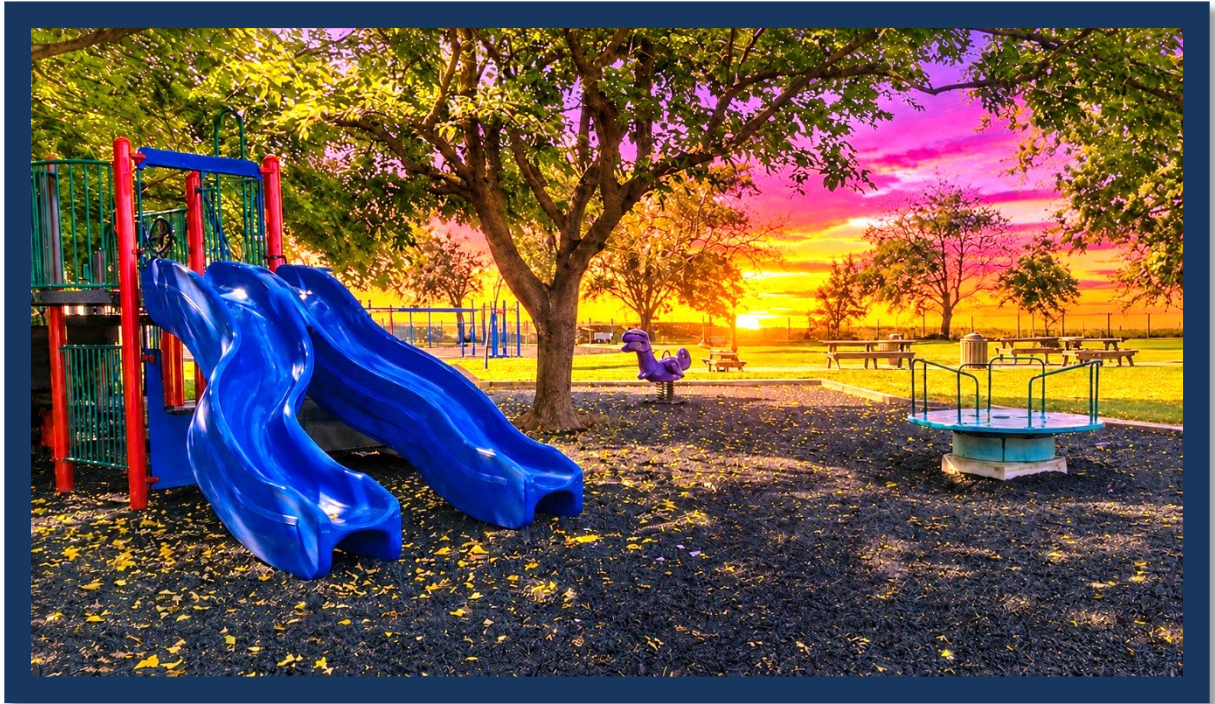


City of Willows



Adopted Operating Budget Fiscal Year 2026-27

Prepared by
Finance Department

Joel Harrison, Finance Director

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CITY OF WILLOWS

Evan Hutson – Mayor

Richard Thomas – Vice-Mayor

Gary Hansen - Council Member

Lorri Pride – Council Member

Matt Busby – Council Member

Marti Brown – City Manager

Nathan Monck – Fire Chief

Joe Bettencourt - Community Development & Services Director

Joei Harrison – Finance Director

Natasa Pfyl – Public Works Superintendent

Karleen Price – City Clerk



City Manager's Budget Message

With the voter approved 1.5% Measure I sales tax in November 2024 and the commencement of collections in April 2025, the City has now completed its first full year of receiving the additional sales tax revenue. This new revenue has enabled the City to begin rebuilding its General Fund reserves, fill its remaining budgeted vacancies, address deferred maintenance of non-sewer infrastructure, replace aging equipment, improve cash flow for emergencies and grant matching requirements, and expand community events and programs.

Looking ahead, the City faces several significant policy and financial decisions, most notably regarding the future of law enforcement services and the re-establishment of a municipal police department, while maintaining the City's long-term fiscal sustainability. At the same time, the City must continue strengthening its Fire Department, ambulance services, and Advanced Life Support (ALS) Program, particularly in light of the recent closure of Glenn Medical Center and the increased demand for emergency services.

The City must also dedicate additional resources to economic development by expanding its housing inventory, attracting new commercial and retail investment, and pursuing appropriate light industrial and manufacturing opportunities in South Willows. Continued investment in these areas will be essential to broadening the City's tax base and supporting long-term economic vitality.

Despite these priorities, the City continues to face challenges balancing day-to-day operations with an increasing number of new projects and initiatives. With only 20 full-time employees, supplemented by a limited number of contract professionals in specialized areas such as building inspection and engineering, staff capacity remains constrained. While all currently budgeted positions have been filled, additional staffing will ultimately be necessary to meet the community's growing needs, including within the Fire and Community Development & Services Departments, Library and the Recreation Division, all of which could benefit from expanded programming and additional personnel.

Absent additional voter-approved revenues or substantial private-sector commercial investment, the City must continue pursuing external funding opportunities to support major infrastructure improvements and service initiatives, particularly those involving one-time capital expenditures, such as State and Federal grant funding.

Over the past five years, the City has made substantial progress in restoring its financial stability, strengthening internal controls, and improving transparency and public accountability. Financial reporting and annual audits are now current and on schedule, providing a solid foundation for responsible fiscal management. Although the City's financial condition is stable, the demands on its limited resources continues to grow. Maintaining long-term fiscal sustainability will require disciplined financial management, careful prioritization, and thoughtful allocation of resources to balance the City's many competing operational, infrastructure, and service needs.

Sincerely,
Marti Brown,
City Manager

Executive Summary

The FY 2026–27 Adopted Budget reflects the City's continued commitment to providing essential municipal services while maintaining long-term fiscal sustainability, investing in critical infrastructure, and responsibly managing public resources. The budget has been developed using conservative revenue assumptions and a structurally balanced financial approach that aligns recurring expenditures with recurring revenues while maintaining the flexibility necessary to respond to future economic conditions and community priorities.

This budget continues the City's commitment to transparency, accountability, and sound financial stewardship. It provides the financial framework necessary to maintain current service levels while supporting investments in infrastructure, technology, public safety, recreation, and community services. Through responsible fiscal management and long-term planning, the City remains well positioned to respond to changing economic conditions while preserving financial stability for future generations.

The FY 2026–27 Adopted Budget reflects total appropriations of approximately **\$17 million** across all governmental and enterprise funds. The budget includes continued investment in public safety, transportation, parks, recreation, library services, community development, information technology, and wastewater infrastructure while maintaining compliance with the City's adopted General Fund Reserve Policy.

Budget Highlights

The FY 2026–27 Adopted Budget reflects continued investment in the services residents rely upon every day while maintaining a balanced financial plan. Major budget priorities include:

- Maintaining sufficient funding for essential public safety services through either contract law enforcement services or by re-establishing the City of Willows Police Department, as well as continued support for fire protection and emergency response services.
- Supporting recreation programs, library services, and community activities that improve quality of life for residents of all ages.
- Maintaining streets, parks, facilities, and public infrastructure through ongoing Public Works maintenance and capital investment.
- Continuing investment in the Sewer Enterprise Fund Capital Improvement Program to improve wastewater infrastructure, maintain regulatory compliance, and preserve critical utility assets.
- Establishing the City's Information Technology Department to strengthen cybersecurity, improve operational efficiency, modernize technology infrastructure, and enhance customer service.
- Maintaining General Fund Reserves above the City's adopted Reserve Policy while continuing long-term financial planning through the City's Five-Year Financial Forecast.

The Adopted Budget reflects the City's continued commitment to responsible financial management by avoiding reliance on one-time revenues for ongoing operating expenditures and ensuring recurring revenues adequately support recurring service levels.

General Fund Financial Overview

The General Fund serves as the City's primary operating fund and provides financial support for the majority of municipal services including administration, finance, public safety, library services, recreation, planning, building, engineering, and public works.

The FY 2026–27 General Fund Budget has been developed using conservative revenue projections based upon historical trends, current economic conditions, and available forecasting information. Revenue assumptions include modest growth in property taxes, sales taxes, vehicle license fees, transient occupancy taxes, and Measure I sales tax revenues while recognizing ongoing economic uncertainty associated with inflationary pressures, changing consumer spending patterns, and broader economic conditions.

Expenditure assumptions include negotiated salary adjustments, contractual obligations, rising employee benefit costs, insurance premiums, operational inflation, and continued investment in maintaining City infrastructure and public services.

The General Fund remains structurally balanced and continues to maintain reserve levels exceeding the City's adopted General Fund Reserve Policy of twenty-five percent (25%) of annual operating expenditures. Maintaining adequate reserves provides financial flexibility to respond to emergencies, unforeseen economic challenges, natural disasters, and unexpected operational needs while preserving the City's long-term financial stability.

Five-Year Financial Forecast

The City continues to use a comprehensive Five-Year Financial Forecast as a long-term planning tool to evaluate the sustainability of municipal operations and identify future financial opportunities and challenges.

The forecast projects revenues, expenditures, reserve balances, and long-term financial trends through FY 2031–32 using conservative assumptions regarding revenue growth, expenditure increases, inflation, employee compensation, retirement costs, and contractual obligations.

The forecast demonstrates the importance of maintaining structurally balanced budgets, preserving adequate reserve levels, and making informed policy decisions that support the City's long-term financial health. By evaluating future financial conditions beyond a single fiscal year, the City Council is better positioned to proactively address emerging fiscal challenges while continuing to provide quality municipal services.

The Five-Year Financial Forecast also serves as an important decision-making tool during annual budget development by assisting City leadership in evaluating the long-term impact of operational decisions, capital investments, staffing changes, and economic conditions.

	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Beginning Fund Balance	2,163,383	2,402,515	2,769,237	3,071,499	3,352,166
General Fund Revenues	7,865,446	7,988,102	8,114,473	8,243,281	8,374,574
General Fund Expenditures	7,104,860	7,079,657	7,251,849	7,385,045	7,526,148
Initial Ending Fund Balance	760,585	908,445	862,624	858,235	848,426
Debt Service - POB Bond Costs	521,454	541,723	560,362	577,568	597,871
Total Ending Fund Balance	2,402,515	2,769,237	3,071,499	3,352,166	3,602,720
Fund Balance % of Reserve Target	31.5%	36.3%	39.3%	42.1%	44.3%

Measure I

Measure I continues to serve as one of the City's most important locally controlled revenue sources and plays a critical role in maintaining essential municipal services. The one-percent local sales tax provides stable funding that allows the City to continue delivering high-quality public services while reducing reliance on economically sensitive revenue sources.

Without Measure I, the City would face significant financial challenges that could require reductions in public safety, recreation, library services, infrastructure maintenance, and other essential governmental functions. Measure I provides the financial stability necessary to preserve current service levels while supporting long-term financial sustainability.

During FY 2026–27, Measure I revenues will continue supporting a broad range of municipal services, including:

- Dispatch and law enforcement services,
- Fire protection and emergency response services,
- City Administration and legislative support,
- Finance and financial management operations,
- Information Technology services and cybersecurity,
- Library operations and community programming,
- Planning, Building, Engineering, and development services,
- Recreation programs and seasonal swimming pool operations,
- Public Works operations and infrastructure maintenance,
- Fleet maintenance and equipment support,
- Animal control services, and
- Citywide insurance and operational support services.

Measure I funding supports the services residents rely upon every day while allowing the City to continue investing in operational improvements, financial sustainability, and community priorities. The City's Five-Year Financial Forecast demonstrates that Measure I will remain a critical component of the City's long-term financial strategy by supporting ongoing municipal operations and maintaining stable General Fund reserve levels.

Capital Improvement Program

The FY 2026–27 Capital Improvement Program focuses primarily on the City's Sewer Enterprise Fund and reflects the City's continued commitment to maintaining and improving critical wastewater infrastructure.

The Sewer Capital Improvement Program provides funding for projects that preserve existing infrastructure, maintain regulatory compliance, improve operational reliability, and extend the useful life of essential wastewater facilities. Planned improvements support the City's long-term infrastructure needs while protecting public health, maintaining environmental compliance, and ensuring the continued delivery of reliable wastewater services.

As future funding opportunities become available, the City will continue evaluating additional capital investment needs while maintaining a fiscally responsible approach to infrastructure planning.

Organizational Initiatives

The FY 2026–27 Adopted Budget reflects several organizational initiatives intended to improve operational efficiency, strengthen financial management, and enhance service delivery throughout the organization.

For example, the City established its Information Technology Department to improve cybersecurity, modernize technology infrastructure, strengthen network security, and enhance operational efficiency across all departments.

Additional organizational initiatives include continued development of long-term financial forecasting, enhanced grant administration, improved financial reporting, expanded departmental performance measures, and modernization of the City's annual budget document to improve transparency, readability, and public accessibility.

Collectively, these initiatives strengthen organizational accountability while supporting informed decision-making and long-term financial sustainability.

Economic Outlook

While inflation has moderated from recent historic heights, economic uncertainty continues due to changing consumer spending patterns, interest rate fluctuations, labor market conditions, and

broader national economic trends. The City will continue monitoring revenues and expenditures throughout the fiscal year and will adjust financial strategies as necessary to preserve fiscal stability.

The City's diversified revenue structure, conservative budgeting practices, adopted reserve policy, and ongoing financial forecasting provide a solid foundation for maintaining municipal services despite changing economic conditions.

Conclusion and Acknowledgments

The FY 2026–27 Adopted Budget reflects the collective efforts of City staff to responsibly manage public resources while continuing to provide high-quality municipal services. Through sound financial management, strategic planning, and responsible stewardship, the City remains committed to maintaining fiscal stability while investing in the services and infrastructure that support the community.

Preparation of the FY 2026–27 Adopted Budget required collaboration throughout the organization. Thank you to the City Council for their continued leadership and policy direction, the City Manager for her guidance throughout the budget development process, department directors for their assistance in developing departmental budgets, and City staff for their professionalism, collaboration, and commitment to serving the residents of the City of Willows.

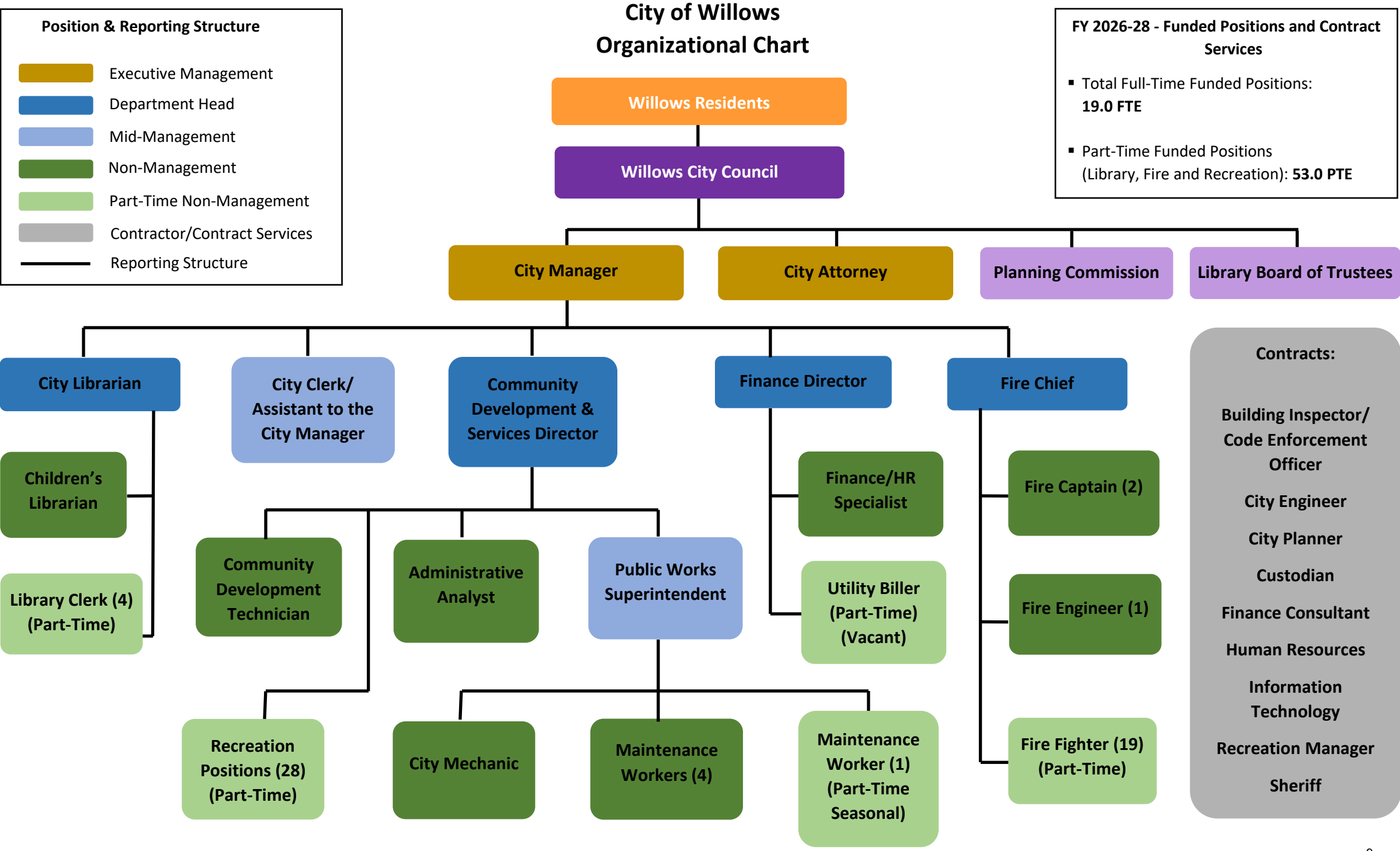
City staff look forward to working with the City Council and the community throughout the coming year to implement the projects and initiatives identified in the FY 2026-27 budget.

Position & Reporting Structure

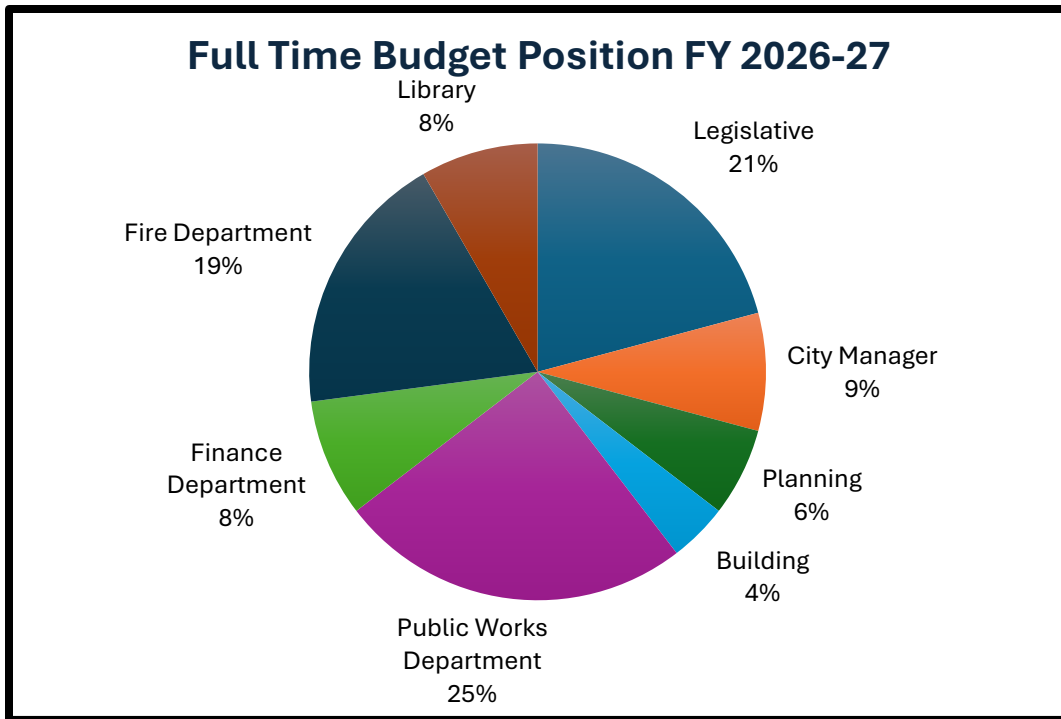
- Executive Management
- Department Head
- Mid-Management
- Non-Management
- Part-Time Non-Management
- Contractor/Contract Services
- Reporting Structure

FY 2026-28 - Funded Positions and Contract Services

- Total Full-Time Funded Positions: **19.0 FTE**
- Part-Time Funded Positions (Library, Fire and Recreation): **53.0 PTE**



Staffing Summary

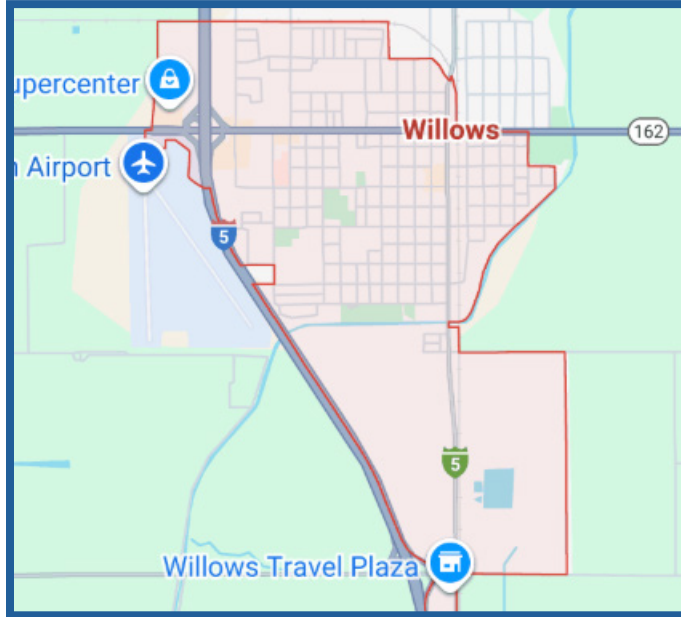


Summary of Regular Full Time Positions

Does not include Part Time, Seasonal or Contracted

	<u>2025-26</u> <u>Actual</u>	<u>2026-27</u> <u>Budget</u>
Legislative	5	5
City Manager	2	2
Planning	2	1.5
Building	1	1
Public Works Department	6	6
Finance Department	2	2
Fire Department	4	4.5
Library	2	2
Total	<u>24</u>	<u>24</u>

Community Profile



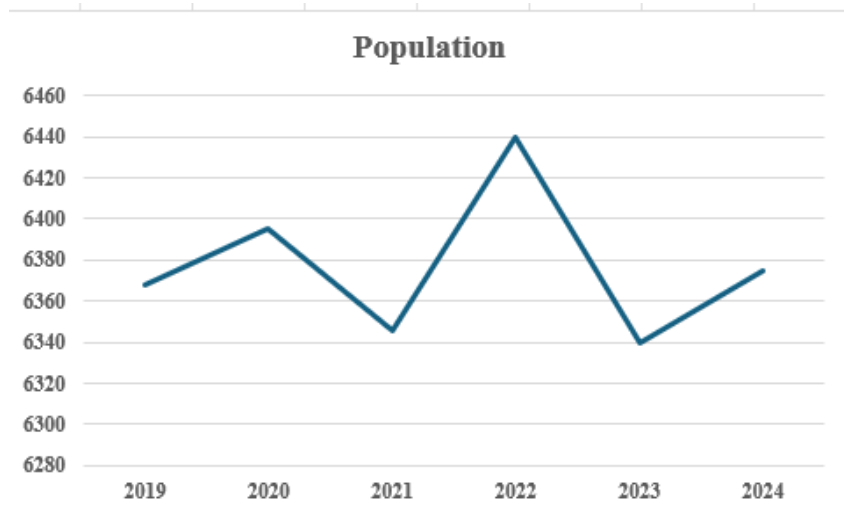
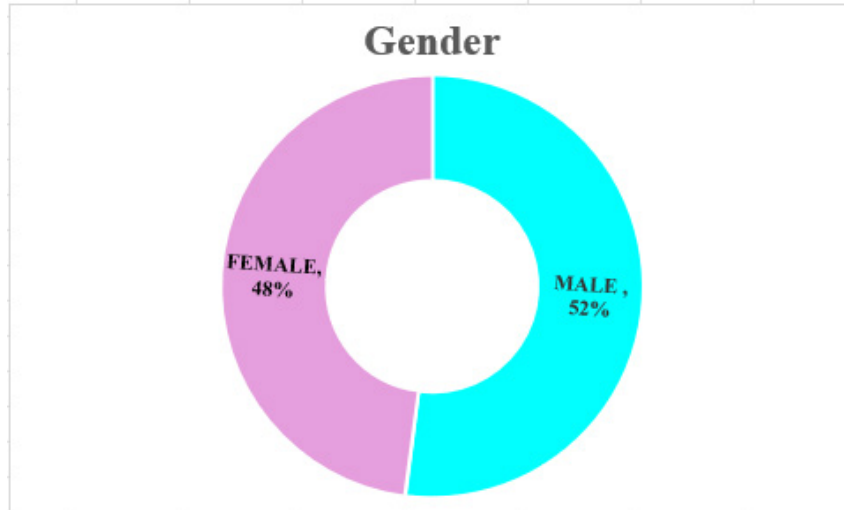
Willows is a small Northern California city (pop. ~6,200) serving as the Glenn County seat, with a rich agricultural, ranching, and orchard-based economy. It offers a quiet, rural-suburban feel with easy access to I-5, featuring key employers like Glenn Medical Center, local government, and agricultural processing, along with nearby recreational opportunities like the Sacramento National Wildlife Refuge.

Demographics and Statistics

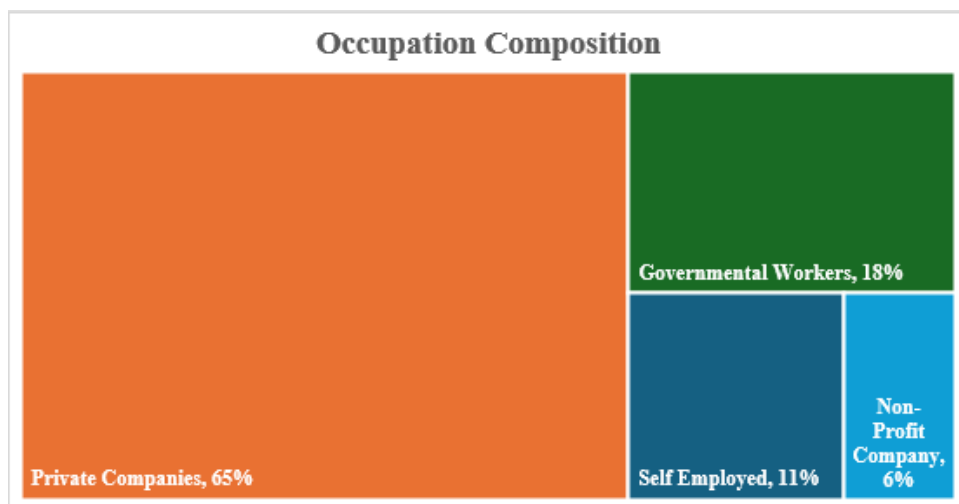
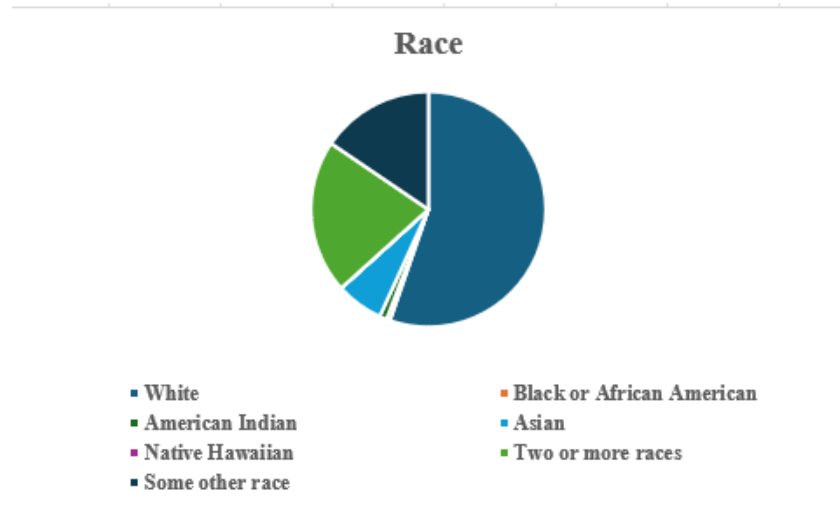
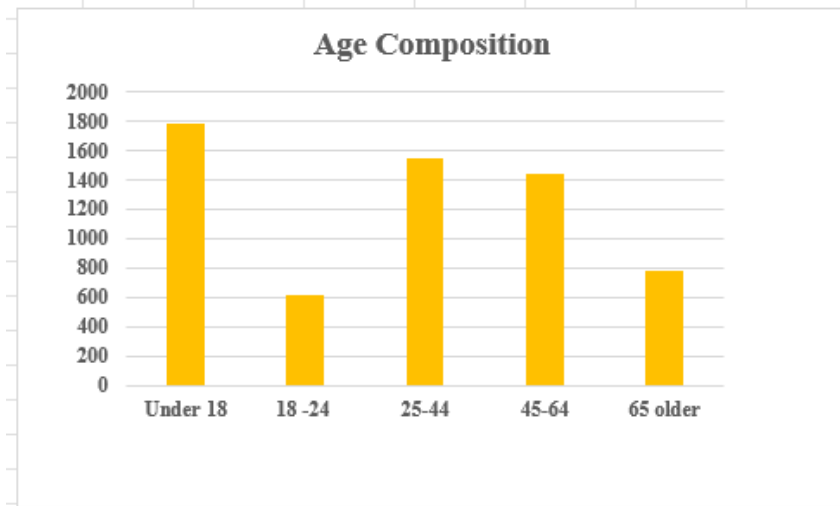
Date of incorporation as a city.....	January 16, 1886
Area	
Land.....	2.8 square miles
Population.....	6,293
Miles of streets.....	37.25
Fire Protection.....	1 station

Demographics and Statistics

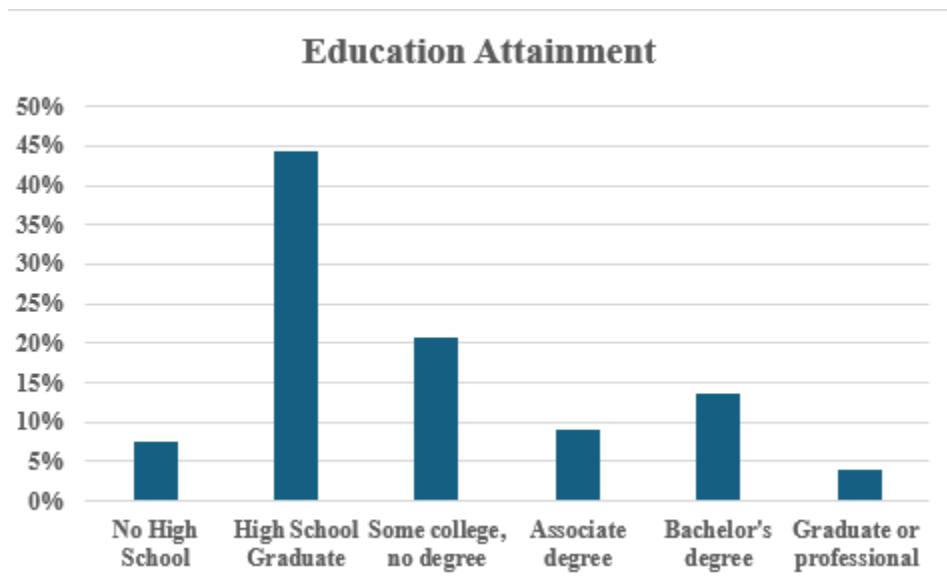
The following tables provide additional demographic statistics for the City of Willows and its citizenry from the 2024 U.S. Census.



Demographics and Statistics



Demographics and Statistics



CITY OF WILLOWS FISCAL YEAR 2026-27 BUDGET OVERVIEW

The following summary of the Fiscal Year 2026-27 Operating Budget includes a comparison to Fiscal Year 2025-26 estimated actual revenues and expenditures, along with a discussion of significant budgetary changes and recommendations.

On May 12, 2026, staff presented the Fiscal Year 2026-27 Preliminary Budget to the City Council, including updated estimates for the remainder of Fiscal Year 2025-26 and preliminary projections for Fiscal Year 2026-27. The preliminary budget process provided an opportunity to discuss current fiscal conditions, operational needs, funding constraints, and long-term financial considerations affecting the City. The Proposed Budget presented herein incorporates updates made since the preliminary budget presentation and includes budgetary information for all City funds.

Economic uncertainty continues to affect local government finances. Inflationary pressures continue to increase the cost of delivering public services, including employee benefits, health insurance, utilities, fuel, infrastructure maintenance, and contractual services. In addition, CalPERS retirement obligations, insurance costs, and other operating expenditures continue to place upward pressure on City budgets. As a result, City staff continues to closely monitor economic conditions, revenue trends, expenditure growth, and long-term financial projections to ensure the City remains fiscally sustainable while maintaining desired service levels.

Combined operating budget revenues for Fiscal Year 2026-27 are estimated at approximately \$16.1 million, compared to approximately \$12.4 million in Fiscal Year 2025-26. The increase is primarily attributable to grant revenues, capital project funding, enterprise fund activity, and other revenues associated with planned infrastructure and operational projects. While overall revenues are increasing, growth in the City's core General Fund revenues remains modest as consumers continue to monitor discretionary spending and economic conditions remain uncertain.

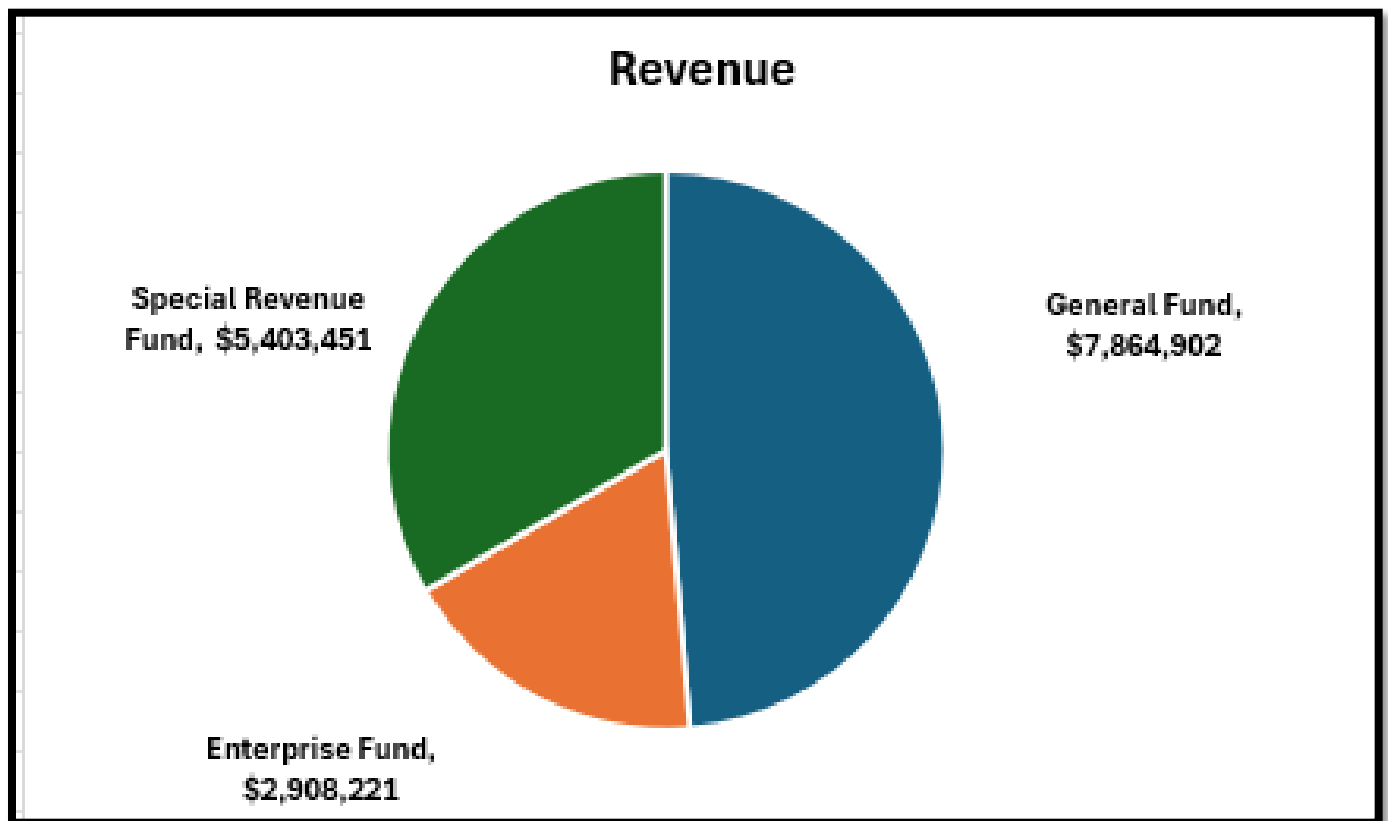
Total budgeted expenditures for Fiscal Year 2026-27 are approximately \$17 million, compared to approximately \$14.7 million in Fiscal Year 2025-26. The increase is largely attributable to planned capital improvement projects, infrastructure investments, enterprise fund expenditures, and other one-time project-related costs budgeted throughout various City funds.

The total operating budget includes the use of accumulated fund balances, restricted reserves, grant funding, and other resources within various special revenue, capital, and enterprise funds. As such, annual expenditures may exceed annual revenues in certain funds without negatively impacting the City's overall financial condition, as those expenditures are supported by previously accumulated resources, fund-specific reserves, and restricted funding sources.

Citywide Revenues

Total estimated revenues for FY 2026-27 are projected to increase by approximately \$82,000 compared to FY 2025-26 estimated actual revenues. While revenues continue to show modest growth, current economic conditions, inflationary pressures, and changing consumer spending habits have resulted in slower revenue growth than experienced in prior years.

Fiscal Year 2026-27 Budgeted Operating Revenues Total Revenue = \$16,177,118

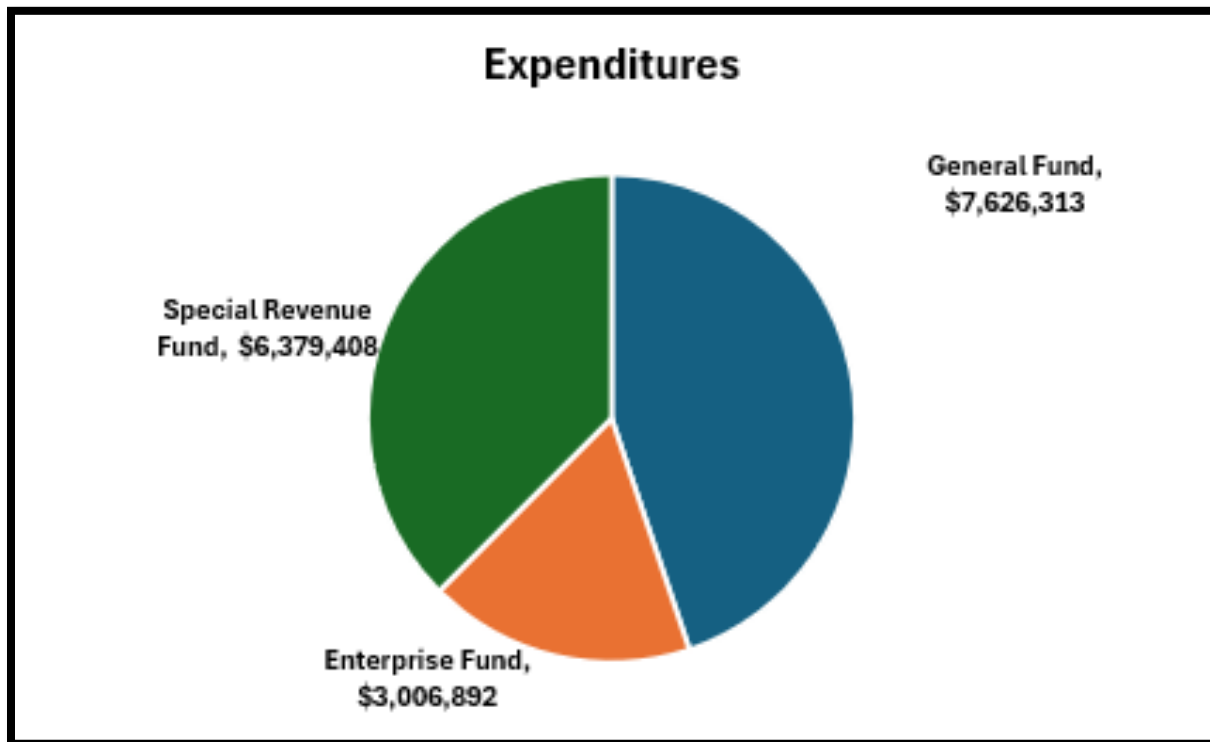


Citywide Expenditures

Anticipated expenditures for FY 2026-27 are approximately \$17 million, a increase of approximately \$1.5 million compared to the estimated \$15.5 million in expenditures for FY 2025-26. The increase is largely attributable to the one-time grant-funded projects, capital improvements, and other special projects budgeted, including significant sewer infrastructure projects, and improvements to Sycamore Park.

The FY 2026-27 preliminary budget fully funds all authorized positions for the entirety of the fiscal year and does not assume vacancy savings. The budget also assumes the City will fill the part-time Utility Billing position during the first quarter of FY 2026-27. This approach provides a realistic estimate of anticipated personnel costs while ensuring adequate staffing levels to support ongoing operations and service delivery

Fiscal Year 2026-27 Budgeted Operating Expenditures Total Expenditures = \$17,012,613



Taken as a whole, the FY 2026-27 preliminary budget anticipates expenditures exceeding annual revenues by approximately \$900,000. However, this does not represent a General Fund deficit. Rather, the difference is primarily attributable to the planned use of accumulated fund balances, restricted reserves, one-time grant funding, and previously received financing proceeds designated for specific capital improvement projects and debt service obligations within various City funds.

The budget presented herein provides a comprehensive review of City operations and financial activities as accounted for within their respective funds, while establishing a financial plan for FY 2026-27 that is consistent with City Council priorities, operational needs, and long-term financial planning objectives.

A brief overview of the City's major operating, special revenue, capital, and enterprise funds is presented below.

General Fund

FY 2026-27 General Fund Proposed Budget:

	<u>Revenues</u>	<u>Expenditures</u>
FY 2025-26 Estimated Actuals	\$ 8,913,199	\$ 8,022,437
FY 2026-27 Proposed Budget	\$ 7,865,446	\$ 7,626,314

As indicated above, the FY 2026-27 Proposed General Fund Budget includes estimated revenues of approximately \$7.86 million and expenditures of approximately \$7.63 million, resulting in a projected operating surplus of approximately \$239,132. Specific revenue and expenditure impacts to the City's General Fund for FY 2025-26 are noted below.

FY 2026-27 budgeted General Fund revenues of \$7,864,446 reflect an approximate decrease of \$1 million compared to FY 2025-26 estimated actual revenues. The decrease is primarily attributable to the removal of one-time revenues received during FY 2025-26, including OES Strike Team deployment reimbursements, grant-related revenues, insurance proceeds, and other non-recurring funding sources that are not anticipated to continue in FY 2026-27.

Despite the overall decrease, the General Fund continues to be supported by several key ongoing revenue sources, including:

- Property Tax revenues, estimated at approximately \$1,224,000, reflect modest growth consistently with current assessed valuation trends and State CPI limitations.
- Measure I Transaction and Use Tax revenues, estimated at approximately \$2,208,964.
- Cost allocations and reimbursements from the Sewer Enterprise Fund for administrative, finance, legal, audit, information technology, and other general overhead costs absorbed by the General Fund, estimated at approximately \$301,808.
- Reimbursement revenues associated with planning, engineering, and development-related activities, estimated at approximately \$105,000.

The City's primary ongoing revenue sources continue to be heavily dependent upon economic conditions, consumer spending patterns, property values, and broader statewide economic activity.

FY 2026-27 budgeted expenditures of \$7,626,314 reflect a decrease of approximately \$396,123 compared to FY 2025-26 estimated actual expenditures of \$8,022,437. The decrease is primarily attributable to the completion of several one-time projects, grant-funded activities, and non-recurring expenditures that occurred during FY 2025-26, including OES Strike Team deployment activities, Municipal Code update costs, property acquisition expenditures, one-time health insurance assessments, and other special projects.

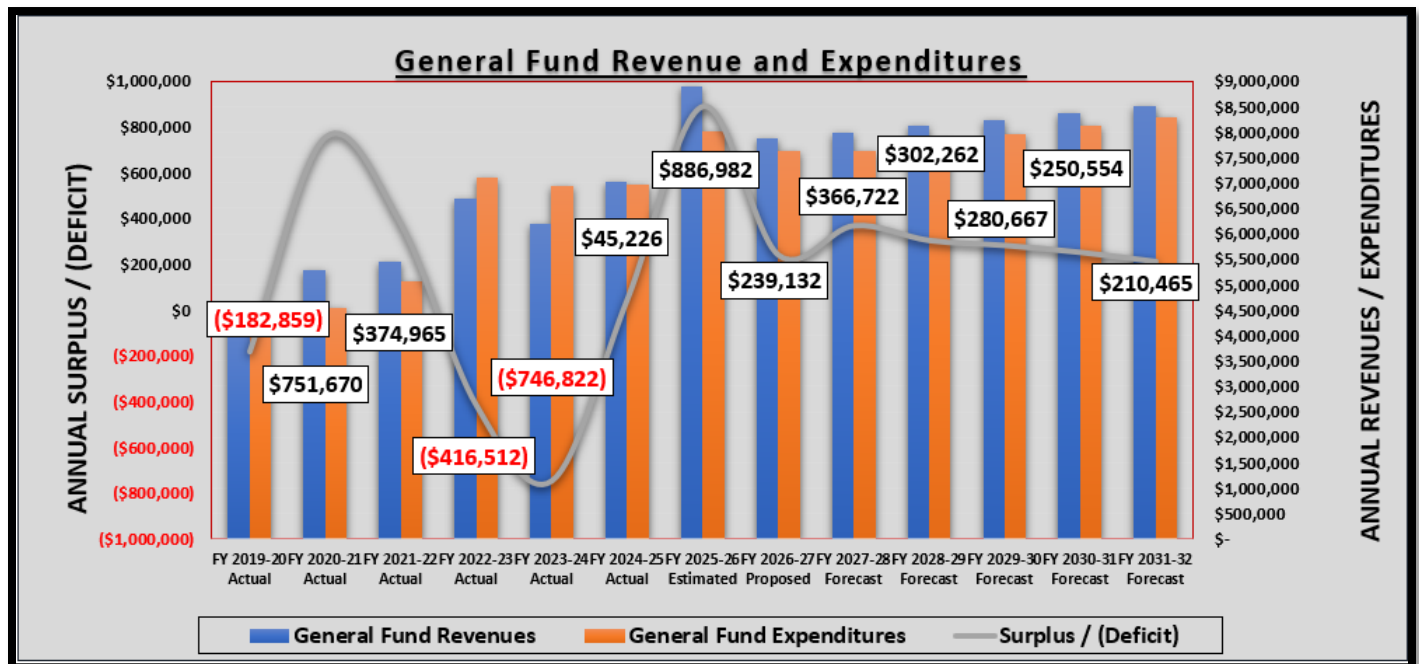
While overall expenditures are decreasing, the FY 2026-27 budget continues to reflect increases in several ongoing operational areas, including:

- Negotiated salary and benefit adjustments in accordance with approved labor agreements and personnel policies.
- Increased police service contract costs with the Glenn County Sheriff's Office.
- Rising employee health insurance, workers' compensation, and retirement-related costs.¹⁸

- Ongoing information technology, cybersecurity, software licensing, and technology modernization expenditures.
- Police – Bond/Mello-Roos consulting onetime fee
- Increased Public Works operational costs associated with fleet maintenance, deferred maintenance activities, and infrastructure support.
- Election administration costs and City Clerk professional training and certification programs.
- Continued funding for code enforcement, public safety, library services, parks maintenance, and community development activities.

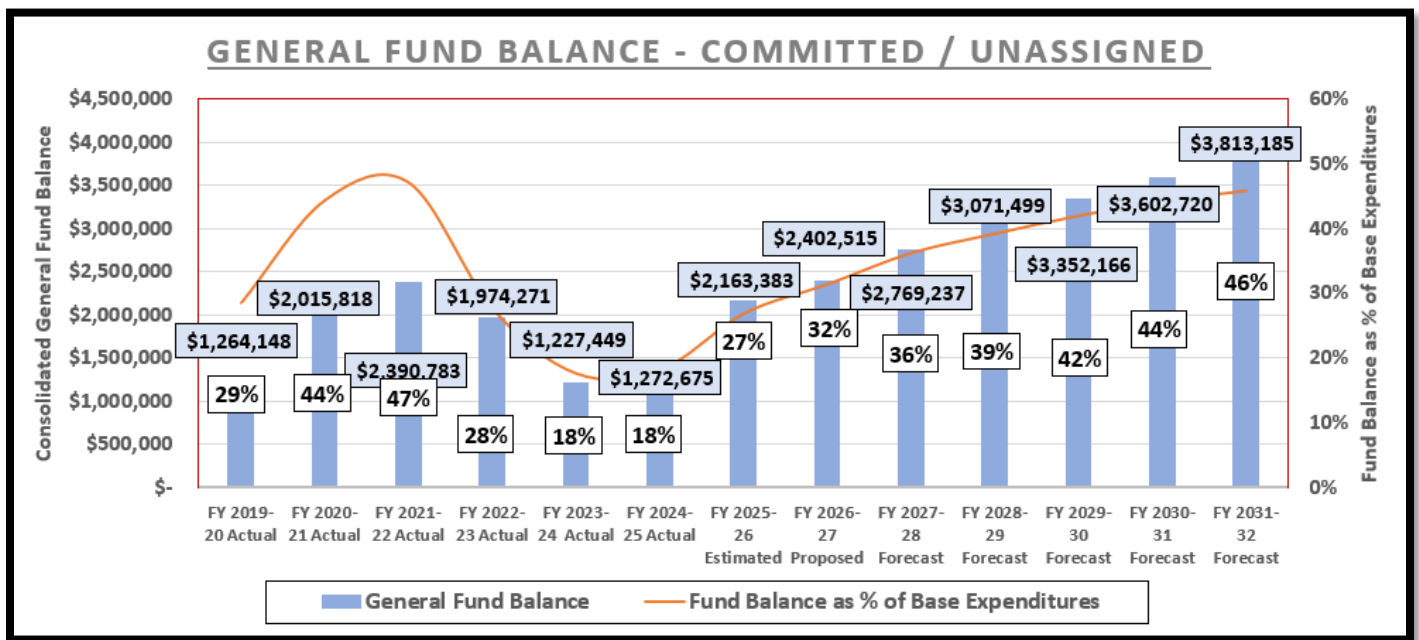
The FY 2026-27 budget fully funds all authorized positions and does not assume vacancy savings, providing a conservative estimate of the resources necessary to maintain current service levels throughout the organization.

The updated multi-year forecast for the General Fund is presented below:



FY 2026-27 PRELIMINARY GENERAL FUND BUDGET FUND BALANCE

Taking into account the revenue and expenditure assumptions discussed herein, including projected operating revenues, anticipated expenditure growth, capital needs, personnel costs, and other long-term financial considerations, the City's General Fund reserve levels are projected to change as illustrated in the graph below. The forecast incorporates current assumptions regarding revenue growth, expenditure increases, and known operational needs over the forecast period and is intended to provide a planning tool for evaluating the City's long-term financial sustainability.



Given the Preliminary General Fund Budget framework, General Fund reserves are anticipated to be approximately \$2,402,515 at the end of FY 2026-27.

ENTERPRISE FUNDS

The City currently has only one active Enterprise Fund – the Sewer Fund. The Enterprise Fund is treated as a “business-type” fund whereby all support for the enterprise activity is paid directly by those who benefit from the service – the rate payers. The proposed budget for the Sewer Fund is as follows.

Sewer Enterprise Fund

FY 2026-27 Sewer Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 2,788,621	\$ 4,979,520
FY 2026-27 Proposed Budget	\$ 2,908,221	\$ 3,028,445

FY 2026-27 Sewer Fund revenues are projected at approximately \$2.91 million, an increase of approximately \$120,000 compared to FY 2025-26 estimated actual revenues. The increase is primarily attributable to the programmed sewer rate adjustment incorporated into the City's ongoing Proposition 218 sewer rate study. The FY 2026-27 budget assumes the proposed rate adjustment becomes effective August 1, 2026. Sewer connection fees are not budgeted as a revenue source and are recognized only when development activity occurs and fees are actually collected.

FY 2026-27 Sewer Fund expenditures are budgeted at approximately \$3.01 million, a decrease of approximately \$1.97 million compared to FY 2025-26 estimated actual expenditures. The decrease is primarily attributable to the completion of several one-time capital improvement projects and infrastructure investments that occurred during FY 2025-26. Despite the overall reduction, the FY 2026-27 budget continues to include significant capital expenditures necessary to maintain system reliability, regulatory compliance, and long-term operational sustainability, including:

- Blower Building Improvement - \$40,000
- WWTP Safety Improvement - \$30,000
- Annual Sewer Replacement Project - \$412,500
- WWTP Upgrades - \$125,000
- Chlorine Contract Chamber Imprv - \$120,000
- Tertiary Filtration Structure Repairs - \$50,000
- Annual Vehicle Replacement - \$165,000
- WWTP SCADA and Admin Bldg Upgrade - \$45,000
- Tyler Technologies Utility Billing Module - \$17,500.

The Sewer Fund budget also includes approximately \$301,808 in overhead, administration, and Public Works support costs associated with sewer operations. Actual transfers will be limited to eligible and supportable costs incurred in providing services to the Sewer Fund.

SPECIAL REVENUE FUNDS - TRANSPORTATION

The City's Transportation-related Special Revenue Funds include the Gas Tax, RMRA (SB-1) and RSTP funds. Revenues earned in these funds can only be used for applicable transportation-related purposes. The proposed budgets for the Transportation Special Revenue Funds are as follows.

Gas Tax Funds

FY 2026-27 Gas Tax Funds Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 187,764	\$ 428,350
FY 2026-27 Proposed Budget	\$ 184,526	\$ 284,675

The Gas Tax Funds account for the receipt of gas tax revenues which may be used towards applicable transportation-related expenditures.

Capital projects are expected to include \$166,675 allocated towards the Street Maintenance Program. This funding will be drawn from the carryover fund balance, which has been built up over multiple fiscal years.

It is anticipated that the Gas Tax Fund will have \$245,759 in remaining fund balance at the end of the 2026-27 fiscal year.

RMRA / SB-1 Funds

FY 2026-27 RMRA / SB-1 Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 173,366	\$ 265,210
FY 2026-27 Proposed Budget	\$ 167,000	\$ 132,500

The RMRA SB-1 Fund accounts for the receipt of SB-1 revenues which may be used towards applicable transportation-related expenditures. Capital projects are expected to only include \$132,500 allocated towards the Oak/Madrone Project will be drawn from the carryover fund balance, which has been built up over multiple fiscal years.

It is anticipated that the RMRA SB-1 Fund will have \$226,823 in fund balance remaining at the end of the 2026-27 fiscal year.

RSTP Fund

FY 2026-27 RSTP Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 111,871	\$ 111,871
FY 2026-27 Proposed Budget	\$ 70,000	\$ 70,000

The RSTP Fund accounts for the receipt of regional transportation and grant-related funding periodically received through the County and/or State. These revenues may be used towards applicable transportation-related expenditures. For FY 2026-27, revenue estimate of \$70,000 has been included to account for potential RSTP funding from the County.

Capital projects are expected to only include \$70,000 allocated towards the Oak Street and Madrone Manor Road Rehabilitation Project.

It is anticipated that the RSTP Fund will have \$0 in fund balance remaining at the end of the 2026-27 fiscal year.

SPECIAL REVENUE FUNDS - LIBRARY

The City's Library-related Special Revenue Funds include the County Library, Literacy Pass-Through, Zip Books, Northnet Training and CLSA Delivery funds. Revenues earned in these funds can only be used for applicable library-related purposes. The proposed budgets for the Library Special Revenue Funds are as follows.

County Library & Literacy Pass-Through Funds

FY 2026-27 County Library / Literacy Pass Through Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 126,600	\$ 123,021
FY 2026-27 Proposed Budget	\$ 129,100	\$ 129,000

Revenue sources in FY 2026-27 consist of the annual allocation of funding from Glenn County and the anticipated receipt of a Library Literacy Grant from the State of California. This funding covers a portion of the associated costs to operate the City of Willows Library.

The transfer out essentially covers costs related to the Willows Library, which are wholly accounted for in the General Fund.

It is anticipated that the County Library & Literacy Funds will have no fund balance remaining on June 30, 2027, as all funding received for the library goes to cover net operating costs borne by the City's General Fund.

Zip Books Fund

FY 2026-27 Zip Books Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 7,517	\$ 7,517
FY 2026-27 Proposed Budget	\$ 5,000	\$ 7,517

Both revenues and expenditures anticipated for the Zip Books Fund are updated to the budget as funds are received (typically at mid-year). Both revenues and expenditures are anticipated at the same levels from year-to-year.

It is anticipated that the Zip Books Fund will have no fund balance remaining on June 30, 2027, as all anticipated funding received is appropriate for use.

Northnet Training Fund

FY 2026-27 Northnet Training Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 1,200	\$ 1,000
FY 2026-27 Proposed Budget	\$ 1,000	\$ 1,000

Both revenues and expenditures anticipated for the Northnet Training Fund are updated to the budget as funds are received (typically at mid-year).

It is anticipated that the Northnet Training Fund balance will be \$2,024 on June 30, 2027.

CLSA Delivery Fund

FY 2026-27 CLSA Delivery Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 4,505	\$ 10,000
FY 2026-27 Proposed Budget	\$ 5,000	\$ 12,000

Revenues anticipated to be received in the CLSA Delivery Fund have been updated to account for E-Rate revenues anticipated to be received during FY 2026-27. Expenditures for broadband costs are at the level expected to be incurred in the prior year.

It is anticipated that the CLSA Delivery Fund will have approximately \$25,922 in fund balance remaining on June 30, 2027.

SPECIAL REVENUE FUNDS – MISCELLANEOUS OPERATIONAL

The City's Miscellaneous Operational Special Revenue Funds include Certified Access, Willows Lighting & Landscape Districts, Recreation Reimbursement, Recreation Cultural, Community Discretionary, Mall Maintenance and State Recycling Grant funds. These funds can only be used for fund-specific purposes and are discussed below.

Certified Access (ADA) Fund

FY 2026-27 Certified Access (ADA) Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 500	\$ -
FY 2026-27 Proposed Budget	\$ 1,500	\$ -

Revenues anticipated to be received in the Certified Access (ADA) fund have been updated to account for a portion of the business license fees received specific to ADA Access upgrades. There are no expenditures anticipated for FY 2026-27. These funds may be used towards any eligible ADA purpose.

It is anticipated that the Certified Access (ADA) Fund will have approximately \$16,767 in fund balance remaining on June 30, 2027.

Willows Lighting & Landscaping Fund

FY 2026-27 Willows Lighting & Landscaping Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 36,974	\$ 87,205
FY 2026-27 Proposed Budget	\$ 36,974	\$ 68,100

Revenues anticipated to be received in the Willows Lighting & Landscaping Fund during FY 2026-27 are approximately \$1,065 more than those anticipated to be collected for FY 2025-26. This increase in revenues can be attributed to funding needed from assessments to satisfy expenditure requirements outlined in the Engineers Reports prepared for the City's three districts. District expenditures exceed FY 2025-26 expenses by approximately \$47,296, which are consistent with the maintenance needs in all three districts as discussed in the annual Engineer's Report.

It is anticipated that the Willows Lighting & Landscaping Fund will have approximately \$1,780 in fund balance remaining on June 30, 2027, which may be used towards any applicable expenditure as discussed in the annual Engineer's Report.

Community Discretionary Fund

FY 2026-27 Community Discretionary Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 25,704	\$ 12,553
FY 2026-27 Proposed Budget	\$ 4,428	\$ 750

The Community Discretionary Fund accounts for the receipt of defederalized CDBG loan repayment funds which may be used for any discretionary purpose. The City has historically used these funds for LAFCO, League of CA Cities dues, and memberships in economic development-related groups.

Community Discretionary Fund appropriations are anticipated to be \$4,428, which accounts for expenditures for Property Tax special assessments on City-owned parcels and the annual payment to LAFCO. This year County waived LAFCO fee.

It is anticipated that \$25,089 fund balance will remain in the Community Discretionary Fund at the end of FY 2026-27.

State Recycling Grant Fund

FY 2026-27 State Recycling Grant Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ -	\$ -
FY 2026-27 Proposed Budget	\$ -	\$ -

There are no revenues or expenditures recommended in the State Recycling Grant Fund. To the extent any grant funding is received, these funds may be used towards applicable recycling expenditures.

It is anticipated that the State Recycling Grant Fund will have approximately \$8,969 in fund balance remaining on June 30, 2027, which may be used towards any recycling-related purpose (e.g., equipment purchase). This fund balance has been built over multiple years from unspent portions of prior State Recycling Grant allocations.

OES Strike Team

FY 2026-27 OES Strike Team Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ -	\$ -
FY 2026-27 Proposed Budget	\$ 500,000	\$ 360,000

It is anticipated that the OES Strike Team Fund will have approximately \$140,000 in apparatus fund remaining on June 30, 2027, which may be used towards any related purpose (e.g., equipment purchase).

SPECIAL REVENUE FUNDS – CDBG / HOUSING

The City’s CDBG / Housing Special Revenue Funds include the CDBG Housing and HOME Program Income funds. These funds receive grants and loan repayments related to CDBG and HOME programs. Loan repayments are typically noted as “Program Income”, which may be used towards new applicable loans consistent with program guidelines or in certain cases.

CDBG Housing Fund

FY 2026-27 CDBG Housing Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 25,704	\$ 25,704
FY 2026-27 Proposed Budget	\$ 4,428	\$ 4,428

Both revenues and expenditures are budgeted at \$4,428 to account for the anticipated receipt of loan payments and subsequent transfer out to the Community Discretionary Fund, respectively. As noted in the discussion for the Community Discretionary Fund, loan repayments have trended lower in recent years, causing the funding towards discretionary activities to drop.

It is anticipated that the CDBG Housing Fund will have no fund balance remaining at the end of the fiscal year as all amounts are defederalized.

CDBG Over-the-Counter Loan Fund

FY 2026-27 CDBG Over-the-Counter Loan Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 12,500	\$ 10,000
FY 2026-27 Proposed Budget	\$ 12,500	\$ 189,000

Revenues received in the CDBG Over-the-Counter Loan Fund are related to the complete payback of a loan provided to Rumiano Cheese Company for improvements. These funds may be used for future loans from this fund consistent with a Program Income Re-Use Plan.

Expenditures incurred in the CDBG Over-the-Counter Loan Fund are related to the ADA Door Upgrade at City Hall.

It is anticipated that the CDBG Over-the-Counter Loan Fund will have approximately \$1,970,537 in fund balance as of June 30, 2027. These funds may be used to provide future loans.

SPECIAL REVENUE FUNDS – PROJECTS

The City's Project Special Revenue Funds include the Basin Street, EDA Grant, SB-2 Grant and CDBG HOME Grant funds. These funds can typically only be used for project-specific purposes.

These funds are opened to account for project-specific activity during a defined time period. As project activity winds down and projects are completed, the fund is closed out.

Proposition 68 / Parks Grant Fund

FY 2026-27 Prop 68 / Parks Grant Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ -	\$ -
FY 2026-27 Proposed Budget	\$ 177,000	\$ 349,283

The Proposition 68/Parks Grant Fund is a new fund that accounts for one-time grant-related revenues received to perform upgrades and updates to the City's swimming pool and Sycamore Park. Funding sources for these projects include a contribution from Glenn County (CARES Act shared funding) for \$200,000 and a Proposition 68 Parks grant in the amount of \$177,000.

Clean California Local Grant Program

FY 2026-27 Clean California Grant Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 101,743	\$ 169,017
FY 2026-27 Proposed Budget	\$ 3,699,000	\$ 3,699,00

Clean California Local Grant Program is a new fund that accounts for one-time grant-related revenues received to perform upgrades and updates to the City's swimming pool and Sycamore Park. The funding source for these projects is a Clean California Grant for \$3,699,000.

Clean California Local Grant Program

FY 2026-27 Clean California Litter Grant Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 0	\$ 0
FY 2026-27 Proposed Budget	\$ 137,000	\$ 137,000

Clean California Litter Grant Program is a new fund that accounts for one-time grant-related revenues is proposed state initiative by the California Department of Transportation (Caltrans) to address litter and graffiti abatement while creating employment opportunities for underserved populations. The funding source for these projects is a Clean California Litter Grant for \$137,000.

USDA RDBG Grant Fund

FY 2026-27 USDA RDBG Grant Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ 44,762	\$ 40,000
FY 2026-27 Proposed Budget	\$ 65,000	\$ 65,000

The USDA RDBG Grant Fund accounts for project activity associated with RDBG grant eligible activity. Revenues and expenditures offset each other for FY 2026-27. It is anticipated that this fund will not have any fund balance at the end of FY 2026-27.

HOME Grant Fund

FY 2026-27 HOME Grant Fund Proposed Budget:

	Revenues	Expenditures
FY 2025-26 Estimated Actuals	\$ -	\$ 5,000
FY 2026-27 Proposed Budget	\$ -	\$ 5,000

The HOME Grant Fund accounts for project activity associated with the Sycamore Street Apartments project. Both revenues and expenditure have been updated to account for fiscal activity to date. Anticipated expenditures for FY 2026-27 include loan monitoring costs related to the Sycamore Street Apartments Loan. It is anticipated that this fund will continue to account for future loan payments as they are made.

SPECIAL REVENUE FUNDS – IMPACT FEES

The City's Impact Fees Special Revenue Funds include Fire, Police, Storm Drainage, Streets, Parks, I-5 Interchange and Library Impact Fee funds. These funds may only be used for allowable expenditures consistent with parameters outlined in each fee's originating resolution consistent with AB-1600.

Revenues and expenditures for most Impact Fee funds typically do not have any revenues or expenditures budgeted at the beginning of the fiscal year due to the unpredictable nature of when actual revenues are received and no projects being budgeted.

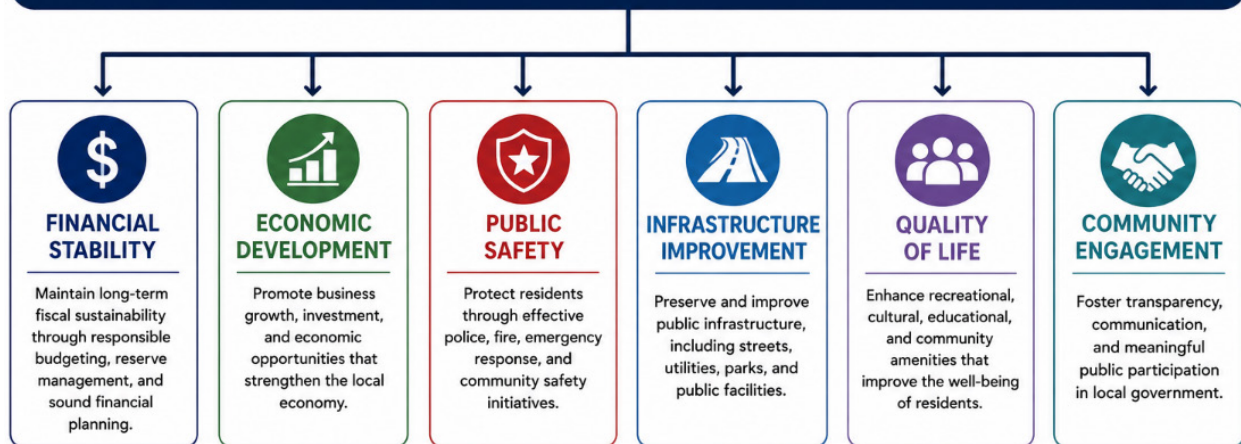
Anticipated fund balances as of June 30, 2027, for each of the Impact Fee Funds are as follows:

- Fire Impact Fee: \$ 3,149
- Police Impact Fee: \$ 67,241
- Streets Development Impact Fee: \$ 10,403
- Parks Facilities Impact Fee: \$ 22,516
- I-5 Interchange Impact Fee: \$422,389
- Library Development Impact Fee: \$114,205



STRATEGIC ALIGNMENT

The FY 2026–27 Adopted Budget was developed in alignment with the City Council’s adopted 2025 Strategic Priorities. Throughout the budget development process, the City evaluated departmental requests, operating expenditures, capital improvements, and staffing needs to ensure available financial resources support the Council’s long-term vision and policy direction. The Strategic Priorities identify six major policy areas that will guide City operations over the next two to three years: Financial Stability, Economic Development, Public Safety, Infrastructure Improvement, Quality of Life, and Community Engagement. These priorities provide the framework for allocating resources, establishing work plans, and implementing initiatives that enhance services to the community while maintaining long-term fiscal sustainability.



Strategic Alignment

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Department	Financial Stability	Economic Development	Public Safety	Infrastructure	Quality of Life	Community Engagement
City Council	✓	✓	✓	✓	✓	✓
City Manager	✓	✓	✓	✓	✓	✓
Finance	✓					✓
Human Resources	✓					✓
Information Technology	✓		✓	✓		✓
City Clerk	✓					✓
Planning		✓		✓	✓	✓
Community Development		✓		✓	✓	✓
Engineering		✓		✓		
Police Services			✓		✓	✓
Fire			✓	✓	✓	✓
Public Works			✓	✓	✓	✓
Streets			✓	✓		
Parks				✓	✓	✓
Library					✓	✓
Sewer Enterprise	✓		✓	✓		✓

Many City departments support multiple Strategic Priorities. The matrix above identifies the primary areas in which departmental operations and budgeted resources contribute to implementation of the City Council's adopted policy goals.



GENERAL FUND RESERVE POLICY

*Protecting Financial Stability Through
Responsible Fiscal Stewardship*



RESERVE POLICY GOAL

Maintain adequate General Fund reserves to ensure long-term financial stability and protect essential services.



RESERVE TARGET

The City Council has adopted a minimum General Fund reserve target of 25% of budgeted operating expenditures.



WHY RESERVES MATTER

Reserves provide a financial cushion for unexpected emergencies, economic downturns, and revenue shortfalls.



FINANCIAL PROTECTION

Adequate reserves help safeguard the City's credit rating, reduce borrowing costs, and maintain public trust.



COMMITMENT TO FUTURE

Responsible reserve management supports sustainable service delivery today and preserves financial flexibility for tomorrow.



ADOPTED BY CITY COUNCIL: April 13, 2021

RESOLUTION: 2021-16

Subject: General Fund Reserve Policy		Number: ___ -
Department(s) Affected: FINANCE		Effective Date: April 13, 2021
		Supersedes: 2-1 Fund - Working Reserve (Adopted 6-12-1979)
File Reference(s):	Authority: Resolution:	
	Approved: CITY COUNCIL 04/13/2021	

1. Introduction:

This General Fund Reserve Policy (the "Reserve Policy") of the CITY OF WILLOWS (the "City") was approved by the City Council of the City (the "Council") on April 13, 2021. The General Fund Reserve Policy may be amended by Council as it deems appropriate from time to time in the prudent management of the finances of the City.

2. Background:

General Fund reserves are classified into two categories: Restricted and Designated. Restricted reserves are those that are not considered available due to financial, accounting, or legal restrictions. Designated reserves are established by Council policy for an intended purpose and are available for use per Council direction.

In addition, the Governmental Accounting Standards Board (GASB) Statement 54 Fund Reporting and Governmental Fund Type Definitions requires that the City categorize fund balances according to the following components:

- Non-spendable fund balance (inherently non-spendable)
- Restricted fund balance (externally enforceable limitations on use)
- Committed fund balance (self-imposed limitations on use)
- Assigned fund balance (limitation resulting from intended use)
- Unassigned fund balance (residual net resources)

3. Guiding Principles:

Following sound financial practices and adhering to the Government Finance Officers' of American (GFOA) recommendations, the City's designated reserves include reserves for known and unknown contingencies, which take into consideration the:

- Diversity of revenue base
- Cyclical nature of revenue
- Changes in community priorities
- Frequency of budget surpluses/deficits
- Cash flow management practices

4. Policy- Reserve Levels:

The City will set aside funds into two designated reserves to address unforeseen emergencies or disasters, significant changes in the economic environment, and key infrastructure and capital projects. These include the Catastrophic Reserve, and Budget Stabilization Reserve the City may also set aside Capital and Special Projects Reserves as part of those projects or Capital Improvement Plan Policies.

The City commits to maintaining these reserves at a minimum of 25% of General Fund annual operating expenditures (minus one-time expenditures) equally divided between the Catastrophic Reserve (15%) and Budget Stabilization Reserve (10%), excluding any Capital and Special Projects Reserves. The Reserve Policy is reviewed by the City Council as part of the annual operating budget review and adoption process. Appropriations of any General Fund reserves require formal Council authorization.

Should a catastrophic disaster or loss of a significant source of the City's sales tax revenue occur, the required reserve level should be adequate to meet the City's immediate financial needs. For example, in the event of natural disaster; the Catastrophic Reserve would provide necessary coverage for basic operating expenses for approximately 90 days including salary and benefits for safety and non-safety City employees while still meeting debt service obligations. This time frame would enable the City to explore other available cash alternatives including the use of internal service funds. Likewise, should the City experience a loss of a primary sales tax contributor the reserve level in the Budget Stabilization Fund would provide for a transition period giving the City adequate time to realign its operating costs with available resources, while minimizing service impacts.

Key General Fund Designated Reserves

Catastrophic Reserve: Funds reserved under this category shall be used to mitigate costs associated with unforeseen emergencies, including natural disaster or catastrophic events. Should unforeseen and unavoidable events occur that require the expenditure of City resources beyond those provided for in the annual budget, the City Manager or designee shall have authority to approve Catastrophic Reserve appropriations. The City Manager or designee shall then present to the City Council a budget amendment confirming the nature of the emergency and authorizing the appropriation of reserve funds.

Budget/ Stabilization Reserve: Funds reserved under this category shall be used to mitigate, should they occur annual budget revenue shortfalls (actual revenues less than projected revenues) due to changes in the economic environment and/or one-time expenditures that will result in future efficiencies and/or budgetary savings. Examples of "economic triggers" and one-time uses include, but are not limited to:

- Significant decrease in property or sales tax, or other economically sensitive revenues;
- Loss of businesses considered to be significant sales tax generators;
- Reductions in revenue due to actions by the state/federal government"
- Workflow/technical system improvements to reduce ongoing personnel costs and enhance customer service;
- One-time maintenance of service levels due to significant economic/budget constraints; and

- One-time transitional costs associated with organizational restructuring to secure long-term personnel cost savings.

Capital and Special Projects Reserve: Funds reserved under these categories are designated for key infrastructure and capital/special projects as identified in the City's Capital Improvement Plan, as there is no ongoing funding source to support the City's capital needs.

5. Policy- Replenishment of Reserves:

In keeping with the principles discussed in this Reserve Policy, when either fund is used or below the policy-directed reserve level(s) the City Council will develop a 1 to 5 year reserve replenishment plan to meet the minimum threshold of 25% of General Fund ongoing, operating expenditures, excluding one-time expenditures.

6. Policy- Excess Reserves:

At the end of each fiscal year, the Administrative Services Director or designee reports on the audited year-end budgetary fiscal results. Should actual General Fund revenues exceed expenditures and encumbrances, a year-end operating surplus shall be reported. Any year-end surplus that results in the General Fund, fund balance exceeding the level required by the Reserve Policy shall be available for allocation for the following, subject to Council approval:

- Offset projected future deficits
- Anticipated intergovernmental fiscal impacts
- One-time funding, non-recurring needs

Upon funding of the above, any remaining surplus balances shall be divided equally between the Budget Stabilization Reserve and Capital and Special Projects Reserve for appropriation within the Capital Improvement Program budget.



LEGAL DEBT MARGIN

Strong Financial Capacity. Maximum Flexibility.



Per California Government Code Section 43605, the City's legal general obligation bonded debt limit is **3.75%** of assessed valuation.

LEGAL DEBT LIMIT



3.75%
of Assessed Valuation

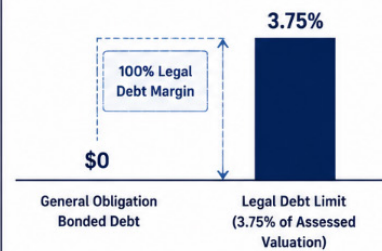
Maximum legal general obligation bonded debt limit under California Government Code Section 43605.

CITY'S CURRENT POSITION



The City carries **\$0** in general obligation bonded debt.

DEBT COMPARISON



IMPORTANT NOTE

The **\$521,454 CalPERS Pension Obligation** payment above is an operational liability and does not count against this statutory limit.



*Prudent Management.
Fiscal Strength.
Future Ready.*



Maintaining a 100% legal debt margin provides the City with maximum financial flexibility for future opportunities and investments.

Frequent Asked Questions

What is the biggest budget issue facing the City in the coming year?

The City of Willows continues to face several long-term financial challenges. While the City's financial position remains stable, expenditures are projected to increase at a faster rate than ongoing revenues over time. The most significant long-term General Fund pressure continues to be the cost of public safety services, particularly the contract for police services with the Glenn County Sheriff's Office, which represents the City's largest General Fund expenditure.

In addition to public safety costs, the City must continue addressing deferred maintenance of streets, parks, buildings, vehicles, and other public infrastructure while managing increasing costs for employee benefits, retirement obligations, insurance, utilities, contractual services, and inflation.

The voter approval of Measure I has significantly strengthened the City's financial position by providing an ongoing local revenue source to support essential municipal services, infrastructure improvements, and long-term financial sustainability. However, prudent financial planning, continued monitoring of expenditures, and regular updates to the City's long-term financial forecast remain essential to maintaining balanced operations and protecting the City's financial health.

Why is it necessary to have a General Fund reserve?

The City of Willows maintains a General Fund reserve to ensure it can continue providing essential public services during economic uncertainty, revenue fluctuations, unforeseen emergencies, or other unexpected operational events. The reserve also helps manage cash flow throughout the fiscal year, as revenues are often received at different times than expenditures.

On August 26, 2025, the City Council adopted an updated General Fund Reserve Policy establishing a minimum reserve target equal to 25% of annual General Fund operating expenditures. This policy is intended to promote long-term financial stability, maintain adequate resources for emergencies, reduce financial risk, and provide the flexibility needed to respond to unforeseen circumstances while continuing to deliver essential services to the community.

The City's reserve policy is consistent with recognized municipal finance best practices, which encourage local governments to maintain adequate reserves to support fiscal sustainability, operational resiliency, and sound financial management.

Where is the “real” budget?

The budget presented in this document provides a summary of the City of Willows' financial plan for the fiscal year. Revenues and expenditures are organized by department and major

expenditure categories—including Salaries and Benefits, Services and Supplies, and Capital Outlay—to provide a clear and transparent overview of how public funds are budgeted.

Supporting this summary are thousands of individual line-item budget accounts maintained within the City's financial management system. These detailed accounts include appropriations for personnel, supplies, utilities, equipment, contracts, capital projects, and other operating expenses. City staff use these line-item budgets to manage day-to-day financial operations, monitor expenditures, ensure budgetary compliance, and prepare financial reports throughout the fiscal year.

What are the major General Fund revenues?

The City of Willows' General Fund is primarily supported by locally generated tax revenues. The largest revenue sources include Measure I transactions and use tax, property tax, local sales tax, property tax in lieu of vehicle license fees, and transient occupancy tax (TOT). Together, these tax revenues account for more than 80 percent of the General Fund's annual revenues and provide the primary funding for essential municipal services.

Additional General Fund revenues include franchise fees, service charges, permits, intergovernmental revenues, interest earnings, and other miscellaneous revenues. These funding sources support a wide range of City services, including public safety, public works, parks, library services, planning, engineering, finance, information technology, and general government operations.

What is the General Fund's largest expense?

Public safety is the City's largest General Fund expenditure. For Fiscal Year 2026-27, the contract for police services with the Glenn County Sheriff's Office totals approximately \$2.55 million, representing approximately 33 percent of total General Fund expenditures.

When combined with Fire Department operations, public safety expenditures total approximately \$3.49 million, representing nearly 46 percent of the City's General Fund budget. The remaining General Fund expenditures support public works, parks, library services, planning and community development, engineering, finance, information technology, and other essential municipal services provided to the community.

FY 2026–27 Budget Calendar



FUND BALANCE SUMMARY

City of Willows
Budgeted Revenues, Expenditures, and Fund Balance
Fiscal Year 2026-27

	EST. BEGINNING FUND BALANCE June 30, 2026	REVENUES	EXPENDITURES	ENDING FUND BALANCE June 30, 2027	Excess / (Deficit) of Revenues over Expenses	Capital Plan / Outlay
General Fund	\$ 2,163,383	\$ 7,865,446	\$ 7,626,313	\$ 2,402,516	\$ 239,133	\$ 57,310
Enterprise Funds						
318 / 321 - Sewer Enterprise	\$ 2,512,987	\$ 2,908,221	\$ 3,028,445	\$ 2,392,764	\$ (120,224)	\$ 1,005,000
Special Revenue Funds						
TRANSPORTATION						
316-317 / 372 Gas Tax	\$ 345,908	\$ 184,526	\$ 284,675	\$ 245,759	\$ (100,149)	\$ 166,675
306 / 311 - RMRA / SB-1	192,323	167,000	132,500	226,823	34,500	132,500
310 - RSTP Program	-	70,000	70,000	-	-	40,000
LIBRARY						
338 / 359 - County Library / Literacy	\$ 74,844	\$ 129,100	\$ 129,000	\$ 74,944	\$ 100	\$ -
341 - Zip Books	1,932	5,000	7,517	(585)	(2,517)	-
350 - Northnet Training	2,024	1,000	1,000	2,024	-	-
352 - CLSA Delivery	32,922	5,000	12,000	25,922	(7,000)	-
MISC. OPERATIONAL						
307 - Certified Access (ADA)	\$ 15,247	\$ 1,500	\$ -	\$ 16,747	\$ 1,500	\$ -
313/314/315 - Willows Lighting & Landscaping	32,906	36,974	68,100	1,780	(31,126)	-
330 - Community Discretionary	21,411	4,428	750	25,089	3,678	-
331 - Mall Maintenance	22,971	-	22,971	-	(22,971)	-
366 - State Recycling Grant	8,969	-	-	8,969	-	-
450 - OES Strike Team	-	500,000	360,000	140,000	140,000	-
CDBG / HOUSING						
312 - CDBG Housing	\$ -	\$ 4,428	\$ 4,428	\$ -	\$ -	\$ -
326 - CDBG Over-the-Counter Loan	1,970,037	12,500	189,000	1,793,537	(176,500)	179,000
347 - HOME Program Income	-	-	-	-	-	-

City of Willows
Budgeted Revenues / Expenditures / Fund Balance
Fiscal Year 2026-27

	EST. BEGINNING FUND BALANCE June 30, 2026	REVENUES	EXPENDITURES	ENDING FUND BALANCE June 30, 2027	Excess / (Deficit) of Revenues over Expenses	Capital Plan / Outlay
PROJECT						
320 - Clean California Grant	\$ (166,477)	\$ 3,699,000	\$ 3,699,000	\$ (166,477)	\$ -	\$ 3,699,000
322 - Clean California Litter Grant	\$ -	\$ 137,000	\$ 137,000	\$ -	\$ -	\$ -
332 - CDBG 2025 Road Plans and Specs	-	187,871	187,871	-	-	187,871
343 - SB-2 Grant	60,373	-	-	60,373	-	-
382 - Prop 68 Parks Grants	172,283	177,000	349,283	-	(172,283)	349,283
398 - CDBG HOME Grant	6,275	-	5,000	1,275	(5,000)	-
440 - USDA RDBG Grant	-	65,000	65,000	-	-	-
IMPACT FEES						
356 - Fire Impact Fee	\$ 2,999	\$ 150	\$ -	\$ 3,149	\$ 150	\$ -
358 - Police Impact Fee	65,991	1,250	-	67,241	1,250	-
360 - Storm Drainage Impact Fee	166,709	2,694	159,000	10,403	(156,306)	159,000
361 - Streets Development Impact Fee	198,491	1,215	195,313	4,393	(194,098)	195,313
362 - Parks Facilities Impact Fee	317,516	5,000	300,000	22,516	(295,000)	300,000
363 - I-5 Interchange Impact Fee	418,274	4,115	-	422,389	4,115	-
364 - Library Development Impact Fee	112,505	1,700	-	114,205	1,700	-
<i>Total Special Revenue Funds</i>	<u><u>\$ 4,076,433</u></u>	<u><u>\$ 5,403,451</u></u>	<u><u>\$ 6,379,408</u></u>	<u><u>\$ 3,100,476</u></u>	<u><u>\$ (975,957)</u></u>	<u><u>\$ 5,408,642</u></u>
<i>Total Citywide</i>	<u><u>\$ 8,752,803</u></u>	<u><u>\$ 16,177,118</u></u>	<u><u>\$ 17,034,166</u></u>	<u><u>\$ 7,895,755</u></u>	<u><u>\$ (857,048)</u></u>	<u><u>\$ 6,470,952</u></u>

GENERAL FUND REVENUE

City of Willows
Fiscal Year 2026-27 Adopted Budget
General Fund Revenue Detail

Description	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Property Taxes	\$ 1,169,255	\$ 1,074,990	\$ 1,200,000	\$ 1,224,000
Property Tax in Lieu of Vehicle License Fee	777,351	823,524	839,994	856,794
Sales Taxes	1,427,722	1,412,101	1,400,004	1,421,367
Measure I Sales Tax	-	387,900	2,275,000	2,208,964
Transient Occupancy Taxes	663,002	707,559	702,000	709,020
Real Property Transfer Tax	11,626	33,457	17,000	17,000
TOTAL TAXES	4,048,956	4,439,531	6,433,998	6,437,145
Franchise - Gas & Electric	77,495	83,849	85,000	85,425
Franchise - Water	221,217	66,484	66,000	66,330
Franchise - Cable TV	31,190	25,976	26,000	26,130
Franchise - Garbage	139,967	142,050	140,000	140,700
TOTAL FRANCHISES	469,869	318,359	317,000	318,585
Business Licenses	14,647	37,517	23,000	23,000
TOTAL LICENSES	14,647	37,517	23,000	23,000
Park Permits	6,098	1,405	1,500	1,500
Encroachment Permits	41,079	42,477	36,000	36,000
Building Permits	54,531	82,185	80,000	80,000
TOTAL PERMITS	101,708	126,067	117,500	117,500
Traffic Fines	2,646	676	1,000	1,000
Other Fines	1,442	4,243	1,500	1,500
TOTAL FINES & FORFEITURES	4,088	4,919	2,500	2,500
Building Rents and Leases	54,412	91,900	67,000	67,000
Interest Earnings	33,845	10,241	10,000	10,000
Gain / Loss on Sale of Securities	-	-	-	-
TOTAL INTEREST & RENTALS	88,257	102,141	77,000	77,000
Public Safety - Proposition 172	30,334	29,983	27,073	27,537
Supplemental Law Enforcement (SLESF)	99,970	280,852	160,000	160,000
Booking Fees	-	-	-	-
Grant Funding - Fire	398,360	198,566	250,000	-
Grant Funding - Public Works	-	-	-	-
Strike Team Reimbursements - Fire	-	454,865	515,150	-
CalTrans Street Sweeping	3,936	(2,951)	17,045	18,000
COVID / ARPA Funding	-	-	-	-
MVLF Residual Payments	7,902	10,083	9,777	9,777
PG&E Wayfinding Grant	-	5,000	-	-
TOTAL FROM OTHER AGENCIES	540,502	976,398	979,045	215,314

City of Willows
Fiscal Year 2026-27 Adopted Budget
General Fund Revenue Detail

Description	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Engineering Fees	16,718	3,935	-	-
Plan Check Fees	97,566	104,532	105,000	105,000
Planning & Zoning Fees	-	19,866	-	-
Fire Department Fees	123,129	65,123	40,000	35,000
Sewer Admin Fees	176,234	217,924	265,035	302,352
Weed Abatement	31,756	7,550	6,808	6,800
DIF Administration	94	161	-	-
Dispensary Fees			3,780	12,000
Transaction Fees	4,588	6,452	4,500	4,500
Recreation Fees	12,880	18,325	17,000	17,000
Swimming Pool Fees	1,621	-	-	-
TOTAL SERVICE CHARGES	464,586	443,868	442,123	482,652
TOTAL OTHER REVENUES	76,950	121,963	413,062	106,750
TOTAL TRANSFERS IN	371,485	446,068	107,971	85,000
TOTAL GENERAL FUND	\$ 6,181,048	\$ 7,016,831	\$ 8,913,199	\$ 7,865,446

GENERAL FUND EXPENDITURE

City of Willows
Fiscal Year 2026-27 Adopted Budget
General Fund

Departmental & Program Expenditure

Account Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
City Council - 10				
Personnel Services	16,033	16,148	16,148	24,221
Services and Supplies	10,535	15,253	6,105	6,000
Capital Outlay	-	-	-	-
Total:	26,568	31,401	22,253	30,221
City Attorney - 20				
Personnel Services	-	-	-	-
Services and Supplies	156,700	134,037	142,600	150,000
Capital Outlay	-	-	-	-
Total:	156,700	134,037	142,600	150,000
City Manager - 30				
Personnel Services	267,905	225,554	316,910	330,599
Services and Supplies	16,411	67,035	32,315	28,800
Capital Outlay	-	-	-	-
Total:	284,316	292,589	349,225	359,399
Human Resources - 035				
Personnel Services	-	-	-	-
Services and Supplies	-	-	-	15,000
Capital Outlay	-	-	-	-
Total:	-	-	-	15,000
Information Technology - 040				
Personnel Services				-
Services and Supplies				156,784
Capital Outlay				-
Total:	-	-	-	156,784
Finance - 50				
Personnel Services	145,453	235,388	256,524	266,074
Services and Supplies	219,986	129,482	132,594	124,500
Capital Outlay	-	-	-	-
Total:	365,439	364,870	389,118	390,574

City of Willows
Fiscal Year 2026-27 Adopted Budget
General Fund

Departmental & Program Expenditure

Account Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Planning - 60				
Personnel Services	132,228	169,019	199,978	209,090
Services and Supplies	186,835	142,442	197,350	135,850
Capital Outlay	-	-	-	-
Total:	319,063	311,461	397,328	344,940
Citywide / General Office - 70				
Personnel Services	121,019	132,893	299,142	284,424
Services and Supplies	230,336	393,976	462,547	376,878
Capital Outlay	-	-	215,000	-
Total:	351,355	526,869	976,689	661,302
Civic Center - 80				
Personnel Services	-	-	-	-
Services and Supplies	72,613	85,533	205,000	75,000
Capital Outlay	-	-	-	-
Total:	72,613	85,533	205,000	75,000
Building - 90				
Personnel Services	73,233	78,212	72,033	77,033
Services and Supplies	88,700	57,417	88,750	88,750
Capital Outlay	-	-	-	-
Total:	161,933	135,629	160,783	165,783
Police - 100				
Personnel Services	-	-	-	-
Services and Supplies	2,000,000	2,000,000	2,355,000	2,550,650
Capital Outlay	-	-	-	-
Total:	2,000,000	2,000,000	2,355,000	2,550,650
Engineering - 110				
Personnel Services	-	-	-	-
Services and Supplies	141,779	194,862	190,000	200,000
Capital Outlay	-	-	-	-
Total:	141,779	194,862	190,000	200,000
Library - 120				
Personnel Services	141,399	125,440	197,360	241,516
Services and Supplies	141,358	113,128	36,340	28,475
Capital Outlay	-	-	-	-
Total:	282,757	238,568	233,700	269,991

City of Willows
Fiscal Year 2026-27 Adopted Budget
General Fund

Departmental & Program Expenditure

Account Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Recreation - 130				
Personnel Services	18,055	13,823	15,575	12,918
Services and Supplies	8,882	18,102	21,000	21,000
Capital Outlay	-	-	-	-
Total:	26,937	31,925	36,575	33,918
Swimming Pool - 135				
Personnel Services	17,896	10,099	12,918	16,374
Services and Supplies	19,040	17,749	31,650	46,650
Capital Outlay	15	-	-	-
Total:	36,951	27,848	44,568	63,024
Parks & Public Works - 138				
Personnel Services	466,875	403,669	394,886	426,597
Services and Supplies	67,813	45,546	92,612	95,400
Capital Outlay	-	-	-	-
Total:	534,688	449,215	487,498	521,997
Parks Maintenance - 140				
Personnel Services	-	-	-	-
Services and Supplies	45,811	45,037	49,700	61,000
Capital Outlay	-	-	-	-
Total:	45,811	45,037	49,700	61,000
Mall Maintenance - 145				
Personnel Services	-	-	-	-
Services and Supplies	11,417	12,440	12,500	12,500
Capital Outlay	-	-	-	-
Total:	11,417	12,440	12,500	12,500
Museum Maintenance - 146				
Personnel Services	-	-	-	-
Services and Supplies	154	6,278	5,500	11,000
Capital Outlay	-	-	-	-
Total:	154	6,278	5,500	11,000

City of Willows
Fiscal Year 2026-27 Adopted Budget
General Fund

Departmental & Program Expenditure

Account Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Fire - 150				
Personnel Services	524,941	786,241	887,565	613,467
Services and Supplies	328,345	318,874	295,940	321,000
Capital Outlay	-	-	-	-
Total:	853,286	1,105,115	1,183,505	934,467
Public Works / Streets - 160				
Personnel Services	-	-	-	-
Services and Supplies	43,320	34,265	42,553	40,000
Capital Outlay	-	-	-	-
Total:	43,320	34,265	42,553	40,000
Storm Drains - 170				
Personnel Services	-	-	-	-
Services and Supplies	1,440	-	-	-
Capital Outlay	-	-	-	-
Total:	1,440	-	-	-
Non-Departmental - 00				
Personnel Services	-	-	-	-
Debt Service - Pension Obligation Bonds	704,252	581,881	504,079	521,454
Debt Service - Fire Truck Lease	65,162	3,909	-	-
Debt Service - Gap Loan	174,912	174,912	87,456	-
Capital Outlay	267,017	177,769	135,142	57,310
Transfers Out	-	5,192	11,719	-
Total:	1,211,343	943,663	738,396	578,764
Total Appropriations - General Fund	\$ 6,927,870	\$ 6,971,605	\$ 8,022,491	\$ 7,626,313
Total Personnel Services:	\$ 1,925,037	\$ 2,196,486	\$ 2,669,039	\$ 2,502,313
Total Services and Supplies:	3,791,475	3,831,456	4,400,056	4,545,237
Total Capital Outlay:	267,032	177,769	350,142	57,310
Debt Service Payments:	944,326	760,702	591,535	521,454
Total Transfers Out:	-	5,192	11,719	-

General Fund

DEPARTMENT BUDGETS

Overview of Services, Responsibilities & Budget Focus



CITY COUNCIL

Governing Body

Establishes city policy, adopts the budget, and provides overall direction for City operations and services.



CITY MANAGER

Provides Executive Leadership
Oversees City Operations • Implements City Council Policy



INFORMATION TECHNOLOGY

Technology Strategy • Systems Administration
Help Desk Support • Cybersecurity
Data Management



FINANCE

Budget & Financial Management • Accounting
Treasury • Payroll • Financial Reporting



HUMAN RESOURCES

Personnel Management • Recruitment
Benefits Administration • Employee Relations
Workers' Compensation Coordination



CITY WIDE

CalPERS • Workers' Compensation
Insurance Management



NON-DEPARTMENTAL

CalPERS Bond Payment



FIRE

The Fire Department is responsible for responding to emergency calls (9-1-1) for the City of Willows and the Willows Rural Fire Protection District, as well as providing mutual aid to neighboring fire jurisdictions in Glenn County, Hazardous Material Team Response, and fire prevention.



COMMUNITY DEVELOPMENT & SERVICES

Enhancing the quality of life through planning, infrastructure, facilities, and community services.



PLANNING

Provides long-range planning, land use management, and development review to guide growth and ensure a high quality of life.



CIVIC CENTER

Operation, maintenance, and upkeep of City Hall and the Civic Center facilities.



BUILDING

Provides building permits, plan review, inspections, and code enforcement to ensure safe and compliant development.



ENGINEERING

Provides engineering design, plan review, and project management to support infrastructure improvements and development.



RECREATION

Provides year-round recreational programs, sports leagues, aquatic activities, camps, and community events that promote health, wellness, and quality of life for residents of all ages.



SWIMMING POOL

The City's municipal swimming pool offering aquatic programs, lap swim, lessons, and recreation for the community.



PUBLIC WORKS

The Public Works Division is committed to providing an attractive and well-maintained City that reflects a community that cares about its surroundings, while also assisting applicants by delivering reliable infrastructure.



PARK MAINTENANCE

Maintains the City's parks, playgrounds, sports fields, landscaped areas, trees, and recreational facilities to provide safe, clean, and attractive public spaces.



MALL MAINTENANCE

Maintains the City's downtown public spaces, municipal parking lot, landscaping, and streetscape improvements to enhance the appearance and accessibility of the downtown area.



MUSEUM MAINTENANCE

Maintains and preserves the Willows Museum building and facilities to protect the City's historical assets while supporting exhibits, educational programs, and community events.



STREETS

Maintains City streets, sidewalks, signs, pavement markings, and traffic control infrastructure to provide safe, reliable, and accessible transportation throughout the community.



WATER TREATMENT

The Water Treatment Division is responsible for the operation and maintenance of the City's water treatment facility to ensure the delivery of safe, clean, and reliable drinking water to the community.



LIBRARY

The Willows Public Library provides free access to information, educational resources, technology, and lifelong learning opportunities for residents of Willows and the surrounding Glenn County area. Library services include circulating books, audiobooks, DVDs, and other materials, public computer and internet access, children's and adult programs, literacy and educational activities, and community outreach. The department is staffed by a City Librarian, Children's Librarian, and part-time library staff dedicated to serving the informational, educational, and recreational needs of the community.



LAW ENFORCEMENT

The City of Willows contracts with the Glenn County Sheriff's Office to provide comprehensive law enforcement services to the community. Contracted services include 24-hour patrol, emergency and non-emergency response, criminal investigations, traffic enforcement, animal control, dispatch coordination, and other public safety services. The City works collaboratively with the Sheriff's Office to promote public safety, protect life and property, enforce state and local laws, and maintain a safe environment for residents.



CITY COUNCIL

Policy Direction • Governance • Community Leadership

CITY COUNCIL



DEPARTMENT OVERVIEW:

The City Council serves as the governing body of the City of Willows and is responsible for establishing municipal policy, adopting ordinances and resolutions, approving the annual budget, and providing strategic direction for City operations. The Council also appoints the City Manager and City Attorney and conducts its meetings in accordance with the Brown Act to ensure transparency and public participation.

Authorized Staffing FTEs		
Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	5.0	5.0

DEPARTMENT PERFORMANCE MEASURES		
Performance Measure	ACTUAL FY 2025-26	ESTIMATED FY 2026-27
Regular City Council Meetings	24	24
Special City Council Meetings	7	As Needed
Joint Meetings	3	As Needed

City of Willows
Departmental Expenditure Budget - Adopted Budget
Department 10 - City Council - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
40010 - Salaries - PT	14,893	15,000	15,000	22,500
40007 - FICA / Medicare	1,140	1,148	1,148	1,721
Total Personnel Services:	<u>16,033</u>	<u>16,148</u>	<u>16,148</u>	<u>24,221</u>
Materials & Services				
40300 - Travel & Meetings	4,602	1,355	1,000	1,000
40999 - Special Department	5,933	13,898	5,105	5,000
45000 - Telephone	-	-		
Total Material & Services:	<u>10,535</u>	<u>15,253</u>	<u>6,105</u>	<u>6,000</u>
Capital Projects				
Total Capital Projects:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total City Council:	<u>26,568</u>	<u>31,401</u>	<u>22,253</u>	<u>30,221</u>



CITY ATTORNEY

Provides Legal Counsel • Protects the City • Supports Good Governance

CITY ATTORNEY



DEPARTMENT OVERVIEW:

The City Attorney provides contracted legal services to the City of Willows and serves as the City's chief legal advisor. The City Attorney advises the City Council, City Manager, and staff on municipal law; prepares and reviews ordinances, resolutions, contracts, and legal agreements; provides guidance on the Ralph M. Brown Act, Public Records Act, and conflict-of-interest laws; represents the City in legal proceedings when necessary; and assists in minimizing legal risk while supporting the City's policy and operational objectives.

Authorized Staffing FTEs		
Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	0.0	0.0

DEPARTMENT PERFORMANCE MEASURES		
Performance Measure	ACTUAL FY 2025-26	ESTIMATED FY 2026-27
Regular City Council Meetings	24	24
Special City Council Meetings	3	As Needed

City of Willows
Departmental Expenditure Budget - Adopted Budget
Department 20 - City Attorney - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
	-	-	-	-
<i>Total Personnel Services:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Materials & Services				
41300 - Prof. Services	156,700	134,037	132,600	140,000
41300 - Prof. Services - Code	-	-	10,000	10,000
41300 - Prof. Services - Spcl Prj	-	-	-	-
<i>Total Material & Services:</i>	<u>156,700</u>	<u>134,037</u>	<u>142,600</u>	<u>150,000</u>
Capital Projects				
<i>Total Capital Projects:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total City Attorney:</i>	<u>156,700</u>	<u>134,037</u>	<u>142,600</u>	<u>150,000</u>



CITY MANAGER

Provides Executive Leadership

Oversees City Operations • Implements City Council Policy



INFORMATION TECHNOLOGY

Technology Strategy • Systems Administration

Help Desk Support • Cybersecurity

Data Management

CITY MANAGER



DEPARTMENT OVERVIEW:

Administration is responsible for implementing the City Council's policies, administering the day-to-day operations of the City, and promoting and supporting economic development. In addition, this department is responsible for preparing the City Council agendas and minutes, responding to and coordinating Public Record Act requests, maintaining city archives and records, administering elections, supporting city commissions and boards, and assisting the City Manager by spearheading a variety of special projects and supporting administration.

Authorized Staffing FTEs		
Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	2.0	2.0

DEPARTMENT PERFORMANCE MEASURES		
Performance Measure	ACTUAL	ESTIMATED
	FY 2025-26	FY 2026-27
Newsletters	12	12
Regular City Council Meetings	24	24
Special & Joint Meetings Held	6	As Needed

City of Willows
Departmental Expenditure Budget - Adopted Budget
Department 30 - City Manager - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
40000 - Salaries - FT	212,237	182,158	242,278	249,279
40004 - CalPERS	15,625	13,763	18,623	18,386
40006 - Health Insurance	21,303	13,046	35,063	41,280
40007 - FICA	16,318	13,971	18,546	19,253
40015 - Auto Allowance	2,422	2,616	2,400	2,400
40020 - Life Insurance	-	-	-	-
Total Personnel Services:	267,905	225,554	316,910	330,599
Materials & Services				
40300 - Travel & Meetings	7,155	4,248	5,000	5,000
40500 - Memberships & Dues	1,515	7,051	6,240	6,800
40999 - Special Department	1,470	15,883	13,575	2,500
41300 - Professional Services	4,767	34,564	7,500	9,500
41355 - Elections	-	3,970	-	5,000
45000 - Telephone	1,504	1,319	-	-
Total Material & Services:	16,411	67,035	32,315	28,800
Capital Projects				
	-	-	-	-
Total Capital Projects:	-	-	-	-
Total City Manager:	284,316	292,589	349,225	359,399

INFORMATION TECHNOLOGY



PROGRAM OVERVIEW:

The City of Willows contracts with a professional Information Technology (IT) consulting firm to provide technology management, cybersecurity, and technical support services. Contracted services include network administration, cybersecurity monitoring and updates, cloud-based system administration, computer and hardware deployment, software implementation and support, user account management for new employees, technology planning, and ongoing technical assistance. The IT consultant works closely with City staff to maintain secure, reliable, and efficient technology systems that support the delivery of municipal services.

Authorized Staffing FTEs		
Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	0.0	0.0

PROGRAM PERFORMANCE MEASURES		
	ACTUAL	ESTIMATED
Performance Measure	FY 2025-26	FY 2026-27
On Site Support	12	12
Cybersecurity Training	16	As Needed
New Employee Computer & Account Setups	4	As Needed

City of Willows
Program Expenditure Budget - Adopted Budget
Program 40 - Information Technology - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
	\$ -	-	-	-
<i>Total Personnel Services:</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Materials & Services				
41300 - Prof. Services				156,784
<i>Total Material & Services:</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>156,784</u>
Capital Projects				
<i>Total Capital Projects:</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total City Attorney:</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>156,784</u>



FINANCE

Budget & Financial Management • Accounting
Treasury • Payroll • Financial Reporting



HUMAN RESOURCES

Personnel Management • Recruitment
Benefits Administration • Employee Relations
Workers' Compensation Coordination



CITY WIDE

CalPERS • Workers' Compensation
Insurance Management



NON-DEPARTMENTAL

CalPERS Bond Payment

FINANCE



DEPARTMENT OVERVIEW:

The Finance Department is responsible for managing the City's financial operations and ensuring fiscal accountability through sound financial management and compliance with applicable laws and regulations. Core responsibilities include budgeting, accounting, payroll, accounts payable and receivable, utility billing, treasury and investment management, financial reporting, annual audit coordination, risk management, and providing financial support to the City Council, City Manager, and all City departments.

Authorized Staffing FTEs		
Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	2.0	2.4

DEPARTMENT PERFORMANCE MEASURES		
Performance Measure	ACTUAL FY 2025-26	ESTIMATED FY 2026-27
Accounts Payable	1,209	1,200
Accounts Receivable	1,309	9,000
Invoices Issued	39	9,000
Invoices Processed	2,779	2,800

City of Willows
Departmental Expenditure Budget - Adopted Budget
Department 50 - Finance - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
40000 - Salaries - FT	112,416	174,056	188,680	202,836
40004 - CalPERS	8,472	13,611	14,288	14,369
40006 - Health Insurance	16,309	35,681	39,752	33,352
40007 - FICA	8,256	12,040	13,804	15,517
40020 - Life Insurance	-	-		
<i>Total Personnel Services:</i>	<u>145,453</u>	<u>235,388</u>	<u>256,524</u>	<u>266,074</u>
Materials & Services				
40100 - Postage	107	25	91	-
40300 - Travel & Meetings	5,301	5,099	6,500	4,000
40500 - Memberships & Dues	175	150	-	500
40999 - Special Department	2,230	188	3	-
41300 - Professional Services	117,585	59,140	60,000	60,000
44000 - Contractual Services	94,588	64,880	66,000	60,000
<i>Total Material & Services:</i>	<u>219,986</u>	<u>129,482</u>	<u>132,594</u>	<u>124,500</u>
Capital Projects				
	-	-	-	-
<i>Total Capital Projects:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Finance:</i>	<u>365,439</u>	<u>364,870</u>	<u>389,118</u>	<u>390,574</u>

The City of Willows contracts with a professional Human Resources consulting firm to provide specialized human resources services and ensure compliance with federal and state employment laws. Contracted services include recruitment and selection support, employee relations, classification and compensation, labor relations, Memoranda of Understanding (MOU) negotiations and administration, personnel policy development, employment law compliance, workplace investigations, performance management guidance, benefits administration support, and human resources consulting. These services provide the City with access to specialized expertise while supporting effective personnel management and organizational compliance.

PROGRAM PERFORMANCE MEASURES

66

City of Willows
Program Expenditure Budget - Adopted Budget
Program 035 - Human Resources - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
	\$ -	-	-	-
<i>Total Personnel Services:</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Materials & Services				
41300 - Prof. Services				15,000
<i>Total Material & Services:</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>15,000</u>
Capital Projects				
<i>Total Capital Projects:</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total City Attorney:</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>15,000</u>

CITY WIDE



PROGRAM OVERVIEW:

The Citywide budget accounts for costs that benefit multiple departments or the organization as a whole and cannot be readily assigned to a single department. These expenditures include employee benefits, liability and property insurance, workers' compensation, telecommunications, citywide memberships and subscriptions, centralized contractual services, and other general operating costs that support the delivery of municipal services throughout the City.

Authorized Positions	Authorized Staffing FTEs	
	FY 2025-26	FY 2026-27
Total Authorized FTE	0.0	0.0

PROGRAM PERFORMANCE MEASURES

Performance Measure	ACTUAL	ESTIMATED
	FY 2025-26	FY 2026-27
Accounts for organization-wide expenditures that support City operations across multiple departments.		

City of Willows

Program Expenditure Budget - Adopted Budget

Program 70 - Citywide (General Office) - FY 2026-27

	ACTUAL	ESTIMATED	ESTIMATED	ADOPTED
Personnel Services	FY 2023-24	ACTUAL FY 2024-25	ACTUAL FY 2025-26	BUDGET FY 2026-27
40000 - Salaries	-	-	-	-
40004 - CalPERS - UAL Payment	-	76,895	146,808	205,000
40006 - Health Insurance	6,685	10,953	115,000	15,000
40007 - FICA/ Medicare	-	-	-	-
40601 - Workers Compensation	114,334	45,045	36,000	63,024
40603 - Unemployment	-	-	-	-
40020 - Life Insurance	-	-	1,334	1,400
Total Personnel Services:	121,019	132,893	299,142	284,424
Materials & Services				
40100 - Postage	1,841	2,305	2,000	2,000
40400 - Advertising	1,185	1,531	2,000	2,000
40602 - Insurance (Liab / Property)	99,410	201,881	240,000	228,497
40999 - Special Department	32,201	54,987	60,000	60,000
40999 - General Administration	-	-	-	-
41000 - Office Expense	4,259	8,350	45,000	49,881
41300 - Professional Services	76,842	114,393	85,000	10,000
41354 - Community Promotion	630	-	-	-
43100 - Equipment Maintenance	2,479	4,132	3,500	3,500
43300 - Building Maintenance	838	-	47	-
44000 - Contractual Services	1,750	-	-	-
45000 - Telephone/Communications	8,901	6,397	25,000	21,000
Total Material & Services:	230,336	393,976	462,547	376,878
Capital Projects				
XXXXXX - Purchase of Property	-	-	215,000	-
Total Capital Projects:	-	-	215,000	-
Total Citywide (Gen Office):	351,355	526,869	976,689	661,302

NON-DEPARTMENT



PROGRAM OVERVIEW:

The Non-Departmental budget provides funding for expenditures that are not directly attributable to a specific City department. This includes the annual debt service payments for the City's CalPERS Pension Obligation Bonds, ensuring timely repayment of principal and interest while supporting the City's long-term pension funding strategy and overall fiscal stability.

Authorized Positions	Authorized Staffing FTEs	
	FY 2025-26	FY 2026-27
Total Authorized FTE	0.0	0.0

PROGRAM PERFORMANCE MEASURES

Performance Measure	ACTUAL	ESTIMATED
	FY 2025-26	FY 2026-27

No direct performance measures are reported for the Non Departmental.

City of Willows
Program Expenditure Budget - Adopted Budget
Program 00 - Non-Departmental / Capital - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
40004 - CalPERS UAAL - Miscellaneous	-	-	-	-
40004 - CalPERS UAAL - Safety	-	-	-	-
Total Personnel Services:	-	-	-	-
Materials & Services				
48000/01 - Debt Service - CalPERS Bonds	704,252	581,881	504,079	521,454
XXXX - Debt Service - Gap Loan	174,912	174,912	87,456	
XXXX - Debt Service - Fire Truck	65,162	3,909	-	
49000 - Transfers Out	-	5,192	11,719	
Total Material & Services:	944,326	765,894	603,254	521,454
Capital Projects				
43300 - HVAC Air Ducts Cleaning	48,230	-	-	-
51000 - Public Works Equipment	-	-	37,911	
51100 - Computer / Office Equipment	693	-	-	5,000
51200 - Fire Equipment	-	105,971	21,100	17,310
51200 - Fire Truck				
60020 - Infrastructure	149,993	470	46,000	
66021 - Upgrade Computer Eqpt	68,101	71,328	30,131	35,000
Total Capital Projects:	267,017	177,769	135,142	57,310
Total Non-Departmental:	1,211,343	943,663	738,396	578,764



COMMUNITY DEVELOPMENT & SERVICES

Enhancing the quality of life through planning, infrastructure, facilities, and community services.



PLANNING

Provides long-range planning, land use management, and development review to guide growth and ensure a high quality of life.



CIVIC CENTER

Operation, maintenance, and upkeep of City Hall and the Civic Center facilities.



BUILDING

Provides building permits, plan review, inspections, and code enforcement to ensure safe and compliant development.



ENGINEERING

Provides engineering design, plan review, and project management to support infrastructure improvements and development.



RECREATION

Provides year-round recreational programs, sports leagues, aquatic activities, camps, and community events that promote health, wellness, and quality of life for residents of all ages.



SWIMMING POOL

The City's municipal swimming pool offering aquatic programs, lap swim, lessons, and recreation for the community.



PUBLIC WORKS

The Public Works Division is committed to providing an attractive and well-maintained City that reflects a community that cares about its surroundings, while also assisting applicants by delivering reliable infrastructure.



PARK MAINTENANCE

Maintains the City's parks, playgrounds, sports fields, landscaped areas, trees, and recreational facilities to provide safe, clean, and attractive public spaces.



MALL MAINTENANCE

Maintains the City's downtown public spaces, municipal parking lot, landscaping, and streetscape improvements to enhance the appearance and accessibility of the downtown area.



MUSEUM MAINTENANCE

Maintains and preserves the Willows Museum building and facilities to protect the City's historical assets while supporting exhibits, educational programs, and community events.



STREETS

Maintains City streets, sidewalks, signs, pavement markings, and traffic control infrastructure to provide safe, reliable, and accessible transportation throughout the community.



WATER TREATMENT

The Water Treatment Division is responsible for the operation and maintenance of the City's water treatment facility to ensure the delivery of safe, clean, and reliable drinking water to the community.

PLANNING



PROGRAM OVERVIEW:

The Planning Division guides the orderly growth and development of the City of Willows by administering the General Plan, Zoning Ordinance, and applicable state and local land use regulations. The division reviews development proposals, processes planning and zoning applications, coordinates environmental review under the California Environmental Quality Act (CEQA), provides development assistance to residents and businesses, and supports the Planning Commission and City Council through public hearings and land use decision-making.

Authorized Positions	Authorized Staffing FTEs	
	FY 2025-26	FY 2026-27
Total Authorized FTE	2.0	1.5

Performance Measure	PROGRAM PERFORMANCE MEASURES	
	ACTUAL FY 2025-26	ESTIMATED FY 2026-27
Permit Application Submitted	215	200
Permit Application Issued	177	160

City of Willows

Program Expenditure Budget - Adopted Budget

Program 60 - Planning - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
40000 - Salaries - FT / PT	97,896	127,681	152,638	162,243
40004 - CalPERS	15,198	20,640	22,963	23,882
40006 - Health Insurance	12,053	10,995	11,646	10,554
40007 - FICA	7,081	9,703	12,731	12,412
<i>Total Personnel Services:</i>	<u>132,228</u>	<u>169,019</u>	<u>199,978</u>	<u>209,090</u>
Materials & Services				
40100 - Postage	5,797	-		
40300 - Travel & Meetings	195	60	1,000	1,000
40400 - Advertising	3,211	7,193	4,000	4,000
40999 - Special Department	122	249	850	850
41000 - Office Expense	-	61	1,500	-
41300 - Professional Services	177,458	134,311	190,000	130,000
45000 - Telephone/Communications	52	568	-	-
<i>Total Material & Services:</i>	<u>186,835</u>	<u>142,442</u>	<u>197,350</u>	<u>135,850</u>
Capital Projects				
	-	-	-	-
<i>Total Capital Projects:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Planning:</i>	<u>319,063</u>	<u>311,461</u>	<u>397,328</u>	<u>344,940</u>

CIVIC CENTER



PROGRAM OVERVIEW:

The Civic Center budget provides funding for the operation, maintenance, and upkeep of City Hall and the Civic Center facilities. Budgeted expenditures support building maintenance, utilities, contractual services, and other facility-related costs necessary to provide a safe, functional, and accessible environment for City staff and the public.

Authorized Staffing FTEs		
Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	0.0	0.0

PROGRAM PERFORMANCE MEASURES

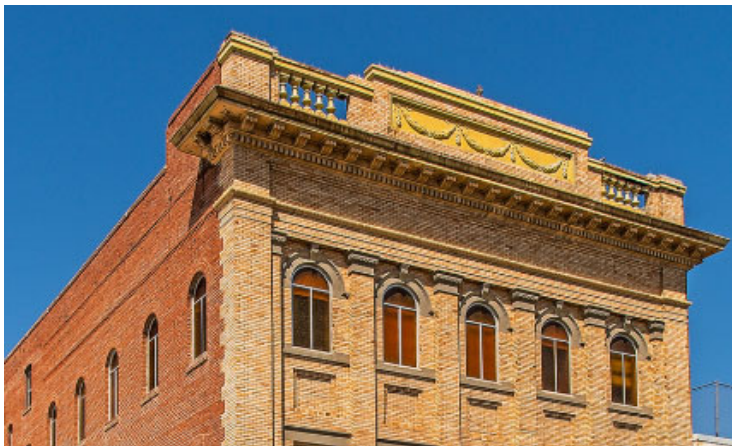
Performance Measure	ACTUAL	ESTIMATED
	FY 2025-26	FY 2026-27

No direct performance measures are reported for the Civic Center budget. This budget funds the operation and maintenance of City facilities that support the delivery of services across all City departments.

City of Willows
Program Expenditure Budget - Adopted Budget
Program 80 - Civic Center - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
40010 - Salaries PT	-	-	-	-
40007 - FICA/ Medicare	-	-	-	-
40601 - Workers Compensation	-	-	-	-
<i>Total Personnel Services:</i>	-	-	-	-
Materials & Services				
40999 - Special Department	4,280	2,629	3,000	3,000
43300 - Building Maintenance	30,846	18,303	20,000	20,000
44000 - Contractual Services	-	18,580	130,000	
45100 - PG&E	23,121	36,601	40,000	40,000
45101 - Water & Sewer Expense	14,366	9,420	12,000	12,000
<i>Total Material & Services:</i>	72,613	85,533	205,000	75,000
Capital Projects				
	-	-	-	-
<i>Total Capital Projects:</i>	-	-	-	-
<i>Total Civic Center:</i>	72,613	85,533	205,000	75,000

BUILDING



PROGRAM OVERVIEW:

The Building Division promotes safe, high-quality development by administering the California Building Standards Code and applicable local regulations. The division reviews building permit applications, performs plan reviews and construction inspections, and works with property owners, contractors, and developers to ensure construction projects comply with structural, life safety, accessibility, energy efficiency, and green building standards.

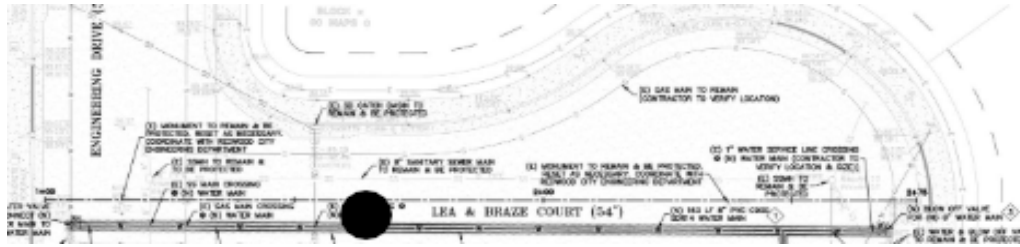
Authorized Staffing FTEs		
Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	0.0	0.0

PROGRAM PERFORMANCE MEASURES		
Performance Measure	ACTUAL FY 2025-26	ESTIMATED FY 2026-27
Final Inspection Completed	212	200
Code Enforcement Case	88	90

City of Willows
Program Expenditure Budget - Adopted Budget
Program 90 - Building - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
40000 - Salaries	63,878	68,861	62,893	67,078
40004 - CalPERS	4,388	4,478	4,542	4,824
40006 - Health Insurance	425	-	-	-
40007 - FICA/ Medicare	4,542	4,873	4,598	5,131
40020 - Life Insurance	-	-	-	-
<i>Total Personnel Services:</i>	<u>73,233</u>	<u>78,212</u>	<u>72,033</u>	<u>77,033</u>
Materials & Services				
40100 - Postage	7	-	-	-
40300 - Training & Travel	2,091	325	750	750
40400 - Advertising	-	-	-	-
40500 - Dues & Memberships	383	6,400	6,500	6,500
40999 - Special Department	146	1,028	-	-
41000 - Materials and Supplies	387	592	1,500	1,500
41300 - Professional Services	85,686	49,072	80,000	80,000
<i>Total Material & Services:</i>	<u>88,700</u>	<u>57,417</u>	<u>88,750</u>	<u>88,750</u>
Capital Projects				
	-	-	-	-
<i>Total Capital Projects:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Building:</i>	<u>161,933</u>	<u>135,629</u>	<u>160,783</u>	<u>165,783</u>

ENGINEERING



PROGRAM OVERVIEW:

The Engineering Division provides professional engineering services to support the planning, design, construction, and maintenance of the City's infrastructure. Engineering staff work to ensure that public and private development projects meet City standards and comply with applicable laws and regulations, while supporting safe, efficient, and sustainable infrastructure that serves residents, businesses, and visitors.

Authorized Staffing FTEs

Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	0.0	0.0

PROGRAM PERFORMANCE MEASURES

Performance Measure	ACTUAL FY 2025-26	ESTIMATED FY 2026-27
Encroachment Permit Issued	83	80

City of Willows
Program Expenditure Budget - Adopted Budget
Program 110 - Engineering - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
<u>Personnel Services</u>				
	-	-	-	-
<i>Total Personnel Services:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <u>Materials & Services</u>				
41300 - Professional Services	141,779	194,862	190,000	200,000
<i>Total Material & Services:</i>	<u>141,779</u>	<u>194,862</u>	<u>190,000</u>	<u>200,000</u>
 <u>Capital Projects</u>				
	-	-	-	-
<i>Total Capital Projects:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <i>Total Engineering:</i>	<u>141,779</u>	<u>194,862</u>	<u>190,000</u>	<u>200,000</u>

RECREATION



PROGRAM OVERVIEW:

The Recreation Division provides year-round recreational programs, sports leagues, camps, aquatic programs, special events, and community activities for residents of all ages. The division plans and coordinates a variety of recreational opportunities that promote health, wellness, and community engagement while enhancing the quality of life within the City of Willows.

Authorized Staffing FTEs		
Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	0.3	0.3

PROGRAM PERFORMANCE MEASURES		
Performance Measure	ACTUAL FY 2025-26	ESTIMATED FY 2026-27
Youth Basketball	73	75
Youth Spring Soccer	123	100
Jump Start Program	13 WKS	13 WKS
Summer Swim Program	N/A	N/A
Youth Fall Soccer	102	125

City of Willows
Program Expenditure Budget - Adopted Budget
Program 130 - Recreation - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
40000 - Salaries	-	-	-	-
40010 - Salaries - PT	16,772	12,841	14,468	12,000
40004 - CalPERS	-	-		
40006 - Health Insurance	-	-		
40007 - FICA/ Medicare	1,283	982	1,107	918
40601 - Workers Compensation	-	-	-	-
40020 - Life Insurance	-	-	-	-
<i>Total Personnel Services:</i>	<u>18,055</u>	<u>13,823</u>	<u>15,575</u>	<u>12,918</u>
Materials & Services				
40100 - Postage	-	-	-	-
40300 - Training & Travel	-	-	-	-
40500 - Dues & Memberships	-	-	3,500	3,500
40602 - Insurance	-	-	-	-
40999 - Special Department	4,504	2,475	1,500	1,500
41000 - Materials & Supplies			1,000	1,000
43100 - Equipment Maintenance	-	-	-	-
44000 - Contractual Services	4,326	15,000	15,000	15,000
45000 - Telephone	52	627	-	-
<i>Total Material & Services:</i>	<u>8,882</u>	<u>18,102</u>	<u>21,000</u>	<u>21,000</u>
Capital Projects				
	-	-	-	-
<i>Total Capital Projects:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Recreation:</i>	<u>26,937</u>	<u>31,925</u>	<u>36,575</u>	<u>33,918</u>

SWIMMING POOL



PROGRAM OVERVIEW:

The Pool Division provides seasonal aquatic recreation opportunities for the community through public swimming, swim lessons, and other aquatic programs. During the rehabilitation of the City's municipal swimming pool, the City partnered with Willows High School to continue providing summer swim programs and public pool access while improvements to the City-owned facility are underway. The division remains committed to providing safe, accessible, and affordable aquatic recreation opportunities that promote health, wellness, and community engagement.

Authorized Positions	Authorized Staffing FTEs	
	FY 2025-26	FY 2026-27
Total Authorized FTE	0.3	0.3

Performance Measure	PROGRAM PERFORMANCE MEASURES	
	ACTUAL FY 2025-26	ESTIMATED FY 2026-27

No direct performance measures are reported for the Pool.

City of Willows
Program Expenditure Budget - Adopted Budget
Program 135 - Swimming Pool - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
40010 - Salaries - PT	16,624	9,381	12,000	15,210
40007 - FICA/ Medicare	1,272	718	918	1,164
40601 - Workers Compensation	-	-	-	-
<i>Total Personnel Services:</i>	<u>17,896</u>	<u>10,099</u>	<u>12,918</u>	<u>16,374</u>
Materials & Services				
40300 - Training & Travel	-	-	-	-
40400 - Advertising	-	-	150	150
40999 - Special Department	12,595	11,369	19,500	20,000
41000 - Materials and Supplies	-	-	-	15,000
41004 - First Aid	48	-	1,000	1,000
41100 - Clothing	-	-	-	-
41300 - Professional Services	-	-	-	-
43100 - Equipment Maintenance	58	-	1,500	1,500
43300 - Building Maintenance	-	-	-	-
45000 - Telephone	784	356	500	-
45100 - PG&E	880	750	1,500	1,500
45101 - Water & Sewer Expense	4,675	5,274	7,500	7,500
<i>Total Material & Services:</i>	<u>19,040</u>	<u>17,749</u>	<u>31,650</u>	<u>46,650</u>
Capital Projects				
61001 - Pool Upgrades	15	-	-	-
<i>Total Capital Projects:</i>	<u>15</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Swimming Pool:</i>	<u>36,951</u>	<u>27,848</u>	<u>44,568</u>	<u>63,024</u>

PUBLIC WORKS



PROGRAM OVERVIEW:

The Public Works Division is committed to providing an attractive and well-maintained City that reflects a community that cares about its surroundings, while also assisting applicants by delivering reliable infrastructure. The Division works to ensure safe, functional, and well-maintained public systems while protecting public health and supporting the needs of the community.

Authorized Positions	Authorized Staffing FTEs	
	FY 2025-26	FY 2026-27
Total Authorized FTE	5.0	5.0

PROGRAM PERFORMANCE MEASURES		
Performance Measure	ACTUAL	ESTIMATED
	FY 2025-26	FY 2026-27
Sewer Calls	11	8

City of Willows
Program Expenditure Budget - Adopted Budget
Program 138 - Parks & Public Works FY 2026-27

	ACTUAL	ESTIMATED	ESTIMATED	ADOPTED
	FY 2023-24	ACTUAL	ACTUAL	BUDGET
Personnel Services	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
40000 - Salaries	327,876	310,881	287,397	312,208
40002 - Overtime	16,485	14,326	15,000	15,000
40010 - Salaries - PT	3,480	-	21,000	16,200
40004 - CalPERS	34,072	28,948	27,768	29,649
40006 - Health Insurance	106,637	73,651	65,110	72,269
40007 - FICA/ Medicare	25,788	24,160	23,611	26,271
40602 - Workers Compensation	-	-	-	-
40020 - Life Insurance	-	-	-	-
40900 - Street Worker Staff Alloc.	(47,463)	(48,297)	(45,000)	(45,000)
Total Personnel Services:	466,875	403,669	394,886	426,597
Materials & Services				
40300 - Training & Travel	2,781	528	3,600	1,500
40500 - Dues & Memberships	1,099	2,027	5,000	5,000
40999 - Special Department	1,099	1,847	2,000	2,000
41000 - Materials and Supplies	2,333	2,145	5,000	3,000
41005 - First Aid	-	-	500	500
41100 - Clothing	2,156	562	5,000	5,000
41150 - Tool Allowance	-	-	2,400	2,400
41200 - Fuel	16,399	14,783	15,500	15,500
41300 - Professional Services	11,959	6,229	10,000	12,000
41500 - Small Tools	2,367	600	2,000	2,500
41550 - Personal Safety Equipment	3,424	2,288	3,500	3,500
41600 - Garage Supplies	87	583	1,500	1,500
43000 - Vehicle Maintenance	8,986	3,376	10,000	15,000
43100 - Equipment Maintenance	13,556	5,924	17,500	20,000
43105 - Equipment Rental	-	29	-	-
43300 - Building Maintenance	1,567	109	6,000	3,000
43350 - Tree Maintenance	-	193	3,000	3,000
44000 - Contractual Services	-	-	-	-
45101 - Water & Sewer Costs	-	4,323	112	-
Total Material & Services:	67,813	45,546	92,612	95,400
Capital Projects				
	-	-	-	-
Total Capital Projects:	-	-	-	-
Total Parks & Public Works:	534,688	449,215	487,498	521,997

PARK MAINTENANCE



PROGRAM OVERVIEW:

The Parks Division is responsible for the maintenance, preservation, and improvement of the City's parks, landscaped areas, trees, playgrounds, sports fields, and other public recreational facilities. The division works to provide safe, clean, and attractive parks and open spaces for residents and visitors while supporting community events and recreational activities throughout the City.

Authorized Staffing FTEs		
Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	0.0	0.0

PROGRAM PERFORMANCE MEASURES		
Performance Measure	ACTUAL FY 2025-26	ESTIMATED FY 2026-27
Trees	85	90
Sprinklers Replaced	51	60

City of Willows
Program Expenditure Budget - Adopted Budget
Program 140 - Parks FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
<i>Total Personnel Services:</i>	-	-	-	-
Materials & Services				
40999 - Special Department	11,337	5,632	5,700	15,000
41300 - Professional Services	-	780	-	-
43300 - Building Maintenance	1,324	1,936	1,500	3,500
44000 - Contract Services	-	-	-	-
45000 - Telephone	649	4,128	-	-
45100 - PG&E	21,768	21,170	25,000	25,000
45101 - Water & Sewer	10,733	11,391	17,500	17,500
<i>Total Material & Services:</i>	45,811	45,037	49,700	61,000
Capital Projects				
	-	-	-	-
<i>Total Capital Projects:</i>	-	-	-	-
<i>Total Parks:</i>	45,811	45,037	49,700	61,000

MALL MAINTENANCE



PROGRAM OVERVIEW:

The Mall Maintenance Division is responsible for maintaining the City's downtown public spaces, including the municipal parking lot adjacent to Umpqua Bank and surrounding landscaped areas. Services include vegetation management, litter and debris removal, weed abatement, landscape maintenance, and general upkeep to ensure these public areas remain clean, safe, and attractive for residents, businesses, and visitors.

Authorized Positions	Authorized Staffing FTEs	
	FY 2025-26	FY 2026-27
Total Authorized FTE	0.0	0.0

PROGRAM PERFORMANCE MEASURES

Performance Measure	ACTUAL	ESTIMATED
	FY 2025-26	FY 2026-27

No direct performance measures are reported for the Mall Maintenance.

City of Willows
Program Expenditure Budget - Adopted Budget
Program 145 - Mall Maintenance FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
<i>Total Personnel Services:</i>	-	-	-	-
Materials & Services				
40999 - Special Department	61	353		
45100 - PG&E	2,687	2,181	2,500	2,500
45101 - Water & Sewer	8,669	9,906	10,000	10,000
<i>Total Material & Services:</i>	11,417	12,440	12,500	12,500
Capital Projects				
	-	-	-	-
<i>Total Capital Projects:</i>	-	-	-	-
<i>Total Mall Maintenance:</i>	11,417	12,440	12,500	12,500

MUSEUM MAINTENANCE



PROGRAM OVERVIEW:

The Museum Maintenance budget provides funding for the maintenance and preservation of the Willows Museum building to ensure it remains a safe, functional, and welcoming community asset. The budget supports building maintenance, utilities, and facility improvements that preserve the City's historical collections and provide a venue for museum exhibits, educational programs, and community events.

Authorized Staffing FTEs		
Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	0.0	0.0

PROGRAM PERFORMANCE MEASURES		
	ACTUAL	ESTIMATED
Performance Measure	FY 2025-26	FY 2026-27

No direct performance measures are reported for the Museum.

City of Willows
Program Expenditure Budget - Adopted Budget
Program 146 - Museum Maintenance FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
<i>Total Personnel Services:</i>	-	-	-	-
Materials & Services				
43300 - Building Maintenance	154	29	500	6,000
45101 - Water & Sewer	-	6,249	5,000	5,000
<i>Total Material & Services:</i>	154	6,278	5,500	11,000
Capital Projects				
	-	-	-	-
<i>Total Capital Projects:</i>	-	-	-	-
<i>Total Museum Maintenance:</i>	154	6,278	5,500	11,000

STREETS



PROGRAM OVERVIEW:

Maintaining the city’s streets includes more than replacing curbs and gutters during paving projects – it also involves removal of tripping hazards and ensure access is provided per current standards. In addition to streets, Public Works is also responsible for all street signs, road markings, and traffic signals are all part of providing safe accessible streets.

Authorized Positions	Authorized Staffing FTEs	
	FY 2025-26	FY 2026-27
Total Authorized FTE	0.0	0.0

PROGRAM PERFORMANCE MEASURES		
Performance Measure	ACTUAL	ESTIMATED
	FY 2025-26	FY 2026-27
New USA Markings	462	350
Cold Patch	24 TONS	23 TONS

City of Willows
Program Expenditure Budget - Adopted Budget
Program 160 - Public Works - Streets - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
<i>Total Personnel Services:</i>	-	-	-	-
Materials & Services				
40999 - Special Department	465	221	53	
41300 - Professional Services	8,665	1,140	-	
43000 - Vehicle Maintenance	-	8,366	-	
43105 - Equipment Rental			2,500	
43300 - Building Maintenance	-	-	-	
45000 - Telephone	5,048	1,200	-	
45100 - PG&E	16,868	15,780	20,000	20,000
45101 - Water & Sewer	3,350	-	-	-
60000 - Street Maintenance	6,504	6,436	10,000	10,000
60001 - Alley Maintenance	2,420	1,122	10,000	10,000
<i>Total Material & Services:</i>	43,320	34,265	42,553	40,000
Capital Projects				
	-	-	-	-
<i>Total Capital Projects:</i>	-	-	-	-
<i>Total Public Works / Streets:</i>	43,320	34,265	42,553	40,000

STORM DRAIN



PROGRAM OVERVIEW:

The Public Works Division is responsible for maintenance of the City’s storm drainage system, including storm drains, culverts, and drainage facilities. Routine maintenance helps reduce localized flooding and protects public infrastructure during storm events.

Authorized Staffing FTEs		
Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	0.0	0.0

PROGRAM PERFORMANCE MEASURES		
	ACTUAL	ESTIMATED
Performance Measure	FY 2025-26	FY 2026-27

City of Willows
Program Expenditure Budget - Adopted Budget
Program 170 - Storm Drains - FY 2024-25

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
<i>Total Personnel Services:</i>	-	-	-	-
Materials & Services				
40602 - Insurance	-	-	-	-
40999 - Special Department	-	-	-	-
41300 - Professional Services	-	-	-	-
43100 - Equipment Maintenance	151	-	-	-
45100 - PG&E	1,289	-	-	-
<i>Total Material & Services:</i>	1,440	-	-	-
Capital Projects				
	-	-	-	-
<i>Total Capital Projects:</i>	-	-	-	-
<i>Total Storm Drains:</i>	1,440	-	-	-



The City of Willows contracts with the Glenn County Sheriff's Office to provide comprehensive law enforcement services to the community. Contracted services include 24-hour patrol, emergency and non-emergency response, criminal investigations, traffic enforcement, animal control, dispatch coordination, and other public safety services. The City works collaboratively with the Sheriff's Office to promote public safety, protect life and property, enforce state and local laws, and maintain a safe environment for residents.

LAW ENFORCEMENT

LAW ENFORCEMENT



DEPARTMENT OVERVIEW:

The City of Willows contracts with the Glenn County Sheriff's Office to provide comprehensive law enforcement services to the community. Contracted services include 24-hour patrol, emergency and non-emergency response, criminal investigations, traffic enforcement, animal control, dispatch coordination, and other public safety services. The City works collaboratively with the Sheriff's Office to promote public safety, protect life and property, enforce state and local laws, and maintain a safe environment for residents, businesses, and visitors.

Authorized Staffing FTEs		
Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	0.0	0.0

DEPARTMENT PERFORMANCE MEASURES		
Performance Measure	ACTUAL FY 2025-26	ESTIMATED FY 2026-27
Non-Emergency Calls	3,412	1,500
911 Calls	18	10
Officer Initiated	1,897	500

City of Willows
Departmental Expenditure Budget - Adopted Budget
Department 100 - Law Enforcement Services - FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
40006 - Health Insurance	-	-	-	-
40004 - CalPERS	-	-		
<i>Total Personnel Services:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Materials & Services				
44000 - Contractual Services	2,000,000	2,000,000	2,355,000	2,550,650
<i>Total Material & Services:</i>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,355,000</u>	<u>2,550,650</u>
Capital Projects				
	-	-	-	-
<i>Total Capital Projects:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Police Services:</i>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,355,000</u>	<u>2,550,650</u>



LIBRARY

The Willows Public Library provides free access to information, educational resources, technology, and lifelong learning opportunities for residents of Willows and the surrounding Glenn County area. Library services include circulating books, audiobooks, DVDs, and other materials, public computer and internet access, children's and adult programs, literacy and educational activities, and community outreach. The department is staffed by a City Librarian, Children's Librarian, and part-time library staff dedicated to serving the informational, educational, and recreational needs of the community.

LIBRARY



DEPARTMENT OVERVIEW:

The Willows Public Library provides free access to information, educational resources, technology, and lifelong learning opportunities for residents of Willows and the surrounding Glenn County area. Library services include circulating books, audiobooks, DVDs, and other materials, public computer and internet access, children's and adult programs, literacy and educational activities, and community outreach. The department is staffed by a City Librarian, Children's Librarian, and part-time library staff dedicated to serving the informational, educational, and recreational needs of the community.

Authorized Staffing FTEs		
Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	3.5	3.5

DEPARTMENT PERFORMANCE MEASURES		
Performance Measure	ACTUAL FY 2025-26	ESTIMATED FY 2026-27
Door Count	7,163	7,300
Public Computer Use	498	500
New Library Card	196	200
Items Added to collection	810	1,500
Program Participants	392	400

City of Willows
Departmental Expenditure Budget - Adopted Budget
Department 120 - Library - FY 2026-27

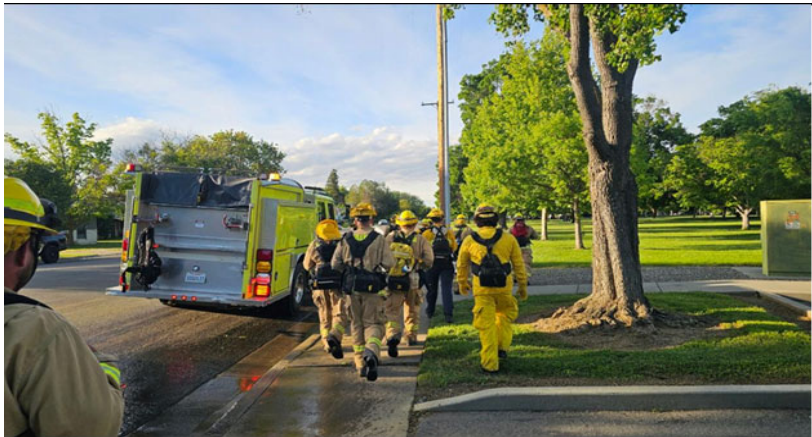
	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
40000 - Salaries	62,839	53,056	117,448	157,049
40010 - Salaries - PT	49,188	48,420	43,635	37,638
40004 - CalPERS	4,543	3,701	9,306	12,416
40006 - Health Insurance	16,331	12,553	14,673	19,427
40007 - FICA/ Medicare	8,498	7,710	12,298	14,985
40020 - Life Insurance	-	-	-	-
<i>Total Personnel Services:</i>	<u>141,399</u>	<u>125,440</u>	<u>197,360</u>	<u>241,516</u>
Materials & Services				
40100 - Postage	-	-	350	350
40300 - Training & Travel	120	-	575	575
40400 - Advertising	-	219	915	
40500 - Dues & Memberships	-	-	1,000	1,450
40602 - Insurance	-	-	-	-
40999 - Special Department	-	-	1,000	2,000
41000 - Office Expense	1,764	1,971	2,500	6,500
41002 - Print Material	18,687	3,621	20,000	10,000
43100 - Equipment Maintenance	3,165	739	1,500	1,500
44000 - Contractual Services	109,332	104,987	6,000	6,100
45000 - Telephone	1,137	1,591	2,500	
45100 - Utilities - Electric	7,153	-	-	-
<i>Total Material & Services:</i>	<u>141,358</u>	<u>113,128</u>	<u>36,340</u>	<u>28,475</u>
Capital Projects				
	-	-	-	-
<i>Total Capital Projects:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Library:</i>	<u>282,757</u>	<u>238,568</u>	<u>233,700</u>	<u>269,991</u>



FIRE

The Fire Department is responsible for responding to emergency calls (9-1-1) for the City of Willows and the Willows Rural Fire Protection District, as well as providing mutual aid to neighboring fire jurisdictions in Glenn County, Hazardous Material Team Response, and fire prevention.

FIRE



DEPARTMENT OVERVIEW:

The Fire Department is responsible for responding to emergency calls (9-1-1) for the City of Willows and the Willows Rural Fire Protection District, as well as providing mutual aid to neighboring fire jurisdictions in Glenn County, Hazardous Material Team Response, fire prevention (e.g., inspections, weed abatement, public education), training, and administration (e.g., purchasing, regional coordination, budgeting, grant preparation and reporting).

Authorized Staffing FTEs		
Authorized Positions	FY 2025-26	FY 2026-27
Total Authorized FTE	4.0	4.5

DEPARTMENT PERFORMANCE MEASURES		
Performance Measure	ACTUAL FY 2025-26	ESTIMATED FY 2026-27
Fire	34	35
EMS/Traffic Collision	531	530
False Alarm	43	60
Hazardous Material	22	20
Good Intent Call	74	80
Public Service Request	88	70

City of Willows
Departmental Expenditure Budget - Adopted Budget
Department 150 - Fire FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Personnel Services				
40000 - Salaries	319,368	439,521	379,181	382,158
40002 - Overtime	31,345	150,507	264,508	25,000
40010 - Salaries - PT	9,125	12,178	32,500	20,000
40011 - Holiday Pay	4,024	-	7,973	8,172
40004 - CalPERS	43,911	47,530	57,041	61,595
40006 - Health Insurance	90,656	95,333	101,006	85,776
40007 - FICA/ Medicare	26,512	41,172	45,356	30,765
40012 - Call Back Pay	-	-	-	-
40020 - Life Insurance	-	-	-	-
Total Personnel Services:	<u>524,941</u>	<u>786,241</u>	<u>887,565</u>	<u>613,467</u>
Materials & Services				
40100 - Postage	-	511	-	-
40300 - Travel & Training	10,055	12,466	15,000	22,000
40400 - Advertising	339	396	130	
40500 - Dues & Memberships	-	-	-	
40602 - Insurance	-	-	-	
40999 - Special Department	16,070	23,889	22,500	16,500
41000 - Office Expense	3,915	3,470	5,000	2,500
41100 - Clothing	2,623	3,437	4,500	4,500
41200 - Fuel	12,773	16,413	14,000	18,000
41300 - Professional Services	501	-	2,150	
41500 - Small Tools	4,862	4,358	7,500	7,500
43000 - Vehicle Maintenance	28,508	39,287	30,000	30,000
43100 - Equipment Maintenance	5,571	3,915	9,000	9,000
43300 - Building Maintenance	5,931	11,367	10,160	12,500
44000 - Contractual Services	192,950	146,428	130,000	90,000
45000 - Telephone/Communications	6,991	6,275	2,000	2,000
45100 - PG&E	34,221	42,754	40,000	35,000
4xxx-EMS Supplies				7,500
4xxx-Weed Abatement/Code Enforcement				60,000
45101 - Water & Sewer	3,035	3,908	4,000	4,000
Total Material & Services:	<u>328,345</u>	<u>318,874</u>	<u>295,940</u>	<u>321,000</u>
Capital Projects				
	-	-	-	-
Total Capital Projects:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fire:	<u>853,286</u>	<u>1,105,115</u>	<u>1,183,505</u>	<u>934,467</u>

ENTERPRISE

FUND

**SEWER
BUDGET**

City of Willows
Fiscal Year 2026-27 Adopted Budget
Sewer Maintenance & Construction Funds (Funds 318 / 321)

	ACTUAL	ESTIMATED	ESTIMATED	ADOPTED
	FY 2023-24	FY 2024-25	FY 2025-26	BUDGET
Revenues:				FY 2026-27
Sewer Fees	1,834,713	2,605,366	2,600,000	2,900,000
Sewer Developer Impacts Fees	40,419	7,430	71	71
Sewer Connection Fees	5,000	9,211	-	8,000
Interest Income	189,880	194,951	100,000	150
Restricted Capital Proceeds (net)	-	-	-	-
Miscellaneous Income	68	-	33,550	-
<i>Total:</i>	<u>2,070,080</u>	<u>2,816,958</u>	<u>2,733,621</u>	<u>2,908,221</u>
Expenditures:				
Salaries & Benefits	-	-	39,842	-
Operations & Maintenance	491,904	593,339	487,239	486,674
Contract Operation - Plant Facility	789,221	640,170	700,000	700,000
Debt Service Costs	513,710	551,904	581,944	534,419
General Fund Overhead Costs	178,232	217,924	265,035	302,352
Capital Outlay	230,235	410,415	3,141,667	1,005,000
<i>Total:</i>	<u>2,203,302</u>	<u>2,413,752</u>	<u>5,215,727</u>	<u>3,028,445</u>
Excess (deficit) of revenues over expenditures	(133,222)	403,206	(2,482,106)	(120,224)
Beginning Fund Balance / Working Capital	4,725,109	4,591,887	4,995,093	2,512,987
Less - Working Capital Reserved for:				
Future Capital	3,419,484	3,160,840	127,498	127,498
Debt Service Reserve	543,606	543,606	543,606	543,606
Ending Fund Balance / Working Capital	<u>628,797</u>	<u>1,290,647</u>	<u>1,841,883</u>	<u>1,721,660</u>

Capital Expenditure Detail

	ACTUAL	ESTIMATED	ESTIMATED	ADOPTED
	FY 2023-24	FY 2024-25	FY 2025-26	BUDGET
Capital Expenditures				FY 2026-27
Sycamore Street Lift Station	230,235	410,415	189,750	
Pacific Avenue Lift Station	-	-	178,250	
Lassen Street Lift Station	-	-	201,250	
Road 57 Sewer Lift Station	-	-	103,500	
Cherry St Lift Station	-	-	139,165	
Blower Building Improvements	-	-	-	40,000
WWTP - Safety Improvements	-	-	72,502	30,000
Annual Sewer Replacement Project	-	-	2,057,250	412,500
WWTP - Upgrades	-	-	-	125,000
Chlorine Contact Chamber Improvements	-	-	-	120,000
Tertiary Filtration Structure Repairs	-	-	-	50,000
Annual Vehicle Replacement	-	-	-	165,000
Tyler Utility Billing	-	-	-	17,500
WWTP SCADA and Admin Bldg Upgrade	-	-	200,000	45,000
<i>Total:</i>	<u>230,235</u>	<u>410,415</u>	<u>3,141,667</u>	<u>1,005,000</u>

City of Willows
Departmental Expenditure Adopted Budget
Fund 318 / 321 - Sewer Fund - Proposed Budget FY 2026-27

	ACTUAL	ESTIMATED	ESTIMATED	ADOPTED
Salaries & Benefits	FY 2023-24	ACTUAL FY 2024-25	ACTUAL FY 2025-26	BUDGET FY 2026-27
40000 - Salaries	-	-	-	-
40002 - Overtime	-	-	-	-
40010 - Salaries - PT	-	-	-	-
40004 - CalPERS - UAL	-	-	13,307	-
40006 - Health Insurance	-	-	26,535	-
40007 - FICA/ Medicare	-	-	-	-
40020 - Life Insurance	-	-	-	-
40900 - Overhead - General Fund	178,232	217,924	265,035	302,352
Total Personnel Services:	178,232	217,924	304,877	302,352
Operations & Maintenance				
40500 - Dues & Memberships	-	3,350		
40601 - Workers Compensation	-	-	11,205	21,008
40602 - Insurance	-	72,182	79,507	76,166
40999 - Special Department	159,687	149,663	5,000	5,000
41000 - Materials and Supplies	-	-	750	10,000
41100 - Clothing	6,585	7,726	7,500	7,500
41200 - Fuel	11,103	9,855	12,000	12,000
41300 - Professional Services	23,496	10,743	70,000	25,000
41340 - Discharge Permit	14,910	15,277	15,277	19,000

City of Willows
Departmental Expenditure Adopted Budget
Fund 318 / 321 - Sewer Fund - Proposed Budget FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Salaries & Benefits				
41500 - Small Tools	-	-	-	-
43000 - Vehicle Maintenance	3,833	181	2,000	2,000
43100 - Equipment Maintenance	3,679	335	5,000	5,000
43300 - Building Maintenance	1,500	-	-	-
45100 - PG&E	263,537	319,929	275,000	300,000
45101 - Water & Sewer	3,574	4,098	4,000	4,000
<i>Total Operations & Maintenance:</i>	491,904	593,339	487,239	486,674
Contract Operations - Plant Facility				
44000 - Contractual Services	789,221	640,170	700,000	700,000
<i>Total Contract Operations:</i>	789,221	640,170	700,000	700,000
Debt Service				
48000/48001 - Principal / Int. on Debt	513,710	551,904	581,944	534,419
<i>Total Contract Operations:</i>	513,710	551,904	581,944	534,419

City of Willows
Departmental Expenditure Adopted Budget
Fund 318 / 321 - Sewer Fund - Proposed Budget FY 2026-27

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Salaries & Benefits				
Capital Projects				
61002 - Sycamore Street Lift Station	230,235	410,415	189,750	
611XX - Pacific Avenue Lift Station	-	-	178,250	
611XX - Lassen St Sewer Rehab	-	-	201,250	
611XX - Road 57 Sewer Lift Station	-	-	103,500	
611XX - Cherry Street Lift Station	-	-	139,165	
611XX - Blower Building Improvements	-	-	-	40,000
611XX - WWTP Safety Impvmts	-	-	72,502	30,000
611XX - Annual Sewer Replct Project	-	-	2,057,250	412,500
611XX - WWTP Upgrades	-	-	-	125,000
611XX - Chlorine Contact Chamber Improvements				120,000
611XX - Tertiary Filtration Structure Repai	-	-	-	50,000
611XX - Annual Vehicle Replacement				165,000
66021 - Tyler Utility Billing	-	-		17,500
611XX - WWTP SCADA and Admin Bldg	-	-	200,000	45,000
Total Capital Projects:	<u>230,235</u>	<u>410,415</u>	<u>3,141,667</u>	<u>1,005,000</u>
Total Sewer Enterprise:	<u>2,203,302</u>	<u>2,413,752</u>	<u>5,215,727</u>	<u>3,028,445</u>

SPECIAL REVENUE FUNDS (Transportation)

City of Willows
Fiscal Year 2026-27 Adopted Budget
Gas Tax Funds (Funds 372/314X/315X/316/317)

Revenues:	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Fund 372 - CA Gas Tax Section 2103	58,200	61,094	62,052	61,264
Fund 372 - CA Gas Tax Section 2105	38,813	39,731	41,604	40,992
Fund 372 - CA Gas Tax Section 2106	22,885	24,029	24,504	23,367
Fund 372 - CA Gas Tax Section 2107	52,537	52,707	55,604	55,902
Fund 372 - CA Gas Tax Section 2107.5	2,000	2,000	2,000	2,000
Interest Income	4,407	6,284	2,000	1,000
<i>Total:</i>	<u>178,842</u>	<u>185,845</u>	<u>187,764</u>	<u>184,526</u>
Expenditures:				
Streets Worker Staff Allocations	45,000	45,000	45,000	45,000
Streets - Professional Services	368	-	-	-
Streets Maintenance	97,710	-	10,000	10,000
Utilities - Street Lighting	50,068	50,731	60,000	63,000
Capital Projects	8,052	71,237	-	166,675
Transfers Out	-	-	-	-
<i>Total:</i>	<u>201,198</u>	<u>166,968</u>	<u>115,000</u>	<u>284,675</u>
Excess (deficit) of revenues over expenditures	(22,356)	18,877	72,764	(100,149)
Beginning Fund Balance (All Funds)	276,623	254,267	273,144	345,908
Ending Fund Balance (All Funds)	<u>254,267</u>	<u>273,144</u>	<u>345,908</u>	<u>245,759</u>

Capital Expenditure Detail

Capital Expenditures	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Oak / Madrone Project	59	-	-	166,675
Green Street Project	-	-	-	-
Pacific Avenue Project	7,993	-	-	-
Lassen Street Project	-	-	-	-
RSTP Project - Streets	-	71,237	-	-
<i>Total:</i>	<u>8,052</u>	<u>71,237</u>	<u>-</u>	<u>166,675</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
RMRA SB-1 TCFR Payback Funds (Funds 306/311)

Revenues:	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Fund 306 - Trans. Cong. Relief Loan Payback	-	-	-	-
Fund 311 - RMRA SB-1 Funding	165,107	174,514	171,366	165,000
Interest Income	7,774	2,133	2,000	2,000
<i>Total:</i>	<u>172,881</u>	<u>176,647</u>	<u>173,366</u>	<u>167,000</u>
Expenditures:				
Streets Worker Staff Allocations	-	-	-	-
Streets - Professional Services	37,515	-	-	-
Streets Maintenance	-	-	-	-
Utilities - Street Lighting	-	-	-	-
Capital Projects	237,120	239,440	-	132,500
Transfers Out	-	-	-	-
<i>Total:</i>	<u>274,635</u>	<u>239,440</u>	<u>-</u>	<u>132,500</u>
Excess (deficit) of revenues over expenditures	(101,754)	(62,793)	173,366	34,500
Beginning Fund Balance (All Funds)	356,924	255,116	192,323	192,323
Ending Fund Balance (All Funds)	<u>255,170</u>	<u>192,323</u>	<u>365,689</u>	<u>226,823</u>

Capital Expenditure Detail

Capital Expenditures	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital - Oak / Madrone Street Project	-	-	-	132,500
Capital - Pacific Avenue Project	-	-	-	-
Capital - Pavement Management Program	204,836	-	-	-
Capital - Green Street Project	-	-	-	-
Capital - Sidewalk Reconstruction	-	210,212	-	-
Capital - Streets Reconstruction / Resurfacing	32,284	29,228	-	-
<i>Total:</i>	<u>237,120</u>	<u>239,440</u>	<u>-</u>	<u>132,500</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
Regional Surface Transportation Program (RSTP) Funds (Fund 310)

Revenues:	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
RSTP (County) Funding	-	-	111,871	70,000
STIP Funding	362,658	-	-	-
Transfer In	-	-	-	-
Interest Income	5,468	-	-	-
<i>Total:</i>	<u>368,126</u>	<u>-</u>	<u>111,871</u>	<u>70,000</u>
Expenditures:				
Streets Worker Staff Allocations	-	-	-	-
Streets - Professional Services	26,778	-	-	-
Streets Maintenance	-	-	30,000	30,000
Utilities - Street Lighting	-	-	-	-
Capital Projects	143,736	121,218	81,871	40,000
Transfers Out	-	-	-	-
<i>Total:</i>	<u>170,514</u>	<u>121,218</u>	<u>111,871</u>	<u>70,000</u>
Excess (deficit) of revenues over expenditures	197,612	(121,218)	-	-
Beginning Fund Balance (All Funds)	(76,394)	121,218	-	-
Ending Fund Balance (All Funds)	<u>121,218</u>	<u>-</u>	<u>-</u>	<u>-</u>

Capital Expenditure Detail

Capital Expenditures	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital - Oak St and Madrone Manor Road Rehab	-	-	81,871	40,000
Capital - Annual Sidewalk Maintenance	-	-	-	-
Capital - Streets Resurfacing Projects	140,486	121,218	-	-
Capital - Tehama Street Apron Repair	-	-	-	-
Capital - Pacific Avenue Project	3,250	-	-	-
Capital - N. Lassen Street Rehab	-	-	-	-
<i>Total:</i>	<u>143,736</u>	<u>121,218</u>	<u>81,871</u>	<u>40,000</u>

SPECIAL REVENUE FUNDS (Library)

City of Willows
Fiscal Year 2026-27 Adopted Budget
County Library / Literacy Pass Through Funds (Funds 338/359)

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
County Library Allocation	133,717	115,665	85,000	85,000
State of CA Literacy Contribution (Fund 359)	60,438	74,844	31,500	44,000
Health Department Grant	105,000	10,000	-	-
Carnegie Hall Library Grant	-	-	10,000	-
Interest Income	1,164	3,109	-	-
Miscellaneous Income	-	-	100	100
<i>Total:</i>	<u>300,319</u>	<u>203,618</u>	<u>126,600</u>	<u>129,100</u>
Expenditures:				
<i>Willows Library</i>				
Salaries & Benefits	-	-	-	-
Special Department Expense	-	-	-	-
New Print Materials	-	-	-	-
<i>Bayliss Library</i>				
Salaries & Benefits	-	-	-	-
Special Department Expense	-	-	-	-
Telephone Expense	-	-	-	-
Utilities / Electricity	-	-	-	-
<i>Elk Creek Library</i>				
Salaries & Benefits	-	-	-	-
Special Department Expense	-	-	-	-
Telephone Expense	-	-	-	-
Rent	-	-	-	-
Glenn County - Literacy Pass Through (Fund 359)	-	115,168	31,500	44,000
Transfers Out to General Fund - Library	238,717	125,665	91,521	85,000
<i>Total:</i>	<u>238,717</u>	<u>240,833</u>	<u>123,021</u>	<u>129,000</u>
Excess (deficit) of revenues over expenditures	61,602	(37,215)	3,579	100
Beginning Fund Balance (All Funds)	46,878	108,480	71,265	74,844
Ending Fund Balance (All Funds)	<u>108,480</u>	<u>71,265</u>	<u>74,844</u>	<u>74,944</u>

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Capital - Other	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
Zip Books State Fund (Fund 341)

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
Other Refunds	7,517	6,302	4,752	5,000
Interest Income	-	-	-	-
<i>Total:</i>	<u>7,517</u>	<u>6,302</u>	<u>4,752</u>	<u>5,000</u>
Expenditures:				
Other Expenditures	7,650	4,688	7,517	7,517
Capital Outlay	-	-	-	-
<i>Total:</i>	<u>7,650</u>	<u>4,688</u>	<u>7,517</u>	<u>7,517</u>
Excess (deficit) of revenues over expenditures	(133)	1,614	(2,765)	(2,517)
Beginning Fund Balance	3,216	3,083	4,697	1,932
Ending Fund Balance	<u>3,083</u>	<u>4,697</u>	<u>1,932</u>	<u>(585)</u>

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Other Capital Projects	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
Northnet Train Fund (Fund 350)

Revenues:	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Other Income - Refunds	1,500	1,000	1,200	1,000
Interest Income	-	-	-	-
<i>Total:</i>	<u>1,500</u>	<u>1,000</u>	<u>1,200</u>	<u>1,000</u>
Expenditures:				
Other Expenditures - Willows Library	-	2,449	1,000	1,000
Capital Outlay	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>2,449</u>	<u>1,000</u>	<u>1,000</u>
Excess (deficit) of revenues over expenditures	1,500	(1,449)	200	-
Beginning Fund Balance	1,773	3,273	1,824	2,024
Ending Fund Balance	<u>3,273</u>	<u>1,824</u>	<u>2,024</u>	<u>2,024</u>

Capital Expenditure Detail

Capital Expenditures	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Other Capital Projects	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
CLSA Delivery Fund (Fund 352)

Revenues:	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
CLSA Delivery Funding (CALIFA / Northnet)	7,840	4,566	4,505	5,000
Imperial County Office of Education - E-Rate	-	19,047	-	-
Interest Income	-	-	-	-
<i>Total:</i>	<u>7,840</u>	<u>23,613</u>	<u>4,505</u>	<u>5,000</u>
Expenditures:				
Other Expenditures - Willows Library Broadband	9,393	9,369	10,000	12,000
Capital Outlay	-	-	-	-
<i>Total:</i>	<u>9,393</u>	<u>9,369</u>	<u>10,000</u>	<u>12,000</u>
Excess (deficit) of revenues over expenditures	(1,553)	14,244	(5,495)	(7,000)
Beginning Fund Balance	25,726	24,173	38,417	32,922
Ending Fund Balance	<u>24,173</u>	<u>38,417</u>	<u>32,922</u>	<u>25,922</u>

Capital Expenditure Detail

Capital Expenditures	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Other Capital Projects	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**SPECIAL REVENUE
FUNDS
(Misc. Operational)**

City of Willows
Fiscal Year 2026-27 Adopted Budget
Certified Access (ADA) Fund (Fund 307)

Revenues:	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Certified Access Fees	1,469	2,111	500	1,500
Interest Income	-	-	-	-
<i>Total:</i>	<u>1,469</u>	<u>2,111</u>	<u>500</u>	<u>1,500</u>
Expenditures:				
Special Dept. Expenditures - Building Dept.	-	-	-	-
Other Expenditures	-	-	-	-
Transfers Out	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficit) of revenues over expenditures	1,469	2,111	500	1,500
Beginning Fund Balance (All Funds)	11,667	13,136	15,247	15,247
Ending Fund Balance (All Funds)	<u>13,136</u>	<u>15,247</u>	<u>15,747</u>	<u>16,747</u>

Capital Expenditure Detail

Capital Expenditures	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Other Capital Projects	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
Willows Lighting & Landscaping Fund (Fund 313/314/315)

Revenues:	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Zone A Special Assessment Taxes	-	-	9,965	9,965
Zone B Special Assessment Taxes	-	-	1,985	1,985
Zone C Special Assessment Taxes	33,614	33,656	24,524	24,524
Interest Income	1,077	1,633	500	500
<i>Total:</i>	<u>34,691</u>	<u>35,289</u>	<u>36,974</u>	<u>36,974</u>
Expenditures:				
L&L Zone A - Expenditures	3,400	3,950	19,955	16,100
L&L Zone B - Expenditures	3,400	3,950	2,704	2,700
L&L Zone C - Expenditures	3,401	3,950	64,546	49,300
Utilities	2,148	8,103	-	-
Water & Sewer	-	1,333	-	-
Street Lighting	1,192	1,284	-	-
<i>Total:</i>	<u>13,541</u>	<u>22,570</u>	<u>87,205</u>	<u>68,100</u>
Excess (deficit) of revenues over expenditures	21,150	12,719	(50,231)	(31,126)
Beginning Fund Balance (All Funds)	49,268	70,418	83,137	32,906
Ending Fund Balance (All Funds)	<u>70,418</u>	<u>83,137</u>	<u>32,906</u>	<u>1,780</u>

Capital Expenditure Detail

Capital Expenditures	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital - Streets Maintenance	-	-	-	-
Capital - Other	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
Community Discretionary Fund (Fund 330)

Revenues:	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Program Income - Loan Payments	-	-	-	-
Transfers In from CDBG/HOME Funds	4,928	4,898	25,704	4,428
Interest Income	-	-	-	-
<i>Total:</i>	<u>4,928</u>	<u>4,898</u>	<u>25,704</u>	<u>4,428</u>
Expenditures:				
Special Department Expenditures	729	567	750	750
Municipal Code Updates	-	-	-	-
Housing Element Update	-	-	-	-
LAFCO Expenditures	9,836	11,803	11,803	-
Membership Dues - League of CA Cities	-	-	-	-
Economic Development Committee	-	-	-	-
Three Core Economic Development Committee	-	-	-	-
Community Promotion (Chamber/Vol Fire/Etc.)	-	-	-	-
Other Expenditures	-	-	-	-
<i>Total:</i>	<u>10,565</u>	<u>12,370</u>	<u>12,553</u>	<u>750</u>
Excess (deficit) of revenues over expenditures	(5,637)	(7,472)	13,151	3,678
Beginning Fund Balance (All Funds)	21,369	15,732	8,260	21,411
Ending Fund Balance (All Funds)	<u>15,732</u>	<u>8,260</u>	<u>21,411</u>	<u>25,089</u>

Capital Expenditure Detail

Capital Expenditures	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital - Other	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
Mall Maintenance Fund (Fund 331)
ROLL INTO GENERAL FUND - MALL MAINTENANCE DIVISION

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
Other Refunds	-	-	-	-
Interest Income	-	-	-	-
<i>Total:</i>	-	-	-	-
Expenditures:				
Other Expenditures	-	-	-	-
Transfers Out	-	-	22,971	-
Capital Outlay	-	-	-	-
<i>Total:</i>	-	-	22,971	-
Excess (deficit) of revenues over expenditures	-	-	(22,971)	-
Beginning Fund Balance	22,971	22,971	22,971	-
Ending Fund Balance	22,971	22,971	-	-

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Other Capital Projects	-	-	-	-
<i>Total:</i>	-	-	-	-

City of Willows
Fiscal Year 2026-27 Adopted Budget
State Recycling Grant Fund (Fund 366)

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
CA Recycling Grant	-	-	-	-
Interest Income	-	-	-	-
<i>Total:</i>	-	-	-	-
Expenditures:				
Other Expenditures	-	-	-	-
Capital Outlay	-	-	-	-
<i>Total:</i>	-	-	-	-
Excess (deficit) of revenues over expenditures	-	-	-	-
Beginning Fund Balance	8,969	8,969	8,969	8,969
Ending Fund Balance	8,969	8,969	8,969	8,969

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Recycling Grant Capital	-	-	-	-
<i>Total:</i>	-	-	-	-

City of Willows
Fiscal Year 2026-27 Adopted Budget
OES Strike Team (Fund 450)

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
CAL FIRE/OES				500,000
Interest Income				
<i>Total:</i>	-	-	-	500,000
Expenditures:				
Salaries & Benefits				350,000
Special Department Expense				10,000
Capital Outlay	-	-	-	-
<i>Total:</i>	-	-	-	360,000
Excess (deficit) of revenues over expenditures	-	-	-	140,000
Beginning Fund Balance				-
Ending Fund Balance	-	-	-	140,000

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Other Capital Projects	-	-	-	-
<i>Total:</i>	-	-	-	-

**SPECIAL REVENUE
FUNDS
(CDBG / Housing)**

City of Willows
Fiscal Year 2026-27 Adopted Budget
CDBG Housing Loans Fund (Fund 312)

Revenues:	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Program Income - Loan Payments	4,928	4,898	25,704	4,428
Interest Income	-	-	-	-
<i>Total:</i>	<u>4,928</u>	<u>4,898</u>	<u>25,704</u>	<u>4,428</u>
Expenditures:				
Transfer Out to Fund 330 (Community Fund)	4,928	4,898	25,704	4,428
Other Expenditures	-	-	-	-
<i>Total:</i>	<u>4,928</u>	<u>4,898</u>	<u>25,704</u>	<u>4,428</u>
Excess (deficit) of revenues over expenditures	-	-	-	-
Beginning Fund Balance (All Funds)	-	-	-	-
Ending Fund Balance (All Funds)	-	-	-	-

Capital Expenditure Detail

Capital Expenditures	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital - Other	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
CDBG Over-the-Counter Loan Fund (Fund 326)

Revenues:	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
CDBG Grant Proceeds	-	-	-	-
Transfers In - Loan Proceeds	-	-	-	-
Program Income Loan Payments	112,731	1,713,536	-	-
Interest Income	637	17,360	12,500	12,500
<i>Total:</i>	<u>113,368</u>	<u>1,730,896</u>	<u>12,500</u>	<u>12,500</u>
Expenditures:				
Professional Services	-	-	10,000	10,000
Capital - ADA Door Upgrade	-	-	-	-
Administrative Expenses - Loan Monitoring	3,587	810	-	-
Transfers Out - Loan Payback	-	-	-	-
Capital Outlay	-	-	-	179,000
<i>Total:</i>	<u>3,587</u>	<u>810</u>	<u>10,000</u>	<u>189,000</u>
Excess (deficit) of revenues over expenditures	109,781	1,730,086	2,500	(176,500)
Beginning Fund Balance	127,670	237,451	1,967,537	1,970,037
Ending Fund Balance	<u>237,451</u>	<u>1,967,537</u>	<u>1,970,037</u>	<u>1,793,537</u>

Capital Expenditure Detail

Capital Expenditures	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital - ADA Door Upgrade	-	-	-	179,000
CDBG Capital Outlay	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>179,000</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
HOME Program Income Fund (Fund 347)
ROLL INTO GENERAL FUND - CLOSE FUND OUT

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
Program Income	-	-	-	-
Interest Income	-	-	-	-
Transfers In	-	-	4,469	-
<i>Total:</i>	-	-	4,469	-
Expenditures:				
Other Expenditures - Loan Monitoring	-	-	-	-
Capital Outlay	-	-	-	-
<i>Total:</i>	-	-	-	-
Excess (deficit) of revenues over expenditures	-	-	4,469	-
Beginning Fund Balance	(4,469)	(4,469)	(4,469)	-
Ending Fund Balance	(4,469)	(4,469)	-	-

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Other Capital Projects	-	-	-	-
<i>Total:</i>	-	-	-	-

SPECIAL REVENUE FUNDS (Projects)

City of Willows
Fiscal Year 2026-27 Adopted Budget
Clean California Grant (Fund 320)

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
Clean CA Grant Funding	-	-	101,743	3,699,000
Interest Earnings	-	-	-	-
<i>Total:</i>	-	-	101,743	3,699,000
Expenditures:				
Other Expenditures	-	-	33,016	-
Capital Outlay	91,888	-	136,001	3,699,000
Transfers Out	-	-	-	-
<i>Total:</i>	91,888	-	169,017	3,699,000
Excess (deficit) of revenues over expenditures	(91,888)	-	(67,274)	-
Beginning Fund Balance (All Funds)	(7,315)	(99,203)	(99,203)	(166,477)
Ending Fund Balance (All Funds)	(99,203)	(99,203)	(166,477)	(166,477)

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Sycamore Park Project	91,888	-	136,001	3,699,000
<i>Total:</i>	91,888	-	136,001	3,699,000

City of Willows
Fiscal Year 2026-27 Adopted Budget
Clean California Litter Grant (Fund 323)

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
Clean CA Grant Funding	-		-	137,000
Interest Earnings	-	-	-	-
<i>Total:</i>	-	-	-	137,000
Expenditures:				
Other Expenditures	-	-	-	137,000
Capital Outlay			-	-
Transfers Out			-	-
<i>Total:</i>	-	-	-	137,000
Excess (deficit) of revenues over expenditures	-	-	-	-
Beginning Fund Balance (All Funds)	-	-	-	-
Ending Fund Balance (All Funds)	-	-	-	-

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Sycamore Park Project			-	-
<i>Total:</i>	-	-	-	-

City of Willows
Fiscal Year 2026-27 Adopted Budget
CDBG 2025 Road Plans and Specs (Fund 332)

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
Clean CA Grant Funding	-		30,000	187,871
Interest Earnings	-	-	-	-
<i>Total:</i>	-	-	30,000	187,871
Expenditures:				
Other Expenditures	-	-	30,000	-
Capital Outlay			-	187,871
Transfers Out			-	-
<i>Total:</i>	-	-	30,000	187,871
Excess (deficit) of revenues over expenditures	-	-	-	-
Beginning Fund Balance (All Funds)	-	-	-	-
Ending Fund Balance (All Funds)	-	-	-	-

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Oak/Madrone/Laurel St. Plans			-	187,871
<i>Total:</i>	-	-	-	187,871

City of Willows
Fiscal Year 2026-27 Adopted Budget
SB-2 / LEAP Grant Fund (Fund 343)

Revenues:	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
SB-2 Planning Grant Revenue	-	-	-	-
Interest Income	1,102	1,249	-	-
<i>Total:</i>	<u>1,102</u>	<u>1,249</u>	<u>-</u>	<u>-</u>
Expenditures:				
Planning Expenditures	-	-	-	-
Capital Outlay	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficit) of revenues over expenditures	1,102	1,249	-	-
Beginning Fund Balance	58,022	59,124	60,373	60,373
Ending Fund Balance	<u>59,124</u>	<u>60,373</u>	<u>60,373</u>	<u>60,373</u>

Capital Expenditure Detail

Capital Expenditures	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Other Capital Projects	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
Prop 68 Parks Grant (Fund 382)

Revenues:	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
County CARES Act Shared Funding	200,000	-	-	-
Proposition 68 Grant	-	6,514	-	177,000
Interest Earnings	-	-	-	-
<i>Total:</i>	<u>200,000</u>	<u>6,514</u>	<u>-</u>	<u>177,000</u>
Expenditures:				
Other Expenditures	-	-	-	-
Capital Outlay	-	34,231	-	349,283
Transfers Out	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>34,231</u>	<u>-</u>	<u>349,283</u>
Excess (deficit) of revenues over expenditures	200,000	(27,717)	-	(172,283)
Beginning Fund Balance (All Funds)	-	200,000	172,283	172,283
Ending Fund Balance (All Funds)	<u>200,000</u>	<u>172,283</u>	<u>172,283</u>	<u>-</u>

Capital Expenditure Detail

Capital Expenditures	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Sycamore Park Project	-	34,231	-	349,283
<i>Total:</i>	<u>-</u>	<u>34,231</u>	<u>-</u>	<u>349,283</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
CDBG HOME Grant Fund (Fund 398)

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
HOME Grant Proceeds	-	-	-	-
Transfers In	-	-	-	-
Interest Income	342	316	-	-
<i>Total:</i>	<u>342</u>	<u>316</u>	<u>-</u>	<u>-</u>
Expenditures:				
Other Expenditures - Administrative Costs	3,400	5,309	5,000	5,000
Other Expenditures - Loaned Funds	-	-	-	-
Transfers Out	-	-	-	-
Capital Outlay	-	-	-	-
<i>Total:</i>	<u>3,400</u>	<u>5,309</u>	<u>5,000</u>	<u>5,000</u>
Excess (deficit) of revenues over expenditures	(3,058)	(4,993)	(5,000)	(5,000)
Beginning Fund Balance	19,326	16,268	11,275	6,275
Ending Fund Balance	<u>16,268</u>	<u>11,275</u>	<u>6,275</u>	<u>1,275</u>

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Sycamore Street Apartments Project	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
USDA RDBG Grant (Fund 440)

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
USDA Grant Revenues	2,378	-	37,512	57,750
Transfers In (General Fund Match)	-	-	7,250	7,250
Interest Income	-	-	-	-
<i>Total:</i>	<u>2,378</u>	<u>-</u>	<u>44,762</u>	<u>65,000</u>
Expenditures:				
Planning Expenditures	2,378	1,995	40,000	65,000
Capital Outlay	-	-	-	-
<i>Total:</i>	<u>2,378</u>	<u>1,995</u>	<u>40,000</u>	<u>65,000</u>
Excess (deficit) of revenues over expenditures	-	(1,995)	4,762	-
Beginning Fund Balance	(2,767)	(2,767)	(4,762)	-
Ending Fund Balance	<u>(2,767)</u>	<u>(4,762)</u>	<u>-</u>	<u>-</u>

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Other Capital Projects	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

SPECIAL REVENUE FUNDS (Impact Fees)

City of Willows
Fiscal Year 2026-27 Adopted Budget
Fire Development Impact Fee Fund (Fund 356)

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
Development Impact Fees	395	675	91	100
Interest Income	23	53	50	50
<i>Total:</i>	<u>418</u>	<u>728</u>	<u>141</u>	<u>150</u>
Expenditures:				
Other Expenditures	-	-	-	-
Capital Outlay	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficit) of revenues over expenditures	418	728	141	150
Beginning Fund Balance	1,712	2,130	2,858	2,999
Ending Fund Balance	<u>2,130</u>	<u>2,858</u>	<u>2,999</u>	<u>3,149</u>

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Fire Truck Payments - Principal & Interest	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
Police Development Impact Fee Fund (Fund 358)

Revenues:	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Development Impact Fees	192	328	45	50
Interest Income	1,148	1,337	1,200	1,200
<i>Total:</i>	<u>1,340</u>	<u>1,665</u>	<u>1,245</u>	<u>1,250</u>
Expenditures:				
Other Expenditures	-	-	-	-
Capital Outlay	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficit) of revenues over expenditures	1,340	1,665	1,245	1,250
Beginning Fund Balance	61,741	63,081	64,746	65,991
Ending Fund Balance	<u>63,081</u>	<u>64,746</u>	<u>65,991</u>	<u>67,241</u>

Capital Expenditure Detail

Capital Expenditures	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Other Capital Projects	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
Storm Drainage Development Impact Fee Fund (Fund 360)

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
Development Impact Fees	836	1,427	194	194
Interest Income	2,894	3,380	2,500	2,500
<i>Total:</i>	<u>3,730</u>	<u>4,807</u>	<u>2,694</u>	<u>2,694</u>
Expenditures:				
Other Expenditures	-	-	-	-
Transfers Out	-	-	-	-
Capital Outlay	-	-	-	159,000
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>159,000</u>
Excess (deficit) of revenues over expenditures	3,730	4,807	2,694	(156,306)
Beginning Fund Balance	155,478	159,208	164,015	166,709
Ending Fund Balance	<u>159,208</u>	<u>164,015</u>	<u>166,709</u>	<u>10,403</u>

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Storm Drainage Capital Projects	-	-	-	159,000
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>159,000</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
Streets Development Impact Fee Fund (Fund 361)

Revenues:	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Development Impact Fees	929	1,587	215	215
Interest Income	3,448	4,023	3,000	1,000
<i>Total:</i>	<u>4,377</u>	<u>5,610</u>	<u>3,215</u>	<u>1,215</u>
Expenditures:				
Other Expenditures	-	-	-	-
Transfer Out	-	-	-	-
Capital Outlay	-	-	-	195,313
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>195,313</u>
Excess (deficit) of revenues over expenditures	4,377	5,610	3,215	(194,098)
Beginning Fund Balance	185,289	189,666	195,276	198,491
Ending Fund Balance	<u>189,666</u>	<u>195,276</u>	<u>198,491</u>	<u>4,393</u>

Capital Expenditure Detail

Capital Expenditures	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Streets Capital Projects	-	-	-	195,313
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>195,313</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
Parks Facilities Development Impact Fee Fund (Fund 362)

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
Development Impact Fees	-	-	-	-
Interest Income	6,254	7,253	5,000	5,000
<i>Total:</i>	<u>6,254</u>	<u>7,253</u>	<u>5,000</u>	<u>5,000</u>
Expenditures:				
Other Expenditures	-	-	-	-
Capital Outlay	-	25,665	12,430	300,000
<i>Total:</i>	<u>-</u>	<u>25,665</u>	<u>12,430</u>	<u>300,000</u>
Excess (deficit) of revenues over expenditures	6,254	(18,412)	(7,430)	(295,000)
Beginning Fund Balance	337,104	343,358	324,946	317,516
Ending Fund Balance	<u>343,358</u>	<u>324,946</u>	<u>317,516</u>	<u>22,516</u>

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Parks Facilities Capital Projects	-	25,665	12,430	300,000
<i>Total:</i>	<u>-</u>	<u>25,665</u>	<u>12,430</u>	<u>300,000</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
I-5 Interchange Development Impact Fee Fund (Fund 363)

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
Development Impact Fees	1,633	851	115	115
Interest Income	7,313	8,503	6,750	4,000
<i>Total:</i>	<u>8,946</u>	<u>9,354</u>	<u>6,865</u>	<u>4,115</u>
Expenditures:				
Other Expenditures	-	-	-	-
Capital Outlay	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficit) of revenues over expenditures	8,946	9,354	6,865	4,115
Beginning Fund Balance	393,109	402,055	411,409	418,274
Ending Fund Balance	<u>402,055</u>	<u>411,409</u>	<u>418,274</u>	<u>422,389</u>

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
I-5 Interchange Capital Projects	-	-	-	-
<i>Total:</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Willows
Fiscal Year 2026-27 Adopted Budget
Library Development Impact Fee Fund (Fund 364)

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Revenues:				
Development Impact Fees	-	-	-	-
Interest Income	2,543	2,554	1,700	1,700
<i>Total:</i>	<u>2,543</u>	<u>2,554</u>	<u>1,700</u>	<u>1,700</u>
Expenditures:				
Other Expenditures	-	-	-	-
Capital Outlay	24,846	-	12,646	-
<i>Total:</i>	<u>24,846</u>	<u>-</u>	<u>12,646</u>	<u>-</u>
Excess (deficit) of revenues over expenditures	(22,303)	2,554	(10,946)	1,700
Beginning Fund Balance	143,200	120,897	123,451	112,505
Ending Fund Balance	<u>120,897</u>	<u>123,451</u>	<u>112,505</u>	<u>114,205</u>

Capital Expenditure Detail

	ACTUAL FY 2023-24	ESTIMATED ACTUAL FY 2024-25	ESTIMATED ACTUAL FY 2025-26	ADOPTED BUDGET FY 2026-27
Capital Expenditures				
Library Capital Projects	24,846	-	12,646	-
<i>Total:</i>	<u>24,846</u>	<u>-</u>	<u>12,646</u>	<u>-</u>

CAPITAL OUTLAY PROJECTS

City of Willows
Fiscal Year 2026-27 Proposed Budget
Capital Outlay / Projects Reconciliation

Fund	Capital Outlay / Project	Outlay	Project
<u>General Fund</u>			
	Office Equipment	\$ 5,000	
	Fire Equipment	17,310	
	Tyler Licensing	35,000	
<u>Sewer Fund</u>			
	Blower Building Improvements	\$ 40,000	
	WWTP Safety Impvmts	30,000	
	Annual Sewer Replct Project	412,500	
	WWTP Upgrades	125,000	
	Chlorine Contact Chamber Improv	120,000	
	Tertiary Filtration Structure Repairs	50,000	
	Annual Vehicle Replacement	165,000	
	WWTP SCADA and Admin Bldg Upgd	45,000	
	Tyler Technologies Billing Module	17,500	
<u>Gas Tax Fund</u>			
	Streets Maintenance	\$ 166,675	
<u>RMRA/SB-1 Fund</u>			
	Oak Street and Madrone Manor Road	\$ 132,500	
<u>RSTP Program Fund</u>			
	Oak Street and Madrone Manor Road Rehab	\$ 40,000	
<u>Home Program Income</u>			
	ADA Door Upgrade	\$ 179,000	
<u>Parks Grant Fund</u>			
	Sycamore Park & Pool Project	\$ 3,699,000	
<u>CDBG 2025 Road Plans</u>			
	Oak Street, Madrone Manor and Laurel	\$ 187,871	

Parks Grant Prop 68

Sycamore Park	\$	349,283
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Storm Drain Impact Fee

Storm Drainage	\$	159,000
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Street Dev Impact Fee

Streets Project	\$	195,313
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Parks Facilities Impact Fee

Parks Facilities Project	\$	300,000
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Citywide Capital Outlay / Projects Totals:

\$	57,310	\$	6,413,642
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\$	6,470,952
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Note: The information presented herein presents the fund in which the capital outlay / project is fully appropriated. Several projects which have multiple funding sources accounted for as transfers in/out are listed in the fund in which they are wholly accounted for.

ENTERPRISE FUND 5-YEAR CIP

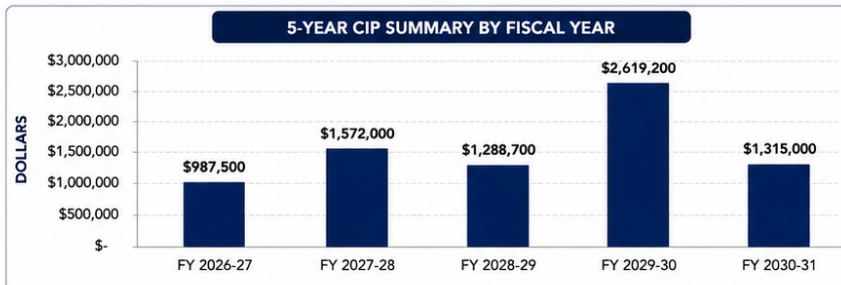
SEWER FUND

Investing in Our Infrastructure. Protecting Public Health. Planning for the Future.



CITY OF WILLOWS FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SEWER FUND

PROJECT NUMBER	PROJECT NAME	PROPOSED BUDGET				
		FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
RATE-FUNDED PROJECTS						
SS-002-232	Annual Sewer Replacement Project	\$412,500	-	-	-	-
SS-002-233	Annual Sewer Replacement Project	-	-	\$191,700	\$2,204,200	-
SS-003	Annual Sewer Replacement Project	-	-	-	\$50,000	\$1,150,000
SS-023	WWTP – Clarifier Improvements	-	\$10,000	\$95,000	\$200,000	-
SS-024	Chlorine Contact Chamber Improvements	\$120,000	-	\$60,000	-	-
SS-025	Chemical Storage and Pipelines	-	\$140,000	\$60,000	-	-
SS-026	Sodium Bisulfite Injection System Housing Structure	-	\$85,000	-	-	-
SS-027	Wastewater Treatment Plan Safety Improvements	\$30,000	-	-	-	-
SS-029	WWTP Upgrades	\$125,000	\$122,000	\$117,000	-	-
SS-030	Blower Building Improvements	\$40,000	-	-	-	-
SS-031	Clarifier Improvements	-	\$200,000	-	-	-
SS-032	Tertiary Filtration Structure Repairs	\$50,000	-	-	-	-
SS-034	WWTP Pond Liners	-	\$850,000	\$600,000	-	-
SS-034	WWTP SCADA and Admin Bldg Upgrade	\$45,000	-	-	-	-
SS-035	Annual Vehicle Replacement	\$165,000	\$165,000	\$165,000	\$165,000	\$165,000
	TOTAL SEWER PROJECTS	\$987,500	\$1,572,000	\$1,288,700	\$2,619,200	\$1,315,000



5-YEAR TOTAL INVESTMENT

\$7,782,400

In infrastructure improvements to support system reliability and safety.



CIP FOCUS AREAS

- Collection System Rehabilitation
- Treatment Plant Improvements
- Regulatory Compliance & Safety
- Operational Efficiency

Source: City of Willows Five-Year Capital Improvement Program Fiscal Years 2025-2029

APPENDIX

GLOSSARY

A

Accrual Basis: A method of accounting that recognizes revenues when they are earned and expenditures when they are incurred, regardless of when cash is received or paid.

Appropriation: Legal authorization granted by the City Council to expend public funds for specific purposes during the fiscal year.

Assessed Valuation (AV): The value assigned by the Glenn County Assessor to taxable property for property tax purposes.

B

Balanced Budget: A budget in which estimated revenues and available fund balances are sufficient to finance planned expenditures.

Beginning Fund Balance: Resources available within a fund at the beginning of the fiscal year.

Budget Amendment: A formal action approved by the City Council authorizing changes to the adopted budget during the fiscal year.

Budget Transfer: The reallocation of appropriations between accounts or departments as authorized by City policy.

C

CalPERS: The California Public Employees' Retirement System, which administers retirement benefits for eligible City employees.

Capital Improvement Program (CIP): A multi-year plan identifying major capital projects and infrastructure improvements. The City currently maintains a Capital Improvement Program for its Sewer Enterprise Fund.

Capital Outlay: Expenditures for equipment, vehicles, buildings, or infrastructure with a useful life greater than one year.

Contingency: Funds reserved to address unforeseen expenditures or emergencies.

D

Debt Service: Annual principal and interest payments on long-term debt obligations.

Department Budget: The annual operating and expenditure plan for a City department or program.

E

Enterprise Fund: A fund used to account for services financed primarily through user fees rather than taxes, such as the City's Sewer Enterprise Fund.

F

Fiscal Year (FY): The City's fiscal year beginning July 1 and ending June 30.

Five-Year Financial Forecast: A long-range financial planning tool that projects revenues, expenditures, fund balances, and reserves to evaluate long-term fiscal sustainability.

Fund: A separate accounting entity established to account for specific revenues, expenditures, assets, liabilities, and fund balance.

Fund Balance: The difference between a fund's assets and liabilities representing financial resources available for future operations or other authorized purposes.

G

Gann Limit: California's constitutional appropriations limit established by Article XIII B of the California Constitution.

General Fund: The City's primary operating fund used to account for most governmental services.

General Fund Reserve Policy: A City Council policy establishing minimum reserve levels to promote fiscal stability and prepare for emergencies or unforeseen events.

Grant: Financial assistance received from another governmental agency or organization for a specific public purpose.

H

HOME Program: A federal housing assistance program administered by the U.S. Department of Housing and Urban Development (HUD).

I

Impact Fees: Charges imposed on new development to offset the cost of public infrastructure needed to serve growth.

M

Measure I: The City of Willows' voter-approved one-percent (1%) local transactions and use (sales) tax that provides a stable, locally controlled funding source for essential municipal services, including public safety, administration, finance, library, recreation, public works, planning, information technology, fire services, and other community priorities.

Measure I Forecast: A long-range projection of anticipated Measure I revenues and expenditures used to evaluate the sustainability of City services supported by Measure I.

O

Operating Budget: The annual budget that finances the City's day-to-day operations.

P

Performance Measures: Quantifiable indicators used to evaluate departmental workload, operational efficiency, service delivery, and progress toward organizational goals.

Property Tax: A tax levied on real property based upon its assessed valuation.

Proposition 218 (Prop 218): A California constitutional amendment governing local taxes, assessments, and property-related fees, including public notice and protest requirements for property-related fees.

R

Reserve: Financial resources set aside for emergencies, economic uncertainty, future capital needs, or other long-term obligations.

Revenue: Income received by the City from taxes, fees, grants, charges for services, and other funding sources.

S

Special Revenue Fund: A governmental fund used to account for revenues legally restricted for specific purposes.

Strategic Priorities: The City Council's long-term goals and objectives that guide budget development, policy decisions, capital investments, and service delivery.

Structurally Balanced Budget: A budget in which recurring operating expenditures are supported by recurring revenues without relying on one-time funding sources.

T

Transient Occupancy Tax (TOT): A tax imposed on the occupancy of hotels, motels, and other short-term lodging establishments within the City.

U

Unassigned Fund Balance: The portion of the General Fund balance available for any lawful governmental purpose.

Unfunded Accrued Liability (UAL): The portion of the City's pension obligation not currently funded by pension plan assets. Annual payments to CalPERS reduce this liability.

Utility Billing: The City's system for billing and collecting wastewater service charges. Beginning in FY 2026–27, sewer utility billing transitioned from California Water Service to an in-house City operation.

EXHIBIT A: Debt Management Policy

EXHIBIT A

DEBT MANAGEMENT POLICY

This Debt Management Policy (the “Debt Policy”) of the CITY OF WILLOWS (the “City”) was approved by the City Council of the City (the “Council”) on September 8, 2020. The Debt Policy may be amended by Council as it deems appropriate from time to time in the prudent management of the debt of the City.

This Debt Policy will also apply to any debt issued by any public agency for which the Council acts as its legislative body.

The Debt Policy has been developed to provide guidance in the issuance and management of debt by the City or its related entities and is intended to comply with section 8855(i) of the California Government Code effective on January 1, 2017. The main objectives are to establish conditions for the use of debt; to ensure that debt capacity and affordability are adequately considered; to minimize the City’s interest and issuance costs; to maintain the highest possible credit rating; to provide complete financial disclosure and reporting; and to maintain financial flexibility for the City.

Debt, properly issued and managed, is a critical element in any financial management program. It assists in the City’s effort to allocate limited resources to provide the highest quality of service to the public. The City understands that poor debt management can have ripple effects that hurt other areas of the City. On the other hand, a properly managed debt program promotes economic growth and enhances the vitality of the City for its residents and businesses.

1. Findings

This Debt Policy shall govern all debt undertaken by the City. The City hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the City’s sound financial position.
- Ensure the City has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the City’s credit-worthiness.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the City.
- Ensure that the City’s debt is consistent with the City’s planning goals and objectives and capital improvement program or budget, as applicable.

- Encourage those that benefit from a facility/improvement to pay the cost of that facility/improvement without the need for the expenditure of limited general fund resources.

2. Policies

A. Purposes For Which Debt May Be Issued

The City will consider the use of debt financing primarily for capital improvement projects (CIP) when the project's useful life will equal or exceed the term of the financing and when resources are identified sufficient to fund the debt service requirements. An exception to this CIP driven focus is the issuance of short-term instruments such as tax and revenue anticipation notes, which are to be used for prudent cash management purposes and conduit financing, as described below. Bonded debt should not be issued for projects with minimal public benefit or support, or to finance normal operating expenses.

If a department has any project which is expected to use debt financing, the department director is responsible for expeditiously providing the City Manager and the Administrative Services Director with reasonable cost estimates, including specific revenue accounts that will provide payment for the debt service. This will allow an analysis of the project's potential impact on the City's debt capacity and limitations. The department director shall also provide an estimate of any incremental operating and/or additional maintenance costs associated with the project and identify sources of revenue, if any, to pay for such incremental costs.

(i) Long-Term Debt. Long-term debt may be issued to finance or refinance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and/or operated by the City.

(a) Long-term debt financings are appropriate when the following conditions exist:

- When the project to be financed is necessary to provide basic services.
- When the project to be financed will provide benefit to constituents over multiple years.
- When total debt does not constitute an unreasonable burden to the City and its taxpayers and ratepayers.
- When the debt is used to refinance outstanding debt or other obligations in order to produce debt service savings or to realize the benefits of a debt restructuring.

(b) Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses.

(c) The City may use long-term debt financings subject to the following conditions:

- The project to be financed has been or will be approved by the Council.

- The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed unless specific conditions exist that would mitigate the extension of time to repay the debt and it would not cause the City to violate any covenants to maintain the tax-exempt status of such debt, if applicable.
- The City estimates that sufficient income or revenues will be available to service the debt through its maturity.
- The City determines that the issuance of the debt will comply with the applicable requirements of state and federal law.
- The City considers the improvement/facility to be of vital, time-sensitive need of the community and there are no plausible alternative financing sources

(d) Periodic reviews of outstanding long-term debt will be undertaken to identify refunding opportunities. Refunding will be considered (within federal tax law constraints, if applicable) if and when there is a net economic benefit of the refunding. Refundings which are non-economic may be undertaken to achieve City objectives relating to changes in covenants, call provisions, operational flexibility, tax status of the issuer, or the debt service profile.

In general, refundings which produce a net present value savings of at least three (3) percent of the refunded debt will be considered economically viable. Refundings which produce a net present value savings of less than three (3) percent or negative savings will be considered on a case-by-case basis, and are subject to Council approval.

(ii) Short-term debt. Short-term borrowing may be issued to generate funding for cash flow needs in the form of Tax and Revenue Anticipation Notes (TRAN).

Short-term borrowing, such as commercial paper, and lines of credit, will be considered as an interim source of funding in anticipation of long-term borrowing. Short-term debt may be issued for any purpose for which long-term debt may be issued, including capitalized interest and other financing-related costs. Prior to issuance of the short-term debt, a reliable revenue source shall be identified to secure repayment of the debt. The final maturity of the debt issued to finance the project shall be consistent with the economic or useful life of the project and, unless the Council determines that extraordinary circumstances exist, must not exceed seven (7) years.

Short-term debt may also be used to finance short-lived capital projects; for example, the City may undertake lease-purchase financing for equipment, and such equipment leases may be longer than seven (7) years.

(iii) Financings on Behalf of Other Entities. The City may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties in order to further the public

purposes of City. In such cases, the City shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein. In no event will the City incur any liability or assume responsibility for payment of debt service on such debt.

B. Types of Debt

In order to maximize the financial options available to benefit the public, it is the policy of the City of Willows to allow for the consideration of issuing all generally accepted types of debt, including, but not exclusive to the following:

- General Obligation (GO) Bonds: General Obligation Bonds are suitable for use in the construction or acquisition of improvements to real property that benefit the public at large. Examples of projects include libraries, parks, and public safety facilities. All GO bonds shall be authorized by the requisite number of voters in order to pass.
- Revenue Bonds: Revenue Bonds are limited-liability obligations tied to a specific enterprise or special fund revenue stream where the projects financed clearly benefit or relate to the enterprise or are otherwise permissible uses of the special revenue. An example of projects that would be financed by a Revenue Bond would be improvements to a water system, which would be paid back with money raised from the rates and charges to water users. Generally, no voter approval is required to issue this type of obligation but in some cases, the City must comply with proposition 218 regarding rate adjustments.
- Lease-Backed Debt/Certificates of Participation (COP/Lease Revenue Bonds): Issuance of Lease-backed debt is a commonly used form of debt that allows a City to finance projects where the debt service is secured via a lease agreement and where the payments are budgeted in the annual budget appropriation by the City from the general fund. Lease-Backed debt does not constitute indebtedness under the state or the City's constitutional debt limit and does not require voter approval.
- Special Assessment/Special District Debt: The City will consider requests from developers for the use of debt financing secured by property based assessments or special taxes in order to provide for necessary infrastructure for new development only under strict guidelines adopted by the Council, which may include minimum value-to-lien ratios and maximum tax burdens. Examples of this type of debt are Assessment Districts (AD) and Community Facilities Districts (CFD) or more commonly known as Mello-Roos Districts. In order to protect bondholders as well as the City's credit rating, the City will also comply with all State guidelines regarding the issuance of special district or special assessment debt, as well as any policy required to be adopted under Government Code Section 53312.7.

The City may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

To maintain a predictable debt service burden, the City will give preference to debt that carries a fixed interest rate. An alternative to the use of fixed rate debt is variable rate debt. The City may choose to issue securities that pay a rate of interest that varies according to a pre-determined formula or results from a periodic remarketing of securities. When making the determination to issue bonds in a variable rate mode, consideration will be given in regard to the useful life of the project or facility being financed or the term of the project requiring the funding, market conditions, credit risk and third party risk analysis, and the overall debt portfolio structure when issuing variable rate debt for any purpose. The maximum amount of variable-rate debt should be limited to no more than 20 percent of the total debt portfolio.

The City will not employ derivatives, such as interest rate swaps, in its debt program. A derivative product is a financial instrument which derives its own value from the value of another instrument, usually an underlying asset such as a stock, bond, or an underlying reference such as an interest rate. Derivatives are commonly used as hedging devices in managing interest rate risk and thereby reducing borrowing costs. However, these products bear certain risks not associated with standard debt instruments.

C. Relationship of Debt to Capital Improvement Program and Budget

The City intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the City's capital budget and the capital improvement plan.

The City shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The City shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear, unless a specific revenue source has been identified for this purpose, such as Gas Tax funds.

The City shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the City's public purposes.

The City shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its general fund.

D. Policy Goals Related to Planning Goals and Objectives

The City is committed to financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The City intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the City's annual operating budget.

It is a policy goal of the City to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The City will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

Except as described in Section 2.A., when refinancing debt, it shall be the policy goal of the City to realize, whenever possible, and subject to any overriding non-financial policy considerations minimum net present value debt service savings equal to or greater than 3% of the refunded principal amount.

E. Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the City shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The City will periodically review the requirements of and will remain in compliance with the following:

- any continuing disclosure undertakings under SEC Rule 15c2-12,
- any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues, and
- the City's investment policies as they relate to the investment of bond proceeds.

Whenever reasonably possible, proceeds of debt will be held by a third-party trustee and the City will submit written requisitions for such proceeds. The City will submit a requisition only after obtaining the signature of the City Manager or the Administrative Services Director.

F. Method of Sale

For the sale of any City-issued debt, the City Manager or the Administrative Services Director or designee shall recommend the method of sale with the potential to achieve the lowest financing cost and/or to generate other benefits to the City. Potential methods of sale include:

- A competitive bidding process through which the award is based on, among other factors, the lowest offered true interest cost
- Negotiated sale, subject to approval by the City to ensure that interest costs are in accordance with comparable market interest rates
- Private placement sale, when the financing can or must be structured for a single or limited number of purchasers or where the terms of the private placement are more beneficial to the City than either a negotiated or competitive sale

G. Waivers of Debt Policy

There may be circumstances from time to time when strict adherence to a provision of this Debt Policy is not possible or in the best interests of the City and the failure of a debt financing to comply with one or more provisions of this Debt Policy shall in no way affect the validity of any debt issued by the City in accordance with applicable laws.

EXHIBIT B

DISCLOSURE PROCEDURES FOR PUBLIC DEBT ISSUANCES

These Disclosure Procedures for Public Debt Issuances and Related Disclosure Obligations (the "Procedures") of the CITY OF WILLOWS (the "City") were approved by the City Council of the City (the "Council") on September 8, 2020. The Policies may be amended by Council as it deems appropriate from time to time in the prudent management of the debt of the City.

The Policies will also apply to any debt issued by any public agency for which the Council acts as its legislative body.

I. INTRODUCTION

A. Purpose

The procedures are intended to (1) ensure that the City's Initial Disclosure Documents and Continuing Disclosure Documents (as such terms are defined in Section II A.2 below) are accurate and comply with all applicable federal and state securities laws, and (2) promote best practices regarding the preparation of the City's Initial Disclosure Documents and Continuing Disclosure Documents.

II. KEY PARTICIPANTS

A. Disclosure Practices Working Group

1. *Composition.* A Disclosure Practices Working Group (the "Disclosure Working Group") will have general oversight over the entire initial and continuing disclosure process. Members of the Disclosure Working Group shall be appointed from time to time by the City Manager (in consultation with the Administrative Services Director) and shall consist of persons relevant to the disclosure process. The initial Disclosure Working Group shall include the following persons:

- (a) the Administrative Services Director;
- (b) the Disclosure Coordinator (as described below);
- (c) the City Attorney; and
- (d) and any other individuals appointed by the City Manager.

The Disclosure Working Group shall consult with finance team members for each applicable City debt obligation, or other interested parties as the Administrative Services Director or any

other member of the Disclosure Working Group determines is advisable, related to disclosure issues and practices. Meetings of the Disclosure Working Group may be held telephonically.

The Disclosure Working Group is an internal working group of City staff and not a decision-making or advisory body subject to the provisions of the Ralph M. Brown Act (Government Code Section 54950 et seq.).

2. *Responsibilities.* The Disclosure Working Group is responsible for:

(a) reviewing all Initial Disclosure Documents, and making recommendations to the City Council or appropriate governing board for their approval of Initial Disclosure Documents;

(b) reviewing all continuing disclosure obligations as contained in Initial Disclosure Documents before such documents are released to the prospective investors, and making recommendations to the City Council or appropriate governing board for their approval of such continuing disclosure obligations;

(c) reviewing annually the City's status and compliance with continuing disclosure obligations, including filings of Continuing Disclosure Documents, compliance with these Procedures and the annual report prepared by the Disclosure Consultant as described in Section II (C) below;

(d) reviewing any items referred to the Disclosure Working Group; and

(e) evaluating the effectiveness of these Procedures and approving changes to these Procedures.

For purposes of these Procedures, "Initial Disclosure Documents" means disclosure documents describing City indebtedness for use in connection with the offering and sale of the indebtedness or interests therein, including Official Statements (as defined in the next sentence); and "Continuing Disclosure Documents" means (i) annual continuing disclosure reports filed with the Municipal Securities Rulemaking Board ("MSRB"), and (ii) event notices and any other filings with the MSRB. As used in these Procedures, the term "Official Statements" means preliminary and final official statements, private placement memoranda and remarketing memoranda relating to the City's debt obligations, together with any supplements, for debt obligations for which a continuing disclosure obligation is required.

B. Disclosure Coordinator

1. *Appointment.* The Administrative Services Director, in consultation with the other members of the Disclosure Working Group, shall select and appoint a Disclosure Coordinator. The Administrative Services Director may serve as the Disclosure Coordinator.

2. *Responsibilities.* The Disclosure Coordinator is responsible for:

- (a) serving as a "point person" for personnel to communicate issues or information that should be or may need to be included in any Initial Disclosure Document or Continuing Disclosure Document;
- (b) in preparing Initial Disclosure Documents and in anticipation of preparing Continuing Disclosure Documents, soliciting "material" information (as defined in Securities and Exchange Rule 10b-5) from City departments and other relevant City Staff;
- (c) following up with others, including management of outside consultants assisting the City, in the preparation and dissemination of Initial Disclosure Documents and Continuing Disclosure Documents to make sure that assigned tasks have been completed on a timely basis and making sure that the Continuing Disclosure Documents are filed on a timely basis and are accurate;
- (d) In cooperation with the attorney or attorneys, or financial advisor, preparing any Initial Disclosure Document, and with other City or public agency Staff members with knowledge of the subject matter of the respective debt obligation, (i) reviewing each Initial Disclosure Document with the Disclosure Working Group and (ii) presenting the Initial Disclosure Document to the City Council on or before the second regularly scheduled City Council meeting in February each year and before any other appropriate governing board for approval, before it is disseminated to the public or prospective purchasers of the related debt obligation, all in order to ensure that all disclosure contained therein and not otherwise attributable to sources other than the City is accurate and does not omit to state information required to be stated therein in order to make the statements therein not misleading in any material respect;
- (e) preparing and filing the required Continuing Disclosure Documents, to the extent such filings are not prepared and filed by the Disclosure Consultant;
- (f) monitoring compliance by the City with these Procedures, including timely dissemination of annual report and event filings as described in Sections III (B) and (C) below;
- (g) recommending changes to these Procedures to the Disclosure Working Group as necessary or appropriate;
- (h) together with the Administrative Services Director (if other than the Disclosure Coordinator), coordinating the timely provision of information to the Disclosure Consultant as needed to fulfill its responsibilities to the City;

(i) maintaining records documenting the City's compliance with these Procedures;

(j) reviewing compliance with and providing appropriate certifications in connection with the various covenants in documents for debt obligations; and the Disclosure Coordinator shall review the documents for debt obligations to determine which covenants require an annual or regular certification and maintain a list of those with the Disclosure Coordinator (the Disclosure Coordinator may delegate such compliance requirements to the Disclosure Consultant); and

(k) ensuring that members of the Disclosure Working Group and the City Council or other applicable governing board approving Initial Disclosure Documents or Continuing Disclosure Documents receive periodic training regarding disclosure responsibilities and practices.

3. *Consultation.* The Disclosure Coordinator shall consult with the disclosure counsel for a respective debt obligation to the extent the Disclosure Coordinator considers appropriate to perform the Disclosure Consultant's responsibilities.

C. Disclosure Consultant

1. *Appointment.* The Administrative Services Director shall designate or hire, as applicable, a Disclosure Consultant (who may be a City Staff member, an attorney retained as disclosure counsel, a financial advisor or other appropriate consultant) in consultation with the Disclosure Working Group. The Disclosure Consultant shall have significant expertise and experience related to on-going disclosure requirements for municipal securities.

2. *Responsibilities.* The Disclosure Consultant is responsible for:

(a) communicating to the Disclosure Working Group its information needs, reviewing Initial Disclosure Documents, Continuing Disclosure Documents and other relevant information, consulting with appropriate City staff or interested parties needed to confirm that the City is meeting its disclosure obligations; and

(b) from time to time, making recommendations to the Disclosure Working Group regarding ways the City may improve these Procedures and methods of meeting City continuing disclosure obligations.

D. Others With Responsibility for Initial Disclosure Documents.

1. *Responsibilities of City Attorney.* The City Attorney (or a designee) shall review Initial Disclosure Documents and shall draft for Initial Disclosure Documents descriptions of (a) any material current, pending or threatened litigation, (b) any material settlements or court orders and (c) any other legal issues that are material information for purposes of any respective Initial Disclosure Document.

2. *Responsibilities of Administrative Services Director.* The Administrative Services Director shall review each Initial Disclosure Document, identify any material difference in presentation of financial information from the City's most recent financial statements and ensure there are no misstatements or omissions of material information in any sections that contain descriptions of information prepared by the Administrative Services Director (or the Administrative Services Director's staff) or of relevance to the finances of the City. In addition, the Administrative Services Director shall determine whether the City's then-available financial statements are appropriate to be included in the respective Initial Disclosure Document and whether to seek the consent of the City's auditor to including financing statements in the respective Initial Disclosure Document.

III. CONTINUING DISCLOSURE FILINGS

A. Overview of Continuing Disclosure Filings

Under the continuing disclosure undertakings it has entered into in connection with its debt offerings, the City is required to file annual reports with the Municipal Securities Rulemaking Board's ("MSRB's") Electronic Municipal Market Access ("EMMA") system in accordance with such undertakings in each year. Such annual reports are required to include certain updated financial and operating information (or may refer to a publicly-available document), which varies among the different obligations issued by the City, the City's audited financial statements and other information material to investors.

The City is also required under the continuing disclosure undertakings to file notices of certain events with EMMA.

B. Annual Reports

The Disclosure Coordinator shall ensure that the preparation of the City's annual reports commences as required to satisfy the filing requirements under each specific continuing disclosure obligation. Before any annual report is submitted to EMMA, the Disclosure Coordinator shall confer with the Disclosure Working Group as needed regarding the content and accuracy of any annual report. Prior to each filing, the Disclosure Coordinator will review each report with the Disclosure Consultant, and the Disclosure Consultant will confirm in writing (which may be by email) that such report appears to comply with the requirements of the applicable continuing disclosure undertaking.

C. Event Filings

Each member of the Disclosure Working Group shall notify the other members of the Disclosure Working Group if he or she becomes aware of any of the material events listed in any of the City's continuing disclosure undertakings. The Disclosure Working Group may meet to discuss the event and to determine, in consultation with the Disclosure Consultant, whether a filing is required or is otherwise desirable.

D. Uncertainty

The Administrative Services Director may direct questions regarding the disclosure to the Disclosure Consultant, disclosure counsel, bond counsel or the City Attorney or such other counsel or consultant he/she deems appropriate.

IV. CONTINUING DISCLOSURE DOCUMENTS TO BE RETAINED

The Disclosure Coordinator shall be responsible for retaining records demonstrating compliance with the Continuing Disclosure Document requirements of these Procedures. The Disclosure Coordinator shall retain an electronic or paper file ("Disclosure File") for each continuing disclosure annual report that the City completes. Each Disclosure File shall include the final version of the applicable Initial Disclosure Document and all related Continuing Disclosure Documents; written confirmations, certifications, letters and legal opinions described herein; copies of these Disclosure Procedures and a list of individuals to whom they have been distributed and the dates of such distributions; and a written record of the dates of meetings of the Disclosure Working Group. The Disclosure File shall be maintained in a central depository for a period of five years from the later of the date of delivery of the securities referenced in the Continuing Disclosure Document, or the date the Continuing Disclosure Document is published, posted, or otherwise made publicly available, as applicable.

V. EDUCATION

The Administrative Services Director shall ensure that the Disclosure Coordinator and the members of the Disclosure Working Group are properly trained to understand and perform their responsibilities. Such training may include training sessions conducted by consultants with expertise in municipal securities disclosure or by the Disclosure Consultant, attendance at conferences, or other appropriate methods identified by the Administrative Services Director.

EXHIBIT B: Pension Funding Policy

EXHIBIT A

PENSION FUNDING POLICY

I. PURPOSE

The City's Pension Funding Policy documents the method the City will use to determine its actuarially determined contributions to fund the long-term cost of benefits to the plan participants and annuitants. The policy also:

- Provides guidance in making annual budget decisions;
- Demonstrates prudent financial management practices;
- Create sustainable and affordable budgets for pensions;
- Reassures bond rating agencies; and
- Shows employees and the public how pensions will be funded.

II. BACKGROUND

The City provides defined benefit retirement benefits through the California Public Employees' Retirement System (CalPERS). CalPERS is a multiple-employer public employee defined benefit pension plan.

All full-time and certain part-time City employees are eligible to participate in CalPERS. CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and their beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute.

The financial objective of a defined benefit pension plan is to fund the long-term cost of benefits provided to the plan participants. In order to assure that the plan is financially sustainable, the plan should accumulate adequate resources in a systematic and disciplined manner over the active service life of benefitting employees. This funding policy outlines the method the City will utilize to determine its actuarially determined contributions to fund the long-term cost of benefits to the plan participants and annuitants.

Pension Funding: A Guide for Elected Officials, issued by eleven national groups including the U.S. Conference of Mayors, the International City/County Management Association, and the Government Finance Officers Association, established the following five general policy objectives for a pension funding policy:

- **Actuarially Determined Contributions.** A pension funding plan should be based upon an actuarially determined contribution

(ADC) that incorporates both the cost of benefits in the current year and the amortization of the plan's unfunded actuarial accrued liability.

- **Funding Discipline.** A commitment to make timely, actuarially determined contributions to the retirement system is needed to ensure that sufficient assets are available for all current and future retirees.
- **Intergenerational equity.** Annual contributions should be reasonably related to the expected and actual cost of each year of service so that the cost of employee benefits is paid by the generation of taxpayers who receives services from those employees.
- **Contributions as a stable percentage of payroll.** Contributions should be managed so that employer costs remain consistent as a percentage of payroll over time.
- **Accountability and transparency.** Clear reporting of pension funding should include an assessment of whether, how, and when the plan sponsor will ensure sufficient assets are available for all current and future retirees.

III. POLICY

- A. **Actuarially Determined Contribution (ADC).** CalPERS actuaries will determine the City's ADC to CalPERS based on annual actuarial valuations. The ADC will include the normal cost for current service and amortization of any under-funded amount. The normal cost will be calculated using the entry age normal cost method using economic and non-economic assumptions approved by the CalPERS Board of Administration.

The City will review the CalPERS annual actuarial valuations to validate the completeness and accuracy of the member census data and the reasonableness of the actuarial assumptions.

- B. **Additional Discretionary Payment (ADP) Contribution.** The City will consider making ADP contributions with one-time General Fund resources, with the objectives of increasing the plan's funded status, by reducing the unfunded actuarially accrued liability, and reducing ongoing pension costs.
- C. **Pension Obligations Bonds.** The City will consider pension obligation bonds if such bonds have expected savings using borrowing costs and CalPERS'

discount rate.

The City and its advisors will discuss and consider the risks of any potential pension obligation bonds.

Any pension obligation bonds, or refundings of pension obligation bonds, must be voted upon by the City Council.

- D. Contributions as a Manageable Budget Expense.** The City will always make its required annual contributions to CalPERS. Contributions should be stable and a manageable portion of revenue. The City may:
- Make additional discretionary contributions directly to CalPERS.
 - Consider establishing a pension stabilization trust, subject to approval by the Council.
 - Issue, call, or refund pension obligation bonds.
- E. Transparency and Reporting.** Funding of the City's pension plans should be transparent to vested parties including plan participants, annuitants, the City Council, and residents. In order to achieve this transparency, the following information shall be available:
- Copies of the annual actuarial valuations for the City's CalPERS plans shall be made available to the City Council.
 - The City's Comprehensive Annual Financial Report shall be published on its website. This report includes information on the City's annual contributions to the pension systems and their funded status.
 - The City's annual operating budget shall include the City's contributions to CalPERS.
- F. Review of Funding Policy.** Funding a defined benefit pension plan requires a long-term horizon. As such, the City will review this policy at least every two years.

EXHIBIT C: Investment Policy

CITY OF WILLOWS
STATEMENT OF INVESTMENT POLICY

1. Introduction

The purpose of this document is to identify various policies that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities. Related activities that compose good cash management include accurate cash projections, expeditious collection of revenue, control of disbursements, and cost effective banking relations.

2. Scope

The investment policy covers all funds and investment activities under the direct authority of the City of Willows.

3. Objective

- A. Safety: Safety of principal is the foremost objective of the investment program. Investments of the City of Willows shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- B. Liquidity: An adequate percentage of the portfolio will be maintained in the liquid, short-term securities which can be converted to cash if necessary to meet disbursement requirements. Since all cash requirements cannot be anticipated, investments in securities with active secondary or resale markets is highly recommended. Emphasis will be on low sensitivity to market risk.
- C. Yield: Yield becomes a consideration only after the basic requirements of safety and liquidity have been met.
- D. Market-Average Rate of Return: The investment portfolio shall be designed to attain a market average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow characteristics of the portfolio, and State and local laws, ordinances.
- E. Diversification: The investment portfolio will be diversified to avoid incurring unreasonable and avoidable risks regarding either specific security types or individual financial instruments.
- F. Prudence: The City of Willows adheres to the guidance provided by the "Prudent Man Rule" (Civil Code Section No. 2261), which obligates a fiduciary to ensure that:

"...investment shall be made with the exercise of that degree of judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation but for investment considering the probable safety of their capital as well as the probable income to be derived."

- G. Public Trust: All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust.

4. Declaration of Authority

The City Treasurer (Absent a named City Treasurer, the City of Willows assigns this duty to the Administrative Services Director) has the authority to invest funds in certain eligible securities (Government Code Section 53635).

5. Reporting

The City Treasurer, or other designee, may submit a quarterly investment report to the City Council, which shall include all the elements of the report as prescribed by Government Code Section 53646.

6. Investment Instruments

Investments for the City of Willows are to be made in one or more of the following:

Investment Instrument	Maximum Percentage or Amount	Maximum Maturity
A. Certificates of Deposit	Unlimited	5 years
B. Negotiable Certificates of Deposit	30%	5 years
C. Local Agency Investment Fund	\$40MM	n/a
D. Passbook Savings Account	Unlimited	n/a
E. Securities of the U.S. Government Or Agencies Thereof	Unlimited	5 years
F. Bankers Acceptances	40%	270 days
G. Commercial Paper	30%	180 days
H. Medium Term Corporate Notes	30%	5 years

7. Internal Controls

A system of internal controls shall be established to prevent losses of public funds arising from fraud, employee error, misrepresentation of their parties, unanticipated changes in financial markets, and imprudent actions by employees and officers of the City.

8. Maturities

Security purchases and holdings shall be maintained within statutory limits imposed by Government Code.

9. Banks and Securities Dealers

The Administrative Services Director, in selecting financial institutions for deposits and investments of the City funds, shall consider the creditworthiness of such institutions. The Administrative Services Director shall continue to monitor financial institutions' credit characteristics and financial history throughout the period in which City funds are either deposited or invested.

10. Risk Tolerance

The City of Willows recognizes that investment risk can result from issuer defaults, market price changes, or various technical complications leading to temporary illiquidity. Portfolio diversification is employed as a way to control risk. No individual investment transaction shall be undertaken which jeopardizes the total capital position of the overall portfolio. The Administrative Services Director shall periodically establish guidelines and strategies to control risk of default, market price changes, and illiquidity. A review of available investments, when practical, will be used to place all investments.

11. Statement of Investment Policy

This statement of Investment Policy shall be reviewed and submitted annually to the City Council.

07/28/20
Date

/S/ Tim Sailsbery
Tim Sailsbery
Administrative Services Director