



From: Ryan Cornell, Administrative Services Director

Subject: Second Quarter Update Fiscal Year 2021-22: Budget Report and Amendments; Job and Organizational Reclassifications; and Approval of Side Letter of Agreement with the Professional Firefighters Association

Date: February 1, 2022

Facts

Budget Report and Amendments

1. In accordance with the Council's adopted fiscal policies, no less than semi-annually, there will be a comprehensive review of the operations in comparison to the existing budget. Projections of revenues and expenditures through the end of the fiscal year (FY) will be prepared and reviewed by the City Manager and the Director of Administrative Services with a report and presentation to the City Council.
2. The Mid-Year Financial Report is an opportunity to examine the City's financial status for the first half of FY 2021-22. Several assumptions and predictions are used in the budget process; therefore, it is important to revisit assumptions to ensure accuracy and solvency.
3. To lessen administrative burdens, the City Council has historically authorized the City Manager to increase service levels and later amend the budget, by council resolution, during quarterly budget reports. This allows multiple service level adjustments to be compiled into one resolution. Detailed recommended budget amendments are discussed in further detail later in this report.

Job and Organizational Reclassifications

4. The City organizes and deploys employee resources in accordance with work demands and categorizes the resulting work assignments in a manner consistent with a job classification system and organizational structure. From time to time, the City needs to adjust workloads amongst employees, departments, and divisions based on current conditions and job assignments.
5. The City's Water Resources/Streets Division has experienced an unprecedented amount of employee turnover over the past six to twelve months. The division employs two Lead Water Maintenance Specialists and eight Water Maintenance Specialists; three of these ten positions have been employed with the City for less than one year; four of the ten positions are currently, or will soon be, vacant.
6. Assigning dedicated, standalone, staffing resources to Water Resources and Street Maintenance will improve operational efficiency through improved supervision and specialized, dedicated and focused work assignments.

Side Letter of Agreement with Paso Robles Professional Firefighters

7. On April 20, 2021, staff presented to City Council a "[Basic Needs Package](#)" for the utilization of the City's new supplemental sales tax, Measure J-20. A component of Emergency Services package was the addition of an Administrative Captain position.
8. The City met and conferred with the Professional Firefighters Association and have agreed to the Side Letter of Agreement shown in Exhibit A of Attachment No. 1.

Options

1. Take no action;
2. Receive and file the report and approve recommended budget amendments, position changes, and Side Letter of Agreement with the Professional Firefighters Association;
3. Provide alternative direction to staff.

Analysis and Conclusions

Budget Report and Amendments

General Fund

The results of the second-quarter review conclude that actual General Fund revenues and expenditures are better than anticipated. The FY 2021-22 Adopted Budget was balanced, with estimated revenues exceeding budget appropriations by \$365,500; the updated financial model—based on actual transactions incurred for the first half of Fiscal Year (FY) 2021-22, including unspent budget appropriations from the previous year—projects the City’s revenues will exceed expenditures by approximately \$4.7 million.

Table 1: General Fund Income Statement

	Budget	Current Projection	Variance	Projected % Received/ Expended
<u>Revenues</u>				
Sales Tax	\$ 17,016,700	\$ 19,191,451	\$ 2,174,751	112.8%
Property Tax	12,098,000	12,339,728	241,728	102.0%
Transient Occupancy Tax	6,910,000	7,631,979	721,979	110.4%
All Other Taxes	4,766,000	5,076,219	310,219	106.5%
All Other Revenue	5,229,196	5,253,084	23,888	100.5%
Interfund Transfers In	1,143,200	947,200	(196,000)	82.9%
Total Revenue	<u>47,163,096</u>	<u>50,439,661</u>	<u>3,276,565</u>	<u>106.9%</u>
<u>Expenditures</u>				
City Manager/City Council	2,224,772	1,928,127	(296,645)	86.7%
Administrative Services	2,228,000	2,105,626	(122,374)	94.5%
Police	10,860,492	10,488,259	(372,233)	96.6%
Emergency Services	7,220,184	7,070,549	(149,635)	97.9%
Public Works	2,181,119	2,027,026	(154,093)	92.9%
Community Services	7,154,669	7,349,586	194,917	102.7%
Community Development	3,742,209	3,156,591	(585,618)	84.4%
Capital Projects Transfers	5,828,130	5,828,130	-	100.0%
Central Service Fund Transfers	4,271,500	4,271,500	-	100.0%
All Other Transfers	1,548,500	1,548,500	-	100.0%
Contingency Set-aside	154,080	-	(154,080)	-%
Total Expenditures	<u>47,413,655</u>	<u>45,773,894</u>	<u>\$ (1,639,761)</u>	<u>96.5%</u>
Fund Surplus/(Deficit)	<u>\$ (250,559)</u>	<u>\$ 4,665,767</u>		

Examining the financial activity of the General Fund for the first 6-months of the fiscal year, revenues are 19% higher through December 2021 when compared to December 2020. The current financial model now projects revenues exceeding original estimates by \$3.3 million, or about 7%. Expenditures are trending similar to previous years at about 96.5% of appropriations anticipated to be spent.

Sales Tax Revenue: In FY 2020-21, the City recognized an 18% increase in sales tax revenue (excluding the new Measure J-20 supplemental sales tax) when compared to FY 2019-20. This increase was anticipated, because the COVID-19 pandemic had the most impacts to sales revenue in 2020, and 2021 should return to historical norms. Despite the high sales activity last year, sales tax revenues this year is projected to increase by another 7%, representing approximately \$2.2 million more in revenue than originally anticipated.

Restaurant, Fuel and Service Station industries are still recovering (these industry groups had the most impacts and are taking longest to recover) comprising the majority of the net increase this year. Additionally, although the volume of auto sales has decreased due to supply chain issues, the increase in the cost of the vehicles has offset any decline in overall tax revenue. Lastly, with pandemic restrictions

being lifted, consumers are going back to retail stores for general consumer goods and that industry group experienced a 10% increase up to now this fiscal year.

Projections anticipate growth will continue through the end of 2021, with cautious optimism for 2022. The persistence of the pandemic has increased demand for travel and experiences (shifting spending away from taxable goods); higher prices for fuel, merchandise and services are displacing more of consumer's disposable income; and anticipated interest rate increases will increase financing costs for automobiles, homes, and consumer loans.

Transient Occupancy Tax Revenue: The City's tourism industry continues to rebound and grow. Since 1996, there has not been an instance where TOT revenue declined from one year to the next. Some revenues were flat—\$2.7 million in both FY 2008-09 and in FY 2009-10—but never a year over year decline until the COVID-19 pandemic. Revenues received in FY 2019-20 were about 18% less when compared to the year prior, but in FY 2020-21, the City received \$7.1 million in TOT revenue, a 40% increase. Despite the significant increase, tourism remains robust, and projections predict another 7% increase this year, totaling \$7.6 million for the year; \$700,000 more than originally anticipated.

Another significant revenue variance relates to inter-fund transfers. Inter-fund transfers in accounts for the General Fund activity incurred by other funds. For example, City Council costs are recorded in the General Fund, because the City Council oversees all City operations, such as the Water, Sewer and Airport Funds, it is appropriate to allocate these costs to other funds. This is accomplished by inter-fund transfers. When the City created the Measure J-20 supplemental sales tax fund, it included \$196,000 placeholder to account for central service support (e.g., fleet mechanics) by adding additional public safety and street maintenance positions. Central support operating needs are not anticipated for this fiscal year but are necessary upon hiring more staff. A transfer from the Measure J-20 Fund to the General Fund will not be necessary this year.

General Fund expenditures are estimated at \$45.8 million, about \$1.6 million less than approved appropriations. Budget savings are lower than in previous fiscal years because:

- 1) On September 7, 2021, City Council approved [Side Letter Agreements](#) with each of the bargaining groups and the unrepresented confidential, professional and management group (MGMT) that increases the benefit contribution for medical insurance; provides POA with a 5% wage increase; and provides certain classifications within the IAFF group with additional wage increases. The total annual cost for these enhanced benefits was estimated to be \$606,200—approximately half of which will impact FY 2021-22.
- 2) In Spring 2020, City Council approved a Memorandum of Understanding with each bargaining group and the MGMT group. A component of the MOU was “trigger language” whereby employees were guaranteed a wage increase each year, plus an additional increase should General Fund tax revenues exceed projections. For FY 2019-20, due to COVID-19 pandemic impacts, triggers were not met. However, revenues for FY 2020-21 grew so much, not only did City revenues meet the normal trigger, but also reinstated increases employees missed the first time. Budget assumptions anticipated meeting the first, but not the second. Therefore, employee costs for the second half of this fiscal year are about 1% more than originally projected.

Additional budget amendments are recommended and discussed later in this report; those amendments will explain the remaining variances shown above.

Water Fund

Table 2 – Water Fund Income Statement

	Budget	Current Projection	Variance	Projected % Received/ Expended
<u>Revenues</u>				
Charges for Service	\$ 16,255,000	\$ 17,076,713	\$ 821,713	105.1%
Connection Fees	748,000	407,308	(340,692)	54.5%
All Other Charges	231,000	113,071	(117,929)	48.9%
Use of Money and Property	50,000	41,142	(8,858)	82.3%
Grant Revenues	-	173,100	173,100	-
Other Misc. Revenues	5,000	11,400	6,400	228.0%
Total Revenue	<u>17,289,000</u>	<u>17,822,734</u>	<u>533,734</u>	<u>103.1%</u>
<u>Expenditures</u>				
Utility Billing	428,600	396,167	(32,433)	92.4%
Water Production	11,232,600	10,250,541	(982,059)	91.3%
Water Treatment	1,659,700	1,406,595	(253,105)	84.7%
Water Conservation	288,900	159,137	(129,763)	55.1%
Capital Projects	2,831,772	2,741,772	(90,000)	96.8%
Central Service Fund Transfers	1,835,400	1,835,400	-	100.0%
Total Expenditures	<u>18,276,972</u>	<u>16,789,612</u>	<u>\$ (1,487,360)</u>	<u>91.9%</u>
Fund Surplus/(Deficit)	<u>\$ (987,972)</u>	<u>\$ 1,033,122</u>		

The Water Fund is tracking close to budget, with projected revenues exceeding original estimates by approximately \$500,000, and expenditures are tracking at approximately 92% of appropriations. As a result, the financial position of the Water Fund is better than anticipated at budget adoption, and ending reserves at June 30, 2022, are projected to be \$10.3 million; a very solid financial position with a current year budget of \$18 million.

Despite good reserve balances, connection fee revenues continue to lag, and the City is projected to receive half the estimated revenue estimated at the beginning of the year. Connection fees are collected for infrastructure expansion and there are no current projects funded with connection fees. Therefore, there is no need for connection fee revenues today; this could cause delays in capital projects in the future. Lastly, since the onset of the pandemic, the City has waived penalties and late fees due to non-payment. Since anticipated fee collection is likely delayed until the Spring 2022, “All Other Charges” shown above are lower than anticipated.

Currently, projected expenditures are anticipated at \$16.8 million for the year, about \$1.5 million less than budgeted. Budget savings are higher than in the past—mainly due to staffing shortages in the Water Distribution Division.

Wastewater Fund

Table 3 – Wastewater Fund Income Statement

	Budget	Current Projection	Variance	Projected % Received/ Expended
<u>Revenues</u>				
Charges for Service	\$ 11,199,000	\$ 12,001,572	\$ 802,572	107.2%
Connection Fees	700,000	97,112	(602,888)	13.9%
Fines and Penalties	30,000	8,250	(21,750)	27.5%
Use of Money and Property	126,000	35,000	(91,000)	27.8%
Total Revenue	<u>12,055,000</u>	<u>12,141,934</u>	<u>86,934</u>	<u>100.7%</u>

	Budget	Current Projection	Variance	Projected % Received/ Expended
<u>Expenditures</u>				
Utility Billing	\$ 443,600	\$ 382,169	\$ (60,431)	86.2%
Stormwater Management	371,400	288,511	(82,889)	77.7%
Sewer Collection	1,433,200	1,315,552	(117,648)	91.8%
Sewer Treatment	7,838,433	7,047,444	(790,989)	89.9%
Source Control	364,500	301,978	(62,522)	82.8%
Capital Projects	2,086,482	2,443,288	356,806	117.1%
Central Service Fund Transfers	1,038,300	1,038,300	-	100.0%
Total Expenditures	<u>13,575,915</u>	<u>12,817,242</u>	<u>\$ (1,639,761)</u>	<u>96.5%</u>
Fund Surplus/(Deficit)	<u>\$ (1,520,915)</u>	<u>\$ (675,308)</u>		

The Wastewater Fund is tracking close to budget, with revenues projected to be over original estimates by less than \$100,000, and expenditures are tracking at approximately 97% of appropriations. As a result, the financial position of the Wastewater Fund is better than anticipated with ending reserves on June 30, 2022, projected to be \$3.8 million; the recently completed rate study anticipated a \$2.1 million reserve balance at year end. The positive variance is attributable to an airport-area sewer line replacement project that came in under budget.

Similar to water, sewer connection fee revenues continue to lag, and the City projects \$97,112 in revenue. Since connection fees are collected for infrastructure expansion, a lack of revenue indicates a delay in infrastructure-related projects.

Lastly, one capital project is projected to go over budget by \$356,806. The project is a reimbursement agreement with a developer to install an oversized recycled water pipeline. See the budget amendment section of this report for further detail.

Parking Fund

Table 4 – Parking Fund Income Statement

	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Actual To- Date	% Received/ Expended To-Date
<u>Revenues</u>					
Permits	\$ 13,785	\$ 17,366	\$ 14,000	\$ 10,649	76.1%
Fees	26,088	64,863	100,000	49,111	49.1%
Fines	10,213	13,661	125,000	21,119	16.9%
Total Revenue	<u>50,086</u>	<u>95,890</u>	<u>239,000</u>	<u>80,879</u>	<u>33.8%</u>
<u>Expenditures</u>					
Personnel Services	73,490	120,971	137,000	75,224	54.9%
Operating Expenses	163,746	115,453	140,000	71,960	51.4%
Debt Service	8,188	8,651	-	-	-%
Capital Outlay	390,874	-	5,000	435	8.7%
Total Expenditures	<u>636,298</u>	<u>245,075</u>	<u>282,000</u>	<u>147,619</u>	<u>52.3%</u>
General Fund Loan	<u>\$ 490,958</u>	<u>\$ 644,310</u>	<u>\$ 687,310</u>	<u>\$ 754,050</u>	

The Downtown Parking Program began on August 14, 2019, and because of the significant start-up costs and from the impacts of COVID-19, the Parking Program has yet to meet obligations through permit/parking fees and/or enforcement fines and penalties. On October 1, 2019, the City Council approved an

interfund loan from the General Fund to cover cash shortfalls. As of December 31, 2021, the General Fund loan is approximately \$750,000, slightly more than anticipated during the budget process. Revenue variance is partially attributable to the City not issuing parking citations initially, since early compliance efforts focused on warnings, not citations.

Measure J-20 Supplemental Sales Tax Fund

In April 2021, staff presented to City Council a one-year Measure J-20 Expenditure Plan, the “[Basic Needs Package](#),” which provides enough flexibility to fund the highest priority unmet needs now, yet still being able to address additional service level deficiencies in the future. Attachment No. 2 provides the overview of the financial activity of J-20 since inception. Estimates project the City will receive \$12,831,000 in J-20 revenues in FY 2021-22.

Police Department:

1. On January 19, 2021, City Council approved [Resolution No 21-007](#), authorizing the addition of one Dispatch Supervisor position; this position is filled.
2. On April 20, 2021, City Council approved [Resolution No 21-045](#), authorizing the addition of one Records Clerk position. This position was filled; however, a General-funded Records position has recently resigned. As a result, this Measure J-20 Records position is currently vacant.
3. Police Officer Positions: Currently, the City has nine police officer positions vacant; seven of which are to be funded with Measure J-20 revenues. Officer recruitment continues to be challenging—not just within our City, but statewide—and the City has yet to fill a J-20 officer position. That being said, the City has three recruits that are being sponsored in the January academy. Should those recruits successfully graduate, in about five months three of the nine available positions will be filled. For the remaining positions, the City continues to hold an open-ended recruitment.

Fire and Emergency Services:

1. On November 12, 2020, City Council approved and accepted a second SAFER grant that enabled staffing for a third fire engine and station. The grant provides 100% funding for an additional three firefighter positions which, when combined with the squad personnel, will allow a third fire engine to be fully staffed. Because the grant provides 100% funding, the grant revenue will offset the personnel costs for the first three years, and then Measure J-20 SST will fund those positions beginning in FY 2023-24. These three positions have been filled.
2. In addition to the three SAFER firefighters, the City Council also authorized the addition of three firefighters. One of these positions has been filled and recruitment for the remaining two positions are in process. We anticipate those position starting at the end of February, beginning of March.
3. On October 1, 2019, the City Council approved the \$3.425 million purchase of 2930 Union Road. The first phase of Fire Station No. 3, grading and environmental permitting, is near completion. The second phase of the station, building construction, is anticipated in February 2022.
4. Lastly, the Basic Package included a new Administrative Captain position. This newly created position requires an amendment to the fire union Memorandum of Understanding. As soon as the Side Letter of Agreement is finalized, recruitment for this position will ensue, with an anticipated start date of March 20, 2022. See Side Letter of Agreement for further information.

Public Works Street and Road Maintenance:

1. Street Personnel: In FY 2020-21, City Council authorized the addition of two street maintenance positions to expand maintenance efforts. At the time, a street maintenance recruitment was being conducted for one vacant position. The added authorization allowed the City to hire two maintenance specialists, leaving one vacant position. Recruitment for this final position is completed.
2. On February 4, 2020, City Council approved an Updated Six-Year Street Maintenance and Repair Plan which outlines specific street segments anticipated to be constructed over the remaining four years of the Measure E-12 SST (the measure has an automatic expiration date of March 31, 2025, unless voters approve its extension beforehand). Unfortunately, the consumer price index

(CPI)—the rate at which costs increase over time—has increased at a higher rate than anticipated in February 2020. To mitigate these impacts, City Council directed the use of Measure J-20 to bridge the funding shortfall, approximately \$2.3 million, for the existing Six-Year Plan through FY 2024-25.

Budget Amendments

To lessen the administrative burden of producing and retaining City Council resolutions for all budget adjustments made throughout the year, the City Council provides authorization to increase service levels and officially amend the budget by resolution during quarterly budget reports. This authorization allows multiple service level adjustments to be compiled into one resolution. Additionally, budgets are plans, and plans may be modified as new information comes to light and/or as the City’s operational environment changes. Below are recommended budget adjustments:

Table 5 – Budget Amendment Summary

Item	Fund	Revenue Adjustment	Expenditure Adjustment
1. Fire Station No. 2 Emergency Repairs	General	\$ 190,000	\$ 200,000
2. Second Wind Way Commissions	General	-	144,000
3. EDA Fiber Project	CIP	2,829,958	3,596,947
4. Enterprise Funds IT Replacements	IT CSF	-	80,000
5. Business Success Center Lease	SB 1090/	69,500	92,000
	General	-	(92,000)
6. Police Safety Equipment	SLESF	-	26,800
7. Sherwood Park Master Plan Phase I	P&R DIF	-	354,500
8. Recycled Water Distribution Project	Wastewater	-	356,800
9. Police Substation/Evidence Storage Design	J-20	-	275,000
Total Amendments		\$ 3,089,458	\$ 5,034,047

Notes to Table 5:

1. On May 28, 2021, an accidental fire at Fire Station 2 located at 235 Santa Fe caused significant smoke damage making responding from and residing in the facility infeasible. On June 15, 2021, City Council [ratified the City’s Manager authority to engage in emergency contracts](#) to remediate the damage. The station has been repaired at a cost of approximately \$200,000; of which insurance proceeds will cover most of the damage (the City has a \$10,000 deductible).

Moving forward, events like this will be accounted for in the City’s newly created Risk Management Internal Service Fund (this event occurred in the prior fiscal year, so the activity remained in the General Fund). Accounting for transactions like this in a separate fund will limit the major fluctuations from year-to-year in the General Fund—similar to why the City accounts for Capital Improvement Projects in a standalone fund.

2. On June 3, 2021, the City Council [approved listing agreements with Lee & Associates for city-owned property at 4305 and 4309 Second Wind Way](#) and on July 20, 2021, City Council [approved a tenant and lease agreement](#). Commissions owed to Lee & Associates were not included in original budget appropriations. Over the next five years, this site lease will generate \$2.9 million in revenue; of which a 5% commission is due to Lee & Associates, or \$144,000.
3. On August 4, 2020, City Council approved [Resolution 20-130](#), authorizing the City Manager to submit a grant application to Economic Development Administration (EDA) for the installation of broadband fiber optic cable along key City corridors (see [map](#)); and to commit to a local funding match of 20% of the total project.

On August 17, 2021, City Council [reaffirmed the City's financial commitment](#) to this project, and on September 16, 2021, the EDA officially awarded the City \$2,829,958. This budget amendment will establish the project budget, along with the required local match.

4. As stated in [Resolution 20-109](#), the City Manager is authorized to carry forward unexpended appropriations in the operating and capital budget, as necessary, to cover outstanding purchase commitments. Many times, larger purchases, such as information technology (IT) equipment replacement, take more than one year to purchase and install.

For FY 2021-22, the City moved IT operating and capital budgets from the General, Water, Sewer, Airport, and IT Replacement Funds, to one fund, the IT Central Service Fund (CSF). Prior the current fiscal year, fund reserves for IT equipment replacement remained within the enterprise fund, and as part of the budget, fund reserves were transferred to the IT Central Service Fund. In order to get the enterprise fund replacements carryover budget added to the IT Central Service Fund, Council action is necessary since appropriations occurred in one fund last year and in a different fund this year. Moving forward, budget carryovers can be processed through City Manager authorization.

5. On [March 16, 2021](#), and again on [June 3, 2021](#), Council authorized amendments to the loan and sublease agreements for 1345 Park Street, the Business Success Center (BSC). All the City's financial activity (i.e., the lease, sublease, loan and loan forgiveness) with the BSC has utilized proceeds from Senate Bill 1090, the settlement agreement related to the decommissioning of the Diablo Power Plant.

During the budget process for FY 2021-22, estimates projected SB 1090 funds would be fully exhausted, and the General Fund would need to provide the remaining necessary funding for its Economic Development Program. However, the amendments to the sublease agreement still require the owner of BSC to pay lease payments. Therefore, staff recommends keeping the accounting for this activity in the standalone SB 1090 Fund (where it has been accounted for to-date), and not blend it with General Fund activities. The General Fund will have a budget decrease of \$92,000 (representing the annual lease payment for 1345 Park Street), and the SB 1090 Fund an increase of \$92,000 and increased estimated revenues (representing the estimated sublease income) of \$69,500.

6. On October 19, 2021, City Council [authorized the purchase and installation of additional automated license plate readers](#). Funding for this expense comes from the Supplemental Law Enforcement Service Fund, a state allocation specifically for police-related equipment.
7. On October 5, 2021, City Council [approved the contract for Pickleball Court Complex design to SSA Landscape](#) in the amount of \$217,798. Since the City was unsuccessful in procuring an \$8 million Statewide Park Grant for Phase 1 of the Sherwood Park Master Plan, the project will be funded by the American Rescue Plan Act (ARPA) in the amount of \$833,500 and by parks and recreation development impact fees (P&R DIF) in the amount of \$354,500. The ARPA monies have already been appropriated by Council in a prior action, and this budget amendment appropriates the development impact fees-portion of the project.
8. On June 15, 2021, City Council approved [Resolution No. 21-080](#), which authorized the execution of a reimbursement agreement with a developer to install upsized recycled water infrastructure for the eventual Recycled Water Distribution Project. The reimbursement only covers the cost difference between an eight-inch pipe (that is needed to serve the development) and a 24-inch pipe (that is being required by the City) at a cost of \$356,805.91. The timing on when the infrastructure would be installed was not known; therefore, it was omitted from the FY 2021-22 budget. The City is seeking a State Revolving Loan for the installation of the entire recycled water distribution system. Should the City obtain the loan, reimbursement to the developer could be part of the loan program.

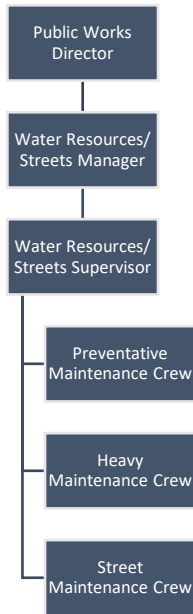
9. On December 7, 2021, City Council approved [design services for law enforcement facilities at 4035 and 4317 Second Wind Way](#) in the amount of \$273,460. Funding comes from Measure J-20 Supplemental Sales Tax Fund.

Job and Organizational Reclassifications

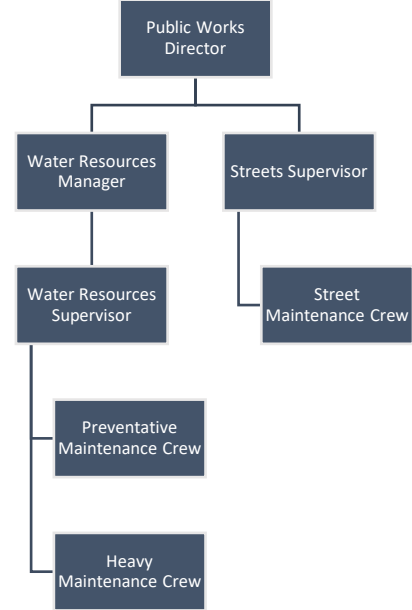
The City organizes and deploys employee resources in accordance with work demands and categorizes the resulting work assignments in a manner consistent with a job classification system and organizational structure. From time to time, the City needs to adjust workloads amongst employees, departments and divisions based on current conditions and job assignments.

The City’s operations are intended to deliver services to the public in a safe, professional, and efficient manner. Reevaluating the scope of work for current positions to determine whether there is additional capacity to perform more complex or expanded work scope is an efficient means of service delivery improvement. Similarly, when a current position has too much span of control, certain services can diminish. This was one of the primary reasons for moving a part of the maintenance division to the Library and Recreation Services Department in the first place (to ease the span of control of the Public Works Department). After careful consideration, staff is recommending dividing the Water Resources/Street Maintenance Division to two standalone divisions. To this end, the current Water Resources/Street Supervisor and Water Resources/Street Manager would drop the “Street” portion from their job title, and one Streets Supervisor position would be created as follows:

Current Organizational Structure



Proposed Organizational Structure



By this change, the current Water Resources/Streets Manager and Supervisor can dedicate all their time towards water-related operations, which is especially needed due to the recent staff turnover in the water maintenance crews. But also needed long-term with recent changes to State regulatory requirements as well as the general need for additional training and staff development and to be available for emergency responses. The creation of a Streets Maintenance Supervisor is intended to be a “working supervisor”, so staff is also recommending the elimination of one Maintenance Specialist II, so that the total number of personnel in the division remains unchanged; one position will simply have a larger span of supervisory responsibilities, which would constitute a need for an upgraded position. Funding for the current Water Resources/Street Maintenance Division is split between the General Fund (for the streets-portion) and the Water Fund (for the production/distribution portion). The result of the position change would have a near net zero impact to the General Fund, with the Water Fund absorbing the cost of the increased position as follows:

Table 6 – Fund Allocation for Water Resources/Streets Division

Position	Current Allocation		Proposed Allocation		Increase/(Decrease)	
	General Fund	Water Fund	General Fund	Water Fund	General Fund	Water Fund
W/S Manager	\$ 32,400	\$183,300	\$ -	\$215,700	\$(32,400)	\$ 32,400
W/S Supervisor	44,500	103,900	-	148,400	(44,500)	44,500
Street Supervisor	-	-	128,300	-	128,300	-
Street MS	89,000	-	-	-	(89,000)	-
Total					<u>\$ (37,600)</u>	<u>\$ 76,900</u>

The amounts shown above are for a 12-month period, so the full impacts will not be recognized until next fiscal year. Currently there is adequate fund reserves and budget savings in the Water Fund to absorb the increase in costs. Lastly, the City is conducting a Water Rate Study which will ensure the fund is able to pay for these positions moving forward.

Side Letter of Agreement with the Paso Robles Professional Firefighters

With the creation of the newly authorized Administrative Captain assignment, the City met and conferred with the Professional Firefighters Association and have agreed to the following terms:

- The Administrative Captain will primarily be assigned to a 40-hour per week schedule;
- The work shift will be based on operational needs of the department and may be changed within 7-day notice from the Fire Chief;
- The wage rate shall be the hourly rate of a Captain adjusted for a 40-hour work week. Should the administrative captain be assigned to shift work, their hourly rate will be adjusted back to the 56-hour work week rate;
- Overtime will be earned in excess of 40 hours over a 7-day work period;
- The Administrative Captain shall receive an incentive of 5% of base pay;
- The Administrative Captain—similar to a Shift Captain—shall continue to receive holiday hours each pay period. Should a holiday occur on the Administrative Captain’s regular workday, they may work the shift as normal (with no additional premiums/incentives), use their vacation/comp bank to observe the holiday, or flex their work schedule in that work week accordingly.

The Side Letter of Agreement is shown in Exhibit A in Attachment No. 1.

Fiscal Impact

The recommended budget amendments, as discussed above, are as follows:

Item	Fund	Revenue Adjustment	Expenditure Adjustment
1. Fire Station No. 2 Emergency Repairs	General	\$ 190,000	\$ 200,000
2. Second Wind Way Commissions	General	-	144,000
3. EDA Fiber Project	CIP	2,829,958	3,596,947
4. Enterprise Funds IT Replacements	IT CSF	-	80,000
5. Business Success Center Lease	SB 1090	69,500	92,000
6. Police Safety Equipment	General	-	(92,000)
7. Police Safety Equipment	SLESF	-	26,800
7. Sherwood Park Master Plan Phase I	P&R DIF	-	354,500
8. Recycled Water Distribution Project	Wastewater	-	356,800
9. Police Substation/Evidence Storage Design	J-20	-	275,000
Total Amendments		<u>\$ 3,089,458</u>	<u>\$ 5,034,047</u>

The recommend organizational change of splitting the Water Resources/Streets division to two stand-alone divisions, will require the addition of one Street Supervisor position and the elimination of one Street Maintenance Specialist II, for zero net change in positions, but at a net increase in costs of \$39,300.

However, funding for this organizational change has a greater impact to the Water Fund (approximately \$76,900), since the previous Supervisor and Manager will now dedicate all of their time towards water operations; the General Fund will realize a slight decrease in personnel cost of approximately \$37,600 per year.

The addition of an Administrative Captain position was included in the Budget Report for FY 2021-22; however, because this is a new position, an amendment to the Memorandum of Understanding between the City and the Professional Firefighters Association was necessary. There are no additional costs by approving the Side Letter that wasn't already projected during the budget process. It is estimated that the fully loaded costs of an Administrative Captain would be approximately \$204,100 per year.

Recommendation

Approve Resolution 22-XXX: amending the budget for Fiscal Year 2021-22, to reflect the updates previously approved by City Council; amending the Authorized Position Listing by adding one Street Maintenance Supervisor position and removing one Street Maintenance Specialist II position; and authorize the City Manager to execute the Side Letter of Agreement with the Paso Robles Professional Firefighters Association.

Attachments

1. Resolution 22-XXX
 - a. Exhibit A: Side Letter Agreement with Paso Robles Professional Firefighters
 - b. Exhibit B: Master Pay Schedule
2. Financial Statements – General, Water, Wastewater, and Measure J-20 Funds

Attachment 1

RESOLUTION 22-XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AMENDING THE BUDGET AND AUTHORIZED POSITION LISTING FOR FISCAL
YEAR 2020-21 AND APPROVAL OF SIDE LETTER OF AGREEMENT WITH THE PASO
ROBLES PROFESSIONAL FIREFIGHTERS ASSOCIATION

WHEREAS, in accordance with the Council's adopted fiscal policies, no less than semi-annually, there will be a comprehensive review of the operations in comparison to the existing budget; and

WHEREAS, because there are several assumptions and predictions used in the budget process, it is important to revisit those assumptions to ensure accuracy and solvency of the City; and

WHEREAS, to lessen administrative burdens, the City Council has historically authorized the City Manager to increase service levels and later amend the budget, by council resolution, during quarterly budget reports; this allows multiple service level adjustments to be compiled into one resolution; and

WHEREAS, budgets are plans, and plans may change as new information comes to light and as the environment in which the City operates changes; and

WHEREAS, the City organizes and deploys employee resources in accordance with work demands and categorizes the resulting work assignments in a manner consistent with a job classification system and organizational structure; from time to time, the City needs to adjust workloads amongst employees, departments and divisions based on current conditions and job assignments; and

WHEREAS, a component of Emergency Services "Basic Needs Package" for the utilization of the City's new supplemental sales tax, Measure J-20, was the need to add an Administrative Captain position; and

WHEREAS, this position will be responsible for providing highly responsible and technical staff assistance to the Fire Marshal; facilitates development construction conditions and project supervision; coordinates and performs mandated life safety inspections; and assist in disaster preparedness and community education; and

WHEREAS, since this is a newly created position, the City met and conferred with the Professional Firefighters Association and have agreed to the Side Letter of Agreement shown in Exhibit A; and

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of El Paso de Robles does hereby approve and/or direct the following actions:

1. The proposed amendments to the FY 2021-22 Operating and Capital Improvement Budget as follows:
 - a. General Fund: \$1,018,989 (revenue offset of \$190,000)
 - b. Capital Improvement Fund: \$3,596,947 (revenue offset of \$2,829,958)
 - c. Information Technology Central Service Fund: \$80,000
 - d. Economic Vitality Fund (SB 1090): \$92,000 (revenue offset of \$69,500)
 - e. Supplemental Law Enforcement State Fund: \$26,800
 - f. Parks and Recreation Development Impact Fee Fund: \$354,500

Attachment 1

- g. Wastewater Fund: \$356,800
 - h. Measure J-20 Supplemental Sales Tax Fund: \$275,000
2. The proposed amendment to the FY 2021-22 Authorized Position as follows: one additional Streets Supervisor and the removal of one Street Maintenance Specialist I/II.
 3. The City Manager to execute the Side Letter of Agreement with the Professional Firefighters Association as attached hereto as Exhibit A and incorporated herein by reference.
 4. The Master Pay Schedule contained in Exhibit B, attached hereto and incorporated herein by reference, is hereby adopted in accordance with CalPERS requirements (California Code of Regulations, Title 2, Section 570.5)

APPROVED by the City Council of the City of Paso Robles this 1st day of February 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Steven W. Martin, Mayor

ATTEST:

Melissa Boyer, City Clerk

Exhibit A: Side Letter of Agreement with the Professional Firefighters Association
Exhibit B: Master Pay Schedule

SIDE LETTER OF AGREEMENT BETWEEN THE CITY OF EL PASO DE ROBLES AND THE PASO ROBLES PROFESSIONAL FIREFIGHTERS IAFF, LOCAL 4148

The City of Paso Robles (“City”) and the Paso Robles Professional Firefighters IAFF, Local 4148 (“IAFF”) agree to the following terms and conditions effective February 1, 2022 regarding the implementation of the position of Administrative Captain. Except as modified below, all other terms of the IAFF Memorandum of Agreement shall remain unchanged.

ARTICLE IV – WORK HOURS

1. DEFINITIONS

Administrative Captain: Fire Captain personnel primarily assigned to a 40-hour per week schedule performing technical and administrative work but may be required to perform shift work on an as-needed basis as determined by the Fire Chief or their designee. The term of the Administrative Captain specialty assignment shall typically be 2 years but may be modified at the Fire Chief’s discretion. Appointment to or removal from the assignment of Administrative Captain is not considered a promotion or demotion, but rather a change in temporary assignment.

2. WORK PERIOD

The normal work period for Administrative Captains shall be a seven (7) day period beginning at 12:01 A.M. Sunday and ending at 12:00 midnight Saturday.

3. WORK SHIFT

The work shift for Administrative Captains will be based on operational needs of the department as determined by the Fire Chief or their designee. Employees shall be scheduled to work on regular work shifts with regular start and end times but may be changed with 7 days prior notice unless mutually agreed upon to implement the change earlier. Administrative Captains shall be provided a thirty (30) minute unpaid lunch break scheduled to occur approximately halfway through the work shift, unless performing shift work.

4. PAY DAYS

Paychecks for Administrative Captains are based on actual hours worked paid bi-weekly.

ARTICLE V – COMPENSATION

1. WAGES

Employees appointed to the assignment of Administrative Captain shall be assigned the Captain wage rate with an hourly rate adjusted for a 40-hour work week. If an Administrative Captain is assigned shift work, they will be paid such hours at the 56-hour work week hourly rate.

3. OVERTIME

All hours worked by an Administrative Captain in excess of forty (40) hours over the seven (7) day work period shall be compensated in pay or compensatory time off at the rate of time and one half of the regular rate of pay.

"Hours worked" for all IAFF employees shall include jury duty, sick leave, bereavement leave, and previously scheduled vacation and compensatory time off for purposes of this paragraph.

4. COMPENSATORY TIME OFF

Subject to management approval, Administrative Captains shall be allowed to elect compensatory time off in lieu of cash payment for overtime worked to a maximum accrual of 100 hours. Employees converting between a 40-hour and 56-hour work week shall have the hours in their comp bank adjusted by a factor of 1.4 accordingly. Any hours in their bank in excess of the maximum accrual will be paid out on their final shift paycheck at their current regular rate of pay.

Overtime hours worked for all IAFF employees while on mutual aid assignments are not eligible to be converted to comp time.

10. INCENTIVE PAYS

Employees assigned to the position of Administrative Captain shall receive additional compensation of five percent (5%) of base pay. This incentive remains in place regardless of the number of hours the Administrative Captain performs in shift capacity during a pay period.

ARTICLE VI – LEAVES

1. VACATION LEAVE

Vacation leave for Administrative Captains shall be in accordance with the following schedule:

Years of Service	Vacation Accrual
0-2 years	68.57 hours

0-2 years	68.57 hours
3-4 years	85.71 hours
5-6 years	102.86 hours
7-8 years	120.00 hours
9-10 years	137.14 hours
11-12 years	154.29 hours
13+ years	171.43 hours

Employees converting between a 40-hour and 56-hour work week shall have the hours in their vacation bank adjusted by a factor of 1.4 accordingly.

2. SICK LEAVE

Administrative Captains are granted sick leave at the rate of eight (8) hours per month. Employees converting between a 40-hour and 56-hour work week shall have the hours in their sick bank adjusted by a factor of 1.4 accordingly.

- B. Bereavement. Administrative Captains shall receive three (3) days of paid leave, where the death and service are within the State of California, and up to five (5) days paid leave where the death or service is outside the State. Bereavement leave shall not be authorized more than two (2) times within a calendar year.

- D. Personal Leave. Administrative Captains shall be eligible for 24 hours of personal leave per calendar year.

3. HOLIDAYS

Administrative Captains shall be granted 3.626 hours of holiday pay per pay period in recognition of the City's observed holidays. Should a holiday occur on an Administrative Captain's regular workday, they may work that shift as normal, use their vacation and/or comp bank to observe the holiday, or flex their work schedule in that work week accordingly.

City of El Paso de Robles

Ty Lewis, City Manager

Date

Paso Robles Professional
Firefighters IAFF, Local 4148



Nate Bass

1/21/22

Date

Exhibit B

City of Paso Robles

Adopted February 1, 2022
Full-Time Wage Information



Job Title	Bi-Weekly Minimum	Bi-Weekly Maximum	Group
Administrative Assistant I	\$1,587.64	\$2,017.44	SEIU
Maintenance Specialist I	\$1,587.64	\$2,017.44	SEIU
Administrative Assistant II	\$1,789.44	\$2,273.63	SEIU
Maintenance Specialist II	\$1,789.44	\$2,273.63	SEIU
Maintenance Specialist II (W/WW)	\$1,825.04	\$2,318.63	SEIU
Administrative Assistant III	\$2,026.82	\$2,574.84	SEIU, Unrep. Conf. Pro. & Mgmt
Maintenance Specialist III	\$2,026.82	\$2,574.84	SEIU
Technician I	\$2,026.82	\$2,574.84	SEIU
Engineering Technician I			
Planning Technician			
Maintenance Specialist III (W/WW)	\$2,066.89	\$2,625.79	SEIU
Technician I (W/WW)	\$2,066.89	\$2,625.79	SEIU
Laboratory Technician I			
Treatment Plant Operator I			
Technician II	\$2,184.62	\$2,774.66	SEIU
Community Services Officer			
Crime Analyst			
Engineering Technician II			
Equipment Mechanic			
Police Officer Recruit			
Technician II (W/WW)	\$2,228.13	\$2,829.05	SEIU
Laboratory Technician II			
Treatment Plant Operator II			
Dispatcher	\$2,318.25	\$2,944.55	POA
Technician III	\$2,523.90	\$3,205.93	SEIU
Assistant Planner			
Building Inspector			
Development Services Technician			
Engineering Inspector			
Engineering Technician III			
Information Systems Technician III			
Supervisor/Professional/Coordinator I	\$2,523.90	\$3,205.93	SEIU, Unrep. Conf. Pro. & Mgmt
Administrative Services Coordinator			
Civic Engagement Coordinator			
Fire Prevention Specialist I			
Fleet Supervisor			
Human Resources Specialist			
Librarian			
Parking Coordinator			
Parks, Landscape, and Lighting Supervisor			
Recreation Coordinator			
Street Maintenance Supervisor			
Volunteer Coordinator			
Technician III (W/WW)	\$2,573.86	\$3,269.74	SEIU
Treatment Plant Operator III			

Exhibit B

Executive Assistant	\$2,626.78	\$3,336.52	Unrep. Conf. Pro. & Mgmt
Firefighter	\$2,653.21	\$3,370.30	IAFF
Technician IV	\$2,774.66	\$3,523.95	SEIU
Information Systems Technician IV			
Senior Building Inspector			
Senior Engineering Inspector			
Dispatch Supervisor	\$2,781.89	\$3,533.45	POA
City Clerk	\$2,829.05	\$3,593.69	Unrep. Conf. Pro. & Mgmt
Technical Supervisor I (W/WW)	\$2,829.05	\$3,593.69	SEIU
Wastewater Collections Supervisor			
Wastewater Laboratory Supervisor			
Water/Streets Supervisor			
Professional Manager I	\$2,903.24	\$3,686.66	Unrep. Conf. Pro. & Mgmt
Associate Development Review Engineer			
Associate Planner			
Senior Accountant			
Fire Engineer	\$2,925.62	\$3,716.19	IAFF
Firefighter/Paramedic	\$2,975.14	\$3,780.22	IAFF
Supervisor/Professional/Coordinator II	\$3,064.97	\$3,894.39	SEIU
Fire Prevention Specialist II			
Technical Supervisor II (W/WW)	\$3,125.81	\$3,971.06	SEIU
Chief Plant Operator			
Police Officer	\$3,138.36	\$3,985.23	POA
Fire Engineer/Paramedic	\$3,277.34	\$4,164.21	IAFF
Professional Manager II	\$3,445.80	\$4,379.60	Unrep. Conf. Pro. & Mgmt
Airport Manager			
Deputy Building Official			
GIS Analyst			
Industrial Waste Manager			
Recreation Services Manager			
Senior Development Review Engineer			
Senior Planner			
Support Services Manager			
Stormwater Manager			
Water Conservation Manager			
Fire Captain	\$3,677.42	\$4,672.44	IAFF
Sergeant	\$4,031.58	\$5,121.89	POA
Fire Captain/Paramedic	\$4,144.93	\$5,266.78	IAFF
Professional Manager III	\$4,400.85	\$5,592.34	Unrep. Conf. Pro. & Mgmt
Building Official			
Capital Projects Engineer			
City Engineer			
City Librarian			
City Planner			
Finance Manager			
Human Resources/Risk Manager			
Information Systems Manager			
Maintenance Superintendent			
Wastewater Manager			
Water Resources Manager			
Safety Professional Manager III - Battalion Chief	\$4,857.01	\$6,171.67	Unrep. Conf. Pro. & Mgmt
Safety Professional Manager III - Commander	\$5,197.62	\$6,603.46	Unrep. Conf. Pro. & Mgmt

Exhibit B

Executive Manager	\$5,507.76	\$6,998.92	Unrep. Conf. Pro. & Mgmt
Administrative Services			
Assistant City Manager			
Community Development Director			
Community Services Director			
Public Works Director			
Safety Executive Manager	\$6,078.50	\$7,723.63	Unrep. Conf. Pro. & Mgmt
Fire and Emergency Services Chief			
Police Chief			
City Manager	\$8,500.00	\$8,500.00	Contract

Wage Effective Dates:

IAFF - January 9, 2022

POA - January 9, 2022

SEIU - January 9, 2022

Unrep. Conf. Pro. & Mgmt - January 9, 2022

Exhibit B



City of Paso Robles

Adopted February 1, 2022

Part-Time Wage Information

Job Title	Hourly Minimum	Hourly Maximum	Group
Staff Aide	\$15.00	\$16.50	Unrep. Part-Time
Clerical and/or Customer Service Aide			
Maintenance			
Recreation Aide			
Aquatics Office Assistant	\$15.50	\$17.00	Unrep. Part-Time
Staff Assistant I	\$16.50	\$18.00	Unrep. Part-Time
Bilingual Intern			
Library Assistant I			
Recreation Leader I			
Unskilled Labor/Maintenance			
Lifeguard/Swim Instructor	\$16.00	\$19.00	Unrep. Part-Time
Staff Assistant II	\$18.75	\$20.25	Unrep. Part-Time
General Labor/Maintenance			
Library Assistant II			
Police Records Cadet			
Recreation Leader II			
Staff Assistant III	\$21.25	\$22.75	Unrep. Part-Time
Assistant Police Dispatcher			
Community Services Officer			
Engineering Intern			
Event Staff			
GIS Intern			
Library Assistant III			
Planning Intern			
Skilled Labor/Maintenance			
Water Conservation Assistant			
Assistant Pool Manager	\$20.50	\$23.50	Unrep. Part-Time
Staff Assistant IV	\$24.75	\$27.00	Unrep. Part-Time
Level II Police Officer			
Library Coordinator			
Police Officer Trainee			
Pool Manager			
Recreation Coordinator			

Wage Effective Date: January 9, 2022

	Originally Adopted Budget	Updated Budget	Actuals 7/1 to 12/31	Projected End of Year	Variance Projected End of Year	Projected % Received/ Expended
REVENUES						
Taxes						
Sales Tax	\$ 16,558,300	\$ 17,016,700	\$ 6,350,855	\$ 19,191,451	\$ 2,174,751	112.8%
Property Tax	12,048,000	12,098,000	5,117,822	12,339,728	241,728	102.0%
Transient Occupancy Tax	6,910,000	6,910,000	4,410,897	7,631,979	721,979	110.4%
Other Taxes	4,766,000	4,766,000	2,285,223	5,076,219	310,219	106.5%
Total Taxes	40,282,300	40,790,700	18,164,798	44,239,377	3,448,677	108.5%
Charges for Current Services	1,887,000	1,893,000	1,061,619	2,700,000	807,000	142.6%
Licenses and Permits	495,000	495,000	325,646	578,654	83,654	116.9%
Use of Money and Property	1,811,000	1,811,000	1,039,722	969,328	(841,672)	53.5%
Fines and Forfeitures	97,000	97,000	53,121	88,704	(8,296)	91.4%
Operating Grants	665,000	799,596	160,442	799,596	-	100.0%
Other Revenues	138,000	133,600	58,402	116,802	(16,798)	87.4%
Interfund Transfers	1,143,200	1,143,200	-	947,200	(196,000)	82.9%
Total Revenues	46,518,500	47,163,096	20,863,748	50,439,661	3,276,565	106.9%
EXPENDITURES						
City Council/City Manager's Office						
Personnel Services	1,174,100	1,174,100	400,644	1,045,925	(128,175)	89.1%
Operating Expenses	869,200	1,050,672	367,031	882,202	(168,470)	84.0%
Total City Manager's Office	2,043,300	2,224,772	767,676	1,928,127	(296,645)	86.7%
Administrative Services						
Personnel Services	1,261,400	1,261,400	563,912	1,254,053	(7,347)	99.4%
Operating Expenses	966,600	966,600	311,278	851,573	(115,027)	88.1%
Total Administrative Services	2,228,000	2,228,000	875,190	2,105,626	(122,374)	94.5%
Police						
Personnel Services	9,598,500	9,669,318	4,216,179	9,428,136	(241,182)	97.5%
Operating Expenses	1,089,800	1,191,174	455,284	1,060,123	(131,051)	89.0%
Total Police	10,688,300	10,860,492	4,671,462	10,488,259	(372,233)	96.6%
Emergency Services						
Personnel Services	6,539,200	6,539,200	3,653,009	6,684,899	145,699	102.2%
Operating Expenses	394,900	540,353	122,708	279,198	(261,155)	51.7%
Capital Outlay	36,800	140,631	106,451	106,452	(34,179)	75.7%
Total Emergency Services	6,970,900	7,220,184	3,882,167	7,070,549	(149,635)	97.9%
Public Works						
Personnel Services	756,400	756,400	350,874	768,006	11,606	101.5%
Operating Expenses	1,165,500	1,324,719	452,554	1,159,020	(165,699)	87.5%
Capital Outlay	-	100,000	-	100,000	-	100.0%
Total Public Works	1,921,900	2,181,119	803,427	2,027,026	(154,093)	92.9%
Community Services						
Personnel Services	3,606,200	3,606,200	1,597,436	3,514,810	(91,390)	97.5%
Operating Expenses	3,036,000	3,203,720	1,965,185	3,508,386	304,666	109.5%
Debt Service	205,500	205,500	102,734	205,500	-	100.0%
Capital Outlay	17,400	139,249	15,191	120,890	(18,359)	86.8%
Total Community Services	6,865,100	7,154,669	3,680,546	7,349,586	194,917	102.7%

Continued

	Originally Adopted Budget	Updated Budget	Actuals 7/1 to 9/30	Projected End of Year	Variance Projected End of Year	% Received/ Expended
EXPENDITURES - continued						
Community Development						
Personnel Services	\$ 2,471,800	\$ 2,471,800	\$ 1,077,482	\$ 2,438,887	\$ (32,913)	98.7%
Operating Expenses	1,029,900	1,270,409	326,019	717,704	(552,705)	56.5%
Total CDD	<u>3,501,700</u>	<u>3,742,209</u>	<u>1,403,501</u>	<u>3,156,591</u>	<u>(585,618)</u>	<u>84.4%</u>
Interfund Transfers/City-wide Contingency						
Capital Projects Transfers	5,863,800	5,828,130	-	5,828,130	-	100.0%
All Other Transfers Out	5,820,000	5,820,000	208,750	5,820,000	-	100.0%
City-wide contingency	250,000	154,080	-	-	(154,080)	0.0%
Total Interfund Transfers	<u>11,933,800</u>	<u>11,802,210</u>	<u>208,750</u>	<u>11,648,130</u>	<u>(154,080)</u>	<u>98.7%</u>
Total Expenditures	<u>46,153,000</u>	<u>47,413,655</u>	<u>16,292,720</u>	<u>45,773,894</u>	<u>(1,639,761)</u>	<u>96.5%</u>
Deficiency of Revenues under Expenditures	<u>\$ 365,500</u>	<u>\$ (250,559)</u>	<u>\$ 4,571,029</u>	<u>\$ 4,665,767</u>	<u>\$ 4,916,326</u>	

Concluded

	Originally Adopted Budget	Updated Budget	Actuals 7/1 to 12/31	Projected End of Year	Variance Projected End of Year	Projected % Received/ Expended
REVENUES						
Water Sales	\$ 16,255,000	\$ 16,255,000	\$ 8,235,727	\$ 17,076,713	\$ 821,713	105.1%
Water Connection Fees	748,000	748,000	235,494	407,308	(340,692)	54.5%
All Other Charges	231,000	231,000	32,648	113,071	(117,929)	48.9%
Use of Money and Property	50,000	50,000	(11,739)	41,142	(8,858)	82.3%
Grant Revenues	-	-	173,100	173,100	173,100	-
Other Revenues	5,000	5,000	11,340	11,400	6,400	228.0%
Total Revenues	17,289,000	17,289,000	8,676,569	17,822,734	533,734	103.1%
EXPENDITURES						
Utility Billing						
Personnel Services	190,800	190,800	83,290	187,180	(3,620)	98.1%
Operating Expenses	237,800	237,800	97,407	208,987	(28,813)	87.9%
Total Utility Billing	428,600	428,600	180,698	396,167	(32,433)	92.4%
Water Production						
Personnel Services	1,348,000	1,348,000	545,124	1,264,492	(83,508)	93.8%
Operating Expenses	3,151,400	3,151,400	1,133,769	2,573,367	(578,033)	81.7%
Nacimiento Operations	5,871,200	5,871,200	5,348,631	5,548,126	(323,074)	94.5%
Debt Service	677,000	677,000	338,478	679,556	2,556	100.4%
Capital Outlay	185,000	185,000	-	185,000	-	100.0%
Total Water Production	11,232,600	11,232,600	7,366,002	10,250,541	(982,059)	91.3%
Water Treatment						
Personnel Services	694,200	694,200	288,424	649,372	(44,828)	93.5%
Operating Expenses	665,500	965,500	485,296	757,223	(208,277)	78.4%
Capital Outlay	300,000	-	-	-	-	-
Total Water Treatment	1,659,700	1,659,700	773,720	1,406,595	(253,105)	84.7%
Water Conservation						
Personnel Services	217,100	217,100	27,338	146,265	(70,835)	67.4%
Operating Expenses	71,800	71,800	1,815	12,872	(58,928)	17.9%
Total Water Conservation	288,900	288,900	29,153	159,137	(129,763)	55.1%
Capital Projects	1,991,000	2,831,772	339,241	2,741,772	(90,000)	96.8%
Central Service Fund Transfer	1,835,400	1,835,400	-	1,835,400	-	100.0%
Total Expenditures	17,436,200	18,276,972	8,688,814	16,789,612	(1,487,360)	91.9%
Deficiency of Revenues under Expenditures	\$ (147,200)	\$ (987,972)	\$ (12,245)	\$ 1,033,122	\$ 2,021,094	

	Originally Adopted Budget	Updated Budget	Actuals 7/1 to 12/31	Projected End of Year	Variance Projected End of Year	Projected % Received/ Expended
REVENUES						
Charges for Services	\$ 11,199,000	\$ 11,199,000	\$ 5,153,790	\$ 12,001,572	\$ 802,572	107.2%
Sewer Connection Fees	700,000	700,000	48,556	97,112	(602,888)	13.9%
Fines and Penalties	30,000	30,000	-	8,250	(21,750)	27.5%
Use of Money and Property	126,000	126,000	(15,078)	35,000	(91,000)	27.8%
Total Revenues	12,055,000	12,055,000	5,187,268	12,141,934	86,934	100.7%
EXPENDITURES						
Utility Billing						
Personnel Services	190,800	190,800	83,293	191,069	269	100.1%
Operating Expenses	252,800	252,800	96,407	191,100	(61,700)	75.6%
Total Utility Billing	443,600	443,600	179,700	382,169	(61,431)	86.2%
Stormwater Management						
Personnel Services	233,900	233,900	110,401	235,937	2,037	100.9%
Operating Expenses	135,900	135,900	30,983	51,012	(84,888)	37.5%
Debt Service	1,600	1,600	781	1,562	(38)	97.6%
Total Stormwater Mgmt	371,400	371,400	142,165	288,511	(82,889)	77.7%
Sewer Collection						
Personnel Services	864,700	864,700	395,289	859,930	(4,770)	99.4%
Operating Expenses	339,100	339,100	107,121	226,274	(112,826)	66.7%
Debt Service	6,300	6,300	3,124	6,248	(52)	99.2%
Capital Outlay	223,100	223,100	-	223,100	-	100.0%
Total Sewer Collection	1,433,200	1,433,200	505,534	1,315,552	(117,648)	91.8%
Sewer Treatment						
Personnel Services	1,922,500	1,922,500	805,754	1,721,907	(200,593)	89.6%
Operating Expenses	2,004,700	2,292,933	763,731	1,705,488	(587,445)	74.4%
Debt Service	3,623,000	3,623,000	3,236,260	3,620,049	(2,951)	99.9%
Capital Outlay	-	-	7,584	-	-	-
Total Sewer Treatment	7,550,200	7,838,433	4,813,328	7,047,444	(790,989)	89.9%
Source Control						
Personnel Services	240,100	240,100	110,658	240,083	(17)	100.0%
Operating Expenses	82,000	82,000	13,298	19,495	(62,505)	23.8%
Capital Outlay	42,400	42,400	-	42,400	-	100.0%
Total Source Control	364,500	364,500	123,956	301,978	(62,522)	82.8%
Capital Projects	870,000	2,086,482	398,817	2,443,288	356,806	117.1%
Central Service Fund Transfer	1,038,300	1,038,300	-	1,038,300	-	100.0%
Total Expenditures	12,071,200	13,575,915	6,163,501	12,817,242	(758,673)	94.4%
Deficiency of Revenues under Expenditures	\$ (16,200)	\$ (1,520,915)	\$ (976,233)	\$ (675,308)	\$ 845,607	

	2020-21	2021-22			
	Actual	Budget	YTD-Actual	Budget Remaining	% Used
Measure J-20 Supplemental Sales Tax	\$ 3,080,064	\$ 10,488,000	\$ 3,951,069	\$ 6,536,931	37.7%
Interest earned to Fund	7,246	-	1,725	(1,725)	n/a
Total Revenues	3,087,310	10,488,000	3,952,794	6,535,206	37.7%
Police Department					
Public Safety 911 Equipment	1,216,570	-	-	-	n/a
Automated License Plate Reader System	100,455	-	-	-	n/a
Records Clerk	-	91,600	17,115	74,485	18.7%
Dispatch Supervisor	57,507	131,100	79,620	51,480	60.7%
Police Officer #1	-	151,000	36,610	114,390	24.2%
Police Officer #2	-	151,000	-	151,000	0.0%
Police Officer #3	-	150,900	-	150,900	0.0%
Police Officer #4	-	150,900	-	150,900	0.0%
Police Officer #5	-	150,900	-	150,900	0.0%
Police Officer #6	-	150,900	-	150,900	0.0%
Police Officer #7	-	150,900	-	150,900	0.0%
Operating Expenses	-	311,000	-	311,000	0.0%
Vehicle & Personnel Protective Equipment	-	187,200	62,404	124,796	33.3%
Total Police Department	1,374,532	1,777,400	195,749	1,581,651	11.0%
Fire and Emergency Services					
Firefighter #1 (SAFER)	30,263	122,700	57,345	65,355	46.7%
Firefighter #2 (SAFER)	36,063	120,300	72,516	47,784	60.3%
Firefighter #3 (SAFER)	28,770	106,100	62,587	43,513	59.0%
Federal SAFER Grant	(95,138)	(351,100)	(92,179)	(258,921)	26.3%
Firefighter #4	-	137,700	31,149	106,551	22.6%
Firefighter #5	-	137,700	-	137,700	0.0%
Firefighter #6	-	137,600	-	137,600	0.0%
Federal COVID Grant	(1,022)	-	-	-	n/a
Administrative Captain	-	176,900	2,402	174,498	1.4%
Operating Expenses	-	118,000	-	118,000	0.0%
Vehicle & Personnel Protective Equipment	7,074	63,000	37,549	25,451	59.6%
Fire Station No. 3	-	6,950,000	-	6,950,000	0.0%
Total Fire and Emergency Services	6,010	7,718,900	171,369	7,547,531	2.2%
Street and Road Maintenance					
Streets Personnel #1	13,487	83,300	36,392	46,908	43.7%
Streets Personnel #2	-	83,300	19,544	63,756	23.5%
Operating Expenses	-	353,000	-	353,000	0.0%
Transfer to Measure E-12 Street Program	-	2,300,000	-	2,300,000	0.0%
Total Street and Road Maintenance	13,487	2,819,600	55,936	2,763,664	2.0%
Central Service Fund Overhead	-	196,000	-	196,000	0.0%
Total Net Measure J-20 Expenditures	1,394,029	12,511,900	423,054	\$ 12,088,846	3.4%
Measure J-20 Fund Balance	\$ 1,693,281	\$ (330,619)	\$ 5,223,021		