

CITY OF PACIFIC GROVE ADOPTED BUDGET FISCAL YEAR 2019/2020



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

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Fiscal Year 2020

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

Anastazia Aziz
Community Development Director

Dan Gho
Public Works Director

Scott Bauer
Library Director



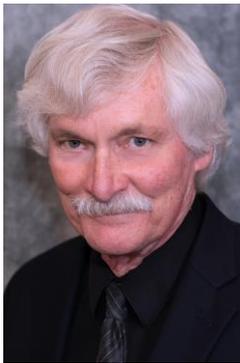
City of Pacific Grove

Fiscal Year 2019-20

City Council



Bill Peake
Mayor



Robert Huitt
Pro Tempe 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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June 5, 2019

Fiscal Year 2019-2020 Budget
Transmittal Letter

City of Pacific Grove
Office of the City Manager

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

On behalf of the municipal organization, I'm pleased to present the City of Pacific Grove Budget for Fiscal Year 2019-2020. Some quick budget highlights (all figures listed are approximate) are provided below:

- Estimated General Fund Revenues: \$25 M
 - Property Tax: \$7.5 M
 - Transient Occupancy Tax: \$6.8 M
 - Commercial: \$5.12 M
 - Residential: \$1.68 M
 - Sales Tax: \$3.8 M
 - Fines/Forfeitures/Other Revenue: \$6.5 M
- Projected General Fund Expenditures: \$26.5 M
- General Fund Reserve/Unassigned Fund Balance: \$8.6 M
- Planned General Fund Draw Down of \$1.5 million for a \$2 M Capital Improvement Plan
Estimated Restricted/Outside Fund Revenues: \$16.8 M
- Estimated Restricted/Outside Fund Expenditures: \$23.5 M
- Planned Sewer Fund Draw Down of \$4.8 M to fund \$6.2 M in capital improvements
- Number of Full-Time City employees: 87
- Number of Part-Time City employees: 27
- Total Capital Improvement Projects across all funds: \$15.2 M
- Total Budget across all Funds: \$41.8 million in Revenues / \$50.0 million in Expenditures

As has been the case in recent years, expenditures do not exceed revenues when considering/including planned draw downs for capital improvements and one-time expenditures. A planned draw down from the General Fund balance allows for a robust CIP budget of \$2 million. Similarly, within the Enterprise and Special Revenue Funds, the City budget includes funding for an additional \$13.2 million in capital improvements, with a \$4.8 million planned drawdown from the sewer fund balance for scheduled sewer infrastructure projects. Considering this, the overall budget is balanced, without a structural deficit.

Total number of City employees for Fiscal Year 2019-2020 also remains largely static from past years (slightly over 100 full and part-time employees total), reflecting the municipal organization's ongoing collective commitment to provide exemplary service levels using available resources. City Council Goals were established earlier this year, and the budget as a spending plan reflects these goals (see goal listing within the budget document).

Pacific Grove continues to be a highly sought-after place to live, work and visit. The local economy remains healthy, and revenue receipts are expected to continue to trend slightly upward, or at a minimum remain static, during Fiscal Year 2019-2020. City budget observers will note that municipal revenue forecasting has proven to be somewhat elusive for the past few fiscal years, with many factors (some known, some unknown) resulting in greater revenue receipts to the City than anticipated. This fortuitous situation has resulted in larger than expected fund balances at recent years' ends. For the past few years, the City has taken advantage of this by establishing a healthy reserve and creating a 35% General Fund reserve policy, while deploying the residual amounts for scheduled capital improvement projects (\$8.6 million reserve/unassigned fund balance and \$2 million CIP respectively in Fiscal Year 2019-2020).

Despite healthy revenue, the City continues to face ongoing expenditure pressure caused by increasing CalPERS pension contribution requirements; and the rising expense of maintaining, replacing, or upgrading deteriorating City infrastructure. Further causing some pressure on City finances are reduced residential TOT receipts that result from the lottery elimination for those short-term rental licenses in over-dense areas, which became effective in May of 2019.

Within the past year, the City made an effort to increase the transient occupancy tax (TOT) revenue stream, and thereby assist in alleviating the aforementioned pressures. The effort was realized through a ballot measure, which Pacific Grove voters ratified in November of 2018 thereby increasing the City's TOT rate from ten (10) to twelve (12) percent. The increased TOT goes into effect at the start of Fiscal Year 2019-20. However, the benefit of the TOT increase will likely only be realized for a short duration, as voters also approved a citizens' ballot initiative in November of 2018 that limits short-term rentals to the City's Coastal Zone and Commercial Districts, beginning in May of 2020. The resulting decrease in residential transient occupancy tax will likely offset any increase realized through the TOT initiative. It remains to be seen if the decrease in available short-term rental property offerings will be made up by a corresponding increase in motel/hotel occupancy rates and corresponding increased commercial occupancy tax revenue.

Not included within the Fiscal Year 2019-2020 budget is any potential revenue the City could realize from the sale of water entitlements, recently authorized by the City Council and included within the Fiscal Year 2019-2020 City Fee Schedule. City water entitlements will be offered at market rate of \$250,000/acre foot, with a thirty-percent (30%) discount for those eligible applicants that receive entitlement approval prior to December 31, 2020. It is anticipated that the City will be prepared to begin the sale of water entitlements in the summer of 2019. At the time that this budget transmittal letter is being written, demand for City entitlement water is not yet known, and therefore a revenue forecast is unavailable. However, aside from the possibility of additional revenue from the sale of City entitlement water, more importantly, available water provides promise and opportunity for future development and redevelopment, which could in turn help to improve the local economy through additional sales tax, transient occupancy tax, etc., thereby benefitting the City budget.

The City's budget is put together through the efforts of the City's Administrative Services Department, under the stewardship of Tori Hannah, Administrative Services Director. Under Ms. Hannah's leadership, the City of Pacific Grove received the California Society of Municipal Finance Officers' Excellence Award for the Fiscal Year 2018-19 Operating Budget. It is my sincere belief that the Administrative Services Department's budget effort this year will be recognized once again.

Lastly, I owe a debt of gratitude to the City Council for their leadership, insight and support throughout this budget effort. Their guidance and vision allow the City to operate beneath a healthy spending plan that reflects thoughtful goals, adheres to established guidelines, and most importantly, provides funding for municipal services that effectively benefit the community.

Respectfully submitted,

A handwritten signature in black ink that reads "Ben Harvey". The signature is written in a cursive, flowing style.

Ben Harvey
City Manager

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California Society of Municipal Finance Officers

Certificate of Award

Excellence Award for Fiscal Year 2018-2019 Operating Budget

Presented to the

City of Pacific Grove

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

December 19, 2018



Margaret Moggia

Margaret Moggia
CSMFO President

Sara J. Roush

Sara Roush, Chair
Recognition Committee

Dedicated Excellence in Municipal Financial Reporting

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Community Profile



COMMUNITY PROFILE



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

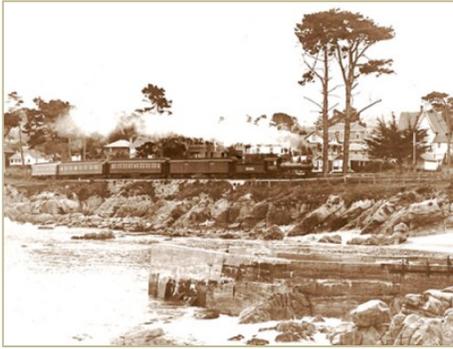
Community

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 15,500. 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 operated 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

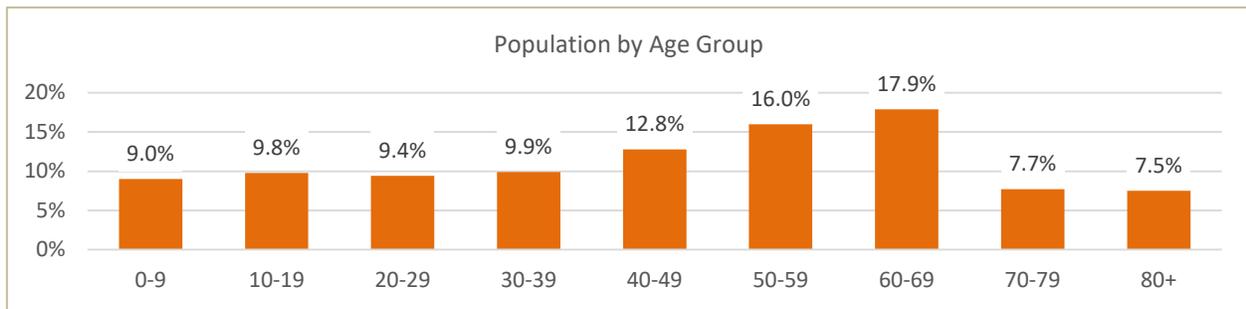
terms. The Council has the authority to establish all laws and regulations with respect to the municipal affairs, subject only to the limits of the City Municipal Code and State legislation.

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 polices are being implemented.

Demographics

Population ^(1, 2)

The City has a population of approximately 15,500. Growth has remained relatively stable over a ten-year period, with an average growth rate of .11%. The median resident age is 49 years old. A distribution of the population by age group is provided below:

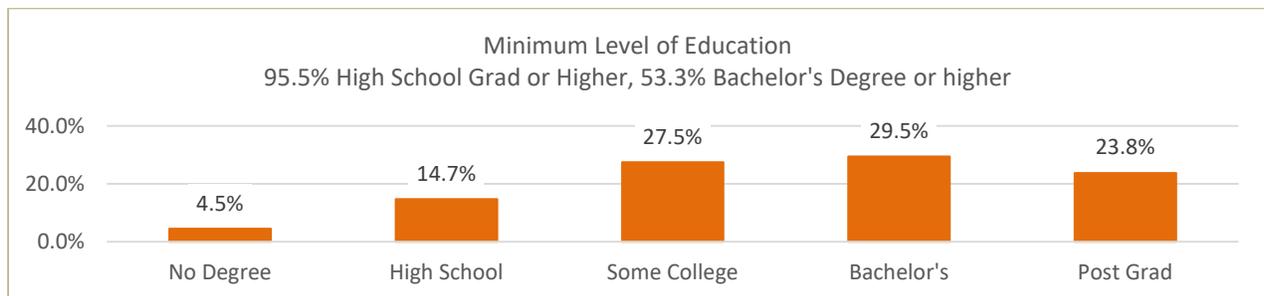


Education ^(1,3)

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 Monterey Institute for International Studies, 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 7,541, with 51% employed in professional specialty or managerial executive occupations. The unemployment rate for July 2018 for Monterey County was 4.8% percent down from a revised 5.4% in the prior year, while the unemployment rate for Pacific Grove during the same period was 3.2%, down from 3.7% from the prior year. This compares with a 4.4% rate for California and a 4.1% rate for nation during the same period.

- Average Household Income: \$108,919
- Median Household Income: \$81,324
- Average travel time to work: 18 minutes



Housing ^(4,7)

- Median Sales Price: \$855,000
- Average Sales Price: \$975,838
- Owner-Occupied Homes: 46%
- Households: 7,242



Industry ^(2,4)

Pacific Grove has approximately 513 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	352	1	4.24%
Asilomar Hotel and Conference Center	240	2	2.89%
Canterbury Woods	140	3	1.69%
City of Pacific Grove	114	4	1.36%
Safeway	80	5	0.96%
Pacific Grove Convalescent	74	6	0.89%
Trader Joe's	65	7	0.78%
Lucky Supermarket	60	8	0.72%
Best Western Inn and Suites of Pacific Grove	50	9	0.60%
Forest Hill	50	10	0.60%
Totals	1,225		14.75%

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. This year the event was held on April 10th at Chautauqua Hall and hosted approximately 125 volunteers. Awards were given for “Volunteer of the Year” and “Volunteer with the Most Hours”.



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



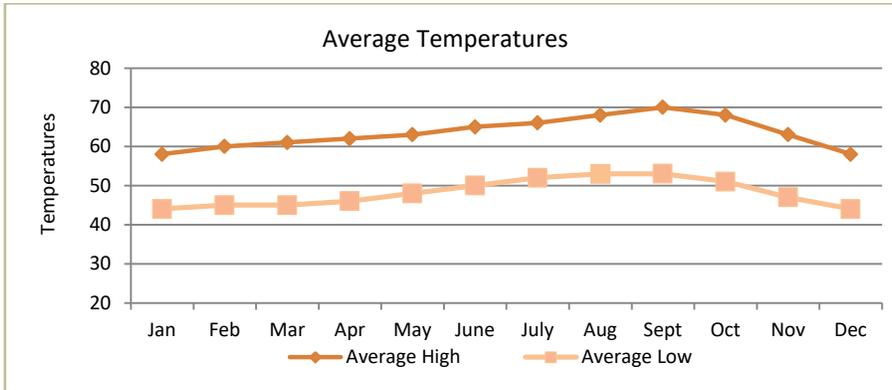
Regional Airports

- 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 18/19

Fund Title	Est. FY 18/19					Est. FY 18/19
	Beginning	Revenues	Transfers In	Expenditures	Transfers Out	Ending
General Fund						
General Fund	\$ 11,280,012	\$ 23,676,000	\$ -	\$ 23,269,316	\$ 1,583,601	\$ 10,103,095
Asset Seizure	1,709	-	-	-	-	1,709
Civic Center Site	171,260	18,650	-	14,601	-	175,309
Drug Awareness (DARE)	7,527	12,000	-	5,000	-	14,527
Hyperbaric Chamber	28,208	9,309	-	19,000	-	18,517
Koo Estate Donation	-	500	175,000	-	-	175,500
Operating Donations	266,545	2,200	-	-	224,359	44,386
Recreation Donation Fund	49,526	9,360	-	25,000	-	33,886
Stillwell Children's Pool	58,323	430	-	10,000	-	48,753
Vehicle Replacement	-	-	-	-	-	-
General Fund Types	11,863,110	23,728,449	175,000	23,342,917	1,807,960	10,615,682
Capital Improvement Fund						
Building & Facilities Improvement	125,842	578	-	-	126,088	332
General Fund CIP	-	215,936	1,711,517	1,927,453	-	-
	125,842	216,514	1,711,517	1,927,453	126,088	332
Debt Service Funds						
Butterfly Habitat Bond	23,207	45	-	-	23,252	-
Internal Service Funds						
Employee Benefits	92,815	289,000	-	257,000	-	124,815
Liability Insurance	632,057	582,000	-	661,540	-	552,517
Other Post Employment Benefits	223,572	101,000	-	-	-	324,572
Workers Compensation	191,550	666,000	-	551,055	-	306,495
Total Internal Service Funds	1,139,994	1,638,000	-	1,469,595	-	1,308,399
Enterprise Funds						
Cemetery	424,554	460,000	-	486,773	-	397,781
Golf	2,732,592	448,000	-	346,435	-	2,834,157
Local Water Project	2,355,632	612,930	-	668,468	-	2,300,094
Sewer	17,187,630	3,371,201	-	3,831,088	-	16,727,743
	22,700,408	4,892,131	-	5,332,764	-	22,259,775
Special Revenue Funds						
ASBS Grant	(57,994)	369,000	-	369,000	-	(57,994)
Cal Home Reuse	195,406	89,000	-	82,000	-	202,406
Carillon	9,515	47	-	3,000	-	6,562
CDBG Grant	246,910	705,000	-	508,855	-	443,055
CDBG 2013 Grant	-	-	-	-	-	-
Chautauqua Hall	16,900	2,500	-	4,000	-	15,400
Clean Beaches	-	-	-	-	-	-
Coastal Conservancy Grant	252,206	-	-	-	175,000	77,206
Downtown Business District	1,671	31,033	-	21,400	-	11,304
Environmental Enhancement	135,481	26,000	-	-	-	161,481
Fire Emergency Equipment	179,369	23,200	-	68,150	-	134,419
Gas Tax Fund	38,098	305,483	-	295,331	-	48,250
General Plan Maintenance Fee Fund	-	320	-	-	-	320
Greening Grant	-	-	-	-	-	-
Hospitality Improvement District	7,669	499,800	-	507,469	-	-
Housing Fund	443,972	73,200	-	135,950	-	381,222

Fund Balance Summary - Fiscal Year 18/19

Fund Title	Est. FY 18/19					Est. FY 18/19
	Beginning	Revenues	Transfers In	Expenditures	Transfers Out	Ending
Library Building and Equipment	66,217	-	-	-	66,217	-
Lighthouse Maintenance & Imp.	106,517	100,954	-	76,281	-	131,190
Library Book Donations	-	1,640	-	-	-	1,640
Local Streets and Roads	185,553	806,627	-	530,000	-	462,180
McIndoo Donation	101,641	400	-	-	-	102,041
Museum Improvement	473,167	3,500	-	30,000	-	446,667
Operating Grants	-	10,007	-	-	-	10,007
Poetry Promotion	55,697	200	-	-	-	55,897
Public Safety Augmentation	453,133	130,000	312,000	420,000	-	475,133
Regional Surface Trans. (RSTP)	121,000	-	-	121,000	-	-
RMRA	-	290,846	-	257,000	-	33,846
Senior Housing	9,893	70	-	-	-	9,963
Sewer Lateral Loans	202,575	150	-	40,000	-	162,725
State Franchise PEG	336,754	57,000	-	76,000	-	317,754
Strong Fund Disbursements	158,170	43,620	-	120,000	-	81,790
Supplemental Law Encorcement	248,705	188,600	-	334,410	-	102,895
Vehicle Abandonment	27,032	12,100	-	34,800	-	4,332
Yount Income	81,326	1,625	12,000	19,413	-	75,538
Total Special Revenue Funds	4,096,583	3,771,922	324,000	4,054,059	241,217	3,897,229
Permanent Funds						
Cemetery Endowment	1,544,732	63,000	-	-	-	1,607,732
Library Endowment	529,767	6,988	-	4,000	-	532,755
Yount Trust	825,238	10,000	-	-	12,000	823,238
Total Permanent Funds	2,899,737	79,988	-	4,000	12,000	2,963,725
Projected Fund Balance - All Funds	\$42,848,881	\$34,327,049	\$2,210,517	\$ 36,130,788	\$ 2,210,517	\$ 41,045,142

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	\$ 10,103,095	\$ 24,688,000	\$ 324,572	\$ 24,106,456	\$ 2,376,507	\$ 8,632,704
Asset Seizure	1,709	-	-	-	-	1,709
Civic Center Site	175,309	1,360	-	85,000	-	91,669
Drug Awareness (DARE)	14,527	12,000	-	16,150	-	10,377
Hyperbaric Chamber	18,517	9,300	-	17,600	-	10,217
Koo Estate Donation	175,500	-	-	100,000	-	75,500
Operating Donations	44,386	2,010	-	-	-	46,396
Recreation Donation Fund	33,886	9,487	-	42,000	-	1,373
Stillwell Children's Pool	48,753	460	-	10,000	-	39,213
Vehicle Replacement	-	-	130,000	-	-	130,000
General Fund Types	10,615,682	24,722,617	454,572	24,377,206	2,376,507	9,039,158
Capital Improvement Fund						
Building & Facilities Improvement	332	-	-	332	-	-
General Fund CIP	-	1,726,000	1,960,000	3,683,000	-	3,000
	332	1,726,000	1,960,000	3,683,332	-	3,000
Debt Service Funds						
Butterfly Habitat Bond	-	-	-	-	-	-
Internal Service Funds						
Employee Benefits	124,815	239,500	-	265,000	-	99,315
Liability Insurance	552,517	267,000	-	519,375	-	300,142
Other Post Employment Benefits	324,572	-	-	-	324,572	-
Workers Compensation	306,495	653,500	-	670,674	-	289,321
Total Internal Service Funds	1,308,399	1,160,000	-	1,455,049	324,572	688,778
Enterprise Funds						
Cemetery	397,781	470,100	-	525,390	-	342,491
Golf	2,834,157	448,000	-	397,097	-	2,885,060
Local Water Project	2,300,094	543,930	76,507	682,525	-	2,238,006
Sewer	16,727,743	3,424,974	-	8,273,272	-	11,879,445
	22,259,775	4,887,004	76,507	9,878,284	-	17,345,002
Special Revenue Funds						
ASBS Grant	(57,994)	3,846,000	-	3,788,000	-	6
Cal Home Reuse	202,406	50,000	-	82,000	-	170,406
Carillon	6,562	75	-	-	-	6,637
CDBG Grant	443,055	120,000	-	579,000	-	(15,945)
CDBG 2013 Grant	-	-	-	-	-	-
Chautauqua Hall	15,400	135	-	5,000	-	10,535
Clean Beaches	-	-	-	-	-	-
Coastal Conservancy Grant	77,206	-	-	-	-	77,206
Downtown Business District	11,304	31,050	-	21,400	-	20,954
Environmental Enhancement	161,481	-	-	20,000	-	141,481
Fire Emergency Equipment	134,419	21,250	-	25,000	-	130,669
Gas Tax Fund	48,250	382,546	-	316,913	-	113,883
General Plan Maintenance Fee Fund	320	7,000	-	-	-	7,320
Greening Grant	-	-	-	-	-	-
Hospitality Improvement District	-	511,500	-	511,500	-	-
Housing Fund	381,222	72,400	-	184,904	-	268,718
Library Building and Equipment	-	-	-	-	-	-

Fund Balance Summary - Fiscal Year 19/20

Fund Title	Est. FY 19/20		Transfers In	Expenditures	Transfers Out	Est. FY 19/20
	Beginning	Revenues				Ending
Lighthouse Maintenance & Imp.	131,190	87,000	-	118,828	-	99,362
Library Book Donations	1,640	7,140	-	-	-	8,780
Local Streets and Roads	462,180	673,000	-	750,000	-	385,180
McIndoo Donation	102,041	1,000	-	70,000	-	33,041
Museum Improvement	446,667	3,700	-	75,000	-	375,367
Operating Grants	10,007	10	-	-	-	10,017
Poetry Promotion	55,897	435	-	19,500	-	36,832
Public Safety Augmentation	475,133	130,000	210,000	481,000	-	334,133
Regional Surface Trans. (RSTP)	-	-	-	-	-	-
RMRA	33,846	266,341	-	265,981	-	34,206
Senior Housing	9,963	70	-	-	-	10,033
Sewer Lateral Loans	162,725	150	-	40,000	-	122,875
State Franchise PEG	317,754	59,000	-	279,000	-	97,754
Strong Fund Disbursements	81,790	44,250	-	65,000	-	61,040
Supplemental Law Encorcement	102,895	184,000	-	102,567	-	184,328
Vehicle Abandonment	4,332	7,100	-	8,000	-	3,432
Yount Income	75,538	-	12,000	20,027	-	67,511
Total Special Revenue Funds	3,897,229	6,505,152	222,000	7,828,620	-	2,795,761
Permanent Funds						
Cemetery Endowment	1,607,732	65,000	-	-	-	1,672,732
Library Endowment	532,755	5,134	-	42,000	-	495,889
Yount Trust	823,238	12,000	-	-	12,000	823,238
Total Permanent Funds	2,963,725	82,134	-	42,000	12,000	2,991,859
Est. Ending Fund Balance - All Funds	\$41,045,142	\$39,082,907	\$2,713,079	47,264,491	2,713,079	32,863,558

Revenue Summary - All Funds

Fund Title	FY 16/17 Actual	FY 17/18 Actual	FY 18/19 Adopted	FY 18/19 Estimated	FY 19/20 Adopted
General Fund					
General Fund	\$ 21,883,256	\$ 22,876,753	\$ 22,993,669	\$ 23,676,000	\$ 25,012,572
Asset Seizure	(1,085)	10	-	-	-
Civic Center Site	18,153	18,948	18,650	18,650	1,360
Drug Awareness (DARE)	6	49	1,000	12,000	12,000
Hyperbaric Chamber	18,161	11,960	22,200	9,309	9,300
Koo Estate Donation	(98)	47,765	500	175,500	-
Operating Donations	50,310	3,006	2,200	2,200	2,010
Recreation Donation Fund	9,049	10,457	9,360	9,360	9,487
Stillwell Children 's Pool	47	323	430	430	460
Vehicle Replacement	-	-	-	-	130,000
General Fund Types	21,977,799	22,969,271	23,048,009	23,903,449	25,177,189
Capital Improvement Fund					
Building & Facilities Improvement	390	1,251	-	578	-
General Fund CIP	-	8,300	3,847,020	1,927,453	3,686,000
	390	9,551	3,847,020	1,928,031	3,686,000
Debt Service Funds					
Butterfly Habitat Bond	111,049	4,334	-	45	-
Internal Service Funds					
Employee Benefits	262,651	185,995	289,000	289,000	239,500
Liability Insurance	240,967	655,664	457,000	582,000	267,000
Other Post Employment Benefits	100,237	1,762	101,000	101,000	-
Workers Compensation	1,553,459	1,401,609	707,000	666,000	653,500
Total Internal Service Funds	2,157,314	2,245,030	1,554,000	1,638,000	1,160,000
Enterprise Funds					
Cemetery	342,470	453,237	363,400	460,000	470,100
Golf	354,856	434,015	376,100	448,000	448,000
Local Water Project	-	2,546,609	532,000	612,930	620,437
Sewer	3,151,928	3,304,277	3,231,010	3,371,201	3,424,974
	3,849,254	6,738,138	4,502,510	4,892,131	4,963,511
Special Revenue Funds					
ASBS Grant	403,194	85,431	640,000	369,000	3,846,000
Cal Home Reuse	(651)	90,087	89,000	89,000	50,000
Carillon	7	53	47	47	75
CDBG Grant	42,862	266,942	80,000	705,000	120,000
CDBG 2013 Grant	84,204	-	-	-	-
Chautauqua Hall	1,512	3,694	2,500	2,500	135
Clean Beaches	2,705,528	190,001	-	-	-
Coastal Conservancy Grant	271,383	153,616	-	-	-
Downtown Business District	47,381	28,820	31,033	31,033	31,050
Environmental Enhancement	92	5,683	26,000	26,000	-

Revenue Summary - All Funds

Fund Title	FY 16/17 Actual	FY 17/18 Actual	FY 18/19 Adopted	FY 18/19 Estimated	FY 19/20 Adopted
Fire Emergency Equipment	20,035	19,336	23,200	23,200	21,250
Gas Tax Fund	281,874	299,422	365,090	305,483	382,546
General Plan Maintenance Fee Fund	-	-	-	320	7,000
Greening Grant	84,569	-	-	-	-
Hospitality Improvement District	493,503	496,357	447,200	499,800	511,500
Housing Fund	98,714	164,489	220	73,200	72,400
Library Building and Equipment	8	100,832	-	-	-
Lighthouse Maintenance & Imp.	58,710	85,857	59,000	100,954	87,000
Library Book Donations	84,796	63,976	1,640	1,640	7,140
Local Streets and Roads	84,020	431,357	442,400	806,627	673,000
McIndoo Donation	81	563	400	400	1,000
Museum Improvement	381	2,622	3,500	3,500	3,700
Operating Grants	-	832	-	10,007	10
Poetry Promotion	329	426	200	200	435
Public Safety Augmentation	497,981	608,345	442,000	442,000	340,000
Regional Surface Trans. (RSTP)	-	-	121,195	121,000	-
RMRA	-	101,165	257,360	290,846	266,341
Senior Housing	7	55	70	70	70
Sewer Lateral Loans	794	-	150	150	150
State Franchise PEG	57,793	56,465	57,000	57,000	59,000
Strong Fund Disbursements	43,110	43,756	43,620	43,620	44,250
Supplemental Law Enforcement	205,242	202,555	188,600	188,600	184,000
Vehicle Abandonment	20,000	7,032	-	12,100	7,100
Yount Income	11,527	14,001	700	13,625	12,000
Total Special Revenue Funds	5,598,986	3,523,770	3,322,125	4,216,922	6,727,152
 Permanent Funds					
Cemetery Endowment	105,199	67,037	63,000	63,000	65,000
Library Endowment	438	9,163	1,500	6,988	5,134
Yount Trust	76	480	10,000	10,000	12,000
Total Permanent Funds	105,713	76,680	74,500	79,988	82,134
Total Revenues - All Funds	\$33,800,505	\$35,566,774	\$36,348,164	\$ 36,658,566	\$ 41,795,986

Expenditure Summary - All Funds

Fund Title	FY 16/17 Actual	FY 17/18 Actual	FY 18/19 Adopted	FY 18/19 Estimated	FY 19/20 Adopted
General Fund					
General Fund	\$ 20,119,959	\$ 22,465,072	\$ 25,114,399	\$ 24,852,917	\$ 26,482,963
Asset Seizure	-	-	-	-	-
Civic Center Site	6,463	18,879	54,000	14,601	85,000
Drug Awareness (DARE)	2,902	2,152	10,500	5,000	16,150
Hyperbaric Chamber	17,132	14,383	19,000	19,000	17,600
Koo Estate Donation	176,965	200,000	100,000	-	100,000
Operating Donations	24,130	36,007	20,000	224,359	-
Recreation Donation Fund	-	1,770	4,000	25,000	42,000
Stillwell Children's Pool	-	-	10,000	10,000	10,000
Vehicle Replacement	-	-	-	-	-
General Fund Types	20,347,551	22,738,263	25,331,899	25,150,877	26,753,713
Capital Improvement Fund					
Building & Facilities Improvement	43,785	363,032	80,147	126,088	332
General Fund CIP	-	8,300	3,845,000	1,927,453	3,683,000
	43,785	371,332	3,925,147	2,053,541	3,683,332
Debt Service Funds					
Butterfly Habitat Bond	91,743	91,179	-	23,252	-
Internal Service Funds					
Employee Benefits	239,368	242,096	305,500	257,000	265,000
Liability Insurance	520,874	166,132	456,471	661,540	519,375
Other Post Employment Benefits	-	101,000	-	-	324,572
Workers Compensation	594,711	975,950	706,644	551,055	670,674
Total Internal Service Funds	1,354,953	1,485,178	1,468,615	1,469,595	1,779,621
Enterprise Funds					
Cemetery	293,068	370,747	421,777	486,773	525,390
Golf	349,811	371,646	370,097	346,435	397,097
Local Water Project ⁽¹⁾	-	190,977	488,064	668,468	682,525
Sewer	1,751,842	2,723,964	3,481,927	3,831,088	8,273,272
	2,394,721	3,657,334	4,761,865	5,332,764	9,878,284
<i>(1) Local Water Project expenditures removed to reflect capitalization and consistency with financial statements)</i>					
Special Revenue Funds					
ASBS Grant	403,194	143,425	640,000	369,000	3,788,000
Cal Home Reuse	87,000	-	82,000	82,000	82,000
Carillon	-	-	3,000	3,000	-
CDBG Grant	36,000	26,894	80,000	508,855	579,000
CDBG 2013 Grant	84,204	-	-	-	-
Chautauqua Hall	9,800	2,527	19,000	4,000	5,000
Clean Beaches	2,705,528	190,001	-	-	-
Coastal Conservancy Grant	114,002	58,791	-	175,000	-

Expenditure Summary - All Funds

Fund Title	FY 16/17 Actual	FY 17/18 Actual	FY 18/19 Adopted	FY 18/19 Estimated	FY 19/20 Adopted
Downtown Business District	38,412	37,911	31,000	21,400	21,400
Environmental Enhancement	18,243	9,815	-	-	20,000
Fire Emergency Equipment	7,078	12,028	27,250	68,150	25,000
Gas Tax Fund	261,954	281,814	319,215	295,331	316,913
General Plan Maintenance Fee Fund	-	-	-	-	-
Greening Grant	84,569	-	-	-	-
Hospitality Improvement District	494,881	489,389	446,700	507,469	511,500
Housing Services & Rehab.	82,154	82,940	160,540	135,950	184,904
Library Building and Equipment	17,624	59,515	-	66,217	-
Lighthouse Maintenance & Imp.	64,076	54,597	76,281	76,281	118,828
Library Book Donations	80,589	78,572	-	-	-
Local Streets and Roads	-	329,824	530,000	530,000	750,000
McIndoo Donation	61	-	-	-	70,000
Museum Improvement	-	-	30,000	30,000	75,000
Operating Grants	-	-	-	-	-
Poetry Promotion	6,102	1,925	-	-	19,500
Public Safety Augmentation	416,244	491,961	420,000	420,000	481,000
Regional Surface Trans. (RSTP)	-	-	121,000	121,000	-
RMRA	-	101,165	257,000	257,000	265,981
Senior Housing	-	-	-	-	-
Sewer Lateral Loans	-	-	40,000	40,000	40,000
State Franchise PEG	65,546	70,328	145,000	76,000	279,000
Strong Fund Disbursements	1,710	4,873	120,000	120,000	65,000
Supplemental Law Encorcement	30,095	197,281	319,789	334,410	102,567
Vehicle Abandonment	-	-	11,000	34,800	8,000
Yount Income	11,023	20,722	19,413	19,413	20,027
Total Special Revenue Funds	5,120,089	2,746,298	3,898,188	4,295,276	7,828,620
Permanent Funds					
Cemetery Endowment	-	-	-	-	-
Library Endowment	-	18,924	4,000	4,000	42,000
Yount Trust	11,455	13,540	3,000	12,000	12,000
Total Permanent Funds	11,455	32,464	7,000	16,000	54,000
Total Expenditures - All Funds	\$29,364,297	\$31,122,048	\$39,392,714	\$38,341,305	\$49,977,570

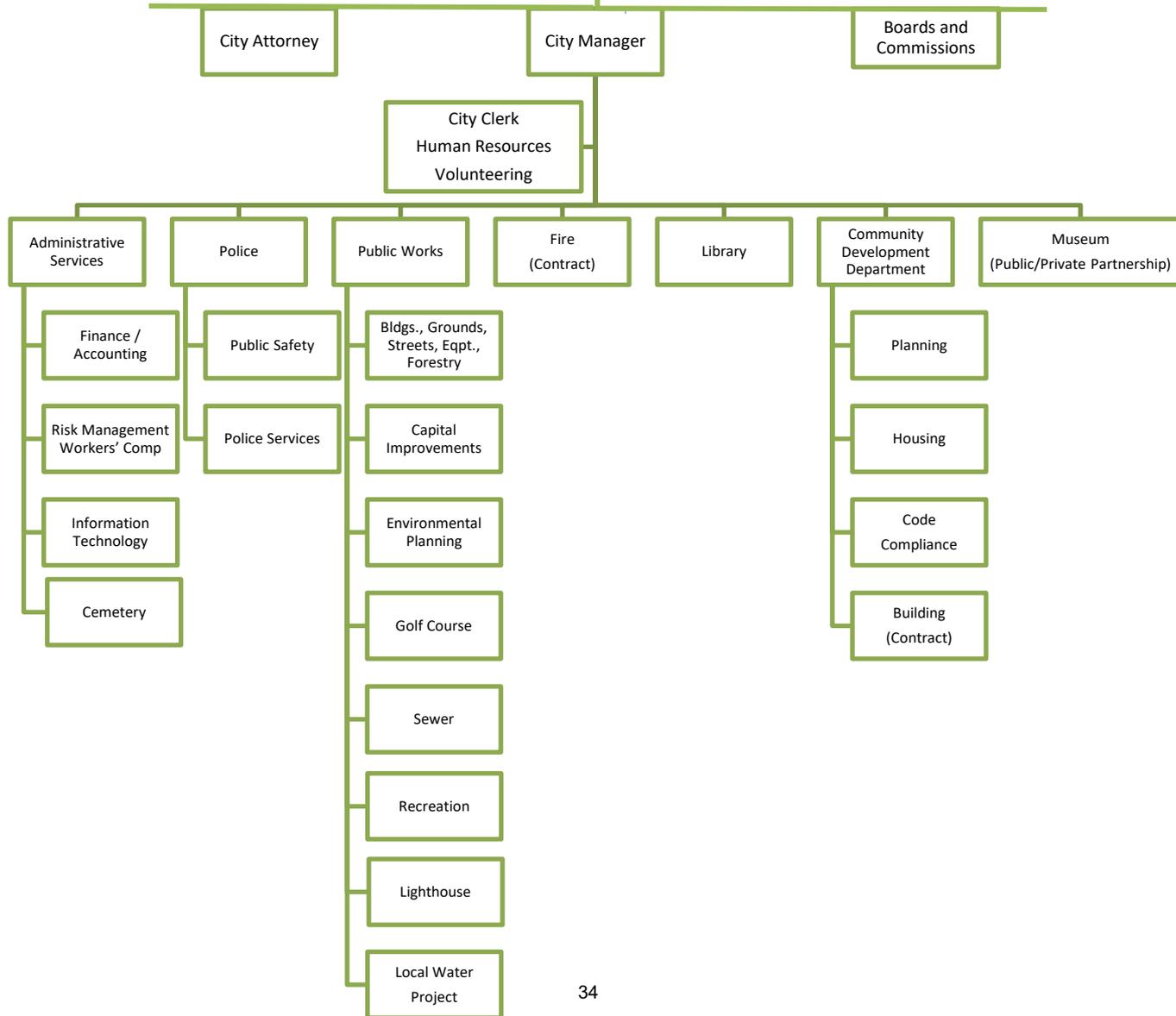
Capital Improvement Summary Fiscal Year 19/20

Project Code	Fund Source	Project	Origination Year	Planned Comp Year	Impact on Operating Budget?	Council Strategic Initiatives	FY 2019-20
CIP 18-41	General Fund	Library Renewal Project	FY 17/18	FY 19/20	No Impact	City Asset Stewardship	\$200,000
CIP 18-46	General Fund	Point Pinos Trail Project	FY 17/18	FY19/20	No Impact	City Asset Stewardship	\$250,000
CIP 20-2	General Fund	Pedestrian Improvements Behind PG High School	FY 19/20	FY 19/20	No Impact	Complete Streets/ City Asset Stewardship	\$50,000
CIP 20-3	General Fund	Annual Sidewalk Improvements	FY 19/20	FY 19/20	No Impact	Complete Streets	\$50,000
CIP 20-4	General Fund	Storm Drain Repairs	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$50,000
CIP 20-6	General Fund	New Roof at The Grill at Lovers Point	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$50,000
CIP 20-7	General Fund	Stormwater Master Plan	FY 19/20	FY 19/20	No Impact	Environmental Stewardship/City Asset Stewardship	\$75,000
CIP 20-8	General Fund	New Solar Lights on Morse Dr., Olmstead Ave., Hillcrest Ave., and Spazier Ave.	FY 19/20	FY 19/20	It is anticipated that this project will result in utility savings.	Environmental Stewardship/City Asset Stewardship	\$60,000
CIP 20-9	General Fund	Public Works Electrical Panel Modernization/Solar Engineering	FY 19/20	FY 19/20	It is anticipated that this project will result in utility savings.	Environmental Stewardship/City Asset Stewardship	\$50,000
CIP 20-10	General Fund	Perkins Park Landscape Plan	FY 19/20	FY 19/20	No Impact	City Asset Stewardship/ Environmental Stewardship	\$75,000
CIP 20-5	Non-General Fund	Point Pinos Grill Reroof	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$100,000
CIP 20-11	Non-General Fund	HVAC at the Pacific Grove Museum of Natural History	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$75,000
CIP 18-84	Non-General Fund	Pacific Grove-Monterey ASBS Wet-Dry Stormwater Capture and Reuse Project	FY 17/18	FY 19/20	No Impact	City Asset Stewardship/ Environmental Stewardship	\$3,788,000
CIP19-85	Non-General Fund	Sewer Collection System Master Plan Sewer System Improvements	FY18/19	FY 19/20	No Impact	City Asset Stewardship	\$1,500,000
				FY 19/20	No Impact	City Asset Stewardship	\$1,207,000
				FY 19/20	No Impact	City Asset Stewardship	\$1,027,000
				FY 19/20	No Impact	City Asset Stewardship	\$1,104,000
CIP 20-12	Non-General Fund	Phase 8 Sewer Line Improvements at Various Locations	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$850,000
CIP 20-13	Non-General Fund	Mainline Improvements on Ocean View Blvd. in conjunction with Phase 4 Urban Diversion	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$500,000

Project Code	Fund Source	Project	Origination Year	Planned Comp Year	Impact on Operating Budget?	Council Strategic Initiatives	FY 2019-20
CIP 18-41	Non-General Fund	Library Renewal Project	FY 17/18	FY 19/20	No Impact	City Asset Stewardship	\$1,723,000
CIP 20-14	Non-General Fund	Heater at the Youth Center	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$12,000
CIP 20-15	Non-General Fund	Youth Center Carpets	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$25,000
CIP 20-16	Non-General Fund	Gardner's Alley Pedestrian Improvements	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$20,000
CIP 20-17	Non-General Fund	Beach Access Steps	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$20,000
CIP 20-18	Non-General Fund	AC Lovers Point Park Pathways	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$30,000
CIP 20-19	Non-General Fund	Electrical Vehicle Charging Station	FY 19/20	FY 19/20	No Impact	City Asset Stewardship/ Environmental Stewardship	\$50,000
CIP 20-20	Non-General Fund	Community Center Office Refresh	FY 19/20	FY 19/20	No Impact	City Asset Stewardship/ Environmental Stewardship	\$15,000
CIP 20-21	Non-General Fund	Street Sign Inventory	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$30,000
CIP 20-22	Non-General Fund	City Hall - Admin. Services Flooring and Water Leakage Project	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$20,000
CIP 20-23	Non-General Fund	Fire Station Decking Replacement	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$65,000
CIP 20-24	Non-General Fund	ADA Improvements at Arnett and George Washington Park	FY 19/20	FY 19/20	No Impact	City Asset Stewardship	\$50,000
CIP20-01	Multi-Fund	2019 Street Maintenance and Rehabilitation	FY 19/20	FY 23/24	No Impact	City Asset Stewardship	\$650,000
							\$750,000
							\$265,981
CIP 18-2	Multi-Fund	Lovers Point Coastal Access Project	FY 17/18	Pending	No Impact	Environmental Stewardship/City Asset Stewardship	\$400,000
							\$50,000
General Fund Total							\$1,960,000
Non-General Fund Total							\$13,276,981
Capital Improvement Projects Total							\$15,236,981

CITIZENS OF PACIFIC GROVE

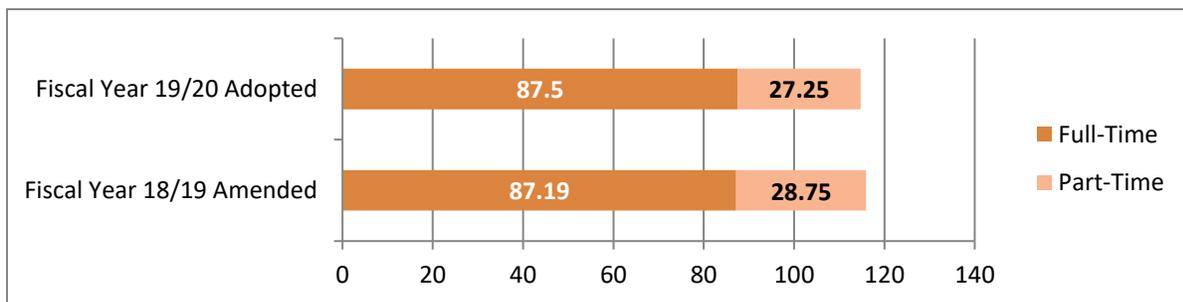
CITY COUNCIL



Position Overview

The City’s position count includes full-time, part-time, seasonal, intern and temporary positions. All 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 19/20, the City’s authorized staffing will decrease from 115.94 to 114.75 positions when compared to the prior year. This 1.19 decrease, represents the planned reduction of 1.44 FTE’s that were retained to assist during a transitional period, net of the addition of .250 positions.

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 Difference
<ul style="list-style-type: none"> Planned reduction of the Senior Recreation Coordinator position to allow for cross-training of a new employee assigned to the new Recreation Program Manager position 	-0.44
<ul style="list-style-type: none"> Planned overlap in the Community and Economic Development Director position as a result of a department restructure 	-1.00
<ul style="list-style-type: none"> Net decrease in on-call positions to fund a promotional Librarian position 	-0.50
<ul style="list-style-type: none"> Transition a limited-term, part-time Community Development Department position to consulting services 	-0.50
<ul style="list-style-type: none"> Addition of a part-time Custodian position to support recreation facilities, public restrooms, and the Corporation Yard. 	0.50
<ul style="list-style-type: none"> Addition of a part-time Information Technology Intern II position to assist with several significant City projects 	0.50
<ul style="list-style-type: none"> Increase the Accountant position to assist with technical demands 	0.25
<ul style="list-style-type: none"> Net reduction due to consolidating the Volunteer Coordinator position with an Administrative Technician position in the Public Works and City Manager’s Office 	-0.25
<ul style="list-style-type: none"> Reclassification of a Recreation Assistant I position to an Office Assistant position to reflect expanding needs of the City’s recreation programs 	<u>0.25</u>
Total Position Changes	- 1.19

FY 19/20 AUTHORIZED STAFFING

					Actual	Adopted	Amended	Adopted	Amend / Prop.
					FY 17-18	FY 18-19	FY 18-19	FY 19-20	Difference
	Dept	Division	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	0.00
			MAYOR	001-001	0.50	0.50	0.50	0.50	0.00
			TOTAL CITY COUNCIL		3.50	3.50	3.50	3.50	0.00
			TOTAL		3.50	3.50	3.50	3.50	0.00
City Manager/Human Resources /City Clerk									
	Full-time								
	12	121	CITY MANAGER	301	1.00	1.00	1.00	1.00	0.00
			HUMAN RESOURCES MANAGER	210	1.00	1.00	1.00	1.00	0.00
			CITY CLERK	243	1.00	1.00	1.00	1.00	0.00
			DEPUTY CITY CLERK	204	0.00	0.00	0.00	1.00	1.00
			MANAGEMENT ANALYST	208	0.25	0.25	0.25	0.25	0.00
			ADMINISTRATIVE TECHNICIAN	170	1.00	1.00	1.00	0.25	-0.75
			RECREATION COORDINATOR	118	0.00	0.00	0.00	0.00	0.00
			TOTAL MANAGER-FULL TIME		4.25	4.25	4.25	4.50	0.25
	Part-time								
			VOLUNTEER COORDINATOR	170	0.50	0.50	0.50	0.00	-0.50
			TOTAL MANAGER PART-TIME		0.50	0.50	0.50	0.00	-0.50
			TOTAL		4.75	4.75	4.75	4.50	-0.25
Finance									
	Full-time								
	13	131	ADMINISTRATIVE SERVICES DIRECTOR	304	0.75	0.75	0.75	0.85	0.10
			ADMINISTRATIVE SERVICES MANAGER	212	0.70	0.70	0.70	0.65	-0.05
			PROGRAM MANAGER	219	1.00	0.00	0.00	0.00	0.00
			MANAGEMENT ANALYST	208	1.75	2.55	2.55	2.25	-0.30
			RISK MANAGER	216	0.15	0.00	0.00	0.00	0.00
			ADMINISTRATIVE TECHNICIAN	170	0.75	1.00	1.00	1.00	0.00
			ACCOUNTANT	124	0.75	0.75	0.75	1.00	0.25
			TOTAL FINANCE FULL-TIME		5.85	5.75	5.75	5.75	0.00
	Part-time								
	13	131	OFFICE ASSISTANT	104	0.50	0.50	0.50	0.50	0.00
			TOTAL FINANCE PART-TIME		0.50	0.50	0.50	0.50	0.00
			TOTAL		6.35	6.25	6.25	6.25	0.00
Community Development									
	Full-time								
	20	201	COMMUNITY & ECONOMIC DEVELOPMENT DIRECTOR	168	1.00	1.00	1.00	0.00	-1.00
			COMMUNITY DEVELOPMENT DIRECTOR	205	0.00	0.00	1.00	1.00	0.00
		241	PRINCIPAL PLANNER	241	1.00	1.00	1.00	0.00	-1.00
			MANAGEMENT ANALYST	208	1.00	1.00	1.00	1.00	0.00
			CODE COMPLIANCE OFFICER	164	1.00	1.00	1.00	1.00	0.00
			ASSOCIATE PLANNER	168	2.00	2.00	2.00	2.00	0.00
			SENIOR PLANNER	169	0.00	0.00	0.00	1.00	1.00
			ADMINISTRATIVE TECHNICIAN	170	0.50	0.50	0.50	0.50	0.00
			SENIOR PROGRAM MANAGER	206	0.00	0.00	0.50	0.50	0.00
			PROGRAM MANAGER	219	0.50	0.50	0.00	0.00	0.00
	20	204	SENIOR PROGRAM MANAGER	206	0.00	0.00	0.50	0.50	0.00
			PROGRAM MANAGER	219	0.50	0.50	0.00	0.00	0.00
			TOTAL COMMUNITY DEVELOPMENT FULL-TIME		7.50	7.50	8.50	7.50	-1.00
	Part-time								
	20	204	EXTRA HELP - RETIRED ANNUITANT	203	0.00	0.00	0.50	0.00	-0.50
			HOUSING REHABILITATION INSPECTOR	71	0.50	0.50	0.50	0.00	-0.50
			ADMINISTRATIVE TECHNICIAN	170	0.00	0.00	0.00	0.50	0.50
			INTERN	64	0.00	0.50	0.50	0.50	0.00
			TOTAL COMMUNITY DEVELOPMENT PART-TIME		0.50	1.00	1.50	1.00	-0.50
			TOTAL		8.00	8.50	10.00	8.50	-1.50

FY 19/20 AUTHORIZED STAFFING

					Actual	Adopted	Amended	Adopted	Amend / Prop.
					FY 17-18	FY 18-19	FY 18-19	FY 19-20	Difference
Dept	Division	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	0.00
			POLICE COMMANDER	601	1.00	1.00	1.00	1.00	0.00
			POLICE ADMINISTRATIVE SERVICES MANAGER	201	1.00	1.00	1.00	1.00	0.00
			POLICE SERGEANT	524	4.00	4.00	4.00	4.00	0.00
			POLICE OFFICER	516	15.30	15.30	15.30	15.30	0.00
			RECORDS SUPERVISOR	514	1.00	1.00	1.00	1.00	0.00
			PARKING ENFORCEMENT OFFICER/CSO	506	2.00	2.00	2.00	2.00	0.00
			ANIMAL CONTROL OFFICER	505	1.00	1.00	1.00	1.00	0.00
			ADMINISTRATIVE TECHNICIAN	170	0.00	1.00	1.00	1.00	0.00
			POLICE SERVICES TECHNICIAN	508	5.00	5.00	5.00	5.00	0.00
			TOTAL POLICE DEPARTMENT FULL-TIME		31.30	32.30	32.30	32.30	0.00
Part-time									
	30	301	POLICE RESERVE OFFICER	65	0.50	0.00	0.00	0.00	0.00
			ADMINISTRATIVE TECHNICIAN	229	0.50	0.00	0.00	0.00	0.00
			PROGRAM MANAGER	219	0.75	0.50	0.50	0.50	0.00
			CROSSING GUARD	40	0.50	0.50	0.50	0.50	0.00
			TOTAL POLICE DEPARTMENT PART-TIME		2.25	1.00	1.00	1.00	0.00
			TOTAL		33.55	33.30	33.30	33.30	0.00
Library									
Full-time									
	40	401	LIBRARY DIRECTOR	217	1.00	1.00	1.00	1.00	0.00
			LIBRARIAN	208	0.75	0.75	0.75	1.75	1.00
			SENIOR LIBRARIAN	217	1.00	1.00	1.00	1.00	0.00
			ADMINISTRATIVE TECHNICIAN	170	0.75	0.75	0.75	0.75	0.00
			LIBRARY TECHNICIAN	123	0.75	0.75	0.75	0.75	0.00
			SENIOR LIBRARY ASSISTANT	144	2.00	2.00	2.00	1.00	-1.00
			TOTAL LIBRARY FULL-TIME		6.25	6.25	6.25	6.25	0.00
Part-time									
	40	401	LIBRARIAN	208	2.50	2.50	2.50	2.25	-0.25
			LIBRARY CLERK	199	2.75	2.75	2.75	2.50	-0.25
			TOTAL LIBRARY PART-TIME		5.25	5.25	5.25	4.75	-0.50
			TOTAL		11.50	11.50	11.50	11.00	-0.50
Information Services									
Full-time									
			SENIOR PROGRAM MANAGER	206	0.00	0.00	0.00	0.95	0.95
			PROGRAM MANAGER	219	1.00	1.00	1.00	0.00	-1.00
			MANAGEMENT ANALYST	208	0.00	0.05	0.05	0.25	0.20
			ADMINISTRATIVE SERVICES DIRECTOR	304	0.25	0.15	0.15	0.05	-0.10
			TOTAL INFORMATION SERVICES FULL-TIME		1.25	1.20	1.20	1.25	0.05
Part-time									
			INTERN/IT TECHNICIAN		0.00	0.00	0.00	0.50	0.50
			TOTAL INFORMATION SERVICES PART-TIME		0.00	0.00	0.00	0.50	0.50
			TOTAL		1.25	1.20	1.20	1.75	0.55
Recreation									
Full-time									
	42	421	RECREATION						
			PUBLIC WORKS DIRECTOR	207	0.20	0.20	0.20	0.20	0.00
			PROGRAM MANAGER	219	0.00	1.00	1.00	1.00	0.00
			RECREATION COORDINATOR, SENIOR	217	1.00	0.44	0.44	0.00	-0.44
			MANAGEMENT ANALYST	208	0.20	0.20	0.20	0.20	0.00
			RECREATION COORDINATOR	118	1.00	1.00	1.00	1.00	0.00
			OFFICE ASSISTANT	104	0.00	0.00	0.00	0.75	0.75
			TOTAL RECREATION FULL-TIME		2.40	2.84	2.84	3.15	0.31
Part-time									
		421	RECREATION ASSISTANT II	51	4.50	4.50	4.50	3.50	-1.00
			RECREATION ASSISTANT I	10	6.00	6.00	6.00	5.50	-0.50
			RECREATION ACTIVITIES SUPERVISOR		0.00	0.00	0.00	1.50	1.50
			RECREATION COORDINATOR	118	0.50	0.50	0.50	0.50	0.00
			PRE-SCHOOL MANAGER	62	0.50	0.50	0.50	0.00	-0.50
			TOTAL RECREATION PART-TIME		11.50	11.50	11.50	11.00	-0.50
			TOTAL		13.90	14.34	14.34	14.15	-0.19

FY 19/20 AUTHORIZED STAFFING

					Actual	Adopted	Amended	Adopted	Amend / Prop.
					FY 17-18	FY 18-19	FY 18-19	FY 19-20	Difference
	Dept	Division	Positions	Pos. #	FTE%	FTE%	FTE%	FTE%	FTE%
General Fund									
Public Works									
Full-time									
	50	501	PUBLIC WORKS DIRECTOR	207	0.30	0.30	0.30	0.30	0.00
			CONSTRUCTION PROJECT SUPERVISOR	209	0.10	0.10	0.10	0.10	0.00
			PROGRAMS MANAGER	219	0.25	0.75	0.75	0.75	0.00
			ENGINEERING TECHNICIAN	102	0.00	0.00	0.00	0.00	0.00
			MANAGEMENT ANALYST	208	0.40	0.40	0.40	0.40	0.00
			ADMINISTRATIVE TECHNICIAN	170	0.00	0.00	0.00	0.00	0.00
		502	MAINT TECH/SAFETY COORDINATOR	153	0.20	0.00	0.00	0.00	0.00
			EQUIPMENT MECHANIC	156	2.00	2.00	2.00	2.00	0.00
		503	MAINTENANCE SUPERVISOR	154	0.50	0.50	0.50	0.50	0.00
			ADMINISTRATIVE TECHNICIAN	170	0.00	0.00	0.00	0.40	0.40
			CONSTRUCTION PROJECT SUPERVISOR	209	0.20	0.20	0.20	0.20	0.00
			MAINTENANCE WORKER	132	7.00	7.00	7.00	7.00	0.00
			ENGINEERING TECHNICIAN	102	0.00	0.00	0.00	0.00	0.00
			PUBLIC WORKS DIRECTOR	207	0.10	0.10	0.10	0.10	0.00
			MAINT TECH/SAFETY COORDINATOR	153	0.20	0.00	0.00	0.00	0.00
			MAINTENANCE WORKER, SENIOR	146	0.95	0.95	0.95	0.95	0.00
		505	MAINTENANCE SUPERVISOR	154	0.40	0.00	0.00	0.00	0.00
			ADMINISTRATIVE TECHNICIAN	170	0.00	0.00	0.00	0.10	0.10
			MAINTENANCE WORKER SENIOR	146	0.00	0.40	0.40	0.40	0.00
			PROGRAM MANAGER	219	0.25	0.25	0.25	0.25	0.00
			CONSTRUCTION PROJECT SUPERVISOR	209	0.20	0.20	0.20	0.20	0.00
			MAINT TECH/SAFETY COORDINATOR	153	0.20	0.00	0.00	0.00	0.00
			ENGINEERING TECHNICIAN	102	0.00	0.00	0.00	0.00	0.00
			MAINTENANCE WORKER	132	2.70	3.70	3.70	3.70	0.00
			PUBLIC WORKS DIRECTOR	207	0.05	0.05	0.05	0.05	0.00
	01	513	ADMINISTRATIVE TECHNICIAN	170	0.25	0.25	0.25	0.25	0.00
			PUBLIC WORKS FULL-TIME		16.25	17.15	17.15	17.65	0.50
Part-time									
		503	MAINTENANCE WORKER	132	1.00	0.00	0.00	0.00	0.00
			ADMINISTRATIVE TECHNICIAN	170	0.00	0.40	0.40	0.00	-0.40
			CUSTODIAN	115	1.50	1.50	1.50	2.00	0.50
		505	MAINTENANCE WORKER	132	0.00	0.50	0.50	0.50	0.00
			ADMINISTRATIVE TECHNICIAN	170	0.00	0.10	0.10	0.00	-0.10
			TOTAL PUBLIC WORKS PART-TIME		2.50	2.50	2.50	2.50	0.00
			TOTAL		18.75	19.65	19.65	20.15	0.50
Enterprise Funds									
Cemetery									
Full-time									
	60	601	MAINTENANCE WORKER	132	0.80	0.80	0.80	0.80	0.00
			MANAGEMENT ANALYST	208	0.00	0.10	0.10	0.20	0.10
			MAINTENANCE SUPERVISOR	154	0.20	0.20	0.20	0.20	0.00
			SENIOR PROGRAM MANAGER		0.00	0.00	0.00	0.05	0.05
			RISK MANAGER		0.05	0.00	0.00	0.00	0.00
			TOTAL CEMETERY FULL-TIME		1.05	1.10	1.10	1.25	0.15
Part-time									
			CEMETERY OFFICE ASSISTANT	136	1.00	1.00	1.00	1.00	0.00
			TOTAL CEMETERY PART-TIME		1.00	1.00	1.00	1.00	0.00
			TOTAL		2.05	2.10	2.10	2.25	0.15
Sewer									
Full-time									
	76	611	PROGRAMS MANAGER	217	0.50	1.00	1.00	1.00	0.00
			CONSTRUCTION PROJECT SUPERVISOR	209	0.50	0.50	0.50	0.50	0.00
			MANAGEMENT ANALYST	208	0.40	0.40	0.40	0.40	0.00
			MAINTENANCE SUPERVISOR	154	1.60	1.30	1.30	1.30	0.00
			MAINTENANCE WORKER SENIOR	146	0.05	0.35	0.35	0.35	0.00
			MAINTENANCE WORKER	132	1.25	1.25	1.25	1.25	0.00
			PUBLIC WORKS DIRECTOR	207	0.35	0.35	0.35	0.35	0.00
			MAINT TECH/SAFETY COORDINATOR	153	0.40	0.00	0.00	0.00	0.00
			TOTAL SEWER FULL-TIME		5.05	5.15	5.15	5.15	0.00
Part-time									
		611	MAINTENANCE WORKER	132	0.00	0.00	0.00	0.00	0.00
		613	ASSISTANT PLANNER	165	0.00	0.00	0.00	0.00	0.00
			TOTAL SEWER PART-TIME		0.00	0.00	0.00	0.00	0.00
			TOTAL		5.05	5.15	5.15	5.15	0.00

FY 19/20 AUTHORIZED STAFFING

					Actual	Adopted	Amended	Adopted	Amend / Prop.
					FY 17-18	FY 18-19	FY 18-19	FY 19-20	Difference
	Dept	Division	Positions	Pos. #	FTE%	FTE%	FTE%	FTE%	FTE%
Special Revenue Funds									
Gas Tax									
Full-time									
	18	508	MAINTENANCE SUPERVISOR	154	0.30	0.00	0.00	0.00	0.00
			MAINTENANCE WORKER SENIOR	146	0.00	0.30	0.30	0.30	0.00
			MAINTENANCE WORKER	132	1.05	1.05	1.05	1.05	0.00
			TOTAL GAS TAX FULL-TIME		1.35	1.35	1.35	1.35	0.00
			TOTAL		1.35	1.35	1.35	1.35	0.00
Lighthouse									
Part-Time		413	LIGHTHOUSE DOCENT COORDINATOR	50	0.50	0.50	0.50	0.50	0.00
			CASHIER	90	0.00	0.00	1.00	1.00	0.00
			TOTAL LIGHTHOUSE PART-TIME		0.50	0.50	1.50	1.50	0.00
			TOTAL		0.50	0.50	1.50	1.50	0.00
Yount									
Full-time		510	MAINTENANCE WORKER	132	0.20	0.20	0.20	0.20	0.00
			TOTAL YOUNT FULL-TIME		0.20	0.20	0.20	0.20	0.00
			TOTAL		0.20	0.20	0.20	0.20	0.00
SLESF Police Officer									
Full-time									
		309	POLICE OFFICER SLESF	516	0.70	0.70	0.70	0.70	0.00
			TOTAL SLESF FULL-TIME		0.70	0.70	0.70	0.70	0.00
			TOTAL		0.70	0.70	0.70	0.70	0.00
Poetry									
Part-time									
	40	405	LIBRARIAN	208	0.00	0.00	0.00	0.00	0.00
			TOTAL POETRY PART-TIME		0.00	0.00	0.00	0.00	0.00
			TOTAL		0.00	0.00	0.00	0.00	0.00
Internal Service Funds									
Workers Comp									
Full-time									
	70	701							
			ADMINISTRATIVE SERVICES MANAGER	212	0.40	0.15	0.15	0.20	0.05
			MANAGEMENT ANALYST	208	0.00	0.05	0.05	0.05	0.00
			ADMINISTRATIVE SERVICES DIRECTOR	304	0.00	0.05	0.05	0.05	0.00
			RISK MANAGER	216	0.00	0.00	0.00	0.00	0.00
			TOTAL WORKERS COMP FULL-TIME		0.40	0.25	0.25	0.30	0.05
			TOTAL		0.40	0.25	0.25	0.30	0.05
Risk Management									
Full-time									
	70	702	ASSISTANT FINANCE MANAGER	216	0.00	0.00	0.00	0.00	0.00
			ADMINISTRATIVE SERVICES MANAGER	212	0.00	0.15	0.15	0.15	0.00
			ADMINISTRATIVE SERVICES DIRECTOR	304	0.00	0.05	0.05	0.05	0.00
			RISK MANAGER	216	0.40	0.00	0.00	0.00	0.00
			TOTAL RISK MANAGEMENT FULL-TIME		0.40	0.20	0.20	0.20	0.00
			TOTAL		0.40	0.20	0.20	0.20	0.00
			TOTAL FULL-TIME EMPLOYEES		84.20	86.19	87.19	87.50	0.31
			TOTAL PART-TIME EMPLOYEES		28.00	27.25	28.75	27.25	(1.50)
			GRAND TOTAL ALL DEPARTMENTS		112.20	113.44	115.94	114.75	(1.19)

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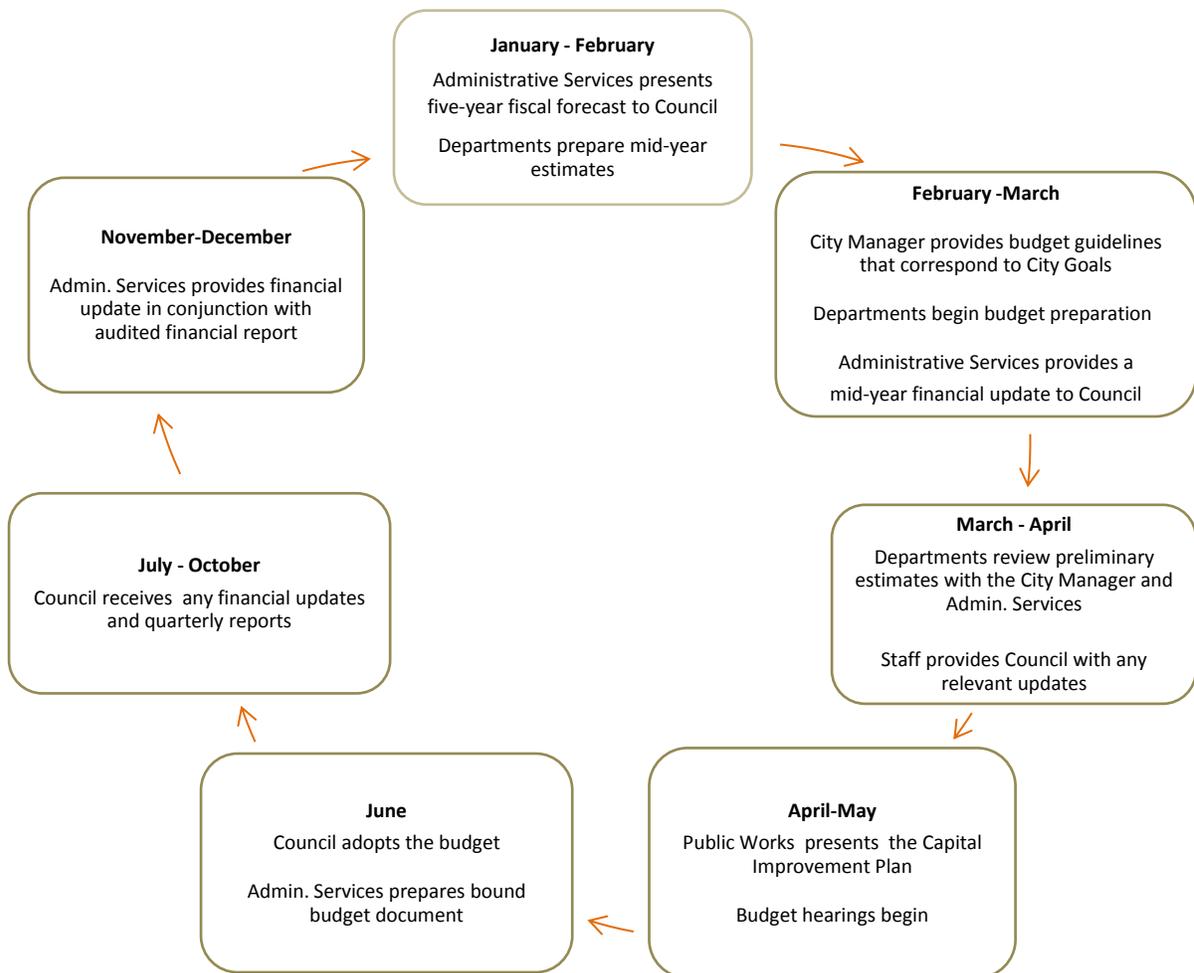
Budget Overview



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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. For budget presentation purposes, the City records capital outlay as an expense to assist with budgetary control. At year-end the amounts are converted to capital assets, as appropriate.

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.

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 19/20. 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 19/20; and compares the amounts with the estimated actual and budgeted expenditures for Fiscal Year 18/19; and the actual expenditures for Fiscal Year 16/17. 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 Donations		CDBG 2013 Grant
Operating Donations		Chautauqua Hall
Recreation Donation Fund		Clean Beaches
Stillwell Children's Pool		Coastal Conservancy Grant
Vehicle Replacement		Downtown Business District
		Environmental Enhancement
		Fire Emergency Equipment
		Gas Tax Fund
		General Plan Maintenance Fee
		Greening Grant
		Hospitality Improvement District
		Housing Fund
		Library Building & Equipment
		Library Book Donations
		Lighthouse Maintenance & Impr.
		Local Streets and Roads
		McIndoo Donations
		Museum Improvements
		Operating Grants
		Poetry Promotion
		Public Safety Augmentation
		Regional Surface Trans. (RSTP)
		Road Maint. & Rehab. (RMRA)
		Senior Housing
		Sewer Lateral Loans
		State Franchise PEG
		Strong Fund Disbursements
		Supplemental Law Enforcement
		Vehicle Abandonment
		Yount Income

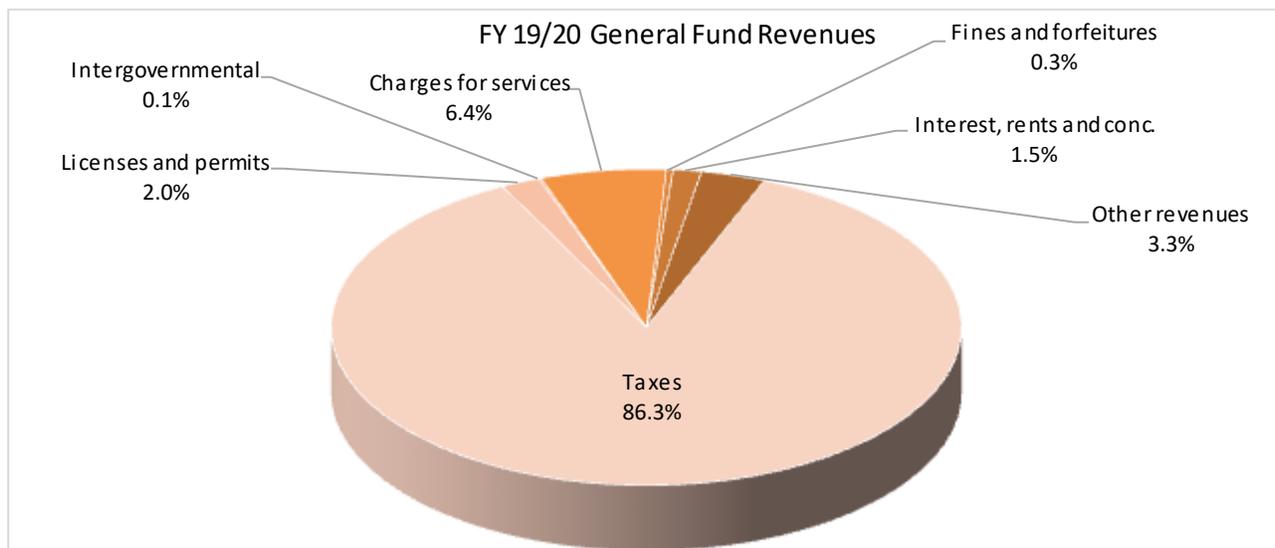
Enterprise Funds	Capital Projects	Debt Service	Permanent
Cemetery	Building & Facilities Impr.	Butterfly Habitat Bond	Cemetery Endowment
Golf	General Fund CIP		Library Endowment
Local Water Project			Yount Trust
Sewer			

General Fund Revenues

Revenues for the Fiscal Year 19/20 General Fund budget are projected to be approximately \$25 million, which represents an increase of \$2 million or 8.8% greater than the Adopted Budget. During the mid-year budget process, the Fiscal Year 18/19 Budget was amended to reflect updated information. This included increases primarily related to performance in the transient occupancy tax category, which experienced greater than anticipated growth in Fiscal Year 17/18.

The Adopted Fiscal Year 19/20 Budget is approximately \$1.3 million or 5.6% greater than the Amended Budget. The increase includes a one-time transfer of \$324,572 from the Other Post-Employment Benefits Fund (OPEB) Fund to the General fund. A significant portion of the operating increase is related to a successful transient occupancy tax initiative (TOT) which increased the TOT tax rate from 10% to 12%. Tax revenues represent approximately 86.3% of the budget, with the largest share generated from property tax, transient occupancy tax, and sales tax revenues. In Fiscal Year 19/20, the City is projecting a 9.2% increase in tax revenues over the Adopted Budget; or a 5.1% increase over the Amended Budget. Additional details regarding the projections are included in the subsequent section. An overview of General Fund revenues is provided below:

Revenues	FY 16/17 Actual	FY 17/18 Actuals	FY 18/19 Adopted	FY 18/19 Amended	FY 19/20 Adopted
Taxes	\$18,805,809	19,754,218	\$19,780,000	\$20,547,000	\$21,595,000
Licenses and permits	576,779	521,403	478,000	497,000	499,000
Intergovernmental	111,092	87,478	173,000	229,000	36,000
Charges for services	1,545,556	1,643,238	1,662,000	1,517,000	1,607,000
Fines and forfeitures	110,665	282,841	124,000	98,000	85,000
Interest, rents and conc.	247,397	238,410	287,000	338,000	363,000
Other revenues	485,958	349,165	489,669	450,000	827,572
Totals	\$21,883,256	\$22,876,753	\$22,993,669	\$23,676,000	\$25,012,572

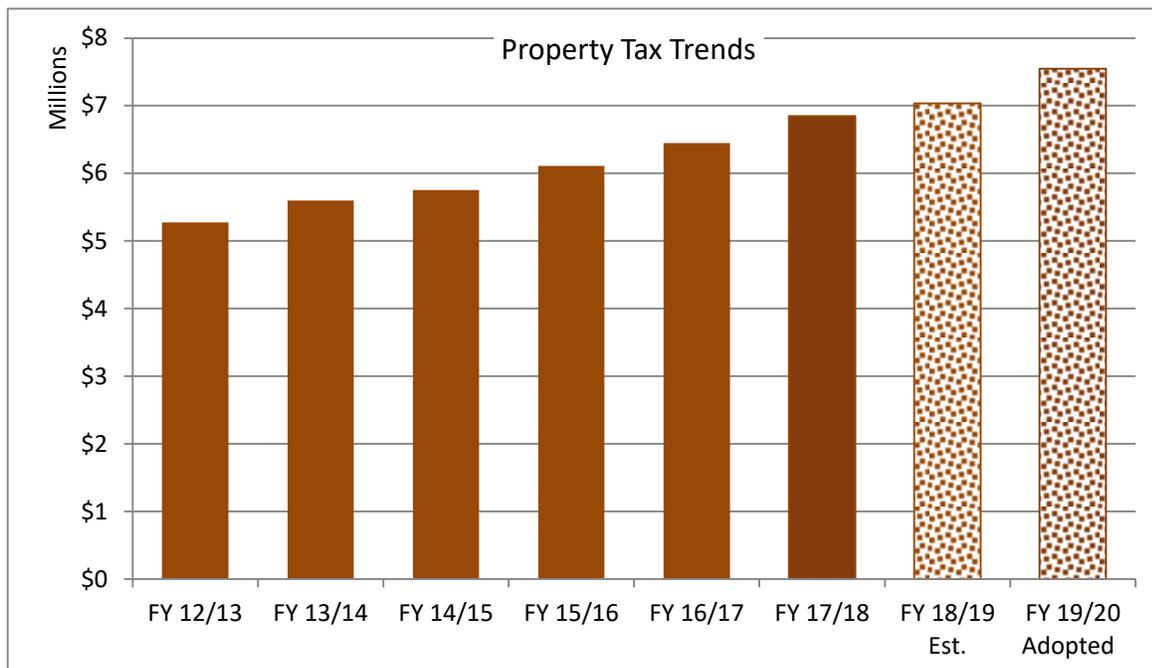


Core General Fund Revenues

Property Tax

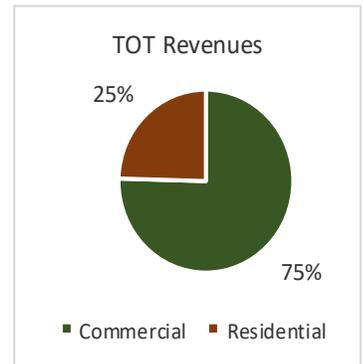
Property taxes are an Ad Valorem Tax imposed on real property, as well as tangible personal property. In 1978, California voters adopted Proposition 13 which created a comprehensive system for the assessment and limitation of real property taxes. Property owners pay tax based on their assessed full value. 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 19/20, Property tax revenues represent 30.2% or \$7.5 million in General Fund revenues. Property tax revenues are less likely to respond quickly to changes in the economy. The housing market continues to remain strong, with property values projected to increase. The City has continued to realize property tax growth, with an average annual increase of 6% or \$366,000 over the last three years. 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. The Assessor’s Office has projected a 4% growth in property tax revenues over the next fiscal year. The City has referenced this number in the Fiscal Year 19/20 projections. An overview of property tax trends is provided below.



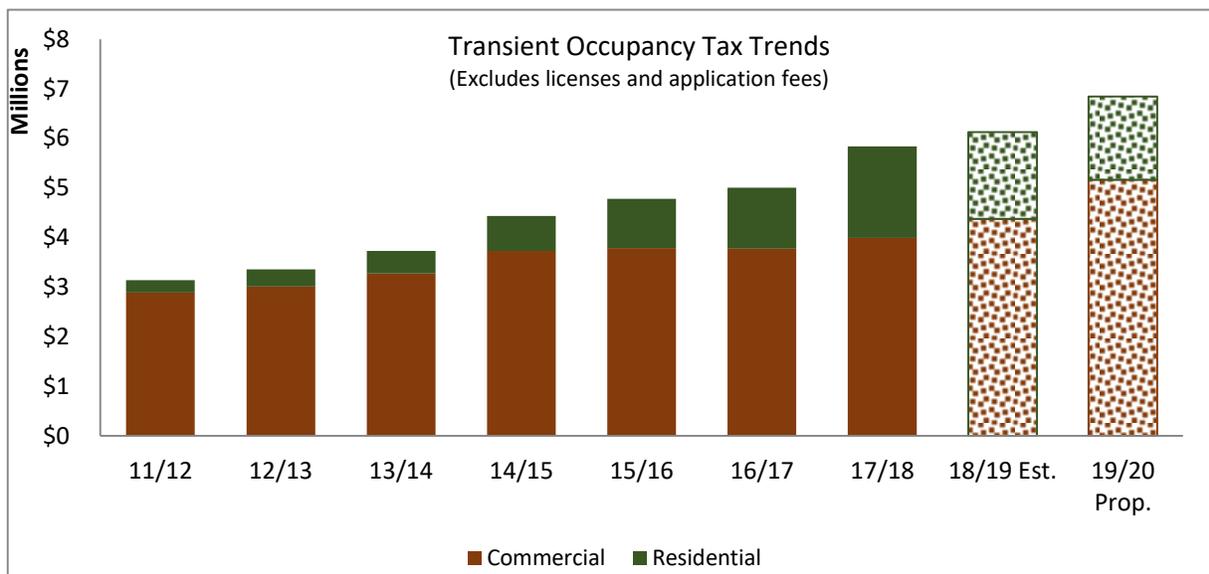
Transient Occupancy Tax (TOT)

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 year, 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 to 250 units, with an effective date of April 30, 2019. A one-time lottery was conducted that eliminated 51 STR licenses to meet the ordinance's new density requirements. The current number of STR's is approximately 195 properties, with an additional 12 home-sharing licenses.



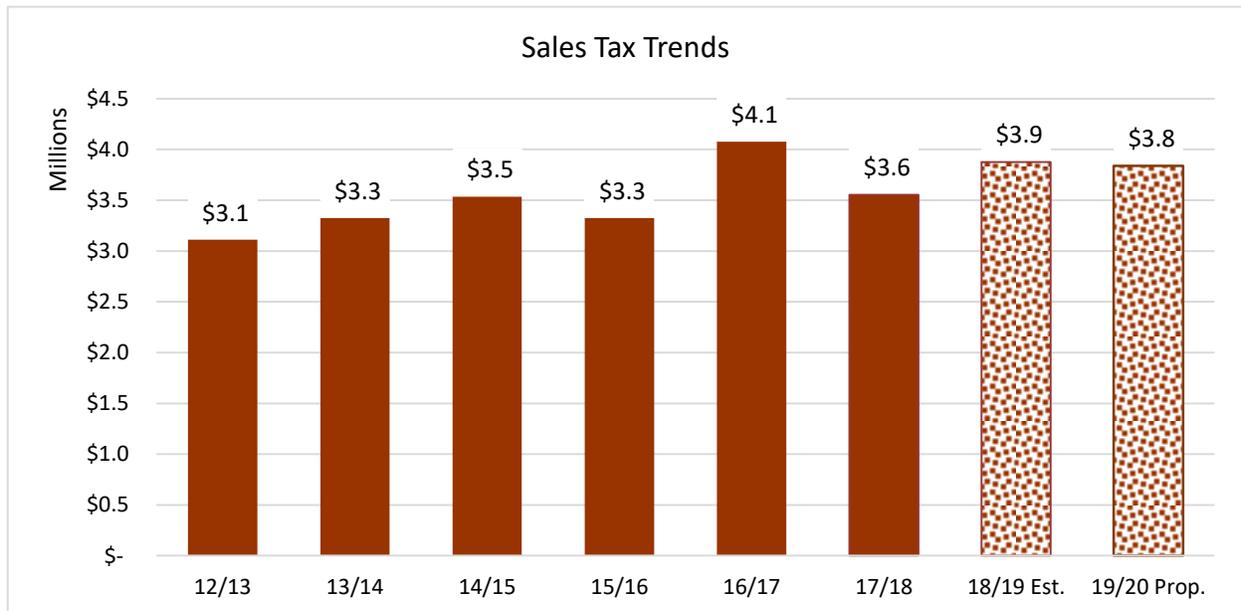
In November of 2018, 74.9% of voters approved Measure U, allowing the City to increase the TOT rate from 10% to 12%. This new rate becomes effective on July 1, 2019. While this initiative was placed on the ballot to assist with funding capital improvement projects, deferred maintenance, and rising pension 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, becomes effective in May of 2020. This will primarily affect the 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. This chart does not include the short-term rental licensing and application fees. In Fiscal Year 17/18, TOT revenues were just over \$5.4 million, with revenues projected to increase to \$6.1 million in Fiscal Year 18/19. In Fiscal Year 19/20, commercial lodging establishments are projected to continue to remain a stable source of revenue, with TOT receipts estimated to rise to \$5.2 million. Short-term rental properties are projected to generate approximately \$1.7 million in Fiscal Year 18/19 and in Fiscal Year 19/20. The projections for Fiscal Year 19/20 include the increased TOT rate, the STR density reductions, and the estimated two-month impact related to Measure M. A 3% increase in revenues was applied to reflect a March 2019 Beacon Economic Report, which is projecting economic growth at just above 2%.



Sales Tax

Sales tax revenues represent approximately 15.3% of the City's General Fund revenues. In Fiscal Year 19/20, sales tax revenues are projected to be \$3.8 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 quarter over quarter analyses, and the impact of one-time events. The chart listed below provides information on sales tax revenues that are directly received in the General Fund. 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 were not received until the middle of Fiscal Year 18/19.



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 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 Transaction and Use Tax of 0.375% which was implemented by voters on behalf of the Transportation Agency for Monterey County (TAMC). The TAMC increase is used to fund a variety of local and regional transportation projects. In Fiscal Year 19/20, it is anticipated that the City of Pacific Grove will receive approximately \$665,000 in funds. These funds are received in the new Local Roads and Streets fund.

General Fund Expenditures

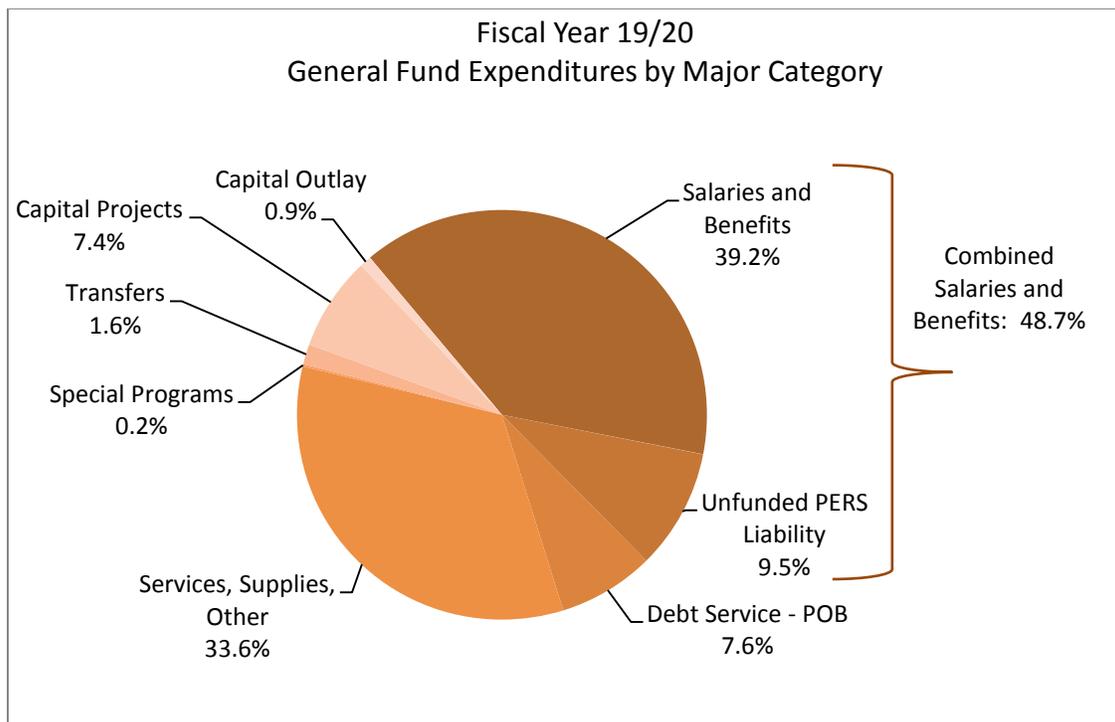
In Fiscal Year 19/20, General Fund expenditures are anticipated to increase over the prior year Adopted Budget by approximately \$1.4 million or 5.4%. Key increases between the two fiscal years include increased capital investment, as well as the following expenditures:

- CalPERS Costs
 - Unfunded Liability Costs, General Fund Share: \$485,000
 - Normal Costs: \$125,000
- Police Officers Association MOU increases: \$112,000
- Position additions, promotions, and reclassifications: \$135,000
- Affordable Housing Consultant: \$85,000
- Information Technology Master Plan and Related Items: \$167,000
 - Community Engagement and Citizen Request Management Software: \$29,000
 - Annual fees for new Recreation and Agenda Management Systems: \$18,000
 - Refresh or Redesign City website: \$25,000
 - Geographical Information Systems (GIS) Master Plan: \$15,000
 - Electronic records management system: \$25,000
 - Financial Enterprise Resource System – RFP Development: \$35,000
 - Cyber Security Assessment: \$10,000
 - Building Software Transfer Services related to Monterey transition: \$10,000

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

Expenditures by Type	FY 16/17 Actual	FY 17/18 Actual	FY 18/19 Adopted	FY 18/19 Estimated	FY 19/20 Adopted
Operating					
Salaries	\$9,186,143	\$10,427,648	\$11,955,776	\$12,027,427	\$12,895,710
Services, Supplies, Other	7,855,301	8,572,625	8,813,770	8,801,365	8,955,968
	17,041,444	19,000,273	20,769,546	20,828,792	21,851,678
Non-Operating					
Capital Outlay	202,811	304,121	145,000	453,885	246,000
Capital Projects	475,321	652,651	1,914,853	1,271,601	1,960,000
Debt Service	1,965,383	1,969,129	1,973,000	1,986,639	2,008,778
Interfund Transfers	435,000	538,898	312,000	312,000	416,507
Total	3,078,515	3,464,799	4,344,853	4,024,125	4,631,285
Total Expenditures	\$20,119,959	\$22,465,072	\$25,114,399	\$24,852,917	\$26,482,963

The following chart displays the percentage of expenditures by category. Salaries and benefits represent 48.7% of the General Fund expenditures and 59% of all operating costs. Approximately 17.1% 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. Several significant one-time consulting services contracts, such as the Redesign of the City website, Community Engagement Software, Citizen Request Software, Geographical Information Systems Master Plan, Electronic Records Management System, and the development of the financial system request for proposal are included in the Fiscal Year 19/20 budget.



Salaries and Benefits

The City's salaries and benefits represent 48.7% prior to considering the debt service that was used to refinance the CalPERS side fund. The Adopted FY 19/20 Salaries and Benefits category increased by approximately 7.2% or \$868,000 then compared to the Amended Budget, with approximately \$485,000 attributed to the increases in the General Fund's share of the unfunded pension liability. The remaining increase can be attributed to increases in cost of living increases and medical benefits associated with a new POA contract; step increases; and the reclassification of positions. A listed 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 December 31, 2019. The projections for Fiscal Year 19/20 reflect the current agreements. An overview of the City's and employee's share of normal pension costs is listed below.

Fiscal Year 19/20 Share of Normal Pension Costs						
	Classic			PEPRA		
	Employee	City	Total	Employee	City	Total
GEA	12.000%	5.127%	17.127%	6.750%	6.985%	13.735%
MEA	12.000%	5.127%	17.127%	6.750%	6.985%	13.735%
POA	12.000%	18.916%	30.916%	12.000%	13.034%	25.034%
Management	12.000%	5.127%	17.127%	6.750%	6.985%	13.735%

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). Additional information related to the long-term costs associated with CalPERS is provided in the Five-Year Forecast section.

	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Adopted	Change over Prior Year
<u>Normal Cost</u>					
Classic Miscellaneous	\$255,880	\$162,521	\$168,512	\$171,301	2,789
Classic Safety	301,712	278,696	288,969	336,347	47,378
PEPRA Miscellaneous	26,363	125,338	129,958	150,141	20,183
PEPRA Safety	26,921	91,892	95,279	149,897	54,618
Sub total	610,876	658,447	682,718	807,686	124,968
<u>Unfunded Liability</u>					
Classic Miscellaneous	498,741	641,228	822,298	1,016,177	193,879
Classic Safety	880,155	1,073,112	1,333,203	1,621,681	288,478
PEPRA Miscellaneous	60	249	1,119	2,432	1,313
PEPRA Safety	68	229	760	1,733	973
Sub total	1,379,024	1,714,818	2,157,380	2,642,023	484,643
Total	\$1,989,900	\$2,373,265	\$2,840,098	\$3,449,709	\$609,611

General Fund Expenditures by Department

The following table provides information relating to departmental expenditure trends. General increases throughout the departments reflect rising pension costs, the implementation of the POA MOU's, and one-time purchases.

Expenditures by Department	FY 16/17 Actual	FY 17/18 Actual	FY 18/19 Adopted	FY 18/19 Estimated	FY 19/20 Adopted
City Council	\$333,823	\$318,390	\$434,064	\$443,622	\$359,255
City Manager	766,406	867,395	996,073	990,411	975,268
Legal Services	223,922	407,102	428,700	428,700	447,876
Finance	922,242	1,088,758	1,165,505	1,144,050	1,140,534
Information Services	198,535	276,718	574,563	450,805	748,401
Police	5,648,159	5,950,399	6,258,930	6,371,600	6,785,642
Fire	2,974,760	3,328,453	3,290,300	3,331,000	3,444,584
Public Works	2,656,954	3,184,704	3,149,848	3,372,294	3,618,747
Community Development	1,706,847	1,764,385	2,210,440	2,115,685	2,231,383
Library	847,980	914,096	1,239,714	1,132,705	1,137,789
Recreation	520,590	648,451	746,409	747,270	702,049
Museum	241,226	251,422	275,000	300,650	260,150
Subtotal	\$17,041,444	\$19,000,273	\$20,769,546	\$20,828,792	\$21,851,678
Non-Departmental					
Capital Outlay	202,811	304,121	145,000	453,885	246,000
Capital Projects	475,321	652,651	1,914,853	1,271,601	1,960,000
Debt Service	1,965,383	1,969,129	1,973,000	1,986,639	2,008,778
Interfund Transfers	435,000	538,898	312,000	312,000	416,507
	\$20,119,959	\$22,465,072	\$ 25,114,399	\$24,852,917	\$26,482,963

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 19/20, there is a projected drawdown of fund balance; however the remaining unassigned fund balance is estimated to be approximately \$281,000 above the reserve levels. The calculation to confirm policy levels for the fiscal year ending June 30, 2019 is listed below:

Fiscal Year 19/20	Percent	Amount
Estimated ending General Fund operating balance		\$8,632,704
Operating Expense		\$21,852,000
Debt Service		2,009,000
Subtotal		\$23,861,000
Reserve Calculation:		
Cash Flow	20%	\$4,772,200
Fiscal Stability	10%	2,386,100
Contingency / Strategic Opportunity	5%	1,193,050
Minimum Policy Limits	35%	\$8,351,350
Amount above or below policy levels		\$281,354

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

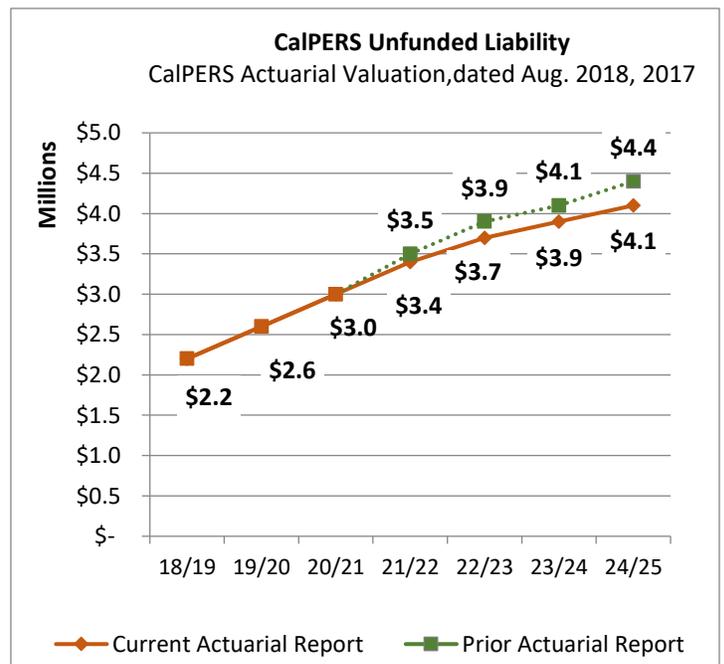
General Fund Five-Year Forecast

The General Fund Five-Year Forecast provides a foundation on which the Council bases its discussion and direction. 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 forecast included in this section was presented at the June budget hearing.

The City’s forecast assumes a continuation of existing revenue trends, along with an increase in the transient occupancy tax (TOT) rate from 10% to 12%. This unique revenue increase is partially offset by a projected reduction in the number of short-term rental (STR) revenues. The Fiscal Year 19/20 budget includes an estimated reduction in STR revenues based on new density requirements, as well as further reductions that are projected in Fiscal Year 20/21 as a result of a citizen’s initiative to limit STR’s to specific zoning areas. While the baseline projection in the table reflects the maximum loss of STR revenues based on the new zoning and density constraints; there is still some uncertainty as to whether prior STR guests will choose to stay at alternate accommodations within Pacific Grove or seek lodging outside of the City. The projections are based on applying the average STR TOT revenue on the estimated remaining number of properties. Additional information regarding transient occupancy taxes can be found in the Revenue Section of this document. All other revenues are estimated to increase annually by an average of 2.6%.

The City’s five-year expenditure forecast assumes continuation of existing service levels, with average annual increases of 3%, net of capital improvements. The salary and benefit costs that were included in the forecast are based on the CalPERS retirement agreements, memoranda of understandings; and other personnel policies. In Fiscal Year 19/20, increases primarily reflect rising pension costs, one-time technology investments, and the implementation of MOU provisions. In Fiscal Year 23/24, there is a decline in expenditures primarily due to a \$940,000 reduction in the annual debt service payments on pension obligation bonds.

One of the significant challenges that municipalities are facing is rising pension costs. The adjacent chart provides the most recent and prior year CalPERS projections for the City’s unfunded pension liability. Over the five-year forecast period, annual payments towards the unfunded liability are anticipated to rise from \$2.6 million to \$3.9 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 five-year 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.

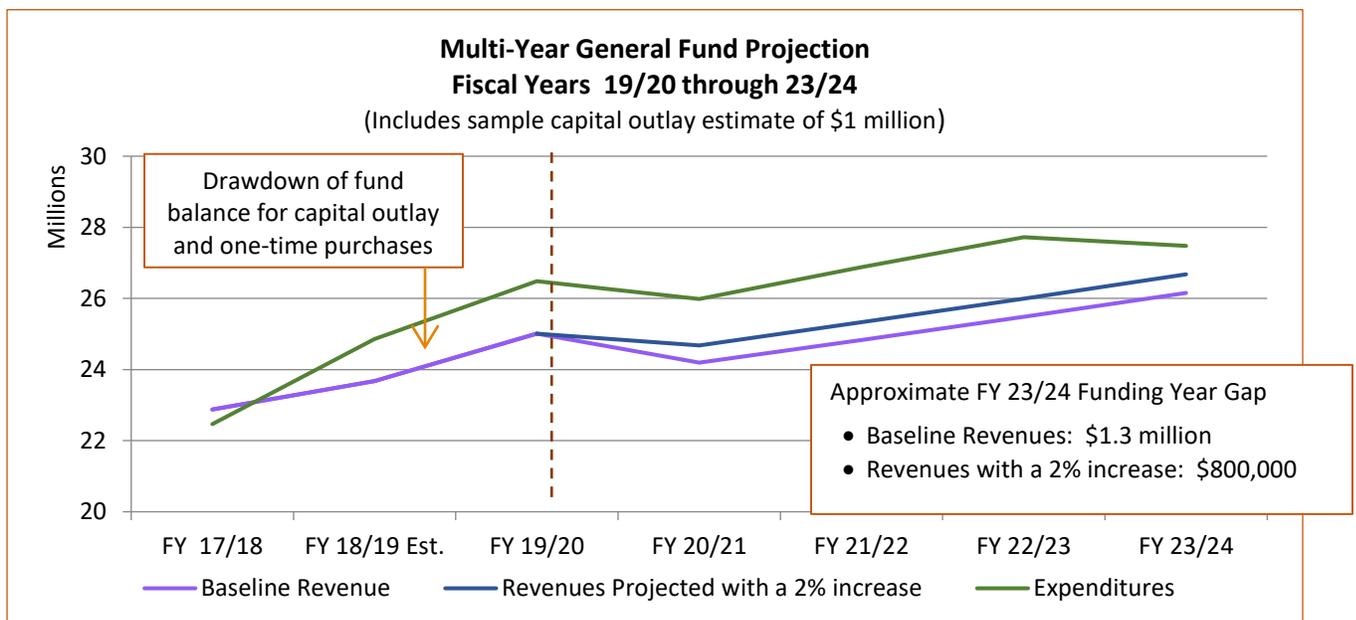


The table listed below forecasts an average annual drawdown of \$1.8 million, with a \$1 million contribution to capital improvements, adjusted for inflation. While the \$1 million capital contribution was established for projection purposes, a Council Financial Planning Subcommittee has been established to evaluate long-term strategies to support fiscal sustainability and evaluate alternate levels of capital funding. One-time revenues from the potential sale of water entitlements, which has been authorized for sale beginning in Fiscal Year 19/20, could yield as much as \$6.4 million. Due to the uncertainty of demand for water entitlements, along with future Council discussions regarding the use of the related proceeds, this non-recurring revenue was not included in this projection. A table reflecting the forecast and the impact on fund balance is listed below:

Fund Balance Projections - Fiscal Years 19/20 - FY 22/23, Includes estimated capital outlay of \$1 million annually							
	FY 17/18	FY 18/19 Est.	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
Beginning Fund Bal. ⁽¹⁾	\$10,868,331	\$11,280,012	\$10,103,095	\$8,632,704	\$6,850,575	\$4,799,511	\$2,559,700
Revenues & Tran.	22,876,753	23,676,000	25,012,572	24,197,871	24,830,936	25,483,189	26,154,638
Expenditures & Tran.	21,542,747	23,127,431	24,392,963	24,980,000	25,859,000	26,676,471	26,404,401
Capital Outlay	922,325	1,725,486	2,090,000	1,000,000	1,023,000	1,046,529	1,070,599
Subtotal	22,465,072	24,852,917	26,482,963	25,980,000	26,882,000	27,723,000	27,475,000
Net Results	411,681	(1,176,917)	(1,470,391)	(1,782,129)	(2,051,064)	(2,239,811)	(1,320,362)
Ending Fund Bal.	\$11,280,012	\$10,103,095	\$8,632,704	\$6,850,575	\$4,799,511	\$2,559,700	\$1,239,338

The beginning fund balance reflects the main General Fund operating account. It does not include the combined General Fund sub-funds or the Assigned General Fund balance. In Fiscal Year 17/18, the combined General Fund ending fund balance of \$11.9 million, included \$497,000 in Assigned and Non-Spendable Fund Balances, with an Unassigned Fund Balance of \$11.4 million.

The following chart provides a graphical representation of the forecast, as well as an alternate scenario which illustrates the funding gap if existing revenues increase by 2%. The adjustment for a 2% increase in revenues would result in an average annual shortfall of \$1.4 million, when capital improvements are funded at \$1 million. While the City receives gas tax and local funding to assist with streets and related projects, additional general fund contributions are needed to support improvements on parks, facilities, equipment, new technologies, and meet maintenance of effort requirements to receive external street funding sources.



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 for 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 PG & E's On-Bill Financing Program. While the final amortization schedules are pending; the estimated \$185,000 in project costs will be funded through a \$154,000 loan and \$31,000 in program incentives. The loans for each retrofitted location has different terms; however the combined annual debt service is estimated to be \$26,000. This 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 19/20, 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, 2019	Original Issue Date	Original Amount	Year of Final Payment (FY Ending)
<u>General Obligation Bonds, Prin. & Interest</u>				
Wastewater Series 2001-B Refunding	\$1,091,488	2013	\$1,638,967	2032
Pension Obligation Bonds A-1 & A-2	18,095,000	2006	38,497,099	2029
Total General Obligation Bonds	\$19,186,488		\$40,136,066	
<u>Certificates of Participation, Prin. & Interest</u>				
Golf Course COP Refunding Project	\$3,129,114	2014	\$4,353,550	2031
Total Certificates of Participation	\$3,129,114		\$4,353,550	
<u>Clean Water State Revolving Loan, Prin. & Int.</u>				
Local Water Project	\$5,987,000	2017	\$6,193,448	2048
Total Loans	\$5,987,000		\$6,193,448	
TOTAL LONG TERM DEBT OUTSTANDING	\$28,302,602			

Annual Debt Service Requirements	General Obligation Bonds		Certificates of Participation	Loan
	Pension Obligation Bond General Fund 01	Wastewater Bond Refunding Sewer Fund 76	Golf Course COP Refunding Project Golf Fund 77	Clean Water State Revolving Fund Loan Local Water Project Fund 74
FY 2019-20	\$2,130,000	\$88,307	\$272,097	\$206,448
FY 2020-21	2,200,000	88,117	272,097	206,448
FY 2021-22	2,275,000	87,798	272,097	206,448
FY 2022-23	2,345,000	87,351	272,097	206,448
FY 2023-24	1,405,000	86,814	272,097	206,448
FY 2025 through maturity	7,740,000	653,101	1,768,629	4,954,760
Total Debt Service	\$18,095,000	\$1,091,488	\$3,129,114	\$5,987,000
Less Interest	11,867,958	204,914	687,370	812,212
Total Principal	\$ 6,227,042	\$886,574	\$2,441,744	\$5,174,788

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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	FY 2016/17	FY 2017/2018	FY 2018/19	FY 2018/19	FY 2019/20
Summary (General Fund)	Actual	Actual	Budget	Estimated	Budget
Revenues					
General Fund Appropriations	\$335,543	\$320,344	\$438,064	\$447,672	\$362,653
Total Revenues	\$335,543	\$320,344	\$438,064	\$447,672	\$362,653
Expenditures					
Salaries and Benefits	\$40,957	\$40,314	\$39,737	\$40,925	\$44,455
Service and Supplies	292,865	278,076	394,327	402,697	314,800
Non-Operating Transfers	-	-	-	-	-
Debt Services	1,721	1,954	4,000	4,050	3,398
Capital	-	-	-	-	-
Total Expenditures	\$335,543	\$320,344	\$438,064	\$447,672	\$362,653
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 18/19 Accomplishments

- Worked closely with the Mayor on recruitment, appointment, and re-appointment of members to Boards, Commissions and Committees and established a monthly vacancy announcement at Council Meetings.
- Ensured the City remained in compliance with the Fair Political Practices Commission (FPPC) requirements tracking and collecting over 150 Form 700 Statements of Economic Interests
- Strived for and accomplished transparency and professionalism during the Fiscal Year
- Provided election support for candidates, initiatives, and measures
- Implemented and trained staff on new agenda management software for Council meetings
- Assisted with the City's STR process, signing and sealing all certificates
- Negotiated successor MOU's with the Police Officer Association (POA)
- Conducted 27 employment recruitments and processed 716 employment applications
- Hired 18 new regular employees, including Chief of Police.
- Provided employees several educational opportunities to learn about the City's deferred compensation plan
- Complied with AB1825 by coordinating sexual harassment prevention training for management and staff
- Contract with the State of California for low-cost training and development courses
- Transition to a new benefits insurance broker with lower fees
- Coordinated second annual Environmental, Health and Wellness Fair
- Consolidated deferred compensation plan which allowed for participants to save in fees as well as provided them with a useful online website to assist with retirement planning
- Implemented NEOGov online electronic hiring system to streamline hiring process
- Implemented an electronic scheduling and tracking system for City Volunteers; and updated the Volunteer Handbook
- Promoted City Volunteer Programs via community outreach including coordinating movie in the park with the Monterey Fire Fighters Association
- Developed Park & Recreation Student Work experience program
- Created volunteer video for marketing and recruitment of volunteers

Budget Summary:

City Manager Appropriations Summary (General Fund)	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Revenues					
General Fund Appropriations	\$825,044	\$933,683	\$1,049,073	\$1,043,910	\$1,051,624
Total Revenues	\$825,044	\$933,683	\$1,049,073	\$1,043,910	\$1,051,624
Expenditures					
Salaries and Benefits	\$574,365	\$621,625	\$689,462	\$683,799	\$699,141
Service and Supplies	192,041	245,770	306,611	306,611	276,127
Non-Operating Transfers	-	-	-	-	-
Debt Services	58,638	66,288	53,000	53,500	76,356
Capital	-	-	-	-	-
Total Expenditures	\$825,044	\$933,683	\$1,049,073	\$1,043,910	\$1,051,624
Authorized Staffing (FTE)					
Full Time	4.50	4.25	4.25	4.25	4.5
Part Time	-	.50	0.50	.50	-

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
Continue to streamline agenda management for implementation by all boards and commissions for quality control and standardization				X			
Implement electronic public records requests 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 Records Management System				X	X		
Negotiate successor MOU's with GEA and MEA					X		
Continued hiring of top talent				X			
Continued education on retirement and benefits programs							
Coordinate AB1825 training for management and staff				X			
Conduct 3rd Annual Environmental Health and Wellness Fair					X		
Consolidate and implement revised employee handbook and administrative policies and procedures manual							
Create and adopt non-represented management and staff; benefits and compensation personnel procedure manual					X		
Continued promotion of City Volunteer programs				X	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 18/19 Accomplishments

- Updated the City's Fee and Cost Recovery Policy
- Implemented an online Purchase Order system to assist with budgetary and contract management
- Received the Government Finance Officers Association (GFOA) Award for the first time, for the Fiscal Year 17/18 Comprehensive Annual Financial Report
- Received the California Society of Municipal Finance Officers (CSMFO) Excellence Award for the first time, for the Fiscal Year 18/19 Budget
- Assisted in providing financial support for a successful revenue measure
- Worked with the City Attorney to develop a Master Lease document
- Implemented recommendations from the Comprehensive Fee Study and conducted a market survey for cemetery rates.
- Developed a method to use the electronic timekeeping system to track hours spent on grants, refundable deposits, and reimbursable hours
- Provided oversight for the following audits: Measure X, California Public Employees Retirement System (CALPers), and State Tax and Fee Administration review of Diesel Fuel/Ultimate Vendor Reports and Underground Storage Tank Fees

Budget Summary:

Finance Appropriations Summary (General Fund)	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Revenues					
General Fund Appropriations	\$1,002,038	\$1,149,429	\$1,233,505	\$1,212,549	\$1,228,173
Total Revenues	\$1,002,038	\$1,149,429	\$1,233,505	\$1,212,549	\$1,228,173
Expenditures					
Salaries and Benefits	\$624,879	\$661,152	\$771,505	\$759,449	\$788,534
Service and Supplies	297,364	427,605	394,000	384,600	352,000
Non-Operating Transfers	7,500	-	-	-	-
Debt Services	72,295	60,672	68,000	68,500	87,639
Capital	-	-	-	-	-
Total Expenditures	\$1,002,038	\$1,149,429	\$1,233,505	\$1,212,549	\$1,228,173
Authorized Staffing (FTE)					
Full Time	4.70	5.85	5.75	5.75	5.75
Part Time	1.00	.50	0.50	.50	.50

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							
Review and update the City's Budget Amendment Policy to facilitate stronger budgetary control of capital projects					X		
Apply for Awards for the Annual Budget and Comprehensive Annual Financial Statements					X		
Complete Inventory of City assets					X		
Implement an accounts receivable system					X		
Update the City's Purchasing Policy and Procedures and implement online requisitions					X		
Implement paperless paystubs and employee access to paycheck and W-2 history					X		

Key Activity and Performance Indicators ⁽¹⁾:

Metric	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19
Processed Invoices for Accounts Payable	-	9,170	9,726	9,476	9,201
Printed Checks for Accounts Payable	-	3,426	3,250	3,467	3,587
Printed Payroll Checks Run	-	4,500	4,500	4,500	4,500
Issued Dog Licenses	-	285	233	462	235
Issued or Renewed Business Licenses	-	1,672	1,644	1,600	1,751
Received the CSMFO Excellence Award for Budgets				-	X
Received the GFOA CAFR Award				X	X

1. For Fiscal Year 19/20, the City established new strategic goals. The activity and performance metrics reflect the prior goals of Financial Sustainability and Operational Excellence.

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 vacation 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 18/19 Accomplishments

- Submitted Council adopted Local Coastal Program to the California Coastal Commission for certification
- Initiated the Historic Resources Inventory update, held associated public meetings and amended the contract in response to public comments
- Revised the Historic Preservation Ordinance
- Released RFQ for new building division vendor
- On-boarded two new planning staff; and one contract planner dedicated to the American Tin Cannery planning permit entitlement process
- Purchased electric vehicle for Code compliance program with Monterey Bay Air Resources District Grant
- Worked with City Attorney and Finance Department to develop water entitlement sales process
- Successfully managed Short-term Rental license renewals and ordinance changes
- Provided training to Planning Commissioners, members of the Architectural Review Board, and the Historic Resources Committee
- Administered Rehabilitation Loan Program
- Provided staff support to 84 regular scheduled Council, Commission and Board meetings
- Successfully administered Downtown Facade Improvement Program
- Timely and responsive permit processing and front counter



Budget Summary:

CDD Appropriation Summary (General Fund)	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Revenues					
General Fund Appropriation	\$1,784,652	\$1,890,070	\$2,332,440	\$2,228,185	\$2,337,428
Total Revenues	\$1,784,652	\$1,890,070	\$2,322,440	\$2,228,185	\$2,337,428
Expenditures					
Salaries and Benefits	\$727,623	\$794,586	\$919,610	\$951,600	\$930,801
Service and Supplies	979,225	969,799	1,290,830	1,164,085	1,300,582
Non-Operating Transfers	7,500	-	-	-	-
Debt Services	70,304	80,847	72,000	72,500	106,045
Capital	-	44,838	40,000	40,000	-
Total Expenditures	\$1,784,652	\$1,890,070	\$2,322,440	\$2,228,185	\$2,337,428
Authorized Staffing (FTE)					
Full Time	7.65	7.50	7.50	8.50	7.50
Part Time	0.50	.50	1.00	1.50	1.00

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						
Pre-zone Mission Linen Supply property						X
Revise the Subdivision Ordinance						X
Update existing Density Bonus policies to encourage affordable housing						X
Eliminate Use Permit requirement for development of eight or more affordable units						X
Explore residential development at City owned parking lot north of cinema						X
Launch Façade Improvement Program Citywide						X
Procure and implement on-line services applications			X			
Develop Rental Housing Guidelines						X
Apply for Planning Grant to update Zoning Code and consider Housing Inventory						X
Transform building services to expedite processes						X
Consider small scale façade improvements for commercial buildings as minor permits						X
Consider property-based improvement districts in downtown						X
Consider re-zoning to permit by-right					X	
Reduce parking requirements for developments proximate to transit		X				
Finalize the update of the Historic Resources Inventory		X				
Facilitate the adoption of a certified Local Coastal Program			X			

Key Activity and Performance Indicators ⁽¹⁾:

Metric	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19
Issued Building Permits	350	525	576	429	935
Approved Architectural Permits	56	59	53	55	78
Other Planning Approvals	323	416	448	651	530
Front Counter Inquiries	N/A	N/A	N/A	9,928	9,905

1. For Fiscal Year 19/20, the City established new strategic goals. The activity and performance metrics reflect the prior goals of Neighborhoods, Operational Excellence, and Placemaking.

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 18/19 Accomplishments

- Completed Structured Cabling project to upgrade and expand cable plant and related hardware to support increased network reliability, security and speed
- Completed Network Redesign project to an enterprise grade platform and topology that will support new technology initiatives, increased network reliability, security and speed
- Hired Information Technology Manager
- Awarded 3 year licensing agreement and initiated the migration of staff to Office 365 to improve productivity
- Implemented new Network Firewalls at City Hall and Public Works with full suite of security features to protect city systems and data
- Implemented Service Desk to support Information Technology related requests and incidents
- Software and Licensing reconciliation initiated to review compliance posture, implement standardization and identify cost savings opportunities
- Provided information technology subject matter expertise and guidance to other departments as part of their projects, initiatives and service enhancements
- Developed specifications and design for Council Chambers audiovisual project
- Contract was awarded for new VoIP (Voice over IP) telecommunications system

Budget Summary:

Information Services Summary (General Fund)	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Revenues					
General Fund Appropriation	\$200,256	\$301,307	\$687,563	\$807,119	\$1,014,242
Total Revenue	\$200,256	\$301,307	\$687,563	\$807,119	\$1,014,242
Expenditures:					
Salaries and Benefits	\$49,405	\$46,569	\$178,063	\$147,565	\$250,792
Service and Supplies	\$149,130	230,149	396,500	303,240	497,609
Non-Operating Transfers	-	-	-	-	-
Debt Services	\$1,721	437	13,000	13,089	19,841
Capital	-	24,152	100,000	343,225	246,000
Total Expenditures	\$200,256	\$301,307	\$687,563	\$807,119	\$1,014,242
Authorized Staffing (FTE)					
Full Time	0.50	1.25	1.20	1.20	1.25
Part Time	-	-	-	-	0.50

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
Implement the City Council Chamber Audio Visual Enhancements Project				X			
Complete data closet remodels to ensure appropriate temperature control and best practices			X				
Complete VoIP (Voice over IP) telecommunications system implementation				X			
Deploy Community Engagement software				X			
Redesign city websites to use modern design practices and improve user experience				X			
Build a centralized system (physical or virtual) to provide access to network health and security information.				X			
Assess the City's cyber security exposure through testing and audits.			X				
Rollout Intranet to serve as a centralized information portal for city staff			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 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Revenues					
General Fund Appropriations	\$3,687,425	\$4,063,480	\$3,996,300	\$4,042,000	\$4,100,162
Total Revenues	\$3,687,425	\$4,063,480	\$3,996,300	\$4,042,000	\$4,100,162
Expenditures					
Salaries and Benefits	\$317,641	\$535,705	\$666,000	\$666,000	\$810,084
Service and Supplies	2,657,119	2,792,748	2,624,300	2,665,000	2,634,500
Non-Operating Transfers	129,200	188,350	106,000	106,000	71,000
Debt Services	583,465	535,061	600,000	605,000	584,578
Capital	-	11,616	-	-	-
Total Expenditures	\$3,687,425	\$4,063,480	\$3,996,300	\$4,042,000	\$4,100,162
Authorized Staffing (FTE)					
Full Time	-	-	-	-	-
Part Time	-	-	-	-	-

Key Activity and Performance Indicators ⁽¹⁾:

Performance Indicators	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19
Calls for Service	1,584	1,764	1,604	1,694	1,877

1. For Fiscal Year 19/20, the City established new strategic goals. The activity and performance metrics reflect the prior goals of Neighborhoods and Operational Excellence.

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.



- The City Attorney 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.
- The City Attorney 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.
- The City Attorney 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 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Revenues					
General Fund Appropriations	\$223,922	\$407,102	\$428,700	\$428,700	\$447,876
Total Revenues	\$223,922	\$407,102	\$428,700	\$428,700	\$447,876
Expenditures					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$223,922	\$407,102	\$428,700	\$428,700	\$447,876
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$223,922	\$407,102	\$428,700	\$428,700	\$447,876
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.

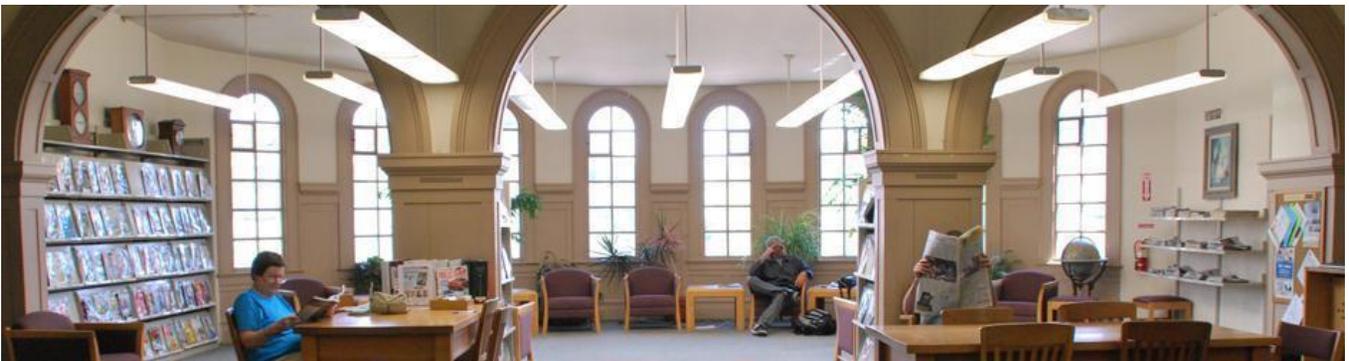


Along with traditional library formats, PGPL also provides access to

- Streaming video
- Online magazines
- Electronic books
- Audiobooks

Fiscal Year 18/19 Accomplishments

- Complete fundraising for the Library Renewal Project
- Conducted Summer Reading program for ages 2-15 with approx. 850 participants



Budget Summary:

Library Services	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary (General Fund)	Actual	Actual	Budget	Estimated	Budget
Revenues					
General Fund Appropriations	\$947,494	\$1,042,006	\$1,326,714	\$1,220,305	\$1,226,417
Total Revenues	\$947,494	\$1,042,006	\$1,326,714	\$1,220,305	\$1,226,417
Expenditures					
Salaries and Benefits	\$704,384	\$723,858	\$943,294	\$879,285	\$930,769
Service and Supplies	143,597	190,239	296,420	253,420	207,020
Non-Operating Transfers	40,000	40,400	-	-	-
Debt Services	59,513	87,509	87,000	87,600	88,628
Capital	-	-	-	-	-
Total Expenditures	\$947,494	\$1,042,006	\$1,326,714	\$1,220,305	\$1,226,417
Authorized Staffing (FTE)					
Full Time	6.00	6.25	6.25	6.25	6.25
Part Time ⁽¹⁾	5.25	5.25	5.25	5.25	4.75

(1) Library on-call positions adjusted based on actual and budgeted FTE's.

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
Prepare/award bid and start construction of Library Renewal Project			X				
Successfully provide continuity of Library services during the Library Renewal Project				X			
Participate in PLP's study of expanding shared Koha library catalog to Monterey and San Benito Counties to allow for a much greater collection for all Library patrons to have available for their use and leveraging library resources through collaboration with other libraries				X			
Launch of Library Poetry Program				X			
Implement Bilingual Story time in the local parks with the MCGives Grant				X			
Increase resources and programs at Library for starting businesses (partner with Chamber, SBA, SCORE, Rotary, etc.)							X

Key Activity and Performance Indicators ⁽¹⁾:

Metrics	FY14/15	FY15/16	FY 16/17	FY 17/18	FY 18/19
Audiobook Downloads	2,342	5,071	5,496	6,380	7,213
E-Book Downloads	2,606	5,176	5,524	6,299	6,346
Total Circulation of Library Materials	283,462	291,751	292,800	292,786	327,957
Visitors (Door Count)	130,124	140,235	158,500	151,399	155,023
Events and Programs (Attendance)	8,596	10,220	12,400	11,958	12,855

1. For Fiscal Year 19/20, the City established new strategic goals. The activity and performance metrics reflect the prior goals of Operational Excellence and Cultural Heritage.

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	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary (General Fund)	Actual	Actual	Budget	Estimated	Budget
Revenues					
General Fund Appropriations	\$257,306	\$268,231	\$275,000	\$300,650	\$260,150
Total Revenues	\$257,306	\$268,231	\$275,000	\$300,650	\$260,150
Expenditures					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$241,226	\$251,422	\$252,000	\$300,650	\$260,150
Non-Operating Transfers	-	-	23,000	-	-
Debt Services	16,080	16,809	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$257,306	\$268,231	\$275,000	\$300,650	\$260,150
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 18/19 Accomplishments:

- Successfully completed the first year, of three, toward accreditation through the Commission on Accreditation for Law Enforcement Agencies (CALEA). Accomplishments include:
 - Updated department policies to align with CALEA's 181 standards
 - All police management staff completed the CALEA Manager's course
 - Provided informational training and presentations to line level staff and City Council
- Closed the Temporary Holding Facility (Jail) and re-purposed to evidence storage, evidence processing, and interview room
- Purchased and transitioned to new portable radios; and repaired a broken antenna and installed a new one.
- Received One Mind Pledge certification through the International Association of Chief's of Police for focused training efforts on Crisis Intervention, Mental Health First Aid, and Dealing Effectively with the Mentally Ill
- Sent two staff to the basic crime scene investigations (CSI) course to provide enhanced CSI support, in addition to training refresher CSI for patrol and investigations
- Completed implementation of training and equipment software program to digitize hard copy files

Budget Summary:

Police Appropriation Summary (General Fund)	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Revenues					
General Funds Appropriation	\$7,058,312	\$7,396,981	\$7,363,931	\$7,563,260	\$7,652,674
Total Revenues	\$7,058,312	\$7,396,981	\$7,363,931	\$7,513,260	\$7,652,674
Expenditures					
Salaries and Benefits	\$4,327,084	\$4,796,724	\$5,380,431	\$5,493,100	\$5,995,642
Service and Supplies	1,321,076	1,153,675	878,500	878,500	790,000
Non-Operating Transfers	250,800	293,280	206,000	206,000	139,000
Debt Services	906,514	958,558	899,000	905,000	728,032
Capital	252,838	194,744	-	30,660	-
Total Expenditures	\$7,058,312	\$7,396,981	\$7,363,931	\$7,513,260	\$7,652,674
Authorized Staffing (FTE)					
Full Time	31.30	31.30	32.30	32.30	32.30
Part Time	2.25	2.25	1.00	1.00	1.00

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
Continue toward CALEA accreditation goal by December 2020			X		X		
Utilize awarded Tobacco Grant funding to create directed education, outreach and enforcement campaign			X				
Implement one-week Police Youth Academy				X			
Provide department supervisors risk management training and implement a robust employee wellness program					X		
Improve department technology by upgrading body worn/in-car camera equipment, mobile data computers, and working with Monterey County for improved radio reception.				X			

Key Activity and Performance Indicators ⁽³⁾:

FY 18/19 Metrics ⁽¹⁾	2014	2015	2016	2017	2018
Uniform Crime Reporting – Part					
Homicide	-	-	-	-	-
Rape	6	1	5	6	9
Robbery	1	4	2	0	2
Assault	66	63	65	66	66
Burglary	51	52	48	55	48
Larceny	238	230	257	265	259
Auto Theft	23	18	23	19	17
Arson	-	-	-	-	-
Workload Indicators					
Written Reports	2,489	2,814	2,815	2,497	2,438
Arrests	236	217	244	304	354
Citations	985	980	1,164	2,024	2,347
Parking Citations	1,601	3,717	3,634	5,772	6,466
Field Interviews	503	321	932	585	859
Calls for Service					
Total Calls for Service ⁽²⁾	16,080	17,627	21,521	18,700*	20,350

1. Metrics are for calendar year. 2. Transitioned to new Dispatch Software Program in 2017, estimate only. 3. For Fiscal Year 19/20, the City established new strategic goals. The activity and performance metrics reflect the prior goals of Neighborhoods and Operational Excellence.

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 controls
- 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 18/19 Accomplishments:

- Completion of the design and engineering of the ASBS Storm Water Capture and Diversion Project
- Completion of a Pavement Management Program Inventory and Report
- Adopted and implemented a Sidewalk Development Policy and associated Municipal Code amendments
- Completion of slurry and crack seals of approximately 800,000 square feet of City roads
- Completion of Road Rehabilitation on 14th Street
- Special events logistics, set-up, and clean-up
- Expansion of the Local Water Project non-potable water usage to the Point Pinos Lighthouse
- Completion of 200 feet of curb and gutter repairs
- Completion of energy efficient LED retrofit of all City owned facilities
- Received two Beacon Awards (Platinum and Silver)
- Receive an Ocean Hero Award from the Monterey Bay Aquarium
- Completion of 600 linear feet of sanitary sewer mainline improvements
- Completion of PG & E LED street light conversion citywide
- Installation of a permanent restroom at the Monarch Butterfly Sanctuary
- Purchase of a new Vac-Con wastewater truck
- Purchase and install news racks in the downtown area and developed an associated permitting system



Budget Summary:

Public Works Appropriation Summary (General Fund)	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Revenues					
General Funds Appropriation	\$3,260,092	\$4,029,471	\$3,289,848	\$3,512,196	\$3,891,849
Total Revenues	\$3,260,092	\$4,029,471	\$3,289,848	\$3,512,196	\$3,891,849
Expenditures					
Salaries and Benefits	\$1,447,692	\$1,753,317	\$1,733,786	\$1,740,954	\$2,007,219
Service and Supplies	1,209,262	1,431,387	1,416,062	1,631,342	1,611,528
Non-Operating Transfers	-	22,956		-	-
Debt Services	177,844	198,879	130,000	129,900	273,102
Capital	425,294	622,932	10,000	10,000	-
Total Expenditures	\$3,260,092	\$4,029,471	\$3,289,848	\$3,512,196	\$3,891,849
Authorized Staffing (FTE)					
Full Time	14.80	16.25	17.15	17.15	17.65
Part Time	3.00	2.50	2.50	2.50	2.50

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
Complete construction of the ASBS Stormwater Capture and Diversion Project		X					
Complete the Shoreline Management Plan		X	X				
Implement public facing work order system				X			
Complete Stormwater Management Plan to better plan for future CIP projects and obtain a holistic view of storm water infrastructure needs		X	X				
Install electrical vehicle charging stations in the downtown		X	X				
Revise the Memorial Bench Program database, standard operating procedures and City Council Policy 100-7			X	X			
Complete ordinance update to ban single use plastic		X					
Implement FY19/20 Capital Improvement Program	X	X	X				
Complete over 6,000 linear feet of sewer mainline rehabilitation			X				
Complete rehabilitation of over 30 mainline manholes			X				
Complete significant road maintenance/rehabilitation as prescribed by the Pavement Management Program			X				

Key Activity and Performance Indicators ⁽¹⁾:

Metric	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19
Number of Work Orders Completed	406	594	620	630	1,606
Number of Vehicle Maintenance Work Orders Completed	-	-	264	188	305
Number of Tree Permits Processed	96	329	354	360	508

1. For Fiscal Year 19/20, the City established new strategic goals. The activity and performance metrics reflect the prior goals of Infrastructure, Neighborhoods, and Operational Excellence.

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 18/19 Accomplishments:

- Completion and implementation of Recreation Needs Assessment
- Coordination of 23 Special Events
- Upgrades / Redesign of Youth Center
- Installment of online Recreation Software and Database



Budget Summary:

Recreation Summary (General Fund)	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Revenues					
General Fund Appropriations	\$537,877	\$669,057	\$793,409	\$824,770	\$743,208
Total Revenues	\$537,877	\$669,057	\$793,409	\$824,770	\$743,208
Expenditures					
Salaries and Benefits	\$372,112	\$453,798	\$583,889	\$584,750	\$498,949
Service and Supplies	148,477	194,653	162,520	162,520	203,100
Non-Operating Transfers	-	-	-	-	-
Debt Services	17,288	20,606	47,000	47,500	41,159
Capital	-	-	-	30,000	-
Total Expenditures	\$537,877	\$669,057	\$793,409	\$824,770	\$743,208
Authorized Staffing (FTE)					
Full Time	2.15	2.40	2.84	2.84	3.15
Part Time	11.50	11.50	11.50	11.50	11.00

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							
Implement online registration and facility reservations						X	X
Create Joint-Use Agreements with School District & Non-Profits						X	X
Increase departments level of compliance						X	
Develop marketing strategy and increase recreation awareness						X	X

Key Activity and Performance Indicators ⁽¹⁾:

Metric	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19
Park and Facility Rentals ⁽²⁾	318	328	348	299	273
Paid Special Events	14	16	18	15	18

1. For Fiscal Year 19/20, the City established new strategic goals. The activity and performance metrics reflect the prior goals of Recreation and Operational Excellence. 2. Restated to include park and facility rentals. This metric previously only included park rentals.

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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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary (Enterprise Fund)	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$292,662	\$342,064	\$424,554	\$424,554	\$397,781
Sales and Services	342,144	452,283	363,400	459,000	469,000
Interest Income	326	954	-	1,000	1,100
Total Revenues	\$342,470	\$453,237	\$363,400	\$460,000	\$470,100
Expenditures					
Salaries and Benefits	\$52,552	\$134,340	\$142,894	\$143,550	\$174,579
Service and Supplies	230,620	225,892	215,883	308,223	291,147
Non-Operating Transfers	-	-	-	-	-
Debt Services	9,896	10,515	13,000	15,000	9,664
Capital	-	-	50,000	20,000	50,000
Total Expenditures	\$293,068	\$370,747	\$421,777	\$486,773	\$525,390
Net Difference	49,402	82,490	(58,377)	(26,773)	(55,290)
Ending Fund Balance	\$342,064	\$424,554	\$366,177	\$397,781	\$342,491
Authorized Staffing (FTE)					
Full Time	0.95	1.10	1.10	1.10	1.25
Part Time	0.50	1.00	1.00	1.00	1.00

Key Performance Indicators:

Performance Indicators	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19
Non-Mausoleum Site Sales	41	42	41	38	53
Mausoleum Site Sales	11	11	8	13	10

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



Budget Summary:

Golf Course Fund	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary (General Fund)	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	2,665,178	\$2,670,223	\$2,732,592	\$2,732,592	\$2,834,157
Appropriations	354,856	334,015	376,100	448,000	448,000
Transfer In	-	100,000	-	-	-
Total Revenues	\$354,856	\$434,015	\$376,100	\$448,000	\$448,000
Expenditures					
Salaries and Benefits	\$4,050	\$2,250	-	-	-
Service and Supplies	195,431	253,944	\$98,000	\$74,338	\$25,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	122,050	115,452	272,097	272,097	272,097
Capital	28,280	-	-	-	100,000
Total Expenditures	\$349,811	\$371,646	\$370,097	\$346,435	\$397,097
Net Difference	5,045	62,369	6,003	101,565	50,903
Ending Fund Balance	\$2,670,223	\$2,732,592	\$2,738,595	\$2,834,157	\$2,885,060
Authorized Staffing (FTE)					
Full Time	-	-	-	-	-
Part Time	-	-	-	-	-

Local Water Project

Mission:

The City has made significant progress in the completion of the engineering design of a recycled water project, known as the City of Pacific Grove's Local Water Project (LWP), with the completion of the project in last fiscal year there is still some improvements to be made.

Services and Responsibilities:

The City entered into an agreement with PERC Water to design and build the Local Water Project to replace approximately 123 acre-feet/year (.11 million gallons annual daily average) of irrigation demands with non-potable supplies for the irrigation of the Municipal Golf Links and the El Carmelo Cemetery and provide toilet flushing for two public restrooms.



Budget Summary:

Local Water Project	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary (Enterprise Fund)	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	-	\$2,355,632	\$2,355,632	\$2,300,094
Intergovernmental		\$2,353,822	-	-	-
Charges for Services		192,787	532,000	612,000	543,000
Transfers in	-	-	-	-	76,507
Interest Income		-	-	930	930
Total Revenues	-	\$2,546,609	\$532,000	\$612,930	\$620,437
Expenditures					
Salaries and Benefits	-	\$634	-	-	-
Service and Supplies	-	190,343	\$488,064	\$462,020	\$476,077
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	206,448	206,448
Capital	-	-	-	-	-
Total Expenditures	-	\$190,977	\$488,064	\$668,468	\$682,525
Net Difference	-	2,355,632	43,936	(55,538)	(62,088)
Ending Fund Balance	-	\$2,355,632	\$2,399,568	\$2,300,094	\$2,238,006
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 Regional Water Pollution Control Agency (MRWPCA) or now called 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.

Budget Summary:

Sewer Enterprise Function	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary (Enterprise Fund)	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$15,207,233	\$16,607,319	\$17,187,630	\$17,187,630	\$16,727,743
Sales and Services	3,144,057	3,250,693	3,231,010	3,311,805	3,365,549
Transfers in	-	12,255	-	-	-
Interest Income	7,871	41,329	-	59,396	59,425
Total Revenues	\$3,151,928	\$3,304,277	\$3,231,010	\$3,371,201	\$3,424,974
Expenditures					
Salaries and Benefits	\$567,201	673,320	\$617,542	698,001	741,353
Service and Supplies	1,120,064	1,236,940	1,380,385	929,559	1,264,430
Non-Operating Transfers	-	356,016	158,000	-	-
Debt Services	64,577	70,733	46,000	134,670	79,489
Capital	-	386,955	1,280,000	2,068,858	6,188,000
Total Expenditures	\$1,751,842	\$2,723,964	\$3,481,927	\$3,831,088	\$8,273,272
Net Difference	1,400,086	580,313	(250,917)	(459,887)	(\$4,848,298)
Ending Fund Balance	\$16,607,319	\$17,187,630	\$16,936,713	\$16,727,743	\$11,879,445
Authorized Staffing (FTE)					
Full Time	-	5.05	5.15	5.15	5.15
Part Time	-	-	-	-	-

Key Performance Indicators ⁽¹⁾:

Metric	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19
Number of City sewer overflow spills	6	3	1	4	-

1. For Fiscal Year 19/20, the City established new strategic goals. The activity and performance metrics reflect the prior goals of Environment, Operational Excellence, and Infrastructure.

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$2,784	\$1,699	\$1,709	\$1,709	\$1,709
Interest	-	-	-	-	-
Other Revenues	(1,085)	10	-	-	-
Total Revenues	(\$1,085)	\$10	-	-	-
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Net Difference	(\$1,085)	\$10	-	-	-
Ending Fund Balance	\$1,699	\$1,709	\$1,709	\$1,709	\$1,709

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$159,501	\$171,191	\$171,260	\$171,260	\$175,309
Rent	18,153	18,000	18,000	18,000	-
Other Revenues	-	948	650	650	1,360
Total Revenues	\$18,153	\$18,948	\$18,650	\$18,650	\$1,360
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$6,463	9,729	\$54,000	601	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	9,150	-	14,000	85,000
Total Expenditures	\$6,463	\$18,879	\$54,000	14,601	\$85,000
Net Difference	11,690	69	(35,350)	4,049	(83,640)
Ending Fund Balance	\$171,191	\$171,260	\$135,910	\$175,309	\$91,669

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$12,526	\$9,630	\$7,527	\$7,527	\$14,527
Interest	6	49	-	-	-
Other Revenues	-	-	1,000	12,000	12,000
Total Revenues	\$6	\$49	\$1,000	\$12,000	\$12,000
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	\$4,000	\$4,000	\$13,000
Service and Supplies Rec	\$2,902	\$2,152	6,500	1,000	3,150
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$2,902	\$2,152	\$10,500	\$5,000	\$16,150
Net Difference	(2,896)	(2,103)	(9,500)	7,000	(4,150)
Ending Fund Balance	\$9,630	\$7,527	(\$1,973)	\$14,527	\$10,377

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$29,602	\$30,631	\$28,208	\$28,208	\$18,517
Interest	16	175	4,000	209	200
Other Revenues	18,415	11,785	18,200	9,100	9,100
Total Revenues	\$18,161	\$11,960	\$22,200	\$9,309	\$9,300
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$17,132	\$14,383	\$19,000	\$19,000	\$17,600
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$17,132	\$14,383	19,000	\$19,000	\$17,600
Net Difference	1,029	(2,423)	3,200	(9,691)	(8,300)
Ending Fund Balance	\$30,631	\$28,208	\$31,408	\$18,517	\$10,217

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 current and prior budget allocates funds for the construction of The Great Tide Pool Site and Recreation Trail/Coastal Access Project.

Financial Summary:

Reiko Koo Estate Donation Fund	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$329,298	\$152,235	\$ -	\$ -	\$175,500
Interfund Transfers	-	47,549	-	175,000	-
Interest Income	(98)	216	500	500	-
Total Revenues	(\$98)	\$47,765	\$500	\$175,500	-
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	\$175,000	-	\$100,000	-	-
Debt Services	-	-	-	-	-
Capital	1,965	\$200,000	-	-	\$100,000
Total Expenditures	\$176,965	\$200,000	\$100,000	-	\$100,000
Net Difference	(177,063)	152,235	(99,500)	175,500	(100,000)
Ending Fund Balance	\$152,235	\$ -	(\$99,500)	\$175,500	\$75,500

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$273,366	\$299,546	\$266,545	\$266,545	\$44,386
Donations	49,962	1,500	700	700	-
Interest Income	348	1,506	1,500	1,500	2,010
Other Revenues	-	-	-	-	-
Total Revenues	\$50,310	\$3,006	\$2,200	\$2,200	\$2,010
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$24,130	-	-	-	-
Non-Operating Transfers	-	-	-	\$224,359	-
Debt Services	-	-	-	-	-
Capital	-	\$36,007	\$20,000	-	-
Total Expenditures	\$24,130	\$36,007	\$20,000	\$224,359	\$-
Net Difference	26,180	(33,001)	(17,800)	(222,159)	2,010
Ending Fund Balance	\$299,546	\$266,545	\$248,745	\$44,386	\$46,396

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.

Financial Summary:

Operating Donations Fund	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$31,790	\$40,839	\$49,526	\$49,526	\$33,886
Donations	9,012	10,210	9,100	9,100	9,100
Interest Income	256	247	260	260	387
Other Revenues	(219)	-	-	-	-
Total Revenues	\$9,049	\$10,457	\$9,360	\$9,360	\$9,487
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	\$1,770	\$4,000	\$25,000	\$5,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	37,000
Total Expenditures	\$-	\$1,770	\$4,000	\$25,000	\$42,000
Net Difference	9,049	\$8,687	5,360	(15,640)	(32,513)
Ending Fund Balance	\$40,839	\$49,526	\$54,886	\$33,886	\$1,373

Stillwell Children’s Pool Fund

Description:

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

Financial Summary:

Lovers Point Pool Fund	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$57,954	\$58,000	\$58,323	\$58,323	\$48,753
Interest	47	323	430	430	460
Other Revenues	-	-	-	-	-
Total Revenues	\$47	\$323	\$430	\$430	\$460
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies Rec	-	-	\$10,000	\$10,000	\$10,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$ -	\$ -	\$10,000	\$10,000	\$10,000
Net Difference	47	-	(9,570)	(9,570)	(9,540)
Ending Fund Balance	\$58,000	\$58,323	\$48,753	\$48,753	\$39,213

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance					
Interest	-	-	-	-	-
Transfer In	-	-	-	-	\$130,000
Total Revenues	-	-	-	-	\$130,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies Rec	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Net Difference	-	-	-	-	\$130,000
Ending Fund Balance	-	-	-	-	\$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 Pacific Grove Monarch Butterfly Sanctuary. These bonds were retired in Fiscal Year 2018.

Financial Summary:

Butterfly Habitat Bond Fund Summary	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2019/19 Estimated	FY 2019/20 Budget
Beginning Fund Balance	\$63,579	\$110,052	\$23,207	\$23,207	\$-
Revenue	111,049	4,334	-	45	-
Total Revenues	\$111,049	\$4,334	-	\$45	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	\$23,252	-
Debt Services	\$91,743	\$91,179	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$91,743	\$91,179	-	\$23,252	-
Net Difference	19,306	(86,845)	-	(23,207)	-
Ending Fund Balance	\$110,052	\$23,207	\$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 health, dental, unemployment insurance, life/disability insurance, and temporary employee social security replacement costs. Each department's contributions are based on their estimated utilization of benefits.

Financial Summary:

Employee Benefit Fund	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$125,633	\$148,916	\$92,815	\$92,815	\$124,815
Charges for Services	262,683	185,078	288,000	288,000	239,000
Interest Income	(32)	917	1,000	1,000	500
Total Revenues	\$262,651	\$185,995	\$289,000	\$289,000	\$239,500
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$239,368	\$242,096	\$305,500	\$257,000	\$265,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$239,368	\$242,096	\$305,500	\$257,000	\$265,000
Net Difference	23,283	(56,101)	(16,500)	32,000	(25,500)
Ending Fund Balance	\$148,916	\$92,815	\$76,315	\$124,815	\$99,315

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 the Public Agency Risk Sharing Authority of California (PARSAC) a joint powers authority. The amount of contributions from each department was based on their proportional share of the overall budget.

Financial Summary:

Liability Insurance Fund	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$422,432	\$142,525	\$632,057	\$632,057	\$552,517
Charges for Services	241,370	655,058	456,000	581,000	266,000
Interest Income	(403)	606	1,000	1,000	1,000
Total Revenues	\$240,967	\$655,664	\$457,000	\$582,000	\$267,000
Expenditures:	-	-	-	-	-
Salaries and Benefits	\$190,678	\$29,098	\$34,471	\$32,790	\$33,478
Service and Supplies	330,196	136,829	419,000	625,700	481,826
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	205	3,000	3,050	4,071
Capital	-	-	-	-	-
Total Expenditures	\$520,874	\$166,132	\$456,471	\$661,540	\$519,375
Net Difference	(279,907)	489,532	529	(79,540)	(252,375)
Ending Fund Balance	\$142,525	\$632,057	\$632,586	\$552,517	\$300,142

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 from each fund are based on their proportional 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.

Financial Summary:

OPEB Fund	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$222,573	\$322,810	\$223,572	\$223,572	\$324,572
Charges for Services	100,000	-	100,000	100,000	-
Interest Income	237	1,762	1,000	1,000	-
Total Revenues	\$100,237	\$1,762	\$101,000	\$101,000	\$ -
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	\$101,000	-	-	\$324,572
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	\$101,000	-	-	\$324,572
Net Difference	\$100,237	(99,238)	\$101,000	\$101,000	-
Ending Fund Balance	\$322,810	\$223,572	\$324,572	\$324,572	-

Workers Compensation Fund

Description:

The Workers Compensation Fund receives contributions from departmental payroll accounts and prior excess claim refunds. The charges to departments are based on payroll deductions as a percentage of salary, as well as a proportional share of a three-year average of incurred claim costs. These revenues and reimbursements 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 the Public Agency Risk Sharing Authority of California (PARSAC) a joint powers authority.

Fiscal Year 18/19 Accomplishments:

- Established a formal Safety Committee with members from each department
- Updated the City's Injury and Illness Prevention Program (IIPP)
- Created a Health and Safety Committee Charter
- Conducted the following Citywide Trainings: IIPP, Ergonomics, Back Safety
- Created departmental safety training matrices
- Developed facility safety inspection checklists
- Prepared a draft Emergency Action Plan
- Established a safety training database
- Began coordinating with Human Resources on a new hire orientation program
- Presented an annual Workplace Safety Report with the goal of reducing workplace injuries
- Completed a Risk Assessment through PARSAC



Financial Summary:

Workers Compensation Fund Summary	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Beginning Fund Balance	(\$1,192,858)	(\$234,109)	\$191,550	\$191,550	\$306,495
Charges for Services	1,553,161	1,394,730	706,000	662,000	650,000
Interest Income	298	6,879	1,000	4,000	3,500
Total Revenues	\$1,553,459	\$1,401,609	\$707,000	\$666,000	\$653,500
Expenditures:	-	-	-	-	-
Salaries and Benefits	\$57,654	\$15,713	\$39,644	\$38,005	\$46,055
Service and Supplies	537,057	960,032	664,000	510,000	619,956
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	205	3,000	3,050	4,663
Total Expenditures	\$594,711	\$975,950	\$706,644	\$551,055	\$670,674
Net Difference	958,748	425,659	356	114,945	(17,174)
Ending Fund Balance	(\$234,109)	\$191,550	\$191,906	\$306,495	\$289,321
Authorized Staffing					
Full Time	.40	.40	.25	.25	.30
Part Time	-	-	-	-	-

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
Conduct Hazardous Communication Training			X				
Implement a safety incentive program			X				
Work with consultant to identify and recommend ergonomic equipment			X				
Conduct an Emergency Action Plan drill			X				
Implement a Safety Incentive Program			X				
Continue to work with the Safety Committee to establish a culture of awareness			X				
Implement and conduct training on an Asbestos Management Plan			X				
Offer two city-wide trainings on relevant topics			X				

Key Performance Metrics ⁽¹⁾:

Metric ⁽²⁾	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19
Safety Classes					11
Safety Class Attendance					186
Public Works Bi-Weekly Safety Meetings					26
Experience Modification Rate	1.73	1.98	1.73	1.30	1.12

1. For Fiscal Year 19/20, the City established new strategic goals. The activity and performance metrics reflect the prior goal of Operational Excellence

2. Fiscal Year 18/19 represents the first year of formally tracking safety training.

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Capital Improvement Funds



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. The Fiscal Year 2019/20

Financial Summary:

Bldg. & Facilities Improvement Fund	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$531,017	\$487,623	\$125,842	\$125,842	\$332
Revenue	390	\$1,251	-	\$578	-
Total Revenues	\$390	\$1,251	-	\$578	-
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	\$332
Debt Services	-	-	-	-	-
Capital	\$43,785	\$363,032	\$80,147	\$126,088	-
Total Expenditures	\$43,785	\$363,032	\$80,147	\$126,088	\$332
Net Difference	(43,395)	(361,781)	80,147	(125,510)	\$332
Ending Fund Balance	\$487,622	\$125,842	\$45,695	\$332	-

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 Summary	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Beginning Fund Balance	-	-	-	-	-
Transfers In	-	\$8,300	\$3,845,000	\$1,711,517	\$1,960,000
Interest Income	-	-	2,020	-	3,000
Capital Contributions – Library	-	-	-	215,936	1,723,000
Total Revenues	-	8,300	\$3,847,020	\$1,927,453	\$3,686,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	8,300	\$3,845,000	\$1,927,453	\$3,683,000
Total Expenditures	-	\$8,300	\$3,845,000	\$1,927,453	\$3,683,000
Net Difference	-	-	2,020	-	-
Ending Fund Balance	-	-	\$2,020	-	\$3,000

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Special Revenues Funds



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 Summary	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Beginning Fund Balance	-	-	(\$57,994)	(\$57,994)	(\$57,994)
Transfers In	-	-	-	-	-
Grant Revenues	\$403,194	\$85,431	640,000	369,000	3,846,000
Total Revenues	\$403,194	\$85,431	\$640,000	\$369,000	\$3,846,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$403,194	\$3,848	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	139,577	\$640,000	\$369,000	\$3,788,000
Total Expenditures	\$403,194	\$143,425	\$640,000	\$369,000	\$3,788,000
Net Difference	-	(\$57,994)	-	-	58,000
Ending Fund Balance	-	(\$57,994)	(\$57,994)	(\$57,994)	\$6

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	\$20,000	\$27,032	\$27,032	\$4,332
Transfers In	-	-	-	-	-
Interest	-	106	-	100	100
Other Revenues	\$20,000	6,926	-	12,000	7,000
Total Revenues	\$20,000	\$7,032	-	\$12,100	\$7,100
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	\$3,000	\$3,000	\$8,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	8,000	31,800	-
Total Expenditures	-	-	\$11,000	\$34,800	\$8,000
Net Difference	\$20,000	\$7,032	(11,000)	(22,700)	(900)
Ending Fund Balance	\$20,000	\$27,032	\$16,032	\$4,332	\$3,432

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$192,970	\$105,319	\$195,406	\$195,406	\$202,406
Interest Income	(651)	3,087	-	-	-
Other Revenues	-	87,000	89,000	89,000	50,000
Total Revenues	(\$651)	\$90,087	\$89,000	\$89,000	\$50,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Housing Loans	\$87,000	-	\$82,000	\$82,000	\$82,000
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$87,000	-	\$82,000	\$82,000	\$82,000
Net Difference	(87,651)	\$90,087	7,000	7,000	(32,000)
Ending Fund Balance	\$105,319	\$195,406	\$202,406	\$202,406	\$170,406

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 Summary	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Beginning Fund Balance	\$9,455	\$9,462	\$9,515	\$9,515	\$6,562
Revenues	7	53	47	47	75
Total Revenues	\$7	\$53	\$47	\$47	\$75
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	\$3,000	\$3,000	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	\$3,000	\$3,000	-
Net Difference	\$7	\$53	(2,953)	(2,953)	\$75
Ending Fund Balance	\$9,462	\$9,515	\$6,562	\$6,562	\$6,637

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	\$6,862	\$246,910	\$246,910	\$443,055
Loan Repayments	\$39,927	237,752	80,000	80,000	100,000
Interest Income	2,724	29,190	-	100,000	20,000
Other Revenues	210	-	-	525,000	-
Total Revenues	\$42,862	\$266,942	\$80,000	\$705,000	\$120,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$36,000	\$26,894	\$80,000	\$508,855	\$579,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$36,000	\$26,894	\$80,000	\$508,855	\$579,000
Net Difference	6,862	240,048	-	196,145	(459,000)
Ending Fund Balance	\$6,862	\$246,910	\$246,910	\$443,055	(\$15,945)

CDBG 2013 Grant Fund

Description:

This fund is a temporary account established for expenditures 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. Once the grant fund is expended, future loan repayments are returned to the CDBG Grant Fund as revolving loan fund.

Financial Summary:

CDBG 2013 Grant Fund	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	-	-	-	-
Grant Revenues	\$84,204	-	-	-	-
Total Revenues	\$84,204	-	-	-	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$84,204	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$84,204	-	-	-	-
Net Difference	-	-	-	-	-
Ending Fund Balance	-	-	-	-	-

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$24,021	\$15,733	\$16,900	\$16,900	\$15,400
Interest	12	93	2,500	2,500	135
Other Revenues	1,500	3,601	-	-	-
Total Revenues	\$1,512	\$3,694	\$2,500	\$2,500	\$135
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies Rec	\$9,800	\$2,527	\$19,000	\$4,000	\$5,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$9,800	\$2,527	\$19,000	\$4,000	\$5,000
Net Difference	24,021	1,167	(16,500)	(1,500)	(4,865)
Ending Fund Balance	\$15,733	\$16,900	\$400	\$15,400	\$10,535

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 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Beginning Fund Balance	-	-	-	-	-
Transfers In	-	\$356,016	-	-	-
Other Revenues	\$2,705,528	(166,015)	-	-	-
Total Revenues	\$2,705,528	\$190,001	-	-	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$27,598	\$20,313	-	-	-
Non-Operating Transfers	-	8,589	-	-	-
Debt Services	-	-	-	-	-
Capital	2,677,930	161,099	-	-	-
Total Expenditures	\$2,705,528	\$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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	\$157,381	\$252,206	\$252,206	\$77,206
Transfers In	\$175,000	-	-	-	-
Other Revenues	96,383	153,616	-	-	-
Total Revenues	\$271,383	\$153,616	-	-	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$170	-	-	-	-
Non-Operating Transfers	-	\$47,549	-	\$175,000	-
Debt Services	-	-	-	-	-
Capital	113,832	11,242	-	-	-
Total Expenditures	\$114,002	\$58,791	-	\$175,000	-
Net Difference	157,381	94,825	-	(175,000)	-
Ending Fund Balance	\$157,381	\$252,206	\$252,206	\$77,206	\$77,206

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$1,793	\$10,762	\$1,671	\$1,671	\$11,304
Interest Income	-	53	33	33	50
Other Revenue	47,381	28,767	31,000	31,000	31,000
Total Revenue	\$47,381	\$28,820	\$31,033	\$31,033	\$31,050
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$38,412	\$37,911	\$31,000	\$21,400	\$21,400
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$38,412	\$37,911	\$31,000	\$21,400	\$21,400
Net Difference	8,969	(9,091)	33	9,633	9,650
Ending Fund Balance	\$10,762	\$1,671	\$1,704	\$11,304	\$20,954

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	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$157,765	\$139,614	\$135,481	\$135,481	\$161,481
Interest Income	-	773	1,000	1,000	-
Other Revenue	92	4,910	25,000	25,000	-
Total Revenue	\$92	\$5,683	\$26,000	\$26,000	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$18,243	\$9,815	-	-	\$20,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$18,243	\$9,815	-	-	\$20,000
Net Difference	(18,151)	(4,133)	\$26,000	\$26,000	(20,000)
Ending Fund Balance	\$139,614	\$135,481	\$161,481	\$161,481	\$141,481

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$159,104	\$172,061	\$179,369	\$179,369	\$134,419
Interest, Rents, and Concessions	185	1,002	1,200	1,200	1,250
Other Revenues	19,850	18,334	22,000	22,000	20,000
Total Revenues	\$20,035	\$19,336	\$23,200	\$23,200	\$21,250
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$7,078	\$12,028	\$27,250	\$27,250	\$25,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	40,900	-
Total Expenditures	\$7,078	\$12,028	\$27,250	\$68,150	\$25,000
Net Difference	12,957	7,308	(4,050)	(44,950)	(3,750)
Ending Fund Balance	\$172,061	\$179,369	\$175,319	\$134,419	\$130,669

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$570	\$20,490	\$38,098	\$38,098	\$48,250
Interest	15	242	190	283	286
Taxes and Other Revenues	281,859	299,180	364,900	305,200	382,260
Total Revenues	\$281,874	\$299,422	\$365,090	\$305,483	\$382,546
Expenditures:					
Salaries and Benefits	-	\$160,869	\$138,215	\$119,331	\$127,897
Service and Supplies PW	\$261,954	119,983	160,000	160,000	145,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	962	9,000	9,000	14,016
Capital	-	-	12,000	7,000	30,000
Total Expenditures	\$261,954	\$281,814	\$319,215	\$295,331	\$316,913
Net Difference	19,920	17,608	45,875	10,152	65,633
Ending Fund Balance	\$20,490	\$38,098	\$83,973	\$48,250	\$113,883

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:

ASBS Fund	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	-	-	-	\$320
Transfers In	-	-	-	\$320	-
Other Revenues	-	-	-	-	\$7,000
Total Revenues	-	-	-	\$320	\$7,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Net Difference	-	-	-	\$320	\$7,000
Ending Fund Balance	-	-	-	\$320	\$7,320

Greening Grant Fund

Description:

The Greening Grant Fund receives grant proceeds to fund expenditures related to greening projects and plans that reduce energy consumption, conserve water, improve air and water quality, while also providing additional community benefits.

Financial Summary:

Greening Grant Fund	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	-	-	-	-
Interest Income	-	-	-	-	-
Other Revenues	\$84,569	-	-	-	-
Total Revenues	\$84,569	-	-	-	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	\$84,569	-	-	-	-
Total Expenditures	\$84,569	-	-	-	-
Net Difference	-	-	-	-	-
Ending Fund Balance	-	-	-	-	-

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Fund Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$2,079	\$701	\$7,669	\$7,669	-
Transfers in	15,000	-	-	-	-
Interest	-	119	500	500	\$500
Other Revenues	478,503	496,238	446,700	499,300	511,000
Total Revenues	\$493,503	\$496,357	\$447,200	\$499,800	\$511,500
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$494,881	\$489,389	\$446,700	\$507,469	\$511,500
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$494,881	\$489,389	\$446,700	\$507,469	\$511,500
Net Difference	(1,378)	6,968	500	-	-
Ending Fund Balance	\$701	\$7,669	\$8,169	-	-

Housing Fund

Description:

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

Financial Summary:

Housing Fund Summary	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Beginning Fund Balance	\$364,822	\$362,423	\$443,972	\$443,972	\$381,222
Interest	24,961	44,056	220	1,700	1,700
Revenues	40,138	120,433	-	71,500	70,700
Total Revenues	\$98,714	\$164,489	\$220	\$73,200	\$72,400
Expenditures:					
Salaries and Benefits	\$82,154	\$69,659	\$98,790	\$74,150	\$119,984
Service and Supplies	-	12,664	53,750	53,750	57,500
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	617	8,000	8,050	7,420
Capital	-	-	-	-	-
Total Expenditures	\$82,154	\$82,940	\$160,540	\$135,950	\$184,904
Net Difference	16,560	81,549	(160,320)	(62,750)	(112,504)
Ending Fund Balance	\$362,423	\$443,972	\$283,652	\$381,222	\$268,718

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 Summary	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Estimated	FY 2019/20 Budget
Beginning Fund Balance	\$42,516	\$24,900	\$66,217	\$66,217	-
Interest	8	230	-	-	-
Other Revenue	-	100,602	-	-	-
Total Revenue	\$8	\$100,832	-	-	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$17,624	\$10	-	-	-
Non-Operating Transfers	-	-	-	\$66,217	-
Debt Services	-	-	-	-	-
Capital	-	59,505	-	-	-
Total Expenditures	\$17,624	\$59,515	-	\$66,217	-
Net Difference	(17,616)	41,317	-	(\$66,217)	-
Ending Fund Balance	\$24,900	\$66,217	\$66,217	-	-

Lighthouse Maintenance & Improvement

Description:

The Lighthouse Maintenance and Improvement Fund accounts are for any expenses and/or any donations, proceeds, or operating transfer receipts related to the maintenance and improvement of the Point Pinos Lighthouse.

Financial Summary:

Lighthouse Maint. & Improvement Fund	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$80,623	\$75,257	\$106,517	\$106,517	\$131,190
Interest	57	559	-	954	-
Other Revenues	58,653	85,298	59,000	100,000	87,000
Total Revenues	\$58,710	\$85,857	\$59,000	\$100,954	\$87,000
Expenditures:					
Salaries and Benefits	-	-	\$15,181	\$15,181	\$46,328
Service and Supplies	\$2,066	\$25,708	21,100	21,100	32,500
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	62,010	28,889	40,000	40,000	40,000
Total Expenditures	\$64,076	\$54,597	\$76,281	\$76,281	\$118,828
Net Difference	(5,366)	31,260	(17,281)	24,673	(31,828)
Ending Fund Balance	\$75,257	\$106,517	\$89,236	\$131,190	\$99,362

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$10,389	\$14,596			\$1,640
Interfund Transfers	40,000	59,322	-	-	-
Interest, Rents, and Concessions	46	11	\$140	\$140	140
Other Revenues	44,750	4,643	1,500	1,500	7,000
Total Revenues	\$84,796	\$63,976	\$1,640	\$1,640	\$7,140
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$80,589	\$78,572	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$80,589	\$78,572	-	-	-
Net Difference	4,207	(14,596)	\$1,640	\$1,640	\$7,140
Ending Fund Balance	\$14,596	-	\$1,640	\$1,640	\$8,780

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	\$84,020	\$185,553	\$185,553	\$462,180
Sales and use taxes	\$84,020	430,203	442,400	804,619	665,000
Interest		1,154		2,008	8,000
Total Revenues	\$84,020	\$431,357	\$442,400	\$806,627	\$673,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	\$329,824	\$530,000	\$530,000	\$750,000
Total Expenditures	-	\$329,824	\$530,000	\$530,000	\$750,000
Net Difference	-	101,533	(87,600)	276,627	(77,000)
Ending Fund Balance	\$84,020	\$185,553	\$97,953	\$462,180	\$385,180

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$101,058	\$101,078	\$101,641	\$101,641	\$102,041
Interest Income	81	563	400	400	1,000
Other Revenues	-	-	-	-	-
Total Revenues	\$81	\$563	\$400	\$400	\$1,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$61	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	\$70,000
Total Expenditures	\$61	-	-	-	\$70,000
Net Difference	20	\$563	\$400	\$400	(69,000)
Ending Fund Balance	\$101,078	\$101,641	\$102,041	\$102,041	\$33,041

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$470,164	\$470,545	\$473,167	\$473,167	\$446,667
Interest	-	2,622	3,500	3,500	3,700
Other Revenue	381	-	-	-	-
Total Revenue	\$381	\$2,622	\$3,500	\$3,500	\$3,700
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	\$30,000	\$30,000	\$75,000
Total Expenditures	-	-	\$30,000	\$30,000	\$75,000
Net Difference	\$381	\$2,622	(26,500)	(26,500)	(71,300)
Ending Fund Balance	\$470,545	\$473,167	\$446,667	\$446,667	\$375,367

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	-	\$832	\$832	\$641
Grants	-	\$830	10,000	10,000	-
Interest Income	-	2	7	111	\$10
Other Revenues	-	-	-	-	-
Total Revenues	-	\$832	\$10,007	\$10,111	-
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	\$10,302	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	-	\$10,302	\$-
Net Difference	-	\$832	\$10,007	(\$191)	\$10
Ending Fund Balance	-	\$832	\$10,839	\$641	\$651

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$62,969	\$57,196	\$55,697	\$55,697	\$55,897
Interest Income	45	312	100	100	435
Other Revenues	284	114	100	100	-
Total Revenues	\$329	\$426	\$200	\$200	\$435
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$6,102	\$1,925	-	-	\$19,500
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$6,102	\$1,925	-	-	\$19,500
Net Difference	(5,773)	(1,499)	\$200	\$200	(19,065)
Ending Fund Balance	\$57,196	\$55,697	\$55,897	\$55,897	\$36,832

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$255,012	\$336,749	\$453,133	\$453,133	\$475,133
Transfers In	380,000	481,630	312,000	312,000	210,000
Interest Income	610	2,795	2,000	2,000	2,000
Other Revenues	117,371	123,920	128,000	128,000	128,000
Total Revenues	\$497,981	\$608,345	\$442,000	\$442,000	\$340,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$416,244	\$491,961	\$420,000	\$420,000	\$481,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$416,244	\$491,961	\$420,000	\$420,000	\$481,000
Net Difference	81,737	116,384	22,000	22,000	(141,000)
Ending Fund Balance	\$336,749	\$453,133	\$475,133	\$475,133	\$334,133

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	-	\$121,195	-	-
Interest	-	-	-	-	-
Other Revenues	-	-	-	\$121,000	-
Total Revenues	-	-	-	\$121,000	-
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	\$121,000	\$121,000	-
Total Expenditures	-	-	\$121,000	\$121,000	-
Net Difference	-	-	195	-	-
Ending Fund Balance	-	-	\$195	-	-

Road Maintenance and Rehabilitation Account Fund (RMRA)

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	-	-	-	\$33,846
Transfers in	-	\$10,195	-	-	-
Interest	-	159	-	\$346	360
Other Revenues	-	90,811	\$257,360	290,500	265,981
Total Revenues	-	\$101,165	\$257,360	\$290,846	\$266,341
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	\$101,165	\$257,000	\$257,000	\$265,981
Total Expenditures	-	101,165	\$257,000	\$257,000	\$265,981
Net Difference	-	-	360	33,846	360
Ending Fund Balance	-	\$-	\$360	\$33,846	\$34,206

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$9,831	\$9,838	\$9,893	\$9,893	\$9,963
Interest	7	55	70	70	70
Other Revenues	-	-	-	-	-
Total Revenues	\$7	\$55	\$70	\$70	\$70
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Net Difference	\$7	\$55	\$70	\$70	\$70
Ending Fund Balance	\$9,838	\$9,893	\$9,963	\$9,963	\$10,033

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$201,781	\$202,575	\$202,575	\$202,575	\$162,725
Interest	794	-	150	150	150
Other Revenues	-	-	-	-	-
Total Revenues	\$794	-	\$150	\$150	\$150
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	\$40,000	\$40,000	\$40,000
Total Expenditures	-	-	\$40,000	\$40,000	\$40,000
Net Difference	\$794	-	(39,850)	(39,850)	(39,850)
Ending Fund Balance	\$202,575	\$202,575	\$162,725	\$162,725	\$122,875

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 have been appropriated to fund an upgrade of audio/visual equipment in the Council Chambers. The initial costs to assist with the development of the Request for Proposal for audio/visual equipment, which includes alternate equipment layouts was included in the Fiscal Year 18/19 estimated costs.

Financial Summary:

State Franchise PEG Fund	FY 2016/76	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$358,370	\$350,617	\$336,754	\$336,754	\$317,754
Interest	-	1,879	-	-	1,000
Other Revenue	57,793	54,586	57,000	57,000	58,000
Total Revenue	\$57,793	\$56,465	\$57,000	\$57,000	\$59,000
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	\$57,771	\$68,578	\$70,000	\$76,000	\$69,000
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	7,775	1,750	75,000	-	210,000
Total Expenditures	\$65,546	\$70,328	\$145,000	\$76,000	\$279,000
Net Difference	(7,753)	(13,863)	(88,000)	(19,000)	(220,000)
Ending Fund Balance	\$350,617	\$336,754	\$248,754	\$317,754	\$97,754

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$77,887	\$119,287	\$158,170	\$158,170	\$81,790
Interest Income	110	756	620	620	1,250
Transfers In	-	43,000	-	-	-
Other Revenues	43,000	-	43,000	43,000	43,000
Total Revenues	\$43,110	\$43,756	\$43,620	\$43,620	\$44,250
Expenditures:					
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	\$1,710	\$4,873	\$120,000	\$120,000	\$65,000
Total Expenditures	\$1,710	\$4,873	\$120,000	\$120,000	\$65,000
Net Difference	41,400	38,883	(76,380)	(76,380)	(20,750)
Ending Fund Balance	\$119,287	\$158,170	\$81,790	\$81,790	\$61,040

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$68,284	\$243,431	\$248,705	\$248,705	\$102,895
Interest Income	204,850	1,519	128,000	128,000	110,000
Other Revenues	392	201,036	60,600	60,600	74,000
Total Revenues	\$205,242	\$202,555	\$188,600	\$188,600	\$184,000
Expenditures:					
Salaries and Benefits	-	\$138,320	\$99,789	\$108,925	\$102,567
Service and Supplies	\$30,095	16,961	20,000	25,485	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	42,000	200,000	200,000	-
Total Expenditures	\$30,095	\$197,281	\$319,789	\$334,410	\$102,567
Net Difference	175,147	5,274	(131,189)	(145,810)	81,433
Ending Fund Balance	\$243,431	\$248,705	\$117,516	\$102,895	\$184,328

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$87,543	\$88,047	\$81,326	\$81,326	\$75,538
Transfers In	11,455	13,540	-	12,000	12,000
Interest Income	72	461	700	1,625	
Other Revenues	-	-	-	-	
Total Revenues	\$11,527	\$14,001	\$700	\$13,625	\$12,000
Expenditures:					
Salaries and Benefits	\$11,023	\$20,722	\$19,413	\$19,413	\$20,027
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$11,023	\$20,722	\$19,413	\$19,413	\$20,027
Net Difference	504	(6,721)	(18,713)	(5,788)	(8,027)
Ending Fund Balance	\$88,047	\$81,326	\$62,613	\$75,538	\$67,511

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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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$1,372,496	\$1,477,695	\$1,544,732	\$1,544,732	\$1,607,732
Charges for Services	103,902	58,574	63,000	58,000	60,000
Interest Income	1,297	8,463	-	5,000	5,000
Total Revenues	\$105,199	\$67,037	\$63,000	\$63,000	\$65,000
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	-	-	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Net Difference	\$105,199	\$67,037	\$63,000	\$63,000	\$65,000
Ending Fund Balance	\$1,477,695	\$1,544,732	\$1,607,732	\$1,607,732	\$1,672,732

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$539,090	\$539,528	\$529,767	\$529,767	\$532,755
Interest Income	438	3,023	1,500	4,138	4,134
Other Revenues	-	6,140	-	2,850	1,000
Total Revenues	\$438	\$9,163	\$1,500	\$6,988	\$5,134
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	\$3	\$4,000	\$4,000	\$42,000
Non-Operating Transfers	-	18,924	-	-	-
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$ -	\$18,924	\$4,000	\$4,000	\$42,000
Net Difference	438	(9,761)	(2,500)	2,988	(36,866)
Ending Fund Balance	\$539,528	\$529,767	\$527,267	\$532,755	\$495,889

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 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	FY 2019/20
Summary	Actual	Actual	Budget	Estimated	Budget
Beginning Fund Balance	\$849,677	\$838,298	\$825,238	\$825,238	\$823,238
Interest Income	76	480	10,000	10,000	12,000
Other Revenues	-	-	-	-	-
Total Revenues	\$76	\$480	\$10,000	\$10,000	\$12,000
Expenditures:	-	-	-	-	-
Salaries and Benefits	-	-	-	-	-
Service and Supplies	-	-	-	-	-
Non-Operating Transfers	\$11,455	\$13,540	\$3,000	\$12,000	\$12,000
Debt Services	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	\$11,455	\$13,540	\$3,000	\$12,000	\$12,000
Net Difference	(11,379)	(13,060)	7,000	(2,000)	-
Ending Fund Balance	\$838,298	\$825,238	\$832,238	\$823,238	\$823,238

Capital Improvements and Capital Outlay





Capital Outlay

General Fund

New Fire Engine \$130,000

The City is beginning to set aside funds to purchase a new fire engine. In Fiscal Year 19/20, the City is transferring \$130,000 to the Vehicle Replacement Fund to assist with this purchase, while also exploring financing alternatives. If the City contributes \$130,000 annually, over a five-year period, \$650,000 will have been accumulated for the purchase of a new fire truck.

Typically, fire engines are placed into reserve status after 15 - 20 years of service and retired no later than 25 years of service and/or 100,000 miles. Currently, Engine 6414 is below the above mentioned indicators. The engine has 13 years of service and 78,000 miles. Setting aside \$130,000 per fiscal year will allow the City to purchase a new fire engine, just as Engine 6414 reaches the reserve threshold.

Once the new engine is purchased in FY 22/23, Engine 6424 will be retired and Engine 6414 will be placed in reserve status.

Tele Data Closet \$75,000

This project will include a redesign and update of the teledata closet to meet best practices and address current problems. The City's infrastructure housing information technology hardware suffers from spacial and environmental issues as well as physical security issues, putting all systems at risk of interruption and damage.

This project was identified as High Priority in the Technology Assessment Plan.

License Plate Recognition Reader (LPR) \$45,000

The installation of a Law Enforcement LPR camera system on a patrol vehicle; and a Parking LPR camera system placed on a parking scooter will identify wanted/stolen vehicles and assist with parking enforcement.

Asset Replacement Policy, Body and In Car Cameras \$60,000

The Police Department's current body and car camera system is at the end of its useful life and lacks modern functionalities. This purchase would replace the existing system with new modern solutions.

Body-worn and vehicle cameras allow the City to offer transparency, increase civility, provide quicker resolution, corroborate evidence; and facilitate training opportunities.

Two Virtual Servers for Redundancy \$19,000

The purchase of two servers to support Virtual Server infrastructure will provide redundancy for on premise Information Technology services.

Library Audio Visual \$22,000

This outlay item will include the upgrade of aging Library A/V equipment to improve audience experience and provide an easy to use system for staff and visiting presenters.

Two Library Self-Check-Out Machines \$20,000

This outlay item would allow for two new self-service check-out stations at the Library when it reopens following completion of the Library Renewal Project. The new self-check-out machines will offer streamlined options for patrons.

Internet Installation at Point Pinos Lighthouse & El Carmelo Cemetery \$5,000

This capital outlay item will include installation of internet at the Point Pinos Lighthouse and El Carmelo Cemetery sites which are lacking cellular and cabled network coverage necessary for communications for staff, patrons, and equipment. Extending networking services to interconnect these locations to the City's Wide Area network will allow usage of the internet for communications and services.

This project is considered part of our MAN (Metropolitan Area Network) expansion initiative identified as High Priority in the Technology Assessment Plan.

Total General Fund \$376,000

Non-General Fund

Cemetery Tractor \$50,000

This capital outlay item will allow for the purchase of a cemetery tractor. The current equipment is well outside its service life and parts are no longer manufactured. This is a vital piece of equipment necessary for cemetery operations.

Fiber Connection from City to New AMP Locations \$15,000

AMP provides broadcasting services for City public meetings. AMP recently relocated to a new location. Due to this relocation, the City will need to build out new pathways to allow a direct connection for television broadcasts and internet streaming.

Total Non-General Fund \$65,000

Combined Capital Outlay – All Funds \$441,000

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.

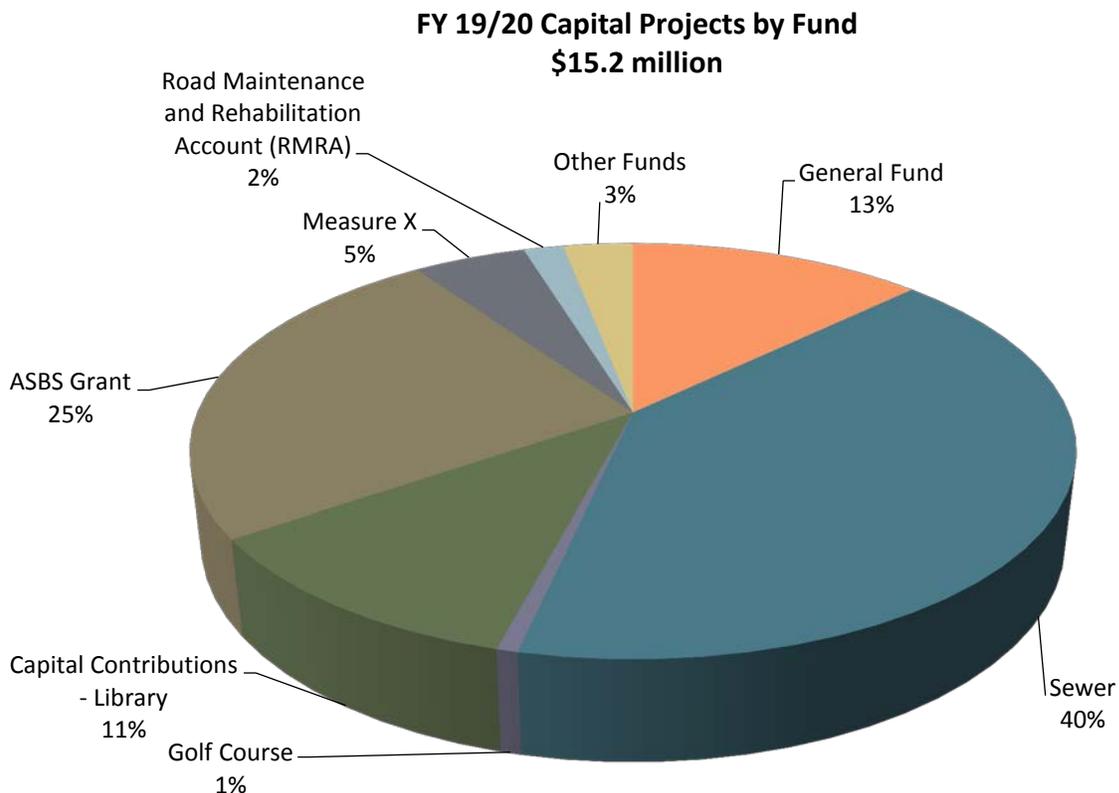
Each project proposal is reviewed from a variety of approaches and is prioritized based on the following criteria:

- Greatest need (ex: 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 19/20, the City has adopted funding for 29 projects, with the general fund contributing to 12 projects; and other funds contributing to 17 individual or multi-funded projects. An overview is presented below, with complete project details provided on separate sheets within this section.

Funding Source	
General Fund	1,960,000
Capital Contribution Library (For Renovation Project)	1,723,000
Sewer	6,188,000
Area of Special Biological Significance (ASBS) Grant	3,788,000
Golf Course	100,000
Bertha Strong	65,000
Civic Center Site	85,000
Gas Tax Fund	30,000
Mcindo Donation	70,000
Measure X	750,000
Museum Improvement Fund	75,000
Recreation Donation Fund	37,000
Koo Estate Donations	100,000
Road Maintenance and Rehabilitation (RMRA)	265,981
Total	\$15,236,981





FY 19/20 Capital Improvement Plan

2019 Street Maintenance and Rehabilitation

Fund	- General Fund, Fund 63 Capital Improvement Project Fund - Fund 17, Local Streets and Roads (Measure X) - Fund 47, RMRA Fund (SB1)
Account	63-631-6041, 17-522-6041, 47-471-6026
Project Code	CIP 20-1
Council Strategic Goal	Complete Streets/City Asset Stewardship

Project Description, Scope and Purpose

This project will include street maintenance and rehabilitation of various roads in the City per the 2019 Pavement Management Program (PMP) from various funding sources including: the General Fund, Local Roads and Streets Fund (Measure X), and the Road Maintenance and Rehabilitation Account (RMRA/SB1).

Please note:

- The City is currently required to spend \$500,000 from the General Fund each year to meet the Maintenance of Effort (MOE) requirement to be eligible for SB1 and Measure X funding.
- SB1 requires that the City formally adopt a Resolution specifying specific projects/locations that will receive SB1 Funding. The FY19/20 SB1 allotment will fund two roads prescribed for 2" Overlay in the PMP as part of the City's Road Maintenance and Rehabilitation efforts. These streets include:
 - 17-mile drive from Del Monte Blvd to Crest Ave
 - Central Avenue from 15th Street to 9th Street

Fiscal Impact

Funding Source	Various Sources: General Fund, Measure X, and RMRA (Senate Bill 1)					Total Project Cost
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
General Fund	\$650,000	500,000	500,000	500,000	500,000	\$2,650,000
Measure X	\$750,000	\$410,000	\$410,000	\$410,000	\$410,000	\$2,390,000
RMRA	\$265,981	\$250,000	\$250,000	\$250,000	\$250,000	\$1,265,981
Total	\$1,665,981	\$1,160,000	\$1,160,000	\$1,160,000	\$1,160,000	\$6,305,981

Photos





FY 19/20 Capital Improvement Plan

Pedestrian Improvements Behind Pacific Grove High School

Fund	General Fund,
Account	Fund 63 Capital Improvement Project Fund
Project Code	63-631-6041
Project Code	CIP 20-2
Council Strategic Goal	Complete Streets/City Asset Stewardship

Project Description, Scope and Purpose

This is a **proactive sidewalk installation project** that addresses a priority sidewalk gap identified by Council Policy 700-4, the Sidewalk Development Policy. This project will improve City walkability and create safe pedestrian route to the school.

The City plans to invest \$50,000 to improve pedestrian access by installing sidewalks and ADA ramps on Forest Lodge Road adjacent to the Pacific Grove High school parking lot.

This project aims to be a joint venture with the Pacific Grove Unified School District (PGUSD). The intent is that the City will install the sidewalk and PGUSD complete the driveway approach/drop-off area improvements.

Fiscal Impact

General Fund, 63-631-6041					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$50,000	-	-	-	-	\$50,000

Photos





FY 19/20 Capital Improvement Plan

Annual Sidewalk Improvements

Fund	General Fund, Fund 63 Capital Improvement Project Fund
Account	63-631-6041
Project Code	CIP 20-3
Council Strategic Goal	Complete Streets

Project Description, Scope and Purpose

The Annual Sidewalk Improvement project will set aside \$50,000 for **reactionary sidewalk improvements**. These funds will help facilitate the City's Sidewalk Development Policy, Council Policy 700-4. As specified in this policy, the City will install curb/gutter and ADA ramps when a property owner triggers the installation of a sidewalk.

The funds ensure that the City can facilitate the implementation of the sidewalk development policy and improve city walkability.

Fiscal Impact

General Fund, 63-631-6041					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000

Photos

Example of two Sidewalk Development Policy installations from FY 18/19.

Congress and Laurel Avenue

Pine and Willow





FY 19/20 Capital Improvement Plan

Storm Drain Repairs

Fund	General Fund, Fund 63 Capital Improvement Project Fund
Account	63-631-6041
Project Code	CIP 20-4
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

This project will include replacing a portion of a failing storm drain pipe and install new storm drain inlets at 18th Street and Spruce Avenue.

Fiscal Impact

General Fund, 63-631-6041					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000

Photos





FY 19/20 Capital Improvement Plan

Library Renewal Project

Fund	General Fund, Fund 63 Capital Improvement Project Fund
Accounts	63-631-6021, Library Renewal Capital Donations
Project Code	CIP 18-41
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

This project includes an extensive remodel of interior of the Library. The project will encompass six major areas: ADA upgrades, safety and accessibility upgrades; lighting upgrades and efficiency; interior painting; ceiling, walls and door repair; interior construction and modifications and flooring.

Fiscal Impact

Funding Source		General Fund, Library Renewal Capital Campaign Donations					Total Project Cost
	Project Expenses FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
General Fund	200,000	\$200,000	-	-	-	-	\$400,000
Donations	377,000	\$1,723,000	-	-	-	-	\$2,100,000
Total	\$577,000	\$1,923,000	-	-	-	-	\$2,500,000

Photos





FY 19/20 Capital Improvement Plan

New Roof at The Grill at Lovers Point

Fund	General Fund, Fund 63 Capital Improvement Project Fund
Account	63-631-6021
Project Code	CIP 20-6
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

Install a new roof on the City owned property, The Grill, located at Lovers Point. The roof is degraded, continues to leak, and is in need of a full replacement.

Fiscal Impact

General Fund, 63-631-6021					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$50,000	-	-	-	-	\$50,000

Photos





FY 19/20 Capital Improvement Plan

Stormwater Master Plan

Fund	General Fund, Fund 63 Capital Improvement Project Fund
Account	63-631-6054
Project Code	CIP 20-7
Council Strategic Goal	Environmental Stewardship/City Asset Stewardship

Project Description, Scope and Purpose

This project would allow for the development of a Stormwater Master Plan. This plan will provide the City with a roadmap to address stormwater infrastructure citywide and create a plan of action for future stormwater improvements via the CIP.

This project also has the potential to help establish a stormwater enterprise account to fund future stormwater improvements via the Proposition 218 process.

Fiscal Impact

General Fund, 63-631-6054					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$75,000	-	-	-	-	\$75,000

Photos





FY 19/20 Capital Improvement Plan

New Solar Lights on Morse Drive, Olmstead Avenue, Hillcrest Avenue, and Spazier Avenue

Fund	General Fund, Fund 63 Capital Improvement Project Fund
Account	63-631-6042
Project Code	CIP 20-8
Council Strategic Goal	Environmental Stewardship/City Asset Stewardship

Project Description, Scope and Purpose

This project will build upon previous years' CIP efforts and allow for continued installation of solar lights on Morse Drive, Olmstead Avenue, Hillcrest Avenue, and Spazier Avenue. This project will allow for purchase and installation of four solar lights.

Fiscal Impact

General Fund, 63-631-6042					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$60,000	-	-	-	-	\$60,000

Photos





FY 19/20 Capital Improvement Plan

Public Works Electrical Panel Modernization/Solar Engineering

Fund	General Fund,
	Fund 63 Capital Improvement Project Fund
Account	63-631-6021
Project Code	CIP 20-9
Council Strategic Goal	Environmental Stewardship/City Asset Stewardship

Project Description, Scope and Purpose

In anticipation of implementing solar as a cost saving measure, electrical panels at the Public Works Yard will need to be modernized and coordinated with PG&E.

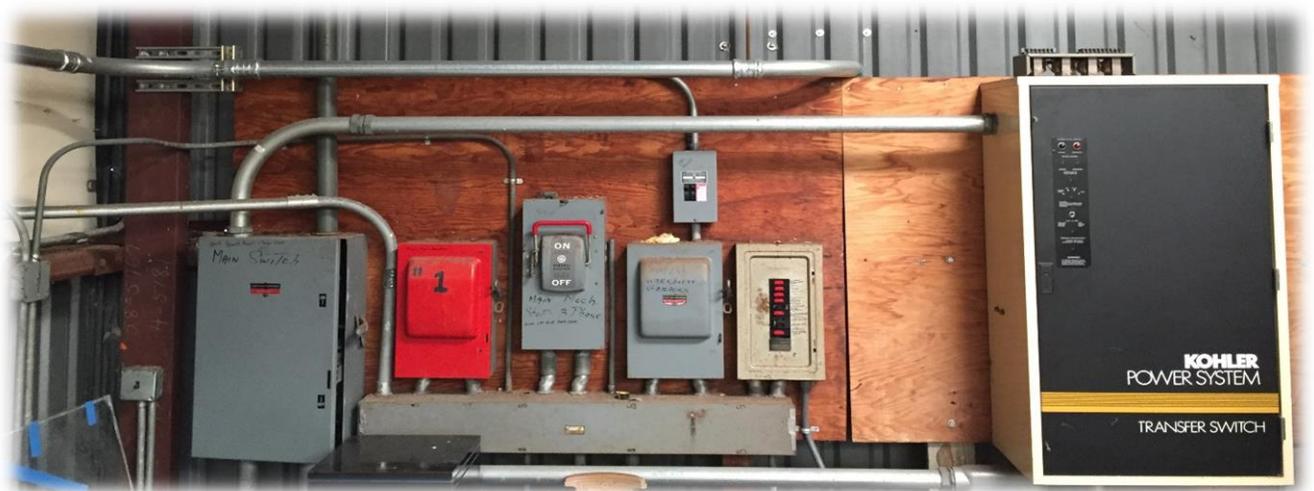
The Public Works electrical system has been pieced together over the last several decades. This project would ensure this critical infrastructure meets modern safety codes and will remain reliable for many years to come.

Additionally, as part of this project there will be an initial assessment of the viability of establishing and solar power production on a scale that would cover the power needs for all City owned and maintained facilities.

Fiscal Impact

General Fund, 63-631-6021					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$50,000	-	-	-	-	\$50,000

Photos





FY 19/20 Capital Improvement Plan

Perkins Park Landscape Plan

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

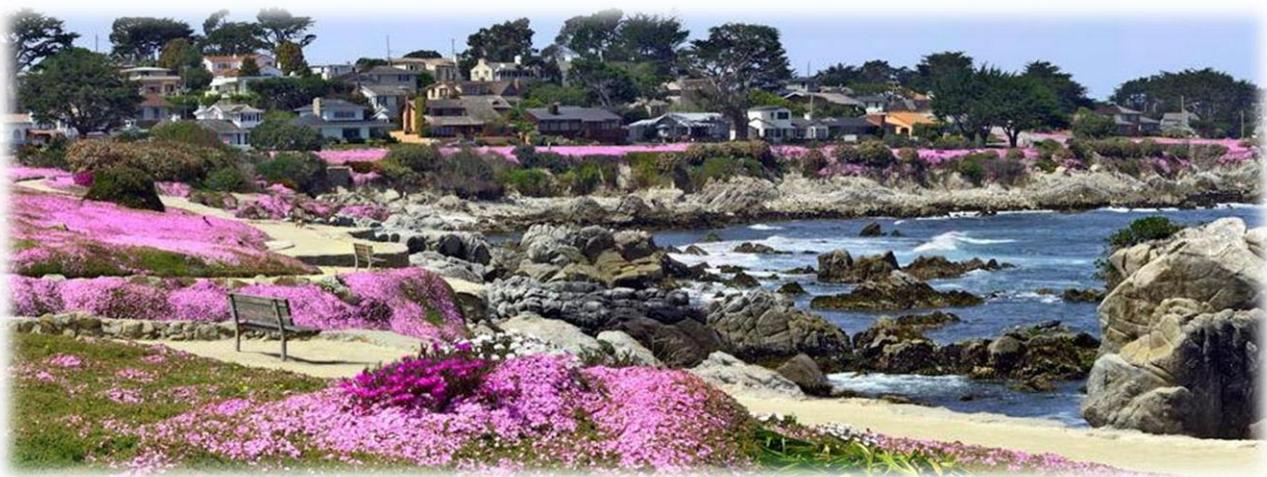
Project Description, Scope and Purpose

This project will include retaining a landscape architect to develop a plan to address Perkins Park from Lovers Point to Esplanade . The plans will serve to provide the City with methods to ensure the purple carpet flourishes and all other vegetation is removed.

Fiscal Impact

General Fund, 63-631-6031					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$75,000	-	-	-	-	\$75,000

Photos





FY 19/20 Capital Improvement Plan

Lovers Point Coastal Access Project

Fund	- General Fund, Fund 63 Capital Improvement Project Fund - Fund 93, Koo Estate Donation
Accounts	63-631-6031, 93-931-6031
Project Code	CIP 18-2
Council Strategic Goal	City Asset Stewardship/Environmental Stewardship

Project Description, Scope and Purpose

"This project aims to create an attractive, high quality pedestrian path that encourages people to get out of their vehicles and walk along the trail, create accessible routes from the recreation trail to the street intersection that leads to downtown, and implement stormwater improvements.

The project was engineered and put out to bid in FY 17/18. Bids came in higher than anticipated and a team was put together to value engineer the project. Following value engineering, the project was put out to bid a second time. At the February 6, 2018 City Council Meeting the item was tabled.

At the 4/17 Meeting, City Council indicated interest in placing the project out to bid and including it in the FY19/20 CIP.

Fiscal Impact

Funding Source	General Fund, Koo Estate Donations						Total Project Cost
	Projected Expenses FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
General Fund	-	\$400,000	-	-	-	-	\$400,000
Koo Estate Donations	-	\$50,000	-	-	-	-	\$50,000
Total	-	\$450,000	-	-	-	-	\$450,000

Photos





FY 19/20 Capital Improvement Plan

Tide Pool and Pinos Trail

Fund	General Fund, Fund 63 Capital Improvement Project Fund
Account	63-631-6021
Project Code	CIP 18-46
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

This project entails construction of a formal pedestrian 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.

In FY 17/18 funding was allocated to prepare and complete the environmental document. The project was funded in FY 18/19; however it was deferred while the City pursued a grant funding.

As part of the FY 19/20 CIP, the City is allocating \$250,000 to serve as matching funds for future grants obtained.

Fiscal Impact

General Fund, 63-631-6021						
Projected Expenses FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
-	\$250,000	-	-	-	-	\$250,000

Photos





FY 19/20 Capital Improvement Plan

Point Pinos Grill Reroof

Fund Fund 77 Golf Course Fund
Accounts 77-622-6021
Project Code CIP 20-5
Council Strategic Goal City Asset Stewardship

Project Description, Scope and Purpose

This project will include reroofing the Point Pinos Grill located at 77 Asilomar Ave, which has deteriorated and is in need of replacement.

Fiscal Impact

Golf Course Fund, 77-622-6021					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$100,000	-	-	-	-	\$100,000

Photos





FY 19/20 Capital Improvement Plan

HVAC at the Pacific Grove Museum of Natural History

Fund	Fund 8-Museum Improvement Fund
Account	8- 412-6021
Project Code	CIP 20-11
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

This project includes the purchase and installation of an HVAC system for the Pacific Grove Museum of Natural History.

Fiscal Impact

Non-General Fund, 8- 412-6021					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$75,000	-	-	-	-	\$75,000

Photos





FY 19/20 Capital Improvement Plan

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

Fund	Fund 79-ASBS Grant
Account	79-614-6026
Project Code	CIP 18-84
Council Strategic Goal	City Asset Stewardship/Environmental Stewardship

Project Description, Scope and Purpose

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

The City received a \$4.4 million grant from the state to facilitate the project.

Fiscal Impact

		Non-General Fund, 79-614-6026					
Prior Year and Projected Expenses FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost	
\$512,000	\$3,788,000	-	-	-	-	\$4,300,000	
\$512,000	\$3,788,000	-	-	-	-	\$4,300,000	

Photos





FY 19/20 Capital Improvement Plan

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

Fund	Fund 76-Sewer Fund
Account	76-612-6051
Project Code	CIP 19-85
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

These projects have been 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).

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

SCSMP #4- Replaces or rehabilitates manholes deteriorated by hydrogen sulfide on Crocker and Asilomar.

SCSMP #5- Consolidates multiple sewer mains and abandons existing sewer mains to tie-over to new sewer main.

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

Fiscal Impact

Non-General Fund, 76-612-6051						
Project	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
SCSMP #3	\$1,500,000	-	-	-	-	\$1,500,000
SCSMP #4	\$1,207,000	-	-	-	-	\$1,207,000
SCSMP #5	\$1,027,000	-	-	-	-	\$1,027,000
SCSMP #8	\$1,104,000	-	-	-	-	\$1,104,000
Total	\$4,838,000	-	-	-	-	\$4,838,000

Photos below, as well as additional photos can be found in the City's Sewer Collection System Master Plan.

Photos





FY 19/20 Capital Improvement Plan

Phase 8 Sewer Line Improvements at Various Locations

Fund	Fund 76 - Sewer Fund
Account	76-612-6051
Project Code	CIP 20-12
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

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

Potential locations include:

- Forest Avenue between Prescott and David
- 15th Street between Junipero and Pine
- 9th Street from Pine to Laurel
- Crocker Avenue

Fiscal Impact

Non-General Fund, 76-612-6051					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$850,000	-	-	-	-	\$850,000

Photos





FY 19/20 Capital Improvement Plan

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

Fund	Fund 76- Sewer Fund
Account	76-612-6051
Project Code	CIP 20-13
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

This project will include mainline improvements on Ocean View Blvd, and Sea Palm Avenue 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 to the ASBS Wet-Dry Stormwater Capture and Reuse Project.

Fiscal Impact

Non-General Fund, 76-612-6051					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$500,000	-	-	-	-	\$500,000

Photo





FY 19/20 Capital Improvement Plan

Heater at the Youth Center

Fund	Fund 25-Recreation Donation Fund
Account	25-422-6021
Project Code	CIP 20-14
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

This project will include the installation of a new heater at the Youth Center. The existing heater at the Youth Center is failing and must be replaced.

Fiscal Impact

Non-General Fund, 25-422-6021					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$12,000	-	-	-	-	\$12,000

Photos





FY 19/20 Capital Improvement Plan

Youth Center Carpets

Fund	Fund 25-Recreation Donation Fund
Account	25-422-6021
Project Code	CIP 20-15
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

This project will consist of replacing the carpet in the staircase, second floor and closets of the Youth Center. The existing carpet is deteriorated and in need of replacement.

Fiscal Impact

Non-General Fund, 25-422-6021					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$25,000	-	-	-	-	\$25,000

Photos





FY 19/20 Capital Improvement Plan

Gardner's Alley Pedestrian Improvements

Fund	Fund 92-McIndoo Donation
Account	92-519-6041
Project Code	CIP 20-16
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

This project will include pedestrian access and walkway improvements in the Gardener's Alley located between Fountain Avenue and Grand Avenue.

Fiscal Impact

Non-General Fund, 92-519-6041					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$20,000	-	-	-	-	\$20,000

Photos





FY 19/20 Capital Improvement Plan

Beach Access Steps

Fund	Fund 92-Mcindoo Donation
Account	92-519-6031
Project Code	CIP 20-17
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

A portion of the steps at the access point to the Lovers Point beach are damaged and create an increased potential slip/fall hazard. Repairs were attempted and the rebar was grinded down to prevent trip and fall hazards; however the grinding reduced the depth of several steps to less than 6 inches and caused the edge to become smooth. The smaller step and smooth surface increases the risk of slips or falls. This project will eliminate this hazard.

This project was identified as a potential safety hazard in the City's draft Risk Assessment Report.

Fiscal Impact

Non-General Fund, 92-519-6031					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$20,000	-	-	-	-	\$20,000

Photos





FY 19/20 Capital Improvement Plan

Asphalt Concrete for Lovers Point Park Pathways

Fund	Fund 92-Mcindoo Donation
Account	92-519-6031
Project Code	CIP 20-18
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

This project will address potential slip and fall hazards resulting from rutted or uneven pathways in Lovers Point Park.

This project was identified in the City's draft Risk Assessment Report.

Fiscal Impact

Non-General Fund, 92-519-6031					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$30,000	-	-	-	-	\$30,000

Photos





FY 19/20 Capital Improvement Plan

Electrical Vehicle Charging Station

Fund	Fund 46-Strong Disbursement Fund
Account	46-461-6021
Project Code	CIP 20-19
Council Strategic Goal	City Asset Stewardship/Environmental Stewardship

Project Description, Scope and Purpose

This project would include installation of the infrastructure necessary to install two rapid car charging stations in the parking lot behind the Bank of America.

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.

Fiscal Impact

Non-General Fund, 46-461-6021					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$50,000	-	-	-	-	\$50,000

Photos





FY 19/20 Capital Improvement Plan

Community Center Office Refresh

Fund	Fund 46-Strong Disbursement Fund
Account	46-461-6021
Project Code	CIP 20-20
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

This project will consist of painting, installation of new flooring, and installation of new curtains in the Community Center Office. The office is in need of a refresh before housing staff or being rented.

Fiscal Impact

Non-General Fund, 46-461-6021					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$15,000	-	-	-	-	\$15,000

Photos





FY 19/20 Capital Improvement Plan

Street Sign Inventory

Fund	Fund 18-Gas Tax
Account	18-508-6041
Project Code	CIP 20-21
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

This project will produce an inventory of street signs citywide. This will serve as a tool to ensure all street signs are in compliance with current standards.

Fiscal Impact

Non-General Fund, 18-508-6041					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$30,000	-	-	-	-	\$30,000

Photos





FY 19/20 Capital Improvement Plan

City Hall - Admin. Services Flooring and Water Leakage Project

Fund	Fund 14-Civic Center Site
Account	14-704-6021
Project Code	CIP 20-22
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

This project will aim to correct surface leakage in the Administrative Services Department, which is causing the laminate floor to bubble and peel. This project would also include additional painting and coating of the men's and women's restroom concrete flooring.

This project would eliminate the recurring water damage to the area; and replace the flooring, as well as re-coat or replace the flooring in the bathroom.

Fiscal Impact

Non-General Fund, 14-704-6021					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$20,000	-	-	-	-	\$20,000

Photos





FY 19/20 Capital Improvement Plan

Fire Station Decking Replacement

Fund	Fund 14-Civic Center Site
Account	14-704-6021
Project Code	CIP 20-23
Council Strategic Goal	City Asset Stewardship

Project Description, Scope and Purpose

This project would include replacing the fire station decking which is deteriorated and in need of repair.

Fiscal Impact

Non-General Fund, 14-704-6021					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$65,000	-	-	-	-	\$65,000

Photos

*Please note these photos are not photos of the current fire station decking. They are merely being used for illustration purposes. Obtaining photos would have required removal of the existing deck to uncover the deteriorating baseboards.





FY 19/20 Capital Improvement Plan

ADA Improvements at Arnett and George Washington Park

Fund	Fund 93-Koo Estate Donation
Account	93-931-6028
Project Code	CIP 20-24
Council Strategic Goal	City Asset Stewardship

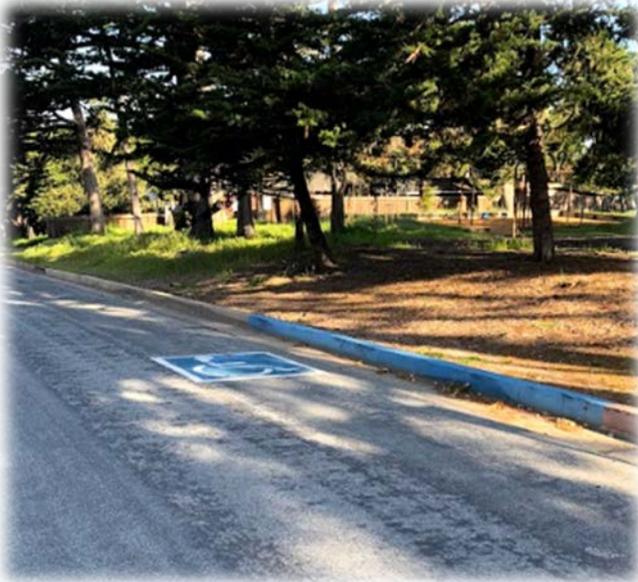
Project Description, Scope and Purpose

This project will include various ADA improvements at Arnett Park and George Washington Park.

Fiscal Impact

Non-General Fund, 93-931-6031					
FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total Project Cost
\$50,000	-	-	-	-	\$50,000

Photos



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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





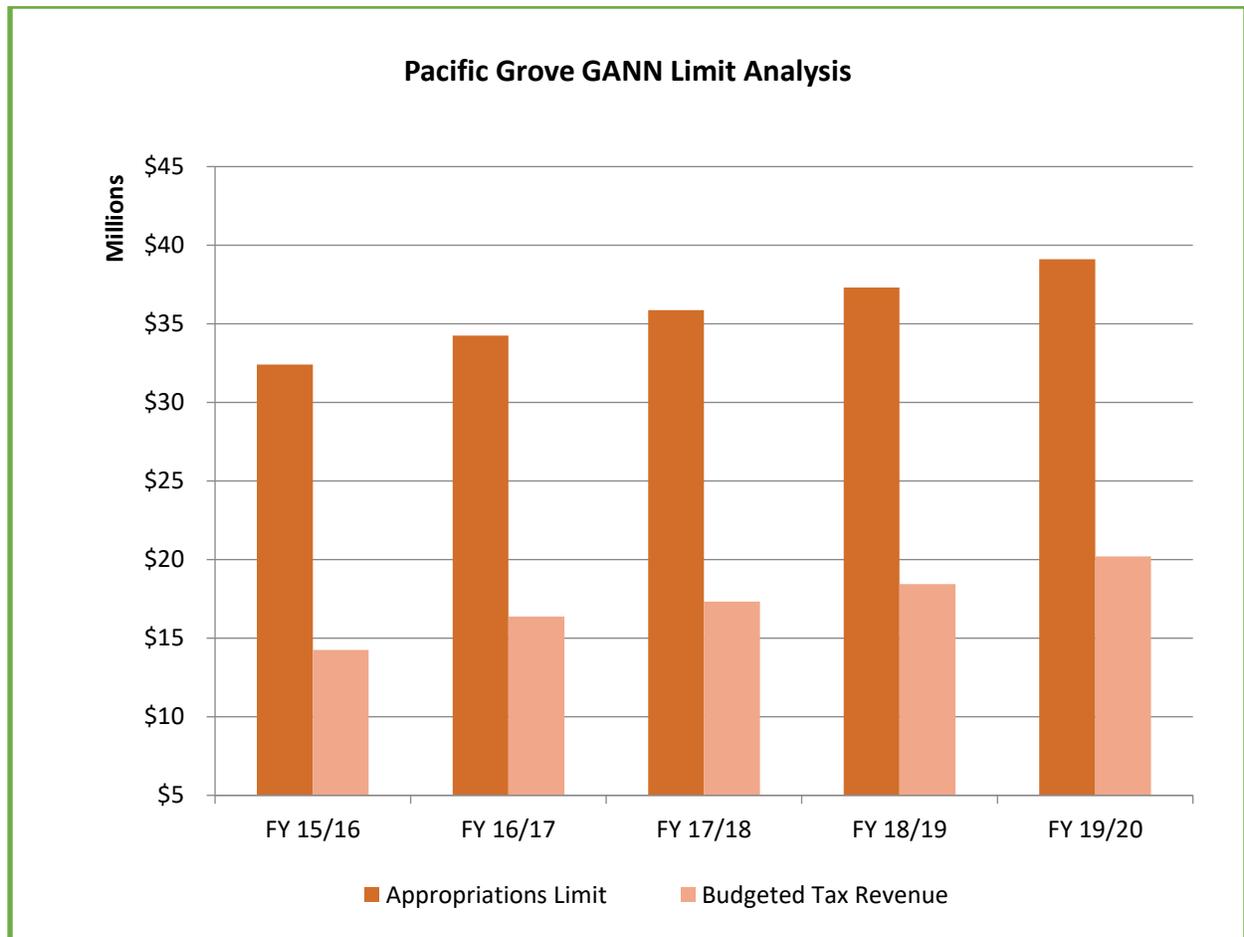
California Gann Limit

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 19/20 is \$20,195,000 and its appropriations limit is \$39,099,658. The City of Pacific Grove is at 52% 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. 19-015

**RESOLUTION OF THE CITY OF PACIFIC GROVE
ESTABLISHING THE FISCAL YEAR 2019-20
APPROPRIATION LIMIT**

FINDINGS

1. The City Council conducted a public hearing regarding the City's Fiscal Year 2019-20 Appropriation limit on June 5, 2019.
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 2019-20.

**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 2019-20 shall be \$39,099,658.
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 5th day of June, 2019, by the following vote:**

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

NOES: None.

ABSENT: None.

APPROVED:

Bill Peake

BILL PEAKE, Mayor

ATTEST:

Sandra Kandell for

SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

Heidi Quinn for

DAVID C. LAREDO, City Attorney

Budget Adoption Ordinance



ORDINANCE NO. 19-007

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE
ADOPTING THE OPERATING AND CAPITAL PROJECTS BUDGET FOR THE
FISCAL YEAR 2019-20; AND AMENDING THE OPERATING AND CAPITAL
PROJECTS BUDGET FOR FISCAL YEAR 2018-19**

WHEREAS, the City Council held a public hearing and first reading of an ordinance to adopt the FY 2019-20 Operating and Capital Projects Budget; and amend the FY 2018-19 Operating and Capital Projects Budget

WHEREAS, the City Manager is recommending adoption of the FY 2019-20 Budget to reflect the City Council's expressed goals for the fiscal year budget; and approve changes for the FY 2018-19 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 2019-20 appropriated budget for the General fund is adopted as follows:

	Revenues	Expenditures
Revenues	\$ 24,688,000	
Expenditures		
City Council		\$359,255
City Manager		975,268
Legal Services		447,876
Finance		1,140,534
Information Services		748,401
Police		6,785,642
Fire		3,444,584
Public Works		3,618,747
Community Development		2,231,383
Library		1,137,789
Recreation		702,049
Museum		260,150
Subtotal		\$21,851,678
Non-Departmental		
Capital Outlay		246,000
Capital Projects		1,960,000
Debt Service		2,008,778
Interfund Transfers	324,572	416,507
	\$208 25,012,572	\$26,482,963

SECTION 3. The FY 2019-20 appropriated budget for the Enterprise Funds are adopted as follows:

	Revenues	Expenditures
Cemetery	\$ 470,100	\$ 525,390
Golf	448,000	397,097
Local Water Project	620,437	682,525
Sewer	3,424,974	8,273,272
	<u>\$ 4,963,511</u>	<u>\$ 9,878,284</u>

SECTION 4. The FY 2019-20 appropriated budget for the Internal Service Funds are adopted as follows:

	Revenues	Expenditures
Employee Benefits	\$ 239,500	\$ 265,000
Liability Insurance	267,000	519,375
Other Post Employment Benefits	-	324,572
Workers Compensation	653,500	670,674
	<u>\$ 1,160,000</u>	<u>\$ 1,779,621</u>

SECTION 5. The FY 2019-20 appropriated budget for the Permanent Funds are adopted as follows.

	Revenues	Expenditures
Cemetery Endowment	\$ 65,000	\$ -
Library Endowment	5,134	42,000
Yount Trust	12,000	12,000
	<u>\$ 82,134</u>	<u>\$ 54,000</u>

SECTION 6 The FY 2019-20 appropriated budget for the Capital Improvement Funds are adopted as follows.

	Revenues	Expenditures
Building and Improvement Fund	-	332
General Fund CIP	3,686,000	3,683,000

SECTION 7 The FY 2019-20 appropriated budgets for the Special Revenue Funds and are adopted as follows.

	Revenues	Expenditures
ASBS Grant	\$ 3,846,000	\$ 3,788,000
Cal Home Reuse	50,000	82,000
Carillon	75	-
CDBG Grant	120,000	579,000
CDBG 2013 Grant	-	-
CDBG 2019 Grant Fund	-	-
Chautauqua Hall	135	5,000
Clean Beaches	-	-
Coastal Conservancy Grant	-	-
Downtown Business District	31,050	21,400
Environmental Enhancement	-	20,000
Fire Emergency Equipment	21,250	25,000
Gas Tax Fund	382,546	316,913
General Plan Maintenance Fee Fun	7,000	-
Greening Grant	-	-
Hospitality Improvement District	511,500	511,500
Housing Fund	72,400	184,904
Library Building and Equipment	-	-
Lighthouse Maintenance & Imp.	87,000	118,828
Library Book Donations	7,140	-
Local Streets and Roads	673,000	750,000
McIndoo Donation	1,000	70,000
Museum Improvement	3,700	75,000
Poetry Promotion	435	19,500
Public Safety Augmentation	340,000	481,000
Regional Safety Trans. (RSTP)	-	-
RMRA	266,341	265,981
Senior Housing	70	-
Sewer Lateral Loans	150	40,000
State Franchise PEG	59,000	279,000
Strong Fund Disbursements	44,250	65,000
Supplemental Law Enforcement	184,000	102,567
Traffic Congestion Relief	-	-
Vehicle Abandonment	7,100	8,000
Yount Income	10,000	20,027
	<u>\$ 6,725,142</u>	<u>\$ 7,828,620</u>

SECTION 8 The FY 2019-20 appropriated budgets for the General Fund Sub-Funds are adopted as follows.

	Revenues	Expenditures
Asset Seizure	-	-
Civic Center Site	1,360	85,000
Consolidated Investment Fund	-	-
Drug Awareness (DARE)	12,000	16,150
Hyperbaric Chamber	9,300	17,600
Koo Estate Donation	-	100,000
Lovers Point Pool	460	10,000
Operating Donations	2,010	-
Operating Grants	10	-
People's Desalinization Project	-	-
Recreation Donation Fund	9,487	42,000
Stormwater Fund	-	-
Vehicle Replacement	130,000	-
	\$ 164,627	\$ 270,750

SECTION 9 The FY 2018-19 appropriated Budget is amended as follows.

	Revenues	Expenditures
Capital Improvement Fund	1,927,453	1,927,453
State Franchise PEG	No Change	210,000
Coastal Conservancy Fund	No Change	175,000
Reiko Koo Estate Donations	175,000	No Change

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 19th day of June, 2019, by the following vote:

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

NOES:

ABSENT: Councilmember McAdams

APPROVED:



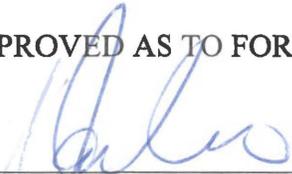
BILL PEAKE, Mayor

ATTEST:



SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:



DAVID C. LAREDO, City Attorney

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.