

CITY OF PIEDMONT



2022—23 BUDGET



**CITY OF PIEDMONT
FY 2022-23 BUDGET**

CITY COUNCIL

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Jennifer Cavanaugh, Vice Mayor

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Conna McCarthy, Councilmember

City Administrator

Sara Lillevand

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Michael Szczech - Finance Director

David Brannigan - Fire Chief

Kevin Jackson - Planning Director

Jeremy Bowers - Chief of Police

Daniel Gonzales - Public Works Director

Chelle Putzer - Recreation Director

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CITY OF PIEDMONT CALIFORNIA

May 9, 2022

Mayor and City Councilmembers
City of Piedmont
120 Vista Avenue
Piedmont, CA 94611

Budget Message for 2022-23 Proposed Budget

OVERVIEW

I am pleased to submit the FY 2022-23 Proposed City Budget for your review and consideration. The Budget outlines the City's financial plan and work program for the upcoming fiscal year; provides a comprehensive statement of the City's organization, operations, projected revenues, and estimated expenditures; and serves as a strategic tool in communicating, implementing, and monitoring City Council direction related to City operations.

The overall impact of the COVID-19 pandemic to the City budget has been negligible due to the City's relatively stable revenue stream which is heavily reliant on property related taxes. However, the City now faces serious economic headwinds due to the aftereffects of the pandemic, including high inflation and rising interest rates. Although the real estate market has remained surprisingly strong and transfer tax receipts are at record highs, staff is concerned that rising interest rates may adversely affect the demand for homes and result in lower transfer tax receipts.

Overall, staff is projecting FY 2021-22 revenue to exceed budget by \$5.2 million and expenses and transfers out to exceed budget by \$1.6 million, netting to a surplus of approximately \$3.6 million. Strong Real Property Transfer tax receipts (+\$2.2 million), receipt of American Rescue Plan Act (ARPA) funds (+\$1.3 million), solid recreation revenue (\$0.6 million), mutual aid wildfire revenue (\$0.5 million), and continued strength in permit & planning fees (+0.4 million) drove the revenue overage. The overage in expenses and transfers out is primarily due to the transfer of \$1.1 million of ARPA funds to the Facilities Maintenance fund and unbudgeted COVID-19 expenses.

As a general practice, in years when revenues exceed budget estimates, the City Council prudently treats the surplus as "one-time" revenue and has directed that the funds be used to address facility maintenance, equipment replacement, and underfunded liabilities. This practice is and will continue to be extremely important to the long-term health of the City, especially when considering an expanded definition of "facilities maintenance" to include such critical civic infrastructure as the City's streets, sidewalks, and parks.

While the City historically appropriated funds for facility maintenance, equipment replacement, and unfunded liabilities, there has been particular focus and attention placed on escalating pension costs in recent years. Toward that end, the City partnered with Public Agency Retirement Services (PARS) to establish a Section 115 Trust Fund during FY 2017-18. The account was funded with a \$2.0 million transfer from the General Fund, followed by additional transfers of \$750,000 in November of 2018 and \$1.0 million in October 2021. The trust will allow the City to smooth the effect of rising pension costs, which are expected to increase significantly over the next ten years and will contribute to the City's ability to maintain a reasonable General Fund reserve to address unforeseen and emergency circumstances. The City's long-term plan now indicates that the City may need to draw down on the PARS fund as early as FY 2023-24. However, no additional funding is required at this point. Staff continues to monitor pension costs very closely.

As noted above, staff is projecting a budget surplus in FY 2021-22 and proposes to increase the budgeted transfer to the Equipment Replacement Fund from \$0.3 million to \$1.4 million. Future equipment needs are higher than anticipated as the replacement of all radios for both Fire and Police has been accelerated due to the pending discontinuation of support for existing equipment (\$560,000), the delay of the upgrade of KCOM equipment (\$400,000), as well as inflationary pressure on all future purchases. After this transfer, the General Fund balance will be approximately \$7.4 million, or 23% of expenditures, which is consistent with the past several years.

The Proposed 2022-23 Budget projects an Operating Net Income of \$988,000 in the General Fund for 2021-22. After proposed Capital Transfers of \$72,000 to the Equipment Replacement Fund, \$1,332,000 (ARPA funds) to the Facilities Capital Fund and \$1,300,000 to the Facilities Maintenance Fund, the General Fund will experience a Net Loss estimated at \$1,716,000, which results in a projected ending General Fund Balance of \$5.7 million, or 17% of operating expenditures.

The City is scheduled to receive \$2.6 million in American Rescue Act Plan funds. The City received \$1.3 million in FY 2021-22 and are scheduled to receive the remaining \$1.3 million in early FY 2022-23. Staff expects to spend approximately \$300,000 in FY 2021-22, primarily on support for the Piedmont Unified School District, premium pay for essential workers, preventive measures, and policy formulation. The remaining funds have been allocated for infrastructure projects, with the relocation of the Police Dispatch Center as the top priority.

Pension costs and retiree medical costs continue to rise at a faster pace than revenue despite the various measures taken beginning in 2013 to contain these costs, including elimination of employer paid member pension contributions, employee cost-sharing of pension costs, and the restructuring of post-retirement health insurance benefits. Staff has budgeted pension and retiree medical expenses at \$4.9 million compared to the FY 2021-22 projection of \$4.3, an increase of \$0.6 million or 13%.

The Draft 6th Cycle Piedmont Housing Element for 2023 to 2031 represents a significant investment of time and resources of the City as well as the hundreds of community members who have participated in public meetings, community workshops, surveys, comment letters, and online planning tools. This investment in a thoughtful,

inclusive, and open planning process will result in a housing plan that fits Piedmont. Thoughtful planning can reduce potential harm and transform growth into a benefit for the community as a whole. Significant effort and expense were undertaken in FY 2021-22 and this process will continue into FY 2022-23 as the draft housing element is submitted to the state for certification.

Consistent with Council Resolution #60-2020, the City Council and staff have been working individually and collectively to understand bias and the historical role racism has played in Piedmont and the community at large to better lead a city which is a safe, welcoming, and equitable place for all people. In the current fiscal year, robust anti-racism and equity training, which incorporated Piedmont specific historical perspectives was developed and implemented by Chief Bowers and DEI consultant Cornelia Sylvester of Bay Area Coaching. All Police Department personnel attended three distinct sessions, which were well-received. Additionally, an outside analysis of Police Department calls for service by UTSA researchers is currently in process and will be presented to the community on May 23rd, 2022. In April 2022, the City hosted a virtual workshop entitled, *Welcome to Piedmont, Real Estate Practices in Support of an Inclusive Community* which was attended by more than 85 community members. Training relative to diversity, equity, and inclusion was also expanded to include City Councilmembers in FY 2021-22. The City will continue to focus on diversity, equity, and inclusion in the coming fiscal year and into the future as the City Council and staff endeavors to review all that the City does through an anti-racism lens with the goal of fostering a more welcoming and inclusive Piedmont. \$75,000 is included in the FY 2022-23 budget to further efforts in this important area.

The City continues to execute on its Information Technology Strategic Plan. During the year, the City completed the implementation of a city-wide financial system, as well as a scheduling system for the fire department. In addition, in its first full year of operation, the City realized savings of approximately \$180,000 with the use of its new recreation registration system. This fiscal year also saw the beginning of the upgrade process for the citywide land, permit, and license management software. In addition, the City began the modernization of the geographic information system (GIS). Both projects will make staff more efficient internally and will make more data and processes available to the public online. In FY 2022-23, staff hopes to implement software which will make applying for committees and commissions more efficient for staff and user friendly for the community.

The City of Piedmont is making progress with sustainability efforts and actions required to confront the impacts of climate change. In recent years, significant strides have been made to reach goals set forth in the City's Climate Action Plan including enrollment in East Bay Community Energy (EBCE) 100% renewable energy service plan, hiring the City's first ever Sustainability Program Manager and enacting Reach Codes. In FY 2021-22, the Sustainability team prepared for and implemented requirements related to Senate Bill 1383 (the most significant waste reduction mandate to be adopted in California in 30 years), worked with EBCE to plan for publicly accessible electric vehicle (EV) fast charging stations, and has launched a fleet electrification study. Piedmont was recognized in 2021 as one of 95 cities across the globe demonstrating bold leadership in environmental transparency and action. Most recently, in April of 2022, the City moved forward with an all-electric design for the new Community Pool, placing Piedmont at the forefront of transformational change in the way large swimming pools in

California will be heated in the future. In the coming year, the City's Sustainability Division will continue implementing measures of the Climate Action Plan and work on climate adaptation initiatives. At the municipal level, this will entail replacement of all existing gas-powered water heaters with electric heat pump water heaters at City facilities, the development of a Municipal Energy Master Plan, and installation of EV charging infrastructure for the City fleet.

In November 2020, voters approved the sale of up to \$19.5 million of bonds to be used in the construction of a new community pool and related facilities. In December 2021, after obtaining a Standard & Poor's "AAA" rating, the City successfully sold \$19.5 million GO bonds at very favorable interest rates, netting the City \$24.4 million in available project funds. The City is currently in the Construction Documents phase of the project and plans to begin the bidding process in August 2022. The current estimated timeline will see construction begin as early as December 2022 and the new facility is targeted to open in the summer of 2024.

Finally, the City has reached a point of critical mass with the severe deficiencies identified in Piedmont's public safety facilities, which are considered essential services facilities under state law. To move forward with any major improvements to these facilities, a master planning framework to meet these deficiencies within the context of other aging and deficient City facilities in the Civic Center (City Hall, Veterans Hall, 801 Magnolia Avenue) must be developed and will be a high priority for FY 2022-23.

GENERAL FUND REVENUES

The City is projecting General Fund revenues in 2022-23 of \$33,952,511 compared to the current 2021-22 projection of \$34,910,264. Revenue by category is as follows:

Category	2022-23		2021-22		\$ Change	
	Proposed Budget	% of Budget	Projected	% of Total		
Property Related Taxes	\$ 24,247,000	71%	\$ 24,986,280	72%	\$ (739,280)	-3%
Recreation Related	\$ 3,184,000	9%	\$ 2,908,000	8%	\$ 276,000	9%
UUT & Franchise Fees	1,728,000	5%	1,768,000	5%	(40,000)	-2%
Other Agencies	1,556,864	5%	1,338,064	4%	218,800	16%
Building Permits & Planning Fees	1,462,000	4%	1,667,000	5%	(205,000)	-12%
Buisness and Sales Taxes	840,000	2%	825,000	2%	15,000	2%
Other	934,647	3%	1,417,920	4%	(483,273)	-34%
Total	\$ 33,952,511	100%	\$ 34,910,264	100%	\$ (957,753)	-3%

The major sources of revenue in each category are:

Property Related Taxes

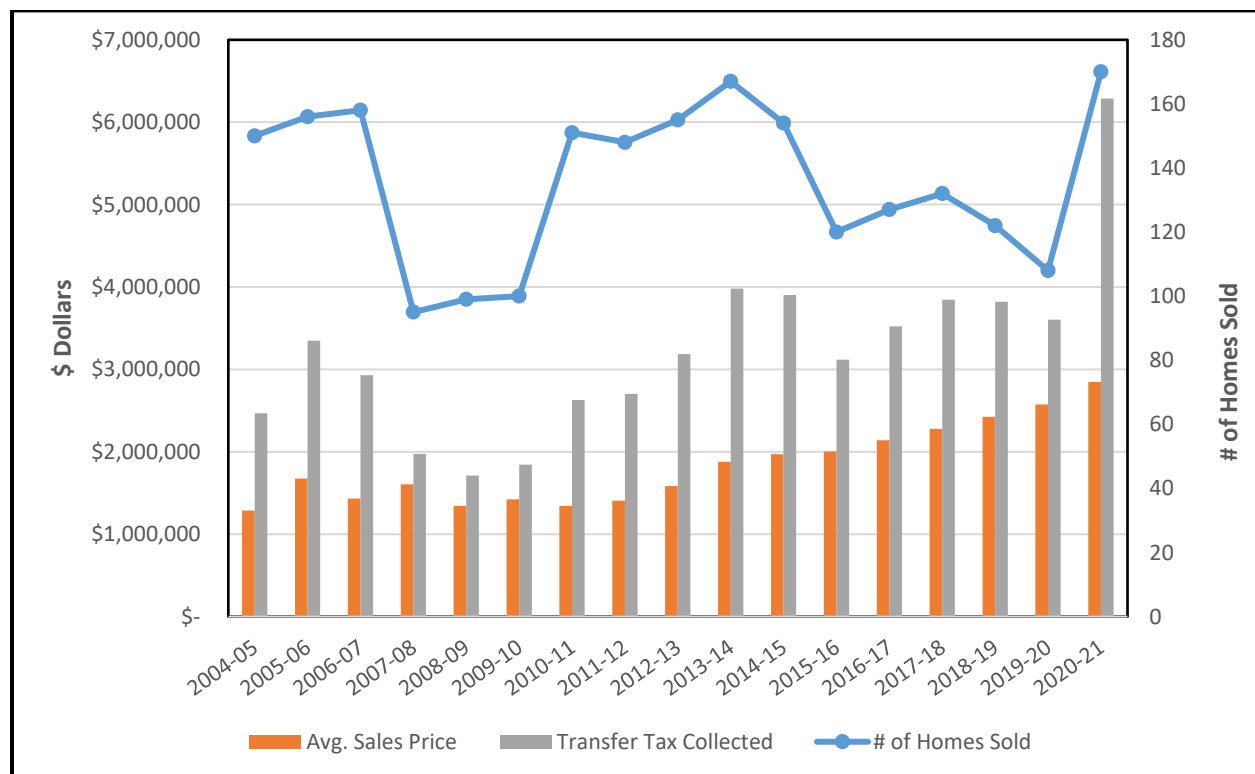
Property-related taxes are the City's primary revenue source and account for \$24,247,000 or 71% of General Fund revenues. This amount is a decrease of \$739,280 over the 2021-22 projected actual. The 2022-23 Proposed Budget consists of:

- Property Tax revenues, which consists of tax on secured and unsecured property, is budgeted at \$16,875,000, an increase of \$885,000 or 5.5% as compared to the 2021-22 projection. The increase is due to the following:
 - High volume of home sales at record high prices which increased the assessed valuation of those homes approximately 120%.
 - Properties not subject to an assessment step-up via a change of ownership returned to a maximum increase of 2.0%. This increase was lowered to 1.036% last year due to the economic strain caused by the pandemic.
- Real Property Transfer Tax revenue is budgeted at \$3,200,000. Staff is budgeting this cautiously due to its volatility and the high rate of home sales experienced in the last two fiscal years, which may indicate a peak and negatively affect future sales. In addition, the current trend of rising interest rates and high inflation may weaken the real estate market.
- Parcel Tax revenue, based on the measure approved by 83% of voters in March 2020, is estimated at \$2,522,000, an increase of \$97,000 or 4.0% over the 2021-22 projection. The tax was approved for four years, and future annual increases are limited to the lower of CPI or 4%.
- Property Tax in lieu of Motor Vehicle License Fee (MVLFF) is budgeted at \$1,570,000, a 5.1% increase over the prior year.

In 2004, the State Legislature permanently reduced the MVLFF rate from two percent to 0.65 percent and compensated cities and counties for their revenue loss with a like amount of property taxes, dollar-for-dollar. Typically, the annual change in this tax corresponds with the change in property tax.

The housing market continues to be strong and is a key factor in maintaining the stability of City revenues. There is no assurance this trend will continue as the overall economy faces serious headwinds with rising interest rates and inflation. Real Property Transfer Tax receipts have been higher than budget through the first nine months of the fiscal year and are trending to surpass the budget by approximately \$2.2 million. Below is a table which summarizes the volatility of the housing market over the last several years.

Annual Statistics related to Real Property Transfer Tax Revenue



Recreation Related Revenue

Recreation related revenue consists of revenues generated from recreation programs and facility rentals and is budgeted at \$3,184,000 in 2022-23, an increase of \$276,000 from the prior year. The major components are:

- Recreation Programs – Revenue is budgeted at \$2,024,000, an increase of \$31,000 over 2021-22 projection. Recreation program revenue has returned to a normal (pre-pandemic) state after being severely impacted by cancelled programs and reduced capacity in varying degrees between March 2020 and June 2021 due to COVID-19. Recreation staff did an outstanding job in navigating the fluctuating rules and guidelines issued by County and State Health officials. The FY 2022-23 budget assumes recreation programs will not be affected by COVID-19.
- Pre-School Program Revenue is budgeted at \$590,000, an increase of approximately \$165,000 over 2021-22 projection. Although programming was increased from 4-day to 5-day programs, revenue suffered as proposed holiday breaks programs were not offered and class sizes were reduced due to COVID-19 concerns. Next school year's programs are currently at full class size and staff expects this to continue throughout FY 2022-23.
- Facility Rentals – City facilities re-opened at the very end of FY 2020-21 and have remained open throughout FY 2021-22. Staff has budgeted \$570,000 for FY 2022-23 which assumes the facilities will be open the entire year. This is

\$80,000 higher than the FY 2021-22 projection. Included in the proposed budget is \$45,000 in rentals for 801 Magnolia Avenue.

Utility User Taxes & Franchise Fees

Utility User Taxes are taxes collected from residents for the use of electric, gas, water, and telephone. Franchise Fees are contractual obligations collected from PG & E, Republic Services, and Comcast for the right to operate in the City.

- Utility User Taxes are budgeted at \$1,150,000 which is slightly less (4 %) than the current year projection. Staff expects this revenue stream to be challenged as utility usage declines along with the number of residents working from home as the effects of the pandemic subside.
- Franchise Fees are budgeted at \$578,000 which is relatively flat to FY 2021-22.

Revenues from Other Agencies

Revenues from Other Agencies is revenue received from state and regional agencies. The budget projects revenues of \$1,556,864, which includes \$1,331,864 in American Rescue Plan Act (ARPA) funds and \$225,000 for LEAP and SB2 grants. The FY 2021-22 projection of \$1,338,064 consists primarily of ARPA funds.

Building Permits and Planning Fees

This category consists of the following construction related activities: Building Permits, Planning Fees, Plan Check Fees, General Plan Maintenance Fee, and Records Management Fees.

Proposed Revenue for FY 2022-23 is proposed at \$1,462,000 compared to a projection of \$1,667,000 for the current fiscal year.

- This category continues to surprise as the construction & remodel market has exceeded all expectations. FY 2020-21 was a record year, increasing \$1,600,000 or 28%, over the prior year. The strength has continued into FY 2021-22 and staff is projecting to exceed the annual budget by \$200,000 (17%).
- Consistent with the City's overall budget philosophy, staff is budgeting for declines in revenue in all areas of this category as staff does not expect the high level of activity to continue as the city faces mounting economic uncertainty.

Business and Sales Taxes

Business taxes consist of Business License and Real Estate Rental taxes. Business Licenses have been relatively stable over the past several years while Rental taxes were increasing approximately 6% per year until leveling off in FY 2020-21. Sales taxes have fluctuated between \$200,000 and \$250,000 over the past five years.

Staff is budgeting \$840,000, an increase of \$15,000 or 2%, from the current year for this category.

Other Revenue

The major components of Other Revenue consist of these miscellaneous items: Ambulance Service Charges, Mutual Aid Assistance, Other Services and Lease Revenue.

Staff is budgeting \$934,647 for FY 2022-23 compared to a projection of \$1,417,920 in the current fiscal year, a decrease of \$483,273. The primary reason for the variance is the City earned \$510,000 in mutual aid revenue for the City's assistance in battling California wildfires in FY 2020-21. Due to the unpredictable nature of this revenue stream, staff does not budget for this item.

GENERAL FUND EXPENDITURES

The City is budgeting \$33,864,353 in General Fund expenditures, an increase of 7% from last years projected expenditures. In developing the Proposed Budget, the City continues efforts to control and contain operating costs in all departments. The following is a summary by cost categories.

General Fund Budget by Expenditure Category

Category	2022-23		2021-22			
	Proposed	% of	% of			
	Budget	Budget	Projected	Total	\$ Change	%
Personnel Costs	\$ 21,755,543	64%	\$ 20,729,310	66%	\$ 1,026,233	5%
Maintenance & Operations	8,603,339	25%	7,674,934	24%	928,405	12%
Non-Departmental	3,505,471	10%	3,211,471	10%	294,000	9%
Total	\$ 33,864,353	100%	\$ 31,615,715	100%	\$ 2,248,638	7%

Personnel Costs

Personnel related costs, which includes salaries & wages, benefits, and retirement costs, is the largest overall expenditure in the General Fund at \$21,755,543, which is \$1,026,233 (5%) higher than the prior year projection. Such costs make up 64% of the total 2022-23 General Fund budget.

The tables below summarize projected personnel costs by department and by type:

Personnel Budget by Department

Category	2022-23		2021-22		\$ Change	
	Proposed Budget	% of Budget	Projected	% of Total		
Administration	\$ 2,113,195	10%	\$ 1,773,325	9%	\$ 339,870	19%
Public Works	2,214,903	10%	2,113,120	10%	101,783	5%
Planning & Building	1,513,963	7%	1,362,595	7%	151,368	11%
Recreation	2,016,795	9%	1,968,678	9%	48,117	2%
Police	6,580,954	30%	6,443,700	31%	137,254	2%
Fire	7,315,733	34%	7,067,892	34%	247,841	4%
Total	\$ 21,755,543	100%	\$ 20,729,310	100%	\$ 1,026,233	5%

Personnel Budget by Type

Category	2022-23		2021-22		\$ Change	
	Proposed Budget	% of Budget	Projected	% of Total		
Salaries	\$ 14,862,826	68%	\$ 14,533,165	70%	\$ 329,661	2%
Health Insurance	2,036,401	9%	1,803,769	9%	232,632	13%
Retirement	3,998,311	18%	3,572,406	17%	425,905	12%
Other Benefits	858,005	4%	819,970	4%	38,035	5%
Total	\$ 21,755,543	100%	\$ 20,729,310	100%	\$ 1,026,233	5%

In FY 2020-21 during the height of pandemic uncertainty, the City negotiated a one-year contract extension with the Fire and Police unions, agreeing to a 3% salary increase and all cost sharing agreements remained intact.

In FY 2021-22 the City entered into four-year labor agreements with all City employees including its four unions as well as all unrepresented employees. With the goal of containing costs and setting total employee compensation to within -3 % of the median of Piedmont's comparator cities, the City agreed to the following major terms:

- Salary increases in each of the next four years as follows: 3%, 3%, 3.25% 3.25%
- Continue medical benefit cost sharing but reset base to FY 2020-21 level.
- Freeze employee cost sharing percentage for CalPERS at FY 2020-21 levels.

Salaries expense for FY 2022-23 is budgeted at \$14,862,826 which is a 2% increase compared to the FY 2021-22 projection. The increase is due to an assumed 3% across the board wage increase, one new full-time position (Communications Manager – approved in FY 2021-22 budget but not yet filled), two temporary part time employees in Planning and Building, and the assumption of full staffing. These factors are being offset by a decline in budgeted overtime, primarily in the Fire Department. Overtime in the Fire Department is budgeted at \$700,000 compared to \$1,037,000 projected in FY 2021-22, which included approximately \$350,000 of overtime related to strike team mutual aid. Strike team mutual aid is not included in the budget as it is unpredictable and is offset by mutual aid revenue.

In addition, as compared to the prior year projection (FY 2019-20), the most significant changes in personnel costs are as follows:

- Health Insurance – The proposed budget reflects an increase of \$232,632 over last year. The increase is primarily due to an assumed 6.0% increase in premium rates and the assumption of full staffing.
- Retirement - Employee retirement costs are projected to increase \$425,905 over last year. In FY 2018-19 CalPERS began phasing in the lowering of its discount rate from 7.5% to 7.0%. The full impact of this phase in will be completed in FY 2024-25. As a result, pension expense is expected to rise significantly during this period. In FY 2022-23, staff is projecting that the City's employer contribution and unfunded liability payments will increase by 12%, from \$3,572,406 (24.6% of salaries) in 2021-22 to \$3,998,311 (26.9% of salaries) in 2022-23. The increase consists of the following:

	Proposed	Projected		
<u>General Fund</u>	<u>2022-23</u>	<u>2021-22</u>	<u>Var</u>	<u>%</u>
Unfunded Liability	\$ 2,590,563	\$ 2,256,992	\$ 333,571	15%
Normal Cost	1,870,309	1,838,770	31,539	2%
Cost Share	(462,561)	(523,356)	60,795	-12%
Total	\$ 3,998,311	\$ 3,572,406	\$ 425,905	12%

- Unfunded liability payments are projected to increase at an average rate of 9% for the next 10 years.
- Normal Cost is projected to increase at approximately the same rate as Payroll expense.
- Cost Share offset will continue to decline as CalPERS Tier One employees retire.

Maintenance and Operations

Maintenance and operations costs are budgeted at \$8,603,339, amounting to 25% of the 2022-23 General Fund budget, and is an increase of \$928,405 as compared to the 2021-22 projection.

This category includes the following major expenses:

- Employee related – Conferences, travel, training, and memberships.
- Supplies – Department supplies
- Equipment – Vehicle maintenance and repair, fuel, and rentals.
- Contract Services – Third party recreational activity providers, legal, consulting, crossing guards.
- IT related – Computer Courage contract, Software licenses and Strategic Planning.
- Other – Public Works services (including street patching, landscaping, and tree pruning)
- Utilities

The following summarizes maintenance and operations costs by department:

Operations and Maintenance Budget by Department

Category	2022-23		2021-22		\$ Change	
	Proposed Budget	% of Budget	Projected	% of Total		
Administration	\$ 2,136,250	25%	\$ 1,873,860	24%	\$ 262,390	14%
Public Works	2,249,700	26%	2,093,500	27%	156,200	7%
Planning & Building	1,318,300	15%	1,011,500	13%	306,800	30%
Recreation	1,236,500	14%	1,167,863	15%	68,637	6%
Police	1,026,689	12%	982,257	13%	44,432	5%
Fire	635,900	7%	545,954	7%	89,946	16%
Total	\$ 8,603,339	100%	\$ 7,674,934	100%	\$ 928,405	12%

The most significant increases in Maintenance and Operations costs in the 2022-23 Proposed Budget as compared to the 2021-22 projection are as follows:

- Planning and Building – Staff is budgeting an increase of \$306,800, which is primarily due to an expansion of the Supplemental Planning Services and records management needs:
 - Supplemental Planning Services (\$214,000)
 - Third party permit inspection fees related to the Community Pool project (\$100,000)
 - Convert the residential property-based records from paper based to digital (\$91,000)
 - Environmental review required by the California Environmental Quality Act (CEQA) related to the Housing Element and Safety Element, and LHMP updates. (\$50,000)
 - Update of the General Plan Housing Element (\$39,000)

Offset by:

- Lower City Engineer costs (\$250,000) as temporary part time help has been hired to replace the need for Coastland's permit processing and inspection support utilized in FY 2021-22 to address the backlog of permit applications.
- Administration – Expenses are projected to be \$262,390 (14%) higher year over year. The increase is primarily due to:
 - IT related expenses – Increase in Strategic Plan initiatives (\$70,000) and Computer Courage staffing (\$29,000).
 - Consulting related to Diversity\Equity\Inclusion (\$75,000).
 - Election expenses (58,000)
 - Audit fees, due to bi-annual requirement to perform complete valuations of the City's OPEB and Police & Fire Pension plans and the need to perform Single Audit procedures due to receipt of ARPA funds. (\$25,000).
- Fire – Staff is projecting an increase of \$89,946 over last year primarily due to Emergency Preparedness related expenses

Non Departmental

Category	2022-23		2021-22		\$ Change	
	Proposed Budget	% of Budget	Projected	% of Total		
Insurance	\$ 2,235,000	64%	\$ 2,056,000	64%	\$ 179,000	9%
Retiree Medical Premiums	900,000	26%	770,000	24%	130,000	17%
Library	350,471	10%	350,471	11%	0	0%
Unemployment Ins.	20,000	1%	35,000	1%	(15,000)	-43%
Total	\$ 3,505,471	100%	\$ 3,211,471	100%	\$ 294,000	9%

Non-Departmental costs are budgeted at \$3,505,471, comprising 10% of the 2022-23 General Fund budget. The following costs are included:

- Insurance costs, which include General Liability and Workers Compensation, comprise \$2,235,000 and is a \$179,000 increase from the estimated 2021-22 expense. The increase is primarily due to higher premiums caused by increased payroll and overall actuarial adjustments to the risk pool. In FY 2022-23, the City will increase its General Liability self-insured retention from \$10,000 to \$25,000 per claim, which reduced the premium increase from 20% to 15% year over year.
- Retiree Medical Premiums - Premiums are budgeted at \$900,000 compared to \$770,000 last year. The increase is due to six retirements in 2021-22, a 6% budgeted increase in premium costs, and an estimated 4 retirements in FY 2022-23.

- Library services – \$350,471 is budgeted as a contribution to the City of Oakland, unchanged from prior years.
- Unemployment – The City is self-insured for unemployment costs. Staff is estimating the City will incur approximately \$20,000 in expense in FY 2022-23. This cost has returned to normal levels as the increased unemployment periods mandated during the pandemic expired in FY 2021-22.

GENERAL FUND BALANCE

The 2022-23 Proposed Budget projects an Operating Net Income of approximately \$966,000. Capital transfers are proposed for essential capital needs as follows:

- \$1,332,000 - Capital Improvements (ARPA Funds)
- \$1,300,000 - Facilities Maintenance, including sidewalk replacement\repair
- \$ 72,000 - Equipment Replacement Fund

After these transfers, the General Fund ending balance will be approximately \$5.7 million, or 17% of Operating Expenses. No further transfers are recommended at this time as the City's goal is to maintain a General Fund reserve of +/- 18% of Operating Expenses.

TEN-YEAR PROJECTION

The ten-year forecast of revenues and expenditures (and increasing level of transfers) assists in identifying long range issues and informing future planning and decision making through 2029-30. The following table is a summary of the forecast:

General Fund Balance 2017-18 through 2030-31

Fiscal Year Ending	ACTUAL				PROJECTED									
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Begin Balance	\$ 5,567	\$ 5,532	\$ 5,290	\$ 5,591	\$ 6,509	\$ 7,420	\$ 5,682	\$ 6,110	\$ 6,322	\$ 6,533	\$ 6,765	\$ 6,974	\$ 7,242	\$ 7,906
Revenues	29,005	29,564	28,604	33,266	34,910	33,954	34,048	35,320	36,648	38,034	39,482	40,995	42,574	44,225
Growth rate - revenues		1.9%	-3.2%	16.3%	4.9%	-2.7%	0.3%	3.7%	3.8%	3.8%	3.8%	3.8%	3.9%	3.9%
Operating Expenses	21,771	22,894	23,398	24,678	28,404	30,359	30,343	31,404	32,432	33,573	34,617	35,944	37,778	39,194
Growth rate		5.2%	2.2%	5.5%	15.1%	6.9%	-0.1%	3.5%	3.3%	3.5%	3.1%	3.8%	5.1%	3.7%
Non Dept Expenses	2,808	2,454	2,564	3,872	3,311	3,505	2,028	2,663	2,895	3,217	3,522	3,862	3,274	3,369
Net Operating Transfers	-728	-853	-550	834	840	877	877	702	728	755	782	810	839	869
Operating Net Income	3,698	3,363	2,091	5,550	4,035	966	2,555	1,955	2,049	1,999	2,126	1,999	2,361	2,531
Growth rate		-9.1%	-37.8%	165.4%	-27.3%	-76.0%	164.3%	-23.5%	4.8%	-2.4%	6.3%	-6.0%	18.1%	7.2%
Capital Transfers	3,733	3,606	1,789	4,633	3,123	2,704	2,127	1,743	1,837	1,768	1,917	1,731	1,697	1,486
Net income	-35	-243	302	918	911	-1,738	427	212	212	231	209	268	664	1,045
Ending Balance	\$ 5,532	\$ 5,290	\$ 5,591	\$ 6,509	\$ 7,420	\$ 5,682	\$ 6,110	\$ 6,322	\$ 6,533	\$ 6,765	\$ 6,974	\$ 7,242	\$ 7,906	\$ 8,951
% Operating Expenses	22.5%	20.9%	21.5%	22.8%	23.4%	16.8%	18.9%	18.6%	18.5%	18.4%	18.3%	18.2%	19.3%	21.0%

The major assumptions used to build the Ten-Year Projection are as follows:

Revenues:

- The Property Tax growth rate slowed to approximately 3.6% in FY 2021-22. This is primarily due to the annual increase in assessed valuation being limited to 1.036% in FY 2020-21 in response to the pandemic. Staff has budgeted a 5.5% increase for FY 2022-23 as the annual increase in assessed valuation has returned to 2% and home sales and sales prices have been at record highs for the past two years. Going forward, the growth rate is projected to be 4.9% annually. This is lower than the average increase over the past ten years of 5.5% as staff expects the rate of increase to begin to decline as the number of homes with low assessed valuations due to Proposition 13 decline.
- Real Property Transfer Tax revenue is budgeted at \$3.2 million in FY 2022-23 and \$3.4 million thereafter. Although this is an increase over the previous rate of \$2.8 million, staff feels it is appropriate based on historical results.
 - Transfer tax revenue has averaged \$3.6 million annually over the past 5 years and \$3.4 million over the past 10 years.
 - Note these averages do not include FY 2020-21 which was 50% higher than any previous year and viewed as an outlier.
- Parcel Tax - The tax was last approved on the March 2020 ballot and is subject to voter approval every four years. Staff has assumed the tax will continue to be approved and has increased it each year by 3% (estimated CPI).
- The growth rate for all other revenue categories averages 3.2%
- FY 2021-22 and FY 2022-23 include ARPA fund receipts of \$1.3 million each.

Expenditures:

- Salary and related compensation expenses through FY 2024-25 are based on the four-year labor agreements signed this year. Beyond 2024-25, salaries are estimated to increase 3% per year.
- Medical and other benefit costs assume a 4%-6% growth rate, which approximates the historical trend.
- Pension costs are based on an actuarial study prepared by Bartel and Associates. The CalPERS Board of Administration approved lowering the CalPERS discount rate assumption, the long term rate of return, from 7.5% to 7.0% over three years beginning in 2018-19. Additionally, in July 2021, the discount rate will be lowered to 6.8 as part of CalPERS portfolio risk mitigation strategy. The Bartel study assumes the rate will continue to decline, and eventually settle around 6.0%. Staff is projecting pension costs to rise approximately 56% over the next 5 years and increase approximately 95% by FY 2030-31. During 2018, the City established a Pension Rate Stabilization Trust with PARS to aid in funding future pension expense. \$3,750,000 has been contributed to the fund to date. Staff is not recommending additional funding at this time.

- Operating expenses, other than personnel costs, are projected to grow at a rate of 3% per year.

RECREATION DEPARTMENT \ SCHOOLMATES \ AQUATICS

While the Recreation Department is a component of the General Fund, two programs under its purview, Schoolmates and Aquatics, are accounted for in separate funds. Below is a recap of the proposed 2022-23 budget and actual results from the prior four years.

	FY Ended				Proposed	Projected	
	June-18	June-19	June-20	June-21	BUD 2023	FY 21-22	\$ VAR
<u>RECREATION (GF)</u>							
Revenue	\$ 3,083,138	\$ 2,832,816	\$ 1,261,674	\$ 1,761,020	\$ 3,216,684	\$ 2,929,290	\$ 287,394
Salaries	1,218,560	1,340,569	1,315,680	1,182,494	1,551,306	1,529,200	22,106
Benefits & Taxes	333,188	356,360	321,474	309,749	465,489	436,478	29,011
Operating Exp	1,302,146	1,215,631	1,028,856	912,727	1,236,500	1,167,863	68,637
Total Expenses	2,853,894	2,912,560	2,666,010	2,404,969	3,253,295	3,133,541	119,754
% of Revenue	93%	103%	211%	137%	101%	107%	42%
Net Income/(Loss)	\$ 229,245	\$ (79,743)	\$ (1,404,336)	\$ (643,950)	\$ (36,611)	\$ (204,251)	\$ 167,640
Cost Recovery %	108%	97%	47%	73%	99%	93%	
<u>SCHOOLMATES</u>							
Revenue	\$ 703,107	\$ 762,930	\$ 632,868	\$ 586,126	\$ 1,086,319	\$ 1,022,000	\$ 64,319
Salaries	469,281	448,901	459,301	495,839	680,832	503,000	177,832
Benefits & Taxes	178,764	131,893	104,243	92,880	162,252	111,600	50,652
Operating Exp	86,209	122,180	111,409	86,836	231,450	89,300	142,150
Total Expenses	734,254	702,973	674,953	675,555	1,074,534	703,900	370,634
% of Revenue	104%	92%	107%	115%			
Net Income/(Loss)	\$ (31,147)	\$ 59,957	\$ (42,085)	\$ (89,429)	\$ 11,785	\$ 318,100	\$(306,315)
Cost Recovery %	96%	109%	94%	87%	101%	145%	
<u>AQUATICS</u>							
Revenue	\$ 549,492	\$ 495,806	\$ 338,829	\$ (1,034)	\$ -	\$ -	\$ -
Salaries	370,611	387,586	375,765	74,792	8,160	7,000	1,160
Benefits & Taxes	49,603	52,117	52,602	16,174	624	536	88
Operating Exp	196,714	254,239	190,320	45,293	6,500	12,500	(6,000)
Total Expenses	616,928	693,942	618,688	136,258	15,284	20,036	(4,752)
% of Revenue	112%	140%	183%	-13183%			
Net Income/(Loss)	\$ (67,436)	\$ (198,136)	\$ (279,859)	\$ (137,292)	\$ (15,284)	\$ (20,036)	\$ 4,752
Cost Recovery %	89%	71%	55%	0%	0%	0%	
<u>TOTAL</u>							
Revenue	\$ 4,335,738	\$ 4,091,553	\$ 2,233,371	\$ 2,346,112	\$ 4,303,003	\$ 3,951,290	\$ 351,713
Salaries	2,058,452	2,177,055	2,150,747	1,753,125	2,240,298	2,039,200	201,098
Benefits & Taxes	561,555	540,370	478,319	418,802	628,365	548,614	79,751
Operating Exp	1,585,069	1,592,050	1,330,585	1,044,856	1,474,450	1,269,663	204,787
Total Expenses	4,205,076	4,309,475	3,959,651	3,216,782	4,343,113	3,857,477	485,636
% of Revenue	97%	105%	177%	137%			
Net Income/(Loss)	\$ 130,662	\$ (217,922)	\$ (1,726,280)	\$ (870,670)	\$ (40,110)	\$ 93,813	\$(133,923)
Cost Recovery %	103%	95%	56%	73%	99%	102%	

Staff has historically targeted the Recreation Department to be cost neutral. In 2021-22, staff is projecting 102% total department cost recovery after historic pandemic lows of 56% and 73% in 2019-20 and 2020-21 respectively. The primary drivers of this substantial improvement is the reopening of rental facilities and the closure of the Community Pool which had been operating at a loss prior to closure.

Recreation Department Staffing Adjustments: Schoolmates assistant site leads (3) and the lead facilities attendant will remain part-time positions but will work more than 1,000 hours in a fiscal year. As a result, the staff will be enrolled in CalPERS, eligible to enroll in the City's medical insurance plan and be offered the PEMHCA minimum payment for medical benefits as required by law.

In 2022-23, staff is projecting Schoolmates cost recovery to be 101%. In 2021-22, staff is projecting 145% cost recovery. This cost recovery figure well above the target of just over 100% was due to the delay of Schoolmates related maintenance projects until FY 2022-23.

In the Aquatics Fund, Staff has included \$20,000 of expense to cover utilities and other maintenance expenses for the permanently closed Community Pool facility.

OTHER FUNDS

In addition to the General Fund, the City maintains a number of major funds to provide for the long-term capital needs of the organization.

Street Infrastructure Maintenance & Replacement

The City's FY2022-23 budget for street infrastructure maintenance and replacement, including sidewalk repair, is \$1.6 million. Funding sources include Gas Tax, SB1, Measure BB, and Measure F. These sources are funded by Sales and Gasoline taxes. The budget is based on estimates received from the County. The majority of available funding is dedicated to street resurfacing, with the balance dedicated to important sub-categories such as the implementation of projects prioritized by the approved Pedestrian & Bicycle Master Plan, and those related to the Complete Streets program.

The PCI (Pavement Condition Index) for the streets within the City of Piedmont will be 65 after the completion of the 2021 pavement project. This is down from the 67 reported to the City Council in July of 2020 and up slightly from the 64 reported in 2017. This keeps the City's overall average within the "Good" range.

PCI Range	Description	Rating		
		2022	2019	2017
	OVERALL	65%	67%	64%
>70	Very Good	58%	49%	53%
50-69	Good	17%	28%	20%
24-49	Poor	20%	20%	16%
0-24	Very Poor	5%	3%	11%

In order to maintain a PCI of 67 over the next 5 years, approximately \$1.5 million in funding for maintenance and repairs would be needed annually. To increase the PCI to 72 over the next 5 years, approximately \$2.2 million in funding for maintenance and repairs would be needed annually.

In addition to \$100,000 from Gas Tax revenue sources, staff is requesting a General Fund appropriation of \$700,000 for sidewalk repair. Piedmont's sidewalks have become increasingly in disrepair. It is very important to repair sidewalks as soon as possible to reduce the liability associated with accidents caused by unsafe sidewalks. The City currently does not have the tools to adequately track the required maintenance of sidewalks. Staff has included in the IT plan over the next two years, funds for the purchase and implementation of a software program to satisfy this and other maintenance related needs.

Summary Street Report									
	Measure BB	Gas Tax	SB 1	Measure F	Measure B	Traffic Congestion	Total Sources	General Fund	Grand Total
ACTUAL 2019-20									
Beginning Balance	\$ 250,966	\$ 554,588	\$ 79,050	\$ 39,255	\$ 136,758	\$ 25,590	\$ 1,086,207		
Total Revenues	440,405	263,233	205,828	46,241	469,276	12,839	1,437,822		
Streets	(690,927)	(286,979)	-	(51,485)	(308,912)	-	(1,338,303)	(905,378)	(2,243,681)
Sidewalks		(425,117)	-		(295,198)	-	(720,315)		(720,315)
Total Expenditures	(690,927)	(712,096)	-	(51,485)	(604,110)	-	(2,058,618)	(905,378)	(2,963,996)
Ending Balance	\$ 444	\$ 105,725	\$ 284,878	\$ 34,011	\$ 1,924	\$ 38,429	\$ 465,411		
ACTUAL 2020-21									
Total Revenues	477,253	255,941	211,734	46,073	511,170	-	1,502,170		
Streets	(5,011)	(8,330)	(48,250)	(6,719)	(205,722)	-	(274,032)		(274,032)
Sidewalks		(346,198)	-			-	(346,198)	(522,707)	(868,905)
Total Expenditures	(5,011)	(354,528)	(48,250)	(6,719)	(205,722)	-	(620,230)	(522,707)	(1,142,937)
Ending Balance	\$ 472,686	\$ 7,138	\$ 448,362	\$ 73,365	\$ 307,372	\$ 38,429	\$ 1,347,351		
PROJECTED 2021-22									
Total Revenues	545,833	293,000	223,000	40,000	357,698	-	1,459,531		
Streets	(1,000,000)		(650,000)	(90,000)	(665,070)	(38,429)	(2,443,499)		(2,443,499)
Sidewalks		(299,408)					(299,408)	(900,000)	(1,199,408)
Total Expenditures	(1,000,000)	(299,408)	(650,000)	(90,000)	(665,070)	(38,429)	(2,742,907)	(900,000)	(3,642,907)
Ending Balance	\$ 18,519	\$ 730	\$ 21,362	\$ 23,365	\$ (0)	\$ -	\$ 63,975		
PROPOSED 2022-23									
Total Revenues	942,000	331,853	257,488	40,000	-	-	1,571,341		
Streets - Committed	(567,625)						(567,625)		(567,625)
Streets - Available	(390,000)	(230,000)	(275,000)	(60,000)			(955,000)		(955,000)
Sidewalks		(100,000)					(100,000)	(700,000)	(800,000)
Total Expenditures	(957,625)	(330,000)	(275,000)	(60,000)	-	-	(1,622,625)	(700,000)	(2,322,625)
Ending Balance	\$ 2,894	\$ 2,583	\$ 3,850	\$ 3,365	\$ (0)	\$ -	\$ 12,691		

Facilities Maintenance Fund

The City Council established the Facilities Maintenance Fund in 2013 to provide a long-term plan for addressing City-owned facilities. In 2014, responsibility for facilities was transferred from the Recreation Department to the Public Works Department. Since that time staff has been working to develop a thorough and well-documented plan that addresses deferred maintenance, on-going maintenance and repair, and, importantly, the desire to build reserves to address long-term, life-cycle maintenance and

replacement costs. The plan will continue to evolve and improve as staff closely monitors City needs.

In 2019-20, staff removed janitorial type expenses from this fund and are now accounting for them in the General Fund. Further, in order to allow us to better identify and quantify long term capital needs as opposed to ongoing maintenance costs, beginning in FY 2022-23 staff is splitting this fund into two separate funds:

- Facilities Maintenance Fund (111) – Repairs and maintenance, and scheduled maintenance, and sidewalk replacement\repair will be funded annually by transfers from the General and Schoolmates Funds based on need.
- Facilities Capital Projects (112) – Capital projects for all city facilities including parks. Funding will be determined each year based on budget surplus, if any.

The following schedule summarizes the current Facilities Maintenance Fund plan. It is a roll up of scheduled maintenance and estimated repairs and maintenance for each City facility, as well as sidewalk replacement\repair.

City of Piedmont					
Five Year Capital Improvement Program					
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025 & Beyond
FACILITIES MAINTENANCE					
Beginning Balance	\$ 839,708	\$ 357,304	\$ 276,097	\$ 214,608	\$ 172,183
General Fund Subsidy	\$ 600,000	\$ 1,300,000	\$ 1,500,000	\$ 1,100,000	\$ 1,000,000
Schoolmates Subsidy	87,500	\$ 64,450	\$ 126,923	\$ 30,419	\$ 30,940
Interest	21,596	\$ 24,243	\$ 1,584	\$ 1,227	\$ 967
Total Revenue	\$ 709,096	\$ 1,388,693	\$ 1,628,506	\$ 1,131,645	\$ 1,031,907
Expenditures:					
Sidewalks	\$ (900,000)	\$ (700,000)	\$ (600,000)	\$ (600,000)	\$ (600,000)
Annual Maintenance	(181,000)	(191,900)	(201,495)	(211,570)	(222,148)
Scheduled Maintenance	(110,500)	(578,000)	(888,500)	(362,500)	(270,500)
Total Expenditures	\$ (1,191,500)	\$ (1,469,900)	\$ (1,689,995)	\$ (1,174,070)	\$ (1,092,648)
Ending Balance	\$ 357,304	\$ 276,097	\$ 214,608	\$ 172,183	\$ 111,441

The following schedule summarizes the current Facilities Capital Fund plan. It is a roll up of capital projects for all city facilities, including parks. Supporting schedules which details each project are included in the Facility Maintenance plan documents.

City of Piedmont					
Five Year Capital Improvement Program					
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025 & Beyond
FACILITIES CAPITAL PROJECTS					
Beginning Balance	\$ 8,500,000	\$ 8,975,000	\$ 6,291,864	\$ 3,721,864	\$ 973,864
General Fund Subsidy	\$ -				
Schoolmates Subsidy	-	60,000	-	-	-
ARPA Funding	1,050,000	1,331,864			
Contributions \ Other Funding					
Interest					
Total Revenue	\$ 1,050,000	\$ 1,391,864	\$ -	\$ -	\$ -
Expenditures:					
Facilities	\$ (200,000)	\$ (2,660,000)	\$ (1,000,000)	\$ (320,000)	\$ (52,085,425)
Parks	(75,000)	(1,065,000)	(370,000)	(2,058,000)	(13,659,000)
Park Pathways	(25,000)	(100,000)	(100,000)	(100,000)	(100,000)
Tennis Courts	(125,000)	-	(270,000)	(270,000)	(540,000)
Sustainability	(150,000)	(250,000)	(830,000)	-	-
Green Infrastructure	-	-	-	-	(1,300,000)
Total Expenditures	\$ (575,000)	\$ (4,075,000)	\$ (2,570,000)	\$ (2,748,000)	\$ (67,684,425)
Ending Balance	\$ 8,975,000	\$ 6,291,864	\$ 3,721,864	\$ 973,864	\$ (66,710,561)

The Facilities Capital Fund is estimated to have a Fund balance of approximately \$8.975 million as of June 30, 2022. Funding will be primarily from the General and Schoolmates Funds, when available. American Rescue Plan Act (ARPA) funds are being allocated here for use on the Police Dispatch project in accordance with City Council direction.

Annual funding is determined based on available funds in the General Fund after consideration of the needs of the equipment replacement fund, facilities maintenance fund, and maintaining a General Fund reserve in the range of 18% +/- . Due to escalating pension, retiree medical and insurance expenses, staff is not proposing any General Fund transfers for FY 2021-22 and FY 2022-23.

The Facilities Capital Fund includes major capital improvements currently being evaluated by the City in the column “FY 2025 & Beyond”. High-level assessments of the Police Department and Fire Department reveal significant deficiencies in these Essential Services Buildings which must be addressed. As prioritized use of American Rescue Plan Act (ARPA) funds, we are currently working on options and costs associated with relocation of the dispatch center to be followed by a master planning effort for the entire Police/Veterans/Fire/City Hall area.

Beyond the Essential Services Buildings, City staff believes the renovation of the City Hall basement and Recreation Center are critical as well due to the accessibility and fire/life safety issues of these facilities which need to be addressed. Major improvements to Linda Beach and Coaches Field are also being evaluated. The total cost of all of these projects may be upward of \$65 million and is reflected in the column

“FY 2025 & Beyond”. Based on ten-year projections for the General Fund, the City does not have adequate funding for any of these projects nor the recreation related conceptual plans developed in recent years.

Capital Improvement Projects Fund

The Capital Improvement Fund is used to account for resources that are restricted and committed to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Previously, prior to creation of the Facilities Maintenance Fund and the Equipment Replacement Fund, the Capital Improvement Projects Fund was used to account for a very wide range of projects and activities.

Historically, appropriation of resources to this Fund are typically considered following a receipt of a report on projects recommended by the Capital Improvement Projects Review Committee. The Committee, on an annual basis, initiated a process to solicit community input, conduct site visits, analyze the merits of potential projects, and make recommendations to the City Council as to which projects should be funded. The Capital Improvement Projects Review Committee suspended its activity due to COVID-19. Staff is working to create a timeline and framework to reimagine and re-engage this important committee in support of substantial capital project needs.

Equipment Replacement Fund

The Equipment Replacement Fund sets aside funds in anticipation of the orderly replacement of City vehicles, heavy equipment, general equipment, as well as IT infrastructure. A replacement schedule has been developed detailing all equipment including the estimated year of replacement and estimated replacement cost.

Proposed expenditures for FY 2022-23 are \$2,279,100. This is higher than anticipated as the replacement of all radios for both Fire and Police has been accelerated due to the pending discontinuation of maintenance on existing equipment (\$560,000) and the delay of the upgrade of KCOM equipment (\$400,000). In addition, staff adjusted all purchase prices due to inflationary pressures.

The following is the detail of proposed Equipment Replacement expenditures for 2022-23 of \$2,279,100:

Description	\$ Amount
<u>Administration (KCOM):</u>	
Broadcast & Streaming Equip.	\$ 400,000
<u>Public Works:</u>	
Backhoe	180,000
<u>Recreation</u>	
Utility Van	56,000
<u>Police:</u>	
Radio's	195,000
CAD\CRM Licences	75,000
Patrol Vehicles (2)	187,000
Vehicle - Captain's	55,000
Vehicle - Parking Enforcement	50,000
Mobile Radar Units	9,000
<u>Fire:</u>	
Radio's	365,000
City Vehicle	90,000
<u>IT:</u>	
Applications & Systems	415,000
Infrastructure & Operations	100,000
Hardware	65,100
<u>OTHER:</u>	
Copy Machines	37,000
Total Proposed Expenditures	\$ 2,279,100

The Equipment Replacement Fund is estimated to have a Fund Balance of approximately \$2,305,000 as of June 30, 2022. As mentioned earlier, staff is recommending the FY 2021-22 budgeted General Fund transfer be raised to \$1,473,000 from \$360,000. Funding required in FY 2022-23 would then be \$72,000. The fund balance at the end of 2022-23 is projected at \$1,121,000, with an unrestricted fund balance of \$500,000 and a restricted balance of \$600,000. The restriction is the City Council approved system rehabilitation loan to the Sewer Fund.

Sewer Fund

The Sewer Fund is used to account for costs related to the inspection, maintenance, repair, and replacement of the sanitary sewer and storm sewer system in the City. In July 2014, the City and other East Bay jurisdictions entered into a Consent Decree (CD) mandated by the U.S. Environmental Protection Agency (EPA) which requires the City to complete a rehabilitation of the sewer system and to establish a comprehensive

monitoring of system performance. With the CD finalized, and all of the mandated improvement measures identified, the City has moved forward with definitive plans to achieve full compliance.

To this end, the City Council previously approved loans totaling \$800,000 to the Sewer Fund from the Equipment Replacement Fund and the Facilities Maintenance Fund. These loans made the need for increasing the Sewer Tax or Real Property Transfer Tax unnecessary and provided the resources needed to initiate the next phase of required sewer rehabilitation.

With the approval of a low-interest loan by the State Water Resources Control Board (SWRCB), construction of Phase V of the sewer rehabilitation project began in 2017-18 and was completed in the first quarter of FY 2018-19. Thereafter, Phase VI design work began in FY 2018-19 with construction anticipated to begin in FY 22-23. All phases of rehabilitation are projected to be completed over the next decade, ahead of the schedule established under the CD.

A significant benchmark affirming Piedmont's strategy for compliance to the EPA Consent Decree was reinforced in April of 2018. After the first EPA performance review of all participants, it was determined that Piedmont was in compliance and would not be assessed any stipulated penalties.

Sewer Fund Recap

SEWER FUND	Projected	Proposed Budget	Projected			
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Beginning Balance	\$3,231,632	\$ 3,645,317	\$ 1,564,077	\$ 1,510,359	\$ 2,514,717	\$ 673,994
Sewer Service Charges \ Interest	2,812,000	2,930,100	3,008,165	3,088,313	3,170,599	3,255,080
Loan Proceeds	0	0	2,481,865	2,481,865	0	844,963
Total Revenue	2,812,000	2,930,100	5,490,030	5,570,178	3,170,599	4,100,043
Operating Costs	1,150,000	1,347,000	1,397,500	1,450,275	1,505,389	1,561,908
<u>Capital Costs:</u>						
General Sewer Replacement	100,000	400,000	420,000	441,000	463,050	486,203
Capital Equipment	338,975	40,000	0	0	0	0
Storm Drain	0	565,000	330,000	850,000	0	0
Phase VI	0	1,850,000	2,731,250	0	0	0
Phase VII	0	0	0	1,000,000	2,379,850	0
Debt Service	809,340	809,340	664,998	824,546	663,033	877,952
Total Expenditures	2,398,315	5,011,340	5,543,748	4,565,821	5,011,322	2,926,063
Ending Balance	\$ 3,645,317	\$ 1,564,077	\$ 1,510,359	\$ 2,514,717	\$ 673,994	\$ 1,847,974

In addition to the construction of rehabilitation projects, the Sewer Fund reimburses the General Fund for sewer related expenses charged to the General Fund. Public Works and Finance have refined expense estimates and capture actual costs related to personnel, supplies and services. Based on the data collected, the proposed transfer for 2022-23 is projected at \$837,000, an increase of \$37,000 over last fiscal year.

Pension Rate Stabilization Fund

In 2017-18, the City established a Pension Rate Stabilization Fund. The City partnered with the Public Agency Retirement Services (PARS) to establish a Section 115 Trust. The trust will allow us to smooth the effect of rising pension costs which are expected to more than double over the next ten years. Through the deposit of funds into the Section 115 Trust Program, the City could expect to earn a rate of return greater than what would be attained through the City's investment with the State of California Local Agency Investment Fund (LAIF). The higher return is made possible because the Section 115 Trust Program is not prohibited by the State law from making purchases of higher yield equities.

In May 2018, the City transferred \$2.0 million from the General Fund into the Pension Rate Stabilization Fund and an additional transfer of \$750,000 in November 2018. In February 2021, the City engaged actuarial firm Bartel & Associates to refresh the City's ten-year pension expense projections. The projections increased approximately \$3.0 million as compared to the long-range plan. The increase is due to CalPERS lower than expected investment results in FY 2019-20 and the effect of the changes in its amortization policy. Amortization periods for the Unfunded Accrued Liability have been shortened from 30 years to 20 years, which lowers overall liability, but increases annual payments. Due to this, an additional \$1.0 million was transferred to PARS in October 2021.

CalPERS portfolio performance rebounded in FY 2020-21 with a 21.7% increase. This triggered its "Funding Risk Mitigation Policy". This policy requires CalPERS to reassess the portfolio's asset allocation to lower its risk and to decrease the discount rate. Accordingly, CalPERS realigned its asset allocation to decrease volatility and lowered the discount rate from 7.0% to 6.8%. This will lower employer costs by 1% - 2% beginning in FY 2023-24. However, it should be noted that financial markets have been weak this fiscal year which will most likely adversely impact pension costs after FY 2023-24.

The City's long-term plan now indicates that the City may need to draw down on the PARS fund as early as FY 2023-24 in order to pay annual pension payments and maintain a reasonable General Fund reserve (18%).

CONCLUSION

Over the past several years, the continuation of benefit cost sharing agreements with employees and the significant reduction of retiree healthcare benefits for future hires, combined with a healthy real estate market and support of Piedmont residents to renew the Parcel Tax, has sustained the City's ability to continue the provision of high level core services to residents.

Longer term budgetary impacts are difficult to predict at this time due to economic uncertainty. It should be noted, a downturn in the real estate market could have adverse effects. The City's reliance on property related taxes, which account for 71% of revenue, insulated the City from the devastating impact COVID-19 had on cities reliant on sales and transient taxes. The transfer tax, although not affected by the pandemic, is sensitive

to the overall state of the real estate market. These tax receipts declined by 40% during the last economic recession and did not recover for four years. Also of concern is the effect a downturn will have on pension costs. If the financial markets struggle, and CalPERS annual investment performance is lower than its 7% discount rate, future pension payments may rise significantly.

As followers of prior City budget discussions are aware, in order to maintain a balanced budget and a minimal General Fund reserve, the City has not been able to adequately invest in aging infrastructure. Many facilities, streets, and sidewalks need substantial improvement or replacement, due to age, accessibility, and emergency safety. The City is not able to save funds sufficient to address major renovations. Over recent years, the City has identified tens of millions of dollars of critical renovations needed in the Police and Fire Departments, City Hall, Veterans Memorial Building, and the Recreation Department building. These are in addition to significant needs previously identified in parks. The City must continue to focus on plans to renovate, replace or close these facilities in the coming years.

In conclusion, I want to thank the residents of Piedmont whose volunteerism and on-going financial support enables the City to sustain a responsive and high level of service. I also want to acknowledge the City Council for their unwavering commitment to fiscal responsibility and the City's management team for their service and diligence managing Departmental budgets. Lastly, I want to particularly recognize the City's Finance team — Finance Director Mike Szczech, Accountant Ken Lee, and Human Resources Administrator Stacy Jennings, for their focus and dedication in preparing this budget.

A handwritten signature in cursive script, appearing to read "Sara".

Sara Lillevand
City Administrator

**CITY OF PIEDMONT
FY 2022-2023 BUDGET SUMMARY
OPERATING BUDGET**

	CURRENT BUDGET 2021-22	ESTIMATED EXPENDITURES 2021-22	PROPOSED BUDGET 2022-23	BUDGET % CHANGE
EXPENDITURES:				
ADMINISTRATION & KCOM	\$ 3,794,299	\$ 3,647,185	\$ 4,248,445	12.0%
PUBLIC WORKS	3,929,074	4,206,620	4,465,652	13.7%
PLANNING & BUILDING	2,648,814	2,374,095	2,832,263	6.9%
RECREATION	2,686,816	3,136,541	3,253,295	21.1%
POLICE	7,412,674	7,425,957	7,607,643	2.6%
FIRE	7,712,094	7,612,247	7,951,633	3.1%
NON-DEPARTMENTAL	3,095,471	3,311,471	3,505,471	13.2%
TOTAL GENERAL FUND	31,279,242	31,714,116	33,864,402	8.3%
OTHER OPERATING FUNDS				
AQUATICS FUND	40,000	20,036	15,284	-61.8%
SCHOOLMATES FUND	742,946	733,900	1,018,084	37.0%
TOTAL OTHER OPERATING EXPENDITURES	782,946	753,936	1,033,368	32.0%
TOTAL OPERATING EXPENDITURES	\$ 32,062,188	\$ 32,468,052	\$ 34,897,770	8.8%

OTHER FUNDS BUDGET

	CURRENT BUDGET 2021-22	ESTIMATED EXPENDITURES 2021-22	PROPOSED BUDGET 2022-23	BUDGET % CHANGE
EXPENDITURES:				
SPECIAL REVENUE FUNDS				
ABANDONED VEHICLE FUND	\$ 8,500	\$ 8,500	\$ 8,500	0.0%
ATHLETIC FACILITY PRESERVATION FUND	10,000	25,000	25,000	150.0%
COPS FUND	785,831	542,831	132,250	-83.2%
JUVENILE OFFICER GRANT FUND	191,090	-	-	-100.0%
TRAFFIC CONGESTION FUND	-	38,429	-	NA
TRAFFIC SAFETY FUND	-	-	16,400	NA
GAS TAX FUND	900,000	299,408	330,000	-63.3%
ROAD MAINTENANCE AND REHABILITATION	420,000	650,000	275,000	-34.5%
MEASURE B FUND	760,000	664,358	-	-100.0%
MEASURE BB FUND	575,000	1,000,000	957,625	66.5%
MEASURE D FUND	35,000	-	30,000	-14.3%
MEASURE F - VRF	55,000	90,000	60,000	9.1%
SIDEWALK REPAIR FUND	10,000	-	-	-100.0%
TOTAL SPECIAL REVENUE FUNDS	3,750,421	3,318,526	1,834,775	-51.1%

CAPITAL PROJECT FUNDS				
AQUATICS PROJECT FUND	-	1,253,100	3,753,825	NA
EQUIPMENT REPLACEMENT FUND	1,698,812	1,296,356	2,279,100	34.2%
FACILITY CAPITAL PROJECT FUND	-	575,000	4,075,000	NA
FACILITY MAINTENANCE FUND	1,270,500	1,191,500	1,469,900	15.7%
TOTAL CAPITAL PROJECT FUNDS	<u>2,969,312</u>	<u>4,315,956</u>	<u>11,577,825</u>	<u>289.9%</u>
DEBT SERVICE FUND				
AQUATICS BOND FUND	-	224,792	975,000	NA
TOTAL DEBT SERVICE FUND	<u>-</u>	<u>224,792</u>	<u>975,000</u>	<u>NA</u>
ENTERPRISE FUND				
SEWER FUND	2,991,341	1,598,315	4,174,342	39.5%
TOTAL ENTERPRISE FUND	<u>2,991,341</u>	<u>1,598,315</u>	<u>4,174,342</u>	<u>39.5%</u>
TOTAL OTHER FUNDS	<u>\$ 9,711,074</u>	<u>\$ 9,457,589</u>	<u>\$ 18,561,942</u>	<u>91.1%</u>
GRAND TOTAL	\$ 41,773,262	\$ 41,925,641	\$ 53,459,712	28.0%

OPERATING BUDGET

GENERAL FUND OPERATING DEPARTMENTS

	CURRENT BUDGET 2021-22	ESTIMATED EXPENDITURES 2021-22	PROPOSED BUDGET 2022-23	BUDGET % CHANGE
SALARIES	\$ 14,139,711	\$ 14,533,165	\$ 14,862,826	5.1%
FRINGE BENEFITS	6,332,866	6,196,145	6,892,766	8.8%
PERSONNEL EXPENSES	258,060	235,343	275,800	6.9%
SUPPLIES & SERVICES	7,444,884	7,432,042	8,314,789	11.7%
CAPITAL EXPENDITURES	8,250	5,950	12,750	54.5%
OTHER	3,095,471	3,311,471	3,505,471	13.2%
TOTAL - ALL DEPARTMENTS	\$ 31,279,242	\$ 31,714,116	\$ 33,864,402	8.3%
EXPENDITURE DETAIL:				
<u>SALARIES</u>				
REGULAR SALARIES	\$ 11,856,611	\$ 11,548,073	\$ 12,425,800	4.8%
PART TIME SALARIES	901,585	1,094,000	1,263,226	40.1%
OVERTIME SALARIES	1,381,515	1,891,092	1,173,800	-15.0%
SUBTOTAL	14,139,711	14,533,165	14,862,826	5.1%
<u>FRINGE BENEFITS</u>				
HEALTH INSURANCE	1,912,159	1,803,769	2,036,401	6.5%
RETIREMENT	3,628,586	3,572,406	3,997,311	10.2%
OTHER BENEFITS	792,121	819,970	859,054	8.4%
SUBTOTAL	6,332,866	6,196,145	6,892,766	8.8%
<u>PERSONNEL EXPENSES</u>				
MEMBERSHIPS/CONFERENCES/TRAINING	258,060	235,343	275,800	6.9%
<u>SUPPLIES & SERVICES</u>				
DEPARTMENT SUPPLIES	335,000	334,943	347,000	3.6%
UTILITIES/TELEPHONE/RADIO	653,100	615,777	666,500	2.1%
EQUIPMENT/MAINTENANCE/GAS/OIL	231,117	259,229	264,700	14.5%
CONTRACT SERVICES	3,961,957	3,758,020	4,153,939	4.8%
BUILDINGS/GROUNDS MAINTENANCE	350,000	452,000	501,000	43.1%
OTHER EXPENSES	1,044,050	1,186,413	1,413,650	35.4%
INFORMATION SERVICES	869,660	825,660	968,000	11.3%
SUBTOTAL	7,444,884	7,432,042	8,314,789	11.7%
<u>CAPITAL EXPENDITURES</u>				
CAPITAL OUTLAY	8,250	5,950	12,750	54.5%
<u>OTHER</u>				
GENERAL FUND NON DEPARTMENTAL	3,095,471	3,311,471	3,505,471	13.2%
TOTAL - ALL DEPARTMENTS	\$ 31,279,242	\$ 31,714,116	\$ 33,864,402	8.3%

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GENERAL FUND BUDGET SUMMARY				
EXPENDITURES AND REVENUES				
	FUND USES		VARIANCE	
	PROPOSED	ESTIMATED		
	2022-23	2021-22	%	\$
EXPENDITURES				
ADMINISTRATION	\$ 4,248,445	\$ 3,647,185	16.5%	\$ 601,260
PUBLIC WORKS	4,465,652	4,206,620	6.2%	259,032
PLANNING AND BUILDING	2,832,263	2,374,095	19.3%	458,168
RECREATION	3,253,295	3,136,541	3.7%	116,754
POLICE	7,607,643	7,425,957	2.4%	181,686
FIRE	7,951,633	7,612,247	4.5%	339,386
NON-DEPARTMENTAL	3,505,471	3,311,471	5.9%	194,000
TOTAL EXPENDITURES	33,864,402	31,714,116	6.8%	2,150,286
TRANSFER OUT:				
EQUIPMENT REPLACEMENT FUND	72,192	1,473,221	-95.1%	(1,401,029)
FACILITY CAPITAL	1,331,864	1,050,000	NA	281,864
FACILITY MAINTENANCE FUND	1,300,000	600,000	116.7%	700,000
TOTAL TRANSFER OUT	2,704,056	3,123,221	-13.4%	(419,165)
TOTAL EXPENDITURES/TRANSFER OUT	\$ 36,568,458	\$ 34,837,337	5.0%	\$ 1,731,121
	FUND SOURCES		VARIANCE	
	PROPOSED	ESTIMATED		
	2022-23	2021-22	%	\$
REVENUE				
PROPERTY TAX	\$ 16,875,000	\$ 15,990,000	5.5%	\$ 885,000
PROPERTY TRANSFER TAX & PARCEL TAX	5,722,000	7,425,000	-22.9%	(1,703,000)
OTHER TAXES AND FRANCHISES	2,568,000	2,593,000	-1.0%	(25,000)
LICENSES AND PERMITS	624,000	699,000	-10.7%	(75,000)
USE OF MONEY AND PROPERTY	731,559	611,290	19.7%	120,269
REVENUE FROM OTHER AGENCIES	3,386,864	3,609,289	-6.2%	(222,425)
CHARGES FOR CURRENT SERVICES	3,949,000	3,860,000	2.3%	89,000
OTHER	96,615	124,169	-22.2%	(27,554)
TOTAL REVENUE	33,953,038	34,911,748	-2.7%	(958,710)
TRANSFER IN:				
MEASURE D FUND	20,000	20,000	0.0%	-
SEWER FUND	837,000	800,000	4.6%	37,000
TRAFFIC SAFETY FUND	20,000	20,000	0.0%	-
TOTAL TRANSFER IN	877,000	840,000	4.4%	37,000
TOTAL REVENUE/TRANSFER IN	\$ 34,830,038	\$ 35,751,748	-2.6%	\$ (921,710)
EXCESS: REVENUES OVER EXPENDITURES	(1,738,420)	914,411		
BEGINNING FUND BALANCE:	7,423,414	6,509,003		
ESTIMATED ENDING FUND BALANCE:	\$ 5,684,994	\$ 7,423,414		

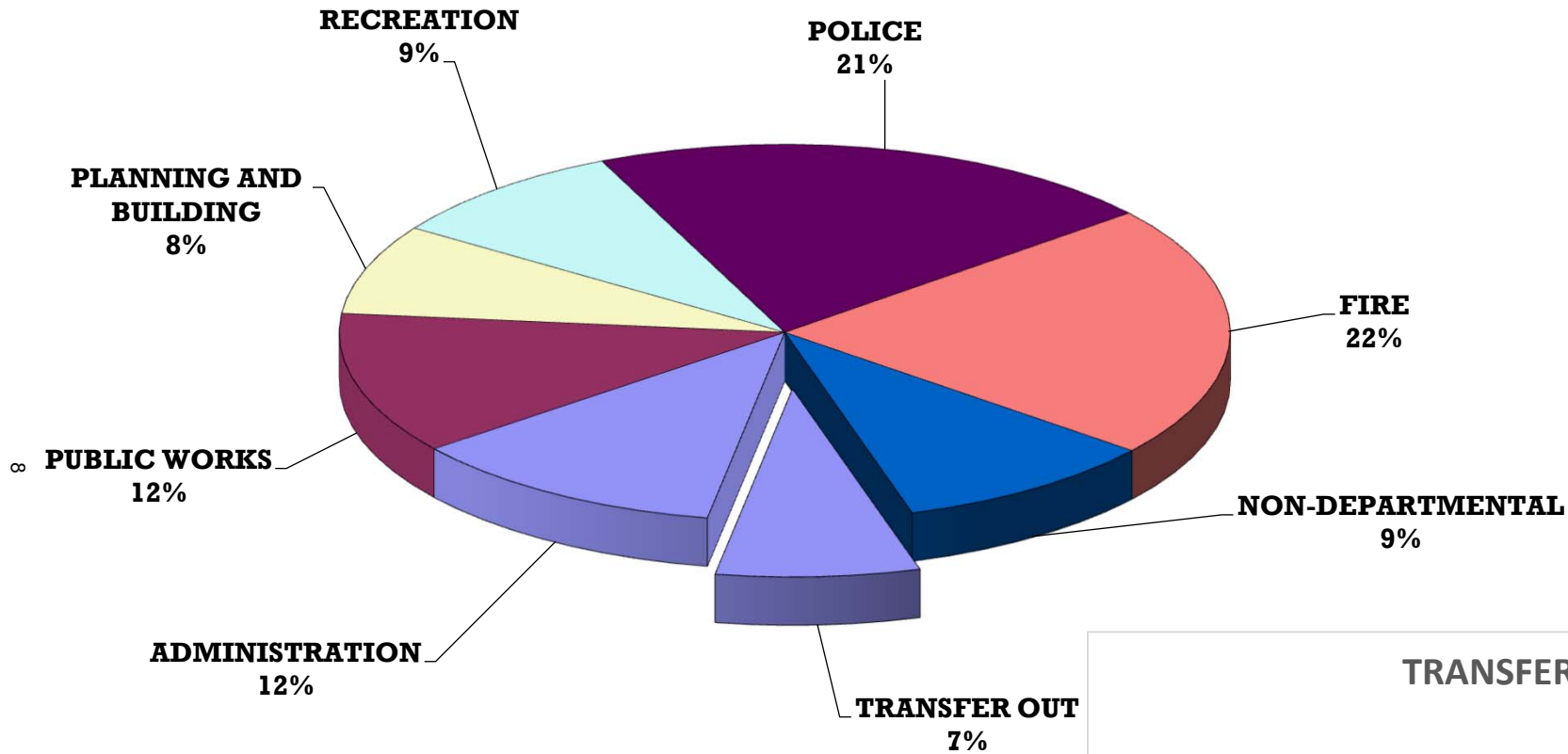
GENERAL FUND					
2018-19 to 2022-23					
	ACTUAL 2018-19	ACTUAL 2019-20	ACTUAL 2020-21	PROJECTED 2021-22	PROPOSED 2022-23
GENERAL FUND BEGINNING BALANCE	\$ 5,531,642	\$ 6,193,605	\$ 5,591,099	\$ 6,509,003	\$ 7,423,414
REVENUES					
PROPERTY TAXES	14,078,549	14,790,494	15,442,494	15,990,000	16,875,000
REAL PROPERTY TRANSFER TAX	3,819,816	3,602,634	6,286,601	5,000,000	3,200,000
PARCEL TAX: MUNI TAX	2,261,531	2,353,308	2,411,381	2,425,000	2,522,000
OTHER TAXES AND FRANCHISES	2,481,403	2,527,366	2,664,118	2,593,000	2,568,000
LICENSE AND PERMITS	512,131	585,889	709,987	699,000	624,000
REVENUE FROM USE OF MONEY OR PROPERTY	828,696	399,117	208,615	611,290	731,559
REVENUE FROM OTHER AGENCIES	2,002,026	1,935,606	2,436,441	3,609,289	3,386,864
CHARGES FOR CURRENT SERVICES	3,251,529	2,193,854	2,975,907	3,860,000	3,949,000
OTHER REVENUE	327,870	218,382	130,102	124,169	96,615
	29,563,551	28,606,650	33,265,646	34,911,748	33,953,038
OPERATING TRANSFERS IN					
SEWER FUND REIMBURSEMENT	783,994	802,000	800,000	800,000	837,000
TRAFFIC SAFETY FUND REIMBURSEMENT	20,000	20,000	20,000	20,000	20,000
PRIVATE CONTRIBUTION FUND	1,280	-	-	-	-
MEASURE D REIMBURSEMENT	22,086	20,643	51,183	20,000	20,000
	827,360	842,643	871,183	840,000	877,000
TOTAL INCOME	30,390,911	28,647,293	34,136,829	35,751,748	34,830,038
DEPARTMENTAL EXPENDITURES					
ADMINISTRATION	2,919,216	3,212,198	3,583,138	3,647,185	4,248,445
PUBLIC WORKS	3,273,121	3,603,817	3,814,876	4,206,620	4,465,652
PLANNING & BUILDING	1,300,000	1,231,513	1,455,336	2,374,095	2,832,263
RECREATION	2,918,131	2,666,210	2,404,969	3,136,541	3,253,295
POLICE	6,333,036	6,359,644	6,530,461	7,425,957	7,607,643
FIRE	6,142,768	6,323,408	6,875,295	7,612,247	7,951,633
	22,886,272	23,396,789	24,664,075	28,402,645	30,358,931
NON DEPARTMENTAL EXPENDITURES					
LIBRARY	350,471	350,471	350,471	350,471	350,471
UNEMPLOYMENT INSURANCE	76	54,040	133,555	35,000	20,000
WORKERS COMPENSATION	793,587	673,253	722,374	926,000	830,000
LIABILITY INSURANCE	685,742	783,854	1,014,943	1,130,000	1,405,000
OTHER EXPENSE	6,459	1,239	287	100,000	-
PENSION RATE STABILIZATION	-	-	1,000,000	-	-
OPEB - RETIREE PAYMENTS	519,905	614,034	653,901	770,000	900,000
OPEB - CONTRIBUTIONS	99,250	86,800	-	-	-
	2,455,490	2,563,691	3,875,531	3,311,471	3,505,471
OPERATING TRANSFERS-OUT					
AQUATICS	250,000	250,000	-	-	-
JUVENILE OFFICER GRANT FUND	-	-	46,612	-	-
2014 PENSION OBLIGATION FUND	1,437,565	1,126,800	-	-	-
	1,687,565	1,376,800	46,612	-	-
TOTAL EXPENDITURES AND TRANSFERS-OUT	27,029,327	26,535,280	28,586,218	31,714,116	33,864,402
OPERATING NET INCOME	3,361,584	2,112,013	5,550,611	4,037,632	965,636

	ACTUAL 2018-19	ACTUAL 2019-20	ACTUAL 2020-21	PROJECTED 2021-22	PROPOSED 2022-23
CAPITAL TRANSFERS-OUT					
CAPITAL IMPROVEMENT FUND	50,000	1,059,593	-	-	-
STREETS \ SIDEWALKS	1,205,000	204,926	-	-	-
FACILITY CAPITAL PROJECTS	-	-	-		1,331,864
FACILITY MAINTENANCE	1,950,000	1,050,000	4,022,707	1,650,000	1,300,000
EQUIPMENT REPLACEMENT FUND	400,000	400,000	610,000	1,473,221	72,192
TOTAL CAPITAL TRANSFERS	3,605,000	2,714,519	4,632,707	3,123,221	2,704,056
NET INCOME AFTER CAPITAL TRANSFERS	(243,416)	(602,506)	917,904	914,411	(1,738,420)
PRIOR YEAR ADJUSTMENT (AUDIT)	905,378				
GENERAL FUND ENDING FUND BALANCE	\$ 6,193,605	\$ 5,591,099	\$ 6,509,003	\$ 7,423,414	\$ 5,684,994
FUND BALANCE AS % OF OPERATING EXP	24%	22%	23%	23%	17%
FUND BALANCE AS % OF EXP & DEBT	23%	21%	23%	23%	17%

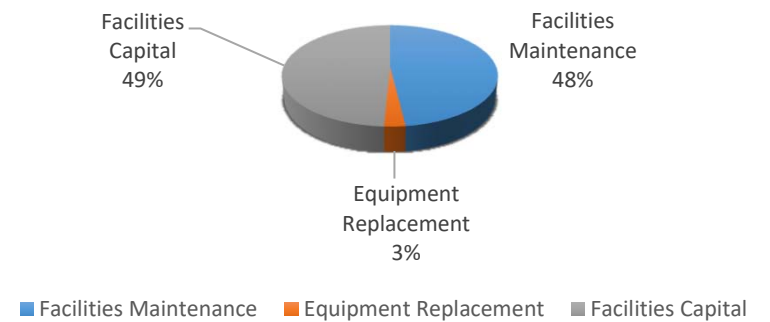
GENERAL FUND SUMMARY

	Proposed Budget 2022-23	% of Budget
<u>ADMINISTRATION (TOTAL)</u>	<u>\$ 4,248,445</u>	<u>11.6%</u>
PERSONAL SERVICES	2,112,195	5.8%
MAINTENANCE & OPERATIONS	2,136,250	5.8%
CAPITAL OUTLAY	-	0.0%
<u>PUBLIC WORKS (TOTAL)</u>	<u>4,465,652</u>	<u>12.2%</u>
PERSONAL SERVICES	2,215,952	6.1%
MAINTENANCE & OPERATIONS	2,249,700	6.2%
CAPITAL OUTLAY	-	0.0%
<u>PLANNING & BUILDING (TOTAL)</u>	<u>2,832,263</u>	<u>7.7%</u>
PERSONAL SERVICES	1,513,963	4.1%
MAINTENANCE & OPERATIONS	1,318,300	3.6%
CAPITAL OUTLAY	-	0.0%
<u>RECREATION (TOTAL)</u>	<u>3,253,295</u>	<u>8.9%</u>
PERSONAL SERVICES	1,845,710	5.0%
MAINTENANCE & OPERATIONS	1,396,835	3.8%
CAPITAL OUTLAY	10,750	0.0%
<u>POLICE (TOTAL)</u>	<u>7,607,643</u>	<u>20.8%</u>
PERSONAL SERVICES	6,580,954	18.0%
MAINTENANCE & OPERATIONS	1,026,689	2.8%
CAPITAL OUTLAY	-	0.0%
<u>FIRE (TOTAL)</u>	<u>7,951,633</u>	<u>21.7%</u>
PERSONAL SERVICES	7,315,733	20.0%
MAINTENANCE & OPERATIONS	635,900	1.7%
CAPITAL OUTLAY	-	0.0%
NON-DEPARTMENTAL (TOTAL)	3,505,471	9.6%
TRANSFER OUT (TOTAL)	<u>2,704,056</u>	<u>7.4%</u>
GENERAL FUND: EXPENDITURES/TRANSFERS OUT	<u><u>\$ 36,568,458</u></u>	<u><u>100.0%</u></u>

**CITY OF PIEDMONT
GENERAL FUND
PROPOSED EXPENDITURES AND TRANSFERS 2022-23**



TRANSFER OUT



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CITY OF PIEDMONT

SUMMARY OF FUND TYPES

GENERAL FUND – The City’s primary operating fund and accounts for all financial resources of the City, except those required to be accounted for in another fund.

OTHER FUND TYPES

SPECIAL REVENUE FUNDS – Funds to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than Debt Service or Capital Projects.

CAPITAL PROJECTS FUNDS – Funds used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

DEBT SERVICE FUND – Fund used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

ENTERPRISE FUNDS – Funds used to report any activity for which a fee is charged to external users for good or services.

INTERNAL SERVICE FUNDS – Funds used to report activity that provides goods or services to other funds, departments, or agencies of the primary government or other governments on a cost reimbursement basis.

TRUST FUNDS – Funds used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefits, or other employee benefit plans.

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FUND BALANCE SUMMARY Fiscal Years 2014-2023										
FUND	2013-14 ACTUAL FUND BALANCE	2014-15 ACTUAL FUND BALANCE	2015-16 ACTUAL FUND BALANCE	2016-17 ACTUAL FUND BALANCE	2017-18 ACTUAL FUND BALANCE	2018-19 ACTUAL FUND BALANCE	2019-20 ACTUAL FUND BALANCE	2020-21 ACTUAL FUND BALANCE	2021-22 ESTIMATED FUND BALANCE	2022-23 PROPOSED FUND BALANCE
GENERAL FUND	\$ 4,489,854	\$ 4,617,678	\$ 4,717,679	\$ 4,688,649	\$ 5,531,642	\$ 6,193,605	\$ 5,591,099	\$ 6,509,003	\$ 7,355,354	\$ 5,616,934
SPECIAL REVENUE FUNDS										
ABANDONED VEHICLE	39,843	41,911	45,472	52,739	23,514	28,658	34,395	39,420	30,920	22,420
ATHLETIC FACILITY PRESERVATION	28,570	129,574	25,016	85,136	137,095	169,382	222,586	270,400	300,400	330,400
COPS	213,466	297,881	283,216	406,933	436,134	526,291	505,713	531,081	88,250	56,000
JUVENILE OFFICER GRANT FUND	-	-	-	-	-	-	-	-	-	-
GAS TAX	489,279	495,332	498,212	152,283	438,652	633,638	105,725	7,137	6,113	7,966
SB1 RMRP(RD MNT & REHAB PGM)	-	-	-	-	-	-	284,878	448,362	32,330	14,818
MEASURE B SALES TAX	396,135	117,959	84,666	75,556	7,478	136,758	1,923	307,371	0	0
MEASURE BB SALES TAX	-	79,133	23,751	238,316	2,380	250,966	444	472,684	17,452	1,827
MEASURE D	142,723	86,781	48,227	68,033	69,634	43,961	50,011	3,847	18,847	3,847
MEASURE F	141,877	30,452	3,184	4,932	105	39,255	34,011	73,366	24,743	4,743
PRIVATE CONTRIBUTION	129,396	141,151	46,548	872,072	1,258,755	1,262,382	1,250,900	1,348,746	1,348,746	1,348,746
SCHOOLMATES PROGRAM	226,979	316,387	344,698	326,316	301,049	370,083	304,576	185,498	386,098	329,883
SIDEWALK REPAIR	47,907	54,860	60,231	62,051	69,296	16,373	17,773	19,090	19,090	19,090
TRAFFIC CONGESTION RELIEF	-	-	-	-	12,827	25,590	38,429	38,429	(0)	(0)
TRAFFIC SAFETY	15	51,394	8,876	5,305	11,077	25,009	34,297	28,259	8,259	1,859
TOTAL SPECIAL REVENUE FUNDS	1,865,193	1,844,606	1,473,888	2,349,673	2,767,996	3,528,348	2,885,662	3,773,689	2,281,247	2,141,598
CAPITAL PROJECT FUNDS										
CAPITAL IMPROVEMENT	493,334	475,216	330,437	440,456	103,897	14,499	63,290	49,587	49,587	49,587
AQUATICS PROJECT FUND	-	-	-	-	-	-	-	-	22,965,477	19,211,652
URBAN COUNTY CDBG	3,543	1,791	1,791	(145)	17,715	17,715	17,715	17,715	17,715	17,715
EQUIPMENT REPLACEMENT	2,861,650	2,958,928	3,702,889	3,937,414	3,803,442	3,100,790	2,463,686	3,097,101	3,304,937	1,121,078
FACILITIES CAPITAL PROJECTS	-	-	-	-	-	-	-	-	8,975,000	6,291,864
FACILITIES MAINTENANCE	2,114,247	2,123,889	4,375,941	3,782,199	5,654,456	6,410,608	6,528,756	9,339,708	357,304	276,097
TOTAL CAPITAL PROJECT FUNDS	5,469,231	5,558,033	8,409,267	8,159,924	9,579,509	9,543,612	9,673,447	12,504,111	35,670,020	26,967,993
DEBT SVC FUND: AQUATICS BOND FUND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	686,095	\$ 991,095
ENTERPRISE FUNDS										
AQUATICS	12,763	43,188	28,741	129,500	199,447	264,446	238,764	107,049	87,013	71,729
SEWER	680,087	1,296,051	801,035	1,303,950	(1,464,168)	2,926,379	3,044,134	3,231,633	3,645,318	1,564,076
TOTAL ENTERPRISE FUNDS	692,850	1,339,240	829,777	1,433,450	(1,264,722)	3,190,825	3,282,898	3,338,682	3,732,331	1,635,805
INTERNAL SERVICE FUNDS										
LIABILITY INSURANCE	282,171	292,863	287,106	287,106	223,535	261,126	261,126	261,917	261,917	261,917
WORKERS COMPENSATION	328,447	586,435	745,568	745,568	874,568	745,568	745,567	748,668	748,668	748,668
TOTAL INTERNAL SERVICE FUNDS	(3,263,907)	(3,256,223)	(3,102,848)	(4,185,533)	1,098,102	1,006,693	1,006,692	1,010,586	1,010,586	1,010,586
TOTAL FUNDS	<u>\$ 9,253,221</u>	<u>\$ 10,103,334</u>	<u>\$ 12,327,762</u>	<u>\$ 12,446,164</u>	<u>\$ 17,712,529</u>	<u>\$ 22,557,704</u>	<u>\$ 22,439,798</u>	<u>\$ 27,136,070</u>	<u>\$ 50,735,632</u>	<u>\$ 38,364,010</u>
TRUST FUNDS										
POLICE & FIRE PENSION FUND	\$ 11,719,273	\$ 11,645,257	\$ 10,853,164	\$ 11,933,986	\$ 12,352,060	\$ 12,950,030	\$ 13,640,469	\$ 17,355,862	17,705,862	\$ 18,912,862
PENSION RATE STABILIZATION	-	-	-	2,000,000	2,752,527	2,917,104	3,014,478	4,667,217	4,707,217	4,847,217
OPEB FUND	4,353,290	5,530,561	6,194,988	7,171,296	8,161,570	8,857,496	9,524,321	12,486,333	\$ 12,611,333	13,055,933
TOTAL TRUST FUNDS	<u>\$ 16,072,563</u>	<u>\$ 17,175,819</u>	<u>\$ 17,048,152</u>	<u>\$ 21,105,282</u>	<u>\$ 23,266,157</u>	<u>\$ 24,724,630</u>	<u>\$ 3,014,478</u>	<u>\$ 34,509,412</u>	<u>\$ 35,024,412</u>	<u>\$ 36,816,012</u>

**CITY OF PIEDMONT
FUND BALANCE DETAIL
2021 - 2022**

	GENERAL FUND	6/30/2021 Fund Balance	Estimated		Estimated Transfer		6/30/2022 Estimated Fund Balance
			Revenue	Expenditures	In	Out	
GENERAL FUND	GENERAL FUND	\$ 6,509,003	\$ 34,911,748	\$ 31,714,116	\$ 840,000	\$ 3,123,221	\$ 7,423,414
INTERNAL SERVICE	LIABILITY INSURANCE	261,917	1,130,000	1,130,000	-	-	261,917
	WORKERS COMPENSATION	748,668	926,000	926,000	-	-	748,668
SPECIAL REVENUE FUNDS	GAS TAX	7,137	298,384	299,408	-	-	6,113
	SB1 RMRP	448,362	233,968	650,000	-	-	32,330
	MEASURE B	307,371	356,987	664,358	-	-	0
	MEASURE BB	472,684	544,768	1,000,000	-	-	17,452
	MEASURE F	73,366	41,377	90,000	-	-	24,743
	SIDEWALK REPAIR	19,090	-	-	-	-	19,090
	SUB-TOTAL STREET RELATED	1,328,011	1,475,484	2,703,766	-	-	99,729
	ABANDONED VEHICLE	39,420	-	8,500	-	-	30,920
	COPS	531,081	100,000	542,831	-	-	88,250
	JUVENILE OFFICER GRANT	-	-	-	-	-	-
	TRAFFIC SAFETY	28,259	-	-	-	20,000	8,259
	TRAFFIC CONGESTION	38,429	-	38,429	-	-	(0)
	ATHLETIC FACILITY PRESERVATION	270,400	55,000	25,000	-	-	300,400
	MEASURE D	3,847	35,000	-	-	20,000	18,847
CAPITAL PROJECT FUNDS	PRIVATE CONTRIBUTION	1,348,746	-	-	-	-	1,348,746
	SCHOOLMATES PROGRAM	185,498	1,022,000	733,900	-	87,500	386,098
	EQUIPMENT REPLACEMENT	3,097,101	30,971	1,296,356	1,473,221	-	3,304,937
	AQUATICS PROJECT FUND	-	24,218,577	1,253,100	-	-	22,965,477
	FACILITY CAPITAL PROJECT	-	-	575,000	9,550,000	-	8,975,000
	FACILITIES MAINTENANCE	9,339,708	21,596	1,191,500	687,500	8,500,000	357,304
DEBT SERVICE FUND	CAPITAL IMPROVEMENT	49,587	-	-	-	-	49,587
	URBAN COUNTY CDBG	17,715	-	-	-	-	17,715
ENTERPRISE FUNDS	AQUATICS BOND	-	910,887	224,792			686,095
	AQUATICS	107,049	-	20,036	-	-	87,013
	SEWER	3,231,633	2,812,000	1,598,315	-	800,000	3,645,318
	TOTAL	\$ 27,136,070	\$ 67,649,263	\$ 43,981,641	\$ 12,550,721	\$ 12,550,721	\$ 50,803,692
TRUST FUNDS	OPEB FUND	\$ 12,486,333	\$ 125,000	\$ -	\$ -	\$ -	\$ 12,611,333
	POLICE & FIRE PENSION FUND	17,355,862	350,000	-	-	-	17,705,862
	PENSION RATE STABILIZATION	4,667,217	40,000	-	-	-	4,707,217
	TOTAL TRUST FUNDS	\$ 34,509,412	\$ 515,000	\$ -	\$ -	\$ -	\$ 35,024,412

**CITY OF PIEDMONT
ESTIMATED FUND BALANCE DETAIL
2022 - 2023**

	Description	6/30/2022 Estimated Fund Balance	Estimated		Estimated Transfer		6/30/2023 Estimated Fund Balance
			Revenue	Expenditures	In	Out	
GENERAL FUND	GENERAL FUND	\$ 7,423,414	\$ 33,953,038	\$ 33,864,402	\$ 877,000	\$ 2,704,056	\$ 5,684,994
INTERNAL SERVICE FUNDS	LIABILITY INSURANCE	261,917	1,405,000	1,405,000	-	-	261,917
	WORKERS COMPENSATION	748,668	830,000	830,000	-	-	748,668
SPECIAL REVENUE FUNDS	GAS TAX	6,113	331,853	330,000	-	-	7,966
	SB1 RMRP	32,330	257,488	275,000	-	-	14,818
	MEASURE B	0	-	-	-	-	0
	MEASURE BB	17,452	942,000	957,625	-	-	1,827
	MEASURE F	24,743	40,000	60,000	-	-	4,743
	SIDEWALK REPAIR	19,090	-	-	-	-	19,090
	SUB-TOTAL STREET RELATED	99,729	1,571,341	1,622,625	-	-	48,445
	ABANDONED VEHICLE	30,920	-	8,500	-	-	22,420
	COPS	88,250	100,000	132,250	-	-	56,000
	JUVENILE OFFICER GRANT	-	-	-	-	-	-
	TRAFFIC SAFETY	8,259	30,000	16,400	-	20,000	1,859
	TRAFFIC CONGESTION	(0)	-	-	-	-	(0)
	ATHLETIC FACILITY PRESERVATION	300,400	55,000	25,000	-	-	330,400
	MEASURE D	18,847	35,000	30,000	-	20,000	3,847
	PRIVATE CONTRIBUTION	1,348,746	-	-	-	-	1,348,746
	SCHOOLMATES PROGRAM	386,098	1,086,319	1,018,084	-	124,450	329,883
CAPITAL PROJECT FUNDS	EQUIPMENT REPLACEMENT	3,304,937	23,049	2,279,100	72,192	-	1,121,078
	AQUATICS PROJECT FUND	22,965,477	-	3,753,825	-	-	19,211,652
	FACILITY CAPITAL PROJECT	8,975,000	-	4,075,000	1,391,864	-	6,291,864
	FACILITIES MAINTENANCE	357,304	24,243	1,469,900	1,364,450	-	276,097
	CAPITAL IMPROVEMENT	49,587	-	-	-	-	49,587
	URBAN COUNTY CDBG	17,715	-	-	-	-	17,715
DEBT SERVICE FUND	AQUATICS BOND	686,095	1,280,000	975,000			991,095
ENTERPRISE FUNDS	AQUATICS	87,013	-	15,284	-	-	71,729
	SEWER	3,645,318	2,930,100	4,174,342	-	837,000	1,564,076
	TOTAL	\$ 50,803,692	\$ 43,323,090	\$ 55,694,712	\$ 3,705,506	\$ 3,705,506	\$ 38,432,070
TRUST FUNDS	OPEB FUND	\$ 12,611,333	\$ 444,600	\$ -	\$ -	\$ -	\$ 13,055,933
	POLICE & FIRE PENSION FUND	17,705,862	1,207,000	-	-	-	18,912,862
	PENSION RATE STABILIZATION	4,707,217	140,000	-	-	-	4,847,217
	TOTAL TRUST FUNDS	\$ 35,024,412	\$ 1,791,600	\$ -	\$ -	\$ -	\$ 36,816,012

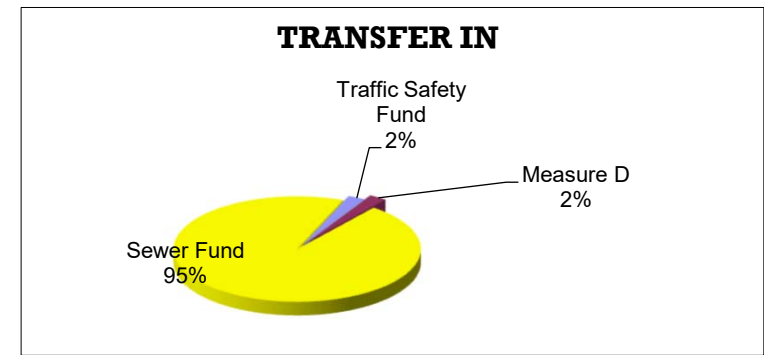
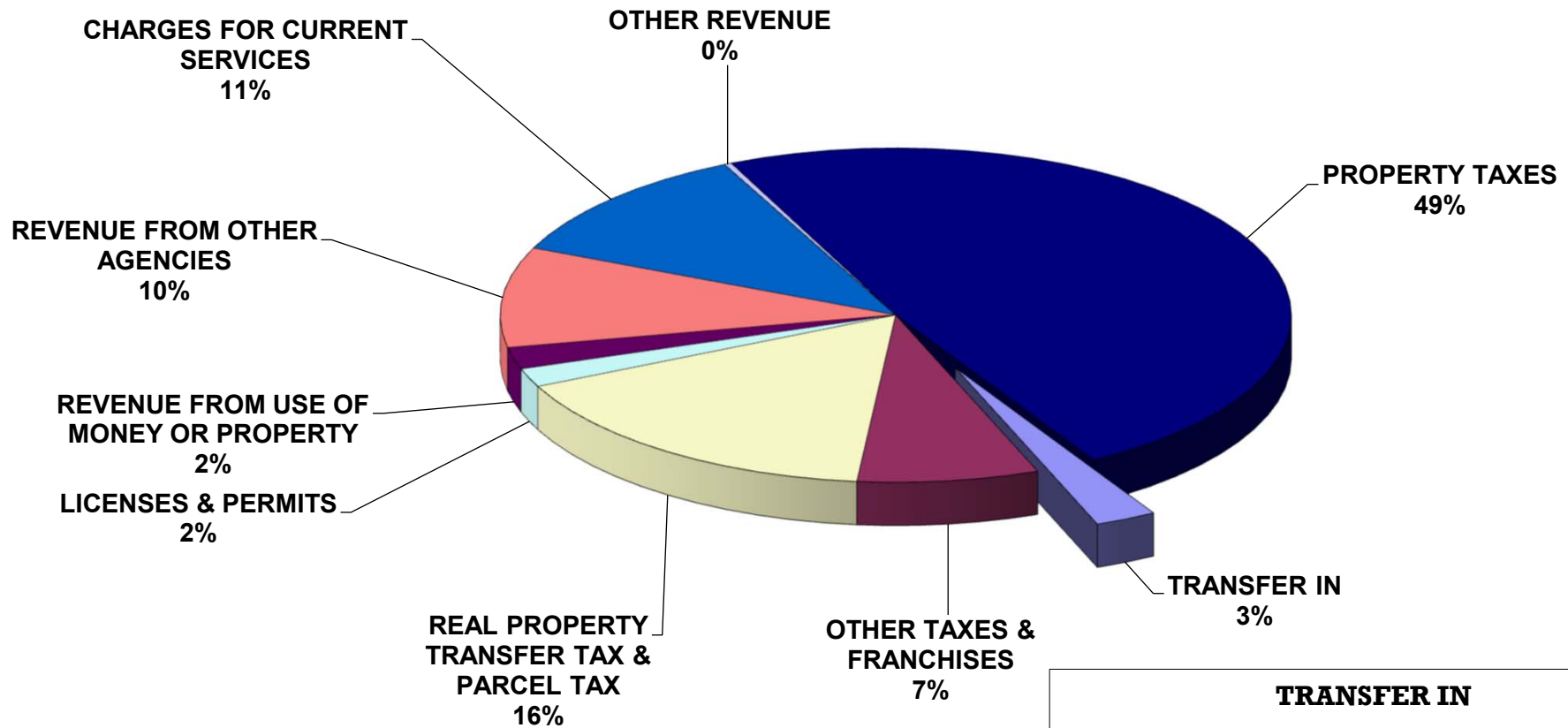
GENERAL FUND REVENUE ANALYSIS

	Actual Revenue 2019-20	Actual Revenue 2020-21	Proposed Revenue 2021-22	Proposed Revenue 2022-23
PROPERTY TAXES				
PROPERTY TAX - SECURED	\$ 13,611,047	\$ 14,271,284	\$ 14,971,000	\$ 15,870,000
PROPERTY TAX - UNSECURED	676,103	724,158	704,000	700,000
SUPPLEMENTAL ASSESSMENT	497,720	438,221	310,000	300,000
DELINQUENT TAXES & PENALTIES	5,624	8,830	5,000	5,000
TOTAL PROPERTY TAXES	14,790,494	15,442,494	15,990,000	16,875,000
PROPERTY TRANSFER TAX & PARCEL TAX				
REAL PROPERTY TRANSFER TAX	3,602,634	6,286,601	5,000,000	3,200,000
PARCEL TAX: MUNI TAX	2,353,308	2,411,381	2,425,000	2,522,000
TOTAL TRANSFER TAX AND PARCEL TAX	5,955,942	8,697,982	7,425,000	5,722,000
OTHER TAXES & FRANCHISES				
OTHER TAXES				
SALES & USE TAX	200,225	244,763	220,000	225,000
REAL ESTATE RENTAL TAX	333,732	365,689	355,000	365,000
BUSINESS LICENSE TAX	269,180	254,662	250,000	250,000
TOTAL OTHER TAXES	803,138	865,114	825,000	840,000
FRANCHISES				
GAS & ELECTRIC	94,968	102,511	108,000	110,000
WASTE MANAGEMENT	256,765	257,141	260,000	260,000
CABLE TELEVISION	215,053	201,176	205,000	208,000
TOTAL FRANCHISES	566,786	560,828	573,000	578,000
UTILITY USERS TAX				
GAS & ELECTRIC	903,206	1,003,166	950,000	900,000
TELEPHONE	209,047	189,831	200,000	205,000
WATER	45,189	45,180	45,000	45,000
TOTAL UTILITY USERS TAX	1,157,442	1,238,176	1,195,000	1,150,000
TOTAL OTHER TAXES & FRANCHISES	2,527,366	2,664,118	2,593,000	2,568,000
LICENSES & PERMITS				
DOG LICENSE	21,211	21,180	22,000	22,000
BUILDING & OTHER PERMITS	527,077	688,807	677,000	602,000
TOTAL LICENSES & PERMITS	\$ 548,288	\$ 709,987	\$ 699,000	\$ 624,000

	Actual Revenue 2019-20	Proposed Revenue 2020-21	Proposed Revenue 2021-22	Proposed Revenue 2021-22
REVENUE FROM USE OF MONEY OR PROPERTY				
INTEREST EARNINGS, UNREALIZED GAIN/LOSS	\$ 146,688	\$ 41,429	\$ -	\$ -
COMMUNITY HALL RENTAL	133,654	47,206	450,000	475,000
VETERANS' BUILDING	59,123	19,353	40,000	50,000
801 MAGNOLIA - RENTAL	-	-	-	45,000
CITY HALL RENTAL (TELECOMMUNICATIONS)	95,849	100,188	100,000	128,875
OTHER LEASES	1,403	440	21,290	32,684
TOTAL REVENUE FROM USE OF MONEY OR PROPERTY	436,718	208,615	611,290	731,559
REVENUE FROM OTHER AGENCIES				
STATE OF CALIFORNIA				
FORESTRY & FIRE PROTECTION	58,695	513,197	509,945	-
HOMEOWNER'S PROPERTY TAX RELIEF	82,040	79,488	78,000	80,000
POST FUND	23,938	5,982	5,000	5,000
MISC. FEDERAL, STATE & COUNTY GRANTS	234,748	230,800	1,338,064	1,556,864
MOTOR VEHICLE LICENSE FEES	1,362,342	1,428,557	1,493,280	1,570,000
1/2 CENT SALES TAX (PUBLIC SAFETY)	104,329	108,915	115,000	105,000
TOTAL STATE OF CALIFORNIA	1,866,091	2,366,939	3,539,289	3,316,864
COUNTY OF ALAMEDA				
PARAMEDIC TAX	69,515	69,502	70,000	70,000
TOTAL COUNTY OF ALAMEDA	69,515	69,502	70,000	70,000
TOTAL REVENUE FROM OTHER AGENCIES	1,935,606	2,436,441	3,609,289	3,386,864
CHARGES FOR CURRENT SERVICES				
PLANNING FEES	227,757	251,679	250,000	225,000
PLAN CHECK FEES	278,158	366,363	335,000	280,000
GENERAL PLAN MAINTENANCE FEE	211,756	279,782	375,000	325,000
RECORDS MANAGEMENT FEE	30,968	41,235	30,000	30,000
EMERYVILLE ANIMAL CONTROL	106,594	91,422	120,516	120,000
AMBULANCE SERVICE CHARGES	213,811	226,148	275,000	300,000
RECREATION and PRE-SCHOOL	1,068,093	1,693,440	2,419,484	2,614,000
POLICE & FIRE SERVICES	56,718	25,837	55,000	55,000
TOTAL CHARGES FOR CURRENT SERVICES	2,193,854	2,975,907	3,860,000	3,949,000
OTHER REVENUE				
SALE OF PROPERTY	1,467	27,579	33,109	-
OTHER REVENUE	216,914	101,941	91,060	96,615
TOTAL OTHER REVENUE	218,382	129,520	124,169	96,615
TOTAL GENERAL FUND REVENUE	\$ 28,606,650	\$ 33,265,064	\$ 34,911,748	\$ 33,953,038

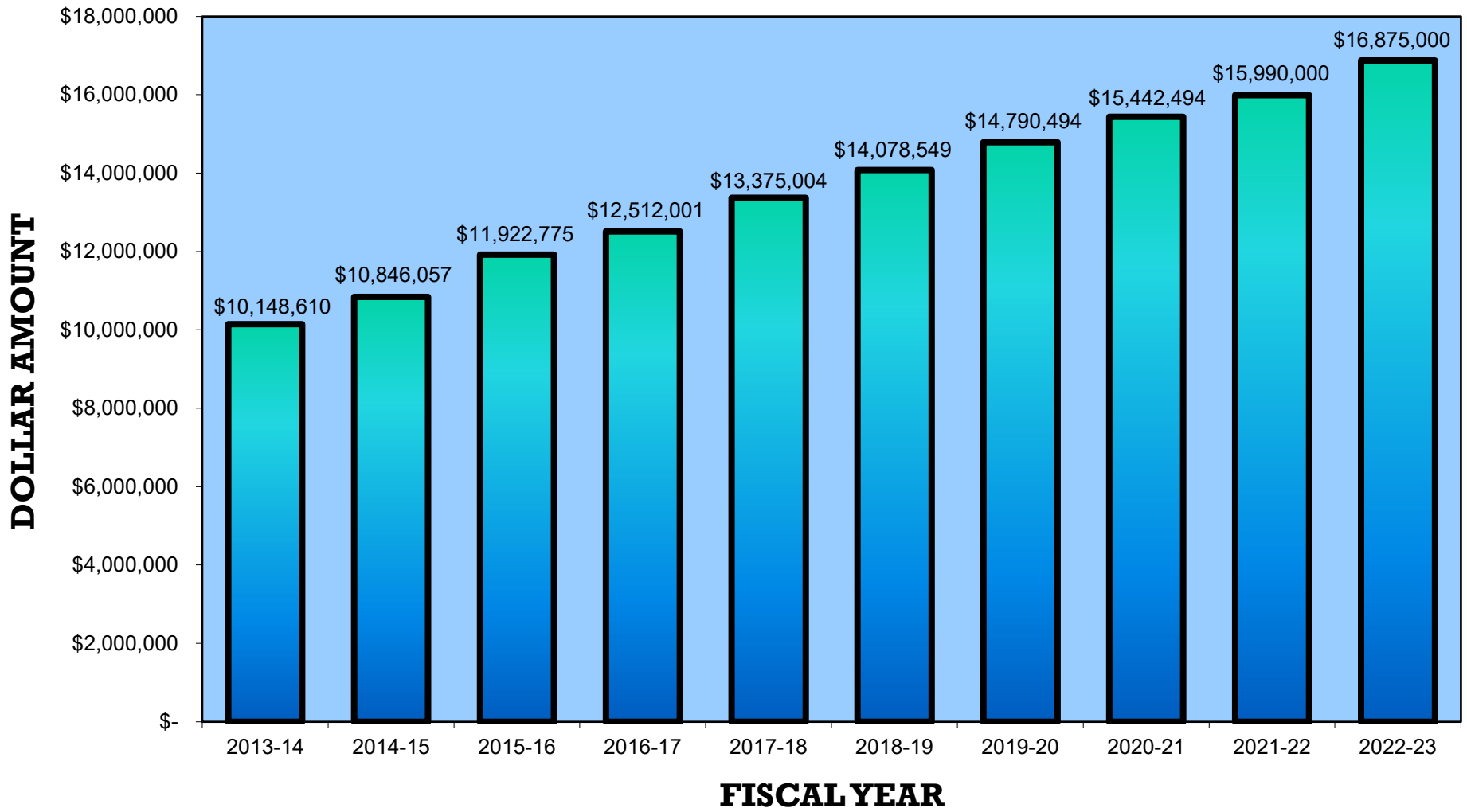
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**CITY OF PIEDMONT
GENERAL FUND
PROPOSED REVENUES AND TRANSFERS 2022-23**



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CITY OF PIEDMONT PROPERTY TAXES

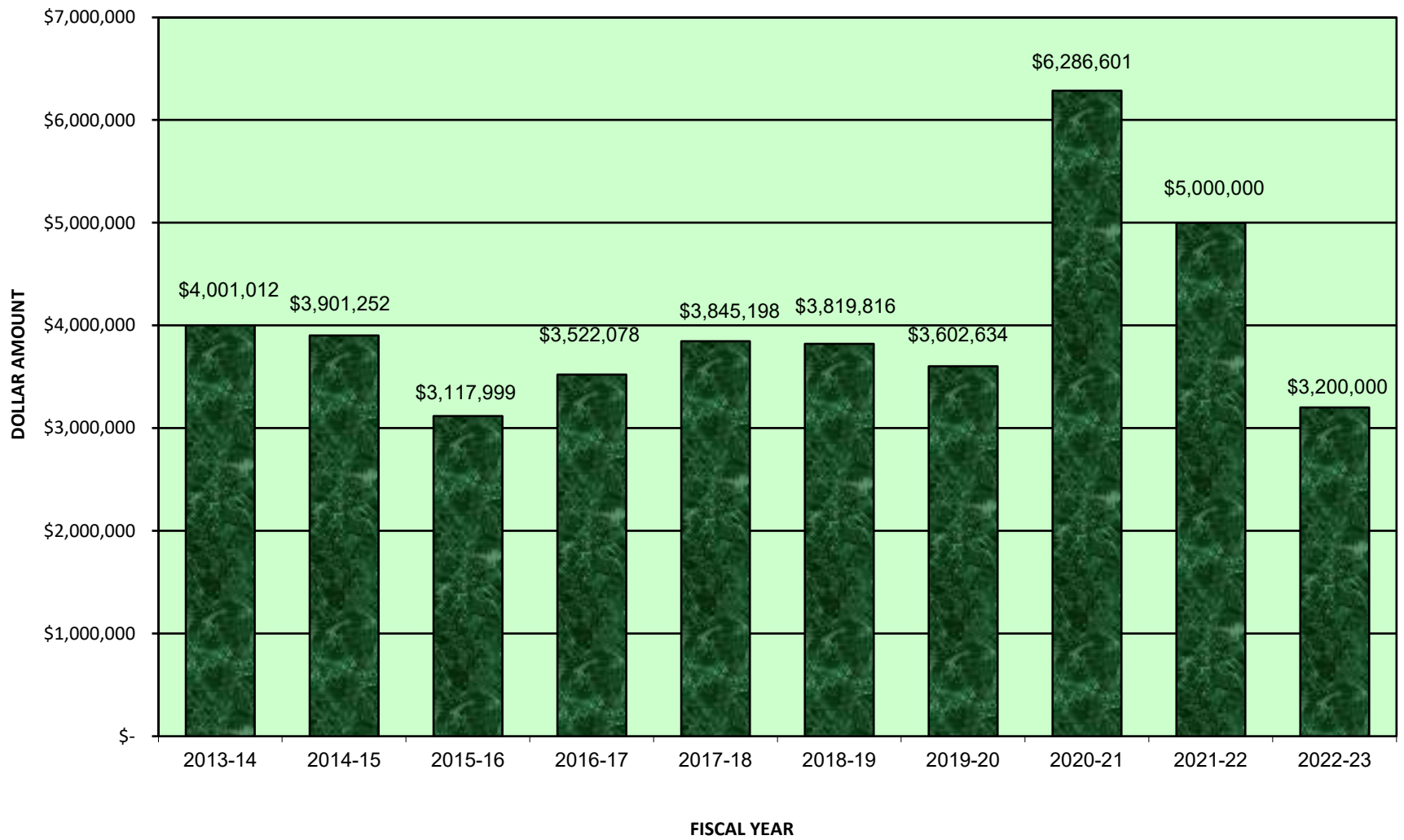


**City of Piedmont
Real Property Transfer Tax
Ten Fiscal Years**

	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
July	425,855	332,328	288,813	282,328	350,398
August	368,287	302,523	487,629	221,679	267,712
September	221,180	185,428	282,242	240,762	319,329
October	294,937	251,647	362,364	427,046	228,809
November	242,797	146,917	235,333	197,250	174,900
December	206,659	108,217	139,080	80,553	244,380
Sub-total	1,258,338	1,759,714	1,327,059	1,795,460	1,585,528
January	101,154	336,347	126,810	34,158	72,959
February	166,443	151,898	232,870	17,334	124,214
March	143,241	383,419	322,464	280,635	339,104
April	290,244	497,929	553,675	586,053	474,029
May	389,425	972,438	429,821	410,247	384,509
June	335,781	331,923	440,152	339,954	541,736
Sub-total	1,442,587	1,426,287	2,673,953	2,105,792	1,936,551
Total	2,700,925	3,186,001	4,001,012	3,901,252	3,522,078

	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
July	200,598	316,735	311,635	317,781	553,849
August	283,149	219,586	284,289	437,900	611,104
September	207,213	155,043	201,542	607,124	543,106
October	511,624	433,243	361,995	531,255	705,129
November	419,968	192,354	381,647	441,660	503,662
December	310,250	128,076	200,626	608,876	404,558
Sub-total	1,932,802	1,445,037	1,741,734	2,944,596	3,321,407
January	29,716	154,454	41,698	284,572	93,670
February	128,043	142,862	133,653	186,845	295,379
March	251,723	502,520	508,702	260,226	395,041
April	503,035	547,787	334,147	671,257	438,360
May	396,514	552,603	401,264	881,689	
June	603,365	492,105	441,436	1,057,416	
Sub-total	1,912,396	2,392,330	1,860,900	3,342,005	1,222,450
Total	3,845,198	3,837,366	3,602,634	6,286,601	4,543,857

**CITY OF PIEDMONT
REAL PROPERTY TRANSFER TAX**



OTHER FUNDS REVENUE ANALYSIS

	ACTUAL REVENUE 2019-20	ACTUAL REVENUE 2020-21	PROPOSED REVENUE 2021-22	PROPOSED REVENUE 2022-23
<u>SPECIAL REVENUE FUNDS</u>				
<u>ABANDONED VEHICLE ABATEMENT FUND</u>				
ALAMEDA COUNTY	\$ 5,737	\$ 5,023	\$ -	\$ -
TOTAL	5,737	5,023	-	-
<u>ATHLETIC FACILITY PRESERVATION FUND</u>				
FACILITY FEE/CONTRIBUTIONS	73,859	94,681	55,000	55,000
TOTAL	73,859	94,681	55,000	55,000
<u>COPS</u>				
COUNTY OF ALAMEDA	118,785	197,434	100,000	100,000
INVESTMENT INCOME	15,772	2,293	-	-
TOTAL	134,557	199,727	100,000	100,000
<u>JUVENILE OFFICER GRANT FUND</u>				
STATE OF CALIFORNIA	154,139	137,458	-	-
TOTAL	154,139	137,458	-	-
<u>GAS TAX FUND</u>				
HUT 2103 ALLOCATION	79,523	71,652	95,791	111,254
HUT 2105 ALLOCATION	58,488	64,138	66,812	72,880
HUT 2106 ALLOCATION	38,597	37,967	41,731	45,153
HUT 2107 ALLOCATION	73,927	79,266	91,050	99,566
HUT 2107.5 ALLOCATION	3,077	3,023	3,000	3,000
INVESTMENT INCOME	16,035	(105)	-	-
TOTAL	269,646	255,941	298,384	331,853
<u>SB1 RMRP(RD MNT & REHAB PGM)</u>				
STATE OF CALIFORNIA	-	211,734	233,968	257,488
TOTAL	-	211,734	233,968	257,488
<u>MEASURE B SALES TAX FUND</u>				
ACTC/INVESTMENT INCOME	469,275	511,170	356,987	-
TOTAL	469,275	511,170	356,987	-
<u>MEASURE BB SALES TAX FUND</u>				
ACTC	440,406	477,253	544,768	942,000
TOTAL	440,406	477,253	544,768	942,000
<u>MEASURE D FUND</u>				
MEASURE D ALLOCATION/INVESTMENT INCOME	37,666	34,331	30,000	30,000
RECYCLING FUNDS	5,000	5,000	5,000	5,000
TOTAL	42,666	39,331	35,000	35,000

	ACTUAL REVENUE 2019-20	ACTUAL REVENUE 2020-21	PROPOSED REVENUE 2021-22	PROPOSED REVENUE 2022-23
MEASURE F FUND				
ACTC/INVESTMENT INCOME	46,241	46,073	41,377	40,000
TOTAL	46,241	46,073	41,377	40,000
PRIVATE CONTRIBUTION FUND				
MISCELLANEOUS	10,000	120,550	-	-
TOTAL	10,000	120,550	-	-
TRAFFIC CONGESTION RELIEF FUND				
ALLOCATION	12,839	13,962	-	-
TOTAL	12,839	13,962	-	-
SCHOOLMATES PROGRAM FUND				
INVESTMENT INCOME	11,577	3,038	-	-
SCHOOLMATES FEES	632,868	584,238	1,022,000	1,086,319
TOTAL	644,445	587,276	1,022,000	1,086,319
SIDEWALK REPAIR FUND				
MISCELLANEOUS	12,830	8,460	-	-
TOTAL	12,830	8,460	-	-
TRAFFIC SAFETY FUND				
STATE OF CALIFORNIA	\$ 29,287	\$ 13,962	\$ -	\$ 30,000
TOTAL	29,287	13,962	-	30,000
<u>CAPITAL PROJECT FUNDS</u>				
CAPITAL IMPROVEMENT FUND				
INVESTMENT INCOME	6,345	\$ 236	\$ -	\$ -
TOTAL	6,345	236	-	-
AQUATICS PROJECT FUND				
BOND PROCEEDS/INVESTMENT INCOME	-	-	24,218,577	-
TOTAL	-	-	24,218,577	-
EQUIPMENT REPLACEMENT FUND				
INVESTMENT INCOME	76,067	13,195	30,971	23,049
TOTAL	76,067	13,195	30,971	23,049
FACILITIES CAPITAL PROJECT FUND				
CONTRIBUTIONS/INVESTMENT INCOME	176,711	24,325	-	-
TOTAL	176,711	24,325	-	-
FACILITIES MAINTENANCE FUND				
CONTRIBUTIONS/INVESTMENT INCOME	176,711	24,325	21,596	24,243
TOTAL	176,711	24,325	21,596	24,243
<u>DEBT SERVICE FUND</u>				
AQUATICS BOND FUND				
BOND PROCEEDS/AD VALOREM TAX REVENUE	\$ -	\$ -	\$ 910,887	\$ 1,280,000
TOTAL	-	-	910,887	1,280,000

	ACTUAL REVENUE 2019-20	ACTUAL REVENUE 2020-21	PROPOSED REVENUE 2021-22	PROPOSED REVENUE 2022-23
<u>ENTERPRISE FUNDS</u>				
<u>AQUATICS</u>				
CHARGE FOR SERVICE/INVESTMENT INCOME	347,563	(28)	-	-
TOTAL	347,563	(28)	-	-
<u>SEWER FUND</u>				
SEWER SERVICE CHARGES	2,681,917	2,748,552	2,802,000	2,920,000
INVESTMENT INCOME	88,211	13,769	10,000	10,100
TOTAL	2,770,128	2,762,322	2,812,000	2,930,100
<u>INTERNAL SERVICE FUNDS</u>				
<u>LIABILITY INSURANCE</u>				
NON DEPARTMENTAL REVENUE	783,854	1,014,943	1,130,000	1,405,000
TOTAL	783,854	1,014,943	1,130,000	1,405,000
<u>WORKERS COMPENSATION</u>				
NON DEPARTMENTAL REVENUE	673,253	722,374	926,000	830,000
TOTAL	673,253	722,374	926,000	830,000
TOTAL REVENUE - OTHER FUNDS	7,179,850	7,259,967	32,737,515	9,370,052
TOTAL REVENUE - ALL FUNDS	<u>\$ 35,786,500</u>	<u>\$ 35,866,617</u>	<u>\$ 67,649,263</u>	<u>\$ 43,323,090</u>
<u>TRUST FUNDS</u>				
<u>150 - POLICE & FIRE PENSION TRUST FUND</u>				
INVESTMENTS	\$ 971,416	\$ 4,004,277	\$ 350,000	\$ 1,207,000
TOTAL	971,416	4,004,277	350,000	1,207,000
<u>120 - PENSION RATE STABILIZATION FUND</u>				
INVESTMENTS	113,048	1,672,293	40,000	140,000
TOTAL	113,048	1,672,293	40,000	140,000
<u>156 - OPEB TRUST FUND</u>				
INVESTMENTS	(86,800)	2,962,012	125,000	444,600
NON DEPARTMENTAL REVENUE	(580,025)	-	-	-
TOTAL	(666,825)	2,962,012	125,000	444,600

CITY OF PIEDMONT
Roster of Authorized
Full-Time Positions

	<u>2021-22</u>	<u>2022-23</u>
<u>ADMINISTRATION</u>		
City Administrator	1	1
Assistant City Administrator/City Clerk	1	1
Communications Program Manager	1	1
Finance Director	1	1
Accountant	1	1
Administrative Services Technician I/II	1	1
Deputy City Clerk	1	1
Human Resources Administrator	1	1
Video Communications Specialist	1	1
	<u>9</u>	<u>9</u>
<u>POLICE</u>		
Police Chief	1	1
Captain	1	1
Support Services Commander	1	1
Administrative Assistant	1	1
Animal Control Officer	2	2
Juvenile Officer	1	1
Dispatcher	5	5
Police Officer	13	13
Police Records Specialist	1	1
Sergeant	4	4
	<u>30</u>	<u>30</u>
<u>FIRE</u>		
Fire Chief	1	1
Captain	1	2
Captain/Paramedic	2	1
Lieutenant	1	0
Lieutenant/Paramedic	2	3
Firefighter	4	4
Firefighter/Paramedic	11	11
Fire Engineer	3	3
Fiscal Services Technician (40% Fire - 60% Recreation)	0.4	0.0
	<u>25.4</u>	<u>25</u>
<u>PLANNING & BUILDING</u>		
Planning & Building Director	1	1
Administrative Assistant	1.5	1.5
Associate Planner	1	1
Assistant Planner ¹	1	2
Planning Technician II	1	0
Plans Examiner	1	1
Senior Planner	1	1
Sustainability Program Manager	0.5	0.5
	<u>8</u>	<u>8</u>

CITY OF PIEDMONT
Roster of Authorized
Full-Time Positions

<u>PUBLIC WORKS</u>	<u>2021-22</u>	<u>2022-23</u>
Public Works Director	1	1
Administrative Assistant	1.5	1.5
Building Official	1	1
Facilities Maintenance Worker	1	1
Maintenance Worker I	2	2
Maintenance Worker II	2	2
Parks & Project Manager	1	1
Public Works Maintenance Supervisor	1	1
Senior Maintenance Worker	2	2
Sustainability Program Manager	0.5	0.5
	<u>13</u>	<u>13</u>
 <u>RECREATION</u>		
Recreation Director	1	1
Administrative Assistant	2	2
Aquatics Coordinator	1	1
Assistant Childcare Program Coordinator	1	1
Childcare Program Coordinator	0	0
Fiscal Services Technician (40% Fire - 60% Recreation)	0.6	0
Recreation Program Coordinator	3	3
Recreation Supervisor	3	3
	<u>11.6</u>	<u>11</u>
 TOTAL	<u>97</u>	<u>96</u>

Part-Time Positions with Benefits *

Recreation:		
Assistant Pool Manager	0	0
Lead Facility Attendant	0	1
Preschool Directors	4	4
Schoolmates Site Leads	3	3
Schoolmates Assistant Site Leads	0	4
	<u>7</u>	<u>12</u>
*Employees who work over 1,000 hours, but aren't classified		
One pre-existing position receives full benefits. Six positions in FY 21/22 and 11 positions in FY 22/23 are offered the PEMCHA minimum for healthcare and receive retirement at the PEPRA level.		

1- Request for reclassification from Planning Technician to Assistant Planner

CITY OF PIEDMONT
MONTHLY SALARIES
as of July 1, 2022

PUBLIC WORKS - LOCAL 1021

MOU expires 6/30/25

Job Code	This salary effective as of: 7/1/2022 - 6/30/23	# of EEs	First Step	Last Step	Top Step Annual Salary	Subject to O/T
	Facilities Maintenance Wkr II, CI B/CWEA	1		7,209	86,508	•
2726	Maintenance Worker I	1	5,021	6,104	73,248	•
	Maintenance Worker II, Class B + PACP	1		6,931	83,172	•
	Maintenance Worker II/CWEA & PACP	1		6,999	83,988	•
2745	Maintenance Worker II/ w/ CWEA, PACP & Class B License	1		7,209	86,508	•
	Sr. Maintenance Worker	1	5,915	7,190	86,280	•
2733	Sr. Maintenance Worker w/CWEA & PACP	1	6,459	7,851	94,212	•
		7				

GENERAL - LOCAL 1021

MOU expires 6/30/25

Job Code	This salary effective as of: 7/1/2022 - 6/30/23	# of EE's	First Step	Last Step	Annual Salary	Subject to O/T
8735	Animal Control Officer	1	5,006	6,081	72,972	•
	Animal Control Officer w/ 2% EDU	1	5,106	6,203	74,436	•
8727	Dispatcher with 2% POST & Shift Diff.	1	6,764	8,219	98,628	•
	Dispatcher with 3% POST Certificate	1	6,567	7,980	95,760	•
8725	Dispatcher with 4% POST Certificate	2	6,631	8,058	96,696	•
	Dispatcher with 4% POST + SD	1	6,896	8,380	100,560	•
	Police Records Specialist	1	5,797	7,042	84,504	•
		8				

FIRE

MOU expires 6/30/2025

Job Code	This salary effective as of: 7/1/2022 - 6/30/23	# of EE's	First Step	Last Step	Annual Salary	Subject to O/T
6910	Lieutenant	0		11,471	137,652	•
6913	Lieutenant with 5% FOC	0		12,045	144,540	•
6914	Lieutenant with 12% Paramedic	0		12,848	154,176	•
6915	Lieutenant with FOC & Paramedic	3		13,421	161,052	•
6930	Firefighter	2	8,734	10,031	120,372	•
6940	Firefighter with 5% FOC	2	9,171	10,533	126,396	•
6950	Firefighter with 12% Paramedic	8	9,782	11,235	134,820	•
6960	Firefighter with FOC & Paramedic	3	10,219	11,736	140,832	•
6920	Engineer	0	9,170	10,533	126,396	•
6923	Engineer with 5% FOC	2	9,629	11,060	132,720	•
6924	Engineer with 5% FOC & Paramedic	1	10,729	12,324	147,888	•
		21				

POLICE

MOU expires 6/30/2025

Job Code	This salary effective as of: 7/1/2022 - 6/30/23	# of EE's	First Step	Last Step	Annual Salary	Subject to O/T
8810	Sergeant with POST Advanced	1		13,797	165,564	•
8815	Sergeant with POST Advanced + SD	1		14,349	172,188	•
8817	Sergeant with POST Advanced + Supv Cert	1		14,054	168,648	•
8818	Sergeant with POST Adv, Supv Cert + SD	1		14,616	175,392	•
8820	Police Officer	3	8,747	10,556	126,672	•
	Police Officer + Shift Differential	1	9,097	10,978	131,736	•
8840	Police Officer with POST Intermediate	1	9,184	11,084	133,008	•
8842	Police Officer with POST Int + SD	1	9,551	11,527	138,324	•
8850	Police Officer with POST Advanced	2	9,359	11,295	135,540	•
8852	Police Officer with POST Advanced + SD	2	9,733	11,747	140,964	•
8860	Detective with POST Advanced	1	9,797	11,823	141,876	•
	Detective with POST Intermediate	1	9,622	11,612	139,344	
	Juvenile Officer with POST Advanced	1	9,797	11,823	141,876	•
8847	Traffic Officer with POST Advanced	1	9,797	11,823	141,876	•

18**CONFIDENTIAL**

Resolution expires 6/30/2025

Job Code	This salary effective as of: 7/1/2022 - 6/30/23	# of EE's	First Step	Last Step	Annual Salary	Subject to O/T
1305	Accountant w/ 2% EDU	1	7,790	9,474	113,685	•
1330	Administrative Assistant	5	5,873	7,142	85,704	•
1332	Administrative Assistant w/ 2% EDU	1	5,990	7,285	87,420	•
	Administrative Services Technician I	0	6,411	7,789	93,468	
1335	Administrative Services Technician II	1	7,637	9,288	111,456	•
	Deputy City Clerk w/ 2% EDU	1	7,155	8,698	104,376	•
1810	Video Communications Specialist	1	7,637	9,288	111,456	•

10**CHILDCARE**

Resolution expires 6/30/2025

Job Code	This salary effective as of: 7/1/2022 - 6/30/23	# of EE's	First Step	Last Step	Annual Salary	Subject to O/T
	Assistant Childcare Program Coordinator	1	4,706	6,301	75,612	•
	Aquatics Coordinator	1	4,752	6,368	76,416	•
	Recreation Program Coordinator	3	4,706	6,301	75,612	•

5**PROFESSIONAL/TECHNICAL/ SUP.**

Resolution expires 6/30/2025

Job Code	This salary effective as of: 7/1/2022 - 6/30/23	# of EE's	First Step	Last Step	Annual Salary	Subject to O/T
2435	Assistant Planner	2	6,762	8,218	98,616	
	Associate Planner	1	7,294	8,865	106,380	
	Communications Program Manager	1	9,137	11,064	132,768	
1310	Human Resources Administrator	1	8,364	10,170	122,040	
	Plans Examiner (one step)	1		9,773	117,276	•
4450	Public Works Maint. Supv + Certificate Pay	1	9,751	11,854	142,248	
2456	Recreation Supervisor	3	6,616	8,046	96,552	
	Senior Planner	1	8,095	9,840	118,080	
	Sustainability Program Manager	1	8,095	9,840	118,080	

12**MID-MANAGEMENT**

MOU expires 6/30/2025			# of	First	Last	Annual	Subject
Job Code	This salary effective as of: 7/1/2022 - 6/30/23		EE's	Step	Step	Salary	to O/T
6610	Fire Captain w/5% Fire Officer & Paramedic		1	12,065	14,661	175,932	•
	Fire Captain w/5% Fire Officer		1	11,622	14,123	169,476	•
6615	Fire Captain w/ 10% Chief Officer		1	12,176	14,795	177,540	•
Resolution expires 6/30/2025							
Job Code	This salary effective as of: 7/1/2022 - 6/30/23						
8620	Police Captain with 6% POST		1	14,146	17,189	206,268	
8635	Support Services Commander		1	11,918	14,487	173,844	
Resolution expires 6/30/2025							
Job Code	This salary effective as of: 7/1/2022 - 6/30/23						
2430	Building Official (one step)		1		11,728	140,736	
2420	Parks & Projects Manager		1	10,854	13,186	158,232	
			7				
Resolution expires 6/30/2025							
Job Code	MANAGEMENT				Last Step	Top Step Annual Salary	
1000	City Administrator	Effective 7/1/2022	1		19,892	238,709	
1100	Asst City Admin/City Clerk	Effective 7/1/2022	1		14,322	171,864	
1205	Finance Director	Effective 7/1/2022	1		16,717	200,604	
6500	Fire Chief	Effective 7/1/2022	1		19,449	233,388	
2445	Planning & Building Director	Effective 7/1/2022	1		15,910	190,920	
8500	Police Chief	Effective 7/1/2022	1		19,872	238,464	
2200	Public Works Director	Effective 7/1/2022	1		16,284	195,408	
4200	Recreation Director	Effective 7/1/2022	1		16,310	195,720	
			8				
Number of Employees & Open Positions			96				

THE END OF OVERVIEW SECTION