



CITY OF RIO DELL

Recommended Budget

Fiscal Year 2026-27

Presented by Travis Sanborn, Finance Director

June 2, 2026

Tonight's Discussion

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Budget at a Glance

Total budget, revenue, key drivers

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Where the Money Goes

Operating, debt service, capital

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General Fund Position

Revenue, expenses, reserve health

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Capital Program

\$19M in projects, funding sources

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Staffing

23.05 FTE held flat

6

Adoption

Resolution 1671-2026

Budget at a Glance

TOTAL BUDGET

\$24.7M

All funds, FY 2026-27

PROJECTED REVENUE

\$22.2M

All funds, FY 2026-27

RESERVE DRAW

\$2.6M

Closes the revenue gap

The \$2.6M draw is mostly planned: CDAA earthquake reimbursements (timing), ARPA spend-down, and designated capital reserves being used for their intended projects.

A Heavy Capital Year

FY 2026-27 is larger than prior years because capital projects are entering construction, not because operations are growing.

DWSRF Water Distribution

\$10.0M

Single largest project. Grant-funded through State Water Resources Control Board.

Earthquake Recovery

\$3.6M

Five remaining CDAA projects from the 2022 Ferndale Earthquake.

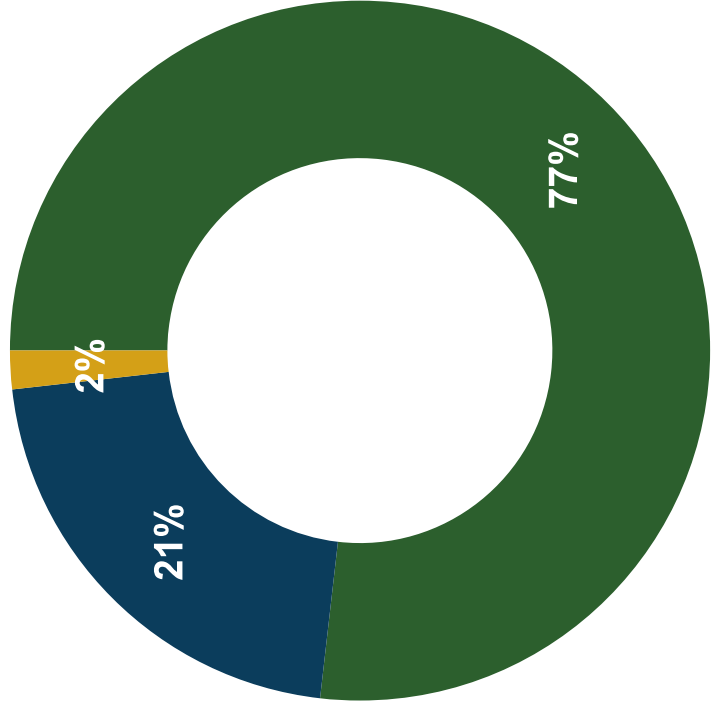
Other Grant Projects

\$3.4M

Eel River Trail Ramp, Pedestrian Connectivity STIP, Painter Street Sewer Upsize.

These three drivers account for \$17.0M of the \$19.0M capital program. The remaining \$2.0M is routine equipment, maintenance, and smaller departmental projects consistent with prior years.

Where the Money Goes



Capital Projects

\$19.0M

77% of total

Operations

\$5.3M

21% of total

Debt Service

\$0.4M

2% of total

General Fund Position

The General Fund remains in strong structural condition.

| | |
|-----------------------------------|-------------------|
| Projected Revenue | \$1,809,625 |
| Projected Expenditures | (\$1,857,016) |
| Transfer to Building Fund | (\$29,679) |
| Net Change in Fund Balance | (\$77,070) |

RESERVE POSITION

\$1.85M

Ending General Fund Balance

\$1.29M above the 30% reserve target

General Fund Expenses

Police Department accounts for nearly three-quarters of all General Fund spending.



Capital Program — \$19.0M

Funded by grants, designated reserves, and CDAA reimbursement. Minimal General Fund exposure.

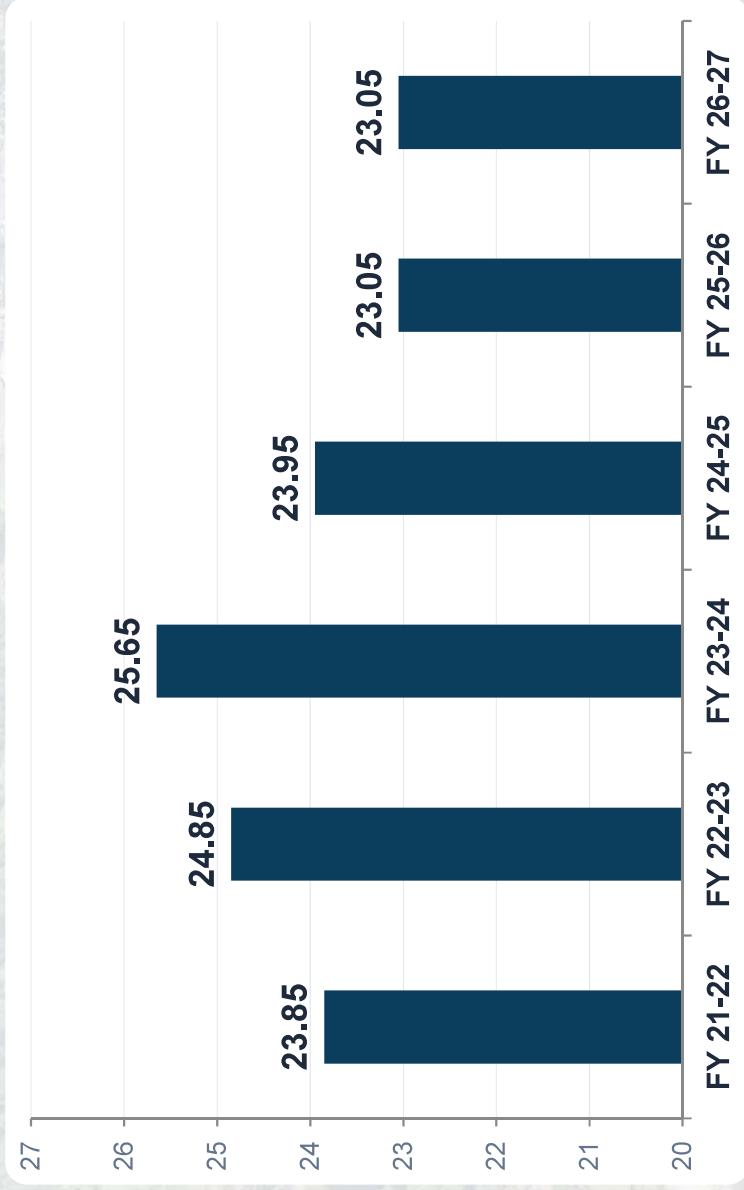
| | | | | | | | |
|---|----------------|--|---|--|---------------|---|---------------|
| DWSRF Water Project State Water Resources Board | \$10.0M | Sewer Capital Includes CDAA Projects | \$4.1M Includes CDAA Projects | Water Capital Includes CDAA Projects | \$2.4M | Other Grants STIP, WCB, ARPA, Streets | \$2.5M |
|---|----------------|--|---|--|---------------|---|---------------|

Major Projects Entering or Continuing Construction

| | | | |
|--|--------------|---|-----------|
| Water Distribution System (DWSRF) | \$10,000,000 | Pedestrian Connectivity Grant | \$807,000 |
| Painter Street Tank Replacement (CDAA) | \$2,000,000 | Chlorine Contact Basin Repairs (CDAA) | \$800,000 |
| Painter Street Sewer Pipe Upsize | \$1,570,264 | Sanitary Sewer Evaluation Study | \$800,000 |
| WCB Eel River Trail Accessible Ramp | \$1,000,000 | Fern Street Lift Station Repairs (CDAA) | \$700,000 |

Staffing Held Flat

23.05 full-time equivalents. Same as last year. Below the FY 2023-24 peak.



By Department

| | |
|----------------|------|
| Police | 8.25 |
| Public Works | 8.00 |
| Finance | 4.00 |
| Administration | 2.80 |

Items Worth Noting

All items below were reviewed at the budget study session. Reflected in the resolution before you tonight.

CDAА Reimbursement Assumption

Earthquake projects budgeted at 75% reimbursement, the standard accounting convention. The City continues pursuing 100% recovery. Any additional reimbursement flows back as revenue.

ARPA-SLFRF Deadline

Remaining \$475,000 must be fully expended by December 31, 2026. Fully programmed against Open Space Facility, Dog Park, Earthquake Damage, and Sewer I&I projects.

Reserve Policy Exceptions

Sewer Operations (050), Water Metro Wells (063), and Water Dinsmore Zone (064) fall below the 15% minimum reserve target. Section 4 of the resolution grants the policy exception.

Inter-Fund Transfers

Six authorized transfers totaling \$2.81M. Includes CDAА pass-through, recurring General Fund subsidy to Building Fund, and Water Operations support to Metro Wells and Dinsmore.

RECOMMENDED ACTION

Approve Resolution 1671-2026

Adopting the FY 2026-27 Operating and Capital Budget and Position Allocation Table.



\$24.7M

Total Budget

\$22.2M

Revenue

23.05

FTE Staffing

Questions?