 of $6,908.38 - $4,766.78 to be transferred to Water and Wastewater Revenues
2. Increase in Water Fund Revenues of $2,423.55
3. Increase in Wastewater Fund Revenues of $2,343.23

Leak Adjustments

1. Transfer of $1,367.30 from #101-4000-2408
2. Transfer of $1,367.30 to #561-3470-0000

RECOMMENDED ACTION

Staff recommends the City Council adopt Resolution No. 2017-___ approving the transfer of $6,908.38 from General Fund Reserves to the Water and Wastewater Fund Revenues and approving a transfer from #101-4000-2408 Leak Adjustments to #561-3470-0000 Other Revenue for the amount owed for Leak Adjustments for FY 2016/17 Q3 totaling $1,367.30.

ATTACHMENTS

Attachment 1 – Resolution No. 2017-___ approving a transfer from General Fund Reserves in the amount of $6,908.37 to the Water Fund Revenues of $2,944.35 and the Wastewater Fund Revenues of $3,964.03.

Attachment 2 – Resolution No. 2017-___ approving a transfer from #101-4000-2408 Leak Adjustments to #561-3470-0000 Other Revenue for the amount owed for Leak Adjustments for FY 2016/17 Q3 totaling $1,367.30.

Attachment 1

CITY OF ST. HELENA

RESOLUTION NO. 2017-____

Authorizing a Budget Adjustment of $6,908.38 to #101-4100-2405 for the amount owed for the low income subsidy for FY 2016/17 Q3. Of this amount $2,423.55 will be transferred to the Water Fund Revenue Account and $2,343.23 will be transferred to the Waste Water Fund Revenue Account

RECITALS

A. On February 14, 2017 City Council adopted Resolution No. 2017-38 approving a policy on subsidies for low income water and wastewater rates; and
B. The low income subsidy, or CARE program, requires General Fund is used to offset this subsidy to the Water and Wastewater funds; and
C. As part of this policy staff reports are given to City Council on a quarterly basis for the approval of the amount to be transferred from the General Fund to the Water and Wastewater Funds; and
D. During FY 2016/17 Q3 there were a total of 87 participates in the CARE program for a total dollar amount of $6,908.38.

RESOLUTION

The City Council of the City of St. Helena hereby resolves as follows:
1. Approves a budget adjustment in the amount of $6,908.38 to #101-4100-2405 for the amount owed for the low income subsidy for FY 2016/17 Q3; and
2. Approve a transfer of $2,423.55 from #101-4100-2405 to the Water Revenue Funds; and
3. Approve a transfer of $2,343.23 from #101-4100-2405 to the Wastewater Revenue Funds.

Approved at a Regular Meeting of the St. Helena City Council on April 25, 2017 by the following vote:

Mayor Galbraith:	________________
Vice Mayor White:	________________
Councilmember Dohring:	________________
Councilmember Ellsworth:	________________
Councilmember Koberstein:	________________

Attachment 1

APPROVED: ATTEST:

___________________________ _____________________________

Alan Galbraith, Mayor Cindy Black, City Clerk

Attachment 2

CITY OF ST. HELENA

RESOLUTION NO. 2017-____

Authorizing a transfer from #101-4000-2408 Leak Adjustments to #561-3470-0000 Other Revenue for the amount owed for Leak Adjustments for FY 2016/17 Q3 totaling $1,367.30.

RECITALS

A. On November 29, 20167 City Council adopted Resolution No. 2016-161 approving a policy on leak adjustment for water accounts; and
B. The this policy requires General Fund is used to offset this subsidy to the Water fund; and
C. As part of this policy staff reports are given to City Council on a quarterly basis for the approval of the amount to be transferred from the General Fund to the Water Fund; and
D. During FY 2016/17 Q3 there were a total of 2 leak adjustments totaling $2,343.23.

RESOLUTION

The City Council of the City of St. Helena hereby resolves as follows:

1. Approve a transfer of $1,367.30 from #101-4000-2408 to the Water Revenue Fund$561-3470-0000.

Approved at a Regular Meeting of the St. Helena City Council on April 25, 2017 by the following vote:

Mayor Galbraith:	__________________
Vice Mayor White:	__________________
Councilmember Dohring:	__________________
Councilmember Ellsworth:	__________________
Councilmember Koberstein:	__________________

APPROVED: ATTEST:

_________________________ Alan Galbraith, Mayor

___________________________ Cindy Black, City Clerk

Report to the City Council
Council Meeting of April 25, 2017

Agenda Section: **New Business**

Subject: **Interim City Manager Proposal for Interviewing City Manager Candidates**

CEQA Status: **Not a CEQA project**

Prepared By: **Larry Pennell, Interim City Manager**

Approved By: **Larry Pennell, Interim City Manager**

BACKGROUND

The City Council has retained Gary Phillips, Executive Vice President of Bob Murray and Associates to handle the recruitment efforts associated with selecting a permanent City Manager for the City of St. Helena.

Knowing of council's desire to involve the community in this process, it is recommended that five residents of the City be selected to assist the City Council in interviewing the finalists for this position, along with the Executive Staff of the City.

Mr. Phillips is requesting that a special meeting be called by Mayor Galbraith at 4:00 pm on May 23rd, 2017 at which time he will share with the City Council resumes, background information, and his comments on the top six or seven candidates. The City Council at this special meeting will then select the top two or three candidates for interview. Once the City Council has narrowed the number of candidates to two or three, the citizens panel and executive staff will interview the candidates on a morning to be selected. After each of the candidates have been interviewed by the two separate panels, their comments and recommendations will be compiled by Mr. Phillips and shared with the City Council at an afternoon special meeting. The candidates will be scheduled for a one hour interview with the City Council during the afternoon with a subsequent interview (Scheduled if necessary).

DISCUSSION

If Council approves of this approach, City Clerk, Cindy Black will begin a recruitment by advertising and posting on the website the application process for interested residents to apply for this City Manager Screening Committee assignment.

FISCAL IMPACT

There are no fiscal impacts to the City at this time.

RECOMMENDED ACTION

It is recommended that Council direct the City Clerk to solicit the applications from residents of the community to serve on this committee. A confidentiality agreement will probably be necessary in order to protect the names of those being interviewed.

ATTACHMENTS

There are no attachments at this time.

Report to the City Council
Council Meeting April 25, 2017

Agenda Section: **New Business**

Subject: **Presentation of the Fiscal Year 2016 Comprehensive Annual Financial Report (CAFR) and Independent Auditor's Report on Internal Control Over Financial Reporting**

CEQA Status: **Not a CEQA Project**

Prepared By: **April Mitts, Finance Director**

Mandy Kellogg, Administrative Services Manager

Approved By: **Larry Pennell, Interim City Manager**

BACKGROUND
The City of St. Helena has undergone the fiscal year audit and issued its Comprehensive Annual Financial Report (CAFR) for fiscal year ended June 30, 2016. The City publishes an annual CAFR to fully disclose its financial information, as well as to comply with state and federal requirements and bond covenants.

The financial audit and the preparation of the financial statements takes place over several months, beginning just after the end of the fiscal year and continuing through the time the books are closed and the CAFR is published. Staff coordinates with the auditor to ensure that the work is completed accurately and timely.

On June 9, 2015 the City signed a three year Professional Services Agreement with Van Lant & Fankhanel, LLP to prepare the City's annual audited financial statements. The CAFR is available on the City of St. Helena's website at:

http://cityofsthelena.org/sites/default/files/St%20%20Helena%20CAFR.pdf

DISCUSSION

CAFR OVERVIEW
The City of St. Helena's CAFR consists of three sections:

1. Introductory Section: provides general information on the government's structure and the letter of transmittal.

2. Financial Section: contains the following:
    - Independent auditor's report
    - Management discussion and analysis (MD&A) - The MD&A provides a simple narrative introduction, overview, and analysis of the basic financial statements.
    - Basic financial statements
    - Fund financial statements
    - Notes to the financial statements.
    - Required Supplemental Information
    - Optional Supplementary Information

3. Statistical Section: presents detailed information as a context for understanding information in the financial statements, note disclosures, and required supplementary information.

The net position ast June 30, 2015 has been restated at account for capital assets activity and prior year accounts payable activity, which is described in Note 4 of the Notes to the Financial Statements located in the Financial Section of the CAFR. The restatement of the June 30, 2015 net position increased the governmental activities net position by $282,330 and reduced the business-type activities net position by $775,012.

<u>INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING</u>

In addition to producing the City's CAFR it is the responsibility of the independent auditor to provide to the City of St. Helena a report on internal control over financial reporting and a report on compliance with other matters based on the audited financial statements. The *Report on Internal Control and Other Matters* identifies deficiencies in internal control that the auditor considers to be material weaknesses and significant deficiencies and the auditors performed tests of the City's compliance with certain provisions of laws, regulations, contracts, and grant agreements.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.

A <u>material weakness</u> is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the city's financial statements will not be prevented, or detected and corrected on a timely basis.

A <u>significant deficiency</u> is a deficiency, or combination of deficiencies, in internal control less severe than a material weakness, yet important enough to merit attention by those charged with governance.

As the auditor identifies material weaknesses and deficiencies a series of three (3) points of interest are described/addressed for each weakness or deficiency. Below is a summary of each point of interest and a brief explanation:

- Findings – The condition of internal control at the time of the audit
- Recommendation – Auditors recommendation for corrective action
- Management Response – City's response and planned actions to material weaknesses and deficiencies identified by the auditor

In regards to compliance and other matters, the results of the auditors tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in 2016-5 below.

The independent auditor identified two material weaknesses:

1. 2016-1 Policies and Procedures
2. 2016-2 Accounting Records and Financial Reporting

The independent auditor identified two significant deficiencies:

1. 2016-3 Segregation of Duties
2. 2016-4 Other Internal Control Issues

The independent auditor identified one area of non-compliance:

1. 2016-5 Compliance with Debt Covenants

Staff has reviewed the auditor's *Report on Internal Control and Other Matters* and provided their views and planned corrective items for each item presented to the auditor. Attachment B provides detailed information, including planned corrective actions, for each material weakness and significant deficiency.

FISCAL IMPACT
None

RECOMMENDED ACTION
Staff recommends the City Council receive presentation and accept the Comprehensive Annual Financial Report of the City of St. Helena for Fiscal Year Ended June 30, 2016.

ATTACHMENTS
1. Attachment 1 – Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2016.
2. Attachment 2 – Report on Internal Control and Other Matters

CITY OF ST. HELENA

Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2016

I. Introductory Section

City of St. Helena, *California*

CITY OF ST. HELENA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS

CITY OF ST. HELENA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS - Continued

Page

III. STATISTICAL SECTION

City of St. Helena
"We will conduct city affairs on behalf of our citizens using an open and creative process."

1480 Main Street
St. Helena, CA 94574
Phone: (707) 967-2792
Fax: (707) 963-7748

www.cityofsthelena.org

April 17, 2017

To the Honorable Mayor, Members of the City Council, and Citizens of the City of St. Helena:

City staff is pleased to present the Comprehensive Annual Financial Report (CAFR) for the City of St. Helena for the fiscal year ended June 30, 2016.

State law requires that every general purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2016.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The firm of Van Lant & Fankhanel, LLP, has issued an unmodified independent auditor's report on the City of St. Helena's financial statements for the fiscal year ended June 30, 2016. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY AND ITS OPERATIONS

The City of St. Helena was incorporated on March 24, 1876. The City is located in the center of Napa Valley in Northern California and considered to be one of the premier wine producing regions of the United States. The City is home to approximately 6,000 individuals; however, on any given day, that population can increase by as much as 20 percent due to the number of lodging establishments located in the City and the frequency with which the City is visited by individuals from around the world.

The City operates under a council-manager form of government. Policy making and legislative authority are vested in the City Council consisting of the Mayor and four other elected Councilmembers. The City Council is responsible, among other matters for passing ordinances, adopting the City budget, appointing committees, and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for managing the daily operations of the City, and for appointing other employees. The Council is elected to four year staggered terms, with two members elected every two years. The Mayor is elected to serve a two-year term.

During the term covered by the CAFR (Fiscal Year 2015-2016) the following were the seated members of the City Council: Mayor Alan Galbraith, Vice Mayor Peter White, Councilmembers Sharon Crull, Gregg Pitts, and Paul Dohring.

The City provides a full range of municipal services including fire and police protection; construction and maintenance of City streets, storm drains, bridges, and similar infrastructure type assets; park maintenance; community recreation activities; building inspections; licenses and permits; and public library services and facilities. In terms of business-type activities, the City provides water and wastewater services through the operation of its utility enterprises.

The City Council is required to adopt an initial budget for the fiscal year no later than May 31 preceding the beginning of the fiscal year on July 1. This annual budget serves as the foundation for the City of St. Helena's financial planning and control. The budget is prepared by fund, function, department, and object. The City Council periodically reviews during the year the City's actual financial activity in relationship to the original budget, and, as necessary, amends the original budget to reflect changing conditions.

LOCAL ECONOMY

The City of St. Helena is located in the Napa Valley Region, 65 miles north of the City of San Francisco. The area is renowned for its abundance of vineyards and wineries of national reputation. The City of St. Helena has several fine lodging establishments, fine restaurants, and an attractive and enjoyable small community environment nestled among the hills of Napa Valley, in the heart of Wine Country.

Approximately 71% of the City's general fund revenues come from property taxes, sales taxes, and transient occupancy tax (TOT). In fiscal year 2016, General Fund revenues increased by approximately 10% when compared to fiscal year 2015.

Property tax revenue has increased $46,000 over the previous year and is the City's largest revenue in the general fund. The City received over $4.22 million in property tax in 2016.

Sales tax revenue has increased $376,000 over the previous year and is the City's second largest revenue in the general fund. The City received over $3.1 million in sales tax in 2016.

TOT revenue has increased $179,000 over the previous year and is the City's third largest revenue in the general fund. The City received over $2.05 million in TOT in 2016.

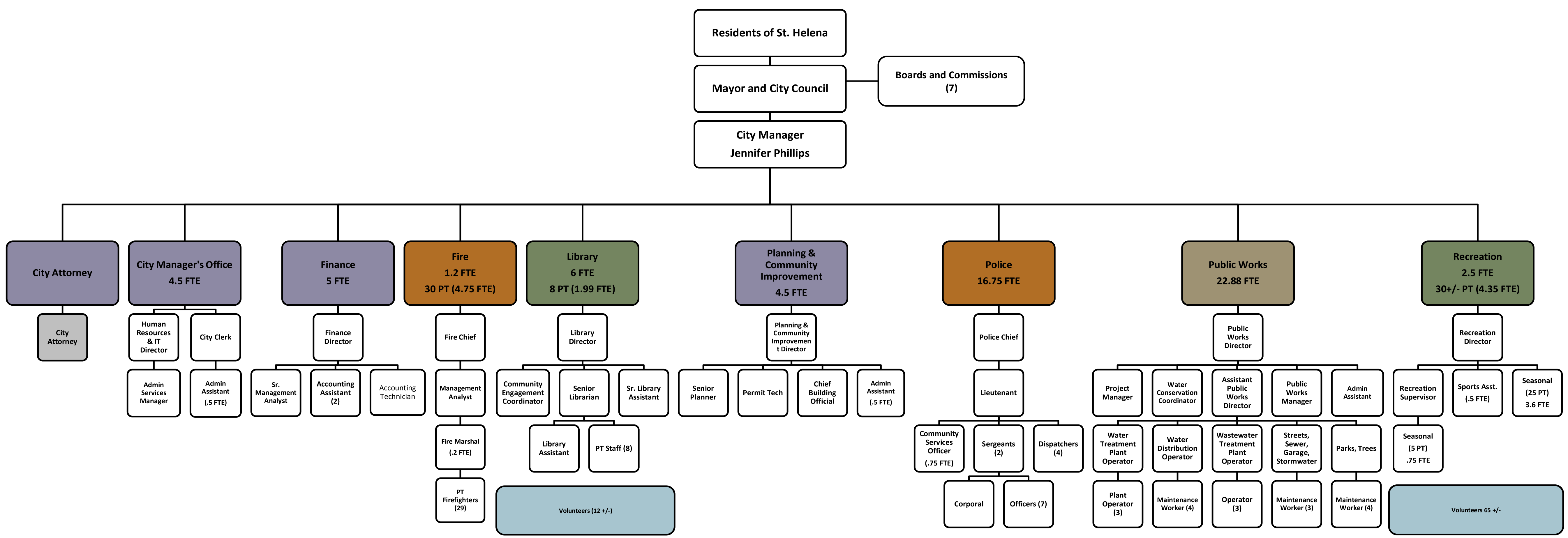
LONG-TERM FINANCIAL PLANNING

The City continues efforts to maintain a balanced budget for operational activities. One of the biggest uncertainties for California local governments for the past several years has been the economy, the impact on the state budget, and how that may affect local government resources. All indications are that the state is experiencing a slow but steady economic recovery. The City developed the 2016-17 budget assuming there would be no state takeaways or new mandates, but staff will continue to review updated economic forecasts and monitor the state budget.

Respectfully submitted,

April Mitts, Finance Director

City of St. Helena Citywide Organizational Chart FY 2016/17



City of St. Helena, *California*

CITY COUNCIL

Alan Galbraith

Mayor

Peter White

Vice Mayor

Greg Pitts

Council Member

Sharon Crull

Council Member

Paul Dohring

Council Member

Jennifer Phillips – City Manager/Treasurer

Thomas Brown – City Attorney

Cindy Black – City Clerk

ADMINISTRATIVE TEAM

Noah Housh – Planning Director

Chris Kreiden – Library Director

Haidi Arias – Recreation Director

William Imboden – Police Chief

Steve Palmer – Public Works Director

April Mitts – Finance Director

John Sorensen – Fire Chief

BOARDS/COMMISSIONS/COMMITTEES

Library Board of Directors

Parks and Recreation Commission

Planning Commission

Tree Committee

Bocce Committee

Multicultural Committee

Climate Protection Task Force

II. Financial Section

City of St. Helena, *California*

Van Lant & Fankhanel, LLP
Certified Public Accountants

Independent Auditor's Report

The Honorable City Council
City of St. Helena, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Helena (City), as of and for the year ended June 30, 2016, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Van Lant & Fankhanel, LLP
25901 Kellogg Street
Loma Linda, CA 92354

909.856.6879

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Helena, as of June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The introductory section, the schedules listed in the supplementary information section of the table of contents, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules listed in the Supplementary Information section of the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules listed in the Supplementary Information section of the table of contents are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated April 17, 2017 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Van Lant & Fankhanel, LLP

April 17, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) provides an overview of the City of St. Helena's financial performance for the fiscal year ended June 30, 2016. To obtain a complete understanding of the City's financial condition, this document should be read in conjunction with the accompanying Transmittal Letter and Basic Financial Statements.

FINANCIAL HIGHLIGHTS

- The City's total net position of $54.05 million is comprised of the following categories:
  - $37.74 million is invested in capital assets, net of related debt;
  - $8.82 million is restricted for specific purposes (restricted net position); and,
  - $7.49 million is the unrestricted net position, the residual of total net position less the other categories of net position. Unrestricted net position, when positive, is used by the city to meet its ongoing obligations to citizens and creditors.

- The City's total net position increased by $1.16 million over the course of this year's operations. The net position of our business-type activities decreased by $0.71 million at the end of 2016. Governmental activities net position increased by $1.87 million at the end of 2016.

- The net position at June 30, 2015 has been restated to account for capital assets activity and prior year accounts payable activity, as more fully described in Note 4 to the financial statements.

- Revenues for governmental activities total $13.21 million and include: $3.37 million in program revenue (charges for services, grants, and contributions from other governments); and $9.84 million in general revenues, primarily tax support for governmental programs. The City's expenses for governmental activities were $11.34 million.

- The City's revenues for business-type activities (water and wastewater) increased 6.23% to $7.21 million while expenses increased by 15.00% to $7.92 million. The increase in revenues for business-type activities was primarily due to adjusted utility bills that had been previously billed at an incorrect rate, while the increase in expenses was primarily due to an administrative civil liability that was paid to the State Water Resources Control Board and a correction to capitalizing interest expense that was previously capitalized incorrectly.

- The general fund reported a year end fund balance of $4.45 million at June 30, 2016. Fiscal year 15/16 fund balance changes include an increase of $1.24 million for the current year's activity and a beginning balance decrease of approximately $55,000 (prior period adjustment to correct the beginning fund balance).

OVERVIEW OF THE FINANCIAL STATEMENTS

The City of St. Helena's Comprehensive Annual Financial Report (CAFR) consists of five sections: 1) Introductory Section; 2) Financial Section; 3) Required Supplemental Section; 4) Optional Supplementary Section; and 5) Statistical Section.

Each section is briefly described below:

I. Introductory Section

This section includes the Table of Contents, Letter of Transmittal, Organizational Chart, and the List of Principal Officials for the time frame for which the CAFR represents.

II. Financial Section

Included in the Financial Section are the Basic Financial Statements which consist of three components: 1) Government-wide Financial Statements; 2) Fund Financial Statements; and 3) Notes to the Basic Financial Statements.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City of St. Helena's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the City of St. Helena's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of St. Helena is improving or deteriorating.

The *statement of activities* presents information showing how the City of St. Helena's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows.* Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of St. Helena that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all, or a significant portion, of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of St. Helena include general government, police, fire, library, parks, recreation, and public works. The business-type activities of the City of St. Helena include water and wastewater.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of St. Helena, like other state and local governments, uses fund accounting to ensure and demonstrate the compliance with finance-related legal requirements. The City of St. Helena has two types of funds:

Governmental Funds. Most of the City of St. Helena's basic services are included in *governmental funds* which focus on: 1) how cash and other financial assets, that can readily be converted to cash, flow in and out; and 2) year end balances left at year-end that are available for spending. The governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance City programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided on the subsequent page explaining the relationship (or difference) between them.

Proprietary Funds. The City of St. Helena maintains two different types of proprietary funds. *Enterprise funds and internal service funds*. *Enterprise funds* are used to report the same functions as presented as *business-type activities* in the government-wide financial statements. The City of St. Helena uses enterprise funds to account for its water and wastewater operation. *Internal service funds* are an accounting devise used to accumulate and allocate costs internally among the City of St. Helena's various functions. Services for which the City of St. Helena charges customers a fee are generally reported in *proprietary funds*. Proprietary funds provide both long- and short-term financial information.

Notes to the Basic Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

III. Required Supplemental Information Section

In addition to the basic financial statement and accompanying notes, this report also presents *required supplementary information*. This section provides a comparison of the original budgeted amounts, the budget amounts after the mid-year budget adjustment, and the actual amounts for the *general fund* and *Measure A special revenue fund.*

IV. Other Supplementary Information Section

In addition to the required elements, this section is included to provide additional information about non-major funds, major funds, and capital assets. This section is composed of three elements: 1) Non-major

Governmental Funds; 2) Comparative Statements for Major Proprietary Enterprise Funds; and 3) Capital Assets Used in Operation of Governmental Funds.

Non-major Governmental Funds
This section includes combining statements that provide detail about our non-major funds, each of which are added together and presented in a single column in the basic financial statements.

V. Statistical Section

This section of the CAFR presents detailed information as a context for understanding information in the financial statements, note disclosures, and required supplementary information. Each schedule provides an historical overview so comparisons can be made from year to year.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position (Table A-1)

Net position, over time, may serve as a useful indicator of the government's financial position. The following table reflects the condensed net position for both governmental and business-type activities. The City's *combined* net position (governmental and business-type activates) is $54.05 million as of June 30, 2016; an increase of $1.16 million from fiscal year 2015.

**The net position at June 30, 2015 has been restated to account for capital assets activity and prior year accounts payable activity, as more fully described in Note 4 to the financial statements.*

City of St. Helena
Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and Other Assets	$14,718,453	$12,982,204	$15,409,790	$16,101,986	$30,128,243	$29,084,190
Capital Assets	36,927,465	37,750,447	19,350,848	20,734,461	56,278,313	58,484,908
Total Assets	**51,645,918**	**50,732,651**	**34,760,638**	**36,836,447**	**86,406,556**	**87,569,098**
Deferred Outflows	1,402,051	942,141	790,033	727,815	2,192,084	1,669,956
Long-term debt outstanding	14,024,074	14,455,861	16,880,219	17,453,354	30,904,293	31,909,215
Other liabilities	1,183,550	1,048,656	1,056,342	860,217	2,239,892	1,908,873
Total Liabilities	**15,207,624**	**15,504,517**	**17,936,561**	**18,313,571**	**33,144,185**	**33,818,088**
Deferred Inflow of Resources	1,028,458	1,511,001	373,944	528,038	1,402,402	2,039,039
Net Position						
Invested in capital assets	29,384,192	30,207,174	8,360,497	9,201,274	37,744,689	39,408,448
Restricted	8,818,700	8,818,700	-	-	8,818,700	8,818,700
Unrestricted	(1,391,005)	(4,366,600)	8,879,619	9,521,379	7,488,614	5,154,779
Total Net Position	**$ 36,811,887**	**$ 34,659,274**	**$ 17,240,116**	**$ 18,722,653**	**54,052,003**	**53,381,927**

Net position, (total assets and deferred outflows less total liabilities and deferred inflows), was $54.05 million at June 30, 2016. Governmental activities net position was $36.81 million; and business-type activities' net position was $17.24 at June 30, 2016.

The largest portion of the City's net position $37.74 million, or 70%, reflects its investment in capital assets (e.g. land, buildings, machinery, equipment, vehicles, and infrastructure), net of any related outstanding debt used to acquire those assets. The City uses these assets to provide services to citizens; consequently, these assets are not available for future spending.

$8.82 million of the City's net position, or 16.5%, represent resources that are subject to external restrictions on how they may be used. The remaining unrestricted net position of $7.49 million may be used to meet the government's ongoing obligations to citizens and creditors. It is important to note that $8.88 million of the unrestricted net position is for Business-type activities. The City generally can only use these resources to finance the continuing operations of the water and wastewater utilities.

At the end of the current fiscal year, June 30, 2016, the City reported negative unrestricted net position for its governmental activities and a positive net position for business-type activities. The negative net position reported for governmental activities is due in large part to a net pension liability of $6.64 million. The measurement and reporting of pension liabilities was changed in fiscal year 2015 by the implementation of Governmental Accounting Standards Board's (GASB) statements Nos. 68 and 71.

Changes in City of St. Helena's Net Position are summarized in Table A-2

Table A-2
Changes in City of St Helena's Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program revenues						
Charges for services	$ 1,504,637	$ 1,244,980	$ 6,983,302	$ 6,567,844	$ 8,487,939	$ 7,812,824
Operating grants and contributions	1,110,781	1,335,269			1,110,781	1,335,269
Capital grants and contributions	752,771	1,058,267	96,277	172,589	849,048	1,230,856
General Revenues						
Transient occupancy taxes	2,048,832	1,870,180	-	-	2,048,832	1,870,180
Property, sales taxes	7,308,968	6,886,514	-	-	7,308,968	6,886,514
Other	485,914	422,572	135,310	51,315	621,224	473,887
Total revenues	**13,211,903**	**12,817,782**	**7,214,889**	**6,791,748**	**20,426,792**	**19,609,530**
Expenses						
General government	2,603,269	2,636,016	-	-	2,603,269	2,636,016
Planning and Building	823,484	671,178	-	-	823,484	671,178
Public Safety	3,524,157	3,892,686	-	-	3,524,157	3,892,686
Public works	2,381,609	2,161,735	-	-	2,381,609	2,161,735
Library	1,159,292	1,458,163	-	-	1,159,292	1,458,163
Parks and Recreation	673,016	539,604	-	-	673,016	539,604
Interest on Long-term Debt	176,793	217,307	-	-	176,793	217,307
Water	-	-	5,120,033	4,582,241	5,120,033	4,582,241
Wastewater	-	-	2,802,381	2,306,771	2,802,381	2,306,771
Total expenses before special item	**11,341,620**	**11,576,689**	**7,922,414**	**6,889,012**	**19,264,034**	**18,465,701**
Special item	-	-	-	-	-	-
Total expenses	**11,341,620**	**11,576,689**	**7,922,414**	**6,889,012**	**19,264,034**	**18,465,701**
Increase (decrease) in net position	1,870,283	1,241,093	(707,525)	(97,264)	1,162,758	1,143,829
Net position, beginning of year	34,659,274	41,141,647	18,722,653	21,557,199	53,381,927	62,698,846
Prior Period Adjustments	282,330	(7,723,466)	(775,012)	(2,737,282)	(492,682)	(10,460,748)
Net position, end of year	**36,811,887**	**34,659,274**	**17,240,116**	**18,722,653**	**54,052,003**	**53,381,927**

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City's total revenues increased by 4.17% to $20.43 million, expenses increased by 4.32% to $19.26 million, and overall net position increased by $1.16 million from the beginning of the year to $54.05 million.

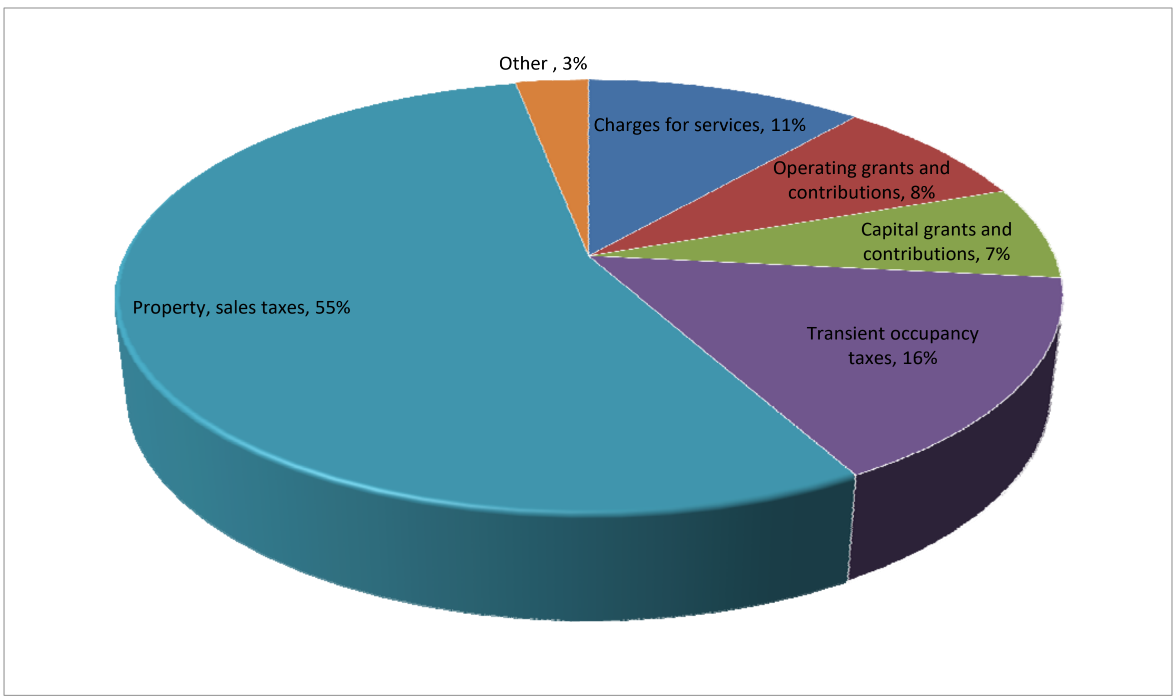
Governmental activity revenues increased by 3.07% to $13.21 million and governmental activity expenses decreased by 2.03% to $11.34 million. The $0.24 million decrease in the City's governmental activity expenses are primarily related to salary savings in Public Safety for a six month vacancy of the Police Chief and decreased use of General Fund monies on Library expenses. Increases in governmental activity revenues were caused by increased collection of property taxes (0.05), increased sales tax revenue collected which was primarily due to a final true up payment for the ending of the Triple Flip (0.38 million), increased transient occupancy tax revenue collected (0.18 million) and increased permitting revenues collected (0.19 million). Increases in general revenues, primarily tax support, are indicative of a moderate increase in economic activity.

Business-type activity revenues increased by 6.23% to $7.21 million and business-type activity expenses increased by 15% to $7.92 million. Increases in revenues is attributed to one-time adjustments to utility accounts that were billed at the incorrect rates in previous years and a refund received from the City's insurance fund for a claim loss. Increases in expenses is attributed to an administrative civil liability that was paid to State Water Resources Control Board and a correction to capitalizing interest expense.

<u>Revenues</u>

74% of the City's governmental activities revenue comes from transient occupancy, property, sales, and other taxes, 11% comes from fees charged for services, and the remaining 15% is from local, state and federal aid.

Chart 1
Sources of Revenue Governmental Activities 2016

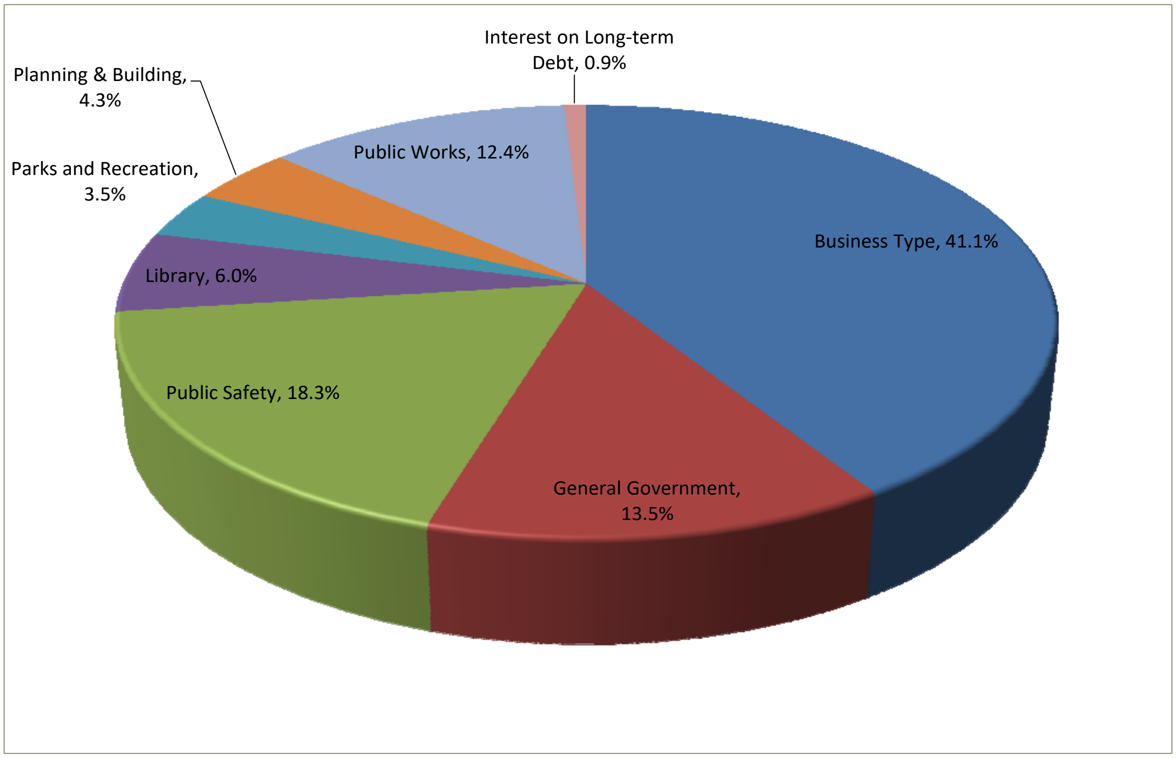


General revenues, primarily tax support from transient occupancy, sales, and property taxes increased approximately 10% when compared to last fiscal year. Increases in governmental activity revenues were caused by increased collection of sales tax revenue primarily due to a final true up payment for the ending of the Triple Flip, increased permitting revenue collected and a moderate increase in economic activity.

Expenses

Expenses for the City of St. Helena are divided as follows: $7.92 million for business-type activities (Water and Wastewater); $2.60 million for general government; $3.52 million for public safety; $1.16 million for library; $0.67 million for recreation; $0.82 million for planning and building; $2.38 million for public works; and $0.18 million for all other expenditures. Chart 2 is a graphical representation by percentage of the expenses.

Chart 2
Expenses by Function 2016



MANAGEMENT'S DISCUSSION AND ANALYSIS

Cost of Governmental Activities (Table A-3)

Table A-3 presents the cost of each of the City's five largest programs: 1) administration or general government; 2) public safety; 3) recreation and library 4) public works/streets; and 5) other programs.

Table A-3

Cost of City of St Helena's Governmental Activities

	Total Cost of Services		Percentage Change
	2016	2015	2015-2016
General Government	$ 2,603,269	$ 2,636,016	-1%
Public Safety	3,524,157	3,892,686	-9%
Recreation and library	1,832,308	1,997,767	-8%
Planning and Building	823,484	671,178	23%
Public Works/streets	2,381,609	2,161,735	10%
All other	176,793	217,307	-19%
Total	**$ 11,341,620**	**$ 11,576,689**	**-2%**

- The cost of all *governmental* activities this year was $11.34 million, a decrease of $0.24 million compared to fiscal year 2015.

- Decreased spending in Public Safety is primarily due to the Police Chief vacancy for 6 months during fiscal year 2016. Decreased spending in Recreation and library is primarily due to changes in grant financing and a reduction in general fund appropriations for library services. Increased spending in Planning and Building was primarily due to personnel costs associated with filling positions that were vacant for an extended period of time.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

As the City completed the year, its governmental funds reported a *combined* fund balance of $13.45 million. This $13.45 million amount is $1.63 million more than the amount that was held by the City's governmental fund types at the start of the 2016 fiscal year. The City's general fund balance increased to $4.45 million as of June 30, 2016, an increase of $1.24 million over the prior year's restated ending balance of $3.21 million. The increase is primarily due to increased collection of sales tax revenue from a final true up payment for the ending of the Triple Flip, increased permitting revenue collected and a moderate increase in economic activity.

The triple flip involved the State taking ¼ percent of the 1% Bradley Burns normal sales tax rate in exchange for increased property tax distribution. For FY 15-16 the City received a final distribution, because the State had been reimbursing cities in arrears of collections and had to "catch up" when the program ended

Non-major Governmental Funds increased slightly by 4.52% to $8.99 million during FY 15-16. The increase was largely due to revenue collections for development impact fees that have not yet been expended for capital improvement projects.

Proprietary (Enterprise) Funds – Water and Wastewater

The net position for proprietary fund types previously reported at June 30, 2015 has been re-stated to reflect a prior period adjustment to correct construction in progress balances in both water and wastewater capital improvement programs. The restatement of net position decreased the beginning net position by $0.78 million; with a decrease of $0.02 million in the water enterprise fund's net position and a $0.76 million decrease in the wastewater enterprise fund.

General Fund Budgetary Highlights

Budget Revisions

The City Council revised the City budget several times during the year. Budget adjustments fall into two categories:

- Increases in appropriations to accommodate unanticipated expenditures not previously budgeted, including those that result from updated cost estimates and project bids.

- Changes made at the mid-year budget review, or later in the fiscal year, based on updated projections for both revenues and expenditures.

General fund revenues exceeded budget estimates by about $1.07 million in fiscal 2016. The positive revenue performance, compared to budget, was primarily caused by favorable collections in excess of budget in four categories: Property Tax, $.29 million above budget; sales and other taxes, $.34 million above budget; licenses and permits, $.11 million; and, intergovernmental revenues, $.26 million. Increased tax collections and license and permit revenues are attributed to a continued economic recovery. Intergovernmental revenues above budget are reflective of emergency relief reimbursements received for fire services and Reimbursed State Mandated Costs due to prior year claims being received.

Budgeted appropriations for expenditure exceeded actual expenditures by $.49 million, with significant savings in the general government expenditures of $.22 million and public works of $.22 million. The primary reason for the savings is the timing of expenditures and some vacancies in positions that occurred during the year.

Overall, the actual financial performance of the general fund beat original budget projections by $1.56 million. For more information on budgetary results, see the schedule of revenues, expenditures and changes in fund balances, budget and actual – general fund in the other supplementary information section of this report.

CAPITAL ASSET

Capital Assets (Table A-4)

At the end of 2016, the City had invested $56.28 million (net of accumulated depreciation) in a broad range of capital assets, including land, equipment, vehicles, buildings, park facilities, and water and sewer systems. This amount represents a net decrease (including additions and deductions) of about $2.21 million, or 3.8%. Additional information for capital assets can be found in the Notes to the Financial Statements: Note 3 – D, Capital Assets.

Table A-4
City of St Helena's Capital Assets
(net of depreciation)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2016	2015	2016	2015	2016	2015	2015-2016
Land	$8,336,654	$8,336,654	$3,432,490	$3,432,490	$11,769,144	$11,769,144	0.0%
Construction in Progress	611,163	1,931,574	3,991,882	4,392,859	4,603,045	6,324,433	-27.2%
Buildings	4,321,617	3,379,646	1,501,147	1,568,216	5,822,764	4,947,862	17.7%
Improvements	4,670,136	5,004,434	-	-	4,670,136	5,004,434	-6.7%
Flood Wall Infrastructure	17,400,532	17,778,804	-	-	17,400,532	17,778,804	-2.1%
Vehicle Fleet	836,167	777,739	-	-	836,167	777,739	7.5%
Equipment	751,196	541,596	1,274,198	1,233,849	2,025,394	1,775,445	14.1%
Utility systems	-	-	9,151,131	10,107,047	9,151,131	10,107,047	-9.5%
Total	**$36,927,465**	**$37,750,447**	**$19,350,848**	**$20,734,461**	**$56,278,313**	**$58,484,908**	**-3.8%**

Significant Changes to 2016 major capital assets include:

- Decrease in Construction in Progress (business-type activities) of $0.4 million. Construction in progress consists primarily of system improvement projects including design, and construction costs. Decrease is primarily related to a prior period adjustment to decrease construction in progress balances to account for CIP that was capitalized in prior periods. Assets had previously been capitalized but not removed from construction in progress.

- Net increase in Buildings (governmental activities) is $0.94 million. This increase was primarily related to completion of the Library HVAC system and a prior period adjustment to correct the beginning balance to include previously capitalized expenses for the Library HVAC.

- Net increase in Equipment (governmental activities) is $0.21 million. This increase was primarily related to the capitalization of project C63 RIMS, update to police communication system.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The fiscal 2017 budget, adopted, approved and adjusted by the City Council, provides for an operational spending budget of $10.64 million.

General fund revenue for fiscal 2016 is estimated at $10.59 million.

Property tax, sales tax, and transient occupancy tax account for about 76% of all general fund revenues.

The water and wastewater enterprise funds are not currently generating sufficient revenue to pay for the services they provide due to water conservations measures in response to the State of California's drought emergency. Revenues are anticipated to continue to decline, therefore the City Council approved an updated Water and Wastewater rate increase effective January 2017. Funds are used to pay for: debt service payments, operations and maintenance, and capital projects.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance, City of St. Helena, 1480 Main Street, St. Helena, California 94574.

BASIC FINANCIAL STATEMENTS

City of St. Helena
Statement of Net Position
June 30, 2016

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Investments	$ 11,927,374	$ 10,707,733	$ 22,635,107
Cash and Investments with Fiscal Agents	-	3,085,394	3,085,394
Receivables:			
Accounts	58,664	1,022,156	1,080,820
Taxes	1,476,166	-	1,476,166
Notes and Loans	520,615	662,412	1,183,027
Interest	19,883	124,808	144,691
Due from Other Governments	256,846	-	256,846
Internal Balances	192,813	(192,813)	-
Prepaids	266,092	100	266,192
Capital Assets, Not Being Depreciated	8,947,817	7,424,372	16,372,189
Capital Assets, Depreciated, Net	27,979,648	11,926,476	39,906,124
Total Assets	51,645,918	34,760,638	86,406,556
DEFERRED OUTFLOWS OF RESOURCES			
Loss on Advance Refunding	-	514,631	514,631
Deferred Outflows Related to Pensions	1,402,051	275,402	1,677,453
Total Deferred Outflows of Resources	1,402,051	790,033	2,192,084
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	851,290	850,630	1,701,920
Interest Payable	88,385	153,812	242,197
Deposits Payable	243,875	51,900	295,775
Noncurrent Liabilities:			
Due within One Year	1,092,997	723,300	1,816,297
Due in More Than One Year	6,291,214	14,045,412	20,336,626
Net Pension Liability	6,639,863	2,111,507	8,751,370
Total Liabilities	15,207,624	17,936,561	33,144,185
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	1,028,458	373,994	1,402,452
NET POSITION			
Net Investment in Capital Assets	29,384,192	8,360,497	37,744,689
Restricted for:			
Public Works	5,269,455	-	5,269,455
Housing	956,056	-	956,056
Library:			
Expendable	771,077	-	771,077
Nonexpendable	51,836	-	51,836
Parks and Recreation	560,979	-	560,979
Public Safety	764,379	-	764,379
Debt Service	444,918	-	444,918
Unrestricted	(1,391,005)	8,879,619	7,488,614
Total Net Position	$ 36,811,887	$ 17,240,116	$ 54,052,003

The accompanying notes are an integral part of this statement.

City of St. Helena
Statement of Activities
Year Ended June 30, 2016

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	$ 2,603,269	$ 186,144	$ 131,330	$ -
Planning and Building	823,484	813,844	-	-
Public Safety	3,524,157	167,426	522,921	30,374
Public Works	2,381,609	59,787	246,948	632,881
Library	1,159,292	66,835	135,614	-
Parks and Recreation	673,016	210,601	73,968	89,516
Interest on Long-term Debt	176,793	-	-	-
Total Governmental Activities	11,341,620	1,504,637	1,110,781	752,771
Business-type Activities:				
Water	5,120,033	4,162,394	-	80,974
Wastewater	2,802,381	2,820,908	-	15,303
Total Business-type Activities	7,922,414	6,983,302	-	96,277
Total Primary Government	$ 19,264,034	$ 8,487,939	$ 1,110,781	$ 849,048

General Revenues:
- Taxes:
  - Property Taxes
  - Sales and Use Taxes
  - Franchise Tax
  - Transient Occupancy Tax
  - Business License Tax
- Motor Vehicle In-lieu
- Investment Earnings
- Miscellaneous Revenues

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning of Year

Restatement of Net Position

Net Position - End of Year

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total
$ (2,285,795)	$ -	$ (2,285,795)
(9,640)	-	(9,640)
(2,803,436)	-	(2,803,436)
(1,441,993)	-	(1,441,993)
(956,843)	-	(956,843)
(298,931)	-	(298,931)
(176,793)	-	(176,793)
(7,973,431)	-	(7,973,431)
-	(876,665)	(876,665)
-	33,830	33,830
-	(842,835)	(842,835)
(7,973,431)	(842,835)	(8,816,266)
4,218,273	-	4,218,273
3,090,695	-	3,090,695
221,288	-	221,288
2,048,832	-	2,048,832
160,635	-	160,635
2,447	-	2,447
52,288	135,310	187,598
49,256	-	49,256
9,843,714	135,310	9,979,024
1,870,283	(707,525)	1,162,758
34,659,274	18,722,653	53,381,927
282,330	(775,012)	(492,682)
$ 36,811,887	$ 17,240,116	$ 54,052,003

The accompanying notes are an integral part of this statement.

City of St. Helena
Balance Sheet
Governmental Funds
June 30, 2016

	General Fund	Measure A Fund	Non-major Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Investments	$ 2,923,879	$ -	$ 9,003,495	$ 11,927,374
Receivables:				
Accounts	44,413	-	14,251	58,664
Taxes	1,476,166	-	-	1,476,166
Interest	19,289	-	594	19,883
Due from Other Governments	59,938	-	196,908	256,846
Notes and Loans	458,771	-	61,844	520,615
Due from Other Funds	253,674	-	-	253,674
Advances to Other Funds	192,813	-	-	192,813
Prepaid Expenditures	46,448	-	219,644	266,092
Total Assets	$ 5,475,391	$ -	$ 9,496,736	$ 14,972,127
LIABILITIES				
Accounts Payable & Accrued Liabilities	$ 682,538	$ -	$ 153,308	$ 835,846
Deposits Payable	243,875	-	-	243,875
Due to Other Funds	-	-	152,006	152,006
Total Liabilities	926,413	-	305,314	1,231,727
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Taxes	96,470	-	-	96,470
Unavailable Revenues - Grants	-	-	193,835	193,835
Total Deferred Inflows of Resources	96,470	-	193,835	290,305
FUND BALANCES				
Nonspendable	698,032	-	256,822	954,854
Restricted	296,579	-	7,268,878	7,565,457
Committed	-	-	-	-
Assigned	171,934	-	1,537,652	1,709,586
Unassigned	3,285,963	-	(65,765)	3,220,198
Total Fund Balances	4,452,508	-	8,997,587	13,450,095
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 5,475,391	$ -	$ 9,496,736	$ 14,972,127

The accompanying notes are an integral part of this statement.

City of St. Helena
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2016

Fund Balances of Governmental Funds	$	13,450,095
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds:		
Capital Assets		53,325,585
Accumulated Depreciation		(16,398,120)
Interest payable on long-term debt does not require the use of current financial resources therefore, interest payable is not reported as a liability in the funds.		(88,385)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds:		
General Obligation Bonds		(175,000)
Capital Leases		(784,484)
State Revolving Loan		(5,823,738)
Net Pension Liability		(6,639,863)
Compensated Absences		(563,967)
Claims		(6,282)
Reimbursement Agreement		(30,740)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and vehicle maintenance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		(117,112)
Amounts for deferred inflows and outflows related to the City's Net Pension Liability are not reported in the funds:		
Deferred Outflows		1,402,051
Deferred Inflows		(1,028,458)
Long-term assets are not available for current use. Amounts are deferred under the modified accrual basis of accounting.		290,305
Net Position of Governmental Activities	$	36,811,887

The accompanying notes are an integral part of this statement.

City of St. Helena
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2016

	General Fund	Measure A Fund	Non-major Governmental Funds	Total Governmental Funds
REVENUES				
Property Taxes	$ 4,112,115	$ -	$ 106,158	$ 4,218,273
Sales and Other Taxes	5,236,044	-	-	5,236,044
Charges for Services	315,199	-	-	315,199
Fines and Forfeitures	126,299	-	-	126,299
Licenses and Permits	1,008,260	-	-	1,008,260
Development Fees	21,600	-	720,570	742,170
Intergovernmental	381,809	-	288,348	670,157
Interest and Rents	222,883	-	92,965	315,848
Other Revenues	111,161	-	178,187	289,348
Total Revenues	11,535,370	-	1,386,228	12,921,598
EXPENDITURES				
Current:				
General Government	2,255,466	-	91,869	2,347,335
Planning and Building	823,484	-	-	823,484
Public Safety	3,548,319	-	158,728	3,707,047
Public Works	1,585,475	-	131,919	1,717,394
Library	797,217	-	257,193	1,054,410
Parks and Recreation	481,896	-	41,203	523,099
Capital Outlay	40,134	-	132,305	172,439
Debt Service:				
Principal	590,051	-	170,000	760,051
Interest	173,029	-	14,131	187,160
Total Expenditures	10,295,071	-	997,348	11,292,419
Excess (Deficiency) of Revenues Over Expenditures	1,240,299	-	388,880	1,629,179
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	2,766	2,766
Transfers Out	-	-	(2,766)	(2,766)
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	1,240,299	-	388,880	1,629,179
Fund Balances, Beginning of Year	3,267,071	-	8,608,707	11,875,778
Prior Period Adjustments	(54,862)	-	-	(54,862)
Fund Balances, End of Year	$ 4,452,508	$ -	$ 8,997,587	$ 13,450,095

The accompanying notes are an integral part of this statement.

City of St. Helena
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2016

Net Changes in Fund Balances - Total Governmental Funds	$ 1,629,179
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives as depreciation expense.	
Capital Outlay	40,419
Depreciation Expense	(1,259,021)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.	
Principal Payments	760,051
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	
Compensated Absences	(60,694)
Claims	7,111
Net Pension Liability	(349,468)
Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.	10,367
Some revenues reported in the Statement of Activities are not considered available to finance current expenditures and therefore are not reported as revenues in the governmental funds.	290,305
Amounts for deferred inflows and deferred outflows related to the City's Net Pension Liability are not reported in the funds. This is the net change in deferred inflows and outflows related to the Net Pension Liability.	
Deferred Outflows Related to Pensions	459,910
Deferred Inflows Related to Pensions	482,543
Internal service funds are used by management to charge the costs of certain activities, such as insurance and vehicle maintenance, to individual funds. The net revenue (expense) of the internal services funds is reported with governmental activities.	(140,419)
Change in Net Position of Governmental Activities	$ 1,870,283

The accompanying notes are an integral part of this statement.

City of St. Helena
Statement of Net Position
Proprietary Funds
June 30, 2016

	Enterprise Funds			Governmental Activities
	Water	Wastewater	Totals	Internal Service Fund
ASSETS				
Current Assets:				
Cash and Investments	$ 7,678,666	$ 3,029,067	$ 10,707,733	$ -
Accounts Receivable - Net	647,608	374,548	1,022,156	-
Prepaids	50	50	100	-
Interest Receivable	78,209	46,599	124,808	-
Total Current Assets	8,404,533	3,450,264	11,854,797	-
Noncurrent Assets:				
Cash and Investments with Fiscal Agents	3,060,018	25,376	3,085,394	-
Notes and Loans Receivable	604,852	57,560	662,412	-
Capital Assets, Not Being Depreciated:				
Land	345,367	3,087,123	3,432,490	-
Construction in Progress	3,051,354	940,528	3,991,882	-
Capital Assets, Depreciable:				
Buildings	1,755,510	1,805,421	3,560,931	-
Equipment	2,868,377	2,241,033	5,109,410	4,224,897
Improvements	12,687,347	6,700,105	19,387,452	-
Lines	4,975,814	1,476,256	6,452,070	-
Less: Accumulated Depreciation	(14,377,239)	(8,206,148)	(22,583,387)	(3,388,729)
Total Noncurrent Assets	14,971,400	8,127,254	23,098,654	836,168
Total Assets	23,375,933	11,577,518	34,953,451	836,168
DEFERRED OUTFLOWS OF RESOURCES				
Loss on Advance Refunding	514,631	-	514,631	-
Deferred Pension Related Items	179,011	96,391	275,402	-
Total Deferred Outflows of Resources	693,642	96,391	790,033	-
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	646,547	204,083	850,630	15,444
Accrued Interest Payable	123,985	29,827	153,812	-
Deposits	51,900	-	51,900	-
Due to Other Funds	-	-	-	101,668
Compensated Absences - Current	41,400	31,900	73,300	-
Installment Agreements - Current	514,130	135,870	650,000	-
Total Current Liabilities	1,377,962	401,680	1,779,642	117,112
Noncurrent Liabilities:				
Compensated Absences	75,336	55,076	130,412	43,317
Advances from Other Funds	84,403	108,410	192,813	-
Net Pension Liability	1,266,904	844,603	2,111,507	-
Installment Agreements	11,121,766	2,793,234	13,915,000	-
Total Noncurrent Liabilities	12,548,409	3,801,323	16,349,732	43,317
Total Liabilities	13,926,371	4,203,003	18,129,374	160,429
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Related Items	243,096	130,898	373,994	-
NET POSITION				
Net Investment in Capital Assets	3,245,283	5,115,214	8,360,497	836,168
Restricted for Capital Projects	-	-	-	-
Unrestricted	6,654,825	2,224,794	8,879,619	(160,429)
Total Net Position	$ 9,900,108	$ 7,340,008	$ 17,240,116	$ 675,739

The accompanying notes are an integral part of this statement.

City of St. Helena
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2016

	Enterprise Funds			Governmental Activities
	Water	Wastewater	Totals	Internal Service Fund
OPERATING REVENUES				
Charges for Services	$ 4,096,137	$ 2,435,400	$ 6,531,537	$ 214,160
Other Operating Revenues	66,257	385,508	451,765	-
Total Operating Revenues	4,162,394	2,820,908	6,983,302	214,160
OPERATING EXPENSES				
Personnel Services	1,389,140	889,603	2,278,743	85,415
Purchased Water	1,309,917	-	1,309,917	-
Fuel and Utilities	155,643	89,527	245,170	47,024
Other Supplies and Expenses	718,403	1,095,128	1,813,531	102,903
Depreciation	1,021,523	608,888	1,630,411	120,347
Total Operating Expenses	4,594,626	2,683,146	7,277,772	355,689
Operating Income (Loss)	(432,232)	137,762	(294,470)	(141,529)
NONOPERATING REVENUES (EXPENSES)				
Interest Income	118,953	16,357	135,310	1,110
Interest Expense	(525,407)	(119,235)	(644,642)	-
Total Nonoperating Revenues (Expenses)	(406,454)	(102,878)	(509,332)	1,110
Income (Loss) Before Capital Contributions and Operating Transfers	(838,686)	34,884	(803,802)	(140,419)
Capital Contributions	80,974	15,303	96,277	-
Transfers In	-	36,454	36,454	-
Transfers Out	(36,454)	-	(36,454)	-
Change in Net Position	(794,166)	86,641	(707,525)	(140,419)
Net Position - Beginning of Year	10,714,276	8,008,377	18,722,653	816,158
Restatement of Net Position	(20,002)	(755,010)	(775,012)	-
Net Position - End of Year	$ 9,900,108	$ 7,340,008	$ 17,240,116	$ 675,739

The accompanying notes are an integral part of this statement.

City of St. Helena
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2016

	Enterprise Funds			Governmental Activities
	Water	Wastewater	Totals	Internal Service Fund
Cash Flows from Operating Activities				
Receipts from Customers	$ 4,022,221	$ 2,721,534	$ 6,743,755	$ 214,261
Payments to Employees for Services	(1,498,203)	(970,388)	(2,468,591)	(160,202)
Payments to Suppliers for Goods and Services	(2,051,406)	(1,084,070)	(3,135,476)	(149,400)
Net Cash Provided (Used) by Operating Activities	472,612	667,076	1,139,688	(95,341)
Cash Flows from Noncapital and Related Financing Activities				
Cash Received from Other Funds	-	36,454	36,454	101,668
Cash Paid to Other Funds	(36,454)	-	(36,454)	-
Net Cash Provided (Used) by Noncapital Financing Activities	(36,454)	36,454	-	101,668
Cash Flows from Capital and Related Financing Activities				
Acquisition and Construction of Capital Assets	(535,379)	(486,431)	(1,021,810)	(178,775)
Interest Paid	(503,406)	(121,387)	(624,793)	-
Capital Contributions	80,974	15,303	96,277	-
Principal Paid on Capital Debt	(496,304)	(133,696)	(630,000)	-
Net Cash Provided (Used) by Capital Financing Activities	(1,454,115)	(726,211)	(2,180,326)	(178,775)
Cash Flows from Investing Activities				
Interest Received	108,062	14,664	122,726	1,110
Net Cash Provided (Used) by Investing Activities	108,062	14,664	122,726	1,110
Net Increase (Decrease) in Cash and Cash Equivalents	(909,895)	(8,017)	(917,912)	(171,338)
Cash and Cash Equivalents, Beginning of the Year	11,648,579	3,062,460	14,711,039	171,338
Cash and Cash Equivalents, End of the Year	$ 10,738,684	$ 3,054,443	$ 13,793,127	$ -
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	$ (432,232)	$ 137,762	$ (294,470)	$ (141,529)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	1,021,523	608,888	1,630,411	120,347
Changes in Operating Assets and Liabilities:				
Decrease (Increase) in Accounts Receivable	(113,658)	(99,374)	(213,032)	101
Decrease (Increase) in Prepaid Expenses	(50)	(50)	(100)	-
Decrease (Increase) in Deferred Outflows - Pensions	(69,371)	(23,298)	(92,669)	-
Increase (Decrease) in Accounts Payable and Accrued Liabilities	132,607	100,635	233,242	527
Increase (Decrease) in Deferred Inflows - Pensions	(73,727)	(80,317)	(154,044)	-
Increase (Decrease) in Net Pension Liability	23,470	15,647	39,117	-
Increase (Decrease) in Compensated Absences Payable	10,565	7,183	17,748	(74,787)
Increase (Decrease) in Deposits Payable	(26,515)	-	(26,515)	-
Total Cash Provided (Used) by Operating Activities	$ 472,612	$ 667,076	$ 1,139,688	$ (95,341)
Noncash Investing, Capital and Financing Activities				
Amortization Related to Long-term Debt	$ 30,451	$ -	$ 30,451	$ -
Amortization Related to Pensions	4,229	2,819	7,048	-

The accompanying notes are an integral part of this statement.

City of St. Helena
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2016

		Agency Fund
ASSETS		
Cash and Investments	$	17,888
Assessments Receivable		42,957
Total Assets	$	60,845
LIABILITIES		
Accounts Payable	$	55,760
Deposits Payable		5,085
Total Liabilities	$	60,845

The accompanying notes are an integral part of this statement.

City of St. Helena
Notes to the Financial Statements
June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

The City of St. Helena (City) is a municipal corporation governed by an elected five-member council. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. There are no component units of the City which meet the criteria of a blended or a discretely-presented component unit.

C. Basis of presentation – government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Basis of presentation – fund financial statements

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category-governmental, proprietary, and fiduciary-are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The City reports the following major proprietary funds:

City of St. Helena
Notes to the Financial Statements
June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The *Water and Wastewater Enterprise Funds* account for the water distribution system, sewage treatment plant, sewage pumping stations and collection systems.

Additionally, the City reports the following fund types:

The *Internal Service Fund* is used to account for the City's vehicle fleet and services provided to other city departments on a cost reimbursement basis, such as sick leave termination benefits.

The *Agency Fund* accounts for assessments collected on behalf of the Tourism Improvement District.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

City of St. Helena
Notes to the Financial Statements
June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of yearend). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

F. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Cash and cash equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Investments

Investments for the City are reported at fair value (generally based on quoted market prices). The State Treasurer's Investment Pool and CAMP operate in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

3. Inventories and prepaid items

All Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

City of St. Helena
Notes to the Financial Statements
June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Capital assets, except for infrastructure assets, are defined by the City as assets with an initial, individual cost of more than $10,000 and an estimated useful life in excess of one year. For infrastructure assets the same estimated minimum useful life is used (in excess of one year), but only those infrastructure projects that cost more than $25,000 are reported as capital assets. Under the GASB 34 Implementation Rules, the City was not required to record infrastructure assets existing or acquired prior to July 1, 2001; and the City has not recorded such assets. The City may elect to record such infrastructure assets in the future.

As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets received prior to the implementation of GASB 72 were recorded at fair value on the date of donation. Capital assets donated subsequent to the implementation of GASB 72 are recorded at acquisition value as of the date received.

Interest incurred during the construction phase of capital assets of enterprise funds is included as part of the capitalized value of the assets constructed. The amount of interest capitalized depends on the specific circumstances. This year, interest of $1,373 was capitalized in the enterprise funds.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Buildings and Improvements	10-50 years
Public Domain Infrastructure	50 years
System Infrastructure	50 years
Vehicles and Equipment	4-10 years

5. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City reports deferred outflows as a result of the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable revenue,* is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, special assessments, grant receivables, and other miscellaneous receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, the City reports deferred inflows as a result of the implementation of GASB Statement No. 68.

City of St. Helena
Notes to the Financial Statements
June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

6. Net position flow assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

7. Fund balance flow assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

8. Fund balance policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The city council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The city council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

G. Revenues and expenditures/expenses

1. Program revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function

City of St. Helena
Notes to the Financial Statements
June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property taxes

Property taxes are levied as of March 1 on property values assessed as of the same date. State statutes provide that the property tax rate be limited generally to one percent of assessed value, be levied by only the County, and be shared by applicable jurisdictions. The County of Napa collects the taxes and distributes them to taxing jurisdictions on the basis of assessed valuations subject to voter-approved debt. Property taxes are due on November 1 and March 1, and become delinquent on December 10 and April 10. The City receives property taxes pursuant to an arrangement with the County known as the “Teeter Plan.” Under the plan, the County assumes responsibility for the collection of delinquent taxes and pays the full allocation to the City. The City recognizes property tax revenues in the fiscal year in which they are due.

3. Compensated absences

The City’s policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. A portion of unpaid accumulated sick leave is also paid out when employees separate from service with the City. Liabilities for such leave are reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

4. Proprietary funds operating and non-operating revenues and expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reporting as non-operating revenues and expenses.

5. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City’s California Public Employees’ Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

H. Use of estimates

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect

City of St. Helena
Notes to the Financial Statements
June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and assumptions.

I. Implementation of Governmental Accounting Standards Board (GASB) pronouncements

GASB Statement No. 75 - In June of 2015, GASB issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement was issued to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. This GASB Statement is required to be implemented in financial statements issued for the periods beginning after June 15, 2017. The City has not elected to early implement this statement and has not determined its effect on the financial statements.

2) STEWARDSHIP, COMPLIANCE AND ACCOUNTABLITY

The following non-major funds had deficit fund balances as of June 30, 2016: Napa Valley NOW special revenue fund - $4,715, Friends and Foundation special revenue fund - $3,564, CDBG special revenue fund - $40,013, EPA Grant special revenue fund - $17,423, and TDA Grant special revenue fund - $107,278. These deficits are expected to be eliminated by revenues that will become available in subsequent periods.

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits and investments

As of June 30, 2016 cash and investments were reported in the accompanying financial statements as follows:

Statement of Net Position:		
Cash and Investments	$	22,635,107
Cash and Investments with Fiscal Agent		3,085,394
Statement of Fiduciary Net Position:		
Cash and Investments		17,888
Total Cash and Investments	$	25,738,389

Cash and investments as of June 30, 2016 consisted of the following:

Petty Cash	$	800
Deposits with Financial Institutions		7,292,799
Investments		18,444,790
Total Cash and Investments	$	25,738,389

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS - Continued

Authorized investments - The table below identifies the investment types that are authorized by the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk:

Authorized Investment Type	Maximum Maturity	Maximum Allowable Investment Percentage	Maximum Investment In One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
California Asset Management Program (CAMP)	N/A	None	None
Insured Savings Accounts	N/A	None	None
Banker's Acceptances	180 days	40%	10%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposits	N/A	30%	10%
Obligations of the State of California	N/A	None	10%
Time Deposits, Non-negotiable and Collateralized	N/A	25%	10%
Medium-Term Notes	N/A	30%	5%
Money Market Mutual Funds	N/A	15%	None

Interest rate risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater is the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

	Remaining Maturity (in Months)			
Investment Type	12 Months or Less	13 to 24 Months	25-60 Months	Fair Value
U.S. Treasury Securities	$ -	$ -	$ 1,971,968	$ 1,971,968
Federal Agency Securities	109,453	843,046	1,506,759	2,459,258
Corporate Note	-	922,522	592,551	1,515,073
Negotiable Certificates of Deposit	850,482	1,377,786	-	2,228,268
LAIF	6,897,352	-	-	6,897,352
Short Term Investments	37,811	-	-	37,811
Money Market Mutual Funds	249,667	-	-	249,667
Cash with Fiscal Agent:				-
Money Market Mutual Funds	3,085,393	-	-	3,085,393
Total	$ 11,230,158	$ 3,143,354	$ 4,071,278	$ 18,444,790

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS - Continued

Credit risk - Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code or the City's investment policy and the actual rating as of year-end for each investment type:

Investment Type	Total Investment	Minimum Legal Rating	Rating as of Year End: AAA/AA	A and A-1	Unrated
U.S. Treasury Securities	$ 1,971,968	N/A	$ 1,971,968	$ -	$ -
Federal Agency Securities	2,459,258	N/A	2,459,258	-	-
Corporate Note	1,515,073	N/A	1,248,123	266,950	-
Negotiable Certificates of Deposit	2,228,268	N/A	600,730	1,627,538	-
LAIF	6,897,352	N/A	-	-	6,897,352
Short Term Investments	37,811	N/A	-	-	37,811
Money Market Mutual Funds	249,667	N/A	-	-	249,667
Cash with Fiscal Agent:					
Money Market Mutual Funds	3,085,393	N/A	-	-	3,085,393
Total	$ 18,444,790		$ 6,280,079	$ 1,894,488	$ 10,270,223

Concentration of credit risk - At June 30, 2016, the City had no investments in any one issuer that represent 5% or more of total City investments, other than U.S. Government obligations, external investment pools, and mutual funds.

Custodial credit risk - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2016, no deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities.

Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF). As of June 30, 2016, none of the City's investments were held by the broker-dealer (counterparty) that was used by the City to purchase the securities.

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS - Continued

State Investment Pool - The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Fair Value - The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investment Type	Total Investment	Investments Not Measured at Fair Value	Level 1	Level 2
U.S. Treasury Securities	$ 1,971,968	$ -	$ -	$ 1,971,968
Federal Agency Securities	2,459,258	-	-	2,459,258
Corporate Note	1,515,073	-	-	1,515,073
Negotiable Certificates of Deposit	2,228,268	-	-	2,228,268
LAIF	6,897,352	6,897,352	-	-
Short Term Investments	37,811	37,811	-	-
Money Market Mutual Funds	249,667	249,667	-	-
Held by Bond Trustees:				
Money Market Mutual Funds	3,085,393	3,085,393	-	-
Total	$18,444,790	$10,270,223	$ -	$ 8,174,567

B. Receivables

Revenues of the Water and Wastewater enterprises are reported net of uncollectible amounts. Total uncollectible amounts related to revenues of the current period are not material at year-end.

Long-term notes receivable of $1,183,027 consists primarily of two notes relating to affordable housing projects. The notes are repayable in annual installments to the extent that the housing projects generate excess cash flows. Both notes are secured by deeds of trust on the real properties and mature in 2022 for $141,084 and in 2049 for $1,022,213.

C. Interfund receivables, payables and transfers

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation.

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS - Continued

Amounts due to/due from other funds at June 30, 2016 are as follows: non-major funds and the internal service fund owe the General Fund $152,006 and $101,668, respectively, as a result of temporary operating deficits. These interfund borrowings will be repaid from future revenues.

Advances to other funds of $192,813 in the General Fund represent $84,403 due from the Water Fund, and $108,410 due from the Wastewater Fund. These advances were made in prior fiscal years to provide temporary funding for various projects, pending reimbursement by grantor agencies and other governments.

Interfund transfers for the year ended June 30, 2016 are as follows: non-major funds transferred $2,766 to non-major funds for various project costs. In addition, the Water Enterprise Fund transferred $36,454 to the Wastewater Enterprise Fund for reimbursement of various costs.

D. Capital assets

The following is a summary of the capital assets activity for the year ended June 30, 2016:

	Beginning Balance *	Additions	Deletions	Ending Balance
Governmental Activities				
Capital Assets, not Being Depreciated				
Land	$ 8,336,654	$ -	$ -	$ 8,336,654
Construction in Progress	863,848	141,546	(394,231)	611,163
Total Capital Assets, Not Being Depreciated	9,200,502	141,546	(394,231)	8,947,817
Capital Assets, Being Depreciated				
Buildings	9,290,220	39,678	-	9,329,898
Improvements	8,705,661	59,964	-	8,765,625
Floodwall Infrastructure	18,913,620	-	-	18,913,620
Vehicle Fleet, Internal Service	4,046,122	178,775	-	4,224,897
Equipment	2,950,266	193,462	-	3,143,728
Total Capital Assets Being Depreciated	43,905,889	471,879	-	44,377,768
Less Accumulated Depreciation for:				
Buildings	(4,718,237)	(290,044)	-	(5,008,281)
Improvements	(3,674,140)	(421,349)	-	(4,095,489)
Floodwall Infrastructure	(1,134,816)	(378,272)	-	(1,513,088)
Vehicle Fleet, Internal Service	(3,268,383)	(120,347)	-	(3,388,730)
Equipment	(2,223,176)	(169,356)	-	(2,392,532)
Total Accumulated Depreciation	(15,018,752)	(1,379,368)	-	(16,398,120)
Total Capital Assets, Being Depreciated, Net	28,887,137	(907,489)	-	27,979,648
Governmental Activities Capital Assets, Net	$ 38,087,639	$ (765,943)	$ (394,231)	$ 36,927,465

* Includes a prior period adjustment to increase the beginning balances by $337,192.

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS – Continued

	Beginning Balance*	Additions	Deletions	Ending Balance
Business-Type Activities				
Capital Assets, not Being Depreciated				
Land	$ 3,432,490	$ -	$ -	$ 3,432,490
Construction in Progress	3,617,846	956,486	(582,450)	3,991,882
Total Capital Assets, Not Being Depreciated	7,050,336	956,486	(582,450)	7,424,372
Capital Assets, Being Depreciated				
Buildings	3,560,931	-	-	3,560,931
Systems	25,477,677	361,845	-	25,839,522
Machinery & Equipment	4,823,480	285,930	-	5,109,410
Total Capital Assets Being Depreciated	33,862,088	647,775	-	34,509,863
Less Accumulated Depreciation for:				
Buildings	(1,992,715)	(67,069)	-	(2,059,784)
Systems	(15,370,630)	(1,317,761)	-	(16,688,391)
Machinery & Equipment	(3,589,631)	(245,581)	-	(3,835,212)
Total Accumulated Depreciation	(20,952,976)	(1,630,411)	-	(22,583,387)
Total Capital Assets, Being Depreciated, Net	12,909,112	(982,636)	-	11,926,476
Governmental Activities Capital Assets, Net	$19,959,448	$ (26,150)	$ (582,450)	$19,350,848

* Includes a prior period adjustment decreasing the beginning balances by $775,012.

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities	
General Government	$ 168,856
Planning and Building	-
Public Safety	291,498
Public Works	664,215
Library	104,882
Parks and Recreation	149,917
Total Depreciation Expense	$ 1,379,368

Business-Type Activities	
Water	$ 1,021,523
Wastewater	608,888
Total Depreciation Expense	$ 1,630,411

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS – Continued

E. Long-term liabilities

The following is a summary of long-term liability activity for the fiscal year ended June 30, 2016:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds	$ 345,000	$ -	$ 170,000	$ 175,000	$ 175,000
Capital Leases	996,571	-	212,087	784,484	217,576
State Revolving Loan	6,201,702	-	377,964	5,823,738	387,035
Net Pension Liability	6,290,395	1,166,817	817,349	6,639,863	-
Compensated Absences	578,060	205,614	219,707	563,967	310,182
Claims	13,393	-	7,111	6,282	3,204
Reimbursement Agreement	30,740	-	-	30,740	-
Total	$ 14,455,861	$ 1,372,431	$ 1,804,218	$ 14,024,074	$ 1,092,997
Business-type Activities:					
Installment Agreements:					
Water - 2012B	$ 5,197,200	$ -	$ 211,304	$ 4,985,896	$ 219,130
Water - 2006A	6,935,000	-	285,000	6,650,000	295,000
Wastewater - 2012B	1,442,800	-	58,696	1,384,104	60,870
Wastewater - 2005B	1,620,000	-	75,000	1,545,000	75,000
Net Pension Liability	2,072,390	251,203	212,086	2,111,507	-
Compensated Absences	185,964	92,526	74,778	203,712	73,300
Total	$ 17,453,354	$ 343,729	$ 916,864	$ 16,880,219	$ 723,300

General Obligation Bonds

The City issued 1996 General Obligation Bonds in an original amount of $2,175,000 to provide funds for construction of a new fire station. The bonds are secured by a voter-approved levy of ad valorem taxes, mature each July 1 through 2016 and bear interest at rates from 5% to 6.75%. Annual debt service requirements to maturity for the GO Bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2017	$ 175,000	$ 4,594	$ 179,594
Totals	$ 175,000	$ 4,594	$ 179,594

A special voter approved tax is accounted for in a debt service fund and is used to pay the debt service on the general obligation bonds.

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS – Continued

Capital Leases

The City has entered into three capital leases to finance the acquisition of land parcel, fire station improvements, and an aerial fire truck. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The assets acquired through the capital leases have been capitalized in the accounting records at $4.4 million. The General Fund is used to pay debt service on the capital lease obligations. The future debt service requirements to maturity for the capital leases are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2017	$ 217,576	$ 18,699	$ 236,275
2018	223,722	12,553	236,275
2019	135,320	7,063	142,383
2020	138,416	3,968	142,384
2021	69,450	801	70,251
Totals	$ 784,484	$ 43,084	$ 827,568

State Revolving Loan

The City obtained a $9,100,000 loan from the State Water Resources Control Board (of which the City borrowed only $7,999,500) for the purpose of financing the acquisition of land parcels and construction costs related to a floodwall barrier project with the City. The loan bears interest at 2.4% per annum and is repayable in annual installments of principal and interests through fiscal year 2029. The City has pledged Measure A sales tax revenue allocations as security for repayment of the loan. Future debt service on the loan proceeds received through June 30,2016 is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2017	$ 387,035	$ 139,770	$ 526,805
2018	396,324	130,481	526,805
2019	405,835	120,969	526,804
2020	415,576	111,229	526,805
2021	425,549	101,255	526,804
2022	435,763	91,042	526,805
2023	446,221	80,584	526,805
2024	456,930	69,874	526,804
2025	467,896	58,908	526,804
2026	479,126	47,679	526,805
2027	490,625	36,180	526,805
2028	502,400	24,405	526,805
2029	514,458	12,347	526,805
Totals	$ 5,823,738	$ 1,024,723	$ 6,848,461

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS – Continued

Reimbursement Agreement

The reimbursement agreement is payable to developers when and to the extent that building permit fees are collected for the construction of buildings on certain parcels of land located within specified building zones.

2012B Installment Agreement

In June 2012, the City entered into a $7,155,000 installment purchase agreement with the California Statewide Communities Development Authority for the purpose of obtaining funds to make water and wastewater system improvements. The agreement bears interest at rates of 2% to 5% per annum and is payable each October 1 and April 1 commencing October 1, 2013 and continuing until October 31, 2032. The agreement is secured by a pledge of the net revenues of the water and wastewater system. The City has pledged future system revenues, net of specified operating expenses, to repay $7,155,000 borrowed under the installment agreement. Annual principal and interest payments on the agreement are expected to require less than 46 percent of system net revenues. The installment agreement requires that the City set rates, fees and charges for each fiscal year so as to yield system net revenues during each fiscal year equal to at least 120% of the annual debt service (including parity debt). For the 2015-16 fiscal year, the City's net revenues in the Water Fund were not sufficient to meet this requirement. The City is currently in the process of implementing rate increases to address this issue. The City, under the arrangement, has allocated $5,599,565 of the agreement to its water enterprise and $1,555,435 to its wastewater enterprise. Future debt service requirements for the water system are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2017	$ 219,130	$ 194,283	$ 413,413
2018	223,043	187,709	410,752
2019	230,870	178,787	409,657
2020	238,696	174,170	412,866
2021	246,522	164,622	411,144
2022	258,261	154,761	413,022
2023	266,087	144,430	410,517
2024	273,913	136,448	410,361
2025	281,739	128,230	409,969
2026	293,478	119,074	412,552
2027	305,217	104,400	409,617
2028	320,870	89,139	410,009
2029	336,522	73,096	409,618
2030	352,174	59,635	411,809
2031	363,913	45,548	409,461
2032	379,565	30,991	410,556
2033	395,896	15,809	411,705
Totals	$ 4,985,896	$ 2,001,132	$ 6,987,028

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS – Continued

Future debt service requirements for the wastewater system are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2017	$ 60,870	$ 53,967	$ 114,837
2018	61,957	52,141	114,098
2019	64,130	49,663	113,793
2020	66,304	48,380	114,684
2021	68,478	45,728	114,206
2022	71,739	42,989	114,728
2023	73,913	40,120	114,033
2024	76,087	37,902	113,989
2025	78,261	35,620	113,881
2026	81,522	33,076	114,598
2027	84,783	29,000	113,783
2028	89,130	24,761	113,891
2029	93,478	20,304	113,782
2030	97,826	16,565	114,391
2031	101,087	12,652	113,739
2032	105,435	8,609	114,044
2033	109,104	4,391	113,495
Totals	$ 1,384,104	$ 555,868	$ 1,939,972

2006A Installment Agreement

The City, on March 28, 2006, entered into an $8,885,000 installment purchase agreement with the California Statewide Communities Development Authority in connection with the Authority's Pooled Financing Program. Under the Program and the Agreement, the Authority issues its water revenue bonds and then loans the proceeds to other governments, the repayment of which is secured by the installment purchase agreements. The agreement bears interest at rates of 3.0% to 4.5%.

The City entered into the agreements to obtain funds to make $5,400,000 water system improvements and to advance refund the City's $3,174,989 outstanding 2004 water refunding loan. The advance refunding resulted in a difference between the reacquisition price and carrying value of the old debt of $791,740. This difference, reported in the accompanying financial statements, net of accumulated amortization, is being charged to interest expense through the year 2032.

Future debt service requirements are as follows:

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS – Continued

Fiscal Year Ending June 30,	Principal	Interest	Total
2017	$ 295,000	$ 295,941	$ 590,941
2018	305,000	284,125	589,125
2019	320,000	271,625	591,625
2020	330,000	258,419	588,419
2021	345,000	244,281	589,281
2022	360,000	229,300	589,300
2023	375,000	212,275	587,275
2024	395,000	193,025	588,025
2025	415,000	172,775	587,775
2026	435,000	151,525	586,525
2027	455,000	129,275	584,275
2028	480,000	107,100	587,100
2029	500,000	85,050	585,050
2030	525,000	61,988	586,988
2031	545,000	37,912	582,912
2032	570,000	12,825	582,825
Totals	$ 6,650,000	$ 2,747,441	$ 9,397,441

The City has pledged future water system revenues, net of specified operating expenses, to repay the $8.88 million borrowed under the installment arrangement. Annual principal and interest payments on the agreement are expected to require 33% of system net revenues. Total interest and principal remaining to be paid on the agreement is $9,397,441.

2005B Installment Agreement.

In July of 2005 the City entered into a $2,220,000 installment purchase agreement with the California Statewide Communities Development Authority for the purpose of obtaining funds to make wastewater system improvements. The agreement bears interest at rates of 2.50% to 4.375% per annum and is payable each October 1 and April 1 commencing October 1, 2005 and continuing until April 1, 2031. The agreement is secured by a pledge of the net revenues of the system.

Future debt service requirements are as follows:

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS – Continued

Fiscal Year Ending June 30,	Principal	Interest	Total
2017	$ 75,000	$ 63,953	$ 138,953
2018	80,000	61,045	141,045
2019	85,000	57,878	142,878
2020	85,000	54,531	139,531
2021	90,000	50,986	140,986
2022	95,000	47,099	142,099
2023	95,000	43,014	138,014
2024	100,000	38,821	138,821
2025	105,000	34,414	139,414
2026	110,000	29,750	139,750
2027	115,000	24,828	139,828
2028	120,000	19,687	139,687
2029	125,000	14,328	139,328
2030	130,000	8,750	138,750
2031	135,000	2,953	137,953
Totals	$ 1,545,000	$ 552,037	$ 2,097,037

The City has pledged future wastewater system revenues, net of specified operating expenses, to repay $2,220,000 borrowed under the installment agreement. Proceeds from the agreement provided financing for the $2.1 million in system improvements. Annual principal and interest payments on the agreement are expected to require less than 17 percent of system net revenues. Total interest and principal remaining on the agreement is $2,097,037.

F. Fund balances

Details of the City's fund balances at June 30, 2016 are presented below:

	General Fund	Measure A Fund	Nonmajor Funds
Nonspendable:			
Prepaid costs	$ 46,448	$ -	$ 219,644
Notes receivable	458,771	-	-
Long-term advances	192,813	-	-
Permanent endowments	-	-	37,178
Restricted:			
Public safety	-	-	616,135
Public works	-	-	4,319,529
Library	-	-	713,516
Recreation	296,579	-	388,214
Housing	-	-	1,338,762
Assigned:			
Capital improvement projects	-	-	1,537,652
Recreation	171,934	-	-
Unassigned	3,285,963	-	(173,043)
Total Fund Balances	$ 4,452,508	$ -	$ 8,997,587

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS – Continued

G. Pension plan

General information about the pension plan

Plan Description – All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors seven rate plans (three miscellaneous and four safety). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by CalPERS. A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2014 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2014 actuarial valuation report. This report is a publically available valuation report that can be obtained at CalPERS' website under Forms and Publications.

The Plan provisions and benefits in effect at June 30, 2016, are summarized as follows:

	Miscellaneous		
Hire date	Prior to December 18, 2012	On or after December 18, 2012	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	55	60	62
Monthly benefits, as a % of eligible compensation	(1)	(1)	(1)
Required employee contribution rates	7%	7%	6.25%
Required employer contribution rates	8.512% + $358,386	6.709%	6.237%

	Safety		
Hire date	Prior to June 16, 2012	On or after January 1, 2013	On or after January 1, 2013
Benefit formula	3% @ 50	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	55	57
Monthly benefits, as a % of eligible compensation	(1)	(1)	(1)
Required employee contribution rates	9%	9%	11.5%
Required employer contribution rates	18.524% + $299,744	16.523%	11.153%

(1) - Depending on years of service

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS – Continued

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis. The City's required contribution for the unfunded liability was $658,130 in fiscal year 2016.

The City's contributions to the plan for the year ended June 30, 2016 were $1,196,001.

Pension liabilities, pension expenses and deferred outflows/inflows of resources related to pensions

As of June 30, 2016, the City reported a liability of $8,751,370 for its proportionate share of the net pension liability. The City's net pension liability for the Plan is measured as of June 30, 2015, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

Proportion - June 30, 2014	0.1344%
Proportion - June 30, 2015	0.1275%
Change - Increase (Decrease)	-0.0069%

For the year ended June 30, 2016, the City recognized pension expense of $594,246. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 1,196,001	$ -
Differences between actual and expected experience	28,513	58,947
Changes in assumptions	-	540,875
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	452,939	529,994
Net differences between projected and actual earnings on plan investments	-	272,636
Total	$ 1,677,453	$ 1,402,452

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS – Continued

$1,196,001 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,		
2017	$	(419,420)
2018		(421,464)
2019		(382,011)
2020		301,895
2021		-
Thereafter		-

Actuarial Assumptions – The total pension liabilities in the June 30, 2014 actuarial valuations were determined using the following actuarial assumptions:

Valuation date	June 30, 2014
Measurement date	June 30, 2015
Actuarial cost method	entry-age normal
Actuarial assumptions:	
Discount rate	7.65%
Inflation	2.75%
Payroll growth	3.00%
Projected salary increase	(1)
Investment rate of return	7.65%
Mortality	(2)

(1) Depends on entry age, service and type of employment
(2) Derived using CalPERS' Membership Data for all Funds.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2014 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

Change of Assumptions - GASB 68, paragraph 68 states that the long long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50 percent used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65 percent used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

Discount Rate – The discount rate used to measure the total pension liability was 7.65% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent will be applied to all plans in the Public Employees Retirement Fund (PERF).

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS – Continued

The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	51%	5.25%	5.71%
Global Fixed Income	19%	0.99%	2.43%
Inflation Sensitive	6%	0.45%	3.36%
Private Equity	10%	6.83%	6.95%
Real Estate	10%	4.50%	5.13%
Infrastructure and Forestland	2%	4.50%	5.09%
Liquidity	2%	-0.55%	-1.05%

(1) An expected inflation of 2.5% used for this period.
(2) An expected inflation of 3.0% used for this period.

City of St. Helena
Notes to the Financial Statements
June 30, 2016

3) DETAILED NOTES ON ALL ACTIVITIES AND FUNDS – Continued

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease		6.65%
Net Pension Liability	$	14,420,635
Current Discount Rate		7.65%
Net Pension Liability	$	8,751,370
1% Increase		8.65%
Net Pension Liability	$	4,082,538

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Payable to the Pension Plan

At June 30, 2016, the City reported a payable of $ -0- for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2016.

4) OTHER INFORMATION

A. Risk management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City carries insurance.

The City is a member of the Redwood Empire Municipal Insurance Fund a joint powers authority, which provides joint protection programs for public entities covering automobile, general liability, errors and omission losses, property and workers' compensation claims. Under the program, the City has a $10,000 general liability retention limit similar to a deductible with the Fund being responsible for losses above that amount up to $500,000. The Fund carries excess liability coverage to a total of $39.5 million in excess of its $500,000 retention limit per occurrence through the California Joint Powers Risk Management Authority and its excess insurers.

The Fund covers workers' compensation claims up to its self-insurance limit of $1 million. A purchased excess policy insures the Fund for an additional $1 million to provide aggregate coverage of up to $2 million per claim. The City pays an annual premium to the Fund; the City may share in any surplus revenues or may be required to pay additional assessments based upon the Fund's operating results. The Fund also provides property coverage up to $300 million per occurrence for its members.

The City paid no material uninsured losses during the 2016 fiscal year. Financial statements of the JPA Fund may be obtained from their administrative offices located at 414 W. Napa Street Sonoma, California 95476.

City of St. Helena
Notes to the Financial Statements
June 30, 2016

4) OTHER INFORMATION - Continued

Liabilities of the City are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors.

The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. Settlements have not exceeded coverage for each of the past three fiscal years except in fiscal 2013 relating to a claim for a dispute over a land purchase.

Changes in the balances of claims liabilities during the past two years are as follows:

Year	Beginning of Year Liability	Current Year Claims and Changes In Estimates	Claim Payments For Current and Prior Years	End of Year Liability
2014-2015	$ 39,248	$ -	$ 25,855	$ 13,393
2015-2016	13,393	-	7,111	6,282

B. Commitments and contingencies

In 2014, the City entered into a settlement agreement designed to encourage the development of affordable housing units within the City. The agreement includes requirements for the City to approve the development of a certain number of affordable housing units by certain deadlines. If these requirements are not met, then the City is required to make deposits into the Affordable Housing Trust Fund, not to exceed $2.2 million by December 31, 2022.

The City is involved in other litigation incurred in the normal course of conducting City business. City management believes that, based upon consultation with its counsel, these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City.

The City has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under the terms of the grants, it is believed that any required reimbursements will not be material.

The amount of outstanding construction contract obligations as of June 30, 2016 is approximately $152,892.

C. Joint ventures and jointly governed organizations

The City is a participant in the following organizations:

Napa Valley Housing Authority. The City is a member of the Napa Valley Housing Authority, created to provide subsidized public housing and related assistance. The Authority was created pursuant to a Joint Powers Agreement, and the City's obligations are limited to providing funds for a prorata share of the Authority's operating costs.

City of St. Helena
Notes to the Financial Statements
June 30, 2016

4) OTHER INFORMATION - Continued

Upper Valley Waste Management Agency. The City is a member of this Agency along with the City of Calistoga, Town of Yountville, and County of Napa. The Agency was formed to provide for economical regional waste management services including uniform rate reviews. Funding for operations is provided from a surcharge placed on landfill dumping fees.

Napa County Transportation and Planning Agency. City is a member of this Joint Powers Agency formed for the purpose of developing transportation planning throughout the County. The City's obligation is limited to serving on the Agency's committees.

Flood Protection Sales Tax Joint Powers Agreement. The City is a member of the Joint Powers Agency for the purpose of establishing a plan for the use and equitable distribution of the 1/2% Flood Protection Sales Tax which was passed by voters in March 1998. As a member, the City will receive allocations of the sales tax to be used for projects outlined in the agreement. To the extent the Agency has issued bonded debt and distributed allocations to its members, the Agency shall retain such sales tax revenues for repayment of the bonded debt.

D. Prior period adjustments/restatements

The prior period adjustments are as follows:

Statement of Activities

Beginning net position for governmental activities was increased by $337,192 for capital assets expensed in prior years, and was decreased by $54,862 for corrections made to prior year accounts payable.

Beginning net position for business-type activities was decreased by $775,012 for assets capitalized in the prior years but not removed from construction in progress.

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds

Beginning fund balance in the General Fund was decreased by $54,862 for expenditures not accrued in accounts payable in the prior year.

Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds

The $775,012 decrease to the beginning net position of enterprise funds represents the net result of the adjustments described above for business-type activities, under the “Statement of Activities” section.

E. Subsequent Events

In August of 2016, an organization filed suit against the City regarding the City’s Bell Canyon Reservoir. This case is in the early stages, and the parties are exploring settlement alternatives. However, an unfavorable outcome for the City could result in the requirement for certain improvements to the reservoir.

In February 2017, Water Audit California, Inc. sent the City a letter threatening litigation if the City does not timely remove the dam from the City’s Upper York Creek. Removal of this dam is required by a 1993 settlement agreement between the City and the Department of Fish and Game and a 2010 agreement between the City and the Department of Commerce National Oceanic and

City of St. Helena
Notes to the Financial Statements
June 30, 2016

4) OTHER INFORMATION - Continued

Atmospheric Administration (NOAA). The City is currently working on the engineering, permitting, and construction support for this Project. The total estimated project costs is $6,500,000. The City has received grant commitments for $987,876 from the San Francisco Bay Water Quality Improvement Fund and $800,000 from Proposition 84 Integrated Regional Water Management funds. The City has committed $3,016,349 in existing bond proceeds to the project and the $1,695,775 remainder is currently planned to get funded from estimated cash reserves in the Water Enterprise. Dam removal is projected to be completed by the end of 2018, weather permitting.

REQUIRED SUPPLEMENTARY INFORMATION

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Property Taxes	$ 3,823,662	$ 3,823,662	$ 4,112,115	$ 288,453
Sales and Other Taxes	4,892,294	4,892,294	5,236,044	343,750
Charges for Services	275,570	320,303	315,199	(5,104)
Fines and Forfeitures	99,100	100,100	126,299	26,199
Licenses and Permits	776,700	896,718	1,008,260	111,542
Development Fees	9,000	9,000	21,600	12,600
Intergovernmental	56,490	120,484	381,809	261,325
Interest and Rents	176,000	182,500	222,883	40,383
Other Revenues	52,484	124,232	111,161	(13,071)
Total Revenues	10,161,300	10,469,293	11,535,370	1,066,077
EXPENDITURES				
Current:				
General Government	2,246,713	2,480,037	2,255,466	224,571
Planning and Building	771,928	866,930	823,484	43,446
Public Safety	3,294,471	3,468,119	3,548,319	(80,200)
Public Works	1,678,224	1,804,193	1,585,475	218,718
Library	849,517	830,209	797,217	32,992
Parks and Recreation	489,955	537,342	481,896	55,446
Capital Outlay	40,134	40,134	40,134	-
Debt Service:				
Principal	589,571	589,828	590,051	(223)
Interest	173,509	173,252	173,029	223
Total Expenditures	10,134,022	10,790,044	10,295,071	494,973
Excess (Deficiency) of Revenues over Expenditures	27,278	(320,751)	1,240,299	1,561,050
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	27,278	(320,751)	1,240,299	1,561,050
Fund Balance, Beginning of Year	3,267,071	3,267,071	3,267,071	-
Prior Period Adjustment	-	-	(54,862)	(54,862)
Fund Balance, End of Year	$ 3,294,349	$ 2,946,320	$ 4,452,508	$ 1,506,188

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Measure A Special Revenue Fund
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
Interest	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Current:				
Public Works	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Total Other Financing Sources (Uses	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Yeaı	$ -	$ -	$ -	$ -

City of St. Helena
Required Supplementary Information
June 30, 2016

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year-end. On or before the end of each fiscal year, all agencies of the City submit requests for appropriations to the City Manager so that a budget may be prepared. By May 15 of each year, the proposed budget is presented to the council for review. The council holds public hearings and a final budget must be prepared and adopted no later than June 30.

The appropriated budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Manager. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the fund level. The Council made several supplemental budgetary appropriations throughout the year, including approximately $656,000 increases to the General Fund appropriations.

City of St. Helena
Required Supplementary Information
June 30, 2016

Schedule of the City's Proportionate Share
of the Net Pension Liability – Last 10 Years*
Cost-sharing Plans

	Measurement Period	
	2015	2014
Proportion of the Net Pension Liability	0.12750%	0.13440%
Proportionate Share of Net Pension Liability	$ 8,751,370	$ 8,362,785
Covered - Employee Payroll	$ 4,022,856	$ 4,021,160
Proportionate Share of the Net Pension Liability as a percentage of Payroll	217.54%	207.97%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.38%	77.44%

Notes to the Schedule of the City's Proportionate Share of the Net Pension Liability

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in Assumptions: The discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude administrative expense.

*Fiscal year 2015 was the first year of implementation, therefore, not all 10 years of information is available.

City of St. Helena
Required Supplementary Information
June 30, 2016

Schedule of Contributions – Last 10 Years*
Cost-sharing Plans

	2016	2015
Contractually Required Contributions (actuarially determin	$ 1,002,585	$ 847,100
Contributions in Relation to the Actuarially Determined Contributions	(1,002,585)	(847,100)
Contribution Deficiency (Excess)	$ -	$ -
Covered-Employee Payroll	$ 4,022,856	$ 4,021,160
Contributions as a Percentage of Covered Employee Payroll	24.92%	21.07%

Notes to the Schedule of Plan Contributions

Valuation Date: 6/30/2014

*Fiscal year 2015 was the first year of implementation, therefore, not all 10 years of information is available.

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SUPPLEMENTARY INFORMATION

City of St Helena
Combining Balance Sheet
Non-major Governmental Funds
June 30, 2016

	Special Revenue Funds			
	Civic Improvement Impact	Housing Impact	Public Safety Impact	CA Library Services Act
ASSETS				
Cash and Investments	$ 550,791	$ 25,948	$ 292,346	$ 15,294
Cash and Investments with Fiscal Agent	-	-	-	-
Receivables:				
Accounts	-	-	-	-
Due from Other Governments	-	-	-	-
Interest	-	-	594	-
Notes and Loans	-	-	61,333	-
Prepaid Expenditures	-	-	-	-
Total Assets	$ 550,791	$ 25,948	$ 354,273	$ 15,294
LIABILITIES				
Accounts Payable	$ 962	$ -	$ 660	$ -
Deposits Payable	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	962	-	660	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Grants	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	549,829	25,948	353,613	15,294
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	549,829	25,948	353,613	15,294
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 550,791	$ 25,948	$ 354,273	$ 15,294

Special Revenue Funds						
Parks and Recreation Facilities	Drainage Impact	Gas Tax 2105	Gas Tax 2106	Gas Tax 2107	Gas Tax 2107.5	Gas Tax 2103
$ -	$ 580,474	$ 54,218	$ 27,536	$ 46,389	$ 3,706	$ 37,656
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
$ -	$ 580,474	$ 54,218	$ 27,536	$ 46,389	$ 3,706	$ 37,656
$ -	$ 507	$ -	$ -	$ 532	$ -	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	507	-	-	532	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	579,967	54,218	27,536	45,857	3,706	37,656
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	579,967	54,218	27,536	45,857	3,706	37,656
$ -	$ 580,474	$ 54,218	$ 27,536	$ 46,389	$ 3,706	$ 37,656

Continued

City of St Helena
Combining Balance Sheet
Non-major Governmental Funds - Continued
June 30, 2016

	Special Revenue Funds			
	SB 1186 Fee	Affordable Housing	Emergency Flood Relief	Police Training Development
ASSETS				
Cash and Investments	$ 4,450	$ 1,320,954	$ 166,060	$ 24,281
Cash and Investments with Fiscal Agent	-	-	-	-
Receivables:				
Accounts	-	-	-	-
Due from Other Governments	-	-	-	-
Interest	-	-	-	-
Notes and Loans	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	$ 4,450	$ 1,320,954	$ 166,060	$ 24,281
LIABILITIES				
Accounts Payable	$ 1,042	$ 8,140	$ -	$ -
Deposits Payable	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	1,042	8,140	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Grants	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	3,408	1,312,814	166,060	24,281
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	3,408	1,312,814	166,060	24,281
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 4,450	$ 1,320,954	$ 166,060	$ 24,281

	Special Revenue Funds					
Public Library Foundation	Asset Forfeiture	Traffic Mitigation Impact	Parking In-lieu	NOAA	Public Safety (COPS)	Park Bond Act
$ 3,206	$ 56,606	$ 2,073,505	$ 554,945	$ 2,582	$ 173,991	$ 222
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	29,324	-
-	-	-	-	-	-	-
-	-	-	511	-	-	-
-	-	-	-	-	-	-
$ 3,206	$ 56,606	$ 2,073,505	$ 555,456	$ 2,582	$ 203,315	$ 222
$ -	$ -	$ 958	$ -	$ -	$ 32,090	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	958	-	-	32,090	-
-	-	-	-	-	29,324	-
-	-	-	-	-	29,324	-
-	-	-	-	-	-	-
3,206	56,606	2,072,547	555,456	2,582	141,901	222
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,206	56,606	2,072,547	555,456	2,582	141,901	222
$ 3,206	$ 56,606	$ 2,073,505	$ 555,456	$ 2,582	$ 203,315	$ 222

Continued

City of St Helena
Combining Balance Sheet
Non-major Governmental Funds - Continued
June 30, 2016

	Special Revenue Funds			
	Park Impact	Library Construction	Skate Park Lighting	Stabo Land Conservation
ASSETS				
Cash and Investments	$ 375,059	$ -	$ 1,163	$ 35,554
Cash and Investments with Fiscal Agent	-	-	-	-
Receivables:				
Accounts	-	-	-	-
Due from Other Governments	-	-	-	-
Interest	-	-	-	-
Notes and Loans	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	$ 375,059	$ -	$ 1,163	$ 35,554
LIABILITIES				
Accounts Payable	$ 2,975	$ -	$ -	$ -
Deposits Payable	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	2,975	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Grants	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	372,084	-	1,163	35,554
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	372,084	-	1,163	35,554
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 375,059	$ -	$ 1,163	$ 35,554

Special Revenue Funds						
Tweed Library	Napa Valley Now	Fourth of July	Friends & Foundation	Murray Public Safety	CDBG	EPA Grant
$ 706,222	$ -	$ 3,122	$ 1,827	$ 39,734	$ -	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	39,810	17,423
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	40,000	50	-	-	-
$ 706,222	$ -	$ 43,122	$ 1,877	$ 39,734	$ 39,810	$ 17,423
$ 11,206	$ -	$ 251	$ 5,441	$ -	$ -	$ 17,423
-	-	-	-	-	-	-
-	4,715	-	-	-	40,013	-
11,206	4,715	251	5,441	-	40,013	17,423
-	-	-	-	-	39,810	17,423
-	-	-	-	-	39,810	17,423
-	-	40,000	50	-	-	-
695,016	-	2,871	-	39,734	-	-
-	-	-	-	-	-	-
-	(4,715)	-	(3,614)	-	(40,013)	(17,423)
695,016	(4,715)	42,871	(3,564)	39,734	(40,013)	(17,423)
$ 706,222	$ -	$ 43,122	$ 1,877	$ 39,734	$ 39,810	$ 17,423

Continued

City of St Helena
Combining Balance Sheet
Non-major Governmental Funds - Continued
June 30, 2016

	Special Revenue Funds		Permanent Funds	
	BSCC Grant	TDA Grant	Ryan Library Trust	Martin Library Trust
ASSETS				
Cash and Investments	$ 9,514	$ -	$ 12,114	$ 25,064
Cash and Investments with Fiscal Agent	-	-	-	-
Receivables:				
Accounts	-	-	-	-
Due from Other Governments	-	107,278	-	-
Interest	-	-	-	-
Notes and Loans	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	$ 9,514	$ 107,278	$ 12,114	$ 25,064
LIABILITIES				
Accounts Payable	$ -	$ -	$ -	$ -
Deposits Payable	-	-	-	-
Due to Other Funds	-	107,278	-	-
Total Liabilities	-	107,278	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Grants	-	107,278	-	-
Total Deferred Inflows of Resources	-	107,278	-	-
FUND BALANCES				
Nonspendable	-	-	12,114	25,064
Restricted	9,514	-	-	-
Assigned	-	-	-	-
Unassigned	-	(107,278)	-	-
Total Fund Balances	9,514	(107,278)	12,114	25,064
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 9,514	$ 107,278	$ 12,114	$ 25,064

Debt Service Funds		Capital Projects Funds		
1996 GO Bonds	South St. Helena Drainage	Street Improvement	City-wide Capital Project Fund	Total Non-major Funds
$ 141,498	$ 28,691	$ 893,755	$ 715,018	$ 9,003,495
-	-	-	-	-
-	14,251	-	-	14,251
3,073	-	-	-	196,908
-	-	-	-	594
-	-	-	-	61,844
179,594	-	-	-	219,644
$ 324,165	$ 42,942	$ 893,755	$ 715,018	$ 9,496,736
$ -	$ -	$ 63,247	$ 7,874	$ 153,308
-	-	-	-	-
-	-	-	-	152,006
-	-	63,247	7,874	305,314
-	-	-	-	193,835
-	-	-	-	193,835
179,594	-	-	-	256,822
144,571	42,942	-	-	7,376,156
-	-	830,508	707,144	1,537,652
-	-	-	-	(173,043)
324,165	42,942	830,508	707,144	8,997,587
$ 324,165	$ 42,942	$ 893,755	$ 715,018	$ 9,496,736

City of St. Helena
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
Year Ended June 30, 2016

	Special Revenue Funds			
	Civic Improvement Impact	Housing Impact	Public Safety Impact	CA Library Services Act
REVENUES				
Property Taxes	$ -	$ -	$ -	$ -
Charges for Services	-	-	-	-
Development Fees	48,307	-	28,183	-
Intergovernmental	-	-	-	-
Interest and Rents	3,009	146	1,596	106
Other Revenues	-	-	594	-
Total Revenues	51,316	146	30,373	106
EXPENDITURES				
Current:				
General Government	-	-	-	-
Planning and Building	-	-	-	-
Public Safety	-	-	1,752	-
Public Works	1,753	-	-	-
Library	-	-	-	9,390
Parks and Recreation	-	-	-	-
Intergovernmental	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	1,753	-	1,752	9,390
Excess (Deficiency) of Revenues Over Expenditures	49,563	146	28,621	(9,284)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	49,563	146	28,621	(9,284)
Fund Balances, Beginning of Year	500,266	25,802	324,992	24,578
Prior Period Adjustment	-	-	-	-
Fund Balances, End of Year	$ 549,829	$ 25,948	$ 353,613	$ 15,294

Parks and Recreation Facilities	Drainage Impact	Gas Tax 2105	Gas Tax 2106	Gas Tax 2107	Gas Tax 2107.5	Gas Tax 2103
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
-	17,978	-	-	-	-	-
-	-	34,052	20,988	44,340	2,000	31,156
-	3,257	217	101	5,012	21	144
-	-	-	-	-	-	-
-	21,235	34,269	21,089	49,352	2,021	31,300
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,753	-	-	1,959	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,753	-	-	1,959	-	-
-	19,482	34,269	21,089	47,393	2,021	31,300
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	19,482	34,269	21,089	47,393	2,021	31,300
-	560,485	19,949	6,447	(1,536)	1,685	6,356
-	-	-	-	-	-	-
$ -	$ 579,967	$ 54,218	$ 27,536	$ 45,857	$ 3,706	$ 37,656

Special Revenue Funds

Continued

City of St. Helena
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds - Continued
Year Ended June 30, 2016

	Special Revenue Funds			
	SB 1186 Fee	Affordable Housing	Emergency Flood Relief	Police Training Development
REVENUES				
Property Taxes	$ -	$ -	$ -	$ -
Charges for Services	-	-	-	-
Development Fees	-	427,649	-	-
Intergovernmental	1,728	-	34,681	1,904
Interest and Rents	22	6,970	856	152
Other Revenues	91	-	-	-
Total Revenues	1,841	434,619	35,537	2,056
EXPENDITURES				
Current:				
General Government	-	52,059	-	-
Planning and Building	-	-	-	-
Public Safety	-	-	-	5,976
Public Works	-	-	-	-
Library	-	-	-	-
Parks and Recreation	-	-	-	-
Intergovernmental	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	52,059	-	5,976
Excess (Deficiency) of Revenues Over Expenditures	1,841	382,560	35,537	(3,920)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	1,841	382,560	35,537	(3,920)
Fund Balances, Beginning of Year	1,567	930,254	130,523	28,201
Prior Period Adjustment	-	-	-	-
Fund Balances, End of Year	$ 3,408	$ 1,312,814	$ 166,060	$ 24,281

Special Revenue Funds						
Public Library Foundation	Asset Forfeiture	Traffic Mitigation Impact	Parking In-lieu	NOAA	Public Safety (COPS)	Park Bond Act
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
-	-	109,635	1,200	-	-	-
-	7,658	-	-	-	100,337	-
43	291	11,509	3,133	15	819	-
-	-	-	-	-	-	-
43	7,949	121,144	4,333	15	101,156	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	678	-	-	-	150,322	-
-	-	1,753	-	-	-	-
10,353	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
10,353	678	1,753	-	-	150,322	-
(10,310)	7,271	119,391	4,333	15	(49,166)	-
-	-	-	-	-	-	-
-	-	(2,766)	-	-	-	-
-	-	(2,766)	-	-	-	-
(10,310)	7,271	116,625	4,333	15	(49,166)	-
13,516	49,335	1,955,922	551,123	2,567	191,067	222
-	-	-	-	-	-	-
$ 3,206	$ 56,606	$ 2,072,547	$ 555,456	$ 2,582	$ 141,901	$ 222

Continued

City of St. Helena
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds - Continued
Year Ended June 30, 2016

	Special Revenue Funds			
	Park Impact	Library Construction	Skate Park Lighting	Stabo Land Conservation
REVENUES				
Property Taxes	$ -	$ -	$ -	$ -
Charges for Services	-	-	-	-
Development Fees	87,618	-	-	-
Intergovernmental	-	-	-	-
Interest and Rents	1,897	-	6	201
Other Revenues	-	-	-	-
Total Revenues	89,515	-	6	201
EXPENDITURES				
Current:				
General Government	-	-	-	-
Planning and Building	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Library	-	-	-	-
Parks and Recreation	-	-	-	-
Intergovernmental	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	89,515	-	6	201
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	89,515	-	6	201
Fund Balances, Beginning of Year	282,569	-	1,157	35,353
Prior Period Adjustment	-	-	-	-
Fund Balances, End of Year	$ 372,084	$ -	$ 1,163	$ 35,554

Special Revenue Funds						
Tweed Library	Napa Valley Now	Fourth of July	Friends & Foundation	Murray Public Safety	CDBG	EPA Grant
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
51,616	(26)	-	296	223	(203)	-
-	-	47,700	127,985	1,817	-	-
51,616	(26)	47,700	128,281	2,040	(203)	-
-	-	-	-	-	39,810	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	17,423
78,935	-	-	142,493	-	-	-
-	-	41,203	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
78,935	-	41,203	142,493	-	39,810	17,423
(27,319)	(26)	6,497	(14,212)	2,040	(40,013)	(17,423)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(27,319)	(26)	6,497	(14,212)	2,040	(40,013)	(17,423)
722,335	(4,689)	36,374	10,648	37,694	-	-
-	-	-	-	-	-	-
$ 695,016	$ (4,715)	$ 42,871	$ (3,564)	$ 39,734	$ (40,013)	$ (17,423)

Continued

City of St. Helena
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds - Continued
Year Ended June 30, 2016

	Special Revenue Funds		Permanent Funds	
	BSCC Grant	TDA Grant	Ryan Library Trust	Martin Library Trust
REVENUES				
Property Taxes	$ -	$ -	$ -	$ -
Charges for Services	-	-	-	-
Development Fees	-	-	-	-
Intergovernmental	9,504	-	-	-
Interest and Rents	10	-	688	676
Other Revenues	-	-	-	-
Total Revenues	9,514	-	688	676
EXPENDITURES				
Current:				
General Government	-	-	-	-
Planning and Building	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	107,278	-	-
Library	-	-	7,040	8,982
Parks and Recreation	-	-	-	-
Intergovernmental	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	107,278	7,040	8,982
Excess (Deficiency) of Revenues Over Expenditures	9,514	(107,278)	(6,352)	(8,306)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	9,514	(107,278)	(6,352)	(8,306)
Fund Balances, Beginning of Year	-	-	18,466	33,370
Prior Period Adjustment	-	-	-	-
Fund Balances, End of Year	$ 9,514	$ (107,278)	$ 12,114	$ 25,064

Debt Service Funds		Capital Project Funds		
1996 GO Bonds	South St. Helena Drainage	Street Improvement	City-wide Capital Project Fund	Total Non-major Funds
$ 106,158	$ -	$ -	$ -	$ 106,158
-	-	-	-	-
-	-	-	-	720,570
-	-	-	-	288,348
-	162	-	-	92,965
-	-	-	-	178,187
106,158	162	-	-	1,386,228
-	-	-	-	91,869
-	-	-	-	-
-	-	-	-	158,728
-	-	-	-	131,919
-	-	-	-	257,193
-	-	-	-	41,203
-	-	-	-	-
-	-	75,436	56,869	132,305
				-
170,000	-	-	-	170,000
14,131	-	-	-	14,131
184,131	-	75,436	56,869	997,348
(77,973)	162	(75,436)	(56,869)	388,880
-	-	2,766	-	2,766
-	-	-	-	(2,766)
-	-	2,766	-	-
(77,973)	162	(72,670)	(56,869)	388,880
402,138	42,780	903,178	764,013	8,608,707
-	-	-	-	-
$ 324,165	$ 42,942	$ 830,508	$ 707,144	$ 8,997,587

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Civic Improvement Impact Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Development Fees	$ 75,000	$ 48,307	$ (26,693)
Investment Earnings	1,200	3,009	1,809
Total Revenues	76,200	51,316	(24,884)
EXPENDITURES			
Current:			
Public Works	8,153	1,753	6,400
Total Expenditures	8,153	1,753	6,400
Excess (Deficiency) of Revenues over Expenditures	68,047	49,563	(18,484)
Net Change in Fund Balance	68,047	49,563	(18,484)
Fund Balance, Beginning of Year	500,266	500,266	-
Fund Balance, End of Year	$ 568,313	$ 549,829	$ (18,484)

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Housing Impact Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Development Fees	$ -	$ -	$ -
Interest and Rents	100	146	46
Total Revenues	100	146	46
EXPENDITURES			
Current:			
General Government	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	100	146	46
Net Change in Fund Balance	100	146	46
Fund Balance, Beginning of Year	25,802	25,802	-
Fund Balance, End of Year	$ 25,902	$ 25,948	$ 46

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Public Safety Impact Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Development Fees	$ 30,000	$ 28,183	$ (1,817)
Interest and Rents	500	1,596	1,096
Other Revenues		594	594
Total Revenues	30,500	30,373	(127)
EXPENDITURES			
Current:			
Public Safety	8,153	1,752	6,401
Total Expenditures	8,153	1,752	6,401
Excess (Deficiency) of Revenues over Expenditures	22,347	28,621	6,274
Net Change in Fund Balance	22,347	28,621	6,274
Fund Balance, Beginning of Year	324,992	324,992	-
Prior Period Adjustment	-	-	-
Fund Balance, End of Year	$ 347,339	$ 353,613	$ 6,274

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - CA Library Services Act Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ -	$ -	$ -
Interest and Rents	-	106	106
Total Revenues	-	106	106
EXPENDITURES			
Current:			
Library	15,000	9,390	5,610
Total Expenditures	15,000	9,390	5,610
Excess (Deficiency) of Revenues over Expenditures	(15,000)	(9,284)	5,716
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	(15,000)	(9,284)	5,716
Fund Balance, Beginning of Year	24,578	24,578	-
Fund Balance, End of Year	$ 9,578	$ 15,294	$ 5,716

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Drainage Impact Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Development Fees	$ 55,000	$ 17,978	$ (37,022)
Interest and Rents	2,000	3,257	1,257
Total Revenues	57,000	21,235	(35,765)
EXPENDITURES			
Current:			
Public Works	8,153	1,753	6,400
Total Expenditures	8,153	1,753	6,400
Excess (Deficiency) of Revenues over Expenditures	48,847	19,482	(29,365)
Net Change in Fund Balance	48,847	19,482	(29,365)
Fund Balance, Beginning of Year	560,485	560,485	-
Fund Balance, End of Year	$ 609,332	$ 579,967	$ (29,365)

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Gas Tax 2105 Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ 34,514	$ 34,052	$ (462)
Interest and Rents	100	217	117
Total Revenues	34,614	34,269	(345)
EXPENDITURES			
Current:			
Public Works	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	34,614	34,269	(345)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	34,614	34,269	(345)
Fund Balance, Beginning of Year	19,949	19,949	-
Fund Balance, End of Year	$ 54,563	$ 54,218	$ (345)

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Gas Tax 2106 Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ 22,594	$ 20,988	$ (1,606)
Interest and Rents	110	101	(9)
Total Revenues	22,704	21,089	(1,615)
EXPENDITURES			
Current:			
Public Works	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	22,704	21,089	(1,615)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	22,704	21,089	(1,615)
Fund Balance, Beginning of Year	6,447	6,447	-
Fund Balance, End of Year	$ 29,151	$ 27,536	$ (1,615)

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Gas Tax 2107 Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ 47,187	$ 44,340	$ (2,847)
Interest and Rents	2,500	5,012	2,512
Total Revenues	49,687	49,352	(335)
EXPENDITURES			
Current:			
Public Works	7,600	1,959	5,641
Total Expenditures	7,600	1,959	5,641
Excess (Deficiency) of Revenues over Expenditures	42,087	47,393	5,306
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	42,087	47,393	5,306
Fund Balance, Beginning of Year	(1,536)	(1,536)	-
Fund Balance, End of Year	$ 40,551	$ 45,857	$ 5,306

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Gas Tax 2107.5 Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ 2,000	$ 2,000	$ -
Interest and Rents	25	21	(4)
Total Revenues	2,025	2,021	(4)
EXPENDITURES			
Current:			
Public Works	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	2,025	2,021	(4)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	2,025	2,021	(4)
Fund Balance, Beginning of Year	1,685	1,685	-
Fund Balance, End of Year	$ 3,710	$ 3,706	$ (4)

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Gas Tax 2103 Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ 27,363	$ 31,156	$ 3,793
Interest and Rents	100	144	44
Total Revenues	27,463	31,300	3,837
EXPENDITURES			
Current:			
Public Works	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	27,463	31,300	3,837
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	27,463	31,300	3,837
Fund Balance, Beginning of Year	6,356	6,356	-
Fund Balance, End of Year	$ 33,819	$ 37,656	$ 3,837

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - SB 1186 Fee Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ 820	$ 1,728	$ 908
Interest and Rents	5	22	17
Other Revenues	5	91	86
Total Revenues	830	1,841	1,011
EXPENDITURES			
General Government	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	830	1,841	1,011
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	830	1,841	1,011
Fund Balance, Beginning of Year	1,567	1,567	-
Fund Balance, End of Year	$ 2,397	$ 3,408	$ 1,011

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Affordable Housing Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Development Fees	$ 175,000	$ 427,649	$ 252,649
Investment Earnings	3,000	6,970	3,970
Total Revenues	178,000	434,619	256,619
EXPENDITURES			
Current:			
General Government	65,162	52,059	13,103
Total Expenditures	65,162	52,059	13,103
Excess (Deficiency) of Revenues over Expenditures	112,838	382,560	269,722
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	112,838	382,560	269,722
Fund Balance, Beginning of Year	930,254	930,254	-
Fund Balance, End of Year	$ 1,043,092	$ 1,312,814	$ 269,722

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Emergency Flood Relief Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ -	$ 34,681	$ 34,681
Interest and Rents	475	856	381
Total Revenues	475	35,537	35,062
EXPENDITURES			
Current:			
Public Safety	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	475	35,537	35,062
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	475	35,537	35,062
Fund Balance, Beginning of Year	130,523	130,523	-
Fund Balance, End of Year	$ 130,998	$ 166,060	$ 35,062

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Police Training Development Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ 7,000	$ 1,904	$ (5,096)
Interest and Rents	45	152	107
Total Revenues	7,045	2,056	(4,989)
EXPENDITURES			
Current:			
Public Safety	6,000	5,976	24
Total Expenditures	6,000	5,976	24
Excess (Deficiency) of Revenues over Expenditures	1,045	(3,920)	(4,965)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	1,045	(3,920)	(4,965)
Fund Balance, Beginning of Year	28,201	28,201	-
Fund Balance, End of Year	$ 29,246	$ 24,281	$ (4,965)

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Public Library Foundation Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest and Rents	$ -	$ 43	$ 43
Other Revenues	-	-	-
Total Revenues	-	43	43
EXPENDITURES			
Current:			
Library	10,353	10,353	-
Total Expenditures	10,353	10,353	-
Excess (Deficiency) of Revenues over Expenditures	(10,353)	(10,310)	43
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	(10,353)	(10,310)	43
Fund Balance, Beginning of Year	13,516	13,516	-
Fund Balance, End of Year	$ 3,163	$ 3,206	$ 43

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Asset Forfeiture Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ 5,000	$ 7,658	$ 2,658
Interest and Rents	25	291	266
Total Revenues	5,025	7,949	2,924
EXPENDITURES			
Current:			
Public Safety	1,000	678	322
Total Expenditures	1,000	678	322
Excess (Deficiency) of Revenues over Expenditures	4,025	7,271	3,246
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	4,025	7,271	3,246
Fund Balance, Beginning of Year	49,335	49,335	-
Fund Balance, End of Year	$ 53,360	$ 56,606	$ 3,246

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Traffic Mitigation Impact Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Development Fees	$ 200,000	$ 109,635	$ (90,365)
Interest and Rents	4,500	11,509	7,009
Total Revenues	204,500	121,144	(83,356)
EXPENDITURES			
Current:			
Public Works	8,153	1,753	6,400
Total Expenditures	8,153	1,753	6,400
Excess (Deficiency) of Revenues over Expenditures	196,347	119,391	(76,956)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(2,766)	(2,766)	-
Total Other Financing Sources (Uses)	(2,766)	(2,766)	-
Net Change in Fund Balance	193,581	116,625	(76,956)
Fund Balance, Beginning of Year	1,955,922	1,955,922	-
Fund Balance, End of Year	$ 2,149,503	$ 2,072,547	$ (76,956)

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Parking In-lieu Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Development Fees	$ 1,200	$ 1,200	$ -
Interest and Rents	2,200	3,133	933
Total Revenues	3,400	4,333	933
EXPENDITURES			
Current:			
Public Works	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	3,400	4,333	933
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	3,400	4,333	933
Fund Balance, Beginning of Year	551,123	551,123	-
Fund Balance, End of Year	$ 554,523	$ 555,456	$ 933

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - NOAA Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ -	$ -	$ -
Interest and Rents	10	15	5
Total Revenues	10	15	5
EXPENDITURES			
Current:			
Public Works	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	10	15	5
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	10	15	5
Fund Balance, Beginning of Year	2,567	2,567	-
Fund Balance, End of Year	$ 2,577	$ 2,582	$ 5

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Public Safety (COPS) Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ 100,000	$ 100,337	$ 337
Interest and Rents	350	819	469
Total Revenues	100,350	101,156	806
EXPENDITURES			
Current:			
Public Safety	299,549	150,322	149,227
Total Expenditures	299,549	150,322	149,227
Excess (Deficiency) of Revenues over Expenditures	(199,199)	(49,166)	150,033
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	(199,199)	(49,166)	150,033
Fund Balance, Beginning of Year	191,067	191,067	-
Fund Balance, End of Year	$ (8,132)	$ 141,901	$ 150,033

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Park Bond Act Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ -	$ -	$ -
Interest and Rents	-	-	-
Total Revenues	-	-	-
EXPENDITURES			
Current:			
Parks and Recreation	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	-	-	-
Fund Balance, Beginning of Year	222	222	-
Fund Balance, End of Year	$ 222	$ 222	$ -

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Park Impact Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Development Fees	$ 150,000	$ 87,618	$ (62,382)
Interest and Rents	1,000	1,897	897
Total Revenues	151,000	89,515	(61,485)
EXPENDITURES			
Current:			
Parks and Recreation	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	151,000	89,515	(61,485)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	151,000	89,515	(61,485)
Fund Balance, Beginning of Year	282,569	282,569	-
Fund Balance, End of Year	$ 433,569	$ 372,084	$ (61,485)

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Skate Park Lighting Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest and Rents	$ 5	$ 6	$ 1
Other Revenues	-	-	-
Total Revenues	5	6	1
EXPENDITURES			
Current:			
Parks and Recreation	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	5	6	1
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	5	6	1
Fund Balance, Beginning of Year	1,157	1,157	-
Fund Balance, End of Year	$ 1,162	$ 1,163	$ 1

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Stabo Land Conservation Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest and Rents	$ 140	$ 201	$ 61
Other Revenues	-	-	-
Total Revenues	140	201	61
EXPENDITURES			
Current:			
General Government	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	140	201	61
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	140	201	61
Fund Balance, Beginning of Year	35,353	35,353	-
Fund Balance, End of Year	$ 35,493	$ 35,554	$ 61

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Tweed Library Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest and Rents	$ 46,700	$ 51,616	$ 4,916
Other Revenues	-	-	-
Total Revenues	46,700	51,616	4,916
EXPENDITURES			
Current:			
Library	79,006	78,935	71
Total Expenditures	79,006	78,935	71
Excess (Deficiency) of Revenues over Expenditures	(32,306)	(27,319)	4,987
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	(32,306)	(27,319)	4,987
Fund Balance, Beginning of Year	722,335	722,335	-
Fund Balance, End of Year	$ 690,029	$ 695,016	$ 4,987

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Napa Valley Now Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest and Rents	$ -	$ (26)	$ (26)
Other Revenues	11,000	-	(11,000)
Total Revenues	11,000	(26)	(11,026)
EXPENDITURES			
Current:			
Library	6,000	-	6,000
Total Expenditures	6,000	-	6,000
Excess (Deficiency) of Revenues over Expenditures	5,000	(26)	(5,026)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	5,000	(26)	(5,026)
Fund Balance, Beginning of Year	(4,689)	(4,689)	-
Fund Balance, End of Year	$ 311	$ (4,715)	$ (5,026)

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Fourth of July Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest and Rents	$ -	$ -	$ -
Other Revenues	43,000	47,700	4,700
Total Revenues	43,000	47,700	4,700
EXPENDITURES			
Current:			
Parks and Recreation	43,000	41,203	1,797
Total Expenditures	43,000	41,203	1,797
Excess (Deficiency) of Revenues over Expenditures	-	6,497	6,497
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	-	6,497	6,497
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	$ -	$ 6,497	$ 6,497

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Friends & Foundation Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest and Rents	$ -	$ 296	$ 296
Other Revenues	239,015	127,985	(111,030)
Total Revenues	239,015	128,281	(110,734)
EXPENDITURES			
Current:			
Library	143,642	142,493	1,149
Total Expenditures	143,642	142,493	1,149
Excess (Deficiency) of Revenues over Expenditures	95,373	(14,212)	(109,585)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	95,373	(14,212)	(109,585)
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	$ 95,373	$ (14,212)	$ (109,585)

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Murray Public Safety Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest and Rents	$ 150	$ 223	$ 73
Other Revenues	1,500	1,817	317
Total Revenues	1,650	2,040	390
EXPENDITURES			
Current:			
Public Safety	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	1,650	2,040	390
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	1,650	2,040	390
Fund Balance, Beginning of Year	37,694	37,694	-
Fund Balance, End of Year	$ 39,344	$ 39,734	$ 390

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - CDBG Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest and Rents	$ -	$ (203)	$ (203)
Other Revenues	42,580	-	(42,580)
Total Revenues	42,580	(203)	(42,783)
EXPENDITURES			
Current:			
General Government	37,480	39,810	(2,330)
Total Expenditures	37,480	39,810	(2,330)
Excess (Deficiency) of Revenues over Expenditures	5,100	(40,013)	(45,113)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	5,100	(40,013)	(45,113)
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	$ 5,100	$ (40,013)	$ (45,113)

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - EPA Grant Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest and Rents	$ -	$ -	$ -
Other Revenues	-	-	-
Total Revenues	-	-	-
EXPENDITURES			
Current:			
Public Works	-	17,423	(17,423)
Total Expenditures	-	17,423	(17,423)
Excess (Deficiency) of Revenues over Expenditures	-	(17,423)	(17,423)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	-	(17,423)	(17,423)
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	$ -	$ (17,423)	$ (17,423)

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - BSCC Grant Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ -	$ 9,504	$ 9,504
Interest and Rents	-	10	10
Total Revenues	-	9,514	9,514
EXPENDITURES			
Current:			
Public Safety	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	9,514	9,514
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	-	9,514	9,514
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	$ -	$ 9,514	$ 9,514

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - TDA Grant Special Revenue Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ -	$ -	$ -
Interest and Rents	-	-	-
Total Revenues	-	-	-
EXPENDITURES			
Current:			
Public Works	107,278	107,278	-
Total Expenditures	107,278	107,278	-
Excess (Deficiency) of Revenues over Expenditures	(107,278)	(107,278)	-
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	(107,278)	(107,278)	-
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	$ (107,278)	$ (107,278)	$ -

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Ryan Library Trust Permanent Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest and Rents	$ 425	$ 688	$ 263
Other Revenues	-	-	-
Total Revenues	425	688	263
EXPENDITURES			
Current:			
Library	7,000	7,040	(40)
Total Expenditures	7,000	7,040	(40)
Excess (Deficiency) of Revenues over Expenditures	(6,575)	(6,352)	223
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	(6,575)	(6,352)	223
Fund Balance, Beginning of Year	18,466	18,466	-
Fund Balance, End of Year	$ 11,891	$ 12,114	$ 223

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Martin Library Trust Permanent Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest and Rents	$ 315	$ 676	$ 361
Other Revenues	-	-	-
Total Revenues	315	676	361
EXPENDITURES			
Current:			
Library	9,422	8,982	440
Total Expenditures	9,422	8,982	440
Excess (Deficiency) of Revenues over Expenditures	(9,107)	(8,306)	801
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	(9,107)	(8,306)	801
Fund Balance, Beginning of Year	33,370	33,370	-
Fund Balance, End of Year	$ 24,263	$ 25,064	$ 801

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - 1996 GO Bonds Debt Service Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 40,000	$ 106,158	$ 66,158
Investment Earnings	-	-	-
Total Revenues	40,000	106,158	66,158
EXPENDITURES			
Debt Service:			
Principal	175,000	170,000	5,000
Interest	9,688	14,131	(4,443)
Total Expenditures	184,688	184,131	557
Excess (Deficiency) of Revenues over Expenditures	(144,688)	(77,973)	66,715
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	(144,688)	(77,973)	66,715
Fund Balance, Beginning of Year	402,138	402,138	-
Fund Balance, End of Year	$ 257,450	$ 324,165	$ 66,715

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - South St. Helena Drainage Debt Service Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Earnings	$ 120	$ 162	$ 42
Total Revenues	120	162	42
EXPENDITURES			
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	120	162	42
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	120	162	42
Fund Balance, Beginning of Year	42,780	42,780	-
Prior Period Adjustment	-	-	-
Fund Balance, End of Year	$ 42,900	$ 42,942	$ 42

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Street Improvement Capital Projects Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ -	$ -	$ -
Interest and Rents	-	-	-
Total Revenues	-	-	-
EXPENDITURES			
Capital Outlay	418,099	75,436	342,663
Total Expenditures	418,099	75,436	342,663
Excess (Deficiency) of Revenues over Expenditures	(418,099)	(75,436)	342,663
OTHER FINANCING SOURCES (USES)			
Transfers In	-	2,766	2,766
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	2,766	2,766
Net Change in Fund Balance	(418,099)	(72,670)	345,429
Fund Balance, Beginning of Year	903,178	903,178	-
Fund Balance, End of Year	$ 485,079	$ 830,508	$ 345,429

City of St. Helena
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - City-wide Capital Projects Fund
Year Ended June 30, 2016

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	$ -	$ -	$ -
Interest and Rents	-	-	-
Total Revenues	-	-	-
EXPENDITURES			
Capital Outlay	712,783	56,869	655,914
Total Expenditures	712,783	56,869	655,914
Excess (Deficiency) of Revenues over Expenditures	(712,783)	(56,869)	655,914
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	(712,783)	(56,869)	655,914
Fund Balance, Beginning of Year	764,013	764,013	-
Fund Balance, End of Year	$ 51,230	$ 707,144	$ 655,914

III. Statistical Section

This part of the City of St. Helena's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

Financial Trends	**Schedules 1 - 4**

These schedules contain trend information to help understand how the City's financial performance and well-being have changed over time.

Revenue Capacity	**Schedules 5 - 17**

These schedules contain information to help assess the City's most significant local revenue source.

Debt Capacity	**Schedules 18 - 20**

These schedules present information to help assess the affordability of the City's current levels of outstanding debt and the city's ability to issue additional debt in the future.

Demographic and Economic Information	**Schedules 21 - 22**

These schedules offer demographic and economic indicators to help understand the environment within which the City's financial activities take place.

Operating Information	**Schedules 23 - 25**

These schedules contain service and infrastructure data to help understand how the information in the City's financial report relates to services the City provides and the activities it performs.

City of St. Helena, California

Schedule 1
City of St. Helena
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities:										
Net investment in capital assets	$21,857,385	$22,387,618	$25,544,695	$29,135,922	$29,581,594	$30,955,820	$30,420,740	$30,865,589	$30,207,174	$29,384,192
Restricted	10,786,643	10,423,255	7,127,220	4,595,629	5,469,078	5,525,865	6,362,224	6,401,635	8,818,700	8,818,700
Unrestricted	6,003,050	6,950,389	5,997,520	3,728,140	4,172,275	6,604,387	5,395,808	3,874,423	(4,366,600)	(1,391,005)
Total governmental activities net assets	$38,647,078	$39,761,262	$38,669,435	$37,459,691	$39,222,947	$43,086,072	$42,178,772	$41,141,647	$34,659,274	$36,811,887
Business-type activities:										
Net investment in capital assets	$14,259,239	$15,937,309	$15,993,614	$14,303,220	$14,217,750	$13,877,858	$12,466,165	$13,866,596	$ 9,201,274	$ 8,360,497
Invested in capital assets										
Restricted	596,158	-	-	-	-	-	-	-	-	-
Unrestricted	5,581,122	4,990,022	4,406,032	5,067,021	4,494,724	5,683,020	7,868,525	7,690,603	9,521,379	8,879,619
Total business-type activities	$20,436,519	$20,927,331	$20,399,646	$19,370,241	$18,712,474	$19,560,878	$20,334,690	$21,557,199	$18,722,653	$17,240,116
Primary government (City wide totals)										
Net investment in capital assets	$36,116,624	$38,324,927	$41,538,309	$43,439,142	$43,799,344	$44,833,678	$42,886,905	$44,732,185	$39,408,448	$37,744,689
Invested in capital assets	-	-	-	-	-	-	-	-	-	-
Restricted	11,382,801	10,423,255	7,127,220	4,595,629	5,469,078	5,525,865	6,362,224	6,401,635	8,818,700	8,818,700
Unrestricted	11,584,172	11,940,411	10,403,552	8,795,161	8,666,999	12,287,407	13,264,333	11,565,026	5,154,779	7,488,614
Total primary government net assets	$59,083,597	$60,688,593	$59,069,081	$56,829,932	$57,935,421	$62,646,950	$62,513,462	$62,698,846	$53,381,927	$54,052,003

Source: St. Helena Finance Department

Schedule 2
City of St. Helena
Changes in Net Position, Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Governmental activities:										
General government	$ 2,322,688	$ 3,067,145	$ 2,569,567	$ 2,657,262	$ 3,236,915	$ 2,851,444	$ 2,477,918	$ 2,750,208	$ 2,636,016	$ 2,603,269
Planning & Building*	-	-	-	-	-	-	-	-	671,178	823,484
Public Safety	3,490,570	3,955,809	3,857,814	3,593,858	3,740,461	3,934,832	3,452,854	4,735,046	3,892,686	3,524,157
Public Works	2,638,505	2,676,579	3,779,313	1,442,207	1,302,285	1,168,558	2,485,969	4,167,488	2,161,735	2,381,609
Library	993,692	1,120,212	1,252,074	1,193,312	1,218,068	1,173,107	1,272,210	1,373,625	1,458,163	1,159,292
Parks and Recreation	826,378	917,698	1,072,860	1,000,883	945,988	1,015,932	448,933	433,768	539,604	673,016
Housing	-	-	-	-	-	-	38,741	36,890	-	-
Interest on long-term debt	238,646	219,422	213,369	247,195	256,018	237,038	264,479	205,681	217,307	176,793
Total governmental activities expenses	10,510,479	11,956,865	12,744,997	10,134,717	10,699,735	10,380,911	10,441,104	13,702,706	11,576,689	11,341,620
Business-type activities:										
Water	2,978,625	3,049,295	3,675,185	3,915,135	3,527,094	4,217,989	4,073,647	4,264,063	4,582,241	5,120,033
Wastewater	1,262,974	1,083,192	1,568,898	1,625,707	1,860,158	1,795,970	1,803,054	1,885,231	2,306,771	2,802,381
Total business-type activities expenses	4,241,599	4,132,487	5,244,083	5,540,842	5,387,252	6,013,959	5,876,701	6,149,294	6,889,012	7,922,414
Total City government expenses	$ 14,752,078	$ 16,089,352	$ 17,989,080	$ 15,675,559	$ 16,086,987	$ 16,394,870	$ 16,317,805	$ 19,852,000	$ 18,465,701	$ 19,264,034
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	$ 1,768,014	$ 1,116,546	$ 1,085,028	$ 826,369	$ 647,589	$ 1,143,476	$ 1,023,712	$ 1,051,247	$ 208,741	$ 186,144
Planning & Building*	-	-	-	-	-	-	-	-	619,700	813,844
Public Safety	452,448	683,937	1,170,294	396,436	345,962	509,084	400,140	800,720	128,094	167,426
Public Works	-	-	-	-	-	-	53,750	45,965	76,883	59,787
Library	21,227	17,278	20,238	20,292	18,888	23,164	17,403	15,420	46,576	66,835
Parks and Recreation	91,147	128,852	149,814	151,228	207,228	175,624	153,581	268,360	164,986	210,601
Housing	-	-	-	-	-	-	-	903,560	-	-
Operating grants and contributions	1,551,060	1,479,634	640,201	561,208	819,256	510,624	710,627	571,600	1,335,269	1,110,781
Capital grants and contributions	8,032,930	1,620,409	1,010,693	2,013,168	2,627,994	4,555,936	250,000	89,943	1,058,267	752,771
Total governmental activities program revenues	11,916,826	5,046,656	4,076,268	3,968,701	4,666,917	6,917,908	2,609,213	3,746,815	3,638,516	3,368,189
Business-type activities:										
Charges for services:										
Water	2,859,305	2,916,219	3,174,267	2,889,107	3,118,054	4,360,227	4,776,875	4,921,376	4,326,980	4,162,394
Wastewater	1,282,115	1,378,826	1,371,394	1,493,773	1,626,692	2,017,899	2,072,169	2,158,387	2,240,864	2,820,908
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	344,892	328,254	170,737	128,557	284,269	539,716	267,464	292,040	172,589	96,277
Total business-type activities programs revenues	4,486,312	4,623,299	4,716,398	4,511,437	5,029,015	6,917,842	7,116,508	7,371,803	6,740,433	7,079,579
Total City government program revenues	$ 16,403,138	$ 9,669,955	$ 8,792,666	$ 8,480,138	$ 9,695,932	$ 13,835,750	$ 9,725,721	$ 11,118,618	$ 10,378,949	$ 10,447,768

(Continued)

Schedule 2 -Continued
City of St. Helena
Changes in Net Assets, Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net(Expense)Revenue:										
Governmental activities	$ 1,406,347	$ (6,910,209)	$ (8,668,729)	$ (6,166,016)	$ (6,032,818)	$ (3,463,003)	$ (7,831,891)	$ (9,955,891)	$ (7,938,173)	$ (7,973,431)
Business-type activities	244,713	490,812	(527,685)	(1,029,405)	(358,237)	903,883	1,239,807	1,222,509	(148,579)	(842,835)
Total City government	$ 1,651,060	$ (6,419,397)	$ (9,196,414)	$ (7,195,421)	$ (6,391,055)	$ (2,559,120)	$ (6,592,084)	$ (8,733,382)	$ (8,086,752)	$ (8,816,266)
General Revenues and Other Changes in in Net Assets:										
Governmental activities:										
Taxes:										
Property taxes	$ 2,257,306	$ 2,529,620	$ 2,577,207	$ 3,085,222	$ 2,906,026	$ 3,454,803	$ 3,561,932	$ 3,843,026	$ 4,172,204	$ 4,218,273
Sales taxes	2,532,604	2,703,033	2,607,908	2,131,229	2,073,118	2,130,561	2,386,053	2,594,935	2,714,310	3,090,695
Transient occupancy taxes	1,492,781	1,560,398	1,309,913	1,193,860	1,465,172	1,535,388	1,612,399	1,732,607	1,870,180	2,048,832
Motor vehicle in lieu taxes	434,721	456,979	477,893	502,720	503,283	-	-	-	2,476	2,447
Other taxes	598,007	482,722	508,908	480,916	520,115	675,884	687,073	734,230	353,205	381,923
Other general revenues	-	-	-	-	-	-	-	-	-	-
Unrestricted investment earnings	213,386	291,911	94,803	69,680	28,830	25,347	18,244	13,968	22,912	52,288
Transfers	-	-	-	-	-	55,479	-	-	-	-
Special item	-	-	-	-	-	(551,334)	(1,284,079)	-	-	-
Miscellaneous	1,250,000	-	-	(2,507,355)	-	-		-	43,979	49,256
Total governmental activities	8,778,805	8,024,663	7,576,632	4,956,272	7,496,544	7,326,128	6,981,622	8,918,766	9,179,266	9,843,714
Business-type activities										
Property Taxes	206	35	-	-	-	-	-	-	-	-
Investment earnings	245817	-	-	-	-	-	-	-	-	135,310
Transfers	-	-	-	-	-	-	-	-	-	-
special Item	-	700,000	-	-	-	-	-	-	-	-
Total business-type activities	246,023	700,035	-	-	-	-	-	-	-	135,310
Total City government	$ 9,024,828	$ 8,724,698	$ 7,576,632	$ 4,956,272	$ 7,496,544	$ 7,326,128	$ 6,981,622	$ 8,918,766	$ 9,179,266	$ 9,979,024
Change in net assets:										
Governmental activities	$ 10,185,152	$ 1,114,454	$ (1,092,097)	$ (1,209,744)	$ 1,463,726	$ 3,863,125	$ (850,269)	$ (1,037,125)	$ 1,241,093	$ 1,870,283
Business-type activities	490,736	1,190,847	(527,685)	(1,029,405)	(358,237)	903,883	1,239,807	1,222,509	(148,579)	(707,525)
Total City government	$ 10,675,888	$ 2,305,301	$ (1,619,782)	$ (2,239,149)	$ 1,105,489	$ 4,767,008	$ 389,538	$ 185,384	$ 1,092,514	$ 1,162,758

**Categories have changed from the 2014 CAFR forward. Development Fees and Planning and Building were previously included in the other categories and are now shown separately.*

Source: St. Helena Finance Department

Schedule 3
City of St. Helena
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016
General Fund						
Nonspendable	$ 1,765,705	$ 496,936	$ 291,921	$ -	$ 720,260	$ 698,032
Restricted	-	-	-	-	209,993	296,579
Committed	540,080	540,080	-	-	-	-
Assigned	1,464,031	-	1,973,795	1,973,795	66,740	171,934
Unassigned	-	3,233,439	2,265,437	1,291,889	2,270,078	3,285,963
Total general fund	$ 3,769,816	$ 4,270,455	$ 4,531,153	$ 3,265,684	$ 3,267,071	$ 4,452,508
All other governmental funds						
Debt Service						
Restricted	$ 28,007	41,320	$ 128,059	$ 399,328	$ -	$ -
Assigned	-	-	-	-	-	-
Measure A Fund	-	-				
Nonspendable	369	-	-	-	-	-
Restricted	625,800	-	967,676	(1,656,537)	-	-
Committed	-	2,141,875	-	-	-	-
Assigned	-	-	-	-	-	-
All Other Governmental Funds						
Nonspendable	180,748	231,045	203,336	51,453	230,892	256,822
Restricted	5,287,823	5,285,532	5,231,347	5,914,432	6,716,849	7,268,878
Committed	336,601	763,454	-	-	-	-
Assigned	-	-	1,172,856	971,929	1,667,191	1,537,652
Unassigned	(5,031)	394	(182,227)	-	(6,225)	(65,765)
Total all other governmental funds	$ 6,454,317	$ 8,463,620	$ 7,521,047	$ 5,680,605	$ 8,608,707	$ 8,997,587
Total fund balances	$ 10,224,133	$ 12,734,075	$ 12,052,200	$ 8,946,289	$ 11,875,778	$ 13,450,095

	General Fund			Other Major Funds							All Other Governmental Funds					
												Unreserved, reported in				
Fiscal Year	Reserved	Unreserved	Total General Fund	Dr. Wood Library Fund Unreserved***	Measure A Fund Reserved	Measure A Fund Unreserved	Total Measure A* Fund	City Capital Projects** Reserved	City Capital Projects Unreserved	Total City Capital Projects Fund**	Reserved	Special Revenue	Capital Projects	Debt Service	Permanent Funds	Total
2010	$ 368,990	$3,403,525	$ 3,772,515	$ 318,375	$ -	$ -	$ -	$ 240,094	$ 246,647	$ 486,741	$ 375,167	$ 4,108,932	$ 983	$ 27,727	$ 155,417	$4,668,226
2009	$ 577,847	$4,679,199	$ 5,257,046	$ 3,680,664	$ -	$ -	$ -	$ 1,123,327	$ 88,707	$ 1,212,034	$ 1,409,262	$ 2,300,360	$ 968	$ 27,302	$ 154,270	$3,892,162
2008	$ 608,423	$5,042,769	$ 5,651,192	$ 3,884,614	$ 1,617,740	$ 431,831	$ 2,049,571	$ 649,938	$ 884,320	$ 1,534,258	$ 280,657	$ 4,394,992	$ 942	$ 26,585	$ 140,703	$4,843,879
2007	$ 804,551	$4,368,884	$ 5,173,435	$ 3,763,582	$ 488,501	$ 1,365,374	$ 1,853,875	$ 393,729	$ 441,524	$ 835,253	$ 580,938	$ 4,692,562	$ 909	$ 24,521	$ 137,448	$5,436,378

Source: St. Helena Finance Department

* Measure A became a major fund in 2006.
** Capital Projects became a major fund in 2010 (The fund was established in 2006)
Note: The City implemented GASB statement number 54 in the 2011 fiscal year. The information in this schedule is therefore set forth prospectively from the year of implementation.

Schedule 4
City of St. Helena
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified acrual basis of accounting)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues:										
Taxes	$ 6,709,937	$ 7,113,569	$ 6,839,759	$ 6,730,266	$ 6,795,236	$ 7,619,928	$ 8,080,108	$ 8,904,798	$ 8,940,909	$ 9,454,317
Licenses and permits	383,185	338,099	352,068	292,331	293,842	421,463	437,638	312,156	800,588	1,008,260
Development Fees*	-	-	-	-	-	-	-	-	1,060,058	742,170
Fines and forfeits	95,661	93,352	96,782	77,774	52,396	70,658	72,300	97,115	112,156	126,299
Interest	741,320	791,067	549,989	276,969	232,061	256,381	238,676	242,663	279,934	315,848
Intergovernmental	9,381,827	3,469,715	2,542,470	3,181,204	3,799,934	5,004,955	504,042	518,489	615,462	670,157
Charges for services	993,297	885,586	1,063,581	730,216	672,257	1,147,925	868,314	2,190,308	247,249	315,199
Special assessments	-	-	-	-	-	-	-	-	-	-
Other revenues	1,126,310	379,931	282,470	143,568	317,735	218,581	571,137	496,697	761,426	289,348
Sale of property										
Total revenues	19,431,537	13,071,319	11,727,119	11,432,328	12,163,461	14,739,891	10,772,215	12,762,226	12,817,782	12,921,598
Expenditures:										
General government	2,258,288	2,845,132	2,315,130	2,379,115	2,503,895	2,505,446	2,205,031	2,510,724	2,452,955	2,347,335
Planning & Building*	-	-	-	-	-	-	-	-	671,178	823,484
Public safety	2,986,783	3,223,375	3,088,356	3,179,321	2,969,839	3,187,866	3,317,210	3,466,297	3,829,190	3,707,047
Library	1,029,307	1,047,284	1,119,899	1,116,837	1,102,902	1,078,055	1,180,748	1,278,975	1,361,873	1,054,410
Parks and recreation	765,624	856,944	996,499	1,015,444	874,084	935,642	317,941	342,126	401,968	523,099
Public works	804,144	1,996,566	3,747,828	900,710	355,901	1,501,977	1,883,114	1,669,201	1,551,932	1,717,394
Capital outlay	7,197,808	1,594,311	6,568,271	7,954,354	5,043,204	327,423	1,312,778	1,406,942	720,458	172,439
Debt service:										
Payment to escrow agent	-	-	-	-	-	-	-	-	-	-
Costs of issuance	-	-	-	-	-	-	-	-	-	-
Principal	367,670	384,545	403,163	458,700	534,878	687,252	682,329	725,555	735,376	760,051
Interest	239,421	222,171	191,947	201,946	223,996	256,731	264,406	232,896	210,547	187,160
Intergovernmental								1,901,700	-	-
Total expenditures	15,649,045	12,170,328	18,431,093	17,206,427	13,608,699	10,480,392	11,163,557	13,534,416	11,935,477	11,292,419
Excess of revenues over(under) expenditures	3,782,492	900,991	(6,703,974)	(5,774,099)	(1,445,238)	4,259,499	(391,342)	(772,190)	882,305	1,629,179
Other Financing Sources(Uses)										
Proceeds from borrowing	305,281	-	2,782,366	3,485,405	2,832,229	-	-	-	-	-
Transfers in	908,722	3,175,627	3,246,943	3,063,947	973,935	985,626	2,280,063	3,036,547	1,162,481	2,766
Transfers out	(908,722)	(3,175,627)	(3,246,943)	(3,063,947)	(1,051,074)	(995,285)	(2,280,063)	(3,713,731)	(1,300,581)	(2,766)
Total other financing sources(uses)	-	-	2,782,366	3,485,405	2,755,090	(9,659)	-	(677,184)	(138,100)	-
Special Item										
Foregiveness of indebtedness	-	-	-	-	-	(1,651,834)	-	-	-	-
Net change in fund balances	$ 3,782,492	$ 900,991	$ (3,921,608)	$ (2,288,694)	$ 1,309,852	$ 2,598,006	$ (391,342)	$ (1,449,374)	$ 744,205	$ 1,629,179
Debt service as a percentage of expenditures	5.0%	9.0%	3.5%	6.0%	12.0%	13.9%	8.8%	7.8%	8.1%	8.4%

**Categories have changed from the 2014 CAFR to the 2015 CAFR. Development Fees and Planning and Building were previously included in the other categories and are now shown separately.*

Source: St. Helena Finance Department

Schedule 5
City of St. Helena
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(In thousands of dollars)

	Assessed Taxable Values				Estimated	Assessed Value
Fiscal Year	Real Property	Personal Property	Totals	Total Direct Tax Rate	Actual Taxable Value	as a Percentage of Actual Value
2006-2007	1,494,317	73,836	1,568,152	1.00%	3,841,271	40.82%
2007-2008	1,427,513	75,950	1,503,463	1.00%	3,677,283	40.89%
2008-2009	1,530,637	69,997	1,600,634	1.00%	3,926,588	40.76%
2009-2010	1,605,402	86,408	1,691,810	1.00%	4,136,945	40.90%
2010-2011	1,613,048	74,155	1,687,203	1.00%	4,138,556	40.77%
2011-2012	1,651,354	78,586	1,729,940	1.00%	4,240,651	40.79%
2012-2013	1,695,701	74,401	1,770,102	1.00%	4,345,539	40.73%
2013-2014	1,858,565	74,771	1,933,336	1.00%	4,753,228	40.67%
2014-2015	1,878,049	91,624	1,969,673	1.00%	4,826,014	40.81%
2015-2016	1,988,547	80,112	2,068,659	1.00%	5,085,813	40.68%

Source: Napa County Auditor-Controller

Note: Property in Napa County is assessed at market value in the year in which the property is exchanged pursuant to a sale. In years thereafter, the assessed value is increased by two percent as required by state law. Based upon the frequency of property exchanges, assessed value is estimated to be about 40 percent of actual value for real property and about 70 percent for personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per $100 of assessed values.

Schedule 6
City of St. Helena
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Rates per $100 of assessed value)

	City Direct Rate			Overlapping Rates	
Fiscal Year	Basic Rate	General Obligation Debt Rate	Total	School Districts	Special Districts
2006-2007	1.00%	0.0115%	1.012%	0.04030%	0.00%
2007-2008	1.00%	0.0102%	1.010%	0.04920%	0.00%
2008-2009	1.00%	0.0077%	1.008%	0.04830%	0.00%
2009-2010	1.00%	0.0077%	1.008%	0.05080%	0.00%
2010-2011	1.00%	0.0077%	1.008%	0.04140%	0.00%
2011-2012	1.00%	0.0124%	1.012%	0.05000%	0.00%
2012-2013	1.00%	0.0124%	1.012%	0.04990%	0.00%
2013-2014	1.00%	0.0124%	1.012%	0.07440%	0.00%
2014-2015	1.00%	0.0105%	1.011%	0.07200%	0.00%
2015-2016	1.00%	0.0020%	1.002%	0.06920%	0.00%

Source: County of Napa

Note: The City's direct property tax rates can only be changed with specific voter approval.

Schedule 7
City of St. Helena
Principal Property Tax Payers - Top Ten Payers
Last Ten Fiscal Years
(Dollar Amounts in Thousands)

2016 Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	2015 Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Beringer	$ 113,937	1	5.51%	Beringer	$ 97,352	1	4.97%
Sutter Home	57,620	2	2.79%	Sutter Home	60,972	2	3.11%
Schoendorf, Joseph & Nancy	20,846	3	1.01%	Schoendorf, Joseph & Nancy	38,963	3	1.99%
C Mondavi and Sons	31,672	4	1.53%	C Mondavi and Sons	29,517	4	1.51%
Palmer City-Core	36,099	5	1.75%	Palmer City-Core	23,295	5	1.19%
Realty Income Properties	24,351	6	1.18%	Realty Income Properties	22,917	6	1.17%
Stotesbery, Patrick	10,947	7	0.53%	Stotesbery, Patrick	10,283	7	0.52%
Safeway Inc	12,885	8	0.62%	Novak, Mary	10,127	8	0.52%
Spring Moutain Hotel LLC	15,327	9	0.74%	Spring Moutain Hotel LLC	9,648	9	0.49%
LMR Property Acquisition	9,000	10	0.44%	Wine Service Cooperative	8,350	10	0.43%
Total	$ 332,684		16.08%	Total	$ 311,424		15.89%

2014 Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	2013 Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Schoendorf, Joseph & Nancy	$ 103,944	1	5.59%	Beringer	$ 98,624	1	5.82%
Beringer	97,875	2	5.27%	Sutter Home	57,995	2	3.42%
Sutter Home	59,100	3	3.18%	Not Another Winery LLC	25,549	3	1.51%
C Mondavi and Sons	25,756	4	1.39%	C Mondavi & Sons	25,410	4	1.50%
Not Another Winery LLC	25,600	5	1.38%	Realty Income Properties 2	22,224	5	1.31%
Realty Income Properties	22,813	6	1.23%	Joseph & Nancy Schoendorf	11,758	6	0.69%
Grandview Hotel Investors	9,594	7	0.52%	Grandview Hotel Investors	9,406	7	0.55%
Wine Service Coop	8,300	8	0.45%	Wine Service Cooperative	8,131	8	0.48%
1000 St Helena LLC	7,791	9	0.42%	1000 St Helena LLC	7,626	9	0.45%
Gorini, John & Sandra	7,448	10	0.40%	John & Sandra Gorini	7,302	10	0.43%
Total	$ 368,221		19.81%	Total	$ 274,025		16.16%

2012 Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	2011 Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Beringer	$ 97,256	1	5.89%	Beringer	$ 97,257	1	6.03%
Sutter Home	56,210	2	3.40%	Sutter Home	56,210	2	3.48%
C Mondavi & Sons	26,259	3	1.59%	C Mondavi & Sons	26,259	3	1.63%
Not Another Winery LLC	25,208	4	1.53%	Not Another Winery LLC	25,208	4	1.56%
Realty Income Properties 2	22,356	5	1.35%	Realty Income Properties 2	22,356	5	1.39%
Joseph & Nancy Schoendorf	10,415	6	0.63%	Joseph & Nancy Schoendorf	10,415	6	0.65%
Wine Service Cooperative	7,966	7	0.48%	Wine Service Cooperative	7,966	7	0.49%
1000 St Helena LLC	7,521	8	0.46%	1000 St Helena LLC	7,521	8	0.47%
John & Sandra Gorini	7,159	9	0.43%	John & Sandra Gorini	7,159	9	0.44%
Dowdell Lane LLC	6,916	10	0.42%	Dowdell Lane LLC	6,916	10	0.43%
Total	$ 267,266		16.18%	Total	$ 267,269		16.57%

(continued)

2010 Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	2009 Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Beringer	$ 99,473	1	6.20%	Beringer	$ 101,716	1	6.65%
Sutter Home	55,257	2	3.44%	Sutter Home	55,398	2	3.62%
C Mondavi & Sons	25,815	3	1.61%	C Mondavi & Sons	26,807	3	1.75%
Not Another Winery LLC	25,641	4	1.60%	Not Another Winery LLC	26,245	4	1.71%
Joseph & Nancy Schoendorf	10,015	5	0.62%	Fritz Propery Group Inc	9,929	5	0.65%
Fritz Property Group	9,904	6	0.62%	Diageo Chateau & Estate	9,091	6	0.57%
Real Income Properties 2 LLC	9,070	7	0.56%	Joseph & Nancy Schoendorf	8,815	7	0.58%
Wine Service Cooperative	7,938	8	0.49%	Wine Service Cooperative	7,846	8	0.51%
1000 St Helena LLC	7,500	9	0.47%	1000 St Helena LLC	7,512	9	0.49%
John & Sandra Gorini	7,106	10	0.44%	John & Sandra Gorini	7,123	10	0.47%
Total	$ 257,720		16.05%	Total	$ 260,482		16.99%

2008 Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	2007 Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Beringer	$ 88,680	1	6.21%	Beringer	$ 104,775	1	7.01%
Sutter Home	52,285	2	3.66%	Sutter Home	49,752	2	3.33%
Not Another Winery	25,453	3	1.78%	C Mondavi & Sons	20,898	3	1.40%
C Mondavi & Sons	24,059	4	1.69%	Not Another Winery	18,170	4	1.22%
IBM Credit LLC	19,374	5	1.36%	Sulphur Creek Associates	11,888	5	0.80%
IDV North America Inc	8,842	6	0.62%	IDV North America Inc	8,569	6	0.57%
Wine Service Co-op	7,707	7	0.54%	Wine Service Co-op	7,509	7	0.50%
Dowdell Lane LLC	6,673	8	0.47%	John C & Sandra J Gorini	6,712	8	0.45%
Safeway	6,434	9	0.45%	Safeway	6,380	9	0.43%
CH-Smokey St Helena JV LP	6,100	10	0.43%	1000 St Helena LLC	5,514	10	0.37%
Total	$ 245,604		17.21%	Total	$ 240,167		16.07%

Source: is Napa County Auditor-Controller.

Schedule 8
City of St. Helena
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied For The Fiscal Year (1)	Collected Within The Fiscal Year of The Levy: Amount	Collected Within The Fiscal Year of The Levy: Percentage of Levy
2007	2,343,560	2,343,560	100%
2008	2,248,225	2,248,225	100%
2009	2,414,384	2,414,384	100%
2010	2,516,191	2,516,191	100%
2011	2,615,795	2,615,795	100%
2012	2,916,982	2,916,982	100%
2013	3,070,458	3,070,458	100%
2014	3,055,297	3,055,297	100%
2015	3,100,410	3,100,410	100%
2016	3,301,953	3,301,953	100%

Source: Napa County Auditor/Controller's Office

Note: (1)
Property taxes are levied and collected pursuant to an arrangement commonly referred to as the Teeter Plan. Under the Teeter Plan, the County allocates and remits to the City the full amount of each years tax levy, and the County then retains any delinquencies as collected by the County.

Schedule 9
City of St. Helena
Sales Tax Revenue Base Data
Last Ten Fiscal Years

Fiscal Year	Revenue Base City-Wide Retail Sales Subject to Tax	Total Retail Sales Tax Rate	City Direct Tax Rate	Revenue Recognized By the City
2007	253,260,400	7.75%	1.00%	2,532,604
2008	270,333,252	7.75%	1.00%	2,703,333
2009	260,790,800	8.75%	1.00%	2,607,908
2010	213,122,900	8.75%	1.00%	2,131,229
2011	207,311,797	7.75%	1.00%	2,073,118
2012	213,056,100	7.75%	1.00%	2,130,561
2013	238,605,300	7.75%	1.00%	2,386,053
2014	259,493,500	8.00%	1.00%	2,594,935
2015	271,431,000	8.00%	1.00%	2,714,310
2016	299,422,492	7.75%	1.00%	2,994,225

Source: St. Helena Finance Department

Note: The City's direct retail sales tax rate is established pursuant to the City's Municipal Code. Any increase in the City's direct tax rate requires voter approval

Schedule 10
City of St. Helena
Principal Sales Tax Payers - Top Twenty Five
Last Twelve Fiscal Years
(In Alphbetical Order)

Fiscal Years Ended June 30

2016	2015	2014
A & J VINEYARD SUPPLY	A & J VINEYARD SUPPLY	A & J VINEYARD SUPPLY
BERINGER VINEYARDS	BERINGER VINEYARDS	BERINGER VINEYARDS
BP SERVICE STATIONS	BP SERVICE STATIONS	BP SERVICE STATIONS
BROWN'S AUTO PARTS	BROWN'S AUTO PARTS	BURGSTAHLER MACINE WORKS
BURGSTAHLER MACINE WORKS	BURGSTAHLER MACINE WORKS	CENTRAL VALLEY BUILDERS
CENTRAL VALLEY BUILDERS	CENTRAL VALLEY BUILDERS	CINDY'S BACKSTREET KITCHEN
CINDY'S BACKSTREET KITCHEN	CINDY'S BACKSTREET KITCHEN	CULINARY INSTITUTE OF AMERICA
COOK ST. HELENA	COOK ST. HELENA	EXXON SERVICE STATIONS
CULINARY INSTITUTE OF AMERICA	CULINARY INSTITUTE OF AMERICA	FARMSTEAD RESTAURANT
EXXON SERVICE STATIONS	EXXON SERVICE STATIONS	FRANCISCAN VINEYARDS
FARMSTEAD RESTAURANT	FARMSTEAD RESTAURANT	GOOSE & GANDER
FRANCISCAN VINEYARDS	FRANCISCAN VINEYARDS	GOTT'S ROADSIDE TRAY GOURMET
GOOSE & GANDER	GOOSE & GANDER	HARLAN ESTATE WINERY
GOTT'S ROADSIDE TRAY GOURMET	GOTT'S ROADSIDE TRAY GOURMET	HAROLD SMITH & SON
HARLAN ESTATE WINERY	HARLAN ESTATE WINERY	MARKET RESTAURANT
MARKET RESTAURANT	MARKET RESTAURANT	MARTIN DESIGN
NAPA VALLEY AG SUPPLY	NAPA VALLEY AG SUPPLY	MERRYVALE VINEYARDS
NAPA VALLEY WINE AUCTION	NAPA VALLEY WINE AUCTION	NAPA VALLEY AG SUPPLY
ONE TRUE VINE	ONE TRUE VINE	NAPA VALLEY WINE AUCTION
SAFEWAY STORES	SAFEWAY STORES	SAFEWAY STORES
STEVE'S HARDWARE & HOMEWARE	STEVE'S HARDWARE & HOMEWARE	STEVE'S HARDWARE & HOMEWARE
SUNSHINE FOODS	SUNSHINE FOODS	SUNSHINE FOODS
TRA VIGNE RESTAURANT	TRA VIGNE RESTAURANT	TRA VIGNE RESTAURANT
WILSON-DANIELS	WILSON-DANIELS	WILSON-DANIELS
ZUMWALT FORD	ZUMWALT FORD	ZUMWALT FORD

Fiscal Years Ended June 30

2013	2012	2011
A & J VINEYARD SUPPLY	A & J VINEYARD SUPPLY	A & J VINEYARD SUPPLY
BERINGER VINEYARDS	ABREU VINEYARDS	BERINGER VINEYARDS
BP SERVICE STATIONS	BERINGER VINEYARDS	BP SERVICE STATIONS
CENTRAL VALLEY BUILDERS SUPPLY	BP SERVICE STATIONS	BROWN'S AUTO PARTS
CINDY'S BACKSTREET KITCHEN	BROWN'S AUTO PARTS	CENTRAL VALLEY BUILDERS SUPPLY
CULINARY INSTITUTE OF AMERICA	CENTRAL VALLEY BUILDERS SUPPLY	CINDY'S BACKSTREET KITCHEN
EXXON SERVICE STATIONS	CINDY'S BACKSTREET KITCHEN	CULINARY INSTITUTE OF AMERICA
FARMSTEAD RESTAURANT	CULINARY INSTITUTE OF AMERICA	EPPS CHEVROLET/PONTIAC/OLDS
FRANCISCAN VINEYARDS	EXXON SERVICE STATIONS	EXXON SERVICE STATIONS
FRENCH BLUE	FARMSTEAD RESTAURANT	FARMSTEAD RESTAURANT
GO FISH	FRANCISCAN VINEYARDS	FRANCISCAN VINEYARDS
GOOSE & GANDER	GO FISH	GO FISH
GOTT'S ROADSIDE TRAY GOURMET	GOTT'S ROADSIDE TRAY GOURMET	HARLAN ESTATE WINERY
HARLAN ESTATE WINERY	HARLAN ESTATE WINERY	MARKET RESTAURANT
MARKET RESTAURANT	MARKET RESTAURANT	MERRYVALE VINEYARDS
MARTIN DESIGN	MARTIN DESIGN	NAPA VALLEY AG SUPPLY
MERRYVALE VINEYARDS	MERRYVALE VINEYARDS	NAPA VALLEY WINE AUCTION
NAPA VALLEY AG SUPPLY	NAPA VALLEY AG SUPPLY	ONE TRUE VINE
ONE TRUE VINE	REEDS	REEDS
SAFEWAY STORES	SAFEWAY STORES	SAFEWAY STORES
STEVE'S HARDWARE & HOMEWARE	STEVE'S HARDWARE & HOMEWARE	STEVE'S HARDWARE & HOMEWARE
SUNSHINE FOODS	SUNSHINE FOODS	SUNSHINE FOODS
TRA VIGNE RESTAURANT	TRA VIGNE RESTAURANT	TAYLOR'S AUTOMATIC REFRESHER
WILSON-DANIELS	WILSON-DANIELS	TRA VIGNE RESTAURANT
ZUMWALT FORD	ZUMWALT FORD	ZUMWALT FORD

Schedule 10 - Continued
City of St. Helena
Principal Sales Tax Payers - Top Twenty Five
Last Twelve Fiscal Years
(In Alphbetical Order)

Fiscal Year Ended June 30

2010	2009	2008
A & J VINEYARD SUPPLY	A & J VINEYARD SUPPLY	A & J VINEYARD SUPPLY
BERINGER VINEYARDS	BERINGER VINEYARDS	BERINGER VINEYARDS
BP SERVICE STATIONS	BP SERVICE STATIONS	BP SERVICE STATIONS
CENTRAL VALLEY BUILDERS SUPPLY	BURGSTAHLER MACHINE WORKS	BURGSTAHLER MACHINE WORKS
CINDY'S BACKSTREET KITCHEN	CENTRAL VALLEY BUILDERS SUPPLY	CENTRAL VALLEY BUILDERS SUPPLY
CULINARY INSTITUTE OF AMERICA	CULINARY INSTITUTE OF AMERICA	CULINARY INSTITUTE OF AMERICA
EPPS CHEVROLET/PONTIAC/OLDS	EPPS CHEVROLET/PONTIAC/OLDS	EPPS CHEVROLET/PONTIAC/OLDS
EXXON SERVICE STATIONS	EXXON SERVICE STATIONS	EXXON SERVICE STATIONS
FRANCISCAN VINEYARDS	FRANCISCAN VINEYARDS	FRANCISCAN VINEYARDS
GO FISH	GO FISH	GO FISH
HARLAN ESTATE WINERY	HARLAN ESTATE WINERY	HARLAN ESTATE WINERY
HAROLD SMITH & SON	HAROLD SMITH & SON	HAROLD SMITH & SON
LAMPSON TRACTOR & EQUIPMENT	LAMPSON TRACTOR & EQUIPMENT	LAMPSON TRACTOR & EQUIPMENT
MARKET RESTAURANT	MARTIN DESIGN	MARTIN DESIGN
MARTINI HOUSE	MARTINI HOUSE	MARTINI HOUSE
MERRYVALE VINEYARDS	MERRYVALE VINEYARDS	MERRYVALE VINEYARDS
NAPA VALLEY AG SUPPLY	MIRAMONTE RESTAURANT & CAFE	MIRAMONTE RESTAURANT & CAFE
ONE TRUE VINE	NAPA VALLEY AG SUPPLY	NAPA VALLEY AG SUPPLY
REEDS	REEDS	NAPA VALLEY WINE AUCTION
SAFEWAY STORES	SAFEWAY STORES	SAFEWAY STORES
STEVE'S HARDWARE & HOMEWARE	STEVE'S HARDWARE & HOMEWARE	STEVE'S HARDWARE & HOMEWARE
SUNSHINE FOODS	SUNSHINE FOODS	SUNSHINE FOODS
TAYLOR'S AUTOMATIC REFRESHER	TAYLOR'S AUTOMATIC REFRESHER	TAYLOR'S AUTOMATIC REFRESHER
TRA VIGNE RESTAURANT	TRA VIGNE RESTAURANT	TRA VIGNE RESTAURANT
ZUMWALT FORD	ZUMWALT FORD	ZUMWALT FORD

Fiscal Year Ended June 30

2007	2006	2005
BERINGER VINEYARDS	BERINGER VINEYARDS	ANA'S CANTINA
BP SERVICE STATIONS	BP SERVICE STATIONS	BERINGER VINEYARDS
CENTRAL VALLEY BUILDERS SUPPLY	CENTRAL VALLEY BUILDERS SUPPLY	CENTRAL VALLEY BUILDERS SUPPLY
CHEVRON SERVICE STATIONS	CHEVRON SERVICE STATIONS	CHEVRON SERVICE STATIONS
CRICKET	CULINARY INSTITUTE OF AMERICA	CULINARY INSTITUTE OF AMERICA
CULINARY INSTITUTE OF AMERICA	DAVID'S JEWELRY	EPPS CHEVROLET/PONTIAC/OLDS
EPPS CHEVROLET/PONTIAC/OLDS	EPPS CHEVROLET/PONTIAC/OLDS	EXXON SERVICE STATIONS
EXXON SERVICE STATIONS	EXXON SERVICE STATIONS	HARLAN ESTATE WINERY
GO FISH	HARLAN ESTATE WINERY	HAROLD SMITH & SON
HARLAN ESTATE WINERY	HAROLD SMITH & SON	LAMPSON TRACTOR & EQUIPMENT
HAROLD SMITH & SON	LAMPSON TRACTOR & EQUIPMENT	MARKET SAINT HELENA
LAMPSON TRACTOR & EQUIPMENT	MARKET SAINT HELENA	MARTIN DESIGN
MARKET SAINT HELENA	MARTIN DESIGN	MARTINI HOUSE
MARTINI HOUSE	MARTINI HOUSE	MERRYVALE VINEYARDS
MERRYVALE VINEYARDS	MERRYVALE VINEYARDS	MIRAMONTE RESTAURANT & CAFE
MIRAMONTE RESTAURANT & CAFE	MIRAMONTE RESTAURANT & CAFE	NAPA VALLEY AG SUPPLY
NAPA VALLEY AG SUPPLY	NAPA VALLEY AG SUPPLY	PINOT BLANC RESTAURANT
PRADO MADERA	SAFEWAY STORES	PORTALAIS
SAFEWAY STORES	STEVE'S HARDWARE & HOMEWARE	SAFEWAY STORES
STEVE'S HARDWARE & HOMEWARE	SUNSHINE FOODS	STEVE'S HARDWARE & HOMEWARE
SUNSHINE FOODS	TAYLOR'S AUTOMATIC REFRESHER	SUNSHINE FOODS
TAYLOR'S AUTOMATIC REFRESHER	TERRA RESTAURANT	TAYLOR'S AUTOMATIC REFRESHER
TRA VIGNE RESTAURANT	TRA VIGNE RESTAURANT	TRA VIGNE RESTAURANT
WHITING NURSERY	WHITING NURSERY	WHITING NURSERY
ZUMWALT FORD	ZUMWALT FORD	ZUMWALT FORD

Schedule 11
City of St. Helena
Revenue Base Concentration Data - Sales Tax Generators By Economic Category
Last Ten Fiscal Years
(Dollar Amounts in Thousands)

2016

Segment	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
FOOD PRODUCTS	$ 1,229.44	1	51.30%
CONSTRUCTION	$ 476.36	2	19.88%
GENERAL RETAIL	$ 326.28	3	13.62%
TRANSPORTATION	$ 250.82	4	10.47%
BUSINESS TO BUSINESS	$ 63.86	5	2.66%
MISCELLANEOUS	$ 49.60	6	2.07%
Total	$ 2,396.36		100.00%

2015

Segment	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
FOOD PRODUCTS	$ 1,211.13	1	51.60%
CONSTRUCTION	$ 447.29	2	19.06%
GENERAL RETAIL	$ 334.70	3	14.26%
TRANSPORTATION	$ 246.11	4	10.48%
BUSINESS TO BUSINESS	$ 67.89	5	2.89%
MISCELLANEOUS	$ 40.21	6	1.71%
Total	$ 2,347.33		100.00%

2014

Segment	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
FOOD PRODUCTS	$ 1,095.33	1	49.35%
CONSTRUCTION	$ 417.34	2	18.80%
GENERAL RETAIL	$ 341.32	3	15.38%
TRANSPORTATION	$ 251.04	4	11.31%
BUSINESS TO BUSINESS	$ 73.58	5	3.31%
MISCELLANEOUS	$ 41.08	6	1.85%
Total	$ 2,219.67		100.00%

2013

Segment	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
FOOD PRODUCTS	$ 1,098.69	1	51.90%
GENERAL RETAIL	$ 371.44	2	17.54%
TRANSPORTATION	$ 319.44	3	15.09%
CONSTRUCTION	$ 235.61	4	11.13%
BUSINESS TO BUSINESS	$ 54.15	5	2.56%
MISCELLANEOUS	$ 37.81	6	1.79%
Total	$ 2,117.13		100.00%

2012

Segment	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
FOOD PRODUCTS	$ 956.46	1	50.50%
GENERAL RETAIL	$ 390.13	2	20.60%
TRANSPORTATION	$ 226.35	3	11.95%
CONSTRUCTION	$ 237.60	4	12.55%
BUSINESS TO BUSINESS	$ 54.64	5	2.88%
MISCELLANEOUS	$ 28.79	6	1.52%
Total	$ 1,893.97		100.00%

2011

Segment	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
FOOD PRODUCTS	$ 917.88	1	51.16%
GENERAL RETAIL	$ 346.96	2	19.34%
TRANSPORTATION	$ 232.19	3	12.94%
CONSTRUCTION	$ 210.87	4	11.75%
BUSINESS TO BUSINESS	$ 57.46	5	3.20%
MISCELLANEOUS	$ 28.77	6	1.60%
Total	$ 1,794.13		100.00%

2010

Segment	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
FOOD PRODUCTS	$ 899.24	1	49.60%
CONSTRUCTION	$ 336.44	2	18.56%
GENERAL RETAIL	$ 304.53	3	16.80%
TRANSPORTATION	$ 215.42	4	11.88%
BUSINESS TO BUSINESS	$ 45.53	5	2.51%
MISCELLANEOUS	$ 11.98	6	0.66%
Total	$ 1,813.13		100.00%

2009

Segment	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
FOOD PRODUCTS	$ 931.20	1	47.65%
CONSTRUCTION	$ 378.65	2	19.38%
GENERAL RETAIL	$ 361.89	3	18.52%
TRANSPORTATION	$ 207.68	4	10.63%
BUSINESS TO BUSINESS	$ 49.63	5	2.54%
MISCELLANEOUS	$ 25.18	6	1.29%
Total	$ 1,954.23		100.00%

2008

Segment	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
FOOD PRODUCTS	$ 1,014.09	1	42.90%
CONSTRUCTION	$ 442.42	2	18.72%
GENERAL RETAIL	$ 430.50	3	18.21%
TRANSPORTATION	$ 278.69	4	11.79%
BUSINESS TO BUSINESS	$ 159.61	5	6.75%
MISCELLANEOUS	$ 38.46	6	1.63%
Total	$ 2,363.77		100.00%

2007

Segment	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
FOOD PRODUCTS	$ 917.84	1	40.96%
CONSTRUCTION	$ 471.57	2	21.04%
GENERAL RETAIL	$ 427.00	3	19.05%
TRANSPORTATION	$ 297.05	4	13.26%
BUSINESS TO BUSINESS	$ 97.20	5	4.34%
MISCELLANEOUS	$ 30.33	6	1.35%
Total	$ 2,240.99		100.00%

Source: Muniservices

Schedule 12
City of St.Helena
Transient Occupany Tax Revenue Base Data
Last Ten Fiscal Years

Fiscal Year	Revenue Base Room Revenues Subject to Tax	City Direct Tax Rate	Revenue Recognized By the City
2007	12,427,235	12.00%	$ 1,491,268
2008	12,779,903	12.00%	$ 1,533,588
2009	10,894,720	12.00%	$ 1,307,366
2010	10,499,201	12.00%	$ 1,193,860
2011	12,095,733	12.00%	$ 1,465,172
2012	12,757,462	12.00%	$ 1,535,388
2013	13,432,610	12.00%	$ 1,612,399
2014	14,427,108	12.00%	$ 1,732,606
2015	15,532,826	12.00%	$ 1,870,180
2016	16,787,486	12.00%	$ 2,048,832

Source: St. Helena Finance Department

Note: The transient occupancy tax can only be changed by approval of the voters, and the rate was increased in mid 2005 by a special election.

Schedule 13
City of St. Helena
Principal Transient Occupancy Tax Payers - Top Ten
Last Ten Fiscal Years
(In Alphabetical Order)

Fiscal Years Ended June 30

2016	2015	2014	2013
Casa Robles	Ambrose Bierce House	Ambrose Bierce House	Adagio Inn
El Bonita	Casa de Vigne	Casa de Vigne	Ambrose Bierce House
Harvest Inn	El Bonita	El Bonita	Casa De Vigna
Hotel St. Helena	Harvest Inn	Harvest Inn	El Bonita
Inn at Southbridge	Hotel St. Helena	Hotel St. Helena	Harvest Inn
Inn St. Helena	Inn at Southbridge	Inn at Southbridge	Hotel St. Helena
James & Patricia Stone	James & Patricia Stone	James and Patricia Stone	Inn at Southbridge
Venge STR	Jill Russo	Napa Valley Hideaway	Red Door Inn
Vinyard Inn	Vinyard Inn	Vinyard Inn	Vineyard Inn
Wydown Hotel	Wydown Hotel	Wydown Hotel	Wydown Hotel

Fiscal Years Ended June 30

2012	2011	2010	2009
Adagio Inn	Adagio Inn	Adagio Inn	Adagio
Ambrose Bierce House	Ambrose Bierce House	Ambrose Bierce House	Ambrose Bierce House
CIA	CIA	CIA	Bylund House
El Bonita	El Bonita	El Bonita	CIA
Harvest Inn	Harvest Inn	Harvest Inn	Eagle & Rose
Hotel St. Helena	Hotel 1424	Hotel 1424	El Bonita
Inn at Southbridge	Hotel St. Helena	Hotel St. Helena	Harvest Inn
Red Door Inn	Red Door Inn	Red Door Inn	Hotel St. Helena
Vineyard Country Inn	Inn at Southbridge	Inn at Southbridge	Inn at Southbridge
Wydown Hotel	Vineyard Inn	Vineyard Inn	Vineyard Inn

Fiscal Year Ended June 30

2008	2007
Adagio	Adagio
Ambrose Bierce House	Ambrose Bierce House
CIA	CIA
Eagle & Rose	Eagle & Rose
El Bonita	El Bonita
Harvest Inn	Harvest Inn
Hotel St. Helena	Hotel St. Helena
Inn at South Bridge	Inn at South Bridge
Sunny Acres	Sunny Acres
Vineyard Inn	Vineyard Inn

Source: St. Helena Finance Department

Schedule 14
City of St. Helena
Water Rates
Last Ten Fiscal Years

Fiscal Year		Basic Rate 5/8" Meter	Residential Commodity Rates ($/HCF) Tier 1 0-20 HCF	Tier 2 21-80 HCF	Tier 3 81+ HCF
2007	Inside City	$ 23.53	$ 1.37	$ 2.74	$ 4.11
(as of 7/1/06)	Outside City	$ 50.58	$ 1.64	$ 3.29	$ 4.93
2008	Inside City	$ 27.43	$ 1.53	$ 3.06	$ 5.48
(as of 4/1/08)	Outside City	$ 42.52	$ 1.84	$ 3.67	$ 6.57
2009	Inside City	$ 29.62	$ 1.65	$ 3.30	$ 5.91
(as of 1/1/09)	Outside City	$ 45.91	$ 1.98	$ 3.96	$ 7.09
2010	Inside City	$ 31.40	$ 1.75	$ 3.50	$ 6.26
(as of 1/1/10)	Outside City	$ 48.67	$ 2.10	$ 4.20	$ 7.51
2011	Inside City	$ 31.40	$ 1.75	$ 3.50	$ 6.26
	Outside City	$ 48.67	$ 2.10	$ 4.20	$ 7.51

		Basic Rate 5/8" Meter	Tier 1 SF-0-14HCF MF-0-5HCG	Tier 2 SF-15+HCF MF-6+HCF
2012	Inside City	$ 24.81	$ 4.05	$ 6.07
	Outside City	$ 24.81	$ 4.05	$ 6.07
2013	Inside City	$ 25.50	$ 4.16	$ 6.24
	Outside City	$ 25.50	$ 4.16	$ 6.24
2014	Inside City	$ 26.14	$ 4.26	$ 6.40
	Outside City	$ 26.14	$ 4.26	$ 6.40
2015	Inside City	$ 26.82	$ 4.37	$ 6.57
	Outside City	$ 26.82	$ 4.37	$ 6.57
2016	Inside City	$ 27.52	$ 4.48	$ 6.74
	Outside City	$ 27.52	$ 4.48	$ 6.74

* In FY 2012, water use tiers were changed.

Source: St. Helena Utility Department

Schedule 15
City of St. Helena
Sewer Rates
Last Ten Fiscal Years

Fiscal Year	Residential Charge	Multi-family and Commercial Charges (based on meter size)							
		5/8"	3/4"	1"	1.5"	2"	3"	4"	6"
2007	$ 65.47	$ 39.24	$ 57.87	$ 95.15	$ 188.35	$ 300.18	$ 561.12	$ 933.90	$ 1,865.83
2008	$ 79.53	$ 49.81	$ -	$ 121.12	$ 239.99	$ 382.62	$ 715.44	$ 1,190.89	$ 2,379.53
2009	$ 87.48	$ 54.79	$ -	$ 133.23	$ 263.99	$ 420.88	$ 786.98	$ 1,309.98	$ 2,617.48
2010	$ 96.23	$ 60.27	$ -	$ 146.55	$ 290.39	$ 462.97	$ 865.68	$ 1,440.98	$ 2,879.23
2011	$ 96.23	$ 60.27	$ -	$ 146.55	$ 290.39	$ 462.97	$ 865.68	$ 1,440.98	$ 2,879.23
2012	$ 42.68	$ 37.97	$ -	$ 92.33	$182.95	$291.67	$ 545.38	$ 907.82	$1,813.91
2013	$ 43.88	$ 39.03	$ -	$ 94.92	$188.07	$299.84	$ 560.65	$ 933.24	$1,864.70
2014	$ 44.98	$ 40.01	$ -	$ 97.29	$192.77	$307.34	$ 574.67	$ 956.57	$1,911.32
2015	$ 46.15	$ 41.05	$ -	$ 99.82	$197.78	$315.33	$ 589.61	$ 981.44	$1,961.01
2016	$ 47.35	$ 42.12	$ -	$ 102.42	$202.92	$323.53	$ 604.94	$ 1,006.96	$2,012.00

Commodity Rate ($/HCF)

User Category	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY2012	FY2013	FY2014	FY2015	2016
Multi-family	$ 2.05	$ 2.33	$ 2.56	$ 2.82	$ 2.82	$ 3.55	$ 3.65	$ 3.74	$ 3.84	$ 3.94
Commercial - General	$ 1.89	$ 2.15	$ 2.37	$ 2.04	$ 2.04	$ 3.29	$ 3.38	$ 3.46	$ 3.55	$ 3.64
Hotel w/o food	$ 2.27	$ 2.57	$ 2.83	$ 2.27	$ 2.27	$ 3.92	$ 4.03	$ 4.13	$ 4.24	$ 4.35
Hotel w/food	$ 4.56	$ 5.17	$ 5.69	$ 2.40	$ 2.40	$ 7.89	$ 8.11	$ 8.31	$ 8.53	$ 8.75
Car Wash	$ 1.49	$ 1.68	$ 1.85	$ 2.61	$ 2.61	$ 2.57	$ 2.64	$ 2.71	$ 2.78	$ 2.85
Laundromat	$ 1.75	$ 1.98	$ 2.18	$ 2.61	$ 2.61	$ 3.02	$ 3.10	$ 3.18	$ 3.26	$ 3.34
Service Station	$ 2.44	$ 2.77	$ 3.05	$ 2.61	$ 2.61	$ 4.23	$ 4.35	$ 4.46	$ 4.58	$ 4.70
Restaurant	$ 6.10	$ 6.91	$ 7.60	$ 3.05	$ 3.05	$ 10.53	$ 10.82	$ 11.09	$ 11.38	$ 11.68
Church	$ 1.89	$ 2.15	$ 2.37	$ 3.11	$ 3.11	$ 3.29	$ 3.38	$ 3.46	$ 3.55	$ 3.64
City Facility	$ 1.89	$ 2.15	$ 2.37	$ 3.36	$ 3.36	$ 3.29	$ 3.38	$ 3.46	$ 3.55	$ 3.64
School	$ 1.65	$ 1.87	$ 2.06	$ 4.86	$ 4.86	$ 2.86	$ 2.94	$ 3.01	$ 3.09	$ 3.17
Mixed Retail w/food	$ 3.55	$ 4.02	$ 4.42	$ 6.26	$ 6.26	$ 6.12	$ 6.29	$ 6.45	$ 6.62	$ 6.79
Grocery	$ 6.19	$ 7.02	$ 7.72	$ 8.36	$ 8.36	$ 10.70	$ 11.00	$ 11.28	$ 11.57	$ 11.87
Mortuary	$ 6.19	$ 7.02	$ 7.72	$ 8.49	$ 8.49	$ 10.70	$ 11.00	$ 11.28	$ 11.57	$ 11.87
Sutter Home Winery	$ 2.22	$ 2.52	$ 2.77	$ 8.49	$ 8.49	$ 3.84	$ 3.95	$ 4.05	$ 4.16	$ 4.27
Merryvale Winery	$ 10.92	$ 12.38	$ 13.62	$ 14.98	$ 14.98	$ 18.87	$ 19.40	$ 19.89	$ 20.41	$ 20.94
Spottswoode Winery	$ 10.92	$ 12.38	$ 13.62	$ 14.98	$ 14.98	$ 18.87	$ 19.40	$ 19.89	$ 20.41	$ 20.94

Source: St. Helena Utility Department

Schedule 16
City of St. Helena
Water Principal Payers-Concentration Data
Last Ten Fiscal Years

Water Revenue Concentration Data
Revenue in Dollars and Number of Customers

Fiscal Year	Class of Customer: Residential	Industrial	Hotel/Spa	Commercial	Other	Total Revenue
2016	$ 2,368,449	$ 633,353	$ 143,534	$ 767,609	$ 121,996	$ 4,034,941
	2,162	21	9	270	109	2,571
2015	$ 2,462,777	$ 691,901	$ 137,125	$ 796,145	$ 88,331	$ 4,176,279
	2,144	21	8	257	119	2,549
2014	$ 2,723,339	$ 826,850	$ 179,675	$ 938,054	$ 117,627	$ 4,785,545
	2,174	21	8	258	100	2,561
2013	$ 2,654,572	$ 415,084	$ 151,581	$ 1,309,949	$ 100,512	$ 4,631,698
	2,160	18	8	261	83	2,530
2012	$ 2,379,830	$ 412,845	$ 144,228	$ 1,179,217	$ 93,682	$ 4,209,802
	2,150	18	8	262	80	2,518
2011	$ 1,562,100	$ 335,770	$ 123,750	$ 859,079	$ 74,349	$ 2,955,048
	2,357	18	8	269	76	2,728
2010	$ 1,501,636	$ 154,389	$ 98,164	$ 838,724	$ 171,391	$ 2,764,304
	2,145	19	8	266	94	2,532
2009	$ 1,627,855	$ 77,102	$ 34,898	$ 1,069,293	$ 141,420	$ 2,950,567
	2,146	19	17	236	90	2,508
2008	$ 1,447,376	$ 389,239	$ 151,111	$ 414,177	$ 159,589	$ 2,561,492
	2,132	26	14	252	132	2,556
2007	$ 1,477,117	$ 390,514	$ 121,204	$ 331,720	$ 277,777	$ 2,598,332
	2,139	26	9	200	84	2,458
2006	$ 1,209,955	$ 334,798	$ 101,564	$ 314,433	$ 293,841	$ 2,254,590
	2,140	21	8	202	143	2,514
2005	$ 1,061,691	$ 297,642	$ 71,034	$ 255,886	$ 263,457	$ 1,949,711
	2,140	21	8	205	253	2,627

Source: St. Helena Utility Department

Schedule 17
City of St. Helena
Wastewater Principal Payers-Concentration Data
Last Ten Fiscal Years
Wastewater Revenue Concentration Data

Revenue in Dollars and Number of Customers

Fiscal Year	Class of Customer: Residential	Industrial	Hotel/Spa	Commercial	Other	Total Revenue
2016	$ 1,368,605	$ 25,286	$ 115,812	$ 911,441	$ -	$ 2,421,143
	1,568	2	7	190		1,767
2015	$ 1,386,243	$ 24,987	$ 72,351	$ 687,114	$ -	$ 2,170,695
	1,536	2	6	182		1,726
2014	$ 1,332,841	$ 24,286	$ 101,144	$ 685,301	$ -	$ 2,143,572
	1,530	2	6	190		1,728
2013	$ 1,317,915	$ 15,654	$ 69,062	$ 648,352	$ -	$ 2,050,983
	1,532	2	6	190		1,730
2012	$ 1,285,054	$ 14,478	$ 70,507	$ 638,670	$ -	$ 2,008,709
	1,526	2	6	191		1,725
2011	$ 1,030,735	$ 13,857	$ 56,558	$ 515,264	$ -	$ 1,616,414
	1,682	2	6	189	-	1,879
2010	$ 917,757	$ 15,191	$ 56,588	$ 475,059	$ -	$ 1,464,595
	1,513	2	6	166	-	1,687
2009	$ 896,481	$ 17,241	$ 64,693	$ 334,177	$ -	$ 1,312,591
	1,512	3	11	167	-	1,693
2008	$ 884,350	$ 17,984	$ 66,275	$ 225,494	$ 64,094	$ 1,258,197
	1,491	3	8	143	22	1,667
2007	$ 805,899	$ 22,272	$ 62,174	$ 238,644	$ 70,773	$ 1,199,762
	1,496	3	9	145	33	1,686
2006	$ 758,557	$ 19,674	$ 50,132	$ 213,645	$ 52,468	$ 1,094,476
	1,491	3	8	148	28	1,678
2005	$ 625,270	$ 18,359	$ 33,392	$ 167,411	$ 39,041	$ 883,474
	1,493	3	8	135	38	1,677

Source: St. Helena Utility Department

Schedule 18
City of St. Helena
Ratios of Outstanding Debt By Type
Last Ten Fiscal Years
(Dollars in Thousands except for Per Capita)

	Governmental Activities					Business-type Activities							From CAFR	
Fiscal Year	General Obligation Bonds	Lease Revenue Bonds	Special Assessment Bonds	Capital Lease Obligations	State of California and Other Loans	Capital Lease Obligations	State of California and Other Loans	Total City Debt	Total General Obligation Debt as Percentage of Real Property	Total General Obligation Debt Per Capita	Total City Debt as Percentage of Personal Income	Total City Debt Per Capita	Population	Per Capita Personal Income
2007	1,410	-	-	2,899	-	11,015	-	15,324	0.00009%	0.24	3.89%	2.56	5989	65.7
2008	1,300	-	-	2,625	-	10,745	-	14,670	0.00009%	0.22	3.76%	2.47	5941	65.7
2009	1,185	-	-	2,337	2,782	10,460	-	16,764	0.00008%	0.20	4.31%	2.83	5924	65.7
2010	1,065	-	-	2,114	6,153	10,170	-	19,502	0.00007%	0.18	4.94%	3.24	6010	65.7
2011	935	-	-	1,803	8,747	9,865	-	21,350	0.00006%	0.16	5.37%	3.67	5814	68.4
2012	800	-	-	1,603	7,283	16,941	-	26,627	0.00005%	0.14	6.63%	4.53	5875	68.4
2013	655	-	-	1,417	6,931	16,619	-	25,622	0.00004%	0.11	6.40%	4.38	5854	68.4
2014	505	-	-	1,202	6,570	15,800	-	24,077	0.00003%	0.08	5.92%	4.05	5950	68.4
2015	345	-	-	997	6,202	15,195	-	22,739	0.00002%	0.06	5.61%	3.83	5931	68.4
2016	175	-	-	784	5,824	14,565	-	21,348	0.00001%	0.03	5.20%	3.56	6004	68.4

Source: St. Helena Finance Department

Schedule 19
City of St. Helena
Direct and Overlapping Governmental Activities Debt
As of June 30, 2016

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
City of St. Helena	$ 175,000	100.000%	$ 175,000
St. Helena Unified School District	59,431,232	27.784%	16,512,373
Napa Joint Community College District	118,406,073	6.267%	7,420,509
Other debt:			
Napa County Certificates of Participation	27,305,000	6.324%	1,726,768
Napa County Board of Education Certificates of Participation	2,710,000	6.324%	171,380
Subtotal overlapping debt			25,831,031
City direct debt - governmental only			175,000
Total direct and overlapping debt			$ 26,006,031

Source:California Municpal Statistics, Inc.

Schedule 20
City of St. Helena
Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year	Debt Limit	Total Debt Applicable To Limit	Total Debt Applicable To Limit as Percentage of Debt Limit
2007	222,737,496	1,410,000	1%
2008	222,847,496	1,300,000	1%
2009	228,410,550	1,185,000	1%
2010	158,745,300	1,065,000	1%
2011	241,022,200	935,000	0%
2012	258,690,950	800,000	0%
2013	264,860,300	655,000	0%
2014	289,495,655	505,000	0%
2015	293,956,771	345,000	0%
2016	310,306,291	175,000	0%

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed value	$ 2,068,708,606
Debt limit (15% of assessed value)	310,306,291
Less debt applicable to limit:	
General obligation bonds	175,000
Total debt applicable to limit	175,000
Legal debt margin	$ 310,131,291

Under state finance law, the city's outstanding general obligation bonded debt should not exceed 15 percent of total assessed property value.

Source: Calculation completed by St. Helena Finance Department

Schedule 21
City of St. Helena
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	(1) Population	(2) Personal Income	Per Capita Personal Income	(3) Unemployment Rate
2007	5,989	393,477,300	65,700	4.20%
2008	5,941	390,323,700	65,700	6.20%
2009	5,924	389,206,800	65,700	4.10%
2010	6,010	394,857,000	65,700	9.30%
2011	5,814	397,700,856	68,404	10.30%
2012	5,875	401,873,500	68,404	8.40%
2013	5,854	400,437,016	68,404	6.20%
2014	5,950	407,003,800	68,404	4.70%
2015	5,931	405,704,124	68,404	4.10%
2016	6,004	410,697,616	68,404	4.20%

(1) Source: California Department of Finance
(2) Source: 2010 US Census
(3) Source: State of California EDD Labor Force Data

Schedule 22
City of St. Helena
Principal Employers (Ten Largest)
Last Six Fiscal Years

Fiscal Year Ended June 30, 2016

Employer	Number Employees	Rank	Percentage of Total City Employment
Sutter Home	272	1	9.55%
Beringer (Treasury Wine Estates)	186	2	6.53%
Charles Krug Winery	125	3	4.39%
Long Meadow Ranch General	97	4	3.41%
Sunshine Foods	82	5	2.88%
Safeway Inc. #2605	77	6	2.70%
City of St. Helena	75	8	2.63%
Wine Country Cases	74	7	2.60%
Constellation Brands	69	9	2.42%
Cindy's Backstreet Kitchen	52	10	1.83%
Totals	1109		38.95%

Fiscal Year Ended June 30, 2015

Employer	Number Employees	Rank	Percentage of Total City Employment
Sutter Home	300	1	10.54%
Beringer (Treasury Wine Estates)	186	2	6.53%
Charles Krug Winery	125	3	4.39%
Long Meadow Ranch General	97	4	3.41%
Sunshine Foods	82	5	2.88%
Safeway Inc. #2605	77	6	2.70%
Wine Country Cases	74	7	2.60%
City of St. Helena	69	8	2.42%
Constellation Brands	68	9	2.39%
Cindy's Backstreet Kitchen	66	10	2.32%
Totals	1144		40.18%

Fiscal Year Ended June 30, 2014

Employer	Number Employees	Rank	Percentage of Total City Employment
Sutter Home	311	1	10.92%
Beringer (Treasury Wine Estates)	186	2	6.53%
Charles Krug Winery	125	3	4.39%
Tra Vigne	97	4	3.41%
Farmstead LLC	83	5	2.92%
Sunshine Foods	82	6	2.88%
Safeway Inc. #2605	77	7	2.70%
Wine Country Cases	67	8	2.35%
Icon Estates	66	9	2.32%
City of St Helena	65	10	2.28%
Totals	1159		40.71%

Fiscal Year Ended June 30, 2013

Employer	Number Employees	Rank	Percentage of Total City Employment
Sutter Home	287	1	9.53%
Beringer (Treasury Wine Estates)	248	2	8.24%
Charles Krug Winery	129	3	4.28%
Tra Vigne	95	4	3.16%
Farmstead LLC	90	5	2.99%
Safeway Inc. #2605	82	6	2.72%
Sunshine Foods	75	7	2.49%
Icon Estates	72	8	2.39%
City of St Helena	66	9	2.19%
Wine Country Cases	65	10	2.16%
Totals	1209		40.15%

Fiscal Year Ended June 30, 2012

Employer	Number Employees	Rank	Percentage of Total City Employment
Sutter Home	350	1	11.62%
Beringer (Treasury Wine Estates)	185	2	6.14%
Charles Krug Winery	127	3	4.22%
Harlan Family Domain	100	4	3.32%
Tra Vigne	92	5	3.06%
Safeway Inc. #2605	83	6	2.76%
City of St Helena	73	7	2.42%
Sunshine Foods	70	8	2.32%
Icon Estates	68	9	2.26%
Wine Country Cases	62	10	2.06%
Totals	1210		40.19%

Fiscal Year Ended June 30, 2011

Employer	Number Employees	Rank	Percentage of Total City Employment
Sutter Home	350	1	12.60%
Beringer (Treasury Wine Estates)	200	2	7.20%
Charles Krug Winery	125	3	4.50%
Tra Vigne	93	4	3.35%
Safeway	86	5	3.10%
City of St Helena	81	6	2.92%
Farmstead LLC	78	7	2.81%
Sunshine Foods	74	8	2.66%
Icon Estates	68	9	2.45%
Wine Country Cases	62	10	2.23%
Totals	1217		43.82%

Source: St. Helena Business License

Note: Information about principal employers was not previously provided by the City in the statistical section of its Compehensive Annual Financial Report. The City implemented GASB Statement Number 44 in the 2006 fiscal year, and therefore information in this schedule is being provided prospectively from the year of implementation.

Schedule 23
City of St. Helena
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government:										
City clerk	2	2	2	2	2	2	1	1	1	2
City attorney	-	-	-	-	-	-	-	-	-	-
City manager	1	1	1	1	1	1	1	1	2	3
Finance	5	5	5	5	5	5	5	5	5	5
Public safety:										
Police	19	20	17	17	17	17	17	17	17	17
Fire	2	2	2	2	2	2	2	2	2	6
Planning:										
Planning	4	6	5	5	5	5	2	2	2	3
Building and safety	1	-	-	-	-	-	-	-	1	2
Public works:										
Administration	4	6	6	6	6	6	4	4	4	6
Government buildings	2	2	2	2	2	2	-	-	-	0
Roads and streets	2	3	3	3	2	2	2	2	2	2
Parks:										
Parks and recreation	9	10	10	10	10	10	10	10	11	8
Library:										
Library operations	11	11	10	10	10	10	11	11	11	11
Water:										
Treatment and distribution	7	8	7	7	7	7	5	5	7	7
Wastewater:										
Collection and treatment	5	6	6	6	5	5	5	5	5	4
Totals	74	82	77	77	73	73	65	65	69	75

Source: St. Helena Finance Department

Note: City attorney not shown. We contract that position.

Schedule 24
City of St. Helena
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police:										
Physical arrest	300	247	240	261	126	233	148	139	187	192
Traffic violations	1443	1437	1366	659	558	795	760	823	398	1436
Fire:										
Emergency responses	706	732	724	707	673	667	729	733	763	851
Fires extinguished	61	53	48	33	34	57	59	72	27	25
Planning:										
Building permits issued	469	319	338	452	469	278	414	237	623	649
Public works:										
Miles streets resurfaced	0	2	2	0	0	2	2	4	0	1
Water:										
Number new connections	1	(59)	(48)	-	-	(1)	12	31	4	2
Daily average water production in MGD	1.507	1.507	1.507	1.500	1.500	1.615	1.692	1.637	1.373	1.361
Daily average water consumption in MGD	1.597	1.597	1.597	1.413	1.413	1.460	1.369	1.577	1.375	1.218
*Wastewater:										
Number new connections	63	(73)	26	0	0	1	11	3	18	3
Daily average treatment in millions gallons (MGD)	0.723	0.723	0.482	0.577	0.577	0.542	0.408	0.403	0.384	0.384

*Please note that these statistics are based on calendar year.

Schedule 25
City of St. Helena
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police:										
Staions	1	1	1	1	1	1	1	1	1	1
Patrol units	5	5	5	5	5	5	5	5	5	5
Fire										
Stations	1	1	1	1	1	1	1	1	1	1
Engines	3	3	3	3	3	3	3	3	3	3
Public works:										
Miles of streets	30.3	30.3	30.3	30.3	30.3	30.3	30.3	30.3	30.3	30.3
Streetlights	536	536	536	536	536	536	536	536	536	536
Parks and recreation:										
Community centers	1	1	1	1	1	1	1	1	1	1
Parks	14	14	14	14	14	14	14	14	14	14
Park acreage	26.5	26.5	39.1	39.1	39.1	39.1	39.1	39.1	39.1	39.1
Water:										
Miles of mains	50	50	50	50	50	50	50	50	50	50
Number connections	2,515	2,456	2,408	2,408	2,408	2408	2408	2565	2569	2571
Maximum plant capacity in millions gallons	4,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Wastewater:										
Miles of sewers	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.61	18.61	18.61
Number connections	1,741	1,668	1,694	1,694	1,694	1725	1730	1746	1764	1767
Maximum plant capacity in millions gallons	.500 MGD	.500 MGD	.650 MGD	.650 MGD	.650 MGD	650MGD	.500MGD	.500MGD	.500MGD	.500MGD

Note: Stabbo Park added in 2006

Van Lant & Fankhanel, LLP
Certified Public Accountants

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

City Council
City of St. Helena
St. Helena, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of St. Helena (City), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 17, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in items 2016-1 and 2016-2 in the accompanying schedule of findings and questioned costs to be material weaknesses.

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A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in items 2016-3 and 2016-4 in the accompanying schedule of findings and questioned costs to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2016-5.

City of St. Helena's Response to Findings

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The City's responses were not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Van Lant + Fankhanel, LLP

April 17, 2017

CITY OF ST. HELENA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2016

2016-1: Policies and Procedures

Findings:

This comment is a continuation from the prior year audit: our audit procedures involved obtaining and evaluating various policies and procedures. During our audit we noted the City could benefit from establishing formal policies in certain areas, including the following:

Accounting Policies and Procedures
Debt Management Policy
Fraud Prevention and Detection Policy (Code of Conduct)

Although the City may have informal policies in these areas, we believe the City could benefit from a more formal and comprehensive policies and procedures manual, approved by the City Council, which would provide detailed guidance to employees and management. This will help to ensure consistency in these areas, even if there is staff turnover. The following provides more detail regarding these policies and procedures:

Accounting Policies and Procedures

Communication is an essential component of a comprehensive framework of internal controls. One method of communication that is particularly effective for controls over accounting and financial reporting is the formal documentation of accounting policies and procedures. A well-designed and properly maintained system of documenting accounting policies and procedures enhances both accountability and consistency. The resulting documentation can also serve as a useful training tool for staff.

The documentation of accounting policies and procedures should be evaluated annually and updated periodically, as necessary. It should be readily accessible to all applicable employees.

An accounting policies and procedures manual should indicate which employees are to perform which procedures. It should delineate the authority and responsibility of all employees. Procedures should be described as they are actually intended to be performed, rather than in some idealized form. The documentation of accounting policies and procedures should explain the design and purpose of control related procedures to increase employee understanding.

Debt Management Policy

The City has various outstanding debt issuances. Based on our audit procedures, it appears the City has not established a formal debt management policy. The Government Finance Officers Association (GFOA) has issued a “Recommended Practice” regarding this issue.

Specifically, GFOA recommends that all local governments intending to issue debt develop a comprehensive debt policy. Examples of elements that should be addressed in such a policy include:

CITY OF ST. HELENA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2016

2016-1: Policies and Procedures - Continued

- The purpose for which the debt may be issued;
- Legal debt limitations established by policy;
- Types of debt permitted to be issued and criteria for issuance;
- Structural features that may be considered, such as maturity of debt, setting the maturities of the debt equal to or less than the useful life of the project; use of zero coupon bonds, discount bonds, premium bonds, etc.;
- Credit objectives;
- Authorized methods of sale;
- Method of selecting outside finance professionals;
- Policy on refunding debt

A debt policy should be formally adopted by the legislative body, and the debt program should be continuously monitored to ensure that it is in compliance with the debt policy. We recommend the City consider establishing a formal debt policy, taking into consideration the recommendations of GFOA.

Code of Conduct (including fraud prevention and detection policies)

The City Council and Management are responsible for designing and implementing systems and procedures for the prevention and detection of fraud, and for ensuring a culture and environment that promotes honesty and ethical behavior. This includes the responsibility to develop and implement a formal fraud risk assessment program.

Fraud can range from minor employee theft and unproductive behavior to misappropriation of assets and fraudulent financial reporting. Although external auditors are required to consider the risk of fraud in the audit process, it should be noted that external auditors are not considered part of the City’s controls over the prevention and detection of fraud. Rather, external auditors are required to evaluate the City’s fraud prevention and detection program, in relation to the audit of the financial statements.

The risk of fraud can be reduced through a combination of prevention, deterrence, and detection measures. However, fraud can be difficult to detect because it often involves concealment through falsification of documents or collusion among management, employees, or third parties. Therefore, it is important to place a strong emphasis on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence, which could persuade individuals that they should not commit fraud because of the likelihood of detection and punishment. Moreover, prevention and deterrence measures are much less costly than the time and expense required for fraud detection and investigation.

During our audit we noted the City has taken steps to address the risk of fraud in certain areas, such as segregation of duties and other internal controls. However, the City should consider developing and expanding its formal fraud policies.

For example, the City’s current policies do not provide a thorough description of fraud. They also do not provide direction as to what employees should do if they suspect fraud is occurring.

CITY OF ST. HELENA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2016

2016-1: Policies and Procedures - Continued

The City should consider establishing a more formal training program for all employees regarding fraud. New employees should be trained at the time of hiring about the entity's code of conduct (and fraud policies). This training should explicitly cover expectations of all employees regarding (1) their duty to communicate certain matters; (2) a list of the types of matters, including actual or suspected fraud, to be communicated along with specific examples; and (3) information on how to communicate those matters. In addition to the training at the time of hiring, employees should receive refresher training periodically thereafter.

As mentioned above, management needs to provide information to employees on how to communicate fraud related matters. Research has shown that the majority of fraud is detected by fellow employees, and not by outside auditors or internal controls. It is important for the City to establish and communicate to employees a reporting system that is appropriate for the City. The City should consider establishing a confidential reporting mechanism, not only for employees, but also for vendors and customers of the City.

Overall, the City should establish a formal fraud risk assessment program, to ensure that the risk of fraud is being periodically evaluated, monitored, and that appropriate action is taken to address the identified risks.

In summary, the City has established controls over fraud in certain areas. However, the City should consider expanding its fraud prevention program as discussed above. The above comments do not address all components of a strong antifraud program. Additional information can be provided regarding this issue.

Recommendation:

We recommend the City develop and establish formal policies and procedures as discussed above. The policies and procedures should be developed by appropriate personnel and approved by the City Council. The City should consider GFOA's recommended practices and other resources during the process.

Management's Response:

City Management agrees with the auditor's recommendation to develop and establish formal policies and procedures as discussed above. Beginning in 2015 City Management began the process of formalizing policies and procedures for all departments city-wide. As the auditors articulated, many policies within Finance are informal. If policies and/or procedures exist, many are outdated and in need of updating.

Current City Management is committed to the development of formal policies and procedures as well as fiscal prudence. The four policy and procedure areas identified by Van Lant & Fankhanel, LLP will be a top priority. It is anticipated formal policies will be presented to the City Council in FY 2017/18.

CITY OF ST. HELENA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2016

2016-2: Accounting Records and Financial Reporting

Findings:

The City's Management is responsible for the preparation and fair presentation of financial statements in accordance with applicable accounting principles. This includes the design and implementation of relevant internal controls to ensure accurate and timely financial reporting. While improvements have been made since the prior year audit, it became apparent during the 2015-16 audit process, that certain analysis and adjustments were yet to be performed for the fiscal year ended June 30, 2016. Certain accounts in the City's general ledger had not been analyzed and adjusted at year-end and throughout the fiscal year. Throughout the audit process, the City's Finance staff provided us with the necessary analysis and adjustments, as requested. However, some of the analysis, reconciliations and adjustments were completed several months after year-end.

For example, the City was still preparing and posting adjustments for payroll-related accounts in March 2017 for the year ended June 30, 2016.

This situation may be result of various factors, including the lack of formal policies discussed in Finding 2016-1 above. The year-end closing process, including necessary analysis, reconciliations, and adjustments, should normally be completed within a few months after year-end. If accounting records are consistently and accurately maintained throughout each fiscal year, the year-end closing process can be completed in a much more efficient manner. If balances and transactions have not been analyzed and reconciled in a timely manner, it could be an indication that City management is not receiving accurate financial information throughout each fiscal year. In addition, the City may not be able to comply with various reporting requirements in a timely manner (State and Federal deadlines).

Recommendation:

We recommend the City take steps to evaluate the current accounting policies and procedures, and determine if revisions may be necessary to ensure timely and accurate financial reporting. In addition to the formal accounting policies and procedures manual discussed above, we recommend the City prepare a schedule of accounting procedures to be performed each month, quarter, and at year-end, as applicable. The schedule should include a detailed description of the required analysis and adjustments, along with due dates for the various procedures. The schedule should include provision for sign-off, indicating when the applicable procedures were performed and reviewed as necessary. City management should ensure that sufficient staff are available to perform the required analysis and year-end accounting.

Management's Response:

City Management agrees with the auditor's findings and recommendations regarding reconciliation of accounts to ensure timely financial reporting. The auditor's statements are correct with regards to various accounts in the City's general ledger not being analyzed and adjusted for quite some time. During the FY 2015/16 audit process Finance staff spent a considerable amount of time researching, analyzing, and making appropriate adjustments to its financial accounts.

CITY OF ST. HELENA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2016

2016-2: Accounting Records and Financial Reporting - Continued

During FY 2014/15 a draft reconciliation process was developed and unfortunately staff was unable to meet the anticipated deadlines in FY 2015/16 due to the reconciliation issues addressed above. As with the recommendation in 2016-1, City staff will work on the formalization of these procedures to ensure staff has proper direction when completing the year end reconciliation process.

2016-3: Segregation of Duties

<u>Findings:</u>

While performing various audit procedures, we noted a lack of adequate segregation of incompatible duties in certain areas. These comments are continued from the prior year:

Library Receipts

Payments are received at the Library for various purposes. The Library staff enter the receipts into a register, but no receipt is printed from the register and provided to the customers. This receipting process is not integrated with the City's Finance software. An Office Assistant prints out the register tape each day and takes possession of the cash and checks, to be turned over to the City's Finance Department. It appears the Office Assistant has complete control over these funds from the time they are taken from the register until they are turned in to the Finance Department, with no independent verification that all amounts actually received were eventually deposited and recorded by the City (e.g., reconciliation of the register tapes to the amounts deposited).

Police Receipts

It appears the Police Department utilizes a manual receipt book to record incoming payments. The Police Department staff maintain control over these receipt books. In addition, although an individual is assigned to reconcile the receipt numbers, this individual is also responsible for taking in and recording payments. There is no independent verification that all Police receipts were eventually deposited and recorded in the City's general ledger. If the City is going to continue using manual receipt books, the receipt books should be under the control of the Finance Department. The Finance Department should have custody of the unused receipt books, which can be issued to the Police Department as necessary, and the used receipt books should be turned in to Finance for independent reconciliation. A person independent of the Police receipts function should be responsible for reconciling this activity.

An automated cash receipt system would strengthen controls over Police Department receipts (and other receipts) even further. Utilizing cash registers which are integrated with the City's Finance software would help to ensure that all incoming receipts are deposited and recorded.

Some cities establish a central cashiering function to address these issues, which the City may want to consider. However, the City should evaluate the cost vs. benefit of potential solutions to this issue.

CITY OF ST. HELENA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2016

2016-3: Segregation of Duties - Continued

Utility Billing Receipts and Adjustments

An Accounting Assistant at the front desk can take in payments on utility bills, but also has the capability of making certain adjustments to customer accounts without any independent approval or oversight. Adjustments to customer accounts should only be made by individuals who do not handle incoming payments, unless the system requires additional approvals for the adjustments. The City should ensure that the collection function is segregated from the ability to make adjustments in the Finance software.

Building Permit Fees and Impact Fees

The City should consider whether controls over the building permit fees and impact fees could be strengthened with increased review and oversight, and reconciliation of the information in the “Track It” software with amounts receipted and deposited.

Currently, it appears the function of assessing and collecting the above fees is concentrated in one individual, with little oversight. Although customers submit payment at the front counter, there is no reconciliation between the fees assessed in the building permit software and the amounts paid and receipted in the City’s Finance software. There also appears to be a lack of independent review and oversight regarding the fees assessed. We recommend the City evaluate the process and related controls related to these fees, to determine if controls could be strengthened.

Recommendation:

The City should evaluate the various functions discussed above (and all City functions), and determine what practical steps can be taken to segregate incompatible duties. The City should perform risk assessment procedures, on a periodic basis, to determine significant risks to which the City is exposed, which risks the City is willing to accept, and the risks for which the City should take action to mitigate. Cost versus benefit analysis should be considered throughout the risk assessment process.

Management’s Response:

City Management agrees with the auditor’s findings and recommendations in this area. While segregation of incompatible duties can prove to be challenging with a small staff we will work to segregate duties when it is possible, knowing there are some situations where it cannot be avoided.

Staff has already made the corrections or begun the process and plans to correct the instances listed by the auditors. Specific areas mentioned in the auditor’s findings are addressed below.

Library/Police Receipts – The Finance Department is currently working with both the Library and Police Department staff to integrate with the City’s Springbrook financial software. During FY 2016/17 finance staff has developed procedures for these departments. During FY 2016/17 the Library staff has been trained and is currently processing its own cash receipts. Finance staff is currently working with Police staff for set-up, training, and implementation. It is anticipated this will be complete during FY 2017/18.

CITY OF ST. HELENA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2016

2016-3: Segregation of Duties - Continued

Utility Billing Receipts and Adjustments – This area has partially been addressed. The individual responsible for processing utility billing receipts can initiate adjustments to utility accounts; however, this individual can not “commit” the change. The final process of review and approval is done by another staff member. City Management will continue to review the current process for utility billing receipts and adjustments and make the necessary changes.

Building Permit Fees and Impact Fees – This area has partially been addressed through the complete reconciliation of two of the accounts for fee collection. Staff has set up a system where quarterly audits are done with two of the financial accounts and reconciles them with the accounts in TrakIt (building software). Finance staff has been working and will continue to work with the Planning Director and Planning staff to develop a procedure to ensure internal controls.

As was mentioned in 2016-1 each of the areas identified in 2016-3 will include staff developing formal policies and procedures to ensure proper controls.

2016-4: Other Internal Control Issues

Findings and Recommendations:

Old Outstanding Checks

While testing the City’s bank account reconciliations, we noted that several old outstanding checks are being carried forward as reconciling items from month to month. These checks were issued over one year ago, dating back to 1999, totaling approximately $39,000.

The City should establish policies to investigate old outstanding checks and take appropriate action as necessary. The City’s policy should include guidance on writing off old outstanding checks while also addressing any legal requirements.

Fuel Charges, Credit Card Usage and Travel Costs

Various City employees use fuel cards to pay for the refueling of City vehicles. Based on our audit procedures, it appears there is a lack of control over this activity. Although the total fuel expenses can be monitored (compared to budget, etc.), there is no reconciliation or analysis being performed to compare the mileage driven to fuel usage, or to evaluate the reasonableness of miles driven. Fuel usage can be subject to various improprieties, including the potential for employees to charge the City for personnel use of vehicles.

One control that can be implemented to monitor fuel costs is to require the logging down of odometer readings, which can be periodically verified, and used to analyze the mileage driven versus the fuel charges incurred. Odometer readings can also be used to evaluate the reasonableness of miles driven by employees.

CITY OF ST. HELENA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2016

2016-4: Other Internal Control Issues - Continued

The City's Employee Handbook includes policies regarding travel and the reimbursement of travel costs, including approved reimbursement rates. Employees are required to complete a Travel Expense Form, which is turned into the Finance Department for reimbursement. During our audit, we noted various City personnel are using City credit cards to pay for travel expenses, including meal, transportation, and lodging costs. Although the credit card charges are reviewed to some extent, it appears there is no independent verification that the travel costs charged to the City's credit cards are within the limits and categories allowed by the City's travel policies. It is also our understanding that the City has not developed overall policies regarding the use of City credit cards.

In order to strengthen controls over travel and other costs charged to the City's credit cards, we recommend the City establish procedures to ensure all travel costs, including those charged to City credit cards, are within the approved limits and categories allowed by the adopted policies. It appears the City is in the process of developing a new travel policy - we recommend that this new policy address the use of credit cards while traveling, and also be expanded to address the use of City credit cards in general. The policy should establish guidelines which all employees can refer to when incurring travel costs, but also any other costs charged to the City's credit cards.

<u>Management's Response:</u>

City Management agrees with the auditor's findings and recommendations in this area.

Staff has already made the corrections or begun the process and plans to correct the instances listed by the auditors. Specific areas mentioned in the auditor's findings are addressed below.

Old Outstanding Checks – A policy for old outstanding checks was developed and approved by City Council on 12/13/2016. It is anticipated City staff will be able to take appropriate action with the old outstanding checks by end of FY 2016/17.

Fuel Charges, Credit Card Usage, and Travel Costs – This area is in the process of being addressed. City staff has been assigned and is currently working on developing a policy and procedure to address this area.

2016-5: Compliance with Debt Covenants

<u>Finding:</u>

In 2012, the City entered into an installment purchase agreement with the California Statewide Communities Development Authority to finance for water and wastewater system improvements. The debt is secured by a pledge of the net revenues of the water and wastewater system. The installment purchase agreement includes provisions requiring that the City set rates, fees and charges for each fiscal year so as to yield system net revenues during each fiscal year equal to at least 120% of the annual debt service (including parity debt). For the 2015-16 fiscal year, the City's net revenues in the Water Fund were not sufficient to meet this requirement, as in the prior year. This is a result of decreasing revenues

CITY OF ST. HELENA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2016

2016-5: Compliance with Debt Covenants - Continued

and increasing expenses.

Recommendation:

It is our understanding the City is currently conducting a rate study to address this issue. However, the City should implement policies to ensure compliance with debt covenants on a consistent basis, even if there are unexpected fluctuations in applicable revenues and expenses.

Management's Response:

City Management agrees with the auditor's findings and recommendations in this area. On November 29, 2016 the City Council adopted new utility rates and under the newly adopted rates, it is estimated the City will be in compliance with its Bond Covenants by end of FY 2017/18.

Fiscal Year 2015/16 CAFR Report

City Council Agenda Item

April 25, 2017

The City of St. Helena's Comprehensive Annual Financial Report (CAFR)

- State law requires local government publish a complete set of audited financial statements

- The firm of Van Lant & Fankhanel, LLP, completed the annual audited financials for the City of St. Helena for the fiscal year ended June 30, 2016

The City of St. Helena's Comprehensive Annual Financial Report (CAFR)

The City of St. Helena's CAFR consists of three sections:

1. Introductory Section
2. Financial Section
3. Statistical Section

FY 2015-2016 Financial Highlights - All Funds

St. Helena's Net Position

The City's Net Position is comprised of the following categories:

- Capital Assets - $37.74 million
- Restricted for Specific Purposes - $8.82 million
- Unrestricted -$7.49 million

FY 2015-2016 Financial Highlights - All Funds

<u>Changes in the City of St. Helena's Net Position</u>

- Net Position in 2014/2015 - $52.89 million
- Net Position in 2015/2016 - $54.05 million
- Net Position in 2015/2016 increased by $1.16 million
  - Business-type activities - decrease of $0.71 million
  - Governmental activities - increase by $1.87 million

FY 2015-2016 Financial Highlights - All Funds

<u>Changes in the City of St. Helena's Revenues and Expenses</u>

- Revenues – increased by 4.17% to $20.43 million
- Expenses – decreased by 4.32% to $19.26 million

FY 2015-2016 Financial Highlights Governmental Activities

Revenues

Overall revenues increased by 3.07% to $13.21 million

- 74% from transient occupancy (TOT), property, sales, and other taxes
- 11% from fees charged for services
- 15% from local, state, and federal aid

FY 2015-2016 Financial Highlights Governmental Activities

Expenses

- Expenses – decreased by 2% to $11.34 million
- Decrease of $0.24 million

FY 2015-2016 Financial Highlights Governmental Activities

- Combined fund balance - $13.45 million
- This is $1.63 million more than the prior year's ending balance

FY 2015-2016 Financial Highlights Governmental Activities

General Fund Balance

- Increased to $4.45 million as of June 30, 2016

Non-Major Fund Balances

- Increased 4.52% to $8.99 million

FY 2015-2016 Financial Highlights - General Fund

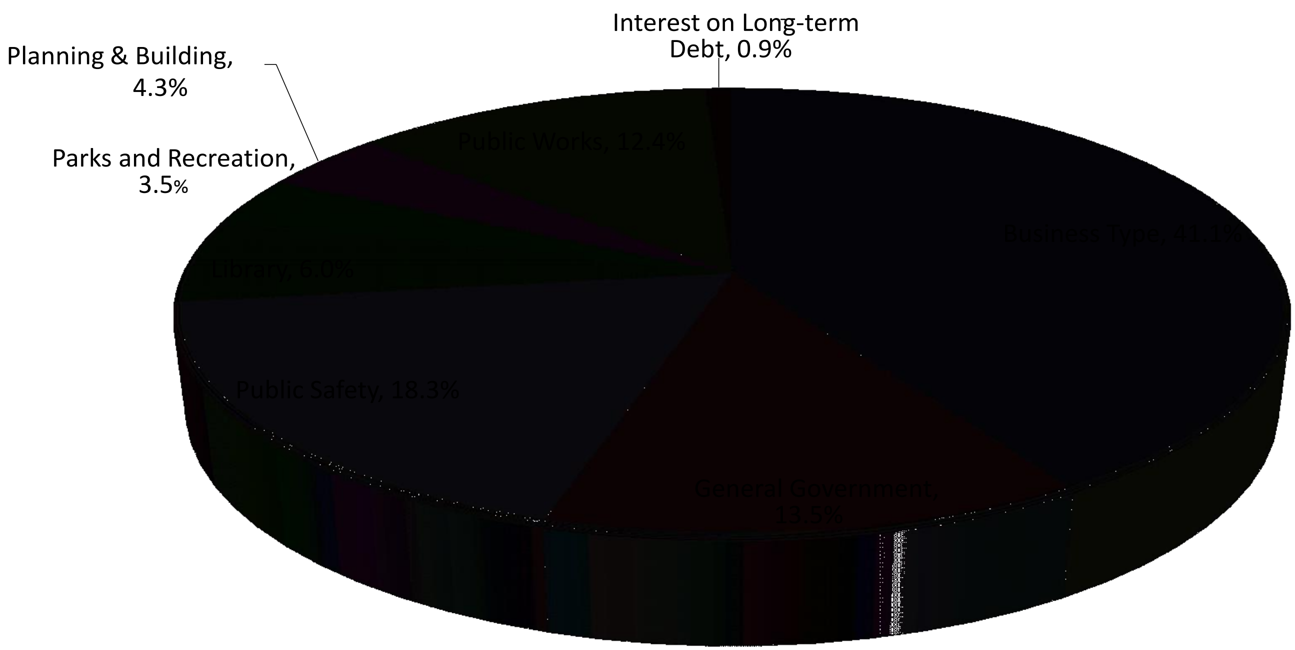
- General Fund revenues exceed budget estimates by $1.07 million
- General Fund actual expenditures were less then budgeted by $0.49 million

FY 2015-2016 Financial Highlights Business-Type Activities

Revenues and Expenses

- Revenues – increased by 6.23% to $7.21 million
- Expenses – increased by 15% to $7.92 million

FY 2015-2016 Financial Highlights - All Funds



FY 2015-2016 Financial Highlights - Capital Assets

At the end of 2016, the City had invested $56.28 million in a broad range of capital assets. This is a net decrease of about $2.21 million, or 3.8% from 2015.

FY 2015-2016 Financial Highlights - Long-Term Debt

- The City issued no long-term debt obligations in fiscal 2016
- All required debt service payments were paid when due
- Governmental Activities - $14.02 million long-term debt liabilities
- Business-type Activities - $16.88 million long-term debt liabilities

Independent Auditor's Report on Internal Control Over Financial Reporting

Independent Auditor's Report on Internal Control Over Financial Reporting

- Identifies deficiencies in internal control that the auditor considers to be material weaknesses and significant deficiencies
- Identifies areas where the City is not compliant with certain provisions of law, regulations, contracts, and grant agreements

Independent Auditor's Report on Internal Control Over Financial Reporting

- Material Weakness
  - Deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected in a timely basis
- Significant Deficiency
  - Deficiency, or combination of deficiencies, in internal control less severe than a material weakness, yet important enough to merit attention by those charged with governance

Independent Auditor's Report on Internal Control Over Financial Reporting

- <u>Compliance and Other Matters</u>
  - Tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements
  - Non-compliance could have a direct and material effect on the determination of financial statement amounts

Independent Auditor's Report on Internal Control Over Financial Reporting

- The City of St. Helena's 2015/16 Audit Report contains the following:
  - 2 Material Weaknesses
  - 2 Significant Deficiencies
  - 1 Area of Non-Compliance

Schedule of Findings
Material Weaknesses 2016-1

- 2016-1 Policies and Procedures
  - Accounting Policies and Procedures
  - Debt Management Policy
  - Fraud Prevention and Detection Policy (Code of Conduct)

Schedule of Findings
Material Weaknesses 2016-1
Recommendations

- 2016-1 Policies and Procedures
  - City develop and establish formal policies and procedures
  - Policies and procedures should be approved by City Council
  - City should consider the Government Finance Officers Association (GFOA) recommended practices and other resources during the process

Schedule of Findings
Material Weaknesses 2016-1
Management's Response

- 2016-1 Policies and Procedures
  - Current management is committed to the development of formalized policies and procedures and have started the process
  - It is anticipated formal policies will be presented to the City Council in FY 2017/18

Schedule of Findings
Material Weaknesses 2016-2

- 2016-2 Accounting Records and Financial Reporting
  - While improvements have been made since the prior year audit, certain analysis and adjustments were yet to be performed for the fiscal year ended June 30, 2016
  - Situation may be a result of various factors, including lack of formal policies as discussed in finding 2016-1
  - The year-end closing process should normally be completed within a few months after year-end

Schedule of Findings Material Weaknesses 2016-2 Recommendation

- 2016-2 Accounting Records and Financial Reporting
  - City take steps to evaluate the current accounting policies and procedures for the year-end closing process
  - Staff prepare a schedule of accounting procedures to be performed each month, quarter, and at year-end, as applicable

Schedule of Findings
Material Weaknesses 2016-2
Management's Response

- 2016-2 Accounting Records and Financial
  - During the FY 2015/16 audit process Finance staff spent a considerable amount of time researching, analyzing, and making appropriate adjustments to its financial accounts
  - As with 2016-1, City staff will work on the formalization of these procedures

Schedule of Findings Significant Deficiency 2016-3

- 2016-3 Segregation of Duties
  - Auditors noted a lack of adequate segregation of incompatible duties in certain areas

Schedule of Findings
Significant Deficiency 2016-3
Recommendation

- 2016-3 Segregation of Duties
  - Staff evaluate the various functions
  - Staff to determine what practical steps can be taken to segregate incompatible duties
  - City should perform risk assessment procedures to determine significant risks to which the City is exposed

Schedule of Findings Significant Deficiency 2016-3 Management’s Response

- 2016-3 Segregation of Duties
  - Staff has already made corrections or begun the process and plans to correct the instances listed by the auditors

Schedule of Findings Significant Deficiency 2016-4

- 2016-4 Other Internal Control Issues
  - The auditor's identified four additional internal control issues:
    - Old Outstanding Checks
    - Fuel Charges, Credit Card Usage and Travel Costs

Schedule of Findings
Significant Deficiency 2016-4
Recommendations

- 2016-4 Other Internal Control Issues
  - Establish policies to investigate old outstanding checks and take appropriate action as necessary
  - Establish control measures as they relate to Fuel Charges, Credit Card Usage and Travel Costs

Schedule of Findings
Significant Deficiency 2016-4
Management's Response

- 2016-4 Other Internal Control Issues
  - Staff have already made corrections or begun the process and plans to correct items identified by the auditors
  - Old Outstanding Checks – A policy for old outstanding checks was developed and approved by City Council on 12/13/2016
  - Fuel Charges, Credit Card Use, and Travel Costs – In progress

Schedule of Findings Compliance with Debt Covenants 2016-5

- In 2012 the City entered into an installment purchase agreement with the California Statewide Communities Development Authority to finance water and wastewater system improvements
- Debt is secured by a pledge of the net revenues of the water and wastewater system
- The installment purchase agreement includes provisions requiring that the City set rates, fees and charges for each fiscal year so as to yield system net revenues during each fiscal year equal to at least 120% of the annual debt service

Schedule of Findings Compliance with Debt Covenants 2016-5

- For the 2015/16 fiscal year, the City's net revenues in the Water Fund were not sufficient to meet this requirement
- This is a result of decreasing revenues and increasing expenses

Schedule of Findings Compliance with Debt Covenants 2016-5

- 2016-5 Compliance with Debt Covenants – Recommendations
  - City should implement policies to ensure compliance with debt covenants on a consistent basis, even if there are unexpected fluctuations in applicable revenues and expenses

Schedule of Findings Compliance with Debt Covenants 2016-5

2016-5 Compliance with Debt Covenants – Management's Response

- On November 29, 2016 the City Council adopted new utility rates and under the newly adopted rates, it is estimated the City will be in compliance with its Bond Covenants by the end of FY 2017/18

Auditors Report

By:
Van Lant & Fankhanel, LLP

Report to the City Council
Council Meeting of April 25, 2017

Agenda Section: **New Business**

Subject: **Fiscal Year 2016/17 3rd Quarter Finance Report**

CEQA Status: **Not a CEQA Project**

Prepared By: **April Mitts, Finance Director**

Approved By: **Larry Pennell, Interim City Manager**

BACKGROUND

Municipal Code Title 2, §2.24.030 states the Director of Finance shall deliver to the City Manager and to the Council at a regularly scheduled Council meeting a budget report showing the budget status at the end of the preceding quarter.

Staff has prepared the following for Council:

1. Third quarter (Q3) staff report for Fiscal Year (FY) 2016-17. This report is a summary of transactions from January 1, 2017 to March 31, 2017.
2. FY 2016/17 Q3 List of Warrants over $100,000

DISCUSSION

General Fund

General Fund revenue received from July 1, 2016 through March 31, 2017 for Fiscal Year (FY) 2016/17 is $7,049,497. To date 63% of General Fund revenue has been collected, this is same percentage collected for FY 2015/16 Q3. General Fund revenue is divided into the following categories: (1) Property Tax, (2) Sales Tax, (3) Transient Occupancy Tax (TOT), (4) Other Taxes, (5) Licenses and Permits, (6) Fines and Forfeits, (7) Intergovernmental, (8) Interest and Rents, and (9) Charges for Services and Miscellaneous. The primary contributors to General Fund revenues are Property Tax, Sales Tax, and TOT. Chart 1 shows how much has been collected in FY 2016/17 Q3 compared to collection in FY 2015/16 Q3. Revenue estimates are on track for FY 2016/17.

Chart 1

Revenue Source	Revenue 2016/17 Adjusted Budget	2016/17 Q3	2015/16 Q3
Property Tax	$3,983,537	$2,574,711	$2,288,909
Sales Tax	$3,136,674	$1,615,245	$1,384,568
TOT	$2,189,285	$1,304,983	$1,266,719
Other Taxes	$288,660	$115,875	$113,194
Licenses & Permits	$581,935	$545,610	$516,314
Fines & Forfeits	$35,500	$23,937	$44,262
Intergovernmental	$58,755	$172,690	$222,889
Interest & Rents	$191,200	$129,516	$131,137
Charges for Services & Misc.	$683,917	$566,930	$469,005
TOTALS	**$11,149,462**	**$7,049,497**	**$6,436,999**

General Fund expenses are $7,554,673 for FY 2016/17 Q3. Overall General Fund spending is at 67% when compared to the current budget. Chart 2 shows General Fund spending by department and shows what percentage of their annual budget is available. At the end of Q3 departments should show an available balance of around 25%. All departments are on track with their spending.

Chart 2

Description	Budget	Encumbered	YTD Spent	Available Budget	% of Budget Available
Non-Departmental	$ 1,964,765	$ 5,818	$ 1,209,337	$ 749,610	38%
City Council	$ 172,179	$ -	$ 93,181	$ 78,998	46%
City Manager	$ 753,748	$ 29,403	$ 528,486	$ 195,859	26%
Finance	$ 414,854	$ 37,409	$ 218,628	$ 158,816	38%
Attorney	$ 772,037	$ -	$ 491,971	$ 280,067	36%
Planning/Building	$ 1,010,021	$ 68,661	$ 605,046	$ 336,315	33%
Library	$ 845,067	$ 17,783	$ 604,698	$ 222,587	26%
Parks & Recreation	$ 175,264	$ -	$ 77,191	$ 98,073	56%
Fire	$ 786,623	$ 10,348	$ 601,914	$ 174,361	22%
Police	$ 3,121,031	$ 30,112	$ 2,138,638	$ 952,292	31%
Public Works	$ 1,822,898	$ 147,575	$ 985,595	$ 689,728	38%
Grand Total	**$ 11,838,487**	**$ 347,108**	**$ 7,554,673**	**$ 3,936,706**	**33%**

Water Enterprise Funds

Water Enterprise revenue received for FY 2016/17 Q3 total $3,104,398 or 67% of the estimated total revenues for FY 2016/17. Last year at the same time 64% of Water Enterprise revenue was received. The original Water revenue estimate for FY 2016/17 was $3,783,308; however, this has been revised to $4,640,215 due to the approval of a rate increase in November 2016 by City Council. While the amount collected is lower than 75%, revenues are on target; the difference is due to timing of payments received from customers.

Water expenditures are $3,435,141 for Q3 FY 2016/17. Overall Water Fund spending is at 65% when compared to the current budget. Compared to FY 2015/16 Water Fund spending is lower. Water Fund expenditures are on track for this fiscal year

Wastewater Enterprise Funds

Wastewater Enterprise revenue received for FY 2016/17 Q3 total $1,708,488 or 66% of the estimated total revenues for FY 2016/17. The amount collected in FY 2016/17 Q3 is lower than the amount collected for FY 2015/16 Q3 which was $2,242,314. The primary reason the amount collected in FY 2016/17 is lower is due to one-time revenues received in FY 2015/16 including a settlement for Pond 1A as well as revenues received for backbilling of wastewater accounts. The original Wastewater revenue estimate for FY 2016/17 was $2,110,647; however, this has been revised to $2,912,012 due to the approval of a rate increase in November 2016 by City Council. Wastewater revenues for this fiscal year are on track.

Wastewater expenditures are $1,610,915 for FY 2016/17 Q3. Overall Wastewater Fund spending is at 71% when compared to the current budget. Compared to FY 2015/16 Wastewater Fund spending is lower. Wastewater Fund expenditures are on track for this fiscal year.

FY 2016/17 Q3 Checks over $100,000

Per staff recommendations on April 10, 2015, the Chart 3 is a list of Checks over $100,000 paid in FY 2016/17 Q3.

Chart 3

Check #	Vendor	Check Date	Check Amount	Notes
96980	City of Napa	1/26/17	$114,395.10	Purchase Water
97072	Wilmington Trust	2/1/17	$119,922.66	
97222	Burke, Williams, Sorensen	3/2/17	$107,149.93	
97302	Union Bank	3/7/17	$145,072.46	

FISCAL IMPACT
None

RECOMMENDED ACTION
Receive and File

ATTACHMENTS
None

BURKE, WILLIAMS & SORENSEN, LLP

MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Thomas B. Brown, City Attorney[1]

DATE: April 20, 2017

RE: **St. Helena's Noise and Music Regulations**

I. ISSUES[2]

1. How do the City's Zoning Ordinance, St. Helena Municipal Code (SHMC) Title 17, and the City's Noise Ordinance, SHMC chapter 8.24, regulate noise, music and entertainment?

2. What enforcement tools are available to the City for violations of such regulations?

II. CONCLUSIONS[3]

1. The City's Zoning Ordinance and Noise Ordinance contain a complex array of sometimes conflicting provisions relating to noise, music and entertainment. We summarize some of them below.

Under the City's Zoning Ordinance, "major public assembly events, such as concerts…" are conditionally allowed (with a CUP)[4] in the City's Winery (W) District. Moreover, the Winery District regulations provide that "[l]ands devoted to the production of wine and vineyards which are owned by the winery are classified as W." This provision applies to wineries with agricultural General Plan designations.[5]

[1] Planning Staff also reviewed and assisted in revisions to this memorandum. However, the Police Chief did not have an opportunity to review this memorandum prior to the agenda submittal deadline.
[2] In the interest of ensuring that we were able to provide analysis at the April 25 City Council meeting, we have kept this memorandum somewhat narrower in its scope and have endeavored to focus only on those points for which the City Council indicated it needed analysis.
[3] We have not undertaken by this memorandum to address any specific property or use, or to evaluate whether any specific property owner is entitled to conduct any use or activity.
[4] The acronym "CUP" refers to a conditional use permit.
[5] SHMC 17.24.010

Entertainment and music are also explicitly allowed in the City's Central Business (CB) and Service Commercial (SC) districts, but only "when accessory to an approved use and noise is not audible beyond the confines of the building." Performing Arts Centers are conditionally allowed (with a CUP) in the SC district,[6] and theaters, which by definition allow music, are conditionally allowed in both the SC and the CB districts.

Zoning Ordinance provisions relating to noise, music and entertainment in other zoning districts[7] are less explicit, but generally allow uses that are "incidental and subordinate" to permitted and conditional uses in those districts. Staff interprets those provisions as allowing music and entertainment in commercial districts, as an accessory use or where the City has issued a CUP, based on zoning code provisions in each district. That interpretation is reasonable and legally defensible. The regulations for these districts also address uses that are significant noise generators.

While the Zoning Ordinance provides for ongoing music and entertainment in limited instances as discussed above, the Noise Ordinance provides for permits for specific but limited events. The Chief of Police may grant permits for "one off" music and entertainment events under, and subject to the terms of, the City's Noise Ordinance, but may not do so where the Zoning Ordinance prohibits them.

The City's Noise Ordinance prohibits "unnecessary noise" which can be heard outside a building unless the person making the noise obtains a permit from the Chief of Police. The Noise Ordinance also prohibits "noise" that can be heard at the property line between the hours of 10:00 p.m. and 7:00 a.m. the following day, without a permit from the Chief. The Noise Ordinance establishes criteria the Chief must use in exercising his/her discretion whether to grant a noise permit. These criteria include (1) whether the activity is otherwise permitted under the SHMC, and (2) whether the benefit to the applicant outweighs the detriment to the neighborhood. The Chief's decision whether to grant or deny a permit under the Noise Ordinance is subject to appeal to the City Council.

2. The City has several code enforcement tools available to prevent and penalize violations of the Zoning and Noise Ordinances. For example, the Zoning Ordinance authorizes revocation and modification of a Use Permit, subject to procedures designed to respect property owners' due process and property rights. The City's Code Enforcement Ordinance, SHMC chapter 1.12, authorizes quasi-criminal citations, administrative abatement and civil actions by the City Attorney. In addition, Staff is currently working with the City Attorney to amend and update the Code Enforcement

[6] SHMC 17.52.030
[7] This memorandum does not focus on the City's residential districts.

Ordinance to add an administrative citation provision to authorize Staff to impose civil monetary penalties on persons whose violations of the code are "one off" (completed) violations not likely to be repeated or not readily susceptible to abatement.

III. DISCUSSION

1. Zoning Ordinance

The St. Helena Zoning Ordinance, SHMC Title 17, regulates land uses by imposing restrictions and conditions on each of the City's various zoning districts. Each zoning district allows for uses that are incidental and subordinate to permitted and conditional uses[8].

Several districts contain specific regulations addressing noise, music and entertainment:[9]

Winery (W) District – The W district permits winery uses and accessory and "related" uses that existed as of June 25, 1979 by right, as long as those uses are not changed or expanded.[10] Under this provision, wineries that offered music and entertainment activities prior to June 1979 also are permitted to continue such activities by right, as long as the activities are not expanded or changed.[11]

"Major public assembly events, such as concerts…" are conditionally allowed (with a CUP) in the W district.[12] Moreover, the W district regulations provide that "[l]ands devoted to the production of wine and vineyards which are owned by the winery are classified as W." This provision applies to all wineries with agricultural General Plan designations.[13]

Twenty Acre Agriculture (A-20) District – The A-20 district allows "other similar uses found consistent with the general plan and the A-20 district."[14] This determination

[8] SHMC 17.40.050 (L)
[9] This memorandum does not undertake to list noise-related regulations for the City's residential districts. The Noise Ordinance on its face allows the Chief of Police to issue permits for "one off" events in residential districts, subject to the restrictions of the Noise Ordinance.
[10] SHMC 17.24.020 (B)
[11] This provision appears to be a form of the principle that legal uses that become "nonconforming" by the subsequent adoption of more restrictive zoning may nevertheless continue as long as they do not
[12] SHMC 17.24.030 (D)
[13] SHMC 17.24.010. But see discussion below concerning, for example, the explicit prohibition against events under the City's A-20 district regulations.
[14] The A-20 district makes this both a permitted and a conditionally permitted use. Obviously this is an error.

is made by the Planning Director under SHMC section 17.08.030. The district also permits accessory uses that are clearly incidental and subordinate to permitted and conditionally permitted uses.

The A-20 district only (conditionally, with a CUP) allows small wineries subject to the City's small winery regulations.[15] Those small winery regulations do not allow events,[16] but establish an exception for pre-prohibition wineries, which are then subject to the Winery Zoning Standards, and therefore could allow events.[17]

Woodlands and Watershed (WW) District – As noted above, the WW district conditionally allows wineries. Unlike the W district, however, the WW district expressly prohibits "public assembly events." [18]

Industrial (I) District - Uses constituting or resulting in a public or private nuisance because of noise are listed among the I district's prohibited uses.[19] However, the district's regulations do not specify the types of noises constituting a nuisance. Activities that create significant noise shall be designed and located to minimize noise effects on adjacent property.[20]

Service Commercial (SC) District – The SC district authorizes several "noise" and music-related uses. For example, the SC district conditionally allows "theaters" with a CUP.[21] The definition of the term theater, in turn, includes "musical or live performances."[22]

Music/entertainment also is allowed in the SC district when accessory to an approved use and noise is not audible beyond the confines of the building.[23] A use permit is required for food and beverage establishments where a change in service results in increased noise.[24] Music and entertainment which are (1) not accessory or (2)

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[15] SHMC 17.20.030(K)
[16] SHMC 17.180.070
[17] SHMC 17.180.060
[18] SHMC 17.64.030
[19] SHMC 17.60.060(B)
[20] SHMC 17.60.070(M)
[21] SHMC 17.52.030. This section refers to theaters that are "movie and legitimate." The Zoning Ordinance does not define the term "legitimate." However, because the definition of the term "theater" includes musical or live performances, it would be reasonable to conclude the term refers to theaters offering live performances.
[22] SHMC 17.04.160
[23] SHMC 17.52.090(B)
[24] SHMC 17.52.090(D)

audible outside the building are not allowed in conditionally permitted "drinking establishments" and "eating and drinking establishments."[25]

The SC district also expressly allows wineries (with a CUP).[26] Wineries are conditional uses which, according to the W district language describing what a winery is, would include "major public assembly events," including concerts.[27]

Music, entertainment and similar events are not included in the SC district's prohibited uses.[28]

Public and Quasi Public (PQP) District - Areas of significant potential noise generation shall be so designed and located so that adjacent properties, particularly those of a residential character, will not be adversely affected by noise.[29]

Central Business (CB) District – Like the SC district, the CB district authorizes several "noise" and music-related uses. The CB district conditionally allows "theaters" with a CUP,[30] and as noted above the definition of the term theater, in turn, includes "musical or live performances."[31] Again, this section refers to theaters that are "movie and legitimate," and as noted the Zoning Ordinance does not define the term "legitimate." Again, because the definition of the term "theater" includes musical or live performances, it would be reasonable to conclude the term refers to theaters offering live performances.

The CB district also allows music/entertainment "when accessory to an approved use and noise is not audible beyond the confines of the building."[32] Music and entertainment which are (1) not accessory or audible outside the building are not allowed in conditionally permitted "drinking establishments" and "eating and drinking establishments." [33] (In other words, eating and drinking establishments with music audible beyond the confines of the building are effectively prohibited.) The Zoning

[25] SHMC 17.52.030
[26] SHMC 17.52.030
[27] SHMC 17.24.030(D)
[28] SHMC 17.52.060
[29] SHMC 17.68.060(G)
[30] SHMC 17.48.030. This section refers to theaters that are "movie and legitimate." The Zoning Ordinance does not define the term "legitimate." However, because the definition of the term "theater" includes musical or live performances, it would be reasonable to conclude the term refers to theaters offering live performances.
[31] SHMC 17.04.160
[32] SHMC 17.48.090(B)
[33] SHMC 17.48.030

Ordinance does not define the terms "eating establishments" or eating and drinking establishments."

The CB district requires a CUP for food and beverage establishments where a change in service results in increased noise.[34] The Zoning Ordinance does not define the term food and beverage establishments," nor does it explain if or how that term differs from "eating and drinking establishment," used elsewhere in the CB regulations.

Music, entertainment and similar events are not included in the district's prohibited uses.[35]

Parks and Recreation (PR) District – In the PR district, areas of significant potential noise generation shall be so designed and located so that adjacent properties, particularly those of a residential character, will not be adversely affected by noise.[36] The district conditionally allows public and "quasi-public" uses of a "cultural" nature.[37]

Open Space (OS) District - Areas of significant potential noise generation shall be so designed and located so that adjacent properties, particularly those of a residential character, will not be adversely affected by noise.[38]

Read together, the Zoning Ordinance has a variety of provisions applicable to noise, music and entertainment. The W district conditionally allows major public assembly events, including concerts, and also permits older (pre-June 1979) wineries to continue to conduct accessory and "related" uses, which the district defines as including the major public assembly uses, including concerts. The W district also appears to apply its regulations to all wineries bearing an agricultural General Plan designation, and those granted Use Permit approval in other Districts where wineries are listed as conditionally permissible land uses.

The SC and CB districts allow accessory music and entertainment that are (1) subordinate and incidental to the principal use, and (2) not audible outside the building.[39] These provisions allow such music and entertainment that is both accessory and inaudible outside the building as a matter of right in the CB and SC districts, such that no separate Use Permit is required for such music and entertainment. Both

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[34] SHMC 17.48.090(C)
[35] SHMC 17.48.060.
[36] SHMC 17.72.070(G)
[37] SHMC 17.72.030(D)
[38] SHMC 17.76.070(D)
[39] The Zoning Ordinance defines an "accessory use" as a use both subordinate to and incidental to the principal use. SHMC 17.04.160(B).

districts also conditionally allow theaters, the definition of which includes live performances and music.

Neither the SC nor the CB district lists music or public assembly events among their prohibited uses. Therefore, other similar land uses proposing music or performing events may be conditionally permitted.[40]

Other zoning districts are less explicit, but generally allow accessory uses that are "incidental and subordinate" to permitted and conditional uses in those districts. Staff interprets these provisions as allowing music and entertainment in all commercial zoning districts as long as the music and entertainment (1) are incidental and subordinate to a permitted use, or (2) are authorized by a Use Permit. The general authorization of music and entertainment as subordinate accessory uses is subject to the restrictions of the Noise Ordinance, discussed below. Such an interpretation is both reasonable and legally defensible.

2. Noise Ordinance

The City's existing "Noise Ordinance," codified at SHMC Chapter 8.24, prohibits "unnecessary noise" which can be heard outside a building unless the person making the noise obtains a permit from the Chief of Police.[41] The Noise Ordinance also makes it unlawful to create noise which can be heard at the property line of any parcel within the City between the hours of 10:00 p.m. and 7:00 a.m.[42] The ordinance does not define "unnecessary" noise, but lists some examples including noise created from bells, whistles, loud speakers, and sound amplification systems.[43]

The ordinance establishes criteria the Chief must use in exercising his/her discretion whether to grant a noise permit: (1) the activity is otherwise permitted under the SHMC; and (2) the benefit to be derived by the applicant from conducting such activity at the time and place specified in the application outweighs the detriment to be suffered by the neighborhood, by neighboring residents, and by the city's residents.[44] The first factor, whether the activity is "otherwise permitted," requires the Chief to consult with other City departments, such as Planning, Public Works and Fire. The

[40] SHMC 17.48.030 and 17.52.030
[41] SHMC § 8.24.010(A)
[42] SHMC § 8.24.010(B)
[43] SHMC § 8.24.010(A). The ordinance also regulates the hours during which construction projects, landscape maintenance and leaf blowers may be used. The ordinance exempts from the noise regulations any music played on public streets pursuant to a valid permit.
[44] SHMC § 8.24.010(G)

decision by the Chief, either to grant or deny a permit under the Noise Ordinance, is appealable to the City Council. (SHMC chapter 1.16.)

3. Relationship Between The Zoning Ordinance and The Noise Ordinance With Respect To Entertainment and Music

As described above, the City's Zoning Ordinance contains a variety of sometimes ambiguous and conflicting provisions addressing noise, music and entertainment. These provisions, depending on the district, permit some noise, music and entertainment activities by right, allow others conditionally, and prohibit some outright.

Under the City's Noise Ordinance, the Chief of Police may issue a noise permit where (1) the activity is otherwise permitted under the SHMC;[45] and (2) the benefit to be derived by the applicant from conducting such activity at the time and place specified in the application outweighs the detriment to be suffered by the neighborhood, by neighboring residents, and by the city's residents.[46] The Chief's decision, either to grant or deny the permit, is appealable to the City Council. (SHMC chapter 1.16.)

Read together,[47] these provisions allow the Chief to issue noise permits for activities that are not otherwise subject to the Zoning Ordinance. For example, the Noise Ordinance on its face would appear to allow the Chief to issue permits for "one off" (one time) events in all zoning districts, even residential districts. Such permits would be subject to the restrictions of the Noise Ordinance, and would be appealable to the City Council.

The Noise Ordinance does not appear to authorize the Chief to require permits for activities the Zoning Ordinance allows by right or conditionally with a CUP.

4. Code Enforcement

The City has several code enforcement tools available to prevent and penalize violations of the Zoning and Noise Ordinances. These include the City's Code Enforcement Ordinance (SHMC Ch. 1.12), the City's Noise Ordinance (SHMC Ch. 8.24), and the City's Zoning Ordinance (SHMC Ch. 17.04).

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[45] Again, this factor requires the Chief to first consult with other City departments to determine whether the activity generating the noise is otherwise allowed by the Municipal Code.
[46] SHMC § 8.24.010(G)
[47] The City's Zoning Ordinance and Noise Ordinance must be read together, and harmonized if possible (see *Gillespie v. San Francisco Public Library Com*. (1998) 67 Cal.App.4th 1165, 1177-1178), and the more specific provisions of the Zoning Ordinance would prevail over the more general provisions of the Noise Ordinance. (See *People v. Johnson* (1995) 33 Cal.App.4th 623, 631.)

The City's code enforcement regulations, codified at SHMC Chapter 1.12, declare any violations of the SHMC a public nuisance subject to abatement and civil proceedings.[48] The regulations allow for abatement of public nuisances through criminal prosecution, administrative abatement proceedings, summary abatement for emergencies and immediate dangers, and civil action by the City Attorney.[49] When the City chooses administrative abatement proceedings, the regulations include provisions for notice and the opportunity to be heard prior to abatement.[50]

A violation of the City's Noise Ordinance is also considered a public nuisance subject to abatement.[51] The Noise Ordinance provides the Chief of Police or any sworn police officer of the City may abate a violation of the noise ordinance if the person(s) creating the nuisance do not abate the nuisance after receiving written notice by the Chief of Police that a nuisance exists.[52] A violation of the noise ordinance is also considered an infraction, subject to quasi-criminal citation.[53]

The Zoning Ordinance authorizes revocation and modification of a Use Permit.[54] The Ordinance declares that a violation of, or noncompliance with, a Use Permit is unlawful and a public nuisance.[55] Additionally, if the Planning Director or Building Official determines there has been a violation of the Zoning Ordinance or a Use Permit, they may refer the matter to the planning commission for a public hearing on the revocation or modification of any permit.[56]

Some code violations (including some noise violations) are "one off" violations that are immediately complete once they occur, and thus not readily amenable to administrative abatement proceedings which generally assume an ongoing nuisance condition. Staff is currently working with the City Attorney to amend and update the Code Enforcement Ordinance to add an administrative citation provision to authorize

[48] The California Civil Code and Code of Civil Procedure confer upon the City the power to abate nuisances through civil actions to enjoin or abate. (Civ. Code § 3479; C.C.P. § 731). Pursuant to Code of Civil Procedure section 731, the City Attorney of any city may bring a civil action to abate a nuisance if so directed by the legislative authority of the city. The City's Code Enforcement Ordinance (Chapter 1.12) reflects these State laws.
[49] SHMC 1.12.110-130
[50] SHMC 1.12.140-170
[51] SHMC 8.24.010(H)
[52] SHMC 8.24.030
[53] *Id.*
[54] SHMC 17.04.140, 17.08.140
[55] SHMC 17.04.120(A)
[56] SHMC 17.04.140

Staff to impose civil monetary penalties on persons who violate various provisions of the Municipal Code.

The City's Short Term Rental Ordinance provides one model for the issuance of such administrative citations.[57] It provides that any violation of the ordinance may result in the issuance of an administrative citation in the amount of one thousand dollars per violation per day that such violation occurs.[58] When the City issues an administrative citation, the City is required to provide the property owner or responsible person notice of the right to request an administrative hearing to challenge the citation and penalty.[59] The appeal hearing must be conducted within 90 days of the request for the hearing. The hearing officer has the discretion to reduce the citation amount based upon evidence presented by the property owner or responsible person that such a reduction is warranted by mitigating factors.

IV. SUMMARY

The City's Zoning Ordinance regulates noise, music and entertainment in a variety of ways, depending on the zoning district. The City's Noise Ordinance also regulates noise, and supplements, but does not override the regulations set forth in the Zoning Ordinance. The City has a variety of code enforcement tools to enforce its noise regulations.

[57] *See* SHMC 17.134.100
[58] SHMC 17.34.100 subds. (B), (C)
[59] SHMC 17.34.100 subds. (C)(2)

A discussion regarding a possible
LARGE COMMERCIAL TRUCK ORDINANCE

To ensure the safety and peace of mind in residential neighborhoods, the health of our residents, and to extend the operational life of our residential streets, a new ordinance should be discussed to **prohibit large commercial "through" trucks on our residential streets**.

Oversize trucks have begun to travel on our public residential streets as a short cut to their destinations and to avoid the traffic congestion on Highway 29.

Unnecessary heavy truck traffic on our public residential streets 1) is detrimental to the maintenance and longevity of such streets, taking up public works staff time that is in short supply, 2) impacts our financial budget by ruining roads we cannot afford to keep fixing over and over, 3) creates a nuisance in neighborhoods due to their noise and 4) creates health and safety impacts from diesel emissions near homes and schools and where residents including children are walking and biking.

"Diesel exhaust ranks among the air pollutants that EPA believes pose the greatest public health risks. Exposure to diesel exhaust can cause lung disease and respiratory problems. Diesel exhaust also exacerbates asthma, and long term exposure is thought to increase the risk of lung cancer. Children may be more susceptible to this pollution because they breathe 50 percent more air per pound of body weight than adults." (EPA flyer "Air Pollution and Kids" from the Bay Area Air Quality Management District website)

Many communities have recognized that **large commercial trucks are incompatible with residential neighborhoods** and have enacted ordinances which address this exact issue. These communities employ a method that restricts use of **indirect routes** by oversize trucks to destinations within those cities. They do not forbid large trucks entirely from using city streets to do commerce, but they restrict them to *"direct" routes.* The limiting factor used is "weight loads".

*"Heavy trucks obviously cause more road damage than cars, but how much more? According to a GAO study (Excessive Truck Weight: An Expensive Burden We Can No Longer Afford), road damage from **one 18-wheeler is equivalent to 9600 cars**. The study assumed a fully loaded tractor-trailer at 80,000 pounds, and a typical passenger car at 4,000 pounds. That's 20 times difference in weight, but the wear and tear caused by the truck* is *exponentially greater*." *(www.vabike.org/vehicle-weight-and-road-damage)*

The California vehicle code website describes the legislative details for St Helena to restrict large commercial trucks on the city streets.

"The legislative body of any county or city may by ordinance permit the operation and moving of vehicles and loads upon highways under their respective jurisdictions of a maximum gross weight in excess of the maximum gross weight of vehicles and loads specified in this code...." "No ordinance adopted pursuant to Section 35701 shall prohibit any commercial vehicles coming from an unrestricted street having ingress and egress by direct route to and from a restricted street when necessary for the purpose of making pickups or deliveries of goods..." (Chapter 10.16 Commercial Vehicles/Trucks)

The aspect of enforcement also should be included in the discussion. Due to our size, enforcement is not anticipated to be particularly difficult. All truck drivers must carry a Bill of Lading showing where they are going. For example, it would not be hard to ascertain that a truck on Spring Street headed for Madrona Ave is not taking the most direct route from the highway but rather is cutting through our residential streets to get to their destination.

We can benefit from the prior work of other small towns. Towns in California and Texas alike have adopted ordinances which we can review in our study of this matter.