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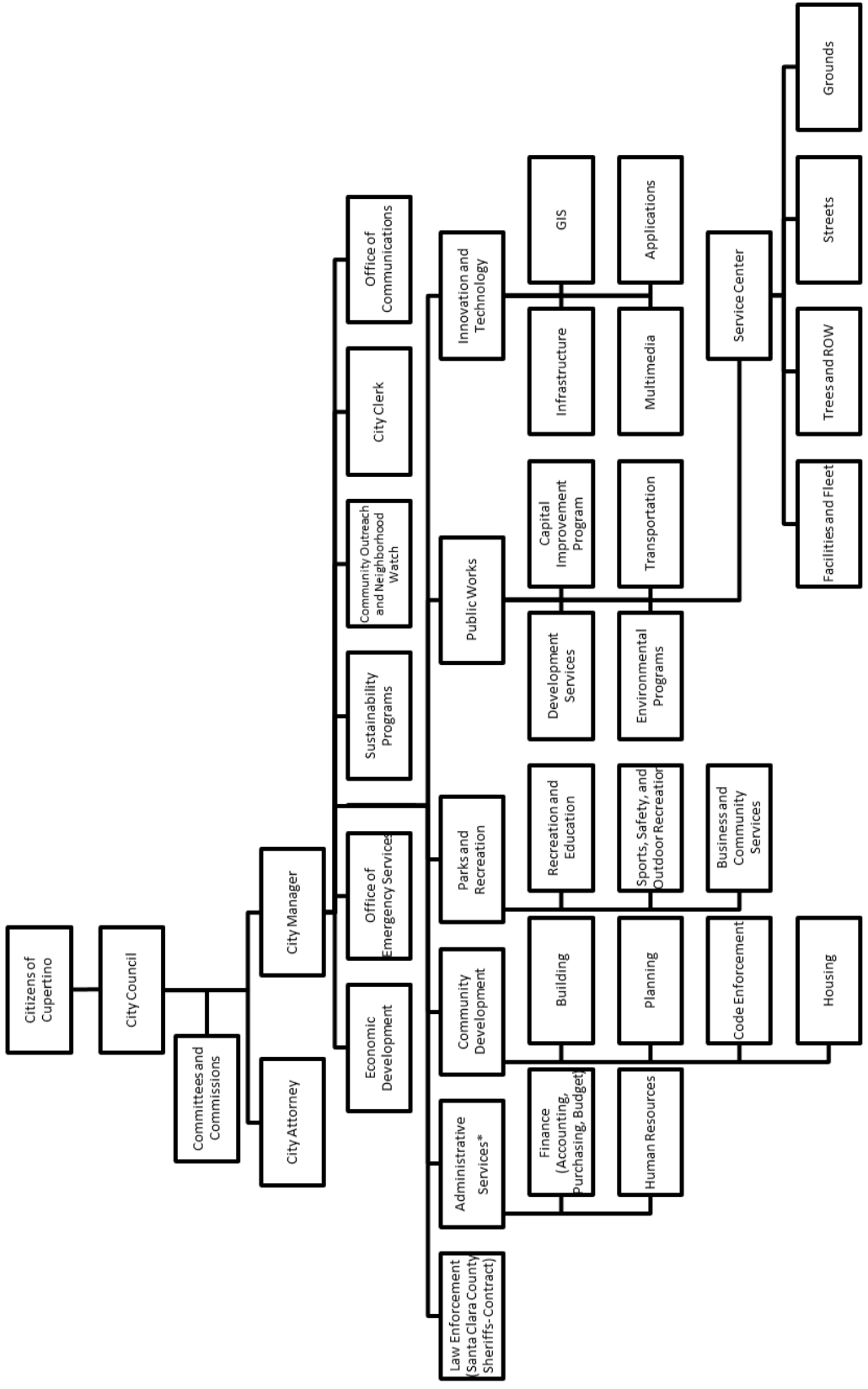
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Introduction

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City Organizational Chart



*The City Treasurer is the Director of Administrative Services

Directory of City Officials

City Council



Darcy Paul
Mayor



Liang Chao
Vice Mayor



Kitty Moore
Council Member



Hung Wei
Council Member



Jon Willey
Council Member

Directory of City Officials

- Jim Throop – City Manager
- Dianne Thompson – Assistant City Manager
- Christopher Jensen – City Attorney
- Kristina Alfaro – Director of Administrative Services
- Ben Fu – Director of Community Development
- Matt Morley – Director of Public Works
- Joanne Magrini – Director of Parks and Recreation
- Bill Mitchell – Chief Technology Officer

Commissions and Committees

AUDIT COMMITTEE

Angela Chen
Yan (Sophie) Song
Darcy Paul
Kitty Moore
Laura Hammer

BICYCLE PEDESTRIAN COMMISSION

Gerhard Eschelbeck
Grace John
Erik Lindskog
Jack Carter
Ilango Ganga

DESIGN REVIEW COMMITTEE

Muni Madhhipatla
Sanjiv Kapil
R Wang

ENVIRONMENTAL REVIEW COMMITTEE

Kitty Moore
Matt Morley
Ben Fu
Dianne Thompson
Steven Scharf
Darcy Paul
Muni Madhhipatla

ECONOMIC DEVELOPMENT COMMITTEE

Darcy Paul
Kevin McClelland
Hung Wei
Mike Rohde
Rod Diridon Jr.
Alan Takahashi
Roslyn Donald
Angela Tsui
Ben Fu
Anjali Kausar
Roger Lee

FINE ARTS COMMISSION

Carol Maa
Janki Chokshi
Satish Tare
Esha Rao
Sudha Kasamsetty

HOUSING COMMISSION

Govind Tatachari
Tessa Parish
Sue Bose
Connie Cunningham
Angan Das

LEGISLATIVE REVIEW COMMITTEE

Liang Chao
Kitty Moore

LIBRARY COMMISSION

Archana Panda
Liyan Zhao
Sheela Sreekanth
Qin Pan
Rahul Vasanth

PARKS AND RECREATION COMMISSION

Carol Stanek
Xiangchen "Minna" Xu
Gopal Kumarappan
Seema Swamy
Sashikala Begur

PLANNING COMMISSION

R "Ray" Wang
Vikram Saxena
Sanjiv Kapil
Muni Madhhipatla
Steven Scharf

PUBLIC SAFETY COMMISSION

Eric Shan
Hymanand Nellore
Lakshminarasimha Ankireddipally
Tiffany Wang
Bobby Toda

SUSTAINABILITY COMMISSION

Anna Weber
Sonali Padgaonkar
Meera Ramanathan
Steve Poon
Vignesh Swaminathan

TEEN COMMISSION

Rachael Ding
Geethikaa Tarra
Andrew Qin
Maple Leung
Zehra Naqvi
Dhruti Halambi
Elspeth Luu
Alex Zhang
Adhya Kasamsetty

TECHNOLOGY, INFORMATION & COMMUNICATIONS COMMISSION

Eliza Du
Mukesh Garg
Naidu Bollineni
Rajaram Soundararajan
Prabir Mohanty

GFOA Distinguished Budget Presentation Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Cupertino
California**

For the Fiscal Year Beginning

July 01, 2021

Christopher P. Morill

Executive Director

CSMFO Operating Budget Excellence Award



CSMFO Innovation Award

CSMFO awarded the City of Cupertino the 2022 Innovation Award for the City's Resident Tax Calculator and Budget Forecast Tool. This is the first time that the City of Cupertino has received this award and highlights the City's commitment to innovation despite unique challenges presented by the pandemic over the past year. They are available at cupertino.org/interactive-budget-tools.

Resolutions

RESOLUTION NO. 22-064

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO ADOPTING AN OPERATING BUDGET FOR FISCAL YEAR 2022-23 BY RATIFYING THE ADEQUACY OF ESTIMATED REVENUES AND FUND BALANCES IN EACH FUND TO COVER APPROPRIATED MONIES, APPROPRIATING MONIES THEREFROM FOR SPECIFIED ACTIVITIES AND ACCOUNTS, AND SETTING FORTH CONDITIONS OF ADMINISTERING SAID BUDGET

WHEREAS, the orderly administration of municipal government is dependent on the establishment of a sound fiscal policy of maintaining a proper ratio of expenditures within anticipated revenues and available monies; and

WHEREAS, the extent of any project or program and the degree of its accomplishment, as well as the efficiency of performing assigned duties and responsibilities, is likewise dependent on the monies made available for that purpose; and

WHEREAS, the City Manager has submitted his estimates of anticipated revenues and fund balances, has determined that estimated revenues and fund balances are adequate to cover appropriations, and has recommended the allocation of monies for specified program activities;

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby adopt the following sections as a part of its fiscal policy:

Section 1. The estimates of available fund balances and anticipated resources to be received in each of the several funds during Fiscal Year 2022-23, as submitted by the City Manager in his proposed budget and amended during the budget study sessions, are sufficient to cover appropriations.

Section 2. There is appropriated from each of the several funds the sum of money set forth as expenditures for the funds named in the Fiscal Year 2022-23 Proposed Budget Financial Overview by Fund (Exhibit A), as amended during the budget sessions, and stated for the purposes as expressed and estimated for each department.

Section 3. The City Manager is hereby authorized to administer and transfer appropriations between Budget Accounts within the Operating Budget when in his opinion such transfers become necessary for administrative purposes.

Section 4. The Director of Administrative Services shall prepare and submit to City Council quarterly a revised estimate of Operating Revenues.

Section 5. The Director of Administrative Services is hereby authorized to continue appropriations for operating expenditures that are encumbered or scheduled to be encumbered at year end.

PASSED AND ADOPTED at a special meeting of the City Council of the City of Cupertino this 9th day of June, 2022, by the following vote:

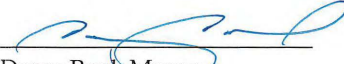
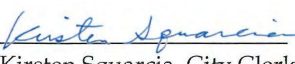
Vote Members of the City Council

AYES: Paul, Chao, Wei, Willey

NOES: Moore

ABSENT: None

ABSTAIN: None

SIGNED:  _____ Darcy Paul, Mayor City of Cupertino	<u>7/10/2022</u> _____ Date
ATTEST:  _____ Kirsten Squarcia, City Clerk	<u>7/11/22</u> _____ Date

FISCAL YEAR 2022-23 ADOPTED BUDGET
FINANCIAL OVERVIEW BY FUND

Revenue Categories	2022-23 Adopted Budget						
	General Fund	Special Revenue Fund	Debt Service Fund	Capital Project Funds	Enterprise Funds	Internal Service Funds	All Funds
Sales Tax	31,944,089	-	-	-	-	-	31,944,089
Property Tax	30,039,574	-	-	-	-	-	30,039,574
Transient Occupancy	5,000,000	-	-	-	-	-	5,000,000
Utility Tax	2,955,404	-	-	-	-	-	2,955,404
Franchise Fees	3,230,101	-	-	-	-	-	3,230,101
Other Taxes	1,787,691	8,203,431	-	-	-	-	9,991,122
Licenses & Permits	3,541,012	-	-	-	-	-	3,541,012
Use of Money & Property	1,277,013	5,548	-	-	700,000	-	1,982,561
Intergovernmental	1,434,491	3,500,224	-	-	14,000	-	4,948,715
Charges for Services	11,528,436	1,512,209	-	-	5,058,792	4,053,851	22,153,288
Fines & Forfeitures	427,000	68,669	-	-	-	-	495,669
Miscellaneous	1,160,437	-	-	-	10,000	-	1,170,437
Transfers In/Other Financing Uses	336,140	3,025,000	2,675,800	2,500,000	376,000	3,855,645	12,768,585
TOTAL REVENUES	\$ 95,067,778	\$ 16,316,008	\$ 2,675,800	\$ 2,500,000	\$ 6,188,792	\$ 7,909,496	\$ 127,406,126

Appropriation Categories	2022-23 Adopted Budget						
	General Fund	Special Revenue Fund	Debt Service Fund	Capital Project Funds	Enterprise Funds	Internal Service Funds	All Funds
Employee Compensation	24,295,660	2,050,572	-	-	1,786,450	1,803,287	29,935,969
Employee Benefits	11,440,636	1,037,760	-	-	605,466	2,190,096	15,273,958
Materials	7,219,073	1,001,596	-	-	500,003	1,418,575	10,139,247
Contract Services	25,026,032	1,152,665	-	175,000	4,804,188	1,798,390	32,956,275
Cost Allocation	10,385,961	1,191,567	-	-	789,939	62,042	12,429,509
Capital Outlays	-	1,038,000	-	-	-	-	1,038,000
Special Projects	3,657,378	3,742,268	-	-	183,553	541,100	8,124,299
Contingencies	451,739	29,681	-	-	132,526	80,425	694,371
Transfers Out	11,996,300	-	-	-	-	-	11,996,300
Debt Service/Other Uses	695,000	-	2,675,800	-	177,606	968,791	4,517,197
TOTAL EXPENDITURES	\$ 95,067,778	\$ 16,224,106	\$ 2,675,800	\$ 1,651,000	\$ 6,292,734	\$ 8,326,706	\$ 127,406,126

CHANGE IN FUND BALANCE/ NET POSITION	\$ (506,391)	\$ 5,070,972	\$ -	\$ 2,325,000	\$ (2,820,939)	\$ (953,210)	\$ 3,115,432
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RESOLUTION NO. 22-065

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO
ADOPTING A CAPITAL IMPROVEMENT BUDGET FOR
FISCAL YEAR 2022-23 BY RATIFYING THE ADEQUACY OF ESTIMATED
REVENUES AND FUND BALANCES IN EACH FUND TO COVER
APPROPRIATED MONIES, APPROPRIATING MONIES THEREFROM FOR
SPECIFIED ACTIVITIES AND ACCOUNTS, AND SETTING FORTH
CONDITIONS OF ADMINISTERING SAID BUDGET**

WHEREAS, the orderly administration of municipal government is dependent on the establishment of a sound fiscal policy of maintaining a proper ratio of expenditures within anticipated revenues and available monies; and

WHEREAS, the extent of any project or program and the degree of its accomplishment, as well as the efficiency of performing assigned duties and responsibilities, is likewise dependent on the monies made available for that purpose; and

WHEREAS, the City has independently studied the Proposed Capital Improvement Program ("CIP") and has determined that the CIP is exempt from environmental review pursuant to the exemption in 14 California Code of Regulations §15061(b) (3) and §15378, in that it can be seen with certainty that there is no possibility that this CIP budget action will have a significant effect on the environment due to the approval of the budget, and does not involve approval of any specific project that may have a significant effect on the environment. Each project of the Proposed CIP projects will be evaluated for the application of the California Environmental Quality Act ("CEQA") to it and, as applicable, each project will conduct the appropriate level of environmental analysis.

WHEREAS, the City Council, using its independent judgment, before taking action on this Resolution, determines that the CIP is exempt from CEQA as stated above;

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby adopt the following sections as a part of its fiscal policy:

Section 1. The estimates of available fund balances and anticipated resources to be received in each of the several funds during Fiscal Year 2022-23, as submitted by the City Manager in the proposed budget and amended during the budget study sessions, are sufficient to cover appropriations.



Section 2. The Director of Public Works shall prepare and submit to City Council quarterly a revised estimate of Capital Improvement Program projects.

Section 3. The Director of Administrative Services is hereby authorized to continue appropriations for operating expenditures that are encumbered or scheduled to be encumbered at year end.

PASSED AND ADOPTED at a special meeting of the City Council of the City of Cupertino this 9th day of June, 2022, by the following vote:

Vote Members of the City Council

AYES: Paul, Chao, Wei, Willey
NOES: Moore
ABSENT: None
ABSTAIN: None

SIGNED:  _____ Darcy Paul, Mayor City of Cupertino	<u>7/10/2022</u> _____ Date
ATTEST:  _____ Kirsten Squarcia, City Clerk	<u>7/11/22</u> _____ Date

FISCAL YEAR 2022-23 ADOPTED BUDGET
FINANCIAL OVERVIEW BY FUND

2022-23 Adopted Budget							
Revenue Categories	General Fund	Special Revenue Fund	Debt Service Fund	Capital Project Funds	Enterprise Funds	Internal Service Funds	All Funds
Sales Tax	-	-	-	-	-	-	-
Property Tax	-	-	-	-	-	-	-
Transient Occupancy	-	-	-	-	-	-	-
Utility Tax	-	-	-	-	-	-	-
Franchise Fees	-	-	-	-	-	-	-
Other Taxes	-	-	-	-	-	-	-
Licenses & Permits	-	-	-	-	-	-	-
Use of Money & Property	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Transfers In/Other Financing Uses	-	-	-	-	23,600	-	23,600
TOTAL REVENUES	\$ -	\$ -	\$ -	\$ -	\$ 23,600	\$ -	\$ 23,600
2022-23 Adopted Budget							
Appropriation Categories	General Fund	Special Revenue Fund	Debt Service Fund	Capital Project Funds	Enterprise Funds	Internal Service Funds	All Funds
Employee Compensation	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-
Contract Services	-	-	-	90,000	-	-	90,000
Cost Allocation	-	-	-	-	-	-	-
Capital Outlays	-	-	-	3,345,000	23,600	-	3,368,600
Special Projects	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Transfers Out	-	-	-	23,600	-	-	23,600
Debt Service/Other Uses	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ 3,438,600	\$ 23,600	\$ -	\$ 3,462,200
CHANGE IN FUND BALANCE/ NET POSITION	\$ -	\$ -	\$ -	\$ (3,438,600)	\$ -	\$ -	\$ (3,438,600)

RESOLUTION NO. 22-066

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO
ESTABLISHING AND ADOPTING THE APPROPRIATION
LIMIT IN THE AMOUNT OF \$122,765,522 FOR FISCAL YEAR 2022-23**

WHEREAS, the State of California has adopted legislation requiring local jurisdictions to calculate their appropriation limits in complying with Article XIII B of the State Constitution; and

WHEREAS, pursuant to Proposition 111, passed by the voters of California on June 5, 1990, said limits are determined by an adjustment formula based upon change in population, combined with either the change in inflation (California per capita income) or the change in the local assessment roll due to local nonresidential construction; and

WHEREAS, the local governing body is required to set an appropriation limit each year by adoption of a resolution; and

WHEREAS, the City of Cupertino's population percentage change over the prior year is -0.46%, and the California per capita personal income change is 7.55%; and

WHEREAS, in computing the 2022-23 limit based upon the adjustment factors provided pursuant to Proposition 111, the City Council has elected to use the county population percentage change along with the California per capita income change, but the Council expressly reserves the right to use the non-residential assessed valuation percentage change when the figure is available.



NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Cupertino hereby approves a 2022-23 fiscal appropriation limit of \$122,765,522, based on Proposition 111 guidelines allowing for use of the county population percentage change along with the California Per Capita Personal Income change to adjust base year appropriations.

BE IT FURTHER RESOLVED that the City Council of the City of Cupertino hereby reserves the right to use the non-residential assessed valuation percentage change when the figure is available.

PASSED AND ADOPTED at a special meeting of the City Council of the City of Cupertino this 9th day of June, 2022, by the following vote:

Vote Members of the City Council

AYES: Paul, Chao, Wei, Willey
NOES: Moore
ABSENT: None
ABSTAIN: None

SIGNED:  _____ Darcy Paul, Mayor City of Cupertino	<u>7/10/2022</u> _____ Date
ATTEST:  _____ Kirsten Squarcia, City Clerk	<u>7/11/22</u> _____ Date

Budget Message

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Budget Message

June 9, 2022

To the Residents of Cupertino, Honorable Mayor, and Members of the City Council:

Albert Einstein said, “Life is like riding a bicycle, to keep your balance, you must keep moving.”

As the City emerges from the COVID-19 pandemic, we are defining our future and the opportunities and challenges the future presents. From how we offer services to the development of our financial and human resources and the needs of residents, the City is not in the same place as it was pre-pandemic. In Fiscal Year (FY) 2021-2022, we saw expenditures increase after experiencing a decrease across various categories due to the pandemic. We saw transient occupancy taxes, the hardest hit of our revenue sources, rebound. We transitioned from online-only to hybrid service models and saw the revitalization of in-person events. A wave of retirements has impacted the City as the baby boomer generation leaves the workforce and the Great Resignation (a pandemic by-product of mass resignations as people consider different career paths). As a result, we have seen a significant increase in retirees and turnover in FY 2020-2021, with normalization in FY 2021-2022. However, our staff has been resilient in overcoming challenges and implementing new and innovative solutions while managing new and limited staffing and continuing vacancies.

The positive news is that the City is on a solid financial footing to weather any of the challenges ahead.

...

The City is on solid financial footing in FY 2022-23 with a balanced budget. The budget is balanced with ongoing revenues meeting or exceeding ongoing expenditures, and fund balance is being used to fund one-time projects. The Adopted Budget is \$130,587,325 and is funded by \$130,244,157 in revenue. The General Fund, the City’s largest tax-supported fund, is budgeted at \$95,167,779 and is funded by \$94,661,388 in revenue. This budget reflects the invaluable input provided by your Council, Department Heads, and other City stakeholders.

The City has historically been fiscally prudent in budgeting both expenditures and revenues. This has been part of a deliberate strategy to build up fund balance and to provide the City with time to mitigate the impacts of the pandemic. The City continues to have a strong revenue tax base, enabling us to provide public safety and general government services to support our community. However, since the City has limited resources, we must balance the community’s many needs so that the City can continue to remain in a strong financial position.

For Cupertino, the top three revenue sources are Sales, Property, and Transient Occupancy taxes (TOT, or Hotel Taxes). Sales and property taxes continue to do well post-pandemic, and we have seen TOT rebound to around 37% of pre-pandemic levels (up over 57% since shelter-in-place restrictions were implemented). While sales tax was anticipated to decrease during the pandemic, it increased significantly due to positive impacts from online sales. We continue to closely monitor the situation as we believe this was a one-time occurrence due to the pandemic. Overall, most sales tax sources have recovered to pre-pandemic levels. The City is currently in the midst of a sales tax audit by the California Department of Tax and Fee Administration (CDTFA). The impact of this audit is unknown, but it has the potential to significantly impact the City’s sales tax revenue. Once more information is known, staff will provide updates to City Council. The Adopted Budget considers a potential reduction in sales tax revenue, as the City takes a conservative stance on financial matters.

Additionally, a major impact of the pandemic has been on the City's ability to retain and recruit employees. As mentioned previously, the City experienced a spike in retirements and resignations, compounded by challenges in recruiting. For certain positions, we had to conduct multiple recruitments before hiring a successful candidate or extend recruitment timelines. As a result, the time required to fill vacancies after employees leave city service has grown. As the City transitions from a small to a mid-size City, the need for additional positions will continue as service expectations expand. This year's budget recommends funding 14 new positions in various departments. We are also forecasting the need for an additional eight positions in the near future, once the impact of the sales tax audit is known. To date, the City has been successful in mitigating these impacts and has been able to complete projects on time. However, if current staffing trends continue, we may experience major impacts on service delivery to our residents.

A growing area of concern for the City is our aging infrastructure. The need to address our infrastructure will significantly impact the City's budget. The City will need to decide how and when to update, remodel, or rebuild existing infrastructure while balancing safety concerns with new infrastructure projects and ongoing operations. Infrastructure needs are discussed in the City's Capital Improvement Program.

As the City moves forward, we will begin to strategically use reserves to strengthen further the City's fiscal position in the short and long-term. As described in the budget-balancing strategies in the financial schedules portion of the budget, we are recommending the use of the Section 115 Other Post-Employment Benefits (OPEB) Trust to fund the costs of retiree health benefits. In addition, we continue to monitor our Section 115 Pension Trust (a specialized fund that may only be used to pay for retirement costs) and may recommend the use of this fund in the future for pension-related costs. Lastly, City Council approved mid-year adjustments of \$27 million in General Fund unassigned fund balance as follows:

- \$10 million transfer to Capital Reserve
- \$5 million increase to General Fund Economic Uncertainty Reserve
- \$10 million contribution to a new General Fund Capital Projects Reserve
- \$2 million contribution to Section 115 Pension Trust

Despite challenges and uncertainty in the State, Nation, and Globally, the City's fiscal outlook remains strong. Our City has a strong financial foundation to build upon for the successful future of Cupertino. And it will be more incredible than any of us can possibly imagine.

Strategic Goals

On February 18, 2020, City Council adopted the following goals to provide a framework for the City's priorities and City Work Program:

Public Engagement and Transparency

Creating and maintaining key conversations and interactions with the Cupertino Community.

Sustainability and Fiscal Strategy

Continuing Cupertino's commitment to building a sustainable and resilient community for future generations.

Housing

Contributing meaningfully and in a balanced manner to the housing inventory in support of our community needs, including affordable housing (from extremely low-income to moderate-income level housing) and addressing homelessness.

Transportation

Providing access to an efficient, safe multi-modal transportation system for our community, and advocating for effective, equitable mass transit in the greater region.

- Improving Traffic Flow and Alleviating Congestion

Quality of Life

Furthering the health and well-being of all Cupertino community members.

- Air Quality
- Public Safety
- Recreation
- Access to Goods and Services

While these are intended as multi-year goals, they are reviewed annually by the City Council. The Council may adopt the same goals or revised goals as the Council sees fit.

The strategic planning process and City Council goal-setting are paramount as they drive the City's annual Work Program. The City has created an online dashboard to show the status and performance of the City Work Program in real-time (gis.cupertino.org/webmap/CityWorkProgram/). City Work Program projects with budgetary impacts can be found in the respective program budgets under Special Projects. The budgets of some City Work Program projects from previous fiscal years may be carried forward into FY 2022-23.

FY 2022-23 City Work Program

Strategic Goal	Project	Description	Department	Expenditure
Housing	Homeless Jobs Program	Create a jobs program for up to 2 individuals for 6 months.	Community Development	200,000
Housing	Housing Programs for De Anza College Students	Continue participation in De Anza College's student housing assistance program.	Community Development	25,000
Public Engagement and Transparency	Cupertino Store Implementation	Implement the Cupertino Store plan. This would include identifying a location if one is not identified in fiscal year 2021-2022. With some help from the Fine Arts Commission for some of the items with art designed by community members, items would be designed and selected for the store, for sale to the public, and also available for exchange purposes for formal delegations to and from the City, with an at-cost charge structure for the latter purposes. For the 2022-2023 FY, the Cupertino store will be online only. Staff will present a plan to the Council on item selection and art design selection.	Administration	145,000
Public Engagement and Transparency	Cybersecurity Public Education	Provide education on cybersecurity to City residents, guests and businesses.	Innovation & Technology	7,500
Public Engagement and Transparency	Hybrid Meeting for City Council and Commission Meetings	Develop policy and infrastructure to allow hybrid meetings for both City Council, Commission meetings and future community workshops. This allows seniors, caretakers, parents with young children to participate and speak.	Innovation & Technology	15,000
Public Engagement and Transparency	Integrated Plan for Community Engagement	Create Integrated Plan and Database for Community Engagement so that we do not start from scratch with each project. The plan should include all possible outreach channels, traditional media, newspaper, including Chinese and other languages, City Channel, the Scene, social media and influencers. community leaders, community groups, HOAs, block leader programs, Chamber and other business groups etc. Explore the possibility for Library and Community Engagement Commission so that the Library Commission could help review and update this plan as needed.	Administration	30,000
Public Engagement and Transparency	Intergenerational Engagement	Many seniors have a wealth of lifelong experiences. Many teens do not have grandparents nearby. Activities cross generations could benefit both. Schools could engage seniors in the community to attend school open house or serve as volunteers, such as reading partners	Parks and Recreation	20,000
Public Engagement and Transparency	Senior Strategy	Address the needs of seniors in collaboration with the City Council and Commissions. Needs to address include technology resources, housing, food supply, transportation, and mental and physical health and wellbeing. Administer a second in-depth senior survey to learn about senior needs (including aging in place and elder financial abuse).	Parks and Recreation	35,000
Public Engagement and Transparency	Student Internship Program	Implement a trial student summer internship program with the City of Cupertino. Initial year will be on a limited basis. If approved, applications will be sought for one-, two- or three-week internships during the summer, with applications to be released in mid-July. Internships will be project-focused, with participating City departments asked to identify a specific project or projects that a student intern can undertake. The internships will have a common start date, and include an orientation, group activities and exit interviews. Alternatively, if the time and resources do not permit the City to run a trial program in the upcoming summer of the fiscal year (i.e., Summer 2022), Council may form a subcommittee to share practices for student internships, and to bring a report back to Council at the end of Summer 2022 with recommendations as part of the initiation of a student internship program in Summer 2023.	Administrative Services	15,000
Public Engagement and Transparency/ Transportation	Community Engagement on Alternative Transportation and Parking	Educate and encourage resident use of alternative transportation to the Library. Install signage to point to overflow parking at Eaton Elementary school.	Administration	12,000
Quality of Life	Blackberry Farm Golf Course Needs Assessment ¹	Determine short-term and long-term improvements to the golf course and amenities.	Public Works	-
Quality of Life	Artwork at the Library/Exhibits/Poetry and Art Day	Collaborate with groups such as the Fine Arts Commission and Cupertino Poet Laureate to display artwork, including exhibits, at the Library. Exhibits could potentially be around the library and in the new programming space. Examples could be potential galleries, a poetry/art show, cultural documents and artifacts, or other fascinating exhibits.	Parks and Recreation	10,000

Strategic Goal	Project	Description	Department	Expenditure
Quality of Life	License Plate Readers	1. Research Automated License Plate Reader (ALPR) systems 2. Research state laws, privacy concerns, and regulations related to ALPR 3. Compare fixed location, mobile (in-car), and portable (trailer ALPRs) 4. Identify outreach and engagement strategies used by other jurisdictions using ALPR 5. Assess locations for fixed ALPR in Cupertino 6. Estimate ALPR costs for installation, monitoring, and maintenance (Consider: Cameras, LPR, Safe-Exchange Zone, Pilot cameras in a residential areas, and commercial developments Research best practices from other similar jurisdictions) 7. In partnership with the County Sheriff, install ALPR devices for the automated detection of license plates. This data will only be for official law enforcement purposes, including identifying stolen or wanted vehicles, stolen license plates and missing persons. It may also be used to gather information related to active warrants, homeland security, electronic surveillance, suspect interdiction, and stolen property recovery.	Innovation & Technology	60,000
Quality of Life	Safe Gun Storage Ordinance	Research best practices for safe gun storage from neighboring jurisdictions. Adopt safe gun storage ordinance to increase public safety for residents.	Administration	12,000
Sustainability and Fiscal Strategy	Analyze Potential Revenue Measures	Analyze potential revenue measures, such as transient occupancy tax, sales tax, property tax, and utility users tax, to address possible future financing challenges.	Administrative Services	50,000
Sustainability and Fiscal Strategy	Electrification Study	Conduct public outreach, policy research, and coordinate with regional efforts to develop policy options for electrification of Cupertino's buildings and transportation systems.	Administration	50,000
Sustainability and Fiscal Strategy	Study Session on City-Owned Properties ²	Inventory and assess existing facilities and prepare a long-range planning report for three City-owned properties (Blesch, Byrne, and Stocklemeir)	Public Works	-
Transportation	Bicycle Facilities	Increase the inventory of bicycle facilities and amenities, such as bike racks, citywide.	Public Works	50,000
Transportation	Lawson Middle School Bikeway	Retain consultant to prepare feasibility study which will evaluate alternatives that provide a separated bike path for students riding to Lawson Middle School. Feasibility cost will be \$40,000.	Public Works	40,000
Transportation	Vision Zero	Develop a Vision Zero Policy and Action Plan and hire a consultant. The Plan will guide policies and programs with the goal of eliminating fatalities on Cupertino roadways. Special emphasis will be placed on routes to, and streets surrounding, Cupertino schools.	Public Works	80,000
				\$ 856,500

¹Blackberry Farm Golf Course Needs Assessment (\$23,600) is funded in the Capital Improvement Program budget under Blackberry Farm Golf Course / Alternative Use Study. The \$23,600 budgeted in FY 2022-23 is in addition to the \$76,400 budgeted in FY 2021-22.

²Study Session on City-Owned Properties (\$90,000) is funded in the Capital Improvement Program budget under Stocklemeir, Byrne, and Blesch: Inspection Reports and Analysis.

Notable Accomplishments

Administration Department

ADA Webinar – In November 2021, Economic Development partnered with the Silicon Valley Economic Development Alliance (SVEDA) to host a webinar on Americans with Disabilities Act (ADA) laws and compliance for small businesses. The webinar equipped small businesses on how to comply with ADA laws to avoid costly litigation and penalties, drawing 150 attendees. Close to two dozen Cupertino businesses were able to hear directly from experts, get their questions answered, and connect with City employees directly.

Small Business Saturday – This event empowered local businesses, connected them with the community, and attracted more visitors to the shopping center. In addition to creating a [webpage](#), a first-ever partnership between the City, Cupertino Library, and the Chamber of Commerce was formed. Representatives from partner organizations met with local businesses and greeted visitors. Community members were able to learn about the benefits of supporting small businesses, local promotions, checking out books, opening a new library card, and the City's Climate Action Plan.

COVID-19 Response – Over the past 12 months, the Office of Emergency Management responded to the COVID-19 pandemic, guiding City departments through two years of navigating the evolving best practices and health orders.

2021 Virtual Earth Day – The virtual festival included an entire day of live and recorded content which can be viewed anytime on Cupertino's YouTube channel. The live stream was hosted by volunteers from Cupertino's youth environmental organizations. A Tree Scavenger Hunt and litter clean-up event were created to keep the community engaged in a socially distanced way. The live-streamed festival generated 1,500 impressions online, including viewers as far away as India, and the recordings have hundreds of views on the City's YouTube channel.

Drought Response Coordination – With a combination of strategies and regular feedback based on the consumption data, the City achieved a 15% reduction in municipal water use during the summer of 2021. As the region expects a third year of drought, these measures will continue to be utilized.

Climate Action Plan 2.0 – To update the City Climate Action Plan, a multi-pronged engagement strategy was utilized to include Cupertino residents, businesses, organizations, and stakeholders. The objectives was to gather community perspectives, create a framework for community action, educate, empower, and energize the community, and strengthen relationships within the City. Six virtual events were held throughout 2021, two surveys were conducted, two City Council study sessions, and the topic was discussed at each Sustainability Commission meeting throughout the year. 135 people participated in workshops, 161 responses were collected from surveys, and several hundred people were directed to the project website from in-person community tabling events such as at farmer's markets and the Rotary's Fall Festival. All the public feedback is available to review at cupertino.org/ClimateAction

Administrative Services Department

Virtual Benefits Fair – Enhanced process with City staff and vendors as well as continued with an online open enrollment process.

HR Hub and Training Management Application – Continued collaboration with I&T to enhance and develop the City's intranet, including digitizing forms, enhancing employee accessibility to HR tools and resources, and centralizing and maintaining HR information (MOUs, Policies & Procedures, COVID Information, etc.)

BEST Training – Transitioned to online registration and training platform. Offered a semester-based program with a variety of training programs to assist employees with their professional growth, health, and wellness as well as retirement and financial planning.

COVID-19 – Continued to provide employee support across all City Departments through the COVID website, City Town Hall, and Department meetings. Researched, analyzed, and implemented Federal, State, and local rules and regulations such as leave programs, contract tracing, creation of new and revised OSHA policies, and related trainings.

Diversity, Equity, and Inclusion (DEI) – Offered staff 5 DEI training classes as part of the City’s BEST program to increase cultural awareness, knowledge, and communication.

Recruitment and Retention – Responded to a large increase in separations from previous FY20 (12) to FY21 (30) which translates to a FY21 16.3% turnover rate from a FY20 of 6.4%. As a result, this increased the number of recruitments conducted from FY20 (19) to FY21 (43).

Benefit Administration – Processed triple the number of employee separations due to a large increase in employee onboarding and offboarding. From 7/1/2019 – 6/30/2020, there were 12 Full Time (FT) employee separations and 19 FT new hires. From 7/1/2020 – 6/30/2021, there were 32 FT (includes 2 councilmembers) employee separations and 18 (includes 2 councilmembers) FT new hires.

Internal Audit – The City’s internal auditor, Moss Adams, developed an internal audit work plan to guide activities for FY 2021-22. The Audit Committee and City Council approved the FY 2021-22 internal audit work plan, which included the following projects:

- Procurement Operational Review
- Policy Inventory and Plan
- Capital Program Effectiveness Study
- Fraud, Waste, and Abuse Program

The projects are expected to be completed by the end of FY 2021-22.

CSMFO Innovation Award – CSMFO awarded the City of Cupertino the 2022 Innovation Award for the City’s Resident Tax Calculator and Budget Forecast Tool. This is the first time that the City of Cupertino has received this award and highlights the City’s commitment to innovation despite unique challenges presented by the pandemic over the past year. They are available at cupertino.org/interactive-budget-tools

Community Development Department

Update the Housing Element of the General Plan and concurrent rezoning – Ongoing updates to the Housing Element goals, policies, and strategies to address housing needs, constraints, both governmental and non-governmental, and identify Priority Housing sites to accommodate the city’s Regional Housing Needs Allocation, as required by state law. Concurrent rezoning of the Priority Housing sites to ensure that sites are appropriately rezoned to allow for planned growth/capacity.

Homeless Jobs Program – In partnership with the West Valley Community Services, created a pilot Homeless Jobs Program to assist two individuals with obtaining full-time employment. In addition to employment, they received job training, housing support, financial coaching, and case management services.

City Plan to End Homelessness – Drafted the City Plan to End Homelessness to address the needs of the unhoused residents of Cupertino as identified in the Santa Clara County Community Plan to End Homelessness. The City Plan will help direct the decisions that will be made about funding, program, and needs. Over 150 people attended the City’s Community Workshop in support of this effort.

ProjectDox Expansion and Upgrade – Improved software (for both staff and customers) in the way permits are processed. Additionally, ProjectDox will be migrated to a cloud-based application allowing for enhanced business continuity and disaster recovery.

Innovation & Technology Department

IT Strategic Plan – Completion of the three-year Strategic Plan (Plan). The Plan outlines and prioritizes I&T projects and associated costs for the next three years resulting in enhanced efficiencies and increased transparency in each work product.

Adaptive Traffic Signaling – Completed the Adaptive Traffic Signaling (ATS) project. ATS adjusts the timing of the City's green light cycle to match current traffic conditions. Mitigating traffic congestion is a high priority for the City and ATS will measure how effective this technology is in moving Cupertino traffic.

Multimodal Traffic technologies – Provided additional tools to Planning and Public Works to better measure impacts and plan for future projects. In partnership with Public Works, IT procured technology(s), selected locations, implemented and tested multimodal count sensors.

Multi-Factor Authentication – Implemented multi-factor authentication (MFA) for all City staff to enhance security. This ensures that the City follows industry best practices and reduces security exposure risk in an ever-evolving online workspace.

Interactive Projector System – Utilized augmented reality (AR) to provide public engagement with visitors. This allows for enhanced consumption of provided media notices as well as interactive AR engagement.

Wireless Network + Internet Park Expansion – Expanded WiFi network services to selected parks (Wilson, Portal, and Creekside), including connectivity at those sites to allow staff access to City network resources for future services and events. Enhancement of services at current facilities with a more reliable fiber-optic network connection. This includes connections from City Hall to Monte Vista Recreation Center & Park, McClellan Ranch, Blackberry Farm, and the golf course at Blackberry Farm.

Developed Policies and Procedures – Developed Cybersecurity Incident Response, IT Governance, Enterprise Architecture, and Data Classification and Standards policies and procedures to protect the integrity of the City's information and databases.

Telematics – Implemented the Telematics solution, GeoTab, for all City Vehicles - Enabled the IT Department & Fleet Division to analyze and evaluate: 1) vehicle utilization, 2) vehicle performance data, 3) driver safety and behaviors and 4) fuel efficiency to recommend cost-saving, operational efficiency, and safety measures.

Laserfiche Roadmap – Implemented the 2nd-year out of the three-year Enterprise Content Management roadmap. Completed the file plan and restructuring for all Public Work Divisions, Planning, Housing, & Code Enforcement, Parks and Recreation, Sustainability, and Human Resources. Ongoing scanning of historic records, as well as building out the internal web-link portal and Division specific training.

Business Process Automation – Continued conversion of existing paper/static forms to digital/dynamic processes. Workflow and business method was added to the digital forms to provide a true paperless environment. Digitized over 25 workflows.

Disaster Response – Developed and tested the Quick Capture app, Building Damage Assessment survey, and the Situational Awareness app along with the corresponding dashboards.

CodeHub Implementation – Created a modern-day zoning code all in one platform which seamlessly integrates zoning code text into 3D maps that show zoned development potential, providing a self-service public portal reducing front counter citizen inquiries by 10x.

Drone Program – Developed Cupertino’s Drone Policy and Procedures and established a drone training program.

Moved to Enterprise GIS – Enhanced security and authentication options through web-tier authentication, Active Directory, and more.

Teen Commission Online Application – Implemented an online Teen Commission applicant intake solution enabling greater productivity and collaboration. Aspiring teen commission applicants can apply online and get their parents' digital signatures via the online application portal.

Zendesk Customer Service Solution for Community Development – Implemented a Zendesk customer service solution for Community Development staff to facilitate the management of their customer services requests and communications enabling greater productivity and collaboration.

Business License Move to Accela – Implemented Business License module in Accela Land Management System for smart and accessible infrastructure-related business licenses enabling greater productivity and collaboration.

Customer In-person Appointment Calendars – Implemented MS Appointments booking calendars where external customers can make in-person appointments during Covid facility closures. Applications staff configured the appointment booking sites for Building, Planning, Public Works, Finance, and City Clerk staff.

Parks & Recreation ActiveNet Dashboards – Created dashboards that pull data from the ActiveNet system to give managers business intelligence on their daily operations. These dashboards provide various program statistics, membership details, and other related datasets to help the management and staff get business overviews and make relevant decisions.

Parks & Recreation Department

Continued Services Through COVID – Continued to offer services to community members, focusing on the safety of participants, and following the rules and regulations set by the county, including contact tracing guidelines.

At the beginning of the pandemic, the Cupertino Sports Center offered usage of the outdoor tennis courts and several tennis programs and camps. In addition, the Department was able to continue these services through the scheduled closure due to the Seismic Retrofit project for the building. In the summer of 2021, the building had reopened to welcome members back into the gym. Equipment had been reorganized to allow for more space between users and sanitation stations were set up for cleaning equipment.

The Quinlan Community Center front office reopened in July of 2021, to provide in-person customer service support for those who wished to register for classes or camps, or to reserve City facilities and picnic areas for rentals.

The Cupertino Senior Center continued to engage senior members through the monthly production of *The 50+ Scene*, outdoor 50+ sports, virtual travel, and remote classes. The building partially reopened in August of 2021, with some in-person programs and classes coming back to the center. Through a phased reopening process some senior socials have restarted, including table tennis, card playing, Bingo, and more. As of March, luncheons, in-person lectures, and day trips have returned and in May, the center is planning to be open five days a week. For a large portion of the pandemic, the building was also a dedicated COVID testing site, offering appointments twice a month.

Blackberry Farm reopened for the 2021 season with a handful of modifications. The pools were available for use through a reservation system to control crowds and allow time for cleaning throughout the day. This new system was welcomed by swimmers and staff received many compliments about how safe guests felt while using the pool facility. The picnic sites were also available by reservation and guests were excited to gather outdoors with friends and family again. Additionally, participants of all ages enjoyed swim lessons taught in the Blackberry Farm pools. Private, semi-private, and parent-child classes were offered, however, beginner lessons for adults were the most popular classes.

Even after the stay-at-home order was lifted, the popularity of the Blackberry Farm Golf Course continued into FY 2021-2022. To date, 30,628 rounds have been played and \$460,968 in revenue has come in from green fees, rentals, and pro shop merchandise.

Collaboration with Capital Improvement Program (CIP) - Partnered with Public Works on outreach efforts, which included creating surveys for community members, mailing postcards to residents, presenting projects to applicable Commissions, and co-hosting public meetings to gather feedback and public input. Ongoing support with outreach efforts for park and recreation facility-related projects.

Field Use Policy – Adopted policy that switched to an hourly fee structure and added two additional Sunday uses for regular permitting groups. Since adoption, the Recreation Department has been able to better track scheduled use and share it with the public on the City website. In addition, four new Youth Sports Organizations have become regular permitting groups.

Strategic Plan - Completed the first edition of a strategic plan that addresses the immediate and short-term opportunities for enhancement identified in the Parks and Recreation System Master Plan. The Strategic Plan includes two formats that outline existing and planned progress toward the implementation of opportunities identified in the Master Plan. The first format organizes implementation efforts by which community goal they address, and the second organizes what enhancements are being implemented by park site.

Summer Events – Revitalized several popular events, including the Summer Concerts, Movies in the Park, and Shakespeare in the Park. For the movie nights, more than 200 people attended each night, and many positive comments were received about the first movies in the park since 2019.

Teen Programming/Pizza and Politics – Continued support for Cupertino teen programs. The Cupertino Youth Activity Board revitalized the Bobateeno event, the Cupertino Café, and new initiatives. Ongoing socialization opportunities that provide youth with mental health and tutoring resources.

Dog Off Leash Area (DOLA) - Established an ongoing DOLA program at Jollyman Park providing residents opportunities for engagement with their pets.

Gymnastics – Promoted physical, social, and cognitive development in children 1 to 5 years old through Bay Aerials at Monta Vista Recreation Center. Since classes began, 199 participants have registered, 86% of whom are residents.

Public Works Department

- *10th consecutive Tree City USA Recognition* – The Tree City USA program provides communities with a four-step framework to maintain and grow their tree cover. It also gives them an avenue to celebrate their work, showing residents, visitors, and the entire country that they're committed to the mission of environmental change.
- Replaced 115 fluted street light poles to provide enhanced lighting, power, and communication services to residents as well as sustainable infrastructure for the City.
- Prepared facilities for employees returning to work, including completing repairs and air balancing to

the ventilation system at City Hall.

- Provided employee information on disinfecting schedules, placing Disinfecting Stations throughout City facilities, and provided a map of station locations for The Hub.
- Completed a portion of feminine sanitary product dispensers at various City facilities. The remaining dispensers are scheduled to be installed in Spring 2022.
- Completed the purchase of new leaf blowers to comply with Cupertino's sound ordinance.
- Initiated the grounds division irrigation controller replacement project anticipated completion by end of FY22.
- Partnered with IT on more efficient documentation of backflow device testing and repairs in Cityworks.
- Initiated the first phase of park amenities project - The installation of hydration stations throughout the parks.
- Received and reviewed applications for 100 development projects (resulting in 161 submittal reviews) and issued 217 encroachment permits between July 1, 2021 and December 31, 2021 (the remainder of FY 21-22 is still in progress).
- Passed a local enforceable ordinance and began implementation of Senate Bill 1383 requirements for diversion of organics, including creating a new position and hiring an Environmental Programs Assistant.
- Implemented Green Halo construction and demolition debris tracking software for use by construction contractors.
- Arranged installation of 77 new adjustable retractable screens to keep trash out of our creeks.
- Arranged for 7-day-per-week access to free compost at mulch for Cupertino residents at the Sunnyvale SMaRT Station.

New Initiatives

Administration Department

Economic Development Strategy Update – Prepare to update the City’s Economic Development strategy. The last economic development strategy was completed in 2016. Staff is in the process of gathering updated local and regional data and trends to identify the strengths and gaps of the local economy, particularly as we move into the recovery phase of the pandemic.

Emergency Management Capacity Building – Focus on building response capability in the following ways:

- Building more resilient communities through re-imagined volunteer programs, including the Block Leader program, with new engagement led by a dedicated full-time staff member.
- Implementing a multi-year training and exercise program, consisting of regular training for City staff and volunteers as well as exercises with partner agencies and jurisdictions.
- Developing new emergency operational annexes to guide the City’s response to specific hazards including earthquakes and wildfires.

Electrification Study – Work with cross-sector partners and experts to conduct public outreach and develop a specific strategy and policy options to achieve carbon-free buildings through electrification while navigating the economic and equity concerns that were raised during the public engagement process.

Administrative Services Department

ERP Need Analysis (Phase I) and RFP Development and Vendor Selection (Phase II) – Selecting a new enterprise resource planning (ERP) system. Having implemented and operated Tyler's New World System since January 2015, staff are aware of the importance of remaining up to date and ensuring the system that allows us to provide excellent services to the public is functioning optimally.

Fee Study and Cost Allocation Study – The studies will analyze the City’s fees and services to determine costs that can be allocated between City departments and costs that can be recovered through fees charged to the public.

Community Development Department

Development standards for ministerial subdivision and development of single-family zoned properties under SB-9 – Present a regular ordinance that addresses development standards for ministerial subdivision and development of single-family zoned properties to the Planning Commission and City Council in late Spring/early Summer.

Adopt environmental protection standard conditions of approval (adopt objective standards) – Prepare and present a new Chapter with regulations on implementing environmental protection standards for all projects, whether ministerial or discretionary.

Innovation & Technology Department

Climate Monitoring and Noise Measurement extension – Install four air quality sensors that will be placed close to the quarries to monitor real-time air quality data 24/7 365 days a year. Together these solutions provide the Sustainability division with a good representation of air quality data for Cupertino – an important component to the City’s Climate Action Plan.

Cupertino Room Lectern Upgrade project – Upgrade the audiovisual system in the Cupertino Room to allow for better connection as well as updated infrastructure.

Social Room Audio Upgrade project – Upgrade audio system at the Quinlan Center Social Room to allow and support wireless/bluetooth infrastructure.

Sports Center Audio system upgrade – Upgrade audio system in the Cupertino Sports Center to better facilitate Sports Center programs and classes such as Zumba, Pilates, cardio workout, etc. where mixed amplification of music and instructor microphone audio is an important feature.

Video Capture Camera Expansion – Expand video capture to public areas within City facilities by adding or replacing cameras in areas such as the lobby, entry, and exit points. Cameras will also be placed around Blackberry Farm, specifically around high-risk areas such as the pool to provide enhanced security to City residents.

City Hall Enterprise Server & Storage Tech Refresh – Replace the current server environment that houses the City's Financial ERP and Land Management business applications with a Cloud-based solution known as Infrastructure as a Service (IaaS). IaaS provides a secure, scalable solution that meets the IT strategic needs of the City.

Supplemental Wi-Fi Expansion in Public Areas – Continued expansion of the City's Internet services to three additional City parks. Members of the public will be able to access WiFi internet services at these parks and City staff working at these parks will be able to have a secure seamless connection to the City network.

Proactive Managed Risk and Security Monitoring – Respond to active threats through proactive monitoring and management tools that scan, manage and resolve security vulnerabilities.

Computer-Aided Dispatch (CAD) and Records Management System (RMS) WAN Link – Ensure the City's EOC has all the technical tools and capabilities to allow staff to make informed decisions based on situational awareness. Secure telecommunications link from the County to City Hall through Public Safety Computer-aided dispatch and records management system (CAD/RMS) access from the County.

Dataverse Architecture – Develop a common data warehouse that will integrate with Cupertino's enterprise applications to ensure data security, integrity, and normalization. Dataverse allows data to be integrated from multiple sources into a single store, which can then be used to quickly develop applications, dashboards, automated business processes, and more.

AR McClellan – Bring the Cupertino native wildlife to life in a fun interactive Augmented Reality (AR) environment for the visitors, classes, and tours at McClellan Ranch Preserve.

Laserfiche Roadmap – Year three of the Laserfiche Roadmap. Complete the file plan and restructuring for all Divisions. Ensure all scanning of historic records is underway, as well as build out the internal web-link portal and conduct Division specific training.

Capital Improvement Plan (CIP) Management System – Implement a CIP management system that will streamline how CIP projects are managed, bring consistency to CIP workflows and reporting, combine CIP and related financial data in one place, as well as provide an external portal for contractors and developers to upload CIP submittals and invoices in one consistent, reliable, and trackable platform.

Quinlan Touch Screen – Replace the existing static display, that staff post 24" poster paper to of the calendar of events, building layout, and room booking info sitting in the Quinlan lobby now. The replacement would be a state-of-the-art interactive display that allows customers to navigate through all that P&R has to offer, e.g., classes, facilities, parks, events, and more.

Business Process Automation – Moving forward with the onboarding in SimpliGov, a system that has proven results, we will be able to automate any mundane process quickly and efficiently, drag-and-drop form builder, import existing forms, build new forms, embed conditional logic, use multiple form field types, integrate e-signatures and more. We'll be able to assemble even complex workflows with supercharged efficiency. The standardized platform form components and workflows will ensure consistency in filings, routings, revisions, approvals, archiving, and more.

Drone Program – Incorporate drone operations into Emergency Operations Plan and work with City departments to find efficiencies and benefits to using drones for routine workflows – this will have the added bonus of keeping the drone flying and image processing skills sharp for our certified staff.

Disaster assessment – Obtain a tool that can capture high-resolution imagery quickly to ascertain the damage, prioritize response and communicate damage visually with EOC and disaster service workers.

- Image capture for before/after analysis. This is useful for PW and P&R projects in demonstrating work progress and end results. Images could be quickly uploaded to the City's website and provided to the Communications Division with video and photo acquisition for City branding and marketing.
- Coupled with Pix4D (another request) capture 3D imagery of a specific building or business area in Cupertino to understand the impact of new development or future growth.
- Test Pilot - Determine the health of trees from a different vantage point.
- Test Pilot - Building Roof inspections

ERP Phase I: Need Analysis – External consultant will conduct an ERP Need Analysis and gap analysis in terms of business needs and functionality as a significant issue with the current system is the lack of security logs required for auditing.

ERP Phase II (RFP Development and Vendor Selection) – Work with the contractor for RFP development detailing all business and functional requirements and specifications that will come out to need analysis and meetings/surveys with various stakeholders. After RFP response the final vendor selection meetings and other related processes will also be part of this project.

ACA Guide and Wrapper – Enhance user interface and provide seamless navigation through a new guide and wrapper of the City's Land Management System's Accela Citizen Access. The portals site has high traffic for users seeking the permit counter and business license services and user-friendly interface and navigation will help the city to provide its core services to our customers in an efficient way.

Consolidated Code Enforcement Services – Consolidate code's operations under the Accela Land Management system and Cupertino 311. The project will automate the code enforcement business process under one enterprise Land use management system. Working with one system creates a more efficient, trusted (which data is correct) outcome. Additionally, custom reports become an easier task due to one application – one database. Finally, code complaints and service requests are routed from Cupertino 311 system for the code enforcement officers.

Climate Action Plan software – Develop, in collaboration with Sustainability, Climate change and adopt our City to consider the wide range of hazards that a changing climate poses to public policy and public health.

Resource Mapping Software – Implement the Startup Space platform to provide ecosystem mapping between resource providers and small and medium-size businesses. Provide access to government, public, and privately sponsored resources for underrepresented and minority-owned small business owners.

Accela Roadmap – Develop strategic initiatives for achieving the maximum potential from the use of Accela platform pertaining to both its back-office systems and its public portal for Cupertino residents and external stakeholders.

ActiveNet Roadmap – Develop strategic initiatives for achieving the maximum potential from the use of Accela platform pertaining to both its back-office systems and its public portal for Cupertino residents.

City Website Redesign – Work with various departments and divisions to redesign the City of Cupertino website (cupertino.org). This project will involve building new wireframes, content audit, usability analysis, tracking current traffic patterns, and evaluating ADA compliance of city webpages.

Parks & Recreation Department

Enable Additional DOLA Locations – Standardize the process to create DOLA trial programs, with no more than two trials running at a time. Two new trials should start as soon as feasible, and the new trial should last at least 6 months unless the trial is adjacent to a field or playground. Respond to and evaluate community-driven DOLA proposals to implement additional DOLAs throughout the City.

Recruit for the 2023-2025 Poet Laureate – Work with the Library Commission to advertise and successfully recruit the next Poet Laureate for the 2023-2025 calendar years.

Update the Community Funding Policy – Review and update the Community Funding Policy to establish and initiate for the FY 2023-2024 grant funding period.

Support Outreach Efforts for New Park Projects (Memorial Park Design, Lawrence Mitty Park, Jollyman All-Inclusive Playground) – Partner with Communications and the Capital Improvement Program to perform outreach efforts for the upcoming park-related projects.

Public Works Department

Local Roadway Safety Plan – Develop Local Roadway Safety Plan to identify high-risk intersections and roadway corridors, design safety improvements, and enhance eligibility for federal safety improvement grants

Via Shuttle – Explore options for a multi-city expansion of the Via on-demand shuttle, in partnership with the cities of San Jose and Santa Clara. In conjunction with this, staff has applied for a CalSTA grant through the Transit and Intercity Rail Capital Program (TIRCP) to potentially fund one-half the capital and operating costs of the expansion.

Facilities Operations Improvements - Implement an enhanced preventive maintenance program for City facilities including emergency power, ventilation systems, and energy management systems at various City facilities.

Development Improvements - Review and entitlement for various new development projects including Marina, Vallco Parkway 1 for Apple, 1655 S. De Anza Blvd, and other new project initiatives.

Environmental Programs – Prepare for negotiation of a new landfill agreement. The current agreement, established in 1989, expires in November 2023.

Budget Overview

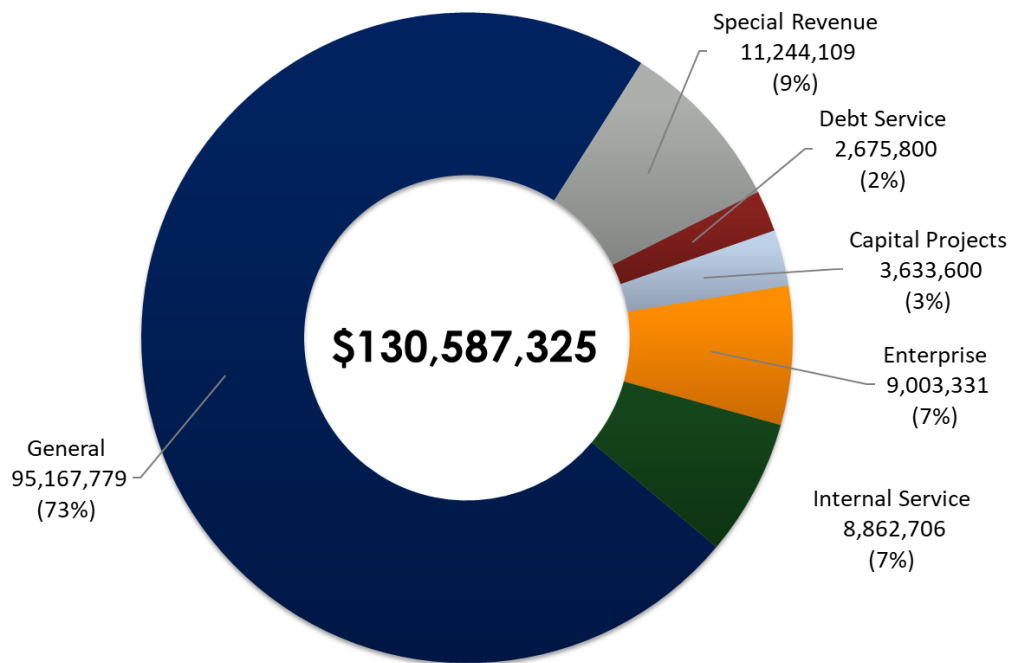
The Adopted Budget reflects total expenditures of \$130.6 million, a decrease of \$18.3 million, or 12.3%, from last year's Adopted Budget. Total revenues are \$130.2 million, down \$2.6 million, or 2.0%, from last year's Adopted Budget.

General Fund expenditures, which support most City operations, are \$95.2 million, an increase of \$5.4 million, or 6.0%, from the FY 2021-22 Adopted Budget. General Fund revenues are \$94.7 million, up \$5.0 million, or 5.6%, from the FY 2021-22 Adopted Budget. The General Fund is projected to end FY 2022-23 with approximately \$48.3 million in unassigned fund balance. Unassigned fund balance may be transferred to the Capital Reserve, Capital Projects Reserve, or Section 115 Trust per the Fund Balance and Use of One Time Funds Policy.

Fund Type	Proposed Revenues	Proposed Expenditures	Change in Fund Balance/Net Position
General	94,661,388	95,167,779	(506,391)
Special Revenue	16,315,081	11,244,109	5,070,972
Debt Service	2,675,800	2,675,800	-
Capital Projects	2,500,000	3,633,600	(1,133,600)
Enterprise	6,182,392	9,003,331	(2,820,939)
Internal Service	7,909,496	8,862,706	(953,210)
TOTAL \$	130,244,157	\$ 130,587,325	\$ (343,168)

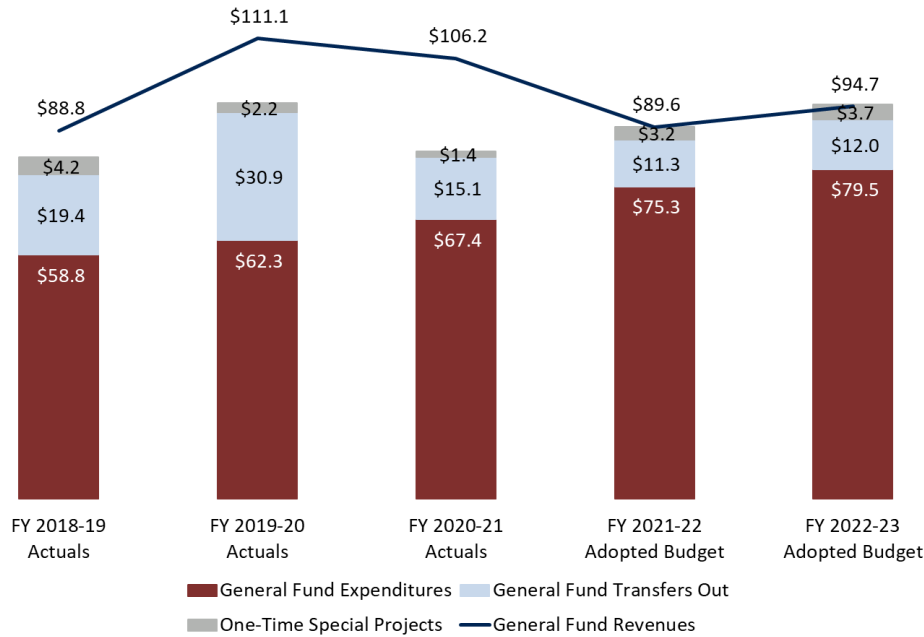
As shown in the chart below, the Adopted Budget's largest fund is the General fund at 73%.

FY 2022-23 Adopted Budget Expenditures by Fund



The graph below summarizes the changes in the City's General Fund for five years:

General Fund Revenues, Expenditures, and Transfers Out
In Millions



The Adopted Budget funds 225 positions (including Councilmembers), an increase of 14 positions from the FY 2021-22 Amended Budget. While the City has experienced increases in sales tax during the pandemic, there is uncertainty around the City’s future revenues post-pandemic. The City is cautiously optimistic as it adds new full-time employees, and City staff will bring forward requests for City Council approval as more information becomes available to make informed decisions.

Position	Department	FTE
FY 2021-22 Adopted Budget		208.75
FY 2021-22 Amended Budget		
City Attorney	Administration	1.00
Senior Assistant City Attorney	Administration	1.00
Community Relations Coordinator	Administration	0.25
FY 2021-22 Amended Budget		211.00
FY 2022-23 Adopted Budget		
Administrative Assistant	Administration	1.00
Assistant City Manager	Administration	1.00
Communications Analyst (Limited-Term)	Administration	1.00
Legislative Aide (Management Analyst)	Administration	1.00
Budget Manager	Administrative Services	1.00
Purchasing Manager	Administrative Services	1.00
Community Outreach Specialist	Parks and Recreation	1.00
Associate Planner	Community Development	1.00
Code Enforcement Officer	Community Development	1.00
Office Assistant	Community Development	1.00
Senior Planner (Housing)	Community Development	1.00
Senior Planner (Planning)	Community Development	1.00
Management Analyst	Public Works	1.00
Maintenance Worker Lead	Public Works	1.00
FY 2022-23 Adopted Budget		225.00

Changes to the Budget and Policies

Revised Fees

City Council approved the FY 2022-23 fee schedules on May 19, 2022. The increased fees are estimated to result in increased revenues of approximately \$92,662 in the General Fund and \$158,000 in the Enterprise Funds.

Investment Policy

The City Council annually updates and adopts a City Investment Policy that complies with State statutes on allowable investments. An external auditor performs agreed-upon procedures to review City compliance with the policy. The Audit Committee reviews the policy and acts as an investment oversight committee. City Council approved the current City Investment Policy on May 19, 2022.

GANN Appropriations Limit

The City's FY 2022-23 appropriations limit is \$122,756,522, an increase of \$8.1 million, or 7.1%, from the FY 2021-22 limit of \$114,666,491. If a city exceeds the legal limit, excess tax revenue must be returned to the State or citizens through refunds, rebates, or other means that may be determined at that time. For FY 2022-23, the City's estimated appropriations of proceeds from taxes, less statutory exclusions, do not appear to exceed the limit and are not expected to present a constraint on current or future deliberations.

Revised Fund Balance and Use of One-Time Funds Policy

On March 8, 2022, City Council approved updates to the Committed, Unassigned Fund Balance and Use of One-Time Funds Policy. The Economic Uncertainty Reserve was increased from \$19 million to \$24 million to align with increases in the City's revenues and expenditures. A Capital Projects Reserve of \$10 million was created to fund capital projects. Finally, \$2 million was transferred to the Section 115 Pension Trust to fund pension costs.

Budget by Fund

General Fund

The General Fund pays for core services such as public safety, public works, planning and community development, park maintenance, code enforcement, and the administrative services required to support them. The revenue used to pay for these services comes primarily from local taxes such as sales tax, property tax, transient occupancy tax, charges for service, and other discretionary sources. General Fund resources fund operations that do not have other dedicated funding sources.

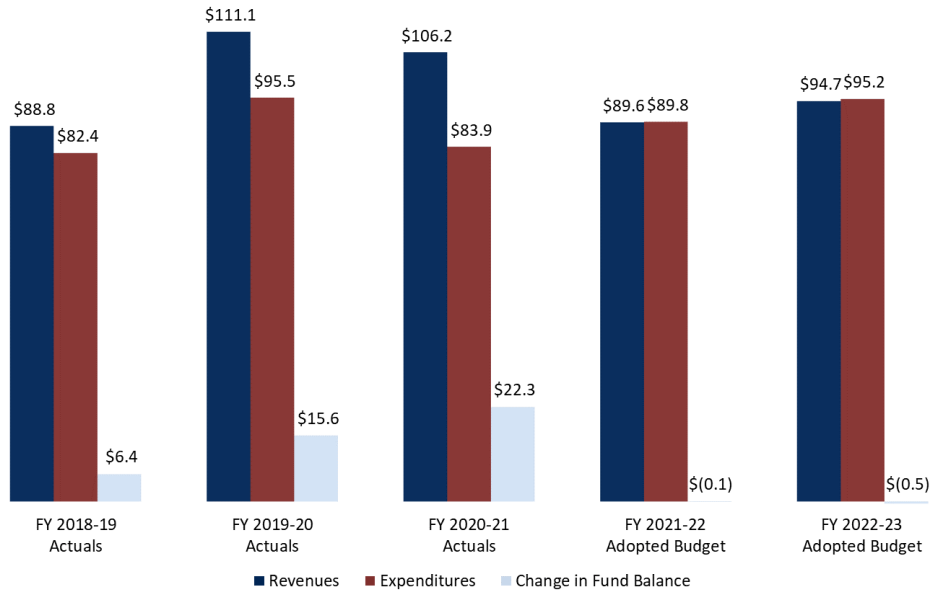
General Fund revenues are projected to be \$94.7 million, up \$5.0 million, or 5.6%, from the FY 2021-22 Adopted Budget. In FY 2020-21, sales tax revenues experienced an unprecedented increase due to increased demand for technology during the transition to remote work and increased state-wide online sales. Sales tax is expected to be lower in FY 2022-23 compared to FY 2020-21 as the California Department of Tax and Fee Administration (CDTEFA) is currently auditing one of the City's sales tax revenue sources. The impact of this audit is unknown but has the potential to significantly affect the City's sales tax revenues. Once more information is known, staff will bring updates to Council. Property tax revenues will increase slightly. Transient occupancy taxes will continue to be heavily impacted as business travel slowly recovers.

General Fund expenditures are \$95.2 million, representing a \$5.4 million, or 6.0% increase from the FY 2021-22 Adopted Budget. The increase is primarily due to the addition of 14 positions and the addition of a \$2.5 million transfer to the Capital Reserve. In the past, transfers to the Capital Reserve were not programmed in the Adopted Budget; instead, funds were transferred to the Capital Reserve as a mid-year budget adjustment. Due to the uncertainty of the pandemic, the City implemented significant budget reduction strategies in FY 2020-21,

which increased the General Fund's unassigned fund balance. With the General Fund's fiscal condition remaining strong, the City intends to invest in housing, infrastructure, and additional staffing to meet the needs of the community. As the City emerges from the pandemic, staff will continue to monitor the City's fiscal condition and ensure City Council is informed regularly.

The following chart shows four years of total revenue, expenditures, and changes to fund balance for the General Fund:

General Fund Revenues, Expenditures, and Change in Fund Balance
In Millions

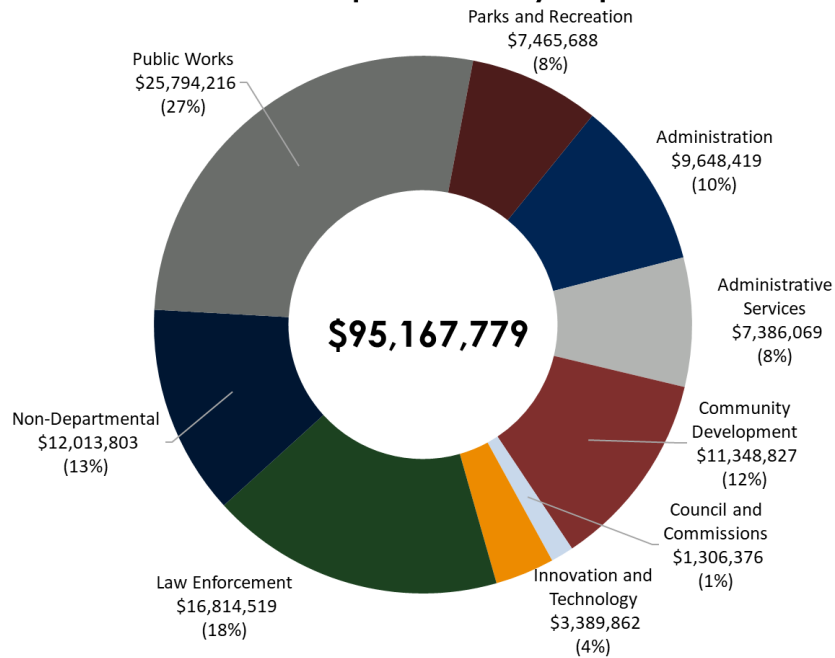


In FY 2022-23, the General Fund's unassigned fund balance is projected to be \$48.3 million, an increase of \$2.3 million, or 4.9%, from the FY 2021-22 Amended Budget. Total fund balance is estimated to be \$110.1 million, a decrease of \$0.5 million, or 0.5%, from the FY 2021-22 Amended Budget. The decrease is primarily attributable to a small deficit in FY 2022-23.

Classification	GENERAL FUND FUND BALANCE					Percent Change
	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2021-22 Amended Budget	2022-23 Proposed Budget	
Unassigned	37,426,951	52,449,546	46,068,178	46,068,178	48,332,873	4.9%
All Other Classifications	37,078,871	44,401,243	64,209,752	64,542,526	61,771,440	-4.3%
TOTAL FUND BALANCE	74,505,822	96,850,790	110,277,930	110,610,704	110,104,313	-0.5%

As shown in the graph below, the majority of General Fund resources are used to support Public Works (27%), Law Enforcement (18%), Non-Departmental (13%), Community Development (12%), Administration (10%), and Parks and Recreation (8%). Non-Departmental expenditures are transfers to other funds.

FY 2022-23 Adopted Budget General Fund Expenditures by Department



Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The largest Special Revenue Fund accounts for streets, roads, and transportation. Other funds account for storm drain management, affordable housing programs, and park development.

The Adopted Budget for Special Revenue Funds is \$11.2 million, which is a \$7.4 million, or 39.5%, decrease from the FY 2021-22 Adopted Budget due to a decrease in Capital Improvement Program, transportation, and City Work Program projects.

The Special Revenue Funds are funded by \$13.3 million in restricted department revenue and \$3.0 million in transfers, bringing total funding to \$16.3 million. The Special Revenue Funds are projected to begin the year with fund balance of \$28.9 million and end the year with fund balance of \$34.0 million, increasing by \$5.1 million. Increased revenue is primarily due to housing mitigation revenue in the BMR Housing Fund.

Debt Service Funds

The Public Facilities Corporation Debt Service Fund provides for the payment of principal, interest, and associated administrative costs incurred with issuing debt instruments. On September 29, 2020, the City's 2020A Certificates of Participation (2020 COPs) were successfully sold to refund the City's 2012 Certificates of Participation for debt service savings. The refunding generated net present value savings of approximately \$3.14 million, 11.61% of refunded par, and a True Interest Cost of 0.72%. Savings to the City's General Fund amounts to approximately \$494,000 per year for the next ten years or almost \$5 million in total savings. The debt is expected to be fully paid by FY 2029-30.

The Adopted Budget for Debt Service Funds is \$2.7 million, relatively unchanged from the FY 2021-22 Adopted Budget. The Debt Service Funds are funded by \$2.7 million in transfers from the General Fund.

Capital Projects Funds

Capital Projects Funds typically account for the acquisition or construction of major capital facilities. The Capital Improvement Projects Fund, Stevens Creek Corridor Park Fund, and Capital Reserve Fund are Capital Projects Funds. Capital projects are identified in the five-year Capital Improvement Program (CIP).

The Adopted Budget for Capital Projects Funds is \$3.6 million, a decrease of \$15.9 million, or 81.4%, from the FY 2021-22 Adopted Budget due to a reduction in Capital Improvement Program projects. The Capital Projects Funds are funded by \$2.5 million in transfers from the General Fund and \$1.1 million in reserves.

Transfers from the General Fund to the Capital Reserve are \$2.5 million. In the past, transfers to the Capital Reserve were not budgeted and adjusted at mid-year. Given the City's aging infrastructure and capital project needs, the City is budgeting transfers to facilitate Capital Improvement Program forecasting.

Enterprise Funds

Enterprise Funds are for services funded directly by fees charged for goods or services. Enterprise Funds consist of Resource Recovery for the solid waste collection franchise, Blackberry Farm for the City-owned golf course, Sports Center for the Cupertino Sports Center, and Recreation Programs for cultural, youth, teen, sports, and physical recreation programs.

The Adopted Budget for Enterprise Funds is \$9.0 million, a decrease of \$0.4 million, or 4.4%, from the FY 2021-22 Adopted Budget. The Enterprise Funds are funded by \$5.8 million in program revenue, \$0.4 million in transfers, and \$2.8 million in reserves. The Enterprise Funds are projected to begin the year with \$7.5 million in reserves and end the year with \$4.7 million in reserves, decreasing by \$2.8 million.

The Enterprise Funds are projected to use reserves that have been increasing in recent years. During the pandemic, the Parks and Recreation funds built up reserves as revenues were higher than expenditures.

Internal Service Funds

Internal Service Funds are used for areas where goods or services are provided to other City departments or governments on a cost-reimbursement basis. Internal Service Funds include funds and programs for innovation and technology, workers' compensation, equipment, compensated absences, long-term disability, and retiree medical insurance.

The Adopted Budget for Internal Service Funds is \$8.9 million, similar to the FY 2021-22 Adopted Budget. The Internal Service Funds are funded by \$4.5 million in program revenue, \$3.4 million in transfers from the General Fund, and \$1.0 million in reserves. The Internal Service Funds are projected to begin the year with \$3.7 million in reserves and end with \$2.7 million in reserves, decreasing by \$1.0 million.

Internal Service Funds are projected to use reserves because the City is eliminating the General Fund transfer to the Retiree Medical Fund. The City plans to fund Other Post-Employment Benefits (OPEB) costs with the City's Section 115 OPEB Trust because the City's OPEB plan is over 100% funded. The costs for the acquisition of fixed assets for vehicle and equipment replacement are not included and will be brought to City Council at a later time.

Special Projects

The FY 2022-23 Adopted Budget includes funding for one-time Special Projects, described in each program's Special Project section and summarized in the following table. The budgets of some Special Projects from previous fiscal years may be carried forward into FY 2022-23.

Program	Project	Expenditure	Funding Source	Strategic Goal
CITY WORK PROGRAM				
ADMINISTRATION				
120 City Manager	CWP - Safe Gun Storage Ordinance	12,000	General Fund	Quality of Life
122 Sustainability Division	CWP - Electrification Study	50,000	General Fund	Sustainability and Fiscal Strategy
126 Office of Communications	CWP - Community Engagement on Alternative Transportation and Parking	12,000	General Fund	Publ Eng and Transparency/ Transportation
126 Office of Communications	CWP - Integrated Plan for Community	30,000	General Fund	Publ Eng and Transparency
705 Economic Development	CWP - Cupertino Store Implementation	145,000	General Fund	Publ Eng and Transparency
TOTAL ADMINISTRATION		249,000		
INNOVATION & TECHNOLOGY				
300 Administration	CWP - Cybersecurity Public Education	7,500	General Fund	Publ Eng and Transparency
300 Administration	CWP - Hybrid Meeting for City Council and Commission Meetings	15,000	General Fund	Publ Eng and Transparency
300 Administration	CWP - License Plate Readers	60,000	General Fund	Quality of Life
TOTAL INNOVATION & TECHNOLOGY		82,500		
ADMINISTRATIVE SERVICES				
412 Human Resources	CWP - Student Internship Program	15,000	General Fund	Publ Eng and Transparency
426 Budgeting	CWP - Analyze Potential Revenue Measures	50,000	General Fund	Sustainability and Fiscal Strategy
TOTAL ADMINISTRATIVE SERVICES		65,000		
PARKS AND RECREATION				
601 Rec & Comm Svcs Administration	CWP - Senior Strategy	35,000	General Fund	Publ Eng and Transparency
601 Rec & Comm Svcs Administration	CWP - Artwork at the Library/Exhibits/Poetry and Art Day	10,000	General Fund	Quality of Life
601 Rec & Comm Svcs Administration	CWP - Intergenerational Engagement	20,000	General Fund	Publ Eng and Transparency
TOTAL PARKS AND RECREATION		65,000		
COMMUNITY DEVELOPMENT				
700 Community Development Admin	CWP - Homeless Jobs Program	200,000	General Fund	Housing
711 BMR Affordable Housing Fund	CWP - Housing Programs for De Anza College Students	25,000	General Fund	Housing
TOTAL COMMUNITY DEVELOPMENT		225,000		
PUBLIC WORKS				
088 Blackberry Farm Golf Renov/Alt Use	Blackberry Farm Golf Course Needs Assessment ¹	-	BBF	Quality of Life
264 City Owned Properties Analysis	Study Session on City-Owned Properties ²	-	CIP	Sustainability and Fiscal Strategy
844 Traffic Engineering	CWP - Bicycle Facilities	50,000	General Fund	Transportation
844 Traffic Engineering	CWP - Lawson Middle School Bikeway	40,000	General Fund	Transportation
844 Traffic Engineering	CWP - Vision Zero	80,000	General Fund	Transportation
TOTAL PUBLIC WORKS		170,000		
TOTAL CITY WORK PROGRAM		856,500		
OTHER SPECIAL PROJECTS				
ADMINISTRATION				
122 Sustainability Division	Climate Action Plan Vision Summary Doc	10,000	General Fund	
305 Video	Field Lighting Package	10,000	General Fund	
633 Disaster Preparedness	Business Continuity Resilience	1,000,000	General Fund	
705 Economic Development	Economic Development Strategy Outreach	20,000	General Fund	
TOTAL ADMINISTRATION		1,040,000		
INNOVATION & TECHNOLOGY				
300 Administration	Aclima and Envirosuite Pilot Extension	66,000	General Fund	
305 Video	Cupertino Room Lectern Upgrade	7,500	General Fund	
305 Video	Cupertino Room Enhanced Video System	35,000	General Fund	
305 Video	Social Room Audio System Upgrade	16,500	General Fund	
305 Video	Sports Center Audio System Upgrade	9,000	General Fund	

308 Applications	Accela Citizen Access Guide & Wrapper	25,000	General Fund
308 Applications	Accela Roadmap	25,000	General Fund
308 Applications	ActiveNet Roadmap	25,000	General Fund
308 Applications	Climate Action Plan Implementation Software	20,000	General Fund
308 Applications	Code Enforcement Consolidated Application	40,000	General Fund
308 Applications	Crisis Management Software	15,000	General Fund
308 Applications	ERP (Phase II)	106,928	General Fund
308 Applications	Semi Annual ADA Consultant	35,000	General Fund
308 Applications	Zendesk for Parks and Rec	40,000	General Fund
310 Infrastructure	CAD & RMS WAN Link	7,200	I&T
310 Infrastructure	City Hall Enterprise Server & Storage Tech	150,000	I&T
310 Infrastructure	City Facilities Camera Capture Expansion	60,000	I&T
310 Infrastructure	Digital Signage	25,000	I&T
310 Infrastructure	Office 365 E5 Licenses	7,000	I&T
310 Infrastructure	Proactive Managed Risk & Security Monitoring	23,000	I&T
310 Infrastructure	Public Bicycle Smart Rack Docks Technology Enhancement	2,000	I&T
310 Infrastructure	Sign Shop Printer Warranty	3,000	I&T
310 Infrastructure	Supplemental Wi-Fi Expansion in Public Areas	20,500	I&T
986 GIS	Additional Telematics Devices	5,300	I&T
986 GIS	Amazon EC2 Instance t3aXLarge	5,000	I&T
986 GIS	Business Process Automation Platform	42,000	I&T
986 GIS	Drone Instructor Training	1,600	I&T
986 GIS	Geotab Keyless Solution	6,000	I&T
986 GIS	Google Query	5,000	I&T
986 GIS	Laserfiche Scanning	30,000	I&T

TOTAL INNOVATION & TECHNOLOGY		858,528	
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ADMINISTRATIVE SERVICES

405 Accounting	Fee Study	75,000	General Fund
412 Human Resources	Hybrid Recruitment Strategy	40,000	General Fund
412 Human Resources	Online Marketing and Branding	50,000	General Fund
425 Purchasing	Federal Grants Program	100,000	General Fund

TOTAL ADMINISTRATIVE SERVICES		265,000	
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PUBLIC WORKS

801 Resources Recovery	SB1383 Procurement Requirements	77,553	Resource Recovery
801 Resources Recovery	Single Use Plastics Ordinance	40,000	Resource Recovery
802 Non Point Source	Storm Water (SWPPP) Update	19,100	Env Mgmt Cln Crk
804 Plan Review	BBF Golf Netting Support Inspect	6,000	General Fund
807 Service Center Administration	Office Reconfiguration	77,850	General Fund
808 McClellan Ranch Park	Pedestrian Bridge Decking Replacement	70,000	General Fund
809 Memorial Park	Veterans Memorial Maintenance	15,000	General Fund
811 BBF Ground Maintenance	Pedestrian Bridge Decking Replacement	30,000	General Fund
813 Neighborhood Parks	Franco Park Solar Powered Light Bollard Replacement	18,000	General Fund
813 Neighborhood Parks	Portal Park Concrete Replacement/Repair	35,000	General Fund
813 Neighborhood Parks	Wilson Park Irrigation Pump Replacement	60,000	General Fund
820 Sidewalk Curb and Gutter	Annual Sidewalk Curb & Gutter	1,453,200	Transportation Fund
821 Street Pavement Maintenance	Annual Asphalt Project	2,179,800	Transportation Fund
822 Street Sign Marking	Holiday Banner Replacement	10,300	Transportation Fund
824 Overpasses and Medians	Mound Removals	141,900	General Fund
824 Overpasses and Medians	Split Rail Fence-SCB & Mary Ave	16,400	General Fund
824 Overpasses and Medians	Trench Work	40,000	General Fund
825 Street Tree Maintenance	Trees and Badges	15,000	General Fund
828 Bldg Maint Library	Ventilation Preventative Maintenance & Repair	45,000	General Fund
829 Bldg Maint Service Center	Air Conditioning Replacement	16,500	General Fund
829 Bldg Maint Service Center	Conference Room Carpet Replacement	12,000	General Fund
829 Bldg Maint Service Center	Locker Room Floor Replacement	12,000	General Fund
829 Bldg Maint Service Center	Mechanic Bay Lighting Upgrade	15,000	General Fund
829 Bldg Maint Service Center	Roof Gutter Replacement	12,000	General Fund
829 Bldg Maint Service Center	Shops Roof Replacement Phase 2	42,000	General Fund
830 Bldg Maint Quinlan Center	Conference Room Carpet Replacement	14,000	General Fund
830 Bldg Maint Quinlan Center	Stage Floor Refinishing	20,000	General Fund
831 Bldg Maint Senior Center	Air Conditioning Replacement	14,500	General Fund
831 Bldg Maint Senior Center	Exterior Deck Dry Rot Repair	9,000	General Fund
831 Bldg Maint Senior Center	Partial Roof Replacement	75,000	General Fund
831 Bldg Maint Senior Center	Energy Management System Upgrades	90,000	General Fund
832 Bldg Maint McClellan Ranch	4H Roof and Gutter Replacement	25,000	General Fund
832 Bldg Maint McClellan Ranch	Milk Barn Exterior Painting	30,000	General Fund

836 Bldg Maint Sports Center	Locker Room Floor Replacement	15,000	General Fund
836 Bldg Maint Sports Center	Racquetball Court Floor Refinishing	16,000	General Fund
836 Bldg Maint Sports Center	Ventilation Preventive Maintenance and Repair	35,000	General Fund
841 BBF Facilities Maintenance	Blesch, Byrne and Stockmeir Maintenance Allowance	25,000	General Fund
848 Street Lighting	Service Center Exterior Building Light Fixture LED Upgrade	8,300	General Fund
848 Street Lighting	Street Light Pole Replacement	213,000	General Fund
853 Storm Drain Fee	Permeable Pavement	12,500	Env Mgmt Cln Crk
853 Storm Drain Fee	Rainwater Capture	12,500	Env Mgmt Cln Crk
854 General Fund Subsidy	CUSD Joint Use Cost Share	21,868	Env Mgmt Cln Crk
854 General Fund Subsidy	Low Income Cost Share	8,000	Env Mgmt Cln Crk
TOTAL PUBLIC WORKS		5,104,271	
TOTAL OTHER SPECIAL PROJECTS		7,267,799	
TOTAL SPECIAL PROJECTS		\$ 8,124,299	

¹Study Session on City-Owned Properties (\$90,000) is funded in the Capital Improvement Program budget under Stockmeier, Byrne, and Blesch: Inspection Reports and Analysis. The \$23,600 budgeted in FY 2022-23 is in addition to the \$76,400 budgeted in FY 2021-22.

²Blackberry Farm Golf Course Needs Assessment (\$23,600) is funded in the Capital Improvement Program budget under Blackberry Farm Golf Course / Alternative Use Study.

Current Economic Update

National and State Economic Conditions

Real gross domestic product (GDP) increased at an annual rate of 6.9 percent in the fourth quarter of 2021, following an increase of 2.3 percent in the third quarter. The increase was revised down 0.1 percentage points from the "second" estimate released in February. The acceleration in the fourth quarter was led by an acceleration in inventory investment, upturns in exports and residential fixed investment, and an acceleration in consumer spending. In the fourth quarter, COVID-19 cases resulted in continued restrictions and disruptions in the operations of establishments in some parts of the country. Government assistance payments in the form of forgivable loans to businesses, grants to state and local governments, and social benefits to households all decreased as provisions of several federal programs expired or tapered off.

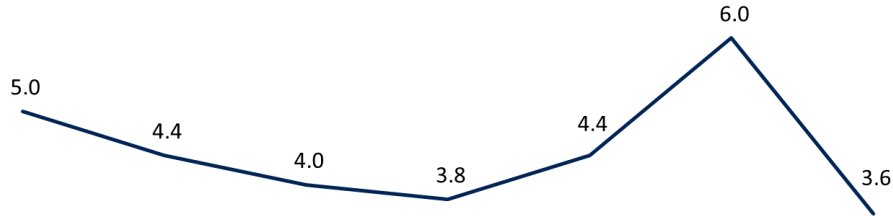
In 2022, geopolitical conflict has fueled volatility in financial markets. The conflict has exacerbated inflationary pressures, particularly in energy and commodities, and has caused tightening conditions in financial markets. While consumer spending and economic growth remain strong, an extended conflict along with elevated energy prices increases the risk of an economic slowdown later this year. While the Federal Reserve is expected to tighten monetary policy, the Federal Open Market Committee (FOMC) has very little margin for error as it attempts to combat inflation without pushing the economy into a recession. Over the near term, the City's investment manager, Chandler Asset Management, expects financial market volatility to remain elevated and conditions to remain tighter with heightened geopolitical risk, supply chain bottlenecks and persistent inflation, and the Federal Reserve's pivot to less accommodative monetary policy.

The FOMC raised the federal funds rate by 0.25% at their March 16th meeting to a target range of 0.25% to 0.50%. The Federal Reserve also ended its bond-buying program as expected in March, which included the purchase of Treasury and agency mortgage-backed securities. Federal Reserve Chair Powell suggested that balance sheet runoff could begin as early as their next meeting in May, sooner than previously anticipated, and that the pace of the unwind will likely be faster than in the previous quantitative tightening cycle. The dot plot favors six additional rate hikes in 2022, which implies a 25 basis point rate hike at each remaining meeting this year, but the Fed hasn't ruled out incorporating one or more 50 basis point hikes to address inflation.

The FOMC's Summary of Economic Projections forecasts higher Personal Consumption Expenditure (PCE)

inflation this year at 4.3% and a lower growth rate of 2.8% real GDP. Chandler Asset Management is anticipating additional rate hikes by the Federal Reserve this year, but they do not believe that monetary policy is on a pre-set course and expect the Federal Reserve's policy adjustments will depend on developments in the economy.

US Unemployment Rate
Percent



March 2016 March 2017 March 2018 March 2019 March 2020 March 2021 March 2022

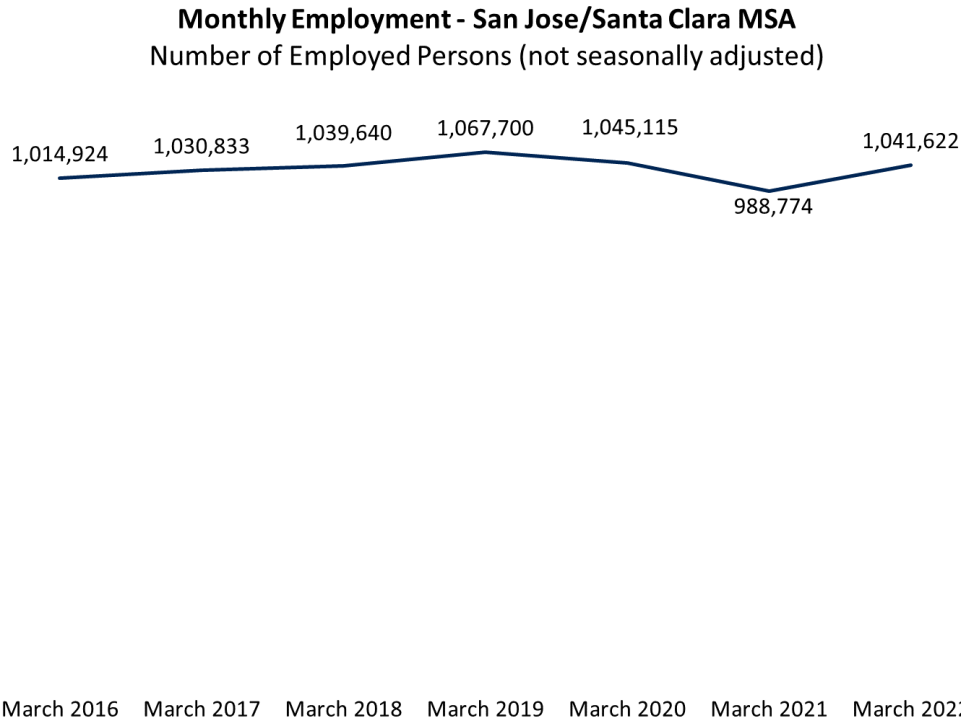
The U.S. unemployment rate was 3.6% in March 2022, down from 6.0% in March 2021. For the first time since the start of the pandemic, the nation’s unemployment rate has returned to its February 2020 level of 3.5%. The participation rate increased to 62.3% from 62.4%, remaining below February 2020 levels of 63.4%. A broader measure of unemployment, U-6, which includes those marginally attached to the labor force and employed part-time for economic reasons, decreased to 6.9% from 7.2%.

Consumer confidence, as reflected by the Conference Board Consumer Confidence Index, decreased over the previous year and was 107.2 as of March 2022, up from 105.7 in February. Consumer confidence was up slightly in March after declines in February and January. Consumer confidence continues to be supported by strong employment growth and thus has been holding up remarkably well despite geopolitical uncertainties and expectations for inflation over the next 12 months, reaching 7.9 percent—an all-time high. However, these headwinds are expected to persist in the short term and may potentially dampen confidence as well as cool spending further in the months ahead.

California’s unemployment rate decreased to 4.9% in March 2022, a 3.5 percentage point decrease from 8.4% in March 2021. Employment increased to 17,396,400 in March 2022, an increase of 1,041,900, or 6.4%, from March 2021. Per capita personal income increased 7.1% in 2020 over 2019, mostly due to faster wage growth; however, it is reasonable to anticipate declines in income in 2021 as a result of COVID-19. In February, growth in the housing market continued over the prior year, with prices of single-family homes up 10.3% and sales down 8.2% from a year ago, according to the California Association of Realtors (CAR). Growth in Santa Clara County also increased over the prior year, with the prices of single-family homes up 22.3% and sales down 20.3% from a year ago.

Cupertino Economic Conditions

Employment in the San José/Sunnyvale/Santa Clara Metropolitan Statistical Area (MSA) has continued to improve since the onset of the COVID-19 pandemic. The preliminary estimate of the March 2022 employment level in the MSA was 1,041,600, representing an approximately 53,000 increase from the March 2021 level of 989,000. The March 2022 preliminary unemployment rate of 3.0% has decreased from 5.1% a year ago and is the lowest since February 2020, the start of the pandemic. The local unemployment rate is lower than the national unemployment rate.



Housing prices remain strong compared to the same period in 2021. According to CoreLogic, in February 2022, the median sale price for single-family residences and condos was \$2,280,000, a 1.3% increase from February 2021. The increase in the median home prices correlates with the property tax revenue increase from last year. The City experienced a net taxable value increase of 3.5% for the 2021-22 tax roll. The bulk of the increase was due to increases in residential properties. The effects of COVID-19 on housing prices in Cupertino and the Bay Area have yet to be seen. Although values continue to increase, staff will monitor the potential impact of long-term and even permanent remote work in the City and region.

Key Budget Assumptions

Revenue Assumptions

The FY 2022-23 Adopted Budget heavily relies on the General Fund’s top three revenue producers: sales tax, property tax, and transient occupancy tax. Although sales tax experienced unanticipated increases in FY 2020-21, staff consider it a one-time increase and expect sales tax to remain below the highs in FY 2020-21. Although property taxes remain stable and positive growth is anticipated in FY 2022-23, the impacts of remote work on property values remain to be seen. Transient occupancy taxes are expected to be higher than FY 2021-22; however, they are expected to be significantly less than historical highs in FY 2018-19. Although transient occupancy taxes are expected to recover by FY 2023-24, the long-term impacts of remote work on business travel have yet to be seen.

Personnel Assumptions

The City is currently negotiating with its bargaining groups because labor agreements expire on June 30, 2022. Due to the uncertainty, personnel budgets only account for step increases and changes in CalPERS retirement rates. The budget does not include cost-of-living adjustments (COLA) or equity adjustments.

Employees who have yet to reach the top step in their classification’s salary range are eligible to receive a step increase on their anniversary date. Typically, classifications have five steps, with each increase equivalent to a 5% increase in salary. Currently, approximately 41% of employees are below Step 5.

Non-Personnel Assumptions

Non-Personnel budgets were developed based on actual expenditures in prior years and adjusted for FY 2022-23 funding needs. In addition, one-time projects were excluded to ensure that expenditure trends reflect ongoing needs. Contingency budgets remained reduced. Program contingencies were cut to 2.5% in FY 2020-21, and the City Manager’s Contingency was reduced to \$75,000 in FY 2021-22. In prior years, program contingencies were 5% of Materials and Contract Services, and the City Manager’s Contingency was 5% of General Fund Materials and Contract Services, excluding the law enforcement contract.

Ongoing Challenges

Retirement Benefits

Rising retirement costs are driving the increase in employee benefits. Cupertino provides retirement benefits for its employees through the California Public Employee’s Retirement System (CalPERS). Poor investment returns during the Great Recession significantly decreased the plan’s assets. In addition, enhanced benefits and actuarial assumption changes due to increased life expectancies increased the plan’s liabilities. As a result, the City’s pension costs have increased significantly and are one of the City’s most significant financial obligations.

The City’s CalPERS costs are projected to increase over the next few years, as shown in the table below.

	Projected CalPERS Contributions					
	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Projected Payroll	\$ 21,566,041	\$ 22,159,108	\$ 22,768,483	\$ 23,394,616	\$ 24,037,969	\$ 24,699,012
Normal Cost (%)	9.7%	9.5%	9.3%	9.1%	8.9%	8.8%
Normal Cost	\$ 2,100,532	\$ 2,105,115	\$ 2,117,469	\$ 2,128,910	\$ 2,139,379	\$ 2,173,513
UAL Payment	\$ 4,775,294	\$ 5,126,000	\$ 5,477,000	\$ 5,326,000	\$ 5,545,000	\$ 5,027,000
Total Contribution	\$ 6,875,826	\$ 7,231,115	\$ 7,594,469	\$ 7,454,910	\$ 7,684,379	\$ 7,200,513
Total Contribution (%)	31.9%	32.6%	33.4%	31.9%	32.0%	29.2%

In December 2016, the CalPERS Board of Administration lowered the discount rate from 7.5% to 7.0% with a three-year phase-in beginning in FY 2018-19. This change will result in significant increases in retirement costs but was implemented to improve the financial stability of the pension system. In FY 2021-22, the CalPERS Board lowered the discount rate from 7.0% to 6.8% because the FY 2020-21 investment gain of 21.3% triggered the Funding Risk Mitigation Policy.

2022 has been a volatile year for stocks. Financial conditions are expected to remain tighter with heightened geopolitical risk, supply chain bottlenecks and persistent inflation, and the Federal Reserve's pivot to a less accommodative monetary policy. If CalPERS' investments earn less than the 6.8% discount rate, the City can expect an increase in pension costs. The impacts from CalPERS investment earnings would affect the City's costs starting FY 2024-25 and gradually increase over five years.

In May 2018, the City established a Section 115 Trust to reduce pension rate volatility on the City's budget. The Section 115 Pension Trust's balance of \$17.2 million, as of June 30, 2022, can be used to fund pension costs if CalPERS costs increase.

Revenue Volatility

The City's sales tax revenue is highly dependent on a volatile revenue source: business-to-business (B2B) sales taxes. Business-to-business sales tax revenues are sensitive to economic fluctuations, as Cupertino experienced during the dot-com crash from 2000 to 2004. The City's heavy reliance on the volatile high-tech industry makes the City vulnerable. The loss of one of the City's top three sales tax producers in FY 2013-14 made the City more reliant on a single tax producer, making it more vulnerable to its business volatility.

The City's sales and transient occupancy tax revenues have experienced great fluctuation since the outbreak of COVID-19 in 2020. While restaurants and hotels, general consumer goods, and automotive industry groups were severely impacted, the City's business-to-business and County pool allocation share increased substantially. Statewide shelter-in-place mandates reduced sales tax revenue from restaurants and brick and mortar retail but increased tax revenue from online sales. Additionally, the conversion to remote work throughout the State increased the demand for computer and electronics equipment, which also increased the City's sales tax revenues. In total, the City's sales tax revenues spiked to historic highs in FY 2020-21, but the City considers it one-time. As the State rebounds from the pandemic and businesses continue opening, it is anticipated that the City's restaurant and hotels, general consumer goods, and automotive industry groups will recover and increase. However, these increases will only slightly mitigate the anticipated declines in the City's business-to-business and County pool allocation as online sales fall from recent historic highs. Transient occupancy remains devastated due to reduced business travel during the pandemic. Although recovery is anticipated by FY 2023-24, the extent of the post-pandemic recovery is unknown.

Budget Guide

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Our Mission

The mission of the City of Cupertino is to provide exceptional service, encourage all members of the community to take responsibility for one another, and support the values of education, innovation, and collaboration.

Elements of the Budget Document

The budget is the City's fundamental policy document. It describes the City's goals and details how resources are allocated to achieve these goals. The budget serves as the annual financial plan, an operations guide, and a communications tool.

The budget guide provides an overview of the elements of the budget document. It includes a glossary of budget terminology. The budget document includes the following key elements:

Budget Message: This section includes the City Manager's transmittal letter submitting the budget to the City Council. The Budget Message also summarizes the City's current and long-term financial position, highlights new programs and organizational changes addressed in the budget, and outlines both short and long-term goals of our city government.

Budget Guide: This section includes the City's Mission and other tools to assist the reader in identifying key terminology in the budget document.

Community Profile: This section describes Cupertino's history, the economic and city profiles, community statistics, recreation and community services, education, and additional areas of interest in the city.

Financial Policies: This section provides financial policies.

Financial Schedules: This section provides financial information on projected revenues, expenditures, fund balances, and reserves. It includes the Financial Overview by Fund as well as detailed fund descriptions and information on all revenues and expenditures.

This section also includes a forecast of revenues, expenditures, and fund balance for the next twenty years.

Additionally, this section includes an analysis of all City revenues by category. Revenue projections are based on trends, current economic indicators, and input from other agencies or consultants. Sales tax projections are based on input from our sales tax consultants, industry trends, and major company forecasts. Property tax revenues are projected by the county and adjusted by staff based on known trends.

Departmental Operating Budgets: This section details historical and proposed expenditures by operating department. The City is organized into eight key operating functions, including Council and Commissions, Administration, Law Enforcement, Innovation and Technology, Administrative Services, Parks and Recreation, Community Development, and Public Works. Each department budget includes a summary narrative, financial information for the department and each of its major divisions, and staffing information.

Expenditures for employee compensation and benefits are based on negotiated contracts. The materials categories of expenditures are based on a zero-base budget, with increases each year by the Consumer Price Index (CPI). Contract services are also based on a zero-based budget, with increases each year based on negotiated increases or CPI. Capital outlays are justified each year by the departments. Special Projects include any one-time projects or costs.

Departmental expenditures are divided into the following categories:

- Employee Compensation represents permanent full-time and part-time salary costs and overtime.
- Employee Benefits represents CalPERS retirement, health insurance costs, and other benefits.
- Materials and Supplies represent items purchased for repair and maintenance, operational activities such as books, uniforms and recreation supplies, office supplies, and conference and training costs.
- Contract Services represents legal, consulting, and other professional services, contract repair and maintenance, utility charges, training and memberships, equipment rentals, insurance, and employment

services.

- Cost Allocation represents Cost Allocation and Internal Service charges to user departments
- Contingencies, 2.5% of budgeted materials and contract costs, are designed for unexpected expenditures and/or emergencies.
- Capital Outlay represents expenditures for tangible fixed assets including land, buildings, furniture, equipment, and City vehicles.
- Special Projects represent any one-time projects or costs.
- Debt Service/Other represents principal and interest payments on outstanding debt and inter-fund transfers.

Non-Departmental Operating Budgets: This section details historical and proposed expenditures for inter-fund transfers and debt service payments.

Capital Improvement Program (CIP): The Capital Improvement Program is in a separate document, called Capital Improvement Program, that details the proposed capital projects for the next five fiscal years. The five-year plan denotes funding sources and a description of each project. The City Council approves funding for capital projects yearly. The project may expend the funds over multiple years.

Glossary of Budget Terminology

The City's budget contains specialized and technical terminology that is unique to public finance and budgeting. To help the reader understand the terms, a glossary of budgetary terminology is found below.

Accrual – A basis of accounting in which revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period in which they are incurred.

Adopted Budget – Revenues and appropriations approved by the City Council in June for the following fiscal year.

Allocated Costs – An expense charged by one department/division to another for services performed or expenditures of a general nature that are charged to one main account and allocated to other departments/divisions by a specified formula.

Amended Budget – The status of appropriations between July 1 and June 30 includes the adopted budget, budget amendments, prior year encumbrances, approved carryovers, and transfers between objects, divisions and departments.

Appropriation – An authorization made by the City Council that permits the City to incur obligations and to make expenditures of resources.

Balanced Budget – A balanced budget requires that budgeted expenditures be equal to or less than projected revenues for the budget year.

Budget – A financial plan for a specific period of time (fiscal year) that matches all planned revenues and expenditures with various municipal services.

Budget Amendment – A legal procedure to revise a budget appropriation. Adjustments to expenditures within or between departmental budgets may be accomplished administratively. City Council approval is required for additional appropriations from fund balances or from new revenue sources.

Capital Improvement Program – A plan for capital expenditures to provide for the acquisition, expansion, or rehabilitation of an element of the City's physical plant to be incurred over a fixed period of several future years.

Capital Outlay – Expenditures relating to the purchase of equipment, land, and other fixed assets.

Cost Allocation Plan – A plan that details how indirect costs are calculated and allocated to user departments.

Cost Recovery – The establishment of user fees that is equal to the full cost of providing services.

Department – A major administrative segment of the City that indicates overall management responsibility for an operation or a group of related operations within a functional area.

Division – A unit of organization that reports to a department.

Enterprise Fund – A fund established to account for activities that are financed and operated in a manner similar to private business enterprises, in which costs of providing services are primarily recovered through user fees.

Expenditure – Utilization of fund resources. Expenditures include operating expenses, debt service and capital outlays.

Expenditure Category – A basis for distinguishing types of expenditures. The major expenditure categories used by the City are employee compensation, employee benefits, materials, contract services, appropriations

for contingency, special projects, capital outlay and debt service.

Fiscal Year – A twelve-month time period signifying the beginning and ending period for recording financial transactions. The City has specified July 1 through June 30 for its fiscal year.

Full-Time Equivalent (FTE) – The ratio of a position in comparison to the amount of time a regular, full-time employee normally works in a year. A full-time employee (1.00 FTE) is paid for 2,080 hours a year. Positions budgeted to work less than full-time are expressed as a percent of full-time.

Fund – A fiscal and accounting entity for which the recording of financial transactions is made for the purpose of carrying on specific activities in accordance with the requirements placed upon the use of financial resources.

Fund Balance – The net effect of assets less liabilities at any given point in time.

General Fund – The fund used to account for the major operating revenues and expenditures of the City, except for those financial resources that are required to be accounted for in another fund category. General Fund revenues are derived primarily from property and other taxes.

Goal – Broad mission statements that define the purpose of a department.

Governmental Fund – Account for activities that are primarily tax-supported operations or other mandatory payments. Reported using the current financial resources measurement focus and the modified accrual basis of accounting.

Infrastructure – Long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Examples include roadways, bridges, and drainage systems.

Internal Service Fund – A fund used to account for the services provided by one department to other departments on a cost-reimbursement basis.

Modified Accrual – Under the modified accrual basis of accounting, revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.

Operating Budget – A financial plan for the provision of direct service and support functions that provide basic governmental services. The operating budget contains appropriations for such expenditures as employee compensation, materials, contract services, capital outlay, and debt service. It does not include Capital Improvement Project expenditures.

Program – A unit or organization that reports to a division.

Reserve – An account used to designate a portion of the fund balance for specific future use and is, therefore, not available for general appropriation.

Revenue – Increases in fund resources. Revenues include income from user fees, taxes, permits, and other sources.

Self-Supporting Activity – An enterprise activity where all service costs (including principal and interest debt payments) are primarily covered solely from the earnings of the enterprise.

Subsidy – Supplemental resources provided to ensure adequate funding when anticipated expenditures exceed revenues.

Transfer Out – Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

User Fees – Fees charged to users of a particular service provided by the City.

Commonly Used Acronyms

ABAG	Association of Bay Area Governments
ACFR	Annual Comprehensive Financial Report
ARPA	American Rescue Plan Act
B/PAC	Bicycle/Pedestrian Advisory Committee
BAAQMD	Bay Area Air Quality Management District
BMR	Below Market Rate
CAP	Cost Allocation Plan
CARES	Coronavirus Aid, Relief, and Economic Security Act
CDTFA	California Department of Tax and Fee Administration
CMTA	California Municipal Treasurers Association
CPI	Consumer Price Index
CPUC	California Public Utilities Commission
CSMFO	California Society of Municipal Finance Officers
EAP	Employee Assistance Program
EIR	Environmental Impact Statement
EOC	Emergency Operations Center
ERAF	Education Revenue Augmentation Fund
FEMA	Federal Emergency Management Agency
FLSA	Fair Labor Standards Act
FPPC	Fair Political Practices Commission
FSA	Flexible Spending Account
FY	Fiscal Year
GASB	Governmental Accounting Standards Board

GFOA	Governmental Finance Officers Association
HVAC	Heating Ventilation and Air Conditioning
IPM	Integrated Pest Management
JPA	Joint Powers Authority
LAIF	Local Agency Investment Fund
LTD	Long Term Disability
MOU	Memorandum of Understanding
MTC	Metropolitan Transportation Commission
OES	Office of Emergency Services
OPEB	Other-Post Employment Benefits
PC	Planning Commission
PEMHCA	Public Employees' Medical and Hospital Care Act
PERS	(aka CalPERS) Public Employees' Retirement System
PTA	Parent Teacher Association
RDA	Redevelopment Agency
RFP	Request for Proposals
RFQ	Requests for Qualifications
RHNA	Regional Housing Needs Allocation
RMS	Records Management System
RWQCB	Regional Water Quality Control Board
UAL	Unfunded Actuarial Liability
UBC	Uniform Building Code
VSP	Vision Service Plan

Revenues, Expenditures, and Fund Balance Table

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Taxes	-	-	-	-
Licenses and Permits	-	-	-	-
Use of Money and Property	-	-	-	-
Intergovernmental Revenue	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous Revenue	-	-	-	-
Interdepartmental Revenue	-	-	-	-
Total Revenues	-	-	-	-
Expenditures				
Employee Compensation	-	-	-	-
Employee Benefits	-	-	-	-
Materials	-	-	-	-
Contract Services	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Special Projects	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	-	-	-	-
Change in Fund Balance	-	-	-	-
General Fund Contribution	-	-	-	-

Taxes – Money received from tax revenue

Licenses and Permits – Money received from license and permit fees

Use of Money and Property – Interest earnings, facility, and concession rents

Intergovernmental Revenue – Funds received from federal, state, or local governments such as grants

Charges for Services – Fees collected for services provided by the department

Fines and Forfeitures – Money received from fines and penalties

Miscellaneous Revenue – Money received from various sources such as donations, salvage, and legal settlements

Interdepartmental Revenue – Interdepartmental service charges and transfers

Total Revenues – Total of all revenue categories

Employee Compensation – Full-time and part-time salaries

Employee Benefits – Employee benefits including health insurance and retirement

Materials – All material, conference, and training costs

Contract Services – All contracted goods and services

Cost Allocation – Cost of services from other City departments and depreciation expenses

Capital Outlay – Land, buildings, vehicles, infrastructure, and assets used in operation beyond one year

Special Projects – One-time projects or costs

Contingencies – Funds for unexpected expenses and emergencies

Total Expenditures – Total of all expenditure categories

Change in Fund Balance – Total Revenues minus Total Expenditures plus General Fund Contribution. Fund balance is the difference between assets and liabilities.

General Fund Contribution – Use of General Fund fund balance, for programs in the General Fund, or use of transfers from the General Fund, for programs not in the General Fund.

The inclusion of current and historical "actual" and "budget" information is a necessary component of the Government Finance Officer's Association (GFOA) reporting requirements. Due to the extensive amount of financial data, it is important to understand the meaning of these tables. "Actual" data represents actual revenues or expenditures that have been recognized or incurred in the respective fiscal year. Although amounts were budgeted in those years, these actual amounts are irrespective of the budget which should be taken into account when comparing historical actuals with current budgeted figures. Historical budget versus actual information for the last 4 fiscal years at the account detail level is available in the Appendix on the City's budget website (cupertino.org/budget).

Community Profile

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History

“This place of San Joseph Cupertino has good water and much firewood, but nothing suitable for a settlement because it is among the hills very near to the range of cedars which I mentioned yesterday, and lacks level lands.”

When Spanish explorer San Juan Bautista De Anza traveled through California in 1776, he and his party documented these words about the land surrounding Stevens Creek, named back then Arroyo San Joseph Cupertino. However, first impressions can often be misleading. Underneath the spiny, overgrown bush was a completely different land waiting to be uncovered. During this time, the area was populated by Native Americans who hunted and gathered, prospering from the abundant resources the land had to offer.

It wasn't until 1848 when the first American settler, Elijah Stephens, a blacksmith from South Carolina, moved to the area—at this time, named simply 'West Side' and primarily owned by the government. After crossing over the Sierra Nevada in wagons, he discovered the true value of the land underneath the bush and proceeded to purchase over 300 acres of farmland to grow grapes and blackberries. Stephens pioneered the way for farmers, which established West Side as an agricultural hot spot. The land Stephens owned eventually became Blackberry Farm, and the road, creek, and reservoir were all named after him, although misspelled.

In the early West Side, many of the newest advances in agriculture were being developed. Settlers were drawn to the land because of its rich earth, where they were able to grow products that competed on the world market. Once the bush had been cleared, they grew grapes, which covered the West Valley area with vineyards by the late 1800s. By the 1900s, a plant louse called Phylloxera spread throughout the vineyards, attacking the roots of the grapevines, killing the grapes, and putting a halt to wine production. As a solution, nearly everything was replanted with fruit orchards. When the fruit trees blossomed, visitors would come to the orchards for “The Valley of Heart's Delight” festivals, which celebrated the prosperous agriculture of the West Valley area.

Apart from the farmland, West Side was primarily known as a crossroads, an intersection between Saratoga-Sunnyvale Road and Stevens Creek. This served as a way station for travelers to pass through while going from town to town. As more people came to West Side to take advantage of the rich farmland, more family holdings gathered around the crossroads. Starting off as just a post office and home union store, West Side's humble crossroads brought many diverse communities, all attracted by the preferable climate and profitable market for crops.

As more people were drawn to the area around the crossroads, the orchards were gradually replaced with modern houses for workers. The population steadily grew, and the face of West Side changed, progressing into a more modern town. The community wanted to rename the city, so as to not confuse it with other cities, as well as establish a unique identity. John T. Doyle, a lawyer from San Francisco, and writer of historical anthologies on the area chose the name “Cupertino” after the original name of the creek.

After the post-World War II population boom, the growing community petitioned for Cupertino to become an incorporated town. Members of the community were worried that the alternative to incorporation was to have parts of Cupertino annexed by surrounding cities, splitting up the community and erasing the local culture. To preserve the rural atmosphere, lower taxes for farmers, start a local government, and prepare for growth, Cupertino voted for incorporation. In 1955, Cupertino officially became the 13th city in Santa Clara County.

By the 1970s, Cupertino once again began to undergo dramatic changes. The growing community attracted several large technology corporations. Lockheed Martin, HP, Intel, and many other big names established themselves in Silicon Valley. Apple Inc. was founded in Cupertino in 1976 and quickly grew into the tech giant it's known for today.



Apple Park Visitor Center

In the late 20th century, Cupertino and the surrounding areas experienced another surge in population growth, this time due to the immigration of people from Asian countries. Immigration laws at the time were in the favor of families looking to move to Silicon Valley. People immigrated here for a variety of reasons—whether they were aspiring for career prospects with major tech companies, or striving for quality education for their children, everyone who immigrated here had a common goal: to find opportunities to work hard for a better life for themselves and their families.

Community Economic Profile

Cupertino, with a population of 66,274 and City limits stretching across 13 square miles, is considered one of the most prestigious cities to live and work in the Bay Area.

Economic health is an essential component to maintaining a balanced city, which provides high-level opportunities and services that create and help sustain a sense of community and quality of life. Public and private interests must be mutual so that success as a partnership is a direct reflection of success as a community. The cornerstone of this partnership is a cooperative and responsive government that fosters residential and business prosperity and strengthens working relationships among all sectors of the community.

Because Cupertino is a mature, 93% built-out city, the City of Cupertino focuses on business retention and revitalization. Cupertino is world-renowned as the home to high-tech giant Apple, Inc., and as a community with stellar public schools. De Anza College, one of the largest single-campus community colleges in the country, is another major employer and a magnet for attracting local and international students. The City's proactive economic development efforts have resulted in an innovative environment for start-ups and growing companies to thrive, including Bromium, DURECT, SugarCRM, Panasonic Venture Group, Altia Systems, Mirapath, Aemetis Inc, Mist Systems, and Plus. The City strives to retain and attract local companies through active outreach and a responsive and customer-oriented entitlement process.

Cupertino is excited to have a number of new mixed-use development projects offering more retail and dining options, as well as providing additional housing opportunities to meet the needs of the growing community.



Main Street

The Main Street and Nineteen800 mixed-use developments have created a vibrant downtown area for Cupertino, offering a large selection of restaurants and retailers, including Alexander's Steakhouse, Eureka!, Oren's Hummus, Lazy Dog, Ippudo, Pasta Armellino, HaiDiLao Hot Pot Restaurant, Pineapple Thai, Pressed Juicery, Orangetheory, 85 Degree Bakery, SomiSomi, Sul & Beans, Kura Sushi, Vitality Bowls, La Pizzeria, Tancha, Koja Kitchen, Bishops Cuts & Colors, Capezio, Howard's Shoes, and Meet Fresh. Housing, office, and the Residence Inn by Marriott are available to support the thriving area.

Serving as a long-time retail anchor for the community, The Marketplace has a variety of stores and restaurants popular with students, families, and working professionals. They include Galpao Gaucho, Daiso, Marukai Groceries, Harumi Sushi, La Patisserie Bakery, Beard Papa's, Legend's Pizza, Icicles, Kong's Tofu & BBQ, Rori Rice, One Pot Shabu Shabu, Olarn Thai, and Erik's DeliCafé to name a few.

Cupertino Village is undergoing renovations to upgrade existing buildings, construct new buildings, parking, and open-courtyard space. The shopping center is home to 99 Ranch Market, Duke of Edinburgh Pub & Restaurant, JSJ Street Kitchen, Kira Kira Beauty, MOD Pizza, Ten Ren Tea, Fantasia Coffee & Tea, Kee Wah Bakery, Happy Lemon, and many other Asian restaurants, bakeries, and shops. The property owners have received approval to construct a new full-service boutique hotel with 185 rooms to accommodate business and leisure travelers.

Cupertino features many other retail opportunities, including TJ Maxx and Home Goods, Whole Foods, Target, Party City, and over 180 restaurants to serve residents and the local workforce. There are now seven hotels providing over 1,000 rooms, to serve the area: The Aloft Cupertino, Cupertino Hotel, Hilton Garden Inn, Hyatt House, Juniper Hotel operated by Curio, Marriott Courtyard, and Residence Inn by Marriott.

Another longtime retail anchor in north Cupertino is Homestead Square Shopping Center, located at Homestead Road and De Anza Boulevard. This shopping center includes a 24-hour Safeway, Ulta Beauty, Ross Stores, Pet Club, Michael's, Rite Aid, FedEx, and numerous restaurants, such as Fish's Wild, Pho Hoa Noodle Soup, Yayoi Teishoku Japanese Restaurant, Starbucks, Chipotle, and financial institutions.

Recently approved is the redevelopment of The Oaks Shopping Center site, located off of State Route 85 freeway and across from De Anza College. The Westport Cupertino project will be a mixed-used development consisting of 259 housing units (Rowhouse/Townhomes, senior apartments) 35 memory care rooms, and 20,000 square feet of commercial space.



Apple Park Retail Store

Apple Park, Apple's newest corporate campus, features approximately 2.8 million square feet of office and R&D space north of Highway 280 between Wolfe Road and Tantau Avenue. A state-of-the-art Visitors Center, Observation Deck, flagship retail store, and café are open to the public.

City Profile

The City of Cupertino operates as a general law city with a City Council-City Manager form of government. Five council members serve four-year, overlapping terms, with elections held every two years. The Council meets twice a month on the first and third Tuesday at 6:45 p.m. in Cupertino Community Hall. The meeting schedule is available on the City's website, and currently public participation in the Council meetings is available through online remote access.

The City has over 200 authorized full-time benefited employee positions. Departments include:

- Council and Commissions
- Administration
- Innovation and Technology
- Administrative Services
- Parks and Recreation
- Community Development
- Public Works
- Public Safety services are provided by the Santa Clara County Sheriff's Department and the Santa Clara County Fire District.

Assisting the City Council are several citizen advisory commissions and committees, including:

- Audit Committee
- Bicycle Pedestrian Commission
- Design Review Committee
- Environmental Review Committee
- Economic Development Committee
- Fine Arts Commission
- Housing Commission
- Legislative Review Committee
- Library Commission
- Parks and Recreation Commission
- Planning Commission
- Public Safety Commission
- Sustainability Commission
- Teen Commission
- Technology, Information and Communications Commission

The Commissioners are appointed by Council, and vacancies are announced so interested residents can apply for the positions. For more information, visit cupertino.org/commissions.

Housing

Based on data from CoreLogic, the median sales price for an existing single-family home was \$2,280,000 in February 2022. For housing programs in Cupertino, please see "Programs & Applications."

Community Health Care Facilities

Cupertino is served by a number of private medical practitioners and El Camino Health Urgent Care. Nearby hospitals include Kaiser Permanente Medical Center in Santa Clara, Valley Health Center in Sunnyvale, El Camino Hospital in Mountain View, O'Connor Hospital in San Jose, Community Hospital of Los Gatos, Stanford Hospital in Palo Alto, and the Saratoga Walk-in Clinic in Saratoga.

Utilities

Utility	Company	Phone Number
Gas & Electric	Pacific Gas and Electric	800-743-5000
Phone	AT&T residential service	800-894-2355
Phone	AT&T business service	800-750-2355
Cable	Comcast	800- 945-2288
Solid Waste & Recycling	Recology	408-588-7200
Water	San Jose Water Company	408-279-7900
Water	California Water Service	650-917-0152
Sewer Service	Cupertino Sanitary District	408-253-7071

Tax Rates and Government Services

Residential, commercial, and industrial property is appraised at full market value as it existed on March 1, 1975, with increases limited to a maximum of 2% annually. Property created or sold since March 1, 1975, bears full cash value as of the time created or sold, plus the 2% annual increase. The basic tax rate is \$1.00 per \$100 (full cash value) plus any tax levied to cover bonded indebtedness for the county, city, school, and other taxing agencies. Assessed valuations and tax rates are published annually after July 1.

Assessed Valuation (Secured and Unsecured) as reported in the Santa Clara County 2021-2022 Annual Report:

- Cupertino: \$26,198,594,820
- County: \$563,781,977,403

Retail Sales Tax Distribution

Agency	Sales Tax Distribution
State	6.000%
VTA	1.125%
City of Cupertino	1.000%
County General Purpose	0.750%
County Transportation	0.250%
Total	9.125%

Transportation

Rail: The CalTrain station is four miles north of Cupertino. The Amtrak station is 10 miles south.

Air: The San Francisco International Airport is located roughly 30 miles north, and the Mineta San Jose International Airport is located approximately 11 miles south.

Bus: Cupertino is served by the Santa Clara Valley Transportation Authority. The routes listed below pass through the City. For Cupertino-specific schedules and maps visit their online website:

- Route 23 San Jose – Mountain View/Palo Alto
- Route 25 San Jose – De Anza College
- Route 26 Eastridge – Lockheed
- Route 36 East San Jose – Vallco
- Route 51 Vallco – Moffett/Ames
- Route 53 Westgate – Sunnyvale
- Route 55 De Anza – Great America
- Route 81 East San Jose – Vallco
- Express 101 Camden/Branham – Palo Alto
- Express 501 Palo Alto – I.B.M Bailey

Car: The City of Cupertino is in the heart of the world-renowned Silicon Valley. The major highway transportation facilities are Interstate Route 280 and State Route 85 freeways. The City is linked internally by several principal arterials and Santa Clara County expressways. Principal arterials are De Anza Boulevard, Stevens Creek Boulevard, and Wolfe Road. Nearby expressways are Lawrence Expressway and Foothill Expressway.

Sister Cities

The City of Cupertino recognizes the value of developing people-to-people contacts by strengthening the partnerships between the city and its four sister cities of Copertino, Italy; Hsinchu, Taiwan; Toyokawa, Japan, and Bhubaneswar, India. Cupertino’s Sister City partnerships have proven successful in fostering educational, technical, economic, and cultural exchanges. Over the years, there have been many delegations visiting both the cities as well as many local students participating in annual student exchange programs.



Cupertino Sister Cities Sign

Education

Winners of numerous state and national awards for excellence, Cupertino's schools are widely acknowledged as models of quality instruction.

Cupertino Union School District serves over 18,000 students in a 26 square mile area that includes Cupertino and portions of five other cities. The district has 20 elementary schools and five middle schools, including several choice programs. Eighteen schools have received state and/or national awards for educational excellence.

Student achievement is exceptionally high. Historically, district test scores place Cupertino among the premier public school districts in California. The district is a leader in the development of standards-based system of education and is nationally recognized for leadership in the use of technology as an effective tool for learning. Quality teaching and parent involvement are the keys to the district's success.

The Fremont Union High School District serves 10,000 students in a 42 square mile area covering all of Cupertino, most of Sunnyvale, and portions of San Jose, Los Altos, Saratoga, and Santa Clara. The five high schools of the district have garnered many awards and recognition based on both the achievement of students and the programs designed to support student achievements. Many high schools in the district exceed their established achievement targets for the State Academic Performance Index. District students are encouraged to volunteer and provide service to organizations within the community. During their senior year, if students complete 80 hours of service to a non-profit community organization, they are recognized with a "Community Service Award" medal that may be worn at their graduation ceremonies.

Building on its tradition of excellence and innovation, De Anza College challenges students of every background to develop their intellect, character, and abilities; to achieve their educational goals; and to serve their community in a diverse and changing world.



De Anza College Campus

De Anza College offers a wide range of quality programs and services to meet the workforce development needs of our region. The college prepares current and future employees of Silicon Valley in traditional classroom settings and customized training arranged by employers. Several De Anza programs encourage

economic development through college credit courses, short-term programs, services for manufacturers, technical assistance, and/or recruitment and retention services. De Anza College is the top Silicon Valley college in numbers of students transferring to four-year schools, and is always at or near the top statewide, earning it the distinction of, "Tops in Transfer."

Programs and Applications

Community Outreach Programs

Leadership 95014

Leadership 95014 is a program designed by the City of Cupertino, Wilfred Jarvis Institute, and other local sponsors to offer an exciting adult program that is guaranteed to enhance the participants' leadership skills. The ten full-day sessions feature inside looks at local governments, the social sector, local non-profit organizations, and educational institutions. This 9-month program is offered annually, September to May, and applications can be found online.

Neighborhood Block Leader Program

Good neighborhoods are those where neighbors work together on common issues and look out for each other. Block leaders take extra steps to connect neighbors and build community, making our neighborhoods safer and more resilient. The Block Leader Program teaches residents how to get to know their neighbors and how to organize activities so neighbors can more easily communicate with each other. Block leaders are vital links between City Hall and the neighborhoods.



Neighborhood Block Leader Program

Neighborhood Watch

Neighborhood Watch enlists the active participation of citizens in cooperation with law enforcement to reduce crime in our communities. The program involves: neighbors working together in a program of mutual assistance; citizens being trained to recognize and report suspicious activities in their neighborhoods; and implementation of crime prevention techniques such as home security. To organize a Neighborhood Watch program in your neighborhood, please contact the Neighborhood Watch Coordinator at 408-777-3177.

eCAP

Email Community Alert Program (eCAP) was created by the Santa Clara County Sheriff's Office to prevent and reduce crime by raising community awareness, minimizing opportunities for crime, and increasing the possibility of solving crimes with the public's help. Cupertino residents may voluntarily register their email addresses with the Sheriff's Office for community alert messages. Citizens can sign-up at a Neighborhood Watch meeting or log-on to the City of Cupertino's eCAP online registration.

Affordable Housing: BMR (Below Market Rate) Program

The City of Cupertino requires 15% of all new construction be affordable to households below 120% of the County median income. Rental units are affordable to very low and low-income households while ownership units are affordable to median and moderate-income households.

The City of Cupertino contracts with Hello Housing to screen and place qualified households in most of the city's BMR units. Hello Housing maintains a waiting list of interested persons for these BMR units. For more information, visit the website at www.hellohousing.org/stewardship/cupertino/faq or call (415) 863-3036 (messages returned within 36-48 hours).

Smart Phone Applications

Cupertino Connect: One App for Everything

Are you looking for the latest Cupertino news, events, and important updates? Do you need to apply for a permit or submit a service request? Look no further than Cupertino Connect—a new app that gives you a one-stop app where all the City's services are at your fingertips. Phone screen space is limited, and this update consolidates all the City apps on your phone into one.

With the Cupertino Connect app, you can find exactly the information you're looking for. From COVID-19 updates, to election information, and even data on the trees in your neighborhood, you can find it all in one place. Notice an issue that you want to bring to the City's attention? Whether it's a roadway concern, landscape issue, or complaint, you can now submit Cupertino 311 requests through the Cupertino Connect app! It's easier than ever to select the type of issue, select a location, attach any photos, and submit your request for service.

To download the app, search for "Cupertino Connect" in the app store. For more information, visit <https://www.cupertino.org/our-city/advanced-components/cupertino-311>



Eats 95014

Eats 95014 is the local restaurant app that showcases Cupertino's dining options such as restaurants, grocery stores, farmers' markets, and vineyards. The app provides information on the services offered at such eating places including store hours, parking information, noise level, directions, and website link.

Ready 95014

Ready 95014 is an app that puts safety information into the hands of Cupertino residents. Steps to prepare and respond to emergencies including earthquakes, floods, fires, and pandemics are outlined in an easy-to-understand format. The app also streams Cupertino's own AM radio station (1670 AM) and has a map of the City's Area Resource Centers, satellite locations opened after disasters to provide public assistance.



Website Applications

Cupertino.org/ShopAndDine

This interactive website app offers users mapping features of current Cupertino businesses and restaurants.

Community Statistics

Facts and Figures ¹

Population in City Limits	66,274
Average Household Income	\$259,061
Average Age	40.6
Registered Voters	32,737
Democrats	14,965
Republicans	4,408
American Independent	463
Other	369
No Political Party Designated	12,532

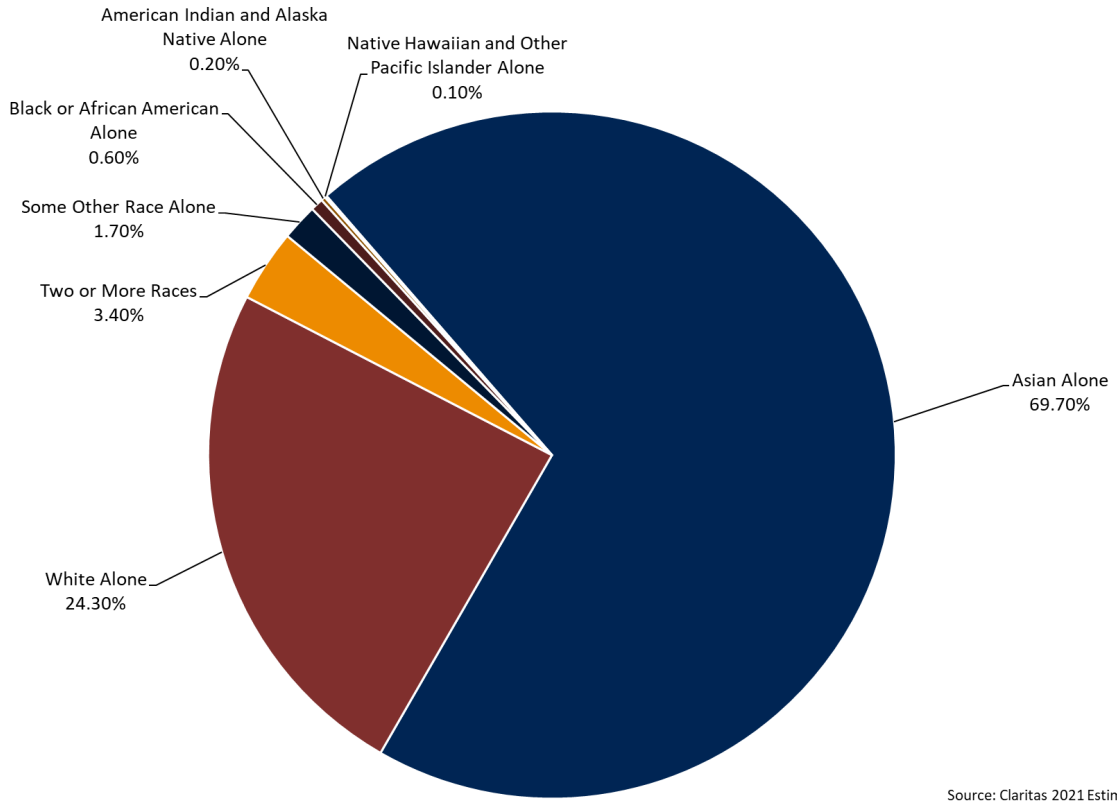
¹ Claritas 2021 Estimates and County of Santa Clara Registrar of Voters as of March 11, 2022

Top 25 Sales Tax Producers 2021 (in Alphabetical Order) ²

- 99 Ranch Market
- Alexander's Steak House
- Alliance
- Apple
- Argonaut Window & Door
- Benihana
- BJ's Restaurant & Brewhouse
- California Dental Arts
- Chevron
- Galpao Gaucho
- Haidilao Hot Pot
- Insight Direct
- Insight Public Sector
- Kura Revolving Sushi Bar
- Lazy Dog Cafe
- Mirapath
- Rotten Robbie
- Safeway
- Shane Company
- Target
- TJ Maxx
- Toter
- Trail Head Cyclery
- Valero
- Whole Foods Market

² HdL Companies 3Q 2021 (July - September) Sales Tax Update

Population by Single Classification Race



Source: Claritas 2021 Estimates

Community and Recreation Services

Blackberry Farm

Blackberry Farm is centrally located within the Stevens Creek corridor and has natural habitat for native trees, animals, and fish. The park includes an on-site café, pools, bocce ball, horseshoe courts, volleyball courts, and picnic areas with multiple sites for groups up to 400 people. The park is located at 21979 San Fernando Avenue. Telephone: 408-777-3140.

Blackberry Farm Golf Course

The Blackberry Farm Golf Course is a nine-hole facility with a Par of 29 and is set along the bank of Stevens Creek with narrow tree lined fairways and small greens. The course is located at 22100 Stevens Creek Boulevard. Telephone: 408-253-9200.

Quinlan Community Center

The Quinlan Community Center is a 27,000 square foot facility that provides a variety of recreational opportunities, rental spaces, hosts classes and programs for all ages, and houses the Cupertino Historical Museum. The center is located at 10185 North Stelling Road. Telephone: 408-777-3120.

Cupertino Sports Center

The Sports Center features 17 tennis courts, two racquetball courts, complete locker room facilities, teen center, and a fully-equipped fitness center featuring free weights, strength training equipment, and cardio equipment. The center is located at 21111 Stevens Creek Boulevard. Telephone: 408-777-3160.

Cupertino Senior Center

The Senior Center provides opportunities for adults over the age of 50, including volunteering and various classes such as exercise, computer, English as a second language, and cultural and special interest. The center also coordinates trips and socials. The Senior Center is located at 21251 Stevens Creek Boulevard. Telephone: 408-777-3150.

Civic Center and Library

The Civic Center complex has a 6,000 square foot Community Hall, plaza with fountain, trees, and seating areas. City Council meetings, Planning Commission sessions, and Parks and Recreation Commission sessions are held in the Community Hall. The center is located at 10350 Torre Avenue. Telephone: 408-777-3120.

The Cupertino Library continues to be one of the busiest libraries in the Santa Clara County Library system. The library is located at 10800 Torre Avenue. Telephone: 408-446-1677.

McClellan Ranch Preserve

McClellan Ranch is an 18-acre preserve that houses the original ranch house, milk barn, livestock barn, and two historic buildings, including the Baer's Blacksmith Shop and the old water tower from the Parish Ranch, Environmental Education Center, and Community Gardens. The preserve is located at 22221 McClellan Road. Telephone: 408-777-3149.

Things To Do and See

Euphrat Museum of Art

The highly regarded Euphrat Museum of Art, at its new location next to the new Visual Arts and Performance Center at De Anza College, presents one-of-a-kind exhibitions, publications, and events reflecting the rich diverse heritage of our area. The Museum prides itself on its changing exhibitions of national and international stature emphasizing Bay Area artists. Museum hours are 10 a.m. – 3 p.m. Monday through Thursday. Telephone: 408-864-5464



Euphrat Museum of Art

Apple Park Visitor Center, Store & Café

A state-of-the-art Visitors Center, Observation Deck, flagship retail store, and café are open to the public seven days a week. The Visitor Center is located at 10600 N Tantau Avenue.

Free parking is available. For more information, visit the website at www.apple.com/retail/appleparkvisitorcenter or call 408-961-1560.

Fujitsu Planetarium

The Fujitsu Planetarium on the De Anza College campus is a must-visit Cupertino facility for stargazers. It hosts a variety of planetarium shows and events, including educational programs for school groups and family astronomy evenings. For more information, visit the website at <http://planetarium.deanza.edu> or call 408-864-8814.

Cupertino Historical Society

The Cupertino Historical Society was founded in 1966 by a group of 177 longtime residents and is dedicated to the preservation and exhibition of the city's history. Their museum, located at the Quinlan Community Center, develops and expands the learning opportunities that it offers to the ethnically diverse community of the City of Cupertino. Telephone: 408-973-1495.

Farmers' Markets

There are two farmers' markets located in the City of Cupertino. One is held on Fridays from 8:30 a.m. to 1:00 p.m. at Creekside Park located at 10455 Miller Avenue, and the other is held every Sunday from 9:00 a.m. to 1:00 p.m. at the Senior Center/Memorial Park parking lot, behind 21251 Stevens Creek Blvd.

California History Center

The California History Center and Foundation is located on the De Anza College campus. The center has published 37 volumes on California history and has a changing exhibit program. The center's Stocklmeir Library Archives boast a large collection of books, pamphlet files, oral history tapes, videotapes, and a couple of thousand student research papers. The library's collection is for reference only. Heritage events focusing on California's cultural and/or natural history are offered by the center each quarter. For more information, call 408-864-8987. The center is open September through June, Tuesday through Thursday, from 9:30 a.m. to noon and 1:00 p.m. to 4:00 p.m.

Local Wineries

The Santa Cruz Mountains have played a pivotal role in the history of winemaking in California, with roots going back over 100 years, and including legendary winemakers such as Paul Masson, Martin Ray, David Bennion (Ridge), and David Bruce. The Santa Clara Valley Wine Trail features wineries in the southern portion of Santa Clara County, including Cupertino.

Take some time to enjoy Cupertino-based wineries: Fellom Ranch Vineyards, Naumann Vineyards, Picchetti Winery, R&W Vineyards, Ridge Vineyards, and Vidovich Vineyards, as well as the breathtaking scenery of the surrounding foothills.



Photo courtesy of Ridge Vineyards

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Financial Policies

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Annual Budget Process

Adopted Budget

The City Council annually adopts a budget by resolution for the upcoming fiscal year. The adopted budget – a policy document, financial plan, operations guide, and communications tool – authorizes expenditures for the activities and funds specified in the budget. It is the basis of the City’s financial planning and control.

Budget Process

The City’s annual budget follows a July 1 to June 30 fiscal year. However, the budget process continues throughout the year, including phases of:

- Development
- Proposal
- Adoption
- Monitoring
- Amendment
- Carryover

Development

Budget development begins in December with the base budget, where ongoing operational costs are reviewed and adjusted. The base budget does not include any one-time initiatives. Departments must justify all new costs each year.

Proposal

In March, departments develop budget proposals for new ongoing or one-time initiatives. Department budget proposals are reviewed by Finance staff using data on current and prior year trends. Budget decisions are guided by a long-term financial forecast. The financial forecast helps identify revenue and expenditure trends that may have an immediate or long-term effect on the City’s fiscal health.

The City Manager reviews the proposals with the Director of Administrative Services and department staff and approves proposals to be included in the Proposed Budget. The Proposed Budget is published by May 1.

In May, staff presents the Proposed Budget to City Council at a proposed budget study session. Boards, Commissions, community organizations, and the public can comment on the budget. During the study session, City Council provides comments, questions, and recommendations to staff regarding the Proposed Budget.

Adoption

In June, City Council considers the Proposed Budget at a public hearing. Staff presents an updated Proposed Budget and responds to City Council’s questions and recommendations from the study session. Then, City Council deliberates and votes to adopt the budget. By adopting the budget, City Council authorizes expenditures for the activities and funds specified in the budget. The adopted budget takes effect on July 1.

Monitoring

After the budget is adopted, the City enters the budget monitoring phase. Throughout the year, departments monitor their budgets to ensure spending does not exceed the budget.

In addition to the annual proposed and adopted budget, staff reports to the City Council quarterly. Quarterly reports update City Council on any changes from July 1 through the end of the quarter. Quarterly reports help:

- Compare budget versus actuals.
- Forecast year-end results.
- Demonstrate the City is on track to end the year within budget.
- Update City Council on any changes to the budget.
- Amend the budget to account for any unforeseen changes.

If amendments to the budget are required outside of this cycle, staff can seek approval through the budget amendment process (see next section).

Amendment

After the budget is adopted, a department may request a change through a budget amendment. A budget amendment is required to:

- Allocate additional appropriations during the fiscal year
- Reallocate appropriations between line items during the fiscal year

Adjustments to expenditures within or between departmental budgets are accomplished on an as-needed basis administratively throughout the year. The City Manager and Department Heads can transfer funds between their accounts and/or programs as needed.

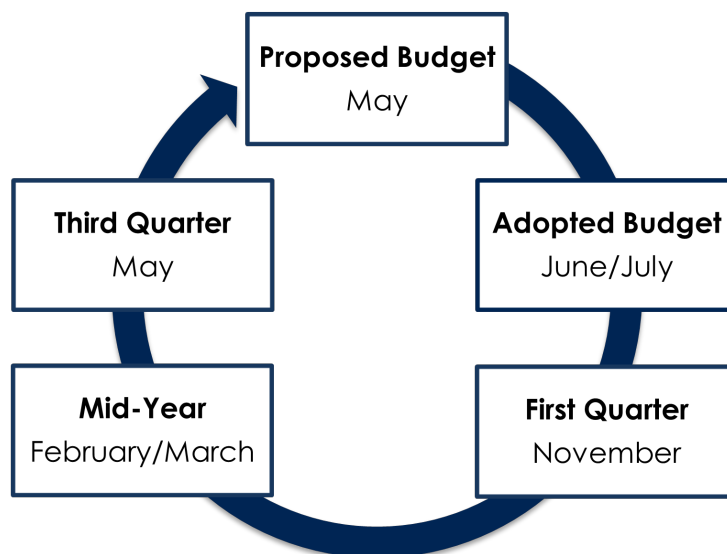
City Council approval is required for additional appropriations from fund balances or from new revenue sources.

Carryover

Unexpended and unencumbered appropriations expire at the end of the fiscal year. A budget carryover allows an unspent appropriation to be carried over into the next fiscal year. A department may request a budget carryover for a project or purchase that is not expected to be completed in the current fiscal year. The department may only use the budget carryover for its original purpose.

Budget Reporting Cycle

The following chart illustrates the City’s budget reporting cycle.



Structure of City Finances

Cost Accounting

Fund costs are allocated to user departments or operating funds based on salaries, equipment and software purchase price, actuarial studies, and actual and projected service level. The City of Cupertino has five internal service funds: Innovation & Technology, Vehicle & Equipment Replacement, Workers' Compensation, Compensated Absences & Long-Term Disability, and Retiree Medical, whose costs are allocated to City departments. Please view the Cost Allocation Plan and Internal Service Fund section of this document for details.

Other employee fringe benefits such as medical, dental, life insurance, and pensions are directly added to department costs as a percentage of salaries. Staff salary and benefit costs are split among departments and related funds based on the anticipated percentage of time spent working in various departments.

Cost Allocation Plan

All overhead costs are allocated to the appropriate program within the limits of local, state, and federal laws. Beginning in FY 2013-14, the City allocated indirect and overhead costs based on a Cost Allocation Plan (CAP). In FY 2015-16, Matrix Consulting Group developed a full CAP for the City. Matrix Consulting Group developed the plan based on "Generally Accepted Accounting Principles" (GAAP) and indirect cost allocation methods defined by the federal Office of Management and Budget's (OMB) Circular A-87.

In addition to the direct cost of providing services, the City has indirect costs. Indirect costs include shared expenses where a department provides support to other departments (e.g., legal, finance, human resources, IT, facilities, and maintenance). The CAP allows the City to understand the full cost of providing specific services to the community more accurately. For example, the full cost of the Quinlan Community Center includes its direct costs (e.g., salaries, benefits, materials, and contracts) plus its indirect costs (e.g., finance, human resources, and IT). The CAP helps the City analyze the full cost of the Quinlan Community Center as if it were a stand-alone business that had costs for services such as finance, human resources, and IT.

The CAP distributes the allowable costs of central service programs to receiving programs. Central service programs (e.g., City Manager's Office, City Attorney's Office, Finance, Human Resources, Innovation and Technology, and City Hall building maintenance) provide support to other programs. Receiving programs, also known as grantees, receive support from central service programs.

Method

The CAP follows the double step-down method, which uses two steps to allocate costs fully. In the first step, the costs of central service programs are allocated to other central service programs and receiving programs. In the second step, the total costs (including costs allocated in the first step) of central service programs are allocated to the receiving programs only. Revenues are allocated directly to the central service program providing the service.

The CAP allocates costs to receiving programs based on an allocation base, which quantifies the use of each service. For example,

- Human Resources benefits costs are allocated based on each program's number of FTE.
- Accounting costs are allocated based on each program's number of financial transactions.
- IT costs are allocated based on the number of computer and mobile devices assigned to each program.

The CAP is updated annually. The FY 2022-23 CAP was prepared using data from FY 2020-21.

Basis of Budgeting

The basis of budgeting refers to the method used to recognize revenues and expenditures in the budget. For the City of Cupertino, the basis of budgeting is the same as the basis of accounting.

Governmental Funds

The Governmental Funds, which include the General, Special Revenue, Debt Service, and Capital Projects funds, use a modified accrual basis. The modified accrual basis uses a current financial resources measurement focus. As a result, only current assets and current liabilities and deferred outflows of resources and deferred inflows of resources generally are included. Under the modified accrual basis, revenues are recognized when they become "susceptible to accrual," which means they are both measurable and available. Measurable means the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For example, revenues from property taxes are determined to be available if collectible within 60 days.

Proprietary Funds

The Proprietary Funds, which include Enterprise and Internal Service Funds, use a full accrual basis. The full accrual basis uses an economic resources measurement focus. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized when incurred, regardless of the timing of related cash flows. For example, property taxes are recognized as revenue in the year they are levied. Grants are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Departments, Divisions, and Programs

The budget is split into ten departments: Council and Commissions, Administration, Law Enforcement, Innovation and Technology, Administrative Services, Parks and Recreation, Community Development, Public Works, Non-Departmental (includes budgets that are not attributable to any specific division), and Capital Improvement Program. These departments are further split into divisions and then programs. The programs within the divisions are balanced at the department level within a given fund.

Annual Comprehensive Financial Report (ACFR)

The Annual Comprehensive Financial Report (ACFR) is prepared by Crowe LLP, the City's auditors, according to generally accepted accounting principles (GAAP) set by the Governmental Accounting Standards Board (GASB).

Citizen Participation

The budget study session and budget hearings are public meetings where citizens are allowed to comment on the budget. The public can also provide feedback to two committees: the Fiscal Strategic Planning and Audit Committees.

Additionally, the City utilizes OpenGov, an interactive financial transparency portal, to allow the public to view budget and financial data. OpenGov allows the public to search budget and financial data, view trends in revenues and expenditures over time, and drill down into revenues and expenditures by fund, department, or account type. OpenGov can be accessed at cupertino.org/opengov.

On April 21, 2022, the City hosted its third annual community budget workshop, "Budget & Bites." The Budget Team hosted the event in collaboration with the City's Youth Activity Board. The event taught residents how to use OpenGov to explore the City's financial data.

Fund Structure

For accounting purposes, a state or local government is not treated as a single, integrated entity but as a collection of smaller separate businesses known as 'funds.' Fund accounting is an accounting system emphasizing accountability rather than profitability. In this system, a fund is a self-balancing set of accounts segregated for specific purposes in accordance with laws and regulations or special restrictions and limitations.

The City's finances are structured in a variety of funds that are the basic accounting and reporting entities in governmental accounting. The funds are grouped into two major categories: Governmental and Proprietary Funds. The purpose of each fund is described below.

Governmental Funds

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in the Proprietary Funds) are accounted for through governmental funds. Governmental funds include General, Special Revenue, Debt Service, and Capital Projects Funds. They are accounted for under the modified accrual basis of accounting.

General Fund

The General Fund is the primary operating fund for governmental services. The General Fund is a tax-supported fund.

General Fund	Purpose
100 General	The General Fund is used to pay for core services such as public safety, parks and recreation, community development, public works, and a host of other vital services. The revenue used to pay for these services comes primarily from local taxes such as sales tax, property tax, franchise fees, charges for services, and a variety of other discretionary sources.
130 Investment	Accounts for activities related to the City's investment portfolio.

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Special Revenue Funds include the Storm Drain, Environmental Management/Clean Creek, Community Development Block Grant, BMR Housing, Transportation, and Park Dedication funds.

Special Revenue Funds	Purpose
210 Storm Drain Improvement	Accounts for the construction and maintenance of storm drain facilities, including drainage and sanitary sewer facilities. Projects are funded by the Capital Reserve.
215 Storm Drain AB1600	Accounts for AB1600 revenue from development impact fees. Revenues were collected from developers as a result of connections to the storm drainage sewer system.
230 Environmental Management/Clean Creek/Storm Drain	Accounts for activities related to operating the Non-Point Source Pollution Program. Revenues are from parcel taxes.
260 Community Development Block Grant	Accounts for the Federal Housing and Community Development Block Grant (CDBG) Program activities. CDBG is a federally funded program for housing assistance and public improvements.
261 HCD Loan Rehab	Accounts for activities related to Community Development Block Grant (CDBG) rehabilitation loans.
265 BMR Housing	Accounts for activities related to the Below Market Rate (BMR) Housing Program. Revenues include BMR Housing Mitigation Fees collected from developers to mitigate the impact of housing needs. Monies in this fund are governed by the program's rules.
270 Transportation	Accounts for the City's gas tax, vehicle registration fees, and grant revenues and expenditures related to the maintenance and construction of City streets. All revenue in this fund is restricted exclusively for street and road purposes, including related engineering and administrative expenditures.
271 Traffic Impact	Accounts for development impact fees to ensure that new development and redevelopment projects pay their "fair share" to mitigate traffic impacts.
280 Park Dedication	Accounts for the activity granted by the business and professions code of the State of California in accordance with the open space and conservation element of the City's General Plan. Revenues are restricted for the acquisition, improvement, expansion, and implementation of the City's parks and recreation facilities.
281 Tree	Accounts for revenues from in-lieu tree replacement fees and tree damage and removal fees. The revenues are transferred to the Street Tree Maintenance program to pay for new and replacement trees.

Debt Service Funds

Debt Service Funds account for financial resources that are restricted, committed, or assigned to expenditures for and payment of principal and interest.

Debt Service Funds	Purpose
365 Public Facilities Corporation	Accounts for the payments of principal and interest on certificates of participation issued to provide for the financing of the Civic Center, Library, Wilson Park, Memorial Park, and other City facilities.

Capital Projects Funds

Capital Projects Funds account for the acquisition and/or construction of major capital facilities.

Capital Projects Funds	Purpose
420 Capital Improvement Projects	Accounts for activities related to the acquisition or construction of major capital facilities.
427 Stevens Creek Corridor Park	Accounts for the design and construction of the Stevens Creek Corridor Park projects.
429 Capital Reserve	Reserves to fund future capital improvement projects.

Proprietary Funds

Proprietary Funds are used to account for “business-type” activities. Proprietary Funds include Enterprise Funds and Internal Service funds. They are accounted for under the full accrual basis of accounting.

Enterprise Funds

Enterprise Funds are for specific services funded directly by fees charged for goods or services. Enterprise Funds include the Resource Recovery, Blackberry Farm, Sports Center, and Recreation Program funds.

Enterprise Funds	Purpose
520 Resource Recovery	Accounts for activity related to the collection, disposal, and recycling of solid waste. A private company has been issued an exclusive franchise to perform the services.
560 Blackberry Farm	Accounts for activities related to operating the City-owned golf course.
570 Sports Center	Accounts for the operation and maintenance of the Cupertino Sports Center.
580 Recreation Program	Accounts for activities of the City's community center and park facilities.

Internal Service Funds

Internal Service Funds are for areas where goods or services are provided to other departments or governments on a cost-reimbursement basis. Internal Service Funds include the Innovation & Technology, Workers' Compensation, Vehicle and Equipment Replacement, Compensated Absences & Long-Term Disability, and Retiree Medical funds.

Internal Service Funds	Purpose
610 Innovation & Technology	Accounts for the activities related to the maintenance and replacement of the City's technology infrastructure. Equipment is depreciated based on the acquisition or historical costs for the useful life of the asset using the straight-line method.
620 Workers' Compensation	Accounts for claims and insurance premiums related to workers' compensation.
630 Vehicle/Equipment Replacement	Accounts for the purchase and maintenance of fleet and general equipment having a value greater than \$5,000 and an expected life of more than one year. Assets are depreciated based on the acquisition or historical costs for the useful life of the asset and using the straight-line method.
641 Compensated Absences & Long-Term Disability	Accounts for accrued leave payouts and the long-term disability insurance program.
642 Retiree Medical	Accounts for funds set aside for Other Post-Employment Benefits (OPEB).

Revenue Policies

PURPOSE

To establish revenue policies that assist the City in striving for and maintaining a diversified and stable revenue system to prevent undue or unbalanced reliance on any one source of funds. This revenue diversity will shelter the City from short-run fluctuations in any one revenue source.

SCOPE

All revenue sources across all funds.

POLICY

To the extent possible, maximize investment yield while maintaining a high level of liquidity for the City's anticipated capital costs;

Identify and recommend sources of revenue necessary to maintain the services desired by the community and to maintain the City's quality of life;

Perform ongoing evaluations of existing sources of revenue to maximize the City's revenue base;

Recover costs of special services through user fees;

Pursue full cost recovery and reduce the General Fund fee subsidy to the degree feasible;

Allocate all internal service and Cost Allocation Plan charges to appropriate user departments; and

Monitor Enterprise activities remain self-supporting in the long term.

Expenditure Policies

PURPOSE

To establish expenditure control policies through the appropriate internal controls and procedures. Management must ensure expenditures comply with the legally adopted or amended budget.

SCOPE

All expenditure categories across all funds.

POLICY

Each Department or Division Manager will be responsible for the administration of their department/division budget. This includes accomplishing the goals and objectives incorporated into the budget and monitoring each department/division budget for compliance with spending limits;

Accurately charge expenditures to the appropriate chart of accounts;

Maintain operating activities at levels which are offset by revenues;

The City will make every effort to control expenditures to ensure City services and programs provided to its citizens and tax payers are cost effective and efficient;

Evaluate expenditures at the department and project levels to ensure control;

Before the City purchases any major asset or undertakes any operating or capital arrangements that create fixed assets or ongoing operational expenses, the implications of such purchases or arrangements will be fully determined for current and future years;

All compensation planning and collective bargaining will include an analysis of the total cost of compensation which includes analysis of salary increases, health benefits, pension contributions, fringe benefits and other personnel costs. The City will only propose operating personnel costs which can be sustained by ongoing operating revenues;

Reduce costs and improve productivity through the use of efficiency and effective measures; and

Structure debt financing to provide the necessary capital while minimizing future debt service costs.

Capital Improvement Policy

PURPOSE

To establish a Capital Improvement Policy to assist in future planning.

SCOPE

All anticipated Capital Improvement Projects for the current fiscal year plus four additional fiscal years.

POLICY

The City will prepare and update a five year Capital Improvement Plan (CIP) encompassing all City facilities;

Projects included in the CIP will have complete information on the need for the project (project justification), description and scope of work, total cost estimates, future cost estimates, future operating and maintenance costs and how the project will be funded;

An objective process for evaluating CIP projects with respect to the overall needs of the City will be established through a priority ranking of CIP projects. The ranking of projects will be used to allocate resources to ensure priority projects are completed effectively and efficiently;

Changes to the CIP such as addition of new projects, changes in scope and costs of a project or reprioritization of projects will require City Manager and City Council approval;

The City will maintain its physical assets at a level adequate to protect the City's capital investment and to minimize future operating maintenance and replacement costs. The City recognizes that deferred maintenance increases future capital costs, thus placing a burden on future residents. Therefore, the budget will provide for adequate maintenance and the orderly replacement of capital plant and equipment from current revenues when possible;

The City will determine the least costly funding method for its capital projects and will obtain grants, contributions and low cost state or federal loans whenever possible;

The City will utilize "pay-as-you-go" funding for capital improvement expenditures considered recurring, operating or maintenance in nature. The City may also utilize "pay-as-you-go" funding for capital improvements when current revenues and adequate fund balances are available or when issuing debt would adversely affect the City's credit rating; and

The City will consider the use of debt financing for capital projects under the following circumstances:

- When the project's useful life will exceed the terms of the financing
- When resources are deemed sufficient and reliable to service the long-term debt
- When market conditions present favorable interest rates for City financing
- When the issuance of debt will not adversely affect the City's credit rating and debt coverage ratios.

Information Technology Replacement and Capitalization Policy

PURPOSE

The purpose of this policy is to establish guidelines for replacing and capitalizing technology equipment and systems. Replacement is indicated when a product has run its useful life and updating/upgrading is no longer an option. Capitalization of equipment requires the set aside of funding for future replacement.

Generally, technology equipment with a life expectancy of at least 5 years and a total cost of over \$5,000 shall be capitalized. Software with an expected life of at least 7 years or a cost of over \$10,000 shall also be capitalized. Software-as-a-Service (SaaS) contracts are not capitalizable and are expensed as incurred.

Technology upgrades are determined by the Innovation Technology Department and user departments based on functionality, vendor support, and industry standards.

SCOPE

This policy covers the City of Cupertino:

- network infrastructure (routers, switches, firewalls, security appliances);
- server infrastructure (files servers, database servers, mail servers, web servers, etc);
- user laptops and workstations; mission-critical systems, telephone system (telephone equipment not already listed previously);
- desktop software;
- enterprise software;
- workgroup software; and
- broadcast video and audiovisual equipment.

Cell phones, printers, and tablet devices are not covered by this policy as these items do not meet the minimum criteria for capitalization. Replacement of these items are at the discretion of the Innovation Technology Department in concert with the user Department.

POLICY

All technology shall be replaced according to the following:

Network infrastructure (routers, switches, firewalls) shall be replaced when no longer functional, as determined by the Innovation Technology Department Division (IT), or when parts or support are no longer available from the manufacturer. Replacement needs will be determined by IT annually as part of the operating budget process. Network infrastructure with a life expectancy of at least 5 years and a total cost of over \$5,000 shall be capitalized.

Server infrastructure shall be replaced when it is no longer functional (defined as not being able to meet its intended purpose), or when parts or support are no longer available from the manufacturer. These needs are evaluated annually by IT and user departments as part of the operating budget process. Servers are evaluated as they approach 3 years in service, and placed on the schedule accordingly. Server lifetime may be extended by the purchase of additional memory or disk. Server infrastructure with a life expectancy of at least 5 years and a total cost of over \$5,000 shall be capitalized.

User workstations shall be replaced, on average, after 4 years as is industry standard. Zero Client workstations shall be replaced, on average, every 8 years. IT will determine the need for specific replacements. User workstations shall not be capitalized as they do not meet the minimum criteria for capitalization.

Interoperable systems are defined as a group of interdependent and/or interoperable components that together form a single functional unit. These components may be interconnected by their structural relationships, their common functional behavior, or by both. Generally, for a system to be eligible for capitalization, the cumulative value of its components should be at least \$5,000 and have a life expectancy of five years or more. A common example of such system would be a telephone system or network. Individual component or replacement costs are not capitalizable unless they are greater than \$5,000 and increase the value of the asset.

Enterprise Software replacement shall be determined individually by IT and the end users. Only those large enterprise systems (on-site or on premise) with an expected life of at least 7 years or a cost of over \$10,000 shall be capitalized. SaaS contracts are not capitalizable and are to be expenses as incurred.

Desktop Software is replaced/updated according to Microsoft's releases of Windows and Office. Software shall not be more than one version out of date to ensure functionality and vendor support. IT will generally wait at least 90 days after a new release to roll out new versions. Only software with an expected life of at least 7 years or a cost of over \$10,000 shall be capitalized. Desktop software generally does not meet this criterion.

Broadcast Video and Audiovisual Equipment/Systems shall be repaired or replaced when determined no longer functional. Replacement will occur on average after 10 years. Broadcast video and audiovisual equipment/systems with a life expectancy of at least 5 years and a total cost of over \$5,000 shall be capitalized. Equipment that does not meet these criteria may still be capitalized if the item is a component of interoperable systems.

Pension and Retirement Funding Policy

PURPOSE

To establish a policy for the funding of Retirement and Retiree health.

SCOPE

Retirement and Retiree Health costs citywide, across all funds.

POLICY

Fund all current pension liabilities on an annual basis; and

Monitor certain health and dental care benefits for retired employees. Funding the liability for future retiree benefits will be determined by City Council action.

Long Term Financial Stability Policies

PURPOSE

To establish a policy for Long Term Financial Stability

SCOPE

All programs across all funds

POLICY

Ensure ongoing productivity through employee training and retention programs;

Pursue consolidation of resources and activities with other agencies and jurisdictions where beneficial;

Ensure financial planning flexibility by maintaining adequate fund balances and reserves;

Provide for major maintenance and repair of City buildings and facilities on a timely basis;

Provide for infrastructure asset preservation that maximizes the performance of these assets at minimum life-cycle costs; and

Continually evaluate and implement long-term financial planning including technology automation, multiple year capital improvement programs, revenue and expenditure forecasting, automating and streamlining service delivery, stabilizing and repositioning revenue sources, and decreasing expenditures and risk exposure.

Committed, Unassigned Fund Balance, and Use of One Time Funds Policy

Purpose

To establish assigned and unassigned fund balance and one-time use policies.

Scope

The General Fund and Capital Funds.

Policy

To maintain sufficient committed and unassigned fund balance (General Fund only) in each fund for the ability to meet the following economic uncertainties:

Economic Uncertainty – \$24,000,000 and represents two months of General Fund (GF) expenditures excluding transfers out plus a two year drop in total general fund revenue of 13% or approximately 1.5 months, excluding the use of reserves. Transfers out are primarily used to fund Capital Projects and do not represent on-going expenditures. This assignment will change from year to year based on budgeted general fund expenditures and revenues.

- Mitigate short-term economic downturns and volatility in revenues (2 years or less)
- Sustain city services in the event of an emergency
- Meet requirements for debt reserves
- Meet operating cash flow requirements as a result of delay in the receipt of taxes, grant proceeds and other operating revenues

PERS – \$20,491,004 and represents the initial investment into the City’s Pension Rate Stabilization Program (PRSP). As a result of the significant increase in retirement costs based on the most recent actuarial forecast, the City elects to establish and fund a secondary pension trust to assist in stabilizing the potential impact of pension cost volatility on the City’s operating budget. Annual contributions subsequent to the initial funding are determined by calculating the difference between CalPERS’ current discount rate and a more conservative rate determined by the City. This difference is to be transferred to the pension trust and to be used solely for the benefit of members in the plan.

Funds in this trust are technically “restricted” under Governmental Accounting Standards Board (GASB) Statement No. 54 in that the funds are legally restricted to be used for retirement costs; however, the timing for which these funds may be used is only at the discretion of City Council.

Capital Projects – \$10,000,000 and represents the amount of General Fund resources readily available to fund future capital projects in the City’s Capital Improvement Program (CIP). The City’s Capital Projects Funds has a \$5,000,000 reserve threshold; however, establishing a secondary reserve in the City’s General Fund will enable more efficient and accurate short- and long-term capital budgeting and planning.

Sustainability Reserve – Cupertino’s Sustainability Division oversees the City’s Climate Action Plan (CAP), which defines strategies to reduce greenhouse gas emissions, and provides residents, businesses and schools with programs and services focused on energy efficiency, renewable energy, water conservation, alternative transportation and other sustainable actions. The City receives rebates for projects that successfully meet the

eligibility requirements such as energy or water efficiency. If the rebates were not initially budgeted, they are categorized as committed fund balance in the General Fund. The purpose of this reserve is to help support future sustainability projects/programs.

Unassigned – \$500,000 and represents 1% of the total general fund operating budget. This assignment may change from year to year based on budgeted general fund expenditures.

- Absorb unanticipated operating needs that arise during the fiscal year that were not anticipated during the budget process
- Absorb unexpected claims or litigation settlements

Capital Improvement – \$5,000,000 and represents average dollars spent for capital projects in the last three fiscal years. This assignment may change from year to year based on actuals dollars spent on capital projects and anticipated future capital project needs.

- Meet future capital project needs so as to minimize future debt obligations

The City shall not use fund balances/reserves in lieu of revenues to pay for ongoing expenses except as specifically provided in the City’s reserve policy.

The chart below summarizes reserve policy levels as described above:

Funding Priority	Reserve	Reserve Level	Escalator ¹	Description
GENERAL FUND				
1	Economic Uncertainty	\$24,000,000	GF Budgeted Operating Expenditures ² GF Budget Revenue ³	For economic downturns and major revenue changes.
2	PERS	\$20,491,004	Budgeted Citywide Retirement Costs	For pension cost increases.
3	Capital Projects	\$10,000,000	None	For future capital projects funding.
4	Sustainability Reserve	\$127,891	GF Budget Revenue ³	For future sustainability projects/programs.
5	Unassigned	\$500,000	Budgeted GF Operating Expenditures ²	For mid-year budget adjustments and redeployment into the five year budget.
CAPITAL PROJECTS FUNDS				
6	Capital Improvement	\$5,000,000	None	Reserves set aside for future capital projects.

¹ Rounded to the nearest hundred thousand

² Excludes Transfers Out

³ Excludes the use of reserves

Changes to Committed Fund Balance – All reserves listed in this policy, with the exception of the PERS restricted reserve, are classified as Committed Fund Balance under GASB Statement No. 54. Committed fund balance is comprised of amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Changes to committed fund balances must be approved by City Council. This policy will be reviewed annually as part of the budget process.

Replenishment process – Should the City need to utilize any of the committed fund balances listed in this policy, a recommendation will be brought to City Council for approval and a plan to replenish the committed balance will be developed in conjunction with its use.

Excess – Funding of these reserves will come generally from one-time revenues, annual net income, and transfers from other reserves that exceed policy levels. They will be funded in the following priority order with any remaining funds to be placed in the Capital Reserve:

- 1) Economic Uncertainty
- 2) PERS
- 3) Capital Projects
- 4) Sustainability Reserve
- 5) Unassigned

City Council approved updates to the policy on March 8, 2022.

Community Funding Policy

PURPOSE

The City of Cupertino currently provides funding to local non-profit organizations in the areas of social services, fine arts and other programs for the general public. The policy provides a framework for the City's Community Funding Grant Program and guides the administration of the program and decision-making process. It also provides guidance on key aspects of the City's Community Funding Grant Program processes including: Eligibility, Evaluation Criteria, Restrictions/Guidelines, and Procedure.

SCOPE

All requests for funding must comply with this policy.

POLICY

The City has established the Community Funding Grant Program, subject to availability of funds, with a range of \$70,000 to \$90,000 in total funding available. Community Funding Grants shall not exceed \$20,000 per applicant, per year. City Council will determine the organizations to be awarded funds through the Community Funding Grant Program. City Staff shall review applications for completeness and review the qualifications and accuracy based upon the eligibility criteria set forth below. In all cases, the City reserves the right to reject any and all applications in the event staff identifies a potential conflict of interest or the appearance of a conflict of interest. Submission of an application in no way obligates the City to award a grant and the City reserves the right to reject any or all applications, for any reason, at any time.

Eligibility

To receive consideration for a Community Funding Grant, grant requests must:

- Be made or sponsored by a 501(c)(3) non-profit organization with experienced members capable of implementing and managing the program/project/event.
- Identify how the funds will be used to benefit the Cupertino community.
- Be awarded only once per project
- For specific needs, not ongoing, operational costs.
- Have more than 75% of the requested funds allocated for direct service costs versus administrative costs.
- Be complete and submitted by the application deadline.

Evaluation Criteria

- Impact on and benefit to the Cupertino community
- Community need for the program/project/event
- Alignment with City mission and values
- Uniqueness of the program/project/event
- Qualifications and experience of the organization and its members
- Reasonable cost
- Demonstrated effort to secure funding from other sources and/or establishing
- partnerships with other community or city organizations
- Clarity, completeness, and accuracy of grant application
- Past performance and compliance with requirements if a recurring applicant

Applications will be sorted into two categories:

- New applicants
- Past recipients

Applications in each category will be evaluated using a tiered structure based on the dollar amount requested for award as follows:

- < \$999.99
- \$1,000.00 - \$4,999.99
- \$5,000.00 – \$9,999.99
- \$10,000.00 - \$20,000.00

Restrictions/Guidelines

- An organization that is applying for multiple grants shall only submit one application.
- Proceeds generated from the funded activity may only be used for the conducted activity.
- If requested, recipients must provide full financial statements for the organization.
- Admission to or participation in the event must be "free of charge" for Cupertino residents unless stated in the application and approved by Parks & Recreation Commission.
- If an applicant makes a grant request directly to a member of the City Council, whether individually or as a group, the Council shall refer the applicant to the Parks and Recreation Department for a Grant application to be reviewed in accordance with this policy.
- Grant recipients shall acknowledge the City contribution in formal promotional materials and efforts related to the funded activity. Any use of the City logo must be approved by the City's Communications Officer.

Procedure

1. Applicants submit timely and complete grant applications by February 1.
2. City Staff reviews application for completeness and compliance eligibility.
3. Applications will then be forwarded to the Parks and Recreation Commission to be evaluated and sorted into the tiered funding structure. All applicants will be notified and invited to attend the Parks and Recreation Commission Meeting where their applications will be discussed. This meeting typically takes place in Spring.
4. City Council will make the final decision on grant amounts for each applicant as part of the budget adoption which typically happens in June. All applicants will be notified and invited to attend the City Council Meeting where their applications will be discussed.
5. Grant recipients shall submit a written report to the Parks and Recreation Department to show proof that the grant funds have been spent in the manner and for the purposes stated on the application, including information about the number of persons served and other results that benefit Cupertino.
 - Due by the 15th business day of July following the Fiscal Year in which grant funds are disbursed.
 - Failure to submit a written report by the July deadline could result in the loss of grant funding eligibility in the future.
 - Applicants will be expected to reimburse the City any funding awarded and not used for their program/project/event.

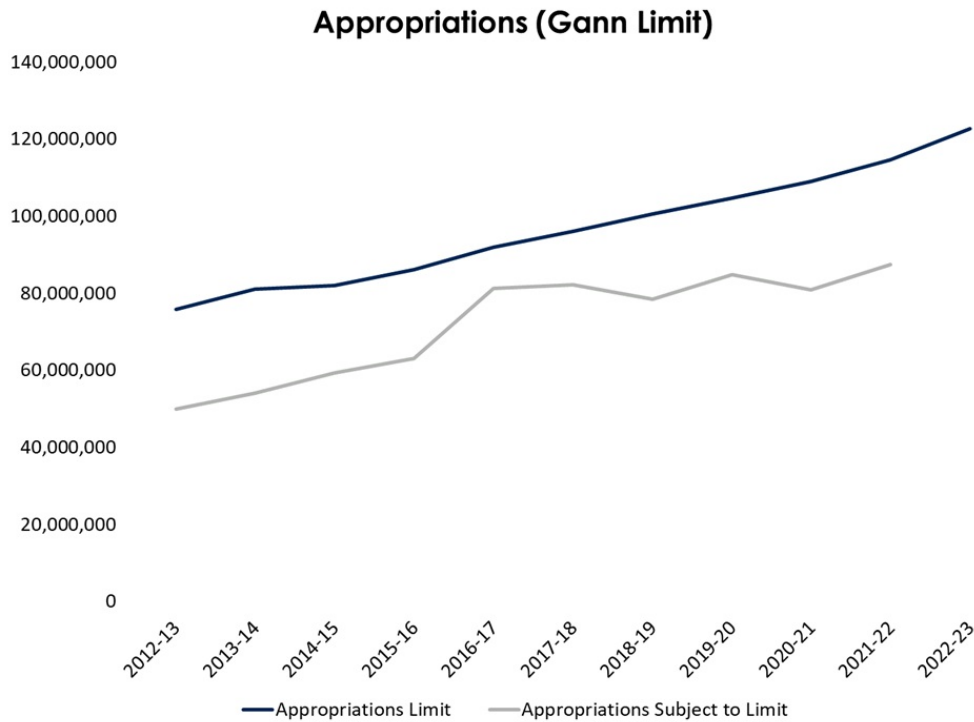
Investment Policy

The City Council annually updates and adopts a City Investment Policy that is in compliance with State statutes on allowable investments. By policy, the Audit Committee reviews the policy and acts as an oversight committee on investments. The policy directs that an external auditor perform agreed-upon procedures to review City compliance with the policy. City Council approved the City Investment Policy on May 19, 2022.

Appropriations and Legal Debt Limit Margin

Gann Appropriations Limit

In 1979, California voters approved Proposition 4, the Gann Initiative, and added Article XIII B to the California State Constitution. Article XIII B mandates a limit on the amount of proceeds of taxes that state and local governments can receive and appropriate (authorize to spend) each year. The purpose of this law is to limit government spending by putting a cap on the total proceeds of taxes that may be appropriated each year. Proposition 111 and SB 88, approved by California voters in June of 1990, offered cities more flexibility in choosing inflation and population factors to calculate the limit.



Fiscal Year	Appropriations Limit (\$)	Change in Appropriations Limit (\$)	Change in Appropriations Limit (%)	Appropriations Subject to Limit (\$)
2012-13	75,844,982	3,650,684	5.1%	49,965,332
2013-14	80,979,979	5,134,997	6.8%	54,016,316
2014-15	82,005,630	1,025,652	1.3%	59,297,603
2015-16	86,100,308	4,094,677	5.0%	63,005,392
2016-17	91,867,014	5,766,706	6.7%	81,138,846
2017-18	96,028,488	4,161,474	4.5%	82,077,590
2018-19	100,538,305	4,509,818	4.7%	78,411,811
2019-20	104,753,580	4,215,275	4.2%	84,757,139
2020-21	109,062,934	4,309,354	4.1%	80,875,397
2021-22	114,666,491	5,603,558	5.1%	87,322,024
2022-23	122,756,522	8,090,031	7.1%	87,322,024

The limit is different for each agency and changes annually. It is calculated by taking the amount of tax proceeds that were authorized to be spent in FY 1978-79 and adjusting for changes in inflation and population each subsequent year.

Proposition 111 changed the way the limit is calculated and allowed a City to increase its limit annually in two ways:

- By the percent change in per capita personal income in California or the percent change in the assessment roll the preceding year due to the addition of local non-residential new construction; or
- By the percent change in county or city population.

The City used the following factors from the California Department of Finance.

Price Factor

- (A) Percent Change in California Per Capita Personal Income: 7.55%
 - (Source: Dept of Finance, California)

Population Factor

- (B) Percent Change in County Population: -0.69%
 - (Source: Dept of Finance, California)
- (C) Percent Change in City Population: -0.46%
 - (Source: Dept of Finance, California)

The City multiplied the FY 2021-22 appropriations limit by Price Factor (A) and Population Factor (C) to calculate the FY 2022-23 appropriations limit, as shown below:

FY 2021-22 Appropriations Limit	\$114,666,491
Price Factor (A)	1.0755
Population Factor (B)	0.9954
FY 2022-23 Appropriations Limit	\$122,756,522

The City’s FY 2022-23 appropriations limit is \$122,756,522, \$8.1 million or 7.1% higher than the FY 2021-22 limit of \$114,666,491.

Legal Debt Margin

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when the assessed valuation was based upon 25% of market value. Effective FY 1981-82, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computation shown below reflects a conversion of assessed valuation data for FY 2020-21 from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the State.

Description	Amount	Formula
Secured Property Assessed Value, Net of Exempt Real Property (1)	\$27,083,468,890	
Adjusted Valuation - 25% of Assessed Valuation (2)	\$6,770,867,223	(1) x 25%
Debt Limit - 15% of Adjusted Valuation	\$1,015,630,083	(2) x 15%
Total City Bonded Debt (3)	\$19,900,000	
Less: Certificates of Participation Not Subject to Debt Limit (4)	\$(19,900,000)	
Amount of Debt Subject to Limit		- (3) - (4)
Legal Debt Margin	\$1,015,630,083	

Financial Schedules

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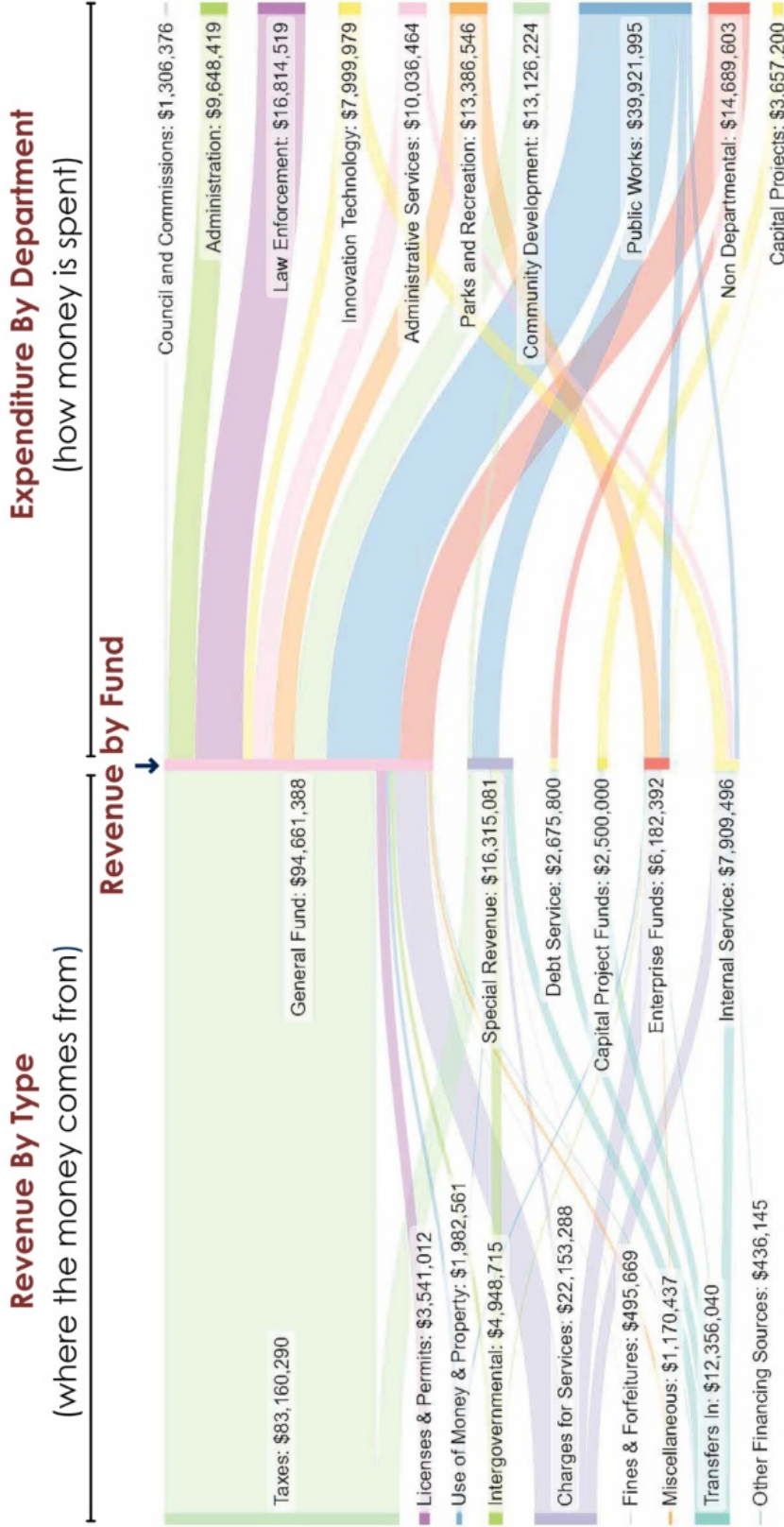
Financial Overview by Fund

Revenue Categories	2022-23 Adopted Budget					All Funds
	General Fund	Special Revenue Fund	Debt Service Fund	Capital Project Funds	Enterprise Funds	
Sales Tax	31,944,089	-	-	-	-	31,944,089
Property Tax	30,039,574	-	-	-	-	30,039,574
Transient Occupancy	5,000,000	-	-	-	-	5,000,000
Utility Tax	2,955,404	-	-	-	-	2,955,404
Franchise Fees	3,230,101	-	-	-	-	3,230,101
Other Taxes	1,787,691	8,203,431	-	-	-	9,991,122
Licenses & Permits	3,541,012	-	-	-	-	3,541,012
Use of Money & Property	1,277,013	5,548	-	-	700,000	1,982,561
Intergovernmental	1,434,491	3,500,224	-	-	14,000	4,948,715
Charges for Services	11,528,436	1,512,209	-	-	5,058,792	22,153,288
Fines & Forfeitures	427,000	68,669	-	-	-	495,669
Miscellaneous	1,160,437	-	-	-	10,000	1,170,437
Transfers In/Other Financing Uses	336,140	3,025,000	2,675,800	2,500,000	399,600	12,792,185
TOTAL REVENUES	\$ 94,661,388	\$ 16,315,081	\$ 2,675,800	\$ 2,500,000	\$ 6,182,392	\$ 130,244,157

Appropriation Categories	2022-23 Adopted Budget					All Funds
	General Fund	Special Revenue Fund	Debt Service Fund	Capital Project Funds	Enterprise Funds	
Employee Compensation	24,295,660	2,050,572	-	-	1,786,450	29,935,969
Employee Benefits	11,440,636	1,037,760	-	-	605,466	15,273,958
Materials	7,219,073	1,001,596	-	-	500,003	10,139,247
Contract Services	25,026,032	1,152,665	-	265,000	4,804,188	33,046,275
Cost Allocation	10,385,961	1,191,567	-	-	789,939	12,429,509
Capital Outlays	-	1,038,000	-	3,345,000	23,600	4,406,600
Special Projects	3,657,378	3,742,268	-	-	183,553	8,124,299
Contingencies	451,739	29,681	-	-	132,526	694,371
Transfers Out	11,996,300	-	-	23,600	-	12,019,900
Debt Service/Other Uses	695,000	-	2,675,800	-	177,606	4,517,197
TOTAL EXPENDITURES	\$ 95,167,779	\$ 11,244,109	\$ 2,675,800	\$ 3,633,600	\$ 9,003,331	\$ 130,587,325

CHANGE IN FUND BALANCE/NET POSITION	\$ (506,391)	\$ 5,070,972	\$ -	\$ (1,133,600)	\$ (2,820,939)	\$ (953,210)	\$ (343,168)
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Flow of Funds Chart (Sankey)



The three most important things to learn from this chart:

1. The chart above demonstrates how revenues (left to right) and expenditures (right to left) flow out of and into each type of City fund.
2. Where revenues meet expenditures at the center of the chart (fund line type), a gap to the left is indicative of expenditures exceeding revenue and a decrease in fund balance/savings for that type of fund.
3. A gap to the right is indicative of an increase in fund balance/savings for that type of fund.

General Fund Contribution Schedule

Fund Type/Program	Adopted Budget Revenues	Adopted Budget Expenditures	Adopted Budget Change in Fund Balance/Net Position	Adopted Budget General Fund Contribution
GENERAL FUND				
10 City Council				
100 City Council	830,532	499,627	-	(330,905)
101 Community Funding	-	92,231	-	92,231
110 Sister Cities	-	64,006	-	64,006
11 Commissions				
131 Telecommunication Commission	-	39,481	-	39,481
140 Library Commission	-	51,371	-	51,371
142 Fine Arts Commission	-	73,624	-	73,624
150 Public Safety Commission	-	45,192	-	45,192
155 Bike/Ped Safety Commission	-	62,230	-	62,230
160 Recreation Commission	-	53,085	-	53,085
165 Teen Commission	-	46,076	-	46,076
170 Planning Commission	-	121,496	-	121,496
175 Housing Commission	-	61,468	-	61,468
180 Sustainability Commission	-	60,983	-	60,983
190 Audit Committee	-	35,506	-	35,506
12 City Manager				
120 City Manager	631,098	2,219,722	-	1,588,624
122 Sustainability Division	-	813,464	-	813,464
126 Office of Communications	-	1,019,517	-	1,019,517
305 Video	354,821	438,792	-	83,971
307 Public Access Support	-	79,249	-	79,249
632 Comm Outreach & Neigh Watch	-	213,823	-	213,823
633 Disaster Preparedness	1,000,000	1,706,493	-	706,493
705 Economic Development	-	598,893	-	598,893
13 City Clerk				
130 City Clerk	121,651	719,419	-	597,768
132 Duplicating/Mail Services	-	49,075	-	49,075
133 Elections	-	140,839	-	140,839
14 City Manager Discretion				
123 City Manager Contingency	-	75,000	-	75,000
15 City Attorney				
141 City Attorney	362,253	1,574,133	-	1,211,880
20 Law Enforcement				
200 Law Enforcement SC Sherif	1,367,721	16,765,096	-	15,397,375
201 Interoperability Project	-	49,423	-	49,423
31 I&T Video				
305 Video	-	574,604	-	574,604
32 I&T Applications				
308 Applications	1,431,322	2,815,258	-	1,383,936
40 Administrative Services				
400 Admin Services Administration	156,003	901,880	-	745,877
41 Finance				
405 Accounting	2,105,135	1,745,952	-	(359,183)
406 Business Licenses	-	473,445	-	473,445
425 Purchasing	-	369,240	-	369,240
426 Budgeting	-	340,600	-	340,600
44 Human Resources				
412 Human Resources	1,706,378	1,520,541	-	(185,837)
417 Insurance Administration	-	2,034,411	-	2,034,411
60 Recreation & Community Service				
601 Rec & Comm Svcs Administration	-	1,769,745	-	1,769,745
634 Park Planning and Restoration	-	-	-	-
636 Library Services	-	600,266	-	600,266

Fund Type/Program	Adopted Budget Revenues	Adopted Budget Expenditures	Adopted Budget Change in Fund Balance/Net Position	Adopted Budget General Fund Contribution
61 Business and Community Services				
602 Administration	-	642,068	-	642,068
605 Cultural Events	31,000	493,143	-	462,143
630 Facilities	203,660	407,006	-	203,346
62 Recreation and Education				
608 Administration	12,500	713,833	-	701,333
623 Youth, Teen and Senior Adult Rec	154,500	1,076,295	-	921,795
639 Youth and Teen Programs	3,800	330,511	-	326,711
640 Neighborhood Events	-	154,307	-	154,307
63 Sports, Safety & Outdoor Rec				
612 Park Facilities	265,757	1,218,846	-	953,089
615 Administration	-	59,668	-	59,668
70 Planning & Community Development				
700 Community Development Admin	-	1,054,844	-	1,054,844
71 Planning				
701 Current Planning	1,037,500	3,132,994	-	2,095,494
702 Mid Long Term Planning	138,750	1,221,488	-	1,082,738
704 Annexations	-	-	-	-
705 Economic Development	-	-	-	-
72 Housing Services				
712 Gen Fund Human Services Grants	-	123,965	-	123,965
73 Building				
713 General Building	315,000	935,194	-	620,194
714 Construction Plan Check	1,500,000	2,116,415	-	616,415
715 Building Inspection	1,700,000	1,432,502	-	(267,498)
718 Muni-Bldg Code Enforcement	-	84,454	-	84,454
74 Code Enforcement				
202 Code Enforcement	225,000	1,246,971	-	1,021,971
80 PW Admin				
800 Public Works Admin	-	1,158,135	-	1,158,135
82 Developmental Services				
804 Plan Review	1,408,348	1,471,996	-	63,648
806 CIP Administration	-	1,804,405	-	1,804,405
83 Service Center				
807 Service Center Administration	216,589	1,290,762	-	1,074,173
84 Grounds				
808 McClellan Ranch Park	-	235,194	-	235,194
809 Memorial Park	-	871,977	-	871,977
811 BBF Ground Maintenance	-	298,534	-	298,534
812 School Site Maintenance	144,000	1,630,018	-	1,486,018
813 Neighborhood Parks	-	2,687,196	-	2,687,196
814 Sport Fields Jollyman CRK	-	881,604	-	881,604
815 Civic Center Ground Maint	241,589	180,415	-	(61,174)
85 Streets				
848 Street Lighting	-	1,024,841	-	1,024,841
850 Environmental Materials	-	224,137	-	224,137
86 Trees and Right of Way				
261 Trail Maintenance	-	232,764	-	232,764
824 Overpasses and Medians	-	1,802,896	-	1,802,896
825 Street Tree Maintenance	77,966	1,681,931	-	1,603,965
826 Weekend Work Program	-	541,776	-	541,776
87 Facilities and Fleet				
827 Bldg Maint City Hall	379,100	548,697	-	169,597
828 Bldg Maint Library	621,162	667,502	-	46,340
829 Bldg Maint Service Center	-	435,665	-	435,665

Fund Type/Program	Adopted Budget Revenues	Adopted Budget Expenditures	Adopted Budget Change in Fund Balance/Net Position	Adopted Budget General Fund Contribution
830 Bldg Maint Quinlan Center	-	638,815	-	638,815
831 Bldg Maint Senior Center	-	616,786	-	616,786
832 Bldg Maint McClellan Ranch	891	238,267	-	237,376
833 Bldg Maint Monta Vista Ct	-	202,498	-	202,498
834 Bldg Maint Wilson	-	104,887	-	104,887
835 Bldg Maint Portal	-	69,185	-	69,185
837 Bldg Maint Creekside	-	111,461	-	111,461
838 Comm Hall Bldg Maint	-	255,256	-	255,256
839 Teen Center Bldg Maint	-	50,100	-	50,100
840 Park Bathrooms	-	212,702	-	212,702
841 BBF Facilities Maintenance	-	578,769	-	578,769
852 Franco Traffic Operations Center	-	17,036	-	17,036
857 City Hall Annex	-	25,525	-	25,525
88 Transportation				
844 Traffic Engineering	-	1,530,072	-	1,530,072
845 Traffic Signal Maintenance	8,706	811,350	-	802,644
846 Safe Routes 2 School	-	661,062	-	661,062
TOTAL DEPARTMENTAL	\$ 18,752,732	\$ 83,153,976	\$ -	\$ 64,401,244
Transfers Out	-	12,013,803	-	12,013,803
Non-Departmental Revenues	75,908,656	-	-	(75,908,656)
TOTAL NON-DEPARTMENTAL	\$ 75,908,656	\$ 12,013,803	\$ -	\$ (63,894,853)
CHANGE IN FUND BALANCE	\$ -	\$ -	\$ (506,391)	\$ (506,391)
TOTAL GENERAL FUND	\$ 94,661,388	\$ 95,167,779	\$ (506,391)	\$ -
SPECIAL REVENUE FUNDS				
001 No Department	1,492,374	-	4,492,374	3,000,000
707 CDBG General Admin	88,356	155,589	(67,233)	-
709 CDBG Capital/Housing Projects	340,858	337,558	3,300	-
710 CDBG Public Service Grants	66,267	61,852	4,415	-
711 BMR Affordable Housing Fund	8,002,202	1,222,398	6,804,804	25,000
802 Non Point Source	1,579,224	1,226,654	352,570	-
820 Sidewalk Curb and Gutter	-	1,982,206	(1,982,206)	-
821 Street Pavement Maintenance	1,720,800	4,587,213	(2,866,413)	-
822 Street Sign Marking	-	829,894	(829,894)	-
853 Storm Drain Fee	-	25,528	(25,528)	-
854 General Fund Subsidy	-	30,215	(30,215)	-
855 Storm Drain Maintenance	-	785,002	(785,002)	-
TOTAL SPECIAL REVENUE FUNDS	\$ 13,290,081	\$ 11,244,109	\$ 5,070,972	\$ 3,025,000
DEBT SERVICE FUNDS				
001 No Department	-	-	2,675,800	2,675,800
500 Facility Lease	-	2,675,800	(2,675,800)	-
TOTAL DEBT SERVICE FUNDS	\$ -	\$ 2,675,800	\$ -	\$ 2,675,800
CAPITAL PROJECTS FUNDS				
001 No Department	-	23,600	2,476,400	2,500,000
047 CIP Prelim Planning & Design	-	125,000	(125,000)	-
048 Capital Project Support	-	50,000	(50,000)	-
007 ADA Improvements	-	95,000	(95,000)	-
051 Inclusive Play Area - Planning	-	850,000	(850,000)	-
056 St Light Install - Annual Infill	-	75,000	(75,000)	-
085 Playground EQ (Creekside&Varian)	-	300,000	(300,000)	-
086 Various Park Amenities	-	200,000	(200,000)	-
258 City Lighting LED Transition Ass	-	1,300,000	(1,300,000)	-
262 De Anza Blvd Buffered Bike Lanes	-	525,000	(525,000)	-
264 City owned properties Analysis	-	90,000	(90,000)	-
TOTAL CAPITAL PROJECTS FUNDS	\$ -	\$ 3,633,600	\$ (1,133,600)	\$ 2,500,000

Fund Type/Program	Adopted Budget Revenues	Adopted Budget Expenditures	Adopted Budget Change in Fund Balance/Net Position	Adopted Budget General Fund Contribution
ENTERPRISE FUNDS				
001 No Department	-	3,106	(3,106)	-
088 BBF Golf Renovation/Alt use	-	23,600	-	23,600
260 BBF Golf Maintenance	-	133,586	(133,586)	-
613 Youth Teen Recreation	674,550	1,504,209	(829,659)	-
616 BBF Golf Course	433,600	668,446	(234,846)	-
620 Outdoor Recreation	862,000	869,015	368,985	376,000
621 Sports Center Operation	2,600,000	2,876,082	(276,082)	-
801 Resources Recovery	1,212,642	2,285,090	(1,072,448)	-
836 Bldg Maint Sports Center	-	640,197	(640,197)	-
TOTAL ENTERPRISE FUNDS	\$ 5,782,792	\$ 9,003,331	\$ (2,820,939)	\$ 399,600
INTERNAL SERVICE FUNDS				
300 Administration	-	341,934	(259,434)	82,500
310 Infrastructure	1,556,269	2,721,957	1,289,312	2,455,000
414 HR Retiree Benefits	-	1,388,276	(1,388,276)	-
418 Workers Compensation Insurance	436,145	516,946	(80,801)	-
419 Long Term Disability	-	98,523	(98,523)	-
420 Compensated Absence	-	646,650	235,350	882,000
849 Equipment Maintenance	1,568,633	1,594,350	(25,717)	-
985 Fixed Assets Acquisition	-	7,844	(7,844)	-
986 GIS	928,949	1,546,226	(617,277)	-
TOTAL INTERNAL SERVICE FUNDS	\$ 4,489,996	\$ 8,862,706	\$ (953,210)	\$ 3,419,500
TOTAL ALL FUNDS	\$ 118,224,257	\$ 130,587,325	\$ (343,168)	\$ 12,019,900

Fund Balance Report

Fund	Actual Beginning Fund Balance as of 7/1/2021	Projected Beginning Fund Balance as of 7/1/2022	Adopted Budget Revenues	Adopted Budget Expenditures	Adopted Budget Ending Fund Balance as of 6/30/2022
GENERAL FUND					
100 General Fund	96,851,990	110,611,904	94,661,388	95,167,779	110,105,513
130 Investment Fund	(1,200)	(1,200)	-	-	(1,200)
TOTAL GENERAL FUNDS	\$ 96,850,790	\$ 110,610,704	\$ 94,661,388	\$ 95,167,779	\$ 110,104,313
SPECIAL REVENUE FUNDS					
210 Storm Drain Improvement	2,368,060	368,060	-	-	368,060
215 Storm Drain AB1600	1,715,966	1,795,203	201,229	-	1,996,432
230 Env Mgmt Cln Crk Strm Drain	1,887,623	917,878	1,581,472	2,067,399	431,951
260 CDBG	1,159,287	1,341,754	495,481	554,999	1,282,236
261 HCD Loan Rehab	188,294	188,294	-	-	188,294
265 BMR Housing	6,600,532	8,527,597	8,027,202	1,222,398	15,332,401
270 Transportation Fund	9,409,837	12,491,018	6,009,697	7,399,313	11,101,402
271 Traffic Impact	468,998	468,998	-	-	468,998
280 Park Dedication	9,556,519	2,675,440	-	-	2,675,440
281 Tree Fund	152,156	137,156	-	-	137,156
TOTAL SPECIAL REVENUE FUNDS	\$ 33,507,271	\$ 28,911,396	\$ 16,315,081	\$ 11,244,109	\$ 33,982,368
DEBT SERVICE FUNDS					
365 Public Facilities Corp	63,350	8,350	2,675,800	2,675,800	8,350
TOTAL DEBT SERVICE FUNDS	\$ 63,350	\$ 8,350	\$ 2,675,800	\$ 2,675,800	\$ 8,350
CAPITAL PROJECTS FUNDS					
420 Capital Improvement Fund	25,890,500	30,967,464	-	3,633,600	27,333,864
427 Stevens Creek Corridor Park	179,057	119,511	-	-	119,511
429 Capital Reserve	10,968,616	9,546,568	2,500,000	-	12,046,568
TOTAL CAPITAL PROJECTS FUNDS	\$ 37,038,174	\$ 40,633,544	\$ 2,500,000	\$ 3,633,600	\$ 39,499,944
ENTERPRISE FUNDS					
520 Resource Recovery	5,498,063	4,339,786	1,212,642	2,285,090	3,267,338
560 Blackberry Farm	868,510	580,791	457,200	826,036	211,955
570 Sports Center	2,897,406	1,693,601	2,600,000	3,517,900	775,701
580 Recreation Program	2,200,680	879,991	1,912,550	2,374,305	418,236
TOTAL ENTERPRISE FUNDS	\$ 11,464,658	\$ 7,494,168	\$ 6,182,392	\$ 9,003,331	\$ 4,673,229
INTERNAL SERVICE FUNDS					
610 Innovation & Technology	1,143,639	54,318	5,022,718	4,610,117	466,919
620 Workers' Compensation	2,540,345	2,462,344	436,145	516,946	2,381,543
630 Vehicle/Equip Replacement	1,801,826	1,186,847	1,568,633	1,602,194	1,153,286
641 Compensated Absence/LTD	669,671	(24,961)	882,000	745,173	111,866
642 Retiree Medical	157,590	(11,625)	-	1,388,276	(1,399,901)
TOTAL INTERNAL SERVICE FUNDS	\$ 6,313,071	\$ 3,666,923	\$ 7,909,496	\$ 8,862,706	\$ 2,713,713
TOTAL ALL FUNDS	\$ 185,237,313	\$ 191,325,085	\$ 130,244,157	\$ 130,587,325	\$ 190,981,917

For descriptions of funds, see Fund Structure in Financial Policies.

General Fund Summary

The General Fund is the City’s primary operating fund. It accounts for basic services such as public safety, public works, planning and development, park maintenance, code enforcement, and the administrative services required to support them. The fund generates revenue from the City’s discretionary funding sources (e.g., property tax, sales tax, transient occupancy tax, and utility tax). As a rule, general fund resources are used only to fund operations that do not have other dedicated (restricted) funding sources. Operations that rely heavily upon non-general fund resources, such as street maintenance, solid waste collection, and recreation are accounted for in other funds. Information on these funds may be found in the Other Funds section of this document.

For FY 2022-23, General Fund revenue estimates are \$94.7 million, a \$5.0 million, or 5.6%, increase from the FY 2021-22 Adopted Budget, mostly due to an increase in sales tax and property tax.

General Fund expenditure estimates are \$95.2 million, a \$5.4 million, or 6.0%, increase from the FY 2021-22 Adopted Budget. The General Fund’s ending fund balance is projected to decrease by 0.2% from the FY 2021-22 Adopted Budget ending fund balance. This is due to a projected increase in sales tax, property tax, and transient occupancy taxes offset by a projected decrease in utility user's tax.

GENERAL FUND OPERATING SUMMARY					
	2019-20	2020-21	2021-22	2022-23	Percent
	Actual	Actual	Adopted	Adopted	Change
Beginning Fund Balance	58,922,584	74,505,822	96,850,790	110,610,704	14.2%
Operating Revenues	111,064,690	106,217,493	89,647,891	94,661,388	5.6%
Operating Expenditures	(95,481,452)	(83,872,526)	(89,767,034)	(95,167,779)	6.0%
Net Revenues - Expenditures	15,583,238	22,344,967	(119,143)	(506,391)	325.0%
Unassigned	37,426,951	52,449,546	46,068,178	48,332,873	4.9%
All Other Classifications	37,078,871	44,401,244	64,202,752	61,771,440	-3.8%
Total Ending Fund Balance	74,505,822	96,850,790	110,270,930	110,104,313	-0.2%

General Fund Revenues

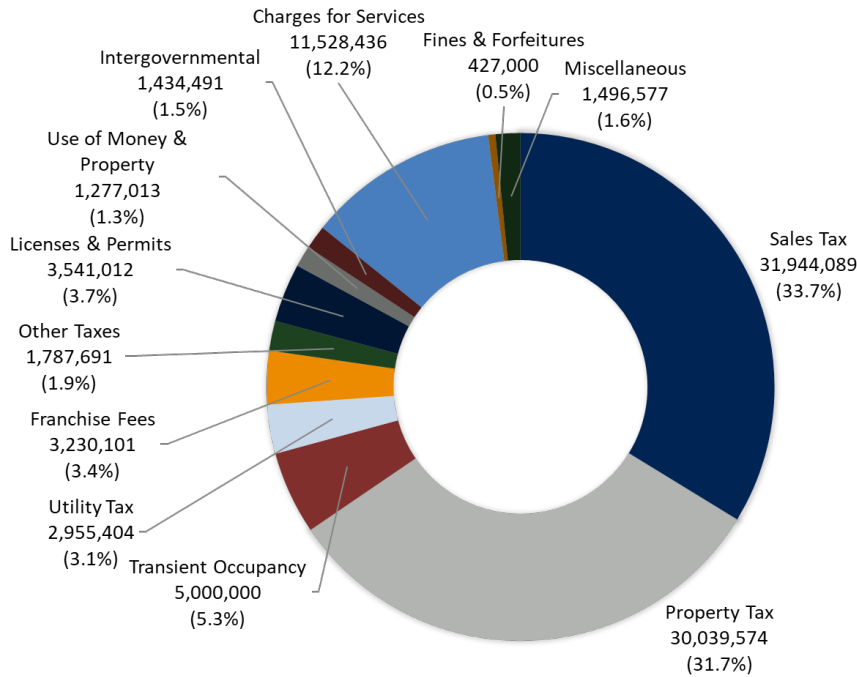
Estimates for the FY 2022-23 beginning fund balance and General Fund revenue sources are based upon a careful examination of collection history and patterns as they relate to such factors as seasonality and performance in the economic environment that the City is most likely to encounter in the coming year. FY 2022-23 revenue estimates are based on the anticipated increase or decrease in activity and receipts over the current year. Each source of revenue can be influenced by external (outside of the City's control) and/or internal factors. The FY 2022-23 revenue estimates are built on the assumption that the City is moving toward recovery from the COVID-19 pandemic.

As shown in the chart below, FY 2022-23 revenues are estimated at \$94.7 million, a 5.6% increase over the FY 2021-22 Adopted Budget.

GENERAL FUND REVENUE SUMMARY					
REVENUES	2019-20 Actual	2020-21 Actual	2021-22 Adopted	2022-23 Adopted	Percent Change
Sales Tax	35,657,215	42,576,587	27,855,559	31,944,089	14.7%
Property Tax	26,606,844	28,277,839	27,840,341	30,039,574	7.9%
Transient Occupancy	7,286,083	2,141,058	3,000,000	5,000,000	66.7%
Utility Tax	3,182,087	3,074,358	3,245,447	2,955,404	-8.9%
Franchise Fees	3,418,909	3,368,287	3,380,986	3,230,101	-4.5%
Other Taxes	1,402,002	2,639,000	1,248,720	1,787,691	43.2%
Licenses & Permits	4,692,845	4,068,238	3,140,195	3,541,012	12.8%
Use of Money & Property	4,075,494	4,838,316	1,249,220	1,277,013	2.2%
Intergovernmental	747,942	1,451,076	5,093,946	1,434,491	-71.8%
Charges for Services	11,986,328	11,345,222	12,047,922	11,528,436	-4.3%
Fines & Forfeitures	327,833	129,394	225,000	427,000	89.8%
Miscellaneous	11,681,108	2,308,118	1,320,555	1,496,577	13.3%
TOTAL REVENUES	111,064,690	106,217,493	89,647,891	94,661,388	5.6%

The majority of Cupertino's General Fund operating revenues are generated by sales taxes (34%) and property taxes (32%), followed by charges for services (12%) and Transient Occupancy Tax (5%). The chart on the next page illustrates the sources of General Fund revenue by category.

General Fund Revenues By Category



The FY 2022-23 General Fund revenue estimates are discussed by category below.

Sales Tax

Sales and Use Tax, commonly referred to as just the "sales tax" has two components: (1) an excise tax imposed on retailers for the privilege of selling tangible personal property, and (2) an excise tax imposed on a person and applies to purchases from out-of-state vendors that are not required to collect tax on their sales. The proceeds of sales and use taxes imposed within the boundaries of Cupertino are distributed by the State to various agencies, with the City of Cupertino receiving one percent, as shown in the chart to the right. Staff will continue to monitor competing interests for the City's ¼ cent sales tax imposed on local governments as a potential new source of revenue for affordable housing and transportation. If the City decides to include a similar ballot measure at a future election, subject to voter approval, the City has an opportunity to retain local control over the additional sales tax proceeds.

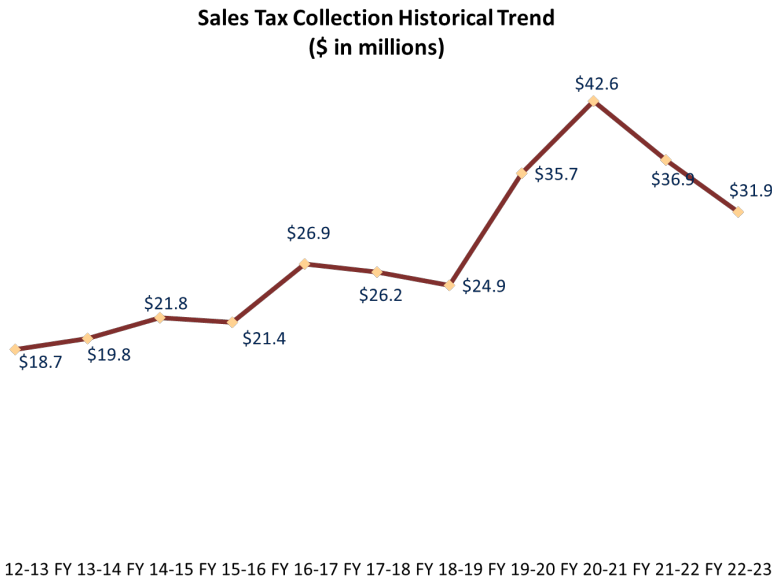
Agency	Sales Tax Distribution
State	6.000%
VTA	1.125%
City of Cupertino	1.000%
County General Purpose	0.750%
County Transportation	0.250%
Total:	9.125%

The City's sales tax revenues are generated from five principal economic categories: business-to-business 53% (includes electronic equipment and software manufacturers and distributors), state and county pools 32%, restaurants and hotels 7%, general consumer goods 4%, and fuel and service stations and other 1.6%.

Our two largest sales taxpayers in the business-to-business category represent a large part of that sector and can significantly affect sales tax trends. Corporate and business technology spending drove growth in this sector in FY 2019-20 and FY 2020-21 as businesses transitioned to remote work during the pandemic. Business-

to-business sales tax is expected to decrease as pandemic restrictions end and the State transitions to a new normal. Given these trends, the City's FY 2022-23 sales tax revenue is expected to be lower than the historic highs seen in FY 2020-21.

Sales tax receipts increased by 26.1% in FY 2016-17 due to a one-time \$3.5 million payment related to the closeout of the triple flip and took a slight dip of 2.8% in FY 2017-18. Additionally, the City's sales tax revenues spiked to historic highs in FY 2019-20 and FY 2020-21; however, the City is considering it one-time. Sales tax revenues are estimated to generate \$32 million in FY 2022-23, up 14.7% from the FY 2021-22 Adopted Budget.



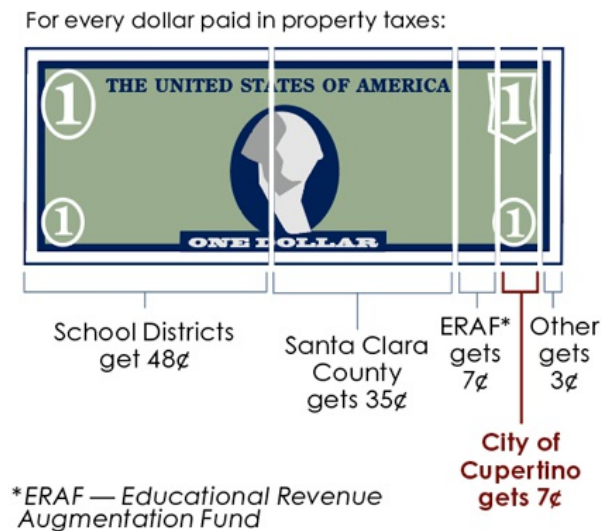
SALES & USE TAX	
FY 20-21 Actual	42,576,587
FY 21-22 Adopted	27,855,559
FY 21-22 Estimate	36,911,996
FY 22-23 Adopted	31,944,089
% of General Fund	33.75%
% Change from FY 21-22 Adopted	14.68%

The swift reaction by consumers and businesses to the outbreak of COVID-19 in 2020 created significant fluctuations for the City's industry groups. While restaurants and hotels, general consumer goods, and automotive industry groups were severely impacted, the City's business-to-business and County pool allocation share increased substantially. This was brought on by shelter-in-place mandates throughout the State, which reduced sales tax revenues for restaurants and brick-and-mortar retail, thereby increasing online sales. Additionally, the conversion to remote work increased the demand for computer and electronic equipment, which increased the City's sales tax revenues. As the State continues toward recovery and businesses continue opening, it is anticipated that the City's restaurant and hotels, general consumer goods, and automotive industry groups will recover and increase. However, these increases will only slightly mitigate the anticipated declines in the City's business-to-business and County pool share allocation as online sales fall from recent historic highs. Although there is much uncertainty about the City's sales tax revenues, the City anticipates positive annual sales tax increases in the future. As information and data continue to become available, staff will bring forth updates and adjustments regularly as necessary.

Property Tax

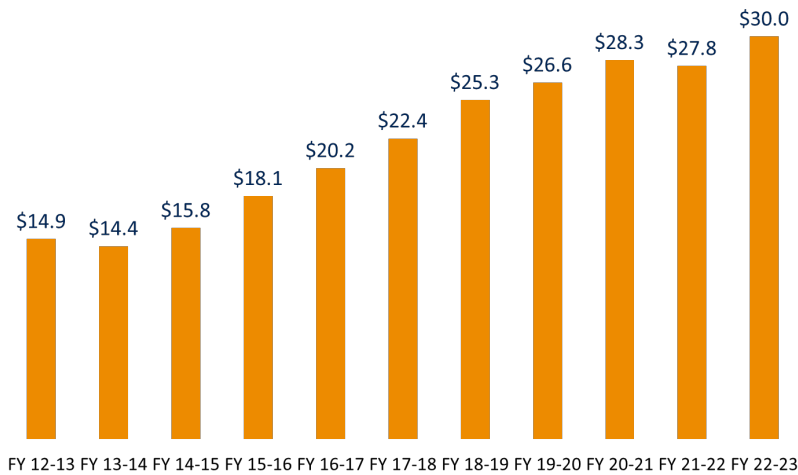
Under current law, property is assessed at actual full cash value, with the maximum levy being 1% of the assessed valuation. The assessed value of real property that has not changed ownership can be adjusted by the change in the California Consumer Price Index (CCPI) up to a maximum of 2% per year. Property that changes ownership, property that is substantially altered, newly-constructed property, State-assessed property, and personal property are assessed at the full market value in the first year and subject to the two percent cap thereafter.

In 1978, voters approved the passage of Proposition 13, which froze property tax rates and limited the amount that rates could increase each year. Cupertino had one of the lowest property tax rates in Santa Clara County, receiving only \$0.02 for every \$1.00 paid. Subsequent legislation required Counties to provide "no/low tax" cities with a Tax Equity Allocation (TEA) equal to 7% of the property tax share. However, the property tax distribution for the no/low tax cities in Santa Clara County was limited to 55% of what other TEA cities in the State received.



In FY 2006-07, West Valley cities won the passage of State legislation which restored a portion of TEA property tax revenue. This TEA change provided an additional \$1.35 million in property tax annually and increased the City's share of property taxes to 5.6%. In conjunction with three other West Valley cities, Cupertino continued legislative efforts to gain parity with other no/low property tax cities in the State. In FY 2015-16, Governor Brown agreed to restore TEA revenues over a five-year period. In FY 2019-20 TEA was fully restored, and Cupertino kept approximately 7.0% of property tax revenues in FY 2019-20 compared to 6.72% in FY 2018-19. Additionally, the Educational Revenue Augmentation Fund (ERAF), enacted in July of 1992 by the State Legislature to shift local tax revenues from cities, counties, and special districts to a State control ERAF, absorbs the shift-back of the TEA.

**Property Tax Historical Trend
(\$ in millions)**



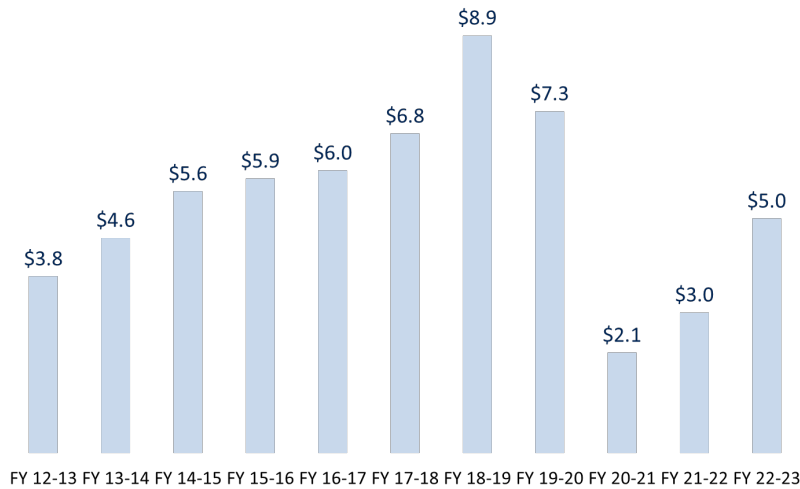
PROPERTY TAX	
FY 20-21 Actual	28,277,839
FY 21-22 Adopted	27,840,341
FY 21-22 Estimate	27,840,341
FY 22-23 Adopted	30,039,574
% of General Fund	31.73%
% Change from FY 21-22 Adopted	7.90%

The City experienced a net taxable value increase of 3.5% for the FY 2021-22 tax roll. The bulk of the increase was due to increases in residential properties by \$829 million, or 4.9%. This category makes up 61.1% of the net taxable value. Unsecured property tax decreased by \$700 million, or 28.9%. This category makes up 6.0% of the net taxable value. Lastly, commercial property values increased by \$573 million, or 7.6%. This category makes up 28.3% of the net taxable value. The effects of COVID-19 on housing prices in Cupertino and the Bay Area have yet to be seen. Although values continue to increase, staff will monitor the potential impact of long-term and even permanent remote work in the City and region.

Transient Occupancy Taxes

Transient occupancy taxes (TOT) are levied on hotels and short-term room rentals located in the City at 12% of room revenues. In November 2011, 83% of voters approved increasing the rate from 10% to 12%. This rate increase contributed to the upward trend shown in the TOT Historical Trend graph. TOT is expected to end FY 2021-22 at \$3 million, a 40% increase from FY 2020-21 actuals. The anticipated increase is due to the recent relaxation of prior pandemic-based restrictions, allowing for increased travel and the return of employees to their places of work.

Transient Occupancy Tax Historical Trend
(\$ in millions)



TOT is projected to increase 66.7% in FY 2022-23. The City anticipates a "full-recovery" of TOT by FY 2023-24; however, the extent of the recovery is uncertain as the effect of teleworking on business travel remains to be determined. Currently, a recovery to a \$7.5 million level is anticipated by FY 2023-24. With an Adopted Budget amount in FY 2022-23 of \$5 million, it is clear the recovery in travel will gradual; however, staff is cautiously optimistic that this recovery could be accelerated through the continued rollout of the COVID-19 vaccination.

TRANSIENT OCCUPANCY TAX

FY 20-21 Actual	2,141,058
FY 21-22 Adopted	3,000,000
FY 21-22 Estimate	3,000,000
FY 22-23 Adopted	5,000,000
% of General Fund	5.28%
% Change from FY 21-22 Adopted	66.67%

Staff will continue to monitor these activities and bring forward adjustments and recommendations as necessary.

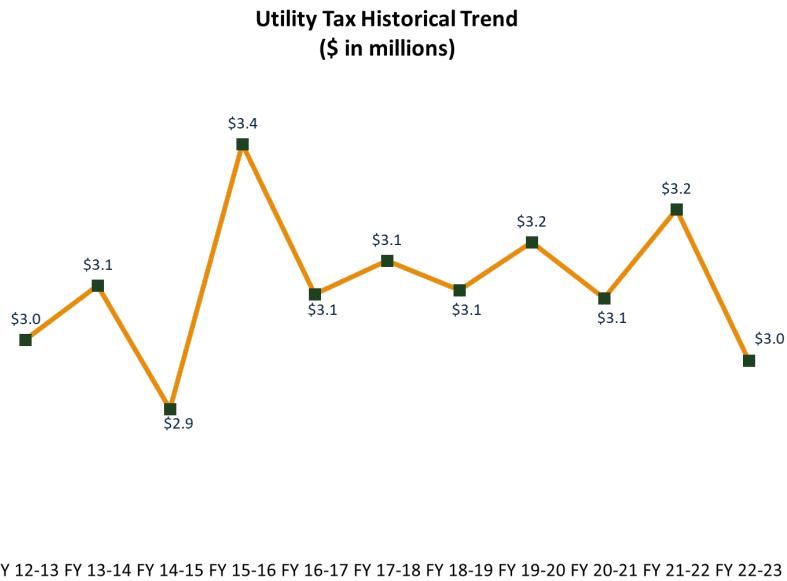
Utility Tax

The utility user tax (UUT), approved by voters in 1990, is assessed on gas, electricity, and telecommunication services provided within the City's jurisdiction at a rate of 2.4% of billed charges. Revenues generated from this tax can be used for general City purposes.

Utility User Tax Comparison				
	Gas/Electric	Cable	Water	Telecom
Sunnyvale	2.0%	-	-	2.0%
Cupertino	2.4%	-	-	2.4%
Mountain View	3.0%	-	-	3.0%
Los Altos	3.5%	3.2%	3.5%	3.2%
Palo Alto	5.0%	-	5.0%	4.8%
Gilroy	5.0%	5.0%	-	5.0%
San Jose	5.0%	-	5.0%	4.5%

The City's tax rate is generally lower than that of other cities within Santa Clara County, as shown in the chart above. In March 2002, voters approved extending the utility tax's sunset date from 2015 to 2030. This extension corresponded with the extended debt maturity date resulting from the refinancing of debt for capital improvement projects. To maintain tax revenues received from telecom services, voters passed a measure in 2009 to update the ordinance to the changing technology in this area.

FY 2021-22, UUT revenues are estimated to increase 5.6% from FY 2020-21 actuals, with projected revenues of \$3.2 million due to more utilities being used. Budgeted revenues are expected to decrease to \$3 million in FY 2022-23. This revenue source will be monitored closely as the fiscal year progresses.

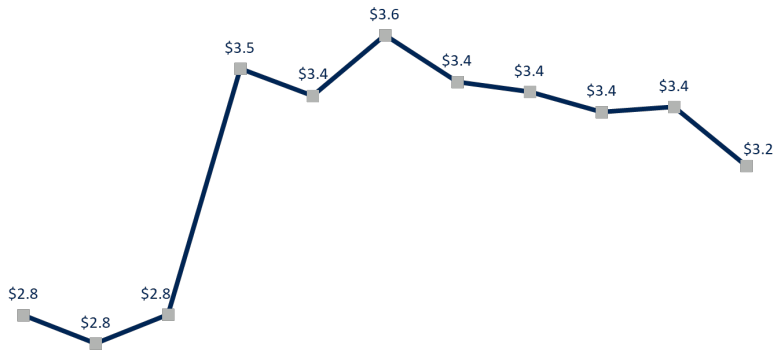


UTILITY TAX	
FY 20-21 Actual	3,074,358
FY 21-22 Adopted	3,245,447
FY 21-22 Estimate	3,245,447
FY 22-23 Adopted	2,955,404
% of General Fund	3.12%
% Change from FY 21-22 Adopted	-8.94%

Franchise Fees

Franchise fees are received from cable, solid waste, water, gas, and electricity franchisees that operate in the City. The fees range from 1% to 12% of the franchisee's gross revenues, depending on each agreement. As shown in the graph below, these revenues are relatively steady and not sensitive to economic fluctuations.

**Franchise Fee Collection Historical Trend
(\$ in million)**



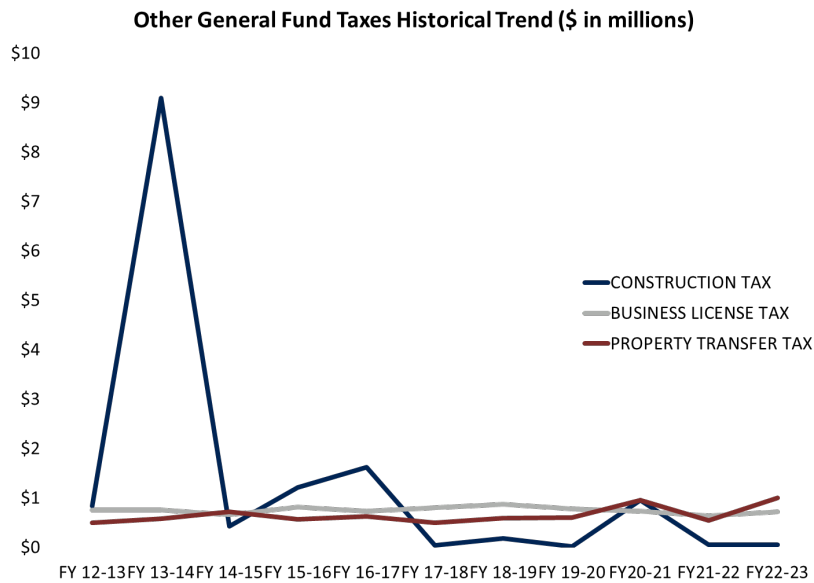
FY 12-13 FY 13-14 FY 14-15 FY 15-16 FY 16-17 FY 17-18 FY 18-19 FY 19-20 FY 20-21 FY 21-22 FY 22-23

FRANCHISE FEES	
FY 20-21 Actual	3,368,287
FY 21-22 Adopted	3,380,986
FY 21-22 Estimate	3,380,986
FY 22-23 Adopted	3,230,101
% of General Fund	3.41%
% Change from FY 21-22 Adopted	-4.46%

In FY 2021-22, franchise fee revenues are trending up 0.3% from FY 2020-21 actuals primarily due to an increase in electricity and water rates. Budgeted revenues are expected to remain at approximately \$3 million for FY 2022-23. This revenue source will be monitored closely as the fiscal year progresses.

Other Taxes

Other taxes are comprised mainly of business license taxes, construction taxes, and property transfer taxes. As shown in the graph, business license and property transfer taxes are relatively steady, while construction taxes are extremely volatile and sensitive to economic fluctuations.



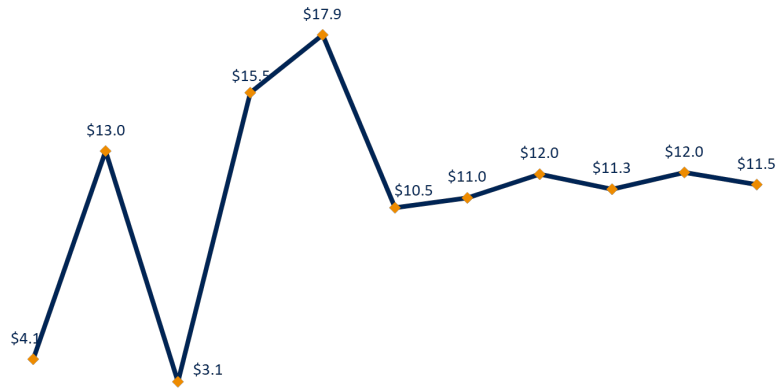
OTHER TAXES	
FY 20-21 Actual	2,639,000
FY 21-22 Adopted	1,248,720
FY 21-22 Estimate	1,248,720
FY 22-23 Adopted	1,787,691
% of General Fund	1.89%
% Change from FY 21-22 Adopted	43.16%

With the influx of several major construction projects beginning in 2012, revenues began increasing. The largest of the projects included the Apple Park and Main Street developments. These projects, coupled with a strong housing recovery, created a record year for revenues in FY 2013-14. These revenues have since returned to historic levels. In FY 2022-23, these revenues are expected to increase by 43% from the prior year to \$1.8 million. This is primarily due to the projected increase from known 2021 property tax transfers. For FY 2023-24 and later, a growth rate is applied that is representative of the historical average rate of real property growth due to properties that have transferred ownership.

Charges for Services

Charges for Services account for charges to users of City services funded by the General Fund as well as internal City-wide overhead. The City attempts to recover the cost of the services, including planning, zoning, and engineering permit processing for new property development, as well as some recreation-related fees. As such, this revenue source is sensitive to economic fluctuations, as shown in the graph below.

**Charges for Services Historical Trend
(\$ in millions)**



FY 12-13 FY 13-14 FY 14-15 FY 15-16 FY 16-17 FY 17-18 FY 18-19 FY 19-20 FY 20-21 FY 21-22 FY 22-23

Apple Park and other large developments generated large one-time revenues in FY 2013-14 as well as FY 2015-16 and FY 2016-17. In addition, beginning in FY 2013-14, enterprise funds, internal service funds, and special funds began charging for overhead services previously subsidized by the General Fund. Some internal strategic support services (Human Resources, Finance, City Clerk, etc.) also began charging internal departments to capture the true cost of providing various programs and services within City operations. After a comprehensive Cost Allocation Plan was approved by Council in April 2016, internal strategic support services (City Council, Facilities, Maintenance, etc.) were included. In FY 2015-16, the City's administration changed its methodology for tracking developer deposits driven by increased developer activity, and, as a result, both budgets for revenues and expenses were increased by anticipated deposit amounts leading to another large increase in revenue.

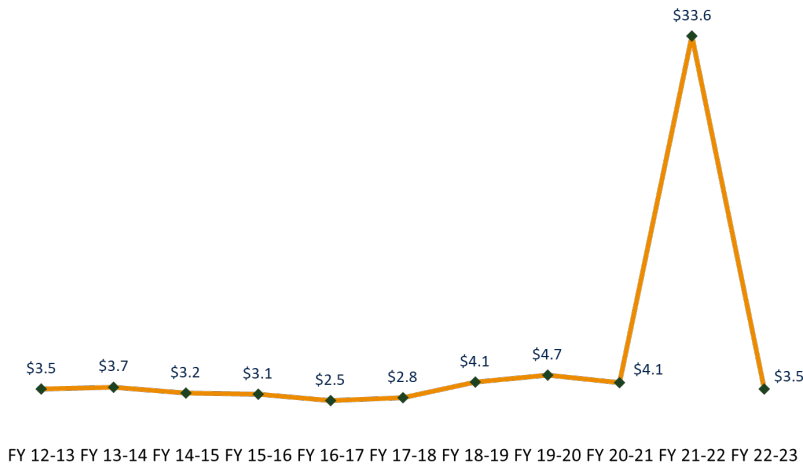
CHARGES FOR SERVICES	
FY 20-21 Actual	11,345,222
FY 21-22 Adopted	12,047,922
FY 21-22 Estimate	14,425,179
FY 22-23 Adopted	11,528,436
% of General Fund	12.18%
% Change from FY 21-22 Adopted	-4.31%

Current year actuals will come in higher compared to budgeted levels due to relaxation of prior pandemic restrictions, allowing for the continued reopening of City facilities. Increases in the City fees, effective July 18, 2022, would represent additional revenues of approximately \$92,662 in the General Fund and \$158,000 in the Enterprise Funds.

License and Permits

Licenses and permits include fees for reviewing building plans, building inspections, construction, tenant improvements, and commercial/residential installations for compliance with state and municipal building codes.

**Licenses & Permits Historical Trend
(\$ in millions)**



Apple Park and large residential projects (Rosebowl, Biltmore expansion, Main Street) generated significant permitting revenues in FY 2013-14. Since then, activity has slowed until FY 2018-19, when revenues came in 48.8% higher. Although this revenue source is relatively consistent from year to year, fluctuations may occur depending on the timing of projects being completed. The \$33.6 million estimated amount in FY 2021-22 is due to Vallco Town Center (renamed The Rise) and its scheduled commencement in FY 2022-23. Vallco's commencement was originally scheduled for FY 2020-21 and FY 2021-22 but was postponed due to soil contamination. These revenues will be carried forward and recognized as the project progresses to completion.

LICENSES AND PERMITS	
FY 20-21 Actual	4,068,238
FY 21-22 Adopted	3,140,195
FY 21-22 Estimate	33,594,629
FY 22-23 Adopted	3,541,012
% of General Fund	3.74%
% Change from FY 21-22 Adopted	12.76%

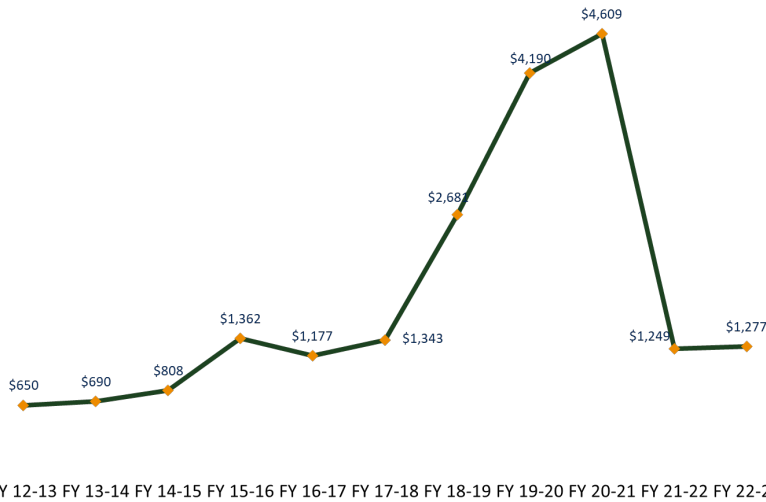
This revenue source is expected to reach \$3.5 million in FY 2022-23.

Use of Money and Property

The use of money and property category is comprised of General Fund interest earnings as well as facility and concession rental income of City-owned property. As of June 30, 2022, the City's portfolio included \$21.1 million invested with the Local Agency Investment Fund (LAIF) and \$148.7 million invested with Chandler Asset Management. As of June 30, 2022, the City also had \$17.2 million in its Section 115 Pension Trust.

Fluctuations in this revenue category are a result of investment earnings, as rental income is fairly steady. Investment earnings were higher in FY 2019-20 and FY 2020-21 due to investment gains in the City's Section 115 Pension Trust.

**Use of Money and Property Historical Trend
(\$ in thousands)**



USE OF MONEY AND PROPERTY

FY 20-21 Actual	4,838,316
FY 21-22 Adopted	1,249,220
FY 21-22 Estimate	1,249,220
FY 22-23 Adopted	1,277,013
% of General Fund	1.35%
% Change from FY 21-22 Adopted	2.22%

Investment earnings are a function of the amount of cash available for investment, current interest rates, and the composition of investments. The City's investment objectives, in order of priority, are:

- Safety to ensure the preservation of capital
- Sufficient liquidity for cash needs
- A market rate of return consistent with the investment program

Geopolitical conflict has fueled volatility in financial markets. The conflict has exacerbated inflationary pressures, particularly in energy and commodities, and has caused tightening conditions in financial markets. While consumer spending and economic growth remain strong, an extended conflict along with elevated energy prices increases the risk of an economic slowdown later this year. While the Federal Reserve is expected to tighten monetary policy, the Federal Open Market Committee (FOMC) has very little margin for error as it attempts to combat inflation without pushing the economy into a recession. Over the near-term, the City's investment manager, Chandler Asset Management, expects financial market volatility to remain elevated and conditions to remain tighter with heightened geopolitical risk, supply chain bottlenecks and persistent inflation, and the Federal Reserve's pivot to less accommodative monetary policy.

The FOMC raised the federal funds rate by 0.25% at their March 16th meeting to a target range of 0.25% to 0.50%. The Federal Reserve also ended its bond-buying program as expected in March, which included the purchase of treasury and agency mortgage-backed securities. Federal Reserve Chair Powell suggested that balance sheet runoff could begin as early as their next meeting in May, sooner than previously anticipated, and that the pace of the unwind will likely be faster than in the previous quantitative tightening cycle. The dot plot

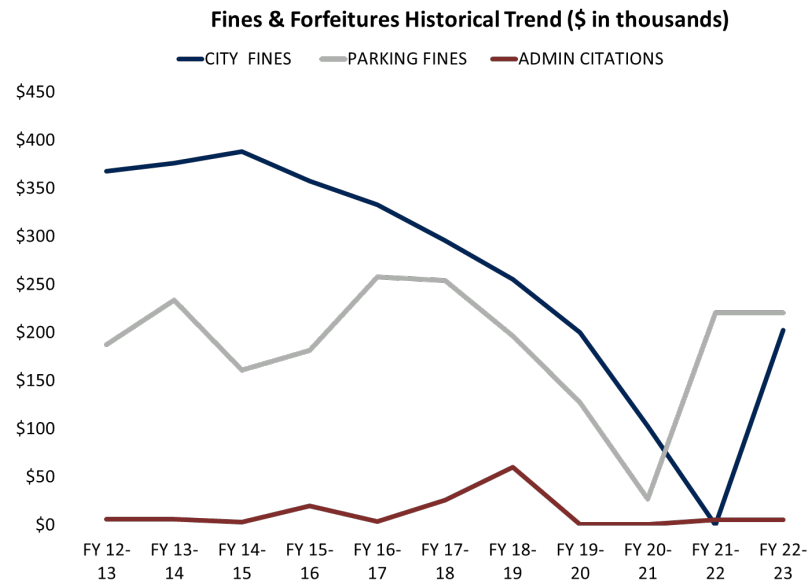
favors six additional rate hikes in 2022, which implies a 25 basis point rate hike at each remaining meeting this year, but the Federal Reserve hasn't ruled out incorporating one or more 50 basis point hikes to address inflation.

City staff will continue to monitor interest rates as well as economic factors in both the local as well as national economies.

Fines and Forfeitures

Fines and forfeitures account for revenues generated from vehicle, parking, and miscellaneous code violations issued by the County Sheriff and the City's Code Enforcement officers. In FY 2021-22, the revenues for City Fines were inadvertently excluded, reflecting a projected estimate of only \$225,000. However, after adding an estimated \$102,000 in revenues for City Fines, this revenue source is expected to reach \$327,000 in FY 2021-22. Additionally, FY 2022-23 revenues are expected to increase to \$427,000 due to an increase in fines as society rebounds from the pandemic.

FINES AND FORFEITURES	
FY 20-21 Actual	129,394
FY 21-22 Adopted	225,000
FY 21-22 Estimate	225,000
FY 22-23 Adopted	427,000
% of General Fund	0.45%
% Change from FY 21-22 Adopted	89.78%



Intergovernmental

Intergovernmental revenues are made up of federal, state, and regional grants, including miscellaneous intergovernmental revenue.

INTERGOVERNMENTAL

FY 20-21 Actual	1,451,076
FY 21-22 Adopted	5,093,946
FY 21-22 Estimate	10,365,946
FY 22-23 Adopted	1,434,491
% of General Fund	1.52%
% Change from FY 21-22 Adopted	-71.84%

FY 2021-22 actuals are estimated to come in significantly higher than budgeted levels due to the receipt of COVID-19 relief dollars as part of the American Rescue Plan Act of 2021. The City received \$4,852,301 in FY 2020-21 and is expecting to receive \$4,852,301 in FY 2021-22.

Miscellaneous Revenue

Miscellaneous revenues account for unanticipated revenues such as donations and administrative fees.

MISCELLANEOUS REVENUE

FY 20-21 Actual	1,263,163
FY 21-22 Adopted	1,000,555
FY 21-22 Estimate	1,643,661
FY 22-23 Adopted	1,160,437
% of General Fund	1.23%
% Change from FY 21-22 Adopted	15.98%

FY 2022-23 miscellaneous revenue remains relatively consistent with FY 2021-22 Adopted Budget. FY 2021-22 miscellaneous revenue is estimated to come in higher than budgeted due to a \$500,000 increase in administrative fees for Community Development Department projects. These revenues will be carried forward and recognized as the project progresses to completion. The majority of the General Fund's miscellaneous revenues are due to Apple's annual donation for additional sheriff services at Apple Park.

Other Financing Sources

Other Financing Sources generally account for refundable deposit revenues within the Community Development Department. With significant fluctuations, year-over-year, staff conservatively estimate these revenues. In FY 2021-22, revenues are projected to be higher due to the carryover of refundable deposit revenues for development projects.

OTHER FINANCING SOURCES

FY 20-21 Actual	537,124
FY 21-22 Adopted	275,000
FY 21-22 Estimate	1,638,330
FY 22-23 Adopted	275,000
% of General Fund	0.29%
% Change from FY 21-22 Adopted	0.00%

This revenue source is expected to remain at \$275,000 in FY 2022-23.

Transfers In

Transfers In represent the movement of funds from one City fund to another, the General Fund in this case.

TRANSFERS IN

FY 20-21 Actual	507,831
FY 21-22 Adopted	45,000
FY 21-22 Estimate	5,092,387
FY 22-23 Adopted	61,140
% of General Fund	0.06%
% Change from FY 21-22 Adopted	35.87%

In FY 2021-22, actual transfers were higher due to \$4.8 million in transfers related to the American Rescue Plan Act. In FY 2022-23, the City plans to transfer funds from the City's Tree Fund to the General Fund to support ongoing tree maintenance operations.

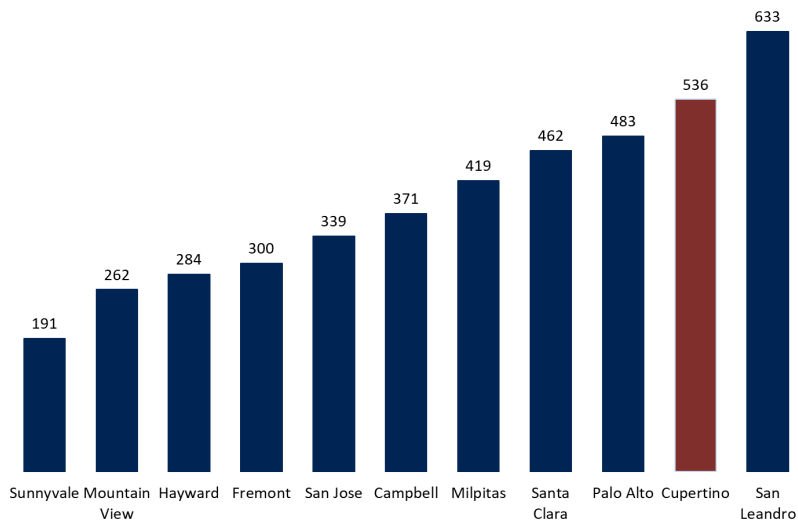
General Fund Revenue Comparisons with Other Jurisdictions

The table below shows General Fund Revenue Comparisons with neighboring jurisdictions for FY 2018-19 through FY 2022-23. It shows general fund revenue totals and population. Population data is from the California Department of Finance.

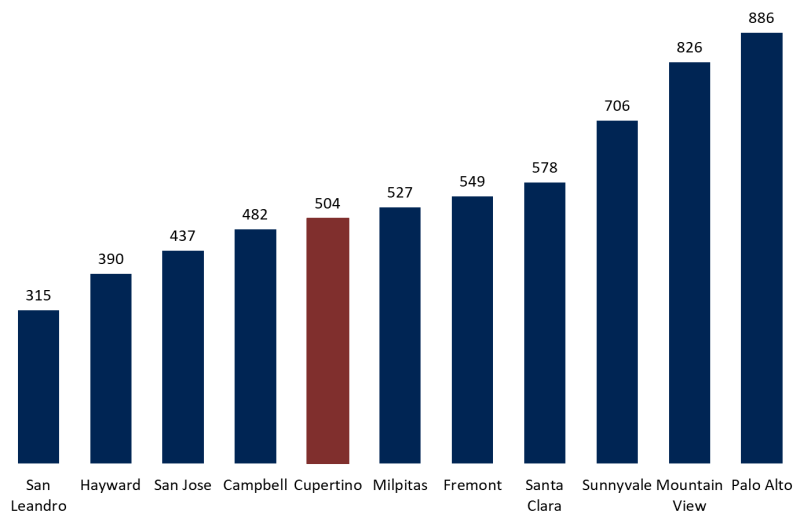
City	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Adopted	2022-23 Adopted
Milpitas					
General Fund-Rev	112,751,530	105,104,426	98,130,755	110,779,648	117,726,970
Population	74,762	75,796	77,180	80,287	80,839
Campbell					
General Fund-Rev	54,364,113	50,606,793	53,968,736	57,130,551	61,239,715
Population	41,748	41,977	41,898	43,086	42,833
Cupertino					
General Fund-Rev	88,788,444	80,104,468	105,987,732	89,647,891	94,661,388
Population	59,784	59,436	59,244	59,884	59,610
Fremont					
General Fund-Rev	207,266,000	201,589,000	238,247,805	210,501,660	244,603,497
Population	232,107	232,601	233,132	228,872	229,476
Hayward					
General Fund-Rev	181,803,935	170,106,989	172,864,000	189,011,000	199,141,000
Population	158,896	159,272	159,266	161,744	160,591
Mountain View					
General Fund-Rev	146,010,075	142,667,193	143,706,287	152,248,350	163,835,960
Population	80,104	80,986	81,302	83,128	83,864
Palo Alto					
General Fund-Rev	205,600,846	188,947,000	179,834,301	183,331,789	215,219,384
Population	68,482	68,272	68,145	67,422	67,473
San Jose					
General Fund-Rev	1,394,877,114	1,204,729,056	1,355,444,037	1,218,643,055	1,352,528,025
Population	1,045,854	1,043,617	1,041,466	991,144	976,482
San Leandro					
General Fund-Rev	118,797,274	117,510,313	131,849,000	129,269,000	133,527,000
Population	88,389	88,328	87,840	89,926	88,404
Santa Clara					
General Fund-Rev	284,451,230	242,422,504	240,695,681	256,944,069	242,058,385
Population	126,374	125,908	127,301	129,122	130,127
Sunnyvale					
General Fund-Rev	212,294,815	197,073,210	213,758,215	234,732,112	218,299,456
Population	152,935	154,074	154,252	155,326	156,234

The charts below compares sales tax, property tax, transient occupancy tax, franchise fees, and building permits revenues with other jurisdictions in dollars per capita.

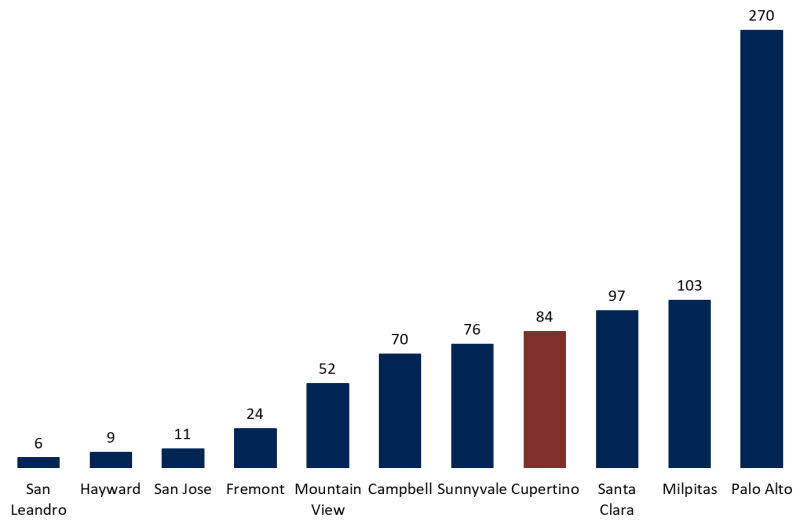
FY 2022-23 Sales Tax - \$ Per Capita



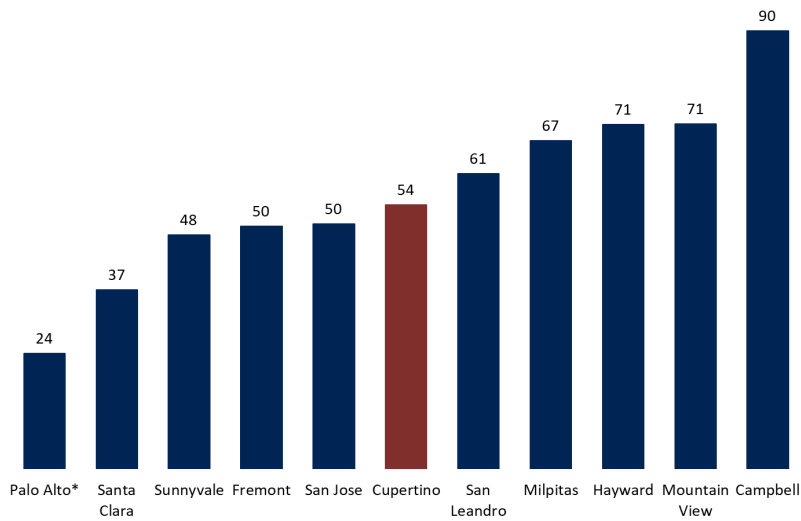
FY 2022-23 Property Tax - \$ Per Capita



FY 2022-23 Transient Occupancy Tax - \$ Per Capita

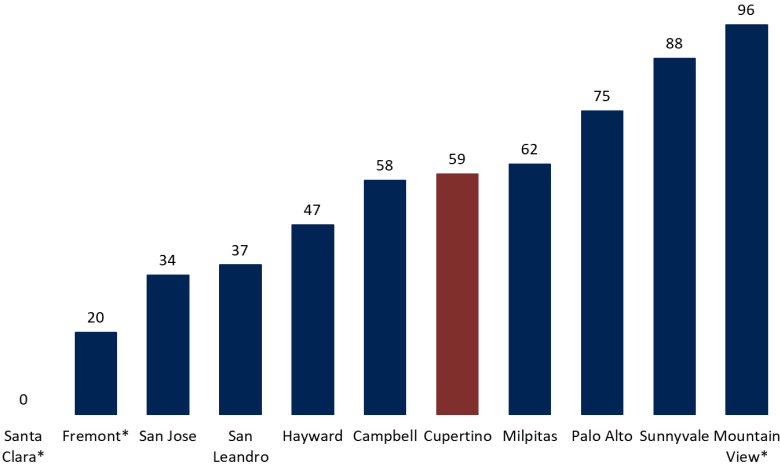


FY 2022-23 Franchise Fees - \$ Per Capita



* Palo Alto - Only cable franchise fees are included. Franchise fees are not part of the General Fund but are included for comparison purposes.

FY 2022-23 Building Permits - \$ Per Capita



*Santa Clara - Building-related revenues are not reflected in the General Fund. Fremont - Building permits are not part of the General Fund but are included for comparison purposes. Mountain View - Building permit revenues are not part of the General Fund, but are included for comparison purposes.

General Fund Expenditures

Estimates for the FY 2022-23 General Fund expenditures are based upon anticipated personnel and non-personnel cost increases. This year, department budgets reflect a base budget with justified ongoing expenses, accounting for changes in personnel costs and any other anticipated/known increased costs in FY 2022-23. In addition, most budgets were given additional funds for any unexpected expenditures that are accounted for in the contingency account, which remained at 2.5% of base materials and contract services. Lastly, per the City's Reserve policy, an unassigned General Fund balance above the \$500,000 maximum balance will be recommended for transfer to the Capital Reserve Fund for future capital and infrastructure projects, after year-end close and as part of the mid-year financial report.

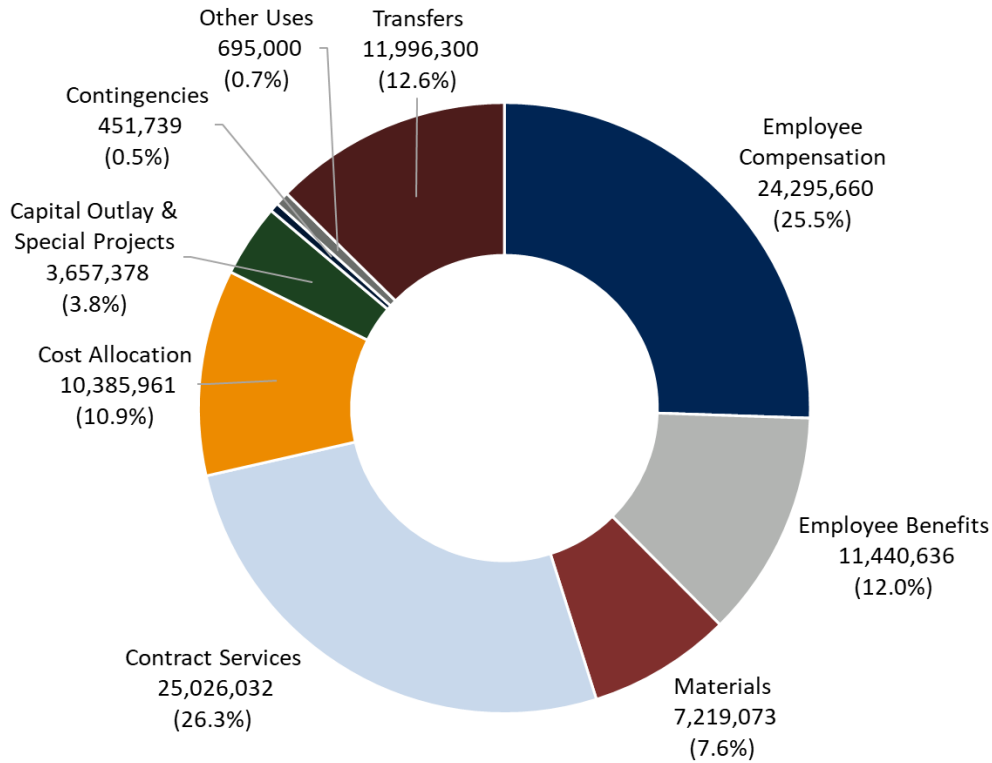
With a projected increase in unassigned fund balance for FY 2022-23 and an unexpected increase in revenues during FY 2020-21 and FY 2021-22, the City is recommending adding back a number of prior year materials and contract services requests that were deferred to mitigate the impacts of COVID-19. Additionally, financial updates will be provided on a quarterly basis to effectively communicate the City's progress toward a financial recovery from COVID-19.

As shown in the chart on the next page, FY 2022-23 expenditures are estimated at \$95.2 million, which represents a 6% increase compared to the adopted budget from the prior year. This budget reflects an increase in Employee Compensation and Benefits due to 14 additional positions. There is also an increase in Materials primarily attributed to an increase in software expenses, electrical, and water service charges in FY 2022-23. Additionally, there is an increase in Contract Services primarily attributed to the annual increase in the City's Law Enforcement contract with Santa Clara County Sheriff.

GENERAL FUND EXPENDITURE SUMMARY					
EXPENDITURES	2019-20 Actual	2020-21 Actual	2021-22 Adopted	2022-23 Adopted	Percent Change
Employee Compensation	18,153,833	18,441,609	21,806,721	24,295,660	11.4%
Employee Benefits	7,732,290	8,238,449	10,154,044	11,440,636	12.7%
Total Personnel Costs	25,886,123	26,680,058	31,960,765	35,736,296	11.8%
Non-Personnel Costs					
Materials	4,860,223	4,248,715	6,639,523	7,219,073	8.7%
Contract Services	21,528,698	21,106,602	23,773,121	25,026,032	5.3%
Cost Allocation	9,786,477	10,473,540	11,948,062	10,385,961	-13.1%
Capital Outlay & Special Projects	2,245,576	5,895,185	3,221,800	3,657,378	13.5%
Contingencies	40	293	426,779	451,739	5.8%
Other Uses	282,038	319,444	545,000	695,000	27.5%
Total Non-Personnel	38,703,053	42,043,779	46,554,285	47,435,183	1.9%
Transfers	30,892,276	15,148,689	11,251,984	11,996,300	6.6%
TOTAL EXPENDITURES	95,481,452	83,872,526	89,767,034	95,167,779	6.0%

The largest General Fund operating expenditure categories include Employee Compensation and Benefits (38%), Contract Services (26%), Transfers Out (13%), and Cost Allocation (11%) as illustrated in the FY 2022-23 General Fund Expenditures by Category chart.

General Fund Expenditures by Category



Personnel Costs

Personnel costs total \$35.7 million in FY 2022-23, comprising 38% of General Fund expenditures. These costs are made up of salaries and compensation for benefitted and part-time staff (68%), retirement benefits (20%), and other fringe benefits (11%), including health coverage.

Costs were calculated by taking an extract of payroll system information. This individual position-level information was then reviewed, corrected, and updated by each department to include current vacancies and filled positions, accurate salary step status, as well as any position reallocations. Also, all categories of benefit costs in the coming year were projected. The most recent retirement plan and health plan information for each position was also updated from the payroll system. Not included in personnel costs is the ongoing contribution for retiree healthcare which is included in the transfers category.

CalPERS retirement rates are projected to increase to \$6.9 million, an increase of \$0.7 million, or 11.5%, per the most recent actuarial valuation report from CalPERS. Under the Funding Risk Mitigation Policy, the 21.3% return in FY 2020-21 triggered a reduction in the discount rate from 7% to 6.8%. Pension contribution projections are reflected in the General Fund forecast section of the budget.

A total of 225 FTEs are budgeted in FY 2022-23, an increase of 14 FTEs, or 6.6%, from the FY 2021-22 Amended Budget. The positions are summarized below:

Position	Department	FTE
FY 2021-22 Adopted Budget		208.75
FY 2021-22 Amended Budget		
City Attorney	Administration	1.00
Senior Assistant City Attorney	Administration	1.00
Community Relations Coordinator	Administration	0.25
FY 2021-22 Amended Budget		211.00
FY 2022-23 Adopted Budget		
Administrative Assistant	Administration	1.00
Assistant City Manager	Administration	1.00
Communications Analyst (Limited-Term)	Administration	1.00
Legislative Aide (Management Analyst)	Administration	1.00
Budget Manager	Administrative Services	1.00
Purchasing Manager	Administrative Services	1.00
Community Outreach Specialist	Parks and Recreation	1.00
Associate Planner	Community Development	1.00
Code Enforcement Officer	Community Development	1.00
Office Assistant	Community Development	1.00
Senior Planner (Housing)	Community Development	1.00
Senior Planner (Planning)	Community Development	1.00
Management Analyst	Public Works	1.00
Maintenance Worker Lead	Public Works	1.00
FY 2022-23 Adopted Budget		225.00

Non-Personnel

Non-personnel costs total \$47.4 million in FY 2022-23, comprising 50% of General Fund budgeted appropriations. These costs are primarily made up of Contract Services (26%), Cost Allocation charges (11%), Materials (8%), and Capital Outlays and Special Projects (4%). Costs were developed from the base budget created in FY 2021-22 with justified ongoing expenses and adjustments for any other anticipated/known increased costs in FY 2022-23. One-time projects were moved to a separate category in FY 2013-14 to ensure that expenditure trends reflect ongoing expenditure needs. In FY 2017-18, a concerted effort was made to differentiate costs related to special projects and capital outlays that are required to be depreciated. A special projects series was created in the contracts section of accounts for any new special projects going forward.

With a projected increase in total unassigned fund balance for FY 2022-23, the City is able to add back a number of FY 2021-22 materials and contract services that were cut due to COVID-19 which is reflected in the 9% increase in materials and 5% increase in contract services compared to the prior year. Although program contingencies will remain reduced from 5% of budgeted General Fund materials and contract services to 2.5%. Program contingencies have been allocated proportionately among operating programs based on each program's share of General Fund budget for materials and contract services. The City Manager Contingency is the second level of contingency established for unexpected expenditures that may occur over the program contingency. In FY 2020-21, the City Manager Contingency was reduced from 2.5% of budgeted General Fund materials and contract services to \$75,000. This brings total contingencies for the General Fund to approximately 2.5% of budgeted materials and contract services. This percentage is lower than the best practices adopted by the Governmental Accounting Standards Board (GASB) which recommended 5-15% contingency. Program contingency budgets may be used to cover unanticipated program expenses at the department's discretion, while the use of the City Manager Contingency will require City Manager approval. The Sheriff's contract is excluded from the contingency calculation.

General Fund Transfers

Transfers out represent transfers of monies out of the General Fund to various other funds. These transfers provide resources to the receiving fund to support operating and capital expenditures. The FY 2022-23 Adopted Budget includes the following transfers.

Receiving Fund	Description	Amount
Special Revenue Funds	BMR Housing, Sidewalk, Curb, and Gutter Maintenance	3,025,000
Debt Service Funds	Annual Debt Payment	2,675,800
Capital Projects Funds	Capital Improvement Program	2,500,000
Enterprise Funds	Recreation	376,000
Internal Service Funds	IT Infrastructure, Compensated Absences	3,419,500
TOTAL		\$ 11,996,300

General Fund Fund Balance

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balances for governmental funds are made up of the following:

Nonspendable Fund Balance – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, prepaid items, property held for resale, and long-term notes receivable.

Restricted Fund Balance – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance – includes amounts that can only be used for the specific purposes determined by formal action of the City’s highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City taking the same formal action (resolution) that imposed the constraint originally.

Assigned Fund Balance – comprises amounts intended to be used by the City for specific purposes that are neither restricted nor committed. The intent is expressed by the City Council or official to which the City Council has delegated the authority to assign amounts to be used for specific purposes. Through the adopted budget, the City Council establishes assigned fund balance policy levels and also sets the means and priority for the City Manager to fund these levels.

Unassigned Fund Balance – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. Only the General Fund reports a positive unassigned fund balance. A governmental fund other than the General Fund may report a negative unassigned fund balance if expenditures incurred for a specific purpose exceed the amounts that are restricted, committed, or assigned to those purposes.

In circumstances when an expenditure may be made for which amounts are available in multiple fund balance classifications, the fund balance in General Fund will generally be used in the order of restricted, unassigned, and then assigned reserves. In other governmental funds, the order will generally be restricted and then assigned.

General Fund Classification of Fund Balance

Classification	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2021-22 Year End Projected	2022-23 Adopted Budget
<u>Nonspendable</u>					
Loans Receivable	449,341	444,346	441,000	444,000	440,000
Advance to Other Funds	-	-	3,000,000	3,000,000	-
Total Nonspendable	449,341	444,346	3,441,000	3,444,000	440,000
<u>Restricted</u>					
Public Safety Power Shutoff	217,551	-	-	-	-
CASp Certification and Training	13,193	13,392	13,982	13,982	13,982
Section 115 Pension Trust	12,725,224	18,491,004	20,491,004	20,820,778	22,820,778
Public Access Television	1,368,789	1,418,472	1,368,789	1,368,789	1,368,789
Total Restricted	14,324,757	19,922,868	21,873,775	22,203,549	24,203,549
<u>Committed</u>					
Economic Uncertainty Reserve	19,000,000	19,000,000	24,000,000	24,000,000	24,000,000
Capital Projects Reserve	-	-	10,000,000	10,000,000	10,000,000
Sustainability Reserve	127,891	127,891	127,891	127,891	127,891
Total Committed	19,127,891	19,127,891	34,127,891	34,127,891	34,127,891
<u>Assigned</u>					
Reserve for Encumbrances	3,176,882	4,906,139	4,767,086	4,767,086	3,000,000
Total Assigned	3,176,882	4,906,139	4,767,086	4,767,086	3,000,000
Total Unassigned	37,426,951	52,449,546	46,068,178	46,068,178	48,332,873
TOTAL FUND BALANCE	74,505,822	96,850,790	110,277,930	110,610,704	110,104,313

All Funds Summary

This section provides information on the FY 2022-23 Special Revenue, Debt Service, Capital Project, Enterprise, and Internal Service Funds budgets including, expenditure and revenue highlights, transfers to other funds, reserve funds, and the financial forecast.

Revenue Estimates

Estimates for FY 2022-23 fund balance and individual revenue accounts are based upon a careful examination of the collection history and patterns as they relate to such factors as seasonality and performance in the economic environment that the City is most likely to encounter in the coming year. Each source of revenue can be influenced by external (outside of the City's control) and/or internal factors. The FY 2022-23 revenue estimates are built on the assumption that the economy will experience conservative growth as society recovers from the pandemic.

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Special Revenue Funds include the Park Dedication, Transportation, Storm Drain, and Environmental Management/Clean Creeks funds.

Revenue

Revenue sources are decrease by \$3.2 million due to a decrease in transfers. Other Taxes is increasing due to housing mitigation revenue from the office project at 19191 Vallco Parkway. Transfers are decreasing due to a decrease in Capital Improvement Program projects.

REVENUE SOURCES	2020-21	2021-22	2022-23
	Actuals	Projected	Adopted Budget
Other Taxes	383,333	3,691,092	8,203,431
Use of Money & Property	81,809	4,208	5,548
Intergovernmental	4,040,627	3,805,888	3,500,224
Charges for Services	1,718,950	1,547,078	1,512,209
Miscellaneous Revenue	1,921,936	87,057	-
Fines and Forfeitures	5,065	10,000	68,669
Transfers In	4,200,000	10,322,824	3,025,000
Total Revenue Sources	\$ 12,351,720	\$ 19,468,147	\$ 16,315,081

Expenditures

Expenditure uses are projected to decrease by \$13.3 million primarily due to a decrease in Capital Outlays. Capital Outlays are lower due to a decrease in Capital Improvement Program projects.

EXPENDITURE USES	2020-21	2021-22	2022-23
	Actuals	Projected	Adopted Budget
Employee Compensation	1,590,963	1,670,873	2,050,572
Employee Benefits	764,490	835,875	1,037,760
Materials	1,235,228	1,045,588	1,001,596
Contract Services	430,662	1,893,027	1,152,665
Cost Allocation	1,046,834	1,325,945	1,191,567
Capital Outlays	2,875,144	13,705,003	1,038,000
Special Projects	2,881,302	2,989,965	3,742,268
Contingencies	-	16,745	29,681
Transfers Out	15,000	581,000	-
Total Expenditure Uses	\$ 10,839,623	\$ 24,064,022	\$ 11,244,109

Fund Balance

Fund balance represents fund savings and is calculated by taking the beginning balance and then adding the difference between revenue and expenditures to arrive at the ending fund balance. It is projected to increase by \$4.7 million due to an increase in housing mitigation revenue from the office project at 19191 Vallco Parkway.

CHANGES TO FUND BALANCE	2020-21	2021-22	2022-23
	Actuals	Projected	Adopted Budget
Beginning Balance	31,995,174	33,507,271	28,911,396
Change in Fund Balance	1,512,097	(4,595,875)	5,070,972
Ending Balance	\$ 33,507,271	\$ 28,911,396	\$ 33,982,368

Debt Service Fund

The Debt Service Fund provides for the payment of principal, interest, and associated administrative costs incurred with the issuance of debt instruments for the City's Public Facilities Corporation. The budget funds the Corporation's annual payment of principal and interest on the City Hall/Community Hall/Library Certificates of Participation (COP) that will be paid off by July 1, 2030.

On September 29, 2020, the City's 2020A Certificates of Participation (2020 COPs) were successfully sold in order to refund the City's 2012 Certificates of Participation for debt service savings. The refunding generated net present value savings of approximately \$3.14 million, 11.61% of refunded par, and a True Interest Cost of 0.72%. Savings to the City's General Fund amounts to approximately \$494,000 per year for the next ten years or almost \$5 million in total savings.

Revenue

Revenue sources are relatively unchanged from the last fiscal year. The \$2.7 million transfer from the General Fund funds the annual payment of principal and interest for the City's debt. Increased activity in FY 2020-21 is due to the refinancing.

REVENUE SOURCES	2020-21 Actuals	2021-22 Projected	2022-23 Adopted Budget
Use of Money & Property	332	-	-
Other Financing Sources	25,918,704	-	-
Transfers In	3,169,138	2,621,000	2,675,800
Total Revenue Sources	\$ 29,088,174	\$ 2,621,000	\$ 2,675,800

Expenditures

Expenditure uses are relatively unchanged from the last fiscal year. The \$2.7 million in expenditures represents the annual payment of principal and interest for the City's debt. Increased activity in FY 2020-21 is due to the refinancing.

EXPENDITURE USES	2020-21 Actuals	2021-22 Projected	2022-23 Adopted Budget
Debt Service	30,710,696	2,676,000	2,675,800
Transfers Out	-	-	-
Total Expenditure Uses	\$ 30,710,696	\$ 2,676,000	\$ 2,675,800

Fund Balance

Fund balance represents fund savings and is calculated by taking the beginning balance and then adding the difference between revenue and expenditures to arrive at the ending fund balance. Fund balance is relatively unchanged from the last fiscal year.

CHANGES TO FUND BALANCE	2020-21 Actuals	2021-22 Projected	2022-23 Adopted Budget
Beginning Balance	1,685,872	63,350	8,350
Change in Fund Balance	(1,622,522)	(55,000)	-
Ending Balance	\$ 63,350	\$ 8,350	\$ 8,350

Capital Project Funds

This fund pays for the acquisition of major capital facilities and/or construction of major capital projects.

Revenue

Revenue sources are projected to decrease by \$21.6 million due to a decrease in Capital Improvement Program projects. Transfers from the General Fund to the Capital Reserve are budgeted this year. In the past, transfers to the Capital Reserve were not budgeted and instead adjusted at mid-year. Given the City's aging infrastructure and capital projects needs, the City is allocating \$2.5 million in transfers annually to the Capital Reserve throughout the forecast to facilitate Capital Improvement Program budget forecasting.

REVENUE SOURCES	2020-21	2021-22	2022-23
	Actuals	Projected	Adopted Budget
Use of Money and Property	(472,493)	-	-
Intergovernmental	-	3,781,952	-
Charges for Services	-	-	-
Miscellaneous	2,347,037	2,640,930	-
Transfers In	6,430,000	17,687,283	2,500,000
Total Revenue Sources	\$ 8,304,544	\$ 24,110,165	\$ 2,500,000

Expenditures

Expenditure uses are projected to decrease by \$16.9 million due to a decrease in Capital Improvement Program projects.

EXPENDITURE USES	2020-21	2021-22	2022-23
	Actuals	Projected	Adopted Budget
Employee Compensation	254,304	223	-
Employee Benefits	116,363	131	-
Contract Services	11,895	44,683	265,000
Capital Outlays	9,277,220	9,047,710	3,345,000
Cost Allocation	168,274	-	-
Transfers Out	1,989,449	11,422,048	23,600
Total Expenditure Uses	\$ 11,817,504	\$ 20,514,795	\$ 3,633,600

Fund Balance

Fund balance represents fund savings and is calculated by taking the beginning balance and then adding the difference between revenue and expenditures to arrive at the ending fund balance. \$1.1 million of fund balance is budgeted to fund Capital Improvement Program projects.

CHANGES TO FUND BALANCE	2020-21	2021-22	2022-23
	Actuals	Projected	Adopted Budget
Beginning Balance	40,551,134	37,038,174	40,633,544
Change in Fund Balance	(3,512,960)	3,595,370	(1,133,600)
Ending Balance	\$ 37,038,174	\$ 40,633,544	\$ 39,499,944

Enterprise Funds

Enterprise Funds are set up for the provision of specific services that are funded directly by fees charged for those goods or services. Enterprise Funds include the Resource Recovery, Sports Center, Blackberry Farm Golf Course, and Recreation funds.

Revenue

Revenue sources are projected to decrease by \$0.9 million due to a decrease in fees and a decrease in transfers from the General Fund.

REVENUE SOURCES	2020-21	2021-22	2022-23
	Actuals	Projected	Adopted Budget
Use of Money & Property	437,303	707,000	700,000
Intergovernmental	14,916	14,000	14,000
Charges for Services	4,415,295	5,423,578	5,058,792
Miscellaneous Revenue	-	10,000	10,000
Transfers In	2,849,000	886,801	399,600
Total Revenue Sources	\$ 7,716,514	\$ 7,041,379	\$ 6,182,392

Expenditures

Expenditure uses are projected to decrease by \$2.0 million due to a decrease in cost allocation charges and a decrease in special projects.

EXPENDITURE USES	2020-21	2021-22	2022-23
	Actuals	Projected	Adopted Budget
Employee Compensation	994,004	1,770,811	1,786,450
Employee Benefits	411,936	619,092	605,466
Materials	276,213	407,427	500,003
Contract Services	2,634,890	5,186,587	4,804,188
Contingencies	-	82,548	132,526
Cost Allocation	923,089	1,034,107	789,939
Special Projects	87,941	1,636,138	207,153
Transfers Out	177,606	275,159	177,606
Total Expenditure Uses	\$ 5,505,679	\$ 11,011,869	\$ 9,003,331

Net Position

Enterprise funds carry net position instead of fund balance. Net position is calculated by taking the beginning balance and then adding the difference between revenue and expenditures to arrive at the ending net position. However, some of these resources are not liquid and represent capital assets. These monies are generally accumulated to support capital replacement and/or expansion needs. It is projected to decrease by \$2.8 million due to decreased revenues and transfers.

CHANGES TO NET POSITION	2020-21	2021-22	2022-23
	Actuals	Projected	Adopted Budget
Beginning Balance	9,253,822	11,464,658	7,494,168
Change in Net Position	2,210,836	(3,970,490)	(2,820,939)
Ending Balance	\$ 11,464,658	\$ 7,494,168	\$ 4,673,229

Internal Service Funds

Internal Service Funds are used for areas where goods or services are provided to other departments or governments on a cost-reimbursement basis. Internal Service Funds include the Information & Technology, Vehicle & Equipment Replacement, Workers' Compensation, Compensated Absences & Long-Term Disability, and Retiree Medical funds.

Revenue

Revenue sources are projected to increase by \$1.2 million due to increased transfers from the General Fund for IT costs.

REVENUE SOURCES	2020-21	2021-22	2022-23
	Actuals	Projected	Adopted Budget
Use of Money & Property	33,297	-	-
Charges for Services	4,443,083	4,678,201	4,053,851
Miscellaneous	9,799	-	-
Transfers In	490,000	1,652,359	3,419,500
Other Financing Uses	336,362	356,839	436,145
Total Revenue Sources	\$ 5,312,540	\$ 6,687,399	\$ 7,909,496

Expenditures

Expenditure uses are projected to decrease by \$0.5 million due to a decrease in Special Projects. Special Projects are lower because fixed assets requests for vehicle and equipment replacement were removed via Council action at the Proposed Budget Study Session. Fixed assets requests will be brought to City Council at a later time.

EXPENDITURE USES	2020-21	2021-22	2022-23
	Actuals	Projected	Adopted Budget
Employee Compensation	1,722,848	1,736,052	1,803,287
Employee Benefits	1,881,727	2,015,467	2,190,096
Materials	924,646	1,190,890	1,418,575
Contract Services	1,267,879	1,519,909	1,798,390
Cost Allocation	52,343	60,817	62,042
Special Projects	140,684	1,804,337	541,100
Contingencies	-	36,606	80,425
Other Financing Uses	968,791	969,469	968,791
Total Expenditure Uses	\$ 6,958,919	\$ 9,333,547	\$ 8,862,706

Net Position

Internal Service Funds carry net position instead of fund balance. Net position is calculated in the same manner as fund balance, taking the beginning balance and then adding the difference between revenue and expenditures to arrive at the ending net position. However, some of the resources are not liquid and represent capital assets. These monies are generally accumulated to support capital replacement and/or expansion needs. It is projected to decrease by \$1.0 million due to revenues being lower than expenditures.

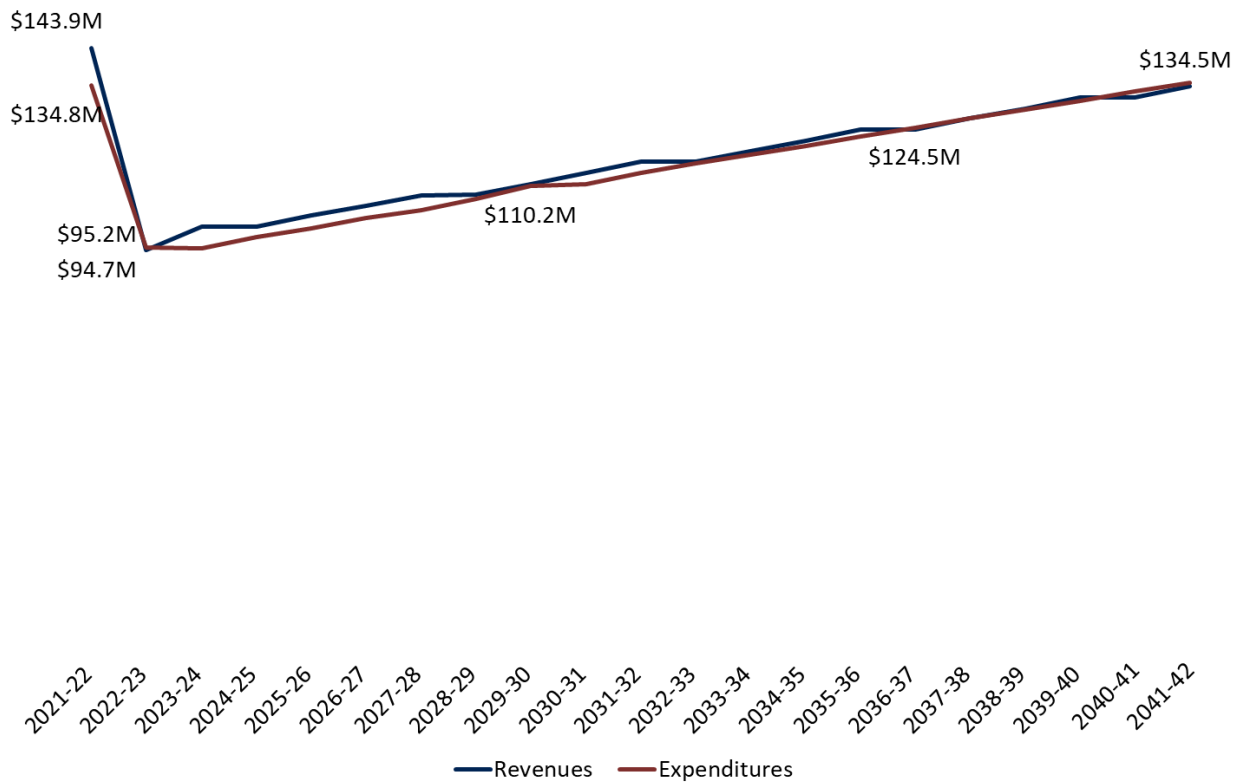
CHANGES TO NET POSITION	2020-21	2021-22	2022-23
	Actuals	Projected	Adopted Budget
Beginning Balance	7,959,449	6,313,071	3,666,923
Change in Net Position	(1,646,379)	(2,646,148)	(953,210)
Ending Balance	\$ 6,313,071	\$ 3,666,923	\$ 2,713,713

General Fund Forecast

Overview

City staff develops medium-term (5-year) and long-term (20-year) forecasts as part of the budget process. While long-term projections are inherently less reliable than short-term projections, they can help detect structural budget issues early. As shown in the following chart, revenues will start to fall short of expenditures in FY 2040-41 because revenues are growing slower than expenditures.

20-Year General Fund Financial Forecast



Revenue growth is primarily driven by sales, property, and transient occupancy taxes.

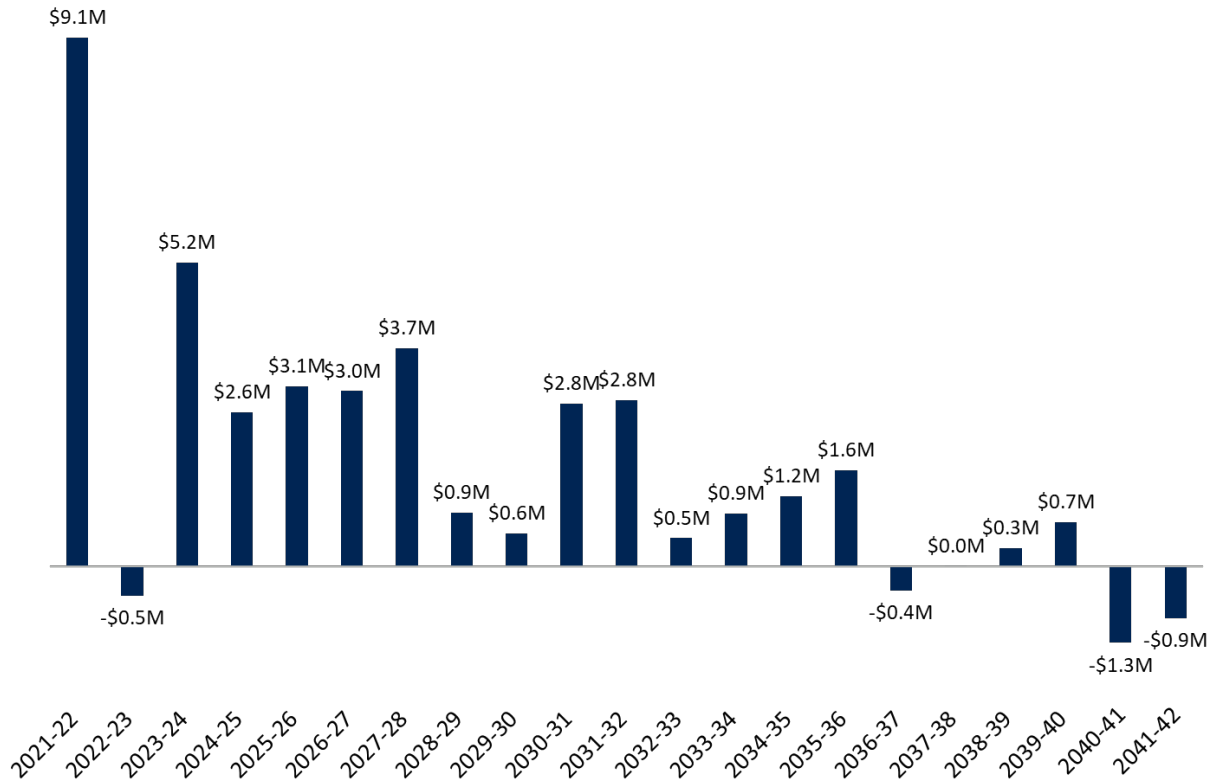
- Sales tax revenues experienced tremendous growth in FY 2019-20 and FY 2020-21 as the pandemic led to increases in business-to-business and online sales. Sales tax is expected to be lower in FY 2022-23 compared to FY 2020-21 as the economy emerges from the pandemic. In addition, the California Department of Tax and Fee Administration (CDTFA) is currently auditing the City’s sales tax revenues. The impact of this audit is unknown but has the potential to have a significant impact on the City’s sales tax revenues. Once more information is known, staff will bring updates to Council.
- While currently strong, property tax may be affected if telecommuting impacts property values in the Bay Area.
- Transient occupancy tax revenues have been slow to recover and are expected to recover to 75% of pre-pandemic levels gradually. Telecommuting may reduce business travel, reducing the demand for City hotels.

Expenditure growth is primarily driven by:

- Additional staffing to meet the demand for City services.
- Increases in the City’s Law Enforcement contract with the Santa Clara County Sheriff’s Office.

Revenues continue to grow slower than expenditures, with annual operating surpluses projecting to decrease, as shown below.

20-Year General Fund Operating Surpluses/Deficits



Although it is difficult to estimate the full impacts of COVID-19 long-term, the City’s fiscal foundation remains strong. With the General Fund’s Economic Uncertainty Reserve intact and a healthy unassigned fund balance, the City is poised to withstand the impacts of revenue volatility. As the City emerges from the pandemic, staff will continue to monitor the situation closely and adjust when necessary. Staff intends on keeping the City Council and community informed with regular updates. Having the latest information and up-to-date data will allow for informed decision-making.

Forecast Methodology

A financial forecast is a planning tool that helps staff identify trends and anticipate the long-term consequences of budget decisions. The forecast is instrumental in modeling the effects of retirement costs, employee compensation, and revenues on the City's budget.

The forecast is not a plan but a model based on cost and revenue assumptions updated regularly as new information becomes available. Of these components, cost projections, which are based on known costs, are relatively reliable. On the other hand, revenue forecasts are based on assumptions related to future economic conditions, which are fraught with uncertainty. Economic forecasts change frequently and demonstrate the difficulties of committing to a particular prediction of the future. For this reason, staff updates the forecast regularly.

While economic conditions are the primary drivers for economically sensitive revenues such as sales tax and property tax, other factors drive non-economically sensitive categories such as utility user taxes and franchise fees. These revenue categories are more heavily impacted by utility rate changes, energy prices, and consumption levels. Revenues from local, state, and federal agencies are primarily driven by grant and reimbursement funding. As a result, these revenues experience no significant net gain or loss during economic expansions or slowdowns. All revenue projections are based upon a careful examination of the collection history and patterns related to seasonality and the economic environment the City is most likely to encounter in the future. Staff also considered the potential impacts of the pandemic and CDTFA audit in determining the most reasonable estimated figures.

A discussion of the national and local economic outlooks used to develop the revenue estimates for the FY 2022-23 forecast is included below. To create the revenue forecasts, the City reviewed national, state, and regional economic forecasts from multiple sources, including the Congressional Budget Office, California's Legislative Analyst's Office (LAO), and the Center for Continuing Study of the California Economy (CCSCE). To develop the sales tax, property tax, and transient occupancy tax (TOT) revenue projections, the City worked with HdL Companies, a tax consultant.

The City's Consumer Price Index (CPI) forecasts are an average of State and County CPI from:

- UCLA Anderson Forecast for the Nation and California
- California Department of Transportation's California County-Level Economic Forecast

In 2019, the City worked with UFI (Urban Futures, Inc.), a financial advisory and consulting firm, to:

- Review, update, and enhance the City's baseline financial forecast.
- Evaluate fiscal strategies, including potential local revenue measures.
- Develop capital financing options, structures, and estimates for identified projects.
- Prepare an analysis of city charter costs/benefits related to fiscal activities.

This forecast includes the updates and enhancements that UFI has made to the City's baseline financial forecast.

National Economic Outlook

Real gross domestic product (GDP) increased at an annual rate of 6.9 percent in the fourth quarter of 2021, following an increase of 2.3 percent in the third quarter. The increase was revised down 0.1 percentage points from the "second" estimate released in February. The acceleration in the fourth quarter was led by an acceleration in inventory investment, upturns in exports and residential fixed investment, and an acceleration in consumer spending. In the fourth quarter, COVID-19 cases resulted in continued restrictions and disruptions in the operations of establishments in some parts of the country. Government assistance payments in the form

of forgivable loans to businesses, grants to state and local governments, and social benefits to households all decreased as provisions of several federal programs expired or tapered off.

Geopolitical conflict has fueled volatility in financial markets. The conflict has exacerbated inflationary pressures, particularly in energy and commodities, and has caused tightening conditions in financial markets. While consumer spending and economic growth remain strong, an extended conflict along with elevated energy prices increases the risk of an economic slowdown later this year. While the Federal Reserve is expected to tighten monetary policy, the Federal Open Market Committee (FOMC) has very little margin for error as it attempts to combat inflation without pushing the economy into a recession. Over the near term, the City's investment manager, Chandler Asset Management, expects financial market volatility to remain elevated and conditions to remain tighter with heightened geopolitical risk, supply chain bottlenecks and persistent inflation, and the Federal Reserve's pivot to a less accommodative monetary policy.

As the City moves forward through the pandemic and more information becomes available, staff will bring forward updates and adjustments to City Council regularly as necessary.

Cupertino Economic Outlook

Despite strong economic performance continuing in Silicon Valley and Cupertino pre-COVID, data from the State of California Employment Development Department indicates significant impacts resulting from the pandemic.

Due to the timing of property appraisals entering the assessor's role, the City does not anticipate significant impacts on property tax revenues in FY 2022-23. While stable, property tax could be affected if remote work impacts property values in the Bay Area. Although strong in previous years, construction activity will continue to flatten out as recent large development projects, notably Apple Park, are now complete. Given the level of volatility surrounding the pandemic, it is difficult to estimate the timing of significant projects that could positively impact the City's revenues.

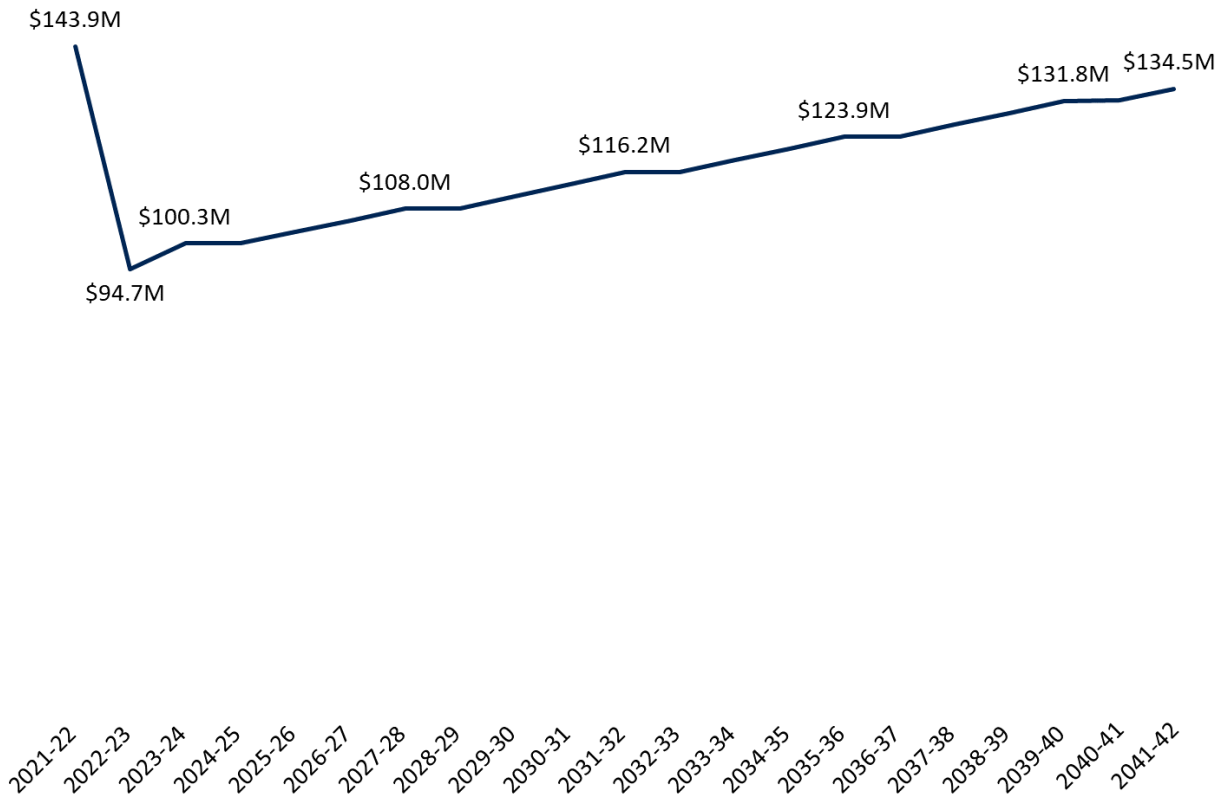
Revenues

The City's top three revenue sources continue to be property tax, sales tax, and transient occupancy tax (TOT). While this will remain true, the City expects revenues to be below the highs in FY 2020-21.

As shown in the chart below, General Fund revenues are expected to be \$94.7 million in FY 2022-23 and increase through the forecast. Sales tax is projected to decrease from the record highs of FY 2020-21. Transient occupancy tax is projected to recover to a new normal gradually. Property tax is anticipated to increase in FY 2022-23. Other revenue sources consider assumptions ranging from no growth to conservative growth.

The National Bureau of Economic Research (NBER), an American private nonprofit research organization, defines the beginning and ending dates of recessions. The NBER defines a recession as "a significant decline in economic activity spread across the economy, lasting more than two quarters which is six months, normally visible in real gross domestic product (GDP), real income, employment, industrial production, and wholesale-retail sales. Since World War II, recessions have lasted an average of 11.1 months and have occurred, on average, about every 58.4 months (4.8 years). As a result, the forecast assumes a recession every four years where revenues remain flat while expenditures continue to increase.

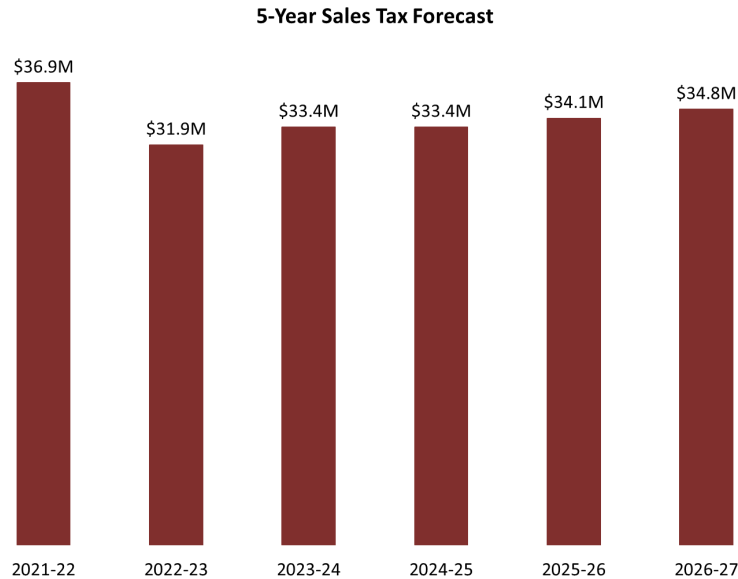
20-Year General Fund Revenue Forecast



FIVE-YEAR GENERAL FUND REVENUES FORECAST						
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimate	Adopted	Forecast	Forecast	Forecast	Forecast
REVENUES						
Sales Tax	36,911,996	31,944,089	33,374,226	33,374,226	34,084,183	34,793,274
Property Tax	27,840,341	30,039,574	31,309,702	31,309,702	32,280,957	33,261,335
Transient Occupancy Tax	3,000,000	5,000,000	7,500,000	7,500,000	7,769,397	8,015,889
Utility Tax	3,245,447	2,955,404	2,975,245	2,975,245	2,995,136	2,995,095
Franchise Fees	3,380,986	3,230,101	3,323,379	3,323,379	3,414,110	3,411,699
Other Taxes	1,248,720	1,787,691	1,850,260	1,850,260	1,896,517	1,892,816
Licenses and Permits	33,594,629	3,541,012	3,558,717	3,558,717	3,576,511	3,576,511
Use of Money and Property	1,249,220	1,277,013	2,709,697	2,798,840	2,899,972	3,007,056
Intergovernmental	10,365,946	1,434,491	242,853	242,853	244,067	245,288
Charges for Services	14,425,179	11,528,436	11,848,938	11,848,938	12,156,215	12,463,336
Fines and Forfeitures	225,000	427,000	427,000	427,000	427,000	427,000
Miscellaneous	1,643,661	1,160,437	1,220,975	1,220,975	1,272,539	1,323,814
Transfers In	5,092,387	61,140	-	-	-	-
Other Financing Sources	1,638,330	275,000	-	-	-	-
TOTAL REVENUES	143,861,842	94,661,388	100,340,993	100,430,137	103,016,605	105,413,113

Sales Tax

Sales tax is the City's largest revenue source. Sales taxes are collected at the point of sale and remitted to the California Department of Tax and Fee Administration (CDTFA), formerly the Board of Equalization. The CDTFA allocates tax revenue owed to the City in monthly payments.



Sales tax revenues increased significantly in FY 2020-21 due to increases in the City's business-to-business industry and online sales. Business-to-business revenues reached record highs as businesses transitioned to remote work due to the pandemic. Additionally, due to Shelter-in-Place orders, brick-and-mortar retail sales decreased while online sales increased. However, the City believes this increase is one-time due to the pandemic.

As the economy recovered from the depths of the pandemic, sales tax revenues from the general consumer goods, restaurants and hotels, and fuel and service stations industries rose in FY 2021-22. However, the future growth rate for sales tax revenue is expected to slow markedly. Surging inflation, a dramatic jump in the global price of crude oil due to geopolitical conflict, and the Federal Reserve's tightening monetary policy will be headwinds in 2022. This is expected to result in weakening consumer sentiment and continued but decelerating, sales tax growth into 2023.

In FY 2022-23, sales tax revenues are projected to be \$31.9 million, a decrease from the highs in FY 2020-21. Sales tax revenues are projected to increase by an average annual growth rate of 1.9% in the forecast. Staff used conservative estimates for business and industry, general consumer goods, restaurants and hotels, and state and county pools.

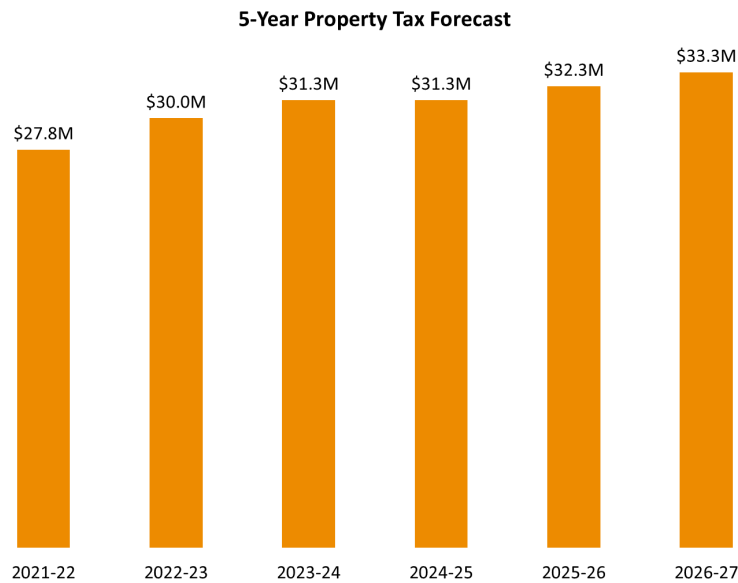
The City's sales tax revenues face concentration risk due to the dependence on a single industry. The largest industry group, business-to-business (B2B), is sensitive to economic forces. In particular, the City's two largest sales tax sources—both technology companies—account for a large portion of the City's total sales tax revenues. Sales tax revenue is reported two quarters in arrears, providing the City with about six months to react if this revenue declines.

Another risk is the California Department of Tax and Fee Administration (CDTFA) sales tax audit. The CDTFA is auditing one of the City's sales tax revenue sources. The impact of this audit is unknown but has the potential to significantly affect the City's sales tax revenues. Once more information is known, staff will bring updates to Council.

Given the volatility of B2B revenue, which accounts for most of the City's sales tax revenue, a vital goal of the City's long-term fiscal, strategic plan is to diversify its sales tax sources. Recently completed development projects such as Nineteen800 and Main Street have boosted retail sales and can help reduce the City's reliance on B2B revenue.

Property Tax

Property taxes are anticipated to remain stable in the near term, but it is unknown how potential remote work might impact property taxes in the long term. With remote work, people are rethinking where they choose to live. If people no longer need to live close to the office, demand for residential real estate in urban areas may decrease. Companies can reduce office space if fewer employees are working at the office, decreasing demand for commercial office space.



Property tax revenues are projected to be \$30.0 million in FY 2022-23 and increase by an average annual growth rate of 2.5% in the forecast. This moderate forecast is based on various factors, including historical trends for the City and projections for the region. Historically, property tax has increased at an average annual growth rate of 11%. However, this moderate forecast projects a much lower growth rate because no major development projects are assumed. Major development projects, such as Main Street and Apple Park, were significant contributors to the historical growth in property tax revenues.

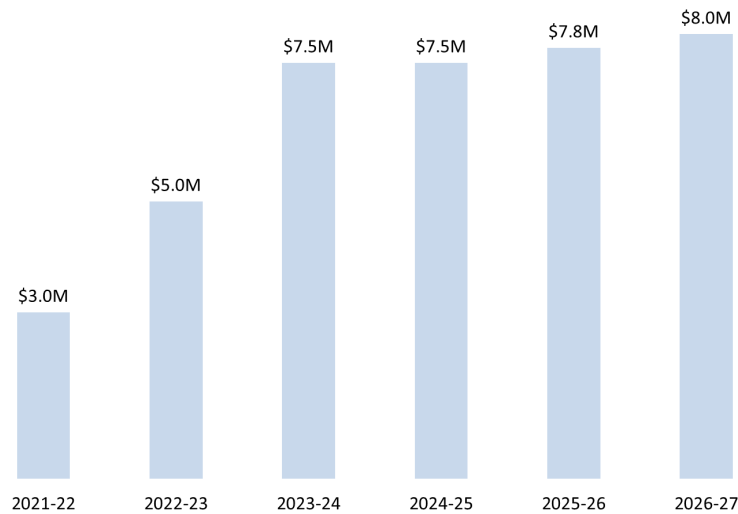
Transient Occupancy Tax

Transient occupancy tax (TOT) revenues fell dramatically as the pandemic reduced travel. TOT revenues were \$8.9 million in FY 2018-19 and \$7.3 million in FY 2019-20, falling to \$2.1 million in FY 2020-21. Transient occupancy taxes rely heavily on business travel. As businesses become accustomed to remote work, business travel may be permanently affected. If business travel fails to rebound, TOT revenues will be impacted.

While leisure travel has recovered much sooner than expected, business travel has not recovered as quickly. Staff is cautiously optimistic business travel will increase gradually over the next few years.

The City anticipates a recovery of TOT revenues by FY 2023-24; however, it is unknown whether business travel will return to pre-COVID levels. This forecast assumes that TOT revenues will recover to 75% of pre-COVID levels, or \$7.5 million, in FY 2023-24 and gradually increase from the new normal.

5-Year Transient Occupancy Tax Forecast



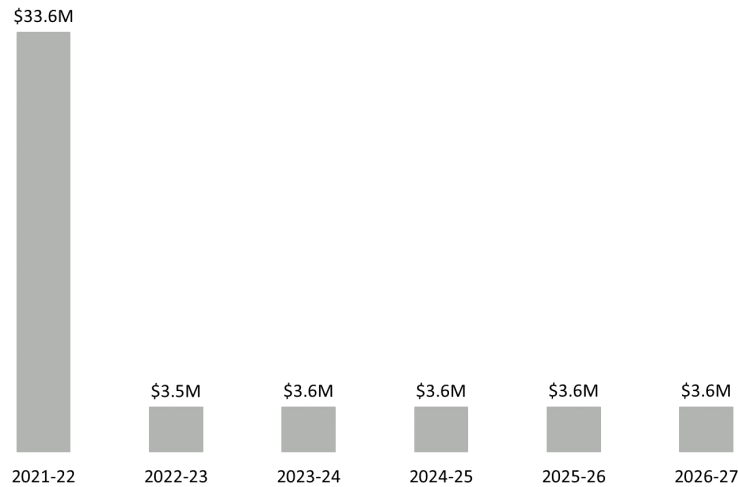
TOT revenues are projected to be \$5.0 million in FY 2022-23. In the forecast, TOT is projected to increase at an average annual growth rate of 2.6%. Beginning in FY 2023-24, the City used a moderate forecast based on historical tax collections. This moderate forecast assumes slower growth than historical trends, given that no additional hotels are expected to open. This forecast does not reflect the addition of any new hotels.

TOT revenues are impacted by the tax rate charged on hotels in the City, the occupancy rate of the hotels, and the average daily room rates (ADR) of the hotels. TOT revenues are highly correlated with B2B revenue, as TOT revenues in Cupertino are primarily driven by business travel. Before the pandemic, occupancy rates were currently at record levels, given the City's strong local economy. However, given the dependence on business travel, shifts in travel habits or economic conditions could significantly impact this revenue source.

Licenses and Permits

Licenses and permits are forecasted to decrease in FY 2022-23 due to reduced development activity but increase slightly in the out-years. Licenses and permits revenue is projected to grow at 0.3% each year. Revenues are based on forecasts of California residential building permits, non-residential building permits, and construction payrolls from the UCLA Anderson Forecast for the Nation and California. Out of prudence, this forecast does not reflect any significant development projects that are awaiting approval. If new development projects are approved, staff will update this forecast accordingly.

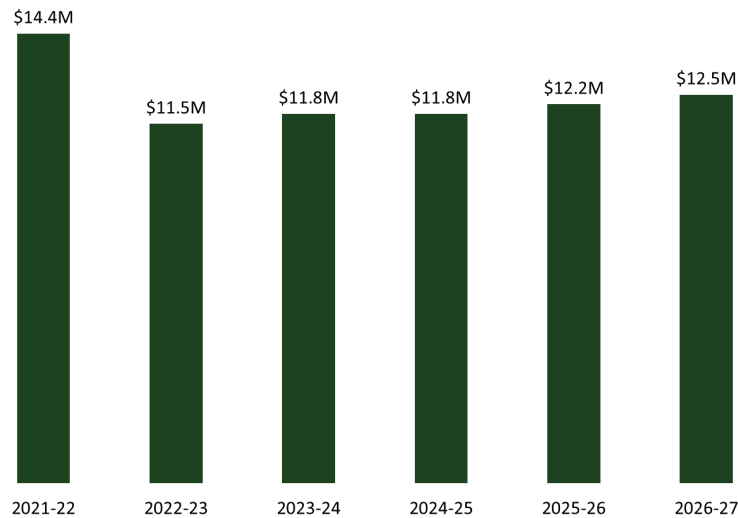
5-Year Licenses & Permits Forecast



Charges for Services

Revenues from charges for services have decreased from their FY 2016-17 levels, primarily due to a decrease in development activity.

5-Year Charges for Services Forecast



In FY 2020-21, revenues from charges for services decreased due to Parks & Recreation Department’s programs being affected by the COVID-19 pandemic. During the COVID-19 pandemic, the City’s recreation facilities were shut down due to the Stay-at-Home order issued by the Santa Clara County Public Health Department in mid-March 2020. As COVID-19 restrictions have lifted, programs and events have resumed.

Charges for Services revenues are projected to increase at an average annual growth rate of 2.0%. Other Service Fees, Cost Allocation Plan Charges for Services, and General Service Fees are projected to increase by 2.75% based on full-time salary growth. Planning Fees and Engineering Fees are based on construction and development factors, including California residential building permits, non-residential building permits, and construction payrolls from the UCLA Anderson Forecast for the Nation and California. This forecast does not assume any major development projects that are awaiting approval.

Other Revenue

Utility taxes are forecasted to increase by an annual average growth rate of 0.4% based on historical trends. In recent years, increases in rates have been offset by decreases in consumption.

Franchise fees are projected to increase by an average annual growth rate of 1.7% based on a trend of historical data.

Other taxes are made up of construction, property transfer, and business license tax revenue. Revenue is projected to increase by an average of State and County CPI.

Use of money and property is expected to grow at a rate of 0.5% each year based on the City's current conservative investment strategy and low-interest rates. The Section 115 Pension Trust is expected to grow at the discount rate of 6.25%.

Intergovernmental revenues are projected to grow at a rate of 0.5% each year.

Fines and Forfeitures are forecasted to remain constant in the forecast.

Miscellaneous revenues are forecasted to increase by CPI each year.

Non-operational revenues (Transfers and Other Financing Sources) are not assumed in the forecast.

Expenditures

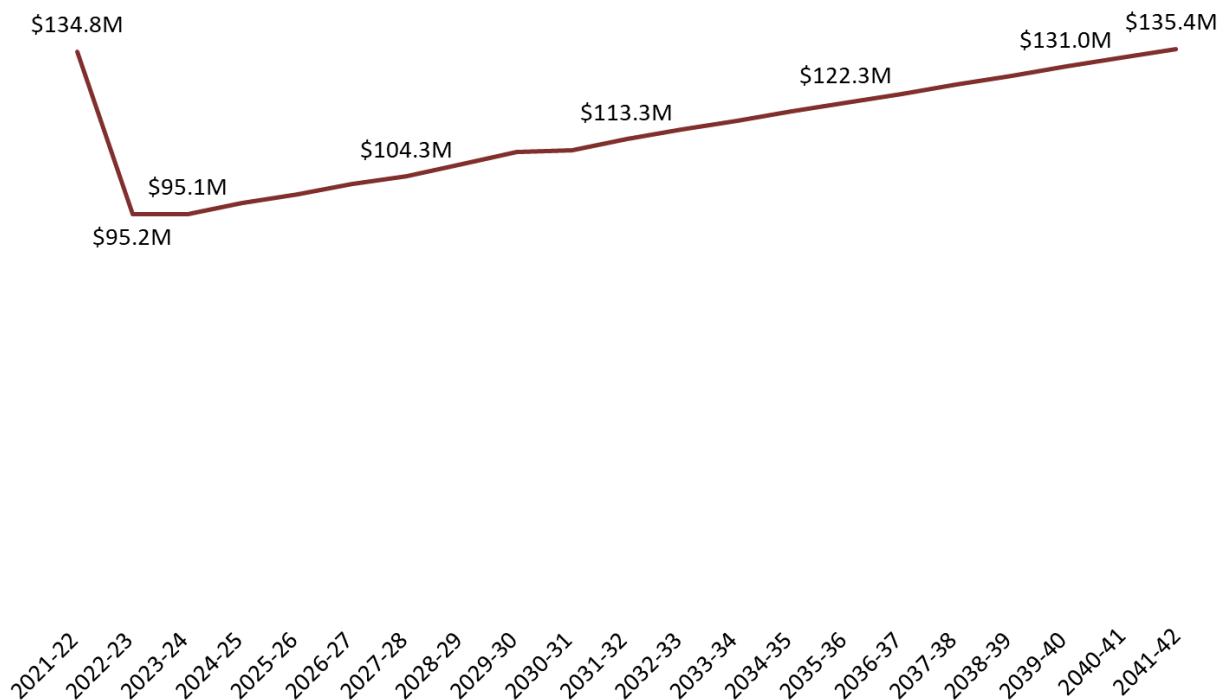
In FY 2019-20, the City developed a zero-based budget. Staff analyzed every function of the City for its needs and costs. Staff built the budget starting from a zero base and justified all costs, which resulted in base budget savings.

For FY 2022-23, the City updated the prior year's base budget. Materials were increased by CPI, and contracts were updated based on contractual obligations. Ongoing costs that were approved during the prior fiscal year were added, and costs that are no longer needed were removed.

The forecast was developed based on actual expenditures in prior years and FY 2022-23 projections. The forecast also included the following factors: CPI, construction and development activity, and CalPERS Normal Cost and Unfunded Liability projections. The forecast is adjusted to account for one-time changes and budget adjustments throughout the year.

To manage expenditure growth, the City is considering budget-balancing strategies such as the use of the City's Section 115 Trusts to fund pension and OPEB costs.

20-Year General Fund Expenditure Forecast



FIVE-YEAR GENERAL FUND EXPENDITURES FORECAST						
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimate	Adopted	Forecast	Forecast	Forecast	Forecast
EXPENDITURES						
Employee Compensation	22,415,186	24,295,660	24,937,757	25,623,624	26,328,252	27,052,205
Employee Benefits	10,384,127	11,440,636	11,711,801	11,898,716	11,608,381	11,667,211
Salary Savings	-	-	(1,000,882)	(1,024,554)	(1,034,943)	(1,055,934)
Personnel Costs	32,799,313	35,736,296	35,648,675	36,497,786	36,901,690	37,663,482
Materials	7,455,733	7,226,073	7,478,986	7,688,397	7,880,607	8,061,861
Contract Services	24,983,910	25,019,032	26,242,420	27,344,403	28,413,200	29,469,609
Cost Allocation	11,948,062	10,385,961	10,671,575	10,965,043	11,266,582	11,576,413
Capital Outlay & Special Projects	30,117,147	3,657,378	2,373,773	2,440,238	2,501,244	2,558,773
Contingencies	400,881	451,739	405,899	417,264	427,695	437,532
Other Uses	967,497	695,000	-	-	-	-
Non-Personnel Costs	75,873,230	47,435,183	47,172,652	48,855,345	50,489,328	52,104,188
Transfers	26,124,371	11,996,300	12,320,818	12,434,974	12,544,172	12,645,931
TOTAL EXPENDITURES	134,796,914	95,167,779	95,142,145	97,788,106	99,935,190	102,413,602

As displayed in the chart above, General Fund expenditures are projected to be \$95.2 million in FY 2022-23 and increase throughout the forecast. The main drivers of expenditure growth are employee compensation and contract services due to additional staffing, retirement rates, and increasing Law Enforcement costs. The following discussion focuses on the assumptions used for estimating each of the expenditure categories in the General Fund Forecast.

Personnel Expenditures

Salaries

The City is currently negotiating with its bargaining groups because labor agreements expire on June 30, 2022. Due to the uncertainty, the forecast only accounts for step increases and changes in CalPERS retirement rates. The forecast does not include any cost-of-living adjustments (COLA) or equity adjustments.

Employees who have yet to reach the top step in their classification's salary range are eligible to receive a step increase on their anniversary date. Typically, classifications have five steps, with each increase equivalent to a 5% increase in salary. Currently, approximately 41% of employees are below Step 5.

Full-time salaries are projected to grow at a rate of 2.75% per year, based on the presumed rate of growth by CalPERS. Part-time salaries are forecasted to grow at a rate of 1.5% as they generally grow slower than full-time salaries.

Health Benefits

In FY 2022-23, health benefits account for about 7% of all personnel costs in the General Fund, primarily due to health insurance costs. The City pays employees a fixed amount for health and dental insurance costs instead of covering a percentage of premiums. In October 2016, City Council approved labor contracts that significantly increased the City's health insurance contributions to align the City with the median offerings of our comparator cities. For the duration of the contract, cost increases in health and dental premiums above the negotiated amounts were fully absorbed by employees. The City is in negotiations with its bargaining groups, CEA and OE3.

Retirement Benefits

Rising retirement costs are driving the increase in employee benefits. Cupertino provides retirement benefits for its employees through the California Public Employee’s Retirement System (CalPERS). Poor investment returns during the Great Recession significantly decreased the plan’s assets. In addition, enhanced benefits and actuarial assumption changes due to increased life expectancies increased the plan’s liabilities. As a result, the City’s pension costs have increased significantly and are one of the City’s largest financial obligations.

The City’s CalPERS costs are projected to increase over the next few years, as shown in the table below.

	Projected CalPERS Contributions					
	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Projected Payroll	\$ 21,566,041	\$ 22,159,108	\$ 22,768,483	\$ 23,394,616	\$ 24,037,969	\$ 24,699,012
Normal Cost (%)	9.7%	9.5%	9.3%	9.1%	8.9%	8.8%
Normal Cost	\$ 2,100,532	\$ 2,105,115	\$ 2,117,469	\$ 2,128,910	\$ 2,139,379	\$ 2,173,513
UAL Payment	\$ 4,775,294	\$ 5,126,000	\$ 5,477,000	\$ 5,326,000	\$ 5,545,000	\$ 5,027,000
Total Contribution	\$ 6,875,826	\$ 7,231,115	\$ 7,594,469	\$ 7,454,910	\$ 7,684,379	\$ 7,200,513
Total Contribution (%)	31.9%	32.6%	33.4%	31.9%	32.0%	29.2%

In December 2016, the CalPERS Board of Administration lowered the discount rate from 7.5% to 7.0% with a three-year phase-in beginning in FY 2018-19 to improve the financial stability of the pension system. This resulted in significant increases in retirement costs. In FY 2021-22, the CalPERS Board lowered the discount rate from 7.0% to 6.8% because the FY 2020-21 investment gain of 21.3% triggered the Funding Risk Mitigation Policy.

The City’s retirement rates are based on a blend of all three tiers (2.7% @ 55, 2% @ 60, and 2% @ 62). Although employees pay a different rate depending on their tier, the City’s costs are the same for all three tiers. The table below shows the current breakdown of City employees amongst the three retirement tiers. The majority of employees in the City are currently covered under Tier 3. Savings from the lower-cost Tier 2 and Tier 3 plans are not expected to be substantial for several years.

Tier	Number of Employees	Benefit Factor	CalPERS Plan Breakdown by Tier			Total Contribution
			Compensation Basis	Employer Share of Contribution	Employee Share of Contribution	
1	58	2.7% @ 55	Highest Year	31.88%	8.00%	39.88%
2	19	2% @ 60	Highest 3 Year Average	31.88%	7.00%	38.88%
3	111	2% @ 62	Highest 3 Year Average	31.88%	7.00%	38.88%

A retiree’s highest monthly pension benefits are calculated by multiplying:

- Service credit: the number of years of CalPERS service.
- Benefit Factor: percentage of pay based on age.
- Compensation Basis: the highest monthly average salary for a defined period.

Other Benefits

The forecast assumes health insurance, dental insurance, and vision insurance increase by CPI. No increases were forecasted for the following benefits: internet allowance, standby pay, Employee Assistance Program, and Deferred Compensation. Rec Bucks are assumed to increase at a 0.5% growth rate.

Vacancy Savings

The forecast assumes vacancy savings of 5 FTE annually, based on historical vacancy rates due to attrition.

Non-Personnel Expenditures

Non-Personnel budgets were developed based on actual expenditures in prior years and then adjusted for FY 2022-23 funding needs. In addition, one-time projects have been excluded to ensure that expenditure trends reflect ongoing expenditure needs.

For the out-years of the forecast, expenditures are projected to increase by CPI.

Materials costs are forecasted to increase by CPI.

Contract Services costs are projected to grow by CPI except for the Law Enforcement contract with the Santa Clara County Sheriff's Office. Law Enforcement costs are projected to grow by CPI plus 2%. Per the terms of the contract, the annual increase is limited to the lesser of:

- Percentage increase in total compensation and annual CalPERS cost increase
- Annual CPI plus 2% and annual CalPERS cost increase

Increases in the City's Law Enforcement costs are a primary driver of the City's expenditure growth.

Cost Allocation is projected to grow by 2.8%.

Capital Outlays and **Special Projects** are projected to increase by CPI. In the last five years, the City has spent about \$2 million per year in capital outlay and special project costs, excluding development projects that include pass-through revenue.

Contingencies are projected to increase by CPI. Contingencies remain reduced in FY 2022-23. Program contingencies were cut in half to 2.5% in FY 2020-21, and the City Manager's Contingency Fund was reduced to \$75,000 in FY 2021-22. In prior years, program contingencies were 5% of Materials and Contract Services, and the City Manager's Contingency was 5% of General Fund Materials and Contract Services, excluding the law enforcement contract. The City has historically underspent contingencies, and the use of these funds would require pre-approval by the City Manager or their designee.

Transfers represent the General Fund's contributions to other City funds to support debt payments, pay retiree health costs, finance capital projects, replenish capital project reserves, acquire new equipment, and subsidize enterprises and operations. After the implementation of a comprehensive Cost Allocation Plan in FY 2015-16, General Fund expenses have been shifted to other City funds, causing some of those funds' revenues to fall short of expenses and necessitating the use of fund balances to cover expenses. The General Fund benefits in the near term from the cost shift; however, after fund balances in those other funds are drawn down to minimum levels and absent aggressive revenue or cost actions in those other funds, General Fund subsidies are necessary to maintain fund balance minimums.

Projected General Fund subsidies to each fund are based on the following assumptions:

- Special Revenue Funds: \$3 million annually.
- Debt Service Funds: \$2.7 million based on the 2012 COPS debt service schedule.
- Capital Reserve: \$2.5 million annually.
- Retiree Medical Fund: \$0 million.
- Compensated Absences Fund: \$0.8 million and increases at a rate of 2.8% per year.
- Innovation and Technology Fund: \$2 million and increases at CPI annually.
- Enterprise Funds: \$1 million and increases at CPI per year.

In FY 2029-30, the City will finish paying off its debt for city facilities. Until FY 2029-30, the City is scheduled to pay approximately \$2.7 million per year in principal and interest on the City Hall, Community Hall, and Library Certificates of Participation. The funds are transferred from the City's General Fund to the City's Debt

Service Funds.

Historically, the City has transferred funds from the General Fund to the Capital Reserve at mid-year. While mid-year fund transfers are typically significant, \$10 million annually on average, there has been a high degree of variability. To facilitate Capital Improvement Program budget forecasting, the forecast allocates \$2.5 million annually for transfers to the Capital Reserve.

Starting in FY 2022-23, the City plans to fund Other Post-Employment Benefits (OPEB) costs with the City's Section 115 OPEB Trust because the City's OPEB plan is over 100% funded. The OPEB Trust had a balance of \$36.1 million as of March 31, 2022. Funding OPEB costs with the OPEB Trust will eliminate the transfers from the General Fund to the Retiree Medical Fund.

Pension

CalPERS

The City provides a defined benefit pension to its employees through the California Public Employees' Retirement System (CalPERS). Retirement benefits are calculated using a formula based on an employee's age, earnings, and years of service. The retirement benefits are funded by:

- Investment earnings (60%)
- Employer contributions (29%)
- Employee contributions (11%)

Each year, CalPERS determines an employer's contributions based on actual investment returns and actuarial assumptions, including:

- Expected investment returns (discount rates)
- Inflation rates
- Salaries
- Retirement ages
- Life expectancies

Contributions to fund the pension plan are comprised of two components:

- Normal cost (the cost of the benefits earned in a respective year)
- Amortization of the unfunded accrued liability (UAL)

CalPERS Discount Rate

Defined benefit plans are highly sensitive to the discount rate assumption. The discount rate is the expected rate of return of the plan's assets over the long term. The discount rate will depend on the plan's size, asset allocation, time horizon, and other considerations.

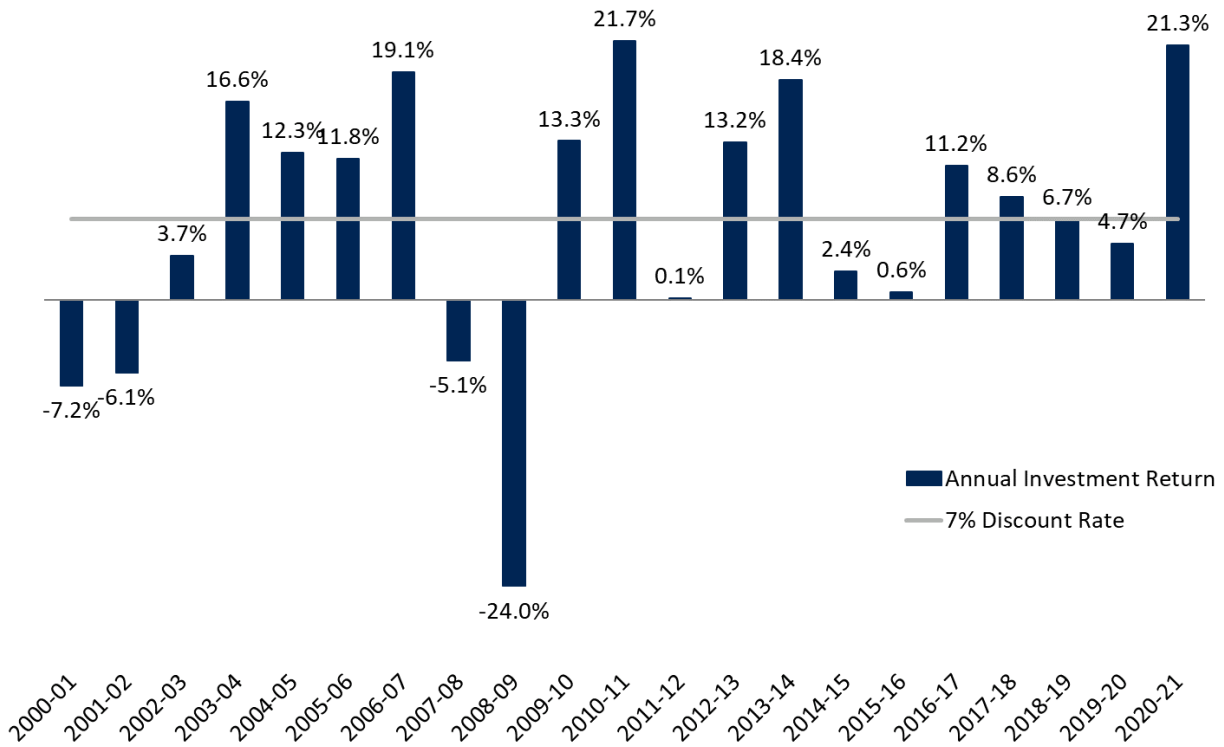
From the City's perspective, the discount rate is important as it is used to determine the City's annual contributions to the plan, the plan's unfunded liability, and the plan's funded status. In other words, the discount rate is used to determine whether a plan has enough assets to meet its future obligations. The discount rate must be realistic to allow the City to foresee funding issues that may impact future operating budgets and future generations of retirees and plan members. If the discount rate assumption is too high and investments earn less than expected, a funding shortfall may result, requiring the City or CalPERS members to make greater contributions than expected.

CalPERS Investment Earnings

Since investment earnings fund nearly 60% of retirement benefits, the City's pension plan is sensitive to the investment returns of CalPERS. Investment returns affect how much of the retirement benefits can be funded by investment earnings rather than contributions. If investment returns are lower than the discount rate, contributions must increase to make up the difference. As a result, pension plans need accurate return assumptions to ensure fiscal sustainability.

Currently, CalPERS assumes it will earn investment returns of 6.8% each year. As illustrated in the following chart, over the last 20 years, CalPERS has earned investment returns below the discount rate assumption approximately half the time. Individual fiscal year investment returns have ranged between -24.0% and +21.7%. In particular, CalPERS earned negative investment returns in 2001 and 2002 due to the dot-com crash and in 2008 and 2009 due to the Great Recession.

CalPERS Historical Annual Investment Returns



Note: Beginning in 2002, investment returns are reported as gross of fees.

For FY 2020-21, CalPERS reported an investment return of 21.3%, 14.3 percentage points higher than the 7% discount rate. The average investment return is 10.3% for a 5-year period, 8.5% for a 10-year period, 6.9% for a 20-year period, and 8.4% for a 30-year period. As returns in a given year are volatile, it can be more instructive to look at returns over longer time horizons.

Time Period	Total Investment Return
1 Year	21.3%
5 Year	10.3%
10 Year	8.5%
20 Year	6.9%
30 Year	8.4%

CalPERS Update

Funding Risk Mitigation Policy

Under the Funding Risk Mitigation Policy, the 21.3% return in FY 2020-21 triggered a reduction in the discount rate from 7% to 6.8%. The Funding Risk Mitigation Policy, approved by the CalPERS Board in 2005, lowers the discount rate in years of good investment returns to reduce risk in the portfolio. The Risk Mitigation Policy will affect contributions starting in FY 2023-24.

Asset Liability Management Process

In November 2021, CalPERS completed its quadrennial Asset Liability Management (ALM) process, which reviewed investment strategies and actuarial assumptions. At the November 15-17, 2021, meetings, the CalPERS Board approved a 6.8% discount rate, selected a new asset allocation for the fund's investment portfolio, and adopted new actuarial assumptions.

During the ALM process, the board examined different potential portfolios and their impact on the CalPERS fund. Ultimately, the board selected the portfolio with an assumed investment return of 6.8%.

Asset Class	Current Allocation	New Allocation
Global Equity	50%	42%
Fixed Income	28%	30%
Real Assets	13%	15%
Private Equity	8%	13%
Private Debt	0%	5%
Liquidity	1%	0%
Total	100%	105%

The new portfolio includes a 5% allocation to leverage.

CalPERS Plan Status

As of the most recent actuarial valuation on June 30, 2020, the City's pension plan had assets of \$103.8 million and liabilities of \$157.6 million, resulting in an unfunded liability of \$53.8 million and a funded ratio of 65.9%. The unfunded liability is the difference between assets and liabilities, while the funded ratio is the ratio of assets to liabilities.

	CalPERS Plan Status	
	June 30, 2019	June 30, 2020
Present Value of Projected Benefits	\$ 174,248,022	\$ 185,199,838
Entry Age Normal Accrued Liability	\$ 148,525,073	\$ 157,610,543
Market Value of Assets	\$ 99,363,109	\$ 103,788,993
Unfunded Accrued Liability	\$ 49,161,964	\$ 53,821,550
Funded Ratio	66.9%	65.9%

In May 2018, the City also established a Section 115 Pension Trust to reduce the effect of pension rate volatility on the City's budget. After factoring in the City's Section 115 Pension Trust, the funded status of the City's pension fund is 76.8%.

A defined-benefit plan is considered adequately funded if its assets equal or exceed the value of its future liabilities. When the funded ratio is lower than 100%, the plan has insufficient assets to pay all future liabilities. The funded status of the system decreased because:

- Poor investment returns during the Great Recession significantly decreased the plan's assets.
- Enhanced benefits and actuarial assumption changes due to increased life expectancies increased the plan's liabilities.

Over the past few years, CalPERS has taken steps to improve the long-term financial sustainability of the system. In December 2016, the CalPERS board voted to reduce the discount rate, also known as the assumed rate of return for investments, from 7.5% to 7.0% over three years from FY 2018-19 to FY 2020-21. In February 2018, the CalPERS board also voted to decrease the amortization period for new pension liabilities from 30 years to 20 years, effective July 1, 2019. While these changes will provide long-term benefits to the pension plan, they will also increase the City's pension contributions.

Impact of CalPERS Investment Returns

CalPERS assumes it will earn investment returns of 7% each year. If investment returns are higher than 7%, the City's contributions decrease. On the other hand, if investment returns are lower than 7%, the City's contributions increase.

In FY 2020-21, CalPERS earned an investment return of 21.3%, 14.3 percentage points above the 7% discount rate. The investment return triggered the Funding Risk Mitigation Policy, lowering the discount rate to 6.8%. The investment gain and discount rate reduction will impact the City's pension costs starting in FY 2023-24. The discount rate reduction partially offsets the effect of the investment gain. In FY 2027-28, when the investment gain is fully phased in, the City's annual costs are expected to be \$1.3 million lower than previously projected. The FY 2020-21 investment gain will also increase the funded status of the City's plan.

Challenging and volatile financial markets impacted FY 2021-22 investment returns. For FY 2021-22, CalPERS reported a preliminary investment return of -6.1%. The investment performance is expected to affect the City's pension contributions starting in FY 2024-25. In 2022, financial market volatility increased due to heightened geopolitical risk, supply chain bottlenecks and persistent inflation, and the Federal Reserve's pivot to a less accommodative monetary policy.

Impact of CalPERS Discount Rate Changes

Due to lower-than-historical interest rates and economic growth, market experts project lower returns for the next several decades. The Pew Research Center forecasts a long-term investment return of 6.5% for typical pension fund portfolios.

During its Asset Management Liability Process, CalPERS considered discount rates between 6.25% and 7%. Ultimately, CalPERS approved a discount rate of 6.8%, a decrease from the previous discount rate of 7%.

The discount rate has a significant effect on the City's CalPERS contributions. If the discount rate is less than the discount rate assumption, the City's CalPERS contributions will increase. If CalPERS lowers the discount rate by one percentage point, the City's contributions will increase by up to \$2.9 million per year. This analysis would show the potential contribution impact if CalPERS were to lower the discount rate.

Section 115 Trust

A Section 115 Trust is a tax-exempt investment tool that allows local governments to pre-fund pension and retiree health costs. Once contributions are placed into the trust, the City can only use assets from the trust for retirement plan purposes. The City may make withdrawals to either reimburse the City for retirement system contributions or to pay CalPERS directly. The benefits of a Section 115 Trust include the following:

- Local control over assets: The City controls the contributions, withdrawals, investment strategy, and risk level of assets in the Trust.
- Pension rate stabilization: Assets can be transferred to CalPERS at the City's discretion to pay for Normal Cost or UAL contributions and can be used to reduce or eliminate large fluctuations in the City's pension costs.
- Potential for higher investment returns than General Fund: Investment requirements applicable to the City's General Fund assets under Government Code 53601 do not apply to Trust assets.
- Diversification: Trust assets will be diversified from CalPERS investments.

City Strategies

Given that pension obligations are one of the City's largest financial obligations, the City has taken proactive steps to reduce the impact of pension cost volatility. In March 2018, the City provided options to Council to address rising pension costs. In April 2018, the City presented a long-term pension funding strategy to the Fiscal Strategic Plan Committee. In May 2018, the City established a Section 115 Pension Trust to reduce the effect of pension rate volatility on the City's budget. The Section 115 Pension Trust helps the City to:

- Grow assets for future pension contributions.
- Invest assets over appropriate time horizons.
- Earn higher investment returns than the General Fund.
- Reduce pension contribution volatility.
- Diversify funds from CalPERS investments.

As a fiscal sustainability measure, the City funds the Section 115 Pension Trust using a more conservative discount rate of 6.25%. The City's pension funding goal is to accumulate sufficient funds in the Pension Trust to fund the difference between a 6.25% and a 7% discount rate and achieve a funded ratio of 80% over 20 years. The City's projections indicated that the City would need to accumulate over \$42 million in the Pension Trust within 20 years to achieve its pension funding goal.

As a result, the funding strategy proposed \$8.0 million in initial funding, along with additional funding of \$10.0 million over the first five years. The City has contributed \$16.0 million, including:

- \$8 million in FY 2018-19
- \$4 million in FY 2019-20
- \$2 million in FY 2020-21
- \$2 million in FY 2021-22

As of June 30, 2022, the Section 115 Pension Trust had a balance of \$17.2 million and had earned an annualized investment return of 3.94% gross of fees since inception. Investment returns were impacted by financial market volatility in 2022.

Given the funding currently set aside for pension funding, the City is in a solid position to withstand the effects of pension cost increases. If CalPERS earns less than the discount rate assumption, the City will be better prepared for future pension cost increases. If CalPERS lowers the discount rate in the future, the City will be better prepared to absorb these costs.

Fund Balance

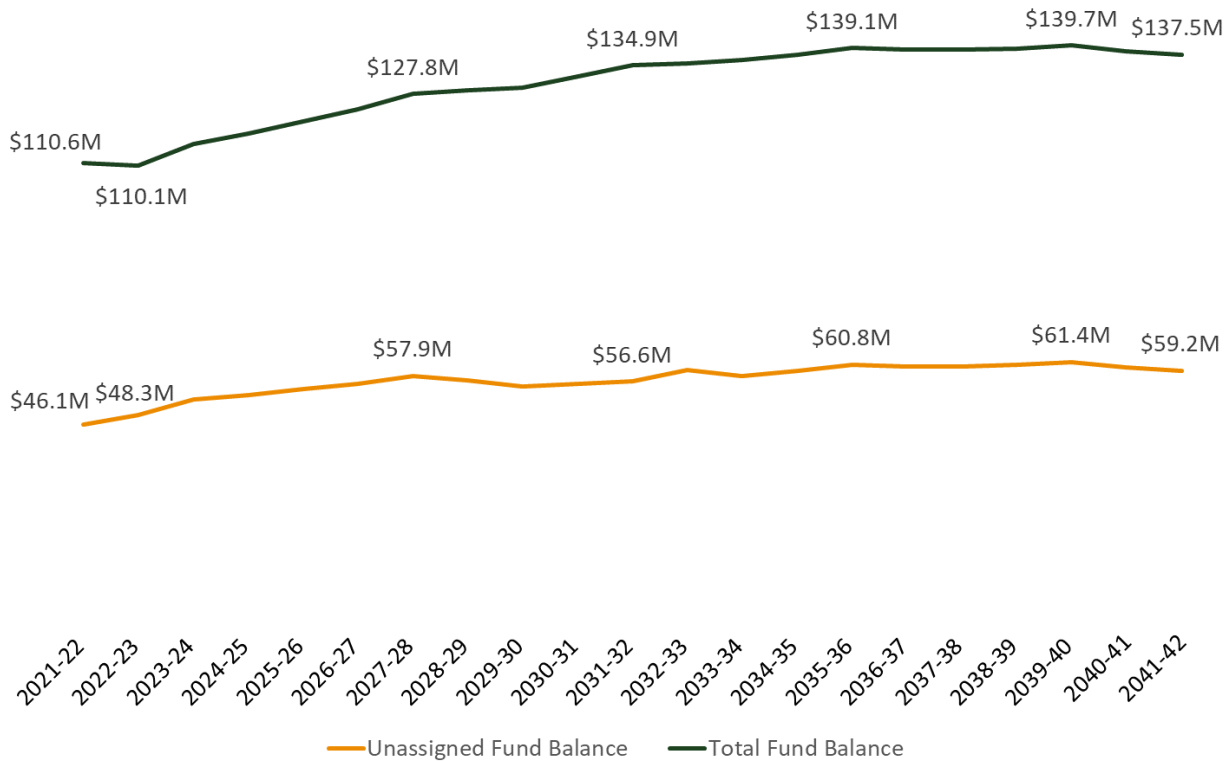
The foresight of the City Council and staff in previous years to focus on ensuring healthy reserves is paying off in full. Increases in sales tax revenues and budget reductions in FY 2020-21 have contributed to this planning strategy and will provide additional resources for the City in the future.

The General Fund's Unassigned fund balance remains healthy and will be able to assist in addressing funding gaps. In addition, the General Fund's Committed and Restricted fund balance includes:

- Economic Uncertainty Reserve: may be used to mitigate potential shortfalls.
- Capital Projects Reserve: may be used to fund capital projects.
- Section 115 Pension Trust: may be used to mitigate potential increases to CalPERS's annual required contribution rate or further reductions in the discount rate set by CalPERS.

In FY 2022-23, the General Fund's total fund balance is projected to be \$110.1 million, and the General Fund's Unassigned fund balance is projected to be \$48.3 million.

20-Year General Fund Fund Balance Forecast



FIVE-YEAR GENERAL FUND FUND BALANCE FORECAST						
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimate	Adopted	Forecast	Forecast	Forecast	Forecast
Beginning Fund Balance	96,850,790	110,610,704	110,104,313	115,303,161	117,945,192	121,026,607
Operating Revenue	143,861,842	94,661,388	100,340,993	100,430,137	103,016,605	105,413,113
Operating Expenditures	134,796,914	95,167,779	95,142,145	97,788,106	99,935,190	102,413,602
Net Revenues - Expenditures	9,064,928	(506,391)	5,198,848	2,642,031	3,081,415	2,999,512
Unassigned	46,068,178	48,332,873	52,110,422	53,242,011	54,718,268	56,011,988
All Other Classifications	64,542,526	61,771,440	63,192,739	64,703,181	66,308,338	68,014,131
Ending Fund Balance	110,610,704	110,104,313	115,303,161	117,945,192	121,026,607	124,026,118

FIVE-YEAR GENERAL FUND FUND BALANCE FORECAST						
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimate	Adopted	Forecast	Forecast	Forecast	Forecast
<u>Nonspendable</u>						
Loans Receivable	444,000	440,000	440,000	435,000	430,000	425,000
Advance to Other Funds	3,000,000	-	-	-	-	-
Total Nonspendable	3,444,000	440,000	440,000	435,000	430,000	425,000
<u>Restricted</u>						
CASp Certification and Training	13,982	13,982	13,982	13,982	13,982	13,982
Section 115 Pension Trust	20,820,778	22,820,778	24,247,077	25,762,519	27,372,676	29,083,469
Public Access Television	1,368,789	1,368,789	1,368,789	1,368,789	1,368,789	1,368,789
Total Restricted	22,203,549	24,203,549	25,629,848	27,145,290	28,755,447	30,466,240
<u>Committed</u>						
Economic Uncertainty Reserve	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000
Capital Projects Reserve	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Sustainability Reserve	127,891	127,891	127,891	127,891	127,891	127,891
Total Committed	34,127,891	34,127,891	34,127,891	34,127,891	34,127,891	34,127,891
<u>Assigned</u>						
Reserve for Encumbrances	4,767,086	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total Assigned	4,767,086	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total Unassigned	46,068,178	48,332,873	52,110,422	53,242,011	54,718,268	56,011,988
TOTAL FUND BALANCE	110,610,704	110,104,313	115,303,161	117,945,192	121,026,607	124,026,118

It is anticipated that the City will transfer any unassigned fund balance over the \$500,000 threshold to the Capital Reserve, the Capital Projects Reserve, or the Section 115 Pension Trust as described in the City's Fund Balance and Use of One Time Funds Policy.

The City can use funds in the Section 115 Pension Trust to offset unexpected increases in retirement contributions. Funds in the Section 115 Pension Trust are restricted and can only be used to pay CalPERS or reimburse the City for pension contributions.

Budget-Balancing Strategies

Historically, the City's budget has been structurally sound, with revenues exceeding expenditures in most years. When revenues have exceeded expenditures, the City has transferred the excess fund balance to the Capital Reserve per the City's Fund Balance and Use of One-Time Funds Policy. The current 5-year and 20-year forecasts anticipate operating deficits near the end of the forecast, beginning in FY 2040-41. The operating deficits are projected to increase as revenues grow at a slower pace than expenditures. As a result, the following strategies may be used to assist in balancing the budget over the next 20 years.

Strategy	Description	Potential Impact
Expenditures		
Section 115 Pension Trust	The City established a Section 115 Trust to reduce pension rate volatility when CalPERS investment returns are below the discount rate or when CalPERS changes assumptions. The City can also use it to offset pension costs.	As of June 30, 2022, the reserve has a balance of \$17.2 million.
Capital Projects Reserve	The General Fund Capital Projects Reserve may be used to fund capital projects.	The reserve has a balance of \$10 million.
Economic Uncertainty Reserve	The General Fund Economic Uncertainty Reserve may be used to mitigate potential shortfalls.	The reserve has a balance of \$24 million.

Additional Potential Strategies

Although not recommended at this time, the City may consider the following potential strategies in future years if sharp declines in revenues or increases in expenditures cause large structural deficits.

Potential Strategy	Description	Potential Impact
Revenues		
Transaction and Use Tax (1/4 cent)	Voter approval is required Could increase sales tax from 9.125% to 9.375%	\$5.2 million
Transient Occupancy Tax Measure	Voter approval is required Could increase transient occupancy tax from 12% to 14%	\$1.7M @ \$10M base \$1.25M at \$7.5M base \$833k at \$5M base

Parcel Tax	Voter approval is required	\$3.5M flat rate per parcel \$3.6M variable rate per SF
Expenditures		
Salary and benefit savings through attrition	Keep non-essential positions unfilled as they become vacant.	Approximately \$186,000 per position on average
Employee cost-sharing of increases to CalPERS	Negotiate to share costs of increases to CalPERS employer rates with employees.	\$250,000 approximate based on a 5% rate increase
No new positions	Cost containment strategy	\$0
Furloughs	Employees would take up to 20 hours or the equivalent of a 1% decrease in pay in exchange for 2.5 unpaid furlough days	\$295,000 approximate based on a 1% decrease
Deferring or eliminating negotiated increases	The City's current labor agreements expire on June 30, 2022. Deferring or eliminating negotiated increases would require agreement from the bargaining units.	\$295,000 approximate based on a 1% decrease
Reduction in force	The City would identify what positions could be reduced (laid off) based on provisions in the MOUs where appropriate and service level needs in the City.	Approximately \$186,000 per position on average
Reduction in capital outlays and special projects	Cost containment strategy	Up to \$4 million
Reduction in contingencies	Cost containment strategy	Up to \$400,000

Council and Commissions

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Department Overview

Budget Units

Budget Unit	Program	2023 Adopted Budget
City Council		\$ 655,864
100-10-100	City Council	\$ 499,627
100-10-101	Community Funding	\$ 92,231
100-10-110	Sister Cities	\$ 64,006
Commissions		\$ 650,512
100-11-131	Technology, Information & Communications Commission	\$ 39,481
100-11-140	Library Commission	\$ 51,371
100-11-142	Fine Arts Commission	\$ 73,624
100-11-150	Public Safety Commission	\$ 45,192
100-11-155	Bicycle and Pedestrian Commission	\$ 62,230
100-11-160	Parks and Recreation Commission	\$ 53,085
100-11-165	Teen Commission	\$ 46,076
100-11-170	Planning Commission	\$ 121,496
100-11-175	Housing Commission	\$ 61,468
100-11-180	Sustainability Commission	\$ 60,983
100-11-190	Audit Committee	\$ 35,506
Total		\$ 1,306,376

Budget at a Glance

2023 Adopted Budget

Total Revenues	\$ 830,532
Total Expenditures	\$ 1,306,376
Fund Balance	\$ -
General Fund Costs	\$ 475,844
% Funded by General Fund	36.4%
Total Staffing	7.3 FTE

Organization

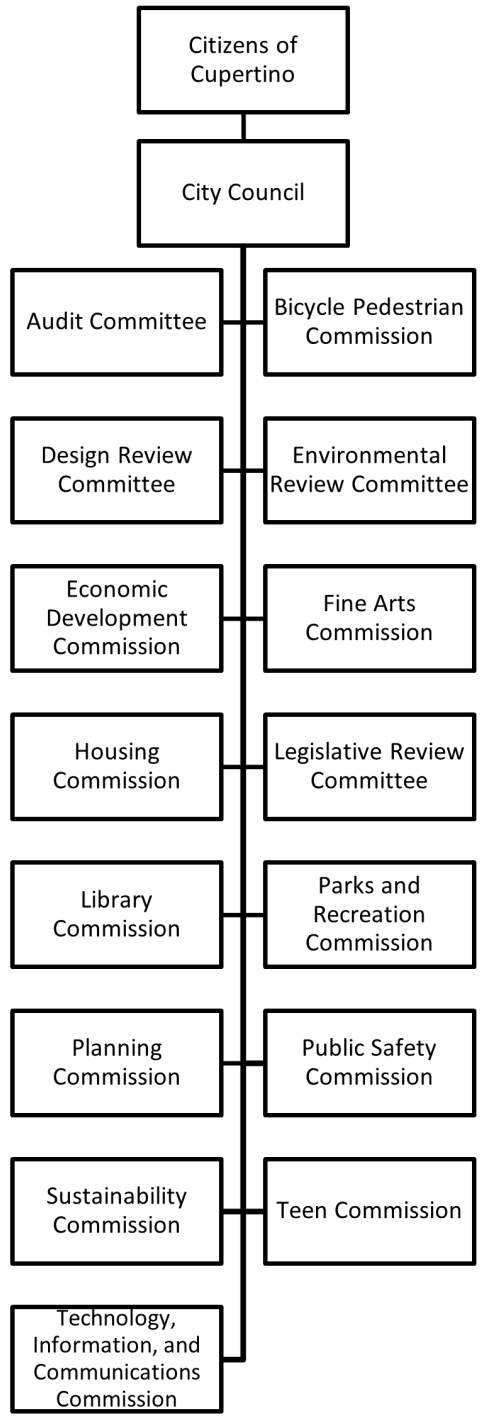
Darcy Paul, Mayor

Liang Chao, Vice Mayor

Kitty Moore, Council Member

Hung Wei, Council Member

Jon Willey, Council Member



Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,306,376 for the Council and Commissions department. This represents a decrease of \$27,927 (-2.1%) from the FY 2021-22 Adopted Budget.

Contract Services have decreased due to reduced funding for the Community Funding program.

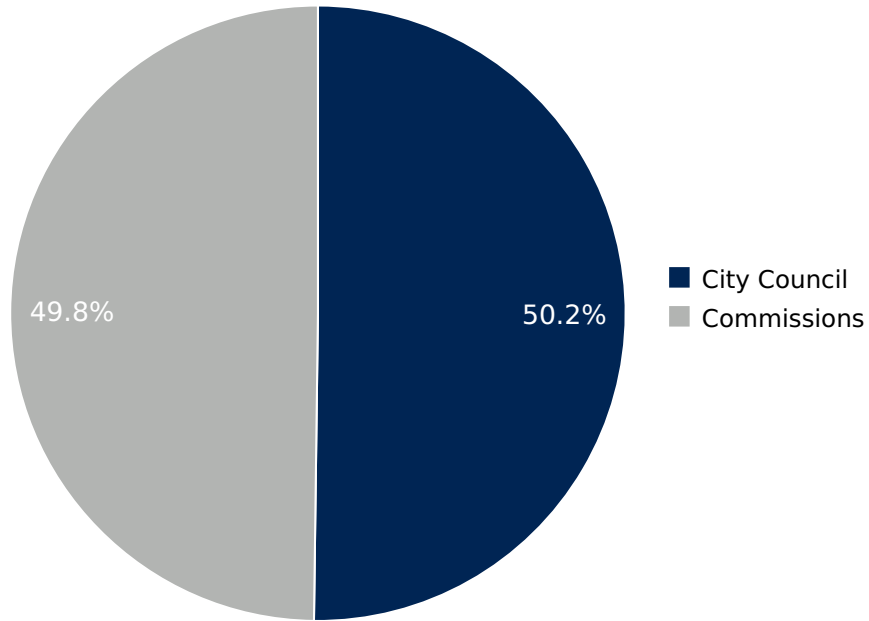
Materials are higher than historical actuals because City Council technology budgets were not completely expended, and conference and training expenses were reduced due to the pandemic.

The following table shows the Council and Commissions budget broken down by:

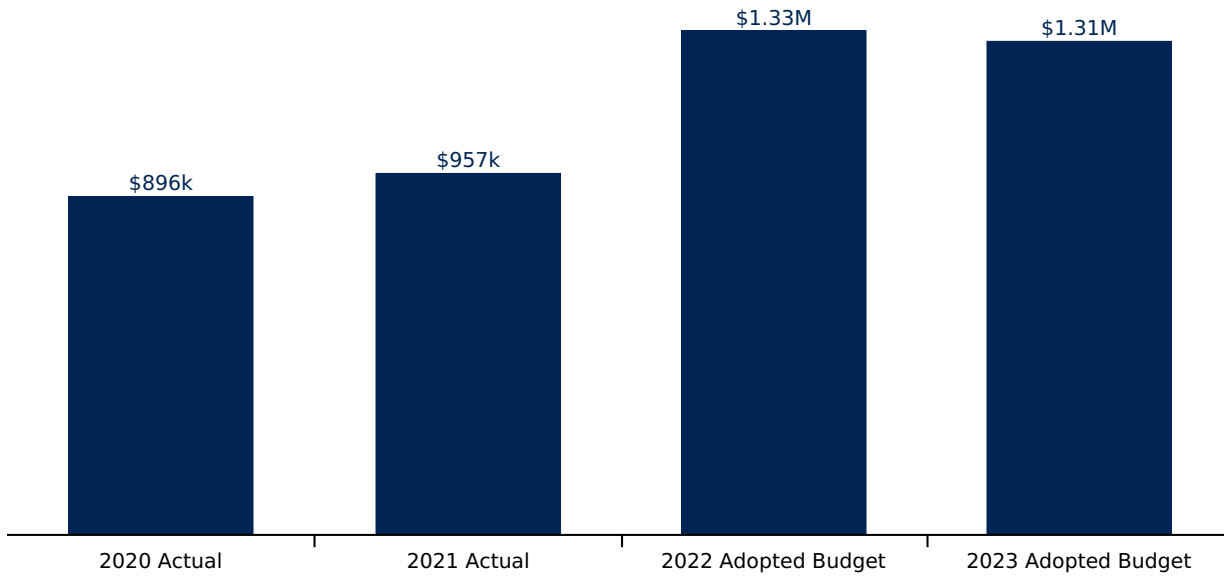
- City Council (includes City Council members)
- City Council Support (includes staff supporting the City Council)
- Commissions, Committees, and Sister Cities Support (includes staff supporting commissions, committees, and sister cities)

Category	City Council	City Council Support	Commissions, Committees, and Sister Cities Support	Total
Benefitted Positions	5	0.85	1.43	7.28
Employee Compensation	\$47,284	\$92,791	\$212,237	\$352,312
Employee Benefits	\$96,986	\$61,893	\$103,512	\$262,391
Total Employee Compensation and Benefits	\$144,270	\$154,684	\$315,749	\$614,703

Adopted Expenditures by Division



Department Expenditure History



Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 586,473	\$ 954,826	\$ 1,054,877	\$ 830,532
Miscellaneous Revenue	\$ -	\$ 10,986	\$ -	\$ -
Total Revenues	\$ 586,473	\$ 965,812	\$ 1,054,877	\$ 830,532
Expenditures				
Employee Compensation	\$ 280,409	\$ 327,344	\$ 376,429	\$ 352,312
Employee Benefits	\$ 158,895	\$ 191,185	\$ 259,737	\$ 262,391
Materials	\$ 128,444	\$ 101,704	\$ 246,912	\$ 256,738
Contract Services	\$ 147,776	\$ 128,698	\$ 182,053	\$ 155,114
Cost Allocation	\$ 150,923	\$ 206,675	\$ 260,845	\$ 271,261
Special Projects	\$ 29,202	\$ 1,155	\$ -	\$ -
Contingencies	\$ 40	\$ -	\$ 8,327	\$ 8,560
Total Expenditures	\$ 895,689	\$ 956,761	\$ 1,334,303	\$ 1,306,376
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 309,217	\$ (9,049)	\$ 279,426	\$ 475,844

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0.10	0.50	0.50	0.50
ASST DIR RECREATION COMM SVCS	0	0.05	0.05	0.15
CHIEF TECHNOLOGY OFFICER	0	0.02	0.02	0.02
COMMUNITY OUTREACH SPECIALIST	0.10	0.10	0.10	0.10
COUNCIL MEMBER	5.00	5.00	5.00	5.00
DEPUTY BOARD CLERK	0.25	0	0	0
DIRECTOR OF COMM DEVELOPMENT	0.06	0.06	0.06	0.06
DIRECTOR OF PARKS REC	0.05	0.05	0.05	0.05
EMERGENCY SERVICES COORDINATOR	0	0.05	0.05	0.05
EXEC ASST TO THE CITY COUNCIL	0.50	0.50	0.50	0.50
FINANCE MANAGER	0	0.05	0.05	0.05
MANAGEMENT ANALYST	0	0.10	0.10	0.10
PLANNING MANAGER	0.10	0.10	0.10	0.10
PUBLIC INFORMATION OFFICER	0.25	0.15	0.15	0.15
RECREATION COORDINATOR	0.30	0.45	0.45	0
RECREATION MANAGER	0	0	0	0.10
RECREATION SUPERVISOR	0	0.05	0.05	0
SENIOR PLANNER	0.10	0	0	0
SR OFFICE ASSISTANT	0.40	0.20	0.20	0.20
SUSTAINABILITY MANAGER	0.10	0.05	0.05	0.05
TRANSPORTATION MANAGER	0	0.10	0.10	0.10
Total	7.31	7.58	7.58	7.28

City Council

Budget Unit 100-10-100

General Fund - City Council - City Council

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 830,532
Total Expenditures	\$ 499,627
Fund Balance	\$ -
General Fund Costs	\$ (330,905)
% Funded by General Fund	-66.2%
Total Staffing	5.9 FTE

Program Overview

The Mayor and councilmembers, acting as the elected representatives of the residents of Cupertino, establish public policies to meet the community needs of the City.

Service Objectives

The City Council objectives are carried out by City staff under the sole direction of the City Manager.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$499,627 for the City Council program. This represents an increase of \$19,877 (4.1%) from the FY 2021-22 Adopted Budget.

This is due to an increase in health insurance costs related to health plan options. Materials are higher than historical actuals because the Mayor's Fund and City Council technology budgets have not been completely expended.

The following table shows the City Council budget broken down by:

- City Council (includes City Council members)
- City Council Support (includes staff supporting the City Council)

Category	City Council	City Council Support	Total
Benefitted Positions	5	0.85	5.85
Employee Compensation	\$47,284	\$92,791	\$140,075
Employee Benefits	\$96,986	\$61,893	\$158,879
Total Employee Compensation and Benefits	\$144,270	\$154,684	\$298,954

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 586,473	\$ 954,826	\$ 1,054,877	\$ 830,532
Miscellaneous Revenue	\$ -	\$ 2,625	\$ -	\$ -
Total Revenues	\$ 586,473	\$ 957,451	\$ 1,054,877	\$ 830,532
Expenditures				
Employee Compensation	\$ 123,015	\$ 115,634	\$ 137,839	\$ 140,075
Employee Benefits	\$ 100,030	\$ 99,883	\$ 142,382	\$ 158,879
Materials	\$ 91,900	\$ 88,650	\$ 175,529	\$ 177,126
Contract Services	\$ 12,416	\$ 8,626	\$ 19,133	\$ 18,653
Cost Allocation	\$ 39,560	\$ -	\$ -	\$ -
Special Projects	\$ 29,202	\$ 1,155	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ 4,867	\$ 4,894
Total Expenditures	\$ 396,123	\$ 313,948	\$ 479,750	\$ 499,627
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ (190,350)	\$ (643,502)	\$ (575,127)	\$ (330,905)

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
COMMUNITY OUTREACH SPECIALIST	0.10	0.10	0.10	0.10
COUNCIL MEMBER	5.00	5.00	5.00	5.00
EXEC ASST TO THE CITY COUNCIL	0.50	0.50	0.50	0.50
PUBLIC INFORMATION OFFICER	0.15	0.10	0.10	0.10
SR OFFICE ASSISTANT	0.10	0.15	0.15	0.15
Total	5.85	5.85	5.85	5.85

There are no changes to the current level of staffing.

Community Funding

Budget Unit 100-10-101

General Fund - City Council - Community Funding

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 92,231
Fund Balance	\$ -
General Fund Costs	\$ 92,231
% Funded by General Fund	100.0%
Total Staffing	FTE

Program Overview

The Community Funding program provides funding for various community activities and community-based organizations throughout the fiscal year.

Service Objectives

- Provide funding to local non-profit organizations in the areas of social services, fine arts and other programs for the general public.
- Grant funding requests in a fair and equitable manner.
- Grant funding requests per the updated Community Funding Policy adopted by City Council on December 1, 2020.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$92,231 for the Community Funding program. This represents a decrease of \$26,428 (-22.3%) from the FY 2021-22 Adopted Budget.

The decrease is due to reduced funding for the Community Funding program in FY 2022-23. The table below shows community funding for FY 2021-22 and FY 2022-23.

Non-Profit Organization	FY 2021-22 Funding	FY 2021-22 Program/Project/Event	FY 2022-23 Funding	FY 2022-23 Program/Project/Event
American Cancer Society	N/A ¹	N/A ¹	\$6,000	Relay for Life of Silicon Valley North
Breathe California of the Bay Area	N/A ¹	N/A ¹	\$4,000	Seniors Breathe Easy
Buddhist Tzu Chi Medical Foundation	N/A ¹	N/A ¹	\$8,300	Healthy Cupertino Health Fair
Chinese American Coalition for Compassionate Care	\$12,000	Starting the Conversation and Mindful Self-Care	\$13,000	Mindfully Facing Grief and Loss and Starting the Conversation
Omniware Networks	N/A ¹	N/A ¹	\$2,000	Peace Love Unity Youth Art Contest Exhibition
Senior Services - Heart of the Valley	N/A ¹	N/A ¹	\$6,161	COVID Car Kit
West Valley Community Services of Santa Clara County, Inc	\$10,000	Gift of Hope Holiday Program	\$10,000	Gift of Hope 2022
Women SV	N/A ¹	N/A ¹	\$20,000	Technical Support for Domestic Abuse Survivors
Cupertino Library Foundation	\$15,000	Empower and Connect Seniors Program	N/A ²	N/A ²
Buddhist Tzu Chi Medical Foundation	\$7,400	Community Health Fair	N/A ²	N/A ²
Santa Clara Valley Audubon Society	\$8,500	Wildlife & Harvest Festival Video Production	N/A ²	N/A ²
Friends of Deer Hollow Farm	\$7,000	Enclosed Garden Space	N/A ²	N/A ²
Valkyrie Robotics	\$3,000	Mini-Robot Competition	N/A ²	N/A ²
Tian Hong Foundation	\$3,000	Cross-cultural Art Contest	N/A ²	N/A ²
Rotary Club of Cupertino	\$12,000	Fall Festival	N/A ²	N/A ²
Euphrat Museum of Art	\$15,000	Exhibition, Events, Community Outreach	N/A ²	N/A ²
Monta Vista High School Speech Boosters Inc	\$3,000	Program Staffing and Materials Support	N/A ²	N/A ²
Cupertino Historical Society	\$20,000	Museum and Archive Support	N/A ³	N/A ³
Total	115,900		69,461	

¹Organization did not apply for or receive a Community Funding Grant in FY 2021-22.

²Organization did not apply for or receive a Community Funding Grant in FY 2022-23.

³Funding was unknown at the time of budget adoption. City Council is considering funding separately.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Miscellaneous Revenue	\$ -	\$ 8,361	\$ -	\$ -
Total Revenues	\$ -	\$ 8,361	\$ -	\$ -
Expenditures				
Contract Services	\$ 114,800	\$ 110,000	\$ 115,900	\$ 89,461
Cost Allocation	\$ 787	\$ 1,240	\$ 2,259	\$ 2,270
Contingencies	\$ -	\$ -	\$ 500	\$ 500
Total Expenditures	\$ 115,587	\$ 111,240	\$ 118,659	\$ 92,231
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 115,587	\$ 102,879	\$ 118,659	\$ 92,231

Staffing

There is no staffing associated with this program.

Sister Cities

Budget Unit 100-10-110

General Fund - City Council - Sister Cities

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 64,006
Fund Balance	\$ -
General Fund Costs	\$ 64,006
% Funded by General Fund	100.0%
Total Staffing	0.1 FTE

Program Overview

Cupertino has four active sister cities registered with Sister Cities International; Toyokawa, Japan; Hsinchu, Taiwan; Copertino, Italy; and Bhubaneswar, India.

Service Objectives

- To further international communication and understanding through the Sister City Program
- To foster educational, technical, economic and cultural exchanges
- To encourage student exchange programs to promote communication and understanding among people of different cultures

Adopted Budget

On June 9, 2022, City Council approved a budget of \$64,006 for the Sister Cities program. This represents a decrease of \$13,576 (-17.5%) from the FY 2021-22 Adopted Budget.

The decrease in Cost Allocation expenses is due to no recruitments in FY 2020-21.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 17,141	\$ 12,301	\$ 13,229	\$ 12,005
Employee Benefits	\$ 6,767	\$ 5,727	\$ 5,956	\$ 6,066
Materials	\$ 5,016	\$ 768	\$ 5,830	\$ 5,830
Contract Services	\$ 9,560	\$ 4,235	\$ 20,000	\$ 20,000
Cost Allocation	\$ 11,398	\$ 37,129	\$ 31,921	\$ 19,459
Contingencies	\$ -	\$ -	\$ 646	\$ 646
Total Expenditures	\$ 49,882	\$ 60,160	\$ 77,582	\$ 64,006
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 49,881	\$ 60,160	\$ 77,582	\$ 64,006

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
PUBLIC INFORMATION OFFICER	0.10	0.05	0.05	0.05
SR OFFICE ASSISTANT	0.30	0.05	0.05	0.05
Total	0.40	0.10	0.10	0.10

There are no changes to the current level of staffing.

Technology, Information & Communications Commission

Budget Unit 100-11-131

General Fund - Commissions - Technology, Information & Communications Commission

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 39,481
Fund Balance	\$ -
General Fund Costs	\$ 39,481
% Funded by General Fund	100.0%
Total Staffing	0.1 FTE

Program Overview

The Technology, Information & Communications Commission (TICC) advises the City Council and informs the community about issues relating to the rapidly changing fields of communication and technology. Commissioners also serve as a resource for the Planning Commission in offering technical guidance for antenna sightings. The Chief Technology Officer serves as staff liaison. The commission also supports public and educational access to cable services.

Service Objectives

- Continue to work with appropriate companies in bringing advanced services to interested residents.
- Monitor AT&T and Comcast services and revenue.
- Negotiate and manage public access provider KMVT to ensure maximum programming value for Cupertino residents.
- Work with Community Development and Public Works regarding antenna placement and negotiate agreements for communication services that serve Cupertino.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$39,481 for the Technology, Information & Communications Commission program. This represents an increase of \$2,356 (6.3%) from the FY 2021-22 Adopted Budget.

The increase is due to increased Cost Allocation expenses for Finance. The Technology, Information & Communications Commission pays for support from Finance through the Cost Allocation Plan.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 4,171	\$ 9,860	\$ 10,116	\$ 10,116
Employee Benefits	\$ 1,889	\$ 3,476	\$ 4,580	\$ 4,675
Materials	\$ 107	\$ -	\$ 1,218	\$ 1,348
Contract Services	\$ -	\$ -	\$ 5,000	\$ 5,000
Cost Allocation	\$ 1,207	\$ 3,650	\$ 16,056	\$ 18,183
Contingencies	\$ -	\$ -	\$ 155	\$ 159
Total Expenditures	\$ 7,374	\$ 16,986	\$ 37,125	\$ 39,481
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 7,374	\$ 16,986	\$ 37,125	\$ 39,481

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0.05	0.05	0.05	0.05
CHIEF TECHNOLOGY OFFICER	0	0.02	0.02	0.02
Total	0.05	0.07	0.07	0.07

There are no changes to the current level of staffing.

Library Commission

Budget Unit 100-11-140

General Fund - Commissions - Library Commission

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 51,371
Fund Balance	\$ -
General Fund Costs	\$ 51,371
% Funded by General Fund	100.0%
Total Staffing	0.1 FTE

Program Overview

The Library Commission is a five-member commission appointed by the City Council to review and make recommendations related to the operations and services of the Cupertino Library. The Cupertino Library is operated by Santa Clara County Library Services. The building is provided by the City of Cupertino. County Library management serve as Commission staff and a Parks and Recreation Department Recreation Manager serves as the City staff liaison.

Service Objectives

- Monitor the various service activities of the library and make recommendations for improvements to appropriate bodies.
- Support library advocacy groups, including Friends of the Cupertino Library and Cupertino Library Foundation.
- Consult with and act as liaison with private community groups supportive of Library programs.
- Represent the Cupertino library in the local community.
- Participate in state and local library workshops and conferences.
- Participate in the long-range planning of quality library services for the City.
- Investigate ways to expand access to non-traditional media.
- Continue library advocacy in Cupertino activities and with other organizations.
- Coordinate and implement the annual Cupertino Poet Laureate program and provide staff support and City resources to sustain the program.
- Continue emphasis on integrating additional technology into library services.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$51,371 for the Library Commission program. This represents an increase of \$3,030 (6.3%) from the FY 2021-22 Adopted Budget.

This increase is mainly due to increases in Cost Allocation expenses. Cost Allocation expenses increased due to a recruitment in FY 2020-21.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 5,892	\$ 6,612	\$ 20,220	\$ 10,563
Employee Benefits	\$ 840	\$ 3,040	\$ 10,136	\$ 5,465
Materials	\$ 589	\$ 137	\$ 344	\$ 389
Contract Services	\$ -	\$ 366	\$ 2,020	\$ 2,000
Cost Allocation	\$ 11,479	\$ 14,126	\$ 15,562	\$ 32,894
Contingencies	\$ -	\$ -	\$ 59	\$ 60
Total Expenditures	\$ 18,800	\$ 24,281	\$ 48,341	\$ 51,371
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 18,801	\$ 24,281	\$ 48,341	\$ 51,371

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0	0.05	0.05	0.05
ASST DIR RECREATION COMM SVCS	0	0.05	0.05	0
RECREATION MANAGER	0	0	0	0.05
RECREATION SUPERVISOR	0	0.05	0.05	0
Total	0	0.15	0.15	0.10

Staff time is being reallocated based on the reorganization of the Department and duties assigned.

Fine Arts Commission

Budget Unit 100-11-142

General Fund - Commissions - Fine Arts Commission

Budget at a Glance

2023 Adopted Budget

Total Revenues	\$ -
Total Expenditures	\$ 73,624
Fund Balance	\$ -
General Fund Costs	\$ 73,624
% Funded by General Fund	100.0%
Total Staffing	0.2 FTE

Program Overview

The Fine Arts Commission is a five member commission appointed by the City Council to foster, encourage and assist the realization, preservation and advancement of fine arts for the benefit of the citizens of Cupertino. The Assistant Director of Parks and Recreation serves as the staff liaison.

Service Objectives

- Act as a catalyst for the promotion of fine arts activities and provide liaison and coordination between fine arts activities, groups, and facilities.
- Enhance the interaction between arts and businesses through personal outreach.
- Review and approve public art proposals.
- Review and select deserving artists in recognition of local talent through the Distinguished, Emerging, and Young Artist Awards.
- Encourage and facilitate "art in unexpected places" throughout the City.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$73,624 for the Fine Arts Commission program. This represents an increase of \$7,156 (10.8%) from the FY 2021-22 Adopted Budget.

The increase is mainly due to increases in Employee Compensation and Benefits, as a result of the reorganization of the Department.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 17,260	\$ 14,378	\$ 14,920	\$ 28,378
Employee Benefits	\$ 6,589	\$ 8,531	\$ 9,309	\$ 11,769
Materials	\$ 3,258	\$ 2,949	\$ 6,673	\$ 6,926
Contract Services	\$ -	\$ 3,671	\$ 10,000	\$ 10,000
Cost Allocation	\$ 12,688	\$ 22,787	\$ 25,149	\$ 16,128
Contingencies	\$ 40	\$ -	\$ 417	\$ 423
Total Expenditures	\$ 39,835	\$ 52,316	\$ 66,468	\$ 73,624
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 39,836	\$ 52,316	\$ 66,468	\$ 73,624

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ASST DIR RECREATION COMM SVCS	0	0	0	0.15
DEPUTY BOARD CLERK	0.05	0	0	0
RECREATION COORDINATOR	0	0.15	0.15	0
SENIOR PLANNER	0.10	0	0	0
Total	0.15	0.15	0.15	0.15

Staff time is being reallocated based on the reorganization of the Department and duties assigned.

Public Safety Commission

Budget Unit 100-11-150

General Fund - Commissions - Public Safety Commission

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 45,192
Fund Balance	\$ -
General Fund Costs	\$ 45,192
% Funded by General Fund	100.0%
Total Staffing	0.1 FTE

Program Overview

The Public Safety Commission (PSC), a five-member board appointed by the City Council, assists the Council by advising on matters pertaining to safety, traffic, police, fire and other areas wherein the matter of public safety may be of concern.

Service Objectives

- Advise the City Council on safety issues and concerns.
- Promote public education programs concerning safety issues.
- Provide assistance in implementing public safety programs approved by the City Council.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$45,192 for the Public Safety Commission program. This represents an increase of \$9,586 (26.9%) from the FY 2021-22 Adopted Budget.

In anticipation of potential COVID-19 surges, the budget includes additional funds to host and logistically support the Public Safety Forum outdoors in Civic Center Plaza.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 1,141	\$ 5,148	\$ 7,785	\$ 7,785
Employee Benefits	\$ 591	\$ 2,475	\$ 4,030	\$ 4,116
Materials	\$ 1,460	\$ 100	\$ 4,496	\$ 10,288
Contract Services	\$ 10,000	\$ -	\$ 10,000	\$ 10,000
Cost Allocation	\$ 993	\$ 8,514	\$ 8,933	\$ 12,496
Contingencies	\$ -	\$ -	\$ 362	\$ 507
Total Expenditures	\$ 14,185	\$ 16,237	\$ 35,606	\$ 45,192
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 14,185	\$ 16,238	\$ 35,606	\$ 45,192

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
EMERGENCY SERVICES COORDINATOR	0	0.05	0.05	0.05
Total	0	0.05	0.05	0.05

Bicycle and Pedestrian Commission

Budget Unit 100-11-155

General Fund - Commissions - Bicycle and Pedestrian Commission

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 62,230
Fund Balance	\$ -
General Fund Costs	\$ 62,230
% Funded by General Fund	100.0%
Total Staffing	0.2 FTE

Program Overview

The Bicycle and Pedestrian Commission (BPC) is a five-member board appointed by the City Council, which assists the Council by reviewing, monitoring, and making recommendations on City transportation matters pertaining to bicycle and pedestrian traffic, parking, education, and recreation within Cupertino. The City's Transportation Manager serves as staff liaison.

Service Objectives

- Review and make recommendations on City transportation infrastructure, development standards, public and private development projects, and citizen outreach and education efforts as they affect bicycle and pedestrian traffic in the City of Cupertino.
- Promote safe, efficient, and enjoyable travel for bicycle and pedestrian traffic within Cupertino.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$62,230 for the Bicycle and Pedestrian Commission program. This represents an increase of \$14,499 (30.4%) from the FY 2021-22 Adopted Budget.

The increase is due to an increase in Cost Allocation expenses. Cost Allocation expenses increased due to a recruitment in FY 2020-21.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ -	\$ 21,519	\$ 24,606	\$ 24,704
Employee Benefits	\$ -	\$ 8,638	\$ 12,212	\$ 12,502
Materials	\$ -	\$ -	\$ 202	\$ 210
Cost Allocation	\$ 807	\$ 825	\$ 10,706	\$ 24,809
Contingencies	\$ -	\$ -	\$ 5	\$ 5
Total Expenditures	\$ 807	\$ 30,982	\$ 47,731	\$ 62,230
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 807	\$ 30,982	\$ 47,731	\$ 62,230

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0	0.05	0.05	0.05
TRANSPORTATION MANAGER	0	0.10	0.10	0.10
Total	0	0.15	0.15	0.15

There are no changes to current level of staffing.

Parks and Recreation Commission

Budget Unit 100-11-160

General Fund - Commissions - Parks and Recreation Commission

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 53,085
Fund Balance	\$ -
General Fund Costs	\$ 53,085
% Funded by General Fund	100.0%
Total Staffing	0.1 FTE

Program Overview

The Parks and Recreation Commission is a five-member commission appointed by the City Council to make recommendations pertaining to parks, recreation, and community services. The Director of Parks and Recreation serves as staff liaison.

Service Objectives

- Engage the public in dialog regarding the design of new facilities.
- Make recommendations regarding these projects to the City Council.
- Work with staff and the public to draft and/or revise policies for use of Parks and Recreation facilities.
- Consider public input regarding the operation of Parks and Recreation facilities and make recommendations for their improvement.
- Participate in special committees dealing with Parks and Recreation.
- Serve as ambassadors for the Parks and Recreation Department.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$53,085 for the Parks and Recreation Commission program. This represents a decrease of \$4,378 (-7.6%) from the FY 2021-22 Adopted Budget.

The decrease is mainly due to a reduction in Cost Allocation expenses. Cost Allocation expenses decreased due to no recruitments in FY 2020-21.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 17,828	\$ 15,968	\$ 17,280	\$ 17,531
Employee Benefits	\$ 3,765	\$ 6,403	\$ 7,610	\$ 7,455
Materials	\$ 1,207	\$ -	\$ 7,442	\$ 7,724
Cost Allocation	\$ 12,165	\$ 19,376	\$ 24,945	\$ 20,182
Contingencies	\$ -	\$ -	\$ 186	\$ 193
Total Expenditures	\$ 34,965	\$ 41,747	\$ 57,463	\$ 53,085
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 34,965	\$ 41,747	\$ 57,463	\$ 53,085

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0.05	0.05	0.05	0.05
DIRECTOR OF PARKS REC	0.05	0.05	0.05	0.05
Total	0.10	0.10	0.10	0.10

There are no changes to the current level of staffing.

Teen Commission

Budget Unit 100-11-165

General Fund - Commissions - Teen Commission

Budget at a Glance

2023 Adopted Budget

Total Revenues	\$ -
Total Expenditures	\$ 46,076
Fund Balance	\$ -
General Fund Costs	\$ 46,076
% Funded by General Fund	100.0%
Total Staffing	0.1 FTE

Program Overview

The Teen Commission is comprised of nine teens representing grades 8-11. The Teen Commission advises the City Council and staff on teen issues. A Parks and Recreation Department Recreation Manager serves as the staff liaison.

Service Objectives

- Engage the public in dialogue regarding the design of new teen programs and make recommendations regarding these projects to City staff.
- Assist staff with the programming and promotion of the Teen Center.
- Assist staff with the evaluation of teen programming.
- Work with staff and the public to create new avenues to interact with teens.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$46,076 for the Teen Commission program. This represents a decrease of \$35,002 (-43.2%) from the FY 2021-22 Adopted Budget.

The decrease is mainly due to decreases in Employee Compensation and Benefits, as a result of the reorganization of the Department.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 29,503	\$ 32,154	\$ 29,840	\$ 6,300
Employee Benefits	\$ 12,360	\$ 13,118	\$ 14,640	\$ 5,748
Materials	\$ 5,556	\$ 49	\$ 4,514	\$ 4,685
Cost Allocation	\$ 16,728	\$ 28,449	\$ 31,971	\$ 29,226
Contingencies	\$ -	\$ -	\$ 113	\$ 117
Total Expenditures	\$ 64,147	\$ 73,770	\$ 81,078	\$ 46,076
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 64,147	\$ 73,771	\$ 81,078	\$ 46,076

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
RECREATION COORDINATOR	0.30	0.30	0.30	0
RECREATION MANAGER	0	0	0	0.05
Total	0.30	0.30	0.30	0.05

Staff time is being reallocated based on the reorganization of the Department and duties assigned.

Planning Commission

Budget Unit 100-11-170

General Fund - Commissions - Planning Commission

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 121,496
Fund Balance	\$ -
General Fund Costs	\$ 121,496
% Funded by General Fund	100.0%
Total Staffing	0.3 FTE

Program Overview

The Planning Commission is a five-member citizen board appointed by the City Council. The functions of the Planning Commission are as follows:

- Advise the City Council on land use and development policy related to the General Plan;
- Implement the General Plan through review and administration of specific plans and related ordinances;
- Review land use applications for conformance with the General Plan and ordinances; and
- Promote the coordination of local plans and programs with regional and other agencies.

Service Objectives

- Conduct periodic reviews of the General Plan. These reviews test the fundamental goals and measure the performance of short-term objectives.
- Conduct public hearings for approximately 80 land development applications every year. Ensure that decisions are made fairly and expeditiously in accordance with adopted General Plan policies, zoning ordinances, development plans, and design guidelines.
- Review specific plans, zoning ordinance amendments, and amendments to the General Plan and make recommendations to Council.
- Serve on the Planning Commission Design Review Committee, the Environmental Review Committee, and in an advisory role to the Housing Commission and Economic Development Committee.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$121,496 for the Planning Commission program. This represents a decrease of \$9,749 (-7.4%) from the FY 2021-22 Adopted Budget.

The decrease is primarily due to a decrease in employee compensation due to a change in staff.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 32,741	\$ 39,547	\$ 40,557	\$ 34,949
Employee Benefits	\$ 11,231	\$ 14,806	\$ 18,610	\$ 15,248
Materials	\$ 18,766	\$ 8,488	\$ 33,715	\$ 34,997
Cost Allocation	\$ 18,624	\$ 30,715	\$ 37,520	\$ 35,427
Contingencies	\$ -	\$ -	\$ 843	\$ 875
Total Expenditures	\$ 81,362	\$ 93,556	\$ 131,245	\$ 121,496
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 81,362	\$ 93,556	\$ 131,245	\$ 121,496

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0	0.20	0.20	0.20
DEPUTY BOARD CLERK	0.15	0	0	0
DIRECTOR OF COMM DEVELOPMENT	0.06	0.06	0.06	0.06
Total	0.21	0.26	0.26	0.26

There are no changes to the current level of staffing.

Housing Commission

Budget Unit 100-11-175

General Fund - Commissions - Housing Commission

Budget at a Glance

2023 Adopted Budget

Total Revenues	\$ -
Total Expenditures	\$ 61,468
Fund Balance	\$ -
General Fund Costs	\$ 61,468
% Funded by General Fund	100.0%
Total Staffing	0.2 FTE

Program Overview

The Cupertino Housing Commission (CHC) is a five-member board appointed by the City Council to assist the Planning Commission and the City Council in developing housing policies and strategies for implementation of General Plan Housing Element goals. The Commission also oversees the Community Development Block Grant (CDBG) program.

Service Objectives

- Assist the Planning Commission and the City Council in developing housing policies and strategies for implementation of general plan housing element goals;
- Recommend policies for implementation and monitoring of affordable housing projects;
- Facilitate innovative approaches to affordable housing development and to generate ideas and interest in pursuing a variety of housing options;
- When requested by the Director of Community Development or the City Council, to make recommendations to the Planning Commission and the City Council regarding affordable housing proposals in connection with applications for development.
- Make recommendations regarding requests for money from the CDBG and Affordable Housing Funds;
- Provide information about affordable housing;
- Meet with neighborhood, community, regional and business groups as necessary to receive input and assist in generating affordable housing;
- Help identify sources of funds to develop and build affordable housing; and
- Perform any other advisory functions authorized by the City Council.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$61,468 for the Housing Commission program. This represents a decrease of \$1,293 (-2.1%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged since last fiscal year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 19,925	\$ 22,012	\$ 24,668	\$ 24,783
Employee Benefits	\$ 9,156	\$ 10,366	\$ 12,241	\$ 12,135
Materials	\$ 244	\$ 163	\$ 989	\$ 1,027
Cost Allocation	\$ 12,510	\$ 21,610	\$ 24,838	\$ 23,497
Contingencies	\$ -	\$ -	\$ 25	\$ 26
Total Expenditures	\$ 41,835	\$ 54,151	\$ 62,761	\$ 61,468
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 41,835	\$ 54,150	\$ 62,761	\$ 61,468

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0	0.05	0.05	0.05
DEPUTY BOARD CLERK	0.05	0	0	0
PLANNING MANAGER	0.10	0.10	0.10	0.10
Total	0.15	0.15	0.15	0.15

There are no changes to the current level of staffing.

Sustainability Commission

Budget Unit 100-11-180

General Fund - Commissions - Sustainability Commission

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 60,983
Fund Balance	\$ -
General Fund Costs	\$ 60,983
% Funded by General Fund	100.0%
Total Staffing	0.2 FTE

Program Overview

The Sustainability Commission is a five-member board appointed by the City Council to serve in an advisory capacity by providing expertise and guidance on major policy and programmatic areas related to the environmental, economic and societal goals noted within Cupertino's Climate Action Plan and General Plan Environmental Resources/Sustainability Element.

Service Objectives

- Monitor implementation of the Climate Action Plan based upon quantified metrics to measure and evaluate mitigated impacts and community benefits.
- Suggest recommendations, review, and monitor the City's General Plan Environmental Resources/Sustainability Element and its intersections with the CAP.
- Advise the City Council how to strategically accelerate Cupertino's progress towards sustainability and recommend priorities to promote continued regional leadership in sustainability.
- Periodically review policies governing specific practices and programs, such as greenhouse gas emissions reduction, water conservation, renewable energy, energy efficiency, materials management, and urban forestry. Illustrative examples include the creation of infrastructure for low emissions vehicles, installation of renewable energy or energy efficiency technologies, drafting of water conservation or waste reduction policies, delivery of habitat restoration and conservation programs, design and roll-out of pollution prevention campaigns, etc.
- Make recommendations regarding the allocation of funds for infrastructure and technology improvements to elevate the operational performance of City facilities, businesses, educational institutions, and homes by reducing costs, improving public health, and serving community needs.
- Accept public input on the subject areas noted above and advise the City Council on ways to drive community awareness, behavior change, education and participation in City programs modeled upon the field's best practices.
- Review and make recommendations to the City Council on Federal, State and regional policies related to sustainability that have the potential to impact City Council's goals and policies.
- Pursue any other activity or scope that may be deemed appropriate and necessary by the City Council.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$60,983 for the Sustainability Commission program. This represents a decrease of \$2,055 (-3.3%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged from last fiscal year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 11,792	\$ 18,431	\$ 20,618	\$ 21,648
Employee Benefits	\$ 5,674	\$ 9,704	\$ 11,189	\$ 11,776
Materials	\$ 341	\$ 400	\$ 5,960	\$ 6,188
Contract Services	\$ 1,000	\$ 1,800	\$ -	\$ -
Cost Allocation	\$ 11,977	\$ 18,254	\$ 25,122	\$ 21,216
Contingencies	\$ -	\$ -	\$ 149	\$ 155
Total Expenditures	\$ 30,784	\$ 48,589	\$ 63,038	\$ 60,983
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 30,784	\$ 48,589	\$ 63,038	\$ 60,983

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MANAGEMENT ANALYST	0	0.10	0.10	0.10
SUSTAINABILITY MANAGER	0.10	0.05	0.05	0.05
Total	0.10	0.15	0.15	0.15

There are no changes to the current level of staffing.

Audit Committee

Budget Unit 100-11-190

General Fund - Commissions - Audit Committee

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 35,506
Fund Balance	\$ -
General Fund Costs	\$ 35,506
% Funded by General Fund	100.0%
Total Staffing	0.1 FTE

Program Overview

The Audit Committee, consisting of two City Council members and a minimum of two and a maximum of three at large members, hold the following powers and functions:

- To review the annual audit report and management letter.
- To recommend appointment of internal/external auditors.
- To review the monthly Treasurer's report.
- To recommend a budget format.
- To review City investment policies and internal controls of such policies.
- To review internal audit reports.

The Audit Committee meets monthly. The Finance Manager serves as staff liaison.

Service Objectives

- To review the annual audit report and management letter;
- To recommend appointment of internal/external auditors;
- To review the monthly Treasurer's report;
- To recommend a budget format;
- To review City investment policies and internal controls of such policies.
- To review internal audit reports.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$35,506 for the Audit Committee program. This represents an increase of \$8,050 (29.3%) from the FY 2021-22 Adopted Budget.

The increase in Cost Allocation expenses is due to the allocation of staffing to this program in FY 2020-21.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ -	\$ 13,780	\$ 14,751	\$ 13,475
Employee Benefits	\$ 3	\$ 5,018	\$ 6,842	\$ 6,557
Cost Allocation	\$ -	\$ -	\$ 5,863	\$ 15,474
Total Expenditures	\$ 3	\$ 18,798	\$ 27,456	\$ 35,506
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 3	\$ 18,798	\$ 27,456	\$ 35,506

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0	0.05	0.05	0.05
FINANCE MANAGER	0	0.05	0.05	0.05
Total	0	0.10	0.10	0.10

There are no changes to the current level of staffing.

Administration

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Department Overview

Budget Units

Budget Unit	Program	2023 Adopted Budget
City Manager		\$ 7,089,953
100-12-120	City Manager	\$ 2,219,722
100-12-122	Sustainability	\$ 813,464
100-12-126	Office of Communications	\$ 1,019,517
100-12-305	Multimedia	\$ 438,792
100-12-307	Public Access Support	\$ 79,249
100-12-632	Community Outreach and Neighborhood Watch	\$ 213,823
100-12-633	Office of Emergency Management	\$ 1,706,493
100-12-705	Economic Development	\$ 598,893
City Clerk		\$ 909,333
100-13-130	City Clerk	\$ 719,419
100-13-132	Duplicating and Mail Services	\$ 49,075
100-13-133	Elections	\$ 140,839
City Manager Discretionary		\$ 75,000
100-14-123	City Manager Contingency	\$ 75,000
City Attorney		\$ 1,574,133
100-15-141	City Attorney	\$ 1,574,133
Total		\$ 9,648,419

Budget at a Glance

2023 Adopted Budget

Total Revenues	\$ 2,469,823
Total Expenditures	\$ 9,648,419
Fund Balance	\$ -
General Fund Costs	\$ 7,178,596
% Funded by General Fund	74.4%
Total Staffing	24.3 FTE

Organization

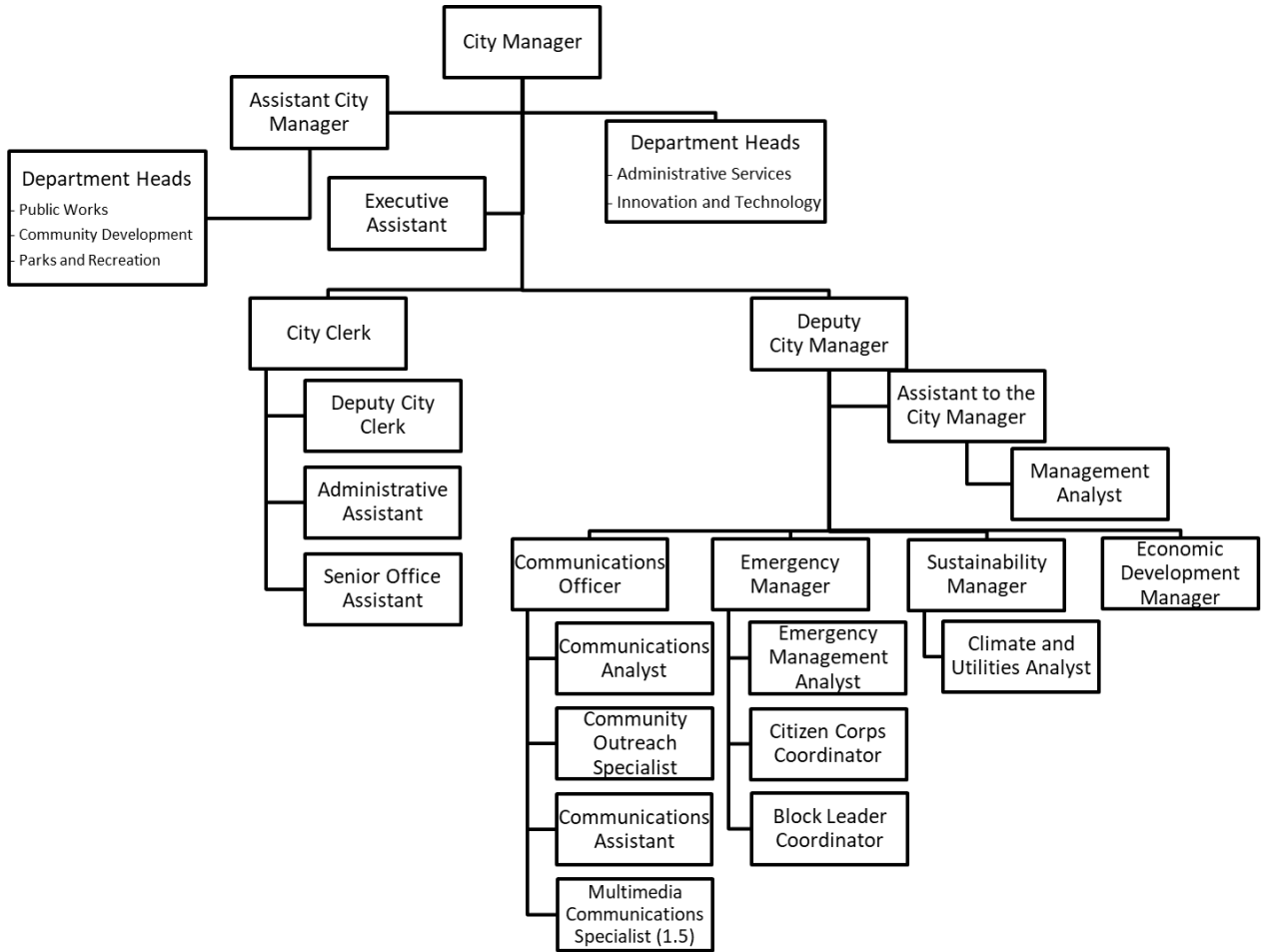
Jim Throop, City Manager

Dianne Thompson, Assistant City Manager

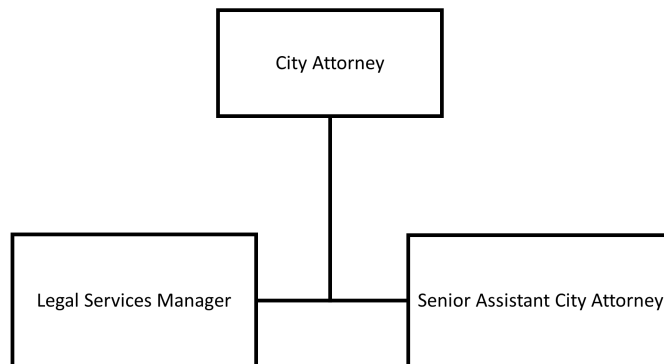
Christopher Jensen, City Attorney

Kirsten Squarcia, City Clerk

City Manager's Office



City Attorney's Office



Performance Measures

City Clerk Division

Goal: Streamline information processing for Council, staff, and community members for compliance with State requirements and facilitate independent and transparent access to public information.

Benefit: All can fully participate in local government to achieve the community & organizational goals.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
City Council minutes for meetings presented for Council approval by the following regular meeting	100%	100%	100%	100%
Adopted City Council resolutions and ordinances processed and scanned to Laserfiche within a week of Clerk's office receipt of final, signed document	60%	80%	80%	100%
Public Record Act requests responded to by the Statutory deadline date	100%	100%	100%	100%

Office of Communications

Goal: Promote and increase interest and participation in City services, programs, initiatives, and projects while building community pride and positive identification with the City among its residents.

Benefit: Residents have access to timely, engaging, and important information.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
Social media engagement: total number of followers including City Hall Nextdoor, Facebook, Twitter, and Instagram accounts	31,906	35,177	37,367	10% annual increase
Social media engagement: average number of engagements (reactions, comments, shares, and clicks) per post on City Hall Facebook account	72.3	66.5	85.1	10% annual increase
Cupertino 311: Average response time to customers organization-wide (in days):	2.8 Days	3.5 Days	3.3 Days	Average Close Time 5 Days

Sustainability Division

Goal: Implement Cupertino's Climate Action Plan and General Plan Sustainability Element to achieve quantifiable emissions reductions, conserve finite resources, and achieve utility cost avoidance and savings

across municipal operations and community partners.

Benefit: Cupertino is a healthy, resilient, environmentally-vibrant city for current and future residents to live, work, learn and play.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
% community-wide emissions reduced from baseline of 307,288 MT CO ₂ e/yr ¹	2018 inventory: 24% decrease in emissions from baseline (258,659 MT CO ₂ e/yr)			15% reduction by 2020 (261,195 MT CO ₂ e/yr)
Initiate and implement all Climate Action Plan near-term measures:				
% initiated	100%	100%	100%	100%
% complete or ongoing	79%	79%	79%	100%
% municipal operations emissions reduced from baseline of 1,865 MT CO ₂ e/yr	2018 inventory: 66% reduction in emissions from baseline: 642 MT CO ₂ e			15% reduction by 2020

¹ Cupertino's GHG inventories are conducted roughly every 3-5 years.

Economic Development Division

Goal: To actively pursue opportunities in the areas of business attraction, retention, and expansion as a means of promoting economic vitality, and strengthening the City's sales tax base to support Cupertino's excellent quality of life for its residents, businesses, and daytime population.

Benefit: Cupertino's economy and sales tax revenue base are diversified to further enhance the City's financial stability and its ability to provide quality amenities to the community.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
Maintain Economic Development Business Connect Subscribers	2,000	2,500	2,500	2,800
Economic Development Business Workshops & Events	11	3*	2	12 per year

*limited due to COVID

Multimedia Division

Multimedia Division has been moved under the Innovation & Technology Department.

Workload Indicators

City Clerk Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
City Council minutes for regular meetings presented for Council approval by the following regular meeting	22/22	15/15	25/25
Adopted City Council resolutions and ordinances processed and scanned to Laserfiche within a week of Clerk's office receipt of final, signed document	182/272; 12/18	148/185; 10/12	45/56; 7/9
Public Record Act requests responded to by the Statutory deadline date	104/104	94/94	139/139

Office of Communications

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Social Media Engagement: Post per year (Facebook, Nextdoor, Twitter, Instagram)	1,182	1,634	595
Number of Projects Created on Engage Cupertino	N/A	N/A	6
Number of Community Information and Outreach Program products provided (newsletters, press releases, website news postings)	373	248	105

Sustainability Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Number of local businesses visited/reached out to as part of GreenBiz program outreach (est)	36	6	7
Events related to increasing awareness of reducing greenhouse gas emissions in the community (staff organized or staff tabled) (est)	10	7	15
Sustainability related metrics tracked and/or analyzed (est)	90	90	90
Climate Action Plan action steps initiated or implemented (est)	64	94	99

Economic Development Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Meetings with large groups/organizations; appointments with brokers, prospective business owners, business owners and operators, City staff, etc.	78*	68*	19
Special events, including small business workshops and seminars, ICSC conferences and events, ribbon cuttings and grand openings, and Small Business Saturday Celebration	N/A	N/A	3
Presentations to local organizations and visiting delegations.	N/A	N/A	0
Respond to call and email inquires	N/A	N/A	20

* This is an estimate based on the best information available

Multimedia Division

Multimedia Division has been moved under the Innovation & Technology Department.

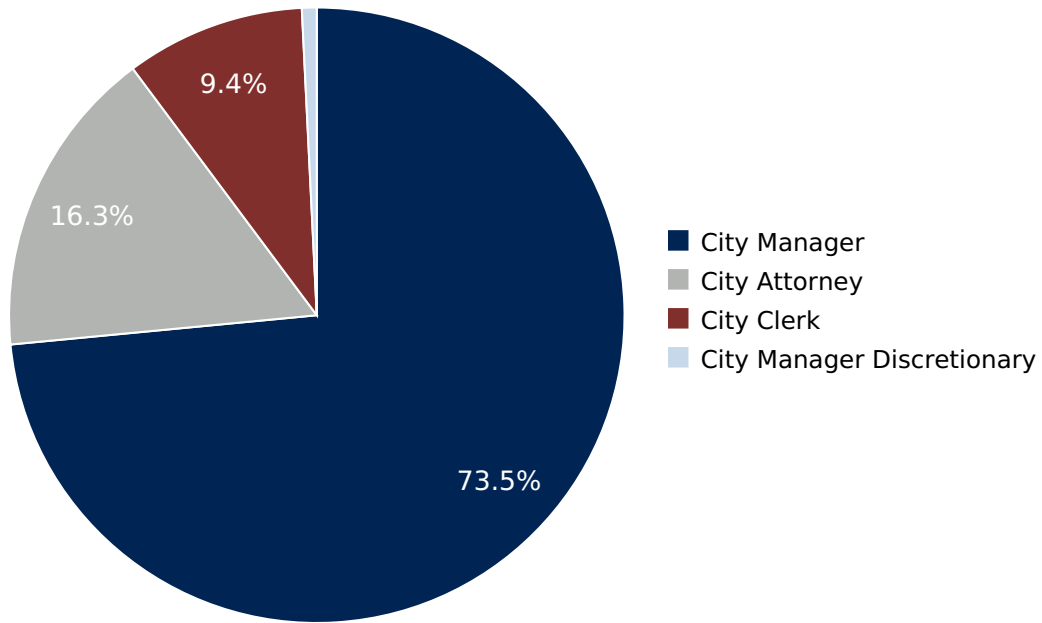
Adopted Budget

On June 9, 2022, City Council approved a budget of \$9,648,419 for the Administration department. This represents an increase of \$2,018,790 (26.5%) from the FY 2021-22 Adopted Budget.

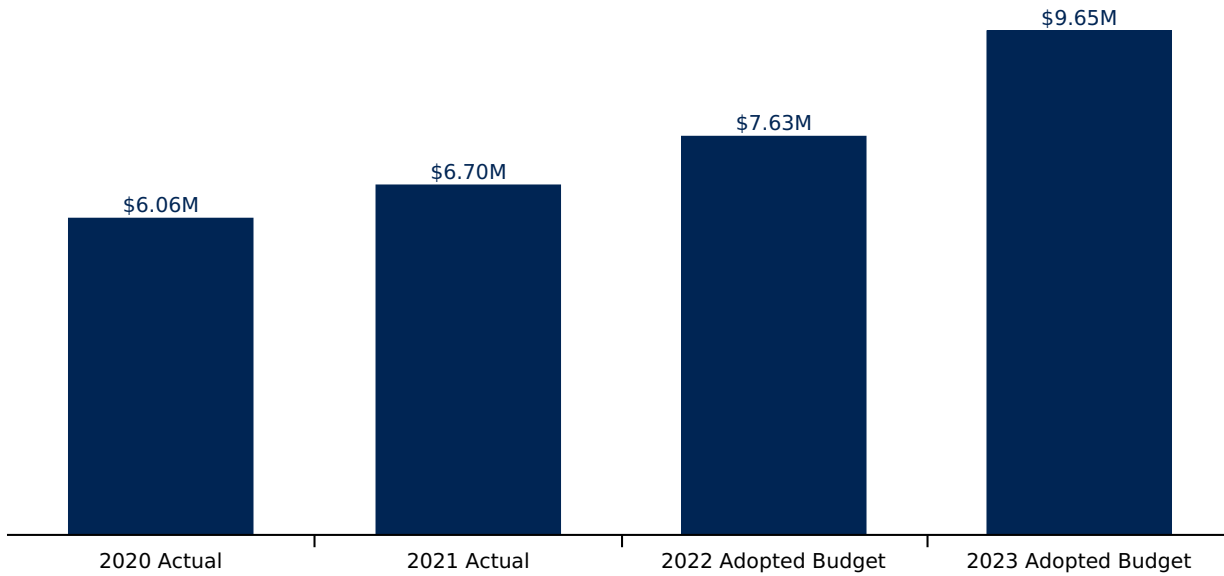
The increase in Employee Compensation and Benefits is due to the addition of new positions and the insourcing of the City Attorney’s Office. The transition from outsourced to in-house attorneys has increased compensation and benefits and decreased contract services.

The increase from FY 2019-20 actuals to FY 2022-23 is primarily due to compensation and benefits and special projects that vary from year to year. Employee Compensation and Benefits increased due to the addition of new positions, the transfer of programs from other City departments to the City Manager's Office, and the insourcing of the City Attorney's Office. Special Projects increased because new special projects were added in FY 2022-23. Materials are higher than historical actuals because conference and training budgets were not completely expended due to the pandemic.

Adopted Expenditures by Division



Department Expenditure History



Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ 33,209	\$ 45,516	\$ -	\$ 1,000,000
Charges for Services	\$ 1,137,815	\$ 1,399,287	\$ 1,739,136	\$ 1,469,823
Miscellaneous Revenue	\$ 14,494	\$ 19,634	\$ -	\$ -
Total Revenues	\$ 1,185,518	\$ 1,464,437	\$ 1,739,136	\$ 2,469,823
Expenditures				
Employee Compensation	\$ 1,860,354	\$ 2,606,217	\$ 2,944,170	\$ 4,091,919
Employee Benefits	\$ 699,664	\$ 1,061,161	\$ 1,288,316	\$ 1,777,576
Materials	\$ 297,319	\$ 327,504	\$ 425,135	\$ 535,812
Contract Services	\$ 2,702,604	\$ 1,973,653	\$ 2,237,070	\$ 1,362,790
Cost Allocation	\$ 469,747	\$ 481,712	\$ 513,713	\$ 468,859
Special Projects	\$ 31,841	\$ 247,344	\$ 120,900	\$ 1,289,000
Contingencies	\$ -	\$ -	\$ 100,325	\$ 122,463
Total Expenditures	\$ 6,061,529	\$ 6,697,591	\$ 7,629,629	\$ 9,648,419
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 4,876,011	\$ 5,233,153	\$ 5,890,493	\$ 7,178,596

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0	0	0	1.00
ASSISTANT CITY MANAGER	1.00	1.00	1.00	2.00
ASSIST TO THE CITY MNGR	1.00	1.00	1.00	0
CITY ATTORNEY	0	0	0	1.00
CITY CLERK	1.00	1.00	1.00	1.00
CITY MANAGER	1.00	1.00	1.00	1.00
COMMUNICATIONS ANALYST	0	0	0	1.00
COMMUNITY OUTREACH SPECIALIST	1.20	1.20	1.20	0.90
COMMUNITY RELATIONS COORD	0.75	0.75	0.75	1.00
DEPUTY CITY CLERK	1.00	1.00	1.00	1.00
DEPUTY CITY MANAGER	0	0	0	1.00
ECONOMIC DEVELOPMENT MANAGER	1.00	0	0	1.00
EMERGENCY SERVICES COORDINATOR	1.00	0.95	0.95	0.95
ENVIRONMENTAL PROGRAMS ASSISTANT	0	0.35	0.35	0.35
EXEC ASST TO THE CITY COUNCIL	0.50	0.50	0.50	0.50
LEGAL SERVICES MANAGER	1.00	1.00	1.00	1.00
LEGISLATIVE AIDE	0	0	0	1.00
MANAGEMENT ANALYST	0.70	1.70	2.70	2.70
MULTIMEDIA COMMUNICATIONS SPEC	0	3.00	3.00	1.50
PUBLIC INFORMATION OFFICER	0.75	0.85	0.85	0.85
SENIOR ASSISTANT CITY ATTORNEY	0	0	0	1.00
SR OFFICE ASSISTANT	1.60	1.80	1.80	1.80
SUSTAINABILITY MANAGER	0.70	0.75	0.75	0.75
Total	14.20	17.85	18.85	24.30

City Manager

Budget Unit 100-12-120

General Fund - City Manager - City Manager

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 631,098
Total Expenditures	\$ 2,219,722
Fund Balance	\$ -
General Fund Costs	\$ 1,588,624
% Funded by General Fund	71.6%
Total Staffing	6.9 FTE

Program Overview

The City Manager is responsible to the City Council for the effective and efficient operation of the City. Under the direction of the City Council as a whole, the City Manager carries out the City's goals and objectives.

Service Objectives

- Accomplish the Council-approved City Work Program.
- Manage City operations.
- Ensure all laws and ordinances of the City are duly enforced and that all franchises, permits, licenses, and privileges granted by the City are faithfully performed and observed.
- Advise the City Council on policy, and the financial conditions and needs of the City.
- Investigate all complaints concerning the operation of the City.
- Prepare reports and initiate recommendations as may be desirable or as requested by the City Council.
- Ensure that the City's policies and procedures provide a foundation for a secure financial position.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$2,219,722 for the City Manager program. This represents an increase of \$697,901 (45.9%) from the FY 2021-22 Adopted Budget.

This increase is primarily due to the addition of the Assistant City Manager and Legislative Aide positions, which the City Council added via motion at the Proposed Budget Study Session. The Assistant City Manager will oversee strategic planning and outreach, especially in legislative issues and advocacy, oversee outreach to the communities (residents, developers, and property owners), and oversee engagement with affordable housing developers on various ways to deliver low-income and middle-income housing. The Legislative Aide will support the City Council on legislative matters and government relations.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description	Strategic Goal
Safe Gun Storage Ordinance	\$12,000	\$12,000	General Fund	City Work Program: Research best practices for safe gun storage from neighboring jurisdictions. Adopt safe gun storage ordinance to increase public safety for residents.	Quality of Life
Total	\$12,000	\$12,000			

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ 33,209	\$ 36,716	\$ -	\$ -
Charges for Services	\$ 401,525	\$ 452,422	\$ 637,444	\$ 631,098
Total Revenues	\$ 434,734	\$ 489,138	\$ 637,444	\$ 631,098
Expenditures				
Employee Compensation	\$ 760,394	\$ 885,438	\$ 964,238	\$ 1,427,444
Employee Benefits	\$ 269,702	\$ 310,212	\$ 402,900	\$ 590,183
Materials	\$ 37,468	\$ 14,328	\$ 49,338	\$ 53,887
Contract Services	\$ 91,435	\$ 137,342	\$ 101,572	\$ 131,572
Cost Allocation	\$ 40,423	\$ -	\$ -	\$ -
Special Projects	\$ -	\$ 17,432	\$ -	\$ 12,000
Contingencies	\$ -	\$ -	\$ 3,773	\$ 4,636
Total Expenditures	\$ 1,199,422	\$ 1,364,752	\$ 1,521,821	\$ 2,219,722
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 764,687	\$ 875,614	\$ 884,377	\$ 1,588,624

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ASSISTANT CITY MANAGER	1.00	1.00	1.00	2.00
ASSIST TO THE CITY MNGR	1.00	1.00	1.00	0
CITY MANAGER	1.00	1.00	1.00	1.00
DEPUTY CITY MANAGER	0	0	0	1.00
EXEC ASST TO THE CITY COUNCIL	0	0.50	0.50	0.50
LEGISLATIVE AIDE	0	0	0	1.00
MANAGEMENT ANALYST	0	1.00	1.00	1.00
SR OFFICE ASSISTANT	0.40	0.40	0.40	0.40
Total	3.40	4.90	4.90	6.90

In FY 2021-22, the Assistant to the City Manager position was reclassified to Deputy City Manager. At the Proposed Budget Study Session, City Council made a motion to add Assistant City Manager and Legislative Aide positions.

Sustainability

Budget Unit 100-12-122

General Fund - City Manager - Sustainability

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 813,464
Fund Balance	\$ -
General Fund Costs	\$ 813,464
% Funded by General Fund	100.0%
Total Staffing	1.8 FTE

Program Overview

The Sustainability Division works to implement the City's Climate Action Plan, provides subject matter expertise and coordinates across departments in building public good through activities that reduce greenhouse gas emissions, conserves scarce resources, prioritize public health and prepare for the impacts of climate change. In this capacity, the program teams with regional partners and adjacent jurisdictions, and seeks grant funding to develop collective approaches to implement the City's ambitious Climate Action Plan.

Service Objectives

- Collect and analyze relevant data to demonstrate municipal compliance with current and increasing state and federal regulations.
- Serve as a technical resource on sustainability initiatives by preparing staff reports, developing local policies and ordinances, coordinating educational events, and making presentations to Council, City departments, and applicable outside organizations.
- Coordinate municipal and community-wide greenhouse gas emissions inventories, develop emissions targets, execute a community-wide climate action plan, and track progress to achieve emissions reductions over time.
- Expand existing compliance-focused environmental services to offer innovative energy, water, and resource conservation programs that effectively engage employees and community members.
- Evaluate existing departmental programs and benchmark environmental achievements on an ongoing basis.
- Research tools and best practices for efficient utility management and conservation and adapt these to the City's organizational culture, operations, and budgets.
- Manage or perform resource audits, identify energy conservation and renewable energy generation opportunities, calculate feasibility and develop projects that are cost-effective and conserve resources.
- Develop effective partnerships that empower students and community members as environmental leaders.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$813,464 for the Sustainability program. This represents a decrease of \$52,956 (-6.1%) from the FY 2021-22 Adopted Budget.

The decrease is due to a large special project, the update to the Climate Action Plan, completed in FY 2021-22. The decrease in Cost Allocation expenses is due to decreased City Attorney costs and fewer Human Resources recruitments for Sustainability in FY 2020-21.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriations	Revenue	Funding Source	Description	Strategic Goal
Climate Action Plan Vision Summary Document	\$10,000	\$10,000	General Fund	Graphic design and editing support for a public-facing, "user-friendly" vision and executive summary document for the newly adopted Climate Action Plan Update	
Electrification Study	\$50,000	\$50,000	General Fund	City Work Program: Conduct public outreach, policy research, and coordinate with regional efforts to develop policy options for electrification of Cupertino's buildings and transportation systems.	Sustainability and Fiscal Strategy
Total	\$60,000	\$60,000			

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Miscellaneous Revenue	\$ 14,494	\$ 1,450	\$ -	\$ -
Total Revenues	\$ 14,494	\$ 1,450	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 161,002	\$ 221,141	\$ 273,730	\$ 291,223
Employee Benefits	\$ 80,086	\$ 112,596	\$ 131,482	\$ 137,241
Materials	\$ 10,204	\$ 7,581	\$ 29,955	\$ 34,755
Contract Services	\$ 60,747	\$ 48,853	\$ 94,379	\$ 104,379
Cost Allocation	\$ 116,846	\$ 208,182	\$ 249,106	\$ 182,388
Special Projects	\$ 20,174	\$ 63,299	\$ 84,400	\$ 60,000
Contingencies	\$ -	\$ -	\$ 3,368	\$ 3,478
Total Expenditures	\$ 449,059	\$ 661,652	\$ 866,420	\$ 813,464
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 434,564	\$ 660,201	\$ 866,420	\$ 813,464

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ENVIRONMENTAL PROGRAMS ASSISTANT	0	0.35	0.35	0.35
MANAGEMENT ANALYST	0.70	0.70	0.70	0.70
SUSTAINABILITY MANAGER	0.70	0.75	0.75	0.75
Total	1.40	1.80	1.80	1.80

There are no changes to the current level of staffing.

Office of Communications

Budget Unit 100-12-126

General Fund - City Manager - Office of Communications

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 1,019,517
Fund Balance	\$ -
General Fund Costs	\$ 1,019,517
% Funded by General Fund	100.0%
Total Staffing	3.7 FTE

Program Overview

The Office of Communications is responsible for community outreach to ensure that residents have access to timely, useful, and important information. The Office of Communications oversees and maintains many of the City's lines of communication with residents, including the City's website, social media accounts, monthly newsletter, videos, event tabling, flyers, and press releases. The Office of Communications also acts as a liaison between various City departments and the community when it comes to communicating information about projects and events.

Service Objectives

- Serve as the communications link between the City of Cupertino and residents
- Ensure that the community has easy access to important, useful, and timely information through various forms of media including print, online, and video
- Build community pride and positive identification with the City among residents
- Increase interest and participation in City services, projects, and activities
- Promote City Council and departmental goals, initiatives, programs, and services
- Assist in creating better internal and external communication
- Enhance the City's relationship with the news media

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,019,517 for the Office of Communications program. This represents an increase of \$310,562 (43.8%) from the FY 2021-22 Adopted Budget.

The increase in budget is primarily due to the addition of the community survey that was typically done every other year and the addition of a three-year Limited-Term Communications Analyst to support strategic outreach throughout the City. There is also additional funding for increased marketing and outreach and two City Work Program projects.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description	Strategic Goal
Integrated Plan for Community Engagement	\$30,000	\$30,000	General Fund	City Work Program: The plan should include all possible outreach channels, traditional media, newspaper, including Chinese and other languages, City Channel, the Scene, social media and influencers. community leaders, community groups, HOAs, block leader programs, Chamber and other business groups etc.	Public Engagement and Transparency
Community Engagement on Alternative Transportation and Parking	\$12,000	\$12,000	General Fund	City Work Program: Educate and encourage resident use of alternative transportation to the Library. Install signage to point to overflow parking at Eaton Elementary school.	Public Engagement and Transparency/ Transportation
Total	\$42,000	\$42,000			

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 260,873	\$ -	\$ -	\$ -
Total Revenues	\$ 260,873	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 266,759	\$ 318,479	\$ 347,178	\$ 449,061
Employee Benefits	\$ 103,636	\$ 135,743	\$ 160,426	\$ 212,471
Materials	\$ 97,245	\$ 137,495	\$ 154,755	\$ 187,478
Contract Services	\$ 34,762	\$ 18,827	\$ 39,856	\$ 120,800
Cost Allocation	\$ 28,441	\$ -	\$ -	\$ -
Special Projects	\$ -	\$ -	\$ -	\$ 42,000
Contingencies	\$ -	\$ -	\$ 6,740	\$ 7,707
Total Expenditures	\$ 530,843	\$ 610,544	\$ 708,955	\$ 1,019,517
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 269,970	\$ 610,544	\$ 708,955	\$ 1,019,517

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
COMMUNICATIONS ANALYST	0	0	0	1.00
COMMUNITY OUTREACH SPECIALIST	1.20	1.20	1.20	0.90
PUBLIC INFORMATION OFFICER	0.75	0.85	0.85	0.85
SR OFFICE ASSISTANT	0.70	0.90	0.90	0.90
Total	2.65	2.95	2.95	3.65

Staffing includes the addition of one three-year Limited-Term Communications Analyst to support strategic communications throughout the City.

Multimedia

Budget Unit 100-12-305

General Fund - City Manager - Multimedia

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 354,821
Total Expenditures	\$ 438,792
Fund Balance	\$ -
General Fund Costs	\$ 83,971
% Funded by General Fund	19.1%
Total Staffing	1.5 FTE

Program Overview

In FY 2020-21, this program transferred from Innovation Technology to the City Manager's Office. Historical data can be found under Budget Unit 100-31-305. The primary goal of the Multimedia Division is to increase public awareness, interest, understanding, and participation in the issues, programs, and services presented by the City of Cupertino. The staff promotes City services and programs through its 24/7 government access channel, radio station, digital signage network, City website, and numerous online video platforms. In addition, the video staff provides multimedia production services and technical support for all City departments. Multimedia staff also oversees the design, maintenance, and engineering of the City's broadcast and audiovisual systems.

Service Objectives

Multimedia staff works together to manage and maintain the following city services:

- City Channel, the government access television channel which provides 24/7 information to Cupertino residents, includes full coverage of city meetings, community events, town hall forums, press conferences, election coverage, and local speaker series, as well as educational programming and state government affairs programming
- Webcasting and video on demand services for live streaming city meetings, events, and other programs of interest
- Radio Cupertino for emergency and community information for public service announcements, traffic alerts, and weather forecasts
- Digital signage to promote city programs and events via electronic displays in city facilities
- Multimedia production services and maintenance of city video equipment

Adopted Budget

On June 9, 2022, City Council approved a budget of \$438,792 for the Multimedia program. This represents a decrease of \$477,555 (-52.1%) from the FY 2021-22 Adopted Budget.

The decrease is due to transferring 1.5 positions and a portion of materials and contracts to the Video program in Innovation Technology.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description
Field Lighting Package	\$10,000	\$10,000	General Fund	Lighting Equipment Upgrade
Total	\$10,000	\$10,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ -	\$ 8,800	\$ -	\$ -
Charges for Services	\$ -	\$ 293,110	\$ 414,196	\$ 354,821
Total Revenues	\$ -	\$ 301,910	\$ 414,196	\$ 354,821
Expenditures				
Employee Compensation	\$ -	\$ 465,372	\$ 500,123	\$ 303,932
Employee Benefits	\$ -	\$ 196,887	\$ 215,203	\$ 101,391
Materials	\$ -	\$ 60,650	\$ 60,521	\$ 1,406
Contract Services	\$ -	\$ 74,066	\$ 110,597	\$ 21,491
Special Projects	\$ -	\$ 104,963	\$ 25,000	\$ 10,000
Contingencies	\$ -	\$ -	\$ 4,903	\$ 572
Total Expenditures	\$ -	\$ 901,938	\$ 916,347	\$ 438,792
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ -	\$ 600,027	\$ 502,151	\$ 83,971

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MULTIMEDIA COMMUNICATIONS SPEC	0	3.00	3.00	1.50
Total	0	3.00	3.00	1.50

There are changes to the current level of staffing, as a portion of Multimedia/Video is transferring to Innovation Technology.

Public Access Support

Budget Unit 100-12-307

General Fund - City Manager - Public Access Support

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 79,249
Fund Balance	\$ -
General Fund Costs	\$ 79,249
% Funded by General Fund	100.0%
Total Staffing	FTE

Program Overview

The City assists in the funding of the KMVT Community Access Television Program.

Service Objectives

- Encourage Cupertino-based individuals and groups to use the community television production facilities for the purpose of expressing their interests, concerns, and ideas in a socially responsible manner.
- Provide professional training in hands-on video production by providing access to television equipment, computers, and software that would be otherwise out of reach of the average person.
- Provide workshops on all aspects of television production--including how to run a video camera, photography, editing, visual effects, social media, podcasting, and video blogging.
- Assist individuals and community groups to develop and produce programs for broadcast on the community access channel.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$79,249 for the Public Access Support program. This represents a decrease of \$282 (-0.4%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged from last fiscal year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Contract Services	\$ -	\$ 70,961	\$ 75,120	\$ 75,120
Cost Allocation	\$ -	\$ 3,022	\$ 2,533	\$ 2,251
Contingencies	\$ -	\$ -	\$ 1,878	\$ 1,878
Total Expenditures	\$ -	\$ 73,983	\$ 79,531	\$ 79,249
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ -	\$ 73,983	\$ 79,531	\$ 79,249

Staffing

There is no staffing associated with this program.

Community Outreach and Neighborhood Watch

Budget Unit 100-12-632

General Fund - City Manager - Community Outreach and Neighborhood Watch

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 213,823
Fund Balance	\$ -
General Fund Costs	\$ 213,823
% Funded by General Fund	100.0%
Total Staffing	1.0 FTE

Program Overview

Community Outreach programs facilitate communication and enhance cultural understanding in Cupertino neighborhoods. Block Leaders are instrumental in building connected communities, delivering timely and pertinent information to neighbors, and providing input to the City. Neighborhood Watch enhances public safety by providing crime prevention information to local businesses and residents. The program promotes an active relationship between the community and the Sheriff's Office.

Service Objectives

- Aid in the development, implementation, and coordination of City programs and community-building activities designed to bring Cupertino neighborhoods together.
- Coordinate and disseminate useful and important information to Cupertino residents through regular meetings and communications that build relationships and strengthen neighborhoods.
- Facilitate collaboration with Emergency Preparedness and Neighborhood Watch programs.
- Train residents to connect and organize neighbors and neighborhoods.
- Get Block Leaders involved in the Parks and Recreation System Master Plan.
- Create and implement Neighborhood Watch meetings and groups.
- Disseminate important City news and safety information.
- Organize and conduct annual National Night Out initiative.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$213,823 for the Community Outreach and Neighborhood Watch program. This represents an increase of \$41,931 (24.4%) from the FY 2021-22 Adopted Budget.

The increase in compensation and benefits is due to the addition of 0.25 FTE. The Community Relations Coordinator increased from 0.75 FTE to 1 FTE in FY 2021-22.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 104,593	\$ 83,627	\$ 55,908	\$ 92,579
Employee Benefits	\$ 37,535	\$ 38,468	\$ 34,044	\$ 47,518
Materials	\$ 3,346	\$ 5,971	\$ 11,386	\$ 14,818
Cost Allocation	\$ 43,100	\$ 56,874	\$ 68,769	\$ 58,538
Special Projects	\$ -	\$ -	\$ 1,500	\$ -
Contingencies	\$ -	\$ -	\$ 285	\$ 370
Total Expenditures	\$ 188,574	\$ 184,940	\$ 171,892	\$ 213,823
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 188,574	\$ 184,940	\$ 171,892	\$ 213,823

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
COMMUNITY RELATIONS COORD	0.75	0.75	0.75	1.00
Total	0.75	0.75	0.75	1.00

The Community Relations Coordinator increased from 0.75 FTE to 1 FTE in FY 2021-22.

Office of Emergency Management

Budget Unit 100-12-633

General Fund - City Manager - Office of Emergency Management

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 1,000,000
Total Expenditures	\$ 1,706,493
Fund Balance	\$ -
General Fund Costs	\$ 706,493
% Funded by General Fund	41.4%
Total Staffing	2.0 FTE

Program Overview

The mission of the Office of Emergency Management is to lead and direct the City in prevention, preparation, mitigation, response, and recovery from all emergencies, hazards, incidents, and events.

Service Objectives

- Develop and implement the goals and objectives of Cupertino's Office of Emergency Management.
- Maintain the City's Emergency Operations Center (EOC) in a perpetual state of operational readiness.
- Support Citizen Corps including the Block Leader Program, Neighborhood Watch, Community Emergency Response Team (CERT), Cupertino Amateur Radio Emergency Service (CARES), and Medical Reserve Corps (MRC).
- Prepare, test, and revise emergency response and recovery policies, plans, and procedures in compliance with the California Emergency Services Act, the Standardized Emergency Management System (SEMS), and the National Incident Management System (NIMS).
- Coordinate training of City staff in personal preparedness, SEMS/NIMS, and EOC functions.
- Maintain effective liaison with local, state, and national emergency management organizations and/or allied disaster preparedness and response agencies.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,706,493 for the Office of Emergency Management program. This represents an increase of \$1,011,759 (145.6%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged from the FY 2021-22 budget. The increase in Contract Services is due to additional EOC training and the continuation of the personal preparedness program, which was a special project in FY 2021-22.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ 1,000,000
Total Revenues	\$ -	\$ -	\$ -	\$ 1,000,000
Expenditures				
Employee Compensation	\$ 126,289	\$ 171,115	\$ 305,225	\$ 302,775
Employee Benefits	\$ 37,900	\$ 72,593	\$ 139,281	\$ 148,923
Materials	\$ 27,158	\$ 11,595	\$ 42,799	\$ 61,108
Contract Services	\$ 320	\$ -	\$ 7,139	\$ 14,200
Cost Allocation	\$ 106,193	\$ 128,820	\$ 188,792	\$ 177,604
Special Projects	\$ -	\$ 61,650	\$ 10,000	\$ 1,000,000
Contingencies	\$ -	\$ -	\$ 1,498	\$ 1,883
Total Expenditures	\$ 297,860	\$ 445,773	\$ 694,734	\$ 1,706,493
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 297,860	\$ 445,773	\$ 694,734	\$ 706,493

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
EMERGENCY SERVICES COORDINATOR	1.00	0.95	0.95	0.95
MANAGEMENT ANALYST	0	0	1.00	1.00
Total	1.00	0.95	1.95	1.95

There are no changes to the current level of staffing.

Economic Development

Budget Unit 100-12-705

General Fund - City Manager - Economic Development

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 598,893
Fund Balance	\$ -
General Fund Costs	\$ 598,893
% Funded by General Fund	100.0%
Total Staffing	1.0 FTE

Program Overview

In FY 2021-22, this program was transferred to the City Manager's Office. Historical data can be found in Budget Unit 100-71-705 in Community Development. The Economic Development program specifically targets business retention, expansion, and attraction with a focus on small business development, in order to support the City's financial stability.

Service Objectives

- Provide assistance and support to businesses to enable job creation, new business formation, private investment, and industry evolution.
- Conduct outreach to existing small businesses to create strong working relationships.
- Collaborate with internal city team members to keep the needs of businesses in the forefront when reviewing applications and projects.
- Partner with local business associations, agencies, and organizations to create a strong and cohesive network offering business support and assistance.
- Provide the public with current data and information easily accessible online or in printed format. Assist with policy formation to align with business and community goals.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$598,893 for the Economic Development program.

The Economic Development Manager was transferred from the Community Development to the Administration department. The Economic Development Manager, previously a part-time position, also became a full-time position in FY 2021-22. Special projects include Economic Development Strategy Outreach and Cupertino Store Implementation, a City Work Program project.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description	Strategic Goal
Cupertino Store Implementation	\$145,000	\$145,000	General Fund	City Work Program: With some help from the Fine Arts Commission for some of the items with art designed by community members, items would be designed and selected for the store, for sale to the public, and also available for exchange purposes for formal delegations to and from the City, with an at-cost charge structure for the latter purposes. For the 2022-2023 FY, the Cupertino store will be online only. Staff will present a plan to the Council on item selection and art design selection.	Public Engagement and Transparency
Economic Development Strategy Outreach	\$20,000	\$20,000	General Fund	Support outreach and engagement with stakeholders to share the draft strategy and secure feedback to develop and design key messages around recommendations	
Total	\$165,000	\$165,000			

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 40,726	\$ -	\$ -	\$ 180,045
Employee Benefits	\$ 14,011	\$ 1,221	\$ -	\$ 76,832
Materials	\$ 42,055	\$ 33,890	\$ -	\$ 69,629
Contract Services	\$ 213,350	\$ 149,994	\$ -	\$ 62,308
Cost Allocation	\$ 32,159	\$ 50,406	\$ -	\$ 41,781
Special Projects	\$ 11,667	\$ -	\$ -	\$ 165,000
Contingencies	\$ -	\$ -	\$ -	\$ 3,298
Total Expenditures	\$ 353,968	\$ 235,511	\$ -	\$ 598,893
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 353,968	\$ 235,511	\$ -	\$ 598,893

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ECONOMIC DEVELOPMENT MANAGER	1.00	0	0	1.00
Total	1.00	0	0	1.00

In FY 2021-22, the Economic Development Manager position was transferred from the Community Development Department to the Administration Department.

City Clerk

Budget Unit 100-13-130

General Fund - City Clerk - City Clerk

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 121,651
Total Expenditures	\$ 719,419
Fund Balance	\$ -
General Fund Costs	\$ 597,768
% Funded by General Fund	83.1%
Total Staffing	3.5 FTE

Program Overview

The City Clerk's office responsibilities include administrative duties associated with the City Council's agenda and actions; publishing legal notices; posting notice of all commission vacancies; processing codification of City's Municipal Code; records management; compliance with Public Records Act requests; manages official elections; and provides partial mail service for all City Departments.

Service Objectives

- Ensure compliance with the Brown Act open meetings requirements, Maddy Act Commission vacancy requirements and the Public Records Act, to accurately process documents and maintain a records management system that facilitates timely access to information, including digital access to City records.
- Provide complete, accurate and timely information to the public, staff and City Council.
- Respond to internal routing requests within two working days; respond to internal requests requiring archival research within five working days.
- Respond to Public Record Act requests within the time specified by State law.
- Provide a digital City Council packet to members of the City Council and staff for use on mobile devices.
- Process and sort routine incoming and outgoing mail and packages daily for each department.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$719,419 for the City Clerk program. This represents an increase of \$116,086 (19.2%) from the FY 2021-22 Adopted Budget.

The increase in Employee Compensation and Benefits is due to the addition of an Administrative Assistant. The Administrative Assistant will provide a variety of support to the City Clerk's Division, including preparing meeting agendas, processing Public Records Act requests, campaign finance forms, ethics certificates, lobbyist registration applications, and general records management. The staff time needed for these functions has increased over the past years.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 65,544	\$ 91,584	\$ 144,551	\$ 121,651
Total Revenues	\$ 65,544	\$ 91,584	\$ 144,551	\$ 121,651
Expenditures				
Employee Compensation	\$ 294,834	\$ 351,929	\$ 384,695	\$ 434,265
Employee Benefits	\$ 107,721	\$ 139,725	\$ 143,987	\$ 198,878
Materials	\$ 37,326	\$ 35,000	\$ 35,382	\$ 46,172
Contract Services	\$ 44,336	\$ 27,822	\$ 37,448	\$ 38,000
Cost Allocation	\$ 34,341	\$ -	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ 1,821	\$ 2,104
Total Expenditures	\$ 518,558	\$ 554,476	\$ 603,333	\$ 719,419
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 453,015	\$ 462,893	\$ 458,782	\$ 597,768

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0	0	0	1.00
CITY CLERK	1.00	1.00	1.00	1.00
DEPUTY CITY CLERK	1.00	1.00	1.00	1.00
EXEC ASST TO THE CITY COUNCIL	0.50	0	0	0
SR OFFICE ASSISTANT	0.50	0.50	0.50	0.50
Total	3.00	2.50	2.50	3.50

Staffing is increasing due to the addition of an Administrative Assistant.

Duplicating and Mail Services

Budget Unit 100-13-132

General Fund - City Clerk - Duplicating and Mail Services

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 49,075
Fund Balance	\$ -
General Fund Costs	\$ 49,075
% Funded by General Fund	100.0%
Total Staffing	FTE

Program Overview

The Duplicating and Mail budget provides paper, envelope, and postage supplies Citywide, and is responsible for the maintenance costs of the postage and folder-inserter machines.

Service Objectives

- Supply paper, envelopes, and postage Citywide and maintain postage and folder-inserter machines.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$49,075 for the Duplicating and Mail Services program. This represents an increase of \$1,281 (2.7%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged from last fiscal year. The costs for paper, envelopes, and postage increased by CPI.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Benefits	\$ 216	\$ -	\$ -	\$ -
Materials	\$ 30,750	\$ 18,551	\$ 36,410	\$ 37,794
Contract Services	\$ 6,065	\$ 5,271	\$ 5,959	\$ 6,500
Cost Allocation	\$ -	\$ 32,813	\$ 4,366	\$ 3,674
Contingencies	\$ -	\$ -	\$ 1,059	\$ 1,107
Total Expenditures	\$ 37,031	\$ 56,635	\$ 47,794	\$ 49,075
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 37,032	\$ 56,635	\$ 47,794	\$ 49,075

Staffing

There is no staffing associated with this program.

Elections

Budget Unit 100-13-133

General Fund - City Clerk - Elections

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 140,839
Fund Balance	\$ -
General Fund Costs	\$ 140,839
% Funded by General Fund	100.0%
Total Staffing	FTE

Program Overview

The City Clerk's office administers the legislative process including management of local elections and filings of Fair Political Practices Commission documents.

Service Objectives

- Administer elections and Fair Political Practices Commission filings in compliance with State law.
- Conduct a local election in even-numbered years and ballot measure elections as necessary, in compliance with the California Elections Code.
- Facilitate timely filing of required and voluntary documentation from candidates and election committees, including Nomination Papers, Candidate Statements of Qualification, Campaign Financial Disclosure Statements, and Statements of Economic Interest, as well as candidate biographies and photographs.
- Make election-related information available to the public and news media in a timely manner.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$140,839 for the Elections program. This represents an increase of \$140,692 (95708.8%) from the FY 2021-22 Adopted Budget.

The increase is due to increased costs for the Santa Clara County Election in November 2022, which occurs every two years. Materials costs are for election services and materials, including legal notices. Contract services costs are for consolidation with the County Registrar of Voters. The increase in Cost Allocation expenses is due to increased activities in FY 2020-21 as it was an election year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Miscellaneous Revenue	\$ -	\$ 14,300	\$ -	\$ -
Total Revenues	\$ -	\$ 14,300	\$ -	\$ -
Expenditures				
Materials	\$ 58	\$ 600	\$ -	\$ 4,845
Contract Services	\$ -	\$ 113,261	\$ -	\$ 130,000
Cost Allocation	\$ -	\$ 1,595	\$ 147	\$ 2,623
Contingencies	\$ -	\$ -	\$ -	\$ 3,371
Total Expenditures	\$ 58	\$ 115,456	\$ 147	\$ 140,839
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 58	\$ 101,156	\$ 147	\$ 140,839

Staffing

There is no staffing associated with this program.

City Manager Contingency

Budget Unit 100-14-123

General Fund - City Manager Discretionary - City Manager Contingency

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 75,000
Fund Balance	\$ -
General Fund Costs	\$ 75,000
% Funded by General Fund	100.0%
Total Staffing	FTE

Program Overview

The City Manager Contingency program was established to meet unexpected citywide expenses that may occur during the year. In FY 2013-14, a contingencies expenditure category was added to each program to serve as a contingency for any unexpected expenditures that might occur during the year. In FY 2020-21, program contingencies were reduced from 5% of budgeted materials and contract services to 2.5%. The City Manager Contingency is a second level of contingency established for unexpected expenditures that may occur over the program contingency. In FY 2020-21, City Manager contingencies were also reduced from 5% of budgeted General Fund materials and contract services to 2.5%. In FY 2021-22, City Manager contingencies were further reduced to \$75,000, bringing total contingencies for the General Fund to approximately 2.5% of budgeted materials and contract services. This percentage is below best practices adopted by the Governmental Accounting Standards Board (GASB) of 5-15% contingency. Program contingency budgets may be used to cover unanticipated program expenses at the department's discretion, while the use of the City Manager Contingency will require City Manager approval. Staff reports any use of the City Manager Contingency to the City Council as part of the quarterly financial report.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$75,000 for the City Manager Contingency program. This budget is unchanged from the prior year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Materials	\$ 743	\$ -	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ 75,000	\$ 75,000
Total Expenditures	\$ 743	\$ -	\$ 75,000	\$ 75,000
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 743	\$ -	\$ 75,000	\$ 75,000

Staffing

There is no staffing associated with this program.

City Attorney

Budget Unit 100-15-141

General Fund - City Attorney - City Attorney

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 362,253
Total Expenditures	\$ 1,574,133
Fund Balance	\$ -
General Fund Costs	\$ 1,211,880
% Funded by General Fund	77.0%
Total Staffing	3.0 FTE

Program Overview

The City Attorney is appointed by the City Council to manage the legal affairs of the City, including the operation of the City Attorney's Office. The City Attorney's Office provides all legal services that are needed to support the City Council, City Commissions and Committees, City Manager, department directors, and City staff.

Service Objectives

The mission of the City Attorney's Office is to protect and defend the City by all legal and ethical means and to provide the municipal corporation with high-quality legal service and advice. These legal services include the following:

- Prosecute and defend the City in any legal action such as civil matters involving personal injury or property damage, code enforcement, or any administrative action arising out of City business.
- Manage all liability claims filed against the City including investigation and disposition.
- Attend City Council, Planning Commission, and other public meetings as requested.
- Prepare and review proposed legislation including ordinances and resolutions.
- Draft and/or review contracts, agreements, and other legal documents.
- Conduct legal research and analysis, and prepare legal memoranda.
- Provide legal support for special projects.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,574,133 for the City Attorney program. This represents a decrease of \$369,522 (-19.0%) from the FY 2021-22 Adopted Budget.

The decrease is due to the change from an outsourced City Attorney's Office to two in-house attorneys. The decrease in Cost Allocation revenues is because of a decrease in City Attorney expenses in FY 2021-22. The Cost Allocation Plan provides revenue for the City Attorney's Office from other programs that use City Attorney services.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 409,873	\$ 562,171	\$ 542,945	\$ 362,253
Miscellaneous Revenue	\$ -	\$ 3,884	\$ -	\$ -
Total Revenues	\$ 409,873	\$ 566,055	\$ 542,945	\$ 362,253
Expenditures				
Employee Compensation	\$ 105,757	\$ 109,116	\$ 113,073	\$ 610,595
Employee Benefits	\$ 48,857	\$ 53,716	\$ 60,993	\$ 264,139
Materials	\$ 10,966	\$ 1,843	\$ 4,589	\$ 23,920
Contract Services	\$ 2,251,589	\$ 1,327,256	\$ 1,765,000	\$ 658,420
Cost Allocation	\$ 68,244	\$ -	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ -	\$ 17,059
Total Expenditures	\$ 2,485,413	\$ 1,491,931	\$ 1,943,655	\$ 1,574,133
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 2,075,540	\$ 925,876	\$ 1,400,710	\$ 1,211,880

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
CITY ATTORNEY	0	0	0	1.00
LEGAL SERVICES MANAGER	1.00	1.00	1.00	1.00
SENIOR ASSISTANT CITY ATTORNEY	0	0	0	1.00
Total	1.00	1.00	1.00	3.00

In FY 2021-22, the City transitioned from an outsourced City Attorney's Office to an in-house City Attorney and Senior Assistant City Attorney.

Law Enforcement

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Department Overview

Budget Units

Budget Unit	Program	2023 Adopted Budget
Law Enforcement		\$ 16,814,519
100-20-200	Law Enforcement	\$ 16,765,096
100-20-201	Interoperability Project	\$ 49,423
Total		\$ 16,814,519

Budget at a Glance

2023 Adopted Budget

Total Revenues	\$ 1,367,721
Total Expenditures	\$ 16,814,519
Fund Balance	\$ -
General Fund Costs	\$ 15,446,798
% Funded by General Fund	91.9%
Total Staffing	FTE

Organization

Captain Rich Urena, Office of the Sheriff

Law Enforcement
(Contracted)

Performance Measures

Goal: Maintain a safe environment to live, work, learn and play.

Benefit: All members of the community are safe, informed, empowered and supported.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
Response time for emergency calls				
Priority 1	3.51	3.4	4.31	5 minutes
Priority 2	6.37	6.07	6.52	9 minutes
Priority 3	11.96	11.8	11.28	20 minutes
% programs maintaining minimum attendance				
Teen Academy	83%	92%	90%	80%
Citizen Academy	65%	N/A	N/A	80%

Workload Indicators

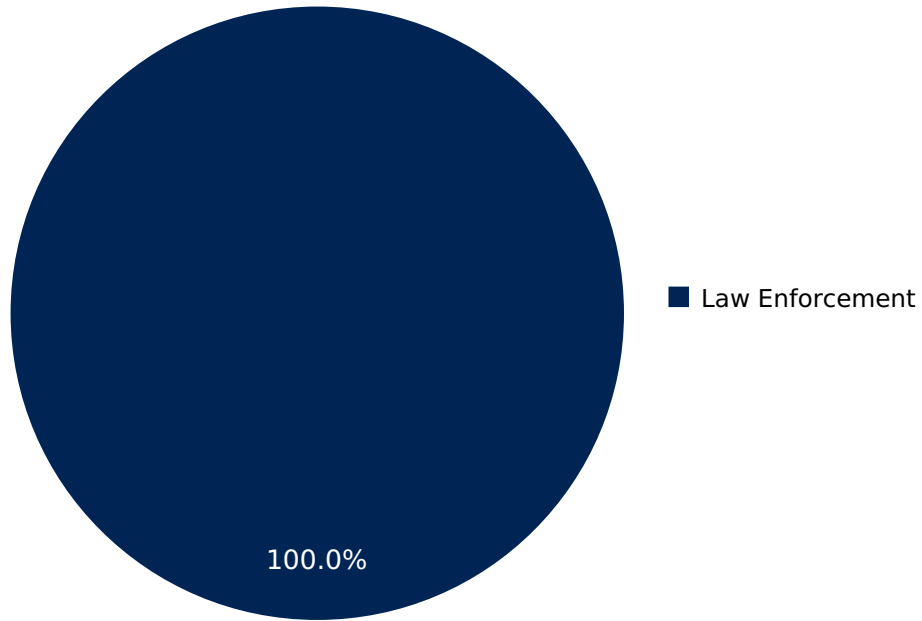
Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Total Priority 1 Calls	57	31	30
Total Priority 2 Calls	3,917	3,107	1,877
Total Priority 3 Calls	4,909	4,254	2,014
Total Teen/Community Academy Participants	76	23	18

Adopted Budget

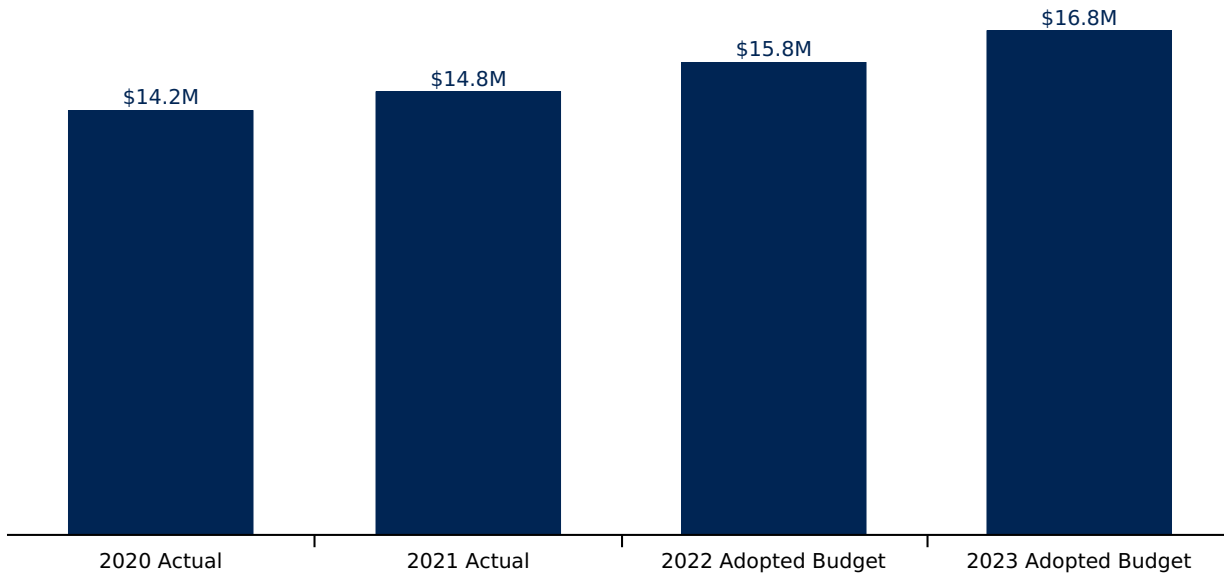
On June 9, 2022, City Council approved a budget of \$16,814,519 for the Law Enforcement department. This represents an increase of \$1,058,169 (6.7%) from the FY 2021-22 Adopted Budget.

The increase is due to the annual increase in costs for the Santa Clara County Sheriff's Office.

Adopted Expenditures by Division



Department Expenditure History



Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ 155,948	\$ 156,727	\$ -	\$ 156,000
Charges for Services	\$ 753,798	\$ 410,824	\$ -	\$ 61,000
Fines and Forfeitures	\$ 200,105	\$ 102,396	\$ -	\$ 202,000
Miscellaneous Revenue	\$ 796,826	\$ 837,329	\$ 887,259	\$ 948,721
Total Revenues	\$ 1,906,677	\$ 1,507,276	\$ 887,259	\$ 1,367,721
Expenditures				
Materials	\$ 43,729	\$ 158	\$ 53,891	\$ 53,891
Contract Services	\$ 14,049,296	\$ 14,652,520	\$ 15,534,026	\$ 16,606,737
Cost Allocation	\$ 58,388	\$ 123,731	\$ 168,433	\$ 153,891
Total Expenditures	\$ 14,151,413	\$ 14,776,409	\$ 15,756,350	\$ 16,814,519
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 12,244,735	\$ 13,269,134	\$ 14,869,091	\$ 15,446,798

Staffing

There is no staffing associated with this department.

Law Enforcement

Budget Unit 100-20-200

General Fund - Law Enforcement - Law Enforcement

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 1,367,721
Total Expenditures	\$ 16,765,096
Fund Balance	\$ -
General Fund Costs	\$ 15,397,375
% Funded by General Fund	91.8%
Total Staffing	FTE

Program Overview

The Law Enforcement program provides law enforcement, emergency communications, School Resource Officers, and the Youth Probation Program. Law enforcement services are provided by the Santa Clara County Sheriff's Office, while communications services are provided by the Santa Clara County General Services Administration. The County's Youth Probation Program, also managed by the Sheriff's Office, is funded through a partnership with the Cupertino Union School District and the City of Cupertino. Other services include general law enforcement (patrol), traffic enforcement and investigation, detective services, and additional resources from specialized units.

The State allocates the Citizens Option for Public Safety (COPS) grant to cities and counties for front-line law enforcement purposes. Funding is allocated proportionately based on population size with a minimum allocation of \$100,000 per jurisdiction. This grant will be used to partially offset the cost of a second School Resource Officer that was added in the FY 2016-17 school year.

Service Objectives

- Protect life and property through innovative and progressive policing methods.
- Respond to Priority 1 emergency situations within an average of fewer than five minutes.
- Enforce the vehicle code with the goal of increasing traffic safety.
- Divert first time/minor youth offenders from the juvenile justice system.
- Provide daily on-site interaction with our youth.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$16,765,096 for the Law Enforcement program. This represents an increase of \$1,058,124 (6.7%) from the FY 2021-22 Adopted Budget.

The increase is due to the annual increase in costs for the Santa Clara County Sheriff's Office. The City's contract with the Santa Clara County Sheriff's Office is effective from July 1, 2014, to July 1, 2024. Per the contract, the annual allowable increase is the lesser of:

- Change in total compensation plus 2% plus the CalPERS increase
- CPI plus 2% plus the CalPERS increase

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ 155,948	\$ 156,727	\$ -	\$ 156,000
Charges for Services	\$ 753,798	\$ 410,824	\$ -	\$ 61,000
Fines and Forfeitures	\$ 200,105	\$ 102,396	\$ -	\$ 202,000
Miscellaneous Revenue	\$ 796,826	\$ 837,329	\$ 887,259	\$ 948,721
Total Revenues	\$ 1,906,677	\$ 1,507,276	\$ 887,259	\$ 1,367,721
Expenditures				
Materials	\$ 43,729	\$ 158	\$ 53,891	\$ 53,891
Contract Services	\$ 14,049,296	\$ 14,652,520	\$ 15,485,487	\$ 16,558,198
Cost Allocation	\$ 57,618	\$ 123,003	\$ 167,594	\$ 153,007
Total Expenditures	\$ 14,150,643	\$ 14,775,681	\$ 15,706,972	\$ 16,765,096
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 12,243,965	\$ 13,268,406	\$ 14,819,713	\$ 15,397,375

Staffing

There is no staffing associated with this program.

Interoperability Project

Budget Unit 100-20-201

General Fund - Law Enforcement - Interoperability Project

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 49,423
Fund Balance	\$ -
General Fund Costs	\$ 49,423
% Funded by General Fund	100.0%
Total Staffing	FTE

Program Overview

The Silicon Valley Regional Interoperability Authority (SVRIA) was formed under the Joint Exercise of Powers Act (JPA) to provide interoperable communications solutions to its members. The SVRIA represents the interests of all public safety agencies in Santa Clara County through its members. It services the Santa Clara Operational Area which includes the County of Santa Clara, its fifteen cities and towns, and all special districts.

Service Objectives

SVRIA exists to identify, coordinate, and implement communications interoperability solutions to its member agencies. The purpose of these projects is to seamlessly integrate voice and data communications between law enforcement, the fire and rescue service, emergency medical services, and emergency management for routine operations, critical incidents, and disaster response and recovery.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$49,423 for the Interoperability Project program. This represents an increase of \$45 (0.1%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged from last fiscal year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Contract Services	\$ -	\$ -	\$ 48,539	\$ 48,539
Cost Allocation	\$ 770	\$ 728	\$ 839	\$ 884
Total Expenditures	\$ 770	\$ 728	\$ 49,378	\$ 49,423
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 770	\$ 728	\$ 49,378	\$ 49,423

Staffing

There is no staffing associated with this program.

Innovation and Technology

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Department Overview

Budget Units

Budget Unit	Program	2023 Adopted Budget
I&T Administration		\$ 341,934
610-30-300	Innovation & Technology Administration	\$ 341,934
Video		\$ 574,604
100-31-305	Video	\$ 574,604
100-31-307	Public Access Support	\$ -
Applications		\$ 2,815,258
100-32-308	Applications	\$ 2,815,258
Infrastructure		\$ 2,721,957
610-34-310	Infrastructure	\$ 2,721,957
GIS		\$ 1,546,226
610-35-986	GIS	\$ 1,546,226
Total		\$ 7,999,979

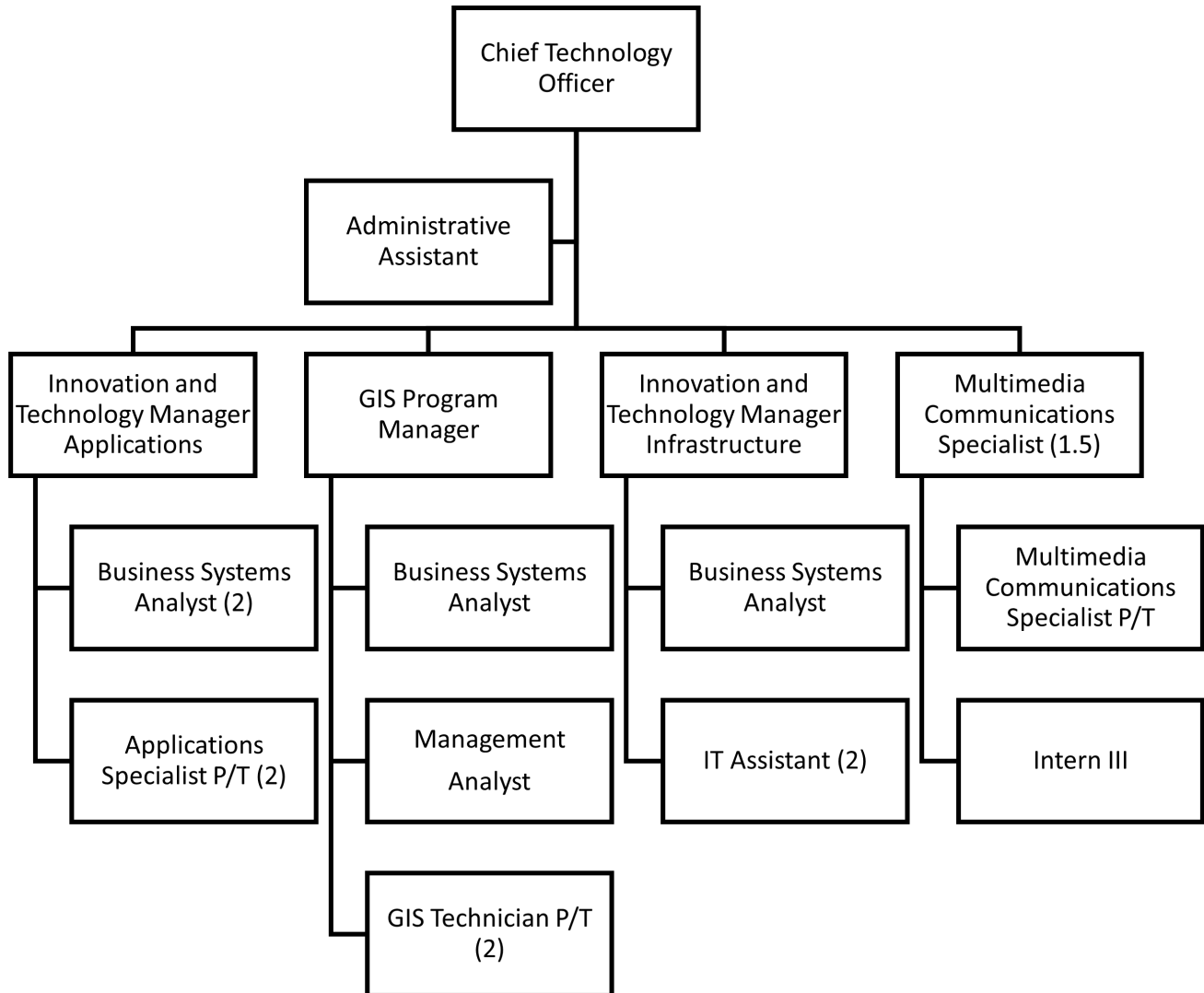
Budget at a Glance

2023 Adopted Budget

Total Revenues	\$ 3,916,540
Total Expenditures	\$ 7,999,979
Fund Balance	\$ 412,601
General Fund Costs	\$ 4,496,040
% Funded by General Fund	56.2%
Total Staffing	13.4 FTE

Organization

Bill Mitchell, Chief Technology Officer



Performance Measures

Goal: Provide superior delivery of information and technology services to city employees and constituents while continually enhancing levels of engagement.

Benefit: Integrated information services enable customer access to the tools and information they need, when and where they need it.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
GIS: % of time spent Developing Application	10%	25%	25%	35%
GIS: % of time Maintaining applications	90%	75%	70%	65%
GIS: Met Requests within SLA (map, data, Web maps, Cityworks, schema, other) completed	97%	98%	100%	100%
GIS: Increase Property Information (Internal/External) site visits per month	665/2,671	691/533	838/575	900/600
GIS: Cityworks utilization - # of assets Cupertino maintains vs # of assets maintained in Cityworks. Also the % increase of work units completed (WOs, INSP,SRs)	45/31 70%	45/31 20%	45/35 50%	45/45 20%
Infrastructure: Percentage based upon number of scheduled projects/Number of projects completed on time	80%	86%	71%	100%
Infrastructure: Percentage based upon number of HelpDesk tickets/SLA measurements	93%	94%	93%	90%
Infrastructure: % Customer satisfaction based upon Satisfaction Rate from helpdesk tickets	99.10%	98.70%	100.00%	85%
Infrastructure: % of network uptime (not including planned maintenance)	99.90%	99.90%	100.00%	99%
Applications: % of citywide-enterprise application project management performed on time and on budget	96%	95%	95%	95%
Applications: Number of website site visits/Number of site hits	1,624,377	800,164	823,496	5% annual increase
Applications: Number of support request for the applications support per month	45	65	55	20

Multimedia Division

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
Percentage of total video productions performed vs scheduled productions (city meetings excluded) ¹	145% 32/22	522% 47/9	326% 29/8	100%
Percentage of total engineering projects vs scheduled projects ²	233% 7/3	250% 15/6	300% 6/2	100%
Total video views on YouTube and Granicus platforms combined ³	215,607	246,313	83,417	5% annual increase

* Percentage skewed due to pandemic - more overall views due to daily press conference postings

¹The Multimedia Division is responsible for producing videos for both city staff as well as the general Cupertino public. Typically, dozens of video productions are completed every year. Video productions range in scope from relatively simple 30-second public service announcements to major projects like CREST that require more than two months of ongoing field production, post-production editing, and a live awards program telecast. This specific Workload Indicator indicates that a large percentage of annual video projects are unscheduled or unanticipated. The main reason is that video productions are oftentimes evaluated and prioritized on the basis of their immediate organizational value, impact, and/or newsworthiness. Oftentimes, these unanticipated projects are identified and assigned with only a few days or weeks of advanced notice. As such, there is an ongoing need within the division for workflow and work schedule adaptability when evaluating video productions and completing them on time and on budget.

²Multimedia staff is responsible for designing, managing, and maintaining the many audiovisual and broadcast systems located within the organization. These include systems within the conference and multipurpose rooms, office and huddle spaces, as well as the complex broadcast systems within the video control room at Community Hall. Engineering projects differ from simple repairs, tasks, and modifications in that projects, as defined, require a phased-in approach with advanced planning, design, budgeting, resource acquisition, and implementation. Most engineering projects are scheduled well in advance; occasionally, however, Multimedia Division staff may need to implement unanticipated projects if staff or council priorities require such. The Workload Indicator here measures the number of projects completed vs. the number of scheduled projects.

³Multimedia staff historically tracks viewership data within our primary online video platforms--YouTube and Granicus. We continue to see an upward trend in viewership of our videos used to promote city meetings, city programs, and city services. Our target is to increase viewership by 5% annually. Both YouTube and Granicus provide advanced reporting modules that allow us to accurately track the number of views over a given date range. The numbers here indicate total views rather than total unique views. Other online platforms were considered as part of this dataset; however, because we do not consistently post videos to our other social media sites, such as Facebook, Twitter, Instagram, and Nextdoor, those statistics were not included as part of this specific performance measure. Similarly, we do have accurate viewership data for the City Channel, our government access television channel, so that platform was excluded as well.

Workload Indicators

Applications Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Enterprise Programs Support & Maintenance	2,500 hours	1,900 hours	2,000 hours
Application Development	1,500 hours	800 hours	750 hours
Percentage of Project Management Performed on Time and Budget for Citywide Applications	95%	95%	95%

1The Application division is responsible for supporting enterprise business platforms like ERP, Land Management System, Recreation System, City Digital Records, City Website, and many programs like the Administrative Services digital transformation, citywide permitting, licensing, and enforcement solutions. All these programs and services require constant enhancements, support, and maintenance. The related tasks may range from providing staff user access to these platforms to issues that may require intensive programming and configurations to resolve. Troubleshooting existing or building new application configuration rules and parameters based on the current business process or new requirements. Creating custom application workflows in back office enterprise platforms like Accela and New World, configuring business processes, and integrating these enterprise software systems. Some issues require working and coordinating with software vendors to identify and resolve business workflows and other operational-related problems. Application integrations are a big solution in providing end-to-end business solutions. Coordinating the scheduling of corrective patches and upgrades between vendors and staff.

2Applications division creates custom software solutions like Bid Management solutions and Permit Parking software solutions. Application development for these kinds of software solutions goes through all stages of the Software Development Life Cycle (SDLC) of Requirement-gathering, Analysis, Designing, Coding, Testing, and Deployment of these custom software solutions. The Application team works with various city departments and other key stakeholders during phases of SDLC. Application staff gather business requirements, participate in a variety of system user and work groups to identify user needs and operational, programmatic, and or regulatory changes affecting application requirements and other related issues. Perform software application coding, building system integration and interfaces between applications. Perform end-user application tests for functionality and usability. Writing test scripts based on business processes. Perform system tests, integration test,s and performance (volume) tests.

3This measure involves the task of project research and communications, project charter creation, creating or reviewing statement of work, contractor research and selection process, activity and resource planning, creation of work breakdown structure, team building, time management, deliverable management, customer satisfaction, risk management, communication management, project closeout process and documentation.

Infrastructure Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Percentage of helpdesk requests completed 48 hours or less ¹	92%	94%	93%
% of network uptime ²	99.9%	99.9%	99.8%
Number of IT Projects Completed ³	100% 3/3	100% 7/7	100% 3/3

¹Infrastructure is responsible for the acquisition, maintenance and support of all computer hardware necessary for the City's leading edge network (server, storage, switch, security, appliance) and end user (PC, tablet, VoIP Devices, Smartphones) services. Exemplary customer service coupled with highly skilled staff is the trademark of this team.

²Ensuring the City's vast network environment meets Business Continuity and Disaster Recovery requirements is a major responsibility of Infrastructure. Two geographically diverse data centers connected with a high speed Ethernet connection that traverses over 1000 miles provides this much needed service. 24x7 monitoring is done via a plethora of tools and contract services managed by Infrastructure.

³PC based applications such as Microsoft Office, Team Collaboration, Adobe, Softphone, Antivirus, Teleconferencing and many more are procured, configured, maintained and supported. Citywide education of these products as well as end user security is the responsibility of Infrastructure which ensures a skilled City staff that know how to utilize software efficiently and securely.

GIS Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Hours Spent Web Application Development ¹	460/tracking is still being refined. This is not an accurate account.	540/tracking is still being refined. This is not an accurate account.	450/ tracking is still being refined. This is not an accurate account
Map, Data, Analysis, Report, Application Configuration Requests, Workflow Enhancements Completed Requests ²	422/tracking is still being refined. This is not an accurate account.	882/tracking is still being refined. This is not an accurate account.	691/tracking is still being refined. This is not an accurate account.
Number of I&T workplan projects completed ³	100% 11/11	100% 8/8 After budget reduction	20% 4/20

¹The GIS Division builds web applications for staff to use as a tool in their daily workflows. The web application Property Info is a great example of this. Staff use it to review properties for development - select a property see all the associated layers of data, and access any related laserfiche documents. Property info is the

main web mapping application staff use so we are constantly making improvements based on requests or new advancements in web development, or available widgets. We also create a number of web applications for the public <https://www.cupertino.org/online-services/open-government-data/city-maps/web-maps-and-applications> everything from the service finder that give residents a one stop shop of all City services to the CIP story map that give the public a visually appealing way to quickly interpret what capitol improvement projects are scheduled this year, where the project is located, what the project entails, and current status.

2GIS receives requests from staff and sometimes Commissioners, Sheriffs office, City Council members...These requests range from hard copy maps (ex. Update a zoning designation and print all new zoning maps) to interactive web maps (ex. PW had a consultant evaluate a section of Regnart Rd and Chad asked us to create a web map with the data point locations and associate photos), data request (ex. how many Trees were trimmed this year), Data changes (ex. can I see this layer symbolized by status and added to property info application), crystal report requests (ex. fleet wants a report that shows how many times each vehicle has a repair work order based on a dynamic timeframe), to application modifications (ex. the Tree Division is tasked with mediating a tree virus issue and they would like a new work order type so they can track the problem over time or Planning had us create a layer for private trees and then add it to the Property info application.) Evaluating staff use of an application and implementing ways to streamline that workflow. Reduce the number of steps to performing a task by configuring/coding an application in a way that eliminates redundancies. We are also asked to configure GIS for enterprise applications such as Accela and ActiveNet.

3Project research and communications, project charter creation, SOW creation, contractor research and selection process, activity & resource planning/work breakdown structure, team building and motivation, time management, deliverable management, ensuring customer satisfaction, risk management, communication management, project closeout process, documentation

Multimedia Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Percentage of total video productions performed vs scheduled productions (city meetings excluded) ¹	145% 32/22	522% 47/9	362% 29/8
Percentage of total engineering projects vs scheduled projects ²	233% 7/3	250% 15/6	300% 6/2
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Oftentimes, these unanticipated projects are identified and assigned with only a few days or weeks of advanced notice. As such, there is an on-going need within the division for workflow and work schedule adaptability when it comes to evaluating video productions and completing them on time and on budget.

2Multimedia staff is responsible for designing, managing, and maintaining the many audiovisual and broadcast systems located within the organization. These include systems within the conference and multipurpose rooms, office and huddle spaces, as well as the complex broadcast systems within the video control room at Community Hall. Engineering projects differ from simple repairs, tasks, and modifications in that projects, as defined, require a phased-in approach with advanced planning, design, budgeting, resource acquisition, and implementation. Most engineering projects are scheduled well in advance; occasionally, however, video staff may need to implement unanticipated projects if staff or council priorities require as such. The Workload Indicator here measures the number of projects completed vs. the number of scheduled projects.

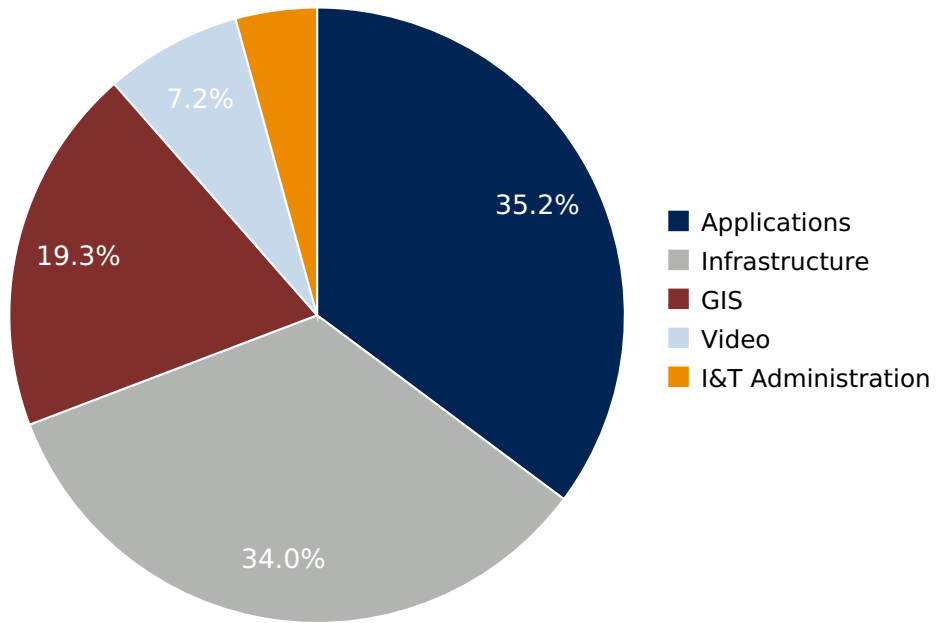
3Multimedia staff historically tracks viewership data within our primary online video platforms--YouTube and Granicus. We continue to see an upward trend in viewership of our videos which are used to promote city meetings, city programs, and city services. Our target is to increase viewership by 5% annually. Both YouTube and Granicus provide advanced reporting modules that allow us to accurately track the number of views over a given date range. The numbers here indicate total views rather than total unique views. Other online platforms were considered as part of this dataset; however, because we do not consistently post videos to our other social media sites such as Facebook, Twitter, Instagram, and Nextdoor, those statistics were not included as part of this specific performance measure. Similarly, we do have accurate viewership data for the City Channel, our government access television channel, so that platform was excluded as well.

Adopted Budget

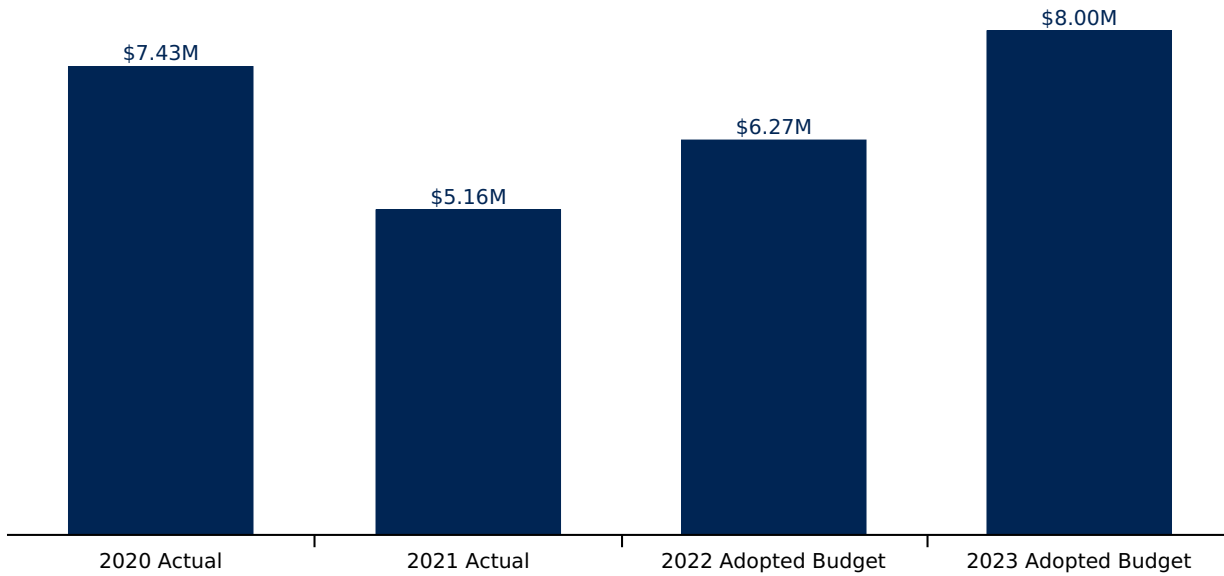
On June 9, 2022, City Council approved a budget of \$7,999,979 for the Innovation and Technology department. This represents an increase of \$1,733,709 (27.7%) from the FY 2021-22 Adopted Budget.

Increase in Compensation and Benefits are due to a transfer of 1.5 positions from the City Manager's Office. Increases in Materials, Contract Services and Special Projects are due to multi-year and new infrastructure and application enhancements.

Adopted Expenditures by Division



Department Expenditure History



Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ -	\$ 15,000	\$ -	\$ -
Charges for Services	\$ 2,739,704	\$ 3,996,438	\$ 4,572,658	\$ 3,916,540
Miscellaneous Revenue	\$ -	\$ 67,130	\$ -	\$ -
Total Revenues	\$ 2,739,704	\$ 4,078,568	\$ 4,572,658	\$ 3,916,540
Expenditures				
Employee Compensation	\$ 2,193,929	\$ 2,028,109	\$ 2,072,164	\$ 2,434,120
Employee Benefits	\$ 1,039,353	\$ 729,278	\$ 857,214	\$ 991,799
Materials	\$ 1,611,936	\$ 1,385,735	\$ 1,716,016	\$ 2,416,519
Contract Services	\$ 839,759	\$ 516,877	\$ 523,600	\$ 835,469
Cost Allocation	\$ 1,437,210	\$ 299,745	\$ 303,672	\$ 299,745
Special Projects	\$ 310,676	\$ 198,377	\$ 721,660	\$ 941,028
Contingencies	\$ -	\$ -	\$ 71,944	\$ 81,299
Total Expenditures	\$ 7,432,863	\$ 5,158,121	\$ 6,266,270	\$ 7,999,979
Fund Balance	\$ (1,072,796)	\$ (394,967)	\$ (745,302)	\$ 412,601
General Fund Costs	\$ 3,620,365	\$ 684,587	\$ 948,310	\$ 4,496,040

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0.95	0.95	0.95	0.95
APPLICATIONS MANAGER	1.00	1.00	1.00	1.00
ASSET MANAGEMENT TECHNCIAN	1.00	1.00	1.00	0
BUSINESS SYSTEMS ANALYST	3.00	3.00	3.00	3.00
CHIEF TECHNOLOGY OFFICER	1.00	0.98	0.98	0.98
GIS ANALYST	1.00	1.00	1.00	1.00
GIS MANAGER	1.00	1.00	1.00	1.00
INFRASTRUCTURE MANAGER	1.00	1.00	1.00	1.00
I.T. ASSISTANT	2.00	2.00	2.00	2.00
MANAGEMENT ANALYST	0	0	0	1.00
MULTIMEDIA COMMUNICATIONS SPEC	3.00	0	0	1.50
Total	14.95	11.93	11.93	13.43

Innovation & Technology Administration

Budget Unit 610-30-300

Information Technology - I&T Administration - Innovation & Technology Administration

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 341,934
Fund Balance	\$ (259,434)
General Fund Costs	\$ 82,500
% Funded by General Fund	24.1%
Total Staffing	0.5 FTE

Program Overview

The Innovation & Technology Department Administration Division is responsible for the strategic planning, governance, policy setting, and leadership in the use of digital services for the City. The services include a state of the art network which provides transport for best of class business applications, e.g., financial, land management, recreation, asset management, HR, e-commerce and work order management. Additionally, Administration ensures oversight of budget, tactical plans, succession planning, partnership development (internal/external) and staffing. Procurement and budget monitoring are also responsibilities of Administration.

Service Objectives

- Develop a roadmap to effectively leverage existing technology and adopt emerging technology to meet business needs.
- Create and sustain a workplace atmosphere that promotes a balance between employee innovation, accountability and business needs.
- Ensure two-way communication between and among the City organization and stakeholders.
- Improve user experience including ease of use, availability, and accessibility within the context of compliance with industry standards.
- Ensure transparent and easy access to City information and services via multiple technologies, e.g. social media, TV, web, and radio.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$341,934 for the Innovation & Technology Administration program. This represents an increase of \$72,310 (26.8%) from the FY 2021-22 Adopted Budget.

The increase is due to an increase of FY 2022-23 City Work Program Special Projects mentioned in the table below.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description	Strategic Goal
Aclima and Envirosuite Pilot Extension	\$66,000	\$66,000	Internal Service Fund	Monitor and report on Lehigh and Stevens Creek Quarries. Includes noise and pollution monitoring for these locations.	Quality of Life
License Plate Readers	\$60,000	\$60,000	General Fund	City Work Program: In partnership with the County Sheriff, install ALPR devices for the automated detection of license plates.	Quality of Life
Hybrid Meeting for City Council and Commission Meetings	\$15,000	\$15,000	General Fund	City Work Program: Develop policy and infrastructure to allow hybrid meetings for both City Council, Commission meetings and future community workshops.	Public Engagement and Transparency
Cybersecurity Public Education	\$7,500	\$7,500	General Fund	City Work Program: Provide education on cybersecurity to City residents, guests and businesses.	Public Engagement and Transparency
Total	\$148,500	\$148,500			

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 235,631	\$ -	\$ -	\$ -
Total Revenues	\$ 235,631	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 93,426	\$ 120,302	\$ 115,790	\$ 115,790
Employee Benefits	\$ 42,452	\$ 33,205	\$ 49,027	\$ 50,019
Materials	\$ 11,456	\$ 5,178	\$ 9,878	\$ 11,451
Contract Services	\$ 1,440	\$ 21,613	\$ 15,300	\$ 15,500
Cost Allocation	\$ 89,236	\$ -	\$ -	\$ -
Special Projects	\$ -	\$ 140,684	\$ 77,500	\$ 148,500
Contingencies	\$ -	\$ -	\$ 2,129	\$ 674
Total Expenditures	\$ 238,010	\$ 320,982	\$ 269,624	\$ 341,934
Fund Balance	\$ (2,379)	\$ (320,982)	\$ (269,624)	\$ (259,434)
General Fund Costs	\$ -	\$ -	\$ -	\$ 82,500

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0.30	0.15	0.15	0.15
CHIEF TECHNOLOGY OFFICER	0.25	0.38	0.38	0.38
Total	0.55	0.53	0.53	0.53

There are no changes to the current level of staffing.

Video

Budget Unit 100-31-305

General Fund - Video - Video

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 574,604
Fund Balance	\$ -
General Fund Costs	\$ 574,604
% Funded by General Fund	100.0%
Total Staffing	1.5 FTE

Program Overview

The multimedia budget is being split between the Innovation and Technology Department and the City Manager's Office.

The primary goal of the Multimedia Division is to increase public awareness, interest, understanding, and participation in the issues, programs, and services presented by the City of Cupertino. The staff promotes City services and programs through its 24/7 government access channel, radio station, digital signage network, City website, and numerous online video platforms. In addition, the video staff provides multimedia production services and technical support for all City departments. Multimedia staff also oversees the design, maintenance, and engineering of the City's broadcast and audiovisual systems.

Service Objectives

Multimedia staff works together to manage and maintain the following city services:

- City Channel, the government access television channel which provides 24/7 information to Cupertino residents, includes full coverage of city meetings, community events, town hall forums, press conferences, election coverage, and local speaker series, as well as educational programming and state government affairs programming
- Webcasting and video on demand services for live streaming city meetings, events and other programs of interest
- Radio Cupertino for emergency and community information for public service announcements, traffic alerts, and weather forecasts
- Digital signage to promote city programs and events via electronic displays in city facilities
- Multimedia production services and maintenance of city video equipment

Adopted Budget

On June 9, 2022, City Council approved a budget of \$574,604 for the Video program.

1.5 positions and a portion of materials and contracts were transferred from the Multimedia program in Administration to the Video program in Innovation Technology.

In FY 2021-22 the entirety of the budget was in the City Manager's Office and totaled \$916,374 (page 252 of the FY 2021-22 Adopted Budget). The current total budget when combining both this budget and the budget in City Manager totals \$1,013,396, an increase of \$97,022. The increase is due to increases in salary for increased part-time costs and the addition of overtime costs that were missed in last year's adopted budget. In addition, special project costs have increased significantly as well. One-time projects will vary from year to year.

Special Projects

The following table shows the special projects for the fiscal year.

Special project	Appropriation	Revenue	Funding Source	Description
Enhanced Videoconferencing System for Cupertino Room	\$35,000	\$35,000	General Fund	Videoconferencing enhancements
Cupertino Room Lectern Upgrade	\$7,500	\$7,500	General Fund	Audiovisual grade lectern replacement
Social Room Audio Upgrade	\$16,500	\$16,500	General Fund	Upgrade to the audio system
Sports Center Audio System Upgrade	\$9,000	\$9,000	General Fund	Upgrade to the audio system
Total	\$68,000	\$68,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 8,003	\$ 7,204	\$ -	\$ -
Total Revenues	\$ 8,003	\$ 7,204	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 505,578	\$ -	\$ -	\$ 246,871
Employee Benefits	\$ 210,977	\$ -	\$ -	\$ 99,404
Materials	\$ 43,830	\$ 76	\$ -	\$ 61,417
Contract Services	\$ 77,271	\$ -	\$ -	\$ 95,002
Cost Allocation	\$ 280,610	\$ -	\$ -	\$ -
Special Projects	\$ 340,362	\$ -	\$ -	\$ 68,000
Contingencies	\$ -	\$ -	\$ -	\$ 3,910
Total Expenditures	\$ 1,458,628	\$ 76	\$ -	\$ 574,604
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 1,450,626	\$ (7,128)	\$ -	\$ 574,604

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0.10	0	0	0
CHIEF TECHNOLOGY OFFICER	0.15	0	0	0
MULTIMEDIA COMMUNICATIONS SPEC	3.00	0	0	1.50
Total	3.25	0	0	1.50

1.5 positions were transferred from the Multimedia program in Administration to the Video program in Innovation Technology.

Public Access Support

Budget Unit 100-31-307

General Fund - Video - Public Access Support

Budget at a Glance

2023 Adopted Budget

Total Revenues	\$ -
Total Expenditures	\$ -
Fund Balance	\$ -
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

In FY 2020-21, this program was transferred to the City Manager’s Office. A complete discussion of this program can be found under Budget Unit 100-12-307. This program will remain in order to maintain historical data however, once all prior year data as listed in the table below is \$0, this program will be removed.

Adopted Budget

There is no budget requested for this program.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Contract Services	\$ 73,850	\$ -	\$ -	\$ -
Cost Allocation	\$ 1,828	\$ -	\$ -	\$ -
Total Expenditures	\$ 75,678	\$ -	\$ -	\$ -
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 75,678	\$ -	\$ -	\$ -

Staffing

There is no staffing associated with this program.

Applications

Budget Unit 100-32-308

General Fund - Applications - Applications

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 1,431,322
Total Expenditures	\$ 2,815,258
Fund Balance	\$ -
General Fund Costs	\$ 1,383,936
% Funded by General Fund	49.2%
Total Staffing	3.5 FTE

Program Overview

The Applications Division manages business requirements gathering, design, development, procurement, project management, implementation and ongoing maintenance and support of all enterprise-wide business systems and programs. These systems include Financial Enterprise Resource Planning (ERP), Land-use Management System, Recreation Management System and their related customer facing portals. Additionally Applications division is responsible for electronic content management (records retention) system and city's procurement management system.

The Applications Division manages the City's website, Intranet, and mobile apps development. The division staff supports e-service programs and services like permitting, licensing and enforcement. Applications division is responsible for creating custom SaaS software platforms like bid management solution and residential parking permits solution. They are also responsible for application integrations so critical business data can flow between enterprise platforms. Applications division staff also generate critical business analytics and reports to aid city staff in getting insight through data visualization and helps department supervisors and managers in decision making and measurements of key performance index and goals.

Service Objectives

- Deliver business solutions that meet customer requirements and integrate within the City's application framework.
- Assist departments in developing streamlined and effective business processes that are easy to understand and translate into existing and new enterprise applications.
- Work closely with City staff and members of the community to ensure that the City's enterprise application platforms are relevant and provide value to all the stakeholders.
- Collaborate with various City departments to determine that the City's enterprise software solutions meet the functional requirements and long-term application implementation strategy of the organization.
- Create and maintain effective online and mobile user access to municipal information and services.
- Enable and facilitate the use of communication and technical resources by nontechnical staff and customers.

- Generate business data dashboards to city staff and external stakeholders.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$2,815,258 for the Applications program. This represents an increase of \$445,971 (18.8%) from the FY 2021-22 Adopted Budget.

Increases in Compensation and Benefits are mainly due to increased part-time staff. Increases in Materials, Contract Services, and Special Projects are due to new applications and enhancements to current applications.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description
ERP Phase I	\$106,928	\$160,928	General Fund	Needs Analysis
Accela Citizen Access Guide and Wrapper	\$25,000	\$25,000	General Fund	Update to User Interface
Code Enforcement Consolidated Application	\$40,000	\$40,000	General Fund	Consolidation of Code Enforcement system operations
Climate Action Plan Implementation Software	\$20,000	\$20,000	General Fund	Climate Action plan platform
Accela Roadmap	\$25,000	\$25,000	General Fund	Develop Systematic Roadmap
ActiveNet Roadmap	\$25,000	\$25,000	General Fund	Develop Systematic Roadmap
ZenDesk for Parks & Recreation	\$40,000	\$40,000	General Fund	Implement Customer Service Solution
Semi Annual ADA Consultant	\$35,000	\$35,000	General Fund	City website ADA Compliance
Crisis Management Software	\$15,000	\$15,000	General Fund	Customization of County dashboard
Total	\$331,928	\$331,928		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ -	\$ 15,000	\$ -	\$ -
Charges for Services	\$ -	\$ 1,307,803	\$ 1,613,055	\$ 1,431,322
Miscellaneous Revenue	\$ -	\$ 67,130	\$ -	\$ -
Total Revenues	\$ -	\$ 1,389,933	\$ 1,613,055	\$ 1,431,322
Expenditures				
Employee Compensation	\$ 471,362	\$ 635,662	\$ 671,629	\$ 722,798
Employee Benefits	\$ 153,882	\$ 206,339	\$ 242,843	\$ 254,426
Materials	\$ 981,919	\$ 749,988	\$ 928,372	\$ 1,254,233
Contract Services	\$ 236,801	\$ 186,966	\$ 195,400	\$ 215,139
Cost Allocation	\$ 178,096	\$ -	\$ -	\$ -
Special Projects	\$ -	\$ 57,693	\$ 295,560	\$ 331,928
Contingencies	\$ -	\$ -	\$ 35,483	\$ 36,734
Total Expenditures	\$ 2,022,060	\$ 1,836,648	\$ 2,369,287	\$ 2,815,258
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 2,022,061	\$ 446,715	\$ 756,232	\$ 1,383,936

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0.15	0.30	0.30	0.30
APPLICATIONS MANAGER	1.00	1.00	1.00	1.00
BUSINESS SYSTEMS ANALYST	2.00	2.00	2.00	2.00
CHIEF TECHNOLOGY OFFICER	0.30	0.20	0.20	0.20
Total	3.45	3.50	3.50	3.50

There are no changes to the current level of staffing.

Infrastructure

Budget Unit 610-34-310

Information Technology - Infrastructure - Infrastructure

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 1,556,269
Total Expenditures	\$ 2,721,957
Fund Balance	\$ 1,289,312
General Fund Costs	\$ 2,455,000
% Funded by General Fund	90.2%
Total Staffing	4.5 FTE

Program Overview

The IT Infrastructure Division is responsible for technology-related expenses for the citywide management of information technology services. The Infrastructure Manager and staff are responsible for computer helpdesk, network availability, and performance, security and compliance, incident response, disaster recovery and business continuity, project management of implementations and upgrades, purchasing and inventory control, technical training, and maintenance of systems. Infrastructure is also tasked with ensuring that the City continues to follow best practices in technology adoption and security practices.

Service Objectives

- Provide and continuously improve helpdesk support as this function is often the face of IT that staff interacts with on a daily basis.
- Maintain standards and procedures for the replacement, support, and maintenance of all City-owned computing devices, printers, networks, peripherals and systems defined by City policy.
- Continue innovation and outreach to ensure the City follows best IT practices relating to equipment, policy, and security practices.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$2,721,957 for the Infrastructure program. This represents an increase of \$519,504 (23.6%) from the FY 2021-22 Adopted Budget.

Increases in Materials, Contract Services, and Special Projects are due to multi-year and new infrastructure and security enhancements.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description
City Facilities Camera Capture Expansion	\$60,000	\$60,000	Internal Service Fund	Camera Capture System
City Hall Enterprise Server and Storage Tech Refresh	\$150,000	\$150,000	Internal Service Fund	Server Environment replacement
Supplemental Wi-Fi Expansion in Public Areas	\$20,500	\$20,500	Internal Service Fund	Internet service to three parks
Office 365 E5 Licenses	\$7,000	\$7,000	Internal Service Fund	Adding 40 developer Licenses
Proactive Managed Risk and Security Monitoring	\$23,000	\$23,000	Internal Service Fund	Proactive cyber threat monitoring
Public Bicycle Smart Rack Docks Technology Enhancement/Review	\$2,000	\$2,000	Internal Service Fund	Public Bicycle Smart Rack Docks improvements
Sign Shop Printer Warranty	\$3,000	\$3,000	Internal Service Fund	Sign Shop Printer maintenance
CAD&RMS WAN Link	\$7,200	\$7,200	Internal Service Fund	secured link for computer aided dispatch
Digital Signage	\$25,000	\$25,000	Internal Service Fund	Pilot digital signage solution for 1 park
Total	\$297,700	\$297,700		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 1,629,376	\$ 1,767,098	\$ 1,882,195	\$ 1,556,269
Total Revenues	\$ 1,629,376	\$ 1,767,098	\$ 1,882,195	\$ 1,556,269
Expenditures				
Employee Compensation	\$ 605,073	\$ 660,555	\$ 657,676	\$ 683,644
Employee Benefits	\$ 353,426	\$ 270,305	\$ 307,679	\$ 314,130
Materials	\$ 445,355	\$ 470,005	\$ 559,969	\$ 793,929
Contract Services	\$ 303,138	\$ 212,752	\$ 192,900	\$ 305,328
Cost Allocation	\$ 701,888	\$ 299,745	\$ 303,672	\$ 299,745
Special Projects	\$ (29,686)	\$ -	\$ 159,400	\$ 297,700
Contingencies	\$ -	\$ -	\$ 21,157	\$ 27,481
Total Expenditures	\$ 2,379,194	\$ 1,913,362	\$ 2,202,453	\$ 2,721,957
Fund Balance	\$ (677,818)	\$ 98,735	\$ (128,180)	\$ 1,289,312
General Fund Costs	\$ 72,000	\$ 245,000	\$ 192,078	\$ 2,455,000

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0.30	0.30	0.30	0.30
BUSINESS SYSTEMS ANALYST	1.00	1.00	1.00	1.00
CHIEF TECHNOLOGY OFFICER	0.20	0.20	0.20	0.20
INFRASTRUCTURE MANAGER	1.00	1.00	1.00	1.00
I.T. ASSISTANT	2.00	2.00	2.00	2.00
Total	4.50	4.50	4.50	4.50

There are no changes to the current level of staffing.

GIS

Budget Unit 610-35-986

Information Technology - GIS - GIS

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 928,949
Total Expenditures	\$ 1,546,226
Fund Balance	\$ (617,277)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	3.4 FTE

Program Overview

The Geographic Information Systems (GIS) program captures, manages, analyzes, and displays all forms of geographically referenced information for the City of Cupertino. Through maps, reports, dashboards, and charts we provide ways to view, understand, question, interpret, and visualize, our City in ways that reveal relationships, patterns, and trends. The GIS Program works to help our staff, citizens, business, and development communities answer questions and solve problems by looking at our data in a way that is quickly understood and easily shared – on a map!

Service Objectives

- Cupertino GIS works to provide and support state-of-the-art GIS mapping services and applications in the rapidly evolving and expanding field of geospatial technology.
- Create, collect, maintain, and distribute high quality, up-to-date, and complete geospatial data.
- Ensure that the City’s GIS systems and data are available for day-to-day City and regional purposes.
- Share the City’s GIS data and services as widely as possible.
- Raise the awareness of GIS.
- Integrate spatial technology into Cupertino’s business processes and applications.
- Support emergency planning, response, and recovery.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,546,226 for the GIS program. This represents an increase of \$121,320 (8.5%) from the FY 2021-22 Adopted Budget.

Increases in Materials and Contract Services are due to new applications and enhancements to current applications, this is offset by a decrease in special projects.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description
Drone Instructor	\$1,600	\$1,600	Internal Service Fund	Required training for Drone pilots
Additional Telematics Devices	\$5,300	\$5,300	Internal Service Fund	Additional Licenses
LaserFiche Scanning	\$30,000	\$30,000	Internal Service Fund	City Document scanning
Additional Amazon ec2 instance (t3aXlarge)	\$5,000	\$5,000	Internal Service Fund	Cloud subscription fee
Business Process Automation	\$42,000	\$42,000	Internal Service Fund	Paper form conversion to digital
Google Query	\$5,000	\$5,000	Internal Service Fund	Pilot to retrieve traffic speed and incident data
Geotab Keyless Solution	\$6,000	\$6,000	Internal Service Fund	Keyless storage for fleet keys
Total	\$94,900	\$94,900		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 866,694	\$ 914,333	\$ 1,077,408	\$ 928,949
Total Revenues	\$ 866,694	\$ 914,333	\$ 1,077,408	\$ 928,949
Expenditures				
Employee Compensation	\$ 518,490	\$ 611,590	\$ 627,069	\$ 665,017
Employee Benefits	\$ 278,616	\$ 219,429	\$ 257,665	\$ 273,820
Materials	\$ 129,376	\$ 160,488	\$ 217,797	\$ 295,489
Contract Services	\$ 147,259	\$ 95,546	\$ 120,000	\$ 204,500
Cost Allocation	\$ 185,552	\$ -	\$ -	\$ -
Special Projects	\$ -	\$ -	\$ 189,200	\$ 94,900
Contingencies	\$ -	\$ -	\$ 13,175	\$ 12,500
Total Expenditures	\$ 1,259,293	\$ 1,087,053	\$ 1,424,906	\$ 1,546,226
Fund Balance	\$ (392,599)	\$ (172,720)	\$ (347,498)	\$ (617,277)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0.10	0.20	0.20	0.20
ASSET MANAGEMENT TECHNCIAN	1.00	1.00	1.00	0
CHIEF TECHNOLOGY OFFICER	0.10	0.20	0.20	0.20
GIS ANALYST	1.00	1.00	1.00	1.00
GIS MANAGER	1.00	1.00	1.00	1.00
MANAGEMENT ANALYST	0	0	0	1.00
Total	3.20	3.40	3.40	3.40

In FY 2021-22, an Asset Management Technician was reclassified to a Management Analyst.

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Administrative Services

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Department Overview

Budget Units

Budget Unit	Program	2023 Adopted Budget
Administrative Services		\$ 901,880
100-40-400	Administrative Services Administration	\$ 901,880
Finance		\$ 2,929,237
100-41-405	Accounting	\$ 1,745,952
100-41-406	Business Licenses	\$ 473,445
100-41-425	Purchasing	\$ 369,240
100-41-426	Budget	\$ 340,600
Human Resources		\$ 6,205,347
100-44-412	Human Resources	\$ 1,520,541
642-44-414	Retiree Benefits	\$ 1,388,276
100-44-417	Insurance Administration	\$ 2,034,411
620-44-418	Workers Compensation Insurance	\$ 516,946
641-44-419	Short Term and Long Term Disability	\$ 98,523
641-44-420	Compensated Absences	\$ 646,650
Total		\$ 10,036,464

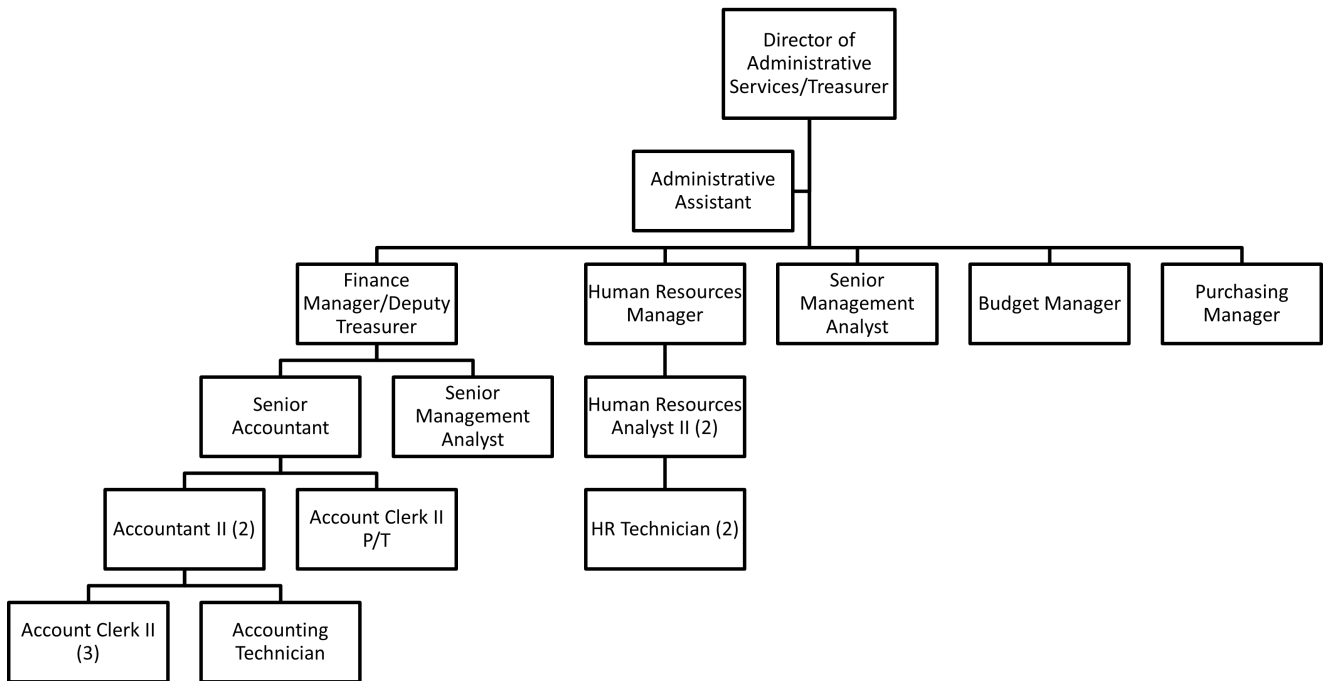
Budget at a Glance

2023 Adopted Budget

Total Revenues	\$ 4,403,661
Total Expenditures	\$ 10,036,464
Fund Balance	\$ (1,332,250)
General Fund Costs	\$ 4,300,553
% Funded by General Fund	42.8%
Total Staffing	18.9 FTE

Organization

Kristina Alfaro, Director of Administrative Services



Performance Measures

Finance Division

Goal: Financial Stability - Provide a sustainable level of core services that are funded from ongoing and stable revenue sources.

Benefit: Citizens can enjoy high quality of services that meet community priorities.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
General Fund fund balance as a % of budgeted appropriations	69%	103%	78%	35%
Credit Rating	AA+	AA+	AA+	AA+
Actual revenue vs. budget (% below budget)	-7%	-19%	-35%	10%
Actual expenditures (% below budget)	17%	15%	23%	5%
Funding allocated to high priority services (Public Works, Community Development, Law Enforcement)	43%	53%	53%	63%

Human Resources Division

Goal: To create a thriving organization with meaningful careers in public service.

Benefit: The agency supports a professional and engaged workforce offering diverse and quality community services.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
# of Worker's Compensation Cases	15	10	13	0
Total recordable Injury Rate YTD	5.7%	5.0%	6.4%	0%
% absenteeism (% of total annual work hours)	3%	2%	2%	2%
% turnover rate*	3%	5%	3%	1%
% Employee satisfaction	N/A	N/A	N/A	100%
% Employee participation in wellness activities	47%	43%	47%	75%
Average # of applications received per recruitment	41	70	48	50
Recruitment timeline - # days from hiring request to offer letter	85	78	70	60
# of employees using the Telework program	N/A	N/A	N/A	17
% Utilization of full-service employee portal	100%	N/A**	N/A**	100%

*Data for resignations only

**Data not applicable

Workload Indicators

Finance Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
# of vendor checks processed	5,668	4,457	2,471
# of payroll checks processed	9,953	7,816	4,014
# of business license applications	901	1,061	410
# of business license renewals	2,842	2,467	677
# of journal entries posted	4,637	3,915	2,108
# of purchase orders approved	495	534	326
# of receipts processed	14,204	10,367	6,016

Human Resources Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
# of regular recruitments	20	24	15
# of regular new hires	20	22	23
# of temporary new hires	N/A	18	12
# of personnel payroll changes	1,104	834	441
# of full-time employee exits processed	14	30	9
# of mandated training classes offered*	N/A	18	8
# of employees participating in the wellness program	91	90	93

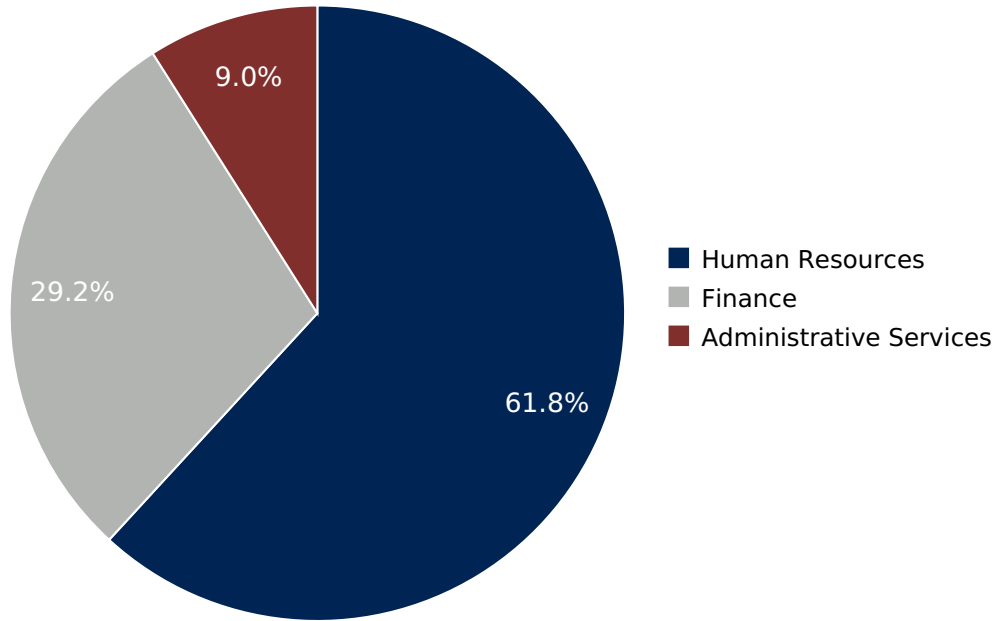
* some trainings mandated every other year, however not on the same annual schedule

Adopted Budget

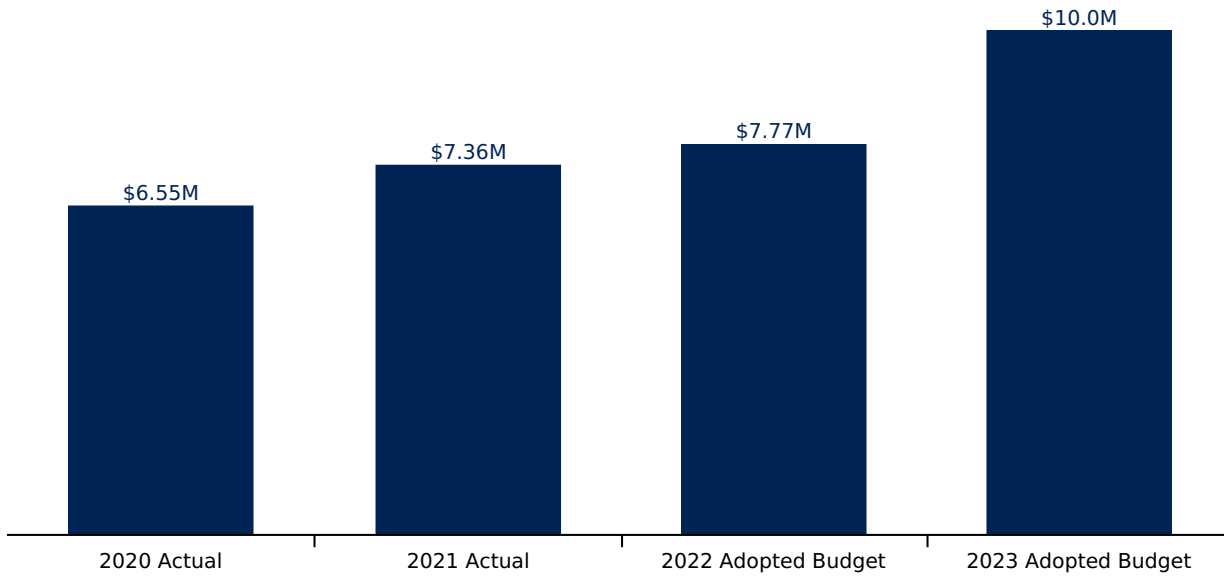
On June 9, 2022, City Council approved a budget of \$10,036,464 for the Administrative Services department. This represents an increase of \$2,265,349 (29.2%) from the FY 2021-22 Adopted Budget.

The increase in Employee Compensation and Benefits is due to the addition of the Purchasing Manager and Budget Manager positions. The increase in Contract Services is primarily due to general liability and property insurance premiums, which are increasing by over \$760,000 compared to last year's budget. One-time special projects include a fee study and federal grants program.

Adopted Expenditures by Division



Department Expenditure History



Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 3,898,699	\$ 4,156,784	\$ 4,837,735	\$ 4,403,661
Miscellaneous Revenue	\$ 35,060	\$ 8,775	\$ -	\$ -
Total Revenues	\$ 3,933,759	\$ 4,165,559	\$ 4,837,735	\$ 4,403,661
Expenditures				
Employee Compensation	\$ 2,028,226	\$ 2,229,343	\$ 2,259,659	\$ 2,688,101
Employee Benefits	\$ 2,096,913	\$ 2,191,476	\$ 2,321,303	\$ 2,660,698
Materials	\$ 184,873	\$ 83,977	\$ 166,641	\$ 191,213
Contract Services	\$ 1,972,395	\$ 2,513,838	\$ 2,612,344	\$ 3,719,161
Cost Allocation	\$ 266,331	\$ 341,705	\$ 341,693	\$ 349,530
Special Projects	\$ -	\$ -	\$ -	\$ 330,000
Contingencies	\$ -	\$ -	\$ 69,475	\$ 97,761
Total Expenditures	\$ 6,548,738	\$ 7,360,339	\$ 7,771,115	\$ 10,036,464
Fund Balance	\$ 1,807,757	\$ (1,678,654)	\$ (941,848)	\$ (1,332,250)
General Fund Costs	\$ 4,422,735	\$ 1,516,125	\$ 1,991,532	\$ 4,300,553

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ACCOUNTANT II	2.00	1.00	2.00	2.00
ACCOUNT CLERK II	2.00	3.00	3.00	3.00
ACCOUNTING TECHNICIAN	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	1.00	0.95	0.95	0.95
BUDGET MANAGER	0	0	0	1.00
DIRECTOR OF ADMIN SERVICES	1.00	1.00	1.00	1.00
FINANCE MANAGER	1.00	0.95	0.95	0.95
HUMAN RESOURCES ANALYST II	1.00	2.00	2.00	2.00
HUMAN RESOURCES MANAGER	1.00	1.00	1.00	1.00
HUMAN RESOURCES TECH	1.00	2.00	2.00	2.00
PURCHASING MANAGER	0	0	0	1.00
SENIOR ACCOUNTANT	1.00	1.00	1.00	1.00
SENIOR MANAGEMENT ANALYST	2.00	2.00	2.00	2.00
Total	14.00	15.90	16.90	18.90

Administrative Services Administration

Budget Unit 100-40-400

General Fund - Administrative Services - Administrative Services Administration

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 156,003
Total Expenditures	\$ 901,880
Fund Balance	\$ -
General Fund Costs	\$ 745,877
% Funded by General Fund	82.7%
Total Staffing	3.8 FTE

Program Overview

The Administrative Services Administration program oversees and coordinates Human Resources/Risk Management, Finance, Purchasing, Budget, and Treasury. Staff support is provided to the Fiscal Strategic and Audit Committees, as well as the Santa Clara County Leadership Academy.

Service Objectives

- Manage the City's investment portfolio to obtain safety of funds, liquidity, and a reasonable rate of return.
- Perform special projects for the City Manager.
- Manage the City's Contract for Law Enforcement Services with the Santa Clara County Sheriff's Office.
- Provide staff support to the Santa Clara County Leadership Academy

Adopted Budget

On June 9, 2022, City Council approved a budget of \$901,880 for the Administrative Services Administration program. This represents a decrease of \$24,423 (-2.6%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged from last fiscal year. The decrease in Materials and Contract Services is due to the transfer of printing costs for the budget document to the Budget program.

Special Projects

The following table shows the special projects for the fiscal year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 69,263	\$ 185,799	\$ 183,169	\$ 156,003
Miscellaneous Revenue	\$ -	\$ (2,800)	\$ -	\$ -
Total Revenues	\$ 69,263	\$ 182,999	\$ 183,169	\$ 156,003
Expenditures				
Employee Compensation	\$ 541,196	\$ 593,523	\$ 594,796	\$ 588,164
Employee Benefits	\$ 239,759	\$ 249,510	\$ 280,580	\$ 282,451
Materials	\$ 76,682	\$ 17,077	\$ 46,067	\$ 29,841
Contract Services	\$ -	\$ 8,323	\$ 3,618	\$ 661
Cost Allocation	\$ 35,067	\$ -	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ 1,242	\$ 763
Total Expenditures	\$ 892,704	\$ 868,433	\$ 926,303	\$ 901,880
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 823,441	\$ 685,434	\$ 743,134	\$ 745,877

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	1.00	0.95	0.95	0.95
DIRECTOR OF ADMIN SERVICES	0.80	0.80	0.80	0.80
SENIOR MANAGEMENT ANALYST	1.00	2.00	2.00	2.00
Total	2.80	3.75	3.75	3.75

There are no changes to the current level of staffing.

Accounting

Budget Unit 100-41-405

General Fund - Finance - Accounting

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 2,105,135
Total Expenditures	\$ 1,745,952
Fund Balance	\$ -
General Fund Costs	\$ (359,183)
% Funded by General Fund	-20.6%
Total Staffing	6.9 FTE

Program Overview

The Finance Division oversees all financial accounting and treasury functions for the City. Accurate and timely maintenance of all City financial records, including financial reporting, revenue collection, banking and investments, disbursement of all funds, and payroll processing are handled by the Finance Division. All required Federal, State and other regulatory reporting with respect to the City's financial condition are prepared in the Accounting program of Finance. In addition, Finance monitors the City's two investment policies, manages budget-to-actual activities for both operational and capital budgets, performs all financial analyses, conducts research, and prepares reports on all fiscal matters of the City for internal and external customers.

Service Objectives

- Process all financial transactions of the City of Cupertino, including general ledger accounting, cash management and investment of City funds, payroll, accounts payable, revenue collections, banking, and miscellaneous billing.
- Record all City financial transactions prudently and within all regulatory requirements.
- Produce timely and accurate financial reports.
- Maintain a high level of professionalism when fulfilling the City's financial policies, processing its financial transactions, and representing the City to its residents.
- Respond promptly to inquiries from the public and other City departments.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,745,952 for the Accounting program. This represents an increase of \$142,952 (8.9%) from the FY 2021-22 Adopted Budget.

The increase in Employee Compensation is due to part-time staff that was not budgeted in FY 2021-22. The increase in Special Projects is due to a fee study of the City's costs of service and fees for service. The fee study will assess the City's fees to ensure appropriate cost recovery and assess the costs of service to facilitate the allocation of overhead costs through the Cost Allocation Plan. The last fee study was performed in FY 2015-16.

Special Projects

The following table shows the special projects for the fiscal year.

Project	Appropriation	Revenue	Funding Source	Description
Fee Study	\$75,000	\$75,000	General Fund	Fee study of City services and costs.
Total	\$75,000	\$75,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 1,673,028	\$ 2,114,792	\$ 2,175,347	\$ 2,105,135
Miscellaneous Revenue	\$ 35,060	\$ 11,553	\$ -	\$ -
Total Revenues	\$ 1,708,088	\$ 2,126,345	\$ 2,175,347	\$ 2,105,135
Expenditures				
Employee Compensation	\$ 730,307	\$ 858,215	\$ 831,742	\$ 875,847
Employee Benefits	\$ 320,800	\$ 370,373	\$ 401,927	\$ 428,205
Materials	\$ 16,564	\$ 8,487	\$ 23,131	\$ 24,009
Contract Services	\$ 188,162	\$ 248,303	\$ 337,192	\$ 333,942
Cost Allocation	\$ 58,882	\$ -	\$ -	\$ -
Special Projects	\$ -	\$ -	\$ -	\$ 75,000
Contingencies	\$ -	\$ -	\$ 9,008	\$ 8,949
Total Expenditures	\$ 1,314,715	\$ 1,485,378	\$ 1,603,000	\$ 1,745,952
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ (393,373)	\$ (640,967)	\$ (572,347)	\$ (359,183)

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ACCOUNTANT II	1.90	1.00	1.90	1.90
ACCOUNT CLERK II	1.50	2.00	2.00	2.00
ACCOUNTING TECHNICIAN	1.00	1.00	1.00	1.00
FINANCE MANAGER	1.00	0.95	0.95	0.95
SENIOR ACCOUNTANT	1.00	1.00	1.00	1.00
Total	6.40	5.95	6.85	6.85

There are no changes to the current level of staffing.

Business Licenses

Budget Unit 100-41-406

General Fund - Finance - Business Licenses

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 473,445
Fund Balance	\$ -
General Fund Costs	\$ 473,445
% Funded by General Fund	100.0%
Total Staffing	1.1 FTE

Program Overview

The Business Licenses program monitors business licensing activity for compliance with the City Municipal Code and applicable state law.

Service Objectives

- Issue business licenses to entities conducting business within the city limits of Cupertino.
- Collect appropriate business license fees.
- Monitor compliance with the Business License Tax Code and provide useful information related to business activity to City departments.
- Identify non-compliant business activity.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$473,445 for the Business Licenses program. This represents an increase of \$69,068 (17.1%) from the FY 2021-22 Adopted Budget.

The increase is due to bank charges for business license transactions in Accela.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 86,146	\$ 97,527	\$ 101,611	\$ 101,611
Employee Benefits	\$ 46,954	\$ 52,727	\$ 62,881	\$ 64,279
Materials	\$ 179	\$ 83	\$ -	\$ -
Contract Services	\$ 9,003	\$ 61,787	\$ -	\$ 65,000
Cost Allocation	\$ 95,029	\$ 252,034	\$ 239,885	\$ 240,930
Contingencies	\$ -	\$ -	\$ -	\$ 1,625
Total Expenditures	\$ 237,311	\$ 464,158	\$ 404,377	\$ 473,445
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 237,311	\$ 464,157	\$ 404,377	\$ 473,445

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ACCOUNTANT II	0.10	0	0.10	0.10
ACCOUNT CLERK II	0.50	1.00	1.00	1.00
Total	0.60	1.00	1.10	1.10

There are no changes to the current level of staffing.

Purchasing

Budget Unit 100-41-425

General Fund - Finance - Purchasing

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 369,240
Fund Balance	\$ -
General Fund Costs	\$ 369,240
% Funded by General Fund	100.0%
Total Staffing	1.0 FTE

Program Overview

The Purchasing program provides centralized oversight and management over the City's procurement of goods and services. Centralized procurement assures fair and open acquisition processes that seek to obtain maximum value for each dollar spent. Major activities include soliciting formal competitive bids and proposals, obtaining quotes, and participating in cooperative procurements with other governmental agencies. In addition, the Purchasing program assists City employees in complying with all legal and ethical requirements.

Service Objectives

- Oversee and manage the procurement of goods and services by the City while ensuring compliance with applicable federal, state, and local laws, ordinances, rules, and regulations.
- Develop and implement strategic procurement planning, procurement policies and procedures, quality control, procurement training, electronic procurement systems, and procurement card administration.
- Provide professional support and contractual advice to all stakeholders involving contractual services, consultants, equipment, supplies, construction, capital improvements, and other applicable activities.
- Keep informed of current developments in the field of purchasing, prices, market conditions, and new products.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$369,240 for the Purchasing program.

Procurement is a new program in FY 2022-23. In FY 2021-22, the City's internal auditor, Moss Adams, conducted a Procurement Operational Review to identify opportunities for improvement in service delivery, internal controls, organization, operations, and process efficiency. Moss Adams recommended the City take steps toward greater centralization of procurement activities and elevate procurement to a strategic function. As a result, the City created a Purchasing Program and added a Purchasing Manager. The Purchasing Manager will:

- Manage the implementation plan for the Procurement Operational Review.

- Oversee and manage procurement operations to ensure compliance with laws, ordinances, rules, and regulations.
- Design and implement procurement policies and procedures and procurement training for City staff.

In addition, Moss Adams recommended that the City create a citywide grant strategy to fully leverage grant funding opportunities. A special project for a federal grants consultant is a pilot program to help the City to leverage grant funding opportunities.

Special Projects

The following table shows the special projects for the fiscal year.

Project	Appropriation	Revenue	Funding Source	Description
Federal Grants Consultant	\$100,000	\$100,000	General Fund	Consultant to help the City leverage Federal grant funding opportunities.
Total	\$100,000	\$100,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ -	\$ -	\$ -	\$ 180,955
Employee Benefits	\$ -	\$ -	\$ -	\$ 84,996
Materials	\$ -	\$ -	\$ -	\$ 3,209
Special Projects	\$ -	\$ -	\$ -	\$ 100,000
Contingencies	\$ -	\$ -	\$ -	\$ 80
Total Expenditures	\$ -	\$ -	\$ -	\$ 369,240
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ -	\$ -	\$ -	\$ 369,240

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
PURCHASING MANAGER	0	0	0	1.00
Total	0	0	0	1.00

The increase in staffing is due to the addition of a Purchasing Manager.

Budget

Budget Unit 100-41-426

General Fund - Finance - Budget

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 340,600
Fund Balance	\$ -
General Fund Costs	\$ 340,600
% Funded by General Fund	100.0%
Total Staffing	1.0 FTE

Program Overview

The Budget program develops, delivers, and manages the annual operating budget. The Budget program also develops and updates the twenty-year long-term financial forecast and revenue and expenditure projections. Additionally, the Budget program provides financial planning and fiscal analysis on City issues and complex business decisions.

Service Objectives

- Develops the annual operating budget.
- Coordinates the preparation and publication of the operating budget document.
- Communicates the budget through the City's interactive financial transparency portal.
- Engages residents in the budgeting process.
- Develops the Twenty-Year General Fund Financial Forecast.
- Prepares and updates revenue and expenditure forecasts.
- Analyze budget performance during the year and prepare Quarterly Financial Reports.
- Provides departments with timely and accurate financial reports to assist them in their daily decision-making.
- Assists departments with any necessary budget amendments during the year.
- Advises the City in the areas of short and long-term financial planning and fiscal analysis.
- Advises the City in developing and implementing sound financial policies.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$340,600 for the Budget program.

Budget is a new program for FY 2022-23. The City added a Budget Manager to provide more resources to manage the City's budget process. Previously, the Finance Manager managed all financial operations, including accounting, business licensing, and budget.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description	Strategic Goal
Analyze Potential Revenue Measures	\$50,000	\$50,000	General Fund	City Work Program: Analyze potential revenue measures, such as transient occupancy tax, sales tax, property tax, and utility users tax, to address possible future financing challenges.	Sustainability and Fiscal Strategy
Total	\$50,000	\$50,000			

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ -	\$ -	\$ -	\$ 180,955
Employee Benefits	\$ -	\$ -	\$ -	\$ 84,996
Materials	\$ -	\$ -	\$ -	\$ 21,091
Contract Services	\$ -	\$ -	\$ -	\$ 2,957
Special Projects	\$ -	\$ -	\$ -	\$ 50,000
Contingencies	\$ -	\$ -	\$ -	\$ 601
Total Expenditures	\$ -	\$ -	\$ -	\$ 340,600
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ -	\$ -	\$ -	\$ 340,600

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
BUDGET MANAGER	0	0	0	1.00
Total	0	0	0	1.00

The increase in staffing is due to the addition of a Budget Manager.

Human Resources

Budget Unit 100-44-412

General Fund - Human Resources - Human Resources

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 1,706,378
Total Expenditures	\$ 1,520,541
Fund Balance	\$ -
General Fund Costs	\$ (185,837)
% Funded by General Fund	-12.2%
Total Staffing	4.9 FTE

Program Overview

The Human Resources Division is responsible for the administration of human resource, employee benefits, and labor relation programs including personnel selection, classification, compensation, equal employment opportunity, labor negotiations, employee relations, employee training and development, benefits, and retirement. In addition, Human Resources administers risk management, safety and wellness programs, and a self-insured workers' compensation program. Funding for retiree medical insurance is also covered in the Human Resources budget.

Service Objectives

- Provide a working environment where respect for the individual is encouraged and safeguarded.
- Provide timely personnel services to departments and divisions in a fair, objective, and equitable manner.
- Enter into agreements with employee groups concerning terms and conditions of employment.
- Provide an employee development program addressing immediate and long-term training needs.
- Provide departments a listing of qualified persons for employment consideration within sixty days of an authorized vacant position.
- Ensure equal employment opportunities.
- Administer classification plan.
- Administer employee benefits.
- Provide personnel services consistent with the operational needs of the user department.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,520,541 for the Human Resources program. This represents an increase of \$41,426 (2.8%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged from last fiscal year. Contract Services are decreasing because a salary study and chief negotiator for labor negotiations were budgeted in FY 2021-22. Special projects are increasing due to the hybrid recruitment strategy and online marketing and branding.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description	Strategic Goal
Hybrid Recruitment Strategy	\$40,000	\$40,000	General Fund	Consultant fees for search portion of recruitments for Executive and Senior Management level positions, and other key positions as necessary	
Online Marketing and Branding	\$50,000	\$50,000	General Fund	Consultant fees to develop a comprehensive Talent Attraction campaign for the City	
Student Internship Program	\$15,000	\$15,000	General Fund	City Work Program: Implement a trial student summer internship program with the City of Cupertino. Initial year will be on a limited basis. If approved, applications will be sought for one-, two- or three-week internships during the summer, with applications to be released in mid-July. Internships will be project-focused, with participating City departments asked to identify a specific project or projects that a student intern can undertake.	Public Engagement and Transparency
Total	\$105,000	\$105,000			

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 959,351	\$ 1,609,812	\$ 2,122,380	\$ 1,706,378
Miscellaneous Revenue	\$ -	\$ 22	\$ -	\$ -
Total Revenues	\$ 959,351	\$ 1,609,834	\$ 2,122,380	\$ 1,706,378
Expenditures				
Employee Compensation	\$ 623,303	\$ 635,667	\$ 683,904	\$ 711,571
Employee Benefits	\$ 321,161	\$ 281,792	\$ 327,828	\$ 320,794
Materials	\$ 84,975	\$ 58,330	\$ 97,443	\$ 113,063
Contract Services	\$ 463,988	\$ 568,564	\$ 358,540	\$ 260,767
Cost Allocation	\$ 42,307	\$ -	\$ -	\$ -
Special Projects	\$ -	\$ -	\$ -	\$ 105,000
Contingencies	\$ -	\$ -	\$ 11,400	\$ 9,346
Total Expenditures	\$ 1,535,734	\$ 1,544,353	\$ 1,479,115	\$ 1,520,541
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 576,383	\$ (65,481)	\$ (643,265)	\$ (185,837)

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
DIRECTOR OF ADMIN SERVICES	0.20	0.20	0.20	0.20
HUMAN RESOURCES ANALYST II	0.80	1.70	1.70	1.70
HUMAN RESOURCES MANAGER	1.00	1.00	1.00	1.00
HUMAN RESOURCES TECH	0.95	1.95	1.95	1.95
SENIOR MANAGEMENT ANALYST	0.90	0	0	0
Total	3.85	4.85	4.85	4.85

There are no changes to the current level of staffing.

Retiree Benefits

Budget Unit 642-44-414

Retiree Medical - Human Resources - Retiree Benefits

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 1,388,276
Fund Balance	\$ (1,388,276)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

The Retiree Benefits program administers the City's Other Post-Employment Benefits (OPEB).

Service Objectives

Provide investment oversight and appropriate funding for the City's retiree medical liability. The City established a trust account with Public Agency Retirement Services (PARS) that will fund the future liability. Annual contributions from the City are deposited into the trust and invested in a portfolio of equity, bond, and money market funds.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,388,276 for the Retiree Benefits program. This represents an increase of \$146,350 (11.8%) from the FY 2021-22 Adopted Budget.

The increase is due to an increase in the actuarially determined contribution's normal cost for the City's Other Post-Employment Benefits (OPEB) plan. Starting in FY 2022-23, the City plans to fund OPEB costs with the City's Section 115 OPEB Trust as the City's OPEB plan is over 100% funded. Funding OPEB costs with the OPEB Trust will eliminate the transfers from the General Fund to the Retiree Medical Fund.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Benefits	\$ 1,142,793	\$ 1,220,074	\$ 1,227,045	\$ 1,373,494
Cost Allocation	\$ 6,262	\$ 10,982	\$ 14,881	\$ 14,782
Total Expenditures	\$ 1,149,055	\$ 1,231,056	\$ 1,241,926	\$ 1,388,276
Fund Balance	\$ 1,242,945	\$ (1,185,056)	\$ (169,215)	\$ (1,388,276)
General Fund Costs	\$ 2,392,000	\$ 46,000	\$ 1,072,711	\$ -

Staffing

There is no staffing associated with this program.

Insurance Administration

Budget Unit 100-44-417

General Fund - Human Resources - Insurance Administration

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 2,034,411
Fund Balance	\$ -
General Fund Costs	\$ 2,034,411
% Funded by General Fund	100.0%
Total Staffing	0.2 FTE

Program Overview

The Insurance Administration program manages Risk Management safety programs and self-insured Workers' Compensation and General Liability programs.

Service Objectives

- Satisfy statutory regulations regarding Workers' Compensation and employee safety.
- Promote work environment that emphasizes safe work practices.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$2,034,411 for the Insurance Administration program. This represents an increase of \$1,069,059 (110.7%) from the FY 2021-22 Adopted Budget.

The increase is primarily due to the annual premium increase for Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA). The premium is increasing by approximately \$364,000, or 40%, compared to last year's actuals, and \$761,000, or 147%, compared to last year's budget.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 959,351	\$ -	\$ -	\$ -
Total Revenues	\$ 959,351	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 18,312	\$ 16,053	\$ 19,005	\$ 19,953
Employee Benefits	\$ 8,734	\$ 6,943	\$ 8,730	\$ 9,000
Materials	\$ 2	\$ -	\$ -	\$ -
Contract Services	\$ 602,487	\$ 764,636	\$ 866,155	\$ 1,903,469
Cost Allocation	\$ 7,789	\$ 46,350	\$ 49,808	\$ 54,402
Contingencies	\$ -	\$ -	\$ 21,654	\$ 47,587
Total Expenditures	\$ 637,324	\$ 833,982	\$ 965,352	\$ 2,034,411
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ (322,027)	\$ 833,982	\$ 965,352	\$ 2,034,411

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
HUMAN RESOURCES ANALYST II	0.05	0.10	0.10	0.10
HUMAN RESOURCES TECH	0.05	0.05	0.05	0.05
SENIOR MANAGEMENT ANALYST	0.05	0	0	0
Total	0.15	0.15	0.15	0.15

There are no changes to the current level of staffing.

Workers Compensation Insurance

Budget Unit 620-44-418

Workers' Compensation - Human Resources - Workers Compensation Insurance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 436,145
Total Expenditures	\$ 516,946
Fund Balance	\$ (80,801)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	0.2 FTE

Program Overview

This program provides oversight of the Workers' Compensation program, including claims, proactive Risk Management, return to work accommodations and excess workers compensation insurance.

Service Objectives

- Manage employee personal injuries and illnesses and provide proactive risk management for disability avoidance.
- Monitor costs associated with claims.
- Analyze and implement proactive measures to curtail costs.
- Implement a return to work policy.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$516,946 for the Workers Compensation Insurance program. This represents an increase of \$82,106 (18.9%) from the FY 2021-22 Adopted Budget.

The increase is due to an increase in the premium for Excess Workers' Compensation (PRISM). Worker's Compensation premiums have increased due to increases in the pool rates and the City's estimated FY 2022-23 payroll.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 237,706	\$ 246,381	\$ 356,839	\$ 436,145
Total Revenues	\$ 237,706	\$ 246,381	\$ 356,839	\$ 436,145
Expenditures				
Employee Compensation	\$ 28,962	\$ 28,358	\$ 28,601	\$ 29,045
Employee Benefits	\$ 16,712	\$ 10,057	\$ 12,312	\$ 12,483
Materials	\$ 6,471	\$ -	\$ -	\$ -
Contract Services	\$ 160,237	\$ 35,105	\$ 356,839	\$ 436,145
Cost Allocation	\$ 16,672	\$ 24,572	\$ 28,167	\$ 28,369
Contingencies	\$ -	\$ -	\$ 8,921	\$ 10,904
Total Expenditures	\$ 229,054	\$ 98,092	\$ 434,840	\$ 516,946
Fund Balance	\$ 8,653	\$ 148,289	\$ (78,001)	\$ (80,801)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
HUMAN RESOURCES ANALYST II	0.15	0.20	0.20	0.20
SENIOR MANAGEMENT ANALYST	0.05	0	0	0
Total	0.20	0.20	0.20	0.20

There are no changes to the current level of staffing.

Short Term and Long Term Disability

Budget Unit 641-44-419

Compensated Absence/LTD - Human Resources - Short Term and Long Term Disability

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 98,523
Fund Balance	\$ (98,523)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

This program oversees claims and premiums associated with Short Term and Long Term Disability.

Service Objectives

- Obtain and manage insurance policies
- Negotiate rates
- Coordination of claims

Adopted Budget

On June 9, 2022, City Council approved a budget of \$98,523 for the Short Term and Long Term Disability program. This represents an increase of \$2,911 (3.0%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged from last fiscal year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Contract Services	\$ 167,319	\$ 121,910	\$ 90,000	\$ 93,420
Cost Allocation	\$ 1,634	\$ 2,712	\$ 3,362	\$ 2,767
Contingencies	\$ -	\$ -	\$ 2,250	\$ 2,336
Total Expenditures	\$ 168,953	\$ 124,622	\$ 95,612	\$ 98,523
Fund Balance	\$ (168,953)	\$ (124,622)	\$ (95,612)	\$ (98,523)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

There is no staffing associated with this program.

Compensated Absences

Budget Unit 641-44-420

Compensated Absence/LTD - Human Resources - Compensated Absences

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 646,650
Fund Balance	\$ 235,350
General Fund Costs	\$ 882,000
% Funded by General Fund	136.4%
Total Staffing	FTE

Program Overview

This program provides for payment of liabilities associated with employees retiring or leaving service.

Service Objectives

Properly account and disburse benefits as set forth in the employee contracts.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$646,650 for the Compensated Absences program. This represents an increase of \$26,060 (4.2%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged from last fiscal year. The budget is estimated based on 50% of hours eligible to be cashed out.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Contract Services	\$ 381,199	\$ 705,210	\$ 600,000	\$ 622,800
Cost Allocation	\$ 2,689	\$ 5,055	\$ 5,590	\$ 8,280
Contingencies	\$ -	\$ -	\$ 15,000	\$ 15,570
Total Expenditures	\$ 383,888	\$ 710,265	\$ 620,590	\$ 646,650
Fund Balance	\$ 725,112	\$ (517,265)	\$ (599,020)	\$ 235,350
General Fund Costs	\$ 1,109,000	\$ 193,000	\$ 21,570	\$ 882,000

Staffing

There is no staffing associated with this program.

Parks and Recreation

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Department Overview

Budget Units

Budget Unit	Program	2023 Adopted Budget
Parks and Recreation		\$ 2,370,011
100-60-601	Recreation Administration	\$ 1,769,745
100-60-636	Library Services	\$ 600,266
Business and Community Services		\$ 1,542,217
100-61-602	Administration	\$ 642,068
100-61-605	Cultural Events	\$ 493,143
100-61-630	Facilities	\$ 407,006
Recreation and Education		\$ 3,779,155
100-62-608	Administration	\$ 713,833
580-62-613	Youth Teen Recreation	\$ 1,504,209
100-62-623	Senior Center	\$ 1,076,295
100-62-639	Teen Programs	\$ 330,511
100-62-640	Neighborhood Events	\$ 154,307
Sports, Safety and Outdoor Recreation		\$ 5,692,057
100-63-612	Park Facilities	\$ 1,218,846
100-63-615	Administration	\$ 59,668
560-63-616	Blackberry Farm Golf Course	\$ 668,446
580-63-620	Outdoor Recreation	\$ 869,015
570-63-621	Sports Center Operations	\$ 2,876,082
Total		\$ 13,383,440

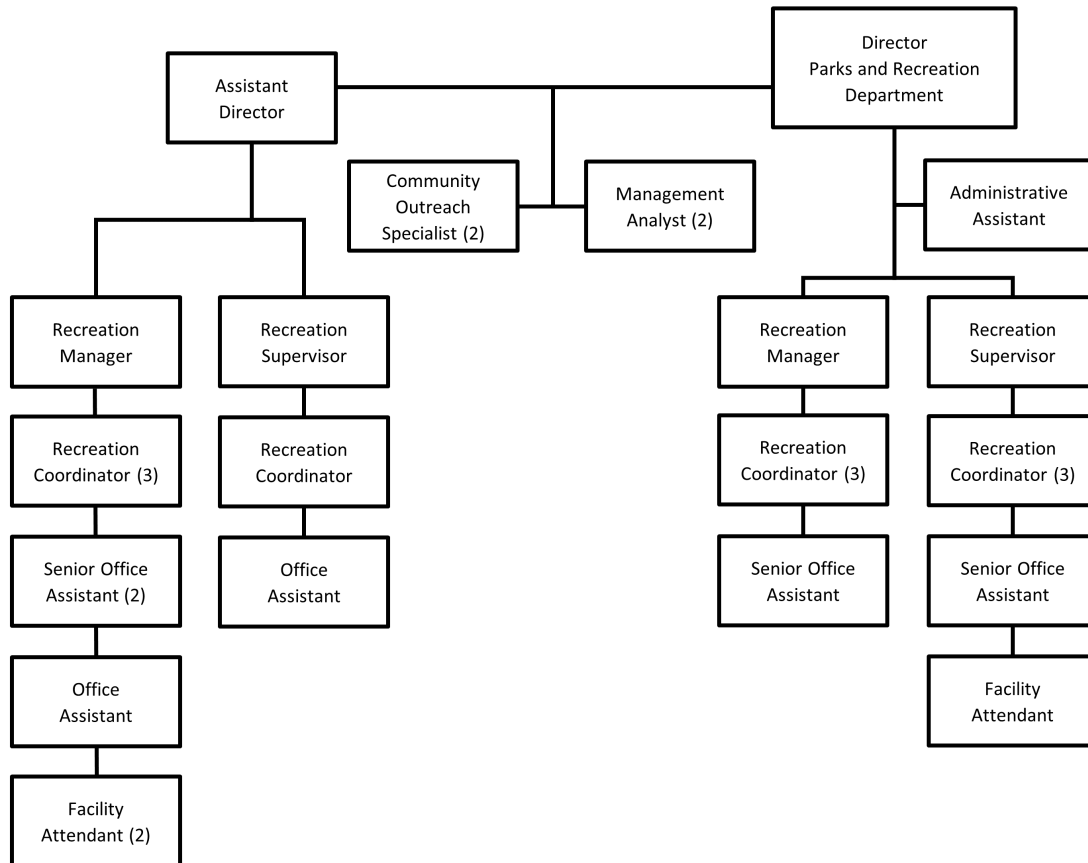
Budget at a Glance

2023 Adopted Budget

Total Revenues	\$ 5,241,367
Total Expenditures	\$ 13,383,440
Fund Balance	\$ (971,602)
General Fund Costs	\$ 7,170,471
% Funded by General Fund	53.6%
Total Staffing	29.5 FTE

Organization

Joanne Magrini, Director of Parks and Recreation



Performance Measures

Goal: Create a positive, healthy and connected community.

Benefit: Cupertino has an exceptional system of parks and services that align with community values.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
% of Parks and Recreation Department customers surveyed who rate services as good or excellent	98%	94%	91%	85%
% of programs maintaining minimum registration	62%	46%	79%	80%
% Department's total cost recovery for all (direct and indirect) costs	37%	39%	50%	40%
% change in participants*	-16%	-39%	117%	+1%
# of new programs or events offered	89	37	4	50

*Increase due to more programs offered and partial reopening of services.

Workload Indicators

Business and Community Services Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Number of reservations at Quinlan Center	273	8	94
Number of festival applications received	11	12	0

Recreation and Education Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Number of registrations	7,142	1,194	1,503
Number of survey respondents	1,501	171	230
Number of Senior Center classes offered	129	100	91
Number of Senior Center trips offered	19	0	0

Sports, Safety, and Outdoor Recreation Division

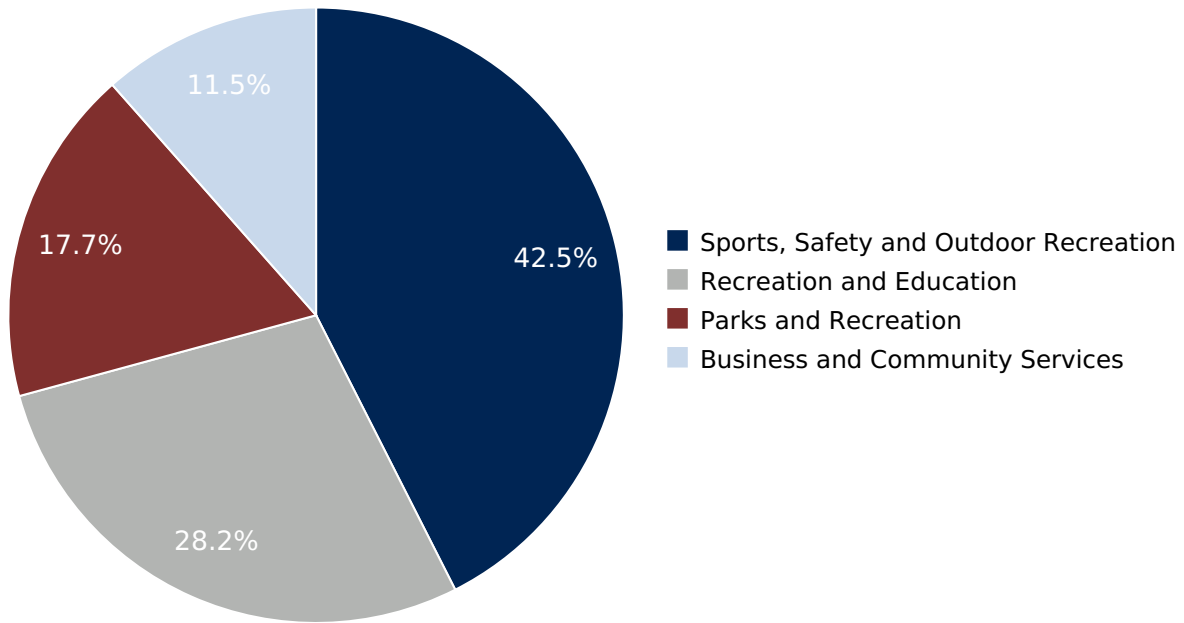
Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Number of programs offered	332	888	517
Number of picnic reservations at BBF	227	9	76
Rounds of golf at BBF Golf Course	14,476	43,650	20,626
Sports Center Memberships	1,802	1,655	1,608

Adopted Budget

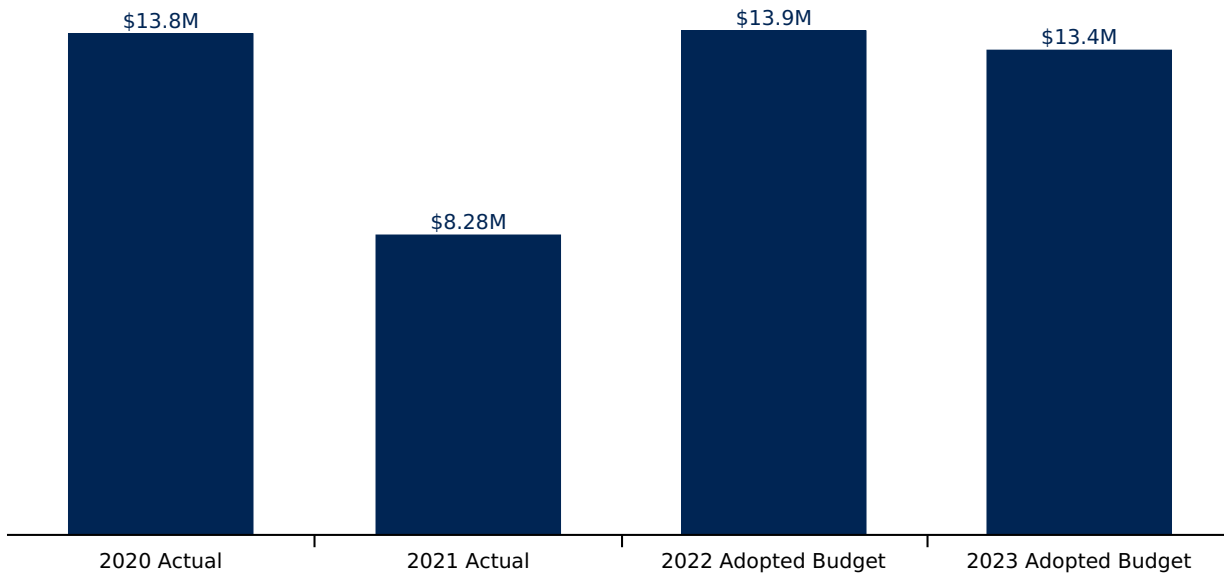
On June 9, 2022, City Council approved a budget of \$13,383,440 for the Parks and Recreation department. This represents a decrease of \$534,228 (-3.8%) from the FY 2021-22 Adopted Budget.

The decrease is due to a reduction in Cost Allocation expenses as a result of lower IT costs and fewer financial transactions in FY 2020-21. This decrease is offset by an increase in Employee Compensation and Benefits due to the addition of a Community Outreach Specialist.

Adopted Expenditures by Division



Department Expenditure History



Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 562,335	\$ 432,447	\$ 878,500	\$ 950,157
Charges for Services	\$ 4,821,021	\$ 2,708,714	\$ 4,071,395	\$ 4,260,210
Miscellaneous Revenue	\$ (7,245)	\$ 1,250	\$ 31,000	\$ 31,000
Total Revenues	\$ 5,376,111	\$ 3,142,411	\$ 4,980,895	\$ 5,241,367
Expenditures				
Employee Compensation	\$ 3,954,752	\$ 2,856,246	\$ 4,481,811	\$ 4,654,234
Employee Benefits	\$ 1,445,922	\$ 1,233,077	\$ 1,547,823	\$ 1,652,215
Materials	\$ 475,640	\$ 232,871	\$ 764,765	\$ 712,625
Contract Services	\$ 3,362,305	\$ 1,845,424	\$ 4,627,455	\$ 4,504,330
Cost Allocation	\$ 4,527,709	\$ 2,102,688	\$ 2,243,403	\$ 1,675,311
Special Projects	\$ 71,628	\$ 9,432	\$ 125,000	\$ 65,000
Contingencies	\$ -	\$ -	\$ 127,411	\$ 119,725
Total Expenditures	\$ 13,837,956	\$ 8,279,738	\$ 13,917,668	\$ 13,383,440
Fund Balance	\$ 266,437	\$ 1,791,839	\$ (1,242,062)	\$ (971,602)
General Fund Costs	\$ 8,728,282	\$ 6,929,168	\$ 7,694,711	\$ 7,170,471

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	1.95	0.90	0.90	0.90
ASST DIR RECREATION COMM SVCS	1.00	0.95	0.95	0.85
CASE MANAGER	2.00	0	0	0
COMMUNITY OUTREACH SPECIALIST	0.70	0.70	0.70	2.00
DIRECTOR OF PARKS REC	0.95	0.95	0.95	0.95
FACILITY ATTENDANT	3.00	3.00	3.00	3.00
MANAGEMENT ANALYST	1.00	1.00	1.00	2.00
OFFICE ASSISTANT	2.00	2.00	2.00	2.00
RECREATION COORDINATOR	12.55	11.43	11.43	9.88
RECREATION COORDINATOR LTD TERM	1.00	0	0	0
RECREATION MANAGER	0	0	0	1.90
RECREATION SUPERVISOR	4.00	3.95	3.95	2.00
SR OFFICE ASSISTANT	3.00	3.00	3.00	4.00
Total	33.15	27.88	27.88	29.48

Recreation Administration

Budget Unit 100-60-601

General Fund - Parks and Recreation - Recreation Administration

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 1,769,745
Fund Balance	\$ -
General Fund Costs	\$ 1,769,745
% Funded by General Fund	100.0%
Total Staffing	6.7 FTE

Program Overview

The Recreation Administration program provides overall department administration, project management, community outreach, support to the Parks and Recreation and Library Commissions, and administration of recreation management software.

Service Objectives

- Provide overall department administration, budget control, contract support, policy development, administration of recreation management software, and employee development and evaluation.
- Support the Planning and Public Works Departments in the development, renovation, and improvements of parks and open spaces.
- Implementation of recommendations from the Parks and Recreation System Master Plan.
- Monitor and facilitate partnerships in regards to Library and other community organizations.
- Outreach to the community in conjunction with programs and the Parks and Recreation System Master Plan.
- Promote partnerships with Cupertino Union School District, Fremont Union High School District, and De Anza College.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,769,745 for the Recreation Administration program. This represents an increase of \$317,489 (21.9%) from the FY 2021-22 Adopted Budget.

The increase in Employee Compensation and Benefits is due to the reorganization of staff within the Department and the addition of a Management Analyst and Community Outreach Specialist. This is partially offset by a reduction in Special Projects, which vary from year to year.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description	Strategic Goal
Intergenerational Engagement	\$20,000	\$20,000	General Fund	<p>City Work Program: Many seniors have a wealth of lifelong experiences. Many teens do not have grandparents nearby. Activities cross generations could benefit both. Schools could engage seniors in the community to attend school open house or serve as volunteers, such as reading partners</p>	Public Engagement and Transparency
Senior Strategy	\$35,000	\$35,000	General Fund	<p>City Work Program: Address the needs of seniors in collaboration with the City Council and Commissions. Needs to address include technology resources, housing, food supply, transportation, and mental and physical health and wellbeing. Administer a second in-depth senior survey to learn about senior needs (including aging in place and elder financial abuse).</p>	Public Engagement and Transparency
Artwork at the Library/Exhibits/Poetry and Art Day	\$10,000	\$10,000	General Fund	<p>City Work Program: Collaborate with groups such as the Fine Arts Commission and Cupertino Poet Laureate to display artwork, including exhibits, at the Library. Exhibits could potentially be around the library and in the new programming space.</p>	Quality of Life
Total	\$65,000	\$65,000			

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 609,735	\$ 559,798	\$ 712,741	\$ 972,240
Employee Benefits	\$ 211,543	\$ 234,509	\$ 316,133	\$ 440,265
Materials	\$ 103,613	\$ 38,274	\$ 209,446	\$ 209,269
Contract Services	\$ 62,355	\$ 40,307	\$ 80,805	\$ 75,843
Cost Allocation	\$ 27,563	\$ -	\$ -	\$ -
Special Projects	\$ -	\$ -	\$ 124,000	\$ 65,000
Contingencies	\$ -	\$ -	\$ 9,131	\$ 7,128
Total Expenditures	\$ 1,014,809	\$ 872,888	\$ 1,452,256	\$ 1,769,745
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 1,014,809	\$ 872,887	\$ 1,452,256	\$ 1,769,745

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0.95	0.90	0.90	0.90
ASST DIR RECREATION COMM SVCS	1.00	0.95	0.95	0.85
COMMUNITY OUTREACH SPECIALIST	0.70	0.70	0.70	2.00
DIRECTOR OF PARKS REC	0.95	0.95	0.95	0.95
MANAGEMENT ANALYST	1.00	1.00	1.00	2.00
Total	4.60	4.50	4.50	6.70

Staff time has increased based on the reallocation and reclassification of a Recreation Coordinator position to a Management Analyst and addition of a Community Outreach Specialist.

Library Services

Budget Unit 100-60-636

General Fund - Parks and Recreation - Library Services

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 600,266
Fund Balance	\$ -
General Fund Costs	\$ 600,266
% Funded by General Fund	100.0%
Total Staffing	FTE

Program Overview

This budget augments the existing library service currently provided to our community through the Santa Clara County (SCC) Library Joint Powers Authority.

Service Objectives

- Provide increased library service for our constituents through support of 12 additional operational hours per week.
- Explore partnerships with the SCC Library for recreation and community programs.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$600,266 for the Library Services program. This represents a decrease of \$5,262 (-0.9%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged from last fiscal year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Contract Services	\$ 117,000	\$ -	\$ 371,738	\$ 419,452
Cost Allocation	\$ 681,040	\$ 198,415	\$ 233,790	\$ 180,814
Total Expenditures	\$ 798,040	\$ 198,415	\$ 605,528	\$ 600,266
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 798,040	\$ 198,415	\$ 605,528	\$ 600,266

Staffing

There is no staffing associated with this program.

Administration

Budget Unit 100-61-602

General Fund - Business and Community Services - Administration

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 642,068
Fund Balance	\$ -
General Fund Costs	\$ 642,068
% Funded by General Fund	100.0%
Total Staffing	3.4 FTE

Program Overview

The Business Division supports department programs and services through the provision of customer service and analytical support, development, and administration of policies. The division is also responsible for the department's community outreach programs, including community festivals and City events at a variety of parks. This division also manages Quinlan Community Center (QCC) and Community Hall, as well as facility and park picnic rentals.

Service Objectives

- Provide first-rate customer service through the implementation of consistent policies, procedures, and performance standards.
- Administer recreation software system for customer registration, memberships, point-of-sale, and facility rentals.
- Collect and analyze data from customer satisfaction surveys and program and revenue reports to improve programs and services.
- Increase participation at City events including 4th of July, Big Bunny 5k and Kids Fun Run, Summer Concerts, Movies in the Park, Shakespeare in the Park, and the Tree Lighting Ceremony.
- Issue parks and facilities permits for individual customers as well as community festivals and events that promote our diverse culture and connected community.
- Maintain a positive relationship with neighborhoods adjacent to our facilities and parks.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$642,068 for the Administration program. This represents a decrease of \$80,069 (-11.1%) from the FY 2021-22 Adopted Budget.

The decrease is mainly due to reductions in Cost Allocations and Employee Compensation and Benefits.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 336,728	\$ 308,484	\$ 309,384	\$ 280,090
Employee Benefits	\$ 176,722	\$ 173,798	\$ 183,164	\$ 172,255
Materials	\$ 1,159	\$ 476	\$ 2,315	\$ 2,440
Cost Allocation	\$ 147,895	\$ 254,093	\$ 227,216	\$ 187,222
Contingencies	\$ -	\$ -	\$ 58	\$ 61
Total Expenditures	\$ 662,504	\$ 736,851	\$ 722,137	\$ 642,068
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 662,503	\$ 736,851	\$ 722,137	\$ 642,068

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	1.00	0	0	0
OFFICE ASSISTANT	1.00	1.00	1.00	1.00
RECREATION COORDINATOR	0.50	0.35	0.35	0.35
RECREATION SUPERVISOR	0.50	0.40	0.20	0
SR OFFICE ASSISTANT	2.00	2.00	2.00	2.00
Total	5.00	3.75	3.55	3.35

Staff time is being reallocated to better reflect actual time spent in this program.

Cultural Events

Budget Unit 100-61-605

General Fund - Business and Community Services - Cultural Events

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 31,000
Total Expenditures	\$ 493,143
Fund Balance	\$ -
General Fund Costs	\$ 462,143
% Funded by General Fund	93.7%
Total Staffing	0.9 FTE

Program Overview

The Business and Community Service Division's events program produces the City's special events including 4th of July festivities and Big Bunny 5K, and those hosted at Memorial Park and Quinlan Community Center including the Summer Concert Series, Movies in the Park, Shakespeare in the Park, and Tree Lighting. This staff also serves as liaison and issues permits for community festivals at Memorial Park including the Cherry Blossom Festival, World Journal Festival, Kids 'N Fun Festival, Rotary Fall Festival, Veteran's Day Memorial Ceremony, Diwali Festival, Bhubaneswar Sister City's India Heritage Fair, Dilli Haat, Holi, Relay for Life, and more.

Service Objectives

- Provide a summer concert series at Memorial Park.
- Produce a summer movie series at Memorial Park.
- Partner with the San Francisco Shakespeare Company to produce Free Shakespeare in the Park in Cupertino.
- Organize and facilitate the 4th of July Independence Day celebration and fireworks show.
- Organize and facilitate the Big Bunny 5K fun run.
- Bring the community together with the annual Tree Lighting celebration.
- Serve as liaison and issue special event permits to nonprofit organization event producers to ensure successful community and cultural festivals in Memorial Park.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$493,143 for the Cultural Events program. This represents an increase of \$60,006 (13.9%) from the FY 2021-22 Adopted Budget.

The increase in Employee Compensation and Benefits is due to the reorganization of the Department and reallocation of a Recreation Manager to match the responsibilities assigned to the position.

The following table shows all festival costs for FY 2022-23.

Festival	Date	Festival Producer	Waived Fees			City Paid Expenses		Total Costs
			Recreation	Facility/Park/ Road Permits	Public Works	Sheriff	Materials	Total
Kids 'N Fun Festival	13-Aug-22	Taiwanese Cultural and Sports Association	\$2,376	\$5,510	\$3,219	\$4,852		\$15,957
Dilli Haat	10-Sep-22	WomenNow	\$2,376	\$3,000	\$2,812	\$4,003		\$12,191
Day N Night Fun Fest	24-Sep-22	Cupertino Rotary	\$2,561	\$4,304	\$4,111	\$5,822		\$16,798
Diwali Festival	8-Oct-22	Cupertino Chamber of Commerce	\$2,207	\$3,530	\$3,176	\$4,852		\$13,764
Veterans Day	11-Nov-22	Veteren's Memorial	\$675	\$1,000	\$0	\$0	\$1,500	\$3,175
Ikebana Flower Show	February (postponed from Oct 22')	WAFU Ikebana Society	\$2,944	\$18,507	\$543	\$0		\$21,994
Egg Hunt	April 1,2023	The Home of Christ Church in Cupertino	\$681	\$2,000	\$23	\$0		\$2,704
Holi	1-Apr-23	Cupertino Chamber of Commerce	\$1,354	\$1,720	\$300	\$2,183		\$5,557
Cherry Blossom	April 29- 30, 2023	Toyokawa Sister City	\$4,537	\$16,878	\$6,628	\$9,461		\$37,504
India Heritage Fair	18-Mar-23	Cupertino Bhubaneswar Sister City	\$2,037	\$5,010	\$3,136	\$2,911		\$13,094
Relay for Life	17-Jun-23	American Cancer Society	\$309	\$2,576	\$14	\$0		\$2,899
Total			\$22,059	\$64,034	\$23,962	\$34,082	\$1,500	\$145,637
				TOTAL Waived Fees	\$110,054	TOTAL City Paid	\$35,582	TOTAL Festival Costs

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Miscellaneous Revenue	\$ (8,595)	\$ -	\$ 31,000	\$ 31,000
Total Revenues	\$ (8,595)	\$ -	\$ 31,000	\$ 31,000
Expenditures				
Employee Compensation	\$ 77,563	\$ 47,926	\$ 88,433	\$ 130,441
Employee Benefits	\$ 29,605	\$ 28,554	\$ 31,624	\$ 47,977
Materials	\$ 18,199	\$ 17,436	\$ 34,737	\$ 36,058
Contract Services	\$ 122,202	\$ 8,265	\$ 219,004	\$ 217,784
Cost Allocation	\$ 43,037	\$ 58,947	\$ 52,995	\$ 54,537
Contingencies	\$ -	\$ -	\$ 6,344	\$ 6,346
Total Expenditures	\$ 290,606	\$ 161,128	\$ 433,137	\$ 493,143
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 299,202	\$ 161,129	\$ 402,137	\$ 462,143

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
RECREATION COORDINATOR	0.50	0.50	0.50	0.65
RECREATION MANAGER	0	0	0	0.25
Total	0.50	0.50	0.50	0.90

Staff time is being reallocated to better reflect actual time spent in this program.

Facilities

Budget Unit 100-61-630

General Fund - Business and Community Services - Facilities

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 203,660
Total Expenditures	\$ 407,006
Fund Balance	\$ -
General Fund Costs	\$ 203,346
% Funded by General Fund	50.0%
Total Staffing	2.3 FTE

Program Overview

Community Hall provides space for City Council meetings and various Commission meetings, as well as facility rental space available for a variety of activities including business meetings, community events, and Cupertino Library programs. The Quinlan Community Center houses the administrative office of the Parks and Recreation Department and serves as facility space for rentals and a variety of recreational, social, and community activities.

Service Objectives

- Provide a rental facility for community meetings, business functions, social events, and other similar activities.
- Provide a facility for City Channel programming, and City Council, Planning Commission, Parks and Recreation Commission and other City meetings.
- Offer in-person and online registration for recreation programs.
- Schedule facility space for contractual and staff-run classes and camps.
- House the Cupertino Historical Society.
- Serve as an Emergency Operations Shelter in case of disasters.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$407,006 for the Facilities program. This represents an increase of \$40,113 (10.9%) from the FY 2021-22 Adopted Budget.

The increase in Employee Compensation and Benefits is due to the reorganization of the Department and reclassification of the Recreation Supervisor to Recreation Manager to match the increase in responsibilities and duties assigned to the position.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 118,874	\$ 12,061	\$ 115,000	\$ 145,000
Charges for Services	\$ 404,343	\$ 37,055	\$ 53,395	\$ 58,660
Total Revenues	\$ 523,217	\$ 49,116	\$ 168,395	\$ 203,660
Expenditures				
Employee Compensation	\$ 255,932	\$ 185,667	\$ 237,255	\$ 263,790
Employee Benefits	\$ 89,831	\$ 90,201	\$ 93,053	\$ 103,297
Materials	\$ 13,486	\$ 9,722	\$ 28,121	\$ 29,105
Contract Services	\$ 19,164	\$ 210	\$ 7,572	\$ 9,840
Cost Allocation	\$ 58,657	\$ -	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ 892	\$ 974
Total Expenditures	\$ 437,070	\$ 285,800	\$ 366,893	\$ 407,006
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ (86,147)	\$ 236,685	\$ 198,498	\$ 203,346

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
FACILITY ATTENDANT	2.00	2.00	2.00	2.00
RECREATION MANAGER	0	0	0	0.25
RECREATION SUPERVISOR	0.50	0.50	0.20	0
Total	2.50	2.50	2.20	2.25

Staff time is being reallocated to better reflect actual time spent in this program.

Administration

Budget Unit 100-62-608

General Fund - Recreation and Education - Administration

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 12,500
Total Expenditures	\$ 713,833
Fund Balance	\$ -
General Fund Costs	\$ 701,333
% Funded by General Fund	98.2%
Total Staffing	3.1 FTE

Program Overview

This program includes administrative support of senior programs offered at the Senior Center. Administrative duties support the facility and senior programs that focus on enhancing a healthy lifestyle through quality education, recreation, travel, socials, community resources, volunteer opportunities, and facility rentals.

Service Objectives

- Provide management and supervision of all programs, activities, personnel, and facilities within the senior services division.
- Establish program goals and priorities.
- Ensure operational hours accommodate community desires.
- Provide first-rate customer service and manage customer registration, memberships, point-of-sale, and facility rentals at the Senior Center.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$713,833 for the Administration program. This represents a decrease of \$8,326 (-1.2%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged from last fiscal year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 17,816	\$ (320)	\$ 12,500	\$ 12,500
Miscellaneous Revenue	\$ -	\$ 1,125	\$ -	\$ -
Total Revenues	\$ 17,816	\$ 805	\$ 12,500	\$ 12,500
Expenditures				
Employee Compensation	\$ 329,984	\$ 264,940	\$ 360,823	\$ 369,426
Employee Benefits	\$ 135,429	\$ 122,697	\$ 148,586	\$ 155,590
Materials	\$ 7,627	\$ 4,457	\$ 16,039	\$ 14,813
Contract Services	\$ 431	\$ 1,074	\$ 3,640	\$ 3,640
Cost Allocation	\$ 311,932	\$ 240,121	\$ 192,579	\$ 169,903
Contingencies	\$ -	\$ -	\$ 492	\$ 461
Total Expenditures	\$ 785,403	\$ 633,289	\$ 722,159	\$ 713,833
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 767,588	\$ 632,484	\$ 709,659	\$ 701,333

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
CASE MANAGER	0.10	0	0	0
FACILITY ATTENDANT	1.00	1.00	1.00	1.00
RECREATION COORDINATOR	0.30	0.30	0.30	0.30
RECREATION SUPERVISOR	0.95	0.75	0.75	0.75
SR OFFICE ASSISTANT	1.00	1.00	1.00	1.00
Total	3.35	3.05	3.05	3.05

There are no changes to the current level of staffing.

Youth Teen Recreation

Budget Unit 580-62-613

Recreation Program - Recreation and Education - Youth Teen Recreation

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 674,550
Total Expenditures	\$ 1,504,209
Fund Balance	\$ (829,659)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	1.7 FTE

Program Overview

This program encompasses fee-based youth and teen programs such as academic and enrichment classes, STEAM programming, recreational camps, preschool, and special events, enrichment classes for adults, and special interest programming.

Service Objectives

- Provide a preschool program, summer camps, and an extensive variety of contract classes for youth, teens, and adults, while collaborating with the Cupertino Union School District and Fremont Union High School District on select program offerings.
- Promote programs through social media to increase community awareness and interest in programs.
- Increase the number of youth and teen Science, Technology, Engineering, Art, and Math (STEAM) programs offered.
- Expand all-day summer camp offerings to meet daycare needs of working families.
- Provide family-oriented programs designed to increase community engagement.
- Provide safe, fun, life-long learning activities that promote the foundations of self-confidence, skill development, and personal growth.
- Provide programs that enhance cultural awareness to youth and teens.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,504,209 for the Youth Teen Recreation program. This represents a decrease of \$324,636 (-17.8%) from the FY 2021-22 Adopted Budget.

The decrease is due to reductions in Employee Compensation and Benefits, as a result of the reorganization of the Department and reallocation of staff time from this program. The decrease is also includes a reduction in Contact Services expenses, due to the adjustment in programs offered, and reduction in Cost Allocation expenses.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 1,195,694	\$ 351,184	\$ 742,000	\$ 674,550
Total Revenues	\$ 1,195,694	\$ 351,184	\$ 742,000	\$ 674,550
Expenditures				
Employee Compensation	\$ 332,247	\$ 131,866	\$ 470,409	\$ 394,702
Employee Benefits	\$ 97,533	\$ 59,981	\$ 102,897	\$ 101,525
Materials	\$ 15,732	\$ 1,252	\$ 31,437	\$ 33,396
Contract Services	\$ 695,551	\$ 172,604	\$ 918,285	\$ 790,249
Cost Allocation	\$ 1,068,022	\$ 194,033	\$ 282,074	\$ 163,746
Contingencies	\$ -	\$ -	\$ 23,743	\$ 20,591
Total Expenditures	\$ 2,209,085	\$ 559,736	\$ 1,828,845	\$ 1,504,209
Fund Balance	\$ (1,013,391)	\$ (208,552)	\$ (1,086,845)	\$ (829,659)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
RECREATION COORDINATOR	1.35	1.35	1.35	1.50
RECREATION MANAGER	0	0	0	0.20
RECREATION SUPERVISOR	0.25	0.25	0.35	0
Total	1.60	1.60	1.70	1.70

Staff time is being reallocated to better reflect actual time spent in this program.

Senior Center

Budget Unit 100-62-623

General Fund - Recreation and Education - Senior Center

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 154,500
Total Expenditures	\$ 1,076,295
Fund Balance	\$ -
General Fund Costs	\$ 921,795
% Funded by General Fund	85.6%
Total Staffing	3.0 FTE

Program Overview

This program includes the coordination and delivery of program services for seniors at the Senior Center. Staff coordinates a well-maintained Senior Center for adults age 50+ including senior adult recreation programs such as enrichment classes, educational presentations, group trips and tours, and social events. In addition, the Senior Center team leverages members to support programs and services through volunteer opportunities. Staff provides referrals for resources available to seniors.

Service Objectives

- Enhance partnerships with the Santa Clara County Library District, De Anza College, and other local nonprofit agencies.
- Provide appreciation events for senior volunteers who support the Parks and Recreation Department throughout the year.
- Offer fitness and enrichment courses, educational presentations, group trips and tours, and socialization opportunities to adults age 50+.
- Provide volunteer service opportunities for adults age 50+.
- Provide a senior-focused annual health fair and senior resource referrals.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,076,295 for the Senior Center program. This represents a decrease of \$41,356 (-3.7%) from the FY 2021-22 Adopted Budget.

The overall decrease is due to an increase in contract costs, offset by Cost Allocation expenses. With the recent relaxation of prior pandemic-based restrictions, the Senior Center has reopened and is offering more programs and classes.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 252	\$ -	\$ -	\$ -
Charges for Services	\$ 361,427	\$ 38,081	\$ 164,000	\$ 154,500
Miscellaneous Revenue	\$ 1,350	\$ 125	\$ -	\$ -
Total Revenues	\$ 363,029	\$ 38,206	\$ 164,000	\$ 154,500
Expenditures				
Employee Compensation	\$ 470,472	\$ 332,944	\$ 418,283	\$ 414,263
Employee Benefits	\$ 177,296	\$ 160,139	\$ 155,952	\$ 158,309
Materials	\$ 85,075	\$ 5,718	\$ 116,815	\$ 116,673
Contract Services	\$ 199,364	\$ (86,272)	\$ 126,280	\$ 151,492
Cost Allocation	\$ 357,244	\$ 356,195	\$ 294,244	\$ 228,854
Contingencies	\$ -	\$ -	\$ 6,077	\$ 6,704
Total Expenditures	\$ 1,289,451	\$ 768,724	\$ 1,117,651	\$ 1,076,295
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 926,421	\$ 730,517	\$ 953,651	\$ 921,795

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
CASE MANAGER	1.90	0	0	0
RECREATION COORDINATOR	2.70	2.70	2.70	2.70
RECREATION SUPERVISOR	0.05	0.25	0.25	0.25
Total	4.65	2.95	2.95	2.95

There are no changes to the current level of staffing.

Teen Programs

Budget Unit 100-62-639

General Fund - Recreation and Education - Teen Programs

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 3,800
Total Expenditures	\$ 330,511
Fund Balance	\$ -
General Fund Costs	\$ 326,711
% Funded by General Fund	98.9%
Total Staffing	0.8 FTE

Program Overview

This program supports teen programs and services for the Recreation and Education Division. It provides for the supervision and operation of the Cupertino Teen Center, the Youth Activity Board, the Cupertino Teen Leadership Academy, and the teen summer volunteer program.

Service Objectives

- Empower youth by creating enriching and stress-free programs that foster physical, mental, and social development.
- Provide an exclusive space for Cupertino Teens to de-stress, create, study, and to socially develop.
- Create opportunities for youth and teens to build their leadership abilities by creating activities, events, and programs by teens for teens.
- Create reciprocal engagement and outreach efforts between the City of Cupertino and Cupertino teens.
- Develop teen leadership skills and career growth opportunities by providing an interactive teen leadership program.
- Provide the opportunity for teens to gain applied skills and develop leadership abilities by participating in the Leader in Training or Junior Swim Instructor programs.
- Create programs that support mental health and wellness in youth and teens.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$330,511 for the Teen Programs program. This represents a decrease of \$37,327 (-10.1%) from the FY 2021-22 Adopted Budget.

The decrease includes reductions in Employee Compensation and Benefits, due to the reorganization of the Department and reallocation of staff time from this program, and reductions in Cost Allocation expenses.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 2,030	\$ -	\$ 1,000	\$ 1,900
Charges for Services	\$ 2,388	\$ -	\$ 2,000	\$ 1,900
Total Revenues	\$ 4,418	\$ -	\$ 3,000	\$ 3,800
Expenditures				
Employee Compensation	\$ 117,060	\$ 38,112	\$ 208,032	\$ 183,394
Employee Benefits	\$ 16,625	\$ 15,322	\$ 44,515	\$ 39,807
Materials	\$ 18,747	\$ 3,513	\$ 45,616	\$ 51,506
Contract Services	\$ 145	\$ 40,841	\$ 800	\$ 7,800
Cost Allocation	\$ -	\$ 28,397	\$ 67,715	\$ 46,734
Contingencies	\$ -	\$ -	\$ 1,160	\$ 1,270
Total Expenditures	\$ 152,577	\$ 126,185	\$ 367,838	\$ 330,511
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 148,159	\$ 126,185	\$ 364,838	\$ 326,711

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
RECREATION COORDINATOR	0.35	0.35	0.35	0.50
RECREATION MANAGER	0	0	0	0.25
RECREATION SUPERVISOR	0	0.20	0.40	0
Total	0.35	0.55	0.75	0.75

Staff time is being reallocated to better reflect actual time spent in this program.

Neighborhood Events

Budget Unit 100-62-640

General Fund - Recreation and Education - Neighborhood Events

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 154,307
Fund Balance	\$ -
General Fund Costs	\$ 154,307
% Funded by General Fund	100.0%
Total Staffing	0.0 FTE

Program Overview

The Neighborhood Programs provide a varied schedule of summer events in neighborhood parks. Events include outdoor concerts, outdoor movies, performances, and free arts and fitness programs in the parks. These programs are designed to engage new customers and to promote current programs.

Service Objectives

- To provide outdoor summer concerts in neighborhood parks.
- To provide outdoor summer movies in neighborhood parks.
- To provide outdoor summer fitness opportunities in neighborhood parks.
- To provide outdoor summer arts opportunities in neighborhood parks.
- To provide an array of outdoor cultural special events in neighborhood parks.
- To provide activities for kids and families of all ages.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$154,307 for the Neighborhood Events program. This represents a decrease of \$8,812 (-5.4%) from the FY 2021-22 Adopted Budget.

The overall decrease is mainly due to a reduction in Cost Allocation expenses, offset by increases in Employee Compensation due to the anticipated return of Summer Events, requiring more part-time staff support.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 55,145	\$ 9,544	\$ 52,384	\$ 60,080
Employee Benefits	\$ 4,065	\$ 3,967	\$ 6,904	\$ 1,652
Materials	\$ 11,693	\$ -	\$ 14,756	\$ 15,318
Contract Services	\$ 45,920	\$ 460	\$ 59,800	\$ 59,800
Cost Allocation	\$ -	\$ 12,683	\$ 27,411	\$ 15,579
Contingencies	\$ -	\$ -	\$ 1,864	\$ 1,878
Total Expenditures	\$ 116,823	\$ 26,654	\$ 163,119	\$ 154,307
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 116,823	\$ 26,654	\$ 163,119	\$ 154,307

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
RECREATION SUPERVISOR	0.10	0.10	0.10	0
Total	0.10	0.10	0.10	0

Staff time is being reallocated to better reflect actual time spent in this program.

Park Facilities

Budget Unit 100-63-612

General Fund - Sports, Safety and Outdoor Recreation - Park Facilities

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 265,757
Total Expenditures	\$ 1,218,846
Fund Balance	\$ -
General Fund Costs	\$ 953,089
% Funded by General Fund	78.2%
Total Staffing	3.2 FTE

Program Overview

Blackberry Farm provides the community with recreational space to swim, picnic, enjoy ranger-led activities, and the Stevens Creek Trail. McClellan Ranch Preserve offers environmental education classes/creek tours to school groups, nature programs, and is the location of the Community Garden program and non-profit operations such as Grassroots Ecology, Santa Clara Valley Audubon Society, UCCE Master Gardeners, and Rolling Hills 4-H Club. The Creekside Park building provides community members with facility space which can be used for a variety of activities. The Monta Vista Recreation Center provides additional facility space and is home to a diverse array of recreational activities including gymnastics classes.

Service Objectives

Blackberry Farm Picnic Grounds and Pools:

- Provide the community with two pools for recreation use and swim lessons.
- Engage and provide the community with annual 4th of July and Pooch Plunge events.
- Partner with the Audubon Society to provide Wildlife & Harvest Day at Blackberry Farm.
- Increase residential usage of the facility.
- Continue to offer Park Ranger-led activities such as interpretive walks, star-gazing events, and implement a Stevens Creek Corridor volunteer program.

McClellan Ranch Preserve:

- Continue to offer drop-in visitor hours at the Environmental Education Center and Blacksmith Shop.
- Partner with SCVAS, Grassroots Ecology, Watershed Stewardship Program Members, Santa Clara Valley Audubon Society, Rolling Hills 4H and UCCE Master Gardeners in providing public education programs.
- Expand programming opportunities for teens.
- Increase volunteer/docent opportunities at McClellan Ranch.
- Continue to develop the community garden programming.

Creekside Park Building:

- Rent facility for nonprofit board meetings, birthday parties, school group picnics, and other similar activities.
- Provide contract and staff-run classes and camps.
- Provide space for year-round farmers' market.

Monta Vista Recreation Center:

- Provide gymnastics, classes, and camps.
- Make space available for co-sponsored clubs and rentals.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,218,846 for the Park Facilities program. This represents a decrease of \$61,290 (-4.8%) from the FY 2021-22 Adopted Budget.

The overall decrease is mainly due to reductions in Cost Allocation expenses, offset by an increase in Contract Services. This is due to an increase in cost for contracted services for nature preservation and maintenance at the McClellan Ranch Preserve and Stevens Creek Corridor.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 61,446	\$ 19,389	\$ 57,000	\$ 90,757
Charges for Services	\$ 122,328	\$ 23,227	\$ 105,000	\$ 175,000
Total Revenues	\$ 183,774	\$ 42,616	\$ 162,000	\$ 265,757
Expenditures				
Employee Compensation	\$ 556,910	\$ 414,084	\$ 685,551	\$ 678,976
Employee Benefits	\$ 142,660	\$ 154,064	\$ 149,233	\$ 172,107
Materials	\$ 56,796	\$ 29,835	\$ 91,460	\$ 94,202
Contract Services	\$ 13,937	\$ 80,076	\$ 87,380	\$ 102,503
Cost Allocation	\$ 1,202,972	\$ 229,792	\$ 261,016	\$ 166,140
Special Projects	\$ 71,628	\$ 3,218	\$ 1,000	\$ -
Contingencies	\$ -	\$ -	\$ 4,496	\$ 4,918
Total Expenditures	\$ 2,044,903	\$ 911,069	\$ 1,280,136	\$ 1,218,846
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 1,861,129	\$ 868,454	\$ 1,118,136	\$ 953,089

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
RECREATION COORDINATOR	2.68	2.18	2.18	1.98
RECREATION COORDINATOR LTD TERM	1.00	0	0	0
RECREATION MANAGER	0	0	0	0.35
RECREATION SUPERVISOR	0.60	0.50	0.50	0
SR OFFICE ASSISTANT	0	0	0	0.85
Total	4.28	2.68	2.68	3.18

Staff time is being reallocated to better reflect actual time spent in this program.

Administration

Budget Unit 100-63-615

General Fund - Sports, Safety and Outdoor Recreation - Administration

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 59,668
Fund Balance	\$ -
General Fund Costs	\$ 59,668
% Funded by General Fund	100.0%
Total Staffing	0.0 FTE

Program Overview

This program supports facets of the Sports, Safety, and Outdoor Recreation Division. It provides for the supervision and operation of the Blackberry Farm Golf Course, Blackberry Farm picnic area and swimming pools, and McClellan Ranch Preserve. The Sports, Safety, and Outdoor Recreation Division includes a diverse offering of recreation programs for all ages including nature camps, classes, and programs, volunteer opportunities, drop-in activities, special events, aquatics, golf, and specialty classes.

Service Objectives

- Efficiently manage the Blackberry Farm Golf Course, Blackberry Farm picnic sites and swimming pools, and McClellan Ranch Preserve.
- Continue to improve coordination among staff within the Stevens Creek Corridor in order to enhance customer service and the experience for park visitors.
- Oversee marketing, budget development, and program plans for all locations.
- Continue to operate the aquatics program.
- Continue to expand nature programming opportunities in the Stevens Creek Corridor.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$59,668 for the Administration program. This represents a decrease of \$58,283 (-49.4%) from the FY 2021-22 Adopted Budget.

The overall decrease is mainly due to reductions in Cost Allocation expenses in addition to Employee Compensation and Benefits, due to the reorganization of the Department and reallocation of staff time from this program.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 38,405	\$ 25,152	\$ 55,657	\$ 26,058
Employee Benefits	\$ 14,462	\$ 9,821	\$ 24,944	\$ 9,665
Materials	\$ 475	\$ 145	\$ 273	\$ 284
Contract Services	\$ 20	\$ -	\$ -	\$ -
Cost Allocation	\$ 43,392	\$ 31,790	\$ 37,070	\$ 23,654
Contingencies	\$ -	\$ -	\$ 7	\$ 7
Total Expenditures	\$ 96,754	\$ 66,908	\$ 117,951	\$ 59,668
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 96,755	\$ 66,907	\$ 117,951	\$ 59,668

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
RECREATION SUPERVISOR	0.40	0.45	0.45	0
Total	0.40	0.45	0.45	0

Staff time is being reallocated to better reflect actual time spent in this program.

Blackberry Farm Golf Course

Budget Unit 560-63-616

Blackberry Farm - Sports, Safety and Outdoor Recreation - Blackberry Farm Golf Course

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 433,600
Total Expenditures	\$ 668,446
Fund Balance	\$ (234,846)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	1.1 FTE

Program Overview

Blackberry Farm Golf Course provides a nine-hole golf facility to the community that serves all ages.

Service Objectives

- Increase the golfer base through golf instruction, family events, high school golf team partnerships, and leagues.
- Continue to operate a golf course pro shop where customers may purchase golfing accessories and concessions.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$668,446 for the Blackberry Farm Golf Course program. This represents a decrease of \$11,200 (-1.6%) from the FY 2021-22 Adopted Budget.

The overall decrease is due to the reduction in Materials as a result of the reallocation of maintenance costs to Public Works, under the account 560-87-260. This is offset by an increase in Employee Compensation from the reorganization of the Department and reallocation of staff time to this program.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 32,687	\$ 46,477	\$ 30,000	\$ 33,000
Charges for Services	\$ 305,524	\$ 564,126	\$ 310,000	\$ 400,600
Total Revenues	\$ 338,211	\$ 610,603	\$ 340,000	\$ 433,600
Expenditures				
Employee Compensation	\$ 101,209	\$ 99,697	\$ 175,778	\$ 205,806
Employee Benefits	\$ 53,912	\$ 7,871	\$ 60,543	\$ 61,909
Materials	\$ 96,060	\$ 101,977	\$ 105,045	\$ 24,302
Contract Services	\$ 252,429	\$ 248,691	\$ 274,845	\$ 278,428
Cost Allocation	\$ 82,294	\$ 74,431	\$ 53,938	\$ 90,433
Contingencies	\$ -	\$ -	\$ 9,497	\$ 7,568
Total Expenditures	\$ 585,904	\$ 532,667	\$ 679,646	\$ 668,446
Fund Balance	\$ 362,307	\$ 527,935	\$ (259,654)	\$ (234,846)
General Fund Costs	\$ 610,000	\$ 450,000	\$ 79,992	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
RECREATION COORDINATOR	1.00	1.00	1.00	0.65
RECREATION MANAGER	0	0	0	0.30
RECREATION SUPERVISOR	0.15	0.15	0.15	0
SR OFFICE ASSISTANT	0	0	0	0.15
Total	1.15	1.15	1.15	1.10

Staff time is being reallocated to better reflect actual time spent in this program.

Outdoor Recreation

Budget Unit 580-63-620

Recreation Program - Sports, Safety and Outdoor Recreation - Outdoor Recreation

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 862,000
Total Expenditures	\$ 869,015
Fund Balance	\$ 368,985
General Fund Costs	\$ 376,000
% Funded by General Fund	43.3%
Total Staffing	1.1 FTE

Program Overview

This program encompasses the coordination and delivery of a wide range of sports, fitness, and outdoor activities for youth and adults.

Service Objectives

- Operate a summer learn-to-swim program for infants, children, teens, and adults.
- Coordinate spring, summer, and fall adult softball leagues.
- Provide sports, dance, fitness, and wellness classes for youth, teens, and adults.
- Provide sports, fitness, and outdoor camps for youth and teens.
- Provide a summer nature and science program.
- Manage user group field rentals under the Cupertino Union School District/City Joint Use Agreement.
- Increase nature, blacksmithing, and environmental classes for parent/child, teens, and adults.
- Offer fee-based gardening programs for youth and adults.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$869,015 for the Outdoor Recreation program. This represents a decrease of \$288,997 (-25.0%) from the FY 2021-22 Adopted Budget.

The decrease is mainly due to the reduction in Contract services, due to the adjustment in programs offered, Cost Allocation expenses, and Employee Compensation and Benefits from the reorganization of the Department and reallocation of staff time from this program.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 62,726	\$ 82,033	\$ 312,000	\$ 317,000
Charges for Services	\$ 330,156	\$ 157,654	\$ 345,000	\$ 545,000
Total Revenues	\$ 392,882	\$ 239,687	\$ 657,000	\$ 862,000
Expenditures				
Employee Compensation	\$ 309,752	\$ 180,493	\$ 309,653	\$ 254,081
Employee Benefits	\$ 156,600	\$ 89,657	\$ 93,440	\$ 61,291
Materials	\$ 14,874	\$ 3,573	\$ 21,969	\$ 22,172
Contract Services	\$ 187,681	\$ 50,436	\$ 444,888	\$ 354,179
Cost Allocation	\$ 263,234	\$ 225,072	\$ 276,391	\$ 167,883
Special Projects	\$ -	\$ 6,214	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ 11,671	\$ 9,409
Total Expenditures	\$ 932,141	\$ 555,445	\$ 1,158,012	\$ 869,015
Fund Balance	\$ 25,742	\$ 846,242	\$ 305,797	\$ 368,985
General Fund Costs	\$ 565,000	\$ 1,162,000	\$ 806,809	\$ 376,000

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
RECREATION COORDINATOR	2.17	1.70	1.70	0.45
RECREATION MANAGER	0	0	0	0.30
RECREATION SUPERVISOR	0.25	0.15	0.15	0.30
Total	2.42	1.85	1.85	1.05

Staff time is being reallocated to better reflect actual time spent in this program.

Sports Center Operations

Budget Unit 570-63-621

Sports Center - Sports, Safety and Outdoor Recreation - Sports Center Operations

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 2,600,000
Total Expenditures	\$ 2,876,082
Fund Balance	\$ (276,082)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	2.5 FTE

Program Overview

The Cupertino Sports Center offers a variety of health and wellness activities including a full fitness center, and a wide assortment of fitness classes, youth sports classes, and a variety of racquet sports, including tennis, table tennis, pickle ball, and badminton classes, camps, and programs.

Service Objectives

- Increase memberships, participation in fitness classes, and enrollment in contract camps and classes.
- Market programs through social media, the recreation schedule, electronic sign on Stevens Creek Blvd., and the City website.
- Collaborate with Public Works to ensure successful implementation of Capital Improvement Projects.
- Explore new program offerings.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$2,876,082 for the Sports Center Operations program. This represents a decrease of \$26,278 (-0.9%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged from last fiscal year. The reduction in Cost Allocation expenses is offset by increases in Employee Compensation due to the reorganization of the Department and reallocation of staff time to this program.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 266,504	\$ 272,807	\$ 351,000	\$ 350,000
Charges for Services	\$ 2,099,161	\$ 1,537,387	\$ 2,350,000	\$ 2,250,000
Total Revenues	\$ 2,365,665	\$ 1,810,194	\$ 2,701,000	\$ 2,600,000
Expenditures				
Employee Compensation	\$ 363,610	\$ 257,539	\$ 397,428	\$ 420,887
Employee Benefits	\$ 139,639	\$ 82,496	\$ 136,835	\$ 126,566
Materials	\$ 32,104	\$ 16,493	\$ 46,736	\$ 63,087
Contract Services	\$ 1,646,106	\$ 1,288,732	\$ 2,032,418	\$ 2,033,320
Cost Allocation	\$ 240,427	\$ 198,719	\$ 236,964	\$ 179,812
Contingencies	\$ -	\$ -	\$ 51,979	\$ 52,410
Total Expenditures	\$ 2,421,886	\$ 1,843,979	\$ 2,902,360	\$ 2,876,082
Fund Balance	\$ 891,779	\$ 626,214	\$ (201,360)	\$ (276,082)
General Fund Costs	\$ 948,000	\$ 660,000	\$ -	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
OFFICE ASSISTANT	1.00	1.00	1.00	1.00
RECREATION COORDINATOR	1.00	1.00	1.00	0.80
RECREATION SUPERVISOR	0.25	0.25	0.45	0.70
Total	2.25	2.25	2.45	2.50

Staff time is being reallocated to better reflect actual time spent in this program.

Community Development

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Department Overview

Budget Units

Budget Unit	Program	2023 Adopted Budget
Community Development		\$ 1,054,844
100-70-700	Community Development Administration	\$ 1,054,844
Planning		\$ 4,354,482
100-71-701	Current Planning	\$ 3,132,994
100-71-702	Mid and Long Term Planning	\$ 1,221,488
100-71-704	Annexations	\$ -
100-71-705	Economic Development	\$ -
Housing Services		\$ 1,901,362
260-72-707	CDBG General Admin	\$ 155,589
260-72-709	CDBG Capital/Housing Projects	\$ 337,558
260-72-710	CDBG Public Service Grants	\$ 61,852
265-72-711	BMR Affordable Housing Fund	\$ 1,222,398
100-72-712	Human Service Grants	\$ 123,965
Building		\$ 4,568,565
100-73-713	General Building	\$ 935,194
100-73-714	Building Plan Review	\$ 2,116,415
100-73-715	Building Code Enforcement	\$ 1,432,502
100-73-718	Muni Code Enforcement	\$ 84,454
Code Enforcement		\$ 1,246,971
100-74-202	Code Enforcement	\$ 1,246,971
Total		\$ 13,126,224

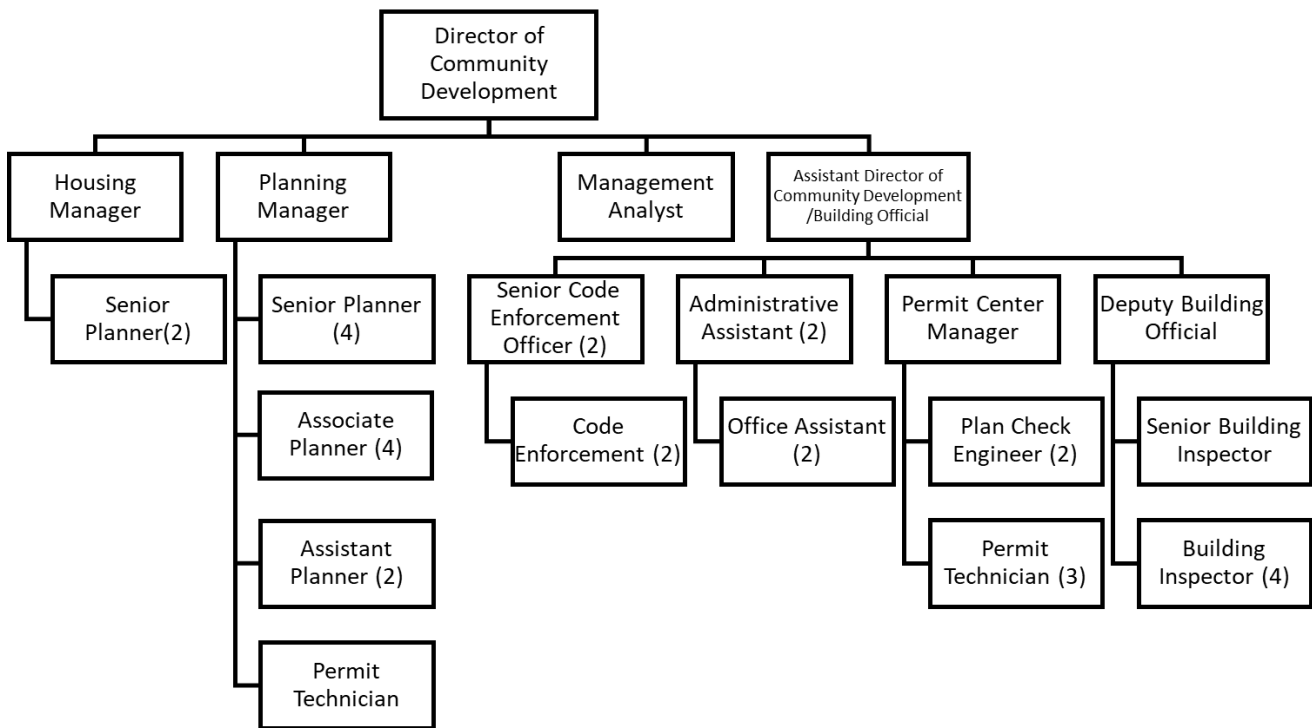
Budget at a Glance

2023 Adopted Budget

Total Revenues	\$ 13,413,933
Total Expenditures	\$ 13,126,224
Fund Balance	\$ 6,745,286
General Fund Costs	\$ 6,457,577
% Funded by General Fund	49.2%
Total Staffing	37.5 FTE

Organization

Benjamin Fu, Director of Community Development



Performance Measures

Goal: Review and guide development activity to ensure compliance with relevant codes and policies, and alignment with community values to promote and enhance Cupertino's community-wide quality of life.

Benefit: Cupertino is a thriving city to live, work, learn and play.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
Building permit applications shall be plan reviewed within 15 business days.	92%	93%	93%	80%
Customer/Applicants visiting the Building Permit Counter shall be assisted within 15 minutes	93%	**	100%***	80%
Applicants visiting the Planning Counter shall be assisted within 15 minutes	91%	**	100%***	50%
Building permit applications reviewed/issued over-the-counter (OTC)	63%	**	**	75%
Below market-rate rental and purchase vacancies filled	11	14	11	15 per year
Housing resources and referrals provided	109	129	82	100 per year
Complimentary/courtesy prelim app reviews completed within 4 weeks	83%	79%	69%	80%
Average number of days to initiate investigation of code complaints	0.21	0.077	0.059	< 7
Code enforcement cases resolved without issuance of citations	85%	98%	91%	80%
Landlord-tenant counseling and dispute resolution cases provided	28	46	23	100 per year
Public Outreach Events	4	**	**	12 per year

*Data provided from July 2019 - February 2020 due to the shelter-in-place mandate.

** No data due to closure of city hall.

*** In-person appointments started July 15, 2021, the counters were temporarily closed in January 10, 2022, due to the surge of the COVID-19 Omicron variant.

Workload Indicators

Planning Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Number of preliminary reviews	112	163	73
Number of planning applications received	198	237	136
Number of planning counter inquiries	2,284*	**	168**

Housing Services Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Number of housing resources and referrals	109	129	82
Number of BMR rental and ownership vacancies filled	11	14	11
Number of landlord tenant counseling and dispute cases received	28	46	23
Number of annual HUD documents (CAPER, Action Plan, Consolidated Plan, Affirmatively Furthering Fair Housing) completed	2	2	1
Housing and Human Services Grant Funds inquiries	9	9	4

Building Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Number of permits received	2,133	2,364	1,173
Number of inspections requested	19,331	13,374	6,316
Number of building counter inquiries	5,571*	**	320**

*Data from July 1, 2019 - March 13, 2020

** No data due to the Shelter in Place order

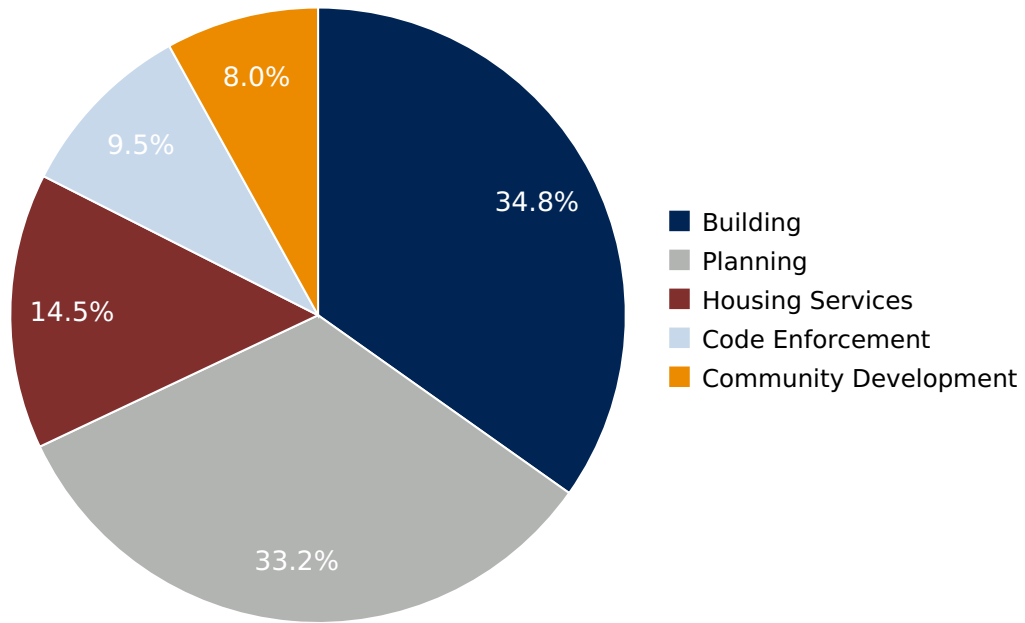
*** In-person appointments started July 15, 2021, the counters were temporarily closed in January 10, 2022, due to the surge of the Omicron variant of Covid-19.

Adopted Budget

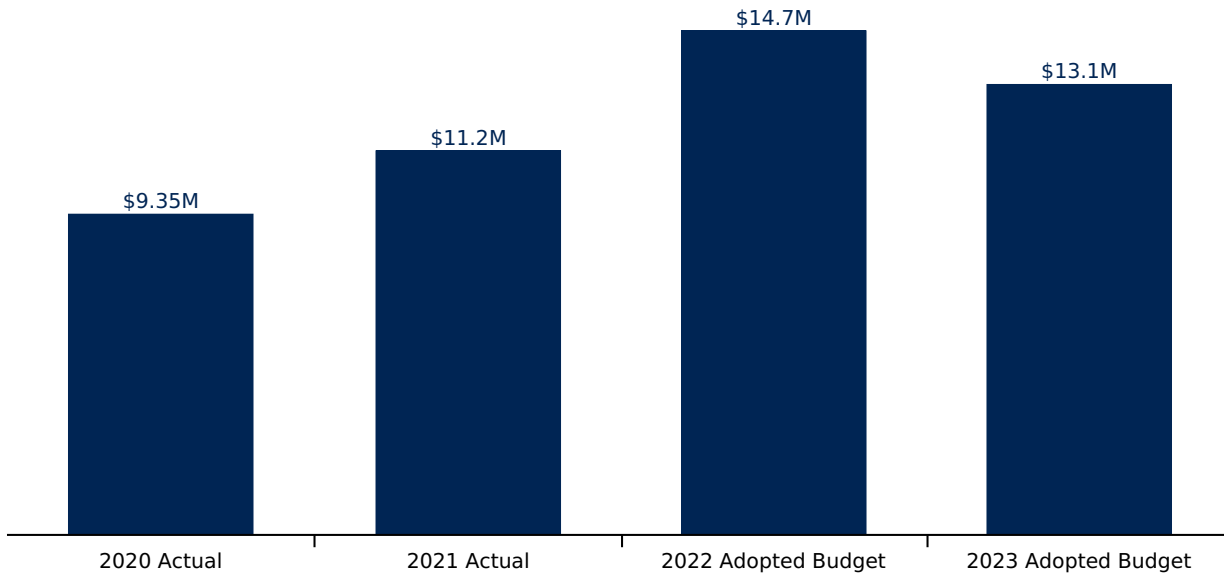
On June 9, 2022, City Council approved a budget of \$13,126,224 for the Community Development department. This represents a decrease of \$1,563,714 (-10.6%) from the FY 2021-22 Adopted Budget.

The increase in Employee Compensation and Benefits is due to the addition of four positions: a Housing Senior Planner, a Planning Senior Planner, an Office Assistant, an Associate Planner, and a Code Enforcement Officer. The decrease in one-time projects offset the increase in staffing.

Adopted Expenditures by Division



Department Expenditure History



Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Taxes	\$ 39,000	\$ 197,661	\$ 3,611,855	\$ 8,002,202
Licenses and Permits	\$ 4,665,560	\$ 4,034,545	\$ 3,115,000	\$ 3,515,000
Use of Money and Property	\$ 2,581	\$ 2,333	\$ 3,300	\$ 3,300
Intergovernmental Revenue	\$ 357,527	\$ 559,010	\$ 463,996	\$ 492,181
Charges for Services	\$ 1,169,345	\$ 1,677,233	\$ 1,135,000	\$ 1,135,000
Fines and Forfeitures	\$ 127,723	\$ 26,998	\$ 225,000	\$ 225,000
Miscellaneous Revenue	\$ 62,014	\$ 86,184	\$ 41,250	\$ 41,250
Total Revenues	\$ 6,423,750	\$ 6,583,964	\$ 8,595,401	\$ 13,413,933
Expenditures				
Employee Compensation	\$ 3,520,711	\$ 3,727,517	\$ 4,647,828	\$ 4,911,221
Employee Benefits	\$ 1,498,384	\$ 1,609,662	\$ 2,136,332	\$ 2,410,242
Materials	\$ 696,404	\$ 1,195,991	\$ 1,029,806	\$ 1,015,670
Contract Services	\$ 525,498	\$ 669,350	\$ 893,725	\$ 654,665
Cost Allocation	\$ 2,440,524	\$ 3,387,204	\$ 4,214,034	\$ 3,891,843
Special Projects	\$ 664,235	\$ 602,168	\$ 1,734,100	\$ 225,000
Contingencies	\$ -	\$ 293	\$ 34,113	\$ 17,583
Total Expenditures	\$ 9,345,756	\$ 11,192,185	\$ 14,689,938	\$ 13,126,224
Fund Balance	\$ (485,463)	\$ (532,235)	\$ 2,261,047	\$ 6,745,286
General Fund Costs	\$ 2,436,544	\$ 4,075,983	\$ 8,355,584	\$ 6,457,577

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	1.00	1.75	1.75	1.75
ASSISTANT PLANNER	2.00	2.00	2.00	2.00
ASSIST DIR OF COMMUNITY DEV	1.00	1.00	1.00	1.00
ASSOCIATE PLANNER	3.00	3.00	3.00	5.00
BUILDING INSPECTOR	3.92	3.92	3.92	3.92
CODE ENFORCEMENT OFFICER	0	1.00	1.00	2.00
DEPUTY BOARD CLERK	0.75	0	0	0
DEPUTY BUILDING OFFICIAL	1.00	1.00	1.00	1.00
DIRECTOR OF COMM DEVELOPMENT	0.94	0.94	0.94	0.94
ECONOMIC DEVELOPMENT MANAGER	0	0	1.00	0
MANAGEMENT ANALYST	1.00	1.00	1.00	1.00
OFFICE ASSISTANT	1.00	1.00	1.00	2.00
PERMIT CENTER MANAGER	1.00	1.00	1.00	1.00
PERMIT TECHNICIAN	3.00	3.00	4.00	4.00
PLAN CHECK ENGINEER	2.00	1.00	2.00	2.00
PLANNING MANAGER	1.90	1.90	1.90	1.90
SENIOR PLANNER	1.90	3.00	4.00	5.00
SR BUILDING INSPECTOR	0.98	0.98	0.98	0.98
SR CODE ENFORCEMENT OFFICER	3.00	2.00	2.00	2.00
Total	29.39	29.49	33.49	37.49

Community Development Administration

Budget Unit 100-70-700

General Fund - Community Development - Community Development Administration

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 1,054,844
Fund Balance	\$ -
General Fund Costs	\$ 1,054,844
% Funded by General Fund	100.0%
Total Staffing	0.5 FTE

Program Overview

The Community Development Administration program manages general office and oversight functions for the Community Development Department.

Service Objectives

- Coordinate and direct general office affairs related to community development functions.
- Manage professional and administrative staff.
- Prepare and implement the department budget.
- Coordinate as necessary with other departments in the City.
- Review and evaluate City and department goals and objectives.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,054,844 for the Community Development Administration program. This represents a decrease of \$68,646 (-6.1%) from the FY 2021-22 Adopted Budget.

This decrease is mainly due to a reduction in cost allocation expenses.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description	Strategic Goal
Homeless Jobs Program	\$200,000	\$200,000	General Fund	City Work Program: Create a jobs program for up to 2 individuals for 6 months	Housing
Total	\$200,000	\$200,000			

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Miscellaneous Revenue	\$ 180	\$ -	\$ -	\$ -
Total Revenues	\$ 180	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 98,923	\$ 89,672	\$ 101,876	\$ 106,672
Employee Benefits	\$ 32,218	\$ 34,440	\$ 39,243	\$ 40,237
Materials	\$ 7,719	\$ 1,198	\$ 23,726	\$ 24,629
Contract Services	\$ 66,498	\$ 119,268	\$ 103,380	\$ 107,308
Cost Allocation	\$ 454,929	\$ 449,941	\$ 652,087	\$ 572,700
Special Projects	\$ -	\$ -	\$ 200,000	\$ 200,000
Contingencies	\$ -	\$ -	\$ 3,178	\$ 3,298
Total Expenditures	\$ 660,287	\$ 694,519	\$ 1,123,490	\$ 1,054,844
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 660,108	\$ 694,519	\$ 1,123,490	\$ 1,054,844

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
DIRECTOR OF COMM DEVELOPMENT	0.30	0.30	0.30	0.30
MANAGEMENT ANALYST	0.20	0.20	0.20	0.20
Total	0.50	0.50	0.50	0.50

There are no changes to the current level of staffing.

Current Planning

Budget Unit 100-71-701

General Fund - Planning - Current Planning

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 1,037,500
Total Expenditures	\$ 3,132,994
Fund Balance	\$ -
General Fund Costs	\$ 2,095,494
% Funded by General Fund	66.9%
Total Staffing	10.2 FTE

Program Overview

The Current Planning program serves to review projects and implement City ordinances, land use plans and the General Plan goals and objectives through the planning review and building plan check processes.

Service Objectives

- Maintain a high level of customer service.
- Provide assistance at the public counter, over the telephone, or via email.
- Implement the City's General Plan, land use plans and Zoning Ordinance.
- Evaluate Planning applications for consistency with City ordinance, General Plan goals, and applicable State and Federal regulations.
- Coordinate internal review of Planning applications with other City departments.
- Conduct environmental review of projects in compliance with California Environmental Quality Act (CEQA) and applicable regional, State and Federal regulations.
- Provide technical analysis and recommendations to the Council, Planning Commission and Design Review Committee.
- Review building permits to ensure implementation of zoning requirements, environmental mitigation measures and planning entitlement conditions of approval.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$3,132,994 for the Current Planning program. This represents a decrease of \$448,588 (-12.5%) from the FY 2021-22 Adopted Budget.

The decrease is due to a one-time request of \$500,000 for Special Projects which was budgeted in FY 2021-22 for the Vallco SB35 project's legal fees and contracts. Any balance will be carried over into FY 2022-23.

The decrease in one-time projects is offset by the addition of portions of four positions: a Planning Senior Planner (0.75), a Housing Senior Planner (0.10), an Associate Planner (0.25), and an Office Assistant (0.50).

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 1,129,604	\$ 1,565,258	\$ 1,000,000	\$ 1,000,000
Miscellaneous Revenue	\$ 57,522	\$ 65,774	\$ 37,500	\$ 37,500
Total Revenues	\$ 1,187,126	\$ 1,631,032	\$ 1,037,500	\$ 1,037,500
Expenditures				
Employee Compensation	\$ 860,832	\$ 945,545	\$ 1,157,235	\$ 1,302,876
Employee Benefits	\$ 337,398	\$ 370,481	\$ 498,374	\$ 617,475
Materials	\$ 10,225	\$ 4,848	\$ 30,910	\$ 32,086
Contract Services	\$ 9,983	\$ 16,063	\$ 1,464	\$ 1,464
Cost Allocation	\$ 731,686	\$ 1,139,030	\$ 1,392,790	\$ 1,178,254
Special Projects	\$ 306,761	\$ 402,872	\$ 500,000	\$ -
Contingencies	\$ -	\$ -	\$ 809	\$ 839
Total Expenditures	\$ 2,256,885	\$ 2,878,839	\$ 3,581,582	\$ 3,132,994
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 1,069,758	\$ 1,247,807	\$ 2,544,082	\$ 2,095,494

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0	0.60	0.60	0.60
ASSISTANT PLANNER	2.00	2.00	2.00	2.00
ASSOCIATE PLANNER	2.40	2.40	2.40	3.25
DEPUTY BOARD CLERK	0.60	0	0	0
DIRECTOR OF COMM DEVELOPMENT	0.28	0.28	0.28	0.28
MANAGEMENT ANALYST	0.40	0.40	0.40	0.40
OFFICE ASSISTANT	0	0	0	0.50
PERMIT TECHNICIAN	0	0	1.00	1.00
PLANNING MANAGER	0.50	0.50	0.50	0.50
SENIOR PLANNER	1.25	1.40	1.40	1.65
Total	7.43	7.58	8.58	10.18

The increase in staffing is due to the addition of a Planning Senior Planner (0.75), Housing Senior Planner (0.10), Associate Planner (0.25), and Office Assistant (0.50). Positions were also reallocated in FY 2021-22.

Planning Division staff respond to general public inquiries and review planning applications and building permits received from the community. On an annual average, the division receives over 2,000 inquiries, not including follow-ups. The Planning Division has also seen an approximately 30% increase of planning applications received from FY 2020 to FY 2021. It is anticipated that FY 2022 will conclude with an additional 10% increase in planning applications received. Additionally, the steady increase of building permits received from the last two fiscal years (10% increase from FY 2020 to FY 2021) is also projected to continue for FY 2022. Further, the CWP includes many important items that require significant resources in order to commence and complete. The Planning Division also supports the Planning Commission, three city committees, and any subcommittees formed by the City Council. The positions will help with project management and the increased demand and volume of applications/permits.

A planner performs difficult and complex environmental review work pursuant to California Environmental Quality Act (CEQA) and participates in all phases of environmental review; assists in planning and coordinating complex activities related to current and long-range planning; serves as project manager for complex zoning and planning administration, special projects, and policy development; completes technical assessments and prepares written project analyses; performs community outreach and education; provides technical and functional direction to planning staff; and performs related work as required.

Community Development Department (CDD) consists of four divisions: Building, Planning, Housing, and Code Enforcement. Within each division there are also teams and functions, such as Inspections, Permit Center, Plan Review, Long-Range Planning, Current Planning, CDBG Programs, Housing Funds and Grants, and BMR Administration. CDD also supports two city commissions, three committees, and any development related subcommittees as appropriately formed to support the goals and vision of the City Council. The Office Assistant position will provide more efficient administrative support and coverage throughout the divisions and functions.

The Office Assistant will provide administrative support to Planning and Housing divisions. Tasks include but are not limited to: answering telephones and providing accurate information and answers to general questions, processing invoices for payment, and performing a variety of support duties related to the work unit to assist staff in routine office activities.

Mid and Long Term Planning

Budget Unit 100-71-702

General Fund - Planning - Mid and Long Term Planning

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 138,750
Total Expenditures	\$ 1,221,488
Fund Balance	\$ -
General Fund Costs	\$ 1,082,738
% Funded by General Fund	88.6%
Total Staffing	4.5 FTE

Program Overview

The Mid- and Long-Term Planning program assists the community in preparing, reviewing and amending documents including the General Plan, Specific Plans, Conceptual Plans, and the Municipal Code, including the Zoning Ordinance. Additionally, the program anticipates and evaluates trends, and develops strategies and plans to help the City address change.

Service Objectives

- Review and amend the City's General Plan, Housing Element, and Municipal Code, including the Zoning Ordinance, Specific, Conceptual and Master Plans.
- Ensure City processes and regulations are in compliance with State and Federal regulations, including the California Environmental Quality Act (CEQA).
- Review and implement policies in the General Plan, Housing Element, Zoning Ordinance, Specific, Conceptual and Master Plans.
- Coordinate with various local, regional, State and Federal agencies on projects.
- Facilitate the planning and implementation of the City Council's annual community development goals and objectives.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,221,488 for the Mid and Long Term Planning program. This represents a decrease of \$500,381 (-29.1%) from the FY 2021-22 Adopted Budget.

This decrease is mainly due to a reduction in special projects and is offset by increased salary and benefits due to the addition of a Senior Planner (0.25) and Associate Planner (0.75).

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 17,930	\$ 88,474	\$ 135,000	\$ 135,000
Miscellaneous Revenue	\$ -	\$ 12,691	\$ 3,750	\$ 3,750
Total Revenues	\$ 17,930	\$ 101,165	\$ 138,750	\$ 138,750
Expenditures				
Employee Compensation	\$ 333,541	\$ 384,105	\$ 529,702	\$ 608,025
Employee Benefits	\$ 125,704	\$ 145,049	\$ 223,676	\$ 274,043
Materials	\$ 2,307	\$ 11,201	\$ 14,260	\$ 14,802
Contract Services	\$ 8,911	\$ 1,339	\$ 7,500	\$ 7,500
Cost Allocation	\$ 170,561	\$ 264,123	\$ 317,062	\$ 316,560
Special Projects	\$ 270,101	\$ 90,191	\$ 620,000	\$ -
Contingencies	\$ -	\$ 293	\$ 9,669	\$ 558
Total Expenditures	\$ 911,125	\$ 896,301	\$ 1,721,869	\$ 1,221,488
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 893,195	\$ 795,136	\$ 1,583,119	\$ 1,082,738

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0	0.15	0.15	0.15
ASSOCIATE PLANNER	0.60	0.60	0.60	1.75
DEPUTY BOARD CLERK	0.15	0	0	0
DIRECTOR OF COMM DEVELOPMENT	0.24	0.24	0.24	0.24
MANAGEMENT ANALYST	0.20	0.20	0.20	0.20
PLANNING MANAGER	0.60	0.60	0.60	0.60
SENIOR PLANNER	0.65	0.70	1.70	1.55
Total	2.44	2.49	3.49	4.49

The increase in staffing is due to the addition of a Senior Planner (0.25) and Associate Planner (0.75). Positions were also reallocated in FY 2021-22.

Planning Division staff respond to general public inquiries and review planning applications and building permits received from the community. On an annual average, the division receives over 2,000 inquiries, not including follow-ups. The Planning Division has also seen an approximately 30% increase of planning applications received from FY 2020 to FY 2021. It is anticipated that FY 2022 will conclude with an additional 10% increase in planning applications received. Additionally, the steady increase of building permits received from the last two fiscal years (10% increase from FY 2020 to FY 2021) is also projected to continue for FY 2022. Further, the CWP includes many important items that require significant resources in order to commence and complete. The Planning Division also supports the Planning Commission, three city committees, and any subcommittees formed by the City Council. The positions will help with project management and the increased demand and volume of applications/permits.

A planner performs difficult and complex environmental review work pursuant to California Environmental Quality Act (CEQA) and participates in all phases of environmental review; assists in planning and coordinating complex activities related to current and long-range planning; serves as project manager for complex zoning and planning administration, special projects, and policy development; completes technical assessments and prepares written project analyses; performs community outreach and education; provides technical and functional direction to planning staff; and performs related work as required.

Annexations

Budget Unit 100-71-704

General Fund - Planning - Annexations

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ -
Fund Balance	\$ -
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

The Annexations program was created in FY 2014-15 to account for annexations of property from outside city limits. This program will remain in order to maintain historical data however, once all prior year data as listed in the table below is \$0, this program will be removed.

Service Objectives

- Identify and process annexations

Adopted Budget

There is no budget requested for this program.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Cost Allocation	\$ -	\$ 727	\$ -	\$ -
Total Expenditures	\$ -	\$ 727	\$ -	\$ -
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ -	\$ 727	\$ -	\$ -

Staffing

There is no staffing associated with this program.

Economic Development

Budget Unit 100-71-705

General Fund - Planning - Economic Development

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ -
Fund Balance	\$ -
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	0.0 FTE

Program Overview

In FY 2021-22, the Economic Development program was transferred to the City Manager's Office after budget adoption and reported to Council in the City's first quarter financial report. The Economic Development program specifically targets business retention, expansion, and attraction with a focus on small business development, in order to support the City's financial stability. Information for this budget can be found in the Administration Department.

Service Objectives

- Provide assistance and support to businesses to enable job creation, new business formation, private investment, and industry evolution.
- Conduct outreach to existing small businesses to create strong working relationships.
- Collaborate with internal city team members to keep the needs of businesses in the forefront when reviewing applications and projects.
- Partner with local business associations, agencies, and organizations to create a strong and cohesive network offering business support and assistance.
- Provide the public with current data and information easily accessible online or in printed format.
- Assist with policy formation to align with business and community goals.

Adopted Budget

There is no budget requested for this program.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Materials	\$ -	\$ -	\$ 53,848	\$ -
Contract Services	\$ -	\$ -	\$ 243,000	\$ -
Cost Allocation	\$ -	\$ -	\$ 13,227	\$ -
Special Projects	\$ -	\$ -	\$ 14,100	\$ -
Contingencies	\$ -	\$ -	\$ 7,899	\$ -
Total Expenditures	\$ -	\$ -	\$ 332,074	\$ -
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ -	\$ -	\$ 332,074	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ECONOMIC DEVELOPMENT MANAGER	0	0	1.00	0
Total	0	0	1.00	0

In FY 2021-22, the Economic Development program was transferred to the City Manager's Office.

CDBG General Admin

Budget Unit 260-72-707

CDBG - Housing Services - CDBG General Admin

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 88,356
Total Expenditures	\$ 155,589
Fund Balance	\$ (67,233)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	0.6 FTE

Program Overview

The General Administration of the Community Development Block Grant (CDBG) federal entitlement program is reserved for program administration costs to cover salary and benefits of staff who operate the CDBG program. The CDBG program is a federal entitlement program which serves low- and moderate- income Cupertino residents. CDBG program administration costs represent 20% of the City's annual federal CDBG allocation plus prior year program income.

Service Objectives

- Prepare and submit an Annual Plan to the US Department of Housing and Urban Development (HUD).
- Prepare and submit annual Consolidated Annual Performance and Evaluation Report (CAPER) to HUD.
- Prepare and submit a five-year Consolidated Plan to HUD.
- Meet quarterly with Santa Clara County CDBG Coordinators.
- Conduct four-eight public hearings per year to allocate CDBG funding, review Annual Plan, CAPER, and Consolidated Plan.
- Provide technical assistance to grantees and applicants.
- Monitor grantees for compliance with federal regulations.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$155,589 for the CDBG General Admin program. This represents an increase of \$31,213 (25.1%) from the FY 2021-22 Adopted Budget.

The increase is due to employee compensation and benefits due to an increase in staffing.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ 75,442	\$ 270,062	\$ 79,439	\$ 88,356
Total Revenues	\$ 75,442	\$ 270,062	\$ 79,439	\$ 88,356
Expenditures				
Employee Compensation	\$ 57,144	\$ 70,332	\$ 84,330	\$ 104,594
Employee Benefits	\$ 27,543	\$ 33,073	\$ 40,046	\$ 50,995
Materials	\$ -	\$ 440,223	\$ -	\$ -
Total Expenditures	\$ 84,687	\$ 543,628	\$ 124,376	\$ 155,589
Fund Balance	\$ (9,245)	\$ (273,566)	\$ (44,937)	\$ (67,233)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
PLANNING MANAGER	0.39	0.39	0.39	0.39
SENIOR PLANNER	0	0.10	0.10	0.20
Total	0.39	0.49	0.49	0.59

The division is requesting the addition of a Senior Planner (0.10). In addition to responding to public inquiries on housing related topics, the Housing Division is responsible for the administration of the City of Cupertino's federally funded Community Development Block Grant (CDBG) Program, Below Market Rate (BMR) Affordable Housing Fund (AHF), General Fund Human Service Grants (HSG), implementation, reporting, and monitoring of grants received, and other contracted affordable housing programs and services. The Housing Division also supports the Housing Commission. With the increase awareness and support for the low-income and the unhoused communities, there is greater demand for projects and tasks. There are also increased process and requirements for many of the state and federal regulations and reporting. The City Work Program (CWP) also require significant resources to complete. Further, the number of counseling and disputes has increased by approximately 60% from FY 2020 to FY 2021, while the number of housing resources and referrals have increased by approximately 20% in the same period. FY 2022 projects an additional increase in both categories. The requested position will alleviate the increased demand and volume of work, and continue to provide efficient project management and coordination.

Tasks include but are not limited to: Ongoing and regular duties of the Housing Division include the Housing Commission, management of the City's Housing and Human Services Grants Program (capital housing projects and public services) and the Community Development Block Grant, management of the City's Below Market Rate Housing Program, and implementation of the Housing Element.

CDBG Capital/Housing Projects

Budget Unit 260-72-709

CDBG - Housing Services - CDBG Capital/Housing Projects

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 340,858
Total Expenditures	\$ 337,558
Fund Balance	\$ 3,300
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

This portion of the Community Development Block Grant (CDBG) federal entitlement program is reserved for grants and loans to non-profit developers and agencies for eligible activities such as public improvements, property acquisition for affordable housing, rehabilitation of affordable units, and development of affordable housing. CDBG Capital/Housing costs represent 65% of the City's annual federal CDBG allocation plus prior year program income.

Service Objectives

- Issue Requests for Proposals (RFPs) on an annual basis for Capital/Housing Projects.
- Review applications and make funding recommendations to Housing Commission and City Council.
- On a quarterly basis, monitor grants, disburse funding, and collect demographic information from each grantee.
- Review quarterly reports and reimbursements requests from agencies and enter data into HUD IDIS program.
- Coordinate entitlement process with the Planning Division for affordable development projects.
- Monitor project progress of grantees through the construction phase.
- Coordinate CEQA/NEPA environmental review processes for all affordable developments.
- Coordinate preparation of all grant and loan agreements, Deeds of Trust, Promissory Notes, and Regulatory Agreements.
- On an annual basis, prepare grant agreements or amendments for each grantee.
- Provide technical assistance to grantees and applicants.
- Monitor grantees for compliance with federal regulations.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$337,558 for the CDBG Capital/Housing Projects program. This represents an increase of \$16,074 (5.0%) from the FY 2021-22 Adopted Budget.

When the budget was being developed, the City had not yet received notice from the US Department of Housing and Urban Development (HUD) for its FY 2022-23 CDBG funding allocation. The estimate is expected to be updated when more information is known.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 2,581	\$ 2,333	\$ 3,300	\$ 3,300
Intergovernmental Revenue	\$ 227,111	\$ 229,369	\$ 321,445	\$ 337,558
Total Revenues	\$ 229,692	\$ 231,702	\$ 324,745	\$ 340,858
Expenditures				
Materials	\$ 227,111	\$ 229,369	\$ 321,484	\$ 337,558
Total Expenditures	\$ 227,111	\$ 229,369	\$ 321,484	\$ 337,558
Fund Balance	\$ 2,581	\$ 2,333	\$ 3,261	\$ 3,300
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

There is no staffing associated with this program.

CDBG Public Service Grants

Budget Unit 260-72-710

CDBG - Housing Services - CDBG Public Service Grants

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 66,267
Total Expenditures	\$ 61,852
Fund Balance	\$ 4,415
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

This portion of the Community Development Block Grant (CDBG) federal entitlement program is reserved for grants to nonprofit agencies serving low- and moderate-income Cupertino residents. The agencies provide services such as food assistance, job training, emergency housing, legal assistance, etc. CDBG Public Services costs represent 15% of the City's annual federal CDBG allocation plus prior year program income.

Service Objectives

- Issue Requests for Proposals (RFPs) on a bi- or tri-annual basis for public services programs.
- Review applications and make funding recommendations to Housing Commission and City Council.
- On a quarterly basis, monitor grants, disburse funding, and collect demographic information from each grantee.
- Review quarterly reports and reimbursements requests from agencies and enter data into HUD IDIS program.
- On an annual basis, prepare grant agreements or amendments for each grantee.
- Provide technical assistance to grantees and applicants.
- Monitor grantees for compliance with federal regulations.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$61,852 for the CDBG Public Service Grants program. This represents a decrease of \$1,260 (-2.0%) from the FY 2021-22 Adopted Budget.

When the budget was being developed, the City had not yet received notice from the US Department of Housing and Urban Development (HUD) for its FY 2022-23 CDBG funding allocation. The estimate is expected to be updated when more information is known.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ 54,974	\$ 59,579	\$ 63,112	\$ 66,267
Total Revenues	\$ 54,974	\$ 59,579	\$ 63,112	\$ 66,267
Expenditures				
Materials	\$ 54,974	\$ 59,613	\$ 63,112	\$ 61,852
Total Expenditures	\$ 54,974	\$ 59,613	\$ 63,112	\$ 61,852
Fund Balance	\$ -	\$ (34)	\$ -	\$ 4,415
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

There is no staffing associated with this program.

BMR Affordable Housing Fund

Budget Unit 265-72-711

BMR Housing - Housing Services - BMR Affordable Housing Fund

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 8,002,202
Total Expenditures	\$ 1,222,398
Fund Balance	\$ 6,804,804
General Fund Costs	\$ 25,000
% Funded by General Fund	2.0%
Total Staffing	2.5 FTE

Program Overview

This program covers administration of the Below Market Rate (BMR) Housing program.

Service Objectives

- Contract with BMR Program Administrator annually for services relating to rental and ownership units.
- Prepare and monitor agreement, process monthly reimbursement requests, and provide technical assistance to BMR Program Administrator.
- Review and maintain the Policy and Procedures Manual for Administering Deed Restricted Affordable Housing Units (BMR Manual).
- Review and maintain the BMR Housing Mitigation Program Procedural Manual (Housing Mitigation Manual)

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,222,398 for the BMR Affordable Housing Fund program. This represents a decrease of \$86,734 (-6.6%) from the FY 2021-22 Adopted Budget.

This decrease is primarily due to a reduction in special projects carried over from last fiscal year and any balance will be carried over into FY 2022-23. This is offset by an increase in salary and benefits due to the addition of an Office Assistant (0.50) and Senior Planner (0.80).

The increase in the housing mitigation revenue is due to the office project at 19191 Vallco Parkway.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description	Strategic Goal
Housing Programs for De Anza College Students	\$25,000	\$25,000	General Fund	City Work Program: Continue participation in De Anza College's student housing assistance program.	Housing
Total	\$25,000	\$25,000			

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Taxes	\$ 39,000	\$ 197,661	\$ 3,611,855	\$ 8,002,202
Charges for Services	\$ 1,442	\$ 7,270	\$ -	\$ -
Miscellaneous Revenue	\$ 1,515	\$ -	\$ -	\$ -
Total Revenues	\$ 41,957	\$ 204,931	\$ 3,611,855	\$ 8,002,202
Expenditures				
Employee Compensation	\$ 58,884	\$ 108,157	\$ 170,709	\$ 320,797
Employee Benefits	\$ 28,396	\$ 48,043	\$ 80,982	\$ 164,609
Materials	\$ 257,581	\$ 310,416	\$ 330,371	\$ 341,026
Contract Services	\$ 174,121	\$ 69,130	\$ 226,588	\$ 226,600
Cost Allocation	\$ 28	\$ 48,843	\$ 100,482	\$ 144,366
Special Projects	\$ 1,746	\$ 81,311	\$ 400,000	\$ 25,000
Total Expenditures	\$ 520,756	\$ 665,900	\$ 1,309,132	\$ 1,222,398
Fund Balance	\$ (478,799)	\$ (260,968)	\$ 2,302,723	\$ 6,804,804
General Fund Costs	\$ -	\$ 200,000	\$ -	\$ 25,000

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
OFFICE ASSISTANT	0	0	0	0.50
PLANNING MANAGER	0.41	0.41	0.41	0.41
SENIOR PLANNER	0	0.80	0.80	1.60
Total	0.41	1.21	1.21	2.51

The increase in staffing is due to the addition of an Office Assistant (0.50) who will provide administrative support to Planning and Housing divisions and a Senior Planner (0.80).

In addition to responding to public inquiries on housing related topics, the Housing Division is responsible for the administration of the City of Cupertino's federally funded Community Development Block Grant (CDBG) Program, Below Market Rate (BMR) Affordable Housing Fund (AHF), General Fund Human Service Grants (HSG), implementation, reporting, and monitoring of grants received, and other contracted affordable housing programs and services. The Housing Division also supports the Housing Commission. With the increase awareness and support for the low-income and the unhoused communities, there is greater demand for projects and tasks. There are also increased process and requirements for many of the state and federal regulations and reporting. The City Work Program (CWP) also require significant resources to complete. Further, the number of counseling and disputes has increased by approximately 60% from FY 2020 to FY 2021, while the number of housing resources and referrals have increased by approximately 20% in the same period. FY 2022 projects an additional increase in both categories. The requested position will alleviate the increased demand and volume of work, and continue to provide efficient project management and coordination.

Community Development Department (CDD) consists of four divisions: Building, Planning, Housing, and Code Enforcement. Within each division there are also teams and functions, such as Inspections, Permit Center, Plan Review, Long-Range Planning, Current Planning, CDBG Programs, Housing Funds and Grants, and BMR Administration. CDD also supports two city commissions, three committees, and any development related subcommittees as appropriately formed to support the goals and vision of the City Council. The requested Office Assistant position will provide more efficient administrative support and coverage throughout the divisions and functions.

Human Service Grants

Budget Unit 100-72-712

General Fund - Housing Services - Human Service Grants

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 123,965
Fund Balance	\$ -
General Fund Costs	\$ 123,965
% Funded by General Fund	100.0%
Total Staffing	FTE

Program Overview

The City of Cupertino sets aside \$100,000 from its General Fund for non-profit agencies providing services to low- and moderate-income Cupertino residents. Eligible programs include senior services, homeless services, and others that serve low- and moderate-income residents.

Service Objectives

- Issue Requests for Proposals (RFPs) on a bi- or tri-annual basis for public services programs.
- Review applications and make funding recommendations to Housing Commission and City Council.
- On a quarterly basis, monitor grants, disburse funding, and collect demographic information from each grantee.
- Review quarterly reports and reimbursements requests from agencies.
- On an annual basis, prepare grant agreements or amendments for each grantee.
- Provide technical assistance to grantees and applicants.
- Monitor grantees for compliance.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$123,965 for the Human Service Grants program. This represents a decrease of \$97 (-0.1%) from the FY 2021-22 Adopted Budget.

The decrease is due to a decrease in cost allocation. The budget is relatively unchanged from the last fiscal year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Materials	\$ 83,600	\$ 113,112	\$ 115,780	\$ 115,780
Cost Allocation	\$ 2,840	\$ 4,431	\$ 5,387	\$ 5,290
Contingencies	\$ -	\$ -	\$ 2,895	\$ 2,895
Total Expenditures	\$ 86,440	\$ 117,543	\$ 124,062	\$ 123,965
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 86,440	\$ 117,543	\$ 124,062	\$ 123,965

Staffing

There is no staffing associated with this program.

General Building

Budget Unit 100-73-713

General Fund - Building - General Building

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 315,000
Total Expenditures	\$ 935,194
Fund Balance	\$ -
General Fund Costs	\$ 620,194
% Funded by General Fund	66.3%
Total Staffing	3.1 FTE

Program Overview

The General Building program establishes the minimum requirements to safeguard the public health, safety and general welfare through structural strength, means of egress facilities, stability, accessibility, sanitation, adequate lighting and ventilation and energy conservation; safety to life and property from fire and other hazards attributed to the built environment; and to provide safety to fire fighters and emergency responders during emergency operations.

Service Objectives

- Provide efficient and friendly service that will assist customers with their building permit goals and objectives.
- Continue to streamline the workflow process to provide efficient and friendly customer service.
- Work proactively to enhance the public interface and information systems.
- Continue efforts to create a more effective records management system and land use data system using Geographic Information System (GIS).
- Increase staff knowledge through in-house training, meetings, and seminars

Adopted Budget

On June 9, 2022, City Council approved a budget of \$935,194 for the General Building program. This represents a decrease of \$84,557 (-8.3%) from the FY 2021-22 Adopted Budget.

The decrease is due to a decrease in cost allocation.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Licenses and Permits	\$ 277,460	\$ 308,976	\$ 315,000	\$ 315,000
Total Revenues	\$ 277,460	\$ 308,976	\$ 315,000	\$ 315,000
Expenditures				
Employee Compensation	\$ 390,103	\$ 452,234	\$ 465,040	\$ 429,712
Employee Benefits	\$ 161,280	\$ 187,633	\$ 210,336	\$ 212,488
Materials	\$ 8,745	\$ 3,196	\$ 17,603	\$ 18,273
Cost Allocation	\$ 258,746	\$ 290,487	\$ 326,332	\$ 274,264
Special Projects	\$ 16,837	\$ -	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ 440	\$ 457
Total Expenditures	\$ 835,711	\$ 933,550	\$ 1,019,751	\$ 935,194
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 558,252	\$ 624,574	\$ 704,751	\$ 620,194

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0.50	0.50	0.50	0.50
ASSIST DIR OF COMMUNITY DEV	0.60	0.60	0.60	0.60
DEPUTY BUILDING OFFICIAL	0.20	0.20	0.20	0.20
DIRECTOR OF COMM DEVELOPMENT	0.12	0.12	0.12	0.12
MANAGEMENT ANALYST	0.20	0.20	0.20	0.20
OFFICE ASSISTANT	0.50	0.50	0.50	0.50
PERMIT CENTER MANAGER	0.20	0.20	0.20	0.20
PERMIT TECHNICIAN	0.60	0.60	0.60	0.60
SR BUILDING INSPECTOR	0.20	0.20	0.20	0.20
Total	3.12	3.12	3.12	3.12

There are no changes to the current level of staffing.

Building Plan Review

Budget Unit 100-73-714

General Fund - Building - Building Plan Review

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 1,500,000
Total Expenditures	\$ 2,116,415
Fund Balance	\$ -
General Fund Costs	\$ 616,415
% Funded by General Fund	29.1%
Total Staffing	6.7 FTE

Program Overview

The Building Plan Review program is responsible for the timely and accurate review and approval of construction drawings for all residential, commercial and industrial permit applications for buildings and structures to ensure the proposed design meets or exceeds the minimum life safety, plumbing, mechanical, electrical, accessibility, energy and structural safety standards of the California Building Code and all governing local amendments.

Service Objectives

- Provide a streamlined building plan review system that will ensure plans comply with all applicable state and local codes and ordinances.
- Continue to streamline the internal application processing system and permit review process.
- Confer with design professionals on project application and pre-application meetings.
- Provide general code information for property owners, design professionals, developers, contractors and the general public.
- Assist building inspectors in difficult or unusual code interpretation as it applies to various buildings and structures.
- Assist in training of building inspectors and permit technicians in conducting residential and minor commercial plan review.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$2,116,415 for the Building Plan Review program. This represents a decrease of \$82,156 (-3.7%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged from last fiscal year. The decrease in compensation and benefits is due to a change in staff.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Licenses and Permits	\$ 2,689,605	\$ 1,528,688	\$ 1,300,000	\$ 1,500,000
Charges for Services	\$ 15,287	\$ 11,463	\$ -	\$ -
Miscellaneous Revenue	\$ 2,276	\$ 7,719	\$ -	\$ -
Total Revenues	\$ 2,707,168	\$ 1,547,870	\$ 1,300,000	\$ 1,500,000
Expenditures				
Employee Compensation	\$ 704,699	\$ 716,267	\$ 1,027,832	\$ 892,976
Employee Benefits	\$ 324,457	\$ 343,121	\$ 517,937	\$ 461,112
Materials	\$ 10,454	\$ 2,968	\$ 17,455	\$ 26,896
Contract Services	\$ 985	\$ 179,510	\$ -	\$ -
Cost Allocation	\$ 382,304	\$ 482,766	\$ 634,911	\$ 734,759
Special Projects	\$ 49,149	\$ 25,700	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ 436	\$ 672
Total Expenditures	\$ 1,472,048	\$ 1,750,332	\$ 2,198,571	\$ 2,116,415
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ (1,235,121)	\$ 202,461	\$ 898,571	\$ 616,415

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0.25	0.25	0.25	0.25
ASSIST DIR OF COMMITY DEV	0.20	0.20	0.20	0.20
DEPUTY BUILDING OFFICIAL	0.80	0.80	0.80	0.80
OFFICE ASSISTANT	0.25	0.25	0.25	0.25
PERMIT CENTER MANAGER	0.80	0.80	0.80	0.80
PERMIT TECHNICIAN	2.40	2.40	2.40	2.40
PLAN CHECK ENGINEER	2.00	1.00	2.00	2.00
Total	6.70	5.70	6.70	6.70

There are no changes to the current level of staffing.

Building Code Enforcement

Budget Unit 100-73-715

General Fund - Building - Building Code Enforcement

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 1,700,000
Total Expenditures	\$ 1,432,502
Fund Balance	\$ -
General Fund Costs	\$ (267,498)
% Funded by General Fund	-18.7%
Total Staffing	5.2 FTE

Program Overview

The Building Inspection program is established to enforce certain minimum standards pursuant to the California Building Code and all local amendments for all new and existing buildings and structures within the City of Cupertino jurisdiction. These minimum standards include public safety, health and general welfare through structural strength, stability, sanitation, adequate light and ventilation, and safety to life and property from fire, hurricane, and other hazards attributed to the built environment. These include alteration, repair, removal, demolition, use, and occupancy of buildings, structures or premises. The Building Inspections Division also regulates the installation and maintenance of all electrical, gas, mechanical and plumbing systems, which may be referred to as service systems. The program also responds to stormwater pollution protection, emergency situations and complaints of unsafe structures, work without permits, and prepares Notices of Violation as necessary. Unabated cases are referred to the Code Enforcement Division for further action.

Service Objectives

- Build and maintain a positive working relationship with co-workers, other city employees and the general public using principles of quality customer service.
- Build and maintain a partnership with property owners, developers, and contractors to help our customers meet their building occupancy goals.
- Perform building inspections within 48 hours of receiving the request.
- Consistently and accurately document non-complying code issues to ensure proper and safe installation of routine and complex building systems.
- Ensure that minimum building code safety requirements are met in all phases of construction for structural, electrical, plumbing, mechanical and accessibility installations.
- Educate community members about life and safety inspection issues as they occur before and during the construction process.
- Work with owners, developers, and contractors to implement principles of green building as required in the CALGreen Building Code and Cupertino green building requirements.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,432,502 for the Building Code Enforcement program. This represents a decrease of \$48,923 (-3.3%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from the last fiscal year. The decrease is due to a decrease in cost allocation.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Licenses and Permits	\$ 1,698,495	\$ 2,196,881	\$ 1,500,000	\$ 1,700,000
Total Revenues	\$ 1,698,495	\$ 2,196,881	\$ 1,500,000	\$ 1,700,000
Expenditures				
Employee Compensation	\$ 614,038	\$ 577,025	\$ 675,434	\$ 673,616
Employee Benefits	\$ 280,247	\$ 272,936	\$ 326,593	\$ 341,524
Materials	\$ 22,485	\$ 13,423	\$ 22,867	\$ 23,682
Contract Services	\$ 6,659	\$ -	\$ -	\$ -
Cost Allocation	\$ 277,818	\$ 395,969	\$ 455,997	\$ 393,088
Special Projects	\$ 19,641	\$ 2,094	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ 534	\$ 592
Total Expenditures	\$ 1,220,888	\$ 1,261,447	\$ 1,481,425	\$ 1,432,502
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ (477,606)	\$ (935,435)	\$ (18,575)	\$ (267,498)

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	0.25	0.25	0.25	0.25
ASSIST DIR OF COMMUNITY DEV	0.20	0.20	0.20	0.20
BUILDING INSPECTOR	3.72	3.72	3.72	3.72
OFFICE ASSISTANT	0.25	0.25	0.25	0.25
SR BUILDING INSPECTOR	0.73	0.73	0.73	0.73
Total	5.15	5.15	5.15	5.15

There are no changes to the current level of staffing.

Muni Code Enforcement

Budget Unit 100-73-718

General Fund - Building - Muni Code Enforcement

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 84,454
Fund Balance	\$ -
General Fund Costs	\$ 84,454
% Funded by General Fund	100.0%
Total Staffing	0.3 FTE

Program Overview

The Community Development Code Enforcement program provides enforcement of various provisions of the municipal code relating to nonconforming land use and building code compliance. These activities include building without permits, unpermitted removal of protected trees, nonconforming accessory structures, various use permit violations, private residential fence height/setback violations, and nonconforming signs. Assistance is provided to Planning and Building Division staff in the resolution of different code violations and land use concerns, which are contrary to the municipal code.

Service Objectives

- Respond to citizen, City department, or outside agency referrals within 48 hours.
- Provide services with an emphasis on community education and customer service.
- Enforce the codes in a fair, equitable, and objective manner.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$84,454 for the Muni Code Enforcement program. This represents a decrease of \$2,164 (-2.5%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from the last fiscal year. The decrease is due to a decrease in cost allocation.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 30,013	\$ 27,958	\$ 32,750	\$ 33,129
Employee Benefits	\$ 13,691	\$ 13,182	\$ 15,815	\$ 16,438
Materials	\$ 1,084	\$ (34)	\$ 80	\$ 80
Cost Allocation	\$ 56,117	\$ 36,878	\$ 37,973	\$ 34,805
Contingencies	\$ -	\$ -	\$ -	\$ 2
Total Expenditures	\$ 100,905	\$ 77,984	\$ 86,618	\$ 84,454
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 100,905	\$ 77,984	\$ 86,618	\$ 84,454

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
BUILDING INSPECTOR	0.20	0.20	0.20	0.20
SR BUILDING INSPECTOR	0.05	0.05	0.05	0.05
Total	0.25	0.25	0.25	0.25

There are no changes to the current level of staffing.

Code Enforcement

Budget Unit 100-74-202

General Fund - Code Enforcement - Code Enforcement

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 225,000
Total Expenditures	\$ 1,246,971
Fund Balance	\$ -
General Fund Costs	\$ 1,021,971
% Funded by General Fund	82.0%
Total Staffing	4.0 FTE

Program Overview

The Code Enforcement program provides enforcement of various provisions of the municipal code relating to parking citations, noise, animal control, zoning and building, and other compliance areas. Assistance is provided to the Sheriff Department in the areas of traffic control and other complaint responses.

Service Objectives

- Respond to resident, City department, or outside agency referrals within 48 hours.
- Provide services with an emphasis on community education and customer service.
- Enforce the codes in a fair, equitable, and objective manner.
- Manage the animal control services contract with the City of San José.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,246,971 for the Code Enforcement program. This represents an increase of \$44,579 (3.7%) from the FY 2021-22 Adopted Budget.

The increase is primarily due to an increase in employee compensation and benefits for a new position and is offset by a reduction in cost allocation.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 5,082	\$ 4,768	\$ -	\$ -
Fines and Forfeitures	\$ 127,723	\$ 26,998	\$ 225,000	\$ 225,000
Miscellaneous Revenue	\$ 521	\$ -	\$ -	\$ -
Total Revenues	\$ 133,326	\$ 31,766	\$ 225,000	\$ 225,000
Expenditures				
Employee Compensation	\$ 372,534	\$ 356,222	\$ 402,920	\$ 438,824
Employee Benefits	\$ 167,450	\$ 161,704	\$ 183,330	\$ 231,321
Materials	\$ 10,119	\$ 6,458	\$ 18,310	\$ 19,006
Contract Services	\$ 258,341	\$ 284,040	\$ 311,793	\$ 311,793
Cost Allocation	\$ 105,495	\$ 274,009	\$ 277,786	\$ 237,757
Contingencies	\$ -	\$ -	\$ 8,253	\$ 8,270
Total Expenditures	\$ 913,939	\$ 1,082,433	\$ 1,202,392	\$ 1,246,971
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 780,613	\$ 1,050,667	\$ 977,392	\$ 1,021,971

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
CODE ENFORCEMENT OFFICER	0	1.00	1.00	2.00
SR CODE ENFORCEMENT OFFICER	3.00	2.00	2.00	2.00
Total	3.00	3.00	3.00	4.00

Staffing is increasing due to the conversion of a part-time Code Enforcement Officer to full-time. The Code Enforcement Division ensures that the community complies with the policies, processes, and municipal laws associated with Community Development functions. These functions include development planning, building construction, habitability of housing stock, and fire prevention. Code Enforcement staff work closely with property and business owners to educate and gain voluntary compliance with the Cupertino Municipal Code. The volume of cases and inquiries have remained consistently high, both before and during the COVID-19 pandemic. Annually, the Code Enforcement Division receives approximately 1,400 cases and 2,500 inquiries. The conversion of a part-time code enforcement officer to full-time will provide better weekend coverage and alleviate the high volume of cases and inquiries and meet expectations from the community. The addition will also provide better interdepartmental and interagency coordination and support.

Public Works

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Department Overview

Budget Units

Budget Unit	Program	2023 Adopted Budget
Public Works Administration		\$ 1,158,135
100-80-800	Public Works Administration	\$ 1,158,135
Environmental Programs		\$ 4,352,489
520-81-801	Resource Recovery	\$ 2,285,090
230-81-802	Non-Point Source	\$ 1,226,654
230-81-853	Storm Drain Fee	\$ 25,528
230-81-854	General Fund Subsidy	\$ 30,215
230-81-855	Storm Drain Maintenance	\$ 785,002
Developmental Services		\$ 3,276,401
100-82-804	Plan Review	\$ 1,471,996
100-82-806	CIP Administration	\$ 1,804,405
Service Center		\$ 1,290,762
100-83-807	Service Center Administration	\$ 1,290,762
Grounds		\$ 6,784,938
100-84-808	McClellan Ranch Park	\$ 235,194
100-84-809	Memorial Park	\$ 871,977
100-84-811	BBF Ground Maintenance	\$ 298,534
100-84-812	School Site Maintenance	\$ 1,630,018
100-84-813	Neighborhood Parks	\$ 2,687,196
100-84-814	Sport Fields Jollyman, Creekside	\$ 881,604
100-84-815	Civic Center Maintenance	\$ 180,415
Streets		\$ 10,242,641
100-85-818	Storm Drain Maintenance	\$ -
270-85-820	Sidewalk Curb and Gutter	\$ 1,982,206
270-85-821	Street Pavement Maintenance	\$ 4,587,213
270-85-822	Street Sign Marking	\$ 829,894
100-85-848	Street Lighting	\$ 1,024,841
630-85-849	Equipment Maintenance	\$ 1,594,350
Total		\$ 39,921,995

Budget Unit	Program	2023 Adopted Budget
100-85-850	Environmental Materials	\$ 224,137
Trees and Right of Way		\$ 4,259,367
100-86-261	Trail Maintenance	\$ 232,764
100-86-824	Overpasses and Medians	\$ 1,802,896
100-86-825	Street Tree Maintenance	\$ 1,681,931
100-86-826	Sheriff Work Program	\$ 541,776
Facilities and Fleet		\$ 5,546,934
560-87-260	BBF Golf Maintenance	\$ 133,586
100-87-827	City Hall Maintenance	\$ 548,697
100-87-828	Library Maintenance	\$ 667,502
100-87-829	Service Center Maintenance	\$ 435,665
100-87-830	Quinlan Community Center Maintenance	\$ 638,815
100-87-831	Senior Center Maintenance	\$ 616,786
100-87-832	McClellan Ranch Maintenance	\$ 238,267
100-87-833	Monta Vista Community Center Maintenance	\$ 202,498
100-87-834	Wilson Park Maintenance	\$ 104,887
100-87-835	Portal Park Maintenance	\$ 69,185
570-87-836	Sports Center Maintenance	\$ 640,197
100-87-837	Creekside Park Maintenance	\$ 111,461
100-87-838	Community Hall Maintenance	\$ 255,256
100-87-839	Teen Center Maintenance	\$ 50,100
100-87-840	Park Bathrooms Maintenance	\$ 212,702
100-87-841	Blackberry Farm Maintenance	\$ 578,769
100-87-852	Franco Traffic Operations Center	\$ 17,036
100-87-857	City Hall Annex	\$ 25,525
Transportation		\$ 3,002,484
100-88-844	Traffic Engineering	\$ 1,530,072
100-88-845	Traffic Signal Maintenance	\$ 811,350
100-88-846	Safe Routes 2 School	\$ 661,062
Non-Departmental		\$ 7,844
210-90-978	Minor Storm Drain Improvement	\$ -
Total		\$ 39,921,995

Budget Unit	Program	2023 Adopted Budget
630-90-985	Fixed Assets Acquisition	\$ 7,844
Total		\$ 39,921,995

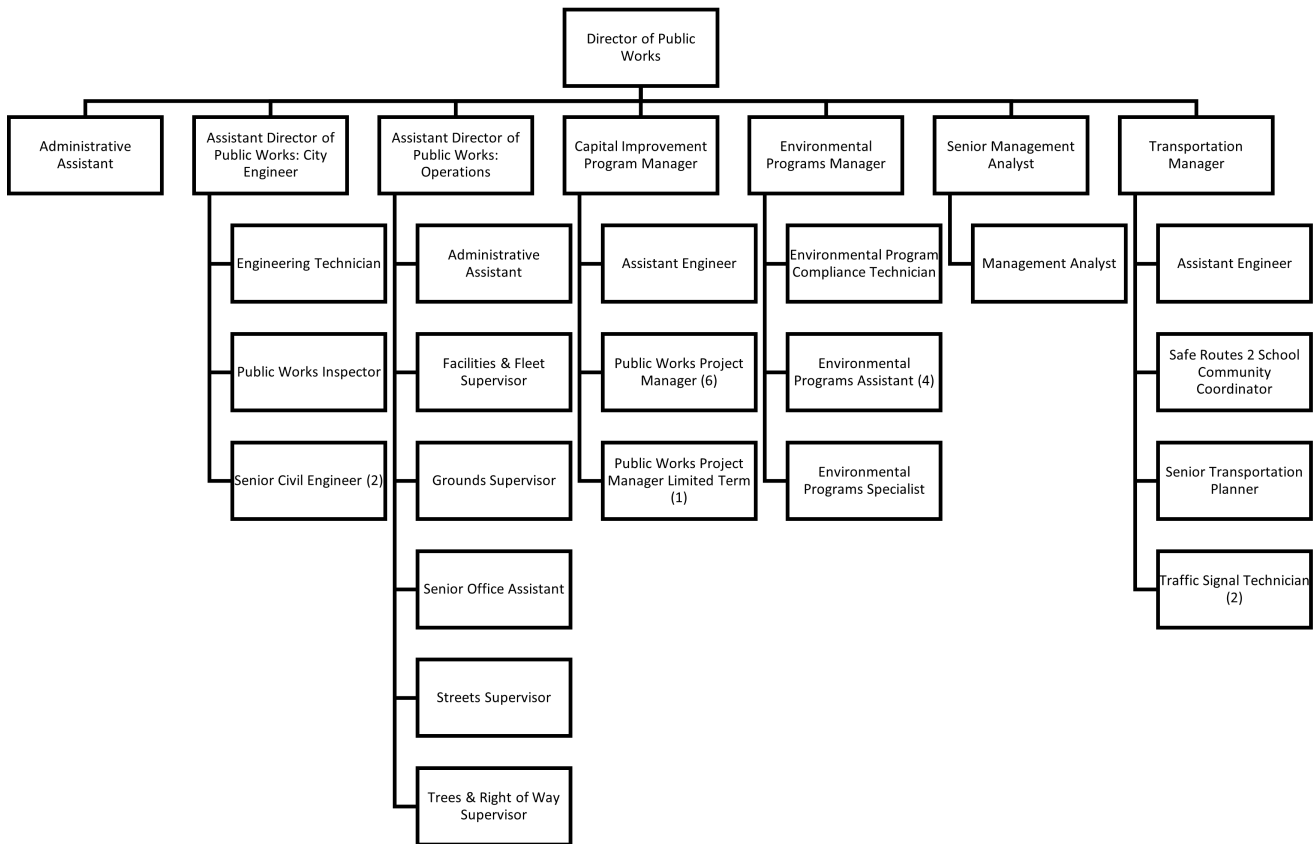
Budget at a Glance

2023 Adopted Budget

Total Revenues	\$ 9,118,510
Total Expenditures	\$ 39,921,995
Fund Balance	\$ (8,046,480)
General Fund Costs	\$ 22,818,145
% Funded by General Fund	57.2%
Total Staffing	94.1 FTE

Organization

Matt Morley, Director of Public Works



Performance Measures

Capital Project Delivery

Goal: Develop and deliver projects on time and within budget that serve the resident's needs and supports the City's stability and growth.

Benefit: Residents and businesses are assured their community is being improved by insightful, targeted and efficient use of taxes and fees towards maintaining and improving the City's facilities and assets.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
Percentage of projects completed on budget	95%	90%	100%	95%
Percentage of construction projects completed on time	78%	90%	100%	95%

*FY21: 10 projects completed, 9 projects on budget and time

*FY22: 2 projects completed

Environment

Goal: Protect our natural environment for current and future generations.

Benefit: Current and future residents enjoy a healthy, sustainable environment.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
Percent of businesses in compliance during annual proactive stormwater pollution prevention inspections	95%	96%	N/A*	75%
Percent of non-exempt businesses and multi-family accounts separating organics	CY 2019 64%	79%**	81%***	100% by 7/1/2022 (SB1383)
Percent trash/litter reduction achieved to meet Stormwater Permit requirements	92%	88%	N/A****	100% by 7/1/2022
Diversion rate from all single-family, multi-family, and commercial accounts as reported by Recology tonnage reports	54%	53%	52%	55%
Respond to reports of actual or potential discharge the same business day	89%	89%	97%	95%
% of plan reviews completed in required number of days	83%	90%	91%	100%
Cubic yards of compost distributed via compost site	740 CY	1,165 CY	240 CY	1,000 CY
% of vegetation obstructions resolved within 15 days from time of report*	38%	31%	35%	100%

*Inspections occur in the spring only

**as of 12/31/2020

***as of 9/7/2021

****calculated for Annual Report in September

Development Services

Goal: Provide timely review and permitting of privately completed improvements within the public right of way.

Benefit: Customers can expect quality reviews and permitting on a defined schedule, and the community can expect quality public facilities.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
Respond to complete plan submittals or applications within two (2) weeks	95%	93%	95%	90%
Respond to complete encroachment permit applications within two (2) weeks	93%	92%	94%	90%
Respond to public inquiries at the Public Works counter in City Hall within 15 minutes	95%	*	*	95%

*In-person counter closed starting March 2020

Grounds Division

Goal: Provide well maintained, clean, and safe areas for the community’s recreational use and enjoyment at optimal life cycle costs.

Benefit: Cupertino has a well maintained public park system that meets the needs of the community and is beneficial to personal wellness.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
Percentage of 311 requests that are responded to and closed within 3 business days	72%	74%	85%	80%
Percentage of the 2,964 park inspections, including play grounds, performed 3 times weekly	100%	100%	50%	100%
Percentage of Backflow Prevention Devices inspected, tested and repaired annually	100%	100%	50%	100%

Streets Division

Goal: Timely maintenance of public sidewalks, streets, streetlights and storm drain system in good condition to ensure safe, environmentally compliant, and accessible infrastructure that minimizes liability and has an optimal life cycle cost.

Benefit: Cupertino has well maintained street and storm drain systems that meet the needs of the community.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
Pavement condition index (PCI) > or equal to 82	85	85	85	82
Percent of the 2199 storm drain inlets inspected and cleaned in fiscal year	94%	95%	1%	100%
Percent of Inlets with Trash Capture Screens inspected and cleaned twice yearly	100%	100%	50%	100%
Percentage of roadway regulatory & street name signs repaired or replaced	5.1%	5.5%	2.8%	7%
Percentage of trip and fall complaints investigated and mitigated within 2 business days	100%	100%	100%	98%
Percentage of reported streetlight outages investigated and repaired in 3 business days	89%	90%	90%	90%

Trees and Right of Way Division

Goal: Maintain and enhance the City's street trees and medians to ensure a safe, healthy and environmentally conscious Urban Forest.

Benefit: Cupertino has a healthy and safe urban forest and medians provide good aesthetic and environmental value.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
Percentage of 311 requests that are responded to and closed within 3 business days	96%	95%	83%	95%
Percentage of trees inspected and maintained in the yearly maintenance zone (8 year maintenance cycle)	76%	97%	23%	100%
Percentage of trees planted versus trees removed	76%	92%	78%	101%
# planted/# removed	69/91	187/202	66/84	

Facilities and Fleet Division

Goal: Timely maintain City Facilities and City Fleet to meet staff, community and environmental requirements at an optimal life cycle cost.

Benefit: Cupertino has well-maintained, usable, and safe facilities and fleet in order to meet the needs of staff and the community.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
Percentage of preventative maintenance work orders completed for Fleet assets within 14 days of the due date.	82%	83%	97%	85%
Percentage of facilities maintenance requests closed within 30 days.	90%	89%	83%	90%

Transportation Division

Goal: Ensure the efficiency and safety of the transportation system for all modes of travel.

Benefit: Having a safe and efficient transportation system that is inviting for all modes of travel.

Performance Measure	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec	Ongoing Target
Percentage of non-emergency traffic signal requests addressed within 72 hours.	90%	90%	93%	100%
Percentage of emergency traffic signal requests addressed within 2 hours.	100%	100%	100%	100%
Percentage of traffic engineering requests responded to within 72 hours	95%	95%	95%	95%
Annual mileage increase of separated bicycle lanes and pedestrian paths.	0.72	1.30	0.66	1 mile

Workload Indicators

Capital Improvement Program

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Number of projects started in the first year funded	6/7	9/9	15/15
Number of active projects vs total number of projects	33/40	58/71	59/64

Environmental Programs Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Number of actual versus potential discharges	75 actual 4 potential	71 actual 6 potential	40 actual 5 potential
Number of stormwater pollution prevention industrial commercial inspections	155	135	0*
Number of building and demolition permits reviewed	495	679	298
Number of non-exempt businesses and multi-family accounts required to separate organics	463	289**	293***
Tons of waste entering landfill from single-family, multi-family, and commercial accounts as reported by Recology	21,368	18,224	July 2021- Nov 2021: 7,583****
Number of visitors to compost site	1,333	2,489	625
Number of vegetation obstructions reported	80	87	63

*inspections occur in the spring only

**As of Dec 31, 2020

***As of Sept 7, 2021

****Dec 2021 report not available yet

Developmental Services Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Number of development permit applications received	105	127	100
Number of encroachment permit applications received	418	577	217
Number of customers service visits	1139	0*	5*

*Permit Center closed Mar 2020-Mar 2022, Customers assisted by phone

Grounds Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Maintain city grounds (#) with total acreage (SF)	27 sites/148 AC	29 sites/149 AC	29 sites/149 AC
Maintain school sites (#)with total acreage (SF)	9 sites/46 AC	9 sites/46AC	9 sites/46 AC
Total Number of 311 Requests	53	43	20
Total number of play grounds maintained	37	37	37
Total number of irrigation controllers maintained	74	74	74
Total number of park trees maintained	4,132	4,098	4,098
Total number of park furniture maintained (tables and benches)	431	431	431
Total number of city trash receptacles maintained	420	420	420
Total number of backflow preventers maintained	174	174	174

Streets Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Total roadway miles	138	138	138
Total concrete sidewalk miles	196	196	196
Total number of unique sidewalk repair sites addressed	1770	697	658
Total square footage of sidewalk, curb and gutter repaired/replaced	43,411	37,574	N/A
Total number of storm drain inlets	2,199	2,087	2,087
Total number of drain inlets with trash capture devices	146	174	174
Total number of streetlights	3,287	3,287	3,287
Total number of roadway signs	9,979	10,054	10,123
Total miles of storm drain pipe maintained	104.7	104.7	104.7
Total number of crosswalks maintained	694	728	728
Total miles of pavement striping maintained	161	162	162
Total number of street miles swept monthly	696	696	696

Trees and Right of Way Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Total number of street trees	20,136	3,789 Trees maintained	1,929 Trees Maintained
Total acreage of medians maintained	40 AC	40 AC	40 AC
Total number of median islands maintained	286	286	286
Total square feet of median landscape converted or installed to water efficient landscaping	47,319	23,854	1,624
Total number of irrigation controllers maintained	44	45	45
Total number of 311 Requests for tree maintenance	197	634	219
Miles of pedestrian and bicycle trails maintained	0.85	0.85	0.85

Facilities and Fleet Division

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Total number of city facilities maintained	49/210,000 SF	51/221,500 SF	51/221,500 SF
Total number of Fleet vehicles maintained	104	104	105
Total number of special equipment maintained (tractors, trailers, chippers, riding mowers, club car, forklift, generator)	129	317	317
Total number of small equipment maintained	516	356	356
Total number of work orders completed	1580 Facilities 628 Fleet	1,426 Facilities 769 Fleet	993 Facilities 399 Fleet
Fleet vehicles replaced with hybrid and/or electric models	17	18	18
Annual number of site visits to ensure janitorial compliance	848	2,829	2,622

Transportation

Workload Indicator	FY 2020 July-June	FY 2021 July-June	FY 2022 July-Dec
Number of signalized intersections	60	60	60

Adopted Budget

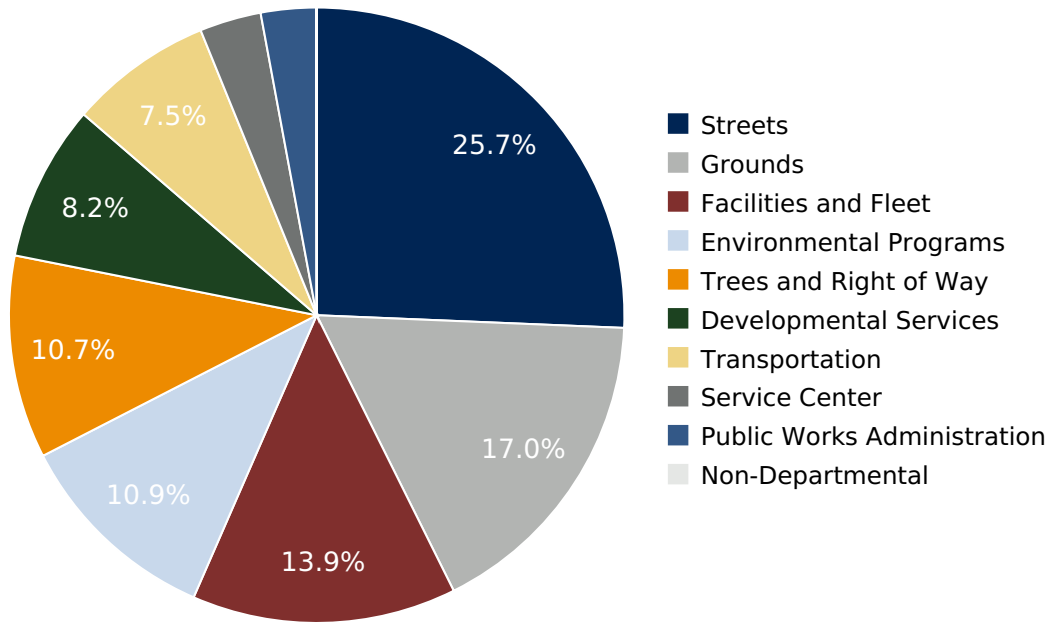
On June 9, 2022, City Council approved a budget of \$39,921,995 for the Public Works department. This represents a decrease of \$823,326 (-2.0%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year. The decrease in Cost Allocation is due to lower Human Resources and IT costs and is offset by increases in materials due to utility rate increases and restoration of services post-Covid, and salaries and benefits due to the addition of a Management Analyst and Maintenance Worker Lead.

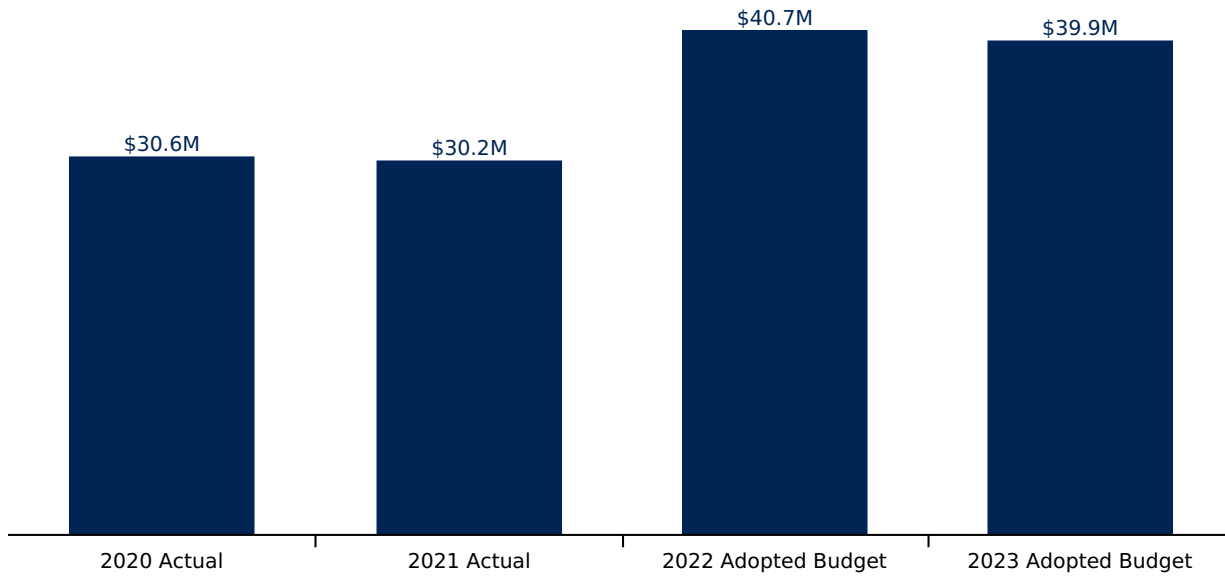
Historically, expenses have increased due to additional staffing, negotiated cost-of-living adjustments (COLA), utility rate increases, materials, contracts, and special projects. Materials typically increase by CPI, although utility rates have increased considerably more. Notably, a new custodial service contract and crossing guard

contract, which rely heavily on contract labor, saw significant increases over previous agreements. Special Projects requests vary from year to year.

Adopted Expenditures by Division



Department Expenditure History



Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 362,504	\$ 231,504	\$ 309,466	\$ 226,856
Intergovernmental Revenue	\$ 1,678,791	\$ 2,331,864	\$ 1,696,698	\$ 1,885,852
Charges for Services	\$ 8,770,453	\$ 7,040,041	\$ 6,711,817	\$ 6,787,667
Fines and Forfeitures	\$ 16,175	\$ 5,065	\$ 10,000	\$ 68,669
Miscellaneous Revenue	\$ 139,467	\$ 614,192	\$ 138,103	\$ 149,466
Total Revenues	\$ 10,967,390	\$ 10,222,666	\$ 8,866,084	\$ 9,118,510
Expenditures				
Employee Compensation	\$ 8,616,476	\$ 8,925,718	\$ 10,404,746	\$ 10,804,062
Employee Benefits	\$ 4,114,572	\$ 4,258,223	\$ 5,311,138	\$ 5,519,037
Materials	\$ 3,333,096	\$ 3,325,834	\$ 4,686,193	\$ 4,936,170
Contract Services	\$ 3,609,577	\$ 3,139,677	\$ 4,903,684	\$ 4,943,009
Cost Allocation	\$ 4,947,624	\$ 6,942,254	\$ 8,112,766	\$ 7,160,466
Capital Outlays	\$ 982,379	\$ 63,826	\$ 1,000,000	\$ 1,038,000
Special Projects	\$ 4,948,231	\$ 3,568,809	\$ 6,067,440	\$ 5,274,271
Contingencies	\$ -	\$ -	\$ 259,354	\$ 246,980
Total Expenditures	\$ 30,551,955	\$ 30,224,341	\$ 40,745,321	\$ 39,921,995
Fund Balance	\$ (4,265,655)	\$ (2,173,218)	\$ (8,179,568)	\$ (8,046,480)
General Fund Costs	\$ 15,318,915	\$ 17,843,454	\$ 23,744,669	\$ 22,818,145

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	2.00	1.95	1.95	1.95
ASSISTANT ENGINEER	3.00	2.00	2.00	2.00
ASSIST DIR OF PW ENGINEER	1.00	1.00	1.00	1.00
ASSIST DIR PUBLIC WORKS OPS	0	1.00	1.00	1.00

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
BUILDING INSPECTOR	0.08	0.08	0.08	0.08
CIP MANAGER	1.00	1.00	1.00	1.00
DIRECTOR OF PUBLIC WORKS	1.00	1.00	1.00	1.00
ENGINEERING TECHNICIAN	1.00	1.00	1.00	1.00
ENVIRONMENTAL PROGRAM MGR	1.00	1.00	1.00	1.00
ENVIRONMENTAL PROGRAMS ASSISTANT	3.00	2.65	3.65	3.65
ENV. PROG. COMPLIANCE TECHNICIAN	1.00	1.00	1.00	1.00
ENV. PROGRAMS SPECIALIST	1.00	1.00	1.00	1.00
EQUIPMENT MECHANIC	1.00	1.00	1.00	1.00
LEAD EQUIPMENT MECHANIC	1.00	1.00	1.00	1.00
MAINTENANCE WORKER I/II	45.00	45.00	45.00	45.00
MAINTENANCE WORKER III	7.00	7.00	7.00	8.00
MANAGEMENT ANALYST	0.30	0.20	0.20	1.20
PARK RESTOR & IMPROV MNGR	1.00	0	0	0
PUBLIC WORKS INSPECTOR	2.00	2.00	2.00	2.00
PUBLIC WORKS PROJECT MANAGER	3.00	4.00	5.00	6.00
PUBLIC WORKS PROJECT MANAGER LT	1.00	2.00	2.00	1.00
PUBLIC WORKS SUPERVISOR	4.00	4.00	4.00	4.00
RECREATION COORDINATOR	0.15	0.12	0.12	0.12
SENIOR CIVIL ENGINEER	2.00	2.00	2.00	2.00
SENIOR MANAGEMENT ANALYST	1.00	1.00	1.00	1.00
SERVICE CENTER SUPERINTENDENT	1.00	0	0	0
SR BUILDING INSPECTOR	0.02	0.02	0.02	0.02
SR OFFICE ASSISTANT	1.00	1.00	1.00	1.00
STREET LIGHTING WORKER	1.00	1.00	1.00	1.00
SUSTAINABILITY MANAGER	0.20	0.20	0.20	0.20
TRAFFIC SIGNAL TECHNICIAN	1.00	1.00	1.00	2.00
TRAFFIC SIGTECH APRNTICE	1.00	1.00	1.00	0
TRANSIT & TRANSPORTATION PLANNER	1.00	1.00	1.00	1.00

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
TRANSPORTATION MANAGER	1.00	0.90	0.90	0.90
Total	90.75	90.12	92.12	94.12

Public Works Administration

Budget Unit 100-80-800

General Fund - Public Works Administration - Public Works Administration

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 1,158,135
Fund Balance	\$ -
General Fund Costs	\$ 1,158,135
% Funded by General Fund	100.0%
Total Staffing	4.5 FTE

Program Overview

The Public Works Department is comprised of the following eight divisions:

- Development Services (including inspection services)
- Capital Improvement Program Administration
- Environmental Programs
- Transportation
- Facilities and Fleet
- Trees and Right-of-Way
- Grounds
- Streets

Service Objectives

- Provide capital project delivery, development plan check, permitting and inspection, solid waste and recycling services, stormwater quality compliance, and public works maintenance services in a responsive and efficient manner by continuously adapting programs and resources to meet the community's expectations.
- Provide a response within 24 hours to the community on complaints and requests for services. Plan and program maintenance of the City's public facilities and infrastructure.
- Program and deliver Capital Improvement Projects in a timely and cost-efficient manner. Work with operating departments and the community to ensure projects meet expectations.
- Collaborate with Community Development to efficiently deliver predictable, responsive and efficient development services.
- Represent the City on county and regional issues such as congestion management, and mobility and transit planning.
- Manage and adapt traffic operations to efficiently move traffic and protect neighborhoods.
- Oversee and manage stormwater, solid waste and recycling programs.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,158,135 for the Public Works Administration program. This represents an increase of \$191,403 (19.8%) from the FY 2021-22 Adopted Budget.

The increase is due to reallocation of staff in this program and the addition of a Management Analyst to assist with department-wide reporting, analysis and contracts. This is offset by a decrease in one-time special projects that vary from year to year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 111,092	\$ 18,959	\$ -	\$ -
Total Revenues	\$ 111,092	\$ 18,959	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 585,438	\$ 588,300	\$ 607,834	\$ 814,290
Employee Benefits	\$ 203,702	\$ 218,709	\$ 244,422	\$ 323,926
Materials	\$ 13,326	\$ 5,697	\$ 14,123	\$ 19,167
Contract Services	\$ 15,620	\$ -	\$ -	\$ 266
Cost Allocation	\$ 52,945	\$ -	\$ -	\$ -
Special Projects	\$ -	\$ 21,068	\$ 100,000	\$ -
Contingencies	\$ -	\$ -	\$ 353	\$ 486
Total Expenditures	\$ 871,031	\$ 833,774	\$ 966,732	\$ 1,158,135
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 759,938	\$ 814,816	\$ 966,732	\$ 1,158,135

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	1.00	0.95	0.95	0.95
ASSIST DIR OF PW ENGINEER	0.05	0.10	0.10	0.50
DIRECTOR OF PUBLIC WORKS	1.00	1.00	1.00	1.00
MANAGEMENT ANALYST	0	0	0	1.00
SENIOR MANAGEMENT ANALYST	1.00	1.00	1.00	1.00
Total	3.05	3.05	3.05	4.45

The increase in staffing is due to the addition of a Management Analyst position. This position will provide additional support and operational continuity to the Senior Management Analyst, Public Works Director, CIP Manager, and division managers.

Resource Recovery

Budget Unit 520-81-801

Resource Recovery - Environmental Programs - Resource Recovery

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 1,212,642
Total Expenditures	\$ 2,285,090
Fund Balance	\$ (1,072,448)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	3.5 FTE

Program Overview

The Resource Recovery program manages the City's garbage and recycling franchised hauler contract and provides garbage and recycling customer service for residents and business owners; develops and implements programs and policy to comply with State source reduction and recycling mandates; oversees the free compost giveaway at the compost site; and represents the City on countywide committees. The public education and outreach programs led by this division include visits to businesses and apartment complexes to provide recycling instruction, kitchen containers, and visual materials; presentations at events and schools and employee training for businesses on-site as needed. The program coordinates many complimentary activities with the Sustainability program in the Office of the City Manager.

Service Objectives

- Meet State requirements to divert recyclables and organics from landfill. Help businesses implement the City's Mandatory Organics Recycling ordinance (6.24.037) which ensures compliance with SB 1383, California's Short-Lived Climate Pollutant Reduction Strategy. Provide landlords and property owners with support and educational materials for their tenants. Conduct waste characterization studies to determine future services.
- Provide contract oversight and customer service for garbage and recycling collection, yard waste processing, composting and household hazardous waste. Manage community events such as the citywide Garage Sale and free compost giveaway for residents. Assist CUSD and high school teachers and students with student recycling and composting projects related to teachers' curriculum and the City's environmental initiatives.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$2,285,090 for the Resource Recovery program. This represents an increase of \$62,994 (2.8%) from the FY 2021-22 Adopted Budget.

This budget is relatively unchanged from last fiscal year.

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriation	Revenue	Funding Source	Description
Single Use Plastics Project Implementation (WP21 016)	\$40,000	\$40,000	Resource Recovery	City Work Program: Adopt and implement an ordinance to address single use food service ware items
CalRecycle SB 1383 Local Assistance Grant	\$77,553	\$77,553	Resource Recovery	CalRecycle SB 1383 Local Assistance Grant.
Total	\$117,553	\$117,553		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 110,972	\$ 90,675	\$ -	\$ -
Intergovernmental Revenue	\$ 14,950	\$ 14,916	\$ 14,000	\$ 14,000
Charges for Services	\$ 1,796,907	\$ 1,804,946	\$ 1,470,578	\$ 1,188,642
Miscellaneous Revenue	\$ 9,819	\$ -	\$ 10,000	\$ 10,000
Total Revenues	\$ 1,932,648	\$ 1,910,537	\$ 1,494,578	\$ 1,212,642
Expenditures				
Employee Compensation	\$ 473,539	\$ 220,054	\$ 444,991	\$ 438,802
Employee Benefits	\$ 272,876	\$ 124,195	\$ 211,635	\$ 212,572
Materials	\$ 45,987	\$ 28,695	\$ 68,701	\$ 75,166
Contract Services	\$ 972,827	\$ 800,387	\$ 1,011,051	\$ 1,175,402
Cost Allocation	\$ 182,836	\$ 275,853	\$ 337,474	\$ 234,331
Special Projects	\$ 265,338	\$ 221,078	\$ 120,000	\$ 117,553
Contingencies	\$ -	\$ -	\$ 28,244	\$ 31,264
Total Expenditures	\$ 2,213,403	\$ 1,670,262	\$ 2,222,096	\$ 2,285,090
Fund Balance	\$ (280,756)	\$ 240,275	\$ (727,518)	\$ (1,072,448)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ASSIST DIR OF PW ENGINEER	0.25	0	0	0
ENVIRONMENTAL PROGRAM MGR	0.65	0.50	0.50	0.50
ENVIRONMENTAL PROGRAMS ASSISTANT	1.65	1.30	2.30	2.30
ENV. PROG. COMPLIANCE TECHNICIAN	0.65	0.05	0.05	0.05
ENV. PROGRAMS SPECIALIST	0.65	0.40	0.40	0.40
MANAGEMENT ANALYST	0.15	0.05	0.05	0.05
SUSTAINABILITY MANAGER	0.20	0.20	0.20	0.20
Total	4.20	2.50	3.50	3.50

There are no changes to current level of staffing.

Non-Point Source

Budget Unit 230-81-802

Env Mgmt Cln Creek Storm Drain - Environmental Programs - Non-Point Source

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 1,579,224
Total Expenditures	\$ 1,226,654
Fund Balance	\$ 352,570
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	2.8 FTE

Program Overview

The Non-Point Source program manages the City's compliance with its State-mandated Municipal Regional Stormwater NPDES Permit. Compliance activities include program and policy development and implementation of state-mandated complaint response and enforcement programs as well as annual interdepartmental staff training; and scheduled business and construction site inspections. The program reviews development plans to ensure compliance with low impact development (LID); and new Green Infrastructure Plan development requirements. The program is responsible for calculating storm drain fees annually to submit to the County for collection on property tax bills, writing an annual report to the Regional Water Quality Control Board to verify and document the City's compliance with Clean Water Act mandates, and engaging and educating the public via City communication channels, visits to businesses and presentations at local schools, De Anza College and community events. Public participation events in a typical year include two or more annual volunteer creek cleanup days, an interactive water quality monitoring day, Earth Day and various countywide collaborative events. Implementation and annual progress assessment of the City's eight-year litter reduction plan are among the requirements of the City's Non-Point Source program.

Service Objectives

- Oversee the City's compliance with the Municipal Regional Stormwater Permit (MRP 2.0) with regard to water pollution prevention, erosion control, conserving water as a resource (e.g. infiltration rather than runoff), and low impact development (LID) via the City's permit application process and conditions of approval.
- Coordinate urban runoff pollution and erosion prevention activities with other departments, divisions, and private businesses. Mandated activities include: catch basin cleaning; post-construction oversight of permanent stormwater treatment measures installed at private new and redeveloped sites; implementation of, and annual progress assessments for the eight-year litter reduction plan; oversight of construction best management practices during private and public construction; inspection of grease-generating and wet-waste food facilities and other businesses to prevent water-polluting discharges; complaint response and investigation to protect water quality; and education of staff and local businesses on best management practices for outdoor storage and activities.

- Represent the City on county and regional committees to prevent creek and San Francisco Bay pollution, erosion, and illegal dumping.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,226,654 for the Non-Point Source program. This represents an increase of \$41,075 (3.5%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year. The increase in compensation and benefits is due to the addition of part-time staff. The increase in materials is due to conferences, which were virtual in 2020 and 2021, and the State Water Resources Control Board permit fee. Contract Services are increasing due to higher bus costs for Cupertino Union School District students due to COVID protocols. The increases are offset by a decrease in Cost Allocation due to lower Human Resources and IT costs in FY 2020-21.

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriation	Revenue	Funding Source	Description
Storm Water Pollution Prevention Plan (SWPPP) Update	\$19,100	\$19,100	Environmental Management Clean Creek Storm Drain	Update for compliance with regional storm water permit requirements.
Total	\$19,100	\$19,100		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 651	\$ 1,878	\$ -	\$ -
Charges for Services	\$ 1,403,738	\$ 1,475,810	\$ 1,543,100	\$ 1,510,555
Fines and Forfeitures	\$ 16,175	\$ 5,065	\$ 10,000	\$ 68,669
Total Revenues	\$ 1,420,564	\$ 1,482,753	\$ 1,553,100	\$ 1,579,224
Expenditures				
Employee Compensation	\$ 277,260	\$ 339,790	\$ 350,885	\$ 383,780
Employee Benefits	\$ 119,595	\$ 153,940	\$ 175,214	\$ 182,630
Materials	\$ 28,350	\$ 26,359	\$ 32,103	\$ 40,296
Contract Services	\$ 277,836	\$ 244,962	\$ 361,611	\$ 394,170
Cost Allocation	\$ 70,925	\$ 136,205	\$ 255,923	\$ 195,816
Special Projects	\$ -	\$ -	\$ -	\$ 19,100
Contingencies	\$ -	\$ -	\$ 9,843	\$ 10,862
Total Expenditures	\$ 773,966	\$ 901,256	\$ 1,185,579	\$ 1,226,654
Fund Balance	\$ 1,306,597	\$ 581,497	\$ 367,521	\$ 352,570
General Fund Costs	\$ 660,000	\$ -	\$ -	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ASSIST DIR OF PW ENGINEER	0.20	0	0	0
BUILDING INSPECTOR	0.08	0.08	0.08	0.08
ENVIRONMENTAL PROGRAM MGR	0.35	0.50	0.50	0.50
ENVIRONMENTAL PROGRAMS ASSISTANT	0.35	0.35	0.35	0.35
ENV. PROG. COMPLIANCE TECHNICIAN	0.35	0.95	0.95	0.95
ENV. PROGRAMS SPECIALIST	0.35	0.60	0.60	0.60
MAINTENANCE WORKER I/II	1.00	0	0	0
MAINTENANCE WORKER III	0.05	0.10	0.10	0.10
PUBLIC WORKS INSPECTOR	0	0.10	0.10	0.10
RECREATION COORDINATOR	0.15	0.12	0.12	0.12
SR BUILDING INSPECTOR	0.02	0.02	0.02	0.02
Total	2.90	2.82	2.82	2.82

There are no changes to current level of staffing.

Storm Drain Fee

Budget Unit 230-81-853

Env Mgmt Cln Creek Storm Drain - Environmental Programs - Storm Drain Fee

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 25,528
Fund Balance	\$ (25,528)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

Adopted Budget

On June 9, 2022, City Council approved a budget of \$25,528 for the Storm Drain Fee program. This represents an increase of \$25,332 (12924.5%) from the FY 2021-22 Adopted Budget.

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriation	Revenue	Funding Source	Description
Permeable Pavement Rebate Program	\$12,500	\$12,500	Clean Water and Storm Protection Fee	Funding for permeable pavement rebate program.
Rain Garden Rebate	\$12,500	\$12,500	Clean Water and Storm Protection Fee	Matching rebate with Valley Water for qualifying rain garden projects.
Total	\$25,000	\$25,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Cost Allocation	\$ -	\$ -	\$ 196	\$ 528
Special Projects	\$ -	\$ 1,105	\$ -	\$ 25,000
Total Expenditures	\$ -	\$ 1,105	\$ 196	\$ 25,528
Fund Balance	\$ -	\$ (1,105)	\$ (196)	\$ (25,528)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

There is no staffing associated with this program.

General Fund Subsidy

Budget Unit 230-81-854

Env Mgmt Cln Creek Storm Drain - Environmental Programs - General Fund Subsidy

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 30,215
Fund Balance	\$ (30,215)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

The City has a joint use agreement for playing fields at schools in CUSD, and part of that agreement requires a refund to CUSD of half of the fees they pay each year for the Clean Water and Storm Protection Fee, which is based on parcel size and use category. The details of the fee prohibit using collected funds for providing discounts or refunds, so funding for that purpose must come from the General Fund.

In addition, the City has a Clean Water Cost-Share Program allowing low-income property owners to receive a discounted rate on the Clean Water and Storm Protection Fee that is charged on property tax bills. The details of the fee prohibit using collected taxes for providing discounts or refunds, so funding for this purpose must come from the General Fund.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$30,215 for the General Fund Subsidy program. This represents an increase of \$29,814 (7434.9%) from the FY 2021-22 Adopted Budget.

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriation	Revenue	Funding Source	Description
CUSD Joint Use Cost Share	\$21,868	\$21,868	General Fund	Clean Water and Storm Protection Fee cost-share program for Cupertino Union School District.
Clean Water Cost-share Program	\$8,000	\$8,000	General Fund	Clean Water and Storm Protection Fee 20% cost-share program for low-income residents.
Total	\$29,868	\$29,868		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Cost Allocation	\$ -	\$ -	\$ 401	\$ 347
Special Projects	\$ 838	\$ 8,724	\$ -	\$ 29,868
Total Expenditures	\$ 838	\$ 8,724	\$ 401	\$ 30,215
Fund Balance	\$ (838)	\$ (8,724)	\$ (401)	\$ (30,215)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

There is no staffing associated with this program.

Storm Drain Maintenance

Budget Unit 230-81-855

Env Mgmt Cln Creek Storm Drain - Environmental Programs - Storm Drain Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 785,002
Fund Balance	\$ (785,002)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	2.3 FTE

Program Overview

The Storm Drain Maintenance program manages the City's storm drainage collection system, which is comprised of approximately 90 miles of pipe, 2,215 drain inlets, and storm outfalls to local waterways. An inspector and on-call staff provide emergency response to pollutant discharges, and crews perform general system maintenance including annual cleanout of drain inlets and trash capture devices. Collection and management of storm water for the City is regulated under the terms of a Bay Area-wide National Pollutant Discharge Elimination System (NPDES) and the Municipal Separate Storm Sewer System (MS4) Permit.

Service Objectives

- Provide effective and timely inspection and maintenance of the storm drain system including inlet and outfall structures and collection system.
- Provide annual cleaning and inspection of all inlets and full trash capture devices.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$785,002 for the Storm Drain Maintenance program. This represents an increase of \$6,095 (0.8%) from the FY 2021-22 Adopted Budget.

The decrease is primarily due to a decrease in Cost Allocation expenses. Cost allocation expenses decreased due to lower IT costs in FY 2020-21. The decrease is offset by an increase in salary and benefits due to the reallocation of positions.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ -	\$ 172	\$ -	\$ -
Total Revenues	\$ -	\$ 172	\$ -	\$ -
Expenditures				
Employee Compensation	\$ -	\$ 206,433	\$ 234,075	\$ 235,636
Employee Benefits	\$ -	\$ 94,211	\$ 112,087	\$ 111,422
Materials	\$ -	\$ 14,927	\$ 23,332	\$ 24,219
Contract Services	\$ -	\$ 55,671	\$ 252,762	\$ 270,192
Cost Allocation	\$ -	\$ 92,340	\$ 149,749	\$ 136,173
Contingencies	\$ -	\$ -	\$ 6,902	\$ 7,360
Total Expenditures	\$ -	\$ 463,582	\$ 778,907	\$ 785,002
Fund Balance	\$ -	\$ (463,409)	\$ (778,907)	\$ (785,002)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0	1.75	1.75	1.80
MAINTENANCE WORKER III	0	0.20	0.20	0.20
PUBLIC WORKS SUPERVISOR	0	0.25	0.25	0.25
Total	0	2.20	2.20	2.25

Staff time is being reallocated to better reflect actual time spent in this program.

Plan Review

Budget Unit 100-82-804

General Fund - Developmental Services - Plan Review

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 1,408,348
Total Expenditures	\$ 1,471,996
Fund Balance	\$ -
General Fund Costs	\$ 63,648
% Funded by General Fund	4.3%
Total Staffing	4.1 FTE

Program Overview

The Development Services Division is comprised of two areas:

- Development Services - reviews plans for private developments and utility encroachments to ensure conformance with City standards and policies.
- Inspection Services - ensures compliance with City standards and approved plans on all public and private developments and utility projects.

Service Objectives

- Ensure that private development projects provide necessary supporting infrastructure and potential impacts on the community are mitigated.
- Place safety of the general public, City employees and construction workers as the highest priority on construction sites.
- Inspect utility encroachment permits for work within the City right-of-way and return streets and sidewalks to City standards.
- Ensure compliance with stormwater permits and prevent runoff from polluting nearby watersheds. Work closely with the Environmental Programs Division to continue inspecting job sites before, during and after each rain event and conduct annual inspections of all Post Construction Treatments and Stormwater Pollution Prevention Plan (SWPPP) compliance.
- Respond to public inquiries or complaints in a timely manner.
- Provide aid and information to other City Divisions and Departments, including Community Development, Building, Capital Improvements, City Attorney's Office, Public Works Maintenance and Operations and Parks and Recreation as needed to facilitate private developments and public infrastructure projects.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,471,996 for the Plan Review program. This represents a decrease of \$386,555 (-20.8%) from the FY 2021-22 Adopted Budget.

The decrease is due to a reduction in special projects that vary from year to year and salary and benefits due to a reallocation of staff and cost allocation.

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriation	Revenue	Funding Source	Description
Blackberry Farm Golf Course Netting Support Inspection	\$6,000	\$6,000	General Fund	Pole inspection and condition assessment report to assure public safety.
Total	\$6,000	\$6,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 77,209	\$ 68,394	\$ 44,804	\$ 121,928
Charges for Services	\$ 970,777	\$ 1,353,508	\$ 939,133	\$ 1,285,510
Miscellaneous Revenue	\$ 5,365	\$ 2,838	\$ 4,431	\$ 910
Total Revenues	\$ 1,053,351	\$ 1,424,740	\$ 988,368	\$ 1,408,348
Expenditures				
Employee Compensation	\$ 752,058	\$ 863,846	\$ 743,036	\$ 718,055
Employee Benefits	\$ 298,223	\$ 342,003	\$ 337,402	\$ 334,194
Materials	\$ 3,567	\$ 4,178	\$ 9,654	\$ 10,008
Contract Services	\$ 50,198	\$ 38,721	\$ 117,289	\$ 121,746
Cost Allocation	\$ 177,337	\$ 323,847	\$ 398,005	\$ 278,699
Special Projects	\$ 74,622	\$ 61,350	\$ 250,000	\$ 6,000
Contingencies	\$ -	\$ -	\$ 3,165	\$ 3,294
Total Expenditures	\$ 1,356,005	\$ 1,633,945	\$ 1,858,551	\$ 1,471,996
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 302,655	\$ 209,206	\$ 870,183	\$ 63,648

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ASSISTANT ENGINEER	0.50	0.50	0	0
ASSIST DIR OF PW ENGINEER	0	0.35	0.35	0.20
ENGINEERING TECHNICIAN	1.00	1.00	1.00	1.00
PUBLIC WORKS INSPECTOR	1.00	0.90	0.90	0.90
PUBLIC WORKS PROJECT MANAGER	1.00	0.25	0	0
SENIOR CIVIL ENGINEER	2.00	2.00	2.00	2.00
Total	5.50	5.00	4.25	4.10

Staff time is being reallocated to better reflect actual time spent in this program.

CIP Administration

Budget Unit 100-82-806

General Fund - Developmental Services - CIP Administration

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 1,804,405
Fund Balance	\$ -
General Fund Costs	\$ 1,804,405
% Funded by General Fund	100.0%
Total Staffing	7.5 FTE

Program Overview

The Capital Improvement Program (CIP) Division plans, manages, and implements improvements to city land, parks, building and infrastructure. These projects are derived from resident input, master plans, needs assessments, interdepartmental requirements, maintenance of the City's facilities, and innovations in our understandings of how the facilities can best serve our population. The division undertakes all aspects of project implementation, including contract administration for design, construction, and overall project management. Project types include, but are not limited to streets, sidewalks, storm drainage, buildings, parks, bicycle and pedestrian improvements and other public facilities. Responsibilities also include claims avoidance, environmental and regulatory compliance and monitoring, and the development of the annual budget and program scope.

Service Objectives

- Ensure that all public improvements are designed and constructed in accordance with community expectations and City standards.
- Place safety of the general public, City employees and workers as the highest priority in the delivery of capital projects.
- Respond to public inquiries or complaints in a timely manner.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,804,405 for the CIP Administration program. This represents an increase of \$48,556 (2.8%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year. The increase is due to new employees being hired to fill vacant positions.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 485,581	\$ 530,440	\$ 1,186,046	\$ 1,202,186
Employee Benefits	\$ 209,583	\$ 234,724	\$ 554,709	\$ 581,245
Materials	\$ 6,553	\$ 8,042	\$ 14,726	\$ 20,462
Contract Services	\$ 3,950	\$ -	\$ -	\$ -
Cost Allocation	\$ 72,239	\$ -	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ 368	\$ 512
Total Expenditures	\$ 777,906	\$ 773,206	\$ 1,755,849	\$ 1,804,405
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 777,906	\$ 773,206	\$ 1,755,849	\$ 1,804,405

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ASSISTANT ENGINEER	1.00	0	0.50	0.50
ASSIST DIR OF PW ENGINEER	0	0.20	0.20	0.20
CIP MANAGER	1.00	1.00	1.00	1.00
PARK RESTOR & IMPROV MNGR	1.00	0	0	0
PUBLIC WORKS PROJECT MANAGER	2.00	3.00	4.25	5.25
PUBLIC WORKS PROJECT MANAGER LT	1.00	1.50	1.50	0.50
Total	6.00	5.70	7.45	7.45

There are no changes to current level of staffing.

Service Center Administration

Budget Unit 100-83-807

General Fund - Service Center - Service Center Administration

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 216,589
Total Expenditures	\$ 1,290,762
Fund Balance	\$ -
General Fund Costs	\$ 1,074,173
% Funded by General Fund	83.2%
Total Staffing	3.3 FTE

Program Overview

The Service Center Administration program manages Public Works maintenance operations that include the major divisions of streets, grounds, trees and medians, facilities and fleet, as well as the minor divisions of signs/markings, storm drain, sidewalk, curb and gutter, trails, overpasses and storm water; provides customer service to the general public; provides administrative support for maintenance staff, supervisors, and management; general training prioritization; assignment of service calls; provides oversight of various contracted services including street sweeping, janitorial and a wide variety of maintenance and minor public works contracts; manages the sheriff's work furlough program 7 days per week; and collaborates with Public Works Engineering for asset improvements beyond routine maintenance.

Service Objectives

- Create a positive environment that fosters efficiency and innovation for service center employees.
- Ensure proper documentation and inventory of trees, sidewalk repair, striping and legends, street signs, vehicle and equipment, streetlights and stormwater pollution.
- Maintain records of all complaints and requests for services by tracking responses through computer programs and written service request forms.
- Process the payments for all services and materials generated through the Service Center.
- Maintain productivity units of measure for key tasks performed.
- Support Public Works Engineering in the collection of field data, review of improvement drawings and development of capital improvement projects.
- Maintain, lead and implement all elements of the Injury and Illness Prevention Program.
- Maintain positive, accountable relations with employee bargaining groups.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,290,762 for the Service Center Administration program. This represents an increase of \$36,037 (2.9%) from the FY 2021-22 Adopted Budget.

The increase is due to special projects that vary in costs from year to year and salary and benefit costs. Compensation and benefits increased due to a department reorganization. Contract services decreased while Special Projects increased because the office reconfiguration project is being allocated to Special Projects for improved tracking.

Special Projects

The following table shows the special projects for the fiscal year.

Project	Appropriation	Revenue	Funding Source	Description
Office Reconfiguration	\$77,850	\$77,850	General Fund	Citywide office reconfiguration
Total	\$77,850	\$77,850		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 39,462	\$ 33,968	\$ 62,933	\$ 78,924
Miscellaneous Revenue	\$ 68,832	\$ 12,759	\$ 35,741	\$ 137,665
Total Revenues	\$ 108,294	\$ 46,727	\$ 98,674	\$ 216,589
Expenditures				
Employee Compensation	\$ 423,063	\$ 421,356	\$ 448,436	\$ 469,248
Employee Benefits	\$ 178,211	\$ 187,706	\$ 228,399	\$ 238,582
Materials	\$ 225,982	\$ 129,129	\$ 150,357	\$ 186,561
Contract Services	\$ 9,442	\$ 14,939	\$ 92,973	\$ 18,656
Cost Allocation	\$ 482,408	\$ 331,330	\$ 328,477	\$ 294,735
Special Projects	\$ 112,112	\$ 7,519	\$ -	\$ 77,850
Contingencies	\$ -	\$ -	\$ 6,083	\$ 5,130
Total Expenditures	\$ 1,431,218	\$ 1,091,979	\$ 1,254,725	\$ 1,290,762
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 1,322,924	\$ 1,045,252	\$ 1,156,051	\$ 1,074,173

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ADMINISTRATIVE ASSISTANT	1.00	1.00	1.00	1.00
ASSIST DIR OF PW ENGINEER	0.50	0.35	0.35	0.10
ASSIST DIR PUBLIC WORKS OPS	0	1.00	1.00	1.00
MANAGEMENT ANALYST	0.15	0.15	0.15	0.15
SERVICE CENTER SUPERINTENDENT	1.00	0	0	0
SR OFFICE ASSISTANT	1.00	1.00	1.00	1.00
Total	3.65	3.50	3.50	3.25

Staff time is being reallocated to better reflect actual time spent in this program.

McClellan Ranch Park

Budget Unit 100-84-808

General Fund - Grounds - McClellan Ranch Park

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 235,194
Fund Balance	\$ -
General Fund Costs	\$ 235,194
% Funded by General Fund	100.0%
Total Staffing	0.4 FTE

Program Overview

McClellan Ranch Park is one of 19 parks and open space areas managed by the Grounds Division of the Public Works Department.

Service Objectives

- The main objective of the Grounds Division is to provide the residents of Cupertino with the cleanest and safest recreational areas to enjoy in the Bay Area.
- Provide daily general clean up, trash removal, and graffiti removal.
- Provide twice annually the mowing of fire breaks per Fire Marshal request in a manner in which wildlife is least impacted.
- Utilize weekend work furlough program as needed to assist in weekend and weekday cleanup.
- Provide logistical support to the Parks & Recreation Department for all of the City's special events.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$235,194 for the McClellan Ranch Park program. This represents an increase of \$47,372 (25.2%) from the FY 2021-22 Adopted Budget.

The increase is mainly due to a special project.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description
McClellan Ranch Pedestrian Bridge Decking Replacement	\$70,000	\$70,000	General Fund	Pedestrian bridge repair at McClellan Ranch Preserve
Total	\$70,000	\$70,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 34,057	\$ 38,567	\$ 41,060	\$ 41,547
Employee Benefits	\$ 15,752	\$ 19,812	\$ 22,844	\$ 23,502
Materials	\$ 10,150	\$ 19,879	\$ 20,289	\$ 21,638
Contract Services	\$ 12,100	\$ 16,872	\$ 16,242	\$ 16,860
Cost Allocation	\$ 18,545	\$ 42,081	\$ 55,724	\$ 60,685
Special Projects	\$ -	\$ -	\$ 30,000	\$ 70,000
Contingencies	\$ -	\$ -	\$ 1,663	\$ 962
Total Expenditures	\$ 90,604	\$ 137,211	\$ 187,822	\$ 235,194
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 90,603	\$ 137,211	\$ 187,822	\$ 235,194

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0	0.20	0.20	0.20
MAINTENANCE WORKER III	0.20	0.10	0.10	0.10
PUBLIC WORKS SUPERVISOR	0.10	0.10	0.10	0.10
Total	0.30	0.40	0.40	0.40

There are no changes to current level of staffing.

Memorial Park

Budget Unit 100-84-809

General Fund - Grounds - Memorial Park

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 871,977
Fund Balance	\$ -
General Fund Costs	\$ 871,977
% Funded by General Fund	100.0%
Total Staffing	2.5 FTE

Program Overview

Memorial Park is one of 19 parks and open space areas managed by the Grounds Division of the Public Works Department. Memorial Park is the largest and most utilized park in Cupertino.

Service Objectives

- The main objective of the Grounds Division is to provide the citizens of Cupertino with the cleanest and safest recreational areas to enjoy in the Bay Area.
- Provide daily general clean up, trash removal, graffiti removal, irrigation adjustments and repairs and basic play structure inspections and maintenance.
- Provide weekly maintenance that may include mowing and edging of turf areas, tennis court cleaning and general maintenance, basketball court maintenance and programmed play structure inspections and maintenance.
- Provide quarterly maintenance that may include fertilization applications, aerating, over-seeding, top dressing, and pruning of trees and shrubs.
- Provide semi-annual maintenance that may include replacement of planting material, pre-emergent applications, playground woodchip replenishing and preparation of athletic fields for seasonal use.
- Maintain all playgrounds in accordance with California playground safety requirements.
- Minimize the negative effects of waterfowl to park patrons.
- Reduce water consumption wherever practicable.
- Utilize weekend work furlough program as needed to assist in weekend and weekday cleanup.
- Provide logistical support to the Parks & Recreation Department for all the City's special events.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$871,977 for the Memorial Park program. This represents an increase of \$3,000 (0.3%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year. The increase in Materials is due to increases in water and utility rates. The increase in Contract Services is due to playground surfacing. The increase in Special Projects is due to a project to replace damaged tiles at the Veteran's Memorial. The decrease in Cost Allocation expenses is due to fewer recruitments in FY 2020-21.

Special Projects

The following table shows the special projects for the fiscal year.

Project	Appropriation	Revenue	Funding Source	Description
Veteran's Memorial Maintenance	\$15,000	\$15,000	General Fund	Replace damaged tiles at the Veteran's Memorial
Total	\$15,000	\$15,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 235,356	\$ 193,675	\$ 209,111	\$ 214,050
Employee Benefits	\$ 112,387	\$ 106,269	\$ 120,481	\$ 124,783
Materials	\$ 154,553	\$ 153,017	\$ 209,660	\$ 223,959
Contract Services	\$ 20,681	\$ 40,885	\$ 30,146	\$ 39,616
Cost Allocation	\$ 153,681	\$ 258,949	\$ 293,608	\$ 247,980
Special Projects	\$ -	\$ -	\$ -	\$ 15,000
Contingencies	\$ -	\$ -	\$ 5,971	\$ 6,589
Total Expenditures	\$ 676,658	\$ 752,795	\$ 868,977	\$ 871,977
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 676,657	\$ 752,795	\$ 868,977	\$ 871,977

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	2.40	2.20	2.20	2.20
MAINTENANCE WORKER III	0.40	0.20	0.20	0.20
PUBLIC WORKS SUPERVISOR	0.20	0.10	0.10	0.10
Total	3.00	2.50	2.50	2.50

There are no changes to current level of staffing.

BBF Ground Maintenance

Budget Unit 100-84-811

General Fund - Grounds - BBF Ground Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 298,534
Fund Balance	\$ -
General Fund Costs	\$ 298,534
% Funded by General Fund	100.0%
Total Staffing	1.0 FTE

Program Overview

Blackberry Farm is managed by the Grounds Division of the Public Works Department.

Service Objectives

- The main objective of the Grounds Division is to provide the residents of Cupertino with the cleanest and safest recreational areas to enjoy in the Bay Area.
- Provide daily general clean up, trash removal, graffiti removal, irrigation adjustments and repairs and basic play structure inspections and maintenance.
- Provide weekly maintenance that may include mowing and edging of turf areas and programmed play structure inspections and maintenance.
- Provide quarterly maintenance that may include fertilization applications, aerating, over-seeding, top dressing, and pruning of trees and shrubs.
- Provide semi-annual maintenance that may include replacement of planting material, pre-emergent applications, playground woodchip replenishing and preparation of athletic fields for seasonal use.
- Maintain all playgrounds in accordance with California playground safety requirements.
- Reduce water consumption wherever practicable.
- Utilize weekend work furlough program as needed to assist in weekend and weekday cleanup.
- Provide logistical support to the Parks & Recreation Department for all the City's special events.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$298,534 for the BBF Ground Maintenance program. This represents an increase of \$24,743 (9.0%) from the FY 2021-22 Adopted Budget.

This increase is due to increases in Materials, Cost Allocation, and one-time special projects that vary from year to year. Those increases are offset by decreases in compensation and benefits due to a decrease in part-time staff. Cost Allocation expenses increased due to a recruitment in FY 2020-21.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description
Blackberry Farm Pedestrian Bridge Decking Replacement	\$30,000	\$30,000	General Fund	Pedestrian bridge repair at Blackberry Farm to Scenic Circle
Total	\$30,000	\$30,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ -	\$ 86,310	\$ 123,044	\$ 94,256
Employee Benefits	\$ -	\$ 46,099	\$ 55,199	\$ 55,953
Materials	\$ -	\$ 6,698	\$ 992	\$ 5,020
Contract Services	\$ -	\$ 44,098	\$ 32,323	\$ 45,740
Cost Allocation	\$ -	\$ -	\$ 46,025	\$ 66,296
Special Projects	\$ -	\$ -	\$ 15,000	\$ 30,000
Contingencies	\$ -	\$ -	\$ 1,208	\$ 1,269
Total Expenditures	\$ -	\$ 183,205	\$ 273,791	\$ 298,534
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ -	\$ 183,204	\$ 273,791	\$ 298,534

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0	0.80	0.80	0.80
MAINTENANCE WORKER III	0	0.10	0.10	0.10
PUBLIC WORKS SUPERVISOR	0	0.10	0.10	0.10
Total	0	1.00	1.00	1.00

There are no changes to current level of staffing.

School Site Maintenance

Budget Unit 100-84-812

General Fund - Grounds - School Site Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 144,000
Total Expenditures	\$ 1,630,018
Fund Balance	\$ -
General Fund Costs	\$ 1,486,018
% Funded by General Fund	91.2%
Total Staffing	4.2 FTE

Program Overview

Under a joint use agreement with Cupertino Union School District, nine athletic fields and landscape areas, constituting approximately 52 acres, are managed by the Grounds Division of the Public Works Department. These sites include Hyde and Kennedy Middle Schools, Collins, Eaton, Lincoln, Regnart, Faria, Stevens Creek and Garden Gate Elementary Schools.

Service Objectives

- The main objective of the Grounds Division is to provide the residents of Cupertino with the cleanest and safest recreational areas/athletic fields in the Bay Area.
- Provide daily general clean up, trash removal, graffiti removal, irrigation adjustments and repairs and other maintenance.
- Provide weekly maintenance that may include mowing and edging of turf areas and other maintenance.
- Provide quarterly maintenance that may include fertilization, aerating, over-seeding, top dressing, and pruning of trees and shrubs.
- Provide semi-annual maintenance that may include replacement of planting material, pre-emergent applications and preparing athletic fields for seasonal use.
- Maintain school sites for recreational activities including soccer, baseball, cricket, track and field, softball and a variety of other sports.
- Reduce water consumption wherever practicable.
- Utilize weekend work furlough program as needed to assist in weekend and weekday cleanup.
- Provide logistical support to the Park and Recreation Department for all the City's special events.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,630,018 for the School Site Maintenance program. This represents an increase of \$30,035 (1.9%) from the FY 2021-22 Adopted Budget.

This increase is due to increases in Materials and Contract Services and is offset by decreases in cost allocation and special projects that vary from year to year. Materials are increasing due to higher electricity and water rates. Contract Services are increasing due to tree maintenance and fence repairs. Cost Allocation expenses are decreasing due to lower IT costs in FY 2020-21.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ 138,336	\$ 141,505	\$ 149,448	\$ 144,000
Total Revenues	\$ 138,336	\$ 141,505	\$ 149,448	\$ 144,000
Expenditures				
Employee Compensation	\$ 356,085	\$ 309,602	\$ 367,708	\$ 364,719
Employee Benefits	\$ 185,109	\$ 177,360	\$ 222,111	\$ 226,260
Materials	\$ 322,980	\$ 353,253	\$ 553,569	\$ 602,397
Contract Services	\$ 15,655	\$ 34,081	\$ 14,816	\$ 30,413
Cost Allocation	\$ 206,111	\$ 346,606	\$ 421,419	\$ 390,409
Special Projects	\$ -	\$ 33,787	\$ 6,000	\$ -
Contingencies	\$ -	\$ -	\$ 14,360	\$ 15,820
Total Expenditures	\$ 1,085,940	\$ 1,254,689	\$ 1,599,983	\$ 1,630,018
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 947,604	\$ 1,113,184	\$ 1,450,535	\$ 1,486,018

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	3.70	3.40	3.40	3.40
MAINTENANCE WORKER III	0.40	0.60	0.60	0.60
PUBLIC WORKS SUPERVISOR	0.20	0.20	0.20	0.20
Total	4.30	4.20	4.20	4.20

There are no changes to the current level of staffing.

Neighborhood Parks

Budget Unit 100-84-813

General Fund - Grounds - Neighborhood Parks

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 2,687,196
Fund Balance	\$ -
General Fund Costs	\$ 2,687,196
% Funded by General Fund	100.0%
Total Staffing	8.6 FTE

Program Overview

Neighborhood Parks include 13 of the 19 parks and open space areas managed by the Grounds Division of the Public Works Department. Neighborhood park sites include Linda Vista, Mary Avenue Dog Park, Monta Vista, Portal, Somerset, Varian, Wilson, Three Oaks, Hoover, Canyon Oak (Little Rancho), Franco Park, Sterling/Barnhart, and Oak Valley.

Service Objectives

- The main objective of the Grounds Division is to provide the residents of Cupertino with the cleanest and safest recreational areas to enjoy in the Bay Area.
- Provide daily general clean up, trash removal, graffiti removal, irrigation adjustments and repairs and basic play structure inspections and maintenance.
- Provide weekly maintenance that may include mowing and edging of turf areas, tennis court cleaning and general maintenance, basketball court maintenance and programmed play structure inspections and maintenance.
- Provide quarterly maintenance that may include fertilization applications, aerating, over-seeding, top dressing, and pruning of trees and shrubs.
- Provide semi-annual maintenance that may include replacement of planting material, pre-emergent applications, playground woodchip replenishing and prepare athletic fields for seasonal use.
- Maintain all playgrounds in accordance with California playground safety requirements.
- Reduce water consumption wherever practicable.
- Utilize Weekend Work furlough program as needed to assist in weekend and weekday cleanup.
- Provide logistical support to the Parks & Recreation Department for all the City's special events.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$2,687,196 for the Neighborhood Parks program. This represents an increase of \$39,916 (1.5%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year. The increase in Materials is due to increased water and utility costs. The increase in Contract Services is due to playground resurfacing. Special Projects are increasing as described below. The increases are offset by a decrease in Cost Allocation expenses due to lower IT costs in FY 2020-21.

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriation	Revenue	Funding Source	Description
Portal Park Concrete Replacement/Repairs	\$35,000	\$35,000	General Fund	Trip hazard repairs.
Wilson Park Irrigation Pump Replacement	\$60,000	\$60,000	General Fund	Replacement of irrigation pump at the end of its lifespan.
Franco Park Solar Powered Light Bollard Replacement	\$18,000	\$18,000	General Fund	Replacement of current light bollards due to aging.
Total	\$113,000	\$113,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 595,490	\$ 590,759	\$ 688,772	\$ 719,004
Employee Benefits	\$ 320,719	\$ 320,203	\$ 406,276	\$ 397,232
Materials	\$ 330,612	\$ 396,948	\$ 540,771	\$ 591,855
Contract Services	\$ 180,951	\$ 155,209	\$ 138,407	\$ 159,918
Cost Allocation	\$ 363,239	\$ 619,768	\$ 820,200	\$ 687,393
Special Projects	\$ 33,610	\$ -	\$ 35,000	\$ 113,000
Contingencies	\$ -	\$ -	\$ 17,854	\$ 18,794
Total Expenditures	\$ 1,824,621	\$ 2,082,887	\$ 2,647,280	\$ 2,687,196
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 1,824,621	\$ 2,082,887	\$ 2,647,280	\$ 2,687,196

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	7.70	7.80	7.80	7.80
MAINTENANCE WORKER III	0.40	0.60	0.60	0.60
PUBLIC WORKS SUPERVISOR	0.20	0.20	0.20	0.20
Total	8.30	8.60	8.60	8.60

There are no changes to the current level of staffing.

Sport Fields Jollyman, Creekside

Budget Unit 100-84-814

General Fund - Grounds - Sport Fields Jollyman, Creekside

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 881,604
Fund Balance	\$ -
General Fund Costs	\$ 881,604
% Funded by General Fund	100.0%
Total Staffing	2.5 FTE

Program Overview

The sports fields at Jollyman and Creekside parks are among the 19 parks and open space areas managed by the Grounds Division of the Public Works Department. Sports fields at these two parks are heavily used and enjoyed by the community.

Service Objectives

- The main objective of the Grounds Division is to provide the citizens of Cupertino with the cleanest and safest recreational areas and sports fields in the Bay Area.
- Provide daily general clean up, trash removal, graffiti removal, irrigation adjustments and repairs and other maintenance.
- Provide weekly maintenance that may include mowing and edging of turf areas, programmed play structure inspections, and other maintenance.
- Provide quarterly maintenance that may include fertilization applications, aerating, over-seeding, top dressing, and pruning of trees and shrubs.
- Provide semi-annual maintenance that may include replacement of planting material, pre-emergent applications and preparing sports fields for seasonal use.
- Maintain sports fields for recreational activities including soccer, baseball, cricket, track and field, softball and a variety of other sports.
- Maintain all playgrounds in accordance with California playground safety requirements.
- Reduce water consumption wherever practicable.
- Utilize weekend work furlough program as needed to assist in weekend and weekday cleanup.
- Provide logistical support to the Parks & Recreation Department for all the City's special events.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$881,604 for the Sport Fields Jollyman, Creekside program. This represents a decrease of \$44,146 (-4.8%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year. The increase in Materials is due to increased water and utility costs. The increase in Contract Services is due to annual tree maintenance. The increases are offset by a decrease in Cost Allocation expenses due to lower IT costs in FY 2020-21.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 217,222	\$ 193,998	\$ 211,813	\$ 204,306
Employee Benefits	\$ 108,278	\$ 98,195	\$ 110,638	\$ 114,587
Materials	\$ 165,762	\$ 178,657	\$ 278,783	\$ 304,683
Contract Services	\$ 31,539	\$ 21,828	\$ 7,335	\$ 16,996
Cost Allocation	\$ 149,449	\$ 238,074	\$ 295,678	\$ 232,990
Special Projects	\$ 10,000	\$ -	\$ 14,000	\$ -
Contingencies	\$ -	\$ -	\$ 7,503	\$ 8,042
Total Expenditures	\$ 682,250	\$ 730,752	\$ 925,750	\$ 881,604
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 682,250	\$ 730,752	\$ 925,750	\$ 881,604

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	2.50	2.00	2.00	2.00
MAINTENANCE WORKER III	0.40	0.30	0.30	0.30
PUBLIC WORKS SUPERVISOR	0.20	0.20	0.20	0.20
Total	3.10	2.50	2.50	2.50

There are no changes to current level of staffing.

Civic Center Maintenance

Budget Unit 100-84-815

General Fund - Grounds - Civic Center Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 241,589
Total Expenditures	\$ 180,415
Fund Balance	\$ -
General Fund Costs	\$ (61,174)
% Funded by General Fund	-33.9%
Total Staffing	0.8 FTE

Program Overview

The Civic Center grounds are one of 19 parks and open space areas managed by the Grounds Division of the Public Works Department. Due to the close proximity to City Hall, Community Hall, and the Library, the Civic Center grounds are well utilized. Civic Center maintenance includes the adjacent Library Field.

Service Objectives

- The main objective of the Grounds Division is to provide the residents of Cupertino with the cleanest and safest recreational areas to enjoy in the Bay Area.
- Provide daily general clean up, trash removal, graffiti removal, irrigation adjustments and repairs and other maintenance.
- Provide weekly maintenance that may include mowing and edging of turf areas and general maintenance.
- Provide quarterly maintenance that may include fertilization applications, aerating, over-seeding, top dressing, and pruning of trees and shrubs.
- Provide semi-annual maintenance that may include replacement of planting material and pre-emergent applications.
- Maintain Library Field for recreational activities including soccer, cricket and a variety of other sports.
- Reduce water consumption wherever practicable.
- Provide logistical support to all City Departments for special events.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$180,415 for the Civic Center Maintenance program. This represents a decrease of \$334,745 (-65.0%) from the FY 2021-22 Adopted Budget.

The decrease is mainly due to an adjustment to better reflect the budgetary needs of this program.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 204,590	\$ 250,996	\$ 299,961	\$ 241,589
Total Revenues	\$ 204,590	\$ 250,996	\$ 299,961	\$ 241,589
Expenditures				
Employee Compensation	\$ 92,926	\$ 73,323	\$ 77,090	\$ 76,795
Employee Benefits	\$ 48,044	\$ 40,756	\$ 45,689	\$ 47,947
Materials	\$ 60,600	\$ 67,892	\$ 375,634	\$ 54,315
Contract Services	\$ -	\$ 6,080	\$ 7,184	\$ -
Cost Allocation	\$ 43,997	\$ -	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ 9,563	\$ 1,358
Total Expenditures	\$ 245,567	\$ 188,051	\$ 515,160	\$ 180,415
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 40,977	\$ (62,946)	\$ 215,199	\$ (61,174)

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.70	0.60	0.60	0.60
MAINTENANCE WORKER III	0.20	0.10	0.10	0.10
PUBLIC WORKS SUPERVISOR	0.10	0.10	0.10	0.10
Total	1.00	0.80	0.80	0.80

There are no changes to current level of staffing.

Storm Drain Maintenance

Budget Unit 100-85-818

General Fund - Streets - Storm Drain Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ -
Fund Balance	\$ -
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	0.0 FTE

Program Overview

In FY 2020-21, this program was transferred to the Environmental Programs Division. A complete discussion of this program can be found under Budget Unit 230-81-855. This program will remain in order to maintain historical data, however once all prior year data as listed in the table below is \$0, this program will be removed.

Adopted Budget

There is no budget requested for this program.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 113,012	\$ 342	\$ -	\$ -
Employee Benefits	\$ 54,182	\$ 1,791	\$ -	\$ -
Materials	\$ 5,591	\$ 3,364	\$ -	\$ -
Contract Services	\$ 209,335	\$ -	\$ -	\$ -
Cost Allocation	\$ 47,104	\$ -	\$ -	\$ -
Total Expenditures	\$ 429,224	\$ 5,497	\$ -	\$ -
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 429,225	\$ 5,496	\$ -	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.75	0	0	0
MAINTENANCE WORKER III	0.20	0	0	0
PUBLIC WORKS SUPERVISOR	0.25	0	0	0
Total	1.20	0	0	0

Sidewalk Curb and Gutter

Budget Unit 270-85-820

Transportation Fund - Streets - Sidewalk Curb and Gutter

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 1,982,206
Fund Balance	\$ (1,982,206)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	1.8 FTE

Program Overview

Maintain sidewalks, curb and gutter to a standard that is functional and improves accessibility and minimizes liability. Optimize the use of available funds by coordinating with other improvement projects.

Service Objectives

Timely maintain concrete improvements in response to citizen complaints and coordinate with programmed asphalt improvements.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,982,206 for the Sidewalk Curb and Gutter program. This represents an increase of \$113,303 (6.1%) from the FY 2021-22 Adopted Budget.

This increase is due to the reallocation of staff to this program and increased special project costs that vary from year to year.

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriation	Revenue	Funding Source	Description
Annual Sidewalk, Curb and Gutter Project	\$1,349,400	\$1,349,400	Transportation Fund/General Fund	Annual Sidewalk, Curb and Gutter Project
Annual Sidewalk Grinding Project	\$103,800	\$103,800	Transportation Fund/General Fund	Annual Sidewalk Grinding Project
Total	\$1,453,200	\$1,453,200		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ -	\$ 8,970	\$ -	\$ -
Total Revenues	\$ -	\$ 8,970	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 139,588	\$ 160,174	\$ 173,207	\$ 211,093
Employee Benefits	\$ 71,386	\$ 77,481	\$ 87,647	\$ 112,768
Materials	\$ 9,110	\$ 12,919	\$ 16,320	\$ 16,941
Contract Services	\$ 30,000	\$ 60,900	\$ 30,900	\$ 32,074
Cost Allocation	\$ 69,677	\$ 141,232	\$ 159,648	\$ 154,905
Special Projects	\$ 1,008,913	\$ 899,796	\$ 1,400,000	\$ 1,453,200
Contingencies	\$ -	\$ -	\$ 1,181	\$ 1,225
Total Expenditures	\$ 1,328,674	\$ 1,352,502	\$ 1,868,903	\$ 1,982,206
Fund Balance	\$ (1,107,675)	\$ (1,343,532)	\$ (1,868,903)	\$ (1,982,206)
General Fund Costs	\$ 221,000	\$ -	\$ -	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.30	0.30	0.30	0.70
PUBLIC WORKS INSPECTOR	0.90	1.00	1.00	1.00
PUBLIC WORKS SUPERVISOR	0.10	0.10	0.10	0.10
Total	1.30	1.40	1.40	1.80

Staff time is being reallocated to better reflect actual time spent in this program.

Street Pavement Maintenance

Budget Unit 270-85-821

Transportation Fund - Streets - Street Pavement Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 1,720,800
Total Expenditures	\$ 4,587,213
Fund Balance	\$ (2,866,413)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	4.7 FTE

Program Overview

This program maintains streets to a standard that balances preventative maintenance with stop-gap measures while minimizing liability.

Service Objectives

- Perform preventative maintenance activities of fog seal and crack fill.
- Perform stop-gap maintenance of arterial, collector and residential streets.
- Oversee and manage contracted pavement maintenance projects.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$4,587,213 for the Street Pavement Maintenance program. This represents a decrease of \$209,856 (-4.4%) from the FY 2021-22 Adopted Budget.

The decrease is mainly due to lower Contract Services and Cost Allocation expenses. Contract Services were higher last year due to fog seal and crack seal projects. Cost Allocation expenses decreased due to reduced Street Pavement Maintenance expenses in FY 2020-21. The decreases were partially offset by an increase in Compensation and Benefits due to the addition of a Maintenance Worker Lead.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description
Annual Asphalt Project (Special Projects & Capital Outlays)	\$3,217,800	\$3,217,800	Transportation Fund/General Fund/SB1	Annual Asphalt Project
Total	\$3,217,800	\$3,217,800		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ 1,515,323	\$ 2,155,612	\$ 1,533,250	\$ 1,719,146
Charges for Services	\$ -	\$ -	\$ 3,978	\$ 1,654
Miscellaneous Revenue	\$ 24,291	\$ 563,864	\$ 87,057	\$ -
Total Revenues	\$ 1,539,614	\$ 2,719,476	\$ 1,624,285	\$ 1,720,800
Expenditures				
Employee Compensation	\$ 301,014	\$ 403,281	\$ 449,590	\$ 506,887
Employee Benefits	\$ 143,054	\$ 192,104	\$ 226,523	\$ 258,935
Materials	\$ 21,445	\$ 19,001	\$ 36,591	\$ 37,981
Contract Services	\$ 115,322	\$ -	\$ 552,632	\$ 208,411
Cost Allocation	\$ 223,884	\$ 347,464	\$ 417,002	\$ 351,039
Capital Outlays	\$ 978,379	\$ -	\$ 1,000,000	\$ 1,038,000
Special Projects	\$ 2,560,653	\$ 1,877,852	\$ 2,100,000	\$ 2,179,800
Contingencies	\$ -	\$ -	\$ 14,731	\$ 6,160
Total Expenditures	\$ 4,343,751	\$ 2,839,702	\$ 4,797,069	\$ 4,587,213
Fund Balance	\$ (2,804,136)	\$ (120,227)	\$ (3,172,784)	\$ (2,866,413)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	2.65	2.65	2.65	2.40
MAINTENANCE WORKER III	0.30	0.25	0.25	1.25
PUBLIC WORKS INSPECTOR	0.05	0	0	0
PUBLIC WORKS PROJECT MANAGER	0	0.75	0.75	0.75
PUBLIC WORKS SUPERVISOR	0.30	0.30	0.30	0.30
STREET LIGHTING WORKER	0.05	0	0	0
Total	3.35	3.95	3.95	4.70

The increase in staffing is due to the addition of a Maintenance Worker Lead. This position will help meet the increasing demands and workload of the current lead worker.

Street Sign Marking

Budget Unit 270-85-822

Transportation Fund - Streets - Street Sign Marking

Budget at a Glance

2023 Adopted Budget

Total Revenues	\$ -
Total Expenditures	\$ 829,894
Fund Balance	\$ (829,894)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	3.2 FTE

Program Overview

This program maintains street regulatory and informational signs, street striping, markings, and legends, as well as removes graffiti within street right-of-way in a timely manner.

Service Objectives

- Respond to regulatory and informational sign issues in a timely manner.
- Coordinate and respond to work orders from the Traffic Engineer.
- Maintain street sign and traffic marking assets in compliance with the Manual of Uniform Traffic Control Devices.
- Remove graffiti in a timely manner.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$829,894 for the Street Sign Marking program. This represents a decrease of \$71,971 (-8.0%) from the FY 2021-22 Adopted Budget.

The decrease is mainly due to the Cost Allocation Plan, reduced salary and benefits, contract services and special project costs that vary from year to year.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description
Holiday Banner Replacement	\$10,300	\$10,300	General Fund	Replace 100 aging holiday banners
Total	\$10,300	\$10,300		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 505	\$ -	\$ -	\$ -
Miscellaneous Revenue	\$ 594	\$ 805	\$ -	\$ -
Total Revenues	\$ 1,099	\$ 805	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 290,588	\$ 286,237	\$ 309,427	\$ 287,785
Employee Benefits	\$ 148,667	\$ 157,983	\$ 182,761	\$ 156,401
Materials	\$ 126,033	\$ 122,402	\$ 136,534	\$ 141,723
Contract Services	\$ 60	\$ -	\$ 26,523	\$ 21,218
Cost Allocation	\$ 122,018	\$ 206,819	\$ 242,544	\$ 208,393
Special Projects	\$ -	\$ 12,513	\$ -	\$ 10,300
Contingencies	\$ -	\$ -	\$ 4,076	\$ 4,074
Total Expenditures	\$ 687,366	\$ 785,954	\$ 901,865	\$ 829,894
Fund Balance	\$ (686,268)	\$ (785,150)	\$ (901,865)	\$ (829,894)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	3.00	3.00	3.00	2.75
MAINTENANCE WORKER III	0.20	0.20	0.20	0.20
PUBLIC WORKS INSPECTOR	0.05	0	0	0
PUBLIC WORKS SUPERVISOR	0.20	0.20	0.20	0.20
STREET LIGHTING WORKER	0.05	0	0	0
Total	3.50	3.40	3.40	3.15

Staff time is being reallocated to better reflect actual time spent in this program.

Street Lighting

Budget Unit 100-85-848

General Fund - Streets - Street Lighting

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 1,024,841
Fund Balance	\$ -
General Fund Costs	\$ 1,024,841
% Funded by General Fund	100.0%
Total Staffing	1.1 FTE

Program Overview

Maintain city-owned streetlights (2,950), parking lot lights and park lighting.

Service Objectives

- Respond to outages in a timely manner.
- Conserve electricity through the conversion of older less efficient light technology to current and tested technologies.
- Replace direct buried wiring with wiring in conduits as failures occur.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,024,841 for the Street Lighting program. This represents an increase of \$36,521 (3.7%) from the FY 2021-22 Adopted Budget.

This increase is due to increases in Materials and Cost Allocation. Materials are increasing due to a 20% increase in electricity rates. Cost Allocation expenses are increasing due to a recruitment in FY 2020-21.

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriation	Revenue	Funding Source	Description
Street Light Pole Replacement	\$213,000	\$213,000	General Fund	Ongoing project to replace aging street light poles
Service Center Exterior Building LED Fixtures	\$8,300	\$8,300	General Fund	Upgrade 12 exterior building lights to LED technology
Total	\$221,300	\$221,300		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Miscellaneous Revenue	\$ 3,990	\$ 23,262	\$ -	\$ -
Total Revenues	\$ 3,990	\$ 23,262	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 150,344	\$ 101,322	\$ 122,335	\$ 126,377
Employee Benefits	\$ 73,691	\$ 48,833	\$ 59,797	\$ 63,279
Materials	\$ 298,228	\$ 314,562	\$ 295,599	\$ 356,776
Contract Services	\$ 110,632	\$ 80,595	\$ 63,329	\$ 64,120
Cost Allocation	\$ 49,730	\$ 127,431	\$ 136,287	\$ 182,467
Special Projects	\$ 150,551	\$ 151,413	\$ 302,000	\$ 221,300
Contingencies	\$ -	\$ -	\$ 8,973	\$ 10,522
Total Expenditures	\$ 833,176	\$ 824,156	\$ 988,320	\$ 1,024,841
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 829,187	\$ 800,894	\$ 988,320	\$ 1,024,841

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
PUBLIC WORKS SUPERVISOR	0.05	0.05	0.05	0.05
STREET LIGHTING WORKER	0.90	1.00	1.00	1.00
Total	0.95	1.05	1.05	1.05

There are no changes to current level of staffing.

Equipment Maintenance

Budget Unit 630-85-849

Vehicle/Equip Replacement - Streets - Equipment Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 1,568,633
Total Expenditures	\$ 1,594,350
Fund Balance	\$ (25,717)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	3.0 FTE

Program Overview

The Fleet Division maintains all fleet equipment, including small power equipment. Equipment includes vehicles (103) and all power equipment (689). Equipment includes trailers, mowers and other equipment required to maintain the City's infrastructure. The division also manages above ground fuel storage tank at Service Center.

Service Objectives

- Maintain all city vehicles and equipment to reduce operating costs and increase safety.
- Fabricate, weld and repair equipment that includes vehicles, apparatus, structures, facilities for function and safety.
- Develop specifications and bid per City policy the purchases of trucks, tractors and other significant equipment.
- Maintain surplus vehicles and other equipment per City policy.
- Ensure all vehicles conform to State of California emission regulations.
- Maintain/inspect above ground fuel tanks as required.
- Maintain accurate inventory of fleet/equipment assets.
- Maintain a safe and clean working environment be approved for the equipment mechanics and welding.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,594,350 for the Equipment Maintenance program. This represents an increase of \$37,306 (2.4%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year. Materials are increasing by CPI. Contract Services are increasing due to increased costs for existing contracts.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 1,352,200	\$ 1,633,518	\$ 1,718,598	\$ 1,568,633
Miscellaneous Revenue	\$ -	\$ 9,799	\$ -	\$ -
Total Revenues	\$ 1,352,200	\$ 1,643,317	\$ 1,718,598	\$ 1,568,633
Expenditures				
Employee Compensation	\$ 277,828	\$ 302,043	\$ 306,916	\$ 309,791
Employee Benefits	\$ 179,355	\$ 128,657	\$ 161,739	\$ 166,150
Materials	\$ 265,631	\$ 288,859	\$ 305,712	\$ 317,706
Contract Services	\$ 60,398	\$ 75,743	\$ 106,602	\$ 120,697
Cost Allocation	\$ 812,995	\$ 669,046	\$ 665,797	\$ 669,046
Contingencies	\$ -	\$ -	\$ 10,278	\$ 10,960
Total Expenditures	\$ 1,596,207	\$ 1,464,348	\$ 1,557,044	\$ 1,594,350
Fund Balance	\$ (244,007)	\$ 184,969	\$ 527,554	\$ (25,717)
General Fund Costs	\$ -	\$ 6,000	\$ 366,000	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
EQUIPMENT MECHANIC	1.00	1.00	1.00	1.00
LEAD EQUIPMENT MECHANIC	1.00	1.00	1.00	1.00
MAINTENANCE WORKER I/II	1.00	1.00	1.00	1.00
Total	3.00	3.00	3.00	3.00

There are no changes to current level of staffing.

Environmental Materials

Budget Unit 100-85-850

General Fund - Streets - Environmental Materials

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 224,137
Fund Balance	\$ -
General Fund Costs	\$ 224,137
% Funded by General Fund	100.0%
Total Staffing	0.7 FTE

Program Overview

This program manages Service Center solid waste disposal, Service Center safety inspections, handling/disposal/reporting of City generated hazardous waste and materials – including waste that may be illegally deposited upon the right-of-way. Provide street cleaning for unforeseen events such as debris from trucks or other sources.

Service Objectives

- Coordinate disposal of solid waste.
- Adhere to the requirements of hazardous waste/materials storage, handling and reporting.
- Comply with Fire Marshal safety inspection requirements for Service Center facilities.
- Inspect and maintain below ground fuel tanks as required.
- Clean up traffic debris that may become deposited on streets while reducing traffic hazards.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$224,137 for the Environmental Materials program. This represents an increase of \$6,441 (3.0%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 60,650	\$ 64,875	\$ 66,061	\$ 70,166
Employee Benefits	\$ 28,786	\$ 31,381	\$ 35,191	\$ 36,761
Materials	\$ 36,039	\$ 38,946	\$ 48,706	\$ 54,533
Contract Services	\$ 3,575	\$ 5,442	\$ -	\$ -
Cost Allocation	\$ 53,909	\$ 57,136	\$ 66,520	\$ 61,314
Contingencies	\$ -	\$ -	\$ 1,218	\$ 1,363
Total Expenditures	\$ 182,959	\$ 197,780	\$ 217,696	\$ 224,137
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 182,959	\$ 197,781	\$ 217,696	\$ 224,137

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.30	0.30	0.30	0.35
MAINTENANCE WORKER III	0.25	0.25	0.25	0.25
PUBLIC WORKS SUPERVISOR	0.10	0.10	0.10	0.10
Total	0.65	0.65	0.65	0.70

Staff time is being reallocated to better reflect actual time spent in this program.

Trail Maintenance

Budget Unit 100-86-261

General Fund - Trees and Right of Way - Trail Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 232,764
Fund Balance	\$ -
General Fund Costs	\$ 232,764
% Funded by General Fund	100.0%
Total Staffing	1.2 FTE

Program Overview

The Trails Maintenance Program maintains about 3 linear miles of trails including the adjacent landscape at the Don Burnett Bridge and the Lawrence Trail. Historically the maintenance of this program has been funded out of Medians and Overpasses Program (824) Expansion of trails in the city has made it necessary to separate out trail's maintenance.

Service Objectives

- Maintain and improve trails in the public right-of- ways including the landscaped areas on the approach to the Don Burnett Bridge and the Lawrence Trail.
- Maintain clean and safe ingress and egress on all city-maintained trails.
- Meet all Department of Pesticide Regulation requirements for weed and pest control.
- Timely pruning of trees and plants to promote healthy landscapes, maximize aesthetics and to reduce future maintenance requirements.
- Timely removal of trash and graffiti.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$232,764 for the Trail Maintenance program.

This is a new program for FY 2022-23. Staff was reallocated from other Trees and Right of Way Division programs.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ -	\$ -	\$ -	\$ 130,244
Employee Benefits	\$ -	\$ -	\$ -	\$ 62,880
Materials	\$ -	\$ -	\$ -	\$ 10,392
Contract Services	\$ -	\$ -	\$ -	\$ 28,281
Contingencies	\$ -	\$ -	\$ -	\$ 967
Total Expenditures	\$ -	\$ -	\$ -	\$ 232,764
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ -	\$ -	\$ -	\$ 232,764

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0	0	0	0.90
MAINTENANCE WORKER III	0	0	0	0.15
PUBLIC WORKS SUPERVISOR	0	0	0	0.10
Total	0	0	0	1.15

Staff was reallocated from other Trees and Right of Way Division programs.

Overpasses and Medians

Budget Unit 100-86-824

General Fund - Trees and Right of Way - Overpasses and Medians

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 1,802,896
Fund Balance	\$ -
General Fund Costs	\$ 1,802,896
% Funded by General Fund	100.0%
Total Staffing	6.3 FTE

Program Overview

The Overpasses and Medians program maintains 31.67 developed acres of median island hardscapes and softscapes as well as 21.69 undeveloped acres of city right-of-way, the landscaped area of the Lawrence trail, and the landscaped area of the Don Burnett Bridge.

Service Objectives

- Maintain and improve median islands, landscape strips, trails, landscaped roadsides and public right-of-ways.
- Maintain and improve water efficient programming of irrigation systems.
- Meet all Department of Pesticide Regulation requirements for weed and pest control.
- Timely pruning of plant material to promote plant health, maximize aesthetics and to reduce future maintenance requirements.
- Plant and care for new plant stock to help ensure future plant health and reduce future maintenance requirements.
- Conserve water through the planting of appropriate plant stock.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,802,896 for the Overpasses and Medians program. This represents an increase of \$151,061 (9.1%) from the FY 2021-22 Adopted Budget.

This increase is due mainly to an increase in Special Projects. Benefits are increasing due to the reallocation of staffing. Cost Allocation expenses are decreasing due to lower IT costs and fewer recruitments in FY 2020-21.

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriation	Revenue	Funding Source	Description
Split Rail Fence Replacement on Stevens Creek Blvd and Mary Ave	\$16,400	\$16,400	General Fund	Split Rail Fence Replacement on Stevens Creek Blvd and Mary Ave
Trench Work	\$40,000	\$40,000	General Fund	Trench work to install electrical conduit on Homestead Ave
Mound Removal	\$141,900	\$141,900	General Fund	Remove median mound and install water efficient landscaping
Total	\$198,300	\$198,300		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 54	\$ -	\$ -	\$ -
Miscellaneous Revenue	\$ 25,151	\$ -	\$ -	\$ -
Total Revenues	\$ 25,205	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 459,097	\$ 507,838	\$ 542,333	\$ 553,984
Employee Benefits	\$ 238,883	\$ 264,147	\$ 296,529	\$ 331,331
Materials	\$ 186,681	\$ 197,886	\$ 208,572	\$ 210,929
Contract Services	\$ 142,709	\$ 15,312	\$ 55,731	\$ 45,614
Cost Allocation	\$ 273,248	\$ 491,649	\$ 542,062	\$ 456,324
Special Projects	\$ -	\$ -	\$ -	\$ 198,300
Contingencies	\$ -	\$ -	\$ 6,608	\$ 6,414
Total Expenditures	\$ 1,300,618	\$ 1,476,832	\$ 1,651,835	\$ 1,802,896
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 1,275,412	\$ 1,476,831	\$ 1,651,835	\$ 1,802,896

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	5.00	5.00	5.00	5.10
MAINTENANCE WORKER III	1.00	1.00	1.00	0.85
PUBLIC WORKS SUPERVISOR	0.30	0.30	0.30	0.30
Total	6.30	6.30	6.30	6.25

Staff time is being reallocated to better reflect actual time spent in this program.

Street Tree Maintenance

Budget Unit 100-86-825

General Fund - Trees and Right of Way - Street Tree Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 16,826
Total Expenditures	\$ 1,681,931
Fund Balance	\$ -
General Fund Costs	\$ 1,726,245
% Funded by General Fund	102.6%
Total Staffing	7.4 FTE

Program Overview

The Trees Division maintains the safety, health and appearance of approximately 23,300 Street and Right-of-Way trees, as well as promotes disease-free trees to enhance the City's urban forest.

Service Objectives

- Proactively perform the activities of trimming, staking, pest management and other tree health-related functions.
- Respond to citizen requests to perform the trimming or other tree health-related services in a timely manner.
- Remove diseased and damaged trees as needed.
- Plant replacement trees for trees removed due to disease and damage.
- Continue activities to maintain standing as a Tree City USA program.
- Update the forestry work plan as needed to establish goals and objectives of the tree maintenance program for the City.
- Oversee street tree maintenance and removal contracts.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,681,931 for the Street Tree Maintenance program. This represents a decrease of \$248,501 (-12.9%) from the FY 2021-22 Adopted Budget.

The decrease is due to the Cost Allocation Plan, reallocation of positions, and special project costs that vary from year to year. Cost Allocation expenses are decreasing due to no recruitments in FY 2020-21.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description
Trees and Badges	\$15,000	\$15,000	Tree Fund	Planting and replacement cost of trees within the Right of Way and other areas throughout the City
Total	\$15,000	\$15,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 7,737	\$ 11,727	\$ 16,210	\$ 16,826
Total Revenues	\$ 7,737	\$ 11,727	\$ 16,210	\$ 16,826
Expenditures				
Employee Compensation	\$ 588,720	\$ 675,164	\$ 713,778	\$ 636,157
Employee Benefits	\$ 305,112	\$ 370,406	\$ 422,520	\$ 371,175
Materials	\$ 53,262	\$ 92,730	\$ 114,663	\$ 112,961
Contract Services	\$ 2,325	\$ 13,120	\$ 9,792	\$ 10,164
Cost Allocation	\$ 274,584	\$ 531,588	\$ 625,568	\$ 533,396
Special Projects	\$ 20,876	\$ 14,475	\$ 40,000	\$ 15,000
Contingencies	\$ -	\$ -	\$ 4,111	\$ 3,078
Total Expenditures	\$ 1,244,879	\$ 1,697,483	\$ 1,930,432	\$ 1,681,931
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 1,237,142	\$ 1,700,755	\$ 1,959,222	\$ 1,726,245

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	7.00	7.00	7.00	6.00
MAINTENANCE WORKER III	1.00	1.00	1.00	1.00
PUBLIC WORKS SUPERVISOR	0.40	0.40	0.40	0.40
Total	8.40	8.40	8.40	7.40

Staff time is being reallocated to better reflect actual time spent in this program.

Sheriff Work Program

Budget Unit 100-86-826

General Fund - Trees and Right of Way - Sheriff Work Program

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 541,776
Fund Balance	\$ -
General Fund Costs	\$ 541,776
% Funded by General Fund	100.0%
Total Staffing	2.2 FTE

Program Overview

The Sheriff Work Program supplements existing Service Center staffing with individuals in a sentencing alternative program. Participants of the program perform manual labor type duties. The work performed by this program reduces the number of full-time maintenance workers required.

Service Objectives

- Efficiently administer and schedule the Sheriff Work Program for a variety of non-skilled activities, including trash pick-up, weed control, right-of-way maintenance and sandbag filling.
- Offset manual work currently performed by skilled labor so as to increase overall productivity at the Service Center.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$541,776 for the Sheriff Work Program program. This represents a decrease of \$30,239 (-5.3%) from the FY 2021-22 Adopted Budget.

This decrease is due to a decrease in compensation and Cost Allocation. Compensation and benefits are decreasing due to a reallocation of positions. Cost Allocation expenses are decreasing due to lower IT costs in FY 2020-21. Contracts Services is increasing due to the addition of portable restroom and handwashing stations.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 180,870	\$ 218,914	\$ 245,009	\$ 229,925
Employee Benefits	\$ 87,481	\$ 100,516	\$ 115,968	\$ 109,865
Materials	\$ 5,106	\$ 2,193	\$ 9,971	\$ 9,109
Contract Services	\$ -	\$ -	\$ -	\$ 5,042
Cost Allocation	\$ 119,669	\$ 220,975	\$ 200,818	\$ 187,481
Contingencies	\$ -	\$ -	\$ 249	\$ 354
Total Expenditures	\$ 393,126	\$ 542,598	\$ 572,015	\$ 541,776
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 393,126	\$ 542,597	\$ 572,015	\$ 541,776

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	2.00	2.00	2.00	2.00
PUBLIC WORKS SUPERVISOR	0.30	0.30	0.30	0.20
Total	2.30	2.30	2.30	2.20

Staff time is being reallocated to better reflect actual time spent in this program.

BBF Golf Maintenance

Budget Unit 560-87-260

Blackberry Farm - Facilities and Fleet - BBF Golf Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 133,586
Fund Balance	\$ (133,586)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

Maintain the Blackberry Farm Golf Course buildings to ensure efficient operations, property management and community pride.

Service Objectives

- Provide a safe, clean and productive environment for the public and employees.
- Respond to requests made by the Parks & Recreation Department staff.
- Assist with the pending improvement projects.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$133,586 for the BBF Golf Maintenance program.

This is a new program for FY 2022-23.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Materials	\$ -	\$ -	\$ -	\$ 106,085
Contract Services	\$ -	\$ -	\$ -	\$ 24,243
Contingencies	\$ -	\$ -	\$ -	\$ 3,258
Total Expenditures	\$ -	\$ -	\$ -	\$ 133,586
Fund Balance	\$ -	\$ -	\$ -	\$ (133,586)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

There is no staffing associated with this program.

City Hall Maintenance

Budget Unit 100-87-827

General Fund - Facilities and Fleet - City Hall Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 379,100
Total Expenditures	\$ 548,697
Fund Balance	\$ -
General Fund Costs	\$ 169,597
% Funded by General Fund	30.9%
Total Staffing	1.0 FTE

Program Overview

Maintain City Hall building to ensure efficient operations, employee satisfaction, and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for the public and city employees.
- Respond to requests made by City Hall staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$548,697 for the City Hall Maintenance program. This represents a decrease of \$106,766 (-16.3%) from the FY 2021-22 Adopted Budget.

The decrease is mainly due to the completion of one-time special projects.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ -	\$ 8,838	\$ -	\$ -
Charges for Services	\$ 459,503	\$ 500,394	\$ 452,294	\$ 379,100
Total Revenues	\$ 459,503	\$ 509,232	\$ 452,294	\$ 379,100
Expenditures				
Employee Compensation	\$ 106,601	\$ 106,954	\$ 108,611	\$ 108,611
Employee Benefits	\$ 50,159	\$ 52,427	\$ 56,238	\$ 58,008
Materials	\$ 162,358	\$ 112,901	\$ 213,109	\$ 257,988
Contract Services	\$ 94,289	\$ 152,740	\$ 105,547	\$ 114,771
Cost Allocation	\$ 81,746	\$ -	\$ -	\$ -
Special Projects	\$ 20,342	\$ -	\$ 160,000	\$ -
Contingencies	\$ -	\$ -	\$ 11,958	\$ 9,319
Total Expenditures	\$ 515,495	\$ 425,022	\$ 655,463	\$ 548,697
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 55,992	\$ (84,209)	\$ 203,169	\$ 169,597

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.10	0.10	0.10	0.10
MAINTENANCE WORKER III	0.70	0.70	0.70	0.70
PUBLIC WORKS SUPERVISOR	0.20	0.20	0.20	0.20
Total	1.00	1.00	1.00	1.00

There are no changes to current level of staffing.

Library Maintenance

Budget Unit 100-87-828

General Fund - Facilities and Fleet - Library Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 621,162
Total Expenditures	\$ 667,502
Fund Balance	\$ -
General Fund Costs	\$ 46,340
% Funded by General Fund	6.9%
Total Staffing	0.6 FTE

Program Overview

Maintain Library building to ensure public and employee satisfaction and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for the public and County employees.
- Respond to requests made by County staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$667,502 for the Library Maintenance program. This represents an increase of \$20,579 (3.2%) from the FY 2021-22 Adopted Budget.

This increase is due to increases in special projects, and materials offset by decreases in salary and benefits due to position reallocations and decreased Cost Allocation Plan charges.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description
Ventilation Preventative Maintenance	\$45,000	\$45,000	General Fund	Proactive evaluation of the ventilation system
Total	\$45,000	\$45,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 23,118	\$ 8,792	\$ 201,729	\$ 26,004
Charges for Services	\$ 614,222	\$ -	\$ 267,965	\$ 595,158
Total Revenues	\$ 637,340	\$ 8,792	\$ 469,694	\$ 621,162
Expenditures				
Employee Compensation	\$ 72,491	\$ 67,192	\$ 73,584	\$ 59,834
Employee Benefits	\$ 37,072	\$ 36,070	\$ 41,650	\$ 33,594
Materials	\$ 8,502	\$ 19,109	\$ 9,951	\$ 10,074
Contract Services	\$ 282,294	\$ 285,275	\$ 408,245	\$ 429,558
Cost Allocation	\$ 45,986	\$ 82,239	\$ 91,770	\$ 78,451
Special Projects	\$ 60,539	\$ -	\$ 11,000	\$ 45,000
Contingencies	\$ -	\$ -	\$ 10,723	\$ 10,991
Total Expenditures	\$ 506,884	\$ 489,885	\$ 646,923	\$ 667,502
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ (130,455)	\$ 481,093	\$ 177,229	\$ 46,340

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.60	0.60	0.60	0.40
MAINTENANCE WORKER III	0.10	0.10	0.10	0.10
PUBLIC WORKS SUPERVISOR	0.10	0.10	0.10	0.10
Total	0.80	0.80	0.80	0.60

Staff time is being reallocated to better reflect actual time spent in this program.

Service Center Maintenance

Budget Unit 100-87-829

General Fund - Facilities and Fleet - Service Center Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 435,665
Fund Balance	\$ -
General Fund Costs	\$ 435,665
% Funded by General Fund	100.0%
Total Staffing	0.7 FTE

Program Overview

This program maintains the Service Center buildings to ensure employee satisfaction and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Service Center staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$435,665 for the Service Center Maintenance program. This represents an increase of \$24,940 (6.1%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year.

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriation	Revenue	Funding Source	Description
Air Conditioning Replacement	\$16,500	\$16,500	General Fund	Replace AC, which is at end-of-life
Conference Room Carpet Replacement	\$12,000	\$12,000	General Fund	Replace carpet, which is beyond serviceable life
Roof Gutter Replacement	\$12,000	\$12,000	General Fund	Replace roof gutters to prevent dry rot
Locker Room Floor Replacement	\$12,000	\$12,000	General Fund	Replace deteriorated floor
Mechanic Bay Lighting Upgrade	\$15,000	\$15,000	General Fund	Replace lighting so portable lighting is no longer needed
Shops Roof Replacement	\$42,000	\$42,000	General Fund	Replace roofing to prevent dry rot
Total	\$109,500	\$109,500		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 262,382	\$ -	\$ -	\$ -
Total Revenues	\$ 262,382	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 66,132	\$ 66,646	\$ 69,623	\$ 68,217
Employee Benefits	\$ 32,976	\$ 35,263	\$ 38,473	\$ 38,828
Materials	\$ 52,604	\$ 44,528	\$ 43,259	\$ 46,343
Contract Services	\$ 54,038	\$ 76,887	\$ 76,636	\$ 84,711
Cost Allocation	\$ 40,518	\$ 80,684	\$ 88,518	\$ 84,790
Special Projects	\$ -	\$ -	\$ 89,000	\$ 109,500
Contingencies	\$ -	\$ -	\$ 5,216	\$ 3,276
Total Expenditures	\$ 246,268	\$ 304,008	\$ 410,725	\$ 435,665
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ (16,114)	\$ 304,008	\$ 410,725	\$ 435,665

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.40	0.40	0.40	0.40
MAINTENANCE WORKER III	0.20	0.20	0.20	0.20
PUBLIC WORKS SUPERVISOR	0.10	0.10	0.10	0.10
Total	0.70	0.70	0.70	0.70

There are no changes to current level of staffing.

Quinlan Community Center Maintenance

Budget Unit 100-87-830

General Fund - Facilities and Fleet - Quinlan Community Center Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 638,815
Fund Balance	\$ -
General Fund Costs	\$ 638,815
% Funded by General Fund	100.0%
Total Staffing	0.8 FTE

Program Overview

This program maintains Quinlan Community Center building to ensure efficient operations, employee satisfaction, user satisfaction and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Maintain an attractive appearance in spaces available as rentals.
- Respond to requests made by Parks & Recreation Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$638,815 for the Quinlan Community Center Maintenance program. This represents an increase of \$77,556 (13.8%) from the FY 2021-22 Adopted Budget.

The increase is due to materials, contract increases and special project costs that vary from year to year.

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriation	Revenue	Funding Source	Description
Conference Room Carpet Replacement	\$14,000	\$14,000	General Fund	Replace carpet, which is beyond serviceable life
Center Stage Floor Refinishing	\$20,000	\$20,000	General Fund	Periodic maintenance of stage floor
Total	\$34,000	\$34,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 385,272	\$ -	\$ -	\$ -
Total Revenues	\$ 385,272	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 76,220	\$ 73,160	\$ 77,783	\$ 76,442
Employee Benefits	\$ 33,819	\$ 35,036	\$ 38,658	\$ 39,009
Materials	\$ 138,323	\$ 105,322	\$ 170,310	\$ 211,815
Contract Services	\$ 104,831	\$ 136,022	\$ 150,922	\$ 162,000
Cost Allocation	\$ 55,406	\$ 99,702	\$ 110,437	\$ 106,204
Capital Outlays	\$ -	\$ 57,728	\$ -	\$ -
Special Projects	\$ 20,450	\$ 3,756	\$ 5,000	\$ 34,000
Contingencies	\$ -	\$ -	\$ 8,149	\$ 9,345
Total Expenditures	\$ 429,049	\$ 510,726	\$ 561,259	\$ 638,815
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 43,777	\$ 510,726	\$ 561,259	\$ 638,815

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.70	0.70	0.70	0.70
PUBLIC WORKS SUPERVISOR	0.10	0.10	0.10	0.10
Total	0.80	0.80	0.80	0.80

There are no changes to current level of staffing.

Senior Center Maintenance

Budget Unit 100-87-831

General Fund - Facilities and Fleet - Senior Center Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 616,786
Fund Balance	\$ -
General Fund Costs	\$ 616,786
% Funded by General Fund	100.0%
Total Staffing	0.8 FTE

Program Overview

Maintain Senior Center building to ensure efficient operations, employee satisfaction, user satisfaction and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Parks & Recreation Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$616,786 for the Senior Center Maintenance program. This represents an increase of \$214,863 (53.5%) from the FY 2021-22 Adopted Budget.

The increase is mainly due to materials, contract services, and special projects. Repairs are needed because the facility was closed for much of last fiscal year. Compensation and benefits are decreasing due to vacant position being budget budgeted at a lower rate than the prior incumbent

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriation	Revenue	Funding Source	Description
Air Conditioning Replacement	\$14,500	\$14,500	General Fund	Replace IT Server Room AC that is beyond serviceable life
Exterior Deck Dry Rot Repair	\$9,000	\$9,000	General Fund	Repair partially failed wood decking
Energy Management System (EMS) Upgrades	\$90,000	\$90,000	General Fund	Replace EMS that is obsolete and no parts are available
Partial Roof Replacement	\$75,000	\$75,000	General Fund	Replace flat roofs that have failed and are no longer water-tight
Total	\$188,500	\$188,500		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 262,630	\$ -	\$ -	\$ -
Total Revenues	\$ 262,630	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 64,182	\$ 61,501	\$ 73,337	\$ 66,290
Employee Benefits	\$ 35,232	\$ 38,425	\$ 44,062	\$ 40,927
Materials	\$ 75,855	\$ 43,010	\$ 92,977	\$ 115,317
Contract Services	\$ 102,474	\$ 34,588	\$ 102,137	\$ 121,789
Cost Allocation	\$ 35,231	\$ 78,167	\$ 84,539	\$ 78,035
Special Projects	\$ 12,500	\$ 5,099	\$ -	\$ 188,500
Contingencies	\$ -	\$ -	\$ 4,871	\$ 5,928
Total Expenditures	\$ 325,474	\$ 260,790	\$ 401,923	\$ 616,786
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 62,845	\$ 260,790	\$ 401,923	\$ 616,786

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.70	0.70	0.70	0.70
PUBLIC WORKS SUPERVISOR	0.10	0.10	0.10	0.10
Total	0.80	0.80	0.80	0.80

There are no changes to current level of staffing.

McClellan Ranch Maintenance

Budget Unit 100-87-832

General Fund - Facilities and Fleet - McClellan Ranch Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 891
Total Expenditures	\$ 238,267
Fund Balance	\$ -
General Fund Costs	\$ 237,376
% Funded by General Fund	99.6%
Total Staffing	0.4 FTE

Program Overview

This program maintains McClellan Ranch buildings to ensure efficient operations, employee satisfaction, user satisfaction and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Parks & Recreation Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$238,267 for the McClellan Ranch Maintenance program. This represents an increase of \$3,829 (1.6%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged since last fiscal year, but salary and benefits are down due to a reallocation of staff, this is offset by an increase in one-time special projects that vary from year to year

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriations	Revenue	Funding Source	Description
4H Roof and Gutter Replacement	\$25,000	\$25,000	General Fund	Replace roof gutters to prevent dry rot
Milk Barn Exterior Painting	\$30,000	\$30,000	General Fund	Exterior repainting on a 7-year maintenance cycle
Total	\$55,000	\$55,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 95,425	\$ -	\$ -	\$ -
Miscellaneous Revenue	\$ 840	\$ 865	\$ 874	\$ 891
Total Revenues	\$ 96,265	\$ 865	\$ 874	\$ 891
Expenditures				
Employee Compensation	\$ 55,872	\$ 48,247	\$ 54,471	\$ 40,717
Employee Benefits	\$ 25,955	\$ 24,031	\$ 28,720	\$ 20,377
Materials	\$ 14,761	\$ 14,446	\$ 18,405	\$ 20,432
Contract Services	\$ 41,526	\$ 19,425	\$ 46,903	\$ 48,685
Cost Allocation	\$ 26,690	\$ 58,140	\$ 63,811	\$ 51,328
Special Projects	\$ 15,061	\$ -	\$ 20,000	\$ 55,000
Contingencies	\$ -	\$ -	\$ 2,128	\$ 1,728
Total Expenditures	\$ 179,865	\$ 164,289	\$ 234,438	\$ 238,267
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 83,600	\$ 163,423	\$ 233,564	\$ 237,376

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.50	0.50	0.50	0.30
PUBLIC WORKS SUPERVISOR	0.10	0.10	0.10	0.10
Total	0.60	0.60	0.60	0.40

Staff time is being reallocated to better reflect actual time spent in this program.

Monta Vista Community Center Maintenance

Budget Unit 100-87-833

General Fund - Facilities and Fleet - Monta Vista Community Center Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 202,498
Fund Balance	\$ -
General Fund Costs	\$ 202,498
% Funded by General Fund	100.0%
Total Staffing	0.4 FTE

Program Overview

This program maintains Monta Vista Community Center and adjacent buildings to ensure efficient operations, employee satisfaction, user satisfaction and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for the public and employees. Respond to requests made by the Parks & Recreation staff.
- Respond to requests made by Parks & Recreation Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$202,498 for the Monta Vista Community Center Maintenance program. This represents an increase of \$7,736 (4.0%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 118,070	\$ -	\$ -	\$ -
Total Revenues	\$ 118,070	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 37,832	\$ 36,430	\$ 40,132	\$ 40,067
Employee Benefits	\$ 18,486	\$ 19,701	\$ 21,495	\$ 23,084
Materials	\$ 19,606	\$ 31,684	\$ 30,938	\$ 37,585
Contract Services	\$ 38,079	\$ 22,258	\$ 45,053	\$ 48,085
Cost Allocation	\$ 22,103	\$ 49,815	\$ 55,247	\$ 51,535
Special Projects	\$ 27,610	\$ -	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ 1,897	\$ 2,142
Total Expenditures	\$ 163,716	\$ 159,888	\$ 194,762	\$ 202,498
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 45,647	\$ 159,888	\$ 194,762	\$ 202,498

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.30	0.30	0.30	0.30
PUBLIC WORKS SUPERVISOR	0.10	0.10	0.10	0.10
Total	0.40	0.40	0.40	0.40

There are no changes to current level of staffing.

Wilson Park Maintenance

Budget Unit 100-87-834

General Fund - Facilities and Fleet - Wilson Park Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 104,887
Fund Balance	\$ -
General Fund Costs	\$ 104,887
% Funded by General Fund	100.0%
Total Staffing	0.2 FTE

Program Overview

This program maintains Wilson Park Ceramics Center to ensure efficient operations, user satisfaction, and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Parks & Recreation Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$104,887 for the Wilson Park Maintenance program. This represents an increase of \$3,356 (3.3%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 77,225	\$ -	\$ -	\$ -
Total Revenues	\$ 77,225	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 19,820	\$ 21,254	\$ 20,323	\$ 20,323
Employee Benefits	\$ 11,011	\$ 11,533	\$ 12,622	\$ 12,899
Materials	\$ 13,135	\$ 10,087	\$ 12,794	\$ 15,429
Contract Services	\$ 12,330	\$ 12,533	\$ 16,465	\$ 18,670
Cost Allocation	\$ 12,432	\$ 36,619	\$ 38,598	\$ 36,714
Contingencies	\$ -	\$ -	\$ 729	\$ 852
Total Expenditures	\$ 68,728	\$ 92,026	\$ 101,531	\$ 104,887
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ (8,497)	\$ 92,026	\$ 101,531	\$ 104,887

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER III	0.20	0.20	0.20	0.20
Total	0.20	0.20	0.20	0.20

There are no changes to current level of staffing.

Portal Park Maintenance

Budget Unit 100-87-835

General Fund - Facilities and Fleet - Portal Park Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 69,185
Fund Balance	\$ -
General Fund Costs	\$ 69,185
% Funded by General Fund	100.0%
Total Staffing	0.1 FTE

Program Overview

This program maintains Portal Park building to ensure user efficient operations, satisfaction, and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Parks & Recreation Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$69,185 for the Portal Park Maintenance program. This represents an increase of \$8,449 (13.9%) from the FY 2021-22 Adopted Budget.

The increase is mainly due to additional contract services for concrete replacement and repair. Existing concrete is raising and cracking causing trip/fall hazards.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 41,483	\$ -	\$ -	\$ -
Total Revenues	\$ 41,483	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 9,778	\$ 10,496	\$ 10,162	\$ 10,162
Employee Benefits	\$ 5,464	\$ 5,746	\$ 6,311	\$ 6,450
Materials	\$ 5,078	\$ 4,887	\$ 8,717	\$ 9,511
Contract Services	\$ 3,122	\$ 11,298	\$ 5,922	\$ 12,679
Cost Allocation	\$ 8,466	\$ 26,093	\$ 29,259	\$ 29,828
Contingencies	\$ -	\$ -	\$ 365	\$ 555
Total Expenditures	\$ 31,908	\$ 58,520	\$ 60,736	\$ 69,185
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ (9,576)	\$ 58,521	\$ 60,736	\$ 69,185

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER III	0.10	0.10	0.10	0.10
Total	0.10	0.10	0.10	0.10

There are no changes to current level of staffing.

Sports Center Maintenance

Budget Unit 570-87-836

Sports Center - Facilities and Fleet - Sports Center Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 640,197
Fund Balance	\$ (640,197)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	0.7 FTE

Program Overview

This program maintains Sport Center facilities to ensure efficient operations, employee satisfaction, user satisfaction, and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Parks & Recreation Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$640,197 for the Sports Center Maintenance program. This represents an increase of \$17,145 (2.8%) from the FY 2021-22 Adopted Budget.

This increase is due to Materials, Contract Services, changes in Cost Allocation Plan, and special project costs that vary from year to year. Materials are increasing due to increases in electricity, water, and sewer rates. Contract Services are increasing due to a contract for HVAC control servicing, which was previously a special project.

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriations	Revenue	Funding Source	Description
Locker Room Floor Replacement	\$15,000	\$15,000	General Fund	Replace worn locker room flooring
Racquetball Court Floor Refinishing	\$16,000	\$16,000	General Fund	Refinish and restripe racquetball court flooring
Ventilation Preventive Maintenance and Repair	\$35,000	\$35,000	General Fund	Proactive evaluation of the Sport Center ventilation system
Total	\$66,000	\$66,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 72,404	\$ 71,984	\$ 73,552	\$ 72,172
Employee Benefits	\$ 48,861	\$ 32,847	\$ 41,742	\$ 41,603
Materials	\$ 123,610	\$ 119,565	\$ 140,248	\$ 172,689
Contract Services	\$ 107,593	\$ 74,040	\$ 126,692	\$ 148,367
Cost Allocation	\$ 89,668	\$ 130,585	\$ 122,425	\$ 131,340
Special Projects	\$ 2,435	\$ 19,768	\$ 109,000	\$ 66,000
Contingencies	\$ -	\$ -	\$ 9,393	\$ 8,026
Total Expenditures	\$ 444,571	\$ 448,789	\$ 623,052	\$ 640,197
Fund Balance	\$ (444,572)	\$ (448,790)	\$ (623,052)	\$ (640,197)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.10	0.10	0.10	0.10
MAINTENANCE WORKER III	0.50	0.50	0.50	0.50
PUBLIC WORKS SUPERVISOR	0.10	0.10	0.10	0.10
Total	0.70	0.70	0.70	0.70

There are no changes to current level of staffing.

Creekside Park Maintenance

Budget Unit 100-87-837

General Fund - Facilities and Fleet - Creekside Park Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 111,461
Fund Balance	\$ -
General Fund Costs	\$ 111,461
% Funded by General Fund	100.0%
Total Staffing	0.2 FTE

Program Overview

This program maintains Creekside Park building to ensure efficient operations, user satisfaction, and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Parks & Recreation Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$111,461 for the Creekside Park Maintenance program. This represents an increase of \$4,526 (4.2%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 47,545	\$ -	\$ -	\$ -
Total Revenues	\$ 47,545	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 21,033	\$ 21,831	\$ 22,585	\$ 22,585
Employee Benefits	\$ 9,948	\$ 10,461	\$ 10,911	\$ 11,142
Materials	\$ 10,486	\$ 8,979	\$ 17,167	\$ 19,595
Contract Services	\$ 11,152	\$ 3,606	\$ 14,895	\$ 19,312
Cost Allocation	\$ 17,199	\$ 38,004	\$ 40,576	\$ 37,854
Contingencies	\$ -	\$ -	\$ 801	\$ 973
Total Expenditures	\$ 69,818	\$ 82,881	\$ 106,935	\$ 111,461
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 22,274	\$ 82,882	\$ 106,935	\$ 111,461

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.10	0.10	0.10	0.10
PUBLIC WORKS SUPERVISOR	0.10	0.10	0.10	0.10
Total	0.20	0.20	0.20	0.20

There are no changes to current level of staffing.

Community Hall Maintenance

Budget Unit 100-87-838

General Fund - Facilities and Fleet - Community Hall Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 255,256
Fund Balance	\$ -
General Fund Costs	\$ 255,256
% Funded by General Fund	100.0%
Total Staffing	0.5 FTE

Program Overview

This program maintains Community Hall and interactive fountain to ensure efficient operations, employee satisfaction, user satisfaction, and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Community Hall users.
- Manage and responsibly coordinate work completed by contractors.
- Ensure water quality and functionality of interactive fountain.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.
- Comply with mandated water restrictions.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$255,256 for the Community Hall Maintenance program. This represents a decrease of \$4,505 (-1.7%) from the FY 2021-22 Adopted Budget.

The decrease is primarily due to one-time special projects that vary from year to year and decreased Cost Allocation Plan charges. Materials are increasing due to higher electricity and water rates. Contract Services are increasing due to a new janitorial contract.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 233,028	\$ -	\$ -	\$ -
Total Revenues	\$ 233,028	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 40,280	\$ 39,969	\$ 44,689	\$ 41,869
Employee Benefits	\$ 23,022	\$ 25,077	\$ 28,262	\$ 27,359
Materials	\$ 39,846	\$ 40,979	\$ 49,734	\$ 61,836
Contract Services	\$ 34,725	\$ 48,941	\$ 53,580	\$ 59,918
Cost Allocation	\$ 28,215	\$ 63,275	\$ 63,493	\$ 61,230
Special Projects	\$ -	\$ -	\$ 17,000	\$ -
Contingencies	\$ -	\$ -	\$ 3,003	\$ 3,044
Total Expenditures	\$ 166,088	\$ 218,241	\$ 259,761	\$ 255,256
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ (66,940)	\$ 218,241	\$ 259,761	\$ 255,256

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.40	0.40	0.40	0.40
MAINTENANCE WORKER III	0.10	0.10	0.10	0.10
Total	0.50	0.50	0.50	0.50

There are no changes to current level of staffing.

Teen Center Maintenance

Budget Unit 100-87-839

General Fund - Facilities and Fleet - Teen Center Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 50,100
Fund Balance	\$ -
General Fund Costs	\$ 50,100
% Funded by General Fund	100.0%
Total Staffing	0.1 FTE

Program Overview

This program maintains the Teen Center area below the Sports Center to ensure efficient operations, employee satisfaction, user satisfaction, and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Parks & Recreation Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$50,100 for the Teen Center Maintenance program. This represents an increase of \$1,113 (2.3%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 21,469	\$ -	\$ -	\$ -
Total Revenues	\$ 21,469	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 10,939	\$ 10,496	\$ 10,162	\$ 10,162
Employee Benefits	\$ 5,717	\$ 5,746	\$ 6,311	\$ 6,450
Materials	\$ 5,427	\$ 5,701	\$ 6,875	\$ 8,511
Cost Allocation	\$ 5,587	\$ 23,817	\$ 25,468	\$ 24,764
Contingencies	\$ -	\$ -	\$ 171	\$ 213
Total Expenditures	\$ 27,670	\$ 45,760	\$ 48,987	\$ 50,100
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 6,201	\$ 45,760	\$ 48,987	\$ 50,100

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER III	0.10	0.10	0.10	0.10
Total	0.10	0.10	0.10	0.10

There are no changes to current level of staffing.

Park Bathrooms Maintenance

Budget Unit 100-87-840

General Fund - Facilities and Fleet - Park Bathrooms Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 212,702
Fund Balance	\$ -
General Fund Costs	\$ 212,702
% Funded by General Fund	100.0%
Total Staffing	0.2 FTE

Program Overview

This program maintains park restrooms to ensure efficient operations, user satisfaction, and community pride.

Service Objectives

- Provide clean and functioning restrooms at various park locations.
- Respond to requests made by the users of the park.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$212,702 for the Park Bathrooms Maintenance program. This represents an increase of \$86,446 (68.5%) from the FY 2021-22 Adopted Budget.

The increase is mainly due to additional contract services for janitorial. Janitorial costs are increasing by over \$70,000 due to a new contract.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 85,967	\$ -	\$ -	\$ -
Total Revenues	\$ 85,967	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 17,348	\$ 17,684	\$ 17,930	\$ 17,941
Employee Benefits	\$ 9,057	\$ 9,498	\$ 10,374	\$ 10,602
Materials	\$ 13,036	\$ 39,366	\$ 21,478	\$ 22,244
Contract Services	\$ 29,736	\$ 88,385	\$ 35,954	\$ 117,663
Cost Allocation	\$ 14,572	\$ 35,422	\$ 39,086	\$ 40,754
Capital Outlays	\$ -	\$ 6,098	\$ -	\$ -
Special Projects	\$ -	\$ 6,299	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ 1,434	\$ 3,498
Total Expenditures	\$ 83,749	\$ 202,752	\$ 126,256	\$ 212,702
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ (2,218)	\$ 202,751	\$ 126,256	\$ 212,702

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.20	0.20	0.20	0.20
Total	0.20	0.20	0.20	0.20

There are no changes to current level of staffing.

Blackberry Farm Maintenance

Budget Unit 100-87-841

General Fund - Facilities and Fleet - Blackberry Farm Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 578,769
Fund Balance	\$ -
General Fund Costs	\$ 578,769
% Funded by General Fund	100.0%
Total Staffing	1.3 FTE

Program Overview

This program maintains Blackberry Farm buildings and facilities to ensure efficient operations, employee satisfaction, user satisfaction, and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Timely response to requests made by Parks & Recreation Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$578,769 for the Blackberry Farm Maintenance program. This represents an increase of \$36,730 (6.8%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year.

Special Projects

The following table shows the special projects for the fiscal year.

Special Project	Appropriation	Revenue	Funding Source	Description
Blesch, Byrne and Stocklmeir Maintenance Allowance	\$25,000	\$25,000	General Fund	Allowance to fund issues found during maintenance checks
Total	\$25,000	\$25,000		

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ -	\$ 4,961	\$ -	\$ -
Charges for Services	\$ 322,155	\$ -	\$ -	\$ -
Total Revenues	\$ 322,155	\$ 4,961	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 73,858	\$ 54,403	\$ 67,730	\$ 89,716
Employee Benefits	\$ 42,193	\$ 34,641	\$ 45,507	\$ 41,540
Materials	\$ 98,579	\$ 93,336	\$ 119,316	\$ 137,668
Contract Services	\$ 56,939	\$ 100,344	\$ 81,618	\$ 84,721
Cost Allocation	\$ 122,841	\$ 188,709	\$ 193,129	\$ 194,564
Special Projects	\$ 1,972	\$ 1,630	\$ 29,000	\$ 25,000
Contingencies	\$ -	\$ -	\$ 5,739	\$ 5,560
Total Expenditures	\$ 396,382	\$ 473,063	\$ 542,039	\$ 578,769
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 74,227	\$ 468,101	\$ 542,039	\$ 578,769

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
MAINTENANCE WORKER I/II	0.90	0.90	0.90	1.30
Total	0.90	0.90	0.90	1.30

Staff time is being reallocated to better reflect actual time spent in this program.

Franco Traffic Operations Center

Budget Unit 100-87-852

General Fund - Facilities and Fleet - Franco Traffic Operations Center

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 17,036
Fund Balance	\$ -
General Fund Costs	\$ 17,036
% Funded by General Fund	100.0%
Total Staffing	FTE

Program Overview

This program maintains the Traffic Operations Center on Franco Court to ensure efficient operations, user satisfaction, and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for city employees.
- Respond to requests made by Traffic Operations Center staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$17,036 for the Franco Traffic Operations Center program. This represents an increase of \$10,378 (155.9%) from the FY 2021-22 Adopted Budget.

The increase is mainly due to contract services for janitorial and security. Janitorial costs were not budgeted in FY 2021-22.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Materials	\$ 434	\$ 182	\$ 135	\$ 140
Contract Services	\$ 2,192	\$ 1,356	\$ 1,930	\$ 12,178
Cost Allocation	\$ 26,737	\$ 5,513	\$ 4,541	\$ 4,410
Contingencies	\$ -	\$ -	\$ 52	\$ 308
Total Expenditures	\$ 29,363	\$ 7,051	\$ 6,658	\$ 17,036
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 29,362	\$ 7,051	\$ 6,658	\$ 17,036

Staffing

There is no staffing associated with this program.

City Hall Annex

Budget Unit 100-87-857

General Fund - Facilities and Fleet - City Hall Annex

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 25,525
Fund Balance	\$ -
General Fund Costs	\$ 25,525
% Funded by General Fund	100.0%
Total Staffing	FTE

Program Overview

Maintain City Hall Annex building to ensure efficient operations, property management and community pride.

Service Objectives

- Provide a safe, clean and productive working environment for building occupants.
- Assist with the pending improvement projects.
- Feasibly conserve resources of water, electricity, and gas.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$25,525 for the City Hall Annex program. This represents a decrease of \$37,851 (-59.7%) from the FY 2021-22 Adopted Budget.

The decrease is mainly due to the loss of the majority of tenants and initial costs required to transition this newly acquired property. Materials costs include electricity, telephone, and water. Contract Services are for janitorial costs, which were not budgeted in FY 2021-22.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Materials	\$ -	\$ -	\$ 63,376	\$ 8,378
Contract Services	\$ -	\$ -	\$ -	\$ 16,524
Contingencies	\$ -	\$ -	\$ -	\$ 623
Total Expenditures	\$ -	\$ -	\$ 63,376	\$ 25,525
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ -	\$ -	\$ 63,376	\$ 25,525

Staffing

There is no staffing associated with this program.

Traffic Engineering

Budget Unit 100-88-844

General Fund - Transportation - Traffic Engineering

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 1,530,072
Fund Balance	\$ -
General Fund Costs	\$ 1,530,072
% Funded by General Fund	100.0%
Total Staffing	3.9 FTE

Program Overview

The Transportation Division oversees traffic operations, traffic studies, transportation planning, and transportation capital improvements to safely and efficiently manage all modes of travel within the City's street and trail network. This includes responding to citizen requests and concerns regarding traffic issues, developing plans for the installation of traffic signals, traffic signs, and pavement markings, and developing design standards. The Division assists in the preparation of the General Plan, street plan lines and the capital improvement program related to street improvements. Division staff are active on Santa Clara Valley Transportation Authority (VTA) subcommittees and working groups and keeps abreast regarding current developments in the field as well as grant funding opportunities for large projects.

The Transportation Division also participates in the review of private development proposals to identify potential traffic impacts and to require necessary mitigations to maintain levels of service and safe and efficient traffic operations.

Service Objectives

- Ensure the efficiency and safety of the street system for all modes of travel through continual observation of traffic patterns, traffic signals and other traffic control devices.
- Review traffic collision reports, traffic flow patterns, and neighborhood traffic issues and respond as needed.
- Cooperate with neighboring jurisdictions on regional issues that affect both traffic safety and traffic efficiency at City boundaries.
- Continue training personnel in traffic engineering by encouraging attendance at classes and seminars.
- Encourage the use of alternate modes of transportation to the single occupancy vehicle through the implementation of recommendations from the Bicycle and Pedestrian Transportation Plans.
- Supports transit initiatives, ride-share programs, carpool programs, and transportation planning work for all modes of transportation.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$1,530,072 for the Traffic Engineering program. This represents an increase of \$15,673 (1.0%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year. The increase in Special Projects is due to City Work Program projects.

Special Projects

The following table shows the special projects for the fiscal year.

Special Projects	Appropriation	Revenue	Funding Source	Description	Strategic Goal
Bicycle Facilities	\$50,000	\$50,000	General Fund	City Work Program: Increase the inventory of bicycle facilities and amenities, such as bike racks, citywide.	Transportation
Lawson Middle School Bikeway Feasibility Study	\$40,000	\$40,000	General Fund	City Work Program: Feasibility study for separated bikeways	Transportation
Vision Zero	\$80,000	\$80,000	General Fund	City Work Program: Vision Zero strategy to eliminate injuries and fatalities on roadways	Transportation
Total	\$170,000	\$170,000			

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Charges for Services	\$ 3,903	\$ -	\$ -	\$ -
Miscellaneous Revenue	\$ 585	\$ -	\$ -	\$ -
Total Revenues	\$ 4,488	\$ -	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 452,447	\$ 470,283	\$ 598,026	\$ 608,849
Employee Benefits	\$ 187,475	\$ 192,539	\$ 277,673	\$ 289,922
Materials	\$ 18,202	\$ 14,808	\$ 20,232	\$ 21,000
Contract Services	\$ 151,312	\$ 294,688	\$ 203,821	\$ 176,190
Cost Allocation	\$ 126,644	\$ 233,018	\$ 275,796	\$ 259,181
Special Projects	\$ 530,233	\$ 52,872	\$ 130,000	\$ 170,000
Contingencies	\$ -	\$ -	\$ 8,851	\$ 4,930
Total Expenditures	\$ 1,466,313	\$ 1,258,208	\$ 1,514,399	\$ 1,530,072
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 1,461,825	\$ 1,258,206	\$ 1,514,399	\$ 1,530,072

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ASSISTANT ENGINEER	1.50	1.50	1.50	1.50
PUBLIC WORKS PROJECT MANAGER LT	0	0.50	0.50	0.50
TRANSIT & TRANSPORTATION PLANNER	1.00	1.00	1.00	1.00
TRANSPORTATION MANAGER	1.00	0.90	0.90	0.90
Total	3.50	3.90	3.90	3.90

There are no changes to current level of staffing.

Traffic Signal Maintenance

Budget Unit 100-88-845

General Fund - Transportation - Traffic Signal Maintenance

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ 8,706
Total Expenditures	\$ 811,350
Fund Balance	\$ -
General Fund Costs	\$ 802,644
% Funded by General Fund	98.9%
Total Staffing	2.0 FTE

Program Overview

The Traffic Signal Maintenance Division oversees the operation and maintenance of the City's 60 traffic signals, including eight traffic signals owned by the State of California. The Division also maintains the traffic signal communication infrastructure, such as the fiber optic network and the traffic operation center hub.

Service Objectives

- Ensure the continuous and safe operation of the City's traffic signal system on a continuous 24-hour basis with full-time and on-call staff, which is accomplished by regularly performing preventative maintenance, diagnosing malfunctions and repairs, investigating citizen complaints, replacing or upgrading obsolete hardware, inspecting the work of contractors, responding to knockdowns and power outages, and adjusting signal timing parameters.
- Continue training, maintaining proficiency of traffic signal technicians and on-call staff by encouraging attendance at classes and seminars.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$811,350 for the Traffic Signal Maintenance program. This represents a decrease of \$482 (-0.1%) from the FY 2021-22 Adopted Budget.

The budget is relatively unchanged from last fiscal year. The increase in Compensation and Benefits is due to the promotion of a Traffic Signal Technician Apprentice to a Traffic Signal Technician. The increase in Materials is due to higher electricity costs. The increases are offset by a decrease in Cost Allocation expenses due to lower IT costs and no recruitments in FY 2020-21.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ 10,182	\$ 10,387	\$ -	\$ 8,706
Charges for Services	\$ 3,666	\$ -	\$ -	\$ -
Total Revenues	\$ 13,848	\$ 10,387	\$ -	\$ 8,706
Expenditures				
Employee Compensation	\$ 217,978	\$ 254,084	\$ 252,216	\$ 270,466
Employee Benefits	\$ 92,420	\$ 105,146	\$ 114,015	\$ 119,012
Materials	\$ 135,471	\$ 124,875	\$ 158,596	\$ 180,636
Contract Services	\$ 17,500	\$ 18,669	\$ 47,406	\$ 53,171
Cost Allocation	\$ 81,649	\$ 175,961	\$ 234,449	\$ 182,220
Special Projects	\$ 19,576	\$ 168,705	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ 5,150	\$ 5,845
Total Expenditures	\$ 564,594	\$ 847,440	\$ 811,832	\$ 811,350
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 550,747	\$ 837,053	\$ 811,832	\$ 802,644

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
TRAFFIC SIGNAL TECHNICIAN	1.00	1.00	1.00	2.00
TRAFFIC SIGTECH APRNTICE	1.00	1.00	1.00	0
Total	2.00	2.00	2.00	2.00

There are no changes to current level of staffing.

Safe Routes 2 School

Budget Unit 100-88-846

General Fund - Transportation - Safe Routes 2 School

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 661,062
Fund Balance	\$ -
General Fund Costs	\$ 661,062
% Funded by General Fund	100.0%
Total Staffing	1.0 FTE

Program Overview

Safe Routes 2 School seeks to engage local schools, school districts, parent organizations, community groups, and the Santa Clara County Sheriff's Office in the mission of reducing Singular Occupancy Vehicle (SOV) travel to and from school in order to reduce carbon emission and car traffic and increase student safety. The program seeks to achieve these objectives through education, encouragement, enforcement, and engineering infrastructure changes in and around Cupertino schools.

Service Objectives

- Help to improve the health and well-being of children by increasing the number of students who walk or bike to school.
- Develop partnerships with school administrators, staff, parents, and children.
- Encourage and empower more students and families to walk, bike, carpool, and take alternative transit to school.
- Adjust signage and infrastructure surrounding Cupertino schools to facilitate a safer environment for bicycle and pedestrian travel.
- Educate students and families about the benefits of walking and bicycling to school; health, environmental protection, academic improvements, community building and more.
- Minimize gaps in communication between City, School Districts, and Schools and collaborate on efforts to increase student safety.
- Enhance bicyclist and pedestrian student safety through coordination of skills classes and distribution of educational material.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$661,062 for the Safe Routes 2 School program. This represents a decrease of \$185,209 (-21.9%) from the FY 2021-22 Adopted Budget.

The decrease is mainly due to reduced Contract Services and Special Projects. Contract Services were higher last year due to additional crossing guard services. Special Projects were higher last year due to special projects for pedestrian education and riding for focus. The increase in compensation is due to additional part-time staff.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Intergovernmental Revenue	\$ -	\$ 4,483	\$ -	\$ -
Total Revenues	\$ -	\$ 4,483	\$ -	\$ -
Expenditures				
Employee Compensation	\$ 111,475	\$ 116,461	\$ 127,273	\$ 140,556
Employee Benefits	\$ 42,629	\$ 46,555	\$ 52,333	\$ 53,851
Materials	\$ 22,235	\$ 5,836	\$ 23,214	\$ 24,097
Contract Services	\$ 200,290	\$ 33,777	\$ 452,310	\$ 364,178
Cost Allocation	\$ 85,404	\$ 69,076	\$ 83,682	\$ 68,673
Special Projects	\$ -	\$ -	\$ 93,240	\$ -
Contingencies	\$ -	\$ -	\$ 14,219	\$ 9,707
Total Expenditures	\$ 462,033	\$ 271,705	\$ 846,271	\$ 661,062
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 462,032	\$ 267,222	\$ 846,271	\$ 661,062

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Position Title	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
ENVIRONMENTAL PROGRAMS ASSISTANT	1.00	1.00	1.00	1.00
Total	1.00	1.00	1.00	1.00

There are no changes to current level of staffing.

Minor Storm Drain Improvement

Budget Unit 210-90-978

Storm Drain Improvement - Non-Departmental - Minor Storm Drain Improvement

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ -
Fund Balance	\$ -
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

This program provides funding for drainage repairs as needed in various locations. This program will remain in order to maintain historical data however, once all prior year data as listed in the table below is \$0, this program will be removed.

Service Objectives

Provide storm drain repairs throughout the City on an annual basis.

Adopted Budget

There is no budget requested for this program.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Capital Outlays	\$ 4,000	\$ -	\$ -	\$ -
Total Expenditures	\$ 4,000	\$ -	\$ -	\$ -
Fund Balance	\$ (4,000)	\$ -	\$ -	\$ -
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

There is no staffing associated with this program.

Fixed Assets Acquisition

Budget Unit 630-90-985

Vehicle/Equip Replacement - Non-Departmental - Fixed Assets Acquisition

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 7,844
Fund Balance	\$ (7,844)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

This program purchases vehicles and equipment having a value greater than \$5,000 and expected life of more than one year. Equipment users are charged for the use of these assets through a depreciation schedule. Equipment used by Special Revenue and Enterprise funds are charged to the respective funds.

Service Objectives

- Obtain quality equipment through competitive bidding.
- Purchase energy efficient vehicles whenever practical.
- Purchase quiet, ergonomic and environmentally friendly equipment whenever practical.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$7,844 for the Fixed Assets Acquisition program. This represents a decrease of \$993,173 (-99.2%) from the FY 2021-22 Adopted Budget.

The vehicle and equipment replacement requests were removed via City Council motion at the Proposed Budget study session. Fixed assets requests for vehicle and equipment replacement will be brought to City Council at a later time when additional information is available.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Cost Allocation	\$ -	\$ 9,022	\$ 8,817	\$ 7,844
Special Projects	\$ -	\$ -	\$ 992,200	\$ -
Total Expenditures	\$ -	\$ 9,022	\$ 1,001,017	\$ 7,844
Fund Balance	\$ -	\$ (9,022)	\$ (1,001,017)	\$ (7,844)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

There is no staffing associated with this program.

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Non-Departmental

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Department Overview

Budget Units

Budget Unit	Program	2023 Adopted Budget
Non-Departmental		\$ 14,689,603
100-90-001	General Fund Transfers Out	\$ 12,013,803
281-90-001	Tree Fund Transfers Out	\$ -
365-90-001	Debt Service Transfers Out	\$ -
429-90-001	Capital Reserve Transfers Out	\$ -
365-90-500	Facility Lease Debt Service	\$ 2,675,800
Total		\$ 14,689,603

Budget at a Glance

2023 Adopted Budget

Total Revenues	\$ -
Total Expenditures	\$ 14,689,603
Fund Balance	\$ 2,500,000
General Fund Costs	\$ 17,189,603
% Funded by General Fund	117.0%
Total Staffing	FTE

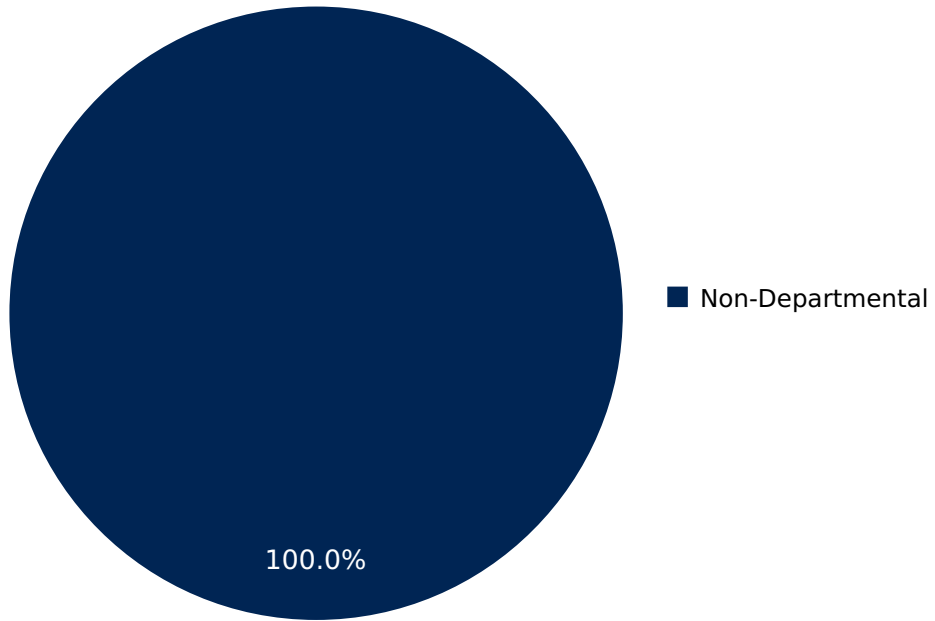
Adopted Budget

On June 9, 2022, City Council approved a budget of \$14,689,603 for the Non-Departmental department. This represents a decrease of \$10,692,932 (-42.1%) from the FY 2021-22 Adopted Budget.

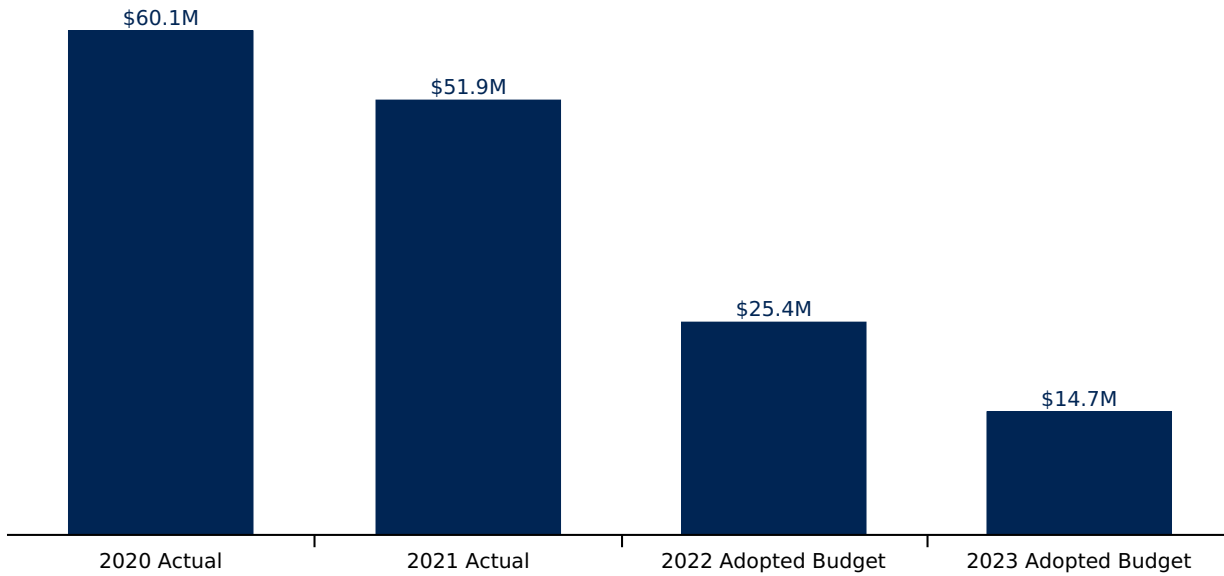
The budget is decreasing due to a reduction in transfers to fund the Capital Improvement Program. The FY 2022-23 Capital Improvement Program does not require transfers from the Capital Reserve.

Cost Allocation expenses were higher in FY 2019-20 due to transfers. \$20 million was transferred from the General Fund to the Capital Reserve, but \$10 million was returned to the General Fund to mitigate the potential impacts of the pandemic. Increased activity in FY 2020-21 is due to the refinancing of the City's debt.

Adopted Expenditures by Division



Department Expenditure History



Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 200,375	\$ (130,057)	\$ -	\$ -
Charges for Services	\$ 900	\$ 25,918,704	\$ -	\$ -
Miscellaneous Revenue	\$ -	\$ 600	\$ -	\$ -
Total Revenues	\$ 201,275	\$ 25,789,247	\$ -	\$ -
Expenditures				
Materials	\$ 43	\$ 26,254	\$ 17,503	\$ 17,503
Contract Services	\$ 1,500	\$ -	\$ -	\$ -
Cost Allocation	\$ 60,134,832	\$ 47,371,003	\$ 25,365,032	\$ 14,672,100
Capital Outlays	\$ -	\$ 4,473,122	\$ -	\$ -
Total Expenditures	\$ 60,136,375	\$ 51,870,379	\$ 25,382,535	\$ 14,689,603
Fund Balance	\$ (5,517,224)	\$ 1,243,239	\$ (11,492,048)	\$ 2,500,000
General Fund Costs	\$ 54,417,876	\$ 27,817,203	\$ 13,890,487	\$ 17,189,603

Staffing

There is no staffing associated with this department.

General Fund Transfers Out

Budget Unit 100-90-001

General Fund - Non-Departmental - General Fund Transfers Out

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 12,013,803
Fund Balance	\$ -
General Fund Costs	\$ 12,013,803
% Funded by General Fund	100.0%
Total Staffing	FTE

Program Overview

Transfers represent transfers of monies between various funds. These transfers provide subsidies and resources to the receiving fund to support operating, debt service, and capital project costs. General Fund subsidies to other funds and funding of capital projects are included in transfers.

Transfers out are evaluated each year to ensure funds outside of the General Fund remain with a minimum fund balance of 15% of budgeted operating expenses. These transfers are normally for Special Revenue and Enterprise funds requiring a subsidy due to revenues falling short of full program costs. In addition, the City has reoccurring transfers to fund the total budget costs associated with Annual Debt Payment and Compensated Absences.

Adopted Budget

On June 9, 2022, City Council approved a budget of \$12,013,803 for the General Fund Transfers Out program. This represents an increase of \$744,316 (6.6%) from the FY 2021-22 Adopted Budget.

Transfers from the General Fund to the Capital Reserve are budgeted this year. In the past, transfers to the Capital Reserve were not budgeted and instead adjusted at mid-year. Given the City's aging infrastructure and capital projects needs, the City is allocating \$2.5 million in transfers annually to the Capital Reserve throughout the forecast to facilitate Capital Improvement Program budget forecasting.

Transfers from the General Fund to the Retiree Medical Fund will be eliminated in FY 2022-23. Other Post-Employment Benefits (OPEB) costs will be funded by the City's Section 115 OPEB Trust because the City's OPEB plan is over 100% funded.

Transfers from the General Fund are as follows:

Receiving Fund	Description	Amount
Special Revenue Funds	Sidewalk, Curb, and Gutter Maintenance	\$3,025,000
Debt Service Funds	Annual Debt Payment	\$2,675,800
Capital Projects Funds	Capital Improvement Program	\$2,500,000
Enterprise Funds	Recreation	\$376,000
Internal Service Funds	IT Infrastructure, Compensated Absences	\$3,419,500
Total		\$11,996,300

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Materials	\$ 43	\$ 26,254	\$ 17,503	\$ 17,503
Cost Allocation	\$ 30,892,276	\$ 15,148,689	\$ 11,251,984	\$ 11,996,300
Capital Outlays	\$ -	\$ 4,473,122	\$ -	\$ -
Total Expenditures	\$ 30,892,319	\$ 19,648,065	\$ 11,269,487	\$ 12,013,803
Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Costs	\$ 30,892,319	\$ 19,648,065	\$ 11,269,487	\$ 12,013,803

Staffing

There is no staffing associated with this program.

Tree Fund Transfers Out

Budget Unit 281-90-001

Tree Fund - Non-Departmental - Tree Fund Transfers Out

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ -
Fund Balance	\$ -
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

Transfers represent transfers of monies between various funds. Tree Fund revenues are from in-lieu tree replacement fees and tree damage and removal fees. The revenues are transferred to the Street Tree Maintenance program to pay for new and replacement trees.

Adopted Budget

There is no budget requested for this program.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 6,384	\$ 399	\$ -	\$ -
Charges for Services	\$ 900	\$ -	\$ -	\$ -
Miscellaneous Revenue	\$ -	\$ 600	\$ -	\$ -
Total Revenues	\$ 7,284	\$ 999	\$ -	\$ -
Expenditures				
Cost Allocation	\$ 12,000	\$ 15,000	\$ 15,000	\$ -
Total Expenditures	\$ 12,000	\$ 15,000	\$ 15,000	\$ -
Fund Balance	\$ (4,716)	\$ (14,001)	\$ (15,000)	\$ -
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

There is no staffing associated with this program.

Debt Service Transfers Out

Budget Unit 365-90-001

Public Facilities Corp - Non-Departmental - Debt Service Transfers Out

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ -
Fund Balance	\$ 2,675,800
General Fund Costs	\$ 2,675,800
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

Transfers represent transfers of monies between various funds. These transfers provide subsidies and resources to the receiving fund to support operating, debt service, and capital project costs. General Fund subsidies to other funds and funding of capital projects are included in transfers.

Adopted Budget

There is no budget requested for this program.

Increased activity in FY 2020-21 is due to the refinancing of the City's debt.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 26,611	\$ 332	\$ -	\$ -
Charges for Services	\$ -	\$ 25,918,704	\$ -	\$ -
Total Revenues	\$ 26,611	\$ 25,919,036	\$ -	\$ -
Expenditures				
Cost Allocation	\$ -	\$ 27,279,118	\$ -	\$ -
Total Expenditures	\$ -	\$ 27,279,118	\$ -	\$ -
Fund Balance	\$ 3,199,449	\$ 1,809,056	\$ 2,621,000	\$ 2,675,800
General Fund Costs	\$ 3,172,838	\$ 3,169,138	\$ 2,621,000	\$ 2,675,800

Staffing

There is no staffing associated with this program.

Capital Reserve Transfers Out

Budget Unit 429-90-001

Capital Reserve - Non-Departmental - Capital Reserve Transfers Out

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ -
Fund Balance	\$ 2,500,000
General Fund Costs	\$ 2,500,000
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

Transfers represent transfers of monies between various funds. These transfers provide subsidies and resources to the receiving fund to support operating, debt service, and capital project costs. General Fund subsidies to other funds and funding of capital projects are included in transfers.

Transfers out from the Capital Reserve vary from year to year depending on the projects selected in the Capital Improvement Program. In addition, funding sources for each project are reviewed and then allocated appropriately. After this review, the remaining balance of the project left to fund is then transferred from the Capital Reserve Fund.

Adopted Budget

There is no budget requested for this program.

Transfers are not budgeted as the FY 2022-23 Capital Improvement Program does not require funding from the Capital Reserve.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Use of Money and Property	\$ 167,380	\$ (130,788)	\$ -	\$ -
Total Revenues	\$ 167,380	\$ (130,788)	\$ -	\$ -
Expenditures				
Cost Allocation	\$ 26,057,719	\$ 1,989,449	\$ 11,422,048	\$ -
Total Expenditures	\$ 26,057,719	\$ 1,989,449	\$ 11,422,048	\$ -
Fund Balance	\$ (5,537,620)	\$ 2,879,763	\$ (11,422,048)	\$ 2,500,000
General Fund Costs	\$ 20,352,719	\$ 5,000,000	\$ -	\$ 2,500,000

Staffing

There is no staffing associated with this program.

Facility Lease Debt Service

Budget Unit 365-90-500

Public Facilities Corp - Non-Departmental - Facility Lease Debt Service

Budget at a Glance

	2023 Adopted Budget
Total Revenues	\$ -
Total Expenditures	\$ 2,675,800
Fund Balance	\$ (2,675,800)
General Fund Costs	\$ -
% Funded by General Fund	0.0%
Total Staffing	FTE

Program Overview

The Debt Service Program accounts for the payment of principal and interest and associated administrative costs incurred with the issuance of debt instruments for the City's Public Facilities Corporation. The budget funds the Corporation's annual payment of principal and interest on the City Hall/Library, Wilson/Memorial Open Space, and Library Certificates of Participation (COP) that will be paid off by the year 2030.

The majority of the borrowings occurred in early 1990 to acquire additional park real estate and expand community facilities. A breakdown of the capital acquisitions follows:

- Increased 90 acres of park real estate to 190 acres, a 111% increase
- Increased 26,031 sq ft of recreation building space to 84,460 sq ft, a 224% increase

Specific purchases included:

- Blackberry Farm - \$18 million, voter-approved debt
- Creekside Park - \$12 million voter-approved debt
- Sports Center - \$8 million
- Quinlan Community Center, including park real estate - \$6.1 million
- Wilson Park and improvements - \$5.6 million
- Jollyman Park development - \$1 million
- City Hall renovation/improvements - \$1.7 million
- Library renovation/improvements - \$1.7 million
- New Library and Community Hall - \$10 million

Most recently, the City added debt to fund the new Library and Community Hall in 2004.

In May 2012, the Corporation refinanced its \$44 million in outstanding debt to lower the interest rate and save approximately \$350,000 per year in debt payments. On September 29, 2020, the City's 2020A Certificates of Participation (2020 COPs) were successfully sold to refund the City's 2012 Certificates of Participation for debt service savings. The refunding generated net present value savings of approximately \$3.14 million, 11.61% of refunded par, and a True Interest Cost of 0.72%. Savings to the City's General Fund amounts to approximately \$494,000 per year for the next ten years or almost \$5 million in total savings.

Schedule of Lease Payments

Bond Year (Ending June 1)	Principal	Interest	Annual Lease Payment
2022	1,880,000	796,000	2,676,000
2023	1,955,000	720,800	2,675,800
2024	2,035,000	642,600	2,677,600
2025	2,115,000	561,200	2,676,200
2026	2,200,000	476,600	2,676,600
2027	2,285,000	388,600	2,673,600
2028	2,380,000	297,200	2,677,200
2029	2,475,000	202,000	2,677,000
2030	2,575,000	103,000	2,678,000
Total	\$19,900,000	\$4,188,000	\$24,088,000

Adopted Budget

On June 9, 2022, City Council approved a budget of \$2,675,800 for the Facility Lease Debt Service program. This represents a decrease of \$200 (-0.0%) from the FY 2021-22 Adopted Budget.

Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year.

Category	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Revenues				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Contract Services	\$ 1,500	\$ -	\$ -	\$ -
Cost Allocation	\$ 3,172,837	\$ 2,938,747	\$ 2,676,000	\$ 2,675,800
Total Expenditures	\$ 3,174,337	\$ 2,938,747	\$ 2,676,000	\$ 2,675,800
Fund Balance	\$ (3,174,337)	\$ (3,431,579)	\$ (2,676,000)	\$ (2,675,800)
General Fund Costs	\$ -	\$ -	\$ -	\$ -

Staffing

There is no staffing associated with this program.

Appendix

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All Funds Forecast Schedule

General Fund Revenues

Classification	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Adopted	Estimate	Adopted	Forecast	Forecast	Forecast	Forecast
Sales Tax	42,576,587	27,855,559	36,911,996	31,944,089	33,374,226	33,374,226	34,084,183	34,793,274
Property Tax	28,277,839	27,840,341	27,840,341	30,039,574	31,309,702	31,309,702	32,280,957	33,261,335
Transient Occupancy Tax	2,141,058	3,000,000	3,000,000	5,000,000	7,500,000	7,500,000	7,769,397	8,015,889
Utility Tax	3,074,358	3,245,447	3,245,447	2,955,404	2,975,245	2,975,245	2,995,136	2,995,095
Franchise Fees	3,368,287	3,380,986	3,380,986	3,230,101	3,323,379	3,323,379	3,414,110	3,411,699
Other Taxes	2,639,000	1,248,720	1,248,720	1,787,691	1,850,260	1,850,260	1,896,517	1,892,816
Licenses and Permits	4,068,238	3,140,195	33,594,629	3,541,012	3,558,717	3,558,717	3,576,511	3,576,511
Use of Money and Property	4,838,316	1,249,220	1,249,220	1,277,013	2,709,697	2,798,840	2,899,972	3,007,056
Intergovernmental	1,451,076	5,093,946	10,365,946	1,434,491	242,853	242,853	244,067	245,288
Charges for Services	11,345,222	12,047,922	14,425,179	11,528,436	11,848,938	11,848,938	12,156,215	12,463,336
Fines and Forfeitures	129,394	225,000	225,000	427,000	427,000	427,000	427,000	427,000
Miscellaneous	1,263,163	1,000,555	1,643,661	1,160,437	1,220,975	1,220,975	1,272,539	1,323,814
Transfers In	507,831	45,000	5,092,387	61,140	-	-	-	-
Other Financing Sources	537,124	275,000	1,638,330	275,000	-	-	-	-
TOTAL REVENUES	106,217,493	89,647,891	143,861,842	94,661,388	100,340,993	100,430,137	103,016,605	105,413,113

General Fund Expenditures

Classification	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Adopted	Estimate	Adopted	Forecast	Forecast	Forecast	Forecast
Employee Compensation	18,441,609	21,806,721	22,415,186	24,295,660	24,937,757	25,623,624	26,328,252	27,052,205
Employee Benefits	8,238,449	10,154,044	10,384,127	11,440,636	11,711,801	11,898,716	11,608,381	11,667,211
Salary Savings	-	-	-	-	(1,000,882)	(1,024,554)	(1,034,943)	(1,055,934)
Personnel Costs	26,680,058	31,960,765	32,799,313	35,736,296	35,648,675	36,497,786	36,901,690	37,663,482
Materials	4,248,715	6,639,523	7,455,733	7,226,073	7,478,986	7,688,397	7,880,607	8,061,861
Contract Services	21,106,602	23,773,121	24,983,910	25,019,032	26,242,420	27,344,403	28,413,200	29,469,609
Cost Allocation	10,473,540	11,948,062	11,948,062	10,385,961	10,671,575	10,965,043	11,266,582	11,576,413
Capital Outlays	4,536,948	-	244,540	-	215,798	221,840	227,386	232,616
Special Projects	1,358,237	3,221,800	29,872,607	3,657,378	2,157,975	2,218,398	2,273,858	2,326,157
Contingencies	293	426,779	400,881	451,739	405,899	417,264	427,695	437,532
Other Financing Uses	319,444	545,000	967,497	695,000	-	-	-	-
Non-Personnel Costs	42,043,779	46,554,285	75,873,230	47,435,183	47,172,652	48,855,345	50,489,328	52,104,188
Transfers	15,148,689	11,251,984	26,124,371	11,996,300	12,320,818	12,434,974	12,544,172	12,645,931
TOTAL EXPENDITURES	83,872,526	89,767,034	134,796,914	95,167,779	95,142,145	97,788,106	99,935,190	102,413,602

General Fund Fund Balance

Classification	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Adopted	Estimate	Adopted	Forecast	Forecast	Forecast	Forecast
Beginning Balance	74,505,822	83,259,456	96,850,790	110,610,704	110,104,313	115,303,161	117,945,192	121,026,607
Unassigned	52,449,546	32,243,487	46,068,178	48,332,873	52,110,422	53,242,011	54,718,268	56,011,988
All Other Classifications	44,401,243	64,209,752	64,542,526	61,771,440	63,192,739	64,703,181	66,308,338	68,014,131
Ending Balance	96,850,790	96,592,292	110,610,704	110,104,313	115,303,161	117,945,192	121,026,607	124,026,118

Special Revenue Fund Revenues

Classification	2020-21 Actual	2021-22 Adopted	2021-22 Estimate	2022-23 Adopted	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
STORM DRAIN IMPROVEMENT (FUNDS 210, 215)								
406-Taxes	81,471	79,237	79,237	201,229	201,229	201,229	201,229	201,229
420-Use of Money	9,547	-	-	-	-	-	-	-
TOTAL	91,018	79,237	79,237	201,229	201,229	201,229	201,229	201,229
ENVIRON. MGMT./CLEAN CREEKS/STORM DRAIN (FUND 230)								
420-Use of Money	262	908	908	2,248	-	-	-	-
430-Fines and Forfeitures	5,065	10,000	10,000	68,669	68,669	68,669	68,669	68,669
450-Charges for Services	1,475,982	1,543,100	1,543,100	1,510,555	1,510,555	1,510,555	1,510,555	1,510,555
TOTAL	1,481,309	1,554,008	1,554,008	1,581,472	1,579,224	1,579,224	1,579,224	1,579,224
HOUSING & COMMUNITY DEVELOPMENT (FUNDS 260, 261, 265)								
406-Taxes	197,661	3,611,855	3,611,855	8,002,202	8,002,202	8,002,202	8,002,202	8,002,202
420-Use of Money	23,554	3,300	3,300	3,300	3,300	3,300	3,300	3,300
421-Transfer In	200,000	-	-	25,000	25,000	25,000	25,000	25,000
440-Intergovernmental	559,010	463,996	801,854	492,181	492,181	492,181	492,181	492,181
450-Charges for Services	7,270	-	-	-	-	-	-	-
TOTAL	987,495	4,079,151	4,417,009	8,522,683	8,522,683	8,522,683	8,522,683	8,522,683
TRANSPORTATION (FUNDS 270, 271)								
420-Use of Money	25,257	-	-	-	-	-	-	-
421-Transfer In	4,000,000	6,672,824	6,672,824	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
440-Intergovernmental	3,481,618	3,004,034	3,004,034	3,008,043	3,165,000	3,165,000	3,165,000	3,165,000
450-Charges for Services	235,698	3,978	3,978	1,654	-	-	-	-
480-Miscellaneous Revenue	1,921,336	87,057	87,057	-	-	-	-	-
TOTAL	9,663,909	9,767,893	9,767,893	6,009,697	6,165,000	6,165,000	6,165,000	6,165,000
PARK DEDICATION (FUND 280)								
406-Taxes	104,201	-	-	-	-	-	-	-
420-Use of Money	22,789	-	-	-	-	-	-	-
421-Transfer In	-	3,650,000	3,650,000	-	-	-	-	-
TOTAL	126,990	3,650,000	3,650,000	-	-	-	-	-
TREE (FUND 281)								
420-Use of Money	399	-	-	-	-	-	-	-
480-Miscellaneous Revenue	600	-	-	-	-	-	-	-
TOTAL	999	-	-	-	-	-	-	-
TOTAL SPECIAL REVENUE FUNDS	12,351,720	19,130,289	19,468,147	16,315,081	16,468,136	16,468,136	16,468,136	16,468,136

Special Revenue Fund Expenditures

Program	2020-21 Actual	2021-22 Adopted	2021-22 Estimate	2022-23 Adopted	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
STORM DRAIN IMPROVEMENT (FUND 210, 215)								
210-90-980 SD Master Plan Update	707	-	-	-	-	-	-	-
210-99-042 Strm Drn Improv-Fthill & Cup Rd	248	-	-	-	-	-	-	-
210-99-071 Storm Drain MP Implementation	45	-	-	-	-	-	-	-
210-99-256 Pumpkin/Fiesta Storm Drain Ph1&2	-	2,000,000	2,000,000	-	-	-	-	-
TOTAL	1,000	2,000,000	2,000,000	-	-	-	-	-
ENVIRON. MGMT./CLEAN CREEKS/STORM DRAIN (FUND 230)								
230-81-802 Non Point Source	901,256	1,185,579	1,269,824	1,226,654	1,226,654	1,226,654	1,226,654	1,226,654
230-81-853 Storm Drain Fee	1,105	196	25,196	25,528	-	-	-	-
230-81-854 General Fund Subsidy	8,724	401	22,251	30,215	-	-	-	-
230-81-855 Storm Drain Maintenance	463,581	778,907	840,482	785,002	785,002	785,002	785,002	785,002
230-90-001 No Department	-	366,000	366,000	-	-	-	-	-
TOTAL	1,374,666	2,331,083	2,523,753	2,067,399	2,011,656	2,011,656	2,011,656	2,011,656
HOUSING & COMMUNITY DEVELOPMENT (FUND 260, 261, 265)								
260-72-707 CDBG General Admin	543,628	124,376	238,091	155,589	155,589	155,589	155,589	155,589
260-72-709 CDBG Capital/Housing Projects	229,369	321,484	321,484	337,558	337,558	337,558	337,558	337,558
260-72-710 CDBG Public Service Grants	59,613	63,112	63,112	61,852	61,852	61,852	61,852	61,852
265-72-711 BMR Affordable Housing Fund	665,899	1,309,132	1,484,790	1,222,398	1,222,398	1,222,398	1,222,398	1,222,398
265-90-001 No Department	-	-	200,000	-	475,000	475,000	475,000	475,000
TOTAL	1,498,509	1,818,104	2,307,477	1,777,397	2,252,397	2,252,397	2,252,397	2,252,397
TRANSPORTATION (FUNDS 270, 271)								
270-85-820 Sidewalk Curb and Gutter	1,352,502	1,868,903	1,486,680	1,982,206	1,982,206	1,982,206	1,982,206	1,982,206
270-85-821 Street Pavement Maintenance	2,839,703	4,797,069	4,364,286	4,587,213	4,587,213	4,587,213	4,587,213	4,587,213
270-85-822 Street Sign Marking	785,955	901,865	782,894	829,894	829,894	829,894	829,894	829,894
270-90-954 Monument Gateway Sign	90	-	-	-	-	-	-	-
270-90-958 Orange and Byrne Sidewalk Impv	157,883	-	33,892	-	-	-	-	-
270-90-960 Bridge Rehab Minor	13,656	-	431	-	-	-	-	-
270-90-961 St Median Irrg Plant Repl	20,501	-	-	-	-	-	-	-
270-90-962 Bicycle Ped Facility Impr	135	-	-	-	-	-	-	-
270-90-976 Ph 2 Mdl Sidewalk Improv	19,871	-	-	-	-	-	-	-
270-99-087 Traffic Calming	1,759	-	333	-	-	-	-	-
270-99-856 Homestead/DeAnza Signal Upgrade	8,652	215,000	18,197	-	-	-	-	-
TOTAL	5,200,707	7,782,837	6,686,713	7,399,313	7,399,313	7,399,313	7,399,313	7,399,313
PARK DEDICATION (FUND 280)								
280-99-009 Lawrence-Mitty Park	2,740,290	-	6,348,179	-	-	-	-	-
280-99-066 MRP Community Grdn Improv-Const	8,158	-	32,900	-	-	-	-	-
280-99-067 MRP EEC Aquatic Habitat	1,293	-	-	-	-	-	-	-
280-99-253 Memorial Park-Amphitheater Imprv	-	1,150,000	1,150,000	-	-	-	-	-
280-99-254 Memorial Park-Pond Repurposing	-	3,000,000	3,000,000	-	-	-	-	-
280-99-255 Memorial Park-Specific Plan Des	-	500,000	-	-	-	-	-	-
TOTAL	2,749,741	4,650,000	10,531,079	-	-	-	-	-
TREE FUND (FUND 281)								
281-90-001 No Department	15,000	15,000	15,000	-	-	-	-	-
TOTAL	15,000	15,000	15,000	-	-	-	-	-
TOTAL SPECIAL REVENUE FUNDS	10,839,623	18,597,024	24,064,022	11,244,109	11,663,366	11,663,366	11,663,366	11,663,366

Debt Service Fund Revenues

Classification	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Adopted	Estimate	Adopted	Forecast	Forecast	Forecast	Forecast
PUBLIC FACILITIES CORPORATION (FUND 365)								
420-Use of Money	332	-	-	-	-	-	-	-
421-Transfer In	3,169,138	2,621,000	2,621,000	2,675,800	2,677,600	2,676,200	2,676,600	2,673,600
490-Other Sources	25,918,704	-	-	-	-	-	-	-
TOTAL	29,088,174	2,621,000	2,621,000	2,675,800	2,677,600	2,676,200	2,676,600	2,673,600
TOTAL DEBT SERVICE FUNDS	29,088,174	2,621,000	2,621,000	2,675,800	2,677,600	2,676,200	2,676,600	2,673,600

Debt Service Fund Expenditures

Program	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Adopted	Estimate	Adopted	Forecast	Forecast	Forecast	Forecast
PUBLIC FACILITIES CORPORATION (FUND 365)								
365-90-001 No Department	27,279,118	-	-	-	-	-	-	-
365-90-500 Facility Lease	3,431,579	2,676,000	2,676,000	2,675,800	2,677,600	2,676,200	2,676,600	2,673,600
TOTAL	30,710,697	2,676,000	2,676,000	2,675,800	2,677,600	2,676,200	2,676,600	2,673,600
TOTAL DEBT SERVICE FUNDS	30,710,697	2,676,000	2,676,000	2,675,800	2,677,600	2,676,200	2,676,600	2,673,600

Capital Project Fund Revenues

Classification	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Adopted	Estimate	Adopted	Forecast	Forecast	Forecast	Forecast
CAPITAL IMPROVEMENT PROJECTS (FUND 420)								
420-Use of Money	(339,568)	-	-	-	-	-	-	-
421-Transfer In	1,430,000	7,557,048	7,687,283	-	-	-	-	-
440-Intergovernmental	-	385,952	3,781,952	-	-	-	-	-
480-Miscellaneous Revenue	2,347,037	-	2,640,930	-	-	-	-	-
TOTAL	3,437,469	7,943,000	14,110,165	-	-	-	-	-
CAPITAL RESERVE (FUND 429)								
420-Use of Money	(130,788)	-	-	-	-	-	-	-
421-Transfer In	5,000,000	-	10,000,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
TOTAL	5,000,000	-	10,000,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
TOTAL CAPITAL PROJECT FUNDS	8,437,469	7,943,000	24,110,165	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000

Capital Project Fund Expenditures

Program	2020-21 Actual	2021-22 Adopted	2021-22 Estimate	2022-23 Adopted	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
CAPITAL IMPROVEMENT PROJECTS (FUND 420)								
420-90-001 No Department	-	-	-	23,600	-	-	-	-
420-90-880 Env Edu Facility	185	-	-	-	-	-	-	-
420-90-898 SCCP Chain MP-MCLN TO SCB	405	-	-	-	-	-	-	-
420-90-904 Spt Ctr Resurf Tennis Cts	45	-	-	-	-	-	-	-
420-90-938 Pub Bldg Solar Service Center	6,964	-	-	-	-	-	-	-
420-90-969 DeAnza/McClellan Signal Maint	90	-	-	-	-	-	-	-
420-90-971 STLG/280 Ped Bridge Lighting	252	-	-	-	-	-	-	-
420-90-999 Green Bike Lanes	90	-	-	-	-	-	-	-
420-99-003 MR Construct Trash Enclosure	1,601	-	-	-	-	-	-	-
420-99-004 MR Community Garden Improvements	1,157,112	-	56,242	-	-	-	-	-
420-99-007 ADA Improvements	127,200	90,000	-	95,000	-	-	-	-
420-99-014 Stevens Crk Bank Repair Concept	69,874	-	-	-	-	-	-	-
420-99-017 Sports Center Exterior Upgrades	21,201	-	-	-	-	-	-	-
420-99-018 Sports Center Interior Upgrades	358	-	-	-	-	-	-	-
420-99-023 QCC Fire Alarm Control Panel Upg	5,626	-	-	-	-	-	-	-
420-99-030 McClellan West-Parking Lot Impro	63,637	-	3,808	-	-	-	-	-
420-99-031 Rec Facilities Monument Signs	3,609	-	-	-	-	-	-	-
420-99-033 City Hall - Turf Reduction	1,838	-	-	-	-	-	-	-
420-99-034 Svc Ctr - Shed No. 3 Improvement	10,921	-	-	-	-	-	-	-
420-99-036 2016 Bike Plan Implementation	3,791,987	2,000,000	2,188,693	-	-	-	-	-
420-99-040 Retaining Wall Repair-Cordova Rd	2,837	-	-	-	-	-	-	-
420-99-041 Retaining Wall Repl - Regnart Rd	180	-	-	-	-	-	-	-
420-99-045 Citywide Park & Recreation MP	3,321	-	-	-	-	-	-	-
420-99-047 CIP Prelim Planning & Design	7,439	125,000	1,350	125,000	125,000	125,000	125,000	125,000
420-99-048 Capital Project Support	4,345	50,000	4,902	50,000	50,000	50,000	50,000	50,000
420-99-051 Inclusive Play Area - Planning	9,553	-	84,541	850,000	-	-	-	-
420-99-054 Senior Ctr Walkway Replacement	2,014	-	-	-	-	-	-	-
420-99-056 St Light Install - Annual Infill	536	75,000	34,467	75,000	-	-	-	-
420-99-057 McClellan Sdwik-RB to Hwy85 Over	45	-	-	-	-	-	-	-
420-99-058 St Light Install-Randy & Larry	3,896	-	-	-	-	-	-	-
420-99-059 Senior Center Repairs	10,297	-	-	-	-	-	-	-
420-99-063 CW Bldg Condition Assess Impl	155,287	-	-	-	-	-	-	-
420-99-064 Creek Infall/Outfall Restoration	1,605	-	-	-	-	-	-	-
420-99-065 DeAnza Med Islnd Landscaping Ph2	14,867	-	-	-	-	-	-	-
420-99-068 Regnart Road Improvements	84,544	-	279,442	-	-	-	-	-
420-99-069 School Walk Audit Implementation	132,692	-	597	-	-	-	-	-
420-99-070 SCB/Bandley Signal & Median Imps	827	-	-	-	-	-	-	-
420-99-072 St Light Replacement CW (labor)	17,960	-	110,398	-	-	-	-	-
420-99-073 BBF Park Pool Improvements	446	750,000	3,920	-	-	-	-	-
420-99-074 Interim City Hall	1,162	-	-	-	-	-	-	-
420-99-075 New City Hall	90	-	-	-	-	-	-	-
420-99-077 Library Expansion	2,840,447	-	5,752,014	-	-	-	-	-
420-99-078 Civic Center Parking Analysis	68,299	-	11,873	-	-	-	-	-
420-99-079 Mary Ave Protected Bikeway	1,051	-	6,439	-	-	-	-	-
420-99-080 Bubb Rd Separated Bikeway Improv	680,298	-	192,194	-	-	-	-	-
420-99-083 Citywide Community Garden	16,822	-	25,736	-	-	-	-	-
420-99-084 Linda Vista Trail	488,350	-	32,390	-	-	-	-	-
420-99-085 Playground EQ (Creekside&Varian)	-	300,000	15,127	300,000	-	-	-	-
420-99-086 Various Park Amenities	-	200,000	8,934	200,000	-	-	-	-
420-99-248 10455 Torre Ave Improvements	-	3,000,000	78,133	-	-	-	-	-
420-99-249 Carmen Road Bridge Right-of-Way	-	75,000	3,067	-	-	-	-	-
420-99-250 City Hall & Community Hall Imprv	-	500,000	43,333	-	-	-	-	-
420-99-251 EV Parking Expansion	-	408,000	-	-	-	-	-	-
420-99-252 Full-Sized Outdoor Basketball Ct	-	350,000	65,483	-	-	-	-	-
420-99-257 Stelling/Alves Crosswalk Install	-	80,000	30,118	-	-	-	-	-
420-99-258 City Lighting LED Transition Ass	-	50,000	-	1,300,000	-	-	-	-
420-99-259 Tree Inventory-Stevens Creek Cor	-	65,000	-	-	-	-	-	-
420-99-262 De Anza Blvd Buffered Bike Lanes	-	-	-	525,000	-	-	-	-
420-99-264 City owned properties Analysis	-	-	-	90,000	-	-	-	-
TOTAL	9,812,205	8,118,000	9,033,201	3,633,600	175,000	175,000	175,000	175,000
STEVENS CREEK CORRIDOR PARK (FUND 427)								
427-90-870 SC Corridor Park Ph 1	626	-	38,115	-	-	-	-	-
427-90-881 Phs II SC Corridor Park	15,225	-	21,431	-	-	-	-	-
TOTAL	15,851	-	59,546	-	-	-	-	-
CAPITAL RESERVE (FUND 429)								
429-90-001 No Department	1,989,449	11,422,048	11,422,048	-	-	-	-	-
TOTAL	1,989,449	11,422,048	11,422,048	-	-	-	-	-
TOTAL CAPITAL PROJECT FUNDS	11,817,505	19,540,048	20,514,795	3,633,600	175,000	175,000	175,000	175,000

Enterprise Fund Revenues

Classification	2020-21 Actual	2021-22 Adopted	2021-22 Estimate	2022-23 Adopted	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
RESOURCE RECOVERY (FUND 520)								
420-Use of Money	14,794	-	-	-	-	-	-	-
440-Intergovernmental	14,916	14,000	14,000	14,000	14,000	14,000	14,000	14,000
450-Charges for Services	1,804,946	1,470,578	1,470,578	1,188,642	1,188,642	1,188,642	1,188,642	1,188,642
480-Miscellaneous Revenue	-	10,000	10,000	10,000	-	-	-	-
TOTAL	1,834,656	1,494,578	1,494,578	1,212,642	1,202,642	1,202,642	1,202,642	1,202,642
BLACKBERRY FARM GOLF COURSE (FUND 560)								
420-Use of Money	48,562	30,000	44,000	33,000	33,000	33,000	33,000	33,000
421-Transfer In	500,000	79,992	79,992	23,600	23,600	23,600	23,600	23,600
450-Charges for Services	564,126	310,000	516,000	400,600	400,600	400,600	400,600	400,600
TOTAL	1,112,688	419,992	639,992	457,200	457,200	457,200	457,200	457,200
SPORTS CENTER (FUND 570)								
420-Use of Money	284,724	351,000	351,000	350,000	350,000	350,000	350,000	350,000
421-Transfer In	685,000	-	-	-	-	-	-	-
450-Charges for Services	1,537,387	2,350,000	2,350,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000
TOTAL	2,507,111	2,701,000	2,701,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
RECREATION PROGRAMS (FUND 580)								
420-Use of Money	89,223	312,000	312,000	317,000	317,000	317,000	317,000	317,000
421-Transfer In	1,664,000	806,809	806,809	376,000	1,078,988	1,109,199	1,136,929	1,163,078
450-Charges for Services	508,838	1,087,000	1,087,000	1,219,550	1,219,550	1,219,550	1,219,550	1,219,550
TOTAL	2,262,061	2,205,809	2,205,809	1,912,550	2,615,538	2,645,749	2,673,479	2,699,628
TOTAL ENTERPRISE FUNDS	7,716,516	6,821,379	7,041,379	6,182,392	6,875,380	6,905,591	6,933,321	6,959,470

Enterprise Fund Expenditures

Program	2020-21 Actual	2021-22 Adopted	2021-22 Estimate	2022-23 Adopted	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
RESOURCE RECOVERY (FUND 520)								
520-81-801 Resources Recovery	1,670,262	2,222,096	2,652,855	2,285,090	2,285,090	2,285,090	2,285,090	2,285,090
TOTAL	1,670,262	2,222,096	2,652,855	2,285,090	2,285,090	2,285,090	2,285,090	2,285,090
BLACKBERRY FARM GOLF COURSE (FUND 560)								
560-63-616 BBF Golf Course	532,667	679,646	849,646	668,446	566,670	566,670	566,670	566,670
560-87-260 BBF Golf Maintenance	-	-	-	133,586	572	572	572	572
560-90-001 No Department	606	404	404	404	-	-	-	-
560-99-061 BBF Entrnc Rd Improv-Feasibility	2,002	-	1,261	-	-	-	-	-
560-99-088 BBF Golf Renovation/Alt use	-	-	76,400	23,600	-	-	-	-
TOTAL	535,275	680,050	927,711	826,036	567,242	567,242	567,242	567,242
SPORTS CENTER (FUND 570)								
570-63-621 Sports Center Operation	1,843,980	2,902,360	2,902,360	2,876,082	2,294,634	2,294,634	2,294,634	2,294,634
570-87-836 Bldg Maint Sports Center	448,790	623,052	664,946	640,197	481,106	481,106	481,106	481,106
570-90-001 No Department	2,430	1,621	1,621	1,621	2,295	2,295	2,295	2,295
570-99-081 Sports Center Seismic Retrofit	(112,301)	-	310,878	-	-	-	-	-
570-99-089 Spt Ctr Community Needs Analysis	-	-	25,000	-	-	-	-	-
TOTAL	2,182,899	3,527,033	3,904,805	3,517,900	2,778,035	2,778,035	2,778,035	2,778,035
RECREATION PROGRAMS (FUND 580)								
580-62-613 Youth Teen Recreation	559,735	1,828,845	1,828,845	1,504,209	1,168,483	1,168,483	1,168,483	1,168,483
580-63-620 Outdoor Recreation	555,445	1,158,012	1,158,012	869,015	686,573	686,573	686,573	686,573
580-90-001 No Department	1,622	1,081	1,081	1,081	1,531	1,531	1,531	1,531
580-99-082 Quinlan Preschool Shade Structur	442	-	53,954	-	-	-	-	-
580-99-090 QCC Sustainable Infrastructure	-	-	484,606	-	-	-	-	-
TOTAL	1,117,244	2,987,938	3,526,498	2,374,305	1,856,587	1,856,587	1,856,587	1,856,587
TOTAL ENTERPRISE FUNDS	5,505,680	9,417,117	11,011,869	9,003,331	7,486,954	7,486,954	7,486,954	7,486,954

Internal Service Fund Revenues

Classification	2020-21 Actual	2021-22 Adopted	2021-22 Estimate	2022-23 Adopted	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
INFORMATION TECHNOLOGY (FUND 610)								
420-Use of Money	9,344	-	-	-	-	-	-	-
421-Transfer In	245,000	192,078	192,078	2,537,500	2,157,975	2,218,398	2,273,858	2,326,157
450-Charges for Services	2,681,431	2,959,603	2,959,603	2,485,218	2,485,218	2,485,218	2,485,218	2,485,218
TOTAL	2,935,775	3,151,681	3,151,681	5,022,718	4,643,193	4,703,616	4,759,076	4,811,375
WORKERS' COMPENSATION (FUND 620)								
420-Use of Money	9,914	-	-	-	-	-	-	-
490-Other Sources	246,381	356,839	356,839	436,145	-	-	-	-
TOTAL	256,295	356,839	356,839	436,145	-	-	-	-
VEHICLE/EQUIPMENT REPLACEMENT (FUND 630)								
420-Use of Money	2,032	-	-	-	-	-	-	-
421-Transfer In	6,000	366,000	366,000	-	-	-	-	-
450-Charges for Services	1,633,518	1,718,598	1,718,598	1,568,633	1,568,633	1,568,633	1,568,633	1,568,633
480-Miscellaneous Revenue	9,799	-	-	-	-	-	-	-
490-Other Sources	89,981	-	-	-	-	-	-	-
TOTAL	1,741,330	2,084,598	2,084,598	1,568,633	1,568,633	1,568,633	1,568,633	1,568,633
COMPENSATED ABSENCE & LONG-TERM DISABILITY (FUND 641)								
420-Use of Money	4,155	-	-	-	-	-	-	-
421-Transfer In	193,000	21,570	21,570	882,000	906,255	931,177	956,784	983,096
450-Charges for Services	128,134	-	-	-	-	-	-	-
TOTAL	325,289	21,570	21,570	882,000	906,255	931,177	956,784	983,096
RETIREE MEDICAL (FUND 642)								
420-Use of Money	7,853	-	-	-	-	-	-	-
421-Transfer In	46,000	1,072,711	1,072,711	-	1,388,276	1,388,276	1,388,276	1,388,276
TOTAL	53,853	1,072,711	1,072,711	-	1,388,276	1,388,276	1,388,276	1,388,276
TOTAL INTERNAL SERVICE FUNDS	5,312,542	6,687,399	6,687,399	7,909,496	8,506,357	8,591,702	8,672,770	8,751,380

Internal Service Fund Expenditures

Program	2020-21 Actual	2021-22 Adopted	2021-22 Estimate	2022-23 Adopted	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
INFORMATION TECHNOLOGY (FUND 610)								
610-30-300 Administration	320,982	269,624	325,261	341,934	329,392	329,392	329,392	329,392
610-34-310 Infrastructure	1,913,363	2,202,453	2,344,933	2,721,957	2,326,751	2,326,751	2,326,751	2,326,751
610-35-986 GIS	1,087,053	1,424,906	1,570,808	1,546,226	1,401,362	1,401,362	1,401,362	1,401,362
TOTAL	3,321,398	3,896,983	4,241,002	4,610,117	4,057,506	4,057,506	4,057,506	4,057,506
WORKERS' COMPENSATION (FUND 620)								
620-44-418 Workers Compensation Insurance	98,092	434,840	434,840	516,946	516,946	516,946	516,946	516,946
TOTAL	98,092	434,840	434,840	516,946	516,946	516,946	516,946	516,946
VEHICLE/EQUIPMENT REPLACEMENT (FUND 630)								
630-85-849 Equipment Maintenance	1,464,347	1,557,044	1,614,764	1,594,350	1,594,350	1,594,350	1,594,350	1,594,350
630-90-001 No Department	116	-	-	-	-	-	-	-
630-90-985 Fixed Assets Acquisition	9,022	1,001,017	1,084,813	7,844	7,844	7,844	7,844	7,844
TOTAL	1,473,485	2,558,061	2,699,577	1,602,194	1,602,194	1,602,194	1,602,194	1,602,194
COMPENSATED ABSENCE & LONG-TERM DISABILITY (FUND 641)								
641-44-419 Long Term Disability	124,622	95,612	95,612	98,523	98,523	98,523	98,523	98,523
641-44-420 Compensated Absence	710,265	620,590	620,590	646,650	646,650	646,650	646,650	646,650
TOTAL	834,887	716,202	716,202	745,173	745,173	745,173	745,173	745,173
RETIREE MEDICAL (FUND 642)								
642-44-414 HR Retiree Benefits	1,231,056	1,241,926	1,241,926	1,388,276	1,388,276	1,388,276	1,388,276	1,388,276
TOTAL	1,231,056	1,241,926	1,241,926	1,388,276	1,388,276	1,388,276	1,388,276	1,388,276
TOTAL INTERNAL SERVICE FUNDS	6,958,918	8,848,012	9,333,547	8,862,706	8,310,095	8,310,095	8,310,095	8,310,095

All Funds Fund Balance

Fund Type		2020-21	2021-22	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
		Actual	Adopted	Estimate	Adopted	Forecast	Forecast	Forecast	Forecast
GENERAL FUNDS									
	Beginning Balance	74,505,822	83,259,456	96,850,790	110,610,704	110,104,313	115,303,161	117,945,192	121,026,607
Assigned		52,449,546	32,243,487	46,068,178	48,332,873	52,110,422	53,242,011	54,718,268	56,011,988
Unassigned		44,401,243	64,209,752	64,542,526	61,771,440	63,192,739	64,703,181	66,308,338	68,014,131
	Ending Balance	96,850,790	96,453,239	110,610,704	110,104,313	115,303,161	117,945,192	121,026,607	124,026,118
SPECIAL REVENUE FUNDS									
	Beginning Balance	31,995,174	28,888,315	33,507,271	28,911,396	33,982,368	38,787,138	43,591,908	48,396,678
Assigned		33,507,271	32,221,580	28,911,396	33,982,368	38,787,138	43,591,908	48,396,678	53,201,448
Unassigned		-	-	-	-	-	-	-	-
	Ending Balance	33,507,271	32,221,580	28,911,396	33,982,368	38,787,138	43,591,908	48,396,678	53,201,448
DEBT SERVICE FUNDS									
	Beginning Balance	1,685,872	55,016	63,350	8,350	8,350	8,350	8,350	8,350
Assigned		63,350	54,816	8,350	8,350	8,350	8,350	8,350	8,350
Unassigned		-	-	-	-	-	-	-	-
	Ending Balance	63,350	54,816	8,350	8,350	8,350	8,350	8,350	8,350
CAPITAL PROJECT FUNDS									
	Beginning Balance	40,551,134	39,384,351	37,038,174	40,633,544	39,499,944	41,824,944	44,149,944	46,474,944
Assigned		37,038,174	39,209,351	40,633,544	39,499,944	41,824,944	44,149,944	46,474,944	48,799,944
Unassigned		-	-	-	-	-	-	-	-
	Ending Balance	37,038,174	39,209,351	40,633,544	39,499,944	41,824,944	44,149,944	46,474,944	48,799,944
ENTERPRISE FUNDS									
	Beginning Balance	9,253,822	6,935,949	11,464,658	7,494,168	4,673,229	4,061,654	3,480,292	2,926,659
Assigned		11,464,658	4,410,211	7,494,168	4,673,229	4,061,654	3,480,292	2,926,659	2,399,175
Unassigned		-	-	-	-	-	-	-	-
	Ending Balance	11,464,658	4,410,211	7,494,168	4,673,229	4,061,654	3,480,292	2,926,659	2,399,175
INTERNAL SERVICE FUNDS									
	Beginning Balance	7,959,449	6,313,071	6,313,071	3,666,923	2,713,713	2,909,975	3,191,582	3,554,257
Assigned		6,313,071	3,051,606	3,666,923	2,713,713	2,909,975	3,191,582	3,554,257	3,995,543
Unassigned		-	-	-	-	-	-	-	-
	Ending Balance	6,313,071	3,051,606	3,666,923	2,713,713	2,909,975	3,191,582	3,554,257	3,995,543
TOTAL ALL FUNDS		185,237,313	175,400,802	191,325,085	190,981,917	202,895,222	212,367,268	222,387,494	232,430,578

CIP Schedule

Project	Budget Unit	Revenue	Expense	Fund Balance
CATEGORY 1 - NEW PROJECTS				
City Lighting - LED Lighting	420-99-258	-	1,300,000	(1,300,000)
De Anza Boulevard Buffered Bike Lanes	420-99-262	-	525,000	(525,000)
Jollyman All Inclusive Play Area: Adult-Assistive Bathroom Facilities	420-99-051	-	850,000	(850,000)
Stocklmeir, Byrne and Blesch: Inspection Reports and Analysis ¹	420-99-264	-	90,000	(90,000)
TOTAL CATEGORY 1		-	2,765,000	(2,765,000)
CATEGORY 2 - MULTI-YEAR FUNDING				
ADA Improvements	420-99-007	-	95,000	(95,000)
Annual Playground Replacement	420-99-085	-	300,000	(300,000)
Park Amenity Improvements	420-99-086	-	200,000	(200,000)
Street Light Installation - Annual Infill	420-99-056	-	75,000	(75,000)
TOTAL CATEGORY 2		-	670,000	(670,000)
CATEGORY 3 - EXISTING PROJECTS - FUNDED				
Blackberry Farm Golf Renovation / Alternative Use Study ²	560-99-088	-	23,600	(23,600)
TOTAL CATEGORY 3		-	23,600	(23,600)
CAPITAL PROJECT PLANNING AND SUPPORT				
CIP Preliminary Planning and Design	420-99-047	-	125,000	(125,000)
Capital Project Support	420-99-048	-	50,000	(50,000)
TOTAL CAPITAL PROJECT PLANNING AND SUPPORT		-	175,000	(175,000)
TRANSFERS				
Transfer to Enterprise Funds	420-90-001	-	23,600	(23,600)
Transfer from Capital Projects Funds	560-99-088	23,600	-	23,600
TOTAL TRANSFERS		23,600	23,600	-
TOTAL		\$ 23,600	\$ 3,657,200	\$ (3,633,600)

¹Stocklmeier, Byrne, and Blesch: Inspection Reports and Analysis is listed in the City Work Program as Study Session on City-Owned Properties.

²Blackberry Farm Golf Course / Alternative Use Study is listed in the City Work Program as Blackberry Farm Golf Course Needs Assessment. The \$23,600 budgeted in FY 2022-23 is in addition to the \$76,400 budgeted in FY 2021-22.

Personnel Schedule

	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	Change	FY 22-23
COUNCIL AND COMMISSIONS								
City Council	0.30	1.15	1.05	0.85	0.85	0.85	0.00	0.85
Sister Cities	0.05	0.10	0.10	0.40	0.10	0.10	0.00	0.10
Technology, Information & Communications Commission	0.10	0.00	0.00	0.05	0.07	0.07	0.00	0.07
Library Commission	0.05	0.05	0.05	0.03	0.10	0.15	-0.05	0.10
Fine Arts Commission	0.15	0.15	0.15	0.15	0.15	0.15	0.00	0.15
Public Safety Commission	0.00	0.00	0.05	0.05	0.05	0.05	0.00	0.05
Bicycle and Pedestrian Commission	0.00	0.00	0.00	0.00	0.15	0.15	0.00	0.15
Parks and Recreation Commission	0.10	0.10	0.10	0.12	0.10	0.10	0.00	0.10
Teen Commission	0.30	0.30	0.30	0.30	0.30	0.30	-0.25	0.05
Planning Commission	0.25	0.25	0.30	0.31	0.26	0.26	0.00	0.26
Housing Commission	0.15	0.15	0.15	0.15	0.15	0.15	0.00	0.15
Sustainability Commission	0.10	0.10	0.10	0.10	0.15	0.15	0.00	0.15
Audit Committee	0.00	0.00	0.00	0.00	0.10	0.10	0.00	0.10
TOTAL COUNCIL AND COMMISSIONS	1.55	2.35	2.35	2.51	2.53	2.58	-0.30	2.28
ADMINISTRATION								
City Manager	3.02	3.37	3.62	4.90	3.90	4.90	3.00	7.90
Sustainability	1.55	1.80	1.80	1.40	1.80	1.80	0.00	1.80
Office of Communications	0.00	1.85	2.15	2.65	2.95	2.95	-0.30	2.65
Video	0.00	0.00	0.00	0.00	3.00	3.00	-1.50	1.50
Community Outreach & Neighborhood Watch	0.00	0.00	0.00	0.75	0.75	0.75	0.25	1.00
Office of Emergency Management	0.00	0.00	0.00	0.95	0.95	1.95	0.00	1.95
Economic Development	0.00	0.00	0.00	1.00	1.00	0.00	1.00	1.00
City Clerk	3.00	3.10	2.90	2.50	2.50	2.50	1.00	3.50
City Attorney	3.00	4.00	5.00	1.00	1.00	1.00	2.00	3.00
TOTAL ADMINISTRATION	10.57	14.12	15.47	15.15	17.85	18.85	5.45	24.30
INNOVATION AND TECHNOLOGY								
Administration	2.45	0.85	0.70	0.55	0.53	0.53	0.00	0.53
Cupertino Scene	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Video	3.40	3.25	3.20	3.25	0.00	0.00	1.50	1.50
Applications	0.80	3.20	3.45	3.45	3.50	3.50	0.00	3.50
Infrastructure	4.70	4.60	4.50	4.50	4.50	4.50	0.00	4.50
GIS	2.30	2.65	3.20	3.20	3.40	3.40	0.00	3.40
TOTAL INNOVATION AND TECHNOLOGY	13.95	14.55	15.05	14.95	11.93	11.93	1.50	13.43
ADMINISTRATIVE SERVICES								
Administration	2.50	2.80	3.80	3.80	3.75	3.75	0.00	3.75
Finance	6.30	6.00	7.00	8.00	7.95	7.95	2.00	9.95
Human Resources	3.50	3.20	3.20	4.20	4.20	5.20	0.00	5.20
TOTAL ADMINISTRATIVE SERVICES	12.30	12.00	14.00	16.00	15.90	16.90	2.00	18.90
PARKS AND RECREATION								
Administration	2.85	2.90	3.85	4.55	4.55	4.50	2.20	6.70
Business and Community Services	9.55	10.60	10.30	8.00	7.45	6.25	0.25	6.50
Recreation and Education	11.85	10.70	10.00	10.05	10.55	8.55	-1.80	6.75
Sports, Safety and Outdoor Recreation	8.83	10.93	10.65	9.50	9.35	8.58	0.95	9.53
TOTAL PARKS AND RECREATION	33.08	35.13	34.80	32.10	31.90	27.88	1.60	29.48

	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	Change	FY 22-23
COMMUNITY DEVELOPMENT								
Administration	0.55	0.55	0.55	0.60	0.50	0.50	0.00	0.50
Planning	10.63	10.63	10.58	9.67	9.97	13.07	1.60	14.67
Housing Services	0.80	0.80	0.80	0.80	0.80	1.70	1.40	3.10
Building	13.95	13.85	13.95	13.97	14.22	15.22	0.00	15.22
Economic Development	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
Muni/Building Code Enforcement	1.25	1.25	1.25	0.25	0.00	0.00	0.00	0.00
Code Enforcement	0.00	0.00	0.00	3.00	3.00	3.00	1.00	4.00
TOTAL COMMUNITY DEVELOPMENT	28.18	28.08	28.13	28.29	28.49	33.49	4.00	37.49
PUBLIC WORKS								
Administration	3.25	3.25	3.25	2.05	3.05	3.05	0.40	3.45
Environmental Programs	6.22	6.27	6.20	6.10	7.55	8.52	0.05	8.57
Development Services	7.40	7.50	8.50	11.50	11.20	11.70	0.85	12.55
Service Center	3.70	3.05	2.55	3.65	3.50	3.50	-0.25	3.25
Grounds	19.75	19.60	20.00	20.00	20.00	20.00	0.00	20.00
Streets	13.65	13.95	13.95	13.95	13.45	13.45	0.95	14.40
Trees and Right of Way	16.40	16.40	16.00	17.00	17.00	17.00	0.00	17.00
Facilities and Fleet	8.15	8.00	8.00	8.00	8.00	8.00	0.00	8.00
Transportation	5.60	6.50	6.50	6.50	6.40	6.90	0.00	6.90
TOTAL PUBLIC WORKS	84.12	84.52	84.95	88.75	90.15	92.12	2.00	94.12
LAW ENFORCEMENT								
Code Enforcement	2.00	2.00	2.00	0.00	0.00	0.00	0.00	0.00
TOTAL LAW ENFORCEMENT	2.00	2.00	2.00	0.00	0.00	0.00	0.00	0.00
TOTAL BENEFITTED POSITIONS	185.75	192.75	196.75	197.75	198.75	203.75	16.25	220.00
TOTAL BENEFITTED POSITIONS & COUNCILMEMBERS	190.75	197.75	201.75	202.75	203.75	208.75	16.25	225.00