



# CITY COUNCIL REPORT

12C

**DATE: MARCH 1, 2022**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: MARKISHA GUILLORY, FINANCE DIRECTOR**

**SUBJECT: RECEIVE THE FISCAL YEAR (FY) 2021/22 MID-YEAR FINANCIAL REPORT AND ADOPT A RESOLUTION APPROVING BUDGET ADJUSTMENTS, AND APPROVE THE MODIFIED FISCAL YEAR (FY) 2022/23 BUDGET AND LONG-TERM FINANCIAL PLAN DEVELOPMENT PROCESS**

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## **RECOMMENDATION**

City staff recommends that the City Council receive the Fiscal Year (FY) 2021/22 Mid-Year Financial Report and adopt a resolution approving related budget adjustments. Additionally, staff recommends that the City Council approve the modified FY 2022/23 budget development process, which has been revised from the last version presented, at the February 1, 2022 Council meeting.

## **BACKGROUND**

The City operates on an annual budget cycle. Through the budget, the City Council approves revenue estimates and authorizes City staff to expend the City's limited financial resources. The City Council adopts an original budget prior to the start of each fiscal year, then makes adjustments to the budget throughout the year to reflect changes in expected revenues and to increase or decrease expenditures to address changes in policy or operational priorities.

As one of the many activities that the City undertakes to help ensure its financial soundness, staff provides quarterly financial reports on the City's budget condition. Following the conclusion of the second quarter of the fiscal year (October through December), staff conducts a second quarter/mid-year budget review.

The mid-year review provides an in-depth assessment of the City's revenues and expenditures during the first half of the fiscal year (July through December). It helps determine whether the City is on track to meet the budget for the fiscal year or if adjustments are warranted. It also includes a projection of the fiscal year end results, which serve as the starting point for the development of next year's budget and the long-term financial forecast.

It is important to note that Pinole, like other communities, has been and continues to be impacted by the fiscal and health effects of COVID-19 and its subsequent variants. Fiscal impacts have been identified and noted in this mid-year report where applicable.

## **REVIEW & ANALYSIS**

Staff has reviewed the City's budget results through the end of the second quarter. City revenues and expenditures are mostly on track to match budgeted amounts. Staff does recommend some budget adjustments, which are discussed within this report and in Attachment A.

### **General Fund Analysis**

General Fund revenues and expenditures are mostly on track to match budgeted amounts.

The originally adopted FY 2021/22 General Fund budget included \$17.3 million in revenues, \$2.4 million use of unassigned fund balance (residual, unrestricted funds), and \$19.7 million in expenditures. The unassigned fund balance was budgeted for several one-time, Council-directed initiatives, as follows:

- Active Transportation Plan (\$75,000);
- Brandt Street improvements (\$170,000);
- City events other than the car show (\$100,000);
- Economic development support (\$80,000);
- Emergency power for critical facilities (\$200,000);
- Fall 2021 car show (\$15,000);
- Improvements to the planting/landscaping at City Hall (\$20,000);
- Installation of high-capacity trash bins (\$425,000);
- Non-capital recommendations of the Beautification Ad Hoc Subcommittee (education and awareness campaign, art program, and community clean up events) (\$60,000);
- Recycled water master planning (\$200,000);
- Total compensation benchmarking for management and confidential employees (\$20,000); and
- Weatherization/energy efficiency program (\$250,000).

Note that the City Council also budgeted unassigned Measure S 2014 fund balance to the following purposes:

- Business development/community help reserve (\$10,000);
- Community Safety Officers (2) from part-time to full-time (\$100,000);
- Municipal broadband planning (\$60,000);
- On-call consultants for capital projects (\$150,000); and
- Revitalization reserve (\$10,000).

Following the original FY 2021/22 budget adoption, the City Council approved the use of unassigned fund balance at its meeting on November 16, 2021 for a number of additional initiatives, as follows:

- Consultant to complete Climate Action Plan (CAP) (\$120,000) and Greenhouse Gas (GHG) emission inventory (\$40,000);
- Reclassification of Management Analyst to Assistant to the City Manager (\$10,700); and
- Transfer out to the General Reserve Fund to meet policy requirement (\$949,715).

Note that the City Council also budgeted unassigned Measure S 2006 and Measure S 2014 fund balance at that time for the purchase of several trucks, backhoe, asphalt grinder, and mower in the amount of \$598,000.

The revised FY 2021/22 budget includes \$17.3 million in revenues, \$3.7 million use of unassigned fund balance, and \$21.0 million in expenditures.

As of the mid-year, the City is projecting to end FY 2021/22 with total revenues of \$17.5 million, expenditures of \$21.6 million (including recommended mid-year adjustments), and use of fund balance of \$4.0 million. With mid-year budget adjustments, the General Fund unassigned fund balance is projected to be \$1.9 million at FY 2021/22 year-end. The balance does not include unassigned fund balances in the Measure S Funds (presented on page 7 of this report). The table below summarizes the General Fund budget.

General Fund	FY 2021/22 Original Budget	FY 2021/22 Revised Budget	FY 2021/22 YTD Actuals	FY 2021/22 YTD Actuals w/ Encumb.	% of Budget	Proposed Adjustments	FY 2021/22 Projected Year-End
Revenues	\$ 17,290,542	\$ 17,290,542	\$ 6,998,574	\$ 6,998,574	40%	\$ 259,187	\$ 17,549,729
Expenditures	19,694,153	21,013,979	9,315,267	9,382,111	44%	537,476	21,551,455
Net surplus/deficit	(2,403,611)	(3,723,437)	\$ (2,316,692)	\$ (2,383,536)		(278,289)	(4,001,726)
Beginning Fund Balance	5,937,352	5,937,352					5,937,352
Ending Fund Balance	\$ 3,533,741	\$ 2,213,915					\$ 1,935,626

### General Fund Revenue

General Fund revenue through the second quarter was \$7.0 million, or 40% of the revised budget, compared to \$6.8 million at FY 2020/21 mid-year. General Fund revenues are not received evenly throughout the year, so revenue received through the second quarter is not expected to be 50% of the total budget. Staff projects that General Fund revenue will total \$17.5 million this fiscal year, approximately \$260,000 greater than currently budgeted.

Category	FY 2021/22 Original Budget	FY 2021/22 Revised Budget	FY 2021/22 YTD Actuals	% of Budget	Proposed Adjustments	Projected Year-End
Property Taxes	\$ 4,230,122	\$ 4,230,122	\$ 1,592,452	38%		\$ 4,230,122
Sales and Use Taxes	4,224,661	4,224,661	1,864,283	44%	259,187	4,483,848
Utility Users Tax	1,915,000	1,915,000	965,729	50%		1,915,000
Franchise Taxes	779,000	779,000	234,361	30%		779,000
Other Taxes: TOT	418,000	418,000	250,755	60%		418,000
Other Taxes: Business License	382,000	382,000	179,867	47%		382,000
Intergovernmental Taxes	2,082,883	2,082,883	1,028,682	49%		2,082,883
Public Safety Charges	1,339,796	1,339,796	743,724	56%		1,339,796
Total Other Revenue	1,065,394	1,065,394	138,723	13%		1,065,394
<b>Revenue Total:</b>	<b>16,436,856</b>	<b>16,436,856</b>	<b>6,998,574</b>	<b>43%</b>		<b>16,696,043</b>
Transfer In from Section 115 Trust	853,686	853,686	-	0%		853,686
<b>Revenue/Sources Total:</b>	<b>\$ 17,290,542</b>	<b>\$ 17,290,542</b>	<b>\$ 6,998,574</b>	<b>40%</b>	<b>\$ 259,187</b>	<b>\$17,549,729</b>

### Property Tax

Property tax is received in December, April, and June of each year. The projected revenue for FY 2021/22 is \$4.4 million. Property tax revenue includes the City's 18.75% share of the basic 1% property tax rate, \$2.8 million. It also includes the Redevelopment Property Tax Trust Fund (RPTTF) revenue, \$1.2 million, which is revenue that has resulted from the dissolution of the former Pinole Redevelopment Agency and represents the shift from the Agency receiving tax increment revenue to the various taxing entities receiving the tax revenue. The RPTTF revenue will convert to "normal" property tax revenue when all of the former Agency's outstanding debt is paid off and the Successor Agency is formally dissolved. Dissolution is currently expected to occur sometime after the final debt service payment in FY 2023/24.

This category also includes unsecured property tax, supplemental property tax, and real property transfer tax. Total property tax receipts are at 38% of the revised budget, consistent with expectations and in line last year's actuals at mid-year. Therefore, staff is not recommending any adjustments.

### Sales Tax

Sales tax for the General Fund was budgeted at \$4.2 million for FY 2021/22. Revenue received through the second quarter equaled \$1.9 million, or 44% of the revised budget. That did not include the payment that the City received for December due to timing. Revenue continues to rebound quicker than industry experts predicted. Sales tax revenues in a few of the major categories have returned to or exceeded pre-pandemic levels, notably casual dining, and the general consumer good categories. Given the positive results and the continuing upward trend, staff is recommending an increase of \$259,187 in the General Fund sales tax budget. This is consistent with the most recent projections provided by the City's sales tax consultant, HdL.

It is important to note that the sales tax budget is set at 100% of HdL's projections. HdL builds in a certain amount of conservatism in their projections, actual receipts in prior years have aligned with HdL's projections, and the economy is rebounding more quickly than industry experts initially predicted.

### All Other General Fund Revenue

Utility Users Tax (UUT) and franchise tax revenue, which is derived from utility customers, are at 50% and 30% of the revised budget, respectively, as of the end of the second quarter. Based on the normal timing of receipt of these revenues, staff expects these revenues to meet budget.

Other taxes include Transient Occupancy Tax (TOT) and business license tax revenues. TOT is at 60% of the revised budget. Compared to the second quarter of FY 2020/21, TOT is trending higher, which is primarily attributable to the rebound of travel and lodging. Business license revenues are at 47% of the revised budget; they are primarily received in December and January in line with the annual renewal process. Both revenue sources are expected to meet budget.

Intergovernmental taxes include the Property Tax In-Lieu of Motor Vehicle License Fee (VLF) of \$2.1 million and homeowner property tax relief of \$30,000. These funds are primarily received in January and April of each year. These revenues are trending at 49% of the revised budget.

Public safety charges, including police dispatch services provided to Hercules and San Pablo, are billed on a quarterly basis. Public safety revenue is at 56% of the revised budget due to the fourth quarter payment for FY 2020/21 being received in FY 2021/22. Otherwise, the revenue is on target with budget.

Other General Fund revenues include licenses and permits, fees, fines and forfeitures, charges for services, investment income, rental income, and other miscellaneous revenues. Total other revenue is at 13% of the revised budget due to the timing of receipts in the various categories.

A transfer from the City's Section 115 Pension Trust to the General Fund was budgeted for FY 2021/22 in the amount of \$853,686. The transfer amount will be determined, and possibly adjusted, at the end of the fiscal year based on the actual pension costs incurred for the year.

### **General Fund Expenditures**

The City Council authorized expenditures in the amount \$19.7 million in the original FY 2021/22 General Fund budget. The City Council revised the budget in November 2021 to transfer funds to the General Reserve Fund; and to appropriate funds for the climate action plan, greenhouse gas inventory, and replacement of equipment and vehicles, thereby creating a revised expenditure budget of \$21.0 million. General Fund actual expenditures through the second quarter of FY 2021/22 totaled \$9.3 million, which is 43% of the revised budget before adjustments. At FY 2020/21 mid-year, expenditures were at 51% of the revised budget.

Category	FY 2021/22 Original Budget	FY 2021/22 Revised Budget	FY 2021/22 YTD Actuals	FY 2021/22 YTD Actuals w/ Encumb.	% of Budget	Proposed Adjustments	FY 2021/22 Projected Year-End
Salaries & Wages	\$ 9,084,353	\$ 8,995,053	\$4,095,608	\$4,095,608	46%	\$ 42,599	\$ 9,037,652
Benefits	5,829,863	5,829,863	2,598,559	\$2,598,559	45%		5,829,863
Professional/Admin Services	3,422,541	3,775,671	1,159,846	\$1,169,609	31%	65,746	3,841,417
Other Operating	286,311	286,311	125,070	\$ 125,070	44%		286,311
Materials and Supplies	184,200	184,200	126,568	\$ 126,568	69%	4,500	188,700
Interdepartmental Charges	(1,313,357)	(1,313,357)	(320,178)	\$ (320,178)	24%	6,000	(1,307,357)
Asset/Capital Outlay	921,180	782,461	3,989	\$ 61,070	1%		782,461
Debt Service	576,107	576,107	576,091	\$ 576,091	100%		576,107
Other Financing Uses/Transfers	702,955	1,897,670	949,715	\$ 949,715	50%	418,631	2,316,301
<b>Expenditure Total:</b>	<b>\$ 19,694,153</b>	<b>\$ 21,013,979</b>	<b>\$9,315,267</b>	<b>\$9,382,111</b>	<b>44%</b>	<b>\$ 537,476</b>	<b>\$21,551,455</b>

As shown in the expenditures table above, the actual expenditures in most categories are at or below 50% of the revised budget. Items of note are as follows:

- Salaries & Wages - Staff is recommending a \$42,599 increase in salaries & wages. The adjustment is for stand-by pay that should have been but was not included in the Police Department's original budget (\$16,000). The remaining \$26,599 is to cover the cost of two position reclassifications in the Human Resource and Public Works Departments, resulting from the staff compensation benchmarking study.
- Professional/Admin Services - Staff is recommending an increase totaling \$65,746 for the following:
  - Finance Department - \$11,955 to cover the difference in the cost of the cost allocation plan/user fee study (6,960); and financial forecasting software (4,995).
  - Human Resources – \$25,000 for the remaining cost of contracts for personnel-related professional services.
  - Police Department – \$28,791 for GPS software subscription (13,815), and Axon body camera storage subscription (\$14,976), both of which were not budgeted.
- Materials and Supplies - Staff is recommending an increase of \$4,500 in the Public Works Department to cover increasing fuel costs \$4,500.
- Interdepartmental Charges - Staff is recommending an increase of \$6,000 in the Public Works Department for Trakit software subscription.
- Transfers Out - Staff is recommending an increase of \$418,631 to transfer funds to the Recreation Department Fund to close the budget gap due to the General Fund's regular subsidization of the Recreation Department Fund and lower-than-budgeted program revenues due to COVID.
- Other notes:
  - The budget for General Fund transfers out increased by \$1.2 million from the original budget to the revised budget. The increase was primarily attributable to a \$949,715 transfer to the General Reserve Fund to meet the Reserve Policy requirement of maintaining a balance equal to 50% of total General Fund expenditures. The transfer was made in the previous quarter.

- Materials and supplies are at 69% of budget because spending is not on a straight-line basis and fluctuates throughout the year.
- Debt service is at 100% of budget because the annual payment is made in full at the beginning of the fiscal year.

### Measure S 2006 Fund (Fund 105)

Measure S 2006 is a voter-approved general purpose use tax levied at 0.5% on all retail sales. Revenue from Measure S 2006 has historically been allocated by the City Council to fund public safety programs. Measure S 2006 revenues are budgeted at \$2.1 million in FY 2021/22. Tax revenues through the second quarter are at 47% of the revised budget. Staff is recommending an increase of \$278,000 in the tax revenue budget consistent with updated projections from the City's sales tax consultant.

Measure S 2006	FY 2021/22 Original Budget	FY 2021/22 Revised Budget	FY 2021/22 YTD Actuals	% of Budget	Proposed Adjustments	FY 2021/22 Projected Year-End
Revenues	\$ 2,163,746	\$ 2,163,746	\$ 1,009,945	47%	\$ 278,000	\$ 2,441,746
Expenditures	2,528,352	2,559,352	1,171,459	46%		2,559,352
Net surplus/deficit	(364,606)	(395,606)	\$ (161,514)			(117,606)
Beginning Fund Balance	2,385,431	2,385,431				2,385,431
Ending Fund Balance	\$ 2,020,825	\$ 1,989,825				\$ 2,267,825

### Measure S 2014 Fund (Fund 106)

Measure S 2014 is also a voter-approved general purpose use tax levied at 0.5% on all retail sales. Revenue from Measure S 2014 has historically been allocated by the City Council to address some of the City's operational and deferred capital improvement needs. Measure S 2014 revenues are budgeted at \$2.1 million in FY 2021/22 for tax collections and for interest earnings on fund balance. Tax revenues through the second quarter are at 46% of the revised budget based on the timing of sales payments to the City. Expenditures are trending lower due to the timing of spending for capital projects. Staff is recommending an increase of \$278,000 in the tax revenue budget consistent with updated projections from the City's sales tax consultant. Staff is also recommending an increase of \$7,207 in the expenditure budget in Community Services to appropriate funds not used in the prior fiscal year due to COVID. This appropriation will be used to replace appliances at the Senior Center.

Measure S 2014	FY 2021/22 Original Budget	FY 2021/22 Revised Budget	FY 2021/22 YTD Actuals	% of Budget	Proposed Adjustments	FY 2021/22 Projected Year-End
Revenues	\$ 2,173,000	\$ 2,173,000	\$ 1,003,635	46%	\$ 278,000	\$ 2,451,000
Expenditures	3,979,877	4,632,901	483,373	10%	7,207	4,640,108
Net surplus/deficit	(1,806,877)	(2,459,901)	\$ 520,262			(2,189,108)
Beginning Fund Balance	4,480,908	4,480,908				4,480,908
Ending Fund Balance	\$ 2,674,031	\$ 2,021,007				\$ 2,291,800

The unassigned fund balance of the General Fund, Measure S 2006 and Measure S 2014 combined is projected to be \$6.5 million at FY 2021/22 year-end.

## **Other Funds Analysis**

### **Special Revenue Funds**

#### **Gas Tax Fund (Fund 200)**

The Gas Tax Fund accounts for revenue from State excise taxes on gasoline and diesel fuel sales (referred to as the Highway Users Tax Account (HUTA)) as well as revenue from the Road Repair and Accountability Act of 2017 (SB1) (referred to as the Road Maintenance and Rehabilitation Account (RMRA)). Gas Tax Fund resources are restricted for use in the construction and maintenance of public streets. These funds support both annual operating and capital projects. Revenues are at 45% of the revised budget and trending in line with the timing of receipt of funds from the State. Expenditures are at 22% of the revised budget and trending as expected due to the timing of road maintenance projects. Staff is not recommending any adjustments.

#### **Public Safety Augmentation Fund (Fund 203)**

The Public Safety Augmentation Fund (PSAF) accounts for monies allocated to the City by the County Auditor-Controller under Proposition 172 from the statewide 0.5% sales tax. These funds are used exclusively for public safety. The receipt of these funds is conditioned on Maintenance of Effort using base year FY 1992-93. Revenues in this fund are on trend with the revised budget at 57%. Expenditures are at 47% of the revised budget. Staff is not recommending any adjustments.

#### **Supplemental Law Enforcement Services Fund (Fund 206)**

The Supplemental Law Enforcement Services Fund (SLESF) holds funds received from the County under the AB 3229 which enacted the Citizens Option for Public Safety (COPS) Program. The funds are used to offset the personnel cost of several police officer positions. Revenues are at 85% of the revised budget. Expenditures are at 50% of the revised budget. Staff is not recommending any adjustments.

#### **NPDES Storm Water Fund (Fund 207)**

The NPDES Storm Water Fund accounts for assessments collected by the County via property tax bills pursuant to the National Pollutant Discharge Elimination System (NPDES) regulations, a federally mandated program. Assessments are levied at \$35 per Equivalent Runoff Unit (ERU). Revenue estimates are based on the number of ERU's multiplied by the adopted rate. Revenues are at 51% of the revised budget. Expenditures are at 36% of the revised budget. Staff is recommending an increase of \$17,000 in expenditures to cover upcoming NPDES compliance.

#### **Recreation Department Fund (Fund 209)**

The recreation programs of the Community Services Department have been and continue to be significantly impacted by the pandemic. These programs have not been



able fully re-open and can only operate on a limited basis to comply with health and safety guidelines. The original budget was based on fully re-opening programs in fall 2021, but due to the ongoing impacts of COVID-19, the programs that are offered have limited capacity. As of the second quarter, revenues are at 26% of the revised budget. Expenditures are 41% of the revised budget. Assuming that programs will continue to be limited through the remainder of FY 2021/22, staff is recommending a net decrease of \$224,656 in the revenue budget and a net decrease of \$125,658 in the expenditure budget. The Fund receives a transfer from the General Fund and Measure S 2014 to backfill operating shortfalls. Staff is recommending a total transfer to the Fund from the General Fund in the amount of \$418,631 to close the budget gap due to lower-than-budgeted program revenues, a net reduction of \$98,998, as well as to cover the original deficit of \$319,634.

#### Building & Planning Fund (Fund 212)

The Building & Planning Fund collects fees for building permits and plan checks. Fees collected are used to cover the cost involved in inspections and plan checks performed. The FY 2021/22 adopted budget projected a net deficit of \$122,053, which has been revised to \$187,053 including adjustments. Revenues through the second quarter are at 21% of the revised budget and expenditures are at 27% of the revised budget. While the Fund currently shows a negative fund balance, it is projected to end the year with a zero balance. Staff is recommending an increase of \$305,000 in the expenditures budget for the following: \$85,000 for temporary staffing to assist with backlog of permits and building official duties; \$220,000 for Trakit software subscription.

#### Solid Waste Fund (Fund 214)

The Solid Waste Fund accounts for funds received from Republic Services, Inc. from a surcharge it assesses on customer rates for solid waste services. These funds are set aside for future solid waste capital projects and for a rate stabilization fund. Revenues are at 48% of the revised budget. Expenditures are at 30% of the revised budget. Staff is not recommending any adjustments.

#### Measure J Fund (Fund 215)

The Measure J Fund accounts for special sales tax revenues collected by the Contra Costa Transportation Authority (CCTA) and reapportioned to the cities for local street projects. The City must submit a checklist each year to confirm compliance with a Growth Management Program in order to receive these funds. Estimates of annual funding are provided by the CCTA, and jurisdiction allocations are based on a formula that considers both population and road mileage. Revenues are received in June of each year. Spending of these funds is dependent on the timing of capital projects. Revenue is trending higher and is at 119% of the revised budget; therefore, staff is recommending an increase of \$73,948 in the revenue budget to align with actual receipts. Expenditures are at 12% of the revised budget.

### American Rescue Plan Act Fund (Fund 217)

The American Rescue Plan Act Fund accounts for the \$4.6 million allocated to the City from the federal government from the American Rescue Plan Act (ARPA) of 2021. The City received its first tranche of \$2.3 million in July 2021 and will receive the second tranche one year later. The funds are restricted for specific uses and will be appropriated by Council. To address some immediate needs of the community, the City Council approved an appropriation of \$300,000 to provide direct financial assistance to small businesses. The program is set to provide \$3,000 grants to up to 100 eligible small businesses. Staff is not recommending any adjustments.

### Housing and Land Held for Resale Fund (Fund 285)

The Housing and Land Held for Resale Fund accounts for activities associated with administering housing programs of the former Pinole Redevelopment Agency, using Housing Set Aside funds, and providing affordable housing within the community. The Successor Agency to the Pinole Redevelopment Agency has a three-year agreement to repay the loan that the Pinole Redevelopment Agency's affordable housing fund had made to the Agency's general fund under the Supplemental Educational Revenue Augmentation Fund (SERAF). The payment is programmed in the budget and loan will be paid off in FY 2022/23. Staff is not recommending any adjustments.

## **Capital Project Funds**

### City Street Improvements (Fund 325)

The City Street Improvements Fund accounts for an annual \$250,000 transfer from Measure S 2014 for street improvement projects. The transfer from Measure S was not processed until the third quarter. Expenditures plus encumbrances are at 58% of the revised budget. Staff is recommending an increase of \$289,594 in the revenue budget to account for the following transportation-related grants: Bridge Replacement Grant, Transportation for Livable Communities Project Grant, and the Highway Bridge Program. Staff is also recommending an increase of \$247,000 in the expenditure budget for contract amendments approved by the City Council for the San Pablo Avenue Bridge Project, as well as various other construction projects.

### Arterial Streets Rehabilitation (Fund 377)

The Arterial Streets Rehabilitation Fund accounts for an annual \$250,000 transfer from Measure S 2014 for street rehabilitation projects. Actual revenues are not reflected because the transfer from Measure S was not processed until the third quarter. Expenditures plus encumbrances are at 6% of the revised budget. Staff is not recommending any adjustments.

## **Enterprise Funds**

### **Sewer Enterprise Fund (Fund 500)**

The Sewer Enterprise Fund accounts for fees charged to residents and businesses for sewer utilities. Fees are used to operate the Pinole-Hercules Wastewater Treatment Plant, which serves the Pinole and Hercules areas. Revenues are received with the property tax payments in December, April, and June. The Clean Water State Revolving Fund program provided funding for the City's 50% share of the upgrades to the treatment plant. For the second quarter, revenues are at 51% of the revised budget. Expenditures are at 37% of the revised budget. Staff is recommending an increase of \$70,000 in the expenditures budget for emergency project at Tennent and Pinon Avenue.

### **Cable Access TV Fund (Fund 505)**

The Cable Access TV Fund accounts for revenue received from cable franchise fees (Public, Educational, and Governmental (PEG) access fees), video production and broadcast charges. PEG access fees are designated for equipment purchases. Transfers from the General Fund also help support the operating costs. Revenue is at 22% of the revised budget and expenditures are at 42% of the revised budget. Staff is not recommending any budget adjustments.

### **Information Systems Fund (Fund 525)**

The Information Systems Fund is an internal service fund used to account for activities that provide technology goods or services to other City funds and departments on a cost-reimbursement basis. Revenue and expenditures are both at 34% of the revised budget. Staff is recommending an increase of \$220,000 in the revenue and expenditures budget for Trakit software for the Community Development Department.

## **Fiduciary Funds**

### **Recognized Obligation Retirement Fund (Fund 750)**

The Recognized Obligation Retirement Fund accounts for the close-out activities of the Successor Agency to the Pinole Redevelopment Agency. Pledged property tax revenues will continue to be provided to the City for timely payment of outstanding redevelopment bond debt obligations, to reimburse the City for administrative staff time up to \$250,000 per year, and other enforceable obligations in accordance with the Recognized Obligations Payment Schedule (ROPS). Staff is not recommending any budget adjustments.

## **Next Steps**

Following the City Council's approval of the mid-year adjustments, staff will amend the FY 2021/22 Operating and Capital Budget. The mid-year budget will serve as the

baseline, or starting point, for the FY 2022/23 budget and the long-term financial forecast.

The City has started its budget cycle for FY 2022/23. To guide the process, staff presented the recommended development process for the FY 2022/23 Operating and Capital Budget and the long-term financial plan to the City Council at its meeting on February 1, 2022, which the Council approved. Since then, staff has modified the process to clearly define some of the activities and increase involvement of the full City Council throughout the process.

### **FISCAL IMPACT**

In this FY 2021/22 Mid-Year Budget Report, staff recommends budget adjustments as summarized below and described in detail in Attachment A. (The bracketed number related to each change references a corresponding entry in Attachment A.)

- Net increase in General Fund revenue of \$259,187, offset by a net increase in expenditures of \$537,476. [1] [2] [3] [4] [5] [6]
- Net increase in Measure S 2006 Fund revenue of \$278,000. [7]
- Net increase in Measure S 2014 Fund revenue of \$278,000, offset by a net increase in expenditures of \$7,207. [8] [9]
- Increase in NPDES Storm Water Fund expenditures of \$17,000. [10]
- Net increase in Recreation Fund revenue of \$193,975, offset by a net decrease in expenditures of \$125,658. [11] [12] [13]
- Increase in Building and Planning Fund expenditures of \$305,000. [14]
- Increase in Measure C/J Fund revenue of \$73,948. [15]
- Net increase in City Street Improvements Fund revenue of \$289,594, offset by a net increase in expenditures of \$247,000. [16] [17]
- Increase in Sewer Enterprise Fund expenditures of \$70,000. [18]
- Increase in Information Systems Fund of \$220,000, offset by an increase in expenditures of \$220,000. [19] [20]

### **ATTACHMENTS**

Attachment A – FY 2021/22 Mid-Year Budget Review Summary by Fund

Attachment B – Resolution Adjusting Fiscal Year 2021/22 Budget

Attachment C – Revised Development Process for FY 2022/23 Budget and Long-Term Financial Plan



City of Pinole, CA

For FY2021/22 Period Ending: 12/31/21

	Original Budget	Proposed Revised Budget	Proposed Adjustments	Amended Budget	YTD Actual	Encumbrances	Total	Variance Favorable (Unfavorable)	Percent Used	Projected Year-End	Notes
<b>Fund: 100 - General Fund</b>											
<b>Revenue</b>											
Property Taxes	4,230,122	4,230,122		4,230,122	1,592,452		1,592,452	(2,637,670)	38%	4,230,122	
Sales and Use Taxes	4,224,661	4,224,661	259,187	4,483,848	1,864,283		1,864,283	(2,619,565)	42%	4,483,848	[1]
Utility Users Tax	1,915,000	1,915,000		1,915,000	965,729		965,729	(949,271)	50%	1,915,000	
Franchise Taxes	779,000	779,000		779,000	234,361		234,361	(544,639)	30%	779,000	
Other Taxes: TOT	418,000	418,000		418,000	250,755		250,755	(167,245)	60%	418,000	
Other Taxes: Business License	382,000	382,000		382,000	179,867		179,867	(202,133)	47%	382,000	
Intergovernmental Taxes	2,082,883	2,082,883		2,082,883	1,028,682		1,028,682	(1,054,202)	49%	2,082,883	
Public Safety Charges	1,339,796	1,339,796		1,339,796	743,724		743,724	(596,072)	56%	1,339,796	
Total Other Revenue	1,065,394	1,065,394		1,065,394	138,723		138,723	(926,671)	13%	1,065,394	
<b>Revenue Total:</b>	<b>16,436,856</b>	<b>16,436,856</b>	<b>259,187</b>	<b>16,696,043</b>	<b>6,998,574</b>		<b>6,998,574</b>	<b>(9,697,469)</b>	<b>42%</b>	<b>16,696,043</b>	
Penison Trust 115 Transfer	853,686	853,686		853,686	-		-	(853,686)	0%	853,686	
<b>Sources Total</b>	<b>17,290,542</b>	<b>17,290,542</b>	<b>259,187</b>	<b>17,549,729</b>	<b>6,998,574</b>	<b>-</b>	<b>6,998,574</b>	<b>(10,551,155)</b>	<b>40%</b>	<b>17,549,729</b>	
<b>Expenditures</b>											
City Council Total:	176,609	176,609		176,609	93,998		93,998	82,611	53%	176,609	
City Manager Total:	562,708	586,538		586,538	214,754		214,754	371,784	37%	586,538	
City Clerk Total:	450,393	450,393		450,393	140,569		140,569	309,824	31%	450,393	
City Treasurer Total:	8,693	8,693		8,693	4,525		4,525	4,168	52%	8,693	
City Attorney Total:	310,200	310,200		310,200	173,771		173,771	136,429	56%	310,200	
Finance Department Total:	554,891	554,891	11,955	566,846	268,167		268,167	298,679	47%	566,846	[2]
Human Resources Total:	493,626	493,626	25,000	518,626	144,545		144,545	374,081	28%	518,626	[3]
Non-Departmental Total:	1,397,087	1,397,087		1,397,087	658,607		658,607	738,480	47%	1,397,087	
<b>Total Administrative:</b>	<b>3,954,207</b>	<b>3,978,037</b>	<b>36,955</b>	<b>4,014,992</b>	<b>1,698,936</b>	<b>-</b>	<b>1,698,936</b>	<b>2,316,056</b>	<b>42%</b>	<b>4,014,992</b>	
Police Department Total:	7,609,879	7,671,160	44,791	7,715,951	3,654,423	57,081	3,711,504	4,004,446	48%	7,715,951	[4]
Fire Department Total:	3,925,759	3,965,759		3,965,759	1,834,422		1,834,422	2,131,337	46%	3,965,759	
<b>Total Public Safety:</b>	<b>11,535,638</b>	<b>11,636,919</b>	<b>44,791</b>	<b>11,681,710</b>	<b>5,488,845</b>	<b>57,081</b>	<b>5,545,926</b>	<b>6,135,784</b>	<b>47%</b>	<b>11,681,710</b>	
Public Works Total:	2,128,337	2,128,337	10,500	2,138,837	446,282	9,763	456,045	1,682,793	21%	2,138,837	[5]
Community Development Total:	369,885	369,885		369,885	87,105		87,105	282,779	24%	369,885	
Community Services Total:	427,025	427,025		427,025	68,294		68,294	358,731	16%	427,025	
Debt Service:	576,107	576,107		576,107	576,091		576,091	16	100%	576,107	
Operating Transfer Out:	702,955	1,897,670	418,631	2,316,301	949,715		949,715	1,366,586	41%	2,316,301	[6]
<b>General Fund Total:</b>	<b>19,694,153</b>	<b>21,013,979</b>	<b>510,877</b>	<b>21,524,856</b>	<b>9,315,267</b>	<b>66,844</b>	<b>9,382,111</b>	<b>(12,142,745)</b>	<b>44%</b>	<b>21,524,856</b>	
<b>General Fund Net Results</b>	<b>(2,403,611)</b>	<b>(3,723,437)</b>	<b>(251,690)</b>	<b>(3,975,127)</b>	<b>(2,316,693)</b>	<b>(66,844)</b>	<b>(2,383,537)</b>	<b>1,591,591</b>	<b>60%</b>	<b>(3,975,127)</b>	
<b>Fund Balance July 1, 2021</b>	<b>5,937,352</b>	<b>5,937,352</b>		<b>5,937,352</b>	<b>5,937,352</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>3,533,741</b>	<b>2,213,915</b>		<b>1,962,225</b>	<b>3,620,659</b>						

## NOTES:

- [1] Increase budget to align with updated sales tax projections provided by sales tax consultant, HdL.
- [2] Increase for the difference in cost for cost allocation plan/user fee study (\$6,960) and financial forecasting software (\$4,995).
- [3] Increase to cover contractual costs for personnel-related professional services for the rest of the fiscal year.
- [4] Increase for Police GPS software subscription (\$13,815), Axon body camera storage software (\$14,976), and standby pay (\$16,000) all of which were not budgeted.
- [5] Increase for fuel costs (4,500) and Trakit software subscription (\$6,000).
- [6] Increase transfer out to Recreation Department Fund to close budget gap due to lower-than-budget program revenues.



	Original Budget	Revised Budget	Proposed Adjustments	Amended Budget	YTD Actual	Encumbrances	Total	Variance Favorable (Unfavorable)	Percent Used	Projected Year-End	Notes
<b>Fund: 105 - Measure S -2006</b>											
<b>Revenue</b>											
Sales and Use Taxes	2,142,000	2,142,000	278,000	2,420,000	1,012,582		1,012,582	(1,407,418)	42%	2,420,000	[7]
Interest and Investment Income	20,000	20,000		20,000	(2,637)		(2,637)	(22,637)	-13%	20,000	
Total Other Revenue	1,746	1,746		1,746	-		-	(1,746)	0%	1,746	
<b>Revenue Total:</b>	<b>2,163,746</b>	<b>2,163,746</b>	<b>278,000</b>	<b>2,441,746</b>	<b>1,009,945</b>		<b>1,009,945</b>	<b>(1,431,801)</b>	<b>41%</b>	<b>2,441,746</b>	
Penison Trust 115 Transfer	-	-		-	-		-	-	0%	-	
<b>Sources Total</b>	<b>2,163,746</b>	<b>2,163,746</b>	<b>278,000</b>	<b>2,441,746</b>	<b>1,009,945</b>	<b>-</b>	<b>1,009,945</b>	<b>(1,431,801)</b>	<b>41%</b>	<b>2,441,746</b>	
<b>Expenditures</b>											
Finance Department Total:	2,450	2,450		2,450	-		-	2,450	0%	2,450	
Police Department Total:	1,844,668	1,875,668		1,875,668	838,695		838,695	1,036,973	45%	1,875,668	
Fire Department Total:	681,234	681,234		681,234	332,765		332,765	348,469	49%	681,234	
<b>Expenditures Total:</b>	<b>2,528,352</b>	<b>2,559,352</b>	<b>-</b>	<b>2,559,352</b>	<b>1,171,459</b>		<b>1,171,459</b>	<b>1,387,893</b>	<b>46%</b>	<b>2,559,352</b>	
<b>Measure S -2006 Net Results:</b>	<b>(364,606)</b>	<b>(395,606)</b>	<b>278,000</b>	<b>(117,606)</b>	<b>(161,515)</b>		<b>(161,515)</b>	<b>(43,909)</b>	<b>137%</b>	<b>(117,606)</b>	
<b>Fund Balance July 1, 2021</b>	<b>2,385,431</b>	<b>2,385,431</b>		<b>2,385,431</b>	<b>2,385,431</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>2,020,825</b>	<b>1,989,825</b>		<b>2,267,825</b>	<b>2,223,916</b>						
<b>Fund: 106 - Measure S-2014</b>											
<b>Revenue</b>											
Sales and Use Taxes	2,142,000	2,142,000	278,000	2,420,000	1,011,168		1,011,168	(1,408,832)	42%	2,420,000	[8]
Interest and Investment Income	30,000	30,000		30,000	(7,533)		(7,533)	(37,533)	-25%	30,000	
Reimbursements	1,000	1,000		1,000	-		-	(1,000)	0%	1,000	
<b>Revenue Total:</b>	<b>2,173,000</b>	<b>2,173,000</b>	<b>278,000</b>	<b>2,451,000</b>	<b>1,003,635</b>		<b>1,003,635</b>	<b>(1,447,365)</b>	<b>41%</b>	<b>2,451,000</b>	
Penison Trust 115 Transfer	-	-		-	-		-	-	0%	-	
<b>Sources Total</b>	<b>2,173,000</b>	<b>2,173,000</b>	<b>278,000</b>	<b>2,451,000</b>	<b>1,003,635</b>	<b>-</b>	<b>1,003,635</b>	<b>(1,447,365)</b>	<b>41%</b>	<b>2,451,000</b>	
<b>Expenditures</b>											
City Council Department Total:	5,900	5,900		5,900	-		-	5,900	0%	5,900	
Finance Department Total:	2,450	2,450		2,450	-		-	2,450	0%	2,450	
Information Systems Total:	102,600	102,600		102,600	-		-	102,600	0%	102,600	
Police Department Total:	305,807	305,807		305,807	50,606	37,769	88,375	217,432	29%	305,807	
Fire Department Total:	445,249	445,249		445,249	222,626		222,626	222,623	50%	445,249	
Public Works Total:	2,318,421	2,971,445		2,971,445	210,141	360,257	570,398	2,401,047	19%	2,971,445	
Community Development Total:	20,000	20,000		20,000	-		-	20,000	0%	20,000	
Community Services Total:	63,950	63,950	7,207	71,157	-		-	71,157	0%	71,157	[9]
<b>Expenditures Total:</b>	<b>3,264,377</b>	<b>3,917,401</b>	<b>7,207</b>	<b>3,924,608</b>	<b>483,373</b>	<b>398,026</b>	<b>881,399</b>	<b>3,043,209</b>	<b>22%</b>	<b>3,924,608</b>	
Operating Transfer Out:	715,500	715,500		715,500	-		-	715,500	0%	715,500	
<b>Measure S-2014 Net Results:</b>	<b>(1,806,877)</b>	<b>(2,459,901)</b>	<b>270,793</b>	<b>(2,189,108)</b>	<b>520,262</b>	<b>(398,026)</b>	<b>122,237</b>	<b>2,311,345</b>	<b>-6%</b>	<b>(2,189,108)</b>	
<b>Fund Balance July 1, 2021</b>	<b>4,480,908</b>	<b>4,480,908</b>		<b>4,480,908</b>	<b>4,480,908</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>2,674,031</b>	<b>2,021,007</b>		<b>2,291,800</b>	<b>5,001,171</b>						
<b>Fund: 150 - General Reserve</b>											
Revenue Total:	-	-		-	(46,104)		(46,104)	(46,104)	0%	149,855	
Transfer In Total:	-	949,715		949,715	949,715		949,715	-	100%	949,715	
<b>General Reserve Net Results:</b>	<b>-</b>	<b>949,715</b>	<b>-</b>	<b>949,715</b>	<b>903,611</b>		<b>903,611</b>	<b>(46,104)</b>	<b>95%</b>	<b>1,099,570</b>	
<b>Fund Balance July 1, 2021</b>	<b>7,492,770</b>	<b>7,492,770</b>		<b>7,492,770</b>	<b>7,492,770</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>7,492,770</b>	<b>8,442,485</b>		<b>8,442,485</b>	<b>8,396,381</b>						

**NOTES:**  
 [7] Increase budget to align with updated sales tax projections provided by sales tax consultant, HdL.  
 [8] Increase budget to align with updated sales tax projections provided by sales tax consultant, HdL.  
 [9] Increase to appropriate funds that were not used in the prior fiscal year to replace appliances at the Senior Center.



	Original Budget	Revised Budget	Proposed Adjustments	Amended Budget	YTD Actual	Encumbrances	Total	Variance Favorable (Unfavorable)	Percent Used	Projected Year-End	Notes
<b>Fund: 160 - Equipment Reserve</b>											
<b>Revenue</b>											
Fire Department Total:	-	-	-	-	-	-	-	-	0%	-	
Public Works Total:	80,000	80,000	-	80,000	-	103,722	103,722	23,722	130%	103,722	
Community Development Total:	5,000	5,000	-	5,000	-	-	-	(5,000)	0%	5,000	
<b>Revenue Total:</b>	<b>85,000</b>	<b>85,000</b>	<b>-</b>	<b>85,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(85,000)</b>	<b>0%</b>	<b>108,722</b>	
<b>Expenditures</b>											
Public Works Total:	274,000	274,000	-	274,000	36,476	-	36,476	237,524	13%	274,000	
Community Development Total:	5,000	5,000	-	5,000	-	-	-	5,000	0%	5,000	
<b>Expenditures Total:</b>	<b>279,000</b>	<b>279,000</b>	<b>-</b>	<b>279,000</b>	<b>36,476</b>	<b>-</b>	<b>36,476</b>	<b>242,524</b>	<b>13%</b>	<b>279,000</b>	
<b>Equipment Reserve Net Results:</b>	<b>(194,000)</b>	<b>(194,000)</b>	<b>-</b>	<b>(194,000)</b>	<b>(36,476)</b>	<b>-</b>	<b>(36,476)</b>	<b>157,524</b>	<b>19%</b>	<b>(170,278)</b>	
<b>Fund Balance July 1, 2021</b>	<b>243,408</b>	<b>243,408</b>		<b>243,408</b>	<b>243,408</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>49,408</b>	<b>49,408</b>		<b>49,408</b>	<b>206,932</b>						
<b>Fund: 200 - Gas Tax Fund</b>											
Revenue Total:	919,303	919,303	-	919,303	412,046	-	412,046	507,257	45%	919,303	
Expenditures Total:	1,074,728	1,074,728	-	1,074,728	232,961	-	232,961	841,767	22%	1,074,728	
<b>Gas Tax Fund Net Results:</b>	<b>(155,425)</b>	<b>(155,425)</b>	<b>-</b>	<b>(155,425)</b>	<b>179,085</b>	<b>-</b>	<b>179,085</b>	<b>334,510</b>	<b>-115%</b>	<b>(155,425)</b>	
<b>Fund Balance July 1, 2021</b>	<b>356,517</b>	<b>356,517</b>		<b>356,517</b>	<b>356,517</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>201,092</b>	<b>201,092</b>		<b>201,092</b>	<b>535,602</b>						
<b>Fund: 201 - Restricted Real Estate Maintenance Fund</b>											
Revenue Total:	39,991	39,991	-	39,991	475	-	475	39,516	1%	39,991	
Expenditures Total:	26,000	26,000	-	26,000	8,213	-	8,213	17,787	32%	26,000	
<b>Restricted Real Estate Maint Fund Net Results:</b>	<b>13,991</b>	<b>13,991</b>	<b>-</b>	<b>13,991</b>	<b>(7,738)</b>	<b>-</b>	<b>(7,738)</b>	<b>(21,729)</b>	<b>-55%</b>	<b>13,991</b>	
<b>Fund Balance July 1, 2021</b>	<b>181,183</b>	<b>181,183</b>		<b>181,183</b>	<b>181,183</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>195,175</b>	<b>195,175</b>		<b>195,175</b>	<b>173,445</b>						
<b>Fund: 203 - Public Safety Augmentation Fund</b>											
Revenue Total:	172,766	172,766	-	172,766	98,399	-	98,399	(74,367)	57%	172,766	
Expenditures Total:	204,574	204,574	-	204,574	96,381	-	96,381	108,193	47%	204,574	
<b>Public Safety Augmentation Fund Net Results:</b>	<b>(31,808)</b>	<b>(31,808)</b>	<b>-</b>	<b>(31,808)</b>	<b>2,018</b>	<b>-</b>	<b>2,018</b>	<b>33,826</b>	<b>-6%</b>	<b>(31,808)</b>	
<b>Fund Balance July 1, 2021</b>	<b>410,914</b>	<b>410,914</b>		<b>410,914</b>	<b>410,914</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>379,106</b>	<b>379,106</b>		<b>379,106</b>	<b>412,932</b>						
<b>Fund: 205 - Traffic Safety Fund</b>											
Revenue Total:	46,500	46,500	-	46,500	15,312	-	15,312	(31,188)	33%	46,500	
Expenditures Total:	20,261	20,261	-	20,261	4,422	-	4,422	15,839	22%	20,261	
<b>Traffic Safety Fund Net Results:</b>	<b>26,239</b>	<b>26,239</b>	<b>-</b>	<b>26,239</b>	<b>10,890</b>	<b>-</b>	<b>10,890</b>	<b>(15,349)</b>	<b>42%</b>	<b>26,239</b>	
<b>Fund Balance July 1, 2021</b>	<b>234,979</b>	<b>234,979</b>		<b>234,979</b>	<b>234,979</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>261,218</b>	<b>261,218</b>		<b>261,218</b>	<b>245,869</b>						
<b>Fund: 206 - Supplemental Law Enforcement Svc Fund</b>											
Revenue Total:	158,327	158,327	-	158,327	133,827	-	133,827	(24,500)	85%	158,327	
Expenditures Total:	104,188	104,188	-	104,188	51,635	-	51,635	52,553	50%	104,188	
<b>Sup Law Enforce Svc Fund Net Results:</b>	<b>54,139</b>	<b>54,139</b>	<b>-</b>	<b>54,139</b>	<b>82,193</b>	<b>-</b>	<b>82,193</b>	<b>28,054</b>	<b>152%</b>	<b>54,139</b>	
<b>Fund Balance July 1, 2021</b>	<b>328,953</b>	<b>328,953</b>		<b>328,953</b>	<b>328,953</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>383,092</b>	<b>383,092</b>		<b>383,092</b>	<b>411,145</b>						



	Original Budget	Revised Budget	Proposed Adjustments	Amended Budget	YTD Actual	Encumbrances	Total	Variance Favorable (Unfavorable)	Percent Used	Projected Year-End	Notes
<b>Fund: 207 - NPDES Storm Water Fund</b>											
Revenue Total:	324,128	324,128		324,128	164,164		164,164	(159,964)	51%	324,128	
Expenditures Total:	420,685	420,685	17,000	437,685	150,183		150,183	287,502	34%	437,685	[10]
<b>NPDES Storm Water Fund Net Results:</b>	<b>(96,557)</b>	<b>(96,557)</b>		<b>(96,557)</b>	<b>13,982</b>		<b>13,982</b>	<b>127,539</b>	<b>-14%</b>	<b>(96,557)</b>	
<b>Fund Balance July 1, 2021</b>	<b>1,853</b>	<b>1,853</b>		<b>1,853</b>	<b>1,853</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>(94,704)</b>	<b>(94,704)</b>		<b>(94,704)</b>	<b>15,835</b>						
<b>Fund: 209 - Recreation Fund</b>											
Revenue Total:	519,922	519,922	(224,656)	295,266	135,107		135,107	(160,159)	46%	295,266	[11]
Operating Transfers in:	673,331	673,331	418,631	1,091,962			-	(1,091,962)	0%	1,091,962	[12]
<b>Sources Total</b>	<b>1,193,253</b>	<b>1,193,253</b>	<b>193,975</b>	<b>1,387,228</b>	<b>135,107</b>	<b>-</b>	<b>135,107</b>	<b>(1,252,121)</b>	<b>10%</b>	<b>1,387,228</b>	
Expenditures Total:	1,542,048	1,542,048	(125,658)	1,416,390	630,402		630,402	785,988	45%	1,416,390	[13]
<b>Recreation Fund Net Results:</b>	<b>(348,795)</b>	<b>(348,795)</b>		<b>(29,162)</b>	<b>(495,295)</b>		<b>(495,295)</b>	<b>(466,133)</b>	<b>1698%</b>	<b>(29,162)</b>	
<b>Fund Balance July 1, 2021</b>	<b>29,162</b>	<b>29,162</b>		<b>29,162</b>	<b>29,162</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>(319,634)</b>	<b>(319,634)</b>		<b>(0)</b>	<b>(466,133)</b>						
<b>Fund: 212 - Building &amp; Planning</b>											
Revenue Total:	1,605,700	1,605,700		1,605,700	397,029		397,029	(1,208,671)	25%	1,605,700	
Operating Transfers In:	-	245,000		245,000	-		-	(245,000)	0%	245,000	
<b>Sources Total</b>	<b>1,605,700</b>	<b>1,850,700</b>	<b>-</b>	<b>1,850,700</b>	<b>397,029</b>	<b>-</b>	<b>397,029</b>	<b>(1,453,671)</b>	<b>21%</b>	<b>1,850,700</b>	
Expenditures Total:	1,727,753	1,972,753	305,000	2,277,753	556,975		556,975	1,720,778	24%	2,277,753	[14]
<b>Building &amp; Planning Net Results:</b>	<b>(122,053)</b>	<b>(122,053)</b>	<b>(305,000)</b>	<b>(427,053)</b>	<b>(159,946)</b>		<b>(159,946)</b>	<b>267,107</b>	<b>37%</b>	<b>(427,053)</b>	
<b>Fund Balance July 1, 2021</b>	<b>(134,313)</b>	<b>(134,313)</b>		<b>(134,313)</b>	<b>(134,313)</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>(256,366)</b>	<b>(256,366)</b>		<b>(561,366)</b>	<b>(294,259)</b>						
<b>Fund: 213 - Refuse Management Fund</b>											
Revenue Total:	66,060	66,060		66,060	30,517		30,517	(35,543)	46%	66,060	
Expenditures Total:	140,858	140,858		140,858	59,154		59,154	81,704	42%	140,858	
<b>Refuse Management Fund Net Results:</b>	<b>(74,798)</b>	<b>(74,798)</b>		<b>(74,798)</b>	<b>(28,637)</b>		<b>(28,637)</b>	<b>46,161</b>	<b>38%</b>	<b>(74,798)</b>	
<b>Fund Balance July 1, 2021</b>	<b>192,376</b>	<b>192,376</b>		<b>192,376</b>	<b>192,376</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>117,578</b>	<b>117,578</b>		<b>117,578</b>	<b>163,739</b>						
<b>Fund: 214 - Solid Waste Fund</b>											
Revenue Total:	368,000	368,000		368,000	176,699		176,699	(191,301)	48%	368,000	
Expenditures Total:	761,445	761,445		761,445	140,407	88,417	228,824	532,621	30%	761,445	
<b>Solid Waste Fund Net Results:</b>	<b>(393,445)</b>	<b>(393,445)</b>		<b>(393,445)</b>	<b>36,292</b>		<b>(52,125)</b>	<b>341,320</b>	<b>13%</b>	<b>(393,445)</b>	
<b>Fund Balance July 1, 2021</b>	<b>1,863,362</b>	<b>1,863,362</b>		<b>1,863,362</b>	<b>1,863,362</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>1,469,917</b>	<b>1,469,917</b>		<b>1,469,917</b>	<b>1,899,654</b>						
<b>Fund: 215 - Measure C and J Fund</b>											
Revenue Total:	398,147	398,147	73,948	472,095	472,095		472,095	(0)	100%	472,095	[15]
Expenditures Total:	937,189	937,189		937,189	110,146		110,146	827,043	12%	937,189	
<b>Measure C and J Fund Net Results:</b>	<b>(539,042)</b>	<b>(539,042)</b>		<b>(539,042)</b>	<b>361,948</b>		<b>361,948</b>	<b>827,042</b>	<b>-67%</b>	<b>(465,094)</b>	
<b>Fund Balance July 1, 2021</b>	<b>2,057,182</b>	<b>2,057,182</b>		<b>2,057,182</b>	<b>2,057,182</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>1,518,140</b>	<b>1,518,140</b>		<b>1,518,140</b>	<b>2,419,130</b>						

**NOTES:**

- [10] Increase for upcoming NPDES compliance.
- [11] Decrease revenue due to lower-than-projected program revenues.
- [12] Increase transfer in from General Fund to close budget gap. Amount will be trued up based on the actual shortfall at year-end.
- [13] Decrease expenditures due to lower-than-projected program costs.
- [14] Increase expenditures for 4Leaf contract for temporary permit technician and building official (\$65,000), M-Group contract for temporary staffing (\$20,000), and Trakit subscription (\$220,000).
- [15] Increase budget to align with actual revenue received.





	Original Budget	Revised Budget	Proposed Adjustments	Amended Budget	YTD Actual	Encumbrances	Total	Variance Favorable (Unfavorable)	Percent Used	Projected Year-End	Notes
<b>Fund: 216 - Rate Stabilization Fund</b>											
Revenue Total:	-	-		-	17,203		17,203	17,203	0%	34,406	
Expenditures Total:	-	-		-	-		-	-	0%	-	
<b>Rate Stabilization Fund Net Results:</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>17,203</b>		<b>17,203</b>	<b>17,203</b>	<b>0%</b>	<b>34,406</b>	
<b>Fund Balance July 1, 2021</b>	<b>184,676</b>	<b>184,676</b>		<b>184,676</b>	<b>184,676</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>184,676</b>	<b>184,676</b>		<b>184,676</b>	<b>201,879</b>						
<b>Fund: 217 - American Rescue Plan Act Fund</b>											
Revenue Total:	-	2,302,505		2,302,505	2,302,505		2,302,505	-	100%	2,302,505	
Expenditures Total:	-	300,000		300,000	58,415		58,415	241,585	19%	416,829	
<b>American Rescue Plan Act Fund Net Results:</b>	<b>-</b>	<b>2,002,505</b>		<b>2,002,505</b>	<b>2,244,090</b>		<b>2,244,090</b>	<b>241,585</b>	<b>112%</b>	<b>1,885,676</b>	
<b>Fund Balance July 1, 2021</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>-</b>	<b>2,002,505</b>		<b>2,002,505</b>	<b>2,244,090</b>						
<b>Fund: 225 - Asset Seizure-Adjudicated Fund</b>											
Revenue Total:	-	-		-	(111)		(111)	(111)	0%	(222)	
Expenditures Total:	86,562	86,562		86,562	15,000		15,000	71,562	0%	86,562	
<b>Asset Seizure-Adjudicated Fund Net Results:</b>	<b>(86,562)</b>	<b>(86,562)</b>		<b>(86,562)</b>	<b>(15,111)</b>		<b>(15,111)</b>	<b>71,451</b>	<b>0%</b>	<b>(86,784)</b>	
<b>Fund Balance July 1, 2021</b>	<b>87,341</b>	<b>87,341</b>		<b>87,341</b>	<b>87,341</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>779</b>	<b>779</b>		<b>779</b>	<b>72,231</b>						
<b>Fund: 226 - CASp Certification and Training Fund</b>											
Revenue Total:	-	-		-	4,166		4,166	4,166	0%	8,331	
Expenditures Total:	-	-		-	-		-	-	0%	-	
<b>CASp Certification and Training Fund Net Results:</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>4,166</b>		<b>4,166</b>	<b>4,166</b>	<b>0%</b>	<b>8,331</b>	
<b>Fund Balance July 1, 2021</b>	<b>27,417</b>	<b>27,417</b>		<b>27,417</b>	<b>27,417</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>27,417</b>	<b>27,417</b>		<b>27,417</b>	<b>31,583</b>						
<b>Fund: 275 - Parkland Dedication Fund</b>											
Revenue Total:	-	-		-	(160)		(160)	(160)	0%	(320)	
Expenditures Total:	-	-		-	-		-	-	0%	-	
<b>Parkland Dedication Fund Net Results:</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>(160)</b>		<b>(160)</b>	<b>(160)</b>	<b>0%</b>	<b>(320)</b>	
<b>Fund Balance July 1, 2021</b>	<b>104,448</b>	<b>104,448</b>		<b>104,448</b>	<b>104,448</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>104,448</b>	<b>104,448</b>		<b>104,448</b>	<b>104,288</b>						
<b>Fund: 276 - Growth Impact Fund</b>											
Revenue Total:	229,834	229,834		229,834	(198)		(198)	(230,032)	0%	229,834	
Expenditures Total:	258,000	258,000		258,000	11,225		11,225	246,775	4%	258,000	
<b>Growth Impact Fund Net Results:</b>	<b>(28,166)</b>	<b>(28,166)</b>		<b>(28,166)</b>	<b>(11,423)</b>		<b>(11,423)</b>	<b>16,743</b>	<b>41%</b>	<b>(28,166)</b>	
<b>Fund Balance July 1, 2021</b>	<b>141,492</b>	<b>141,492</b>		<b>141,492</b>	<b>141,492</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>113,326</b>	<b>113,326</b>		<b>113,326</b>	<b>130,069</b>						



	Original Budget	Revised Budget	Proposed Adjustments	Amended Budget	YTD Actual	Encumbrances	Total	Variance Favorable (Unfavorable)	Percent Used	Projected Year-End	Notes
<b>Fund: 285 - Housing Land Held for Resale</b>											
Revenue Total:	1,733,692	1,733,692		1,733,692	(6,191)		(6,191)	(1,739,883)	0%	1,733,692	
Expenditures Total:	228,798	228,798		228,798	40,655		40,655	188,143	18%	228,798	
<b>Housing Land Held for Resale Net Results:</b>	<b>1,504,894</b>	<b>1,504,894</b>		<b>1,504,894</b>	<b>(46,846)</b>		<b>(46,846)</b>	<b>(1,551,740)</b>	<b>-3%</b>	<b>1,504,894</b>	
<b>Fund Balance July 1, 2021</b>	<b>7,835,513</b>	<b>7,835,513</b>		<b>7,835,513</b>	<b>7,835,513</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>9,340,407</b>	<b>9,340,407</b>		<b>9,340,407</b>	<b>7,788,667</b>						
<b>Fund: 310 - Lighting &amp; Landscape Districts</b>											
Revenue Total:	62,268	62,268		62,268	27,372		27,372	(34,896)	44%	62,268	
Expenditures Total:	62,125	62,125		62,125	12,503		12,503	49,622	20%	62,125	
<b>Lighting &amp; Landscape Districts Net Results:</b>	<b>143</b>	<b>143</b>		<b>143</b>	<b>14,869</b>		<b>14,869</b>	<b>14,726</b>	<b>10405%</b>	<b>143</b>	
<b>Fund Balance July 1, 2021</b>	<b>35,953</b>	<b>35,953</b>		<b>35,953</b>	<b>35,953</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>36,095</b>	<b>36,095</b>		<b>36,095</b>	<b>50,822</b>						
<b>Fund: 317 - Pinole Valley Caretaker Fund</b>											
Revenue Total:	15,000	15,000		15,000	-		-	(15,000)	0%	15,000	
Expenditures Total:	14,755	14,755		14,755	1,830		1,830	12,925	12%	14,755	
<b>Pinole Valley Caretaker Fund Net Results:</b>	<b>245</b>	<b>245</b>		<b>245</b>	<b>(1,830)</b>		<b>(1,830)</b>	<b>(2,075)</b>	<b>-747%</b>	<b>245</b>	
<b>Fund Balance July 1, 2021</b>	<b>(327)</b>	<b>(327)</b>		<b>(327)</b>	<b>(327)</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>(82)</b>	<b>(82)</b>		<b>(82)</b>	<b>(2,156)</b>						
<b>Fund: 324 - Public Facilities Fund</b>											
Expenditures Total:	70,000	70,000		70,000	-		-	70,000	0%	70,000	
<b>Public Facilities Fund Net Results:</b>	<b>(70,000)</b>	<b>(70,000)</b>		<b>(70,000)</b>	<b>-</b>		<b>-</b>	<b>70,000</b>	<b>0%</b>	<b>(70,000)</b>	
<b>Fund Balance July 1, 2021</b>	<b>541,649</b>	<b>541,649</b>		<b>541,649</b>	<b>541,649</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>471,649</b>	<b>471,649</b>		<b>471,649</b>	<b>541,649</b>						
<b>Fund: 325 - City Street Improvements</b>											
Revenue Total:	-	-	289,594	289,594	289,594		289,594	(0)	100%	289,594	[16]
Operating transfers in Total:	250,000	250,000		250,000	-		-	(250,000)	0%	250,000	
<b>Sources Total:</b>	<b>250,000</b>	<b>250,000</b>	<b>289,594</b>	<b>539,594</b>	<b>289,594</b>		<b>289,594</b>	<b>(250,000)</b>	<b>54%</b>	<b>829,188</b>	
Expenditures Total:	1,281,102	1,281,102	247,000	1,528,102	236,213	501,116	737,328	790,774	48%	1,528,102	
<b>City Street Improvements Net Results:</b>	<b>(1,031,102)</b>	<b>(1,031,102)</b>	<b>42,594</b>	<b>(988,508)</b>	<b>53,381</b>	<b>501,116</b>	<b>(447,735)</b>	<b>540,773</b>	<b>45%</b>	<b>(698,914)</b>	
<b>Fund Balance July 1, 2021</b>	<b>1,246,864</b>	<b>1,246,864</b>		<b>1,246,864</b>	<b>1,246,864</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>215,762</b>	<b>215,762</b>		<b>258,356</b>	<b>1,300,245</b>						
<b>Fund: 327 - Park Grants (Measure WW)</b>											
Revenue Total:	-	-		-	(39)		(39)	(39)	0%	(78)	
Expenditures Total:	189,758	189,758		189,758	-		-	189,758	0%	189,758	
<b>Park Grants (Measure WW) Net Results:</b>	<b>(189,758)</b>	<b>(189,758)</b>		<b>(189,758)</b>	<b>(39)</b>		<b>(39)</b>	<b>189,719</b>	<b>0%</b>	<b>(189,836)</b>	
<b>Fund Balance July 1, 2021</b>	<b>25,521</b>	<b>25,521</b>		<b>25,521</b>	<b>25,521</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>(164,237)</b>	<b>(164,237)</b>		<b>(164,237)</b>	<b>25,482</b>						
<b>Fund: 377 - Arterial Streets Rehabilitation Fund</b>											
Operating transfers in Total:	250,000	250,000		250,000	-		-	(250,000)	0%	250,000	
Expenditures Total:	775,297	775,297		775,297	7,566	40,318	47,884	727,413	6%	775,297	
<b>Arterial Streets Rehabilitation Fund Net Results:</b>	<b>(525,297)</b>	<b>(525,297)</b>		<b>(525,297)</b>	<b>(7,566)</b>	<b>40,318</b>	<b>(47,884)</b>	<b>477,413</b>	<b>9%</b>	<b>(525,297)</b>	
<b>Fund Balance July 1, 2021</b>	<b>788,574</b>	<b>788,574</b>		<b>788,574</b>	<b>788,574</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>263,277</b>	<b>263,277</b>		<b>263,277</b>	<b>781,009</b>						

NOTES:

[16] Increase revenue for transportation-related grants received: Bridge Replacement Grant (\$156,960), Transportation for Livable Communities (\$131,183), Highway Bridge Program (\$1,451).



	Original Budget	Revised Budget	Proposed Adjustments	Amended Budget	YTD Actual	Encumbrances	Total	Variance Favorable (Unfavorable)	Percent Used	Projected Year-End	Notes
<b>Fund: 500 - Sewer Enterprise Fund</b>											
Revenue Total:	7,897,500	7,897,500		7,897,500	4,033,524		4,033,524	(3,863,976)	51%	7,897,500	
Penison Trust 115 Transfer	-	-		-	-		-	-	0%	-	
<b>Sources Total</b>	<b>7,897,500</b>	<b>7,897,500</b>		<b>7,897,500</b>	<b>4,033,524</b>		<b>4,033,524</b>	<b>(3,863,976)</b>	<b>51%</b>	<b>7,897,500</b>	
Expenditures Total:	9,265,093	9,265,093	70,000	9,335,093	2,978,887	473,432	3,452,318	5,882,774	37%	9,335,093	[17]
<b>Sewer Enterprise Fund Net Results:</b>	<b>(1,367,593)</b>	<b>(1,367,593)</b>	<b>(70,000)</b>	<b>(1,437,593)</b>	<b>1,054,637</b>	<b>(473,432)</b>	<b>581,206</b>	<b>2,018,798</b>	<b>-40%</b>	<b>(1,437,593)</b>	
<b>Fund Balance July 1, 2021</b>	<b>21,399,210</b>	<b>21,399,210</b>		<b>21,399,210</b>	<b>21,399,210</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>20,031,618</b>	<b>20,031,618</b>		<b>19,961,618</b>	<b>22,453,848</b>						
<b>Fund: 503 - Plant Expansion Fund</b>											
Revenue Total:	-	-		-	505		505	505	0%	1,010	
Expenditures Total:	-	-		-	283,925		283,925	(283,925)	0%	567,851	
<b>Plant Expansion Fund Net Results:</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>(283,420)</b>		<b>(283,420)</b>	<b>(283,420)</b>	<b>0%</b>	<b>(566,841)</b>	
<b>Fund Balance July 1, 2021</b>	<b>2,365,557</b>	<b>2,365,557</b>		<b>2,365,557</b>	<b>2,365,557</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>2,365,557</b>	<b>2,365,557</b>		<b>2,365,557</b>	<b>2,082,137</b>						
<b>Fund: 505 - Cable Access TV</b>											
Revenue Total:	374,928	374,928		374,928	83,541		83,541	(291,387)	22%	374,928	
Operating transfers in Total:	160,124	160,124		160,124	-		-	(160,124)	0%	160,124	
<b>Sources Total</b>	<b>535,052</b>	<b>535,052</b>		<b>535,052</b>	<b>83,541</b>		<b>83,541</b>	<b>(451,511)</b>	<b>16%</b>	<b>535,052</b>	
Expenditures Total:	570,765	570,765		570,765	211,750	27,974	239,724	331,041	42%	570,765	
<b>Cable Access TV Net Results:</b>	<b>(35,713)</b>	<b>(35,713)</b>		<b>(35,713)</b>	<b>(128,209)</b>		<b>(128,209)</b>	<b>(120,470)</b>	<b>359%</b>	<b>(35,713)</b>	
<b>Fund Balance July 1, 2021</b>	<b>(3,132)</b>	<b>(3,132)</b>		<b>(3,132)</b>	<b>(3,132)</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>(38,845)</b>	<b>(38,845)</b>		<b>(38,845)</b>	<b>(131,341)</b>						
<b>Fund: 525 - Information Systems</b>											
Expenditures Total:	1,011,526	1,011,526	226,000	1,237,526	343,846		343,846	(893,680)	34%	1,237,526	[18]
Indirect cost allocations Total:	(1,011,526)	(1,011,526)	(226,000)	(1,237,526)	(342,843)		(342,843)	894,683	28%	(1,237,526)	[19]
<b>Information Systems Net Results:</b>	<b>0</b>	<b>0</b>		<b>-</b>	<b>1,003</b>		<b>1,003</b>	<b>0</b>	<b>0%</b>	<b>-</b>	
<b>Fund Balance July 1, 2021</b>	<b>(196,169)</b>	<b>(196,169)</b>		<b>(196,169)</b>	<b>(196,169)</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>(196,169)</b>	<b>(196,169)</b>		<b>(196,169)</b>	<b>(195,166)</b>						
<b>Fund: 700 - Pension Fund</b>											
Revenue Total:	-	-		-	329,302		329,302	329,302	0%	771,572	
Expenditures Total:	-	-		-	44,539		44,539	(44,539)	0%	89,079	
<b>Pension Fund Net Results:</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>284,762</b>		<b>284,762</b>	<b>284,762</b>	<b>0%</b>	<b>682,493</b>	
<b>Fund Balance July 1, 2021</b>	<b>19,442,495</b>	<b>19,442,495</b>		<b>19,442,495</b>	<b>19,442,495</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>19,442,495</b>	<b>19,442,495</b>		<b>19,442,495</b>	<b>19,727,258</b>						
<b>Fund: 750 - Recognized Obligation Retirement Fund</b>											
Revenue Total:	250,000	250,000		250,000	-		-	(250,000)	0%	250,000	
Expenditures Total:	194,899	194,899		194,899	106,752		106,752	88,147	55%	194,899	
<b>Recognized Obligation Retirement Fund Net Results:</b>	<b>55,101</b>	<b>55,101</b>		<b>55,101</b>	<b>(106,752)</b>		<b>(106,752)</b>	<b>(161,853)</b>	<b>-194%</b>	<b>55,101</b>	
<b>Fund Balance July 1, 2021</b>	<b>5,245,258</b>	<b>5,245,258</b>		<b>5,245,258</b>	<b>5,245,258</b>						
<b>Estimated Fund Balance June 30, 2022</b>	<b>5,300,359</b>	<b>5,300,359</b>		<b>5,300,359</b>	<b>5,138,507</b>						

**NOTES:**

- [17] Increase expenditures for emergency project at Tennent and Pinon Avenue.
- [18] Increase for Trakit software subscription for the Community Development Department and Public Works Department.
- [19] Increase in reimbursement credit for costs that will be charged to the Community Development Department and Public Works for the procurement of the Trakit software subscriptions.

**RESOLUTION NO. 2022-xx**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE  
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA,  
AMENDING THE CITY BUDGET FOR FISCAL YEAR 2021/22**

**WHEREAS**, the City Council did adopt a Budget for City Operations by Resolution number 2021-51 on June 29, 2021; and

**WHEREAS**, the City Council did adopt adjustments to the City Operations Budget by Resolution number 2021-104 on November 16, 2021; and

**WHEREAS**, the Finance Director has presented proposed recommendations for amendment of the adopted budget for the City Operations for Fiscal Year 2021/22 as part of a Mid-Year Budget Review at the regular City Council Meeting held on March 1, 2022; and

**WHEREAS**, the City Council has considered these recommended changes, as to the matter of the City budget; and

**WHEREAS**, the City Council has solicited public input on the proposed amendments to the fiscal year 2021/22 City Operations Budget.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Pinole as follows:

Amendments to the budget and program of services for the City of Pinole for Fiscal Year 2021/22 commencing July 1, 2021 and ending June 30, 2022 are hereby approved and adopted, as set forth in Exhibit #1 (herein incorporated).

**PASSED AND ADOPTED** this 1<sup>st</sup> day of March 2022, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

I hereby certify that the foregoing resolution was introduced, passed and adopted on this 1<sup>st</sup> day of **March, 2022**.

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Heather Bell, CMC  
City Clerk

**EXHIBIT 1**

## FY 2021/22 Mid-Year Adjustments

<b>General Fund (100)</b>	
Revenue	\$259,187
Expenditures	\$537,476
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<b>Measure S 2006 Fund (105)</b>	
Revenue	\$278,000
<hr/>	
<b>Measure S 2014 Fund (106)</b>	
Revenue	\$278,000
Expenditures	\$7,207
<hr/>	
<b>NPDES Storm Water Fund (207)</b>	
Expenditures	\$17,000
<hr/>	
<b>Recreation Fund (209)</b>	
Revenue	\$193,975
Expenditures	-\$125,658
<hr/>	
<b>Building &amp; Planning Fund (212)</b>	
Expenditures	\$305,000
<hr/>	
<b>Measure C/J Fund (215)</b>	
Revenue	\$73,948
<hr/>	
<b>City Street Improvements (325)</b>	
Revenue	\$289,594
Expenditures	\$247,000
<hr/>	
<b>Sewer Enterprise Fund (500)</b>	
Expenditures	\$70,000
<hr/>	
<b>Information Systems Fund (525)</b>	
Expenditure Credit	-\$226,000
Expenditures	\$226,000
<hr/>	



## Development Process for FY 2022/23 Budget Development and Long-Term Financial Plan

Date	Action/Activity
February 15, 2022	City Council Meeting <ul style="list-style-type: none"> <li>• FY 2021/22 Mid-Year Budget Review</li> </ul>
March – April 2022	Special City Council Meeting <ul style="list-style-type: none"> <li>• Presentation on revenue streams, particularly local taxes</li> </ul> Internal Activities, including: <ul style="list-style-type: none"> <li>• Revenue and expenditure assumptions formulated</li> <li>• Department budget meetings held</li> <li>• Preliminary budget, CIP, and long-term financial plan prepared</li> </ul>
April 4 – 18, 2022	Community Survey launched to gauge priorities for the Operating Budget and Capital Improvement Plan
April 14, 2022	Finance Subcommittee Meeting <ul style="list-style-type: none"> <li>• Preliminary Proposed Long-Term Financial Plan</li> <li>• Presentation of highlights of baseline budget items (what is included)</li> <li>• Presentation of status of current CIP/baseline for next CIP</li> </ul>
April 26, 2022	Special City Council Meeting (Workshop) <ul style="list-style-type: none"> <li>• Revised Proposed Long-Term Financial Plan</li> <li>• Presentation of highlights of baseline budget items (what is included) and Council Member requests for staff analysis of potential additions/deletions</li> <li>• Presentation of status of current CIP/baseline for next CIP and Council Member requests for staff analysis of potential additions/deletions</li> </ul>
May 3, 2022	City Council Meeting <ul style="list-style-type: none"> <li>• Preliminary Proposed FY 2022/23 Operating and Capital Budget (with staff analysis of Council Member requested potential additions/deletions)</li> <li>• Preliminary Proposed FY 2022/23 Five-Year Capital Improvement Plan (CIP) (with staff analysis of Council Member requested potential additions/deletions)</li> </ul>
May 17, 2022	City Council Meeting <ul style="list-style-type: none"> <li>• Adopt Final Proposed Long-Term Financial Plan</li> </ul>



## Development Process for FY 2022/23 Budget Development and Long-Term Financial Plan

Date	Action/Activity
June 7, 2022	City Council Meeting <ul style="list-style-type: none"><li>• Revised Proposed FY 2022/23 Operating and Capital Budget</li><li>• Revised Proposed FY 2022/23 Five-Year Capital Improvement Plan (CIP)</li></ul>
June 21, 2022	City Council Meeting Adopt: <ul style="list-style-type: none"><li>• Final Proposed FY 2022/23 Operating and Capital Budget</li><li>• Final Proposed FY 2022/23 Five-Year Capital Improvement Plan (CIP)</li><li>• FY 2022/23 Appropriations Limit</li></ul>