BIGGS, CALIFORNIA

FISCAL YEAR 2026-2027

ANNUAL BUDGET



Prepared by:
Nicolas Gauthier, City Administrator
Joseph Arch, CPA

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CITY OF BIGGS

"Where the People Own the Water and Power"

465 C Street • Biggs, California 95917
(530) 868-5493 • www.biggs-ca.gov

Honorable Mayor James Sheppard
and Members of the City Council
City of Biggs
465 C Street
Biggs, California 95917

June 23, 2026

Re: Proposed Annual Budget for Fiscal Year 2026-2027

Dear Mayor Sheppard and Members of the City Council:

It is my pleasure to submit the proposed Annual Budget for Fiscal Year 2026-2027 for your consideration and adoption. This budget document represents a comprehensive financial plan and review that aligns the City's available resources with our mission, strategic priorities, and community values. The proposed annual budget totals $7.58 million in revenues and $7.08 million in expenditures, is structurally balanced, and maintains all essential services to our community.

This budget advances the City's adopted strategic priorities, including financial sustainability and fiscal responsibility, public safety and emergency services, infrastructure investment and maintenance, economic development and job creation, and the community services and quality of life programs that make Biggs a desirable place to live and work. The budget also formally implements the cost allocation methodology approved by the City Council in Resolution 2026-13, which distributes shared General Fund overhead to the Water, Sewer, and Electric enterprise funds in proportion to the services they receive.

The City maintains a strong financial position with substantial fund balances across all funds. The General Fund ending balance of $1.84 million represents approximately 17 months of operating expenditures, well above the 25 to 30 percent target established by the Fund Balance, Reserve, and Emergency Policy. With your concurrence, this surplus provides the opportunity to formally designate operating, emergency, capital, and enterprise reserves at the levels recommended by adopted policy. The City's service rate schedules have reached the conclusion of their multi-year pricing cycle, and a comprehensive rate study is now underway through Fiscal Years 2026-27 and 2027-28 to inform the next pricing cycle for water, sewer, and electric services.

The City continues to navigate significant fiscal and infrastructure challenges, including rising operational costs, aging utility and transportation infrastructure, and limited staff capacity, while also being well positioned to leverage its small-town character, engaged residents, and local control of water, sewer, and electric utilities to pursue targeted grants, regional partnerships, and strategic capital investments. With clear policy direction from the City Council, this budget can serve as a practical roadmap to address structural challenges, prioritize the most urgent needs, and capitalize on funding opportunities that advance the community's long-term goals.

I want to thank the City Council for your continued guidance, and the staff and consultants whose work made this comprehensive financial plan possible. I respectfully recommend that the City Council adopt the proposed budget as presented.

Respectfully submitted,



Nicolas Gauthier
City Administrator

1. Executive Summary

Budget in Brief

The Fiscal Year 2026-2027 Annual Budget provides a one-year financial roadmap for the City of Biggs. This document outlines how the City will allocate resources to deliver high-quality services to residents, businesses, and visitors.

Total Budget Summary

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Total Revenues	**$7,365,971**	**$8,016,674**	**$7,257,558**	**$7,576,111**
Total Expenditures	**$6,515,230**	**$8,560,700**	**$6,696,458**	**$7,082,118**
Net Change	**$850,741**	**($544,026)**	**$561,100**	**$493,993**
Beginning Fund Balance	**$15,500,400**	**$16,351,141**	**$16,351,141**	**$16,912,241**
Ending Fund Balance	**$16,351,141**	**$15,807,115**	**$16,912,241**	**$17,406,234**

General Fund Budget

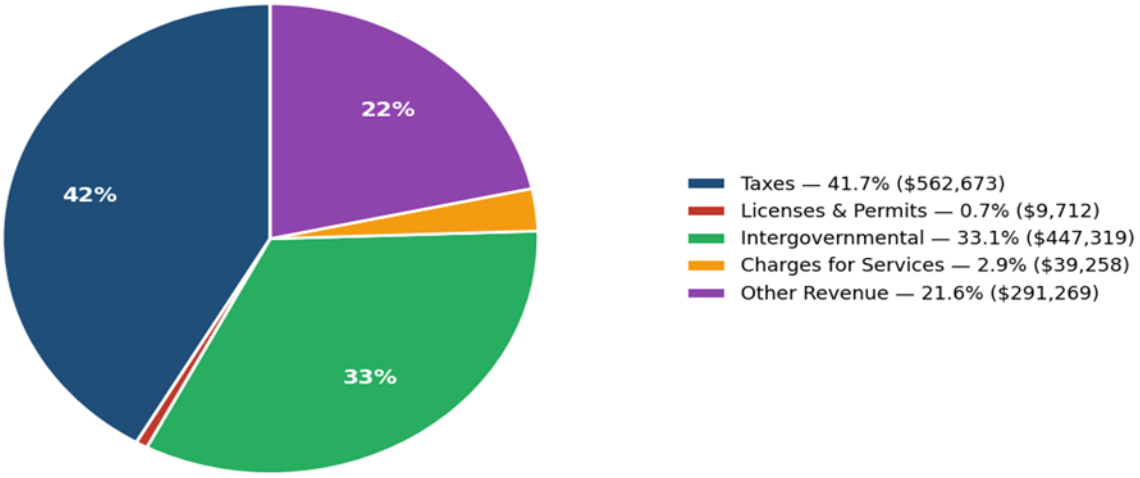
The General Fund is the City's primary operating fund and accounts for 20% of total City revenues. The General Fund supports essential services including police, fire, public works, parks and recreation, planning, and general government.

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Revenues	$1,465,058	$1,196,574	$1,252,412	$1,350,231
Expenditures	$1,154,600	$1,291,800	$1,184,410	$1,318,701
Operating Surplus/(Deficit)	$310,458	($95,226)	$68,002	$31,530
Beginning Fund Balance	**$1,441,971**	**$1,744,429**	**$1,744,429**	**$1,812,431**
Ending Fund Balance	**$1,744,429**	**$1,874,203**	**$1,812,431**	**$1,843,961**

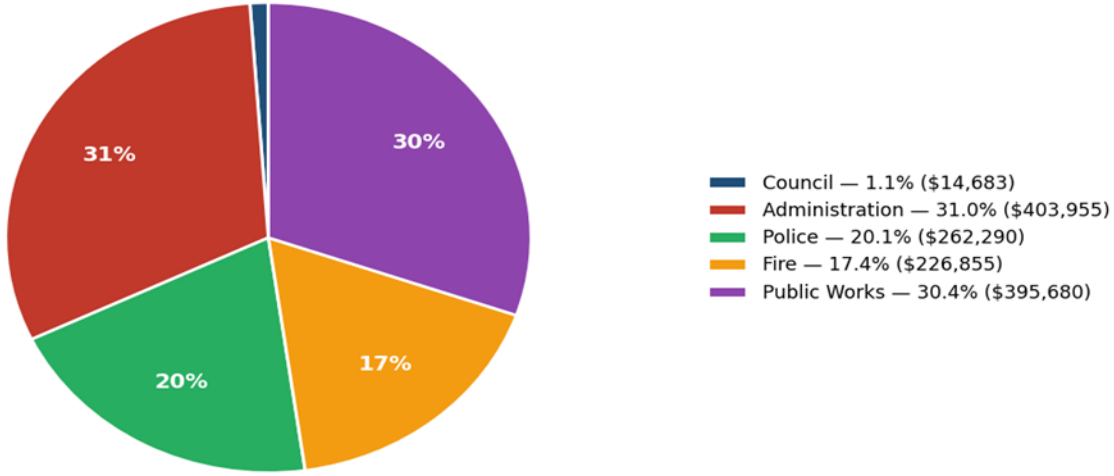
Note: *FY 2025-26 Budgeted ending fund balance includes $225,000 of budgeted other financing sources. FY 2024-25 amounts are presented before other financing sources/(uses); see the General Fund summary in Section 7 for the complete fund balance roll-forward.*

General Fund Revenues and Expenditures at a Glance

General Fund Revenues by Source — FY 2026-27

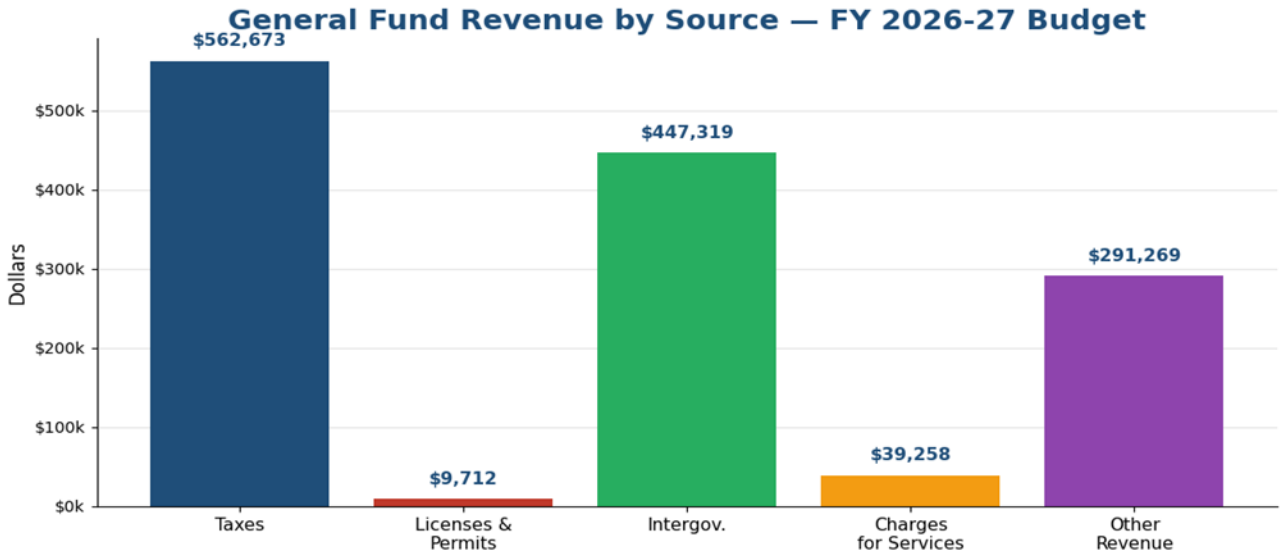


General Fund Expenditures by Department — FY 2026-27



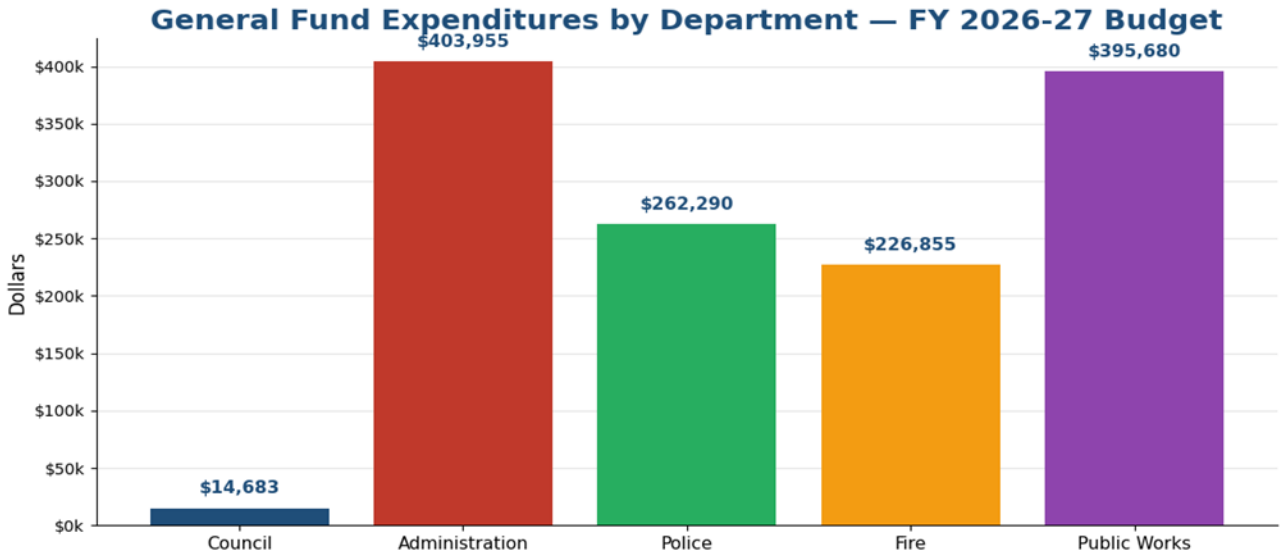
Major Revenue Sources

The City's revenue portfolio is diversified across multiple sources:



Revenue Source	Amount	Percentage
Taxes	**$562,673**	**42%**
Licenses & Permits	$9,712	1%
Intergovernmental	**$447,319**	**33%**
Charges for Services	**$39,258**	**3%**
Other Revenue	**$291,269**	**22%**
Total General Fund Revenues	**$1,350,231**	**100%**

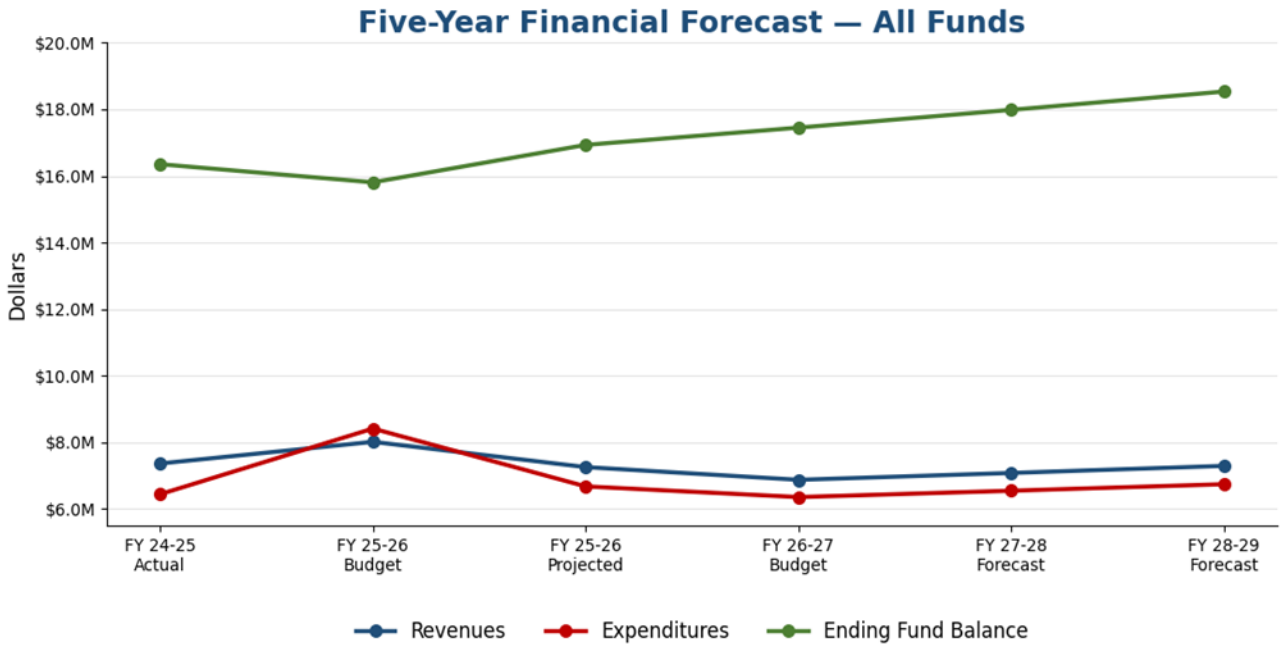
Expenditures by Function (General Fund)



Function	Amount	Percentage
General Government	$419,193	32%
Public Safety	$489,145	38%
Public Works	$395,680	30%
Total Expenditures	**$1,318,701**	**100%**

Five-Year Financial Forecast

The City prepares a multi-year financial forecast to identify long-term trends and potential structural imbalances:



Category	FY 24-25 Actual	FY 25-26 Budget	FY 25-26 Projected	FY 26-27 Budget	FY 27-28 Forecast	FY 28-29 Forecast
Revenues	$7,365,971	$8,016,674	$7,257,558	$7,576,111	$7,082,394	$7,294,866
Expenditures	$6,515,230	$8,560,700	$6,696,458	$7,082,118	$6,557,886	$6,754,623
Surplus/(Deficit)	**$850,741**	**($544,026)**	**$561,100**	**$493,993**	**$524,508**	**$540,243**
Beginning Fund Balance	**$15,500,400**	**$16,351,141**	**$16,351,141**	**$16,912,124**	**$17,406,117**	**$17,930,625**
Ending Fund Balance	**$16,351,141**	**$15,807,115**	**$16,912,124**	**$17,406,117**	**$17,930,625**	**$18,470,868**

Key Assumptions:

- Property tax growth: 1.5% annually
- Sales tax growth: 2.0% annually
- Personnel cost inflation: 3.0% annually
- Operating cost inflation: 2.5% annually
- Forecast years (FY 2027-28 and FY 2028-29): total revenues and expenditures escalated 3.0% annually from the FY 2026-27 budget
- No new revenue sources assumed

2. Budget Process and Policies

Budget Development Process

The City's annual budget is developed through a comprehensive process involving multiple stakeholders.

Budget Calendar:

- January – February: Department budget preparation and submission
- March: Budget review and analysis by Finance Department
- April: City Administrator's proposed budget development
- May: Budget workshops and public hearings
- June: City Council budget deliberations and adoption
- July 1: New fiscal year begins
- December: Prepare mid-year operating review and update year-end projections

Budget Policies

Balanced Budget Policy

The City maintains a policy requiring a balanced operating budget where ongoing revenues equal or exceed ongoing expenditures. One-time revenues may only be used for one-time expenditures or to build reserves.

Reserve Policy

The City has adopted a Fund Balance, Reserve, and Emergency Policy (Resolution 2026-16) establishing target reserve levels aligned with GASB Statement No. 54 and GFOA best practices. The following reserve targets apply:

Reserve	Target	Current	Proposed (FY 2026-27)
General Fund Operating / Budget Stabilization Reserve	20% target; 15–25% preferred range; 15% minimum of annual recurring operating expenditures	$0 (no formally committed reserves)	$260,693
Catastrophic / Emergency Reserve	5% minimum; 5–10% preferred range for declared emergencies and disasters	$0 (no formally committed reserves)	$65,173
Combined General Fund Unrestricted Reserve	25–30% target of annual recurring General Fund operating expenditures	$0	$325,866
Capital and Infrastructure Reserve	Based on the adopted CIP and asset replacement schedules	$0 (no formally committed reserves)	$1,299,058 (incl. $336,058 equipment replacement reserves and $963,000 CIP)
Enterprise Fund Reserves	15% minimum; 15–25% preferred range of annual operating expenses, excl. depreciation and one-time capital	$0 (no formally designated reserves)	$630,910 combined (Water $41,660; Sewer $81,750; Electric $507,500)

Fund Balance Policy

The City targets an unrestricted General Fund balance of 25–30% of annual operating expenditures to:

- Provide working capital for cash flow
- Cushion against economic downturns
- Maintain strong credit ratings
- Address unforeseen emergencies

Capital Improvement Policy

The City prepares a multi-year Capital Improvement Program (CIP) updated annually. Projects are prioritized based on:

- Health and safety requirements
- Regulatory compliance mandates
- Asset preservation and replacement
- Economic development opportunities
- Quality of life enhancements

Budget Amendment Process

The City Council may amend the budget during the fiscal year through the following process:

- Minor adjustments ($5,000 or less): City Administrator authority
- Major amendments ($5,001 or more): City Council approval required
- Mid-year budget review: Comprehensive review at six-month mark
- Year-end adjustments: Final amendments before fiscal year close

Accounting and Financial Reporting

The City follows Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). The City prepares an Annual Financial Report (AFR) audited by an independent CPA firm.

3. Community and Organizational Profile

Community Profile

Location and Geography

The City of Biggs is located in Butte County, California, approximately 25 miles from Chico. The City encompasses 1 square mile and is characterized by flat valley farming, with hot summers and mild winters, known for its rice industry and agricultural roots.

Demographics

Characteristic	Value
Population (current estimate)	2,307
Population (2020 Census)	1,964
Population Growth (10-year)	15%
Median Age	28 years
Median Household Income	$84,914
Households	746
Average Household Size	3.1 persons

Economic Profile

Indicator	Value
Labor Force	935
Unemployment Rate	5.8%
Major Employers	Sun West Rice Mill
Total Jobs	**892**
Median Home Value	$328,400

Organizational Structure

Governance

The City of Biggs operates under a Council-Manager form of government. The 5-member City Council is elected at-large for 4-year terms. The City Council appoints the City Administrator, City Attorney, and City Clerks.

Organization Chart

City Council:

- Mayor James Sheppard
- Vice Mayor Douglas Arnold
- Council Member Jerome Squires
- Council Member Anita Wilks
- Council Member Zach Brown

Executive Leadership:

- City Administrator: Nicolas Gauthier
- City Attorney: Greg Einhorn
- City Clerk: Roben Benish
- Accountant, CPA: Joseph Arch

Mission, Vision, and Values

Passed by Resolution 2026-14

Mission Statement

“We deliver reliable, high-quality services, partner closely with our residents and local businesses, and invest in a safe, resilient, and thriving Biggs.”

Vision Statement

“Biggs is a safe, welcoming small city with strong neighborhoods, vibrant local businesses, and reliable, affordable utilities. We are financially stable, innovative, and responsive, continuously improving our services and infrastructure to meet the needs of our community.”

Core Values

Integrity: We act with honesty, transparency, and accountability.

Service: We put the needs of residents and businesses at the center of our work.

Stewardship: We responsibly manage public resources, infrastructure, and the environment.

Community: We strengthen the social and civic bonds that make Biggs a close-knit hometown.

Neighborliness: We treat everyone with courtesy, respect, and kindness.

4. Financial Overview and Summary

Citywide Budget Summary

The City's financial structure consists of multiple funds organized into two broad fund categories:

Governmental Funds:

- General Fund
- Special Revenue Funds (including Gas Tax, REAP/TDA, Development Impact Fees, HOME Programs, Community Development Block Grant, Surface Transportation Block Grant, and Community Facilities District)
- Capital Project Funds

Proprietary Funds:

- Water Fund
- Sewer Fund
- Electric Fund (including Greenhouse Gas Credits)

All Funds Summary

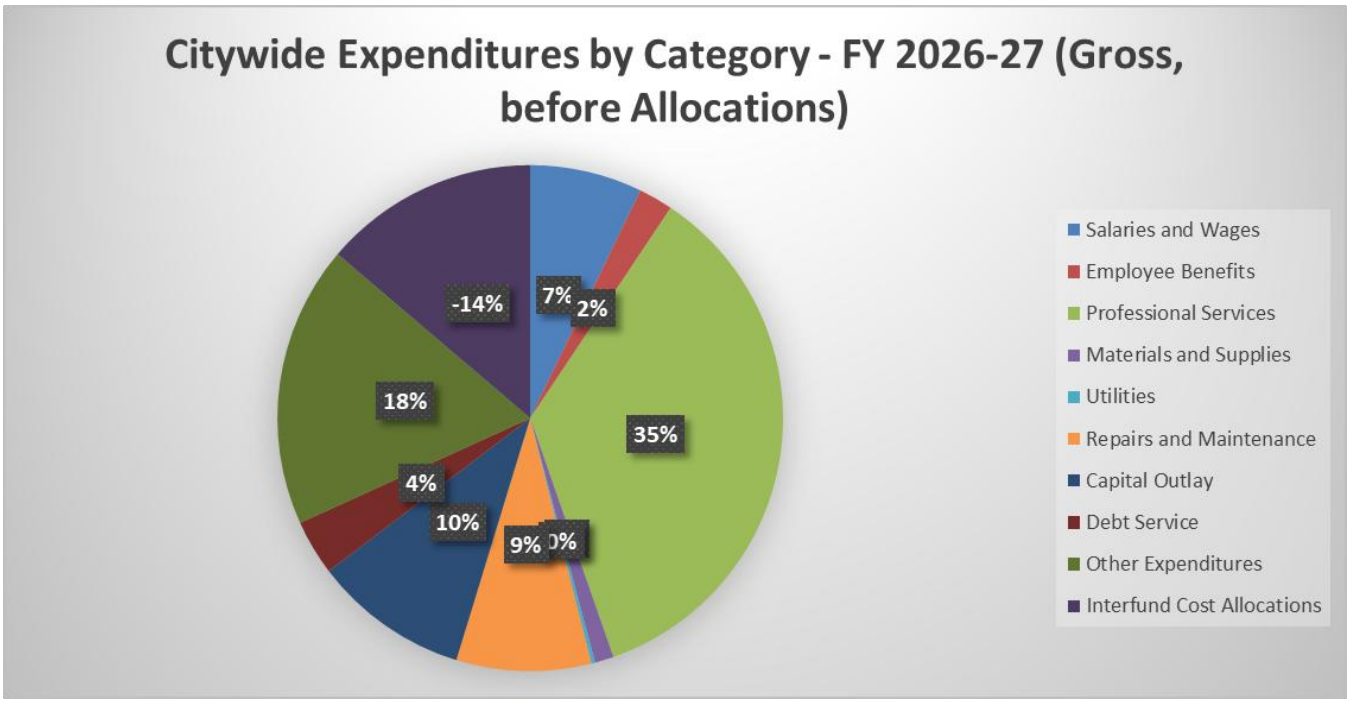
Fund Type	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
REVENUES				
General Fund	$1,465,058	$1,196,574	$1,252,412	$1,350,231
Special Revenue Funds	$585,713	$1,915,800	$968,220	$394,605
Capital Projects	$97,900	$92,300	$183,256	$963,000
Enterprise Funds	$5,217,300	$4,812,000	$4,853,670	$4,868,275
Total Revenues	**$7,365,971**	**$8,016,674**	**$7,257,558**	**$7,576,111**
EXPENDITURES				
General Fund	$1,154,600	$1,291,800	$1,184,410	$1,318,701
Special Revenue Funds	$188,100	$1,834,200	$681,268	$301,000
Capital Projects	$22,200	$61,700	$185,100	$963,000
Enterprise Funds	$5,150,330	$5,373,000	$4,645,680	$4,499,417
Total Expenditures	**$6,515,230**	**$8,560,700**	**$6,696,458**	**$7,082,118**

Note: *Special Revenue Funds consolidate restricted-purpose governmental funds, including Gas Tax (022), REAP/TDA (080), Development Impact Fees (031), HOME Programs (125), Community Development Block Grant (150), Surface Transportation Block Grant (196), and Community Facilities District (200). Equipment replacement resources (011/012/017) are presented as General Fund assigned reserves by department. Capital Projects (Fund 081) includes the FY 2026-27 INI sewer-main study grant of $100,000.*

Budget by Expenditure Category

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget	Change (%)
Salaries and Wages	$768,800	$651,000	$685,320	$701,877	+2.4%
Employee Benefits	$370,200	$315,200	$501,963	$215,309	-57.1%
Professional Services	$532,700	$129,000	$2,501,179	$3,448,872	+37.9%
Materials and Supplies	$117,500	$96,000	$94,271	$117,500	+24.6%
Utilities	$18,000	$0	$12,640	$23,750	+87.9%
Repairs and Maintenance	$2,678,000	$840,000	$1,223,102	$842,300	-31.1%
Capital Outlay	$0	$41,100	$0	$973,000	n/m
Debt Service	$440,630	$348,700	$338,169	$344,867	+2.0%
Other Expenditures	$1,589,400	$6,139,700	$1,339,814	$1,761,383	+31.9%
Interfund Cost Allocations	—	—	—	($1,346,740)	n/m
Total	**$6,515,230**	**$8,560,700**	**$6,696,458**	**$7,082,118**	**-4.7%**

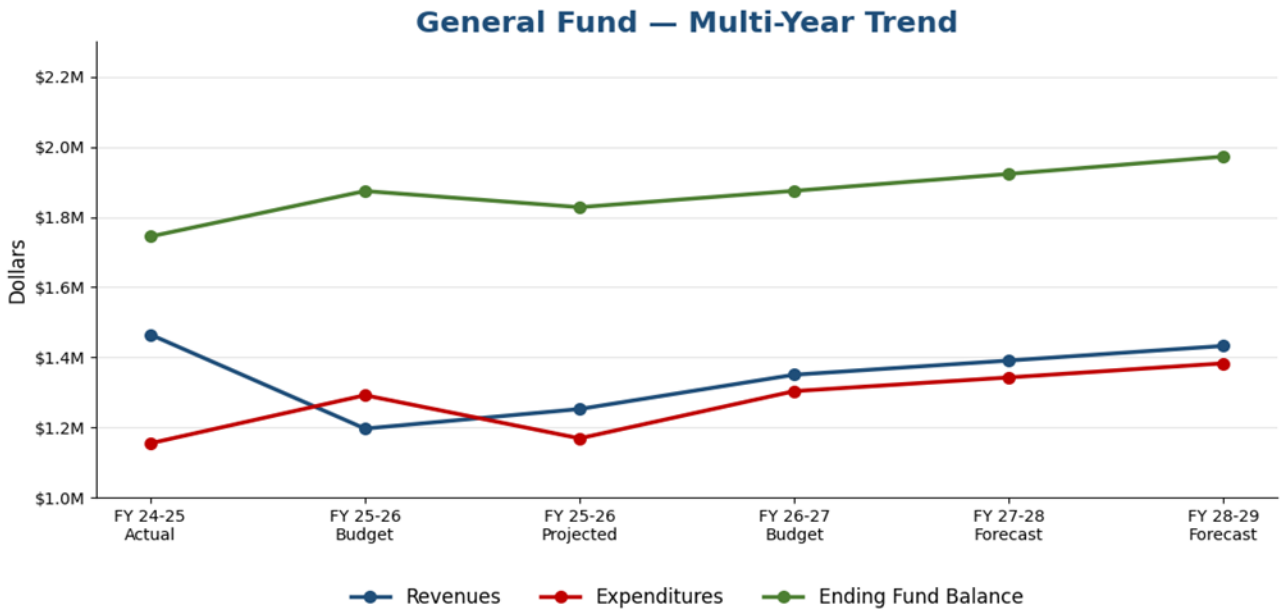
Note: *Categories reflect gross departmental and fund budgets; Interfund Cost Allocations represent General Fund shared costs charged to the Water, Sewer, and Electric funds (see Allocation Summary). Debt service is now shown in the applicable enterprise fund expense tables and in the Debt Service Category. Change (%) compares the FY 2026-27 Budget to the FY 2025-26 Projected Actual.*



5. Financial Condition Analysis

General Fund Financial Trends

The General Fund maintains a healthy financial position with substantial accumulated fund balance and positive net income across the multi-year period. Key indicators for FY 2026-27 include:



Indicator	Value	Target / Benchmark
Fund Balance as % of Annual Operating Expenditures	144%	25–30%
Reserve Coverage (months of operating expenditures)	17.3 months	3–6 months
General Fund Revenue Growth (FY 24-25 to FY 26-27 CAGR)	-4.0%	n/a
General Fund Expenditure Growth (FY 24-25 to FY 26-27 CAGR)	+6.2%	n/a
Debt Service as % of General Fund Revenue	1.8%	<15%

The General Fund's ending fund balance of $1.84 million represents approximately 17 months of operating expenditures, substantially above the 25–30% (3–3.6 month) target established under the Fund Balance Policy. This excess includes the equipment replacement reserves now rolled into the General Fund and provides flexibility to formally designate operating, emergency, departmental capital, and enterprise reserves at the levels recommended by the policy, while retaining a meaningful unassigned balance for future opportunities.

Revenue Trends

General Fund revenues are diversified across taxes (42%), intergovernmental sources (33%), other revenue (22%), and a small component from charges and permits (4%). The two largest line items are state subventions ($447,319), which include the Motor Vehicle License Fee in-lieu allocation, and the combined tax categories ($562,673). Revenue growth is modest after incorporating the departmental equipment replacement reserves into the General Fund, reflecting Proposition 13 constraints on property tax growth and limited population and economic expansion.

Citywide revenues are concentrated in the enterprise funds: electric utility revenues alone of $3.65 million represent approximately 53% of total City revenues. This concentration creates exposure to electricity-purchase cost volatility and underscores the importance of the rate study now underway. One-time grant revenue in FY 2026-27 includes a $100,000 anticipated grant for the INI sewer main study, which is a non-recurring source.

Expenditure Trends

The largest single category of citywide expenditures is professional and contracted services at $3.45 million, driven primarily by the wholesale power purchases of the Electric Fund ($1.95 million) and the City's contracted public safety services (Gridley Police $545,000 and CalFire $471,372). Together these three contracts account for approximately half of all City expenditures. Repairs and maintenance and other expenditures together total approximately $2.6 million, including a $1 million budgeted allocation from the Greenhouse Gas Credits fund (054) for climate and ratepayer programs.

General Fund expenditures have grown faster than General Fund revenues, with an annualized growth rate of approximately 9.3% from FY 2024-25 actuals to the FY 2026-27 budget. The principal drivers are contracted public safety cost increases and the introduction of formal cost-allocation methodology in FY 2026-27, which adds previously embedded enterprise-supported services back to gross General Fund expenditures before offsetting allocations are applied.

Structural Balance

On an all-funds basis, recurring operating revenues are sufficient to fund recurring operating expenditures. The FY 2026-27 budget projects a $0.49 million net surplus after adding scheduled Water and Sewer debt service to the applicable enterprise fund expense tables, contributing to a projected year-end fund balance of $17.44 million. The General Fund itself is structurally balanced with a $31,530 operating surplus after incorporating departmental equipment replacement reserves and the new cost allocation methodology, indicating that recurring General Fund revenues are sufficient to support recurring General Fund operations.

Two structural matters warrant Council attention. First, scheduled debt service has been added to the applicable Water and Sewer enterprise fund expense tables and is footnoted to the Non-Department Summary debt schedule; depreciation remains excluded from budgetary operating expenses. Second, long-term capital needs identified in the multi-year CIP — including transformer replacement, well capacity expansion, City Hall renovation, and the B Street annexation — substantially exceed the current annual CIP funding capacity and will require either accelerated reserve accumulation, external financing, or grant assistance to be realized within the planning horizon.

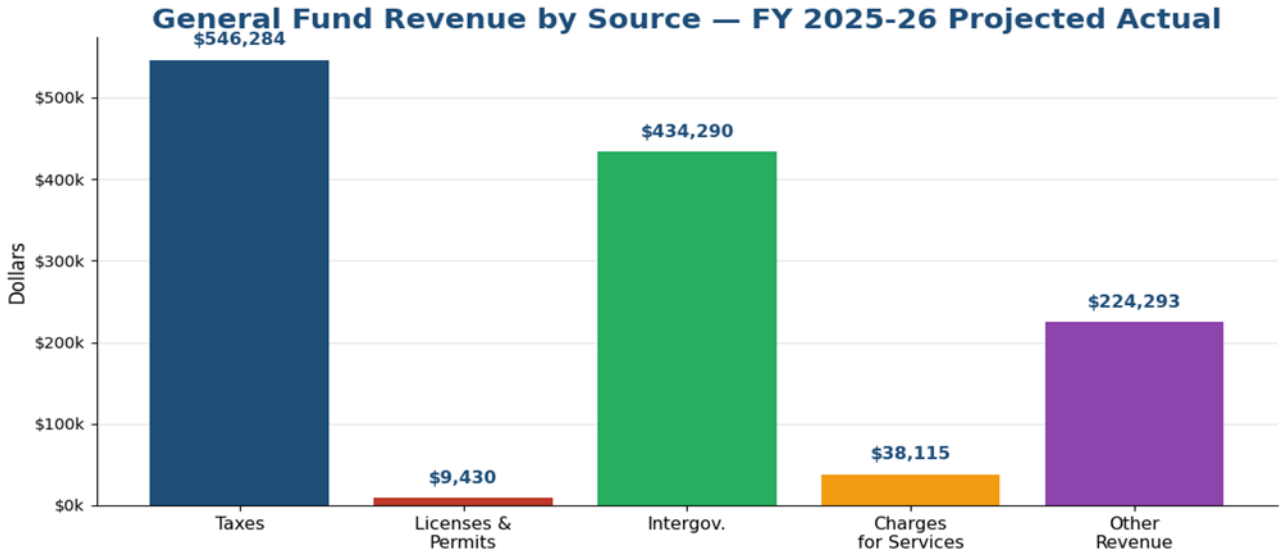
6. Revenue Analysis

General Fund Revenue Summary

Revenue Source	FY 24-25 Actual	FY 25-26 Budget	FY 25-26 Projected	FY 26-27 Budget
Taxes				
Property Tax	$229,557	$225,500	$209,741	$216,033
Sales Tax	$13,758	$21,000	$16,368	$16,859
Franchise Fees	$39,120	$35,000	$38,589	$39,747
Other Taxes	$280,775	$278,500	$281,586	$290,034
Subtotal Taxes	**$563,210**	**$560,000**	**$546,284**	**$562,673**
Licenses and Permits				
Building Permits	$0	$0	$0	$0
Other Permits	$3,805	$3,700	$3,582	$3,689
Business Licenses	$5,835	$5,000	$5,848	$6,023
Subtotal Licenses/Permits	**$9,640**	**$8,700**	**$9,430**	**$9,712**
Intergovernmental				
State Subventions	$475,395	$477,168	$434,290	$447,319
Federal Grants	$0	$0	$0	$0
State Grants	$0	$0	$0	$0
Subtotal Intergovernmental	**$475,395**	**$477,168**	**$434,290**	**$447,319**
Charges for Services				
Recreation Fees	$10,550	$10,000	$9,670	$9,960
Planning Fees	$2,250	$100	$1,380	$1,421
Other Service Charges	$31,572	$25,500	$27,065	$27,877
Subtotal Charges	**$44,372**	**$35,600**	**$38,115**	**$39,258**
Other Revenue				
Investment Income	$36,079	$12,000	$3,600	$30,000
Fines and Forfeitures	$36	$150	$107	$110
Miscellaneous	$305,839	$101,456	$219,086	$255,659
Equipment Replacement Reserve Income	$30,487	$1,500	$1,500	$5,500
Subtotal Other	**$372,441**	**$115,106**	**$224,293**	**$291,269**
TOTAL REVENUES	**$1,465,058**	**$1,196,574**	**$1,252,412**	**$1,350,231**

Note: *FY 2026-27 investment income is budgeted conservatively at $30,000 based on FY 2024-25 actual earnings of $36,079, which were recorded through year-end adjusting entries. Equipment replacement reserve income is now reported within the General Fund because those reserves have been rolled up and assigned by department. Enterprise fund interest and other miscellaneous revenues are presented in the applicable enterprise operating tables. The FY 2025-26 projection reflects cash-basis receipts to date and will increase with the year-end interest accrual. Interest earnings in the enterprise funds are not separately budgeted; the planned rate study should identify fund-level interest allocations.*

Major Revenue Source Descriptions



Property Tax

Property tax is the City's fourth-largest General Fund revenue source, representing 16% of General Fund revenues. The City receives its statutory share of the 1% countywide property tax levy under Proposition 13. Property tax revenue is projected to grow modestly based on Proposition 13 constraints and local market trends.

Sales and Use Tax

The City receives the local-allocation portion of the sales tax collected on retail sales within City limits. Sales tax represents approximately 1% of General Fund revenues, reflecting the City's limited retail base. Growth is projected at 2% annually.

Franchise Fees

The City receives franchise fees from utilities operating within the City. These fees are charged as a percentage of gross receipts and provide approximately $40,000 annually in General Fund revenue.

Charges for Services

The City charges fees for various services including recreation programs, planning and building permits, business licenses, and facility rentals. Enterprise-specific service charges — water sales, sewer charges, and electricity charges — are reported within the respective enterprise funds and not in the General Fund Charges for Services category. Fee structures are scheduled for review under the FY 2026-27 – FY 2027-28 rate study.

Intergovernmental Revenues

The City receives funding from state and federal sources. The largest single component is the Motor Vehicle License Fee in-lieu allocation, included in State Subventions. Restricted intergovernmental revenues are accounted for in the appropriate special revenue funds (Gas Tax, CDBG, REAP/TDA, HOME) and are not reported as General Fund revenue.

7. Fund Summaries

Fund Structure and Descriptions

The City maintains the funds described below, organized by fund category. Equipment replacement resources formerly presented as separate special revenue funds are now presented as General Fund assigned reserves by department, with related outflows shown as departmental capital outlay. The remaining special-purpose governmental funds are presented within the Special Revenue Funds category consistent with their restricted-purpose nature.

General Fund (Fund 010)

Purpose: Accounts for resources used for general municipal operations not required to be accounted for in another fund.

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Beginning Fund Balance	**$1,441,971**	**$1,744,429**	**$1,744,429**	**$1,812,431**
Revenues	$1,465,058	$1,196,574	$1,252,412	$1,350,231
Expenditures by Department				
Council	$9,600	$14,300	$10,850	$14,683
Administration	$441,500	$324,200	$415,394	$419,193
Police	$235,800	$212,200	$226,362	$262,290
Fire	$84,600	$312,000	$144,386	$226,855
Public Works	$383,100	$429,100	$387,418	$395,680
Total Expenditures	**$1,154,600**	**$1,291,800**	**$1,184,410**	**$1,318,701**
Other Financing Sources/(Uses)	($8,000)	$225,000	$0	$0
Net Change in Fund Balance	$302,458	$129,774	$68,002	$31,530
Ending Fund Balance	**$1,744,429**	**$1,874,203**	**$1,812,431**	**$1,843,961**

Note: *Beginning in FY 2026-27, departmental amounts are presented net of the formal cost allocation to enterprise funds. Equipment replacement reserves have been rolled into the General Fund and assigned to General Government, Fire, and Public Works; related outflows are presented as departmental capital outlay. The Electric Maintenance function is fully charged to the Electric Fund under the FY 2026-27 allocation methodology and is therefore not separately reported within the General Fund department schedule. See the Allocation Summary in Section 12.*

General Fund Assigned Equipment Replacement Reserves

Purpose: Equipment replacement resources formerly accounted for in Building & Equipment, Fire Engine Replacement, and Public Works Facilities Reserve are now presented as General Fund assigned reserves by department. The table below uses each reserve's fund balance and activity to identify departmental reserve capacity; budgeted outflows are included as capital outlay for the applicable department.

Reserve / Activity	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Beginning Assigned Reserve Balance	**$308,571**	**$339,058**	**$339,058**	**$340,558**
General Government – Building & Equipment Reserve				
Revenue / Transfers In	$20,000	$0	$0	$0
Capital Outlay	$0	$20,000	$0	$10,000
Fire Department – Fire Engine Replacement Reserve				
Interest Income / Transfers In	$9,867	$1,000	$1,000	$5,000
Capital Outlay	$0	$0	$0	$0
Public Works – Facilities Reserve				
Interest Income / Transfers In	$620	$500	$500	$500
Capital Outlay	$0	$0	$0	$0
Total Reserve Inflows	**$30,487**	**$1,500**	**$1,500**	**$5,500**
Total Capital Outlay	**$0**	**$20,000**	**$0**	**$10,000**
Net Change in Assigned Reserve	**$30,487**	**($18,500)**	**$1,500**	**($4,500)**
Ending Assigned Reserve Balance	**$339,058**	**$320,558**	**$340,558**	**$336,058**

Note: The FY 2026-27 General Fund budget includes $10,000 of Building & Equipment capital outlay in City Administration. Fire Department and Public Works reserve balances are assigned for future capital replacement needs; no FY 2026-27 capital outlay is budgeted from those reserves.

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes. Effective with this budget document, the City consolidates all special-purpose governmental funds previously presented as "Other Funds" within the unified Special Revenue Funds category, excluding equipment replacement resources that are reported in the General Fund as assigned reserves by department.

Gas Tax (Fund 022)

Purpose: California state-shared gas tax revenues deposited into a special revenue fund and used only for eligible transportation purposes (maintenance, rehabilitation, and improvement of local streets and roads) in accordance with state law and Article XIX of the California Constitution.

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Beginning Balance	$491,148	$596,889	$596,889	$639,889
Revenues	$132,265	$61,100	$128,000	$100,000
Expenditures/Transfers Out	$26,524	$70,201	$85,000	$250,000
Ending Balance	**$596,889**	**$587,788**	**$639,889**	**$489,889**

REAP/TDA (Fund 080)

Purpose: REAP grants fund regional housing planning activities that help cities accelerate housing production and align land use with transit. Transportation Development Act (TDA) revenues support eligible transit operations, planning, pedestrian/bicycle projects, and certain road uses subject to state law and regional procedures.

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Beginning Balance	$76,399	$108,551	$108,551	$115,569
Revenues	$84,482	$75,000	$58,908	$41,049
Expenditures	$52,330	$66,902	$51,890	$50,000
Ending Balance	**$108,551**	**$116,649**	**$115,569**	**$106,618**

Development Impact Fees Fund (Fund 031)

Purpose: Accounts for development impact fee resources legally restricted for eligible growth-related capital improvements.

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Beginning Balance	$327,997	$520,886	$520,886	$713,775
Revenues	$193,172	$53,300	$193,172	$198,967
Expenditures	$283	$0	$283	$1,000
Ending Balance	**$520,886**	**$574,186**	**$713,775**	**$911,742**

HOME Programs (Fund 125)

Purpose: Accounts for HOME program balances and program income restricted to eligible affordable-housing purposes under HUD's HOME Investment Partnerships Program rules.

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Beginning Balance	$737,933	$746,495	$746,495	$755,057
Revenues	$8,562	$6,000	$8,562	$8,819
Expenditures	$0	$0	$0	$0
Ending Balance	**$746,495**	**$752,495**	**$755,057**	**$763,876**

Community Development Block Grant Fund (Fund 150)

Purpose: Accounts for Community Development Block Grant resources and program income restricted to eligible federal grant purposes.

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Beginning Balance	$194,351	$208,408	$208,408	$222,465
Revenues	$14,057	$32,800	$14,057	$14,479
Expenditures	$0	$34,000	$0	$0
Ending Balance	**$208,408**	**$207,208**	**$222,465**	**$236,944**

Surface Transportation Block Grant Fund (Fund 196)

Purpose: Accounts for Surface Transportation Block Grant resources restricted to eligible federal transportation purposes (roads, bridges, pedestrian/bicycle facilities, and related projects).

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Beginning Balance	$273,665	$278,025	$278,025	$282,385
Revenues	$4,360	$2,000	$4,360	$4,491
Expenditures	$0	$0	$0	$0
Ending Balance	**$278,025**	**$280,025**	**$282,385**	**$286,876**

Community Facilities District Fund (Fund 200)

Purpose: Accounts for Community Facilities District revenues and expenditures restricted to district purposes.

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Beginning Balance	($14,695)	($29,702)	($29,702)	($44,709)
Revenues	$13,623	$28,100	$13,623	$26,800
Expenditures	$28,630	$27,661	$28,630	$0
Ending Balance	**($29,702)**	**($29,263)**	**($44,709)**	**($17,909)**

Enterprise Funds

Water Fund (Fund 040)

Purpose: Accounts for operations of the City's water utility system.

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Operating Revenues				
Water Sales	$509,388	$424,500	$484,966	$499,515
Connection Fees	$0	$2,000	$1,163	$1,198
Interest Income / Other Revenue	$29,464	$6,500	$17,567	$18,094
Total Operating Revenues	**$538,852**	**$433,000**	**$503,696**	**$518,807**
Operating Expenses				
Personnel	$213,698	$0	$0	$0
Professional Services	$40,945	$2,500	$29,720	$30,000
Supplies / Operations	$27,418	$10,000	$19,901	$20,000
Lab Testing	$17,389	$14,000	$12,622	$13,000
Utilities / Phone / Alarm	$1,411	$6,000	$1,024	$6,500
Repairs and Maintenance	$5,080	$0	$54,221	$56,000
Equipment / Equip. Repair	$768	$500	$557	$800
Permits	$9,056	$8,000	$6,573	$8,000
IT Support-Supply	$0	$0	$0	$500
Member Dues / Training	$13,161	$13,580	$0	$13,500
Other Expenses	$117,146	$4,000	$59,345	$60,000
Debt Service[1]	$193,734	$189,700	$190,437	$197,164
Total Operating Expenses	**$639,806**	**$248,280**	**$374,400**	**$405,464**
Operating Income	**($100,954)**	**$184,720**	**$129,296**	**$113,343**
Allocation to General Fund	**$26,150**	**$15,600**	**$0**	**$88,928**
Net Income	**($127,104)**	**$169,120**	**$129,296**	**$24,415**
Transfers to Capital Improvement Program	**—**	**—**	**—**	**($60,000)**
Net Income After CIP Transfers	**—**	**—**	**—**	**($35,585)**

Note 1: Debt service is presented separately and included in Total Operating Expenses. Depreciation is excluded from budgetary operating expenses. Scheduled water debt service shown here is supported by the Non-Department Summary debt schedule.

Water Fund Rate Structure

Customer Class		FY 25-26 Rate	FY 26-27 Rate
Flat Rates			
Residential – Single Family		$50.64	$52.21
Residential – Multi Family		$50.64	$52.21
Churches/Lodges		$63.95	$65.93
Business/Retail		$86.94	$89.64
Restaurants/Bars		$99.04	$102.11
Service Stations		$221.25	$228.11
Daycare Centers (up to 10 children)		$63.95	$65.93
Daycare Centers (more than 10 children)		$76.05	$78.41
CIP Charge		$14.47	$14.47
Metered Rates			
Pipe Size ¾”	Min Usage 7,000 C.F.	$9.92	$10.23
	Min. Service Charge	$50.64	$52.21
Pipe Size 1”	Min Usage 7,000 C.F.	$9.92	$10.23
	Min. Service Charge	$50.64	$52.21
Pipe Size 1.5”	Min Usage 7,000 C.F.	$9.92	$10.23
	Min. Service Charge	$56.35	$58.10
Pipe Size 2”	Min Usage 7,000 C.F.	$9.92	$10.23
	Min. Service Charge	$66.03	$68.08
Pipe Size 3”	Min Usage 9,032 C.F.	$7.50	$7.73
	Min. Service Charge	$127.22	$131.16
Pipe Size 4”	Min Usage 15,510 C.F.	$7.50	$7.73
	Min. Service Charge	$175.62	$181.06
Pipe Size 6”	Min Usage 32,984 C.F.	$7.50	$7.73
	Min. Service Charge	$306.30	$315.80

Note 1: Rates for non-flat rates are charged ‘Rate/1000CF’ over the minimum usage CF. CPI adjustment of 3.1%

Sewer Fund (Fund 030)

Purpose: Accounts for operations of the City's sewer system.

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Operating Revenues				
Sewer Charges	$656,857	$610,000	$620,642	$639,261
Connection Fees	$0	$1,000	$517	$533
Interest Income / Other Revenue	$32,641	$10,000	$21,043	$21,674
Total Operating Revenues	**$689,498**	**$621,000**	**$642,202**	**$661,468**
Operating Expenses				
Personnel	$212,079	$0	$0	$0
Professional Services	$51,284	$10,000	$34,539	$36,000
Supplies / Operations	$26,819	$25,000	$18,062	$25,000
Lab Testing	$26,796	$35,000	$18,047	$27,000
Utilities / Phone / Alarm	$2,308	$7,960	$1,554	$8,250
Repairs and Maintenance	$19,505	$0	$80,487	$83,000
Equipment / Equip. Repair	$3,183	$7,000	$2,144	$8,000
Permits	$32,150	$35,000	$21,653	$35,000
IT Support-Supply	$0	$250	$0	$500
Member Dues / Training	$0	$1,000	$0	$1,000
Other Expenses	$182,851	$5,000	$139,322	$185,000
Debt Service[1]	$126,896	$146,000	$147,732	$147,703
Total Operating Expenses	**$683,871**	**$272,210**	**$463,540**	**$556,453**
Operating Income	**$5,627**	**$348,790**	**$178,662**	**$105,015**
Allocation to General Fund	**$24,016**	**$54,000**	**$0**	**$174,504**
Net Income	**($18,389)**	**$294,790**	**$178,662**	**($69,489)**
Transfers to Capital Improvement Program	**—**	**—**	**—**	**($60,000)**
Net Income After CIP Transfers	**—**	**—**	**—**	**($129,489)**

Note 1: Debt service is presented separately and included in Total Operating Expenses. Depreciation is excluded from budgetary operating expenses. Scheduled sewer debt service shown here is supported by the Non-Department Summary debt schedule.

Sewer Fund Rate Structure

Customer Class	FY 25-26 Rate	FY 26-27 Rate
Residential / Apartment	$72.65	$76.29
Tavern or Bar	$95.10	$99.86
Beauty Salon at Home	$81.71	$85.79
Churches and Halls	$75.11	$78.87
Commercial	$90.53	$95.05
Wild Rice Mill	$72.65	$76.29
Specialty Rice Mill	$117.67	$123.55
Sunwest Main Rice Mill	$342.20	$359.32
Market	$129.50	$135.97
Office Building	$90.53	$95.05
Mini-Mart	$104.97	$110.22
Service Station	$110.32	$115.83
Industrial	$139.58	$146.56
Memorial Hall	$90.53	$95.05
Restaurant	$114.96	$120.71
Day Care	$134.65	$141.38
Elementary School	$356.25	$374.06
High School	$356.25	$374.06
Minimum Charge – Any User	$72.65	$76.29
CIP Charge	$8.70	$8.80

Electric Fund (Fund 050)

Purpose: Accounts for operations of the City's electrical utility system.

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Operating Revenues				
Electricity Charges	$3,433,813	$3,200,000	$3,724,793	$3,600,000
Connection Fees	$0	$0	$0	$1,000
Interest Income / Other Revenue	$52,558	$47,000	$23,502	$47,000
Total Operating Revenues	**$3,486,371**	**$3,247,000**	**$3,748,295**	**$3,648,000**
Operating Expenses				
Personnel	$213,698	$0	$248,612	$0
Electric Purchase	$1,923,182	$1,975,000	$2,146,652	$1,950,000
Maintenance and Repair	$501,400	$514,000	$511,292	$520,000
Tree Trimming	$17,000	$15,000	$16,125	$16,500
Utilities / Phone / Alarm	$2,126	$3,025	$1,551	$1,500
Pole Replacement	$5,080	$0	$10,160	$25,000
Equipment / Equip. Repair	$0	$5,000	$2,443	$2,000
Supplies / Operations	$7,172	$10,000	$2,125	$2,000
IT Support-Supply	$0	$0	$0	$500
Member Dues / Training / Travel	$11,576	$4,600	$7,003	$0
Professional Services	$14,687	$20,000	$7,449	$8,000
NCPA Member Services	$0	$1,400	$0	$2,000
Other Expenses	**$8,721**	**$15,000**	**$10,500**	**$10,000**
Total Operating Expenses	**$2,704,642**	**$2,563,025**	**$2,963,912**	**$2,537,500**
Operating Income	**$781,729**	**$683,975**	**$784,383**	**$1,110,500**
Allocation to General Fund	$157,299	$142,250	$166,491	$1,083,308
Net Income	**$624,430**	**$541,725**	**$617,892**	**$27,192**
Transfers to Capital Improvement Program	—	—	—	($23,000)
Net Income After CIP Transfers	—	—	—	$4,192

Electric Fund Rate Structure

Customer Class	Rate Component	FY 25-26 Rate	FY 26-27 Rate
Domestic and Apartment Services (inside city)			
	Connection Charge per Month	$8.32	$8.32
	First 400 kWh	$0.2037	$0.2037
	Over 400 kWh	$0.2745	$0.2745
Domestic and Apartment Services (outside city)			
	Connection Charge per Month	$8.32	$8.32
	First 400 kWh	$0.2080	$0.2080
	Over 400 kWh	$0.2971	$0.2971
Senior Rate			
	Connection Charge per Month	$8.32	$8.32
	First 400 kWh	$0.1834	$0.1834
	Over 400 kWh	$0.2467	$0.2467
Commercial (c2)			
	Connection Charge per Month	$7.72	$7.72
	First 6,000 kWh	$0.2467	$0.2467
	6,001 – 12,000 kWh	$0.2321	$0.2321
	Over 12,000 kWh	$0.2262	$0.2262
Industrial Demand (c3)			
	Connection Charge per Month	$166.13	$166.13
	Demand Charge per Month	$23.48	$23.48
	First 50,000 kWh	$0.1008	$0.1008
	Over 50,000 kWh	$0.0783	$0.0783
Sunwest Milling Company (c4)			
	Connection Charge per Month	$433.37	$433.37
	Demand Charge per kWh	$14.00	$14.00
	Per kWh	$0.1950	$0.1950
Power Factor Adjustment (c4)			
	< or = 70%	$0.1387	$0.1387
	71% to 75%	$0.1156	$0.1156
	76% to 80%	$0.1041	$0.1041
	81% to 85%	$0.0925	$0.0925
	86% to 90%	$0.0694	$0.0694
	91% or >	$0.0000	$0.0000

Greenhouse Gas Credits (Fund 054)

Purpose: Through California's Cap-and-Invest (Cap-and-Trade) program, CARB oversees a system in which electric-sector emissions allowances are auctioned and a portion of the proceeds is returned to utilities and their customers in the form of climate-related funds and bill credits. For the City of Biggs Electric Department, GHG-related funds received under this framework are restricted for climate and ratepayer purposes — such as helping lower customer bills via a "climate credit" or funding eligible projects that reduce emissions or improve energy efficiency — and may not be used as discretionary General Fund revenue for unrelated City activities.

Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Beginning Balance	$859,061	$947,575	$947,575	$991,575
Revenues	$88,514	$87,000	$44,000	$40,000
Expenditures*	$0	$200,000	$0	$1,000,000
Ending Balance	**$947,575**	**$834,575**	**$991,575**	**$31,575**

*Note: *Expenditures transfer $700,000 to CIP and $300,000 for electric rebate to customers, as approved by Council on 12 May 2026.*

8. Department Budgets

City Council

Department Overview

The City Council is the legislative and policy-making body of the City. The Council consists of 5 members including the Mayor, elected at-large for 4-year terms.

Budget Summary

Expenditure Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Salaries and Wages	$6,700	$18,000	$18,000	$19,800
Social Security & Medicare	$500	$2,100	$3,601	$3,709
Materials and Supplies	$600	$400	$487	$500
Travel and Training	$1,100	$5,200	$8,971	$6,000
Utilities Expenses	$100	$100	$142	$500
Water Allocation	($1,200)	($1,200)	($1,698)	($1,045)
Sewer Allocation	($1,200)	($1,200)	($1,698)	($2,051)
Electric Allocation	($9,000)	($9,000)	($12,737)	($12,730)
Total Allocation	**($11,400)**	**($11,400)**	**($16,133)**	**($15,826)**
Total Expenditures	**$9,600**	**$14,300**	**$10,850**	**$14,683**

City Administration

Department Overview

The City Administrator's Office provides executive leadership and coordinates City operations to implement City Council policies and strategic priorities.

Budget Summary

Expenditure Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Salaries and Wages	$67,826	$312,796	$215,257	$300,111
Employee Benefits	$37,066	$154,847	$111,148	$92,400
Professional Services	$9,934	$2,000	$13,863	$45,000
Materials and Supplies	$24,932	$17,710	$39,910	$20,000
Equipment Bills	$0	$2,250	$907	$2,000
Travel/Meetings/Training	$0	$2,400	$968	$2,000
Member Dues	$0	$475	$192	$500
Utilities / Phone / Alarm	$785	$1,500	$1,637	$2,000
IT Support-Supply	$0	$500	$202	$8,000
Contractual Services*	—	$144,000	$138,000	$185,000
Code Enforcement / Animal Control	—	$30,000	—	$40,000
Community Hall	—	$4,200	—	$4,000
Buildings Maint. / Prop Insur.	—	—	—	$69,000
Other Expenses	$11,527	$1,300	$15,675	$16,145
Debt Service[1]	$0	$0	$15,636	$15,238
Water Allocation	$0	$0	$0	($24,907)
Sewer Allocation	$0	$0	$0	($48,876)
Electric Allocation	$0	$0	$0	($303,418)
Total Allocation	**$0**	**$0**	**$0**	**($377,201)**
Capital Outlay – Building & Equipment Reserve	$0	$20,000	$0	$10,000
Total Expenditures	**$441,500**	**$324,200**	**$415,394**	**$419,193**

Note: **Contractual Services include contracts for City Planner, Butte Subbasin GSA, Attorney, Auditor, and Accountant.*
Note 1: Debt service is presented separately and included in Total Operating Expenses. Depreciation is excluded from budgetary operating expenses. Scheduled sewer debt service shown here is supported by the Non-Department Summary debt schedule.

Budget by Division

Expenditure Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Administration/Clerk/Finance	$152,100	$129,400	$153,356	$507,394
Attorney	$15,000	$24,600	$13,582	$48,000
Buildings/Properties	$32,700	$36,100	$29,608	$131,000
Community Hall	$7,300	$4,200	$6,610	$4,000
Planning	$193,600	$74,300	$175,296	$66,000
Code Enforcement / Animal Control	$40,800	$55,700	$36,942	$40,000
Total Allocation	**$0**	**$0**	**$0**	**($377,201)**
Total	**$441,500**	**$324,200**	**$415,394**	**$419,193**

Police Department

Department Overview

The Police Department is responsible for protecting lives and property, preventing crime, enforcing laws, and maintaining order within the community.

This service is currently covered by a contract with the City of Gridley Police Department.

Budget Summary

Expenditure Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Gridley Contract	$235,800	$212,200	$226,362	$545,000
Other Expenses	$0	$0	$0	$0
Water Allocation	$0	$0	$0	($18,668)
Sewer Allocation	$0	$0	$0	($36,632)
Electric Allocation	$0	$0	$0	($227,410)
Total Allocation	**$0**	**$0**	**$0**	**($282,710)**
Total Expenditures	**$235,800**	**$212,200**	**$226,362**	**$262,290**

Fire Department

Department Overview

The Fire Department provides fire suppression, emergency medical services, fire prevention, and disaster preparedness to protect the community.

This service is currently covered by a contract with CalFire.

Budget Summary

Expenditure Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
CalFire Contract	$84,600	$312,000	$144,386	$471,372
Other Expenses	$0	$0	$0	$0
Water Allocation	$0	$0	$0	($16,146)
Sewer Allocation	$0	$0	$0	($31,683)
Electric Allocation	$0	$0	$0	($196,688)
Total Allocation	**$0**	**$0**	**$0**	**($244,517)**
Capital Outlay – Fire Engine Replacement Reserve	**$0**	**$0**	**$0**	**$0**
Total Expenditures	**$84,600**	**$312,000**	**$144,386**	**$226,855**

Public Works

Department Overview

The Public Works Department maintains the City's infrastructure including streets, storm drainage, traffic signals, parks, and public facilities.

Staffing

Position	2025-26	2026-27
Public Works Superintendent	1.0	1.0
City Engineer	1.0	1.0
Maintenance Workers	3.0	3.0
Equipment Operators	1.0	1.0
Total	**6.0**	**6.0**

Budget Summary

Expenditure Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Salaries and Wages	$95,072	$105,293	$95,604	$381,966
Employee Benefits	$31,912	$41,173	$34,723	$119,200
Professional Services	$18,483	$26,500	$21,309	$24,000
Materials and Supplies	$44,093	$32,500	$36,966	$50,000
Utilities / Phone / Alarm	$4,535	$4,400	$4,279	$5,000
Repairs and Maintenance	$47,582	$15,400	$31,011	$50,000
Equipment and Repair	$4,416	$7,800	$5,754	$10,000
Training/Travel/School	—	$1,500	—	$2,000
City Engineer	—	$25,000	—	$80,000
Other Expenses	$137,007	$196,034	$157,772	$100,000
Water Allocation	$0	$0	$0	($28,162)
Sewer Allocation	$0	$0	$0	($55,262)
Electric Allocation	$0	$0	$0	($343,062)
Total Allocation	**$0**	**$0**	**$0**	**($426,486)**
Capital Outlay – Public Works Facilities Reserve	**$0**	**$0**	**$0**	**$0**
Total Expenditures	**$383,100**	**$429,100**	**$387,418**	**$395,680**

Budget by Division

Expenditure Category	FY 2024-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Shop & Corp Yard	$18,300	$26,400	$18,511	$503,166
Engineering	$16,800	$25,000	$16,994	$80,000
Streets Maintenance	$258,700	$273,100	$261,684	$120,000
Parks	$89,200	$104,600	$90,229	$60,000
Facilities Maintenance	$0	$0	$0	$49,000
Fleet Maintenance	$0	$0	$0	$10,000
Total Allocation	**$0**	**$0**	**$0**	**($426,486)**
Total	**$383,100**	**$429,100**	**$387,418**	**$395,680**

9. Capital Improvement Program

CIP Overview

The Capital Improvement Program (CIP) is a multi-year plan for the acquisition, construction, and maintenance of capital assets including facilities, infrastructure, and equipment. The FY 2026-2027 CIP totals $963,000 and includes four projects across the City's enterprise and governmental activities, including $100,000 in anticipated grant funding.

INI Study of Sewer Main

Purpose: To identify leaks in the sewer main and perform repairs on the sewer network. Study is projected to range from $100,000 to $250,000.

Funding Source	FY 2026-27
Engineering Grant	$100,000
Sewer Transfer In	$20,000
Total CIP Funding	**$120,000**
Contractual Services	($120,000)

Additional Well / Water Holding Tank

Purpose: To increase City water production for anticipated future demand and to create redundancy in current water supply. The City currently has three wells, two serving the water supply and a third backup for emergency use. Estimated $40,000 to bring emergency well up to service capacity and provide redundancy.

Funding Source	FY 2026-27
Beginning Balance	$0
Water Transfer In	$40,000
Total CIP Funding	**$40,000**
Contractual Services	($25,000)
Public Works Wages-Benefits	($15,000)

Electric Transformer Battery Bank Replacement / Upgrade

Purpose: To provide battery backup to the systems that run the City transformer and control the electricity supply for all electric customers. Estimated $23,000 to replace aged battery bank with new and upgraded battery bank.

Funding Source	FY 2026-27
Beginning Balance	$0
Electric Transfer In	$23,000
Total CIP Funding	**$23,000**
Contractual Services	($23,000)

Rate Study for All Enterprises

Purpose: City services rates are currently expiring from the last review. As demand, services, supplies, policies, regulations, and labor change within the State and local region, the City will bring all enterprise services under review. The rate study budget totals $60,000, matching the total CIP funding shown below: $40,000 in FY 2026-27 and $20,000 in FY 2027-28.

Funding Source	FY 2026-27	FY 2027-28
Beginning Balance	$0	($20,000)
Sewer Transfer In	$20,000	$0
Water Transfer In	$20,000	$0
Electric Transfer In	$0	$20,000
Total CIP Funding	**$40,000**	**$20,000**
Contractual Services	($60,000)	$0

AMI Meter Replacement

Purpose: City water and electric meters are aged and needing replacement. Current direction from State of California is for all municipalities to upgrade meters to AMI for efficiency and energy goals. The projected cost for the project is $900,000, matching the total CIP funding shown below: $700,000 in FY 2026-27 and $300,000 in FY 2027-28.

Funding Source	FY 2026-27	FY 2027-28
Beginning Balance	$0	($300,000)
Greenhouse Gas Credits Transfer In	$700,000	$0
Water Transfer In	$0	$300,000
Total CIP Funding	**$700,000**	**$300,000**
Contractual Services	($1,000,000)	$0

10. Personnel and Staffing

Citywide Full-Time Staffing Summary

Department	FY 2025-26	FY 2026-27	Change
City Council	5	5	0.0%
City Administrator	1	1	0.0%
City Attorney	1	1	0.0%
City Clerk	2	2	0.0%
Accountant	1	1	0.0%
Police	—	—	0.0%
Fire	—	—	0.0%
Public Works	6	6	0.0%
City Planner	1	1	0.0%
Information Technology	—	—	0.0%
Total General Fund	**17**	**17**	**0.0%**
Water	—	—	0.0%
Sewer	—	—	0.0%
Electric	—	—	0.0%
Total Enterprise Funds	**0**	**0**	**0.0%**
Total Citywide	**17**	**17**	**0.0%**

11. Non-Department Summary

Outstanding Debt

Debt Issue	Original Amount	Outstanding Balance	Final Maturity	Purpose
2022 USDA Loan (Governmental)	$226,930	$199,680	2040	Governmental refinance / improvements
2022 USDA Refinance (Water)	$3,027,960	$2,671,700	2045	Water system refinance
SWRCB Loans (Sewer)	$1,859,898	$1,221,803	2051	Wastewater system improvements
Certificates of Participation	$773,500	$443,900	2040	Utility certificates / legacy financing
Total Outstanding Debt	**$5,888,288**	**$4,537,083**		

Debt Service Schedule

Fiscal Year	Principal	Interest	Total Debt Service	Funding Source
FY 2026	$9,990	$5,646	$15,636	General Funds
	$123,110	$67,327	$190,437	Water Enterprise Funds
	$104,333	$43,399	$147,732	Sewer Enterprise Funds
FY 2027	$9,880	$5,358	$15,238	General Funds
	$132,940	$64,224	$197,164	Water Enterprise Funds
	$106,926	$40,777	$147,703	Sewer Enterprise Funds
FY 2028	$10,760	$5,058	$15,818	General Funds
	$132,570	$60,874	$193,444	Water Enterprise Funds
	$109,654	$38,078	$147,732	Sewer Enterprise Funds
FY 2029	$10,630	$4,748	$15,378	General Funds
	$137,190	$57,534	$194,724	Water Enterprise Funds
	$112,417	$35,304	$147,721	Sewer Enterprise Funds
FY 2030	$11,490	$4,428	$15,918	General Funds
	$141,710	$54,076	$195,786	Water Enterprise Funds
	$115,319	$32,447	$147,766	Sewer Enterprise Funds
FY 2031-2051	$140,930	$22,423	$163,353	General Funds
	$2,004,180	$343,075	$2,347,255	Water Enterprise Funds
	$1,117,052	$176,277	$1,293,329	Sewer Enterprise Funds
Total	**$4,537,081**	**$1,061,053**	**$5,598,134**	**All debt**

Key Debt Indicators

Indicator	Value
Total Outstanding Debt	**$4,537,083**
Debt per Capita	$1,967
Debt as % of Assessed Valuation	N/A
Debt Service as % of General Fund Revenue	1.8%
Bond Rating (Moody's/S&P/Fitch)	Not rated

Debt Policy Compliance

The City's debt management policy establishes the following limits:

- General Fund debt service remains well below operating revenues: Compliant
- Debt as % of assessed valuation: Not available from uploaded financial statements
- Maintain bond ratings of AA- or better: Current Rating — Not Rated

12. Allocation Summary

Allocations Between Departments

When departments share resources (administrative staff, finance, attorney, HR, IT, facilities, public works, and streets) it is considered best practice for the City to allocate those costs proportionally to the departments or funds that receive the benefit, rather than leaving all expenses in a single budget. This approach promotes fairness, accurate reporting of service costs, and better budget decisions, and it helps demonstrate to auditors and the public that shared services are being managed in a transparent way that reflects actual use of City resources.

Formula

In reviewing the cost sharing between departments for Fiscal Year 2026-27, the City Council approved the cost sharing formula for Enterprise Funds:

"Allocation Total = Total Shared Pool Expenses x (Base Expense of Enterprise / Total Base of Enterprise and Total Shared Pool Expenses)"

Approved by Resolution 2026-13

Final Allocation Summary for FY 2026-27

Category	City Council	Admin	Police	Fire	Public Works	Total Allocation
Water Fund	$1,045	$24,907	$18,668	$16,146	$28,162	$88,928
Sewer Fund	$2,051	$48,876	$36,632	$31,683	$55,262	$174,504
Electric Fund	$12,730	$303,418	$227,410	$196,688	$343,062	$1,083,308
Total Allocation	**$15,826**	**$377,201**	**$282,710**	**$244,517**	**$426,486**	**$1,346,740**

13. Appendices and Glossary

Appendix A: Budget Glossary

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

Appropriation: Legal authorization granted by the City Council to spend money for specific purposes.

Assessed Valuation: The value placed on real and personal property by the County Assessor as a basis for levying property taxes.

Budget: A financial plan for a specified period showing estimated revenues and proposed expenditures.

Capital Improvement Program (CIP): A multi-year plan identifying capital projects, their costs, and funding sources.

Debt Service: Payment of principal and interest on borrowed funds according to a predetermined schedule.

Enterprise Fund: A fund used to account for operations financed and operated in a manner similar to private business (e.g., Water, Wastewater).

Fiscal Year: A 12-month period for accounting and budgeting purposes. The City's fiscal year runs from July 1 through June 30.

Full-Time Equivalent (FTE): A measure of staffing that converts part-time positions to the equivalent of full-time positions based on hours worked.

Fund: A separate accounting entity with revenues and expenditures established for specific purposes or activities.

Fund Balance: The difference between assets and liabilities in a governmental fund; essentially the accumulated surplus or deficit.

GASB: Governmental Accounting Standards Board, which establishes accounting and financial reporting standards for state and local governments.

General Fund: The primary operating fund used to account for most traditional government services.

Modified Accrual Basis: An accounting method used for governmental funds that recognizes revenues when measurable and available, and expenditures when liabilities are incurred.

Operating Budget: The portion of the budget that provides for day-to-day operations including salaries, benefits, supplies, and services.

Proposition 13: A California constitutional amendment passed in 1978 that limits property tax rates to 1% of assessed value and restricts assessment increases to 2% annually unless property is sold.

Reserved Fund Balance: Portion of fund balance that is legally restricted for specific purposes.

Revenue: Income received by the City from taxes, fees, grants, and other sources to fund operations and services.

Special Revenue Fund: A fund used to account for proceeds of specific revenue sources legally restricted to expenditure for specified purposes.

Unassigned Fund Balance: Portion of fund balance available for any legal purpose.

Appendix B: Acronyms and Abbreviations

Acronym	Definition
ACFR	Annual Comprehensive Financial Report
AFR	Annual Financial Report
CalPERS	California Public Employees' Retirement System
CIP	Capital Improvement Program
CPI	Consumer Price Index
ERAF	Education Revenue Augmentation Fund
FTE	Full-Time Equivalent
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
MVLF	Motor Vehicle License Fee
OPEB	Other Post-Employment Benefits
PEPRA	Public Employees' Pension Reform Act
SB1	Senate Bill 1 (Road Repair and Accountability Act)
TOT	Transient Occupancy Tax
VLF	Vehicle License Fee

Appendix C: Budget Calendar

Annual Budget Development Timeline

January – February:

- Department directors prepare budget requests
- Finance Department develops revenue projections
- Review of multi-year financial forecast
- Capital Improvement Program submissions due

March:

- Finance Department reviews department requests
- City Administrator meets with department directors
- Budget balancing and prioritization
- Initial CIP review and prioritization

April:

- City Administrator's proposed budget developed
- Budget document preparation
- Final CIP recommendations prepared
- Budget workshop scheduled

May:

- City Administrator presents proposed budget to City Council
- Public budget workshop held
- City Council study sessions on major budget issues
- Public hearing notices published

June:

- City Council budget deliberations
- Public hearing on proposed budget
- Final budget amendments and modifications
- City Council adopts final budget by June 30

July 1:

- New fiscal year begins
- Adopted budget becomes effective

December:

- Mid-Year budget review conducted
- Adjustments made to second half of annual budget as needed
- Five-year forecast updated
- Planning begins for next budget cycle

Appendix D: Fund Listing

Governmental Funds

Fund Number	Fund Name
010	General Fund
011	Equipment Replacement Fund
012	Fire Engine Replacement Fund
017	Public Works Facilities Reserve
022	Gas Tax Fund
031	Development Impact Fees Fund
080	RSTP / TDA Fund
081	General Capital Project Fund
125	HOME Programs
150	Community Development Block Grant Fund
196	Surface Transportation Block Grant Fund
200	Community Facilities District Fund

Enterprise Funds

Fund Number	Fund Name
030	Sewer Fund
040	Water Fund
050	Electric Fund
054	Greenhouse Gas Credits

Appendix E: GANN Limit

Passed by Resolution 2026-15: The City Council finds the adjusted Gann appropriations limit (Proposition 4) to be $4,094,517 for the 2026-2027 fiscal year. The adjusted Proposition 4 appropriations subject to limit for the fiscal year are $1,018,872, as calculated by resolution and the City Accountant, and are $3,075,645 below the limit imposed by Proposition 4.

Appendix F: Financial Policies

Passed by Resolution 2026-16: The City of Biggs maintains a Fund Balance, Reserve, and Emergency Policy that establishes the following reserves with the stated purposes and goals:

Reserve	Purpose	Goal
Operating / Budget Stabilization Reserve	Mitigates temporary revenue shortfalls, expenditure volatility, timing differences, and fiscal stress while maintaining essential services.	20% target; 15–25% preferred range.
Catastrophic / Emergency Reserve	Provides resources for declared emergencies, disasters, major infrastructure failures, or events that threaten health, safety, property, or service continuity.	5–10% preferred range, based on risk exposure.
Capital and Infrastructure Reserve	Accumulates resources for major capital replacement, facility repairs, infrastructure rehabilitation, matching funds, and other significant one-time capital needs.	Based on the adopted capital improvement plan, asset replacement schedules, and available one-time resources.
Enterprise Fund Reserves	Maintains adequate working capital and net position in the Water, Sewer, and Electric funds for rate stability, debt covenant compliance, capital replacement, and service reliability.	Preferred range of 15 to 25% of annual operating expenses, or higher if required by risk, debt covenants, or capital needs.

Appendix G: Contact Information

City Hall

465 C Street
Biggs, CA 95917
Phone: (530) 868-5493
Website: www.biggs-ca.gov

Department Contact Information

- City Administrator: (530) 868-0100
- Finance Department: (530) 868-0100
- Police Department: (530) 846-5670
- Fire Department: (530) 868-5834
- Public Works: (530) 868-1396
- Community Development: (530) 868-5493
- Parks and Recreation: (530) 868-1396

Budget Questions

For questions about the City budget, please contact:

Nicolas Gauthier
City Administrator
(530) 868-0100
ngauthier@biggs-ca.gov

END OF BUDGET DOCUMENT

This budget document was prepared by the City of Biggs Finance Department.

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