

CITY OF PACIFIC GROVE

ADOPTED BUDGET

FISCAL YEAR 2020/2021



City of Pacific Grove
300 Forest Avenue
Pacific Grove, CA 93950
www.cityofpacificgrove.org

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FISCAL YEAR 2020/2021

Budget Overview and Schedules

Staff Information

Ben Harvey
City Manager

Tori Hannah
Administrative Services Director

David Laredo
City Attorney

Sandra Kandell
City Clerk

Cathy Madalone
Chief of Police

Anastasia Aziz
Community Development Director

Dan Gho
Public Works Director

Leticia Livian
Human Resources Director

Diana Godwin
Library Manager



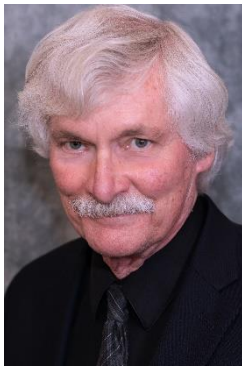
City of Pacific Grove

Fiscal Year 2020-21

City Council



Bill Peake
Mayor



Robert Huitt
Pro Tem Mayor



Amy Tomlinson
Council Member



Cynthia Garfield
Council Member



Jenny McAdams
Council Member



Joe Amelio
Council Member



Nick Smith
Council Member



Vision Statement

The City of Pacific Grove is an iconic seaside community that protects historic resources, promotes sustainable development and ensures respect for the environment.

Mission Statement

Provide high quality and professional public services that address community needs while enhancing the quality of life.

Strategic Goals

1. **Complete Streets:** Plan, design, and implement streets, sidewalks and transportation networks that better allow access for all types of users.
2. **Environmental Stewardships:** Adopt and develop policies and ordinances that preserve and protect the environment.
3. **City Asset Stewardship:** Repair, maintain and improve City assets, including streets, sidewalks, sewer systems, buildings, parks and trails to better serve the community, anticipate future needs and prevent further degradation.
4. **Community Responsiveness:** Develop and implement systems, interfaces and infrastructure to better communicate with the public.
5. **Financial Stability:** Develop a strategic plan to better address current and future City expenditures and revenue needs while continuing to provide high quality municipal service.
6. **Increase Affordable Housing:** Determine policies, projects and programs that will advance the effort to create new housing in the City.
7. **Help Local Businesses Thrive:** Review, and revise existing policies and programs, and develop a strategic plan to better serve existing businesses while attracting new commerce to better stimulate the economy and revitalize commercial corridors, especially the downtown

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CITY OF PACIFIC GROVE
300 Forest Avenue
Pacific Grove, California, 93950
Telephone (831) 648-3100 ♦ Fax (831) 375-9863

September 25, 2020

Honorable Mayor and City Council Members, Pacific Grove Residents, Community Stakeholders, and City Staff:

Simply put, this is a municipal budget built under duress. The City of Pacific Grove – like local governments throughout the country – is facing financial challenges not contemplated in the usual scenarios run when forecasting the fiscal future. The global Covid-19 pandemic that emerged and enveloped all parts of life in early 2020 has hobbled two of the City's key revenue sources: transient occupancy (TOT) and sales tax receipts. Both of these revenue sources rely heavily upon visitors. Not only are fewer visitors coming to Pacific Grove as a result of the pandemic, but those visitors who do visit Pacific Grove stay for a shorter duration of time. The Monterey Bay Aquarium, of which 20% is within the City limits of Pacific Grove, has been closed to the public since March, eliminating one of the region's primary visitor draws. A major conference center located within the City (name withheld for competitive and proprietary concerns) has only recently opened a small portion of its available rooms, and remains closed to group conferences. Group conferences drive revenue to the City; pre-pandemic tax revenue from conference stays and events hovered around \$100,000/month for transient occupancy and sales tax. Only a tiny fraction of this pre-pandemic amount currently trickles into the City currently. Adjusted estimates for City sales tax for Fiscal Year 20/21 is down over 13% from the year prior, and transient occupancy tax is estimated to be down 24% from the year prior. This translates to \$515,000 less in sales tax, and \$1.2M less in TOT revenue.

Other forms of revenue – particularly property tax revenue – remains very solid and consistent. The City has seen a spike in home sales since the pandemic, with a limited inventory on the market for short periods of time. A seller's market – bidding wars are commonplace in Pacific Grove this season, with many homes being sold as cash transactions, and over the asking price. While this is a bright spot in the City's revenue portfolio, property tax is not enough to sustain the City with the other two main sources within the revenue tripod hobbled. Further, property tax receipts significantly lag from the time of home sale. In general, the City often does not realize the benefit of a property sale for months following the transaction.

The City has taken significant action to respond to the reduction in revenue. The Fiscal Year 20/21 budgeted revenues are \$3.7M or 15% smaller than the year prior, while expenditures are \$3.6M or 13.7% less than the prior year adopted budget. The budget is balanced through spending reductions coupled with a planned draw down of \$1.6M from the General Fund. The City Council's 35% reserve target established by Council Policy allowed for the City to be in a position to be able to weather the storm of the global pandemic. With the planned draw down accounted for, the

City's General Fund reserve levels are projected to be \$7 million, which represents 32% of operating expenditures and debt service. This is approximately \$746,000 below the amount specified by the policy.

Selfless action by City employees is the single greatest source of revenue savings in the Fiscal Year 20/21 budget. All City employees – those represented by the General Employees Association, the Management Employees Association, the Police Officers Association, and all unrepresented employees (including all levels of management) have voluntarily submitted to a 10% furlough. This yields the City approximately \$212,500 per fiscal quarter or \$850,000 annually. Without this contribution from City employees, a much more challenging fiscal situation would be at hand. And while the annual spending plan calls for the 10% furlough to be in place through the end of this fiscal year, it is management's desire to be able to recommend to the City Council a reduction, or elimination of the furlough, during the 20/21 Fiscal Year, should the fiscal climate improve. Additionally, the City also chose to freeze or defund 2.75 unfilled regular positions pending economic improvement, while also reducing seasonal Recreation and on-call Library staff, due to the limitations on activities imposed by Covid-19 public safety and health measures and budgetary constraints.

While the City Council has retained its goals (Complete Streets, Environmental Stewardship, City Asset Stewardship, Community Responsiveness, Financial Stability, Increase Affordable Housing, and Help Local Businesses Thrive), an unofficial "new" goal of City compliance and enforcement of the Monterey County Shelter in Place Order has been added to the City Council's constant mindfulness – and to the City staff's list of daily duties as well. The municipal organization expends effort each day doing something related to Covid-19: additional sanitation, public information efforts, new contact-free procedures for interacting with the public, code and law enforcement/education, implementing access restrictions to public areas, etc.

At the start of the global pandemic, a Local State of Emergency was declared. Each City Council meeting thereafter, the City Council has received a presentation regarding enforcement actions and/or other City responses taken, and a ratification vote is taken. This allows for the City Council to "undo" any actions taken by the City Manager that do not reflect the will of the City Council. The State of California has provided the City with a modest allocation of reimbursement for its Covid-19 response: approximately \$190k in CARES Act Funding. The Federal Government has limited reimbursement funding through FEMA, of which the City anticipates being able to receive reimbursement for approximately \$10-15k in expenses, and repayment for the purchase of mobile electronic message boards. However, these reimbursements do not remotely reflect the City's need for backfilling the effort that has been required to respond to Covid-19 or the loss of revenues. Further, it is anticipated that the pandemic will continue to endure for the duration of this fiscal year (at a minimum), and the City will continue to incur additional expenses related to Covid-19 and the Monterey County Shelter in Place Order.

Reducing expenditures is important for maintaining a balanced budget and a prudent spending plan during times of fiscal duress. But, identifying potential new sources of revenue is equally important. To that end, the City Council recently approved an ordinance allowing for one retail cannabis dispensary. Part of the motivation in allowing this change was the opportunity for additional City revenue derived through a community benefit agreement, which by ordinance, calls for the licensed applicant to contribute 5-7% of gross receipts. Once the license selection is complete (anticipated later this calendar year), a conditional use permit must be granted by the

Planning Commission to the licensee. It is possible that a new cannabis dispensary could become online within Pacific Grove within the 20/21 Fiscal Year. Conservative estimates for gross receipts from cannabis dispensary sales are set at \$4.5M annually, which could yield the City approximately \$350k in community benefit agreement proceeds and sales tax receipts.

The City Council has placed a sales tax increase measure on the November 2020 general election ballot. The proposal is to raise the City's current sales tax rate 0.5%, from 8.75 to 9.25. Should the Pacific Grove electorate vote in favor of the measure, the yield to the City could be as much as \$1M annually in additional sales tax revenue (using pre-Covid-19 pandemic projection numbers).

New construction and renovations – both residential and commercial - has remained steady in Pacific Grove, and possibly increased during the pandemic. Many residents and businesses have taken advantage of being sequestered at home, or having their business shuttered, to make renovations or improvements.

Major projects – including a mixed-use development at the corner of Lighthouse Avenue and Fountain that recently broke ground, and the hotel envisioned at the current ATC site that is currently in its draft environmental impact report comment phase – are also moving forward, despite the pandemic.

To guide efforts as the City navigates its way out of the pandemic and into a new state of normal (whatever that may end up looking like), the City commissioned an Economic Recovery Action Plan (Plan). The Plan calls for an oversight body comprised of City Council, Economic Development Commission and Chamber of Commerce representatives to steer the effort to obtain, review and respond to input from various sectors of the City's local economy. A framework for an interactive dialogue loop, the Plan is loosely based upon successful past responses/efforts from other California municipalities during prior major economic downturns. Feedback from the Plan, along with quarterly revenue reports, will be made available to guide the City Council as it navigates the difficult waters ahead.

With the uncertainty that abounds – and despite the fiscal challenges that confront the municipal organization, the City of Pacific Grove stands well-prepared to continue to endure the economically challenging times that lie ahead. Decisions made prior to the pandemic, and quick, comprehensive action taken at the onset will ensure that residents and visitors will continue to enjoy exemplary City services. A debt of thanks is owed to the City's award-winning Administrative Services Department that ensures best practices are followed and high standards are continuously met for the City's finances. City Councils current and past are to be commended for adopting prudent fiscal policies that well-positioned the City. And all City employees are to be appreciated for their willingness to put the good of the community and municipal organization first – continuing to provide a high level of customer service, despite furlough and other Covid-related challenges.

With appreciation,

A handwritten signature in black ink, appearing to read "Ben Harvey". The signature is fluid and cursive, with the first name "Ben" and last name "Harvey" clearly distinguishable.

Ben Harvey, City Manager

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Pacific Grove
California**

For the Fiscal Year Beginning

July 1, 2019

Christopher P. Morill

Executive Director

California Society of Municipal Finance Officers

Certificate of Award

Operating Budget Excellence Award Fiscal Year 2019-2020

Presented to the

City of Pacific Grove

For meeting the criteria established to achieve the CSMFO Excellence Award in Budgeting.

January 31, 2020



A handwritten signature in black ink, appearing to read "Steve Heide".

Steve Heide
CSMFO President

A handwritten signature in black ink, appearing to read "Yolanda Rodriguez".

Yolanda Rodriguez, Chair
Recognition Committee

Dedicated Excellence in Municipal Financial Reporting

Community Profile



COMMUNITY PROFILE



Source: retrieved from <https://www.cityofpacificgrove.org/visiting/pt-pinos-lighthouse>

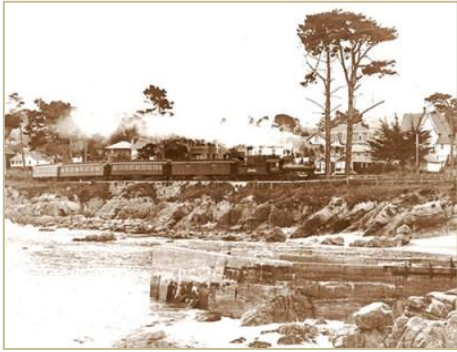
Community

Pacific Grove is a small coastal community located in Monterey County. Situated on the southern edge of the Monterey Bay, 115 miles south of San Francisco, Pacific Grove enjoys a rich history and an abundance of recreational opportunities. Pacific Grove otherwise known as “Butterfly Town U.S.A” covers approximately 2.9 square miles and has a population of approximately 15,900. The City’s coastline provides expansive views of the Pacific Ocean, while the historic downtown is home to numerous restaurants, boutiques, and galleries. Pacific Grove is also renowned for its historic ambience and Victorian homes, with over 1,300 registered historical homes and structures that were built between 1874 and 1926.

The City is home to numerous attractions, including Point Pinos Lighthouse, the oldest continuously operating lighthouse on the west coast, the Monarch Butterfly Sanctuary, Asilomar State Beach and Conference Grounds; and picturesque Lovers Point Park and Beach. The Monterey Bay Coastal Recreation Trail and Shoreline Park Network offer excellent opportunities for bicycling, walking, jogging, and wildlife viewing. Resident deer can be frequently seen from the nearby municipal golf course, cemetery, and residential areas; while otters, harbor seals, and migratory whales can be spotted from the coastline.



History



The natural advantages of settling along the Monterey Peninsula were recognized thousands of years before Pacific Grove was founded. Native Americans, which are currently known as the Ohlone/Costanoan-Esselen Nation occupied the coastal and inland areas, which included Pacific Grove.

In 1852, development began when Congress commissioned the building of eight lighthouses on the West Coast. Pacific Grove's Point Pinos location was selected as one of the first seven sites in California to receive a lighthouse. The construction of the Point Pinos Lighthouse was completed in 1854, with the lens installation

taking place in 1855. The first lighthouse keepers lived a rugged life, with the town only accessible through forest and sand dunes. Supplies arrived periodically by sea, while the keepers also raised a portion of their own food.

During the 1870's many small towns were founded in California. During that period, Pacific Grove was founded for a religious retreat. David Jacks, a wealthy land owner and rancher, owned most of the land that now constitutes Pacific Grove. In 1875, he consented to the development of a Methodist Christian Seaside Retreat on 100 acres of pine-covered coastal land. The Retreat was conceived as a place to worship in a quiet and beautiful natural environment. The first two-week Methodist camp meeting was held in August of 1875, with annual meetings following for several decades. Other inhabitants included Chinese immigrants who established a thriving fishing village.

Gradually, sections of Mr. Jacks' property were divided into lots, which later were sold for year-round homes and stores. By 1883, David Jacks sold his remaining Pacific Grove land, which included Point Pinos to the Pacific Improvement Company (PIC). The PIC was a subsidiary of the Southern Pacific Railroad which supported the development of a seaside resort to attract railway passengers. One of the PIC's first accomplishments in Pacific Grove was to connect the town's water supply to the Carmel River to ensure an adequate water system. The PIC also graded and leveled streets; surveyed lots, and established sewage, drainage, and trash pick-up.

As time went on, Pacific Grove began enticing more visitors. The first hotel opened in 1887, followed by incorporation of the City and the addition of a railroad in 1889. Within ten years, the Pine Street School, the Hopkins Seaside Lab, and the Pacific Grove Bath House were built; and the community began to benefit from electric lights and a telephone exchange. Through a \$10,000 Carnegie grant and a land donation by the PIC, the City opened a public library in 1908. The Mission style Library, with expansive interior arches, is still actively serving the community.



Form of Government

Pacific Grove is a Charter City which was incorporated in 1889, and operates under the Council-City Manager form of government. The Mayor and six Council Members are elected by the citizens. The Mayor is directly elected to serve a two-year term, while Council Members are elected to alternating four-year terms. The

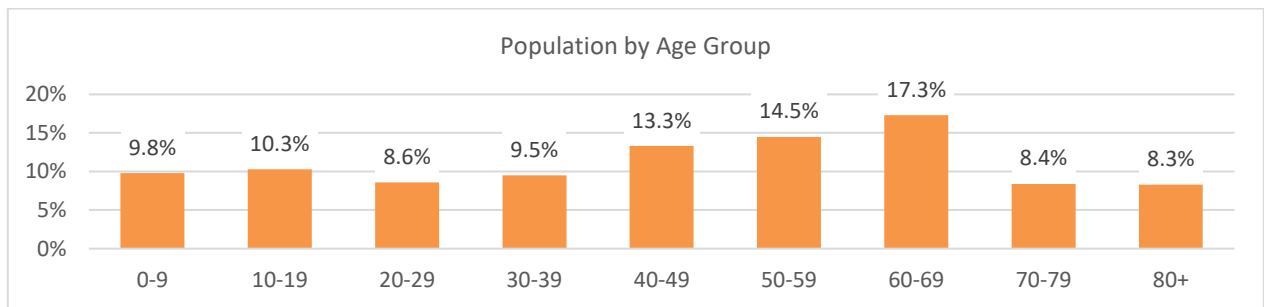
Council has the authority to establish all laws and regulations with respect to the municipal affairs, subject only to the limits of the City Municipal Code and State legislation.

The City Council appoints a City Manager to serve as the City’s chief administrative officer. The City Manager provides direction and leadership to all city wide departments, while ensuring that City Council policies are being implemented.

Demographics

Population ^(1, 2)

The City has a population of approximately 15,900. Growth has remained relatively stable over a ten-year period, with an average growth rate of .32%. The median resident age is 49 years old. A distribution of the population by age group is provided below:

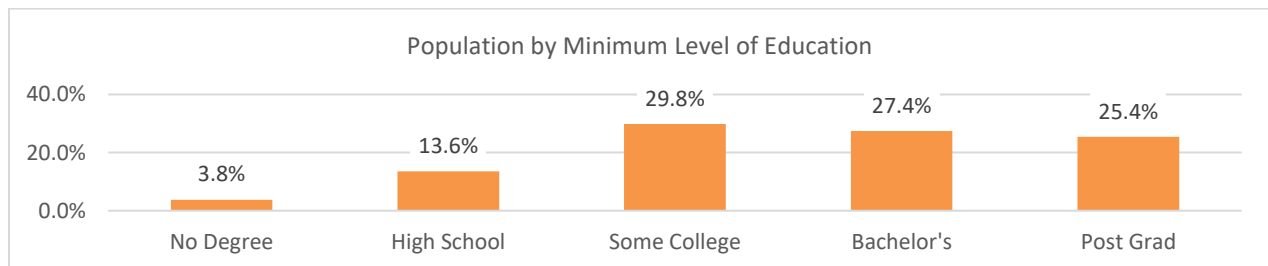


Education ^(1, 3)

The Pacific Grove Unified School District serves the City of Pacific Grove and portions of Pebble Beach. Based on the California Department of Education's Academic Performance Index scores, the Pacific Grove Unified School District has received the highest overall ranking of all public schools on the Monterey Peninsula. Schools within the district include: Pacific Grove High School, Pacific Grove Middle School, Robert Down Elementary School, and Forest Grove Elementary School.



Residents can take advantage of nearby colleges, including Monterey Peninsula College, the Middlebury Institute of International Studies at Monterey, California State University Monterey Bay, and the Hopkins Marine Institute operated by Stanford University. An educational profile is provided below.



Employment and Income ^(2,4)

Pacific Grove has a resident workforce of approximately 7,330, with 53% employed in professional specialty or managerial executive occupations. The unemployment rate for July 2019 for Monterey County was 4.7% percent down from a revised 4.8% in the prior year, while the unemployment rate for Pacific Grove during the same period was 4.6%, down from 4.9% from the prior year. This compares with a 4.4% rate for California and a 4.0% rate for nation during the same period.

- Average Household Income: \$112,710
- Median Household Income: \$89,792
- Average travel time to work: 20 minutes



Housing ^(4,7)

- Median Sales Price: \$891,700
- Average Sales Price: \$1,056,894
- Owner-Occupied Homes: 46%
- Households: 7,196



Industry ^(2,4)

Pacific Grove has approximately 521 workplace establishments, with businesses ranging from professional services to health care; and retail sales to lodging accommodations. Tourism is a key economic driver for the City, with approximately 28% of the businesses classified as either from the accommodation, food service, or retail industries. A listing of the top employers within the City are listed below:

Top Employers			
Employer	Number of Total Employees	Rank	Percentage of Total Employment
Pacific Grove Unified School District	343	1	3.77%
Asilomar Hotel and Conference Center	174	2	1.91%
Canterbury Woods	120	3	1.32%
City of Pacific Grove	115	4	1.26%
Safeway	80	5	0.88%
Trader Joe's	73	6	0.80%
Pacific Grove Convalescent	70	7	0.77%
Forest Hill	60	8	0.66%
Lucky Supermarket	57	9	0.63%
Best Western Inn and Suites of Pacific Grove	20	10	0.22%
Totals	1,112		12.22%

Volunteer Program

The City of Pacific Grove Volunteer Program oversees the organization and management of various city volunteer programs including the Point Pinos Lighthouse, the Pacific Grove Library, the Hyperbaric Chamber, the Perkins Park and Chautauqua Hall Gardening Clubs, the Park and Rec Student Experience Program, the International Internship Program, the CSUMB Service Learning Program, as well as, various individual volunteers that assist city departments. Management of the programs include tracking hours, promoting programs and recruiting volunteers, providing volunteer orientations, planning recognition events and assisting programs with a variety of administrative duties. The volunteer program hosts an annual Volunteer Appreciation Event each year in April in recognition of National Volunteer Month. This event consists of a catered dinner and award ceremony.



Key Service Locations

Major hospitals

- Community Hospital of the Monterey Peninsula (CHOMP): 3.6 miles
- Natividad Medical Center: 26.7 miles
- Salinas Valley Memorial Hospital: 24 miles

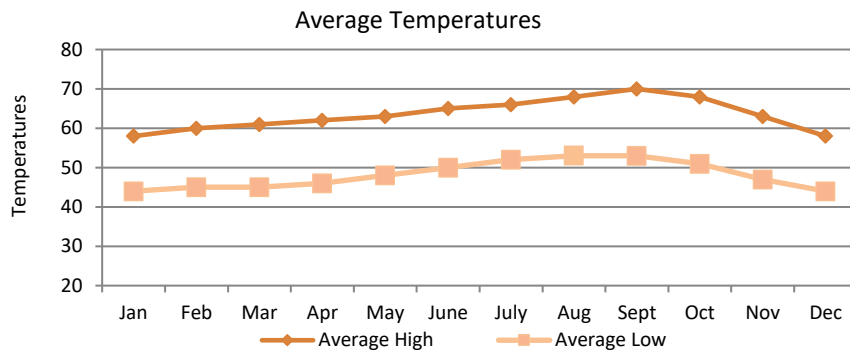
Regional Airports

- Monterey Regional Airport: 5.6 miles
- Marina Municipal Airport: 14 miles
- San Jose International Airport: 81 miles

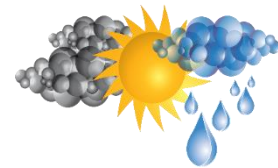


Climate ⁽⁶⁾

Pacific Grove's weather is one of the most temperate climates all year round, with temperatures ranging from the mid 70's in the late summer to the mid 50's in the winter.



Average Annual Precipitation:
21.2 inches of rain



Community Events:

Good Old Days Celebration

Feast of Lanterns

Butterfly Parade

Butterfly Ball

City 4th of July Barbeque

Christmas Tree Lighting

Christmas at the Inns

Everyone's Harvest Farmers' Market

Holiday Parade of Lights

Little Car Show

.....And More



Sources:

1. Census Reporter, <https://censusreporter.org/profiles/16000US0654848-pacific-grove-ca/>, retrieved 08/13/2018
2. City of Pacific Grove Comprehensive Annual Financial Statements, HdL Companies
3. City of Pacific Grove Website, <https://www.cityofpacificgrove.org/living/schools>, retrieved 08/30/2018
4. Community Profile, City of Pacific Grove, EconSolutions by HdL, July 2017, https://www.cityofpacificgrove.org/sites/default/files/general-documents/economic-development/pacificgrove_community-profile_july2017-2.pdf
5. Employment Development Department, Labor Market Division, August 17, 2018, <http://labormarketinfo.edd.ca.gov>, retrieved 08/30/2018
6. Pacific Grove (93950) Monthly Weather Forecast, <https://weather.com/weather/monthly/93950:4:US>, retrieved 08/30/2018
7. Sales Value History, Single Family Residential Full Value Sales, through August 31, 2017, HdL and Monterey County Recorder

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Summary Information



Fund Balance Summary - Fiscal Year 19/20

Fund Title	Est. FY 19/20					Est. FY 19/20	
	Beginning	Revenues	Transfers In	Expenditures	Transfers Out	Ending	
General Fund							
General Fund	\$10,936,904	\$ 23,273,911	\$ 423,595	\$ 23,435,040	\$ 2,591,851	\$ 8,607,519	
Consolidated Investment ¹	60,056			60,056			
Asset Seizure	1,753	45	-	-	-	1,798	
Civic Center Site	179,623	4,400	-	85,000	99,023	-	
Drug Awareness (DARE)	4,964	12,000	-	9,150	-	7,814	
Hyperbaric Chamber	34,630	7,100	-	14,600	-	27,130	
Koo Estate Donation	175,611	-	-	100,000	-	75,611	
Operating Donations	52,817	2,010	-	-	-	54,827	
Recreation Donation Fund	31,770	12,867	-	42,000	-	2,637	
Stillwell Children's Pool	52,604	1,350	-	5,950	-	48,004	
Vehicle Replacement	-	-	130,000	-	-	130,000	
General Fund Types	\$11,530,732	\$23,313,683	\$ 553,595	\$23,751,796	\$ 2,690,874	\$ 8,955,340	
Capital Improvement Fund							
Building & Facilities Improvement	\$ 337	\$ -	\$ -	\$ -	\$ 332	\$ 5	
General Fund CIP	1,226,819	1,974,071	2,018,893	4,828,311	-	391,472	
	\$ 1,227,156	\$ 1,974,071	\$ 2,018,893	\$ 4,828,311	\$ 332	\$ 391,477	
Debt Service Funds							
Butterfly Habitat Bond	-	-	-	-	-	-	
Internal Service Funds							
Employee Benefits	\$ 143,606	\$ 239,750	\$ -	\$ 272,347	\$ -	\$ 111,009	
Liability Insurance	434,890	282,940	-	497,721	-	220,109	
Other Post Employment Benefits	330,778	1,450	-	-	324,572	7,656	
Workers Compensation	613,149	425,946	-	538,469	-	500,626	
Total Internal Service Funds	\$ 1,522,423	\$ 950,086	\$ -	\$ 1,308,537	\$ 324,572	\$ 839,400	
Enterprise Funds							
Cemetery	\$ 452,997	\$ 471,000	\$ -	\$ 529,390	\$ -	\$ 394,607	
Golf	2,735,897	457,025	-	457,097	-	2,735,825	
Local Water Project	1,948,658	545,500	76,507	722,249	-	1,848,416	
Sewer	18,633,779	3,538,549	-	2,921,501	-	19,250,827	
Total Enterprise Funds	\$23,771,331	\$ 5,012,074	\$ 76,507	\$ 4,630,237	\$ -	\$ 24,229,675	
Special Revenue Funds							
ASBS Grant	\$ (81,528)	\$ 161,619	\$ -	\$ 80,091	\$ -	\$ -	
Cal Home Reuse	203,156	50,000	-	162,000	-	91,156	
Carillon	9,484	243	-	-	-	9,727	
CDBG Grant	645,616	120,000	-	579,000	-	186,616	
Chautauqua Hall	17,970	410	-	5,000	-	13,380	
Clean Beaches	-	-	-	-	-	-	
Coastal Conservancy Grant	75,420	-	-	-	-	75,420	
Downtown Business District	1,853	31,050	-	32,000	-	903	
Environmental Enhancement	126,350	-	-	20,000	-	106,350	
Fire Emergency Equipment	194,290	17,050	-	56,000	-	155,340	
Gas Tax Fund	17,436	374,831	-	317,152	-	75,115	

Fund Balance Summary - Fiscal Year 19/20

Fund Title	Est. FY 19/20					Est. FY 19/20	
	Beginning	Revenues	Transfers In	Expenditures	Transfers Out	Ending	
General Plan Maintenance Fee Func	777	7,000	-	-	-	7,777	
Hospitality Improvement District	676	511,500	-	511,500	-	676	
Housing Fund	555,851	77,900	-	154,950	-	478,801	
Library Building and Equipment	13,250	-	-	-	-	13,250	
Lighthouse Fund	149,903	133,400	-	78,083	-	205,220	
Library Book Donations	6,833	2,050	-	-	-	8,883	
Local Streets and Roads	916,469	673,000	156,783	1,551,773	-	194,479	
McIndoo Donation	104,256	2,500	-	70,000	-	36,756	
Museum Improvement	485,342	13,205	-	75,000	-	423,547	
Operating Grants	678	140	-	-	-	818	
Poetry Promotion	56,073	-	-	25,500	-	30,573	
Public Safety Augmentation	501,263	133,000	210,000	483,200	-	361,063	
Regional Surface Trans. (RSTP)	(4,652)	196,000	-	191,348	-	-	
RMRA	256,236	269,131	-	513,086	-	12,281	
Senior Housing	10,148	100	-	-	-	10,248	
Sewer Lateral Loans	212,502	11,000	-	40,000	-	183,502	
State Franchise PEG	339,994	59,000	-	333,000	-	65,994	
Strong Fund Disbursements	140,527	46,700	-	15,100	-	172,127	
Supplemental Law Enforcement	140,680	231,448	-	341,325	-	30,803	
Vehicle Abandonment	6,285	7,100	-	7,100	-	6,285	
Yount Income	75,567	1,400	12,000	20,683	-	68,284	
Total Special Revenue Funds	\$ 5,178,705	\$ 3,130,777	\$ 378,783	\$ 5,662,891	\$ -	\$ 3,025,374	
Permanent Funds							
Cemetery Endowment	\$ 1,641,419	\$ 70,080	\$ -	\$ -	\$ -	\$ 1,711,499	
Library Endowment	546,388	6,984	-	42,000	-	511,372	
Yount Trust	841,215	12,000	-	-	12,000	841,215	
Total Permanent Funds	\$ 3,029,022	\$ 89,064	\$ -	\$ 42,000	\$ 12,000	\$ 3,064,086	
Projected Fund Balance - All Funds	\$46,259,369	\$34,469,755	\$ 3,027,778	\$40,223,772	\$ 3,027,778	\$ 40,505,352	

1. Consolidated Investment is typically not budgeted. It is a pass-through account. At the end of FY18/19, there was a balance of \$60,056. This amount is planned to be adjusted in FY19/20.

Fund Balance Summary - Fiscal Year 20/21

	Est. FY 20/21					Est. FY 20/21	
	Beginning	Revenues	Transfers In	Expenditures	Transfers Out	Ending	
General Fund							
General Fund	\$ 8,607,519	\$ 21,138,000	\$ 130,000	\$ 22,156,323	\$ 710,000	\$ 7,009,196	
Asset Seizure	1,798	-	-	-	-	1,798	
Civic Center Site	-	-	-	-	-	-	
Drug Awareness (DARE)	7,814	12,000	-	12,000	-	7,814	
Hyperbaric Chamber	27,130	9,300	-	16,700	-	19,730	
Koo Estate Donation	75,611	2,000	-	17,000	-	60,611	
Operating Donations	54,827	2,000	-	26,000	-	30,827	
Recreation Donation Fund	2,637	9,000	-	5,000	-	6,637	
Stillwell Children's Pool	48,004	1,200	-	10,000	-	39,204	
Vehicle Replacement	130,000	-	-	-	130,000	-	
General Fund Types	\$ 8,955,340	\$ 21,173,500	\$ 130,000	\$ 22,243,023	\$ 840,000	\$ 7,175,817	
Capital Improvement Fund							
Building & Facilities Improvement	\$ 5	\$ -	\$ -	\$ -	\$ 5	\$ -	
General Fund CIP	391,472	1,905,081	500,005	2,769,943	-	26,615	
	\$ 391,477	\$ 1,905,081	\$ 500,005	\$ 2,769,943	\$ 5	\$ 26,615	
Debt Service Funds							
Butterfly Habitat Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service Funds							
Employee Benefits	\$ 111,009	\$ 249,000	\$ -	\$ 282,000	\$ -	\$ 78,009	
Liability Insurance	220,109	307,000	-	477,624	-	49,485	
Other Post Employment Benefits	7,656	-	-	7,656	-	-	
Workers Compensation	500,626	605,000	-	618,420	-	487,206	
Total Internal Service Funds	\$ 839,400	\$ 1,161,000	\$ -	\$ 1,385,700	\$ -	\$ 614,700	
Enterprise Funds							
Cemetery	\$ 394,607	\$ 470,000	\$ -	\$ 488,897	\$ -	\$ 375,710	
Golf	2,735,825	463,000	-	363,897	-	2,834,928	
Local Water Project	1,848,416	500,800	600,000	674,875	-	2,274,341	
Sewer	19,250,827	3,429,000	-	8,279,321	600,000	13,800,506	
Total Enterprise Funds	\$ 24,229,675	\$ 4,862,800	\$ 600,000	\$ 9,806,990	\$ 600,000	\$ 19,285,485	
Special Revenue Funds							
ASBS Grant	\$ -	\$ 2,921,463	\$ -	\$ 2,921,463	\$ -	\$ -	
Cal Home Reuse	91,156	50,000	-	110,000	-	31,156	
Carillon	9,727	200	-	-	-	9,927	
CDBG Grant	186,616	107,000	-	250,000	-	43,616	
Chautauqua Hall	13,380	150	-	-	-	13,530	
Clean Beaches	-	-	-	-	-	-	
Coastal Conservancy Grant	75,420	1,200	-	-	-	76,620	
Downtown Business District	903	31,050	-	31,953	-	-	
Environmental Enhancement	106,350	2,000	-	10,000	-	98,350	
Fire Emergency Equipment	155,340	22,000	-	23,500	-	153,840	
Gas Tax Fund	75,115	296,786	-	285,646	-	86,255	

Fund Balance Summary - Fiscal Year 20/21

	Est. FY 20/21					Est. FY 20/21
	Beginning	Revenues	Transfers In	Expenditures	Transfers Out	Ending
General Plan Maintenance Fee Fund	7,777	5,000	-	-	-	12,777
Hospitality Improvement District	676	328,000	-	328,676	-	-
Housing Fund	478,801	72,000	-	161,003	-	389,798
Library Building and Equipment	13,250	-	-	-	-	13,250
Lighthouse Fund	205,220	106,000	-	66,017	-	245,203
Library Book Donations	8,883	5,100	-	13,983	-	-
Local Streets and Roads	194,479	558,500	-	676,530	-	76,449
McIndoo Donation	36,756	2,000	-	12,000	-	26,756
Museum Improvement	423,547	12,000	-	-	-	435,547
Operating Grants	818	60	-	-	-	878
Poetry Promotion	30,573	33,420	-	9,468	-	54,525
Public Safety Augmentation	361,063	121,000	210,000	447,000	-	245,063
Regional Surface Trans. (RSTP)	-	-	-	-	-	-
RMRA	12,281	243,734	-	242,234	-	13,781
Senior Housing	10,248	100	-	-	-	10,348
Sewer Lateral Loans	183,502	15,000	-	42,000	-	156,502
State Franchise PEG	65,994	52,500	-	52,000	-	66,494
Strong Fund Disbursements	172,127	45,800	-	161,900	-	56,027
Supplemental Law Enforcement	30,803	234,000	-	255,860	-	8,943
Vehicle Abandonment	6,285	7,100	-	8,000	-	5,385
Yount Income	68,284	1,300	10,000	20,013	-	59,571
Total Special Revenue Funds	\$ 3,025,374	\$ 5,274,463	\$ 220,000	\$ 6,129,246	\$ -	\$ 2,390,591
Permanent Funds						
Cemetery Endowment	\$ 1,711,499	\$ 75,000	\$ -	\$ -	\$ -	\$ 1,786,499
Library Endowment	511,372	7,500	-	-	-	518,872
Yount Trust	841,215	10,000	-	-	10,000	841,215
Total Permanent Funds	\$ 3,064,086	\$ 92,500	\$ -	\$ -	\$ 10,000	\$ 3,146,586
Est. Ending Fund Balance - All Funds	\$ 40,505,352	\$ 34,469,344	\$ 1,450,005	\$ 42,334,902	\$ 1,450,005	\$ 32,639,794

Revenue Summary - All Funds					
Fund Title	FY 17/18 Actual	FY 18/19 Actual	FY 19/20 Adopted	FY 19/20 Estimated	FY 20/21 Adopted
General Fund					
Property Taxes	\$ 6,847,780	\$ 7,306,183	\$ 7,546,000	\$ 7,589,200	\$ 7,736,000
TOT and Licenses	6,160,612	6,285,154	6,909,000	4,954,675	3,759,000
Sale and Use Tax	3,554,727	4,139,046	3,838,000	3,737,110	3,411,000
Utility User Tax	1,688,875	1,641,173	1,670,000	1,652,000	1,652,000
Franchise Tax	1,027,988	1,174,317	1,142,000	1,130,000	1,130,000
Business Licenses	353,044	362,523	367,000	389,000	367,000
Other Taxes	121,192	110,554	123,000	123,000	123,000
Intergovernmental Revenues	87,478	92,206	36,000	401,346	208,000
License, permits, and impact fees	521,403	547,193	499,000	631,350	525,000
Fines and Forfeitures	282,841	169,534	85,000	122,400	124,000
Charges for Services	1,643,238	1,585,099	1,607,000	1,494,260	1,288,000
Interest, Rents, and Concessions	238,410	463,925	363,000	384,000	262,000
Other Revenues	349,160	527,105	503,000	665,570	553,000
Other Financing Sources - Transfers	8,589	-	324,572	423,595	130,000
Total General Fund	\$22,885,337	\$24,404,012	\$25,012,572	\$ 23,697,506	\$21,268,000
General Fund Sub-Funds					
Asset Seizure	\$ 10	\$ 44	\$ -	\$ 45	\$ -
Civic Center Site	18,948	22,528	1,360	4,400	-
Drug Awareness (DARE)	49	186	12,000	12,000	12,000
Hyperbaric Chamber	11,960	8,135	9,300	7,100	9,300
Koo Estate Donation	47,765	175,611	-	-	2,000
Operating Donations	3,006	10,631	2,010	2,010	2,000
Recreation Donation Fund	10,457	4,244	9,487	12,867	9,000
Stillwell Children	323	1,475	460	1,350	1,200
Vehicle Replacement	-	-	130,000	130,000	-
Total General Fund Sub-Funds	\$ 92,518	\$ 222,854	\$ 164,617	\$ 169,772	\$ 35,500
Capital Improvement Fund					
Building & Facilities Improvement	\$ 1,251	\$ 583	\$ -	\$ -	\$ -
General Fund CIP					
Intergovernmental	-	-	-	-	1,800,000
Capital Contributions - Library	-	-	1,723,000	1,970,271	101,081
Interest Income	-	3,877	3,000	3,800	4,000
Other Financing Sources - Transfers	8,300	1,923,576	1,960,000	2,018,893	500,005
Total Capital Improvement Funds	\$ 9,551	\$ 1,928,036	\$ 3,686,000	\$ 3,992,964	\$ 2,405,086
Debt Service Funds					
Butterfly Habitat Bond	\$ 4,334	\$ 597	\$ -	\$ -	\$ -
Internal Service Funds					
Employee Benefits	\$ 185,995	\$ 308,197	\$ 239,500	\$ 239,750	\$ 249,000
Liability Insurance	655,664	594,839	267,000	282,940	307,000
Other Post Employment Benefits	1,762	107,206	-	1,450	-
Workers Compensation	1,401,609	758,413	653,500	425,946	605,000
Total Internal Service Funds	\$ 2,245,030	\$ 1,768,655	\$ 1,160,000	\$ 950,086	\$ 1,161,000

Revenue Summary - All Funds

Fund Title	FY 17/18 Actual	FY 18/19 Actual	FY 19/20 Adopted	FY 19/20 Estimated	FY 20/21 Adopted
Enterprise Funds					
Cemetery	\$ 453,237	\$ 464,782	\$ 470,100	\$ 471,000	\$ 470,000
Golf	434,015	428,829	448,000	457,025	463,000
Local Water Project	2,546,609	487,233	620,437	622,007	1,100,800
Sewer					
Sales and Services	3,250,693	3,317,734	3,365,549	3,368,549	3,359,000
Interest Income	41,329	186,462	59,425	170,000	70,000
Other Financing Sources - Transfers	12,255	22,502	-	-	-
Total Enterprise Funds	\$ 6,738,138	\$ 4,907,542	\$ 4,963,511	\$ 5,088,581	\$ 5,462,800
Special Revenue Funds					
ASBS Grant	\$ 85,431	\$ 296,763	\$ 3,846,000	\$ 161,619	\$ 2,921,463
Cal Home Reuse	90,087	7,750	50,000	50,000	50,000
Carillon	53	244	75	243	200
CDBG Grant	266,942	610,024	120,000	120,000	107,000
Chautauqua Hall	3,694	1,070	135	410	150
Clean Beaches	190,001	-	-	-	-
Coastal Conservancy Grant	153,616	(1,786)	-	-	1,200
Downtown Business District	28,820	8,235	31,050	31,050	31,050
Environmental Enhancement	5,683	3,377	-	-	2,000
Fire Emergency Equipment	19,336	24,203	21,250	17,050	22,000
Gas Tax Fund	299,422	293,102	382,546	374,831	296,786
General Plan Maintenance Fee Fund	-	777	7,000	7,000	5,000
Hospitality Improvement District	496,357	511,746	511,500	511,500	328,000
Housing Fund	164,489	222,950	72,400	77,900	72,000
Library Building and Equipment	100,832	13,379	-	-	-
Lighthouse Fund	85,857	94,919	87,000	133,400	106,000
Library Book Donations	63,976	6,834	7,140	2,050	5,100
Local Streets and Roads	431,357	751,293	673,000	829,783	558,500
McIndoo Donation	563	2,615	1,000	2,500	2,000
Museum Improvement	2,622	12,175	3,700	13,205	12,000
Operating Grants	832	10,148	10	140	60
Poetry Promotion	426	1,417	435	-	33,420
Public Safety Augmentation	608,345	459,355	340,000	343,000	331,000
Regional Surface Trans. (RSTP)	-	-	-	196,000	-
RMRA	101,165	266,131	266,341	269,131	243,734
Senior Housing	55	255	70	100	100
Sewer Lateral Loans	-	10,075	150	11,000	15,000
State Franchise PEG	56,465	60,934	59,000	59,000	52,500
Strong Fund Disbursements	43,756	46,890	44,250	46,700	45,800
Supplemental Law Enforcement	202,555	216,057	184,000	231,448	234,000
Vehicle Abandonment	7,032	14,048	7,100	7,100	7,100
Yount Income	14,001	14,674	12,000	13,400	11,300
Total Special Revenue Funds	\$ 3,523,770	\$ 3,959,654	\$ 6,727,152	\$ 3,509,560	\$ 5,494,463

Revenue Summary - All Funds					
Fund Title	FY 17/18 Actual	FY 18/19 Actual	FY 19/20 Adopted	FY 19/20 Estimated	FY 20/21 Adopted
Permanent Funds					
Cemetery Endowment	\$ 67,037	\$ 96,687	\$ 65,000	\$ 70,080	\$ 75,000
Library Endowment	9,163	16,641	5,134	6,984	7,500
Yount Trust	480	28,655	12,000	12,000	10,000
Total Permanent Funds	\$ 76,680	\$ 141,983	\$ 82,134	\$ 89,064	\$ 92,500
Total Revenues - All Funds	\$35,575,358	\$37,333,333	\$41,795,986	\$ 37,497,533	\$35,919,349

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Expenditure Summary - All Funds

Fund Title	FY 17/18 Actual	FY 18/19 Actual	FY 19/20 Adopted	FY 19/20 Estimated	FY 20/21 Adopted
General Fund					
City Council	\$ 318,390	\$ 496,112	\$ 359,255	\$ 360,510	\$ 344,119
City Manager	867,395	926,950	975,268	910,181	972,070
City Attorney	407,102	462,219	447,876	434,876	404,500
Finance	1,088,758	1,120,680	1,140,534	1,087,122	1,138,050
Information Services	276,718	412,897	748,401	707,143	671,079
Community Development	1,764,385	1,849,769	2,231,383	2,151,017	1,748,662
Police	5,950,399	6,433,048	6,785,642	6,529,877	6,266,941
Fire	3,328,453	3,336,838	3,444,584	3,490,507	3,435,000
Public Works	3,184,704	3,129,527	3,618,747	3,572,984	3,502,635
Library	914,096	1,127,658	1,137,789	1,037,076	690,455
Museum	251,422	308,156	260,150	268,627	251,050
Recreation	648,451	782,700	702,049	649,143	653,512
Debt Service	1,969,129	1,988,118	2,008,778	2,026,796	2,078,250
Capital Outlay	304,121	403,115	246,000	209,181	-
Capital Project Transfers	652,651	1,657,490	1,960,000	2,175,344	500,000
Other Transfers	547,486	312,000	416,507	416,507	210,000
Total General Fund	\$22,473,660	\$24,747,277	\$26,482,963	\$26,026,891	\$22,866,323
General Fund Sub-Funds					
Asset Seizure	\$ -	\$ -	\$ -	\$ -	\$ -
Civic Center Site	18,879	14,165	85,000	184,023	-
Drug Awareness (DARE)	2,152	2,749	16,150	9,150	12,000
Hyperbaric Chamber	14,383	1,713	17,600	14,600	16,700
Koo Estate Donation	200,000	-	100,000	100,000	17,000
Operating Donations	36,007	224,359	-	-	26,000
Recreation Donation Fund	1,770	22,000	42,000	42,000	5,000
Stillwell Children's Pool	-	7,194	10,000	5,950	10,000
Vehicle Replacement	-	-	-	-	130,000
Total General Fund Sub-Funds	\$ 273,191	\$ 272,180	\$ 270,750	\$ 355,723	\$ 216,700
Capital Improvement Fund					
Building & Facilities Improvement	\$ 363,032	\$ 126,088	\$ 332	\$ 332	\$ 5
General Fund CIP	8,300	700,634	3,683,000	4,828,311	2,769,943
Total Capital Improvement Funds	\$ 371,332	\$ 826,722	\$ 3,683,332	\$ 4,828,643	\$ 2,769,948
Debt Service Funds					
Butterfly Habitat Bond	\$ 91,179	\$ 23,804	\$ -	\$ -	\$ -
Internal Service Funds					
Employee Benefits	\$ 242,096	\$ 257,406	\$ 265,000	\$ 272,347	\$ 282,000
Liability Insurance	166,132	792,006	519,375	497,721	477,624
Other Post Employment Benefits	101,000	-	324,572	324,572	7,656
Workers Compensation	975,950	336,814	670,674	538,469	618,420
Total Internal Service Funds	\$ 1,485,178	\$ 1,386,226	\$ 1,779,621	\$ 1,633,109	\$ 1,385,700

Expenditure Summary - All Funds

Fund Title	FY 17/18 Actual	FY 18/19 Actual	FY 19/20 Adopted	FY 19/20 Estimated	FY 20/21 Adopted
Enterprise Funds					
Cemetery	\$ 370,747	\$ 436,339	\$ 525,390	\$ 529,390	\$ 488,897
Golf	371,646	425,524	397,097	457,097	363,897
Local Water Project ⁽¹⁾	190,977	894,207	682,525	722,249	674,875
Sewer	2,723,964	2,080,548	8,273,272	2,921,501	8,879,321
Total Enterprise Funds	\$ 3,657,334	\$ 3,836,618	\$ 9,878,284	\$ 4,630,237	\$ 10,406,990
<i>(1) Local Water Project expenditures removed to reflect capitalization and consistency with financial statements)</i>					
Special Revenue Funds					
ASBS Grant	\$ 143,425	\$ 320,297	\$ 3,788,000	\$ 80,091	\$ 2,921,463
Cal Home Reuse	-	-	82,000	162,000	110,000
Carillon	-	275	-	-	-
CDBG Grant	26,894	211,318	579,000	579,000	250,000
Chautauqua Hall	2,527	-	5,000	5,000	-
Clean Beaches	190,001	-	-	-	-
Coastal Conservancy Grant	58,791	175,000	-	-	-
Downtown Business District	37,911	8,053	21,400	32,000	31,953
Environmental Enhancement	9,815	12,508	20,000	20,000	10,000
Fire Emergency Equipment	12,028	9,282	25,000	56,000	23,500
Gas Tax Fund	281,814	313,764	316,913	317,152	285,646
General Plan Maintenance Fee Fund	-	-	-	-	-
Hospitality Improvement District	489,389	518,739	511,500	511,500	328,676
Housing Fund	82,940	111,071	184,904	154,950	161,003
Library Building and Equipment	59,515	66,346	-	-	-
Lighthouse Fund	54,597	51,534	118,828	78,083	66,017
Library Book Donations	78,572	1	-	-	13,983
Local Streets and Roads	329,824	20,377	750,000	1,551,773	676,530
McIndoo Donation	-	-	70,000	70,000	12,000
Museum Improvement	-	-	75,000	75,000	-
Operating Grants	-	10,302	-	-	-
Poetry Promotion	1,925	1,041	19,500	25,500	9,468
Public Safety Augmentation	491,961	411,225	481,000	483,200	447,000
Regional Safety Trans. (RSTP)	-	4,652	-	191,348	-
RMRA	101,165	9,895	265,981	513,086	242,234
Senior Housing	-	-	-	-	-
Sewer Lateral Loans	-	148	40,000	40,000	42,000
State Franchise PEG	70,328	57,694	279,000	333,000	52,000
Strong Fund Disbursements	4,873	64,533	65,000	15,100	161,900
Supplemental Law Enforcement	197,281	324,082	102,567	341,325	255,860
Vehicle Abandonment	-	34,795	8,000	7,100	8,000
Yount Income	20,722	20,433	20,027	20,683	20,013
Total Special Revenue Funds	\$ 2,746,298	\$ 2,757,365	\$ 7,828,620	\$ 5,662,891	\$ 6,129,246

Expenditure Summary - All Funds

Fund Title	FY 17/18 Actual	FY 18/19 Actual	FY 19/20 Adopted	FY 19/20 Estimated	FY 20/21 Adopted
Permanent Funds					
Cemetery Endowment	\$ -	\$ -	\$ -	\$ -	\$ -
Library Endowment	18,925	19	42,000	42,000	-
Yount Trust	13,540	12,678	12,000	12,000	10,000
Total Permanent Funds	\$ 32,465	\$ 12,697	\$ 54,000	\$ 54,000	\$ 10,000
Total Expenditures - All Funds	\$31,130,637	\$33,862,889	\$ 49,977,570	\$43,191,494	\$43,784,907

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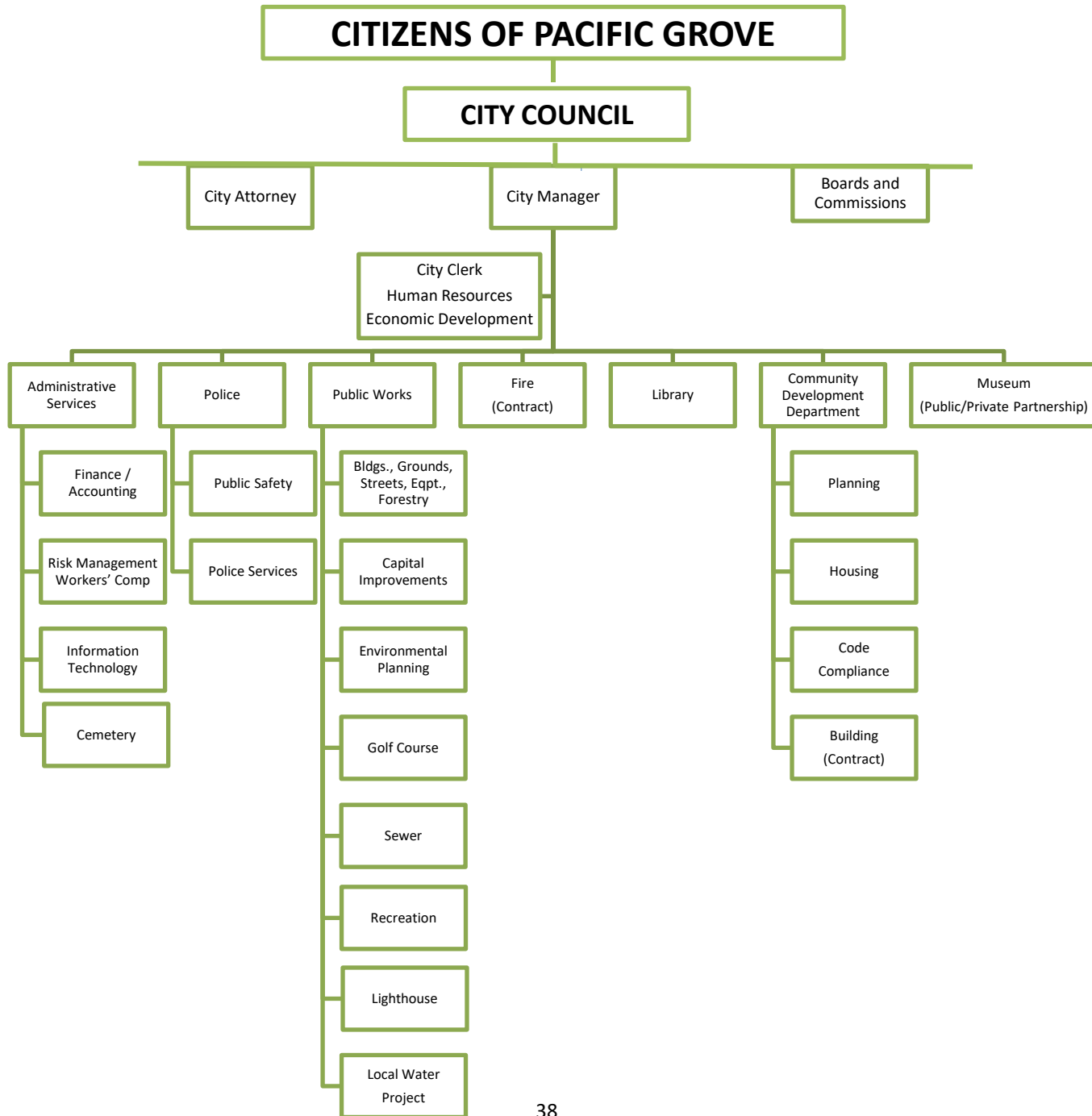
Capital Improvement Summary

Fiscal Year 20/21

Project Code	Fund Source	Project	Origination Year	Planned Comp Year	Impact on Operating Budget?	Council Strategic Initiatives	FY 2020-21
CIP18-41	General Fund	Library Renewal Project	FY 17/18	FY 20/21	No Impact	City Asset Stewardship	\$101,082
	Capital Contribution						\$101,081
CIP18-46	General Fund	Point Pinos Trail Project	FY 17/18	FY20/21	No Impact	City Asset Stewardship	\$232,780
	Coastal Cons. Grant						\$1,800,000
CIP20-10	General Fund	Perkins Park Landscape Plan	FY 19/20	FY 20/21	No Impact	City Asset Stewardship/ Environmental Stewardship	\$35,000
CIP18-84	ASBS Fund - Grant	Pacific Grove-Monterey ASBS Wet-Dry Stormwater Capture and Reuse Project	FY 17/18	FY 20/21	No Impact	City Asset Stewardship/ Environmental Stewardship	\$2,921,463
CIP19-85	Sewer Fund	Sewer Collection System Master Plan (SCSMP) Projects # 3, 4, 5, 8	FY 18/19	FY 20/21	No Impact	City Asset Stewardship/ Environmental Stewardship	\$4,002,983
CIP20-12	Sewer Fund	Phase 8 Sewer Line Improvements at Various Locations	FY 19/20	FY 20/21	No Impact	City Asset Stewardship	\$800,000
CIP20-13	Sewer Fund	Mainline Improvements on Ocean View Blvd. in conjunction with Phase 4 Urban Diversion	FY 19/20	FY 20/21	No Impact	City Asset Stewardship	\$1,323,852
CIP20-19	Strong Disb. Fund	Electrical Vehicle Charging Station	FY 19/20	FY 20/21	No Impact	City Asset Stewardship/ Environmental Stewardship	\$49,900
CIP20-25	Koo Estate Fund	Downtown Iconic Cypress Tree Moonlighting Project	FY 19/20	FY 20/21	No Impact	City Asset Stewardship	\$17,000
CIP21-03	Local Streets and Roads Fund	Pine Ave & Eardley Ave Traffic Calming & Pedestrian Safety	FY 20/21	FY 20/21	No Impact	City Asset Stewardship	\$250,000
CIP21-04	Strong Disb. Fund	Community Center Gutter, Downspout and Flashing Replacement	FY 20/21	FY 20/21	No Impact	City Asset Stewardship	\$50,000
CIP21-05	Strong Disb. Fund	Park ADA Compliance Assessment and Transition Plan	FY 20/21	FY 20/21	No Impact	City Asset Stewardship	\$50,000
CIP21-07	Strong Disb. Fund	Police Department Server Room Improvements	FY 20/21	FY 20/21	No Impact	City Asset Stewardship	\$12,000
CIP21-10	McIndoo Donation Fund	Drinking Fountain at Lovers Point Park	FY 20/21	FY 20/21	No Impact	City Asset Stewardship	\$12,000

Capital Improvement Summary Fiscal Year 20/21

Project Code	Fund Source	Project	Origination Year	Planned Comp Year	Impact on Operating Budget?	Council Strategic Initiatives	FY 2020-21
CIP21-01	Multi-Fund	FY 20/21 Street Rehabilitation on Lower Lighthouse ave & Funston Ave	FY 20/21	FY 20/21	No Impact	City Asset Stewardship	\$300,000
							\$326,530
							\$242,234
CIP21-02	Multi-Fund	Crack and Slurry Seal	FY 20/21	FY 20/21	No Impact	City Asset Stewardship	\$200,000
							\$100,000
General Fund Total							\$868,862
General Fund: Grants and Capital Contributions							\$1,901,081
Non-General Fund Total							\$10,157,962
Capital Improvement Projects Total							\$12,927,905

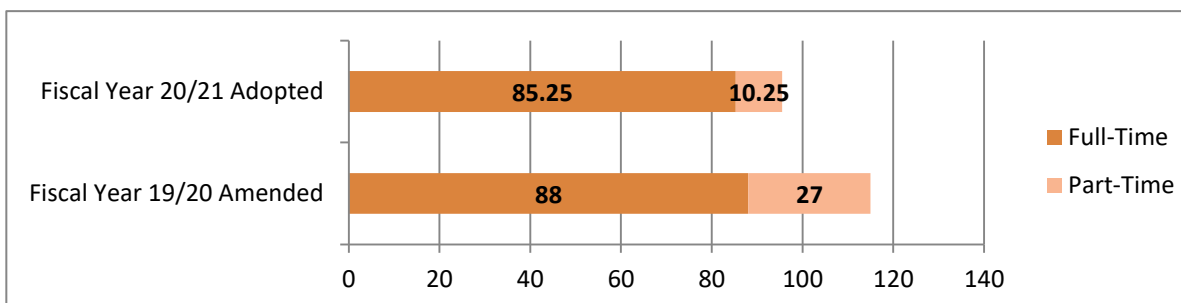


Position Overview

The City's position count includes full-time, part-time, seasonal, intern and temporary positions. Regular and part-time positions are represented as a percentage of a full-time position or the full-time equivalent (FTE) of a position. In Fiscal Year 20/21, the City primarily reduced staffing levels to assist with the economic impact of COVID-19; and related public health and safety limitations that were imposed on the Library and Recreation Department services. This included temporarily defunding 2.75 regular unfilled positions in the Library, Community Development, and Police Departments; and significantly reducing seasonal Recreation and on-call Library staff. In addition, all City employee associations and management staff agreed to participate in a 10% furlough to assist in bridging the budgetary shortfall.

In Fiscal Year 20/21, the City also changed the method of listing authorized on-call Library and seasonal Recreation positions. This transition combined with reductions in staffing, reduced the number of part-time FTE's from 27 to 10.25. Previously on-call and seasonal positions were authorized by a specific position title and FTE; however, this limited the department's ability to allocate hours between the different classifications to meet operational needs. To provide departments with greater flexibility, the City has allocated funding for these positions in a separate budgetary line item; with budgetary control maintained at a line item level, rather than controlled by the position title and FTE. Comparative information for these positions can now be found on the Library and Recreation Department Budget pages in a separate expenditure category.

A brief explanation for the change in authorized positions is listed below, followed by three years of detailed staffing levels for each department on the subsequent pages.



Position Changes	Net Change
<ul style="list-style-type: none"> Reduction for a vacant Administrative Technician in the Community Development Department in FY 20/21. This position remains authorized. 	-0.75
<ul style="list-style-type: none"> Defund the Library Director and Senior Librarian for FY 20/21; and replace one position with a Senior Program Manager. The vacant position remains authorized. 	-1.00
<ul style="list-style-type: none"> Defund a vacant Police Officer position in FY 20/21. This position remains authorized 	-1.00
<ul style="list-style-type: none"> Delete a temporary Police Department Program Manager position, with a contract ending June 30, 2020 	-0.50

- Decrease a part-time Intern position in the Community Development Department -0.50
- Decrease Part-Time, On Call, and Temporary, Library and Library Clerk positions. These positions have been defunded due to limited operations as a result of COVID-19. -4.75
- Decrease Recreation Department Part-Time Seasonal and Temporary staff due to COVID-19 restrictions and budget constraints. This is partially due to the new method of monitoring positions, as well as staffing reductions. Please note that \$89,000 in funding has been allocated for seasonal and temporary Recreation staff in the FY 20/21 budget. This can be compared to an estimated FY 19/20 amount of approximately \$103,000; and an actual amount of approximately \$138,000 in Fiscal Year 18/19. -11.00

Total Position Changes -19.50

Due to the impact on City services, core revenues will be monitored on a monthly basis, as well as the overall budget on quarterly intervals. If there are signs of economic improvement or COVID-19 restrictions are reduced or lifted, consideration may be given to reinstating positions or reducing the furlough.

FY 20/21 AUTHORIZED STAFFING

					Actual	Adopted	Amended	Adopted	Amend / Adop.
					FY 18-19	FY 19-20	FY 19-20	FY 20-21	Difference
	Dept	Div.	Positions	Pos. #	FTE%	FTE%	FTE%	FTE%	FTE%
General Fund									
City Council									
Part-time									
	10	101							
			COUNCIL MEMBER	002-000	3.00	3.00	3.00	3.00	-
			MAYOR	001-001	0.50	0.50	0.50	0.50	-
			TOTAL CITY COUNCIL		3.50	3.50	3.50	3.50	-
			TOTAL		3.50	3.50	3.50	3.50	-
City Manager/Human Resources /City Clerk									
Full-time									
	12	121	CITY MANAGER	301	1.00	1.00	1.00	1.00	-
			HUMAN RESOURCES DIRECTOR	210	0.00	0.00	1.00	1.00	-
			HUMAN RESOURCES MANAGER	210	1.00	1.00	0.00	0.00	-
			CITY CLERK	243	1.00	1.00	1.00	1.00	-
			DEPUTY CITY CLERK	204	0.00	1.00	1.00	1.00	-
			MANAGEMENT ANALYST	208	0.25	0.25	0.18	0.18	-
			ADMINISTRATIVE TECHNICIAN	170	1.00	0.25	0.25	0.25	-
			TOTAL MANAGER FULL-TIME		4.25	4.50	4.43	4.43	-
Part-time									
			VOLUNTEER COORDINATOR	170	0.50	0.00	0.00	0.00	-
			TOTAL MANAGER PART-TIME		0.50	0.00	0.00	0.00	-
			TOTAL		4.75	4.50	4.43	4.43	-
Finance									
Full-time									
	13	131	ADMINISTRATIVE SERVICES DIRECTOR	304	0.75	0.85	0.85	0.80	(0.05)
			ADMINISTRATIVE SERVICES MANAGER	212	0.70	0.65	0.65	0.70	0.05
			MANAGEMENT ANALYST	208	2.55	2.25	2.38	2.33	(0.05)
			ACCOUNTING ASSISTANT	120	0.00	0.00	0.00	0.00	-
			SENIOR ACCOUNTING ASSISTANT		0.00	0.00	1.00	1.00	-
			ADMINISTRATIVE TECHNICIAN	170	1.00	1.00	0.00	0.00	-
			ACCOUNTANT	124	0.75	1.00	1.00	1.00	-
			TOTAL FINANCE FULL-TIME		5.75	5.75	5.88	5.83	(0.05)
Part-time									
	13	131	OFFICE ASSISTANT	104	0.50	0.50	0.00	0.00	-
	13	131	ACCOUNTING ASSISTANT	120	0.00	0.00	0.50	0.50	-
			TOTAL FINANCE PART-TIME		0.50	0.50	0.50	0.50	-
			TOTAL		6.25	6.25	6.38	6.33	(0.05)
Community Development									
Full-time									
	20	201	COMMUNITY & ECONOMIC DEV. DIRECTOR	168	1.00	0.00	0.00	0.00	-
			COMMUNITY DEVELOPMENT DIRECTOR	205	1.00	1.00	1.00	1.00	-
			MANAGEMENT ANALYST	208	1.00	1.00	0.00	0.00	-
			CODE COMPLIANCE OFFICER	164	1.00	1.00	1.00	1.00	-
			ASSOCIATE PLANNER	168	2.00	2.00	2.00	2.00	-
			SENIOR PLANNER	169	0.00	1.00	1.00	1.00	-
			ADMINISTRATIVE TECHNICIAN	170	0.50	0.75	1.50	0.75	(0.75)
			SENIOR PROGRAM MANAGER	206	0.50	0.50	0.50	0.50	-
	20	204	SENIOR PROGRAM MANAGER	206	0.50	0.50	0.50	0.50	-
		241	PRINCIPAL PLANNER	241	1.00	0.00	0.00	0.00	-
			TOTAL COMMUNITY DEVELOPMENT FULL-TIME		8.50	7.75	7.50	6.75	(0.75)
Part-time									
	20	204							
			EXTRA HELP - RETIRED ANNUITANT	203	0.50	0.00	0.00	0.00	-
			HOUSING REHABILITATION INSPECTOR	71	0.50	0.00	0.00	0.00	-
			ADMINISTRATIVE TECHNICIAN	170	0.00	0.50	0.50	0.50	-
			INTERN	64	0.50	0.50	0.50	0.00	(0.50)
			TOTAL COMMUNITY DEVELOPMENT PART-TIME		1.50	1.00	1.00	0.50	(0.50)
			TOTAL		10.00	8.75	8.50	7.25	(1.25)

FY 20/21 AUTHORIZED STAFFING

					Actual	Adopted	Amended	Adopted	Amend / Adop.
					FY 18-19	FY 19-20	FY 19-20	FY 20-21	Difference
	Dept	Div.	Positions	Pos. #	FTE%	FTE%	FTE%	FTE%	FTE%
General Fund									
Police Department (continued)									
Full-time									
	30	301	POLICE CHIEF	602	1.00	1.00	1.00	1.00	-
			POLICE COMMANDER	601	1.00	1.00	1.00	1.00	-
			POLICE ADMINISTRATIVE SERVICES MANAGER	201	1.00	1.00	1.00	1.00	-
			POLICE SERGEANT	524	4.00	4.00	4.00	4.00	-
			POLICE OFFICER ⁽¹⁾	516	15.30	15.30	15.30	14.30	(1.00)
			RECORDS SUPERVISOR	514	1.00	1.00	1.00	1.00	-
			PARKING ENFORCEMENT OFFICER/CSO	506	2.00	2.00	2.00	2.00	-
			ANIMAL CONTROL OFFICER	505	1.00	1.00	1.00	1.00	-
			ADMINISTRATIVE TECHNICIAN	170	1.00	1.00	1.00	1.00	-
			POLICE SERVICES TECHNICIAN	508	5.00	5.00	5.00	5.00	-
			TOTAL POLICE DEPARTMENT FULL-TIME		32.30	32.30	32.30	31.30	(1.00)
Part-time									
	30	301	POLICE RESERVE OFFICER	65	0.00	0.00	0.00	0.00	-
			ADMINISTRATIVE TECHNICIAN	229	0.00	0.00	0.00	0.00	-
			PROGRAM MANAGER	219	0.50	0.50	0.50	0.00	(0.50)
			CROSSING GUARD	40	0.50	0.50	0.50	0.50	-
			TOTAL POLICE DEPARTMENT PART-TIME		1.00	1.00	1.00	0.50	(0.50)
			TOTAL		33.30	33.30	33.30	31.80	(1.50)
Library									
Full-time									
	40	401	LIBRARY DIRECTOR ⁽¹⁾	217	1.00	1.00	1.00	0.00	(1.00)
			LIBRARIAN ⁽²⁾	208	0.75	1.75	1.75	1.75	-
			SENIOR LIBRARIAN	217	1.00	1.00	1.00	0.00	(1.00)
			PROGRAM MANAGER, SENIOR	206	0.00	0.00	0.00	1.00	1.00
			ADMINISTRATIVE TECHNICIAN ⁽²⁾	170	0.75	0.75	0.75	0.75	-
			LIBRARY TECHNICIAN ⁽²⁾	123	0.75	0.75	0.75	0.75	-
			SENIOR LIBRARY ASSISTANT	144	2.00	1.00	1.00	1.00	-
			TOTAL LIBRARY FULL-TIME		6.25	6.25	6.25	5.25	(1.00)
Part-time									
	40	401	LIBRARIAN	208	2.50	2.25	2.25	0.00	(2.25)
			LIBRARY CLERK	199	2.75	2.50	2.50	0.00	(2.50)
			TOTAL LIBRARY PART-TIME		5.25	4.75	4.75	0.00	(4.75)
			TOTAL		11.50	11.00	11.00	5.25	(5.75)
Information Services									
Full-time									
	133		PROGRAM MANAGER, SENIOR	206	0.00	0.95	1.00	1.00	-
			PROGRAM MANAGER	219	1.00	0.00	0.00	0.00	-
			MANAGEMENT ANALYST	208	0.05	0.25	0.75	0.75	-
			ADMINISTRATIVE SERVICES DIRECTOR	304	0.15	0.05	0.05	0.05	-
			TOTAL INFORMATION SERVICES FULL-TIME		1.20	1.25	1.80	1.80	-
Part-time									
	133		INTERN/IT TECHNICIAN		0.00	0.50	0.50	0.50	-
			TOTAL INFORMATION SERVICES PART-TIME		0.00	0.50	0.50	0.50	-
			TOTAL		1.20	1.75	2.30	2.30	-

FY 20/21 AUTHORIZED STAFFING

					Actual	Adopted	Amended	Adopted	Amend / Adop.
					FY 18-19	FY 19-20	FY 19-20	FY 20-21	Difference
	Dept	Div.	Positions	Pos. #	FTE%	FTE%	FTE%	FTE%	FTE%
Recreation									
Full-time									
	42	421	RECREATION						
			PUBLIC WORKS DIRECTOR	207	0.20	0.20	0.20	0.20	-
			PROGRAM MANAGER	219	1.00	1.00	1.00	1.00	-
			RECREATION COORDINATOR, SENIOR	217	0.44	0.00	0.00	0.00	-
			MANAGEMENT ANALYST	208	0.20	0.20	0.20	0.20	-
			RECREATION COORDINATOR	118	1.00	1.00	1.00	1.00	-
			OFFICE ASSISTANT ⁽¹⁾	104	0.00	0.75	0.75	0.75	-
			TOTAL RECREATION FULL-TIME		2.84	3.15	3.15	3.15	-
Part-time									
		421	RECREATION ASSISTANT II	51	4.50	3.50	3.50	0.00	(3.50)
			RECREATION ASSISTANT I	10	6.00	5.50	5.50	0.00	(5.50)
			RECREATION ACTIVITIES SUPERVISOR		0.00	1.50	1.50	0.00	(1.50)
			RECREATION COORDINATOR	118	0.50	0.50	0.50	0.00	(0.50)
			PRE-SCHOOL MANAGER	62	0.50	0.00	0.00	0.00	-
			TOTAL RECREATION PART-TIME ⁽³⁾		11.50	11.00	11.00	0.00	(11.00)
			TOTAL		14.34	14.15	14.15	3.15	(11.00)
General Fund									
Public Works									
Full-time									
	50	501	PUBLIC WORKS DIRECTOR	207	0.30	0.30	0.30	0.30	-
			CONSTRUCTION PROJECT SUPERVISOR	209	0.10	0.10	0.00	0.00	-
			CONSTRUCTION PROJECT MANAGER	209	0.00	0.00	0.10	0.10	-
			PROGRAMS MANAGER	219	0.75	0.75	0.00	0.00	-
			PROGRAM MANAGER, SENIOR	206	0.00	0.00	0.75	0.75	-
			MANAGEMENT ANALYST	208	0.40	0.40	0.40	0.40	-
		502	EQUIPMENT MECHANIC	156	2.00	2.00	2.00	2.00	-
		503	MAINTENANCE SUPERVISOR	154	0.50	0.50	0.50	0.50	-
			ADMINISTRATIVE TECHNICIAN	170	0.00	0.40	0.40	0.40	-
			CONSTRUCTION PROJECT SUPERVISOR	209	0.20	0.20	0.00	0.00	-
			CONSTRUCTION PROJECT MANAGER	209	0.00	0.00	0.20	0.20	-
			MAINTENANCE WORKER	132	7.00	7.00	7.00	7.00	-
			PUBLIC WORKS DIRECTOR	207	0.10	0.10	0.10	0.10	-
			MAINTENANCE WORKER, SENIOR	146	0.95	0.95	0.95	0.95	-
		505	MAINTENANCE SUPERVISOR	154	0.00	0.00	0.00	0.00	-
			ADMINISTRATIVE TECHNICIAN	170	0.00	0.10	0.10	0.10	-
			MAINTENANCE WORKER SENIOR	146	0.40	0.40	0.40	0.40	-
			PROGRAM MANAGER	219	0.25	0.25	0.25	0.25	-
			CONSTRUCTION PROJECT SUPERVISOR	209	0.20	0.20	0.00	0.00	-
			CONSTRUCTION PROJECT MANAGER	209	0.00	0.00	0.20	0.20	-
			MAINT TECH/SAFETY COORDINATOR	153	0.00	0.00	0.00	0.00	-
			ENGINEERING TECHNICIAN	102	0.00	0.00	0.00	0.00	-
			MAINTENANCE WORKER	132	3.70	3.70	3.70	3.70	-
			PUBLIC WORKS DIRECTOR	207	0.05	0.05	0.05	0.05	-
	01	513	ADMINISTRATIVE TECHNICIAN	170	0.25	0.25	0.25	0.25	-
			PUBLIC WORKS FULL-TIME		17.15	17.65	17.65	17.65	-
Part-time									
			CUSTODIAN	115	1.50	2.00	2.00	2.00	-
		505	MAINTENANCE WORKER	132	0.50	0.50	0.50	0.50	-
			ADMINISTRATIVE TECHNICIAN	170	0.10	0.00	0.00	0.00	-
			TOTAL PUBLIC WORKS PART-TIME		2.50	2.50	2.50	2.50	-
			TOTAL		19.65	20.15	20.15	20.15	-

FY 20/21 AUTHORIZED STAFFING

					Actual	Adopted	Amended	Adopted	Amend / Adop.
					FY 18-19	FY 19-20	FY 19-20	FY 20-21	Difference
	Dept	Div.	Positions	Pos. #	FTE%	FTE%	FTE%	FTE%	FTE%
Enterprise Funds									
Cemetery									
Full-time									
	60	601	MAINTENANCE WORKER	132	0.80	0.80	0.80	0.80	-
			MANAGEMENT ANALYST	208	0.10	0.20	0.00	0.00	-
			MAINTENANCE SUPERVISOR	154	0.20	0.20	0.20	0.20	-
			SENIOR PROGRAM MANAGER	206	0.00	0.05	0.00	0.00	-
			ADMINISTRATIVE SERVICES MANAGER		0.00	0.00	0.20	0.15	(0.05)
			ADMINISTRATIVE SERVICES DIRECTOR	601	0.00	0.00	0.00	0.05	0.05
			TOTAL CEMETERY FULL-TIME		1.10	1.25	1.20	1.20	-
Part-time			CEMETERY OFFICE ASSISTANT	136	1.00	1.00	0.75	0.75	-
			TOTAL CEMETERY PART-TIME		1.00	1.00	0.75	0.75	-
			TOTAL		2.10	2.25	1.95	1.95	-
Sewer									
Full-time									
	76	611	PROGRAMS MANAGER	217	1.00	1.00	0.00	0.00	-
			PROGRAMS MANAGER, SENIOR	206	0.00	0.00	1.00	1.00	-
			CONSTRUCTION PROJECT SUPERVISOR	209	0.50	0.50	0.00	0.00	-
			CONSTRUCTION PROJECT MANAGER	209	0.00	0.00	0.50	0.50	-
			MANAGEMENT ANALYST	208	0.40	0.40	0.40	0.40	-
			MAINTENANCE SUPERVISOR	154	1.30	1.30	1.30	1.30	-
			MAINTENANCE WORKER SENIOR	146	0.35	0.35	0.35	0.35	-
			MAINTENANCE WORKER	132	1.25	1.25	1.25	1.25	-
			PUBLIC WORKS DIRECTOR	207	0.35	0.35	0.35	0.35	-
			TOTAL SEWER FULL-TIME		5.15	5.15	5.15	5.15	-
			TOTAL		5.15	5.15	5.15	5.15	-
Special Revenue Funds									
Gas Tax									
Full-time									
	18	508	MAINTENANCE WORKER SENIOR	146	0.30	0.30	0.30	0.30	-
			MAINTENANCE WORKER	132	1.05	1.05	1.05	1.05	-
			TOTAL GAS TAX FULL-TIME		1.35	1.35	1.35	1.35	-
			TOTAL		1.35	1.35	1.35	1.35	-
Lighthouse									
Part-Time									
		413	LIGHTHOUSE DOCENT COORDINATOR	50	0.50	0.50	0.50	0.50	-
			CASHIER	90	1.00	1.00	1.00	1.00	-
			TOTAL LIGHTHOUSE PART-TIME		1.50	1.50	1.50	1.50	-
			TOTAL		1.50	1.50	1.50	1.50	-
Yount									
Full-time									
		510	MAINTENANCE WORKER	132	0.20	0.20	0.20	0.20	-
			TOTAL YOUNT FULL-TIME		0.20	0.20	0.20	0.20	-
			TOTAL		0.20	0.20	0.20	0.20	-
SLESF Police Officer									
Full-time									
		309	POLICE OFFICER SLESF	516	0.70	0.70	0.70	0.70	-
			TOTAL SLESF FULL-TIME		0.70	0.70	0.70	0.70	-
			TOTAL		0.70	0.70	0.70	0.70	-

FY 20/21 AUTHORIZED STAFFING

					Actual	Adopted	Amended	Adopted	Amend / Adop.
					FY 18-19	FY 19-20	FY 19-20	FY 20-21	Difference
	Dept	Div.	Positions	Pos. #	FTE%	FTE%	FTE%	FTE%	FTE%
Internal Service Funds									
Workers Comp									
Full-time									
	70	701							
			ADMINISTRATIVE SERVICES MANAGER	212	0.15	0.20	0.00	0.00	-
			MANAGEMENT ANALYST	208	0.05	0.05	0.19	0.19	-
			ADMINISTRATIVE SERVICES DIRECTOR	304	0.05	0.05	0.05	0.05	-
			TOTAL WORKERS COMP FULL-TIME		0.25	0.30	0.24	0.24	-
			TOTAL		0.25	0.30	0.24	0.24	-
Risk Management									
Full-time									
	70	702	ADMINISTRATIVE SERVICES MANAGER	212	0.15	0.15	0.15	0.15	-
			ADMINISTRATIVE SERVICES DIRECTOR	304	0.05	0.05	0.05	0.05	-
			MANAGEMENT ANALYST	208	0.00	0.00	0.00	0.05	0.05
			TOTAL RISK MANAGEMENT FULL-TIME		0.20	0.20	0.20	0.25	0.05
			TOTAL		0.20	0.20	0.20	0.25	0.05
			TOTAL FULL-TIME EMPLOYEES		87.19	87.75	88.00	85.25	(2.75)
			TOTAL PART-TIME EMPLOYEES		28.75	27.25	27.00	10.25	(16.75)
			GRAND TOTAL ALL DEPARTMENTS		115.94	115.00	115.00	95.50	(19.50)

(1) These positions have been defunded for FY 20/21; however they will remain authorized

(2) Three Library positions have been defunded in the first quarter of Fiscal Year 20/21. Two positions will be reinstated in the second quarter and the third position will be reinstated in December

(3) The Recreation part-time staff were previously monitored by FTE. To assist with flexibility and provide greater accuracy, these positions will now be presented as a separate line item on the department pages. In Fiscal Year 18/19, the actual temporary base expenditures were \$138,212. The year-end estimate for Fiscal 19/20 is \$102,664, the amount in the revised Proposed Fiscal Year 20/21 Budget is \$89,000. There are no on call Library positions currently budgeted in Fiscal Year 20/21.

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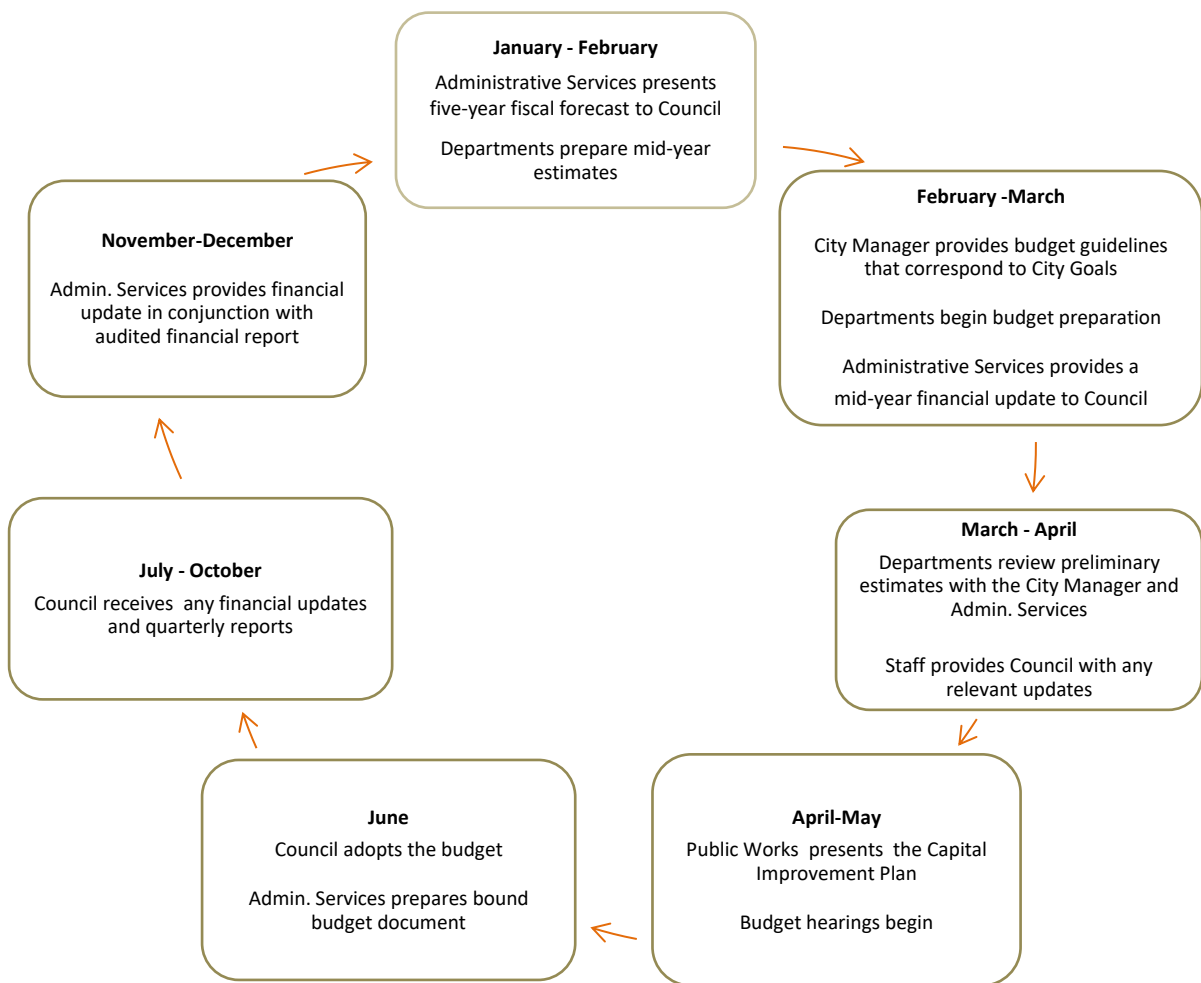
Budget Overview



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Budget Overview

The City uses a five-year fiscal planning horizon to assist in developing the annual budget. This forecast is developed to assist decision-makers in identifying important trends and understanding long-term consequences of budget decisions. This forecast, as well as the City's Goals is used as the foundation for the annual budget. Based on the City's Financial Management Policy, the City is required to maintain a balanced operating budget; along with using one-time revenues to fund non-recurring expenditures. The budget cycle represents a continuous process of monitoring and managing City funds. Representatives from each department work with Department Heads to prepare departmental and program budgets, while the Administrative Services Department projects organizational-wide revenues. The Public Works department prepares the annual capital improvement budget. A complete overview of the Capital Improvement Plan (CIP) process is included within the CIP section of this document. In addition to the processes listed below, quarterly budgetary updates are provided to Council. An overview of that annual budget process is presented in the chart listed below.



Basis of Budget and Accounting

The City's budgetary records are maintained on a modified accrual basis for both Governmental and Proprietary Funds. Under a modified accrual basis of accounting, amounts are recognized when revenues are both measurable and available; and expenditures are recorded when goods and services are received and a liability is incurred.

The City's Governmental Funds are also reported on a modified accrual basis of accounting in the City's Comprehensive Annual Financial Report (CAFR) fund statements; however the Enterprise and Internal Service Funds are reported on a full accrual basis in the CAFR. The City's budget for Proprietary funds differs from their financial statement presentation, in that capital outlay and debt service payments are listed as an expense to assist with budgetary control; and depreciation costs are excluded.

Level of Budget Control

The City Council adopts an annual appropriated budget for planning, control, and evaluation purposes. Budgetary control and evaluation are monitored throughout the year by comparing actual revenues and expenditures to the corresponding budgeted amounts. The City maintains budgetary control at the fund level, and in the case of the General Fund, at the department or program levels to the Adopted or Amended budgets. Financial updates are provided to the City Council and the public through formal presentations, an annual fiscal forecast, and quarterly reports.

Budget Amendments

Amendments to the budget at these levels can only be approved by the City Council. The City Manager has the authority to transfer funds within a given fund and between department appropriations to ensure that programmatic budgets may adapt through the year to evolving circumstances. In the next fiscal year, staff plans to review the City's budget amendment practices and may formally consider controlling project budgets at the project level.

Cost Allocation / Indirect Costs

In Fiscal Year 17/18, the City completed a formal Cost Allocation Plan and Fee Study. The Cost Allocation plan serves as the basis for allocating central support department costs to operational functions and developing overhead rates. Central support departments include: City Council, City Attorney, City Manager, Administrative Services, Information Services, Mechanical, and Building and Grounds Maintenance. Costs are allocated based on the support activities, including number of financial transactions; square footage of buildings, number of computers, percent of budget, and number of full-time equivalent employees. Indirect costs are charged to the City's enterprise funds based on this method. A similar method is used to allocate costs for internal service funds; however the basis is unique to each fund. Additional information on internal service funds can be found on the relevant budget page.

Guide to Program Budgets

Program budgets are presented with an emphasis on each program's purpose and objectives for Fiscal Year 20/21. To the extent applicable, budgets include the following information:

Mission

Indicates the fundamental purpose for the program.

Services and Responsibilities

Describes the functions performed to fulfill the mission.

Budget Summary

Displays the budgeted expenditure level for Fiscal Year 20/21; and compares the amounts with the Estimated and Adopted budgeted expenditures for Fiscal Year 19/20; and the actual expenditures for Fiscal Years 17/18 and 18/19. The summarized expenditure categories include: Salary and Benefits, Services and Supplies, non-operating transfers, debt service (including lease payments), and capital. This section also includes the number of full-time equivalent (FTE) staffing positions that were authorized for each year.

Goals and Objectives

Includes specific goals and initiatives that will be completed in the budget year, as well as accomplishments achieved in the prior year.

Workload and Performance Indicators

Provides objective, quantitative measures that can help clarify the relationship between resources and services. Over time, with a series of high-quality performance measures and explanatory management information, budget decisions can be made with a clearer understanding of budget consequences. Staff will continue to develop this information, with the goal of providing more robust performance information in coming years.

Fund Types

Department and program information are included in the subsequent sections of the document. All funds are separated by fund type, such as General Fund, Internal Services, Fund Enterprise Fund, Permanent Funds, or Special Revenue Funds. All funds included in this budget are included in the City's audited financial statements. The General Fund Sub Funds are rolled into the General Fund for financial statement reporting purposes.

A fund classification guide is provided for reference on the following page.

Funds Classification Guide

General Fund	Internal Service Funds	Special Revenue Funds
Asset Seizure	Employee Benefits	ASBS Grant
Civic Center	Liability Insurance	Cal Home Reuse
Drug Awareness (DARE)	Other Post-Employment Benefits	Carillion
Hyperbaric Chamber	Workers Compensation	CDBG Grant
Koo Estate Donation		Chautauqua Hall
Operating Donations		Clean Beaches
Recreation Donation Fund		Coastal Conservancy Grant
Stillwell Children's Pool		Downtown Business District
Vehicle Replacement		Environmental Enhancement
		Fire Emergency Equipment
		Gas Tax Fund
		General Plan Maintenance Fee
		Hospitality Improvement District
		Housing Fund
		Library Building & Equipment
		Library Book Donations
		Lighthouse
		Local Streets and Roads
		McIndoo Donations
		Museum Improvements
		Operating Grants
		Poetry Promotion
		Public Safety Augmentation
		Regional Safety Trans.
		Road Maint. & Rehab. (RMRA)
		Senior Housing
		Sewer Lateral Loans
		State Franchise PEG
		Strong Fund Disbursements
		Supplemental Law Enforcement
		Vehicle Abandonment
		Yount Income

Enterprise Funds	Capital Projects	Debt Service	Permanent
Cemetery	Building & Facilities Impr.	Butterfly Habitat Bond	Cemetery Endowment
Golf	General Fund CIP		Library Endowment
Local Water Project			Yount Trust
Sewer			

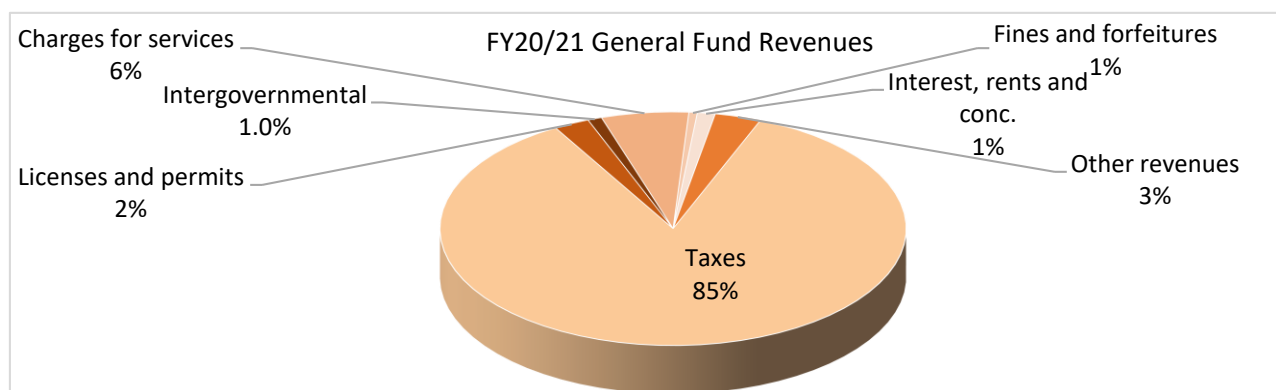
General Fund Revenues

The COVID-19 pandemic is projected to have a significant impact on City revenues. At the time this document was prepared, many hotels, restaurants, and small businesses are only able to operate in a limited capacity or are closed due to the Shelter-in-Place Order. The City's Fiscal Year 19/20 year-end estimates, as well as the Fiscal Year 20/21 revenue estimates were developed under much uncertainty. While there are discussions and plans to lift some of the restrictions, it is still unknown when public safety measures will be reduced or any limitations. There is also some uncertainty as to how comfortable individuals will be with resuming travel, dining, and shopping activities.

The General Fund Revenues for the Fiscal Year 20/21 that are projected to be impacted by COVID-19 are projected to ramp-up during the fiscal year. Factors were not included for a potential recurrence of the COVID-19 in the Fall or Winter of 2020. The Fiscal Year 20/21 General Fund revenues are projected to be approximately \$21.3 million, which represents a decrease of \$3.7 million or 15% less than the Adopted Budget. The Fiscal Year 19/20 estimates reflect reductions in transient occupancy taxes, sales taxes, parking meter revenues, and recreation fees, and facility rental revenues. The Estimated FY 19/20 Budget includes one-time transfers of \$324,572 from the Other Post-Employment Benefits Fund (OPEB) Fund; and a \$99,023 from the Civic Center Fund to assist the General Fund. An overview of General Fund revenues is provided below:

Revenues	FY 17/18 Actual	FY 18/19 Actuals	FY 19/20 Adopted	FY 19/20 Estimated	FY 20/21 Adopted
Taxes	\$19,754,218	21,018,950	\$21,595,000	\$19,574,985	\$18,178,000
Licenses and permits	521,403	547,193	499,000	631,350	525,000
Intergovernmental	87,478	92,206	36,000	401,346	208,000
Charges for services	1,643,238	1,585,099	1,607,000	1,494,260	1,288,000
Fines and forfeitures	282,841	169,534	85,000	122,400	124,000
Interest, rents and conc.	238,410	463,925	363,000	384,000	262,000
Other revenues	357,749	527,105	827,572	1,089,165	683,000
Totals	\$22,885,337	\$24,404,012	\$25,012,572	\$23,697,506	\$21,268,000

Tax revenues represent approximately 85% of the budget, with the largest share generated from property tax, transient occupancy tax, and sale tax revenues. In Fiscal Year 19/20, the City is projecting a 15.8% or \$3.4 million decrease in tax revenues over the FY 19/20 Adopted Budget. Additional details regarding the projections are included in the subsequent section.

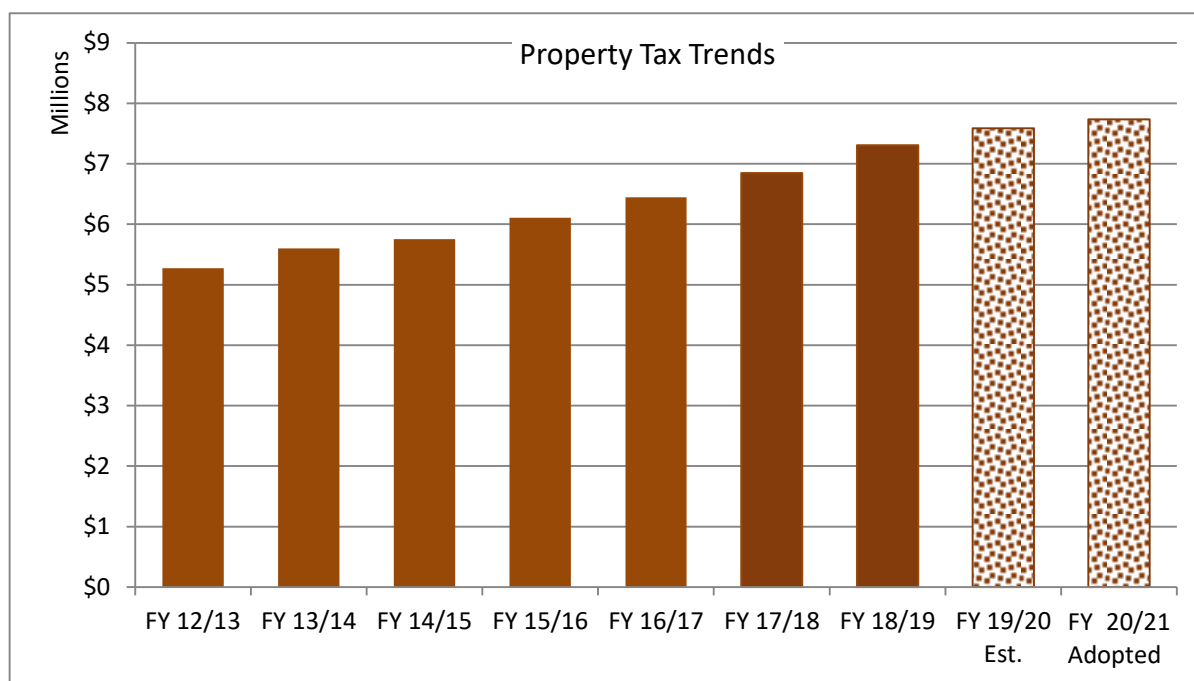


Core General Fund Revenues

Property Tax

Property taxes are an Ad Valorem Tax imposed on real property, as well as tangible personal property. In 1978, California voters adopted Proposition 13 which created a comprehensive system for the assessment and limitation of real property taxes. Property owners pay tax based on their assessed full value. Proposition 13 set the Fiscal Year 75/76 assessed values as the base year for future annual inflationary assessed values, with a growth rate limited to 2% for any given year. The County Assessor also re-appraises each real property parcel when there are purchases, construction, or other statutorily defined, “changes in ownership”. Proposition 13 limits the property tax to 1% of each property’s full value, plus overriding rates to pay for voters’ specifically approved indebtedness. The City receives approximately sixteen cents of every dollar of the property tax paid on properties assessed within the City, with the balance distributed to the Pacific Grove Unified School District, County of Monterey, and local special districts.

In Fiscal Year 20/21, Property tax revenues represent 36.3% or \$7.7 million in General Fund revenues. Property tax revenues are less likely to respond quickly to changes in the economy. The City references assessment data provided by the Monterey County Assessor’s Office, along with projections for any confirmed major property developments in the City. Over the last three years, the property tax revenues have increased by an average annual increase of 6% or \$287,000. Due to the economic effects of COVID-19, the City is projecting a slower growth rate due to potential declines in home sales and possible delays in property tax payments. Reductions in property taxes revenues are not anticipated in Fiscal Year 20/21; however there could be future impacts if the economy does not recover in the near-term. The Fiscal Year 20/21 estimates are based on a 2% growth rate on real property, with supplemental and personal property assessment receipts remaining flat. Within the chart below, the lowest percentage of increase was experienced in Fiscal Year 2014/15, where property taxes increased by 2.7% over the prior year. An overview of property tax trends is provided below.

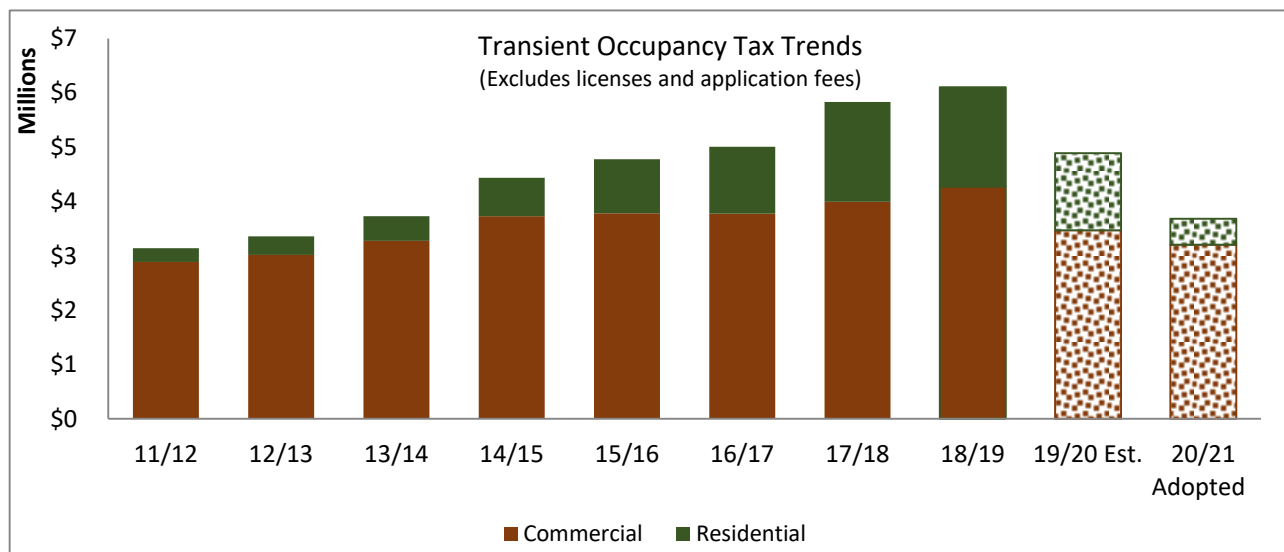


Transient Occupancy Tax (TOT)

Transient Occupancy Tax (TOT) is a lodging tax that is collected on overnight rental accommodation stays of 30 consecutive days or less. It is the General Fund's second largest source of revenue. In 2010, the City updated its municipal code and began collecting TOT on residential or short-term rental properties (STRS). Over the last two years, significant changes have taken place related to short-term rental licensing and TOT revenues. In Fiscal Year 17/18, the City approved an ordinance to reduce the number of short-term rentals, with an effective date of April 30, 2019. A one-time lottery was also conducted that eliminated 51 STR licenses to meet the ordinance's new density requirements. At the beginning of Fiscal Year 19/20 there were approximately 200 properties, with an additional 12 home-sharing licenses.

In November of 2018, 74.9% of voters approved Measure U, allowing the City to increase the TOT rate from 10% to 12%. This new rate became effective on July 1, 2019. While this initiative was placed on the ballot to assist with funding capital improvement projects, deferred maintenance, and rising pension costs; this increased tax is anticipated to be offset by Measure M, a successful citizen's initiative. Measure M, which eliminates STR's outside of the Coastal and Commercial zones, also became effective in May of 2020. This reduction is reflected in Fiscal Year 20/21 revenues.

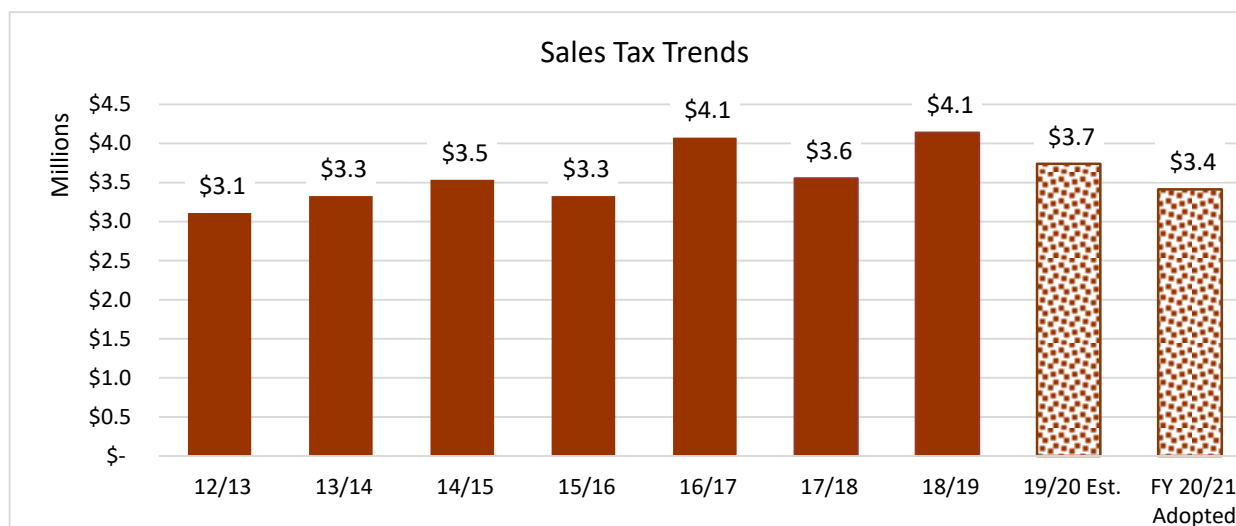
The following chart provides information on historical TOT trends, as well as the projected TOT increase in Fiscal Year 19/20 as a result of Measure U. In March of 2020, a Shelter-in-Place order was initiated due to COVID-19, which disallowed non-essential travel. Ten of the City's 27 commercial properties closed shortly after the announcement, with only a partial month of TOT revenues generated in March; with total projected reductions of \$1.8 million through the end of the fiscal year. Due to this projected loss, the increase in the TOT rate will not be apparent within the chart. The City referenced a "ramp-up" analysis from Monterey County Convention and Visitor's Bureau (MCCVB) in projecting Fiscal Year 20/21 revenues. This analysis referenced local data, leading travel publications, as well as estimated disruption curves for other countries. The Fiscal Year 20/21 TOT revenues are anticipated to decline by approximately 36% or \$2.1 million due to COVID-19; with an additional projected reduction of \$900,000 due to the decrease in the number of STR properties from approximately 200 to 71 units. The estimates do not include a factor for a reoccurrence of COVID-19.



Sales Tax

Sales tax revenues represent approximately 16% of the City's General Fund revenues. In Fiscal Year 20/21, sales tax revenues are projected to be \$3.4 million. As of April 1, 2017, the combined sales tax rate for Pacific Grove is 8.75%. The General Fund portion of the City sales tax is comprised of a 1% Bradley-Burns statutory sales tax rate and Measure U, a 1% Transaction and Use Tax that was approved by voters in 2008. The Administrative Services Department works closely with HdL, the City's sales tax consultant, on tax recovery, statistics, and projections. Sales tax projections are based on a combination of estimates provided by HdL, internal quarterly analyses, and the impact of one-time events. In Fiscal Year 20/21, the City also referenced the State's budget assumptions for sales tax revenues to assist in validating the internal and HdL projected impacts of COVID-19 on City finances. In the current and proposed fiscal year, revenues are anticipated to be approximately 16% less than originally anticipated due to COVID-19. These projections do not include a factor for the potential reoccurrence of COVID-19 in the Fall or Winter of Fiscal Year 20/21.

The chart listed below provides information on General Fund sales tax revenues. In Fiscal Year 16/17, there was a timing difference of approximately \$300,000 associated with the final trip payment, as well as a timing difference in sales tax receipts. Additional timing differences continued in Fiscal Year 17/18 that resulted from the State's implementation of a new software system which delayed payments to municipalities. Approximately \$170,000 in revenues that were attributed to Fiscal Year 17/18 was not received until the middle of Fiscal Year 18/19. The rise in Fiscal Year 18/19 is related to the delayed payments, as well as stronger performance. Prior to COVID-19, the Fiscal Year 19/20 mid-year estimate for sales tax was \$4.2 million. Following COVID-19, sales tax receipts are projected to decrease by approximately \$432,000 and \$758,000, respectively when compared to the average of the Fiscal Year 18/19 and original FY 19/20 mid-year estimates.



The City may consider placing an additional 0.50% transaction and use tax on the November 2020 ballot to assist with revenue shortfalls, fund deferred street maintenance, and support key projects.

The City also benefits from regional sales taxes that benefit the community. Effective on April 1, 2015, the Monterey Salinas Transit implemented a 0.125% Transaction and Use Tax (TUT) countywide. The MST tax was designed to fund transport services to fund senior, veteran, and persons with disabilities services. This was followed by a countywide TUT of 0.375% which was implemented by voters on behalf of the Transportation Agency for Monterey County (TAMC). The TAMC funds are used to support a variety of local and regional transportation projects. In Fiscal

General Fund Expenditures

The projected economic impacts related to COVID-19 have required the City to implement cost savings measures in Fiscal Year 19/20 and Fiscal Year 20/21. During the mid-year budget presentation in March 2020, the General Fund expenditure budget was increased to \$26.9 million, with increases largely attributed to capital funding. Shortly after the budget was amended, the County and State issued a shelter in place order. To be proactive in responding to potential revenue declines, the City reduced expenditures by \$828,000.

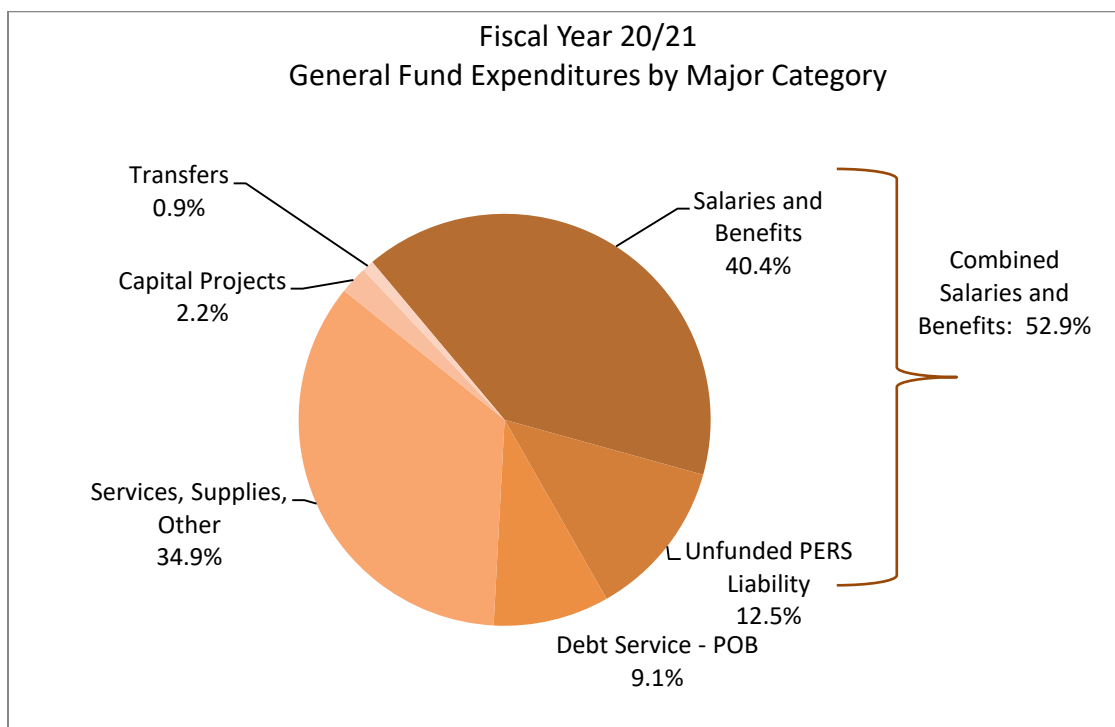
In Fiscal Year 20/21, the City has continued to place emphasis on cost-containment due to COVID-19. General fund expenditures have been reduced by \$3.6 million or 13.7% as compared to the prior year's Adopted Budget. Some of the primary differences between the FY 19/20 Adopted Budget and the FY 20/21 Proposed Budget are listed below:

- Establishing a 10% furlough for all regular staff
- Reducing key annual contracts by 10%
- Savings from temporarily defunding 2.75 regular positions
- Defunding select on-call, seasonal, and temporary positions
- Rising CalPERS Unfunded Liability payments
- Implementing negotiated salary increases; and regular step increases
- Placing emphasis on eliminating non-essential expenditures
- Reducing the investment in capital projects
- Eliminating capital outlay expenditures

An overview of General Fund expenditures by category is presented below:

Expenditures by Type	FY 17/18 Actual	FY 18/19 Actual	FY 19/20 Adopted	FY 19/20 Estimated	FY 20/21 Adopted
Operating					
Salaries	\$10,427,648	\$12,120,897	\$12,895,710	\$12,550,992	\$12,089,779
Services, Supplies, Other	8,572,625	8,265,657	8,955,968	8,648,071	7,988,294
	\$19,000,273	\$20,386,554	\$21,851,678	\$21,199,063	\$20,078,073
Non-Operating					
Capital Outlay	304,121	403,115	246,000	209,181	-
Capital Projects	652,651	1,657,490	1,960,000	2,175,344	500,000
Debt Service	1,969,129	1,988,117	2,008,778	2,026,796	2,078,250
Interfund Transfers	547,486	312,000	416,507	416,507	210,000
Total	3,473,387	4,360,722	4,631,285	4,827,828	2,788,250
Total Expenditures	\$22,473,660	\$24,747,277	\$26,482,963	\$26,026,891	\$22,866,323

The following chart displays the percentage of expenditures by category. Salaries and benefits represent 52.9% of the General Fund expenditures and 60.2% of all operating costs. Approximately 21.6% can be attributed to supporting the PERS Unfunded Liability and the debt service on the pension obligation bond. The second largest share of costs relate to the Services, Supplies, and Other Category.



Salaries and Benefits

Salaries and benefits represent 52.9% of the City's expenditures prior to considering the debt service that was used to refinance the CalPERS side fund. The Proposed FY 20/21 Salaries and Benefits category decreased by approximately 6.24% or \$805,931 when compared to the Adopted Budget, with approximately \$850,000 is attributed to the proposed 10% furlough schedule. The remaining increase can be attributed to increases in cost of living increases and medical benefits associated with the GEA and MEA contracts and step increases. A list of the position changes is included in the Position Authorization section of this document.

While pension costs are a significant part of the budget, the City has implemented cost savings measures to assist with cost containment. In addition to employees paying their regular share of the pension cost, all Classic General Employees' Association (GEA), Management Employees' Association, and Management employees are paying 7% of their regular pension costs, plus 5% of the City's share of pension costs. In the prior and new Police Officer's Association (POA) contract, Classic employees are continuing to pay 3% of the City's share of normal pension costs. This amount is in addition to their regular 9% contribution. The GEA and MEA MOU's expire on June 30,

2023 and the POA MOU expires on June 30, 2021. The projections for Fiscal Year 20/21 reflect the current agreements and the side letters pertaining to furloughs. All bargaining units have entered into side letter agreements pertaining to 10% furloughs, with the exception of POA. A 10% reduction has been incorporated into the budget to reflect the anticipated POA agreement. An overview of the City's and employee's share of normal pension costs is listed below.

Fiscal Year 20/21 Share of Normal Pension Costs						
	Classic			PEPRA		
	Employee	City	Total	Employee	City	Total
GEA	12.000%	5.939%	17.939%	6.750%	7.732%	14.482%
MEA	12.000%	5.939%	17.939%	6.750%	7.732%	14.482%
POA	12.000%	20.664%	32.664%	13.000%	13.044%	26.044%
Management	12.000%	5.939%	17.939%	6.750%	7.732%	14.482%

The table listed below demonstrates the projected impact of the negotiated cost share on the employer's share of normal costs. While there haven't been any major changes in the employer's normal contribution percentage, the chart listed below illustrates the impact of the cost containment measures in relation to the normal costs, while also emphasizing the continuing ramp-up of the unfunded actuarial accrued liability (UAL). Due to the investment losses that PERS sustained, additional information regarding long-term PERS UAL payments will be provided as soon as they are available.

	2017-18 Actual	2018-19 Actual	2019-20 Estimated	2020-21 Adopted	Change over Prior Year
<u>Normal Cost</u>					
Classic Miscellaneous	162,521	175,230	229,379	213,399	(15,980)
Classic Safety	278,696	294,387	313,484	312,477	(1,007)
PEPRA Miscellaneous	125,338	133,175	122,335	129,564	7,229
PEPRA Safety	91,892	98,129	99,397	106,700	7,303
Sub total	658,447	700,921	764,596	762,140	(2,455)
<u>Unfunded Liability</u>					
Classic Miscellaneous	641,228	822,298	1,016,177	1,152,866	136,689
Classic Safety	1,073,112	1,333,203	1,621,681	1,821,383	199,702
PEPRA Miscellaneous	249	1,119	2,432	12,968	10,536
PEPRA Safety	229	760	1,733	9,783	8,050
Sub total	1,714,818	2,157,380	2,642,023	2,997,000	363,027
Total	\$2,373,265	\$2,858,301	\$3,406,619	\$3,759,140	\$360,572

General Fund Expenditures by Department

The following table provides information relating to departmental expenditure trends. General decreases within all departments reflect a 10% furlough, temporarily defunded positions, and reductions in contracts and professional services. The City is also contributing the minimum amount to the Capital Improvement Fund to meet maintenance of effort (MOE) requirements that are required to receive additional funding for street-related projects.

Expenditures by Department	FY 17/18 Actual	FY 18/19 Actual	FY 19/20 Adopted	FY 19/20 Estimated	FY 20/21 Adopted
City Council	318,390	496,112	359,55	360,510	344,119
City Manager	867,395	926,950	975,268	910,181	972,070
Legal Services	407,102	462,219	447,876	434,876	404,500
Finance	1,088,758	1,120,680	1,140,534	1,087,122	1,138,050
Information Services	276,718	412,897	748,401	707,143	671,079
Police	5,950,399	6,433,048	6,785,642	6,529,877	6,266,941
Fire	3,328,453	3,336,838	3,444,584	3,490,507	3,435,000
Public Works	3,184,704	3,129,527	3,618,747	3,572,984	3,502,635
Community Development	1,764,385	1,849,769	2,231,383	2,151,017	1,748,662
Library	914,096	1,127,658	1,137,789	1,037,076	690,455
Recreation	648,451	782,700	702,049	649,143	653,512
Museum	251,422	308,156	260,150	268,627	251,050
Subtotal	\$19,000,273	\$20,386,555	\$21,851,678	\$21,199,063	\$20,078,073
Non-Departmental					
Capital Outlay	304,121	403,115	246,000	209,181	-
Capital Projects	652,651	1,657,490	1,960,000	2,175,344	500,000
Debt Service	1,969,129	1,988,117	2,008,778	2,026,796	2,078,250
Interfund Transfers	547,486	312,000	416,507	416,507	210,000
	\$22,473,660	\$24,747,277	\$ 26,482,963	26,026,891	\$22,866,323

Fund Balance Policy

The City's Budget and Financial Management Policy establishes reserve levels to ensure that there are sufficient funds to manage reasonable risks, meet unanticipated needs, capitalize on opportunities, and provide for reasonable contingencies. The City's policy levels were evaluated and updated in Fiscal Year 17/18 to support the City Council goal of maintaining financial sustainability. As part of the evaluation process, the City referenced Best Practices as identified by the Government Finance Officers Association (GFOA), comparable City information, and related financial benchmarks. A consultant also assisted staff in completing GFOA's structured approach for assessing risk. This effort resulted in establishing a minimum General Fund unassigned fund balance level of at least 35% of operating and debt service expenditures. The unassigned fund balance categories associated with this policy are listed below:

- Cash Flow: 20%
- Fiscal Stability: 10%
- Contingencies/Strategic Opportunities: 5%



While the City's goal is to maintain these policy levels; there could be a circumstance when the City needs to access the funds. If the unassigned fund balance falls below the established levels, there is a provision to try to make every effort to restore the reserves to the stated level within five years.

As part of the annual budget process, the City estimates the net impact of revenues and expenditures on the unassigned fund balance to determine if the ending balance will meet policy levels. In Fiscal Year 20/21, there is a projected drawdown of fund balance of \$1.6 million. This is largely due to revenue losses associated with the COVID-19 pandemic. While this brings the City's unassigned fund balance to \$746,000 below the recommended policy levels, the Fiscal Stability reserves have been set aside for this purpose. The calculation to confirm policy levels for the fiscal year ending June 30, 2021 is listed below:

Fiscal Year 20/21	Percent	Amount
Estimated ending General Fund operating balance		\$7,009,000
Operating Expense		\$20,078,000
Debt Service		2,078,000
Subtotal		<u>\$22,156,000</u>
Reserve Calculation:		
Cash Flow	20%	\$4,431,000
Fiscal Stability	10%	2,216,000
Contingency / Strategic Opportunity	5%	1,108,000
Minimum Policy Limits	35%	<u>\$7,755,000</u>
Amount above or below policy levels		\$746,000

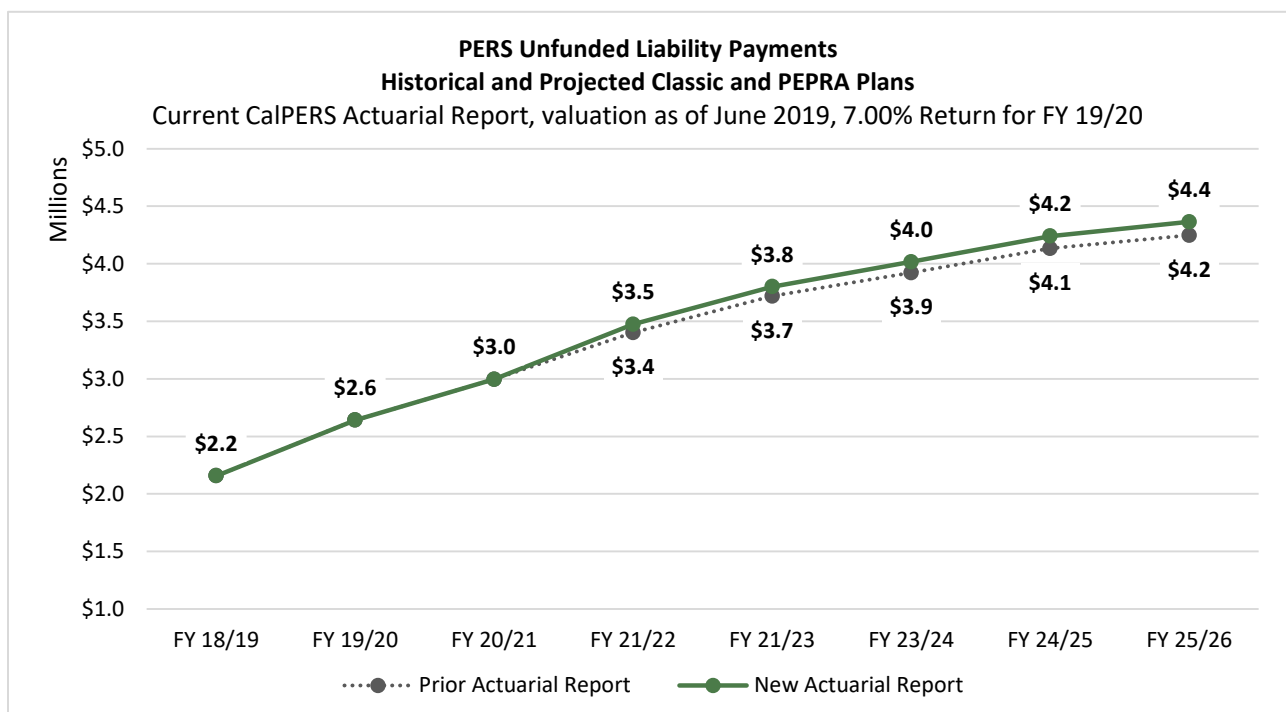
Additional information regarding the City's Budget and Financial Management Policy can be found in the Supplementary Information of this document.

General Fund Five-Year Forecast and Financial Planning

The City's Budget and Financial Management Policy includes a provision to conduct a General Fund five-year forecast as part of the annual budget process. The forecast typically provides a foundation on which the Council bases its discussion and direction; as well as an opportunity to align fiscal planning with strategic goals. The forecast attempts to quantify the City's fiscal status over the next five years by projecting revenues and expenditures; and provides an order of magnitude feel for the General Fund's ability to provide services and preserve fiscal sustainability. It is considered a "work in progress" as the forecast is updated prior to budget hearings, as well as for new information or special studies. The City's most recent five-year forecast was prepared in early March 2020. Due to COVID-19, this forecast quickly became obsolete and was omitted from this section. An update to the forecast is planned after the first quarter of Fiscal Year 20/21. This will provide additional time for the City to evaluate whether key revenues are performing consistent with ramp-up assumptions, assess any updates to COVID-19 restrictions, and incorporate updated CalPERS unfunded liability contributions into the forecast.

One of the most significant long-term challenges that municipalities face is rising pension costs. The adjacent chart provides historical unfunded liability contributions; and the most recent and prior year CalPERS projections for the City's unfunded pension liability over an eight-year period. Over the projected period, annual payments towards the unfunded liability are anticipated to rise from \$3.0 million to \$4.4 million. The contrast between the two actuarial reports is provided to illustrate some of the volatility associated with the payments that could take place in outlying years. The CalPERS forecast is based on the current CalPERS actuarial report which assumes that there are no changes in the discount rates, amortization schedules, or CalPERS assumptions. It does not reflect changes related to the Fiscal Year 19/20 declines in investment performance.

As of July 15, 2020, CalPERS reported a twelve-month investment return rate of 4.7% for Fiscal Year 19/20, as compared to the 7% return that was included in the chart.



While there is a need to update the assumptions included in the General Fund forecast, the preliminary projection as well as earlier fiscal planning sessions identified an unmet need. The initial March projection included a baseline scenario, as well as a sensitivity analysis to gauge the impact of a 3% increase or decrease in revenues for the periods from Fiscal Year 21/22 to Fiscal Year 24/25. The planned projection included a \$1 million capital improvement program, PERS unfunded liability estimates, MOU provisions, conservative increases in operating revenues and expenditures; and an offsetting \$940,000 reduction in debt service payments on pension obligation bonds. The resulting Fiscal Year 24/25 projected ending fund balance resulted in an Unassigned Fund Balance below the identified reserve policy levels. In addition, the initial 3% sensitivity projections did not prepare the City for the 15% or \$3.7 million reduction in revenues that is projected as a result of COVID-19. Proactive measures were taken to reduce the amount of expenditures by \$3.6 million to minimize the impact to reserves.

The original five-year forecast included a \$1 million capital improvement budget as a placeholder for further discussions. The City Council's Strategic Goals included Complete Streets (street and sidewalk related projects), City Asset Stewardship, and Community Responsiveness. An emphasis was placed on funding street improvements identified in the City's new Pavement Management Plan; supporting park, trail, and forestry projects; and investing in technologies to enhance public communication and services. To make significant progress on these goals, a greater General Fund contribution was needed to fund these objectives, while also supporting rising pension costs and maintaining policy levels. During financial planning sessions, the need for a potential new revenue source had been discussed; however a conclusion had not been reached. This need became more prevalent due to the projected impacts of COVID-19. To assist in bridging the potential funding gap, the City placed an initiative on the November 2020 ballot to increase the sales tax rate by 0.50% (half percent). If successful, this initiative is anticipated to provide an additional \$1 million in revenues.

Overall, the City still benefits from strong reserve or unassigned fund balance levels. The Fiscal Year 20/21 estimated ending Unassigned General Fund balance is projected to be \$7 million. The Sewer Fund includes capital improvements that result in a planned drawdown from fund balance; however these improvements were identified in a multi-year sewer master plan; and funded through approved rate increases. Additional funds are budgeted with planned reductions in fund balances; however they are primarily related to capital improvements or activities that support the funds purpose. In Fiscal Year 19/20, a need was identified to assist the Local Water Project and the Golf Course Fund increase their fiscal sustainability levels. Solutions for more efficient operations or rate increases are being considered for the Local Water Project, while a new concessionaire agreement for the Golf Course restaurant is planned to increase the Golf Course Fund revenues, while also requiring the tenant to assume the restaurant utility costs.

The Administrative Services Department also provides monthly updates to Council and the public on key General Fund revenues, which include property tax, transient occupancy tax, and sales tax to assist in monitoring the impacts of COVID-19. In addition, quarterly reports provides updates on the General Fund and Enterprise Fund budgets. This information will assist in monitoring finances in the short-term, while also providing the foundation for stronger long-term projections.

Long-Term Debt

The City's Budget and Financial Management Policy provides guidance on long-term borrowing. This includes limiting the use of long-term financing to funding capital improvement projects and equipment. Section 18 of Article XVI of the California Constitution also limits the City's indebtedness for any purpose, to the amount of revenue provided each year. The City can exceed that limit with the approval of two-thirds of the public entity's voters at an election held for that purpose. A brief overview of the City's current obligations are provided below and on the subsequent page.

Pension Obligation Bond

In 2006, the City issues a Taxable Pension Obligation Bond for \$19.4 million. The purpose of the bond was to provide monies to meet the CalPERS unfunded accrued actuarial liability to achieve a preferential interest rate. Interest on the bonds range from 5.67% to 6.12% annually, with a maturity date of June 1, 2029.

2013 Wastewater Revenue Refunding Bond

In 2013, the City issues the 2013 Wastewater Refunding Bonds in the principal amount of \$1.2 million. The purpose of the bond was to refinance the California State Community Development Authority Series 2001B Revenue Bonds. Interest on the bonds is 3.35%, with a maturity date of October 1, 2031. The required debt coverage ratio is 1.20.

2014 Golf Course Site Lease

The City entered into a \$3.1 million Site Lease in September of 2014 to refund a Golf Course Certificate of Participation. The lease bears an interest rate of 4.35%, with a maturity date of August 2030.

Clean Water State Revolving Fund Loan

In November 2015, the City secured funding from the State Water Resources Control Board for the construction of a recycled water treatment plant, sewer diversion structure, waste pump and force main station, user connections and site retrofits. The total project was approved for \$7.7 million; however \$2.4 million was funded with a grant. The \$5.3 million loan has a 30-year term and a 1% interest rate. Payments commence in 2019 and end in 2048. The debt service ratio of 1.20 is based on the net revenues of the Sewer Fund.

Pacific Gas and Electric On-Bill Financing Loan

In Fiscal Year 18/19, the City completed an energy efficient lighting project through Pacific Gas and Electric's On-Bill Financing Program. Loan payments commenced in 2019 and end in 2026. The loans for each of the four retrofitted location has different terms; however, the combined outstanding debt service is approximately \$21,000 per year through 2026. There is also no interest on this loan. The annual payment should be equivalent to the amount of utility savings.

Standard and Poor's Rating Services and Moody's Investors Services, Inc., assigned a rating of SP-1+ and MIG 1, respectively to the City's 2006 Pension Obligation Bonds. The City has not received any updates to this rating.

In Fiscal Year 20/21, the City does not anticipate issuing any new debt.

Long-Term Debt

An overview of the City's combined obligations by type are listed below:

Debt Outstanding as of June 30, 2019	Outstanding FY Ending June 30, 2020	Original Issue Date	Original Amount	Year of Final Payment (FY Ending)
<u>General Obligation Bonds, Prin. & Interest</u>				
Wastewater Series 2001-B Refunding	\$1,003,181	2013	\$1,638,967	2032
Pension Obligation Bonds A-1 & A-2	\$15,965,000	2006	38,497,099	2029
Total General Obligation Bonds	\$16,968,181		\$40,136,066	
<u>Certificates of Participation, Prin. & Interest</u>				
Golf Course COP Refunding Project	\$2,857,018	2014	\$4,353,550	2031
Total Certificates of Participation	\$2,857,018		\$4,353,550	
<u>Clean Water State Revolving Loan, Prin. & Int.</u>				
Local Water Project	\$5,780,552	2017	\$6,193,448	2048
Total Loans	\$5,780,552		\$6,193,448	
<u>Pacific Gas and Electric On-Bill Financing Loan</u>				
Energy Efficient Street Lights	\$126,564	2019	\$155,095	2026
Total Loans	\$126,564			
TOTAL LONG TERM DEBT OUTSTANDING	\$25,732,315			

Annual Debt Service Requirements					
General Obligation Bonds			Certificates of Participation		Loan
	Pension Obligation Bond	Wastewater Bond Refunding	Golf Course COP Refunding Project	Clean Water State Revolving Fund Loan	Pacific Gas and Electric On-Bill Financing Loan
	General Fund 01	Sewer Fund 76	Golf Fund 77	Local Water Project Fund 74	General Fund 01 and Golf Fund 77
FY 2020-21	2,200,000	88,117	272,097	206,448	26,336
FY 2021-22	2,275,000	87,798	272,097	206,448	25,362
FY 2022-23	2,345,000	87,351	272,097	206,448	23,414
FY 2023-24	1,405,000	86,814	272,097	206,448	20,048
FY 2024-25	1,450,000	88,689	272,097	206,448	12,562
FY 2026 through maturity	6,290,000	564,413	1,496,533	4,748,312	18,842
Total Debt Service	\$15,965,000	\$1,003,181	\$2,857,018	\$5,780,552	\$126,564
Less Interest	10,665,659	175,694	582,958	759,054	-
Total Principal	\$5,299,341	\$827,487	\$2,274,059	\$5,021,498	\$126,564

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Departmental Overview



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City Council

Mission:

Provide overall policy direction for all City services and programs. This includes:

- Develop the Cities long-term goals
- Oversee the City's fiscal and organizational management
- Adopt the annual operating and capital improvement budget
- Engender respect for the community, its citizens, and each other
- Fulfil the community's commitment to protecting the environment and quality of life for Pacific Grove

Services and Responsibilities:

City Council is made up of six council members and the Mayor. Council members provide overall direction, policy, and oversight of the City's municipal code. Council Members and the Mayor serve on regional and statewide policy bodies, and assist the public as ambassadors for the City.

Budget Summary:

City Council Summary (General Fund)	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Revenues					
General Fund Appropriations	\$320,344	\$500,139	\$362,653	\$363,912	\$348,119
Total Revenues	\$320,344	\$500,139	\$362,653	\$363,912	\$348,119
Expenditures					
Salaries and Benefits	\$40,314	\$40,720	\$44,455	\$44,728	\$45,219
Service and Supplies	278,076	455,392	314,800	315,782	298,900
Non-Operating Transfers	-	-	-	-	-
Debt Services	1,954	4,027	3,398	3,402	4,000
Capital	-	-	-	-	-
Total Expenditures	\$320,344	\$500,139	\$362,653	\$363,912	\$348,119
Authorized Staffing (FTE)					
Full Time	3.50	3.50	3.50	3.50	3.50
Part Time	-	-	-	-	-

City Manager/ Human Resources/ City Clerk

Mission:

Assist the City Council in achieving its goals for the community by developing recommendations and facilitating policy decisions. Provide organizational leadership for ongoing City services and implementing City Council decisions.

Services and Responsibilities:

The City Manager is responsible for implementing the City Council's goals and establishing a culture of excellence for the City. To do this in the most expeditious and efficient manner, individual City Departments are assigned specific goals and corresponding strategies that fall under their respective areas of responsibility and expertise. The City's Manager's Office includes the Human Resources and City Clerk functions.



Fiscal Year 19/20 Accomplishments

- Streamlined agenda management system for use by all boards, commissions, and committees for quality control and standardization
- Successfully acquired Zoom and implemented training for City Council and Boards Commissions, and Committee meetings
- Onboarded 90 new volunteers
- Coordinated 17 Park clean ups
- Developed and organized Monarch Sanctuary Landscape Volunteer Program
- Developed and organized George Washington Park Habitat Restoration Volunteer Program
- Organized (2) Middle School Rec Trail Trash Pickup Events
- Implemented electronic paperless new hire onboarding
- Negotiated successor MOU's with employee associations
- Offered an employee wellness and environmental fair to educate employees on health and wellness options.
- Executed 20 recruitments to fill vacancies for regular and seasonal positions

Budget Summary:

City Manager Appropriations Summary (General Fund)	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Revenues					
General Fund Appropriations	\$933,683	\$980,311	\$1,051,624	\$986,621	\$1,051,070
Total Revenues	\$933,683	\$980,311	\$1,051,624	\$986,621	\$1,051,070
Expenditures					
Salaries and Benefits	\$621,625	\$682,636	\$699,141	\$696,662	\$708,843
Service and Supplies	245,770	244,314	276,127	213,519	263,227
Non-Operating Transfers	-	-	-	-	-
Debt Services	66,288	53,361	76,356	76,440	79,000
Capital	-	-	-	-	-
Total Expenditures	\$933,683	\$980,311	\$1,051,624	\$986,621	\$1,051,070
Authorized Staffing (FTE)					
Full Time	4.25	4.25	4.50	4.43	4.43
Part Time	0.50	0.50	-	-	-

Fiscal Year 20/21 Goals:

A	B	C	D	E	F	G
Complete Streets	Environmental Stewardship	City Asset Stewardship	Community Responsiveness	Financial Stability	Increase Affordable Housing	Help Local Businesses Thrive

FY 20/21 Goals	A	B	C	D	E	F	G
Implement the electronic public records request system with public portal for purposes of efficiency and transparency				X			
Implement electronic Form 700 and Campaign Disclosure system for purposes of efficiency and transparency				X			
Implement steps towards City-Wide Records Management System				X			
Continue to implement processes with the City Clerk's office for efficiency and transparency				X			
Negotiate a successor MOU with PGPOA					X		
Revise and consolidate of employee personnel manual and handbook					X		
Continue to recruit and place top talent as vacancies arise					X		

Finance

Mission:

The mission of the finance department is to assist the City Council, City Manager and operating departments/programs in prudently managing financial resources and planning for the future by providing high- quality information and financial management services for the city.

Services and Responsibilities:

The Finance Department is responsible for the stewardship of the City's resources. The Department provides policy analysis, recommendations, and financial information to the City Council and departments. The Finance Department's core functions include accounting for the City's resources and disclosure of the City's financial condition in the year-end comprehensive annual financial report with an independent audit. The Finance Department also prepares and monitors the annual operating budget and revenue forecast, provides accounts payable and payroll services; with managing the City's debt, investment, and banking affairs.



Fiscal Year 19/20 Accomplishments

- Received the Distinguished Budget Award from the Government Finance Officers Association (GFOA)
- Implemented online requisitions
- Worked with the Recreation Department to complete a major revision of Recreation program and facility rental fees
- Developed a monthly Core Revenue Report to assist in monitoring trends
- Completed FEMA application process to facilitate reimbursements for COVID-19 Emergency Protective Measures
- Established a method to track COVID-19 expenditures and reimbursements; and conducted related training
- Implemented desktop check deposits to facilitate more rapid reporting of cash receipts; and reduce deposits made at local banks
- Developed a new master lease agreement for City property leases

Budget Summary:

Finance Appropriations Summary (General Fund)	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Revenues					
General Fund Appropriations	\$1,149,429	\$1,189,143	\$1,228,173	\$1,174,857	\$1,229,050
Total Revenues	\$1,149,429	\$1,189,143	\$1,228,173	\$1,174,857	\$1,229,050
Expenditures					
Salaries and Benefits	\$661,152	\$779,769	\$788,534	\$778,938	\$803,550
Service and Supplies	427,605	340,911	352,000	308,184	334,500
Non-Operating Transfers	-	-	-	-	-
Debt Services	60,672	68,463	87,639	87,735	91,000
Capital	-	-	-	-	-
Total Expenditures	\$1,149,429	\$1,189,143	\$1,228,173	\$1,174,857	\$1,229,050
Authorized Staffing (FTE)					
Full Time	5.85	5.75	5.75	5.88	5.83
Part Time	.50	.50	0.50	.50	.50

Fiscal Year 20/21 Goals:

A	B	C	D	E	F	G
Complete Streets	Environmental Stewardship	City Asset Stewardship	Community Responsiveness	Financial Stability	Increase Affordable Housing	Help Local Businesses Thrive

FY 20/21 Goals	A	B	C	D	E	F	G
Maximize grant reimbursements related to COVID-19					X		
Update or establish a City Purchasing Policy; and conduct related training					X		
Review and update the City's Budget Amendment Policy to facilitate stronger budgetary control of capital projects					X		
Implement paperless paystubs and employee access to W-2 history					X		
Collaborate with Planning and Public Works to implement online permitting system				X	X		
Revise City business license webpages to facilitate streamlined access and better customer service				X	X		X
Evaluate and/or implement ACH transfers for all City vendor payments to reduce paper and save related printing costs, and facilitate potential telework for AP staff					X		

Key Performance Indicators:

Metric	FY 15/16	FY16/17	FY 17/18	FY 18/19	FY 19/20
Processed Invoices for Accounts Payable	9,170	9,726	9,476	9,201	9,175
Printed Checks for Accounts Payable	3,426	3,250	3,467	3,587	3,445
Printed Payroll Checks Run	4,500	4,500	4,500	4,500	3,997
Issued Dog Licenses	285	233	462	235	114
Issued or Renewed Business Licenses	1,672	1,644	1,600	1,751	1,551
Renewed Short-term Rental Licenses	-	-	-	-	163
Received the CSMFO Excellence Award for Budgets	-	-	-	X	X
Received the GFOA CAFR Award	-	-	X	X	X

Community Development Department (CDD)

Mission:

Work in partnership with the community to protect the beauty, sustainability, economic vitality and environmental integrity of Pacific Grove. Preserve the existing housing stock and support new affordable housing in order to help meet the housing needs of Pacific Grove residents and to support current and new commercial development. Consistently pursue high quality, architecturally sound development that is in keeping with the community's land use and design goals.

Services and Responsibilities:

The Community Development Department is organized into six work units: The Advance Planning function involves proactive maintenance of the City's General Plan, Local Coastal Program, and Zoning Ordinance. The Building function administers permits and



inspections services for all construction activity including building codes. The Housing Function administers programs that provide affordable housing for low-income households to rehabilitate deteriorating housing stock in the community. The Short-term vacations rental program function administers the licensing and control of the program. The Code compliance function works to resolve potential Municipal Code violations by seeking to achieve compliance through collaborative means.

Fiscal Year 19/20 Accomplishments

- Achieved Local Coastal Program certification for the first time in the City's history
- Received \$160,000 SB grant funds for housing policy activities and developed Rental Housing Guidelines
- Transitioned to 4LEAF Inc. new building division vendor
- Successfully administered City-wide Façade Improvement Program
- Completed Historic Resources Inventory update and initiated hearings with the HRC

Budget Summary:

CDD Appropriation Summary (General Fund)	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2019/20 Budget
Revenues					
General Fund Appropriation	\$1,890,070	\$2,116,519	\$2,337,428	\$2,257,178	\$1,858,662
Total Revenues	\$1,890,070	\$2,116,519	\$2,337,428	\$2,257,178	\$1,858,662
Expenditures					
Salaries and Benefits	\$794,586	\$943,605	\$930,801	\$910,991	\$850,591
Service and Supplies	969,799	918,999	1,300,582	1,240,026	898,071
Non-Operating Transfers	-	-	-	-	-
Debt Services	80,847	72,490	106,045	106,161	110,000
Capital	44,838	181,425	-	-	-
Total Expenditures	\$1,890,070	\$2,116,519	\$2,337,428	\$2,257,178	\$1,858,662
Authorized Staffing (FTE)					
Full Time	7.50	7.50	7.75	7.50	6.75
Part Time	.50	1.50	1.00	1.00	.50

Fiscal Year 20/21 Goals:

A	B	C	D	E	F	G
Complete Streets	Environmental Stewardship	City Asset Stewardship	Community Responsiveness	Financial Stability	Increase Affordable Housing	Help Local Businesses Thrive

FY 20/21 Goals	A	B	C	D	E	F	G
Develop affordable housing strategies for Council consideration with SB2 grant						X	
Participate in County-wide Hazard Multi-jurisdictional Hazard Mitigation Plan Update			X				
Administer complex planning entitlements including American Tin Cannery and 801				X			
Continue to administer entitlement water distribution						X	
Continue to provide timely and responsive permit processing and front counter				X			

Key Performance Indicators:

Metric	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Issued Building Permits	525	576	429	935	1095
Approved Architectural Permits	59	53	55	78	50
Other Planning Approvals	416	448	651	530	329
Front Counter Inquiries	N/A	N/A	9,928	9,905	8900
Number of Inspections	N/A	N/A	N/A	N/A	2406
Number of Code Cases Closed	N/A	N/A	N/A	N/A	130

Information Services

Mission:

The Information Services Department provides expertise in current technology systems, including computer software, hardware, network infrastructure, and telecommunications. Information Services is the primary contact for day to day help desk support and oversight of technology projects throughout the City.

Services and Responsibilities:

- Provide technical support services
- Coordinate the installation and maintenance of hardware and software functions for the City information system infrastructure and applications
- Update and replace obsolete networking and equipment
- Enhance data networking by replacing or improving information systems Citywide
- Develop IT security policies and increase security awareness and increase security awareness.



Fiscal Year 19/20 Accomplishments

- Completed Council Chambers Audio Visual & Television Broadcast Room improvements
- Upgraded the City's phone system to the new VOIP phones
- Coordinated with the City Manager's Office to implement remote Council Meetings in response to the COVID-19 pandemic
- Established a new computer replacement program which replaces desktop workstations with laptops and docking stations to provide employees with the ability to telework / telecommute
- Worked with the Public Information Office (PIO) team to design a COVID-19 informational website
- Worked with the Public Works Department to evaluate Citizen Request Management software for potential future implementation
- Assisted in designing and restructuring webpages to facilitate virtual library and recreation services for Children's programs and e-books resources.

Budget Summary:

Information Services Summary (General Fund)	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Revenues					
General Fund Appropriation	\$301,307	\$759,417	\$1,014,242	\$908,006	\$691,079
Total Revenue	\$301,307	\$759,417	\$1,014,242	\$908,006	\$691,079
Expenditures:					
Salaries and Benefits	\$46,569	\$164,384	\$250,792	\$193,200	\$279,538
Service and Supplies	\$230,149	248,513	497,609	513,943	391,541
Non-Operating Transfers	-	-	-	-	-
Debt Services	437	13,089	19,841	19,863	20,000
Capital	24,152	333,431	246,000	181,000	-
Total Expenditures	\$301,307	\$759,417	\$1,014,242	\$908,006	\$691,079
Authorized Staffing (FTE)					
Full Time	1.25	1.25	1.25	1.80	1.80
Part Time	-	-	0.50	0.50	0.50

Fiscal Year 20/21 Goals:

A	B	C	D	E	F	G
Complete Streets	Environmental Stewardship	City Asset Stewardship	Community Responsiveness	Financial Stability	Increase Affordable Housing	Help Local Businesses Thrive

FY 20/21 Goals	A	B	C	D	E	F	G
Complete Office 365 migration			X				
Establish Intranet to facilitate better document storage and file sharing			X	X			
Implement Teledata Closet Remodel Project and the HVAC system			X		X		
Complete Website Redesign Project				X			
Create and implement a Disaster Recovery Plan			X		X		
Complete Security Assessment			X				
Complete mobile data computers and body worn camera installation projects for the Police Department			X	X			
Work with departments to implement remote Board and Commission Meetings				X			

Fire and Emergency Services

Mission:

Protect life, property and the environment from the adverse effects of fire, medical emergencies, accidents, the release of hazardous materials, natural and man-made disasters and exposure to hazardous conditions.

Services and Responsibilities:

Through a contract for service with the City of Monterey, the City provides a broad range of emergency response, preparedness, and loss prevention services. Fire Department prevention services include community education initiative, building construction plan review for fire code compliance, and fire cause and origin investigations. Community education initiatives include: Community Emergency Response Team (CERT) program coordination, fire and life safety education for schools, care facilities and businesses, and an Open House at the Fire Station. The City also provides smoke detector/battery installation assistance.



Budget Summary:

Fire and EMS Summary (General Fund)	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Revenues					
General Fund Appropriations	\$4,063,480	\$4,046,924	\$4,100,162	\$4,216,526	\$4,140,000
Total Revenues	\$4,063,480	\$4,046,924	\$4,100,162	\$4,216,526	\$4,140,000
Expenditures					
Salaries and Benefits	\$535,705	\$672,665	\$810,084	\$810,084	\$919,000
Service and Supplies	2,792,748	2,664,173	2,634,500	2,680,423	2,516,000
Non-Operating Transfers	188,350	106,000	71,000	140,799	103,000
Debt Services	535,061	604,086	584,578	585,220	602,000
Capital	11,616	-	-	-	-
Total Expenditures	\$4,063,480	\$4,046,924	\$4,100,162	\$4,216,526	\$4,140,000
Authorized Staffing (FTE)					
Full Time	-	-	-	-	-
Part Time	-	-	-	-	-

Key Performance Indicators:

Performance Indicators	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Calls for Service	1,764	1,604	1,694	1,877	1,740

Legal Services

Mission:

Provide timely legal advice and support to the City through its officials, commissions and committees, represent the City's Interest and positions before judicial and administrative agencies in civil proceedings, and enforce misdemeanor and civil violations of the Municipal Code.

Services and Responsibilities:

The City Charter requires appointment of a City Attorney by the City Council, and sets qualifications and duties for the incumbent. The City Attorney exercises independent discretion to charge and prosecute any Charter or ordinance violation as either a misdemeanor or an infraction under California law.

Responsibilities of the City Attorney include:

- Supervises assistants, and any special counsel retained on behalf of the City, and is lead counsel for all civil actions filed by or against the City.
- Holds a fiduciary responsibility to represent the City as a client within the mandates of the State Bar Rules of Professional Conduct, not individual officers or employees.
- Provides general advice to commissions, committees, individual officers, and employees, but may not represent their interests if in opposition to the interests of the City.



Budget Summary:

Legal Services Summary (General Fund)	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Revenues					
General Fund Appropriations	\$407,102	\$462,219	\$447,876	\$434,876	\$404,500
Total Revenues	\$407,102	\$462,219	\$447,876	\$434,876	\$404,500
Expenditures					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$407,102	\$462,219	\$447,876	\$434,876	\$404,500
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$407,102	\$462,219	\$447,876	\$434,876	\$404,500
Authorized Staffing (FTE)					
Full Time	-	-	-	-	-
Part Time	-	-	-	-	-

Library

Mission:

The mission of the Pacific Grove Public Library is to provide a welcoming place and a balanced collection while preserving the past and planning for the future.

Services and Responsibilities:

Pacific Grove Public Library (PGPL) provides library services to the community through online and print collections, programs for all ages, a comfortable, accessible, building with knowledgeable, friendly and dedicated staff. These free services are accessible through the internet and are available with a PGPL library card.

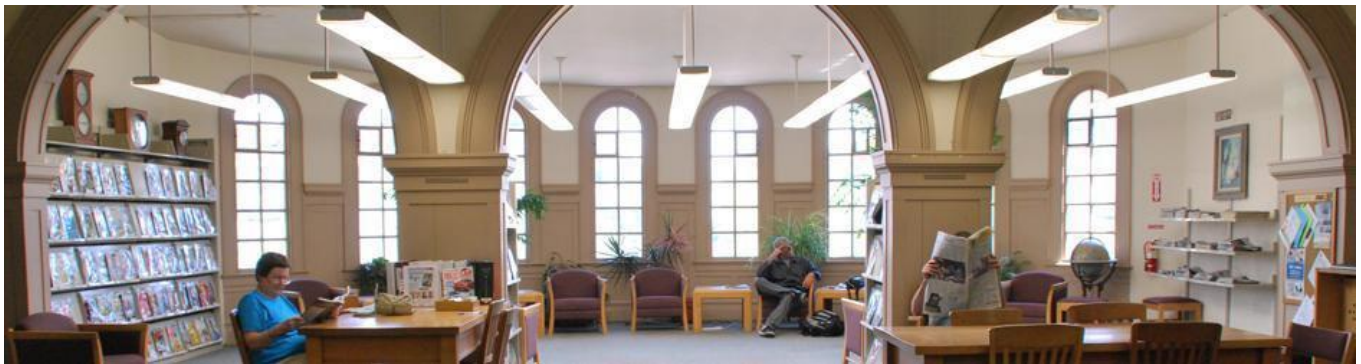


Along with traditional library formats, PGPL also provides access to:

- Streaming video
- Online magazines
- Electronic books
- Audiobooks

Fiscal Year 19/20 Accomplishments

- Moved library to temporary location at The Holman
- Started construction of Library Renewal Project
- Provided continuity of Library services during construction and COVID
- Conducted Summer Reading Program for ages 1-15 with 1720 participants
- Participated in PLP study for shared Koha catalog in Monterey and San Benito Counties



Budget Summary:

Library Services Summary (General Fund)	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Revenues					
General Fund Appropriations	\$1,042,006	\$1,215,251	\$1,226,417	\$1,125,801	\$782,455
Total Revenues	\$1,042,006	\$1,215,251	\$1,226,417	\$1,125,801	\$782,455
Expenditures					
Regular Salaries and Benefits	\$520,383	\$717,769	\$738,769	\$683,400	\$506,055
Part-time On-Call Salaries	203,476	169,463	192,000	154,347	-
Service and Supplies	190,238	240,426	207,020	199,329	184,400
Non-Operating Transfers	40,400	-	-	-	-
Debt Services	87,509	87,593	88,628	88,725	92,000
Capital	-	-	-	-	-
Total Expenditures	\$1,042,006	\$1,215,251	\$1,226,417	\$1,125,801	\$782,455
Authorized Staffing (FTE)					
Full Time¹	6.25	6.25	6.25	6.25	5.25
Part Time²	5.25	5.25	4.75	4.75	-

Fiscal Year 19/20 Goals:

A	B	C	D	E	F	G
Complete Streets	Environmental Stewardship	City Asset Stewardship	Community Responsiveness	Financial Stability	Increase Affordable Housing	Help Local Businesses Thrive

FY 19/20 Goals	A	B	C	D	E	F	G
Relocate library from its temporary location to the main location at 550 Central Ave			X				
Provide continuity of Library services during COVID				X			
Increase resources and programs at Library for starting and supporting businesses							X

Key Performance Indicators:

Metric	FY15/16	FY16/17	FY 17/18	FY 18/19	FY 19/20
Audiobook Downloads	5,071	5,496	6,380	7,213	8,239
E-Book Downloads	5,176	5,524	6,299	6,346	7,644
Total Circulation of Library Materials ³	291,751	292,800	292,786	327,957	188,000
Visitors (Door Count) ³	140,235	158,500	151,399	155,023	78,349
Events and Programs (Attendance) ³	10,220	12,400	11,958	12,855	7,050

¹ The reduced position has been defunded for FY20/21; however, it is still considered an authorized position. Three Library positions have been defunded in the first quarter of Fiscal Year 20/21. Two positions will be reinstated in the second quarter and the third position will be reinstated in December.

² On-call, temporary, and seasonal positions will be funded with budgeted dollars only and not by FTE. This will allow for flexibility and better budgetary control within the department. All on-call positions associated with the Library have been temporarily defunded this fiscal year.

³ Library was closed to the Public due to Shelter-in-Place orders between mid-March and June 30, 2020.

Museum

Mission:

The Museum hopes to inspire discovery, wonder, and stewardship of our natural world.

Services and Responsibilities:

The City of Pacific Grove owns the Pacific Grove Museum of Natural History. The Museum Foundation of Pacific Grove, Inc. operates the Museum and stewards the Museum collection through a public/private partnership.



Budget Summary:

Museum Services Summary (General Fund)	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Revenues					
General Fund Appropriations	\$268,231	\$308,156	\$260,150	\$271,877	\$254,300
Total Revenues	\$268,231	\$308,156	\$260,150	\$271,877	\$254,300
Expenditures					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$251,422	\$308,156	\$260,150	\$268,627	\$251,050
Non-Operating Transfers	-	-	-	-	-
Debt Services	16,809	-	-	3,250	3,250
Capital	-	-	-	-	-
Total Expenditures	\$268,231	\$308,156	\$260,150	\$271,877	\$254,300
Authorized Staffing (FTE)					
Full Time	-	-	-	-	-
Part Time	-	-	-	-	-

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Police

Mission:

To provide exceptional public safety service and enhance the quality of life in our community.

Services and Responsibilities:

The Pacific Grove Police Department will seek to achieve a culture of excellence by partnering with our community, respecting the rights and dignity of all people, and providing professional public safety service through integrity and accountability. This approach is integrated with all facets of the department's services: patrol, investigations, administration, records, animal control, and parking enforcement. Our goal is our motto, "Our Community, Your Police."



Fiscal Year 19/20 Accomplishments:

- Completed the second year, of three, toward accreditation through the Commission on Accreditation for Law Enforcement Agencies (CALEA)
- Conducted detailed inventory and audit of every single item stored as property and evidence
- Created best practice evidence processing room, and property and evidence storage areas
- Sent two officers to bicycle patrol school and implemented new program
- Published 2019 Annual Report
- Cross-trained additional staff for social media posts
- Conducted presentations at schools for: DARE, tobacco/vaping and social media
- Implemented early warning system
- Trained appointed employee wellness coordinators
- Completed radio wireless upgrade project
- Implemented new body worn camera/in-car camera system
- Implemented new mobile data computers

Budget Summary:

Police Appropriation Summary (General Fund)	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Revenues					
General Funds Appropriation	\$7,396,981	\$7,577,204	\$7,652,674	\$7,546,978	\$7,125,941
Total Revenues	\$7,396,981	\$7,577,204	\$7,652,674	\$7,546,978	\$7,125,941
Expenditures					
Salaries and Benefits	\$4,796,724	\$5,539,690	\$5,995,642	\$5,823,924	\$5,549,941
Service and Supplies	1,153,675	893,358	790,000	705,953	717,000
Non-Operating Transfers	293,280	206,000	139,000	275,708	107,000
Debt Services	958,558	906,169	728,032	741,393	752,000
Capital	194,744	31,987	-	-	-
Total Expenditures	\$7,396,981	\$7,577,204	\$7,652,674	\$7,546,978	\$7,125,941
Authorized Staffing (FTE)					
Full Time³	31.30	31.30	32.30	32.30	31.30
Part Time	2.25	2.25	1.00	1.00	.50

³ The reduced positions have been defunded for FY 20/21; however the Police Officer position remains an authorized regular position.

Fiscal Year 20/21 Goals:

A	B	C	D	E	F	G					
Complete Streets	Environmental Stewardship	City Asset Stewardship	Community Responsiveness	Financial Stability	Increase Affordable	Help Local Businesses Thrive					
FY 20/21 Goals					A	B	C	D	E	F	G
Complete on-site accreditation audit by August 2020								X	X		
Receive CALEA Accreditation at November 2020 conference								X	X		
Complete Tobacco Education and Enforcement Campaign by December 2020								X			
Create Chaplin Program, including selecting, training and setting guidelines								X			
Create Community Services Officer Program to enforce municipal code								X			
Implement Employee Wellness Program								X			
Implement new document management and police software systems								X			
Complete Crime Prevention Through Environmental Design (CPTED) for each City Facility							X	X			
Make recommendations for expanding Security Surveillance Camera System							X	X			
Make recommendations for alarms, access control, processes and other improvements							X	X			
Submit funding requests and implement new programs							X	X			
Recruit and fill Police Officer vacancies.								X			
Train hired Police Recruits through the Police Academy and Field Training Program								X			

Key Performance Indicators:

Metric ⁽¹⁾	2015	2016	2017	2018	2019
Uniform Crime Reporting					
Homicide	-	-	-	-	-
Rape	1	5	6	9	2
Robbery	4	2	0	2	1
Assault	63	65	66	66	74
Burglary	52	48	55	48	28
Larceny	230	257	265	259	148
Auto Theft	18	23	19	17	6
Arson	-	-	-	-	1
Workload Indicators					
Written Reports	2,814	2,815	2,497	2,438	2,173
Arrests	217	244	304	354	322
Citations	980	1,164	2,024	2,347	1,810
Parking Citations	3,717	3,634	5,772	6,466	6,972
Field Interviews	321	932	585	859	724
Calls for Service					
Total Calls for Service ⁽²⁾	17,627	21,521	21,521*	20,350	18,902

(1) Metrics are for calendar year. (2) Transitioned to new Dispatch Software Program in 2017. Estimate Only.

Public Works

Mission:

Ensure stewardship and maintenance for the City's natural and constructed environment, including streets, open space, forested areas, storm water program and facilities, public vehicles, sanitary sewer system, and Carmelo Cemetery.

Services and Responsibilities:

- Maintenance of streets, streetlights, traffic
- Maintenance of City parks
- Storm water and dry weather flow management
- Maintenance and upgrade of sewer and water
- Maintenance of City vehicles
- Special events logistics, set-up, and clean-up



Fiscal Year 19/20 Accomplishments:

- Implemented of a public facing work request portal
- Revised the Memorial Bench Program database, standard operating procedures and City Council Policy 100-7
- Initiated the Single Use Plastic Ban Ordinance
- Initiated the Smoking Ban Ordinance
- Initiated the Combustion Engine Leaf Blower Ban Ordinance
- Tobacco Retail Licensing Program
- Completed 5th year of gull abatement program
- Received Silver Spotlight Beacon Award for 9% Natural Gas Savings
- Received Platinum Spotlight Beaker Award for a 20% Energy Savings
- Commenced construction for the Library Renewal Project
- Implemented the FY19/20 Capital Improvement Program
- Completed 116,050 SF street maintenance and rehabilitation activities as prescribed by the Pavement Management Program
- Completed engineering for the \$4.4M ASBS Wet-Dry Stormwater Capture and Reuse Project
- Received Award of \$1.8M of grant funding for the Point Pinos Trail Project
- Completed engineering for \$4.8M Sewer Collection System Master Plan Projects 3, 4, 5 & 8
- Completed rehabilitation of 60 linear feet of emergency sewer mainline
- Completed installation of 790 feet of storm drain pipe and 13 inlets
- Completed installation of over 3,220 SF of sidewalk in accordance with the City
- Implemented Council Policy 700-4, the Sidewalk Development Policy
- Completed installation of 22 ADA ramps at various locations

Budget Summary:

Public Works Appropriation Summary (General Fund)	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Revenues					
General Funds Appropriation	\$4,029,471	\$3,291,534	\$3,891,849	\$3,846,387	\$3,784,635
Total Revenues	\$4,029,471	\$3,291,534	\$3,891,849	\$3,846,387	\$3,784,635
Expenditures					
Salaries and Benefits	\$1,753,317	\$1,837,503	\$2,007,219	\$2,005,370	\$1,981,830
Service and Supplies	1,431,387	1,292,024	1,611,528	1,567,614	1,520,805
Non-Operating Transfers	22,956	-	-	-	-
Debt Services	198,879	131,224	273,102	273,403	282,000
Capital	622,932	30,783	-	-	-
Total Expenditures	\$4,029,471	\$3,291,534	\$3,891,849	\$3,846,387	3,784,635
Authorized Staffing (FTE)					
Full Time	16.25	17.15	17.65	17.65	17.65
Part Time	2.50	2.50	2.50	2.50	2.50

Fiscal Year 20/21 Goals:

A	B	C	D	E	F	G
Complete Streets	Environmental Stewardship	City Asset Stewardship	Community Responsiveness	Financial Stability	Increase Affordable Housing	Help Local Businesses Thrive

FY 20/21 Goals	A	B	C	D	E	F	G
Complete the Shoreline Management Plan		X					
Complete the Perkins Park Landscape Plan		X					
Complete of 425,057 SF of Road Rehabilitation & Maintenance per the			X				
Implement the FY20/21 Capital Improvement Program			X				
Commence construction of the Point Pinos Trail Project			X				
Receive Clean Air Leaders Award from the Monterey Bay Resources Air District		X					
Receive Beacon Award for Environmental Stewardship		X					
Implement Tobacco Retail Licensing Program		X					
Implement combustion engine leaf blower ban		X					
Begin construction of ASBS Wet-Dry Stormwater Capture and Reuse Project		X					
Begin construction of Sewer Collection System Master Plan Projects 3, 4, 5 & 8			X				

Key Performance Indicators:

Metric	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Number of Work Orders Completed	594	620	630	1,606	1216
Number of Vehicle Maintenance Work Orders Completed	-	264	188	305	343
Number of Tree Permits Processed	329	354	360	508	434

Recreation

Mission:

The department provides a broad range of recreation services through programs, contract instructors, and collaborations with outside agencies. Citizens are offered sports leagues for youth and adults, leisure and educational programs for all ages, programs and services for teens, management of the historical Chautauqua Hall, Community Center, the Youth Center, rental of City parks and facilities, a range of summer and winter camps with programs for children and teens, and involvement with a wide range of special events in the City. The Recreation Department also coordinates City approval and services required for special events.

Services and Responsibilities:

To make Pacific Grove the best possible place to live, by providing high-quality recreational programs that enhance the quality of life, health, fun and lifelong learning, while keeping people active and engaged in our community, while providing exceptional customer services



Fiscal Year 19/20 Accomplishments:

- Implemented online registration and facility reservation software
- Coordinated 26 Special Events
- Upgraded Youth Center and Community Center
- Finalized George Washington Park - Zone 1 Assessment
- Entered into Joint-Use of Facilities Agreement with PGUSD
- Initiated new recreation contract instructor partnership agreements
- Developed Virtual Recreation and Library Services website and content in response to COVID-19



Budget Summary:

Recreation Summary (General Fund)	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Revenues					
General Fund Appropriations	\$669,057	\$830,315	\$743,208	\$718,528	\$696,512
Total Revenues	\$669,057	\$830,315	\$743,208	\$718,528	\$696,512
Expenditures					
Regular Salaries and Benefits	\$312,052	\$434,479	\$298,158	\$346,684	\$356,212
Part-time Seasonal Salaries	141,746	138,213	200,791	102,664	89,000
Service and Supplies	194,653	210,008	203,100	199,795	208,300
Non-Operating Transfers	-	-	-	-	-
Debt Services	20,606	47,615	41,159	41,204	43,000
Capital	-	-	-	28,181	-
Total Expenditures	\$669,057	\$830,315	\$743,208	\$718,528	\$696,512
Authorized Staffing (FTE)					
Full Time	2.40	2.84	3.15	3.15	3.15
Part Time⁴	11.50	11.50	11.00	11.00	-

Fiscal Year 20/21 Goals:

A	B	C	D	E	F	G
Complete Streets	Environmental Stewardship	City Asset Stewardship	Community Responsiveness	Financial Stability	Increase Affordable Housing	Help Local Businesses Thrive

FY 20/21 Goals	A	B	C	D	E	F	G
Complete Parks Inventory and Condition Assessment		X	X				
Develop George Washington Park Design		X	X				
Evaluate recreation fees and determine cost recovery goals					X		
Initiate new recreation program opportunities and expand				X	X		X
Finalize financial assistance program for recreation programs				X			

Key Performance Indicators:

Metric	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Park and Facility Rentals	328	348	299	273	-
Paid Special Events	16	18	15	18	27
Park Reservations (Weddings, Picnics, etc)	N/A	N/A	N/A	N/A	1,080
Recreation Facility Classes/Reservations	N/A	N/A	N/A	N/A	1,804
Recreation Program Participants	N/A	N/A	N/A	N/A	594

⁴ All seasonal and part-time positions associated with the Recreation Department have been temporarily defunded this fiscal year.

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Enterprise Funds



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Cemetery Enterprise Function

Mission:

The City operates and maintains the El Carmelo Cemetery. The City coordinates with area mortuaries and other individuals for services at the cemetery.

Services and Responsibilities:

The Cemetery offers full burial services and works with various mortuaries throughout the area to provide the most efficient services in beautiful surroundings.



Goals and Objectives:

Budget Summary:

Cemetery Enterprise Function	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary (Enterprise Fund)	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$342,064	\$424,554	\$452,997	\$452,997	\$394,607
Sales and Services	452,283	459,760	469,000	469,000	469,000
Interest Income	954	5,022	1,100	2,000	1,000
Total Revenues	\$453,237	\$464,782	\$470,100	\$471,000	\$470,000
Expenditures					
Salaries and Benefits	134,340	119,803	174,579	176,929	189,855
Service and Supplies	225,892	316,536	291,147	292,797	289,042
Non-Operating Transfers	-	-	-	-	-
Debt Services	10,515	-	9,664	9,664	10,000
Capital	-	-	50,000	50,000	-
Total Expenditures	\$370,747	\$436,339	\$525,390	\$529,390	\$488,897
Net Difference	82,490	28,443	(55,290)	(58,390)	(18,897)
Ending Fund Balance	\$424,554	\$452,997	\$397,707	\$394,607	\$375,710
Authorized Staffing (FTE)					
Full Time	1.10	1.10	1.25	1.20	1.20
Part Time	1.00	1.00	1.00	.75	.75

Key Performance Indicators:

Performance Indicators	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
In-Ground Site Sales	41	37	39	53	53
Mausoleum Site Sales	8	13	14	10	9

Golf

Mission:

Provide outstanding and memorable golf experiences for Pacific Grove residents and visitors with a business model that provides discounted golf for residents and a direct economic benefit to the community in the form of revenue for general City services.

Services and Responsibilities:

The City contracts the services of the golf course to CourseCo Inc. for management and operations of the golf course and related facilities. Golf operations are funded entirely through golf fee revenues. CourseCo is responsible for managing:

- The 18-hole golf course
- Driving range
- Putting greens, golf shop
- The clubhouse



The golf course restaurant is operated through a concessionaire agreement.

Budget Summary:

Golf Course Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary (General Fund)	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$2,670,223	\$2,732,592	\$2,735,897	\$2,735,897	2,735,825
Appropriations	334,015	428,829	448,000	457,025	460,000
Transfer In	100,000		-	-	-
Interest Income	-	-	-	-	3,000
Total Revenues	\$434,015	\$428,829	\$448,000	\$457,025	\$463,000
Expenditures					
Salaries and Benefits	2,250	1,350	-	-	-
Service and Supplies	253,944	149,806	25,000	85,000	90,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	115,452	274,368	272,097	272,097	273,897
Capital	-	-	100,000	100,000	-
Total Expenditures	\$371,646	\$425,524	\$397,097	\$457,097	\$363,897
Net Difference	62,369	3,305	50,903	(72)	99,103
Ending Fund Balance	\$2,732,592	\$2,735,897	\$2,786,800	\$2,735,825	\$2,834,928
Authorized Staffing (FTE)					
Full Time	-	-	-	-	-
Part Time	-	-	-	-	-

Local Water Project

Mission:

Reduce the demand for potable water by providing high-quality, cost-effective recycled water for irrigation purposes.

Services and Responsibilities:

The Local Water Project is currently operated through a contract service agreement. The Local Water Project was initiated to replace the use of potable water with recycled water at the City's Municipal Golf Links and the El Carmelo Cemetery. In addition to irrigation water, the LWP also provides toilet flushing water for two public restrooms, as well as produces limited recycled water for resale. The LWP is estimated to provide approximately 123 acre-feet / year (.11 million gallons annual daily average) of recycled water.



Budget Summary:

Local Water Project	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary (Enterprise Fund)	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	\$2,355,632	\$1,948,658	\$1,948,658	\$1,848,416
Intergovernmental	2,353,822	-	-	-	-
Charges for Services	192,787	484,605	543,000	543,000	500,000
Transfers in	-	-	76,507	76,507	600,000
Interest Income	-	2,628	930	2,500	800
Total Revenues	\$2,546,609	\$487,233	\$620,437	\$622,007	\$1,100,800
Expenditures					
Salaries and Benefits	634	-	-	-	-
Service and Supplies	190,343	894,207	476,077	515,801	468,427
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	206,448	206,448	206,448
Capital	-	-	-	-	-
Total Expenditures	\$190,977	\$894,207	\$682,525	\$722,249	\$674,875
Net Difference	2,355,632	(406,974)	(62,088)	(100,242)	425,925
Ending Fund Balance	\$2,355,632	\$1,948,658	\$1,886,570	\$1,848,416	\$2,274,341
Authorized Staffing (FTE)					
Full Time	-	-	-	-	-
Part Time	-	-	-	-	-

Sewer Enterprise Function

Mission:

The City will continue to implement sewer pipeline repair and replacement projects in strategic locations with planned storm drainage improvements.

Services and Responsibilities:

The City owns and maintains the sanitary sewer system that collects and delivers sewage to the Monterey Monterey One Water treatment facility. In addition to performing maintenance activities, the City also manages the Sewer Lateral Loan Program that provides low-interest loans up to \$10,000 to repair or replace private sewer lateral facilities. Annual sewer rate increases are designed to support capital improvements to the sewer system that were identified in a multi-year Sewer Master Plan.

Budget Summary:

Sewer Enterprise Function	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary (Enterprise Fund)	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$16,607,319	\$17,187,630	\$18,633,779	\$18,633,779	\$19,250,827
Sales and Services	3,250,693	3,317,734	3,365,549	3,368,549	3,359,000
Transfers in	12,255	22,502	-	-	-
Interest Income	41,329	186,462	59,425	170,000	70,000
Total Revenues	\$3,304,277	\$3,526,698	\$3,424,974	\$3,538,549	\$3,429,000
Expenditures					
Salaries and Benefits	673,320	520,371	741,353	676,444	698,186
Service and Supplies	1,236,940	1,159,473	1,264,430	1,626,022	1,372,300
Non-Operating Transfers	356,016	-	-	-	600,000
Debt Services	70,733	-	79,489	123,120	82,000
Capital	386,955	400,704	6,188,000	495,915	6,126,835
Total Expenditures	\$2,723,964	\$2,080,548	\$8,273,272	\$2,921,501	\$8,879,321
Net Difference	580,313	1,446,150	(4,848,298)	617,048	(5,450,321)
Ending Fund Balance	\$17,187,630	\$18,633,780	\$13,785,481	\$19,250,827	\$13,800,506
Authorized Staffing (FTE)					
Full Time	5.05	5.15	5.15	5.15	5.15
Part Time	-	-	-	-	-

Key Performance Indicators:

Metric	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Number of City sewer overflow spills	3	1	4	4	5

General Fund Sub Funds



Asset Seizure Fund

Description:

The Asset Seizure Fund accounts are for asset forfeitures from federal cases filed with the Department of Justice (DOJ), the U.S. Department of Treasury, and assets seized by California state law enforcement agencies under state asset seizure statutes. Monies from these programs are typically used for one-time expenditures to support narcotic and drug investigation courses, equipment, or supplies. These funds are required to be maintained in separate funds and cannot be used to replace or supplement existing funds for public safety activities.

Financial Summary:

Asset Seizure Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$1,699	\$1,709	\$1,753	\$1,753	\$1,798
Interest	-	44	-	45	-
Other Revenues	10		-	-	-
Total Revenues	\$10	\$44	-	45	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Net Difference	10	44	-	45	-
Ending Fund Balance	\$1,709	\$1,753	\$1,753	\$1,798	\$1,798

Civic Center Site Fund

Description:

The Civic Center Site Fund receives rental income from American Medical Response for space lease for EMT vehicles located at the Fire Department. This fund may also include residual proceeds from the Civic Center renovation lease. City staff is in the process of reconciling the fund balance to identify any residual funds related to the renovation lease. All funds are used for general building improvements and building equipment replacement for facilities located in the Civic Center campus.

Financial Summary:

Civic Center Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$171,191	\$171,260	\$179,623	\$179,623	-
Rent	18,000	18,000	-	-	-
Other Revenues	948	4,528	1,360	4,400	-
Total Revenues	\$18,948	\$22,528	\$1,360	\$4,400	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	9,729	940	-	-	-
Non-Operating Transfers	-	-	-	99,023	-
Debt Services	-	-	-	-	-
Capital	9,150	13,225	85,000	\$85,000	-
Total Expenditures	\$18,879	\$14,165	\$85,000	\$184,023	-
Net Difference	69	8,363	(83,640)	(184,023)	-
Ending Fund Balance	\$171,260	\$179,623	\$95,983	\$ -	-

Drug Awareness Resistance Education (DARE) Fund

Description:

Funding for the DARE program is from the Pacific Grove Rotary Club through proceeds from the Annual Pacific Grove Concourse Auto Rally. This funding assists with DARE officers training, supplies, and time. The DARE program teaches students to respect others and choose to lead lives free from violence, drug abuse, and other dangerous behavior.

Beginning in Fiscal Year 18/19, the City received a \$33,000 grant for funds authorized under the California Healthcare, Research, and Prevention Tobacco Tax Act of 2016. Grant revenues and expenditures will be budgeted over a three-year period.

Financial Summary:

DARE Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$9,630	\$7,527	\$4,964	\$4,964	\$7,814
Interest	49	176	-	-	-
Other Revenues	-	10	12,000	12,000	\$12,000
Total Revenues	\$49	\$186	\$12,000	\$12,000	\$12,000
Expenditures:					
Salaries and Benefits	-		13,000	8,000	9,000
Service and Supplies Rec	2,152	2,749	3,150	1,150	3,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$2,152	\$2,749	\$16,150	\$9,150	\$12,000
Net Difference	(2,103)	(2,563)	(4,150)	2,850	-
Ending Fund Balance	\$7,527	\$4,964	\$814	\$7,814	\$7,814

Hyperbaric Chamber Fund

Description:

The Hyperbaric Chamber Fund receives fees and donations to fund chamber oxygen therapy operations, which provide emergency medical treatment to SCUBA divers injured in the Monterey Bay Marine Sanctuary. The Pacific Grove hyperbaric chamber is the only multi-place emergency chamber for divers and carbon monoxide victims between southern California and Seattle, Washington. Expenditures include training for physicians and other staff; maintaining accreditation from the Undersea and Hyperbaric Medical Society; and servicing chamber equipment, conducting air testing and purchasing compressor filters. Revenues for this fund primarily come from donations and fees for services.

Financial Summary:

Hyperbaric Chamber Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$30,631	\$28,208	\$34,630	\$34,630	\$27,130
Interest	175	849	200	100	100
Other Revenues	11,785	7,286	9,100	7,000	9,100
Total Revenues	\$11,960	\$8,135	\$9,300	\$7,100	\$9,300
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	14,383	1,713	17,600	14,600	16,700
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$14,383	\$1,713	\$17,600	\$14,600	\$16,700
Net Difference	(2,423)	6,422	(8,300)	(7,500)	(7,400)
Ending Fund Balance	\$28,208	\$34,630	\$26,330	\$27,130	\$19,730

Stillwell Children's Pool Fund

Description:

The Stillwell Children's Pool at Lover's Point Fund accounts are for supplies and for the operation of the pool at Lover's Point.

Financial Summary:

Lovers Point Pool Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$58,000	\$58,323	\$52,604	\$52,604	\$48,004
Interest	323	1,475	460	1,350	1,200
Other Revenues	-	-	-	-	-
Total Revenues	\$323	\$1,475	\$460	\$1,350	\$1,200
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies Rec	-	7,194	10,000	5,950	10,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	\$7,194	\$10,000	\$5,950	\$10,000
Net Difference	-	(5,719)	(9,540)	(4,600)	(8,800)
Ending Fund Balance	\$58,323	\$52,604	\$43,064	\$48,004	\$39,204

Operating Donations Fund

Description:

The Operating Donations Fund accounts are for donations from individuals, service clubs, and non-profit organizations to support a variety of public services including police, fire, parks, recreation; and library services and facilities. Recent notable donations have come from the Community to accumulate funding for construction of a new Library renewal project. These Library donations funds were transferred to the capital improvement fund in fiscal year 18/19 to support the library renovation.

Financial Summary:

Operating Donations Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$299,546	\$266,545	\$52,817	52,817	\$54,827
Donations	1,500	8,855	-	-	-
Interest Income	1,506	1,776	2,010	2,010	2,000
Other Revenues	-	-	-	-	-
Total Revenues	\$3,006	\$10,631	\$2,010	\$2,010	\$2,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	16,000
Non-Operating Transfers	-	224,359	-	-	-
Debt Services	-	-	-	-	-
Capital	\$36,007	-	-	-	10,000
Total Expenditures	\$36,007	\$224,359	-	-	\$26,000
Net Difference	(33,001)	(213,728)	2,010	2,010	(24,000)
Ending Fund Balance	\$266,545	\$52,817	\$54,827	\$54,827	\$30,827

Recreation Donation Fund

Description:

The Recreation Donation Fund accounts are for donations from individuals and organizations to support activities of the Youth Center. Funds are used to purchase recreation supplies for Afterschool Drop In and various summer programs.

Staff is in the process of evaluating the description of this fund. It is anticipated that this will be updated in the next fiscal year to include fund set aside for the "Take Part" program. This program provides financial assistance to Pacific Grove youth who come from income qualifying families to participate in recreation programs.

Financial Summary:

Operating Donations Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$40,839	\$49,526	\$31,770	\$31,770	\$2,637
Donations	10,210	3,004	9,100	11,800	8,000
Interest Income	247	1,240	387	1,067	1,000
Other Revenues	-	-	-	-	-
Total Revenues	\$10,457	\$4,244	\$9,487	\$12,867	\$9,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	1,770	22,000	5,000	5,000	5,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	37,000	37,000	-
Total Expenditures	\$1,770	\$22,000	\$42,000	\$42,000	\$5,000
Net Difference	\$8,687	(17,756)	(32,513)	(29,133)	\$4,000
Ending Fund Balance	\$49,526	\$31,770	(\$743)	\$2,637	\$6,637

Reiko Koo Estate Donations

Description:

The Reiko Koo Estate Donations Fund accounts are for estate proceeds bequeathed to the City of Pacific Grove from real estate, furnishings and personal belongings of Ms. Reiko Koo. The bequest to the City was made without any restrictions on the use of the donation. City Council may use discretion when appropriating funds. The Fiscal Year 20/21 Budget allocates funds to support the Downtown Iconic Cypress Tree Moonlighting Project.

Financial Summary:

Reiko Koo Estate Donation Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$152,235	-	\$175,611	\$175,611	\$75,611
Interfund Transfers	47,549	175,000	-	-	-
Interest Income	216	611	-	-	2,000
Total Revenues	\$47,765	\$175,611	-	-	\$2,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	200,000	-	100,000	100,000	17,000
Total Expenditures	\$200,000	-	\$100,000	\$100,000	\$17,000
Net Difference	152,235	175,611	(100,000)	(100,000)	(15,000)
Ending Fund Balance	-	\$175,611	\$75,611	\$75,611	\$60,611

Vehicle Replacement Fund

Description:

The Vehicle Replacement Fund accounts are for a sinking fund that is used to accumulate annual contributions sufficient to replace vehicles at the end of their useful life.

In Fiscal Year 19/20, the City began setting aside funds to assist in purchasing a new fire engine. In addition to transferring funds to support this purchase, the City also plans to evaluate financing options.

Financial Summary:

Vehicle Replacement Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	-	-	-	\$130,000
Interest	-	-	-	-	-
Transfer In	-	-	\$130,000	\$130,000	-
Total Revenues	-	-	\$130,000	\$130,000	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies Rec	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	\$130,000
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	-	-	\$130,000
Net Difference	-	-	\$130,000	\$130,000	(\$130,000)
Ending Fund Balance	-	-	\$130,000	\$130,000	\$ -

Debt Service Funds



Butterfly Habitat Bond Fund

Description:

The Butterfly Habitat Bond Fund accounts for voter approved property tax assessments used to pay principal and interest payments to service general obligation bonded debt issued to construct the Monarch Grove Butterfly Sanctuary. These bonds were retired in Fiscal Year 2018.

Financial Summary:

Butterfly Habitat Bond Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$110,052	\$23,207	-	-	-
	-	-	-	-	-
Revenue	4,334	597	-	-	-
Total Revenues	\$4,334	\$597	-	-	-
Expenditures:			-	-	
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	23,804	-	-	-
Debt Services	91,179	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$91,179	\$23,804	-	-	-
Net Difference	(86,845)	(23,207)	-	-	-
Ending Fund Balance	\$23,207	-	-	-	-

Internal Service Funds



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Employee Benefit Fund

Description:

The Employee Benefits Fund accounts are for accumulation of contributions from departmental payroll accounts to fund and pay for a variety of employee benefit costs such as retiree health, dental, unemployment insurance, life/disability insurance, and temporary employee social security replacement costs. Each department's internal service charges are based on their estimated utilization of benefits, with revenues to cover unemployment insurance costs transferred based on a percentage of employee salaries.

Financial Summary:

Employee Benefit Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$148,916	\$92,815	\$143,606	\$143,606	\$111,009
Charges for Services	185,078	304,820	239,000	239,000	248,000
Interest Income	917	3,377	500	750	1,000
Total Revenues	\$185,995	\$308,197	\$239,500	\$239,750	\$249,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	242,096	257,406	265,000	272,347	282,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$242,096	\$257,406	\$265,000	\$272,347	\$282,000
Net Difference	(56,101)	50,791	(25,500)	(32,597)	(33,000)
Ending Fund Balance	\$92,815	\$143,606	\$118,106	\$111,009	\$78,009

Liability Insurance Fund

Description:

The Liability Insurance Fund accounts are for contributions from departmental budgets to cover the cost of general liability claims, related legal costs, and the annual premiums required to participate in an insurance program through a joint powers authority (JPA). The amount of contributions from each department was based on their proportional share of the overall budget.

Financial Summary:

Liability Insurance Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$142,525	\$632,057	\$434,890	\$434,890	\$220,109
Charges for Services	655,058	580,595	266,000	274,340	305,000
Interest Income	606	14,244	1,000	8,600	2,000
Total Revenues	\$655,664	\$594,839	\$267,000	\$282,940	\$307,000
Expenditures:					
Salaries and Benefits	29,098	117,806	33,478	31,146	44,124
Service and Supplies	136,829	674,200	481,826	462,500	429,500
Non-Operating Transfers	-	-	-	-	-
Debt Services	205	-	4,071	4,075	4,000
Capital	-	-	-	-	-
Total Expenditures	\$166,132	\$792,006	\$519,375	\$497,721	\$477,624
Net Difference	489,532	(197,167)	(252,375)	(214,781)	(170,624)
Ending Fund Balance	\$632,057	\$434,890	\$182,515	\$220,109	\$49,485
Authorized Staffing					
Full Time	.20	.20	.20	.20	.25
Part Time	-	-	-	-	-

Other Post-Employment Benefits (OPEB) Fund

Description:

The Other Post-Employment Benefits (OPEB) Fund was established to set aside funds to support current and future employee medical liabilities. The contributions or internal charges are based on the department's share of medical premiums.

In Fiscal Year 19/20, the City Council authorized transferring the OPEB fund balance to the General Fund. This transfer was approved to assist with long-term planning, as well as to recognize a reduction in the City's OPEB benefits. The amount budgeted in Fiscal Year 20/21, represents a transfer of the remaining balance.

Financial Summary:

OPEB Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$322,810	\$223,572	\$330,778	\$330,778	\$7,656
Charges for Services	-	100,000	-	-	-
Interest Income	1,762	7,206	-	1,450	-
Total Revenues	\$1,762	\$107,206	-	\$1,450	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	101,000	-	324,572	324,572	7,656
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$101,000	-	\$324,572	\$324,572	\$7,656
Net Difference	(99,238)	107,206	(\$324,572)	(\$323,122)	-
Ending Fund Balance	\$223,572	\$330,778	\$6,206	\$7,656	\$ -

Workers Compensation Fund

Description:

The Workers Compensation Fund is an internal service fund. The City applies workers compensation rates to employee payroll records based on the classification of each position. The resulting bi-weekly contribution, along with claim reimbursements contribute to the Workers Compensation Fund revenues. Any excess or deficiency between the Fund's projected revenues and expenses are supplemented through a separate internal service charge. This difference is charged to departments based on their proportional share of claims that have occurred over a three-year period. All Workers Compensation Fund revenues are used to cover the cost of program administration, claims expense, legal costs, injury and illness prevention programs; and the annual premium required to participate in California Joint Powers Insurance Authority.

Fiscal Year 19/20 Accomplishments:

- Conducted Hazardous Communication Training with the Public Works Department
- Worked with consultant from Sedgwick to identify and recommend ergonomic equipment
- Established Ergonomic Lab for employees to "try out" ergonomic equipment before purchase
- Completed Emergency Action Plan document (EAP)
- Completed Evacuation Site maps and Emergency Management Team Member List for the EAP
- Implemented Supervisor's Report of Injury to assist in finding the root cause of injuries
- Completed facility inspections using the Facility Safety Inspection Checklists
- Conducted city-wide training for a Supervisor's Role in Workers Compensation Reporting

Financial Summary:

Workers Compensation Fund Summary	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Beginning Fund Balance	(\$234,109)	\$191,550	\$613,149	\$613,149	\$500,626
Charges for Services	1,394,730	721,522	650,000	400,500	600,000
Interest Income	6,879	36,891	3,500	25,446	5,000
Total Revenues	\$1,401,609	\$758,413	\$653,500	\$425,946	\$605,000
Expenditures:					
Salaries and Benefits	15,713	29,765	46,055	51,006	34,820
Service and Supplies	960,032	304,029	619,956	482,800	578,600
Non-Operating Transfers	-	-	-	-	-
Debt Services	205	3,020	4,663	4,663	5,000
Total Expenditures	\$975,950	\$336,814	\$670,674	\$538,469	\$618,420
Net Difference	425,659	421,599	(17,174)	(112,523)	(13,420)
Ending Fund Balance	\$191,550	\$613,149	\$595,975	\$500,626	\$487,206
Authorized Staffing					
Full Time	.40	.25	.30	.24	.24
Part Time	-	-	-	-	-

Fiscal Year 20/21 Goals:

A	B	C	D	E	F	G
Complete Streets	Environmental Stewardship	City Asset Stewardship	Community Responsiveness	Financial Stability	Increase Affordable Housing	Help Local Businesses Thrive

FY 20/21 Goals	A	B	C	D	E	F	G
Implement Safety Incentive Program				X			
Conduct an Emergency Action Plan drill				X			
Continue to work with the Safety Committee to continuously update protocols and policies				X			
Implement and conduct training on an Asbestos Management Plan			X				
Assist with developing safety protocols for COVID-19				X			
Offer city-wide trainings on relevant topics through new CJPIA online training portal				X			
Implement Return to Work Program and Company Nurse Program				X			
Evaluate an additional medical facility for occupational medical				X			

Key Performance Indicators:

Metric	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Safety Classes				11	3
Safety Class Attendance				186	39
Public Works Bi-Weekly Safety Meetings				26	26
Experience Modification Rate	1.98	1.73	1.30	1.12	1.06

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Capital Improvement Funds



General Fund CIP

Description:

The General Fund Capital Improvement Program (CIP) was established in Fiscal Year 2018/19. The fund accounts for capital projects funded fully or in part with discretionary general fund revenues; and grant sources. These projects are distinct from projects funded by self-supporting Enterprise Funds or special revenue funds.

Financial Summary:

General Fund CIP	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	-	\$1,226,819	\$1,226,819	\$391,472
Transfers In	8,300	1,923,576	1,960,000	2,018,893	500,005
Interest Income	-	3,877	3,000	3,800	4,000
Capital Contribution - State Grant	-	-	-	-	1,800,000
Capital Contributions – Library	-	-	1,723,000	1,970,271	101,081
Total Revenues	\$8,300	\$1,927,453	\$3,686,000	\$3,992,964	\$2,405,086
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	9,660	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	8,300	690,974	3,683,000	4,828,311	2,769,943
Total Expenditures	\$8,300	\$700,634	\$3,683,000	\$4,828,311	\$2,769,943
Net Difference	-	1,226,819	3,000	(835,347)	(364,867)
Ending Fund Balance	-	\$1,226,819	\$1,223,819	\$391,472	\$26,615

Building and Facilities Improvement Fund

Description:

The Building and Facilities Improvement Fund accounts for revenues that support general building improvements for public buildings that include preventative maintenance, HVAC, elevators, roof replacement and painting. In Fiscal Year 2018/19, all funds were transferred to the General Fund CIP to support continuing capital projects.

Financial Summary:

Bldg. & Facilities Improvement Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$487,623	\$125,842	\$337	\$337	\$5
Revenue	1,251	583	-	-	-
Total Revenues	\$1,251	\$583	-	-	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	126,088	332	332	5
Debt Services	-	-	-	-	-
Capital	363,032	-	-	-	-
Total Expenditures	\$363,032	\$126,088	\$332	\$332	\$5
Net Difference	(361,781)	(125,505)	(332)	(332)	(5)
Ending Fund Balance	\$125,842	\$337	\$5	\$5	\$ -

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Special Revenues Funds



Abandoned Vehicle Abatement Fund

Description:

Monterey County receives a \$1 tax on vehicle registrations. The City is reimbursed based on each abandoned vehicle marked, ticketed, and/or towed. Funds received are used for the Police Department's abatement program for training, supplies and equipment.

Financial Summary:

Vehicle Abandonment Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$20,000	\$27,032	\$6,285	\$6,285	\$6,285
Transfers In	-	-	-	-	-
Interest	106	471	100	100	100
Other Revenues	6,926	13,577	7,000	7,000	7,000
Total Revenues	\$7,032	\$14,048	\$7,100	\$7,100	\$7,100
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	8,000	7,100	\$8,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	34,795	-	-	-
Total Expenditures	-	\$34,795	\$8,000	\$7,100	\$8,000
Net Difference	\$7,032	(20,747)	(900)	-	(900)
Ending Fund Balance	\$27,032	\$6,285	\$5,386	\$6,285	\$5,385

Areas of Special Biological Significance (ASBS) Fund

Description:

The ASBS Fund accounts are for grant funding from Proposition 84 through the State Water Resources Control Board. It provides matching funds to local public agencies to fund a variety of water quality improvement projects to comply with the discharge prohibition in specific areas contained in the California Ocean Plan.

Financial Summary:

ASBS Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	(\$57,994)	(\$81,528)	(\$81,528)	\$ -
Transfers In	-	-	-	-	-
Grant Revenues	85,431	296,763	3,846,000	161,619	2,921,463
Total Revenues	\$85,431	\$296,763	\$3,846,000	\$161,619	\$2,921,463
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	3,848	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	139,577	320,297	3,788,000	80,091	2,921,463
Total Expenditures	\$143,425	\$320,297	\$3,788,000	\$80,091	\$2,921,463
Net Difference	(57,994)	(23,534)	58,000	81,528	-
Ending Fund Balance	(\$57,994)	(\$81,528)	(\$23,528)	\$ -	\$ -

CalHome Reuse Fund

Description:

The CalHome Reuse Fund accounts are for grants from the California Department of Housing and Community Development. These funds are administered by local public agencies to enable low and very low-income households to become or remain homeowners. Assistance includes deferred-payment loans for down payment assistance and home rehabilitation that are payable on sale or transfer of homes or when they cease to be owner occupied, or at maturity.

Financial Summary:

CalHome Reuse Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$105,319	\$195,406	\$203,156	\$203,156	\$91,156
Interest Income	3,087	5,073	-	-	-
Other Revenues	87,000	2,677	50,000	50,000	50,000
Total Revenues	\$90,087	\$7,750	\$50,000	\$50,000	\$50,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Housing Loans	-	-	\$82,000	162,000	110,000
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	\$82,000	\$162,000	\$110,000
Net Difference	90,087	7,750	(32,000)	(112,000)	(60,000)
Ending Fund Balance	\$195,406	\$203,156	\$171,156	\$91,156	\$31,156

Carillion Fund

Description:

The Carillion Acquisition and Maintenance Fund accounts are for donations designated for the maintenance of the tower clock and chimes system at City Hall.

Financial Summary:

Carillion Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$9,462	\$9,515	\$9,484	\$9,484	\$9,727
Interest Income	-	244	-	243	
Revenues	53	-	75		200
Total Revenues	\$53	\$244	\$75	\$243	\$200
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	275	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	\$275	-	-	-
Net Difference	53	(31)	75	243	200
Ending Fund Balance	\$9,515	\$9,484	\$9,559	\$9,727	\$9,927

Community Development Block Grant (CBDG) Fund

Description:

The Community Development Block Grant (CBDG) Fund accounts are revolving loans originally funded by competitive funds awarded by the State through the U.S. Housing and Urban Development Department for housing loans for low-to-moderate income persons. The City of Pacific Grove is considered a non-entitlement jurisdiction; and as such does not receive annual funding. All future revolving loans are made using repayments of prior housing loans.

Financial Summary:

CDBG Grant Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$6,862	\$246,910	\$645,616	\$645,616	186,616
Loan Repayments	237,752	496,210	100,000	100,000	100,000
Interest Income	29,190	113,814	20,000	20,000	7,000
Other Revenues	-	-	-	-	-
Total Revenues	\$266,942	\$610,024	\$120,000	\$120,000	\$107,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	26,894	211,318	579,000	579,000	250,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$26,894	\$211,318	\$579,000	\$579,000	\$250,000
Net Difference	240,048	398,706	(459,000)	(459,000)	(143,000)
Ending Fund Balance	\$246,910	\$645,616	\$186,616	\$186,616	\$43,616

Chautauqua Hall Fund

Description:

Chautauqua Hall was built in 1881 and was designated a State Historical Landmark. The Chautauqua Hall Fund accounts for funds from the Chautauqua Hall Preserve that are used to support building repairs and maintenance.

Financial Summary:

Chautauqua Hall Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$15,733	\$16,900	\$17,970	\$17,970	\$13,380
Interest	93	450	135	410	150
Other Revenues	3,601	620	-	-	-
Total Revenues	\$3,694	\$1,070	\$135	\$410	\$150
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies Rec	2,527	-	5,000	\$5,000	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$2,527	-	\$5,000	\$5,000	-
Net Difference	1,167	1,070	(4,865)	(4,590)	150
Ending Fund Balance	\$16,900	\$17,970	\$13,105	\$13,380	\$13,530

Clean Beaches Fund

Description:

The Clean Beaches Fund receives State Revolving Fund (SRF) Loan or similar program funds to cover costs of storm water runoff capture, storage and diversion from Lover's Point and Sea Palm Watersheds.

Financial Summary:

Clean Beaches Fund Summary	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Beginning Fund Balance	-	-	-	-	-
Transfers In	356,016	-	-	-	-
Other Revenues	(166,015)	-	-	-	-
Total Revenues	\$190,001	-	-	-	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	20,313	-	-	-	-
Non-Operating Transfers	8,589	-	-	-	-
Debt Services	-	-	-	-	-
Capital	161,099	-	-	-	-
Total Expenditures	\$190,001	-	-	-	-
Net Difference	-	-	-	-	-
Ending Fund Balance	-	-	-	-	-

Coastal Conservancy Grant Fund

Description:

The Coastal Conservancy Grant Fund receives grant proceeds from the Coastal Conservancy to fund coastal conservancy related projects and plans that maintain and improve beaches and coastal parks.

Financial Summary:

Coastal Conservancy Grant Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$157,381	\$252,206	\$75,420	\$75,420	\$75,420
Transfers In	-	-	-	-	-
Other Revenues	153,616	(1,786)	-	-	1,200
Total Revenues	\$153,616	(\$1,786)	-	-	\$1,200
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	47,549	175,000	-	-	-
Debt Services	-	-	-	-	-
Capital	11,242	-	-	-	-
Total Expenditures	\$58,791	\$175,000	-	-	-
Net Difference	94,825	(176,786)	-	-	1,200
Ending Fund Balance	\$252,206	\$75,420	\$75,420	\$75,420	\$76,620

Downtown Business District

Description:

The Downtown Business District Fund accounts are for the collection of self-assessed fees from businesses within the Business Improvement District and the payment of those fees to the Pacific Grove Chamber of Commerce. Businesses within the Downtown Business Improvement District remit those fees to the City upon the annual renewal of their business licenses.

Financial Summary:

Downtown Business District Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$10,762	\$1,671	\$1,853	\$1,853	\$903
Interest Income	53	103	50	50	50
Other Revenue	28,767	8,132	31,000	31,000	31,000
Total Revenue	\$28,820	\$8,235	\$31,050	\$31,050	\$31,050
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	37,911	8,053	21,400	32,000	31,953
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$37,911	\$8,053	\$21,400	\$32,000	\$31,953
Net Difference	(9,091)	182	9,650	(950)	(903)
Ending Fund Balance	\$1,671	\$1,853	\$11,503	\$903	\$ -

Environmental Enhancement Fund

Description:

The Environmental Enhancement Fund accounts are for revenues associated with Coastal Area Planning grants, coastal area land use, and Environmental Impact Report deposit funds.

Financial Summary:

Environmental Enhancement Fund Summary	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Beginning Fund Balance	\$139,614	\$135,481	\$126,350	\$126,350	\$106,350
Interest Income	773	3,377	-	-	2,000
Other Revenue	4,910	-	-	-	-
Total Revenue	\$5,683	\$3,377	-	-	\$2,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	9,815	12,508	20,000	20,000	\$10,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$9,815	\$12,508	\$20,000	\$20,000	\$10,000
Net Difference	(4,133)	(9,131)	(20,000)	(20,000)	(8,000)
Ending Fund Balance	\$135,481	\$126,350	\$106,350	\$106,350	\$98,350

Fire Emergency Equipment Fund

Description:

The Fire Emergency Equipment Fund accounts are for grants, fees, and donations in support of Fire Department safety programs.

Financial Summary:

Emergency Equipment Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$172,061	\$179,369	\$194,290	\$194,290	\$155,340
Interest, Rents, and Concessions	1,002	4,796	1,250	1,250	2,000
Other Revenues	18,334	19,407	20,000	15,800	20,000
Total Revenues	\$19,336	\$24,203	\$21,250	\$17,050	\$22,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	12,028	6,973	25,000	56,000	10,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	2,309	-	-	13,500
Total Expenditures	\$12,028	\$9,282	\$25,000	\$56,000	\$23,500
Net Difference	7,308	14,921	(3,750)	(38,950)	(1,500)
Ending Fund Balance	\$179,369	\$194,290	\$190,540	\$155,340	\$153,840

Gas Tax Fund

Description:

The Gas Tax Fund accounts are for State shared gasoline tax revenues that are utilized for street-related operating and capital project costs.

Financial Summary:

Gas Tax Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$20,490	\$38,098	\$17,436	\$17,436	\$75,115
Interest	242	472	286	460	300
Taxes and Other Revenues	299,180	292,630	382,260	374,371	296,486
Total Revenues	\$299,422	\$293,102	\$382,546	\$374,831	\$296,786
Expenditures:					
Salaries and Benefits	160,869	-	127,897	128,121	121,646
Service and Supplies PW	119,983	313,764	145,000	145,000	150,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	962	-	14,016	14,031	14,000
Capital	-	-	30,000	30,000	-
Total Expenditures	\$281,814	\$313,764	\$316,913	\$317,152	\$285,646
Net Difference	17,608	(20,662)	65,633	57,679	11,140
Ending Fund Balance	\$38,098	\$17,436	\$83,069	\$75,115	\$86,255

General Plan Maintenance Fund

Description:

The General Plan Maintenance Fund accounts for fees collected to maintain the City's General Plan. These fees will be expended to maintain and monitor the General Plan.

Financial Summary:

General Plan Maintenance Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	-	\$777	\$777	\$7,777
Interest Income	-	3	-	-	-
Other Revenues	-	774	7,000	\$7,000	\$5,000
Total Revenues	-	\$777	\$7,000	\$7,000	\$5,000
Expenditures:					-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Net Difference	-	\$777	\$7,000	\$7,000	\$5,000
Ending Fund Balance	-	\$777	\$7,777	\$7,777	\$12,777

Hospitality and Tourism Improvement Districts Fund

Description:

The Hospitality and Tourism Improvement Districts Fund records the collection and distribution of self-assessed fees by the hotels. In Fiscal Year 18/19, the existing Pacific Grove Hospitality Improvement District (HID) assessment was bifurcated, with half of the assessment levied under a new Monterey County Tourism Improvement District (MCTID). The funds for the HID are remitted to the Pacific Grove Chamber of Commerce, while the MCTID funds are remitted to the Monterey County Convention and Visitor's Bureau. All the hotels in the City have agreed to this self-assessment and remit those fees with their monthly Transient Occupancy Tax payment.

Financial Summary:

Hospitality Improvement Dist.	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Fund Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$701	\$7,669	\$676	676	676
Transfers in	-	-	-	-	-
Interest	119	499	500	500	1,000
Other Revenues	496,238	510,934	511,000	511,000	327,000
Total Revenues	\$496,357	\$511,746	\$511,500	\$511,500	\$328,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	489,389	518,739	511,500	511,500	328,676
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$489,389	\$518,739	\$511,500	\$511,500	\$328,676
Net Difference	6,968	(6,993)	-	-	(676)
Ending Fund Balance	\$7,669	\$676	\$676	\$676	\$-

Housing Fund

Description:

The Housing Fund accounts are for the administration of housing loan activities.

Financial Summary:

Housing Fund Summary	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated	FY 2020/21 Budget
Beginning Fund Balance	\$362,423	\$443,972	\$555,851	\$555,851	\$478,801
Interest	44,056	12,059	1,700	\$5,200	2,000
Revenues	120,433	210,891	70,700	72,700	70,000
Total Revenues	\$164,489	\$222,950	\$72,400	\$77,900	\$72,000
Expenditures:					
Salaries and Benefits	69,659	83,880	119,984	90,022	94,403
Service and Supplies	12,664	27,191	57,500	57,500	58,600
Non-Operating Transfers	-	-	-	-	-
Debt Services	617	-	7,420	7,428	8,000
Capital	-	-	-	-	-
Total Expenditures	\$82,940	\$111,071	\$184,904	\$154,950	\$161,003
Net Difference	81,549	111,879	(112,504)	(\$77,050)	(\$89,003)
Ending Fund Balance	\$443,972	\$555,851	\$443,347	\$478,801	\$389,798

Library Building and Equipment Fund

Description:

The Library Building and Equipment Fund accounts are for donations designated for improvements and equipment for the City Library.

Financial Summary:

Library Building and Equipment Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$24,900	\$66,217	\$13,250	\$13,250	\$13,250
Interest	230	360	-	-	-
Other Revenue	100,602	13,019	-	-	-
Total Revenue	\$100,832	\$13,379	-	-	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	10	-	-	-	-
Non-Operating Transfers	-	66,346	-	-	-
Debt Services	-	-	-	-	-
Capital	59,505	-	-	-	-
Total Expenditures	\$59,515	\$66,346	-	-	-
Net Difference	41,317	(52,967)	-	-	-
Ending Fund Balance	\$66,217	\$13,250	\$13,250	\$13,250	\$13,250

Lighthouse Fund

Description:

The Lighthouse Fund was originally titled, the Lighthouse Maintenance and Improvement Fund. The fund's original purpose was to account for any expenses and/or any donations, proceeds, or operating transfer receipts related to the maintenance and improvement of the Point Pinos Lighthouse. In Fiscal Year 19/20, the City assumed operations of the Lighthouse visitor's center and gift shop. This transition included the City purchasing and reselling gift shop merchandise, providing part-time staffing to assist with the visitor's center; and transitioning from a suggested donation amount to a minimal admission fee. These changes are anticipated to result in an increase in revenues and expenditures. In Fiscal Year 20/21, sales are anticipated to decrease due to COVID-19. The budget also reflects a 10% furlough for positions assigned to the Lighthouse. The actual staffing levels, up to the furloughed amount, will be dependent on COVID-19 restrictions.

Financial Summary:

Lighthouse Maint. & Improvement Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$75,257	\$106,518	\$149,903	\$149,903	\$205,220
Interest	559	3,494	-	3,400	2,500
Other Revenues	85,298	91,425	87,000	130,000	103,500
Total Revenues	\$85,857	\$94,919	\$87,000	\$133,400	\$106,000
Expenditures:					
Salaries and Benefits	-	-	46,328	26,710	33,517
Service and Supplies	25,708	25,336	32,500	51,373	32,500
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	28,889	26,198	40,000	-	-
Total Expenditures	\$54,597	\$51,534	\$118,828	\$78,083	\$66,017
Net Difference	31,260	43,385	(31,828)	55,317	39,983
Ending Fund Balance	\$106,518	\$149,903	\$118,075	\$205,220	\$245,203

Library Book Fund

Description:

The Library Book Fund receives donations and contributions are for the specific purpose of purchasing books for the City Library.

Financial Summary:

Library Book Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$14,596	-	\$6,833	\$6,833	\$8,883
Interfund Transfers	59,322	-	-	-	-
Interest, Rents, and Concessions	11	81	140	50	100
Other Revenues	4,643	6,753	7,000	2,000	5,000
Total Revenues	\$63,976	\$6,834	\$7,140	\$2,050	\$5,100
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	78,572	1	-	-	\$13,983
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$78,572	\$1	-	-	\$13,983
Net Difference	(14,596)	6,833	7,140	2,050	(8,893)
Ending Fund Balance	-	\$6,833	\$13,973	\$8,883	\$ -

Local Streets and Roads Fund

Description:

Monterey County voters approved Measure X, which authorized the Transportation Agency of Monterey County (TAMC) to impose and administer the proceeds from a three-eighths cent transaction and use tax (Measure X). This fund receives tax proceeds to pay for pedestrian and vehicular transportation projects and programs. For the City to receive Measure X funding, capital improvement projects were identified and provided to TAMC as part of the overall Measure X agreement. Based on the City's 2016 road assessment the City had identified Fountain Avenue as a candidate for repaving.

Financial Summary:

Local Streets and Roads Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$84,020	\$185,553	\$916,469	\$916,469	\$194,479
Sales and use taxes	430,203	737,153	665,000	665,000	552,500
Interest	1,154	14,140	8,000	8,000	6,000
Transfers In	-	-	-	156,783	-
Total Revenues	\$431,357	\$751,293	\$673,000	\$829,783	\$558,500
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	329,824	20,377	750,000	1,551,773	676,530
Total Expenditures	\$329,824	\$20,377	\$750,000	\$1,551,773	\$676,530
Net Difference	101,533	730,916	(77,000)	(721,990)	(118,030)
Ending Fund Balance	\$185,553	\$916,469	\$839,469	\$194,479	\$76,449

McIndoo Donation Fund

Description:

The McIndoo Donation Fund accounts are for the receipt of a donation from the Jeanette J. McIndoo Trust for beautification and enhancement of public facilities and grounds.

Financial Summary:

McIndoo Donation Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$101,078	\$101,641	\$104,256	\$104,256	\$36,756
Interest Income	563	2,615	1,000	2,500	2,000
Other Revenues	-	-	-	-	-
Total Revenues	\$563	\$2,615	\$1,000	\$2,500	\$2,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	70,000	70,000	12,000
Total Expenditures	-	-	\$70,000	\$70,000	\$12,000
Net Difference	563	2,615	(69,000)	(67,500)	(10,000)
Ending Fund Balance	\$101,641	\$104,256	\$35,256	\$36,756	\$26,756

Museum Improvement Fund

Description:

The Museum Improvement Fund accounts are for donations designated for improvements to the Museum of Natural History.

Financial Summary:

Museum Improvement Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$470,545	\$473,167	\$485,342	\$485,342	\$423,547
Interest	2,622	12,175	3,700	12,000	12,000
Other Revenue	-	-	-	1,205	-
Total Revenue	\$2,622	\$12,175	\$3,700	\$13,205	\$12,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	\$75,000	\$75,000	-
Total Expenditures	-	-	\$75,000	\$75,000	-
Net Difference	2,622	12,175	(71,300)	(61,795)	\$12,000
Ending Fund Balance	\$473,167	\$485,342	\$414,042	\$423,547	\$435,547

Operating Grants Fund

Description:

The Operating Donations Fund accounts for grants from federal, state and local agencies to support a variety of public services including police, fire, parks, recreation; and museum facilities.

Financial Summary:

Operating Grants Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	\$832	\$678	\$678	\$818
Interest Income	2	148	10	140	60
Other Revenues	830	10,000	-	-	-
Total Revenues	\$832	\$10,148	\$10	\$140	\$60
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	10,302	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	\$10,302	-	-	-
Net Difference	832	(154)	10	140	60
Ending Fund Balance	\$832	\$678	\$688	\$818	\$878

Poetry Promotion Fund

Description:

The Poetry Promotion Fund receives income are from donations and a bequest to support the promotion of poetry in the community.

Financial Summary:

Poetry Promotion Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$57,196	\$55,697	\$56,073	\$56,073	\$30,573
Interest Income	312	1,417	435	-	
Other Revenues	114		-	-	33,420
Total Revenues	\$426	\$1,417	\$435	-	\$33,420
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	1,925	1,041	19,500	25,500	9,468
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$1,925	\$1,041	\$19,500	\$25,500	\$9,468
Net Difference	(1,499)	376	(19,065)	(25,500)	23,952
Ending Fund Balance	\$55,697	\$56,073	\$37,008	\$30,573	\$54,525

Public Safety Augmentation Fund

Description:

The Public Safety Augmentation Fund accounts are for revenue from Proposition 172 public safety sales tax and interfund transfers to pay for a contract with Monterey County Emergency Communications for 911 emergency dispatch services.

Financial Summary:

Public Safety Augmentation Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$336,749	\$453,133	\$501,263	\$501,263	\$361,063
Transfers In	481,630	312,000	210,000	210,000	210,000
Interest Income	2,795	16,089	2,000	5,000	2,000
Other Revenues	123,920	131,265	128,000	128,000	119,000
Total Revenues	\$608,345	\$459,355	\$340,000	\$343,000	\$331,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$491,961	411,225	\$481,000	483,200	447,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$491,961	\$411,225	\$481,000	\$483,200	\$447,000
Net Difference	116,384	48,130	(141,000)	(140,200)	(116,000)
Ending Fund Balance	\$453,133	\$501,263	\$360,263	\$361,063	\$245,063

Regional Surface Transportation (RSTP) Fund

Description:

The Regional Surface Transportation (RSTP) Fund receives federal and state transportation funding through the Transportation Agency for Monterey County (TAMC). TAMC distributes funds to local agencies as part of its responsibilities as a Regional Transportation Planning Agency. Funds are used for variety of projects including bicycle and pedestrian projects, local roads, and transit.

Financial Summary:

RSTP Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	-	(\$4,652)	(\$4,652)	-
Interest	-	-	-	-	-
Other Revenues	-	-	-	196,000	-
Total Revenues	-	-	-	\$196,000	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	4,652	-	191,348	-
Total Expenditures	-	\$4,652	-	\$191,348	-
Net Difference	-	(4,652)	-	4,652	-
Ending Fund Balance	-	(\$4,652)	(\$4,652)	-	-

Road Maintenance and Rehabilitation Account Fund

Description:

The Road Maintenance and Rehabilitation Account (RMRA) Fund is supported through shared revenues received from the Road Repair and Accountability Act of 2017. These revenues are generated from increased gas tax, diesel excise and sales tax; and a zero-emission vehicle registration fee for local transportation projects. Funding allocations are project specific and require a maintenance of effort (MOE) requirement.

Financial Summary:

RMRA Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	-	\$256,236	\$256,236	\$12,281
Transfers in	10,195	-	-	-	-
Interest	159	3,284	360	3,150	1,500
Other Revenues	90,811	262,847	265,981	265,981	242,234
Total Revenues	\$101,165	\$266,131	\$266,341	\$269,131	\$243,734
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	101,165	9,895	265,981	513,086	242,234
Total Expenditures	\$101,165	\$9,895	\$265,981	\$513,086	\$242,234
Net Difference	-	256,236	360	(243,955)	\$1,500
Ending Fund Balance	-	\$256,236	\$256,596	\$12,281	\$13,781

Senior Housing Fund

Description:

The Senior Housing Fund accounts for donations and other revenues to develop and maintain senior housing opportunities.

Financial Summary:

Senior Housing Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$9,838	\$9,893	\$10,148	\$10,148	\$10,248
Interest	55	255	70	100	100
Other Revenues	-	-	-	-	-
Total Revenues	\$55	\$255	\$70	\$100	\$100
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Net Difference	55	255	70	100	100
Ending Fund Balance	\$9,893	\$10,148	\$10,218	\$10,248	\$10,348

Sewer Lateral Loan Fund

Description:

The Sewer Lateral Fund accounts for the Sewer Lateral Replacement Program that provides a low interest 3% loan of up to \$10,000 to repair or replace a private sewer lateral. These deferred loans are secured by a Deed of Trust, with no monthly payments required. Loans are repaid when there is a property title transfer or sale to a new owner.

Financial Summary:

Sewer Lateral Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$202,575	\$202,575	\$212,502	\$212,502	\$183,502
Interest	-	3,152	150	2,000	5,000
Other Revenues	-	6,923	-	9,000	10,000
Total Revenues	-	\$10,075	\$150	\$11,000	\$15,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	148	-	2,000	\$42,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	\$40,000	\$38,000	-
Total Expenditures	-	\$148	\$40,000	\$40,000	\$42,000
Net Difference	-	9,927	(39,850)	(\$29,000)	(\$27,000)
Ending Fund Balance	\$202,575	\$212,502	\$172,652	\$183,502	\$156,502

State Franchise PEG

Description:

The State Franchise PEG Fund accounts for funds received from the City's cable franchisee to support Public, Educational and Governmental (PEG) programming on local Public Access television. The fund supports equipment expenditures to aid in broadcasting based on the terms of the Digital Infrastructure and Video Competition Act of 2006. In Fiscal Year 18/19 and Fiscal Year 19/20, PEG funds were appropriated to fund an upgrade of audio/visual equipment in the Council Chambers. This project is anticipated to be completed in Fiscal Year 19/20.

Financial Summary:

State Franchise PEG Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$350,617	\$336,754	\$339,994	\$339,994	\$65,994
Interest	1,879	8,728	1,000	1,000	500
Other Revenue	54,586	52,206	58,000	58,000	52,000
Total Revenue	\$56,465	\$60,934	\$59,000	\$59,000	\$52,500
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	68,578	52,206	69,000	69,000	52,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	1,750	5,488	210,000	264,000	-
Total Expenditures	\$70,328	\$57,694	\$279,000	\$333,000	\$52,000
Net Difference	(13,863)	3,240	(220,000)	(282,000)	500
Ending Fund Balance	\$336,754	\$339,994	\$119,994	\$65,994	\$66,494

Strong Disbursement Fund

Description:

The Strong Disbursement Fund accounts for expenditures of income received from the Bertha Strong private foundation held for the benefit of the City Pacific Grove for civic improvements. Revenue is the greater of net income or the required minimum distribution from the corpus of the foundation as governed by the IRS.

Financial Summary:

Strong Disbursement Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$119,287	\$158,170	\$140,527	\$140,527	\$172,127
Interest Income	756	3,890	1,250	3,700	2,800
Transfers In	43,000	-	-	-	-
Other Revenues	-	43,000	43,000	43,000	43,000
Total Revenues	\$43,756	\$46,890	\$44,250	\$46,700	\$45,800
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	4,873	64,533	65,000	15,100	161,900
Total Expenditures	\$4,873	\$64,533	\$65,000	\$15,100	\$161,900
Net Difference	38,883	(\$17,643)	(20,750)	\$31,600	(116,100)
Ending Fund Balance	\$158,170	\$140,527	\$119,777	\$172,127	\$56,027

Supplement Law Enforcement Services Fund

Description:

The Department of Justice provides the City with Supplemental Law Enforcement Services Funds (SLESF) to partially fund the costs of the Department's School Resource Officer, training expenses; and the purchase of supplies and equipment. In this fiscal year, the Department is purchasing new portable and base station radios with the funding. In addition to SLESF, the City receives funding from the Pacific Grove Unified School District to partially recover the additional costs associated with the School Resource Officer.

Financial Summary:

Supplement Law Enforcement Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$243,431	\$248,705	\$140,680	\$140,680	\$30,803
Interest Income	1,519	3,176	110,000	1,500	-
Other Revenues	201,036	212,881	74,000	229,948	234,000
Total Revenues	\$202,555	\$216,057	\$184,000	\$231,448	\$234,000
Expenditures:					
Salaries and Benefits	138,320	-	102,567	97,325	84,860
Service and Supplies	16,961	108,741	-	10,000	171,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	54,000	-
Capital	42,000	215,341	-	180,000	-
Total Expenditures	\$197,281	\$324,082	\$102,567	\$341,325	\$255,860
Net Difference	5,274	(108,025)	81,433	(109,877)	(21,860)
Ending Fund Balance	\$248,705	\$140,680	\$222,113	\$30,803	\$8,943

Yount Income Fund

Description:

The Yount Income Fund accounts are for the expendable portion of the Yount Trust Fund which is to be used for beautification of the city and for minor improvements to educational and/or recreational facilities.

Financial Summary:

Yount Income Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$88,047	\$81,326	\$75,567	\$75,567	\$68,284
Transfers In	13,540	12,677	12,000	12,000	10,000
Interest Income	461	1,997	-	1,400	1,300
Other Revenues	-	-	-	-	-
Total Revenues	\$14,001	\$14,674	\$12,000	\$13,400	\$11,300
Expenditures:					
Salaries and Benefits	20,722	19,426	18,128	18,782	18,013
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	128	1,007	1,899	1,901	2,000
Capital	-	-	-	-	-
Total Expenditures	\$20,722	\$20,433	\$20,027	\$20,683	\$20,013
Net Difference	(6,721)	(5,759)	(8,027)	(7,283)	(8,713)
Ending Fund Balance	\$81,326	\$75,567	\$67,540	\$68,284	\$59,571

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Permanent Funds



Cemetery Endowment Fund

Description:

The Cemetery Endowment Fund accounts for revenues paid for the El Carmelo Cemetery endowment care, perpetual expenses; and the general preservation of burial sites, grounds, walking paths, roadways, boundaries and structures.

Financial Summary:

Cemetery Endowment Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$1,477,695	\$1,544,732	\$1,641,419	\$1,641,419	\$1,711,499
Charges for Services	58,574	56,078	60,000	55,000	55,000
Interest Income	8,463	40,609	5,000	15,080	20,000
Total Revenues	\$67,037	\$96,687	\$65,000	\$70,080	\$75,000
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Net Difference	\$67,037	\$96,687	\$65,000	\$70,080	\$75,000
Ending Fund Balance	\$1,544,732	\$1,641,419	\$1,706,419	\$1,711,499	\$1,786,499

Library Endowment Trust Fund

Description:

The Library Endowment Trust Fund accounts for donations and bequeaths for the benefit of Library materials and collections.

Financial Summary:

Library Endowment Trust Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$539,528	\$529,766	\$546,388	\$546,388	\$511,372
Interest Income	3,023	13,691	4,134	5,484	6,000
Other Revenues	6,140	2,950	1,000	1,500	1,500
Total Revenues	\$9,163	\$16,641	\$5,134	\$6,984	\$7,500
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$3	\$19	\$42,000	\$42,000	-
Non-Operating Transfers	18,922	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$18,925	\$19	\$42,000	\$42,000	\$ -
Net Difference	(9,762)	16,622	(36,866)	(35,016)	7,500
Ending Fund Balance	\$529,766	\$546,388	\$509,522	\$511,372	\$518,872

Yount Trust Fund

Description:

The Yount Trust Fund accounts for interest income from a non-expendable trust fund. The interest earned is transferred to the Yount Income Fund to support beautification of the City and minor improvements to education and/or recreational facilities.

Financial Summary:

Yount Trust Fund	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2020/21
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$838,298	\$825,238	\$841,215	\$841,215	\$841,215
Interest Income	480	28,655	12,000	12,000	10,000
Other Revenues	-	-	-	-	-
Total Revenues	\$480	\$28,655	\$12,000	\$12,000	\$10,000
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	\$13,540	\$12,678	\$12,000	\$12,000	\$10,000
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$13,540	\$12,678	\$12,000	\$12,000	\$10,000
Net Difference	(13,060)	15,977	-	-	-
Ending Fund Balance	\$825,238	\$841,215	\$841,215	\$841,215	\$841,215

Capital Improvements and Capital Outlay





Capital Outlay

General Fund

There are no General Fund capital outlay projects for FY 20/21.

Fire Emergency Equipment Fund

Replacement of Extrication Tools - Fire Department \$13,500

Extrication equipment can assist the Fire Department in removing trapped individuals from a damaged vehicle or a structure that has sustained major damage. Updating these tools will also save on maintenance and repair costs.

Operating Donations Fund

Storage Unit for Baseball/Softball Fields \$10,000

This purchase will provide a storage unit for the Pacific Grove Municipal Baseball/Softball park.

Total - General Fund \$-

Combined Capital Outlay – All Funds \$23,500

Capital Improvement Plan

The City's capital improvement plan (CIP) is an integral part of the City's annual budget process. The CIP serves as a public relations and economic development tool and focuses on preserving infrastructure while ensuring efficient use of public funds. Council Policy 400-6 defines a Capital Improvement or asset as buildings, machinery or equipment, with an original cost in excess of \$5,000 and a useful life of three years or more. Items listed within this section reference capital projects that are related to facilities, streets, and infrastructure.

In Fiscal Year 18/19, the City updated a five-year draft capital improvement plan to assist with long-term planning. This document provided the following information:

- Capital improvement projects and equipment purchases
- An implementation schedule
- Options for project financing
- Links to Council's strategic initiatives
- Budgetary information
- Project justification

As part of the annual budget process, City departments submit project requests to the Public Works Department. Projects are identified based on input received from the community, the Mayor and City Council; as well as City staff. The Staff identifies projects that are based on critical needs, including those due to safety issues or to comply with new mandates.

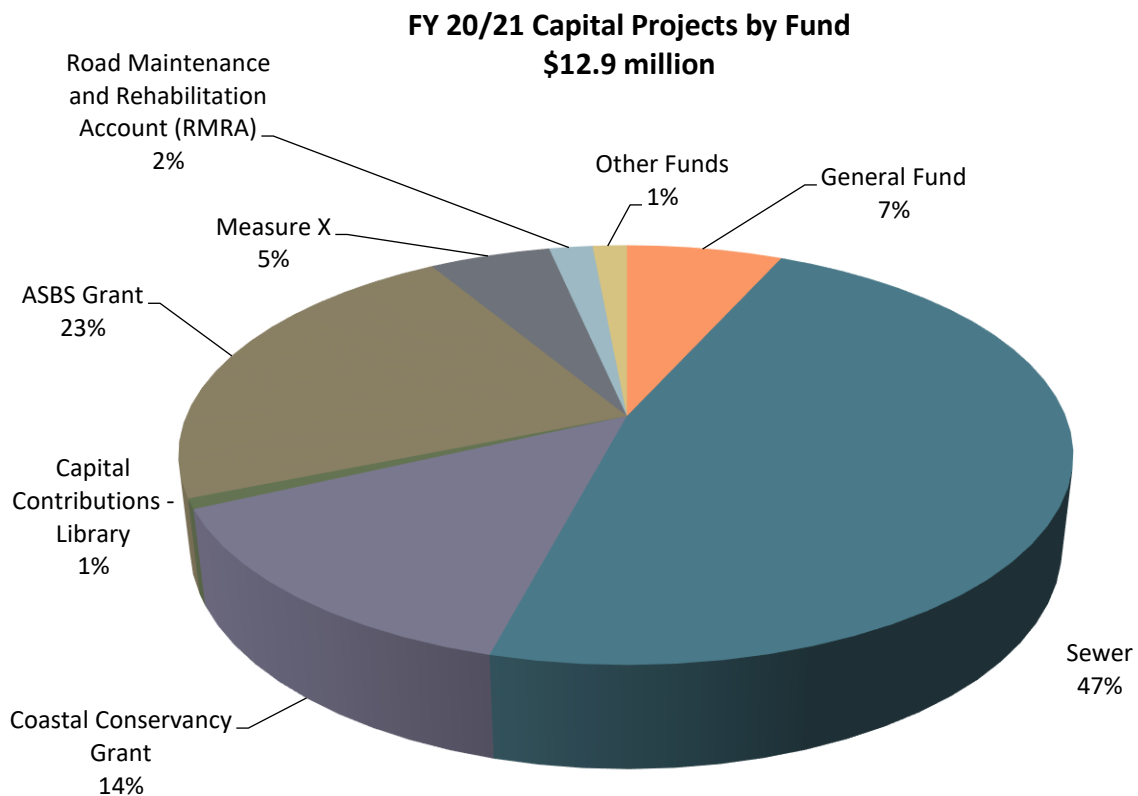
Each project proposal is reviewed from a variety of approaches and is prioritized based on the following criteria:

- Greatest need (e.g. mandates and public safety)
- Meeting the Council's Strategic Initiatives and Goals
- Consequences of delay (ex: potential to incur increased costs, asset preservation)
- Readiness
- Opportunities to accomplish multiple goals or align timing with another project(s)
- Availability of funding (ex: grants)

Under the direction of the City Manager, the Public Works and Finance Departments reviewed the proposed projects and prepared the CIP for submittal to the Mayor and City Council. The proposed CIP is then presented, discussed, and acted upon by the City Council in public sessions during the budget hearings.

In Fiscal Year 20/21, the City has proposed funding for 3 general fund projects, 11 non-general fund projects and two multi-fund projects. An overview is presented below, with complete project details provided on separate sheets within this section.

Funding Source	
General Fund	868,862
Capital Contribution Library Renovation Project	101,081
Coastal Conservancy Grant	1,800,000
Area of Special Biological Significance (ASBS) Grant	2,921,463
Bertha Strong	161,900
McIndoo Donation	12,000
Measure X	676,530
Reiko Koo	17,000
Road Maintenance and Rehabilitation (RMRA)	242,234
Sewer	6,126,835
Total	\$12,927,905





FY 20/21 CAPITAL IMPROVEMENT PLAN

Street Rehabilitation (Lower Lighthouse and Funston Ave)

Funds	General Fund, Fund 63 - Capital Improvement Project Fund Non-General Fund, Fund 17- Local Streets and Roads (Measure X) Non-General Fund, Fund 47, RMRA (SB1)
Funding Source	63-631-6041, 17-522-6041, 47-471-6046
Project Code	CIP 21-01
Council Strategic Goal	Complete Streets/City Asset Stewardship

PROJECT DESCRIPTION

This project entails street rehabilitation on Lower Lighthouse Ave and Funston Ave. This project will help address the aging road infrastructure network, increase the Pavement Condition Index (PCI) rating on two streets that are in "poor" condition, and ensure the City remains eligible for external funding by meeting Maintenance of Effort (MOE) requirements.

Lower Lighthouse Avenue. This segment of the project will include street rehabilitation on Lower Lighthouse from Eardley Ave to 13th St. This roadway is a main arterial and an entryway into the City. The existing pavement condition is "poor" with a PCI ranging from 32-45. This segment has not received treatment in over 30 years.

Funston Avenue. This segment of the project will address Funston Ave from Presidio Ave to Montecito Ave. This section of roadway is in poor condition with a PCI of 49. It serves as one of the main entryways into the Del Monte Park Neighborhood and is one of the only streets in the neighborhood that has not received a maintenance/rehabilitation treatment in the last 5 years.

Maintenance of Effort (MOE) Requirement. Annually, the City must meet a MOE requirement in order to be eligible for SB1 and Measure X funds. The \$300,000 allocation toward the Street Rehabilitation on Lower Lighthouse Ave and Funston Ave, paired with the \$200,000 allocation for the Crack and Slurry Seal will help ensure the City meets MOE requirements.

PROJECT BUDGET

FUNDING SOURCE(S): General Fund, Measure X, RMRA (SB1)

Funding Source	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL PROJECT COST
General Fund	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
Measure X	\$326,530	\$410,000	\$410,000	\$410,000	\$410,000	\$1,966,530
RMRA (SB1)	\$242,234	\$250,000	\$250,000	\$250,000	\$250,000	\$1,242,234
Totals	\$868,764	\$960,000	\$960,000	\$960,000	\$960,000	\$4,708,764

PHOTOS

Existing Conditions on Lower Lighthouse Ave



Existing Conditions on Funston





FY 20/21 CAPITAL IMPROVEMENT PLAN

Crack and Slurry Seal Project

Funds	General Fund, Fund 63 - Capital Improvement Project Fund Non-General Fund, Fund 17 - Local Streets and Roads (Measure X)
Funding Source	63-631-6041, 17-522-6041
Project Code	CIP 21-02
Council Strategic Goal	Complete Streets/City Asset Stewardship

PROJECT DESCRIPTION

Crack and Slurry sealing is a vital maintenance activity that helps preserve the City's roadways against rapid deterioration and potholes due to inclement weather. This is a cost effective maintenance treatment that helps ensure roads remain in good condition for years to come.

Streets to receive the crack and slurry seal treatment were identified via the City's 2019 Pavement Management Program, maintenance logs, and in-field observations. In total the city will crack and slurry seal 13 roadways at various location, and 10 City owned parking lots.

Maintenance of Effort (MOE) Requirement. Annually the City must meet a MOE requirement in order to be eligible for SB1 and Measure X funds. The \$300,000 allocation toward the Street Rehabilitation on Lower Lighthouse Ave and Funston Ave, paired with the \$200,000 allocation for the Crack and Slurry Seal from the General Fund will help ensure the City meets MOE requirements.

PROJECT BUDGET

FUNDING SOURCE(S): General Fund and Measure X

Funding Source	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL PROJECT COST
General Fund	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Measure X	\$100,000					\$100,000
TOTAL	\$300,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,100,000

PHOTOS





FY 20/21 CAPITAL IMPROVEMENT PLAN

Library Renewal Project

Funds	General Fund, Fund 63 - Capital Improvement Project Fund
Funding Source	63-631-6021
Project Code	CIP 18-41
Council Strategic Goal	City Asset Stewardship

PROJECT DESCRIPTION

The Library Renewal Project is an extensive interior remodel of the Pacific Grove Public Library. The project includes 6 major areas of improvement: ADA, safety and accessibility upgrades; lighting upgrades and efficiency; interior painting; ceiling, walls and door repair; interior construction and modifications; and flooring.

This is a multi-year project. Construction commenced in November 2019 (FY19/20) and is still on track for completion in September 2020 (FY20/21).

This project is funded by a City-Community Partnership. Through generous funding from the City, foundations, and members of the community, approximately \$3 million was collected to bring this project to fruition.

PROJECT BUDGET

FUNDING SOURCE(S): General Fund and Capital Campaign Donations

Funding Source	FY 17/18 Expenses	FY 18/19 Expenses	FY 19/20 Estimated Expenses	FY20/21	TOTAL Project Cost
General Fund		\$31,755	\$494,442	\$101,082	\$627,279
Capital Campaign Donations	\$109,345	\$187,394	\$2,073,914	\$101,081	\$2,471,734
TOTAL	\$109,345	\$219,149	\$2,568,356	\$202,163	\$3,099,013

PHOTOS

Photos display the project during the construction phase.





FY 20/21 CAPITAL IMPROVEMENT PLAN

Perkins Park Landscape Plan

Fund	General Fund, Fund 63 - Capital Improvement Project Fund
Funding Source	63-631-6031
Project Code	CIP 20-10
Council Strategic Goal	City Asset Stewardship/Environmental Stewardship

PROJECT DESCRIPTION

This project will develop a vegetation management plan for Perkins Park from Lovers Point to Esplanade. The document will provide the City a plan to ensure the purple carpet flourishes and blueprints for needed maintenance activities for the next five years.

This is a multi-year project. The project commenced in FY19/20 and is planned for completion in FY20/21.

PROJECT BUDGET

FUNDING SOURCE(S): General Fund, 63-631-6031

Estimated Expenses FY 19/20	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL PROJECT COST
\$40,000	\$35,000					\$75,000

PHOTOS





FY 20/21 CAPITAL IMPROVEMENT PLAN

Pacific Grove-Monterey ASBS Wet-Dry Stormwater Capture and Reuse Project

Fund	Non-General Fund, Fund 79 - ASBS Grant
Funding Source	79-614-6026
Project Code	CIP 18-84
Council Strategic Goal	City Asset Stewardship/Environmental Stewardship

PROJECT DESCRIPTION

This project will construct stormwater infrastructure that will capture and store stormwater and redirect it to Monterey One Water for treatment and reuse.

The City received a \$4.4 million grant from the State of California to facilitate this project. The Sewer Collection System Master Plan Projects 3, 4, 5 & 8 (CIP 19-85) serve as the grant funding match.

This is a multi-year project. Substantial engineering was completed in FY19/20 and the project was put out to bid. Construction will commence in FY20/21.

PROJECT BUDGET

FUNDING SOURCE(S): ASBS Fund, 79-614-6026

FY17/18 Expenses	FY18/19 Expenses	Estimated Expenses FY 19/20	FY20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	TOTAL PROJECT COST
\$58,922	\$360,484	\$80,091	\$2,921,463					\$3,420,960

PHOTOS





FY 20/21 CAPITAL IMPROVEMENT PLAN

Point Pinos Trail Project

Fund	General Fund, Fund 63 - Capital Improvement Project Fund
	Coastal Conservancy Grant
Funding Source	63-631-6021
Project Code	CIP 18-46
Council Strategic Goal	City Asset Stewardship

PROJECT DESCRIPTION

This project entails construction of a formal, 5-foot wide decomposed granite pedestrian coastal trail seaward of Ocean View Blvd. along Point Pinos. This project brings to fruition the vision of a safe, enjoyable pedestrian path along Pacific Grove's entire coastline by addressing a 0.8 mile gap in the existing California Coastal Trail. The Point Pinos Trail will connect from the existing curb side trail near Acropolis Street west and extend to the Great Tidepool site.

The City was awarded a \$1.8M Coastal Conservancy Grant for construction. The \$250,000 General Fund allocation will serve as the grant fund match. Although there is a \$400,000 funding shortfall to meet the estimated \$2.4M construction cost, the City is in the process of applying for additional grants to bridge the funding gap.

This is a multi-year project that began with the development of a Point Pinos Trail Coastal Study in 2017. The project is now shovel-ready and anticipated to conclude in FY20/21.

PROJECT BUDGET

FUNDING SOURCE(S): General Fund and Coastal Conservancy Grant							
Funding Source	Estimated Expenses FY19/20	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL PROJECT COST
General Fund	\$17,220	\$232,780					\$250,000
Coastal Conservancy Grant		\$1,800,000					\$1,800,000
TOTAL	\$17,220	\$2,032,780					\$2,050,000

PHOTOS





FY 20/21 CAPITAL IMPROVEMENT PLAN

Sewer Collection System Master Plan (SCSMP) Projects # 3, 4, 5, 8

Fund	Non-General Fund, Fund 76 - Sewer Fund
Funding Source	76-612-6051
Project Code	CIP 19-85
Council Strategic Goal	City Asset Stewardship

PROJECT DESCRIPTION

SCSMP #3 - This project will include sewer main upgrades on Asilomar Avenue from Lighthouse Ave. to Del Monte Blvd. to address capacity deficiencies.

SCSMP #4- This project will include replacement or rehabilitation of manholes deteriorated by hydrogen sulfide on Crocker and Asilomar.

SCSMP #5- This project includes consolidation of multiple sewer mains and abandonment of existing sewer mains to tie-over to new sewer main on 14th St from Sinex to Pine.

SCSMP #8 - This project will include replacing the sewer main to eliminate sags on Carmel Avenue

These projects were identified in the [City's Sewer Collection System Master Plan](#) and will serve as matching funds required for the Pacific Grove-Monterey ASBS Wet-Dry Stormwater Capture and Reuse Project (CIP 18-84).

PROJECT BUDGET

FUNDING SOURCE(S): Sewer Fund, 76-612-6051

FY 18/19 Expenses	Estimated Expenses FY 19/20	FY20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	TOTAL PROJECT COST
\$132,122	\$170,500	\$4,002,983					\$4,305,605

PHOTOS





FY 20/21 CAPITAL IMPROVEMENT PLAN

Phase 8 Sewer Line Improvements at Various Locations

Fund	Non-General Fund, Fund 76 - Sewer Fund
Funding Source	76-612-6051
Project Code	CIP 20-12
Council Strategic Goal	City Asset Stewardship

PROJECT DESCRIPTION

This project will include repairing segments of sewer lines at various locations across the City. These segments have been deemed in need of repair based on video documentation of the sewer lines.

Locations include:

- 8th Street Emergency Sewer Work- which was performed on the sewer mainline at 8th Street between Lighthouse Ave and Laurel Ave (*Complete in FY19/20*)
- David Avenue from Kenet Ave to Montecito Ave. The scope of work for this location includes spot repairs and sewer manhole replacement. Work will be performed in conjunction with the FY19/20 Street Rehab Project on David Ave (*Will be completed in FY19/20*)
- **Bayview Ave** from Lighthouse Ave to 17 Mile Drive
- **3th St** from Junipero Ave to Spruce Ave
- **Arena Ave**
- **Denet Street** (between Evergreen & Crocker). This location will include repair of approximately 300 ft of deteriorated sewer line (*this is a new segment added as part of FY20/21 scope of work*)

This is a multi-year project. All of the above noted locations have been engineered, 8th Street repairs are complete, and David Avenue spot repairs are underway and will be completed in FY19/20. The remaining 4 locations (in bold above) will be completed in FY20/21.

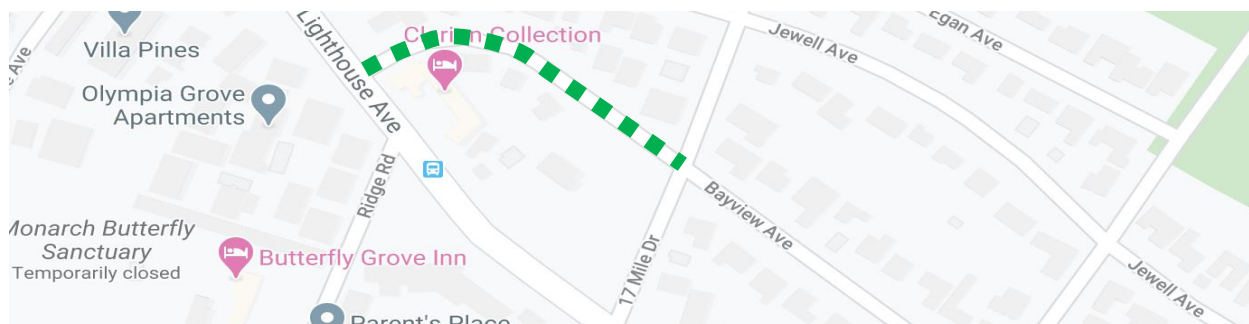
PROJECT BUDGET

FUNDING SOURCE(S): Non-General Fund, 76-612-6051

Estimated Expenses FY 19/20	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL PROJECT COST
\$325,415	\$800,000					\$1,125,415

PHOTOS

Project area for one of the above noted spot repair locations on Bayview Ave.





FY 20/21 CAPITAL IMPROVEMENT PLAN

Mainline Improvements on Ocean View Blvd. in conjunction with Phase 4 Urban Diversion

Fund	Non-General Fund, Fund 76 - Sewer Fund
Funding Source	76-612-6051
Project Code	CIP 20-13
Council Strategic Goal	City Asset Stewardship

PROJECT DESCRIPTION

This project will include mainline improvements on Ocean View Blvd. and Sea Palm Ave to allow for increased capacity resulting from the ASBS Wet-Dry Stormwater Capture and Reuse Project.

The project funds will also serve as matching funds for the ASBS Wet-Dry Stormwater Capture and Reuse Project (CIP18-84).

PROJECT BUDGET

FUNDING SOURCE(S): Non-General Fund, 76-612-6051

FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL PROJECT COST
\$1,323,852					\$1,323,852

PHOTOS





FY 20/21 CAPITAL IMPROVEMENT PLAN

Electrical Vehicle Charging Station

Fund	Non-General Fund, Fund 46 -Strong Disbursement
Funding Source	46-461-6021
Project Code	CIP 20-19
Council Strategic Goal	City Asset Stewardship/Environmental Stewardship

PROJECT DESCRIPTION

This project will include installation of the infrastructure necessary to install two (2) rapid car charging stations in the Fandangos Parking Lot. Once the infrastructure is in place, the Monterey Bay Air Resources District (MBARD) will provide the City with the charging stations as part of their regional efforts to increase use of electric vehicles.

This is a multi-year project. In FY19/20 Staff executed the project development phase and issued an RFP. Installation of the infrastructure is expected to occur in FY20/21.

PROJECT BUDGET

FUNDING SOURCE(S): Non-General Fund, 46-461-6021

Estimated Project Expenses FY 19/20	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL PROJECT COST
\$100	\$49,900					\$50,000

PHOTOS





FY 20/21 CAPITAL IMPROVEMENT PLAN

Downtown Iconic Cypress Tree Moonlighting Project

Fund	Non-General Fund, Fund 93 - Koo Estate Donation
Funding Source	93-931-6041
Project Code	CIP 20-25
Council Strategic Goal	Help Local Businesses Thrive/Complete Streets

PROJECT DESCRIPTION

This project will include the development of specifications and purchase of equipment for moonlighting the 10 existing center median cypress trees located on Lighthouse Avenue between Fountain Avenue and 19th Street.

Moonlighting, which is an artful method of downlighting that creates dramatic shadows but does not pollute the night sky, would significantly improve Lighthouse Avenue and help revitalize the City's commercial corridor.

This project would also include a pilot light installation in one cypress tree and a 30-day public feedback period to allow minor tweaks to the proposed design.

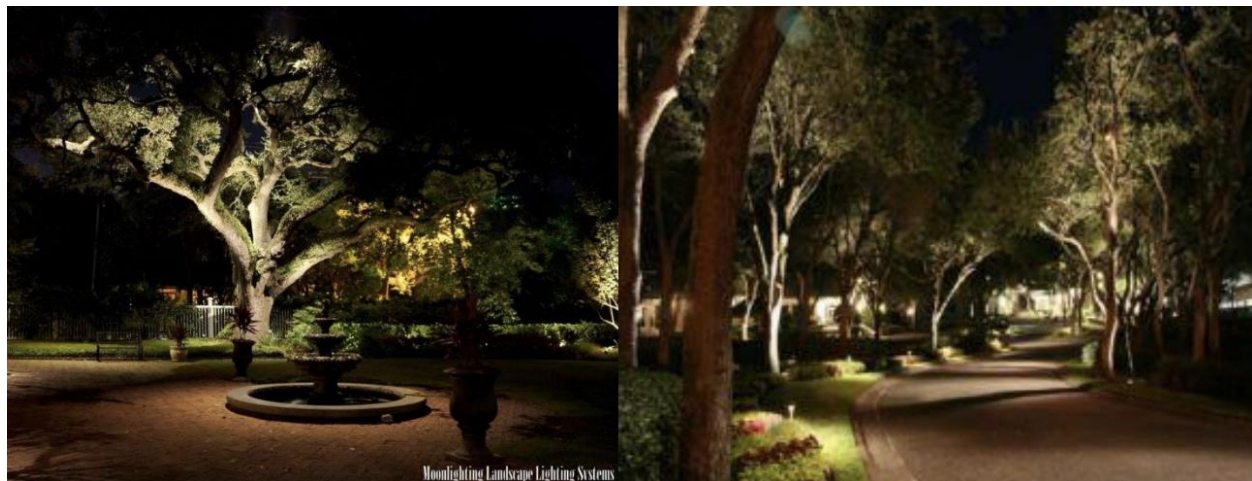
PROJECT BUDGET

FUNDING SOURCE(S): Non-General Fund, 93-931-6041

Estimated Project Expenses FY 19/20*	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL PROJECT COST
\$3,000	\$17,000					\$20,000

**Costs incurred in FY19/20 were derived from the general fund. In FY20/21 the project will be transferred to a non-general fund source; the remainder of project costs will be derived from the Koo Estate Donation.*

PHOTOS





FY 20/21 CAPITAL IMPROVEMENT PLAN

Pine Ave & Eardley Ave Traffic Calming & Pedestrian Safety

Fund	Non-General Fund, Fund 17- Local Streets & Roads (Measure X)
Funding Source	17-522-6041
Project Code	CIP 21-03
Council Strategic Goal	Complete Streets/City Asset Stewardship

PROJECT DESCRIPTION

This project will include pedestrian improvements at Pine Ave and Eardley Ave that will significantly improve pedestrian safety and help slow traffic. Improvements would include a bulb-out at the northeast corner of Eardley Ave, and a landscaped center median island.

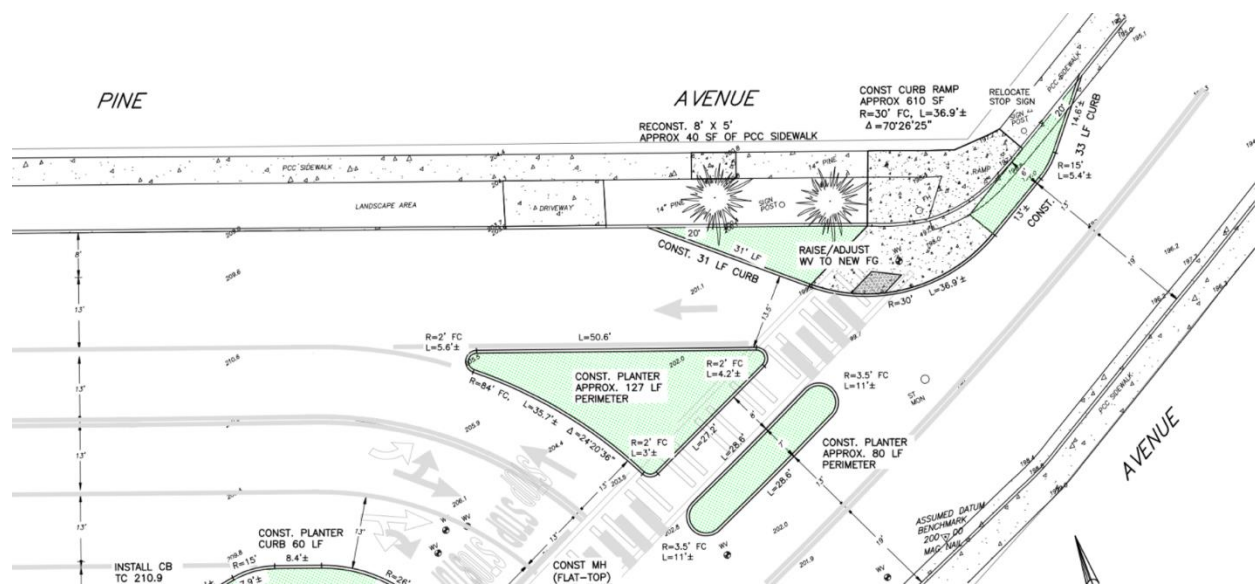
These improvements were engineered in FY18/19 as part of the larger Pine Avenue Pedestrian Improvements Project (CIP 18-3). Due to funding limitations, improvements at Pine & Eardley did not proceed. This is a cost-effective project because plans have already been developed and finalized for the proposed improvements.

PROJECT BUDGET

FUNDING SOURCE(S): Non-General Fund, 17-522-6041

FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL PROJECT COST
\$250,000					\$250,000

PHOTOS





FY 20/21 CAPITAL IMPROVEMENT PLAN

Community Center Gutter, Downspout and Flashing Replacement

Fund	Non-General Fund, Fund 46 - Strong Disbursement Fund
Funding Source	46-461-6021
Project Code	CIP21-04
Council Strategic Goal	City Asset Stewardship

PROJECT DESCRIPTION

This project will replace the deteriorated and broken gutter, downspouts and roof flashing at the Community Center. This existing roof infrastructure has degraded and is causing leaking and rotting. Timely replacement is prudent to preserve the roof and prevent a more costly and extensive roofing project in the future.

PROJECT BUDGET

FUNDING SOURCE(S): Non-General Fund, 46-461-6021

FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL PROJECT COST
\$50,000					\$50,000

PHOTOS





FY 20/21 CAPITAL IMPROVEMENT PLAN

Park ADA Compliance Assessment and Transition Plan

Fund	Non-General Fund, Fund 46 - Strong Disbursement
Funding Source	46-461-6021
Project Code	CIP21-05
Council Strategic Goal	City Asset Stewardship

PROJECT DESCRIPTION

This project will develop an Americans with Disabilities Act (ADA) compliance Assessment and Transition Plan for all City Parks. This plan will provide a comprehensive look at current condition of City parks, provide guidance and an implementation timeline on needed ADA improvements.

Projects identified through this assessment and transition plan would be budgeted in subsequent Fiscal Years.

PROJECT BUDGET

FUNDING SOURCE(S): Non-General Fund, 46-461-6021

FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL PROJECT COST
\$50,000					\$50,000

PHOTOS





FY 20/21 CAPITAL IMPROVEMENT PLAN

Police Department Server Room Improvements

Fund	Non-General Fund, Fund 46 - Strong Disbursement
Funding Source	46-461-6021
Project Code	CIP21-07
Council Strategic Goal	City Asset Stewardship

PROJECT DESCRIPTION

This project will expand the Police Department server room and add air conditioning to protect the valuable IT equipment it houses.

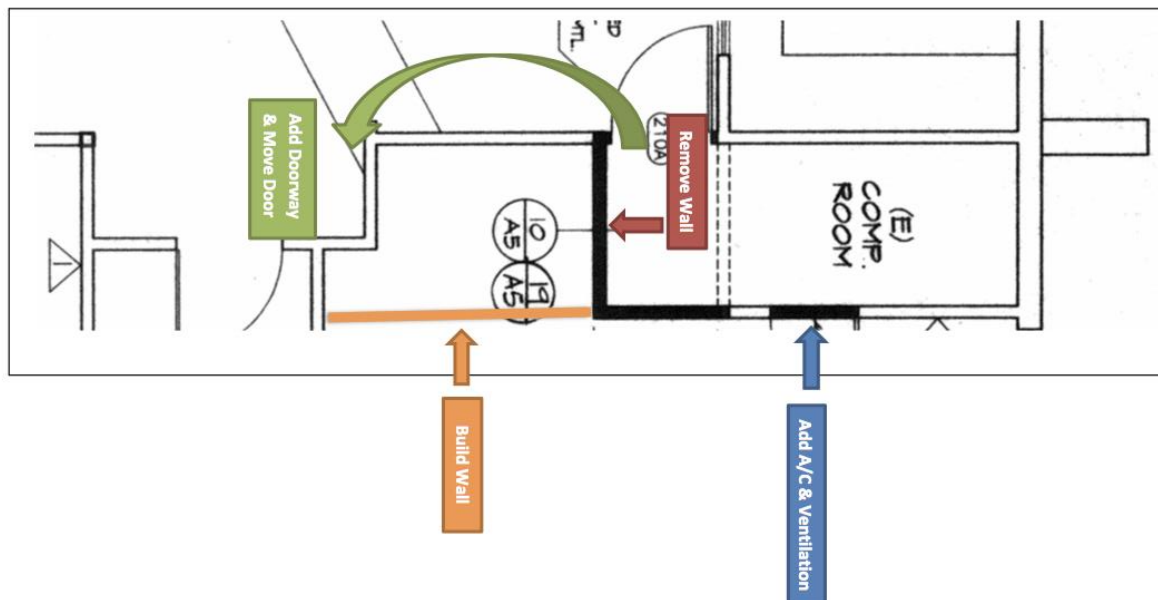
The server room currently houses over \$100,000 worth of equipment that is critical to the Police Department operations. The space is extremely limited and the air temperature runs hot without adequate cooling and ventilation. By removing and then adding an additional wall of underutilized space, the expanded area would create adequate space for existing equipment and allow for installation of a ventilation system. With these changes the server room temperature would be regulated to best practice standards and would allow the door to be closed for added security and improved noise quality for office staff.

PROJECT BUDGET

FUNDING SOURCE(S): Non-General Fund, 46-461-6021

FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL PROJECT COST
\$12,000					\$12,000

PHOTOS





FY 20/21 CAPITAL IMPROVEMENT PLAN

Drinking Fountain at Lovers Point Park

Fund	Non-General Fund, Fund 92- Mcindoo Donation
Funding Source	92-519-6031
Project Code	CIP21-10
Council Strategic Goal	City Asset Stewardship/Community Responsiveness

PROJECT DESCRIPTION

This project would include the purchase and installation of a water fountain at Lovers Point Park. The water fountain will include a traditional drinking faucet as well as a water bottle filler.

The request for a drinking fountain at this location has been made by several members of the public over the years and will greatly improve amenities at the beloved and well visited Lovers Point Park.

This project is in the coastal zone and may require a coastal development permit.

PROJECT BUDGET

FUNDING SOURCE(S): Non-General Fund, 92-519-6031

FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL PROJECT COST
\$12,000					\$12,000

PHOTOS

Example water fountains.



Supplementary Information



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Budget and Financial Management Policy



**City of Pacific Grove
Council Policy**

Subject	Policy Number	Effective Date	Page
Budget and Financial Management	400-6	October 1, 2014	Page 1 of 7

Purpose

This Budget and Financial Management policy is established to help ensure that the City's financial resources are managed in a manner that fosters administrative transparency and confidence among the City Council, citizenry, and staff that the City's resources shall be available to fund ongoing City services, consistent with local economic conditions and the City Council's service priorities.

Budget Process

Budget management occurs year-round, with ongoing City Council direction and public input. In addition to formal updates on the budget and fiscal forecast, staff provides periodic updates on revenues and expenditures.

The City uses a five-year fiscal planning horizon, in which the annual budget is the first year of the forecast. The forecast is a tool that helps decision-makers identify important trends and understand long-term consequences of budget decisions. Importantly, the forecast is not a budget and does not represent a plan. It is a model based on cost and revenue assumptions that is updated continuously. Since the degree of revenue uncertainty increases with each successive year of the forecast (i.e., we can place much more confidence in projections for the first year of the forecast period than for the last, the forecast is a more viable framework for decision-making in the near-term, and only suggests relative financial health based on stated economic assumptions in the later years.

The annual budget process begins in January or February with City Council discussion of goals for the following year. At this meeting, staff presents an update of the current year budget and five-year fiscal forecast, as well as estimates of revenues for the following year and baseline expenditure assumptions. Baseline expenditures include existing staffing levels and other costs required to continue current service levels. At this meeting, the City Council provides direction to staff on the goals for the following budget year and five-year forecast, which include both goals for services and capital projects as well as the amount of additional funding or expenditure reduction required to achieve the goals.

Based on this direction, the City Manager distributes budget instructions and baseline staffing cost information to department managers for developing the budget. Subsequently, the City Manager and Finance Director work with program managers to develop the budget consistent with Council goals.

In February and March, the City Council reviews evolving revenue information and expenditure assumptions and determines the process for City Council consideration of the budget.

The City Manager finalizes the recommended budget and presents it to the City Council in May. After public input and discussion at this meeting, the City Council either directs modifications to the budget or introduces an ordinance adopting the budget. At the second reading of the ordinance at a subsequent regular City Council meeting, the budget is adopted and effective July 1st of the fiscal year.

Fiscal Forecast

- Staff shall maintain a five-year General Fund fiscal forecast to include revenues, expenditures, as well as the net results of operations and the beginning and ending fund balances for each year of the forecast.

Operating Budget

- The City Council shall adopt an annual operating budget, pursuant to Article 29 of the City Charter, prior to the start of the fiscal year.
- Revenue projections for a given year shall include a contingency reserve of 1%, either positive or negative, depending on the general direction of the economy. The need for such a contingency can be re-evaluated after January 1 of the budget year.
- Subject to exception for specific circumstances, the City Manager's recommended budget shall include an expenditure contingency in the General Fund equal to 1%, which may only be spent on projects required to advance City Council goals, expressed either explicitly or through the City Council's work plan.
- The operating budget shall include ongoing operating revenues sufficient to fund ongoing operating expenditures. Reserves may be used as a resource to fund operations, with City Council acknowledgement of such use and a plan for re-establishing operations within annual anticipated revenues.
- The budget shall provide for adequate maintenance and the orderly replacement of fixed assets and equipment.
- Each October, staff shall present a report to the City Council estimating the year-end results for the preceding fiscal year. This report shall compare unaudited actual figures with budgeted and the most recently estimated actual figures.
- Appropriations are approved at the fund level, and in the case of the General Fund, at the department or program level. All amendments to the budget at these levels may be approved only by the City Council.
- For budget purposes, programs and departments are defined as follows:
 - City Council
 - Legal Services
 - City Manager/Human Resources/City Clerk
 - Finance
 - Information Systems
 - Community and Economic Development
 - Police and Disaster Preparedness
 - Fire and Emergency Medical Services
 - Library
 - Museum
 - Recreation
 - Public Works

The City Manager shall have authority to transfer funds within a given fund and between department appropriations to ensure that programmatic budgets may adapt throughout the year to evolving circumstances. Departmental appropriations in the 5100 series of the chart of accounts (salary and benefits) that reflect salary and benefit savings, may not be used to offset expenditures in the 5200 series of account codes (services and supplies) or the 6000 series of account codes (capital expense) without the express, written approval of the City Manager. These changes shall have no negative effect on the given fund or the General Fund.

Capital Projects

The City shall adopt a five-year capital improvement and maintenance plan, with the first year of the plan to be appropriated as part of the operating budget. The purpose of the plan is to identify and prioritize capital project needs.

The budget shall also include capital expenditures; where possible, such capital expenditures will be funded with non-recurring revenues or grants.

At least the first two years of the plan shall be fully funded, with funding shortfalls and challenges clearly identified in remaining years.

A Capital Improvement is defined as property, plant, or improvements having a useful life of two or more years and a total amortized acquisition and maintenance cost of \$2,500 or more. All estimated construction, maintenance, and operating costs and potential funding sources for each proposed capital improvement shall be identified.

The City shall finance only those capital improvements consistent with the adopted capital improvement plan and City priorities. All capital improvement operating and maintenance costs shall be included in the fiscal forecast.

Basis of Accounting

Financial statements are prepared in accordance with General Accepted Accounting Principles and all relevant Pronouncements promulgated by the Governmental Accounting Standards Board (GASB). All governmental fund types are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt, which is recognized when due. Financial resources usually are appropriated in other funds for transfer to a debt service fund in the period in which maturing debt principal and interest must be paid. Such amounts are not current liabilities of the debt service fund, as their settlement shall not require expenditure of existing fund assets.

All proprietary fund types and nonexpendable trust funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

Basis of Budgeting

The basis of budgeting is the same as the basis of accounting.

Treasury and Cash Management

The City shall manage the treasury in compliance with California Government Code Section 53600 and City Council Policy 400-5, which requires quarterly Treasurer's Reports to the City Council, reconsideration of Policy 400-5 by the Council at least once every two years, and selection of investments based on considerations of safety, liquidity, and yield, in order of decreasing priority.

In circumstances where short-term borrowing (i.e., fewer than 12 months) is required to mitigate the effects of uneven revenue disbursements from the state and ensure expenditure cash-flow demands may be met, the following options shall be considered, with the ultimate course of action dependent on the least cost, greatest security for the City, and administrative efficiency:

- Tax and Revenue Anticipation Notes (TRAN)
- Treasury Loan from Monterey County
- Inter-fund loans
- Commercial line of credit.

Should inter-fund loans be selected as a cash-flow strategy, the following conditions shall apply:

- City Council approval required for all loans;
- Duration of less than 12 months with the loan and repayment occurring within the same fiscal year;
- Fixed loan term (i.e., specific number of months with repayment date);
- Borrowing fund must pay interest at level to result in no loss of interest revenue to the lending fund;
- Specific revenue pledged to repay the loan based on realistic expectations for receipt;
- Funds in the lending fund must not be needed for operations during the period of the loan; and
- Loans must not be made from grant funds or other funds enabled by State or Federal legislation.

The City Council shall receive real-time reports of warrants drawn on the City Treasury.

Reserves

Reserves are established to ensure that sufficient resources shall be maintained in specified funds in amounts sufficient to manage reasonable risks, meet unanticipated needs, capitalize on opportunities, and provide for reasonable contingencies. Further, reserve balances shall be categorized and prioritized in accordance with GASB Statement #54 (GASB 54).

- In the City of Pacific Grove, "operating reserve" is equivalent to portions of the accumulated fund balance that are classified as either committed, assigned, or unassigned, per GASB 54.

- The order in which spendable reserves may be used is prioritized as follows: restricted, committed, assigned, and then unassigned, per GASB 54. Council action is required to increase, decrease, eliminate or reclassify amounts reported in each category.
- Use of reserves must be authorized in advance by the City Council.
- If reserve balances fall below the stated target amount, the City will strive to restore reserves to the stated level within five years. As revenues versus expenditures improve, the City will allocate at least half of the funds to reserve restoration, with the balance available to fund asset replacements, unfunded liabilities, capital improvement projects, service level restorations or other Council priorities.
- The actual City reserve balances shall be reported each year, along with City reserve policy levels. This information should appear in the Transmittal Letter which accompanies the audited financial statements.

General Fund

The City will strive to maintain a minimum unassigned fund balance of at least 35% of operating and debt service expenditures in the General Fund for fiscal stability, cash flow and contingencies/strategic opportunities. This balance is based on the risk assessment methodology for setting reserve levels developed by the Government Finance Officers Association of the United States and Canada (GFOA) in adequately addressing:

- Revenue source stability, local disasters and other financial hardships or downturns in the local or national economy.
- Contingencies for unseen operating or capital needs, including strategic investment opportunities.
- Unfunded liabilities such as self-insurance, pensions and retiree health obligations.
- Dependency of other funds on the General Fund.
- Institutional changes, such as State budget takeaways and unfunded mandates.
- Cash flow requirements.

The unassigned fund balance of 35% is allocated into three separate categories to reflect the following intended uses:

- Cash Flow: 20%
 - Provides assistance in meeting cash flow needs during the fiscal year
 - Closes a projected *short-term* revenue-expenditure gap
- Fiscal Stability: 10%
 - Responds to unexpected expenditure requirements or revenue shortfalls
 - Offers a resource to reduce unfunded liabilities
 - Provides strategic bridge funds, when a forecast shows an ongoing structural gap

- Contingencies/Strategic Opportunities: 5%
 - Supports expenses associated with emergencies, natural disasters, and unplanned capital repairs
 - Provides a resource for economic development and revenue base improvements, productivity improvements, and other strategic opportunities that will strengthen City revenues, reduce future costs, or achieve high-priority City goals.

Reserves should not be used to fund ongoing costs or projected systemic “gaps.” They should be restricted to one-time or short-term uses.

Future Capital Project or Other Long-Term Goal Assignments or Commitments

The Council may also commit or assign specific General Fund balance levels above the reserve target for future development of capital projects, unfunded liabilities or other long-term goals that it determines to be in the best interests of the City.

Other Commitments and Assignments

In addition to the 35% target noted above, unrestricted fund balance levels will be sufficient to meet funding requirements for approved programs or projects which are carried forward from the prior year; debt service reserve requirements; commitments for encumbrances; and other restrictions, commitments or assignments required by contractual obligations, state law or generally accepted accounting principles.

Golf Fund

The purpose of the Golf Fund is to enable operation of the golf course as an enterprise without operating subsidies from the General Fund, unless deliberately authorized. The City establishes a target reserve level of 25% of revenues of the Golf Fund, as of June 30th of two fiscal years prior, to be used for capital improvements, cash management, and emergency protection. Given the vulnerability of the golf business to recession, 20% of the 25% would be retained for use in mitigating the effects of unexpected revenue downturns, and 5% would be available retained for emergency repairs or other emergencies.

Sewer Fund

The Sewer Fund shall maintain a reserve of at least \$500,000.

Workers Compensation Fund

The Workers Compensation Fund shall maintain a balance of current assets equal to 67% of total liabilities, or higher, should actuarial analysis conclude an imminent risk to the City for unanticipated losses.

Liability Insurance Reserve

The Liability Insurance Reserve shall maintain a balance of at least \$300,000 in current assets, which is equivalent to the maximum amount the City would be required to pay in the event of two catastrophic losses in a single year (City’s Self-Insured Retention Limit is currently \$150,000 per claim).

Debt Management

- Long-term borrowing shall be restricted to the purpose of funding capital improvement projects and equipment. The use of long-term borrowing for ongoing operations shall be avoided.
- The term of the debt shall not exceed the expected useful life of the object of the financing.
- Debt obligations shall be prioritized in the budget process and payments shall be made in a timely and efficient manner.
- Refunding techniques shall be employed where appropriate, and with all due City Council approval, to allow for restructuring of outstanding debt to remove or change restrictive covenants, and/or to reduce annual debt service in an amount sufficient to justify the costs related to restructuring the debt.
- Total debt in any fund shall not exceed prudent levels.

Property Acquisition and Disposition

- Acquisition of real property shall be tied to a specific objective, with the source of adequate funds identified and considerations given for the long-term fiscal and policy impacts.
- Disposition of real property shall be considered for those properties without specific deed restrictions and that are unused, under-utilized, economically not viable, or that were acquired for an outdated plan or purpose.

Annual Audit

The City of Pacific Grove shall undertake an annual independent audit.

- The City's Comprehensive Annual Financial Report (CAFR) including accompanying schedules and notes shall be completed no later than December 31 of each contract year.
- All funds of the City shall be audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller of the United States.
- The form of the CAFR shall be compliant with the requirements of the Government Finance Officers Association (GFOA) Certificate Program and will include the independent auditor's opinion on the Government-Wide Financial Statements and Fund Financial Statements.
- A separate "management letter" shall be published that includes recommendations for improvements in internal control, accounting procedures and other significant observations.

Capital Policy

All assets, including land, buildings, machinery and equipment, with an original cost in excess of \$5,000 and a useful life of three years or more will be subject to capitalization.

- The capitalization threshold is applied to individual units of fixed assets. For example, ten chairs purchased via a single order, each costing \$600 will not qualify for capitalization although the total cost of \$6,000 exceeds the threshold of \$5,000.
- Repair costs for fixed assets will be subject to capitalization when the repair extends the useful life of the related fixed asset.
- Useful Life Schedule

Description	Useful Life In Years
Buildings	100 Years
Machinery and equipment	5 Years
Furniture and fixtures	5 Years
Improvements other than buildings	3 Years
Sidewalks, curb, gutters, and streets	20-50 Years
Traffic signals	15 Years
Street signs	15 Years
Storm drains	20-50 Years
Park equipment	10-50 Years

- For construction in progress, no depreciation is recorded until the asset is placed in service. When construction is completed, the asset shall be reclassified as building, building improvement, land improvement, or equipment and should be capitalized and depreciated.
- The City shall use the straight-line method for depreciating all fixed assets (the basis of the asset is written off evenly over the useful life of the asset). Depreciation shall begin in the month the asset is placed in service.
- All computer and computer related equipment will be recorded and controlled as inventory and not depreciated. Constant changes in technology, software demands, and system configurations cause this asset class to be obsolete before it reaches its useful life.

Donated Assets

Fixed assets acquired by gift, donation or payment of a nominal sum not reflective of the asset's market value shall be assigned cost equal to the fair market value at the time of receipt.

Adopted: Resolution 11-086 November 2, 2011

Amended: Resolution 14-063 October 1, 2014

Amended: Resolution 15-055 October 21, 2015

Amended: Resolution 16-048 September 7, 2016

Amended: Resolution 18-008 March 7, 2018

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GANN Limit





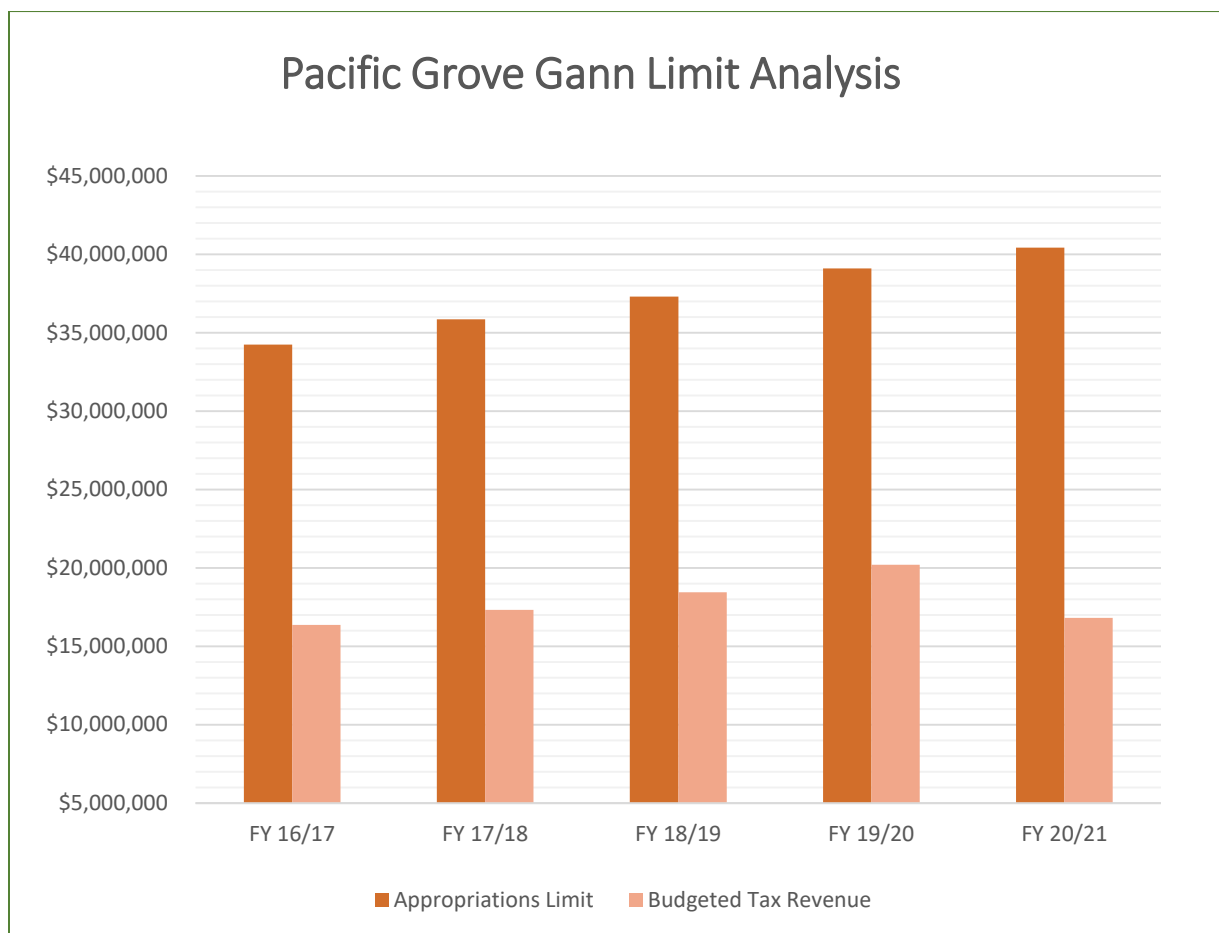
California Gann Limit

Pacific Grove Appropriation Limit

The Gann Initiative was approved by California voters in November 1979. The purpose was to limit the spending of tax proceeds by government agencies by limiting expenditures. An agency is restricted from approving expenditures in excess of its limit. If a City receives more revenue than the appropriation limit, the revenue must be returned to the taxpayers through a tax reduction or refund.

Before each fiscal year the City Council must adopt, by resolution, an appropriations limit using cost of living data provided by the state of California, and population and per capita income data provided by the California Department of Finance. The limit is different for each agency and changes each year. The limit can be increased for an emergency as declared by the Governor.

The City's budgeted revenue for FY 20/21 is \$16,821,000 and its appropriations limit is \$40,432,345. The City of Pacific Grove is at 42% of its limit and will not be impacted by the Gann limit. This is relatively consistent with historical limits and it is anticipated that the City will not exceed the Gann limit in the coming year.



RESOLUTION NO. 20-021

**RESOLUTION OF THE CITY OF PACIFIC GROVE
ESTABLISHING THE FISCAL YEAR 2020-2021
APPROPRIATION LIMIT**

FINDINGS

1. The City Council conducted a public hearing regarding the City's Fiscal Year 2020-2021 Appropriation limit on June 3, 2020.
2. The public hearing was noticed and advertised as required by law.
3. The Council received testimony and other evidence regarding the Appropriation Limit to be established for the City.
4. The Council elects to use the change in California per capita personal income and change in population for the County of Monterey as adjustment factors to calculate the City's Appropriation Limit for Fiscal Year 2020-2021.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE
CITY OF PACIFIC GROVE:**

1. The foregoing Findings are adopted as findings of the City Council as though set forth in full.
2. The Appropriation Limit for Fiscal Year 2020-2021 shall be \$40,432,345.
3. The Notice of Public Hearing and State of California Department of Finance calculation factors are hereby approved and by this reference are incorporated as set forth in its entirety.
4. This Resolution shall take effect immediately following passage and adoption.

**PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC
GROVE** this 3rd day of June, 2020, by the following vote:

AYES: Mayor Peake, Mayor Pro Tem Huitt, Councilmembers Amelio, Garfield, McAdams, and Tomlinson.

NOES: None.

ABSENT: Councilmember Smith.

APPROVED:

DocuSigned by:
Bill Peake
6C7CB8B632C34D9...

BILL PEAKE, Mayor

ATTEST: 6/8/2020

DATED: _____

DocuSigned by:
Sandra Kandell
4F11A61C850B4E1...

SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

DocuSigned by:
David C. Laredo
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DAVID C. LAREDO, City Attorney

Budget Adoption Ordinance



ORDINANCE NO. 20-017

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE
ADOPTING THE OPERATING AND CAPITAL PROJECTS BUDGET FOR THE
FISCAL YEAR 2020-21; AND AMENDING THE OPERATING AND CAPITAL
PROJECTS BUDGET FOR FISCAL YEAR 2019-20**

WHEREAS, the City Council held a public hearing and first reading of an ordinance to adopt the FY 2020-21 Operating and Capital Projects Budget; and amend the FY 2019-20 Operating and Capital Projects Budget

WHEREAS, the City Manager is recommending adoption of the FY 2020-21 Budget to reflect the City Council's expressed goals for the fiscal year budget; and approve changes for the FY 2019-20 Operating and Capital Budget; and

WHEREAS, in the enactment of this ordinance, the City followed the guidelines adopted by the State of California and published in the California Code of Regulations, Title 14, Section 15000, et seq. Enactment of this ordinance action does not constitute a "project" as defined by California Environmental Quality Act (CEQA) because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment pursuant to the California Quality Act (CEQA), CEQA Guideline Section 15378.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF
PACIFIC GROVE:**

SECTION 1. The foregoing recitals are adopted as findings of the City Council as though set forth fully herein.

SECTION 2 The FY 20-21 appropriated budgets for the General Fund is adopted as follows:

		Revenues	Expenditures
Revenues		\$ 21,268,000	
Expenditures			
City Council			\$ 344,119
City Manager			972,070
City Attorney			404,500
Finance			1,138,050
Information Systems			671,079
Community Development			1,748,662
Police			6,266,941
Fire			3,435,000
Public Works			3,502,635
Library			690,455
Museum			251,050
Recreation			653,512
Subtotals			\$ 20,078,073
Non-Departmental			
Debt Service			\$ 2,078,250
Capital Outlay			-
Capital Project Transfers			500,000
Transfers			210,000
		\$ 21,268,000	\$ 22,866,323

SECTION 3. The FY 2020-21 appropriated budget for the Enterprise Funds are adopted as follows:

	Revenues	Expenditures
Cemetery	\$ 470,000	\$ 488,897
Golf	463,000	363,897
Local Water Project	1,100,800	674,875
Sewer	3,429,000	8,879,321
	\$ 5,462,800	\$ 10,406,990

SECTION 4. The FY 2020-21 appropriated budget for the Internal Service Funds are adopted as follows:

	Revenues	Expenditures
Employee Benefits	\$ 249,000	\$ 282,000
Liability Insurance	307,000	477,624
Other Post Employment Benefits	-	7,656
Workers Compensation	605,000	618,420
	\$ 1,161,000	\$ 1,385,700

SECTION 5. The FY 2020-21 appropriated budget for the Permanent Funds are adopted as follows.

	Revenues	Expenditures
Cemetery Endowment	\$ 75,000	\$ -
Library Endowment	7,500	-
Yount Trust	10,000	10,000
	\$ 92,500	\$ 10,000

SECTION 6 The FY 2020-21 appropriated budget for the Capital Improvement Funds are adopted as follows.

	Revenues	Expenditures
Building & Facilities Improvement	\$ -	\$ 5
General Fund CIP	2,405,086	2,769,943
	\$ 2,405,086	\$ 2,769,948

SECTION 7 The FY 2020-21 appropriated budgets for the Special Revenue Funds and are adopted as follows.

	Revenues	Expenditures
ASBS Grant	\$ 2,921,463	\$ 2,921,463
Cal Home Reuse	50,000	110,000
Carillon	200	-
CDBG Grant	107,000	250,000
Chautauqua Hall	150	-
Clean Beaches	-	-
Coastal Conservancy Grant	1,200	-
Downtown Business District	31,050	31,953
Environmental Enhancement	2,000	10,000
Fire Emergency Equipment	22,000	23,500
Gas Tax Fund	296,786	285,646
General Plan Maintenance Fee Fund	5,000	-
Hospitality Improvement District	328,000	328,676
Housing Fund	72,000	161,003
Library Building and Equipment	-	-
Lighthouse Fund	106,000	66,017
Library Book Donations	5,100	13,983
Local Streets and Roads	558,500	676,530
McIndoo Donation	2,000	12,000
Museum Improvement	12,000	-
Operating Grants	60	-
Poetry Promotion	33,420	9,468
Public Safety Augmentation	331,000	447,000
Regional Safety Trans. (RSTP)	-	-
RMRA	243,734	242,234
Senior Housing	100	-
Sewer Lateral Loans	15,000	42,000
State Franchise PEG	52,500	52,000
Strong Fund Disbursements	45,800	161,900
Supplemental Law Enforcement	234,000	255,860
Vehicle Abandonment	7,100	8,000
Yount Income	11,300	20,013
	\$ 5,494,463	\$ 6,129,246

SECTION 8 The FY 20-21 appropriated budgets for the General Fund Sub-Funds are adopted as follows.

	Revenues	Expenditures
Drug Awareness (DARE)	\$ 12,000	\$ 12,000
Hyperbaric Chamber	9,300	16,700
Koo Estate Donation	2,000	17,000
Operating Donations	2,000	26,000
Recreation Donation Fund	9,000	5,000
Stillwell Children's Pool	1,200	10,000
Vehicle Replacement	-	130,000
	\$ 35,500	\$ 216,700

SECTION 9 The FY 2019-20 appropriated Budget is amended to reduce or increase the budgets in the funds listed below, as follows.

	Revenues	Expenditures
Adjustment related to COVID-19		
General Fund	\$ (2,340,192)	
Civic Center Fund		\$ 39,023
Expenditure Adjustment		
Local Water Project		(30,000)
Multi-Year Project Adjustments		
General Fund CIP	197,992	(177,982)
ASBS Grant	111,619	30,091
Regional Surface Transportation (RSTP)	4,652	
Local Streets and Roads Fund		(100,000)
Sewer Fund		(5,692,085)
Strong Disbursement Fund		(49,900)

SECTION 9. The City Manager is directed to execute all documents and to perform all other necessary City acts to implement and effect this Ordinance.

SECTION 11. In accord with Article 15 of the City Charter, this ordinance shall become effective upon adoption hereof.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE
this 24th day of June, 2020, by the following vote:

AYES: Mayor Peake, Mayor Pro Tem Huitt, Councilmembers Amelio, Garfield, McAdams, Smith and Tomlinson.

NOES: None.

ABSENT: None.

APPROVED:

DocuSigned by:

Bill Peake

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BILL PEAKE, Mayor

ATTEST: **6/29/2020**
DATED: _____

DocuSigned by:

Sandra Kandell

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SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

DocuSigned by:

David C. Laredo

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DAVID C. LAREDO, City Attorney

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Acronyms and Glossary of Terms



Acronyms

ASBS: Area of Special Biological Significance

BID: Business Improvement District

CAFR: Comprehensive Annual Financial Report

CalPERS: California Public Employees Retirement System (same as PERS)

CDBG: Community Development Block Grant

CIP: Capital Improvement Plan

COLA: Cost of living allowance.

COPS: Certificates of Participation

CPI: Consumer Price Index

CSMFO: California Municipal Finance Officers Association

ERAF: Educational Revenue Augmentation Fund

FEMA: Federal Emergency Management Agency.

FHWA: Federal Highway Administration

FLSA: Fair Labor Standards Act

FORA: Fort Ord Reuse Authority

FTE: Full-Time Equivalent

GAAP: Generally Accepted Accounting Principles

GASB: Governmental Accounting Standards Board

GEA: General Employees Association

GFOA: Government Finance Officers Association

GO Bonds: General Obligation Bonds

HID: Hospitality Improvement District

HOPTR: Home Owners' Property Tax Relief

ISF: Internal Services Fund

LCP: Local Coastal Program

LWP: Local Water Project

MEA: Management Employee Association

MOU: Memorandum of Understanding

NFPA: National Fire Protection Association

NPDES: Acronym for National Pollution Discharge Elimination System

OES: Office of Emergency Services

OPEB: Other Post-Employment Benefits Fund

PARSAC: Public Agency Risk Sharing Authority of California

PGPL: Pacific Grove Public Library

PEG: Public, Educational, or Governmental

PEPRA: Public Employees' Pension Reform Act

PERS: Public Employee's Retirement System (PERS)

POA: Police Officers Association

POB: Pension Obligation Bond

RSTP: Regional Surface Transportation Program

SCSMP: Sewer Collection System Master Plan

STR: Short Term Rental

TAMC: Transportation Agency for Monterey County

TOT: Transient Occupancy Tax

TRAN: Tax and Revenue Anticipation Note

Glossary of Budgetary and Financial Terms:

Appropriation:

An authorization by the City Council to make expenditures and to incur obligations for a specific purpose within a specific time frame

Assessed Valuation:

A dollar value placed on real estate or other property by Monterey County as a basis for levying property taxes.

Audit:

Scrutiny of the City's accounts by an independent auditing firm to determine whether the City's financial statements are fairly presented in accordance with generally accepted accounting principles.

Balanced Budget:

The budget for a fund is balanced when total budgeted resources, including revenues, transfers in from other funds, and unrestricted fund balance from previous years meet or exceed total budgeted use of resources, including expenditures and transfers out to other funds.

Base Budget:

Under traditional budgeting, the base budget is that amount carried over from one year to the next. Each year, approved amounts may be added to the base budget.

Beginning Fund Balance:

Unencumbered resources available in a fund from the prior year after payment of prior fiscal year expenditures.

Bond:

Capital raised by issuing promise to pay a specified sum of money, called the face value or principal amount, with interest at predetermined intervals.

Budget

A fiscal plan of financial operation listing an estimate of proposed application or expenditures and the proposed means of financing them. The budget must be approved by the City Council prior to the beginning of the fiscal year.

California Public Employees' Retirement Systems (CalPERS):

The retirement system, administered by the State of California, to which all full-time long term City employees belong to.

Capital Asset/Capital Outlay:

Land, infrastructure, and equipment used in operations that have initial useful lives greater than three years. The City, by provision of the Council Policy 400-6 has set the capitalization threshold for reporting capital assets at \$5,000. Expenditures made for Capital Assets are commonly referred to as "Capital Outlay," and are shown in each fund (or at the department level, where applicable).

Certificates of Participation (COPs):

A lending agreement secured by a lease on the acquired asset or other assets of the City.

Debt Service:

Payment of the principal and interest on an obligation resulting from the insurance of bonds, notes, or certificates of participation (COPs).

Deficit:

An excess of expenditures over revenues (resources).

Department:

An organizational unit comprised of divisions or functions. It is the basic unit of service responsibility encompassing a broad mandate of related activities.

Encumbrances:

A legal obligation to pay funds for expenses yet to occur, such as when a purchase order has been issued but the related goods or services have not yet been received. They cease to be encumbrances when the obligations are paid or terminated.

Enterprise Fund:

A type of fund established for the total costs of those governmental facilities and services which are operated in a manner similar to private enterprise. These programs are entirely or predominantly self-supporting. The City has three enterprise funds, including the Golf Enterprise Fund, the Sewer Enterprise Fund, and the Cemetery Enterprise Fund. Also referred to as Proprietary Funds.

Fiscal Year:

A twelve-month period of time to which a budget applies. In Pacific Grove, the fiscal year in July 1st through June 30th.

Fund:

An independent fiscal and accounting entity with a self-balancing set of accounts, used to record all financial transactions related to the specific purpose for which the fund was created.

Fund Balance:

The difference between fund assets and fund liabilities.

Gann Limit:

State of California legislation that limits a City's appropriations growth rate to changes in population and either the change in California per capita income or the change in the local assessment roll due to non-residential new construction.

General Fund:

The primary fund of the City used to account for all revenues and expenditures of the City not legally restricted as to use. This fund is used to accumulate the cost of the City's general operations.

General Obligation Bond:

Bonds backed by the full faith and credit of the City, used for various purposes and repaid by the regular revenue raising powers (generally property taxes) of the City.

Grant:

Contribution or gifts of cash or other assets from another governmental entity or foundation to be used or expended for a specific purpose, activity or facility.

Indirect Cost Allocation:

Citywide administrative services are funded directly by General Fund revenues. These services include costs for administrative departments- City Council, the City Manager's Office, Finance, and Information Systems. To ensure that non-General fund revenues support a proportionate share for these services provided to non-General Fund operations, the cost of these indirect services are allocated across all operational costs. The allocations for enterprise fund operations, which include golf, sewer, and cemetery are charged to the respective funds and received as revenue in the General Fund.

Infrastructure:

Facilities on which the continuance and growth of the community depend, such as roads, sidewalks, parks, public buildings, sewer lines, etc.

Interfund Transfers:

Moneys transferred from one fund to another, such as from a fund receiving revenue to the fund through which the resources are to be expended.

Internal Service Fund:

An Internal Service Fund provides services to other City departments and bills the various other funds for services rendered, just as would private business. Internal Services Funds are self-supporting and only the expense by and Internal Services Fund is counted in budget totals. The City maintains internal services funds to manage costs for workers compensation, liability insurance, and vehicle replacement.

Materials, Supplies and Services:

Expenditures for operating items which are ordinarily consumed within a fiscal year.

Memoranda of Understanding (MOUs):

The result of labor negotiations between the City of Pacific Grove and its various bargaining units.

Multi-year Forecast:

The Finance Department's five-year forecast of revenues and expenditures. The Finance Department updates the forecast three times a year.

Non-Departmental:

Appropriations of the General Fund not directly associated with a specific department. Expenditure items and certain types of anticipated general savings are included.

Object Code:

The line item where a revenue or expenditure is recorded.

Ordinance:

A formal legislative enactment by the City Council. It has the full force and effect of law within the City boundaries.

Resolution:

A special order of the City Council, which has a subordinate legal standing than an ordinance.

Special Revenue Fund:

This fund type is used to account for City revenues from sources that, by law or administrative action, are designated to finance particular functions or activities of government.

Unrestricted Fund Balance:

Accounts used to record a portion of the fund balance not legally segregated for a specific use and available for appropriation.