



FY2022-2023

ADOPTED BUDGET

City of Carmel-by-the-Sea



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INTRODUCTION

ADOPTED BUDGET MESSAGE

June 7, 2022

Honorable Mayor Dave Potter, City Councilmembers, and Community Members

Staff is pleased to present the Adopted Operating and Capital Budget for the City of Carmel-by-the-Sea for Fiscal Year (FY) 22-23 which commences on July 1. Presented herein is an Adopted Budget that has evolved and transitioned through the unprecedented period of disruption brought on by COVID-19. The resulting worldwide pandemic sparked a public health and economic crisis that left no organization or municipality untouched. Yet, after years of acute economic interruption, logistical challenges and forfeiture of resources, our village has endured. More than endure, we have collectively upheld the safety and health of our community, continued our tradition of securing a sound fiscal posture, and remained attentive to the vitality, uniqueness and fragility of our local economy.

The creation of this year's Adopted plan has not been easy and was only possible through the remarkable efforts of many. The decisions executed in response to the challenges we have faced were trying, but certainly necessary, prudent and courageous. Now, two years after the first signs of COVID-19, we can confidently say, as this budget will convey, that we are recovering organizationally, economically and socially. In the end result, there is much to be grateful for and many to thank in getting us where we are today. The combination of sound legislative stewardship, judicious operational management, invaluable community support, humbling volunteerism, staff's nimbleness, and inter-governmental collaboration, has served our jurisdiction and community well.

I am pleased to report to the City Council and community that the Adopted Budget is operationally balanced, meaning total incoming revenue (sources) equal planned expenditures (uses). It also strategically adopts the use of available fund balances, accumulated from prior year savings, to specifically address important capital improvement needs that have been deferred. The adopted fiscal plan is also forward-looking as it continues the restoration of resources foregone during the pandemic. Although much work remains to be done in reestablishing the full organizational momentum we enjoyed pre-pandemic, this document demonstrates our full commitment in doing just that.

Many times the prevailing themes that accompany an annual budget can be lost in untold numeric columns, rows and charts. Before diving into the numbers, be assured that this Adopted Budget continues core City services drawing upon a strengthened financial position secured by the prior year sacrifices. As one reads this budget from front to back, we hope this overarching message, as highlighted below, is apparent.

Staffing

The primary increase in FY 22-23 operational expenditures can be attributed to the reestablishment of staff positions that remained unavoidably forgone since FY 20-21. This furthers the partial build back of authorized positions, a total of 7.73, started in FY 21-22. Hence, a total of 12.02 positions, both full and part-time, were restored in the mid-year budget adjustment in December 2021. This budget goes further in addressing deferred service areas and upkeep with restoring funding to 2.0 Administrative Coordinator positions and creating 1.0

new position in the Public Works department. Considering that nearly 50% of citywide costs support the retention and procurement of people, these cost increases are the most notable change in the departmental salary and benefit line items. They also will have the greatest impact in achieving the strategic priorities and goals that the City Council has defined.

A detailed listing of both the restored and new positions Adopted in this budget can be found on the Position Summary section. These additions focus on bolstering the key areas of service that experienced abridged resources in past months specifically, police safety, capital project improvements, facility maintenance, library, community activities, public engagement and environmental stewardship. This budget also recognizes the importance of augmenting staffing for key support functions within finance and administration.

State driven changes in health insurance and pension cost, as a component of salary and benefit costs, are also built into this budget. We are pleased to report, much to the credit of the California pension reform enacted in 2013 (PEPRA), that municipalities are finally seeing a moderation of rate increases making this expenditure more predictable, an important objective of the change in state law. That said, pension rates are always at the mercy of the investment markets and must be anticipated with great care and caution. As our CalPERS annual reports reveal, changes in actuarial forecast assumptions factor significantly in the determination of annual contribution rates and, most pointedly, long term unfunded liabilities. This area of significant cost is discussed in more detail below.

Last, but not least, a conscious effort was made to replenish training budgets available to staff. Although the dollar values involved may not be relatively material, each department embraces the importance of promoting resource training as the working environment springs fully back into action.

We Remain Focused

We are proud to say that the budget is unchanged and remains focused on the key deliverables that make Carmel unique. A view of the City budget from thirty-thousand feet reveals that tax dollars are primarily allocated to the safety, health, infrastructure and community character. This is apparent in the breakdown of expenditures by department that tells us what the community receives for the dollars it spends. The vast majority of expenditures are found in police safety, fire and ambulance services, public works maintenance, neighborhood planning and library/community services. Furthermore, the City invests significantly in maintenance and beautification initiatives by funding the capital improvement projects discussed below and detailed within. We trust that you will agree that this Adopted Budget allocates tax dollars to the service areas of highest priority.

Capital Improvements & Maintenance

Although the annual comprehensive financial report (ACFR) tends to be overshadowed by the budget process, it is nonetheless a critically important document that presents both operating results and fiscal status. Among other things, the ACFR tells us that the City carries \$65 million in fixed assets comprised primarily of building & improvements, infrastructure, and equipment. For private and public entities alike, these assets have real value and require resources annually for upkeep, repair and safety compliance. They represent not only the buildings that house City service centers but also essential infrastructure including roadways, sidewalks, signage, drainage systems and park sites. They are the things that make a city a livable space. Using twenty-five years as the mid-point for the expected life of these assets,

one arrives at an annual maintenance or replacement funding of \$2.6 million, an amount that is historically much higher than the City has been able to fund. Because infrastructure is as equally expensive as it is important, it remains a fiscal hurdle for many cities.

In FY 20-21, the City made the difficult decision to defer investments in capital projects. The undefined economic impacts of COVID-19 led to this necessary action knowing that spending postponements would bring future increased costs and interrupt progress made. This Adopted Budget, and the accompanying five-year Capital Improvement Plan (CIP), confirms this reality that is the single highest challenge in crafting a fiscal plan. In tackling this staff quickly realized that the push-pull inertia between capital improvement needs and revenue levels is at play. We have quantified that a FY 22-23 capital expenditure level of \$2.93 million would enable funding within the bounds of new year revenue only, clearly a sound fiscal policy standard. We also recognized that the pandemic has necessarily curtailed project completion intensifying the need to address citywide maintenance and improvements. It is exactly this need to “catch up” for CIP deferrals that results in the adopted expenditure of \$5.03 million in capital identified herein. It is important to note that the adopted use of available fund balances from prior year savings, totaling \$2,095,342, is wholly due to this increased level of capital project expenditure. Put another way, absent the accelerated level of capital spending, this Adopted Budget is operationally balanced without the need to draw on fund balance savings. Should City Council desire to lower the use of fund balance, this can be done directly by lowering the level of capital project expenditures under the adopted \$5.03 million.

As we look ahead, in years two through five of the CIP, we grapple with the same predicament of capacity, affordability and need we did in year one. To aid this discussion, the CIP presents estimated costs of identified annual projects alongside estimated capital expenditure levels the City could expend if relying solely on annual revenues. These projections have been conservatively derived and are subject to change as actual annual results come in. What is clear is that the City’s infrastructure needs far exceed available resources in the long term and become a subject of policy discussions as we proceed. Ultimately, the selection of CIP projects occurs at the discretion of City Council in the context of organizational priorities and within the revenue constraints of any one year.

As the five-year CIP is considered, it is understood that identified projects are subject to modification, inclusion, exclusion, deferral and staging over time. To the extent that City Council agrees with the use of prior year savings as adopted in the Adopted FY 22-23 Budget, formal authorization will be necessary and codified in the resulting legislative resolution.

Other Trends & Highlights

This budget document is purposefully organized to flow from summary to detailed levels of information. The opening sections of this budget message communicate the highest level of strategy. This is followed in the budget document by several key sections, revenue & expenditure summaries, operating budgets by department, debt schedules, capital improvements and fund balance projections. It is in these subsequent document sections that the reader can peruse the budget detail that describes where the City gets its money from and how it is utilized by the City departments. The budget process is created in a distributed fashion, meaning that all departments are integrally involved in its creation commensurate with their level of control and responsibility.

The next few pages of this message provide high level fiscal trends as a preamble to the summary and detail sections that follow. It begins with a **“Adopted Budget-at-a-Glance”** chart which rolls the numbers into one combined presentation of sources and uses of funds. It next provides a narrative snapshot of other aspects of the budget that are of keen interest to the community and policy discussions. A discussion of City revenues can be found in the beginnings of the summary section.

FY 22-23 Adopted Budget at a Glance

<i>FY 22-22 Adopted Revenues</i>	\$30,331,500
General Fund Operating Expenditures	\$25,371,379
Capital Outlay Expenditures	5,029,000
Pension Unfunded Liability Mitigation	1,000,000
Debt Service	878,303
Workers Compensation	148,160
<i>FY 22-23 Total Adopted Expenditures</i>	\$32,426,842
<i>Use of Fund Balance for Deferred Capital Projects</i>	2,095,342
<i>Funded Full Time Equivalent (FTE) positions</i>	96.23

The FY 22-23 Adopted Budget totals \$32.4 million in planned expenses, which includes \$25.4 million for the Operating Budget, \$1 million in pension unfunded liability mitigation and \$5.03 million for the Capital Budget. In comparison, the FY 21-22 Amended Operating Budget totaled \$21.9 million excluding pension mitigation. The primary reasons for the adopted increase of \$3.3 million includes:

- \$2.3 million increase in personnel costs arising from routine salary adjustments, step increases for existing staff, healthcare, and other benefits. This also includes funding for 2.0 additional full-time equivalent positions and reflects 12.02 FTE restored staffing positions authorized and added during the course of FY 21-22.
- \$250,000 increase in CalPERS unfunded actuarial liability (UAL) costs. The City will be making the annual UAL payment in July, for a savings of approximately \$70,000.
- \$156,000 increase in the Public Works contract budget for landscape maintenance, tree trimming, pruning and stump removal citywide, a service in need of more focus given drought conditions and their impact on our urban forest.
- \$87,000 increase in the Planning department contract services to fund a variety of priority initiatives including affordable housing (with SB2 grant funding), professional services to assist in plan reviews, plan document digitization and designing guidelines and zoning code updates approved during the year.

- \$97,500 increase in community marketing costs for citywide visitor bureau and sunset center promotions
- \$123,000 increase in liability insurance costs
- \$ 168,000 increase in Fire Contract services
- \$ 50,000 in specialized Police department contract services
- \$ 58,000 in specialized IT department contract services and supplies
- \$ 30,000 in increased fuel costs
- \$ 50,000 in specialized Administration/HR/Finance contract services

Of the \$25.4 million in operating expenditures, approximately \$15.5 million, or 61%, pays for staffing salary, benefits and normal pension payments. If pension liability mitigation is included that percentage changes to 65%. The key reasons for the change in this expenditure this budget year was explained in the preceding section entitled Staffing.

Pension Costs & Mitigation Efforts

The Adopted Budget includes a payment of \$2.1 million to the California Public Employees' Retirement System ("CalPERS") for the required minimum annual contribution. This amount is actuarially calculated by the State and flows through the dedicated benefit line item in the budget. Although CalPERS rates have remained relatively stable for the reasons mentioned above, the increase of \$250,000 is directly associated with the annual unfunded actuarial liability (UAL) costs.

A variety of factors are in play when projecting future contribution rates. The performance of investment markets and assumed the discount rates assumed by CalPERS have been the center of focus in recent years and will remain so. What has changed is the need to play close attention the rate of inflation (CPI) that plays a role in the overall pension rate determination. The latest CalPERS reporting reveals that they utilize an underlying CPI assumption of 2.5% (a component of its discount rate), a data point that we are trending well above in 2022 and may continue into 2023. Although the rate impact of inflation is not yet clear, we would be prudent to keep a watchful eye on its progression.

As of the latest available CalPERS actuarial reports (2020) the current funded status of the City's most significant city plans is 65.4% for safety and 69.4% for miscellaneous members. This translates into these plans being underfunded by 36.4% and 31.6% respectively. Consequently, the City's projected Unfunded Accrued Liability (UAL) is \$25.9 million as of 6/30/2022. Although this is a long term liability subject to changing conditions, it remains a significant financial obligation to address going forward basis. This budget recommends the continued funding an additional \$1 million in UAL mitigation efforts to be placed in the section 115 trust established last year. Although this funding amount is discretionary, it is adopted to mitigate potential future rate increases and long term pension liabilities.

Capital Outlay

Further to the strategic discussion noted above, capital improvements are detailed later in this

document. Recognizing the deferred capital needs of our facilities and the postponements caused by COVID-19, the budget includes funding for many key improvements including additional funding of the police facility renovation, street paving and concrete repair, maintenance for the Sunset Center, City Hall, Library & Vista Lobos, Mission Trail Nature Preserve stream stability, and a coastal engineering needs study. The capital plan also includes important vehicle replacements with an eye on clean energy including, an electric street sweeper with potential grant subsidies and the installation of three residential electricvehicle charging stations also with partial grant funding.

Other Expenditures

The FY 22-23 Adopted Budget reflects no new debt and includes existing debt service of \$878,000 for the Countywide Monterey County Next Generation Radio project (NGEN), the Sunset Center 2020 Refunding Lease Bond and the 2012 Pension Obligation Bond. We are pleased to report that Pension Obligation Bonds, with a principal amount of \$680,000, mature at the end of 2023.

Policy Options

Coming off of FY 21-22, this Adopted Budget was developed to further restore normal service levels and make up lost ground for maintenance & improvements projects that were deferred. Our ability to propose this restorative spending plan has everything to do with the proactive measures taken in time of need and the welcome projected recovery of the City's major revenue sources. It can also not be understated that the passage of Measure C in March of 2020 could not have been more timely and critical in providing the resources needed to both cover operations and weather these unpredictable economic events. We remain ever conscious of the support and wisdom of our community in this effort.

The Adopted Budget projects that we will end FY21-22 in good form fiscally. Nonetheless we remain ever diligent and cautious as our services become fully actuated and the marketplace adjusts to the eventuality of a new post pandemic normal. What that new reality is only remains to be seen. Some might contend that the strength in sales tax and hostelry experienced may be reflective of a reactive surge that emanated from a world that saw altered travel plans and vacationing alternatives. Others might contend that these trends will continue unabated as an indication of permanently modified habits. In any case, our obligation from a fiscal perspective is to not weigh too heavily on either extreme of that argument. As such, remaining conservative and playing the middle-ground is most prudent at this time. In this way we can safely await the ultimate answer that surely will be provided by that age old soothsayer, the economy.

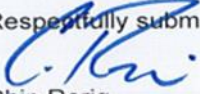
In evaluating the current state of things, we also cannot ignore the unfortunate instability that the world is facing. The persistence of supply-chain slowdowns, the rising costs of commodities, higher rates of inflation, the potential of increased lending rates and, most concerning, the uncertainties surrounding the Ukraine conflict, all give us good reason to pause and prepare. For this reason, maintaining a posture of calculated cost control, minimizing debt, taking advantage of the process efficiencies, and continuing to effectively prioritize needs is critical.

Planning for the funding and delivery of Capital Improvements has been and remains a significant challenge. As we look beyond FY 22-23, the fiscal chasm between identified capital needs and available funding is readily apparent. As such, the five-year CIP becomes

one the most important and fiscally impactful tools worthy of attention. As constructed the Five-Year CIP presents an uncluttered list of what is required to maintain infrastructure as a foundation for discussion, prioritization, staging and status.

I wish to acknowledge the collaboration by my department heads in putting forth pragmatic and realistic Adopted Budget that marks our entry back into full operations. I also extend my appreciation to my Finance team for stewarding the budgeting process. I look forward to Council's guidance and leadership as we work to adopt a budget that funds services and projects for our community while also balancing fiscal sustainability.

Respectfully submitted,



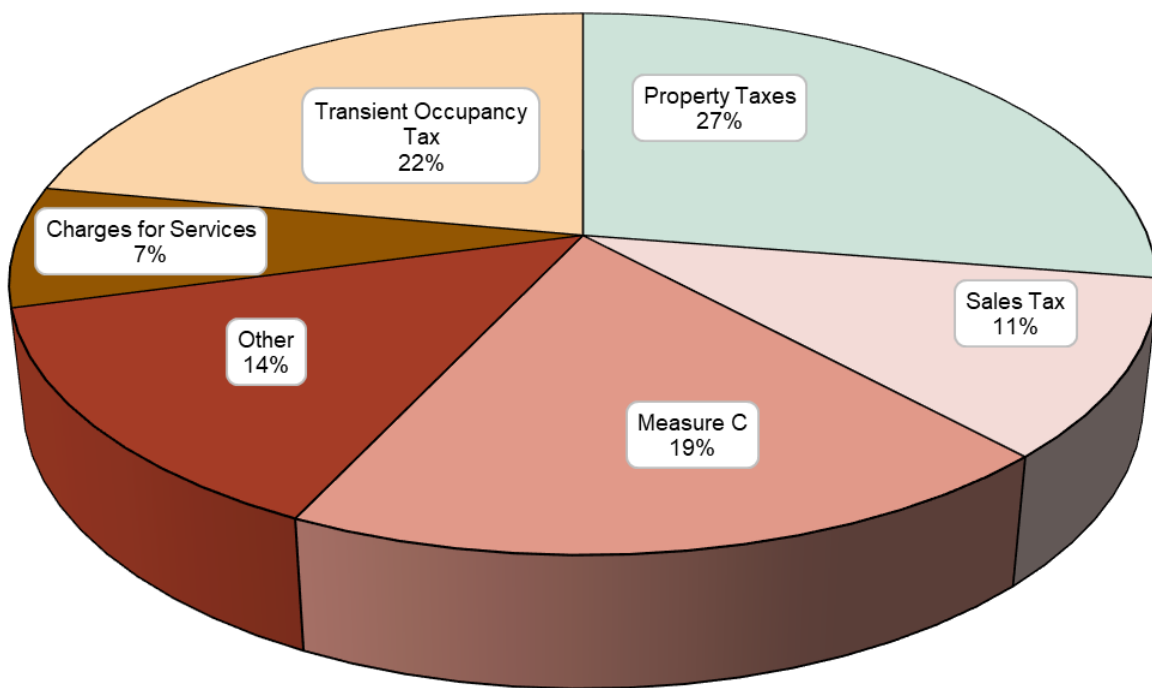
Chip Rerig
City Administrator



REVENUE

The FY 22-23 Adopted Budget includes \$30.33 million in new revenue. As illustrated in the chart below, statewide sales tax (Sales Tax) and local Measure C district tax (Measure C), contribute 30% and have taken over Property Tax as the largest City revenue source. This shift reveals the importance and impact of the voter approval of Measure C in 2020. With the occurrence of the pandemic, the benefits of the Measure C revenues began to emerge in FY21-22 and mature fully in this budget. Property Tax reflects its customary stable growth accounting for 27% of the budgeted revenue. Coming off of a strong year, Hotel Tax (TOT) has grown to 22% of budgeted revenue, as compared to 21% in FY 21-22 followed by Other revenues and Charges for Services at 21%.

FY 22-23 Citywide Revenue Sources



Source	Adopted Budget
Property Taxes	\$8,326,600
Sales Tax	3,204,100
Measure C	5,721,000
Other	4,228,000
Charges for Services	2,203,800
Transient Occupancy Tax	6,667,000
Total	\$30,331,500

REVENUE

Property taxes are estimated at \$8.3 million reflecting a 3.2% projected growth over current year amended budget. The City's portion of the Sales Tax is \$3.2 million and Measure C \$5.7 million, or 11% and 19% of revenue respectively. The significance of the March 2020 Carmel voter approval of Measure C at a renewed rate of 1.5%, cannot be understated. In the midst of COVID-19 it provided a financial lifeline allowing for the continuance of core services. Measure C continues to play significantly in seeding both operational and capital needs. Sales Tax has fared well also. The FY 22-23 Adopted Budget projects an 8% growth in Sales Tax and a 22% growth in Measure C over the current year amended budget. The difference in the growth rates of these two retail based revenues is explained by the timing of Measure C voter approval, its higher approved rate of 1.5%, and distinct nuances in how these tax revenues flow to the City. Given a March 2020 approval date, the benefit of Measure C was not effective until mid FY 20-21 with its full year impact not realized until this year. Considering that its renewed 1.5% rate is 50% higher than the prior 1% rate, it is understandable that the rate of growth exceeds that of the unchanged statewide tax. Furthermore, the correlation between a statewide sales tax and district sales tax is not a direct one. Sales Tax rates are applied to retail activity by business location and then processed through a County managed allocation model. On the other hand, district taxes, like Measure C, follow the locality of the merchandise and accrue directly to the jurisdiction. This plays heavily when considering e-commerce and on-line automobile sales. The FY 22-23 Adopted Budget reflects the full maturation of Measure C and Sales Tax trends that are now unclouded and better known.

Although just getting back to pre-COVID levels, TOT (at 10% of the rent charged by a hostelry operator) has done unexpectedly well, a tribute to Carmel's claim as a unique destination place. Adopted at \$6.7 million, TOT accounts for 22% of revenues as compared to 21% in FY 21-22. Charges for Services are fees collected from a specific user of a service, such as plan review, building inspection and ambulance transports and account for \$2.2 million, or 7% of the budget consistent with the prior year. The category of "Other" revenue includes General Fund revenues from business license tax, franchise fee and other intergovernmental revenues as well as restricted revenue for Community Oriented Policing Services (COPS), road maintenance and transportation-related projects and federal and State grants for planning, parks and radio communications.

Table 1: Estimated Performance and Adopted Budget for Major Revenue Sources

Key Revenues	18-19 Actual	19-20 Actual	20-21 Actual	21-22 Estimate	22-23 Adopted
Property	6,524,330	6,690,947	7,389,656	8,142,320	8,326,600
Sales- Bradley Burns	2,652,971	2,154,961	3,020,937	3,198,065	3,204,100
Sales- Local Measure	3,079,914	2,611,802	4,007,104	5,698,173	5,721,000
Transient Occupancy Tax	6,882,015	5,115,271	5,339,285	6,972,057	6,667,000

REVENUE

As shown in Table 1, ***Estimated Performance and Adopted Budget for Major Revenue Sources***, the City's major revenues indicate a notable recovery. This time last year the City was just coming off of double digit declines in key revenues (26% drop in Hotel Tax and 17% drop in Sales Tax). Projecting future trends in that environment was akin to looking into the great unknown. More than that, the City was faced with forecasting something that, in many respects, was a one-of-a-kind event providing no trail or precedent to follow.

In the last budget cycle we reported that sales and hotel taxes were outperforming budget expectations. Both of these major revenues exceeded pre-pandemic levels in FY 20-21 while TOT was still \$1.5 million under for this same year. FY 21-22 brings much of the same with a 5.9% increase in Sales Tax estimated at \$3.2 million and a resounding 42% increase in Measure C coming in at \$5.7 million. Most significantly, TOT will finally reach pre-pandemic levels at \$6.9 million this year end.

General consumer goods (retail) and restaurants & hotels made up the bulk of the Carmel sales tax activity followed by County/State pools, industry and food & drugs. The resurgence in general consumer purchases through in-store shopping highlights the City's strength in tourism. It also reflects a general willingness of the public to travel and spend as the pandemic becomes more manageable. Some reported observations are worthy of mention. Firstly, local sales of apparel, artwork, jewelry and novelty items have driven gains in the general consumer category. Restaurants & hotels, businesses most impacted by the pandemic, have performed well as a testament to the innovation of business owners and the City's status as a destination place. Clearly the effectiveness of vaccines nationwide, the allowance for outdoor dining, and the permitted sale of food "to go" have also factored into the recovery. In summary this past year has continued our path to sales tax recovery leaving us hopeful we can return to patterns of normalcy and predictability.

As we project Sales Tax and Measure C, we take comfort in current trends but also remain vigilant. The dilemma facing us is deciphering if the robust activity experienced this past year was a result of "pent-up-demand" or a longer term change in travel and buying habits. We remain fully aware that unknowns still exist, consumer patterns will settle, and headwinds are in play to be managed. Certainly the unknowns surrounding COVID are ever present economically. That said, this budget is built on the assumption that COVID will remain in check and not return as a major marketplace interruption. Should that again occur, plans would have to change quickly. As for headwinds, we recognize the economic strains of continued supply chain disruption, rising inflation rates, increases fuel prices and interest rates and their potential to stall spending patterns. Lastly, geopolitical tensions loom worryingly on our minds. Hence we have compiled the FY 22-23 Adopted Budget carefully and conservatively, making sure not to over rely on a recovery that is historically unique. We project a smoothing of sales tax activity in the coming year with the City' Sales Tax coming in at \$3.2 million and Measure C \$5.7 million in line with current year estimates given the unpredictability of a post-pandemic landing.

TOT is pacing stronger than expected but has taken two years to reach FY 19-20 levels. TOT is trending at \$6.9 million for FY 21-22, 31% or \$1.6 million above the prior year actual collections. This comeback underscores Carmel's resilience in travel and leisure spending. The FY 22-23 Adopted Budget assumes continued strength but also a softening as world travel returns to some version of a normal state. It may be that post pandemic tourism will continue to surge as it did this past year but, for the reasons noted above, we remain guarded in our projections.

REVENUE

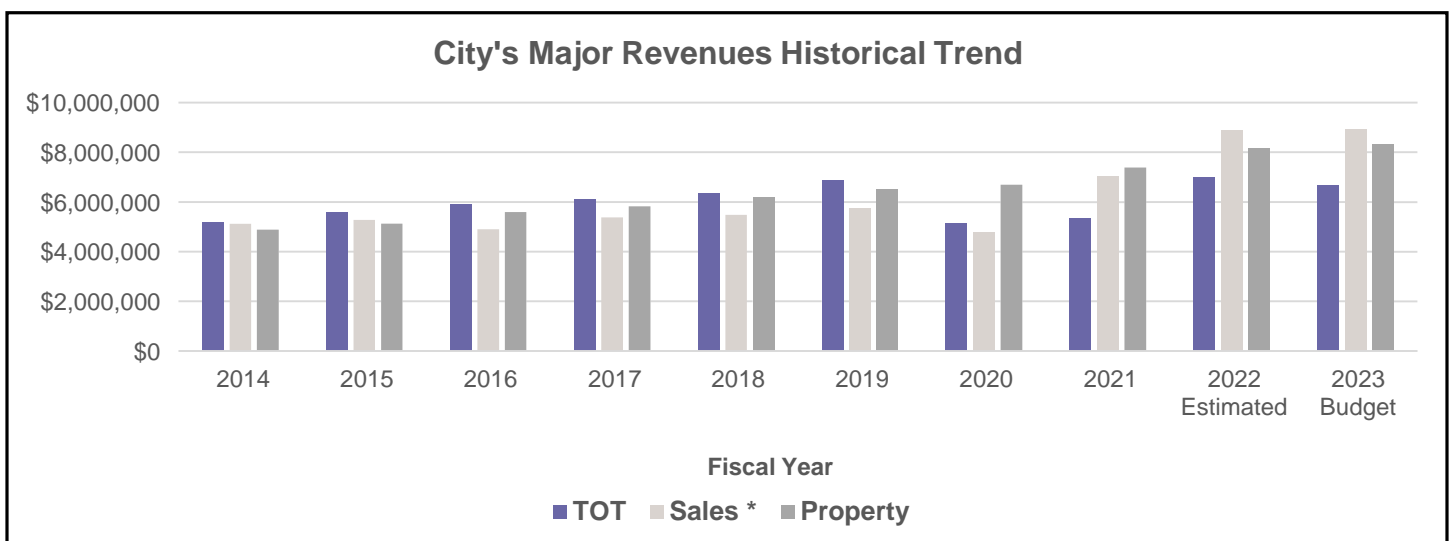
Property taxes, which includes secured, unsecured, unitary and property transfer tax, can be relied on to be stable. Interestingly enough the performance of real estate during COVID, as was the case in many parts of the Country, was unexpectedly strong. Local Property taxes grew during the pandemic at rates of 10% in both FY 20-21 and FY 21-22. At the end of this current fiscal year we anticipate to reach a level of \$8.1 million.

The FY 22-23 Adopted Budget projects Property Tax at a total amount of \$8.3 million, made up primarily of \$7.7 million in secured property tax. This is an increase of \$669,000 or 8.7% over the prior year budget and \$258,000 or 3.2% over the current FY 21-22 amended budget. National economic reports uniformly report double digit increases over the past two-year period but also suggest a lowering in expectations as we enter FY 22-23. This has everything to do with the pressure put on the market by the posture of the Fed Reserve and the outlook of mortgage rates rising to 5% levels or more next year. This budget conservatively projects growth yet remains confident in the stability of Carmel's property tax performance.

As the City looks forward to its future revenues that fund services, capital projects and other initiatives, stepping back and reviewing the City's historic performance is of value. The chart below depicts the performance of the City's three major revenue sources over the last 10 years.

Fiscal Year Ending June 30	TOT	Sales *	Property
2014	\$5,185,880	\$5,115,880	\$4,881,534
2015	\$5,593,689	\$5,280,418	\$5,127,974
2016	\$5,890,538	\$4,897,325	\$5,598,743
2017	\$6,112,347	\$5,373,800	\$5,825,889
2018	\$6,329,074	\$5,476,123	\$6,163,959
2019	\$6,882,015	\$5,719,521	\$6,496,558
2020	\$5,115,277	\$4,766,313	\$6,690,948
2021	\$5,339,285	\$7,028,041	\$7,389,656
2022 Estimated	\$6,972,057	\$8,895,703	\$8,142,320
2023 Budget	\$6,667,000	\$8,925,100	\$8,326,600

* Combination of Bradley Burns & Measure C 1.5%

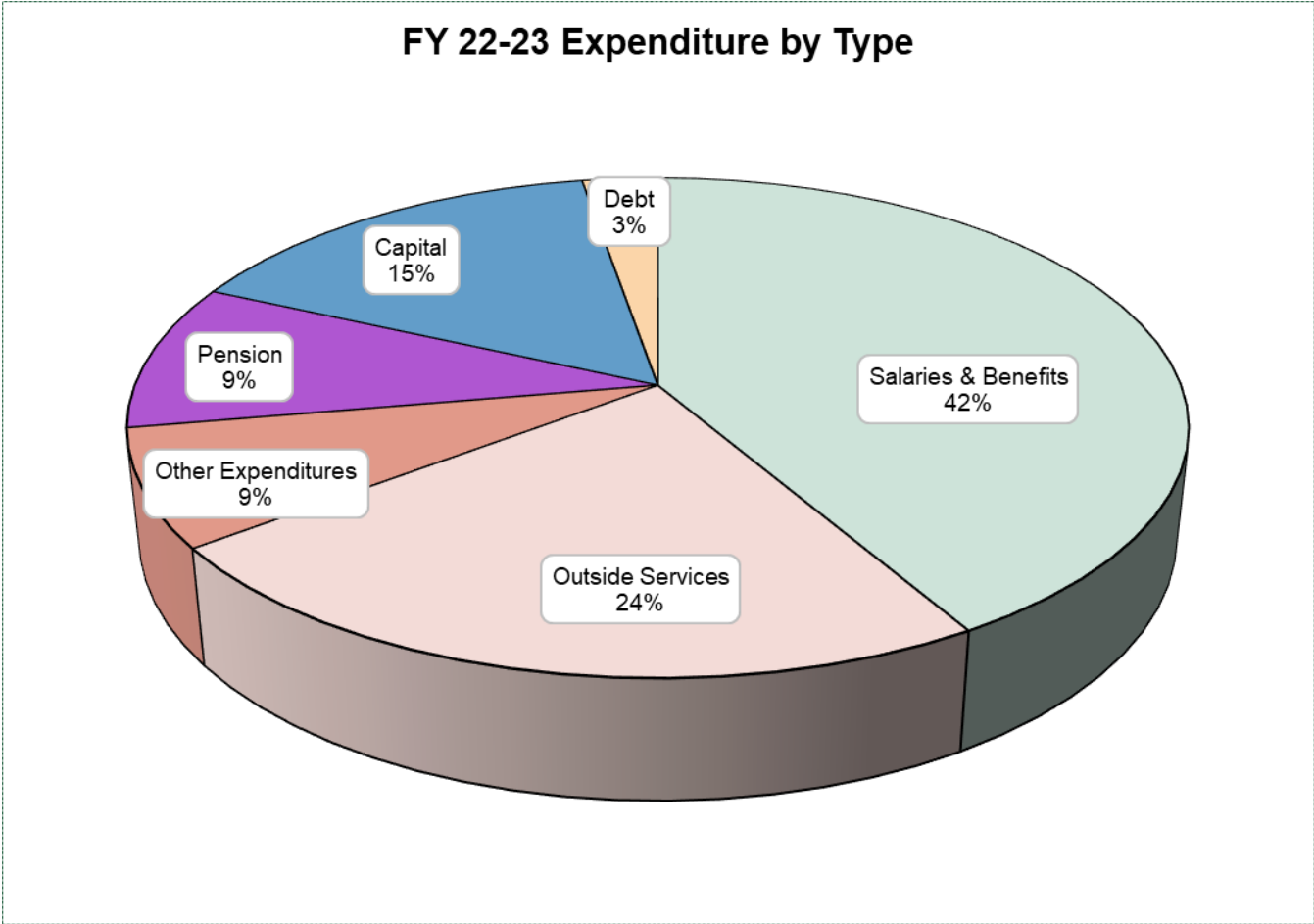


EXPENDITURES

The FY 22-23 Adopted Budget totals \$32.4 million, which consists of the following:

- Operating Budget, or General Fund, totals \$26.4 million, or 82%, of the citywide budget;
- Debt service totals \$878,000, or 3%, of the citywide budget;
- Capital totals \$5.0 million, or 15% of the citywide budget.

The Operating Budget consists of the City departments and services. Debt is based upon required payments toward various bonds issued by the City or by other governmental agencies on behalf of the City. As shown in the chart below, *FY 22-23 Expenditure by Type*, the FY 22-23 Budget includes the Operating Budget and Debt Service. The Operating Budget is further categorized by type of expenditure including salaries and benefits, outside services, and other expenditures as explained below.



Type of Expenditure	Budget
Salaries & Benefits	\$ 13,473,492
Outside Services	\$ 7,499,375
Other Expenditures	\$ 2,464,208
Pension	\$ 3,082,464
Capital Outlay	\$ 5,029,000
Debt Service	\$ 878,303
Total	\$ 32,426,842

EXPENDITURES

The City's largest expenditure is related to the cost of personnel. Salaries and benefits total \$13.5 million and account for 42% of the citywide budget. Outside services is the second largest type of expenditure at \$7.5 million, or 23% of the budget. This category includes various line item accounts, such as advertising and noticing, contract services and community promotions. Contract services are used as an alternative to City staff directly providing the service due to cost savings or the specialized nature of the work being performed and include funding for expenses such as fire service provided by the City of Monterey (\$2.8 million); support for the operations of the Sunset Center and other marketing activities (\$1.1 million); legal services (\$510,000); tree care and landscape maintenance (\$479,000) and janitorial service (\$275,000).

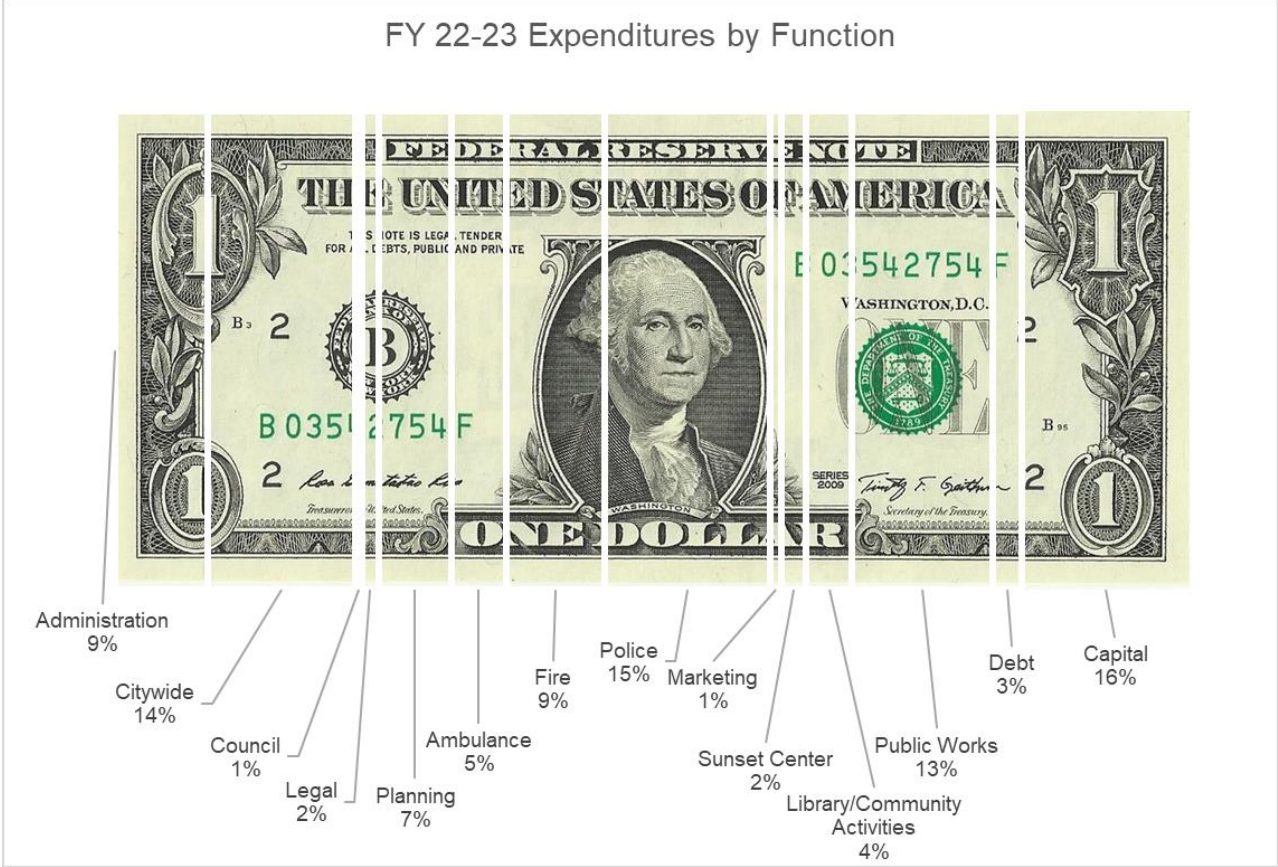
Other expenditures total \$2.5 million and account for 8% of the citywide budget. This category includes various line item accounts such as, retiree healthcare and citywide operational expenses like property tax assessments and utilities. Also included here are the City's general liability and property insurance premiums (\$763,000) and expenses such as public works materials and supplies, telecommunications, fuel, training and conferences, vehicle maintenance, medical and safety supplies and printing and postage.

Pension expenses total \$3.1 million, or 10%, of the budget and include the annual required unfunded pension liability (\$2.1 million) and annual funding of the City's Section 115 trust (\$1.0 million) for pension mitigation.

The citywide budget is rounded out with Capital Outlay (\$5.0 million) accounting for 16% and Debt Service (\$878,000) accounting for 3% of the citywide budget.

EXPENDITURES

Another way to view operating expenditures is by function, as depicted in the “FY 22-23 Expenditures by Function” illustration. Together the public safety functions of Ambulance, Fire and Police make up 29% of the budget. Citywide is the next largest operating expenditure at 14%, as it includes the City’s unfunded actuarial liability, followed by the Public Works Department at 13% of the budget. In total, Administration, Council, Planning, Legal, Marketing, the Sunset Center, and Library and Community Activities represent the remaining 25% of the Operating Budget.



Expenditures	Budget	Percentage
Administration	\$ 2,788,776	9%
Citywide	\$ 4,418,534	14%
Council	\$ 183,227	1%
Legal	\$ 510,000	2%
Planning	\$ 2,188,030	7%
Ambulance	\$ 1,629,223	5%
Fire	\$ 2,969,292	9%
Police	\$ 4,954,401	15%
Marketing	\$ 380,510	1%
Sunset Center	\$ 750,000	2%
Library/Community Activities	\$ 1,365,862	4%
Public Works	\$ 4,233,524	13%
Operating Budget	\$ 26,371,379	81%
Debt	\$ 878,303	3%
Capital	\$ 5,029,000	16%
Workers Comp	\$ 148,160	0%
Total	\$ 32,426,842	100%

POSITIONS

2022-2023 ADOPTED FUNDED POSITIONS

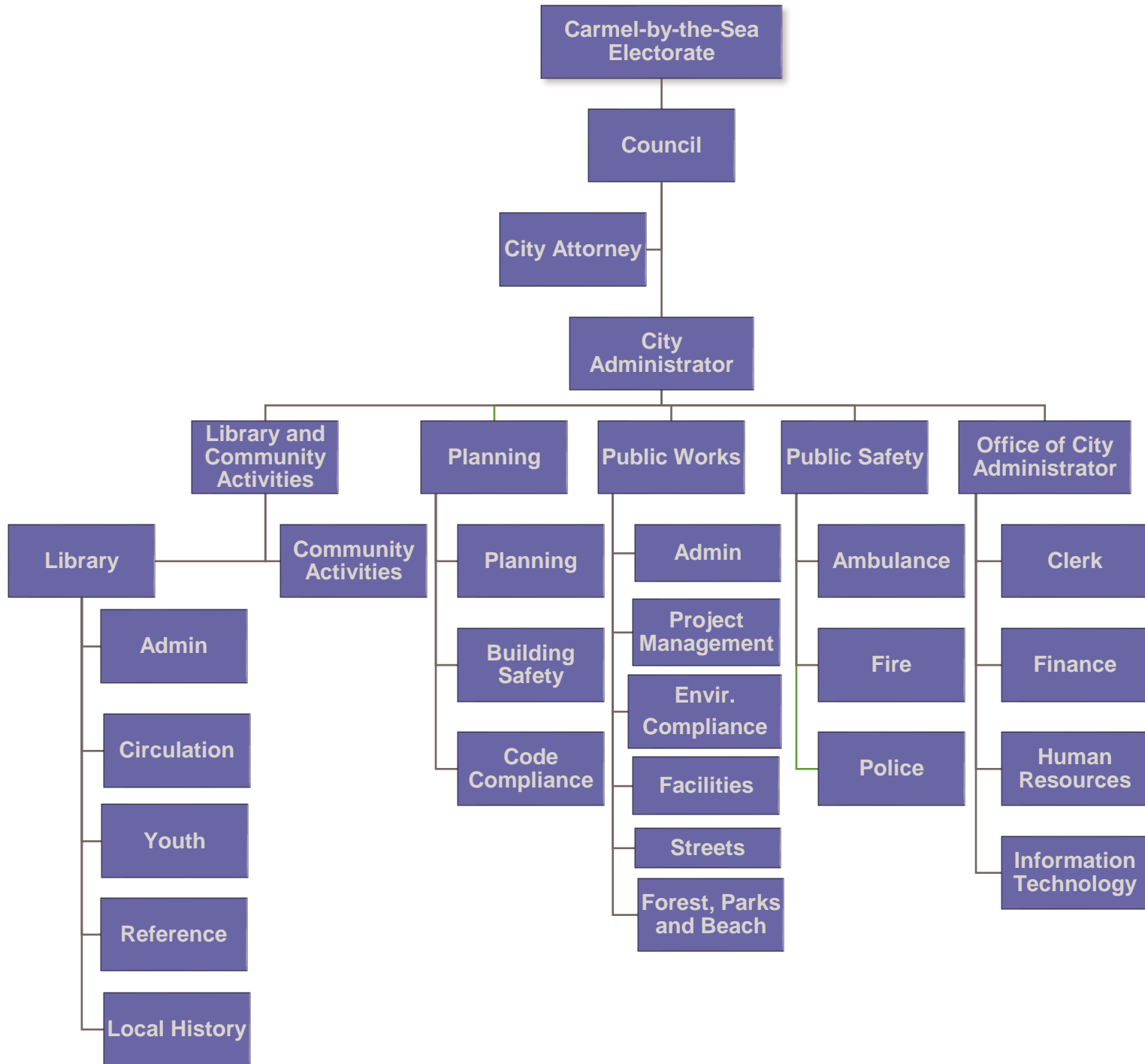
Department and Title	FY 21/22 Amended	FY 22/23 Adopted	FY 22/23 Change
Council			
Councilmember	4.00	4.00	0.00
Mayor	1.00	1.00	0.00
City Council Total	5.00	5.00	0.00
Administration			
City Administrator	1.00	1.00	0.00
Assistant Administrator	1.00	1.00	0.00
Administrative Coordinator	0.50	1.00	0.50
Administrative Analyst	1.00	1.00	0.00
City Clerk	1.00	1.00	0.00
Director of Budgets and Contracts	1.00	0.00	(1.00)
Finance Manager	1.00	1.00	0.00
Senior Human Resources Analyst	1.00	1.00	0.00
Information Services / Network Manager	1.00	1.00	0.00
IT Help Desk/Technican	1.00	1.00	0.00
Hourly HelpDesk Technician	0.50	0.00	(0.50)
Finance Specialist	1.50	1.00	(0.50)
Accountant	0.00	1.00	1.00
Retired Annuitant-Extra Help (480 hrs)	0.23	0.23	0.00
Finance Analyst	0.00	1.00	1.00
Administration Total	11.73	12.23	0.50
Community Activities			
Community Services Assistant	1.00	1.00	0.00
Executive Assistant	0.50	0.50	0.00
Community Activities Total	1.50	1.50	0.00
Library			
Circulation Supervisor	1.00	1.00	0.00
Director of Library and Community Services	1.00	1.00	0.00
Hourly Librarian I	1.00	1.00	0.00
Librarian I	1.00	1.00	0.00
Librarian II	2.00	2.00	0.00
Librarian II (Local History)	1.00	1.00	0.00
Library Assistant (full-time)	2.00	3.00	1.00
Hourly Library Assistant	3.00	2.00	(1.00)
Executive Assistant	0.50	0.50	0.00
Library Total	12.50	12.50	0.00
Community Planning & Building			
Administrative Coordinator	1.00	1.00	0.00
Assistant Planner	1.00	1.00	0.00
Associate Planner	2.00	2.00	0.00
Building Inspector	1.00	1.00	0.00
Building Official	1.00	1.00	0.00
Code Compliance Coordinator	2.00	2.00	0.00
Permit Technician	1.00	1.00	0.00
Planning & Building Services Director	1.00	1.00	0.00
Principal Planner	1.00	1.00	0.00
Community Planning & Building Total	11.00	11.00	0.00

2022-2023 ADOPTED FUNDED POSITIONS

Department and Title	FY 21/22 Amended	FY 22/23 Adopted	FY 22/23 Change
Public Works			
Administrative Coordinator	0.25	1.00	0.75
Director of Public Works	1.00	1.00	0.00
Environmental Compliance Manager	1.00	1.00	0.00
Administrative Technician	1.00	1.00	0.00
Maintenance Worker	4.00	4.00	0.00
Public Works Superintendent	1.00	1.00	0.00
Senior Maintenance Worker	3.00	3.00	0.00
Street Supervisor	1.00	1.00	0.00
Project Manager	1.00	1.00	0.00
Facilities Maintenance Supervisor	1.00	1.00	0.00
Facility Maintenance Specialist	1.00	1.00	0.00
Natural Resources Manager	0.00	1.00	1.00
City Forester	1.00	1.00	0.00
Administrative Analyst	1.00	1.00	0.00
Senior Maintenance Worker	1.00	1.00	0.00
Maintenance Worker/Gardener	1.00	1.00	0.00
Tree Care Specialist	1.00	1.00	0.00
Public Works Total	20.25	22.00	1.75
Police			
Community Services Officer	1.0	1.0	0.0
Community Services Officer/Animal Control	1.0	1.0	0.0
Community Services Officer - 2 year limited term *	2.0	2.0	0.0
Corporal	2.0	2.0	0.0
Police Commander	1.0	1.0	0.0
Police Officer	5.0	5.0	0.0
Police Officer/Detective	1.0	1.0	0.0
Police Officer/FTO	2.0	2.0	0.0
Police Services Officer	6.0	6.0	0.0
Police/Patrol Officer	1.0	1.0	0.0
Police Officer- 2 year limited term*	1.0	1.0	0.0
Public Safety Director	1.0	1.0	0.0
Sergeant	2.0	2.0	0.0
Administrative Coordinator	0.25	0.00	(0.25)
Police Total	26.25	26.00	(0.25)
Ambulance			
Paramedic/Firefighters	6.00	6.00	0.00
Ambulance Total	6.00	6.00	0.00

	FY 21/22 Amended	FY 22/23 Adopted	FY 22/23 Change
Citywide Total Funded Positions	94.23	96.23	2.00

* 2-year limited term ends June 30, 2024



**GENERAL FUND (101)
OPERATING BUDGET
(CITY DEPARTMENTS
AND SERVICES)**

Description

The City Council consists of the Mayor and four Councilmembers, elected at large by the citizens of Carmel-by-the-Sea on a non-partisan basis. The City Council is the policy making legislative body of the City. The Council adopts the annual budget, enacts ordinances, and approves major contracts, acquisitions and leases. With the advice and assistance of the City Administrator and City Attorney, the City Council reviews proposals to meet the community's needs, initiates action for new policies, and allocates resources.

2021-2022 Initiatives and Accomplishments

- Responded to land use issues, such as wireless communications.
- Provided direction on the restaurant parklets.
- Conducted multiple Council strategic planning workshops
- Provided oversight of the City's implementation of COVID-19 protocols and the safe reopening of City facilities.

2022-2023 Priorities

- Review opportunities for enhanced fire/ambulance service.
- Review and Update Sign Ordinance.
- Prepare Climate Action/Adaptation Plan.
- Develop Forest Management Plan (FMP) and Update Tree Ordinance.
- Update Zoning Code & Design Guidelines (Residential & Commercial).
- Develop Telecommunication Ordinance consistent with federal law.
- Filling vacant positions.
- Forest Theater Facilities Manager.
- Pandemic recovery (reopening, reporting, etc.).
- Stormwater Ordinance update.
- Review barriers to construction of affordable housing.
- Develop Accessory Dwelling Unit (ADU) Ordinance.
- Explore opportunities for Scout House.
- Explore street addresses.
- Explore Paid Parking Program.
- Develop plan to maintain natural areas (pub/priv) to reduce fire risk.

Budget Summary and Service Impacts

- Community Promotions is \$26,000 less in FY 22-23 due to reductions in the home mail delivery service program.
- \$24,000 is budgeted for the Council discretionary grant program per Council direction.

CITY COUNCIL

City Council				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-110-00-41008	Salaries -Elected	\$9,600	\$9,600	\$9,600
101-110-00-41101	Retirement	83	83	80
101-110-00-41104	Health Insurance	39,710	35,216	36,899
101-110-00-41105	Social Security	484	484	484
101-110-00-41106	Medicare	139	139	139
101-110-00-41108	Worker's Comp	700	535	850
Salaries & Benefits Subtotal		\$50,716	\$46,057	\$48,052
101-110-00-42005	Community Promotions	101,000	101	78,720
101-110-00-42007	Regional Memberships	46,405	46,405	47,655
101-110-00-42101	Office Supplies	450	-	450
101-110-00-42302	Conferences & Meetings	8,350	3,500	8,350
Services & Supplies Subtotal		\$156,205	\$50,006	\$135,175
Total		\$206,921	\$96,063	\$183,227

Regional Memberships				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-110-00-42007	Transportation Agency of Monterey County	\$1,295	\$1,295	\$1,295
101-110-00-42007	Association of Monterey Bay Area Governm	3,825	3,825	3,825
101-110-00-42007	Monterey Peninsula Chamber of Commerce	775	775	775
101-110-00-42007	Monterey County Mayors Association	1,575	1,575	1,575
101-110-00-42007	Monterey County Business Council	500	500	500
101-110-00-42007	MBUAPCA (Air Pollution Control District)	1,900	1,900	1,900
101-110-00-42007	League of CA Cities	2,850	2,850	3,380
101-110-00-42007	League of CA Cities- Monterey Bay Division	165	165	165
101-110-00-42007	LAFCo	16,375	16,375	15,840
101-110-00-42007	Community Human Services	16,375	16,375	17,625
101-110-00-42007	CoastWalks/Coastal Trail Association	300	300	300
101-110-00-42007	Carmel Chamber of Commerce	470	470	475
Total		\$46,405	\$46,405	\$47,655

CITY ATTORNEY

Description

The City Council appoints the City Attorney. The City Attorney legally represents the City and provides legal advice and/or training to the City Council, City Administrator, boards, commissions, and departments; investigates and resolves claims against the City; defends the City in litigation and administrative actions; initiates and prosecutes litigation on behalf of the City; and drafts and reviews legal documents and agenda items.

Budget Summary and Service Impacts

- The FY 22-23 City Attorney contract services budget totals \$435,000 and consists of \$360,000 for general legal services (a return to pre-pandemic budget level) and \$75,000 for other specialized legal assistance from the City's attorney office, including labor negotiations and personnel.
- \$75,000 is budgeted for supplementary specialized legal counsel costs, such as wireless communications, and will be reflected in a separate line item. This is a change from prior fiscal years and will help isolate legal costs incurred separately from the City's attorney office.

City Attorney				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-112-00-42001	Contract Services	\$385,000	\$428,420	\$435,000
101-112-00-42004	Legal Costs	0	0	75,000
Total		\$385,000	\$428,420	\$510,000

ADMINISTRATION

Description

The City Administrator is appointed by the City Council and responsible for the enforcement of City laws and ordinances; ensuring that the orders of the City Council are executed; preparing the budget and monitoring City finances; and managing day-to-day operations. In addition to overseeing City departments, the Administrator also serves as the director of the centralized administrative functions pertaining to the City Clerk, Finance, Human Resources and Information Technology.

2021-2022 Initiatives and Accomplishments

- Ensured the execution of Council policy direction, completion of capital projects, hiring of staff and continuity of daily citywide operations to deliver services in an efficient and effective manner.
- Implemented the newly structured mail home delivery program.
- Implemented digital signatures, continued efforts for digital storage of records, responded to requests for records.
- Oversaw the City's response to COVID-19, including providing IT support for virtual operations and hybrid City Council meetings.

2022-2023 Priorities

- Continue to oversee the City's response to COVID-19 to ensure the safe delivery of City services
- Oversee the filing of candidate forms and administering the November 2022 City Council election.
- Explore service delivery alternatives and other options to enhance revenue as directed by Council.
- Continue hiring of staff.

Administration Budget Summary and Service Impacts

- The Administration Divisional budget includes funding for the City Administrator's performance evaluation within contract services, office supplies, copier fees, and the citywide postage meter. Funding for the City Administrator's lunches with staff is now separately reflected under Employee Appreciation.

ADMINISTRATION

Office the City Administrator				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-111-00-41001	Salaries	\$1,249,225	\$1,142,981	\$1,616,020
101-111-00-41003	Salaries -Part time	119,192	53,216	36,806
101-111-00-41101	Retirement	70,006	64,690	93,767
101-111-00-41103	Deferred Compensation	48,380	48,738	48,972
101-111-00-41104	Health Insurance	151,068	141,054	257,888
101-111-00-41105	Social Security	2,905	2,362	-
101-111-00-41106	Medicare	17,958	16,608	23,966
101-111-00-41107	LTD/STD/Life	1,261	1,106	1,717
101-111-00-41108	Worker's Comp	16,376	16,330	25,935
101-111-00-41109	Benefits-MOU Obligations	3,120	2,947	4,160
Salaries & Benefits Subtotal		\$1,679,491	\$1,490,032	\$2,109,231
101-111-00-42001	Contract Services	\$96,322	\$147,931	\$164,330
101-111-00-42002	Recruiting Services	84,385	80,000	90,210
101-111-00-42003	Auditing Services	48,500	48,500	48,500
101-111-00-42006	Records Management	5,000	4,545	5,000
101-111-00-42009	Advertising and Legal Notices	15,000	11,390	20,000
101-111-00-42015	Other Services	12,000	10,334	12,000
101-111-00-42101	Office Supplies	9,750	3,954	9,750
101-111-00-42102	Publications & Subscriptions	113,568	119,133	123,335
101-111-00-42106	Small Tools and Equipment	350	-	350
101-111-00-42202	Equipment Maintenance	8,500	3,247	8,500
101-111-00-42301	Training & Education	10,750	605	11,750
101-111-00-42302	Conferences & Meetings	5,845	6,037	6,395
101-111-00-42304	Dues & Memberships	3,175	1,877	3,175
101-111-00-42305	Mileage Reimbursement	50	-	50
101-111-00-42306	Employee Programs	20,450	12,000	3,950
101-111-00-42307	Employee Appreciation	-	-	20,700
101-111-00-42403	Printing	5,900	5,233	6,600
101-111-00-42404	Shipping/Postage/Freight	11,700	11,307	11,950
101-111-00-42405	Telephone & Communications	80,000	68,682	80,000
101-111-00-42406	Bank & Merchant Fees	19,000	12,766	19,000
101-111-00-42407	Computer Non Capital	10,100	22,000	25,000
101-111-00-42410	Pre-employment Costs	9,000	3,200	9,000
Services & Supplies Subtotal		\$569,345	\$572,741	\$679,545
Total		\$2,248,836	\$2,062,773	\$2,788,776

ADMINISTRATION

Administration				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-111-10-42001	Contract Services	\$13,850	\$13,290	\$21,550
101-111-10-42015	Other Services	12,000	10,334	12,000
101-111-10-42101	Office Supplies	5,250	2,804	5,250
101-111-10-42102	Publications & Subscriptions	150	1,133	150
101-111-10-42302	Conferences & Meetings	1,200	4,347	1,200
101-111-10-42304	Dues & Memberships	1,350	1,047	1,350
101-111-10-42307	Employee Appreciation	-	-	1,200
101-111-10-42403	Printing	100	-	100
101-111-10-42404	Shipping/Postage/Freight	11,250	11,250	11,500
Services & Supplies Subtotal		\$45,150	\$44,205	\$54,300

Clerk Description

The City Clerk provides timely and accessible service in response to all inquiries and requests for public information and records, and is responsible for the administration of elections, public records requests processing, records management, and the legislative process. Records the City's legislative history through approved minutes and maintaining City Ordinances and the Municipal Code; facilitates applications for appointments to boards and commissions and coordinates Statements of Economic Interest as well as campaign and other financial disclosure related filings.

City Clerk				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-111-11-42001	Contract Services	\$46,080	\$45,000	\$46,080
101-111-11-42006	Records Management	5,000	4,545	5,000
101-111-11-42009	Advertising and Legal Notice	15,000	11,390	15,000
101-111-11-42302	Conferences & Meetings	1,550	-	2,000
101-111-11-42304	Dues & Memberships	260	-	260
101-111-11-42403	Printing	5,000	3,756	5,000
Services & Supplies Subtotal		\$72,890	\$64,691	\$73,340

Clerk Budget Summary

- Clerk contract services include the November 2022 election administered by Monterey County, agenda management and video streaming, Municipal Code updates, and records request management software.

ADMINISTRATION

Finance Description

Finance provides financial analysis, management and reporting through the development of the annual budget, ongoing financial monitoring and reporting of revenues and expenditures. Routine financial duties including vendor payments, payroll, business license processing and the collection of the transient occupancy tax and the administration of pass-through funding to the hospitality and tourism improvement districts. Provides treasury services and invests revenue and issues and manages debt.

Finance				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-111-12-42001	Contract Services	\$25,500	\$28,000	\$45,500
101-111-12-42003	Auditing Services	48,500	48,500	48,500
101-111-12-42101	Office Supplies	300	300	300
101-111-12-42102	Publications & Subscriptions	27,490	27,000	28,485
101-111-12-42301	Training & Education	750	175	750
101-111-12-42302	Conferences & Meetings	-	-	-
101-111-12-42304	Dues & Memberships	635	300	635
101-111-12-42305	Mileage Reimbursement	50	-	50
101-111-12-42403	Printing	500	1,177	1,200
101-111-12-42406	Bank & Merchant Fees	19,000	12,766	19,000
Services & Supplies Subtotal		\$122,725	\$118,218	\$144,420

Finance Budget Summary

- Finance contract services includes bond compliance reporting, sales tax analysis, and specialized consulting services to complete a full review of the City's fees for service for FY23-24.
- State law mandates that the City has an independent firm review its basic financial statements and thus auditing services is a required expense.
- Publications and subscriptions include the annual maintenance costs for the City's financial systems.

ADMINISTRATION

HR Description

Human Resources recruits, develops, and retains a diverse, well-qualified workforce that reflects the high standards of the community, and leads the City departments in positive employee relations, talent management, succession planning, and employee engagement. Services include employee orientation, recruitment, performance assessment, compensation and job classification assessments, safety and wellness programs; and organization development services efficiently to City departments. Staff is responsible for negotiating Memorandums of Understanding with the City's three bargaining units, subject to Council direction and approval.

HR				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-111-13-42001	Contract Services	\$2,460	\$6,997	\$6,000
101-111-13-42002	Recruiting Services	84,385	80,000	90,210
101-111-13-42009	Advertising & Legal Notice	-	-	5,000
101-111-13-42101	Office Supplies	700	850	700
101-111-13-42102	Publications & Subscriptions	3,050	6,000	6,700
101-111-13-42301	Training & Education	9,500	430	9,500
101-111-13-42302	Conferences & Meetings	2,595	1,090	2,595
101-111-13-42304	Dues & Memberships	800	400	800
101-111-13-42306	Employee Programs	20,450	12,000	3,950
101-111-13-42307	Employee Appreciation	-	-	19,500
101-111-13-42403	Printing	300	300	300
101-111-13-42404	Shipping/Freight/Postage	200	-	200
101-111-13-42410	Pre-employment Costs	9,000	3,200	9,000
Services & Supplies Subtotal		\$133,440	\$111,267	\$154,455

HR Budget Summary

- The HR divisional budget includes funding for recruiting services, recruitment management software and pre-employment costs.
- Funding for the staff appreciation events, such as the annual holiday party, is now separately reflected under Employee Appreciation.

ADMINISTRATION

IT Description

Information Technology (IT) provides innovative and secure technology solutions that support City departments in delivering quality services to the community. The purpose of IT is to provide a broad range of high-quality technology-related solutions to employees, departments, council members, and the community; and to support and continuously improve essential technology infrastructure for enabling day-to-day operations of the City.

IT				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-111-14-42001	Contract Services	\$8,432	\$54,644	\$45,200
101-111-14-42101	Office Supplies	3,500	-	3,500
101-111-14-42102	Publications & Subscriptions	82,878	85,000	88,000
101-111-14-42105	Materials and Supplies	-	791	-
101-111-14-42106	Small Tools and Equipment	350	-	350
101-111-14-42202	Equipment Maintenance	8,500	3,247	8,500
101-111-14-42301	Training & Education	500	-	1,500
101-111-14-42302	Conferences & Meetings	500	600	600
101-111-14-42304	Dues & Memberships	130	130	130
101-111-14-42404	Shipping/Postage/Freight	250	57	250
101-111-14-42405	Telephone and Communications	80,000	68,682	80,000
101-111-14-42407	Computer Non capital	10,100	22,000	25,000
Services & Supplies Subtotal		\$195,140	\$235,151	\$253,030

IT Budget Summary

- The IT division publication and subscriptions budget includes required licensing for Microsoft products, G-Suite, security monitoring, and Zoom meeting licensing.
- The City's website is five years old and in need of an update. Funding is included in contract services.
- As many of the City's computers age and become outdated, funding is included for computer replacements.

CITYWIDE

Description

Citywide, or non-departmental costs, are expenses that are spread across the entire organization. These items include the unfunded pension liability, the City's premiums insurance for general liability and property insurance and the City's share of costs toward retiree healthcare. Other operational expenses include utilities, property tax assessments and the administrative fee charged by Monterey County for property tax collection.

Budget Summary and Service Impacts

- In addition to the employer contribution toward retirement for City employees, the City also is responsible for pension obligations for the unfunded actuarial liability ("UAL"). This amount increases by \$250,000, or 14%, in FY 22-23 compared to the FY 21-22 originally Adopted Budget. The FY21-22 lump sum payment was paid in July 2021 for a savings of \$61,000 and those savings were transferred to other budget line items during the fiscal year.
- The City will pay the annual lump sum UAL in July, which will result in approximately \$70,000 of interest savings. Those savings would then be available for other line item expenses.
- The City continues to mitigate future pension liability and costs with another \$1.0 million investment into the City's established Section 115 Trust.
- The City's liability insurance premiums are budgeted to increase by \$123,000.
- The utility expenses for the Forest Theater are separated out for tracking purposes, as required by the new lease.

Non-Departmental				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-130-00-42501	Liability Insurance Premium	\$689,500	\$637,000	\$813,000
101-130-00-42503	PERS Unfunded Accrued Liability Payment	1,772,536	1,772,536	2,082,464
101-130-00-42503	Pension Mitigation Options	1,000,000	1,000,000	1,000,000
101-130-00-42504	Insurance Claims Paid	30,000	110,000	30,000
101-130-00-42505	Utilities	235,000	231,000	230,000
101-130-00-42506	Property Tax Assessments	82,115	81,853	83,755
101-130-00-42508	Unemployment Costs	15,000	11,600	15,000
101-130-00-42510	Retiree Health Share	79,980	74,060	79,980
101-130-00-42511	County Property Tax Admin Fees	70,793	70,793	74,335
101-130-00-42512	Forest Theater Utilities	-	-	10,000
Total		\$3,974,924	\$3,988,842	\$4,418,534

ECONOMIC DEVELOPMENT

Description

Two of the City's unique facilities include the performing arts venue known as the Sunset Community and Cultural Center and the Forest Theater, an outdoor amphitheater. These locations support musical performances, lectures and other cultural activities that enhance the quality of life for residents and promote the City and the Monterey Peninsula as an artistic and cultural destination.

In 2017, the City entered into a lease agreement with the Sunset Cultural Center, Inc. (SCC) for the management of these facilities and the terms of the lease require the City to make an annual grant to SCC to support operations. In 2021, Sunset Cultural Center, Inc.'s management of the Forest Theater ended. The annual grant for management of only Sunset Center remains in the budget.

In 2021, the City entered into a lease agreement with Pac Rep Theater for the management of the Forest Theater. This new lease does not require an operational grant payment. Rather, the City pays for a portion of utilities and repairs, which are budgeted in the Citywide (Non-Departmental) and Public Works budgets, respectively.

The City funds the Monterey County Convention and Visitors Bureau (MCCVB) and Visit Carmel to manage visitors. Visit Carmel maintains the City's official travel website (www.carmelcalifornia.com) and develops targeted and seasonal marketing campaigns to encourage visitors to stay overnight, dine and shop within the Village.

In addition to supporting these organizations with General Fund revenues, the City also collects a tourism improvement district assessment from its lodging establishments on behalf of the County and remits these pass-thru funds to MCCVB on a bi-monthly basis. The City also collects an assessment on lodging through the Carmel Hospitality Improvement District and remits these funds to Visit Carmel for the marketing of overnight stays within the Village during mid-week and the non-peak season. As of January 1, 2019, the City also began collecting an assessment from full-service restaurants on behalf of the Carmel Restaurant Improvement District and remits these funds to Visit Carmel for marketing efforts to increase food and beverage sales within the City.

Another partner agency is the Carmel Chamber of Commerce, which operates a visitor center in town, publishes a comprehensive visitor guide, and assists businesses. The Chamber also supports small businesses and provides services to assist its members, including listing businesses on the Chamber website, providing educational programs, conducting outreach with businesses via weekly business walks with City elected officials and staff and marketing opportunities to "shop locally".

Budget Summary and Service Impacts

- The FY 22-23 budget increases by \$97,203, or 9%, from the FY 21-22 Adopted Budget. Visit Carmel has requested that funding be returned to the pre-pandemic amount of \$120,000 annually. Funding to MCCVB (\$200,010) equates to 3% of the FY22-23 transient occupancy tax revenue budget of \$6.7 million. Council agreed to increase the Carmel Chamber of Commerce funding amount to \$60,500.

ECONOMIC DEVELOPMENT

Marketing & Economic Development					
Account Number	Account Description	Details	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-122-00-42008	Mktg & Economic Dev	SCC- Sunset Center Operating Grant	750,000	750,000	750,000
101-122-00-42008	Mktg & Economic Dev	SCC- Forest Theater Operating Grant	7,500	-	-
101-122-00-42008	Mktg & Economic Dev	MCCVB	160,007	160,007	200,010
101-122-00-42008	Mktg & Economic Dev	Visit Carmel Carmel Chamber of Commerce	100,800	100,800	120,000
101-122-00-42008	Mktg & Economic Dev		15,000	15,000	60,500
Total			\$1,033,307	\$1,025,807	\$1,130,510

Description

Library

The Library is an efficient medium for the free and equitable distribution and exchange of books, information, and ideas; and a recognized social center providing the community with a place to learn, interact and gather. The Library aspires to be a welcoming place, in-person and virtually, where reading, learning and imagination thrive; a recognized leader and respected voice in our community; and a model library in our industry.

A five-member Board of Trustees appointed by the City Council governs the Library. The Harrison Memorial Library Board of Trustees, the Carmel Public Library Foundation, Harrison Memorial Library Friends of the Library, and the City work together in partnership to sustain the vital and historic tradition of providing free public library service of excellent quality for the residents and visitors of the City of Carmel and the Monterey Peninsula

2021-2022 Workload Indicators / Performance Measures

- 5,717 reference and information questions were answered
- 617 library cards were issued
- 34,493 library items were circulated
- 1,042 people attended library programs
- 31,832 digital items (e-books, audios, magazines, films, music) were accessed

2021-2022 Initiatives and Accomplishments

- Pivoted library services to provided reference and tech help via phone, email, and text.
- Transitioned from curbside pick-up system to outside library services to restoring in-building library services.
- Continued to explore opportunities for passive programming in the libraries.

2022-2023 Priorities



- Filling vacant positions and increasing open hours at both the Main and Park Branch libraries.
- Continuing the implementation of the Library's Strategic Plan.

Budget Summary and Service Impacts

- The City funds the personnel and building maintenance costs for operating the Main and Park Branch libraries. The sources of funding for library materials, programs and services are the Carmel Public Library Foundation, the Friends of the Library, and other donations.

LIBRARY AND COMMUNITY ACTIVITIES

Library				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-120-00-41001	Salaries	\$643,426	\$453,558	\$800,482
101-120-00-41003	Salaries -Part time	131,934	12,780	122,007
101-120-00-41101	Retirement	38,541	28,088	43,673
101-120-00-41103	Deferred Compensation	7,350	9,483	8,700
101-120-00-41104	Health Insurance	77,984	49,681	91,987
101-120-00-41105	Social Security	8,180	774	7,564
101-120-00-41106	Medicare	11,240	6,542	13,376
101-120-00-41107	LTD/STD/Life	1,062	711	1,192
101-120-00-41108	Worker's Comp	15,658	11,957	18,990
101-120-00-41109	Benefits-MOU Obligations	13,520	7,858	16,120
	Salaries & Benefits Subtotal	\$948,895	\$581,432	\$1,124,091
101-120-00-42001	Contract Services	\$3,500	\$3,500	\$3,500
	Services & Supplies Subtotal	\$3,500	\$3,500	\$3,500
	Total	\$952,395	\$584,932	\$1,127,591

LIBRARY AND COMMUNITY ACTIVITIES

Community Activities

The Community Activities department and Commission encourage and support the interaction of neighbors, friends, families and visitors through the shared experience of special events, programs, and gatherings which bring the community together virtually and in-person safely on the City's streets and in its parks and create opportunities to interact, celebrate, enrich people's lives, and promote inclusiveness.

The Community Activities department facilitates the weekly Farmers' Market, permitting for special events, beach events, and filming, the City's annual special events (Memorial Day, 4th of July, Sandcastle Contest, Pumpkin Roll, Halloween Parade, Veteran's Day, Homecrafters' Marketplace, and Holiday Menorah and Tree-lighting), and manages the Vista Lobos Community Room and the Scout House.

2021-2022 Workload Indicators/Performance Measures

- Planned and facilitated seven City special events
- An estimated 5,000 people attended City Special Events
- Issued 36 event and film permits

2021-2022 Initiatives and Accomplishments

- Developed a new policy for community group participation in the Farmers' Market.
- Reinvented the City's special events to be more streamlined and maximized community partnerships.
- Continued Community Activities Commission campaigns at the Farmer's Market to encourage residents and business owners to encourage community connection.

2022-2023 Priorities

- Continue implementing the new strategic plan that includes goals to maximize communication opportunities, embrace opportunities for community connections – whatever the form, engaging in environmentally sustainable practices, and to put our community spaces to their best use.
- Continue to streamline processes for special event permit applications

Budget Summary and Service Impacts

- Community Activities department expenses include costs for advertising, banners and signage, event and office supplies for City events, equipment replacements, Community Activities Commission initiatives, and the Farmers' Market.

LIBRARY AND COMMUNITY ACTIVITIES

Community Activities				
Account Number	Account Description	FY21-22 Amended	FY21-22 Estimated	FY22-23 Adopted
101-121-00-41001	Salaries	\$81,277	\$80,000	\$131,665
101-121-00-41101	Retirement	3,310	4,572	10,362
101-121-00-41103	Deferred Compensation	150	1,134	1,800
101-121-00-41104	Health Insurance	5,660	5,660	13,964
101-121-00-41105	Overtime	-	420	-
101-121-00-41106	Medicare	609	817	1,909
101-121-00-41107	LTD/STD/Life	65	79	195
101-121-00-41108	Worker's Comp	5,176	3,952	6,276
101-121-00-41109	Benefits-MOU Obligations	-	348	2,080
	Salaries & Benefits Subtotal	\$96,247	\$96,982	\$168,251
101-121-00-42001	Contract Services	\$9,000	\$8,500	\$39,220
101-121-00-42005	Community Promotions	19,500	19,000	19,500
101-121-00-42009	Advertising and Legal Notice	3,000	2,900	8,500
101-121-00-42101	Office Supplies	300	130	300
101-121-00-42403	Printing	2,500	1,155	2,500
	Services & Supplies Subtotal	\$34,300	\$31,685	\$70,020
	Total	\$130,547	\$128,667	\$238,271

COMMUNITY PLANNING AND BUILDING

Description

The Community Planning and Building Department (CPB) includes the Planning, Building and Code Compliance Divisions and is responsible for preserving community character while fostering a vibrant community and a high quality of life for its residents, businesses and visitors.

- The **Planning Division** processes current development applications, maintains the General Plan, and ensures that capital programs, zoning and other activities of the City are consistent with the goals and policies of the Plan.
- The **Building Safety Division** is responsible for plans examination and inspections of City and private development projects to ensure compliance with building codes.
- The **Code Compliance Division** ensures compliance with the City Municipal Code. This function includes public education and outreach on existing laws and resolving code violations.

2021-2022 Initiatives and Accomplishments

- Adopted an updated Sign Ordinance to be in compliance with all State and Federal laws
- Significant progress made on scanning/digitizing of physical property files. Vendors selected, programming complete, and 20% of parcels have been digitized and made available through the City's GIS map
- Implemented several measures in line with the CPB 2019 strategic plan's customer service, technology, and streamlining goals including but not limited to: Reinstating the "Permit by Appointment" process for building permits, simplifying CPB's website portal, progress on scanning/digitizing files, clarifying the Track 1 and Track 2 Planning Application process and creating SOPs for the public to follow, and restarting the annual Development Process Workshop focused on updating the development industry
- Fully re-opened CPB offices to the public while maintaining COVID-19 safety protocols
- Completed recruitments for all vacant positions in CPB, including two new positions added by City Council: 1) Long Range Associate Planner; 2) Second Code Compliance Coordinator. Anticipating all CPB positions to be full by June 30, 2022.

2022-2023 Priorities

- Continued implementation of the CPB 2019 strategic plan, with a focus on customer service, technology, and streamlining processes
- Complete housing feasibility study in accordance with State "SB 2", local "LEAP", regional "REAP" grants and begin work in earnest on General Plan Housing Element update for completion by December, 2023
- Adopt Historic Context Statement update in accordance with State CLG grant
- Adoption of: (1) updated Accessory Dwelling Unit Ordinance; (2) updated Wireless Ordinance
- Finish scanning/digitizing of physical property files for online public access
- Adoption of updated Design Guidelines and Zoning Code through the Design Traditions 1.5 Project
- In partnership with the Police Department, develop a paid parking program in the downtown commercial district for consideration by the City Council

Budget Summary and Service Impacts

- Planning contract services increases this year due to a \$140,000 allocation for Winter & Company's support on the Design Traditions 1.5 Project, which utilizes 1-time money to implement Council priorities. Still remaining in the planning contract services line item is \$290,000 in services representing

COMMUNITY PLANNING AND BUILDING

State, local and regional grants which will fund consultant support for housing studies and General Plan updates.

- Building contract services dropped significantly due to a reduced need for outside plan review by CSG, thanks to the hiring of a new Building Inspector. \$40,000 in contract plan review support will still be needed for technical and specialized plan review matters that arise.
- As part of the Capital Improvement Plan, CPB is continuing scanning and digitizing physical property files to make them publicly available via the City's online GIS mapping tool. The FY22-23 CIP includes the second and final year of funding for this project totaling \$67,000.
- Also as part of the Capital Improvement Plan, CPB will be acquiring two (2) residential electric vehicles for Planning, Building, and Code Compliance inspections to replace a single gas engine vehicle. These vehicles will allow for more inspections to take place in a shorter amount of time, which will benefit the Village as a whole. Switching to electric vehicles will also help lower the City's carbon footprint. Upgrades to the electrical panel at City Hall and installation of charging stations will be required. Total cost of the project including vehicles and upgrades will be approximately \$50,000. However, nearly all of this cost should be offset by a combination of selling CPB's existing gas vehicle, and funds from the Central Coast Community Energy Vehicle Electrification Program.

COMMUNITY PLANNING AND BUILDING

Community Planning & Building				
Account Number	Account Description	FY21-22 Amended	FY21-22 Estimated	FY22-23 Adopted
101-115-00-41001	Salaries	\$949,196	\$775,921	\$1,220,334
101-115-00-41005	Overtime	-	1,603	-
101-115-00-41101	Retirement	55,420	38,017	60,805
101-115-00-41103	Deferred Compensation	7,750	5,933	8,100
101-115-00-41104	Health Insurance	184,093	147,029	225,785
101-115-00-41106	Medicare	14,991	10,653	17,694
101-115-00-41107	LTD/STD/Life	1,416	1,072	1,559
101-115-00-41108	Worker's Comp	15,818	12,079	19,183
101-115-00-41109	Benefits-MOU Obligations	16,468	7,147	18,720
Salaries & Benefits Subtotal		\$1,245,152	\$999,454	\$1,572,180
101-115-00-42001	Contract Services	\$613,350	\$245,800	\$583,400
101-115-00-42009	Advertising and Legal Notice	500	-	500
101-115-00-42101	Office Supplies	3,650	2,134	3,650
101-115-00-42102	Publications & Subscriptions	775	330	1,425
101-115-00-42104	Safety Equipment and Supplies	800	645	800
101-115-00-42107	Gas and Oil	1,560	465	780
101-115-00-42115	Other Supplies	600	15,700	950
101-115-00-42301	Training & Education	4,085	1,950	8,565
101-115-00-42302	Conferences & Meetings	5,450	290	8,150
101-115-00-42304	Dues & Memberships	4,580	1,756	4,480
101-115-00-42305	Mileage Reimbursement	300	-	150
101-115-00-42403	Printing	3,000	1,440	3,000
Services & Supplies Subtotal		\$638,650	\$270,510	\$615,850
Total		\$1,883,802	\$1,269,964	\$2,188,030

COMMUNITY PLANNING AND BUILDING

Community Planning & Building				
Account Number	Account Description	FY21-22 Amended	FY21-22 Estimated	FY22-23 Adopted

Community Planning & Building: Planning				
101-115-20-42001	Contract Services	\$382,300	\$24,700	\$469,600
101-115-20-42009	Advertising and Legal Notice	500	-	500
101-115-20-42101	Office Supplies	3,000	1,773	3,000
101-115-20-42102	Publications & Subscriptions	125	-	125
101-115-20-42104	Safety Equipment and Supplies	800	645	800
101-115-20-42115	Other Supplies	-	15,700	-
101-115-20-42301	Training & Education	2,125	1,500	4,325
101-115-20-42302	Conferences & Meetings	600	200	2,000
101-115-20-42304	Dues & Memberships	2,500	1,300	2,400
101-115-20-42305	Mileage Reimbursement	200	-	100
101-115-20-42403	Printing	3,000	1,440	3,000
Services & Supplies Subtotal		\$395,150	47,258	\$485,850

Community Planning & Building: Building				
101-115-21-42001	Contract Services	\$220,050	\$210,100	\$102,800
101-115-21-42101	Office Supplies	400	280	400
101-115-21-42102	Publications & Subscriptions	650	330	1,300
101-115-21-42107	Gas and Oil	960	465	480
101-115-21-42115	Other Supplies	400	-	500
101-115-21-42301	Training & Education	1,460	450	3,240
101-115-21-42302	Conferences & Meetings	3,350	-	3,350
101-115-21-42304	Dues & Memberships	2,080	456	2,080
101-115-21-42305	Mileage Reimbursement	100	-	50
Services & Supplies Subtotal		\$229,450	\$212,081	\$114,200

Community Planning & Building: Code Compliance				
101-115-22-42001	Contract Services	\$11,000	\$11,000	\$11,000
101-115-22-42101	Office Supplies	250	81	250
101-115-22-42107	Gas and Oil	600	-	300
101-115-22-42115	Other Supplies	200	-	450
101-115-22-42301	Training & Education	500	-	1,000
101-115-22-42302	Conferences & Meetings	1,500	90	2,800
Services & Supplies Subtotal		\$14,050	\$11,171	\$15,800

PUBLIC WORKS

The mission of the Public Works Department is to plan, design, construct, operate, and maintain public infrastructure, streets, facilities, beach, urban forest, and parks that contribute to the health, safety, and well-being of the community. We do so in an efficient, cost-effective manner without detrimental effects on the environment. Public Works consists of five operating divisions with responsibilities as follows:

- **Administration Unit:** prepare Council reports, 5-year Capital Improvement Plan, and give presentations, perform engineering services, support the Forest and Beach Commission, serve on the Traffic Safety Committee and TAMC TAC, and provide staffing, budget, and performance oversight of the following five operating divisions and various volunteer organizations.
- **Environmental Compliance:** manage environmental projects in the North Dunes and MTNP, serve on the Climate Committee and develop Climate Action and Adaptation Plans, implement the State's storm water quality regulations, enforce the State's waste reduction and recycling regulations, oversee the franchise agreement with the City's waste hauler, serve on the Monterey Regional Stormwater Management Program Committee and the Monterey Regional Waste Management District's Technical Advisory Committee, evaluate energy reduction initiatives, and conduct public outreach.
- **Facilities Maintenance:** maintain and repair 15 City-owned buildings and facilities with 149,050 square feet, including six historic buildings nearly 100 years old, support capital improvement projects, oversee janitorial contract and numerous trade vendors, and implement small ADA and various construction projects.
- **Forestry, Parks and Beach:** staff Forest & Beach Commission, maintain eight municipal parks, Carmel Beach, Scenic Pathway, and landscaped islands, manage contract tree services and 9,000+ City trees, process tree removal and pruning permits, and perform landscape maintenance services.
- **Project Management:** implement the Capital Improvement Plan, perform condition assessments and cost estimates, plan, design, inspect, and manage construction of capital projects, administer public bidding process, and coordinate with consultants, contractors, utilities, and other departments.
- **Street Maintenance:** supervise all Public Works field personnel and allocate resources, maintain and repair streets, potholes, sidewalks, curbs, fencing, storm drainage system, berms, traffic signs, striping, and pavement markings, provide street sweeping services, perform basic fleet maintenance services, review utility encroachment permit applications, support City events, and provide emergency response.

2021-2022 Initiatives and Accomplishments

- Negotiated a Lease Agreement with Pacific Repertory Theatre for Theatrical Programming and Facility Management of the Forest Theater.
- The Climate Committee completed a Vulnerability Assessment, Greenhouse Gas Emissions Study, and are currently finalizing Climate Action and Adaptation Plans.
- Updated the Carmel Municipal Code relative to SB1383 organics recycling, and modified the franchise agreement with Greenwaste Recovery.
- Planning Commission extended Coastal Development Permits for the North Dunes Habitat Restoration and Mission Trail Nature Preserve (MTNP) projects for five years.
- Received a \$45,000 grant from the Coastal Conservancy to conduct wildfire fuel mitigation at MTNP and completed the project.
- Replaced the fire pump assembly and the HVAC controller system for Sunset Center, both as emergency replacement projects.
- Renovated the Ocean Avenue median island landscaping, between Lincoln and Monte Verde Streets, as a pilot for the four remaining raised medians along Ocean Avenue.
- Supported the completion of 17 capital improvement projects funded in FY 2021/22.
- Resumed the annual traffic striping and markings and the sidewalk grinding programs.
- Continued to guide the unique partnership with Carmel Cares to restore the Scenic Pathway, Forest Theater grounds, Devendorf and Vista Lobos Parks, and expanded Median Minders and Pick-Up-Posse community engagement programs.

2022-2023 Priorities

- Negotiate an Operations and Maintenance Agreement with a qualified organization for renovation, activities programming, and facility management of the Scout House.
- Update Municipal Code Chapter 17 related to storm water requirements.
- Collaborate with the Monterey Regional Waste Management District and GreenWaste Recovery on implementation of SB 1383 requirements.
- Commence building condition assessments, resilience infrastructure planning, additional EV charging stations, and electrical upgrades at multiple City facilities.
- Update the design of the Police Station to include an EOC/Community Room, new lockers, EV station, and other facilities, solicit bids, and begin construction.
- Issue an RFP for Citywide janitorial services for the next three fiscal years.
- Construct the annual asphalt paving project, along Junipero, San Carlos, and San Antonio Streets, including micro-surfacing, bike route, and medians on San Carlos.
- Commence design of broken pipe repairs and eliminate bottlenecks in the storm drain system listed as priority recommendations in the Storm Drain Master Plan.
- Design repairs of concrete streets, along lower Ocean Avenue and within several downtown intersections, that are heavily damaged.
- Prepare the Forest Management Plan, predominantly funded by a \$150k Cal Fire grant, and solicit public participation in the development process.
- Beautify the remaining raised median islands along Ocean Avenue as part of the Downtown Beautification Initiative.
- Purchase a street sweeper, preferably an electric or hybrid, utilizing a 3CE rebate.

Budget Summary and Service Impacts

- Previously, the Street Division budget was merged with the Administration budget, 101-119-40. Effective Fiscal Year 2022/23, the Street Division budget, 101-119-41, will be accounted for separately.
- The Administration Division budget includes funding for a full-time administrative coordinator for front counter and customer service support, contract services (\$66,400), including uniform services, copier lease, and software contracts, contracted project manager services (\$50,000), training (\$8,000), subscriptions (\$5,500), and office supplies (\$5,000).
- The Street Division budget includes funding for equipment & vehicle maintenance (\$51,500), materials and supplies (\$50,000), including asphalt, lumber, base rock, and paint, fuel for City vehicles (\$38,000), and contract services (\$8,500).
- The Facilities Maintenance Division budget includes funding for contract services (\$394,270) including janitorial services, alarm and fire system monitoring, and HVAC, plumbing, roofing, and electrical repairs, and materials & supplies (\$65,000), including hardware, lighting, filters, plumbing and paint supplies.
- The Environmental Compliance Division budget includes funding for environmental consultant support (\$50,000), regional storm water permit implementation (\$25,000), Vector cleaning of storm drains (\$25,000), ASBS watershed sampling (\$20,000), SB1383 and recycling expenses (\$17,000), various other compliance consultants, and regional permit dues (\$11,000).
- The Forestry, Parks, and Beach Division budget includes funding for contract services (\$521,500), including tree removals, pruning, watering, stumps, landscape maintenance, Scenic Pathway maintenance (*\$24,000 added during budget hearings*) and emergency response services, fund matching for the Forest Management Plan (\$20,000), and materials and supplies (\$50,000) including new trees, landscaping, irrigation supplies, and planting materials.

PUBLIC WORKS

Public Works Department Total				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-119-00-41001	Salaries	\$1,583,893	\$1,402,384	\$2,136,494
101-119-00-41005	Overtime	8,800	6,000	8,800
101-119-00-41101	Retirement	88,011	79,081	115,821
101-119-00-41103	Deferred Compensation	12,612	11,695	18,612
101-119-00-41104	Health Insurance	278,844	266,345	342,020
101-119-00-41106	Medicare	22,064	19,389	30,980
101-119-00-41107	LTD/STD/Life	2,423	2,222	2,988
101-119-00-41108	Worker's Comp	51,744	51,731	82,157
101-119-00-41109	Benefits-MOU Obligations	28,600	26,424	33,280
Salaries & Benefits Subtotal		\$2,076,991	\$1,865,271	\$2,771,152
101-119-00-42001	Contract Services	\$1,001,385	\$877,438	\$1,157,530
101-119-00-42009	Advertising and Legal Notice	1,000	1,000	2,500
101-119-00-42101	Office Supplies	2,500	1,589	5,000
101-119-00-42102	Publications & Subscriptions	6,860	4,191	5,500
101-119-00-42104	Safety Equipment and Supplies	8,000	5,332	8,400
101-119-00-42105	Materials and Supplies	195,000	130,000	165,000
101-119-00-42106	Small Tools and Equipment	750	-	1,000
101-119-00-42107	Gas and Oil	24,000	26,000	38,000
101-119-00-42202	Equipment Maintenance	10,000	466	10,000
101-119-00-42203	Vehicle Maintenance	41,000	31,390	41,500
101-119-00-42301	Training & Education	5,000	5,186	8,000
101-119-00-42304	Dues & Memberships	1,500	1,603	2,875
101-119-00-42403	Printing	400	-	2,000
101-119-00-42408	Permits and Licenses	9,500	10,432	11,067
101-119-00-42409	Rentals	2,250	2,467	4,000
Services & Supplies Subtotal		\$1,309,145	\$1,097,094	\$1,462,372
Total		\$3,386,136	\$2,962,365	\$4,233,524

PUBLIC WORKS

PW Administration				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-119-40-42001	Contract Services	\$18,900	\$18,830	\$66,400
101-119-40-42009	Advertising and Legal Notice	1,000	1,000	2,500
101-119-40-42101	Office Supplies	2,500	1,589	5,000
101-119-40-42102	Publications & Subscriptions	6,860	4,191	5,500
101-119-40-42104	Safety Equipment and Supplies	8,000	5,332	8,400
101-119-40-42105	Materials and Supplies*	51,000	20,000	-
101-119-40-42106	Small Tools and Equipment*	750	-	-
101-119-40-42107	Gas and Oil*	24,000	26,000	-
101-119-40-42202	Equipment Maintenance*	10,000	466	-
101-119-40-42203	Vehicle Maintenance*	41,000	31,390	-
101-119-40-42301	Training & Education	5,000	5,186	8,000
101-119-40-42304	Dues & Memberships	1,500	1,603	2,875
101-119-40-42403	Printing	400	-	2,000
101-119-40-42409	Rentals*	2,250	2,467	-
Services & Supplies Subtotal		\$173,160	\$118,054	\$100,675

*Moved to PW-Streets budget effective FY22-23

PW Street				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-119-41-42001	Contract Services*	\$0	\$0	8,500
101-119-41-42105	Materials and Supplies*	-	-	50,000
101-119-41-42106	Small Tools and Equipment*	-	-	1,000
101-119-41-42107	Gas and Oil*	-	-	38,000
101-119-41-42202	Equipment Maintenance*	-	-	10,000
101-119-41-42203	Vehicle Maintenance*	-	-	41,500
101-119-41-42409	Rentals*	-	-	4,000
Services & Supplies Subtotal		\$0	\$0	\$153,000

*Moved from PW-Admin budget effective FY22-23

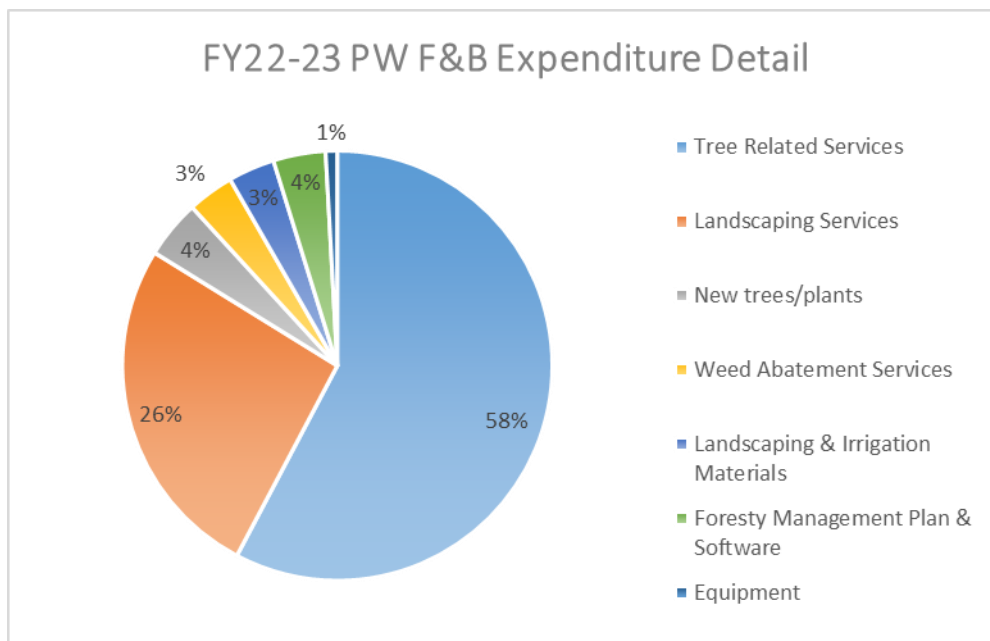
PW Facilities				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-119-42-42001	Contract Services	\$362,720	\$360,000	\$394,270
101-119-42-42105	Materials and Supplies	120,000	95,000	65,000
Services & Supplies Subtotal		\$482,720	\$455,000	\$459,270

PUBLIC WORKS

Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
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PW Environmental Compliance				
101-119-43-42001	Contract Services	\$289,765	\$248,608	\$166,860
101-119-43-42105	Materials and Supplies	-	-	-
101-119-43-42408	Permits and Licenses	9,500	10,432	11,067
Services & Supplies Subtotal		\$299,265	\$259,040	\$177,927

PW Forest & Beach				
101-119-45-42001	Contract Services	\$330,000	\$250,000	\$521,500
101-119-45-42105	Materials and Supplies	24,000	15,000	50,000
Services & Supplies Subtotal		\$354,000	\$265,000	\$571,500



Type of Expenditure	Budget	Percentage
Tree Related Services	\$ 330,000	58%
Landscaping Services	149,000	26%
New trees/plants	25,000	4%
Weed Abatement Services	20,000	3%
Landscaping & Irrigation Materials	20,000	3%
Forestry Management Plan & Software	22,500	4%
Equipment	5,000	1%
Total	\$ 571,500	100%

Description

The Director of Public Safety/Police Chief manages the Public Safety Department and three distinct functions:

- The **Police Department** is responsible for law enforcement and crime prevention within the City. The mission of the Department is to protect and serve, with the primary responsibility of ensuring the rights of citizens and visitors to live in peace and safety. It also oversees the management and operation of the Emergency Operations Center; the Volunteers in Policing Program that assists with daily clerical activities, errands, public outreach and special events and the City Community Emergency Response Team of volunteers ready to assist the community during an emergency situation.
- The **Fire Department** is primarily responsible for saving lives and protecting property through the prevention and control of fires. The Fire Department has operated under a contract with the City of Monterey since 2012. The Public Safety Department manages the contract with the City of Monterey and is responsible for oversight of needed equipment and supplies.
- **Carmel Fire Ambulance** provides advanced life support ambulance service to the residents of Carmel-by-the-Sea. Ambulance staffing includes paramedic-firefighters and emergency medical technician-firefighters to provide front line medical emergency response and all-hazard response as a key component of the City's public safety services. The City of Monterey also provides administrative oversight of this function through a contractual agreement managed by the Public Safety Department.

2021-2022 Initiatives and Accomplishments

- Managed pandemic-related challenges including mask mandates and vaccination requirements
- Began an investigation of a graffiti bandit who painted numerous walls throughout the city. Suspect was identified via city and resident cameras. The investigation led to the suspects arrest and a full confession.
- Began an investigation of a daytime smash and grab at a local jewelry store. Via cameras from businesses and locals in the area we quickly obtained suspect information. One juvenile suspect was taken into custody and charged with the crime. Multiple additional suspects are still pending.
- Upgraded patrol vehicles to include 2 new police cruisers
- Upgraded outdated police radios
- Increased the number of volunteer group and CERT members and utilized their services on multiple occasions to include assistance with missing persons, council meetings and various activities throughout the city.
- Staffed a vacant ambulance/firefighter.

2022-2023 Priorities

- Fill vacancies, including Police Officer, Dispatchers, and Community Service Officers.
- Developing new contract language for Fire Services with the City of Monterey.
- Continue to improve radio communications and complete the radio transition from analog to digital for police services.
- Continue to align policies and procedures with federal and State legislation regarding police tactics.
- Work with City Staff and Council on the implementation of a new parking enforcement structure and paid parking in the City.
- Increase commitment to service in the Village through police programs to include increased bicycle patrols, community camera sharing, and use of volunteer groups like CERT.

PUBLIC SAFETY

Budget Summary and Service Impacts

Ambulance

- The FY 22-23 Budget increases by \$85,324 over the FY 21-22 Amended Budget. Overtime reflects an anticipated decrease due to being fully staffed. Contract services include station coverage by the City of Monterey as needed (\$170,000), ambulance billing (\$48,000), Monterey Fire management of Ambulance personnel (\$24,000), narcotics management (\$11,000). Other major expenses include medical supplies (\$39,000), fuel and vehicle maintenance (\$17,000), safety equipment (\$12,000) and required training to maintain credentials (\$13,000).

Ambulance				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-118-00-41002	Salaries -Safety	\$709,018	\$673,173	\$770,123
101-118-00-41006	Overtime -Safety	160,000	170,000	140,000
101-118-00-41009	Holiday in Lieu	64,574	62,000	69,740
101-118-00-41102	Retirement -Safety	99,761	9,104	99,905
101-118-00-41103	Deferred Compensation	4,500	4,300	5,400
101-118-00-41104	Health Insurance	81,349	78,583	88,481
101-118-00-41106	Medicare	13,589	13,064	14,550
101-118-00-41107	LTD/STD/Life	858	879	858
101-118-00-41108	Worker's Comp	52,072	39,765	63,153
101-118-00-41111	Uniform Allowance	3,600	3,333	3,600
Salaries & Benefits Subtotal		\$1,189,321	\$1,054,201	\$1,255,810
101-118-00-42001	Contract Services	\$261,528	\$260,000	\$272,163
101-118-00-42101	Office Supplies	1,100	900	1,300
101-118-00-42103	Medical Supplies	39,150	31,370	39,150
101-118-00-42104	Safety Equipment and Supplies	11,000	4,500	12,000
101-118-00-42107	Gas and Oil	7,000	11,723	11,000
101-118-00-42201	Building Maintenance	1,500	1,200	4,500
101-118-00-42202	Equipment Maintenance	3,500	870	3,500
101-118-00-42203	Vehicle Maintenance	17,000	10,922	17,000
101-118-00-42301	Training & Education	12,800	1,200	12,800
Services & Supplies Subtotal		\$354,578	\$322,685	\$373,413
Total		\$1,543,899	\$1,376,886	\$1,629,223

PUBLIC SAFETY

Fire

- The FY 22-23 Budget increases by \$165,146 over the FY 21-22 Amended Budget. Contract services include fire services provided to the Village by the City of Monterey (\$2,840,000) and dispatch services (\$25,000). Funding for a wildfire risk assessment is also included within the budget (\$20,000).
- The FY 22-23 Budget also includes funding for fuel (\$14,000) and vehicle maintenance (\$35,000) as Carmel is responsible for vehicle repair and replacement under the contract with Monterey.

Fire				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-117-00-42001	Contract Services	\$2,740,196	\$2,735,196	\$2,905,342
101-117-00-42005	Community Promotions	500	1,097	500
101-117-00-42103	Medical Supplies	3,000	1,200	3,000
101-117-00-42104	Safety Equipment and Supplies	7,000	3,800	7,000
101-117-00-42107	Gas and Oil	14,000	7,000	14,000
101-117-00-42202	Equipment Maintenance	4,450	3,016	4,450
101-117-00-42203	Vehicle Maintenance	35,000	11,000	35,000
Total		\$2,804,146	\$2,762,309	\$2,969,292

Police

- The FY 22-23 Budget increases by \$514,923 over the FY 21-22 Amended Budget, primarily due to the addition of a full fiscal year's worth of personnel costs for 3.0 FTE new 2-year limited term positions that were added in FY21-22 (1.0 FTE Police Officer and 2.0 FTE Community Services Officer). The Department will continue to focus on patrol and responding to public safety needs.
- The FY 22-23 Budget reflects an increase of \$51,361 in services and supplies over FY 21-22. The increase is primarily the result of upgrading aging equipment, increased ammunition prices, providing CERT team uniforms and equipment, and training and supplies needed to fill vacant positions. Training expenses were increased to add Critical Incident Training, De-escalation and Racial Bias Training for all department members. Contract services include expenses critical to operations including dispatch, jail booking and animal services provided by Monterey County; tasers, body and surveillance cameras and associated software and maintenance costs. Fuel costs are projected to increase as well.

PUBLIC SAFETY

Police				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
101-116-00-41001	Salaries	\$698,972	\$533,198	\$829,659
101-116-00-41002	Salaries -Safety	\$1,931,512	\$1,747,609	\$2,142,749
101-116-00-41006	Overtime -Safety	\$185,000	\$322,742	\$205,000
101-116-00-41009	Holiday in Lieu	\$141,270	\$121,574	\$171,329
101-116-00-41101	Retirement	\$42,945	\$34,263	\$52,952
101-116-00-41102	Retirement -Safety	\$327,515	\$239,829	\$330,706
101-116-00-41103	Deferred Compensation	\$21,294	\$16,860	\$24,144
101-116-00-41104	Health Insurance	\$441,847	\$312,783	\$461,169
101-116-00-41106	Medicare	\$42,201	\$38,428	\$49,063
101-116-00-41107	LTD/STD/Life	\$3,469	\$2,860	\$3,939
101-116-00-41108	Worker's Comp	\$91,498	\$75,216	\$119,455
101-116-00-41109	Benefits-MOU Obligations	\$520	\$433	\$0
101-116-00-41111	Uniform Allowance	\$33,120	\$27,520	\$34,560
Salaries & Benefits Subtotal		\$3,961,163	\$3,473,315	\$4,424,725
101-116-00-42001	Contract Services	\$293,300	\$201,684	\$335,635
101-116-00-42005	Community Promotions	\$1,000	\$207	\$1,000
101-116-00-42101	Office Supplies	\$7,500	\$6,154	\$8,500
101-116-00-42102	Publications & Subscriptions	\$915	\$180	\$960
101-116-00-42104	Safety Equipment and Supplies	\$41,450	\$40,500	\$25,450
101-116-00-42106	Small Tools and Equipment	\$0	\$0	\$0
101-116-00-42107	Gas and Oil	\$32,500	\$32,290	\$48,750
101-116-00-42201	Building Maintenance	\$1,000	\$1,000	\$1,000
101-116-00-42202	Equipment Maintenance	\$42,300	\$50,000	\$38,181
101-116-00-42203	Vehicle Maintenance	\$23,000	\$21,000	\$23,000
101-116-00-42301	Training & Education	\$14,250	\$9,000	\$21,750
101-116-00-42304	Dues & Memberships	\$1,400	\$950	\$1,550
101-116-00-42403	Printing	\$4,700	\$2,800	\$5,900
101-116-00-42404	Shipping/Postage/Freight	\$500	\$300	\$500
101-116-00-42405	Telephone and Communications	\$8,500	\$6,500	\$8,500
101-116-00-42415	Other Expenditures	\$6,000	\$12,000	\$9,000
Services & Supplies Subtotal		\$478,315	\$384,565	\$529,676
Total		\$4,439,478	\$3,857,880	\$4,954,401

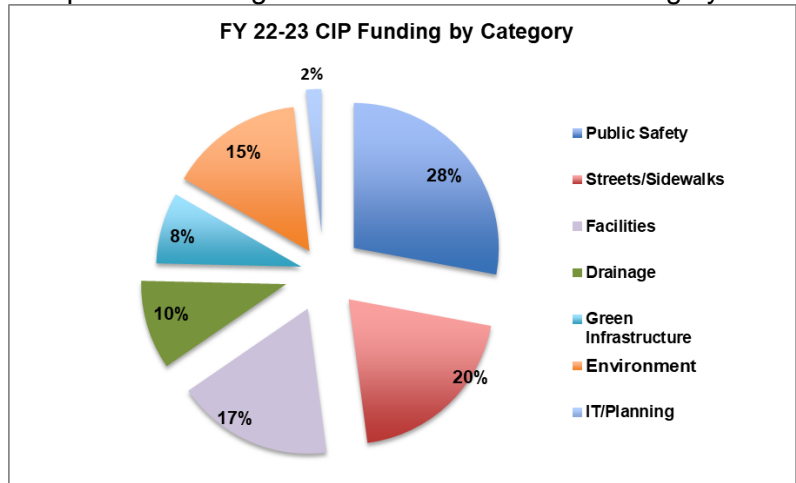
CAPITAL IMPROVEMENT PLAN (CIP)

CAPITAL IMPROVEMENT PLAN

Description

The FY 22-23 Adopted Budget includes \$5.03 million for capital projects. This level of capital spending represents 16% of the total citywide budget of \$32.3 million. As the economy recovers from the economic impact of the pandemic, sales tax revenue generated by Measure C, the City’s local sales tax, plays a pivotal role in provide a funding source for the City’s capital needs. The presence of state and county gas and transit taxes also provide a consistent base, albeit partial, for much needed street projects. That said the five-year capital plan points out that, as vital as these funding sources are, they cannot cover the full scope of identified improvements in the long term requiring that we attend to the highest needs and deferring others until funding becomes available.

Capital outlay funds several types of projects as depicted to the right in the “FY 22-23 CIP Funding by Category” chart. Streets and sidewalks account for 20% of capital expense, with a Adopted budget of \$1 million, largely funded by revenues the City receives specifically for street maintenance and other transportation-related projects. Public safety is prioritized with the long overdue need to renovate City policy facilities. Police safety accounts for 28% of capital expenditures for a total of \$1.4 million including \$1.3 million for facility renovation augmenting the prior approved \$2 million budget. The FY 22-23 Adopted Budget recognizes the importance of facility investments and “green” infrastructure which combined make up 25% of capital expenditures. The spending plan for deferred facility maintenance items equals \$805,000 and addresses library needs, Sunset center renovations, City Hall roofing and retaining walls, Vista Lobos design and general beautification projects. “Green” projects reach \$400,000 and include electric vehicle panel upgrades, supporting generators and costal engineering studies. The remaining \$27%, or \$1.3 million includes critical drainage, environmental and technology projects including Drainage design, MTNP beautification, North Dunes restoration and the purchase of a zero emissions street sweeper.



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Capital outlay includes \$685,000 for the projects listed in Table 1, FY 22-23 Adopted Vehicle and Equipment Acquisitions and Funding Source.

Table 1: FY 22-23 Adopted Vehicle and Equipment Acquisitions and Funding Source

Vehicle and Equipment Fund			
Account Number	Account Description	FY22-23 Adopted	Funding Source
503-513-00-43005	Ambulance Equipment +AED	75,000	Measure C
503-513-00-43005	2 Residential Electric Vehicles (CPB)	30,000	Measure C
503-513-00-43005	Electric Sweeper (\$200K Grant Funded)	550,000	Measure C/3CE Grant
503-513-00-43006	Police Radios Lease (Year 2 of 6)	30,000	Measure C
Total		\$685,000	

Funding prioritizes public safety response capabilities, including enhanced communications and the purchase of new vehicles. A focus on environmentally friendly vehicles is evident in this year's spending plan. The budget also invests in critical safety equipment related to emergency ambulance services.

Vehicle & Equipment:

Ambulance Equipment and Automated External Defibrillator (AED): Upon purchase of the Ambulance, a FY 2021/22 carry-over project, additional funding is required to purchase the necessary safety equipment and AED to be installed in the new ambulance. \$75,000 is Adopted. The Police and Fire Departments will lead this project

Two Residential Electric Vehicles (REVs) for Community Planning and Building: The Community Planning and Building Department requests to utilize the proceeds from the sale of the existing building inspection vehicle, as well as to apply for grant funding from Central Coast Community Energy, to purchase two REVs for use by Planning and Building staff to conduct site visits and inspections. It is anticipated that the purchase will be largely funded by the vehicle sale and grants (\$25,000), with the remaining \$5,000 provided by the City.

Street Sweeper: The existing street sweeper is 12 years old and is past its useful life, requiring frequent repairs, sometimes costing over \$5,000 for each repair. Staff evaluated alternatives for a repurchase including renting/leasing a sweeper (which is economically restrictive over just a few years), or contracting out these services to a private company. Multiple agency contacts warned staff that contracted street sweeping services are often plagued by substandard performance levels, inability to be promptly responsive, and complaints. Furthermore, with Carmel's lack of curbs and gutters, coupled with extensive pine needles, the privatized street sweeping operations would likely be substandard for Carmel. Staff has been exploring diesel, as well as electric and hybrid sweeper models that work on a vacuum system (rather than a broom system that would not be effective on Carmel streets). Although electric sweepers are costlier, Central Coast Community Energy has a grant program that would fund the cost difference between a diesel and electric sweeper, up to a maximum of \$200,000. A net of \$350,000 is budgeted for the sweeper purchase. While electric sweepers would be preferred, a disadvantage would be to charge up the sweeper overnight at electric vehicle charging stations until a more powerful, commercial-grade vehicle charger could be installed at the Public Works Yard.

Radios Lease (Year 2): Twenty-two (22) Police radios were leased starting last year to replace the prior, hand-held radios that were past their useful life. The radios are leased/purchased at \$30,000 per year for a total of six (6) years. FY 2022/23 marks the second year of the six-year lease. The Police and Finance Departments will coordinate this project.

Table 2: FY 22-23 Adopted Capital Projects and Funding Source

In addition, funding for various other capital projects total \$4.34 million. The funding sources include Measure C revenue as well as transportation-related revenues and project specific grants. (See **Table 2**, FY 22-23 Adopted Capital Projects and Funding Source, located on the following pages.) Project descriptions follow the table explain the nature and background of each.

The Adopted Budget proposes the use of available fund balances that have resulted from prior period savings and the postponements of capital projects during pandemic shutdowns and staffing shortages. Table 2 has identified these projects that have been deferred and remain in need of attention. The tally and identification of these projects is directly related to the budget strategy taken this year in the attempt to "catch-up" for maintenance unavoidably foregone. This use of fund balances as Adopted in the FY 22-23 Adopted Budget leaves policy reserves intact and is directly related to this one-year extended level of capital spending.

As we look beyond FY 22-23 into the five-year CIP plan, it becomes apparent that the level of CIP expenditures Adopted this year cannot be maintained in the long term. Although the five-year plan does its job in articulating the physical project needs it also tells us that the City is faced with more capital needs than it can

afford. This is true even if capacity resources are at full strength. Hence, priorities and limits will need to be set in navigating a sound fiscal plan in the longer term.

Capital Projects Fund				
Fund 301 Account 43008				
Strategic Priority	Category	Description	FY 22.23 Adopted	Funding Source
Grants	Streets	Paving Project -Concrete Street Repairs	\$ 15,300	General Fund/RSTIP
Grants	Streets	Paving Project -Concrete Street Repairs	563,700	General Fund/Hostelry
Grants	Streets	Paving Project -Concrete Street Repairs	426,000	TAMC: Gas Tax, RMRHA
Grants Streets			1,005,000	
Grants	Drainage	MTNP 3 Stream/Drainage Projects - Construction	25,000	Measure C (Match)
Grants	Drainage	MTNP 3 Stream/Drainage Projects - Construction	117,000	Parks Per Capita Grant
CIP Planning	Drainage	Drainage Design Bottlenecks & Spot Repairs -Design Phase II	500,000	Measure C
CIP Planning	Facilities	Facilities Component Inspections	85,000	Measure C
Public Safety	Facilities	Police Facility Renovation - Additional Scope	1,300,000	Measure C
Public Safety	Facilities	ADA Upgrades	15,000	Measure C
Resilience	Facilities	Resilience Infrastructure Pilot Design	85,000	Measure C
Resilience	Facilities	Electrical Panel Upgrade Design	75,000	Measure C
Resilience	Frst/Parks/Bch	Coastal Engineering Report	150,000	Measure C
Resilience	Frst/Parks/Bch	North Dunes Restoration/Split Rail Fence/Signage	10,000	Measure C
Resilience	Frst/Parks/Bch	North Dunes Restoration/Split Rail Fence/Signage	25,000	Donation
Resilience	IT/Planning	Public Access Property Records (Yr 2)	67,000	Measure C
Resilience	IT/Planning	HML Generator	60,000	Measure C
Resilience	IT/Planning	UPS Power Back-UP Systems	20,000	Measure C
Deferred Maint	Facilities	HML Exterior and Interior Painting	200,000	Measure C
Deferred Maint	Facilities	HML Carpet Replacement	100,000	Measure C
Deferred Maint	Facilities	Sunset Center Haz Mat Remediation and Exterior Painting	150,000	Measure C
Deferred Maint	Facilities	Sunset Center Cottage Windows	105,000	Measure C
Deferred Maint	Facilities	City Hall Roof Replacement	100,000	Measure C
Deferred Maint	Facilities	City Hall Retaining Wall Repair	100,000	Measure C
Deferred Maint	Facilities	Vista Lobos Interior Remodel Design [New]	25,000	Measure C
Deferred Maint	Frst/Parks/Bch	Beautification Projects	25,000	Measure C
Deferred Maintenance			805,000	
Total			\$ 4,344,000	

Grants:

Concrete Street Repairs: This project includes the repair of concrete street segments, including Ocean Avenue between Monte Verde Street and San Antonio Avenue, plus the intersections of Ocean Avenue at San Antonio, San Carlos Street and Fifth Avenue, San Carlos and Sixth Avenue, and a curb bulb-out and ADA ramp on the east side of Junipero Street across from Seventh Avenue. Public Works initially identified this project based on the Street Saver Pavement Management System and recommends focusing one full funding cycle strictly on concrete street repairs for cost-effectiveness. This project is partially funded by State Gas Tax and TAMC transit taxes.

Mission Trails Nature Preserve (MTNP) Stream Stability Projects – Construction: This project is the construction phase of the first three (3) of eight (8) stream restoration and erosion control measures Adopted by the Mission Trail Nature Preserve Stream Stability Study. The project is largely funded by a California State Parks Per Capita Grant. In FY 2021/22, the City retained engineering and environmental consultants to design and obtain environmental permits for the project. The project will continue to be managed by the Environmental Compliance Manager.

CIP Planning:

Drainage System Repair Design, Phase II: This project, which is part of a multi-year drainage improvement program, would allocate an additional \$500,000 to continue the development of drainage system improvement plans to fix the highest and moderate priority broken pipes and bottlenecks, based on the findings of the Drainage Master Plan. This funding would supplement the Drainage System Repairs – Design project carryover funds from FY 2021/22. Nearly \$7.5 million will be needed to complete the highest and moderate priority repairs. A request for Statements of Qualifications has been posted to hire a consultant to design this project. A PM is needed to implement this project.

Facilities Component Inspections: This project would be a follow-up to the cursory Facilities Assessment conducted in 2013 and would include ASTM E 2018-5 or similar property condition assessments for City Hall, Fire Station, Public Works, and Vista Lobos facilities by qualified engineers and architects. Reports would include detailed specifics on building infrastructure along with any noted deficiencies and their associated estimated costs. A project manager is needed to implement this project.

Public Safety:

Police Renovation Additional Scope: The additional cost for the expanded project scope (beyond the \$2 million carryover amount), including locker room modernization, public report taking area, an Emergency Operations Center (EOC)/community meeting room, and EV charging infrastructure, would be \$1.3 million. This added project scope may trigger additional code-required improvements, including a fire sprinkler system, additional ADA facilities, seismic upgrades, and/or replacement of electrical wiring. Since the scope of these additional improvements, if required, is premature to determine at this time, staff recommends that the \$1.3 million budget be maintained. As the design proceeds the could evolve into two phases, with the first phase of the project as previously bid (with minor updates) and a second phase to include the new EOC, locker rooms, report taking area, EV charging station, and any code-triggered, building-wide upgrades. An architectural consultant has been evaluating these changes and developing budgetary cost estimates for the City's benefit, but they are not yet under contract to commence work. A PM is needed to recommence this increasingly complex, but urgently needed project.

ADA Upgrades, Year 5: Funding should continue to be programmed each year to demonstrate good faith efforts to address disability obstacles across the City. Year 5 would continue with in-house and vendor upgrades to water fountains, bathroom facilities, signage, and railings as specified in the ADA Transition Plan. A budget of \$15,000 is Adopted and this program will continue to be managed by the Facilities Maintenance Supervisor.

Resilience:

Resilience Infrastructure Pilot Project Planning and Design: In accordance with the recommendations of the Climate Adaptation Plan, this pilot project involves developing a feasibility analysis and engineering plans for sustainable backup power to provide continued operations of critical facilities at the Police, Public Works, and Youth Center community emergency hub, and potentially tie in the Vista Lobos facility, in the event of an extended power outage. Currently, the first three buildings are backed up by an above-ground diesel powered backup generator. However, diesel may become more difficult to obtain in extended emergencies, and health and safety regulations may make the above ground tanks an environmental liability into the future. This project will need to be coordinated with the electrical panel upgrades Adopted at some of these locations (as described in the project below), and it may be beneficial to combine the project using one consultant and one PM. Additionally, the Police Building being a mission critical facility, may require a combination of an alternative energy backup system with that of a conventional generator backup system to avert power interruptions that would otherwise have a severe impact on operations. This project could be expanded at some point to include City Hall and/or other City buildings. Grants may partially cover the cost of implementation. The budget for this

first planning and design phase of the project is \$85,000. A request for Statements of Qualifications has been posted to hire a consultant to design this project. A PM is needed to implement this project.

Electrical Panel Upgrades for City Hall, Public Works, Sunset Center, and Vista Lobos Facilities:

Despite some reduced loads on existing electrical panels due to the installation of numerous LED lights and energy-efficient HVAC equipment over the past few years, electrical panels at these facilities are at capacity and in some cases, circuits trip with small additional loads. Upgrades are necessary for these facilities to accommodate more computer equipment, increased staffing, new/additional electric vehicle chargers to allow the progressive replacement of the existing fleet with electric vehicles, and to accommodate future needs. The PG&E power conductors to these electrical panels may also need to be enlarged to handle the higher projected loads. Before the panels can be upgraded, a study is necessary to determine: a) the existing electrical capacity available at each location, b) PG&E and building code requirements, and c) current and anticipated future electrical loads. The cost to perform such a study along with PG&E's design review cost of \$5k per site is estimated to be \$75,000. A request for Statements of Qualifications has been posted to hire a consultant to evaluate this project. A PM is needed to implement this project.

Sea Level Rise/Coastal Engineering Report: This report has been identified by the Climate Committee as a critical document for sea level rise resilience planning. This report will ensure the City has the information and tools necessary to make decisions related to the long-term durability and maintenance needs of our coastal resources and infrastructure. For efficiency, this project would be combined with the Beach Sand Survey and Wall Inspections project, a FY 2021/22 carry-over project. A consultant would be needed with an estimated fee of \$150,000. Staff is researching whether grant opportunities can be leveraged to fund this project. A request for Statements of Qualifications has been posted to hire a consultant to execute this, and many other projects. The Environmental Compliance Manager will manage this project.

North Dunes Habitat Restoration Project (Year 7): Significant habitat improvements have been made at the North Dunes in recent years by removing invasive trees, non-native plants, ice plant, planting native dune vegetation, installing post and cable fencing, and other restoration actions. The progress on the restoration project should be maintained by continuing to fund restoration activities and biological monitoring and reporting. The cost to maintain restoration activities and monitoring is \$10,000. Staff will seek grant funding, donations, and/or additional volunteer labor donations to continue additional enhancements, including new interpretive signage and/or split rail border fencing. The Environmental Compliance Manager will continue to manage this project.

Public Access Property Records and GIS (Phase 2): The Community Planning and Building Department retained a consultant in FY2021/22 to digitize the City's vast property files, to link those records to the City's existing online GIS portal, and to incorporate additional data layers into the GIS. The project was split into two years with \$66,250 budgeted in FY 2021/22, and \$67,000 Adopted for FY 2022/23 to complete the project. Once complete, this project will significantly increase public access to the City's property records while reducing staff time spent on fulfilling records requests. The Community Planning and Building Director will continue to manage this project.

Backup Generator at the Harrison Memorial Library: Preliminary quotes were received for a new generator to predominantly backup the IT servers and essential equipment in the lower level of the library. This has proven to be a tricky project as there is limited outdoor space available for the generator, which has restricted progress to date. The quotes were under \$60,000. It is Adopted that the implementation of this project be conducted in coordination with the Resilience Infrastructure Planning and Design Project and managed by the same PM.

Uninterrupted Power Supply System: An estimate of \$20,000 is needed to protect our computer systems and secure the City's data from power disruptions. The IT Manager will manage this project.

Deferred Maintenance:

Harrison Memorial Library Exterior and Interior Painting: This project and the following project (carpet replacement) for the Harrison Memorial Library could be considered a "package deal." A City investment of \$100,000 to paint the exterior of the library, \$100,000 to paint the interior, (combined \$200,000) and another \$100,000 to replace all of the carpeting, would satisfy the City's deferred and ongoing maintenance obligation for this historic building. This \$300,000 total investment by the City would likely leverage significant private donations to the library for extensive interior renovations, including shelving, furniture, lighting, and other upgrades. A request for Statements of Qualifications has been posted to hire a consultant to design this project. A PM is needed for this project.

Harrison Memorial Library Carpet Replacement: This project, along with the interior and exterior painting project described above, would satisfy the City's ongoing maintenance obligation for this historic building. The carpet replacement cost estimate is \$100,000. This project should not commence until the FY 2021/22 carry-over Libraries Master Plan project is completed so that no carpeting will have to be redone for any proposed remodels. However, the carpet specifications should be prepared concurrently during the design of the exterior and interior painting project above. The PM assigned to the painting project will also oversee this carpet replacement project.

Sunset Center Hazardous Materials Remediation and Exterior Painting: The exterior of Sunset Center has not been painted in many decades. As part of a recently-completed FY 2021/22 project, paint and window casing samples were tested for hazardous materials. Hazardous material remediation and repair of some of the windows was planned for FY 2021/22; however, the funding was re-appropriated for an emergency replacement of the HVAC Controller necessary for the continued operation of the theatre facilities. Asbestos was noted in only a few locations; however, lead was present in the paint in nearly all cases. Without further testing, we can no longer assume that the lead paint can be encapsulated in place, rather costlier remediation/removal of the existing paint will likely be necessary prior to new painting. This project cost would include hiring a consultant to prepare performance specifications for the lead remediation and exterior painting, and hiring a contractor to do the remediation and painting in the field. It is premature to determine the extent to which the Adopted budget of \$150,000 will go, but future phases may be necessary. A request for Statements of Qualifications has been posted to hire a consultant to design this project. A PM is needed to implement this project.

Sunset Center Cottage Window Repairs: This project is a companion project to the Sunset Center Hazardous Materials Remediation and Exterior Painting Project above. This project would be to remediate asbestos and lead paint around the windows of the Sunset Center Cottages, and repair or replace the imminently-failing windows. Consultant-prepared performance specifications prepared for the above project, and the PM for the above project, should also perform these services for this related project, for efficiency. The project cost estimate for the Cottage Windows is \$105,000.

City Hall Roof Replacement: The City Hall roof was last replaced in 1984 and is approximately 15-years past its warranty. Roof leaks have been increasing and repaired by contractors, or staff, over the past few years as the roof progressively deteriorates. Based on a budgetary quote, the cost for this project is \$100,000. A PM is needed for this project.

City Hall Retaining Wall Emergency Repair: This new, unanticipated project is identified as a high-priority emergency repair for the planter retaining wall on the south side of the City Hall building. The planter retaining wall not only supports the planter box but is also a structural element of the building wall and foundation. A structural repair plan is underway, but the cost for this project is unknown at this time. At this time, \$100,000 is Adopted for repairs. The project design is being overseen by the Building Official, and a PM will be needed for bidding and construction of this project.

Vista Lobos Interior Remodel Design: Several City departments have severe shortages of suitable workspace for existing staff, let alone new recruits. This adopted project would involve designing the remodel of the community room at Vista Lobos to be converted into staff workspaces (modular offices) after renovation,

if funded in the subsequent FY 2023/24. Due to the urgent need of office space, this remodel would be limited to just the community room and kitchenette area, not the entire building. The community room needs new insulation, interior lighting, HVAC system, partition walls and door for a small meeting room, sheetrock, and painting. The main roof support beams may need to be structurally tied to the support columns. The cost to design this limited remodel is estimated to be \$25,000. A request for Statements of Qualifications has been posted to hire a consultant to design this project. A PM is needed to implement this project.

Beautification Projects: The City has been working collaboratively for years with several community organizations such as Carmel Cares, Friends of the Forest, Friends of Mission Trail Nature Preserve, the Garden Club, and others to rectify deferred landscape maintenance and improve and beautify public spaces throughout the City. The purpose of this \$25,000 project would be fund and provide materials and supplies, and potentially limited contracted landscape services, to support beautification projects and similar, volunteer-led efforts across the City. This Beautification Project will be managed by the City Forester supported by the Volunteer Coordinator.

Key Projects and Funding Needs for the Subsequent Four (4) Fiscal Years, to be included as an Exhibit in the Budget as a 5-year Capital Improvement Plan (CIP)

A preliminary 5-year Capital Improvement Plan has been developed. Although only the first fiscal year (2022/23) would be funded as part of the City Budget, the remaining years serve as a planning tool to identify, well in advance, anticipated future projects. The 5-year CIP is a “snap shot” in time of anticipated needs for future infrastructure revitalization funding in the outer years.

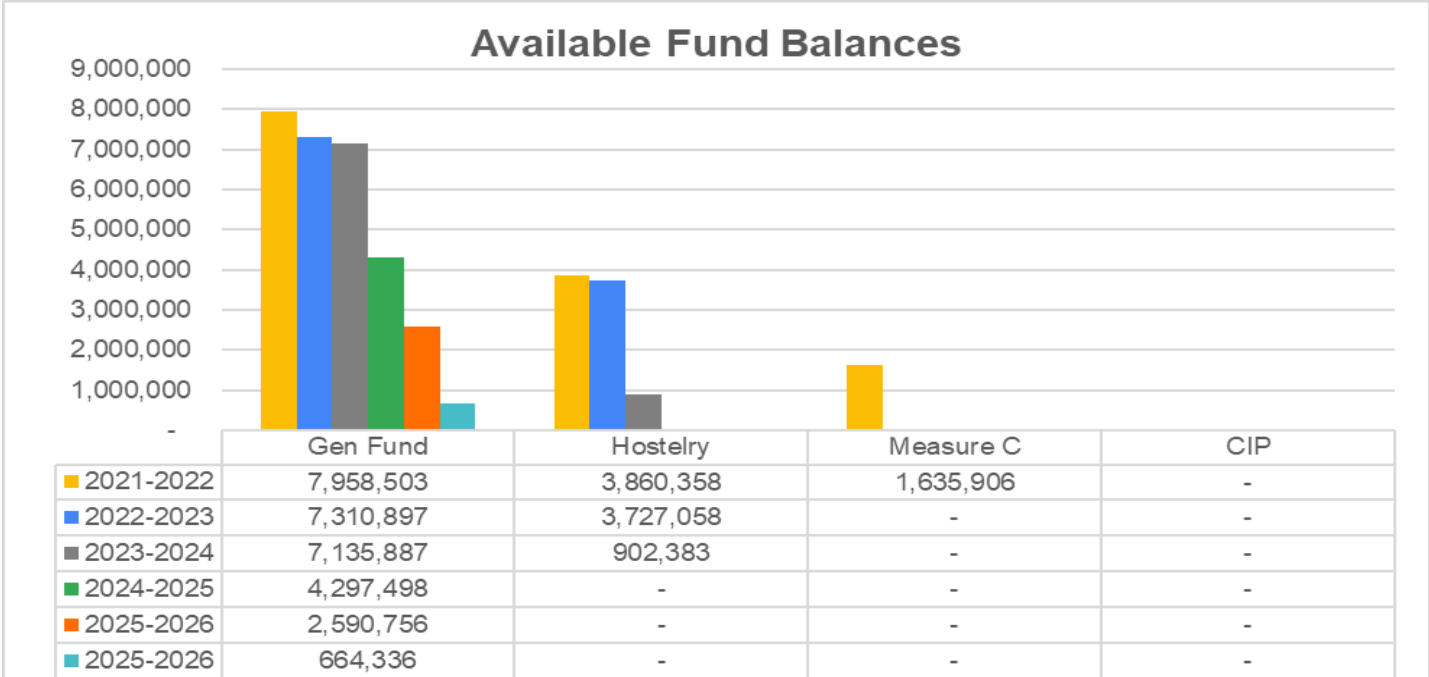
As a dynamic planning document, the CIP for Years 2-5 is subject to change as updated information becomes available. Staff suggests that this year, should this 5-Year CIP be accepted by Council, staff could post this document on the City’s website.

The following are major projects, by asset category, and ballpark budget estimates (including probable grants), for Years 2-5:

- **Drainage:** pipe repairs, bottleneck reconfigurations, outfall repairs, and CDS design = \$1.8 million
- **Streets:** paving, sidewalk repairs, parking lot repairs, and bike routes = \$4.0 million
- **Facilities:** building repairs, renovations, resilience upgrades, equipment replacement = \$3.9 million
- **Forest, Parks, Beach:** beach wall stabilizations, MTNP and N. Dunes projects = \$1.8 million
- **Fleet:** outdated heavy equipment and vehicle replacements, electric vehicles = \$1.2 million
- **Environmental:** climate change improvements, program development = \$195k
- **IT:** equipment replacements, security upgrades, PD records, and GIS expansion = \$430k
- **Libraries:** renovations per master plan, roof replacement = \$600k

The grand total estimate of \$13.9 million (the four-year term yr. 2 through yr. 5) clearly exceeds anticipated revenues and fund balance availability for projects in those future years. Since the noted infrastructure above will not repair itself and will simply continue to decline without adequate funding, additional revenue should be evaluated. **Table 3** below, developed from a financial forecast, graphically represents how the Five-Year CIP would significantly draw upon available fund balances assuming the identified level of capital expenditures progress without alternative funding sources. Although important policy reserves would be preserved, the City would deplete its fund balance cushion taking away its ability to be nimble in the face of uncertainty and economic recession or crisis.

Table 3: Five Year Budget/CIP Fiscal Forecast



* This chart assumes the execution of all capital expenditures (Over \$19 million in the five-year term including FY 22-23) as outlined in the five-year CIP as the budget progresses with normalized revenue growth and operating cost parameters being closely controlled at prudent levels. This presumes the non-occurrence of another COVID or COVID like event and a steady state economy. This also presumes no additionally added revenue sources and/or debt financing.

**DEBT SERVICE
(FUND 401)**

DEBT SERVICE

Description: Fund 401

Debt service includes payments for the Next Generation Radio Project, the Sunset Center, and the Pension Obligation bonds. These payments total \$878,000 as shown in Table 1, *FY 22-23 Debt Service*, below.

Countywide Radio Project: On April 7, 2009, City Council authorized the City’s participation in the Countywide Monterey County Next Generation Radio project (NGEN), including approving a pro-rata share of infrastructure costs and debt financing. The purpose of the project was to enhance communication among public safety agencies. The Certificate of Participation (COP), issued for \$381,440, matures on June 30, 2023.

2020 Refunding Lease Revenue Bonds: On September 10, 2010, City Council approved the issuance and sale of certificates to finance improvements at the Sunset Center (the Sunset Theater Project), including the refinancing of the City’s lease payment obligation related to the preliminary financing of the Sunset Center (the 2010 Refunding Lease Revenue Bond). The COP of approximately \$7.6 million included a maturity date of November 1, 2031. On September 3, 2020, the Public Improvement Authority and City Council determined that a refunding of the 2010 Bond was in the City’s best interest to take advantage of historically low interest rates and to achieve cash flow savings in light of the economic impact of COVID-19 on the City’s revenues. The 2020 Refunding Lease Revenue Bond of approximately \$3.9 million matures on November 1, 2032. As part of the refinancing, the City will make significantly lower interest only payments in FY 22-23; however, payments will increase to approximately \$500,000 annually beginning in FY 23-24.

2012 Taxable Pension Obligation Bonds: In 2003, the City’s pension plans were pooled with other small cities and agencies and the California Public Employees Retirement System (CalPERS) estimated that the pension liabilities of the City’s two pension plans exceeded the plans’ assets by approximately \$6 million. CalPERS sought to realign assets with liabilities and created the “side fund.” On July 3, 2012, the City Council authorized the issuance of pension obligation bonds to refinance the City’s side fund obligations to CalPERS. The COP of approximately \$6.3 million matures on June 1, 2023.

Table 1: FY 22-23 City Total Debt Service

Debt Service: Total				
Account Number	Account Description	FY21-22 Amended Budget	FY21-22 Estimated Actual	FY22-23 Adopted
401-411-00-44001	Principal	\$677,110	\$677,110	\$696,423
401-411-00-44002	Interest	200,546	200,546	176,880
401-411-00-44003	Administrative Fees	5,000	5,000	5,000
Total		\$882,656	\$882,656	\$878,303

Table 2: FY 22-23 Debt Service by Bond

Debt Service: by Bond				
Bond	Principal	Interest	Admin. Fee	Total
NGEN Radio	\$16,423	\$0	\$0	\$16,423
Sunset Center	-	155,800	2,500	158,300
Pension Obligation	680,000	21,080	2,500	703,580
Total	\$696,423	\$176,880	\$5,000	\$878,303

Funding Sources

General Fund revenues are the source of funding for debt service payments. The General Fund (Fund 101) will transfer \$878,000 to Debt Service (Fund 401) in FY 22-23.

OTHER FUNDS

FUNDS

Description

The City uses a fund accounting structure, which is an accounting structure to record and track resources that are limited in use by law or governing agency. The major governmental funds are the General Fund, Measure D and Capital Projects. The first set of funds listed below are discretionary, meaning there are no legal or policy-related restrictions on their use and can be used at the discretion of Council for services and projects.

General Fund (Fund 101)

Most of the City's revenues and the expenditure budgets for City services and daily governmental operations are housed within the General Fund (Fund 101) and this is where the majority of the City's financial activity occurs. The major revenue sources associated with the General Fund include property tax, the City's share of the statewide sales and use tax, charges for services, franchise fees, business tax, and intergovernmental revenue. These revenues are considered to be general in nature. Throughout this budget document the General Fund is also referred to as the Operating Budget and City policy recommends a 15% Reserve.

Hostelry Fund (102)

This fund is used to account for the transient occupancy tax and is intended to fund the portion of the municipal budget covering community and cultural and recreation activities including but not limited to Sunset Center and the Forest Theater, parks, public facilities and municipal structures, and parking lots; acquisition and improvement of parks, recreation land and other municipal purposes as determined from time to time by the City Council; provided, that all such uses shall be in accordance with the General Plan of the City and General Fund for usual and current expenses. City financial policy recommends a reserve of 10% of revenues.

Measure C Sales Tax (Fund 206)

Carmel voters approved a temporary (10 year) 1% increase in the transactions and use tax in 2012 known as Measure D. On March 3, 2020, voters approved Measure C, which increases the tax to 1.5% for 20 years. Measure C may be used for debt service, capital projects and general City services.

The next set of funds are restricted as there are requirements prescribed by the local, state or federal governmental agencies regarding how these funds may be used.

Gas Tax (Fund 201)

This fund is used to account for revenues collected in accordance with California Streets and Highway Code.

Transportation Safety (Fund 202)

Measure X, a 30 year 3/8 of one-percent transactions and use tax, was passed by the voters in November 2016 to fund transportation safety and mobility projects in Monterey County. This fund accounts for the expenditures for eligible transportation safety projects.

COPS Grant

This fund accounts for the expenditures for the Department of Justice Community Oriented Policing Services (COPS) grant for public safety. This fund transfers into the General Fund for the Police Department budget.

Parking in Lieu (Fund 204)

This fund is used to account for activities associated with parking in-lieu fees as prescribed by Carmel Municipal Code Section 17.38.040.

Asset Seizure (Fund 205)

This fund accounts for expenditures related to asset seizures.

FUNDS

The next two funds pertain to certain types of expenditures.

Capital Projects (Fund 301)

This fund accounts for resources utilized, committed, assigned or restricted for capital projects.

Debt Service (Fund 401)

This fund accounts for activities related to the repayment of the Certificate of Participation, Pension Obligation Bond and capital lease obligations.

The next set of funds are considered to be internal service funds.

Workers Compensation (Fund 501)

This fund accounts for workers' compensation insurance provided to departments on a cost reimbursement basis.

Other Post-Employment Benefits (OPEB) Liability Reserve Fund

This fund accounts for other post-employment benefits.

Vehicle and Equipment Replacement Fund

This fund is to set aside financial resources for future purchases of replacement equipment essential to the operations of the City.

There is one agency fund.

Refundable Deposits

This fund accounts for monies received that are unearned and required to be returned by the City.

The accompanying tables depicts the Projected Fund Balance for FY 21-22 and FY 22-23.

General Fund

The General Fund is estimated to start FY 22-23 with a fund balance of \$11.3 million and end with \$11.3 million on June 30, 2023 due to the General Fund budget being balanced with the use of estimated new revenue and transfers in from other funds, such as the Hostelry Fund. Fund balance is the accumulation of prior years' savings and may also be considered a "rainy day fund". Carmel Municipal Code Section 3.06.040 states that the City shall maintain a General Fund balance equivalent to at least 15% of the General Fund budget in each fiscal year and this is referred to as the reserve. A reserve may be considered as a minimum amount of savings that the City has available for emergency or other purposes.

Hostelry Fund

FY 22-23 assumes \$6.7 million in new revenue that will be transferred to the General Fund to support citywide operations.

Gas Tax (Fund 201)

Revenue of \$209,200 is anticipated in FY 22-23 to be transferred to Capital Projects for street paving.

FUNDS

Transportation Safety (Fund 202)

Revenue of \$202,100 is anticipated in FY 22-23 to be transferred to Capital Projects for street paving.

COPS Grant

Revenue of \$158,000 is anticipated in FY 22-23 and will be transferred to the General Fund for Police Department salaries for eligible positions.

Parking in Lieu (Fund 204)

There is no activity budgeted in this fund for FY 22-23.

Asset Seizure (Fund 205)

There is no activity budgeted in this fund for FY22-23.

Measure C Sales Tax (Fund 206)

Measure C has a projected fund balance of \$1.6 million as of 7/1/22. The FY 22-23 projected revenue of \$5.7 million will be transferred to the General Fund (\$ 3.5 million), Capital Improvement Projects (\$3.6 million), and Vehicle & Equipment Replacement (\$285,000) There is no reserve requirement for Measure C.

Capital Projects (Fund 301)

This fund is projected to start and end FY 22-23 with \$265,487 due to anticipated activity being covered by new revenue and transfers in.

Debt Service (Fund 401)

The FY 22-23 debt service activity is \$878,000. Additional details on the bonds is found within the debt service section of this document. This fund includes a reserve required by the Sunset Center bond.

Workers Compensation (Fund 501)

The anticipated costs of claims payments, third party administrator services, and preventative costs are reflected in this fund. Previously, these expenses were accounted for in the General Fund. Based upon the auditor recommendation, they will be accounted for in this fund.

Other Post-Employment Benefits (OPEB) Liability Reserve Fund

This fund was created by Council resolution to set aside funding to address OPEB liabilities. There is no reserve requirement. There is \$1.8 million in the fund and no planned activity for FY 22-23.

Vehicle and Equipment Replacement Fund

The planned activity in this fund for FY 22-23 in the amount of \$685,000 will be covered by new revenue and transfers in.

PROJECTED FUND BALANCE

Projected Fund Balance June 30, 2022

Fund	Description	Audited Fund Balance June 2021	Revenue and Transfers In	Expenditures and Transfers Out	Proposed Fund Balance June 2022	Change in Fund Balance
101	General Fund	5,556,178	25,588,779	23,186,184	7,958,773	2,402,595
101	General Fund Reserve	3,198,332	120,698	-	3,319,030	120,698
101	General Fund Total	8,754,510	25,709,477	23,186,184	11,277,803	2,523,293
102	Hostelry	3,326,958	6,972,100	6,438,700	3,860,358	533,400
102	Hostelry Reserve	533,400	-	-	533,400	
102	Hostelry Total	3,860,358	6,972,100	6,438,700	4,393,758	
201	Gas Tax	212,823	167,400	306,564	73,659	(139,164)
202	Transportation Safety	237,709	250,600	319,000	169,309	(68,400)
203	COPS	55,866	154,600	154,600	55,866	-
204	Parking in Lieu	737,124	-	-	737,124	-
205	Asset Seizure	5,455	-	-	5,455	-
206	Local Measure Sales Tax	1,635,906	5,698,200	5,698,200	1,635,906	-
301	Capital Projects	539,863	2,953,676	3,228,052 *	265,487	(274,376)
401	Debt Service	393,133	882,656	882,656	393,133	-
501	Worker's Comp	(20,344)	68,144	47,800	-	20,344
502	OPEB Reserve	1,845,329	-	-	1,845,329	-
503	Veh & Eq Replacement	61,329	766,671	554,000 *	274,000	212,671
		18,319,061	43,623,524	40,815,756	21,126,829	2,807,768

* Includes carry-over projects

PROJECTED FUND BALANCE

Proposed Fund Balance June 30, 2023

Fund	Description	Estimated Fund Balance June 2022	Revenue and Transfers In	Expenditures and Transfers Out	Proposed Fund Balance June 2022	Change in Fund Balance
101	General Fund	7,958,503	26,357,100	27,004,709	7,310,894	(647,609)
101	General Fund Reserve	3,319,300	647,609		3,966,909	647,609
101	General Fund Total	11,277,803	27,004,709	27,004,709	11,277,803	-
102	Hostelry	3,860,358	6,533,700	6,667,000	3,727,058	(133,300)
102	Hostelry Reserve	533,400	133,300		666,700	133,300
102	Hostelry Total	3,860,358	6,667,000	6,667,000	4,393,758	-
201	Gas Tax	73,659	209,200	209,200	73,659	-
202	Transportation Safety	169,309	202,100	202,100	169,309	-
203	COPS	55,866	158,000	158,000	55,866	-
204	Parking in Lieu	737,124	-	-	737,124	-
205	Asset Seizure	5,455	-	-	5,455	-
206	Local Measure Sales Tax	1,635,906	5,721,000	7,356,906	-	(1,635,906)
301	Capital Projects	265,487	4,282,697	4,344,000	204,184	(61,303)
401	Debt Service	393,133	485,170	878,303	-	(393,133)
501	Worker's Comp	-	148,160	148,160	-	-
502	OPEB Reserve	1,845,329	-	-	1,845,329	-
503	Veh & Eq Replacement	274,000	680,000	685,000	269,000	(5,000)
		21,126,829	45,558,036	47,653,378	19,031,487	(2,095,342)



FINANCIAL AND BUDGET POLICIES

BUDGET POLICIES AND PROCEDURES

The budget process for the City of Carmel-by-the-Sea involves the citizens, City Council, and staff. Each person plays a critical role in the development of the budget for the upcoming year. The annual budget and operating plan balances the public service demands of the community with the fiscal resources of the City. It is intended to achieve the goals and objectives established by the City Council.

The goal of the City Administrator is to present a balanced budget to the City Council for review and adoption. A balanced budget is a budget in which sources meet or exceed uses. Available funding sources shall be at least equal to recommended appropriations. As a general rule, the year-end undesignated General Fund balance should not be used to fund ongoing operations.

As set in the Carmel Municipal Code prior to the beginning of each fiscal year, the City Council shall adopt a budget for expenditures and anticipated revenues. On or before February 15th of each year, the City Administrator will present to the City Council a proposed budget schedule. The City Administrator prepares and submits to the City Council a proposed operating and capital budget for the forthcoming fiscal year. The City Council shall adopt the budget by July 1st.

The City Administrator shall have the right to approve the transfer of appropriations within a departmental budget; however, no additional positions shall be created without the authorization of the City Council. All transfers of appropriations between departments or in regards to capital items or projects shall be approved by the City Council. The City Administrator shall be charged with the responsibility of controlling the expenditures for all departments in accordance with the approved budget. A report on current year revenues, expenditures and fund balances shall be maintained.

The accounts of the City are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balanced set of accounts. The minimum number of funds is maintained consistent with legal and managerial requirements. Annually appropriated budgets are legally adopted on a budgetary basis for the governmental fund types (General Fund, Special Revenue Fund, Debt Service Fund, and Capital Projects Fund) and are controlled on a fund and departmental level. These funds are used to account for most of the City's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified-accrual basis of accounting and budgeting. Expenditures are recognized as encumbrances when a commitment is made. Unencumbered appropriations lapse at year-end.

FINANCIAL POLICIES

The City of Carmel-by-the-Sea has strong financial policies that provide City Council direction to allow staff to provide sound fiscal planning and continued management of fiscal integrity. The financial policies are divided into five categories: Capital Budget Policies, Operating Management, Fund Balance Policy, Debt Policies, and Investment Policies. The City has financial policies that are adopted by the City Council with review every two years during the budget development process. The financial policies help ensure that the City maintains a healthy financial foundation into the future.

The goal of these policies is to promote:

- An extended financial planning horizon to increase awareness of future potential challenges and opportunities
- Setting aside reserves for contingencies, replacement of capital equipment, and other similar needs
- Maintaining the effective buying power of fees and charges and increasing cost recovery where directed to do so
- Accountability for meeting standards for financial management and efficiency in providing services
- Planning for the capital needs of the City
- Maintaining manageable levels of debt while furthering quality bond ratings
- Communication to residents and customers on how the community goals are being addressed

CAPITAL BUDGET POLICIES

The City develops an annual five-year plan for capital improvements; it includes project design, development, implementation, and operating and maintenance costs. Each project in the Capital Improvement Plan (CIP) shows the estimated capital and on-going maintenance costs, known and potential funding sources and a design/development schedule. As used in the CIP, projects include land acquisition, buildings and facilities construction; these projects do not have a cost threshold. A capital outlay (fixed asset) purchase is any single item or piece of equipment that costs more than \$10,000 and has an expected useful life exceeding one year. The development of the Capital Improvement Plan is coordinated with the development of the operating budget. The CIP is a planning document; the City Council appropriates funding for capital projects in the annual operating budget. Costs for professional services needed to implement the CIP are to be included in the appropriate year's operating budget.

Annual operating budgets should provide adequate funds for maintenance of the City's buildings and maintenance and replacement of the City's capital equipment. The City will make all capital improvements in accordance with an adopted and funded capital improvement program. Prior to ratification of the capital budget for the forthcoming year by the City Council, the Planning Commission shall review the capital improvement plan and shall advise the City Council as to its recommendations regarding the proposed capital projects in accordance with the Government Code.

Capital (Policy No. C94-01)

Capital expenditures shall be effectively planned and controlled.

Guidelines:

1. The level of capital improvement expenditures, excluding road maintenance program expenditures and lease payments, is established at three and one-half percent (3.5%) of total revenues.
2. Funding for the road maintenance program should improve the pavement condition index.
3. The City shall maintain a Five-Year Capital Improvement Program (CIP), which shall be updated at least annually as part of the budget review process.
4. The City shall annually establish a phasing calendar for capital improvement expenditures.
5. At least ten percent (10%) of the unrestricted funds designated for capital project expenditures shall be set aside for unanticipated expenditures.
6. The City shall conduct periodic reviews of property and facilities to determine the appropriate use and disposition of said property and facilities.

7. The City shall consider the ongoing impact of operations and maintenance expenses before undertaking any capital improvement expenditure.
8. The City shall maintain a capital reserve policy as described in the Reserve Policy.
9. Public participation in the Capital Improvement Program is a priority concern for the City.
10. All projects included in the Capital Improvement Plan shall be consistent with the City's General Plan.
11. Capital projects that are not encumbered or completed during the fiscal year are required to be rebudgeted to the next fiscal year and subsequently approved by the City Council. All rebudgeted capital projects should be so noted in the proposed budget.

OPERATING MANAGEMENT (Policy No. C94-01)

Operating revenues shall exceed operating expenditures.

Guidelines:

1. The annual operating budget shall contain a current surplus (or "revenue buffer") of at least five percent (5%) of projected expenditures.
2. A balanced budget is a budget in which total funding sources meet or exceed uses.
3. An appropriated City Discretionary Account of at least one-half of one percent (0.5%) of total projected General Fund expenditures shall be maintained.
4. Ongoing expenses shall not be funded with one-time revenues.
5. The City shall establish internal service funds for the repair, operation, and replacement of rolling stock and data processing equipment.
6. The level of capital outlay expenditures is established at three percent (3%) of total revenues.
7. The City shall annually establish a phasing calendar for capital outlay expenditures.
8. The City shall develop a five-year forecast of operating revenue and expenditures.
9. The City shall establish salary adjustments in conjunction with the budget process.
10. The City shall review the relationship between fees/charges and the cost of providing services at least every three years.
11. The City's fees and charges for services shall be adjusted annually, based upon the San Francisco-Oakland Consumer Price Index.
12. The City will seek to comply with suggested criteria of the Government Finance Officer's Association in producing a budget document that meets the Distinguished Budget Presentation criteria.

FUND BALANCE POLICY

The Fund Balance Policy is designed to develop standards for setting reserve levels for various, significant City funds. Adequate fund balance and reserve levels are a necessary component of the City's overall financial management strategy and a key factor in external agencies' measurement of the City's financial strength. The City shall maintain reserves at a prudent level, and shall use reserves appropriately with a focus on contributing to the reserves in good times and drawing on the reserves in times of difficult budget periods to maintain a consistent level of service and quality operations. Use of reserves are to supplement the annual budget.

Guidelines:

1. General Fund and Hostelry Fund reserves shall be maintained at no less than ten percent (10%) of their annual projected revenues.
2. The City shall maintain prudent reserves for identified liabilities
 - a. A Vehicle Replacement reserve will be maintained sufficient to replace vehicles and heavy equipment at the end of their useful lives, with the target being 10% of the total City fleet replacement value.
 - b. Technology equipment replacement reserves will be maintained sufficient to repair covered equipment and for replacement at the end of its useful life.
3. The City will maintain a long-term budget stability reserve consisting of any unassigned General Fund balance. When available, the year-end General Fund operating surplus will be dedicated to the long-term budget stability reserve.

4. A general capital reserve fund will be maintained with a targeted balance of 20% of the estimated total five-year capital improvement plan project expenditure. Net proceeds from the sale of City owned property will be dedicated to the general capital reserve. Funds in the general capital reserve will be allocated through the budget process for capital projects.
5. Reserves shall be used only for established purposes.
6. Depleted reserves shall be restored as soon as possible.
7. A minimum level for each of the reserve funds shall be established (see chart below).
8. The City shall maintain reserves required by law, ordinance and/or bond covenants.

DEBT POLICIES

The City considers the use of debt financing for one-time capital improvements that benefit the residents of Carmel-by-the-Sea when the term of the financing is no longer than the project life, and when specific resources are found to be sufficient to provide for the debt. Use of longterm debt is limited to capital projects or special projects or obligations that cannot be financed from current revenues. The City has traditionally kept annual debt service payments to less than 5% of the budget.

Use of Long-Term Debt Policy

The City recognizes that it may need to enter into long-term financial obligations to meet the demands of providing a high quality level of government services to our community. The following long-term debt policy sets the considerations for issuing debt and provides guidance in the timing and structuring of long-term debt commitments by the City.

General Practices:

1. The City will strive to maintain good relations with credit rating agencies, investors of the City's long-term financial obligations and those in the financial community that participate in the City's financings and demonstrate City officials are following a prescribed financial plan. The City also will strive to maintain and, if possible, improve its current AA+ bond rating in order to minimize borrowing costs and preserve access to credit. The City will follow a policy of full disclosure by communicating with bond rating agencies to inform them of the City's financial condition.
2. Bond issue proposals are to be accompanied by an analysis defining how the new issue, combined with current debt, impacts the City's debt capacity and conformance with City debt policies. Such analysis shall include identification of the funding source, an assessment of the ability to repay the obligation, the impact on the current budget, commitments to future budgets, maintenance and operational impact of the facility or asset and the impact on the City's credit rating, if any.
3. City Council must review such analysis, including existing debt level, ability to pay debt service, impact on City services, and make a finding that use of debt is appropriate.
4. Debt service costs (COP, Lease Purchase Agreements and other contractual debt that are backed by General Fund Operating Revenues) are not to exceed 25% of the City's General Fund operating revenues.
5. The City recognizes that it is of the utmost importance that elected and appointed City officials, and all others associated with the issuance of City debt, not only avoid the reality of a conflict of interest, but the appearance thereof as well. City officials must conduct themselves in a fashion consistent with the best interests of the City and taxpayers.
6. Bonds will be sold on a competitive basis unless it is in the best interest of the City to conduct a negotiated sale. Competitive sales will be the preferred method. Negotiated sales may occur when selling bonds for a defeasance of existing debt, for current or advanced refunding of debt, or for other appropriate reasons.

The City will consider the issuance of long-term obligations under the following conditions:

1. The City will use debt financing for one-time capital improvement projects and specific nonrecurring equipment purchases or refunding of existing liabilities, and only under the following circumstances:
 - a. When the project is included in the City's adopted five-year capital improvement program (CIP) and is in conformance with the City's adopted General Plan.
 - b. When the project is not included in the City's adopted five-year capital improvement program (CIP), but the project is an emerging critical need whose timing was not anticipated in the five-year capital improvement program, or it is a project mandated by State or Federal requirements.
 - c. When the project's useful life, or the projected service life of the equipment, will be equal to or exceed the term of the financing.
 - d. When there are designated General Fund revenues sufficient to service the debt, whether from project revenues, other specified and/or reserved resources, or infrastructure cost-sharing revenues.
 - e. Debt financing (other than tax and revenue anticipation notes) is not considered appropriate for any recurring purpose such as current operating and maintenance expenditures.
2. The City will follow all State and Federal regulations and requirements related to bonds and debt financing instruments regarding bond provisions, issuance, taxation and disclosure.
3. Costs incurred by the City, such as bond counsel and financial advisor fees, printing, underwriter's discount, and project design and construction costs, will be charged to the bond issue to the extent allowable by law.
4. The City will monitor compliance with bond covenants and adhere to federal arbitrage and disclosure regulations.
5. The City shall continually review outstanding obligations for opportunities to achieve debt service savings through refunding and shall pursue refinancing when economically feasible and advantageous.

Debt Limit

The City will keep outstanding debt within the limits prescribed by State of California statutes and at levels consistent with credit objectives. California Government Code provides that "a city may incur indebtedness for any municipal improvement requiring an expenditure greater than the amount allowed for it by the annual tax levy" (43602). A "city shall not incur an indebtedness for public improvements which exceeds in the aggregate 15 percent of the assessed value of all real and personal property of the city. Within the meaning of this section "indebtedness" means bonded indebtedness of the city payable from the proceeds of taxes levied upon taxable property in the city" (43605). The limit is relative to the principal amount of bonds sold and delivered (43606). The City of Carmel-by-the-Sea, Policy No C94-01 establishes "the City's debt shall not exceed predetermined levels." The guideline in that policy is that "the City's debt service level shall not exceed eight and one-fourth percent (8.25%) of total expenditures.

INVESTMENT POLICIES

This is a time to be particularly cautious. Municipal moneys not required for immediate expenditure will be invested. The City will maintain adequate cash availability and yield on invested idle funds while insuring that invested moneys are protected. The Carmel Municipal Code requires the City Administrator to prepare investment policies and guidelines for adoption by the City Council. The adopted investment policy follows.

INVESTMENT POLICY AND GUIDELINES

Policy

In accordance with the Municipal Code of the City of Carmel-by-the-Sea and under authority granted by the City Council, the City Treasurer is responsible for investing the unexpended cash in the City Treasury.

The investment of the City of Carmel-by-the-Sea funds is directed to the goals of safety, liquidity and yield, in that order. The authority governing investments for municipal government is set forth in the California Government Code, Sections 53601 through 53659.

The primary objective of the investment policy of the City of Carmel-by-the-Sea is SAFETY OF PRINCIPAL. Investments shall be placed in those securities as outlined by type and maturity sector in this document. Effective cash flow management and resulting cash investment practices are recognized as essential to good fiscal management and control. The City's portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and local law. Portfolio management requires continual analysis, and as a result the balance between the various investments and maturities may change in order to give the City of Carmel-by-the-Sea the optimum combination of necessary liquidity and optimal yield based on cash flow projections.

Scope

The investment policy applies to all financial assets of the City of Carmel-by-the-Sea as accounted for in the Annual Financial Report. Policy statements outlined in this document focus on the City of Carmel-by-the-Sea's pooled funds, but will also apply to all funds under the City Treasurer's control unless specifically exempted by statute or ordinance.

Prudence

The standard to be used by investment officials shall be that of a "prudent person" and shall be applied in the context of managing all aspects of the overall portfolio. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, direction 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.

It is the City's full intent, at the time of purchase, to hold all investments until maturity to insure the return of all invested principal dollars.

Safety

Safety of principal is the foremost objective of the City. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities default, broker-dealer default, or from erosion of the market value.

Liquidity

Historical cash flow trends are compared to current cash flow requirements on an ongoing basis in an effort to ensure that the City's investment portfolio will remain sufficiently liquid to enable the City to meet all reasonably anticipated operating requirements.

Yield

The investment portfolio should be designed to attain a market average rate of return through budgetary and economic cycles, consistent with the risk limitations, prudent investment principles and cash flow characteristics identified within the financial statements.

Performance Evaluation

Investment performance is continually monitored and evaluated by the City Treasurer. Investment performance statistics and activity reports are generated on a monthly basis for presentation to the City Administrator and City Council.

Delegation of Authority

For short-term investments, the Administrative Services Director has authority to make transfers to and from the City's Local Agency Investment Funds (LAIF) account in order to maximize interest earned and meet cash flow requirements. The transfers are made to and from the City's general checking account to the LAIF account, with a minimum balance maintained in the general checking account to meet daily cash requirements.

The City Treasurer is responsible for investment of all unexpended City funds as per California Government Code section 41000 et seq. The City Treasurer makes long-term investments after review and approval by the Administrative Services Director and the City Administrator.

Ethics and Conflict of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that conflicts with the proper execution of the investment program, or impairs their ability to make impartial investment decisions. Additionally, the City Treasurer and the members of the investment committee are required to annually file applicable financial disclosures as required by the Fair Political Practices Commission (FPPC).

Safekeeping of Securities

To protect against fraud, embezzlement, or losses caused by a collapse of an individual securities dealer, all securities owned by the City shall be held in safekeeping by a third party bank trust department, acting as an agent of the City under the terms of a custody agreement or PSA agreement (repurchase agreement collateral). The third party bank trust department must have safe keeping as a professional business line with expertise in this particular service area. All trades executed by a dealer will settle Delivery vs. Payment (DVP) through the City's safekeeping agent. Securities held in custody for the City shall be independently audited on an annual basis to verify investment holdings. All exceptions to this safekeeping policy must be approved by the City Treasurer in written form and included in quarterly reporting to the City Council.

Internal Control

Separation of functions between the City Treasurer's Office and the Administrative Services Department would be an ideal situation. Time and necessity, however, dictate a different approach. Due to the lack of personnel dedicated to the investment function alone, a proper balance must be maintained between Treasury activities and Administrative Services Department functions. The City Treasurer will make the appropriate arrangements to buy and sell securities that are deemed permissible by the Laws of the State of California as time permits. The Administrative Services Director and/or City Administrator will have the power as granted under the section titled Delegation of Authority in the absence of the City Treasurer. The City Administrator will have the authority to enter into agreements on securities so long as written policies set by the City Treasurer and State Legislature are followed.

The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts by the Administrative Services Director on a monthly basis. An independent analysis by an external auditor shall be conducted annually to review internal control, account activity, and compliance with government policies and procedures.

Reporting

The City Treasurer shall review and render monthly reports to the City Administrator and the City Council, which shall include the face amount of the cash investment, the classification of the investment, the name of the institution or entity, the rate of interest, the maturity date, and the current value and accrued interest to date due for all securities.

Qualified Broker/Dealers

The City shall transact business only with banks and broker/dealers that are properly licensed and in good standing. The Administrative Services Director and the City Treasurer shall investigate dealers who wish to do business with the City to determine if they are adequately capitalized and if they market securities appropriate to the City's needs.

The City Treasurer shall annually send a copy of the current investment policy to all broker/dealers approved to do business with the City. Confirmation of receipt of the City's policy by the broker/dealer shall be considered evidence that the broker/dealer understands the City's investment policies and intends to sell the City only appropriate investments authorized by this investment policy.

Collateral Requirements

Collateral is required for investments in certificates of deposit. In order to reduce market risk, the collateral level will be at least 110% of market value of principal and accrued interest.

In order to conform with the provisions of the Federal Bankruptcy Code that provide for liquidation of securities held as collateral, the only securities acceptable as collateral shall be certificates of deposit, commercial paper, eligible banker's acceptances, medium term notes or securities that are the direct obligations of, or are fully guaranteed as to principal and interest by, the United States or any agency of the United States.

Authorized Investments

Investment of City funds is governed by the California Government Code Sections 53600 et seq. Within the context of the limitations, the following investments are authorized as further limited herein:

- 1) United States Treasury Bills, Bonds, and Notes or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no percentage limitation of the portfolio that can be invested in this category, although a five-year maturity limitation is applicable but current market conditions and interest rate projections may call for shorter terms.
- 2) Local Agency Investment Fund (LAIF), which is a State of California managed investment pool, may be used up to the maximum permitted by the California State Law. LAIF is a demand account so no maturity limitation is required.

Investments detailed in items 3) are further restricted to percentage of the cost value of the portfolio in any one-issuer name to a maximum percentage of 15%. The total value invested in any one issuer shall not exceed 5% of the issuer's net worth. Again, a five-year maximum maturity is applicable unless further restricted by current policy. Market conditions should be evaluated as an important consideration and may indicate a shorter maturity.

3) Negotiable certificates of deposit issued by nationally or state chartered bank or state or federal savings institutions. Negotiable certificates of deposit shall be rated in a category of "A" or its equivalent or better by two Nationally Recognized Statistical Rating Organizations. Purchases of negotiable certificates of deposit may not exceed 30% of the total portfolio. A maturity limitation of up to five years is applicable after considered evaluation of the financial markets.

Ineligible investments are those that are not described herein, including, but not limited to, common stocks and long term (over five years maturity) notes, bonds, and time deposits, unless specifically allowed both by state law and City Council approval. It is noted that special circumstances may arise where these methods of investment may become necessary. When this becomes necessary, the City Council will be asked to take the appropriate action to ratify the means of investment necessary, provided that it is allowable by California Code.

Legislative Changes

Any State of California legislative actions that further restrict allowable maturities, investment type, or percentage allocations will supersede any of the material presented herein. In this case, the applicable law will become part and parcel of this investment policy.

Interest Earnings

All moneys earned and collected from investments authorized in this policy shall be allocated monthly to the General Fund and various special funds of the City that legally require interest proration or when City Council action dictates such proration. This distribution will be based on the cash balance in the fund as a percentage of the entire pooled portfolio.

Policy Review

The City of Carmel-by-the-Sea's investment policy shall be approved by resolution of the City Council. This investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and yield, and its relevance to current law and financial and economic trends. Any amendments to the policy, other than State and Federal laws that automatically supersede the relevant sections shall be forwarded to the City Council for approval by resolution.

APPROPRIATIONS LIMIT

**CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL**

RESOLUTION NO. 2022-047

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA
ADOPTING THE FISCAL YEAR 2022-2023 APPROPRIATIONS LIMIT**

WHEREAS, under Article XIIB of the State Constitution, public agencies are required to annually establish maximum appropriations limits referred to as the GANN limit (Limit); and

WHEREAS, since fiscal year 1991, the City is permitted to adjust its Limit in accordance with inflation and population adjustment factors; and

WHEREAS, the annual adjustment factors that were selected to calculate the Fiscal Year 2022-2023 Limit were the California per capita personal income adjustment factor of 1.0755 and the Carmel by the Sea population growth factor of 0.9826; and

WHEREAS, in accordance with California Government Code Section 7910, a notice of the public hearing was published in the Carmel Pine Cone on May 20, 2022; the documentation used in determining the Limit has been made available to the general public for fifteen days prior to the date of the adoption; and Council conducted a public hearing on the Limit on June 7, 2022;and

WHEREAS, the City may not appropriate any proceeds of taxes in excess of its Limit.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

1. Adopt the final calculation of the Appropriation Limit for Fiscal Year 2022-2023 as \$39,201,580, which is attached hereto as Exhibit A
2. Certify the Fiscal Year 2022-2023 Adopted Appropriations Subject-To-Limit of \$24,983,200 does not exceed the GANN limit, which is attached hereto as Exhibits A and B respectively.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 7th day of June 2022, by the following vote:

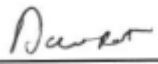
AYES: COUNCIL MEMBERS BARON, FERLITO, THEIS, MAYOR PRO TEM
RICHARDS, MAYOR POTTER

NOES: NONE

ABSENT: NONE


ABSTAIN: NONE

APPROVED:



Mayor Dave
Potter

ATTEST:



Yashin Abbas Interim
City Clerk

Exhibit A

City of Carmel-by-the-Sea Spending Limit Calculations Fiscal Year 2022-2023

Appropriations Subject to Limit

Fiscal Year 2022-2023 General Tax Revenues	\$	24,983,200
Less Non proceeds of Tax	\$	-
Total appropriations subject to limits	\$	24,983,200

Appropriations Limit

Fiscal Year 2021-2022 Appropriations limit	\$	37,094,607
Plus change factors		
A. Cost of Living adjustment/Per Capital Income		1.0755
B. Population Adjustment		0.9826
Total Change Factor		1.0568
Increase in appropriations limit	\$	2,106,974

Fiscal Year 2022-2023 Appropriations Limit

Fiscal Year 2022-2023 Appropriations Limit	\$	39,201,580
Remaining appropriations capacity	\$	14,218,380
Availability capacity as a percent of appropriations limit		36%

Exhibit B

**City of Carmel-by-the-Sea
Spending Limit Calculation
Fiscal Year 2022-2023**

Revenue Source	Fiscal Year 2022-2023 Budget
Property Tax	\$ 8,299,100
Sales and Use Tax	\$ 8,925,100
Transient Occupancy Tax	\$ 6,667,000
Business License Tax	\$ 540,800
Motor Vehicle in Lieu	\$ 551,200
Total Budgeted Tax Revenues	\$ 24,983,200

**APPENDIX A
FY 22-23
ADOPTED BUDGET**

**CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL**

RESOLUTION NO. 2022-048

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA
ADOPTING THE FISCAL YEAR 2022-2023 ANNUAL OPERATING AND CAPITAL BUDGET**

WHEREAS, on February 1, 2022, the City Council of the City of Carmel-by-the-Sea adopted the budget schedule for Fiscal Year 2022-2023 in accordance with Carmel Municipal Code Section 3.060.020; and

WHEREAS, the City Council held public meetings on the proposed Fiscal Year 2022-2023 capital projects and Five Year Capital Improvement Program on March 22, 2022 and May 3, 2022; and

WHEREAS, in accordance with Section 3.06.020 of the Carmel Municipal Code and Section 65103 of the State Government Code, the City's Planning Commission held a hearing on April 13, 2022 and determined that the Capital Improvement Program is consistent with the City's General Plan; and

WHEREAS, the City Council has received and completed its review of the proposed Fiscal Year 2022-2023 Operating and Capital Improvement Program Budgets during the budget hearing held on May 17, 2022 and gave general direction on the recommendations contained therein during a public meeting; and

WHEREAS, the City Council held a public hearing on June 7, 2022 for consideration of adoption of the proposed Fiscal Year 2022-2023 Operating and Capital Budget; and

WHEREAS the City's budget totals \$47,653,378 for Fiscal Year 2022-2023 consisting of appropriations, inter-fund transfers, General Fund expenditures of \$26,371,379, Capital expenditures of \$5,029,000 (Capital Projects and Vehicle and Equipment Funds), Debt Service expenditures of \$878,303 and Workers Compensation expenditures of \$148,160; and

WHEREAS the City's budgeted revenue totals \$45,558,036 for Fiscal Year 2022-2023, including General Fund revenue of \$16,693,700; and

WHEREAS, in accordance with Carmel Municipal Code Section 3.06.010, the City Council shall adopt a budget for expenditures and anticipated revenues prior to the beginning of the fiscal year and the City Council now desires to adopt the Operating and Capital Budgets for Fiscal Year 2022-2023.

**NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF
CARMEL-BY-THE-SEA DOES HEREBY:**

Authorize the City Administrator to make ministerial changes to budgeted transfers and adjust appropriations to or from designated funds for Fiscal Year 2021-2022 as necessary as part of the fiscal year-end process on June 30, 2022.

Approve and adopt the City of Carmel-by-the-Sea's Fiscal Year 2022-2023 Recommended Operating Budget and Capital Improvement Program Budget.

Authorize the City Administrator to make ministerial changes to budgeted transfers and adjust appropriations to or from designated funds as necessary during Fiscal Year 2022-2023.

Approve and adopt establishing the General Fund Reserve based upon fifteen percent (15%) of the General Fund Operating Expenditures for Fiscal Year 2022-2023.

A copy of the adopted budget, signed by the Mayor and attested to by the City Clerk, shall be kept on file with the City Clerk of the City of Carmel-by-the-Sea as the official budget of the City of Carmel-by-the-Sea for Fiscal Year 2022-2023.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 7th day of June, 2022, by the following vote:

AYES: COUNCIL MEMBERS BARON, FERLITO, THEIS, MAYOR PRO TEM
RICHARDS, MAYOR POTTER

NOES: NONE

ABSENT: NONE


ABSTAIN: NONE

APPROVED:

ATTEST:



Mayor Dave Potter



Yashin Abbas
Interim City Clerk

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
Revenue					
General Fund					
Taxes					
101-000- 00-31001	Property Taxes-Secured	6,693,438	7,003,336	7,415,200	7,647,600
00-31002	Property Taxes-Unsecured	252,299	256,120	312,760	268,900
00-31003	Property Tax-Unitary	68,801	73,123	80,200	76,800
00-31004	Property Transfer Tax	347,579	296,931	306,620	305,800
00-31006	Sales & Use Tax	3,008,121	2,454,109	3,185,410	3,190,300
00-31008	PS Sales Tax-Police	6,408	6,000	6,060	6,900
00-31009	PS Sales Tax-Fire	6,408	6,000	6,060	6,900
00-31010	Business License Tax	524,220	525,000	613,210	540,800
	Taxes Totals:	10,907,274	10,620,619	11,925,520	12,044,000
Franchise Fees					
101-000- 00-32001	Garbage Franchise	372,341	352,241	385,520	417,300
00-32002	Cable Franchise	166,058	164,162	176,480	164,200
00-32003	Gas & Electric Franchise	95,778	97,693	106,190	98,700
00-32004	Water Franchise	122,181	124,625	124,630	128,400
	Franchise Fees Totals:	756,358	738,721	792,820	808,600
Licenses and Permits					
101-000- 00-33001	Parking Stall Use Permit	15,275	15,000	285,900	24,800
00-33002	Parking Permits	11,755	9,500	9,500	9,500
00-33003	Passenger Transport Permits	12,030	25,000	25,000	35,000
	Licenses and Permits Totals:	39,060	49,500	320,400	69,300
Fines and Forfeitures					
101-000- 00-34001	Court Fines	12,159	15,000	4,350	11,300
00-34003	Property Damage/Restitution	8,200	0	1,000	0
00-34020	Other Fines & Forfeitures	41	0	100	0
	Fines and Forfeitures Totals:	20,400	15,000	5,450	11,300
Rev from Other Gov Agencies					
101-000- 00-35001	County CSA74	16,219	17,000	16,970	17,000
00-35003	Booking and Processing Fees	550	0	0	0
00-35004	POST Reimbursement	0	0	0	0
00-35005	Motor Vehicle In-Lieu	543,272	551,184	551,180	551,200
00-35006	Off Highway Tax	0	0	0	0
00-35007	HOPTR	27,540	27,540	27,540	27,500
00-35009	Other Rev frm oth Agencies	50,000	358,669	467,870	455,900
00-35010	Local Streets Roads-Prop 1B	0	0	0	0
00-35011	Grants	68,017	5,000	5,000	25,000
00-35012	RSTIP - TAMC	16,365	15,311	15,310	15,300
00-35013	Traffic Congestion Relief (42)	0	4,500	4,650	3,400
00-35014	Grants-Planning	0	290,000	0	320,000
	Rev from Other Gov Agencies Totals:	721,963	1,269,204	1,088,520	1,415,300
Charges for Svcs-Admin					
101-000- 00-34004	EV Charging Station	0	0	0	0
00-36101	Copy/Print/Mail/Recordings	0	0	0	0
00-36102	Admin Fee-CRID	2,891	2,359	4,320	2,400
00-36103	Bus License Administration Fee	33,276	39,221	30,340	39,200
00-36104	Bus License ADA-City Share	6,979	7,403	7,400	7,400
00-36105	Appeal Fees	14,785	8,981	8,980	9,000
00-36106	Research	1,339	476	0	0
00-36107	Returned Check Processing	155	119	120	100

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
00-36108	Admin Fees-TID/CHID	6,639	10,771	47,420	13,500
00-36109	Credit Card Processing Fee	17,065	12,431	12,430	12,400
00-36110	Business Lic Late Fee/Penalty	22,252	9,241	20,900	9,200
00-36111	Elections	150	0	0	0
00-36113	Prop Damage/Restitution	0	0	0	0
00-36120	Other Admin Revenue	0	0	0	0
	Charges for Srvc-Admin Totals:	105,530	91,002	131,910	93,200
	Charges for Srvc-Pub Safety				
101-000- 00-36201	Vehicle Impound	8,590	11,530	13,680	11,500
00-36202	Vehicle Abatement	0	0	0	0
00-36203	PD Reports/Disp Tapes/Photos	40	0	80	0
00-36204	False Alarms-Police	13,895	10,981	16,160	11,000
00-36205	Alarm Registration	19,455	19,229	19,230	19,200
00-36206	Fingerprinting Services	711	427	430	400
00-36207	Animal Impound/Transport	620	1,632	1,630	1,600
00-36208	Citation Sign Off	125	520	0	500
00-36211	Cost Recovery-DUI, Dist Peace	6,775	9,005	9,010	9,000
00-36212	Special Events	0	14,077	9,780	10,600
00-36214	Traffic Safety Citations	19,916	40,343	16,060	34,300
00-36217	Other Police Services	271	475	480	500
00-36219	Fire Inspection/Reinspection	24,401	22,367	17,100	22,400
00-36226	Ambulance Services	684,672	615,998	616,000	635,000
	Charges for Srvc-Pub Safety Totals:	779,471	746,584	719,640	756,000
	Charges for Srvc-Planning				
101-000- 00-36301	Planning Permits	319,038	209,367	229,350	240,800
00-36303	Zoning Review	(55)	0	0	0
00-36304	Certificate of Compliance	0	932	0	0
00-36309	Research	4,968	3,386	200	3,400
00-36311	Bus License Application Fee	7,810	9,187	9,190	9,200
00-36320	Other Planning Revenues	1,221	1,139	1,140	1,100
00-36412	Lot Merger	900	0	0	0
	Charges for Srvc-Planning Totals:	333,882	224,011	239,880	254,500
	Charges for Srvc-Building				
101-000- 00-36401	Building Permits	391,388	458,371	458,370	458,400
00-36402	Building Plan Check	296,859	334,848	334,850	334,800
00-36403	Inspections	10,005	27,438	7,730	27,400
00-36405	Encroachment Permits	78,351	104,687	86,210	104,700
00-36406	Sign/Banner Permits	8,245	5,954	6,050	6,000
00-36407	Bldg Standards Admin Fee	493	833	830	800
00-36409	Technical Surcharge	2,792	1,152	1,920	1,200
00-36411	General Plan Update Fee	11,425	2,082	20,960	0
	Charges for Srvc-Building Totals:	799,556	935,365	916,920	933,300
	Charges for Srvc-Code Enforce				
101-000- 00-36520	Other Code Enforce Charges	50	44	0	0
00-36601	Landscape Pln Chck/Inspections	2,160	2,055	2,430	2,100
00-36602	Bench Program	8,787	10,288	16,640	10,300
	Charges for Srvc-Code Enforce Totals:	10,997	12,387	19,070	12,400
	Charges for Srvc-PW/Forestry				
101-000- 00-36605	Tree Removal-Private	46,186	41,429	41,430	41,400
00-36608	Debris Fine	41	0	0	0
	Charges for Srvc-PW/Forestry Totals:	46,227	41,429	41,430	41,400

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
Charges for Srvc-Com Actvities					
101-000- 00-36701	Special Event Permit	1,500	8,892	10,050	8,900
00-36702	Facility Rental	125	5,950	5,950	6,000
00-36703	Sound/Film Permit	2,055	6,385	6,390	6,400
00-36704	Beach Permit	2,120	8,512	8,510	8,500
00-36705	Devendorf Park Permit	0	918	920	900
00-36706	Event Equipment	0	8,747	3,990	8,700
00-36707	Event Parking	26,920	25,557	25,560	25,600
00-36708	Event Staff	0	1,287	100	1,000
00-36710	Homecrafter's Marketplace	0	12,284	12,280	12,300
00-36720	Other Com Activities Rev	420	392	390	400
Charges for Srvc-Com Actvities Totals:		33,140	78,924	74,140	78,700
Interest & Investments					
101-000- 00-37001	Interest & Investment Earnings	26,791	25,000	330	27,500
00-37002	Cell Tower Lease Agreements	44,671	43,882	43,880	43,900
00-37004	Parking Lot Fees	66,422	54,583	54,580	56,800
00-37006	Gain or Loss on Sale of Assets	2,550	0	0	0
Interest & Investments Totals:		140,435	123,465	98,790	128,200
Miscellaneous					
101-000- 00-38001	Reimbursements	350	0.00	9,000	10,000
00-38020	Other Miscellaneous	38,539	25,000.00	77,870	37,500
Miscellaneous Totals:		38,889	25,000	86,870	47,500
Other					
101-000- 00-36230	Donations- Public Safety	17,000	0	0	0
00-36621	Donations- Public Works	108,451	0	1,100	0
Other Totals:		125,451	0	1,100	0
Transfers In					
101-000- 00-39002	Transfer In From: Hostelry Fund	2,488,198	5,333,562	5,333,562	6,667,000
00-39007	Transfer In From: COPS Grant	160,000	213,698	213,698	158,000
00-39012	Transfer In From: OPEB Reserve	0	79,980	79,980	0
00-39014	Transfer In From: Deposits Fund	0	65,000	65,000	0
00-39015	Transfer In From: Meas C	1,805,485	2,781,147	2,781,147	3,486,009
Transfers In Totals:		4,453,683	8,473,387	8,473,387	10,311,009
Total General Fund Revenue:		19,312,317	23,444,598	24,935,847	27,004,709
Expenditures					
General Fund					
101- 110 City Council					
Salaries and Wages					
101-110- 00-41008	Salaries -Elected	9,600	9,600	9,600	9,600
Salaries and Wages Totals:		9,600	9,600	9,600	9,600
Employee Benefits					
101-110- 00-41101	Retirement	85	83	83	80
00-41104	Health Insurance	33,984	39,710	35,216	36,899
00-41105	Social Security	394	484	484	484
00-41106	Medicare	118	139	139	139
00-41108	Worker's Comp	1,128	700	535	850
Employee Benefits Totals:		35,709	41,116	36,457	38,452

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
Outside Services					
101-110- 00-42005	Community Promotions	94,938	101,000	101,000	78,720
00-42007	Regional Memberships	46,550	46,405	46,405	47,655
Outside Services Totals:		141,488	147,405	147,405	126,375
Supplies and Materials					
101-110- 00-42101	Office Supplies	0	450	0	450
Supplies and Materials Totals:		0	450	0	450
Employee Development					
00-42302	Conferences & Meetings	0	8,350	3,500	8,350
Employee Development Totals:		0	8,350	3,500	8,350
City Council Totals:		186,797	206,921	196,962	183,227
111	City Administration				
Salaries and Wages					
101-111- 10-41001	Salaries	415,822	432,383	443,384	615,710
11-41001	Salaries	121,684	127,472	76,129	159,500
12-41001	Salaries	361,303	364,292	378,498	479,193
12-41003	Salaries -Part time	28,238	72,345	14,311	36,806
13-41001	Salaries	104,182	105,649	113,991	116,213
14-41001	Salaries	125,874	125,874	131,988	245,404
14-41003	Salaries -Part time	30,000	46,847	38,905	0
Salaries and Wages Totals:		1,187,102	1,274,862	1,197,206	1,652,826
Employee Benefits					
101-111- 10-41101	Retirement	27,498	28,837	29,016	38,019
10-41103	Deferred Compensation	16,541	29,300	32,036	30,600
10-41104	Health Insurance	47,248	54,642	53,141	102,988
10-41106	Medicare	5,787	6,270	6,177	8,928
10-41107	LTD/STD/Life	313	378	374	573
10-41108	Worker's Comp	28,958	21,386	16,330	25,935
10-41109	Benefits-MOU Obligations	0	1,040	867	0
11-41101	Retirement	7,044	7,005	1,391	8,980
11-41103	Deferred Compensation	4,800	2,400	1,000	2,400
11-41104	Health Insurance	8,127	1,355	1,173	23,806
11-41105	Social Security	0	0	1,986	0
11-41106	Medicare	1,815	1,848	1,117	2,313
11-41107	LTD/STD/Life	130	129	32	129
11-41110	Unemployment	0	0	0	0
12-41101	Retirement	22,559	22,203	20,370	28,682
12-41103	Deferred Compensation	9,395	9,408	7,841	6,000
12-41104	Health Insurance	44,816	51,100	46,275	77,270
12-41106	Medicare	5,499	5,804	5,538	7,482
12-41107	LTD/STD/Life	443	442	414	573
12-41109	Benefits-MOU Obligations	2,080	2,080	2,080	2,080
13-41101	Retirement	4,941	4,849	4,849	5,195
13-41103	Deferred Compensation	1,800	1,200	1,800	3,600
13-41104	Health Insurance	13,774	15,294	12,982	11,927
13-41106	Medicare	1,426	1,532	1,429	1,685
13-41107	LTD/STD/Life	130	156	130	156
14-41101	Retirement	7,219	7,112	7,078	12,891
14-41103	Deferred Compensation	6,061	6,072	6,061	6,372
14-41104	Health Insurance	26,537	28,677	27,483	41,897
14-41105	Social Security	1,860	2,905	2,362	0

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
14-41106	Medicare	2,143	2,504	2,347	3,558
14-41107	LTD/STD/Life	156	156	156	286
14-41109	Benefits-MOU Obligations	0	0	0	2,080
	Employee Benefits Totals:	299,098	316,084	293,835	456,405
	Outside Services				
101-111- 10-42001	Contract Services	8,208	13,850	13,290	21,550
10-42015	Other Services	9,368	12,000	10,344	12,000
11-42001	Contract Services	48,876	46,080	45,000	46,080
11-42006	Records Management	3,386	5,000	4,545	5,000
11-42009	Advertising and Legal Notice	8,823	15,000	11,390	15,000
12-42001	Contract Services	20,508	25,500	28,000	45,500
12-42003	Auditing Services	48,047	48,500	48,500	48,500
13-42001	Contract Services	8,373	2,460	6,997	6,000
13-42002	Recruiting Services	12,716	18,385	80,000	90,210
13-42009	Advertising and Legal Notice	0	0	0	5,000
14-42001	Contract Services	16,611	33,400	54,644	45,200
	Outside Services Totals:	184,917	220,175	302,710	340,040
	Supplies and Materials				
101-111- 10-42101	Office Supplies	3,590	5,250	2,804	5,250
10-42102	Publications & Subscriptions	136	150	1,133	150
12-42101	Office Supplies	176	300	300	300
12-42102	Publications & Subscriptions	25,564	27,490	27,000	28,485
13-42101	Office Supplies	640	700	850	700
13-42102	Publications & Subscriptions	1,760	3,050	6,000	6,700
14-42101	Office Supplies	0	3,500	0	3,500
14-42102	Publications & Subscriptions	74,582	48,000	85,000	88,000
14-42105	Materials and Supplies	0	0	791	0
14-42106	Small Tools and Equipment	0	350	0	350
	Supplies and Materials Totals:	106,448	88,790	123,878	133,435
	Repairs & Maintenance				
101-111- 14-42202	Equipment Maintenance	1,880	8,500	3,247	8,500
	Repairs & Maintenance Totals:	1,880	8,500	3,247	8,500
	Employee Development				
101-111- 10-42301	Training & Education	45	0	147	0
10-42302	Conferences & Meetings	1,583	1,200	4,200	1,200
10-42304	Dues & Memberships	1,097	1,350	1,047	1,350
10-42307	Employee Appreciation Costs	0	0	0	1,200
11-42302	Conferences & Meetings	487	1,550	0	2,000
11-42304	Dues & Memberships	410	260	0	260
12-42301	Training & Education	135	750	175	750
12-42304	Dues & Memberships	510	635	300	635
12-42305	Mileage Reimbursement	0	50	0	50
13-42301	Training & Education	662	9,500	430	9,500
13-42302	Conferences & Meetings	1,290	2,595	1,090	2,595
13-42304	Dues & Memberships	299	800	400	800
13-42306	Employee Programs	4,621	20,450	12,000	3,950
13-42307	Employee Appreciation Costs	0	0	0	19,500
14-42301	Training & Education	0	500	0	1,500
14-42302	Conferences & Meetings	0	500	600	600
14-42304	Dues & Memberships	130	130	130	130
	Employee Development Totals:	11,269	40,270	20,519	46,020

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
Other Expenditures					
101-111- 10-42403	Printing	0	100	0	100
10-42404	Shipping/Postage/Freight	10,642	11,250	11,250	11,500
11-42403	Printing	4,800	5,000	3,756	5,000
12-42403	Printing	0	500	1,177	1,200
12-42406	Bank & Merchant Fees	18,773	19,000	12,766	19,000
13-42403	Printing	64	300	300	300
13-42404	Shipping/Postage/Freight	0	200	0	200
13-42410	Pre-employment Costs	0	9,000	3,200	9,000
14-42404	Shipping/Postage/Freight	147	250	57	250
14-42405	Telephone and Communications	80,338	80,000	68,682	80,000
14-42407	Computer Non capital	10,402	15,000	22,000	25,000
Other Expenditures Totals:		125,166	140,600	123,188	151,550
City Administration Totals:		1,915,881	2,089,281	2,064,583	2,788,776
112 City Attorney					
Outside Services					
101-112- 00-42001	Contract Services	334,039	385,000	398,420	435,000
00-42004	Legal Costs	0	0	30,000	75,000
Outside Services Totals:		334,039	385,000	428,420	510,000
City Attorney Totals:		334,039	385,000	428,420	510,000
115 Community Planning & Building					
Salaries and Wages					
101-115- 20-41001	Salaries	466,031	641,364	494,493	711,519
20-41005	Overtime	351	0	1,464	0
21-41001	Salaries	181,074	301,440	191,462	318,368
21-41005	Overtime	0	0	139	0
22-41001	Salaries	84,442	91,002	89,966	190,447
22-41005	Overtime	464	0	0	0
Salaries and Wages Totals:		732,362	1,033,806	777,524	1,220,334
Employee Benefits					
101-115- 20-41101	Retirement	28,648	36,102	25,189	36,788
20-41103	Deferred Compensation	2,850	5,050	3,533	4,500
20-41104	Health Insurance	47,871	89,415	67,562	102,772
20-41106	Medicare	6,543	9,300	6,878	10,317
20-41107	LTD/STD/Life	602	845	630	831
20-41108	Worker's Comp	21,436	15,818	12,079	19,183
20-41109	Benefits-MOU Obligations	8,054	10,228	6,987	10,400
21-41101	Retirement	8,705	15,141	8,722	15,514
21-41103	Deferred Compensation	1,613	2,100	1,800	2,400
21-41104	Health Insurance	37,026	58,310	46,991	63,316
21-41106	Medicare	2,457	4,371	2,598	4,616
21-41107	LTD/STD/Life	286	415	286	415
21-41109	Benefits-MOU Obligations	3,900	4,160	2,080	4,160
22-41101	Retirement	4,123	4,177	4,106	8,513
22-41103	Deferred Compensation	600	600	600	1,200
22-41104	Health Insurance	31,266	36,368	32,476	59,687
22-41106	Medicare	1,103	1,320	1,177	2,761
22-41107	LTD/STD/Life	156	156	156	313
22-41109	Benefits-MOU Obligations	2,080	2,080	2,080	4,160
Employee Benefits Totals:		209,318	295,956	225,930	351,846

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
Outside Services					
101-115- 20-42001	Contract Services	7,419	314,300	24,700	469,600
20-42009	Advertising and Legal Notice	146	500	0	500
21-42001	Contract Services	204,402	20,050	210,100	102,800
22-42001	Contract Services	9,042	49,000	11,000	11,000
Outside Services Totals:		221,009	383,850	245,800	583,900
Supplies and Materials					
101-115- 20-42101	Office Supplies	1,914	3,000	1,773	3,000
20-42102	Publications & Subscriptions	323	125	0	125
20-42104	Safety Equipment and Supplies	0	800	645	800
20-42115	Other Supplies	0	0	15,700	0
21-42101	Office Supplies	274	400	280	400
21-42102	Publications & Subscriptions	0	650	330	1,300
21-42107	Gas and Oil	629	960	465	480
21-42115	Other Supplies	373	400	0	500
22-42101	Office Supplies	0	250	81	250
22-42107	Gas and Oil	0	600	0	300
22-42115	Other Supplies	0	200	0	450
Supplies and Materials Totals:		3,513	7,385	19,274	7,605
Employee Development					
101-115- 20-42301	Training & Education	420	2,125	1,500	4,325
20-42302	Conferences & Meetings	0	600	200	2,000
20-42304	Dues & Memberships	1,381	2,500	1,300	2,400
20-42305	Mileage Reimbursement	0	200	0	100
21-42301	Training & Education	1,994	1,460	450	3,240
21-42302	Conferences & Meetings	0	3,350	0	3,350
21-42304	Dues & Memberships	1,575	2,080	456	2,080
21-42305	Mileage Reimbursement	0	100	0	50
22-42301	Training & Education	0	500	0	1,000
22-42302	Conferences & Meetings	75	1,500	90	2,800
22-42305	Mileage Reimbursement	0	0	0	0
Employee Development Totals:		5,445	14,415	3,996	21,345
Other Expenditures					
101-115- 20-42403	Printing	689	3,000	1,440	3,000
Other Expenditures Totals:		689	3,000	1,440	3,000
Community Planning & Building Totals:		1,172,336	1,738,412	1,273,964	2,188,030
116	Police				
Salaries and Wages					
101-116- 00-41001	Salaries	486,366	619,434	533,198	829,659
00-41002	Salaries -Safety	1,660,052	1,931,512	1,747,609	2,142,749
00-41006	Overtime -Safety	203,527	185,000	322,742	205,000
00-41009	Holiday in Lieu	102,427	141,270	121,574	171,329
Salaries and Wages Totals:		2,452,372	2,877,216	2,725,123	3,348,737
Employee Benefits					
101-116- 00-41101	Retirement	37,298	42,945	34,263	52,952
00-41102	Retirement -Safety	275,419	327,515	239,829	330,706
00-41103	Deferred Compensation	19,328	21,294	16,860	24,144
00-41104	Health Insurance	349,919	441,847	312,783	461,169
00-41106	Medicare	34,201	42,201	38,428	49,063

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
00-41107	LTD/STD/Life	3,089	3,469	2,860	3,939
00-41108	Worker's Comp	135,886	98,498	75,216	119,455
00-41109	Benefits-MOU Obligations	0	520	433	0
00-41111	Uniform Allowance	29,400	33,120	27,520	34,560
	Employee Benefits Totals:	884,541	1,011,409	748,192	1,075,988
	Outside Services				
101-116- 00-42001	Contract Services	183,710	268,800	201,684	335,635
00-42005	Community Promotions	1,605	1,000	207	1,000
	Outside Services Totals:	185,314	269,800	201,891	336,635
	Supplies and Materials				
101-116- 00-42101	Office Supplies	2,995	7,500	6,154	8,500
00-42102	Publications & Subscriptions	583	915	180	960
00-42104	Safety Equipment and Supplies	11,547	9,450	40,500	25,450
00-42106	Small Tools and Equipment	14,682	0	0	0
00-42107	Gas and Oil	34,738	32,500	32,290	48,750
	Supplies and Materials Totals:	64,545	50,365	79,124	83,660
	Repairs & Maintenance				
101-116- 00-42201	Building Maintenance	1,483	1,000	1,000	1,000
00-42202	Equipment Maintenance	42,605	42,300	50,000	38,181
00-42203	Vehicle Maintenance	20,130	23,000	21,000	23,000
	Repairs & Maintenance Totals:	64,218	66,300	72,000	62,181
	Employee Development				
101-116- 00-42301	Training & Education	8,020	14,250	9,000	21,750
00-42304	Dues & Memberships	1,373	1,400	950	1,550
	Employee Development Totals:	9,393	15,650	9,950	23,300
	Other Expenditures				
00-42403	Printing	2,687	4,700	2,800	5,900
00-42404	Shipping/Postage/Freight	235	500	300	500
00-42405	Telephone and Communications	11,015	8,500	6,500	8,500
00-42415	Other Expenditures	2,044	6,000	12,000	9,000
	Other Expenditures Totals:	15,981	19,700	21,600	23,900
	Police Totals:	3,676,364	4,310,440	3,857,880	4,954,401
117	Fire				
	Outside Services				
101-117- 00-42001	Contract Services	2,680,231	2,740,196	2,735,196	2,905,342
00-42005	Community Promotions	0	500	1,097	500
	Outside Services Totals:	2,680,231	2,740,696	2,736,293	2,905,842
	Supplies and Materials				
101-117- 00-42103	Medical Supplies	0	3,000	1,200	3,000
00-42104	Safety Equipment and Supplies	3,656	7,000	3,800	7,000
00-42107	Gas and Oil	8,451	14,000	7,000	14,000
	Supplies and Materials Totals:	12,107	24,000	12,000	24,000
	Repairs & Maintenance				
101-117- 00-42202	Equipment Maintenance	2,132	4,450	3,016	4,450
00-42203	Vehicle Maintenance	42,457	35,000	11,000	35,000
	Repairs & Maintenance Totals:	44,589	39,450	14,016	39,450
	Fire Totals:	2,736,927	2,804,146	2,762,309	2,969,292

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
118	Ambulance				
	Salaries and Wages				
101-118- 00-41002	Salaries -Safety	628,240	709,018	673,173	770,123
00-41006	Overtime -Safety	179,135	160,000	170,000	140,000
00-41009	Holiday in Lieu	14,746	64,574	62,000	69,740
	Salaries and Wages Totals:	822,121	933,592	905,173	979,863
	Employee Benefits				
101-118- 00-41102	Retirement -Safety	81,844	99,761	91,004	99,905
00-41103	Deferred Compensation	4,200	4,500	4,300	5,400
00-41104	Health Insurance	65,680	81,349	78,583	88,481
00-41106	Medicare	11,650	13,589	13,064	14,550
00-41107	LTD/STD/Life	702	858	789	858
00-41108	Worker's Comp	46,858	52,072	39,765	63,153
00-41111	Uniform Allowance	3,000	3,600	3,333	3,600
	Employee Benefits Totals:	213,934	255,729	230,838	275,947
	Outside Services				
101-118- 00-42001	Contract Services	212,878	261,528	260,000	272,163
	Outside Services Totals:	212,878	261,528	260,000	272,163
	Supplies and Materials				
101-118- 00-42101	Office Supplies	0	1,100	900	1,300
00-42103	Medical Supplies	30,528	39,150	31,370	39,150
00-42104	Safety Equipment and Supplies	5,492	11,000	4,500	12,000
00-42107	Gas and Oil	6,299	7,000	11,723	11,000
	Supplies and Materials Totals:	42,319	58,250	48,493	63,450
	Repairs & Maintenance				
101-118- 00-42201	Building Maintenance	4,279	1,500	1,200	4,500
00-42202	Equipment Maintenance	888	3,500	870	3,500
00-42203	Vehicle Maintenance	47,615	17,000	10,922	17,000
	Repairs & Maintenance Totals:	52,783	22,000	12,992	25,000
	Employee Development				
101-118- 00-42301	Training & Education	875	12,800.00	1,200.00	12,800
	Employee Development Totals:	875	12,800	1,200	12,800
	Ambulance Totals:	1,344,910	1,543,899	1,458,696	1,629,223
119	Public Works				
	Salaries and Wages				
101-119- 40-41001	Salaries	197,858	209,403	233,793	279,419
41-41001	Salaries	581,739	708,071	573,713	862,903
41-41005	Overtime	2,123	7,600	4,000	7,600
42-41001	Salaries	150,803	168,461	167,826	187,505
43-41001	Salaries	106,452	106,452	120,000	211,495
45-41001	Salaries	309,931	329,276.00	307,052	595,172
45-41005	Overtime	48	1,200.00	2,000	1,200
	Salaries and Wages Totals:	1,348,954	1,530,463	1,408,384	2,145,294
	Employee Benefits				
101-119- 40-41101	Retirement	11,007	11,647	11,127	14,892
40-41103	Deferred Compensation	3,436	3,582	3,548	4,032

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
40-41104	Health Insurance	7,366	9,336	8,932	19,841
40-41106	Medicare	2,841	3,036	3,357	4,052
40-41107	LTD/STD/Life	130	161	160	259
40-41108	Worker's Comp	92,142	67,744	51,731	82,157
40-41109	Benefits-MOU Obligations	103	520	433	2,080
41-41101	Retirement	38,723	44,453	37,325	51,513
41-41103	Deferred Compensation	3,543	4,830	3,597	6,480
41-41104	Health Insurance	117,338	138,093	126,751	163,316
41-41106	Medicare	8,108	10,267	7,997	12,512
41-41107	LTD/STD/Life	1,068	1,276	1,100	1,354
41-41109	Benefits-MOU Obligations	14,517	15,600	14,403	18,720
42-41101	Retirement	10,547	10,782	10,782	11,830
42-41103	Deferred Compensation	1,125	1,200	1,200	1,200
42-41104	Health Insurance	30,573	28,013	31,557	30,638
42-41106	Medicare	2,109	2,443	2,334	2,719
42-41107	LTD/STD/Life	313	286	313	286
42-41109	Benefits-MOU Obligations	3,616	4,160	4,160	4,160
43-41101	Retirement	6,168	6,015	6,066	10,982
43-41103	Deferred Compensation	1,200	1,200	1,200	2,400
43-41104	Health Insurance	6,086	7,457	6,725	16,027
43-41106	Medicare	1,518	1,544	1,537	3,067
43-41107	LTD/STD/Life	130	129	129	259
45-41101	Retirement	15,062	15,114	13,781	26,604
45-41103	Deferred Compensation	2,388	1,800	2,150	4,500
45-41104	Health Insurance	86,003	95,945	92,380	112,198
45-41106	Medicare	4,181	4,774	4,164	8,630
45-41107	LTD/STD/Life	572	571	520	830
45-41109	Benefits-MOU Obligations	8,077	8,320	7,428	8,320
	Employee Benefits Totals:	479,988	500,298	456,887	625,858
	Outside Services				
101-119- 40-42001	Contract Services	34,735	15,900	18,830	66,400
40-42009	Advertising and Legal Notice	0	1,000	1,000	2,500
41-42001	Contract Services	0	0	0	8,500
42-42001	Contract Services	260,202	362,720	360,000	394,270
43-42001	Contract Services	91,281	124,765	248,608	166,860
45-42001	Contract Services	173,272	180,000	250,000	521,500
	Outside Services Totals:	559,491	684,385	878,438	1,160,030
	Supplies and Materials				
101-119- 40-42101	Office Supplies	1,902	2,500	1,589	5,000
40-42102	Publications & Subscriptions	5,410	6,860	4,191	5,500
40-42104	Safety Equipment and Supplies	8,000	8,000	5,332	8,400
40-42105	Materials and Supplies	61,731	51,500	20,000	0
40-42106	Small Tools and Equipment	7,690	750	0	0
40-42107	Gas and Oil	18,977	24,000	26,000	0
41-42105	Materials and Supplies	0	0	0	50,000
41-42106	Small Tools and Equipment	0	0	0	1,000
41-42107	Gas and Oil	0	0	0	38,000
42-42105	Materials and Supplies	42,693	35,000	95,000	65,000
42-42106	Small Tools and Equipment	2,331	0	0	0
43-42105	Materials and Supplies	74,956	0	0	0
45-42105	Materials and Supplies	24,636	24,000	15,000	50,000
	Supplies and Materials Totals:	248,325	152,610	167,112	222,900

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
Repairs & Maintenance					
101-119- 40-42202	Equipment Maintenance	4,151	10,000	466	0
40-42203	Vehicle Maintenance	43,489	41,000	31,390	0
41-42202	Equipment Maintenance	0	0	0	10,000
41-42203	Vehicle Maintenance	0	0	0	41,500
42-42201	Building Maintenance	13,280	0	0	0
Repairs & Maintenance Totals:		60,920	51,000	31,856	51,500
Employee Development					
101-119- 40-42301	Training & Education	1,071	5,000	5,186	8,000
40-42304	Dues & Memberships	1,003	1,500	1,213	2,875
42-42304	Dues & Memberships	0	0	390	0
Employee Development Totals:		2,074	6,500	6,789	10,875
Other Expenditures					
101-119- 40-42403	Printing	0	400	0	2,000
40-42409	Rentals	1,892	2,250	2,467	0
41-42409	Rentals	0	0	0	4,000
43-42408	Permits and Licenses	8,516	9,500	10,432	11,067
Other Expenditures Totals:		10,408	12,150	12,899	17,067
Capital Outlay					
101-119- 40-43002	Bldgs & Improvements	7,034	0	0	0
41-43004	Machinery & Equipment	10,380	0	0	0
42-43006	Other Assets	5,000	0	0	0
45-43005	Vehicles & Fire Trucks	22,450	0	0	0
Capital Outlay Totals:		44,864	0	0	0
Public Works Totals:		2,755,023	2,937,406	2,962,365	4,233,524
Library					
Salaries and Wages					
101-120- 00-41001	Salaries	481,333	643,426	453,558	800,482
00-41003	Salaries -Part time	9,011	131,934	12,780	122,007
Salaries and Wages Totals:		490,344	775,360	466,338	922,489
Employee Benefits					
101-120- 00-41101	Retirement	29,993	38,541	28,088	43,673
00-41103	Deferred Compensation	6,381	7,350	9,483	8,700
00-41104	Health Insurance	55,566	77,984	49,681	91,987
00-41105	Social Security	0	8,180	774	7,564
00-41106	Medicare	6,850	11,240	6,542	13,376
00-41107	LTD/STD/Life	753	1,062	711	1,192
00-41108	Worker's Comp	45,284	15,658	11,957	18,990
00-41109	Benefits-MOU Obligations	8,506	13,520	7,858	16,120
Employee Benefits Totals:		153,332	173,535	115,094	201,602
Outside Services					
101-120- 00-42001	Contract Services	3,073	3,500	3,500	3,500
Outside Services Totals:		3,073	3,500	3,500	3,500
Library Totals:		646,749	952,395	584,932	1,127,591
Community Activities					
Salaries and Wages					
101-121- 00-41001	Salaries	45,479	42,000	80,000	131,665
00-41005	Overtime	0	0	420	0
Salaries and Wages Totals:		45,479	42,000	80,420	131,665

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
Employee Benefits					
101-121- 00-41101	Retirement	3,682	3,310	4,572	10,362
00-41103	Deferred Compensation	344	150	1,134	1,800
00-41104	Health Insurance	4,774	5,660	5,660	13,964
00-41106	Medicare	628	609	817	1,909
00-41107	LTD/STD/Life	65	65	79	195
00-41108	Worker's Comp	4,394	5,176	3,952	6,276
00-41109	Benefits-MOU Obligations	87	0	348	2,080
	Employee Benefits Totals:	13,973	14,970	16,562	36,586
Outside Services					
101-121- 00-42001	Contract Services	6,980	9,000	8,500	39,220
00-42005	Community Promotions	13,761	19,500	19,000	19,500
00-42009	Advertising and Legal Notice	1,656	3,000	2,900	8,500
	Outside Services Totals:	22,397	31,500	30,400	67,220
Supplies and Materials					
101-121- 00-42101	Office Supplies	32	300	130	300
	Supplies and Materials Totals:	32	300	130	300
Other Expenditures					
101-121- 00-42403	Printing	484	2,500	1,155	2,500
	Other Expenditures Totals:	484	2,500	1,155	2,500
	Community Activities Totals:	82,366	91,270	128,667	238,271
122	Economic Revitalization				
Outside Services					
101-122- 00-42008	Mktg & Economic Dev	808,540	1,033,307	1,025,807	1,130,510
	Outside Services Totals:	808,540	1,033,307	1,025,807	1,130,510
	Economic Revitalization Totals	808,540	1,033,307	1,025,807	1,130,510
130	Non-Departmental				
101-130- 00-42501	Liability Insurance Premium	572,172	689,500	637,000	813,000
00-42503	PERS Unfunded Liability	1,574,169	2,833,526	2,772,536	3,082,464
00-42504	Insurance Claims Paid	13,400	30,000	110,000	30,000
00-42505	Utilities	238,665	235,000	231,000	230,000
00-42506	Property Tax Assessments	80,501	82,115	81,853	83,755
00-42508	Unemployment Costs	19,848	15,000	11,600	15,000
00-42510	Retiree Health Share	70,326	79,980	74,060	79,980
00-42511	County Property Tax Admin Fees	77,668	70,793	70,793	74,335
00-42512	Forest Theater Utilities	0	0	0	10,000
	Non-Departmental Totals:	2,646,748	4,035,914	3,988,842	4,418,534
Transfers Out					
101-130- 00-49009	Transfer Out To: Cap Projects	0	315,311	315,311	0
00-49010	Transfer Out To: Debt Service	0	882,656	882,656	485,170
00-49011	Transfer Out To: Wrkr's Comp	0	116,158	49,474	148,160
00-49013	Transfer Out To: Veh & Eq Rep	0	0	86,667	0
	Transfers Out Totals:	0	1,314,125	1,334,108	633,330
	Non-Departmental Totals:	2,646,748	5,350,039	5,322,950	5,051,864
	GENERAL FUND REVENUES	19,312,317	23,444,598	24,935,847	27,004,709
	GENERAL FUND EXPENSES	18,306,681	23,442,516	22,067,535	27,004,709
	General Fund Net Change:	1,005,636	2,082	2,868,312	0

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
102	Hostelry Tax				
	Revenue: Taxes				
102-000- 00-31005	Transient Occupancy Tax	5,339,285	5,333,562	6,972,100	6,667,000
	Taxes Totals:	5,339,285	5,333,562	6,972,100	6,667,000
	REVENUES TOTALS:	5,339,285	5,333,562	6,972,100	6,667,000
135	Hostelry Tax				
	Expense: Transfers Out				
102-135- 00-49001	Transfer Out To: General Fund	2,488,198	5,333,562	6,438,700	6,667,000
	Transfers Out Totals:	2,488,198	5,333,562	6,438,700	6,667,000
	EXPENDITURES TOTALS:	2,488,198	5,333,562	6,438,700	6,667,000
	Hostelry Tax Net Change:	2,851,087	0	533,400	0
201	Gas Tax				
	Revenue: Taxes				
201-000- 00-31011	Gas Tax 2103	26,347	35,221	30,000	40,400
00-31012	Gas Tax 2105	20,119	22,950	20,200	26,300
00-31013	Gas Tax 2106	13,166	14,289	13,000	16,400
00-31014	Gas Tax 2107	27,224	29,206	22,500	33,500
00-31015	Gas Tax 2107.5	1,000	1,000	1,000	1,000
00-31016	Gas Tax Other	73,209	77,925	80,700	91,600
	Taxes Totals:	161,064	180,591	167,400	209,200
	Interest & Investments				
201-000- 00-37001	Interest & Investment Earnings	333	0	0	0
	Interest & Investments Totals:	333	0	0	0
	REVENUES TOTALS:	161,398	180,591	167,400	209,200
211	Gas Tax				
	Expense: Transfers Out				
201-211- 00-49009	Transfer Out To: Capl Projects	0	306,567.00	306,564	209,200
	Transfers Out Totals:	0	306,567	306,564	209,200
	EXPENDITURES TOTALS:	0	306,567	306,564	209,200
	Gas Tax Net Change:	161,398	(125,976)	(139,164)	0
202	Transportation Safety				
	Revenue				
202-000- 00-35012	TAMC Revenue	200,841	196,212	250,600	202,100
	Rev from Other Gov Agencies Totals:	200,841	196,212	250,600	202,100
	Interest & Investments				
202-000- 00-37001	Interest & Investment Earnings	416	0	0	0
	Interest & Investments Totals:	416	0	0	0
	REVENUES TOTALS:	201,257	196,212	250,600	202,100
212	Transportation Safety				
	Expense: Transfers Out				
202-212- 00-49009	Transfer Out To: Cap Projects	0	319,352	319,000	202,100
	Transfers Out Totals:	0	319,352	319,000	202,100
	EXPENDITURES TOTALS:	0	319,352	319,000	202,100
	Transportation Safety Net Change:	201,257	(123,140)	(68,400)	0

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
203	COPS Grant Revenue				
203-000- 00-35011	Grants	156,727	158,000	154,600	158,000
	Rev from Other Gov Agencies Totals:	156,727	158,000	154,600	158,000
203-000- 00-37001	Interest & Investment Earnings	168	0	0	0
	Interest & Investments Totals:	168	0	0	0
	REVENUES TOTALS:	156,894	158,000	154,600	158,000
213	COPS Grant Expense: Transfers Out				
203-213 00-49001	Transfer Out To: General Fund	160,000	213,698	154,600	158,000
	Transfers Out Totals:	160,000	213,698	154,600	158,000
	EXPENDITURES TOTALS:	160,000	213,698	154,600	158,000
	COPS Net Change:	(3,105)	(55,698)	0	0
204	Parking in Lieu Revenue				
204-000- 00-37001	Interest & Investment Earnings	2,357	0	0	0
	Interest & Investments Totals:	2,357	0	0	0
	REVENUES TOTALS:	2,357	0	0	0
214	Parking in Lieu Expense: Transfers Out				
204-214- 00-49009	Transfer Out To: Cap Projects	0	0	0	0
	Transfers Out Totals:	0	0	0	0
	EXPENDITURES TOTALS:	0	0	0	0
	Parking in Lieu Net Change:	2,357	0	0	0
205	Asset Seizure Revenue				
205-000- 00-37001	Interest & Investment Earnings	17	0	0	0
	Interest & Investments Totals:	17	0	0	0
	REVENUES TOTALS:	17	0	0	0
215	Asset Seizure Expense:Transfers Out				
205-215- 00-49001	Transfer Out To: General Fund	0	0	0	0
	Transfers Out Totals:	0	0	0	0
	EXPENDITURES TOTALS:	0	0	0	0
	Asset Seizure Net Change:	17	0	0	0
206	Measure C Sales Tax Revenue: Taxes				
206-000- 00-31007	Sales & Use Tax-Meas C	4,007,104	4,206,660	5,698,200	5,721,000
	Taxes Totals:	4,007,104	4,206,660	5,698,200	5,721,000
	REVENUES TOTALS:	4,007,104	4,206,660	5,698,200	5,721,000

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
216	Measure C				
	Expense: Transfers Out				
206-216- 00-49001	Transfer Out To: General Fund	1,805,485	2,781,147.00	2,781,147.00	3,486,009.00
00-49009	Transfer Out To: Cap Projects	0	569,850.00	2,061,390.00	3,585,897.00
00-49010	Transfer Out To: Debt Service	1,244,515	0.00	0.00	0.00
00-49013	Transfer Out To: Veh & Eq Rep	0	855,663.00	855,663.00	285,000.00
	Transfers Out Totals:	3,050,000	4,206,660	5,698,200	7,356,906
	EXPENDITURES TOTALS:	3,050,000	4,206,660	5,698,200	7,356,906
	Measure C Sales Tax Net Change:	957,104	0	0	(1,635,906)
301	Capital Projects				
	Revenue				
301-000- 00-35011	Grants	0	88,500	0	285,500
	Rev from Other Gov Agencies Totals:	0	88,500	0	285,500
	Other				
301-000- 00-38004	Donations-general	1,000	0	0	0
	Other Totals:	1,000	0	0	0
	Transfers In				
301-000- 00-39001	Transfer In From: General Fund	0	315,311	315,311	0
00-39003	Transfer In From: Gas Tax	0	306,567	306,567	209,200
00-39005	Transfer In From: Trans Safety	0	319,352	319,352	202,100
00-39014	Transfer In From: Deposit Fund	21,250	0	0	0
00-39015	Transfer In From: Meas C	0	569,850	2,061,390	3,585,897
	Transfers In Totals:	21,250	1,511,080	3,002,620	3,997,197
	REVENUES TOTALS:	22,250	1,599,580	3,002,620	4,282,697
311	Capital Projects				
	Expense: Capital Outlay				
301-311- 00-43008	Construction in Progress	54,043	1,599,580	3,228,052	4,344,000
	Capital Outlay Totals:	54,043	1,599,580	3,228,052	4,344,000
	EXPENDITURES TOTALS:	54,043	1,599,580	3,228,052	4,344,000
	Capital Projects Net Change:	(31,793)	0	(225,432)	(61,303)
401	Debt Service				
	Revenue				
401-000- 00-37001	Interest & Investment Earnings	50	0	0	0
	Interest & Investments Totals:	50	0	0	0
	Other				
401-000- 00-38501	Bond Proceeds	4,761,901	0	0	0
	Other Totals:	4,761,901	0	0	0
	Transfers In				
401-000- 00-39001	Transfer In From: General Fund	0	882,656	882,656	485,170
00-39015	Transfer In From: Meas C	1,244,515	0	0	0
	Transfers In Totals:	1,244,515	882,656	882,656	485,170
	REVENUES TOTALS:	6,006,467	882,656	882,656	485,170

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
411	Debt Service Expense				
401-411- 00-44001	Principal	5,530,000	677,110.00	677,110.00	696,423.00
00-44002	Interest	218,623	200,546.00	200,546.00	176,880.00
00-44003	Administrative Fees	187,902	5,000.00	5,000.00	5,000.00
	Debt Service Totals:	5,936,526	882,656	882,656	878,303
	EXPENDITURES TOTALS:	5,936,526	882,656	882,656	878,303
	Debt Service Net Change:	69,941	0	0	(393,133)
501	Worker's Compensation Revenue				
501-000- 00-37001	Interest & Investment Earnings	1,621	0	0	0
	Interest & Investments Totals:	1,621	0	0	0
	Miscellaneous				
501-000- 00-38001	Reimbursements	0	0	18,670	0
	Miscellaneous Totals:	0	0	18,670	0
	Transfers In				
501-000- 00-39001	Transfer In From: General Fund	0	116,158	49,474	148,160
	Transfers In Totals:	0	116,158	49,474	148,160
	REVENUES TOTALS:	1,621	116,158	68,144	148,160
511	Worker's Compensation Expense				
501-511- 00-42001	Contract Services	0	13,158	12,900	63,160
	Outside Services Totals:	0	13,158	12,900	63,160
	Supplies and Materials				
501-511- 00-42101	Other Supplies	0	3,000	0	25,000
	Supplies and Materials Totals:	0	3,000	0	25,000
	Non-Departmental				
501-511- 00-42504	Insurance Claims Paid	21,965	100,000.00	34,900	60,000
	Non-Departmental Totals:	21,965	100,000	34,900	60,000
	EXPENDITURES TOTALS:	21,965	116,158	47,800	148,160
	Worker's Compensation Net Change:	(20,345)	0	20,344	0
502	OPEB Reserve Fund Revenue				
502-000- 00-37001	Interest & Investment Earnings	5,900	0	0	0
	Interest & Investments Totals:	5,900	0	0	0
	REVENUES TOTALS:	5,900	0	0	0
512	OPEB Reserve Fund Expense				
502-512- 00-49001	Transfer Out To: General Fund	0	79,980	79,980	0
	Transfers Out Totals:	0	79,980	79,980	0
	EXPENDITURES TOTALS:	0	79,980	79,980	0
	OPEB Reserve Fund Net Change:	5,900	(79,980)	(79,980)	0

Account	Description	2021 Actual	2022 Adopted	2022 Estimated	2023 Adopted
503	Veh & Equip Replacement Revenue				
00-38020	Other Miscellaneous	0	175,000	50,000	395,000
	Miscellaneous Totals:	0	175,000	50,000	395,000
	Transfers In				
00-39001	Transfers In From: Gen Fund	0	0.00	65,000	0
00-39009	Transfer In From: Cap Projects	0	0.00	0	0
00-39015	Transfer In From: Meas C	0	855,663.00	855,663	285,000
	Transfers In Totals:	0	855,663	920,663	285,000
	REVENUES TOTALS:	0	1,030,663	970,663	680,000
513	Veh & Equip Replacement Expense				
503-513-00-43002	Bldgs & Improvements	0	0	71,416	0
00-43003	Infrastructure	0	375,000	0	0
00-43004	Machinery and Equipment	0	15,000	12,646	0
00-43005	Vehicles & Fire Trucks	0	260,000	164,499	655,000
00-43006	Other Assets	0	30,000	24,257	30,000
00-43007	Tech Hardware/Software	0	45,000	56,204	0
00-43020	Depreciation Expense	281,403	0	0	0
	Capital Outlay Totals:	281,403	725,000	329,022	685,000
	EXPENDITURES TOTALS:	281,403	725,000	329,022	685,000
	Veh & Equip Replacement Net Change	(281,403)	305,663	641,641	(5,000)



The end...

